Responsible Investment Association Australasia

CHARTING THE PATH

Foundations for a scalable First Nations investment market in Australia

Founding Partner

Project Contributors

Lead Author: Caleb Adams

Caleb is Director of ESG and Sustainable Investment at Evans & Partners (E&P), one of Australia's largest private wealth management firms. E&P provides tailored investment advice and portfolio management services, including a particular focus on for-purpose and First Nations clients. As a proud Wulli Wulli man, descendant of the Auburn Hawkwood peoples, and with extensive experience across First Nations affairs and impact, Caleb leads E&P's firm-wide First Nations Strategy.

E&P's vision for reconciliation is centred on self-determination and the role its core business can play in advancing it. The firm envisions a future where First Nations Australians are empowered through meaningful economic participation – enjoying and enriching society as active investors and equitable recipients of capital. A future of shared prosperity, championed by a responsible and trusted financial services industry. As trusted advisers and active stewards of capital, E&P continues to support its clients and the broader sector to help realise this vision.

Project Lead: William Leak

William is a Senior Sustainable Investment Analyst in Mercer's Pacific investment management team. Mercer specialises in providing investment solutions and advice to help our clients across the Pacific manage risks, capture opportunities, and achieve their financial objectives. This includes one of Australia's leading corporate super funds (Mercer Super). William is a proud Wiradjuri man, passionate about the intersection of First Nations Peoples and investment markets and leads Mercer's efforts in this space.

Mercer's vision for reconciliation is a future where all Australians acknowledge Aboriginal and Torres Strait Islander peoples as the First Australians and recognise the value in their connection with the land, waters, and sky. We envision a society where all Australians enjoy long, healthy lives, achieve financial stability, and have access to fulfilling careers. Through the broad reach of our business and by leveraging the strength and innovation of Mercer, we aim to positively impact First Nations peoples and communities while driving progress towards reconciliation. Our purpose – building the confidence to thrive through the power of perspective – guides us as we unify our vision for reconciliation.

We would also like to acknowledge the contributions of:

- Nick Wappett, *Research Consultant*
- Professor Robynne Quiggin AO, *Project Advisor*
- Jessica Rowe, RIAA, *Project Coordination*
- RIAA staff, Working Group members, and broader network, who contributed to and reviewed this document.

Research Participants

- Australian Retirement Trust (ART)
- Commonwealth Bank Australia (CBA)
- Conscious Investment Management (CIM)
- Evans & Partners (E&P Financial Group)
- Indigenous Business Australia (IBA)
- First Australians Capital (FAC)
- First Nations Equity Partners
- JBWere
- NSW Aboriginal Land Council (NSWALC)
- Mercer
- Perennial Partners
- Pollination Group
- Queensland Investment Corporation (QIC)
- Supply Nation

Founding partner:

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Acknowledgement of Country

RIAA acknowledges the First Nations peoples of Australia where we work, and pay our respects to their ancestors and elders past and present. We recognise the ongoing status as the First Peoples, their continuing connection to land, waters, species and culture, and their unbroken cultural history spanning over 65,000 years.

Within this paper "First Nations peoples" is used as a collective term to describe Australia's First Peoples or Indigenous population – including both the Aboriginal and Torres Strait Islander peoples. We acknowledge and respect that different communities and individuals may use different terms to describe themselves and other communities.

About the art

The artist: Daen Sansbury-Smith

Daen Sansbury-Smith is a Narungga and Trawoolwaway content producer, visual artist and founder of Adjadura Art (My peoples art in Narungga). Sansbury-Smith has produced countless art works over the past 15 years as a self exploratory process producing gifts to decorate family homes of reinterpreted culture stories. In 2020 Sansbury-Smith's debut solo Art Exhibition was a success despite Melbourne lockdowns, developing the 'Black Crow' Augmented Reality art series currently on tour at multiple galleries nationally. Sansbury-Smith original artworks utilise charcoals and ochre with his children, putting his cultural knowledge onto canvas, providing a safe space for them to watch and learn. Sansbury-Smith's art works are representation of Narungga and Palawa stories, art and culture. Sansbury-Smith maps Ancestral memory and connection to country, sharing stories of pre and post-contact Aboriginal history and culture. This mapping draws upon cultural design of huge importance to Sansbury-Smith.

The art: "Cultural burn"

This piece illustrates the deep relationship between fire and Country, reflecting the knowledge and practices of Aboriginal people who have managed the land for thousands of years. The intricate patterns depict seeds, tree leaves, and grasses as vital natural resources, alongside cool burn patches and nearby water sources – symbolising balance, regeneration, and sustainable land care.

CONTENTS

FOREWORD

I was so pleased to learn that the authors were commencing this important research. This paper is an important contribution to the body of knowledge being developed to build the connection, courage, and commitment between investors and Indigenous people, communities, and organisations.

Taking a strengths-based approach, the paper serves as a practical resource for investors and those working alongside them to better understand the economic, social, and cultural context of First Nations communities, organisations, and businesses. It provides insights into ways to realise opportunities, create impact, and manage risks across multiple fronts.

The report highlights the importance of understanding the rights and interests of First Nations peoples and improving the ways risks and responsibilities are perceived, assessed, and managed.

The report describes the need to unlock strategic industries and investment mechanisms that play to the strengths of First Nations peoples. Structural issues are also identified, with challenges and areas for reform clearly named and discussed, acknowledging that meaningful change requires sustained effort, patience, and collaboration across the sector. It calls for stronger representation and recognition of First Nations expertise within the investment sector, and for the development of genuine, peer-to-peer relationships between First Nations practitioners and their industry counterparts.

The author's keen observations and analysis is informed by extensive consultation, creating a unique and valuable resource. Leaning into the principles and examples set out in Dhawura Ngilan - RIAA's Indigenous-led business and investor guide - it builds on a review of current research and feedback from market participants and First Nations professionals to present a structured contribution. Notably, the paper is authored by Indigenous practitioners working within the institutional investment and finance sector, so they bring their unique knowledge of both worlds.

This report is an important contribution to the growing body of knowledge and research available to investors, the business community, and First Nations peoples. It offers a grounded and practical resource – one that invites investors and partners to work alongside First Nations peoples to unlock and better align financial capital. It provides language to describe risk, opportunity, and value creation, and I hope it motivates many to deepen their understanding and actively contribute to the growth and resilience of First Nations economies.

Professor Robynne Quiggin AO

Professor Robynne Quiggin is a Wiradjuri lawyer and Pro Vice Chancellor Indigenous Leadership & Engagement at the University of Technology Sydney.

EXECUTIVE SUMMARY

Investors play an important role in the economy, mitigating risk and creating long-term, shared value. First Nations rights, outcomes and considerations can materially affect investee companies' financial performance, and companies' operations may materially impact First Nations rights and outcomes. Investors are uniquely placed to ensure economic activities that create long-term value also uphold standards of human rights, create socioeconomic opportunities, safeguard cultural heritage, and avoid specific harms to both people and Country.

This report examines the state of First Nations investment in Australia and sets out the actions required to build a credible, scalable, and values-aligned market. While interest from investors, philanthropies, and corporations is increasing, capital flows remain fragmented and constrained by systems that were not designed to reflect the rights, priorities, or strengths of First Nations peoples. The solution is not simply to increase capital, but to ensure better alignment between investors and communities, between policy settings and opportunity, and between financial structures and cultural values.

The starting point is the strength of the First Nations economy itself: Country, culture, governance, enterprise, and intergenerational worldviews that frame long-term stewardship of land and resources. These are not only of cultural significance; they represent material economic and investment opportunities in sectors such as clean energy, housing, land management, and nature markets. For investors, the case for engagement spans multiple lenses: managing risk, realising opportunity and driving impact. How investors engage is equally important: aligning mainstream investment practice with First Nations rights and values, directing capital into First Nations-led enterprises, and recognising First Nations wealth holders as active market participants.

The analysis in this report underscores that capital flows into the First Nations economy remain fragmented not because of a lack of opportunity but because of systemic gaps in alignment, capability, and institutional design. Strengthening these flows requires coordinated action: building credible practice, catalysing new managers, deploying blended finance, creating institutional-scale vehicles, reforming tax incentives, and unlocking the First Nations Estate. Structural opportunities in energy, housing, land, and infrastructure also remain overlooked, requiring a shift in capability to engage with sectors where First Nations leadership is already active.

Transforming institutionalised investment norms, governance, and accountability mechanisms is essential to reflect and uphold First Nations rights, values, and ambitions. Responsibility must rest with institutional structures to ensure cultural considerations are embedded functionally and systemically. Without this system-level integration, ecosystem and market development will continue to face challenges of scale, sustainability, and durability. Importantly, all investments – not only those within the First Nations economy – carry material implications for, and risks associated with, First Nations peoples, Country, and culture. Advancing systems alignment therefore requires the uptake of established frameworks, stronger stewardship, improved disclosure and governance capability through two-way learning.

Increasing the participation and leadership of First Nations peoples across the investment ecosystem is also essential to building a credible and inclusive market. Representation must move beyond visibility or advisory roles to positions of genuine authority in financial services, executive leadership, boards, and as recognised asset owners. Without these voices in decision-making, capital risks reinforcing systemic exclusion and missing material opportunities. Strengthening representation through improved talent pipelines, senior pathways, and recognition of First Nations-controlled capital vehicles embeds cultural and contextual knowledge in investment practice, enhances legitimacy, and ensures capital flows align with community priorities. Critically, representation is one of the most immediately accessible levers available to the financial services sector, and a critical enabler of both systems alignment and capital flows.

First Nations communities are already building enterprises, designing governance structures, and shaping new models of investment. What is required now is structural support: strong partnerships, enabling public policy, well-resourced intermediaries, and frameworks that uphold cultural legitimacy and community control. Unlocking structural opportunities in energy, housing, land, and nature markets, and building pipelines through incubation and capability-sharing, will be critical to scaling participation. With sustained commitment, Australia can develop an investment ecosystem that honours Country, culture, and community while creating long-term prosperity, public value, and a more just and inclusive economy that benefits all Australians.

This report offers a foundation for understanding the current state of First Nations investment markets and the actions required to advance them. Further progress will depend on sustained research, collaboration, and innovation across communities, investors, policymakers, and intermediaries. Only through shared effort can the full potential of First Nations investment markets – both a moral and economic imperative – be realised.

INTRODUCTION

Why this work matters

The investment community is a critical actor in local and global economies, and the systems of civil society. Investors play an important role in mitigating risk, creating shared value, and shaping long-term solutions to achieve better outcomes for First Nations peoples.

At a minimum, responsible investors are uniquely placed to ensure economic activities uphold standards of human rights, safeguard cultural heritage, and avoid specific harms to both people and Country.

Moreover, this can include a positive contribution to the gap that persists between the socioeconomic outcomes experienced by First Nations peoples in Australia and those of non-Indigenous populations. This disparity is the result of generations of policies and actions designed to assert and maintain control over First Nations peoples, their lands, economies, and resources. In the spirit of truth-telling, it is also important to recognise that Australia's finance sector has been intertwined with these broader processes, often without due regard, and at times leading to significant harm for First Nations peoples.

Yet, alongside these systemic barriers, First Nations peoples continue to demonstrate resilience, cultural strength, innovation and leadership. Despite this, and a demonstrable growth in businesses, First Nations economies remain starved of capital, limiting opportunities for self-determined economic participation and development.

RIAA's interest in this work is grounded in the recognition that the decisions investors make can either entrench long-standing disadvantage, or help address it. Addressing the structural drivers of inequality in investment markets requires not only recognising past and ongoing injustices, but also enabling, valuing and amplifying First Nations leadership, knowledge, participation, and ownership within the financial system. While this lens underpins RIAA's commitment to facilitating research and discourse in this area, we also recognise that individual investors will be motivated by a range of factors – including risk management, commercial opportunities, and impact.

Given this historical context and the sector's ongoing influence on economic and social outcomes, responsible investors have a unique opportunity to help address structural inequities and contribute to building a strong and self-determined First Nations economy.

About this paper

This paper aims to build an understanding of how investment markets currently engage with First Nations peoples and economies. It provides an overview of current practice, explores key challenges and opportunities for action, and outlines areas for further research (Annexure 4).

The Responsible Investment Association Australasia (RIAA) is the largest industry body for responsible, ethical, and impact investing in Australia and Aotearoa New Zealand. At the time of writing, more than 75% of professionally managed funds in Australia are managed by RIAA member organisations.

In 2020, RIAA established the First Nations Peoples' Rights Working Group (Working Group). Operating in close collaboration with RIAA's Human Rights Working Group, it provides a forum for members and First Nations peoples to discuss First Nations issues as they relate to investment decision making.

By convening a community of practice, the Working Group pursues change through two broad avenues:

- **Standards and guidelines:** Promoting leading practice standards to help institutional and impact investors integrate First Nations rights and interests, including self-determination and Free, Prior and Informed Consent, into investment decision making. This includes developing practical guidelines, supporting improved stewardship and engagement practices, and addressing barriers that currently limit more supportive and aligned investment approaches.
- **Support for self-determination and equity:** Fostering collaboration on how the finance system can contribute to First Nations economic self-determination and stronger social and economic outcomes. This includes highlighting investment in First Nations-led enterprises and projects, supporting greater First Nations participation and leadership in investment markets, and promoting alignment between investment practices and First Nations priorities.

The Working Group identified a significant gap in understanding the state of investment practice relating to First Nations peoples in Australia – particularly how outcomes are delivered through avoiding harm, benefiting stakeholders or actively enabling self-determined priorities. In 2023, the Working Group initiated this project to help address that gap (see Annexure 1 for Methodology).

The paper draws on three core inputs:

- A review of current research (Annexure 2);
- A mapping of current market initiatives and participants (informing analysis and interviewees);
- A series of stakeholder consultations with identified market participants (Annexure 3).

The paper presents several outputs:

- A proposed Theory of Change;
- An analysis and series of recommendations for each pillar of the Theory of Change;
- A list of priority areas to guide future research, market development, and collaboration.

We recognise that further research, diverse contributions, ecosystem development, and innovation will be required to advance this work beyond the scope of this paper.

Investors and First Nations considerations

To inform this work, it is important to understand both the way First Nations considerations intersect with investment practice, and the motivations that shape investor engagement.

At the heart of this interaction is the First Nations economy. This refers to the systems of production, ownership, trade, investment, and employment that are governed by, benefit, or are led by First Nations peoples. It encompasses both traditional and contemporary activity spanning cultural enterprise, land and water management, social ventures, community-controlled organisations, participation in commercial markets, and the deployment of wages.
The First Nations economy also includes forms of non-financial exchange, which may contribute to wellbeing, productivity, and social capital. Capital can flow into the First Nations economy through many pathways, creating both opportunities and responsibilities for investors.

The broader financial system, including non-Indigenous actors, plays a significant role in shaping how capital flows to First Nations peoples. Resourcing the First Nations economy to improve economic outcomes relies on these actors changing their approach, as well as on continued initiatives within First Nations communities themselves.

Why investors engage with First Nations investment considerations:

- **Risk lens:** Investors may recognise and prioritise risks (reputational, regulatory, and commercial) that arise through their portfolio companies' adverse or inadequate First Nations-related practices or considerations. In this instance, the focus is on the material impact on portfolio company performance and risk. As part of their fiduciary duties, investors should actively ensure preventative alignment with First Nations stakeholders and implement mechanisms to avoid contributing to negative outcomes or violations of First Nations peoples' rights.
- **Opportunity lens:** Investors may see commercial opportunities within the First Nations economy, and therefore pursue risk-adjusted investments by financing business, projects and other assets.
- **Impact lens:** Investors may seek to enable positive environmental and social outcomes alongside financial returns, and therefore actively contribute to, or catalyse activities that advance areas such as First Nations economic self-determination, leadership, caring for Country, community wellbeing, and cultural revitalisation.

How investors interact with First Nations investment considerations:

- **Aligning mainstream investment practices:** Investors are increasingly aligning the posture of mainstream investment activity in non-Indigenous contexts with First Nations rights, values and interests, recognising that all capital decisions may have potential implications for stakeholder wellbeing, labour rights, land rights, and cultural heritage. This may be achieved through the application of ethical screens calibrated to First Nations priorities, human rights risk management, and exercising stewardship practices to influence corporate behaviour.
- **Outcomes from directing capital into the First Nations economy:** Investors are increasingly deploying capital flows into the First Nations Economy. This may include investments intentionally directed toward positive outcomes for First Nations peoples, First Nations owned or led enterprises, land and water management projects, cultural and community-based enterprises, and broader economic development initiatives.
- **Participation of First Nations investors in markets:** The growing participation of First Nations wealth holders and asset owners in investment markets represents an implicit interaction with First Nations investment considerations. Their distinct worldviews, priorities, and governance approaches influence how capital is deployed and contribute meaningfully to the evolution of broader investment practice. This can require adapted mandates and ways of working for service providers and investment managers.

These lenses and approaches all require investors, firms, and assets alike to understand what respectful collaboration and engagement with First Nations peoples should look like, the mechanisms available for use, and maintain a willingness to advance best practice.

