

MEDIA MENTIONS

SRZ Partner Anna Maleva-Otto Quoted in *Bloomberg*: “Funds Hit Brakes as Reclassifications Take Toll: ESG Regulations”

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In a recent *Bloomberg* article by Frances Schwartzkopf, Schulte Roth & Zabel partner Anna Maleva-Otto discussed the recent wave of fund reclassifications in the EU resulting from an update to the Sustainable Finance Disclosure Regulation and another proposed change. The guidelines proposed by ESMA would require funds using ESG- or sustainability-related words in their names to meet minimum quantitative thresholds by allocating at least 80% of the portfolio to environmental or social objectives or characteristics. Funds that use any derivative of “sustainable” in their names must ensure that at least 50% of that allocation is to “sustainable investments”.

She explained, “[t]he more you start getting technical and the more you start tying people into specific quantitative thresholds, the harder it will be in practice for anyone to comply.” This is because the sustainable investment criteria demand not only that an investee company engages in sustainable activities, but also that it does no significant harm in other areas, which is difficult to show, due to unavailability of data.

Read the article [here](#).

Related People



**Anna
Maleva-Otto**

Partner
London

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