



LOG OF AMENDMENTS

ESRS E5

RESOURCE USE AND
CIRCULAR ECONOMY



DECEMBER 2025



EFRAG

Log of Amendments by Standard –ESRS E5 *Resource use and circular economy*

Annex to the Basis for Conclusions accompanying the draft amended ESRS – Illustration of the Amendments

Disclaimer: The Log of Amendments by Standard accompanies but is not part of the draft amended ESRS issued by EFRAG on 3 December 2025. It complements and should be read in conjunction with the Basis for Conclusions (BFC), where a summarised description of the main changes to the Standards can be found. It 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 complements and should be read in conjunction with the Basis for Conclusions where a summarised description of the main changes to individual Standards can be found.**
2. This document illustrates the Amendments at paragraph level in draft amended ESRS E5 *Resource Use and Circular Economy*.
3. The starting point is the text of the ESRS as enacted in 2023, with each paragraph listed and numbered in Column 1.
4. A markup of amendments is provided in Column 2 including text added or removed. Text added has been underlined in Column 2. Text deleted is marked as strikethrough (~~strikethrough~~) in Column 2. Where text is unchanged this is also included (no change to text) including where there is no change to the DR.
5. The last column includes a summary of changes made to the DR using the following terminology: [AMENDED], [UNCHANGED], [NEW], [MOVED], [AMENDED, MOVED], [DELETED].
6. The last column also includes explanations and rationale for changes useful to gain an understanding of why text or DRs have been amended.

Objective		
ESRS E5 as enacted in 2023	Amended ESRS E5	Comment/Rationale
1. The objective of this Standard is to specify Disclosure Requirements which will enable users of the sustainability statement to understand:	1. The objective of this Standard is to specify Disclosure Requirements which will enable users of the sustainability statement to understand: shall include information in relation to ESRS E5 'Resource Use and Circular Economy', if this topic relates to material impacts, risks, and opportunities to cover all the reporting areas listed in paragraph 5 of ESRS 1 <i>General Requirements</i> . If not all the sub-topics prescribed by this Standard are to be reported following the materiality assessment , paragraph 30 of ESRS 1 <i>General Requirements</i> applies.	[AMENDED] Merged and streamlined paragraphs 1(a), 1(b), 1(c), 1(d) and 1(e) of ESRS (as enacted in 2023) into this paragraph for conciseness.
(a) how the undertaking affects resource use, including resource efficiency, avoiding the depletion of resources and the sustainable sourcing and use of renewable resources (referred to in this Standard as "resource use and circular economy") in terms of material positive and negative actual or potential impacts ;	(a) how the undertaking affects resource use, including resource efficiency, avoiding the depletion of resources and the sustainable sourcing and use of renewable resources (referred to in this Standard as "resource use and circular economy") in terms of material positive and negative actual or potential impacts ;	[AMENDED, MOVED] Streamlined into paragraph 1 above, for conciseness.
(b) any <i>actions</i> taken, and the result of such actions, to prevent or mitigate actual or potential negative impacts arising from resource use, including its measures to help decoupling its economic growth from the use of materials, and to address risks and opportunities;	(b) any <i>actions</i> taken, and the result of such actions, to prevent or mitigate actual or potential negative impacts arising from resource use, including its measures to help decoupling its economic growth from the use of materials, and to address risks and opportunities;	[AMENDED, MOVED] Same as above.
(c) the plans and capacity of the undertaking to adapt its strategy and business model in line with circular economy principles including but not limited to minimising waste , maintaining the value of products, materials and other resources at their highest value and enhancing their efficient use in production and consumption;	(c) the plans and capacity of the undertaking to adapt its strategy and business model in line with circular economy principles including but not limited to minimising waste , maintaining the value of products, materials and other resources at their highest value and enhancing their efficient use in production and consumption;	[AMENDED, MOVED] Same as above.
(d) the nature, type and extent of the undertaking's material risks and opportunities related to the undertaking's impacts and dependencies , arising from resource use and circular economy, and how the undertaking manages them; and	(d) the nature, type and extent of the undertaking's material risks and opportunities related to the undertaking's impacts and dependencies , arising from resource use and circular economy, and how the undertaking manages them; and	[DELETED] Same as above.

(e) the financial effects on the undertaking over the short-, medium- and long-term of material risks and opportunities arising from the undertaking's impacts and dependencies on resource use and circular economy.	(e) the financial effects on the undertaking over the short-, medium- and long-term of material risks and opportunities arising from the undertaking's impacts and dependencies on resource use and circular economy.	[DELETED] Same as above.
	<u>2. The objective of this Standard is to set out Disclosure Requirements (DRs) providing information in relations to the reporting areas referred above that implement and complement the cross-cutting provisions o ESRS 1 General Requirements and ESRS 2 General Disclosures.</u>	[NEW] Specification introduced across topical standards, highlighting the connection with general disclosure requirements in accordance with Amended ESRS 2.
	<u>3. In this Standard, each DR is introduced by a disclosure objective except for polices, actions and targets, for which the provisions in ESRS 2 GDR-P, GDR-A and GDR-T provide the necessary framing for the relevant DRs.</u>	[NEW] Same as above.
	<u>4. This standard takes account of EU regulatory frameworks, including the EU Circular Economy Action Plan (2020), the Eco-design for Sustainable Products Regulation (Regulation (EU) 2024/1781), the Waste Framework Directive (Directive 2008/98/EC), the Right to Repair Directive (EU) 2024/1799 and the Critical Raw Materials Act (Regulation (EU) 2024/1252).</u>	[AMENDED] Created a consistent structure for EU law references across topical standards and updated the list of sources underpinning Amended ESRS E5.
2. This Standard sets out Disclosure Requirements related to "resource use" and "circular economy" and in particular on:	<u>25. This Standard set outs DRs related to resource use and circular economy and in particular on: with respect to the following sub-topics: resource inflows; resource outflows related to products and services; resource outflows related to waste.</u>	[AMENDED] Connection with topics listed in Amended ESRS 1 Appendix A strengthened, in alignment with similar amendments in other standards. Minor editorial changes to clearly highlight the various resource use and circular economy sub-topics. Changed title from "products and materials" to "products" as per Amended ESRS E5.
(a) resource inflows including the circularity of material resource inflows, considering renewable and non-renewable resources; and	(a) resource inflows including the circularity of material resource inflows, considering renewable and non-renewable resources; and	[DELETED] Streamlined into paragraph 4 above, for conciseness.
(b) resource outflows including information on products and materials; and	(b) resource outflows including information on products and materials; and	[DELETED] Same as above.

(c) waste.	(c) waste.	[DELETED] Same as above.
3. Circular economy means an economic system in which the value of products, materials and other resources in the economy is maintained for as long as possible, enhancing their efficient use in production and consumption, thereby reducing the environmental impact of their use, minimising waste and the release of hazardous substances at all stages of their life cycle, including through the application of the waste hierarchy. The goal is to maximise and maintain the value of the technical and biological resources, products and materials by creating a system that allows for durability, optimal use or re-use, refurbishment, remanufacturing, recycling and nutrient cycling.	3. 6. Circular economy means an economic system in which the value of products, materials and other resources in the economy is maintained for as long as possible, enhancing their efficient use in production and consumption, thereby reducing the environmental impact of their use, minimising waste and the release of hazardous substances at all stages of their life cycle, including through the application of the waste hierarchy. The goal is to maximise and maintain the value of the technical and biological resources, products and materials by creating a system that allows for durability, optimal use or re-use, refurbishment, remanufacturing, recycling and nutrient cycling. is a key pillar of the European Clean Industrial Deal (2025), which sets the EU's ambition to become a global leader in circular economy practices by 2030.	[AMENDED] Streamlined and included reference to the European Clean Industrial Deal (2020).
4. This Standard builds on relevant EU legislative frameworks and policies including the EU Circular Economy Action Plan, Directive 2008/98/EC of the European Parliament and of the Council (90) (Waste Framework Directive) and the EU industrial strategy.	4. This Standard builds on relevant EU legislative frameworks and policies including the EU Circular Economy Action Plan, Directive 2008/98/EC of the European Parliament and of the Council (90) (Waste Framework Directive) and the EU industrial strategy.	[AMENDED] Moved into paragraph 4 above.
5. To evaluate the transition from business as usual, meaning an economy in which finite resources are extracted to make products that are used and then thrown away ("take-make-waste"), to a circular economic system, this Standard relies on the identification of the physical flows of resources, materials and products used and generated by the undertaking through Disclosure Requirement E5-4 Resource inflows and Disclosure Requirement E5-5 Resource outflows	5. To evaluate the transition from business as usual, meaning an economy in which finite resources are extracted to make products that are used and then thrown away ("take-make-waste"), to a circular economic system, this Standard relies on the identification of the physical flows of resources, materials and products used and generated by the undertaking through Disclosure Requirement E5-4 Resource inflows and Disclosure Requirement E5-5 Resource outflows	[DELETED] Removed for simplification.
Interactions with other ESRS		
ESRS E5 enacted in 2023	Amended ESRS E5	Comment/Rationale
6. Resource use is a major driver of other environmental impacts such as climate change, pollution, water and marine resources and biodiversity. A circular economy is a system that tends towards sustainable use of resources in extraction, processing, production, consumption and management of waste. Such system brings multiple environmental benefits, in particular, the reduction of material and energy consumption	6. Resource use is a major driver of other environmental impacts such as climate change, pollution, water and marine resources and biodiversity. A circular economy is a system that tends towards sustainable use of resources in extraction, processing, production, consumption and management of waste. Such system brings multiple environmental benefits, in particular, the reduction of material and energy consumption and emissions into the air (greenhouse gas emissions or other pollution),	[DELETED] Removed for simplification.

