

{Comments have been received from individuals and entities using the following Letter Type}
This is letter type B and C

#####

ESG+H(r) Coalition

November 1, 2022 Addendum to Comment Letter , June 16, 2022

Re: File No. S7-10-22

17 CFR 210, 229, 232, 239, and 249 [Release Nos. 33-11042; 34-94478; File No. S7-10-22] RIN 3235-AM87

[The Enhancement and Standardization of Climate-Related Disclosures for Investor](#)

Contact : info@esg.healthcare

#####

From: Rule-Comments <Rule-Comments@SEC.GOV>

Date: Friday, June 17, 2022 at 8:34 AM

To: norman friedland <info@esg.healthcare>

Subject: Thank you for your comment

Thank you for submitting a comment to the U.S. Securities and Exchange Commission. This auto-reply message is your notification that we have received your comment letter.

#####

Vanessa A. Countryman,
Secretary, Securities and Exchange Commission,
100 F Street NE,
Washington, DC 20549-1090

November 1, 2022

Dear Secretary Countryman

The Addendum to our June 16, 2022 submission is set forth, beginning at Page 30.

Very truly yours
Norman M. Friedland

THE ESG+H[®] COALITION

Contact: info@esg.healthcare

ESGHealthMetrics, LLC



www.ESGHealthMetrics



theoremone.co



www.emindlog.com



www.nod.org

RG NARRATIVE
STORYTELLING + BRAND LEVERAGING

www.rgnarrative.com



thekennedyforum.org



June 16, 2022

Vanessa A. Countryman,
Secretary, Securities and Exchange Commission,
100 F Street NE,
Washington, DC 20549-1090

[Transmitted via Electronic Comments](#)

Re: File No. S7-10-22

**17 CFR 210, 229, 232, 239, and 249 [Release Nos. 33-11042; 34-94478;
File No. S7-10-22] RIN 3235-AM87**

[The Enhancement and Standardization of Climate-Related Disclosures for Investor](#)

Dear Secretary Countryman,

(001) We write to provide comment in response to The Securities and Exchange Commission (the "Commission") request for public input on the

proposed rule ["The Enhancement and Standardization of Climate-Related Disclosures for Investors"](#) (the "Climate Disclosure Rule").

(002) We agree that the Climate Disclosure Rule is necessary to allow understandings of material investment risks posed by climate matters, in both the short term and over the long-term.

(003) Further, the Commission's March 15, 2021, request for comments on Climate Change Disclosures item 15 stated: "In addition to climate-related disclosure, the staff is evaluating a range of disclosure issues under the heading of environmental, social, and governance, or ESG, matters. Should climate-related requirements be one component of a broader ESG disclosure framework? How should the Commission craft climate-related disclosure requirements that would complement a broader ESG disclosure standard? *How do climate-related disclosure issues relate to the broader spectrum of ESG disclosure issues?*" (emphasis added) (See footnote 003).

(004) As noted by the SEC's Asset Management Advisory Committee: "Indeed, even within each factor—E, S, and G—there are numerous sub-factors whose importance to investors can vary depending on the characteristics of a given business or industry; changing preferences and market conditions; or the perceived materiality of given factors. The measurement of material E, S, and G factors and sub-factors can also vary and in some cases metrics have yet to evolve (See footnote 004).(See footnote 004#1)

(005) At the outset, we know the Commission understands how 'human capital' is a material element of corporate performance, as per the August 26, 2020 Regulation S-K amendments to modernize the description of a registrants' business...**"include, as a disclosure topic, description of the registrant's human capital resources to the extent such disclosure would be material to an understanding of the registrant's business"** emphasis added (See footnote 005)

(006) Human Capital, which includes health, was identified by the Commission as a "mission critical asset" for companies. At the annual general membership meeting of the Investment Company Institute on May 2, 2019, Chairman Clayton said, "Forty years ago our rules said: 'Tell us about your plant, property, and equipment. Tell us about your sort of hard capital asset and what they mean to your business.' If I am an investor looking at businesses today, I want to know what you are doing with your human talent, how you are growing your

human talent, how you are accessing new talent, how you are retaining existing talent” emphasis added. (See footnote 006#1), and (See footnote 006#2).

(006A) Commission Chair Gensler (August 18, 2021) asked the Commission staff to consider a “human capital” disclosure requirement for public companies. “Investors want to better understand one of the most critical assets of a company: its people,” The tweet: “This could include a number of metrics, such as workforce turnover, skills and development training, compensation, benefits, workforce demographics including diversity, and health and safety” (See footnote 006A), (See footnote 006A#1), (See footnote 006A#2) and (See footnote 006A#3)

SECTION A:

WORKFORCE HEALTH AS A MATERIAL ECONOMIC/INVESTMENT CONSIDERATION

(007) In addition to climate matters, the Commission has a generational opportunity for rules of corporate disclosure for material investment risks posed by corporate decisions, actions and policies that involve **health** that are more comprehensive than current SASB Standards – where the current health metric only considers workforce accidents (See footnote 007) and (See footnote 007A)

(008) Further, we note that corporate climate policies and actions go beyond environmental consequences – with significant negative health implications for the corporate workforce as well as having direct and collateral consequences on local, regional, national, and global public health (See footnotes 008#1) and (See footnote 008#2).

(009) We note however that among the human capital factors that are listed for disclosure by the amended S-K Regulation, other than a superficial mention of employee safety (as per the above referenced SASB Standard), the more significant issues of workforce health discussed herein are ignored (See footnote 009).

(010) We believe an initial step for a comprehensive health disclosure mandate would be discussion and analysis by the Commission’s Asset Management Advisory Committee that would consider health standards within

the context of other ESG disclosures (See footnote 010#1), (See footnote 010#2), and (See footnote 010#3)

(011) This standard would (i) be transparent in design – based on relevant metrics sourced from advice/expertise from individuals/organizations across the spectrum of public health issues/solutions, including disability advocacy organizations; public health support organizations; unions, and their pension plans; public employee pension funds; hospital system endowments; worker rights organizations; academic; public health institutions; and organizations with more generalized ESG agendas; (ii) avoid conflict of interest and the ‘aggregate confusion’ that exists for climate change assessments/ratings, leading to greenwashing; and (iii) take into account the financial expense of data collection/analysis and corporate actions, balanced by reduced medical liabilities/costs and improved productivity (See footnote 011).

(012) Preliminary Caveats

A. This comment letter is intended as a point of departure for future dialogue/discussion on the inclusion of health metrics as part of a more complete understanding of the S category of ESG matters. (See footnote 012) It is not intended as the ‘alpha/omega’ on this issue...which brings us to the other caveats (See footnote 012A.)

B. We see health broadly defined...which would include disability. Global competition, combined with low unemployment, has created a high demand for skilled workers. The disability community offers a large untapped pool of potential candidates, but a significant percentage of people with disabilities are not working. In September 2019, 68.7% of working-age individuals without a disability were participating in the labor force, compared to only 20.6% of individuals with a disability (Office of Disability Employment Policy, Department of Labor 2019) (See footnote 012B.).

C. ESG+H[®] assessments relevant for investors should be evidence-based/market-informed in areas of (i) workforce health, (ii) how a company's presence/environmental actions/decisions affect the health of the community(ies) where they have a presence, as well as regionally, nationally, and globally and (iii) how a company's products/services affect

the health of their customers/users (See footnote 012C#1), (See footnote 012C#2), and (See footnote 012C#3).

D. ESG+H[®] evaluations will reflect, in many cases, the positive efforts of companies in the above areas. Accordingly, an above-average ESG+H[®] rating will result in an ESG rating that is higher than would be the case if health was not a metric (See footnote 012D.)

E. Health, within the context of ESG disclosures is where DEI was several years ago, and it will likely to take several years before this category reaches a ‘tipping point’ where (i) its materiality cannot be ignored by investment advisors, asset owners/investors, ESG standard setting organizations and the relevant financial regulatory authorities; and (ii) it plays a role in capital formation, capital allocation and risk/return expectations.

F. Regarding Board of Director oversight, we note that board committees responsible for health already have a serious involvement with ESG issues, as per the comment letter from Deloitte, June 21, 2021 (See footnote 012F.). "We found that the energy, resources, and industrials industry had a higher percentage of health and safety (19%), ESG/Sustainability-specific (12%), or other types of committees (10%) overseeing ESG, which may be a result of the core business objectives, regulatory requirements, and history of focus on employee safety of that industry. In contrast, within the technology, media, and telecom industry, which generally may not be subject to the same level of environmental, health, and safety compliance requirements, 37% of companies did not disclose information about ESG oversight at the board level. This variation may be especially informative to the extent it reflects different levels of maturity on ESG matters in different industries."

G. Third party information (statements, reports, studies, websites, etc.) are included in this comment letter, but the reference to such third parties or their information does not imply endorsement or support of any comments, suggestions or positions set forth herein,

(013) In September 2021, the Commission advised corporate registrants via a sample comment letter on their ESG disclosures: "We note that you provided more expansive disclosure in your corporate social responsibility report (CSR report) than you provided in your SEC filings. Please advise us what consideration

you gave to providing the same type of climate-related disclosure in your SEC filings as you provided in your CSR report." Going forward, where a company's CSR report discusses human capital/health matters, the Commission is likely to question whether that information is also material to investors (See footnote 013).

