

## ABSTRACT

Stock price movements that fluctuate require investors to build a portfolio in order to obtain optimal returns with measurable risk. One group of stocks that is interesting to analyze is those included in the SRI-KEHATI Index, which consists of 25 companies listed on the Indonesia Stock Exchange that are selected based on financial performance as well as their commitment to environmental, social, and governance sustainability principles. This study aims to determine the most optimal combination of stocks from the index using the Mean-Semivariance method, which is a portfolio optimization method that measures risk only from the possibility of losses. The data used in this study are daily closing stock prices during the period from June 2, 2025 to November 28, 2025. Portfolio performance is evaluated using the *Sharpe Ratio* with the risk-free rate represented by the BI Rate that has been converted into daily return, while the potential maximum loss is measured using Value at Risk (VaR) through the historical simulation method at a 95% confidence level with a one-day holding period. The results show that the selected combination of stocks from the SRI-KEHATI Index is able to generate an expected return of 0.00177 with a semivariance risk level of 0.000111, and produces a *Sharpe Ratio* value of 0.148247, indicating excess return relative to the risk taken. The Value at Risk calculation shows a potential maximum loss of Rp1,825,374.16 from an investment of Rp100,000,000.00. Based on these results, the stocks selected in the investment combination are INTP, SSMS, and UNTR.

**Keywords:** optimal portfolio, Mean-Semivariance, expected return, semivariance, Sharpe Ratio, Value at Risk, SRI-KEHATI Index