



Green Alpha Investments

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Form ADV Part 2: Firm Brochure

Item 1: Cover Page

Date Updated: March 21, 2024

This brochure provides information about the qualifications and business practices of Green Alpha Advisors, LLC. If you have any questions about the contents of this brochure, please contact our Chief Compliance Officer at 303-993-7856 or compliance@greenalphaadvisors.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Green Alpha Investments also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

Since our previous annual filing of this Form ADV Part 2 on March 20, 2023, Green Alpha Investments (“Green Alpha,” “we,” “our”) are pleased to report that our business has operated smoothly through the global pandemic to date, with no disruption to capabilities or service levels. Though there remains uncertainty surrounding the economy and short-term financial market conditions, we remain confident in our ability to continue serving our clients’ needs at the high levels we have since we founded the company in 2007.

Material events since March 20, 2023

1. Green Alpha moved its main office location from Louisville, CO to Niwot, CO on November 8, 2023, as our hybrid remote work environment is requiring less office space than we needed previously.
2. As of 12/1/2023, Green Alpha no longer serves as sub-advisor to the Boston Common Small Cap Social Fund.

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Item 4: Advisory Business

- A. Green Alpha was founded in July 2007. Its principal owners are:

Name	Ownership % 12/31/21
Executive Team*	51%

**No individual holds 25% or more of the outstanding units of Green Alpha Advisors, LLC*

Green Alpha offers investment advisory services to our clients in the form of separately managed accounts, a fixed income mutual fund, the AXS Sustainable Income Fund (ticker: AXSKX), and an exchange-traded fund (ETF), the AXS Green Alpha ETF (ticker: NXTE). Our portfolios are equity and bond strategies that invest primarily in exchange-listed securities, securities traded over the counter, and foreign issuers whose securities trade in the U.S. in the form of American Depositary Receipts (“ADRs”). Certain portfolios may, on occasion, invest in non-U.S. equities in the form of ordinary and preferred shares traded on international exchanges.

- B. Green Alpha is an asset management firm, choosing equity securities to build portfolios for our clients. We do not provide financial planning services, nor do we advise clients in the selection of investments not managed by Green Alpha.
- C. Green Alpha offers the ability to tailor our investment advisory services to fulfill specific client requests. On a client-by-client basis, we may allow clients to impose restrictions on investing in certain securities or types of securities. In addition, some clients request that we manage their account in a custom strategy that gives them a set of custom portfolio characteristics not otherwise available in our mutual fund or four separate account strategies described here: <https://greenalphaadvisors.com/investment-portfolios/>
- D. Green Alpha has not and does not currently participate in any wrap fee programs.
- E. Client assets under management: As of February 29, 2024, Green Alpha manages \$330 million in client assets on both a discretionary and non-discretionary basis. Discretionary client assets make up \$225 million of assets under management, and \$75 million of assets are managed on a non-discretionary basis through wealth advisory, turnkey asset management programs (TAMPs).

Item 5: Fees and Compensation

- A. Green Alpha charges an investment management fee based on a percentage of assets under management, with that fee rate determined on a per-account basis for most custodial

platforms and the majority of Green Alpha's separately managed account client relationships. All management fees are negotiated on a client-by-client basis, depending on such details as, but not limited to, type of client/account, account size, custodian or platform selected by the client, and service or reporting requirements. Please ask any member of Green Alpha's team for details specific to your situation.

For accounts that are opened directly with Green Alpha, the standard management fee schedules for each portfolio strategy are shown immediately below.

Next Economy Index	
Account Assets	Annual Fee Rate
Up to \$500,000	0.95%
\$500,000 to \$1,000,000	0.85%
\$1,000,000 to \$10,000,000	0.75%
Over \$10,000,000	0.60%

Social Index	
Account Assets	Annual Fee Rate
Up to \$500,000	1.00%
\$500,000 to \$1,000,000	0.90%
\$1,000,000 to \$10,000,000	0.80%
Over \$10,000,000	0.65%

Sierra Club Green Alpha	
Account Assets	Annual Fee Rate
Up to \$50,000	1.50%
\$50,000 to \$100,000	1.40%
\$100,000 to \$500,000	1.30%
\$500,000 to \$1,000,000	1.20%
\$1,000,000 to \$10,000,000	1.00%
Over \$10,000,000	0.80%

Growth & Income/DiversiTerra	
Account Assets	Annual Fee Rate
Up to \$500,000	1.50%
\$500,000 to \$1,000,000	1.25%
\$1,000,000 to \$10,000,000	0.95%
Over \$10,000,000	0.75%

Next Economy Select	
Account Assets	Annual Fee Rate
\$1,000,000 to \$10,000,000	0.95%
Over \$10,000,000	0.75%

For accounts opened with Green Alpha when there is a wealth advisor, consultant, family office, or other professional investment intermediary performing client service and reporting duties, Green Alpha typically charges lower management fee rates than when clients request that Green Alpha manage the account directly for them. Standard management fee rates for each account opened through these relationships are shown immediately below. As is the case with all accounts opened with Green Alpha, management fees are negotiated on a client-by-client basis, depending on such details as, but not limited to, type of client/account,

account size, custodian or platform selected by the client, and service or reporting requirements.

