APNIC EC Meeting Minutes

Face-to-Face meeting, Nagarkot, Nepal

Monday, 5 December 2022, 09:15 – 17:47 (UTC +5:45)
Tuesday, 6 December 2022, 09:05 – 17:07 (UTC +5:45)
Wednesday, 7 December 2022, 09:15 – 13:00 (UTC +5:45)

Meeting started at 09:15 (UTC +5:45), Monday, 5 December 2022

Present
> Gaurab Raj Upadhaya,EC EC Chair
> Kenny Huang, Treasurer (remote)
> Vincent Achie Atienza, Secretary
> Kam Sze Yeung, EC member
> Sumon Ahmed Sabir, EC member
> Yoshinobu Matsuzaki, EC member
> Feng Leng, EC member (remote)
> Paul Wilson, Director General
>
> Connie Chan, Strategic Executive Assistant (minutes)
> Craig Ng, General Counsel
> Nathan Harvey, Finance Director
> Jeremy Harrison, Senior Legal Counsel
> Tony Smith, Communications Director

Apologies
> Nil

Agenda
1. Opening of meeting and declaration of quorum
2. Agenda bashing
3. Declaration of interests
4. Review of minutes of last meeting and record of circular resolutions passed since the last meeting
5. Matters arising from the last meeting
6. EC Chair update
7. Financial reports
8. HR report
9. Financial reports (continued)
10. APNIC Foundation update
11. APIDT update
12. WH&S update
13. Conference update
14. Secretariat report
15. EC election at APNIC 55
16. IANA RC appointment
17. 2023 activity plan
18. 2023 budget
19. EC satisfaction survey
20. Community elections proposal
21. Strategic planning proposal 2024-2027
22. Approval of 2023 activity plan and budget
23. AFRINIC update

Minutes

1. **Opening of meeting and declaration of quorum**

   The Chair of the Executive Council (EC Chair) welcomed all attendees to the meeting. The EC Chair declared the meeting open at 09:15 (UTC +5:45) on Monday, 5 December 2022, and noted that a quorum was present.

2. **Agenda bashing**

   The EC Chair called for comments on the agenda.

   The EC Chair noted that he would like to have a more detailed discussion on the APNIC Foundation's funding programs.

3. **Declaration of interests**

   The EC Chair asked the EC members to review the Register of Interests (attached), declare any potential conflicts of interests, and for any such declaration to be recorded in the minutes.

   The EC Chair noted that he was no longer the Chair of NPIX but noted that he was the founder of NPIX.

   All other EC members present confirmed their entries in the Register of Interests were complete and correct.

   Craig Ng noted the potential conflict of interests during the discussions around a fee change proposal. He reminded the EC to act in the best interests of the APNIC membership and not the Member organization to which that individual belongs, to avoid personal conflicts of interest. If the EC members who also represent an NIR feel they are not comfortable, they might choose to abstain or recuse themselves from that discussion.

4. **Review of minutes of last meeting and record of circular resolutions passed since the last meeting**

   The following circular resolutions (that require the agreement of all EC members who are entitled to vote on the resolution) were passed by the EC during the period between the last EC meeting and this meeting and are recorded in these minutes for completeness.

   > **Resolution 2022-19: The EC resolved to adopt the minutes of the EC meeting of 11 September 2022.**

   > **Resolution 2022-20: The EC resolved to endorse the adoption of the following policy proposals:**

- **prop-145: Single Source for Definitions**
- **prop-146: Aligning the Contrast**

Resolution 2022-21: The EC resolved to approve the document "2022 EC Survey Response draft 211122 FINAL" as the official response to the 2022 Survey Report, and directs the APNIC Secretariat to publish it in the usual way.

5. Matters arising from the last meeting

The following matters from the previous meeting were to be completed. Updates on the actions are provided below where relevant.

[Confidential information redacted]

Action item 2022-07: The Secretariat to liaise with Credit Suisse to conduct a review of APNIC's investment risk assessment. (See agenda 8)

Action item 2022-08: The Secretariat to proceed with the improvements and finalize the updated fee schedule before APNIC 54 for community consultation. (See agenda 17)

Action item 2022-09: The Secretariat to put forward a proposal to revamp the Service Partner program for the EC's consideration.

The Director General provided an update on the Service Partner program and noted there was insufficient addresses left to justify an expanded program. This item will be closed.

Action item 2022-10: APNIC Legal to work towards a NIR agreement to incorporate RPKI provisions (pending).

Action item 2022-13: APNIC Legal to develop a detailed proposal on the governance structure. (See agenda 19)

[Confidential information redacted]

6. EC Chair update

The EC Chair provided an update on discussions regarding AFRINIC's current situation.

The EC Chair proposed the EC adopts the Meeting Chair Guidelines (attached).

> **Resolution 2022-22: The EC resolved to approve the Meeting Chair Guidelines (v 1.0) as tabled at this meeting.**

Motion proposed by Gaurab Raj Upadhaya; seconded by Sumon Ahmed Sabir. Passed unanimously.

7. Financial reports

Patrick Armitage from Credit Suisse joined the meeting at 10:00 (UTC +5:45).

Patrick Armitage spoke to the APNIC investment and risk profile review presentation (attached).

Patrick Armitage proposed a change to the investment profile to shift 20% from fixed income to equities, resulting in a change from a yield portfolio to a balanced portfolio. He then discussed the investment approach for the Socially Responsible Investment (SRI) options.

[Patrick Armitage left the meeting at 10:37 (UTC +5:45)]

The EC discussed the impact of changing the risk profile of APNIC's investment portfolio, and broadly considered an overall conservative approach remains appropriate, however, the ability to leverage projected market uplift through a shift to a balanced portfolio should be considered. The EC agreed in principle to move the SRI screen to also cover indirect investments, however, there is some concern around the availability of index funds, which address this directly.

> *Action item 2022-16: Nathan Harvey to prepare a proposal for the EC to consider moving the funds to a balanced portfolio, extending SRI cover to indirect investments, and putting returns from the portfolio into a lower risk fund. The appropriate start date is to be determined as soon as is feasible, or it could be discussed at next EC meeting.*

Meeting adjourned at 11:15 (UTC +5:45), Monday, 5 December 2022

Meeting resumed at 11:40 (UTC +5:45), Monday, 5 December 2022

8. HR report

Louise Tromp joined the meeting at 11:40 (UTC +5:45) and spoke to the HR report presentation.

[Louise Tromp left the meeting at 12.18 (UTC +5:45).

9. Financial reports (continued)

Nathan Harvey spoke to the financial report presentation (attached).

The EC considered the monthly financial report and the investment report for October 2022 (attached). The EC noted that APNIC is solvent and able to meet all current debts.

The October financial report highlights a year-to-date operating surplus of AUD 939K, with full year forecast revenue tracking at 8% under budget and full year forecast expenses tracking at 7% under budget. At the end of October 2022, APNIC had a total of 9,122 Members serving 53 economies.

> *Action item 2022-17: The Secretariat to use a pie chart to show the Member income by economy (to contrast against Members numbers by economy chart).*

> *Action item 2022-18: The Secretariat to compare the financial position against 2018-2019 to see whether the growth trend matches 2022 (excluding the anomalies of 2020-2021).*

The EC also discussed the financial stability measure at length.

Meeting adjourned at 13:30 (UTC +5:45), Monday, 5 December 2022

Meeting resumed at 14:30 (UTC +5:45), Monday, 5 December 2022

10. APNIC Foundation update

Duncan Macintosh joined the meeting at 14:30 (UTC +5:45).

Duncan Macintosh spoke to the APNIC Foundation update presentation (attached).

The EC supported the convening of a joint board meeting at APRICOT with the APNIC Foundation Board to discuss the relationship between the organizations and overall purpose and objectives.

Action item 2022-19: The Secretariat to arrange for a suitable date for the proposed joint APNIC EC and Foundation Board meeting.

[Duncan Macintosh left the meeting at 15:08 (UTC +5:45)]

11. APIDT update

Richard Brown joined the meeting at 15:08 *(UTC +5:45)]*

Richard Brown spoke to the APIDT update presentation (attached).

[Richard Brown left the meeting at 15:33 (UTC +5:45)]

12. WH&S update

Kam Sze Yeung spoke to the Workplace Health and Safety quarterly update.

13. Conference update

Tony Smith spoke to the Conference Update presentation.

[Confidential information redacted]

Tony Smith also provided an update on APRICOT 2023 and 2024.

14. Secretariat Report

The Director General spoke to the Secretariat Report (attached).

The EC discussed several items in the Secretariat Report at length.

Meeting adjourned at 17:47 (UTC +5:45), Monday, 5 December 2022

Meeting resumed at 09:05 (UTC +5:45), Tuesday, 6 December 2022

15. EC election at APNIC 55

Craig Ng spoke to the 2023 EC Election procedures (attached).

Resolution 2022-24: The EC resolved to appoint Lito Averia as Election Chair of the next EC election during APNIC 55, appoint Connie Chan and Andre Gelderblom of the APNIC Secretariat as Election Officers, and endorsed the APNIC 55 EC Election procedures.

Motion proposed by Vincent Achie Atienza; seconded by Sumon Ahmed Sabir. Passed without objection.

Feng Leng, Kenny Huang and Yoshinobu Matsuzaki abstained from voting.

16. IANA RC appointment

The Director General spoke to the IANA RC appointment.

The EC considered some potential candidates for the IANA RC, and decided to defer the decision to consider some newer community members into the processes.

17. 2023 Activity Plan

Tony Smith spoke to the proposed activity plan for 2023 (attached).

The EC discussed the activity plan at length and provided suggestions on several success measures.

The EC approved the Activity Plan for 2023 subject to the Five-9s program being reassessed and presented to the EC at the February meeting in Manila.

> *Action item 2022-20: The Secretariat to report back to the EC on the Five-9 program at the February EC meeting.*

The EC thanked the DG and the ELT for their work and expressed support for the activity plan 2023.

Meeting adjourned at 11:20 (UTC +5:45), Tuesday, 6 December 2022

Meeting resumed at 11:45 (UTC +5:45), Tuesday, 6 December 2022

18. 2023 Budget

Nathan Harvey spoke to the proposed budget presentation for 2023 (attached).

The EC discussed the proposed fee change at length.

The EC agreed that the cost of inflation over the last few years required an increase of the bit factor to from 1.30 to 1.31 for 2023. The EC also noted that there may be further fee adjustments needed depending on the economic and inflationary environment. The economic conditions are fast-changing. Against the backdrop of rising interest rates and escalating inflation, the EC noted that they would review the fees again at the second EC meeting in 2023.

The EC also considered planning for a new fee structure model in the future that would be based solely on IPv6.

The EC discussed charging conference fees at length. The EC agreed to provide APNIC Members with one free ticket per Member, with all other attendees to be charged a nominal fee for on-site registration. The fees were intended to provide for equitable cost recovery and would help with event logistics planning.

The EC decided to pass on several costs for Foundation support in 2023 due to APNIC's budget pressures under the challenging economic conditions.

The EC also considered on-charging merchant fees to those who paying APNIC invoices by credit card. The EC asked the Secretariat to prepare a proposal of charging the merchant fees for discussion at the February EC meeting.

Action item 2022-21: The Secretariat to table a proposal of on-charging merchant fees at the February EC meeting.

19. EC satisfaction survey

Connie Chan spoke to the results of the EC satisfaction survey.

The EC welcomed the high scores for overall performance again in this year's EC satisfaction survey.

The EC Chair suggested that a user training session for EC tools be held at APRICOT 2023 to assist EC members in being able to use the tools more effectively.

The EC thanked Connie Chan for her presentation and assistance to the EC.

The EC Chair suggested the EC meet a day earlier at APRICOT to allow time for tool training, and also suggested a refresher from the Legal team on corporate governance expectations.

Meeting adjourned at 16:00 (UTC +5:45), Tuesday, 6 December 2022

Meeting resumed at 16:25 (UTC +5:45), Tuesday, 6 December 2022

20. Community elections proposal

Tony Smith spoke to the Community Elections proposal presentation.
The EC reviewed the proposed changes to the Community Election procedures. Sumon Ahmed Sabir, as an EC Member not up for re-election at APNIC 55, agreed to be present for discussions of the policy discussions at APNIC 55.

It was noted that minor changes have been made. The next step would be for APNIC Legal to review the proposal before returning it to the Policy authors.

21. Strategic planning proposal 2024-2027

The Director General noted that he has delegated authority to Tony Smith to facilitate the strategic planning for 2024-2027.

Tony Smith spoke to the Strategic Planning Proposal presentation (attached).

The EC discussed and supported the strategic planning proposal.

The EC suggested that a well-developed draft be presented at APNIC 56 to allow for community feedback and engagement.

Action item 2022-22: The EC requested an overview of what has and has not worked under the current strategic plan to help inform the approach of the new strategy.

Meeting adjourned at 17:07 (UTC +5:45), Tuesday, 6 December 2022

Meeting resumed at 09:15 (UTC +5:45), Wednesday, 7 December 2022

22. Approval of 2023 Activity Plan and Budget

Nathan Harvey spoke to the revised budget to reflect changes discussed from day two of the meeting (attached).

The EC considered the revised budget for 2023.

Resolution 2022-25: The EC resolved to amend the Member and Non-Member fee schedule by changing the Bit Factor for both Members and Non-Members from 1.300 to 1.310 with effect from 1 January 2023.

Motion proposed by Kenny Huang; seconded by Gaurab Raj Upadhaya. Passed unanimously.

Resolution 2022-26: The EC resolved to approve and adopt the 2023 Budget (as attached) that provides authority to the Director General for a total operational expenditure of AUD 33,792,566 and a total capital expenditure of AUD 1,099,400 for 2023.

Motion proposed by Kenny Huang; seconded by Yoshinobu Matsuzaki. Passed unanimously.

23. AFRINIC update

Craig Ng provided an update on the AFRINIC situation.

24. Risk register

Nathan Harvey spoke to the risk register presentation.

The EC provided some comments on the current risk register.

Meeting adjourned at 10:50 (UTC +5:45), Wednesday, 7 December 2022

Meeting resumed at 11:15 (UTC +5:45), Wednesday, 7 December 2022

25. Governance structure and election process

Jeremy Harrison spoke to the governance and corporate trustee presentation.

Resolution 2022-27: The EC resolved, subject to a new company being incorporated for the purpose of acting as trustee of the sole share in APNIC Pty Ltd (Corporate Trustee), that it agrees to the change of the trustee of the sole share in APNIC Pty Ltd from Paul Wilson to the Corporate Trustee and authorizes the EC Members to sign all documents necessary to give effect to this resolution.

Motion proposed by Kenny Huang; seconded by Gaurab Raj Upadhaya. Passed unanimously.

Jeremy Harrison spoke to the election Code of Conduct presentation.

> **Resolution 2022-28: The EC resolved to adopt the Code of Conduct for APNIC Executive Council election nominees.**

Motion proposed by Gaurab Raj Upadhaya; seconded by Vincent Achie Atienza. Passed unanimously.

Jeremy spoke to the EC election due diligence procedures. The EC supported the due diligence procedures for the upcoming elections.

26. IANA RC appointment (continued)

Following the discussion from day one of the meeting, the EC considered the candidates for the IANA Review Committee (RC).

> **Resolution 2022-29: The EC resolved to appoint Dibya Khatiwada to the IANA RC for a two-year term from 1 January 2023 to 31 December 2024.**

Motion proposed by Sumon Ahmed Sabir; seconded by Yoshinobu Matsuzaki. Passed unanimously

27. Election Code of Conduct Chair appointment

The EC considered the candidates for the 2023 EC Election Code of Conduct Chair.

> **Resolution 2022-30: The EC resolved to appoint Anne Lord to the 2023 APNIC EC Election Code of Conduct Chair.**

Motion proposed by Paul Wilson; seconded by Gaurab Raj Upadhaya. Passed without objection.

Feng Leng, Kenny Huang and Yoshinobu Matsuzaki abstained from voting.

28. Any other business

The Meeting Chair called for any other business.

There were no items raised under AOB.

29. Closing the meeting

The EC Chair thanked the Secretariat for their hard work this year.

The EC Chair also thanked the EC members for their attendance and contributions to the meeting.

The EC will hold an in-camera session after the formal EC meeting, from 14:00 to 15:00 (UTC +5:45), Wednesday, 7 December 2022.

30. Next meeting

The next EC meeting is tentatively scheduled for 25 February 2023 in Manila.

The EC Strategic Planning retreat is scheduled for the 16-19 May 2023 (16-17 May for EC meeting and 18-19 May for the strategic planning).

Meeting closed at 13:00 (UTC +5:45), Wednesday, 7 December 2022

Attachments:

A. **Register of interest**
B. **Meeting Chair Guidelines**
C. **APNIC investment and risk profile review presentation**
D. **[Confidential information redacted]**
E. **October 2022 financial report presentation**
F. **October 2022 monthly financial report**
G. **October 2022 Credit Suisse investment report**
H. **October 2022 Credit Suisse commentary**
I. **APNIC Foundation update presentation**
J. **APIDT update presentation**
K. **[Confidential information redacted]**
L. **[Confidential information redacted]**
M. **Secretariat report and presentation**
N. **EC election procedures presentation**
O. **2023 activity plan**
P. **2023 budget document and presentation**
Q. **[Confidential information redacted]**
R. **Strategic planning proposal presentation**
S. **[Confidential information redacted]**
T. **[Confidential information redacted]**

Agenda Item 3
Declaration of Interests

APNIC EC Register of Interests

Declaration of interests of EC members

This register records the interests of EC members, which may conflict with the EC members' duties to APNIC. This register is accurate as at **5 December 2022**.

Gaurab Raj Upadhaya declared that he currently holds the following positions:

- Employee of Amazon as Head of Global Video Delivery, Prime Video
- Founder of the Nepal Research and Education Network (NREN)
- Founder of Nepal Internet Exchange (NPIX)
- Standing member of the Program Committee of SANOG
- Board Member of Internet Foundation Nepal

Kam Sze Yeung declared that he currently holds the following positions:

- Member of the HKNOG Program Committee
- Employee of Akamai Technologies, Inc
- Member of the Working Group of Peering Asia
- Member of the TWNOG Multi-stakeholder Steering Group (MSG)
- Member of the SGNOG Organising Committee

Kenny Huang declared that he currently holds the following positions:

- Managing Director and CEO of TWNIC
- Member of the Advisory Council of DotAsia Organization
- Chair of NIIEPA
- Chair of ICANN ccPDP4 WG
- Co-Chair of ICANN CGP
- Board of Director of TWIA
- Board of Director of TWIGF

Yoshinobu Matsuzaki declared that he currently holds the following positions:

- Employee of Internet Initiative Japan Inc. (IIJ) as a Senior Engineer
- Board of Director of JPNIC
- Board of Director of APNOG/APIA
- Member of JANOG Committee
- Technical Advisor of JPCERT/CC
- Contact person at IIJ Europe (RIPE member) for RIPE
- TAC (Technical Advisory Council) of Team Cymru, Inc.

Feng Leng declared that he currently holds the following position:

- Employee of CNNIC as Director of Operation Management Department

Vincent Achie Atienza declared that he currently holds the following positions:

- Employee of Globe Telecom (Peering, Interconnection & Strategy - IP Ecosystem)

- Chair of the Philippine Network Operators Group (PhNOG)
- Member, Board of Trustee, Internet Society Philippines (ISOC-Ph)
- Member of Ph Technical working group for IPv6, DNSSEC, RPKI
- Member (Ph Representative) - APIX - Asia Pacific Internet Exchange Association)
- Member/Evangelist - Philippine Open Internet eXchange (PhOpenIX)
- Member of the Program Committee of APRICOT
- Program Committee Member - Asia Peering Forum (Equinix) 2022
- Program Committee co-initiator, ISOC-PhNOG initiatives 2022
- ISIF Selection Committee Member

Sumon Ahmed Sabir declared that he currently holds the following positions:

- CTO, Fiber@Home Limited
- Technical Advisor, Fiber@Global Limited
- Advisor, Felicity IDC Limited
- Sponsor of BDCOM Online Limited
- Member, Board of Trustee, BDIX
- Member, Board of Trustee, BDNOG
- Member, Corecom, SANOG
- Member, Board of Trustee, ISOC, Bangladesh, Dhaka Chapter

Paul Wilson declared that he currently holds the following position:

- Director of APIDTT Pty Ltd (trustee for the Asia Pacific Internet Development Trust)
- Director of APIDT Infrastructure Pty Ltd

Agenda Item 6
EC Chair update

APNIC Executive Council Chair Delegation for Meeting Chair Position

The Chair of the APNIC Executive Council (EC) is a position designated by the APNIC By-laws. [1]

The APNIC By-laws describe the role, duties and responsibilities of the APNIC EC Chair. The duties of the APNIC EC Chair include presiding at all meetings of the APNIC EC.

It has been the practice of the APNIC EC that the APNIC EC Chair periodically delegates the role of chairing APNIC EC meetings to various APNIC EC members, on a rotational basis, at their discretion. When the APNIC EC Chair delegates this role for a meeting, the person delegated this role will be described as the **Meeting Chair**, during the meeting.

This document sets out the APNIC EC Chair's intentions and expectations in relation to this delegation.

Intention

The intention and objective behind this delegation is to facilitate succession planning, and to engage APNIC EC members by providing them with the experience and opportunity of chairing APNIC EC meetings.

Delegation Limit

For clarity, it is the APNIC EC Chair's prerogative as to whether such delegation is made at each APNIC EC meeting. The APNIC EC Chair may withdraw such delegation at any time, even during a meeting.

Unless the APNIC EC Chair advises otherwise, the APNIC EC Chair will retain the right and authority to declare an APNIC EC meeting opened, suspended, adjourned, resumed, or closed at any time.

Meeting Chair's Role

The Meeting Chair's role is to preside over an APNIC EC meeting, commencing after the APNIC EC Chair formally:

- Declares the meeting opened.
- Hands over the conduct of the APNIC EC meeting to the Meeting Chair.

Until the earlier of the following events:

- The APNIC EC Chair advises the meeting and the Meeting Chair (verbally, at any time) that they will resume the chairing of the APNIC EC meeting; or
- At the end of the scheduled agenda items where it is indicated that the role of the Meeting Chair will conclude.

If the APNIC EC Chair cannot be present at an APNIC EC meeting, the APNIC EC Chair may delegate the role of Meeting Chair for that particular meeting to a member of the APNIC EC, who will preside over that entire APNIC EC meeting.

Guide to Chairing Meetings

The APNIC EC Chair offers the following as a guide to the Meeting Chair, in performing the role of Meeting Chair:

---

[1] APNIC By-laws, paragraphs 38 and 39.

Before the meeting:

- Work with APNIC Secretariat and the APNIC EC Chair to plan and finalize the agenda before the meeting.

- Receive a briefing from the APNIC Secretariat and the APNIC EC Chair, including updates on action items arising from the previous meeting.

During the meeting:

- Ensure full participation of all APNIC EC members; drawing out quieter members and discouraging members from monopolizing the meeting.

- Ensure that everyone understands what is being discussed.

- Keep an open mind and listen to the opinion of others; avoid dominating the proceedings.

- Impartially summarize contributions made by members at the end of an agenda item; try to seek consensus if there is disagreement.

- Try to focus and steer members to the issue being discussed, if discussions have wandered off topic

- Consider whether a decision needs to be made by a resolution or an action item (including the person responsible, and timing).

- Keep to the agenda and time allocation but allow flexibility and freedom of expression.

Revision			
Document Created:	Strategic Executive Assistant	Version:	1.0
Policy Owner:	APNIC EC 5 December 2022	Approved by:	APNIC EC 5 December 2022

Agenda Item 7
Financial reports

CREDIT SUISSE

Confidential

Credit Suisse Private Bank

Presentation to APNIC

5 December 2022

Prepared by Patrick Armitage, CFA

Executive Summary

Table of Contents	
Current Portfolio Update	Page 3
Risk Profiling Responses	Page 5
Comparison of Balanced Portfolio to Current Global Yield Portfolio	Page 7
Socially Responsible Investing Options	Page 14
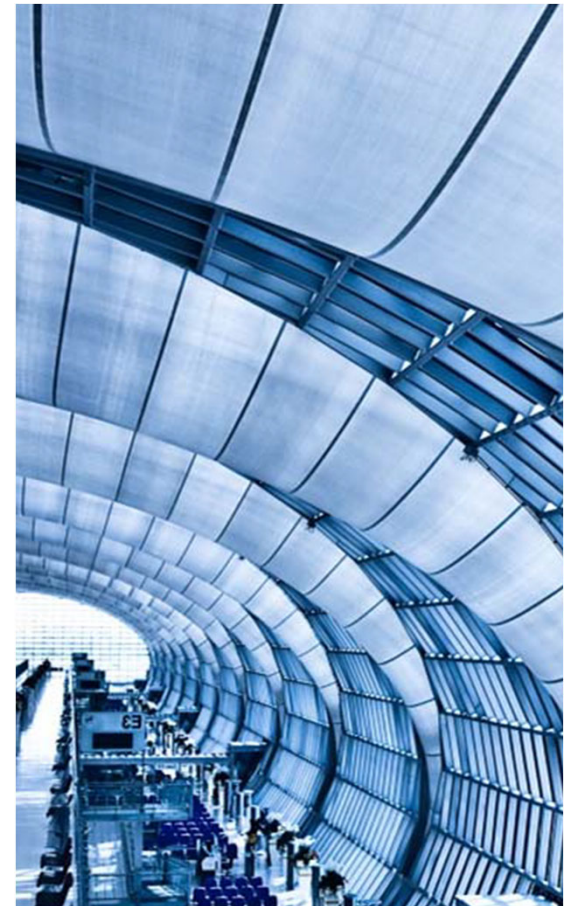
Performance*
APNIC Portfolio

Global Yield Strategy

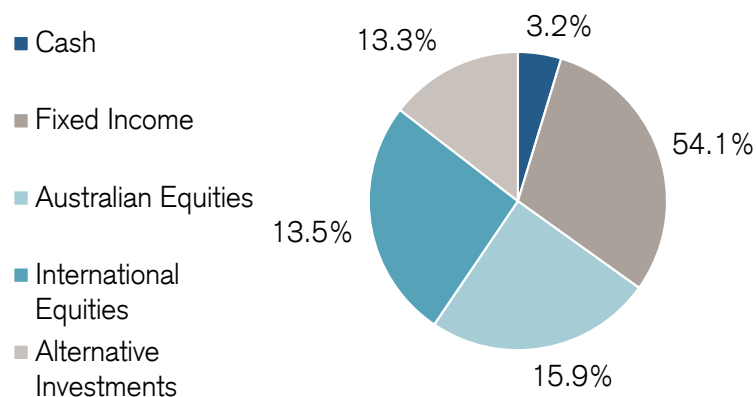| APNIC Portfolio				
	Portfolio	**Benchmark**	**Outperformance**	**CPI + 2.5%**
November*	2.43%	2.21%	+0.22%	0.82%
3 Months	1.39%	1.26%	+0.14%	2.47%
Year To Date	-8.34%	-7.48%	-0.86%	7.76%
1 Year	-7.63%	-6.59%	-1.04%	8.30%
5 Years pa	2.71%	3.20%	-0.49%	5.00%
Since Inception pa	3.98%	4.36%	-0.38%	4.75%

*Performance is after fees but before franking
**Inception is September 2013
***November performance is month to date to the 25th and indicative only at this stage
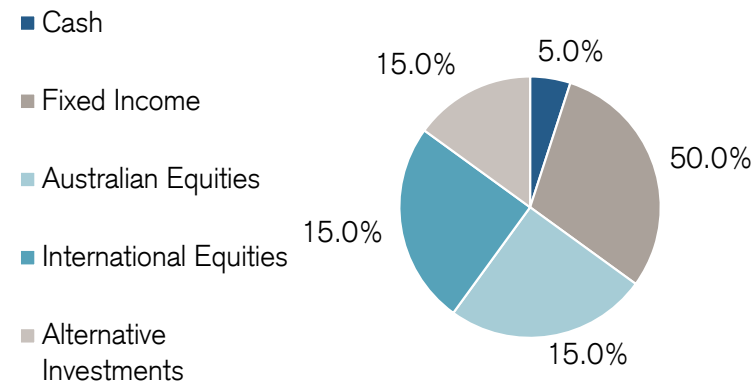
CREDIT SUISSE

Asset Allocation Global Yield & Outlook

- The portfolio is currently defensively positioned with an overweight position to cash and bonds, and importantly, an underweight position to equities and alternative investments.

- The investment landscape remains volatile, with changing economic factors and conditions creating an increasingly complex backdrop for global markets. Higher inflation, tightening liquidity conditions, armed conflict in Europe, and the unwinding of pandemic-era extremes imply higher risks and ongoing market fluctuations going forward. Markets are not linear and recent rallies should not be seen as the beginning of a bull market as fundamentals have not truly changed for the better. Higher unemployment, weakening wage growth and earnings contraction must all occur to herald an end to the bear market. Furthermore, how persistent elevated inflation is remains highly uncertain and is the key driver of almost everything – policy, macro and markets – going forward.

- Considering these risks, the Global Investment Committee (GIC) expects equities to remain under pressure and believes wealth protection is now more important than ever. On a more positive note, the attractiveness of fixed income has sharply improved this year and offers renewed diversification potential for portfolios. Given the challenging macroeconomic environment, the GIC maintains its tactical underweight position to equities, which in the current APNIC portfolio is expressed through an underweight to International Equities.

Current Asset Allocation

- Cash
- Fixed Income
- Australian Equities
- International Equities
- Alternative Investments

13.3% 3.2% 54.1% 13.5% 15.9%

Global Yield Benchmark Asset Allocation

- Cash
- Fixed Income
- Australian Equities
- International Equities
- Alternative Investments

15.0% 5.0% 50.0% 15.0% 15.0%

Risk Profiling Responses

The core of our investment process is the consideration of risk and the appropriate positioning for APNIC's portfolio by way of our Strategic Asset Allocation (SAA).

An investor's recommended risk profile is determined by the ability to cope with financial losses (risk ability) and the way the investor emotionally deals with investment risks (risk tolerance).

We currently have APNIC's risk profile recorded as Moderate which translates to a recommended Global Yield portfolio.

The APNIC Executive Council (EC) has considered the risk profiling questions which we previously provided. On a weighted basis, the outcome of those answers leads to an Enhanced risk ability. The risk tolerance answers are exactly in the middle of a Moderate and Medium outcome.

Given APNIC's investment objectives, investment time horizon and liquidity requirements, plus the responses which have been provided by the EC to our risk profiling questions, we believe APNIC has the ability to withstand more risk than is currently in the portfolio.

The question for the EC is whether it wishes to remain with a Moderate risk tolerance, or to adopt a Medium risk tolerance. A Moderate risk tolerance would mean remaining in the current Global Yield portfolio. A Medium risk tolerance would mean moving to a Balanced portfolio. We have provided a comparison between the current Global Yield portfolio and a Balanced portfolio in this presentation. We have also included the options for APNIC to consider in relation to the Responsible Investing Screen which it wishes to adopt in the portfolio.
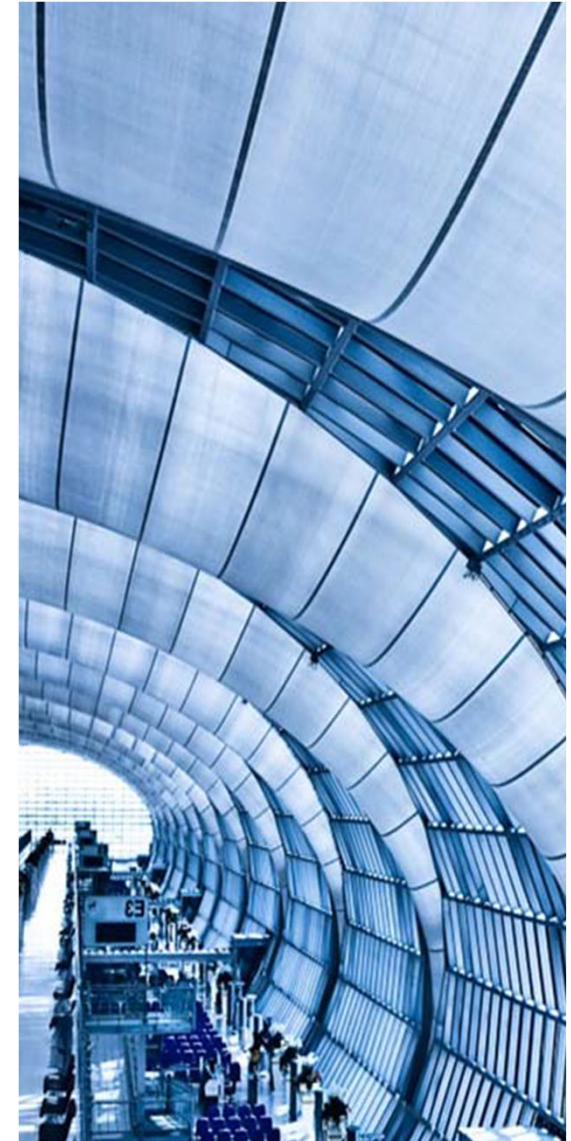
Risk Profiling Responses - Key Observations

1. Risk Profile = The APNIC Executive Council (EC) has considered the risk profiling questions which we have provided. On a weighted basis, the outcome of those answers is an Enhanced risk ability and a risk tolerance which is exactly between a Moderate and Medium outcome. Therefore, APNIC has the choice of which risk tolerance to adopt. The current risk tolerance is Moderate which translates to a Global Yield portfolio. A Medium risk tolerance would indicate that a Balanced portfolio is more appropriate. We have compared the two portfolios below.

2. Illiquid Alternative Investments = The EC has considered the questions which we have provided in relation to potentially increasing the weighting to illiquid alternative investments within the portfolio. On a weighted basis, there is not a strong desire to allocate a higher percentage of the portfolio to less liquid alternative investments (eg: Private Equity, Unlisted Real Estate, Private Credit, Hedge Funds).

3. Socially Responsible Investing (RI) = The EC has considered the questions which we have provided in relation to RI. On a weighted basis, there is a strong desire for an RI screen in the portfolio, the response is divided however as to whether this should be applied to direct investments only as it is currently or more broadly to all investments. There is a broad acceptance of the portfolio potentially having a higher degree of volatility to enable the implementation of the RI screen. The various RI options for the portfolio are discussed in more detail below.

Risk Profiles for Comparison

	Fixed Income	Global Yield	Balanced	Growth	Global Equities
Investment Objectives	■ Preservation of capital ■ Generation of returns using current income	■ Real capital preservation ■ Generation of returns using current income	■ Real preservation and long term accumulation of capital using current income, capital, and currency gains	■ Long-term asset growth through a greater focus on capital and currency gains	■ Long-term asset growth through a greater focus on capital and currency gains
Risk Tolerance	■ Low risk tolerance ■ Maintenance of low volatility	■ Below-average risk tolerance ■ Volatility as low as possible	■ Average risk tolerance ■ Takes volatility into account	■ Above-average risk tolerance ■ Takes increased volatility into account	■ High risk tolerance ■ Takes major volatility into account
Asset Classes	■ Liquidity ■ Bonds ■ Alternative Investments	■ Liquidity ■ Bonds ■ Equities ■ Alternative Investments	■ Liquidity ■ Bonds ■ Equities ■ Alternative Investments	■ Liquidity ■ Bonds ■ Equities ■ Alternative Investments	■ Liquidity ■ Equities ■ Alternative Investments
Investment Horizon	Up to 3 years	3–5 years	5–8 years	8–12 years	Over 12 years

Source: Credit Suisse

CREDIT SUISSE

Risk Profiles for Comparison

Investment Profiles	Fixed Income	Yield	Balanced	Growth	Equities
Liquidity	5.0%	5.0%	5.0%	5.0%	5.0%
Bonds	85.0%	50.0%	30.0%	10.0%	0.0%
Equities - Domestic	0.0%	15.0%	25.0%	35.0%	43.8%
Equities - International	0.0%	15.0%	25.0%	35.0%	43.8%
Alternates - Hedge Funds	7.5%	10.0%	10.0%	10.0%	7.5%
Alternates - Real Estate	2.5%	5.0%	5.0%	5.0%	0.0%
Alternates - Commodities	0.0%	0.0%	0.0%	0.0%	0.0%
Private Equity	0.0%	0.0%	0.0%	0.0%	0.0%
Historic Analysis					
Annualised Average Return	8.5%	9.4%	10.0%	10.4%	10.6%
Annualised Average Return Last 5 Years	1.2%	3.8%	5.3%	6.7%	7.6%
Annualised Average Return Last 10 Years	3.0%	5.9%	7.6%	9.4%	10.4%
Annualised Average Return Last 20 Years	5.1%	6.0%	6.5%	7.1%	7.3%
Worst 12 Month Return	-7.6%	-13.9%	-21.6%	-29.3%	-31.3%
Best 12 Month Return	23.3%	28.8%	36.6%	45.3%	53.1%
Max Drawdown (%)	-12.1%	-17.6%	-27.2%	-36.1%	-38.0%
Portfolio Standard Deviation	3.7%	5.7%	7.7%	9.9%	11.4%
Negative Annual Return is Incurred	1 in 27.0 years	1 in 13.1 years	1 in 7.0 years	1 in 5.9 years	1 in 5.0 years

Incorporates data from January 1981 through to June 2022 and uses the longest data set available for each asset class.

Risk Profiles for Comparison
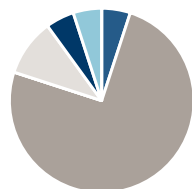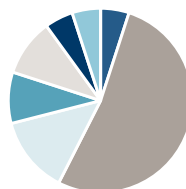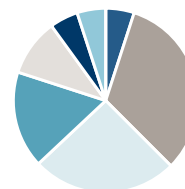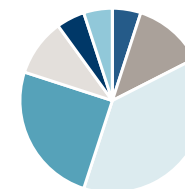
	Fixed Income	Global Yield	Balanced	Growth	Global Equities
Credit Suisse Research Projections - Capital Market Assumptions over the next five years per annum including estimated franking					
Target Return	Inflation + 2%	Inflation + 2-3%	Inflation + 3-4%	Inflation + 4-5%	Inflation + 5-6%
Total Return	4.5%	5.7%	6.5%	7.5%	8.0%
Gross Income	4.1%	3.8%	3.8%	3.8%	3.7%
Projected Standard Deviation	4.6%	5.4%	7.4%	9.9%	11.4%
Investment Profiles					
Yields as portfolios are positioned currently	2.62%	2.47%	2.92%	3.35%	3.35%
Franking	0.00%	0.29%	0.49%	0.67%	0.81%
Gross Yields as portfolios are positioned currently	2.62%	2.76%	3.41%	4.02%	4.16%
Standard Deviation as portfolios are positioned currently	3.51%	4.61%	6.38%	8.61%	10.70%

Value Projection: Current Global Yield Portfolio
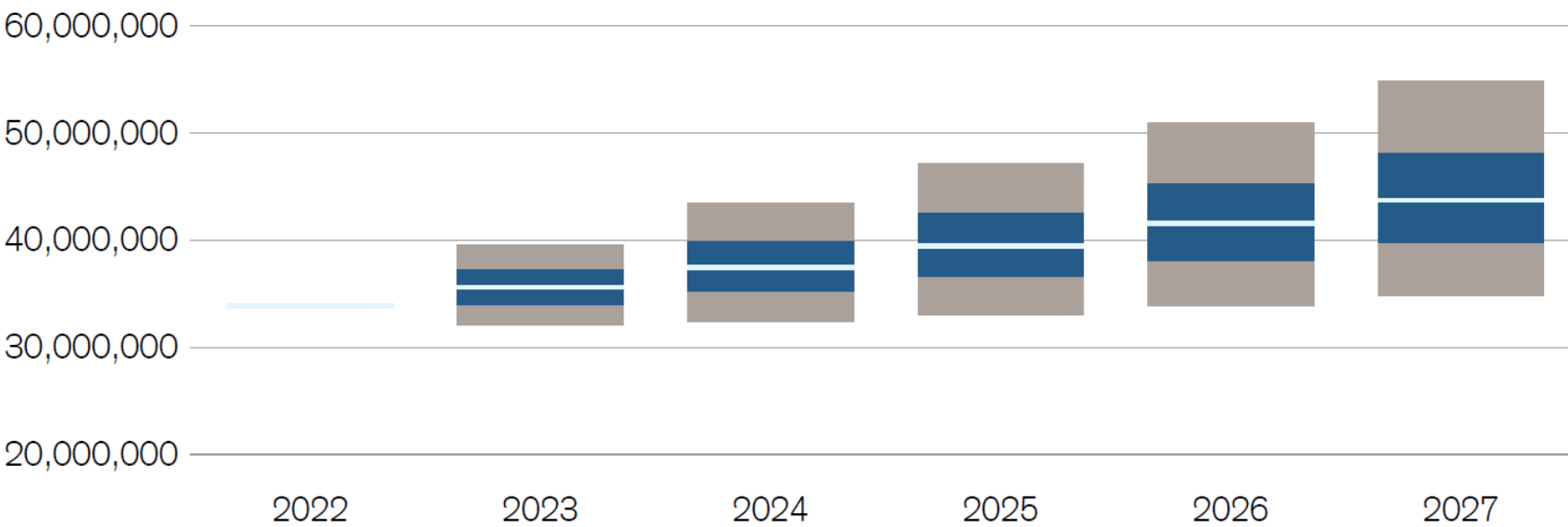
Grey: 90% confidence future portfolio value will lie within these bands

Dark Blue: 50% confidence future portfolio value will lie within these bands

Light Blue: expected future portfolio value

Value Projection: Balanced Portfolio
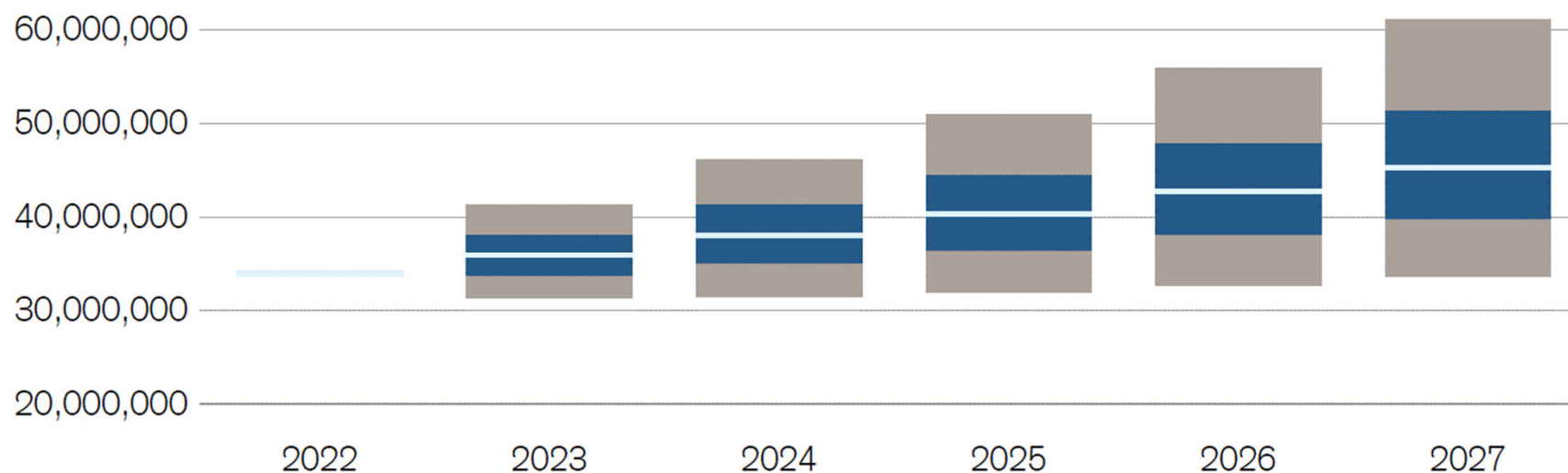
Grey: 90% confidence future portfolio value will lie within these bands
Dark Blue: 50% confidence future portfolio value will lie within these bands
Light Blue: expected future portfolio value

Current Global Yield Portfolio vs. Balanced Portfolio
Asset Allocation

Current Global Yield Portfolio

Alternative Investments 13.3%

Liquidity 3.2%

Bonds and Similar Investments 54.1%

Equities and Similar Investments 29.4%

Balanced Portfolio

Alternative Investments 13.5%

Liquidity 3.5%

Bonds and Similar Investments 34.7%

Equities and Similar Investments 48.3%
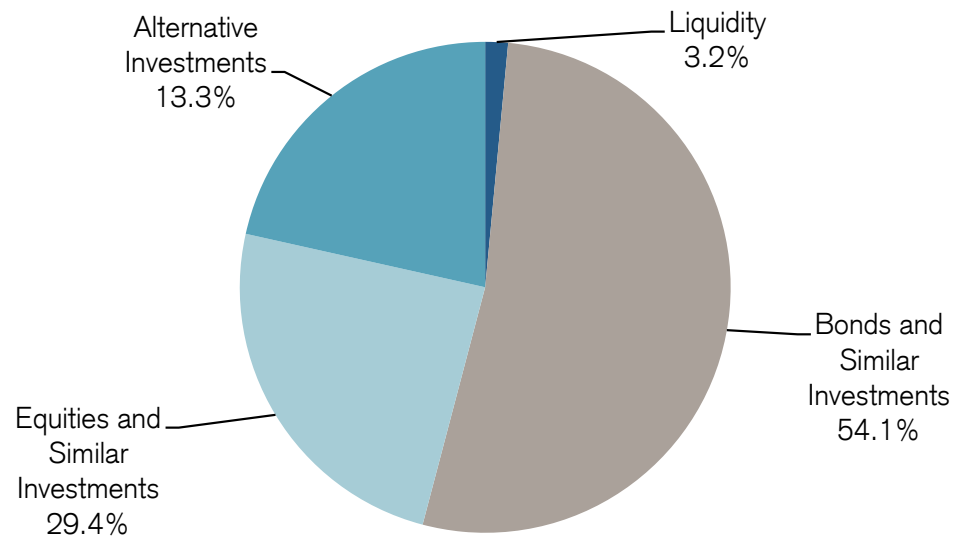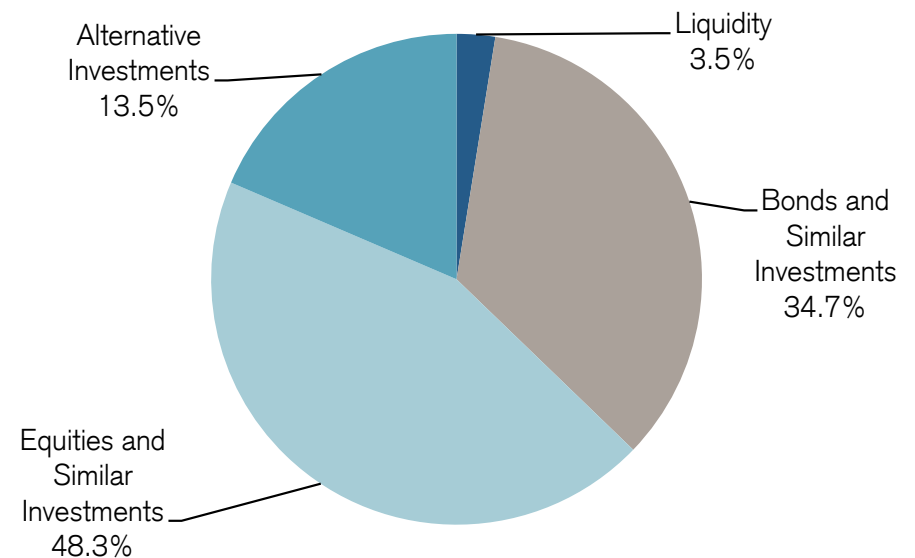
Current Global Yield Portfolio vs. Balanced Portfolio
Scenario Analysis

Credit Suisse's proprietary risk models predict the loss each
benchmark asset allocation profile would have experienced in
recent historical drawdown scenarios.
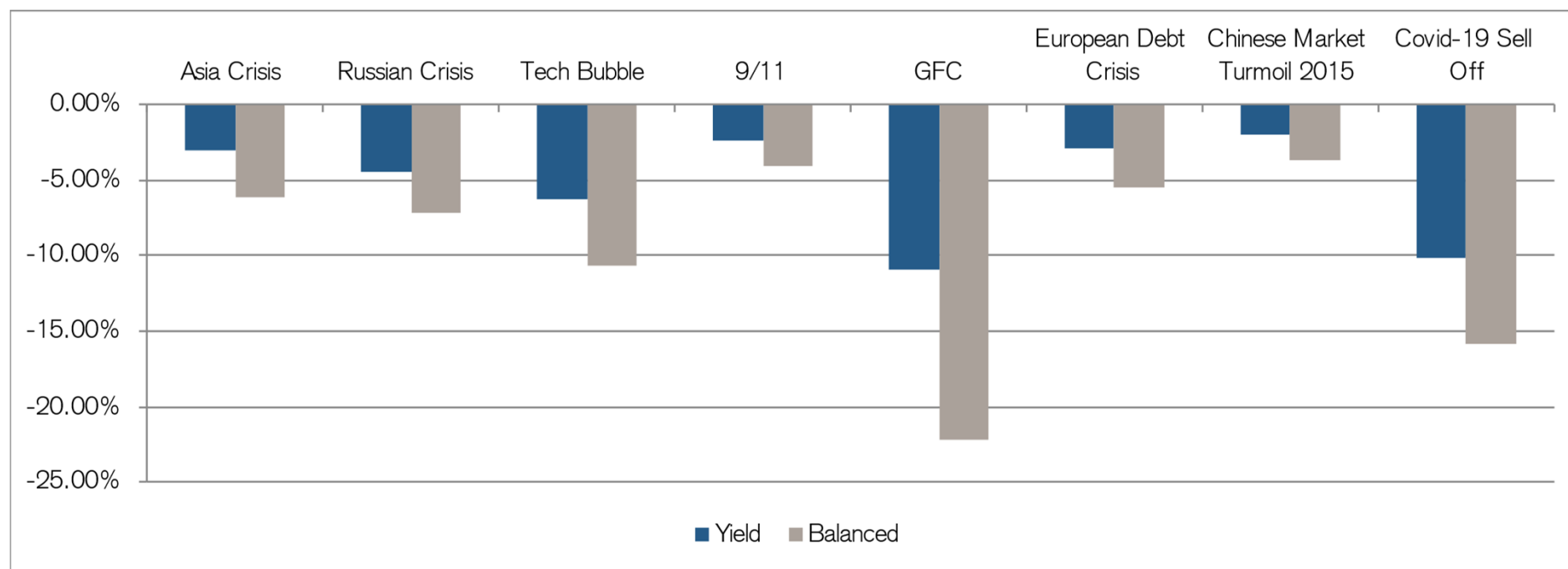
Socially Responsible Investment (RI) Options

Once the EC has determined the risk tolerance it feels comfortable adopting, it then needs to determine the breadth of the Socially Responsible Investment (RI) screen which it wishes to adopt within the portfolio.

Currently, an RI screen is applied to direct holdings only. The existing screen excludes direct holdings in Alcohol, Tobacco, Adult Entertainment, Weapons and Gambling companies.

The responses from the EC to the RI risk profiling questions were evenly split between retaining the current RI screen and adopting a broader RI screen which applied not only to direct holdings but also to the collectively managed investments within the portfolio, such as the managed funds and exchange traded funds.

The EC needs to decide how broad it wishes the RI screen to be. How Credit Suisse would apply a broader RI screen within the portfolio if the EC decides on that option is set out below. As you will see below, a modified SAA is adopted for the fully RI compliant mandates which currently excludes alternative investments due to the opaque nature of that asset class from an RI perspective.

For the EC's reference, we have also set out the historical returns of the standard mandates (Global Yield and Balanced) and the fully RI compliant mandates (Global Yield and Balanced). The fully RI compliant mandates have run since May 2021 for Global Yield and August 2019 for Balanced.

Once the EC has confirmed the risk tolerance it wishes to adopt, plus the breadth of the RI screening it wishes to adopt in the portfolio, we will send through the new Investment Mandate and Investment Profile Questionnaire for signing, along with draft wording to amend the APNIC Investment Policy Statement as required.

Credit Suisse RI investment framework
The three pillars in our investment process

(Hard) Exclusions
Avoiding harmful investments

- Systematic avoidance of exposure to controversial areas or unethical behaviors
- Norms-based exclusions – excluding companies that violate international treaties on controversial weapons
- Values-based exclusions – excluding companies whose activities have a negative impact on society and/or the environment
- Business conduct policy – excluding companies involved in severe violations of the UN Global Compact

ESG integration
Better-informed investment decisions

- Considering financially material ESG risks and opportunities
- Based on industry specific sustainability expertise
- Reflects the Credit Suisse House View on ESG topics
- Integrating ESG into in investment processes alongside financial analysis
- Approach adapted to asset class, product features, and investment objectives

Thematic and impact
Mobilizing capital

Sustainable Thematic and Impact Aligned
- Participation in sustainable growth themes
- Companies making positive contributions to the SDGs
- Mostly liquid strategies

Impact investing
- Intentionality: achieve specific impact
- Strategy of change: proven how to achieve this impact
- Measurable: measures in place for positive social or environmental impact
- Additionality: investors are contributing to the impact of the company by financing growth or through active ownership (direct engagement)
- Mostly illiquid and engagement strategies

ESG = Environmental (E), Social (S) and (Corporate) Governance (G)
SDGs = UN Sustainable Development Goals

Source: Credit Suisse AG

Exclusions
Avoiding companies that do not align with our values

Norms-based exclusions

Excluding companies that violate international treaties on controversial weapons, such as
- The Convention on Cluster Munitions
- The Chemical Weapons Convention
- The Biological Weapons Convention
- The Treaty on the Non-Proliferation of Nuclear Weapons

Values-based exclusions

Excluding companies whose activities have a negative impact on society and/or the environment.
Exclusion thresholds are based on the specific exposure level (typically 5% for producers).
Industries covered include:
- Tobacco, gambling, adult entertainment
- Thermal Coal (>20%), apart from thermal coal, the framework does not systematically exclude fossil fuels, as climate transition will require a varied energy mix over the next few decades
- Manufacturers of conventional weapons, civil firearms, and nuclear weapons support systems

Business conduct exclusions

Severe cases of controversial business conduct, and particularly of conduct violating the principles of the UN Global Compact Principles.

Source: Credit Suisse AG

Strategic Asset Allocation and Model Portfolio
Fully aligned with sustainable criteria

|	Yield (67/33)	Balanced (45/55)	Growth (25/75)
Cash	5.0%	5.0%	5.0%
Bonds	62.0%	40.0%	20.0%
Australian Government	40.0%	20.0%	7.5%
Global Investment Grade	15.0%	14.0%	7.5%
Global High Yield	7.0%	6.0%	5.0%
Aussie Equities	16.5%	27.5%	37.5%
International Equities	16.5%	27.5%	37.5%
- US	9.0%	15.0%	20.0%
- EM	3.3%	5.5%	7.7%
- Europe	3.0%	5.0%	7.0%
- Japan	1.2%	2.0%	2.8%
Of which Thematic:	5.0%	7.5%	10.0%

- Fixed income through government bonds, sustainable corporate credit and high yield
- Direct Australian stocks
- International equity through the use of screened ETFs that all are compliant with CS global approach for sustainable investment
- Sustaianble thematic and Impact aligned investing through active funds

Note: The above are indicative asset allocations and are meant for illustrative purposes only. Please note that asset allocations may be subject to change from time to time without notice. Reference to company names are for illustrative purposes only and are not provided as an investment or research recommendation

Balanced (Sustainable) Profile		Average MER	0.22%
Security / Managed Investment	MERs (%)	Allocation (%)	Amount ($)
Liquidity		3.96%	395,628
Liquidity AUD		3.96%	395,628
Fixed Income		39.21%	3,921,480
Australian Bonds		22.76%	2,276,055
0.25% COMMONWEALTH GOVERNMENT BOND 2024		4.78%	478,440
2.50% COMMONWEALTH GOVERNMENT BOND 2030		8.65%	865,025
2.75% COMMONWEALTH GOVERNMENT BOND 2041		2.40%	239,963
4.75% COMMONWEALTH GOVERNMENT BOND 2027		6.93%	692,626
Global Investment Grade Corporate		10.88%	1,087,576
ROBECOSAM GLOBAL SDG CREDITS FUND	0.56%	10.88%	1,087,576
Global Corporate High Yield		5.58%	557,849
FEDERATED HERMES HIGH YIELD BOND FUND	0.50%	5.58%	557,849
Equities		56.83%	5,682,893
Equities - Australia		29.34%	2,933,568
ALUMINA RG		0.38%	38,313
ANZ BANKING GROU RG		0.92%	92,056
BHP GRP RG		4.31%	430,683
CARSALES.COM RG		0.32%	32,080
Coles GRP RG		0.79%	78,799
COMPUTERSHARE RG		0.86%	85,620
CSL RG		1.75%	175,090
CWTH BK AUSTRALI RG		1.68%	168,128
FLIGHT CENTRE RG		0.27%	27,154
FORTESCUE METALS RG		0.25%	24,605
GOODMAN GRP		0.97%	97,234
JAMES HARDIE CUFS		0.20%	19,736
MACQUARIE GRP RG		0.38%	37,931
NATIONAL AUSTRAL RG		1.62%	162,234
NEWCREST MINING RG		0.68%	67,904
NINE ENTERTAINMENT		0.31%	31,407
ORIGIN ENERGY RG		0.78%	77,623
OZ MINERALS RG		0.27%	26,839
QANTAS AIRWAYS RG		0.49%	49,444
QBE INSURANCE GROUP RG		0.49%	48,952
RESMED CDIS		0.44%	43,911
SOUTH32 RG		0.56%	55,834
TELSTRA CORP RG		0.31%	31,279
WESFARMERS RG		0.28%	28,480
WESTPAC BANKING RG		1.35%	134,810
WOOLWORTHS		0.52%	52,233
WORLEY RG		0.27%	26,966
PERENNIAL BETTER FUTURE TRUST	1.00%	2.01%	200,813
Van Eth Con Aus	0.16%	5.87%	587,411
Equities - International		27.49%	2,749,324
AMUNDI INDEX MSCI EUROPE SRI	0.15%	2.17%	216,855
AMUNDI INDEX MSCI USA SRI UCITS ETF	0.18%	4.37%	436,503
iShares Global Healthcare ETF	0.46%	0.51%	51,010
ISHARES MSCI EMERGING MARKETS SRI ETF	0.35%	4.17%	417,236
ISHARES MSCI JAPAN SRI ETF	0.30%	1.14%	113,793
ISHARES MSCI KLD 400 SOCIAL ETF	0.25%	7.65%	764,547
Thematic and Impact Aligned Funds			
CS ROCKEFELLER OCEAN ENGAGEMENT FUND	1.12%	2.48%	248,059
FP WHEB SUSTAINABILITY FUND	0.85%	1.25%	125,046
ROBECOSAM SMART MOBILITY FUND	0.75%	1.24%	124,489
SCHRODER GLOBAL CLIMATE CHANGE FUND	0.75%	1.28%	127,859
VONTOBEL CLEAN TECHNOLOGY FUND	0.83%	1.24%	123,929
Total		100.00%	10,000,000

Performances* as of 31st October 2022
Current Global Yield Portfolio
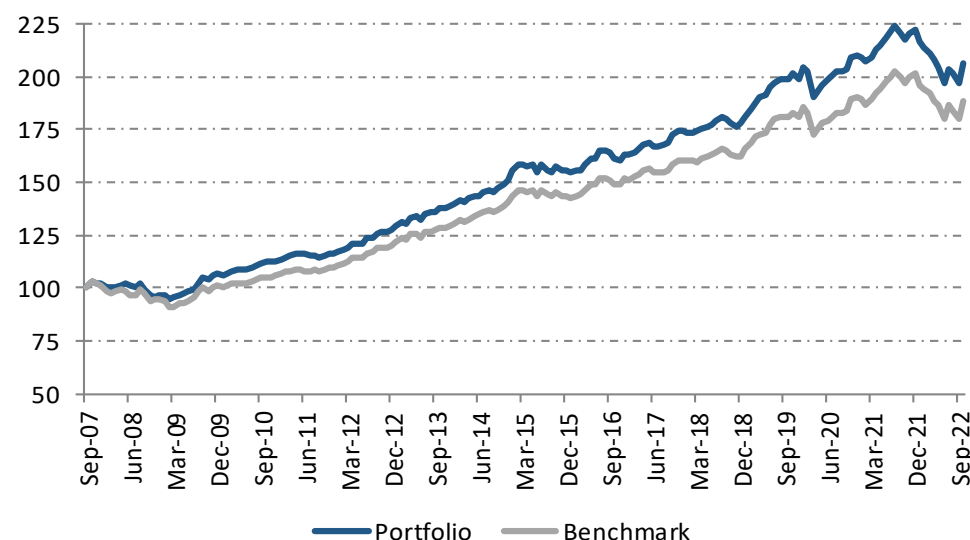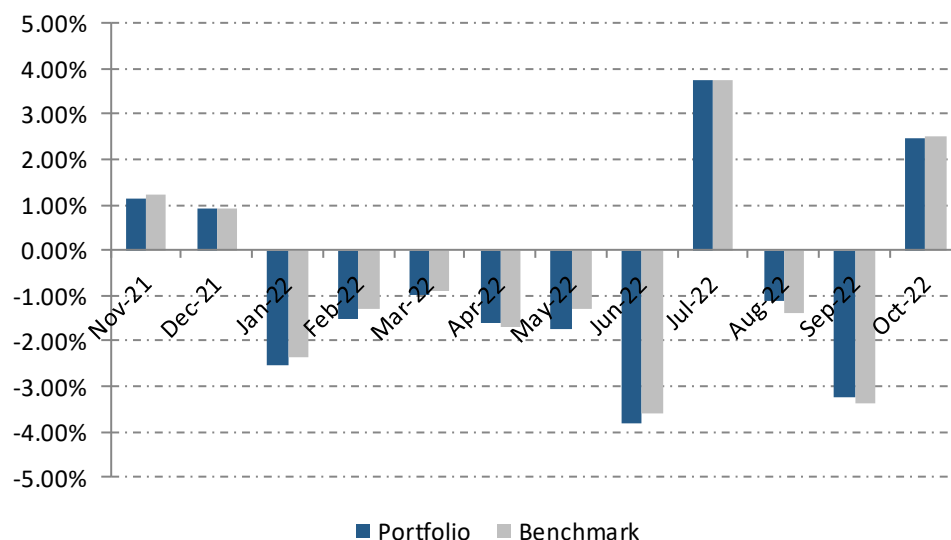
	Portfolio Performance	Benchmark Performance	Outperformance
Month	2.45%	2.51%	-0.07%
3 Months	-2.01%	-2.32%	0.31%
One Year	-8.26%	-7.53%	-0.73%
3 Years p.a.	0.22%	0.27%	-0.05%
5 Years p.a.	3.00%	2.81%	0.19%
10 Years p.a.	4.67%	4.31%	0.36%
Since Incept** p.a.	4.63%	4.00%	0.63%

Source: Credit Suisse AG

* Performance is before fees and taxes.

** 1st August 2007

Performances* as of 31st October 2022
Potential Fully RI Compliant Global Yield Portfolio
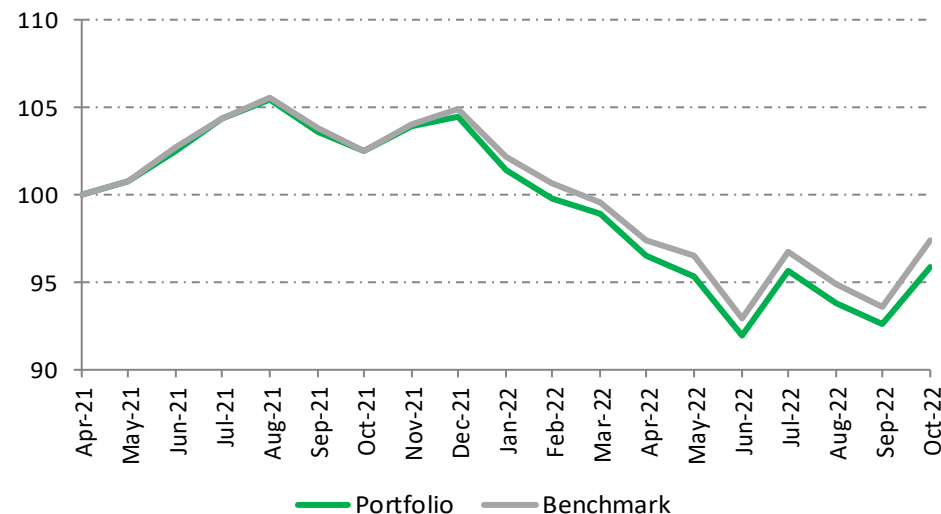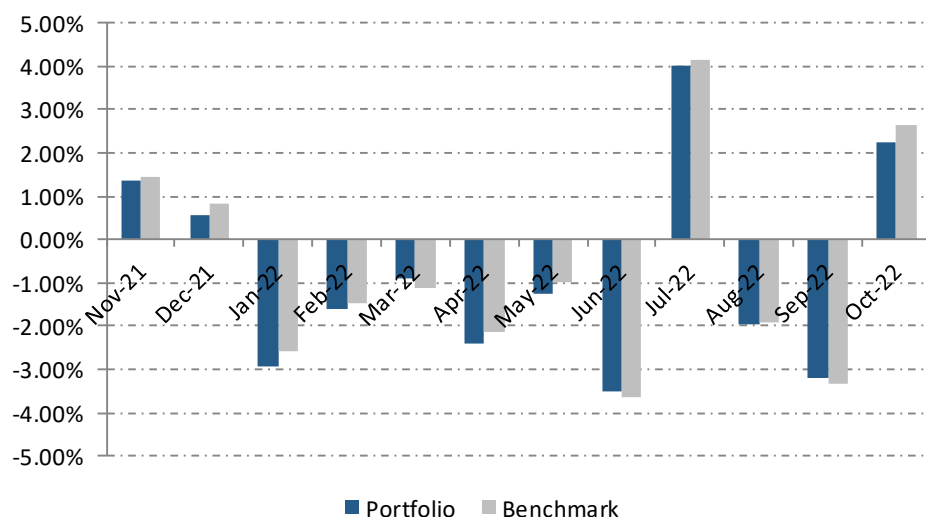
	Portfolio Performance	Benchmark Performance	Outperformance
Month	2.22%	2.64%	-0.42%
3 Months	-2.97%	-2.68%	-0.29%
1 Year	-9.43%	-8.12%	-1.31%
Since incept** cumulative	-7.19%	-5.82%	-1.37%

Source: Credit Suisse AG

* Performance is before fees and taxes.

** 1st May 2021

Performances* as of 31st October 2022

Potential Balanced Portfolio
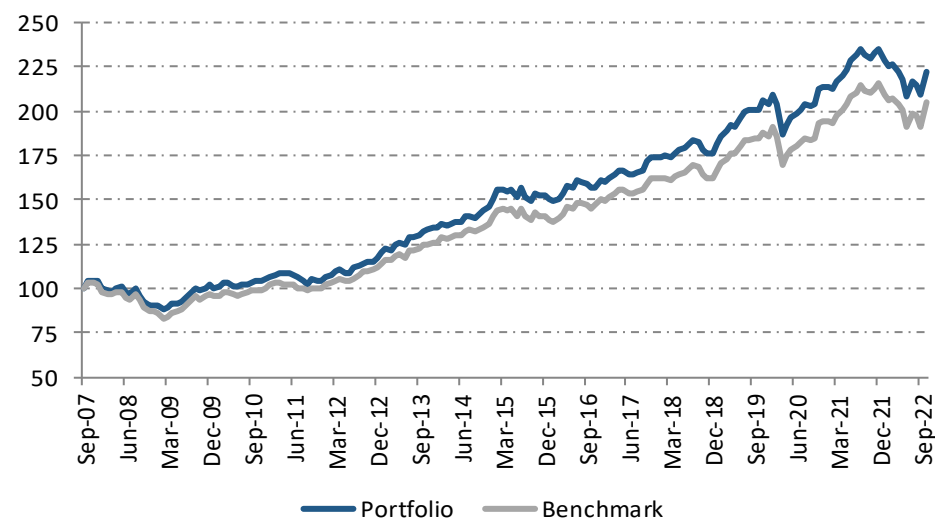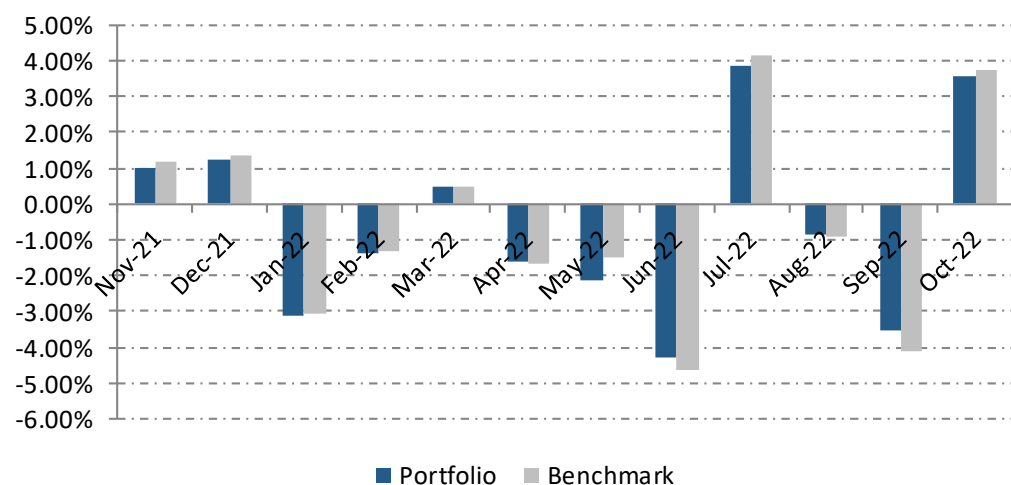
	Portfolio Performance	Benchmark Performance	Outperformance
Month	3.55%	3.76%	-0.21%
3 Months	-0.93%	-1.40%	0.47%
CYTD	-8.91%	-8.85%	-0.06%
One Year	-6.85%	-6.55%	-0.30%
3 Years p.a.	2.14%	2.12%	0.02%
5 Years p.a.	4.53%	4.24%	0.29%
10 Years p.a.	6.40%	5.96%	0.44%
Since Incept** p.a.	5.12%	4.52%	0.60%

Source: Credit Suisse AG

* Performance is before fees and taxes.

** 1st August 2007

CREDIT SUISSE

Performances* as of 31st October 2022
Potential Fully RI Compliant Balanced Portfolio

Portfolio ▪ Benchmark

—— Portfolio —— Benchmark
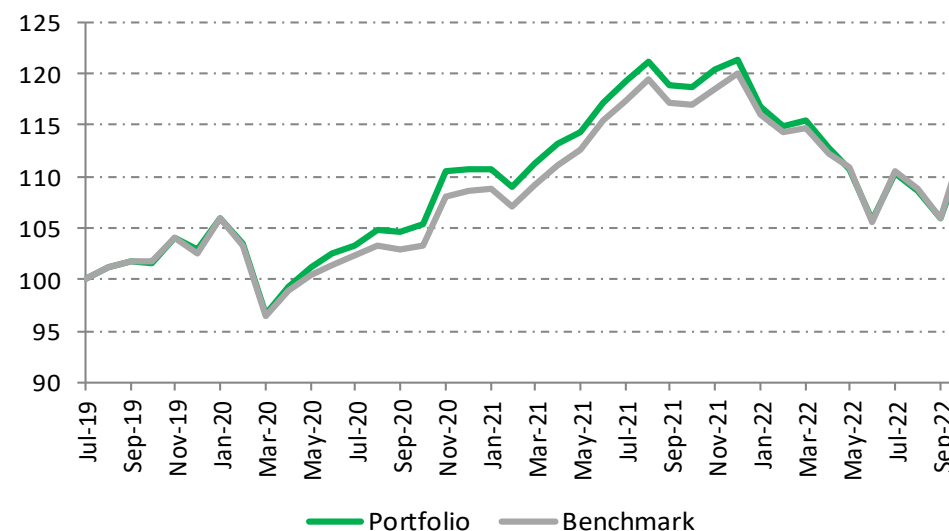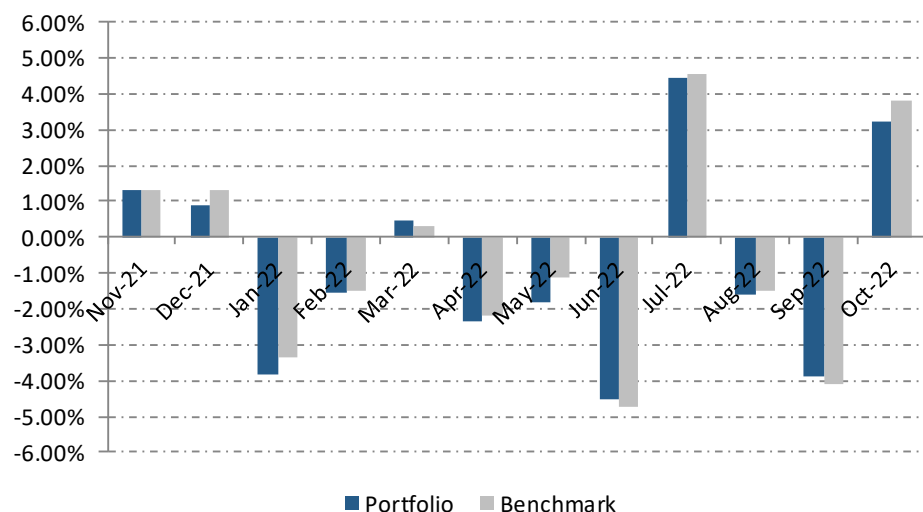
	Portfolio Performance	Benchmark Performance	Outperformance
Month	3.20%	3.78%	-0.58%
3 Months	-2.45%	-1.95%	-0.50%
CYTD	-11.29%	-9.83%	-1.46%
1 Year	-9.33%	-7.47%	-1.86%
3 Years p.a.	1.96%	2.09%	-0.13%
Since Incept** p.a.	2.30%	2.49%	-0.19%

Source: Credit Suisse AG

* Performance is before fees and taxes.

** 1st August 2019

Notes

Notes to Credit Suisse Benchmark Allocation Framework:

This is a theoretical model based on the strategic asset allocation views of Credit Suisse

This model incorporates data from December 1980 through to December 2021- where available

All calculations use the longest dataset available for each asset class

Where applicable data is adjusted using a common data variance-covariance matrix

International Equities return is derived from a composite of individual market returns after applying Credit Suisse SAA

Annualised Average Portfolio Return is calculated by taking the average of the 1-year rolling returns

Annualised Portfolio Return Over Last 5, 10 and 20 years is calculated by taking the most recent data points for the 5, 10 and 20 year rolling returns respectively

The minimum and maximum portfolio return is calculated by determining the lowest and highest 1-year rolling return data points

The Portfolio Standard Deviation is calculated by taking the standard deviation of the 1-year rolling returns

Negative Return Incurred is calculated by taking the number of negative 1-year rolling periods and dividing it by the total number of periods and this number is inversed

Estimated Total Returns and Income are calculated based on Credit Suisse Research views and Capital Market Assumptions based on historical data, economic models and quantitative as well as qualitative analysis

There is no guarantee that past returns will approximate actual returns in the future

Credit Suisse 5 year forecast for CPI in Australia is 2.5% p.a.

Benchmarks:

Cash	Bloomberg AusBond Bank Bill Index
Australian Fixed Income	Bloomberg AusBond Composite Index
Inflation Linked Fixed Income	Barclays Global Inflation Linked (Hedged) (Citi World Government Bond Index used prior to Jan 1990)
Investment Grade Credit	Barclays Global Investment Grade Corporate (Hedged) (Citi World Government Bond Index used prior to Jan 1990)
High Yield	Barclays Global High Yield Index (Hedged) (Citi World Government Bond Index used prior to Jan 1990)
Emerging Market Local Currency	JP Morgan GBI EM Global Diversified Local Currency (Citi World Government Bond Index used prior to Jan 1990)
Emerging Market Hard Currency	JP Morgan EMBI Global Diversified Hard Currency (AUD Hedged) (Citi World Government Bond Index used prior to Jan 1990)
Australian Equities	S&P/ASX 200 Accumulation Index (reconstituted prior)
International Equities	MSCI World Ex Australia Net Return Index (Unhedged, used prior to Jan 88, country split thereafter)
United States	MSCI USA Net Return Index(unhedged)
Europe	MSCI Europe Net Return Index (unhedged)
Japan	MSCI Japan Net Return Index (unhedged)
Emerging Markets	MSCI Emerging Markets Net Return Index (unhedged)
Commodities	Bloomberg Commodity Total Return Index (unhedged)
Gold	London Gold Market Fixing Ltd (unhedged)
Hedge Funds	Dow Jones Credit Suisse Hedge Fund Index (hedged)
Listed Property	S&P/ASX 300 Property Trusts Accumulation

Source: Bloomberg, Credit Suisse, Thomson Reuters

CREDIT SUISSE

Disclaimer

CREDIT SUISSE

APNIC Monthly Commentary

Summary

- The APNIC portfolio was indicatively up 2.40% in October.

- Global equities rose +7.79% in AUD terms as speculation of a Fed pivot lifted sentiment.

- Australian equities gained +6.04%.

- Yields fell and Australian bonds rose +0.93%.

Market Commentary

Equities had a strong month in October on speculation that central banks are nearing the peak of policy tightening. In AUD terms, US, Europe, Emerging Markets and Australian equities returned +8.48%, +7.85%, -2.59% and +6.04% respectively. Bond markets also reflected a more dovish tone, where yields fell, and Australian bonds rose +0.93%.

Locally, Australian stocks gained as part of the global rally with Financials being the best performing sector, as banks are benefiting from better interest margins. At their October meeting, the RBA hiked the cash rate by 0.25%, followed by another 0.25% in November, to 2.85%, its highest level since 2013. The smaller hikes surprised the market given September's inflation print was worse than expected. The RBA aims to keep the economy on an "even keel" by restricting demand sufficiently to return inflation to target over time. In his speech, Governor Lowe downgraded forecasts for GDP growth and lifted projections for both unemployment and inflation in 2023 and flagged further policy tightening.

