



4 October 2022

International Sustainability Standards Board  
Opernplatz 14  
60313 Frankfurt am Main  
Germany

**VIA EMAIL:** [commentletters@ifrs.org](mailto:commentletters@ifrs.org)

**Re: Comments on Staff Request for Feedback on *the staff draft of the IFRS® Sustainability Disclosure Taxonomy***

The First Nations Financial Management Board (“the FMB”) is pleased to provide you with our comments on the *staff draft of the IFRS® Sustainability Disclosure Taxonomy*.

Sincerely,

**FIRST NATIONS FINANCIAL MANAGEMENT BOARD**

Per: “*Harold Calla*”

Harold Calla, FCPA, FCGA, CAFM  
Executive Chair

**Question 1—Distinct taxonomy**

**Do you agree with the staff recommendation to create a distinct IFRS Sustainability Disclosure Taxonomy separate from the IFRS Accounting Taxonomy? (Paragraphs 1–10)**

**Why or why not? If not, what alternative approach would you suggest and why**

Yes, we agree with the staff recommendation that the IFRS Sustainable Disclosure Taxonomy should be separate from the IFRS Accounting Taxonomy.

## Question 2—Taxonomy grouping

Do you agree with the staff recommendation to organise the general content of the IFRS Sustainability Disclosure Taxonomy, by both:

- IFRS Sustainability Disclosure Standard; and
- aspects of core content?

Do you agree with the staff recommendation to organise the content in the IFRS Sustainability Disclosure Taxonomy related to industry-based metrics separately and organised by the industry for which they are specified? (Paragraphs 11–30)

Why or why not? If not, what alternative approach would you suggest and why?

Yes, we agree with the staff recommendation to organize the content in the IFRS Sustainability Disclosure Taxonomy related to industry-based metrics separately and organized by the industry for which they are specified as it would be easier for them to be referenced.

We also recommend that climate-related disclosures related to relationships with and impacts on Indigenous people be disclosed separately within the taxonomy. In order to facilitate a just transition to a low GHG economy, consideration needs to be given to entities who partner with, and procure goods and services from Indigenous people and businesses. These entities which prioritize reconciliation and collaborate with Indigenous people should not be penalized for choosing partners and suppliers which do not have the same level of access to lower carbon energy.

## Question 3—Relationship between the General Requirements Exposure Draft and Climate Exposure Draft in the Taxonomy

Do you agree with the staff recommendation to reflect the proposed disclosure requirements related to each aspect of core content as a separate list of distinct elements (line items) for each of the [draft] IFRS Sustainability Disclosure Standards? (Paragraphs 31–53)

Why or why not? If not, what alternative approach would you suggest and why?

The FMB does not have any comments at this time.

#### Question 4—Granularity of narrative information

Do you agree with the staff recommendation that, as a principle, distinct taxonomy elements should be created for narrative information that is expected to be both separately understandable to primary users of sustainability-related financial information, and easily identifiable for tagging? (Paragraphs 55–68)

Why or why not? If not, should taxonomy elements generally be provided to represent more detailed or less detailed narrative data sets? Why?

This principle, applied to the disclosure requirements proposed in the exposure drafts, has resulted in the staff recommending the creation of:

- narrow scope narrative elements typically corresponding to disclosures to be provided to meet proposed requirements listed in first-level subparagraphs of the exposure drafts (Paragraph 62)
  - In which, if any, cases do you think the most detailed taxonomy elements that should be included in the Taxonomy correspond to a different level of the requirements proposed in the two exposure drafts?
- wider scope narrative elements corresponding to wider (paragraph level) proposed disclosure objectives and to entire aspects of proposed core content (see paragraph 64 and Appendix D)
  - In which, if any, cases would additional or alternative narrative elements covering wider disclosures be beneficial?

Yes, we agree with the staff recommendation that as a principle, distinct taxonomy elements should be created for narrative information that is expected to be both separately understandable to primary users of sustainability-related financial information, and easily identifiable for tagging. The tagging of information would allow entities to easily identify the details within their sustainability reporting that relate to their interactions with and impacts on Indigenous people. Having discrete information on relationships with Indigenous people and businesses will allow stakeholders to compare entities and how they are furthering reconciliation and respecting Indigenous rights.

