

# InternetNZ Council

May 2023

## AGENDA

**Council Meeting: Friday 12 May 2023, 9:00am - 2:00pm**  
**Venue: InternetNZ, Level 13, 18 Willis Street, Wellington.**

NOTE: all timings are estimates, the meeting will run according to the needs of the meeting as it progresses.

### Section 1 – Meeting Preliminaries

8:45am	0.0	Arrival and coffee
9:00am	1.1	Council only (in committee)
9:05am	1.2	Council and Tumu Whakarae (CE) alone time (in committee)
<b>9:25 am</b>	<b>-</b>	<b>Short Break</b>
<b>9.30am</b>	1.3	Karakia, apologies, interests register
	1.4	Agenda Review, Actions Register

### Section 2 – Strategic Priorities Discussion

9:40am	2.1	Constitutional Change
10:10am	2.2	Public Policy Development Paper

### Section 3 – Matters for Decision

10:40am	3.1	Council Skills and Diversity
10:45am	3.2	AGM and Returning Officer Role

## Section 4 – Matters for Discussion

10:50am	4.1	Acknowledgement Interim Domain Name Commissioner - Isobel Egerton Welcome Domain Name Commissioner - Barbara Pearse
11:00am	4.2	President's Report - Late paper
11:10am	4.3	InternetNZ Quarterly Reporting
11:20am	4.4	DNCL Quarterly Reporting
11:30am	4.5	.nz Standing Report <ul style="list-style-type: none"><li>• Commercial in confidence paper (in committee)</li></ul>
<b>12:15pm</b>	<b>-</b>	<b>Lunch Break</b>
1:00pm	4.6	Report Back from Committees: 4.6.1 Audit, Finance and Investment (Chair, Cr Bow) -Verbal 4.6.2 Governance Committee (Chair, Cr Hulse) 4.6.3 Komiti Whakauru Māori (Chair, Cr Biasiny-Tule) Verbal 4.6.4 .nz Policy Committee (Chair, Cr Pearce) 4.6.5 Risk and Compliance Committee (Chair, Cr Wallace) Verbal

## Section 5 – Consent Agenda

1:15pm	5.1	Health, Safety and Wellbeing Update
1:25pm	5.2	Ratify the minutes of the meeting of 31 March 2023
	5.3	E-vote Ratification - none
1:30pm	5.4	Quarterly and Operational Reports 5.4.1 Group Financial Report 5.4.2 Membership Update

## Section 6 – Other Matters

	6.1	CONTINGENCY (for any overflow)
	6.2	Matters for communication – key messages
1:45pm	6.3	General business
	6.4	Meeting review
2:00pm	6.5	Meeting close (karakia or waiata)

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## **Council Register of Interest**

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Officers and Councillors are required to register any interests, commercial, political or organisational, which they believe may be relevant to the perception of their conduct as a Councillor or Officer. Officers and Councillors are, however, still required to declare a Conflict of Interest, or an Interest, and have that recorded in the Minutes.

Officers and Councillors receive the following annual honoraria:

President - \$35,470

Vice President - \$22,169

Councillor - \$17,735\*

*\*Sub-Committee Chairs also receives additional 10% of their honoraria*

**Name: Joy Liddicoat**

**Position:** President, InternetNZ

**Term:** AGM 2021 - AGM 2024

**Declaration Date:** 29 July 2021

**Interests:**

- Secretary of the Peter Rule Foundation
- Holder of .nz domain name registrations
- Member of the New Zealand Law Society
- Member Otago Women Lawyers Society
- Member of the Non Commercial Users Constituency of ICANN
- Founding Director and Shareholder of Oceania Women's Satellite Network (OWNSAT) PTE Limited. OWNSAT is a shareholder in Kacific Broadband Satellite
- Affiliate of the Centre for Law and Policy in Emerging Technologies, Faculty of Law, University of Otago.
- Senior Corporate Counsel, Silver Ferns Farms (part-time position)
- Member of the Association for Progressive Communications

**Name: Brenda Wallace**

**Position:** Vice President

**Term:** AGM 2022 - AGM 2024

**Declaration Date:** 10 February 2023

**Interests:**

- Employee of Artella/AnimationMentor/YellowBrick.co
- Trustee Strathmore Park Community Trust
- .nz Domain name registrant
- Various small shareholdings via Sharesies
- Receives additional honoraria for being Chair of InternetNZ Risk and Compliance Committee .

**Name: Richard Hulse**

**Position:** Councillor, InternetNZ

**Term:** AGM 2021 – AGM 2024

**Declaration Date:** 2 December 2022

**Interests:**

- Holder of .nz domain name registrations
- Receives additional honoraria for being Chair of the InternetNZ Governance Committee.

**Name: Don Stokes**

**Position:** Councillor, InternetNZ

**Term:** AGM 2017 – AGM 2023

**Declaration Date:** 11 February 2022

**Interests:**

- Shareholder/Director, Rumsey Stokes Limited, an authorised .nz registrar
- Shareholder / director of several inactive companies
- Registrant of .nz and .net domains
- Consultant of Liverton Security

**Name: Kate Pearce**

**Position:** Councillor, InternetNZ

**Term:** AGM 2017 – AGM 2023

**Declaration Date:** 15 February 2019

**Interests:**

- Employee of TradeMe
- Member of the New Zealand Labour Party
- Holder of .nz, .com, .org, .net domain registrations
- Member of NZ Internet Task Force
- Board Member of New Zealand Internet Task Force (NZITF)
- Member and Co-leader of Aotearoa Tech Union
- Receives additional honoraria for being Chair of the InternetNZ .nz Policy Committee

**Name: Potaua Biasiny-Tule**

**Position:** Councillor, InternetNZ

**Term:** Appointed 2021 – 2023

**Declaration Date:** 10 February 2023

- Founder / Director of Digital Basecamp
- Trustee of Digital Natives Academy
- Co-Founder 4CompanyB (4CB) Digital Animation Studios Limited
- Board Member for Te Tatau o Te Arawa (partnership with Rotorua Lakes Council).
- Trustee of Te Takinga Marae Komiti
- Kaitiaki for numerous .co.nz and .iwi.nz whanau domains
- Receives additional honoraria for being Chair of the InternetNZ Te Komiti Whakauru Māori (Māori Engagement Committee).
- Te Papa Mati Hiko

**Name: Jeff Montgomery**

**Position:** Councillor, InternetNZ

**Term:** AGM 2022 – AGM 2025

**Declaration Date:** 31 March 2023

**Interests:**

- Holder 14 .nz domain names
- Past Employee of Service Delivery and Operations, Department of Internal Affairs
- Employee of the Pacific Community in a Ministry
- Statutory Officer - Registrar General of Births, Deaths and Marriages.
- Chair, Pacific Civil Registrars Network
- Owner and Director City Bed and Breakfast Ltd.
- Member of Netsafe
- Member of TohaToha

**Name: Anthony Bow**

**Position:** Councillor, InternetNZ

**Term:** Appointed 2022 – 2024

**Declaration Date:** 2 December 2022

- Holder of .nz and .com domain names
- Director of Whai Rawa Fund Ltd
- Director of Maungaharuru-Tangitū Ltd
- Deputy Chair and Board Member of the Medical Radiation Technologists Board.
- Chair and Director of Medical Sciences Secretariat Ltd
- Director and Shareholder of Waimana Capital Ltd
- Shareholder in private companies; Big Splash Ltd and Talent Propeller Ltd
- Member of the New Zealand Blood and Organ Service Board

- Receives additional honoraria for being Chair of InternetNZ Audit, Finance and Investment Committee.

**Name: Whetu Fala**

**Position:** Appointed Councillor, InternetNZ

**Term:** Appointed 2022 – 2024

**Declaration Date:** 10 February 2023

- Board Member, Māori TV
- Board Member, Creative NZ
- Board Member, Te Paepae Ataata Aōtearoa NZ Film Heritage Trust
- Chair, Whanganui District Creative Communities Assessment Panel
- Founding Member, Ngā Aho Whakaari Māori Screen Aōtearoa
- Founding Member, Wellington Women in Film & TV
- Founding Member, Taki Rua Theatre Wellington
- Pou Arahi Tikanga, Playmarket Inc Wellington
- Company Director, Fala Media Taki Rua Film'
- Shareholder Parininihi ki Waitotara Inc
- Morikau Nui Inc
- Atihau, Whanganui
- Wharanga Hakopa Kiwa Whanau Trust

**Name: Alpana Roy**

**Position:** Councillor, InternetNZ

**Term:** Appointed 2022 – 2025

**Declaration Date:** 2 December 2022

- Employee of the University of Waikato.
- Member of the NSW Law Society.
- Member of InternetNZ.
- Admitted to practice law in NSW, and is on the Roll of Legal Practitioners for the High Court of Australia.
- Member of the Intellectual Property Society of Australia and New Zealand (IPSANZ).
- Member of the International Trademark Association (INTA).
- Member of the Copyright Society of Australia (CSA).
- Member of the Internet Society of Australia.
- Member of .au Domain Administration Ltd (auDA).
- Executive Member of the Asian Pacific Copyright Association.
- Committee Member of the Indigenous Knowledge Forum.



**Name: Anjum Rahman**

**Position:** Councillor, InternetNZ

**Term:** Appointed 2022 – 2025

**Declaration Date:** 2 December 2022

- Co-Lead, Inclusive Aotearoa Collective Tāhono
- Contractor to Shama, Ethnic Women's Trust
- Co-Chair, Christchurch Call Advisory Network
- Trustee, Trust Waikato (Waikato Community Trust)
- Vice Chair, Independent Advisory Committee of the Global Internet Forum to Counter Terrorism.
- Holds a .nz domain name.

The register was last updated on 10 February 2023.

## Council Actions Register 2023

<b>As at May 2023</b>			
<b>Action No#</b>	<b>Action</b>	<b>Owner</b>	<b>Status</b>
AP01/23	Explore options for Rongoa Māori to be offered after Council Cultural Capability training in our offices.	Acting Tumuaiki Māori   Chief Advisor Māori	In progress for the next Cultural Capability training
AP02/23	Literature regarding Strategic Priorities and resources provided by Greaterthan to Te Kāhui Tumu. To be shared with the Council.	Pou Ārahi   Executive Assistant	Completed
AP03/23	All reporting (specifically charts) should be accessible for colour-blindness. Staff to change reporting so that it's readable.	Tumutaumatua   GM Org Performance	In Progress for the May Council Meeting
AP04/23	The March Action List to be updated with amendments.	Pou Ārahi   Executive Assistant	Completed
AP05/23	AP05/23 Council agreed to hold a strategic conversation on the charitable objects and related funding strategy by December 2023.	President	Not started
<b>Actions 2022</b>			
AP12/22	Build in an annual .nz strategy day to the Council Work Plan	Tumuwhanake GM Customer and Product	Thurs 12 October 2023
AP14/22	International Strategy Paper Preliminary thought piece - bring to Council in August	Tumuherenga/ GM Public Impact	Deferred until later in the year.  Preliminary thought piece - October 2023

AP21/22	Develop a message house on Te Tiriti o Waitangi Centric to share with Council and staff	Acting Tumuaki Māori	Confirm with the President if this work is completed.
AP22/22	That the basis of the Honoraria level be reviewed and agreed before Council elections in 2024	Tumutaumatua   GM Org Performance	For Feb 2024 Council Meeting
AP23/22	Governance Committee to work on the Appointment Process for the Domain Name Commissioner and the DNCL Directors	Chair, Governance Committee	Commissioner Appointment complete. Process for DNCL Directors not yet started.
AP26/22	A brief on the process of public submissions for Feb 2023 Council meeting	Tumuherenga   GM Public Impact	In progress, for May Council meeting

COUNCIL MEETING - May 2023

# Constitutional Change

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AUTHOR: Vivien Maidaborn, Tumuwhakarae (CE)

PURPOSE: Charting Constitutional Change - requirements and approach

DATE WRITTEN: 22/04/2023

## 1. Introduction

One of InternetNZ's key strategic priorities is to move towards constitutional change and we can achieve this by modernising the InternetNZ Constitution.

This paper sets out InternetNZ's approach to this work and details the upcoming work to achieve a modern and relevant constitution.

## 2. The Approach

### The Timeline

The charting a course of constitutional change journey key dates targeted

- constitutional review agreed in principle by mid-2024
- to pass for early 2025 at Special general meeting

### Proposed Stages

We propose that this timeline is broken down into a number of tranches of work and engagement.