SOME IMPORTANT CONTEXT ON....

First Nations peoples' rights

The rights of First Nations peoples should form a foundational consideration for responsible, ethical and all investors. This is clearly articulated through the International Finance Corporation (IFC) Performance Standard 7 regarding Indigenous Peoples[1] and given effect in the emerging suite of voluntary instruments including the Minimum Social Safeguards of the Australian Sustainable Finance Taxonomy.[2] These rights set the minimum standards that must be upheld to ensure that investment activity does not contribute to harm or violations of rights according to international law – and frame pathways for activities that advance First Nations social, cultural and economic development. Safeguarding these rights is a means of exercising an approach to ethical and responsible investment practice.

The rights of First Nations peoples are grounded in both international law and domestic legislation, to varying degrees. The central global instrument is the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP),[3] adopted by the UN General Assembly in 2007 and endorsed by Australia in 2009.

The UNDRIP is an extension of universal human rights,[4] affirming how these rights apply to the distinct histories, cultures and circumstances of First Nations peoples. Along with the UN Guiding Principles on Business and Human Rights (UNGPs), it provides an important reference point for responsible investment practice.

UNDRIP affirms a broad range of rights, which are often grouped under four key principles:

- Self-Determination
- Participation in decision-making
- Respect for and protection of Culture
- Equality and non-discrimination

These principles detail protections and considerations for how First Nations communities, governments, civil society, and the private sector (including investors) can help realise First Nations rights through their actions and decisions.

Among Australia's global peers, several countries have taken tangible steps to incorporate UNDRIP principles into local or domestic law. Canada has passed national legislation requiring alignment of federal law with UNDRIP, and Free, Prior and Informed Consent (FPIC) is increasingly applied in resource governance and regulatory processes. New Zealand references UNDRIP in Te Tiriti o Waitangi (Treaty of Waitangi)[5] frameworks, national action plans, and Crown–Māori partnerships. Norway, Sweden and Finland have progressively embedded UNDRIP principles into Sámi rights protections, land governance, and consultation laws, with FPIC increasingly reflected in formal processes. These examples highlight the need for companies to increase their focus on respect for First Nations peoples' rights and by extension, the responsibility of investors to monitor and promote this activity in their portfolios.

While Australia formally endorsed UNDRIP in 2009, it has not yet moved to wholly incorporate or codify the UNDRIP into federal law. As such, alignment with UNDRIP currently requires voluntary leadership from institutions and investors.

While UNDRIP provides an important international reference point, investors should also recognise that First Nations peoples in Australia hold a range of distinct rights under domestic law and practice. These include legally recognised Native Title rights and interests under the *Native Title Act 1993*, various land rights under Commonwealth and state-based legislation, and cultural heritage rights protecting significant places, objects, and intangible cultural values. In addition, emerging Treaty processes, Indigenous Land Use Agreements (ILUAs) or other negotiated agreements, may confer further governance, property, and economic participation rights. Many of these rights carry specific legal and cultural obligations that extend beyond UNDRIP and should be considered by investors. Responses to these obligations must be sufficiently robust to enable appropriate monitoring and understanding of the implications across different legal jurisdictions.

Several rights affirmed in UNDRIP are particularly relevant to investors, due to their interconnected impacts with material commercial outcomes, and a company's social license to operate. UNDRIP recognises that First Nations peoples hold both individual and collective rights across civil, political, economic, social, and cultural domains, including:

Self-determination and economic participation

Indigenous peoples have the right to freely determine their political status and to pursue their economic, social, and cultural development (Articles 3, 23).[6] This underpins Indigenous leadership and decision-making across investment, asset governance, and participation in financial systems. For investors, this principle highlights the importance of respecting First Nations decision-making authority and supporting self-determined economic development through investment partnerships, ownership models, and governance practices.

Participation in decision-making

Indigenous peoples have the right to participate in decisions affecting their rights (Article 18),[7] through representatives they choose in accordance with their own procedures. Investors should engage in ways that respect this right, ensuring that First Nations voices are included in consultation, engagement, and governance processes related to investment activity, project development, and corporate conduct.

Free, prior and informed consent (FPIC)

Indigenous peoples have the right to give or withhold consent for projects that may affect their lands, territories, or resources (Articles 19, 32).[8] FPIC must be free of coercion, provided prior to project commencement, ongoing and based on full, culturally appropriate information. Investors have a responsibility to ensure that companies and assets they finance uphold FPIC standards and that investment decisions do not proceed without the genuine, ongoing, and informed consent of affected First Nations peoples.

Rights to land, territory and resources

Indigenous peoples' rights to lands, territories, and resources traditionally owned, occupied, or used (Articles 25–32)[9] are central to their identity, cultural continuity, and economic futures. Investors should conduct due diligence to ensure their capital and investment decisions respect these rights and do not contribute to dispossession, degradation of cultural sites, or erosion of Indigenous control over land and resources. Aligning investments with community values and priorities is critical to building trusted, sustainable relationships.

Cultural Rights and Heritage

Indigenous peoples have the right to maintain, control, protect, and develop their cultural heritage, traditional knowledge, and expressions (Article 31).[10] Investors should be mindful of how their activities may intersect with these rights, particularly in sectors such as land use, tourism, media, Indigenous Cultural and Intellectual Property (ICIP) – including knowledge systems, and emerging digital and data technologies. Respecting cultural rights requires thoughtful engagement, alignment with Indigenous protocols, and appropriate governance and protections in relevant investment decisions.

First Nations strengths and opportunities

While the rights of First Nations peoples provide a foundational standard that responsible investors should uphold, there are also significant strengths, assets, and opportunities within the First Nations economy that can inform constructive and forward-looking investment approaches.

Importantly, investor and broader social considerations must extend beyond the socio-economic inequities faced by First Nations peoples. Policy and media discourse concerning First Nations peoples has commonly focused on economic disadvantage. While such perspectives elevate truth telling, reaffirm the resilience of First Nations peoples, and underpin the urgency of change, it is often First Nations strengths, not deficits, that provide the most scalable pathways for economic development and community wellbeing, particularly when striving for compatibility with institutional processes and expectation. Investors and market actors should take care not to adopt a deficit mindset, which can unnecessarily constrain the opportunity set, marginalise First Nations leadership, and overlook the centrality of community priorities in shaping solutions.

Such strengths are embodied in the emerging leadership across diverse economic sectors, and can include distinctive access to real assets, traditional knowledge systems, cultural practices, governance principles, and demographic trends. These often vary between cultures, places, communities, and lived experiences.

By recognising these strengths, investors may also come to see the need for approaches that move beyond simply adapting existing models of investment in a given context. Evolving the overall approach can prompt the evolution of practices, processes, and importantly, institutional settings that are fit for purpose. In particular, thoughtful structuring of capital, risk, and governance will be critical to investments that are both commercially sound and aligned with First Nations rights, values and ambitions.

Well-designed institutional frameworks also have an important role to play in fostering collaborative approaches that can help share risk, drive efficiency, and support diversification, enabling scalable First Nations participation across investment markets. Embedding these considerations at the institutional level is essential to building a system where capital can flow in ways that support self-determined outcomes and long-term value creation.

This section has highlighted the importance of recognising First Nations strengths and opportunities as a core part of building more inclusive investment approaches. These strengths offer important considerations for investors and market participants seeking to engage constructively with First Nations peoples, communities, and enterprises.

The following examples illustrate some of the distinctive strengths, assets, and leadership emerging within the First Nations economy. This is not an exhaustive list, but highlights areas where aligned investment approaches can help unlock opportunity and contribute to more resilient and equitable market participation.

Land, Sea and Place-Based Strengths

First Nations peoples, communities and enterprises are custodians of nearly 70% of Australia's land mass under recognised title, management or custodianship.[11] This land is rich in strategic value, from clean energy and biodiversity to cultural and ecological knowledge, and holds significant potential for sustainable, place-based investment led by community priorities.

Emerging Enterprises

First Nations enterprises are playing an increasingly prominent role in the economy. Approximately 13,700 businesses and corporations now operate across Australia, generating more than A$16 billion in annual revenue.[12] Their expansion signals the momentum of a growing First Nations business sector, marked by increasing scale, diversity across industries, and visibility within the broader economy.

Demographic Strength and Emerging Economic Leadership

First Nations Australians are the youngest and fastest-growing population in the country, representing 3.8% of Australians, with a median age of 24 compared to 38 nationally.[13] The demographic trend carries growing economic weight, driving consumer demand, influencing labour markets, and representing material client and community stakeholders for asset owners and managers. It also represents a generational wave of emerging leaders and entrepreneurs, with the potential to influence business, finance and policy. Harnessing this momentum can support a more inclusive, innovative, and resilient economy.

Emerging First Nations Asset Owners

There are growing pools of assets being managed by First Nations-led organisations, including Native Title trusts, land councils, and community-controlled investment bodies.[14] While often perceived as distinct from traditional understandings of asset owners, these entities frequently operate in ways that closely resemble them. Their governance frameworks mirror fiduciary structures, with boards and committees overseeing investment decisions on behalf of beneficiaries. Their communities and members are both stakeholders and beneficiaries – much like superannuation funds, endowments, and sovereign wealth funds. This alignment positions them as an increasingly important class of institutional actor within the investment landscape. As their sophistication continues to grow, these organisations are forming a critical base for scalable First Nations-led investment across sectors such as energy, agribusiness, biodiversity, housing, and cultural industries including the arts, ecological management, bush foods, and tourism.

Shared Value and Intergenerational Thinking

First Nations worldviews often emphasise purpose, collective responsibilities, the wellbeing of people, and long-term stewardship of Country.[15] These perspectives can reframe how value, risk, and impact are understood and engaged, aligning closely with emerging trends in sustainable finance.[16] Governance models grounded in long-term thinking and collective decision-making – such as the Seven Generations concept, rooted in many Indigenous cultures, which emphasises decisions made with the well-being of the next seven generations in mind – also provide a strong foundation for trusted partnerships, strong social licence, and investment approaches that deliver critical environmental and social outcomes across generations.[17] These trends are expected to gain wider acceptance and application, setting new industry standards.

Understanding materiality, risk and returns

Risk-return frameworks and materiality are central to effective investment, and therefore, to understanding First Nations considerations, risks, and opportunities.

This section has been included in response to a consistent theme raised in consultation: that concepts of risk and materiality, often defined in technical or regulatory terms, play a central role in shaping investor behaviour. Applying the concept of double materiality, First Nations rights, outcomes and considerations may materially affect a company's financial performance (material impact on the company), and a company's operations may materially impact First Nations rights and outcomes (material impact by the company).

Risk and materiality influence what is deemed important, and shape the parameters through which portfolio construction, capital allocation, and investment manager selection decisions are made. By naming and unpacking these dynamics, this section aims to support a more constructive dialogue between investors and First Nations actors, and to lay the groundwork for investment approaches that are both responsive to context and fit for purpose.

Materiality in First Nations contexts

Stakeholders interviewed as part of this research (see Annexure 1, Section 2) consistently highlighted that First Nations rights, interests, and contexts present a range of material considerations for investors. These are not limited to risk. For many, materiality may also relate to opportunity, purpose alignment, and the potential to create long-term value through more inclusive and community-informed investment practices.

In technical terms, materiality refers to factors that are reasonably likely to influence an investor's decisions or affect the financial performance of an investment. In Australia, this includes environmental, social and governance (ESG) considerations that form part of fiduciary duties and due diligence requirements.

Material First Nations risks may include legal exposure, reputational consequences, or operational disruptions, particularly in land-based sectors such as energy, infrastructure, housing and resources. Materiality can reflect opportunity. Several stakeholders interviewed for this research noted that early engagement with Traditional Owners and adherence to cultural governance processes helps avoid conflict, minimise delays, and support more stable, aligned outcomes – including stronger arrangements for benefit-sharing and empowerment. Importantly, many First Nations considerations intersect with other material ESG factors such as climate and nature.

Ultimately, this calls for a broader and more flexible understanding of materiality. For investors, this means embedding First Nations considerations into materiality assessments, governance processes, due diligence and stewardship. For First Nations communities and partners, it reinforces the importance of shaping how investment decisions are made, assessed and aligned with community priorities.

Risk and returns in First Nations contexts

Many stakeholders also raised the need for more nuanced conversations around risk-adjusted financial return expectations and processes.

It is both appropriate and necessary for investors to assess prospective opportunities based on their capacity to deliver returns that are proportionate to the level of risk being taken. This includes a range of considerations such as expectations for capital growth, reliability of income, ease of liquidity, and the security of the investment. It also involves understanding the seniority of an investor's position relative to others in the capital structure, and the level of confidence or assurance attached to the performance of the investment over time. These factors influence how portfolios are constructed, which opportunities fit a given mandate, and whether an investment proceeds.

Where these are applied in overly narrow ways, or without sufficient cultural or contextual understanding, they can inadvertently disadvantage First Nations-aligned investment opportunities. One example raised during consultation was the treatment of first-time fund managers. These managers, which are common across emerging First Nations investment vehicles, often face elevated perceptions of risk due to limited track records or unfamiliar investment strategies. While these risks may be real and warrant consideration, the ability of investors to accurately assess and effectively manage them is often constrained by conventional tools and processes. As a result, opportunities with strong fundamentals, community legitimacy, and deep cultural alignment may be overlooked because their value is not yet fully understood or recognised. As a consequence, the value is not easily captured through standard evaluation frameworks.

In other cases, perceived risks may arise not from the investment itself, but from generalisations, insufficient data, or gaps in cultural capability within investment teams. Where investors lack experience engaging with First Nations governance, community dynamics, or place-based obligations, they may default to risk assessments that are overly conservative or unintentionally exclusionary. This does not mean the risks are absent, but rather that current systems may not be well equipped to identify, contextualise, and manage them appropriately. Greater familiarity with the sector, its strengths and characteristics will grow the knowledge base regarding First Nations opportunities and increase the accuracy of assessments.

Different types of investors hold different risk-return frameworks, aligned with their individual circumstances and objectives. Some have a narrow focus on financial returns, while others consider a range of social, cultural, and environmental priorities. Where prospective First Nations investees value these factors differently to investors, expectations and priorities may be misaligned.

If the investment ecosystem is to support the emergence of new First Nations investment strategies, particularly in undercapitalised but high-potential areas, it will require more adaptive approaches. First-time fund managers and innovative thematic opportunities – First Nations or otherwise – often face early-stage barriers that are not easily navigated within traditional frameworks. This challenge, sometimes referred to as the 'valley of death', highlights a broader market failure: promising ideas struggle to secure capital not necessarily because they lack merit, but perhaps because the tools used to assess them are not designed to accommodate new actors, new structures, or new definitions of value and impact.

A PROPOSED THEORY OF CHANGE

Shifting the behaviour of complex systems is best served with an overarching Theory of Change that provides a common understanding of key challenges, the pathways to achieving desired change, and the long-term benefits of achieving change. The following proposed Theory of Change draws on the insights obtained from the research of this project, and is intended to relate to diverse contexts, including RIAA members and broader actors within the financial services sector.

THE CHALLENGE

First Nations peoples, communities and enterprises have historically been excluded from the systems of finance and investment that shape economic opportunity in Australia. Despite growing interest from responsible investors, structural barriers persist that prevent capital from flowing in alignment with First Nations rights, values and ambitions.

PATHWAYS TO CHANGE

Based on research and insights gathered through this project, the opportunity to reshape Australia's investment markets to be more inclusive of First Nations peoples, communities and enterprises requires coordinated action across multiple, interconnected pathways – identified as greater representation, stronger systems alignment, and effective capital flows.

These areas are interlinked and mutually reinforcing. Capital flows and equitable access to economic opportunity will only be possible when institutional systems are capable, responsive and accountable to First Nations peoples, including their rights, values, and ambitions.

Individual organisations, and the people within them, are key to initiating and sustaining change across these domains. However, true and effective change must ultimately be embedded in durable processes, systems, and norms.

REPRESENTATION

WHAT IS IT

Increasing the participation and leadership of First Nations peoples, communities and enterprises across the investment ecosystem.

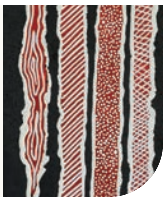
WHY IT MATTERS

Without First Nations voices in positions of influence, capital decisions risk reinforcing systemic exclusion, and may not be fit-for-purpose to engage in opportunities. Representation strengthens investment legitimacy, ensures cultural and contextual knowledge is present in decision-making, and supports better alignment between capital and the priorities of First Nations peoples, communities, and enterprises.

HOW WE RECOMMEND ACTIONING

Develop targeted professional pipelines, strengthen understanding of First Nations considerations within governance skill matrices and recognise First Nations asset owners as peers in the investment system. This will see stronger representation within investment decision-making roles, executive leadership, board appointments and investor communities of practice.

SYSTEMS ALIGNMENT



WHAT IS IT

Transforming institutionalised investment norms, governance, and accountability mechanisms to reflect and uphold First Nations rights, values, and ambitions.

