

BOYCOTT DIVESTMENT SANCTION

Elbit out of the Future Fund

Australia's Investment in Genocide in Gaza

Public Analysis Report - Issue One

Elbit Out of Victoria



Acknowledgement of Country

We acknowledge the Wurundjeri-Woiwurrung and Bunurong peoples of the Kulin Nation, who are the Custodians and Owners of the lands on which the coalition is based. It always was and always will be Aboriginal land. We recognise the long history and continued solidarity between Palestinian and Aboriginal people and the shared struggle and fight for justice against settler-colonial occupation.

Note on the usage of Australia

In the report, we refer to Australia as the governmental entity it represents, which is the nation-state representing the Crown of Britain. We do not believe that this settler-colonial state has legitimate sovereignty over the lands it claims, nor do we seek to normalise or legitimise its authority. Our use of 'Australia' is not an endorsement of the nation-state, but a necessary reference to the structures of power, policy, and violence it enacts. We see Australia as part of a broader Western imperial project in this region. The only sovereigns of this continent are the many First Nations peoples who have maintained custodianship over these lands, waters, and skies since time immemorial, and who continue to resist colonial violence in all its forms.

About the campaign

Elbit Out of Victoria is a targeted campaign building community power to demand that the State and Federal Governments end their contracts with Israel's largest weapons manufacturer, Elbit Systems and its subsidiaries.

For more information, visit:

www.freepalestinecoalitionnaarm.com

This public report is compiled by members of the Elbit Out of Victoria campaign

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Ongoing tools of genocide in Australia

This report focuses on Elbit Systems and the Future Fund, but it must be situated within the broader context of ongoing colonisation and genocide on this continent.

Australia's investments in militarism abroad are inseparable from the structures of violence and dispossession it maintains at home. From the theft of land and wealth to the incarceration and removal of Aboriginal and Torres Strait Islander peoples, the settler-colonial state continues to enact genocide through systemic and institutional means. Any serious discussion of state wealth must begin by recognising whose sovereignty has been denied and whose wealth has been stolen.

The Australian state continues to perpetrate genocide against Aboriginal and Torres Strait Islander peoples. This is well documented by survivor accounts and community organisers, in academic literature, and in many research reports (some listed below). This is not only a matter of historical record, but an ongoing set of practices (legal, bureaucratic, ecological, and carceral) that systematically undermine First Nations sovereignty, survival, and futures.

The following reports and inquiries (of many) document the ongoing nature of genocide in Australia:

Bringing Them Home Report (1997) – National Inquiry into the Separation of Aboriginal and Torres Strait Islander Children from Their Families.

<https://humanrights.gov.au/our-work/bringing-them-home-report-1997>

Royal Commission into Aboriginal Deaths in Custody (1991) and its 30-year update by the Guardian.

<https://www.theguardian.com/australia-news/ng-interactive/2021/mar/19/deaths-inside-30-years-of-indigenous-deaths-in-custody>

Yoorrook Justice Commission (Victoria) – Ongoing truth-telling process documenting land theft, child removals, systemic racism, and incarceration.

<https://yoorrookjusticecommission.org.au>

Family Matters Reports (SNAICC) – Annual reporting on the increasing rates of Aboriginal and Torres Strait Islander children in out-of-home care.

<https://www.familymatters.org.au>

NATSILS Reports – On systemic racism in the legal system, over-policing, deaths in custody, and barriers to justice.

<https://www.natsils.org.au>

These are not isolated issues but part of a wider structure of settler-colonial governance that relies on dispossession, surveillance, and extractive state violence. Genocide is maintained not only through overt repression and intervention programs but through the ongoing theft of land, labour, and wealth from First Nations peoples. The foundations of Australia's wealth—including the Future Fund itself—rest on this stolen land and stolen capital, without jurisdiction, consent, compensation, or reparations.

The Future Fund's current investments in weapons companies such as Elbit Systems (used in the Israeli state campaign of extermination of Palestinians) reveal a settler-colonial logic that links domestic genocide by Australia with global militarism. Australia's sovereign wealth fund is not neutral—it is a tool shaped by and complicit in these ongoing imperial systems of racialised violence and extraction. A just investment policy must confront this reality head-on.

Executive Summary

This report examines the Future Fund's increasing investment in Elbit Systems, Israel's largest weapons manufacturer, and the Fund's complicity in ongoing war crimes and violations of international law.

As of December 2024, the Future Fund held \$AUD2.687 million in Elbit shares, an increase of 449.9% since October 2023, and the largest percentage increase among the defence companies within the Fund's portfolio.

Elbit Systems supplies up to 85% of the drones and land-based equipment used by the Israeli military, making it integral to the enforcement of illegal settlements, surveillance infrastructure, and military attacks in the occupied Palestinian territories (oPt).

This investment contradicts Australia's international obligations and ethical investment mandates.

Key points

The Future Fund has more than \$600 million in defence/military shareholdings, including \$2.7 million in Elbit shares. A contradiction with the Fund's stated goals of best practice governance, transparency and accountability in its investments.

Elbit Systems technology and weaponry are central to the expansion and maintenance of the illegal Israeli settlements in the oPt.

The Future Fund previously excluded Elbit in 2021 due to its acquisition of a cluster munitions manufacturer, only to reinstate it without public explanation in 2023.

Australia voted in December 2024 in favour of a UN resolution demanding an end to Israeli settlements, obliging Australia to not support or fund illegal activities in the oPt.

Elbit's role in supporting the Israeli Defence Force's genocide in Gaza, including bombardment, use of surveillance tech, and supply of drone systems, constitutes complicity in war crimes and may be associated with acts of genocide.

Investments in weapons manufacturers also undermine Australia's climate commitments, given the military's contribution to environmental degradation and ecocide.

Our demands

1. DISCLOSE: The Future Fund must publicly justify its reinvestment in Elbit Systems and detail its exclusions policy.

2. DIVEST: End all holdings in Elbit Systems and any entity complicit in war crimes and violations of international law.

3. STRENGTHEN POLICY: Revise exclusion criteria to align with best practices as seen in Norwegian fund KLP.

4. SUPPORT LEGISLATION: Back efforts such as the Divesting from Illegal Israeli Settlements Bill to legally enforce ethical investment.

This report is presented by Elbit Out of Victoria, a grassroots campaign demanding the demilitarisation of public funds and an end to governmental and business partnerships with Elbit Systems as one of many steps to a Free Palestine and a liberated world. We advocate for redirecting public wealth from militarism to community wellbeing, climate justice, and reparations and treaties with Indigenous communities – from so-called Australia to Palestine.

[The full report includes in-depth sections on legal obligations, Elbit's role in oPt, Future Fund investment data, global divestment precedents, and policy recommendations.]

To access the full report, visit:

www.freepalestinecoalitionnaarm.com/reports-and-publications

1. What is the Future Fund?

The Future Fund is Australia's so-called sovereign wealth fund. It is the country's single-largest financial asset, with more than \$300 billion currently being managed by the fund on behalf of the Federal Government. Its mandate is to generate long-term financial returns by investing in assets, including shares, bonds, and other financial instruments. The Future Fund effectively channels public wealth (including your taxes) into global capital markets, with limited transparency or accountability regarding its investment decisions.

Origins

The Fund was established by the Howard Government in 2006. Australia's mining boom¹ and the neoliberal obsession with reducing public debt resulted in consistent budget surpluses.² At the same time, Australia's big era of privatisation was reaching its logical conclusion³ with the sale of Telstra finalised in 2005.⁴ Having reduced national debt as low as practical, the Howard government turned its attention to Australia's exposure to future debt, and with the proceeds from the sale of Telstra, the Future Fund was created.