(014) But to date, workforce health has not been evaluated as a material investor concern; rather as a minor financial footnote based on work-related (occupational) injuries. As John Godfrey, Director of Corporate Affairs at one of the UK's largest financial services companies said: "It's time for businesses to step up and get behind public health, and by adding an 'H' to ESG. Doing so provides a new measure by which we can evaluate performance...business needs to be front-footed about developing ESHG — specifically calling out health in ESG investment. I'd like to suggest that health is the new frontier for ethical and sustainable business" (See footnote 014).

(015) The 2019 International Labor Organization (ILO) reports that globally an estimated 1000 people die daily from occupational accidents (See footnote 015). However, similar to how companies have avoided being tagged with societal costs of climate change, the real costs of corporate actions on health have been, to date, a similar non-financial statement expense, although the larger mortality is not from accidents but work-related diseases. Death from work related diseases globally is 6500 daily (2.4 million annually). Three-quarters of these are from circulatory diseases, work-related cancer, and respiratory diseases. While safety needs continued attention, the focus must also emphasize health. The Americas contribute 10.9% of the global occupational mortality (occupational accidents and diseases).

(016) Beyond mortality, what is the morbidity from disease? Ill-health has global consequences. The ILO estimated missed workdays from diseases and accidents reduce global GDP by 4-6%. The Global Burden of Disease study by the WHO quantifies incidence, prevalence and mortality from diseases and injury. The metric is disability adjusted life years or DALY. One DALY represents the loss of the equivalent of one year of full health. During prime working years, 7 of the top 10 disease related disabilities were from non-communicable diseases (See [footnote 016](#)).

(017) From Punit Renjen, Deloitte CEO : "Achieving health equity is not just the right or *moral* thing to do. All businesses play a role in and are affected by health

inequities—and not just those in the health care and life sciences industry. Health inequities strain workforces and productivity, create supply-chain challenges, and have an impact on the way that consumers make purchasing decisions. Health inequities result in [trillions of dollars in lost productivity](#) annually. As such, addressing health inequities can help business leaders accomplish their core business goals of improving workforce productivity, increasing market opportunities, fueling economic growth and improving competitive advantage." (See footnote 17#1) and (See footnote 017#2)

SECTION B

WORKFORCE MENTAL HEALTH, A COMPONENT OF HEALTH, AS A MATERIAL INVESTMENT CONSIDERATION

(018) Mental health of the workforce is the fabric of human capital, and central to corporate market value. During the prime work years, depression was the 6th leading cause of all disability (3.5%), anxiety the 15th (2.0%) followed by drug use disorders (1.9%) See ([footnote 18#1](#)). And According to the National Safety Council, about 16% of employees (one out of 12 employees) live with a substance use disorder (See footnote 18#2).

(019) Today's workforce is increasingly beholden to industries that use and are derived from the digitization of information. The COVID pandemic demonstrated that mental health is the prominent vulnerability in this workforce. A focus on workforce mental health adds tangible value across the spectrum of industries, and independent of size - from multinational corporations to small and medium sized enterprises.

(020) Historical Perspective: President John F. Kennedy State of the Union Speech. February 5, 1963, stated, "I am proposing a new approach to mental illness and to mental retardation. This approach is designed, in large measure, to use Federal resources to stimulate State, local and private action. When carried out, reliance on the cold mercy of custodial isolation will be supplanted by the open warmth of community concern and capability. Emphasis on prevention, treatment and rehabilitation will be substituted for a desultory interest in confining patients in an institution to wither away."

(021) Six months later, October 31, 1963, The Community Mental Health Act of 1963 was signed into law, the last piece of legislation signed by President Kennedy.

(022) Six decades later, the challenges of mental health reach into every corner of America, and we now understand that these challenges have a direct and material impact on the most relevant of corporate assets...human capital.

(023) The Kennedy Forum, founded by former Congressman Patrick J. Kennedy (D-R.I.) “We stand on the doorstep to make momentous progress in advancing the cause of this new civil rights struggle started by the work of President Kennedy over 50 years ago.”), leads a national dialogue on transforming the health care system by uniting mental health advocates, business leaders, and government agencies around a common set of principles, including full implementation of the Federal Parity Law.... the Forum aims to achieve health equity by advancing evidence-based practices, policies, and programming for the treatment of mental health and addiction." [The Kennedy Forum | Revolutionizing and Standardizing Mental Healthcare](#) (See footnote 023#1) and (See footnote 023#2).

(024) "Employees who are depressed miss nearly 5 days of work every 3 months, and up to 25 days more per year than other workers. Depression also results in 11.5 days of reduced productivity every 3 months, including impaired performance for 1-2 hours of every 8-hour shift. 62% of missed workdays are attributed to burnout, depression, or anxiety." (See footnote 24)

(025) Fatigue is estimated to cost employers **\$136 billion a year in health-related lost productivity**; Fatigued worker productivity costs employers \$1,200 to \$3,100 per employee annually (See footnote 025).

(026) Mental ill-health has significant financial implications for corporations. "Mental health and substance abuse cost US businesses between \$80 and \$100 billion annually. Another study showed that serious mental illness costs America up to \$193.2 billion in lost earnings per year. Depression is thought to count for up to 400 million lost workdays annually. Approximately 1 in 5 adults in the U.S - that's 18.5% of the population - experience mental illness each year" (See footnote 026).

(027) "Nonfarm business sector labor productivity decreased 7.5 percent in the first quarter of 2022, the U.S. Bureau of Labor Statistics reported today, as output decreased 2.4 percent and hours worked increased 5.5 percent. This is the largest decline in quarterly productivity since the third quarter of 1947, when the measure decreased 11.7 percent" (See footnote 027).

(028) Recognizing the above data points, the June 15, 2021 comment letter to Commission (in response to the March 15, 2021 request for comments on Climate Change Disclosures) from [Mental Health America \(MHA\) and the Center for Law and Social Policy \(CLASP\)](#) stated "A recent National Academy of Medicine consensus report, High and Rising Mortality Rates Among Working-Age Adults, examined this phenomenon of increasing mortality in midlife between 1990 and 2017, and found that the primary drivers were substance use-related deaths, suicide, and cardio-metabolic conditions (e.g. diabetes or cardiovascular disease, which are often interrelated with mental health). Although some of the greatest increases were among Whites in rural areas, Black, Indigenous, and People of Color (BIPOC) individuals experienced much higher baseline mortality rates." (See footnote 28)

(029) In January 2014, before a COVID-event was even a glimmer on the horizon, New York Times columnist Nicholas Kristof wrote "... a systematically neglected issue: mental health. One-quarter of American adults suffer from a diagnosable mental disorder, including depression, anorexia, post-traumatic stress disorder and more, according to the National Institutes of Health. Such disorders are the leading cause of disability in the United States and Canada, the N.I.H. says" (See footnote 029).

(030) Closer to pre-COVID times, the most comprehensive study that brought workforce mental health to the attention of asset managers, investors and union leadership, leaders of the 'gig' economy and corporate America was published by Carin-Isabell Knoop and John Quelch in [Compassionate Management of Mental Health in the Modern Workplace](#) (See footnote 030).

(031) This publication was followed in a June 2020 posting by Ms. Knoop: "Cognitive impairment from mental illness can be particularly limiting in a knowledge economy that relies more on analysis than manual labor. Cognitively demanding jobs are more difficult for people distracted or disabled by mental health challenges. Knowledge workers, however — whose output can be harder to measure than, say, that of factory workers — can also hide the effects of mental health challenges longer and more

effectively. With a shift to remote working, these challenges present additional issues. When they are at home, classic micro-signals such as tardiness or distraction or changes in grooming and weight — are harder to perceive. Substance use is also easier to dissimulate” (See footnote 031).

(032) In December 2020 [Workplace Wellness and Employee Mental Health—An Emerging Investor Priority \(harvard.edu\)](#) was published in [Harvard Law School Forum on Corporate Governance](#). "From the investor perspective, what is new—and accelerating—is how institutional investors and asset owners globally are asking to understand corporate approaches to supporting the mental health of employees. Shareholder engagement and dialogue is occurring in the context of investor assessments of public companies, corporate leadership, and board oversight as to human capital management (“HCM”), corporate culture and resiliency, compensation and employee benefits, and broader community impacts." Also...[The ominous consequences of COVID-19 for American mental health | PBS NewsHour; https://www.healthaction.org/events](#). The Business Case for Workplace Mental Health; [Workplace Mental Health Playbook \(webflow.com\)](#) (See footnote 32).

(033) As noted above, The Kennedy Forum is a leading force for workforce mental health solutions, with great credibility with organized labor. (See footnote 33).

(034) Workforce mental health as a material corporate concern was recognized by Bank of America’s CEO Brian Moynihan and other business leaders, who shared their companies’ actions to support employee mental health at the *Workplace Mental Health Action Summit* See (See footnote 034)

(035) Other organizations who are influential forces in workforce and mental health wellness are OneMind and The Health Action Alliance, among others (See footnote 035).

(036) Substance use disorders, within mental health wellness, are among the most common and costly health conditions affecting Americans. Despite estimates of national costs exceeding \$400 billion annually, individual companies may not see how substance use impacts their bottom lines through lost productivity and absenteeism, turnover, health care expenses, disability, and workers’ compensation (See footnote 036).

