

Executive Accountability Framework

February 2023



RESERVE BANK OF AUSTRALIA

Contents

Overview	1	Accountabilities of Executives within their functional area	11
Figure 1: Executive Structure of the Reserve Bank of Australia	2	The Bank's Boards and Committees	12
Table 1: Accountabilities of Executives at the Bank	3	Figure 2: Structure of the Bank's Boards and Committees	12
Bank-wide accountabilities of Executives	5	Reserve Bank Board	13
Governor	5	Payments System Board	13
Deputy Governor	6	Reserve Bank Board Audit Committee	14
Assistant Governor (Business Services)	6	Reserve Bank Board Remuneration Committee	14
Assistant Governor (Corporate Services)	6	Note Printing Australia Limited Board	14
Assistant Governor (Economic)	7	NPAL Board Audit and Risk Committee	14
Assistant Governor (Financial Markets)	7	Executive Committee	15
Assistant Governor (Financial System)	7	Investment Committee	15
Chief Risk Officer	8	Technology Committee	15
Head of Audit Department	8	Data Governance Committee	15
Chief Financial Officer	9	Diversity and Inclusion Council	15
Head of Human Resources Department	9	Risk Management Committee (and Information Governance Committee)	16
Head of Information Department	10	Incident Assessment Team (IAT)	16
Head of Workplace Department	10	Crisis Management Group (CMG)	16
Chief Information Officer	10	Talent Management Committee (TMC)	17

Overview

Executives at the Reserve Bank of Australia (the Bank) are held to high standards of accountability. Clear accountability is the foundation for the Bank to promote good governance and a strong culture in pursuit of its objectives. In support of this, the Executive Accountability Framework (EAF) outlines where accountability lies within the executive team for the Bank's functions and operations. These Executives are accountable for the decisions, actions and outcomes in these areas. The Bank's Executive Structure is outlined in Figure 1 and the accountabilities of Executives are summarised in Table 1.

The accountabilities are set out in more detail in the Bank's broader governance framework, including the following legislation and documents:

- the *Reserve Bank Act 1959* (Reserve Bank Act), the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and other relevant legislation
- the key Bank policies that set the framework for decision-making across the areas of governance, risk, work safety, staff conduct and the use of Bank resources
- the charters of the Bank's boards and committees that are responsible for strategy, management and compliance.

The EAF is part of the Bank's wider framework for governance and transparency. This includes the publication of statements following meetings of the Reserve Bank Board (Board) and the Payments System Board (PSB), appearances before Parliamentary committees, the publication of the annual report and corporate plan, and the Bank's regular communication and community engagement.

The key elements of the Bank's EAF are:

- the Bank-wide accountabilities of Executives and
- the accountabilities of Executives within their functional area.

The responsibilities of the Bank's boards and committees are also set out in this document. The governance structure of these boards and committees is presented in Figure 2.

