

Direct Lending: Anticipated ESG trends in 2022-23

We surveyed UK & US capital market executives on anticipated ESG trends in direct lending – this is what we've discovered

Focus on ESG set to intensify in the direct lending sector



82% of direct lending professionals expect the focus to increase over the next 18 months

Nearly **1 in 5** believe the focus will increase dramatically



Socially sustainable economic growth is a higher priority than green loan market or corporate governance*



*Respondents were asked to rank their top 3 ESG priorities in the direct lending market

What is preventing greater integration of ESG principles?

- 1** Quality & consistency of available ESG data
- 2** Availability of ESG data
- 3** Lack of understanding of ESG principles
- 4** Cost
- 5** Lack of service providers that can demonstrate ESG principles
- 6** Inaction & lack of prioritisation from business
- 7** Regulatory uncertainty
- 8** Difficulty of implementation

“ Socially sustainable lending is seen as the key priority by market participants, but it's worrying to see that data quality and availability is a major issue. ”

About the study

Ocorian commissioned independent research company PureProfile to interview 100 senior executives working in capital markets and the direct lending market in the US and the UK during August 2022.

About Ocorian Capital Markets

Our expert loan agency team have decades of managing debt market transactions on behalf of debt funds, private equity sponsors, banks and insurance companies. We harness our expertise and leading loan software platform to manage the administration of even the most complex of loan portfolios, leaving you free to focus on the work that matters.

Contact us

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