These Principles have been drawn up so that they may be applied by the Governing Group of any Community irrespective of their circumstances and legal structures. Where commonly established technical terms (for example, legal entities, organisational structures or financial language) are used, the definitions at the end of the Principles refer to their broader application in varying circumstances.
INTRODUCTION

Across the nation, a number of Indigenous organisations have substantial financial capital, the majority of which is held in trusts. These funds are generally derived from the operation of laws (land rights and native title) that recognise rights and interest arising from pre-existing Indigenous ownership, custodianship and the wealth of customs and traditions that form the body of Indigenous cultural practices related to their traditional lands and waters. The laws also acknowledge that Indigenous Australians did not consent to the original transfer of title. They provide a number of mechanisms to determine the nature of continuing Indigenous rights and set out ways to negotiate agreements with state and private interests over proposed uses of the lands and waters.

In general, the laws recognising rights and interests, and subsequent agreements, provide for a process we will refer to as a ‘conversion of interest’, whereby Indigenous communities are provided with financial or other assets in exchange for the use of their lands or waters. Since the introduction of these laws, Indigenous communities and their leaders have endeavoured to optimise the financial benefits derived from these rights and interests, addressing the short-, medium- and long-term needs and aspirations of each community to build a sustainable economic future underpinned by recognition of Indigenous Australians’ cultural values.

Fundamental to these efforts is a deep understanding of the social and cultural significance of the interests being converted and the urgency with which the benefits of social and economic participation are needed. Indigenous communities and their leaders are acutely aware that they are negotiating, sometimes reluctantly, over their precious heritage in a manner never envisaged by their ancestors, and in circumstances where this may be the only opportunity to gain an economic foothold for today and the future.

In addition, they must establish and manage the competing and often urgent short-, medium- and long-term needs and aspirations of each community to maximise the financial opportunity and create social, cultural and economic benefit, including developing mechanisms that grow intergenerational wealth creation.

It is also important to bear in mind the context for this work – a landscape of social and economic disadvantage. Indigenous Australians lag behind their fellow Australians on significant economic measures. High unemployment – particularly among youth, the largest Indigenous demographic – is exacerbated in rural and remote areas where progress against key ‘Closing the Gap’ targets remains unchanged and, in some instances, has widened.

Indigenous Australians are committed to increasing their engagement in the economy on all fronts, including investment opportunities. Effective market and economic participation has enormous potential to foster culturally, linguistically and environmentally resilient communities, honouring the land, water and cultural heritage from which the financial opportunity originates, and strengthening prospects for present and future generations.
INDIGENOUS INVESTMENT PRINCIPLES NATIONAL WORKING GROUP

In December 2013, Indigenous Business Australia (IBA) facilitated a forum, titled ‘Pathways to Prosperity’, which was attended by representatives of eight Indigenous organisations from Tasmania, the Kimberley, Northern Territory, Far North Queensland and New South Wales. Participants shared knowledge about the common challenges and opportunities their respective Indigenous organisations face in establishing effective governance and investment strategies and agreed on the need to develop a set of Indigenous Investment Principles (the Principles).

Participants identified the need to engage a broader group of organisations, culminating in the Growing with Governance Forum in June 2014, with over 40 attendees including representatives from 22 Indigenous organisations. At this forum, a Working Group was formed to develop a set of investment principles specifically designed to address Indigenous circumstances. A subset of the Working Group – the Drafting Group – was also formed to progress the technical drafting effort.

The purpose of the Principles is to provide guidance to effectively facilitate greater economic resilience for Indigenous Australians, organisations and communities, and to empower groups to be strong, active participants in the Australian economy.

Working Group Members are listed on page 30.

The participants agreed that the process of developing the Principles would:

1. be Indigenous led and owned
2. have an inclusive approach
3. adopt the principle of subscription, not prescription
4. be built organically from the ground up.

The Drafting Group convened on eight separate occasions and the Working Group convened twice, prior to agreement on the form of the Principles at a meeting in Darwin on 5 June 2015.

Throughout the drafting process, the Working Group and Drafting Group benefited from the guidance of Mr David Murray, AO, drawing on his experience as inaugural Chair of the Australian Future Fund Board of Guardians and as Chair of the Drafting Group charged with developing the Generally Accepted Principles and Practices – known commonly as the ‘Santiago Principles’ – on behalf of the International Working Group of Sovereign Wealth Funds. Mr Murray provided valuable insight into the challenges of managing intergenerational wealth, the nature of the ‘conversion of interest’ and understanding the tensions between the desire for intergenerational equity and wealth creation and shorter-term investment in critical social and economic infrastructure.

The Drafting Group Members included:

- Robynne Quiggin, Co-Chair
- Bruce Martin, Co-Chair
- Gavin Brown
- Nolan Hunter
- Donella Raye
- David Murray
- Nigel Renton
- Brad Scott
INDIGENOUS INVESTMENT PRINCIPLES

Prudent decision making | Higher return potential | More assets for community

Community guide to thinking about the purpose, governance and investment of financial resources to better protect their interests for current and future generations, particularly culture and heritage.

Community agreements
The communities’ decision on the use of investment funds will drive the expected financial returns

Conversion of heritage Interests
Funds $

Investment risk and returns
By earning these returns, there is an expectation of a high, medium or low preservation of original capital value

Capital available to better manage risks to culture and heritage
The higher the capital value (resulting from the long-term growth investment strategy), the more available to utilise to assist with a range of issues, including culture and heritage.

Decisions

Long term Use
Intergenerational
High Risk
High Return

Intermediate Use
Social Enterprise
Medium Risk
Medium Return

Immediate Use
Social Support
Low Risk
Low Return
GUIDING OBJECTIVES, FRAMEWORK AND PURPOSE

The key objective of the Principles is to provide a voluntary framework for Indigenous Australians to establish strong, independent and enduring economic foundations, building intergenerational wealth, which can contribute to maintaining cultural, linguistic and environmental resilience.

Guiding objectives of the Principles

1. Cultural heritage: Protect and preserve the cultural heritage of Indigenous Australians through successful investment of Indigenous communities’ assets.

2. Economic independence: Improve, protect and foster the best interests of Indigenous Australians by successfully achieving their investment objectives. This will ensure the economic independence and social development of Indigenous communities.

3. Capacity building: Develop financial and commercial skills in Indigenous communities to contribute to sustainable and successful investment practices, and commercial activity generally.


5. Risk management: Demonstrate a transparent and sound governance structure that provides for adequate implementation resourcing, communication strategy, operational controls, risk management and accountability.
These guiding objectives provided the Drafting Group with a framework to develop the Principles, underpinned by the fundamental understanding that each Community has its own unique history, circumstances, representative structures, opportunities, priorities and aspirations.

