

## **Green Investing**

**Learn more about the green investment trend -- investing in companies and projects that help the environment**

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Eco-minded people are putting their money where their conscience is -- into "green" investments that support the environment. This can include efforts to reverse global warming, clean the earth's oceans, develop alternative energy, and generally speed our progress toward sustainability. As a result, there are now hundreds of public companies that tout their greenness, dozens of green mutual funds, and even a handful of green stock market indexes.

Of course, being "green" doesn't turn an investment a financial winner. The start-up companies, in particular, are inherently risky endeavors. But if you like the idea of using your money to protect the environment and encourage earth-friendly innovation, then green investing might be for you.

### **What Is Green Investing?**

Green investing is a philosophy that promotes steering investment dollars toward environmentally conscious or friendly companies and projects. The definition of a green company varies among investors. For some, it means the company is actually engaged in solving environmental problems -- developing alternative energy sources or producing organics, for example. For others, a company qualifies as green if it recycles, conserves natural resources, and generally conducts business in an environmentally conscious way, with less regard of what the underlying business is. "Green investing" is often used interchangeably with "socially responsible investing" (SRI), but SRI has a broader focus in that it embraces companies that have a positive impact on society, not just the environment. For example, a company that treats its workers particularly well or donates a significant amount to charity might be considered socially responsible. So, while all green investments are socially responsible, not all socially responsible investments are green.