



Australian Government
Australian Reinsurance Pool Corporation

ARPC Modern Slavery Statement 2024-2025



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 2025.

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, respect, service and wellbeing underpin its workplace culture. The values also support ARPC’s Code of Conduct.

ARPC’s functions under section 10 of the *Terrorism and Cyclone Insurance Act 2003 (Cth)* (TCI 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.



Purpose
ARPC’s purpose is to, through reinsurance, improve the accessibility and affordability of insurance for the Australian community for terrorism and cyclone risk.



Role
Administer the terrorism and cyclone reinsurance pools as legislated.

Strategic Priorities



Deliver sustainable reinsurance for eligible terrorism and cyclone events to enable insurers to deliver insurance coverage.



Optimise the pools to enhance effectiveness and affordability.



Build our data analytics and insights capability to support risk mitigation and enhance accessibility and affordability of insurance.



Continue to build capability and a customer and risk-focused culture to drive ongoing improvements in performance.



Corporate Values Service Integrity Respect Wellbeing

About ARPC

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

ARPC’s structure, operations, and supply chains

The ARPC Board - comprising a Chair, up to eight other Members, and optionally two Commonwealth-appointed Board observers - is the accountable authority for the purposes of the PGPA Act. As required by



the PGPA Act, ARPC has an Audit and Compliance (ACC), and a Board Risk Committee (BRC) comprising members of the Board.

ARPC is located in Sydney and employed 76 staff as at 30 June 2025.

ARPC is a reinsurer to Australia's property insurers for Declared Terrorism Incidents (DTI's) and Declared Cyclone Events (DCE's). ARPC's purpose is to protect Australia from the economic losses caused by terrorism and cyclone catastrophes.

ARPC's supply chains consist of contracted professional and government services including specialist consulting services for legal, internal audit, actuarial, insurance and reinsurance brokerage. ARPC's supply chain also includes data purchases including catastrophe modelling; as well as suppliers of technology solutions through BuyICT and direct supplier purchases (including leased equipment and software), office supplies (stationery), leased premises including facilities management, travel-related expenses, and ad-hoc catering.

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

As ARPC's supply chain consists mostly of professional, retrocession counter-party placements and government services, the risk of modern slavery practices within ARPC's supply chain is low. ARPC's risk assessment criteria for high-risk suppliers includes those that operate in industries that are susceptible to modern slavery risks such as agriculture, hospitality and tourism, and manufactured goods from overseas. ARPC's current supplier transactions that may fall within industries that meet the high-risk assessment criteria includes provision of food suppliers, IT equipment, incidental travel, and office supplies. However, ARPC's transactions in these areas are low in volume and value.

ARPC's total spend on goods and services has decreased in 2024-2025 compared to the previous year. There has, however been a significant decrease in consultancy spend, which was mostly offset by an increase in ICT spend. The ICT spend increase can be attributed to the purchase of additional software and data licences, enhancements to ARPC's reinsurance system and an increase in consumption charges.

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. The assessment of ARPC's supplier activities in 2024-2025 was consistent with the assessment of ARPC's supply chain in previous years. The assessed modern slavery risk remains low.

ARPC purchases retrocession that supports the terrorism pool on an annual basis with retrocession suppliers. For the 2024 retrocession program, the agreement clause for modern slavery risks were reviewed and updated to ensure compliance with the MS Act and alignment with requirements for the Public Sector. The MS clause sets out reinsurer requirements for compliance and notification of instances of modern slavery in operations or supply chains. A new retrocession agreement is executed for all suppliers for each annual retrocession placement program.

ARPC has reinsurance agreements with our cyclone pool insurer customers. These agreements include a clause on modern slavery requiring that each party to the agreement comply with their Modern Slavery obligations to identify and address the risk of modern slavery in their operations and supply chains. The agreement also stipulates that each party may request information from the other to comply with its reporting obligations and imposes a requirement on each party to notify the other if they become aware of any suspected or confirmed instances of modern slavery in their operations or supply chains.



In mid-2023, ARPC introduced a new form as part of its vendor onboarding and management process to collect relevant information pertaining to Modern Slavery. This form requires vendors to confirm their annual consolidated revenue in accordance with the MS Act and provide assurance that where applicable they comply with the requirements of the MS Act (or equivalent if in another jurisdiction). ARPC's contract template and accompanying information sheet also require suppliers to comply with 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 has policies and procedures in place to safeguard the integrity and delivery of ARPC's strategic priorities and business activities, support the management of risk and compliance with regulatory requirements and where relevant reflect principles of equity, fairness, inclusivity and mitigating the risk of modern slavery occurring in our supply chains.

Policies are reviewed and approved by ARPC's Board, with procedures reviewed and approved by Senior Executives.

Policy / Procedure	Description
ARPC Code of Conduct	The Code of Conduct sets out the standards of behaviours for employees and Board members.
Procurement Policy	Sets out the requirements for the conducts of all ARPC procurements, including assessing procurement risks, procurement methods and corporate social responsibility.
Work Health & Safety Policy	Outlines ARPC's commitment to providing a healthy and safe workplace which reflects ARPC values and obligations of the Work Health & Safety Act 2011.
Risk Management Policy	This policy establishes ARPC's risk management principles, and assists delivering on the Risk Management Strategy, ensuring risks are managed within the guardrails established by the ARPC Risk Appetite Statement.
Incident Reporting Procedure	The purpose of this procedure is to plan for, respond to, manage, escalate and resolve an incident quickly and effectively, bringing it under control, and limiting the impact.
Public Interest Disclosure Procedure	This procedure outlines who can make public disclosures, how they can be made, what is covered under the Public Interest Disclosure Act 2013, protection mechanisms and how ARPC will deal with received disclosures.
Contracts Register	ARPC records all third-party contracts in a centralised register.
Standard contracts	Standard contracts, which include modern slavery clauses are used where appropriate and applicable.
Compliance training	Mandatory compliance training is undertaken on induction and annually by all employees.

How ARPC assesses the effectiveness of such actions

ARPC assesses the nature of our operations and supply chain annually as part of the modern slavery reporting process. Generally, ARPC's operations and supply chain are consistent in nature for each financial year therefore, the initial assessment made in 2019-2020 for modern slavery risk remains low.

ARPC monitors the effectiveness of actions taken to address modern slavery risks annually through the following KPIs:

Area	Measure	% or No.
Compliance training	% of employees/contractors completing the following training: <ul style="list-style-type: none"> • Public Interest Disclosure awareness • Fraud awareness • Anti-bribery and corruption • Risk Management awareness 	100%
Supply chain transparency	% of contracts entered into with a value of \$100,000 including GST or more. Senate Order reporting and published on the ARPC website.	100%
Reports – modern slavery	No. of public interest disclosure reports received about modern slavery.	0
Incidents raised – modern slavery	No. of issues or incidents raised under our internal incident procedure in relation to modern slavery in our supply chain.	0

ARPC undertakes vendor due diligence, including risks of modern slavery each time a new vendor is onboarded in our supply chain.

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 2024-2025 has been approved by the Australian Reinsurance Pool Corporation Accountable Authority 3 December 2025.



Signed by
Ms Julie-Anne Schafer
Board Chair