Figure 1: Executive Structure of the Reserve Bank of Australia

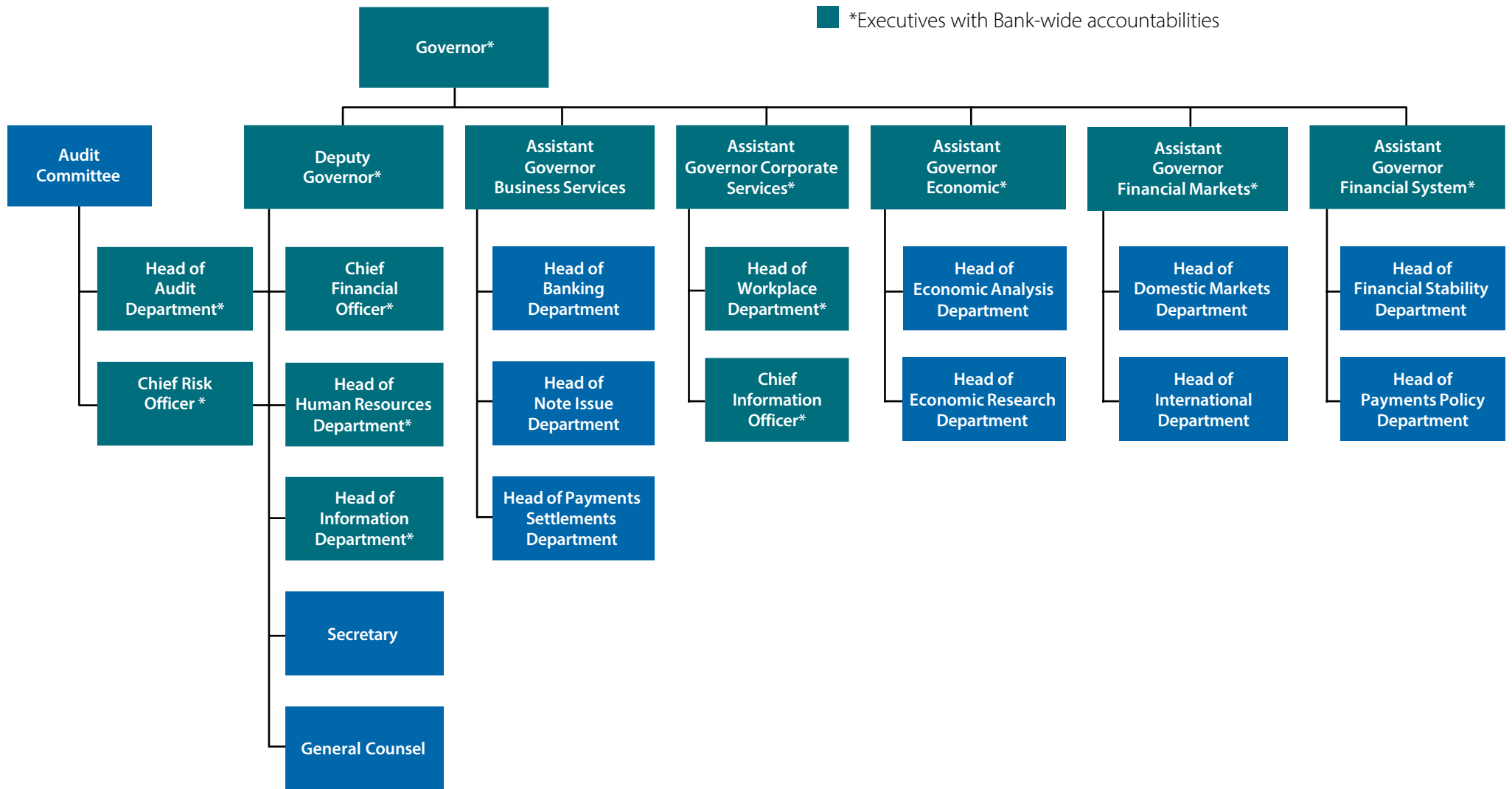


Table 1: Accountabilities of Executives at the Bank

Accountabilities	Executives with Bank-wide accountabilities														Executives accountable within their functional area
	Gov	DG	AG (BS)	AG (CS)	AG (EC)	AG (FM)	AG (FS)	CRO	AD Head	CFO	HR Head	IN Head	WP Head	CIO	
Management of the Bank	✓														
Governance and reporting	✓														
Strategy				✓											✓
Management of the Bank's financial portfolios						✓									
Investment expenditure		✓													✓
Financial reporting										✓					
Expenditure & payment approval										✓					✓
Communications	✓														
Information management												✓			
Freedom of information	✓														
Monetary and financial policies	✓														
Advice on the economy					✓										
Advice on financial markets						✓									
Advice on financial stability							✓								
Regulatory cooperation	✓						✓								
Internal audit and reporting									✓						
People and culture															
People management											✓				✓
The Bank's culture	✓							✓			✓				✓
Work health and safety											✓				✓
Workplace behaviour											✓				✓
Conflicts of Interest								✓							✓
Diversity and Inclusion		✓													✓
Investigate reports of wrongdoing	✓	✓						✓							

Table 1: Accountabilities of Executives at the Bank (continued)

Accountabilities	Executives with Bank-wide accountabilities														Executives accountable within their functional area
	Gov	DG	AG (BS)	AG (CS)	AG (EC)	AG (FM)	AG (FS)	CRO	AD Head	CFO	HR Head	IN Head	WP Head	CIO	
Risk management & compliance		✓													✓
Financial risk management						✓		✓							
Fraud Control	✓							✓							✓
AML/CTF			✓												✓
Sanctions								✓							✓
Privacy								✓							✓
Operational resilience															
Business continuity								✓							✓
Crisis management	✓			✓									✓		
Incident response & recovery				✓											
Third party risk									✓						✓
Business services															
Banking services			✓												
Australian banknotes			✓												
Payments settlements			✓												
Corporate services															
Technology services				✓											✓
Technology systems															✓
Data governance				✓											
Protective security															
<i>of people</i>										✓					
<i>of information assets</i>											✓				
<i>of physical premises</i>												✓			
<i>of technology assets</i>													✓		
Maintaining Bank facilities													✓		
Procurement									✓						✓

Bank-wide accountabilities of Executives

Governor

The Governor is appointed by the Treasurer and leads the Bank in pursuing its mission to promote the economic prosperity and welfare of the people of Australia. As Chair of the Board and the PSB, the Governor has the central role in coordinating and setting the Bank's monetary and financial policies. The Governor is also the Bank's principal spokesperson and ensures the Bank's policies are well understood both externally and within the Bank.

Management of the Bank: The Governor manages the Bank under the Reserve Bank Act and is the Chair of the Bank's Executive Committee (Exco).

Governance and reporting: The Governor is the 'Accountable Authority' of the Bank under the PGPA Act. The Governor is accountable for fulfilling the Bank's governance and reporting obligations, including through the publication of the annual report and corporate plan and ensuring arrangements are in place for the disclosure of material personal interests. The Governor is accountable to the Australian Parliament, including through regular appearances before Parliamentary committees.

Strategy: the Governor is accountable for setting the Bank's strategic direction and approving the Strategic Plan.

Communications: the Governor is the Bank's chief spokesperson. The Reserve Bank Board and Payments System Board have agreed that the Governor (and where appropriate the Deputy Governor) is the spokesperson for the Board on monetary, financial system stability and payments policy matters respectively.