Importantly, the Drafting Group was also guided by its commitment to voluntary implementation of the Principles. As with the International Forum of Sovereign Wealth Funds, the Principles are designed to be adopted voluntarily, with groups able to self-select and ‘opt in’. There is no intention to create legally binding or mandatory compliance frameworks.

The Principles are also intended to be complementary to applicable laws in all jurisdictions and do not replace normally applicable laws. The Working Group acknowledges that there is always risk associated with investment; markets can rise and fall, good decisions can still result in losses where unpredictable events occur. Adoption of these Principles is intended to lead to better decision-making processes but it cannot eliminate investment risk.
The Principles provide a framework for Communities to:

1. consider the circumstances, aspirations and priorities of each Community
2. provide suitable economic and financial information to each Community so it can make informed decisions about its investment options, actively building capability where required
3. consider the Community’s options for realising value from its investment and the risks involved in each option. These include short-term options such as emergency or regular payments that provide social but no financial returns; medium-term options such as social enterprise that may provide social and financial returns; and long-term options such as a diversified portfolio designed to provide financial returns and intergenerational equity (for example, an education fund that provides long-term social returns)
4. develop Purpose and Spending Rules for investment based on a firm understanding of options
5. create a robust system of governance arrangements, which has the authority to make decisions, regularly report back to the Community on progress, and respond to changing conditions
6. delegate authority to an expert body, such as an Investment Committee to implement the investment strategy, manage the Community’s investments, and report regularly to the Governing Group and Community
7. regularly consider, report on and respond to risks.

The framework’s core intent is to allow Communities with varying levels of financial knowledge, different levels of social and financial infrastructure, and specific decision-making methods to assess their particular circumstances and decide how best to move forward for the benefit of their members. It encourages decision-making that is based on accurate, independent information and free from any undue influence.

To support sound investment decisions based on the Community’s aspirations and needs, the Principles set out a sound governance structure that separates the functions of the shared owners (Community), the decision-making authority (Governing Group) and management (Investment Committee) that has been charged with implementation (see definitions).

The inclusive approach of the Principles means they may be applied by Indigenous communities at all levels of economic development.
Community

- Oversee portfolio(s)
- Develop mandate(s)
- Enshrine governance

- Investments beliefs
- Strategic asset allocation
- Internal vs external
- Mix of managers
- Active vs passive investment
- Use of leverage
- Use of derivatives

All regularly reviewed, reported on, and accountability and performance-driven.

INVESTMENT COMMITTEE
DEVELOP INVESTMENT POLICY STRATEGY WHICH ENCOMPASSES
GOVERNING GROUP
ACCOUNTABILITY
STRUCTURE

The Principles cover practices and principles across three primary themes:

- Community circumstances and purpose.
- Mandate, governance and legal form.
- Investment and risk management framework.

Each Principle and sub-principle has an accompanying note that describes the rationale for its inclusion and, where necessary, explains terms or concepts.

IMPLEMENTATION AND REVIEW

The Drafting Group and Working Group understand Indigenous groups have different opportunities, and are at different stages in the development of their governance structures, operations and negotiations relating to the nature of the ‘conversion of interest’. The Drafting Group and Working Groups have kept this diversity in mind and have aimed to provide a set of Principles which include underlying standards and practices that can be incorporated as part of the core fabric of Indigenous organisations as they achieve their individual objectives.

The key challenge for the future is to ensure their ongoing benefit – through implementation, capacity-building initiatives, and regular engagement by Indigenous organisations to share and compare investment experiences, successes and learnings.

About the artwork

The ovoid design represents Community and Governing body. Divided into yellow, red and black, the three sections reflect the primary themes of the principles structure - community circumstances and purpose, mandate and governance, investment and risk management framework. The network of twenty two circular rings interconnect into the central core, reflect the Investment Principles, and aspire to a communities sustainable social, cultural and economic future. This original artwork design was created by Marcus Lee Design, a creative design agency accredited by Supply Nation.
Indigenous Australians are committed to increasing their engagement in the economy on all fronts, including investment opportunities. Effective market and economic participation has enormous potential to foster culturally, linguistically and environmentally resilient communities, honouring the land, water and cultural heritage from which the financial opportunity originates, and strengthening prospects for present and future generations.
IIP A.1 Land, culture, heritage and peoples

Each Governing Group’s investment purpose, or purposes, and related investment decisions should be consistent with the cultural values of the Community it represents.

Explanation and commentary

The investment opportunities available to a given Community will be defined by the nature and extent of income it derives from land rights, native title, Indigenous Land Use Agreements, and other land or water resource negotiations, such as mining or other agreements.

The terms and conditions of these agreements will reflect the Community’s cultural values, specifically, the Indigenous Peoples’ intent to ensure the use of their land minimises any detrimental impact on their cultural and traditional connections to that land. Subsequent investment decisions should reflect these values and intentions.

The objectives of the investment are to:

- maximise returns through strategic management and governance
- maintain, strengthen and enhance the Community’s socio-economic circumstances
- promote respect for, and support the ongoing implementation of, the Community’s cultural values.

Investment decisions need to include a consultation process with the relevant Community.

The consultation process should adopt an engagement and decision-making process that is consistent with, and respectful of, the cultural practices of each Community.

The consultation process should also consider adopting relevant human rights principles such as those enumerated in the United Nations Declaration of Indigenous Rights as an example.

IIP A.1.1 Sub-principle regarding cultural significance

Investment decisions should consider the Community’s relevant cultural values, including the cultural significance of the land and/or water concerned.

Explanation and commentary

The manner in which investment purposes are established should consider culturally appropriate structures and processes. In this regard, there should be established processes for engaging the relevant members of the Governing Group who can represent the Community’s cultural values, and who can inform the decision-making body on the necessary cultural protocols and values.

IIP A.2 Community decision-making process

Each Community should have an established and accepted process to guide decisions affecting their overall wellbeing. A group should be formed or, if one already exists, it should be endorsed by the Community, which has the authority to make decisions. This is the Governing Group, and it could be a registered native title body corporate, prescribed body corporate, regional authority, land council, trust, commercial entity, other purpose-formed corporation, or a non-incorporated body such as a leadership group. The process should be inclusive, and adopt the widely recognised standard of free, prior and informed consent for individual decision-makers.

Explanation and commentary

There must be clear delegation of authority established for the Governing Group’s decision-making process to ensure the underlying Community is fairly and equitably represented in the process. The development of clear and accessible policies and procedures to give effect to this delegation is encouraged. The policies and procedures should align with cultural values and relevant legislation.

The Governing Group should align its practices with principles of good governance, including free, prior and informed consent, transparency and accountability to ensure the quality of decisions.
are of a high standard in accordance with the rights of its members. Clearly identified roles and responsibilities and detailed record keeping are required to maintain integrity.

