

MINUTES OF THE 2020 ANNUAL GENERAL MEETING

Status: DRAFT to be Ratified
Date: Thursday 30 July 2020
Venue: Online and hosted from InternetNZ, Level 11 80 Boulcott Street, Wellington

Sarah Lee, opened the meeting with Karakia. The President, Jamie Baddeley then welcomed Members and other guests, and officially opened the AGM at 5:35pm. There were approximately 65 financial members present at the meeting and therefore quorum was met.

1. Preliminaries

1.1 Apologies

Apologies were received from Mark Foster, Rick Shera and Frank March.

AGM 01/20: That the apologies be accepted.

(President/Sarah Lee)

CARRIED

1.2 Minutes of the 2019 AGM and Matters Arising

The minutes of the 2019 AGM were taken as read.

AGM 02/20: That the minutes of the 2019 AGM be received and adopted as a true and accurate record of the meeting.

(President/Joy Liddicoat)

CARRIED

Abstain (Keith Davidson/Dave Moskovitz)

2. President's Report

The President, Jamie Baddeley, presented his report and highlighted the changes globally due to the COVID-19 pandemic and the extraordinary circumstances that have illustrated the need for the Internet to be accessible and available to all, and an Internet for good. He talked about online harm and the work carried out by the Domain Name Commission to regulate the .nz in these unprecedented

times when the Internet is not always used for the good. He acknowledged the work by Chief Executive, Jordan Carter, in supporting the Prime Minister internationally on the Christchurch Call.

He commended the staff of InternetNZ and the Domain Name Commission who continued to carry out their duties remotely in an effective manner, during the very challenging times during full lockdown. He recognised the management for prioritising and looking after the wellbeing of staff, and that they were fully supported physically and emotionally to perform their duties remotely.

Jamie asked Members for their continued and broadening support by connecting with friends and colleagues about the work that InternetNZ carries out. He asked for all members to reach out to others and ask them to join the membership of the InternetNZ community so that InternetNZ can widen their reach and hear the views of all people in the community.

He thanked Vice President, Joy Liddicoat for her support and the Council members of InternetNZ.

AGM 03/20: That the President's report be received.

(Michael Daubs/Winston Roberts)

CARRIED

3. Annual Report & Audited Annual Accounts

3.1 Annual Report

The Chief Executive Jordan Carter provided the following highlights from the [2019/2020 annual report](#):

- 708,507 .nz domain names (as at 31 March 2020) - made up of:
 - 507,279 .co.nz
 - 140,190 .nz
 - 26,948 .org.nz
 - 20,462 .net.nz
- \$840,000 community funding:
 - \$42,000 - 18 conference attendance awards
 - \$338,000 - 11 grants
 - \$360,000 - 6 partnerships
 - \$100,000 - 15 sponsorships
- Digital inclusion projects:
 - Investing in digital inclusion initiatives in the community through a dedicated funding round.
 - Proposal to Minister Faafoi for a digital inclusion investment package.
 - Written submission on Telecommunications Information Privacy Code Review.
 - Developing a toolkit to evaluate the effectiveness of community digital inclusion initiatives.
 - Creating an online home to connect the digital inclusion ecosystem.
- Nethui was held as a national event in Wellington:

- 400 attendees
- 82% satisfaction rate
- 65% first-timers
- Diversity of voices
- Coming this year:
 - Review of the .nz Policy Framework. The independent .nz panel committee are currently seeking feedback on the options paper for the issues they have identified.
 - Replacement of the .nz Registry system.

AGM 04/20: THAT the 2019/20 Annual Report be received.

(President/Kate Pearce)

CARRIED

Abstain (Ellen Strickland)

3.2 Audited Annual Reports

The Chair of the Audit and Risk Committee, Amber Craig, talked through the audited annual accounts and advised that this year's financials had stayed almost identical to the previous year:

- There was no growth in the registry.
- Legal fees that were funded to the Domain Name Commission for litigation costs resulted in a loss for the InternetNZ Group, rather than a break even position.
- The audit for this year, due to the COVID-19 pandemic, was carried out by staff working remotely. This posed a potential risk to meeting the audit timelines. However, this year's audit was one of the smoothest audits ever carried out by staff and the auditors.

Amber thanked the Auditors Crowe Horwath (Valerie Wang and Mehreen Kelly) and Deloitte (Ashleigh Yee, Rochelle Westbury and Paul Pettit) for their work and the InternetNZ Staff (Catherine Fenwick, Mary Tovey and the finance team).

Amber thanked Richard Hulse, David Wright, Catherine Fenwick and Mary Tovey for their contribution to the Audit Tender Review Committee and the hard work in coordination of the review process.

The Audit and Risk Committee recommended the following motions:

AGM 05/20: THAT the Annual Audited Financial Statements for 2019/20 be accepted.

AGM 06/20: THAT Grant Thornton be appointed auditor for the 2020/21 audit.

