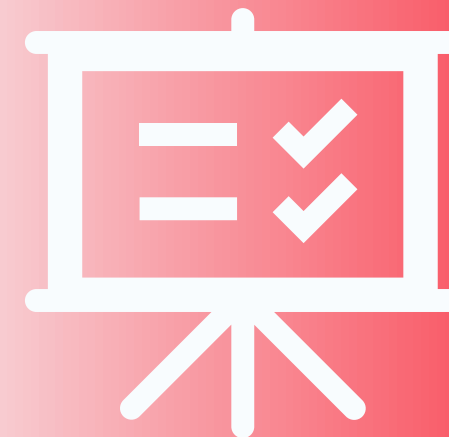


Module 3: Why is addressing violence and harassment at work a top business priority

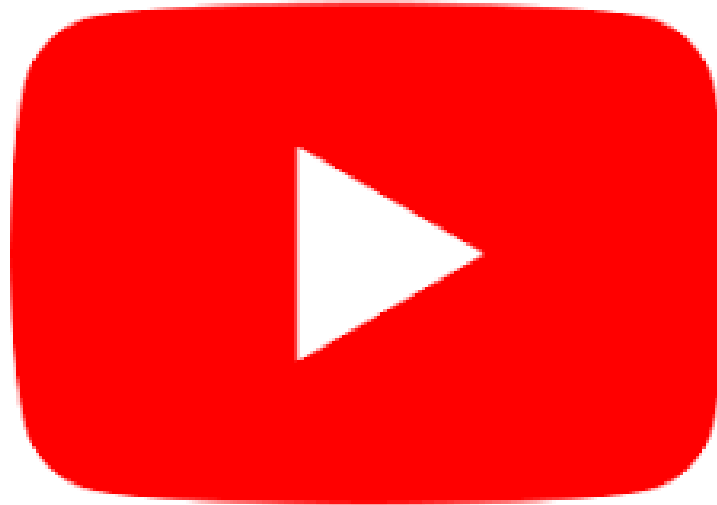


▶ Learning objectives

- ▶ Understand that violence and harassment at work pose potentially significant **risks** not just to the individuals involved, but to enterprise outcomes and reputation more widely
- ▶ Understand the **business benefits** of an inclusive and safe workplace