and emissions into the air (greenhouse gas emissions or other pollution), the limitation of water withdrawals and discharges and the regeneration of nature limiting the impact on biodiversity.	the limitation of water withdrawals and discharges and the regeneration of nature limiting the impact on biodiversity.	
7. To provide a comprehensive overview of which other environmental matters could be material to resource use and circular economy, relevant disclosure requirements are covered in other environmental ESRS as follows:	7. To provide a comprehensive overview of which other environmental matters could be material to resource use and circular economy, relevant disclosure requirements are covered in other environmental ESRS as follows: 7. Environmental and social topics closely interact with each other. The points of interaction between ESRS E5 <i>Resource Use and Circular Economy</i> and the other topical standards are listed below:	[AMENDED] Minor editorial changes to streamline and improve the paragraph's clarity. Strengthen the reference with "social" topics.
(a) ESRS E1 Climate change , which addresses, in particular, GHG emissions and energy resources (energy consumption);	(a) ESRS E1 Climate change , which addresses climate change mitigation and climate change adaptation, and, in particular, GHG emissions and energy resources (energy consumption); whereas ESRS E5 <i>Resource Use and Circular Economy</i> addresses inflows of materials (including fossil fuels not used for energy), resource extraction and circular economy practices that can reduce GHG emissions (carbon footprint) and energy intensity.	[AMENDED] Minor editorial changes to improve clarity of interactions and boundaries between Amended ESRS E1 and ESRS E5.
(b) ESRS E2 Pollution , which addresses, in particular, emissions to water, air and soil as well as substances of concern ;	(b) ESRS E2 Pollution , which addresses, in particular, emissions to water, of pollutants to air, water and soil (including microplastics), as well as and substances of concern (SOC), including substances of very high concern (SVHC), whereas ESRS E5 <i>Resource Use and Circular Economy</i> addresses resource use and waste management practices that may generate or mitigate such emissions in the value chain.	[AMENDED] Minor editorial changes to improve clarity of interactions and boundaries between Amended ESRS E2 and ESRS E5.
(c) ESRS E3 Water and marine resources , which addresses, in particular, water resource (water consumption) and marine resources; and	(c) ESRS E3 Water and marine resources , which addresses, in particular, water resource (water consumption) and marine resources; as a physical resource and the operations of the undertaking in areas of water stress, whereas ESRS E5 <i>Resource Use and Circular Economy</i> addresses marine resources and water-intensive processes through which circular measures can reduce consumption and improve efficiency.	[AMENDED] Minor editorial changes to improve clarity of interactions and boundaries between Amended ESRS E3 and ESRS E5.
(d) ESRS E4 Biodiversity and ecosystems , which addresses, in particular, ecosystems, species and raw materials.	(d) ESRS E4 Biodiversity and ecosystems , which addresses, in particular, biodiversity and ecosystems impacts, species and raw materials whereas ESRS E5 <i>Resource Use and Circular Economy</i> addresses resource use, waste management and circular economy activities that may contribute to or alleviate such impacts.	[AMENDED] Minor editorial changes to improve clarity of interactions and boundaries between Amended ESRS E4 and ESRS E5.

<p>8. The undertaking's impacts related to resource use and circular economy, in particular impacts related to waste, can affect people and communities. Material negative impacts on affected communities from resource use and circular economy attributable to the undertaking are covered in ESRS S3 Affected communities. The efficient and circular use of resources also benefits competitiveness and economic wellbeing</p>	<p>8. The undertaking's impacts related to resource use and circular economy, in particular impacts related to waste, can affect people and communities. Material negative impacts on affected communities from resource use and circular economy attributable to the undertaking are covered in ESRS S3 Affected communities. The efficient and circular use of resources also benefits competitiveness and economic wellbeing</p> <p><u>(e) ESRS S3 <i>Affected Communities</i> addresses material impacts on people and communities arising from the undertaking's activities, including those linked to resource use, products and services and waste, whereas ESRS E5 <i>Resource Use and Circular Economy</i> addresses these activities from a technical perspective in terms of resource inflows, resource outflows, waste and circular economy practices.</u></p>	<p>[AMENDED] Minor editorial changes to improve clarity of interactions and boundaries between Amended ESRS S3 and ESRS E5.</p>			
	<p><u>(f) ESRS S4 <i>Consumers and End-users</i> addresses information-related impacts on consumers or end-users, their personal safety and their social inclusion, whereas ESRS E5 addresses resource use, waste management and circularity of those same products and services. Disclosures under ESRS E5 <i>Resource Use and Circular Economy</i> on these aspects are relevant for understanding the information-related and inclusion impacts on consumers and end-users that are reported under ESRS S4 <i>Consumers and End-users</i>.</u></p>	<p>[NEW] Clarified interconnection with Amended ESRS E4 following comments from public consultation and request to clarify the interactions and boundaries with other ESRS topical standards.</p>			
<p>9. This Standard should be read in conjunction with ESRS 1 General requirements and ESRS 2 General disclosures.</p>	<p>9. This Standard should be read in conjunction with ESRS 1 General requirements and ESRS 2 General disclosures.</p>	<p>[DELETED] Substituted by Amended Objective section.</p>			
ESRS 2 General Disclosures Requirements					
<p>ESRS E5 enacted in 2023</p>		Amended ESRS E5		Comment/Rationale	
<p>10. The requirements of this section should be read in conjunction with and reported alongside the disclosures required by ESRS 2 chapter 4 <i>Impact, risk and opportunity management</i>.</p>	<p>10. The requirements of this section should be read in conjunction with and reported alongside the disclosures required by ESRS 2 chapter 4 <i>Impact, risk and opportunity management</i>.</p>	<p>[DELETED] Redundant with Amended ESRS 2.</p>			
Impact, risk and opportunity management					
<p>ESRS E5 enacted in 2023</p>		<p>Amended ESRS E5</p>		Comment/Rationale	

11. The undertaking shall describe the process to identify material impacts, risks and opportunities related to resource use and circular economy, in particular regarding resource inflows, resource outflows and waste, and shall provide information on:	11. The undertaking shall describe the process to identify material impacts, risks and opportunities related to resource use and circular economy, in particular regarding resource inflows, resource outflows and waste, and shall provide information on:	[DELETED] Deleted for reduction purposes, as already addressed in Amended ESRS 2 (also remarked during the information gathering process with stakeholders), and based on EFRAG's decision not to have IRO-1 sections in the topical standards.
(a) whether the undertaking has screened its assets and activities in order to identify its actual and potential <i>impacts, risks and opportunities</i> in its own operations and its upstream and downstream value chain, and if so, the methodologies, assumptions and tools used in the screening;	(a) whether the undertaking has screened its assets and activities in order to identify its actual and potential <i>impacts, risks and opportunities</i> in its own operations and its upstream and downstream value chain, and if so, the methodologies, assumptions and tools used in the screening;	[DELETED] Same as above.
(b) whether and how the undertaking has conducted consultations, in particular, with affected communities.	(b) whether and how the undertaking has conducted consultations, in particular, with affected communities.	[DELETED] Same as above.
Disclosure Requirement E5-1 – Policies related to resource use and circular economy		
ESRS E5 enacted in 2023	Amended ESRS E5	Comment/Rationale
12. The undertaking shall describe its policies adopted to manage its material impacts, risks and opportunities related to resource use and circular economy.	12. The undertaking shall describe its policies adopted to manage its material impacts, risks and opportunities related to resource use and circular economy.	[AMENDED] Streamlined and merged into paragraph 7 of Amended ESRS E5 for conciseness.
13. The objective of this Disclosure Requirement is to enable an understanding of the extent to which the undertaking has policies that address the identification, assessment, management and/or remediation of its material impacts, risks and opportunities related to resource use and circular economy.	13. The objective of this Disclosure Requirement is to enable an understanding of the extent to which the undertaking has policies that address the identification, assessment, management and/or remediation of its material impacts, risks and opportunities related to resource use and circular economy.	[DELETED] Objective deleted in alignment with EFRAG's approach to not include objective for PATs under topical standards.
14. The disclosure required by paragraph 12 shall contain the information on the policies the undertaking has in place to manage its material impacts, risks and opportunities related to resource use and circular economy in accordance with ESRS 2 MDR-P Policies adopted to manage material sustainability matters.	14. The disclosure required by paragraph 12 shall contain the information on the policies the undertaking has in place to manage its material impacts, risks and opportunities related to resource use and circular economy in accordance with ESRS 2 MDR-P Policies adopted to manage material sustainability matters. 8. The undertaking shall disclose its resource use and circular economy policies in accordance with the provisions of ESRS 2 GDR-P.	[AMENDED] Simplified and consolidated with paragraph 12 of ESRS E5 as enacted in 2023. Specification maintained across topical standards to highlight the interaction with Amended ESRS 2, addressing the feedback received from stakeholders.