Block consent Vote 3.2 (Chair, Audit & Risk Committee, Amber Craig/Arran Hunt)

CARRIED

Abstain (Nicola Brown)

4. InternetNZ Operational Update - 2020 and Beyond

Chief Executive, Jordan Carter presented the operational update and talked through the following:

- A Refreshed Strategic Framework for a changed environment
 - Purpose: Helping New Zealanders harness the power of the Internet.
 - Vision: Keeping the Internet open, secure and for all New Zealanders.
 - Our lenses - Internet for ALL, Internet for GOOD
- 5 Goals - clear two-year goals to focus our work
 - Work in Aotearoa and globally to help develop an Internet for good.
 - New investment and community-driven action drives significant improvements to digital inclusion across Aotearoa.
 - To fund increased public good investment, grow the use, value and revenue from .nz domain names.
 - Develop new sources of revenue through ongoing investment in sales of new products.
 - Develop InternetNZ as a high performing organisation and excellent place to work.
- COVID-19 has had an impact on us, and on all of Aotearoa. It has been a challenging year: Our team of 50 staff had to adapt to keep ourselves running so that we could keep helping New Zealanders harness the power of the Internet during this COVID-19 crisis. Our four short-term priorities for Q1 this year were:
 1. Look after our people: We focused on transitioning to working from home, and built new processes to enhance wellbeing and productivity in a changed, stressful environment.
 2. Look after .nz: We ensured that .nz would remain up and running in accordance with the “essential service” it was during these challenging times.
 3. Share the stories: Our communications and community engagement focused on sharing how New Zealand was using the Internet to meet our shared COVID-19 challenge.
 4. Invest to help: Council signed off an additional \$500k in emergency community funding, on top of the baseline increase to \$1m. The first tranche of support to Partner organisations is being finalised now.

Our focus has now returned back to the big picture, as we also adapt our future way of working for what we learned.

[Financial Update:](#)

- **Registry Fees:**
 - 2018/19 Actual \$10.80m / Budget \$10.55M
 - 2019/20 Actual \$10.75m / Budget \$10.82m
 - 2020/21 is Budget \$10.99m

Noting that prior to the pandemic, .nz was facing a declining number of domain names and revenue. It was very carefully decided that a first ever price increase would take place on 1 October 2020. Since the lockdown, there has been a growth in the registry, which is good, however still very difficult to sustain in the current economic climate and the inevitable recession.

- **Net Profit**
 - 2018/19 / \$602,097
 - 2019/20 / (\$829,852)
 - Forecast 2020/21 / (\$1,599,844)
 - Planned 2021/22 / \$98,404

Note the large deficit in 2020/21 relates to the one off \$0.5m boost to community funding in response to COVID-19, and a \$0.5m revenue reduction arising from deferring the .nz price increase by four months. InternetNZ plans to return to surplus next financial year.

- **The big picture**
 - We are focused on our purpose, and delivering our goals.
 - We have been affected by COVID-19, we spent the first quarter on a set of short-term goals that protected our people, protected .nz, shared stories and invested to help.
 - We are investing in new performance and capability. We have some major investments underway to rebase the organisation — in new policies for .nz, in new registry platforms, and in growing further the capability of our organisation.
 - We are growing our revenue — Domain name prices will go up, and new revenues are coming online, meaning that we will return to surpluses by 2022/23.
 - We have a great team — our people are passionate and engaged, and clear on what we need to do together to achieve our goals. We are changing as an organisation due to the pandemic and we are investing in tools, processes and policies to deliver even more.

Jordan thanked the President, Vice President and Council members for their services. He also thanked all the staff and said that he was incredibly proud of the amazing work and the goodwill in the tough times during the pandemic.

AGM 07/20: THAT the 2020/21 Activity Plan and Budget be adopted.

(Keitha Booth/Ben Bradshaw)

CARRIED

Abstain (Mandy Henk/Jonathan Brewer)

5. Domain Name Commission Update

The Chair of DNCL, Jordan Carter thanked the Board's former independent directors Lucy Elwood and Adam Hunt who both completed their terms this year.

Jordan welcomed new independent directors Anita Killeen and Mel Hewitson.

He thanked Brent, Dylan, Ann, Cameron and Bex the DNCL team for their service.

The Domain Name Commissioner, Brent Carey opened his presentation with his mihi. He acknowledged the efforts of the DNCL team over the past year. Brent commended Ann Ibrahim for her achievement in recently being appointed onto the Executive Council of Blockchain, New Zealand and wished Ann well in her work there.

Past achievements

- The Contact Centre handled 1,400 enquiries from the public.
 - Real Time feedback from customers was 84% the same as the previous year.
- Launch of First Digital Employee (Chatbox) - named 'Any' was established during the lockdown. Any is available 24/7 and since they have been on board there has been a 146% increase in the number of enquiries.
- 24 Domain Name disputes heard. DNCL's Expert Panel discussions are now added to the NZ Legal Information Institute database (so they are fully searchable).
- 1,546 Domain names were suspended by DNCL for invalid registration details.