These Principles acknowledge that many investment decisions arise from conditions beyond the control of the Indigenous Peoples they affect. Reference to the application of the standard of free, prior informed consent acknowledge these conditions and is a reference to internal engagement and decision-making processes for the Community, Governing Group and Investment Committee.

IIP A.2.1 Sub-principle regarding cultural values and leadership
The Governing Group’s representative leadership body should follow sound governance principles consistent with the cultural values of the underlying Community and be responsive to Community members’ needs and priorities.

Explanation and commentary
Policies and procedures should be developed to ensure the Community’s investment needs are identified in line with cultural values. This will ensure the leadership body can effectively discharge its responsibilities to achieve the Community’s aspirations. The policies and procedures should include guidelines on regular engagement with the Community to identify changing needs.

The Governing Group must provide the Investment Committee with guidance to ensure it performs its functional responsibilities, reports regularly, is accountable and discharges its fiduciary obligations. These should include policies and procedures to implement strategies to determine the aspirations and needs of the Community at set intervals or at times of change; processes for translating these into investment decisions that meet short-, medium- and long-term goals; mechanisms for regular, scheduled, suitable and effective reporting to the Community; and other accountability policies and procedures.

IIP A.3 Capacity building and engagement
Each Governing Group should provide opportunities for the Community to develop and enhance skills such as financial literacy, risk assessment, general knowledge of financial systems and investment management.

Explanation and commentary
The Community and Governing Group have both an opportunity and responsibility to be informed of and make prudent decisions in directing the management of the funds. Fulfilling this opportunity and responsibility requires sufficient financial literacy and an understanding of financial systems, risk and the types of options available.

The Community will also be required to consider its economic circumstances; its short-, medium- and long-term aspirations and needs; and the source and nature of the funds. It will also be asked to assist with developing an investment purpose and providing a mandate to representatives (the Investment Committee), who will act on their behalf to manage their funds.

The Community and Governing Group can only develop and determine this purpose, spending rule(s) and mandate once it has a full appreciation of the underlying principles for managing its financial investment potential. Capacity building is required to facilitate these decision-making processes by the Governing Group and the broader Community.
IIP A.3.1 Sub-principle regarding provision of assistance

The Governing Group and Investment Committee have a responsibility to facilitate the provision of information and education to the Community to assist its understanding of its assets and investment opportunities.

Explanation and commentary

Information and education should help Group Community members understand the importance of relevant fundamental investment concepts, which might include the:

- liability profile
- time-dependent nature of investment performance
- characteristics of different asset classes and the horizons over which expected returns and risk are defined
- types of parameters and assumptions that might underlie the Group’s Investment Policy, investment beliefs, risk measures and return objectives.

IIP A.3.2 Sub-principle regarding communication and education

In addition to any legal obligation to provide disclosure, the Governing Group should develop strategies and policies to inform and educate its Community at all phases of the Investment process to encourage more informed decision-making.

Explanation and commentary

As a minimum, there should be information to help people understand their options, strategies and potential outcomes. The Governing Group and Investment Committee can engage external specialists to provide this information and education.

IIP A.4 Economic circumstances

The Governing Group should conduct an analysis of the Community’s economic circumstances, the broader economy and potential investment opportunities. This should include consideration of the Community needs identified in IIP A.5.

The Governing Group should review this analysis periodically or where economic or organisational conditions change significantly.

Explanation and commentary

A comprehensive assessment of the Community and Governing Group’s capabilities and economic circumstances should be undertaken to understand their ability to participate in the commercial market. Periodic analysis should occur as part of good practice and in response to changes.

Identifying and understanding the Governing Group’s position will assist in setting and targeting the best use of the Community’s assets to fit with their economic circumstances. An environmental scan would take stock of the strengths and weaknesses of different strategies having regard to factors that influence liquidity and viability.

IIP A.5 Community needs

The Governing Group should analyse the Community’s short-, medium- and long-term needs, priorities and aspirations to inform its investment decisions and decision-making processes. The Governing Group should structure its investments in a manner that addresses these short-, medium- and long-term needs, priorities and aspirations. Where relevant or applicable, it should also consider the needs, priorities and aspirations of the related communities and regions encompassed by the Governing Group.

The Governing Group should review its short-, medium- and long-term needs, priorities and aspirations periodically, or where community or organisational conditions change significantly.
Explanation and commentary
The Governing Group needs to be responsive to its members to provide the best investment strategies on their behalf. The Group should develop an agreed process to engage with the Community to understand their needs and aspirations. The process should include agreed mechanisms to assess, define and describe the Community’s present and future circumstances, using the framework to identify short-, medium- and long-term goals.

This could be articulated in a set of policies and principles designed by consulting members to gather input and provide information to the Community, which might include:

- risk implications when balancing the urge for short term returns versus the need to protect financial interests for the long term
- risks and instability associated with the distribution of more frequent returns compared to long-term investments that grow over more substantial periods of time.

IIP A.6 Nature and source of funds
The Governing Group should consider the nature and source of its funds when developing the investment mandate and investment strategy.

Explanation and commentary
The nature and source of the funds, including the Community’s connection to the lands or waters that gave rise to the funds, will be instructive in developing the Purpose, Spending Rule(s) and the Mandate for managing the funds. Cultural connections and the significance of lands and waters should be considered when deciding how to invest funds.

In recognition of the importance of the funds, decisions about prioritisation and investment should also be founded on independent, expert financial advice.

IIP A.7 Purpose of the investment
After considering its economic circumstances; short-, medium- and long-term needs and aspirations; the source and nature of the funds; and independent, expert financial advice, the Governing Group should, in consultation with its Community members, develop and commit to an Investment Purpose that will inform its investment decisions and decision-making processes. The Purpose should be clearly defined and reflect the objectives of Community members.

Explanation and commentary
The clarity of the Purpose is fundamental to developing a mandate and spending rules that determine how much is applied to Social Support, social and commercial enterprise and longer-term inter-generational outcomes.

Without a clear Purpose, the objectives of the investment strategy will not be robust and poor investment decisions may be made.

The Purpose should reflect the Governing Group’s objectives. In some cases, these outcomes may be purely commercial (e.g. an investment return of a certain amount over a certain period of time). In other cases, the purpose of the investment may be to establish social or community enterprises, or cultural or environmental initiatives.

The Purpose of the investment is intended to determine how specific objectives are set and how the member funds should be managed.
IIP B.1 Linking purpose with mandate and legal form

The Governing Group should establish an Investment Committee governed by a set of rules that it determines within an agreed legal form and which establish an appropriate accountability structure. These rules should describe how monies are received and paid, and how assets are moved. The Investment Committee should consider the Purpose(s), policy and develop a Mandate(s) that conforms to the Purpose(s) for the Governing Group to consider. Multiple Purposes may result in more than one Mandate.