	<u>9. In addition to the information required under ESRS 2 GDR-P, if the undertaking integrates circular economy principles or eco-design requirements in its key products and circular economy services, it shall explain how this is done.</u>	[AMENDED] Moved here from former paragraph 35 adding two definitions referencing the Regulation (EU) 2024/1781 (Eco-design for Sustainable Products Regulation (ESPR)).
15. In summary, the undertaking shall indicate whether and how its policies address the following matters where material:	15. In summary, the undertaking shall indicate whether and how its policies address the following matters where material:	[AMENDED] Covered by paragraph 7 of Amended ESRS E5.
(a) transitioning away from use of virgin resources, including relative increases in use of secondary (recycled) resources;	(a) transitioning away from use of virgin resources, including relative increases in use of secondary (recycled) resources;	[AMENDED] Same as above.
(b) sustainable sourcing and use of renewable resources.	(b) sustainable sourcing and use of renewable resources	[AMENDED] Same as above.
16. Policies shall address material impacts, risks and opportunities in its own operations and along its upstream and downstream value chain.	16. Policies shall address material impacts, risks and opportunities in its own operations and along its upstream and downstream value chain.	[DELETED] Covered in Amended ESRS 1 with a reference as GDR-P.

Disclosure Requirement E5-2 – Actions and resources related to resource use and circular economy

ESRS E5 enacted in 2023	Amended ESRS E5	Comment/Rationale
17. The undertaking shall disclose its resource use and circular economy actions and the resources allocated to their implementation.	17. The undertaking shall disclose its resource use and circular economy actions and the resources allocated to their implementation.	[DELETED] Streamlined into amended paragraph 10 for conciseness.
18. The objective of this Disclosure Requirement is to enable an understanding of the key actions taken and planned to achieve the resource use and circular economy-related policy objectives and targets.	18. The objective of this Disclosure Requirement is to enable an understanding of the key actions taken and planned to achieve the resource use and circular economy related policy objectives and targets.	[DELETED] Objective deleted in alignment with EFRAG's approach to not include objective for PATs under topical standards.
19. The description of the resource use and circular economy-related actions and resources allocated shall follow the principles defined in ESRS 2 MDR-A Actions and resources in relation to material sustainability matters.	10. The description of the The undertaking shall disclose its key resource use and circular economy-related actions and resources allocated shall follow the principles defined in accordance with the provisions of ESRS 2 MDR-A Actions and resources in relation to material sustainability matters.	[AMENDED] Simplified and consolidated with paragraph 17 of ESRS E5 as enacted in 2023. Specification maintained across topical standards to highlight the interaction with Amended ESRS 2.

		addressing the feedback received from stakeholders.
20. In addition to ESRS 2 MDR-A, the undertaking may specify whether and how an action and resources cover:	20. In addition to ESRS 2 MDR-A, the undertaking may specify whether and how an action and resources cover:	[DELETED] Deleted under topical standards for simplification purposes; mitigation hierarchy is addressed under Amended ESRS 2 GDR-A paragraph AR 38.
(a) higher levels of resource efficiency in use of technical and biological materials and water, particularly in relation to critical raw materials and rare earths as listed in the Raw Materials Information System;	(a) higher levels of resource efficiency in use of technical and biological materials and water, particularly in relation to critical raw materials and rare earths as listed in the Raw Materials Information System;	[DELETED] Deleted under topical standards for simplification purposes; mitigation hierarchy is addressed under Amended ESRS 2 GDR-A paragraph AR 38. General specifications of this nature are also addressed under Amended ESRS 2 GDR paragraph 40 (a).
(b) higher rates of use of secondary raw materials (recyclates);	(b) higher rates of use of secondary raw materials (recyclates);	[DELETED] General specifications of this nature are also addressed under Amended ESRS 2 GDR paragraph 40 (a).
(c) application of circular design, leading to increased product durability and optimisation of use, and higher rates of: Reuse, Repair, Refurbishing, Remanufacture, Repurposing and Recycling.	(c) application of circular design, leading to increased product durability and optimisation of use, and higher rates of: Reuse, Repair, Refurbishing, Remanufacture, Repurposing and Recycling.	[DELETED] Same as above.
(d) application of circular business practices such as (i) value retention actions (maintenance, repair, refurbishing, remanufacturing, component harvesting, upgrading and reverse logistics, closed loop systems, second-hand retailing), (ii) value maximisation actions (product-service systems, collaborative and sharing economy business models), (iii) end-of-life actions (recycling, upcycling, extended producer responsibility), and (iv) systems efficiency actions (industrial symbiosis);	(d) application of circular business practices such as (i) value retention actions (maintenance, repair, refurbishing, remanufacturing, component harvesting, upgrading and reverse logistics, closed loop systems, second-hand retailing), (ii) value maximisation actions (product-service systems, collaborative and sharing economy business models), (iii) end-of-life actions (recycling, upcycling, extended producer responsibility), and (iv) systems efficiency actions (industrial symbiosis);	[DELETED] Same as above.
(e) actions taken to prevent waste generation in the undertaking's upstream and downstream value chain; and	(e) actions taken to prevent waste generation in the undertaking's upstream and downstream value chain; and	[DELETED] Same as above.

(f) optimisation of waste management in line with the waste hierarchy .	(f) optimisation of waste management in line with the waste hierarchy .	[DELETED] Same as above.
Metrics and Targets		
Disclosure Requirement E5-3 – Targets related to resource use and circular economy		
ESRS E5 enacted in 2023	Amended ESRS E5	Comment/Rationale
21. The undertaking shall disclose the resource use and circular economy-related targets it has set.	21. The undertaking shall disclose the resource use and circular economy-related targets it has set.	[AMENDED] Partially covered by paragraph 11 of Amended ESRS E5.
22. The objective of this Disclosure Requirement is to enable an understanding of the targets the undertaking has adopted to support its resource use and circular economy policy and to address its material impacts, risks and opportunities.	22. The objective of this Disclosure Requirement is to enable an understanding of the targets the undertaking has adopted to support its resource use and circular economy policy and to address its material impacts, risks and opportunities.	[DELETED] Objective deleted for consistency across standards.
23. The description of the targets shall contain the information requirements defined in ESRS 2 MDR-T Tracking effectiveness of policies and actions through targets.	23. The description of the targets shall contain the information requirements defined in ESRS 2 MDR-T Tracking effectiveness of policies and actions through targets. 11. The undertaking shall disclose its resource use and circular economy targets in accordance with the provisions of ESRS 2 GDR-T.	[AMENDED] Simplified and consolidated with paragraph 21 of ESRS E5 as enacted in 2023. Specification maintained across topical standards to highlight the interaction with Amended ESRS 2, addressing the feedback received from stakeholders.
24. The disclosure required by paragraph 21 shall indicate whether and how the undertaking's targets relate to resource inflows and resource outflows, including waste and products and materials, and, more specifically to:	24. The disclosure required by paragraph 21 shall indicate whether and how the undertaking's targets relate to resource inflows and resource outflows, including waste and products and materials, and, more specifically to:	[DELETED]
(a) the increase of circular product design (including for instance design for durability , dismantling, reparability, recyclability etc);	(a) the increase of circular product design (including for instance design for durability, dismantling, reparability, recyclability etc);	[DELETED]
(b) the increase of circular material use rate ;	(b) the increase of circular material use rate;	[DELETED]
(c) the minimisation of primary raw material;	(c) the minimisation of primary raw material;	[DELETED]
(d) sustainable sourcing and use (in line with the cascading principle) of renewable resources;	(d) sustainable sourcing and use (in line with the cascading principle) of renewable resources;	[DELETED]
(e) the waste management, including preparation for proper treatment; and	(e) the waste management, including preparation for proper treatment; and	[DELETED]

