

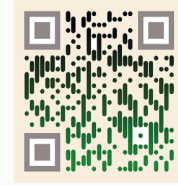
DISCERN SUSTAINABILITY

PROJECT: NON-PRIME DEBT & RECOVERY

Client: Diversified Asset Manager

Sub-sector: Non-prime debt, servicing & recovery

Activity Category: Bespoke research



THE BRIEF

The assignment began with the need to create an ESG checklist for alternative non-prime lending platforms, prompted by a planned investment in this area. The project expanded as the client developed its strategy on the wider theme of asset servicing and debt recovery.

Discern Sustainability was also able to deliver:

Understanding of real-world practices and pitfalls of Corporate Responsibility in debt servicing recovery, through reaching out to non-governmental organisations helping distressed debtors

An analysis of the corporate governance and executive remuneration incentives of the company to be invested in and whether this was aligned with responsible and sustainable operation

A country-by-country analysis of the political, policy and socio-economic dimensions of debt servicing and recovery.

OUTPUTS

The client received a checklist of the most telling factors for whether good standards were already being observed at any target company. The report offered a preliminary view on the company intended for investment, based on an extensive search of public disclosures.

The regional analysis synthesised diverse sources, including central bank green papers, media searches, and a comparative review of national legislation and corporate practices.

VALUE TO THE CLIENT

The analysis delivered what is an intended hallmark of Discern Sustainability: insights derived from eclectic research to enhance understanding of the operating environment and the likely success or failure of one course of action over another. For example, it found that certain ESG policies could result in counterproductive outcomes in some countries, while successful in others.