WHY IT MATTERS

Institutional structures, not just individuals, must carry the responsibility for First Nations rights, values and ambitions. Without system-level considerations, ecosystem and market development is likely to face challenges related to scale and long-term durability.

HOW WE RECOMMEND ACTIONING

Embed stakeholder and cultural accountability in governance, stewardship and disclosure practices. Align reporting frameworks with First Nations priorities. Adopt supporting tools that set clear expectations for responsible investment with First Nations peoples, communities and enterprises, such as the Dhawura Ngilan Business and Investor Guides[18] on cultural heritage protection.

CAPITAL FLOWS

WHAT IS IT

Enabling and directing the flow of investment capital to support First Nations-led economic development and community wellbeing.

WHY IT MATTERS

Without financial access and innovation, self-determined development remains out of reach. Capital must reflect the rights, values, ambitions and pace of First Nations peoples, communities and entities.

HOW WE RECOMMEND ACTIONING

Ensure capital systems are co-designed with First Nations leaders and grounded in cultural authority, community priorities and long-term value creation. Develop investable pipelines, encourage catalytic capital, and expand flexible financial structures, such as blended and concessional finance, to support First Nations-led enterprises. Establish purpose-built intermediaries to engage institutional investors and enable scalable participation from private and philanthropic actors.

LONG-TERM VISION

A thriving First Nations investment market that channels values-aligned and culturally accountable capital towards self-determined priorities, enabling equitable economic participation, cultural resilience, intergenerational wealth, and appropriate return on investments.

ANALYSIS AND RECOMMENDATIONS

REPRESENTATION

First Nations representation remains disproportionately low in financial services. This constrains the presence, leadership and ownership by First Nations actors within investment markets. Stronger representation is a foundational step towards achieving an effective First Nations investment ecosystem. This is not simply a matter of visibility; it reflects structural exclusions from the systems that control capital, shape investment decisions, and define what constitutes value, risk, and impact. A more representative investment ecosystem is essential to ensure that capital flows are informed by, and responsive to, the priorities of First Nations communities.

Representation strengthens legitimacy by ensuring investment processes reflect the diversity of the society they serve. It also brings critical, mutually beneficial perspectives into the heart of financial decision-making, including knowledge systems grounded in Country, long-term stewardship mindsets, and intergenerational responsibility.

While there is emerging First Nations participation in financial services and investment, this progress remains fragmented. First Nations peoples, communities and enterprises are currently underrepresented across the full spectrum of market actors, from asset owners and investment managers, to analysts, advisors and governance professionals, as well as the executive and non-executive functions of investee assets. Without structural pathways to support, retain, and elevate First Nations professionals, representation risks remaining peripheral rather than transformative.

Improving representation in financial services and investment requires action at multiple levels, from career pathways to structural recognition of First Nations' capital. This report outlines three areas of focus to support a more inclusive and representative investment ecosystem. While these categories are not mutually exclusive, they often interact at different levels with each other, and serve different purposes. Asset owners may delegate to financial services, who in turn engage with executives and boards.

- Financial services – the firms and professionals who design and manage investment products and advice.
- Executives and boards – the decision-makers who set strategy and governance in both financial institutions and investee companies.
- Asset owners – the ultimate holders of capital, who delegate to financial services and whose mandates shape behaviour across the system.

Insights from stakeholder interviews

Insights from stakeholder interviews reinforced this view. While the topic of representation was not a direct focus within the design of interview questions, it consistently emerged through discussions as a key enabler and determinant of an effective First Nations investment market. Interviewees described a system where representation remains fragmented and often symbolic, and where leadership pathways are too rare and narrow in scope. Areas of concern included:

- **Depth of talent pool:** For First Nations-led investment strategies to scale, and for First Nations-specific expertise to be embedded more broadly across the sector, a deeper and more sustainable talent pipeline must be fostered. Currently, the small pool of experienced First Nations professionals is highly sought after, creating key person risk and limiting stability and continuity in leadership roles that typically require long-term stewardship, consistent governance and relationship-based capital allocation.
- **Limited pathways:** Talent pathways into investment remain underdeveloped. First Nations leadership in portfolio management, governance, stewardship, and institutional leadership is rare, with professionals interacting with investment activity more often concentrated in community engagement, cultural liaison, or advisory roles than in capital allocation or decision-making structures. This reflects both a pipeline challenge and structural biases requiring intentional action to redress inequity and strengthen the overall investment system through greater diversity of perspectives and leadership.

- **Empowerment gap:** Where First Nations representation does exist, it often lacks real authority. There is a need to elevate First Nations voices into positions where they can shape capital decisions and investment strategies, not simply advise on cultural matters or provide reputational coverage.
- **Representation as a market readiness factor:** Stronger representation would contribute to addressing perceptions of "investment readiness" within First Nations investment markets. The presence of First Nations professionals in governance, advisory, and investment leadership roles was seen as important in building confidence and credibility among institutional partners and strengthening investment processes.
- **Representation as a signal of system maturity:** Stronger First Nations representation is both a justice imperative and a marker of system maturity. In contexts where asset ownership represents the broader public – such as superannuation, sovereign wealth funds, or government Specialist Investment Vehicles (SIVs) – representation may also strengthen fiduciary functions by ensuring activities reflect First Nations rights, values, and aspirations, and evolve to reflect the society they serve.
- **Success models need scaling:** Emerging success models within organisations such as First Australians Capital, Native Title trusts, and other community-controlled investment entities were highlighted by interviewees. However, these remain isolated examples and are not yet a mainstream feature of the broader investment ecosystem.
- **Community representation and voice in investment governance:** Many First Nations communities are deeply interested in how their values and worldviews are reflected in investment practice, but this perspective rarely influences actual investment decisions. Structural barriers, including restrictive legal and trust arrangements and limited connectivity with the investment industry, constrain opportunities for genuine community input and alignment.
- **Representation actions are seen as low-hanging fruit:** Interviewees viewed actions to strengthen representation as highly accessible to investors and market actors. While the goal of building a generational wave of First Nations investment professionals will take time, many of the catalysts for that change (such as entry pathways and professional development) are immediately accessible and already operational in sectors outside investment. Accelerating their application within financial services can drive meaningful near-term progress.

Analysis

Financial services

The representation of First Nations people in Australia's financial services sector remains persistently low. While detailed breakdowns from the 2021 Census are not yet available for industry-specific First Nations employment, valuable insights can be drawn from the 2011,and 2016 Census data.

- Out of 384,603 total employees in the Australian Financial and Insurance Services industry, First Nations professionals represented approximately 0.65% in 2016[19] (up from 0.51% in 2011).
- Only 2,502 First Nations people were employed in the Australian Financial and Insurance Services industry, according to the 2016 Census[20] (up from 1,938 in 2011).
- Of the total 162,923 First Nations people across the broader economy, those working in Financial and Insurance Services accounted for approximately 1.54% of the First Nations workforce in 2016 (up from 1.45% in 2011).[21]
- In 2021, out of 11,057,653 total approximate number of people in the Australian workforce in 2021,[22] First Nations people represented approximately 2.3% (253,600).[23]

The Financial and Insurance Services industry, as defined by the Australian Bureau of Statistics (ABS), encompasses a broad range of sub-sectors and roles, including auxiliary, administrative and back-office functions. While detailed disaggregated data is not available for First Nations participation within specific sub-sectors, this report draws on author and interviewee observations to hypothesise that underrepresentation is likely to be even greater in segments most directly linked to investment markets. These include fund management, investment and asset consulting, banking and capital markets advisory, and financial strategy.

These areas often involve comparatively higher barriers to entry, including specialised qualifications, professional accreditation, urban-based work locations, and networking cultures that favour existing social capital and institutional affiliations. While financial services have introduced First Nations-aimed internships and graduate programs, retention and career growth remain challenging. Underrepresentation is further compounded by intersectionality, such as gender and other forms of diversity. Financial services records one of the highest gender pay gaps of any industry, alongside a well-documented lack of representation.[24] Aboriginal and Torres Strait Islander women are therefore particularly underrepresented. Such factors compound structural exclusions and may skew representation further than the above aggregated industry data reflects.

Executives and boards

The representation of First Nations people in executive and board-level roles across Australia remains limited. These positions play a significant role in shaping the strategic direction, governance standards, and long-term priorities of the country's largest and most influential companies. They are also of relevance to investors, as board and executive leadership are often key areas of focus when assessing investment factors such as risk management, long-term value creation, and corporate stewardship.

Data on First Nations representation in Chief Executive Officer (CEO) and Key Management Personnel (KMP) roles within ASX-listed companies is limited. There is no systematic reporting of First Nations status in these disclosures, creating a gap that hinders efforts to track progress or address barriers to inclusion. Improving transparency and collecting disaggregated data is essential to support meaningful strategies for increasing First Nations leadership in corporate governance. While detailed statistics are scarce, existing research provides some insight into broader trends.

- First Nations people are half as likely to be employed in professional and managerial roles compared to non-Indigenous Australians.[25]
- In 2018, 0.4% of Australian executive positions were held by First Nations people.[26] This reflects one person among 372 surveyed CEOs of ASX200 companies, federal ministers, heads of federal and state government departments, and university vice-chancellors.

First Nations people remain significantly underrepresented on the boards of Australia's largest listed companies. While public data is limited, the 2023 and 2024 Board Diversity Index reports highlight a persistent gap in representation across ASX-listed companies.

- In 2024, four First Nations directors held one or more board seats across ASX300 companies, representing 0.2% of unique directors.[27]
- In 2024, seven of 2,091 ASX300 board seats were held by First Nations people, representing 0.3% of all board seats.[28]
- In 2023, two of 1,464 individual ASX200 directors were First Nations, representing 0.1%.[29]

While these figures represent a modest improvement on 2021 QUT data (which identified just one First Nations ASX director among 5,000, representing 0.0002%),[30] they continue to reflect a substantial gap in First Nations participation at the highest levels of governance.

Asset owners

First Nations peoples are significant asset owners within Australia's investment system – a fact often overlooked in mainstream discourse. Moreover, the communal and intergenerational outlook of many First Nations asset owners parallels that of superannuation funds or sovereign wealth funds. Recognising and reframing their role in the market – shifting from passive stakeholders to active asset owners – would open the door to more inclusive peer-to-peer relationships, invite relevant governance approaches, and support the uptake of representative investment practices.

Public discussions of First Nations wealth are frequently framed through a deficit lens. While economic disparities remain stark and important, such as a median personal wage gap of 67 cents to the dollar,[31] lower superannuation balances,[32] and reduced homeownership,[33] these indicators offer only a partial view. In practice, the presence of First Nations capital in the market is substantial and expanding, driven by settlements, Treaty negotiations, the transfer of capital to self-determined structures, and the growth of both community and private First Nations enterprises. Examples of this growing asset base include:

- As of 2023, approximately 536 million hectares, or nearly 70% of Australia's land mass, form part of the First Nations estate. This includes 154 million hectares (20% of Australia's land mass) under First Nations ownership, as well as various forms of Native Title, co-management, and special rights. These categories often intersect and reflect a broad spectrum of legal and cultural relationships to Country.[34]
- Native Title groups have accumulated significant financial assets. For example, in the Pilbara region, six major groups collectively hold over A$1 billion in charitable trusts, underscoring the growing capital base managed by First Nations communities.[35]
- Approximately 13,693 First Nations businesses and corporations operate across Australia, generating more than A$16 billion in annual revenue, exceeding the economic output of sectors such as Australian timber.[36]

Despite this capital base, First Nations asset owners are still too often engaged indirectly – through trustees, advisers, or as guests within industry bodies – rather than recognised as investors, professionals, and peers. This represents a missed opportunity. Striving for First Nations asset owners to participate as equals, with the authority, access, and autonomy afforded to their counterparts, is essential to building a more inclusive and representative investment ecosystem.

Achieving this requires action at multiple levels. Intermediaries and industry bodies have a role to play in fostering stronger connectivity and peer-to-peer ways of working. In parallel, more nuanced structural and policy reform is needed to address the specific governance and legal complexities that shape participation under Native Title, settlement, agreement, and trustee arrangements.

Recommendations

1. Recognise First Nations knowledges and expertise:

First Nations peoples bring capabilities and insights directly relevant to the investment industry, including perspectives on the long-term value of land, biodiversity and other natural assets, sustainable resource management, community-based governance, and intergenerational approaches to risk and return. These are increasingly material to investment, operational, and governance decisions, particularly in sectors such as energy, resources, property, and nature-based markets.

Investors and industry bodies should move beyond viewing First Nations expertise solely through a diversity and inclusion lens, and actively explore where and how these insights can add value across investment research, stewardship, engagement, and governance. This requires a willingness to dismiss old assumptions, and an openness to learning, as the contribution of First Nations perspectives may not always be immediately recognised within conventional investment frameworks.

2. Build entry-level talent pipelines and professional development pathways:

Expanding culturally informed pathways into finance and investment is essential for strengthening First Nations participation. This requires creating structured pathways that support early entry and development within the industry, beginning with internships, cadetships, and graduate roles that are accompanied by mentoring and on-the-job learning. Education support, through scholarships and partnerships with tertiary, vocational and executive institutions, can open doors into finance, business, and investment studies.

Providers such as the Aurora Education Foundation and CareerTrackers Indigenous Internship Program provide services that can be utilised. Additionally, some employers deliver targeted First Nations graduate and internship employment programs directly, providing examples that can be replicated by financial services employers.

Recruitment processes should also be proactive and culturally safe, while also remaining open to adjacent fields such as law, policy, engineering, and community governance, recognising the transferable expertise these professionals bring. Crucially, pathways must not end at recruitment. Organisations need to invest in technical learning, management training, the championing of future industry leaders, while ensuring First Nations professionals are supported to remain connected with and responsive to family, community, and cultural responsibilities.

3. Support pathways into senior decision-making roles:

While building long-term entry pathways is essential, it is equally important to strengthen near-term pathways that enable First Nations leadership within investment decision-making. Structural barriers will take time to address, but organisations can take practical steps now to elevate First Nations voices in portfolio construction, asset management, investment committees, stewardship, and governance.

This includes exploring professional development, lateral career pathways, and intentional organisational structuring to build readiness and access. Where relevant non-financial expertise is held, organisations should consider appropriate ways to elevate this perspective into decision-making roles. For example, this may include co-portfolio management roles where an investment strategy relates to a particular thematic area or combines financial and non-financial objectives. Crucially, these pathways must move beyond purely advisory or cultural contributions, enabling First Nations professionals to contribute meaningfully to capital allocation and governance decisions.

4. Recognise and collaborate with First Nations asset owners:

First Nations-controlled capital vehicles, including Native Title trusts, Land Councils, and community-controlled funds, should be recognised and engaged as peers within the broader investment community. Elevating and connecting First Nations asset owners strengthens their authority, influence, and ability to shape investment practice. These investors bring distinct priorities, governance models, and long-term perspectives that enhance the diversity, resilience, and inclusiveness of the investment ecosystem.

Recognising First Nations asset owners beyond a stakeholder lens also supports capacity building and self-determination by expanding access to networks, knowledge, and market opportunities. Industry bodies and market participants should adapt membership structures, governance frameworks, and engagement approaches to be more accessible and relevant. Peer-to-peer connections between First Nations asset owners and other institutional investors should be fostered to promote mutual learning, trusted relationships, and balanced input in shaping market outcomes.

SYSTEMS ALIGNMENT

Realising the rights, values and ambitions of First Nations peoples should not rely solely on individual representation. While representation and inherently localised principles such as self-determination and Free, Prior and Informed Consent remain essential, they must be accompanied by a scalable, system-wide approach that embeds First Nations perspectives across investment governance and capital flows.

To be effective and enduring, systems alignment requires more than one-off partnerships or consultation. Institutions must establish embedded mechanisms that influence how investment decisions are made, how risk is assessed, how impact is measured, and how accountability is enforced. Without these structural changes, the burden of transformation will continue to fall on individuals, often working in isolation and without influence over core decision-making. This creates fragility and limits the sustainability of First Nations engagement.

Improving systems alignment requires coordinated action across institutional functions and decision-making processes. This report identifies three priority areas where reform can be embedded to support long-term alignment with First Nations peoples and communities:

- Governance
- Stewardship
- Disclosures

Institutionalising cultural accountability involves embedding cultural authority into governance processes, aligning incentives with outcomes defined by First Nations communities, and resourcing participation in a way that recognises the value of cultural expertise and the labour involved in navigating institutional systems. Importantly, this must occur at multiple levels – across portfolios (investment strategy and asset allocation), at the company level (corporate governance, risk management, stakeholder engagement), and at the asset level (project design, operational practices, and benefit-sharing).

When embedded effectively, systems alignment ensures that First Nations perspectives inform how capital is governed, evaluated and implemented. It also lays the critical groundwork for more direct and sustained investment in First Nations-led outcomes.