(f) other matters related to resource use or circular economy.	(f) other matters related to resource use or circular economy.	[DELETED]
25. The undertaking shall specify to which layer of the waste hierarchy the target relates.	25. The undertaking shall specify to which layer of the waste hierarchy the target relates.	[DELETED]
26. In addition to ESRS 2 MDR-T, the undertaking may specify whether ecological thresholds and entity-specific allocations were taken into consideration when setting targets . If so, the undertaking may specify:	26. In addition to ESRS 2 MDR-T, the undertaking may specify whether ecological thresholds and entity-specific allocations were taken into consideration when setting targets. If so, the undertaking may specify:	[DELETED] Main requirement on ecological thresholds is now a cross-cutting element (see Amended ESRS 2 GDR-T paragraph AR 48), given the lack of specific nuances on resource use and circular economy (or other environmental topics across environmental standards).
(a) the ecological thresholds identified, and the methodology used to identify such thresholds;	(a) the ecological thresholds identified, and the methodology used to identify such thresholds;	[DELETED] Same as above
(b) whether or not the thresholds are entity-specific and if so, how they were determined; and	(b) whether or not the thresholds are entity-specific and if so, how they were determined; and	[DELETED] Same as above
(c) how responsibility for respecting identified ecological thresholds is allocated in the undertaking.	(c) how responsibility for respecting identified ecological thresholds is allocated in the undertaking.	[DELETED] Same as above
27. The undertaking shall specify as part of the contextual information, whether the targets it has set and presented are mandatory (required by legislation) or voluntary.	27. The undertaking shall specify as part of the contextual information, whether the targets it has set and presented are mandatory (required by legislation) or voluntary.	[DELETED] Same as above

Disclosure Requirement E5-4 – Resource inflows

ESRS E5 enacted in 2023	Amended ESRS E5	Comment/Rationale
28. The undertaking shall disclose information on its resource inflows related to its material impacts, risks and opportunities.	28. The undertaking shall disclose information on its resource inflows related to its material impacts, risks and opportunities.	[DELETED] Redundant with paragraph 29 and 30 of ESRS E5 as enacted in 2023.
29. The objective of this Disclosure Requirement is to enable an understanding of the resource use in the undertaking's own operations and its upstream value chain.	29 ¹² . The objective of this Disclosure Requirement is to enable provide an understanding of the resource use in the undertaking's own operations and its upstream value chain , resource inflows . This includes information about the types and circularity of resources entering the undertaking.	[AMENDED] Streamlined to better reflect the content of the Amended ESRS E5-4.

<p>30. The disclosure required by paragraph 28 shall include a description of its resource inflows where material: products (including packaging) and materials (specifying critical raw materials and rare earths), water and property, plant and equipment used in the undertaking's own operations and along its upstream value chain.</p>	<p>30. The disclosure required by paragraph 28 shall include a description of its resource inflows where material: products (including packaging) and materials (specifying critical raw materials and rare earths), water and property, plant and equipment used in the undertaking's own operations and along its upstream value chain.</p>	<p>[AMENDED] Moved to paragraph 12 (a) of Amended ESRS E5. The reference to water has been taken out as it is already covered by Amended ESRS E3. The description of resource inflows has been enriched by the amended definitions of resource inflows and key materials.</p>
<p>31. When an undertaking assesses that resource inflows is a material sustainability matter, it shall disclose the following information about the materials used to manufacture the undertaking's products and services during the reporting period, in tonnes or kilogrammes:</p>	<p>3113. When an The undertaking assesses that resource inflows is a material sustainability matter, it shall disclose the following information about the materials used to manufacture the undertaking's products and services during the reporting period, in tonnes or kilogrammes:</p>	<p>[AMENDED] Streamlined.</p>
	<p>(a) the key materials used, providing for each a concise description and specifying any critical raw materials and strategic raw materials it contains;</p>	<p>[AMENDED] Description of resource inflows moved here from paragraph 30 of ESRS E5 as enacted in 2023. Introduced the reference to "key materials", with its definition added to Annex II. Reference to critical raw materials and strategic raw materials moved here from the Actions section and paragraph 30 ("specifying critical raw materials and rare earths") as enacted in 2023.</p>
<p>(a) the overall total weight of products and technical and biological materials used during the reporting period;</p>	<p>(a)(b) the overall total weight of all key products and technical and biological materials used during the reporting period;</p>	<p>[AMENDED] Paragraph 31(a) of ESRS E5 as enacted in 2023 divided between overall total weight and breakdown for each key material.</p>
	<p>(c) a breakdown of each key material, expressed in weight or as a percentage of the total weight of all key materials; and</p>	<p>[AMENDED] Paragraph 31(a) of ESRS E5 as enacted in 2023 divided between overall total weight and breakdown for each key material.</p>
<p>(b) the weight in both absolute value and percentage, of secondary reused or recycled components, secondary</p>	<p>(c)(d) the weight in both absolute value and percentage, of secondary resources reused or recycled components, secondary intermediary</p>	<p>[AMENDED]</p>

intermediary products and secondary materials used to manufacture the undertaking's products and services (including packaging).	products and secondary materials used to manufacture the undertaking's products and services (including packaging) expressed in weight or as a percentage of the total weight of key materials.	Simplified as per feedback from public consultation and benchmarking results.
(c) the percentage of biological materials (and biofuels used for non-energy purposes) used to manufacture the undertaking's products and services (including <i>packaging</i>) that is sustainably sourced, with the information on the certification scheme used and on the application of the cascading principle; and	(b) the percentage of biological materials (and biofuels used for non-energy purposes) used to manufacture the undertaking's products and services (including <i>packaging</i>) that is sustainably sourced, with the information on the certification scheme used and on the application of the cascading principle; and	[DELETED]
32. The undertaking shall provide information on the methodologies used to calculate the data. It shall specify whether the data is sourced from direct measurement or estimations, and disclose the key assumptions used.	32. The undertaking shall provide information on the methodologies used to calculate the data. It shall specify whether the data is sourced from direct measurement or estimations, and disclose the key assumptions used.	[DELETED] Removed to avoid imposing methodological prioritization.
Disclosure Requirement E5-5 – Resource outflows		
ESRS E5 enacted in 2023	Amended ESRS E5	Comment/Rationale
33. The undertaking shall disclose information on its resource outflows, including waste, related to its material impacts, risks and opportunities.	33. The undertaking shall disclose information on its resource outflows, including waste, related to its material impacts, risks and opportunities.	[DELETED] Redundant with paragraph 34 of ESRS E5 as enacted in 2023.
34. The objective of this Disclosure Requirement is to provide an understanding of:	3414. The objective of this Disclosure Requirement is to provide an understanding of: how the undertaking contributes to the <i>circular economy</i> by designing, manufacturing and providing <i>products</i> and services in accordance with <i>circular economy principles</i>, and by effectively managing <i>waste</i>.	[AMENDED] Partially covering paragraph 33, 34(a) and (b) of ESRS E5 as enacted in 2023.
(a) how the undertaking contributes to the <i>circular economy</i> by i) designing products and materials in line with <i>circular economy principles</i> and ii) increasing or maximising the extent to which products, materials and <i>waste</i> processing are recirculated in practice after first use; and	(a) how the undertaking contributes to the circular economy by i) designing products and materials in line with circular economy principles and ii) increasing or maximising the extent to which products, materials and waste processing are recirculated in practice after first use; and	[DELETED] Partially covered by paragraph 14 of Amended ESRS E5.
(b) the undertaking's waste reduction and <i>waste management</i> strategy, the extent to which the undertaking knows how its pre-consumer waste is managed in its own activities.	(b) the undertaking's waste reduction and waste management strategy, the extent to which the undertaking knows how its pre-consumer waste is managed in its own activities.	[DELETED] Partially covered by paragraph 14 of Amended ESRS E5.

