![.auDA .au Domain Administration Ltd logo]

ACN 079 009 340

2020 Annual General Meeting Minutes

DATE AND TIME: 10 November 2020
5pm Melbourne time

LOCATION: Live Streamed via Link Management Services

PRESENT:

auDA Board
Alan Cameron AO, Chair
Tania Fryer, Director
Kate Cornick, Director
Peter Elford, Director
Sandra Davey, Director
James Atkins, Director
Angelo Giuffrida. Director
Matthew Healy, Director
Alice McCleary, Director

Governing Members

Anne Hurley
David Epstein
Jacquie Lefevre
Karen Hayes AM
Keith Besgrove
Neville Stevens AO
Nikki Scholes

In Attendance:
Linda Brown, Company Secretary
Rosemary Sinclair AM, CEO
Adrian Nathanielsz, Auditor
Sarah Leeming. Government Representative

Apology:

Richard Bean, Governing Member (due to technical difficulties)
Vicki Middleton, Government Representative

Other Attendees listed below

Introduction and Welcome

The Chair welcomed everyone to the Annual General Meeting on behalf of the Board, noting that a quorum of Governing Members was present online and declared the meeting open at 5:03pm. He acknowledged the Gadigal people of the Eora Nation as the traditional custodians of the land on which he was attending the meeting, and acknowledged their elders past and present and also those of the lands from which everyone was attending the meeting.

The Chair then introduced the members of the auDA Board: James Atkins, Kate Cornick, Sandra Davey, Peter Elford, Tania Fryer, Angelo Giuffrida, Matthew Healy and Alice McCleary and acknowledged Sarah Leeming, representing Vicki Middleton, the representative from the Department of Industry, Transport, Regional Development and Communications.

The Chair advised that the meeting had been called in accordance with the requirements of the Corporations Act and confirmed the agenda and logistics for participating in the online meeting.

Business of the Meeting

1. Reports from the Chair and CEO

Chair's report

The Chair reported on activities to 30 June 2020, noting auDA's responsibility for a vital part of Australia's digital infrastructure and the critical role auDA plays in Australia's digital economy and in connecting Australian businesses, organisations and people to each other and to the world. He noted the significant transformation and consolidation for the organisation during the period as bushfires, then COVID-19, significantly impacted and disrupted the nation. However, auDA continued to successfully maintain trust in the .au ccTLD, and maintained the stable, secure, reliable operation of the .au ccTLD.

The Chair highlighted the key governance matters for the year, which included:

- The appointment of an entirely new Board in November 2019, following an extensive and robust Director recruitment process. The Chair thanked the former Executive Chair and Directors for their important work leading the organisation to a new governance model, and through the work required to implement the recommendations from the 2018 Government review

- Recruiting CEO, Rosemary Sinclair AM who formally commenced in March 2020

- Successfully concluding the Government's 2018 Review of auDA which involved actioning 38 items arising from the 29 recommendations of the review, leading to:
    - a new constitution and governance model
    - a new associate membership program that has now attracted a record 3,600 members
    - improvements in the organisation's consultation and engagement with stakeholders, reporting and transparency, and overall responsiveness and accountability.

- Proposal to amend the Constitution to extend the Transition Date threshold by a further two years to provide sufficient time to embed the new governance framework and ensure the organisation's ongoing stability, which was passed by the Governing Members in July. This means that the date at which eligible persons may be admitted as Governing Members will be the earlier of when 12,500 Associate Members is reached, or 27 September 2022.

The Chair then introduced auDA's CEO, Rosemary Sinclair, to report on the operational progress and achievements during the period.

CEO's report

The CEO thanked the Chair and noted that she commenced at auDA just as the COVID 19 Pandemic hit and auDA moved to remote working. Despite the changes and challenges auDA was able to continue delivering on its core functions, set out in the Terms of Endorsement and reported on in detail in the Annual Report, as well as progressing the transformation and consolidation work. She emphasised her appreciation to her auDA colleagues for their hard work and enthusiasm before providing an overview of the activities and achievements for the period including:

- Security - the global network of servers and contracts with auDA's Registry Operator, Afilias and accredited registrars with a focus on reliability

- Security – attaining ISO 27001 certification for our Information Security Management System in May 2020

- Security – penetration testing in July 2019 and automated vulnerability testing in January 2020, neither of which detected any critical vulnerabilities

- Policy – finalising a new licensing framework comprising licensing rules and a new registrar agreement and registrar rules, following an extensive stakeholder engagement. The new registrar agreement for

all registrars ensures a level playing field, lifts security standards, improves customer service and provides a contemporary complaints processes, and is set to be launched in first half 2021.

- Policy – Proposed introduction of Direct Registration to provide consumers, organisations, and businesses with more choice of namespaces, which is particularly important as the online economy continues to develop and more of the community want to have an online presence

- International technical and policy namespace engagement to ensure that Australia's interests are represented, identify trends and work collaboratively on improvements and innovation. This included participating in ICANN meetings, hosting the 77th meeting of the Asia Pacific Top Level Domain Association in Melbourne in February 2020 and presenting sessions at its 78th meeting held online in June, and attending key cyber-security forums Since the emergence of the COVID-19 pandemic, we liaised closely with other domain administrators and registries around the world to identify and understand the impact of the pandemic and the responses being implemented, to inform our monitoring and response in Australia.

