## **Investing In Socially-Responsible Themed ETFs**

Corporations are all about making that buck. But, can companies found in socially responsible exchange traded funds (ETFs) adhere to their ethics and values and still maintain their profit goals?

Socially responsible investing is a term that has come to mean many things. It can refer to how companies are selected for inclusion based on governance, involvement in "sin" industries, environmental friendliness and so on. It can refer to alternative-energy investing, such as solar, wind, nuclear and other things.

- You can focus on a particular sector in the alternative energy game. For example,
  - **PowerShares WilderHill Clean Energy (NYSEArca: PBW)** holds companies that try to be cost-competitive with fossil fuel producers, but most of the companies still rely on government subsidy, remarks Jonathan Bernstein for ETF Zone.
- Additionally, investors can look at socially responsible investments as a whole. ...
  holds companies measured on three primary criteria: environment, social and governance. [Alternative ETFs: Investing In the Shift From Oil.]
- As their names state, ... give exposure to the world's solar producers.
- ... give you exposure to the growing wind-energy industry.

These are far from your only options. You can see them all in the <u>ETF Analyzer</u>, and sort them by performance, yield and more. With the prospect of dwindling oil supplies, rising prices and growing worries about the effects of global warming, socially responsible investing is a long-term idea that could become more important as time marches on.

Between 2000 and 2005, only 12 countries filed for almost 90% of all cleantech patents, with Japan, the U.S. and Germany accounting for 60%, <u>reports William Pentland for</u> <u>Forbes</u>. Japan leads the world in energy efficiency, making up for 37.1% of inventions in clean technologies. Germany, with 10% of cleantech patents, has been more successful than Japan in encouraging start-ups in the past decade. China ranks fourth as the country holds 8.1% of total patents between that period.