Despite a strong rise in equities, the US economic downturn gathered momentum in October. The ISM Manufacturing PMI fell to 50.2 in October, down from 50.9 in September. That said, the Q3 GDP print of 2.6%QoQ was strong. Inflation continues to rise with Core PCE Inflation at 5.1% YoY, up from 4.9% as leading indicators all point to an economy softening in the face of high inflation and rising interest rates. The Fed implemented another 0.75% rise in November, with a notable hawkish shift in tone.

During the press conference, Chair Powell leaned strongly against the view that a pause in the hiking cycle might be appropriate. Persistent inflation and a strong labour market suggest the economy needs tighter financial conditions as Chair Powell indicated ongoing increases were still needed to bring inflation back to 2% over time.

Eurozone activity continues to deteriorate as business activity contracted at the fastest pace in two years in October. Cost-of-living pressures are keeping consumers cautious and sapping demand. The Eurozone Markit Manufacturing Index PMI print weakened to 46.4 in October, down from 48.4 in September, a fourth straight month of falling factory activity. The PMI provides yet more evidence that the Eurozone is sliding towards a recession at a time when inflationary pressures remain intense. Eurozone Core PCE, the ECB's preferred measure of inflation, reached a fresh high of 6.4% in October, up from 6.1% in September. Broadening price pressures which raise the risk that inflation becomes entrenched, will no doubt concern policy makers who have little choice but to continue hiking rates in the coming months, increasing the likelihood of a recession for the region.

China's economy was weaker in October as the country continues to struggle under a zero covid policy. While China's 3Q GDP growth surprised on the upside to 3.9% YoY, up from 0.4% in Q2, the production side remains weak due to strict Covid controls and slowing external demand. The Caixin Manufacturing Index PMI printed at 49.2 in October as overseas demand dropped for the third month in a row as global costs pressures remain. Lingering covid restrictions, weaker property sales and construction and slowing export growth are likely to translate to weaker GDP growth in the coming quarters.

Market Value as at 31 October 2022

	Market Value
APNIC Portfolio	**A$32,833,298**

Performance as of 31 October 2022

APNIC Portfolio				
	Portfolio	Benchmark	Relative	CPI + 2.5%
Month	2.40%	2.51%	-0.11%	0.82%
3 Months	-2.13%	-2.24%	+0.11%	2.37%
Year To Date	-10.52%	-9.49%	-1.03%	6.89%
1 Year	-8.82%	-7.47%	-1.35%	7.91%
5 Years pa	2.47%	3.01%	-0.54%	4.90%
Since Inception pa	3.74%	4.15%	-0.41%	4.70%

* Performance is after fees but before franking. Inception is September 2013.

CS Global CIO View

Another volatile month in markets as major developed markets rebounded significantly following September's weakness as speculation of a potential Fed "pivot" supported equity valuations. Its clear risk assets are undergoing a reset in response to changing monetary policy and ongoing geopolitics makes markets further prone to sharp setbacks or counterintuitive reactions. In that respect, we are wary of any false market rally with the turning point to occur once the drivers of the bear market have fundamentally changed. Lead economic indicators suggest risks to a global economic recession are rising but we remain ready to act and adjust risk exposures to the changing conditions. Considering the increasing uncertainty, capital preservation and portfolio diversification is crucial, we believe it prudent to maintain our tactical underweight position in equities and remain neutral bonds.

Fixed Income

The tightening trajectory taken by developed market central banks is beginning to diverge. At the dovish end of the scale stands the Reserve Bank of Australia; surprising bond markets with a 25-basis point cash rate increase in October and then continuing at the same pace in November. The US Federal Reserve maintains its place at the opposite end; at the time of the fourth consecutive 75 basis point Fed Funds rate hike in November, Fed Chair Powell delivered a suite of hawkish comments. At the Federal Open Market Committee (FOMC) press conference it was revealed that not only does the Fed expect a higher terminal Fed Fund rate compared to September, but their risk management framework favours erring on the side of over-tightening. If that was not enough, at the end of the briefing Powell acknowledged that the window for a soft landing had narrowed for the economy.

Against this backdrop it is not surprising to see Australian bonds outperform US Treasuries. Indeed, Australian bond yields ended the month lower, while US Treasury yields were higher. The rise in US Treasury yields was driven by an increase in the bond market's expectations for future inflation, known as break-even inflation (this equals the difference between nominal and real yields). Real yields – which matter more for conveying the stance of monetary policy - actually fell over the month. This was prompted by a newspaper article which indicated that the FOMC were preparing to moderate the pace of tightening. At the end of the month Australian 10-year yields stood at 3.76%, well below the 10-year US treasury yield, which stood at 4.05%.

Elsewhere, in the fixed income universe, the notable move was in Australian swap spreads, which have widened to very elevated levels. As government-related and state government bonds trade in line with swap spreads, this development is making this sector of the fixed income market screen very attractively. We will be looking to take further advantage of attractive spreads in the triple-A government-related sector.

We continue to favour defensive sectors in investment grade AUD credit, which will be more immune to a cyclical slowdown in consumer spending, whilst providing good income and the potential for spread narrowing. In the US Treasuries allocation within the portfolio, we have returned duration close to benchmark following an extended period of holding a large short duration position. We judge that at yields mostly above 4%, a sufficient amount of tightening is now priced into the US Treasury curve, and the balance of risks are now more evenly spread for outright yields in the US.

Domestic Equities

The ASX200 index rebounded in October delivering a return of 6.04%. This result reflected a strong global equity rally where the ASX participated albeit lagged stronger global performance. Key performance drivers included a reduced pace of monetary policy tightening as confirmed by the RBA and economic growth holding up in the near-term. This backdrop led to outperformance by banks and energy as earnings expectations were revised higher. Falling real yields also assisted performance from the real estate and consumer discretionary sectors. Top portfolio performers were led by Flight Centre (+17.1%), Westpac (+16.8%) and Qantas (+16.3%) given strong travel demand in the current half and a significant pickup in bank revenue growth given higher net interest margins and solid credit growth. The main lagging sectors were mining due to weakness in Chinese commodity demand and defensive sectors such as consumer staples and healthcare. Weaker portfolio performers were Rio Tinto (-5.60%), BHP (-3.0%) and CSL (-1.6%). During the month we continued to raise the bank weighting through higher positions in ANZ and Westpac. These companies have good operating leverage to higher revenues and are attractively valued.

International Equities

International equities as measured by the MSCI World ex Australia index had a strong month up 6.05% (USD) in October, and slightly better in AUD terms up 6.61%, as the Australian dollar depreciated slightly. Expectations going into the third quarter earnings season were low and companies delivering ahead of consensus was a key support for what looked like a bear market rally. The strongest sectors in the market were Energy (+7.80%) and Industrials (+10.42%), while the weakest sectors were Communication Services (+1.78%) and Real Estate (+1.99%). Energy was strong on OPEC cutting supply, to support the oil price at $90.

Outlook

The investment landscape remains volatile, with changing economic factors and conditions creating an increasingly complex backdrop for global markets. Higher inflation, tightening liquidity conditions, armed conflict in Europe, and the unwinding of pandemic-era extremes imply higher risks and ongoing market fluctuations going forward. Markets are not linear and recent rallies should not be seen as the beginning of a bull market as fundamentals have not truly changed for the better. Higher unemployment, weakening wage growth and earnings contraction must all occur to herald an end to the bear market. Furthermore, how persistent elevated inflation is remains highly uncertain and is the key driver of almost everything – policy, macro and markets – going forward. Considering these risks, the Global Investment Committee (GIC) expects equities to remain under pressure and believe wealth protection is now more important than ever. On a more positive note, the attractiveness of fixed income has sharply improved this year and offer renewed diversification potential for client portfolios. Given the challenging macroeconomic environment, the GIC maintains its tactical underweight position to equities and remains neutral bonds.

Data Sources

Credit Suisse, unless otherwise specified.

Disclaimer

CREDIT SUISSE

CREDIT SUISSE AG

Private Banking Australia

1 Macquarie Place
Sydney NSW 2000

credit-suisse.com/au

CREDIT SUISSE

Private Banking

Investment Report 1.10.2022 – 31.10.2022

APNIC PTY LTD
Portfolio: 3000039-70

This page is intentionally left blank.

Private Banking

Investment Report 1.10.2022 – 31.10.2022

Portfolio	**3000039-70**	APNIC PTY LTD
		PO BOX 3646
In the Name of	APNIC PTY LTD	SOUTH BRISBANE, QLD 4101
		AUSTRALIA

Produced on	1.11.2022
Reporting Currency	AUD

Relationship Manager	Patrick Armitage
Phone	+61 2 8205 4451

Table of Contents

001970938 012 058

Scope of Analysis
as of 31.10.2022

Components	Portfolio	Asset Value in AUD	Discretionary Mandate	Opened	Closed	Performance Activation	Performance Deactivation
Investment related Positions							
AUD Portfolio	3000039-70	32,831,784	Yes	16.08.2013		31.12.2013	
Total Wealth		**32,831,784**					

1. Overview

1.1. Asset Allocation

Asset Allocation by Asset Category
Period 1.10.2022 - 31.10.2022

	Beginning Market Value in AUD	Change	Ending Market Value in AUD	Ending Market Value Prop.
■ Liquidity & Similar Investments	2,435,691	-1,581,280	854,412	2.60%
■ Fixed Income & Similar Investments	16,051,477	1,474,428	17,525,906	53.38%
■ Equities & Similar Investments	9,861,694	600,858	10,462,552	31.87%
■ Alternative Investments, Commodities & Real Estate	3,713,369	275,546	3,988,914	12.15%
Total Investments	**32,062,231**		**32,831,784**	**100.00%**
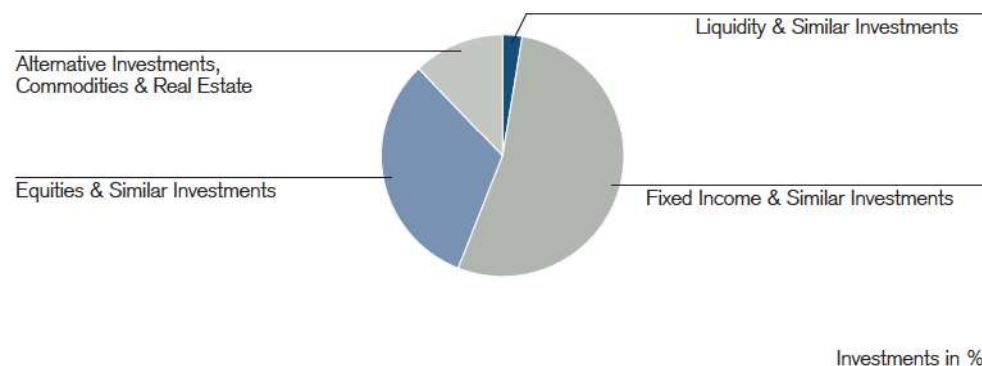
Asset Allocation by Currency
Period 1.10.2022 - 31.10.2022

	Beginning Market Value in AUD	Change	Ending Market Value in AUD	Ending Market Value Prop.
■ AUD - Australian Dollar	27,673,196	561,602	28,234,798	86.00%
■ USD - US Dollar	2,728,971	97,794	2,826,765	8.61%
■ EUR - Euro	1,431,762	-18,074	1,413,688	4.31%
■ JPY - Japan Yen	228,290	11,863	240,153	0.73%
■ CHF - Swiss Franc	0	116,366	116,366	0.35%
■ GBP - Pound Sterling	12	1	13	
Total Investments	**32,062,231**		**32,831,784**	**100.00%**

Investments in %

Investments in %

001970938 012 058
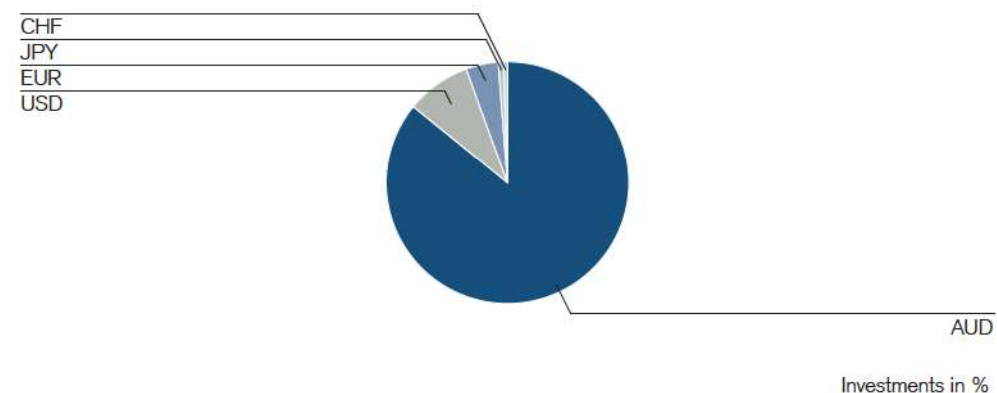
1.2. Income and Activity

Income Summary
Period 1.10.2022 - 31.10.2022

	Current Period in AUD	Year to Date in AUD
Cash Dividend	89,229	564,457
Coupon Received/Paid	-4,619	-4,298
Interest Earned	2,615	11,147
Interest Paid	0	-15
Net Income	**87,225**	**571,292**
Non-Investment Related Income	0	0

Activity Summary
Period 1.10.2022 - 31.10.2022

	Current Period in AUD	Year to Date in AUD
Asset Inflows	0	0
Asset Outflows	0	0
Net Investment Asset Flows	**0**	**0**
Net Non-Investment Flows	0	0

1.3.   Performance

Performance Summary
Period 1.10.2022 - 31.10.2022

	Asset Value in AUD	Asset Value in AUD
Ending Market Value		32,831,784
Beginning Market Value		32,062,231
Asset Flows including		0
Inflows	0	
Outflows	0	
Net Non-Investment Flows	0	
Taxes	0	
Flow Adjusted Value Change		769,553
Cumulative Portfolio Return – net		**2.40%**

Performance Year-to-date
Period 1.1.2022 - 31.10.2022

	Asset Value in AUD	Asset Value in AUD
Ending Market Value		32,831,784
Beginning Market Value		36,710,697
Asset Flows including		-14,070
Inflows	0	
Outflows	0	
Net Non-Investment Flows	0	
Taxes	-14,070	
Flow Adjusted Value Change		-3,864,843
Cumulative Portfolio Return – net		**-10.53%**
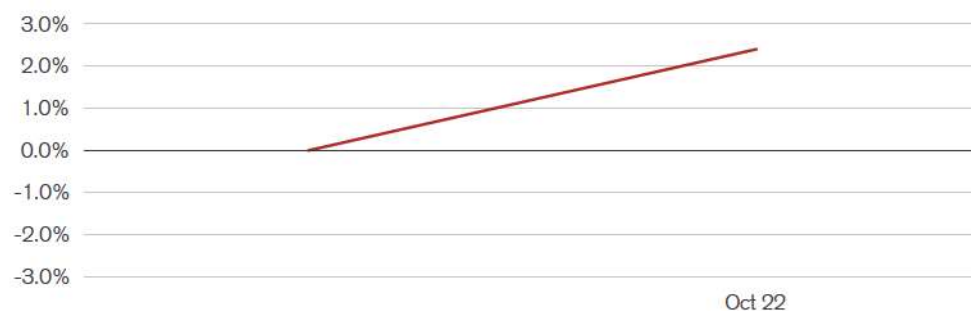
Cumulative Portfolio Return
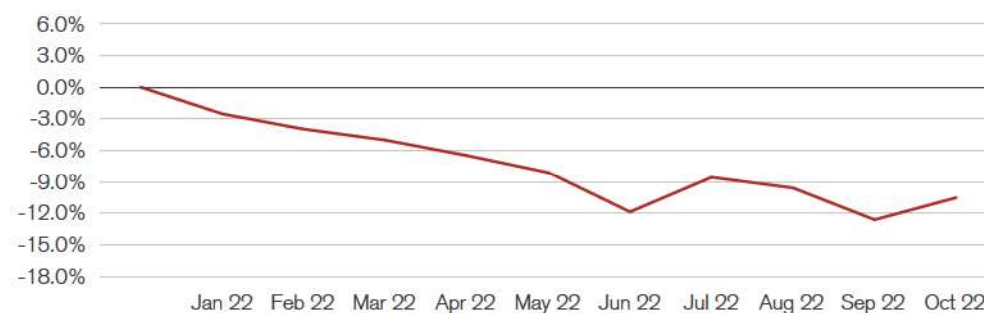
Cumulative Portfolio Return

2. Analyses

2.1. Performance

Performance Details
Period 1.10.2021 – 31.10.2022

	Since Start of Period	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22	May 22	Jun 22	Jul 22	Aug 22	Sep 22	Oct 22
Ending Market Value	36,030,271	36,438,632	36,710,697	35,783,036	35,249,681	34,862,649	34,321,691	33,723,858	32,342,078	33,552,391	33,178,607	32,062,231	32,831,784
Beginning Market Value	34,474,900	36,030,271	36,438,632	36,710,697	35,783,036	35,249,681	34,862,649	34,321,691	33,723,858	32,342,078	33,552,391	33,178,607	32,062,231
Asset Flows including	2,000,000	0	-4,869	0	0	-4,892	0	0	-4,683	0	0	-4,496	0
Inflows	2,000,000	0	0	0	0	0	0	0	0	0	0	0	0
Outflows	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Non-Investment Flows	0	0	0	0	0	0	0	0	0	0	0	0	0
Taxes	0	0	-4,869	0	0	-4,892	0	0	-4,683	0	0	-4,496	0
Flow Adjusted Value Change	-444,629	408,361	276,934	-927,660	-533,356	-382,140	-540,958	-597,833	-1,377,097	1,210,313	-373,784	-1,111,880	769,553
■ **Portfolio Return** – net	**-1.25%**	**1.13%**	**0.76%**	**-2.53%**	**-1.49%**	**-1.08%**	**-1.55%**	**-1.74%**	**-4.08%**	**3.74%**	**-1.11%**	**-3.35%**	**2.40%**
— **Cumulative Portfolio Return**	**-1.25%**	**-0.13%**	**0.63%**	**-1.91%**	**-3.38%**	**-4.42%**	**-5.91%**	**-7.55%**	**-11.32%**	**-8.00%**	**-9.03%**	**-12.08%**	**-9.97%**

001970938 012 058

CREDIT SUISSE
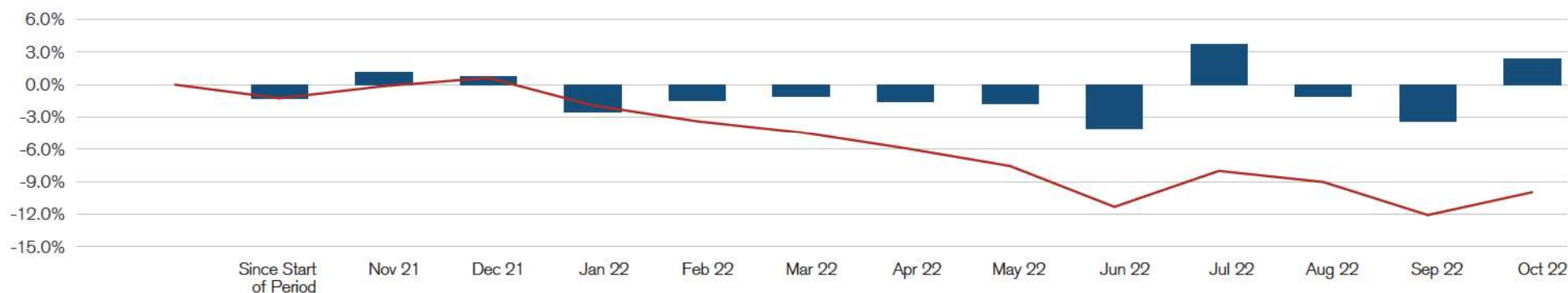
2.2. Contribution Analysis

Multi-Period Contribution by Asset Category in %
as of 31.10.2022

	Month To Date	Quarter To Date	Year To Date	1 Year	Current Period
Liquidity & Similar Investments	0.01	0.01	-0.37	-0.51	0.01
Fixed Income & Similar Investments	0.31	0.31	-6.31	-5.59	0.31
Equities & Similar Investments	1.90	1.90	-2.74	-1.93	1.90
Alternative Investments, Commodities & Real Estate	0.18	0.18	-1.11	-0.80	0.18
Total – net ***	**2.40**	**2.40**	**-10.53**	**-8.83**	**2.40**

Multi-Period Contribution by Currency in %
as of 31.10.2022

	Month To Date	Quarter To Date	Year To Date	1 Year	Current Period
AUD - Australian Dollar	1.75	1.75	-8.75	-7.53	1.75
USD - US Dollar	0.32	0.32	-0.95	-0.67	0.32
EUR - Euro	0.29	0.29	-0.67	-0.50	0.29
JPY - Japan Yen	0.04	0.04	-0.17	-0.15	0.04
CHF - Swiss Franc	0.01	0.01	0.01	0.01	0.01
GBP - Pound Sterling	-	-	0.01	0.01	-
Total – net ***	**2.40**	**2.40**	**-10.53**	**-8.83**	**2.40**

*** If applicable, fees charged in the relevant currency will be deducted from the cash account contribution, which is part of the Liquidity & Similar Investments asset category.

2.3. Contribution - Top Contributors & Detractors

Top Contributors in %
as of 31.10.2022

	Total Return	Average Weight	Contribution	
ACCUM SHS -1C- USD XTRACKERS (IE) PLC - XTRACKERS MSCI USA UCITS ETF	6.68	4.42	0.29	0.29
UNITS SPDR S&P/ASX 200 LISTED PROPERTY FUND	9.39	2.83	0.26	0.26
UNITS SPDR S&P/ASX 200 FUND ETF AUSTRALIAN EQUITY EXCHANGE TRADED FUNDS	7.80	2.99	0.23	0.23
ACCUM SHS -1C- USD XTRACKERS(IE)PLC - XTRACKERS MSCI WORLD ESG UCITS ETF	6.46	3.34	0.21	0.21
UNITS PERPETUAL ACTIVE FIXED INTEREST FUND	1.06	12.80	0.14	0.14
Total – net ***		**26.38**	**1.13**	
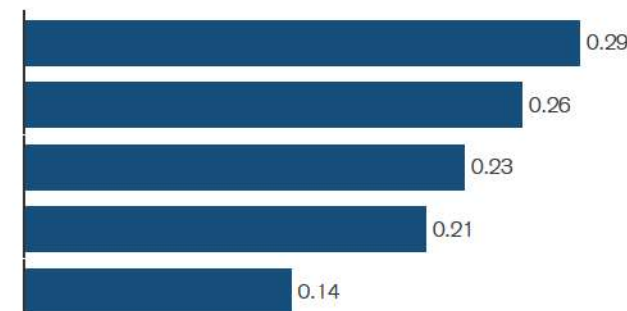
Top Detractors in %
as of 31.10.2022

	Total Return	Average Weight	Contribution	
UNITS SHS HEDGED AUD MUZINICH FUNDS - MUZINICH EMERGING MARKET CORPORATE DEBT FUND	-2.73	2.19	-0.06	-0.06
SHS -R (ACC.)- GOLDMAN SACHS FUNDS SICAV - GOLDMAN SACHS EMERGING MARKETS EQUITY PORTFOLIO CAPITALISATION	-5.00	0.94	-0.05	-0.05
REGISTERED SHS BHP GROUP LTD	-3.01	1.54	-0.05	-0.05
REGISTERED SHS RIO TINTO LTD	-5.56	0.48	-0.03	-0.03
SHS -IX- NINETY ONE GLOBAL STRATEGY FUND SICAV - EMERGING MARKETS LOCAL CURRENCY TOTAL RETURN DEBT FUND DISTRIBUTION	-0.96	1.66	-0.02	-0.02
Total – net ***		**6.80**	**-0.20**	
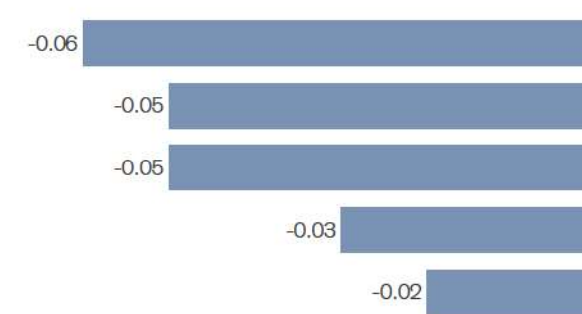
*** If applicable, fees charged in the relevant currency will be deducted from the cash account contribution, which is part of the Liquidity & Similar Investments asset category.

001970938 012 058

3. Positions

3.1. Investment Related Positions

as of 31.10.2022

Number/ Nominal		Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
Liquidity & Similar Investments								
Accounts								
AUD	652,746.07	Current Account -20300003970945		1.0000		652,746		
						1.99%		
GBP	6.99	Current Account -20300003970089		1.0000 1.8602 GBP/AUD		13	0	-2.81%
							0	-2.81%
USD	129,446.05	Current Account -20300003970780		1.0000 0.6368 AUD/USD		201,653	-1,626	-0.80%
						0.61%	-1,626	-0.80%
Total Liquidity & Similar Investments						**854,412** **0** **2.60%**		
Fixed Income & Similar Investments								
Fixed Income & Similar Investments AUD								
AUD	715,000	2.25 % NOTES COMMONWEALTH OF AUSTRALIA 2017-21.11.22 Duration: 0.9932 / Rating: Moody's Aaa	AU000XCLWAW9 38650876	99.9496%	99.9700% BID 31.10.2022	721,970 7,184 2.20%	146 146	0.02% 0.02%
AUD	694,000	5.5 % NOTES COMMONWEALTH OF AUSTRALIA 2011-21.4.23 SERIES TB133 Duration: 0.4650 / Rating: Moody's Aaa	AU3TB0000101 13063134	101.3966%	101.0510% BID 31.10.2022	702,343 1,049 2.14%	-2,398 -2,398	-0.34% -0.34%
AUD	866,151.51	UNITS -D- ISHARES AUSTRALIAN BOND INDEX FUND	AU60BGL01056 2244170	1.0394	0.9131 NAV 28.10.2022	790,841 2.41%	-109,447 -109,447	-12.16% -12.16%

Number/ Nominal	Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
AUD 4,588,577.909400	UNITS PERPETUAL ACTIVE FIXED INTEREST FUND	AU60PER02627 35661784	1.0475	0.9125 NAV 28.10.2022	4,187,050 12.75%	-619,365 -619,365	-12.89% -12.89%
AUD 5,549,606.8822	UNITS WESTERN ASSET AUSTRALIAN BOND FUND CLASS -A-	AU60SSB01221 2248336	1.2575	1.1176 NAV 27.10.2022	6,202,241 18.89%	-776,456 -776,456	-11.13% -11.13%
AUD 49,678	SHS -I- AUD NEUBERGER BERMAN INVESTMENT FUNDS PLC - NEUBERGER BERMAN EMERGING MARKET DEBT - HARD CURRENCY FUND	IE00B986FB81 53616359	10.6287	7.0900 NAV 28.10.2022	352,217 1.07%	-175,795 -175,795	-33.29% -33.29%
AUD 338,211	SHS -L3- HEDGED AUD FEDERATED HERMES INVESTMENT FUNDS PLC - FEDERATED HERMES GLOBAL HIGH YIELD CREDIT FUND	IE00BMZ15N91 57259812	3.0819	2.5530 NAV 28.10.2022	863,453 2.63%	-178,887 -178,887	-17.16% -17.16%
AUD 9,599	UNITS SHS HEDGED AUD MUZINICH FUNDS - MUZINICH EMERGING MARKET CORPORATE DEBT FUND	IE00BNC55647 110844223	97.4683	72.7600 NAV 31.10.2022	698,423 2.13%	-237,175 -237,175	-25.35% -25.35%
AUD 11,116	SHS -CH- ROBECO CAPITAL GROWTH FUNDS SICAV - ROBECOSAM GLOBAL SDG CREDITS DISTRIBUTION	LU2207422291 56320962	99.0605	77.7300 NAV 28.10.2022	864,047 2.63%	-237,110 -237,110	-21.53% -21.53%
AUD 9,119	SHS -EAH- CS INVESTMENT FUNDS 1 SICAV - CREDIT SUISSE (LUX) GLOBAL INFLATION LINKED BOND FUND DISTRIBUTION	LU2407926216 114771252	100.0000	94.4000 NAV 28.10.2022	860,834 2.62%	-51,066 -51,066	-5.60% -5.60%
AUD 25,916	SHS -IX- NINETY ONE GLOBAL STRATEGY FUND SICAV - EMERGING MARKETS LOCAL CURRENCY TOTAL RETURN DEBT FUND DISTRIBUTION	LU2445645851 117293159	19.9500	20.5800 NAV 28.10.2022	533,351 1.62%	16,327 16,327	3.16% 3.16%

001970938 012 058

CREDIT SUISSE

Number/ Nominal		Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
AUD	8,374	SHS -S -AUD (QIDIV)- BLUEBAY FUNDS SICAV - BLUEBAY GLOBAL INVESTMENT GRADE CORPORATE BOND FUND DISTRIBUTION	LU2457787914 118776845	100.0000	89.4600 NAV 28.10.2022	749,138 2.28%	-88,262 -88,262	-10.54% -10.54%

Total Fixed Income & Similar Investments
17,525,906
8,233
53.38%

Equities & Similar Investments
Equities & Similar Investments AUD

Number/ Nominal		Description	Identification	Cost Valuation	Current Valuation	Value in AUD	Profit/ Loss	P/L
AUD	9,042	REGISTERED SHS AUSTRALIA & NEW ZEALAND BANKING GROUP LTD	AU000000ANZ3 640139 ANZ.AX	26.6158	25.5600 CLO 31.10.2022	231,114 0.70%	-9,546 -9,546	-3.97% -3.97%
AUD	39,898	REGISTERED SHS ALUMINA LTD	AU000000AWC3 1526402 AWC.AX	1.8361	1.3500 CLO 31.10.2022	53,862 0.16%	-19,394 -19,394	-26.47% -26.47%
AUD	34,858	REGISTERED SHS AURIZON HOLDINGS LTD	AU000000AZJ1 20175896 AZJ.AX	4.5903	3.6200 CLO 31.10.2022	126,186 0.38%	-33,822 -33,822	-21.14% -21.14%
AUD	12,758	REGISTERED SHS BHP GROUP LTD	AU000000BHP4 640390 BHP.AX	32.9558	37.3600 CLO 31.10.2022	476,639 1.45%	56,189 56,189	13.36% 13.36%
AUD	3,471	REGISTERED SHS CARSALES.COM LTD	AU000000CAR3 10476764 CAR.AX	16.7162	20.3200 CLO 31.10.2022	70,531 0.22%	12,509 12,509	21.56% 21.56%
AUD	2,870	REGISTERED SHS COMMONWEALTH BANK OF AUSTRALIA	AU000000CBA7 646758 CBA.AX	81.5356	104.6800 CLO 31.10.2022	300,432 0.92%	66,424 66,424	28.39% 28.39%

001970938 012 058

Number/ Nominal		Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
AUD	4,671	REGISTERED SHS COMPUTERSHARE LTD	AU000000CPU5 241285 CPU.AX	16.0032	25.2700 CLO 31.10.2022	118,036 0.36%	43,285 43,285	57.91% 57.91%
AUD	998	REGISTERED SHS CSL LTD	AU000000CSL8 241548 CSL.AX	178.5819	280.4800 CLO 31.10.2022	279,919 0.85%	101,694 101,694	57.06% 57.06%
AUD	3,055	REGISTERED SHS FLIGHT CENTRE TRAVEL GROUP LTD	AU000000FLT9 90307 FLT.AX	18.6876	16.6500 CLO 31.10.2022	50,866 0.16%	-6,225 -6,225	-10.90% -10.90%
AUD	849	CHESS UNITS OF FOREIGN SECURITIES JAMES HARDIE INDUSTRIES PLC	AU000000JHX1 1303670 JHX.AX	27.0838	34.0000 CLO 31.10.2022	28,866 0.09%	5,872 5,872	25.54% 25.54%
AUD	330	REGISTERED SHS MACQUARIE GROUP LTD	AU000000MQG1 3422370 MQG.AX	85.9818	169.5000 CLO 31.10.2022	55,935 0.17%	27,561 27,561	97.14% 97.14%
AUD	8,982	REGISTERED SHS NATIONAL AUSTRALIA BANK LTD	AU000000NAB4 641643 NAB.AX	24.5148	32.4200 CLO 31.10.2022	291,196 0.89%	71,005 71,005	32.25% 32.25%
AUD	4,479	REGISTERED SHS NEWCREST MINING LTD	AU000000NCM7 650853 NCM.AX	27.6429	17.3500 CLO 31.10.2022	77,711 0.24%	-46,102 -46,102	-37.24% -37.24%
AUD	27,933	REGISTERED SHS NINE ENTERTAINMENT CO. HOLDINGS LTD	AU000000NEC4 22858707 NEC.AX	2.7241	2.0600 CLO 31.10.2022	57,542 0.18%	-18,551 -18,551	-24.38% -24.38%

001970938 012 058

CREDIT SUISSE

Number/ Nominal		Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
AUD	9,661	REGISTERED SHS ORIGIN ENERGY LTD	AU000000ORG5 1051439 ORG.AX	7.5195	5.5700 CLO 31.10.2022	53,812 0.16%	-18,834 -18,834	-25.93% -25.93%
AUD	10,278	REGISTERED SHS QANTAS AIRWAYS LTD	AU000000QAN2 390413 QAN.AX	5.6657	5.8400 CLO 31.10.2022	60,024 0.18%	1,792 1,792	3.08% 3.08%
AUD	8,445	REGISTERED SHS QBE INSURANCE GROUP LTD	AU000000QBE9 641857 QBE.AX	11.6722	12.2400 CLO 31.10.2022	103,367 0.32%	4,795 4,795	4.87% 4.87%
AUD	1,646	REGISTERED SHS RIO TINTO LTD	AU000000RIO1 603520 RIO.AX	76.5155	88.2000 CLO 31.10.2022	145,177 0.44%	19,233 19,233	15.27% 15.27%
AUD	3,001	SHS RESMED INC CHESS DEPOSITORY INTERESTS REPR 1/10 SH	AU000000RMD6 1058638 RMD.AX	25.7058	34.0500 CLO 31.10.2022	102,184 0.31%	25,041 25,041	32.46% 32.46%
AUD	24,579	REGISTERED SHS SOUTH32 LTD	AU000000S320 27547963 S32.AX	2.9484	3.6000 CLO 31.10.2022	88,484 0.27%	16,016 16,016	22.10% 22.10%
AUD	92,105	UNITS SPDR S&P/ASX 200 LISTED PROPERTY FUND	AU000000SLF1 1377855 SLF.AX	12.3315	10.6000 CLO 31.10.2022	976,313 2.97%	-159,475 -159,475	-14.04% -14.04%
AUD	15,976	UNITS SPDR S&P/ASX 200 FUND ETF AUSTRALIAN EQUITY EXCHANGE TRADED FUNDS	AU000000STW9 1285707 STW.AX	66.1214	62.1400 CLO 31.10.2022	992,749 3.02%	-63,607 -63,607	-6.02% -6.02%

001970938 012 058

CREDIT SUISSE

Number/ Nominal		Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
AUD	14,246	REGISTERED SHS TELSTRA CORPORATION LTD	AU000000TLS2 720464	4.5550	3.9200 CLO 31.10.2022	55,844	-9,046 -9,046	-13.94% -13.94%
	14,246	of which is pending settlement				0.17%		
AUD	3,230	SHS VANGUARD MSCI AUSTRALIAN SMALL COMPANIES INDEX ETF EXCHANGE TRADED FUND	AU000000VSO2 13053435 VSO.AX	60.3498	62.4900 CLO 31.10.2022	201,843	6,913 6,913	3.55% 3.55%
						0.62%		
AUD	10,546	REGISTERED SHS WESTPAC BANKING CORP	AU000000WBC1 642372 WBC.AX	26.7416	24.1100 CLO 31.10.2022	254,264	-27,753 -27,753	-9.84% -9.84%
						0.77%		
AUD	1,031	REGISTERED SHS WESFARMERS LTD	AU000000WES1 642397 WES.AX	34.0342	45.4600 CLO 31.10.2022	46,869	11,780 11,780	33.57% 33.57%
						0.14%		
AUD	4,279	REGISTERED SHS WORLEY LTD	AU000000WOR2 1524357 WOR.AX	12.6649	14.2700 CLO 31.10.2022	61,061	6,868 6,868	12.67% 12.67%
						0.19%		
AUD	2,499	REGISTERED SHS WOOLWORTHS GROUP LTD	AU000000WOW2 81350 WOW.AX	34.1257	33.0200 CLO 31.10.2022	82,517	-2,763 -2,763	-3.24% -3.24%
						0.25%		
AUD	7,762	REGISTERED SHS COLES GROUP LTD	AU0000030678 44059594 COL.AX	16.9597	16.3300 CLO 31.10.2022	126,753	-4,888 -4,888	-3.71% -3.71%
						0.39%		
AUD	2,590	UNITS VANGUARD ETHICALLY CONSCIOUS AUST ETF EXCHANGE TRADED FUND	AU0000103533 57145371 VETH.AX	58.0530	53.5200 CLO 31.10.2022	138,617	-11,741 -11,741	-7.81% -7.81%
						0.42%		

CREDIT SUISSE

Number/ Nominal		Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
AUD	6,677	REGISTERED SHS WOODSIDE ENERGY GROUP LTD	AU0000224040 119209424 WDS.AX	25.7078	35.9800 CLO 31.10.2022	240,238 0.73%	68,587 68,587	39.96% 39.96%
AUD	45,147.8135	UNITS EIGER AUSTRALIAN SMALL COMPANIES FUND	AU60HOW29675 112847137	1.7805	1.4127 NAV 28.10.2022	63,780 0.19%	-16,603 -16,603	-20.66% -20.66%
AUD	47,433.4328	UNITS PERENNIAL BETTER FUTURE TRUST	AU60WPC56007 112127492	1.3598	1.1490 NAV 28.10.2022	54,501 0.17%	-10,000 -10,000	-15.50% -15.50%
Total Equities & Similar Investments AUD						**6,067,232** **0** **18.48%**		
Equities & Similar Investments CHF								
CHF	5,705	SHS -S- STATE STREET GLOBAL ADVISORS LUXEMBOURG SICAV - STATE STREET SWITZERLAND INDEX EQUITY FUND CAPITALISATION	LU1652661379 37905740	12.4295 0.6263 AUD/CHF	13.0513 NAV 28.10.2022	116,366 0.35%	3,139 5,544 -2,405	2.77% 4.90% -2.12%
Total Equities & Similar Investments CHF						**116,366** **0** **0.35%**		
Equities & Similar Investments EUR								
EUR	3,614	ACCUM.PTG.SHS WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC - WELLINGTON STRATEGIC EUROPEAN EQUITY FUND CLASS -N- UNHEDGED EUR	IE00B9DPD161 20938626	15.8682 1.5372 EUR/AUD	20.9799 NAV 28.10.2022	117,549 0.36%	29,396 28,640 755	33.35% 32.49% 0.86%
EUR	25,880	ACCUM SHS -1C- USD XTRACKERS(IE)PLC - XTRACKERS MSCI WORLD ESG UCITS ETF	IE00BZ02LR44 41359963 XZW0.DE	27.7044 1.5414 EUR/AUD	28.0250 SET 31.10.2022	1,124,438 3.43%	19,235 12,862 6,374	1.74% 1.16% 0.58%

001970938 012 058

CREDIT SUISSE

Number/ Nominal		Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
EUR	707	SHS -TFC- DWS INVEST SICAV - DWS INVEST ESG EQUITY INCOME CAPITALISATION	LU1747711031 40320173	155.8400 1.4921 EUR/AUD	156.6500 NAV 31.10.2022	171,702 0.52%	7,306 888 6,418	4.44% 0.54% 3.90%

| Total Equities & Similar Investments EUR | | | | | | 1,413,688 0 4.31% | | |

Equities & Similar Investments JPY

| JPY | 800 | UNITS NEXT FUNDS NIKKEI 225 EXCHANGE TRADED FUND | JP3027650005 1264151 1321.T | 25,375.1036 81.6809 AUD/JPY | 28,485.0000 CLO 31.10.2022 | 240,153 0.73% | -8,376 26,219 -34,595 | -3.37% 10.55% -13.92% |

| Total Equities & Similar Investments JPY | | | | | | 240,153 0 0.73% | | |

Equities & Similar Investments USD

USD	8,712	ACCUM SHS -1C- USD XTRACKERS (IE) PLC - XTRACKERS MSCI USA UCITS ETF	IE00BJ0KDR00 24268896 XD9U.L	105.7350 0.7245 AUD/USD	109.3000 CLO 31.10.2022	1,483,385 4.52%	211,881 48,384 163,497	16.66% 3.81% 12.86%
USD	15,517	SHS -R (ACC.)- GOLDMAN SACHS FUNDS SICAV - GOLDMAN SACHS EMERGING MARKETS EQUITY PORTFOLIO CAPITALISATION	LU0830622741 19578737	16.3327 0.7203 AUD/USD	11.9900 NAV 28.10.2022	289,830 0.88%	-62,018 -104,975 42,957	-17.63% -29.84% 12.21%
USD	1,985	SHS ISHARES GLOBAL HEALTHCARE ETF	US4642873255 1352444 IXJ.P	86.8369 0.7294 AUD/USD	81.9200 CLO 31.10.2022	253,318 0.77%	17,011 -15,204 32,215	7.20% -6.43% 13.63%

001970938 012 058

CREDIT SUISSE

Number/ Nominal	Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
USD 14,080	SHS ISHARES ESG AWARE MSCI EM ETF	US46434G8630 33080862 ESGE.OQ	39.5584 0.7305 AUD/USD	27.2900 CLO 31.10.2022	598,580 1.82%	-163,908 -269,095 105,188	-21.50% -35.29% 13.80%
Total Equities & Similar Investments USD					2,625,112 0 8.00%		
Total Equities & Similar Investments					10,462,552 0 31.87%		

Alternative Investments, Commodities & Real Estate

Hedge Funds

Number/ Nominal	Description	Identification	Cost Valuation	Current Valuation	Value in AUD	Profit/ Loss	P/L
AUD 276,039	UNITS PARTNERS GROUP GLOBAL VALUE FUND (AUD) WHOLESALE	AU60ETL02762 26607292	2.1653	3.1826 NAV 30.09.2022	878,522 2.68%	280,828 280,828	46.99% 46.99%
AUD 241,312.01	UNITS BLACKROCK GLOBAL ALLOCATION FUND (AUST) CLASS -D- WHOLESALE	AU60MAL00181 3379478	1.2351	1.0659 NAV 28.10.2022	257,219 0.78%	-40,833 -40,833	-13.70% -13.70%
AUD 6,256	ACCUM SHS -I- HEDGED AUD PGIM FUNDS PLC - PGIM WADHWANI KEYNES SYSTEMATIC ABSOLUTE RETURN FUND	IE00BKV41X02 54282717	106.6534	125.8590 NAV 27.10.2022	787,374 2.40%	120,151 120,151	18.01% 18.01%
AUD 1,941	SHS -D2 HEDGED- BLACKROCK STRATEGIC FUNDS SICAV - BLACKROCK EMERGING COMPANIES ABSOLUTE RETURN FUND CAPITALISATION	LU2402058403 114466865	98.2200	77.7000 NAV 31.10.2022	150,816 0.46%	-39,829 -39,829	-20.89% -20.89%
AUD 5,005.487	SHS -B- LUMYNA-MARSHALL WACE UCITS SICAV - LUMYNA - MW ESG (MARKET NEUTRAL) TOPS UCITS FUND CAPITALISATION	LU2430035803 117027980	106.4772	109.5024 NAV 27.10.2022	548,113 1.67%	15,142 15,142	2.84% 2.84%

001970938 012 058

CREDIT SUISSE

Number/ Nominal		Description	Identification ISIN Valoren Number Ticker	Cost Valuation Price Exchange Rate	Current Valuation Price/ Type Date	Value in AUD of which Accrued Interest Proportion in %	Profit/ Loss Unrealized in AUD of which Instrument of which Forex	P/L Unreal. in % Instr. in % FX in %
AUD	9,409	UNITS -D- BCV FUND (LUX) FCP - BCV LIQUID ALTERNATIVE BETA CAPITALISATION	LU2487461068 119435425	99.9613	100.4800 NAV 28.10.2022	945,416 2.88%	4,881 4,881	0.52% 0.52%
Total Hedge Funds						3,567,459 0 10.87%		
Real Estate								
AUD	17,781	STAPLED SECURITY GOODMAN GROUP	AU000000GMG2 18079202 GMG.AX	11.0006	17.0000 CLO 31.10.2022	302,277 0.92%	106,676 106,676	54.54% 54.54%
AUD	57,574	STAPLED SECURITY MIRVAC GROUP	AU000000MGR9 821911 MGR.AX	2.0391	2.0700 CLO 31.10.2022	119,178 0.36%	1,779 1,779	1.52% 1.52%
Total Real Estate						421,455 0 1.28%		
Total Alternative Investments, Commodities & Real Estate						3,988,914 0 12.15%		
Total Investments						32,831,784 100.00%		
of which Accrued Interest						8,233		

4. Appendix

4.1. Explanations

Accrued Interest
Accrued interest is not displayed for financial instruments with variable interest rate or frequency within the same interest period, except for Floating Rate Notes. For FINER Revexus, the accrued interest displayed is based on the deposit currency for reference purpose only. Entitlement to the accrued interest depends on the product features. All accrued interests are displayed in the reporting currency of the portfolio and are calculated recognizing trades end of day. The FX conversion rates (reflected below) are used to convert the amount from original currency to reporting currency. The accrued interest payable/receivable is displayed as the net amount on Current Account balances. As a result of the foregoing and other factors, the accrued interest is only an estimate and may not reflect the actual interest accrued, if any.

Activity Summary
The asset inflows and outflows include client-instructed transactions, which are aggregated as Net Investment Asset Flows. Non-Investment Flows refer to transactions related to Non-Investment Related Positions such as loan transactions to finance such Non-Investment Related Positions. Non-investment Flows do not contribute to the performance of the account. Such asset inflows and outflows do not include fees and taxes.

Analyses
Values displayed for the respective month labels are as of month-end dates. If the report end period is not a month-end, the report period end month label will show the values as of the report period end date.

Asset Classification
If an instrument is classified as 'not classifiable', the instrument is pending its proper classification. As soon this is available in the system, the instrument will reflect the correct classification.

Cost Valuation Exchange Rates
For the Positions section, the cost valuation exchange rate displayed is always the instrument currency against the portfolio currency.
For the Transactions section, the cost valuation exchange rate displayed is always between the instrument currency and reporting currency. For execution of FX purchase/sale transactions, the transaction valuation is based on the end of day exchange rate on the value date and the cost valuation is based on the FX contract rate.

Duration

Modified duration
Modified duration is a change in the price of a bond arising from a change in market yields. Modified duration is expressed as an approximate percentage. The investment report displays the Modified Duration method for all Fixed Income instruments.

Fees/ Taxes
Fees include management or safekeeping fees.
Taxes include value-added taxes and service related taxes, depending on country specific rules.

Income Summary
Coupon received and coupon paid, as well as interest earned and interest paid, does not include accrued or unpaid coupon or interest.
Year to date figures include the addition of the monthly figures inclusive of any backdated income processing/ adjustments.
Figures shown can be gross or net depending on the specific country and market practice.
Non-Investment related Income is included in the Income Summary.

Market Value
The values stated as begin of period are asset values as of the last reported statement period. The values stated as beginning/ ending market values are asset values that are inclusive of most updated market prices and backdated transactions.

Non-allocable Effect
As a general rule, in most cases the sum of all the return contributions usually equal the portfolio return figure indicated. In some cases, however, the two figures may not tally exactly (for example, due to rounding differences). These discrepancies are being accounted for and indicated as "Non-allocable effect" return contribution.

Non-Investment Related Positions
Non-Investment Related Positions refer to non-asset/ non-investment type positions such as those relating to insurance policies or mortgages. Guarantees, standby letters of credit, holdcovers or other credit instruments which have been issued by the Bank pursuant to facilities granted are reflected under the sub-section entitled "Pro Memoria Positions".
Non-Investment Related Positions are displayed in the Scope of Analysis and in the Non-Investment Related Positions section. However, they are not included in any other analyses.

Performance Calculation

001970938 012 058

The performance figures are calculated based on investment related positions using the TWR Daily method (Time Weighted Rate of Return), which is based on geometrically linking daily rates of return.

The start of period displayed for the performance calculation is referring to Beginning Market Value, which is the closing balance of the previous day. The end of period displayed is referring to Ending Market Value, which is the closing balance of the day.

The net of fees and gross of taxes return is calculated after deduction of fees and before deduction of taxes.

The cumulative return calculation is reset, every time when geometrically linking the rates of return would render distorted values. Such scenarios can happen when the market values fluctuate around zero.

Return values prior 2015 displayed in this report might be different from previously reported return values.

Profit/ Loss Calculation

Realized and unrealized profit and loss are calculated by comparing the market or transaction value with the average cost value. For every trade date the system computes the average cost, first processing investments before disinvestments. Transaction costs are included in both realized and unrealized profit/loss calculation.

For realized profit and loss for FX Spots, Forwards and Swaps (including all currencies and Precious Metals) in Transactions section, in the 'Execution of FX Purchase' and 'Execution of FX Sales' rows, the value in the realized Profit/Loss column is calculated by comparing the Transaction Valuation based on the end of day exchange rate on the Value Date against the Cost Valuation based on the FX contract rate; this does not mean that the Profit/Loss for that transaction can be or has been cashed out.

Unrealized profit/ loss displayed in the Positions section are calculated as of the reporting date. FX conversion rates used in the computation of the unrealized profit/loss is the derived rate based on the average price as of the individual transaction date.

For unrealized profit and loss for Precious Metal Account and Current Account in Position Section, where there have been FX Spots, Forwards and Swaps transactions (including all currencies and Precious Metals), the Cost Valuation exchange rate is calculated based on the weighted average end of day exchange rate on respective transactions' value date. The value

in the unrealized Profit/Loss column is calculated by comparing the Current Valuation (based on conversion rates stated in the statement) as of reporting date against Cost Valuation.

Rating

Rating refers to the rating of an investment product and is either based on information available to the Bank or is obtained from sources believed to be reliable by the Bank as of the investment report date.

Return contribution

The contribution figure refers to the contribution of an individual asset category and/or currency to the overall performance on a portfolio level. The figure is calculated based on investment related positions using the TWR Daily method (Time Weighted Rate of Return), the return is computed by aggregating the daily returns.

Reference to the average weight of an instrument is computed by dividing the aggregated daily instrument weight by the number of days in the reporting period. The daily weight of an instrument is calculated by dividing the instrument's start of day market value and cash flow by the portfolio's start of day market value and cash flow.

Yield

The investment report displays Yield for all Fixed Income instruments and is displayed per market price.

Abbreviations

BID	=	Bid Price
CLO	=	Closing Price
NAV	=	Net Asset Value
SET	=	Settlement Price

Rounding logic

Values in this investment report are calculated with exact numbers, however when presenting the data, values are rounded and therefore minor rounding differences might occur.

Large Numbers

The figures are consolidated and shown in denominations of thousands, millions and billions where applicable. If a value is too long to be displayed in the report itself, e.g. 1,526,555,333.26 the figure is consolidated and displayed as 1,526,555.33 in thousands in the report. If the value exceeds the column limit, a further division will take place and the phrase in millions/in billions will be displayed.

Conversion Rates as of 31.10.2022

AUD 1 = CHF 0.6399
AUD 1 = JPY 94.8893
AUD 1 = USD 0.6419

EUR 1 = AUD 1.5503
GBP 1 = AUD 1.8079

4.2. Legal Information

This ad-hoc investment report is a statement of account provided to you upon your request and in accordance with and subject to the Account Opening Terms and Conditions.

For accounts booked with Credit Suisse AG, Hong Kong Branch: This ad-hoc investment report has been generated specifically for you as additional information for reference only and is not to be treated as the monthly statement of account under section 11(2) of the Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules which we provide to you on a regular basis. This ad-hoc investment report shall be conclusive and binding if the Bank does not receive your objection in writing to any matters contained in this ad-hoc investment report within 90 days from the issue date.

For accounts booked with Credit Suisse AG, Singapore Branch: This ad-hoc investment report shall be conclusive and binding if the Bank does not receive your objection in writing to any matters contained in this ad-hoc investment report within 14 days from the issue date. Assets detailed within this ad-hoc investment report will not be directly custodised by Credit Suisse AG, Singapore Branch but with third party custodians in accounts for and on behalf of Credit Suisse AG, Singapore Branch, unless otherwise informed by the Bank.

For All:
Please refer to the Important Notice on Sales Disclosure to Investors for sales related information including information on monetary benefits received by the Bank where it distributes an investment product to you.

The prices reflected for instruments and other information detailed within this ad-hoc investment report are attained or derived by the Bank from market data sources believed to be reliable, however the Bank does not make any representation as to the accuracy or completeness of such prices or information. In the absence of reliable market reference prices, the Bank may assign a nominal value or make an appropriate comment on the ad-hoc investment report. As a result, this ad-hoc investment report may contain price indications or comments as the Bank sees appropriate in the prevailing circumstances. If you have any queries in this respect, please contact your Relationship Manager.

The Bank provides price indications for financial derivatives transactions, structured products and non-listed financial instruments based upon available market reference prices believed to be reliable. The Bank does not make any representation as to the accuracy or completeness of price indications for transactions nor the guarantee to buy/sell at the price indicated. The

Bank does not accept liability for any loss arising from the client's use of, or reliance on, such price indications. The price indications of the initial purchase price may be different from the actual purchase price.

The Bank will, at the time of printing this ad-hoc investment report, use the last price indications available to it. Due to the time differences between the Asia Pacific region and markets in other regions, the price indications reflected by the Bank in this ad-hoc investment report will not always reflect the price indications available on the last business day of the reporting period in certain markets.

The Bank may use either an onshore or offshore CNY rate for FX conversion to reporting currency depending on the asset. Please note that there may be a differential between the onshore and offshore rate. Please refer to your Relationship Manager if you need further information on the FX conversion rate applied in relation to your CNY positions.

Please note that financial institutions have transitioned away from certain London Interbank Offered Rates (LIBORs) to alternative reference rates (ARRs) and are preparing to transition away from the remaining USD LIBOR tenors (other than USD LIBOR 1w and 2m) before end of June 2023. This may affect products issued by Credit Suisse or third parties in your portfolio. Please refer to our Credit Suisse IBOR website www.credit-suisse.com/IBOR for more information, or reach out to your Credit Suisse Relationship Manager with any questions you may have.

Please be aware that the financial industry's transition away from LIBOR interest rate benchmarks may have had or may have an impact on valuations of OTC derivative transactions, as the inputs that Credit Suisse uses to calculate valuations may have changed or may change.

If you have any credit facilities in place with the Bank, please note that potentially all of the assets detailed within this ad-hoc investment report may be held as collateral for those facilities. If you have any questions in relation to the collateral for your facility, please contact your Relationship Manager.

The information in this ad-hoc investment report does not constitute legal or tax advice. You should consult your legal and/or tax experts if you need any such advice. The investment report does not take tax rules and regulations into consideration, and thus it cannot be used for tax reporting purposes.

The fee charged for the provision of the Bank's Advisory Service (referring to portfolio(s) ending with -30 to -39) is a Flat Fee notwithstanding that prior to June 2017 the fee may have been described as a Management Fee or All-In Fee in statements or documents received by the client whether by hardcopy, email, Internet Banking or any other form of delivery.

Hong Kong Deposit Protection Scheme (the "DPS"): "Protected deposit" is defined under section 2(1) of the Deposit Protection Scheme Ordinance (Cap. 581 of the Laws of Hong Kong) (the "Ordinance"). Protected deposit does not include those specified in section 1 of Schedule 1 of the Ordinance. In particular, please note that a deposit held or placed in an account with the Bank's Singapore branch is not a protected deposit (as defined in the Ordinance) and consequently is not eligible for the protection under the DPS, notwithstanding that the account holding the deposit is managed by representatives of the Bank's Hong Kong branch. In addition, a deposit held or placed in an account with the Bank's Hong Kong branch where the current term negotiated and agreed exceeds 5 years is not a protected deposit as defined in the Ordinance and consequently is not eligible for protection under the DPS. Certificates of Deposit: Investments in certificates of deposit are not protected deposits as defined in the Ordinance and consequently are not eligible for protection under the DPS.

An individual who is an account holder of an Individual or Joint Account with RMB Services opened and maintained with the Bank's Hong Kong branch is requested to notify the Bank immediately if there is any change to such individual's status in terms of holding a HK Identity Card or not.

This ad-hoc investment report is an electronically generated report and does not require a signature.

Monthly Financial Report

(in AUD)

October 2022

APNIC

Table of Contents

1   Executive Summary

For the period ended October 2022, APNIC's year to date operating surplus is $939,594. APNIC holds net assets of $35,472,290 which is a 9% decrease year-to-date.

APNIC forecasts a full year operating deficit of $966,825 vs. budgeted operating deficit of $801,496.

Major end of year expenditure commitments give rise to the $1,906,419 variance between current year to date surplus and the full year forecast deficit. Further details are provided in Section 3 – Statement of Income.

Figure 1 below shows the key drivers to the variance between budget and forecast performance.
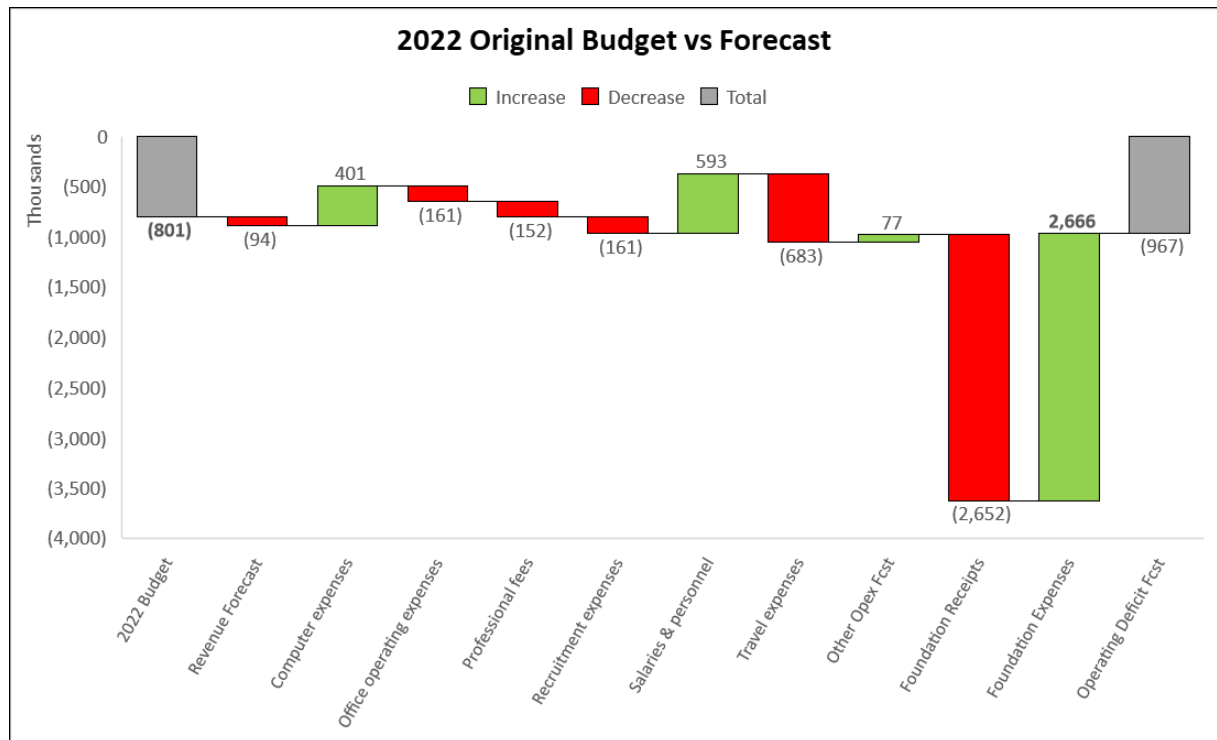
Figure 1: Original Budget vs Forecast

2   Statement of Financial Position

The Statement of Financial Position compares APNIC's assets, liabilities and equity at the end of October 2022 against the 2021 year end balances.

Amount (AUD)	As at Oct 2022	Year End Dec 2021	Change $	Change %
CURRENT ASSETS				
Cash/ Term Deposits	10,438,280	11,234,947	(796,667)	-7%
Receivables	2,000,627	1,166,701	833,926	71%
Others	1,427,347	977,210	450,138	46%
TOTAL CURRENT ASSETS	**13,866,255**	**13,378,858**	**487,396**	**4%**
NON-CURRENT ASSETS				
Financial Assets	32,831,784	36,728,127	(3,896,343)	-11%
Property, Plant and Equipment	6,782,585	6,726,989	55,597	1%
Deferred Tax Assets	321,557	321,557	0	0%
TOTAL NON-CURRENT ASSETS	**39,935,926**	**43,776,672**	**(3,840,746)**	**-9%**
TOTAL ASSETS	**53,802,180**	**57,155,530**	**(3,353,350)**	**-6%**
CURRENT LIABILITIES				
Payables	890,174	1,535,635	(645,461)	-42%
Current Provisions	2,957,033	2,700,030	257,003	10%
Unearned Revenue	12,617,419	12,243,099	374,320	3%
TOTAL CURRENT LIABILITIES	**16,464,626**	**16,478,765**	**(14,139)**	**0%**
NON-CURRENT LIABILITIES				
Non-Current Provisions	417,412	383,353	34,058	9%
Deferred Tax Liabilities	1,447,853	1,447,853	0	0%
TOTAL NON-CURRENT LIABILITIES	**1,865,264**	**1,831,206**	**34,058**	**2%**
TOTAL LIABILITIES	**18,329,890**	**18,309,971**	**19,920**	**0%**
NET ASSETS	**35,472,290**	**38,845,560**	**(3,373,270)**	**-9%**
EQUITY				
Share Capital	1	1	0	0%
Retained earnings	38,845,559	34,176,882	4,668,677	14%
Net (Deficit)/ Surplus	(3,373,270)	4,668,677	(8,041,947)	-172%
TOTAL EQUITY	**35,472,290**	**38,845,560**	**(3,373,270)**	**-9%**

Table 1. Statement of Financial Position

The Statement of Financial Position (Table 1)

Equity has decreased by 9% or $3,373,270 since December 2021. Key drivers are shown in Figure 2 below:
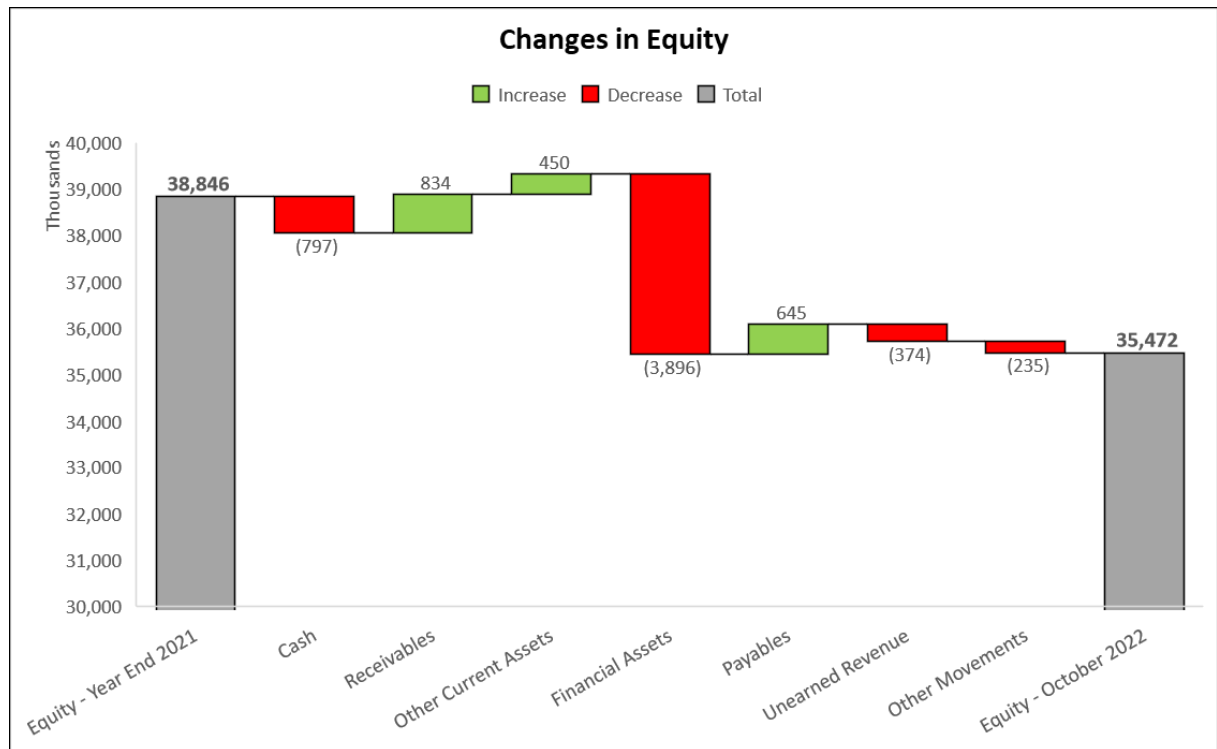
Figure 2. Changes in Equity – December 2021 to October 2022

3 Statement of Income

The Statement of Income compares APNIC's year-to-date October 2022 revenue and expenditure against the comparative period for 2021. It also compares the full year budget against the full year forecast for 2022.

Amount (AUD)	2022 YTD	2021 YTD	YTD Actual Change (%)	Forecast 2022	Budget 2022	Forecast vs Budget (%)
Membership fees	20,575,349	20,169,631	2%	24,715,216	24,799,617	0%
Non-Member fees	216,835	214,234	1%	261,510	263,209	-1%
Reactivation fees	15,600	16,700	-7%	21,210	22,644	-6%
Sign-Up fees	219,500	251,750	-13%	268,833	315,985	-15%
Transfer fees	140,678	180,196	-22%	169,072	220,431	-23%
Sundry income	313,055	(10,879)	-2978%	319,805	172,200	86%
Foundation receipts	2,707,949	383,166	607%	3,710,829	6,362,600	-42%
Operating Revenue	**24,188,967**	**21,204,798**	**14%**	**29,466,477**	**32,156,686**	**-8%**
Investment income	631,923	781,765	-19%	750,806	806,229	-7%
TOTAL REVENUE	**24,820,891**	**21,986,563**	**13%**	**30,217,283**	**32,962,915**	**-8%**
Bank service fees	230,084	216,299	6%	277,724	261,000	6%
Communication expenses	523,759	533,441	-2%	651,565	688,600	-5%
Computer expenses	1,473,485	1,191,453	24%	1,894,370	2,295,755	-17%
Foundation funded project expenses	2,693,418	0	0%	3,696,298	6,362,600	-42%
Depreciation expenses	541,019	545,375	-1%	677,762	839,869	-19%
Doubtful debt expenses	(7,025)	830	-946%	10,000	20,000	-50%
ICANN contract fees	193,135	164,596	17%	231,762	225,600	3%
Insurance expenses	214,171	190,692	12%	255,322	231,600	10%
Meeting & training expenses	558,454	45,392	1130%	620,898	553,500	12%
Membership fees expenses	63,544	50,632	26%	77,436	81,010	-4%
Office operating expenses	341,043	271,330	26%	616,729	455,640	35%
Postage & delivery expenses	37,501	11,191	235%	36,201	48,000	-25%
Printing & photocopy expenses	19,157	18,855	2%	27,717	29,000	-4%
Professional fees	1,473,788	1,717,003	-14%	1,976,818	1,824,480	8%
Recruitment expenses	406,061	215,627	88%	466,936	306,000	53%
Salaries & personnel expenses	13,238,751	12,004,743	10%	16,983,801	17,577,277	-3%
Sponsorship & publicity expenses	422,360	196,882	115%	628,822	553,780	14%
Staff training expenses	220,245	109,270	102%	273,947	314,000	-13%
Translation expenses	16,455	22,867	-28%	30,000	30,000	0%
Travel expenses	1,221,891	52,111	2245%	1,750,000	1,066,700	64%
TOTAL EXPENSES	**23,881,296**	**17,558,588**	**36%**	**31,184,108**	**33,764,411**	**-8%**
OPERATING SURPLUS/ (DEFICIT)	**939,594**	**4,427,974**	**-79%**	**(966,825)**	**(801,496)**	**21%**
Revaluation of Financial Assets	(4,312,864)	544,971	-891%	(4,312,864)	0	0%
(DEFICIT) / SURPLUS BEFORE TAX	**(3,373,270)**	**4,972,945**	**-168%**	**(5,279,689)**	**(801,496)**	**559%**

Table 2. Statement of Income

The Statement of Income (Table 2)

Year to date, APNIC has delivered an operating surplus of $939,594 and a net deficit after fair value loss on financial assets of $3,373,270.

The full year forecast operating deficit is $966,825 vs an original budget operating deficit of $801,496.

Revenue: Revenue (excluding Foundation projects) is forecast to be $93,861 below budget at the end of 2022.

- **Membership revenue:** Membership Revenue is forecast to be $186,044 below budget. Membership fees are forecast to be below full year budget by $84,401. Sign-up fees and Transfer fees are forecast to be below full year budget by $47,152 and $51,359 respectively. Further details are provided in Section 7 – Membership.

- **Foundation receipts and expenses:** Both Foundation project receipts and expenses are forecast to be $2,666,302 below budget. Non-project related receipts of $14,531 give rise to slightly higher forecast receipts than corresponding expenses. Further details are provided in Section 8 – Foundation Funded Activities.

- **Investment Income:** Interest and portfolio investment income are forecast to be $55,423 below budget. Further details are contained in the Credit Suisse investment report and commentary that accompany this financial report.

- **Sundry Income:** Sundry income is forecast to be $147,605 above budget due to increased conference sponsorship income.

Expenses: Operating expenses (excluding Foundation projects) are forecast to be $85,999 more than budget at the end of 2022. Major variances to budget include:

- **Salary & personnel expenses:** Salary and personnel costs are forecast to be $593,476 lower than budget due to recruitment challenges experienced throughout 2022 which delayed the new positions start date from the budgeted workforce plan, and replacement roles.

- **Computer expenses:** Computer expenses are forecast to be $401,385 lower than budget due to the deferral of activities to 2023, capacity constraints and savings from change in project delivery approach.

- **Office operating expenses:** Full year expenses are forecast to exceed budget by $161,089 due to the replacement of end-of-life furniture as part of the workspace remodeling project ($76,772) and a year-end review of the fixed assets to remove items with a purchase value below $1,000 in accordance with the updated fixed assets policy adopted in 2022 ($88,392).

- **Professional fees**: The full year expense is forecast to exceed budget by $152,338 due to higher than budgeted consultancy and contractor costs, and recognition of HRIS implementation costs that were budgeted as capital expenditure.

- **Recruitment expenses**: The full year expense is forecast to exceed budget by $160,936 due to unbudgeted overseas relocation costs for 3 staff members.

- **Travel expenses**: The full year expense is forecast to exceed the original budget due to limited seat capacity, increasing demand and overall volatility of travel costs. Based on current travel needs, the travel provision has been increased by $683,300 from the original budget.

Fair Value Loss on Financial Assets: Year-to-date fair value of the investment portfolio has reduced by $4,312,864.

- Since inception in September 2013, the portfolio has returned 3.74% (after fees but before franking) against the benchmark (CPI + 2.5%) of 4.70%. The Credit Suisse investment report and commentary that accompany this financial report provide detailed analysis of the portfolio's performance over time.

- APNIC does not budget for investment valuation changes due to market volatility. Therefore, the decline in market value of the portfolio has impacted the actual and full year forecast net deficit vs. original budget.

Full Year Forecast: There is a $1,906,419 variance between the year-to-date operating surplus of $939,594 and the full year forecast operating deficit of $966,825. Major end of year expenditure commitments which explain the variance include:

- Provisions for year-end performance bonuses (Salary & personnel costs) – $852,900

- Replacement of end-of-life furniture (Office operating expenses) – $76,772

- Year-end review of the fixed assets register – $88,392

- Remaining travel budget (Travel expenses) – $528,109

- Year end audit and tax costs and planned consultant fees (Professional fees) – $231,714

4   Capital Expenditure

The table below provides overview of current capital expenditure as of October 2022.

Amount (AUD)	2022 YTD	2021 YTD	Change (%)	Forecast 2022	Budget 2022	Budget (%)
Equipment & Software	485,939	361,824	34%	759,222	1,141,800	-34%
Office Furniture & Fittings	112,969	7,362	1434%	183,198	327,500	-44%
Total - Capital Expenditure	**598,908**	**369,186**	62%	**942,420**	**1,469,300**	-36%

Table 3. Capital Expenditure

Capital Expenditure (Table 3)

- Year-to-date spending includes cyclical renewal of laptops, routers and servers, server purchase for lab research, and office remodelling work in progress.

- The latest International Financial Reporting Standards has directed that HRIS implementation costs are to be recognised as an operating expense instead of capital expenditure. The impact is a $100,000 forecast reduction in equipment and software additions.

- Phase one office remodelling work include configuring more meeting rooms and converting the office to a hot desking system. Expenses for some loose furniture purchase and consulting fee are to be expensed in the year.

5 Activity Summary

5.1 Expenses

Expenses (AUD)	2022 YTD	2021 YTD	YTD Actual Change (%)	Forecast 2022	Budget 2022	Forecast vs Budget (%)
Member services	2,187,135	1,745,914	25%	2,833,421	2,989,124	-5%
Membership products	1,329,832	1,519,352	-12%	1,720,553	1,844,666	-7%
Membership reporting	571,162	493,084	16%	685,296	675,451	1%
Total - Membership	**4,088,129**	**3,758,351**	**9%**	**5,239,271**	**5,509,241**	**-5%**
Registration services	616,961	684,158	-10%	790,832	772,183	2%
Registry products	1,905,755	1,491,064	28%	2,429,373	2,612,611	-7%
Policy development	375,102	298,831	26%	589,434	580,881	1%
Total - Registry	**2,897,817**	**2,474,053**	**17%**	**3,809,639**	**3,965,675**	**-4%**
APNIC conferences	1,412,938	766,945	84%	1,572,561	1,288,628	22%
Foundation support	0	62,595	-100%	57,506	264,777	-78%
Community engagement	1,530,006	1,141,400	34%	2,351,639	1,692,291	39%
Community participation	311,408	203,656	53%	401,078	436,317	-8%
APNIC academy	3,023,810	1,478,153	105%	3,997,739	5,079,961	-21%
Internet infrastructure support	663,930	304,892	118%	861,858	2,448,842	-65%
Total - Development	**6,942,091**	**3,957,641**	**75%**	**9,242,380**	**11,210,815**	**-18%**
Information products	1,119,495	606,630	85%	1,447,022	1,459,082	-1%
Research and analysis	754,540	934,123	-19%	931,321	1,076,598	-13%
Total - Information	**1,874,035**	**1,540,753**	**22%**	**2,378,343**	**2,535,680**	**-6%**
Internal technical infrastructure	2,607,468	1,701,445	53%	3,282,394	4,066,639	-19%
Finance and business services	2,663,693	1,662,501	60%	3,526,017	2,935,176	20%
Employee experience	2,085,283	1,587,419	31%	2,807,357	2,760,946	2%
Governance	722,781	876,427	-18%	898,707	780,240	15%
Total - Capability	**8,079,224**	**5,827,791**	**39%**	**10,514,476**	**10,543,000**	**0%**
Total - Expenses	**23,881,296**	**17,558,588**	**36%**	**31,184,108**	**33,764,411**	**-8%**

Table 4. Expenses by Pillars and Workstreams

Activity Summary (Table 4)

This summary includes expenses grouped into pillars and workstreams as outlined in the 2022 Activity Plan.

- The Development Pillar full year expenses are forecast to be $1,968,435 below budget. Major variances include:

  - delays in recruiting and onboarding trainers, retained community trainers and other project funded roles associated with project delivery.

  - reduction in project funding for IXP development due to the project expenses being directly funded by the APNIC Foundation and ISOC.

  - reduction in project funding for M-Root deployment manpower cost due to direct funding from the APNIC Foundation. Local hosts absorption of data center operational cost, hardware purchase and software development savings due to capacity limitation will result in reduction in spending of M-Root project.

  - delays in M-Root equipment delivery due to global chip shortage resulted in deferral of equipment spending.

Budget Utilisation by Pillars is shown below in Figure 3.