#### Stage 1 - May 2023- October 2023

**Step 1:** Establish working group to understand what the ideal constitution could look like (what do we want in there from a membership, maori engagement, policy, strategy/goals, Council, voting **perspective** and what do we need **legally**)

**Step 2:** Planning specific huis/meetings - information gathering stage, getting members and other stakeholders as to what they'd like to see in our constitution, including:

- Membership Engagement
- Mana whakahaere
- External advisors (e.g. legal experts)

**Step 3:** Collating information and preparing first draft of constitution

## **Stage 2 - November 2023- February 2024**

**Step 4:** Liaising and seeking feedback from working group and other internal stakeholders to confirm second draft of constitution

**Step 5:** Review of second draft by Governance Committee /Council

**Step 6:** Identification of elements of the Constitution change that there is strong agreement on at this stage, and through the Governance C'tee these changes are recommended to Council

**Step 7:** Notice of constitutional changes at AGM 2024.

## **Stage 3 - February 2024- July 2024**

**Step 8 :** Prepare third draft of constitutionCh feedback for areas still to be brought to an SGM,

**Step 9:** Consult with Maori partners and leaders, and Members

**Step 10:** Project Team/Governance Committee receives feedback and inputs and recommends third draft to Council for Council Approval

## **Stage 4 - August 2024- November 2024**

**Step 11:** Prepare final draft of constitution based on Council feedback (if applicable)

**Step 12:** Once the final draft is approved, go out stakeholder groups

## **Special General meeting - February 2025**

### **3. Work Streams - what work needs to be done**

We have identified **three main work streams** to achieve the goal of modernising InternetNZ's Constitution:

#### **Work Stream 1: Update/rewrite the InternetNZ constitution**

The overall update/rewrite of the InternetNZ Constitution will be carried out in light of the:

- a. New legislative requirements (as per the Incorporated Societies Act 2022 (Act)), which includes detailing:
  - i. specific information that must be in the constitution e.g. how a person becomes a member
  - ii. generic standard duties that each Council member must comply with as per sections 54 to 62 of the Act;
  - iii. a complaints and grievances provision as per sections 38 to 44 of the Act
- b. A review of our charitable objectives to ensure alignment between our registered charitable objectives and those detailed in our constitution
- c. Recommendations from the Systematic Racism Review (SRR)

d. A Te Tiriti o Waitangi perspective

### **Work Stream 2: Mana Whakahaere co-design with Maori to support c & d above**

This work stream will focus on using mana whakahaere processes to achieve co-design with Maori, so that the constitution is reviewed and rewritten in light of the recommendations provided in the SRR and from a Te Tiriti o Waitangi perspective.

### **Work Stream 3: Membership communication and engagement on the changes**

As part of the constitutional change journey it is essential to work with members and wider the Internet Community to seek input and gain their support for the new InternetNZ Constitution. Part of this work stream will also be identifying the best way to engage with members and the wider Internet Community, e.g. what type of events and communications will be essential to support the overall goal.

The following key principles will lead our work on charting the change

- Engagement methods reflective of TToW
- Early engagement - Mana Whakahaere ,Tauwi and all
- Diverse stakeholder engagement
- New member experience - opportunity for engagement
- Lead with Event styles/methods
- Focus on modernisation
- Future proofing

## **4. For Discussion**

That Council to provide guidance to the Tumu Whakarae on framing the Constitution in a Te Tiriti o Waitangi centric way. What does the Council want us to consider as we work through the three work streams.

### **Recommendation**

1. That Council **endorse** this approach, in the context of constitutional change
2. That Council determine and **approve** the roles and responsibilities for Committees and Council at each stage.
3. That Council **approve** for all Council to attend and support two meetings (they maybe AGM or SGM) when Constitutional Changes are voted by members



COUNCIL MEETING - May 2023

# How InternetNZ public policy positions are developed

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**AUTHOR:** Vivien Maidaborn, Tumu Whakarae | CE  
**PURPOSE:** To provide a high level summary of how we develop public policy positions.  
**DATE WRITTEN:** 3 May 2023

## Purpose of this paper

The purpose of this paper is to provide a high level summary of how we develop public policy positions. The intent here is to support Council to:

- understand the process by which InternetNZ develops a public policy position and the context in which we do so.
- Provide information on these processes so Councillors can feel confident in particular policy positions InternetNZ take.
- understand how we will work differently having regard to our new strategic goals
- engage on how we can use this information to onboard new Council members

## Introduction

Public policy has to do with what **governments (and other powerful actors) do about things that affect society**. This could include whether our government makes robust investments to address digital equity, or how online interactions help or hinder trust in democratic processes like national elections.

Public policy is different from governance policy, operational policy and .nz policy - these areas focus on internal policy.

Public policy work for InternetNZ is a key strategy toward achieving government policy settings that support an Internet for everyone and an Internet that benefits everyone. InternetNZ public policy is supported by specialist staff and includes work to understand the context of particular Internet issues and to test and develop InternetNZ positions on how we think about and approach these issues.

## Who does an INZ policy position “represent”?

Our traditional approach is that an InternetNZ policy position is the position of this organisation, guided by our charitable objects and our strategy. Our policy position is based in part on our **understanding** of the views of the NZ Internet Community, but it does not purport to **represent** the views of specific groups or communities or the diverse views of the New Zealand Internet Community.

We have taken this approach because we do not think it is appropriate that we speak on behalf of communities; we believe that the government (or the relevant actor) should work to hear from communities directly. We also take this approach because our expressions of the InternetNZ policy position (such as in written submissions) are only one small part of the public policy work that we do, and the other parts support, champion and elevate other voices in the NZ Internet Community. These parts include:

- **We urge the government (or the relevant actor) to directly and appropriately consult and work with communities** and other relevant voices, and in particular we advocate that the government centre the voices and experience of affected communities in the work that needs to be done. For example, this has been a recurring theme in our input to the DIA’s targeted engagement on the content regulatory review.
- **We collaborate with and support others to amplify their voices.** For example, we coordinated a joint submission of over 230 people to the Bill select committee to amend the Films Videos and Publications Classification Act; we convened the digital equity community to draft and sign up to [the five point plan for digital inclusion](#); we have amplified the submissions of others by cross referencing them in our own submissions; we have provided a platforms for others’ views by [publishing their blogs on our website](#); we have joined with others to call out deficiencies in the [Aotearoa New Zealand Code of Practice for Online Safety and Harms](#); we have hosted an online forum for experts and community to discuss issues with digital contact tracing and invited senior government officials to listen in; we have supported the organisation of a DECA branded hui on digital equity needs out of the Auckland Covid lockdown and themed up the information out of that [to send to relevant Ministers](#).



- **We share knowledge and run events to support others to understand Internet issues and grow their capacity to develop their own views and speak on these issues themselves.** For example we have in the past produced position papers and discussion starters on Internet issues, published them and shared them on our website, and taken them to round tables and hui for discussion. See the example detailed below on mandatory web filtering.

We also continue to work within INZ to make our organisation more diverse, so that the positions we develop naturally include diverse views. For example, during 2022 Te Puni Māori had the capacity to allow a Senior Advisor to work with the Public Policy team, which ensured a te ao Māori lens on public policy work.

## How does InternetNZ develop a public policy position?

Issues come to InternetNZ from our community, media requests, and our own environment scanning. We work to prioritise the issues we take positions on based on a mix of what is topical and opportunities for impact under our strategy.

Understanding an issue, and developing or refining a public policy position on that issue, involves an **ongoing synthesis of information** from numerous sources.

These sources can include:

- Hearing from experts and people with experience through reading, researching, and attending seminars and forums locally and internationally.
- The understanding gained from being INZ/DNCL and from being part of groups and ongoing processes such as advisory networks, memberships, governance groups.
- The views and information we get from individuals and groups in the NZ Internet Community that we have developed relationships with, or collaborate with, or hear from through hui or discussion forums that we convene. This includes Māori experts, partners and communities.

The development of a well informed, well consulted, well tested public policy position on a specific Internet issue can be a slow process. It ideally needs to be an ongoing and proactive process to take into account the timelines for responses and the availability and capacity of those we wish to hear from.

An example to illustrate this process is the development of our position on mandatory web filtering, which included the following:

- In 2019, InternetNZ published [“To Block or Not to Block”](#), a paper setting out considerations around web filtering as a policy and technical approach.
- At NetHui 2019, we hosted a policy forum on web filtering with perspectives from Māori, the muslim community, human rights experts, government, and

others. We offered the To Block or Not to Block paper to help people prepare for the conversation.

- In May 2020, Tracy Martin announced proposals for takedown requests and mandated web filters in a new Films, Videos and Publications Classifications Bill (FVPCA Bill) responding to the terrorist attacks on Christchurch mosques.
- We used our previous work as a starting point and drafted a public briefing document on the Bill to support others to engage with it. We also drafted a guide for first time submitters.
- We undertook engagement with the NZ Internet Community to share and improve our thinking, and support others to engage and submit. This included setting up a shared document for collaboration amongst submitters, having Member conversations, and hosting an online roundtable to discuss the Bill.
- We developed an InternetNZ view and used this to make media comment on the FVPCA Bill, and to support the development of [our own detailed submission](#) to the Select Committee.
- We also helped coordinate [a joint submission signed by over 230 people](#), focused on shared concerns about the specific approach to mandated web filters.

## Areas where we will work differently based on new Strategic Goals

A number of factors mean our engagement with the NZ Internet Community has been disrupted. For example:-

- COVID pandemic
- No face to face meetings domestically and internationally
- Loss of a regular NetHui and a cadence and practice of hui and roundtables
- New Tumu Whakarāe and Kahui Tumu with the need to build new networks, contact points and relationships across government, community and business.
- The strategic commitment to centering Te Tiriti O Waitangi in Ipurangi Aotearoa, highlights the need to prioritise Māori engagement, co-design, and early input to decision making.

As an organisation, we will (re)establish and clarify how we engage with the New Zealand Internet Community, having regard to our new strategic goals. This cross organisational work will support better informed/developed/tested policy positions.

We will rebuild networks and strengthened community engagement through:

- A commitment to a cadence and practice of hosting events including NetHui-scale events, together with a consideration of how we do so in a Te Tiriti o Waitangi centric way.
- Using new methods of engagement including supporting staff to do the engagement differently.

- Engaging more consistently with key communities (and experts within those communities).
- A refreshed approach to strategic relationships, including with strategic partners, community groups, government, and other communities.

## Recommendations

1. That Council **receive** the paper on the Public Policy position development.
2. That Council **approve** the process for public policy development.

Vivien Maidaborn

**Tumu Whakarae | Chief Executive**

COUNCIL MEETING - 12 May 2023

# Skills and Diversity Matrix

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**AUTHOR:** Diane Robinson, Pou Ārahi | Executive Assistant and Governance Advisor

**PURPOSE:** For Council agreement to undertake the Skills and Diversity Matrix in May and to review the matrix in October 2023

**DATE WRITTEN:** May 2023

## Summary

The Skills and Diversity Matrix (attachment A) was approved in August 2022 to be used for the 2023 survey of Council Members.

While no individual Council member is expected to have all the identified elements, this matrix approach allows Council to consider what gaps there may be in the Council's collective skillset. This approach also allows Council to consider which skills, areas of speciality and perspectives may be most useful for Council to strategically guide the implementation of our strategy.

Using this matrix and capability survey approach then allows Council to consider how best to address any gaps that may be present.

The survey results will assist with the Elections process for Members to assess the skill gaps of Council Members in relation to the new nominees and those Council members up for re-election. The results of the survey exclude the Councillors up for re-election and will be part of the Candidate pack available on the InternetNZ website.

## Recommendations

THAT Council:

- a) **Agree** to undertake the Skills and Diversity Survey in early May 2023 before 31st May for the Council elections in July 2023.
- b) **Agree** to review the Skills and Diversity Matrix in October 2023 to include the new Council members for the survey 2024.

## Attachment A

# Skills & Diversity Matrix

## GOVERNANCE FRAMEWORK

InternetNZ is committed to ensuring that the skills and diversity of the Council is of a high level and has therefore developed the matrix set out below.

The matrix sets out the range of personal qualities, skills, experience, and diversity attributes sought by InternetNZ around the Council table.

No individual Council member is expected to have all the identified elements, nor will the Council always have the perfect mix.

Certain attributes are considered to be essential for all Councillors, and others are accepted as somewhat specialist.

This matrix will be used to assess Council following each election, and to inform decisions about whether any Appointed Council Members need to be selected.

As part of our governance framework, this document will be reviewed every two years.

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## Governance

These are core skills and areas of knowledge associated with the role of Council as InternetNZ's governing body.

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Skill / Experience	Description	Weighting
<b>Strategic thought</b>	Ability to consider an issue in the context of the organisation's stated goals. Keeping at the high level, weighing options with an open mind.	High
<b>Role of the Councillor</b>	An understanding of the governance function and the value it should add. Clarity on the role of and obligations placed on a Councillor.	High

<p><b>Te Ao Māori</b></p> <ul style="list-style-type: none"> <li>- <b>Indigenous Governance</b></li> <li>- <b>Te Tiriti o Waitangi</b></li> </ul>	<p>Understanding aspects of Te Ao Māori that pertain to InternetNZ's role, including concepts of indigenous governance, Te Tiriti, data sovereignty, cultural competence of staff and governors and familiarity with tikanga Māori and Te Reo Māori. Diverse representation around the Council table.</p>	<p>High</p>
<p><b>Analytical capability</b></p>	<p>A structured approach to problem solving, critical reasoning, an ability to analyse information and importantly ask considered and relevant questions</p>	<p>High</p>
<p><b>Finance</b></p>	<p>The ability to read and comprehend the organisation's accounts and the financial material presented to the board. Financial literacy at a level consistent with minimum expectations placed on directors under the law.</p>	<p>High</p>
<p><b>Communication skills</b></p>	<p>Ability to clearly articulate a point of view in a positive manner.</p>	<p>High</p>
<p><b>Stakeholder relations</b></p>	<p>Ability to understand the requirements of owners and stakeholders and as required and relate to those constituencies.</p>	<p>High</p>
<p><b>Governance experience</b></p>	<p>Previous experience in related governance roles.</p>	<p>High</p>

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## Specialist Areas

It is desirable to have these skills around the table understanding that in the main these duplicate staff skills. The key attribute is an understanding of or willingness to learn about the business.