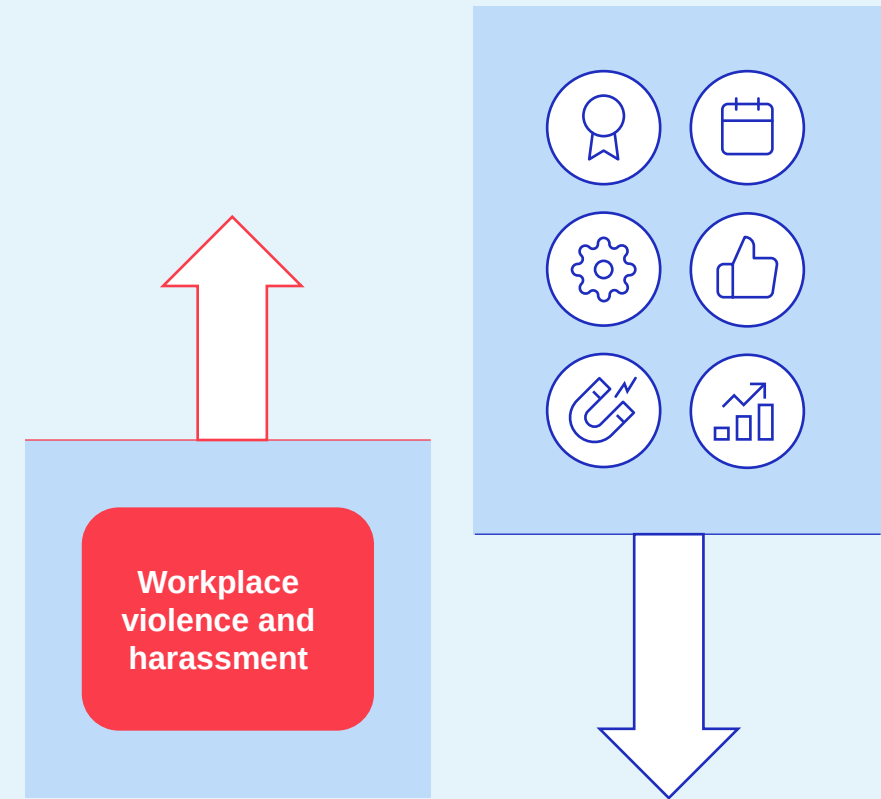


▶ The business case for addressing violence and harassment



**Diversity and
inclusion enhance
enterprise
performance**

**Violence and
harassment does
the opposite**





- ▶ Enterprises with high cultural and ethnic diversity on executive teams are 36% more likely to outperform their rivals.
- ▶ Higher levels of employees feeling like they belong can lead to a 56% increase in job performance.
- ▶ 74% of enterprises with gender equality initiatives report a profit increase of between 5 and 20 per cent.

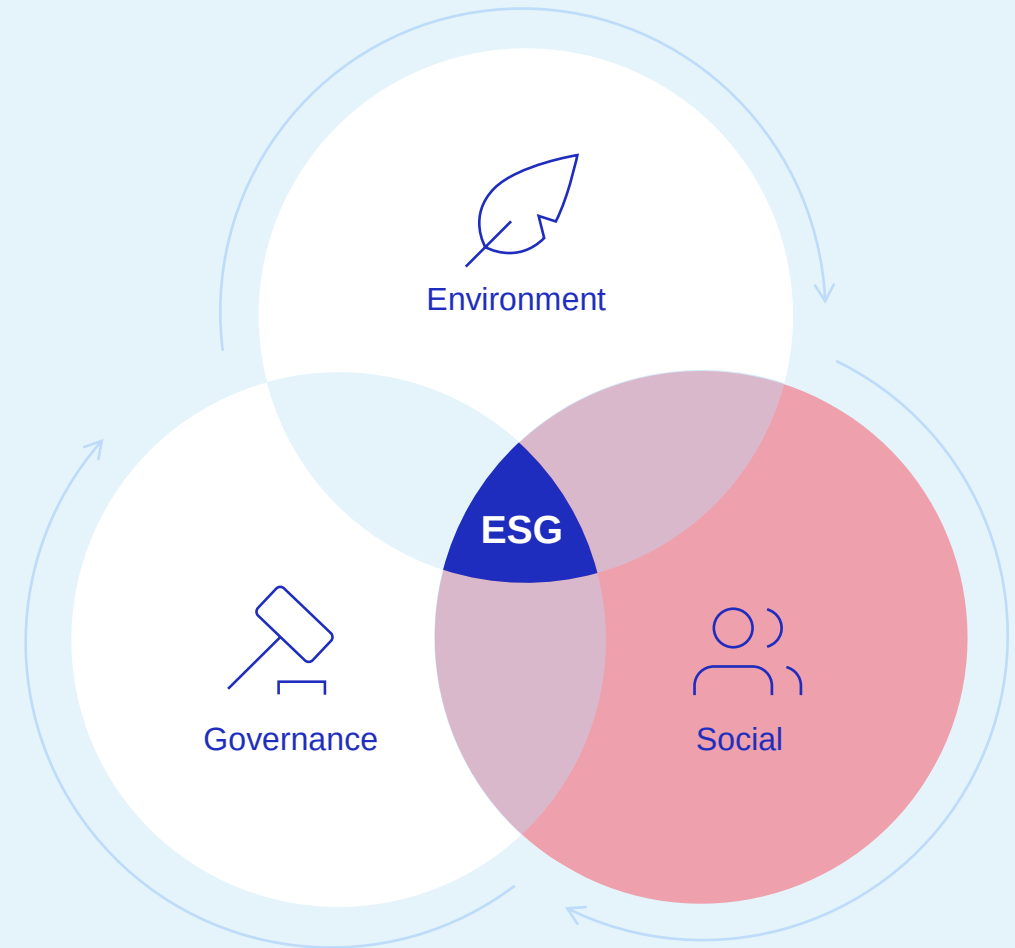


- ▶ Sexually harassing enterprises in the US suffered a loss of 20% compared to a 150% profit for regular firms over 6 years.
- ▶ The annual cost of sexual harassment for an Egyptian enterprise with 100 employees ranges from US\$ 3,200 to US\$ 25,500.
- ▶ In garment factories in Viet Nam and Jordan where workers were concerned about violence and harassment profits were lower.

