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FDIC: Consumers Need Awareness of ESG Concerns, Too



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In many corners of financial services, Environmental, Social and Governance (“ESG”) concerns are driving innovation, SEC disclosure requirements, and even risk and compliance assessments. However, first among the prudential banking regulators, the FDIC on September 2 released a [consumer advisory](#) on ESG considerations, specifically regarding the impact of “Banking on the Environment.”

The advisory provides several ways that consumers can direct their financial activities to help them “go green” and “possibly reduce” their carbon footprint. Conducting [banking activities electronically](#) was at the top of the list of the FDIC’s suggestions – which includes everything from using direct deposit for paychecks to signing up for electronic statements and [using online functionalities](#) to pay bills, deposit checks and transfer funds. The FDIC also mentioned considering a home improvement loan to improve home efficiency or to address environmental impacts, and considering financing for electric, hybrid or fuel-efficient cars. Rounding out the suggestions, the FDIC encouraged consumers to consider canceling junk mail, using public transportation or walking or biking, and finding “new ways to reuse items or borrow them, instead of buying new.”