Next Economy Index	
Account Assets	Annual Fee Rate
\$200,000 to \$500,000	0.60%
\$500,000 to \$1,000,000	0.50%
\$1,000,000 to \$10,000,000	0.40%
Over \$10,000,000	0.30%

Social Index	
Account Assets	Annual Fee Rate
\$150,000 to \$500,000	0.65%
\$500,000 to \$1,000,000	0.55%
\$1,000,000 to \$10,000,000	0.45%
Over \$10,000,000	0.35%

Sierra Club Green Alpha	
Account Assets	Annual Fee Rate
\$100,000 to \$500,000	0.90%
\$500,000 to \$1,000,000	0.80%
\$1,000,000 to \$10,000,000	0.60%
Over \$10,000,000	0.40%

Growth & Income/DiversiTerra	
Account Assets	Annual Fee Rate
\$100,000 to \$500,000	0.90%
\$500,000 to \$1,000,000	0.80%
\$1,000,000 to \$10,000,000	0.60%
Over \$10,000,000	0.40%

Next Economy Select	
Account Assets	Annual Fee Rate
\$1,000,000 to \$10,000,000	0.55%
Over \$10,000,000	0.35%

Exchange-Traded Funds (ETF): As sub-advisor to the AXS Green Alpha ETF (ticker: NXTE), Green Alpha receives a management fee calculated at 50% of the “net revenue” of the fund on a monthly basis. Net Revenue means an amount equal to the management fee less any and all Fund expenses in a given month. The AXS Green Alpha ETF is the low minimum vehicle for the Next Economy Select strategy. The fees received by Green Alpha as sub-advisor to the AXS Green Alpha ETF, as well as fees paid to other service providers to the fund (e.g., custody, advisor, administration, transfer agent, accounting, legal, etc.), are described in detail in the registration statement and/or financial statements of NXTE. These documents are available here: <https://www.axsinvestments.com/nxte/>

Mutual Funds: As sub-advisor to the AXS Sustainable Income Fund (ticker: AXSKX), Green Alpha receives a portion of the “net revenue” of the fund on a monthly basis. The fees received by Green Alpha as sub-advisor to the AXS Sustainable Income Fund, as well as fees paid to other service providers to the fund (e.g., custody, advisor, administration, transfer agent, accounting, legal, etc.), are described in detail in the registration statement and/or financial statements of AXSKX. These documents are available here: <https://www.axsinvestments.com/axs-sustainable-income-fund/>

- B. For separately managed accounts, investment advisory fees are charged quarterly in arrears pursuant to the annual basis point fee schedule agreed upon with each client in the Investment Management Agreement. The quarterly fee for each account is equal to $\frac{1}{4}$ (25%) of the annual fee rate calculated pursuant to each account's or each client's Investment Management Agreement. Depending on that agreement and the custodian selected by the client, the quarterly fee may be charged by applying the basis point fee schedule to the average daily value or average month-end value of the account or on the last trading day before the Investment Management Agreement is terminated. Quarterly fees are billed in arrears for each calendar quarter and payable within 30 days. Earned and unpaid fees are payable immediately upon termination of the Investment Management Agreement. Quarterly fees are prorated as appropriate for the initial quarter and for account terminations that occur mid-quarter. Fees are generally deducted directly from clients' accounts unless otherwise agreed to in the Investment Management Agreement.
- C. In addition to investment advisory fees, clients may incur asset-based and/or transactional costs related to the buying and selling of securities in their accounts. See Item 12 of this brochure for more information regarding brokerage and transaction costs.
- D. Clients do not pay investment management fees in advance to Green Alpha – discretionary clients of Green Alpha pay their investment management fees in arrears. However, several wealth advisory firms to whom Green Alpha provides model portfolio services on a non-discretionary basis pays Green Alpha Advisors a fee in advance on a quarterly basis. These wealth advisors, and anyone falling under a similar arrangement in the future, may obtain a refund of a pre-paid fee upon termination of the advisory contract before the end of the billing period. The amount of the refund will be based on the pre-agreed upon fee rate, applied to the underlying asset values the day before the contract is terminated, prorated for the number of days remaining in the billing period.
- E. For any separately managed accounts invested in funds advised or sub-advised by Green Alpha, Green Alpha will not charge a standard investment advisory fee. Instead, the account assets invested in a fund will be deducted from the account value for purposes of calculating management fees.
- F. Green Alpha's employees do not accept compensation for the sale of securities or other investment products.

Item 6: Performance-Based Fees and Side-By-Side Management

Green Alpha does not charge or accept performance-based fees.

Item 7: Types of Clients

Green Alpha currently provides and may provide investment advisory services to many types of investors, including individuals, trusts, investment companies, pension, and profit-sharing plans, estates, non-profit organizations, corporations, Taft-Hartley plans, municipalities, public funds, and financial advisors. We generally require a minimum account size for our separately managed accounts, although minimums do differ based on the custodial platform chosen by a wealth advisor, consultant, or client. Our standard account minimums are disclosed in the chart below. Green Alpha has discretion to modify account minimums, while some platform minimums may be materially lower or higher than those stated here.

Strategy Name	Minimum Account Size
Next Economy Select	\$1,000,000
Next Economy Index	\$200,000
Social Index	\$150,000
Growth & Income/DiversiTerra	\$100,000
Sierra Club Green Alpha	\$100,000

Green Alpha advises at least one client account that is governed by the Employee Retirement Income Security Act (“ERISA”). Although we manage all client accounts to a high fiduciary standard, Green Alpha manages ERISA client assets consistent with the “prudent man rule,” exercises proxy voting authority if not retained by a plan fiduciary, maintains any ERISA bonding that may be required, and obtains written investment guidelines/policy statements, as appropriate.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

- A. The term “Next Economy” is central to Green Alpha’s investment philosophy and process, so the best way to introduce our investment thesis is to define the term. The Next Economy is an economy in which solutions to our biggest systemic risks – climate change, resource scarcity, widening inequality – drive economic growth and allow the global economy to thrive indefinitely. Therefore, when we talk about investing in and for the Next Economy, we mean that we invest in what we believe to be the leading publicly traded companies that are developing or enabling solutions to these critical environmental, economic, and social crises.

No investment portfolio should contain the causes of global systemic risks. Securities of fossil fuel companies represent substantial portfolio risk commensurate with the global risks precipitated by their products. We did not divest client portfolios of fossil fuels, because we never invested in them – they are simply not a meaningful part of an indefinitely thriving economy.

We believe it is both economically crucial and advantageous to address systemic risks. An economy built on this principle is one that will be truly “sustainable,” meaning it is able to develop and thrive indefinitely. Tackling these risks is economically necessary, because there are a wide variety of essential environmental and social underpinnings required for successful operation of the economy, including: adequate resources (energy, food, fertile land, potable water); a stable climate; diverse ecosystem; and a relatively stable, cohesive, and equitable society.