Officially, the Fund was established to offset the Commonwealth's unfunded public service pension liabilities.⁵ However, this rationale has always been politically, rather than fiscally, motivated. From 2005, new entrants were barred from the pension scheme, and Treasury projections indicated that the liability would peak around 2030 before gradually declining to zero. The need for a dedicated fund was always a political choice rather than a necessity.⁶

The Future Fund has mostly exceeded its targets and has grown from an initial \$60bn to more than \$240bn, with the latest 10-year average annual return of 7.5%.⁷ With withdrawals from the fund now barred until at least 2032, it is now operating as Australia's sovereign wealth fund, rather than just a pension fund as initially set out.⁸

1. https://www.agendapub.com/resources/pdfs/OpenAccess/SWFs_DixonSchenaCapape_OAedition_ePdf.pdf

2. Reduced it to as low as possible without threatening the viability of government bond markets - where investors buy government liabilities/debt <https://www.theguardian.com/business/commentisfree/2024/nov/22/the-fierce-reaction-to-australias-new-future-fund-mandate-is-a-throwback-to-a-bygone-era>

3. Shortsighted - as the government had to effectively buy back large parts of the business a few years later to build the NBN. <https://www.theguardian.com/business/commentisfree/2024/nov/22/the-fierce-reaction-to-australias-new-future-fund-mandate-is-a-throwback-to-a-bygone-era>

4. <https://jacobin.com/2021/03/australian-labor-party-paul-keating-privatization-neoliberalism>

5. <https://theconversation.com/is-using-the-future-fund-for-housing-energy-and-infrastructure-really-raiding-australias-nest-egg-244293>

6. <https://www.theguardian.com/business/commentisfree/2024/nov/22/the-fierce-reaction-to-australias-new-future-fund-mandate-is-a-throwback-to-a-bygone-era>

7. <https://www.futurefund.gov.au/-/media/6864BFE3148540248FE6620F51045B1D.ashx>

8. <https://ministers.treasury.gov.au/ministers/jjm-chalmers-2022/media-releases/future-future-fund>

Current operations

The Fund's success has inspired several new funds (including a number of state-based funds):⁹

2014 **The DisabilityCare Australia Fund**

2015 **The Medical Research Future Fund**

2019 **The Aboriginal and Torres Strait Islander Land and Sea Future Fund**

2019 **The Future Drought Fund**

2023 & 2019¹⁰ **The Disaster Ready Fund**

2023 **The Housing Australia Future Fund (HAFF)**

Unlike the original Future Fund, most were created from government borrowing, not budget surpluses. With higher interest rates, the economic rationale for these funds becomes more tenuous. To earn more than they are costing the government (who pay the interest on the debt that created the funds¹¹), the funds must achieve returns higher, plus management costs, than the current interest, now sitting around 4%.¹² In practice, they need to exceed this rate by a considerable amount to justify the risks in such investments.

In 2018, former NSW Parliamentary Budget Office head, Stephen Bartos, called such government borrowing for NSW's Generations Fund a "very risky strategy". Bartos warned that in a major market downturn, "shares can plummet and interest rates rise".¹³ Given that these funds are built on public debt and are contingent on interest rates, there are therefore serious questions about the sustainability of this as an economic strategy for the benefit of future generations. In short, these funds are speculative vehicles built on public debt.

The Future Fund represents a very particular model of public finance. Instead of directly funding public services and infrastructure, large portions of public wealth are redirected into global capital markets, with limited transparency and accountability. By way of example, funds like the HAFF were created in a housing crisis instead of directly building affordable social and public housing. Therefore, the economic success these models have shown so far has, crucially, allowed governments to delay or avoid direct spending on urgent social needs.

9. https://www.futurefund.gov.au/about-us/our-funds#collapse_19efe061-0b23-4d3b-bba5-5002947f142c

10. Repurposed from the emergency response fund, originally established in 2019, see footnote 9 for more

11. <https://www.cis.org.au/publication/a-future-without-future-funds/>

12. <https://tradingeconomics.com/australia/interest-rate>

13. <https://web.archive.org/web/20210808200322/https://www.afr.com/policy/economy/nsw-s-risky-10b-bet-on-markets-20210805-p58g0r>

Limited and controversial: Governance, Transparency and Accountability?

The Future Fund received a new investment mandate in November 2024, the first update to the mandate since its creation in 2006.¹⁴ The new mandate encourages the Fund to invest in Australia's national priorities – namely the energy transition, housing and infrastructure – so long as this is consistent with the desired returns on investment.¹⁵

While some public commentary on this change opposed the 'politicisation' of the fund¹⁶, it is increasingly common for sovereign wealth funds to have an explicit investment focus in priority areas of domestic economic development.¹⁷ It is also not the first instance of political intervention in investment decisions.¹⁸ An opposition audit conducted in 2023 by the Coalition was used to pressure the Future Fund to divest from what it claimed were controversial investments in Chinese companies.¹⁹ By May 2024, the Fund divested from 16 Chinese companies.²⁰

The updated statement of expectations, announced alongside the new investment mandate, claims to prioritise Environmental, Social and Governance (ESG) standards and commits the Future Fund to 'best practice approaches' to governance, transparency and accountability. However, these commitments remain secondary to other considerations, such as profit, national security, and geopolitical alliances.²¹

Despite its size and public function, the Future Fund was ranked below the sovereign wealth funds of several countries, including Aotearoa (New Zealand), Chile, Canada, Azerbaijan and Timor-Leste for transparency and accountability in 2019.²² Though it has been improving in recent years, it is still ranked 29th globally and trails many of Australia's private funds. The revised mandate simply reiterates that the Fund will update and publish the exclusions policy on its website without detailing the decision-making processes behind the exclusions.²³

The exclusions policy is vague. Its most recent update (February 2021) provides a brief and non-committal position on excluded investments: *Australia has ratified a number of international conventions and treaties that limit certain activities. Where the Board determines that the activities of an entity or funding activity contravene such a convention or treaty, it will consider the exclusion of the investment from the portfolio.*²⁴

Much of what we understand about exclusions emerges from a patchwork of investigations and FOI requests from independent journalists and the Greens. A December 2023 email released in response to a request by the Australian Greens notes that exclusions are informed by third-party ESG providers,²⁵ identified in the Senate Estimates (February 24) as Sustainalytics and Moody's.²⁶ In the same Senate estimates, Fund Chair Ben Samild²⁷ stated, "the Board prefers engagement over exclusion". In practice, however, this position enables the Fund to continue profiting from companies implicated in human rights violations, while avoiding meaningful accountability. Without the proper and full transparency regarding the nature and outcomes of such "engagement", public scrutiny is obstructed and ethical oversight undermined.

Currently, the Future Fund publishes a list of current exclusions by broad categories (e.g. tobacco, weapons, etc.) without naming the conventions or treaties breached or providing company-specific justifications.²⁸ This is in stark contrast to international examples such as Norway's largest pension fund KLP, which publicly documents exclusions decisions in detail, including ethical assessments and reference to applicable treaties (e.g. KLP's 17-page document dedicated to weapons-related exclusions).²⁹

Without such transparency, the Fund's ESG claims remain inconsistent with its practice. A genuinely accountable framework would include:

- Public disclosure of exclusion rationales
- Reference to specific treaties or ESG criteria
- Regular publication of third-party assessments
- Clear pathways for review

Such measures are essential to ensure that public funds are not invested in companies complicit in war crimes, human rights abuses, ecocide, or genocide, as in the case of Elbit Systems, whose inclusion remains unexplained to this day.

