

Agenda paper 1
ITCG meeting, July 2022

IFRS® Foundation

Staff draft of IFRS Sustainability Disclosure Taxonomy
**Request for feedback –
summary**

Owen Jones

Overview of these sessions

Sessions:

Brief summary of the need for, purpose and content of the recently published staff draft of a taxonomy to represent the draft IFRS Sustainability Disclosure Standards (ISSB Standards)

(3x) Brief introduction of specific topics identified in the accompanying 'request for comment' followed by **breakout discussions in small groups**

Purpose

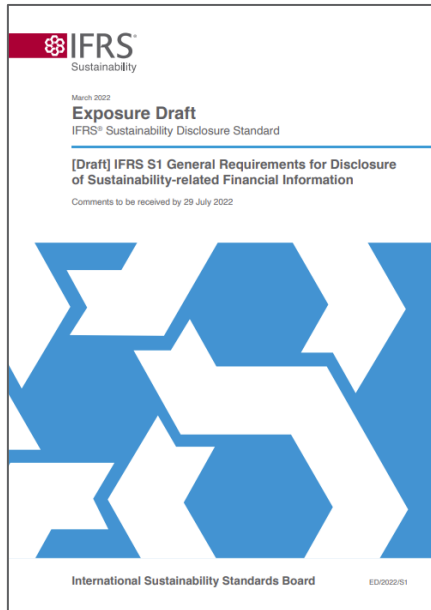
ITCG to discuss, and contribute the benefit of your experience and knowledge of the wider digital reporting ecosystem on:

Considerations for the IFRS Sustainability Disclosure Taxonomy **and** where there might be consequences for, or we should look to consider changes to, the IFRS Accounting Taxonomy.

In each case – are there any other things/ideas we should consider? What implications do you see for the IFRS Accounting taxonomy?

Need for an IFRS Sustainability Disclosure Taxonomy

ISSB plans to prioritise enabling digital consumption of sustainability-related financial information prepared in accordance with IFRS[®] Sustainability Disclosure Standards from the outset



To facilitate digital consumption the IFRS Foundation is developing an IFRS Sustainability Disclosure Taxonomy

- 1 Publish a staff draft of the Taxonomy accompanied by a staff paper outlining essential proposals
- 2 At a later date, Proposed Taxonomy to be published by the ISSB for public consultation

Staff request for feedback

Staff documents published

- Staff request for feedback
- Staff draft of the IFRS Sustainability Disclosure Taxonomy

Purpose: Support staff with the development of proposals for the Taxonomy

Set out the initial thinking for staff recommendations and alternative approaches considered, but rejected

Focused on fundamental matters that need to be considered early to enable the ISSB to publish a Taxonomy on a timely basis

These documents have not been approved by the ISSB. They are not an exposure draft or proposed taxonomy and do not constitute due process documents

Fundamental matters being considered

- Separate from the IFRS Accounting Taxonomy

Basic architecture 1

- Elements grouped by
 - ISSB ED and
 - aspects of core content
- Industry-based metrics grouped by industry

Taxonomy layout 2

- Disclosures related to core content in each ISSB ED are reflected as a separate list of distinct elements


Relationships between ISSB EDs 3

- Distinct elements created for narrative information that is
 - separately understandable
 - easily identifiable

Granularity of narrative information 4

- Categorical elements used for disclosures that can be true/false responses or specific responses from a list

Categorical elements 5



- Leveraged off SASB Taxonomy for industry-based disclosures derived from SASB Standards
- Identical names used for equivalent elements (but are not the same elements)
- Similar presentation of elements in taxonomy and use of the same industry codes

- Equivalent SASB Taxonomy elements created, rather than reuse SASB elements
- Dimensional approach used for entity-specific metrics and targets

Modelling metrics 6

- Is there a need for a specific mechanism to capture connections between related pieces of information?

Representing related information 7

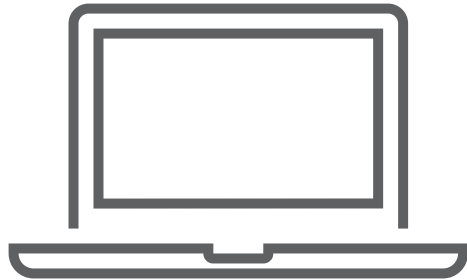
- Requirements related to cross-references in the Taxonomy are not explicitly modelled

Connections between reports 8

- Consistent modelling with the IFRS Accounting Taxonomy for similar disclosure requirements

Overlaps with accounting taxonomy 9

How to provide input?



Survey

or



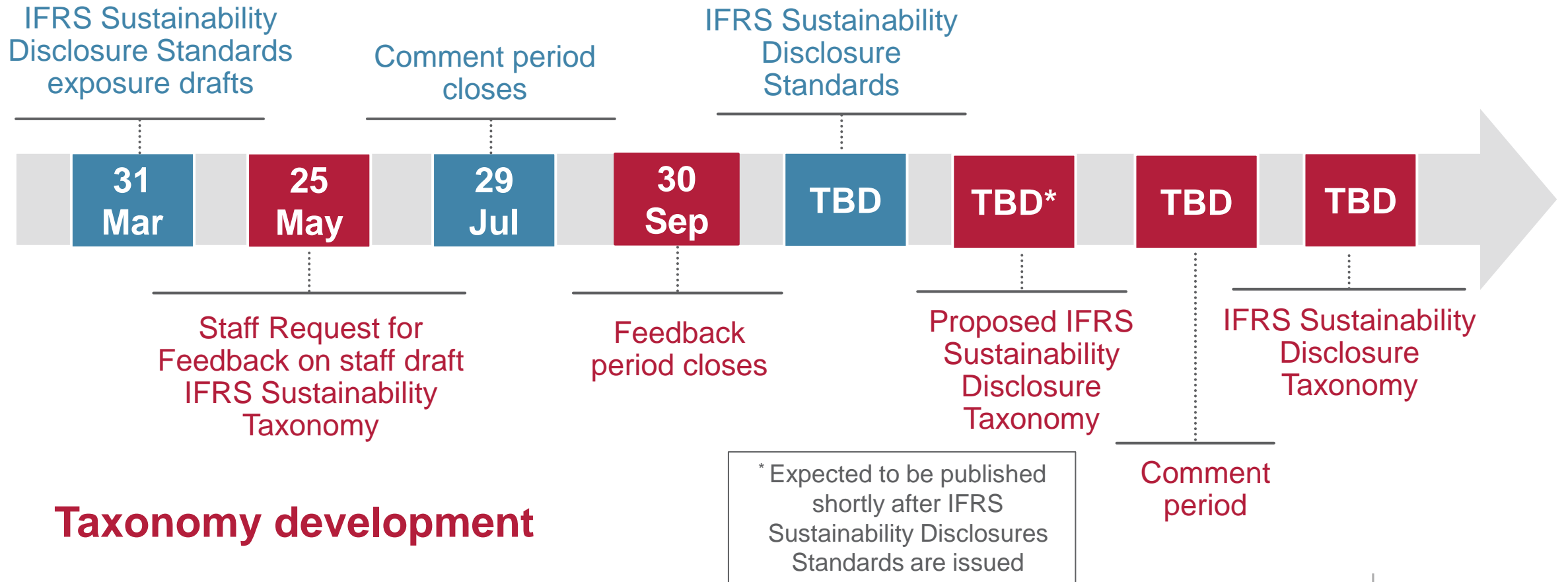
Comment letter

Visit:
ifrs.org/projects/open-for-comment/

Comments are published on ifrs.org

Timeline

Standards development



Taxonomy development

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