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Skill / Experience	Description	Weighting
<b>The Internet</b>	An understanding of the key role that the Internet plays in our world now and into the future.	High
<b>InternetNZ</b>	An understanding of the specific role that InternetNZ plays in that world.	High
<b>Investment</b>	Knowledge, understanding and appreciation of investment advice, practices and frameworks. Ability to work with management in discerning and driving appropriate investment approaches including financial strategies.	
<b>Legal</b>	An understanding of the legal environment as relevant to the Internet.	
<b>People</b>	Experience in evaluating the performance of the chief executive and skills in human resource management, culture, reward and recognition.	
<b>Community Engagement</b>	High level reputation and networks in the community including with relevant industry organisations and consumer or business groups, and the ability to effectively engage and communicate with those stakeholders.	
<b>Public Policy</b>	An understanding of public policy and how it relates to the Internet.	

<b>Philanthropy / Social Enterprise</b>	An understanding of granting process and the maximisation of philanthropic funds	
<b>Product Development, Innovation and Commercialisation</b>	Technology Innovations: Understanding the current drivers of innovation in the information technology market. Experience in delivering new product offerings in response to market demand, to achieve market leadership or to take advantage of opportunities for innovation.	

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## Diversity Attributes

Internet NZ has a strong commitment to broad representation at the Council table representing the diversity of the community we serve. We are interested in bringing your lived experiences.

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<b>Diversity</b>	<b>Description</b>	<b>Weighting</b>
		<b>Certain areas are deemed central to the role</b>
<b>LGBTIQ+</b>	Understanding of the issues facing people from diverse Rainbow communities and the opportunities and challenges that relate to our work.	
<b>Young people</b>	Internet industries are driven by a younger demographic. We encourage that voice at the Council table	High
<b>Disability Communities</b>	Understanding of the issues facing people living with disability and the opportunities and challenges that relate to our work.	
<b>Gender Identity</b>	Understanding of the issues facing people of diverse gender identities, and the opportunities and challenges that relate to our work.	



<b>Urban / Rural / Regional</b>	A diverse representation from different towns and cities around Aotearoa around the Council table.	
<b>Diverse ethnic/faith communities</b>	Understanding of the issues facing people of diverse ethnic and faith identities, and of their communities, and the opportunities and challenges that relate to our work.	

Adopted: October 2019

Last Reviewed: August 2022

Last Assessment: Assessment undertaken on Matrix October 2022

# 2023 Elections and AGM

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**AUTHOR:** Kris Dempster-Rivett, Community Manager  
written by Laura Morrissey, Community Advisor

**PURPOSE:** To confirm the Returning Officer and to appoint Grant Thornton as scrutineer for 2023

**DATE WRITTEN:** 4 May 2023

## Executive Summary

We are delighted to be in a position where we are able to offer *kanohi ki te kanohi* (face to face) and an online attendance option for the Annual General Meeting (AGM) for our members this year. *Kaimahi* (staff) are working through the finer details internally to put forward the best experience for our in person and online attendees.

This paper seeks approval from Council for the appointment of the Returning officer and the appointment of the Scrutineer.

### AGM event delivery

- The AGM will be held on Thursday 27 July 2023 (the last Thursday in July).
- The meeting will be a hybrid delivery.
- The hybrid experience will provide our online attendees with the ability to actively participate in the AGM.
- We will need to book an external venue - we have assessed the Wellington office space as it would have been our preference to hold this event in our own office space. Unfortunately, the way the space is designed will not accommodate the tech equipment and comfortably accommodate our in person attendees.
- We are considering having a speaker or a panel that will be attractive to members to help drive a higher level of attendance.

### Rehearsal required

Any Council Members who are presenting/speaking will need to be briefed and sound tested the day of the event.

We will book out our preferred venue for most of the day to be able to test the tech and ensure that the online experience is seamless. Those who are presenting will need to allow for rehearsal time in their schedule, further details will be communicated to the presenters closer to the event.

## Returning Officer role description

The Returning Officer role has been in the constitution since August 2010. The position description is in Appendix A.

We have asked our Fellows if there is anyone that would be willing to take this role on, as the neutral person appointed by Council. We recommend an appointment for the Returning Officer be made at this meeting.

## Steps to create a supportive environment for members, nominees, nominators, candidates and staff

In 2022 we made changes to improve the process for candidates and staff throughout the election process. We will be following the same steps again this year:

- Nominees will understand the nomination process before they agree to the nomination or become a confirmed candidate. This will be achieved by the Returning Officer contacting all nominees as soon as they are nominated to walk them through the election process and their role within it.
- Nominators will be made aware that their name will be publicly shared with any nomination they make.
- All members will be reminded of the code of conduct on communications channels, to ensure we build and maintain safe online spaces for all members to share and participate.

### Staff as members

Staff will be provided with guidance on their role as employees &/or members during the election period. Staff have been asked to direct any questions posed by members about the election to the Chief Executive.

## Council vacancies and countback process

There are **3 vacancies** to fill this year which are all **Councillor positions for a three year term ending 2026.**

## Timeline

DATE	ACTION/TASK
Sun 30 April	Voting Eligibility for new memberships closes
Weds 2 June	Nominations for Elected Council Member opens
Fri 7 July	Nominations for Elected Council Member closes

Fri 14 July	Online Election of Elected Council Member opens
Wed 26 July	Online Election of Elected Council Member closes
Thur 27 July	Scrutineer to confirm election results
Thur 27 July	AGM held
Fri 28 July	Announcement of election results (by email)
Wed 3 Aug	Induction of elected council members

## Recommendations

THAT Council:

1. **Approve** the appointment of a Returning Officer for the 2023 InternetNZ Council Election [Name will be advised at the Council Meeting].
2. **Approve** the appointment of Grant Thornton as Scrutineer for the 2023 InternetNZ Council Election

Vivien Maidaborn

**Tumu Whakarae | Chief Executive**

# President Report

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AUTHOR: Joy Liddicoat, President

PURPOSE: To provide a report back to Council on the President's activities from February to May 2023

## Introduction

During this period the 2022/23 financial year came to an end and Council approved the 2023/24 budget. Our year end performance reflected a year of significant change as we completed a once in a generation infrastructure upgrade, deep reflection on our core mission and values, and transition to new leadership.

## .nz

With the upgraded .nz registry in place, my attention has turned to supporting the .nz Policy Committee and the Chief Executive to reinvigorate .nz strategy and policy oversight. My first role at InternetNZ, in 2007, was as a member of Council's .nz Oversight Committee. Between then and 2010, key decisions were made to separate policy making roles and responsibilities across the InternetNZ group, create wholly owned subsidiary companies and become a charitable company. The policy-operational split has stood the test of time and now sees the registry run and the policy determined by INZ and day to day operation of domain name registration by the independent regulator, the Domain Name Commissioner. As the home of .nz we must always have strong and capable .nz expertise in all areas which means being constantly seeking to improve.

I've been very pleased that our .nz Policy Committee, in particular Chair, Kate Pearce, has been developing and reviewing renewed Committee terms of reference. Together with the appointment of Isobel Edgerton as INZ's technical policy lead, I am confident that by the end of the year .nz oversight and advice will be fully reinvigorated. I encourage all members to get involved in policy and rule-making in this unique area.

In line with our international strategy, I will be attending ICANN 77 in Washington DC and the upcoming Asia Pacific Internet Governance Forum in Brisbane in August. Attendance will ensure a strong .nz presence and enable me to support the Chief Executive who will be attending these events for the first time.

## Membership and Engagement

Vivien and I met with the NetSafe Board and had a productive and warm spirited discussion. Since February I've met with more than two dozen members, listening

to feedback and answering questions. Some key themes from these meetings include:

- encouragement to stay focused on world class delivery of .nz;
- remembering the good in our history;
- focusing constitutional change on refreshment and modernisation rather than root and branch reform;
- keeping members involved in decisions that affect them;
- sticking to our mission to promote and protect the Internet; and
- giving back to the local Internet community from .nz revenue.

I've been heartened by the deep support for INZ from both our long-serving and newer members. Thank you. I encourage all members to get in touch with me to share views. Finally, I've been happy to see increased engagement in our NetHub channels and some fascinating discussion topics.

## **Governance**

The role of President is set out in our Governance Handbook and in practice includes a much wider variety of governance related duties. These include: fortnightly formal meetings with the Chief Executive and Vice President, bank transaction and other financial approvals including Councillor and CE expenses and leave requests, review of Council Committee meeting agenda and papers, comment on or attendance at Council Committee meetings, reviewing the draft Council meeting agenda, ensuring Council papers are up to standard, staying in touch with Councillors and responding to their various needs and questions, keeping a watching brief on members discussions and participating where I can, meeting with stakeholders, communications with members and responding to various CE and senior staff requests for guidance or assistance.

Many of these tasks are not visible to members (and do not need to be), but they are an integral part of making sure our Society runs smoothly and well. In addition, last month I signed the appointment of the auditors, dealt with a variety of end of financial year tasks and, as Chair of the CE Review Committee, finalised the CE's KPIs for 2023/24 which Council will approve shortly.

Finally, in the last month I have been preparing the Chief Executive for what will be her first round of Council elections and the Annual General Meeting in July. Planning is well underway and Council will make relevant decisions at this meeting.



QUARTERLY REPORTING

# REPORT ON Q4 2022/23

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## Introduction from Tumu Whakarae

Kia ora,

The purpose of this report is to summarise our delivery to our strategies and plans, and highlight the key metrics that matter to the ongoing health of our organisation. Further reporting of our year will be documented in our Annual Report as well as this year in our Services Performance reporting, both will be available in June/July.,

Our objectives for Q4 of 2022/23 were:

- Identifying with Te Komiti Whakauru Māori the approach to constitutional change through codesign processes with Māori. We have made clear progress with this work, identifying and developing Mana Whakahaere and focussing on a first Hui Kokiri in Rotorua on the 2nd June.
- Completing the Role Sizing project so InternetNZ Group can use strong data points in setting salary range for each role.
- Te Kahui Tumu hosted the first Wānanga Kokiri, bringing all staff to Horouta Marae and spending time on strategic goals, our Mana Mahi Tahi goal in particular -shifting to Agile, Te Tiriti centred, Self Managing work processes.
- Reopening the Auckland Office
- Turning our attention to international context and re-engaging in international fora
- Developing the 2023/24 Tumu Whakarae KPI's
- Removing our Servers from Avalon and setting them up in a new site without loss of data or time.
- To run the recruitment for the Domain Name Commissioner for DNCL
- To agree with Council the approach to strategic goals for the 2023/24 year
- To agree with Council the approach to the NZ Internet Community

We have made substantial progress across all of the significant commitments of our 2022/23 Annual Plan. Q4 represents a particularly significant moment in the change and evolution of InternetNZ, as we shift our focus from strong internal priorities to more international. Regional and external national priorities.

## ***Rei kura: treasured teeth* - The focus of our action and mahi**

Our plan for the year includes six key strategic commitments. The status of our work is summarised as one of three states:

On track	This work is tracking according to our plans and expectations.
Within tolerance	This work has deviated from our plans and remedial action is underway.
Out of tolerance	This work has deviated from our plans and remediation is not known or unsuccessful.