Year-to-date Budget and Actual expenditure by Pillars is shown below in Figure 4.
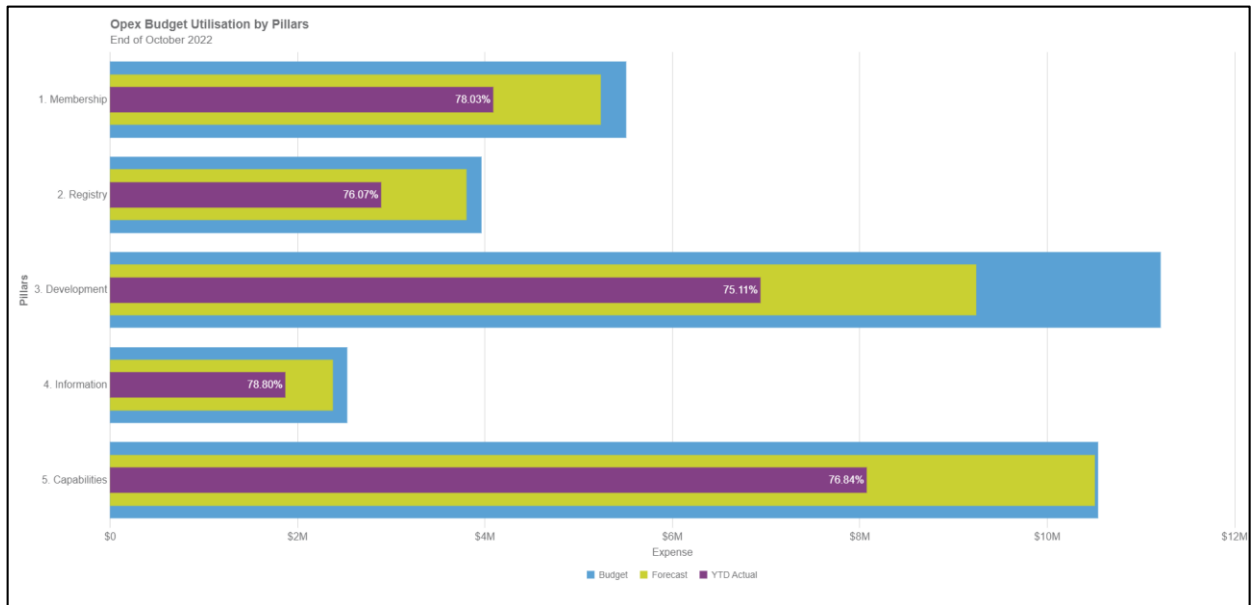
Figure 3. Budget Utilisation by Pillars
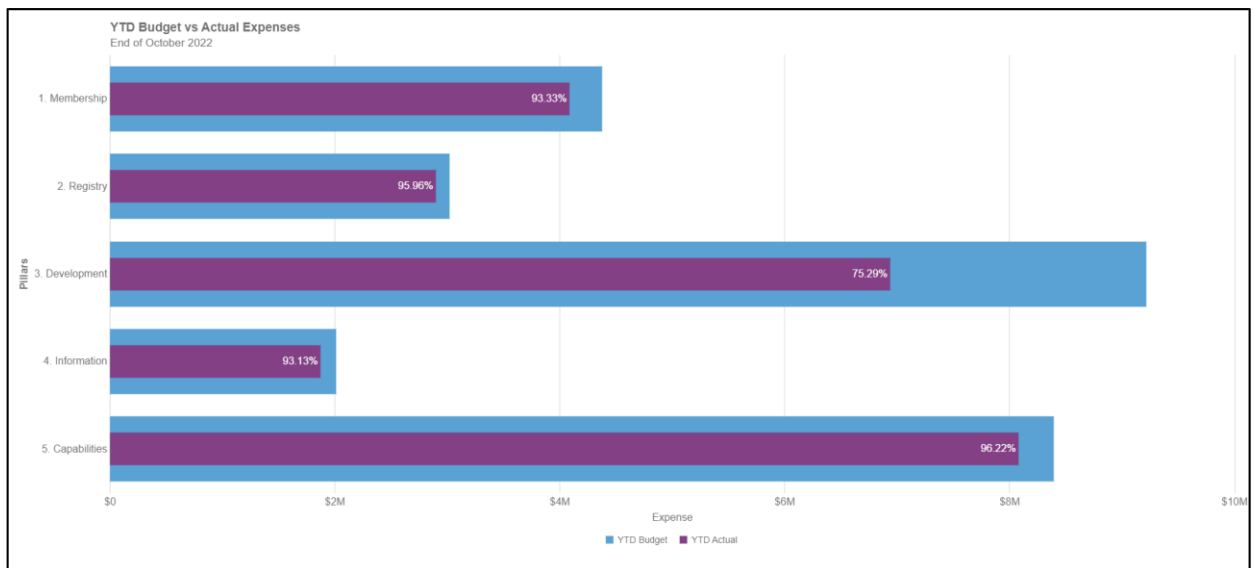
Figure 4. YTD Budget vs. Actual Expenditure by Pillars

5.2 Capital Expenditure

Capex (AUD)	2022 YTD	2021 YTD	YTD Actual Change (%)	Forecast 2022	Budget 2022	Forecast vs Budget (%)
Member services	0	7,935	-100%	0	0	0%
Total - Membership	**0**	**7,935**	**-100%**	**0**	**0**	**0%**
Registry products	2,002	0	0%	34,591	230,000	-85%
Total - Registry	**2,002**	**0**	**0%**	**34,591**	**230,000**	**-85%**
APNIC conferences	51,197	4,296	1092%	51,197	43,000	19%
APNIC academy	3,217	16,351	-80%	3,217	25,000	-87%
Internet infrastructure support	0	0	0%	3,000	60,000	-95%
Total - Development	**54,413**	**20,647**	**164%**	**57,413**	**128,000**	**-55%**
Research and analysis	55,517	28,384	96%	93,812	123,000	-24%
Total - Information	**55,517**	**28,384**	**96%**	**93,812**	**123,000**	**-24%**
Internal technical infrastructure	374,007	271,898	38%	573,405	560,800	2%
Finance and business services	7,381	7,362	0%	88,938	40,000	122%
Employee experience	105,588	32,961	220%	94,260	387,500	-76%
Total - Capability	**486,976**	**312,220**	**56%**	**756,603**	**988,300**	**-23%**
Total - Capital Expenses	**598,908**	**369,186**	**62%**	**942,420**	**1,469,300**	**-36%**

Table 5. Capital Expenditure by Pillars and Workstreams

Capital Expenditure (Table 5)

Only those workstreams with actual, budget or forecast spend are shown. Workstreams not shown currently have zero budget, forecast and actual spend year-to-date. The capital expenditure budget was prioritsed into the first half of 2022. Refer to Table 3: Capital Expenditure for further details.

Capital Budget Utilisation by Pillars is shown below in Figure 5. Percentage is comparing year-to-date actual on full year forecast expenditure.
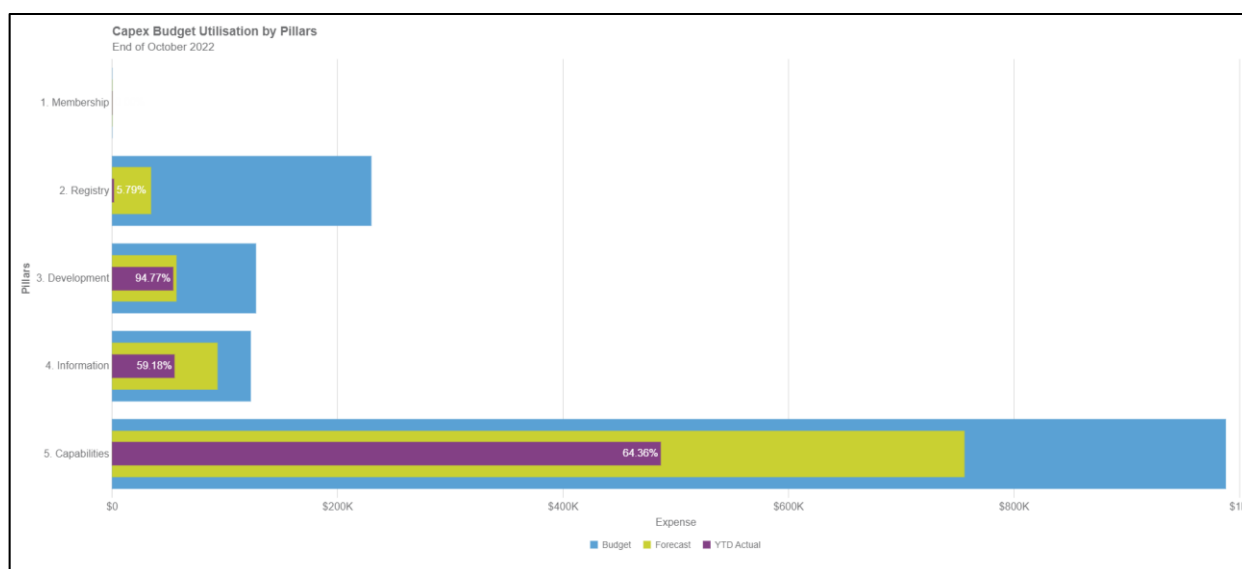
Figure 5. Capital Budget Utilisation by Pillars

6 APNIC Reserve

6.1 Cash Flow Statement

This report shows the cash flow status as at the end of October 2022.

Amount (AUD)	2022 YTD
Operating Activities	
YTD Net Deficit	**(3,373,270)**
Receivables	(513,528)
Other Current Asset	(770,536)
Payables	(72,321)
Withholding Tax Payable	81,111
Other Current Liabilities	(22,928)
Total Adjustments to Deficit	**(1,298,202)**
Total Operating Activities	**(4,671,472)**
Investing Activities	
Financial Assets	(55,597)
Property, Plant and Equipment	3,896,343
Total Investing Activities	**3,840,746**
Financing Activities	
Long Term Liabilities	34,058
Equity	0
Total Financing Activities	**34,058**
Net Change in Cash for Period	**(796,667)**
Cash at Beginning of Period	**11,234,947**
Cash at End of Period	**10,438,280**

Table 6. Cash Flow Statement

Cashflow Statement (Table 6)

- $513,528 increase in receivables due to Foundation project recharges in October 2022 not yet due for collection.

- $770,536 increase in other current assets due to increase in prepayments and NRO receivables.

- $3,896,343 decrease in financial assets due to the decline in value of investment portfolio.

6.2   Capital Reserve
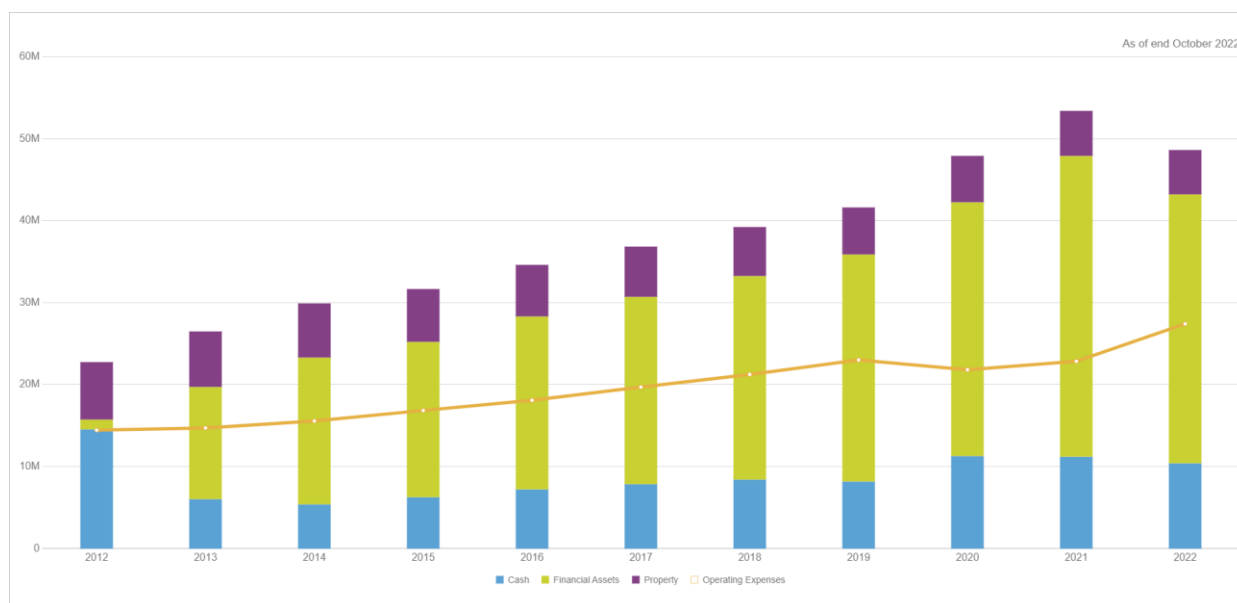
Figure 6. APNIC Reserves

Capital Reserve (Figure 6)

The Reserve is diversified between cash reserves, investment portfolio, and APNIC property (i.e. APNIC Office). At the end of October, APNIC maintained $10,438,280 in cash reserves, $32,831,784 has been invested in the investment portfolio and $5,353,556 invested in APNIC Property.

Figure 6 above tracks the value and the allocation of these assets over time against the operating expenses for each year for comparison. The decline in the reserve between December 2021 and October 2022 was mainly due to the decline in value of the investment portfolio.

6.3   APNIC's Equity and Reserves

By comparing the Total Equity (including retained earnings and unrealised gains / losses on the investment portfolio), and the monthly operating expenses based on the actual and budget, excluding APNIC Foundation project expenses for 2022, the number of month's coverage of operational expenses is set out below:

	2022 YTD	Forecast 2022	Actual 2021*	Actual 2020*	Actual 2019
Total Equity (AUD)	35,472,290	33,565,871	38,845,560	34,176,883	30,724,702
% Equity Covered By Cash/ Cash Equivalents	122%	129%	123%	124%	117%
Monthly Operating Expenses (AUD)	2,118,788	2,290,651	2,125,305	2,024,419	1,914,554
Number of Months of expenses covered by Equity	**16.74**	**14.65**	**18.28**	**16.88**	**16.05**

Table 7. Equity and Reserves

* Calculation is based on the average monthly operating expenses of the approved budget, excluding Foundation project expenses, as it better reflects the APNIC operating cost base in a COVID-free course of business.

7 Membership

7.1 Membership Summary

	2022 YTD	2021 YTD	Forecast 2022	Budget 2022
New Members	628	633	729	804
Reactivated Members	9	9	-	-
Closure	-283	-275	-338	-312
Net Change	**354**	**367**	**391**	**492**
As at 1 Jan	8,768	8,341	8,768	8,768
Net Change	354	367	391	492
As at 31 Oct	9,122	8,708	9,159	9,260
Growth %	**4.04%**	**4.40%**	**4.46%**	**5.61%**

Table 8. Net Membership Growth YTD

Membership Summary (Table 8)

Year-to-date net membership growth (new & re-activated members less closures) is 4.04% for 2022 vs 4.40% same time last year.

Full Year net membership growth (new & re-activated members less closures) is forecast to be 4.46% vs 5.61% budget.

7.2 Membership by Category

Membership	Total Dec-21	YTD New Oct-22	Reactivation Adjustment	YTD Closed Oct-22	YTD Size Change Oct-22	Total Oct-22	% Total
Extra Large	**26**	0		0	1	**27**	0%
Very Large	**49**	0		0	(1)	**48**	1%
Large	**151**	2		0	4	**157**	2%
Medium	**548**	3		(4)	18	**565**	6%
Small	**3,733**	142	2	(135)	26	**3,768**	41%
Very Small	**4,126**	395	6	(110)	(75)	**4,342**	48%
Associate	**135**	86	1	(34)	27	**215**	2%
TOTAL	**8,768**	**628**	**9**	**(283)**	**0**	**9,122**	**100%**

Table 9. Membership by Category

Membership by category (Table 9)

There were 67 new and reactivated members and 25 account closures in October 2022. Overall net membership growth for the month was 42 members. Year-to-date, there have been:

- 628 new members vs. 670 budgeted new members
- 283 closures vs. 260 budgeted account closures

As at the end of October 2022, APNIC had a total of 9,122 members serving 53 economies.

7.3   Membership by Economy
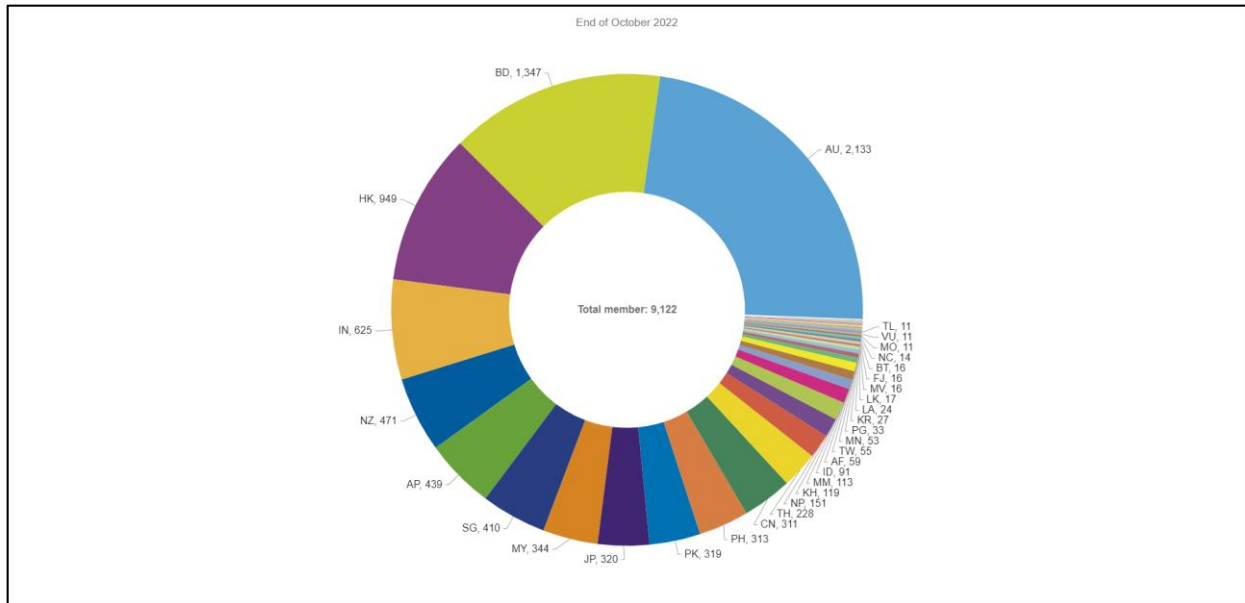
Figure 7. Membership by Economy

7.4   Membership Growth
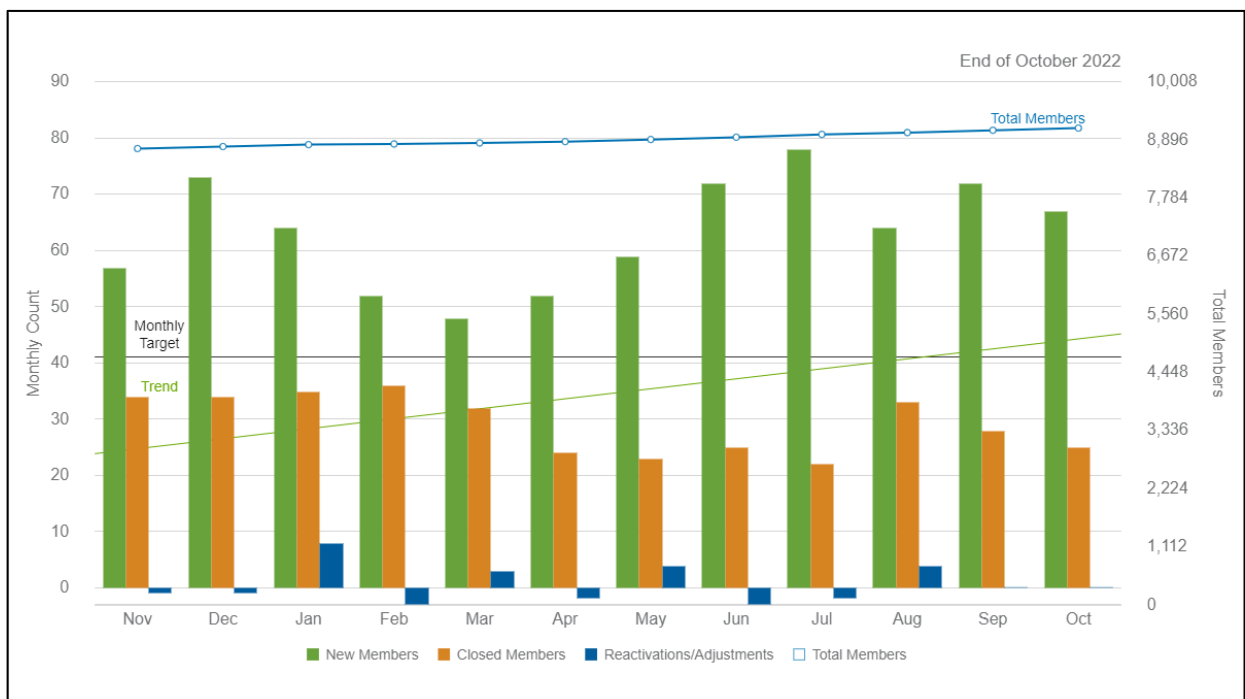
Figure 8. Monthly Membership Movement
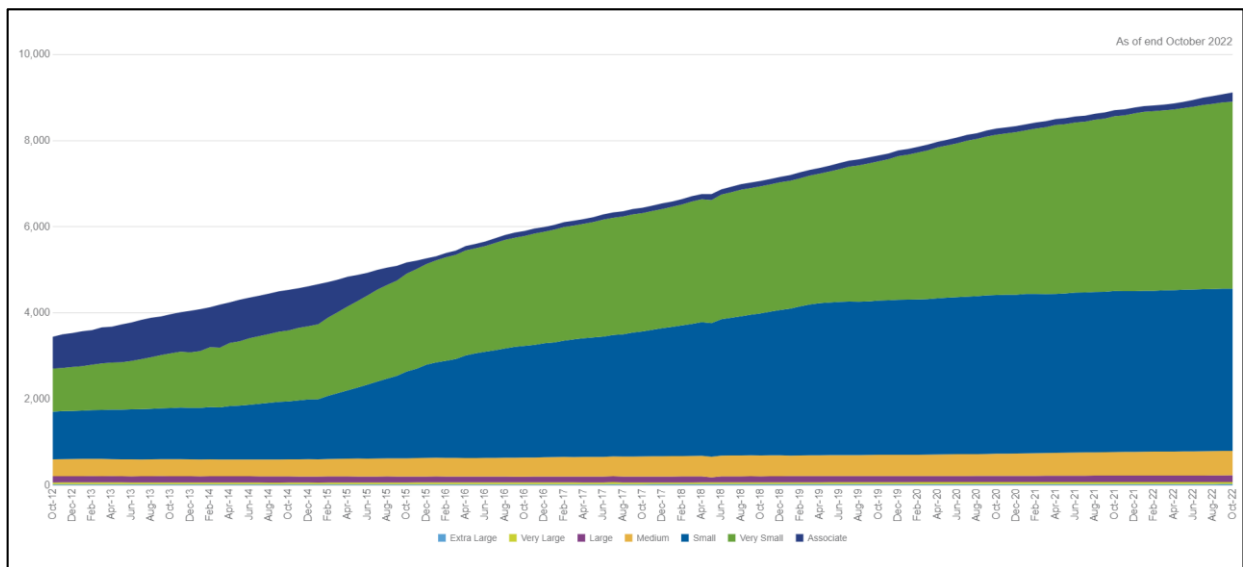
Figure 9. Total Membership by tier

7.5   Year-to-Date Membership Movement by Economy
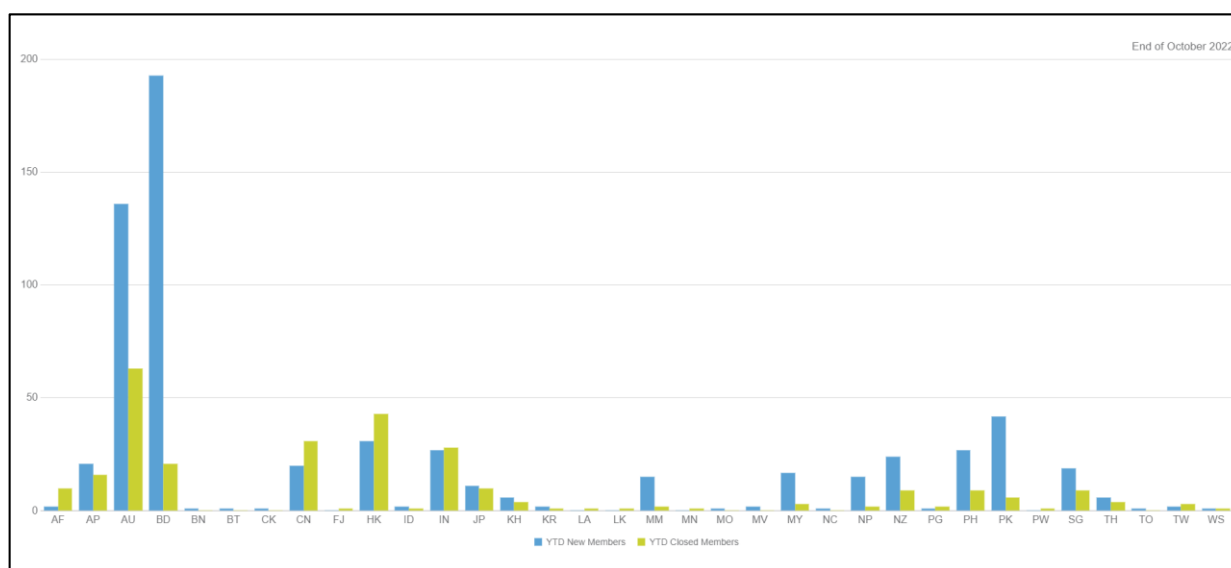
Figure 10. Year-to-Date Membership Movement by Economy

Membership movement by economy (Figure 10)

Figure 10 shows new and closed membership movement by economy as at end of October.

- Top new member economies are Bangladesh, Australia and Pakistan.
- Top closed member economies are Australia, Hong Kong and China.

7.6   Membership Closures Analysis
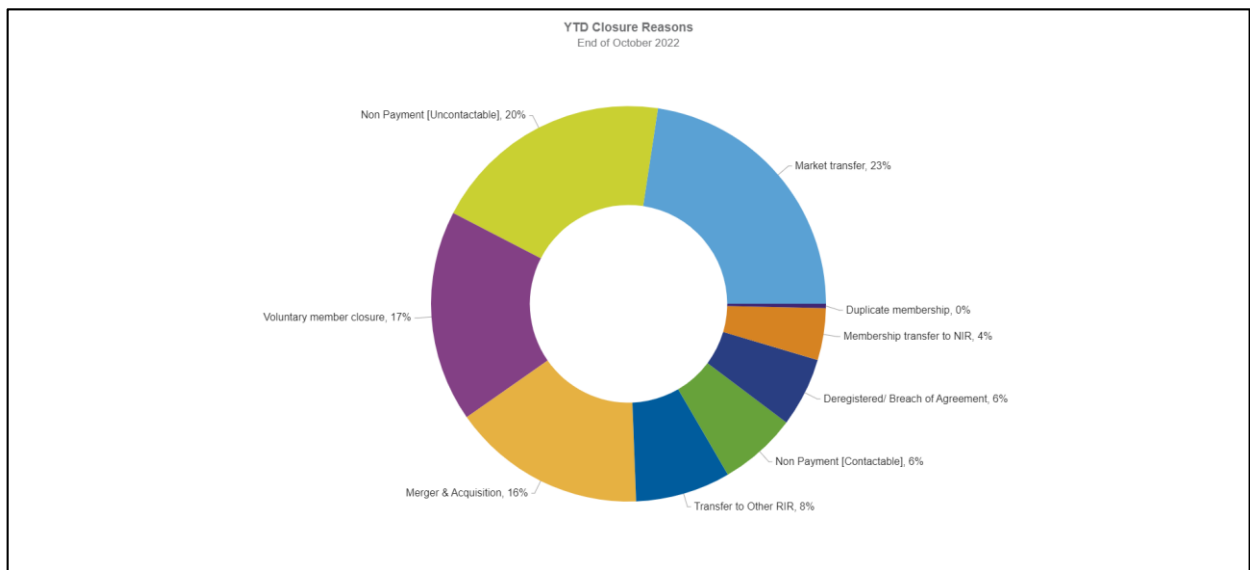
Figure 11. Closure Analysis

Closure Analysis (Figure 11)

Figure 11 provides an analysis of Membership account closures as at the end of October. 49.1% of the closures relate to accounts closed due to the failure to establish contact, the business is no longer operating, or breach of agreement, where resource holdings are returned to APNIC.

7.7 Membership Closures by Year Joined

Year Joined	Deregistered/ Breach of Agreement	Duplicate membership	Market transfer	Membership transfer to NIR	Merger & Acquisition	Non Payment [Uncontactable]	Non Payment [Contactable]	Voluntary member closure	Transfer to Other RIR	Total
1998								1		1
1999						1				1
2000							1			1
2001					1				1	2
2003						1				1
2004						1		1		2
2006		1	3					1		5
2007			1							1
2008						1	1			2
2009					5				1	6
2010			1		6	2				9
2011						2		3	1	6
2012			4		6	4	1	1	2	18
2013	1		3	1	5	4		3	1	18
2014	2		5		10	1	2	2	3	25
2015	1		13	1	4	8		1	7	35
2016	1		22	5	6	9	3	4	5	55
2017			7	1	2	4		9		23
2018				1		3	2	6		12
2019	6					7		4		17
2020	3			2		3	7	8		23
2021	1		4	1		5	1	4	1	17
2022	1		1					1		3
TOTAL	**16**	**1**	**64**	**12**	**45**	**56**	**18**	**49**	**22**	**283**

Table 10. Membership Closures by Year Joined

Membership Closures by Year Joined (Table 10)

Table 10 shows membership closures by year joined as at end of October.

There are 5 out of 64 closed members due to market transfer joined in 2021 and 2022. Of these members:

- One member received resources through a merger and acquisition transfer in 2021 that were originally delegated in 2015. The member subsequently transferred the resources out via market transfer and closed out the account.

- Three members started as associate members in 2021. They have claimed historical resources, subsequently transferred them out via market transfer and closed out the accounts.

- One member has received resources through historical resource transfer in 2022 that were delegated to the original custodian in 2006. The member subsequently transferred the historical resource out via market transfer and closed the account.

7.8 Membership Closures by Economy

	Deregistered/ Breach of Agreement	Duplicate membership	Market transfer	Membership transfer to NIR	Merger & Acquisition	Non Payment [Uncontactable]	Non Payment [Contactable]	Voluntary member closure	Transfer to Other RIR	Total	IPV4 Resources Reclaimed (/24's)	IPV6 Resources Reclaimed (/32's)	ASN Reclaimed
AF						6		4		**10**	40	1	10
AP	1		2			3	1	3	6	**16**	3	10	14
AU		1	12		20	5	5	15	5	**63**	43	15	31
BD	1		11		1	2	1	3	2	**21**	9	9	20
CN	2		10		3	8	3	2	3	**31**	79	18	13
HK	10		17		4	6	1	3	2	**43**	98	25	32
ID				1						**1**			1
IN			4	11	5	3	2	1	2	**28**	11	10	7
JP					4	4		2		**10**	18	0	1
KH			1			1		2		**4**	8	1	3
LA						1				**1**	4		1
LK								1		**1**	2	0	1
MM						2				**2**	9	1	2
MY			1		1	1				**3**	1	0	2
NZ			2		1	1		5		**9**	12	4	5
PG					1			1		**2**	2		1
PH					1	4	1	2	1	**9**	12	1	6
PK			2			2	1	1		**6**	10	4	4
PW							1			**1**	2		1
SG			2		1	3	1	1	1	**9**	15	2	5
TH					1	1	1	1		**4**	3	0	3
TW	2				1					**3**	14	1	6
WS						1				**1**	8	1	1
FJ								1		**1**	1	0	1
MN					1					**1**			
KR								1		**1**	1		1
NP						2				**2**	6	1	2
TOTAL	**16**	**1**	**64**	**12**	**45**	**56**	**18**	**49**	**22**	**283**	**411**	**104**	**174**

Table 11. Membership Closures by Economy

8 APNIC Foundation Funded Activities

8.1 Foundation Summary

For greater transparency, APNIC reports Foundation receipts and Foundation expenses separately as 'Foundation receipts' (revenue) and 'Foundation funded project expenses' (expenses) in the Statement of Income. Previous accounting treatment was to offset the Foundation receipts and expenses within the Income Statement.

Major variances in Foundation receipts and expenses include:

- Delays in the recruitment and onboarding of trainers, retained community trainers and other project funded roles due to skill shortage will reduce the full year salary and wage expenses associated with project delivery.

- Reduction in APNIC project funding for IXP development due to the project expenses being directly funded by the APNIC Foundation and ISOC.

- Reduction in APNIC project funding for M-Root deployment manpower cost with direct funding from the APNIC Foundation. Local hosts absorption of data center operational cost, hardware purchase and software development savings due to capacity limitation will result in reduction in spending of M-Root project.

- Delays in M-Root equipment delivery due to global chip shortage resulted in deferral of equipment spending.

2022 Foundation Funded Activities Budget vs Forecast
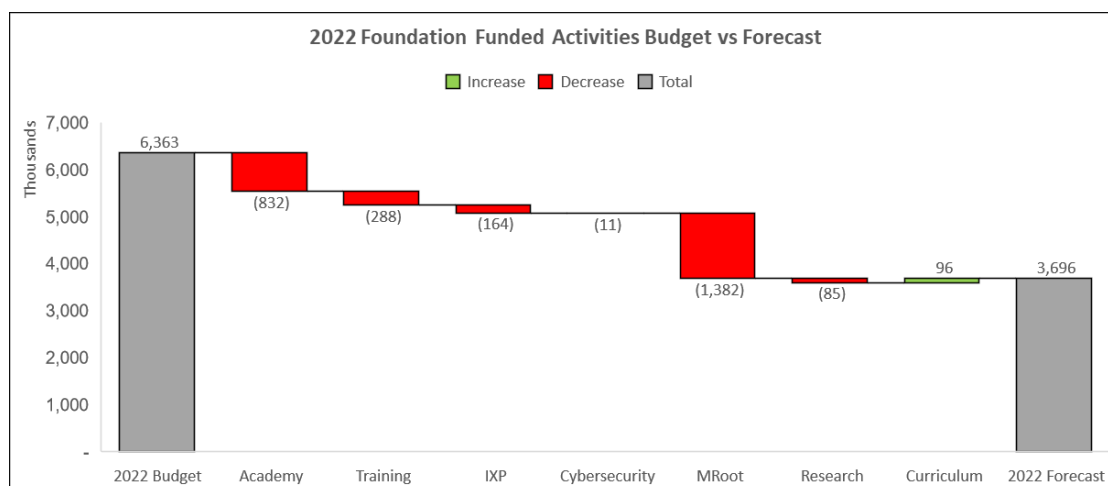
January – October 2022 Finance Presentation

EC Meeting

5 – 7 December 2022

Kathmandu, Nepal

All dollar values are denoted in Australian dollars (unless otherwise stated)

Finance Presentation

- **Financial Performance – Year to date October 2022**

- **Financial Forecast – 2022 Full Year Outlook**

- **Income Statement & Balance Sheet**

Year to date July 2022

FINANCIAL PERFORMANCE

2022 Financial Highlights

TOTAL REVENUE (2022 YTD)

$24,820,891

$27,473,433

▼ **-9.65%**

OPERATING EXPENSE (2022 YTD)

$23,881,296

$27,028,643

▼ **-11.64%**

OPERATING SURPLUS (2022 YTD)

$939,595

$444,790

▲ **111.24%**

TOTAL EQUITY (Oct 2022)

$35,472,290

$38,845,560

▼ **-8.68%**

TOTAL REVENUE (Forecast FY)

$30,217,283

$32,962,915

▼ **-8.33%**

OPERATING EXPENSE (Forecast FY)

$31,184,108

$33,764,411

▼ **-7.64%**

OPERATING DEFICIT (Forecast FY)

-$966,825

-$801,496

▼ **-20.63%**

TOTAL EQUITY (Forecast Dec 2022)

$33,565,870

$38,845,560

▼ **-13.59%**

FINANCIAL PERFORMANCE

▶

▶ Membership revenue. YTD 0.7% behind budget. Forecast 0.7% behind FY budget.

▶ Total income. YTD 9.7% behind budget. Forecast 8.3% behind FY budget.

▶ Total expenditure. YTD 11.6% behind budget. Forecast 87.6% behind FY budget.

▶ Foundation projects. YTD 49.2% behind budget. Forecast 41.9% behind FY budget. Investment. Fair value loss of $4.3M YTD.

FINANCIAL POSITION

▶

▶ Cash and current assets of $13.9M is up 3.6% from LY.

▶ Financial investment of $32.8M is down 10.6% from LY.

▶ Total liabilities of $18.3M is in line with LY.

▶ Financial stability of 16.7 months coverage is up from 18.3 months LY. Financial stability of 14.7 months coverage forecast for 2022.

Financial Performance – Revenue

Membership fees
- Lag indicator – membership is recognised over 12 months
- Year to date – $20,575,349 actual vs $20,624,550 budget
- Full Year – $24,715,216 forecast vs $24,799,617 budget (-0.3% variance)

Sign-Up fees
- Lead indicator – will impact membership fees into the future
- Year to date – $219,500 actual vs $262,488 budget
- Full Year – $268,833 forecast vs $315,985 budget (-14.9% variance)

- 628 new members vs 670 budget YTD
- 283 closed members vs 260 budget YTD
- $1,246 average new member fee vs $1,435 budget
- 36.9% LDC vs 30% budget YTD

Investment income
- Year to date – $631,923 actual vs $706,150 budget
- Full Year – $694,937 forecast vs $806,229 budget (-13.8% variance)
- Forecast Credit Suisse dividend distribution is $122,075 below budget

Total revenue
- Year to date – $24,820,891 actual vs $27,473,433 budget
- Full Year - $30,217,283 forecast vs $32,962,915 budget (-8.3% variance)

APNIC Revenue
End of October 2022

Membership fees, $21M

Total Revenue:
$24.82M

Reactivation fees, $16K
Transfer fees, $141K
Non-Member fees, $217K
Sign-Up fees, $220K
Sundry income, $313K
Investment income, $632K
Foundation receipts, $3M
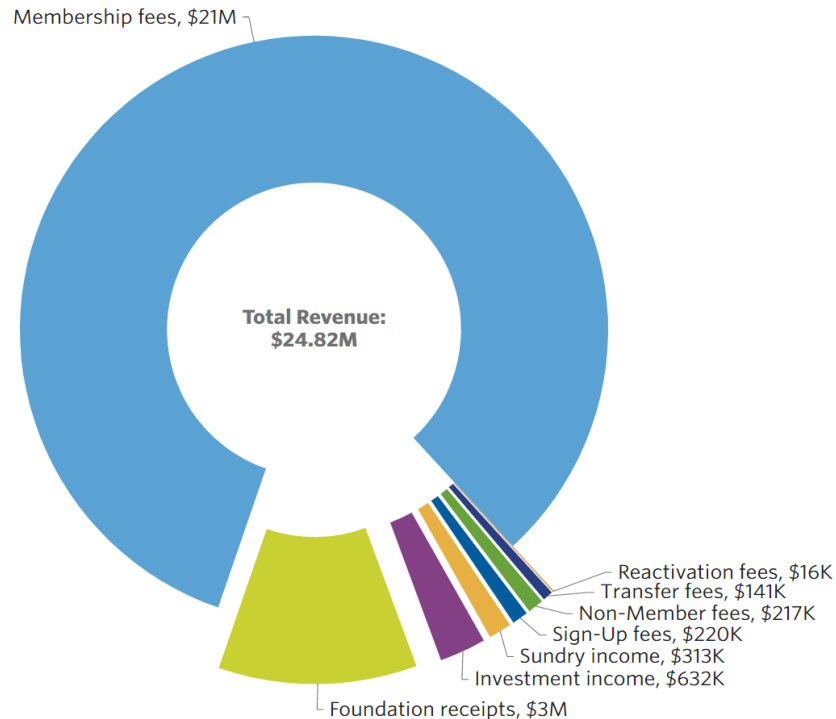
Membership – 12 month rolling trend

Members by Economies

End of October 2022

Total member: 9,122

- AU, 2,133
- BD, 1,347
- HK, 949
- IN, 625
- NZ, 471
- AP, 439
- SG, 410
- MY, 344
- JP, 320
- PK, 319
- PH, 313
- CN, 311
- TH, 228
- NP, 151
- KH, 119
- MM, 113
- ID, 91
- AF, 59
- TW, 55
- MN, 53
- PG, 33
- KR, 27
- LA, 24
- LK, 17
- BT, 16

APNIC

Members by Economies

End of October 2022

APNIC

8
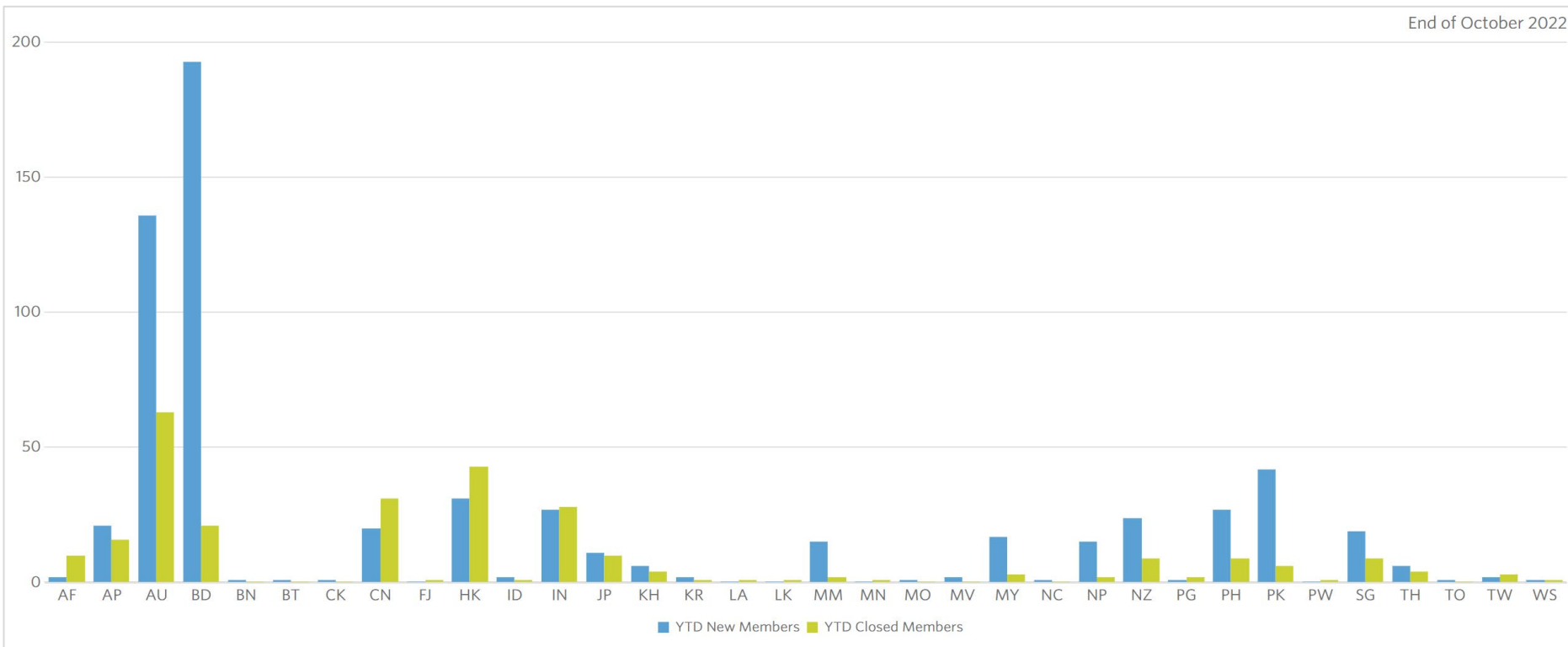
Membership by tiers

Membership	Total Dec-21	YTD New Oct-22	Reactivation Adjustment	YTD Closed Oct-22	YTD Size Change Oct-22	Total Oct-22	% Total
Extra Large	26	0		0	1	27	0%
Very Large	49	0		0	(1)	48	1%
Large	151	2		0	4	157	2%
Medium	548	3		(4)	18	565	6%
Small	3,733	142	2	(135)	26	3,768	41%
Very Small	4,126	395	6	(110)	(75)	4,342	48%
Associate	135	86	1	(34)	27	215	2%
TOTAL	8,768	628	9	(283)	0	9,122	100%

Membership Closures

YTD Closure Reasons
End of October 2022

- Market transfer, 23%
- Non Payment [Uncontactable], 20%
- Voluntary member closure, 17%
- Merger & Acquisition, 16%
- Transfer to Other RIR, 8%
- Non Payment [Contactable], 6%
- Deregistered/ Breach of Agreement, 6%
- Membership transfer to NIR, 4%
- Duplicate membership, 0%

Membership – closures by economy

	Deregistered/ Breach of Agreement	Duplicate membership	Market transfer	Membership transfer to NIR	Merger & Acquisition	Non Payment [Uncontactable]	Non Payment [Contactable]	Voluntary member closure	Transfer to Other RIR	Total	IPV4 Resources Reclaimed (/24's)	IPV6 Resources Reclaimed (/32's)	ASN Reclaimed
AF						6		4		**10**	40	1	10
AP	1		2			3	1	3	6	**16**	3	10	14
AU		1	12		20	5	5	15	5	**63**	43	15	31
BD	1		11		1	2	1	3	2	**21**	9	9	20
CN	2		10		3	8	3	2	3	**31**	79	18	13
HK	10		17		4	6	1	3	2	**43**	98	25	32
ID				1						**1**			1
IN			4	11	5	3	2	1	2	**28**	11	10	7
JP					4	4		2		**10**	18	0	1
KH			1			1		2		**4**	8	1	3
LA						1				**1**	4		1
LK								1		**1**	2	0	1
MM						2				**2**	9	1	2
MY			1		1	1				**3**	1	0	2
NZ			2		1	1		5		**9**	12	4	5
PG					1			1		**2**	2		1
PH					1	4	1	2	1	**9**	12	1	6
PK			2			2	1	1		**6**	10	4	4
PW								1		**1**	2		1
SG			2		1	3	1	1	1	**9**	15	2	5
TH					1	1	1	1		**4**	3	0	3
TW	2				1					**3**	14	1	6
WS						1				**1**	8	1	1
FJ								1		**1**	1	0	1
MN					1					**1**			
KR								1		**1**	1		1
NP						2				**2**	6	1	2
TOTAL	**16**	**1**	**64**	**12**	**45**	**56**	**18**	**49**	**22**	**283**	**411**	**104**	**174**

Membership – closures by year joined

Year Joined	Deregistered/ Breach of Agreement	Duplicate membership	Market transfer	Membership transfer to NIR	Merger & Acquisition	Non Payment [Uncontactable]	Non Payment [Contactable]	Voluntary member closure	Transfer to Other RIR	Total
1998								1		1
1999						1				1
2000							1			1
2001					1				1	2
2003						1				1
2004						1		1		2
2006		1	3					1		5
2007			1							1
2008						1	1			2
2009					5				1	6
2010			1		6	2				9
2011						2		3	1	6
2012			4		6	4	1	1	2	18
2013	1		3	1	5	4		3	1	18
2014	2		5		10	1	2	2	3	25
2015	1		13	1	4	8		1	7	35
2016	1		22	5	6	9	3	4	5	55
2017			7	1	2	4		9		23
2018				1		3	2	6		12
2019	6					7		4		17
2020	3			2		3	7	8		23
2021	1		4	1		5	1	4	1	17
2022	1		1					1		3
TOTAL	**16**	**1**	**64**	**12**	**45**	**56**	**18**	**49**	**22**	**283**

Financial Performance – Expenses

Salaries & personnel expenses
- Year to date – $13,238,751 actual vs $13,635,607 budget
- Full Year – $16,983,801 forecast vs $17,577,277 budget
- Delays in recruitment due to tight labour market

Professional fees
- Year to date – $1,001,947 actual vs $1,018,377 budget
- Full Year – $2,096,037 forecast vs $1,824,480 budget

Computer expenses
- Year to date – $1,473,485 actual vs $1,915,668 budget
- Full Year – $1,894,370 forecast vs $2,295,755 budget
- Activity deferral due to manpower constraints

Travel expense
- Year to date – $1,221,891 actual vs $895,550 budget
- Full Year – $1,750,000 forecast vs $1,066,700 budget
- Limited capacity, increasing demand and ongoing volatility

Total expense
- Year to date – $23,881,296 actual vs $27,028,643 budget
- Full Year – $31,184,108 actual vs $33,764,411 budget (-7.6%)

APNIC Expenses
End of October 2022

Total expense: $23.88M

- Salaries & personnel expenses, $13M
- Doubtful debt expenses, $7K
- Translation expenses, $16K
- Printing & photocopy expenses, $19K
- Postage & delivery expenses, $38K
- Membership fees expenses, $64K
- ICANN Contract fees, $193K
- Insurance expenses, $214K
- Staff training expenses, $220K
- Bank service fees, $230K
- Office operating expenses, $341K
- Recruitment expenses, $406K
- Sponsorship & publicity expenses, $422K
- Communication expenses, $524K
- Depreciation expenses, $541K
- Meeting & training expenses, $558K
- Travel expenses, $1M
- Computer expenses, $1M
- Professional fees, $1M
- Foundation funded project expenses, $3M

Operating Expenses Forecast by Pillars

Opex Budget Utilisation by Pillars
End of October 2022
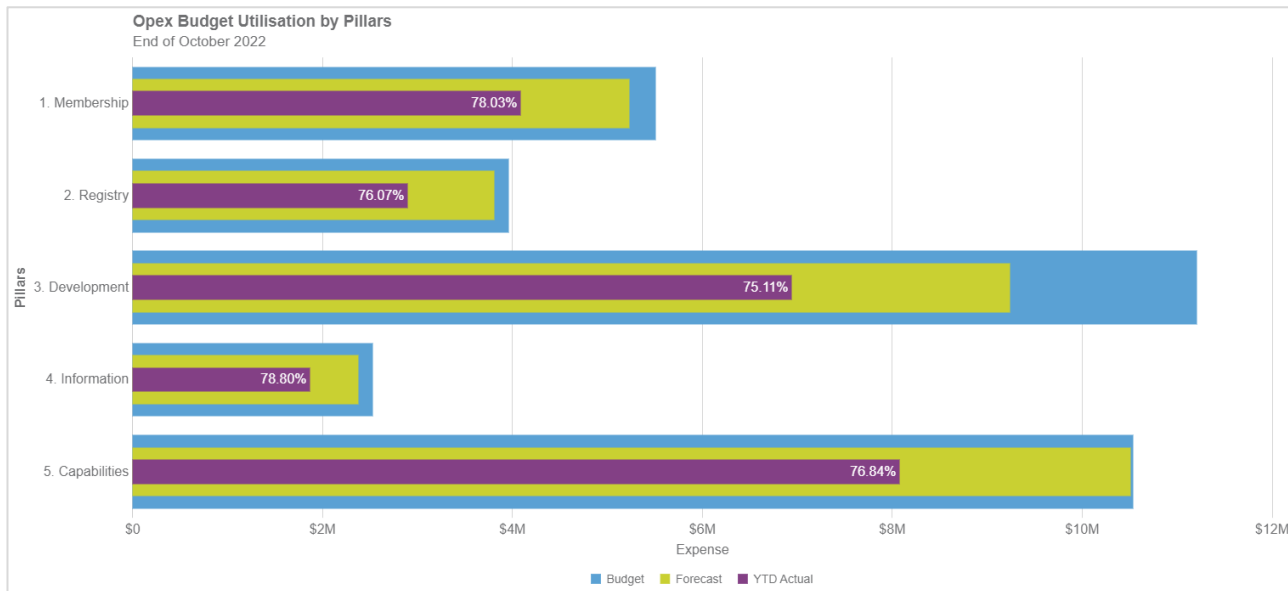
Development Pillar

- **Year to date – $6,942,091 actual vs $9,219,901 budget**

- **Full Year – $9,242,380 forecast vs $11,210,815 budget**

- **Delays in recruiting and onboarding trainers, retained community trainers and other project funded roles associated with project delivery.**

- **Project funding reduced for IXP development and M-Root deployment due to the project being funded directly by the APNIC Foundation.**

- **Delays in M-Root equipment delivery due to global chip shortage resulted in defer of equipment spending and part year savings on servers related operational costs.**

Capital Expenditure by Pillars
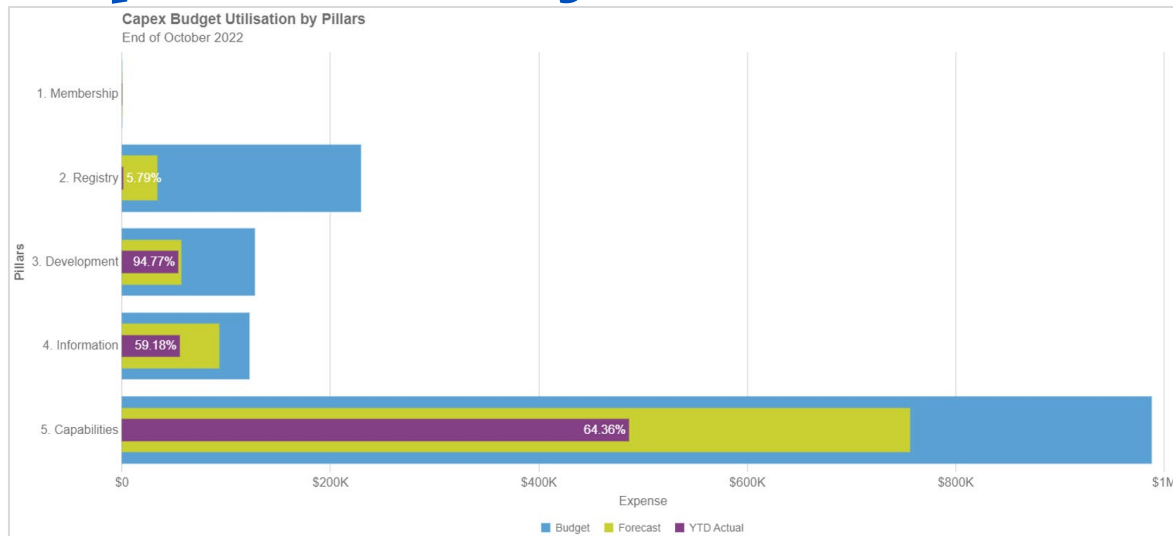
Registry ($2,002 actual vs $230,000 budget YTD)

- Reduction in forecast spending as RPKI HSM additional redundancy not required per 5 9s gap analysis

Development ($54,413 actual vs $128,000 budget YTD)

- Reduction in forecast spending in servers and equipment

Information ($55,517 actual vs $123,000 budget YTD)

- Reduction in forecast spending due to IXP and Root Server direct funding from Foundation

Capabilities ($564,806 actual vs $981,400 budget YTD)

- $100,000 Sage Implementation cost is to be recognized as operational expense
- Office remodeling purchase of loose furniture and consulting fee expensed in the year

Financial Position – Assets & Liabilities
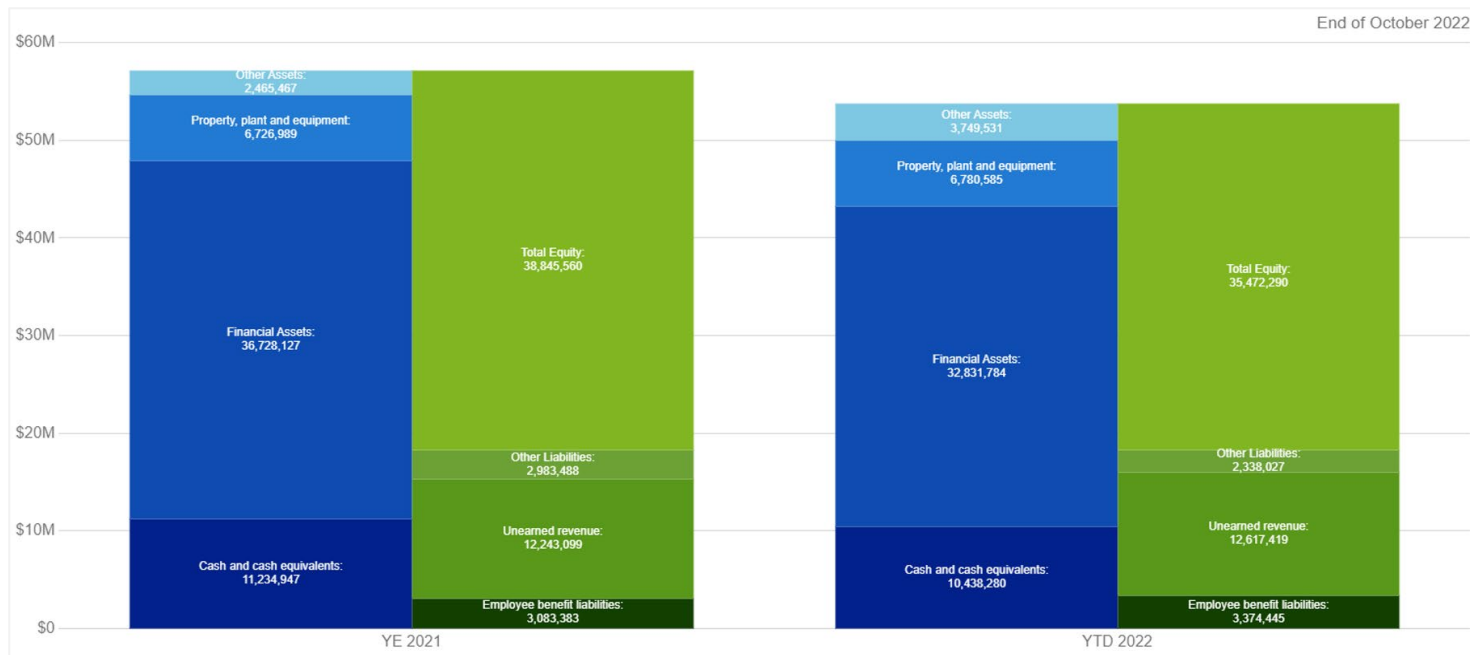
Other Assets - $1,284,064 increase due to NRO and APNIC Foundation receivables and increase in prepayment

Financial Assets - Fair value loss of $3,896,343 driven by market uncertainty and volatility

Cash - $796,667 reduction in cash due to suppliers payment

Equity - $3,373,270 reduction driven by YTD net deficit

Financial Position – Stability Measure

	2022 YTD	Forecast 2022	Actual 2021*	Actual 2020*	Actual 2019
Total Equity (AUD)	35,472,290	33,565,871	38,845,560	34,176,883	30,724,702
% Equity Covered By Cash/ Cash Equivalents	122%	129%	123%	124%	117%
Monthly Operating Expenses (AUD)	2,118,788	2,290,651	2,125,305	2,024,419	1,914,554
Number of Months of expenses covered by Equity	**16.74**	**14.65**	**18.28**	**16.88**	**16.05**

- **The 2022 financial stability measure is shown above for both YTD actual (16.74 months) and Full Year Forecast (14.65 months)**

- **The financial stability measure is impacted by a $3M reduction in equity from the decline in the investment portfolio value.**

- **During the 2022 budget presentation, APNIC projected a decline in the stability measure for the year due to the budget deficit.**

- ***The 2020 & 2021 financial stability measures are based on budgeted monthly operating expenses as this provides a more realistic expectation of coverage in a non-COVID operating environment.**

Financial Position – APNIC Reserve

As of end October 2022

APNIC reduction in Reserve due to devaluation of the investment portfolio

Property – $5.35M

Financial Assets – $32.83M

Cash – $10.44M

Total Reserve – $48.62M

Cash   Financial Assets   Property   Operating Expenses

APNIC

18
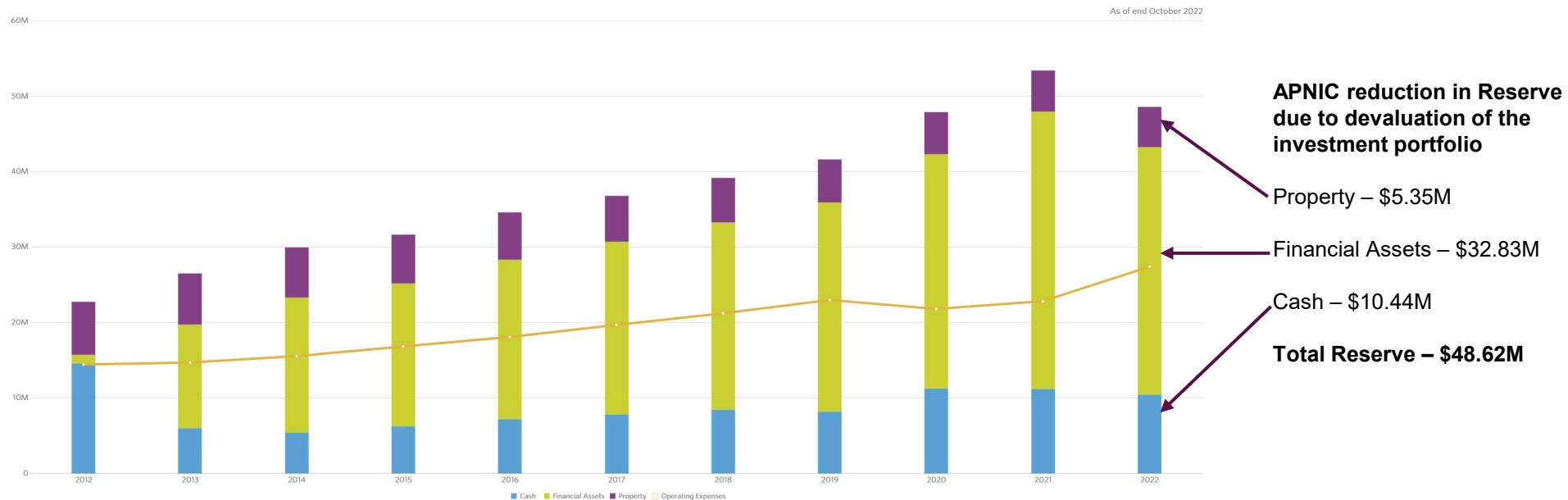
APNIC Reserve – Cash Rates

- **Reserve Bank of Australia cash rate movements in 2022:**
  - **0.1% since November 2020**
  - **0.25% increase in May 2022**
  - **0.5% in June 2022**
  - **0.5% in July 2022**
  - **0.5% in August 2022**
  - **0.5% in September 2022**
  - **0.25% in October 2022**
  - **0.25% in November 2022**
  - **Now at 2.85%**

- **Interest rates on short term deposits and interest- bearing accounts are improving with the rate rises.**

- **Westpac security deposits of $1.4M and $1.25M are renewed at 3.84% and 4.39% respectively for a year.**

- **NAB $1M and $500K term deposits are released and transferred to Westpac Notice Saver accounts**

- **Westpac 31D and 90D notice saver accounts are at 3.35% and 3.85% for funds on hold as at 18 Oct 2022.**

Graph of the Cash Rate Target

Source: RBA

2022 Full Year

FINANCIAL REFORECAST

Year to Date vs. Full Year Forecast Summary

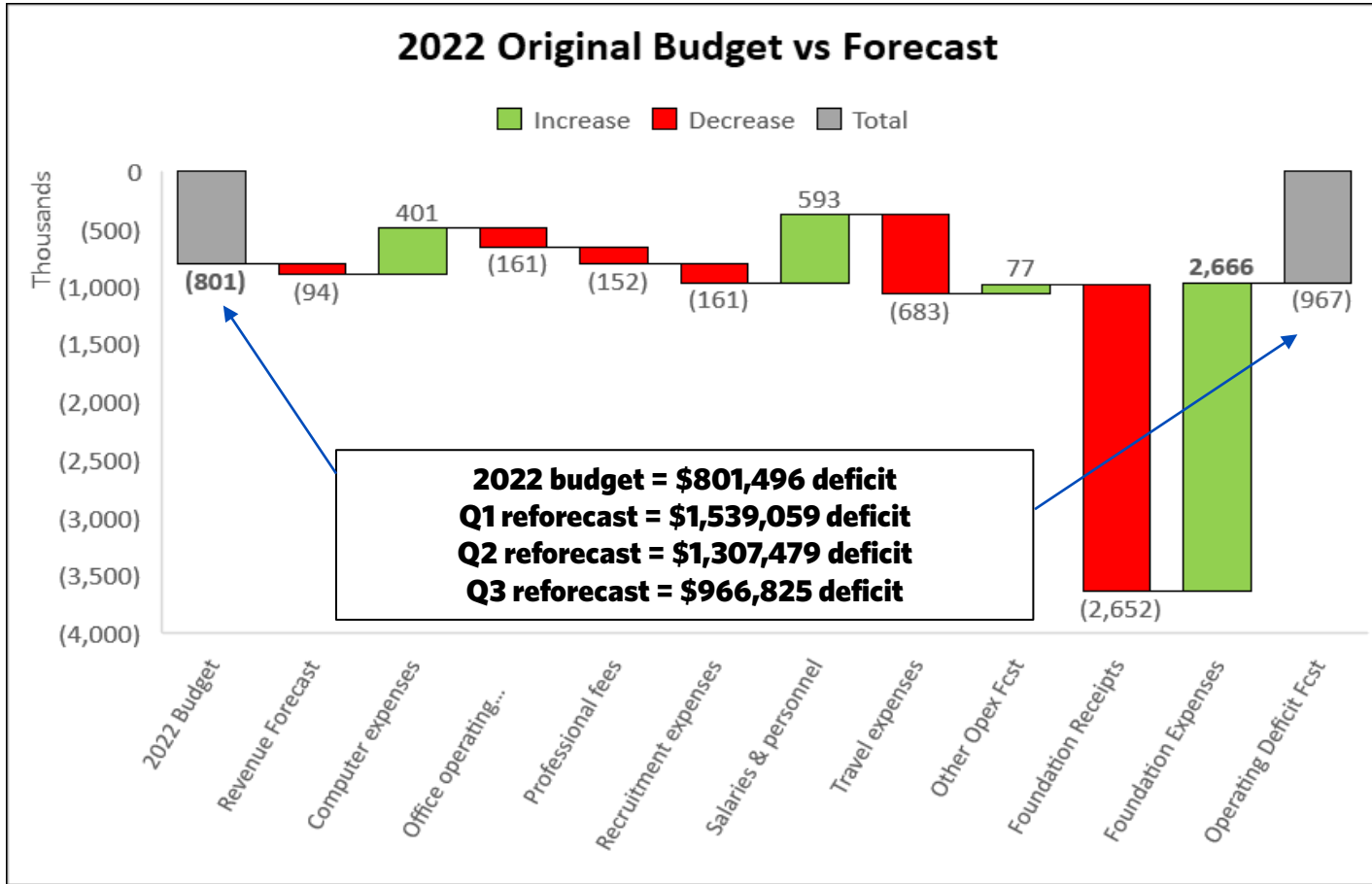| Amount (AUD)	2022 YTD	2021 YTD	YTD Actual Change (%)	Forecast 2022	Budget 2022	Forecast vs Budget (%)
Membership fees	20,575,349	20,169,631	2%	24,715,216	24,799,617	0%
Non-Member fees	216,835	214,234	1%	261,510	263,209	-1%
Reactivation fees	15,600	16,700	-7%	21,210	22,644	-6%
Sign-Up fees	219,500	251,750	-13%	268,833	315,985	-15%
Transfer fees	140,678	180,196	-22%	169,072	220,431	-23%
Sundry income	313,055	(10,879)	-2978%	319,805	172,200	86%
Foundation receipts	2,707,949	383,166	607%	3,710,829	6,362,600	-42%
Operating Revenue	**24,188,967**	**21,204,798**	**14%**	**29,466,477**	**32,156,686**	**-8%**
Investment income	631,923	781,765	-19%	750,806	806,229	-7%
TOTAL REVENUE	**24,820,891**	**21,986,563**	**13%**	**30,217,283**	**32,962,915**	**-8%**
Bank service fees	230,084	216,299	6%	277,724	261,000	6%
Communication expenses	523,759	533,441	-2%	651,565	688,600	-5%
Computer expenses	1,473,485	1,191,453	24%	1,894,370	2,295,755	-17%
Foundation funded project expenses	2,693,418	0	0%	3,696,298	6,362,600	-42%
Depreciation expenses	541,019	545,375	-1%	677,762	839,869	-19%
Doubtful debt expenses	(7,025)	830	-946%	10,000	20,000	-50%
ICANN contract fees	193,135	164,596	17%	231,762	225,600	3%
Insurance expenses	214,171	190,692	12%	255,322	231,600	10%
Meeting & training expenses	558,454	45,392	1130%	620,898	553,500	12%
Membership fees expenses	63,544	50,632	26%	77,436	81,010	-4%
Office operating expenses	341,043	271,330	26%	616,729	455,640	35%
Postage & delivery expenses	37,501	11,191	235%	36,201	48,000	-25%
Printing & photocopy expenses	19,157	18,855	2%	27,717	29,000	-4%
Professional fees	1,473,788	1,717,003	-14%	1,976,818	1,824,480	8%
Recruitment expenses	406,061	215,627	88%	466,936	306,000	53%
Salaries & personnel expenses	13,238,751	12,004,743	10%	16,983,801	17,577,277	-3%
Sponsorship & publicity expenses	422,360	196,882	115%	628,822	553,780	14%
Staff training expenses	220,245	109,207	102%	273,947	314,000	-13%
Translation expenses	16,455	22,867	-28%	30,000	30,000	0%
Travel expenses	1,221,891	52,111	2245%	1,750,000	1,066,700	64%
TOTAL EXPENSES	**23,881,296**	**17,558,588**	**36%**	**31,184,108**	**33,764,411**	**-8%**
OPERATING SURPLUS/ (DEFICIT)	**939,594**	**4,427,974**	**-79%**	**(966,825)**	**(801,496)**	**21%**
Revaluation of Financial Assets	(4,312,864)	544,971	-891%	(4,312,864)	0	0%
(DEFICIT) / SURPLUS BEFORE TAX	**(3,373,270)**	**4,972,945**	**-168%**	**(5,279,689)**	**(801,496)**	**559%**

- YTD operating surplus = **$939,594**

- Full year forecast operating deficit = $**966,825**

- Total variance = **$1,906,419**

- Major end of year expenditure commitments which explain the variance include:

    - Provisions for year end performance bonuses = **$852,900**
    - Disposal, write-off and replacement of end-of-life office equipment = **$165,164**
    - Remaining travel budget = **$528,109**
    - Year end audit and tax costs and planned professional fees = **$231,714**

APNIC

21

2022 Forecast – Summary Waterfall

2022 Original Budget vs Forecast

Legend: Increase (green) · Decrease (red) · Total (grey)

2022 budget = $801,496 deficit
Q1 reforecast = $1,539,059 deficit
Q2 reforecast = $1,307,479 deficit
Q3 reforecast = $966,825 deficit

Forecast – Revenue

- **Membership fees:**
  - **$20,575,349 YTD Oct Actual**
  - **$24,799,617 Full Year Budget**
  - **$24,591,302 Q1 Forecast**
  - **$24,721,796 Q2 Forecast**
  - **$24,715,216 Q3 Forecast**

- **Membership fees – $186,044 below budget**
  - **Membership fees $84K below budget**
  - **Sign-up fees $47K below budget**
  - **Transfer fees $51K below budget**

- **Sundry income – $147,605 above budget**
  - **Conference sponsorship $144K above budget**

- **Investment income – $55,423 below budget**
  - **Credit Suisse distributions $128K below budget**
  - **Interest income $73K above budget**

2022 Original Budget vs Forecast

Legend: ■ Increase ■ Decrease ■ Total

Thousands (y-axis): 0, (500), (1,000), (1,500), (2,000), (2,500), (3,000), (3,500), (4,000)

Data labels:
- 2022 Budget: (801)
- Revenue Forecast: (94)
- Computer expenses: 401
- Office operating…: (161)
- Professional fees: (152)
- Recruitment expenses: (161)
- Salaries & personnel: 593
- Travel expenses: (683)
- Other Opex Fcst: 77
- Foundation Receipts: (2,652)
- Foundation Expenses: 2,666
- Operating Deficit Fcst: (967)

Revenue forecast drivers:

Membership fees	($186,044)
Sundry income	$147,605
Investment income	($ 55,423)
Total	($ 93,861)

Forecast – Computer expenses

- **Computer expenses:**
  - **$1,473,485 YTD Oct Actual**
  - **$2,295,755 Full Year Budget**
  - **$2,340,288 Q1 Forecast**
  - **$2,310,139 Q2 Forecast**
  - **$1,894,370 Q3 Forecast**

- **Computer expenses – $401,385 below budget**
  - **Deferral of activities to 2023 $195K**
  - **Balance of savings is attributable to capacity constraints and change in project delivery approach $206K**

2022 Original Budget vs Forecast
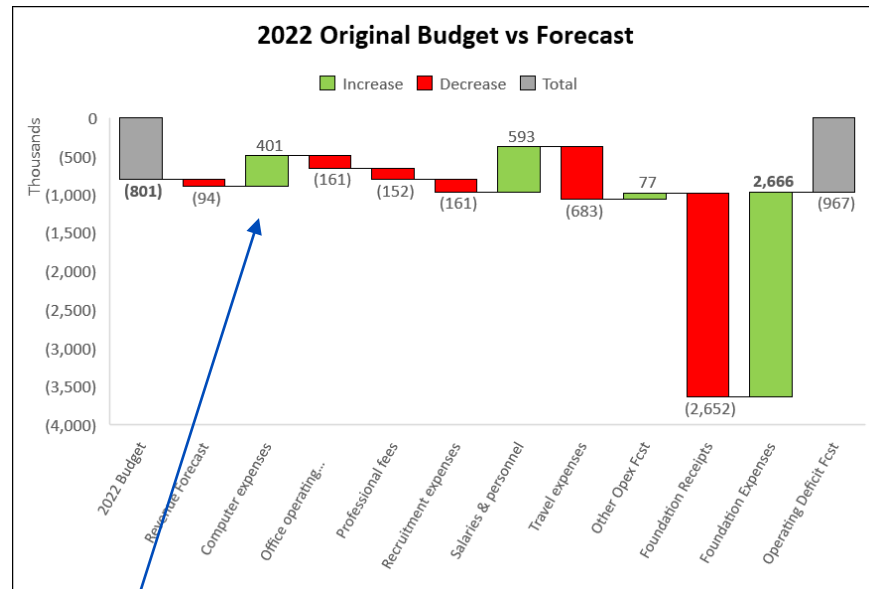
Computer expenses:

Activity deferral	($195,141)
Other savings	($206,244)
Total	$401,385

APNIC

Forecast – Office operating expenses

- **Office operating expenses:**
  - **$341,043 YTD Oct Actual**
  - **$455,640 Full Year Budget**
  - **$461,220 Q1 Forecast**
  - **$445,343 Q2 Forecast**
  - **$616,729 Q3 Forecast**

- **Office operating expenses – $161,089 above budget**
  - **Disposal of asset with purchase value <$1,000 in line with the updated asset policy adopted in 2022 $88K**
  - **Office remodelling furniture replacement $79K**

2022 Original Budget vs Forecast
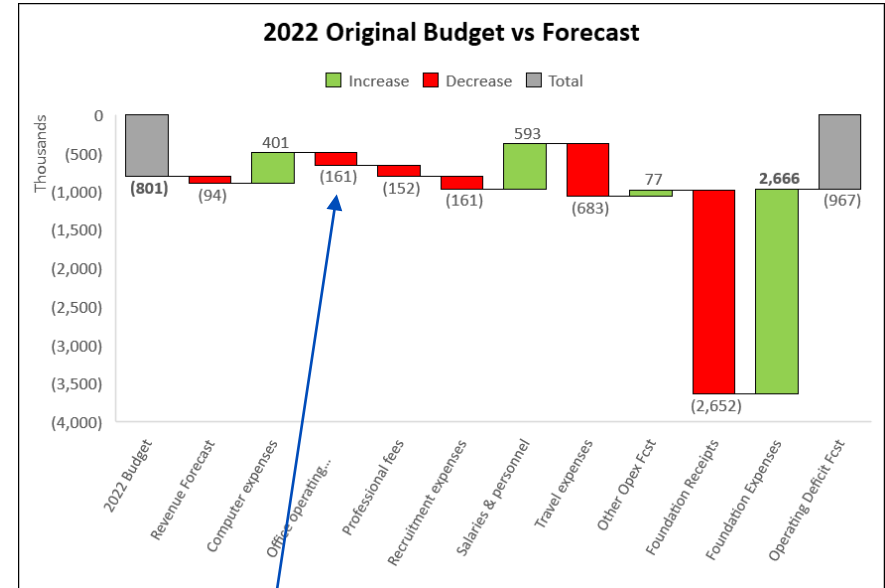
Office operating expenses:

Asset Disposal	($ 87,733)
Furniture and Other	($ 79,125)
Others	$ 5,769
Total	($161,089)

Forecast – Professional Fees

- **Professional fees:**
  - $1,473,788 YTD Oct Actual
  - $1,824,480 Full Year Budget
  - $2,099,122 Q1 Forecast
  - $2,096,037 Q2 Forecast
  - $1,976,818 Q3 Forecast

- **Consultancy – $282,779 above budget**
  - **Office remodelling consultancy $99K**
  - **Agile coaching maternity coverage $90K unbudgeted**
  - **Sage implementation change in accounting $51K**
  - **5 9s additional provision $42K**

- **Other Professional fees – $130,441 below budget**
  - **Staff conversion to contractor $57K reallocation**
  - **Project deferrals $112K**
  - **Other savings on fees $76K**

2022 Original Budget vs Forecast

Legend: Increase (green), Decrease (red), Total (grey)

Values: (801), (94), 401, (161), (152), (161), 593, (683), 77, (2,652), 2,666, (967)
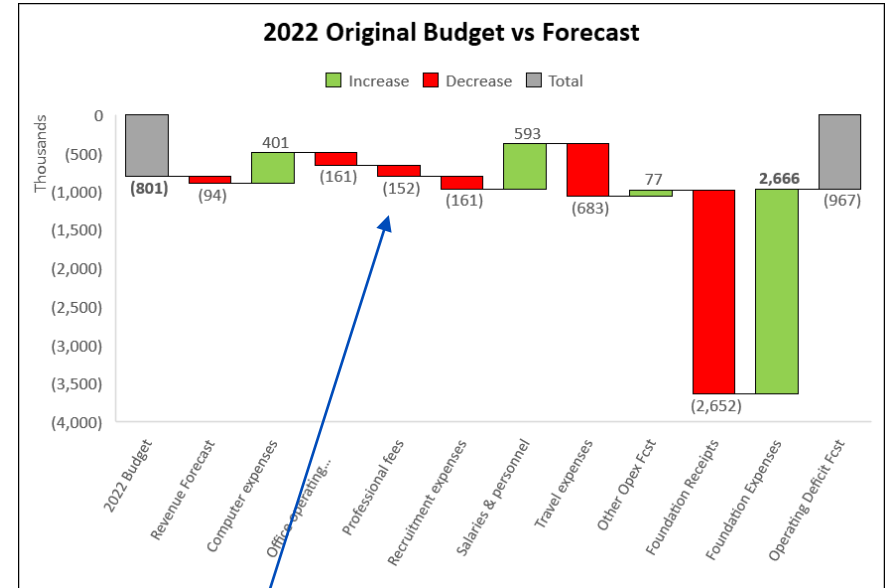
Professional fees:

Consultancy	($ 282,779)
Other professional fees	$ 130,441
Total	($152,338)

Forecast – Recruitment Expenses

- **Recruitment expenses:**
  - **$406,061 YTD Oct Actual**
  - **$306,000 Full Year Budget**
  - **$386,059 Q1 Forecast**
  - **$456,000 Q2 Forecast**
  - **$466,936 Q3 Forecast**

