

Greg Kramer in Business Insider: Top Wall Street Firms Have Started Disclosing a New Risk to Their Own Businesses: Sexual Harassment

March 27, 2019 Greg Kramer

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Business Insider quoted Haynes Boone Partner [Greg Kramer](#) in an article about how public financial companies have significantly stepped up the use of several #MeToo words and phrases in their 2018 annual reports.

Here is an excerpt:

While the word "sexual" wasn't listed as a risk factor for any financial companies in 2017, by the next year it appeared in filings for three such companies. So far in 2019, the word has appeared in nine companies' 10-Ks' risk section. The use of the word "harassment" has also increased. In 2017 and 2018, it appeared in seven finance firms' annual reports each year. So far in 2019, it has more than doubled, to 15 financial services companies.

The updated language in companies' annual reports show that the impact of the movement is being closely monitored by the top brass of the financial industry. ...

And don't expect the language to be removed from filings if the movement dies down, said Greg Kramer, a partner at Haynes Boone who focuses on securities law. The focus on adding #MeToo-related clauses to public filings is reminiscent to him of how companies added language about sleazy accounting practices that resulted in several corporate scandals in the late 1990s and early 2000s.

"Companies adopted internal accounting controls to prevent these type of accounting practices from happening again, while also listing out in their public filings that this is a risk," Kramer said. "The most important thing here is for companies to have strong policies and procedures around this type of action so they can prevent something like this from happening."

To read the full article, click [here](#). (Subscription required)