

A person wearing a backpack and a hat stands in a lush green forest with their arms outstretched, looking up at the tall trees.

Climate

Investing in a Liveable Future

Australia is already experiencing the impacts of a changing climate, from more intense natural hazard events and rising insurance affordability pressures to increasing stress on our energy, food, water and housing systems. These risks are not abstract or distant: they are already flowing through to household costs, infrastructure planning, community resilience and long-term financial security. The investment case for climate action is therefore both defensive and constructive — reducing exposure to climate-related risks while directing capital towards the solutions needed for a liveable future.

For investors, the question is no longer whether climate change matters, but what role their capital can play in shaping the economy that emerges from the transition. A portfolio can either remain exposed to industries and assets likely to be disrupted, or it can help finance cleaner energy systems, resilient infrastructure, efficient buildings, nature-positive solutions and businesses adapting to a lower-carbon world.

A liveable future means:

- Reliable and affordable clean energy that reduces emissions while supporting households, businesses and essential services
- Resilient homes, infrastructure and communities that can better withstand heat, flood, fire, storms and other climate-related risks
- Healthy ecosystems and biodiversity, recognising that nature underpins food production, water quality, human health and economic stability
- Food and water security for future generations, supported by sustainable agriculture, efficient water use and adaptation to changing climate conditions
- An economy that can prosper within planetary boundaries, where growth is not dependent on depleting natural systems or locking in avoidable climate risks

A close-up of a hand holding a clear glass sphere that perfectly reflects the surrounding green forest and blue sky.

Research Spotlight

9 in 10 Australians expect their superannuation and other investments to be invested responsibly and ethically

4 in 5 Australians say it's important to them to have a super fund, bank or other investment that delivers a positive impact in the world.

72% of Gen Z and Millennial Australians say environmental issues make them anxious about what lies ahead

Source: RIAA, The Guardian

Ways to Invest in a Liveable Future

Here are three steps to consider:

1. Understand the Impact of Your Investments

Look beyond headline performance and consider what your money is actually funding. Many portfolios still have exposure to companies or industries that contribute to climate risk, such as fossil fuel expansion, high-emissions infrastructure or activities linked to biodiversity loss. Understanding your portfolio's impact means asking whether your investments are aligned with the future you want to support — and whether they are exposed to risks that may become more financially material as regulation, consumer preferences and climate impacts intensify.

2. Invest in Climate Solutions

Climate-aware investing is not only about avoiding the worst offenders. It is also about directing capital towards the solutions needed to build a cleaner, safer and more resilient economy. This can include renewable energy, battery storage, grid upgrades, energy-efficient buildings, sustainable transport, regenerative agriculture, water efficiency, recycling and circular economy businesses. These areas may benefit from long-term structural tailwinds as governments, businesses and households respond to the need to reduce emissions and adapt to a changing climate.

3. Work with an Ethical Investment Adviser

An ethical investment adviser can help translate your values into a practical, diversified investment strategy. This includes identifying what you want to avoid, what you want to support, and how to balance financial goals with real-world impact. A good advice process can also help distinguish between genuine climate solutions and superficial claims, review fund holdings in detail, and ensure your portfolio remains aligned as markets, technology and regulation continue to evolve.

Summary

Ethical investing is not only about avoiding harm. It is about directing capital towards the businesses, technologies and solutions that can help create a future where people, communities and the natural environment can flourish.

Every investment helps shape tomorrow.

The question is: *What kind of future are we funding?*



Speak with an Ethical Advisers' Co-op adviser about building a portfolio that considers climate and a liveable future.

<https://www.ethicaladviserscoop.org/>