Guidance such as the Dhawura Ngilan Business and Investor Guides provides practical steps to support this shift, for both investors and assets. Developed through extensive consultation with Traditional Owners, legal experts and investment professionals, the Guides set out how to align capital allocation, risk frameworks and reporting practices with First Nations rights, values and ambitions. Rather than treating cultural engagement as a compliance issue, these frameworks centre relational accountability, Country-based governance and respect for cultural authority as foundational to responsible investment.

Insights from stakeholder interviews

Systems alignment was often described as a practical and accessible starting point for embedding First Nations rights, values and ambitions into investment practice. While deploying capital directly to First Nations outcomes may require bespoke structures and longer-term development, aligning governance processes, policies and reporting frameworks can be progressed more immediately within existing institutions.

- **Cultural literacy and early engagement as success factors:** Interviewees emphasised that strong cultural literacy and firm-wide values alignment were critical to successfully navigating complexity in First Nations investment transactions. These qualities enabled trust-building, responsiveness to emerging issues, and alignment with community expectations. Several participants reflected that outcomes would have been further strengthened by involving First Nations specialists earlier in the process to guide structure, due diligence, and engagement strategies.
- **Need for structural integration, not individual reliance:** Stakeholders warned that over-reliance on individual First Nations staff or external advisors, often in siloed or peripheral roles, limited long-term impact. Embedding influence into core governance, investment, and decision-making structures was seen as essential to sustainability and systems change. Without this, influence remains ad hoc and dependent on individuals, increasing cultural load on specific individuals and reinforcing a fragile First Nations investment market.
- **Stewardship remains an underused channel:** Interviewees identified a missed opportunity to incorporate First Nations perspectives into investor stewardship activities such as company engagement, proxy voting, and board-level dialogue. Current First Nations related efforts are often focus on outdated corporate social responsibility (CSR) frameworks,[37] broad Reconciliation Action Plans, or narrow social performance metrics. Expanding stewardship to include cultural considerations and community-informed engagement protocols was seen as a high-impact opportunity for system alignment. Guidance

and tools are needed – such as the Dhawura Ngilan guides, interconnected disclosure frameworks and practical examples – to support investors to deliver such approaches. Investors also have a unique ability to influence executive and board behaviour through the design of incentives, accountability mechanisms, and performance expectations, offering pathways to embed First Nations rights considerations and alignment beyond traditional approaches.

- **Piloting guidance and frameworks:** Institutional stakeholders acknowledged that several credible tools already exist to support systems alignment, including the Dhawura Ngilan Business and Investor Guides. Multiple organisations reported trialling these through internal policy reviews, engagement strategies, or reporting pilots, with the intention to integrate them formally. These pilots were also seen as valuable learning environments to test and refine practice before broader adoption.
- **From consultation to systems change:** While many organisations consult with First Nations stakeholders through advisory panels or discrete engagements, this often fails to shift underlying decision-making systems. There was strong support for replacing one-off models with embedded, ongoing mechanisms that recognise cultural authority and enable shared decision-making across time and institutional touchpoints.
- **Data as a foundation for alignment and accountability:** Interviewees highlighted the importance of developing consistent, culturally informed data frameworks to embed First Nations considerations in investment processes. Parallels were drawn with climate-related disclosures, with stakeholders suggesting that shared definitions and materiality indicators could support more consistent and accountable practice across institutions. Data was seen as key to building transparency, legitimacy, and alignment with community-defined outcomes. Where data is specific to a community, their Indigenous Cultural and Intellectual Property (ICIP), and lived experience (rather than a generic corporate disclosure), it must also be grounded in best-practice First Nations Data Sovereignty principles and practices.

Analysis

Governance

Governance structures shape how investment decisions are made, who holds influence, and what values are prioritised. To genuinely reflect and uphold the rights, values and ambitions of First Nations peoples, investment governance must embed cultural accountability into core institutional processes. Critically, investors must recognise that these governance expectations are not solely the responsibility of investee companies and assets. Investment firms themselves must be held to the same standards.

Many firms assess the governance of First Nations affairs in investee companies through proxies such as Reconciliation Action Plans (RAPs), CSR initiatives, ESG reporting, or Social Performance disclosures. RAPs are a valuable tool and have played a central role in guiding organisations toward more structured engagement. However, standardised templates may not fully address the specific governance needs or operating environments of individual organisations or sectors. To be most effective, these tools should be seen as a critical foundation, with further development encouraged to support deeper, business-relevant, place-based, and sector-specific practice and learning.

Industry-leading RAPs, alongside frameworks like the Dhawura Ngilan Business and Investor Guides on cultural heritage protection and the Minimum Social Safeguards of the Australian Sustainable Finance Taxonomy, support a shift toward more nuanced governance models that centre First Nations peoples, Country, and culture. There is growing recognition of these governance principles, with organisations such as the Australian Indigenous Governance Institute (AIGI)[38] and the Australian Institute of Company Directors (AICD)[39] emphasising cultural legitimacy, collective decision-making, and community accountability.

These resources provide a roadmap for aligning institutional governance, including internal mechanisms that:

- Assign board and investment committee responsibilities for First Nations engagement.
- Establish mandates that integrate cultural and community-defined objectives.
- Create internal accountability frameworks to monitor, report, and learn from performance.
- Consider the relevance, efficacy, and cultural appropriateness of KPIs and incentive structures.
- Include First Nations governance expertise across strategy development, policy design, and oversight functions.

Stewardship

Stewardship is one of the most direct and influential levers available to investors for shaping corporate behaviour. While facilitating earnings sustainability is an important element, stewardship also involves seeking clarity of strategy and improving disclosure to more accurately model risks and opportunities. When applied with intention, stewardship can also serve as a powerful tool for advancing First Nations rights, values, and ambitions.

Investors are increasingly expected to demonstrate accountability to all members and beneficiaries, including First Nations peoples. Where investors act as custodians of First Nations capital or have material exposure to sectors and assets that intersect with First Nations rights and interests, stewardship practices that reflect these considerations are relevant to effective governance. In addition, First Nations land rights, cultural heritage, and community relationships can represent material factors in investment risk and opportunity. Incorporating these perspectives into stewardship processes can support risk management, enhance long-term value creation, and promote more informed and accountable investment decisions.

Yet, current stewardship practices often underrepresent First Nations perspectives. They also tend to remain narrowly focused on risk, harm avoidance, and human rights violations. While these priorities are essential, they should be complemented by stewardship approaches that recognise First Nations strengths, economic ambitions, and models of shared prosperity.

Investors should move beyond general frameworks and engage with place-based, culturally specific, and financially material priorities defined by First Nations stakeholders. While this is an ambitious direction for the industry, there are both foundational and advanced opportunities to embed First Nations stewardship.

Foundational actions may include:

- Reviewing current proxy voting and engagement guidelines for alignment gaps.
- Incorporating First Nations issues into existing ESG frameworks and risk registers.
- Seeking training or guidance on First Nations perspectives in stewardship practice.

More advanced actions could include:

- Co-designing proxy voting guidelines that reflect First Nations priorities.
- Including First Nations perspectives in escalation and engagement protocols.
- Incorporating First Nations governance principles into active ownership, recognising collective custodianship (such as prioritising shared value outcomes) and intergenerational priorities (such as a seven-generation perspective), particularly for long-term stewards of capital.

Tools such as the Dhawura Ngilan Business and Investor Guides can provide practical internal guidance and help articulate stewardship expectations. While grounded in cultural heritage protection, these guides offer broader relevance for shaping advocacy, engagement, and ownership activities.

More broadly, stewardship is uniquely positioned as an investment workstream where technical and cultural expertise can converge. Investment teams can strengthen their stewardship capability by drawing on lived experience, connection to Country, and First Nations worldviews. This in turn supports deeper engagement, more durable relationships, and long-term value creation. It also connects to broader issues of representation, including the need to recognise First Nations asset owners as active participants in stewardship dialogues, both through their own voices and through the voices of delegated asset managers and fiduciaries.

Disclosures

Transparent and consistent disclosure is critical to building accountability and driving system-wide change. Standardised reporting frameworks have proven effective in elevating important issues to Boards and executive teams, translating principles into measurable data points and embedding accountability beyond individual champions. Yet current ESG reporting frameworks often underrepresent considerations relating to First Nations rights, cultural heritage, and connections to Country.

This is not a task for individual institutions alone. Sector-wide frameworks and communities of practice must evolve to reflect the rights, values, and ambitions of First Nations peoples. Robust disclosure mechanisms help normalise minimum expectations, enable scalable engagement and accountability, and promote global interoperability – equipping both domestic and international investors to navigate place-based First Nations issues with integrity.

Transferable and globally interoperable frameworks will also be critical. They enable international investors to better understand place-based issues in Australia and equip Australian investors to engage responsibly in foreign markets where Indigenous, Tribal, Native, and First Nations communities are present.

The International Financial Reporting Standards (IFRS) S1 and S2 standards, developed by the International Sustainability Standards Board (ISSB), and their Australian equivalents (AASB S1 and S2), provide an example of how international frameworks can be effectively localised while maintaining global consistency. Such frameworks could also be expanded over time to incorporate priorities like First Nations considerations, ensuring reporting that is both globally comparable and locally relevant. The Taskforce on Nature-related Financial Disclosures (TNFD) offers a further example, explicitly recommending meaningful and respectful engagement with Indigenous Peoples and Local Communities as a critical component in the identification and assessment of nature-related issues.[40]

Several key platforms highlight both opportunities and gaps:

- To support consumer choice and promote leading practice, RIAA's Product Certification program could introduce labelling standards for Impact Investments and financial products that claim to deliver positive outcomes for First Nations peoples.
- To guide capital towards sustainable outcomes the voluntary Australian Sustainable Finance Taxonomy includes First Nations and cultural heritage criteria in the Minimum Social Safeguards. The Minimum Social Safeguards could help financial institutions identify and assess activities that deliver positive outcomes for First Nations peoples, provide clarity and consistency around claims, and enable comparability across the market.
- To drive global leadership on Indigenous rights in responsible investment, UNPRI is well placed to embed Indigenous and First Nations perspectives more strongly across its network. By fostering cross-regional collaboration and knowledge sharing, it can help advance more consistent, values-aligned approaches to Indigenous rights and participation within investment markets globally.

Investor industry groups can further shape investor and corporate expectations in relation to First Nations impacts and benefits, particularly as sustainable finance guidance frameworks continue to evolve.

To advance this shift, institutions should adopt reporting approaches that incorporate measurable indicators of governance and engagement, while allowing for disclosures that reflect local context and differentiated leadership. Frameworks such as the Dhawura Ngilan Business and Investor Guides can support this. As with stewardship, investors are encouraged to move beyond generic metrics and engage with culturally specific and financially material priorities defined by First Nations stakeholders, helping to strengthen accountability and build a more inclusive, responsive investment system.

Recommendations

1. Embed and scale the use of Dhawura Ngilan in investment practice

The Dhawura Ngilan Business and Investor Guides provide a culturally informed framework to align investment practice with First Nations rights, values, and ambitions, including core principles based on the UNDRIP and concepts such as FPIC. Institutional investors should adopt this guidance across governance, stewardship, and disclosure processes. A staged approach is encouraged, beginning with targeted pilots to test and refine the application of the guides, building toward sector-wide adoption. This should be supported through communities of practice, peer learning, and active engagement between First Nations organisations and investment industry actors.

2. Enhance access to information through ESG data providers

First Nations investment considerations can be advanced immediately by drawing on existing ESG and responsible investment frameworks already used by institutional and retail investors. This requires relevant information to be visible and usable, while progressively improving data quality and granularity over time. Data providers have a critical role in this process by integrating metrics on rights, operations, and outcomes into thematic datasets, controversy screens, and ESG risk ratings. This would enable investors to apply consistent, comparable measures across portfolios and strengthen integration within ESG research. Partnering with First Nations organisations to refine indicators and align them with frameworks such as Dhawura Ngilan would further enhance credibility, transparency, and accountability across the market.

3. Advance First Nations-informed stewardship practices

Stewardship represents a critical lever for promoting respect for First Nations rights and supporting positive outcomes. First Nations advocates have long explained the importance of a relationship-based approach, rather than prioritising the transactional. Investors are encouraged to move beyond general human rights frameworks and engage with place-based, culturally specific, and financially material priorities as defined by First Nations stakeholders. Guided by relevance and materiality, embedding these perspectives within stewardship practices can include co-designing overarching proxy voting and engagement frameworks to consider key concepts within the UNDRIP such as FPIC, strengthening escalation processes to reflect First Nations rights and priorities, and recognising place-based stewardship responsibilities for specific assets or companies. For prominent institutional engagement and voting service providers, this presents an opportunity to consider how and where First Nations considerations are enhanced within existing guidelines or integrated within new client services. Equally, building internal capability and fostering stronger representation of First Nations voices within stewardship activities will also be important to achieving this shift. Again, Dhawura Ngilan Business and Investor Guides provides practical guidance on ways to build relationships, fundamental to stewardship.

4. Supporting market standards and meaningful disclosure

Robust standards and consistent disclosure of how investment activities align with First Nations rights and outcomes are essential to accountability and market integrity. Strengthening disclosure practices will enable more informed stewardship, foster transparency, contribute to an evidence-based body of knowledge and build trust across the investment system.

Where financial products claim an objective to deliver outcomes for First Nations peoples, independent verification of those claims is critical to maintaining market integrity, clarity, and accountability. While linked to disclosure, this also requires more sophisticated taxonomy that goes beyond blanket classifications of "First Nations investments" and differentiates by asset classes, impactful outcomes, and First Nations representation within decision-making functions.

Investors can contribute to this by adopting reporting practices that transparently reflect governance, engagement, and outcomes relating to First Nations peoples. The launch of the Australian Sustainable Finance Taxonomy provides an opportunity to support this direction by embedding relevant considerations, such as First Nations rights and FPIC, within evolving market guidance. Institutions and industry bodies can further advance this work by helping to develop and refine practical tools and frameworks, such as those being progressed through the Dhawura Ngilan Business and Investor Guides, and the Australian Sustainable Finance Institute (ASFI) First Nations Disclosures project.

5. Building governance capability through two-way learning

Investors should support and participate in communities of practice that bring together investment institutions, intermediaries, and First Nations organisations. These forums should promote two-way learning, making existing governance knowledge more accessible to First Nations leaders while also enabling the broader investment community to learn from First Nations governance practices, cultural frameworks, and leadership approaches. Institutions should complement this by providing targeted governance training for boards and investment committees, building cultural competency within investment teams, and developing practical guidance to help embed cultural accountability in governance structures and decision-making processes.

CASE STUDIES

FIRST NATIONS EQUITY PARTNERS

An example of proactive First Nations research and investment stewardship within the Australian equities market.

First Nations Equity Partners (FNEP) represents a pioneering effort to reframe domestic equities investment through a First Nations lens. Rather than pursuing concessional or niche opportunities, FNEP focused on the ASX200—recognising both the scale of influence these companies have across the Australian economy and the opportunity to embed First Nations perspectives within mainstream capital markets.

At the core of the strategy is a proprietary research framework that leverages racial equity and inclusion principles, designed to evaluate companies based on their engagement with, and accountability to, First Nations peoples. This framework supports screening and investment evaluation processes that allocate capital toward companies demonstrating First Nations leadership and to encourage improved performance on stewardship, engagement, and governance outcomes.

FNEP's approach repositions how First Nations perspectives are brought into corporate decision-making—moving beyond traditional RAP structures and community engagement functions, and instead engaging directly with investor relations, executive teams, and boards. The strategy presents a critical opportunity to amplify the role of institutional investors in advancing racial and economic equity in Australia's financial ecosystem while aligning with their broader commitments to responsible investment.

By targeting large-cap companies, FNEP recognised the far-reaching economic and social impacts these firms have—through their workforces, supply chains, customer bases. Even marginal shifts within this segment can be felt across a vast population. Furthermore, the scale and concentration of capital in ASX200 companies—particularly from superannuation and institutional investors—offers a high-leverage opportunity to embed First Nations perspectives at scale.

This model contributes an important innovation to the First Nations investment ecosystem. It demonstrates how First Nations-led racial equity research can shape investment practices by informing mainstream asset allocation, influencing market standards, and opening up new pathways for First Nations participation in capital markets as both investors and equity holders.

CASE STUDIES

AUSTRALIAN RETIREMENT TRUST

An example of institutional investors integrating First Nations considerations into investment stewardship processes.

Australian Retirement Trust (ART) is one of Australia's largest superannuation funds. As at February 2025, 2.4 million members trust ART to take care of over $330 billion of their retirement savings.

ART has disclosed its commitment to reconciliation with Aboriginal and Torres Strait Islander people through the final stage of their 2023-2024 Reflect Reconciliation Action Plan (RAP), and through their approach to respect First Nations peoples' rights in their sustainable investment activity.

A key accountability of the RAP was for the Sustainable Investment team to seek to amplify the voices of Aboriginal and Torres Strait Islander peoples within ART's sphere of influence, through input on the structure and content to aid the development of the Dhawura Ngilan Business and Investor Initiative (DNBII) Guides, as a member of RIAA's First Nations Peoples' Rights Working Group.

