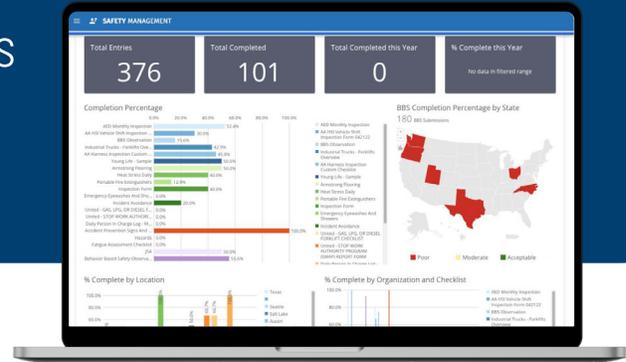


Defining the ROI of an EHS System

The importance of being able to respond effectively to EHS issues is growing.



Verdantix reports that **44% of surveyed companies¹** see investing in EHS systems as one of the most influential factors in improving EHS performance, driven by a focus on ESG and sustainability initiatives, total worker health, and increasing digitization.

44%
Investment in EHS systems is most influential factor

And while the **administrative and safety benefits of EHS systems are already well recognized**, it seems there's more to it than that.

Verdantix also found that more than **85% of EHS functions²** contribute to the broader management of quality, operational risk, worker wellness, and supply chain and contractor strategies.

85%
of EHS functions have broader operational benefits

Clearly, **lacking a fully integrated, digital EHS system places an organization at risk of falling behind.**

That's because EHS software combats both significant direct and indirect costs...



Direct Costs

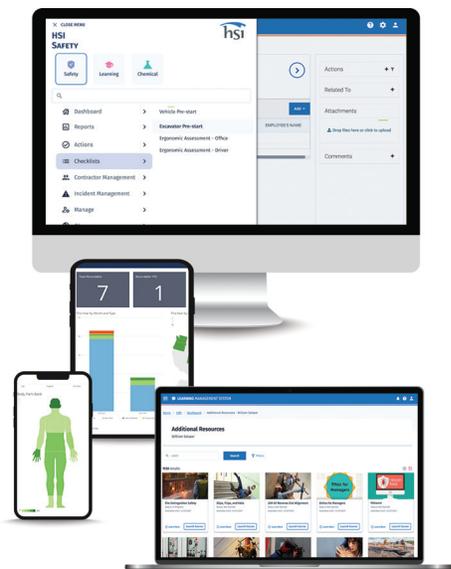
- **\$167 billion** – Cost of deaths and injuries to the US, employers, and individuals in 2022³
- **\$161,323 per violation** – OSHA fine for willful or repeated violations⁴
- Increased insurance premiums and potential civil lawsuits
- Costly inefficiencies from unnecessary paperwork replication, error-prone spreadsheets, and lack of transparency

Indirect Costs

The indirect costs of injuries may be **20 times the direct cost⁵** due to:

- Reduced productivity
- Absenteeism
- Training and on-boarding replacement employees
- Accident investigation
- Implementing corrective measures

...as well as mitigating significant risks.



Reputational Damage

41% of companies that experienced a negative reputation event reported loss of brand value and revenue⁶

Disengaged Employees

\$450–\$550 billion per year estimated cost to US businesses⁷

Difficulty in Recruiting and Retaining Staff

Millennials are 22x more likely to work or a company with a high trust culture⁸

Equipment Damage and Materials Loss

Unplanned downtime costs manufacturers \$50 billion per year⁹

An EHS system unlocks real value across the organization in a variety of ways:

 **20%**

Reduction in Accidents and Injuries

>20% expected reduction in injury and illness rates¹⁰

\$4 to \$6 return for every \$1 invested¹¹

 **50%**

Reduction in Regulatory Fines and Penalties

40%–50% reduction in primary containment incidents¹²

 **52%**

Increased Operational Productivity

52% lower days away, restricted, or transferred rate than industry average for organizations with exemplary safety management systems¹³

 **70+%**

Greater Employee Engagement & Higher Talent Attraction

72% of Gen Zs and 71% of millennials say environmental credentials and policies are important when considering a potential employer¹⁴

75% of employees say that feeling personally safe and secure in the workplace is really important to them¹⁵

 **29%**

Decreased Injury Rate

29% decrease in average injury rate after one year of implementing behavior-based safety through EHS software¹⁶

 **96%**

Added Value to Your Business

96% of the world's largest 250 companies report on their sustainability performance¹⁷

85% firms planning to increase spend on environmental compliance in 2024¹⁸



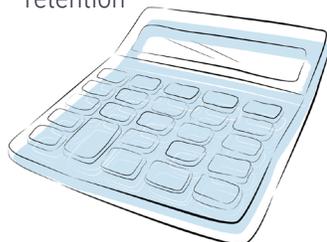
The ROI benefits of EHS software impact on every department across your organization.

EHS Managers

- Increased efficiencies through automation
- Greater effectiveness through incident analysis
- Acceleration of cultural change
- Reduction in daily risks
- Compliance requirements met more easily and comprehensively
- Seamless paper trail for audits

Operations

- Deeper insights into enterprise
- Safer staff – less absenteeism
- Greater productivity
- More engaged employees
- Easier recruiting and staff retention



Finance

- Cost savings from fewer claims
- Lower insurance premiums
- More efficient paperwork processes
- Eradicate rework across departments
- Risk reduction of fines and civil lawsuits

Employees

- Safer work environment
- Opportunity to directly contribute to EHS culture
- Convenient access to policies, procedures, and safety data sheets
- Easy and efficient skill and compliance training programs
- Higher morale through active engagement

Businesses are already realizing the benefits.



↓ **78%**

Incident rate improved from 4.6 to below¹



↑ **300%**

Threefold increase in reported events driven by worker participation



↑ **95%**

Safety culture is soaring, with a 95% employee acceptance rate

Your competitors aren't waiting. **Can you?**

EHS systems are delivering tangible benefits to organizations. Beyond minimizing safety risks, ensuring compliance, and advancing sustainability goals, these platforms are transforming workplace well-being by addressing worker mental health and holistic wellness. Their ROI is evident across multiple areas daily. Every day you delay implementation is a missed opportunity to stay competitive.

Discover how an EHS system can add measurable value to your organization today. **www.hsi.com**



- 1 <https://www.verdantix.com/report/environment-health-safety/global-corporate-survey-2024-ehs-budgets-priorities-and-tech-preferences>
- 2 <https://www.verdantix.com/report/environment-health-safety/global-corporate-survey-2024-ehs-budgets-priorities-and-tech-preferences>
- 3 <https://injuryfacts.nsc.org/work/costs/work-injury-costs/>
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- 6 https://www2.deloitte.com/content/dam/Deloitte/za/Documents/risk/NEWReputationRiskSurveyReport_25FEB.pdf
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- 8 <https://www.tinypulse.com/blog/17-surprising-statistics-about-employee-retention>
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