Products and materials		
35. The undertaking shall provide a description of the key products and materials that come out of the undertaking's production process and that are designed along circular principles, including durability , reusability, repairability, disassembly, remanufacturing, refurbishment, recycling , recirculation by the biological cycle, or optimisation of the use of the product or material through other circular business models.	35. The undertaking shall provide a description of the key products and materials that come out of the undertaking's production process and that are designed along circular principles, including durability, reusability, repairability, disassembly, remanufacturing, refurbishment, recycling, recirculation by the biological cycle, or optimisation of the use of the product or material through other circular business models.	[DELETED] Deleted for simplification.
36. Undertakings for which outflows are material shall disclose:	36.15. The undertakings for which outflows are material shall disclose:	[AMENDED] Streamlined.
(a) The expected durability of the products placed on the market by the undertaking, in relation to the industry average for each product group;	(a) The expected qualitative or quantitative information on the expected durability of the its key products placed on the market by the undertaking, in relation to the industry average for each product group;	[AMENDED] Added possibility to disclose the datapoint in a narrative way. Definition of durability amended in Annex II. Deleted reference to industry averages.
(b) The reparability of products, using an established rating system, where possible;	(b) The qualitative or quantitative information on the extent to which its key reparability of products are repairable, using an established rating system, where possible;	[AMENDED] Added possibility to disclose the datapoint in a narrative way. Definition of repairable added to Annex II. Deleted reference to external established rating system.
(c) The rates of recyclable content in products and their packaging .	(c) The designed recyclability rates of its key recyclable content in products and their packaging .	[AMENDED] Aligned terminology with external recognised standards. Methodology to calculate the rate is provided in paragraph AR 3.
Waste		
37. The undertaking shall disclose the following information on its total amount of waste from its own operations, in tonnes or kilogrammes:	37.16. The undertaking shall disclose the following information on its total amount of waste from its own operations, in tonnes or kilogrammes:	[AMENDED] Streamlined.
	(a) a description of the undertaking's waste streams ;	[AMENDED, MOVED] Moved here from paragraph 38(a) of ESRS E5 as enacted in 2023.
(a) the total amount of waste generated;	(a) (b) the total amount weight of waste generated;	[AMENDED]

		Streamlined and changed the general term 'amount' with 'weight'.
(b) the total amount by weight diverted from disposal, with a breakdown between hazardous waste and non-hazardous waste and a breakdown by the following recovery operation types: <ul style="list-style-type: none"> i. Preparations for reuse ii. Recycling iii. other recovery operations. 	(b) (c) the total amount by weight proportion of waste diverted from disposal, expressed as a percentage of total waste generated, with a breakdown between hazardous waste and non-hazardous waste, and a breakdown by the following recovery operation types: <ul style="list-style-type: none"> i. Preparations for reuse; ii. Recycling; iii. other recovery operations. 	[AMENDED] Streamlined.
(c) the amount by weight directed to disposal by waste treatment type and the total amount summing all three types, with a breakdown between hazardous waste and non-hazardous waste. The waste treatment types to be disclosed are: <ul style="list-style-type: none"> i. Incineration ii. Landfill iii. other disposal operations 	(c) (d) the total amount by weight proportion of waste directed to disposal, expressed as a percentage of total waste generated, by waste treatment type and the total amount summing all three types, with a breakdown between hazardous waste and non-hazardous waste and a breakdown by the following operation types:- The waste treatment types to be disclosed are: <ul style="list-style-type: none"> i. Incineration; ii. Landfill; iii. other disposal operations; 	[AMENDED] Streamlined and align wording with paragraph 16(c) of Amended ESRS E5.
	<u>(e) the proportion of waste for which the final destination is unknown, expressed as a percentage of total waste generated</u>	[NEW] Added to allow mass balance of final destination of waste to be completely disclosed, reflecting unavailability of information and instead allowing them to disclose on the figures they have and can reasonably document.
(d) the total amount and percentage of non-recycled waste ⁽⁹¹⁾ .	(d) the total amount and percentage of non-recycled waste.	[DELETED] Removed as it can be derived from paragraph 16(c)(ii) of Amended ESRS E5.
38. When disclosing the composition of the waste , the undertaking shall specify:	38. When disclosing the composition of the waste, the undertaking shall specify:	[DELETED] Deleted for simplification.
(a) the waste streams relevant to its sector or activities (e.g. tailings for the undertaking in the mining sector, electronic waste for the undertaking in the consumer electronics sector, or food waste for the undertaking in the agriculture or in the hospitality sector); and;	(a) the waste streams relevant to its sector or activities (e.g. tailings for the undertaking in the mining sector, electronic waste for the undertaking in the consumer electronics sector, or food waste for the undertaking in the agriculture or in the hospitality sector); and;	[AMENDED, MOVED] Moved to paragraph 16(a) of Amended ESRS E5.

(b) the materials that are present in the waste (e.g. biomass, metals, non-metallic minerals, plastics, textiles, critical raw materials and rare earths).	(b) the materials that are present in the waste (e.g. biomass, metals, non-metallic minerals, plastics, textiles, critical raw materials and rare earths).	[AMENDED] Partially moved to AR 4 of Amended ESRS E5.
39. The undertaking shall also disclose the total amount of hazardous waste and radioactive waste generated by the undertaking, where radioactive waste is defined in Article 3(7) of Council Directive 2011/70/Euratom (92).	3917. The undertaking shall also disclose the total amount of hazardous waste and radioactive waste it generates by the undertaking, where radioactive waste is defined in accordance with the definition of radioactive waste in Article 3(7) of Council Directive 2011/70/Euratom (92).	[AMENDED] Deleted the disclosure on hazardous waste as the total amount of it can be derived by paragraph 16(c) and (d) of Amended ESRS E5.
40. The undertaking shall provide contextual information on the methodologies used to calculate the data and in particular the criteria and assumptions used to determine and classify products designed along circular principles under paragraph 35. It shall specify whether the data is sourced from direct measurement or estimations; and disclose the key assumptions used.	40. The undertaking shall provide contextual information on the methodologies used to calculate the data and in particular the criteria and assumptions used to determine and classify products designed along circular principles under paragraph 35. It shall specify whether the data is sourced from direct measurement or estimations; and disclose the key assumptions used.	[DELETED] Removed to avoid imposing methodological prioritization.
Disclosure Requirement E5-6 – Anticipated financial effects from material resource use and circular economy-related risks and opportunities		
ESRS E5 enacted in 2023	Amended ESRS E5	Comment/Rationale
41. The undertaking shall disclose the anticipated financial effects of material risks and opportunities arising from resource use and circular economy-related impacts.	41. The undertaking shall disclose the anticipated financial effects of material risks and opportunities arising from resource use and circular economy-related impacts.	[DELETED] Deleted following deletion of E5-6 as enacted in 2023 in alignment with approach taken for amended ESRS E2-E5 standards and based on stakeholder input. Anticipated Financial Effects to be addressed under Amended ESRS 2 SBM-3 paragraph 27.
42. The information required by paragraph 41 is in addition the information on current financial effects on the entity's financial position, financial performance and cash flows for the reporting period required under ESRS 2 SBM-3 para 48 The objective of this Disclosure Requirement is to provide an understanding of:	42. The information required by paragraph 41 is in addition the information on current financial effects on the entity's financial position, financial performance and cash flows for the reporting period required under ESRS 2 SBM-3 para 48 (d). The objective of this Disclosure Requirement is to provide an understanding of:	[DELETED] Same as above

(a) anticipated financial effects due to material risks arising from material resource use and circular economy -related impacts and dependencies and how these risks have or could reasonably be expected to have) a material influence on the undertaking's financial position, financial performance performance, and cash flows over the short-, medium- and long-term; and	(a) anticipated financial effects due to material risks arising from material resource use and circular economy -related impacts and dependencies and how these risks have or could reasonably be expected to have) a material influence on the undertaking's financial position, financial performance performance, and cash flows over the short-, medium- and long-term; and	[DELETED] Same as above
(b) anticipated financial effects due to material opportunities related to resource use and circular economy.	(b) anticipated financial effects due to material opportunities related to resource use and circular economy.	[DELETED] Same as above
43. The disclosure shall include:	43. The disclosure shall include:	[DELETED] Same as above
(a) a quantification of the anticipated financial effects in monetary terms before considering resource use and circular economy-related actions, or where not possible without undue cost or effort, qualitative information. For financial effects arising from material opportunities, a quantification is not required if it would result in disclosure that does not meet the qualitative characteristics of information (see ESRS 1 Appendix B Qualitative characteristics of information);	(a) a quantification of the anticipated financial effects in monetary terms before considering resource use and circular economy-related actions, or where not possible without undue cost or effort, qualitative information. For financial effects arising from material opportunities, a quantification is not required if it would result in disclosure that does not meet the qualitative characteristics of information (see ESRS 1 Appendix B Qualitative characteristics of information);	[DELETED] Same as above
(b) a description of the effects considered the impacts and dependencies to which they relate and the time horizons in which they are likely to materialise;	(b) a description of the effects considered the impacts and dependencies to which they relate and the time horizons in which they are likely to materialise;	[DELETED] Same as above
(c) the critical assumptions used to quantify the anticipated financial effects , as well as the sources and level of uncertainty of those assumptions.	(c) the critical assumptions used to quantify the anticipated financial effects , as well as the sources and level of uncertainty of those assumptions.	[DELETED] Same as above
Appendix A Application Requirements		
Disclosure requirement related to ESRS 2 IRO 1 – Description of the processes to identify and assess material resource use and circular economy related impacts, risks and opportunities		
ESRS E5 enacted in 2023	Amended ESRS E5	Comment/Rationale
AR 1. When conducting a materiality assessment on environmental subtopics, the undertaking shall assess the materiality of resource use and circular economy in its own operations and its upstream and downstream value chain, and	AR 1. When conducting a materiality assessment on environmental subtopics, the undertaking shall assess the materiality of resource use and circular economy in its own operations and its upstream and downstream value chain, and may consider the four phases below, also known as the LEAP approach:	[DELETED] Deleted for reduction purposes and to align with EFRAG's approach of including only mandatory methodological requirements in AR.