#### Question 5—Categorical elements

Do you agree with the staff recommendation to use categorical elements for narrative disclosures that can be represented as either true or false responses or choices from lists of responses? Why or why not? (Paragraphs 69–81)

Do you agree with the staff recommendation to create specific categorical elements and their properties? (See Appendix F) Why or why not? If not, do you think any additional categorical elements are needed and, if so, which ones?

Yes, we agree with the staff recommendation to use categorical elements for narrative disclosures that can be represented as either true or false responses or choices from lists of responses.

Yes, we agree with the staff recommendation to create specific categorical elements and their properties. We are supportive having entity-specified metrics and targets that can be tagged to make this data easier to extract and analyze. We do urge compulsory discrete reporting on metrics related to relationships with and impacts on Indigenous people. Without this requirement, some entities may not assess, consider, or disclose this information.

#### Question 6—Modelling metrics

**Question 6—Modelling metrics** Do you agree with the staff recommendation to:

- create elements, equivalent to those in the SASB Taxonomy, for defined metrics common to IFRS Sustainability Disclosure Standards and SASB Standards in the IFRS Sustainability Disclosure Taxonomy? (Paragraphs 82–94)
- model disclosures related to entity-specific metrics and targets using a dimensional approach? (Paragraphs 95–99)

Why or why not? If not, what alternative approach would you suggest and why?

Yes, we agree with the staff recommendation to create elements, equivalent to those in the SASB Taxonomy, for defined metrics common to IFRS Sustainability Disclosure Standards and SASB Standards in the IFRS Sustainability Disclosure Taxonomy and that the model disclosures related to entity-specific metrics and targets using a dimensional approach. See above.

### Question 7—Representing related information

Should the IFRS Sustainability Disclosure Taxonomy include a specific mechanism to capture connections between related pieces of information—for example, connections between sustainability-related financial information and information in the financial statements or connections between pieces of sustainability-related financial information? If you do, are you aware of a mechanism that can be used without imposing undue costs on preparers and users of digital reporting? If so, please explain that mechanism. (Paragraphs 101–110)

Alternatively, do you think that the narrative elements in the staff draft of the IFRS Sustainability Disclosure Taxonomy would adequately capture such connections for users of the information without imposing undue costs for preparers and users of digital reporting? (Paragraph 103)

The FMB does not have any comments at this time.

The FMB does not have any comments at this time.

### Question 8—Connections between reports

Do you agree with the staff recommendation that requirements related to cross-references in the IFRS Sustainability Disclosure Taxonomy should not be modelled explicitly? (Paragraphs 111–123)  
Why or why not? If not, what alternative approach would you suggest and why?

The FMB does not have any comments at this time.

### Question 9—Similar disclosures in IFRS Accounting Standards and in the [draft] IFRS Sustainability Disclosure Standards

Do you agree with the staff recommendation to, in principle, model disclosure requirements of the [draft] IFRS Sustainability Disclosure Standards in the staff draft of the IFRS Sustainability Disclosure Taxonomy in the same way similar disclosure requirements of the IFRS Accounting

Standards are modelled in the IFRS Accounting Taxonomy, except for categorical information?  
(Paragraphs 124–132)

Do you agree with the modelling in the staff draft of the IFRS Sustainability Disclosure Taxonomy for disclosures that are similar to their counterparts in the IFRS Accounting Standards? (Appendix G) Are there any other disclosures that are sufficiently similar between those set out in the [draft] IFRS Sustainability Disclosure Standards and those in IFRS Accounting Standards, and for which consistent modelling should be considered?

The FMB does not have any comments at this time.

Yes, we agree with the modelling in the staff draft of the IFRS Sustainability Disclosure Taxonomy for disclosures that are similar to their counterparts in the IFRS Accounting Standards.

#### Question 10—Other comments

Do you have any other comments or suggestions on the staff draft of the IFRS Sustainability Disclosure Taxonomy?

As reflected within the FMB's comments on the [draft] IFRS Sustainability Disclosure Standards, there should also be additional disclosures on information reported which would have impacts on the rights of Indigenous people. Furthermore, the tools, modules, taxonomy, and reporting standards should be all applied keeping in mind the impact to Indigenous people, along with their economic, social, and cultural interests.