



Australian Government  
Australian Reinsurance Pool Corporation

# ARPC Modern Slavery Statement 2019 - 2020



## 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 2020.

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 delivery 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



### 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 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 23 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, 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 and IT equipment purchases. These suppliers commonly operate in high risk industries such as agriculture, manufactured goods from overseas and therefore have some susceptibility to modern slavery.

### Actions taken by ARPC to assess and address modern slavery risks

ARPC developed and applied criteria 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. 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

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.

### Processes of consultation with reporting entities

Not applicable to ARPC.

### Include any other relevant information

While not a requirement under the legislation, ARPC's commitment to the principles of the MS Act will be 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 2019-2020 has been approved by the Australian Reinsurance Pool Corporation Accountable Authority 22 March 2021.

Signed by  
Mr Ian Carson  
Board Chair