▶ **Investors, lenders, suppliers, and law makers look for social compliance**

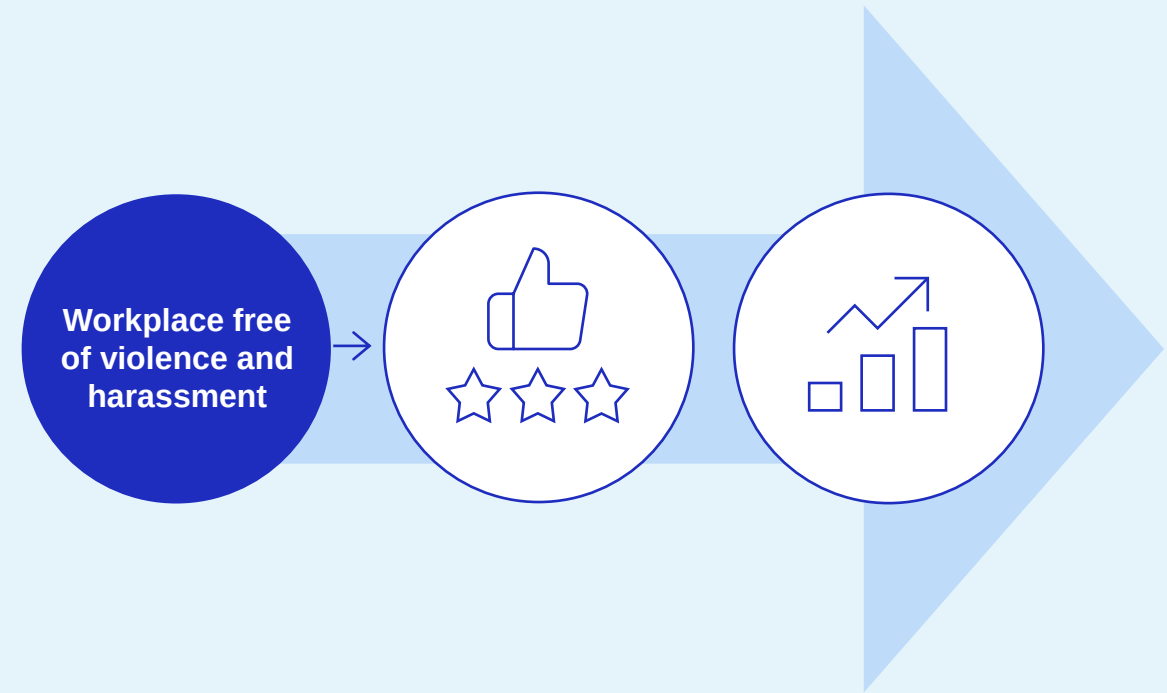
Enterprises that integrate ESG are more likely to:

- ▶ Be compliant with legislative requirements increasingly affecting enterprises of all sizes around the world
- ▶ Meet supplier standards
- ▶ Attract investment
- ▶ Obtain loans



► Violence and harassment damages enterprise reputation

- Negative publicity can quickly spread through social media and news outlets
- ESG performance is increasingly part of an enterprise's brand
- More consumers support brands that share their values and actively contribute to societal and environmental well-being
- Just one single claim of violence and harassment can seriously damage enterprise reputation



▶ A lack of legal compliance is costly

Legal cases

- ▶ Costly regardless of the outcome
- ▶ Likely to be lengthy
- ▶ Consume staff time
- ▶ Damage company reputation.



Average enterprise costs resulting from sexual harassment cases in the United States

Damages

- US\$ 217,000 where the plaintiff won
- US\$ 75,000 where the employer settled out of court

Court costs and legal fees

- US\$10,000 - 50,000 for out of court settlements
- US\$10,000 - 15,000 for dismissed cases
- US\$150,000 - 200,000 for cases that go to trial

Average length

18-24 months

▶ Violence and harassment is increasingly in the spotlight

- ▶ Rise of ESG and social compliance
- ▶ Changes in international and national law, including C190
- ▶ Social media
- ▶ COVID-19
- ▶ Gender equality movements
- ▶ More victims seem to be coming forward

► Real-life case study: ArcelorMittal Argentina



ArcelorMittal