- **Recruitment – $160,936 above budget**
  - **More overseas placement than expected with relocation costs forecast to be $123K higher than budget**

2022 Original Budget vs Forecast

Legend: ■ Increase ■ Decrease ■ Total

Values shown: (801), (94), 401, (161), (152), (161), 593, (683), 77, (2,652), 2,666, (967)

Categories: 2022 Budget, Revenue Forecast, Computer expenses, Office operating..., Professional fees, Recruitment expenses, Salaries & personnel, Travel expenses, Other Opex Fcst, Foundation Receipts, Foundation Expenses, Operating Deficit Fcst
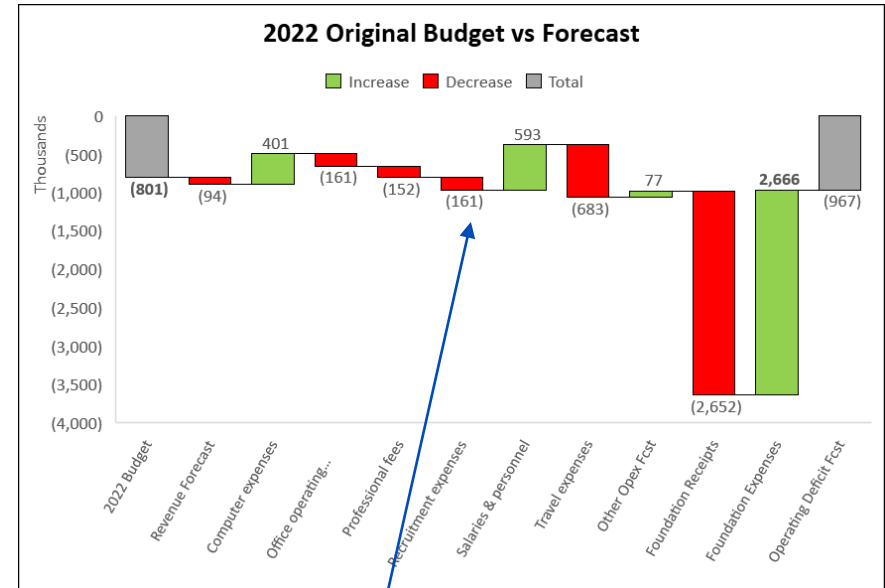
Recruitment expense:

Relocations	**($123,370)**
Recruitment	**($ 37,566)**
Total	**($160,936)**

Forecast – Salaries & Personnel Expenses

- **Salaries & Personnel expenses:**
  - **$13,238,751 YTD Oct Actual**
  - **$17,577,277 Full Year Budget**
  - **$17,193,942 Q1 Forecast**
  - **$16,953,448 Q2 Forecast**
  - **$16,983,801 Q3 Forecast**

- **Personnel – $593,476 below budget**
  - **Timing of recruitment for new positions**
  - **Vacancies created through departures**
  - **Reallocation to professional fees**

2022 Original Budget vs Forecast

Legend: Increase (green) | Decrease (red) | Total (grey)

Chart values (Thousands):
- 2022 Budget: (801)
- Revenue Forecast: (94)
- Computer expenses: 401
- Office operating...: (161)
- Professional fees: (152)
- Recruitment expenses: (161)
- Salaries & personnel: 593
- Travel expenses: (683)
- Other Opex Fcst: 77
- Foundation Receipts: (2,652)
- Foundation Expenses: 2,666
- Operating Deficit Fcst: (967)

Total Salaries expense $593,476

APNIC

28

Forecast – Travel Expenses

- **Travel expenses:**
  - $1,221,891 YTD Oct Actual
  - $1,066,700 Full Year Budget
  - $1,750,000 Q1 Forecast
  - $1,750,000 Q2 Forecast
  - $1,750,000 Q3 Forecast

- **Year-to-date Travel spend**
  - $1.1M travel cost incurred starting April; 93% YTD expenses
  - Increasing demand, limited capacity and price volatility

- **Travel Forecast**
  - Ongoing review to optimize the benefit of hybrid vs FTF meetings
  - All travel reservations are being closely managed to ensure travel spend stay within the increased provision

2022 Original Budget vs Forecast

Legend: Increase (green), Decrease (red), Total (grey)

Values shown: (801), (94), 401, (161), (152), (161), 593, (683), 77, (2,652), 2,666, (967)

Categories: 2022 Budget, Revenue Forecast, Computer expenses, Office operating..., Professional fees, Recruitment expenses, Salaries & personnel, Travel expenses, Other Opex Fcst, Foundation Receipts, Foundation Expenses, Operating Deficit Fcst

Total Travel expenses ($683,300)

Forecast – Other Operating expenses

- **Other operating expenses:**
  - **$3,032,860 YTD Oct Actual**
  - **$3,875,959 Full Year Budget**
  - **$3,653,541 Q1 Forecast**
  - **$3,779,516 Q2 Forecast**
  - **$3,799,157 Q3 Forecast**

- **Other operating expenses – $76,802 below budget**
  - **Depreciation is estimated to be $162K lower than budget due to end of year capital spending vs budgeted spending prioritized at beginning of the year**
  - **Sponsorship & publicity expenses is expected to be $75K higher than budget. USD $34K of the expenses covered by Foundation under Foundation receipts.**

2022 Original Budget vs Forecast

Legend: ■ Increase ■ Decrease ■ Total

Values shown: (801), (94), 401, (161), (152), (161), 593, (683), 77, (2,652), 2,666, (967)

Categories: 2022 Budget, Revenue Forecast, Computer expenses, Office operating..., Professional fees, Recruitment expenses, Salaries & personnel, Travel expenses, Other Opex Fcst, Foundation Receipts, Foundation Expenses, Operating Deficit Fcst
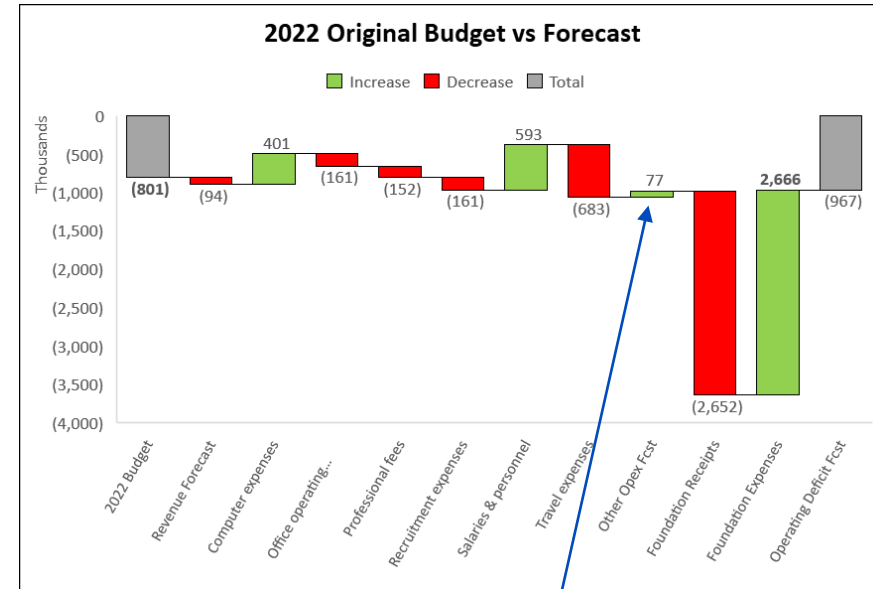
Other operating expenses:	
Depreciation	**$162,107**
Sponsorship & publicity	**$(75,042)**
Others	**$(10,263)**
Total	**$ 76,802**

Forecast – Foundation Activities

- **Foundation activities expenses:**
  - $2,693,418 YTD Oct Actual
  - $6,362,600 Full Year Budget
  - $5,869,117 Q1 Forecast
  - $4,273,826 Q2 Forecast
  - $3,696,298 Q3 Forecast

- **Training – $1,023,823 below budget**
  - Delays in the recruitment and onboarding of trainers, retained community trainers, learning content developer and training certification officer due to skill shortage
  - Lower consultancy spending than budget on training content development due to capacity limitation

- **M-Root and IXP – $1,546,421 below budget**
  - M-Root manpower cost direct funding from APNIC Foundation
  - M-Root data centre operational cost savings due to local hosts cost absorption
  - M-Root HW & SW expense savings due to capacity limitation
  - IXP development project with direct funding from APNIC Foundation and ISOC

- **Others Foundation activities – $96,058 below budget**
  - Savings from research funding partially reallocated to analytics

2022 Original Budget vs Forecast
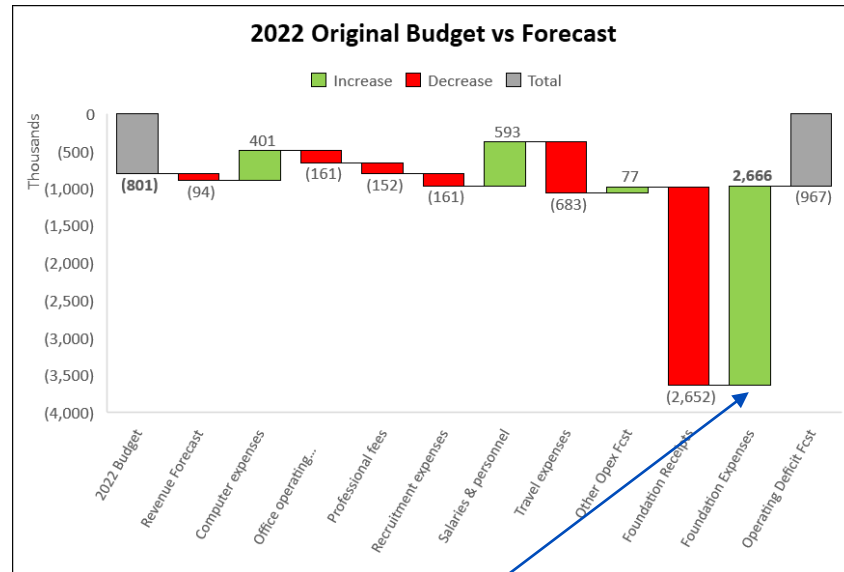
Foundation activities expenses:

Training	($1,023,823)
M-Root and IXP	($1,546,421)
Others	($96,058)
Total	($2,666,302)

INCOME STATEMENT AND BALANCE SHEET

2022 Full Year Forecast

Income Statement – October 2022 & Forecast

Amount (AUD)	2022 YTD	2021 YTD	YTD Actual Change (%)	Forecast 2022	Budget 2022	Forecast vs Budget (%)
Membership fees	20,575,349	20,169,631	2%	24,715,216	24,799,617	0%
Non-Member fees	216,835	214,234	1%	261,510	263,209	-1%
Reactivation fees	15,600	16,700	-7%	21,210	22,644	-6%
Sign-Up fees	219,500	251,750	-13%	268,833	315,985	-15%
Transfer fees	140,678	180,196	-22%	169,072	220,431	-23%
Sundry income	313,055	(10,879)	-2978%	319,805	172,200	86%
Foundation receipts	2,707,949	383,166	607%	3,710,829	6,362,600	-42%
Operating Revenue	**24,188,967**	**21,204,798**	**14%**	**29,466,477**	**32,156,686**	**-8%**
Investment income	631,923	781,765	-19%	750,806	806,229	-7%
TOTAL REVENUE	**24,820,891**	**21,986,563**	**13%**	**30,217,283**	**32,962,915**	**-8%**
Bank service fees	230,084	216,299	6%	277,724	261,000	6%
Communication expenses	523,759	533,441	-2%	651,565	688,600	-5%
Computer expenses	1,473,485	1,191,453	24%	1,894,370	2,295,755	-17%
Foundation funded project expenses	2,693,418	0	0%	3,696,298	6,362,600	-42%
Depreciation expenses	541,019	545,375	-1%	677,762	839,869	-19%
Doubtful debt expenses	(7,025)	830	-946%	10,000	20,000	-50%
ICANN contract fees	193,135	164,596	17%	231,762	225,600	3%
Insurance expenses	214,171	190,692	12%	255,322	231,600	10%
Meeting & training expenses	558,454	45,392	1130%	620,898	553,500	12%
Membership fees expenses	63,544	50,632	26%	77,436	81,010	-4%
Office operating expenses	341,043	271,330	26%	616,729	455,640	35%
Postage & delivery expenses	37,501	11,191	235%	36,201	48,000	-25%
Printing & photocopy expenses	19,157	18,855	2%	27,717	29,000	-4%
Professional fees	1,473,788	1,717,003	-14%	1,976,818	1,824,480	8%
Recruitment expenses	406,061	215,627	88%	466,936	306,000	53%
Salaries & personnel expenses	13,238,751	12,004,743	10%	16,983,801	17,577,277	-3%
Sponsorship & publicity expenses	422,360	196,882	115%	628,822	553,780	14%
Staff training expenses	220,245	109,270	102%	273,947	314,000	-13%
Translation expenses	16,455	22,867	-28%	30,000	30,000	0%
Travel expenses	1,221,891	52,111	2245%	1,750,000	1,066,700	64%
TOTAL EXPENSES	**23,881,296**	**17,558,588**	**36%**	**31,184,108**	**33,764,411**	**-8%**
OPERATING SURPLUS/ (DEFICIT)	**939,594**	**4,427,974**	**-79%**	**(966,825)**	**(801,496)**	**21%**
Revaluation of Financial Assets	(4,312,864)	544,971	-891%	(4,312,864)	0	0%
(DEFICIT) / SURPLUS BEFORE TAX	**(3,373,270)**	**4,972,945**	**-168%**	**(5,279,689)**	**(801,496)**	**559%**

Balance Sheet – As at October 2022

Amount (AUD)	As at Oct 2022	Year End Dec 2021	Change $	Change %
CURRENT ASSETS				
Cash/ Term Deposits	10,438,280	11,234,947	(796,667)	-7%
Receivables	2,000,627	1,166,701	833,926	71%
Others	1,427,347	977,210	450,138	46%
TOTAL CURRENT ASSETS	**13,866,255**	**13,378,858**	**487,396**	**4%**
NON-CURRENT ASSETS				
Financial Assets	32,831,784	36,728,127	(3,896,343)	-11%
Property, Plant and Equipment	6,782,585	6,726,989	55,597	1%
Deferred Tax Assets	321,557	321,557	0	0%
TOTAL NON-CURRENT ASSETS	**39,935,926**	**43,776,672**	**(3,840,746)**	**-9%**
TOTAL ASSETS	**53,802,180**	**57,155,530**	**(3,353,350)**	**-6%**
CURRENT LIABILITIES				
Payables	890,174	1,535,635	(645,461)	-42%
Current Provisions	2,957,033	2,700,030	257,003	10%
Unearned Revenue	12,617,419	12,243,099	374,320	3%
TOTAL CURRENT LIABILITIES	**16,464,626**	**16,478,765**	**(14,139)**	**0%**
NON-CURRENT LIABILITIES				
Non-Current Provisions	417,412	383,353	34,058	9%
Deferred Tax Liabilities	1,447,853	1,447,853	0	0%
TOTAL NON-CURRENT LIABILITIES	**1,865,264**	**1,831,206**	**34,058**	**2%**
TOTAL LIABILITIES	**18,329,890**	**18,309,971**	**19,920**	**0%**
NET ASSETS	**35,472,290**	**38,845,560**	**(3,373,270)**	**-9%**
EQUITY				
Share Capital	1	1	0	0%
Retained earnings	38,845,559	34,176,882	4,668,677	14%
Net (Deficit)/ Surplus	(3,373,270)	4,668,677	(8,041,947)	-172%
TOTAL EQUITY	**35,472,290**	**38,845,560**	**(3,373,270)**	**-9%**

APNIC

34

QUESTIONS?

APNIC

Agenda Item 10
APNIC Foundation update

Foundation Update

EC meeting

(Kathmandu Hybrid)

5 December 2022

Duncan Macintosh

Foundation CEO

Key Points

1   Q3 Board meeting report including Board candidate update

2   2023 Trust grant agreement

3   New donor update

Q3 Board meeting

➢ Concurrent meeting of AFA and AFHK

➢ Danish Lakhani continues as chair.

➢ First FtF meeting since 2019 (Sharad was remote)

➢ The meeting noted Edward Tian's resignation from AFHK Board.

➢ Two workshops were held on the development of a risk register and revised fund raising strategy plus a presentation on the whistle blower policy

[Confidential information redacted]

[Confidential information redacted]

[Confidential information redacted]

Q4 Board meeting

➢ To be held virtually on Saturday, 10 December

➢ Agenda includes:
1. CEO report
2. Presentation of proposed 2023 APIDT grant agreement for consideration and approval
3. Finance report including presentation of proposed 2023 operational budget for consideration and approval
4. Presentation of proposed 2023 operational plan for approval
5. Presentation of revised fundraising strategy
6. Discussion of Board selection criteria and candidates
7. Risk register discussion
8. Board meeting dates in 2023 and format (virtual and/or FtF)
9. AoB (sanctions update)

APNIC
FOUNDATION

2023 Trust grant agreement

APNIC-led projects:

1. APNIC Academy platform and curriculum development

2. Training delivery and community trainers

3. Curriculum development for non-technical audiences

4. Cybersecurity: Honeynet and threat sharing

5. M-Root deployment

6. Research and Internet measurement

(Registry graph database project dropped for funding)

APNIC FOUNDATION

2023 Trust grant agreement

Foundation-led projects – add a sentence on expected outcome:

1. Information Society Innovation Fund (ISIF Asia)

2. Foundation grants

3. Switch! – Professional development for women and gender diverse in SE Asia

4. Afghan mentoring network

5. Trust Discretionary Funds

6. Asian Internet Interconnection Initiatives (AI3) and School of Internet Asia (SOI Asia)

APNIC
FOUNDATION

2023 Trust grant agreement

Summary by Projects (USD)

Project Name	2022 Budget Project Total	2022 Forecast Project Total	2023 Budget Project Total	2023 OH %	2023 OH $	2023 Budget Project+Overhead
APNIC Academy Platform and Curriculum Development	1,170,000	528,620	1,021,545	15%	153,232	1,174,777
Training delivery & Community Trainers	1,378,000	1,067,911	1,223,439	15%	183,516	1,406,955
Curriculum Development for non-technical Audiences	-	-	55,214	15%	8,282	63,497
Cybersecurity: Honeynet and threat sharing	57,000	45,977	53,130	15%	7,970	61,100
M-Root Deployment	1,366,000	329,084	725,840	15%	108,876	834,716
Research and Internet Measurement	250,000	108,537	200,000	15%	30,000	230,000
Registry Graph Database	-	-	-	15%	-	-
ISIF Asia (incl. IPv6)	2,748,000	2,589,295	2,718,546	15%	407,782	3,126,327
Foundation Grants	250,000	289,400	303,107	15%	45,466	348,573
SWITCH!	1,096,080	793,321	1,385,946	15%	207,892	1,593,837
Mentoring Network – Afghanistan	240,000	151,715	185,572	15%	27,836	213,408
Trust Discretionary Fund	250,000	245,232	250,000	15%	37,500	287,500
AI3 & SOI Asia	3,782,267	1,394,633	2,846,896	15%	427,034	3,273,930
Project Total	**12,587,347**	**7,543,724**	**10,969,234**		**1,645,385**	**12,614,620**

APNIC FOUNDATION

2023 Trust grant agreement

Summary by project manager (USD)

Envelope Name	2022 Budget Project Total	2022 Forecast Project Total	2023 Budget Project Total
APNIC Projects	4,221,000	2,080,128	3,279,168
Foundation Projects	4,584,080	4,068,963	4,843,170
Keio University Project	3,782,267	1,394,633	2,846,896
Project Total	**12,587,347**	**7,543,724**	**10,969,234**

Proposed 2023 Operational budget

Budget line	2023 Budget Total
Bank Service Fees	3,534
Communication Expenses	3,145
Computer Expenses	23,024
Insurance Expenses	2,374
Staff Event Expenses	1,829
Personnel and Salaries Expenses (Foundation Staff)	705,233
Personnel and Salaries Expenses (APNIC Staff)	188,117
Postage & Delivery	1,060
Professional Fees : Professional Accounts Fees	22,281
Professional Fees : Professional Legal Fees	1,523
Professional Fees : Other Consulting Fees	6,900
Recruitment Expense	-
Staff Training Expense	13,852
Subscription	600
Sundry Expenses	389
Travel - Engagement	69,321
Travel - Fundraising	182,647
Subtotal:	**1,225,829**

APNIC FOUNDATION

New donors

Donor and project	Project funding	Overhead	Total
2022			
KDDI Foundation: Technical training Laos	29,900	2,990	32,890
2023			
USAID: Technical training in the Philippines	89,700	8,970	98,670

APNIC FOUNDATION

New donor

USAID- BEACON project
Technical training
MoU signed
Manila, Philippines
14 November

[Confidential information redacted]

[Confidential information redacted]

Thank you!

To know more about our work
https://www.apnic.foundation
Twitter @ApnicFoundation
FB ApnicFoundation
LinkedIN apnic-foundation
YouTube https://bit.ly/3A8qDJD

ISIF Asia | https://isif.asia
Twitter @ISIF_Asia
FB ISIF.asia

Questions?

Agenda Item 11
APIDT update

APIDT Update

APNIC EC Retreat – December 2022

APIDT Update

- Funding Activities
  - ARENA-PAC
  - APNIC Foundation
- Investments
  - Investment Advisory Council
  - Fund Performance
- Operations
  - Activities
  - APIDT Resourcing
- Financial Performance

ASIA PACIFIC
INTERNET
DEVELOPMENT
TRUST

Funding Activities –
ARENA-PAC

IRU Agreements

– IRU – Tokyo -> Guam Live

– IRU – Guam -> Singapore Live

– IRU - Guam -> Indonesia, Signed in Bali– awaiting activation

– IRU - Guam -> Philippines, Final negotiations, expected to be signed in December

– Equipment Purchase – Tokyo/Guam/Philippines/Indonesia

  • Equipment arrived in Tokyo - November

  • Equipment being rolled out to locations

– Working with ARENA-PAC colleagues on the set-up of a local service company in Japan
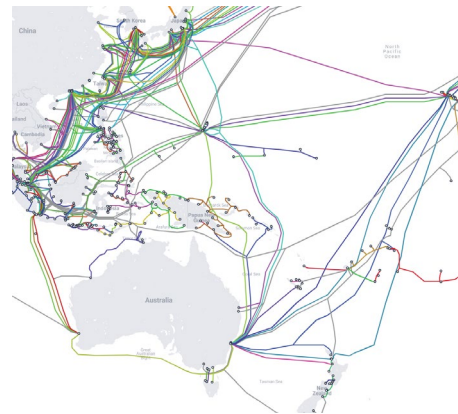
Funding Activities –
APNIC Foundation

APNIC Foundation Grants 2022:

– Foundation Grant request for 2022 - $14,357,603 USD

– Tranche 1 - $8,614,562 USD paid in April

– Latest Forecast for 2022 (August 2022) - $10,223,524 USD

– Tranche 2 Estimate (December 2022/Jan 2023) - $1,608,962 USD

APNIC Foundation Grants 2023:

– APIDT approved Grant Request 30/11/2022

– Total request approved – USD $12.6M

– Tranche 1 – USD $7.6M – Feb 2023

ASIA PACIFIC
INTERNET
DEVELOPMENT
TRUST

4
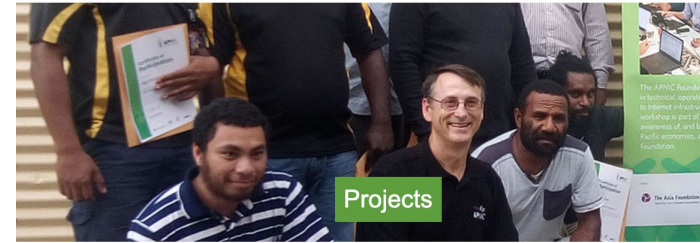
Investments
Investment Advisory Council

Investment Advisory Council
- Oki Matsumoto – CEO Monex Group Inc.
- Andrew Page - Senior Private Banker at Westpac Private Bank
- Jun Murai
- Paul Wilson

IAC Activities
- Established a default "Yield" portfolio similar to the APNIC Investment Fund profile for the initial investment but in USD
- IAC sub-committee worked with Credit Suisse to finalize the APIDT Investment policy statement, approved by the APIDT Board in October and now in implementation phase
  - Split into Liquidity Fund and Endowment Fund, strong focus on ESG/RI
- Since the end of April 2021, $396M USD transferred to the Fund
- The IAC meets Quarterly

Purchase of Property $15,242,000 AUD – Approx. $11,200,000 USD
- Funded from the USD Account ($1.43M AUD GST refund received)
- Master plan for the site completed, Architects engaged for Design, Documentation, Interiors, and Project Management
- Current tenant has leaseback until 31 December 2022, with extension up to the end of March 2023, in negotiation.

Investments
Fund Performance

CREDIT SUISSE

2. Analyses
2.1. Performance

Performance Details
Period 1.11.2021 - 25.11.2022

	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22	May 22	Jun 22	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22
Ending Market Value	401,682,475	405,886,995	393,321,100	387,502,534	386,454,043	370,261,958	368,754,831	353,684,316	365,276,325	358,897,950	341,829,170	344,706,648	357,592,822
Beginning Market Value	404,845,104	401,682,475	405,886,995	393,321,100	387,502,534	386,454,043	370,261,958	368,754,831	353,684,316	365,276,325	358,897,950	341,829,170	344,706,648
Asset Flows including	0	-26,790	0	0	-26,993	0	0	-25,305	0	0	-23,386	0	0
Inflows	0	0	0	0	0	0	0	0	0	0	961	240,000	0
Outflows	0	0	0	0	0	0	0	0	0	0	0	-240,000	0
Net Non-Investment Flows	0	0	0	0	0	0	0	0	0	0	0	0	0
Taxes	0	-26,790	0	0	-26,993	0	0	-25,305	0	0	-24,348	0	0
Flow Adjusted Value Change	-3,162,629	4,231,309	-12,565,895	-5,818,566	-1,021,498	-16,192,085	-1,507,127	-15,045,209	11,592,009	-6,378,374	-17,045,394	2,877,478	12,886,174
■ Portfolio Return – net	-0.78%	1.05%	-3.10%	-1.48%	-0.26%	-4.19%	-0.41%	-4.08%	3.28%	-1.75%	-4.75%	0.84%	3.74%
— Cumulative Portfolio Return	-0.78%	0.26%	-2.84%	-4.28%	-4.53%	-8.53%	-8.90%	-12.62%	-9.76%	-11.33%	-15.54%	-14.83%	-11.65%

2. Analyses / 2.1. Performance

ASIA PACIFIC INTERNET DEVELOPMENT TRUST

6
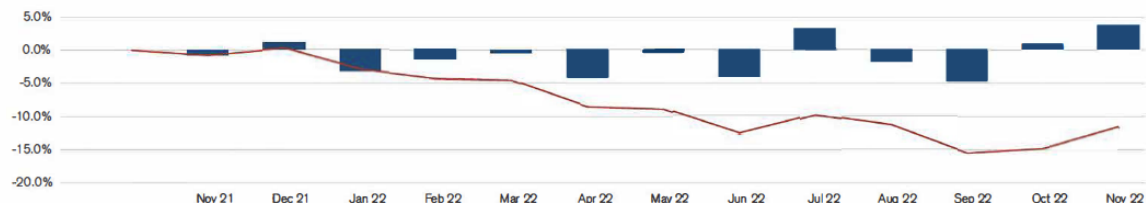
Operations
Activities

- KPMG scheduled to complete second external audit (01-Jul-2021 to 31-Dec-2022)
    - Planning meetings completed with EY & KPMG
    - Audit commencing next week
- Second ACNC (Australian Charities and Not-for-Profit Commission) annual Information statement due 30 June 2023
    - In line with ACNC approval for APIDT to move to calendar year reporting in line with Foundation and APNIC reporting periods
- Logo design and CI complete
- Master Plan concept development completed, design and documentation has commenced with the final contract agreed with Architects
- Budget planning for 2023 underway

ASIA PACIFIC INTERNET DEVELOPMENT TRUST

Operations
Resourcing

- Craig Ng - Legal Counsel, engaging other specialist legal advice when required

- EY provide ongoing financial services and preparing for Statutory Reporting, GST reporting and the ACNC annual information statement

- Irene Chan assisting 1 day per week since February, will move to 3 days in 2023.

- Kim Park to act in role as Advisor on the building project, initially 1-2 days per week

- New Admin role (Part –time) planned for 2023

- Ongoing support from APNIC

YTD Financial Performance

Consolidated Statement of Profit or Loss
Asia Pacific Internet Development Trust and its controlled entity
1 January 2022 to 31 October 2022

Income	Total Jan - Oct 22 USD	Budget USD Jan - Oct 22	Var to Budget Jan - Oct 22	% Variance
Investment income				
Interest Income	56,529	71,150	(14,621)	-21%
Investment Dividend Income	2,064,036	2,559,330	(495,294)	-19%
Unrealised Foreign Currency Gain	-	-	-	0%
Realised Foreign Currency Gain	315,272	-	315,272	0%
Gain from Market Value Adjustment	-	15,592,290	(15,592,290)	-100%
Less: Investment Management Fees	(856,460)	(938,854)	82,394	-9%
Less: Interest Paid	(961)	-	(961)	0%
Total Investment Income after fees	**1,578,417**	**17,283,916**	**(15,705,499)**	**-91%**
Other income				
Outgoing Recoveries Income	46,503	-	46,503	0%
Other income	7	-	7	0%
Total Other Income	**46,510**	**-**	**46,510**	**-**
Total Income	**1,624,927**	**17,283,916**	**(15,658,989)**	**(1)**

Expenses				
Funding Expenses				
Grants - APNIC Foundation	8,390,156	14,357,603	(5,967,447)	-42%
APIDT Infrastructure - IRU Operating & Management Fees	132,944	263,962	(131,017)	-50%
APIDT Infrastructure - IRU Amortisation of Investments	123,100	598,175	(475,075)	-79%
Depreciation Expenses - ARENA-PAC Equipment	-	189,583	(189,583)	-100%
Total Funding Expenses	**8,646,200**	**15,409,323**	**(6,763,123)**	**-44%**
Operating Expenses				
Accounting Fees	80,198	89,720	(9,522)	-11%
Staffing & Professional Fees	159,409	239,450	(80,041)	-33%
Insurance Expenses	18,728	12,670	6,058	48%
Legal Fees	76,927	89,130	(12,203)	-14%
Travel expenses	22,088	125,000	(102,912)	
Membership Fees	8,202	7,873	329	4%
Depreciation	1,181	1,250	(69)	-6%
Other Operating Expenses	17,033	20,830	(3,797)	-18%
Total Operating Expenses	**383,766**	**585,923**	**(202,157)**	**-35%**
Total Funding and Operating Expenses	**9,029,965**	**15,995,246**	**(6,965,281)**	**-44%**

Surplus/(Deficit) - Investing, Funding and Operating	**(7,405,038)**	**1,288,670**	**(8,693,708)**	

Other Expenses				
Direct Recoverable Expenses	47,711	-	47,711	0%
Loss from market value adjustment	62,371,073	-	62,371,073	0%
Unrealised Foreign Currency Loss	65,136	-	65,136	0%
Realised Foreign Currency Loss	-	-	-	0%
Loss on Sale of Intangible Asset	-	-	-	0%
Total Other Expenses	**62,483,919**	**-**	**62,483,919**	**0%**
Total Expenses	**71,513,884**	**15,995,246**	**55,518,638**	

Surplus/(Deficit)	**(69,888,957)**	**1,288,670**	**(71,177,627)**	

ASIA PACIFIC INTERNET DEVELOPMENT TRUST

Consolidated Statement of Financial Position
Asia Pacific Internet Development Trust and its controlled entity
As at 31 October 2022

	Oct-2022
	USD
Assets	
Bank	
Business One	1,017,618
Westpac USD	3,797,416
Term Deposit 02	1,506,862
Term Deposit 03	-
Term Deposit AUD	-
Total Bank	**6,321,896**
Current Assets	
Cash on Hand	156
Accounts Receivable	-
Accrued Interest	2,763
Prepayments	15,193
Other Receivables	-
Intangible Asset - held for sale	-
Total Current Assets	**18,111**
Right-of-Use Assets	
Right-of-Use Assets - JGA-N	1,434,022
Right-of-Use Assets - Guam-SG	504,942
Right-of-Use Assets - Guam-Malang	1,159,183
Total Right-of-Use Assets	**3,098,146**
Fixed Assets	
Network Server System	986,258
Accumulated Depreciation - Network Server System	-
Plant & Equipment	3,866
Less Accumulated Depreciation on Plant & Equipment	(1,181)
Total Fixed Assets	**988,943**
Investment Property	
Acquisition costs	720,133
Purchase price	10,711,930
CAPEX - Professional Fees	35,631
Suspense	-
Total Investment property	**11,467,693**
Investment portfolio	
Investment Portfolio	397,727,153
Market Value Adjustment	(53,020,505)
Total Investment portfolio	**344,706,648**
Total Non - Current Assets	**360,261,430.24**
Total assets	**366,601,438**
Liabilities	
Current Liabilities	
Accounts Payable	7,367
Accrued Expenses	194,192
GST	(27,601)
PAYG Withholdings Payable	6,955
Provision for Annual Leave	15,135
Provision for Long Service Leave	2,608
Superannuation Payable	-
Wages payable	-
Total liabilities	**198,655**
Net Assets	**366,402,783**
Trust Funds	
Capital Contributed	440,716,493
Accumulated Surplus/(Deficit)	(74,313,774)
Settlement Sum	64
Total Trust Funds	**366,402,783**

Building purchase and acquisition costs

Investment write-down

GST Refunds due

Notes:
1. Figures converted into United States Dollar using the following rate:
0.637824 USD United States Dollar per AUD. Rate provided by XE.com on **31 October 2022**.

Statement of Financial Position

ASIA PACIFIC
INTERNET
DEVELOPMENT
TRUST

- Questions

ASIA PACIFIC INTERNET DEVELOPMENT TRUST

Agenda Item 14
Secretariat report

APNIC Secretariat Report

1 January – 31 October 2022

CONFIDENTIAL DRAFT 1.0

Contents

Figures

Tables

Executive Summary

Introduction

This report is provided to the APNIC Executive Council (EC) for the quarterly meeting on 5 to 7 December 2022. It provides a summary of activities from 1 January to 31 October 2022.

The structure of this report reflects the APNIC Strategic Plan 2020-2023 and the 2022 Activity Plan, with activities reported according to Strategic Pillar and Workstream, and against their Success Indicators.

Feedback on this report is very welcome.

Highlights

The following is a summary of significant highlights for the year to date, also grouped according to Strategic Pillar.

Membership

- The Helpdesk met its SLA (99.99%) and service satisfaction ratings exceeded 95% (1A.1).
- There were 240 Member Services engagements across 30 economies covering RPKI, transfers, technical assistance, and the historical resources transition. (1A.1).
- APNIC welcomed 19 IDNIC staff for three days of operational meetings (1A.1).
- All 817 feedback items from Members requiring action were resolved (1A.2).
- The User Feedback Group is now part of Orbit and has 498 members (1A.2).
- The usability score (SUS) for the APNIC website was 68/100 after improvements were made (1A.2).
- 354 (net) new Members brought total APNIC membership to 9,122 (1A.3).
- The APNIC Survey 2022 was completed, and the results were released at APNIC 54 (1A.4).
- Attempted contact with 3,449 historical resource holders, with 2,452 still unresponsive (1A.5).
- Achieved a satisfaction rating of 81% for MyAPNIC and maintained MyAPNIC availability of 99.99% (1B.1).
- The migration was completed of more than 60,000 SSO users from Keycloak to Okta (1B.1).
- Eduroam API using Okta SSO was developed and provided to the Academy team (1B.2).
- ARMS improvements included conversion of historical resource holders to Associate Members, and distinguishing between historical resource accounts from other accounts easily (1B.2).
- Of the Membership Products Roadmap goals for 2022, 10 have been completed and 2 are in progress.

Registry

- The percentage of Members holding IPv6 addresses reached 69.97% (2A.1).
- The IRT validation rate was 81% (2A.2).
- An NIR services API was deployed (2B.2)
- The route management pre-validation feature is pending final testing (2B.3).
- A prototype APNIC Registry API was deployed for public testing (2B.4).

- Prop-142, -143, and -144 reached consensus at APNIC 53 and were implemented. Prop-145 and -146 reached consensus at APNIC 54 (2C.1).

- Of the Registry Products Roadmap for 2022, 1 has been completed and 3 are in progress.

Development

- APRICOT 2022 / APNIC 53 attracted 886 participants and achieved an NPS of 60 (3A.1).

- APNIC 54 (co-located with APrIGF 2022 and APSIG 2022) attracted 1,158 participants and an NPS of 65 (3A.1).

- APNIC supported 25 technical community events and 12 security community events (sponsorship, training, tech support, presentations, and so forth) (3C.1) and (3C.2).

- The NRO EC agreed a new Strategic Plan, which includes three programs – RPKI, Cybersecurity and Government Engagement (3C.3).

- Staff participated in 22 NRO CG meetings (3C.3).

- Staff supported 11 national and sub-regional Internet governance events (3C.4) and participated in 21 engagements with governmental and intergovernmental organizations, including the ITU Plenipotentiary Conference 2022 (3C.5).

- Staff participated in 298 events, recorded 376 community engagements and 1,035 touchpoints. Staff attended 133 events (44.6%) physically (3C.6).

- 27 out of 30 fellows (87%) completed the full 2022 fellowship program. The NPS was 100 (3D.3).

- An MVP of Orbit (the new online community platform) was launched at APNIC 54. All mailing lists have been migrated to the new platform (3D.4).

- APNIC Academy added 11 new labs to its online catalogue and deployed a new version of eduroam to eligible Academy users (3E.1).

- 121 instructor-led training courses were delivered to 3,089 attendees, and 16 webinars to 975 attendees (3E.2).

- India (3,232), Indonesia (1,925), Bangladesh (1,205), Australia (761) and Viet Nam (421) led the economies with number of networks with ROAs (3C.6).

- The Retained Community Trainer program was introduced, with five CTs recruited (3E.4).

- IPv6 capability in the Asia Pacific reached 41.43% (3E.7).

- The number of honeypot sensors for the Community Honeynet and Security Threat Sharing Platform increased to 100 (3F.2).

- M-root was deployed in Guam, Hanoi, and Kuala Lumpur, with the M-root servers deployed in 11 locations (3F.3).

- Of the Academy Products Roadmap for 2022, 4 are completed and 1 is in progress.

Information

- The Blog averaged 79,110 views per month, 15.1% above 2021's monthly average of 68,721 (4A.1).

- Twenty-one episodes of the 'PING' Podcast were published, attracting 9,313 'impactful plays' (4A.1).

- New alerts were released in DASH; user interface improvements were deployed in REx, and a 'comparison' feature and improvements to service stability were deployed for NetOX (4A.2).

- Thirty-one APNIC Labs research articles were published, and 34 research presentations delivered (4B.3).

- Of the Information Products Roadmap, 4 were completed and 1 is in progress.

Capability

- New RDNS anycast nodes were deployed in 7 locations: Mumbai, Bangalore, Tokyo, Melbourne, San Jose, New Jersey, and Miami (5A.3).

- A new HSM is being configured for RPKI to allow data centre failover (5A.3).

- Successfully completed the external audit and achieved certification of ISO 27001 Information Security Management System (ISMS) (5A.4).

- Rolled out Sage People HR, with automation by internal Okta (5A.5).

- Several email system improvements were implemented including deployment of SMTP-TLS reporting, MTA-STS email standard, DKIM standard digital signature, and SFP for permitted senders (5A.6).

- A Member payments and billing survey revealed 90% of respondents rated their experience with APNIC as 4/5 (5B.2).

- The 'Glint' staff survey reported an engagement level of 83%, exceeding the global benchmark of 76% (5C.1).

- Preparations were started for the future move to new APNIC premises (5C.5).

- Recertification for ISO 9001 compliance was achieved (5D.2).

- A new Whistleblower Policy was developed and launched, and an external provider engaged (5D.2).

Budget Performance

The following table summarizes budget performance to date, for PY (staff time) allocation, and operational and capital expenditure, across all workstreams.

Pillar	Workstream	PY			Expense			Capital		
		Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
Membership	Member Services	14.67	14.84	-1%	2,380,483	2,187,135	-8%	-	-	0%
	Membership Products	9.40	8.15	-13%	1,451,943	1,329,832	-8%	-	-	0%
	Membership Reporting	0.87	1.25	44%	547,766	571,162	4%	-	-	0%
Registry	Registration Services	5.11	5.65	11%	599,163	616,961	3%	-	-	0%
	Registry Products	9.30	7.40	-20%	2,092,540	1,905,755	-9%	230,000	2,002	-99%
	Policy Development	0.75	0.76	1%	328,163	375,102	14%	-	-	0%
Development	APNIC Conferences	4.15	4.83	16%	1,108,333	1,412,938	27%	43,000	51,197	19%
	Foundation Support	1.31	1.44	10%	206,271	0	-100%	-	-	0%
	Community Engagement	4.71	5.70	21%	1,354,958	1,530,006	13%	-	-	0%
	Community Participation	1.95	2.53	29%	347,692	311,408	-10%	-	-	0%
	APNIC Academy	19.58	11.84	-40%	4,168,410	3,023,810	-27%	25,000	3,217	-87%
	Internet Infrastructure Support	2.90	1.01	-65%	2,034,237	663,930	-67%	60,000	-	-100%
Information	Information Products	8.87	7.55	-15%	1,131,665	1,119,495	-1%	-	-	0%
	Research and Analysis	0.87	1.07	23%	880,671	754,540	-14%	123,000	55,517	-55%
Capability	Internal Technical Infrastructure	16.81	14.96	-11%	3,236,235	2,607,468	-19%	553,900	374,007	-32%
	Finance and Business Services	12.09	12.64	5%	2,286,592	2,663,693	16%	40,000	7,381	-82%
	Employee Experience	7.19	6.13	-15%	2,247,983	2,085,283	-7%	387,500	105,588	-73%
	Governance	1.68	2.22	32%	625,538	722,781	16%	-	-	0%
		122.21	**109.96**	**-10%**	**27,028,643**	**23,881,296**	**-12%**	**1,462,400**	**598,908**	**-59%**

Notes: 🟩 >5% below 🟩 within 5% 🟨 6-25% above 🟧 26-50% above 🟥 > 50% above variance

Table 1: Budget performance

Success Indicators

The APNIC annual plan included 138 Success Indicators representing specific goals for activities within the plan. The status of Success Indicators, at time of writing, is represented by a coloured circle as follows.

🟢 Completed

🟠 In progress

🔴 At risk

Pillar	Completed 🟢	In progress 🟠	At risk 🔴
1. Membership	6	8	6
2. Registry	4	13	0
3. Development	24	17	10
4. Information	8	3	1
5. Capability	8	27	3
TOTAL	50	68	20
Percentage	36%	49%	15%

At Risk

At time of writing, 20 success indicators (15% of total) are considered to be "at risk".

1   Membership

Indicator	Detail	Result
1A.1-4	Proactive Member service engagement in at least 47 economies.	30 economies
1A.3-2	Achieve at least 492 new Members (net) in 2022.	354 (net)
1A.4-1	Increase total survey response by at least 10% from 1,624 in 2020.	1,622 responses
1A.5-1	Attempt contact with all historical resource holders.	997/3,449
1A.5-2	All 7,341,824 historical IPs are either registered to a current APNIC account or deregistered.	In progress
1A.5-3	All remaining unused resources are claimed, transferred, or returned to APNIC.	In progress

2   Registry

- None.

3   Development

Indicator	Detail	Results	Status
3C.3-2	Participate in all RIR Open Policy Meetings.	7/8 completed	🔴
3D.1-2	Achieve at least 120 online participants across at least four intersessional SIG meetings.	2 meetings/55 participants	🔴
3E.4-1	Recruit at least 12 new retained CTs.	5/12	🔴
3E.4-2	Recruit at least 10 new volunteering CTs.	3/10	🔴
3E.9-1	Release phase 1 of IPGO (an MVP) by June 2022.	Delayed till 2023	🔴
3F.1-2	Support at least four IXPs to deploy ROV.	1/4	🔴
3F.1-3	Deploy at least four root servers per sub-region, including M-Root servers.	2/4 SEA 0/4 SA 0/4 EA 1/4 OC	🔴
3F.1-4	Deploy or upgrade at least one RIPE Atlas anchor per sub-region.	1/4	🔴
3F.3-1	Complete 10 M-Root server deployments commenced in 2021.	3/10	🔴
3F.3-2	Identify and prepare at least 15 additional M-Root server sites.	1/15 8 in negotiation	🔴

4   Information

Indicator	Detail	Results	Status
4A.2-3	Achieve a NPS of 60+ for all products.	REx: 38 DASH: 50 NetOX: 38	🔴

5   Capability

Indicator	Detail	Results	Status
5B.4-1	100% automation of monthly Secretariat reporting data/charts from the BI system.	60% complete	🔴
5C.4-3	Payroll review completed by end of Q3 2022.	On hold	🔴
5C.5-1	Complete all budgeted facility upgrades by end of Q3 2022.	In progress	🔴

1   Membership

1A   Member Services

Operations

1A.1   Member service delivery

Objective: Deliver excellence in service to APNIC Members.

Service requests SLA

- The SLA to respond to Member queries within 48 hours (two working days) has been 99.99% met.

Service satisfaction ratings

- 95.5% of service satisfaction ratings (636/664 requests) were either 'Excellent' or 'Above Average'.

- Follow up of all 'Poor' ratings revealed six were submitted in error when completing the feedback form (the form was improved in January to reduce the chances of error).

- Other 'poor' ratings included eight requests that were out of scope for the APNIC Helpdesk, and six requests by Members with additional questions (all resolved).
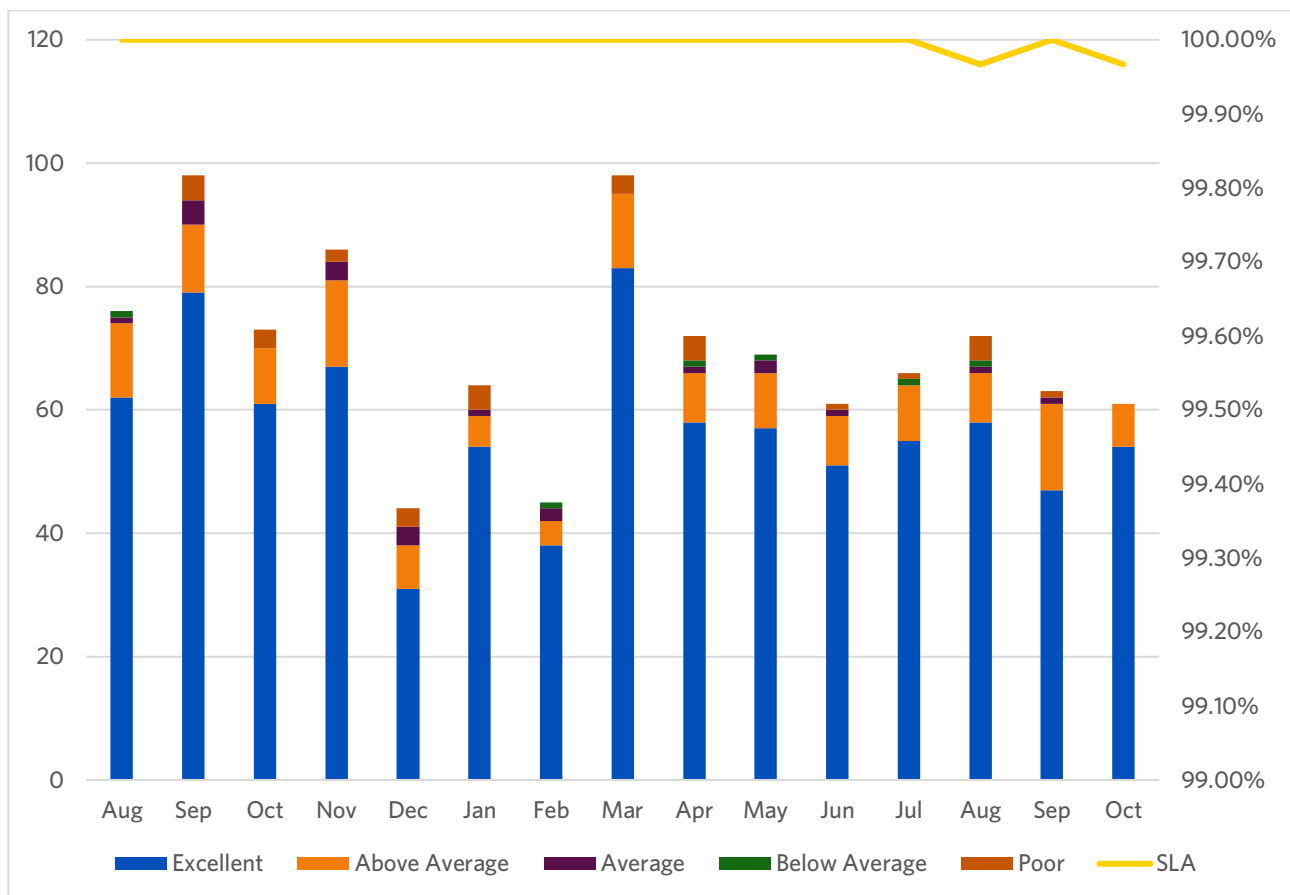
Figure 1: Service SLA and satisfaction

Member Outreach

- There were 240 Member Services engagements across 30 economies, covering RPKI, resource transfers, technical assistance, awareness of upcoming events, and the historical resources transition project. High interest from Bangladesh (consistent with the economy's growth profile) and BDNOG interactions account for its elevated touchpoint count.

- APNIC welcomed 19 members of IDNIC staff for three days of meetings in Brisbane in June and July. The meetings included discussion of registry operation, hostmaster/member services, community development, conferences, security, and product management.

- The Services team supported and participated in 55 events.
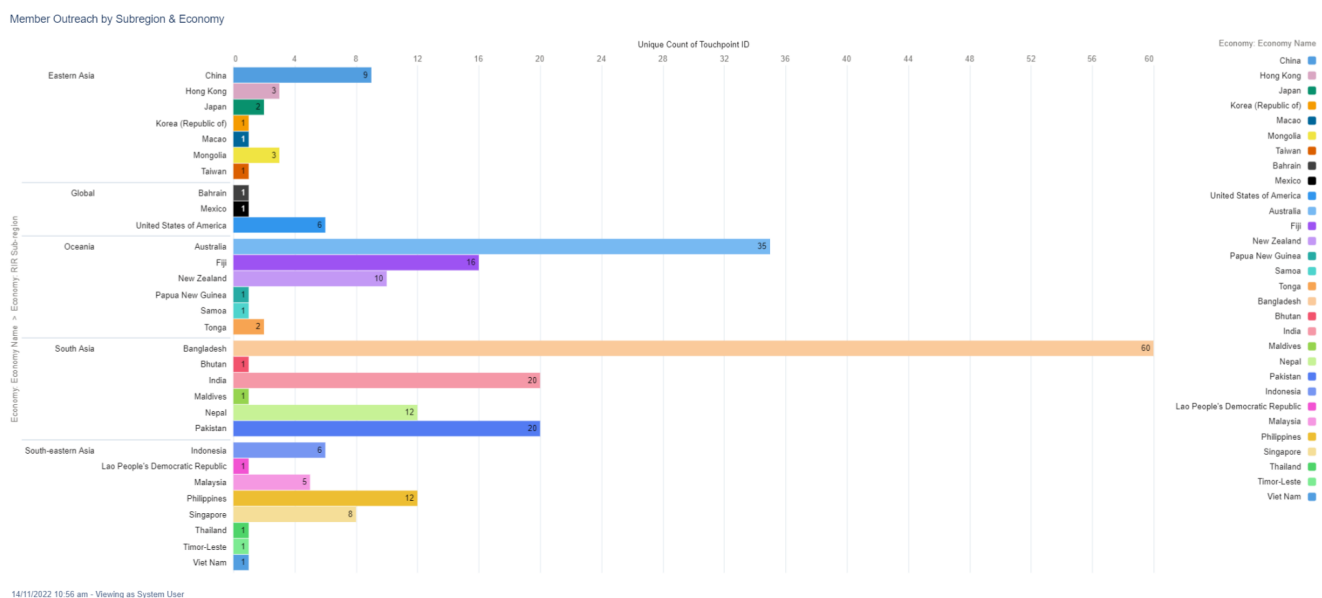
Figure 2: Member outreach touchpoints per economy

Fraud Handling

- Fraud cases remained low, with most involving attempts to open APNIC accounts with fabricated documents.

Type	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct
Identity theft	-	-	-	-	-	-	-	-	-	-
Fabricated documents	2	5	8	5	2	-	2	-	3	-
Fabricated needs	1	1	-	-	-	-	-	-	-	-
Total fraud cases	3	6	8	5	2	-	2	-	3	-

Table 2: Fraud cases

	Success Indicators – 1A.1.	Results	Status
1	Increase Member outreach touchpoints by at least 20% from 148 in 2021.	237 touchpoints	🟢
2	Maintain Helpdesk SLA of two business day response to enquiries.	99.99%	🟠
3	Maintain Member Service satisfaction of at least 93% "excellent and above average".	95%	🟠
4	Proactive Member service engagement in at least 47 economies.	30 economies	🔴
5	Conduct quarterly meetings with all NIRs.	Q1, Q2 and Q3 completed	🟠

1A.2   Member experience

Objective: Members and the community enjoy a positive user experience and can easily provide feedback across all APNIC products and services.

Feedback Summary

- Members and the community provided 3,098 feedback items, with 817 requiring action (investigating, monitoring, or fixing the issue). All have been resolved.

- Feedback topics included suggestions to improve payments and billing, conferences, website user experience, and training.
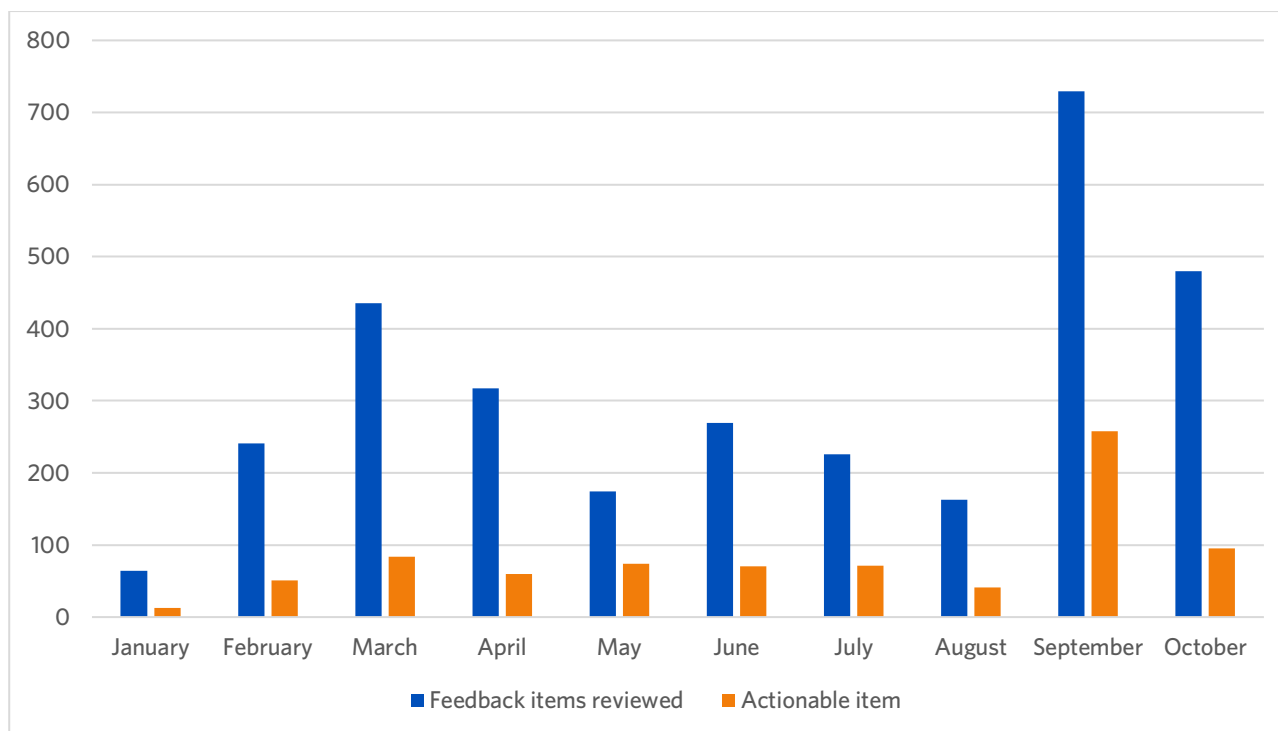
Figure 3: Feedback Received/Actionable

User Feedback

- Community members are encouraged to join the voluntary User Feedback Group to provide views on product development. This group is now part of Orbit and has 498 members.

- There have been 402 feedback engagements (user experience tests, surveys, and one-on-one interviews) with Members. Research was conducted on APNIC website usability, payments and billing, contact management, and design improvements on the APNIC Academy.

Website Usability

- A baseline System Usability Scale (SUS) score of 67/100 for the website was recorded in February. After improvements to page design, content, and navigation (including mobile), the re-test scored 68/100.

	Success Indicators – 1A.2.	Results	Status
1	100% of improvement suggestions are assessed and followed up.	817/817 resolved	🟠
2	Increase engagement with User Feedback Group at least 20% from 298 in 2021.	402 activities	🟢
3	Achieve online System Usability Scale (SUS) score of 68/100.	68/100	🟢

1A.3   Membership development

Objective: Ensure organizations that may need APNIC products and services can discover and access them easily.

- New Member outreach was conducted at the ITCN Expo in Pakistan, PCTA in the Philippines, CommunicAsia in Singapore, bdNOG 14 in Bangladesh, SANOG 38 in Nepal, and APNIC 54 in Singapore.

- A total of 628 new Members joined APNIC, including five from Service Partners and 13 from Member referrals. The net new Members added (including closures and reactivations) was 354.
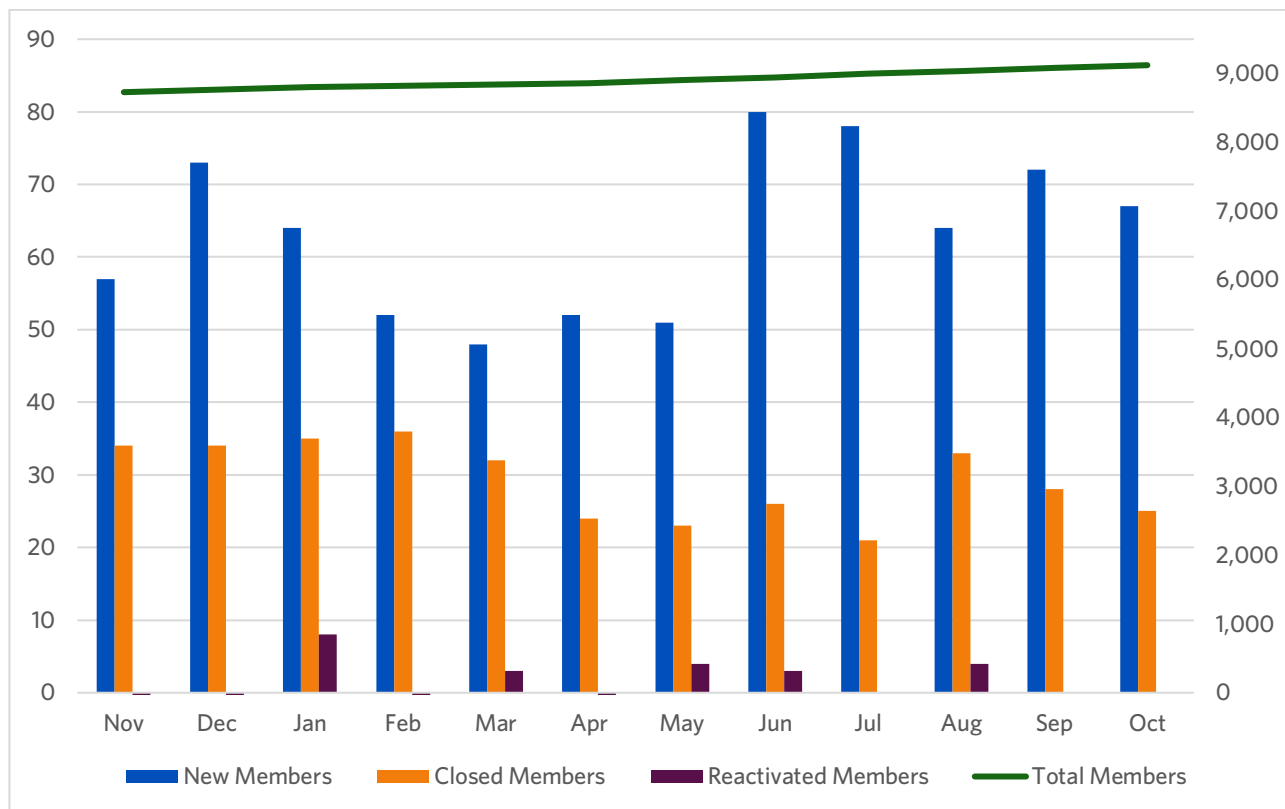
Figure 4: Membership transactions
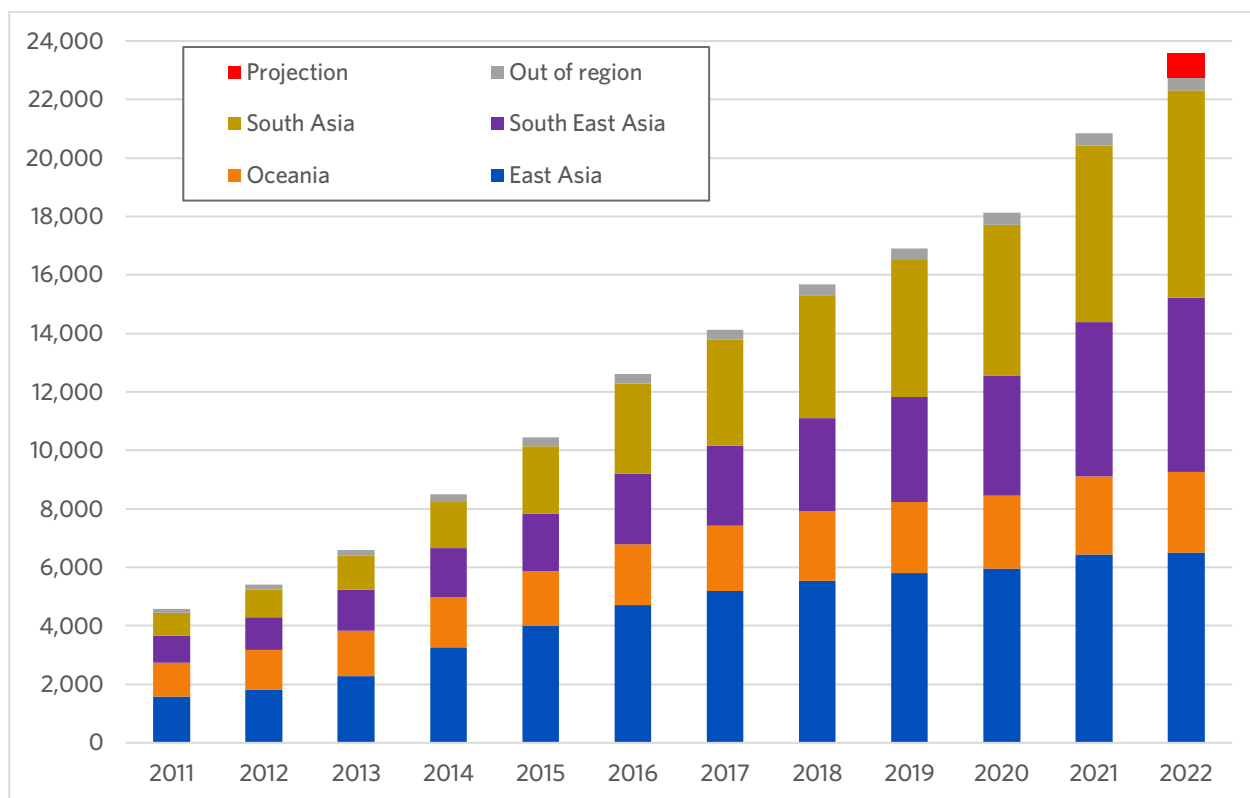
Figure 5: Total membership (APNIC + NIR, by subregion)
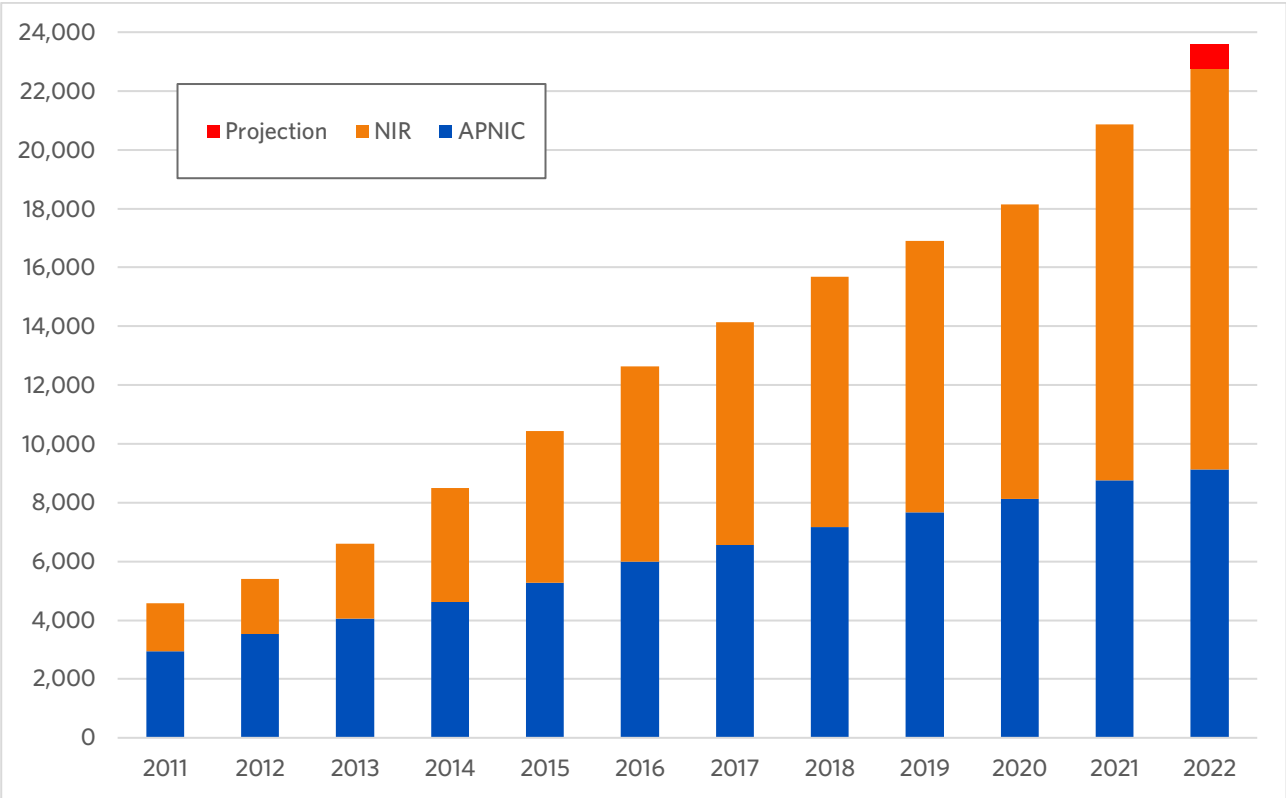
Figure 6: Total membership (APNIC + NIR)
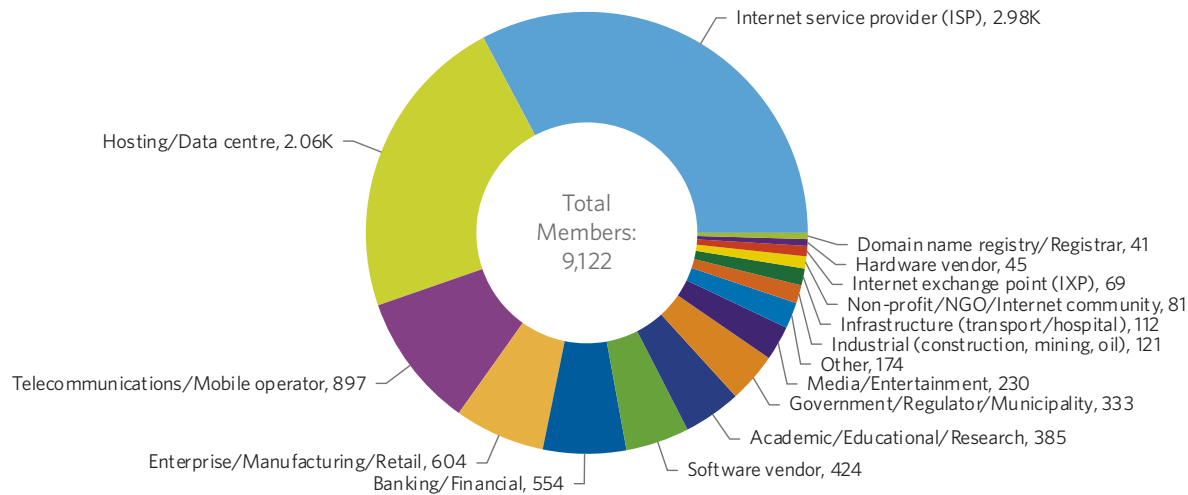
Figure 7: APNIC membership by industry type

	Success Indicators – 1A.3.	Results	Status
1	At least eight membership development activities in target economies.	6/8	🟠
2	Achieve at least 492 new Members (net) in 2022.	354 (net)	🔴

1A.4   APNIC Survey

Objective: Update understanding of Member and community needs, and how APNIC can best serve them.

- Survey interviews were completed in April. Thirty-seven interviews were conducted (24 Members, 6 stakeholders, 7 NIRs) across 26 economies.

- The survey questionnaire was developed and released in June (closing in July). A total of 1,622 Members and community stakeholders completed the survey, with 61% being new survey participants.

- The survey results report and interviews report were published and presented at APNIC 54.

	Success Indicators – 1A.4.	Results	Status
1	Increase total survey response by at least 10% from 1,624 in 2020.	1,622	🔴
2	Achieve at least 10% of responses by new survey participants.	61%	🟢

Investments

1A.5   Historical resources transition

Objective: Prepare for transition to new fee structure for Historical Resources from 1 Jan 2023.

- Reviewed and classified 7,341,824 historical IPv4 addresses, originally registered to up to 3,636 different holders, not currently managed under an APNIC account. The total number of holders reduces if multiple claims are made by the same holder.

- Contact is progressing with historical address holders to advise of the new fee structure and help them to establish APNIC membership or return the resources.

	April	July	Oct	Percentage	Addresses
Attempting to contact holders	3,368	2,944	2,452	71%	5,024,000
Uncontactable holders	-	159	343	10%	381,184
Prefixes being claimed by holders	234	293	404	12%	1,043,968
Prefixes no longer needed	16	47	109	3%	34,816
Prefixes retained by holders	18	78	141	4%	857,856
Total number of holders	3,636	3,521	3,449	100%	7,341,824

Table 3: Cases of historical resource holders

	Success Indicators – 1A.5.	Results	Status
1	Attempt contact with all historical resource holders.	997/3,449	🔴
2	All 7,341,824 historical IPs are either registered to a current APNIC account or deregistered.	In progress	🔴
3	All remaining unused resources are claimed, transferred, or returned to APNIC.	In progress	🔴

1B   Membership Products

Operations

1B.1   Membership product management

Objective: Provide products and services that make it easier for APNIC Members to manage their accounts.

- Achieved 81% product satisfaction for MyAPNIC.

- Resolved 310 out of 326 support cases.

- Supported the EC election platform at APNIC 53 for a record 1,270 participating Members, and NRO NC and SIG elections at APNIC 54 for 460 participants.

	Success Indicators – 1B.1.	Results	Status
1	Maintain MyAPNIC availability of at least 99.99%.	99.99%	🟠
2	Achieve Membership Products satisfaction of at least 80%.	81%	🟢

Investments

1B.2   Membership product development

Objective: Develop and improve products and services that make it easier for APNIC Members to manage their accounts.

Roadmap goals completed

Upgrade APNIC Login

- The migration of more than 60,000 APNIC Login SSO users from Keycloak to Okta was completed. Updated the Okta configuration to improve security workflows and reporting, including notification when 2FA is turned off, validation and self-service unlock, and password reset time limits.

Improve EC election proxy appointments feature

- Reduced EC election proxy voting time from 90 seconds to 20 seconds (78% improvement).

Help Centre improvements

- Usability of Help Centre articles was improved by adding visual indicators to distinguish between article types.

Add automated workflow to support the HRM initiative

- Implemented changes to ARMS and billing processes to allow historical resource holders to convert to Associate Members.
- Improved ARMS to allow Helpdesk staff to easily distinguish historical resource holding accounts from other accounts and to update APNIC Login emails within ARMS.

Improve voting eligibility checks

- Created past event visibility for APNIC Login users to check SIG voting eligibility and improved profile management functionality.

Improve the quality and workflow of 'Invalid Contact' report

- Streamlined the 'Invalid Whois Contact' reporting process by providing an instant feedback mechanism for information validated on the form.

Implement a new eduroam API

- An eduroam API using the Okta SSO was developed and provided to the Academy team.

Develop an internal LDC graduation process

- Aspects of the Least Developed Country (LDC) graduation process were automated to eliminate human error.

Overhaul MyAPNIC information architecture

- Information architecture changes to allow Members to better find and complete tasks.
- New profile page now allows users to manage additional profile data and control where the data is displayed

Implement a new MyAPNIC dashboard

- New interface developed, with work progressing on dashboard personalization and the addition of new widgets for products.

Roadmap goals in progress

- Improve MyAPNIC audit and activity logs for Corporate Contacts
- Automatically link eligible contacts to MyAPNIC

	Success Indicators – 1B.2.	Results	Status
1	Achieve all 2022 goals, according to the [Membership Products Roadmap]().	10 completed 2 in progress 1 in backlog	🟠

1C   Membership Reporting

Operations

1C.1   Planning and reporting

Objective: Ensure that APNIC remains fully accountable to its Members by providing timely, complete, and accurate information about all activities.

- The 2022 Activity Plan and Budget and the 2021 Annual Report were presented at the APNIC AGM on 3 March and published online. The Secretariat Report update was presented at the AMM on 15 September.

- All EC Minutes have been published in line with the KPI.

- A public webpage tracking progress against 2022 activities was published and updated.

	Success Indicators – 1C.1.	Results	Status
1	Publish required reports on the day of the APNIC Member Meetings.	Achieved	🟢
2	Publish EC Minutes within two months of each EC meeting.	Achieved	🟠

2   Registry

2A   Registration Services

Operations

2A.1   IPv4, IPv6 and ASN delegation and registration services

Objective: Provide IPv4, IPv6 and ASN delegation and registration services to APNIC Members.

Resource pools

▪ The following table shows the status of all APNIC number resource pools.

	Total at 1 Jan 2022	From IANA	Transfers in	Transfers out	Total at 31 Oct 2022	Total delegated	Total reserved	Total available
IPv4 (/24s)	3,483,932	0	1,920	3,686	3,482,166	3,465,085	6,522	10,559
IPv6 (/32s)	1,067,008	0	0	0	1,067,008	102,844	113,885	850,279
ASNs	29,336	0	3	2	29,337	27,091	0	2,246

Table 4: Resource pool status

IPv4 pool status

▪ The following chart shows the consumption trend of APNIC's IPv4 pool in the past 12 months.
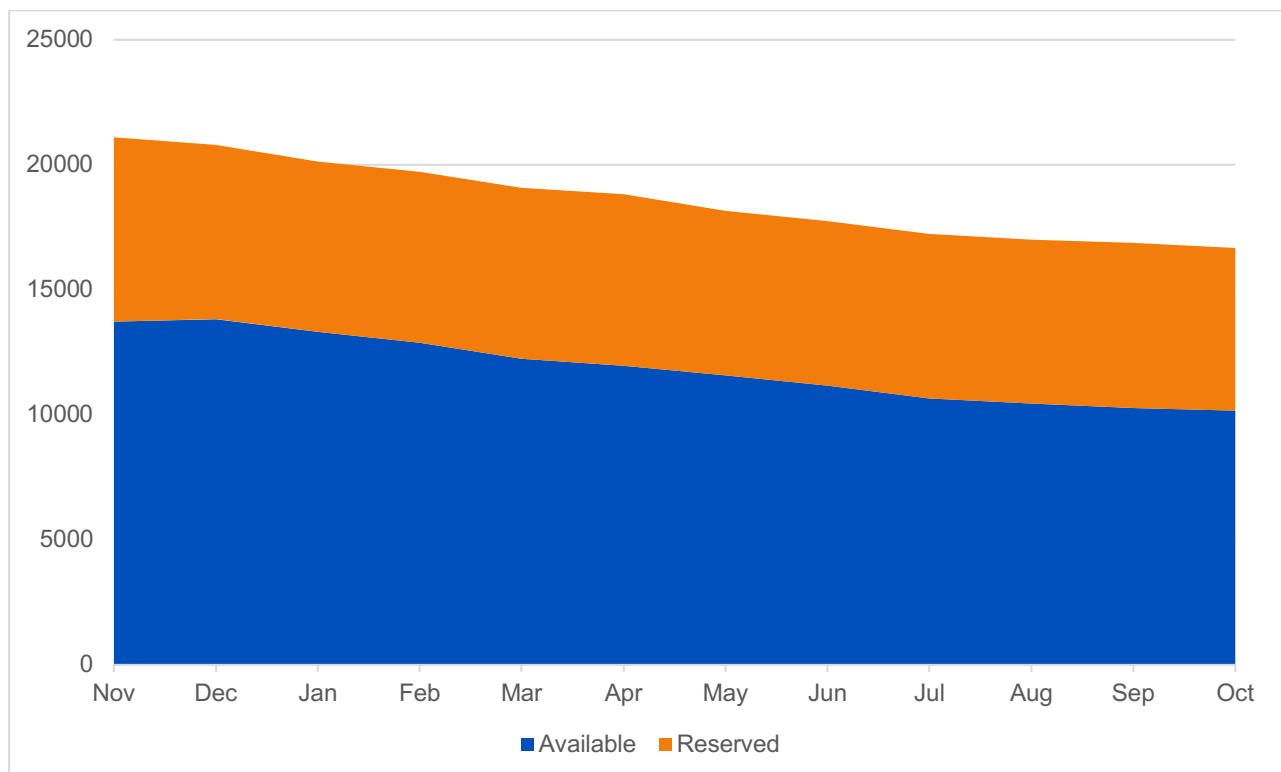
Figure 8: IPv4 pool status (/24s)

IPv4, IPv6 and ASN delegations

- The following graphs show the number of delegations for each resource type by sub-region.