Fraud control: The Governor is accountable for taking all reasonable measures to prevent, detect and deal with fraud, in accordance with the PGPA Act.

The Bank's culture: The Governor is accountable for setting a clear 'tone from the top' as a strong foundation for the Bank's culture.

Monetary and financial policies: The Governor is accountable for implementing the governance and monetary policy framework set out in the [Statement on the Conduct of Monetary Policy](#). The Governor is accountable for discharging the obligation of the Board to inform the Government of its monetary policy from time to time, including through regular discussions with the Treasurer.

Investigate reports of wrongdoing: The Governor is accountable for ensuring the integrity, independence and effectiveness of the Bank's policies and procedures on whistleblowing and that staff who raise concerns are protected from detrimental treatment as set out in the Reporting Wrongdoing Policy. The Governor is the 'Principal Officer' and an 'Authorised Officer' for the purposes of the *Public Interest Disclosure Act 2013*.

Freedom of Information: The Governor is accountable for fulfilling the Bank's obligations under the *Freedom of Information Act 1982* as the 'Principal Officer' of the Bank.

Regulatory cooperation: As Chair of the Council of Financial Regulators (CFR), the Governor is accountable for the Bank cooperating with APRA, ASIC and the Australian Treasury, as set out in the [CFR's Charter](#).

Crisis management: The Governor is accountable for crisis management at the Bank as Chair of the Crisis Management Group under the Incident Management Framework.

Bank-wide accountabilities of Executives

Deputy Governor

The Deputy Governor (DG) is appointed by the Treasurer and is the Deputy Chair of the Board. The DG oversees the integrity and independence of the Bank's internal audit and risk functions, and the performance of the Bank's finance, human resources and information functions.

Management of the Bank: The DG shall perform such duties (including those mentioned below) as are directed or delegated by the Governor and would, in the event of a vacancy in the office of Governor, perform the duties of Governor.

Risk management: The DG is accountable for risk management at the Bank as Chair of the Risk Management Committee (RMC), including oversight of the Bank's three lines of accountability model, consistent with the [Risk Management Policy](#) and the [Risk Appetite Statement](#).

Diversity and inclusion: The DG is accountable for the Bank being a diverse and inclusive workplace as Chair of the Diversity and Inclusion Council, consistent with the Diversity and Inclusion Statement of Commitment.

Investment expenditure: The DG is accountable for the Bank's investment expenditure decisions as Chair of the Investment Committee, by ensuring that investments are aligned to the Bank's strategic plan, deliver value for money and that the associated benefits are realised, including by holding project steering committees accountable for delivery.

Investigate reports of wrongdoing: The DG is accountable for ensuring the integrity, independence and effectiveness of the Bank's policies and procedures on whistleblowing and that staff that raise concerns are protected from detrimental treatment as set out in the Reporting Wrongdoing Policy. The DG is an 'Authorised Officer' for the purposes of the *Public Interest Disclosure Act*.

Assistant Governor (Business Services)

The Assistant Governor (Business Services) (AG(BS)) reports to the Governor and manages Business Services Group (BSG). BSG provides transactions-based services to the Bank's customers, including the Australian Government, distributes Australia's banknotes, and provides payments settlement services to financial institutions.

Banking services: The AG(BS) is accountable for providing banking services to Australian Government departments and agencies, including the management of the Government's core accounts and transactional banking.

Australian banknotes: The AG(BS) is accountable for the design, issue, reissue and cancellation of Australian banknotes to maintain the capacity of Australian banknotes to provide a safe, secure and reliable means of payment and store of value.

Payments settlements: The AG(BS) is accountable for the operation of the Reserve Bank Information and Transfer System, to support the settlement of payments and interbank obligations arising from the conduct of

Exchange Settlement Accounts and the Bank's own trading activities.

Anti-money laundering/counter-terrorism financing (AML/CTF): The AG(BS) is accountable for the Bank's compliance with its AML/CTF obligations, consistent with the AML/CTF Policy.

Assistant Governor (Corporate Services)

The Assistant Governor (Corporate Services) (AG(CS)) reports to the Governor and manages Corporate Services Group (CSG). CSG delivers technology systems and infrastructure, workplace services and data governance to support the day-to-day operations of the Bank.

Strategy: the AG(CS) is accountable for coordinating activities to formulate the Bank's Strategic Plan and report progress against it.

Technology services: The AG(CS) is accountable for the Bank's technology services to meet the needs of the Bank, including as Chair of the Technology Committee (TC).

Data governance: The AG(CS) is accountable for the Bank's data governance as Chair of the Data Governance Committee and oversees the Enterprise Data Office.

Protective security: The AG(CS) is accountable for the security of people, technology assets and physical premises, consistent with the Protective Security Framework.

Bank-wide accountabilities of Executives

Crisis management: The AG(CS) is accountable for incident response and recovery at the Bank as Chair of the Incident Assessment Team and Facilitator of the Crisis Management Group under the Incident Management Framework.