14. <https://ministers.treasury.gov.au/ministers/jim-chalmers-2022/media-releases/future-future-fund>

15. <https://ministers.treasury.gov.au/ministers/jim-chalmers-2022/media-releases/future-future-fund>

16. <https://www.afr.com/politics/federal/hands-off-the-future-fund-is-not-a-political-slush-pool-20241120-p5ks1x>

17. Sovereign Wealth Funds. Dixon, Schena & Capape. p.17. https://www.agendapub.com/resources/pdfs/OpenAccess/SWFs_DixonSchenaCapapeOAedition_ePdf.pdf

18. <https://www.abc.net.au/news/2024-11-24/future-fund-investments-politics-ethics-albanese-chalmers/104636644>

19. <https://www.senatorpaterson.com.au/news/future-fund-sells-out-of-tainted-chinese-firms>

20. <https://www.abc.net.au/news/2023-11-07/australia-future-fund-audit-china/103071856>

21. <https://ministers.treasury.gov.au/ministers/jim-chalmers-2022/media-releases/future-future-fund>

22. <https://www.abc.net.au/news/2024-11-24/future-fund-investments-politics-ethics-albanese-chalmers/104636644>

23. <https://www.futurefund.gov.au/-/media/80613B227C5C46E48F95BC948C0CBF26.ashx>

24. <https://www.futurefund.gov.au/-/media/A0C62B289C1942729DFD01D2A1857FD6.ashx>

25. Management of Environmental, Social and Governance Issues

26. https://www.aph.gov.au/Parliamentary_Business/Hansard/Hansard_Display?bid=committees/estimate/27707/&sid=0005

27. <https://www.futurefund.gov.au/en/About-us/who-we-are/Senior-Leadership-Team>

28. <https://www.futurefund.gov.au/-/media/AA38EDD428FD460CB481C3C128AF1E01.ashx>

29. <https://www.klp.no/en/corporate-responsibility-and-responsible-investments/exclusion-and-dialogue/Decision%20to%20exclude%20companies%20that%20produce%20controversial%20weapons.pdf>

Future Fund and the Spoils of War

The Future Fund proudly lists on its website that it invests for the “benefit of future generations of Australians”. Additionally, it manages the investments of the numerous other funds set up by the federal government in the past two decades. Those set up to fund such critical areas as Medical Research, Disability Care, Aboriginal and Torres Strait Islander Land[s] and Sea[s], Drought, Disaster Readiness and Housing.³⁰ However, by investing in the global military-industrial complex and planet-heating fossil fuels (coal and gas), the Future Fund actively undermines the very futures it claims to protect, especially for those already facing the greatest threat of these industries.

The Future Fund currently invests ~\$600 million AUD in companies fuelling and profiting from war and conflict around the world (see figure 1 below). Companies like Thales (A\$5.6 million), Lockheed Martin (A\$88 million), BAE Systems (A\$50 million), Raytheon/RTX (A\$114 million), Boeing (A\$15 million) and Elbit Systems (A\$2.6 million).³¹ It is beyond the scope of this report to detail the numerous instances in which these companies’ weapons are used to violate fundamental human rights, but KLP’s recent exclusions paper provides a good introduction.³² At the same time, the Future Fund is a top 10 shareholder in three of Australia’s worst climate wreckers - Woodside, Santos, and Whitehaven Coal. Investing over \$1 billion across these three companies, the Fund consistently voted against climate-related shareholder proposals in their AGMs.³³

Greens Senator David Shoebridge has called for mandatory ethical investment rules for the Future Fund that prohibit weapons manufacturers.³⁴ He has argued that investing in future generations is incompatible with ‘investing in companies making equipment that ends future generations’.³⁵ It is also the case that Australia has chosen to exclude companies based on their involvement in genocide in Myanmar, as opposed to military weapons-related treaties.³⁶ This sets a relevant precedent for divestment based on connection to genocide and therefore should be followed in regards to the genocide in Gaza.

Figure 1: Future Fund investments and change in value since October 2023

Company	Total Value 10 Oct 23 (AUD)	Total Value 31 Dec 2024 (AUD)	Change in (%)
Airbus SE	\$7,916,794	\$11,870,915	49.9%
BAE Systems	\$26,750,861	\$50,369,299	88.3%
Boeing Co	\$10,775,891	\$15,246,328	41.5%
Dassault Aviation	\$7,352,293	\$482,839	-93.4%
Elbit Systems	\$488,768	\$2,687,712	449.9%
General Dynamics Corp	\$63,156,383	\$76,654,461	21.4%
Kongsberg Gruppen ASA	\$2,323,286	\$5,208,171	124.2%
Leonardo SPA	\$563,740	\$0	-100.0%
Lockheed Martin Corp Com	\$71,347,693	\$88,251,696	23.7%
L3Harris Technologies Inc	\$26,376,311	\$43,074,541	63.3%
Northrop Grumman Corp	\$43,403,188	\$50,642,239	16.7%
Rheinmetall	\$8,677,224	\$22,732,823	162.0%
Rocket Lab USA	\$192,150,109	\$0	-100.0%
Rolls Royce Holdings	\$2,054,280	\$7,568,129	268.4%
RTX Corporation	\$72,419,408	\$114,021,814	57.4%
SAAB	\$1,440,048	\$3,277,368	127.6%
Safran SA	\$5,365,730	\$9,905,057	84.6%
Textron Inc	\$16,641,981	\$20,989,554	26.1%
Thales SA	\$3,592,190	\$5,631,346	56.8%

Source: Future Fund Periodic Statements 2023, 2024

30. <https://www.futurefund.gov.au/>

31. <https://www.counterpunch.org/2024/06/07/inexplicable-investments-elbit-systems-and-australias-future-fund/>

32. <https://www.klp.no/en/corporate-responsibility-and-responsible-investments/exclusion-and-dialogue/Decision%20to%20exclude%20companies%20that%20produce%20controversial%20weapons.pdf>

33. <https://www.marketforces.org.au/campaigns/super/future-fund-holdings-analysis-2024/>

34. <https://greens.org.au/news/media-release/future-fund-investing-over-600-million-weapons-manufacturers-including-0>

35. <https://greens.org.au/news/media-release/future-fund-investing-over-600-million-weapons-manufacturers-including-0>

36. Future Fund forced to divest \$5m from sanctioned Chinese weapons company | China | The Guardian

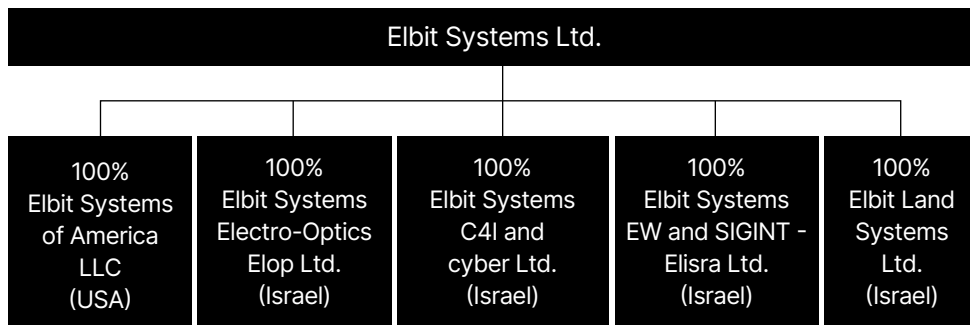
2. What is Elbit Systems?

Elbit Systems is Israel's largest private arms company and a key supplier to the Israeli Ministry of Defence, its single largest customer.³⁷ The company supplies approximately 80% of the land-based weapons and equipment and 85% of the combat drones used by the Israeli Defence Forces (IDF).³⁸

Beyond manufacturing weapons, Elbit is further embedded in Israel's military-industrial complex. It operates joint programs with the IDF to train engineers, developers, and technical personnel, and collaborates with military and academic institutions to drive weapons and surveillance technology 'innovation'.³⁹ Since its founding in 1966, Elbit Systems has played a sustained role in supporting, maintaining and profiting from the occupation of Palestine.

Headquartered in Haifa, in Occupied Palestine/Israel, Elbit markets itself as an international high-technology company engaged in a wide range of defence, homeland security and commercial programs.⁴⁰ Elbit Systems Ltd. is a publicly listed, shareholder-owned company traded on the Tel Aviv Stock Exchange (TASE) and NASDAQ. This means it is accountable not only to the Israeli state (its largest customer), but also to a global network of private investors, including institutional funds, banks, and governments.

Figure 2: Major Operating Subsidiaries of Elbit Systems Ltd



Source: US Securities and Exchange Commission 2020⁴¹

As a multinational defence contractor with 20,000 employees across five continents⁴², Elbit operates across a wide range of military and security domains (see figure 2 above for major subsidiaries), its major subsidiaries: C4I (cyber-security systems), Elisra (electronic warfare and signals intelligence systems), Elop (electro-optic systems, e.g. thermal imaging, lasers, etc), Land-based systems (e.g. mortar, rocket, howitzer systems). Technologies developed through these arms, include autonomous drones, AI-powered targeting systems, border surveillance tools, and battlefield communications networks, many of which are marketed as "combat-proven" through their use in Israeli military operations, particularly in Gaza and the occupied West Bank. Through its subsidiaries and partnerships, Elbit plays a central role in the expansion of militarised and digitised security infrastructure globally, including within Australia.

