

2. SECTION I: ABOUT THE RESPONDENT

1. From which perspective are you providing this feedback?

The view of an organization

Please complete:

Your name:

Your organization (if applicable):

E-mail address:

Please complete:

Organization:

First Nations Financial Management Board

Name(s) of contact(s) for this submission:

Lee Fulla

E-mail address(es) of contact(s):

Lee_Fulla@fnfmb.com

2. Please select from the following options to which stakeholder group you or your organization belongs:

User of Financial or Non-Financial Information (e.g., investor, analyst, lender or other creditor)

Please specify the type of accounting firm:

Please specify:

Please specify:

Please specify:

Please specify:

3. Please select from the following options the geographical region that best matches you or your organization:

3. Please select from the following options the geographical region that best

matches you or your organization:

North America

4. SECTION III: SSBs' STRATEGIC POSITIONING FOR 2028–2031

4. As the SSBs look toward the 2028–2031 period, they are reflecting on how to position their strategies and work plans to best serve the public interest within a rapidly changing global environment. This involves careful consideration of how the SSBs remain relevant, responsive, and impactful in their standard-setting and other related work. In that context, what do you believe the SSBs should aspire to achieve during their next strategy period, 2028–2031?

Your answer may touch on different dimensions, for example:

The relevance, responsiveness and impact of the SSBs' standard-setting and related activities.

Broader adoption and effective implementation of the SSBs' standards.

The SSBs' interaction and engagement with key stakeholder groups.

The SSBs' ability to serve the public interest.

The examples above are for illustrative purposes only and should not limit, direct, or otherwise influence your response.

Your answer should address the IAASB and IESBA collectively; however, you may wish to also highlight matters specifically for the IAASB or IESBA (if applicable, you could use separate headings to address such matters).

In countries like Canada, where there are populations of Indigenous Peoples, it is important that the concept of serving the public interest includes respecting Indigenous rights.

Indigenous rights – which are inherent – are affirmed in two main international instruments: the International Labor Organization's Indigenous and Tribal Peoples Convention, 1989 ("ILO 169"), adopted in 1989, and the United Nations Declaration on the Rights of Indigenous Peoples ("UNDRIP") (2007). In Canada, these rights are also affirmed in section 35 of the Canadian Constitution and in the United Nations Declaration on the Rights of Indigenous Peoples Act.

While only 24 countries have ratified ILO 169, the instrument is a binding international treaty. Around two decades later, the UNDRIP was adopted by the United Nations General Assembly in 2007. The UNDRIP has been endorsed by 148 countries, including Canada, the US, Australia, New Zealand, Brazil, Costa Rica, Denmark, Finland, Iceland, Norway and Sweden. Of the ten most attractive mining jurisdictions in the world, all have approved UNDRIP and eight have significant Indigenous populations.

It is important for the SSBs to be familiar with the UNDRIP, ILO 169, and any other country or state specific laws, customs or social expectations that are aligned with Indigenous rights. For example, the SSBs should become well informed of the body of research and findings produced by the Truth and Reconciliation Commission of Canada, specifically the 94 Calls to Action. Call to Action 92 specifically applies to the corporate sector and should be considered in the context of standard setting.

The SSBs should not mistake Indigenous Peoples as stakeholders – they are rights holders. The inherent rights of Canada's Indigenous Peoples are affirmed in Canada's constitution,. Indigenous Peoples are not special interest groups.

The SSBs should find ways to promote and facilitate the inclusion of Indigenous knowledge especially in the context of sustainability standards (e.g. BEES).

Note that the FMB will only provide comments that are related to its mandate. Where we have not provided feedback, it is for this reason.

6. SECTION IV: KEY TRENDS IMPACTING THE SSBs

A.1 Digital Transformation – Increasing Use of Emerging Technologies

5 – Increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

A.2 Digital Transformation – Digital Assets and Institutionalization of Digital Assets

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

A.3 Digital Transformation – Financial Crimes Enabled by Technology

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

7. SECTION IV: KEY TRENDS IMPACTING THE SSBs

B.1 Changes in the Geopolitical and Regulatory Landscape – Regulatory Changes

5 – Increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

We recommend that the SSBs ensure that Indigenous rights are monitored as an area of impact as they monitor regulatory changes. The effects of changes to any regulatory environment must be monitored for unintended consequences. Reducing regulation for business with the aim of economic growth also represents a real risk to Indigenous rights, including but not limited to real risks to land and waters. Thus, in this context, it is essential that the SSBs monitor the impacts of regulatory changes on Indigenous rights and title.

B.2 Changes in the Geopolitical and Regulatory Landscape – Risk of Fragmentation

5 – Increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

We agree that there does seem to be a risk of increased fragmentation on the global scale. We suggest that, along with other efforts that the SSBs will make, ensuring there is a backdrop of inclusive auditing and assurance standards is an essential element to combat fragmentation.