The DNBII Guides support businesses and investors to engage with First Nations people more respectfully, protect Indigenous cultural heritage and respect First Nations peoples' rights. These are the only First Nations-led guides for businesses and investors on Indigenous cultural heritage protection in our region.

In FY24, ART's Sustainable Investment team developed an engagement assessment methodology incorporating principles from the DNBII Guides to support the development of engagement plans for selected companies.

As part of ART's stewardship activities, in FY24 twelve ASX-listed companies were selected for direct engagement on the basis of having elevated First Nations cultural heritage-related risks. Where appropriate, ART developed engagement objectives for some of these companies, tailored to address areas of development or areas of potential high impact in mitigating relevant risks for these companies.

ART's Sustainable Investment team plans to engage further with the selected companies on this topic in 2024-25, alongside their broader ESG focus areas.

CAPITAL FLOWS

Capital flows to First Nations outcomes remain limited, fragmented and underdeveloped. While interest is growing and high-potential opportunities are emerging, the movement of capital toward First Nations peoples, communities and enterprises continues to be constrained by structural barriers, misaligned expectations and a lack of fit-for-purpose investment pathways.

This is not simply a matter of unlocking more capital. With the right institutional settings, well-structured capital flows that centre First Nations leadership, values and contexts can act as powerful enablers of economic strength, cultural revitalisation and long-term self-determination.

To achieve this, First Nations investment must not be treated narrowly as a niche or thematic asset class. While cultural context is essential, investors must also retain a disciplined perspective on the underlying assets, fundamentals and material drivers of investment performance. This combination of cultural capability and investment rigour is necessary to ensure credible First Nations-led opportunities are evaluated accurately and not dismissed due to unfamiliarity or systemic bias.

Australia's current investment system is not yet designed to enable the full participation, leadership and prosperity of First Nations peoples. Capital allocation processes continue to rely on conventional models of value, risk and return that often misalign with Indigenous contexts, timelines and governance structures. Without reform, capital will continue to bypass the communities it seeks to support. This is not necessarily due to a lack of opportunity, but because of systemic gaps in connection, capability and institutional design.

Strengthening capital flows will require a shift in how risk is understood, how return expectations are structured, and how market architecture is developed. This includes the creation of blended finance models, culturally governed capital structures, pooled vehicles and investment readiness pathways. These tools can reduce friction, increase confidence and improve alignment between institutional mandates and First Nations-led priorities.

Unlocking capital at scale requires more than goodwill. It requires mechanisms that can aggregate investment, build trust and embed cultural authority and self-determination into the financial system. This means rethinking financial norms, valuing shared outcomes and enabling First Nations peoples to shape, lead and benefit from the investment decisions that influence their futures.

This work is deeply interconnected with the themes of representation and systems alignment. Without First Nations leadership in decision-making and complementary institutional structures, capital will continue to flow through systems that overlook or marginalise First Nations peoples. Strengthening capital flows requires addressing these elements together.

This report identifies four priority areas to advance more effective, coordinated, and inclusive capital flows, building on the strengths and opportunities outlined earlier in *First Nations Strengths and Opportunities*:

- Building a credible First Nations investment market
- Coordinating early-stage capital
- Unlocking institutional actors
- Unlocking private and philanthropic actors

Insights from stakeholder interviews

Stakeholder interviews reinforced many of the structural dynamics outlined above, while offering specific, grounded insights into how capital currently moves – or fails to move – toward First Nations outcomes. Several consistent themes emerged:

- **Constraints on land and related assets:** Interviewees emphasised that native title and other special forms of tenure provide important recognition and alignment to land, yet remain largely non-fungible and ineffective for self-determined use in a contemporary economy. They noted that Traditional Owners are often unable to leverage hard-fought land rights as collateral, restricting access to credit and participation in larger-scale investment. Interviewees also highlighted that financial assets derived from land (such as those acquired through ILUAs, settlements, compensation, and agreements) are frequently subject to complex, misaligned, or non-representative governance arrangements. These dynamics constrain access to financial capital, underscoring the need for tenure-sensitive financing approaches alongside strengthened governance.
- **A nascent but growing market:** Interviewees consistently described this as an early-stage market in terms of people, strategies, capital, and institutional readiness. While many First Nations actors are eager to engage with investment, they often face constraints accessing the scale, structures, and partners needed to advance credible opportunities. Most investment remains small-scale, irregular, or grant-based, and institutional mechanisms to channel capital effectively are still underdeveloped.

- **Conventional due diligence limits participation:** While expectations around risk-adjusted returns, liquidity, governance, and track record are reasonable, they are often impractical in the context of emerging First Nations markets. First-time fund managers, limited investment experience, and disparities in social capital mean many opportunities fall short of standard due diligence thresholds. Without flexible tools and tailored assessments, credible opportunities will continue to be overlooked, partly due to systems not designed to support their growth.
- **Incubation and capability-sharing are critical:** Building a pipeline of credible First Nations-led strategies will require intentional incubation and capacity-sharing. This includes housing new approaches within established platforms, sharing portfolio responsibilities, and embedding First Nations leadership alongside experienced professionals. These models help de-risk early-stage investments, build track record, and exchange knowledge, while maintaining cultural integrity.
- **Investment efforts lack strategic coordination and collaboration:** Even where capital exists, it is often disconnected from First Nations actors due to a limited number of intermediaries. While some investment facilitators and First Nations-led managers are already playing a bridging role, the market currently lacks the capacity to meet growing demand across a diversity of asset classes and specialist investment functions. This is particularly relevant for early adopters such as family offices and impact investors, who may have clear objectives but few options to delegate capital in a culturally informed, fit-for-purpose way. As a result, capital flows tend to favour isolated transactions rather than coordinated, scalable approaches, limiting the ability to build diversified portfolios and achieve broader market transformation.
- **Blended finance is underused and underdeveloped:** Concessional, catalytic, and blended finance mechanisms remain underused in Australia's First Nations investment landscape. These tools offer practical ways to share risk, crowd in mainstream capital, and structure investments that are tailored to the needs and strengths of First Nations-led opportunities. While such approaches are widely adopted in international development and other impact sectors, they are rarely applied at scale in First Nations contexts. Expanding the use of these mechanisms could help bridge early-stage gaps, reduce reliance on grant funding, and create more durable pathways to market participation. Realising this potential will also require stronger coordination between philanthropic and investment ecosystems, ensuring that mission-aligned capital is deployed strategically to unlock long-term investment readiness.
- **Structural opportunities remain overlooked:** Stakeholders noted a strong focus on Small-Medium Enterprises (SMEs), venture capital, and microfinance. While these build on Indigenous procurement momentum and offer an accessible entry point for smaller capital pools, they often overlook larger structural opportunities in sectors like energy, housing, land, and infrastructure. Stronger connections between the finance sector and communities of practice where First Nations leadership is already active, such as land management, nature markets and clean energy, are needed to scale participation further up the value chain. This will require a shift in investment capability to engage with major structural trends alongside institutional counterparties.

Analysis

Building a disciplined and credible First Nations investment practice

While the motivation to invest in First Nations outcomes is often framed in broad terms such as reconciliation, inclusion, or social impact, it is important not to confuse this broad purpose with the specific characteristics of individual investment opportunities. Risk profiles, technical requirements, and due diligence processes differ by asset class, transaction type, and context, and should be assessed on their commercial, cultural, and community merits.

This does not mean lowering expectations or compromising standards. On the contrary, First Nations-led investments should be assessed with the same scrutiny and discipline as any other, while meeting fiduciary, legal, and regulatory thresholds. Cultural and relational factors may require adapted approaches, but the goal is compatibility and confidence, not exception or exemption.

Achieving this requires technical expertise: both asset-class capability and domain-specific insight into the outcomes being pursued. This is no different to how non-Indigenous investments vary across sectors, geographies, and circumstances. Just as engineering expertise is critical to infrastructure investing or social metrics to housing, First Nations-aligned investments require cultural and contextual knowledge to be assessed and executed responsibly.

Understanding this nuance is essential to overcoming bias and avoiding the mispricing of risk due to unfamiliarity or a lack of culturally informed analysis. When decisions default to generalisation or assumptions, rather than informed judgment, credible opportunities can be overlooked. By contrast, understanding and responding to specific contexts can also allow constructive processes – including tailored structuring, partnership approaches, and co-investment models –unlocking investments that are both rigorous and fit for purpose.

This dynamic underscores that achieving market maturity cannot rest on First Nations leaders alone. Investors must also build the capability to engage respectfully and effectively with the unique characteristics of First Nations contexts. Without this dual uplift in capability, risks may be misunderstood or mispriced – not because of the opportunity itself, but because of systemic gaps in knowledge and engagement.

For the First Nations investment market to be credible, scalable, and sustainable, it must be underpinned by strong investment capability and a distinct practice that integrates both social and financial dimensions. This means fostering trust, demonstrating repeatable performance, and enabling a diversity of participants across asset classes and sectors. Developing this practice will help tease out the environmental, social and investment dimensions of opportunities, ensuring they are assessed in ways that respect cultural integrity while maintaining investment discipline. Equally important is supporting a deeper pool of First Nations investment practitioners, who can combine technical expertise with cultural and contextual insight. Together, a more developed practice and a stronger practitioner base will help create a market that is rigorous, informed, and fit for purpose, while respecting the distinct context of First Nations leadership and participation.

Catalysing First Nations led and focussed fund managers

For First Nations investment markets to grow, new entrants are required to complement existing actors, and address focussed thematics. First Nations-led funds – and first-time fund managers in general – face heightened scrutiny because they have had limited access to the networks, roles and investment pathways where conventional track records are built. Without early backers and catalytic capital to validate new approaches and absorb perceived risk, many strategies remain undercapitalised, disconnected from mainstream flows, and unable to demonstrate track record.

This dynamic makes catalytic support more than a matter of individual fund success. In a niche and nascent market, new entrants are often perceived as representative of the broader sector, meaning that their performance can influence how the entire First Nations investment market is viewed. Fairly or not, the success or failure of early leaders will shape investor confidence, perceptions of risk, and the willingness of mainstream capital to engage with future initiatives. This heightens the importance of rigorous investment frameworks and underlines the need for supportive, value-adding partners who can provide credibility, guidance, and patient capital during the formative stages. First Nations investment professionals are no doubt aware of this dynamic, navigating the expectations of capital partners alongside personal and community pressures tied to the systemic implications of their success or failure.

While interest is growing among impact investors, family offices, philanthropic funders and mission-aligned institutions, activity remains fragmented. Few shared strategies, pooled vehicles or collaborative due diligence processes exist, limiting the ability to build credibility, scale and track records.

Governments have a vital role to play in addressing this challenge. In addition to shaping enabling policy, they are uniquely positioned to act as anchor investors who can absorb early-stage and new manager risk. Specialist Investment Vehicles (SIVs) and similar models offer precedent for how public capital can be used to catalyse emerging markets, grow the investable pipeline and crowd in mainstream capital. Public investment of this kind can validate new managers, support blended finance structures and help create co-investment platforms aligned with national priorities across climate, housing, health, and regional development. Governments also bring deep technical expertise in areas such as infrastructure, nature markets, clean energy, and community services. Through partnership and co-investment, this capability can support investment design, reduce execution risk and strengthen the strategic capacity of emerging First Nations investment managers. Done well, it can help ensure that capital aligns with long-term public value while advancing First Nations leadership and self-determination.

Other actors also have an essential role. Philanthropy, family offices and impact investors can offer flexible capital, anchor commitments and early validation. Corporate and institutional investors may look to contribute through the lens of Reconciliation Action Plan commitments, impact-aligned investment mandates, or corporate giving initiatives that interface with investment functions.

What is needed is not just more capital, but better coordination. These actors often share overlapping objectives and can collectively drive momentum if aligned through structured co-investment platforms, shared due diligence, and fit-for-purpose vehicles. Aligning investors through common frameworks, collaborative platforms and enabling intermediaries can accelerate learning, reduce duplication and ensure promising First Nations-led opportunities are supported to succeed. These efforts will not only deliver individual impact, but help build the foundations of a credible and scalable First Nations investment market.

Advancing flexible and creative capital structuring

Unlocking scaled investment in First Nations initiatives will benefit from more flexible and innovative capital structures. Blended finance offers a powerful solution. Widely used in development contexts, it combines concessional or catalytic capital with commercial investment to mobilise funding for opportunities that may not meet mainstream thresholds on their own. By layering different types of capital within a single transaction, each with its own risk and return profile, blended finance enables a broader range of investors to participate while aligning with shared impact goals.

These principles are already familiar in mainstream finance. Capital stacks involving senior debt, mezzanine finance and equity are common in infrastructure and real estate. When applied to First Nations investment, these tools must also support cultural alignment, community ownership, and pacing that is appropriate to context.

When structured effectively, blended, and concessional capital can:

- Enable first-time First Nations fund managers to build a track record
- Reduce risk in early-stage or unfamiliar projects
- Attract institutional co-investment
- Support shared vehicles aligned with common goals

Flexible capital structuring is not about lowering expectations. It is about using proven financial tools to unlock investment that supports self-determination, long-term opportunity and inclusive economic development.

Realising this potential will require collaboration among philanthropy, government, development finance institutions and private capital. Each brings distinct and complementary strengths. Philanthropy can provide early-stage capital that helps de-risk innovation and build proof points. Government can act as an anchor investor, absorbing early risk and aligning public funding with broader policy goals such as climate action, regional development and social equity. Development finance institutions – either new, or through the indirect sharing of expertise – offer expertise in blended finance, helping to structure transactions and mobilise investment into underserved markets. Private capital, including superannuation funds, banks and impact investors, brings the scale and commercial discipline needed for long-term sustainability.

These actors must work together. Coordinated strategies that align capital types, investment horizons and impact objectives are essential to build confidence and momentum. Shared vehicles, co-investment platforms and layered capital structures can accommodate different risk and return expectations while maintaining transparency and trust.

Success will also depend on trusted intermediaries who can design and manage these structures in ways that are both financially sound and culturally informed. These intermediaries must be able to translate community priorities into investable propositions, support capability building for First Nations investment leaders and maintain accountability to both investors and communities. Their role is both technical and relational, helping to bridge worldviews and steward partnerships, and ensure that capital flows support long-term self-determination and public value.

Unlocking institutional investors through ecosystem innovation

As First Nations investment opportunities grow, there is a critical need for mechanisms that can engage institutional investors. These mechanisms must operate at scale, structure deals, manage risk, and meet fiduciary standards while maintaining cultural integrity and cultural alignment. Without new mechanisms and approaches, First Nations opportunities and outcomes may continue to be overlooked or deemed too unfamiliar to fit within conventional mandates.

Global examples demonstrate what is possible when First Nations-led institutions are equipped to operate at scale:

- **Native American Bank (NAB) (United States):**
  - Established in 2001 – US$400 million in assets in 2024[41]
  - A nationally chartered bank owned by over 30 tribal nations, providing lending and financial services tailored to Native communities. NAB acts as a trusted intermediary between tribal enterprises and capital markets, particularly in housing and infrastructure.
- **Ho-Chunk, Inc. (United States):**
  - Established in 1994 – US$703 million in total assets in 2024[42]
  - The economic development arm of the Winnebago Tribe of Nebraska. Operating over 40 subsidiaries, Ho-Chunk has attracted private equity and institutional debt while maintaining full tribal ownership and control.
- **Ngāi Tahu Holdings (Aotearoa New Zealand):**
  - Established in 1992 – NZ$2 billion in assets in 2024[43]
  - With NZ$2 billion in assets, Ngāi Tahu's commercial arm manages a diversified portfolio across property, tourism, seafood, and agribusiness. It operates under a distinctly Māori governance model that combines intergenerational stewardship with institutional-grade performance.
- **Tainui Group Holdings (Aotearoa New Zealand):**
  - Established in 1998 – NZ$2.41 billion in assets in 2025[44]
  - The commercial entity of Waikato-Tainui has partnered with major institutional investors, including superannuation funds, on large-scale developments such as The Base retail centre and regional infrastructure projects.
- **First Nations Finance Authority (FNFA) (Canada):**
  - Established in 2006 – CA$2 billion in bond issuance[45]
  - A pooled borrowing vehicle governed by participating First Nations, FNFA has financed over C$3.4 billion in community projects through debt capital markets. By aggregating borrowing needs and centralising risk management, FNFA reduces the cost of capital for First Nations and provides direct access to mainstream markets. Its AA-low/AA- credit ratings are supported by structural enhancements such as secured revenue streams, joint borrower obligations, and a first-loss reserve fund, enhance investor confidence and have enabled capital to flow at scale into Indigenous-led priorities.
- **Athabasca Indigenous Midstream (Canada):**
  - Established in 2022 – CA$865 million in bond-backed equity acquisition[46]
  - A partnership of 23 First Nations and Métis communities that raised CA$865 million to acquire equity in a major pipeline, supported by a credit-rated bond issuance and structural enhancements that reflect both financial and cultural considerations.
- **Canada Indigenous Loan Guarantee Corporation (Canada):**
  - Established in 2024 – CA$10 billion loan guarantee program[47]
  - In December 2024, launched the Indigenous Loan Guarantee Program with the scope to increase access to capital to accelerate economic reconciliation across all sectors of the economy with the exception of gaming. It facilitates access to affordable capital by

Contents
Next section
Theory of Change
Representation
Systems alignment
Capital flows
Conclusion

Indigenous groups for significant investments, with loan guarantees potentially ranging from CA$20 million to CA$1 billion.