The Governing Group should adopt, reject or change the Mandate(s) using its agreed decision-making processes. The Investment Committee is bound by the Governing Group’s decisions.

The Investment Committee should oversee and regularly report to the Governing Group on the progress of the investments, having particular regard to the Purpose(s) and Mandate(s), and the risk management and investment framework.

The Governing Group should consider the Investment Committee’s subsequent advice to revisit the Purpose and Mandate. The rules that govern the Investment Committee may include a provision requiring it to change or review the Mandate at the Governing Group’s request under certain conditions.

Explanation and commentary

A Mandate is required to enable the Investment Committee to effectively administer the Governing Group’s funds to achieve the defined Purpose. As it may not be possible to focus on multiple Purposes under a single Mandate, a separate Mandate for each Purpose may be required.

A Mandate in this context incorporates a range of issues and considerations, including:

- the relative importance of each Purpose to the Governing Group
- the Governing Group’s risk tolerance
- the measures of success for each Purpose
- the expectations of the Investment Committee overseeing the Mandates, bearing in mind its performance indicators
- clear direction on the Investment Committee’s decision-making rights
- the Investment Committee’s reporting obligations to the Governing Group
- the triggers that might cause the Mandate to be withdrawn, reviewed or amended.

IIP B.1.1 Sub-principle regarding Spending Rules

The Governing Group should clearly identify the Spending Rules and processes in line with the purpose. The Governing Group and Investment Committee should consider these Spending Rules when preparing, reviewing and amending the Mandate.

Explanation and commentary

The Governing Group should ensure Spending Rules are developed and approved, taking into consideration the Community’s circumstances and purpose. These Spending Rules will provide the basis for developing the Mandate.
IIP B.2 Clarity of Mandate

The Governing Group’s Mandate, or Mandates, should be clear, well documented, and developed using expert knowledge. The Governing Group should seek independent, external advice to complement any existing internal expertise.

Explanation and commentary

There are a number of issues to be considered in a Mandate. These include:

• the Governing Group’s requirements of the Investment Committee
• how success will be measured
• roles and responsibilities of internal and external parties
• specific investment areas for inclusion or exclusion.

The level of clarity required to make a Mandate effective may take some time to develop. The Investment Committee should seek independent advice irrespective of internal capabilities to clarify its expectations and ensure it considers all relevant factors when making decisions or recommendations.

IIP B.3 Financial return considerations

Mandates seeking only financial returns may consider:

• investment risk and return
• investment time frame
• permissible asset class
• the frequency and amount of withdrawals
• the nature and source of funds
• areas of investment which the Governing Group wishes to exclude from consideration
• the application of investment returns.

Explanation and commentary

There are various risks and trade-offs to be considered in the investment framework. Maximising returns is an obvious objective, but the higher the return target, the higher the risk of negative returns in any one year.

Governing Groups and Investment Committees may need to source external advice to understand how trade-offs and other considerations may impact the Governing Group’s investment decisions. For example:

• investment time frame – needing income sooner usually requires a lower-risk investment, which may lead to a lower overall return potential
• diversification – diversifying asset classes, sectors, geographies and managers.
IIP B.4 Social, cultural and environmental returns

Where a Mandate incorporates social, cultural or environmental returns (returns other than financial returns), the Governing Group may develop and provide clear performance indicators based on desired outcomes to the Investment Committee.

Explanation and commentary

Just as the Investment Committee will oversee and report on the financial returns of the Governing Group’s investment, the Investment Committee should report on the progress of the Governing Group’s investment in achieving any social, cultural or environmental returns incorporated in the Mandate, such as impact investing. Impact investing refers to investments that aim to achieve a positive social, cultural or environmental benefit and some measure of financial return.

To do so, the Governing Group will need to develop performance indicators based on desired social, cultural and environmental outcomes. Indicators should be specific and measurable, allowing the Governing Group and the Investment Committee to assess and improve performance.

As impact investing has grown in prominence globally, increasingly robust social impact reporting tools have been developed and refined with the objective of supporting transparency, credibility and accountability in impact measurement. Governing Groups may consider these emerging tools to assist them in developing performance indicators for their Investment Committees.

IIP B.5 Mandate review

The Governing Group should review its Mandate(s) to ensure ongoing relevance, effectiveness and consistency with the parameters, assumptions and principles of good governance underlying its investment Purpose(s). This may include a review of the Purpose(s).

Explanation and commentary

Many things change over time – Community demographics and priorities, government policy, economic, environment and investment markets. To drive performance and ensure prudent asset management, Governing Groups should reassess their agreed Purpose(s) and Mandate(s) as required to confirm they remain relevant to prevailing circumstances.

IIP B.6 Roles and responsibilities

There should be a clear delineation of roles and responsibilities between the Governing Group and the Investment Committee charged with developing and implementing the investment Mandate. This includes ensuring sufficient delegation is specified in contracts, the authority to execute the Mandate is defined, and there is a clear expectation of accountability, leadership and reporting.

Explanation and commentary

The varying roles and responsibilities of the Governing Group and the Investment Committee need to be clearly defined to ensure adequate accountability. In some situations, the same individuals may be represented in each group; however, their decision-making rights, reporting requirements, responsibilities and expectations should be distinct.
IIP B.7 Terms of reference

Investment Committee members should be subject to a Terms of Reference (or similar), which is a document that clearly outlines its rules of operation, including membership eligibility, tenure, voting, code of conduct, conflict resolution and reporting processes.

Explanation and commentary

The rules of operation for the Investment Committee should be documented in the Terms of Reference to promote its smooth operation and provide guidance to members. All Investment Committee members should agree to and sign the Terms of Reference prior to their engagement.
IIP C.1 Objectives of the Investment and Risk Management Framework Principles

The objectives of the Investment and Risk Management Framework Principles are to implement the Mandate(s), engender confidence and provide the greatest chance of achieving the outcomes sought by the Governing Group and Community. These objectives are documented in an Investment and Spending Policy that sets out incoming funds, withdrawals (in accordance with Spending Rules), return objectives, acceptable risk and an agreed time frame.

Explanation and commentary

A clear Investment and Spending Policy demonstrates the Governing Group’s commitment to a disciplined investment plan and practices. A reliable Investment Risk Management Framework promotes the use of sound and proven investment practices, transparency and accountability. This principle reflects the belief that thoughtful governance and a disciplined investment process provide the Governing Group (and hence the Community) with the greatest opportunity for meeting their investment objectives.