Companies that aim to uphold or enhance these essential underpinnings are not just doing a public service, but are finding opportunities to generate long-term revenue, thereby contributing to economic growth. By creating innovative solutions to systemic risks, Next Economy companies drive the development of a genuinely “sustainable” economy. As a result, Green Alpha believes solutions-focused investing is also the clearest path to competitive returns.

Next Economy companies seek to add economic efficiencies (more economic output for less material and capital inputs) and respond to both the challenges and opportunities presented by an increasingly warm, resource-constrained, inequitable world. By delivering innovative solutions to such systemic risks, these companies have the potential to deliver growth in their respective economic sector(s), including basic & advanced materials; water; agriculture & natural, organic, sustainably-harvested food; renewable energy; energy storage; energy efficiency; Internet of Things (IoT); infrastructure; consumer goods; transportation; automation, A.I., robotics; financial services & real estate; and biotech & medicine. Green Alpha’s Investment Committee seeks Next Economy solutions wherever they exist – across geographies, sectors, industries, and market capitalization levels.



To understand how our Investment Committee arrives at a list of Next Economy companies, one must understand both the “top-down” (qualitative) and “bottom-up” (quantitative)

components of our investment process. Our portfolio construction approach, incorporating both traditional and unique asset management approaches, works like this:

Top-Down: Identifying Next Economy Solutions Creators & Enablers

The first step in the investment process requires evaluating whether companies qualify as leading solutions creators or enablers. In the top-down process, the Investment Committee proceeds by:

1. Evaluating objective assessments (e.g., scientific research) of most pressing systemic issues confronting the global economy
2. Rigorously researching new technologies, ideas, and business practices that are solving these systemic risks
3. Assessing which of these innovative approaches to risk mitigation and adaptation can be effectively deployed in the economy, where they might scale rapidly, and in which sectors they are likely to be utilized
4. Finding which companies are executing these solutions and which are leaders among their peer group (by level of intellectual property (IP) owned, large volume delivery, increasing market share, etc.)
5. Asking “what percentage of each firm’s revenue is attributed to creating solutions versus contributing to the causes of systemic risk(s)?” to determine whether solutions contribution is a core revenue driver for the firm
6. Establishing the resulting “Next Economy Universe” — a list of companies that meet the above criteria and, as a result, are candidates for Green Alpha’s portfolios. These firms are considered “candidates” because they are driving the transition to sustainability by either directly developing or enabling progress toward these solutions

Bottom-Up: Evaluating Next Economy Candidates’ Finances & Business Models

Looking at granular, company-level financial data comes last, as it is only applied to qualified Next Economy candidates, meaning those companies that have successfully passed the top-down process. The two processes are entirely distinct and separate from one another to ensure the integrity of each approach and the resulting Investment Committee scores received.

In this final stage, we apply rigorous quantitative financial analyses borrowed from Graham-Dodd valuation methodology to identify which stocks of these Next Economy candidates offer the best financial positions and expected future growth within acceptable levels of risk. We

focus on fundamentals, such as: demonstrated growth, growth potential, consistent and/or expanding margins, reasonable levels of debt, sufficient market liquidity, and market valuation levels versus bankruptcy and political risks.

In the bottom-up portion of the stock selection process, the Investment Committee proceeds by:

7. Examining if firms have high-functioning business models, as demonstrated by a combination of the following criteria:
 - a. Diversified & predictable revenue streams (revenue being the total amount of money received by a firm before subtracting cost of operations, discounts, & returned merchandise)
 - b. Visible path to growth
 - c. Consistent track record of delivering on earnings, margin & dividend growth, as applicable
 - d. Strong & expanding cash flow (i.e., money being transferred into and out of a business)
 - e. Healthy balance sheet
 - f. Management team effectiveness (i.e., consistent track record of hitting business goals, such as product delivery dates and volumes)
8. Determining if the company's stock has compelling valuation (i.e., reasonable, or undervalued stock price relative to underlying firm values and expected future growth), exhibited by:
 - a. Low price/book (i.e., stock price/value of firm's physical assets, like machinery & land)
 - b. Low price/sales (i.e., stock price/firm's revenues)
 - c. Low forward price/earnings (i.e., stock price/firm's forecasted after-tax net income)
 - d. Revenue & earnings growth that justify the above multiples

Our investment process seeks to ensure that portfolio companies exhibit sound financial management and have business models that address one or more of the systemic challenges facing the global economy. In this way, each company is assessed on the basis of financial,

business, environmental, and social vectors of performance. We believe that companies selected through this process are driving the transition to the Next Economy, with strong business models and opportunities for competitive growth.

While our investment processes attempt to limit risk of permanent loss of capital, especially over the long-term, investing in securities involves risk and our clients should be prepared to bear such loss.

- B. Our suite of investment strategies includes the Next Economy Index, Social Index, Sierra Club Green Alpha portfolio, Growth & Income portfolio, Next Economy Select, DiversiTerra, the AXS Sustainable Income Fund (ticker: AXSKX), and the AXS Green Alpha ETF (ticker: NXTE).

Portfolios that Utilize Active Stock Selection, and Passive Management:

The **Next Economy Index** is a portfolio that demonstrates the diversity, growth, breadth, and depth of the rapidly developing Next Economy—an innovation-driven, highly efficient, solutions-oriented sustainable economy. All companies that pass *both* Green Alpha’s top-down and bottom-up research processes with sufficiently high proprietary scores are included in the Next Economy Index portfolio. The constituents of the Next Economy Index represent the candidate list of companies from which Green Alpha selects for the construction of our other investment portfolios. All portfolios are described immediately below, and each portfolio’s Snapshot document can be found on our [website](#).

The Next Economy Index employs active research and stock selection, and passive portfolio construction through an annual rebalancing process using a market-cap weighting scheme. Green Alpha may add or remove companies from the index on an inter-rebalance basis but does not expect that these changes will significantly affect portfolio turnover. Designed to reflect the emerging Next Economy as a whole, the universe of companies typically grows each year as the economy continues to transition and public equity markets continue to evolve. The Next Economy Index portfolio currently holds approximately 150 securities.