- **Nations Royalty Corp. (Canada):**
  — Established in 2024 – over CA$90 million market capitalisation (2025)[48]
  — The first majority Indigenous-owned public mining royalty company in Canada, created by the Nisga'a Nation to pool royalty entitlements from major projects including Brucejack (operating underground gold mine), KSM (Canada's largest gold project), Premier and Red Mountain (advanced gold projects), and Kitsault (fully permitted molybdenum deposit). By consolidating these streams into a listed entity, Nations Royalty allows communities to convert long-term royalty entitlements into immediate market value, spread risk across multiple projects, and access public capital markets.

These models highlight two critical insights for the Australian context. First, they demonstrate the importance of fit-for-purpose institutions that can bridge institutional capital with community-led investment opportunities. These intermediaries play a vital role in translating priorities, structuring transactions, and ensuring cultural alignment while meeting commercial standards.

Second, they demonstrate the power of aggregation and collaboration among First Nations communities. By coming together through shared structures or co-investment platforms, communities are better positioned to engage directly with institutional investors, counterparties, and project proponents. This collective approach strengthens negotiating and buying power while also building the scale, consistency, and trust that mainstream capital markets look for.

In particular, examples from Canada demonstrate how innovative financial structuring can enable First Nations entities to access large-scale capital at comparatively low cost. In several cases, communities achieved investment-grade credit ratings and favourable borrowing terms by issuing bonds with specific structural enhancements. These included negotiated preferences with counterparties, backstops from philanthropic partners, and tailored revenue arrangements. By securing capital at costs similar to those available to sovereign and semi-government issuers, First Nations groups gain access to larger quantities of capital on increasingly flexible and self-determining terms. This includes the ability to invest in long-term infrastructure, acquire equity in major projects, and drive regional development on their own terms. These innovations show what is possible when financial credibility, cultural governance, and strategic partnerships align.

Unlocking institutional participation in Australia will require culturally grounded mechanisms that can operate at scale. Without these structures, First Nations-led investments will remain reliant on bespoke or philanthropic channels. Building trusted and repeatable pathways into institutional capital is critical for achieving scale.

Unlocking private and philanthropic investment through strategic tax reform

In some cases, strategic reform of Australia's public funding and tax settings can unlock private and philanthropic capital, to play a catalytic role in supporting innovative models, especially where risk-adjusted returns are constrained, or secondary to other community outcomes.

Australia's philanthropic and innovation frameworks already recognise the value of non-financial returns through vehicles such as Private and Public Ancillary Funds. Under current tax rulings, these funds can provide support to Deductible Gift Recipient Tier 1 charities using tools such as below-market loans, non-recourse finance, concessional security arrangements or asset transfers. In these cases, the foregone commercial return is treated as a tax-deductible donation. However, this mechanism is limited to charities with specific status. Extending similar concessions to other First Nations entities – including PBCs, Registered Aboriginal Parties, or social enterprises – such models could enable more flexible philanthropic and concessional capital.

Importantly, there is also precedent in Australia's innovation investment settings. First Nations early-stage companies may already qualify under existing schemes, but these programs were not designed with that focus in mind. Current incentives such as:

- **Early-Stage Innovation Companies (ESICs)**, which provide investors with a 20 percent non-refundable tax offset and capital gains tax exemptions on qualifying shares held for between one and ten years; and
- **Early-Stage Venture Capital Limited Partnerships (ESVCLPs)**, which allow investors to receive tax-free returns on eligible venture capital investments.

Together, these programs account for around A$25 million in foregone tax revenue each year, yet this modest public contribution mobilises a far larger pool of private capital by buffering investors against risks such as lower returns, illiquidity, and long-dated return expectations. This approach provides a clear benchmark for how well-designed incentives can channel funding into ventures that might otherwise be overlooked and offers a useful comparison for encouraging investment in the First Nations economy, where similar mechanisms could help attract private and philanthropic capital to deliver broader community benefits.

Comparable structural enhancements could be applied across strategic financing priorities – also broadening the asset class lens beyond high-growth venture capital – encompassing early-stage enterprises, community-owned clean energy projects, housing initiatives, and land-based development. Extending investment incentives to eligible First Nations entities would open pathways for concessional finance, blended capital, and patient investment aligned with self-determined outcomes. With clear eligibility criteria, strong oversight, and meaningful community consultation, such reforms could mobilise capital at scale while embedding First Nations leadership in shaping Australia's future economy.

Unlocking the First Nations estate

The First Nations estate, encompassing assets, largely derived through associated rights, represents a significant but underutilised asset base. Native Title, statutory land rights, and agreements such as ILUAs and settlements provide formal recognition of ownership and authority. Yet, their potential to underpin self-determined economic development remains constrained by tenure restrictions, non-fungibility, and governance complexities. Unlocking the economic use cases of the First Nations estate requires tenure-sensitive approaches that enable communities to use their rights and assets on their own terms.

Realising this potential requires addressing the practical constraints that limit the economic use of the First Nations Estate. Doing so will be critical not only to unlock capital, but to ensure opportunities are sustainable and aligned with community priorities – a task that demands further research, collaboration, and innovation.

- **Assets as security and collateral:**
  First Nations land is governed under a range of legislative frameworks, including the Native Title Act 1993, and comparable state and territory legislation. While these frameworks vary in design, they share important features: rights are communal, inalienable and non-fungible. Native Title cannot be traded or mortgaged, and land granted under Aboriginal Land Rights legislation, such as in the Northern Territory, is held in Land Trusts and administered through representative bodies including Land Councils. These arrangements restrict the ability of communities to use land as collateral for finance. Even where leasing or other mechanisms are available, financiers often remain cautious given the reputational and practical risks associated with foreclosing on traditional lands. Strengthening guarantee facilities, supported by banking institutions or philanthropic actors, offers one pathway to bridge this without undermining the inalienable nature of the estate.

- **Governance of assets and delegated responsibilities**
  Significant portions of the First Nations estate are held in statutory trusts, Prescribed Bodies Corporate (PBCs), or other structures where governance often prioritises compliance over mission-aligned investments. External trustees, investment advisers, and fund managers who hold delegated responsibilities must be more accountable to community priorities and cultural worldviews. Building governance capacity (including from non-Indigenous intermediaries), strengthening cultural authority in decision-making, and ensuring representative structures are critical for aligning First Nations asset management with self-determined priorities.

- **Realising the economic value of First Nations land and water rights**
  The rights held by Traditional Owners (whether or not recognised through Native Title) carry significant influence over projects. While this influence has traditionally been reflected monetarily in compensation and royalties, it is increasingly extending to negotiations over equity, co-ownership, and investment options (such as favourable rights to acquire a stake in future assets at a discounted price). In the absence of consistent methodologies to place a financial value on such rights, outcomes (such as 5%, 10% or other ownership positions) often remain ad hoc. A more systematic approach may combine a justice lens, drawing on Native Title compensation precedents that recognise economic, cultural and other forms of value, with what is functional, recognising that meaningful First Nations involvement can streamline approvals, reduce conflict complexities and strengthen outcomes. These considerations should be formalised into transparent valuation practices (before financial or in-kind contributions are considered), ensuring commercial activities within and beyond the First Nations estate do not undervalue First Nations FPIC or other forms of involvement.

- **Managing risk across project equity and ownership structures**
  As appetite for First Nations equity positions, project ownership and royalty income grows, it is important to recognise the potential risks associated with these arrangements. Many communities are heavily exposed to localised projects, with equity or royalty streams tied to concentrated geographies, counterparties or commodities. This creates vulnerability to market cycles and operational risks, often beyond Traditional Owner control. More nuanced approaches are needed, focused on pooling assets and income streams rather than concentrating risk in single projects. Models such as Nations Royalty in Canada (discussed earlier) demonstrate how aggregated royalty streams can create more stable income and lower perceived risk. Ultimately, these approaches should enable Traditional Owners to share both the upside and the downside, supporting resilient income flows and a more balanced approach to risk management.

- **Planning for future opportunities**
  Communities are increasingly likely to experience significant liquidity events through compensation, settlements, or treaties. Without proactive planning, these resources risk remaining idle while governance, investment strategies, or advisory structures are still being developed. Empowering communities to consider economic development, asset utilisation and partnership aspirations before these events occur can ensure capital is deployed quickly and effectively, while minimising the risk of lost opportunity or external capture.

Unlocking the First Nations estate is not about jeopardising hard-fought rights. Rather, it is about enabling those rights to become living assets that support community prosperity, while safeguarding them. With appropriate frameworks for valuation, risk sharing, guarantees, and governance, the First Nations estate can become a cornerstone of Australia's future economy.

Recommendations

1. Establish a credible First Nations investment market

First Nations investment should be positioned as a cross-cutting thematic opportunity, not a niche or siloed asset class. This requires investment-ready pipelines, culturally informed intermediaries, and disciplined assessment processes that reflect both financial and contextual considerations. Investors should apply consistent standards while adapting due diligence to First Nations contexts. Early focus should be placed on sectors where First Nations leadership is strong and where alignment with public value is evident, including land management, clean energy, cultural enterprise, and community infrastructure.

2. Coordinate catalytic capital strategically

Catalytic capital should be deployed with the express purpose of accelerating market development and validating emerging First Nations-led strategies. Anchor and seed investors – including philanthropic institutions, family offices, and government agencies – have a critical role to play in absorbing early-stage risk and enabling broader participation. Structured approaches such as co-investment vehicles, blended finance models, and strategic angel networks should be supported to improve coordination and reduce duplication. Precedents such as Specialist Investment Vehicles (SIVs) and clean energy investment partnerships offer useful models for market-building interventions.

3. Promote flexible and blended capital structures

Blended finance mechanisms and layered capital structures should be adapted to support First Nations priorities. These structures, including concessional tranches, guarantees, and first loss capital, are well understood in mainstream markets and can be tailored to support early-stage initiatives, attract co-investment, and align risk-return expectations across investor types. Such tools must be deployed in ways that reinforce cultural governance, community ownership, and long-term outcomes, particularly in sectors such as renewable energy, regional development, and social infrastructure.

4. Develop purpose-built First Nations finance institutions to attract larger scale capital

Dedicated mechanisms are needed to engage institutional investors and facilitate capital flows into First Nations-led opportunities. This includes the development of First Nations-led investment managers, pooled structures, aggregators, and development intermediaries that meet fiduciary, governance, and performance requirements. International examples such as the First Nations Finance Authority demonstrate the potential of purpose-built institutions to attract large-scale capital at low costs, while maintaining cultural control and alignment.

5. Enable private and philanthropic capital through structural reform

Australia's tax and regulatory settings should be adapted to support greater participation from private and philanthropic capital. This includes expanding eligibility for below-market finance and concessional investments beyond DGR Tier 1 charities to encompass First Nations-controlled legal structures, such as PBCs and social enterprises. In addition, existing early-stage investor incentives (such as the ESIC and ESVCLP schemes) could be extended or adapted to promote capital flows into strategic, self-determined First Nations initiatives.

6. Recognise and measure shared value

For investors and organisations seeking to align with First Nations defined outcomes, valuation frameworks can evolve to recognise cultural, social, and environmental value alongside financial performance. First Nations investment strategies can be suited to approaches that differ from standard commercial models, especially in early stages where there is a question of who funds the risk spread before a track record is established. Even once performance is demonstrated, investors may still choose to value non-commercial outcomes. This creates space to reframe objectives, linking financial and non-financial objectives. To make this credible and scalable, there is a need to develop accounting practices that capture shared value in consistent and reliable ways, so that cultural and community outcomes can be measured alongside financial results with confidence.

CONSCIOUS INVESTMENT MANAGEMENT (CIM)

An example of considered impact investment transaction structuring, aligned with First Nations partnership and long-term outcomes.

Conscious Investment Management (CIM) has financed the Kullilli Bulloo River Aboriginal Corporation RNTBC (KBRAC) to acquire a 47,100-hectare property in Thargomindah, Queensland to establish a Human Induced Regeneration carbon farming project. The property, known as Thargomindah Station, holds deep cultural significance for the Kullilli people and spans part of their traditional lands in South West Queensland.

Structured through CIM's Diversified Impact Fund, the project is being developed over a 25-year period and is expected to generate approximately 270,000 Australian Carbon Credit Units (ACCUs), equivalent to over 270,000 tonnes of CO_2e avoided. The land will be regenerated following decades of intensive agriculture, contributing to environmental restoration and long-term carbon sequestration. Following the 25-year carbon farming period, KBRAC will be the unencumbered landowner of Thargomindah Station.

The investment is structured to meet CIM's Impact Dimension framework. It represents a socially perpetual impact investment, embedding cultural authority, intergenerational value, and community-defined outcomes. The structure also addressed a common barrier for Traditional Owners: short-term cash flow constraints that often limit access to debt finance. By leveraging long-term impact capital, the model aligned financial returns with ecological restoration and cultural outcomes—without compromising on stewardship or governance. Importantly, governance was central: KBRAC shaped the land's long-term purpose and management, while CIM's role demonstrated how investors can honour, rather than manage around, First Nations governance.

This project offers a blueprint for structuring impact investments that align with First Nations worldviews – emphasising co-design, cultural intelligence, and stewardship models that go beyond conventional ESG frameworks. It also reflects a broader shift in the investment landscape: recognising First Nations peoples not only as stakeholders, but as sovereign rights-holders, project initiators, and co-investors. As demand grows for nature-based solutions and authentic impact, the transaction demonstrates how impact investors can contribute meaningfully to land justice and environmental outcomes by centring Traditional Owner leadership and structuring investments with cultural intelligence and long-term partnership at their core.

FIRST AUSTRALIANS CAPITAL (FAC)

An example of culturally led, fit-for-purpose investment in the First Nations enterprise sector.

First Australians Capital (FAC) is a leader in building a First Nations-led investment ecosystem in Australia. With a mission to unlock opportunities for Indigenous businesses, FAC operates as a catalytic intermediary – providing patient capital, targeted capability building, and sector-wide leadership to reshape how capital interacts with First Nations enterprise.

FAC's approach is grounded in representation. As a First Nations-led organisation, it ensures capital flows are governed by cultural authority and aligned with community priorities. Its investment and advisory teams bring together financial expertise and lived cultural knowledge, enabling it to operate as a trusted bridge between First Nations entrepreneurs and mainstream capital markets. Notably, the Indigenous First Impact Framework measures value in ways that reflect cultural, social, environmental, and intergenerational outcomes alongside financial performance. This reframes risk and return through a First Nations lens.

At the centre of FAC's investment strategy is a concessional debt mechanism – The FAC Catalytic Impact Fund – designed to address early-stage barriers such as limited collateral, short trading history, and perceived risk. The Catalytic Impact Fund, co-designed with philanthropic and private sector partners, provides flexible and patient finance to Indigenous-led businesses. FAC announced a successful first close of the Fund in 2024, securing ~A$20 million in investment from a range of global and domestic investors.

FAC's investment model goes beyond capital provision by embedding tailored business development support both before and after investment. This support is central to de-risking early-stage lending, addressing common barriers such as limited financial infrastructure, operational gaps, and investor readiness. By offering hands-on capability building alongside concessional finance, FAC ensures that First Nations businesses are better positioned for long-term growth, sustainable performance, and eventual access to mainstream capital. This integrated approach strengthens the pipeline of investable opportunities while reinforcing community-defined success.

Beyond direct investments, FAC plays a foundational market-making role. It provides a platform to build trust with institutional and impact investors, incubating new financial products that align with Indigenous values and governance. FAC's work is enabling the future development of First Nations-led financial institutions by building a track record, proving a differentiated approach.

This case study underscores the critical role of culturally governed intermediaries, concessional finance, and exploratory impact vehicles in the evolution of a First Nations investment ecosystem. FAC demonstrates that First Nations-led investment strategies are essential to unlocking capital pathways that are scalable, just, and aligned with community-defined prosperity.

Contents
Next section
Theory of Change
Representation
Systems alignment
Capital flows
Conclusion

ABORIGINAL CLEAN ENERGY PARTNERSHIP

An example of First Nations and industry collaboration to deliver clean energy projects with shared ownership, cultural governance, and commercial scale.

The collaboration between MG Corporation, Balanggarra Aboriginal Corporation, Pollination Group and the Kimberley Land Council represents a leading example of place-based investment grounded in First Nations leadership and technical expertise. Through the Aboriginal Clean Energy (ACE) Partnership, jointly owned by all four parties, the group is developing clean energy projects governed and led by Traditional Owners.

