



Strategic Plan – Key Measures Q1 Results

Directors noted the results of the FY 2019/20 Strategic Plan Quarterly Report.

It was noted that account reach and transaction volume forecasts would be more comprehensive in 6 months' time when Participants' roll-out plans are largely complete.

Capability Development

Mandated Payments Service (MPS) Recommendation

Directors:

- (a) NOTED and ENDORSED Management's recommendation to proceed;
- (b) APPROVED and AUTHORISED the CEO to finalise commercial arrangements with the vendor, within the limits set out and previously advised to the Board; and
- (c) DESIGNATED the requirements described in Regulation 17.6(d)(i)-(v) and (vii) and Regulation 17.8(b) of the endorsed/baselined draft CMS Regulations as Mandatory Compliance Requirements and determined the Effective Compliance Date for those requirements to be 3 December 2021, or such later date as the Board may determine.

Volume

Migration from DE – Consolidated action plan

Directors noted the migration plan for Direct Entry.

Corporate Items

Financial Report for year ended 30 June 2019

Directors approved and adopted the Financial Statements for the 2018-2019 financial year.

Legal and Governance

Directors:

- Approved the designation of Mandatory Compliance Requirements (Procedure 6.4.7(a)) and amendments to the NPP Regulations to further strengthen the rules relating to Addressing Service usage and data security.
- Determined to extend the Joining Period to 31 December 2022 and recommended amendments to the Constitution and Shareholders' Agreement (subject to shareholder approval at the AGM) relating to post Joining Period governance and subscription rights, to balance the interests of NPPA, existing shareholders, new joiners and public policy objectives.

Audit Finance and Risk Report

Directors noted the summary of matters discussed at the Committee meeting on 3 September 2019, including:

- Update on the FY2019 Audit of Financial Accounts.
- Update of Addressing Service Data Security .
- Minor amendments to the Risk Management Policy
- Final 2019 Operational Risk Report
- Participant Breach Report
- SWIFT performance update



People and Culture Committee Report

Directors noted the summary of matters discussed at the Committee meeting on 5 September 2019, including:

- Update on the recruitment and selection process for a third independent director.
- The Committee's recommendation with respect to the amendment of the Shareholder's Agreement to stagger the terms of the Representative Directors.
- Update on the Board Effectiveness and Board Skills and Composition Review process for 2019

Directors approved:

- Amendments to the NPPA Conflicts Management Protocol.

Next meeting to be held on 28 November 2019.