The **Social Index** portfolio’s construction is based on the science that cognitive capacity, execution abilities, and risk management skills of groups exceeds that of individuals. The more diverse the group, the greater the total beneficial capacity can be, since varied teams make better long-term decisions and have stronger long-term execution abilities. To manage the portfolio, Green Alpha invests in those Next Economy Index constituents that are managed and directed by the most diverse leadership teams and boards of directors. Green Alpha’s Investment Committee sets starting weights based on each constituent’s market cap sizing group, then allocates additional portfolio weight to companies on an increasing scale driven by diversity and inclusion factors throughout the organization. A few examples include

those where women hold positions of significant decision-making and executive authority and/or have especially strong representation in leadership, those that have greater than average spread of ages on the executive team or board of directors, and corporate policies are overtly socially inclusive of a diverse and empowered employee base.

Since its launch in 2015, the constituent list of the Social Index has grown. As more companies turn the corner and focus their business model on innovating the most creative and efficient solutions to our greatest systemic risks, there is a greater pool of Next Economy portfolio candidates each year. In addition, as more companies see the top and bottom-line reasons to increase the diversity of their leadership teams and boards of directors, more Next Economy companies qualify for inclusion in the Social Index. As that occurs, we have made the admittance requirements stricter and have evolved the construction of this portfolio to incorporate enhanced weighting criteria. We expect those trends to continue. The portfolio currently holds approximately 115 securities.

Portfolios that Utilize Active Stock Selection, and Active Management:

The **Sierra Club Green Alpha** portfolio is unique among our portfolios in that it is a blend of Green Alpha Investments' forward-looking Next Economy research processes and the Sierra Club's proprietary environmental and social criteria, applied to each company's operating history. Each portfolio holding is a high-impact, forward-looking Next Economy solutions provider contributing to the transition to a sustainable economy, with a Sierra Club-compliant operating history. The target number of securities in this strategy is 30 to 50 companies.

Green Alpha is proud to be the only financial services firm permitted to utilize the Sierra Club's proprietary criteria to build an investment portfolio. *SIERRA CLUB and the Sierra Club logos are registered trademarks of the Sierra Club.*

The **Growth & Income portfolio** is designed for income-oriented investors seeking long-term capital preservation and growth via lower volatility performance returns relative to other Green Alpha equity strategies. Stocks are selected from Green Alpha's Next Economy universe primarily for current or potential dividend yield, followed by strong current and expected growth and are purchased at a reasonable price. The target number of securities in this strategy is 25 to 45 companies.

The **DiversiTerra portfolio** is our actively managed gender-lens investment option. As is the case with the Social Index, Green Alpha's version of "gender-lens" centers on the power of diversity, rather than any one gender or demographic being more qualified than another. The DiversiTerra portfolio is an actively managed, diversified, and high-conviction subset of the Social Index portfolio. DiversiTerra invests at the intersection of the most diverse companies in Green Alpha's investment universe and those that are also at the top of our conviction list,

resulting in a more concentrated portfolio than the Social Index portfolio. The portfolio consists of 45 to 65 holdings.

The **Next Economy Select** portfolio is an actively managed strategy designed to produce long-term capital growth. It is available through separately managed and exchange traded fund accounts. Since the primary vehicle available within this strategy has historically been a mutual fund, this product follows standard mutual fund industry diversification guidelines, including few, if any, position sizes over 5% of the portfolio, and no sector concentration more than 25% since inception. Under normal conditions, the Next Economy Select strategy is generally composed of at least 80% global equities and at most 20% cash and cash equivalents. Active trading of securities can affect investment performance through increased transaction costs and taxes. The Next Economy Select investment strategy targets 45 to 65 securities.

A detailed description of the methods of analysis, investment strategy and risk of loss related to the AXS Green Alpha ETF (ticker: NXTE) is available in the fund's prospectus, available at <https://www.axsinvestments.com/nxte/>

C. Risk of Loss

Investors generally face three types of risk when investing in equity securities:

- *Manager selection* – risks associated with investment manager selection and their chosen strategy
- *General market risk* – risks of participating in the capital markets
- *Specific risk* – risks associated with asset class, sector, and security selection

Despite our investment management experience, investing in securities involves the risk of loss. Below we highlight some, but not all, possible risks or investing in the capital markets and equity securities:

- *Risk of loss* – Investing in securities involves risk of loss that clients should be prepared to bear.
- *No guarantee* – Performance of any investment is not guaranteed. There is a risk of loss of the assets we manage that may be out of our control.
- *Equity investments* – Equities are exposed to general stock market swings and changes in the business cycle which may alter market opinions about the short-term or long-term prospects for an issue of equity securities.
- *Smaller companies* – Equity investments in smaller companies involve added risks, such as limited liquidity and greater fluctuations in their perceived values, which may impact our ability to sell these investments at a fair and competitive price in a timely manner.

Additional International Risks:

- *Foreign securities* – Investments in foreign securities may introduce greater volatility to client portfolios. Additional risks include political risk, current translation risk, and lack of transparency (i.e., accounting methods, regulatory reporting requirements, shareholder protection rules, etc.)
- *Currency risk* – Currency risk is evident due to the free-floating mechanism present in global foreign currency markets. With a few notable exceptions, the value of most global currencies freely floats against one another. Portfolios with non-U.S. dollar exposure directly assume foreign exchange risk.
- *Geopolitical risk* – Possibility of instability or unrest in one or more regions of the world that affect investment markets. Terrorist attacks, war, pandemics, and trade wars are just a few examples of events, whether actual or anticipated, that impact investor attitudes toward the market in general and result in system-wide fluctuations in asset prices. Geopolitical risks in other parts of the world affect U.S. investment markets too, not solely international markets.
- *Emerging and Frontier Markets Risk* – There may be potential risks posed by volatile political, legal, and commercial conditions in emerging and frontier markets that may affect the value of investments or result in the loss of client capital. The quality and reliability of official data published by governments and their agencies in emerging and frontier markets might not be equivalent to that available in developed markets. In addition, the absence of developed securities markets as well as potentially underdeveloped banking and telecommunications systems in such countries may give rise to greater custody, settlement, clearing and registration risks. Foreign investment in issuers in emerging and frontier markets may be restricted – sometimes such registrations may not be published, and investors may not be readily made aware of them. In such circumstances, there may be restrictions on repatriation of capital, or an investment may have to be scaled down to comply with local foreign ownership restrictions.