The East Kimberley Clean Energy Project aims to establish Australia's first 100% renewable hydrogen and ammonia production hub, leveraging the region's high quality solar resource and abundant fresh water, along with existing port and electrical infrastructure. By embedding shared ownership and governance from the outset, the project sets a new benchmark for culturally aligned, commercially scalable infrastructure.

The ACE model enables an integrated, co-designed process across heritage, native title, environment and engineering. These de-risks project development, shortens delivery timeframes, and builds investor confidence through early and ongoing Traditional Owner leadership. Importantly, the model rejects passive royalty-based approaches in favour of equity-based structures that position Traditional Owners as active shareholders with both governance and financial stakes.

From an investment perspective, the model offers a platform to catalyse large-scale capital flows into clean energy projects that align with just transition objectives. It involves long-term revenue potential through hydrogen and ammonia export, backed by Indigenous land management practices and unique co-benefits. By embedding Indigenous ownership into the capital structure, the partnership enables blended finance opportunities and can attract concessional and commercial capital aligned with impact, ESG, and net zero goals.

This case illustrates how First Nations governance, equity ownership, and natural capital expertise can form a strong foundation for credible, investable clean energy projects. It also points to the need for new valuation frameworks and financial instruments that account for cultural rights, stewardship, and intergenerational benefit – laying important groundwork for scalable, high-impact solutions that centre Country and community.

CONCLUSION

This report shows that unlocking the full potential of First Nations participation in Australia's investment market is both a moral and economic imperative. There is growing momentum, credible leadership, and a clear appetite for investment approaches that align with self-determination, long-term value creation, and culturally grounded development.

What does current research reveal about First Nations investment markets?

The research conducted as a part of this paper confirms the economic potential of First Nations-led enterprise and the role that investment can play in advancing self-determination. Key findings include the persistence of barriers to accessing capital, particularly for early-stage ventures and First Nations fund managers. The research also highlights the need for investment frameworks that integrate cultural legitimacy, community governance, and long-term outcomes. There is strong alignment between First Nations worldviews and environmental, social, and governance principles, particularly in relation to stewardship, sustainability, and intergenerational responsibility. While there is a growing pipeline of investible opportunities across land-based industries, clean energy, and cultural sectors, market infrastructure to support scale remains limited.

What does the current landscape of First Nations investors, enterprises, and intermediaries look like?

Australia's First Nations investment ecosystem is still small but expanding. Key players include First Nations-led intermediaries building investment models grounded in cultural values and community ownership. Government-backed institutions provide essential capital and governance support. Impact-aligned partners are contributing catalytic resources to support early-stage innovation. Across these efforts, there is a shared focus on patient capital, governance capability, and pathways to economic independence. However, leadership and activity remain concentrated within a relatively small group of actors and are not yet widely integrated into the broader financial system.

What initiatives are underway to support First Nations wealth creation and economic participation?

Across the country, a range of initiatives are working to expand capital access and create enabling conditions for First Nations entrepreneurship. Early-stage and catalytic funds are offering concessional finance, mentorship, and enterprise support. New investment principles and impact frameworks are embedding cultural values into investment decision-making and reporting. Advocacy efforts are calling for more inclusive policy settings, stronger partnerships, and long-term support for enterprise growth that protects cultural integrity. These initiatives signal meaningful progress but require more coordination, visibility, and institutional backing to support a systemic shift.

What role will investment intermediaries play in enabling this transition?

Intermediaries are central to the development of a mature and effective First Nations investment market. They are responsible for structuring investment vehicles in culturally appropriate ways, conducting due diligence, and connecting investors with First Nations-led opportunities. In addition to facilitating transactions, intermediaries play a broader ecosystem role. They embed First Nations perspectives into ESG frameworks and impact reporting, support system-wide learning and trust-building, and help develop shared market standards that reflect self-determination and community benefit. Without trusted and well-resourced intermediaries, capital will continue to miss the mark.

While these developments are encouraging, capital flows remain fragmented and constrained by systems that were not built to reflect the rights, priorities, or strengths of First Nations peoples. The solution is not simply to increase the volume of capital. What is needed is better alignment between investors and communities, between policy settings and opportunity, and between financial structures and cultural values.

Building a credible and scalable First Nations investment market requires more than technical reform. It requires intermediaries that are Indigenous led or community embedded, with the ability to build trust, translate between systems, and ensure that investments reflect cultural legitimacy. It also requires capital tools that are flexible enough to meet community needs, including concessional and patient finance that can support early-stage ventures and new governance models. Most importantly, it demands deliberate collaboration across sectors, grounded in long-term relationships rather than short-term transactions.

A broader shift in mindset is also essential. First Nations investment should not be viewed as marginal, risky, or a gesture of goodwill. It must be recognised as an essential part of a forward-looking economy. Current systems are not neutral: when capital markets operate without cultural context or equity considerations, they reproduce exclusion. A values-aligned market must embed First Nations voices in decision-making, challenge outdated assumptions about risk and return, and adopt a more holistic view of impact and success.

Stronger representation and systems alignment are critical. This includes increasing First Nations leadership at every stage of the investment process, from capital allocation and due diligence to governance and reporting. It also means recognising First Nations knowledge systems as legitimate and valuable sources of insight, particularly in land management, environmental stewardship, and sustainable development. Representation must be accompanied by genuine influence, with cultural knowledge embedded at the core rather than treated as an optional addition.

This responsibility does not rest with First Nations peoples alone. Systemic change will only occur if governments, investors, philanthropists, and financial institutions are prepared to reconsider their roles. This involves not only supporting Indigenous-led initiatives but also transforming internal structures, policies, and decision-making processes to enable enduring partnerships. It means creating space for shared governance, distributing decision-making authority, and investing in the infrastructure that makes meaningful participation possible.

A coordinated approach is both necessary and achievable. Shared investment platforms can aggregate interest and align investor expectations with community outcomes. Structures for shared governance can ensure cultural legitimacy and build investor confidence. Strategic policy reform, including procurement frameworks, concessional finance mechanisms, and support for capacity building, can establish the foundations for scale. These are not theoretical ideas. They are already being designed and led by First Nations communities across the country.

International experience shows what is possible. In Canada, shared equity and co-benefit models have enabled First Nations to take ownership stakes in renewable energy projects, with a significant share of new renewable capacity now owned or co-owned by Indigenous communities. These examples show how supportive policy, tailored finance, and deliberate partnership can unlock systemic participation at scale. Over the next decade, an ambitious but achievable roadmap for Australia could see equity-based clean energy partnerships, concessional and guarantee facilities, and pooled platforms become part of the mainstream investment landscape – signalling the scale of partnership, policy reform, and capital alignment required.

Progress should also be measured. Tangible benchmarks include the level of First Nations representation in investment decision-making and the volume and diversity of capital deployed into First Nations-led strategies. For asset owners, the first step is to map current exposure, then engage trusted intermediaries, set allocation targets, and embed shared value principles into due diligence and reporting. Establishing clear starting points and pathways enables investors to move from intent to action while building accountability over time.

The opportunity is clear. With the right enabling conditions, Australia can develop a values aligned investment ecosystem that honours Country, culture, and community while creating long-term prosperity and public value. First Nations peoples have the leadership, capability, and solutions. What is required now is for the broader system to meet them with respect, with resources, and with a shared commitment to a more just and sustainable future.

ANNEXURE 1: METHODOLOGY

This paper is a foundational contribution, aiming to provide a practical overview of current practice, an analysis of interrelated considerations across the investment ecosystem, and a framework to guide future action. This paper presents findings from First Nations-led research conducted using a combination of desktop review, semi-structured interviews, and summary of findings.

1. Desktop research

The desktop research was undertaken by a consultant to examine how First Nations economies and investment markets are evolving in comparable jurisdictions, and to distil lessons relevant to the development of a strong and self-determined First Nations investment ecosystem in Australia. As part of this step, the scope of the papers for review were defined and included a curated selection of research, frameworks, and case studies from Australia, Canada, and the United States.

The intent was to deepen understanding of the practical enablers, challenges, and models that support First Nations economic empowerment through investment. This includes both supply-side (investor-led) and demand-side (community- or enterprise-led) initiatives, as well as system-level mechanisms that align capital flows with First Nations rights, values, and ambitions.

The questions explored through the desktop research included:

- What does current research regarding First Nations investment markets indicate?
- What does the current First Nations investment market in Australia look like?
- What is being done in Australia to contribute to the betterment of First Nations people and communities?
- What role will intermediaries play in shaping the First Nations Finance landscape?

A summary of the insights from this desktop review can be found in Annexure 2.

1.1 Research, frameworks, and case studies reviewed

1. Indigenous Business Australia - Investment Principles[49]
   — The "IBA Indigenous Investment Principles" developed by Indigenous Business Australia (IBA) aim to provide a comprehensive framework to guide investment decisions that promote the economic resilience and independence of Indigenous Australians, organisations, and communities.

2. First Australian Capital[50]
   — The "First Australians Capital Position Paper" outlines a strategic approach to supporting the growth of Indigenous businesses in Australia.

3. Impact Investing in the Indigenous Context: A Scan of the Canadian Marketplace[51]
   — This provides a comprehensive analysis of the state of impact investing as it pertains to Indigenous communities in Canada.

4. Minderoo Foundation - Backing Black Business[52]
   — The "Backing Black Business" initiative by the Minderoo Foundation aims to address the financial and economic exclusion of Indigenous Australians by supporting Indigenous entrepreneurship and business growth.

5. Cornerstone Capital Group, Investing in Advance Racial Equity – Practical ways to tackle economic empowerment[53]
   — The report "Investing to Advance Racial Equity: Practical Ways to Tackle Economic Empowerment" by Cornerstone Capital Group provides a comprehensive analysis of how investors can contribute to reducing racial and economic disparities in the United States.

6. First Nations Major Projects Coalition, Indigenous Sustainable Investment: Discussing Opportunities in ESG[54]
   — The "Indigenous Sustainable Investment" paper from January 2021, produced in collaboration with the First Nations Major Projects Coalition (FNMPC), provides a comprehensive examination of how Indigenous perspectives can be integrated into Environmental, Social, and Governance (ESG) investment frameworks.

2. Stakeholder consultation

Multi-sector stakeholder interviews with First Nations organisations, intermediaries investment professionals and experts in intersecting disciplines were conducted through a series of semi-structured interviews, conducted by two consultants. The format of the interviews included online via zoom for approximately 40 minutes. Semi-structure interviews were conducted over 2023 and 2024.

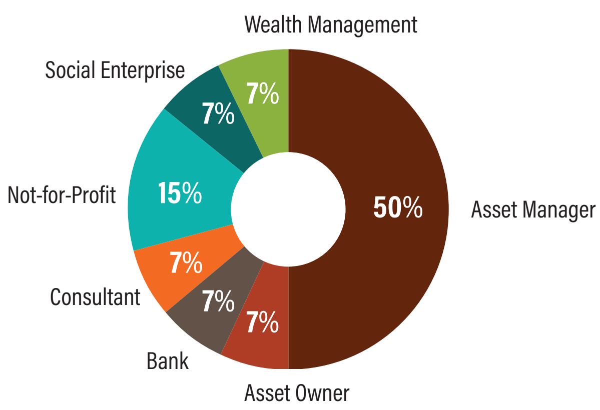
Interview participants were selected based on several key criteria, including:

- Demonstrated expertise in First Nations affairs or cultural governance
- Direct experience with First Nations investment activities or initiatives
- Representation across sectors, including community organisations, Asset Owners, Wealth Management, Asset Management, Philanthropy and advisory services.
- Willingness and availability to engage in open, reflective discussion

14 interviews were conducted, following direct outreach to over 20 stakeholders invited to interview. Half of these interviewees identify as First Nations Australian, working across a range of both First Nations and non-Indigenous focussed organisations.

While some individuals were unavailable due to capacity constraints, others chose not to participate, noting that this area of work is still emerging within their organisations. Importantly, they expressed support for the research and its broader purpose. These responses are not viewed critically; rather, they offer an anecdotal reflection of several key findings. In particular, they underscore the early stage of First Nations investment practice and the ongoing need for capability building across the sector.

Organisation type of interviewees:



The semi-structured interviews engaged key stakeholders on the following questions:

1. Who is making First Nations Peoples investment markets?
2. Who wants to invest in these markets?
3. What are the barriers to investing in First Nations Peoples investment markets?
4. How can these barriers be broken down?
5. What are the incentives and enablers?
6. How can we increase the pipeline of these markets?

A summary of the insights from this stakeholder consultation can be found in Annexure 3.

3. Research paper development

The research and drafting process involved three key stages, delivered collaboratively by a First Nations team including two consultants and guided by the project lead and research adviser.

- **Initial Synthesis:** Findings from the desktop research and early interviews were analysed and summarised in an initial findings paper prepared by the first consultant. This served as the foundation for the full research paper (see Annexures 2 and 3 for a summary of insights).
- **Drafting:** The second consultant then led the development of the full research paper, drawing on the desktop review, interview analysis, input from the research adviser, and review by the project lead and Co-Chair of the First Nations Peoples' Rights Working Group. The paper integrates practical insights, lived experience, and sector expertise to provide a cohesive narrative and set of recommendations.
- **Review and Finalisation:** A draft was shared with key stakeholders for pre-publication review, with the opportunity to provide feedback. The final version reflects input received within the scope of the project and is intended to serve as a credible, foundational resource for the field.

The development of the paper was both iterative and adaptive. While an initial framework guided the desktop research and interviews, the approach evolved in response to emerging insights. For example, although themes relating to representation and systems alignment were not explicitly within the original scope, their prominence across multiple sources and interviews led to their integration as central elements of the paper. This responsiveness allowed the research to remain grounded in lived experience and sector realities, ensuring strong linkages between each stage of work and enhancing the relevance and rigour of the final output.

ANNEXURE 2: DESKTOP REVIEW OVERVIEW

This desktop review examined research, frameworks, and case studies from Australia, Canada, and the United States to understand how First Nations investment markets are evolving, and to distil lessons relevant to developing a strong, self-determined First Nations investment ecosystem in Australia. The findings are presented below in response to the guiding research questions.

Key questions

1. What does current research regarding First Nations investment markets indicate?

The literature reveals a growing recognition of the economic potential of First Nations communities, but also highlights significant structural and cultural barriers within mainstream capital systems. Across jurisdictions, research points to a persistent disconnect between standard investment practices and the cultural, legal, and governance realities of First Nations peoples. Investment models that fail to reflect Indigenous worldviews often result in exclusion or misalignment. Barriers such as scale mismatch, lack of track record, and perceived risk continue to inhibit capital flow, particularly in early-stage or community-based enterprise. In response, leading frameworks call for investment principles that are culturally grounded, designed with and for First Nations communities, and reflective of intergenerational values and collective definitions of success. Overall, the research emphasises that progress in First Nations investment markets will require not only greater inclusion but also structural change and system-level innovation.

2. What does the current First Nations investment market in Australia look like?

Australia's First Nations investment market remains nascent and fragmented. While there is growing activity, it is largely concentrated in three areas: government and philanthropic support for Indigenous enterprise development; community-controlled asset ownership through land rights and native title structures; and early participation in ESG and responsible investment frameworks. A number of Indigenous-led organisations and initiatives, including IBA and First Australians Capital, are pioneering models of catalytic capital and enterprise support. However, there is no overarching market infrastructure or shared strategy guiding investment into First Nations priorities. Significant barriers remain, including limited scale and capacity among enterprises, legal and governance complexity, and a lack of cultural competency among capital providers. Nonetheless, momentum is building. A small but growing set of Indigenous-led intermediaries and collaborative ventures are demonstrating how capital can be aligned with cultural legitimacy and community control.

3. What is being done in Australia to contribute to the betterment of First Nations people and communities?

There is a diverse landscape of initiatives working to advance First Nations economic empowerment through investment, ranging from place-based enterprise development to national philanthropic and policy efforts. Organisations such as First Australians Capital and the Minderoo Foundation are trialling catalytic approaches to funding and support, including the use of patient capital, venture-style infrastructure, and wraparound support. Government-backed programs, particularly through IBA, have created foundational capital pathways for Indigenous enterprises, though often with constrained scale and flexibility. Community-controlled organisations and trusts are also actively developing investment strategies, often linked to land settlements and long-term community benefit. While these initiatives are promising, they often operate in isolation and lack the systemic support needed to scale. Moreover, few initiatives systematically embed First Nations values in impact measurement, governance, and investor accountability.

4. What role will intermediaries play in shaping the First Nations finance landscape?

Intermediaries are widely recognised as critical to the development of an effective First Nations investment ecosystem. The literature consistently points to the need for Indigenous-led or community-embedded intermediaries that can translate between investors and First Nations organisations, structure culturally appropriate financial products, and build capacity for investor readiness. These intermediaries help bridge trust and knowledge gaps, ensure that investments reflect community priorities, and advocate for the transformation of investment practices to better serve Indigenous peoples. In Canada, intermediary organisations have played a key role in mobilising capital and shaping national policy. In Australia, similar roles are emerging, but require more consistent support, resourcing, and recognition. Without these intermediaries, First Nations enterprises are often left to navigate a highly complex financial system without adequate support, limiting both access to capital and the likelihood of meaningful outcomes.

