

Glimpse into Draft ESRS E5 Resource use and circular economy

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Overview

Impact, risks and opportunities management

Process to identify material IROs:

- **Matters:** contribution to direct impact drivers, dependencies on ecosystem services
- **Outcome** of assessment including along value chain:
 - List of business units
 - List and prioritisation of material resources
 - IROs of (not) transitioning to a circular business model
- **To be considered:**
 - LEAP approach around Location, Evaluation, Assessment
 - Value chain and life-cycle assessment
 - Physical and transition risks, opportunities

Policies, Actions and resources

Whether and how policies address:

- transitioning away from extraction of virgin non-renewable resources;
- securing and contributing to the regenerative production of renewable resources and the regeneration of ecosystems

Whether and how an action and resources cover:

- any of the layers of the waste hierarchy
- more detailed circular economy strategies

Consider collective actions.

Metrics and targets

Targets whether and how adopted, linked to material metrics, ecological thresholds

Metrics

- **Resource inflow:** qualitative information for all + quantitative for priority sectors
- **Resource outflow**
 - Products and services: qualitative information for all + quantitative for priority sectors
 - Waste: tonnes and breakdown inc. according by recovery operation and waste treatment
- **Potential financial effects**
 - Quantitative unless impracticable
 - Single amount or range

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