SECTION C

WHAT TO MEASURE/ HOW TO COLLECT DATA/ HOW TO ASSESS DATA

(037) There are necessary factors for H to become a recognized metric in the context of ESG assessments. Factors such as mental health or other categories of health (workforce, community, customer) need agreed on standards. Data collected for such standards need to meet rigorous, transparent, and trusted/independent methods.

(038) Two fundamental issues are:

(i) the need for a health metric based on design by experts in matters of health, broadly defined; investor materiality/relevance; transparency/validity in data evaluation ; integrity and protection of human capital data; and independence from bias and

(ii) the velocity of evolving ESG standards, etc. (See footnote 038)

(039) To address these issues, we hope that the matters raised herein will be useful for consideration by the Commission, as well as US and international standard setting organizations ..examples [European Parliament calls for a directive on psychosocial risks - Eurocadres](#)..and ..[What is SASB's conceptual approach to human capital management? – Sustainability Accounting Standards Board](#)) (See footnote 039).

(040) Any ESG measure of mental health must relate to financial metrics (See footnote 40). Excessive divergence in measures implies the signal is lost in the background noise. An acceptable mental health index should also be available for disassembly to examine key performance indicators (KPI) that potentially move the needle.

(041) Mental health measures are fundamentally subjective. which is, by definition, different from objective assessment. Finance, based on numbers, are seemingly linear, and as units of information, appear objective and rational. In

mental health, there are no objective measures or 'biomarkers' that are established as independent validators. Hence for ESG measures of mental health to be accepted by the wider corporate world, it is critical to address their subjectivity, else their relationship with bottom-line corporate metrics will be just spurious noise.

(042) The importance of mental health to investors and the global community overall is rising, especially due to the ongoing effects of COVID-19. Terms such as depression, anxiety, stress, burnout, etc., are ubiquitous in conversations and the press. The ESG investing space is increasingly focused on mental health, which has fueled innovation from smartphone apps to tele-health solutions (See footnote 042).

(043) Focusing on workforce mental wellness, there are several published 'indexes.' Our concerns about these indexes include whether there is peer-review of factors being measured; the frequency (tracking) of such measurements; whether such measurements are derived from company-sourced data (versus third-party sourcing, with individual confidentiality protections); how such measurements are characterized for relevance for investors and the companies; and whether the assessments generated by these indexes are correlations or inferring causative claims. Published indexes of mental health have several components (See footnote 043).

(044) In many cases, indexes focus on workplace support (belonging) and corporate initiatives around them. These include corporate attitudes and acceptance of mental health issues as valid, support from the CEO and executive management, focus on employee culture engagement, HR policies and actions that support mental health initiatives, training of managers to handle mental health challenges among their direct reports, etc. Mental wellness is emphasized driven by needs for worker productivity. Guidance on healthy exercise, sleep, social relationship support, mental resilience training, etc., are offered. Some focus on brain health, offering physiological measures such as heart rate variability (assessing the tone of the parasympathetic system), cognitive abilities, etc. Indexes also include measures of mental ill-health that focus on depression, anxiety, stress, and burnout, etc., variously defined (See footnote 44).

(045) **Mental health** is a broad term with multiple dimensions subsumed under the term. There are several terms that overlap with mental health, including mental wellness, mental illness, and mental disability. There is a need to harmonize the definition of such terms and parse their distinguishing characteristics. There is a distinction between mental wellness and mental illness.

(046) According to the [World Health Organization](#), **mental wellness** is defined as “a state of well-being in which the individual realizes his or her own abilities, can cope with the normal stresses of life, can work productively and fruitfully, and is able to make a contribution to his or her community.” (Footnote 046). Thus, wellness is not just the absence of illness, but includes affirmative mental faculties and functioning.

(047) **Mental health** on the other hand, is described by the U.S. government (www.mentalhealth.gov) as including "our emotional, psychological, and social well-being. It affects how we think, feel, and act. It also helps determine how we handle stress, relate to others, and make choices. Mental health is important at every stage of life, from childhood and adolescence through adulthood." The loss of mental health can be defined categorically or dimensionally.

(048) The categorical approach is taken in **mental illness** where labels such as Major Depression, distinguish individuals who meet a threshold of criteria, from those who do not. Such a diagnostic decision is the domain of trained mental health professionals.

(049) The dimensional approach, subsumed under the term **mental ill-health**, defines key components and scores them on continuous dimensions, enabling individuals to be on a spectrum from health to illness. The dimensional approach emphasizes that individuals are not static in their mental experiences and permits dynamic tracking to document the flowing nature and lability of mental experiences.

(050) Our ESG+H Mental Health Index that aims to be the standard in quantifying mental health issues for S in ESG. The core is a measure benchmarked against a mental health poll assessment of workers across industries. Individual company workforce data gathered independently will assess key elements of

workforce mental health. Additional aspects of the ESG+H Mental Health Index will include survey information company contributed data that are transparent in their design. Algorithms will provide a rating score that is transparent. Critical to this process is that it is ongoing, such that the tracking of information is more contributory than a single point in time rating score. (See footnote 050)

SECTION D

THE ECONOMICS OF VALID HEALTH ASSESSMENTS

(051) We understand the Commission’s mandate to include a ‘cost/benefit’ analysis of new regulations, where a Tufts Medical Center Report could be a starting point (See footnote 051#1) . While the addition of the H metric in required corporate disclosure will most likely result in increased expenditures, balanced against those increased costs are tangible economic benefits that will result from a focus on improving workforce mental wellness, and the collateral benefits to communities and customers. These benefits will include increased productivity, reduced health care costs/liabilities and improved ‘brand awareness (See footnote 051#2).

SECTION E

ESG+H[®] - RELEVANT FOR ALL CATEGORIES OF COMMERCE

(052) Of the 23 Major Occupational Categories identified by the US Department of Labor , the only category (‘Military Specific Occupations’) would seem not relevant for the ESG+H[®] metric. This is especially true as the ESG+H[®] metric (i) broadly defines health to include disability, mental health/addiction/women’s reproductive health, chronic health (obesity, diabetes, cardio) (ii) takes into account a company’s environmental actions/decisions on health and (iii) does a beyond the surface assessment of how a company’s products/services impacts (positively or negatively) on users/customers of the company's products/services (See footnote 052).

(053) Companies with union workforce are obvious candidates, particularly because labor unions understand the mandate of The Mental Health Parity and Addiction Equity Act (See footnote 053).

(054) Of special relevance are the health consequences for communities and ‘customers’ of social media platforms...where the adverse mental health consequences of can begin at a very early age, with suicidal and long-term life-threatening consequences (See footnote 054).

(055) Mikaila Nichols provides first-person testimony, "It's a Tuesday night and I have just finished dinner, my phone begins to ring and on the other end of the line is a child in middle school. Upon answering they tell me that they want to take their life because they feel as though they are not good enough... This is the impact that social media has on our youth. Children, teens and even adults are chasing a reality that will never come true. As someone who travels the country speaks to our youth, I have found that people are suffering from eating disorders, cyber-bullying, and increased risk of suicide due to the lack of care that social media conglomerates have when it comes to humanity" (See footnote 055).

(056) Dr Philip Ninan, provides another perspective on social media platforms: “Companies foundationally based on access through the internet monetize the attention of users through the selling of advertisements. This is particularly true for social media companies. Sophisticated algorithms aim to sustain engagement as the dominant aim. How is this achieved? A feature in the design of brain systems that underlie the human mind is leveraged to sustain attention and engagement. The feature is that preconscious (non-voluntary) attention is reinforced by a subjective sense of reward and avoidance/distraction from distress. Craving for these transient states is reinforced through features such as ‘likes’, ‘share’, ‘retweet’ and other tools which feed perceived social capital. Reinforcement transitions to habitual behaviors to compulsive behaviors in a proportion of individuals - with significant mental health consequences. ([Footnote 056#1](#)) The circuitry and chemistry underlying these mechanisms have been extensively studied and delineated. Animals modeling such responses will work for such artificially enhanced reward over need for sleep, food and even sex. In humans, executive override typically offers choices to control such urges and behaviors. In the pre-internet era general population, this loss of executive control affected a relative minority of humans. Corporations, with considerable ingenuity, have demonstrated that this system can be hijacked in a much larger proportion of humans, with toxic consequences. The most vulnerable are the incompletely developed - the preteens and teenagers. Are they being sacrificed for the corporate bottom line? This is arguably the equivalent to climate change of the human mind. These are complex issues, with much room for disagreement on the inferences that can be drawn from the data ([Footnote 056#2](#)).

SECTION F

DATA ACQUISITION/ PROTECTION/MANAGEMENT/ CYBERSECURITY; DATA PRIVACY

From Theorem One:

(057) For the ESG+H[®] metric in the context of ESG disclosures, the issues of data integrity/transparency, data security, cybersecurity and personal privacy are more critical than for other matters of environmental, social or governance assessments (See footnote 057).

(058) Data Acquisition & Management requires professional assessment of data sources, systems of record, technical architecture and existing data models for interrelated data management and legacy information systems. To ensure data collection, quality assurance, format standardization, and machine-readable data report readiness is effective (footnote 58), it is recommended that public companies employ external system & data integration experts for implementation and system maintenance activities.