Making Billions

Elbit Systems experienced a significant increase in revenues in 2024 compared to 2023.

Several segments within Elbit Systems saw 'strong growth', including land systems, aircraft, and Elbit Systems of America. Elbit Systems' total revenues for 2024 were \$6.872 billion, an increase of 13.6% compared to \$6.042 billion in 2023.⁴³ Specifically, the company reported \$1.9 billion in revenues for the first quarter of 2025. In the second quarter of 2024, Elbit Systems reported \$1.626 billion in revenues. In May 2025, they announced a record \$23.1 billion backlog on orders⁴⁴ (up from \$22B in 2024).⁴⁵

37. Revenue rose to \$1.63 billion from \$1.45 billion. Some 27% of quarterly sales came from Israel, against 17% last year. At 29%, Europe was Elbit's largest customer, with North America steady at 23% but Asia-Pacific slipping to 15%. <https://www.reuters.com/business/aerospace-defense/israel-defence-firm-elbits-quarterly-profit-sales-gain-due-gaza-war-2024-08-14/>

38. <https://www.aljazeera.com/features/2023/11/17/israels-weapons-industry-is-the-gaza-war-its-latest-test-lab>

39. <https://www.haaretz.com/haaretz-labels/2023-02-12/ty-article-labels/premium/opening-the-skies-elbit-systems-is-bringing-the-world-of-drones-to-the-civilian-market/00000186-44d8-d553-adb6-dedd1c9c0000>

40. <https://elbitsystems.com/about-us-introduction/>

41. <https://www.sec.gov/Archives/edgar/data/1027664/000162828021005407/exhibit8-2020.htm>

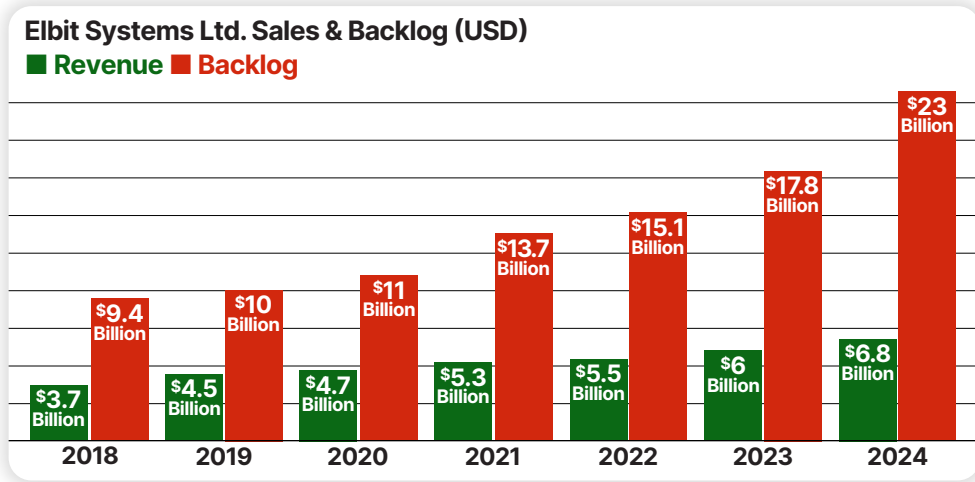
42. <https://mayfiles.tase.co.il/rpdf/1610001-1611000/P1610588-00.pdf>

43. <https://www.elbitsystems.com/news/elbit-systems-reports-fourth-quarter-and-full-year-2024-results>

44. <https://www.elbitsystems.com/sites/default/files/2025-05/20052025e.pdf>

45. <https://elbitsystems.com/pr-new/elbit-systems-reports-third-quarter-2024-results/#>

Figure 3: Elbit Systems Ltd, increased revenue since 2018, with a notable increase in 2024.



Source: Elbit Systems Company Presentation 2025⁴⁶

On their website, the company attributed this surge to the genocidal war on Gaza, stating: ‘since the commencement of hostilities, Elbit Systems has experienced a material increased demand for our products and solutions from the Israel Ministry of Defense compared to the demand levels prior to the war’.⁴⁷ They have also increased their support to the Israeli Ministry of Defence.⁴⁸

Critically, Elbit Systems’ ability to supply the IDF is contingent on its international customer base, and integration into the global weapons supply chain. Only 20% of Elbit System’s production is sold to Israeli customers, the other 80% is sold to international customers, of which Australia is one.⁴⁹

46. <https://elbitsystems.com/about-us-introduction/>

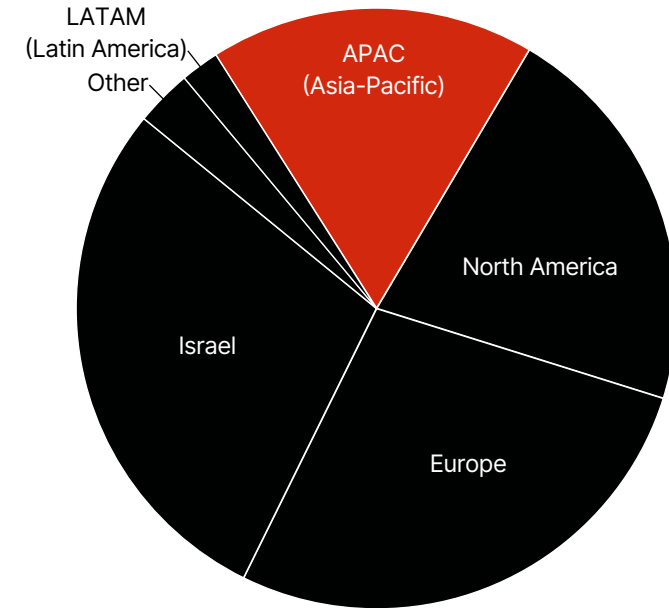
47. <http://elbitsystems.com/pr-new/elbit-systems-reports-first-quarter-2024-results/>

48. <http://elbitsystems.com/pr-new/elbit-systems-reports-first-quarter-2024-results/>

49. <https://stopthewall.org/stop-elbit/>

Figure 4: Elbit Systems revenue by region

Elbit Systems - Sales by Geographical Region (2024)
Total Revenue: \$6.8 Billion USD



Source: Elbit Systems Company Presentation 2025⁵⁰

Elbit Systems in Australia: Establishment & Key Players

Incorporation & Strategic Entry (2010)

Elbit Systems formally entered the Australian defence market in 2010 by setting up **Elbit Systems of Australia (ELSA)** as a wholly-owned subsidiary of Israel’s Elbit Systems Ltd. This move was framed as meeting the technological needs of the Australian Defence Force (ADF) and marked the beginning of Elbit’s deeper integration into Australia’s military-industrial complex. ELSA now has more than 100 local employees and is headquartered in Canberra, with offices and production facilities in Melbourne and Brisbane.

50. <https://elbitsystems.com/about-us-introduction/>

Leadership and 'Australianisation'

- Dan Webster, a former Australian Army colonel and ex-Thales Australia executive, served as Managing Director of ELSA beginning in 2014, presenting the company as a locally-led enterprise.⁵¹

- Dr Karen Stanton, Appointed as Non-Executive Director in September 2018, Dr Stanton brought over 15 years of experience in defence manufacturing—particularly through her leadership at HTA Group—and strong connections via advisory roles with Queensland's Manufacturing Advisory Board and QUT's MBA program.⁵² In 2022, she was elevated to Chair of ELSA's Board, spearheading the company's security, governance, and IT transformation initiatives to align it with the Defence Industry Security Program so it can sell products to the ADF.⁵³

- The board of Elbit Systems Australia (ELSA) brings together former senior military leadership and executives from its Israeli parent company. As of 2024, the board comprises: Air Vice-Marshal (ret'd) Kym Osley AM CSC (Chair in 2025), Senior Vice President of parent company Boaz Cohen (Israel), 20-year veteran executive parent company Haim Delmar (Israel), Chief Financial Officer of Elbit Systems Ltd, Joseph Gaspar (Israel), Executive Chair and prominent defence-industry advocate Dr Karen Stanton, Former Australian Defence official Jaimie Hatcher, Company director Major General (ret'd) Roger Powell AM.⁵⁴

Key Collaboration: Centre of Excellence for Human & Machine Teaming

-Launch & Purpose (Feb 2021)

ELSA partnered with the Victorian Government to launch a "Centre of Excellence for Human and Machine Teaming" in Melbourne, only its second such centre outside Israel.⁵⁵ The centre aims to develop autonomous systems for defence, homeland security, and emergency services, using R&D partnerships with universities and SMEs.⁵⁶ Victoria's Labor government publicly framed the Centre as a boost for local jobs and innovation, backed by \$6 million in state funding aimed to bolster "to support the growth of the state's defence sector which includes attracting global leaders such as Elbit".⁵⁷

Despite being registered publicly in Port Melbourne, Elbit has obscured the location of its development and R&D hub within a larger industrial park, prompting activist groups to reveal the hidden address on Nakba Day 2025. While formally branded as an 'research and development' (R&D) centre, the facility's secretive setup suggests Elbit's strategic intent to shield its operations from accountability and public scrutiny, including from nearby businesses.