IIP C.2 Spending Rules

The Investment and Risk Management framework must consider the Community’s requirements for Social Support and financial support for Social Enterprise (either from the corpus or from investment returns). Within the context of the Principles, these Social Support and Social Enterprise requirements are treated as withdrawals that are governed by the Spending Rules.

Explanation and commentary

Communities may be required to prioritise and allocate Financial Capital to any or all of:

- current and future expenditure on Social Support
- current and future financial support for Social Enterprise
- investment in a long-term or Reserve Fund (the Fund).

Transfers from the Fund for Social Support or as financial support for Social Enterprise as determined by the Community in the Purpose (IIP A.7) are considered as Withdrawals. These Withdrawals are determined by the Spending Rules, which must be incorporated into the Governing Group’s Investment and Spending Policy. This policy also details the structure and authority of bank accounts and the movement of assets.

IIP C.2.1 Sub-principle regarding asset and liability matching

The Community and Governing Group are required to agree on financial models that match assets (incoming funds) and liabilities (expenditure), taking into consideration social and financial uncertainties and the desire for intergenerational equity over the time horizon determined by the Purpose.

Explanation and commentary

The Investment and Spending Policy is required to match Community assets with Community liabilities, as determined by the Purpose(s) and Mandate(s). An Investment and Spending Policy must be sustainable and affordable, even in stressed conditions; and meet Community expectations of transparency, efficiency, simplicity and the preservation of intergenerational equity. In doing so, the Governing Group should consider the nature, source, quantum, term and frequency of the sources of Funds; the uncertainty and variability of each of these factors; and in particular, the ramifications of variances outside those expected from the underlying assumptions relating to Community liabilities.

It is desirable that the Investment and Spending Policy rely on assumptions that, inclusive of an appropriate margin for variability and expenses, are sustainable for the period determined by the Community, often in perpetuity. The Community and governing body (Governing Group or Investment Committee) recognise that the assumptions that underlie the Spending Rules and Investment outcomes vary over time and with changes in Community demographics, employment and wealth trends, Social Support inflation, macro and local economic influences, and the impact of geopolitics and nature.
IIP C.2.3 Sub-principle regarding efficiency and transparency of spending

The costs associated with administering Social Support programs and providing support to Social Enterprises detract from the financial resources available to the Governing Group to achieve its desired outcomes. It is therefore important to be efficient and transparent when administrating these costs to engender trust and support from the Community.

Explanation and commentary

Transparent, simple and clearly defined service provision agreements should be subject to an open tender process and, where possible, independent external benchmarking.

IIP C.3 The Investment and Spending Policy

The Investment and Spending Policy should be clear and consistent with the Governing Group’s defined objectives and purpose, risk tolerance and investment strategy, as determined in the Mandate, and be based on sound portfolio management principles. The Investment and Spending Policy should set out the target return, an absolute or relative rate of return, and any conditions on investment, including Community requirements.

The Investment and Spending Policy is key to developing a plan for implementation.

Explanation and commentary

The Investment and Spending Policy should set out how to achieve the Governing Group’s defined objectives using the investment strategy. By defining the Investment Policy, the Governing Group commits to a disciplined investment plan. The Investment and Spending Policy also guides the Governing Group in implementing activities consistent with the approved investment objectives and strategies, and risk tolerance, as well as its investment monitoring procedures. Although there is no set formula that suits all situations, the Investment and Spending policy, including the strategic asset allocation, should draw upon appropriate portfolio management principles.

The strategic asset allocation is typically embodied in a benchmark portfolio and determined by the Governing Group’s Purpose(s) policy, liability profile, horizon over which expected returns and risk are defined, and characteristics of different asset classes. The Investment Policy normally defines permissible asset classes and gives guidance on concentration risk with regard to individual holdings, liquidity, and geographical and sectoral concentration.

In line with the Governing Group’s policy Purpose, the strategic asset allocation may set certain investment parameters, for example, with respect to socially responsible investments. In addition, the strategic asset allocation may consider the Governing Group’s investments in conjunction with its other assets or liabilities, resulting in, for example, investing in assets negatively correlated with the Governing Group’s other assets or revenue sources.

Periodic reviews are needed as the parameters and assumptions underlying the Governing Group’s Investment Policy, including its strategic asset allocation, will change over time.

It is likely that it will be necessary to restate the Mandate in financial terms that may be measured. For example, the Governing Group may agree on a clear definition of ‘risk’ that is acceptable and understood by the Community and any other stakeholders, and that recognises that ‘risk’ is an uncertain forecast and therefore an imprecise measure or estimate of a range. Multiple measures of risk that are both forward and backward looking may be appropriate.
**IIP C.3.1 Sub-principle regarding investment beliefs**

The Investment and Spending Policy should be based on a set of investment beliefs that are clearly defined, agreed and understood by the Governing Group and set out in the Investment Policy statement.

**Explanation and commentary**

A common characteristic of successful investment organisations is that they can clearly define their investment objectives and articulate principles they will follow to achieve their objectives. Investment Policies are ideally founded on investment beliefs that are flexible and firmly held at the same time. All stakeholders must share strong beliefs and an investment philosophy that is aligned with goals and informs all investment decision-making. Only with a clear and accepted belief structure can an institution sustain a competitive edge in financial markets using an investment process that is disciplined and based on good practice governance. Accountability at each point in the investment process must be clearly defined.

Investment beliefs, risk measures and return objectives form the basis of an Investment Policy and are likely to be specific to each Governing Group. However, some core investment beliefs should be incorporated universally. For example:

- desired skills and qualities of the Governing Body, Chairperson and Investment Committee
- best practice models of governance
- clearly defining risk and prioritising it over return
- taking a total portfolio, multi-asset portfolio management approach to investment management
- matching asset and liabilities
- focusing on the effective management of market-related risk because it is a stronger driver of long-term returns than skills-related risk
- adopting a flexible approach to asset allocation
- diversifying across asset classes to obtain a higher expected return per unit of risk
- investment responsibilities are separated and clearly defined
- Governing Groups should recognise the time-dependent nature of investment performance. Best practice institutions use decision-making systems that function in real time, not on calendar time cycles (monthly, quarterly, etc.). Calendar-time processes (while commonly accepted as inevitable) are neither efficient nor necessary
- past decisions should be evaluated against actual outcomes.

Governing Groups or their nominated Investment Committees (if applicable) should adopt a learning culture that deliberately encourages change and challenges the industry’s commonplace assumptions.

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**IIP C.3.2 Sub-principle regarding leverage**

The Investment Policy should provide guidance on the Indigenous community’s financial risk exposures and the possible use of leverage. Leverage is using borrowed funds or debt in such a way that the potential positive or negative outcome is magnified and/or enhanced.