(059) Subject Matter Experts in system & data integration perform necessary operational activities that include, but are not limited to:

- *Data Model Due Diligence:* Investigation of current Data Distributions (DDs), design Extract, Transform, Loads (ETLs) and establish data import cadence. Technical architecture assessment and evaluation of secure data storage decisions for on-premise and cloud storage & computing opportunities.
- *Data Importation:* Importation of data from existing systems to seed components for Enterprise Resource Planning (ERP) systems, consolidated databases, and reporting systems of record
- *Data Ingestion:* Development of data ingestion infrastructure to update metadata sources, manage feeds of data exports from consolidated databases and reporting systems of record

- *Data Synchronization:* Synchronization of data systems and reports across the Sustainability Data reporting system architecture

(060) Data Protection, Security & Privacy is a primary concern not only for at-risk employees that are users of digital mental health solutions but also for the software application developers that have ineffectively protected the data privacy of their users (Footnote 060).

(061) General reluctance to invest in operationally secure systems that protect user data presents great risk and concerns during the rapid shift towards ESG-related data disclosures. Increased scrutiny from users, regulatory agencies, and professional standards bodies continuously define and redefine data protection and security best practices and expose companies storing user data and solution providers to litigation risks. Neglecting to address data protection, security, and privacy as a core principle in ESG systems integration, migration, and reporting processes may result in damaging the public's trust in and brand perception of a company.

(062) Throughout the implementation of data & systems integration projects, techniques can be used to increase the data protection, security, and privacy on an ongoing basis. These techniques involve a series of activities not limited to:

- Auditing code releases and software development approaches
- Auditing components prior to release through rigorous testing automation procedures as a part of the Continuous Integration and Continuous Deployment (CI/CD) pipeline.

(063) During post-implementation, validation and auditing of system architectures provide an added layer of assurance that systems have been implemented to security specifications, and in turn reduces threat environment and levels of new IT risk exposure. ESG solution integrators & data security subject matter experts frequently perform validation and auditing procedures as an ongoing practice within the scope of their implementation services in preparation for technical reporting audits.

CONCLUSION

(063) We understand that in the coming months, the Commission’s focus will be on its climate disclosure regulations. But during this period, we are hopeful that the Commission can recognize the importance of the Health metric for investor understandings , extending the human capital disclosures that are now mandated in Regulation S-K, and finding bandwidth to begin the regulatory process for this metric .

(064) We are prepared to engage with the Commission’s Asset Management Advisory Committee on both the macro issue of the Health metric and ESG+H[®] becoming the recognized standard, and are available to discuss the above at your convenience

Very truly yours.

The ESG+H Coalition
By: ESGHealthMetrics, LLC

By: *Norman Friedland*

Norman Friedland, Founder
Email: info@esg.healthcare

A note of acknowledgment: While the organizations and persons mentioned in this sentence have no responsibility for the content or opinions of this comment letter, we acknowledge their support and encouragement: Patrick Kennedy, Rebecca Bagley, Dr Philip Ninan, Lillian Pravda, Barbara Ricci, Carin Knoop, Bahir El Oddi, Susanna Harkonen, Carol Glazer, Felicia Nurmsen, Daryl Brewster, Jason Apollo Voss, Dr Alexander Cahana, Dr Milka Marinova, Heidi Raker, Stuart Goldstein Alex Finnemore, Eric Chambers, Shoshana Rosentstein, Art Bilger, Esther Krofah,, Nathaniel Counts and Mikailia Nichols

ESG+H[®] is a registered trademark with the US Patent and Trademark Office. This letter has common law copyright protection, but may be reproduced, in whole or in part, with acknowledgement of this copyright b ESGHealthMetrics, LLC

FOOTNOTES

(003) SEC.gov | Public Input Welcomed on Climate Change Disclosures

(004) *SEC's Asset Management Advisory Committee (AMAC) recommendations for ESG.* Meredith Miller and Cambria Allen-Ratzalaff are the authors of a comment letter by Human Capital Management Coalition (HCMC) to the SEC on October 22, 2019...regarding the SEC's proposed regulation: "Modernization of Regulation S-K Items 101, 103, and 105," Exchange Act Release No. 86614 <https://www.sec.gov/comments/s7-11-19/s71119-6322887-194462.pdf>

In the comment letter, they noted -- "Aside from data collection and reporting pitfalls, we are also concerned that a lack of well-defined rules on reporting key human capital information may open the door for companies that have suboptimal human capital performance to pick and choose metrics that may paint a misleading picture of their performance or may omit critical information altogether. Similarly, a company that has strong performance one year, but suboptimal performance another year, may choose to only report certain metrics on years where the results are the best, leading to holes in data and reducing comparability. These potential issues could reduce investors' faith in the markets and impair future capital formation – precisely the problems disclosure laws were enacted to mitigate."

(004#1) The Future of ESG Is ... Accounting? (hbr.org) "...an issue that is not currently relevant to investors can become so for many reasons, including system-level effects on all companies regardless of industry (e.g., climate change and inequality), changing social expectations of customers and employees (particularly the Millennials), and laws and regulations (e.g., carbon taxes and minimum wage rates).

The solution to this is for the SSB to work within its remit of providing information to capital markets while coordinating with groups like GRI, which have a concern for sustainable development that extends beyond investors' focus on enterprise value creation over the short-, medium-, or long-term. Creating visibility for these issues can enable civil society to spur regulations and laws that may make these issues material for investors, thereby supporting both public and private sector initiatives to address to challenges of sustainable development."

(005) SEC.gov | [Modernization of Regulation S-K Items 101, 103, and 105A Small Entity Compliance Guide](#)

(006#1) [ermsi-healthandsafety-report.pdf \(sustainability.com\)](#). There is ongoing debate about what comprises human capital, and no universally accepted definition of the term. This exacerbates a situation where the metrics used by investors to assess organizations' human capital management do not capture the full breadth of organizational knowledge previously developed through health and safety programs.

(006#2) SASB's ongoing Human Capital research project aims to assess this dynamic subject and has developed an evidence-based framework to support the identification of financially material impacts related to human capital management. This framework will enable the assessment of key themes within and across industries to form the basis of the recommendations of SASB's technical staff to the Standards Board regarding possible modifications to industry Standards to incorporate new elements associated with human capital. Human Capital - SASB

(006A) <https://twitter.com/garygensler/status/1428022887382978569>.

SEC.gov | Remarks at Meeting of the Investor Advisory Committee; and Human Capital Management: The Mission Critical Asset (harvard.edu)

(006A#1) The Rise of Health Metrics in ESG Investing | GRESB

Now, compelling new research is pointing to health and well-being as the next big material element investors should be incorporating into their ESG analysis.

(006A#2) 100% Human at Work | Virgin Unite; 100% Human at Work (human-atwork.org)

(006A#3) Why We Need to Add Health to ESG | Corporate Compliance Insights

(007) [HumanCapitalBulletin-112320.pdf \(sasb.org\)](#): Employee Health & Safety SASB disclosure topics associated with Employee Health & Safety ...The most commonly referenced Employee Health & Safety metric in SASB Standards is: (1)TOTAL RECORDABLE INCIDENT RATE (TRIR) AND (2) FATALITY RATE FOR (A) DIRECT EMPLOYEES AND (B) CONTRACT EMPLOYEES

(007A) Why We Need to Add Health to ESG | Corporate Compliance Insights

(008#1) [Linda Fried: From Redefining Aging to Spearheading Research on Climate and Health \(columbia.edu\)](#); [Columbia to Establish a Climate School to Meet the Challenges of a Warming World | Columbia News](#). Columbia University announced today the creation of a new Climate School to tackle the most urgent environmental and public health challenges facing humanity.

(008#2) "Climate change has the potential to impact health in many ways. While some of these are unpredictable, others.... are supported by considerable evidence" . [Climate Change and](#)

[Public Health - Policy | CDC](#); and [Climate Change: The Public Health Response - PMC \(nih.gov\)](#); “Climate change is the greatest threat to public health today, according to the [American Public Health Association \(APHA\)](#), World Health Organization (WHO), and other leading health organizations” [Climate Change is a Public Health Crisis, Here's What's Being Done - UVM Public Health Virtual](#) ; [Climate change and health \(who.int\)](#)

(009) From White & Case Client Alert: [Key Considerations for the 2022 Annual Reporting and Proxy Season Part I: Form 10-K Considerations | White & Case LLP \(whitecase.com\)](#): Human Capital Management ("HCM") Disclosures: "Similarly, a 2021 survey of HCM disclosures made in the Form 10-Ks of S&P 500 companies found the following were common new human capital metrics disclosed: geographical distribution of employees; breakdown of types of employees (e.g., full-time, part-time, seasonal); steps taken to identify, recruit, and retain new and existing employees; diversity statistics and commitments to diversity and inclusion; employee incentives and benefits (e.g., insurance packages, stock-based compensation awards, cash-based performance bonus awards); employee learning/development/training programs; core values (e.g., learning, development, inclusion, diversity, teamwork); social impact and social justice initiatives; impact of and response to the COVID-19 pandemic; employee safety measures and employee engagement surveys."

WYSIATI (" what you see is all there is") might be an explanation for this most superficial standard for measuring corporate health metrics . WYSIATI is the cognitive bias described by Nobel Prize recipient Daniel Kahneman that says that when presented with a body of credible evidence that confirms a person/institution's mental model, there is often no further question or inquiry about what evidence might be missing.