Canberra: Head Office, Level 3, AMA House 42 Macquarie St Barton ACT

Melbourne: Human-Machine Teaming CoE, 3/290 Salmon St, Port Melbourne VIC

Brisbane: 562 Curtin Avenue East Eagle Farm QLD

51. <https://www.marketscreener.com/quote/stock/ELBIT-SYSTEMS-LTD-6497555/news/Elbit-Systems-Dan-Webster-Appointed-as-the-New-Managing-Director-of-Elbit-Systems-of-Australia-18978374/>

52. <https://www.aviation-defence-universe.com/dr-karen-stanton-joins-elbit-systems-of-australia-board/>

53. <https://asiapacificdefencereporter.com/elbit-systems-of-australia-announces-completion-of-security-and-it-project/>

54. <https://michaelwest.com.au/elbit-how-australia-financed-the-idf-killing-of-zomi-frankcom-and-the-gaza-slaughter/>

55. <https://www.invest.vic.gov.au/news-and-events/news/2021/february/defence-technology-investment-a-coup-for-victoria>

56. <https://www.australiandefence.com.au/defence/cyber-space/elbit-systems-workshops-human-machine-teaming-with-universities>

57. <https://www.premier.vic.gov.au/global-innovator-elbit-establish-melbourne-centre>

Elbit's Role in Maintaining Illegal Occupation in Palestine:

Surveillance Technology: In contravention of various UN resolutions outlined above, the Lorrros surveillance cameras, Torch systems, and unmanned ground vehicles were deployed for border control and at checkpoints within the oPt.

Infrastructure Support: Elbit Systems was the main contractor for the tunnel detection systems⁵⁸ that continue to besiege more than 2 million Palestinians in Gaza and the electronic detection fence system along the apartheid wall in the West Bank.⁵⁹ These barriers, deemed illegal under the United Nations Charter and General Assembly resolution 2625 (XXV), rely heavily on Elbit's technology.

Data Collection Systems: Elbit Systems remains the majority supplier of data collection and technology to multiple Israeli authorities,⁶⁰ such as the Population and Immigration Authority, for advanced surveillance and control systems. Their Rotem and Reut systems facilitate the violent regimes of border control at both the level of international borders and at checkpoints within oPt.⁶¹ This software is integrated with the Israeli Civil Administration, military, police, and prison services, reinforcing mechanisms of occupation.

Research, training and personnel support: promoting and training engineers, developers and graduates in the IDF.⁶²

Such activities are integral to maintaining Israel's occupation of Palestine and violate multiple UN resolutions and the ICJ's ruling on apartheid in the oPt.

Repeated offence: Elbit System's violation of international law outside of oPt

Elbit System's perpetration of war crimes and violations of international law outside of occupied Palestine are therefore significant in their demonstration of the company's wide-reaching and unflinching disregard for international war crimes and human-rights violations both within and outside of occupied Palestine. The corporation's products assist regimes of repression and violence not only in oPt, but internationally. Elbit equipment has been used for the aims of repression and violence against protestors in Brazil, against human-rights defenders in Colombia, against Mapuche peoples in Chile, against protestors in Honduras, against Armenians in Azerbaijan, against the people of Kashmir in India, in the Philippines,⁶³ in Morocco against the Sahrawi people,⁶⁴ in the Cameroon by the military with evidence of human-rights violations,⁶⁵ and by the Indonesian military for use in West Papua.⁶⁶ Drones provided by Elbit have also been used by the Israeli military for the purpose of assassinations in Sudan and Egypt, and they have been used for tools of surveillance by the Israeli military in Iraq, Iran, and Lebanon.⁶⁷

After the ruling by Israel's High Court of Justice and the Israeli government's own statement stating sales to Myanmar must cease given the international arms embargo, Elbit Systems continued to supply military systems to the Myanmar Air Force.⁶⁸ This trade continued through the Rohingya genocide in 2016-2017.⁶⁹ This is another example of Elbit System's long history of disregard for domestic and international law, and highlights the relative impunity with which Elbit operates.

58. <https://www.whoprofits.org/companies/company/3794?elbit-systems#>

59. <https://www.whoprofits.org/companies/company/3794?elbit-systems#>

60. <https://www.whoprofits.org/companies/company/3794?elbit-systems#>

61. <https://www.whoprofits.org/companies/company/3794?elbit-systems#>

62. <https://www.haaretz.com/haaretz-labels/2023-02-12/ty-article-labels/premium/opening-the-skies-elbit-systems-is-bringing-the-world-of-drones-to-the-civilian-market/00000186-44d8-d553-adb6-dedd1c9c0000>

63. <https://mapliberation.org/plain/entities/ElbitSystems.html>

64. <https://www.shephardmedia.com/news/defence-notes/israel-and-morocco-reap-rewards-from-warmer-relati/>

65. <https://dimse.info/cameroon/>

66. <https://disruptlandforces.org/elbit/>

67. <https://dimse.info/elbit-systems/>

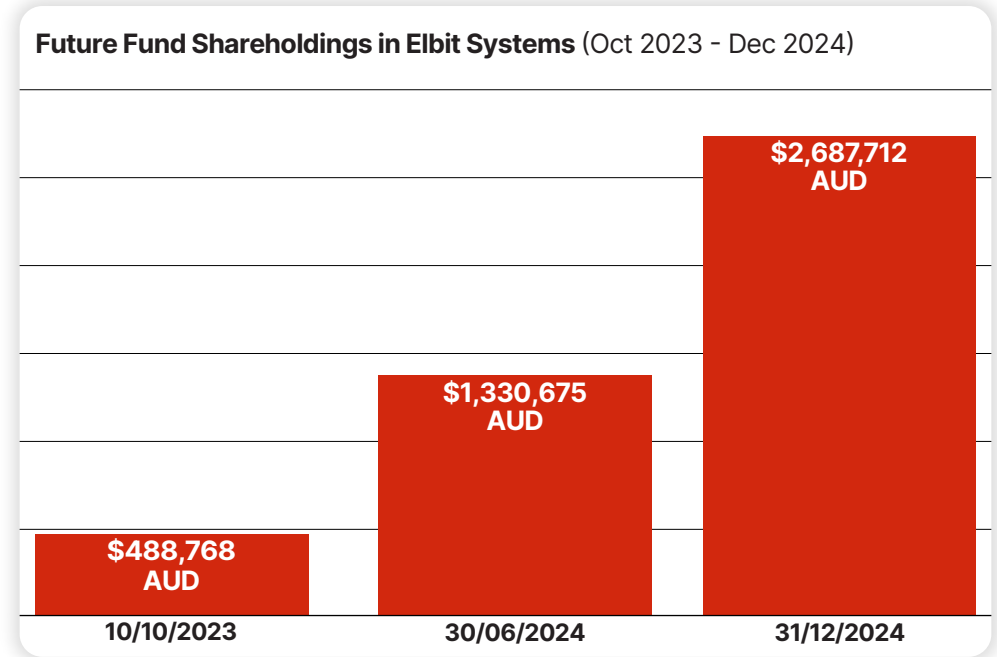
68. <https://www.haaretz.com/israel-news/security-aviation/2023-09-05/ty-article/premium/israel-sold-arms-to-myanmar-even-after-the-2021-military-coup/0000018a-6000-d339-a3af-f5b673e90000?v=1724645298889>

