



Australian Government
Australian Reinsurance Pool Corporation

ARPC

Modern Slavery Statement

2020-2021



ARPC's structure, operations, and supply chains

The ARPC Board comprising a Chair and up to six other members is the accountable authority for the purposes of the PGPA Act. As required by the PGPA Act, ARPC has an Audit and Compliance Committee (A&CC) comprising members of the Board.

ARPC is located in Sydney and employs 25 staff.

ARPC does not own or control any other entities.

ARPC is a reinsurer to Australia's commercial property insurers for Declared Terrorism Incidents (DTI's). ARPC's purpose is to protect Australia from the economic losses caused by terrorism catastrophe.

ARPC's supply chains consist of contracted professional and government services including specialist consulting services for legal, internal audit, information technology, actuarial, insurance and reinsurance brokerage and building management (this includes cleaning of the office). ARPC's supply chains also include suppliers of IT equipment, office supplies (stationery), office maintenance services (including but not limited to plumbing, electrical, air conditioning and pest control services), office carpet cleaning, stakeholder travel related expenses, food supplies and ad-hoc catering.

Risks of modern slavery practices in the operations and supply chain of ARPC

Due to ARPC's supply chain consisting mostly of professional and government services, the risk of modern slavery practices within ARPC's supply chain is low. ARPC suppliers that operate in industries and workforce categories that may have higher risk for modern slavery include the provision of food suppliers, IT equipment purchases, incidental travel and office supplies. These higher risk suppliers commonly operate in industries susceptible to modern slavery risks such as agriculture, hospitality and tourism, and manufactured goods from overseas. However, ARPC's transactions in these areas are low volume and value.

Actions taken by ARPC to assess and address modern slavery risks

ARPC continues to apply the criteria developed during 2019-2020 to identify, assess and rank suppliers in terms of modern slavery risk. Based on the nature and operations of the supplier against the criteria, suppliers were ranked into high, medium, and low risk to modern slavery. In line with the 2019-2020 assessment of ARPC's supply chain, supplier activities for 2020-2021 were consistent with the previous financial year's assessment.

ARPC's reinsurance vendors are required to provide annual assurance of their commitment to the principles of the MS Act.

Where ARPC identifies any concerns with suppliers regarding modern slavery risk, due diligence is conducted by raising these matters with the supplier, with a view to them adjusting their approaches to modern slavery risks by implementing best-practice approaches. If the supplier chooses not to engage in corrective measures being implemented or assurance being provided, ARPC may consider discontinuing the relationship with the supplier. ARPC has not yet had to take any such remediation action.

ARPC's contract template and accompanying information sheet also requires suppliers to comply with the *Modern Slavery Act*.

How ARPC assesses the effectiveness of such actions



Modern Slavery Statement

This Modern Slavery Statement has been developed and published in accordance with *The Modern Slavery Act 2018 (Cth) (MS Act)* by the Australian Reinsurance Pool Corporation (ARPC), for the financial year ending 30 June 2021.

ARPC’s corporate purpose is to perform its statutory functions. ARPC expresses its purpose through its vision and mission, as well as its strategic priorities, the activities it will undertake to deliver them, and the performance measures used to determine success.

ARPC’s values of integrity, collaboration, personal leadership and delivering to stakeholders underpin its workplace culture. The values also support ARPC’s Code of Conduct.

ARPC’s functions under section 10 of the *Terrorism Insurance Act 2013 (TI Act)* are:

- a) to provide insurance cover for eligible terrorism losses (whether by entering into contracts or by other means); and
- b) any other functions that are prescribed by the Regulations.



Vision
To be an effective provider of terrorism risk insurance that facilitates private participation, supports national resilience and reduces losses arising from catastrophic events caused by terrorism.



Mission

- Provide **confidence** to the market, knowing that in the event of a claim we will pay claims and deliver on our promise.
- **Support recovery** following a terrorism incident.
- **Provide links** between government, national security and the private insurance market to enhance understanding of the risk.
- Address a market failure and provide cover for terrorism where the private insurance market is unable to.
- Lead **international collaboration** on terrorism risk insurance.



Values

- Integrity
- Collaboration
- Personal Leadership
- Delivering to our stakeholders
- Wellbeing



Strategic priorities

- Extend thought leadership and expertise 
- Engage, understand and collaborate with stakeholders 
- Provide a world class response to terrorism incidents 
- Embrace and evolve to a changing market environment 
- Enhance and strengthen the resilience and preparedness of our people and organisation 

About ARPC

The Australian Reinsurance Pool Corporation (ARPC) is a corporate Commonwealth entity established under the TI Act and subject to the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.



ARPC's Compliance Plan will include an annual assessment of ARPC's modern slavery compliance and effectiveness. This will include checking:

- Due diligence requirements in procurement procedure have been applied.
- Staff training has been implemented.
- ARPC Contracts include the provision of the modern slavery information sheet.
- Relevant legislative changes are monitored and implemented.

Addressing the impacts of COVID-19

ARPC's supply chain is predominately contracted professional services suppliers. ARPC believe its supply chain during COVID-19 was not exposed as far as we are aware to increased modern slavery risks for vulnerable workers. During 2020-2021 ARPC's supplier spending activity reduced from the previous financial year due to COVID-19 lockdowns and subsequent travel restrictions that limited purchases for travel, accommodation, hospitality/ meals, offsite conferencing, and training.

Processes of consultation with reporting entities

ARPC does not own or control any other entities.

Include any other relevant information

While not a requirement under the legislation, ARPC's commitment to the principles of the MS Act is displayed on the ARPC website through the following message:

'ARPC is committed to making sure that our operations and supply chain is free from modern slavery practices.

ARPC is dedicated to acting ethically, honestly, and with integrity in all business relationships and expect our supply chain to comply with similar values.

We strive to continually improve our processes of due diligence through the use of risk-based practices and controls throughout our procurement processes.

All staff have been trained on what modern slavery is and how it can impact individuals and groups within industries, organisations, and workplaces.

As a reporting entity under the Modern Slavery Act 2018, ARPC reports annually on its actions to assess and address modern slavery risks.'

This Modern Slavery Statement 2020-2021 has been approved by the Australian Reinsurance Pool Corporation Accountable Authority 30 November 2021.

Signed by
Mr Ian Carson
Board Chair