(010#1) Agents of Impact eye corporate disclosure rules on climate and human capital - ImpactAlpha

Interview with Robert Eccles: If you really do have a view that the corporation exists to do more than make profit for shareholders and it should have a purpose, you need to have that declared by the board. Based on that, management figures out what the material issues are. Then, that gets integrated into strategy and capital allocation decisions. An integrated report becomes a discipline to make sure you're making progress on your purpose, and you can communicate that internally and externally. That's what the ideal world looks like. [The need for standards in non-financial reporting: an interview with Robert Eccles \(vismaconnect.nl\)](#)

(010#2) This paper outlines the results of a global survey of 42 cross-industry CXOs⁹ conducted between November 2021 and March 2022 and highlights the opportunities and barriers for leaders to consider when embarking on strategies to embed health equity into their ESG strategies. Important insights include: – Health is a priority for many: 52% of respondents say that advancing health equity is a very high priority for their company – The majority agree that

health equity should be integrated into ESG: 76% strongly agree/ agree that ESG is an effective strategy to advance health equity – Barriers exist to integrating health equity into ESG: the top barriers are a lack of standardized measurement (33%) and a lack of a clear financial or business case (31%) Deloitte comment letter on sec's requests for input on climate-related and other ESG disclosures...[Investing in Health Equity > World Economic Forum Annual Meeting | World Economic Forum \(weforum.org\)](#)

(010#3) HC-Briefing-Document_FINAL-for-web.pdf (sasb.org) Employee Health & Safety: Addresses “a company’s ability to create and maintain a safe and healthy workplace environment.” This topic encompasses mental health in addition to physical wellbeing and incorporates training and culture. Example metrics: Fatality rates; Efforts to assess, monitor and mitigate acute and chronic respiratory health conditions; Efforts to reduce exposure of workforce to human health hazards; Percentage of staff who work in areas where smoking is allowed; Amount of monetary losses because of legal proceedings associated with employee health and safety violations.

(011) [Policy Corner: Expanding the ‘S’ in ESG to account for the full scope of corporate impact on workers and communities — U.S. Impact Investing Alliance \(impinvalliance.org\)](#);

[Measuring the non-financial performance of firms through the lens of the OECD Well-being Framework: A common measurement framework for “Scope 1” Social performance | OECD Papers on Well-being and Inequalities | OECD iLibrary \(oecd-ilibrary.org\)](#)

[The Aggregate Confusion Project | MIT Sloan](#): "...ESG ratings developed by corporate ratings firms are rarely correlated with each other or with firm performance. Lacking better guidance, investors are left empty-handed when it comes to deciding where to turn." — Olivia S. Mitchell, professor of insurance/risk management and business economics/policy at the Wharton School, and director of the Pension Research Council

[Where Will ESG Investing Be in Five Years?-WSJ](#): "ESG reflects fundamental shifts in how people want to live, work, and invest—and the choices they are making about the world they want to leave to future generations. These changes in preferences will play an enormous role in the workings of the economy, products purchased and the way that companies will be profitable in the future." — Stephen H. Dover, chief market strategist, head of Franklin Templeton Investment Institute

(012) An article from the Harvard Law School Forum on Corporate Governance published in December 2020 highlights the fact that mental health was gaining traction in ESG investing.,,, [The Principles for Responsible Investment](#) ran a poll that listed mental health as one of the top four social issue priorities. Despite this revelation in the investing space, advisors, and investors struggle with a lack of suitable ESG standards and are looking for a wider selection of variables to prioritize personal values and objectives.

(012A) Milken Institute Center for Public Health...[It Takes a Village: The Pivotal Role Employers are Playing to Improve Mental Health for the Long Term | LinkedIn](#); and [100% Human at Work | Virgin Unite](#): We believe the time has come for business to start thinking of

people as human beings and not as resources. Moving away from maximizing profits and profitability to focus on how we can help people achieve their highest potential and purpose – which will naturally positively impact the bottom line. With this in mind and using the UN Principles for Business and Human Rights as a basic standard, [The B Team](#) and Virgin Unite launched the 100% Human at Work Initiative, with the aim of catalyzing a 100% Human future of work that serves humanity and the planet. We lead conversation, encourage collaboration and innovation, set the benchmark, and facilitate learning. As part of the initiative, we have brought together a network of over 450 organizations around the world who are shaping a vision for a better future of work, testing ideas and scaling action. Identified by our network members, our five core values are key to our work: respect, equality, growth, belonging and purpose.

(012B) [Future-of-the-Workforce-Approaches-to-Increasing-Access-and-Inclusion.pdf \(dol.gov\)](#)

(012C#1) While it might seem obvious that pharma companies would almost automatically receive very high ESG+H ratings, as noted in [Sustainable Development Goal 3 – Good Health and Well Being | Candriam Academy](#), in many cases pharma R&D/translational commercialization focuses on maximizing revenue, and ignores broader global public health needs. And any health assessment of a pharma company would need to take into account anticompetitive activities—an example is the 10+ year conspiracy by every manufacturer of generic drugs to fix prices [Generic Drug Price Fixing Lawsuit - Everything You Need to Know \(nastlaw.com\)](#)

(012C#2) “And Healthcare companies operate at the cutting edge of one of the world’s biggest long-term challenges – the quest for longer, better life. On the one hand they are well positioned to help promote good health and well-being. But on the other, the industry faces criticism over some of its business practices, especially in terms of product safety, marketing, and price fixing”. [ESG and Healthcare: The challenges ahead | AXA IM Corporate \(axa-im.com\)](#)

(012C#3)

<https://www.weforum.org/reports/investing-in-health-equity-why-strong-esg-strategies-help-build-a-healthier-more-inclusive-world>, [Partners - Global Health Equity Network \(weforum.org\)](#)

(012D) [Survey: 60 Percent of US Workers Concerned About Their Mental Health in Pandemic’s Aftermath \(conference-board.org\)](#) and [Leidos and Milken Institute Team Up to Combat Addiction and Improve Mental Health \(prnewswire.com\)](#). And J&J: We focus our efforts on the areas where we are uniquely positioned to achieve the greatest impact – championing global health equity, empowering our employees, and advancing environmental health. Leading with accountability and innovation is foundational to these efforts and essential to achieving Our Purpose, creating a virtuous circle that creates economic, environmental, and social value for all those we serve. 2021 ESG Summary (jnj.com)

(012F) [Deloitte comment letter on SEC's requests for input on climate-related and other ESG disclosures \(iasplus.com\)](#)

(013) [SEC.gov | Sample Letter to Companies Regarding Climate Change Disclosures\[1\]](#)

(014) [The Rise of Health Metrics in ESG Investing | GRESB](#)

Now, compelling new research is pointing to health and well-being as the next big material element investors should be incorporating into their ESG analysis.

(015) Safety and Health at the Heart of the Future of Work. Building on 100 years of experience <https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms686645.pdf>. "According to recent estimates released by the International Labour Organization (ILO), each year 2.78 million workers die from occupational accidents and work-related diseases (of which 2.4 million are disease-related) and an additional 374 million workers suffer from non-fatal occupational accidents. It is estimated that lost workdays globally represent almost 4% of the world's GDP, and in some countries, this rises to 6% or more (Hämäläinen et al, 2017; Takala et al, 2014). Aside from the economic cost, there is an intangible cost, not fully recognized in these figures, of the immeasurable human suffering caused by occupational accidents and work-related diseases. This is tragic and regrettable because, as research and practice over the past century has repeatedly demonstrated, they are largely preventable. Psychosocial risks, work-related stress and noncommunicable diseases are of growing concern for many workers in all parts of the world. At the same time, many workers remain challenged by persistent work-related safety and health risks, and it is important not to overlook the workers who face these risks as we look to the future."

(016) [https://www.thelancet.com/pdfs/journals/lancet/PIIS0140-6736\(20\)30925-9.pdf](https://www.thelancet.com/pdfs/journals/lancet/PIIS0140-6736(20)30925-9.pdf)

(017#1) [WEF_ Investing_in_Health_Equity_2022.pdf \(weforum.org\)](#),

(017#2) [Deloitte comment letter on SEC's requests for input on climate-related and other ESG disclosures \(iasplus.com\)](#)

(018#1) <https://www.thelancet.com/action/showPdf?pii=S2215-0366%2821%2900395-3>

(018#2) [Drugs at Work - National Safety Council \(nsc.org\)](#)

(023#1) The Kennedy Forum celebrated the Mental Health Justice and Parity Act of 2022 passing the House Health Subcommittee and the House Energy Commerce Committee after much advocacy. We'd like to thank Representatives Katie Porter (D-CA), Debbie Dingell (D-

MA), Frank Pallone (D-NJ), and Cathy McMorris Rogers (R-WA) for their leadership to ensure frontline workers in state and local government-sponsored health plans have equal coverage for mental health and addiction treatment. Support Letter to End Parity Opt Outs HR7666 (full E&C) - FINAL.docx (thekennedyforum.org)