Assistant Governor (Economic)

The Assistant Governor (Economic) (AG(EC)) reports to the Governor and manages Economic Group (EC). EC analyses economic trends, both domestic and overseas, produces forecasts and undertakes research relevant to the framing of policy in a number of areas of the Bank's responsibility.

Advice on the economy and monetary policy:

The AG(EC) is accountable as principal adviser to the Governor, Deputy Governor and the Board on monetary policy and the working of the Australian macro-economy.

Assistant Governor (Financial Markets)

The Assistant Governor (Financial Markets) (AG(FM)) reports to the Governor and manages Financial Markets Group (FMG), which implements the Bank's operations in domestic and foreign exchange markets, monitors developments in financial markets and coordinates the Bank's relationships with international institutions.

Advice on financial markets: The AG(FM) is accountable as a principal adviser to the Governor, Deputy Governor and the Board on monetary policies and on financial market developments and markets-related policy.

Management of the financial portfolios: The AG(FM) is accountable for the management of the Bank's financial portfolios, including foreign currency and gold reserves, central bank foreign exchange swaps, domestic market operations, and the Bank's domestic portfolio, under a delegation from the Governor in the Financial Risk Management Governance Policy.

Financial risk management: The AG(FM) is accountable (along with the Chief Risk Officer) for the Bank's financial risk management, consistent with the Financial Risk Management Governance Policy.

The AG(FM), in conjunction with the Chief Risk Officer, is to ensure that the Bank's credit exposure guidelines remain appropriate, and to monitor compliance with those guidelines.

Assistant Governor (Financial System)

The Assistant Governor (Financial System) (AG(FI)) reports to the Governor and manages Financial System Group (FSG), which supports the Bank's responsibilities for financial system stability and its role in payments system oversight and regulation.

Advice on financial stability: The AG(FI) is accountable for advising the Governor, Deputy Governor and the Board on financial stability.

Regulatory cooperation: The AG(FI) is accountable for the Bank cooperating with APRA, ASIC and the Australian Treasury, as a Bank representative on the CFR, as set out in the [CFR's Charter](#).

Bank-wide accountabilities of Executives

Chief Risk Officer

The Chief Risk Officer reports to the Deputy Governor and the Board Audit Committee, and manages Risk Management Department (RM). RM supports the consistent and effective application of the Bank's framework for managing risk, both at the enterprise level and for individual business units, including co-ordinating second-line activities across the Bank. RM also assists departments to identify, understand and manage their compliance obligations. RM monitors and reports on portfolio risks and compliance and provides second-line assurance and challenge with respect to the Bank's operations in financial markets.

Financial risk management: The Chief Risk Officer is accountable (along with the AG(FM)) for the Bank's financial risk management, consistent with the Financial Risk Management Governance Policy. The Chief Risk Officer, in conjunction with the AG(FM), is to ensure that the Bank's credit exposure guidelines remain appropriate, and monitor compliance with those guidelines. The Chief Risk Officer is to ensure that there is adequate legal documentation for the Bank's operations in financial markets.

Risk culture: The Chief Risk Officer is accountable for defining, embedding and measuring the Bank's risk culture, including how staff identify, understand, discuss and act on risks (jointly with the Head of HR).

Fraud control: The Chief Risk Officer is accountable for fraud control at the Bank, consistent with the Fraud Control Policy.

Conflicts of interest: The Chief Risk Officer is accountable for maintaining, on behalf of the Governor, instructions to staff for the disclosure of material personal interests, consistent with the Code of Conduct for Reserve Bank Staff and PGPA Act and as set out in the Disclosure of Material Personal Interests – Instructions.

Sanctions: The Chief Risk Officer is accountable for the Bank's compliance with all applicable sanctions obligations and the management of sanctions risk, consistent with the Sanctions Policy.

Investigate reports of wrongdoing: The Chief Risk Officer is accountable for the proper handling of disclosures as an 'Authorised Officer' for the purposes of the Public Interest Disclosure Act for the Reporting Wrongdoing Policy.

Privacy: The Chief Risk Officer is accountable for the Bank's compliance with the Bank's privacy obligations as the Bank's Privacy Champion, consistent with the Privacy Guidelines.

Business continuity: The Chief Risk Officer is accountable for co-ordinating the Bank's arrangements for business continuity management and business resilience, consistent with the [Risk Appetite Statement](#), the Incident Management Framework and Business Continuity Management Policy.

Head of Audit Department

The Head of Audit Department (AD) reports to the Deputy Governor and the Board Audit Committee, and manages AD. AD conducts independent appraisals of the Bank's activities, functions and operations to ensure that the system of risk management and internal control has been established and is operating effectively.

Internal audit and reporting: The Head of AD is accountable for undertaking a risk-based audit program and implementing the [Audit Department Charter](#). The Head of AD is accountable for providing independent and objective assurance to the Board Audit Committee and senior management on the Bank's activities.

Bank-wide accountabilities of Executives

Chief Financial Officer

The Chief Financial Officer (CFO) reports to the Deputy Governor and manages Finance Department (FA). FA is responsible for the Bank's financial statements and taxation reporting obligations, preparing the Bank's budget, oversees the Bank's procurement activities and providing a range of support services, including corporate payments, payroll and travel, and managing the Bank's Enterprise Portfolio Management Office.

