



ESG Investing: 3 Growth Stocks to Buy in August 2021

Description

Human-caused climate change is triggering extreme weather more frequently and severely. [ESG investing](#) could be a part of the solution. Certain companies are helping to reduce the effects of climate change.

Here are a few ESG-centric growth stocks you can consider buying this month. They could advance your retirement plans by providing outsized returns.

GreenPower Motor

GreenPower Motor ([TSXV:GPV](#))([NASDAQ:GP](#)) is a Vancouver-based electric vehicle company founded in 2010. It designs, engineers, and manufactures battery-electric, zero-emission buses and trucks from the ground up to make them durable and affordable for its customers.

Last week, it reported its fiscal 2022 first-quarter results. Revenues jumped 17%, while the cost of sales rose 9%. Consequently, gross profit climbed more than 37%. Unfortunately, sales, general, and administrative costs remain high, which ultimately led to a net loss for the quarter. The company could be getting close to profitability, though. The loss per share was only -\$0.11.

GreenPower Motor's balance sheet is strong with a debt-to-asset ratio of less than 10%. Because its vehicles are both Federal Transit Administration (FTA) Altoona certified and Buy America compliant, federal incentives make its vehicles a top choice for buyers. The FTA would actually subsidize as much as 80% of the purchase price for these green vehicles.

The growth stock has dipped more than 50% from its 2021 high. It could potentially appreciate 40-60% over the next 12 months.

Greenlane Renewables

Greenlane Renewables ([TSX:GRN](#)) has been growing rapidly since it went public in 2019. Revenues

have more than four times since then. It just reported strong revenues again last week — the second-quarter revenue of \$12.6 million jumped 200% year over year!

Despite the substantial decline from early 2021, the growth stock has delivered annualized returns of about 70% since it went public.

It is a renewable natural gas company that's helping reduce carbon levels in the environment. The decarbonization trend is a tailwind. It should continue to benefit from the decarbonization from the transportation sector and natural gas grids.

Greenlane Renewables offers three biogas upgrading technologies — water wash, pressure swing adsorption, and membrane separation — choosing what's suitable for client projects.

As of the end of June, Greenlane Renewables had a sales backlog of \$41.9 million. That's about one year's worth of sales to be recognized. Moreover, it has a massive sales pipeline to convert over to its sales backlog.

Delivering projects on time and on budget is key for the small-cap stock. If no missteps occur, the growth stock could climb close to 70% over the next 12 months.

Algonquin Power & Utilities

Algonquin Power & Utilities ([TSX:AQN](#))([NYSE:AQN](#)) is the lowest risk of the three. Currently, it provides a dividend yield of about 4.4% — a quarterly payout it's likely to maintain through thick and thin.

In all likelihood, it would maintain its dividend-growth streak with its regulated or long-term contracted asset base. [Algonquin](#) has increased its dividend for 10 consecutive years with a dividend-growth rate of about 10%, which is relatively high compared to its peers.

Over the years, the utility has expanded its renewable generation base across its regulated utilities and renewable power portfolio by acquisitions and development. The consolidated generating capacity is now about 4.2 GW.

Approximately two-thirds of the company's assets are regulated electric, natural gas, water, and wastewater collection utilities. The rest are non-regulated renewable and clean power-generation facilities that source power from hydro, wind, solar, and thermal energy.

Roughly 75% of its revenues are generated from the United States. So, the dividend stock pays a U.S. dollar-denominated dividend, which better aligns with its earnings that are primarily from the United States. Therefore, Canadian investors could receive a bigger payout on a stronger U.S. dollar versus the loonie.

CATEGORY

1. Investing
2. Tech Stocks

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NASDAQ:GP (GreenPower Motor Company Inc.)
2. NYSE:AQN (Algonquin Power & Utilities Corp.)
3. TSX:AQN (Algonquin Power & Utilities Corp.)
4. TSX:GRN (Greenlane Renewables Inc.)
5. TSXV:GPV (GreenPower Motor Company Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. kayng
2. kduncombe

Category

1. Investing
2. Tech Stocks

Tags

1. Editor's Choice

Date

2025/07/03

Date Created

2021/08/17

Author

kayng

default watermark

default watermark