69. <https://www.haaretz.com/israel-news/security-aviation/2023-09-05/ty-article/premium/israel-sold-arms-to-myanmar-even-after-the-2021-military-coup/0000018a-6000-d339-a3af-f5b673e90000?v=1724645298889>

Australian Federal support for Elbit Systems

In the Australian context, from 2007 to May 2025, taxpayers have paid more than \$1.9 billion AUD to Elbit Systems in direct contracts with the Department of Defence.⁷⁰ This includes contracts for aerospace systems, components and equipment, military science and research, arms and ammunition accessories, drones, commercial and military and private vehicles and their accessories and components (UAV spare), speciality aircraft, small unmanned aerial systems and target or reconnaissance drones, conventional war weapons, arms and ammunition accessories, explosive materials, automation control devices and components and accessories, and computer equipment and accessories. The latest contract was procured by the government with limited tender, which means facing little to no competition, and was granted due to an absence of competition 'for technical reasons'.⁷¹

Figure 5: Future Fund shareholdings in Elbit Systems, October 2023 to December 2024



Source: Future Fund Periodic Statements 2023, 2024

70. <https://www.tenders.gov.au/Search/CnAdvancedSearch?Type=Cn&AgencyUId=0ec98ef9-e020-5da9-dcb1-0135be81bd2b&AgencyStatus=2&Keyword=Elbit&KeywordTypeSearch=AllWord&DateType=Publish%20Date&DateStart=01-Jan-2007&DateEnd=08-Jun-2025>

71. <https://www.tenders.gov.au/Cn/Show/4ec57fb5-f9ae-4b93-9ae0-8985258a30fa>

Elbit Systems can only continue to supply apartheid and genocide because of the international market for its products, and its integration into the global weapons supply chain.⁷² Subsequently, every one of Australia's contracts tacitly supports and therefore renders assistance to Israel's illegal settlement activities in the oPt. Australia's support for Elbit Systems has not wavered despite the increasingly indefensible nature of Israel's genocidal campaign in Gaza. Since October 2023, this has included:

- **Investment in Elbit Systems through the Future Fund** - The Future Fund has substantially increased its investment in Elbit Systems. From October 2023 to Dec 2024, the size of its holdings increased 450%, ballooning from \$488,768 to \$2.687 million AUD.^{73 & 74}

- **\$917 million AUD was awarded to Elbit last year** to supply the turrets for the 127 Redback IFVs Hanhwa are building in Avalon, Victoria.

- Although this was a subcontract (i.e. Hanhwa contracted Elbit), Defence Industry Minister Pat Conroy conceded on Radio National last year that ultimately we [The Department of Defence] have "control and input" in subcontracting decisions.⁷⁵

- There are a number of alternative turret suppliers to Elbit. Originally, Hanhwa had partnered with Australian company Electro Optic Systems (EOS), and there are multiple Korean firms that produce such turrets.⁷⁶

- Defence contracts: 8 direct contracts between Elbit and the Department of Defence since October 2023, totalling approximately \$20 million AUD.

- Only one of these (3 Nov 23 start date) was an open tender (approach to market), the other 7 were contracted privately.

Figure 6: Contracts Initiated with Elbit Systems and subsidiaries since October 2023:

Product/Service	Contract Start Date	Contract End Date	Value (AUD)	Supplier Name
Uncrewed Aerial Systems Support Services	9-Oct-24	7-Jun-25	\$688,655.91	ELBIT SYSTEMS OF AUSTRALIA PTY LTD
Security Equipment Installation Services	2-Sep-24	30-Jun-25	\$38,108.38	ELBIT SYSTEMS OF AUSTRALIA PTY LTD
Explosive Ordnance	8-Apr-24	31-Oct-24	\$159,264.56	ELBIT SYSTEMS OF AUSTRALIA PTY LTD
Control Panel	12-Feb-24	28-Jun-24	\$609,840.00	ELBIT SYSTEMS OF AUSTRALIA PTY LTD
Research and Development	26-Jan-24	26-Jan-26	\$434,329.99	ELBIT SYSTEMS OF AUSTRALIA PTY LTD
Protective System	25-Jan-24	25-Jan-26	\$3,274,121.20	ELBIT SYSTEMS OF AUSTRALIA PTY LTD
Aerospace Systems Support Services*	3-Nov-23	30-Jun-30	\$14,719,100.00	ELBIT SYSTEMS OF AUSTRALIA PTY LTD
War Vehicle Spares	17-Oct-23	15-Jan-24	\$54,434.69	ELBIT SYSTEMS OF AUSTRALIA PTY LTD

Note. Figures are current as of March 2025. Source: Australian Tenders Notice List⁷⁷

72. <https://stopthewall.org/stop-elbit/>

73. <https://www.abc.net.au/news/2024-12-01/future-fund-invests-weapons-arms-aerospace-manufacturers/104665338>

74. Periodic Investment Report 31 December 2024 - Future Fund. <https://www.futurefund.gov.au/-/media/A9A61B0CA7A54DC7A0BABB29516007BD.ashx>

75. <https://www.minister.defence.gov.au/transcripts/2024-06-10/radio-interview-rm-drive-patricia-karvelas>

76. <https://www.abc.net.au/news/2024-02-28/israeli-weapons-company-awarded-australian-army-contract/103519558>

77. <https://www.tenders.gov.au/Search/CnAdvancedSearch?SearchFrom=CnSearch&Type=Cn&AgencyStatus=-1&Keyword=Elbit&KeyWordTypeSearch=AllWord&DateType=Publish+Date&page=2>

3. Divestment

Divestment is a form of economic pressure that involves withdrawing financial investments from companies and institutions that are complicit in war crimes, human rights abuses, occupation, genocide, or apartheid systems. It is one of the three pillars of the global Boycott, Divestment, Sanctions (BDS) movement, launched in 2005 by Palestinian civil society.⁷⁸ The campaign calls on individuals, institutions, and governments to sever ties with entities that sustain Israel's regime of settler-colonialism, military occupation, and apartheid. Modelled on the successful anti-apartheid divestment campaigns against South Africa, BDS aims to end international complicity in Israel's violations of international law and Palestinian rights.

This section outlines the legal, ethical, and political basis for divesting from Elbit Systems, drawing on international precedents and continuing project of extermination in Gaza to draw attention to the urgency of action.

Australia's main international Legal Obligations

The Future Fund's Exclusions Policy outlines criteria for avoiding investments in companies that may be involved in activities inconsistent with Australia's commitments under international law. In this context, several international treaties and conventions impose legal obligations on Australia that should guide its investment decisions, particularly in relation to defence companies such as Elbit Systems.

1. Genocide Convention: Australia is obligated to prevent and avoid complicity in acts of genocide under international law to ensure 'the implementation of the provisional measures, to prevent genocide and to ensure that they are not complicit in genocide'.⁷⁹ This includes ceasing all military aid and assistance to the Government of Israel and terminating all contracts with the IDF and its contractors'.⁸⁰ As Elbit Systems supplies up to 85% of the drones and land-based equipment used by the Israeli military,⁸¹ this extends to Australia's economic relations with Elbit Systems at a national level.

2. UN Resolutions on oPt: At a national level, Australia has recently reaffirmed, in the strongest terms in over two decades, its position on the **illegality of Israeli settlements in the oPt**. It made headlines when it voted against the United States, but with 156 other UN member countries, including the UK, Germany, France, Belgium, Norway, New Zealand, Canada and Brazil, in favour of the UN's proposed resolution.⁸²

The resolution **demanding that Israel rapidly end its illegal settlements in the oPt**, cease all new settlement activities, evacuate settlers and make reparations for damages caused. Crucially, it calls upon all countries not to recognise the legality of Israel's ongoing presence in the oPt or **"render aid or assistance to illegal settlement activities"**.⁸³

3. Arms Trade Treaty (2013): While Australia remains a signatory, its continued financing and technological support through research collaborations, supply chain support, manufacturing, production, testing, and bolstering of the IDF's main supplier, Elbit System, remains permitted by the Australian government.⁸⁴ Obligations to cease supply of any intellectual, physical, or economic 'parts' of arms trade have not been actioned. The component 'export' here may not be physical weaponry, instead taking the form of the financing of Elbit Systems and the supply of technology development and multiple international manufacturing bases to Elbit Systems. These exports, considered as a 'part and component where the export is in a form that provides the capability to assemble the conventional arms covered under Article 2 (1)⁸⁶, provide overall increased capabilities for Elbit Systems' arms assembling. Financing, technology, and research are an integral part of arms assembling and trade, and therefore warrant being considered in this definition.