(023#2) included in the issue of workforce mental health is the cost/impact of workforce addiction Beyond the tragedy of overdoses, there is another enormous cost to society. The economic impact of untreated addiction costs businesses and taxpayers [an estimated \\$740 billion per year](#), a number that includes illegal drugs, alcohol, and tobacco. For businesses, substance use should practically be a line item of its own, accounting for increased health care costs, employee sick leave/paid time off, and lost productivity. Some of the most common consequences are frequent absenteeism; loss of concentration; accidents and other safety hazards caused by inattention; diminished passion for mission and camaraderie; increased work-related stress and anxiety, which often contribute to physical health problems; conflict with supervisors and/or co-workers; and negativity that can be imprinted on others. [Employers: Our President is Calling on You to Prioritize Recovery in the Workplace | The Kennedy Forum](#)

(024) [The Business Case for Workplace Mental Health \(healthaction.org\)](#)

(025) [Fatigue - National Safety Council \(nsc.org\)](#)

(026) [The Cost Of Ignoring Mental Health In The Workplace \(forbes.com\)](#)

(027) <https://tradingeconomics.com/united-states/productivity>

(028) [Mental Health America \(MHA\) and the Center for Law and Social Policy \(CLASP\)](#)

(029) [Opinion | First Up, Mental Illness. Next Topic Is Up to You. - The New York Times \(nytimes.com\)](#)

(030) [Compassionate Management of Mental Health in the Modern Workplace by John A. Quelch, Carin-Isabel Knoop - Alibris](#): Chapter 1: Making the Argument that Good (Mental) Health Means Good (or Better) Business The book begins by demonstrating the increasing importance of mental wellness in the knowledge economy by reviewing the latest thinking about the connection between mental health, physical health, and business productivity. The authors want to show how expensive the issue of poor mental health is for organizations and society, while also addressing the challenges of measuring returns on investment in mental health.

(031) [Mental Health as Corporate Priority in the COVID-19 World | by Carin-Isabel Knoop | Medium](#)

(032)

<https://corpgov.law.harvard.edu/2020/12/02/workplace-wellness-and-employee-mental-health-an-emerging-investor-priority/>

<https://www.pbs.org/newshour/show/the-ominous-consequences-of-covid-19-for-american-mental-health>

<https://www.healthaction.org/updates/05-03-22-digest>

https://uploads-ssl.webflow.com/6010e149d9130a63e7b78adb/6273534c5cc5eb8546b058b8_Workplace%20Mental%20Health%20Playbook.pdf

(033) [WEBINAR: The Essential Role of Organized Labor in Addressing Workplace Mental Health \(July 22, 2021\) - YouTube](#)

(034) ['Workplace Mental Health Action Summit' on May 5 to Spotlight Companies' Innovative Actions on Employee Mental Health \(prnewswire.com\)](#).

(035) [.One Mind at Work – TRANSFORMING ON A GLOBAL SCALE IS WITHIN REACH Articles by Garen Staglin’s Profile | Forbes Journalist ...](#)

<https://muckrack.com/garen-staglin/articles>

By Garen Staglin. | Forbes. In high-risk, low-transparency environments in which mental health is not openly discussed, employees are exposed to high levels of stress, trauma, or toxicity without an appropriate level of transparency and support around mental health.

[Future Of Work: How Companies Can Continue ... - Forbes](#)

<https://www.forbes.com/sites/bryanrobinson/2021/02/...Feb 20, 2021> · “The trauma of the last year will have long-lasting effects on the mental health of not only employees but their families,” said Garen Staglin

[Workforce Mental Health Playbook | CAMEO \(cameonetwork.org\)](#)

[988-fact-sheet.pdf \(fcc.gov\)](#)

[988 Guidance Form — Mindful Philanthropy](#)

(036) PowerPoint Presentation (pittsburghcebs.com) Cost of Addiction in the Workplace - Greater Pittsburgh CEBS, <https://www.pittsburghcebs.com/uploads/1/1/8/0/...>

The rate of workforce drug positivity hit a sixteen-year high in 2019 increases: The Cost of Addiction in the Workplace. Total cost \$100 billion per year to business

Alcoholism In The Workplace: A Handbook for Supervisors (opm.gov) In the workplace, the costs of alcoholism and alcohol abuse manifest themselves in many different ways. Absenteeism is estimated to be 4 to 8 times greater among alcoholics and alcohol abusers. Other family members of alcoholics also have greater rates of absenteeism. Accidents and on-the-job injuries are far more prevalent among alcoholics and alcohol abusers.

(038) <https://novisto.com/list-esg-reporting-framework-standard/>

Compare European Sustainability Reporting Standards ...with reporting through a double materiality lens... to ISSB standards [Double Materiality Guidelines \(efrag.org\)](#)

The draft European Sustainability Reporting Standards (ESRS) recently published by the European Financial Reporting Advisory Group (EFRAG) would create mandatory disclosure requirements for tens of thousands of European companies based on a double materiality framework. In contrast, the two draft standards published by the International Sustainability Standards Board (ISSB) emphasize enterprise value-focused reporting, or financial materiality. [What Are “Materiality” and “Double Materiality?” Here’s What You Need to Know - Velocity EHS](#); [Bob Eccles and Jean Rogers on ISSB and the future of ESG reporting | Greenbiz](#);

<https://www.weforum.org/agenda/2020/10/why-we-need-a-new-human-capital-accounting-framework-and-how-to-get-there/>

April 2022– “Embedding health equity measurement and reporting standards in ESG frameworks can create a shared approach for business leaders to assess, measure and activate health equity. Indeed, several ESG standards-setting organizations have begun to integrate health equity into their frameworks. We ask all leaders to collectively take action and to intentionally and deliberately design and build systems that advance health equity as an outcome. They can start by asking themselves, “What is our health footprint and how are we generating equitable health and well-being?” [World Economic Forum \(weforum.org\)](#)

(039)

<https://www.eurocadres.eu/news/european-parliament-calls-for-a-directive-on-psychosocial-risks/>

<https://help.sasb.org/hc/en-us/articles/360060771392-What-is-SASB-s-conceptual-approach-to-human-capital-management-#:~:text=SASB's%20ongoing%20Human%20Capital%20research%20project%20aims%20to,financially%20material%20impacts%20related%20to%20human%20capital%20management.?msclkid=60d0d3fbcec811ec8456ee8210154a31>

(040) https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3941514

(042) [The Need for Mental Health ESG Standards | Index One | LinkedIn](#).)

(043) (a) [Looking Ahead to 2022 - One Mind](#)

(b) [The World Mental Health Survey Initiative \(harvard.edu\)](#)

(c) [National Institute for Occupational Safety & Health | NIOSH | CDC](#)

(d) [Mental Health Index - Total Brain](#)

(e) OneMind, Mental Health at Work Index Brief.pdf

(e) JUST CAPITAL [Full Ranking Methodology — JUST Capital](#): Rankings: As a final step, JUST Capital develops a ranking model that leverages our survey research and company

evaluations to score and finally rank companies from the Russell 1000 Index. We generate an overall ranking of companies in the Russell 1000 universe as well as industry-level rankings so that companies can be compared to their peers. [Protects worker health and safety - JUST Capital](#): The metrics they use to assess workforce health are, most charitably, underwhelming, “How we measure whether a company protects worker health and safety, Health and Safety Policies: Worker Health & Safety Policy, An assessment of whether the company has established a policy to improve employee health and safety.”

(044) Philip T. Ninan, MD and colleagues report a new measure based on a neuroscience-based model of the mind, published in a peer reviewed, scientific paper that validates the eMindLog system. <https://emindlog.com/emindlog-validated-in-scientific-study/>

(046) <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4471980/pdf/wps0014-0231.pdf>

(047) www.mentalheath.gov

(050) [Mental Health Index for ESG: Issues for Consideration](#)

(051#1) [The-High-Cost-of-Mental-Health-Disorders-One-Mind-at-Work-Tufts-Report-2021.pdf \(secureservercdn.net\)](#).

[\(051#2\) Holistic Well-Being @Work \(conference-board.org\)](#)

(052) [Standard Occupational Classification and Coding Structure, 2018 SOC \(bls.gov](#): 11-0000 Management Occupations 13-0000 Business and Financial Operations Occupations 15-0000 Computer and Mathematical Occupations 17-0000 Architecture and Engineering Occupations 19-0000 Life, Physical, and Social Science Occupations 21-0000 Community and Social Service Occupations 23-0000 Legal Occupations 25-0000 Educational Instruction and Library Occupations 27-0000 Arts, Design, Entertainment, Sports, and Media Occupations 29-0000 Healthcare Practitioners and Technical Occupations 31-0000 Healthcare Support Occupations 33-0000 Protective Service Occupations 35-0000 Food Preparation and Serving Related Occupations 37-0000 Building and Grounds Cleaning and Maintenance Occupations 39-0000 Personal Care and Service Occupations 41-0000 Sales and Related Occupations 43-0000 Office and Administrative Support Occupations 45-0000 Farming, Fishing, and Forestry Occupations 47-0000 Construction and Extraction Occupations 49-0000 Installation, Maintenance, and Repair Occupations 51-0000 Production Occupations 53-0000 Transportation and Material Moving Occupations 55-0000 Military Specific Occupations
[Worker Well-Being a Priority for US Businesses, but Program Usage Falters \(conference-board.org\)](#); [Survey: 60 Percent of US Workers Concerned About Their Mental Health in Pandemic’s Aftermath \(conference-board.org\)](#)

(053) [Make Workplace Mental Health a Priority, Says Union President Who Survived San Jose Shooting | Labor Notes](#): "Human Capital Management Coalition." UAW Trust, 2020, uawtrust.org/hcmc.; [gri_rwjf_cultureofhealthforbusiness.pdf](#), [gri-coh4b_linkage \(1\).pdf](#); The Mental Health Parity and Addiction Equity Act (“MHPAEA”) provisions of the Consolidated Appropriations Act, 2021 (“CAA”) introduced a requirement that group health plans and insurance providers offering both medical and surgical benefits (“M/S benefits”) and mental health and substance use disorder benefits (“MH/SUD benefits”) that impose non-quantitative treatment limitations (“NQTLs”) must conduct and document a detailed comparative analysis of the design and application of the NQTLs.