**Explanation and commentary**

Exposures to financial risks (including market, credit and liquidity risks), the use of derivatives, and leverage commensurate with the Governing Group’s investment horizon and risk-bearing capacity are key determinants of its ability to meet its investment objectives and contribute to financial market stability. Such exposures and the use of derivatives and leverage should be well understood, measured and managed appropriately.
IIP C.3.3 Sub-principle regarding managing conflict, agency, internal and external investment function and third-party service providers

The Investment Policy should address the extent to which internal and/or external investment managers are used, the range of their activities and authority, and the process by which they are selected and their performance monitored.

Explanation and commentary

Governing Groups may determine the degree of delegation between an internal or external investment function by taking into account an honest assessment of the Governing Group and Community’s comparative advantages and disadvantages, capabilities and acknowledged limits.

A Governing Group may allocate all or part of its assets to one or more external institution(s) for investment management.

A Governing Group may use external managers and/or advisers because they may:

• have skills and established systems for undertaking investment activities in specialised instruments and markets for which the Governing Group or its nominated Investment Committee does not have capability or capacity

• assist a Governing Group or its Investment Committee to manage or reduce the costs of maintaining an asset management operation in a particular market or instrument.

In these and similar circumstances, Governing Groups should carefully select reputable and creditworthy investment managers who are not conflicted and who operate in a transparent way and enter into written investment management agreements.

Such agreements typically include:

• a specified investment mandate

• an agreed understanding of expected performance and investment risk, including tracking errors, reports and fees

• where appropriate, a clear undertaking by the investment manager of a particular investment methodology or a team to whom historical performance may have been attributed.

This principle is founded on a belief that the effective use of external managers is achieved by using clearly defined mandates that are aligned to Governing Group and Community goals and making selections based on fit-for-purpose criteria. Groups may diversify underlying external managers to limit risk. Manager selection may rely on disciplined due diligence and an advisory process that considers at least three aspects of suitability:

• investment efficiency after fees

• alignment to sustainability of performance

• whether the performance can be attributed to the manager’s skill or market drivers, and the transparency of this attribution.

The process may emphasise the importance of the de-selection decision (the ‘sell discipline’) as well as selection process.

When using external service providers, it is necessary to identify and manage agency issues to minimise the potential risks and costs associated with conflicts of interest. In most cases, it is prudent to select an external adviser whose business model and approach are highly aligned with the Governing Group’s interests, and who has demonstrated commitment to sound practice portfolio management. Governing Groups may select third-party service providers, including investment managers, based on their transparent and un-conflicted operating model to ensure the provider’s values are aligned with those of the Governing Group. In particular, any inducements paid must be transparent and disclosed.

Governing Groups may prefer to engage partners that also believe in a learning culture and are willing to incorporate education programs into service provision contracts.
IIP C.3.4 Sub-principle regarding disclosure of Investment Policy

The Governing Group should disclose its Investment Policy as appropriate and according to the Community’s requirements for transparency and accountability.

Explanation and commentary

The disclosure could include qualitative statements on the investment style (e.g. active/passive, financial/strategic) or investment themes, the investment objectives, the investment horizon, and the strategic asset allocation. These disclosures should give an indication of risk appetite and exposure. In addition, the Group may describe the use of leverage in its portfolio or disclose other meaningful measures of financial risk exposure.

IIP C.4 Maximising the risk-adjusted financial return of the Fund

The Governing Group’s investment decisions should aim to maximise risk-adjusted financial returns for the Fund, in a manner consistent with its Investment Policy, and based on economic and financial grounds.

Explanation and commentary

The Governing Group’s overarching objective is to maximise risk-adjusted financial returns, given the agreed risk tolerance level of the Community. Therefore, the Governing Group’s investment decisions and activities should be guided by and be consistent with this objective.

The Spending Rules govern withdrawals from the Governing Group’s Investment portfolio for Social Support or Social Enterprise.

IIP C.4.1 Sub-principle regarding other drivers of investment decisions in relation to the Fund

If investment decisions are subject to considerations other than economic and financial, such as social, cultural or environmental, these should be clearly set out in the Investment Policy and disclosed as appropriate and according to the Community’s requirements for transparency and accountability.

Explanation and commentary

Governing Groups may include or exclude certain investments for social, cultural, environmental, ethical, religious or other reasons. Governing Groups should identify such reasons in their Investment Policy and these reasons should be disclosed as appropriate and according to the Community’s requirements for transparency and accountability.

IIP C.4.2 Sub-principle regarding sound asset management principles

The management of a Governing Group’s assets should be consistent with what is generally accepted as sound asset management principles.

Explanation and commentary

The Governing Group and its nominated Investment Committee (if applicable) should manage its assets and discharge its other duties with care, skill and diligence. The same approach applies to delegating authority and selecting and supervising investment managers. Sound asset management also requires that each investment be considered in the context of the overall portfolio, and as part of an overall investment strategy that incorporates risk and return reasonably suitable to the Governing Group’s approved Investment Policy and objectives. The fees and costs incurred in performing investment activities should be reasonable. The process of authorisation and incurrence, and amounts paid, should be transparent to the Community and Governing Group and follow clear rules and procedures, and be subject to ethics rules.
**IIP C.5 Exercising ownership rights**

Governing Groups should view shareholder ownership rights as a fundamental element of their equity investments’ value. If a Governing Group chooses to exercise its ownership rights, it should do so in a manner that is consistent with its Investment Policy and protects the financial value of its investments. The Governing Group should have a policy regarding its general approach to voting securities of listed entities, including the key factors guiding its exercise of ownership rights.

**IIP C.6 Risk management**

The Governing Group should have a framework that identifies, assesses and manages the risks of its operations. Risk management is the process of identifying the desired level of risk, measuring the current level of risk, monitoring the new actual level of risk, and taking actions to align the actual level of risk to the desired level of risk.

**Explanation and commentary**

It is important for the Governing Group to have a strong risk management culture, where the Governing Group and/or Community leaders are engaged in crafting and enforcing risk management processes. A well-functioning risk management framework ensures that Governing Groups and Community leaders can identify, assess and manage risks to protect their assets and stay within the tolerance levels set out in the Investment Policy. Adhering to high standards of risk management with sound operational controls and systems will also assist in maintaining a stable, transparent and open investment environment.