### **Our strategic goal: .nz is a good product**

Complete the replacement of the .nz registry	Since the new registry system went live successfully on 1 November 2022, we are addressing less critical project items. In particular, items pertaining to the data warehouse and our internal reporting. Progress remains steady.	On track
.nz policy that continues to manage harm through .nz domain names	We are currently in the research phase of our online harm work for the policy recommendations. This research is reviewing a diverse number of other TLDs looking at how they do, or do not, address online harm. Since entering this phase of our work, our external researcher has provided their first update, with the final results due in July.	On track



## Our strategic goal: we are a Te Tiriti o Waitangi centric organisation

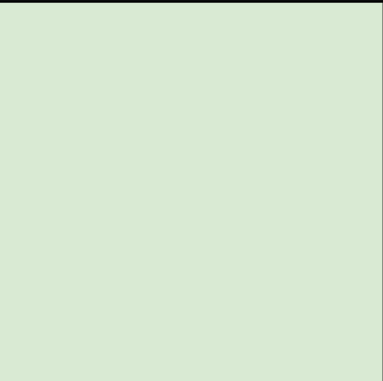
<p>Deepen relationships with Māori through engagements and partnerships</p>	<p>The refreshed partnership agreement with Waka Ama NZ is underway with planned engagements and work developments to achieve the work streams identified. This refresh partnership will see the achievements of an InternetNZ support to building a digital strategy for Waka Ama NZ and a Māori membership recruitment for INZ. Beginning discussions with Te Matarau toward partnering with them on a shared work programme.</p>	<p>On track</p>
<p>Build an environment where Te Ao Māori is treasured and embraced</p>	<p>Council has completed groundbreaking Te Tiriti o Waitangi training sessions with Dr Kathie Irwin and Hone Hurihanganui. The primary focus of these sessions were to build Council understanding of Te Tiriti and how we centre Te Tiriti into our work. Further to the sessions, was exploring the application of the Māori worldview in the governance space. Staff are continuing their learning with Kāpuhipuhi where they will explore Tikanga and how it relates in a mainstream environment.</p>	<p>On track</p>

## Our strategic goal: responses to harms

<p>Convene and advocate for systemic responses to the challenge of mis- and dis-information in Aotearoa.</p>	<p>We continued to develop an Internet That Benefits strategy and priorities while supporting responses to mis and dis information including through funding our partner Tohatoha, providing input to government on a multi stakeholder approach, and raising public awareness through various communications opportunities.</p>	<p>On track</p>
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## Our strategic goal: digital equity and inclusion

<p>Working within the Digital Equity Coalition</p>	<p>We continue to work with and through DECA to support and</p>	<p>On track</p>
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<p>Aotearoa (DECA) framework towards digital equity</p>	<p>strengthen their operating ability. DECA is now to become a separate entity during 2023, and we have supported their Stewardship Group, and as funders, to review their governance and operational structures in order to keep community at the heart of their mahi. DECA's constellations of work continue to shine a spotlight on the digital equity issues that persist in Aotearoa. The grant round in Nov Dec also raised InternetNZ awareness of the communities who are seeking grants in many cases focussed on resolving digital equity issues in their local communities.</p>	
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## InternetNZ in the media

We appeared in 53 different articles/bulletins for the quarter. This number includes the syndications (e.g. when something is published in Stuff and also syndicated into the Waikato Times print edition).

The articles were made up of 39 stories. Most of these stories (27 of 39) were surrounding the release of our internet insights research.

Radio New Zealand and the New Zealand Herald were the most common outlets followed by Today FM (which has now shut down).

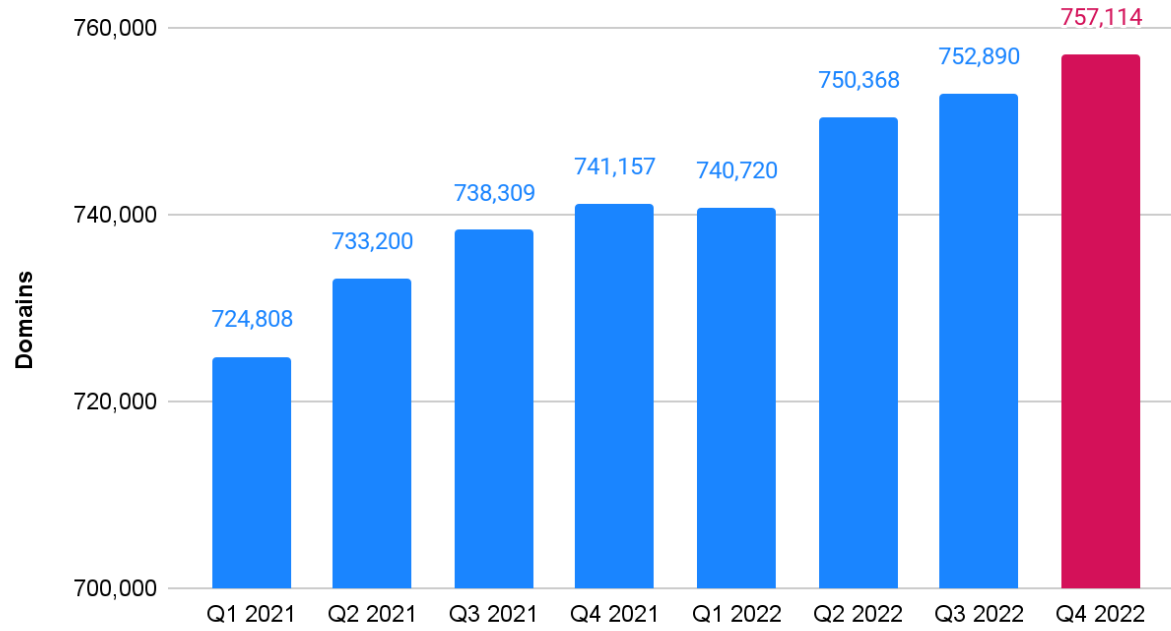
### Q4 media highlights:

- [Our CEO talks to Waatea News about the research and how marae need back-up Internet infrastructure.](#)
- [Pacific Media Network talks about Pacific Peoples' concerns around harmful online content for children.](#)
- [RNZ writes about the huge number of New Zealanders who would move elsewhere to work remotely if they could.](#)
- [Stuff writes about Pacific Peoples and women being much more concerned about some aspects of the Internet.](#)

# ***Rei ora: teeth of vitality* - The foundations on which we stand**

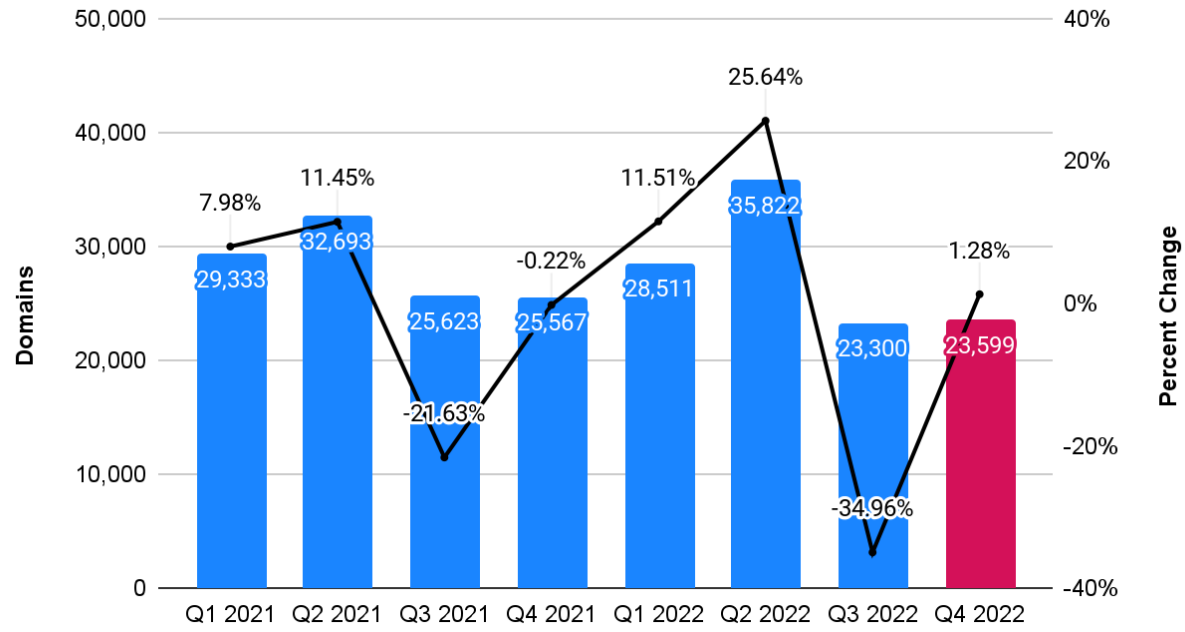
.nz metrics and commentary for Q3 2022/23

## **Total .nz Domains**

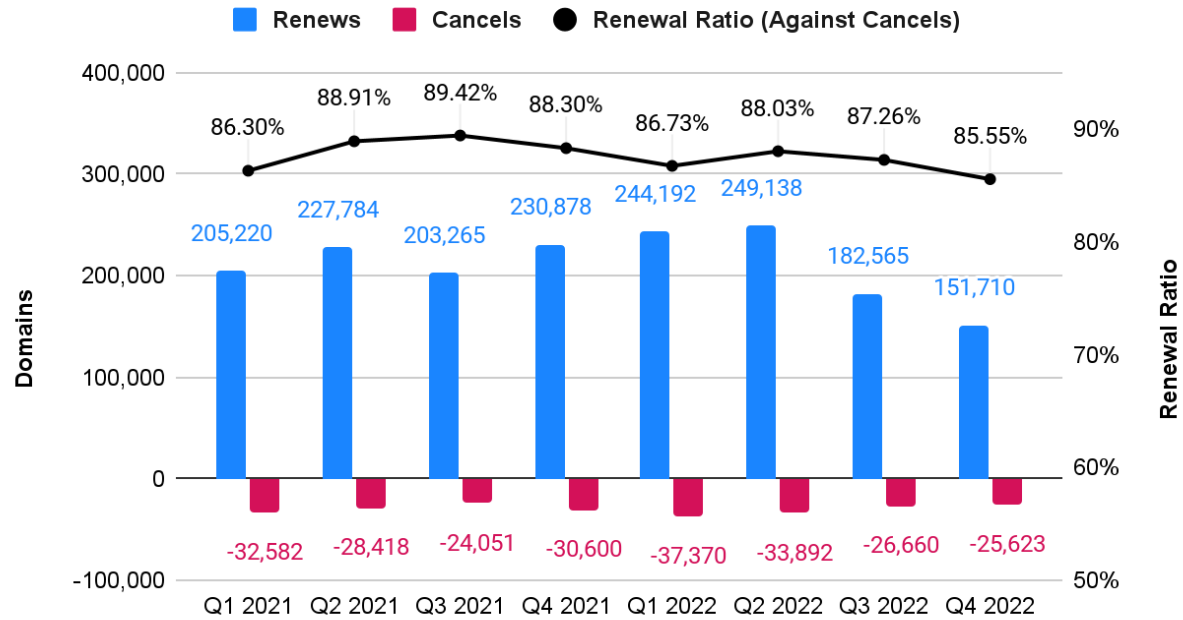


1.

# Creates



## Renews and Cancels



1.

## Membership metrics and commentary for Q4 2022/23

### Current membership (at 31 March 2023)

	31 Mar 2022	31 Jan 2022	30 June 2022	30 Sept 2022	31 Jan 2023	31 Mar 2023
<b>Fellows</b>	29	29	29	32	32	<b>32</b>

<b>Individual</b>	348	323	289	306	311	<b>336</b>
<b>Individual Plus</b>	13	23	11	11	11	<b>11</b>
<b>Small organisation</b>	19	17	17	19	20	<b>21</b>
<b>Large organisation</b>	2	2	1	2	2	<b>2</b>
<b>Total Membership</b>	<b>411</b>	<b>394</b>	<b>346</b>	<b>370</b>	<b>376</b>	<b>402</b>

- We have received **25 new individual and 1 small organisation membership applications** since the last council report.

## People metrics and commentary for Q4 2022/23

- **FTE permanent employees:** 34.5 ↑0.8
- **Arrivals and departures**
  - Departures: Security Engineer
  - Arrivals: Kaiwhakahaere ā Hapori | Community Engagement Manager, Kaitohutohu ā Hapori | Community Advisor
- **HSW:** The focus for the HSW committee has been on physical safety - setting up the Auckland office, physical safety in the Wellington office.

There have been two major focuses for the team in this quarter:

- Wānanga Kokiri bringing the InternetNZ Group together
- Completing the role sizing project for all roles within the InternetNZ Group

## Partnership/funding metrics and commentary for Q4 2022/23

For the \$1mil of community funding at 31 March 2023, \$800k has been invested into strategic partnerships or projects with the following organisations:

- 20/20 Trust
- AUT, World Internet Project
- Digital Future Aotearoa
- FigureNZ
- Tohatoha - including additional bridging funding as requested
- Digital Equity Coalition Aotearoa, DECA (co-funded with Spark Foundation and Todd Foundation)
- Brainbox Ltd (co-funded with Borrin Foundation)
- NZ Red Cross, Awhi Matihiko Red Cross Settlement (co-funded with Spark Foundation)
- TUANZ - new funding in March to support their events work

Both on-demand grants rounds were fully distributed during Q4:

- \$85k pool for grants up to \$10k - to support diverse voices to contribute, influence and champion different perspectives on key Internet issues. As of 31 March, \$87,860 of funding was approved for 12 successful applications.
- \$230k pool for grants up to \$10k - to support community initiatives that will work towards digital equity and a safer, more positive Internet to benefit all of Aotearoa. Applications were assessed on a rolling basis, and with kaimahi working to support applicants throughout the process with advice, ghost-writing support and draft review as needed. As of 31 March, \$246K of funding was approved for 25 successful applications. <https://internetnz.nz/news-and-articles/new-grant-open/>

Q3 has seen the final engagement phase of our research into an Internet that benefits people. We have entered the data analysis and consolidation phase as we move towards publication of the final report. <https://internetnz.nz/an-internet-that-benefits-people/>

5 May 2023

Ms Joy Liddicoat  
President  
InternetNZ  
Via email [president@internetcz.net.nz](mailto:president@internetcz.net.nz)

Dear Joy

### **Quarter Four (Q4) Report 1 January - 31 March 2023**

This report is for the three months 1 January to 31 March 2023. It includes the Domain Name Commission Ltd (DNCL) quarterly Profit and Loss Statement.

