



# Enhance Product Development advice to SEC RE: Modernization of Regulation S-K Items 101, 103, 105

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At Enhance Product Development, we strongly believe that businesses diligently managing the cultural and governance (ESG) matters of contention, that are commonly experienced in their respective markets, will likely be better positioned to outperform their competitors over the long term. Enhance Product Development takes seriously our own human capital management processes. This leaves us well equipped to acquire, establish and retain reliable staff that tend to be better performers.

Investment liabilities that are linked to second-rate human capital administration practices have come into the limelight lately with disturbing occurrences of intimidation and racial discrimination. These crucial matters will negatively influence an organisation's respectability, stagnate talent acquisition and ruin efficacy in its particular field. Ergo, diversity and inclusion are clearly indispensable in human capital management strategies.

Analysis suggests that reducing harassment in the workspace requires a prioritized approach to recruiting and elevating more women. Having said that, such preferences must be based on merit, not based on quota. When female new-hires possess matching or better aptitudes than their male co-applicants, then evidence suggests that this wider personnel variety induces greater business outcomes.

In McKinsey & Company's publication "**Delivering through Diversity**" by Hunt, Prince, Dixon-Fyle, Yee; January, 2018 posited that in 2015, and in a more extensive study in 2017 that highly diverse executive teams had higher returns on equity and earnings performance than those with low diversity. Companies in the top quartile for ethnic/cultural diversity were 33 % more likely to have industry-leading profitability. Companies in the top quartile for substantial gender diversity on their executive teams were 21% more likely to have industry-leading profitability.

I also refer to the following articles published by TheCorporateCounsel.net website articles:

1. "Just Vote No": State Street's Alternative to Quotas
2. Board Gender Diversity: Good for Business
3. Gender Quotas on Boards?

Finally, I strongly recommend that your board concentrate on the stipulated criteria to evaluate the priorities and affect on all stakeholders thoroughly. Perhaps, we can come up with a good balance; in as much as that could be possible. I am certain that we can take advantage of a principles-based, versatile course of action that harmonizes the contribution and desires of all involved.

Respectfully submitted,

*Trevor Lambert*

**Enhance Product Development**

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<https://www.youtube.com/watch?v=VMr5r9YT1uE>

<https://twitter.com/enhancepd>

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