[Self-Insured Group Health Plan Sponsors: Action Steps to...; HHS’s New Mental Health and Substance Use Disorder Benefit Resources Will Help People](#) Wednesday, April 27, 2022

New Resources to Help People Seeking Care to Understand and Access Protections Offered Under the Parity Law for Mental Health and Substance Use Disorder Benefits.

In partnership with the Department of Labor, the Department of Health and Human Services (HHS) has developed new, free informational resources that inform Americans of their rights under law on coverage for mental health benefits. The Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA or Parity Law) requires most health plans or health insurers that offer coverage for mental health conditions or substance use disorders to make these benefits comparable to those offered for medical and surgical benefits. This means that deductibles, copays, out-of-pocket maximums, and treatment limitations for mental health or substance use disorders must not be more restrictive than corresponding requirements or parameters offered for [Parity | The Kennedy Forum](#) [What is Parity? | The Kennedy Forum](#) [The DOL Has Made This New Mental Health Parity](#) medical and surgical benefits.

(054) [Teens and social media use: What's the impact? - Mayo Clinic](#)

(055) [Makaila Nichols](#)

(056#1) <https://www.science.org/doi/10.1126/science.abn4189> Current theoretical considerations of the development and maintenance of online addictive behaviors are mainly based on theories and findings from substance-use research, including those related to diminished self-control (), as well as hypotheses on the potential shift from reward-oriented to compulsive behaviors (). There are two driving paths to online addictive behaviors that may increase ...

(056#2)

https://docs.google.com/document/d/1vVAatMCQnz8WVxtSNQev_e1cGmY9rnY96ecYuAj6C548/edit

(057) We acknowledge the expertise of TheoremOne [Sustainability & ESG | TheoremOne](#) for this Section’s narrative.

(058) [Digitized ESG Reports Demonstrate Value of Machine-readable Sustainability Data | Business Wire](#)

(060) [Mental health apps have terrible privacy protections, report finds - The Verge](#)

#####

ADDENDUM

November 2022

Introductory Thoughts

(A100a) For a more inclusive form of capitalism, human capital must flourish as much as financial capital does.

https://ssir.org/articles/entry/esg_public_health_eshg

(A100b) Climate impacts are intensifying to become one of [the most significant health crises](#) this century..... climate change, directly and indirectly, aggravates pressing environmental, social and governance (ESG) issues in healthcare, including workforce burnout,

<https://www.weforum.org/agenda/2022/08/it-s-time-for-healthcare-to-accelerate-its-climate-journey/>

(A100c) “...health is the new frontier for ethical and sustainable business.”

[Why We Need to Add Health to ESG | Corporate Compliance Insights](#)

(A100d) In coming months, The American Cancer Society and MIT Laboratory for Financial Engineering, will be discussing the current state of impact and ESG investing in the context of healthcare, and oncology ..,”

PART ONE...SEC Mandated 10-K Disclosure of Human Capital

(A101)

As the below commentary (A102-A105) evidences, the SEC's 10-K Disclosure Requirement for a human capital presentations falls far short of providing investors with accurate and comprehensive information about workforce health as a material investment metric

[\(A102\) From Corporate Human Capital Disclosures: Early Evidence from the SEC's Disclosure Mandate](#) [Corporate Human Capital Disclosures: Early Evidence from the SEC's Disclosure Mandate \(harvard.edu\)](#) *published Thursday, August 4, 2022*

Human capital is a critically important source of corporate value creation in the modern economy, yet disclosures related to what executives commonly refer to as their “most important asset” have been extremely limited relative to those of other asset classes. This was supposed to change in November 2020 when the SEC's amendment to Regulation S-K took effect. The new rules require that filers provide expanded discussion related to the firm's human capital (HC) as part of Item 1 (i.e., the business description section) of their 10-K filing. The new rules are principles-based, however, so they allow for a tremendous amount of discretion without stipulating any specifics as to what companies should disclose. Early critics expressed concern that this approach would lead to too much heterogeneity in HC disclosures, that it was fraught with the potential for “greenwashing,” and that it would otherwise not yield the comparable *quantitative* data that investors need to properly assess corporate performance.

(A103) Further to the above

The most valuable of all capital is that invested in human beings.” – Alfred Marshall, Principles of Economics (1890)

[Corporate Human Capital Disclosures: Early Evidence from the SEC's Disclosure Mandate by Elizabeth Demers, Victor Xiaoqi Wang, Kean Wu :: SSRN](#) 51 Pages Posted: 15 Jul 2022 Last revised: 15 Aug 2022

our study provides the first comprehensive large-sample descriptive evidence related to mandatory HC-related 10-K disclosures under the SEC's new reporting regulation during its first year in effect.

(A104) Further to the above

Firms for which HC is strategically important do not provide superior disclosures, and time trends suggest that firms have learned over the first year of the non-directive regulation to provide disclosures that are longer and more optimistic, but less informative (i.e., more similar or boilerplate and less numerically intensive). Overall, our comprehensive evidence validates concerns regarding the heterogeneity (i.e., lack of

comparability), lack of specificity, and dearth of numerical disclosures being provided under the new principles-based rules.

(A105) [Initial 10-K disclosures provide limited data on human capital metrics - WTW \(wtwco.com\)](https://www.wtwco.com)

It would seem from this report, that workforce health metrics continues to be ignored.

(A105A) [ESG Ratings: A Call for Greater Transparency and Precision](https://www.cadwalader.com/resources/clients-friends-memos/esg-ratings--a-call-for-greater-transparency-and-precision-)
<https://www.cadwalader.com/resources/clients-friends-memos/esg-ratings--a-call-for-greater-transparency-and-precision-> October 24, 2022

As discussed in our article “Climate Risk Is Investment Risk”: The Asset Management Industry Confronts The Challenges and Opportunities Presented By Climate Change Transition, asset managers face challenges when assessing the sustainability of their investments and then disclosing those characteristics to investors due, in part, to the lack of coherent ESG ratings based on consistent and reliable criteria and methodologies. There are currently more than 600 ESG standards and frameworks, data providers, and ratings and rankings, provided by a mix of established credit ratings agencies and data vendors, along with niche providers. At present, there is very little consistency across ESG ratings providers and no established industry norms relating to disclosure, measurement, transparency and quality. This poses challenges to investors and fund managers seeking ESG investment opportunities and, at worst, raises concerns that the lack of consistency may facilitate greenwashing. These challenges are only likely to increase as ESG assets are estimated to reach \$53 trillion by 2025¹⁰ and risk outstripping the capabilities of existing ratings providers. In this area, many investors prefer active investment strategies and “want managers to use active security selection to uncover ESG opportunities and active ownership to engage and influence investee companies.

PART TWO

WORLD HEALTH ORGANIZATION; INTERNATIONAL LABOR ORGANIZATION

ILO/WHO Joint Policy Brief: Mental health at work Mental Health at Work_Oct 11 (ilo.org)

(A106) This WHO/ILO joint policy brief calls for global action to address mental health at work. The brief illustrates practical strategies for governments, employers, workers, and their organizations in the public and private sectors. It focuses on the prevention of psychosocial risks, protection and promotion of mental health and support of workers with mental health conditions, so they can participate and thrive in the world of work.

(A107) *Globally, 15% of working-age adults live with a mental disorder (see Fig. 1) [5]. Mental disorders and other mental health conditions are experienced in different ways by different people, with varying degrees of difficulty and distress [6]. Without selective structures and support in place, and despite a willingness to work, the impact of unsupported mental health conditions can affect self-confidence, enjoyment at work, capacity to work, absences and ability to gain employment. Carers and family members are similarly affected.*

(A107A) **EUROHealthNet. PSYCHOSOCIAL RISKS & OLDER WORKERS' HEALTH Strategies for a healthier workplace**

The daily impact of the psychosocial risks at work significantly impact the health of European workers. Yet, as with other mental health issues, such risks are often neglected, misunderstood, or stigmatised. While workers of all ages face psychosocial risks in the workplace, this policy brief will focus specifically on issues facing older workers.
file:///C:/Users/Trader/Downloads/221020_briefing_psychosocialstrategies%20(1).pdf

PART THREE

People at the center of corporate purpose

(A108) The SEC is undoubtedly aware that investors are considering ‘material’ for their investment decisions matters that look beyond traditional financial metrics --hence, considerations of ESG matters that may not have a direct relationship to near-term corporate financial performance.

(A109) As per the The Business Roundtable: **The Business RoundTable's Purpose Statement, One Year On (harvard.edu)**

Following unprecedented attention at this year's World Economic Forum in Davos, climate change was anticipated to be the leading ESG issue in 2020. While climate remains a critical issue, the pandemic quickly redirected focus towards companies' human capital management and treatment of employees—topics that fall under the 'S' category of ESG.