Quarter four resulted in a deficit of \$74,030.49 against a budgeted deficit of \$77,738.00. The full year deficit is \$55,781.51 and is well within the overall full year budget of a deficit of \$123,126. The profit and loss statement is presented on Page 4.

### **DNCL Impact**

#### **Enquiries**

1 January to 31 March 2023 highlights:

- 359 email enquiries and 335 phone enquiries
- 66 domain names were initiated into our data validation processes
- Of those:
  - 34 domain names referred to us in that period were suspended in that period (the remainder verified or still in the process).
  - 2 of those were urgent domain name suspensions completed within the quarter.

### **Market - Providers and end of year market concentration calculation**

Four new registrars were onboarded over the financial year, with one of those coming on board in this quarter.



The registrar market concentration figure by reference to HHI (Herfindahl-Hirschman Index) is 997 as at 31 March 2023. This represents the concentration of domain names held by providers in the market. This year's result demonstrates a small increase in concentration from 956 (March 2022) and 803 (March 2021).

Scores below 1,500 are considered low concentration. Scores above 1,500 are considered moderate and above 2,500 are considered high.

The HHI is a commonly accepted measure of market concentration. It is calculated by squaring the market share of each firm competing in a market and then summing the resulting numbers. It can range from close to 0 to 10,000. Comparative data shows that .nz compares well in comparison with other country code top level domain registries. An early 2022 survey of a subset of European country code registries showed an average score of 1305.

### **Conflicted names resolutions**

The conflicted domain names numbers have reduced by 183 over the financial year - reducing from 1623 to 1440, a drop of 11%.

### **Governance**

The DNCL Board last met on 27 April 2023. A DNCL strategy day has been set for 7 September 2023.

The Board has been provided with the Group wide draft internal policy development framework. This includes a draft flow on how Governance policy across the Group will be made (or example Group Health and Safety policies). The Board has committed to reviewing and providing input on it.

### **Upcoming work**

DNCL will be releasing a report next quarter on the conflicted names resolution project that was wrapped up in early 2023 piloting Online Dispute Resolution (ODR) for conflicted names.

ODR Resolution has also been being offered to traditional Dispute Resolution applicants. A decision needs to be taken on whether to continue with front loading the mediation process (offering resolution through mediation before submission of formal complaint, response, reply) and whether ODR will be used in the future to manage the mediation process. If the piloted change in workflow is recommended as a permanent solution, some changes to the Dispute Resolution Service policy will be needed. (That is a schedule of .nz rules.)

## Staff

The recruitment for the new Domain Name Commissioner has been completed and the appointment of Barbara Pearse was announced on 26 April 2023. The new Commissioner started on 1 May 2023. The Assistant Commissioner role has been disestablished.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Vivien Maidaborn', with a stylized flourish at the end.

Vivien Maidaborn  
Chair, Domain Name Commission

# Profit & Loss

Domain Name Commission Limited  
For the Quarter ended 31 March 2023

Account	Q4 Actual	Q4 Budget	Q4 Variance	Q3 Actual	Q3 Budget	Q3 Variance	Q2 Actual	Q2 Budget	Q2 Variance	Q1 Actual	Q1 Budget	Q1 Variance	YTD Actual	YTD Budget	Variance NZD	Overall Budget 2022-2023
<b>Trading Income</b>																
Authorisation Fees	3,000.00	3,000.00	-	0.00	3,000.00	(3,000)	6,000.00	6,000.00	-	0.00	0.00	-	9,000.00	12,000.00	(3,000)	12,000.00
Income - DRS Complaint Fees	8,000.00	4,000.00	4,000	4,000.00	4,000.00	-	0.00	0.00	-	4,000.00	4,000.00	-	16,000.00	12,000.00	4,000	12,000.00
Interest Income	12,195.30	13,562.00	(1,367)	5,529.62	200.00	5,330	1,267.98	1,263.00	5	(24.13)	(25.00)	1	18,968.77	15,000.00	3,969	15,000.00
Management Fees	412,500.00	412,500.00	-	412,500.00	412,500.00	-	412,500.00	412,500.00	-	412,500.00	412,500.00	-	1,650,000.00	1,650,000.00	-	1,650,000.00
Sundry Income	0.00	0.00	-	59,526.00	59,526.00	-	0.00	0.00	-	0.00	0.00	-	59,526.00	59,526.00	-	59,526.00
<b>Total Trading Income</b>	<b>435,695.30</b>	<b>433,062.00</b>	<b>2,633</b>	<b>481,555.62</b>	<b>479,226.00</b>	<b>2,330</b>	<b>419,767.98</b>	<b>419,763.00</b>	<b>5</b>	<b>416,475.87</b>	<b>416,475.00</b>	<b>1</b>	<b>1,753,494.77</b>	<b>1,748,526.00</b>	<b>4,969</b>	<b>1,748,526.00</b>
<b>Gross Profit</b>	<b>435,695.30</b>	<b>433,062.00</b>	<b>2,633</b>	<b>481,555.62</b>	<b>479,226.00</b>	<b>2,330</b>	<b>419,767.98</b>	<b>419,763.00</b>	<b>5</b>	<b>416,475.87</b>	<b>416,475.00</b>	<b>1</b>	<b>1,753,494.77</b>	<b>1,748,526.00</b>	<b>4,969</b>	<b>1,748,526.00</b>
<b>Operating Expenses</b>																
Communications	22,866.55	24,531.00	(1,664)	27,071.28	23,877.00	3,194	23,442.77	23,442.00	1	27,158.53	27,119.00	40	100,539.13	98,969.00	1,570	98,969.00
Compliance	16,101.07	13,080.00	3,021	12,162.99	13,080.00	(917)	17,298.36	18,049.00	(751)	7,214.94	7,965.00	(750)	52,777.36	52,174.00	603	52,174.00
Director Expenses	11,232.03	20,017.00	(8,785)	16,338.28	10,769.00	5,569	8,101.08	8,101.00	0	10,227.05	10,227.00	0	45,898.44	49,114.00	(3,216)	49,114.00
Dispute Resolution Service	45,337.72	13,184.00	32,154	2,374.99	13,124.00	(10,749)	6,874.99	11,624.00	(4,749)	3,824.99	8,075.00	(4,250)	58,412.69	46,007.00	12,406	46,007.00
International	(9,070.94)	1,193.00	(10,264)	9,674.38	0.00	9,674	13,807.23	13,807.00	0	0.00	0.00	-	14,410.67	15,000.00	(589)	15,000.00
Memberships	2,853.04	4,008.00	(1,155)	2,866.53	3,168.00	(301)	2,866.53	2,868.00	(1)	3,636.96	3,638.00	(1)	12,223.06	13,682.00	(1,459)	13,682.00
Office and Administration Expense	88,533.01	100,988.00	(12,455)	87,549.97	96,219.00	(8,669)	84,175.82	83,994.00	182	96,192.60	95,996.00	197	356,451.40	377,197.00	(20,746)	377,197.00
Personnel and Staff Costs	304,588.67	277,868.00	26,721	222,009.32	248,040.00	(26,031)	291,785.95	299,310.00	(7,524)	242,575.25	248,103.00	(5,528)	1,060,959.19	1,073,321.00	(12,362)	1,073,321.00
Professional Services	11,100.00	36,061.00	(24,961)	3,540.91	3,450.00	91	19,613.00	19,613.00	-	9,595.64	9,596.00	(0)	43,849.55	68,720.00	(24,870)	68,720.00
Total Projects	1,500.00	0.00	1,500	500.00	0.00	500	0.00	0.00	-	0.00	0.00	-	2,000.00	0.00	2,000	0.00
Registrars	1,249.99	5,053.00	(3,803)	2,849.99	5,049.00	(2,199)	2,049.99	5,049.00	(2,999)	2,049.99	3,049.00	(999)	8,199.96	18,200.00	(10,000)	18,200.00
<b>Total Operating Expenses</b>	<b>496,291.14</b>	<b>495,983.00</b>	<b>308</b>	<b>386,938.64</b>	<b>416,776.00</b>	<b>(29,837)</b>	<b>470,015.72</b>	<b>485,857.00</b>	<b>(15,841)</b>	<b>402,475.95</b>	<b>413,768.00</b>	<b>(11,292)</b>	<b>1,755,721.45</b>	<b>1,812,384.00</b>	<b>(56,663)</b>	<b>1,812,384.00</b>
<b>Non - Operating Expenses</b>																
Depreciation	13,434.65	14,817.00	(1,382)	12,930.91	14,817.00	(1,886)	12,935.15	14,817.00	(1,882)	14,254.12	14,817.00	(563)	53,554.83	59,268.00	(5,713)	59,268.00
<b>Total Non - Operating Expenses</b>	<b>13,434.65</b>	<b>14,817.00</b>	<b>(1,382)</b>	<b>12,930.91</b>	<b>14,817.00</b>	<b>(1,886)</b>	<b>12,935.15</b>	<b>14,817.00</b>	<b>(1,882)</b>	<b>14,254.12</b>	<b>14,817.00</b>	<b>(563)</b>	<b>53,554.83</b>	<b>59,268.00</b>	<b>(5,713)</b>	<b>59,268.00</b>
<b>Net Profit</b>	<b>(74,030.49)</b>	<b>(77,738.00)</b>	<b>3,707.51</b>	<b>81,686.07</b>	<b>47,633.00</b>	<b>34,053.07</b>	<b>(63,182.89)</b>	<b>(80,911.00)</b>	<b>17,728.11</b>	<b>(254.20)</b>	<b>(12,110.00)</b>	<b>11,855.80</b>	<b>(55,781.51)</b>	<b>(123,126.00)</b>	<b>67,344.49</b>	<b>(123,126.00)</b>

# .nz Standing Report

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AUTHOR: Tim Johnson, Tumuwhanake  
General Manager, Customer and Product

REPORTING PERIOD: April 2023  
DATE WRITTEN: 2 May 2023

## Introduction

Continuing to re-group and re-build as per the .nz Product Strategy remains a current priority. We are making steady progress in this regard, and are in the process of recruiting two key roles as part of the Puni re-build.

## Network Meetings and Bilateral

- Namescon, one of the largest domain name conferences globally, will be attended by Tumuwhanake at the end of May.
- ICANN77 in Washington DC will also be attended by Tumuwhanake in June.

## Business Opportunities

- Currently, there are three international registrars that have indicated their intent to become a .nz authorised registrar. These opportunities came as a result of meetings held at ICANN76 in Mexico in March.
- We are currently reviewing the design of the previously proposed Registry Lock product. A simplified version of the Registry Lock is being considered. This may result in an earlier than anticipated launch date.
- In Mar/Apr we received the results of a qualitative research project. The research was focussed on what factors influence a registrant's choice of which .nz domain they choose. Specifically, why .co.nz instead of .nz. This research will help inform future marketing initiatives.

## Business Risks

- Maintaining an appropriate level of resourcing within the .nz Operations Team is critical. For the month of April, this team of five was temporarily reduced to a team of three. It is an ongoing exercise to ensure that we are sufficiently resourced, or have resources to hand, to maintain our ability to respond to a wide variety of possible events.

## .nz Policy

- Isobel Egerton has been confirmed as Domain Name Policy Lead. This is a new role in Te Puni Whakawhanake Rawa and will become the lead for our .nz Policy Review process. This is a significant step forward for .nz Policy.
- Our researcher who is conducting research into how other TLDs are approaching online harm has provided their first update. They are on target to provide their report by July.

## Technological Updates

- The .nz Operations Team successfully concluded their extraction from a Data Center in late April. This was a required move with a very tight timeframe, due to a variety of external factors. This required an exceptional effort to complete in time, particularly given the team was down by two engineers.
- There have been no incidents of note during the reporting period.

## Business Continuity Planning

- We are in active discussion with partners on how we can improve our continuity readiness. These discussions cover both short-medium term improvements, as well as aspirational longer term improvements.

