

ADDITIONAL INFORMATION ON INVESTMENT MANDATE

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Draft Updated Investment Mandate (see Attachment C)

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- The *Future Fund Act 2006* (the Act) states that the Investment Mandate cannot require the Board to invest in a particular financial asset, a particular business or entity, or a particular activity. The Act also provides that in performing its investment function, the Board must seek to maximise returns over the long term, consistent with international best practice for institutional investment.
  - Our suggested amendments to the Investment Mandate would require the Future Fund to take into account national priorities to the extent consistent with the Act.

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**THE HON JIM CHALMERS MP**  
**Treasurer**

**SENATOR THE HON KATY GALLAGHER**  
**Minister for Finance**

Treasury Ref: MS24-001892  
Finance Ref: MS24-000881  
Friday, 1 November 2024

The Hon Anthony Albanese MP  
Prime Minister  
Parliament House  
CANBERRA ACT 2600

Dear Prime Minister,

We are seeking your agreement to issue a new Future Fund Investment Mandate to better guide and position the Fund for the coming decades. The Future Fund is a significant public financial institution with a key role in supporting Australia's economic prosperity.

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We are satisfied that the new Investment Mandate meets the requirements of section 18 of the *Future Fund Act 2006* and that it does not breach any of the limitations imposed by section 18A. s 22

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Yours sincerely

Jim Chalmers  
**Treasurer**

Katy Gallagher  
**Minister for Finance**

## Investor Roundtable, 22 November 2024

### Q&As

#### Q&As on National Priorities

*Will the Government direct the Future Fund to invest in specific projects that relate to national priorities?*

- No, under the *Future Fund Act 2006* the Government cannot direct the Future Fund to invest in any particular financial asset, business or activity.
- Investment decisions will continue to be made by the Board in each case, in line with the requirements of the *Future Fund Act* and the other provisions of the *Investment Mandate*.

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## 2024-25 Supplementary Budget Estimates 2024-25

TOPIC: FUTURE FUND INVESTMENTS ADDITIONAL INFORMATION

CONTACT OFFICER: s 22

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### KEY POINTS

#### Investment directions

- Investment decisions of the Future Fund are made by the Future Fund Board of Guardians independently from Government, in accordance with the Fund's Investment Mandate.
  - Under the *Future Fund Act 2006* the responsible Ministers must not give directions to the Future Fund to invest in a particular financial asset. The Government has not provided any directions to the Future Fund beyond what is in the Investment Mandate.

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