may consider the four phases below, also known as the LEAP approach:		Reference to LEAP deleted from environmental standards and kept simplified in Amended ESRS 1 paragraph AR 15.
(a) Phase 1: locate where in the undertaking's own operations and along its upstream and downstream value chain the interface with nature takes place;	(a) Phase 1: locate where in the undertaking's own operations and along its upstream and downstream value chain the interface with nature takes place;	[DELETED] Same as above
(b) Phase 2: evaluate the dependencies and impacts;	(b) Phase 2: evaluate the dependencies and impacts;	[DELETED] Same as above
(c) Phase 3: assess the material risks and opportunities;	(c) Phase 3: assess the material risks and opportunities;	[DELETED] Same as above
(d) Phase 4: prepare and report the results of the materiality assessment.	(d) Phase 4: prepare and report the results of the materiality assessment.	[DELETED] Same as above
AR 2. With regard to ESRS E5, phases 1 and 2 rely mainly on the materiality assessments conducted under ESRS E1 (including energy consumption), ESRS E2 (pollution), ESRS E3 (marine resources, water consumption) and ESRS E4 (biodiversity, ecosystems, raw materials). Indeed, circular economy eventually aims at reducing the environmental impact of the use of products, materials and other resources, minimizing waste and the release of hazardous substances and hence at reducing impacts on nature. This application requirement focuses mainly on the third phase of this LEAP approach, while the fourth phase addresses the outcome of the process.	AR 2. With regard to ESRS E5, phases 1 and 2 rely mainly on the materiality assessments conducted under ESRS E1 (including energy consumption), ESRS E2 (pollution), ESRS E3 (marine resources, water consumption) and ESRS E4 (biodiversity, ecosystems, raw materials). Indeed, circular economy eventually aims at reducing the environmental impact of the use of products, materials and other resources, minimizing waste and the release of hazardous substances and hence at reducing impacts on nature. This application requirement focuses mainly on the third phase of this LEAP approach, while the fourth phase addresses the outcome of the process.	Same as above
AR 3. The process to assess the materiality of impacts, dependencies, risks and opportunities shall consider the provisions in ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities and IRO-2 Disclosure Requirements in ESRS covered by the undertaking's sustainability statement.	AR 3. The process to assess the materiality of impacts, dependencies, risks and opportunities shall consider the provisions in ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities and IRO-2 Disclosure Requirements in ESRS covered by the undertaking's sustainability statement.	[DELETED] Same as above
AR 4. The sub-topics related to resource use and circular economy covered by the materiality assessment include:	AR 4. The sub-topics related to resource use and circular economy covered by the materiality assessment include:	[DELETED] Same as above
(a) resource inflows including the circularity of material resource inflows, considering resource use optimisation, intensity of materials and products and renewable and non-renewable resources;	(a) resource inflows including the circularity of material resource inflows, considering resource use optimisation, intensity of materials and products and renewable and non-renewable resources	[DELETED] Same as above

(b) resource outflows related to products and services; and	(b) resource outflows related to products and services; and	[DELETED] Same as above
(c) waste, including hazardous waste and non-hazardous waste management.	(c) waste, including hazardous waste and non-hazardous waste management	[DELETED] Same as above
AR 5. In Phase 3, to assess its material risks and opportunities based on the results of Phases 1 and 2, the undertaking may:	AR 5. In Phase 3, to assess its material risks and opportunities based on the results of Phases 1 and 2, the undertaking may:	[DELETED] Same as above
(a) identify transition risks and opportunities in its own operations and its upstream and downstream value chain, including the risk of staying in a business-as-usual scenario : iv. reputation, e.g. changing societal, customer or community perceptions.	(a) identify transition risks and opportunities in its own operations and its upstream and downstream value chain, including the risk of staying in a business-as-usual scenario : iv. reputation, e.g. changing societal, customer or community perceptions.	[DELETED] Same as above
(b) identify physical risks including depletion of stock and use of virgin and non-virgin renewable resources, and of non-renewable resources;	(b) identify physical risks including depletion of stock and use of virgin and non-virgin renewable resources, and of non-renewable resources;	[DELETED] Same as above
(c) identify opportunities by: i. digitization utilisation ii. markets: e.g., demand for less resource-intense products and services, and new consumption models such as product-as-a-service, pay-per-use, sharing, leasing; iii. financing: e.g., access to green funds, bonds or loans; iv. resilience: e.g., diversification of resources and business activities (e.g., start a new business unit to recycle new materials), investing in green infrastructures, adopting recycling and circularity mechanisms that reduce the dependencies, capability of the undertaking to safeguard future stocks and flows of resources; and v. reputation.	(c) identify opportunities by: i. digitization utilisation ii. markets: e.g., demand for less resource intense products and services, and new consumption models such as product as a service, pay per use, sharing, leasing; iii. financing: e.g., access to green funds, bonds or loans; iv. resilience: e.g., diversification of resources and business activities (e.g., start a new business unit to recycle new materials), investing in green infrastructures, adopting recycling and circularity mechanisms that reduce the dependencies, capability of the undertaking to safeguard future stocks and flows of resources; and v. reputation.	[DELETED] Same as above
AR 6. The undertaking may consider the following methodologies to assess its impacts, risks and opportunities in its	AR 6. The undertaking may consider the following methodologies to assess its impacts, risks and opportunities in its own operations and along its upstream and downstream value chain:	[DELETED] The main DR of IRO-1 is no longer part of Amended ESRS E5.

own operations and along its upstream and downstream value chain :		
(a) Commission Recommendation 2021/2279 on the use of the Environmental Footprint methods to measure and communicate the life cycle environmental performance of products and organizations (Annex I – Product Environmental Footprint; Annex III – Organisation Environmental Footprint); and	(a) Commission Recommendation 2021/2279 on the use of the Environmental Footprint methods to measure and communicate the life cycle environmental performance of products and organizations (Annex I – Product Environmental Footprint; Annex III – Organisation Environmental Footprint); and	[DELETED] Same as above
(b) Material Flow Analysis (MFA) from the European Environment Agency.	(b) Material Flow Analysis (MFA) from the European Environment Agency.	[DELETED] Same as above
AR 7. When providing information on the outcome of the materiality assessment, the undertaking shall consider:	AR 7. When providing information on the outcome of the materiality assessment, the undertaking shall consider:	[DELETED] Same as above
(a) a list of business units associated to resource use and circular economy material impacts, risks and opportunities in the context of the products and services of the undertaking and the waste it generates;	(a) a list of business units associated to resource use and circular economy material impacts, risks and opportunities in the context of the products and services of the undertaking and the waste it generates;	[DELETED] Same as above
(b) a list and prioritisation of the material resources used by the undertaking;	(b) a list and prioritisation of the material resources used by the undertaking;	[DELETED] Same as above
c) the material impacts and risks of staying in business as usual;	(c) the material impacts and risks of staying in business as usual;	[DELETED] Same as above
(d) the material opportunities related to a circular economy;	(d) the material opportunities related to a circular economy;	[DELETED] Same as above
(e) the material impacts and risks of a transition to a circular economy; and	(e) the material impacts and risks of a transition to a circular economy; and	[DELETED] Same as above
(f) the stages of the value chain where resource use, risks and negative impacts are concentrated.	(f) the stages of the value chain where resource use, risks and negative impacts are concentrated.	[DELETED] Same as above
Disclosure Requirement E5-1 – Policies related to resource use and circular economy		
ESRS E5 enacted in 2023	Amended ESRS E5	Comment/Rationale
AR 8. The policies described under this Disclosure Requirement may be integrated in broader environmental or sustainability policies covering different subtopics.	AR 8. The policies described under this Disclosure Requirement may be integrated in broader environmental or sustainability policies covering different subtopics.	[DELETED] Since this paragraph contained a cross-cutting indication, it was removed from Amended ESRS E5.
AR 9. When providing information on its policies, the undertaking shall consider whether and how its policies address:	AR 9. When providing information on its policies, the undertaking shall consider whether and how its policies address:	[DELETED] Removed for simplification

