

## Comments on the draft article 8 XBRL-taxonomy

Q5a: Do you agree that the implementation of semi-narrative elements (yes/no Booleans, drop-down enumerations) enriches the narrative disclosures and is therefore particularly relevant for users?

Yes, with following comments:

1. We have some concerns about using “Extensible Enumerations 2.0”, has it been verified that all software vendors (for all use cases) listed on XBRL International actually support the 2.0 version? If not, the burden of verifying lays on all participants in the process. It would be preferable if EFRAG verifies the support for 2.0 version.
2. Based on our experience the use of Extensible enumeration and Boolean values in Inline XBRL adds more responsibility to the content producers and their software vendors. They are responsible to ensure that there are no inconsistencies between the visual data in the XHTML-document and the tagged data. EFRAG needs to publish a ruleset, guidelines or framework that ensures that they fulfill their responsibility. If not another burden is added on the consumers of data to analyze both the XHTML-code and tagged data to ensure consistency.

Q6a (XBRL experts only): Do you agree with the dimensional modelling of the ESRS XBRL taxonomy and, in particular, with the implementation of typed dimensions for IROs, policies, actions, targets and metrics as described in Section A1.6. of the Explanatory Note and Basis for Conclusions?

Yes and No, please see the following comments:

1. The use of typed dimensions will give more flexibility to the publisher of the taxonomy and producers of content. The flexibility comes with the downside of a less transparent taxonomy that are more difficult to understand for both humans and machines which will have a negative effect on all parties. Based on our experience added flexibility results in less comparable/precise data, which will have a negative effect on the usage of data.
2. If EFRAG choose to use typed dimensions in the taxonomy there is need to publish a detailed guideline with restrictions on how to use typed dimensions.

3. Our recommendation is if possible use Explicit Dimensions and limit the use of Typed Dimensions. The recommendation is based on that our beliefs are that simplicity, transparency, comparability and precise data are more important than flexibility.

Q6b (XBRL experts only): Do you agree with the introduction of open hypercubes for optional disaggregation as described in Section A1.6. of the Explanatory Note and Basis for Conclusions? If not, how should it be improved?

No, please see the following comments:

1. General practice from XBRL International and many other XBRL-initiatives does not recommend (or use) open hypercubes.
  - a. If the EFRAG taxonomy choose to use open hypercubes it becomes a deviation from general practice that will increased costs for all parties due to:
    - i. Lack of knowledge in open hypercubes will increase the tagging effort.
    - ii. Many of the potential consumers of data will have to change their current internal models for processing and analyzing data. Many of them still do not use any XBRL-processor to parse information. Implementing a “new” usage pattern” will increase their costs.
2. Use of open hypercubes will increase the need for complex validation rules to ensure data quality and structural integrity.
  - a. Potential issues with validation rules have a tendency to be identified late the process, which makes it difficult and costly for all parties to resolve the issue.
  - b. Development and maintenance of the needed validation rules are both time consuming and costly.
3. If open hypercubes are going to be used in the taxonomy there is need for declarative rules for software vendors on how open hypercubes are to be used.
4. A general question, has any field studies been made regarding validation performance with complex structures like open dimensions? The current ESEF-filings need a lot of CPU-time/memory and introduction of sustainability reporting with added dynamic structures will probably have a negative effect of validation and parsing of data.
5. Our recommendation is that the taxonomy only should use closed hypercubes. The goal of the first iterations of a reporting taxonomy should be to make it as simple and transparent as possible for all parties. The taxonomy should support both preparers and consumers so they can focus on high data quality instead of “new” techniques.

Q7: Do you agree with the approach that minimises the need for XBRL taxonomy extensions, therefore supporting comparability across preparers and relevance by providing mechanisms for tagging the following disclosures, as described in Section 6.9 of the Explanatory Note and Basis for Conclusions?

*1 IROs, Policies, Actions and Resources, Targets and Metrics.*

*2 Additions to ESRS datapoints.*

*3 Disclosures stemming from other legalisations or generally accepted sustainability standards and frameworks.*

*4 Other entity-specific disclosures, including metrics. If not, how should it be improved?*

If not, how should it be improved?

We agree that minimizing extensions and company specific reporting is important to make the information more comparable. Our opinion is that the current taxonomy does not achieve that goal mainly because of the usage of open and typed dimensions. In our opinion these techniques are also be considered as an extension, because they actually aim to extend the content model.

Our standpoint is that an extension taxonomy with a published ruleset about usage of extensions is a better approach than increasing the complexity with open dimensions.

### Q9: Do you have any other comments or suggestions?

We have some general concern about accessibility, comparability and complexity. If sustainability reporting is going to increase the transparency and thereby ensure a more sustainable future, it needs to be simple, comparable and accessible. Our comments below base on experiences from previous ESEF-filings and a technical review of this taxonomy.

- Accessibility
  - Information should be accessible for as many consumers as possible to achieve transparency and fulfill the goals of the reporting.
  - We are concerned about increasing file sizes of the Inline XBRL (XHTML) document in ESEF due to the addition of sustainability report. Based on analysis of the current Inline XBRL files we have identified that file sizes often are more than 10 MB and sometimes up to almost 100 MB. A general rule for web content in XHTML-format from an accessibility and performance standpoint is that a file size should not be larger than 1 MB, with a max size of 3-4 MB. This is a big issue because if we want to fulfill the goals for transparency the information must be accessible from any device, anywhere and by everyone, which is not the case with today's filings.
  - All or most of the ESEF-filings (Inline XBRL) does not conform to EUs Web Accessibility Directive. These web documents are to made public on government agencies or organizations websites, should then not follow the accessibility directive? We have also identified that many documents suffer from bad structure and pore quality in the HTML-code and they does not conform to WCAG.
  - Many of the ESEF-filings are not printable due to issues with the styling of XHTML-documents. All documents should have a printable layout.
  - Our suggestion is that EFRAG in cooperation with ESMA publish guidelines and ruleset regarding file sizes plus technical requirements regarding the internal structure of the Inline XBRL document (XHTML).
- Comparability
  - To achieve comparability the information has to be available, transparent and easy review by a large group of actors. To improve comparability there is a need for firm rules related to the taxonomy structure and tagging of instance data. The rules must be documented in a "true/false" manner so both humans and machines can easily interpret if they fulfill the criteria or

not. Examples of such rules are mandatory concepts, roles and axes used in dimensions.

- Complexity
  - In general, a more fixed taxonomy structure improves data quality over a more open dynamic design. For instance, the use of explicit dimensions makes it easier to understand what information is expected for both producers and consumers.
  - A taxonomy with great flexibility gives the preparer many options of how to tag data but it also contains more deviations in data due to misunderstandings of expected data. It also gives a wider spread in how data is tagged which results in less accuracy when comparing datasets.
  - The complexity of the suggested taxonomy will probably increase the validation and processing time for the documents due to big data volumes and flexible content/structures.
    - As an example, a regular rest service should have response times in the tenths of a second with a maximum of 1 second. Is it possible to build a validation service with a response time below 1 second?
    - The validation and processing times are important because our aim is to create sustainable society and more CPU and memory usage for one report than average service means we are not building sustainable solutions.
  - Our suggestion is to make the taxonomy structure more static to promote efficiency and accuracy before flexibility.

Finally if there will be another review version of this taxonomy we would like to have a complete change log between the versions.

Kind regards,

Bolagsverket  
Swedish Companies Registration Office



Nina Brede  
Business Developer

Tel: +46706535966