(A110) **Social topics as important as environmental topics**



*Environmental topics – such as climate change and water – have regularly dominated ESG discussions and the regulatory landscape, while the ‘softer’ social topics have often been deemed less important . One of the reasons for this may be the greater availability of data on environmental issues, perhaps leading to less ability to conceptualise what good performance on social issues looks like. However, as Thomson Reuters points out, there are **social topics** which are extremely important are increasingly easy to measure, such as human rights and diversity, equity, and inclusion. Supply chain audits, which account for 40% of corporate ESG impacts, can uncover human rights failings, while strong grievance mechanisms represent robust protections. On diversity, equity and inclusion, a common area is the internal representation at higher levels of those individuals with underrepresented identities or backgrounds. As strong governance and progress on environmental criteria become the minimum expected of companies, a proactive and positive approach to the S offers an opportunity for companies to meet investor expectations while differentiating their impact from peers.*

(A11)

Highlights from Edelman Trust Barometer Special Report: Institutional Investors

Page 43 “ 98% of {institutional} investors use ESG rating agencies as part of investment decisions/valuation criteria”

Page 25... “ INVESTORS TRUST COMPANIES THAT TREAT THEIR PEOPLE WELL”

“Page 35 “The multi-stakeholder model of governance is more conducive to delivering long-term financial returns than other models ”

https://www.edelman.com/sites/g/files/aatuss191/files/2020-11/Edelman%202020%20Institutional%20Investor%20Trust_FINAL.pdf

(A112) Highlights from Edelman Special Report: Trust and Health, 2022

Page 28 “ NEARLY 8 IN 10 EMPLOYEES EXPECT THEIR COMPANY TO PLAY A MEANINGFUL ROLE IN GOOD HEALTH”

Page 32 “Own the employer role in health outcomes Employers influence good health choices. Provide clear, reliable information, and design inclusive health policies and incentives.”

Page 39 “Good quality healthcare is a basic human right and it should be available to everyone”

Page 47 ACTIONS EMPLOYERS ARE EXPECTED TO TAKE

**Create a healthy office environment Make healthy foods available to employees at the workplace Send employees home who show up sick to work Enforce masking and social distancing requirements in the workplace to prevent the spread of COVID-19 Implement health policies*

** Provide employees with health insurance or access to healthcare Give employees adequate sick leave and time off to go to doctor's appointments Require that employees get COVID-19 vaccinations before they are allowed to return to the office or work site Provide health incentives and information*

** Provide employees with access, or reduced-price memberships, to work-out and exercise facilities Be a source of trustworthy information about health and health issues Provide free, onsite vaccinations and health screenings Offer incentives to employees to get them to do things like stop smoking, exercise more, or maintain a healthy weight Offer mental health support and prevent burnout*

** Offer mental health support and prevent burnout Provide free access to mental health support Put policies in place that help prevent overwork and employee burnout*

<https://www.edelman.com/sites/g/files/aatuss191/files/2022-08/2022%20Trust%20Barometer%20Special%20Report%20Trust%20and%20Health%20with%20Talk%20Track.pdf>

(A113) From Deloitte

Healthy employees positively impact their organizations and societies as they indulge in meaningful activities for the greater good.

<https://www2.deloitte.com/content/dam/Deloitte/xen/Documents/consulting/HC-wellbeing.pdf>

<https://www2.deloitte.com/us/en/pages/about-deloitte/articles/how-purpose-delivers-value.html>

<https://www2.deloitte.com/us/en/blog/human-capital-blog/2022/purpose-driven-workforce-strategies.html>

PART FOUR One example... the health implications of a Company's Products/Services

(A114)[Opinion | An NIH cancer study casts a scary shadow over our '90s perms - The Washington Post](#)

Black women, '90s perms, and dangerous beauty standards

Now, over the past two weeks, chemical hair relaxers have come back into the spotlight, and not for any good reason. A large new study from the [National Institutes of Health](#) found a link between their use and increased rates of uterine cancer. Given that Black women and girls are more likely to use relaxers, and to start them at an early age, we are

more at risk, the study authors reported. Jenny Mitchell, a Black woman in Missouri, [filed a federal lawsuit this month](#) against the makers of some of the relaxers, alleging that they knew, or should have known, that the products presented a cancer risk but sold them anyway. Mitchell believes the chemical relaxers contributed to her uterine cancer, which led to her hysterectomy. (In a [statement](#), the Personal Care Products Council, a cosmetics industry group, said that the NIH study did not prove that hair relaxers caused uterine cancer.)

PART FIVE Developments

(A115) <https://milkeninstitute.org/centers/center-for-public-health/mental-health>

In order to attain total health, we must normalize a “whole person” approach that prioritizes mental and physical health equally. To do so, we are working strategically with employers, as they are uniquely positioned to reach employees, their families, and the surrounding communities, and can help them access evidence-based, innovative, inclusive prevention, treatment, and recovery resources to address mental health issues and addiction.

(A116) <https://www.healthatscale.com/precision-health>

Drive better health choices by employees and their families

AI-powered digital health and human care engagement programs that provide smart, hyper-personalized care insights to employees and benefits teams. Health at Scale’s programs encourage the adoption of high-value care for each individual employee and their families, providing recommendations optimized for improved employee health outcomes that bring significant cost savings.

(A117) Will corporate advertisers be held accountable for TikTok content?

NYTimes...Oct 29, 2022

Teens Turn to TikTok in Search of a Mental Health Diagnosis While social media can help people feel less alone, using it to evaluate symptoms has several downsides.

<https://www.nytimes.com/2022/10/29/well/mind/tiktok-mental-illness-diagnosis.html>

(118) In contrast to (117) see <https://cloud.google.com/healthcare>

Empower healthcare and life sciences leaders to make decisions from disjointed healthcare data Healthcare Data Engine builds on and extends the core capabilities of the Google Cloud [Healthcare API](#) to make healthcare data more immediately useful by enabling an interoperable, longitudinal record of patient data. Healthcare Data Engine can map over 90% of HL7v2 messages to FHIR across leading EHRs out of the box, enabling a path to better care, while reducing the total cost of ownership. Make better real-time decisions around population health, resource utilization, optimizing clinical trials and accelerating research, identifying high-risk patients, and other critical needs with health insights <https://cloud.google.com/healthcare>

(A118) From Gallup

FOCUS ON WELLBEING Employees, managers and supervisors all need to feel they are continuously developing in their work and overall lives. As work and life are now more blended than ever, it is critical that organizations address and manage employee engagement along with the five elements of wellbeing — career, social, financial, physical and community — to reduce the odds of burnout, stress, worry, anxiety and depression. Even engaged employees who are not thriving in these five elements have a higher risk of burnout. Organizations can improve the overall lives of their managers and employees with the right coaching conversations about individual strengths, work and wellbeing.

[2022 Employee Engagement Guide \(gallup.com\)](#)

(A119) From Mercer

It is vital that employers embrace the many different dimensions of well-being rather than reduce it to a checklist of programs. When a company provides meaningful benefits across the aspects described below it demonstrates to its employees it cares about their health and well-being while also driving positive business outcomes. Showing that you care through meaningful benefits is more important than ever in today's world. According to the World Health Organization (WHO), depression and anxiety disorders cost the global economy about US\$1 trillion each year in lost productivity

..... coping with pressure and behavioral health concerns are at the very top of employers' agendas. With new technologies, changes in the provider landscape, new forms of network access and enhanced tools there are multiple new opportunities to deliver the right support at the right time to your employees.

[.us-2021-well-being_pvo.pdf \(mercer.us\)](#)

(A120) Why ESG must include health equity | World Economic Forum

<https://www.weforum.org/agenda/2022/04/why-esg-must-include-health-equity>

1. Oct 21, 2022 · A global economy should focus on governance, people, planet and prosperity. A healthy planet is necessary for healthy people, who, in turn, are necessary for healthy companies. One person or entity cannot address **health** equity alone. As we note in our recent Insights Report, embedding **health** equity measurement and reporting standards in **ESG**

CONCLUSION

"Every company is a healthcare company "

<https://www.weforum.org/agenda/2022/10/how-businesses-can-tackle-health-inequity-worldwide>

(A121) [ShareAction | Long-term Investors in People's Health](#)

Poor health is exposing investors and many of the businesses they're invested in to elevated and preventable financial risk. That's why we're establishing the Long-term Investors in People's Health (LIPH) initiative. A global initiative that will support investors to give greater priority to health within their work.

(122)A group of top investors managing \$5.7tn are mounting pressure on firms to boost their focus on public health today, amid fears it is sliding off the agenda as an environmental, social and governance (ESG) issue. Thirty five money managers, including Legal and General Investment Management and Hermes Investment Management, have backed a new 'Long-term Investors in People's Health Initiative' in a bid to strong-arm firms into improving the mental and physical health of "workers, consumers, and communities", they announced today

[Investors launch \\$5.7tn coalition to force action on public health \(msn.com\)](#)

(A123) Corporate actions/decisions that impact (negatively and positively) workforce health, community health and the health of users/customers are not a fringe subject. By any measure, it is 'mainstream'-- an investment metric in the context of ESG assessments that is too material to be dismissed.

We hope this comment letter and Addendum will be helpful to the SEC in providing guidance/thought leadership so that health investment disclosures avoid becoming an 'aggregate of confusion'.