<p>(a) the waste hierarchy : (a) prevention; (b) preparing for re-use; (c) recycling ; (d) other recovery , e.g., energy recovery; and (e) disposal. In this context, the waste treatment cannot be considered as a recovery;</p> <p>(b) the prioritisation of the avoidance or minimisation waste (Re-use, Repair, Refurbish, Remanufacture and Repurpose) over waste treatment (Recycling). The concepts of eco-design (93) , waste as a resource or post- consumer waste (at the end of a consumer -product lifecycle), should also be taken into consideration.</p>	<p>(c) the waste hierarchy : (a) prevention; (b) preparing for re-use; (c) recycling ; (d) other recovery , e.g., energy recovery; and (e) disposal. In this context, the waste treatment cannot be considered as a recovery;</p> <p>(d) the prioritisation of the avoidance or minimisation waste (Re-use, Repair, Refurbish, Remanufacture and Repurpose) over waste treatment (Recycling). The concepts of eco-design (93) , waste as a resource or post- consumer waste (at the end of a consumer -product lifecycle), should also be taken into consideration.</p>	
<p>AR 10. When defining its policies, the undertaking may consider the Paper on “Categorisation system for the circular economy”, which describes circular design and production models, circular use models, circular value recovery models and circular support along the principles of the nine circular economy “R” strategies or principles: refuse, rethink, reduce, re-use, repair, refurbish, remanufacture, repurpose and recycle.</p>	<p>AR 10. When defining its policies, the undertaking may consider the Paper on “Categorisation system for the circular economy”, which describes circular design and production models, circular use models, circular value recovery models and circular support along the principles of the nine circular economy “R” strategies or principles: refuse, rethink, reduce, re-use, repair, refurbish, remanufacture, repurpose and recycle.</p>	<p>[DELETED] Removed for simplification</p>

Disclosure Requirement E5-2 – Actions and resources in relation to resource use and circular economy

ESRS E5 enacted in 2023	Amended ESRS E5	Comment/Rationale
<p>AR 11. When providing information under paragraph 17 and considering that resources are shared and that circular economy strategies may require collective actions, the undertaking may specify the actions taken to engage with its upstream and downstream value chain and/or its local network on the development of collaborations or initiatives increasing the circularity of products and materials.</p>	<p>AR 11. When providing information under paragraph 17 and considering that resources are shared and that circular economy strategies may require collective actions, the undertaking may specify the actions taken to engage with its upstream and downstream value chain and/or its local network on the development of collaborations or initiatives increasing the circularity of products and materials.</p>	<p>[DELETED] Removed for simplification</p>
<p>AR 12. In particular, the undertaking may specify the following:</p>	<p>AR 12. In particular, the undertaking may specify the following:</p>	<p>[DELETED] Removed for simplification</p>
<p>(a) how it contributes to circular economy, including for instance smart waste collection systems;</p>	<p>(a) how it contributes to circular economy, including for instance smart waste collection systems;</p>	<p>[DELETED] Removed for simplification</p>
<p>(b) the other stakeholders involved in the collective actions : competitors, suppliers , retailers, customers, other business partners, local communities and authorities, government agencies;</p>	<p>(b) the other stakeholders involved in the collective actions : competitors, suppliers , retailers, customers, other business partners, local communities and authorities, government agencies;</p>	<p>[DELETED] Removed for simplification</p>

(c) a description of the organisation of the collaboration or initiative, including the specific contribution of the undertaking and the roles of the different stakeholders in the project.	(c) a description of the organisation of the collaboration or initiative, including the specific contribution of the undertaking and the roles of the different stakeholders in the project.	[DELETED] Removed for simplification
AR 13. The actions may cover the undertaking's own operations and/or its upstream and downstream value chain.	AR 13. The actions may cover the undertaking's own operations and/or its upstream and downstream value chain.	[DELETED] Part of high-level indications on value chain actions in Amended ESRS 2 GDR-A paragraph AR 30.
Disclosure Requirement E5-3 – Targets related to resource use and circular economy		
ESRS E5 enacted in 2023	Amended ESRS E5	Comment/Rationale
AR 14. If the undertaking refers to ecological thresholds to set targets , it may refer to the guidance provided by the Science-Based Targets Initiative for Nature (SBTN) in its interim guidance (Initial Guidance for Business, September 2020) or any other guidance with a scientifically acknowledged methodology that allows to set science-based targets by identifying ecological thresholds and, if applicable, organisation-specific allocations. Ecological thresholds can be local, national and/or global.	AR 14. If the undertaking refers to ecological thresholds to set targets , it may refer to the guidance provided by the Science-Based Targets Initiative for Nature (SBTN) in its interim guidance (Initial Guidance for Business, September 2020) or any other guidance with a scientifically acknowledged methodology that allows to set science-based targets by identifying ecological thresholds and, if applicable, organisation-specific allocations. Ecological thresholds can be local, national and/or global.	[DELETED] Deleted as the disclosure on ecological thresholds has been moved to Amended ESRS E4.
AR 15. When providing information on targets, the undertaking shall prioritise targets in absolute value.	AR 15. When providing information on targets, the undertaking shall prioritise targets in absolute value.	[DELETED] Removed to avoid imposing methodological prioritization.
AR 16. When providing information targets according to paragraph 24, the undertaking shall consider the production phase, the use phase, and the end of functional life of products and materials.	AR 16. When providing information targets according to paragraph 24, the undertaking shall consider the production phase, the use phase, and the end of functional life of products and materials.	[DELETED] Deleted for simplification.
AR 17. When providing information on targets related to virgin renewable raw material under paragraph 24(c), the undertaking shall consider how those targets may impact biodiversity loss , also in light of ESRS E4.	AR 17. When providing information on targets related to virgin renewable raw material under paragraph 24(c), the undertaking shall consider how those targets may impact biodiversity loss , also in light of ESRS E4.	[DELETED] Deleted for simplification.
AR 18. The undertaking may disclose other targets under paragraph 24(f) including in relation to sustainable sourcing. If so, the undertaking shall explain the definition of sustainable sourcing it has adopted and how it relates to the objective set out in paragraph 22.	AR 18. The undertaking may disclose other targets under paragraph 24(f) including in relation to sustainable sourcing. If so, the undertaking shall explain the definition of sustainable sourcing it has adopted and how it relates to the objective set out in paragraph 22.	[DELETED] The referred DR is no longer part of Amended ESRS E5.

AR 19. The targets may cover the undertaking's own operations and/or its upstream and downstream value chain.	AR 19. The targets may cover the undertaking's own operations and/or its upstream and downstream value chain.	[DELETED] Part of high-level indications on value chain actions in Amended ESRS 2 GDR-A paragraph AR 30.
AR 20. The undertaking may specify whether the target addresses shortcomings related to the Substantial Contribution criteria for Circular Economy as defined in the delegated acts adopted pursuant to Article 13(2) of Regulation (EU) 2020/852. Where the Do No Significant Harm (DNSH) criteria for Circular Economy as defined in delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 14(2), and Article 15(2) of Regulation (EU) 2020/852 are not met, the undertaking may specify whether the target addresses shortcomings related those DNSH criteria.	AR 6.10 The undertaking may specify whether the target addresses shortcomings related to the Substantial Contribution criteria for Circular Economy as defined in the delegated acts adopted pursuant to Article 13(2) of Regulation (EU) 2020/852. Where the Do No Significant Harm (DNSH) criteria for Circular Economy as defined in delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 14(2), and Article 15(2) of Regulation (EU) 2020/852 are not met, the undertaking may specify whether the target addresses shortcomings related those DNSH criteria.	[DELETED] Removed for simplification.
Disclosure Requirement E5-4 – Resource Inflows		
ESRS E5 enacted in 2023	Amended ESRS E5	Comment/Rationale
AR 21. Resource inflows may cover the following categories: IT equipment, textiles, furniture, buildings, heavy machinery, mid-weight machinery, light machinery, heavy transport, mid-weight transport, light transport and warehousing equipment. With regard to materials, resource inflow indicators include raw materials, associated process materials , and semi-manufactured goods or parts.	AR 21. Resource inflows may cover the following categories: IT equipment, textiles, furniture, buildings, heavy machinery, mid-weight machinery, light machinery, heavy transport, mid-weight transport, light transport and warehousing equipment. With regard to materials, resource inflow indicators include raw materials, associated process materials , and semi-manufactured goods or parts.	[DELETED] Removed because redundant with the new definition of 'resource inflows'.
AR 22. When the undertaking is subject to paragraph 31, it may also provide transparency on the materials that are sourced from by-products / waste stream (e.g., offcuts of a material that has not previously been in a product).	AR 22. When the undertaking is subject to paragraph 31, it may also provide transparency on the materials that are sourced from by-products / waste stream (e.g., offcuts of a material that has not previously been in a product).	[DELETED] Removed for simplification
AR 23. The denominator of the percentage indicator required under paragraphs 31(b) and 31(c) is the overall total weight of materials used during the reporting period.	AR 23. The denominator of the percentage indicator required under paragraphs 31(b) and 31(c) is the overall total weight of materials used during the reporting period.	[AMENDED] Streamlined and modified as per paragraph 16 of Amended ESRS E5.
	AR1 When reporting paragraph 13(a):	[NEW]
	<u>(a)the undertaking shall provide a concise description of each key material, reflecting its role and relevance in the context of the undertaking's operations.</u>	[NEW] Added to guide the identification and disclosure of the description of key materials.