The risks that Governing Groups face in their investment operations can be classified into four broad categories: financial, operational, regulatory and reputational risks. The main financial risks are market risk (e.g. interest rate, foreign currency, equity and commodity price risks), credit risk (e.g. issuer, counterparty and settlement risks) and liquidity risk. The main operational risks include human risk (incompetence and fraud), business continuity risk, process risk, technology risk and legal risk. The main regulatory risk stems from changes in the laws and regulations governing the operation of Governing Groups in Australia as well as recipient countries, or from changes in the way such laws and regulations are applied. Reputational risk is the potential that negative publicity regarding a Governing Group’s business practices, whether true or untrue, may cause a decline in investment returns, costly litigation, and loss of counterparties.
IIP C.6.1 Sub-principle regarding risk management information, controls and audit

The risk management framework should include reliable information and timely reporting systems, which should enable the adequate monitoring and management of relevant risks within acceptable parameters and levels. The frameworks should also include control and incentive mechanisms, codes of conduct, business continuity planning and an independent audit function.

Explanation and commentary

The measurement and management of financial risks is typically done using quantitative methodologies and models. To assess, manage or mitigate operational risks, there should be an established and documented framework that has clear lines of responsibility, segregation of duties and reliable control mechanisms.

Codes of conduct and recruitment policies are important to ensure the professional and ethical behaviour of staff involved in the Governing Group’s operations. To ensure that the Governing Group can continue operating in case of a technology breakdown or natural disaster, contingency planning, including alternative sites of operation, is an important part of the framework. In mitigating regulatory and reputational risks, it is important to have systems to track current regulatory and legal requirements in each recipient country that the Governing Group invests in. The impact of any forthcoming changes in the regulatory environment should be assessed regularly. The risk management framework should be subject to a regular independent audit to satisfy the owner and the governing body(ies) that risks in the Governing Group are managed properly.

Governing Groups and their nominated Investment Committees (if applicable) can incorporate these requirements into their external investment manager and other service provider selection criteria.

IIP C.6.2 Sub-principle regarding disclosure of risk management framework

The Governing Group should disclose its risk management framework as appropriate and according to the Community’s requirements for transparency and accountability.

Explanation and commentary

Public disclosure of the Governing Group’s general approach to risk management and key governance actions, along with the soundness of its operations, will reassure external parties that the Governing Group, its governing body(ies) or management adheres to a high standard when managing operational, regulatory and reputational risks. However, certain elements of the risk management framework (such as information about the alternative sites of operation) that are considered to be sensitive information should not be disclosed. Adherence to high standards, including transparent operational control and risk management systems, will assist in maintaining a stable, transparent and open investment environment and engender confidence in the Community and its counterparties.
IIP C.7 Performance benchmarks

The Governing Group’s assets and investment performance (absolute and relative to benchmarks, if any) should be measured and reported to the Community according to clearly defined principles or standards.

Explanation and commentary

Accurate and consistent measurement and reporting of investments and investment performance will enable the Governing Group or its Investment Committee (if applicable) to make well-informed judgments about the performance of Community investments. Reliable performance measurement is also important for back-testing risk measurement models. For the Community, Governing Group and the Investment Committee, this is crucial for assessing how the investment process and investment managers are performing against defined objectives. Users that rely on asset valuation information need to be assured of the sound measurement of the underlying data.

Investment benchmarks are an important tool for assessing performance and monitoring accountability. If benchmarks are used, performance assessment and accountability will, among other things, take place by comparing the performance of the actual portfolio against the benchmark portfolio.

IIP C.8 Regular review

The Governing Group should regularly review the implementation of the Principles or appoint another party to do so.

Explanation and commentary

Governing Groups should use the Principles to review their existing arrangements and assess their ongoing implementation on a regular basis, with the results reported to the Community. The Governing Group can verify the implementation through self-assessment or by appointing a third party. The Governing Group may choose to publicly disclose the assessment to the extent it believes such disclosure is consistent with applicable laws and/or regulations.
GLOSSARY

Absolute return
The return that an asset achieves over a certain period of time.

Asset class
A group of securities that exhibit similar characteristics, behave similarly in their marketplace, and are subject to the same laws and regulations. The main asset classes are equities (stocks), property, fixed income (bonds) and cash equivalents (money market instruments). Others are called alternatives.

Benchmark portfolio
A benchmark portfolio is a reference portfolio or an index constructed on the basis of the Investment Policy. It serves as a basis for comparing the performance of the actual portfolio.

Community
Australian Aboriginal, and/or Torres Strait Islander people who have:
• a common culture, land or heritage
• a common purpose to prudently manage financial assets for the betterment of Aboriginal and Torres Strait Islander people (usually of a certain specific location), including both current and future generations.

Conversion of interest
In the context of the Principles, conversion of interest means the exchange of rights or interests in land and/or waters for financial assets (e.g. cash or freehold land). In many cases, Indigenous groups recognise this conversion of interest as imposed on them through native title or other legislation and regulations. The conversion of interest is therefore not always based on free, prior and informed consent by Indigenous people, despite Indigenous people arguing that it should be.

Derivatives
A security whose price is dependent upon, or derived from, one or more underlying assets. The derivative itself is merely a contract between two or more parties. Its value is determined by fluctuations in the underlying asset and the supply and demand for the security. The most common underlying assets include stocks, bonds, commodities, currencies, interest rates and market indexes. Derivatives may be characterised by high leverage.

Disclosure
Disclosure of information regarding investment policy and performance, in addition to that which is required by law, should be determined by the Governing Group and be consistent with the Community’s requirements for transparency and accountability. Except for matters that are deemed commercial in confidence, disclosure engenders trust in the process and the respect of counterparties.

Diversification
A risk management technique that mixes a variety of different types of investments in a single portfolio. The rationale behind this technique contends that a portfolio of different kinds of investments will generally yield higher average returns and reduce the risks of investing in a single asset class. This is due to the fact that no one investment type outperforms all others year-on-year, and that different asset classes perform at different rates across different stages of the economic cycle.

Equity
A stock or any other security representing an ownership interest. On a company’s balance sheet, the amount of the funds contributed by the owners (the stockholders) plus the retained earnings (or losses). Also referred to as shareholders’ equity.

Financial Capital
Funds received by the Community and Governing Group as a result of the conversion of interest and available for investment.

Free, prior and informed consent
The principle that a community has the right to give or withhold its consent to proposed activities that may affect the lands and waters that they customarily own, occupy or otherwise. It is a standard protected by human rights law that states all peoples have the right to self-determination and the right to freely pursue their economic, social and cultural development.

Governing Group
A group within the Community, constituted or non-constituted, which has the authority and leadership responsibility to make decisions on their behalf. The Governing Group conducts its affairs in accordance with protocols or procedures determined by the Community. The Governing Group can take a number of different forms, including (but not limited to):
• registered native title body corporate
• Indigenous corporation
• an Aboriginal land council
• a trust structure
• commercial entity
• non-constituted body such as a leadership group.
Impact investing
Impact investing refers to investments that aim to achieve a positive social, cultural or environmental benefit and some measure of financial return.

Indigenous
The term ‘Indigenous’ refers to Australian Aboriginal and/or Torres Strait Islander peoples.