78. <https://bdsmovement.net/bds-call>

79. Australia has a duty to prevent genocide in Gaza and act to implement ICJ ruling that Israel's actions in Gaza are a plausible genocide - Australian Centre for International Justice <https://acij.org.au/media-release-australia-has-a-duty-to-prevent-genocide-in-gaza-and-act-to-implement-icj-ruling-that-israels-actions-in-gaza-are-a-plausible-genocide/>; Australian Government must do all in its power to prevent genocide against Palestinian people by Israel, Human Rights Law Centre www.hrlc.org.au/news/2024/2/16/aust-govt-israel-prevent-genocide-palestine

80. The Human Rights Law Centre calls for an immediate and permanent ceasefire

81. Dirty secret of Israel's weapons exports: They're tested on Palestinians | Israel-Palestine conflict | Al Jazeera

82. Australia's opposition to Israel's 'unlawful' settlements set to impact Future Fund. ABC News www.abc.net.au/news/2024-12-08/future-fund-investments-in-israeli-settlements-uk-germany-france-belgium-norway-new-zealand-canada-brazil-in-favour-of-the-un-proposed-resolution/

83. <https://documents.un.org/doc/undoc/tid/n24/368/10/pdf/n2436810.pdf>

84. <https://bdsaustralia.net.au/campaigns/stop-elbit/>

85. <https://ihl-databases.icrc.org/en/ihl-treaties/att-2013/article-4#:~:text=Each%20State%20Party%20shall%20establish,Article%207%20prior%20to%20authorizing>

86. <https://www.abc.net.au/news/2023-08-08/government-hardens-against-israel-palestine-settlements/102702558>

The case against Elbit

Despite Elbit's central role in arming the genocide currently unfolding in Gaza, and its role in maintaining and expanding the illegal settlements in the oPt, the Future Fund has increased its holdings in Elbit Systems by ~450% since October 2023, as detailed in section 2. **Investment in Elbit Systems cannot be in line with any genuine best practice approach of governance, transparency, or accountability.**

Investment in Elbit Systems, which is vital to Israel's illegal settlement activities, remains incompatible with fulfilling Australia's obligations under international law. Given Australia has recently affirmed its position that it views Israeli settlements as illegal, economic ties with Elbit Systems at state and federal levels, and at public, private and institutional levels, **must be terminated.**

While the strongest case for divestment is on the basis of Elbit's role in the illegal settlements in the oPt, it is supported by the following:

- **Elbit's weapons and technology have played a central role in Israel's aerial and ground attacks in Gaza** since October 2023, killing tens of thousands of Palestinian civilians and destroying most of the civilian infrastructure. This may amount to **a genocide according to a preliminary ruling by the International Court of Justice**, a U.S. federal court, U.N. experts, and countless legal scholars.⁸⁷
- A **Hermes 450 drone, manufactured by Elbit Systems, was used to murder Australian Zomi Frankcom** along with 6 of her World Central Kitchen colleagues while they were delivering aid in Gaza in April 2024.⁸⁸
- In 2021, **Elbit's Battle Management System software was suddenly dropped by the Department of Defence**, despite over a **decade and almost a billion dollars invested in the project so far**, and despite there being no interim replacement.⁸⁹ Belated official statements regarding the change refer to software certification issues, but it is widely believed the Australian Signals Directorate was alarmed by the potential of a 'backdoor' security risk in the software.^{90 & 91}
- Also in 2021, the **Future Fund placed Elbit Systems on its exclusion list**, due to its acquisition of Israeli Military Industries, known for their **production of banned cluster munitions**.⁹² They have since been removed from the exclusions list, claiming that they no longer produce cluster munitions.
- **Elbit also breached international sanctions by supplying arms to the Myanmar military** since the coup in 2021, including supplying skylark UAVs which have been used in operations considered war crimes by UN.^{93 & 94}
- **Elbit is currently flagged by Sustainalytics** [one of the two ESG data providers for Australia's Future Fund] for its provision of equipment to the Israeli Military.⁹⁵

87. <https://investigate.afsc.org/company/elbit-systems>

88. <https://www.smh.com.au/world/middle-east/aid-workers-were-unloading-a-million-meals-here-s-how-the-idf-killed-them-20240404-p5fhez.html>

89. <https://www.crikey.com.au/2024/10/23/elbit-israel-gaza-weapons-drones-australian-defence-force/>

90. <https://asiapacificdefencereporter.com/land-200-elbit-bms-withdrawn-from-service-but-the-reasons-remain-unclear/>

91. <https://search.informit.org/doi/epdf/10.3316/informit.720997154806705>

92. <https://www.futurefund.gov.au/-/media/3B32F6E756534253A8BF9F293E368BAC.ashx>

93. <https://www.responsible-investor.com/esg-funds-reinvest-in-israeli-arms-manufacturer-elbit-systems-after-cluster-munitions-pivot/>

94. <https://www.justiceformyanmar.org/press-releases/jfm-calls-on-israels-attorney-general-to-take-urgent-action-following-application-for-criminal-investigation-into-myanmar-arms-sales>

95. <https://www.middleeastmonitor.com/20230906-israel-sold-arms-to-myanmar-after-2021-military-coup-despite-govt-ban/>

96. <https://www.responsible-investor.com/esg-funds-reinvest-in-israeli-arms-manufacturer-elbit-systems-after-cluster-munitions-pivot/>

Precedents for Divestment:

While the Australian government has shown little concern about removing Elbit Systems from national defence industry supply chains—with Defence Minister Richard Marles stating he is “comfortable” with the company’s subcontracted contributions⁹⁷ and deflecting the responsibility to individual facilities—there are nonetheless strong BDS campaigns against Elbit Systems both in Australia and internationally.⁹⁸ Through boycott actions, student activism, and student encampments, these campaigns have targeted universities, healthcare partnerships, and defence manufacturers, highlighting Elbit’s role in Israel’s military apparatus and pressuring institutions to cut ties with the company.⁹⁹ For example, after a year-long campaign in 2023, RMIT University divested from its partnerships with Elbit Systems, however, the university did not clarify the nature of partnerships entered into in 2021 with ELSA.¹⁰⁰ Additionally, a BDS campaign against the Royal Flying Doctors Service entering into a partnership with Elbit Systems resulted in the cancellation of the partnership in 2017.¹⁰¹

Internationally, in 2009 Norway’s Government Pension Fund-Global divested from Elbit Systems due to the ‘serious violations of fundamental ethical norms’ and violation of international humanitarian law committed by Elbit’s involvement in building the separation barrier on oPt.¹⁰² This was influenced by advisory opinions given from the ICJ in 2004¹⁰³ and the campaigning of Stop the Wall.¹⁰⁴ Following this, Danske Bank and PKA Ltd pension fund, Swedish asset manager Folksam and Dutch asset manager ABP also divested from Elbit.¹⁰⁵

In 2010, Deutsche Bank divested from Elbit Systems due to the campaigning of Pax Christi and the International Physicians for the Prevention of Nuclear War.¹⁰⁶ HSBC and AXA Investment Managers divested from Elbit Systems in 2018 due to their involvement in cluster munitions and white phosphorus production and commercialisation.¹⁰⁷ In 2024, Barclays and APCO Worldwide divested from Elbit Systems following a long campaign from the Palestine Action activist group.¹⁰⁸

In 2024, Elbit Systems UK revoked its largest-ever British arms contract with Elbit’s UAV subsidiary, following targeted actions from Palestine Action activists since 2021.¹⁰⁹

Numerous other pension and investment funds have excluded Elbit Systems due to the corporations’ complicity in Israel’s illegal settlements and apartheid regime,¹¹⁰ and its involvement in the production of cluster munitions.