Additional External Risks:

- *Cybersecurity* - Cybersecurity incidents may allow an unauthorized party to gain access to Green Alpha assets, customer data (including private shareholder information), or proprietary information, or cause Green Alpha and/or other service providers (including custodians, sub-custodians, transfer agents and financial intermediaries) to suffer data breaches, data corruption or loss of operational functionality. In an extreme case, a shareholder's ability to exchange or redeem shares may be affected. Issuers of securities in which Green Alpha invests are also subject to cybersecurity risks, and the value of those securities could decline if the issuers experience cybersecurity incidents.
- *Business Continuity* – Green Alpha maintains important disaster recovery and business continuity plans that may be activated in the event of a significant business

disruption. The firm realizes the critical nature of being able to continue material operations if an incident occurs that could affect mission-critical business units and systems. These plans are key components in maintaining emergency procedures, and are required by securities industry regulations. In planning for potential significant business disruptions, Green Alpha has considered a number of outcomes from varying scenarios, including, as examples only, a disruption to a single building, a city-wide business disruption and a regional disruption. The firm's plans are intended to permit the continuation of key business operations during most types of disruptions by resuming mission-critical operations, usually within the same business day as the disruption. To assist this business continuity the firm maintains back up capabilities in alternative locations. However, clients should be aware that because the firm's plans contain details of a confidential and proprietary nature, they cannot be distributed to the public.

- *Epidemics, Pandemics, Outbreaks of Disease and Public Health Issues* – Green Alpha's business activities as well as the management and operations of Clients' accounts and their investments, could be materially adversely affected by pandemics, epidemics and outbreaks of disease in Asia, Europe, North America and/or globally or regionally, such as novel coronavirus, or COVID-19, Ebola, H1N1 flu, H7N9 flu, H5N1 flu, Severe Acute Respiratory Syndrome, or SARS, and/or other epidemics, pandemics, outbreaks of disease, viruses and/or public health issues. Specifically, novel coronavirus, or COVID-19, has spread (and is currently spreading) rapidly around the world since its initial emergence in China in December 2019 and may continue to materially adversely affect the financial markets and global economies and markets (including, in particular, financial markets in Asia, Europe and the United States). Although the long-term effects or consequences of novel coronavirus (or COVID-19) and/or other epidemics, pandemics and outbreaks of disease cannot currently be predicted, previous occurrences of other pandemics, epidemics and other outbreaks of disease, such as H5N1 flu, H1N1 flu, SARS and the Spanish flu, had a material adverse effect on the economies and markets of those countries and regions in which they were most prevalent. Any occurrence or recurrence (or continued spread) of an outbreak of any kind of epidemic, communicable disease or virus or major public health issue could cause a slowdown in the levels of economic activity generally (or cause the global economy to enter into a recession or depression), which would adversely affect the business, financial condition and operations of Green Alpha and Clients' accounts. Should these or other major public health issues, including pandemics, arise or spread farther (or continue to spread or materially impact the day to day lives of persons around the globe), Green Alpha and Clients could be adversely affected by more stringent travel restrictions, additional limitations on Green Alpha's operations or business and/or governmental actions limiting the movement of people between

regions and other activities or operations (or to otherwise stop the spread or continued spread of any disease or outbreak).

- *Natural & Unavoidable Events* - Global markets are interconnected, and events like hurricanes, floods, earthquakes, forest fires and similar natural disturbances, war, terrorism or threats of terrorism, civil disorder, public health crises, and similar events have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term and wide-spread effects on world economies and markets generally. Clients may have exposure to countries and markets impacted by such events, which could result in material losses.

How Green Alpha Manages Risk

We know that our clients have a wide array of investment managers to choose from. We aim to consistently deliver investment returns above market averages, though market volatility and other factors will sometimes hamper our ability to achieve that goal, and help our clients achieve their investment objectives.

The following factors help us manage risk:

- *Focus* – We specialize in only equities and bonds, which enables our Investment Committee to vigilantly manage risk in client portfolios through attention to systemic risks, valuation, sector and stock diversification, and position size limits.
- *Experience* – Since 2007 our Investment Committee, led by Garvin Jabusch, has successfully navigated a wide range of market conditions. Further, co-founders and Investment Committee members Garvin Jabusch and Jeremy Deems co-managed investment products together for five years at Forward Management, LLC. They began in the investment industry in 1996 and 1997, respectively.
- *Stability* – We believe that employee ownership of units and/or profits interest in Green Alpha provides the proper long-term incentives to work for the success of our clients and the firm.
- *Diversification* – All of our investment products are widely diversified across market capitalization, sector, and geographic parameters. Please see Item 8.B. for a description of each of the available products.

Item 9: Disciplinary Information

- A. Green Alpha, including its management persons, has not been involved in any criminal or civil action in a domestic, foreign or military court.

- B. Green Alpha, including its management persons, has not been subject to any administrative proceeding before the SEC, or any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority.
- C. Green Alpha, including its management persons, has not been subject to any disciplinary proceeding with a self-regulatory organization.

Item 10: Other Financial Industry Activities and Affiliations

- A. Green Alpha, including its management persons, is not registered as a broker-dealer or a registered representative of a broker-dealer.
- B. Green Alpha, including its management persons, is not registered as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.
- C. Green Alpha, including its management persons, do not have any material arrangements with related persons.
- D. Green Alpha does not recommend or select any non-Green Alpha managed or co-managed products; thus, we do not recommend other investment advisors for our clients.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

In our efforts to ensure that Green Alpha develops and maintains a reputation for integrity and high ethical standards, it is essential not only that Green Alpha and its employees comply with relevant federal and state securities laws, but also that we maintain high standards of personal and professional conduct. Green Alpha's Code of Ethics (the "Code") is designed to help ensure that we conduct our business consistent with these high standards. We will provide a copy of our Code to any client or prospective client upon request.