Investment Committee
The Investment Committee is nominated by the Governing Group to take responsibility for overseeing its investments. It could be a sub-committee of the Governing Group or a related group that includes members of the Governing Group and external members chosen on the basis of their expertise. The Investment Committee will assist in developing the investment mandate(s) based on the purpose(s) determined by the Community. The Investment Committee is authorised to oversee or carry out the mandated investment activities. The composition of the Investment Committee might include representatives of the Governing Group’s governing body or bodies.

Investment and Spending Policy
The Investment and Spending Policy that guides the planning and implementation of the investable funds and spending rules.

Leverage
The use of various financial instruments or borrowed capital to increase the pool of assets with which to invest. Leverage magnifies both gains and losses. Leverage is the amount of debt used to finance the acquisition of assets. An investment with significantly more debt than equity is considered to be highly leveraged. Leverage is most commonly used in real estate transactions (the use of mortgages to purchase a home).

Liquidity
The degree to which an asset or security can be bought or sold in normal and stressed markets without materially affecting the asset’s price. Assets that can be easily bought or sold are known as liquid assets. The ability to convert an asset to cash quickly is also known as ‘marketability’.

Relative return
The return that an asset achieves over a period of time compared to a benchmark. The relative return is the difference between the absolute return achieved by the asset and the return achieved by the benchmark.

Reserve fund
An account set aside by an individual or business to meet any unexpected costs that may arise in the future, as well as the future costs of upkeep.

Risk
The chance that an investment’s actual return will be different than expected. Risk includes the possibility of losing some or all of the original investment.

Risk tolerance
Risk tolerance refers to an investor’s willingness and ability to handle declines in the value of his or her portfolio. For example, it can be expressed as the degree of uncertainty that an investor can accept with regard to a negative change in the value of the portfolio.

Social Enterprise
A Social Enterprise is a business or organisation that applies commercial strategies to maximise improvements in human and environmental well-being. This may include maximising social impact rather than profits for external shareholders.

Spending Rules
Spending Rules express the amounts and timing of Withdrawals from the funds consistent with the Purpose. The Spending Rules are set out in the Investment and Spending Policy. They will generally determine the amount and the timing of expenditure on Social Support and/or Social Enterprise through withdrawals from the funds in the short or long term depending on the purpose. The Rules should be developed in the early stages of drafting a Purpose and Investment and Spending Policy. Efforts should be made to adhere to the Spending Rules during uncertain times to protect the integrity of the Purpose.

ABBREVIATIONS
DG Drafting Group
IBA Indigenous Business Australia
WG Working Group
## Indigenous Investment Principles Working Group Members

<table>
<thead>
<tr>
<th>Name</th>
<th>Organisation/Group/Individual</th>
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<tr>
<td>Colin Adams</td>
<td>Tasmanian Investment Corporation</td>
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<td>Pary Agius</td>
<td>Agius Consulting Services</td>
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<td>Eileen Albert</td>
<td>Gunditj Mirring Traditional Owners Aboriginal Corp.</td>
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<td>Graham Atkinson</td>
<td>Federation of Victorian Traditional Owners</td>
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<tr>
<td>Gavin Brown</td>
<td>Darkinjung / Price Waterhouse Cooper Indigenous Consulting (PIC)</td>
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<td>Vincent Coulthard</td>
<td>Adnyamanthna Traditional Lands Association</td>
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<td>Bob Cox</td>
<td>Individual</td>
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<td>Craig Cromelin</td>
<td>NSW Aboriginal Land Council</td>
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<td>Doris Eaton</td>
<td>Yamatji Marlpa Aboriginal Corporation</td>
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<tr>
<td>Joseph Elu</td>
<td>Torres Strait Regional Authority</td>
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<tr>
<td>Malcolm Firth</td>
<td>South West Aboriginal Land and Sea Corporation</td>
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<td>Kate George</td>
<td>Claypan Services</td>
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<td>Warren Greatorex</td>
<td>Waardi Ltd</td>
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<tr>
<td>Simon Hawkins</td>
<td>Yamatji Marlpa Aboriginal Corporation</td>
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<td>Kate Holloman</td>
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<td>Marcia Langton</td>
<td>University of Melbourne</td>
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<td>Tony Lee</td>
<td>Nyamba Buru Yawuru Ltd</td>
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<tr>
<td>Bruce Martin</td>
<td>Aurukun Development Corp</td>
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<td>Credit Suisse</td>
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<tr>
<td>Brad Scott</td>
<td>EWM Group</td>
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<tr>
<td>Geoff Scott</td>
<td>National Congress of Australia’s First Peoples</td>
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<tr>
<td>Wayne SeeKee</td>
<td>Torres Strait Regional Authority</td>
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<tr>
<td>Graeme Smith</td>
<td>Manungurra Aboriginal Corporation</td>
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<td>Yvonne Stewart</td>
<td>Arakwal Aboriginal Corporation</td>
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<td>Mary Tarran</td>
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<td>Nick Thomas</td>
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<td>Ian Trust</td>
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<tr>
<td>Ian Ward-Ambler</td>
<td>Voyages Indigenous Tourism Australia</td>
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<tr>
<td>Brian Wyatt</td>
<td>National Native Title Council</td>
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<tr>
<td>Daniel Yunupingu</td>
<td>Gumatj Association</td>
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ENDORSEMENT

The Principles were endorsed by all those present at the Working Group Meeting, held in Darwin on 5 June 2015. Those present included:

<table>
<thead>
<tr>
<th>Working Group (WG) Members</th>
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<tr>
<td>Robynne Quiggin</td>
<td>Co-Chair, Drafting Group, Australian Indigenous Governance Institute</td>
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<td>Bruce Martin</td>
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<tr>
<td>Leo Bator</td>
<td>IBA</td>
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<td>Ken Markwell</td>
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<td>Cristilee Houghton</td>
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<td>Jana King</td>
<td>IBA</td>
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<td>Carmen Murdock</td>
<td>Individual</td>
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<td>Sharon Keefe</td>
<td>Individual</td>
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<tr>
<td>Grant Smart</td>
<td>KPP Business Development</td>
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Acknowledgement

Indigenous Business Australia’s (IBA) vision is for a nation in which Indigenous Australians are economically independent and an integral part of the economy. To ensure the development of the Indigenous Investment Principles was led by Indigenous people, IBA gathered the expertise of over 40 Traditional Owner Group members, Indigenous people from organisations working in investment and governance, and non-Indigenous experts in investment to form the Working Group and Drafting Group which drove the process. IBA provided secretariat support for the project and sponsored face to face Working Group Forums and Drafting Group meetings so the Indigenous and non-indigenous members could meet, talk through issues, draft and amend text and respond to feedback.