Year in Review:

- 69,212 domain names flagged with individual registrant privacy.
- US Litigation successes - Ninth Circuit Appeal Court upholds order of preliminary injunction against Domain Tools. Whois API removes .nz records to settle US lawsuit.

Year to come

- Support of registry transformation Project — implementation .nz policy review solutions.
- Online transformation programme (website, portal and online dispute resolution pilot)
- Online Harm Prevention Group representation.

Question Kay: How will the online representation for the Online Harm Prevention Group be selected? Brent's Response: This is being coordinated by the Department of Internal Affairs. The Terms of Reference are still being finalised. Netsafe is taking the lead on this. Currently, the group includes Netsafe, Chief Sensor, Network for learning. The representation is also being worked on and is a mixture of not for profit and industry.

Question Kay: Asked Brent to follow up with Netsafe how the people on the receiving end of the most severe abuse will be included. Response: Brent agreed to follow up with Netsafe.

The Vice President thanked Brent Carey, the Board Jordan Carter, Anita Killeen and Mel Hewitson for their services this year.

AGM 08/20: THAT the DNCL 2019/20 Annual Report be received.

(Don Stokes/Richard Hulse)

CARRIED

Abstain (Ellen Strickland)

6. 2020 Membership Survey

Andrew Cushen, Engagement Director gave an overview of the results of the membership survey.

- The membership has continued to increase from 340 in 2019 to 386 members this year.
- What we said we would do:
 - Two new staff members, Sam Marsh and Ciara Arnot, have joined the Community team to work on membership and community funding and engagement
 - Membership proposition: Refinement happening now
 - New channels: Replacing mailman
 - Review support structure: More to work with the members
 - More to interact with: We've focused on providing a member interaction each month.
- Members sentiment: members feel InternetNZ is doing well in the governance space and drive forward Internet related policy. Members enjoyed the NetHui and the next NetHui will be held on line the 13-14 October 2020. Areas we can improve in feature 'engagement' and 'members' as the most prominent — noting Engagement, Funding, Members, Māori. We are currently recruiting for a Chief Advisor, Māori.
- Where we will do from here:
 - Provide intersection with our work: Get clear on when and how our members may interact with what we are doing
 - Sort out the channels: Augment discussion in a way that's better than Mailman
 - Continue to provide engagement: We will keep up the "one thing a month" for membership
 - Keep growing: We've turned the numbers around, and the team will keep this going.

7. Recognition

Keith Davidson - 25 Years long service to InternetNZ

The President recognised Keith Davidson for his long service (of 25 years) to InternetNZ as the former Executive Director, President, Treasurer, Director of International Relations and Council Member.

Councillor Sarah Lee presented a taonga on behalf of Council. The taonga was carved by Garth Wilson from tribes Ngāti Māhaki and Ngāti Waewae his iwi are long time traders of pounamu (greenstone). The taonga is a Manaia that represents the earth, sea and sky and serves as a protector for the wearer. The taonga has been blessed and InternetNZ staff and council have been wearing the

taonga to infuse their aroha into the pounamu and that aroha is transferred to Keith.

Keith thanked the Council for the taonga and the sentiments and spoke to the members. He spoke of the importance to the country of InternetNZ's role and warmly encouraged the organisation to maintain a voice in national and global debates and institutions shaping the Internet and its future.

Dave Moskovitz - Council Member 10 years

The President recognised Dave Moskovitz for his services to Council as he completes his term this year. Sarah Lee presented a taonga carved by Garth Wilson 'He Matou' (fish hook, pounamu) the wearer of the He Matou receives strength and determination and it also brings the wearer peace and prosperity and good health and provides a safe journey over water.

Dave thanked the President and the Council and shared his appreciation for how the Council has developed over the past years.

8. General business

None.

9. Election results

Catherine Fenwick, the Returning Officer, declared the final election results of the InternetNZ 2020 Election, which closed at 2pm.

Total Valid Votes: 144 and winning threshold/quota 29.

The return percentage was 47.68% being 144 votes received from 302 members.

The three Councillors elected to serve a three-year term 2020-2023:

- **Hiria TE RANGI**
- **Don STOKES**
- **Kate PEARCE**

The one Councillor elected to serve a two year term 2020-2022:

- **Sarah LEE**

The unsuccessful candidates were:

- Mauricio FREITAS
- Kelly BUEHLER
- Ben BRADSHAW
- Arran HUNT
- Sarah BARHAM
- Kay JONES

The President congratulated candidates that were successful and passed on his commiserations to those who were unsuccessful.

In closing, Amber Craig led the closing karakia with the staff and Council.

Meeting closed: There being no further business, the 2020 Annual General Meeting closed at approx 6:45pm.

Signed as a true and correct record:

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Jamie Baddeley, President, Chair