## Systems and Market Performance

### DNS Availability:

Host	% Time Up		% Time Down		% Time Unreachable	
multisite-irs-prod-lb-ip-0	100.000%	(100.000%)	0.000%	(0.000%)	0.000%	(0.000%)
multisite-irs-prod-lb-ip-1	100.000%	(100.000%)	0.000%	(0.000%)	0.000%	(0.000%)
multisite-irs-prod-lb-ip-2	100.000%	(100.000%)	0.000%	(0.000%)	0.000%	(0.000%)
multisite-irs-prod-lb-ip-3	100.000%	(100.000%)	0.000%	(0.000%)	0.000%	(0.000%)
<b>Average</b>	<b>100.000%</b>	<b>(100.000%)</b>	<b>0.000%</b>	<b>(0.000%)</b>	<b>0.000%</b>	<b>(0.000%)</b>

### Registry Services Availability:

Host	Service	% Time Ok		% Time Warning		% Time Unknown		% Time Critical	
multisite-irs-prod-lb-ip-0	HTTP port 80	100.000%	(100.000%)	0.000%	(0.000%)	0.000%	(0.000%)	0.000%	(0.000%)
	HTTPS port 443	100.000%	(100.000%)	0.000%	(0.000%)	0.000%	(0.000%)	0.000%	(0.000%)
multisite-irs-prod-lb-ip-1	EPP port 700	100.000%	(100.000%)	0.000%	(0.000%)	0.000%	(0.000%)	0.000%	(0.000%)
multisite-irs-prod-lb-ip-2	EPP port 700	99.989%	(99.989%)	0.000%	(0.000%)	0.000%	(0.000%)	0.011%	(0.011%)
multisite-irs-prod-lb-ip-3	HTTPS port 443	100.000%	(100.000%)	0.000%	(0.000%)	0.000%	(0.000%)	0.000%	(0.000%)
	WHOIS data age	99.991%	(99.991%)	0.000%	(0.000%)	0.000%	(0.000%)	0.009%	(0.009%)
	WHOIS port 43	100.000%	(100.000%)	0.000%	(0.000%)	0.000%	(0.000%)	0.000%	(0.000%)
<b>Average</b>		<b>99.997%</b>	<b>(99.997%)</b>	<b>0.000%</b>	<b>(0.000%)</b>	<b>0.000%</b>	<b>(0.000%)</b>	<b>0.003%</b>	<b>(0.003%)</b>

### Domain Name Transactions:

	CREATES	RENEWS	CANCELS
<b>Apr-23</b>	7,521	49,840	10,358
<b>Apr-22</b>	9,320	79,894	13,148



COUNCIL MEETING - May 2023

# Governance Committee

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AUTHOR: Richard Hulse  
FOR: Governance Committee Report back to Council  
REPORT: February to April 2023

## Report back to Council

The Governance Committee held meetings on the 10 and 27 February 2023.

The following Agenda items were discussed:

- Setting up for the work on the Charter.
- The Incorporated Societies Act 2022, and its impact on the process.
- Mana Whakahaere journey - how we work with Te Komiti Whakauru Māori, and together.

**AP01/23** Co-write the communication. Di to coordinate a meeting for Vivien, Richard, Joy and Potaua.

## Recommendation

THAT Council received report back from The Governance Committee

# DNCL Honoraria review

---

AUTHOR: Governance Committee  
FOR: InternetNZ Council  
PURPOSE: DNCL Honoraria and Director Appointment  
DATE WRITTEN: May 8th 2023

## Background and Purpose

DNCL Directors honoraria is set annually at the DNCL AGM and was last set at \$17,735 at the AGM on July 28th 2022.. This level of honoraria was set based on the then current INZ Councilor fee based on council guidance. The directors were reappointed in January 2023 until 1 February 2024

On April 1 2023 INZ Councilor fees was increased to \$19,250 per annum based on paper approved in December 2022 and will be reviewed again in 2 years. At this time it was agreed that staff would undertake some further research on the levels of honoraria for the DNCL Directors.

Following this meeting a report from the Institute of Directors was obtained .This report is based on a IoD members survey and is focused on

- Fees across categories like organisation type, size, and industry
- hours of work and hourly rates across board roles and fee categories

Analysis was done based on estimated hours worked and range of different organisational types, sizes, and industries, and the \$17,735 was within lower to median range .

By comparison, the Crown Entity fee Framework used for InternetNZ Council has a subsidiary element which for this size of organisation recommends between \$11,044 to \$18,420. This put the DNCL Board fees of \$17,735 at 96% of the range,

Please note INZ Councilor fees of \$19,250 is based on fee range of \$13,000 - \$22,470 on level 3 of the Governance boards (including TEIs and DHBs) in the Crown Entity fee Framework This put INZ current fee at 86% of the range

## Discussion

At the Governance meeting on May 8th three key areas were identified for discussion at Council.

1. Given the subsidiary nature of the DNC Board, fees should be set relative to INZ councilor fees - example 80% of current INZ \$19,250 would be \$15,400 - so any increases follow the percentage increase of InternetNZ Council fee movements . This is also in the range of the subsidiary recommendations in the Framework and approx 84% of the range.

There is a question to be answered as to whether we should set fees relative to Council (which draws from membership) or relative to the market (because DNCL has to draw from the commercial directors' market).

2. The current directors should complete their terms at the current level - there is risk to be considered if we change fees mid term.
3. A process is discussed and agreed for appointing new directors for Feb 2024.

## Recommendations

That Council **approve** DNCL Directors Fees at \$17,735 until March 2024.

That Council **approve** the DNCL fees to keep relativity with INZ councilors' fees to 80%

That Council **identify** the personnel for the DNCL directors recruitment panel





COUNCIL MEETING - May 2023

# .nz Policy Committee

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AUTHOR: Kate Pearce (Chair)  
FOR: .nz Policy Committee Report back to Council  
REPORT: February to April 2023

The .NZ policy committee met on 5th April, 2023.

The following Agenda items were discussed:

- Update on .nz policy review project
  - Changes to the .nz rules went live 31 March 2023, comprising updates of clause references, fixing drafting errors and adding clarifications. These changes are uncontroversial.
  - The status of remaining tranche 2 recommendations is:
    - R21 - Trusted Notifier - On hold pending completion of background work on online harm (expected June 2023)
    - R23 (Registrar Security Standards) & R39 (Registrar Minimum services standards and features) - Delayed due to resourcing constraints. These will progress later in the year.
  
- Scope of the .nz policy committee within the current status of the 2019 policy review work and overall .nz oversight needs.
  - Discussion underway, no recommendations made yet

No recommendations from the .nz policy committee were made to Council.

## Recommendation

THAT Council **receive** the report back from the chair of the .nz policy committee (Kate Pearce).

# Health, Safety and Wellbeing Report

**AUTHOR:** Vivien Maidaborn, Tumu Whakarae  
 Written by Vicki Wright, People and Operations Manager on behalf of the InternetNZ Health and Safety Committee.

**PURPOSE:** To provide the Council with an update on Health Safety and Wellbeing (HSW) for the InternetNZ Group.

This report is prepared for InternetNZ Group and all information is based on group Staff (INZ and DNCL) and activities of a Group HSW Committee.

Period	Number of Near Misses reported/or identified	Number of Incidents reported/or identified	First Aid Incidents/ Accidents reported/or identified
5 May 2022 - 15 June 2022	1	0	0
16 June 2022 - 31 Aug 2022	1	0	0
1 Sep 2022 - 17 Nov 2022	1	0	0
18 Nov 2022 - 8 March 2023	2	1	1
9 March 2023 - 3 May 2023	0	2	0

## Summary

### Identified Risks - risk level after mitigation

- *Auckland office security & safety concerns - medium level risk*

The Auckland office re-opened on 27 April 2023, however for security reasons, the lifts have been temporarily locked to card-only access. This is a mitigation following an incident when a member of the public was found searching through the kitchen area. Although the main door to the office is always locked, this is seen as a security risk as people may be in the office alone.

A further mitigation is that a security camera has been installed on level 7.

- *Move to new ways of working - medium level risk*

As the organisation develops the new approach to organising work using agile practices and experimentation to deliver to our strategic priorities, there is a risk identified to wellbeing linked to uncertainty and change. The mitigations in place for this are ongoing training for all, acknowledgement that the changes will take time and regular communications through people managers.

### **How we measure HSW risks**

The report above is based on assessment of HSW risks during the March to May period raised via the HSW committee and assessment is based on the **Hazard Matrix** - see below. The matrix takes into consideration the likelihood and potential consequences as well mitigations to assess level after mitigations. Risk levels to medium to high will be reported to Council, DNCL Board and Risk and Compliance committee.

### **Recommendation**

That the Health, Safety and Wellbeing Report be received.

## HAZARD MATRIX

To determine “Risk” of hazards or potential hazards on site or in the workplace: What is the **likelihood** of something happening and multiply by the potential consequences.

			Consequences				
<b>Physical injury/ work-related stress</b>			<ul style="list-style-type: none"> <li>First Aid or minor injuries</li> <li>Individual work-related stress</li> </ul>	<ul style="list-style-type: none"> <li>Medical treatment injury</li> <li>5+ people work-related stress</li> </ul>	<ul style="list-style-type: none"> <li>Lost time injury</li> <li>Notifiable event injury</li> <li>Long-term disability</li> <li>Lost time work-related stress</li> </ul>	<ul style="list-style-type: none"> <li>Multiple serious injuries</li> <li>Single Fatality</li> <li>Long-term disability</li> <li>5+ people lost time work-related stress</li> </ul>	<ul style="list-style-type: none"> <li>Multiple fatalities</li> <li>20+ people lost time work-related stress</li> </ul>
Environmental			<ul style="list-style-type: none"> <li>No impact or effect</li> </ul>	<ul style="list-style-type: none"> <li>Impact contained to workplace with simple clean-up process</li> </ul>	<ul style="list-style-type: none"> <li>Impact contained to workplace</li> <li>Specialist clean-up required</li> </ul>	<ul style="list-style-type: none"> <li>Significant local environmental impact or effect to outside workplace as well</li> <li>Specialist clean-up required</li> </ul>	<ul style="list-style-type: none"> <li>Environmental impact and effect large scale and of national significance</li> <li>Long-term damage over long periods of time. On-going</li> </ul>
Damage or process disruption			<ul style="list-style-type: none"> <li>Damage or Process disruption,</li> <li>No impact on customer</li> </ul>	<ul style="list-style-type: none"> <li>Damage or Process disruption with minor customer impact (e.g. minor delay to one or 2 services)</li> </ul>	<ul style="list-style-type: none"> <li>Damage to critical process</li> <li>Moderate delays to services</li> </ul>	<ul style="list-style-type: none"> <li>Loss of key processes</li> <li>Structural damage to facilities</li> <li>Major delays to one or more services</li> </ul>	<ul style="list-style-type: none"> <li>Workplace shut down for a period of time</li> <li>Machinery or equipment needs to be replaced</li> </ul>
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>Likelihood</b>	Almost Certain	<b>5</b>	<b>Medium</b>	<b>Medium</b>	<b>High</b>	<b>High</b>	<b>High</b>
	High Likley	<b>4</b>	<b>Medium-Low</b>	<b>Medium</b>	<b>High</b>	<b>High</b>	<b>High</b>
	Possible	<b>3</b>	<b>Medium-Low</b>	<b>Medium</b>	<b>Medium</b>	<b>Medium</b>	<b>High</b>
	Unlikely	<b>2</b>	<b>Low</b>	<b>Low</b>	<b>Medium</b>	<b>Medium</b>	<b>Medium</b>
	Highly Unlikely	<b>1</b>	<b>Low</b>	<b>Low</b>	<b>Medium-Low</b>	<b>Medium-Low</b>	<b>Medium</b>

Work related Stress as defined in the Managing stress Policy Statement

# MINUTES

# COUNCIL MEETING

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**Status:**

Draft to be Ratified

**Date**

Friday 31 March 2023

**Present:**

*Council:* Joy Liddicoat (President) Brenda Wallace, Whetū Fala, Don Stokes, Richard Hulse, Jeff Montgomery, Anjum Rahman, Alpana Roy and Anthony Bow

**Apologies:** Cr Biasiny-Tule and Cr Pearce

**In attendance:**

*Staff:* Vivien Maidaborn (Tumu Whakarae); Catherine Fenwick, Vanisa Dhiru, Tim Johnson and Diane Robinson

**Members:** Carlos Cordero and Di Daniels

## Section 1 - Meeting Preliminaries

**1.1 Council only (in committee)**

**1.2 Council and CE alone time (in committee)**

**1.3 Karakia, apologies, interests register, action items and agenda review**

Apologies Cr Biasiny-Tule, Cr Pearce

The following updates were made to the Interests Register:

**Jeff Montgomery**

- Add 'Past' Employee of Service Delivery and Operations, Department of Internal Affairs.
- Employee of the Pacific Community in a Ministry of Foreign Affairs and Trade funded role

## 1.4 Action Items

The President talked through the action list and staff provided a report back on each action.

**AP04/23** The March action list and registers to be updated with amendments.

## Section 2 - Strategic Priorities

### 2.1 2023/2024 Plan - Goals

Council's approach is to align the budget directly with our strategy, goals and success measures. We welcomed Chief Executive, Vivien Maidaborn's proposal to further sharpen goals from 13 to 9 and the clear visibility of the senior leadership team goals and measures. We approved this revised plan, with some minor amendments.

**RN12/23** That Council **approved** the 2023/2024 Plan and Goals, subject to minor amendments.

(All Council)  
**CARRIED**

### 2.2 2023/24 Budget

Vivien presented three budget scenarios to support discussion at Council on where our priorities and balance with expenditure should lie. Council were able to take a multiyear view of impact of each budget on the InternetNZ Balance Sheet and possible investments.

A key decision was whether to increase community funding. Council agreed a deeper discussion is needed about our charitable purpose before making a decision to substantively increase funding. Council agreed to hold a funding strategy discussion reviewing the Charitable Objects later this year, which will also give existing partners and members an opportunity to share their views. Council approved the [2023/2024 budget - Scenario 2](#).

**RN13/23** That Council **approved** for 2023/24 an operational expenditure budget limit of **\$14.96m** and capital expenditure of **\$.85m**

**RN14/23** That Council **received** the Revenue target of **\$14.06m**

**RN15/23** That Council **approved** the 2023/204 Budget Scenario 2.

(Cr Fala/Cr Stokes)  
**CARRIED**

**AP05/23** Council agreed to hold a strategic conversation on the charitable objects and related funding strategy by December 2023.

