

## DOL Clarifies ESG Investing Guidance

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The DOL recently released Field Assistance Bulletin (the “**FAB**”) No. 2018-01, which provides guidance on earlier-issued Interpretive Bulletins 2015-01 and 2016-01 (the “**IBs**”) regarding how ERISA plan fiduciaries may exercise shareholder rights and the extent to which such fiduciaries may take into account environmental, social, or corporate governance (the “**ESG**”) considerations when making plan investments. FAB 2018-01 includes additional observations regarding the IBs and cautionary notes for plan fiduciaries regarding (i) treatment of ESG factors as being economically relevant to a particular investment choice, (ii) following guidelines related to ESG factors in a plan’s investment policy statement, (iii) selection of ESG-themed investment alternatives as a plan’s “qualified default investment alternative”, and (iv) incurring significant plan expenses for shareholder engagement activities related to plan investments. [View the FAB 2018-01.](#)