- In Figure 9, the peak in March 2022 was due to large number of IPv4 delegations made by the NIR in India (IRINN). All new requests for IPv4 delegations by IRINN are now forwarded to APNIC for review (second opinion), which has slowed delegations over the last three months.
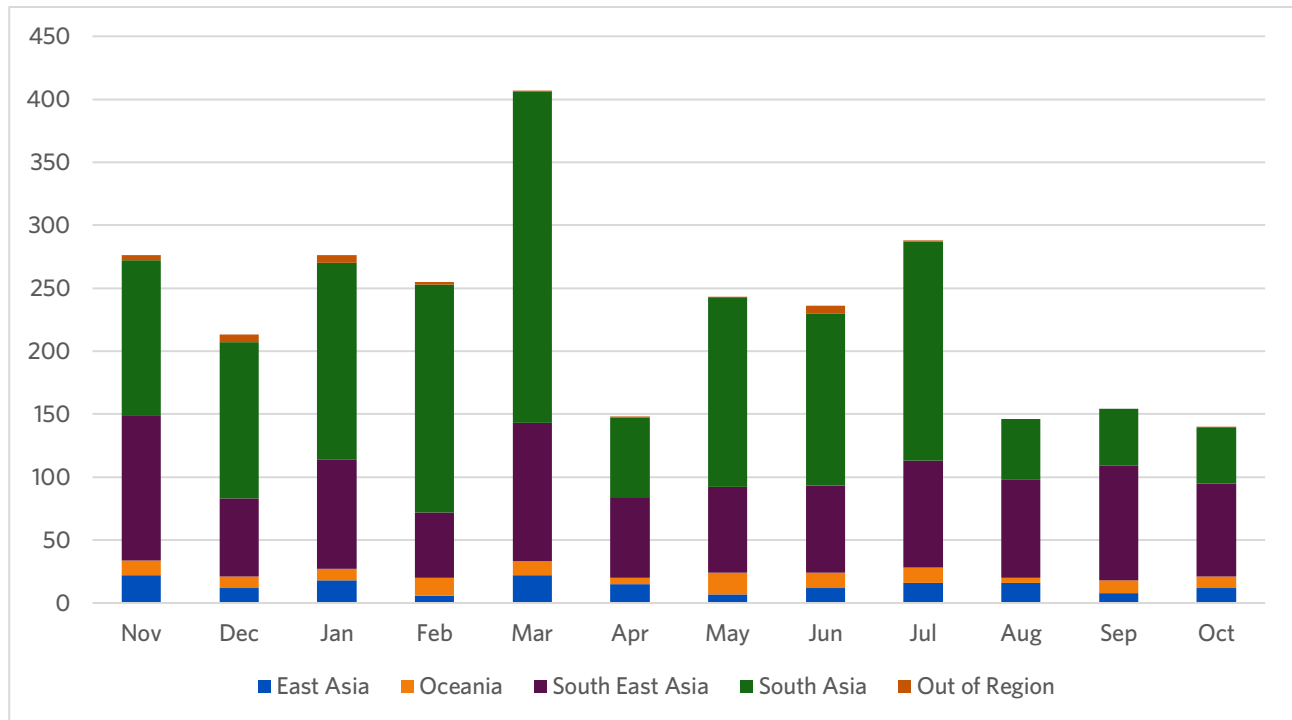
Figure 9: IPv4 delegations by sub-region
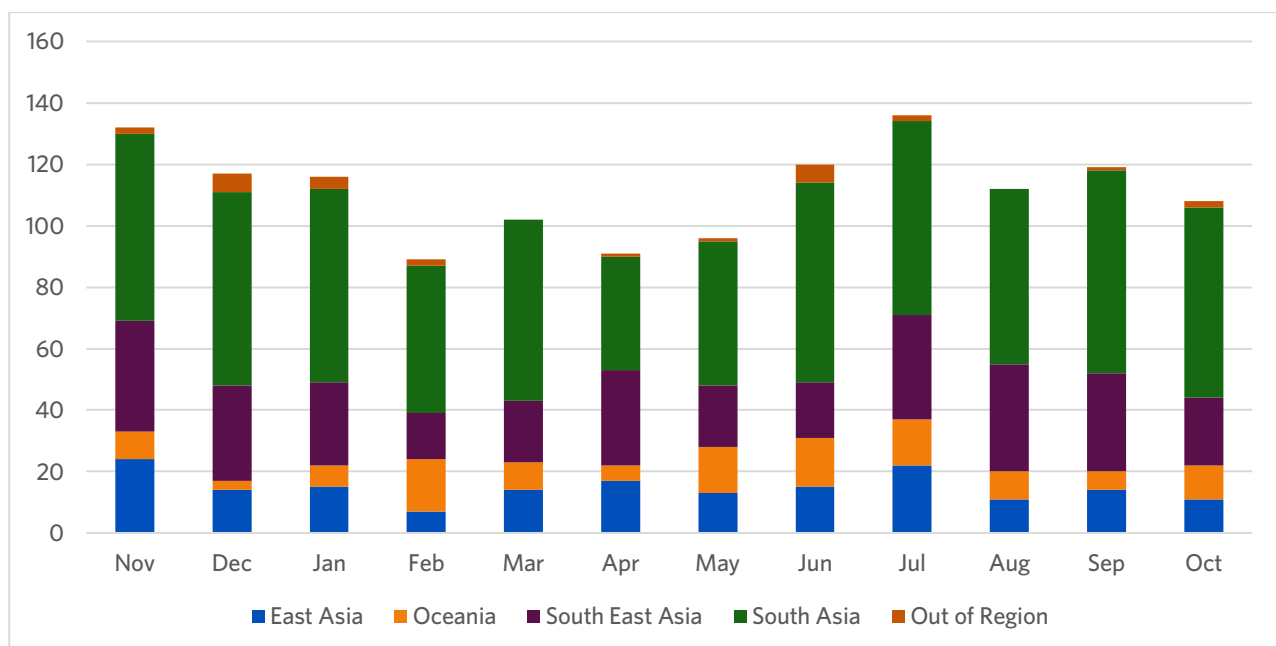
Figure 10: IPv6 delegations by sub-region

- In Figure 11, the peak in ASN delegations in December 2021 were due to allocations to IRINN and IDNIC.
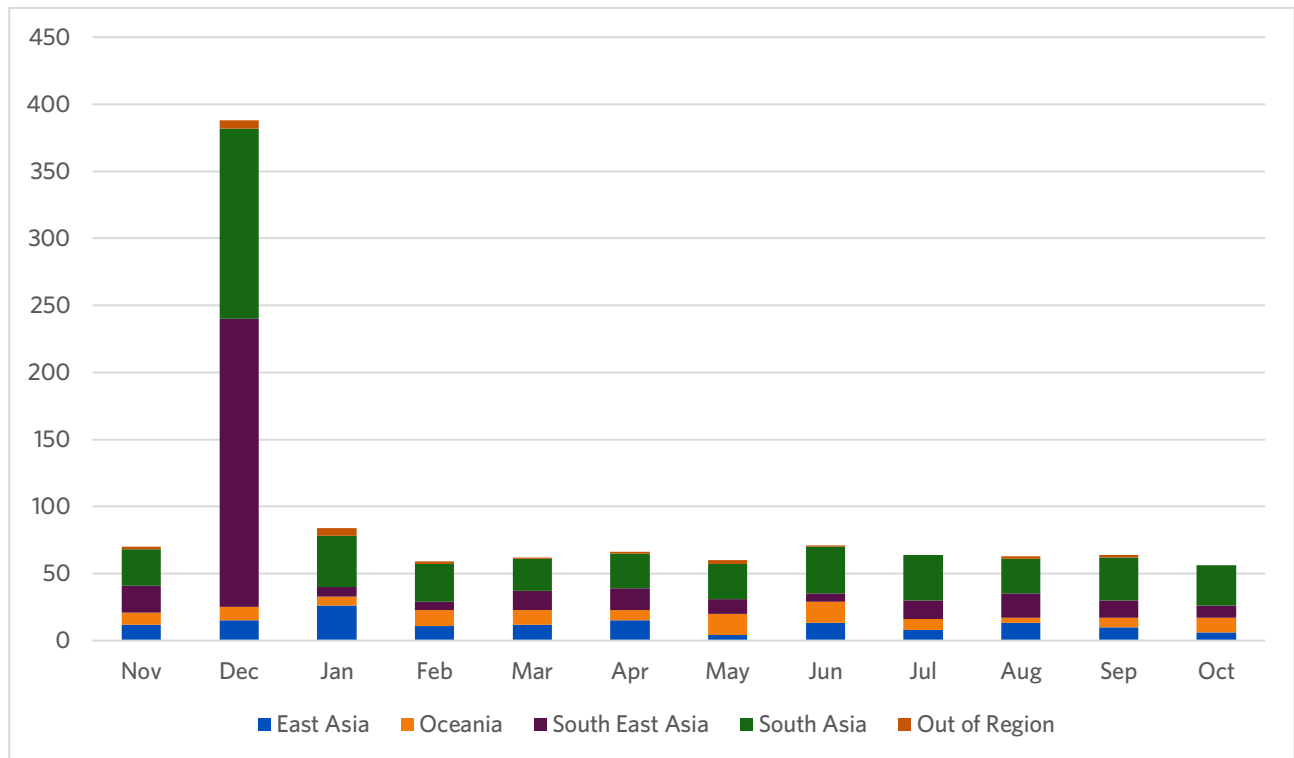
Figure 11: ASN delegations by sub-region (including NIRs)
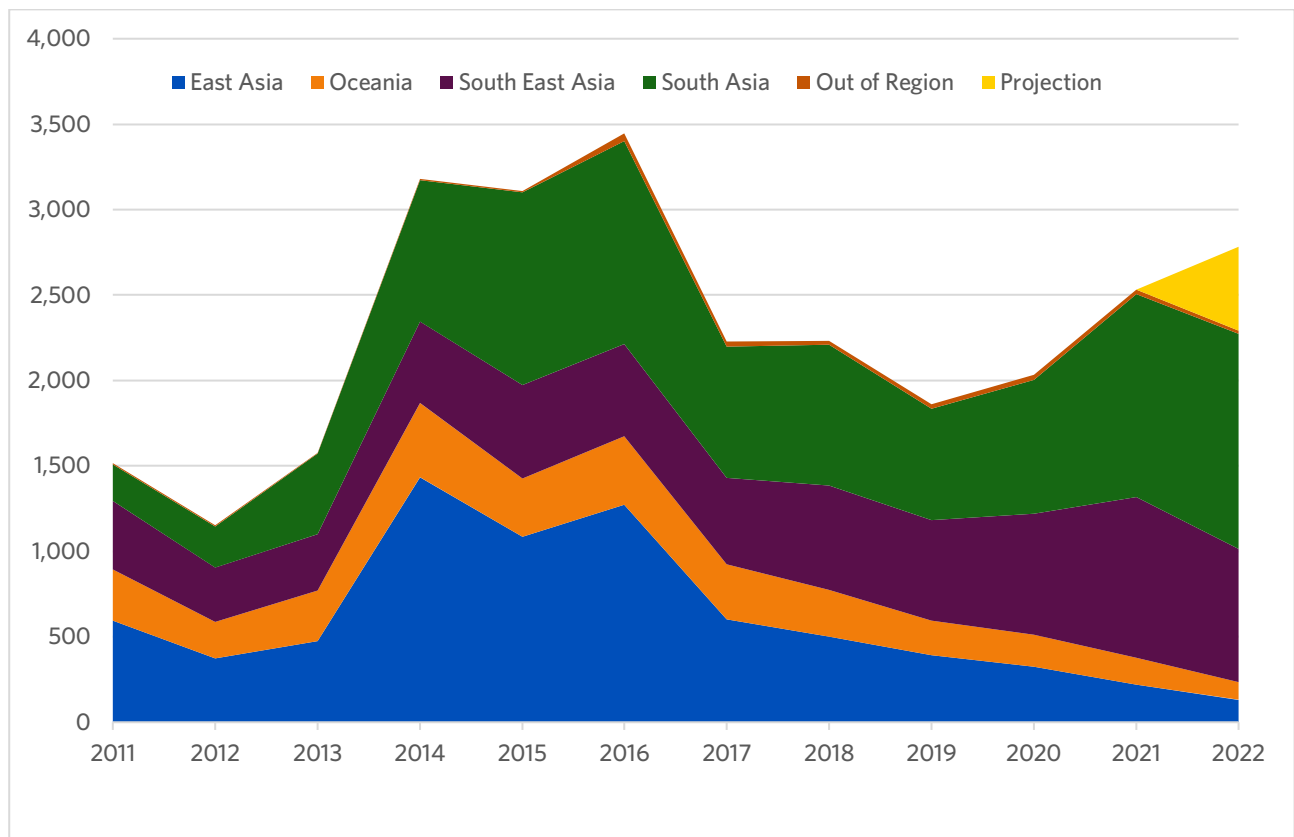
Figure 12: Annual IPv4 delegations
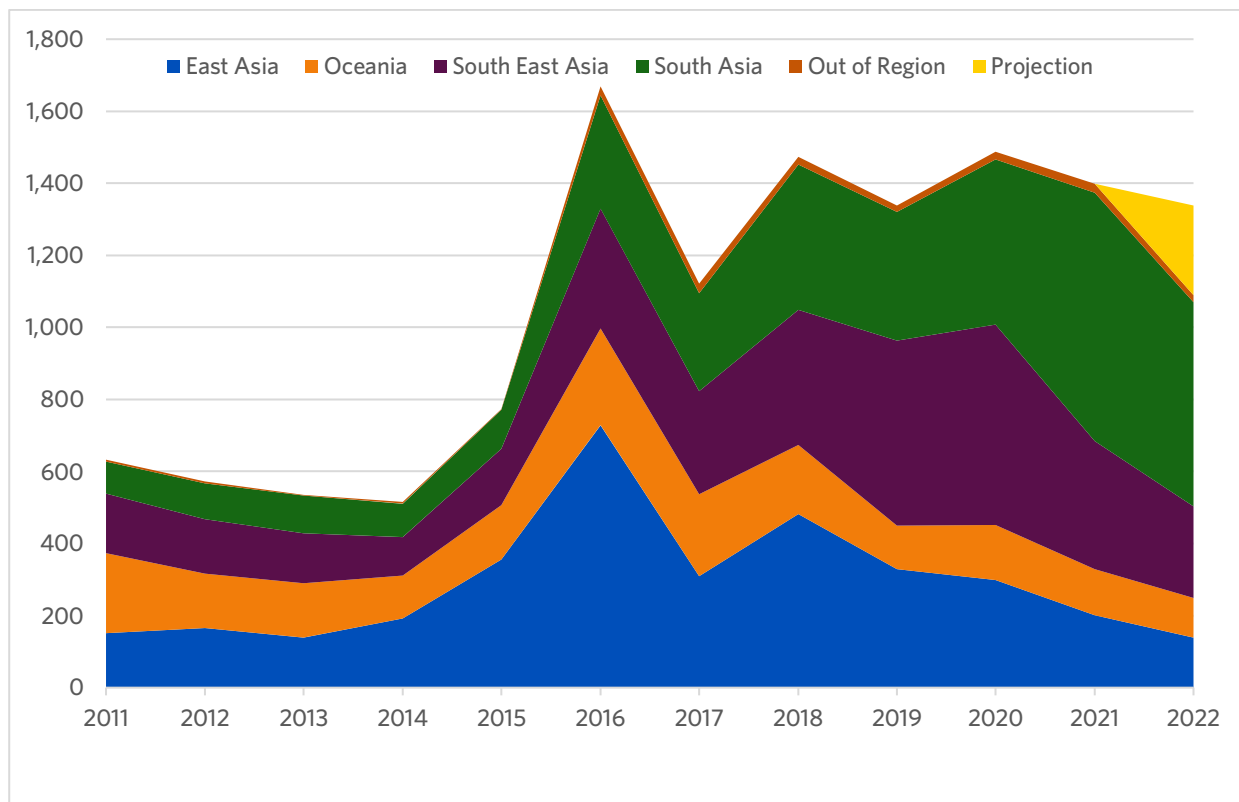
Figure 13: Annual IPv6 delegations

▪ In Figure 14, the peak in ASN delegations in 2021 was due to large allocations to Education and Research networks in China and India.
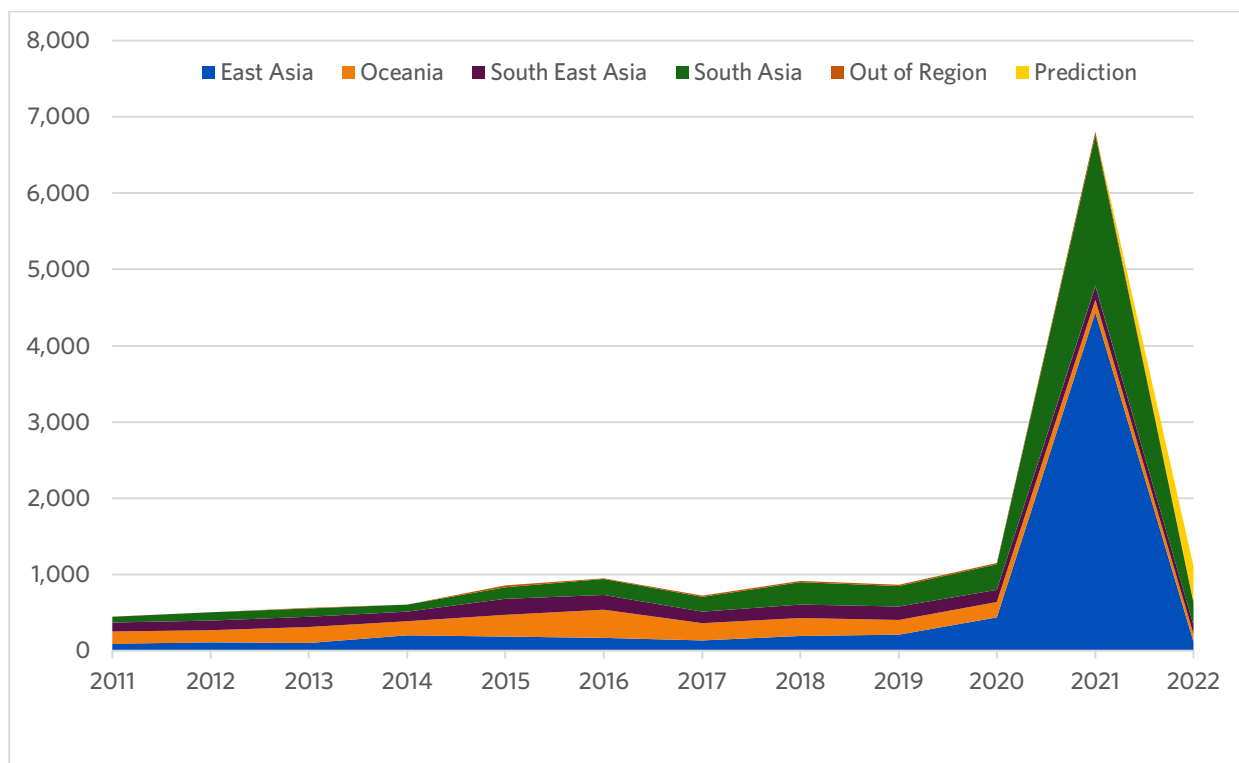
Figure 14: Annual ASN delegations

Member resource holdings

- The percentage of Members holding IPv6 reached 69.97% on 31 October 2022, up from 68.43% on 31 December 2021. The proportion of APNIC Members holding specific resource types is illustrated below.
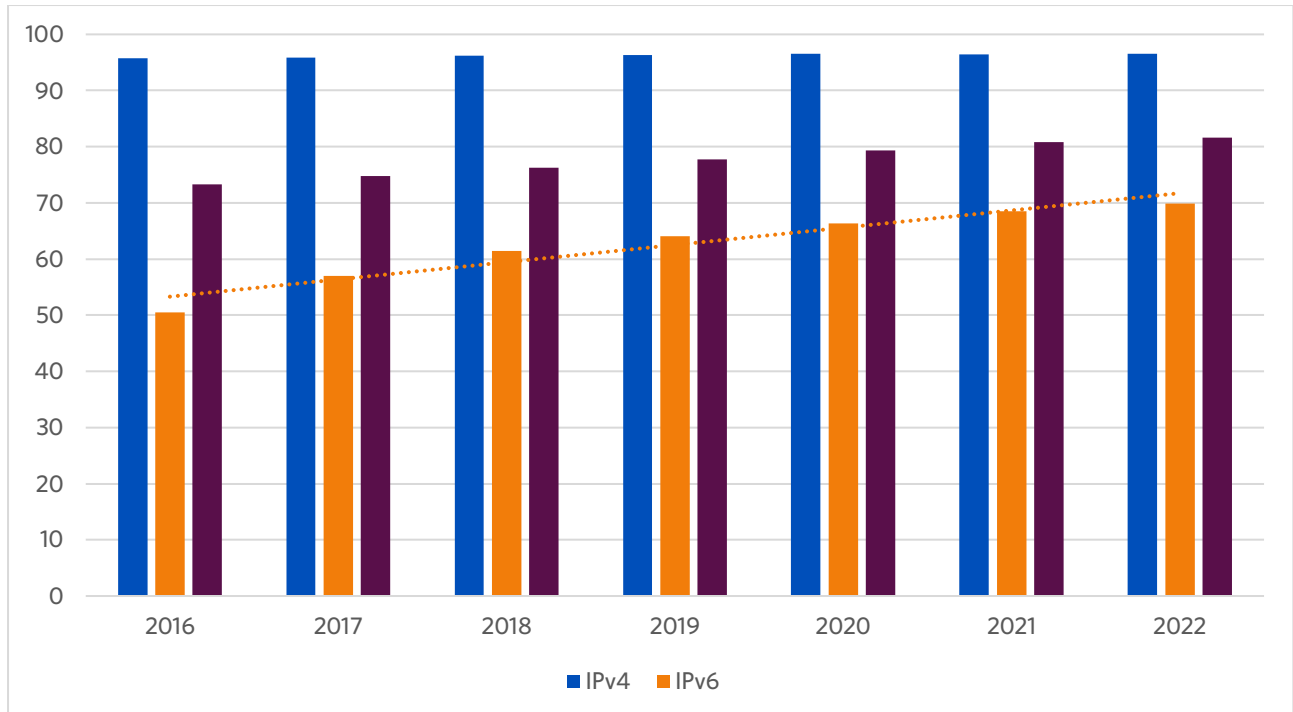
Figure 15: Member resource type holdings

IPv4 transfers: Mergers/acquisitions and historical
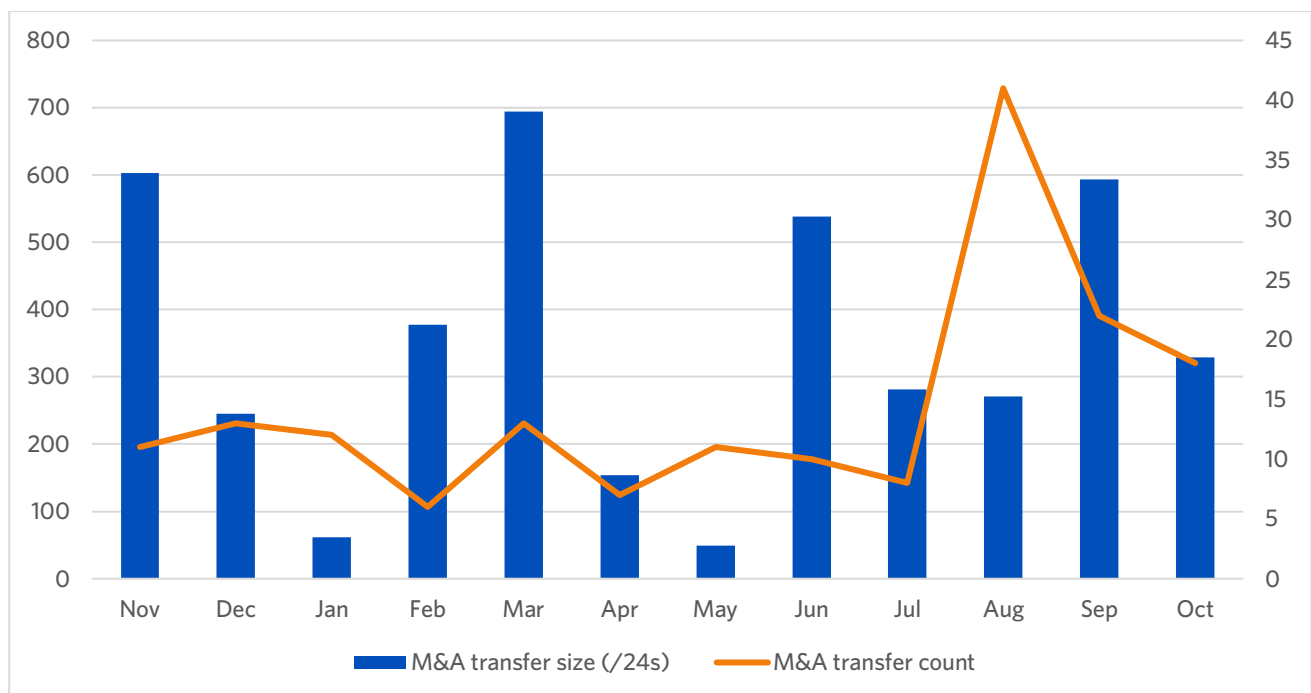
Figure 16: M&A and historical transfers

IPv4 market transfers

- Tencent (China) made a large transfer between their accounts in April 2022.

- Large IPv4 transfers from APIDT in November, and between Tencent accounts in December, drove elevated transfer volumes in 2021.
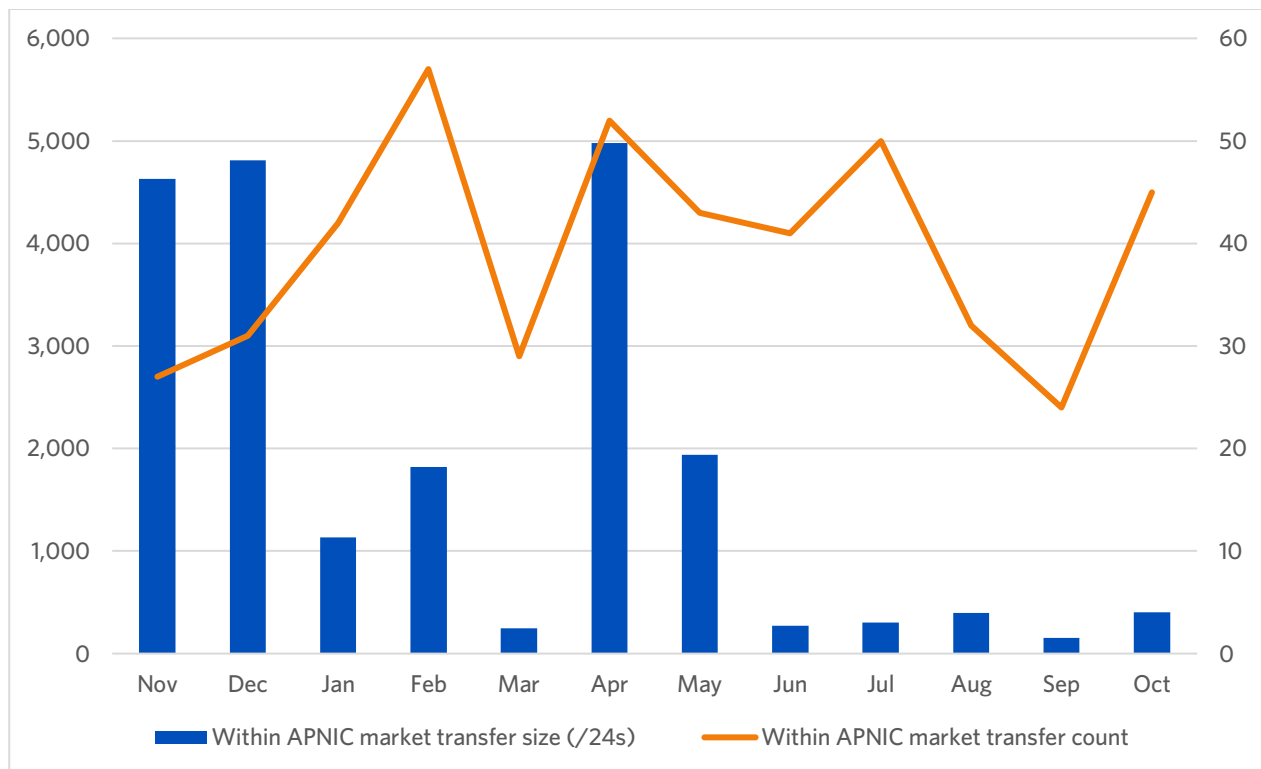
Figure 17: Market transfers within APNIC

Market transfers: Inter-RIR

- A large inter-RIR transfer from RIPE NCC to a CNNIC member occurred in June 2022 and a large transfer from an Indonesian Member to ARIN occurred in August 2022.
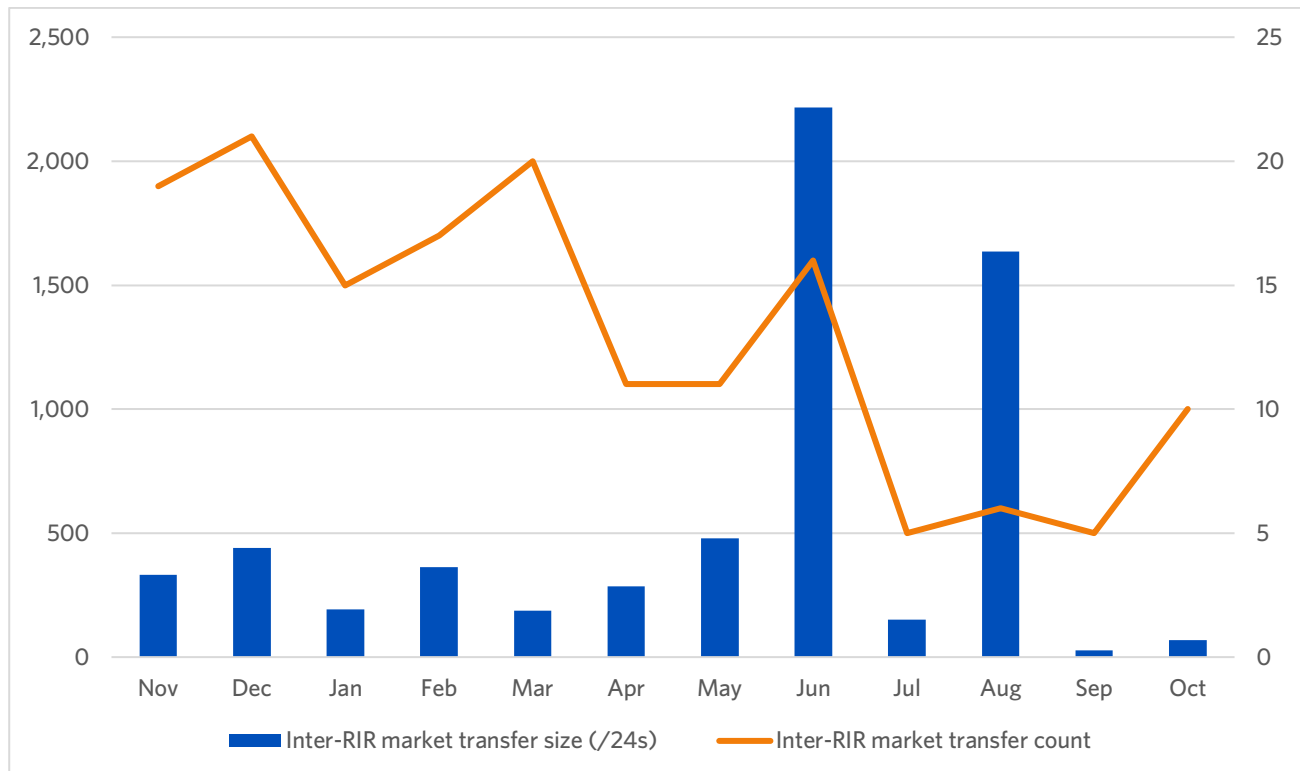
Figure 18: Inter-RIR IPv4 transfers

	Success Indicators – 2A.1.	Results	Status
1	Maintain Registration Services SLA of two business day response to enquiries.	100% achieved	🟠
2	Increase percentage of Members holding IPv6 address space to at least 70% from 68%.	69.97%	🟠

2A.2 Maintain correct and current registry data

Objective: Ensure registry data is comprehensive, current, and correct.

▪ Improvements were made to IRT validation under Prop-125:

  o Members with invalid IRT objects were identified and assisted with completing their validation.

  o 7,916 of 9,796 active accounts have a validated IRT object — a validation rate of 81%.

▪ Identifier Technical Health Indicators (ITHI)

  o Under ITHI, number registry data accuracy is measured as Comprehensive, Correct, and Current. The following are the measurements for resources managed by APNIC, excluding NIRs.

  o Comprehensive:

    • APNIC resources accounted for in the NRO extended delegation statistics: 100%.

    • APNIC resources not duplicated in the NRO extended delegation statistics: 100%.

    • Resource registration completeness:

      – Legal name (org object) (weight 25%)

– Legal address (org object) (weight 25%)

– Point of contact (IRT) (weight 50%)

Type of Record	Number of records	Score	% of total records
Have a parent block with org object and IRT	38,754	100	89%
Have no org object and no IRT	3,780	0	9%
Have IRT but no org object	851	50	1.9%
Have org object but no IRT	2	50	.0004%

Table 5: ITHI measurement: 'Comprehensive'

o Correct:

- Measurement 1: Member has confirmed their details as correct and created an org object (50%).

- Measurement 2: Validated the IRT within the last 12 months (50%).

Type of Record	Number of records	Score	% of total records
Have a parent block with org object and validated IRT	31,921	100	73.5%
Have org object but no validated IRT	6,835	50	16%
Have no org object and no validated IRT	4,236	0	9.5 %
Have validated IRT but no org object	395	50	1%

Table 6: ITHI measurement: 'Correct'

o Current (to be implemented later)

	Success Indicators – 2A.2.	Results	Status
1	Comply with ITHI reporting requirements.	2/3 implemented	🟠
2	Increase validation of registration records to at least 85% from 76%.	81%	🟠

2B   Registry Products

Operations

2B.1   Internet number registry management

Objective: Register address space allocations and assignments to ensure uniqueness and provide information for Internet troubleshooting at all levels.

NIR API

- An API to assist NIR resource administration and registry accuracy was deployed in an external test environment in Q1, and into beta-test production in Q2.

	Success Indicators – 2B.1.	Results	Status
1	Maintain APNIC Registry Management System (ARMS) availability of at least 99.99%.	99.99%	🟠

2B.2   Registry product management

Objective: Provide essential registry products and services to help network operators maintain a secure, available, and stable Internet.

RDAP

- APNIC's RDAP service was updated to comply with the RIR RDAP profile.

RPKI

- The validity period for manifests and CRLs in the APNIC repository was increased from two to seven days to provide more time for rectification in case of error.

	Success Indicators – 2B.2.	Results	Status
1	Maintain whois, RDAP, RPKI, RDNS and IRR availability of at least 99.99%.	99.99%	🟠
2	Update APNIC RDAP to comply with the RIR RDAP profile.	Completed	🟢
3	Migrate RDNS API services to CentOS 7.	Scheduled for Q4	🟠

Investments

2B.3   Registry product development

Objective: Develop and improve essential registry products and services.

Roadmap goals completed

Improve ROA deletion and recreation process for transfers

- The work to support ROA transition during transfer was completed.

Roadmap goals in progress

Update authorization mechanisms for whois

- Work is about 50% complete, with the initial whois and MyAPNIC work nearing testing completion.

Improve ASN delegation identity in whois and MyAPNIC

- Work is about 50% complete, with the core service and customer management functionality done, and the ASN management work in progress.

Pre-validate all RPKI changes to avoid errors

- The route management pre-validation feature is pending final testing.

	Success Indicators – 2B.3.	Results	Status
1	Achieve all 2022 goals, according to the Registry Products Roadmap.	1 completed 3 in progress 0 in backlog	🟠

2B.4 Registry re-architecture

Objective: Improve security, reliability, and efficiency of the APNIC registry, and facilitate easier development of future registry services and functions required by the community.

- A prototype of the APNIC Registry API was deployed for public testing and promoted at APRICOT 2022, with production development scheduled to start in Q1 2023.

	Success Indicators – 2B.4.	Results	Status
1	Progress development of a Registry API with a completion target of 2023.	In progress	🟠
2	Progress reimplementation of the internal registry in Java with a completion target of 2023.	In progress	🟠

2B.5 Readiness for Five-9s Availability for Highly Critical Services

Objective: Define 'highly critical services' and prepare for 99.999% availability for these services.

- Services such as RPKI, whois, RDAP and reverse DNS were identified as 'highly critical services'.
- An external consultant has completed a gap analysis for the RPKI service.

	Success Indicators – 2B.5.	Results	Status
1	Achieve readiness to implement by end of 2022.	Completed	🟢

2C   Policy development

Operations

2C.1   Policy development

Objective: Ensure resource policies in the APNIC region are developed in line with the community-agreed PDP.

APNIC 53

- Three policy proposals were considered at the APNIC 53 Open Policy Meeting (OPM). All reached consensus in the OPM and AGM:

  - prop-142: Unify Transfers Policies Text

  - prop-143: ASN to Customer

  - prop-144: Experimental Proposal Allocation

- A summary of the proposals was published in eight languages.

- prop-141 (Change maximum delegation size of IPv4 address from 512 (/23) to 768 (/23+/24) addresses) was presented for discussion only and not put to the community for consensus.

- Following the meeting, the comment period for prop-142, -143, and -144 closed with no objections raised and the policies were endorsed by the APNIC EC for adoption.

APNIC 54

- Four policy proposals were considered at the APNIC 54 Open Policy Meeting (OPM). Two reached consensus in the OPM and AMM:

  - prop-145: Single Source for Definitions

  - prop-146: Aligning the Contrast

- Two proposals did not reach consensus and were returned to the author and mailing list for further discussion:

  - prop-147: Historical Resources Management

  - prop-148: Leasing of Resources is not Acceptable

- A summary of the proposals was published in eight languages.

- Following the meeting, the comment period for prop-145, and -146 closed with no objections raised and the policies were sent to the APNIC EC for endorsement.

Other

- Staff participated in the IRINN OPM and TWNIC OPM in May.

	Success Indicators – 2C.1.	Results	Status
1	Achieve SIG Chair Support satisfaction of at least 6/7.	N/A	🟠
2	Achieve PDP satisfaction of at least 5.75/7 in the APNIC Survey.	6.16	🟢
3	Participate in all NIR OPMs.	2/2	🟠

2C.2   Policy implementation

Objective: Implement APNIC resource policies in a neutral manner consistent with agreed processes, timings, and community expectations.

▪ Prop-142, -143, and -144 were implemented. Prop-142 required extensive internal updates to properly log each of the transfer types, along with a detailed review/adjustment of the new log to ensure consistency with the previous log.

	Success Indicators – 2C.2.	Results	Status
1	Meet 100% of implementation timelines.	3/3 implemented	🟠

2C.3   Policy analysis

Objective: Provide neutral policy advice and impact analysis to help the APNIC community make informed policy decisions.

▪ Impact assessments of the policy proposals discussed at APNIC 53 and 54 were published on the Policy SIG mailing list.

	Success Indicators – 2C.3.	Results	Status
1	Publish a policy proposals analysis before each Open Policy Meeting (OPM).	2/2 published	🟢

3   Development

3A   APNIC Conferences

Operations

3A.1   APNIC conferences

Objective: Provide two conferences each year for the APNIC community to learn, share ideas and experiences, build relationships, and develop Internet policy.

APRICOT 2022 / APNIC 53

▪   APRICOT 2022 was held online from 21 February to 3 March 2022.

Conference statistics	
Total number of remote participants (Zoom)	886
Economies represented	64
Remote viewers – YouTube	3,854 views; 870.49 hours
#apricot2022 tweets	210 from 114 users

Table 7: APRICOT 2021 statistics

▪   The tutorial week from 21 to 25 February attracted 519 attendees, with 502 attending the conference from 28 February to 3 March.

▪   At the APNIC EC election, Sumon Ahmed Sabir (4,084 votes), Kams Sze Yeung (3,238 votes), and Achie Atienza (3,057 votes) were elected for two-year terms.

▪   Other Internet community events held at APRICOT 2022 included the DotAsia AGM, APIX meeting, AP* Retreat, and APNG Camp 15.

▪   The delegate survey Net Promoter Score (NPS) was 60.

APNIC 54

▪   APNIC 54 was held in a hybrid format, at the Grand Hyatt in Singapore and online, from 8 to 15 September 2022.

Conference statistics	
In-person participants	563
Remote participations (Zoom)	595
Total number of participants	1,158
Economies represented	69
Remote viewers – YouTube	2,565 views; 537.34 hours
#apnic54 tweets	636 from 119 users

Table 8: APNIC 54 statistics

▪   The conference was co-located with APrIGF 2022 and APSIG 2022, with SGNOG 9 held nearby.

- A revised program structure was developed to suit both online and face-to-face audiences.

- The delegate survey Net Promoter Score (NPS) was 65.

	Success Indicators – 3A.1.	Results	Status
1	Achieve total attendance of 1,200 (face-to-face and online) across two conferences.	2,044	🟢
2	Achieve participant satisfaction of at least 90% at each conference.	96% and 95%	🟢
3	Achieve Net Promoter Score of at least 50 at each conference.	NPS 60 and 65	🟢

3B   Foundation support

Investments

3B.1   Operational and administrative support

Objective: Provide support to the Foundation under the AoC of 2018.

- Six positions were seconded from APNIC, under full funding by the Foundation.

- APNIC's Finance team provided support to the Foundation while recruitment was underway for a new Foundation Finance Manager.

- Ongoing hosting and technical support continues for administrative, project and financial platforms.

3C   Community Engagement

Operations

3C.1   Technical community support

Objective: Participate in, and encourage the development of, a healthy Asia Pacific technical community.

Technical community events

Month	Event	Location	Sponsor	MC/PC	Talk/Panel	Training	Tech Support	Participation
Jan	JANOG 49	EA	✓					
Mar	APAN 53	SA	✓	✓	✓	✓		✓
Mar	MMIX AGM & Peering Forum 2022	SEA			✓		✓	✓
Mar	vPhNOG3	SEA		✓		✓	✓	✓
Apr	AusNOG 2022	OC		✓				✓
Apr	PCTA e-Tech Show 2022	SEA				✓		✓
May	BKNIX Peering Forum 2022	SEA	✓			✓		✓
May	INNOG 5	SA		✓		✓	✓	✓
May	37th TWNIC OPM	EA			✓			✓
May	NZNOG	OC				✓		✓
Jun	bdNOG 14	SA	✓			✓		✓
Jul	PhNOG 2022	SEA	✓	✓		✓		✓
Jul	JANOG 50	EA	✓					✓
Jul	SANOG 38	SA	✓	✓	✓	✓		✓
Jul	IDNOG 7	SEA	✓	✓	✓	✓		✓
Aug	PacNOG30	OC	✓			✓		✓
Aug	APAN 54	EA				✓		✓
Aug	AusNOG 2022	OC					✓	✓
Sep	SGNOG 9	SEA	✓					✓
Sep	MyNOG 9	SEA	✓		✓			✓
Oct	VNIX-NOG	SEA			✓	✓		✓
Oct	btNOG 9	SA	✓	✓		✓		✓
Oct	HKNOG 11.0	EA	✓	✓	✓			✓
Oct	USAID PCTA Connectivity & Cybersecurity Conference	SEA				✓		✓
Oct	mnNOG 4	EA	✓		✓	✓		✓

Table 9: Technical community events

	Success Indicators – 3C.1.	Results	Status
1	Support at least 30 technical community events (opportunity permitting).	25/30 supported	🟠
2	Support at least one new/revived NOG in two sub-regions (if required).	1 in progress	🟠

3C.2   Security community support

Objective: Increase collaboration and build trust with the security community and increase awareness around relevant security issues.

Security community event support

Month	Event	Location	Type	Sponsor	MC / PC	Present / Panel	Training	Participation
Jan	MyFinTech Week 2022	SEA	Security Community			✓		
Feb	M3AAWG 54th General Meeting	Global	Security Community					✓
Mar	Indonesia Honeynet Project Workshop	SEA	Security Community				✓	
Feb	APRICOT 2022	Asia Pacific	Technical Community			✓		
Feb	APNIC 53 NIR Workshop	Asia Pacific	Other				✓	
Mar	PacSON Virtual Webinar	OC	Security Community			✓		
Mar	APAN 53	Asia Pacific	Technical Community		✓	✓		✓
Mar	KHNOG 4	KH	NOG				✓	
Apr	BrisSEC 2022	OC	Security Community					✓
Apr	ELK Stack for Security Monitoring	MY	Technical Community				✓	
May	AusCERT Conference	OC	Security Community		✓	✓		
May	RISE Indonesia	SEA	Security Community	✓				
May	Cyber Safety Pasifika Content Creation/Update Workshop	Pacific Region	Government			✓		

May	Cyber Safety Pasifika Webinar on Threat Landscape	Pacific Region	Government			✓		
May	INTERPOL Webinar on Digital Piracy	Global	Government			✓		
May	3rd ICANN APAC TWNIC Engagement Forum (37th TWNIC OPM)	Asia Pacific	Internet Governance			✓		
Jun	M3AAWG 55th General Meeting	Global	Security Community					✓
Jun	FIRST Annual Conference	Global	Security Community					✓
Jun	Telekom Malaysia Cyber Security Seminar	SEA	Security Community			✓		
Jul	UNODC Seminar on Ransomware	OC	Security Community			✓		
Jul	Bside Brisbane 2022	OC	Security Community					✓

Table 10: Security community event support

	Success Indicators – 3C.2.	Results	Status
1	Support at least 12 security community events (opportunity permitting).	12/12 supported	🟢
2	Support development of at least four new or existing CERTs/CSIRTs (if needed).	2/4 completed	🟠
3	Organize quarterly threat sharing community events.	3/4 completed	🟠

3C.3 Internet organization cooperation

Objective: Seek opportunities to strengthen collaboration with other regional and global Internet organizations.

NRO and RIRs

- APNIC has been responsible for Chairing the NRO EC and Coordination Groups (CGs) during 2022.
- The NRO EC held strategic planning meetings in Dubai in February and Miami in June.
- The NRO EC agreed a new NRO Strategic Plan, which includes three Programs: RPKI, Cybersecurity and Government Engagement.

- Support and advice have been provided to AFRINIC (via the NRO and directly) across operations, legal, finance, government engagement, and communications.

- Staff participated in 22 NRO CG meetings: NRO EC (8), ECG (3), PSCG (3), PACG (2), RSCG (3), and CCG (3).

- Staff participated in ARIN 49 (USA), RIPE 84 (Germany), AIS '22/AFRINIC 35 (Mauritius), ARIN 50 (USA) and RIPE 85 (Serbia).

- The Internet Technical Success Factors study commissioned by APNIC and LACNIC in 2021 was featured at the APNIC 53 Cooperation SIG. It was also promoted at the 37th TWNIC OPM, PITA Business Forum and Exposition 2022, and at a workshop with the auDA Board and Executive Team.

I* (ICANN, ISOC, IETF, ITCG)

APNIC staff participated in the following:

- Five Internet Technical Collaboration Group (ITCG) calls.

- Four OECD ITAC calls to coordinate work on an OECD draft document on routing and DNS security, and to prepare for a Ministerial Conference on the Digital Economy in December.

- ICANN 73, 74 and 75. Paul Wilson spoke at the opening ceremony of ICANN 75 alongside Eddy Kayihura from AFRINIC.

- IETF 113 and IETF 114. Staff are also co-authoring drafts in the IETF SIDROPS (RPKI) and REGEXT (RDAP) working groups.

	Success Indicators – 3C.3.	Results	Status
1	Ensure APNIC is represented in all NRO EC and 'I-Star' coordination meetings.	6/6 completed	🟠
2	Participate in all RIR Open Policy Meetings.	7/8 completed	🔴

3C.4   Internet governance participation

Objective: Engage the community to strengthen open, multistakeholder, bottom-up and transparent Internet governance processes.

IGF

- Staff participated in six Multistakeholder Advisory Group (MAG) meetings, including the first and second Open Consultations for IGF 2022, and six IGF Support Association (IGFSA) Executive Committee Meetings.

- Joyce Chen was invited to participate in the new IGF Policy Network on Internet Fragmentation.

- APNIC is co-organizing two workshops at the IGF 2022 on Internet sanctions and Internet fragmentation.

APrIGF

- APrIGF 2022 and APSIG 2022 was co-located with APNIC 54 in Singapore in September. Staff participated in two joint sessions (Cooperation SIG and Diversity in Tech) and the APrIGF 2022 Opening and Closing Plenaries.

- Staff were elected as co-convenors of the APrIGF Program Committee (PC) and Stakeholder Engagement Committee (SEC) and participated in 15 APrIGF Multistakeholder Steering Group (MSG) meetings, 24 PC meetings, and six SEC meetings.

- Staff are also members of the Events Committee (EC) and Fellowship Committee (FC) and participated in 15 EC and 12 FC meetings.

- Eight APrIGF planning meetings were convened with the community.

Sub-regional and economy-level IGFs

- Staff presented remotely at the YIGF Vietnam, YIGF Myanmar, and 3rd ICANN APAC TWNIC Engagement Forum (37th TWNIC OPM).

- Staff attended the VNNIC Internet Conference 2022 in Viet Nam and facilitated a youth Internet governance workshop with VNNIC.

- Staff attended the Youth IGF India 2022 and inSIG 2022 and facilitated role playing sessions on Internet networking and a cyber incident.

- Staff participated in NetThing (Australia) 2022 and co-organized a hybrid session at the University of Queensland. Staff also contributed to the NetThing Steering Committee.

- Staff helped organize the Asia Pacific Internet Governance Academy (APIGA) 2022 and APSIG 2022.

	Success Indicators – 3C.4.	Results	Status
1	Organize at least three workshop proposals at APrIGF 2022.	Co-hosted and 2 joint sessions held	🟢
2	Support at least five national or sub-regional Internet governance events.	11 supported	🟢

3C.5   Government engagement

Objective: Build and maintain meaningful relationships between APNIC and government and public safety agencies in the region.

Intergovernmental forums

- ITU

  o Staff participated in the ITU WTSA-20, ITU Interregional Meeting for WTSA-20 (IRM), TSAG and ITU Plenipotentiary Conference 2022.

  o Staff participated in WTDC-21 proceedings remotely.

  o Discussions continue with the ITU Regional Office on two projects in the Pacific related to cybersecurity and technical training for women and diverse communities.

- APT

  o Staff participated in two APT Preparatory Meetings for WTDC-21 remotely, and three preparatory meetings (one remote) for ITU-PP.

  o Staff participated in the 15th APT Policy and Regulation Forum Pacific (PRFP-15).

  o Remote training was provided to two APT member states (Mongolia in June and Myanmar in July) in collaboration with the APT Secretariat.

- OECD
    - Staff monitored the 6th Session of the Working Party on Security in the Digital Economy.
- APEC TEL
    - Staff presented on IPv6 and participated remotely in APEC TEL 64.
- Other
    - Staff monitored discussions at the UN Open Ended Working Group (OEWG) informal consultations, including the virtual informal dialogue with the Chair of the OEWG ICTs (2021-2025). APNIC obtained UN accreditation to become an observer in this process.

Bilateral government engagement

- Advice was provided to the Australian and Japanese governments in ITU and APT meetings, and to the Singapore government on Internet governance matters.

Law Enforcement and Public Safety

- Staff met with AFP representatives from Cyber Safety Pasifika to organize LEA training for 2022 and participated in the Cyber Safety Pasifika Scholarship peer group mentoring.
- Staff delivered a webinar on the Cyber Threat Landscape to LEAs in Pacific economies.
- Staff presented at the INTERPOL Cybercrime Conference and INTERPOL Webinar on Digital Piracy.

	Success Indicators – 3C.5.	Results	Status
1	Participate in at least 12 governmental or intergovernmental engagements.	21 engagements	🟢
2	Support at least three governmental capacity-building events.	3/3 events	🟢

3C.6 External relations coordination

Objective: Build institutional knowledge of APNIC's relationships with Members and other stakeholders and improve value and outcomes of engagement activities.
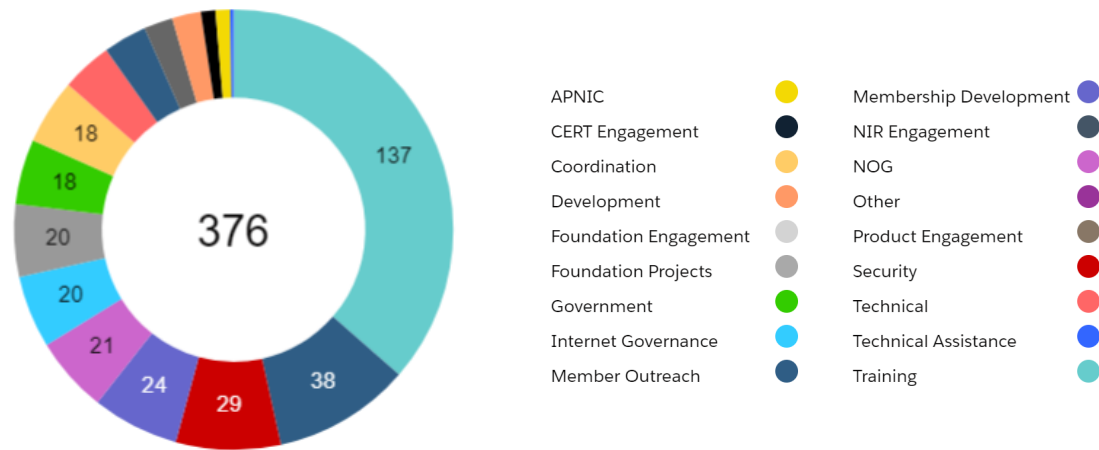
Figure 19: Engagements summary by type
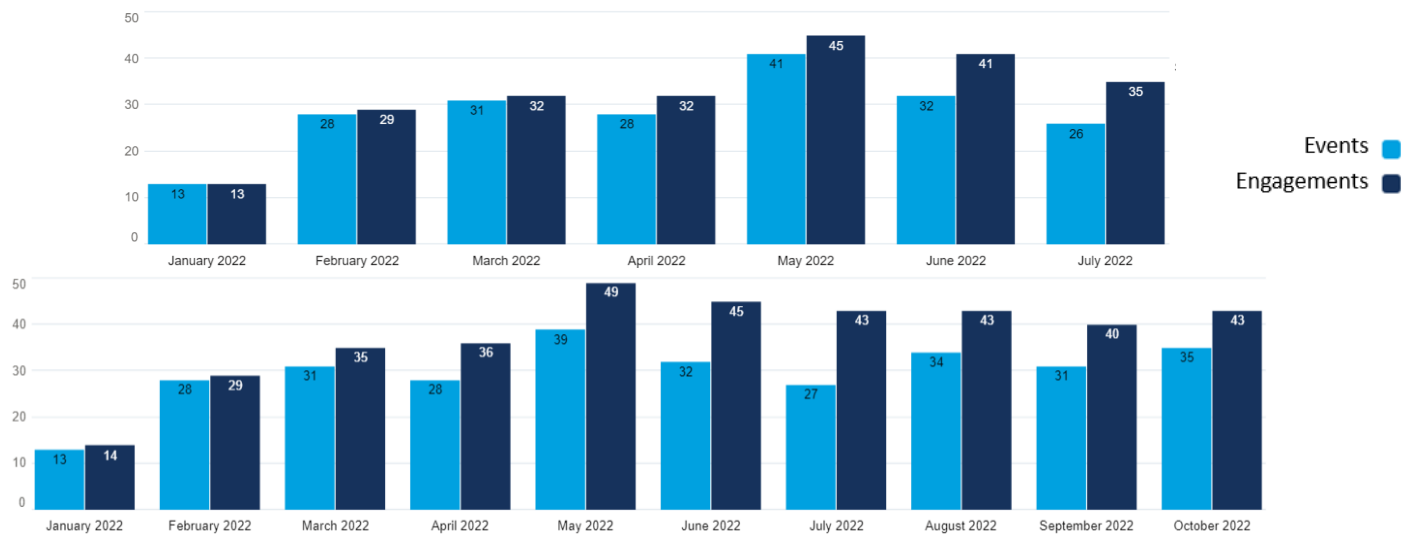
Figure 20: Engagement summary by month
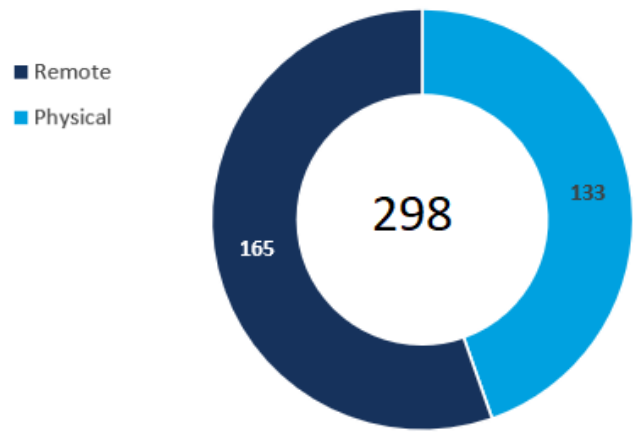
Figure 21: Remote vs physical events
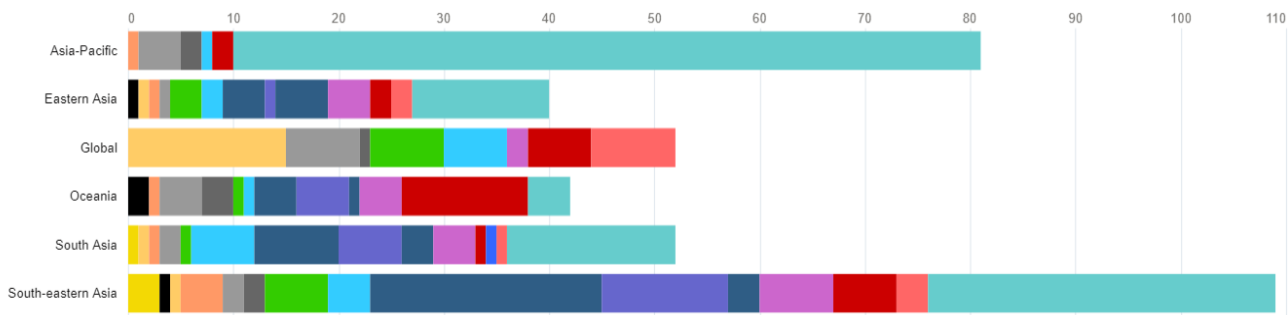
New subregion added as 'Asia Pacific' to capture live eTutorials delivered for the AP region and regional events that are not economy specific.

Figure 22: Engagement summary by subregion/type
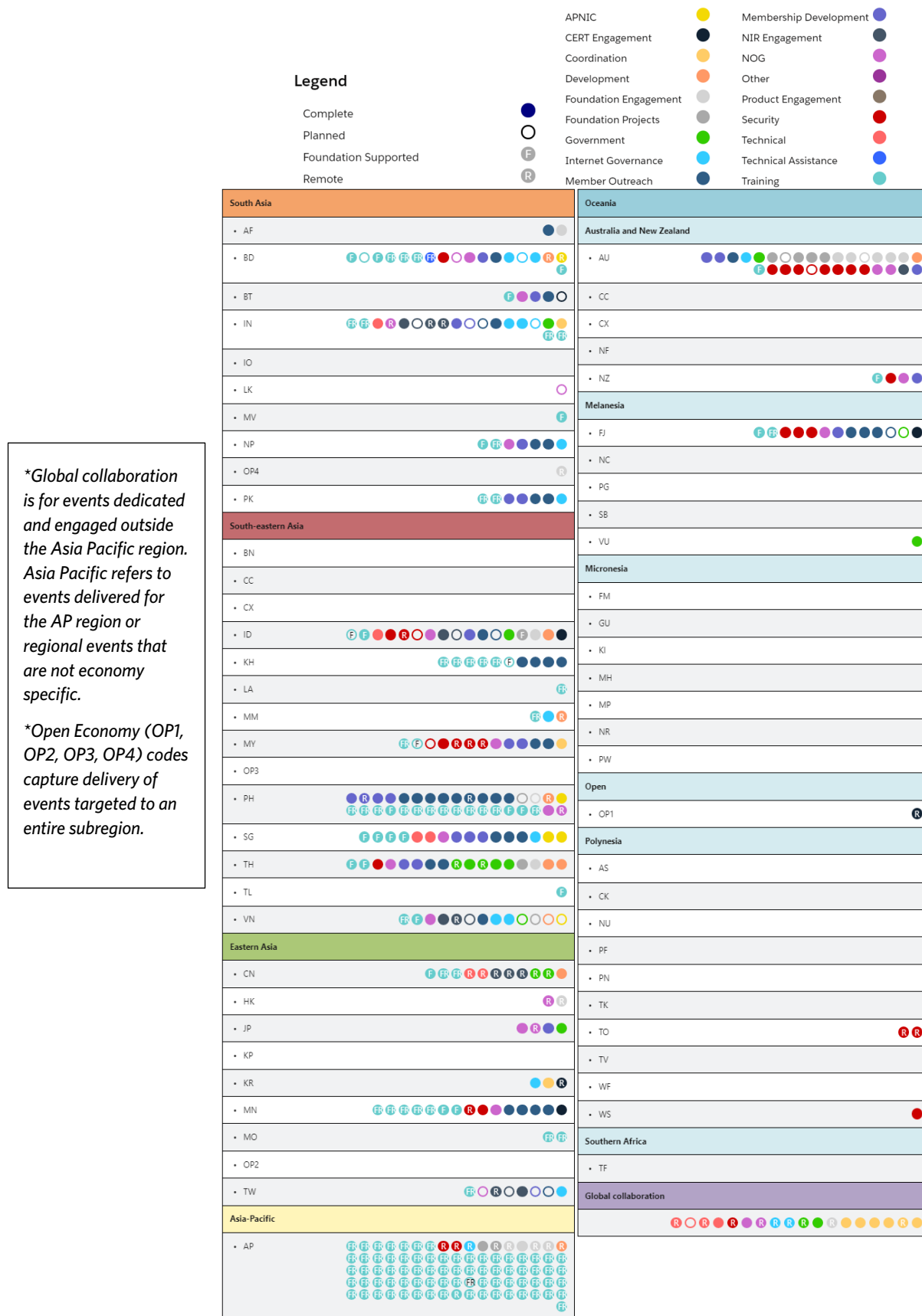
Figure 23: Engagement detail by economy

Touchpoints by month
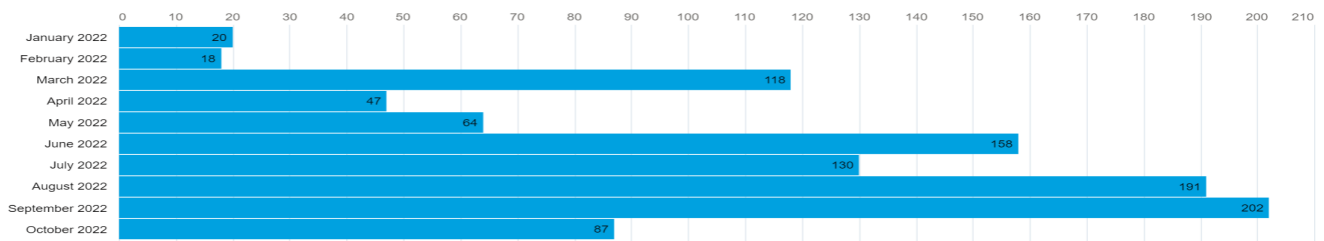
Touchpoints by engagement types
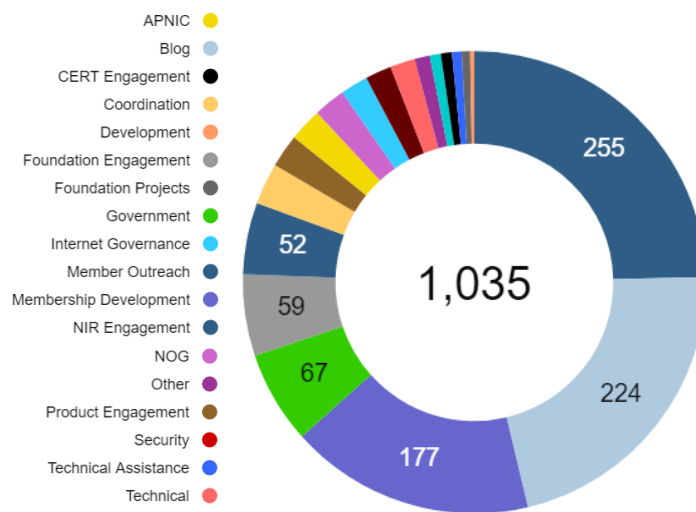
Figure 24: Touchpoints summary

Note: Touchpoints are records of interactions by APNIC staff with a contact (APNIC Member or Non-Member), usually during an event.

- An External Relations (ER) coordination retreat was held in February to evaluate 2021 activities and plan for 2022. Eight ER team coordination meetings have been held.

	Success Indicators – 3C.6.	Results	Status
1	Increase ER touchpoints by at least 5% from 456 in 2021.	1,035 engagements	🟢
2	Achieve at least 250 APNIC engagements in 2022.	376 engagements	🟢

3D   Community Participation

Operations

3D.1   Community-led processes

Objective: Increase awareness and participation in APNIC community-led processes including the PDP, SIGs (Policy, Cooperation, NIR, Routing Security), Working Groups, and BoFs.

- The Policy Document Review Working Group (WG), formed in 2021, completed its work at APNIC 53. Consensus was reached on seven WG policy proposals across APNIC 52 and 53.

- Two intersessional online SIG meetings were held; policy readout webinars in February and September attracted 55 participants. The Routing Security SIG intersessional planned for April was cancelled.

- An analysis of the election results for SIG and NRO NC positions was conducted after anomalies were observed in APNIC 54 registration and patterns of online participation. The analysis found no discrepancies in election processes or voting that would impact the results of the elections. However, APNIC 54 registration and attendance data indicated significant potential for manipulation of the existing rules and procedures in future elections.

Elected Leaders

- Three online meetings of APNIC EC and staff with elected representatives (of SIGs, IANA RC, NRO NC, APIX and APNOG) were held in March, June, and October. Meeting agendas included APNIC and APRICOT conferences, the 2022 APNIC Survey, and community election processes.

	Success Indicators – 3D.1.	Results	Status
1	Achieve at least 850 online SIG participants across two conferences.	929 participants	🟢
2	Achieve at least 120 online participants across at least four intersessional SIG meetings.	2 meetings/55 participants	🔴
3	Achieve SIG satisfaction of at least 5.8/7 in the APNIC Survey.	6.00	🟢

3D.2   Online participation

Objective: Encourage community development online and help Members and the community benefit from APNIC's available online resources.

- The Online Community Platform MVP was launched at APNIC 54 (see 3D.4).

apnic.net

- Visitor numbers to apnic.net have remained consistent since April, following a higher start to the year. The top five visitor economies were the United States, New Zealand, China, India, and Australia.
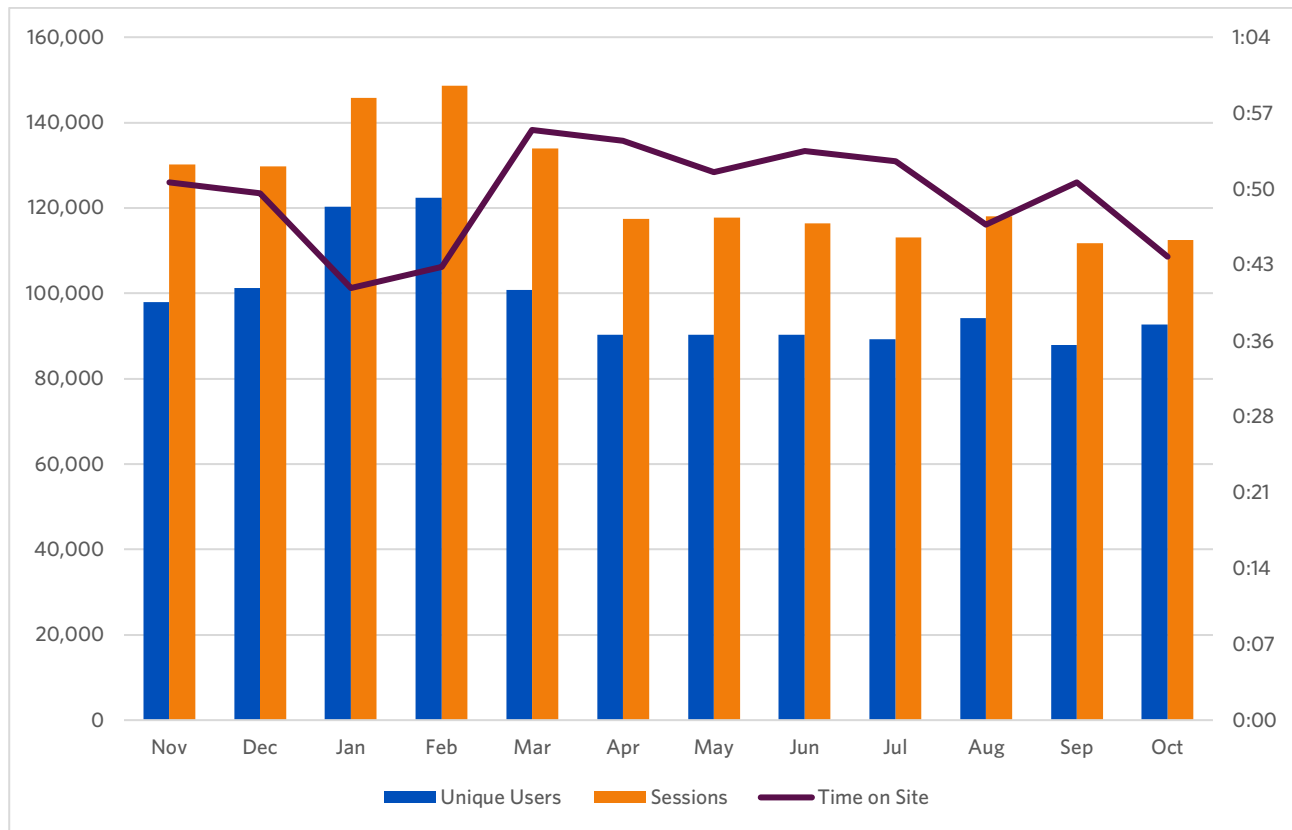
Figure 25: apnic.net website usage

Economy	Unique Users	Sessions
United States	446,007	460,605
New Zealand	90,835	95,717
China	56,203	73,872
India	51,904	90,436
Australia	30,611	57,040
Japan	29,437	46,011
Bangladesh	20,861	48,957
Indonesia	20,026	31,849
Hong Kong	10,881	65,253
Philippines	10,881	25,355

Table 11: apnic.net top visitor economies in 2022

	Success Indicators – 3D.2.	Results	Status
1	Achieve at least 500 registered users of the APNIC community platform.	8,766 users	🟢

3D.3   Encouraging newcomers and diversity

Objective: Encourage new and continuing participants from diverse backgrounds in the APNIC community — both online and face-to-face — particularly the next generation of network engineers.

- The 2022 fellowship program was launched in March.
  - Thirty fellows were chosen (15 female and 15 male; 19 professionals and 11 youth) from 371 applicants. An APRICOT 2022 fellow who deferred their place also joined the APNIC program.
  - South Asia has 12 fellows, Oceania 7, South East Asia 7, and East Asia 4. An additional 14 returning fellows from the 2021 program will also attend APNIC 54.
  - Twelve fellowship webinars were delivered with 91.5% overall attendance. Each fellow also completed an average of three APNIC Academy courses.
  - Eighteen volunteer mentors (including 16 from the community) were recruited. Eleven mentoring sessions, between 16 fellows and 11 mentors, were completed.
  - Twenty-seven fellows completed the fellowship program, a graduation rate of 87%.
- An Inclusion in Tech joint session with APrIGF was held at APNIC 54, along with a NextGen session for young newcomers to the APNIC community.
- 46% of APRICOT 2022 attendees (406) and 44% of APNIC 54 attendees (509) were newcomers.

	Success Indicators – 3D.3.	Results	Status
1	Attract at least 400 newcomers to APNIC conferences.	915 newcomers	🟢
2	Achieve at least 50% female and 30% youth participation in 2022 Fellowships.	50% female and 37% youth	🟢
3	Achieve a fellowship graduation of at least 80%.	87%	🟢
4	Achieve a fellowship program NPS of at least 80.	NPS 100	🟢

Investments

3D.4   Online community platform

Objective: Encourage an active, connected APNIC community engaging on an integrated online community platform.

- Testing of the 'Tribe' platform was terminated, and Mailman 3's 'Hyperkitty' was chosen.
- Development of new features included a central news feed, user profiles, redesigned landing pages, and a new theme applied to all pages. Consultation with community and APNIC list owners continued, and the product was named Orbit.
- The Orbit MVP was launched at APNIC 54, and all former Mailman lists were migrated to Orbit.

	Success Indicators – 3D.4.	Results	Status
1	Achieve at least 500 registered users of the platform.	8,766 users	🟢

3E   APNIC Academy

Operations

3E.1   Academy product management

Objective: Maintain high-quality training assets to build capacity in the region.

- A new self-paced OSPF course was published, including 56 topics and ten hours of new learning material.

- A total of eleven new virtual labs were added to the Academy including DHCPv6-PD, an RPKI Lab with RPKI-Prover, an RPKI Lab with FORT, the Practical Packet Analysis Lab, IPv6 Security Lab, MPLS and Segment Routing: MPLS LDP and SR Lab, NMM SNMP Libre NMS & RRD Lab, Log Management and Flow Monitoring Lab, BGP Link State BGP-LS Lab, Security Monitoring and Analysis Lab, IPv4/IPv6 Dual-Stack Lab and SRv6 Lab.

- Finalized content for six modules for the new Introduction to Cybersecurity course and developed the first four modules for the new BGP self-paced course.

- User research began for the Technical Assistance (TA) platform landing page, including improvements to the training events page.

- Deployed a new version of eduroam to provide access to eligible APNIC Academy users, including eduroam account management.

	Success Indicators – 3E.1.	Results	Status
1	Maintain Academy platform availability of at least 99.95%.	100% uptime	🟠
2	Achieve a rating of at least 6.00 for APNIC training in the APNIC Survey.	6.40	🟢

3E.2   Instructor-led Training

Objective: Increase knowledge and skills in the community via instructor-led training.

- Instructor-led training was delivered as a mix of online and face-to-face with travel resuming. Training was conducted at 16 technical community events, including eight NOGs (PHNOG, bdNOG, SANOG, IDNOG, PacNOG, VNIX-NOG, btNOG and mnNOG).

- Six online workshops were conducted with NIRs (VNNIC, IRINN, TWNIC, and CNNIC).

- RPKI tutorials and ROA sessions led by Retained Community Trainers (RCTs) commenced in May, with 16 held (PH x6, KH x4, MN x4, FJ x1, NP x1). An RPKI Deployathon was held before AusNOG 2022 (3E.6).

- Eight technical tutorials were also held for APNIC fellows.

- Open Lab sessions on Routing and Linux Basics started in October to provide more lab time to participants.

- Completed updating content and developing labs for the following existing courses:

  o Network Security: New SSL/TLS slides and lab module; new Intrusion Detection with Suricata module, plus labs.

  o RPKI/ROV: Updated lab guides and added three new validators (rpki-prover, rpki-client, and FORT).

  o DNS/DNSSEC: Rebuilt the labs.

  o NMM: New virtual labs created for use at APNIC 54.

  o IPv6: Developed lab with Mikrotik RouterOS.

January to October 2022	APNIC Instructor-led training
Courses (by topic)	121 courses delivered/3,089 attendees
Webinars	16 webinars (5 external/guest speakers)/ 975 attendees

Table 12: Instructor-led training

	Success Indicators – 3E.2.	Results	Status
1	Conduct at least 100 instructor-led tutorials / workshops.	121 tutorials / workshops	🟢
2	Conduct at least 18 live webinars.	16/18 webinars	🟠
3	Achieve average training survey rating of 4/5.	4.3/5	🟠

3E.3   Self-paced training

Objective: Increase knowledge and skills in the community via self-paced online training.

January to October 2022	APNIC Academy
Courses (by topic)	1,788 completions; 3,547 hours contact
Virtual Labs	7,483 labs launched; 7,731 hours completed
Students	6,851 new accounts (23,801 in total)

Table 13: APNIC Academy training

	Success Indicators – 3E.3.	Results	Status
1	Increase total self-paced online course usage by at least 30% from 3,340 hours in 2021.	3,547 hours	🟠
2	Increase total virtual lab usage by at least 20% from 6,902 hours in 2021.	7,731 hours	🟠
3	Increase registered users of the APNIC Academy by at least 25% from 17,018 in 2021.	23,801 users	🟢

3E.4   Community Trainers

Objective: Expand the scope and effectiveness of APNIC Academy training to help meet increasing community demand for technical skills development.

- A new APNIC Retained CT (RCT) program was introduced, and five community members (PH, KH, MN, FJ, and NP) have been recruited. There are currently 30 active volunteer CTs from 15 economies.

- RCTs and selected Voluntary CTs attended APNIC 54 for professional development.

- Retained CTs conducted monthly local economy-focused RPKI awareness sessions. RCTs also facilitate the online Open Labs.