At the moment, the SSBs do not have any Indigenous-specific standards. This is despite the materiality of entities' compliance (or lack thereof) with Indigenous rights and partnership with Indigenous Peoples in many industries around the world. Indigenous rights are inherent, meaning they are not created by legislation or international instrument: they are fundamental rights existing independently of government recognition.

The incorporation of Indigenous rights into corporate policies and core operational activities is essential for many entities in jurisdictions around the world. Auditing and assurance practitioners must be able to identify and assess the risks of material misstatements regarding Indigenous rights. Where there are no consistent guidelines from reputable standard setters like the SSBs, disclosures may become increasingly inconsistent.

As the SSBs consider how best to combat fragmentation, we encourage the SSBs to consider how to incorporate standards regarding audit and assurance of Indigenous rights-related disclosures. This will support the SSBs' work being more relevant where Indigenous rights are implicated and may decrease fragmentation in those jurisdictions.

We strongly encourage the SSBs to connect with Canada's Auditing and Assurance Standards Board (the "AASB"). The AASB has adopted the International Standard on Sustainability Assurance (ISSA) 5000, General Requirements for Sustainability Assurance Engagements, as a new Canadian Standard on Sustainability Assurance (CSSA) 5000. The AASB has proposed a Canadian amendment related to Indigenous matters in CSSA 5000. The potential amendment would have "practitioners identify and assess the risks of material misstatement that are pervasive throughout the sustainability information related to the entity's adherence to Indigenous rights".

B.3 Changes in the Geopolitical and Regulatory Landscape – Call for Greater

Agility in Standard Setting

5 – Increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

We support the use of flexible approaches in standard setting, including the use of non-authoritative guidance. We wish to highlight several Indigenous-specific matters here, some of which may be suitable for non-authoritative guidance or other flexible approaches.

Indigenous Technical Advisory Groups

For more than a century, Canada's Indigenous Peoples were deliberately excluded from the dominant non-Indigenous public sector. The effect of this exclusion was to deprive these Indigenous Peoples from benefitting from the many public sector institutions that other governments are supported by. Simultaneously, Canada's Indigenous Peoples were prevented from creating their own public sector institutions.

Today, the knock-on effects of these past practices continue. Indigenous governments in Canada are often not on equal footing to their non-Indigenous counterparts when it comes to onboarding new or amended standards. This is because Indigenous governments are often under-staffed and over-committed. There is not always adequate staff dedicated to ensuring compliance with new standards.

The FMB developed and launched the Indigenous Technical Advisory Group, which is a national association of finance and accounting professionals dedicated to supporting First Nations in Canada with the adoption and implementation of new accounting, financial reporting, and sustainability standards. The SSBs might consider striking an Indigenous-specific group at the international level to learn about this and other issues that Indigenous governments and other entities may face. We invite the SSBs to attend an ITAG meeting as observers and would also welcome a discussion with the SSBs on this initiative..

Practitioners' Knowledge Gap

Indigenous Peoples in Canada and around the world experience realities and inequities that are distinct from their non-Indigenous counterparts. In Canada, practitioners in accounting and other areas, including law and education, are now required to complete Indigenous cultural competency training. In the absence of this training, practitioners may not be competent to provide services to this important client segment.

Some background here may be useful. In Canada, the Truth and Reconciliation Commission of Canada was established in 2008 to address one of the most serious injustices in Canadian history: the more than 150 years of sending Indigenous children to residential schools in order to 'assimilate' these children into Canadian society. More than 150,000 Indigenous children attended these schools and many never returned to their families. The Commission concluded that the residential schools was a cultural genocide. The effects of residential schools continue to impact Indigenous Peoples in all aspects of their lives, including economically and at the government and business levels. Around the world, Indigenous Peoples have their own histories of colonization – some may be similar, some may be totally distinct. What is the same, however, is that colonization has displaced Indigenous Peoples from their land, their families, their cultural practices and their unique economies.

Many practitioners in accounting and other fields do not fully understand the unique histories of the Indigenous Peoples of their home jurisdictions. The effect of this is that practitioners may not actually be competent to perform auditing and accounting services for these previously overlooked and underserved client segments. At the same time, Indigenous Peoples' economies are becoming more sophisticated and Indigenous partnership in major projects is growing, thus skillful practitioners are

desperately needed.