Financial reporting: The CFO is accountable for the production and integrity of the Bank's financial information and its regulatory reporting, including in support of the Bank's Corporate Plan.

Expenditure and payment approval: The CFO is accountable for expenditure and payment approval at the Bank, consistent with the Expenditure and Payment Approval Policy.

Procurement: The CFO is accountable for procurement and disposal of assets, consistent with the Procurement and Disposal Policy.

Third party risk: The CFO is accountable for the framework supporting effective contract and performance management of external suppliers, in line with the Procurement and Disposal Policy.

Head of Human Resources Department

The Head of Human Resources Department (HR) reports to the Deputy Governor and manages HR, which provides a range of people-related services to support the Bank in maintaining a productive and engaged workforce. This includes recruiting high-quality employees as well as implementing policies and programs that cover employment conditions, reward, development, diversity and workplace health and safety.

People management: The Head of HR is accountable for recruitment, development and training, performance management, promotion, remuneration, and employment terms and conditions, consistent with the Position Management Policy, the Leave Management Policy and the RBA Workplace Agreement 2021.

The Bank's culture: The Head of HR is accountable for frameworks to define, measure and embed a culture in line with the Bank's values, as set out in the Code of Conduct (and shared with Chief Risk Officer in relation to risk culture).

Work health and safety: The Head of HR is accountable for managing work health and safety at the Bank, consistent with the [Work Health and Safety Policy](#).

Protective security of people: The Head of HR is accountable for the security of people, including screening and conduct, consistent with the Protective Security Framework.

Workplace behaviour: The Head of HR is accountable for managing workplace behaviour at the Bank, consistent with the [Code of Conduct for Reserve Bank Staff](#) and the Workplace Behaviour Policy.

Bank-wide accountabilities of Executives

Head of Information Department

The Head of Information Department (IN) reports to the Deputy Governor and manages IN. IN is responsible for the Bank's information management framework, information governance, digital records management system, its archives and public access to information that is required to be in the public domain.

Information management: The Head of IN is accountable for the Information Governance Framework at the Bank and the associated Policy.

Protective security of information assets: The Head of IN is accountable for the framework in support of the protective security of information assets stored in TRIM, in network drives and collaborative systems, and selected shared output from business systems, consistent with the Protective Security Framework.

Head of Workplace Department

The Head of Workplace Department (WP) is responsible for the management of the Bank's physical assets, the maintenance of its properties and building infrastructure, and the delivery of workplace services.

Maintaining Bank facilities: The Head of WP is accountable for property management, building works, infrastructure maintenance and repairs, fire and emergency control, and various facility services, consistent with the [Work Health and Safety Policy](#).

Crisis management testing and emergency control: The Head of WP is accountable for crisis preparations, testing and emergency control at the Bank, consistent with the Incident Management Framework and the Business Continuity Management Policy.

Protective security of physical premises: The Head of WP is accountable for the security of the Bank's physical premises, consistent with the Protective Security Framework and the Physical Security for RBA Premises Policy.

Chief Information Officer

The Chief Information Officer (CIO) reports to the AG(CS) and manages Information Technology Department (IT). IT is responsible for the efficient, effective, compliant and secure use of information technology to support the Bank's policy, operational and corporate functions.

Protective security of technology assets: The CIO is accountable for the security of information and communication technology systems, including risks arising from cyber-threats, consistent with the Protective Security Framework and the Information Systems Security and Acceptable Use Policy.

Technology services: The CIO is accountable for developing the technology strategy to support the Bank's policy, operations and corporate functions.

Technology systems: The CIO is accountable for ensuring that the Bank's technology assets are secure and resilient and appropriately support the Bank's operations, consistent with the Bank's Business Continuity Management Policy.

Accountabilities of Executives within their functional area

Strategy: All executives are accountable for supporting implementation of the Bank's Strategic Plan within their functional areas.

Investment expenditure: All Executives are accountable the delivery of material projects, including that benefits are realised and costs are managed, including through their role as business sponsors and members of relevant Steering Committees under the oversight of the Investment Committee.

Expenditure and payment approval: All Executives are accountable for expenditure and payment approval in their functional area, consistent with the Expenditure and Payment Approval Policy.

People management: All Executives are accountable for overseeing the selection, appointment and evaluation of staff within their functional area, and for engaging in succession planning for critical roles at the Bank.

The Bank's culture: All Executives are accountable for creating a culture in their functional area aligned with the Bank's values and consistent with the [Code of Conduct for Reserve Bank Staff](#), including a culture around risk-taking aligned with the Bank's Risk Appetite Statement. Executives are to ensure that staffing, training and morale are maintained at a level that allows their functional area to efficiently achieve its objectives.

Work health and safety: All Executives must exhibit safety leadership and demonstrate a commitment to health and safety matters at the Bank, and apply the Bank's work health and safety procedures effectively in their functional area, consistent with the [Work Health and Safety Policy](#).

Workplace behaviour: All Executives are accountable for managing workplace behaviour in their functional area, consistent with the [Code of Conduct for Reserve Bank Staff](#) and the Workplace Behaviour Policy.