	Success Indicators – 3E.4.	Results	Status
1	Recruit at least 12 new retained CTs.	5/12	🔴
2	Recruit at least 10 new volunteering CTs.	3/10	🔴

3E.5   Technical Assistance

Objective: Assist Members on adoption of best practices when implementing networking technologies.

Activities

- Advised on the creation of a vulnerability reporting program (VRP) with an Australian Member.

- Assistance was provided to a Member in Bangladesh to solve ROA creation failure issues.

- Provided RPKI validator assistance for a Malaysian network via the TA platform.

- Contacted Members in Fiji to assist in cleaning up invalid routes (3E.6).

- Assisted .FJ to help solve a DNSSEC issue.

- Assisted an ISP in Pakistan to clean up their IPv6 and IPv4 BGP announcements.

- Coordination for ROV, root server deployment and CDN consolidation at PKIX. Work is ongoing.

- Conducted an IXP workshop and assisted Maldives to establish a local IXP (MVIX).

- Helped Tonga re-establish communication to outer islands via satellite (following the volcanic eruption in late December 2021). Supplied and configured a donated Cisco ASR router to Tonga Communications Support.

- Assisting the Papua New Guinea government to migrate their network from Huawei equipment to Cisco.

- Assisted Members via the APNIC Academy TA platform in Myanmar, Malaysia, New Zealand, Bangladesh, India, and Hong Kong on RPKI, reverse DNS, routing, BGP, IXP and IPv6 issues.

	Success Indicators – 3E.5.	Results	Status
1	Respond to all technical assistance requests within seven days.	On track	🟠

3E.6   RPKI awareness and deployment support

Objective: Increase adoption of RPKI and routing security in the APNIC region.

- An RPKI Deployathon was held in Sydney before AusNOG 2022.

- Conducted 16 RPKI tutorials and ROA creation with retained CTs in the Philippines, Cambodia, Mongolia, Fiji and Nepal.

- Proactively contacted Members in Fiji to assist in cleaning up invalid routes.

- A RPKI deployment case study on Comcast was published. Twenty-three RPKI-tagged posts were published on the APNIC Blog, including an updated post on how to install an RPKI validator.
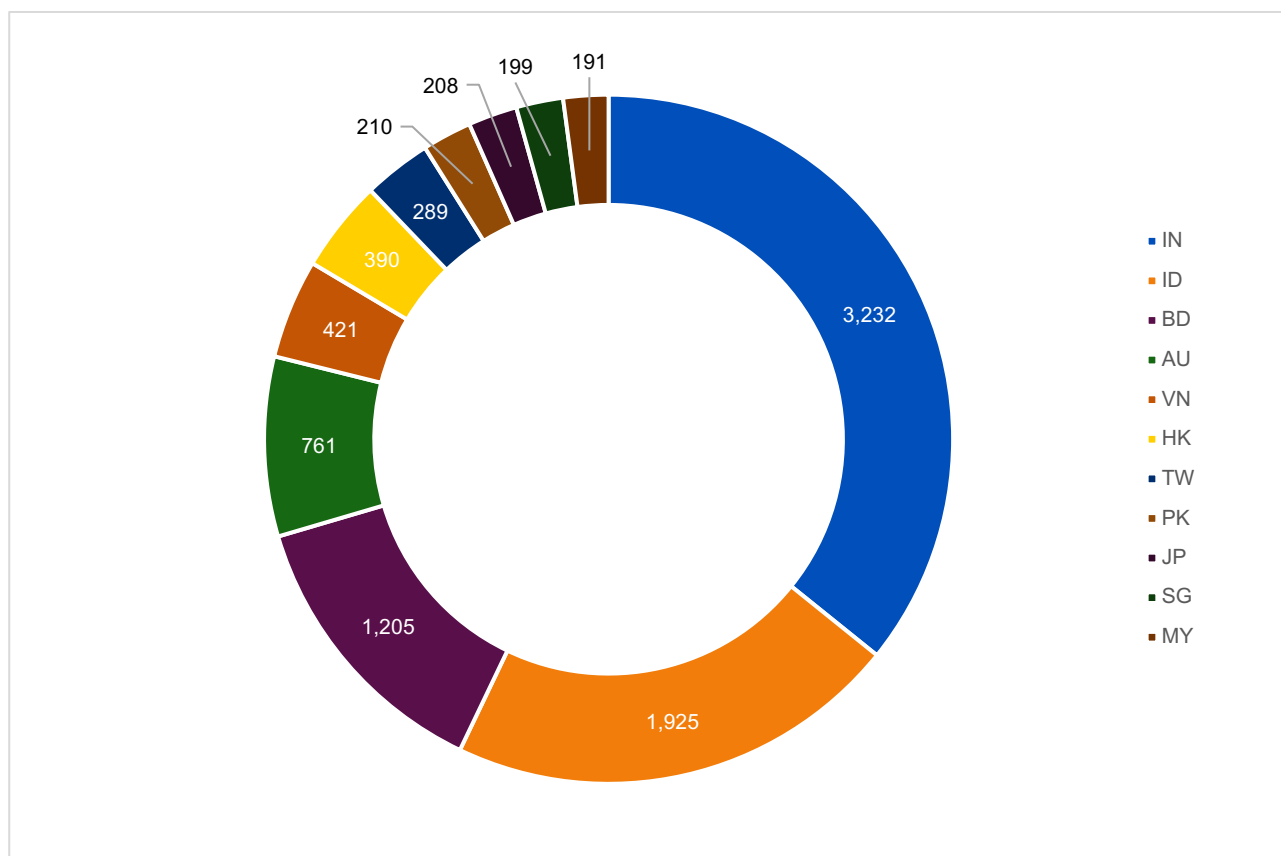
Figure 26: Top 10 Economies – Number of networks with ROAs

	Success Indicators – 3E.6.	Results	Status
1	Conduct at least two instructor-led RPKI/ROV tutorials/workshops per sub-region.	20 conducted (12 SEA, 5 EA, 1 SA, 2 OC)	🟠
2	Achieve at least 90% ROA coverage for at least one additional economy per sub-region.	In progress	🟠
3	Publish at least three RPKI/ROV deployment case studies.	1/3	🟠

3E.7   IPv6 awareness and deployment support

Objective: Encourage increased deployment of IPv6 in the APNIC region.

- APNIC delivered 21 IPv6 deployment-focused training events.

- Published two new IPv6 deployment success stories on SLTMobitel Mobile (LK) and NTT DOCOMO (JP), bringing the total number of IPv6 deployment stories on the APNIC website to 44. An IPv6 deployment podcast with Reliance Jio (IN) was also published.

- Published 48 IPv6-tagged posts on the APNIC Blog.

- IPv6 capability for the Asia Pacific region was 41.43% as measured by APNIC Labs.

	Success Indicators – 3E.7.	Results	Status
1	Conduct at least two instructor-led IPv6 deployment tutorials/workshops per sub-region.	21 completed (9 AP, 2 EA, 6 SA, 4 SEA)	🟢
2	Publish at least two IPv6 deployment case studies.	2/2	🟢

Investments

3E.8   Academy product development

Objective: Continue developing high-quality training assets to build capacity in the region.

Roadmap goals completed

Implement new navigation

- Implemented new 'Omnibar' and contextual navigation.

Integrate APNIC Academy with Salesforce

- Extended integration with Salesforce for event management, including 'invite only' functionality, improved timezone capabilities, and improved registration processes.

Integrate APNIC Academy with Okta

- Okta integration complete, improving eduroam account provisioning and management on the Academy.

Standardise Academy virtual labs datacentre

- Added Singapore data centre as the default for all Academy virtual labs.

Roadmap goals in progress

Migrate APNIC's Training Wiki into APNIC Academy

- Implemented new course material functionality on the Academy's event page as part of the migration of the old Training Wiki into the APNIC Academy platform.

	Success Indicators – 3E.8.	Results	Status
1	Achieve all 2022 goals, according to the Academy Products Roadmap.	4 completed 1 in progress 1 in backlog	🟠

3E.9   Curriculum for non-technical audiences

Objective: Demystify how the Internet works to encourage active participation of non-technical audiences in Internet governance.

- Learning objectives and design documentation were completed.

- Game development is in progress with an MVP to be released in Q2 2023.

	Success Indicators – 3E.9.	Results	Status
1	Release phase 1 of IPGO (an MVP) by June 2022.	Delayed till 2023	🔴

3F   Internet Infrastructure Support

Operations

3F.1   Internet infrastructure deployment

Objective: Improve the resilience and performance of the Internet in the region by expanding critical infrastructure deployment.

- In discussion with PKIX (Lahore) for route server deployment and RPKI. Waiting on the official launch of the IXP.

- Maldives IX (MVIX) has been launched with ROV implemented.

- Discussions are underway for an IXP in Kiribati and Timor Leste.

- Viable hardware replacements are being sought for seven disconnected RIPE Atlas anchor hosts.

- Root server deployment is focused on the M-root (see 3F.3).

- Equipment delivery delays have impacted root server deployment during 2022 so far.

	Success Indicators – 3F.1.	Results	Status
1	Support deployment of at least two new or upgraded IXPs.	2 in progress, 1 completed	🟠
2	Support at least four IXPs to deploy ROV.	1/4	🔴
3	Deploy at least four root servers per sub-region, including M-Root servers.	2/4 SEA 0/4 SA 0/4 EA 1/4 OC	🔴
4	Deploy or upgrade at least one RIPE Atlas anchor per sub-region.	1/4	🔴

3F.2   Community Honeynet and Security Threat Sharing Platform

Objective: Increase visibility of security threats and vulnerabilities relevant to Members and the community and encourage information sharing to understand and manage threats.

- Two new partners from Bhutan and Laos joined the platform.

- The platform was upgraded to support an increased number of sensors and data processing.

- Mentoring for Royal Bhutan University students was provided to complete projects based on honeynet data.

- The number of honeypot sensors increased to 100.

- Quarterly threat sharing meetings were held with partners and the community to discuss latest observations.

	Success Indicators – 3F.2.	Results	Status
1	Increase the number of honeypot sensors by at least 60% from 60 in 2021.	100 sensors	🟢
2	Increase the Community Honeynet and Security Threat Sharing Platform partners by at least 30% from 15 in 2021.	17 partners	🟠

Investments

3F.3   M-root anycast instance deployment support

Objective: Faster and more reliable DNS service in the APNIC region.

- Completed deployment of the M-root in Guam, Hanoi, and Kuala Lumpur.

- Deployment of M-root servers in 11 locations (Kaohsiung, Manila, Dhaka, Bangkok, Jakarta, Ulaanbaatar, Kathmandu, Mumbai, Lahore, Kolkata, and Singapore) progressed but was impacted by equipment delivery delays. Currently seeking alternative suppliers or solutions.

- The M-Root Deployment Manager position will be shifted from APNIC to JPRS.

	Success Indicators – 3F.3.	Results	Status
1	Complete 10 M-Root server deployments commenced in 2021.	3/10	🔴
2	Identify and prepare at least 15 additional M-Root server sites.	1/15 8 in negotiation	🔴

4   Information

Operations

4A   Information Products

4A.1   APNIC Blog and Podcast

Objective: Keep Members and the community informed with the latest news, opinions, and research from APNIC and the wider community.

- The Blog averaged 79,110 views per month, a 15.1% increase on 2021's monthly average of 68,721.

- There have been 182 Guest Posts in 2022, representing 61% of total opinion posts (an increase on 2021's 56%).

- Popular new posts included:

    o   Open DNS resolvers, from bad to worse, a Guest Post by Ramin Yazdani.

    o   When volcanoes go bang, submarine cables do… what?, a Guest Post by Ulrich Speidel.

    o   IP addressing in 2021, by Geoff Huston.

    o   TCPLS: Modern transport services with TCP and TLS, a Guest Post by Florentin Rochet.

    o   BGP in 2021 – The BGP Table, by Geoff Huston.

- Twenty-one episodes of the 'PING' Podcast were published, attracting 9,313 'impactful plays' (episode listens of 75% or longer), an average of 443 plays per episode.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	All time
Views	68,679	62,523	85,087	85,812	93,389	84,728	82,237	76,998	71,775	79,873	4,254,687
Posts	28	27	34	28	32	43	29	35	43	36	3,121

Table 14: APNIC Blog activity
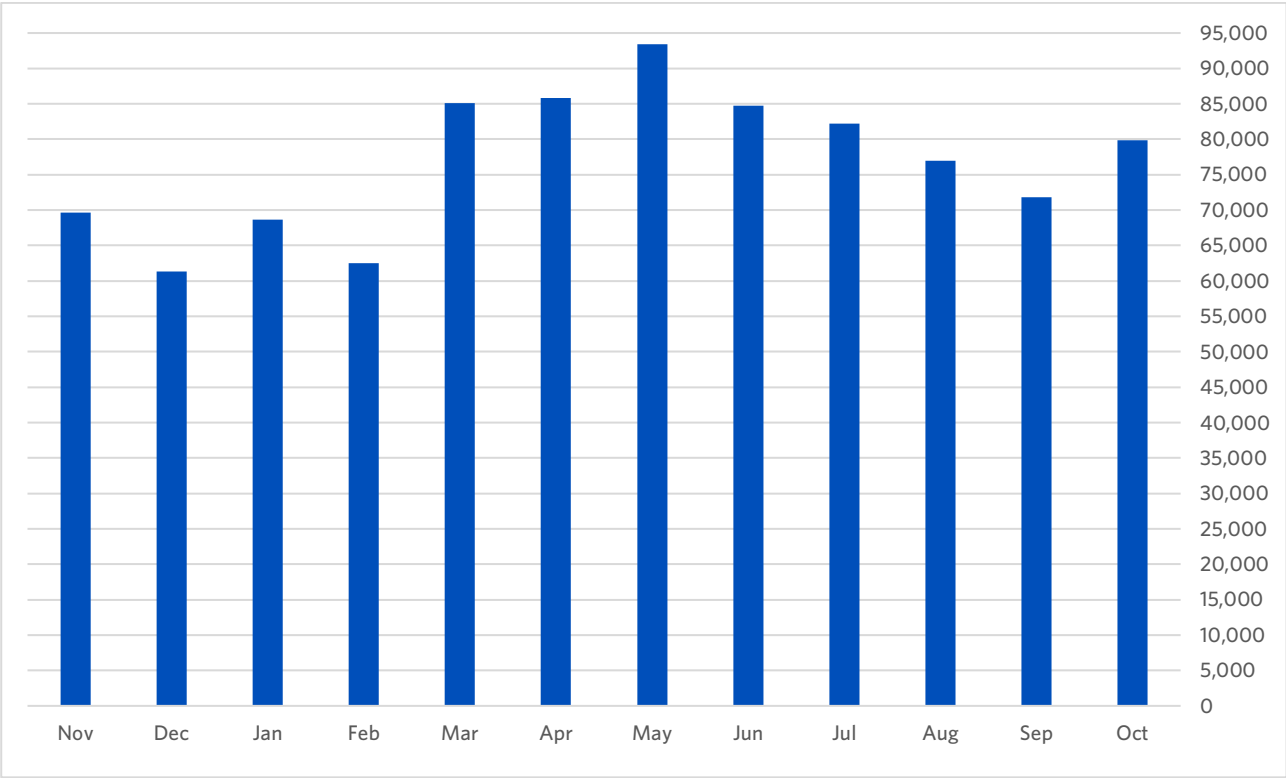
Figure 27: APNIC Blog views
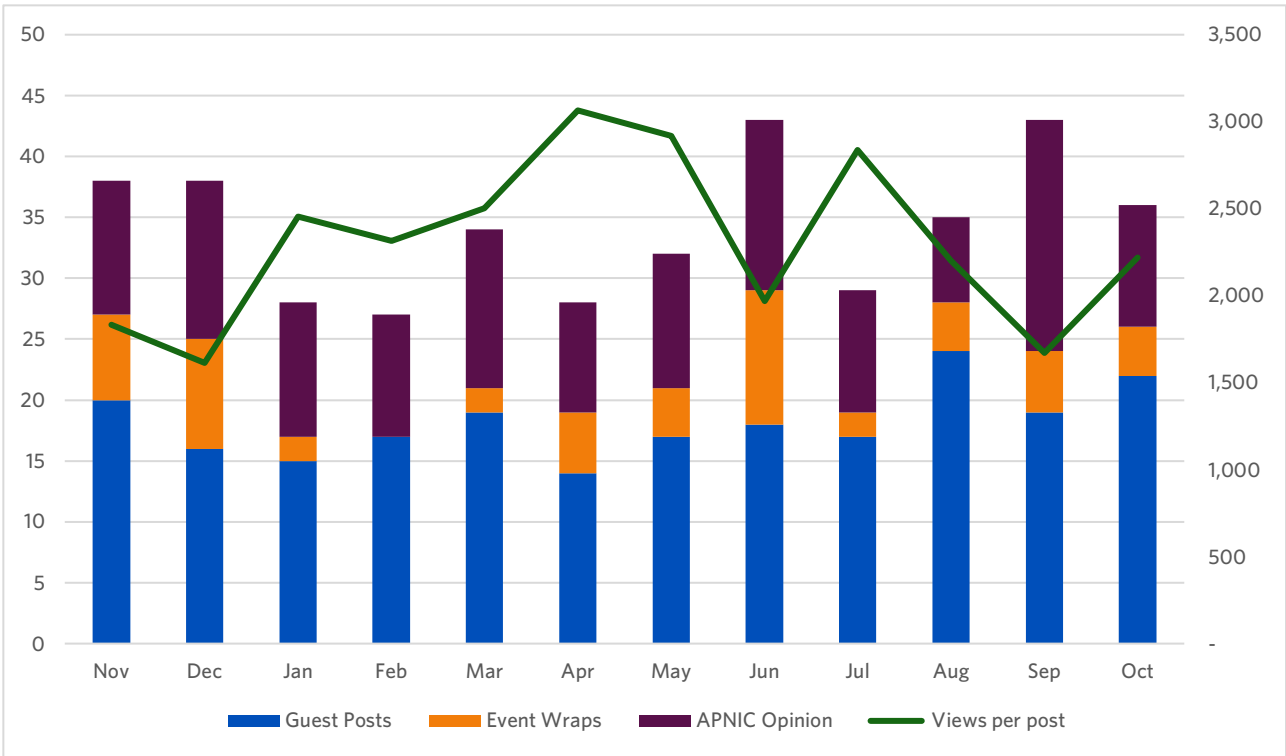
Figure 28: APNIC Blog posts
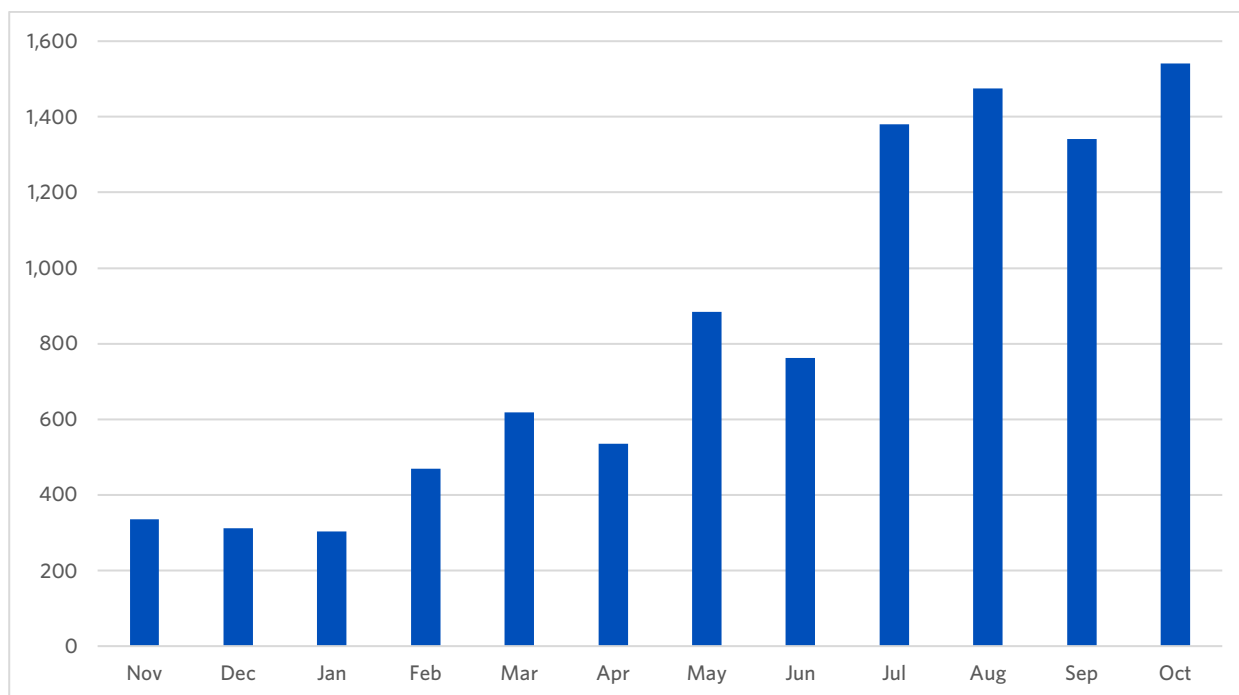
Figure 29: Podcast Impactful Plays

	Success Indicators – 4A.1.	Results	Status
1	Achieve average of at least 70,000 Blog views per month.	79,110	🟢
2	Maintain Blog Guest Post ratio between 45-65%.	61%	🟢
3	Achieve at least 4,000 podcast listens.	9,313	🟢
4	Achieve a Blog satisfaction rating of at least 5.95/7 in the APNIC Survey.	6.16	🟢

4A.2   Information product management

Objective: Provide meaningful and useful information services to Members and the community.

▪ A significant increase in new users was achieved using paid search promotion for REx and NetOX. This has also increased the number of returning users.

▪ The paid search campaign will continue throughout 2022 to explore retention in search-recruited users.
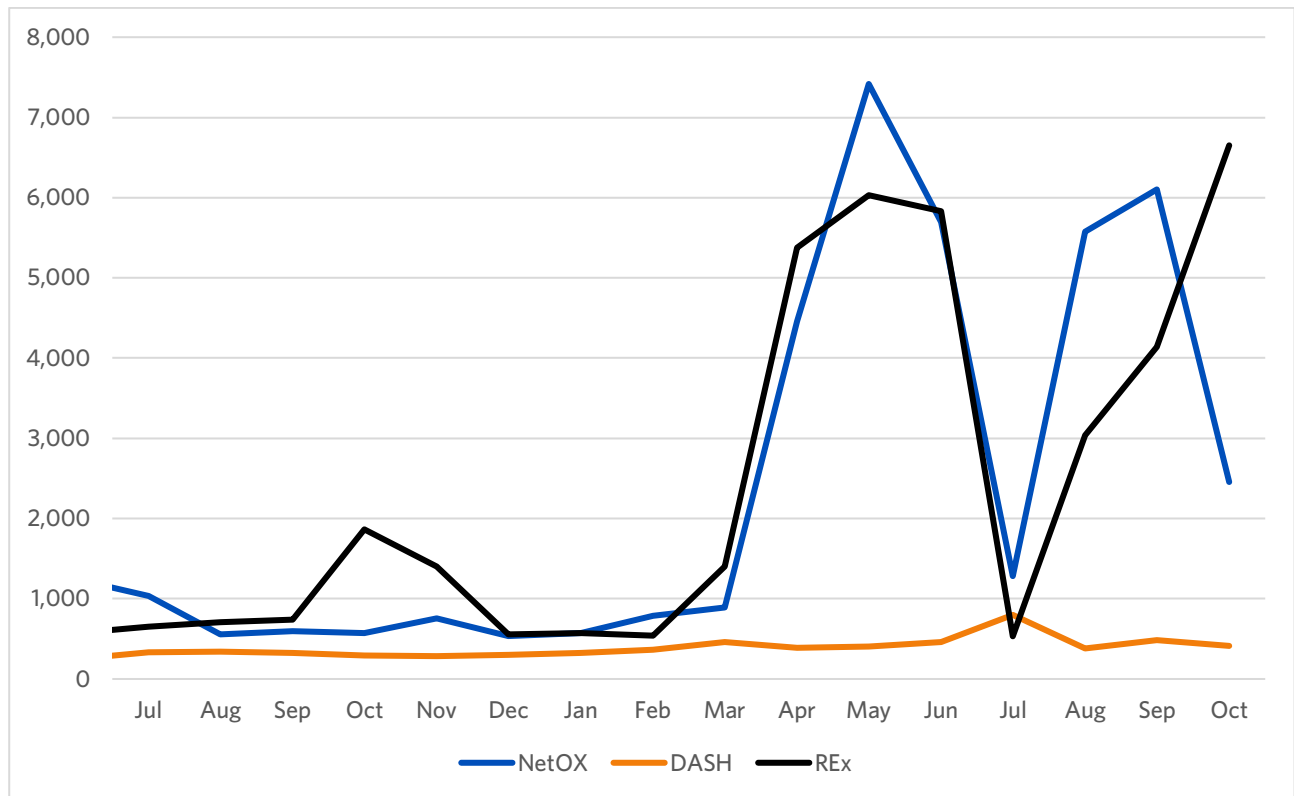
Figure 30: Monthly number of users
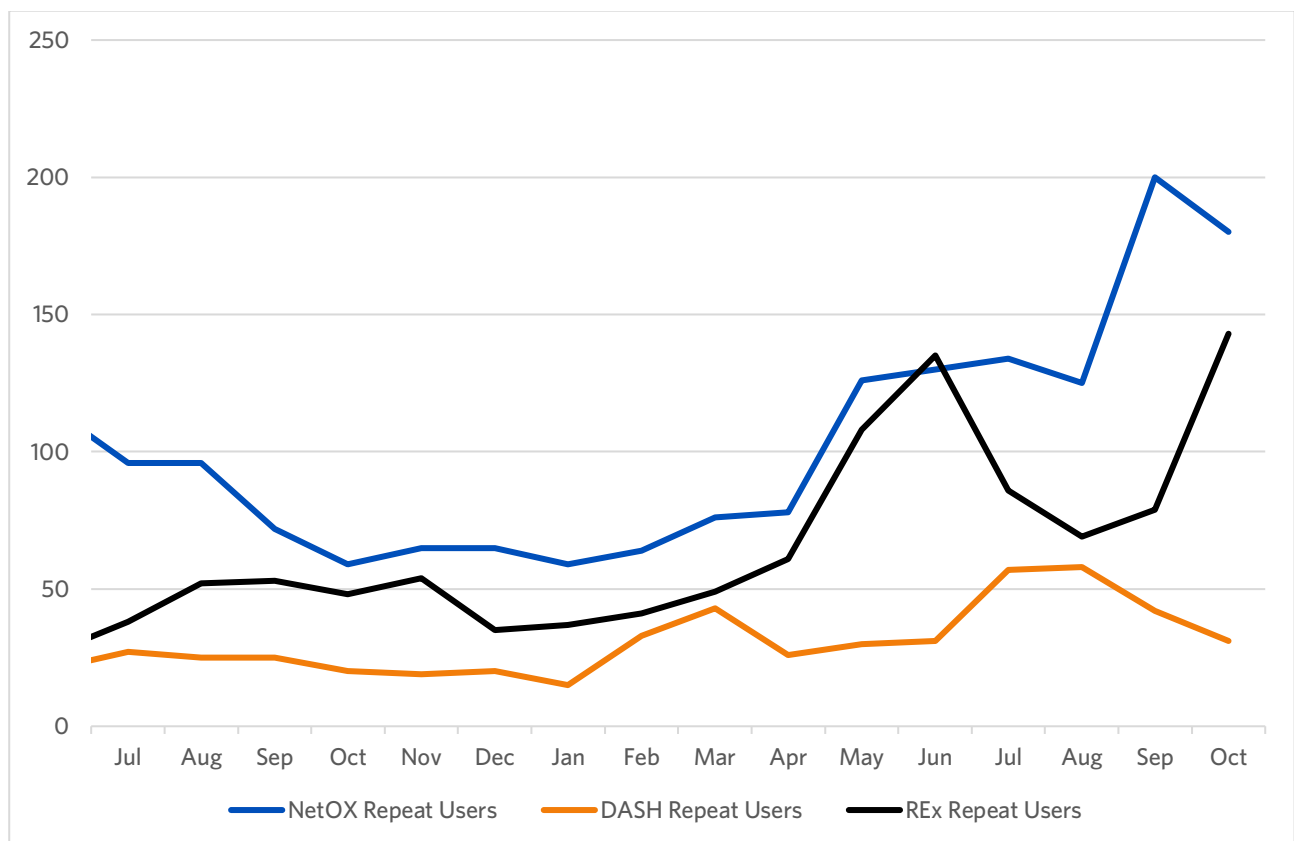
Figure 31: Monthly number returning users

	Success Indicators – 4A.2.	Results	Status
1	Maintain Information Product availability of at least 99.95%.	100%	🟢
2	Reach the following average users per month: REx: 1,000 users per month DASH: 500 users per month NetOX: 1,000 users per month	REx: 3,412 DASH: 447 NetOX: 3,523	🟠
3	Achieve a NPS of 60+ for all products.	REx: 38 DASH: 50 NetOX: 38	🔴
4	Maintain a usability score of at least 4.5/5 for all products.	REx: 4.1 DASH: 4.3 NetOX: 4.5	🟠

Investments

4A.3 Information product development

Objective: Develop meaningful and useful information services for Members and the community.

Roadmap goals completed

REx user interface improvements

- Deployed several UX/UI improvements for REx based on internal feedback.

Add routing information pages, and routing and suspicious traffic alerts to DASH

- Deployed routing status information that highlights inconsistencies in BGP, RPKI and IRR data.
- Deployed suspicious traffic alerts through email notifications, and routing status alerts via email, SMS and Slack.

Develop a common API and backend system to provide notifications as a service for APNIC products

- Notifications system deployed for email, SMS and Slack

Improve NetOX comparison tool

- Deployed a comparison feature which allows multiple Internet number resources to be compared by different widgets.

Roadmap goals in progress

Expand REx to cover global RIR delegation data and global IPv6 data

- UI design and implementation finalized, with the backend implementation to be completed in Q1 2023.

Success Indicators – 4A.3.	Results	Status
1	Achieve all 2022 goals, according to the [Information Products Roadmap]().	4 completed 1 in progress 2 in backlog	🟠

4B   Research and Analysis

Operations

4B.1   Conducting research and measurements

Objective: Gain a greater understanding of technical issues, trends, and how the Internet operates.

- New measurements on the use of IPv6 as a transport protocol for the DNS and IPv6 Extension Header handling, including fragmentation, were completed.

- Analysis of IPv4 and IPv6 advertised, unadvertised and reserved address pools over time continues.

- Completed reporting on the annual state of BGP, and further development of routing bogon and CIDR reports, as input to the ISOC MANRS activity. Work continues on automated BGP anomaly detection.

- DNS research included analysis of the handling of large DNS responses, adoption of DOH, and DNS query patterns.

- Measurement of QUIC (and HTTP/3) use continues, following the release of beta software that adds QUIC support to NGINX servers.

- Published 31 blog articles and recorded eight podcasts.

Success Indicators – 4B.1.	Results	Status
1	See 4B.3		

4B.2   Research cooperation

Objective: Collaborate and share resources to improve research outcomes and impacts.

- Continued cooperative research with ISOC in support of MANRS, providing a feed of routing data.

- Provided collaborative measurements on aspects of the DNS and DNSSEC as part of a cooperative research agreement with ICANN.

- Research is in progress with Cloudflare on the characteristics of DNS query traffic presented to the Cloudflare 1.1.1.1 open recursive resolver.

Success Indicators – 4B.2.	Results	Status
1	Undertake at least two significant cooperative research activities.	3 collaborative research projects	🟢

4B.3   Sharing research outcomes

Objective: Help Members make better informed decisions on their network operations.

- Delivered 34 presentations at community and industry events.

	Success Indicators – 4B.3.	Results	Status
1	Publish at least 12 articles or reports on resource outcomes.	31 articles	🟢
2	Present at least 12 research presentations, including at least two at APNIC conferences.	34 presentations	🟢

5   Capability

Operations

5A   Internal Technical Infrastructure

5A.1   Architecture and technical coordination

Objective: Build efficiencies through use of a coordinated common infrastructure by multiple product teams.

▪ Reviewed technology platforms with particular attention to the end of life of CentOS 7 and JDK versions. CentOS 7 will be replaced with Redhat Enterprise Linux in 2023.

▪ Repository health metrics work is being coordinated with Security and DevOps groups to improve vulnerability scanning.

	Success Indicators – 5A.1.	Results	Status
1	Review technology recommendations once per quarter.	Q1, Q2, & Q3 completed	🟠
2	Report quarterly on architectural decisions and directions.	Q1, Q2 & Q3 completed	🟠

5A.2   Network and infrastructure operations

Objective: Ensure high availability of APNIC's infrastructure.

▪ Progress continued on deploying a shared POP in Singapore SG1 for both APNIC critical services and an M-root global anycast node.

	Success Indicators – 5A.2.	Results	Status
1	Complete quarterly data centre failover and backup recovery tests.	Q1, Q2 & Q3 completed	🟠
2	Respond to all critical incidents within 20 minutes.	No critical incidents	🟠
3	Maintain availability of 99.99% for critical APNIC services and 99.95% for less-critical services.	Both 99.99%	🟠

5A.3   System and platform operations

Objective: Support APNIC's public service delivery with reliable, secure, and high-performance systems.

▪ Completed migration of community mailing lists to Mailman 3, with Okta SSO support.

▪ A new Hardware Security Module (HSM) is being configured for RPKI to allow data centre failover.

▪ RPKI RRDP has been deployed in APNIC's Cloudflare and Google Cloud CDN instances.

▪ Deployed new RDNS anycast nodes in Mumbai, Bangalore, Tokyo, Melbourne, San Jose, New Jersey and Miami.

- The annual DNSSEC key rollover was completed.

	Success Indicators – 5A.3.	Results	Status
1	Deploy additional Hardware Security Module (HSM) to High Availability (HA) group in multiple data centres.	Completed	🟢
2	Complete CentOS migration plan.	In progress	🟠
3	Deploy redundant load balancers.	In progress	🟠

5A.4 Internal security operations

Objective: Maintain strong internal security operations to appropriate standards of best practice to avoid service disruption and data loss.

- HackerOne support for APNIC's Vulnerability Reporting Program (VRP) and continuous penetration testing now in full production.

- Successfully completed external audit and achieved certification of ISO 27001 Information Security Management System (ISMS).

- Published DNS Certification Authority Authorization (CAA) for APNIC domains to prevent unauthorized certificate creation from unlisted CAs.

	Success Indicators – 5A.4.	Results	Status
1	Achieve ISO27001 certification.	Completed	🟢
2	Mitigate all critical vulnerability reports within seven days and resolve within 30 days.	On track	🟠

5A.5 Enterprise applications and IT support

Objective: Provide secure and reliable enterprise technologies to support Secretariat operations.

- Internal Confluence servers were migrated to Atlassian Cloud.

- Sage People HR management was rolled out, with automation by internal Okta. Work on automating onboarding of new staff is progressing.

- Completed Foundation wiki migration to Confluence on Altassian Cloud.

- Completed migration of RT application to Okta to use modern authentication.

	Success Indicators – 5A.5.	Results	Status
1	Meet SLA of two business-day response for internal IT support.	SLA met	🟠

Investments

5A.6   Security infrastructure upgrades

Objective: Harden APNIC systems and security infrastructure to reduce security risks and protect Member information.

- Red Hat patch management subscription service is being tested.

- External monitoring of email SPF and DMARC has been deployed through MXToolbox.

- APNIC DANE TLSA record is now using a public certificate.

- Email system improvements included:

  o Deployed SMTP TLS reporting (RFC 8460).

  o Deployed MTA-STS email standard to prevent downgrade attacks on inbound email delivery (RFC 8461).

  o Outbound emails are now using the Domain Keys Identified Mail (DKIM) standard digital signature in the header.

  o Sender Policy Framework (SPF) to publish lists of permitted senders for all APNIC email domains (RFC 7208).

- A project team has been created to work on privileged access management and improve user authentication as part of the zero-trust network and server access project.

	Success Indicators – 5A.6.	Results	Status
1	Complete automation of patch management.	In progress	🟠
2	Complete email business rule deployment using standard best practice.	In progress	🟠
3	Implement improved user authentication and access management system.	In progress	🟠

5B   Finance and Business Services

Operations

5B.1   Internal knowledge management

Objective: Maintain effective methods, structures, and tools to retain and retrieve corporate information within APNIC.

- Migration of document management to SharePoint was completed.

- Internal administrative and HR documentation successfully migrated.

- Decommissioning of old 'Internal' SharePoint site completed.

	Success Indicators – 5B.1.	Results	Status
1	Complete migration during Q1 2022.	Completed	🟢

5B.2   Financial services

Objective: Transparent and efficient management and reporting of APNIC's financial affairs.

- The annual audit of APNIC's 2021 financial accounts was completed by Ernst & Young and presented to the EC at APNIC 53.

- A Private Ruling application was submitted to the ATO to renew APNIC's mutuality status for tax purposes.

- The mid-year budget reforecast was completed and presented to Members at APNIC 54.

- The Member payments and billing survey was completed in September, with 183 responses from 25 economies. 90% of respondents rated their billing and payments experience with APNIC as 4 or 5 (out of 5).

- A risk tolerance review of APNIC's investment portfolio commenced.

- Preparation of the 2023 APNIC budget began.

	Success Indicators – 5B.2.	Results	Status
1	Achieve a successful audit of APNIC's annual financial accounts.	Completed	🟢

5B.3   Business services

Objective: Effectively support Secretariat operations and travel.

- Improvements were implemented in travel booking and risk management procedures, with continual monitoring of COVID-related travel risks and requirements.

- A new set of 'Eco-APNIC' standards, and a new management process, were introduced for APNIC promotional items.

- A self-service parking booking app was launched in Q1.

	Success Indicators – 5B.3.	Results	Status
1	Maintain all Office facilities to established annual schedule.	In progress	🟠
2	Audit travel requests and expense transactions for policy alignment.	In progress	🟠

5B.4   Business intelligence and data analytics

Objective: Improved decision making from the increased availability and accessibility of relevant, cross-system information sources.

- Continued to improve usage of Jira, Confluence, Salesforce, Tableau/FusionCharts and SharePoint to automate creation of report content (charts, tables, and narratives).

- Automated scripts have been developed to prepare data and generate standardized charts and visualizations for use in reports and presentations.

	Success Indicators – 5B.4.	Results	Status
1	100% automation of monthly Secretariat reporting data/charts from the BI system.	60% complete	🔴

Investments

5B.5   Data management and governance

Objective: Ensure availability of quality and accurate data to support decision making.

- Within APNIC's data model, ownership/stewardship has been assigned to improve data capture, management, and processing.

- A data management and governance system based on Certus/IRIS was selected and implemented, with staff being trained by the vendor on modelling and warehouse best practices. Data ingestion pipelines are being developed and tested on the new platform.

- A graph database is in development, built on Neo4J Aura cloud platform, integrating data from routing tables, whois/RDAP, RPKI, reverse DNS, and other data sources in future. Practical applications have been found in forensic analysis of Internet resource usage. Live BGP data ingestion into Neo4J is being deployed.

- APNIC Membership and Registry data is ingested into the data vault daily, and reports and chart data are sourced from it.

	Success Indicators – 5B.5.	Results	Status
1	Data model and governance are documented and implemented.	50% complete	🟠
2	Data ingestion system established and working effectively.	30% complete	🟠

5C   Employee Experience

Operations

5C.1   Organizational development

Objective: Optimize internal capability, including improved processes, effective communication, and adaptation to organizational challenges.

- A biannual 'People Pulse' survey was launched in April 2022. The staff engagement level of 83% exceeded the global benchmark of 76%.

- Personalised coaching (from LeaderShape) is being provided to staff as needed.

- A career pathway framework has been drafted to support a comprehensive succession plan, and executive coaching commences in Q4.

- An internal communications specialist was appointed in April and a new internal communications plan was developed.

	Success Indicators – 5C.1.	Results	Status
1	Complete Agile adoption by end of Q2 2022.	Completed	🟢
2	Staff satisfaction ratings meet or exceed external benchmarks in 2022.	1st survey exceeded benchmark	🟢
3	An Internal Communications specialist is appointed by end of Q2 2022.	Completed	🟢

5C.2   Work environment management

Objective: Ensure all places of work and workplace practices for APNIC staff (both the office and remote locations) are fit for purpose.

- Flooding in Brisbane in March caused subsidence damage to the carpark. Consultation with specialist engineers and associated trades was completed, but an insurance claim was rejected by APNIC's insurer. A rectification plan is now being prepared for the 2023 budget.

- A refurbishment plan for the current premises at Cordelia Street has been finalized.

- All government guidelines for COVID-infected staff are observed and those infected provided with necessary support.

	Success Indicators – 5C.2.	Results	Status
1	Zero WHS incidents due to APNIC-controlled environmental factors.	No incidents	🟠
2	All travellers meet travel safety requirements as per the Travel Health Policy.	100% compliance	🟠

5C.3   Talent attraction and retention

Objective: Attract and retain the best possible talent to deliver on APNIC's Vision and Mission.

- Recruitment is planned and fulfilled according to the Workforce Plan for 2022.

- Talented staff in training, software development and UX roles are in high demand, resulting in staff turnover and extended delays in recruitment.

	Success Indicators – 5C.3.	Results	Status
1	Maintain staff turnover rate within benchmark of 5-15%.	3%	🟠
2	Fill all open roles within 90 days from advertisement.	56-day average	🟠
3	Every advertised vacancy has a minimum of four simultaneous candidate sources.	100% compliance	🟠

5C.4   People operations management

Objective: Ensure the employee value proposition and experience supports the attraction and retention of diverse and talented team members, and that policies and practices meet global standards.

- New Employee Value Proposition video and updated careers page launched.

- Parental Leave Policy reviewed and improved to meet best current practice.

- Halogen and Bamboo HR systems both decommissioned and replaced by Sage People, which resulted in a slight reduction in budget.

- All HR records migrated to SharePoint.

	Success Indicators – 5C.4.	Results	Status
1	Complete deployment of all selected modules of the Sage People system.	In progress	🟠
2	Demonstrate reduced cost of HR administration platforms.	Complete	🟢
3	Payroll review completed by end of Q3 2022.	On hold	🔴

Investments

5C.5   APNIC workspace improvement

Objective: Enhance collaborative working at the APNIC office and for remote employees.

- Workshops were conducted with O'Neill Architects for the design of the future APNIC premises at Breakfast Creek Road. A project team is working with APIDT on APNIC's requirements.

- The upgrade plan for the current Cordelia Street premises to address requirements for the next two to three years was completed. Furnishings have been selected for relocation and future use in the new premises.

	Success Indicators – 5C.5.	Results	Status
1	Complete all budgeted facility upgrades by end of Q3 2022.	In progress	🔴

5D   Governance

Operations

5D.1   Executive Council (EC) support

Objective: Facilitate EC processes and activities of the highest integrity.

- Sumon Ahmed Sabir, Kam Sze Yeung, and Achie Atienza were elected to the APNIC EC for two-year terms.

- Three EC meetings have been held (Meeting 1: 21 February and 3 March, Meeting 2: 26-27 May, Meeting 3: 11 September).

	Success Indicators – 5D.1.	Results	Status
1	Achieve a satisfaction rating of at least 6/7 from a survey of EC members.	Survey scheduled for Q4	🟠

5D.2   Corporate governance and legal

Objective: Mitigate legal risk in all APNIC activities.

- The Strategic Risk Register was updated and presented to the EC for quarterly review.

- Recertification of ISO9001 was achieved, following additional preparations to document processes within product development, Academy, and training delivery, as this is now included in the recertification.

- The Whistleblower Policy was implemented, and a dedicated external provider engaged to assist with deployment and management of reports.

- All professional conduct-related policies were reviewed, and organizational expectations reinforced, to avoid the possibility of incidents.

	Success Indicators – 5D.2.	Results	Status
1	Update Strategic Risk Register quarterly.	Q1, Q2 and Q3 complete	🟠
2	Achieve full ISO 9001 quality management system recertification.	Completed	🟢
3	Undertake quarterly BCP scenario testing.	Q1, Q2 and Q3 complete	🟠

5D.3   Corporate social responsibility

Objective: Enhance APNIC's position as an environmentally and socially responsible organization.

- Presentations to staff from environmentally friendly superannuation providers were delivered.

- Promotional items were reviewed and are now sourced from sustainable and ecologically-friendly suppliers.

	Success Indicators – 5D.3.	Results	Status
1	Corporate social responsibility program developed and approved.	In progress	🟠

Events/Activities in 2022

Month	Event: Event Name	City	Economy
Jan	4th Interregional Meeting for Preparation of WTSA-20	Online	CH
	4th Meeting of the APT Preparatory Group for WTDC-21 (APT WTDC21-4)	Bangkok/Online	TH
	9th Meeting of ITU TSAG (Telecommunication Standardization Advisory Group)	Online	CH
	Cryptography Fundamentals Tutorial	Online	AP
	Cryptography Fundamentals Tutorial	Online	AP
	IPv6 Protocol, Architecture & Address Planning Tutorial	Online	AP
	IPv6 Protocol, Architecture & Address Planning Tutorial	Online	AP
	JANOG 49	Kagoshima	JP
	Looking Lower: Programmable Data Planes (Part 1)	Online	AP
	MyFinTechWeek 2022	Online	MY
	OSPF Operation Tutorial	Online	AP
	OSPF Operation Tutorial	Online	AP
	PTC'22	Honolulu	US
Feb	1st IGF 2022 Open Consultations and MAG Meeting	Online	CH
	2nd Meeting of the APT Preparatory Group for PP-22 (APT PP22-2)	Bangkok/Online	TH
	AP* February 2022	Online	
	APNG Camp 15	Online	AP
	APNIC's Vulnerability Reporting Program	Online	AP
	APRICOT 2022/APNIC 53	Online	BD
	APRICOT 2022/APNIC 53: Network Automation Tutorial	Online	BD
	APRICOT 2022/APNIC 53: Segment Routing Tutorial	Online	BD
	AVPN South Asia Social Investment Summit	Online	OP4
	BGP Fundamentals & Attributes Tutorial	Online	AP
	BGP Fundamentals & Attributes Tutorial	Online	AP
	Cryptography Fundamentals Tutorial	Online	AP
	Cryptography Fundamentals Tutorial	Online	AP
	DNS Fundamentals Tutorial	Online	AP
	DNS Fundamentals Tutorial	Online	AP
	DNS-OARC 37	Austin/Online	US
	IPv6 Protocol, Architecture & Address Planning Tutorial	Online	AP
	IPv6 Protocol, Architecture & Address Planning Tutorial	Online	AP
	IRINN: IPv6 Protocol, Architecture & Address Planning Tutorial	Online	IN
	ISIF Asia 2021 Grantee Welcome Session	Online	AP

	IS-IS Operations Tutorial	Online	AP
	IS-IS Operations Tutorial	Online	AP
	ITU GSS-20 (Global Standards Symposium)	Geneva	CH
	M3AAWG 54th General Meeting	San Francisco/Online	US
	NANOG 84	Online (Austin)	US
	NRO EC Meeting	Dubai	AE
	OSPF Operation Tutorial	Online	AP
	OSPF Operation Tutorial	Online	AP
Mar	20th ITCN Asia and Telecom Conference and Expo	Hybrid	PK
	APAC DNS Forum 2022	Online	
	APAN 53	Hybrid	BD
	APAN 53: IPv6 Deployment and Address Planning Tutorial	Dhaka	BD
	APNIC - KHNOG Training: Network & Information Security	Online	KH
	Assessing the Promise of Low Earth Orbit (LEO) Satellites in Accelerating Rural	Online	PH
	bdSIG 2022	Online	BD
	BGP Fundamentals & Attributes Tutorial	Online	AP
	BGP Fundamentals & Attributes Tutorial	Online	AP
	CNNIC : IPv6 Deployment and RPKI Workshop (Delivered in Mandarin)	Online	CN
	DNS Fundamentals Tutorial	Online	AP
	DNS Fundamentals Tutorial	Online	AP
	DWDM Fundamentals (Part-1)	Online	AP
	ICANN 73	Online	PR
	IETF 113	Vienna / Online	AT
	Indonesia Honeynet Project Workshop	Online	ID
	IPv6 Deployment & Transition Techniques Workshop	Online	PK
	IPv6 Deployment & Transition Techniques Workshop	Online	PK
	IS-IS Operations Tutorial	Online	AP
	IS-IS Operations Tutorial	Online	AP
	ITU WTSA-20	Geneva	CH
	MMIX AGM & mini Peering Forum 2022	Virtual	MM
	NRO-PACG f2f meeting	Geneva	CH
	Operational & Planning Aspects of DWDM (Part-2)	Online	AP
	PacSON Virtual Webinar	Online	OP1
	PhNOG 2022	Online	PH
	PhNOG 2022: APNIC Tools - Visualisation and Troubleshooting	Online	PH
	PhNOG 2022: DNS and Root Server deployment	Online	PH
	PhNOG 2022: RPKI/ROV Refresher and ROA Session	Online	PH

	Quarterly Threat Sharing & Honeynet Community Session	Online	
	Technology for Change Week Asia 2022	Hong Kong	HK
Apr	APT Extraordinary meeting for ITU WTDC-21 (WTDC-e)	Online	TH
	ARIN 49	Nashville	US
	AUSNOG 2022	Sydney	AU
	BNE0x33 (52nd Session) - SecTalks Brisbane	Brisbane	AU
	BrisSEC 2022	Brisbane	AU
	Building your own switch with P4 (Part 2)	Online	AP
	Connections 2022 - A post-IETF 113 Forum	Online	IN
	DNSSEC Fundamentals Tutorial	Online	AP
	DNSSEC Fundamentals Tutorial	Online	AP
	DNSSEC Fundamentals Tutorial	Online	AP
	Internet Routing Fundamentals Workshop - Malaysia	Online	MY
	IPv6 Transition: East Asia Perspective	Online	AP
	Meaningful Access to Advance Digital Societies - UNCTAD's E-Commerce Week	Online	CH
	MPLS Fundamentals Tutorial	Online	AP
	MPLS Fundamentals Tutorial	Online	AP
	MPLS Fundamentals Tutorial	Online	AP
	Network Monitoring and Management (NMM) Fundamentals Tutorial	Online	AP
	Network Monitoring and Management (NMM) Fundamentals Tutorial	Online	AP
	Network Monitoring and Management (NMM) Fundamentals Tutorial	Online	AP
	OECD - 6th Session of the Working Party on Security in the Digital Economy	Online	FR
	PCTA 2022 - Intro to IXP Tutorial	Online	PH
	PCTA 2022 - Network & Information Security Tutorial	Online	PH
	PCTA 2022 - Network Monitoring & Management Tutorial	Online	PH
	PCTA e-Tech Show 2022	Manila	PH
	Registration Services Coordination Group (RSCG) f2f Meeting	Nashville	US
	RPKI Deployathon	Sydney	AU
	Security Monitoring workshop with MyREN community	Online	MY
	yIGF Myanmar 2022	Online	MM
May	3rd ICANN APAC-TWNIC Engagement Forum (37th TWNIC OPM)	Taipei	TW
	3rd Meeting of the APT Preparatory Group for PP-22 (APT PP22-3)	Tokyo	JP
	53rd AI3 & SOI Asia Joint Meeting	Online	AP
	AIS'22 (AFRINIC 35)	Pointe aux Biches	MU

	APEC TEL WG 64th meeting	Online	TH
	APNIC: Bangkok - Network Management and Monitoring Workshop	Bangkok	TH
	APNIC: Singapore - Network and Information Security Workshop	Singapore	SG
	APNIC 54 site visit	Singapore	SG
	APNIC EC Meeting - 26-27 May 2022	Brisbane	AU
	AusCERT 2022	Gold Coast	AU
	BKNIX Peering Forum / ThaiNOG – Securing DNS with DNSSEC	Bangkok	TH
	BKNIX Peering Forum 2022	Bangkok	TH
	Breach and Attack Simulation Tools	Online	AP
	Corporate Device Management – Securing your employees devices	Online	AP
	CSP Content Creation/Update Workshop	Canberra	AU
	CSP Threat Landscape 3	Online	
	DNS Ecosystem Conference	Online	CN
	ELT Quarterly Strategic Meeting 2022	Brisbane	AU
	Global Digital Development Forum 2022	Online	US
	ICANN DNS Symposium 2022	Online	
	INNOG:5 Routing Fundamentals Tutorial	Online	IN
	INNOG 5	Online	IN
	INNOG 5: DNS Fundamentals	Online	IN
	INTERPOL Cybercrime Conference for LEAs and Judicial Authorities	Phuket	TH
	IPv6 Deployment and Security Tutorial	Online	AP
	IPv6 Deployment and Security Tutorial	Online	AP
	IPv6 Deployment Workshop - Laos	Online	LA
	IRINN: IPv6 Transition Techniques	Online	IN
	LACNIC 37	Online	CO
	NZNOG: Internet Routing Tutorial	Wellington	NZ
	NZNOG 2022	Wellington	NZ
	Packet Analysis Tutorial	Online	AP
	Packet Analysis Tutorial	Online	AP
	PITA Business Forum & Exposition 2022	Nadi	FJ
	RIPE 84	Berlin	DE
	Rise Indonesia	Denpasar	ID
	RPKI - Philippines Session	Online	PH
	Visit to RIPE-NCC	Amsterdam	NL
	VNNIC – IPv6 Security and RPKI Workshop	Online	VN
	What next for Afghanistan?	Online	AF
	YIGF Nepal 2022	Online	NP
Jun	APJII/IDNIC visits APNIC	Brisbane	AU
	APNIC: APT Mongolia IPv6 Deployment Workshop	Online	MN
	AVPN Global Conference 2022	Bali	ID

	bdNOG 14	Cox's Bazar	BD
	bdNOG 14: Segment Routing Workshop	Cox's Bazar	BD
	bdNOG 14: System and Network Security Workshop	Cox's Bazar	BD
	BGP Policy Control Tutorial	Online	AP
	BGP Policy Control Tutorial	Online	AP
	CommunicAsia 2022	Singapore	SG
	FIRST Annual Conference 2022	Dublin	IE
	ICANN 74	The Hague	NL
	Indonesia MCIT webinar on 5G, IoT and IPv6	Yogyakarta	ID
	Introduction to SDN/OpenFlow Tutorial	Online	AP
	Introduction to SDN/OpenFlow Tutorial	Online	AP
	ITU WTDC 2021 (World Telecommunication Development Conference)	Kigali	RW
	M3AAWG 55th General Meeting	London	GB
	NRO EC Face to Face Meeting - Miami	Miami	US
	QUT - Internet Infrastructure Security Best Practices - Presentation	Brisbane	AU
	Reverse DNS Tutorial	Online	AP
	Reverse DNS Tutorial	Online	AP
	RightsCon 2022	Online	US
	ROA Creation and Update- Philippines Session	Online	PH
	Root Server Deployment and Operations	Online	AP
	RPKI - Cambodia Session	Online	KH
	RPKI - Philippines Session	Online	PH
	Security Assurance In the Internet of Things	Online	AP
	SNMP Fundamentals Tutorial	Online	AP
	SNMP Fundamentals Tutorial	Online	AP
	Telekom Malaysia Cyber Security Seminar	Online	MY
	TWNIC – Network Security Workshop	Online	TW
	USAID Symposium on Advancing Open RAN	Online	AP
	VNNIC Internet conference 2022	Da Nang	VN
Jul	AFRINIC Staff Exchange	Ebene	MU
	APNIC: APT Myanmar Network Security Workshop	Online	MM
	BSides Brisbane 2022	Brisbane	AU
	CNNIC: IPv6 Deployment (Delivered in Mandarin)	Online	CN
	Defend your Web Apps for free with mod Security	Online	AP
	DNS OARC 38	Philadelphia	US
	Historical Resource Management and the benefits of RPKI	Online	AP
	IDNOG 7	Jakarta	ID
	IDNOG 7 2022 - SDN Workshop	Jakarta	ID
	IETF 114	Philadelphia	US
	IGF 2022 2nd Open Consultations & MAG Meeting	Online	CH

	IPv6 Transition Techniques	Online	AP
	IPv6 Transition Techniques	Online	AP
	JANOG 50	Hakodate	JP
	PhNOG 2022 Hybrid	Makati	PH
	PhNOG 2022 Hybrid- DNSSEC & DNS Privacy	Makati	PH
	PhNOG 2022 Hybrid - RPKI & BGP Security	Manila	PH
	RPKI/ROV Tutorial and ROA Session Cambodia	Online	KH
	RPKI/ROV Tutorial and ROA Session Mongolia	Online	MN
	SANOG 38	Kathmandu	NP
	SANOG38 Network Management and Monitoring	Kathmandu	NP
	Site Visit to PH for Apricot 2023	Manila	PH
	Transport Layer Security (TLS) and Secure Socket Layer (SSL)	Online	AP
	Transport Layer Security (TLS) and Secure Socket Layer (SSL)	Online	AP
	UNODC Seminar on Ransomware	Online	AP
	Visit to India: NIXI/IRINN, NKN etc	New Delhi	IN
Aug	Inaugural Small Islands Developing States (SIDS) Internet Governance Forum (IGF)	Online	
	RPKI/ROV Tutorial and ROA Session Cambodia	Online	KH
	APAN 54: Intro to SDN/OpenFlow Tutorial	Jinan	CN
	Youth IGF Bangladesh 2022	Online	BD
	APNIC: Macau – Information Security Tutorial	Online	MO
	Swiss German University (Indonesia) Digital Clinic Seminar	Online	ID
	Tonga Cyber Community Networking	Online	TO
	So, you want to build a Data Centre	Online	AP
	APNIC: Macau - Intro to Internet Routing Tutorial	Online	MO
	BGP Multihoming	Online	AP
	Round-Robin Database (RRD) Fundamentals	Online	AP
	PACNOG 30	Suva	FJ
	Global IPv6 Summit 2022	Online	CN
	Memory Forensics Tutorial for Tonga Security Community	Online	TO
	ITCN Expo 2022 Karachi	Karachi	PK
	RPKI/ROV Tutorial and ROA Session Philippines	Online	PH
	PACNOG 30 - Practical Cyber Security Workshop	Suva	FJ
	IAA@AusNOG 2022	Melbourne	AU
	15th APT Policy and Regulation Forum for Pacific (PRFP-15)	Port Vila	VU
	Cyber Safety Pasifika - Tier 2 Course	Nadi	FJ
	APIGA 2022	Seoul	KR
	RPKI/ROV Tutorial and ROA Session Mongolia	Online	MN
	Fourth Meeting of the APT Preparatory Group for PP-22 (APT PP22-4)	Bangkok	TH

	CompTIA Partner Summit 2022	Chicago	US
	Future of data governance in LAC / IDRC & D4D.net	Online	AP
	APAN 54	Jinan	CN
	BGP Multihoming	Online	AP
	UNESCAP meetings in 2022	Bangkok	TH
Sep	SGNOG 9	Singapore	SG
	CrikeyCon 8	Brisbane	AU
	MyNOG9	Kuala Lumpur	MY
	Social Enterprise World Forum	Brisbane	AU
	AP* Retreat	Singapore	SG
	Global Dialogue on Digitalization - MN (Virtual)	Online	MN
	China Internet infrastructure resource conference (CNIRC) 2022	Online	CN
	AusNOG 2022	Melbourne	AU
	APNIC 54	Singapore/Online	SG
	Packets don't lie - Threat Hunting with Zeek	Online	AP
	Grace Hopper Celebration 2022	Orlando, Florida	US
	PACSON 2022	Suva	FJ
	inSIG 2022	Hyderabad	IN
	RPKI/ROV Tutorial and ROA Session Mongolia	Online	MN
	GFCE Triple-I Workshop and India Youth IGF 2022	Hyderabad	IN
	Asia Peering Forum 2022	Singapore	SG
	IXP Setup Workshop - Maldives	Malé	MV
	ITU PP-22 (Plenipotentiary Conference 2022)	Bucharest	RO
	ICANN 75 (24th AGM)	Kuala Lumpur	MY
	VIET NAM YOUTH INTERNET GOVERNANCE FORUM 2022	Hanoi	VN
	KRCERT/CC (KISA) APISC Annual CERT Workshop 2022 (Virtual)	Online	KR
	RPKI/ROV Tutorial and ROA Session Cambodia	Online	KH
	THREAT CON 2022	Nepal	NP
	DFRWS-APAC	Adelaide	AU
	APrIGF 2022 and APSIG 2022	Singapore	SG
	RPKI/ROV Tutorial and ROA Session Philippines	Online	PH
Oct	Open Lab - Linux Basics	Online	AP
	Internet Routing Workshop - Timor-Leste	Dili	TL
	RIPE 85	Belgrade	RS
	Open Lab - Routing	Online	AP
	RPKI/ROV Tutorial and ROA Session Philippines	Online	PH
	mnNOG 4	Ulaanbaatar	MN
	NZITF Conference 2022	Wellington	NZ
	RPKI/ROV Tutorial and ROA Session Nepal	Online	NP
	MN Security Community Engagement	Ulaanbaatar	MN

	ISLET – Connect: Demonstration and Stakeholder Engagement Event	Online	AP
	RPKI/ROV Tutorial and ROA Session Fiji	Online	FJ
	OARC 39 & 47th CENTR Technical Workshop	Belgrade	RS
	Indonesia Academic CSIRT Conference	Bandung	ID
	VNIX-NOG 2022	Quy Nhon City	VN
	VNIX-NOG 2022 - Advanced Routing Security Workshop	Quy Nhon City	VN
	ISPAB IPv6 Workshop	Dhaka	BD
	LACNIC 38/LACNOG 2022	Santa Clara	BO
	btNOG 9	Thimphu	BT
	NANOG 86	Hollywood	US
	btNOG9: Network Security Workshop	Thimphu	BT
	ARIN 50	Hollywood	US
	Cybergreen Annual Meeting 2022	Online	AU
	PCTA USAID Connectivity and Cybersecurity Conference	Bacolod City	PH
	Cyber Security Week Bangladesh	Online	BD
	RPKI/ROV Tutorial and ROA Session Mongolia	Online	MN
	PRIF Week (Pacific Regional Infrastructure Fund)	Online	AU
	mnNOG-4 Network Security & DNSSEC Workshop	Ulaanbaatar	MN
	SD-WAN - An overview	Online	AP
	mnNOG 4 NMM Workshop	Ulaanbaatar	MN
	NetThing 2022	Online	AU
	HKNOG 11.0	Hong Kong/Online	HK
	PCTA - Routing Security & DNSSEC Tutorial	Bacolod	PH
	PKSIG 2022	Muzaffarabad	PK
	FIRST Virtual Asia Pacific Regional Symposium	Online	AP

Table 15: Events attended

APNIC Secretariat Report (to 31 October 2022)

EC meeting

5-7 December 2022

Kathmandu, Nepal

Strategic Plan

VISION	A global, open, stable, and secure Internet.
MISSION	To provide essential services as a Regional Internet Registry, and to support Internet development in the Asia Pacific region.

STRATEGIC PILLARS

1 MEMBERSHIP
2 REGISTRY
3 DEVELOPMENT
4 INFORMATION
5 CAPABILITY

VALUES — Passion – Trust – Curiosity – Accountability – Inclusion

CREDO — **WE ARE APNIC**

MEMBERSHIP
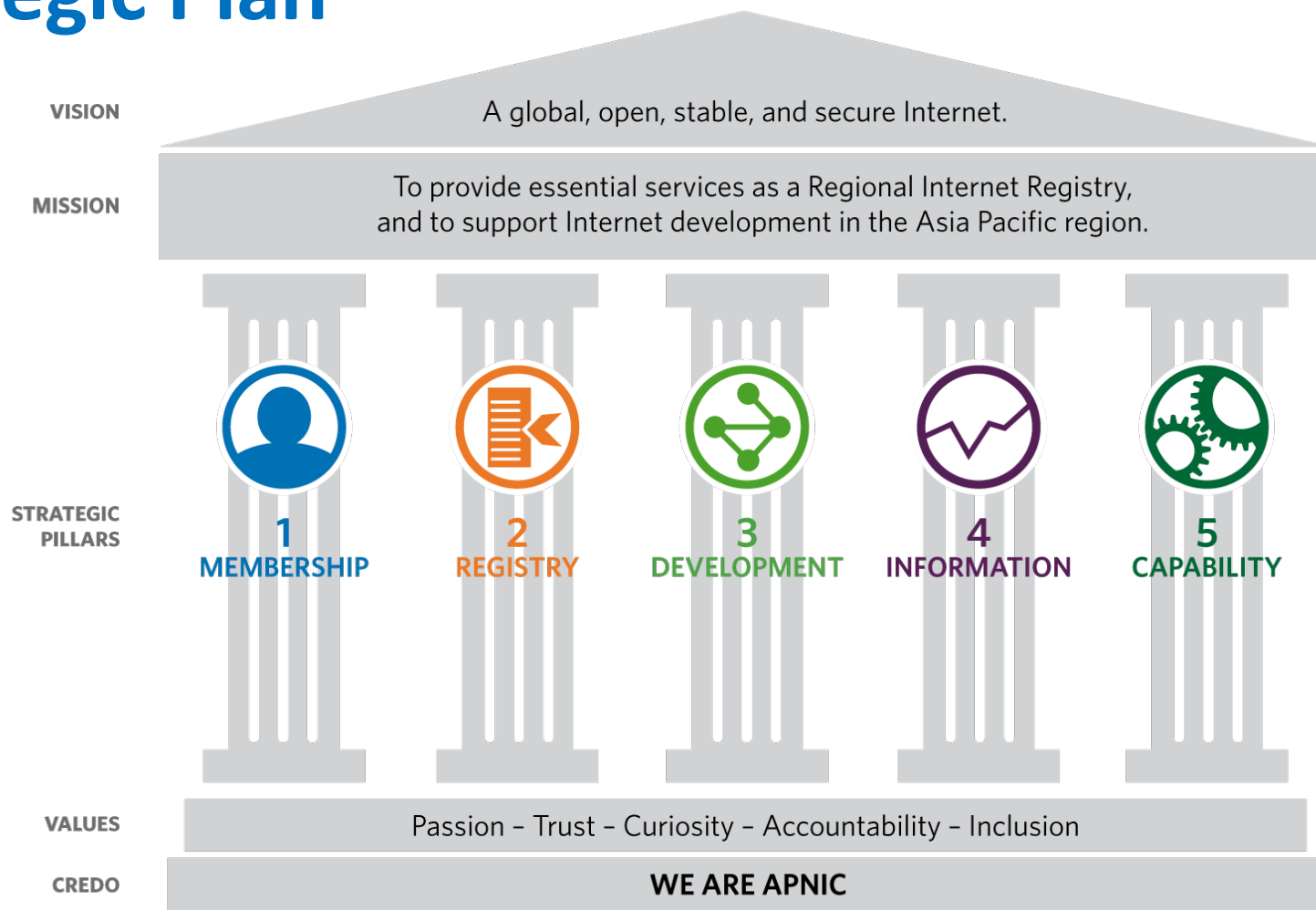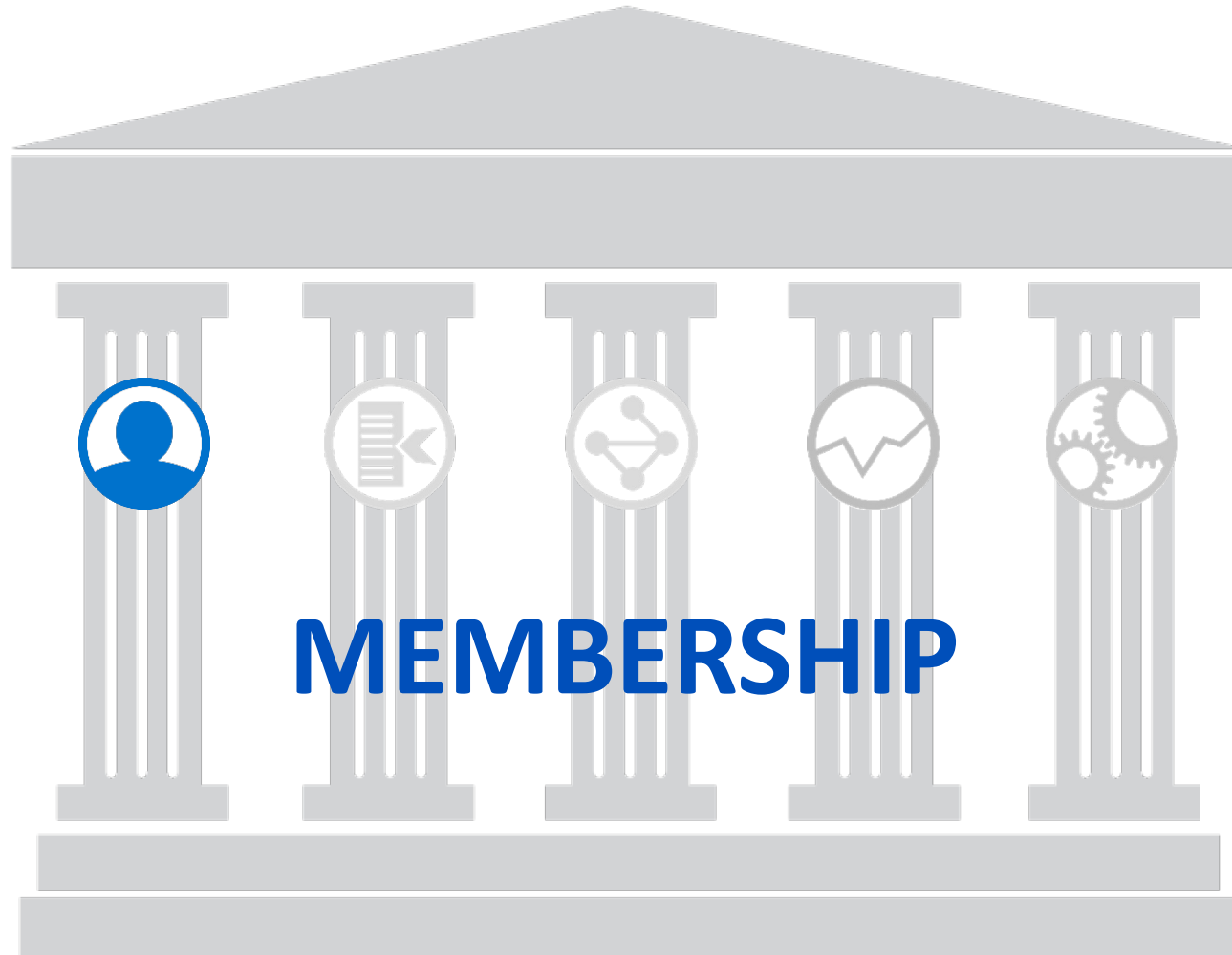
Member Services

- APNIC Members 9,122; NIR sub accounts 13,628

- Service satisfaction 95.5% 'excellent' and 'above average' (636/664)

- 48-hour SLA 99.99% met

- 3,098 feedback items received; 817 required action and resolved

- 240 member engagements in 30 economies: RPKI, transfers, TA and HRM

- 29 fraud attempts detected and prevented
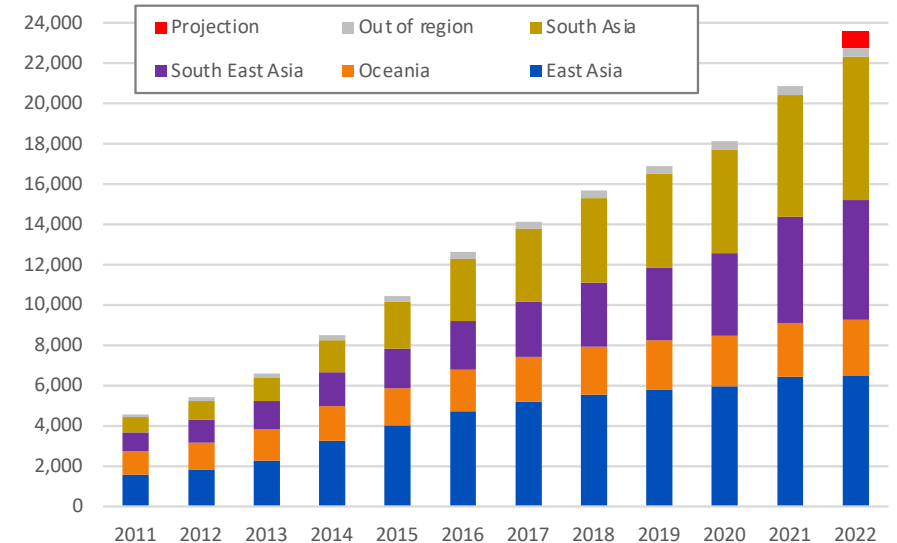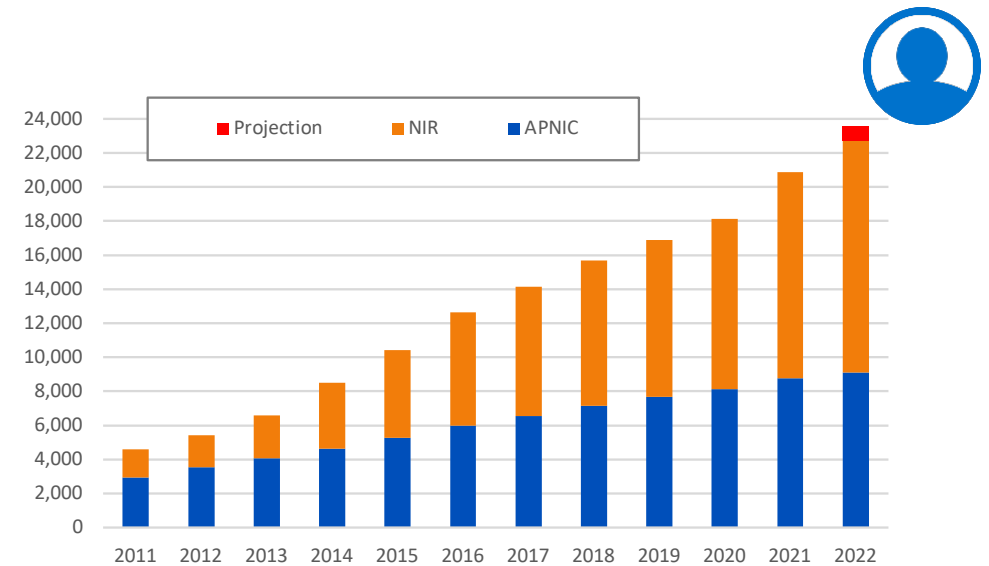
Historical Resource Transition

Activity	Holders	%	IPv4
Attempting to contact holders	2,452	71%	5,024,000
Uncontactable holders	343	10%	381,184
Prefixes being claimed by holders	404	12%	1,043,968
Prefixes no longer needed	109	3%	34,816
Prefixes retained by holders	141	4%	857,856
Totals	**3,449**	**100%**	**7,341,824**

Membership Products

- MyAPNIC user satisfaction 81%

- Roadmap goals
  - Upgraded APNIC Login (Okta SSO)
  - Improved EC election proxy appointments
  - Improved voter eligibility checks
  - Help Centre usability improvements
  - Automated workflow for HRM transition
  - Improved invalid contact reporting
  - Implemented new Eduroam API
  - Automated LDC graduation process
  - Implemented new MyAPNIC dashboard
  - UI improvements for MyAPNIC

APNIC Survey

- Interviews completed – 37 in 26 economies

- Survey completed – 1,622 respondents, 61% new

- Satisfaction ratings equal or better than 2020 survey
  - Quality of service 94%
  - Value of services 94%
  - Value of membership 92%

- EC Response released Dec 2022

2022 APNIC Survey Report

APNIC   survey matters.