Green Alpha does not buy or sell securities for client accounts in which we have a material financial interest. Since we are committed to our investment strategies, we do however invest in the same securities that we buy and sell for our client accounts. This represents a conflict of interest. To mitigate this conflict of interest, our Code contains policies and procedures relating to personal trading by Green Alpha in its "house accounts" or by its officers, directors, employees, and their families. House accounts are investment accounts owned directly by Green Alpha utilized to seed and invest in Green Alpha portfolios. In particular, no employee may buy or sell a security if the employee knows that Green Alpha is purchasing or selling that same security on behalf of our clients. We closely monitor trading accounts of our employees and conduct quarterly and annual reviews of employee

holdings to ensure all personal securities transactions are conducted consistent with our Code and in such a manner as to avoid any conflicts of interest. In addition, employees are encouraged to assign investment discretion on their personal accounts to Green Alpha, when appropriate. This addresses any potential conflict of interest as our employees' personal investment assets are traded in the same strategies as those of our clients.

Most importantly, Green Alpha and our employees owe a fiduciary duty to our clients that requires each of us to place the interests of our clients ahead of our own interests. To request a complete copy of Green Alpha's Code of Ethics, please contact our Chief Compliance Officer at 303-993-7856 or compliance@greenalphaadvisors.com.

Item 12: Brokerage Practices

- A. Green Alpha selects brokers to execute trades on behalf of our clients and evaluates all brokerage services on an ongoing basis. We select brokers based on parameters including execution capability, average commission rate, financial responsibility, and responsiveness to the needs of Green Alpha and our clients. Commission rate is an important consideration, and we seek to identify brokers offering lower-than-average direct execution costs to our client accounts. Any recommendation of a broker to clients is based on discretionary authority for trade execution; we do not actually recommend custodians to our clients. Our clients have the option to choose a custodian if we can trade the client's account with more than one broker.
 - 1. Research and Other Soft Dollar Benefits. Green Alpha does not receive research or other products or services other than execution from a broker-dealer or third party in connection with client securities transactions.
 - 2. Brokerage for Client Referrals. Green Alpha does not receive client referrals from broker-dealers, and as such, is not a factor when considering which broker-dealer(s) to approve for use in any given transaction.
 - 3. Directed Brokerage.
 - a. Green Alpha has not in the past and does not currently require any client to direct us to execute transactions through a specified broker-dealer.
 - b. In some circumstances, the custodian selected by a client will include transaction execution in the services provided to the client. In such circumstances, transaction costs are incurred by the client at a variety of fee-rate levels, based on factors outside of Green Alpha's control, including factors specific to each client, their overall relationship size with the custodian and/or their financial advisor. Green Alpha will utilize custodian-included brokerage arrangements when the

client chooses to bundle such arrangement into their overall custodian services package.

- B. The aggregation or blocking of client transactions allows the company to execute transactions in a more timely, equitable, and efficient manner and seeks to reduce overall commission charges to clients.

Green Alpha's policy is to aggregate client transactions where possible and when advantageous to clients. Trade aggregation programs often include multiple executing brokers. Clients participating at each executing broker, will receive the same average share prices on the aggregated transactions. For client accounts that do not have the opportunity to participate in aggregate trade programs, the account will follow Green Alpha's standard trading rotation practices. These accounts may receive higher or lower execution prices than those that have the opportunity to participate in the trade aggregation programs.

For house accounts, employee accounts and accounts of family members managed by Green Alpha, when applicable, trades are aggregated and allocated pro-rata among all other client accounts participating in the same strategy trade. An exception to this practice will occur if the house account, employee, or family member account involves directed trading. In that case, the account will follow Green Alpha's standard trading rotation practices.

Currently there are no "step-out" directed brokerage arrangements in place with Green Alpha clients. Green Alpha's company money is held in cash and money market instruments, we do not currently invest any "house accounts" in equities that may also be held in client accounts.

Item 13: Review of Accounts

- A. Green Alpha regularly reviews our client accounts to ensure the portfolios comply with the investment strategy described in the associated Investment Management Agreement. Reviews of client accounts take place no less frequently than quarterly and include a review of all holdings and any activity during the period, including dividends, corporate actions, and accuracy of any management fees and transaction costs. Members of Green Alpha's Investment Committee and the Chief Compliance Officer conduct reviews of accounts. Investment Committee members include:

Garvin F. Jabusch, Chief Investment Officer
Jeremy W. Deems, Chief Compliance Officer, and CFO, Portfolio Manager
Betsy M. Moszeter, Partner, Chief Distribution & Marketing Officer, Portfolio Manager
- B. Green Alpha will also review our client accounts upon client request at any time, or when extreme market conditions warrant.

- C. Green Alpha's clients receive monthly statements (electronic or paper) from the custodian of their account. The monthly statements of account include a summary of account activity for the period as well as a detailed listing of holdings and change in market value.

Item 14: Client Referrals and Other Compensation

Green Alpha does not receive an economic benefit from any party who is not a client, for providing investment advice or other advisory services to our clients. Green Alpha does not currently compensate any person who is not an employee for client referrals.

Item 15: Custody

Green Alpha does not have direct custody of any client assets or securities; however, as described in Item 5, we deduct advisory fees in certain client accounts, which the SEC defines as constructive custody. Our clients' assets are always maintained at a qualified custodian bank and/or broker-dealer. Our separate account clients receive account statements monthly from their custodian. Clients should carefully review those statements for accuracy and notify us immediately of any issues. Our separate account clients generally authorize Green Alpha to deduct our management fees directly from their accounts.