Conflicts of interest: All Department Heads are accountable for supporting compliance with the Bank's instructions for the disclosure of material personal interests in their functional area, consistent with the [Code of Conduct for Reserve Bank Staff](#) and the Disclosure of Material Personal Interests – Instructions.

Diversity and inclusion: All Executives are accountable for ensuring that equity, diversity and inclusion principals are adhered to in their functional area, consistent with the Diversity and Inclusion Statement of Commitment.

Risk management and compliance: All executives are accountable for managing risks in their functional area, consistent with the [Risk Management Policy](#) and the [Risk Appetite Statement](#). All executives are accountable for ensuring they identify, monitor and operate in accordance with legal obligations relevant to their functional area, including seeking advice as necessary.

Operational resilience: All Executives are accountable for managing operational continuity and business resilience of their functional area, in collaboration with key support departments, consistent with the [Risk Appetite Statement](#), the Incident Management Framework and Business Continuity Management Policy.

Third party risk: All Executives are accountable for entering into contracts that adequately protect the interests of the Bank and contain appropriate risk allocation, the effective management of those contracts in accordance with Bank policies and guidelines and managing the performance of external suppliers, consistent with the Procurement and Disposal Policy, in their functional area.

Fraud control: All Executives are accountable for fraud control in their functional area, consistent with the Fraud Control Policy.

Anti-money laundering/counter-terrorism financing (AML/CTF): All Executives are accountable for the implementation of the Bank's AML/CTF Policy in their functional area. This applies in particular for departments that provide 'designated services', which include Banking Department, Payments Settlements Department and International Department.

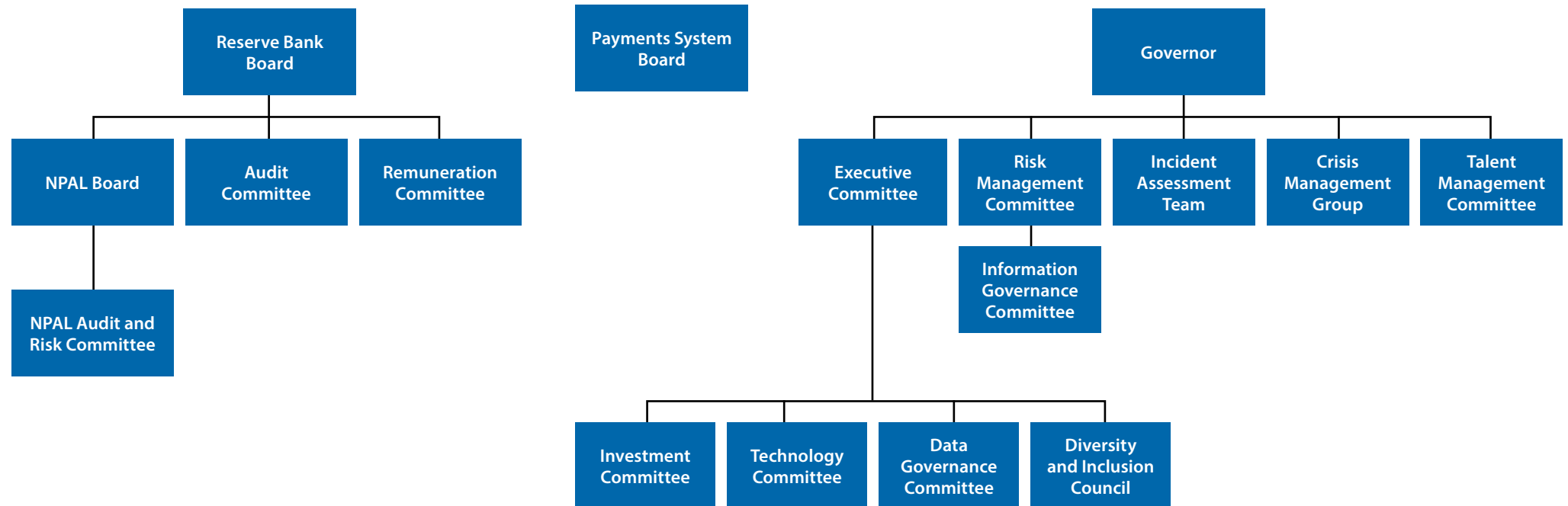
Sanctions: All Executives are accountable for the implementation of the Bank's Sanctions Policy in their functional area. This applies in particular for departments involved in supplier screening, payments and other transactions, which include Banking Department, Payments Settlements Department and Finance Department.

Privacy: All Executives are accountable for compliance with the Bank's privacy obligations in their functional area, consistent with the Privacy Guidelines.

Procurement: All Executives must ensure that their functional area complies with the Bank's procurement processes, consistent with the Procurement and Disposal Policy.

The Bank's Boards and Committees

Figure 2: Structure of the Bank's Boards and Committees



The Bank's Boards and Committees

Reserve Bank Board

Status: The Board is established under the Reserve Bank Act. The Governor and the members of the Board are appointed by the Treasurer.