REGISTRY

Resource Delegations

IPv4 — IPv6 — ASNs. Stacked area charts (2011–2022) by region: East Asia, Oceania, South East Asia, South Asia, Out of Region, Projection/Prediction.
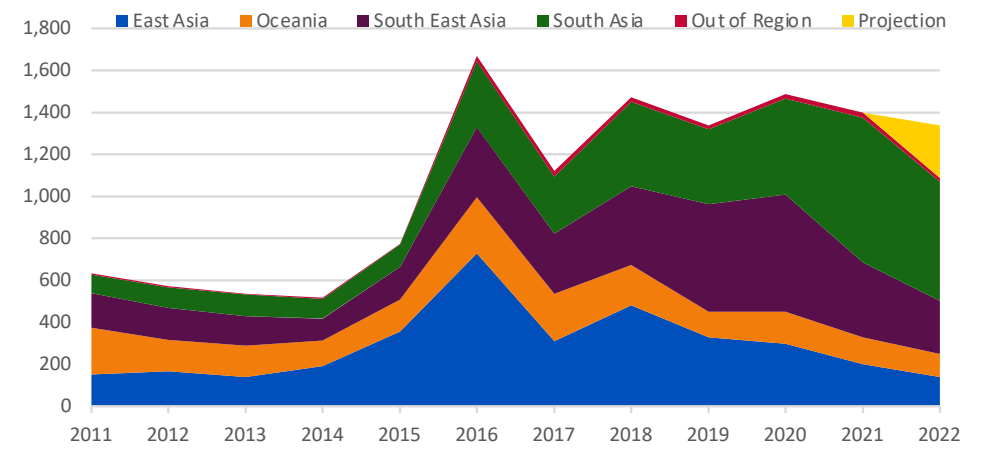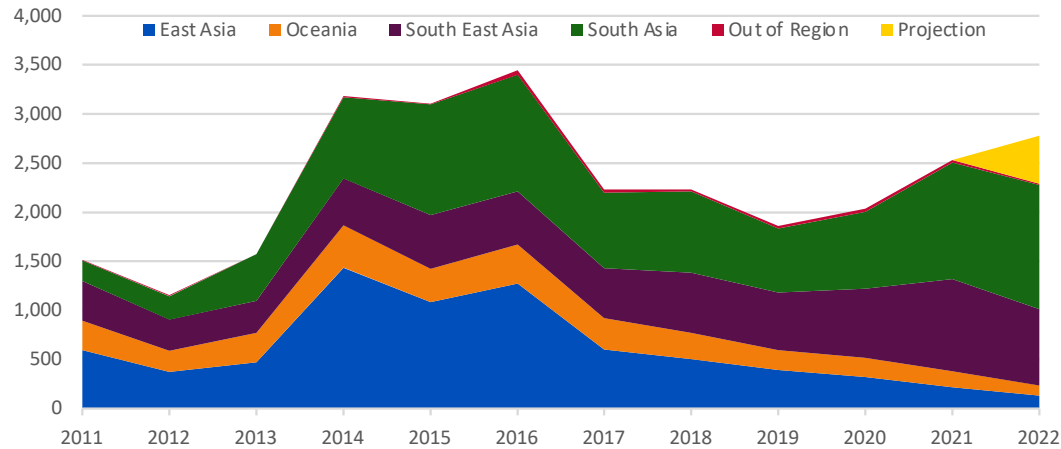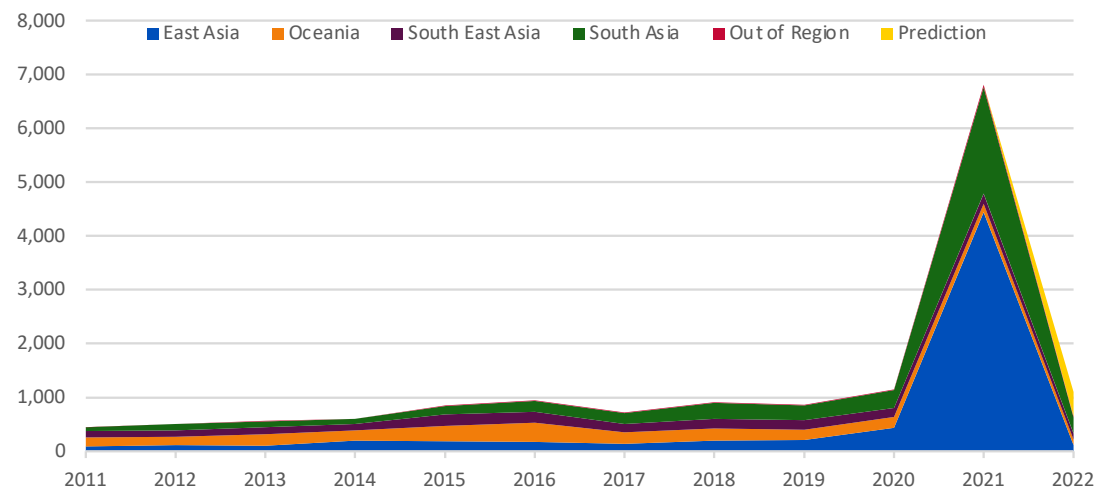
APNIC Transfers
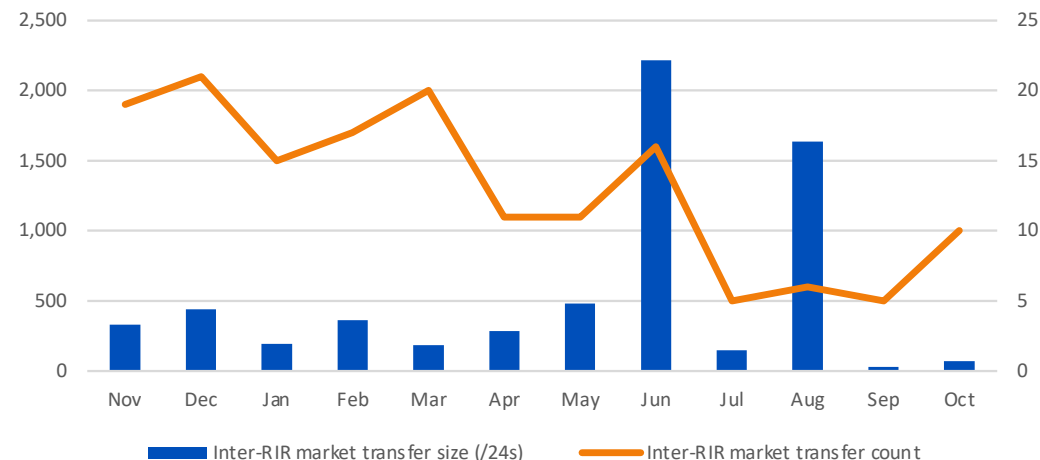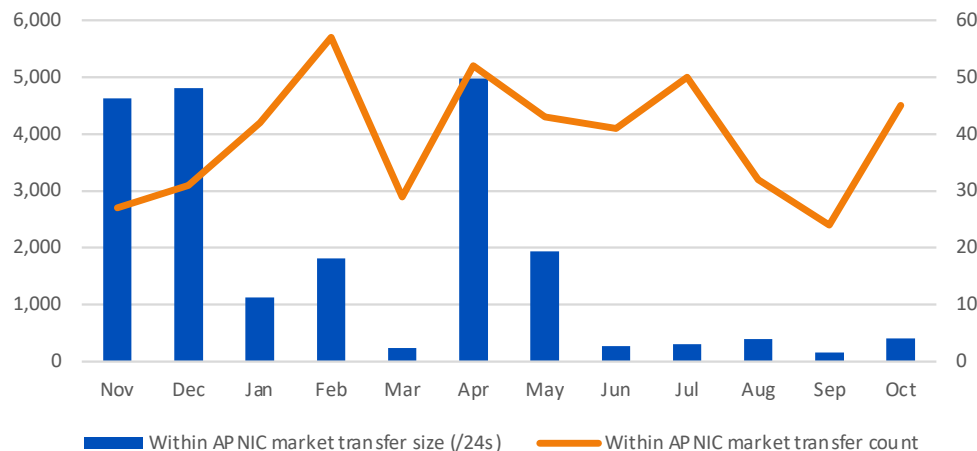
Market

Inter-RIR
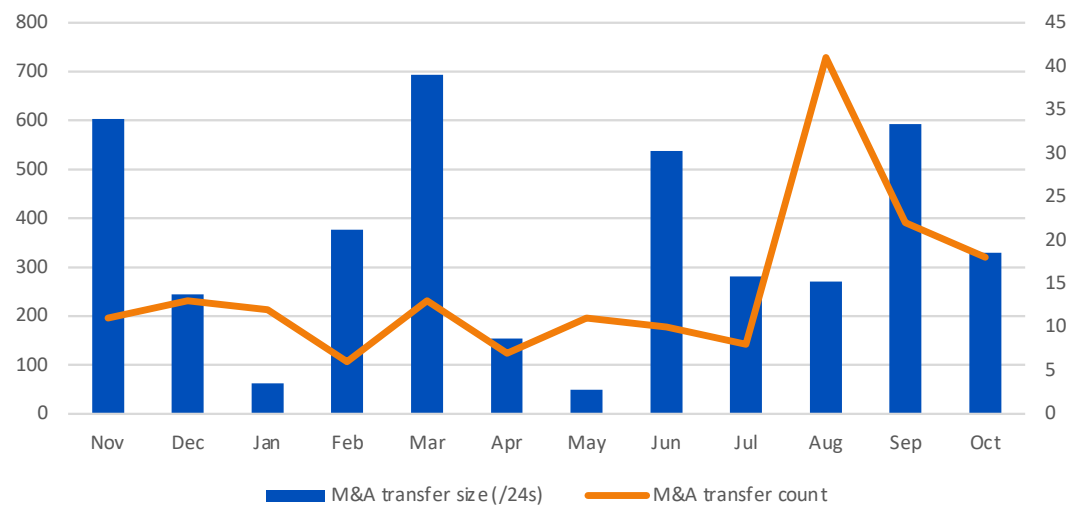
M&A

Registry Products

- Roadmap goals
  - Improved ROA process for transfers
  - Route pre-validation in RPKI updates (in final testing)
  - Update authorization mechanisms for whois (50%)
  - Improve ASN identity management in whois and MyAPNIC (50%)

- Other activity
  - Availability of whois, RDAP, RPKI, RDNS, IRR: 99.99%
  - NIR API deployed to production (beta)
  - APNIC RDAP updated to comply with RIR RDAP profile
  - APNIC Registry API prototype deployed for public testing
  - Completed Five-9s gap analysis for highly-critical services

Policy Development

Conference	Policy	Status
APNIC 53	prop-141: Change max IPv4 delegation size	Presented for discussion only
	prop-142: Unify Transfer Policy Text	Reached consensus; implemented
	prop-143: ASN to Customer	Reached consensus; implemented
	prop-144: Experimental Allocation	Reached consensus; implemented
APNIC 54	prop-145: Single Source for Definitions	Reached consensus
	prop-146: Aligning the Contrast	Reached consensus
	prop-147: Historical Resource Management	No consensus; returned to mailing list
	prop-148: Leasing not Acceptable	No consensus; returned to mailing list

DEVELOPMENT

APNIC Conferences

	APRICOT 2022	APNIC 54*
In-person participants		563
Remote participants (Zoom)	886	595
Economies represented	64	69
Remote viewers (YouTube)	3,854	2,565
NPS	60	65

*including APrIGF and APSIG
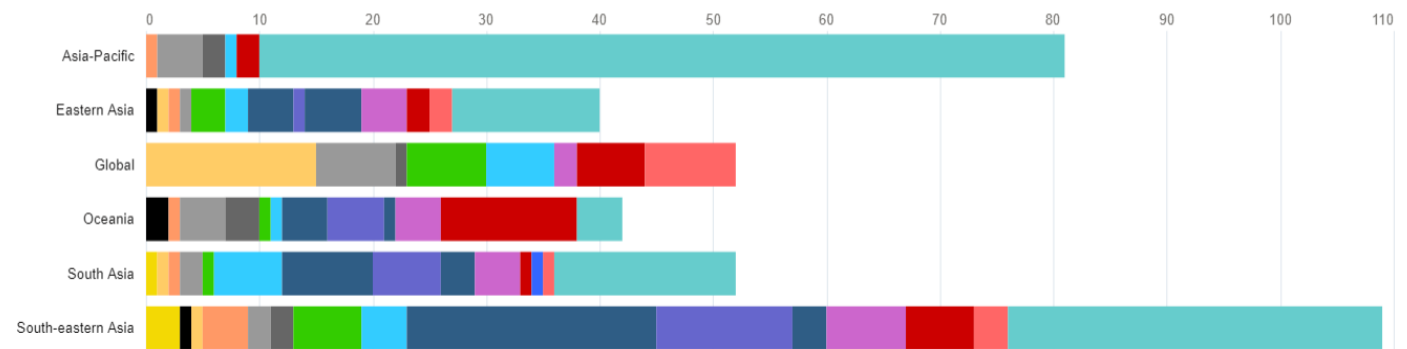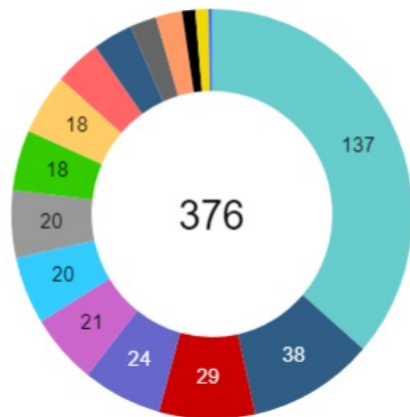
APRICOT 2022

APNIC 54
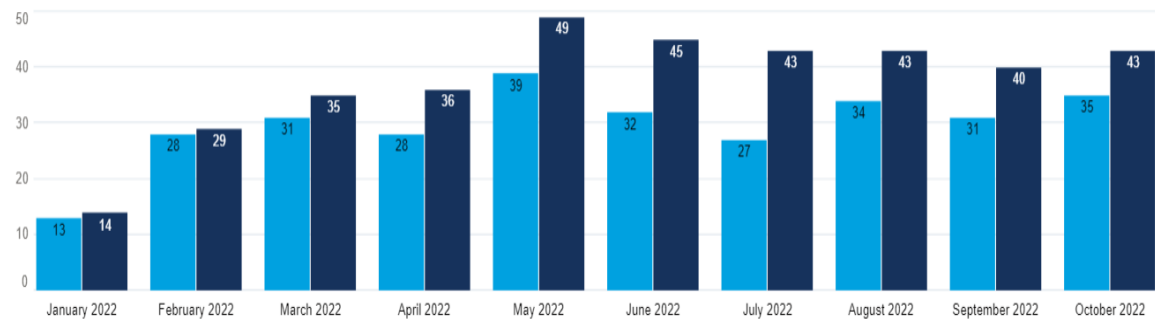
Community Engagement

Technical Community Support

- Supported 25 community events
  - 19 NOGs: sponsorship, speakers, and training
  - Webcast and technical support for 4 events (incl. MMIX, PhNOG)

- Supported 12 security events
  - 3 quarterly threat sharing community (Honeynet) events
  - Provided training at 4 events

VNIX-NOG

PacSON 2022

Internet Cooperation

Internet organization cooperation

- Chaired NRO EC and Coordination Groups

- Participated in OECD ITAC, ITCG (Internet Tech Community Group)

- Participated in RIR, ICANN and IETF meetings

- ICANN Root Service Governance WG; Root Zone Evolution WG; SSAC

- Support for AFRINIC

AIS 2022
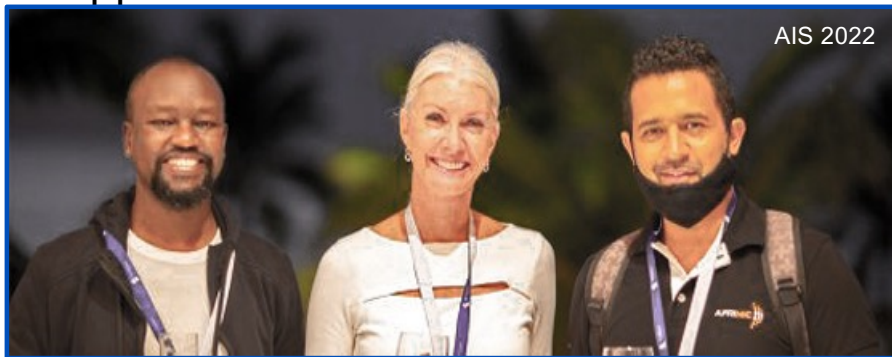
Internet governance

- 2022 IGF
  - 6 MAG and 6 IGFSA meetings
  - Joined Policy Network on Internet Fragmentation
  - Co-organizing two workshops

- 2022 APrIGF
  - Hosting with APNIC 54
  - Participated in MSG, Program and Fellowship Committees, Event committee and Stakeholder Engagement Committee

- Other
  - NetThing (AU), YIGF Viet Nam, YIGF Myanmar, 3rd ICANN/TWNIC Engagement Forum; VNNIC Internet Conference 2022; Youth IGF India 2022; inSIG 2022; APIGA 2022; APSIG 2022

Government Engagement

- ITU – International Telecommunications Union
  - Participation at ITU PP, WTSA-20 and WTDC-21
  - Collaboration on Samoa IXP

- APT – Asia-Pacific Telecommunity
  - Preparatory meetings for WTDC-21, PP-22; participation at PRFP-15
  - Training with APT in MN and MM

- Participated in OECD and APEC TEL events

- LEA training for Cyber Safety Pasifika + webinar on cyber threat landscape for Pacific LEAs

- Presented at two INTERPOL events

Community Participation

- ## Encouraging newcomers
  - 915 conference newcomers
  - 30 Fellows selected from 371 applicants
    - 50:50 gender balance, 37% youth
    - 92% attendance at 12 webinars
    - 11 mentors held sessions with 16 fellows
    - Graduation rate 87%; NPS 100

- ## Community Platform – 'Orbit'
  - Built on Mailman 3 'Hyperkitty'
  - Compatible with mailing lists
  - MVP launched at APNIC 54

APNIC 54 fellows

Orbit
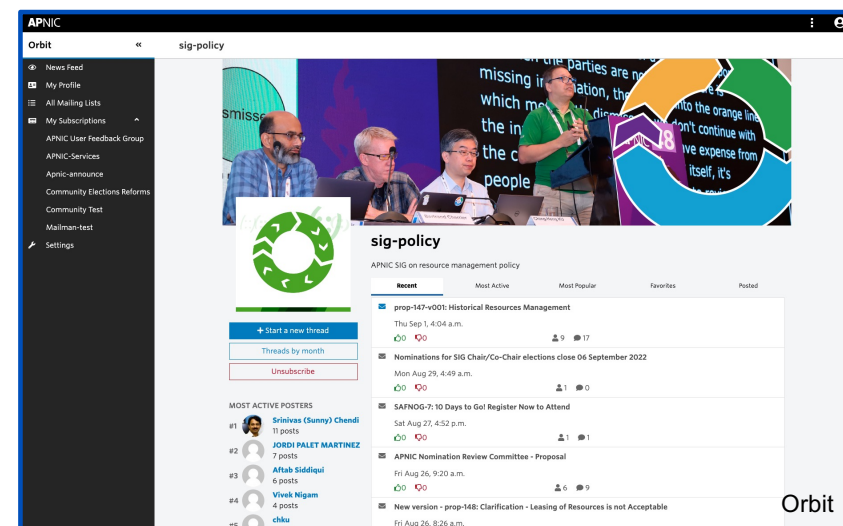
APNIC Academy

- Instructor-led training at 16 technical events, including 8 NOGs

- Updates to network security courses and labs: RPKI, DNS/DNSSEC, NMM; IPv6+Microtik

- Self-paced learning: New OSPF course + 11 new labs

- TA provided to 16 Members on RPKI, DNSSEC, IXPs, VRP, and ROA deployment

- Eduroam for eligible Academy users

- 30 volunteer Community Trainers; 4 Retained Community Trainers (RCTs)

	Instructor-led	Self-paced
Courses	121	1,788 completions; 3,547 hours contact
Students	3,089	6,851 new (23,801 in total)
Locations		48 economies
Virtual Labs		7,483 labs 7,731 hours
Webinars	16 webinars 975 attendees	

Training in Timor Leste

RPKI

- 20 RPKI tutorials, 16 with RCTs

- TA with Members in Fiji to clean up invalid routes

- RPKI Deployathon at AusNOG 2022

- One new RPKI case study published (2 in progress)

- 23 RPKI-tagged blog posts
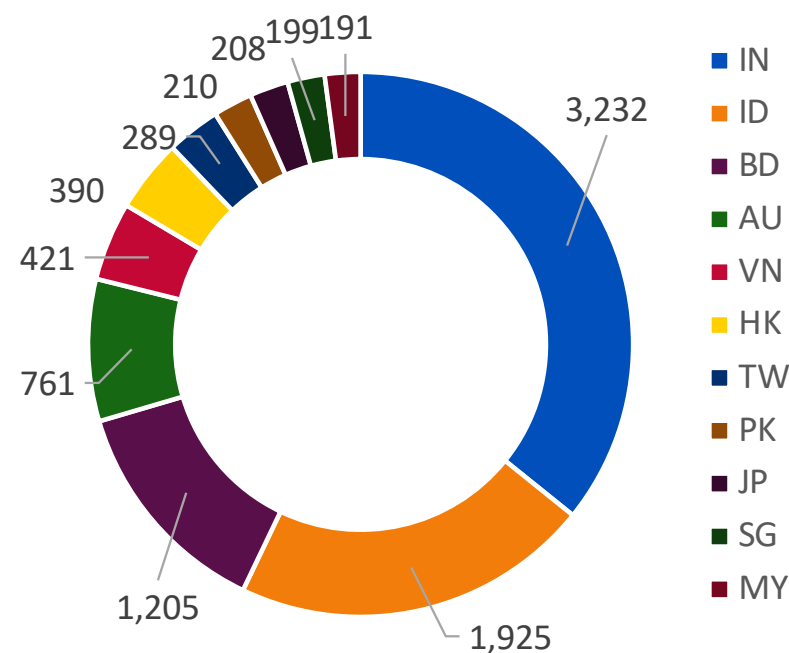
Networks with ROAs – Top 10 CCs

IPv6

- 21 IPv6 tutorials

- 41.43% IPv6 capability for Asia Pacific

- 69.97% Members hold IPv6 resources

- 2 new deployment stories; 44 now online

- 48 IPv6- tagged blog posts

- IPv6 deployment podcast with Reliance Jio

Testing, awareness key to realizing IPv6 single-stack at NTT DOCOMO
By Robbie Mitchell on 25 Apr 2022

SLTMobitel Mobile targets 100% IPv6 mobile user capability by 2024
By Robbie Mitchell on 9 Jun 2022

IPv6 capability - AP
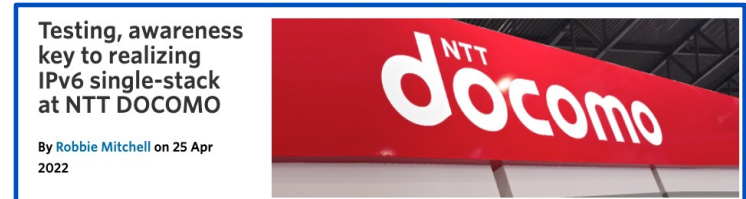
Internet Infrastructure Support

- Root servers
  - M-root deployed in Guam, Hanoi and Kuala Lumpur
  - 11 in progress (Kaohsiung, Manila, Dhaka, Bangkok, Jakarta, Ulaanbaatar, Kathmandu, Mumbai, Lahore, Kolkata, and Singapore)
  - Equipment delays continue to slow deployment
  - M-root Deployment Manager to be employed at JPRS

- IXPs
  - MVIX launched;
  - Discussions in Kiribati and Timor Leste
  - Discussion with PKIX on route server deployment

- Community Honeynet
  - Two new Community Honeynet partners in Bhutan and Lao PDR (17 total)
  - Quarterly threat sharing meetings discussing latest observations
  - Platform upgraded to support more sensors and data processing

INFORMATION

APNIC Blog
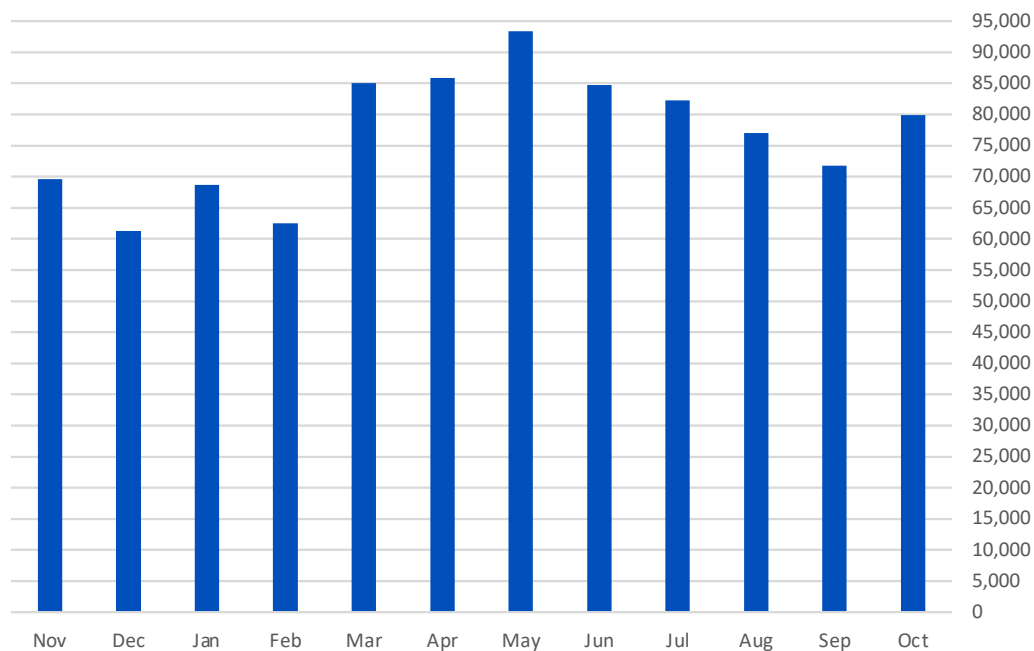
Views

Posts
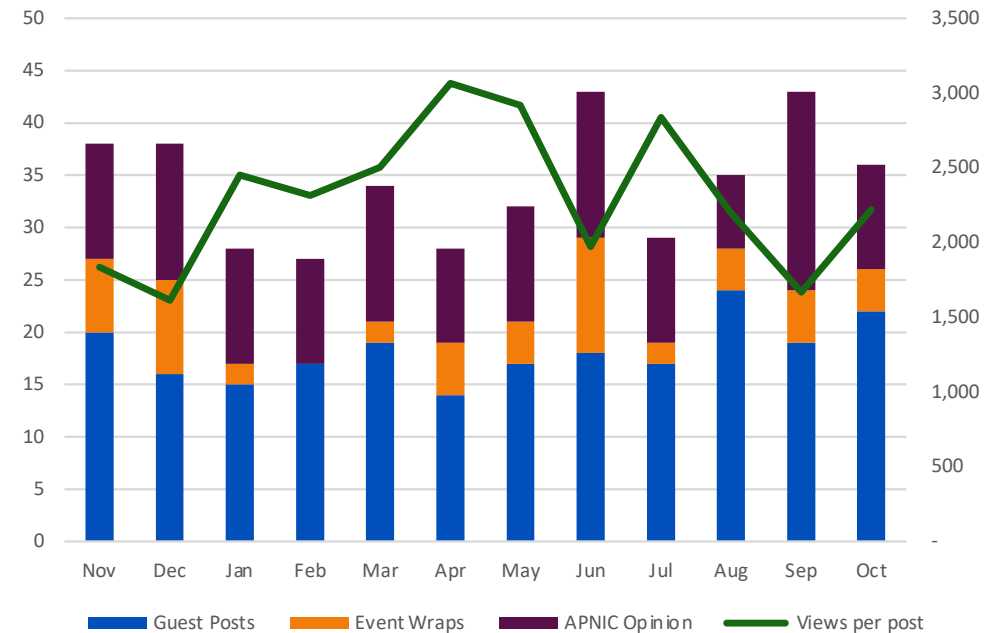
- 79,110 views/month (↑15.1% on 2021)

- 21 podcasts with 9,313 'impactful plays'

Information Products

- **REx (Resource Explorer)**
  - Increase in new users with paid search trial
  - User interface improvements
  - NPS 38, Usability 4.1

- **DASH**
  - Notification platform
  - Suspicious traffic alerts
  - Routing information pages
  - NPS 50, Usability 4.3

- **NetOX**
  - Comparison feature
  - Improvements to monitoring and stability
  - NPS 38, Usability 4.5

Monthly users

Monthly number of returning users
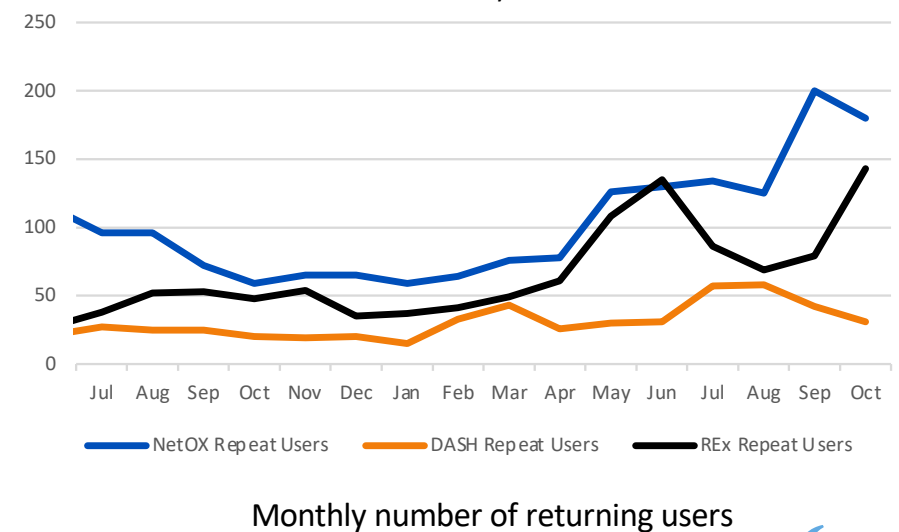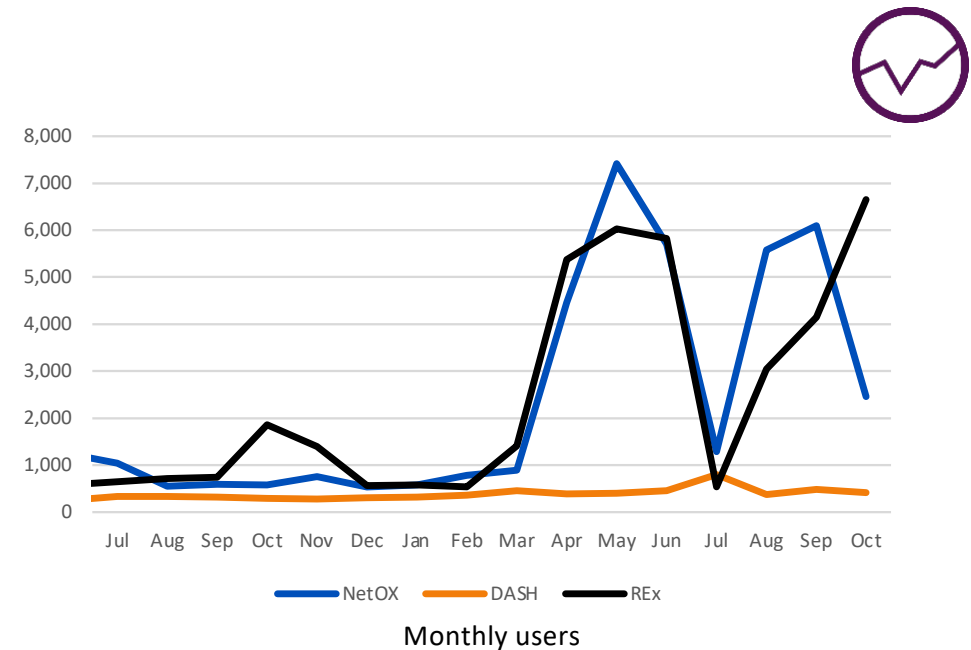
Research and Analysis

- 34 presentations at RIRs, NOGs, IETFs

- 31 blog posts and 8 podcasts

- Research
  - IPv6 capability
  - Address pools analysis
  - BGP growth and anomaly detection
  - DNS: DOH, large responses
  - QUIC measurements
  - ECN and RSA 2048-bit in DNSSEC

- Cooperation
  - Routing data for MANRS
  - DNSSEC measurements with ICANN
  - DNS measurement with Cloudflare

IPv6 Capable Rate by country (%)
Click here for a zoomable map
☐ Remember current choice for 7 days

http://stats.labs.apnic.net/ipv6

CAPABILITY

Internal Technical Infrastructure

Architecture and technical coordination	• CentOS 7 will be replaced with Redhat Enterprise Linux 7 • Developed requirements for repository health metrics
Network and infrastructure	• Progressing SG shared POP for critical services and M-root anycast
Systems and platforms	• Migrated community mailing lists to Mailman 3 with Okta SSO • New HSM configured for RPKI failover • RPKI RRDP deployed to Cloudflare and GCP • Deployed RDNS anycast in Mumbai, Tokyo, Melbourne, Miami • Annual DNSSEC key rollover completed
Internal security operations	• Achieved ISO 27001 certification • HackerOne support for VRP and continuous penetration • Published DNS CAA for APNIC domains
Enterprise applications and IT support	• Confluence migrated to Atlassian Cloud • Sage People with Okta rolled out • RT upgrade
Security infrastructure	• External monitoring of email SPF and DMARC through MXToolbox • APNIC DANE TLSA record now using a public certificate • Zero-trust network and server access project team created
Service availability	• 99.99% critical services; 99.99% non-critical services

Quality and Capability

- Biannual People Pulse survey conducted in April;
  Staff engagement level 83% (global benchmark 76%)

- Career pathway and succession framework in development;
  new HR system (Sage) deployed

- 26 roles filled
  - Open roles filled within an average 56 days
  - Extended delays to fill some technical roles

- New Whistleblower Policy (legal requirement)

- Workspace planning
  - Minor upgrades to Cordelia St and planning for new office site

Success Indicators

Targets	● Completed	● In progress	● At risk
Membership	6	8	6
Registry	4	13	0
Development	24	17	10
Information	8	3	1
Capability	8	27	3
Total	36%	49%	15%

31 October 2022

THANKS!

Agenda Item 15
EC election at APNIC 55

APNIC Executive Council (EC) Election 2023

APNIC 55

APNIC EC Election 2023

- Four APNIC EC members are retiring by rotation after serving a two-year term
  - They are eligible for re-election under the APNIC By-laws

- Four vacant seats on the APNIC EC
  - Two-year term starting from being elected on 2 March 2023

- See: https://2023.apricot.net/elections/about/

APNIC EC Election timeline
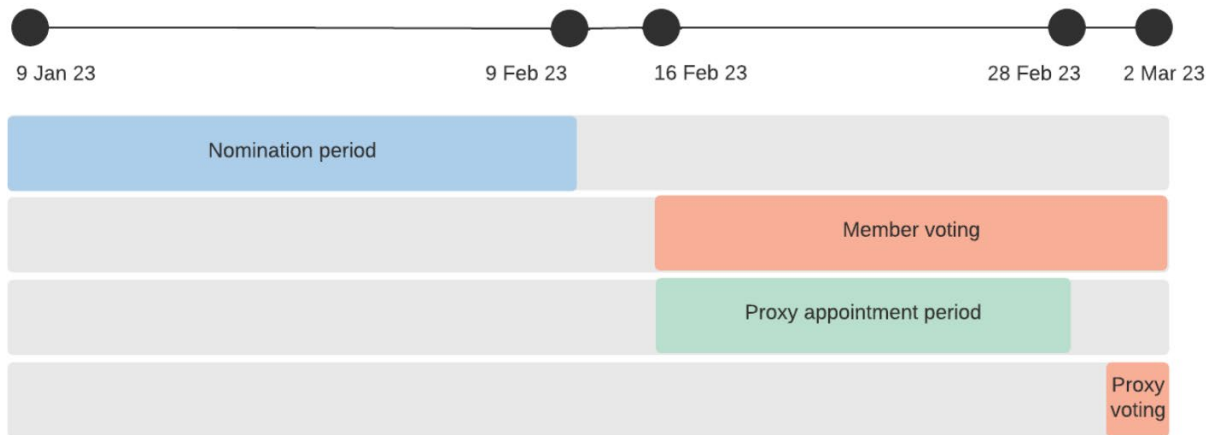
- Nominations open approximately 8 weeks before AGM day
- Nominations close approximately 2 weeks before AGM day
- Member online voting and proxy appointment open approximately 10 working days before AGM, Thursday, 16 February 2023
- Proxy appointment closes 48 hours before the start of the AGM, 09:30 (UTC +8), Tuesday, 28 Feb 2023
- Proxy online voting opens at the start of the AGM, 09:30 (UTC +8), and closes at 14:30 (UTC +8), Thursday, 2 March 2023
- Member online voting closes at 14:30 (UTC +8), Thursday, 2 March 2023

Voting Entitlement

- APNIC Member Corporate Contacts, Contacts with voting rights and duly-appointed proxies, can vote in the APNIC EC election

- The number of votes are determined by the membership tiers

Membership Tier	Votes
Associate	1 vote
Very Small	2 votes
Small	4 votes
Medium	8 votes
Large	16 votes
Very Large	32 votes
Extra Large	64 votes

Online EC Nomination

- Corporate Contacts are required to complete and submit an online nomination form via the APNIC 55 website

- Four-week nomination period
  - Started: Monday, 9 January 2023
  - Ended: 17:30 (UTC +10) Thursday, 9 February 2023

Member Online Voting via MyAPNIC

- Only Corporate Contacts and Contacts with voting rights can vote online using the BigPulse voting system

- Two-week voting period
  - Started: Thursday, 16 February 2023
  - Ends: 14:30 (UTC +8), Thursday, 2 March 2023

Online Proxy Appointment & Voting

- Corporate Contacts can appoint a proxy who can vote on behalf of a Member; if you appoint a proxy, you will lose the right to vote directly for the APNIC EC election

- Proxy appointment via MyAPNIC
  - Started: Thursday, 16 February 2023
  - Ended: 09:30 (UTC +8), Tuesday, 28 February 2023

- Proxy voting on AGM day using the BigPulse voting system
  - Starts: 09:30 (UTC +8), Thursday, 2 March 2023
  - Ends: 14:30 (UTC +8), Thursday, 2 March 2023

Declaration of Result

- At the close of voting, the Election Officers will hold an online meeting with the Scrutineers, download the election results and email the results to the Election Chair in the presence of the Scrutineers

- The election results will be announced at 15:45 (UTC +8) today, 2 March 2023

- The Election Chair will also disclose:
  - Notice of any disputes and resolutions
  - Disclosure of any communication from the Election Scrutineers regarding any anomaly or issue

Declaration of Results (example)

APNIC

Poll Result

APNIC 53

Report date: Thursday 03 March 2022 16:05 AEST

APNIC Executive Council Election 2022

As at Poll close: Thursday 03 March 2022 16:00 AEST
Vote counting method: V1 FPTP (first-past-the-post)
Ranked by votes

Rank	Candidate	Votes
1	Sumon Ahmed Sabir	4084
2	Kam Sze Yeung	3238
3	Achie Atienza	3057
4	Lu Heng	1432
5	Gaurav Kansal	1178
6	Engr. A.K.M. Latiful Kabir PEng	500
7	Joe Wooller	410
8	Rob Thomas	279
9	Rafi Jamizada	186
10	Jonathan Gleeson	179
11	Seeby Woodhouse	86
12	Ana Victoria Lopez Mascardo	50
	Total votes:	14679

Results generated by BigPulse Online Voting

- Similar format as the EC election during APNIC 53

APNIC

Election Chair

- XXXXXXX
    - Appointed by the APNIC EC
    - Independent from any APNIC Member, or candidate
    - Has no interest in the election results

- Responsibilities:
    - Oversee the election process
    - Appoint the Election Scrutineers
    - Declare the election results
    - Resolve disputes

Election Officers

- Andre Gelderblom and Connie Chan
  - Appointed by the APNIC EC
  - Selected from APNIC Secretariat staff

- Responsibilities
  - Administer the call for nominations
  - Manage the voting processes
  - Retrieve the online voting results

Election Scrutineers

- XXXX
  - Appointed by the Election Chair
  - Selected from staff of Internet organizations such as RIRs, ICANN, and ISOC who are present at the meeting
  - Do not vote and must be independent from any APNIC Member, or candidate

- Responsibilities
  - Observe the downloading of election results by the Election Officers
  - Notify the Election Chair in case any anomaly or issue is identified

Notice of Dispute

- Any complaint regarding the conduct of the election must be lodged in writing with the Election Chair and be lodged <u>no later than one hour</u> before the scheduled Declaration of the Election

- Notices may only be lodged by Nominees or Members through their authorized voting representatives by email to <u>election-chair@apnic.net</u>

- The Election Chair shall resolve the dispute at his/her discretion

Thanks

Agenda Item 17
2023 activity plan

2023 Activity Plan and Budget

DRAFT v3 – 30 November

APNIC

Contents

Introduction

This document explains APNIC's 2023 Activity Plan and Budget, for the information of APNIC Members and the wider community.

Under the Four Year Strategic Direction (2020-2023), adopted by the APNIC EC on 3 December 2019, activity is structured under five pillars and 18 workstreams, aligned with APNIC's Vision and Mission.

The five pillars are:
- Membership
- Registry
- Development
- Information
- Capability

The 2023 Activity Plan and Budget describes activities according to the same structure; and provides under each workstream the activities which are planned for 2023, along with budget allocations.

This is the final plan to be developed under the current strategic direction. In 2023, a new four year strategic direction will be developed to cover 2024-2027.

Feedback on the 2023 Activity Plan and Budget is welcome. If you would like to comment, please contact the APNIC Executive Council (EC).

APNIC Planning Process

The APNIC EC and Secretariat receive input from the community through the biennial survey (apnic.net/survey), APNIC Conferences, and other interactions. These inputs guide APNIC's strategy and annual planning, and the Secretariat reports progress on its activities back to the community during the year.
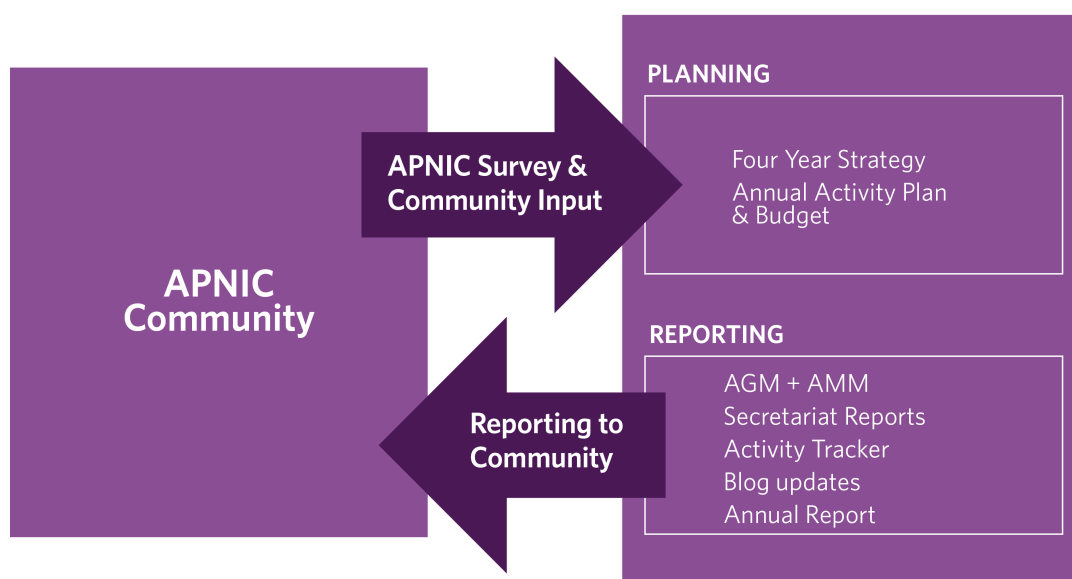
Strategic Pillars

The Four Year Strategic Direction (2020-2023) defines five 'pillars' of APNIC activity.

Membership
- Develop and deliver world-class products and services required by APNIC Members
- Engage with Members in building a global, open, stable and secure Internet
- Ensure accountable governance of APNIC as a membership organization

Registry
- Develop and deliver world class registry products and services required by the community
- Ensure responsible stewardship of Internet number resources and deliver accurate registry services

Development
- Invest in sustainable development of the regional Internet community, industry and infrastructure
- Build capacity for best-practice Internet operations across the Internet technical community

Information
- Support Internet development with needed network information services, and research outcomes which are of demonstrated value to the community

Capability
- Provide stable and secure technical infrastructure to support APNIC operations and services
- Develop a strong service culture driven by people committed to APNIC's vision and values
- Sustain a healthy and resilient organization

APNIC Activities

The Four Year Strategic Direction (2020-2023) defines 18 workstreams, across the five pillars, as follows. Each workstream includes a number of activities which are described in this plan.

1. Membership

1A.   Member Services
- o Deliver excellence in service and value to Members through active and quality engagement.

1B.   Membership Products
- o Apply best practice in development of membership products which meet Members' needs and exceed their expectations.

1C.   Membership Reporting
- o Ensure that APNIC remains fully accountable to its Members, by providing timely and accurate information about APNIC operations.

2. Registry

2A.   Registration Services
- o Provide delegation and registration services for Internet numbers (ASN, IPv4, IPv6) according to the community developed policies.

2B.   Registry Products
- o Maintain an accurate number registry and reliable registry services.

2C.   Policy Development
- o Facilitate the open Policy Development Process to ensure resource policies in the APNIC region are developed and implemented in a neutral manner consistent with agreed rules and community expectations.

3. Development

3A.   APNIC Conferences
- o Deliver engaging and relevant APNIC conferences for learning, sharing ideas and experience, professional networking, and Internet policy development.

3B.   Foundation Support
- o Provide operational support to ensure the success of the APNIC Foundation.

3C.   Community Engagement
- o Build and maintain close and meaningful relationships between APNIC and its various communities.

3D.   Community Participation
- o Encourage awareness, diversity, participation, and leadership in APNIC processes, events, and activities.

3E.   APNIC Academy
- o Scale up training and technical assistance infrastructure with high-quality training content and curriculum.

3F.   Internet Infrastructure Support
- o Promote and support the deployment of critical Internet infrastructure and deploy tools for operational infrastructure monitoring.

4. Information

4A.   Information Products
- o Provide meaningful information services to the communities APNIC serves.

4B.   Research and Analysis

- o Analyse the pressures shaping the evolution and future demands of Internet names and numbers infrastructure, and their impacts.

5. Capability

5A. <u>Internal Technical Infrastructure</u>
- o Provide stable and secure technical infrastructure to support APNIC operations and services.

5B. <u>Finance and Business Services</u>
- o Provide efficient and robust finance and business services and facilities to effectively support APNIC's operations.

5C. <u>Employee Experience</u>
- o Attract, develop and retain talented, service-oriented people to deliver APNIC's mission and exceed organization and community expectations.

5D. <u>Governance</u>
- o Provide the legal, economic and governance framework and professional services to support APNIC's operations to minimise risk and ensure compliance and continuity.

2023 Activity Summary

Activity Summary

The following table and chart provide a breakdown of APNIC's 2023 budget by pillar and workstream. Activities funded by the APNIC Foundation are detailed in Appendix D.

2023 Activity Budget (AUD)

Pillar	PY	%	OPEX (AUD)	%	CAPEX (AUD)	%
Membership	22.94	18%	5,565,000	16%	-	0%
Registry	15.08	12%	4,346,574	13%	100,000	8%
Development	37.42	30%	10,451,998	30%	58,500	5%
Information	9.54	8%	2,925,345	8%	45,000	4%
Capability	41.29	33%	11,411,189	33%	995,900	83%
Total	126.27	100%	34,700,106	100%	1,199,400	100%

2023 Activity Budget – OPEX Breakdown (AUD)

Pillar	Operations (AUD)	Investments (AUD)	Total OPEX
Membership	5,070,274	494,726	5,565,000
Registry	3,403,965	942,663	4,346,574
Development	8,847,795	1,604,203	10,451,998
Information	2,223,401	701,944	2,925,345
Capability	10,684,637	726,552	11,411,189
Total	30,230,019	4,470,087	34,700,106

2023 Budget OPEX Distribution (AUD)
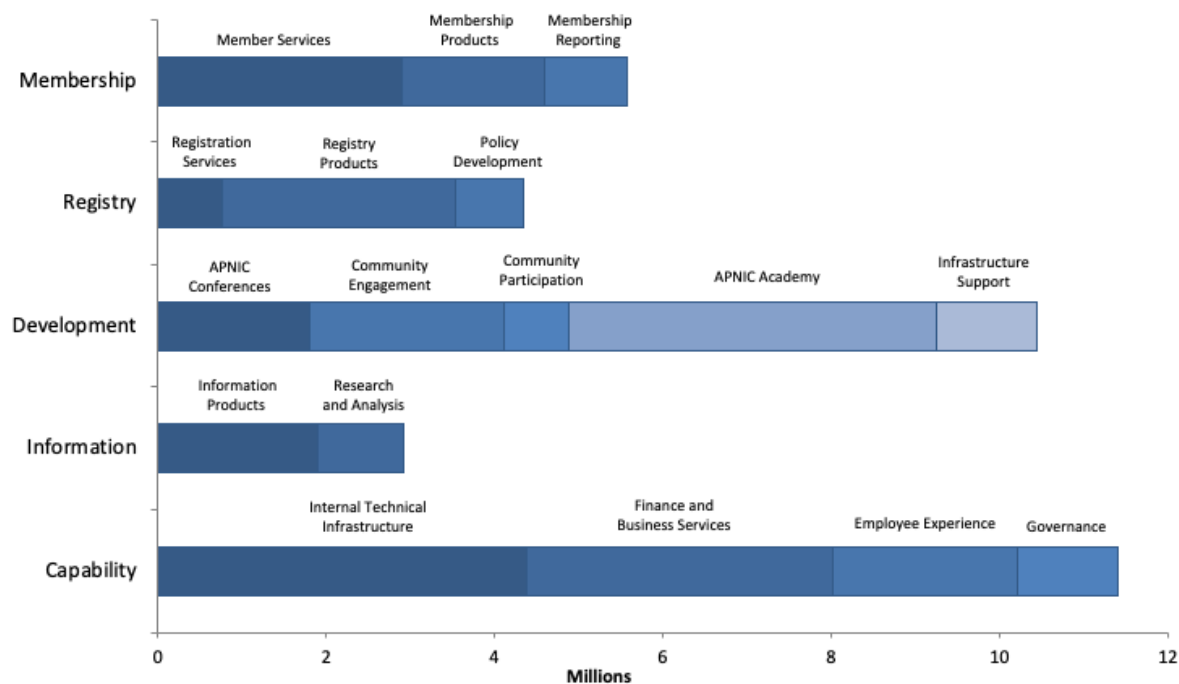
2023 Budget Funding Distribution (AUD)
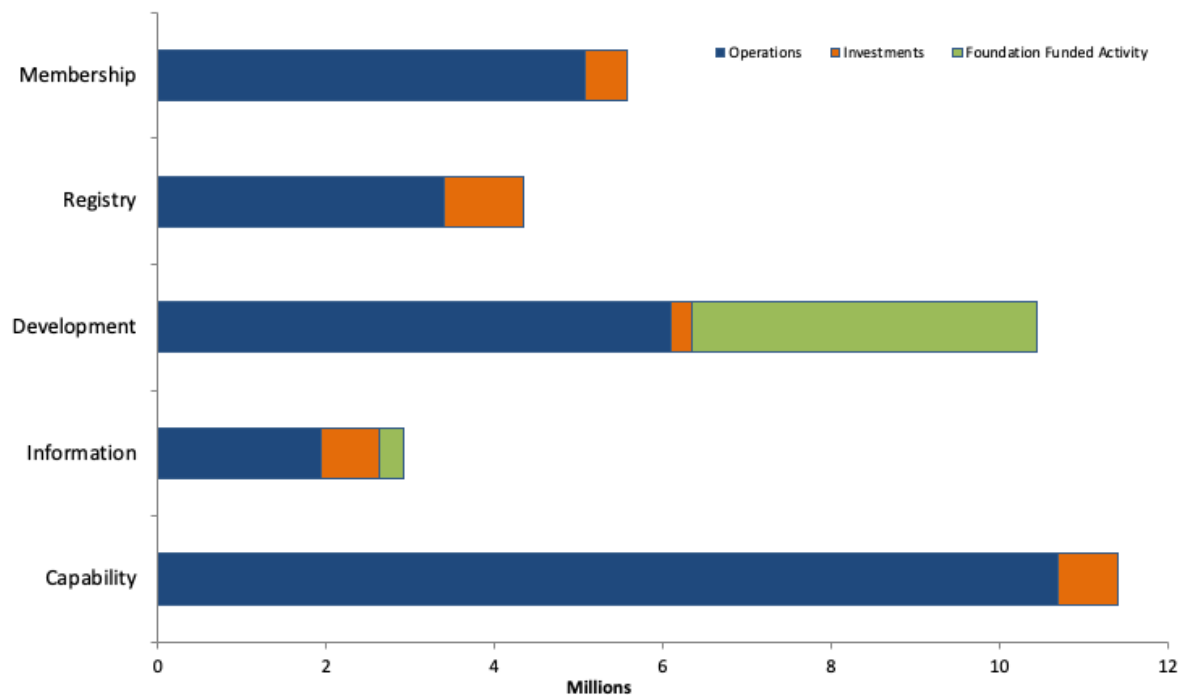
Notes on Activities

APNIC's activities are described in this document under the five pillars and 18 workstreams described in the previous section. Workstreams are numbered within the pillar they belong to, and activities are then numbered within each workstream. For instance, the activity "2B.4 Registry re-architecture" is the 4th activity in the 2nd workstream (2B. Registry Products) of the 2nd pillar (2. Registry).

The activities are described as either 'Operations' or 'Investments'.

- 'Operations' includes all ongoing activities required for continued provision of current APNIC services.
- 'Investments' are project activities which result in new or improved products or services. In some cases where Investment activities are funded by the APNIC Foundation (rather than Member funds), this is clearly noted.

For each workstream in this report, a table summarizes the resources (financial and human) needed to successfully complete all operational and investment activities. All monetary figures quoted are in Australian Dollars (AUD).

- **PY:** a "person year", representing the amount of work done by one full-time staff member in one year. Most activities incur a staffing cost, expressed in PY, and in most cases, this comprises contributions from multiple employees. For example – an PY value of 1.6 may be made up of four employees who each contribute 40% of their time for a period of one year (0.4 PY). The detailed account of these allocations is provided in Appendix B.   Person Year Distribution.
- **OPEX:** Refers to all operational costs directly incurred by the activity (in AUD).
- **CAPEX:** Provides the provision for capital expenditure required by the activity (in AUD).

Please refer to the online APNIC Glossary for further explanation of terms used in this document.

APNIC 2023 Activity Plan

1. Membership

The objectives of the Membership pillar are:

- Develop and deliver world-class products and services required by APNIC Members
- Engage with Members in building a global, open, stable and secure Internet
- Ensure accountable governance of APNIC as a membership organization

The workstreams within the Membership pillar include:

1A. Member Services
1B. Membership Products
1C. Membership Reporting

1A. Member Services

Deliver excellence in service and value to Members through active and quality engagement.

Member Services	PY	OPEX	CAPEX
Operations	12.98	2,899,929	-
Investments	-	-	-
Workstream total	12.98	2,899,929	-

Operations

Objective	Sub-Activities	Success Indicators
1A.1. Member Service Delivery		
Deliver excellence in service to APNIC Members.	Provide proactive and reactive support to Members (including NIRs) using APNIC products and services, including maintaining an accessible Helpdesk. Regular engagement with NIRs for alignment of service delivery and registry consistency. Engage with remaining historical resource holders with routed address space to resolve membership and resource status.	1. Maintain Helpdesk SLA of two business day response to enquiries (>99.90%). 2. Maintain service satisfaction ratings of at least 93% "excellent and above average" feedback. 3. Achieve proactive Member service engagement in a minimum of 40 economies. 4. Membership and resource status of final <number> historical resource holders resolved.
1A.2. Member Experience		

Members and the community enjoy a positive experience using all of APNIC's products and services and can easily provide feedback for improvements.	Capture, analyse and action feedback provided by Members and the community on APNIC products and services, including maintaining a User Feedback Group. Conduct user research and testing to identify potential usability and other improvements.	1. 100% of improvement suggestions are assessed and resolved. 2. Increase total user research by at least 10% from 358 engagements in 2022. 3. Increase face-to-face user research by at least 30% from 37 engagements in 2022.
1A.3. Membership Development		
Ensure organizations that may need APNIC products and services can discover and access them easily.	Increase awareness of APNIC membership, products and services in economies with low membership relative to their Internet growth potential.	1. At least eight membership development activities in target economies. 2. Increase total number of Members by 6% from 450 in 2022.

1B.   Membership Products

Apply best practice in development of membership products which meet Members' needs and exceed their expectations.

Membership Products	PY	OPEX	CAPEX
Operations	5.42	1,190,230	-
Investments	2.85	494,726	-
Workstream total	8.27	1,684,956	-

Operations

Objective	Sub-Activities	Success Indicators
1B.1. Membership Product Management		
Provide products and services that make it easier for APNIC Members to manage their accounts and to engage with APNIC online.	Operate and maintain APNIC Membership Products, including MyAPNIC, online forms, online election platform and Member help and support systems.	1. Maintain MyAPNIC availability of at least 99.99%. 2. For MyAPNIC, achieve a Customer Effort Score (CES) of at least 80.

Investments

Objective	Sub-Activities	Success Indicators
1B.2. Membership Product Development		
Develop and improve products and services that	Ongoing development of Membership Products	1. Achieve all 2023 goals according to the

| make it easier for APNIC Members to manage their accounts. | according to APNIC's Product Management framework.

A live roadmap reflecting the current state of product development is available at roadmap.apnic.net. | Membership Products Roadmap.

Roadmap goals
• Enhance authentication and identity management (Contact management, login, permissions).
• Re-architect workflow code off end-of-life OS servers.
• Implement Standardised Authentication and Authorisation in APIs.
• Additional Widgets in MyAPNIC Dashboard.
• Automate and improve the Account Closure Processes. |

1C.   Membership Reporting

Ensure that APNIC remains fully accountable to its Members by providing timely and accurate information about APNIC operations.

Membership Reporting	PY	OPEX	CAPEX
Operations	1.69	980,115	-
Investments	-	-	-
Workstream total	1.69	980,115	-

Operations

Objective	Sub-Activities	Success Indicators
1C.1. Planning and Reporting		
Ensure that APNIC remains fully accountable to its Members by providing timely, complete and accurate information about all activities.	Develop APNIC's 2022 Annual Report, 2024 Activity Plan and Budget, and other reports to the community, as required. Publish the 2023 Activity Plan and Budget. Develop the 2024-2027 Strategic Plan with the APNIC EC.	1. Publish required reports on the day of the APNIC Member Meetings. 2. Publish EC Minutes within two months of each EC meeting.

2.   Registry

The objectives of the Registry pillar are:

- Develop and deliver world class registry products and services required by the community
- Ensure responsible stewardship of Internet number resources and deliver accurate registry services

The workstreams within the Registry pillar include:

2A. Registration Services
2B. Registry Products
2C. Policy Development

2A.   Registration Services

Provide delegation and registration services for Internet numbers (ASN, IPv4, IPv6) according to the community developed policies.

Registration Services	PY	OPEX	CAPEX
Operations	4.89	773,260	-
Investments	-	-	-
Workstream total	4.89	773,260	-

Operations

Objective	Sub-Activities	Success Indicators
2A.1. Resource registration and transfer services		
Provide IPv4, IPv6 and ASN delegation, transfer and registration services to APNIC Members.	Provide delegation and registration services for Internet numbers according to current policies.	1. Maintain Helpdesk SLA of two business day response to enquiries (>99.90%). 2. Delegation of resources in line with projected community demand: • IPv4: 200 delegations per month • IPv6: 100 delegations per month • ASNs: 70 delegations per month.
2A.2. Maintain correct and current registry data		
Ensure registry data is comprehensive, current and correct.	Encourage Members to improve and maintain accuracy and currency of their registry data.	1. New metrics for registry accuracy established.

| | Determine and apply relevant information and processes from ITHI reporting to new Registry Health Indicators Report.

Introduce Assisted Registry Checklist to help increase accuracy of registration records. | |

2B.   Registry Products

Maintain an accurate number registry and reliable registry services.

Registry Products	PY	OPEX	CAPEX
Operations	4.40	1,824,180	-
Investments	5.10	942,662	100,000
Workstream total	9.50	2,766,842	100,000

Operations

Objective	Sub-Activities	Success Indicators
2B.1. Internet Number Registry Management		
Register unique address space allocations and assignments and provide information for Internet troubleshooting at all levels.	Operate and manage an accurate and stable public number registry service.	1. Maintain APNIC Registry Management System (ARMS) availability of at least 99.99%.
2B.2. Registry Product Management		
Provide essential registry products and services to help network operators maintain a secure, available and stable Internet.	Operate and maintain APNIC Registry Products including whois, RDAP, RPKI, RDNS and IRR. Migrate registry-related host infrastructure running end-of-life OS. This includes participation in related IETF standardization work.	1. Maintain whois, RDAP, RPKI, RDNS and IRR availability of at least 99.99%.

Investments

Objective	Sub-Activities	Success Indicators

2B.3. Registry Product Development		
Develop and improve essential registry products and services.	Ongoing development of Registry Products according to APNIC's Product Management framework. A live roadmap reflecting the current state of product development is available at roadmap.apnic.net.	1. Achieve all 2023 goals, according to the Registry Products Roadmap. **Roadmap goals** • Ability to create and validate RSC objects using MyAPNIC • Support RPKI BGPsec router certificates • Publish and maintain NIR subaccount organisation object information in whois • Notifications for ASN holders about ROA creation • Update authorization mechanisms for whois • NIR ASN direct assignments
2B.4. Registry re-architecture		
Improve security, reliability, and efficiency of the APNIC registry, and facilitate easier development of future registry services and functions required by the community.	Re-architect APNIC's Registry database and management systems to increase automation, stability, and support a more diverse range of registry services, including a Member API.	1. Complete the development of a Member API. 2. Complete the reimplementation of the internal registry in Java.
2B.5. Five-9s Availability for Highly Critical Services		
Achieve 99.999% availability for APNIC's highly critical services via phased improvements over multiple years.	Implementation of improvements based on gap analysis report to move towards 99.999% availability for highly critical services. This is a multi-year project. Phase 1 improvements planned in 2023: • Improved monitoring • Improved change management processes • Active-active infrastructure across two data centres • Improved 24x7 Tier-1 Support (see 5A.7)	1. Complete Phase 1 implementation.

	• Self-healing/recovery of application components	

2C.   Policy Development

Facilitate the open Policy Development Process to ensure resource policies in the APNIC region are developed and implemented in a neutral manner consistent with agreed processes and community expectations.

Policy Development	PY	OPEX	CAPEX
Operations	0.69	806,472	-
Investments	-	-	-
Workstream total	0.69	806,472	-

Operations

Objective	Sub-Activities	Success Indicators
2C.1. Policy Development		
Ensure resource policies in the APNIC region are developed in line with the community-agreed Policy Development Process (PDP).	PDP facilitation including support for: • Two Policy SIG meetings, inter-sessional policy meetings, and mailing lists/Orbit • Exchange of policy-related information with other RIRs • Support ASO Address Council Members and processes in the APNIC region • NIR cooperation on policy matters and participation at all NIR OPMs.	1. Achieve SIG Chair Support satisfaction of at least 6/7.
2C.2. Policy Implementation		
Implement APNIC resource policies in a neutral manner consistent with agreed processes, timings and community expectations.	Initiate and coordinate the implementation of approved resource policies to agreed community deadlines. Advise and assist NIRs to implement approved policies.	1. Meet 100% of policy implementation timelines.
2C.3. Policy Analysis		
Provide neutral policy advice and impact analysis to help the APNIC community make informed policy decisions.	Analyse the impact of policy proposals on registry operations; identify areas where policy change may be	1. Publish a policy proposal analysis before each Open Policy Meeting (OPM).

	considered; and contribute to policy discussions as appropriate.	

3.   Development

The objectives of the Development pillar are:

- Invest in sustainable development of the regional Internet community, industry and infrastructure
- Build capacity for best-practice Internet operations across the Internet technical community

The workstreams within the Development pillar include:

3A. APNIC Conferences
3B. Foundation Support
3C. Community Engagement
3D. Community Participation
3E. APNIC Academy
3F. Internet Infrastructure Support

3A.   APNIC Conferences

Deliver engaging and relevant APNIC conferences for learning, sharing ideas and experience, professional networking, and Internet policy development.

APNIC Conferences	PY	OPEX	CAPEX
Operations	4.35	1,793,467	33,500
Investments	-		
Workstream total	4.35	1,793,467	33,500

Operations

Objective	Sub-Activities	Success Indicators
3A.1. APNIC Conferences		
Provide two conferences each year for the APNIC community to learn, share ideas and experience, build relationships, and develop Internet policy.	Deliver well-organized, high-quality, hybrid conferences with interesting and relevant program content. APRICOT 2023 / APNIC 55 will be held in Manila, Philippines, in February. APNIC 56 will be held in Japan in September. Evaluate and select the conference location for APNIC 58.	1. Achieve total attendance of at least 1,200 (face-to-face and online) across two conferences. 2. Achieve a Net Promoter Score of at least 50 at each conference.

3B.   Foundation Support

Provide operational support to ensure the success of the APNIC Foundation.

Foundation Support	PY	OPEX	CAPEX
Operations	-	-	-
Investments	1.40	-	-
Workstream total	1.40	-	-

Investments

Objective	Sub-Activities	Success Indicators
3B.1. Foundation operations support		
Provide support to the Foundation, in accordance with the AoC of 2018, as its operations mature and evolve.	Provide administrative and operational support including: • Up to a total of 1.4 Person Years in operational support • Enterprise systems access and support • Office space, equipment and online systems support as required.	N/A
3B.2. Foundation projects support		
Provide support to Foundation-delivered projects in the Asia Pacific.	Support the delivery of APNIC Foundation-led projects as required, including: • AI3/SOI Asia • SWITCH-SEA • ISIF Asia • Afghanistan Project.	1. Achieve a satisfaction rating of at least 6/7 from the APNIC Foundation delivery team.

3C.   Community Engagement

Build and maintain close and meaningful relationships between APNIC and its various communities.

Community Engagement	PY	OPEX	CAPEX
Operations	6.24	2,322,810	-
Investments	-	-	-
Workstream total	6.24	2,322,810	-

Operations

Objective	Sub-Activities	Success Indicators
3C.1. Technical Community Support		

Participate in, and encourage the development of, a healthy Asia-Pacific technical community.	Support NOGs and REN community activities, through participation, content and/or sponsorship.	2. Support at least 22 technical community events (opportunity permitting). 3. Support at least one new/revived NOGs in two sub-regions (if required).

3C.2. Security Community Support

Increase collaboration and build trust with the security community, and increase awareness around relevant security issues.	Support security community events, through participation, content and/or sponsorship. Support CERTs/CSIRTs with technical assistance. Host high quality security content at APNIC conferences.	1. Support at least 15 security community events (opportunity permitting). 2. Support development of at least four new or existing CERTs/CSIRTs (if needed).

3C.3. Internet Organisation Cooperation

Play a responsible role in the global Internet ecosystem through active collaboration with other regional and global Internet organizations.	Collaborate in joint initiatives with Internet organizations including the NRO, RIRs, ICANN, IETF, ISOC and others. Provide advice and any necessary support to aid stability of AFRINIC and the global RIR system. Contribute to the implementation of the NRO Strategic Plan and its programs: RPKI, cybersecurity, and government engagement.	1. Participate in all NRO-EC and I-star coordination meetings. 2. Participate in all RIR Open Policy Meetings (physically or remotely).

3C.4. Internet Governance Participation

Engage the community to strengthen open, multistakeholder, bottom-up and transparent Internet governance processes.	Support national, regional, and global Internet governance activities in the lead up to IGF 2023 in Japan, including the APrIGF, national IGF and schools of Internet governance, through participation, content and/or sponsorship.	1. Submit at least 2 workshop proposals at both the APrIGF 2023 and IGF 2023. 2. Participate and/or sponsor at least five national or sub-regional Internet governance activities.

	Help APrIGF develop a sustainable operating model. Contribute to ongoing discussions and work related to UN Internet governance activities.	3. Participate and/or sponsor at least two schools of Internet governance or academies such as APIGA.
3C.5. Government Engagement		
Monitor government and intergovernmental activities affecting APNIC's mission, and build and maintain meaningful relationships between APNIC, governments and public safety agencies in the region.	Participate in inter-governmental forums such as the ITU, APT and APEC TEL, and engage with other relevant government and public safety agencies in the region. Seek opportunities for capacity building partnerships with governments and intergovernmental agencies. Monitor international cyber-policy processes and build relationships with government officials from the Asia-Pacific region. Encourage support from governments and intergovernmental organisations for the stable operation of the RIR system and Internet ecosystem.	1. Complete at least seven capacity building partnerships with governments, intergovernmental agencies and public safety agencies. 2. Achieve at least 25 new touchpoints related to international cyberpolicy processes, such as UN-OEWG.
3C.6. External Relations Coordination		
Build institutional knowledge of APNIC's relationships with Members and other stakeholders, and improve value and outcomes of engagement activities.	Coordinate APNIC's External Relations (ER) activities across all stakeholder segments and subregions. Maintain the APNIC CRM including records of contacts, touchpoints, events and engagements. Continue to support the ER team with social inclusion best practices, increase of engagement skills, data	1. Achieve at least 300 APNIC engagements. 2. Participate remotely in at least 30% of total engagements.

	analytics and coordination systems.	

3D.   Community Participation

Encourage awareness, diversity, participation, and leadership in APNIC processes, events, and activities.

Community Participation	PY	OPEX	CAPEX
Operations	3.77	766,868	-
Investments	-	-	-
Workstream total	3.77	766,868	-

Operations

Objective	Sub-Activities	Success Indicators
3D.1. Community-led Processes		
Support and increase awareness in APNIC community-led processes including the PDP, SIGs (Policy, Cooperation, NIR, Routing Security), Working Groups, and BoFs.	Provide support to community-elected leaders of SIGs and help facilitate meetings and processes associated with SIGs and Working Groups. Promote participation in community-led processes via APNIC's communication channels, community engagement, and training and outreach.	1. Achieve at least 560 SIG participants (in person and online) across two conferences. 2. Achieve SIG Chair support satisfaction of at least 6/7.
3D.2. Online Participation		
Encourage an active, connected community engaging on Orbit and benefitting from APNIC's available online resources.	Promote Orbit and APNIC's online services to increase awareness and encourage greater usage and participation.	1. Attract at least 650 new registered users of Orbit. 2. Achieve at least 1,500 new Orbit posts.
3D.3. Encouraging Newcomers and Diversity		
Encourage new and continuing participants from diverse backgrounds in the APNIC community, particularly the next generation of network engineers.	Provide a six-month fellowship program to build understanding of APNIC and core operational concepts, professional networking, and ongoing participation in community activities. Provide opportunities for new and diverse participants to	1. Attract at least 400 newcomers to APNIC conferences. 2. Maintain fellowship cohort age and gender diversity (50% female and 20% youth in 2022). 3. Achieve a fellowship graduation rate of at least 80%.

		4. Achieve a fellowship program NPS of at least 80.
	take part in APNIC community activities.	

3E. APNIC Academy

Scale up training and technical assistance infrastructure with high-quality training content and curriculum.

APNIC Academy	PY	OPEX	CAPEX
Operations	16.30	3,536,022	15,000
Investments	3.35	829,377	-
Workstream total	19.65	4,365,399	15,000

Operations

Objective	Sub-Activities	Success Indicators
3E.1. Academy Product Management [Foundation funded (partial) – see Appendix D]		
Maintain high quality online training platform, content and curriculum.	Provide on-demand, self-paced online courses and virtual labs via the APNIC Academy online platform. Maintain Academy curriculum and the online learning platform. Raise awareness to increase usage in the region.	1. Maintain Academy platform availability of at least 99.95%. 2. Achieve at least 10,000 hours of usage in self-paced online courses and virtual labs in 2023. 3. Achieve a total of 30,000 registered users on Academy platform in 2023. 4. Achieve a usability score of at least 4 out of 5 for APNIC Academy platform.
3E.2. Training Events [Foundation funded (partial) – see Appendix D]		
Increase knowledge and skills in the community via instructor-led training.	Deliver instructor-led training around the APNIC region (face-to-face, online or hybrid) focused on real-world deployment and best practices.	1. Conduct at least 40 online/hybrid training events led by staff/guest trainers 2. Conduct at least 40 in-person training events led by staff trainers 3. Achieve average training survey rating of 4/5.
3E.3. Community Trainers Network [Foundation funded – see Appendix D]		

Expand the scope and effectiveness of APNIC Academy training to help meet increasing community demand for technical skills development.	Recruit, retain and develop more Community Trainers (CTs) to deliver training and technical assistance across the region and remain active in their local NOGs and technical community.	1. Conduct 40 training events led by CTs 2. Retain 12 retained CTs (balanced across sub-regions) by end 2023. 3. Retain 30 volunteering CTs (balanced across sub-regions) by end 2023.

3E.4. Technical Assistance

Assist Members to adopt best practices when implementing networking technologies.	Provide technical assistance and advice to Members both online via the APNIC Academy platform and face-to-face. Improve user experience for those making TA requests.	1. Respond to all technical assistance requests within seven days.

3E.5. RPKI Awareness and Deployment Support

Increase adoption of RPKI and routing security in the APNIC region.	Provide training and technical assistance on RPKI and ROV deployment, raise awareness and share best practice via presentations at relevant events, blog posts and online information.	1. Conduct at least two instructor-led RPKI/ROV tutorials/workshops per sub-region. 2. Achieve at least 90% ROA coverage for at least one additional economy per sub-region. 3. Maintain at least 90% ROA coverage for all economies past 90% coverage before 2023. 4. Publish at least two RPKI/ROV deployment case studies.

3E.6. IPv6 Awareness and Deployment Support

Encourage increased deployment of IPv6 in the APNIC region.	Provide training and technical assistance, and sharing of IPv6 best practices, information resources and case studies.	1. Conduct at least two instructor-led IPv6 deployment tutorials/workshops per sub-region. 2. Publish at least two IPv6 deployment case studies. 3. Asia-Pacific IPv6 capability continues to increase beyond 35%.

3E.7. IXP and Peering Awarenees and Support

| Promote peering among network operators and provide training and support for IXPs in the region. | Provide training and technical assistance on IXPs and peering, raise awareness and share best practice via presentations at relevant events, via blog posts and online information.

Continue to support APIX, peering forums and other events related to IXPs. | 1. Conduct at least four IXP technical assistance engagements in 2023.
2. Conduct at least six workshops/tutorials on IXPs & Peering.
3. Support APIX meetings at two APNIC conferences, Peering Asia, and at least two peering forums.
4. Publish at least eight blog posts related to IXPs and peering. |

Investments

Objective	Sub-Activities	Success Indicators
3E.8. Academy Product Development [Foundation funded (partial) – see Appendix D]		
Continue developing high-quality training assets - curriculum, labs, platform and materials - to build capacity in the region.	Ongoing development of Academy Products according to APNIC's Product Management framework. A live roadmap reflecting the current state of product development is available at roadmap.apnic.net.	1. Achieve all 2023 goals, according to the Academy Products Roadmap. **Roadmap goals** • Improve Academy data reporting with BI tools • Design training certification program • Integrate TA platform with Salesforce case management tools
3E.9. Curriculum for Non-Technical Audiences [Foundation funded (partial) – see Appendix D]		
Demystify how the Internet works to encourage active participation of non-technical audiences in Internet governance.	Develop and launch a technically-accurate online educational game (IPGO) for both iOS and Android mobile platforms that teaches Internet fundamentals to non-technical audiences.	1. Launch minimum viable product (MVP) of the IPGO game before end of Q2.

3F. Internet Infrastructure Support

Promote and support the deployment of critical Internet infrastructure and deploy tools for operational infrastructure monitoring.

Internet Infrastructure Support	PY	OPEX	CAPEX

Operations	0.69	428,627	10,000
Investments	1.32	774,826	-
Workstream total	2.01	1,203,453	10,000

Operations

Objective	Sub-Activities	Success Indicators
3F.1. Internet Infrastructure Deployment		
Improve the resilience and performance of the Internet in the region by expanding critical infrastructure deployment and measurement.	Support the deployment and management of IXPs, ROV support, and deployment of anchors for the RIPE Atlas program.	1. Support deployment of at least two new or upgraded IXPs. 2. Support at least two IXPs to deploy ROV. 3. Deploy or upgrade at least one RIPE Atlas anchor per sub-region.
3F.2. Community Honeynet and Security Threat Sharing Platform [Foundation funded (partial) – see Appendix D]		
Increase visibility of security threats and vulnerabilities relevant to Members and the community and encourage information sharing to understand and manage threats.	Maintain and grow the APNIC Community Honeynet and Security Threat Sharing Platform, including engaging with partners to host sensors for the project. Provide data feeds to DASH and share research findings via events and the Blog.	1. Increase the number of honeypot sensors by at least 100% from 100 in 2022. 2. Increase the Community Honeynet and Security Threat Sharing Platform partners by at least 30% from 20 in 2022. 3. Organise quarterly threat sharing community events.

Investments

Objective	Sub-Activities	Success Indicators
3F.3. M-Root Deployment Support [Foundation funded – see Appendix D]		
Faster and more reliable DNS service in the APNIC region.	Deploy M-Root anycast instances, working in partnership with the WIDE Project and JPRS. High-volume or underserved locations will be preferred.	1. Complete 12 M-Root server deployments commenced before 2023. 2. Identify and prepare at least 12 additional M-Root server sites.

4. Information

The objective of the Information pillar is:

- Support Internet development with needed network information services and research outcomes which are of demonstrated value to the community

The workstreams within the Information pillar include:

4A. Information Products
4B. Research and Analysis

4A. Information Products

Provide meaningful information services to the communities APNIC serves.

Information Products	PY	OPEX	CAPEX
Operations	5.34	1,193,999	-
Investments	3.25	701,994	-
Workstream total	8.59	1,895,993	-

Operations

Objective	Sub-Activities	Success Indicators
4A.1. APNIC Blog and Podcast		
Keep Members and the community informed with the latest news, opinions and research from APNIC and the wider community.	Maintain and grow the Blog's readership with engaging and informative content. Produce a fortnightly podcast ('PING') on the latest Internet research and trends.	1. Achieve average of at least 77,000 Blog views per month. 2. Maintain Blog Guest Post ratio between 45-65%. 3. Achieve at least 12,000 podcast listens.
4A.2. Information Product Management		
Provide meaningful and useful information services to Members and the community.	Operate and maintain APNIC Information Products including REx, DASH, NetOX and the Notification Platform.	1. Maintain Information Product availability of at least 99.95%. 2. DASH alert subscribers increase by at least 20% from 100 in 2022.

Investments

Objective	Sub-Activities	Success Indicators
4A.3. Information Product Development		

Develop new information services to help Members and the community improve the reliability and security of the Internet.	Ongoing development of Information Products according to APNIC's Product Management framework. A live roadmap reflecting the current state of product development is available at roadmap.apnic.net.	1. Achieve all 2023 goals, according to the Information Products Roadmap. **Roadmap goals** • DASH integration with the MyAPNIC dashboard for security and routing status alerts. • Add DNSSEC and RPKI statistics to REx. • Expand aggregated statistics availability in REx to include world wide INR data. • Integrate graph database capabilities. • Expand REx to cover global RIR delegation.
4A.4. APNIC website refresh		
Ensure Members and community can easily find, use and understand the information, products and services they need on the APNIC website.	Improve the information architecture, design and content of apnic.net, including: • Navigation and home page design • Content review and refresh • Search improvements • Improved accessibility This project is expected to be completed in mid-2024.	1. Complete information architecture review by end Q2. 2. Complete content review by end Q2 and content refresh by end Q4.

4B.   Research and Analysis

Analyse the pressures shaping the evolution and future demands of Internet names and numbers infrastructure, and their impacts.

Research and Analysis	PY	OPEX	CAPEX
Operations	0.95	1,029,352	
Investments	-	-	45,000
Workstream total	0.95	1,029,352	

Operations

Objective	Sub-Activities	Success Indicators

4B.1. Conducting research and measurements [Foundation funded (partial) – see Appendix D]		
Gain a greater understanding of technical issues, trends, and how the Internet operates.	Conduct research experiments on topics including IP addressing, routing, DNS and other critical Internet infrastructure matters.	1. See 4B.3.
4B.2. Research Cooperation		
Collaborate and share resources to improve research outcomes and impacts.	Engage in research partnerships with other reputable organizations such as Cloudflare, ICANN, Internet Society, RIPE NCC and others.	1. Undertake at least three significant cooperative research activities.
4B.3. Sharing Research Outcomes		
Help Members make better informed decisions on their network operations.	Share research insights online and at selected events to raise awareness of issues and trends which may impact Internet operations and assist policy discussions.	1. Publish at least 20 articles or reports on resource outcomes. 2. Present at least 15 research presentations, including at least two at APNIC conferences. 3. Discuss research on 12 podcasts.