Key insights

1. Investment principles must be culturally grounded

Culturally grounded investment approaches are foundational to success. Frameworks such as the IBA Indigenous Investment Principles and First Australians Capital's Indigenous First Impact Framework emphasise the importance of aligning investments with cultural values, community authority, and long-term aspirations. Governance, risk, and impact measurement must be based on First Nations definitions of success, collective accountability, and intergenerational benefit. This requires a fundamental rethinking of how investment mandates are set, how decisions are made, and who defines value.

2. Capital access requires Indigenous-led, purpose-built intermediaries

Across jurisdictions, First Nations enterprises face barriers to accessing mainstream capital due to scale mismatch, lack of track record, rigid underwriting processes, and unfamiliarity with Indigenous governance structures. Purpose-built intermediaries are essential to bridge these gaps. The Canadian market shows that even with over CAD$1.2 billion in impact capital, barriers persist unless intermediaries are actively structuring deals, advocating within the investment system, and supporting community investor readiness. Indigenous-led intermediaries play a catalytic role by translating between systems, tailoring capital, and ensuring cultural safety in financial engagement.

3. Catalytic and concessional capital plays a system-shifting role

Flexible, early-stage capital is essential to correcting long-standing investment exclusion. Initiatives such as the Minderoo Foundation's Backing Black Business and FAC's Catalytic Impact Fund demonstrate the potential of values-aligned capital when combined with networks, mentoring, and supportive infrastructure. Catalytic capital plays a dual role: enabling enterprise development and signalling to the broader market that Indigenous businesses are investable on terms defined by the communities themselves. Patient and concessional capital can also act as a buffer while market confidence and systems capability are still maturing.

4. Systemic change is required to advance racial and economic equity

The literature is clear that capital interventions must be accompanied by systemic change. The Cornerstone Capital report on racial equity investing highlights the importance of embedding equity across asset classes and investment processes, from inclusive housing and SME finance to asset manager diversity and board representation. These structural levers are essential to address the cumulative disadvantage created by exclusion from historical capital formation. Applying a racial or cultural equity lens helps shift investment from reactive to reparative, and from inclusive to co-designed.

5. ESG and impact frameworks must be reshaped

Current ESG and impact frameworks often fail to capture Indigenous priorities, knowledge systems, and definitions of success. The Indigenous Sustainable Investment paper from Canada challenges investors to go beyond adding indicators, and instead embed principles such as data sovereignty, relational accountability, and holistic wellbeing. Metrics must reflect long-term stewardship of land, kinship obligations, and community-determined outcomes. Indigenous perspectives do not simply enhance ESG, they reframe it. As a result, Indigenous-designed or co-governed frameworks are better positioned to deliver sustainable development outcomes with legitimacy and longevity.

6. Investor behaviour must shift from extractive to relational

Investor engagement with First Nations communities often remains transactional or compliance-driven. The research suggests a shift is needed from extractive capital (focused on risk and return) to relational capital (focused on trust, accountability, and shared value). This includes long-term relationships, culturally appropriate due diligence, and investment approaches that respect decision-making timeframes and governance. Indigenous organisations emphasise the importance of consent-based partnerships, co-investment structures, and place-based trust-building as prerequisites for meaningful capital deployment.

7. Coherence and coordination are missing but necessary

Many promising initiatives remain fragmented. Without coordination across government, philanthropy, financial institutions, and Indigenous leadership, capital continues to flow unevenly, or not at all. The reviewed literature strengthens the case for a national strategy that aligns efforts, builds capacity, and supports a trusted ecosystem of intermediaries and capital providers. This includes shared infrastructure, pooled platforms, blended finance vehicles, and transparent mechanisms for community feedback.

Conclusion

These insights collectively affirm that a First Nations investment ecosystem cannot be built by simply adapting existing models. It must be designed from the ground up, grounded in First Nations governance, cultural legitimacy, and economic aspirations. Realising this potential will require patient capital, collaborative effort, and system-wide transformation, led by First Nations peoples, and supported by aligned investment partners.

ANNEXURE 3: STAKEHOLDER CONSULTATION OVERVIEW

This annexure summarises key insights drawn from a series of semi-structured interviews with stakeholders across First Nations organisations, investment intermediaries, institutional investors, philanthropic funders, and experts in adjacent fields such as ESG, land rights, and community development. The consultation was designed to capture qualitative insights into the opportunities, challenges, and system dynamics shaping the future of First Nations investment markets in Australia. Interview questions focused on identifying who is building these markets, who wants to invest, what barriers exist, and what strategies and enablers are needed to accelerate progress.

Key questions

1. Who is building First Nations investment markets?

The landscape is shaped by a small but growing group of actors:

- Banks and established financial institutions have emerging interest but limited First Nations-specific strategies.
- Indigenous Business Australia (IBA) and aligned statutory bodies provide governance support and investment capital.
- First Australians Capital (FAC) is seen as a trailblazer, offering catalytic capital and sector-building leadership.
- Emerging sectors like carbon credits, land regeneration, and renewable energy are driving demand for First Nations-led investment solutions.

Interviewees consistently noted that the development of First Nations investment markets is being driven by a small cohort of committed actors. Indigenous Business Australia (IBA) and First Australians Capital (FAC) were most frequently cited as sector leaders, providing foundational investment capital, governance support, and catalytic infrastructure. A handful of philanthropic organisations, aligned statutory bodies, and legal or investment advisers are also active contributors.

However, broader industry engagement remains limited. Banks, asset managers, and superannuation funds are beginning to explore opportunities, but few have dedicated First Nations investment strategies. Engagement often relies on individual champions rather than systemic commitments. In some sectors (particularly land regeneration, carbon markets, and renewable energy) the demand for First Nations investment partnerships is increasing, but market development is often ad hoc and under-resourced.

2. Who wants to invest in these markets?

Demand is increasing, but readiness varies:

- Asset-owners, their members, and ESG-oriented investors are actively seeking exposure to First Nations impact.
- Institutional and philanthropic investors are looking for ways to contribute to reconciliation and inclusive growth.
- Corporate investors want First Nations alignment, particularly in sectors like resources, where social licence is a material risk.

Stakeholders identified growing interest from a range of investors. ESG-aligned institutional investors, superannuation funds, and philanthropic foundations are increasingly seeking ways to engage with First Nations communities and align their investments with reconciliation goals. Corporate investors, particularly in extractive or land-intensive industries, are motivated by reputational concerns and the need to secure social licence.

There was also a noted increase in interest following the national referendum on the Voice to Parliament, described by some interviewees as a "guilt bump" or inflection point for more values-aligned action. While encouraging, stakeholders warned that this window of attention may be brief and should be leveraged through clear pathways to engagement.

Despite growing interest, there is often a lack of understanding about what First Nations investment entails, particularly the distinction between philanthropic giving and investable opportunities that deliver commercial, cultural, and social outcomes.

3. What are the barriers to investing in First Nations Peoples investment markets?

Stakeholders identified several interrelated barriers that inhibit capital flow into First Nations-led investment opportunities. These include:

- Track record and fiduciary constraints: Emerging Indigenous funds often lack the multi-year performance data typically required by institutional investors, making it difficult to meet fiduciary tests or gain internal approval
- Fragmented governance and cultural protocols: The absence of unified guidance on cultural governance, RAP implementation, and engagement with Traditional Owners can create confusion or fatigue among investors

- Capability gaps: There are relatively few senior First Nations professionals with experience leading investment products or sitting on investment committees, which can reinforce perceptions of risk or inexperience
- Regulatory rigidity: The compliance-heavy nature of Australia's financial system discourages innovation and creates barriers for blended or concessional models tailored to First Nations needs
- Persistent bias and perception: First Nations investment is still too often viewed through a philanthropic or CSR lens, despite growing market readiness among communities and intermediaries

These structural, relational, and regulatory barriers collectively reinforce inertia and limit the ability of First Nations organisations to access or influence capital at scale.

4. What are the enablers and strategies to overcome barriers?

Interviewees offered a range of practical enablers and strategies for market development:

- Strategic alliances and co-investment models: Joint ventures between established managers and First Nations-led organisations were seen as essential to bridging experience, scale, and governance gaps
- Evolving investment metrics: Shifting away from strict reliance on financial track record toward broader assessments of alignment, community capability, and strategic value
- Embedding First Nations leadership: Moving beyond token representation to empowered leadership roles within investment firms, boards, and governance structures
- Celebrating and sharing success: Spotlighting effective models (e.g. FAC's pipeline approach, First Nations Equity Partners) to build market confidence and create momentum
- Policy support and incentives: Unlocking concessional finance, government-backed guarantees, or linking investment to procurement frameworks to de-risk participation and attract capital

There was strong consensus that no single solution would be sufficient. Progress requires parallel investments in governance, capacity, policy reform, and trusted relationships – all grounded in First Nations self-determination.

Key insights

1. Strong interest, but limited investment readiness

There is significant goodwill and growing demand, particularly among ESG-oriented investors, philanthropic funders, and corporates, to engage in First Nations-led investment markets. However, this interest is often unmet due to a lack of investment-ready products that meet institutional standards. Many investors are unsure where to begin and lack access to culturally aligned intermediaries or structured pipelines of investable opportunities. The absence of scale, track record, and standardised processes continues to restrict broader participation.

2. Systemic barriers remain high

Stakeholders identified a range of persistent barriers that limit capital flow and meaningful engagement. These include regulatory compliance requirements and cost burdens, performance testing obligations, a lack of long-term track records for First Nations-led funds, underrepresentation of First Nations professionals in senior roles, and fragmented or unclear governance guidance. In many cases, internal systems within investment firms are not set up to recognise or respond to the distinct features of First Nations-led investment.

3. Investment perceptions vary

Perceptions of First Nations investment remain uneven across the market. Some institutional investors and gatekeepers continue to view it as philanthropic or non-commercial, rather than recognising its potential for long-term, values-aligned returns. In contrast, First Nations organisations and aligned partners are actively working to reframe the narrative. Catalytic capital and philanthropic support are being used strategically to build investable pipelines and demonstrate performance, with the goal of long-term market participation.

4. Representation without empowerment falls short

While First Nations representation is increasing in advisory roles and forums, it is often under-resourced or peripheral to decision-making. Interviewees stressed that representation alone is not enough. Empowered roles with real influence are needed across investment committees, boards, and leadership teams. Cultural governance, lived experience, and community insight must be treated as essential components of investment capability, not secondary considerations.

5. Strategic alliances are key

Joint ventures and partnerships between established investors and First Nations-led organisations were identified as critical to bridging gaps in experience, compliance, and credibility. These alliances can help accelerate investor confidence, build track record, and scale participation. However, interviewees were clear that partnerships must be based on mutual trust, shared governance, and clearly defined principles to ensure equity and cultural safety.

6. Institutional adaptation is just as important as capability building

While strengthening the pipeline of First Nations professionals is essential, many interviewees emphasised that institutions must also change. Capability is often framed through a narrow, Western lens that undervalues Indigenous knowledge systems, relational governance, and community leadership. For real progress, financial institutions must rethink recruitment, decision-making structures, and definitions of success to better align with First Nations values and leadership styles.

7. Policy and procurement can accelerate participation

Interviewees highlighted the importance of public policy and procurement as market-shaping tools. Government-backed initiatives, concessional finance models, and Indigenous procurement-linked investment strategies can create enabling conditions for First Nations market growth. There is strong support for more coordinated, long-term policy interventions to seed the ecosystem, support intermediaries, and unlock capital at scale.

Conclusion

The consultation process highlighted both the significant opportunity and the systemic changes required to support the development of First Nations investment markets in Australia. While interest from investors is growing, a range of structural, cultural, and institutional barriers continue to prevent capital from reaching Indigenous-led opportunities at scale. Stakeholders consistently emphasised that this challenge is not simply about increasing supply or demand. It is about rethinking how investment is defined, who holds power, and whether the system can evolve to recognise Indigenous leadership and values.

First Nations communities are not waiting to be included. They are actively building enterprises, designing governance structures, and shaping new models of investment that reflect community priorities. What is now required is structural support. This includes strong partnerships, enabling public policy, well-resourced intermediaries, and investment frameworks that uphold cultural legitimacy and community control.

These insights affirm the need for a coordinated, long-term approach to growing First Nations investment markets. Progress will require shared leadership, institutional accountability, and a commitment to shifting the norms that currently shape the flow of capital. Through collaboration, respect, and strategic alignment, the foundations for a more inclusive and self-determined investment ecosystem can be built.

ANNEXURE 4: AREAS FOR FURTHER RESEARCH

As mentioned at the outset of this paper, it is noted that there is a need for further research to address gaps can be further explored and addressed:

- **Mapping the First Nations Investment Ecosystem:** A national mapping of current and prospective First Nations investment actors, including communities, enterprises, fund managers, intermediaries and capital providers, to identify opportunities for coordination, gaps, and system-level support. Regular inclusion of these insights within the RIAA Benchmark Report will help expand sample sizes, normalise engagement and generate more frequent ecosystem data.
- **Design and feasibility of institutional mechanisms:** Financial architecture, governance models and feasibility analysis of potential mechanisms such as First Nations Bonds, pooled vehicles, specialist intermediaries or sovereign-style financial entities.
- **Catalytic capital in practice:** Detailed case studies of catalytic capital applications, including structures, outcomes, and lessons learned, with a focus on First Nations-led initiatives and blended finance models.
- **Legal and regulatory enablers:** Analysis of legal, regulatory and tax frameworks that currently constrain or could enable more flexible, place-based and culturally aligned investment, including philanthropic capital participation and concessional finance.
- **Application of Cultural governance frameworks:** Case studies on the practical application of frameworks such as Dhawura Ngilan and other First Nations governance protocols in investment decision-making, partnership structuring and capital deployment.
- **Operationalising UNDRIP in investment settings:** Comparative international research on how the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) is being translated into investment policy, stewardship practices and institutional standards.
- **Strategic sector deep dives:** Sector-specific opportunity assessments in areas such as clean energy, housing, land-based development and conservation, including potential investment models, community priorities and market barriers.
- **Investment readiness and capacity pathways:** Research into pathways that build investment capability among First Nations organisations and leaders, including shared services models, mentoring platforms and strategic partnerships with mainstream institutions.
- **Measurement of shared value and non-financial outcomes:** Development and testing of valuation frameworks that incorporate cultural, social and environmental value alongside financial return, and integration with mainstream investment reporting.
- **Embedding First Nations insights in mainstream investment research:** Develop approaches to consistently integrate First Nations information and perspectives into core investment research, benchmarking, and market analysis.

ANNEXURE 5: GLOSSARY

Cultural authority

Cultural authority considers an individual or group's connection to cultural matters, including traditions, practices, knowledge systems, and identities. It often establishes credibility to represent, speak on, or make decisions in relation to these matters, the communities they belong to, and the Country they relate to.

Catalytic capital

Catalytic capital refers to investment that is flexible, patient, and risk-tolerant. It is typically used to support early-stage, community-led, or underdeveloped opportunities that may not yet attract mainstream investment. Catalytic capital helps unlock additional funding, de-risk participation, and build confidence in new markets, particularly in impact-focused and Indigenous-led contexts.

Cultural governance

Cultural governance refers to the role that Aboriginal and Torres Strait Islander cultures play in shaping governance practices (Indigenous governance).[55] It encompasses the cultural context within which decisions are made, defines the scope and authority of governance (jurisdiction), and highlights the cultural connections that bind communities and constituents.

First Nations economy

The First Nations economy refers to the systems of production, ownership, trade, investment, and employment that are governed by, benefit, or are led by Aboriginal and Torres Strait Islander peoples. This includes both traditional and contemporary economic activity, spanning cultural enterprise, land and water management, social ventures, community-controlled organisations, and participation in commercial markets. The First Nations economy also includes forms of non-financial exchange, which may contribute to wellbeing, productivity, and social capital.

First Nations investment market

The First Nations investment market refers to the flow of capital into the First Nations economy. This includes investment in First Nations-led enterprises, projects, funds, and development initiatives. It also encompasses the governance structures, intermediaries, and partnerships that enable culturally legitimate and economically empowering capital deployment.

First Nations-led

First Nations-led refers to initiatives, organisations, or decisions governed by Aboriginal and Torres Strait Islander peoples, where cultural knowledge and priorities shape strategy and First Nations peoples hold meaningful decision-making power.

First Nations capital

First Nations capital refers to financial resources that are owned, controlled, or directed by Aboriginal and Torres Strait Islander peoples. This includes community-managed investment funds, economic development trusts, pooled philanthropic assets, or other financial instruments used to pursue self-determined development goals.

Terminology

We use the term First Nations throughout this report to recognise the distinct identities, cultural sovereignty, and self-determination of Aboriginal and Torres Strait Islander peoples. Other terms such as Indigenous and Aboriginal are used where contextually appropriate. We acknowledge that language preferences vary and have aimed to use respectful and inclusive language throughout.

ANNEXURE 6: DISCLAIMER

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