Membership: Governor (Chair); DG (Deputy Chair); Secretary to the Australian Treasury; six non-executive members.

Responsibilities: Under the Reserve Bank Act, the Board is responsible for 'monetary and banking' policy. The Board is also responsible for the Bank's policies on all matters other than monetary and banking policy, except for its payments system policy.

Duties of Board members: The obligations of members of the Board under the Reserve Bank Act and the PGPA Act include exercising their powers and discharging their duties with care and diligence, honestly, in good faith and for a proper purpose. Members must not use their position, or any information obtained by virtue of their position, to benefit themselves or any other person, or to cause detriment to the Bank or any other person.

Code of conduct: The [Code of Conduct for Board Members](#) imposes obligations on members that are designed to ensure that members observe the highest possible standards of ethical conduct.

Payments System Board

Status: The PSB is established under the Reserve Bank Act.

Membership: Governor (Chair); Deputy Governor (Deputy Chair); APRA Chair; five other non-executive members. Apart from the member appointed by APRA, the Governor and other members of the PSB are appointed by the Treasurer.

Responsibilities: Under the Reserve Bank Act, the PSB has a duty to ensure, within the limits of its powers, that the Bank's powers are exercised in such a way that, in the PSB's opinion, will best contribute to: controlling risk in the financial system; promoting the efficiency of the payments system; and promoting competition in the market for payment services, consistent with the overall stability of the financial system. Additionally, the Reserve Bank Act states that the PSB has a duty to ensure, within the limits of its powers, that the powers and functions of the Bank under the *Corporations Act 2001* are exercised in a way that, in the PSB's opinion, will best contribute to the overall stability of the financial system. The PSB is required to adhere to the Government's expectations for regulator performance and reporting.

Duties of Board members: PSB members also have obligations to exercise their powers and discharge their duties with care and diligence, honestly, in good faith and for a proper purpose. Members must not use their position, or any information obtained by virtue of their position, to benefit themselves or any other person, or to cause detriment to the Bank or any other person.

Code of Conduct: The [Code of Conduct for PSB Members](#) imposes obligations on members that are designed to ensure that members observe the highest possible standards of ethical conduct.

The Bank's Boards and Committees

Reserve Bank Board Audit Committee

Status: The Audit Committee is established in accordance with the PGPA Act.

Membership: Three or more members, who are either non-executive members of the Board or external appointments; the Chair is a non-executive member of the Board. The DG represents the Bank's management at meetings, but is not a member of the Committee.

Charter: The [Reserve Bank Board Audit Committee Charter](#) is determined by the Governor and approved by the Board.

Responsibilities: The Audit Committee is to review the appropriateness of the Bank's financial and performance reporting, system of risk oversight and management and system of internal control and assist the Board in relation to its responsibility to approve the Bank's financial statements.

Reserve Bank Board Remuneration Committee

Status: The Remuneration Committee is a subcommittee of the Board.

Membership: Three non-executive members of the Board, including the Chair.

Charter: The Reserve Bank Board Remuneration Committee Charter is approved by the Board.

Responsibilities: The Remuneration Committee is responsible for assisting the Board to discharge its statutory responsibilities to review the remuneration of the Governor and Deputy Governor annually and, within the discretion allowed under the Principal Executive Office framework of the Remuneration Tribunal, determine adjustments for recommendation to the Board for approval.

Note Printing Australia Limited Board

Status: The Note Printing Australia Limited (NPAL) Board is a corporate board reporting to the Reserve Bank Board.

Membership: Between three and ten directors appointed by the Bank.

Charter: The Note Printing Australia Limited Charter is approved by the Reserve Bank Board.

Responsibilities: The NPAL Board is responsible for the strategy and operations of Note Printing Australia (NPA) and for the overall conduct of NPA.

NPAL Board Audit and Risk Committee

Status: The Audit and Risk Committee is established by the NPAL Board.

Membership: Three or more members, who are either members of the NPAL Board or external appointments; the Chair is a member of the NPAL Board.

Responsibilities: The role of the Audit and Risk Committee is to assist the NPA Board in fulfilling its oversight obligations by providing assurance and advice on: NPAL's financial statements and the adequacy of the internal control and risk management environment; the effectiveness and independence of internal and external audit; and NPAL's processes for monitoring compliance with relevant laws and regulations.

The Bank's Boards and Committees

Executive Committee

Status: The Executive Committee (Exco) assists and supports the Governor in fulfilling their responsibility to manage the Bank. Exco is the key management committee of the Bank for matters of strategic or Bank-wide significance.

Membership: Governor (Chair); DG; all Assistant Governors. The Secretary attends all meetings.

Charter: The Reserve Bank of Australia Executive Committee Charter is approved by the Governor.

Responsibilities: Exco's agenda includes:

- regular reviews of the achievements, challenges and strategic issues in each area of the Bank
- the formulation of the Bank's annual budget and regular budget reviews
- regular reviews of the Bank's significant projects
- consideration of papers for the Board, PSB and Audit Committee that are not reviewed through other processes in the Bank
- operational matters that have Bank-wide implications
- approval of a number of the Bank's major policies, including the Code of Conduct and other Bank-wide HR policies.

