Australian Government
Australian Reinsurance Pool Corporation

Risk and Compliance Committee Charter

July 2026

1. Introduction

The Australian Reinsurance Pool Corporation (ARPC) is a Corporate Commonwealth Entity established under the *Terrorism and Cyclone Insurance Act 2003* (TCI Act) and operates under the provisions of both the TCI Act and the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The ARPC Accountable Authority, which is the Board, has established an audit committee in compliance with section 45 of the PGPA Act and section 17 of the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule). In addition, the Board has established this Risk and Compliance Committee (Committee) to support the governance of risk and compliance. Collectively the audit committee and the Risk and Compliance Committee establish ARPC's systems of risk oversight and control to meet the legislative obligations of the Board under the PGPA Rule.

This charter sets out the Committee's role and responsibilities and its administrative arrangements.

2. Objectives

The Board retains accountability for the overall governance of ARPC. The Committee's role is to assist the Board in the effective discharge of its responsibilities in relation to:

- risk management policies and frameworks, ensuring that they remain appropriate to the size and complexity of ARPC and are consistent with ARPC's Corporate Plan
- identification, assessment and management of risk (both financial and non-financial risks) in accordance with those policies and frameworks and within Board approved risk appetite settings; and
- for reviewing the appropriateness of management's approach to maintaining an effective internal control framework.

The Committee acts in an advisory capacity and reports directly to the Board regarding its activities set out in this charter. The Committee has no delegated or decision-making authority from the Board, unless expressly set out in this charter.

3. Role and Responsibilities

3.1 Risk Management

The Committee has the following responsibilities to:

- review and monitor the effectiveness of the risk management framework,
- review and recommend to the Board ARPC's risk appetite and management of risk appetite,
- review and monitor ARPC's risk profile, risk maturity and management actions including:
    - ARPC's performance against the operation of the Risk Management Policy,
    - assessment of key current and emerging risks exposures,
    - actions to manage risks within risk appetite,
    - actions to strengthen risk management practices including control environments, and
    - actions to address significant risk incidents including lessons learned and systemic issues.
- review and monitor management's assessment of risk culture and actions to ensure a sound risk culture is maintained

- review and monitor ARPC's work, health and safety, business continuity, fraud and corruption arrangements, and
- review and monitor the adequacy of ARPC's information security arrangements.

3.2 Compliance Management

The Committee has the following responsibilities including:

- review and monitor the appropriateness of processes for assessing whether key policies and procedures, reporting obligations, laws, regulations and standards are being complied with,
- reviewing litigation and claims management considerations of legal and compliance risks,
- the management of important judgments and accounting estimates
- processes for the management and investment of funds,
- processes for monitoring and managing the existing service level agreements.

In carrying out its role, the Committee:

(i) will meet regularly with the internal auditor and the external auditor to discuss ARPC's control environment, including the processes for improvement; and

(ii) may review and investigate any matter, or any matter referred to it by the Board, within the scope of this charter and make recommendations to the Board in relation to the outcomes of the review or investigation.

4. Authority

The Board authorises the Committee, within its responsibilities to:

- obtain any information it requires from any official or external party (subject to any legal obligation to protect information),
- discuss any matters with other external parties, where appropriate (subject to confidentiality considerations),
- request the attendance of any ARPC official, including Members of the Board, at Committee meetings, and
- obtain legal or other professional advice at the entity's expense, as considered necessary to meet its responsibilities.

5. Structure and Membership

5.1 Composition

The Committee consists of at least three Members, all of whom are to have appropriate qualifications, skills or experience, and are appointed by the Board. All other Members may attend Committee meetings as observers.

The Board will appoint the Committee Chair. The Committee Chair cannot be the Board Chair.

The Committee can appoint an acting chair in the absence of the Committee Chair.

The Chief Executive, Chief Financial Officer, Chief Risk Officer, Chief Operating Officer, Company Secretary and internal auditor are standing invitees to committee meetings. Other management representatives may attend meetings as determined between the Chief Executive and Committee Chair. All invitees attend as advisers or observers but are not members of the Committee.

Membership of the Committee is reviewed periodically (but at least every three years) by the Board with the aim of achieving an appropriate balance between continuity of membership, the contribution of fresh perspectives and a suitable mix of qualifications, knowledge, skills and experience.

If a Committee member for any reason ceases to be a Board Member, that member immediately ceases to be a Committee member. Committee members wishing to resign from the Committee must provide a written resignation to the Chair of the Board. The Board will appoint a successor in a timely manner, so that the Committee remains constituted.

5.2 Role and Responsibilities of the Committee Chair and Committee Members

The Committee Chair is responsible for:

- the conduct of all Committee meetings including (in consultation with management) setting the agenda and ensuring that agenda items and the forward plan align with the Committee's responsibilities, and
- facilitating the effective contribution of all Committee members.

5.3 Meeting Operations

The Committee will meet at least three times per year. Additional meetings may be convened, if deemed necessary, by the Committee Chair to meet any specific requirements of the Committee.

Secretariat support is provided to the Committee by the Company Secretary of ARPC. The secretariat will ensure the agenda for each meeting is approved by the Committee Chair, the agenda and supporting papers are circulated as required, and the minutes of the meeting are prepared and maintained.

5.4 Declarations of Interest

At the beginning of each Committee meeting, committee members are required to declare any material personal interests that may apply to specific matters on the meeting agenda in accordance with the Board Conflicts of Interest Policy.

Where required, a committee member will be excused from the meeting or from the Committee's consideration of the relevant agenda item(s).

5.5 Quorum and Voting

A quorum will consist of at least two members of the Committee in attendance at the same time, including via telephone or video conferencing. A quorum must be in place at all times during the meeting.

Each committee member has one vote and the Committee Chair does not have a second or casting vote. A question is decided by a majority of the votes of the committee members present and voting.

Where a resolution is unable to be met during a Committee meeting, an out of session circular resolution may take place, organised by the Secretariat and the Committee Chair. A resolution is taken to have been passed if the majority of committee members indicate agreement with the resolution and that majority would have constituted a quorum at a meeting of the Committee.

5.6 Reporting and Review

The Committee Chair, or their nominee will report to the Board after each meeting of the Committee regarding its activities.

The minutes of each Committee meeting must be included in the papers for the next schedule Board meeting following approval by the Committee Chair.

The Committee Chair, in consultation with the Chair of the Board, will initiate a review of the performance of the committee at least annually. The review is conducted on a self-assessment basis (unless otherwise determined by the Board), with appropriate input sought from all relevant stakeholders, as determined by the Chair of the Board.

In consultation with the Board, the Committee will review the committee charter at least once every three years. Any substantive changes to the charter are to be recommended by the Committee to the Board for approval.

5.7 Access to Officers

The Chief Risk Officer has direct and unrestricted access, to the Committee Chair in order to fulfil their respective roles and functions.

6. Key related documents and Version Control

Key documents related to this Charter include:

- Board Charter
- Audit Committee Charter

7. Version Control table

Date	Version	Author	Summary of changes/circulated to/approved by
July 2026	4.0	Company Secretary	Circular resolution passed on 28 July 2026 to remove the cross-membership requirement in section 5.1 of the Risk and Compliance Committee Charter.
January 2026	3.0	Company Secretary	Transition of compliance oversight responsibilities from the Audit and Compliance Committee to the Risk Committee.
August 2025	2.0	Company Secretary	Reviewed within 12 months of the Committee's establishment. No changes were required.
July 2024	1.0	Company Secretary	Creation of Risk and Compliance Committee Charter.