Item 16: Investment Discretion

Green Alpha Advisors accepts discretionary authority to manage securities accounts on behalf of our clients. Separate accounts clients assign investment discretion to Green Alpha Advisors at the outset of the advisory relationship via the Investment Management Agreement executed with each account. On a case-by-case basis, we may allow separate account clients to impose limitations on this investment authority.

In all cases, we exercise discretion in line with our high fiduciary standards. Before accepting an account under a new advisory relationship, we conduct a suitability review to identify client objectives, security restrictions, allowable cash positions, brokerage arrangements, specific custodial data feed capabilities, general risk limits, as well as other relevant factors. The suitability review may be performed by a wealth advisor, financial planner, or outside consultant for sub-advisory-type accounts they introduce to us.

Investment Management Agreements specify the level of discretion delegated to us. We manage client accounts on a fully discretionary basis where we retain full decision-making authority for investment decisions within the guidelines of the written agreement. Client investment objectives,

policies, limits, and restrictions must be given to us in writing. Members of our Investment Committee review the securities bought or sold to ensure they fall within established client-specific and strategy guidelines.

When you delegate investment discretion to us, you authorize us to make decisions in line with your investment objectives without seeking your approval, including:

- Determining which securities to buy and sell
- Deciding total amount of securities to buy and sell
- Deciding when to buy and sell each security
- Selecting broker-dealers through whom we buy and sell securities
- In some cases, negotiate commission rates paid for securities transactions
- Choosing prices at which we buy and sell securities

Item 17: Voting Client Securities

Green Alpha accepts authority and responsibility for voting client securities. Green Alpha votes in accordance with guidelines we have developed, and then determines applicability of those guidelines on a security-by-security and voting item basis. Members of the Investment Committee oversee the process of voting all client proxies. Votes are carried out at the discretion of the Investment Committee in a manner consistent with the best interest of clients, and when appropriate, to advance environmental, social and governance issues. If a client is interested in directing our vote in a particular solicitation, we encourage our clients to contact us so we can work together to facilitate such a request. Clients may contact us in writing to obtain information about how we voted on a particular solicitation. In addition, clients may obtain a copy of our proxy voting policies and procedures upon request. Green Alpha does not utilize a 3rd party proxy voting service provider for any accounts where Green Alpha has proxy voting authority and responsibility.

Item 18: Financial Information

- A. Green Alpha does not solicit fees of more than \$1,200, per client, six months or more in advance.
- B. There are no financial conditions that are reasonably likely to impair our ability to meet contractual commitments to our clients.
- C. Green Alpha has never been the subject of a bankruptcy petition.

Green Alpha Privacy Notice

A Message to our Clients

The relationship between Green Alpha and our clients is the most important asset of our firm. We strive to maintain your trust and confidence in our firm, an essential aspect of which is our commitment to protecting your personal information to the best of our ability. This privacy statement reflects the practices of our firm, and it describes how “nonpublic personal information,” which includes client and financial information, may be collected, and shared with third parties, as well as measure Green Alpha takes to protect this information from unauthorized access. These guidelines apply both to current and former clients and are designed to comply with applicable federal privacy regulations.

Safeguarding Information

We take great care to safeguard your client information and to ensure its accuracy.

- We limit employee access to nonpublic personal information to those who need to know this information to serve client relationships. Employees are educated about the importance of privacy in accordance with our Code of Ethics policies and procedures.
- We maintain physical, electronic, and procedural safeguards that comply with all applicable regulatory standards to guard your nonpublic personal information.
- We strive to maintain complete, current, and accurate information about you and your accounts. If you request a correction to our records, we will respond in a timely manner.

Collecting Information

We collect client information, so we are better able to serve your needs. We collect and maintain nonpublic personal information to:

- Service your accounts and process your requests efficient and accurately.
- Identify you and protect your accounts from unauthorized access or identity theft.

This information may be collected from a variety of sources, including:

- Information we receive from you in your investment management agreement, on applications or other account forms, such as your name, address, and financial information.
- Information we receive through your transactions or experience with Green Alpha, such as your account balance and securities holdings.
- Information we receive from outside companies, such as your custodian.

Sharing Information

We may share information with nonaffiliated third parties who are acting on our behalf. We may disclose all the information we collect, as described above. Information is shared with nonaffiliated

third parties only when those parties are acting on our behalf, or as required or permitted by law. These third parties may include:

- Service providers who provide support services to Green Alpha to help us administer your account or assist in compliance-related functions. They may include auditors, outsourced back-office support and consultants. These companies are legally obligated to maintain the confidentiality of the information we provide to them and are restricted from using this information for any reason beyond the performance of specified services on our behalf.
- Other parties as permitted or required by applicable law. These may include, for example, government agencies in response to subpoenas and other legal processes, or those with whom you have authorized us to share information.

For more information about our privacy practices, please contact our Chief Compliance Officer, at 303-993-7856 or compliance@greenalphaadvisors.com.



Brochure Supplement

Item 1: Cover Page

Garvin F. Jabusch, Co-Founder
Chief Investment Officer

136 2nd Avenue, Unit D
Niwot, CO 80544
303-993-7856

Supplement Filed: February 13, 2015
Supplement Updated: March 21, 2023

This Brochure Supplement provides information about Garvin Jabusch that supplements the Green Alpha Brochure. You should have received a copy of that Brochure. Please contact Jeremy Deems at 306-993-7856 or jeremy@greenalpaadvisors.com if you did not receive Green Alpha's Brochure or if you have any questions about the contents of this supplement.

Additional information about Green Alpha is available on the SEC's website at www.advisorinfo.sec.gov.

Item 2: Educational Background and Business Experience

Garvin Jabusch is the Chief Investment Officer of all of Green Alpha's investment products. He is a co-founder of the firm and has been employed by Green Alpha since its inception in 2007. Prior to Green Alpha, Garvin was responsible for all aspects of the management of the Sierra Club Stock Fund and the Sierra Club Equity-Income Fund at Forward Management, LLC. He also has served as Vice President of Strategic Services at Morgan Stanley. Garvin entered the investment industry in 1995.