Members are expected to bring to Exco for discussion important issues affecting their area or the Bank as a whole. Members are also expected to bring proposals for significant changes to their operations to Exco.

Investment Committee

Status: The Investment Committee reports to Exco.

Membership: DG (Chair); AG(CS) (Deputy Chair); AG(BS); AG(FM).

Advisors: The CFO, Head of HR and CIO.

Charter: The Investment Committee Terms of Reference are approved by Exco.

Responsibilities: The Investment Committee is responsible for monitoring and making recommendations to Exco on the Bank's Strategic and Operational Project Portfolio. The Investment Committee evaluates and prioritises the Bank's spending on projects to maximise the benefits, making the best use of financial and staff resources.

Technology Committee

Status: The Technology Committee (TC) reports to Exco.

Membership: AG(CS) (Chair); CIO; Head of Banking Department; Head of Domestic Markets Department; Head of HR; Head of Payments Policy Department; Head of Payments Settlements Department.

Charter: The Technology Committee Charter is approved by Exco.

Responsibilities: The TC provides oversight and governance of the role of technology in executing the Bank's strategy, on behalf of Exco.

Data Governance Committee

Status: The Data Governance Committee is a subcommittee of Exco.

Membership: AG(CS) (Chair); all Assistant Governors; Head of Enterprise Data Office.

Charter: The Data Governance Committee Charter is approved by Exco.

Responsibilities: The Data Governance Committee is responsible for the success of data management across the Bank.

Diversity and Inclusion Council

Status: The Diversity and Inclusion Council reports to Exco.

Membership: DG (Chair); Head of HR; Executive Sponsors and Chairs of the Employee Resource Groups.

Responsibilities: The Diversity and Inclusion Council assists the Bank to achieve its aims relating to diversity and inclusion in the workplace, as set out in the Diversity and Inclusion Statement of Commitment.

The Bank's Boards and Committees

Risk Management Committee (and Information Governance Committee)

Status: The Risk Management Committee (RMC) assists and supports the Governor in fulfilling their responsibility to manage the Bank, including by having an appropriate system of risk oversight and management and an appropriate system of internal control.

Membership: DG (Chair); AG(BS); AG(CS); AG(FM); CFO; CIO; Chief Risk Officer; Head of AD; Head of HR; Head of IN; General Counsel.

Charter: The Risk Management Committee Charter is approved by the Governor.

Responsibilities: The RMC is responsible for overseeing:

- the Bank's approach to the management of risks as established in its risk management framework
- the assessment of the key risks to which the Bank is exposed, overseeing the actions taken by management to mitigate those risks and assessing the overall effectiveness of the risk management framework and internal control environment
- broad oversight of the Bank's business continuity activities
- the Bank's fraud control arrangements, including the processes and systems in place to prevent, detect and effectively investigate and report on instances of fraud or suspected fraud

- the development of the Bank's processes for monitoring compliance with relevant laws and regulations and internal Bank policies
- the Bank's overall framework for protective security, comprising physical, personnel, information and technology security
- information governance, for which purpose it will be designated as the Bank's Information Governance Committee.

Incident Assessment Team (IAT)

Status: The IAT manages those incidents which have disrupted, or have the potential to disrupt, the Bank's core activities, critical systems, or threatens its reputation and reports to the Governor either directly or through the Crisis Management Group where required.

Membership: AG(CS) (Chair); AG(BS) and AG(FMG) (alternate Chair); CRO; CIO; Head of WP; Head of HR; Senior Manager, Security and Risk, Workplace Department; other staff as needed.

Responsibilities: The IAT assesses the nature and potential impact of an incident (business continuity event, crisis or emergency) and determines whether it can be managed through business-as-usual processes and resources, or requires management by the IAT which includes taking decisions on priorities, actions and communications, and convening the Crisis Management Group when required, as set out in the Incident Management Framework.

Crisis Management Group (CMG)

Status: CMG assists the Governor in responding to incidents designated as an emergency or crisis that if left unmanaged could have a 'major' or 'significant' consequences for the Bank's people, operations, assets or reputation.

Membership: Governor (Chair); Deputy Governor (alternate Chair); AC(CS) (CMG Facilitator); other members of the Executive Committee; Chief Risk Officer; CIO; Head of WP; Head of HR; senior manager for Communications. The Chair may determine the CMG will constitute a smaller group or include other members in response to a given crisis.

Responsibilities: The CMG takes decisions on priorities, actions and communications in response to an emergency or crisis, advises the Reserve Bank Board if necessary, and members coordinate and implement the Bank's response for their respective areas of responsibility, as set out in the Incident Management Framework.

The Bank's Boards and Committees

Talent Management Committee (TMC)

Status: The TMC reviews the leadership potential of senior staff across the Bank to manage succession planning and support the development of leaders, and reports to the Governor.

Membership: Deputy Governor (Chair), Assistant Governors, Head of HR, and senior managers in Human Resources Department for Business Engagement and Leadership.

Responsibilities: The TMC oversees succession plans and the senior talent pool at the Bank by reviewing senior Bank employees' skills, experience and capabilities and assessing their likelihood of progressing to more senior roles.