### **2.3 DNCL Plan & Budget 2023/24**

Council received the Domain Name Commission Limited's strategic and business plans for 2023/24 and approved the DNCL Management fee for 2023/24 of \$1,635,000.

**RN16/23** That the Council **receives** the strategic and business plans for 2023/24.

**RN17/23** That the Council **agree** the DNCL Management fee for 2023/24 of \$1,635,000.

(Cr Hulse/Vice President Wallace)

**CARRIED**

## **Section 3 – Matters for Decision**

### **3.1 Audit, Finance and Investment**

Council discussed the current investment approach and the need to review a number of investment, treasury and reserves policies. Council agreed to carry out the review and asked Vivien to report back to Council in due course. Council reviewed the Letter of Engagement.

#### **3.1.1 Investment**

**RN18/23** That Council **approve** the Treasury, Investment and Reserves policies review

**RN19/23** That Council **approve** the Chief Executive report back on review progress in due course. .

#### **3.1.2 Letter of Engagement**

That Council **approve** the recommended papers for signing by the Audit, Finance and Investment Chair:

**RN21/23** That Audit, Finance and Investment recommends to Council to receive and approve for signing the Grant Thornton Letter of Engagement for the Financial year 2022-23.

**RN22/23** That Audit, Finance and Investment recommends to Council to receive and approve for signing the Grant Thornton Audit required Enquiries with *Those Charged with Governance* (TCWG) responses for the financial year 2022-2023.

(Cr Rahman/Cr Hulse)

**CARRIED**

## **Section 4 – Matters for Discussion**

### **4.1 President's Report**

**RN20/23** That the President's report be **received**.

(Cr Rahman/Cr Stokes)

**CARRIED**

## **Section 5 - Consent Agenda**

### **5.1 Health, Safety and Wellbeing Update (Verbal)**

**RN21/23** That Council **receive** the Health, Safety and Wellbeing Update.

### **5.2 Minutes of the Meeting of December 2023**

**RN22/23** That Council **approve** the minutes of the 10 February 2023.

(Vice President Wallace/Cr Fala)

**CARRIED**

### **5.3 Evote Ratification - None**

## **Section 6 - Other Matters**

### **6.1 CONTINGENCY - Not needed**

### **6.2 Matters for communication – key messages.**

#### **6.2.1 Communications in general**

#### **6.2.2 Upcoming events**

### **6.3 General business - None.**

### **Risk and Compliance Committee**

- The Risk and Compliance Committee was seeking a member with legal experience to join their Committee and President Liddicoat has agreed to attend in support.
- The Risk Register has been moved to a different platform and new matrix reporting will be presented to the next meeting.
- Insurance Renewal - there were a number of exclusions in the insurance. The committee reviewed the insurance and the decision was made to renew by management.

### **6.4 Meeting review**

**Next meeting:** The next scheduled Council meeting is Friday 12 May 2023.





# Group financial statements

to the year ended 31 March 2023

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## Consolidated Income Statement

### Internet New Zealand Group Consolidated Income Statement to the year ended 31 Mar 2023

Notes	Group	Group	+/-	+/-	Parent	Parent	+/-	+/-
	YTD	Budget	\$	%	YTD	Budget	\$	%
<b>Income - Operating</b>								
	13,408,921	13,392,433	16,488	0%	13,408,921	13,392,433	16,488	0%
	51,250	50,400	850	2%	51,250	50,400	850	2%
	12,185	8,400	3,785	45%	12,185	8,400	3,785	45%
	125,685	150,552	(24,867)	-17%	290,680	316,614	(25,934)	-8%
<b>2 (a)</b>	<b>13,598,041</b>	<b>13,601,785</b>	<b>(3,744)</b>	<b>0%</b>	<b>13,763,036</b>	<b>13,767,847</b>	<b>(4,811)</b>	<b>0%</b>
<b>Total Operating Income</b>								
<b>Less Direct Expenses</b>								
	-	-	-	-	1,650,000	1,650,000	0	0%
<b>1 (a)</b>	1,370,985	1,374,095	3,110	0%	1,370,985	1,374,095	3,110	0%
	255,678	263,904	8,226	3%	255,678	263,904	8,226	3%
<b>Total Direct Expenses</b>	<b>1,626,663</b>	<b>1,637,999</b>	<b>11,336</b>	<b>1%</b>	<b>3,276,663</b>	<b>3,287,999</b>	<b>11,336</b>	<b>0%</b>
<b>Less Other Expenses</b>								
	42,125	38,050	(4,075)	0%	33,025	28,050	(4,975)	-18%
	339,997	346,200	6,203	2%	286,442	286,932	490	0%
	68,349	78,500	10,151	13%	60,149	60,300	151	0%
	135,019	138,969	3,950	3%	34,480	40,000	-	-
	1,443,358	1,537,000	93,642	6%	1,443,358	1,537,000	62,142	4%
	111,960	99,451	(12,509)	-13%	-	-	-	-
	7,341,583	7,742,691	401,108	5%	6,280,624	6,669,370	388,746	6%
	379,136	402,322	23,186	6%	333,238	353,208	19,970	6%
	60,462	58,912	(1,550)	-3%	34,502	31,500	(3,002)	-10%
	88,863	116,453	27,590	24%	60,034	66,453	6,419	10%
	1,474,200	1,717,986	243,786	14%	1,361,412	1,581,657	220,245	14%
	171,693	170,000	(1,693)	-1%	169,693	170,000	307	0%
	52,513	78,196	25,683	33%	52,513	78,196	25,683	33%
<b>Total Expenses</b>	<b>11,709,126</b>	<b>12,524,730</b>	<b>815,471</b>	<b>7%</b>	<b>10,149,470</b>	<b>10,902,666</b>	<b>716,176</b>	<b>7%</b>
<b>Net Operating Profit (Loss) Before Tax</b>	<b>262,251</b>	<b>(560,944)</b>	<b>823,063</b>	<b>-147%</b>	<b>336,902</b>	<b>(422,818)</b>	<b>722,700</b>	<b>-171%</b>
<b>Net Operating Profit (Loss) Before Tax</b>	<b>\$262,251</b>	<b>(\$560,944)</b>	<b>\$823,063</b>	<b>-147%</b>	<b>\$336,902</b>	<b>(\$422,818)</b>	<b>\$759,720</b>	<b>-180%</b>

#### Notes:

The income and expenditure lines for the individual entities

Do not add to the Group totals due to the following intra-group entries being eliminated.

1 (a) The DNCL fee paid by INZ (\$1,650,000) to DNCL.

2 (a) GSE paid by DNCL (\$249,582) to INZ

#### Reference:

DNCL detail available in the Quarterly DNCL report to Council 4<sup>th</sup> May 2023

#### FOR INFORMATION PURPOSES ONLY

<b>Investing Income</b>								
Interest Received	287,659	139,667	147,992	1	268,691	124,667	144,024	116%
Fair Value Gains/(Losses) on Managed Funds	(41,842)	(324,864)	283,022	-87%	(41,842)	(324,864)	283,022	-87%
Realised gains on Foreign Exchange	25,749	0	25,749	0%	25,846	0	25,846	0%
<b>Total Investment Income</b>	<b>271,567</b>	<b>(185,197)</b>	<b>456,764</b>	<b>-247%</b>	<b>252,695</b>	<b>(200,197)</b>	<b>452,892</b>	<b>-226%</b>
Managed Funds Fees	15,291	15,984	693	4%	15,291	15,984	693	4%
<b>Total Expenses</b>	<b>15,291</b>	<b>15,984</b>	<b>693</b>	<b>4%</b>	<b>15,291</b>	<b>15,984</b>	<b>693</b>	<b>4%</b>
<b>Net proceeds from Investing Activities</b>	<b>\$256,276</b>	<b>(\$201,181)</b>	<b>\$456,071</b>	<b>-227%</b>	<b>\$237,404</b>	<b>(\$216,181)</b>	<b>\$452,199</b>	<b>-209%</b>

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

## Consolidated Income Statement – By Function

### Internet New Zealand Group Consolidated Income - Function Based to the year ended 31 Mar 2023

Notes	Group	Group	+/-	+/-	Parent	Parent	+/-	+/-
	YTD	Budget	\$	%	YTD	Budget	\$	%
<b>Income - Operating</b>								
DNCL Sundry	84,526	83,526	1,000	1%	-	-	-	-
Te Puni Whakawhanake Rawa (Customer and Product)	13,472,356	13,451,233	21,123	0%	13,472,356	13,451,233	21,123	0%
Te Puni Herenga Waka (Public Impact)	40,856	66,425	(25,569)	-38%	84,086	109,890	(25,804)	-23%
Te Puni Raua (Organisational Performance)	303	600	(297)	0%	206,593	206,724	(131)	0%
<b>Total Operating Income</b>	<b>13,598,041</b>	<b>13,601,784</b>	<b>(3,743)</b>	<b>0%</b>	<b>13,763,036</b>	<b>13,767,847</b>	<b>(4,811)</b>	<b>0%</b>
<b>Less Activity Expenditure</b>								
.nz Operations (DNCL) 2 (a)	1,559,695	1,622,070	62,375	4%	-	-	-	-
Te Puni Whakawhanake Rawa (Customer and Product) 1 (a)	3,861,498	4,042,487	180,989	4%	5,511,498	5,692,487	180,989	3%
Te Puni Herenga Waka (Public Impact)	2,910,096	3,195,607	285,511	9%	2,910,096	3,195,607	285,511	9%
Te Puni Māori	878,538	950,924	72,386	8%	878,538	950,924	72,386	8%
Te Puni Raua (Organisational Performance)	4,125,963	4,351,647	225,684	5%	4,126,002	4,351,647	225,645	5%
<b>Total Expenses</b>	<b>13,335,790</b>	<b>14,162,728</b>	<b>826,806</b>	<b>6%</b>	<b>13,426,134</b>	<b>14,190,665</b>	<b>764,531</b>	<b>5%</b>
<b>Net Operating Profit (Loss) Before Tax</b>	<b>262,251</b>	<b>(560,944)</b>	<b>823,063</b>	<b>-147%</b>	<b>336,902</b>	<b>(422,818)</b>	<b>759,720</b>	<b>-180%</b>
<b>Net Operating Profit (Loss) Before Tax</b>	<b>\$262,251</b>	<b>(\$560,944)</b>	<b>\$823,063</b>	<b>-147%</b>	<b>\$336,902</b>	<b>(\$422,818)</b>	<b>\$759,720</b>	<b>-180%</b>

#### Notes:

The income and expenditure lines for the individual entities

Do not add to the Group totals due to the following intra-group entries being eliminated.

1 (a) The DNCL fee paid by INZ (\$1,650,000) to DNCL.

2 (a) GSE paid by DNCL (\$249,582) to INZ

#### FOR INFORMATION PURPOSES ONLY

<b>Investing Income</b>								
Interest Received	287,659	139,667	147,992	106%	268,691	124,667	144,024	116%
Realised gains on Foreign Exchange	25,749	0	25,749	0%	25,846	0	25,846	0%
Fair Value Gains/(Losses) on Managed Funds	(41,842)	(324,864)	283,022	-87%	(41,842)	(324,864)	283,022	-87%
<b>Total Investment Income</b>	<b>271,567</b>	<b>(185,197)</b>	<b>456,764</b>	<b>-247%</b>	<b>252,695</b>	<b>(200,197)</b>	<b>427,046</b>	<b>-213%</b>
Managed Funds Fees	15,291	15,984	693	4%	15,291	15,984	693	4%
<b>Total Expenses</b>	<b>15,291</b>	<b>15,984</b>	<b>693</b>	<b>4%</b>	<b>15,291</b>	<b>15,984</b>	<b>693</b>	<b>4%</b>
<b>Net proceeds from Investing Activities</b>	<b>\$256,276</b>	<b>(\$201,181)</b>	<b>\$456,071</b>	<b>-227%</b>	<b>\$237,404</b>	<b>(\$216,181)</b>	<b>\$426,352</b>	<b>-197%</b>

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

## Consolidated Movements in Equity

**Internet New Zealand Group  
Statement of Movements in Equity  
to the year ended 31 March 2023**

	GROUP	INZ	DNCL
<b>Equity at start of period</b>			
Opening Retained Earnings	10,020,603	9,673,998	346,604
Shares Subscribed	-	-	580,000
	10,020,603	9,673,998	926,604
<b>Net Profit (Loss) After Tax</b>	518,524	574,306	(55,782)
<b>Equity at end of period</b>	<b>\$10,539,127</b>	<b>\$10,248,304</b>	<b>\$870,823</b>

## Consolidated Balance Sheet

**Internet New Zealand Group  
Balance Sheet  
As at 31 March 2023**

	GROUP	INZ	DNCL
<b>Current Assets</b>			
Cash and Cash Equivalents	12,738,851	11,841,977	896,874
Managed Funds	4,986,578	4,986,578	-
Other Current Assets	1,921,219	1,877,251	43,967
<b>Total Current Assets</b>	<b>19,646,648</b>	<b>18,705,806</b>	<b>940,841</b>
<b>Non-current Assets</b>			
Property, Equipment & Software	3,648,840	3,260,505	388,335
less: Accumulated Depreciation	(1,927,695)	(1,730,685)	(197,010)
Intangible Assets	4,218,876	4,218,876	-
less: Amortisation	(695,273)	(695,273)	-
Investments	-	-	-
Shares and Loans	-	580,000	-
<b>Total Assets</b>	<b>24,891,397</b>	<b>24,339,230</b>	<b>1,132,166</b>
<b>Less Liabilities:</b>			
Deferred Income	11,855,438	11,855,438	-
Trade and Other Payables	2,496,830	2,235,487	261,343
<b>Total Liabilities</b>	<b>14,352,269</b>	<b>14,090,925</b>	<b>261,343</b>
<b>Net Assets</b>	<b>\$10,539,128</b>	<b>\$10,248,304</b>	<b>\$870,823</b>

Represented By:

<b>Total Equity</b>	<b>\$10,539,127</b>	<b>\$10,248,304</b>	<b>\$870,823</b>
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**Notes:**

The following items have been removed upon consolidation.