Including specific Indigenous sections in standards and in the IESBA handbook may be helpful. For instance, sections 230, 260 and 360 in the IESBA handbook may all benefit from having a reference to Indigenous impacts included. You may specifically consider including "Indigenous rights, title and interests" in s. 360.5 A2. We also encourage the IESBA to consider including Indigenous cultural competency in its guidance on continuing education, especially in jurisdictions with significant Indigenous populations

B.4 Changes in the Geopolitical and Regulatory Landscape – Greater Diversity of Voices Sought

5 – Increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

We support the calls for greater inclusions of diverse voices. However, we recommend re-framing the call for diverse voices slightly to include emerging economies AND marginalized communities, including Indigenous Peoples. It is without a doubt that Indigenous Peoples have been left out (at best) and specifically restricted (at most egregious) from participating in economic and financial discussions and decisions even where the associated outcomes have affected Indigenous Peoples. Pre-colonization, Canada's Indigenous Peoples had their own economies and even had words for things like "taxes". In modern times, Canada's Indigenous Peoples have their own orders of government which are rooted in their culture, traditions, languages and essential values. We urge the SSBs to seek Indigenous voices as they include more diversified voices in their work.

8. SECTION IV: KEY TRENDS IMPACTING THE SSBs

C.1 Evolving Expectations Concerning Sustainability Information – Continuing Demand for Sustainability Reporting and Assurance

5 – Increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

The importance of sustainability reporting is becoming increasingly profound. The role of assurance on sustainability-specific reporting is essential. Without assurance practitioners who understand the substance of sustainability reporting, the assurance lacks value, and may even give users a false impression of reliability.

With that made clear, it is essential that adoption efforts continue. In our view, this will be meaningful work to achieve the overarching objectives of sustainably reporting and auditing. It will also contribute to item B.4 in the within consultation: seeking a greater diversity of voices. As laid out in our comments on that topic, that greater diversity of voices should include those in emerging economies and (current or previously) marginalized communities.

Our observations in Canada are that many Indigenous governments are operating at capacity and, accordingly, the addition of new sustainability standards will increase demands on limited time. In large countries like Canada, this issue is compounded by the diversity of economic activities among Indigenous governments.

We recommend that the object of meeting evolving expectations for sustainability information be balanced with the co-object of encouraging adoption of existing sustainability standards. In our view, this would accord with B.4 – seeking a greater diversity of voices.

We also recommend making good use of illustrative guidance materials to encourage greater adoption. This would accord with item B.3 in the within consultation.

C.2 Evolving Expectations Concerning Sustainability Information – Regulatory and Geopolitical Changes

5 – Increasing in importance

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

There is no denying that Indigenous rights are becoming better understood with each passing year. As set out in our introductory comments, the ILO No. 169, passed in 1989, has only been ratified by 24 countries. By contrast, there are more than 140 countries that have endorsed the UNDRIP. What's more, several countries that originally did not adopt UNDRIP (Canada, US, Australia and New Zealand) all changed their positions and approved UNDRIP.

Examples of companies' losing value or expending significant resources as a result of violating Indigenous rights are becoming more common. And, happily, examples of companies and governments partnering with Indigenous nations at the outset is also more common. What all of this says, taken together, is that Indigenous rights are becoming increasingly understood and respected as time passes.

The SSBs must ensure that their understanding of Indigenous rights is current and robust enough to ensure all standard setting activities are able to capture material Indigenous impacts.

9. SECTION IV: KEY TRENDS IMPACTING THE SSBs

D.1 Evolving Structure and Business Models of Accounting Firms – Alternative Ownership Structures

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

D.2 Evolving Structure and Business Models of Accounting Firms – Increased

Involvement of Non-Professional Accountants in the Accounting and Auditing Profession

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

D.3 Evolving Structure and Business Models of Accounting Firms – Challenges to Attracting and Retaining Talent

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

D.4 Evolving Structure and Business Models of Accounting Firms – Non-Assurance Service Line

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

10. SECTION IV: KEY TRENDS IMPACTING THE SSBs - OTHER TRENDS AND RANKING

6. Are there trends or related areas or matters that you believe the SSBs should consider that are not covered? If so, please provide details.

Additional trends

Please number your additional trend (O.1, O.2, O.3, ...)

Please describe the additional trend

On a scale of 1 to 6, indicate the extent to which you believe this trend will increase or decrease in importance for the SSBs for their next strategy

period starting in 2028.

Do you wish to explain your rating or highlight any matters relating to this trend for the IAASB, IESBA, or both the SSBs?

7. Based on your evaluation of the identified trends, please rank what you believe are the TOP FIVE most important trends for the SSBs to consider for their next strategy period starting in 2028.

11. SECTION V: AREAS FOR JOINT ACTIONS IN SSBs' WORK PLANS

8. Please share your views about areas of common interest and possible joint or parallel work plan topics (e.g., standard-setting or non-authoritative materials), or other initiatives or activities.

We believe that our comments regarding Indigenous rights are relevant to both the ISEBA and the IAASB. Except where otherwise stated, we make our recommendations to both boards.