

12 July 2021

Please accept our comments to the CFA Institute's *Exposure Draft of the ESG Disclosure Standards for Investment Products*.

https://www.cfainstitute.org/en/ethics-standards/codes/esg-standards?s_cid=olm_ESGConsult_PR

These comments are limited to Questions 01/01 and 01/03. However, we believe these comments are relevant for "Questions for Consultants and Advisors," "Questions for Database Providers and Users," and "Questions for Regulators and Investment Professionals."

If there is another format for submission, please advise.

Thank you,
Norm Friedland

Respondent: FullSky Partners, LLC
Norman Friedland, Co-Founder/Managing Member
(Please enter your full name if you are submitting as an individual or the name of the organization if you are submitting on behalf of an organization.)

Stakeholder Group: Data Provider
(Please select the stakeholder group with which you most closely identify.)
Impact Investment Advisor

Region:
(If you are submitting as an individual, please select the region in which you live. If you are submitting on behalf of an organization and the organization has a significant presence in multiple regions, please select "Global". Otherwise, please select the region in which the organization has its main office.)

Country: United States
(If you are submitting as an individual, please enter the country in which you live. If you are submitting on behalf of an organization, please enter the country in which the organization has its main office.) United States

Confidentiality Preference: Consent to be published

(Please select your preference for whether or not your response is published on the CFA Institute website.)

QUESTIONS FOR INTENDED USERS

Questions for Investment Managers

Are the draft provisions helpful in establishing or clarifying the type of information that should be included in an investment product's disclosures regarding the ESG-related aspects of the investment product's strategy?

Our major concern is based on the implications of a sentence on page 53..within Sample Compliant Presentation #1..the sentence is: *Analysts routinely reference the Sustainable Accounting Standards Board standards to identify ESG-related metrics that are most likely to have a material financial effect based on the industry within which the company operates"*

Our concern is that SASB standards do not give proper emphasis to workforce/community health as a material financial/investment factor. Specifically, under SASB's Human Capital Bulletin (November 2020) , the section dealing with 'Employee Health & Safety'(at page 7 of the Bulletin), sets forth a narrow standard -- specifically: *The most commonly referenced Employee Health and Safety metric is : (1)Total Recordable Incident Rate (TRIR) FOR (A) DIRECT EMPLOYEES AND (B) CONTRACT EMPLOYEES."* .

It is immediately apparent that this standard comes nowhere near attempting to evaluate the full spectrum of workforce health issues which have significant materiality to company performance. For example..see Forrester Report..Invest Now: Build a Resilient Workforce By Prioritizing Employee Mental Health" : "Not only are mental health issues difficult for individuals, they also have significant organizational costs. Employers are shouldering \$150 billion in indirect costs related to presenteeism. Forrester estimates within this Report that globally, employer costs related to mental health could be \$1 trillion each year in lost productivity."file:///C:/Users/Trader/Downloads/w_lyra10%20(3).pdf

To conclude---reliance on SASB standards for health issues that are material for corporate disclosure and investor decisions is false assurance that such factors, and

associated risks, have been fully evaluated and disclosed.

To what extent are the draft provisions supportive of and complementary with local laws and regulations and other codes and standards? Would preparing and presenting a compliant presentation in any way hinder your ability to comply with local laws and regulation or with other codes and standards?

<QUESTION_01_02>

ENTER RESPONSE HERE

<QUESTION_01_02>

Do you expect it will be feasible and practical for your organization to provide the information required by the draft disclosure provisions and adhere to the draft fundamental provisions?

FullSky is currently working with a number of public health organizations, public health academic centers, for profit companies (initially in the mental health space) and governmental agencies to distill decades (and an incalculable amount of fundings) of research, reports, etc. into trusted, consistent, transparent and independently/objectively validated health metrics that can be used within ESG ratings with agreed standards . Our goal is to publish this information (V.01) by 3Q 2022, under our domain ESGandHealth.Org, .The importance of Digital Ledger Technology for 'data sovereignty' and the protected collection, analysis and distribution of this data will be included on our information.