

# Green Alpha's Social Index Shows that Substantial Inclusivity and Equity Criteria Outperforms Less Stringent Criteria

*Social Index portfolio employs rigorous gender-lens, diversity and social inclusion criteria to maximize potential of outperforming markets over the long term*

BOULDER, COLORADO, USA, January 6, 2021 /EINPresswire.com/ -- [Green Alpha Advisors](#) announces that its Next Economy (TM) [Social Index](#) portfolio celebrated its five-year anniversary on December 31, 2020. The Social Index research and construction methodologies are based on the science that the cognitive power, customer orientation, innovation potential, and risk management skills of groups exceed that of individuals, and the more diverse the group, the greater potential for strong performance.



Betsy Moszeter, Green Alpha Advisors Chief Operating Officer

The Social Index portfolio is available as a [separately managed account](#) vehicle.



The numbers don't lie. When employees feel free to give their job their best, the company benefits and so do shareholders."

*Betsy Moszeter, Green Alpha  
COO*

Since its inception on December 31, 2015, the Social Index portfolio has returned a cumulative 215% net of management fees. Its benchmark, the MSCI All Country World Investible Market Index (MSCI ACWI IMI) returned 82% for the same time period. Said another way, Green Alpha's Social Index portfolio has returned an average annual 26%, net of management fees, vs the MSCI ACWI IMI at 13% since inception through December 31, 2020. Other well-known gender-lens investment portfolios do

not boast such high returns over the same time period.

“To create a meaningful impact on the economy and to equip us with a high probability of outperforming the market over the long term, it is critical that our investment process interrogates research criteria in the right order,” said Green Alpha’s Chief Operating Officer Betsy Moszeter.

“That is why we evaluate a company’s product and service mix first. If we determine that the products and services are leapfrogging innovations addressing our greatest system-level

risks, then we evaluate the quality, diversity, stability, and track record of the executive team, and then the board of directors. If those variables pass Green Alpha’s industry-leading, rigorous inclusion criteria, we continue our research processes.”

The Social Index is a portfolio of carefully researched and selected stocks of market-leading companies developing innovative solutions to core economic and environmental risks, led by diverse leadership teams. The portfolio’s weighting scheme applies a proprietary list of criteria to assign additional portfolio allocations to companies that not only meet the high minimum inclusion criteria, but also demonstrate that they are building an organization with maximum potential to outperform over the long term by putting in place truly socially inclusive policies, procedures, and cultures. “The numbers don’t lie,” said Moszeter. “When employees feel free to give their job their best, the company benefits and so do shareholders.”

“When we first recognized that most gender-lens investment vehicles are lacking in materiality of application, we decided to evaluate how we could do it better,” added Garvin Jabusch, Chief Investment Officer. “After testing a wide variety of variables, we developed a unique portfolio capable of producing impressive long-term results for our clients – and we are thrilled with the results.”

#### About Green Alpha Advisors, LLC

Green Alpha Advisors is led by three pioneering executives who each have 20+ years of asset management experience. Green Alpha has been redefining asset management since 2007 by investing in the Next Economy™ – an indefinitely thriving economy driven by companies developing innovative solutions to major systemic risks, like the climate crisis, resource degradation, widening inequality, and human disease burden. Companies that innovate around efficiency gains, and sustainable economic and environmental productivity have competitive

# Green Alpha<sup>®</sup>

A D V I S O R S



Green Alpha Executive Team

advantages, and are gaining market share, which fuels sales growth, protects margins, and sustains free cash flow.

Green Alpha manages in excess of \$500 million in client assets, primarily through financial advisors, family offices, and institutional consultants.

Green Alpha is a signatory to the Women's Empower Principles and Confluence Philanthropy's racial equity Belonging Pledge. Green Alpha is also a Best for Colorado company.

The Social Index portfolio results are detailed in quarterly Portfolio Snapshot documents.

#### Disclosures

This press release is for informational purposes only and nothing in it should be construed to be individual investment advice, nor an offer to sell or the solicitation of any offer to buy any security. Green Alpha Advisors, LLC is a registered investment advisor. Registration as an investment advisor does not imply any certain level of skill or training. Green Alpha is a registered trademark of Green Alpha Advisors, LLC. Green Alpha Advisors also owns the trademarks to "Next Economy" and "Investing in the Next Economy." Please refer to [www.greenalphaadvisors.com](http://www.greenalphaadvisors.com) for more information and important disclosures.

Performance data quoted represent past performance. Past performance does not guarantee future results and current performance may be lower or higher than the data quoted. Investment returns and principal will fluctuate with market and economic conditions and investors may have a gain or loss when shares are sold.

All performance and characteristics data are sourced from Bloomberg Finance L.P. Green Alpha portfolios may invest in companies with small and medium market capitalizations, which may have more limited product lines, markets and financial resources than larger companies. In addition, their securities may trade less frequently and in more limited volume than those of larger companies. Small or mid-cap stocks may be more volatile than those of larger companies and, where trading volume is thin, the ability to dispose of such securities may be more limited. Green Alpha portfolios may invest in foreign domiciled companies. Investing in foreign securities may involve additional risks, including exchange-rate fluctuations, limited liquidity, high levels of volatility, social and political instability and reduced regulation. Emerging markets are often more volatile than developed markets, and investing in emerging markets involves greater risks. International investing may not be suitable for everyone. An investment in Green Alpha portfolios should be considered a long-term investment.

The MSCI All Country World Investable Market Index (ACWI IMI) captures large, mid and small cap representation across 23 developed markets and 26 emerging markets countries. With over 8,728 constituents, the index is comprehensive, covering approximately 99% of the global equity investment opportunity set. Investors cannot invest directly in this index.

# # #

Morrison Shafroth  
Momentum Communications Strategy  
+1 720-470-3653  
mo.shafroth@shafroth.com

---

This press release can be viewed online at: <https://www.einpresswire.com/article/534090054>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2021 IPD Group, Inc. All Right Reserved.