APAN
Australia Palestine Advocacy Network

FACTSHEET

The Future Fund's complicity

Public money fuelling the Israeli genocide machine

OVERVIEW

The Future Fund, Australia's sovereign wealth fund, has invested over $484 million of public money into global weapons manufacturers supplying arms and surveillance technologies to Israel's Occupation Forces. These investments continued even after the International Court of Justice (ICJ) found a plausible case of genocide in Gaza, and amid international condemnation of Israel's continuing atrocities including its illegal occupation.

WHAT IS THE FUTURE FUND?

Established: 2006 with $60.5 billion from federal surpluses and Telstra share sales
Purpose: Save for long-term liabilities, such as public service pensions, and future demographic pressures.
Value (as of March 2025): $240.8 billion
Mandate: Generate strong returns with prudent risk management, including ESG principles.
Governance:

- Managed by the Future Fund Board of Guardians and Future Fund Management Agency
- Overseen by Finance Minister Katy Gallagher and Treasurer Jim Chalmers, who have power to direct investments without legislation.

WHAT IS THE PROBLEM?

The Future Fund is heavily invested in companies linked to documented Israeli war crimes and its ongoing genocide in Gaza.

Arms manufacturers supplying Israel (as of September 2025)

- Palantir: $165.3M
- RTX Corp (Raytheon): $32.8M
- Lockheed Martin: $13.6M
- General Dynamics $93.8M
- Northrop Grumman: $62.8M
- BAE Systems: $100.0M
- L3Harris Technologies: $51.4M
- Boeing Co: $22.7M
- Honeywell International: $98.3M
- Elbit Systems (Israel): $8.7M

Elbit Systems has supplied drones and munitions used in attacks on Palestinians, including the strike that killed Australian aid worker Zomi Frankcom in April 2024 in Gaza. Elbit investment soared by 172% amid Israel's escalating genocide in Gaza, making genocide profitable for Australia's sovereign wealth fund.

Companies enabling illegal Israeli settlements

The Future Fund also invests over $184 million in companies listed in the UN database of businesses involved in illegal Israeli settlements including:

- Airbnb ($23.6M)
- Expedia Group ($43.0M)
- Israel Discount Bank ($13.7M)
- Mizrahi Tefahot Bank ($9.4M)
- Alstom SA ($14.9M)
- Booking Holdings Inc ($70.9M)
- Motorola Solutions Inc ($8.6M)

Many of the Future Fund's investments are managed on its behalf by BlackRock, one of the world's largest asset managers and a major conduit of global capital into companies and bonds complicit in Israel's war crimes.

BlackRock has purchased millions in Israeli government bonds that directly finance the state's military budget, which more than doubled as a share of GDP between 2022 and 2024. Alongside other asset managers like Vanguard and PIMCO, BlackRock has also maintained significant holdings in weapons manufacturers and tech companies supplying Israel's military and surveillance infrastructure, including Lockheed Martin, Elbit Systems, Caterpillar, and Palantir.

By indexing such companies into its exchange-traded funds (ETFs), BlackRock spreads exposure – and complicity – across the portfolios of institutional and everyday investors alike, including Australia's Future Fund.

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LEGAL, MORAL & FINANCIAL RISKS

Australia's sovereign wealth fund is not only complicit in Israel's grave violations of international law, but is increasingly exposed to significant legal, moral and financial risks as global accountability efforts intensify.

- ICJ ruling **(January 2024):** found a plausible case of genocide against Israel.
- ICJ Advisory Opinion **(July 2024):** called on all third states to take immediate measures to avoid aiding and abetting Israel's illegal occupation and apartheid.
- **UN and human rights bodies:** confirmed evidence of apartheid, war crimes and ethnic cleansing.
- **Double standards:** The Future Fund has divested from tobacco, and, as of May 2024, Chinese military-linked firms.

> "Taxpayer funds and Australians' retirement savings should never be invested in companies linked to serious human rights abuses, sanctions evasion or military suppliers to an authoritarian state. The Albanese government should urgently provide advice to Australia's outbound investment community to reduce the risk we are inadvertently financing morally dubious and strategically dangerous companies."
> *- Liberal Senator James Paterson, Australian Financial Review, 30 May 2024.*

WHAT MEASURES WOULD ENSURE FUTURE FUND ACCOUNTABILITY?

SANCTIONS

If Australia imposed sanctions on Israel, on its military entities, arms manufacturers like Elbit Systems, and companies enabling illegal settlements, the Future Fund would also be legally required to divest from any sanctioned entity.

The Fund is bound by its ESG policy to comply with "relevant laws (including applicable sanctions), regulations and legislative mandates" and aims to "ensure alignment with Australia's international obligations."

In practice, this would mean:
- The Future Fund would be unable to invest in entities listed on DFAT's sanctions list.
- If it currently holds shares in a sanctioned entity, it must divest.
- Sanctions would force the Fund's hand, turning ethical obligations into legal ones.

Sanctions would make the complicity of the Future Fund illegal.

RED LINES PACKAGE

These investment practices would be prohibited by the passage of the Red Lines Package of legislation, which seeks to ensure Australia is not complicit, financially or politically, in crimes under international law.

Divesting from Illegal Israeli Settlements Bill – would prohibit Future Fund and Commonwealth investments in companies involved in illegal settlements, as identified by the UN.
Genocide Risk Reporting Bill – would require mandatory supply chain disclosure for all companies to eliminate links to genocide, and could compel the Future Fund to divest from arms manufacturers like Elbit.

The Genocide Risk Reporting Bill is modelled on the Modern Slavery Act 2018, which already imposes obligations upon the Future Fund.

INTERNATIONAL PRECEDENT

Norway's sovereign wealth fund – the world's largest sovereign wealth fund, ranked the world's most transparent and accountable in 2019 – has announced a series of divestments from companies implicated in Israel's genocide in Gaza and its illegal occupation and apartheid across historic Palestine.

In June 2025, it divested from companies Oshkosh and ThyssenKrupp, over their sales of military and dual use equipment to Israel, for use in its genocide in Gaza.

In 2021, it divested from from 16 companies, including telecom giant Motorola, citing an "unacceptable risk that the excluded companies are contributing to the abuse of human rights in situations of war and conflict through their links with the Israeli settlements in the occupied West Bank". It also divested from an engineering firm and a real estate company for "activities associated with Israeli settlements on the West Bank." In making these decisions, it said it relied upon the United Nations High Commissioner for Human Rights' 2020 database of companies with operations linked to the Israeli settlements in the occupied Palestinian territory.

WE DEMAND:

- Publicly demand full transparency about Future Fund holdings and ESG screening processes.
- Call for immediate divestment from companies implicated in Israel's genocide, apartheid and illegal settlement expansion, using the UN OHCHR's database as a framework to assess company links to these law violations.
- Call for sanctions on Israel to ensure public finances are aligned with international law.
- Support the Red Lines Package of legislation – including the Divesting from Illegal Settlements Bill and Genocide Risk Reporting Bill – to prohibit complicity and mandate ethical investment practices.
- Hold the Future Fund board accountable for violating its own ESG principles and Australia's legal obligations.

No public money should fund war crimes and genocide. It is time for Australia to align its investments with its legal obligations.

The Future Fund must divest from genocide now, and MPs must act to ensure this through the imposition of country-level sanctions on Israel and the Red Lines Package of legislation.