



Third Independent Director Candidate

Directors:

- (a) Approved the appointment of the Selections Panel's preferred candidate, Elizabeth Hallett for appointment as the third Independent Director, subject to shareholder approval at an EGM to be held on 6 February 2020; and
- (b) Approved the issue of a Notice of Meeting and Explanatory Memorandum to members 21 days prior to the planned extraordinary meeting.

CEO Report – November 2019

Directors noted the key areas of focus, including:

- Finalising the NPP Addressing Service End Point Security Assessment;
- Mobilisation of the Mandated Payments Service (MPS) project;
- Various governance items (including director on-boarding, appointment of new external auditor);
- Engagement with the RBA, ACCC and the office of Senator Jane Hume, the Assistant Minister for Superannuation, Financial Services and Financial Technology with regard to the NPP Roadmap;
- Consultation on potential extension of the Consumer Right Data (CDR) to payment initiation or "write access";
- NPP Transactions grew by value ~45% in September over August and number of transactions was up 17% on the previous month; and
- Continued focus on resilience and availability.

Capability Development

Release Items 4.0

Directors noted the 2020 Change items for Release 4.0 in scope for 2020 within the following focus areas:

- System resilience / stability / integrity
- Strategic enhancements / high volume growth
- Participant resilience / stability / integrity
- Capability enhancements / low volume growth

Release Items 5.0 (Mandated Payment Service) – Mobilisation Plan

Directors:

- i. Noted and endorsed the Mandated Payments Service Project Governance Framework document; and
- ii. Approved the MPS Steering Committee Terms of Reference.

Volume

Invoicing

Directors noted the potential future opportunities for NPPA and the industry collectively around the PEPPOL invoicing framework and the NPP.

DE Migration Plan

Directors noted the update on the consolidated action plan for enabling migration of DE volume to the NPP.

Legal and Governance

Directors:

- a) Approved the amendments to Part 4 of the NPP Regulations endorsed by the RSC on 21 November 2019;
- b) Approved the amendments to the NPP Governance Committee Terms of Reference and authorised the chair to appoint one of the Committee members to chair the committee;



- c) Noted the amendments to the NPP Procedures approved by the RSC on 21 November 2019;
- d) Approved designation of the following requirements as:
 - 1) Category A (Integrity) Mandatory Compliance Requirements:
 - i. the requirements in Regulation 5.3(a)(i) and (ii) (Obligation to Comply with Technical Connectivity and Security Requirements) and determined an Effective Compliance Date of 1 January 2020;
 - ii. the requirement in Regulation 8.4(b) (Obligation to Support Alias Resolution of all Alias Types) and determined an Effective Compliance Date of 1 January 2020;
 - 2) Category B (Operational) Mandatory Compliance Requirements:
 - i. the requirements in clause 5.2.2 of the NPP Procedures (Obligation to Meet Availability SLA) and determined an Effective Compliance Date of 4 December 2020;
 - ii. the requirements in clause 5.2.5 of the NPP Procedures (Obligation to Meet Resiliency SLA) and determined an Effective Compliance Date of 4 December 2020;
 - iii. the requirements in clause 8.3.3(d) and (e) of the NPP Procedures (Obligation to meet BRDT Activation SLA) and determined an Effective Compliance Date of 4 December 2020.
- e) Noted the update on the [redacted] project;
- f) Noted the update on the Addressing Service assurance activities and Summary Report;
- g) Resolved to appoint Grant Thornton as auditor, subject to ASIC consent and other formal requirements, to be formally recommended to a general meeting; and
- h) Accepted the new Undertakings in the Register of Undertakings given under the Deed of Indemnity.

Audit Finance and Risk Report

Directors noted the summary of matters discussed at the Committee meeting on 14 November 2019, including:

- Appointment of Grant Thornton as the company's incoming auditor
- Update of Addressing Service Data Security .
- Risk Register Review
- Participant Breach Report

People and Culture Committee Report

Directors noted the summary of matters discussed at the Committee meeting on 19 November 2019, including:

- Third independent director appointment
- Results of the Board Effectiveness and Board Skills and Composition Review for 2019

Next meeting to be held on 19 February 2020.