	<p>(b) if the distinction between technical material and biological material is a driver of impacts, risks or opportunities, the undertaking shall describe it accordingly.</p>	<p>[NEW] Included to strength the importance of technical and biological materials as driver of impacts, risks and opportunities.</p>
	<p>Critical raw materials and strategic raw materials, as identified in Annex I and Annex II, of the Critical Raw Materials Act (Regulation (EU) 2024/1252), may be part of the undertaking's key materials. Where this is the case, the undertaking shall specify so. For example, an undertaking may identify a battery as a key material for its operations and specify that it contains lithium, which is classified as a critical and strategic raw material.</p>	<p>[NEW] Added to specify the reference to the Critical Raw Materials Act (Regulation (EU) 2024/1252).</p>
AR 24. The reported usage data are to reflect the material in its original state, and not to be presented with further data manipulation, such as reporting it as "dry weight".	<p>AR 24. The reported usage data are to reflect the material in its original state, and not to be presented with further data manipulation, such as reporting it as "dry weight".</p>	<p>[AMENDED] Partially moved to AR 5 of Amended ESRS E5.</p>
AR 25. In cases where there is an overlap between categories of reused, recycled, the undertaking shall specify how double counting was avoided and the choices that were made.	<p>AR 25. In cases where there is an overlap between categories of reused, recycled, the undertaking shall specify how double counting was avoided and the choices that were made.</p>	<p>[DELETED] Removed to avoid imposing methodological prioritization.</p>
Disclosure Requirement E5-5 – Resource outflows		
ESRS E5 enacted in 2023	Amended ESRS E5	Comment/Rationale
AR 26. Products and materials information to be provided under paragraph 35 refers to all materials and products that come out of the undertaking's production process and that a company puts on the market (including packaging).	<p>AR 26. Products and materials information to be provided under paragraph 35 refers to all materials and products that come out of the undertaking's production process and that a company puts on the market (including packaging).</p>	<p>[DELETED] The new definition of "key materials" was added to clarify the content of this AR and to provide a guidance on which materials the undertaking is expected to disclose about.</p>
	<p>AR 3 When disclosing information in accordance with paragraph 15(c), the undertaking shall use the following equation:</p> <p>(a) for products: $\frac{\text{Designed recyclability rate}}{\text{total weight of recyclable materials incorporated in the product}_x} = \frac{\text{total weight of the product}_x}{\times 100}$ </p> <p>(b) for packaging:</p>	<p>[NEW] Added to guide the disclosure.</p>

	$\frac{\text{Designed recyclability rate}}{\text{total weight of recyclable materials incorporated in the packaging}_x} = \frac{\text{total weight of recyclable materials incorporated in the packaging}_x}{\text{total weight of the packaging}_x} \times 100$	
AR 27. When compiling the rate, the undertaking shall use as denominator the overall total weight of materials used during the reporting period.	AR 27. When compiling the rate, the undertaking shall use as denominator the overall total weight of materials used during the reporting period.	[DELETED] The referred DR is no longer part of Amended ESRS E5.
AR 28. The undertaking may disclose its engagement in product end-of-life waste management, for example through extended producer responsibility schemes or take-back schemes.	AR 28. The undertaking may disclose its engagement in product end-of-life waste management, for example through extended producer responsibility schemes or take-back schemes.	[DELETED] Removed for simplification
AR 29. Type of waste is to be understood as hazardous waste or non-hazardous waste. Some specific waste, such as radioactive waste, may also be presented as a separate type.	AR 29. Type of waste is to be understood as hazardous waste or non-hazardous waste. Some specific waste, such as radioactive waste, may also be presented as a separate type.	[DELETED] Deleted as AR 29 as enacted in 2023 did not add any value.
AR 30. When considering the waste streams relevant to its sectors or activities, the undertaking may consider the list of waste descriptions from the European Waste Catalogue.	AR 430. When considering the reporting in accordance with paragraph 16(a) on waste streams it is sufficient to provide a name (for example, in accordance with the relevant to its sectors or activities, the undertaking may consider the list of waste descriptions from the European <u>List of Waste Catalogue</u> by the Commission Decision 2000/532/EC) and an indication of the key materials that are included in the waste stream, such as biomass, metals, non-metallic minerals, plastics, textiles, critical raw materials , rare earths, etc.	[AMENDED] Streamlined and added examples on key materials to be included in the waste stream.
	AR 5. When reporting in accordance with paragraphs 16(b) – (d) and 17 the data shall reflect the material's weight in its original state, and shall not be presented with further data manipulation, such as reporting it as "dry" or "wet" weight.	[AMENDED] Partially covering AR 24 as enacted in 2023.
AR 31. Examples of other types of recovery operations under paragraph 37(b)iii may be found in Annex II of Directive 2008/98/EC (Waste Framework Directive).	<p>AR 316. A list of Examples of other types of recovery operations under paragraph 37(b)iii may be found is found in Annex II of Directive 2008/98/EC on waste Directives (Waste Framework Directive). 'Other recovery operations' should meet the definitions and requirements in the WFD.</p> <p>When reporting waste in accordance with paragraph 15(c)(iii), the undertaking shall specify, if relevant, what these 'other recovery operations' are.</p> <p>Incineration with energy recovery is considered an 'other recovery operation' only when it meets the conditions of point R1 in Annex II 'Recovery operations' of the WFD.</p>	[AMENDED] Amended and strengthened the reference to the Waste Framework Directive.

AR 32. Examples of other types of disposal operations under paragraph 37(c)iii may be found in Annex I of Directive 2008/98/EC (Waste Framework Directive).	AR 327. A list of Examples of other types of disposal operations under paragraph 37(c)iii may be found in Annex I, of Directive 2008/98/EC on waste (Waste Framework Directive).	[AMENDED] Streamlined.
AR 33. When providing contextual information under paragraph 40 the undertaking may:	AR 33. When providing contextual information under paragraph 40 the undertaking may:	[DELETED] Removed for simplification.
(a) explain the reasons for high weights of waste directed to disposal (e.g., local regulations that prohibit landfill of specific types of waste);	(a) explain the reasons for high weights of waste directed to disposal (e.g., local regulations that prohibit landfill of specific types of waste);	[DELETED] Removed for simplification.
(b) describe sector practices, sector standards, or external regulations that mandate a specific disposal operation; and	(b) describe sector practices, sector standards, or external regulations that mandate a specific disposal operation; and	[DELETED] Removed for simplification.
(c) specify whether the data has been modelled or sourced from direct measurements, such as waste transfer notes from contracted waste collectors.	(c) specify whether the data has been modelled or sourced from direct measurements, such as waste transfer notes from contracted waste collectors.	[DELETED] Removed for simplification.

Disclosure Requirement E5-6 – Anticipated financial effects from material resource use and circular economy related risks and opportunities

ESRS E5 enacted in 2023	Amended ESRS E5	Comment/Rationale
AR 34. When providing information under paragraph 42(b), the undertaking may illustrate and describe how it intends to strengthen value retention.	AR 34. When providing information under paragraph 42(b), the undertaking may illustrate and describe how it intends to strengthen value retention.	[DELETED] Deleted following deletion of E5-6 as enacted in 2023 in alignment with approach taken for amended ESRS E2-E5 standards and based on stakeholder input. Anticipated Financial Effects to be addressed under Amended ESRS 2 SBM-3 paragraph 27.
AR 35. The undertaking may include an assessment of its related products and services at risk over the short-, medium- and long-term, explaining how these are defined, how financial amounts are estimated, and which critical assumptions are made.	AR 35. The undertaking may include an assessment of its related products and services at risk over the short-, medium- and long-term, explaining how these are defined, how financial amounts are estimated, and which critical assumptions are made.	[DELETED] Same as above
AR 36. The quantification of the anticipated financial effects in monetary terms under paragraph 43(a) may be a range.	AR 36. The quantification of the anticipated financial effects in monetary terms under paragraph 43(a) may be a range.	[DELETED] Same as above



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