- Complaints & Disputes - managing and resolving 4,458 complaints and 3,426 enquiries from a market of 3.2 million domain names with a 14 day average period to closure. The top three upheld complaints were eligibility (2221), suspected criminal activity (368) and deregistered company status.

- Customer Feedback - of the 520 people who responded this year, 72% said that they were satisfied or very satisfied with auDA's service. Speed of service, quality of service and genuine interest in helping were cited as the three top reasons for a positive experience with auDA. Of the 28% who did not report a positive experience, 46% felt we did not have a genuine interest in helping them – highlighting an area of focus for improvement.

- Membership – Associate Membership grew 250% to 3,400 and continued to diversify, attracting members from construction and manufacturing, finance and healthcare and not for profit and students as well as continuing to attract members from the registrars, technology, telecommunications and web development sectors. Members reported a satisfaction rating of 3.7 out of 5.

- Domains under Management (DUM) - auDA worked closely with Afilias to ensure that the registry performance meets the user requirements of being fast, reliable and secure. The .au domain sits just outside the top 10 country code domains in terms of total DUM, and only 3 countries in the top 10 have higher registrations per capita than Australia. In the 2019-20 period, total DUM decreased by less than half a per cent to 3.18 million. In the last three months of the period as the COVID-19 restrictions saw business pivoting online, new domains created in April to June 2020 increased by 29% over the same period in 2019.

- Financial Performance - the business is in a solid financial position, enabling auDA to invest in growing the value to Australia of the .au domain, whilst maintaining capital reserves to ensure funding for future unforeseen legal, technical or security issues. The strong position reflects an increase in new domain names registered, but also a change in accounting methodology to meet Australian Accounting Standards on the timing of revenue recognition. Under these stricter standards, auDA now defers the recognition of revenue from multi-year domain registrations. This change has resulted in revenue recognised in financial year 2020 increasing compared with financial year 2019 as deferred income from the prior year has been brought to account in the current year.

The CEO passed back to the Chair who thanked the CEO and on behalf of the Board thanked all the auDA staff for their efforts and commitment through a period of significant change and disruption, which included the uninterrupted running of the DNS. The Chair also thanked his fellow Directors for coming together in a relatively short period of time to form a very professional, collegiate and highly effective Board.

The Chair then thanked the Nomination Committee noting that they had run two recruitment processes over the last 15 months, to firstly fill the new Board positions, and then to fill the fourth Elected Director vacancy.

The Chair announced the results of the recent Elected Director ballot, noting that **after** only three Elected Directors received a majority of favourable votes in the ballot prior to the November 2019 AGM, the Nominations Committee had conducted an extensive recruitment process to fill the fourth Elected Director position. The Chair congratulated the successful candidate Jackie Korhonen, present at the meeting, and welcomed her to the Board effective 11 November 2020. He thanked all 87 applicants for the position,

particularly the other two candidates who participated in the ballot. More than 11% of the eligible Associate Membership participated in the ballot.

2.   Reports - Annual Financial Statement and Directors and Auditor Reports

The Chair asked Members to consider the Annual Financial Report of auDA and the Reports of the Directors and Auditor for the year ended 30 June 2020, noting that under the Corporations Act no voting was required for this item. The Chair invited questions, noting that answers would also be posted on the auDA website. Questions were received and answered on the following:

- Projected revenue

- auDA's Investment Strategy

- Reserve funds

- Breakdown of alternative and other investments

- Frequency of Finance and Audit Committee Meetings

- Initiatives to increase the number of applications to (or final approvals from) the Co-Marketing and Innovation Fund

3.   General Business

Questions on the following matters were asked and answered:

- The process and transparency of appointment and election of Directors and redaction of Nomination Committee business in Board Minutes.

There being no more business before the meeting the Chair took the opportunity to thank auDA's outgoing Chief Communications Officer for his effort to organise the Annual General Meeting and his significant contribution to auDA over the preceding 12 months. The Chair also thanked all meeting participants for their interest and support of auDA and then declared the meeting closed.

Meeting closed at 5:50pm

Signed as a true and correct record

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Alan Cameron AO

Independent Chairperson

Date:

ATTENDEES:

including associate members and staff

Ian Halson
Sae Ra Germaine
Nithin Salgunan
Rachel Elliott
Charlotte Hobbs
Stuart McNair
Daniel Foenander
Eyyyy Carlos
Jackie Korhonen
Philip Gibbon
Cheryl Langdon-Orr
Markus Germann
Paul Szyndler
Jennifer Wilson
CJ
Bruce Tonkin
Clayton Ford
James Shady
Sue Brennan
Steph Viljoen
Kat Vrkic
Will Bond
Rebecca Papillo
Kieran Magee
Michael Lewis
Barbara Schade
Maggie Whitnall