1 Share in DNCL wholly owned by InternetNZ.

2 Share subscription with respect to shares issued to InternetNZ by DNCL

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

## Group Revenue Analysis to the Period ending 31 March 2023

Consolidated Revenue	Actual	Budget	Variance	% of Total Sales
Registry Fees	13,408,921	13,392,433	16,488	98.6%
BBM	51,250	50,400	850	0.4%
DEFENZ	12,185	8,400	3,785	0.1%
Sundry - Membership	6,988	10,200	(3,212)	0.1%
Sundry - Recharge & Misc	118,697	140,352	(21,656)	0.9%
<b>Total Operating Revenue</b>	<b>13,598,041</b>	<b>13,601,785</b>	<b>(3,744)</b>	<b>100%</b>

### FOR INFORMATION PURPOSES ONLY

<b>Net proceeds from Investing Activities</b>	256,276	(201,181)	457,457	1.9%
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- Revenue is reported excluding investment activities to reduce market distortion.
- Fair value losses YTD of **(\$42k)** on managed funds again saw a reduction in the losses reported at the end of Q3 **(\$236k)**, a gain of \$194k in Q4. Investments for the quarter, when overset against term deposit returns of \$269k, and realised gains on the FC bank account, return a positive result YTD **(\$237)** after fees.
- The accounts report a Total Operating revenue of \$13.6M, up by \$.7M compared to the same period last year.

## Group Expenditure Analysis by Function to the Period ending 31 March 2023

Consolidated Expenditure by Function	Actual	Budget	Variance	% of Total Expenditure
Domain Name Commission	1,559,695	1,622,070	62,375	11.7%
Te Puni Whakawhanake Rawa/Cust & Prod	3,861,498	4,042,487	180,989	29.0%
Te Puni Herenga Waka/Public Impact	2,910,096	3,195,607	285,511	21.8%
Te Puni Maori	878,538	950,924	72,386	6.6%
Te Puni Raupa/Organisational Performance	4,125,963	4,351,647	225,684	30.9%
<b>Total Operating Expenditure</b>	<b>13,335,790</b>	<b>14,162,735</b>	<b>826,945</b>	<b>100.0%</b>

#### Notes:

DNCL expenditure excludes  
2 (a) GSE paid by DNCL (\$249,582) to INZ

**Most underspend variances are attributable to reduced employment and overall operational costs that include costs associated with reduced staffing numbers and impacted work areas.**

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

Summary reporting by functional areas of expenditure: -

#### Te Puni Whakawhanake Rawa/ Customer and Product

Te Puni Whakawhanake Rawa's underspend of \$169k is due to a combination of things, the delays in recruitment, and lower operating spend associated with reduced staffing numbers.

- Running of the .nz registry, Broadband Map and DEFENZ services.
- Customer relationship management
- Data insights and analytics
- IT infrastructure and product technology
- Associated employment and operational costs to manage the preceding work

#### Te Puni Herenga Waka/Public Impact

Te Puni Herenga Waka's underspend of \$260k is attributable to recruitment delays and associated costs.

- Public policy and internet governance, including international
- Funding
- Community Engagement, including membership
- Communications – External and brand
- Events Management
- Associated employment and operational costs to manage the preceding work

#### Te Puni Māori

Te Puni Māori underspend (\$72k) is due to reduced employment costs, and the disestablishment of the Māori Design Group.

- Māori sector partnership and relationships
- Rautaki Māori
- Māori cultural intelligence and cultural capability
- Associated employment and operational costs to manage the preceding work

#### Te Puni Raupa/Organisation Performance

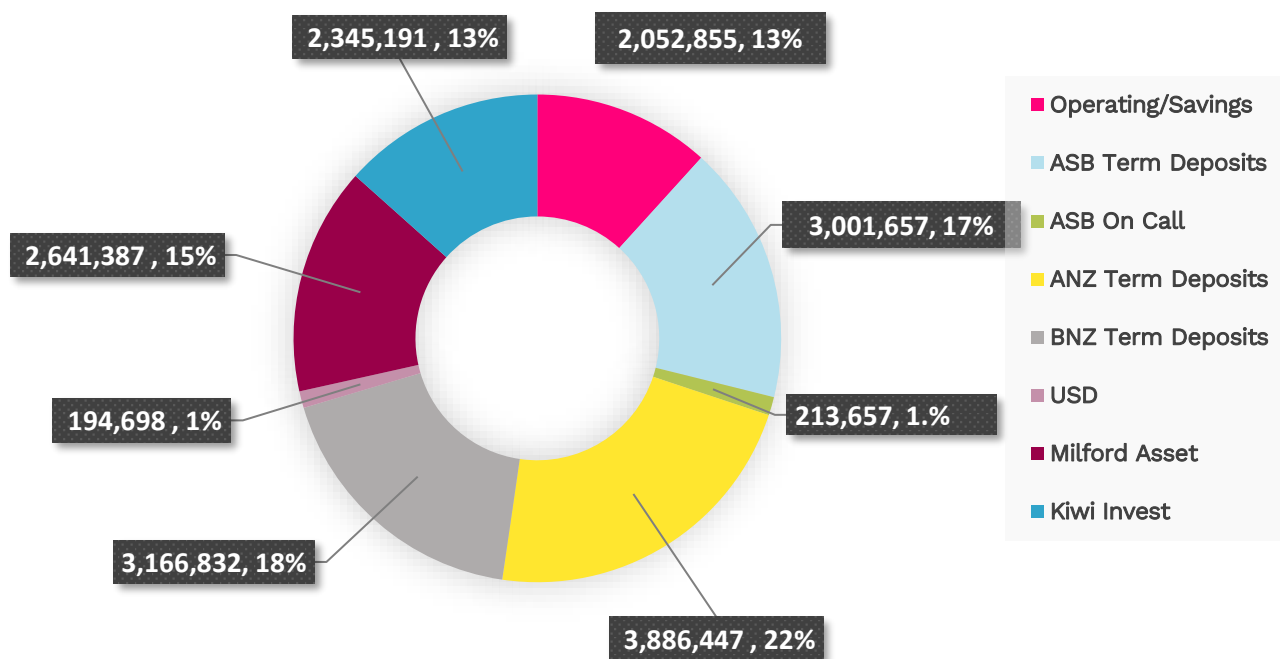
Te Puni Raupa's underspending (\$225k) is due to reductions in staffing levels that also impacted specific work areas, and a reduction in governance costs.

- Governance, risk and assurance
- Strategy, planning and performance.
- Security, compliance (including legal) and Privacy.
- HR and Finance, Technology Strategy, Internal IT and Internal Comms
- Business support, Shares services provision, Procurement.
- Overhead costs, rent, power, insurance etc
- Associated employment and operational costs to manage the preceding work

## Group Investments as of 31 March 2023

The chart below shows the percentage spread of funds invested (**\$17,502,725**) across all institutions as of 31 March 2023.

Group Investment Portfolio



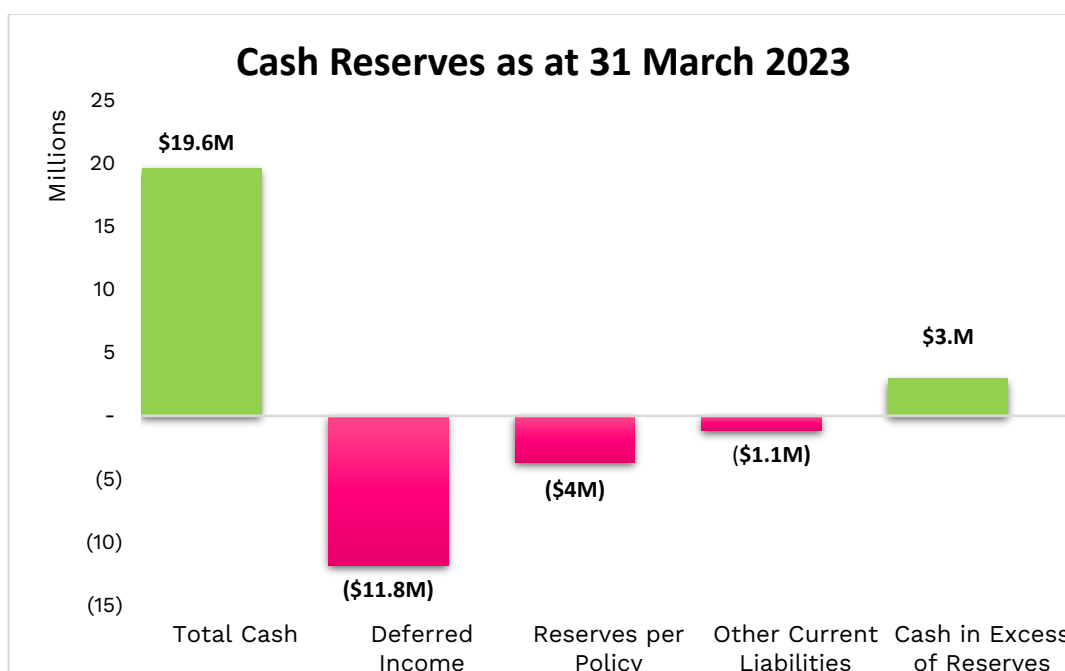
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## Group Cash in Excess of Reserves as of 31 March 2023

We report the Cash in Excess of Reserves position as of 31 Mar 2023 at **\$3M** as provided below:

<b>Total Cash &amp; Current Assets</b>	<b>\$19,646,648</b>
<b>less: Deferred Income</b>	<b>(\$11,855,438)</b>
<b>less: Reserves as per the policy</b>	<b>(\$3,673,402)</b>
<b>less: other Current Liabilities</b>	<b>(\$1,151,513)</b>
<b>Cash in Excess of Reserves</b>	<b>\$2,966,295</b>



The close for the year-ended for the 2022-23 financial year sees **Net Equity at \$10.5M** (reported as \$11.8M in the third quarter) and the **Net Equity minus Reserves** position at **\$7.6M** (\$9M in the previous quarter).

This exceeds the measure currently required by the *Financial and Investment Strategy Policy*, which sets the Net Equity minus Reserves target at \$5.5M.

# Membership Report

**PURPOSE:** Progress and work for membership of InternetNZ

**DATE WRITTEN:** 1 May 2023

## Executive Summary

In quarter four, we focused on the membership renewal process and planning for the upcoming AGM and elections.

### Current membership (at 30 April 2023)

	31 Mar 2022	30 June 2022	30 Sept 2022	31 Jan 2023	31 Mar 2023	30 April 2023
<b>Fellows</b>	29	29	32	32	32	<b>32</b>
<b>Individual</b>	348	289	306	311	336	<b>361</b>
<b>Individual Plus</b>	13	11	11	11	11	<b>11</b>
<b>Small organisation</b>	19	17	19	20	21	<b>22</b>
<b>Large organisation</b>	2	1	2	2	2	<b>2</b>
<b>Total Membership</b>	411	346	370	376	402	<b>428</b>

- We have received **25 new individual and 1 small organisation membership applications** since the last council report.
- 114 of these memberships are currently in the grace period; they have until 30 June to renew and retain their voting rights.

## Items to Note

### Activities to support membership

Since the last council report in February 2023 we have:

- After Council approved the Internet community paper we have continued working to determine what sort of membership management system would help support this mahi. A new membership management system will need to be implemented by November 2023, considering the functionality of this system and how it supports our vision for our membership and constitutional change is an integral piece of work for us.
- Developed the 2023 membership survey, the questions in this year's survey focus on engagement. We want to understand our memberships needs and how we can facilitate high levels of engagement with and within our membership.
- We encouraged and supported members to join our Slack workspace on NetHub. As this space continues to grow we are working to think about what this space will look like as the year progresses, and we are excited to see where this space will end up.
- Renewal emails were sent out to members in mid March, we plan to send another 2 renewal reminders to members as well as personal follow ups. Members that have not yet renewed are in the grace period, their membership will hold this status until they either renew or until 30 June 2023.

## Recommendation

THAT Council **receive** the Membership report.