

Dept. of Financial Institutions: Issues ESG investing advisory

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MADISON, Wis. – As climate change and social concerns have grown in recent years, many investors are becoming more conscious of whether a company in which they are investing has considered environmental, social, and governance (ESG) factors. The [Wisconsin Department of Financial Institutions \(DFI\)](#) today issued an investor awareness advisory providing information to help investors better understand ESG investing.

“Growing numbers of investors want to understand how the companies in their portfolios are managing ESG risks,” said DFI Secretary Kathy Blumenfeld. “Due to the increased attention by investors, broker-dealers and investment advisers are integrating a review of the ESG risks into their due diligence when advising investors. However, all ESG funds may not be created equal, and investors should be aware if an investment is right for them and their risk tolerance.”

The advisory provides an overview of some of the components of ESG investing. It also discusses how ESG investing is affecting the investment services industry and the factors investors should think about when considering an ESG investment. The full advisory is available on the agency’s website [here](#).

As with all investments, before making any financial decisions, DFI encourages investors to do their homework, ask questions, and contact DFI’s Division of Securities at (608) 266-2139 or email DFISecurities@dfi.wisconsin.gov for more information.