Garvin studied at the Ph.D. program in physical anthropology and archaeology for five years at the University of Utah. He also holds an M.B.A. in international management and finance from the American Graduate School of International Management (Thunderbird). He was born in 1966.

Item 3: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. There is no information applicable to this Item to disclose for Garvin Jabusch.

Item 4: Other Business Activities

Registered investment advisers are required to disclose all material facts regarding other business activities in which the supervised person is engaged. There is no information applicable to this Item to disclose for Garvin Jabusch.

Item 5: Additional Compensation

Registered investment advisors are required to disclose all material facts regarding additional compensation received by the supervised person from someone who is not a client. There is no information applicable to this Item to disclose for Garvin Jabusch.

Item 6: Supervision

Green Alpha's Chief Compliance Officer, Jeremy Deems (303-993-7856), oversees Garvin Jabusch's compliance with Green Alpha's advisory policies and procedures.



Brochure Supplement

Item 1: Cover Page

Jeremy W. Deems, Co-Founder
Chief Financial Officer, Chief Compliance Officer
Portfolio Manager

136 2nd Avenue, Unit D
Niwot, CO 80544
303-993-7856

Supplement Filed: February 13, 2015
Supplement Updated: March 21, 2023

This Brochure Supplement provides information about Jeremy Deems that supplements the Green Alpha Brochure. You should have received a copy of that Brochure. Please contact Jeremy Deems at 303-993-7856 or jeremy@greenalphaadvisors.com if you did not receive Green Alpha's Brochure or if you have any questions about the contents of this supplement.

Additional information about Green Alpha is available on the SEC's website at www.advisorinfo.sec.gov.

Item 2: Educational Background and Business Experience

Jeremy Deems is the firm's Chief Financial Officer and Chief Compliance Officer. He is also the co-portfolio manager on Green Alpha's investment products. He is a co-founder of the firm and has been employed by Green Alpha since its inception in 2007. Prior to co-founding Green Alpha, Jeremy was the Chief Financial Officer of Forward Management, LLC. While at Forward Management, he was also a co-portfolio manager on the Sierra Club Stock Fund with Green Alpha co-founder Garvin Jabusch. Prior to that, Jeremy worked within the Investment Consulting Services Group at Morgan Stanley Dean Witter. Jeremy began working in the investment industry in 1997.

Jeremy also serves as an independent Trustee and Audit Committee Chairman of the Reaves Utility Income Fund (a closed-end fund), the ALPS Variable Investment Trust (an insurance mutual fund family), the ALPS ETF Trust (a family of exchange traded funds), the Financial Investors Trust (a family of open-end mutual funds), and the Clough Funds Trust (open end mutual funds). Together, these trusts offer over 60 funds and manage in excess of \$30 billion in client assets.

Jeremy holds a B.S. in Business Administration, Honors Concentration in Financial Services, and a Minor in Accounting from Saint Mary's College of California. Jeremy's M.B.A. in Finance is also from Saint Mary's College. Jeremy was born in 1976.

Item 3: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. There is no information applicable to this Item to disclose for Jeremy Deems.

Item 4: Other Business Activities

Registered investment advisers are required to disclose all material facts regarding other business activities in which the supervised person is engaged. There is no information applicable to this Item to disclose for Jeremy Deems.

Item 5: Additional Compensation

Registered investment advisors are required to disclose all material facts regarding additional compensation received by the supervised person from someone who is not a client. There is no information applicable to this Item to disclose for Jeremy Deems.

Item 6: Supervision Green Alpha's Chief Distribution & Marketing Officer, Betsy Moszeter (303-993-7856), oversees Jeremy Deems' compliance with Green Alpha's advisory policies and procedures.



Brochure Supplement

Item 1: Cover Page

Betsy M. Moszeter, Partner
Chief Distribution & Marketing Officer
Portfolio Manager

136 2nd Avenue, Unit D
Niwot, CO 80544

Supplement Filed: February 13, 2015
Supplement Updated: March 21, 2023

This Brochure Supplement provides information about Betsy Moszeter that supplements the Green Alpha Advisors, LLC Brochure. You should have received a copy of that Brochure. Please contact Jeremy Deems at 303-993-7856 or jeremy@greenalphaadvisors.com if you did not receive Green Alpha Advisors' Brochure or if you have any questions about the contents of this supplement.

Additional information about Green Alpha Advisors is available on the SEC's website at www.advisorinfo.sec.gov.

Item 2: Educational Background and Business Experience

Betsy Moszeter is the Chief Distribution & Marketing Officer for the firm and an ownership partner in the business. She has been employed by Green Alpha Advisors, LLC since January 2015 when she joined as the Chief Operating Officer. She has been in the investment industry since 1999. Prior to Green Alpha Advisors, Betsy was the Senior Vice President, and a Managing Member of First Affirmative Financial Network, LLC. She joined First Affirmative in February of 2013. Prior to First Affirmative, Betsy was at TAMRO Capital Partners for 8.5 years until November of 2012. At the time of her departure, she was the Chief Operating Officer, Chief Compliance Officer, and an ownership partner in the firm.

Betsy earned her B.S. in Business Administration from the University of Oregon's Lundquist College of Business in 1999, with a concentration in international management and a minor in Economics. Her M.B.A. is from the University of Virginia's Darden School of Business. She was born in 1977.

Item 3: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. There is no information applicable to this Item to disclose for Betsy Moszeter.

Item 4: Other Business Activities

Registered investment advisers are required to disclose all material facts regarding other business activities in which the supervised person is engaged. There is no information applicable to this Item to disclose for Betsy Moszeter.

Item 5: Additional Compensation

Registered investment advisers are required to disclose all material facts regarding additional compensation received by the supervised person from someone who is not a client. A portion of Betsy Moszeter's compensation may be paid based on bringing on board new accounts at Green Alpha Advisors.

Item 6: Supervision

Green Alpha Advisors' Chief Compliance Officer, Jeremy Deems (303-993-7856), oversees Betsy Moszeter's compliance with Green Alpha's advisory policies and procedures.