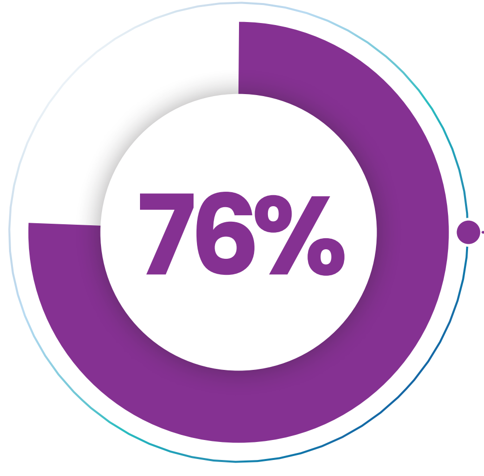
VL VISUAL LEASE

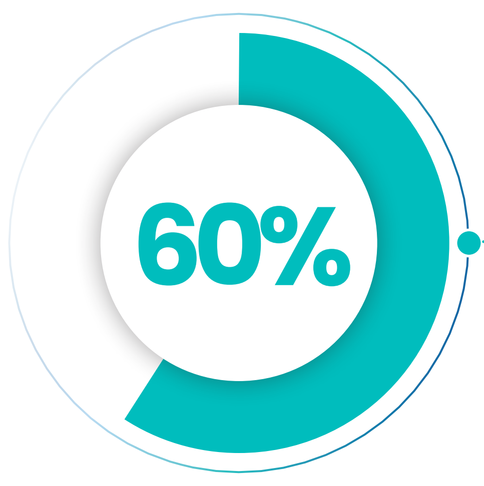
## CORPORATE LEASES:

# A Critical Building Block in Successful ESG Programs

Environmental, social and governance (ESG) policy creation and program adoption is starting to have a big impact on how businesses operate, as well as how they are perceived in the market.




**In fact, according to PwC, 76% of consumers say they will stop buying from companies that treat the environment, employees, or the community in which they operate poorly.**




**Furthermore, McKinsey found that ESG strategies have the potential to substantially reduce costs, and can affect operating profits by as much as 60%.**

Legal implications are also contributing to the growing interest in ESG programs. According to a study from State Street Global Advisors, nearly half (46%) of institutions say regulation is a top push factor driving their ESG adoption.

## With so much at stake, how are organizations progressing in their ESG efforts?

The Visual Lease Data Institute found that

**94% of companies DO NOT have fully established ESG policies in place**

with more than a third having just started the process.*

For many, this slow start toward establishing ESG policies and reporting framework boils down to uncertainty.

- INFLATION
- WORKFORCE RETENTION / REDUCTION
- EVOLVING WORKPLACE TRENDS
- COMPETING BUSINESS PRIORITIES

**Organizations simply do not know where to start.**

Thankfully, a company's lease portfolio has proven to be an accessible entry point to building a successful ESG program for several reasons:

A business's leasing habits are directly correlated with its environmental impact.

**A resounding 99% of companies surveyed reported that it is important that future leases reduce their carbon footprint.**

When powered by the right technology, strong lease management can enable companies to draw important data from their lease portfolios, such as electricity consumption, fuel usage, natural gas consumption and greenhouse gas emissions – all of which can be used to guide future operational decisions to help businesses make progress in their ESG programs and reporting.

An organization's lease portfolio is typically its second largest expense – after headcount-related costs – and therefore, is already a sizable investment that can be harnessed for the benefit of ESG initiatives.


**Learn more: visit www.visuallease.com**

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*In a study conducted for The Visual Lease Data Institute's "Commercial Real Estate in 2022: Outlook for an Industry in Recovery," 35% of US Senior Accounting & Finance professionals reported that their companies were planning for physical space needs one year or less in advance. In the study conducted for "The Visual Lease Data Institute's 2023 Commercial Real Estate & Leasing Trend Report," 88% of US Senior Real Estate Executives reported that their companies were planning for physical space needs one year or less in advance.