This includes divestment from Elbit Systems¹¹¹ from:

1. Barclays Bank (2024)¹¹²
2. East Sussex Pension Fund (2021)¹¹³
3. French multinational insurance company subsidiary AXA IM (2019)¹¹⁴
4. Global banking giant HSBC (2018)¹¹⁵
5. Swedish Bank SEB (2017)³³
6. Danish pension fund PKA Ltd (2014)³³
7. Luxembourg national pension fund (2013)³³
8. Dutch pension fund PFZW (2012)³³
9. Swedish pension funds 1-4 (2012)³³
10. Danske Bank (2010)³³
11. Sweden’s largest asset manager Folksam (2010)³³
12. Sweden’s AP 7 pension fund (2009)³³
13. Norway’s largest pension fund, KLP (2010)^{116 & 117}

The repeated mention of Elbit’s activities conflicting with international humanitarian law in many of these divestments serves as a clear reminder of what a best practice approach to governance, transparency and accountability looks like for Australia’s sovereign wealth fund. Other considerations for precedents include the many years of campaigning by environmental advocates to get Australia financial institutions, such as the major banks and superannuation funds, to divest from investments in nuclear weapons.¹¹⁸

97. <https://www.minister.defence.gov.au/transcripts/2024-08-23/press-conference-avalon-victoria>

98. <https://bdsmovement.net/tags/elbit-systems>

99. <https://www.greenleft.org.au/content/interview-bds-australia-while-israel-continues-its-genocide-movement-will-grow>

100. <https://johnmenadue.com/starving-the-funding-how-to-cope-with-the-israeli-war-machine/>

101. <https://johnmenadue.com/starving-the-funding-how-to-cope-with-the-israeli-war-machine/>

102. <https://bdsmovement.net/news/norwegian-pension-fund-divests-israeli-military-giant-elbit>

103. <https://bdsmovement.net/news/norwegian-pension-fund-divests-israeli-military-giant-elbit>

104. https://www.banktrack.org/news/deutsche_bank_announces_divestment_from_elbit

105. https://www.banktrack.org/news/deutsche_bank_announces_divestment_from_elbit

106. https://www.banktrack.org/news/deutsche_bank_announces_divestment_from_elbit

107. <https://bdsaustralia.net.au/campaigns/stop-elbit/>

108. <https://thewire.in/world/barclays-divest-elbit-elite-power-crisis-rising-people-power>

109. <https://palestineaction.org/elbit-contract-watchkeeper/>

109. <https://palestineaction.org/elbit-contract-watchkeeper/>

110. Elbit Systems Ltd, AFSC Investigate. <https://investigate.afsc.org/company/elbit-systems>

111. Elbit Systems Ltd, AFSC Investigate. <https://investigate.afsc.org/company/elbit-systems>

112. Israel/OPT: Barclays offloads all shares in Elbit Systems following direct action from Palestine Action www.business-humanrights.org/en/latest-news/ipt-barclays-offloads-all-shares-in-israeli-arms-company-elbit-systems-after-pressure-from-palestine-action/

113. <https://www.ipe.com/east-sussex-pension-fund-and-the-case-of-a-non-divestment/10050862.article>

114. AXA IM divests from Elbit Systems - involved in Israeli war crimes | BDS Movement. <https://bdsmovement.net/news/axa-im-divests-elbit-systems-involved-israeli-war-crimes>

115. BDS Victory: HSBC Divests from Elbit. <https://waronwant.org/news-analysis/bds-victory-hsbc-divests-elbit>

116. Decision to exclude companies that produce controversial weapons. Partly in connection with the violation of fundamental ethical norms, more specifically because of the company’s involvement in the construction of Israel’s separation barrier in the West Bank.

117. Scandinavian financial institutions drop Elbit due to BDS pressure, The Electronic Intifada. <https://electronicintifada.net/content/scandinavian-financial-institutions-drop-elbit-due-bds-pressure/8685>

118. <https://quintakes.org/honour-roll/>; <https://australianstitute.org.au/report/quit-nukes>

Transparency Deficits: No to Tobacco, Yes to Weapons

A transparent exclusions policy should make clear why companies are excluded—citing relevant laws, ESG assessments, and what would warrant reinstatement. Yet the **Future Fund provides only a vague list**, sorted into broad categories like “tobacco” or “weapons,” with **no explanation** for individual decisions.¹¹⁹ **Tobacco companies are excluded** on public health and ethical grounds, yet **weapons manufacturers** implicated in war crimes remain in the portfolio.

The Fund’s first chairman, David Muray, has stated that “independence” is the bedrock of the Fund’s investment success and reputation.¹²⁰ The notion of politically-neutral investing is a myth, where you put your money matters. Funding a weapons company central to an unfolding genocide, while excluding cigarettes, reveals a biased and selective application of ESG principles.

Global funds have divested from Elbit for breaching international humanitarian norms—Australia’s wealth fund can follow. The bill tabled in the Federal Senate on the 28th of November by senators Thorpe and Payman (Divesting from Illegal Israeli Settlements Bill), aims to legislate that the Future Fund must exclude from investment companies operating in the oPt, as per the UN database.¹²¹ This database includes several companies (e.g. tourism giants Airbnb and Expedia) that the Future Fund is invested in.¹²² The OHCHR database does not include Elbit systems as it relates to non-military enterprises only. Undoubtedly however, companies like Elbit are critical to the illegal settlement enterprise.

119. <https://www.futurefund.gov.au/-/media/AA38EDD428FD460CB481C3C128AF1E01.ashx>

120. <https://www.abc.net.au/news/2024-11-24/future-fund-investments-politics-ethics-albanese-chalmers/104636644>

121. https://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22legislation%2Fems%2Fs1440_ems_63b667ca-4054-429e-96ec-db9064bcb73%22

122. Australia’s opposition to Israel’s ‘unlawful’ settlements set to impact Future Fund - ABC News. <https://www.abc.net.au/news/2024-12-08/future-fund-investments-in-israeli-settlements-united-nations/104695402>

4. Demands

DISCLOSE

Exclusions policy must detail the basis of exclusions (or not), especially so when companies such as Elbit Systems have been previously excluded. The Future Fund must publicly disclose its rationale for continuing investments in Elbit Systems.

In 2021 the Future Fund placed Elbit Systems on its exclusion list, due to its acquisition of Israeli Military Industries, known for their production of banned cluster munitions. This was in line with so-called Australia's ratified international legal obligations under military weapons-related conventions and treaties. It was then quietly reinstated in 2023. This occurs while Elbit Systems remains flagged by Sustainalytics [one of the two ESG data providers for so-called Australia's Future Fund] for its provision of equipment to the Israeli Military. The Future Fund provides only a general list of exclusions divided into the broad categories of tobacco, weapons, etc. This is presented without rationale for specific decisions and no explanation of why a company has been added or removed from that list.

Setting an example, Norway's largest pension fund, KLP, has published a 17-page document dedicated only to weapons-related exclusions, detailing each assessment individually. We argue this approach shows a far greater commitment to a "best practice approach to governance, transparency and accountability", not to mention upholding international human rights norms.

DIVEST

The Future Fund must divest from entities that are complicit in war crimes and contraventions of international law and hold a more critical and accountable level of scrutiny to how this implicates Australia's obligations. The repeated references to Elbit Systems' complicity in international humanitarian law violations in global divestment precedents highlight what a "best practice" approach to governance, transparency, and accountability should look like for Australia's sovereign wealth fund. The Future Fund must align its investment practices with Australia's commitments under international law.

STRENGTHEN POLICY

Reform the exclusions policy to ensure alignment with international law and best practices, such as requiring detailed assessments similar to KLP's model.

SUPPORT

The bill tabled in the Federal Senate on the 28th of November 2024 by senators Thorpe and Payman (Divesting from Illegal Israeli Settlements Bill), aimed to legislate that the Future Fund must exclude from investment those companies operating in the oPt, as per the UN database. Continue support to re-table the Bill to mandate the exclusion of companies operating in oPt and other conflict zones.