5.   Capability

The objectives of the Capability pillar are:

- Provide stable and secure technical infrastructure to support APNIC operations and services
- Develop a strong service culture driven by people committed to APNIC's vision and values
- Sustain a healthy and resilient organization

The workstreams within the Capability pillar include:

> **5A.** Internal Technical Infrastructure
> **5B.** Finance and Business Services
> **5C.** Employee Experience
> **5D.** Governance

5A.   Internal Technical Infrastructure

Provide stable and secure technical infrastructure to support APNIC operations and services.

Internal Technical Infrastructure	PY	OPEX	CAPEX
Operations	14.73	3,884,082	367,200
Investments	1.45	492,203	-
Workstream total	16.18	4,376,285	367,200

Operations

Objective	Sub-Activities	Success Indicators
5A.1. Architecture and Technical Coordination		
Build efficiencies and reduce costs through use of a coordinated common infrastructure by multiple product teams.	Manage and improve APNIC's systems architecture for better integration and coordination of systems and business processes. Work across development teams to maintain quality, adherence to information security policies, improve efficiencies, provide architectural reviews, and aid the selection of technologies used in product development.	1. API portal completed and launched by Q4. 2. At least 20 technical coordination meetings held with all product teams.

	Develop an API portal to allow external users to more easily use APNIC's external APIs across all products.	
5A.2. Network and Infrastructure Operations		
Ensure high availability of APNIC's infrastructure.	Manage APNIC's data centre presence in the region, interconnections between the APNIC network and others via peering relationships, and maintain a 24x7 Incident Response Team. Standardise architecture, interconnections and services provided on physical points of presence (POPs) in Japan and Singapore.	1. Complete quarterly data centre failover and backup recovery tests. 2. Respond to all critical incidents within 20 minutes. 3. Maintain availability of at least 99.99% for critical APNIC services and at least 99.95% for less-critical services.
5A.3. System and Platform Operations		
Support APNIC's public service delivery with reliable, secure and high-performance systems.	Operate and maintain all systems supporting public services, including regular updates and security patches, replacing hardware where necessary, and decommissioning old systems. Migrate existing services using end-of-life OS to a new operating system. Complete service migration to new load balancer. Implement new calculation tool for service availability.	1. Improve speed of automated service provisioning from 2 days to two hours. 2. Provide real-time, year-to-date availability monitoring in 5x9s format.
5A.4. Internal Security Operations		
Maintain strong internal security operations to appropriate standards of best practice in order to avoid service disruption and data loss.	Strengthen APNIC CSIRT to serve all incident response coordination needs. Improve vulnerability assessment and reporting procedures consistent with ISO 27001 requirements.	1. Achieve a successful ISO 27001 surveillance audit. 2. Mitigate all critical vulnerability reports within seven days and resolve within 30 days.

	Redesign security performance reporting to improve transparency. Support product teams with awareness of common vulnerabilities and secure coding practices.	
5A.5. Enterprise Applications and IT Support		
Provide secure and reliable enterprise technologies to support Secretariat operations.	Provide all required IT systems and platform support to all APNIC staff.	1. Meet SLA of two business day response for internal IT support.

Investments

Objective	Sub-Activities	Success Indicators
5A.6. Security Infrastructure Upgrades		
Harden APNIC systems and security infrastructure to reduce security risks and protect Member information.	Improve infrastructure security and resilience of APNIC systems across areas including: • Privilege access management (PAM) for end users • Zero-trust Network / Server access (ZTNA) • Information security compliance tool (ISO27001) • Application security orchestration and correlation (ASOC).	1. Deprecation of old staff VPN by Q3. 2. Introduction of development code vulnerability scanning by Q3.
Objective	Sub-Activities	Success Indicators
5A.7. Technical Infrastructure and Operations Improvement		
Improving existing technical infrastructure & operations for stabler systems, speedier response to incidents, and enhanced service management overall.	Improve the process flow for IT support using ITIL principles. Deploy new ITSM tools to replace RT for IT operations and incident coordination.	1. Migrate all tickets for IT operations support and incident coordination to new ITSM system. 2. Migrate 80% of hosts to the new operating system.

| | Improve 24x7 Tier-1 support by exploring various outsourcing options. | |
| | Migrate older hosts to a more modern operating system to improve security and stability. | |

5B.   Finance and Business Services

Provide efficient and robust finance and business services and facilities to effectively support APNIC's operations.

Finance and Business Services	PY	OPEX	CAPEX
Operations	14.79	3,599,907	10,000
Investments	0.10	34,349	618,700
Workstream total	14.89	3,634,256	628,700

Operations

Objective	Sub-Activities	Success Indicators
5B.1. Financial Services		
Transparent and efficient management and reporting of APNIC's financial affairs.	Meet APNIC's annual financial obligations, including the annual statutory audit, tax compliance and budgeting and reporting. Review and improve financial systems and processes to ensure financial management and reporting remains fit for purpose.	1. Achieve a successful audit of APNIC's annual financial accounts. 2. Provide APNIC EC with accurate financial reporting each quarter. 3. EC approval of the annual budget before 31 December.
5B.2. Business Services		
Effectively support Secretariat operations and travel.	Provide responsive administrative support services to support an agile, safe and eco-friendly working environment. Manage travel processes to ensure travel is safe, efficient and within budget. Maintain current workplace health and safety (WHS) policies and ensure office and	1. Zero WHS incidents due to APNIC-controlled environmental factors.

	home office WHS compliance.	

5B.3. Business Intelligence and Data Analytics

Improve decision making from the increased availability and accessibility of relevant, cross-system data sources and analysis.	Maintain organization-wide data model and data governance structure, accessed by a business intelligence facility that integrates data from a range of systems to produce better analysis and consistent reporting. Develop and implement a corporate information dashboard.	1. 100% of critical business data from all five pillars of activities stored in APNIC data warehouse. 2. 100% report automation data sourced from data warehouse.

Investments

Objective	Sub-Activities	Success Indicators
5B.4. Workspace improvement		
Ensure APNIC's offices are safe and fit for purpose.	Repair structural subsidence issues to the Cordelia St premises. Improve office facilities to better integrate with hybrid work practices. Begin preparations for APNIC's relocation to its new office premises in 2025, including management of contracts, design, and technical specifications.	1. Repairs and upgrades completed in line with budget.

5C. Employee Experience

Attract, develop and retain talented, service-oriented people to deliver APNIC's mission and exceed organization and community expectations.

Employee Experience	PY	OPEX	CAPEX
Operations	6.80	2,204,984	-
Investments	-	-	-
Workstream total	6.80	2,204,984	-

Operations

Objective	Sub-Activities	Success Indicators
5C.1. Organisational Development		
Optimise organisational structure, capability, agility and culture for the realisation of APNIC's vision and mission.	Provide quality training and support resources to address emerging development needs. Develop an engagement framework for staff located across the region. Develop a comprehensive succession plan. Nurture a respectful, safe, diverse and inclusive culture. Better organise internal information channels and communicate more relevant content to internal audiences.	1. Meet or exceed LinkedIn Glint global benchmark for employee engagement (75). 2. Meet or exceed LinkedIn Glint global benchmark for diversity (75). 3. Meet or exceed LinkedIn Glint global benchmark for culture (73).
5C.2. Talent attraction and retention		
Attract and retain the best possible talent to deliver APNIC's strategy.	Improve recruitment practices to recruit talent faster, and iterate the onboarding program to provide meaningful information to new talent.	1. Employee turnover is at or below the Human Capital Index global benchmark of 5-15%. 2. All vacancies are filled within 90 days.
5C.3. People services		
Ensure that all people practices for APNIC are inclusive, legally compliant and meet global standards.	Ensure that policies and practices meet global HR standards and meet user needs. Provide staff with information that allows them to manage their personal information, understand their role and performance requirements, and ongoing assistance relating to their employment. Provide effective and timely migration assistance where required.	1. Meet or exceed LinkedIn Glint global benchmark for employee reward (66). 2. No adverse action results from any employment or migration matter.

	Develop meaningful recognition and reward guidelines and maintain competitive remuneration practices.	

5D.   Governance

Provide the legal, economic and governance framework and professional services to support APNIC's operations to minimise risk, ensure compliance and continuity, and remain a socially and environmentally responsible organization.

Governance	PY	OPEX	CAPEX
Operations	3.42	1,195,655	-
Investments	-		-
Workstream total	3.42	1,195,655	-

Operations

Objective	Sub-Activities	Success Indicators
5D.1. Executive Council (EC) Support		
Facilitate EC processes and activities of the highest integrity.	Assist EC members to perform their roles, including onboarding, meeting support, travel management, administration and providing information as required.	1. Achieve a satisfaction rating of at least 6/7 from a survey of EC members.
5D.2. Corporate governance, legal support and risk management		
Manage and minimise APNIC's risks through robust corporate governance and compliance with legal obligations.	Maintain APNIC's risk register, BCP framework (including regular testing), ISO 9001 certification, insurance arrangements, and internal policy compliance.	1. Complete quarterly risk reporting to the EC. 2. Achieve a successful ISO 9001 surveillance audit.

Appendices

A.   2023 Budget Summary

Activity	PY	%	OPEX (AUD)	%	CAPEX (AUD)	%
Membership	22.94	18%	5,565,000	16%	-	-
Member Services	12.98	10%	2,899,929	8%	-	-
Membership Products	8.27	7%	1,684,956	5%	-	-
Membership Reporting	1.69	1%	980,115	3%	-	-
Registry	15.08	12%	4,346,574	13%	100,000	8%
Registration Services	4.89	4%	773,260	2%	-	-
Registry Products	9.50	8%	2,766,842	8%	100,000	8%
Policy Development	0.69	1%	806,472	2%	-	-
Development	37.42	30%	10,451,998	30%	58,500	5%
APNIC Conferences	4.35	3%	1,793,467	5%	33,500	3%
Foundation Support	1.40	1%	-	-	-	-
Community Engagement	6.24	5%	2,322,810	7%	-	-
Community Participation	3.77	3%	766,868	2%	-	-
APNIC Academy	19.65	16%	4,365,399	13%	15,000	1%
Internet Infrastructure Support	2.01	2%	1,203,453	3%	10,000	1%
Information	9.54	8%	2,925,345	8%	45,000	4%
Information Products	8.59	7%	1,895,993	5%	-	-
Research and Analysis	0.95	1%	1,029,352	3%	45,000	4%
Capability	41.29	33%	11,411,189	33%	995,900	83%
Internal Technical Infrastructure	16.18	13%	4,376,285	13%	367,200	31%
Finance and Business Services	14.89	12%	3,634,256	10%	628,700	52%
Employee Experience	6.80	5%	2,204,984	6%	-	-
Governance	3.42	3%	1,195,665	3%	-	-
Total	126.27	100%	34,700,106	100%	1,199,400	100%

Note: Some numbers presented in this table may not add up precisely to the totals provided due to rounding.

B.   Person Year Distribution

Activity	Total PY	Comm	DG	Fin	I&D	P&P	Prod Dev	Srvcs	SE
Membership	22.94	0.60	0.95	2.10	0.50	-	8.25	10.54	-
Member Services	12.98	0.05	0.15	1.70	-	-	1.30	9.78	-
Membership Products	8.27	0.05	0.05	-	0.50	-	6.95	0.72	-
Membership Reporting	1.69	0.50	0.75	0.40	-	-	-	0.04	-
Registry	15.08	0.80	0.52	-	1.02	-	7.30	5.44	-
Registration Services	4.89	0.40	-	-	-	-	-	4.49	-
Registry Products	9.50	0.05	0.50	-	1.02	-	7.30	0.63	-
Policy Development	0.69	0.35	0.02	-	-	-	-	0.32	-
Development	37.42	4.65	0.88	0.20	21.27	0.97	5.50	1.35	2.60
APNIC Conferences	4.35	2.50	0.05	-	0.69	-	1.00	0.11	-
Foundation Support	1.40	-	0.35	0.20	0.08	0.67	0.10	-	-
Community Engagement	6.24	0.45	0.47	-	1.19	-	0.50	1.13	2.50
Community Participation	3.77	1.70	-	-	0.02	-	2.05	-	-
APNIC Academy	19.65	-	0.01	-	17.28	0.30	1.85	0.11	0.10
Internet Infrastructure Support	2.01	-	-	-	2.01	-	-	-	-
Information	9.54	2.35	4.01	-	0.61	-	2.50	0.07	-
Information Products	8.59	2.25	3.16	-	0.61	-	2.50	0.07	-
Research and Analysis	0.95	0.10	0.85	-	-	-	-	-	-
Capability	41.29	0.60	4.04	7.50	13.25	11.85	3.45	0.60	-
Internal Technical Infrastructure	16.18	-	-	-	12.73	-	3.45	-	-
Finance and Business Services	14.89	-	1.90	6.30	0.01	6.53	-	0.15	-
Employee Experience	6.80	0.60	0.12	-	0.51	5.22	-	0.35	-
Governance	3.42	-	2.02	1.20	-	0.10	-	0.10	-
Total	126.27	9.00	10.40	9.80	36.65	12.82	27.00	18.00	2.60

Note: Some numbers presented in this table may not add up precisely to the totals provided due to rounding.

C. Investments by Workstream (APNIC and APNIC Foundation Funded)

Pillar	Workstream	Investment Activity	PY	OPEX	CAPEX
Membership	1A. Member Services	1A.2. Membership Product Development	2.85	494,726	-
Registry	2B. Registry Products	2B.3. Registry Product Development	3.05	518,207	-
	2B. Registry Products	2B.4. Registry re-architecture	1.20	203,885	-
	2B. Registry Products	2B.5. Five-9s Availability for Highly Critical Services	0.85	220,517	100,000
Development	3B. Foundation Support	3B.1. Foundation support	1.40	-	-
	3E. APNIC Academy	3E.8. Academy Product Development	0.80 **2.40**	145,767 **570,000**	-
	3E. APNIC Academy	3E.9. Curriculum for Non-Technical Audiences	0.15 **-**	33,589 **80,021**	
	3F. Internet Infrastructure Support	3F.3. M-Root Deployment Support	0.40 **0.92**	72,884 **701,942**	
Information	4A. Information Products	4A.3. Information Product Development	1.75	441,319	-
	4A. Information Products	4A.4 APNIC website refresh	1.50	260,625	
Capability	5A. Internal Technical Infrastructure	5A.6. Security Infrastructure Upgrades	0.60	337,325	
	5A. Internal Technical Infrastructure	5A.7. Technical infrastructure and operations improvements	0.85	154,878	
	5B. Finance and Business Services	5B.4. Workspace improvement	0.10	34,349	618,700
APNIC Investment Total			15.50	2,918,071	718,700
APNIC Foundation Investment Total			3.32	1.351,963	-
GRAND TOTAL			18.82	4,270,034	718,700

APNIC Foundation investments are marked in **green**.

Note: Some numbers presented in this table may not add up precisely to the totals provided due to rounding.

D. APNIC Foundation Funded Activity (Operations and Investments)

Workstream	Activity	PY	OPEX	CAPEX
3E. APNIC Academy	3E.1. Academy Product Management	4.35	910,500	-
3E. APNIC Academy	3E.2. Training Events	5.08	867,500	-
3E. APNIC Academy	3E.3. Community Trainers Network	3.80	905,600	-
3E. APNIC Academy	3E.8. Academy Product Development	2.40	570,000	-
3E. APNIC Academy	3E.9. Curriculum for Non-Technical Audiences	-	80,021	-
3F. Internet Infrastructure Support	3F.2. Community Honeynet and Security Threat Sharing Platform	-	77,000	-
3F. Internet Infrastructure Support	3F.3. M-Root Deployment Support	0.92	701,942	-
4B. Research and Analysis	4B.1. Conducting research and measurements	-	289,855	-
TOTAL		16.55	4,402,418	-

Note: Some numbers presented in this table may not add up precisely to the totals provided due to rounding.

APNIC's 2023 Budget Submission provides more details on the 2023 APNIC Budget and is available with the Minutes of the December 2022 EC meeting.

Agenda Item 18
2023 budget

APNIC 2023 Budget

EC Meeting

5 – 7 December 2022

Kathmandu, Nepal

Contents

- Budget principles & inputs

- Budget summary

- Revenue

- Expenses + capex

- Foundation funded activity

- Expenses by pillars and workstreams

- Future Outlook (multiyear bit factor adjustment)

- Summary of budget proposal

BUDGET PRINCIPLES & INPUTS

Budgeting principles & inputs

- **Principles**
  - Operational budget no worse than 2022 forecast (Q4 reforecast ~$1M deficit)
    - Options for improvement (i.e. breakeven or better)
    - Investment activities to be compartmentalised for EC approval
  - Revenue
    - A multi-year adjustment to bit factor that alleviates impacts of CPI
    - Current model is $1,180 base fee and 1.3 bit factor
  - Expenditure
    - Consideration of CPI impacts on costs
    - Tabulation of FTE's & associated costs of APNIC roles
    - Travel envelope of $1.75M – includes overheads and non-staff travel
  - Foundation
    - Projects based on funding envelope
    - Foundation funded hires dependent on availability of funding
    - Recharging of overheads carried by APNIC – quantified for consideration, but not included in base budget

- **Inputs**
  - The 2023 APNIC Activity Plan & 2022 APNIC Survey
  - The APNIC organization structure, HR cost analysis and recruitment plans
  - Membership projections, derived from analysis of historical membership growth and recent trends
  - Investment return forecasts provided by APNIC's investment advisors
  - The asset register and quantity survey reports, forming the basis of depreciation and capital allowance forecast
  - Activities funded by and undertaken on behalf of the APNIC Foundation.

Economic and operational back drop

- Inflation Forecast (RBA)
  - 8.0% December 2022
  - 6.3% June 2023

- Wages & inflation (Korn Ferry)
  - 4.0% 2022 Actual
  - 4.2% 2023 Forecast
  - 62% of APNIC cost base

- Membership Growth
  - 4.0% member growth YTD (354 net new members & 9,122 total members)
  - 2.0% member revenue growth YTD (20.6M YTD vs 20.2M LY)

Regional Inflation Forecast by Economy						
Country	Last		Q4/22	Q1/23	Q2/23	Q3/23
Australia	7.3	Sep-22	7.6	6.4	5.2	4.8
Singapore	7.5	Sep-22	7.5	6.9	5.5	4.8
China	2.1	Oct-22	2.6	2.5	2.0	2.6
India	6.8	Oct-22	6.7	5.7	4.9	5.1
Indonesia	5.7	Oct-22	5.6	5.5	5.0	4.0
Japan	3.0	Sep-22	3.4	3.0	2.6	2.2
South Korea	5.7	Oct-22	6.0	5.6	5.0	4.5
Taiwan	2.7	Oct-22	2.7	2.3	2.1	2.0
Vietnam	4.3	Oct-22	4.8	3.5	3.3	3.0

Source: Trading Economics

APNIC

BUDGET SUMMARY

2023 Operational activities budget

Revenue (AUD)	Budget 2022	2022	Operational 2023
Membership fees	24,799,617	24,715,216	26,565,676
Non-members fees	263,209	261,510	267,578
Reactivation fees	22,644	21,210	22,500
Sign-Up fees	315,985	268,833	294,200
Transfer fees	220,431	169,072	216,251
Sundry income	6,128,237	319,805	230,150
Foundation receipts	406,563	3,710,829	3,050,455
Operating Revenue	**32,156,686**	**29,466,477**	**30,646,810**
Investment income	806,229	750,806	0
TOTAL REVENUE	**32,962,915**	**30,217,283**	**30,646,810**
Bank service fees	261,000	277,724	261,000
Communication expenses	688,600	651,565	730,600
Computer expenses	2,295,755	1,894,370	2,224,400
Foundation funded project expenses	6,362,600	3,696,298	3,050,455
Depreciation expenses	839,869	677,762	802,789
Doubtful debt expenses	20,000	10,000	20,000
ICANN contract fees	225,600	231,762	238,600
Insurance expenses	231,600	255,322	272,000
Meeting & training expenses	553,500	620,898	831,400
Membership fees expenses	81,010	77,436	72,000
Office operating expenses	455,640	616,729	482,100
Postage & delivery expenses	48,000	36,201	71,500
Printing & photocopy expenses	29,000	27,717	30,500
Professional fees	1,824,480	1,976,818	1,369,450
Recruitment expenses	306,000	466,936	182,500
Salaries & personnel expenses	17,577,277	16,983,801	16,720,345
Sponsorship & publicity expenses	553,780	628,822	832,380
Staff training expenses	314,000	273,947	278,000
Translation expenses	30,000	30,000	10,000
Travel expenses	1,066,700	1,750,000	1,750,000
TOTAL EXPENSES	**33,764,411**	**31,184,108**	**30,230,019**
OPERATING SURPLUS/ (DEFICIT)	**(801,496)**	**(966,825)**	**416,791**

- Operational activities
  - All routine APNIC activities
  - Core member and registry services
  - Additional services as established and expected
  - Regular "continuous improvement" activities

- Operating budget
  - All member revenue
  - BAU Foundation projects under BAU
  - Personnel & operating expenses under BAU
  - Budget surplus $416,791

APNIC

2023 Investment activities budget

Revenue (AUD)	Budget 2022	Forecast 2022	Operational Activities 2023	Investment Activities 2023
Membership fees	24,799,617	24,715,216	26,565,676	
Non-members fees	263,209	261,510	267,578	
Reactivation fees	22,644	21,210	22,500	
Sign-Up fees	315,985	268,833	294,200	
Transfer fees	220,431	169,072	216,251	
Sundry income	6,128,237	319,805	230,150	
Foundation receipts	406,563	3,710,829	3,050,455	1,351,963
Operating Revenue	**32,156,686**	**29,466,477**	**30,646,810**	**1,351,963**
Investment income	806,229	750,806	0	657,100
TOTAL REVENUE	**32,962,915**	**30,217,283**	**30,646,810**	**2,009,063**
Bank service fees	261,000	277,724	261,000	0
Communication expenses	688,600	651,565	730,600	0
Computer expenses	2,295,755	1,894,370	2,224,400	188,500
Foundation funded project expenses	6,362,600	3,696,298	3,050,455	1,351,963
Depreciation expenses	839,869	677,762	802,789	0
Doubtful debt expenses	20,000	10,000	20,000	0
ICANN contract fees	225,600	231,762	238,600	0
Insurance expenses	231,600	255,322	272,000	0
Meeting & training expenses	553,500	620,898	831,400	0
Membership fees expenses	81,010	77,436	72,000	0
Office operating expenses	455,640	616,729	482,100	0
Postage & delivery expenses	48,000	36,201	71,500	0
Printing & photocopy expenses	29,000	27,717	30,500	0
Professional fees	1,824,480	1,976,818	1,369,450	140,000
Recruitment expenses	306,000	466,936	182,500	0
Salaries & personnel expenses	17,577,277	16,983,801	16,720,345	2,589,624
Sponsorship & publicity expenses	553,780	628,822	832,380	0
Staff training expenses	314,000	273,947	278,000	0
Translation expenses	30,000	30,000	10,000	0
Travel expenses	1,066,700	1,750,000	1,750,000	0
TOTAL EXPENSES	**33,764,411**	**31,184,108**	**30,230,019**	**4,270,087**
OPERATING SURPLUS/ (DEFICIT)	**(801,496)**	**(966,825)**	**416,791**	**(2,261,024)**

- Investment Activities
  - New products and services
  - Substantial services improvements and upgrades
  - Internal systems and process upgrades
  - Multi-year project expenses
  - Usually, not "mandatory"

- Investment budget
  - Foundation funded investments
  - Returns from investment portfolio + deposits
  - Personnel and other costs to deliver investments
  - Costs of operating investment portfolio
  - Budget deficit of $2,261,024

2023 Total budget

Revenue (AUD)	Budget 2022	2022	Operational 2023	Investment 2023	Budget 2023
Membership fees	24,799,617	24,715,216	26,565,676		26,565,676
Non-members fees	263,209	261,510	267,578		267,578
Reactivation fees	22,644	21,210	22,500		22,500
Sign-Up fees	315,985	268,833	294,200		294,200
Transfer fees	220,431	169,072	216,251		216,251
Sundry income	6,128,237	319,805	230,150		230,150
Foundation receipts	406,563	3,710,829	3,050,455	1,351,963	4,402,418
Operating Revenue	**32,156,686**	**29,466,477**	**30,646,810**	**1,351,963**	**31,998,773**
Investment income	806,229	750,806	0	657,100	657,100
TOTAL REVENUE	**32,962,915**	**30,217,283**	**30,646,810**	**2,009,063**	**32,655,873**
Bank service fees	261,000	277,724	261,000	0	261,000
Communication expenses	688,600	651,565	730,600	0	730,600
Computer expenses	2,295,755	1,894,370	2,224,400	188,500	2,412,900
Foundation funded project expenses	6,362,000	3,696,298	3,050,455	1,351,963	4,402,418
Depreciation expenses	839,869	677,762	802,789	0	802,789
Doubtful debt expenses	20,000	10,000	20,000	0	20,000
ICANN contract fees	225,600	231,762	238,600	0	238,600
Insurance expenses	231,600	255,322	272,000	0	272,000
Meeting & training expenses	553,500	620,898	831,400	0	831,400
Membership fees expenses	81,010	77,436	72,000	0	72,000
Office operating expenses	455,640	616,729	482,100	0	482,100
Postage & delivery expenses	48,000	36,201	71,500	0	71,500
Printing & photocopy expenses	29,000	27,717	30,500	0	30,500
Professional fees	1,824,480	1,976,818	1,369,450	140,000	1,509,450
Recruitment expenses	306,000	466,936	182,500	0	182,500
Salaries & personnel expenses	17,577,277	16,983,801	16,720,345	2,589,624	19,309,969
Sponsorship & publicity expenses	553,780	628,822	832,380	0	832,380
Staff training expenses	314,000	273,947	278,000	0	278,000
Translation expenses	30,000	30,000	10,000	0	10,000
Travel expenses	1,066,700	1,750,000	1,750,000	0	1,750,000
TOTAL EXPENSES	**33,764,411**	**31,184,108**	**30,230,019**	**4,270,087**	**34,500,106**
OPERATING SURPLUS/ (DEFICIT)	**(801,496)**	**(966,825)**	**416,791**	**(2,261,024)**	**(1,844,233)**

- Operating result
  - Core services only
  - $416,791 surplus

- APNIC investments
  - Salary & personnel = $2,589,624
  - Other opex = $328,500
  - Total = $2,918,124

- Foundation Investments
  - Total = $1,351,963

- Total Investment expenditure
  - APNIC Funded = $2,918,124
  - Foundation Funded = 1,351,963
  - Total = $4,270,087

APNIC

9

Budget improvement

- **Agreed – to be removed**
  - [Confidential information redacted]

- **Possible – for EC discussion**
  - **250k – Foundation oncharging of licences and other costs**
  - **240k – Merchant fees oncharging**
  - **$490K TOTAL > $989,233 DEFICIT REMAINS**

- **Possible – Investments for EC discussion**
  - **Shift 5x9s to 3 yr rather than 2yr – ~110k opex, 100k Capex. (50k active-active, 60k Tier 1 support)**
  - **$110K TOTAL > $879,233 DEFICIT REMAINS**

2023 Investment schedule

2023 Investment Summary			APNIC Funded Investments		Foundation Funded Investments		
Workstream	**Investment Activity**	**PY**	**Expenses**	**Capex**	**PY**	**Total Opex**	**Total Capex**
1B. Membership Products	1B.2. Membership Product Development	2.85	494,726				
Membership Products		**2.85**	**494,726**	**-**	**-**	**-**	**-**
2B. Registry Products	2B.3. Registry Product Development	3.05	518,207				
	2B.4. Registry re-architecture	1.20	203,885				
	2B.5 – Achieving Five-9s Availability for Highly Critical Services	0.85	220,571	100,000			
Registry Products		**5.10**	**942,662**	**100,000**	**-**	**-**	**-**
3B. Foundation Support	3B.1. Foundation support	1.40	-				
Foundation Support		**1.40**	**-**	**-**	**-**	**-**	**-**
3E. APNIC Academy	3E.7. Academy Product Development	0.80	145,767		2.40	570,000	
	3E.8. Curriculum for Non-Technical Audiences	0.15	33,589			80,021	
APNIC Academy		**0.95**	**179,356**	**-**	**2.40**	**650,021**	**-**
3F. Internet Infrastructure Support	3F.3. M-Root Deployment Support	0.40	72,884		0.92	701,942	
Internet Infrastructure Support		**0.40**	**72,884**	**-**	**0.92**	**701,942**	**-**
4A. Information Products	4A.3. Information Product Development	1.75	441,319				
	4A.4 - APNIC website refresh	1.50	260,625				
Information Products		**3.25**	**701,944**	**-**	**-**	**-**	**-**
5A. Internal Technical Infrastructure	5A.6. Security Infrastructure Upgrades	0.60	337,325				
	5A.7 Technical Infrastructure & Operations Improvement	0.85	154,878				
Internal Technical Infrastructure		**1.45**	**492,203**	**-**	**-**	**-**	**-**
5B. Finance and Business Services	5B.4. Workspace improvement	0.10	34,349	618,700			
Finance and business services		**0.10**	**34,349**	**618,700**		**-**	**-**
TOTAL		**15.50**	**2,918,124**	**718,700**	**3.32**	**1,351,963**	**-**

- Investment expenditure
  - APNIC Funded = $2,918,124
  - Foundation Funded = 1,351,963
  - <u>Total = $4,270,087</u>

APNIC

11

Investments summary

Investment	APNIC Funded			APNIC Foundation Funded			TOTAL Investments		
	PY	Opex	Capex	PY	Opex	Capex	PY	Opex	Capex
1B.2. Membership Product Development	2.85	$494,726					2.85	$494,726	
2B.3. Registry Product Development	3.05	$518,207					3.05	$518,207	
2B.4. Registry re-architecture	1.20	$203,885					1.20	$203,885	
2B.5 - Achieving Five-9s Availability for Highly Critical Servic	0.85	$220,571	$100,000				0.85	$220,571	$100,000
3B.1. Foundation support	1.40	$0					1.40	$0	
3E.7. Academy Product Development	0.80	$145,767		2.40	$570,000		3.20	$715,767	
3E.8. Curriculum for Non-Technical Audiences	0.15	$33,589			$80,021		0.15	$113,610	
3F.3. M-Root Deployment Support	0.40	$72,884		0.92	$701,942		1.32	$774,826	
4A.3. Information Product Development	1.75	$441,319					1.75	$441,319	
4A.4 - APNIC website refresh	1.50	$260,625					1.50	$260,625	
5A.6. Security Infrastructure Upgrades	0.60	$337,325					0.60	$337,325	
5A.7 Technical Infrastructure & Operations Improvement	0.85	$154,878					0.85	$154,878	
5B.4. Workspace improvement	0.10	$34,349	$618,700				0.10	$34,349	$618,700
TOTAL	15.50	$2,918,124	$718,700	3.32	$1,351,963	$0	18.82	$4,270,087	$718,700

2023 Capex schedule

CAPITAL (AUD)	Budget 2022	Forecast 2022	Forecast vs Budget (%)	Budget 2023	FY23 Budget vs FY22 Budget	FY23 Budget vs FY22 Budget (%)	FY23 Budget vs FY22 Forecast	FY23 Budget vs FY22 Forecast (%)
Equipment & Software	711,350	759,222	7%	570,700	(140,650)	-20%	(188,522)	-25%
Office Furniture, Fittings & Building Improvements	2,030,000	183,198	-91%	628,700	(1,401,300)	-69%	445,502	243%
TOTAL CAPITAL EXPENDITURE	**2,741,350**	**942,420**	**-66%**	**1,199,400**	**(1,541,950)**	**-56%**	**256,980**	**27%**

REVENUE

Revenue - Membership

- Membership fees
  - **FY23 Budget – $26.57M vs. FY22 Forecast – $24.72M (7% Increase)**
  - Includes revenue impact from net membership growth and bit factor adjustment
  - Sign-up fees are calculated using the new members assumptions outlined below

- Non-Members fees
  - **FY23 Budget – $268K vs. FY22 Forecast – $262K (2% Increase)**
  - Fees from non-member account holders continues to be stable
  - In 2023 there will be minimal change to revenue for this item

- Reactivation fees
  - **FY23 Budget – $22.5K vs. FY22 Forecast – $21.2K (6% Increase)**
  - Reactivation fees are charged to Members to reactivate their accounts after closure.
  - The revenue for this item is expected to be consistent with 2022

- Sign-Up fees
  - **FY23 Budget – $294K vs. FY22 Forecast – $269K (9% Increase)**
  - Sign-up fees are directly related to membership growth.
  - Sign-up fees are calculated using the new members assumptions outlined below

- Transfer fees
  - **FY23 Budget – $216K vs. FY22 Forecast – $169K (28% Increase)**
  - Transfer activity is expected to be consistent with 2022

Revenue - Membership

- Membership growth assumptions:
  - 748 new members (62 per month) vs. 752 forecast in 2022
  - 40% LDC members vs. 37% in 2022
  - $2,046 average annual new member fee per new Non-LDC member ($1,023 per LDC member)
  - 344 member closures (29 per month) vs. 340 in 2022
  - $1,732 per closed member account

- Membership fees:
  - Base fee of $1,180 (no change)
  - Bit factor of 1.31 (currently 1.3)
  - $500 sign-up fee per new Non-LDC member ($250 per LDC member)

Revenue – FX Analysis

AUD FX ANALYSIS
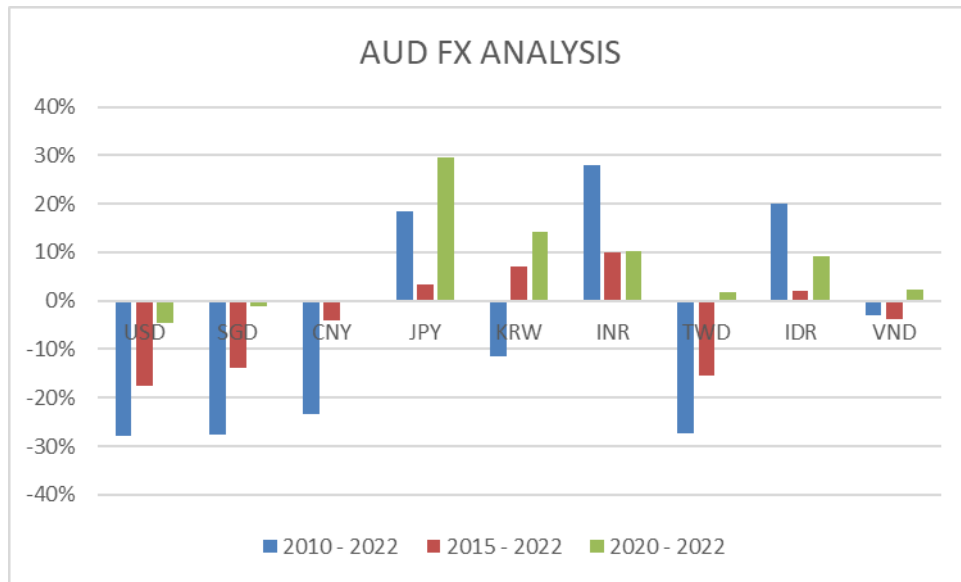
- FX volatility across since 2010:
  - 28% depreciation (SGD / TWD)
  - 29% appreciation (JPY)
- No consistent trends:
  - KRW -11% to +15%
  - TWD -28 to 1%
  - VND -2% to +2%
- FX gains / losses are unpredictable, but managed:
  - No concerns raised with FX in the 2022 Billing and Payments survey
  - 183 respondents from 25 economies

Revenue – 1.31 Bit factor impact analysis

	2016 - 2020	Current	Proposed	Change	Change %
Associate Fee	$ 500	$ 500	$ 500	$ -	0.00%
Minimum Fee	$ 1,050	$ 1,180	$ 1,180	$ -	0.00%
Bit Factor		1.308	1.300	1.310	$ 0.01	0.77%
NIR Multiplier		2.9	2.9	2.9		

Prefix	IPv4 Addresses	2016 - 2020	Current	Proposed	Per IP	Change $	Change %
/24	256	$ 1,050	$ 1,180	$ 1,180	$ 4.609	$ -	0.00%
/23	512	$ 1,373	$ 1,534	$ 1,546	$ 3.019	$ 12	0.77%
/22	1,024	$ 1,796	$ 1,994	$ 2,025	$ 1.978	$ 31	1.54%
/21	2,048	$ 2,350	$ 2,592	$ 2,653	$ 1.295	$ 60	2.33%
/20	4,096	$ 3,073	$ 3,370	$ 3,475	$ 0.848	$ 105	3.11%
/19	8,192	$ 4,020	$ 4,381	$ 4,552	$ 0.556	$ 171	3.91%
/18	16,384	$ 5,258	$ 5,696	$ 5,964	$ 0.364	$ 268	4.71%
/17	32,768	$ 6,878	$ 7,404	$ 7,812	$ 0.238	$ 408	5.51%
/16	65,536	$ 8,996	$ 9,626	$ 10,234	$ 0.156	$ 609	6.32%
/15	131,072	$ 11,767	$ 12,513	$ 13,407	$ 0.102	$ 893	7.14%
/14	262,144	$ 15,391	$ 16,267	$ 17,563	$ 0.067	$ 1,296	7.96%
/13	524,288	$ 20,131	$ 21,147	$ 23,007	$ 0.044	$ 1,860	8.79%
/12	1,048,576	$ 26,332	$ 27,492	$ 30,140	$ 0.029	$ 2,648	9.63%
/11	2,097,152	$ 34,442	$ 35,739	$ 39,483	$ 0.019	$ 3,744	10.47%
/10	4,194,304	$ 45,050	$ 46,461	$ 51,723	$ 0.012	$ 5,262	11.32%
/9	8,388,608	$ 58,926	$ 60,399	$ 67,757	$ 0.008	$ 7,357	12.18%
/8	16,777,216	$ 77,075	$ 78,519	$ 88,761	$ 0.005	$ 10,242	13.04%

Effect on Confed/NIRS	IPv4 Addresses	Pre 2020	Base	Proposed	Per IP	Change $	Change %
CERNET-CN	17,043,456	$ 224,885	$ 229,067	$ 258,991	$ 0.015	$ 29,924	13.06%
CHINANET-CN	126,155,008	$ 488,329	$ 488,675	$ 564,876	$ 0.004	$ 76,202	15.59%
CNNIC-CN	85,985,792	$ 420,945	$ 422,674	$ 486,518	$ 0.006	$ 63,844	15.10%
CU-CN	63,594,496	$ 374,522	$ 377,067	$ 432,576	$ 0.007	$ 55,510	14.72%
IDNIC-ID	6,593,536	$ 155,667	$ 159,900	$ 178,901	$ 0.027	$ 19,001	11.88%
IRINN-IN	11,499,264	$ 193,092	$ 197,369	$ 222,184	$ 0.019	$ 24,815	12.57%
JPNIC-JP	121,055,488	$ 480,586	$ 481,102	$ 555,869	$ 0.005	$ 74,767	15.54%
KRNIC-KR	112,415,488	$ 466,997	$ 467,805	$ 540,063	$ 0.005	$ 72,258	15.45%
TWNIC-TW	34,095,616	$ 294,178	$ 297,815	$ 339,312	$ 0.010	$ 41,496	13.93%
VNNIC-VN	16,193,024	$ 220,470	$ 224,671	$ 253,878	$ 0.016	$ 29,206	13.00%
TOTAL	594,631,168	$ 3,319,670	$ 3,346,144	$ 3,833,167	$ 0.006	$ 487,023	14.55%

Budgeted model:

- No change to base fee of $1,180
- Increase bit factor to 1.31
- Member growth only = 2.4%
- Bit factor adjustment = 5.1%
- Total revenue growth = 7.5%
- 2022 projected inflation = 8.0%

Amount (AUD)	Forecast 2022	Budget 2023	FY23 Budget vs FY22 Forecast (%)
Membership fees (1.3 bf)	24,713,146	25,297,160	2%
Membership fees (1.31 bf)	24,713,146	26,565,676	7%

Revenue – 1.31 Bit factor impact analysis

	2016 - 2020	Current	Proposed		Change	Change %
Associate Fee	$ 500	$ 500	$ 500		$ -	0.00%
Minimum Fee	$ 1,050	$ 1,180	$ 1,180		$ -	0.00%
Bit Factor	1.308	1.300	1.308		$ 0.01	0.62%
NIR Multiplier	2.9	2.9	2.9			

Prefix	IPv4 Addresses	2016 - 2020	Current	Proposed	Per IP	Change $	Change %
/24	256	$ 1,050	$ 1,180	$ 1,180	$ 4.609	$ -	0.00%
/23	512	$ 1,373	$ 1,534	$ 1,543	$ 3.015	$ 9	0.62%
/22	1,024	$ 1,796	$ 1,994	$ 2,019	$ 1.972	$ 25	1.23%
/21	2,048	$ 2,350	$ 2,592	$ 2,641	$ 1.289	$ 48	1.86%
/20	4,096	$ 3,073	$ 3,370	$ 3,454	$ 0.843	$ 84	2.48%
/19	8,192	$ 4,020	$ 4,381	$ 4,518	$ 0.551	$ 136	3.12%
/18	16,384	$ 5,258	$ 5,696	$ 5,909	$ 0.361	$ 214	3.75%
/17	32,768	$ 6,878	$ 7,404	$ 7,729	$ 0.236	$ 325	4.39%
/16	65,536	$ 8,996	$ 9,626	$ 10,110	$ 0.154	$ 484	5.03%
/15	131,072	$ 11,767	$ 12,513	$ 13,224	$ 0.101	$ 710	5.68%
/14	262,144	$ 15,391	$ 16,267	$ 17,297	$ 0.066	$ 1,029	6.33%
/13	524,288	$ 20,131	$ 21,147	$ 22,624	$ 0.043	$ 1,476	6.98%
/12	1,048,576	$ 26,332	$ 27,492	$ 29,592	$ 0.028	$ 2,100	7.64%
/11	2,097,152	$ 34,442	$ 35,739	$ 38,706	$ 0.018	$ 2,967	8.30%
/10	4,194,304	$ 45,050	$ 46,461	$ 50,628	$ 0.012	$ 4,167	8.97%
/9	8,388,608	$ 58,926	$ 60,399	$ 66,221	$ 0.008	$ 5,822	9.64%
/8	16,777,216	$ 77,075	$ 78,519	$ 86,618	$ 0.005	$ 8,098	10.31%

Effect on Confed/NIRS	IPv4 Addresses	Pre 2020	Base	Proposed	Per IP	Change $	Change %
CERNET-CN	17,043,456	$ 224,885	$ 229,067	$ 252,728	$ 0.015	$ 23,661	10.33%
CHINANET-CN	126,155,008	$ 488,329	$ 488,675	$ 548,788	$ 0.004	$ 60,114	12.30%
CNNIC-CN	85,985,792	$ 420,945	$ 422,674	$ 473,062	$ 0.006	$ 50,387	11.92%
CU-CN	63,594,496	$ 374,522	$ 377,067	$ 420,892	$ 0.007	$ 43,825	11.62%
IDNIC-ID	6,593,536	$ 155,667	$ 159,900	$ 174,940	$ 0.027	$ 15,040	9.41%
IRINN-IN	11,499,264	$ 193,092	$ 197,369	$ 216,999	$ 0.019	$ 19,630	9.95%
JPNIC-JP	121,055,488	$ 480,586	$ 481,102	$ 540,087	$ 0.004	$ 58,985	12.26%
KRNIC-KR	112,415,488	$ 466,997	$ 467,805	$ 524,815	$ 0.005	$ 57,011	12.19%
TWNIC-TW	34,095,616	$ 294,178	$ 297,815	$ 330,600	$ 0.010	$ 32,785	11.01%
VNNIC-VN	16,193,024	$ 220,470	$ 224,671	$ 247,766	$ 0.015	$ 23,095	10.28%
TOTAL	594,631,168	$ 3,319,670	$ 3,346,144	$ 3,730,677	$ 0.006	$ 384,532	11.49%

Budget alternative:

- No change to base fee of $1,180
- Return bit factor to 1.308
- Member growth only = 2.4%
- Bit factor adjustment = 4.0%
- Total revenue growth = 6.4%
- 2022 projected inflation = 8.0%

Amount (AUD)	Forecast 2022	Budget 2023	FY23 Budget vs FY22 Forecast (%)
Membership fees (1.3 bf)	24,713,146	25,297,160	2.4%
Membership fees (1.308 bf)	24,713,146	26,306,163	6.4%

Revenue – Bit factor Impact analysis

Tier	No. of Members	% of Membership	Maximum Increase Amount*		Maximum Increase %	% of Resources	% of Membership Revenue	% of Proposed Revenue
Associate	215	2.36%	$	-	0.00%	0.0%	0.32%	0.30%
Very Small	4,342	47.59%	$	31	1.54%	0.3%	23.17%	22.07%
Small	3,768	41.30%	$	171	3.91%	0.9%	33.61%	32.79%
Medium	565	6.19%	$	609	6.32%	1.3%	12.20%	12.19%
Large	159	1.74%	$	1,860	8.79%	2.8%	7.94%	8.11%
Very Large	48	0.53%	$	5,262	11.32%	7.1%	5.29%	5.54%
Extra Large	27	0.30%	$	27,036	15.67%	87.6%	17.48%	18.99%
TOTAL	**9,124**	**100.00%**						

Excludes 10 NIR Accounts

- 8,110 Members (89.9%) will incur an increase of no more than 3.9% or $171
- 73 Members (<1%) will incur an increase of +10%
- /24 Members pay $4.61 per IP address
- /8 Members pay 0.5 cents per IP address

% of Resources

0.0% 0.3% 0.9% 1.3% 2.8% 7.1% 87.6%

Associate Very Small Small Medium Large Very Large Extra Large

Revenue – Bit factor Impact analysis
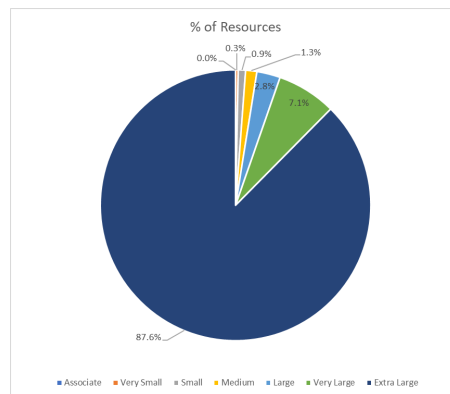
% of Resources

% of Membership Revenue
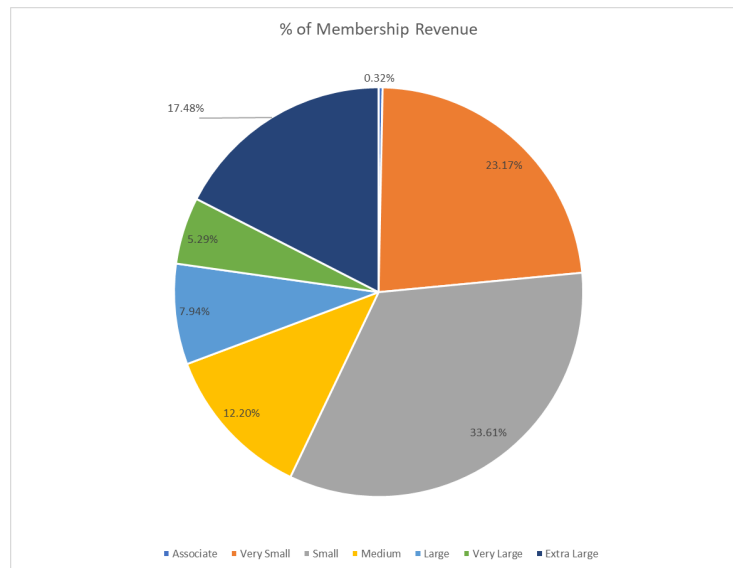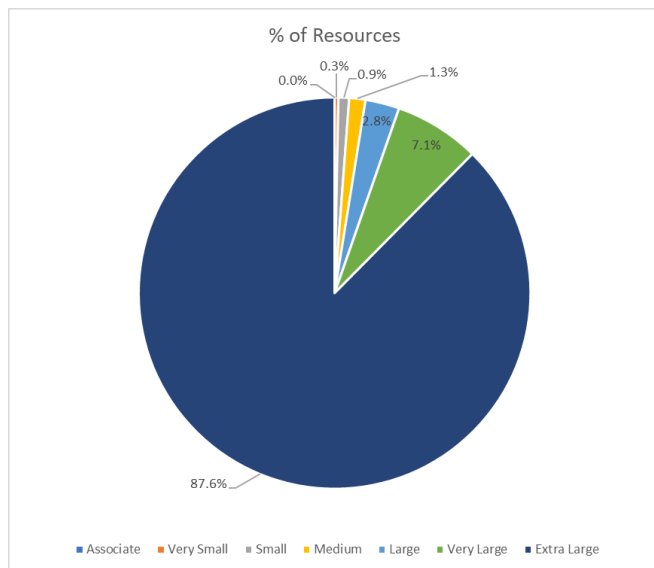
- Very Small & Small members account for 1.2% of all resources:
  - Current membership fee share = 56.8%
  - Proposed membership fee share = 54.9%
- Very Large and Extra Large members account for 94.7% of resources:
  - Current membership fee share = 22.8%
  - Proposed membership fee share = 24.5%

Revenue – Bit factor recap

- Very large & large resource holders account for 94.7% of resources but contribute 22.8% of membership fees

- Very small and small resource holders account for 1.2% of resources but contribute 56.8% of membership fees

- Per IP address costs range from $4.60 for very small members to $0.004 for extra large members

- Adjusting the bit factor provides the most equitable approach to fee reform and ensures that very small and small members are least impacted

Revenue – Other Revenue

- Sundry income
  - **FY23 Budget – $230K vs. FY22 Forecast – $320K (28% Decrease)**
  - Training receipts – $7.7K
  - Conference registration – $18.2K
  - Conference sponsorship – $120K
  - Research income – $84.2K

- Foundation receipts
  - **FY23 Budget – $4.40M vs. FY22 Forecast – $3.71M (19% Increase)***
  - *Additional $350K of funding for M-Root project to be provided to JPRS / WIDE (Actual increase is 28%)
  - Refer to Foundation Funded Activity section for further details

- Investment income
  - **FY23 Budget – $857K vs. FY22 Forecast – $751K (14% Increase)**
  - Credit Suisse investment income FY23 Budget – $706K vs FY22 Forecast – $657K
    - Forward forecast provided by Credit Suisse investment portfolio manager
  - Interest income FY23 Budget – $151K vs FY22 Forecast – $94K
    - Estimated returns from term deposits – increase driven by higher interest rates

EXPENSES

Expenses – Salary & personnel costs

- **FY23 Budget – $19.31M vs. FY22 Forecast – $16.98M (14% Increase)**

- Budget assumptions:
  - Wage price growth = 4.2% (Source: Korn Ferry Movements & Forecasts Report – October 2022)
  - Superannuation increase from 10.5% to 11% on 1 July 2023 (Australian Statutory Obligation)
  - 2.5 weeks year end + performance bonus (+super+payroll tax)
  - 17.5% annual leave loading
  - $70 per f/n telecomms allowance
  - 4.95% payroll tax

Expenses – Salary & personnel costs

2022 vs 2023 Reconciliation	Notes	Amount	% of 2022 Baseline
2022 forecast salary & personnel costs		$ 16,983,801	
Increases, bonuses and statutory oncharges in 2023	1	$ 1,697,669	10.0%
Current role vacancies	2	$ 443,206	2.6%
New roles - operational	3	$ 54,032	0.3%
Casual employees	3	$ 31,812	0.2%
Ancilliary costs	4	$ 99,449	0.6%
TOTAL		**$ 19,309,969**	**13.7%**

Notes to reconciliation table:

1. See wage growth table below
2. 3 approved roles
3. Legal counsel FTE assumed from 1 July 2023 and included as casual from 1 Jan – 30 June 2023
4. Includes workcover, income protection & allowances, less APNIC Foundation charges

Wage growth, bonuses & statutory increases	Notes	Amount
Budgeted wage price growth	1	$ 543,344
Annual leave, leave loading, LSL and payroll tax	2	$ 55,579
Superannuation	3	$ 23,789
2022 roles annualised	4	$ 1,045,158
Bonuses (incl. superannuation and paytoll tax)	5	$ 29,799
Total		**$ 1,697,669**

Notes to wage growth table:

1. Assumed at 4.2%
2. Based on note 1 value
3. Increase from 10.5% to 11% on 1 July 2023
4. Part year to full year extrapolation of roles approved and recruited in 2022
5. Increase over 2022 (2.5 weeks of total wages)

Expenses – Headcount

2022 vs 2023 Reconiliation		APNIC	APNIC Staff Foundation Funded*	APNIC Foundation	TOTAL
2022	Filled	112	12	9	133
	Hiring	1	4	0	5
TOTAL 2022 Workforce		**113**	**16**	**9**	**138**
2023	Increase	1	3	0	4
	Decrease	-1	0	0	-1
TOTAL 2023 Workforce		**113**	**19**	**9**	**141**

- Existing headcount commitments continue from 2022
- New headcount / FTE included in 2023 budget:
  - 1 x APNIC funded role:
    - Legal Counsel / Paralegal (replaces existing casual role, therefore no net increase in headcount) – Ongoing support for HRM, proactive response to member & community concerns, legal support
  - 3 x APNIC foundation funded positions:
    - Full Stack Developer (Academy Product)
    - Training & Development Coordinator
    - Product Development – Salesforce Developer (Contractor conversion)
- *All APNIC resources, funded by the APNIC Foundation including for delivery of non-APNIC projects (i.e. ISIF)
- Headcount does not include 1 FTE staff member employed by APNIC on behalf of the NRO.

APNIC

Expenses – Computer expense

- **FY23 Budget – $2.41M vs. FY22 Forecast – $1.89M (27% Increase)**

- Budget assumptions:
  - Computer expense includes all non-capital purchases of equipment, consumables, licenses and support fees for hardware and software
  - APNIC's commitment to cloud services has contributed to further increases in 2023
  - In 2023, continued focus on security, resilience and investment in working to achieve 59s availability for highly critical services will contribute to cost increases along with CPI impacts.

- New commitments and investments:
  - Zero Trust Network Access & Privileged Access Mgmt – $20K (investment)
  - Security Compliance Tool – $58K (investment)
  - Data Warehouse licenses – $169K (operational)
  - 59s Monitoring improvement – $20K (investment)
  - 59s Active-Active infrastructure across sites – $50K (investment)

Expenses – Computer expense

TOTAL 2,008,080

Workstream	Budget Code	BUD 2023 V2	Investment/ Operations	Pillar
Internal technical infrastructure	IDE-5A-Computer Zoom video conferencing license	64,000	Operations	Capability
Member services	IDE-1A-Computer Pardot licence	44,000	Operations	Membership
Member services	IDE-1A-Computer Salesforce licence	182,000	Operations	Membership
Member services	IDE-1A-Computer Salesforce premium support	40,000	Operations	Membership
Membership products	IDE-1B-Computer Cloudflare Licence	120,000	Operations	Membership
Membership products	IDE-1B-Computer SSO APNIC Login	61,000	Operations	Membership
Membership reporting	IDE-1C-Computer Expense reporting licence	25,800	Operations	Membership
Membership reporting	IDE-1C-Computer NetSuite license	183,000	Operations	Membership
Internal technical infrastructure	IDE-5A-Computer Atlassian Cloud	30,000	Operations	Capability
Internal technical infrastructure	IDE-5A-Computer GitLab	27,000	Operations	Capability
Internal technical infrastructure	IDE-5A-Computer SSO LifeCycle Okta	58,500	Operations	Capability
Internal technical infrastructure	IDE-5A-Computer ZTNA & PAM	20,000	Investment	Capability
Internal technical infrastructure	IDE-5A-Computer Security Compliance Tool	58,000	Investment	Capability
Internal technical infrastructure	IDE-5A-Computer Adobe creative cloud (Corp)	22,000	Operations	Capability
Internal technical infrastructure	IDE-5A-Computer Lucidcharts (Corp)	43,000	Operations	Capability
Finance and business services	DGE-5B-Computer Data Warehouse Licenses	169,280	Operations	Capability
Information products	DGE-4A-Computer Neo4J license	50,000	Operations	Information
Employee experience	HE-5C-Computer HRIS Licences	138,000	Operations	Capability
Member services	IDE-1A-Computer Email gateways Halon licence	21,000	Operations	Membership
Registry products	IDE-2B-Computer Cloud infrastructure	150,500	Operations	Registry
Internal technical infrastructure	IDE-5A-Computer CentOS upgrade path	45,000	Operations	Capability
Internal technical infrastructure	IDE-5A-Computer Rapid7 license & Support	45,000	Operations	Capability
Internal technical infrastructure	IDE-5A-Computer HackerOne VRP & BBP program	96,000	Operations	Capability
Internal technical infrastructure	IDE-5A-Computer Server Backup Protection	30,000	Operations	Capability
Internal technical infrastructure	IDE-5A-Computer Source code vulnerability scanner	40,000	Investment	Capability
Internal technical infrastructure	IDE-5A-Computer Vmware licence	30,000	Operations	Capability
Registry products	IDE-2B-Computer Firewall & intrusion detection/ prevention	75,000	Operations	Registry
Registry products	IDE-2B-Computer HSM support & maintenance RPKI	35,000	Operations	Registry
Internal technical infrastructure	IDE-5A-Computer Local network storage support & maintenance	35,000	Operations	Capability
Registry products	IDE-2B-Computer 59s Monitoring improvement	20,000	Investment	Registry
Registry products	IDE-2B-Computer 59s Active-Active infra across sites	50,000	Investment	Registry

Row Labels	Sum of BUD 2023 V2
Capability	1,219,380
Development	31,900
Information	62,000
Membership	761,120
Registry	338,500
Grand Total	**2,412,900**
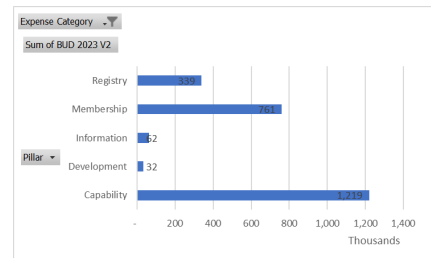
Expense listing includes all budget line items +$20K

Expenses – Professional fees

- **FY23 Budget – $1.71M vs. FY22 Forecast – $1.98M (14% Decrease)**

- Budget assumptions:
  - Professional fees include all contractor, consulting and advisory services
  - APNIC continues to use contractor arrangements for services that do not require full-time in-house resources, delivery of discreet projects and some international arrangements where employment arrangements are not practical
  - In 2023, completion of project work and revision of some services has resulted in a decrease in professional fees

- New commitments and cost reductions:
  - Workspace design consultancy – $20K ($118K in 2022)
  - APNIC survey – $0 ($71K in 2022)
  - Strategic planning consultancy – $90K
  - Productivity coaching – $109K ($270K in 2022)
  - 59s Tier 1 support improvement – $110K (investment)
  - Strategic engagement contractor – $117K ($25K in 2022)

Expenses – Professional fees

	TOTAL	1,435,950

Budget Code	BUD 2023	Investment/ Operations	Pillar
BE-5B-Professional Workspace Consultancy	20,000	Investment	Capability
CE-1C-Professional iTank design consultancy	134,100	Operations	Membership
CE-1C-Professional Strategic planning services consultancy	90,000	Operations	Membership
DGE-5D-Professional Legal fees	150,500	Operations	Capability
DGE-4B-Professional Lab research consultancy	238,500	Operations	Information
DGE-5B-Professional Data Warehouse consultancy	20,000	Operations	Capability
DGE-4A-Professional Registry knowledge graph	60,000	Investment	Information
BE-5B-Professional Audit fees	50,000	Operations	Capability
BE-5B-Professional Financial and tax advice	40,000	Operations	Capability
BE-1C-Professional NetSuite consultant support	30,000	Operations	Membership
BE-5B-Professional Business internal system	22,000	Operations	Capability
HE-5C-Professional HR consulting	80,000	Operations	Capability
HE-5C-Professional HRIS support/ integration (i)	65,000	Operations	Capability
HE-5C-Professional Leadership consulting	30,000	Operations	Capability
HE-5C-Professional Productivity coaching (i)	108,850	Operations	Capability
IDE-5A-Professional ISO27001 Consulting/ Audit/ Certification	20,000	Operations	Capability
IDE-5A-Professional 59s Tier 1 support improvement	110,000	Investment	Capability
STE-3C-Professional IGF/ICANN/ITU consultants	50,000	Operations	Development
STE-3C-Professional Strategic Engagement consultants	117,000	Operations	Development

Row Labels	Sum of BUD 2023
Capability	716,350
Development	195,500
Information	303,000
Membership	294,600
Registry	
Grand Total	**1,509,450**
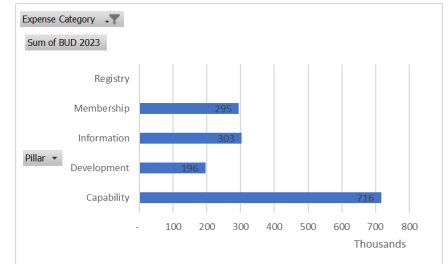
Expense listing includes all budget line items +$20K

Expenses – Depreciation

- **FY23 Budget – $803K vs. FY22 Forecast – $678K (18% Increase)**

- Budget assumptions:
  - Depreciation is based on existing depreciation and capital allowance schedules and anticipated capital purchases planned for 2023
  - APNIC's capitalization threshold is AUD 1,000

- Depreciation provisions:
  - Capital works provision (6 Cordelia Street) – $125K
  - Equipment depreciation – $678K

Expenses – Depreciation

		TOTAL	802,789		

Budget Code	BUD 2023 V2	Investment/ Operations	Pillar
BE-5B-Depreciation Accounts Capital	42,890	Operations	Capability
BE-5B-Depreciation Capital work allowance	81,780	Operations	Capability
BE-2B-Depreciation Exp Registry products	14,583	Operations	Registry
BE-3A-Depreciation Exp APNIC conferences	22,519	Operations	Development
BE-3E-Depreciation Exp APNIC academy	12,130	Operations	Development
BE-3F-Depreciation Exp Infrastructure support	61,969	Operations	Development
BE-4B-Depreciation Exp Research and analysis	62,844	Operations	Information
BE-5A-Depreciation Exp Technical infrastructure	339,774	Operations	Capability
BE-5B-Depreciation Exp Finance & business services	71,833	Operations	Capability
BE-5C-Depreciation Exp Employee experience	2,466	Operations	Capability
BE-5A-Depreciation Exp Technical infrastructure (Manual)	75,000	Operations	Capability
BE-5B-Depreciation Exp Finance & business services (Manual)	15,000	Operations	Capability

Row Labels	Sum of BUD 2023 V2
Capability	628,743
Development	96,619
Information	62,844
Registry	14,583
Grand Total	802,789

Expense Category
Sum of BUD 2023 V2

Pillar		
Registry	15	
Information	63	
Development	97	
Capability	629	
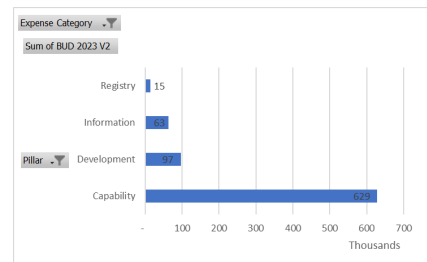
Expenses – Meeting & training expenses

- **FY23 Budget – $831K vs. FY22 Forecast – $621K (34% Increase)**

- Budget assumptions:
  - Meeting and training expenses include all costs incurred in running APNIC meetings, conferences and training events
  - APNIC55 will be hosted in Manila, Philippines and APNIC56 will be hosted in Japan
  - In 2023, the return of APRICOT / APNIC 55 as a hybrid meeting will contribute to increased costs along with CPI impacts

- New commitments and investments:
  - APRICOT Entertainment* – $55K
  - APRICOT Hackathon – $12K
  - APRICOT AGM Venue Hire & Catering – $38K
  - Staff conference (strategic planning) – $20K
  - *Includes Closing reception, APIX Event, Meet the EC, SIG Chair / NRO dinner & incidentals

Expenses – Meeting & training expenses

	TOTAL	640,000

Budget Code	BUD 2023 V2	Investment/ Operations	Pillar
BE-5C-Meeting Xmas and Mid Year Staff events	30,000	Operations	Capability
CE-3A-Meeting APNIC APRICOT Closing reception	32,000	Operations	Development
CE-3A-Meeting APNIC Conference Closing dinner	30,000	Operations	Development
CE-3A-Meeting APNIC Conference Opening reception	90,000	Operations	Development
CE-3A-Meeting APNIC Conference AV rental	90,000	Operations	Development
CE-3A-Meeting APNIC Conference week venue hire and catering	240,000	Operations	Development
CE-3A-Meeting APNIC Conference Workshop week venue hire and catering	50,000	Operations	Development
CE-3A-Meeting APRICOT APNIC AGM Room and catering	38,000	Operations	Development
HE-5C-Meeting Staff Conference	20,000	Operations	Capability
SE-1A-Meeting Services outreach exhibition	20,000	Operations	Membership

Row Labels	Sum of BUD 2023 V2
Capability	91,100
Development	702,800
Membership	34,900
Registry	2,600
Grand Total	**831,400**

Expense Category

Sum of BUD 2023 V2

Registry	3
Membership	35
Pillar — Development	703
Capability	91

- 100 200 300 400 500 600 700 800
Thousands
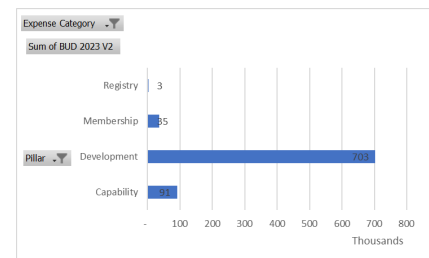
Expense listing includes all budget line items +$20K

Expenses – Sponsorship & publicity

- **FY23 Budget – $832K vs. FY22 Forecast – $629K (32% Increase)**

- Budget assumptions:
  - Sponsorship and publicity expenses includes APNIC's contributions to the NRO and sponsorship of NOG's and other community events.
  - In 2023, APNIC's commitment to ongoing work of the NRO includes additional investment into the delivery of the NRO strategic plan.

- New commitments and investments:
  - NRO expenses – $378K ($205K in 2022)
  - Conference guest travel – $35K*

  *30 years of APNIC celebration (travel to Japan for original EC members)

Expenses – Sponsorship & publicity

	TOTAL	793,000

Budget Code	BUD 2023 V2	Investment/ Operations	Pillar
BE-1A-Publicity General promotional item	40,000	Operations	Membership
CE-1A-Publicity Google PPC advertising	90,000	Operations	Membership
CE-3D-Publicity APNIC conference fellowships (i)	70,000	Operations	Development
CE-3A-Publicity APNIC Conference & NFH T-Shirt	20,000	Operations	Development
CE-3A-Publicity APNIC Conference guest travel	35,000	Operations	Development
DGE-2C-Publicity NRO expenses	378,000	Operations	Registry
IDE-3C-Publicity Sponsorships for NOGs/ IXPs/ Peering	80,000	Operations	Development
STE-3C-Publicity Community/ non-technical sponsorship	80,000	Operations	Development

Row Labels	Sum of BUD 2023 V2
Development	300,500
Information	1,080
Membership	152,800
Registry	378,000
Grand Total	**832,380**
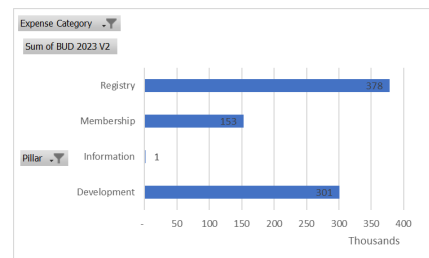
Expense listing includes all budget line items +$20K

Expenses – Communication expenses

- **FY23 Budget – $731K vs. FY22 Forecast – $652K (12% Increase)**

- Budget assumptions:
  - Communication expenses include data network expenses, internet connectivity expenses, telephony and mobile phone expenses
  - Additional costs are from increases in data centre rack hire, network equipment support and the impacts of CPI.

- New commitments and investments:
  - There are no new commitments or investments budgeted in 2023

Expenses – Communication expenses

	TOTAL	720,000		

Budget Code	BUD 2023 V2	Investment/ Operations	Pillar
IDE-2B-Communication Data centre rack hire & cross connects	230,000	Operations	Registry
IDE-2B-Communication Data network/ service monitoring & alerting	40,000	Operations	Registry
IDE-2B-Communication DNS anycast & regional whois cloud hosting	100,000	Operations	Registry
IDE-2B-Communication Network equipment support & maintenance	150,000	Operations	Registry
IDE-2B-Communication Transit/ Peering/ Virtual interconnections	200,000	Operations	Registry

Row Labels	Sum of BUD 2023 V2
Capability	5,300
Development	5,300
Registry	720,000
Grand Total	730,600

Expense Category
Sum of BUD 2023 V2

Registry	720
Development	5
Capability	5

Pillar

- 100 200 300 400 500 600 700 800
Thousands

Expense listing includes all budget line items +$20K

APNIC
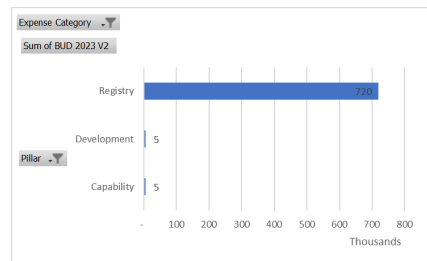
Expenses – Travel expense

- **FY23 Budget – $1.75M vs. FY22 Forecast – $1.75M (0% Increase)**

- Budget assumptions:
  - Seat availability and costs remain volatile and unpredictable
  - All conference travel in economy class
  - All regional travel in economy class
  - Travel booking fees and overheads are included in budget
  - Allocations to each area based on pre-pandemic travel patterns
  - Foundation funded project travel is included in Foundation funding
  - Professional development travel is included in training budget
  - Ongoing review and mid-year reforecast will be undertaken

- New commitments and investments:
  - There are no new commitments or investments budgeted in 2023

Expenses – Travel expense

[Confidential information redacted]

Expenses – All other expenses

- **FY23 Budget – $1.92M vs. FY22 Forecast – $2.30M (17% Decrease)**

- Budget assumptions:
  - Bank service fees – Current trend
  - Doubtful debts – Current year budget
  - ICANN contract – Current year USD x Fx
  - Insurance – No material change to existing policies + CPI.
  - Membership fees – Forecast needs analysis. Reduced on 2022 (removed ISOC membership)
  - Office operating expense – Reduced on 2022 (included furniture renewal) + CPI
  - Postage & delivery – Increased on 2022 for APRICOT event shipment + CPI
  - Printing & photocopy – Current year + CPI
  - Recruitment expense – New starters + turnover forecast
  - Staff training expense – Forecast needs analysis
  - Translation expense – Reduced on 2022 (survey year)

- New commitments and investments:
  - There are no new material commitments or investments budgeted in 2023

APNIC

Expenses – All other expenses

	TOTAL	1,646,600

Budget Code	BUD 2023 V2	Investment/ Operations	Pillar
IDE-5A-Printing Office printing & photocopy	20,000	Operations	Capability
BE-5B-Office Cleaning	78,000	Operations	Capability
BE-5B-Office Electricity	66,000	Operations	Capability
BE-5B-Office BCC rates	48,000	Operations	Capability
BE-5C-Office Kitchen supplies and catering	45,000	Operations	Capability
BE-5B-Office General maintenance and repairs	50,000	Operations	Capability
BE-5C-Office General workplace health & safety	25,000	Operations	Capability
CE-3A-Postage APNIC APRICOT event shipment	20,000	Operations	Development
CE-3A-Postage APNIC Conference & NFH event shipment	30,000	Operations	Development
DGE-2C-ICANN Contribution	238,600	Operations	Registry
BE-5D-Insurance Brokerage fees	37,000	Operations	Capability
BE-5D-Insurance Combined	235,000	Operations	Capability
BE-5B-Office Land tax	51,800	Operations	Capability
BE-1A-Bank Merchant fees	240,000	Operations	Membership
BE-5B-Doubtful Debts expense	20,000	Operations	Capability
HE-5C-Recruitment HR fees	100,000	Operations	Capability
HE-5C-Training Study assistance	50,000	Operations	Capability
HE-5C-Training Group/ General workshops	70,000	Operations	Capability
HE-5C-Training Staff individual professional development	125,000	Operations	Capability
HE-5C-Recruitment Migration Expenses	75,000	Operations	Capability
STE-3C-Membership International & Regional Annual Registration	22,200	Operations	Development

Row Labels	Sum of BUD 2023 V2
Capability	1,282,300
Development	107,800
Information	24,500
Membership	265,000
Registry	238,600
Grand Total	1,918,200
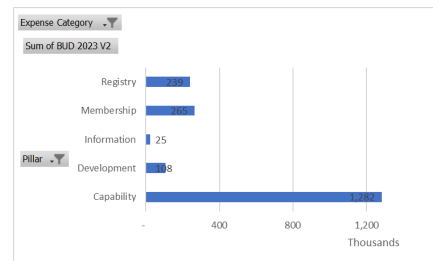
Expense listing includes all budget line items +$20K

2023 Capex schedule

CAPITAL (AUD)	Budget 2022	Forecast 2022	Forecast vs Budget (%)	Budget 2023	FY23 Budget vs FY22 Budget	FY23 Budget vs FY22 Budget (%)	FY23 Budget vs FY22 Forecast	FY23 Budget vs FY22 Forecast (%)
Equipment & Software	711,350	759,222	7%	570,700	(140,650)	-20%	(188,522)	-25%
Office Furniture, Fittings & Building Improvements	2,030,000	183,198	-91%	628,700	(1,401,300)	-69%	445,502	243%
TOTAL CAPITAL EXPENDITURE	**2,741,350**	**942,420**	**-66%**	**1,199,400**	**(1,541,950)**	**-56%**	**256,980**	**27%**

CAPEX (AUD)	Budget 2023
Office furniture, fittings & building improvements	
BA-5B-Fittings Workspace Improvement	593,700 *
IDA-5A-Capital Staff monitors	10,000
BA-5B-Fittings Aircon new compressors	25,000 *
Total	**628,700**
Equipment & software	
IDA-5A-Capital NexDC and Interactive switch replacement	92,000
IDA-2B-Capital Dell server running proxy/ loadbalancers	100,000 *
IDA-5A-Capital Servers	75,000
IDA-3E-Capital Training Labs server/ equipment	15,000
IDA-3F-Capital IXP and Root server development	10,000
IDA-5A-Capital Staff Laptops	154,200
IDA-3A-Capital Conference WIFI replacement/ Network case and AV accessories	25,000
DGA-4B-Capital Labs servers	45,000
IDA-5A-Capital IT office/ Projectors/ TVs equipment	20,000
IDA-5A-Capital Conference Laptops	16,000
IDA-5B- Fittings Office improvements/ Lighting/ Security cameras	10,000
IDA-3A-Capital Conference Check-In Hardware	8,500
Total	**570,700**
TOTAL CAPEX	**1,199,400**

* = Investment expenditure

FOUNDATION FUNDED EXPENDITURE

APNIC Foundation funded expenditure

Workstream	Category	Activity	PY	Expenses
3E. APNIC Academy	Operations	3E.1. Academy Product Management	4.35	910,500
3E. APNIC Academy	Operations	3E.2.Training Events	5.08	867,500
3E. APNIC Academy	Operations	3E.3. Community Trainers Network	3.80	905,600
3E. APNIC Academy	Investments	3E.7. Academy Product Development	2.40	570,000
3E. APNIC Academy	Investments	3E.8. Curriculum for Non-Technical Audiences		80,021
3F. Internet Infrastructure Support	Operations	3F.2. Community Honeynet and Security Threat Sharing Platform		77,000
3F. Internet Infrastructure Support	Investments	3F.3. M-Root Deployment Support	0.92	701,942
4B. Research and Analysis	Operations	4B.1. Conducting research and measurements		289,855
TOTAL			**16.55**	**4,402,418**

Expenditure by workstream

Expenses (AUD)	Budget 2022	% of 2022 Budget	Forecast 2022	% of 2022 Forecast	Budget 2023	% of 2023 Budget
Member services	2,989,124	9%	2,833,421	8%	2,899,929	8%
Membership products	1,844,666	5%	1,720,553	5%	1,684,956	5%
Membership reporting	675,451	2%	685,296	3%	980,115	3%
Total - Membership	**5,509,241**	**16%**	**5,239,271**	**16%**	**5,565,000**	**16%**
Registration service	772,183	2%	790,832	2%	773,260	2%
Registry products	2,612,611	8%	2,429,373	8%	2,766,842	8%
Policy development	580,881	2%	589,434	2%	806,472	2%
Total - Registry	**3,965,675**	**12%**	**3,809,639**	**12%**	**4,346,574**	**13%**
APNIC conferences	1,288,628	4%	1,572,561	5%	1,793,467	5%
Foundation support	264,777	1%	57,506	0%	0	0%
Community engagement	1,692,291	5%	2,351,639	7%	2,322,810	7%
Community participation	436,317	1%	401,078	2%	766,868	2%
APNIC academy	5,079,961	15%	3,997,739	15%	4,365,399	13%
Internet infrastructure support	2,448,842	7%	861,858	3%	1,203,453	3%
Total - Development	**11,210,815**	**33%**	**9,242,380**	**33%**	**10,451,998**	**30%**
Information products	1,459,082	4%	1,447,022	6%	1,895,993	5%
Research and analysis	1,076,598	3%	931,321	3%	1,029,352	3%
Total - Information	**2,535,680**	**8%**	**2,378,343**	**9%**	**2,925,345**	**8%**
Internal technical infrastructure	4,066,639	12%	3,282,394	11%	4,376,285	13%
Finance and business services	2,935,176	9%	3,526,017	10%	3,434,255	10%
Employee experience	2,760,946	8%	2,807,357	7%	2,204,984	6%
Governance	780,240	2%	898,707	3%	1,195,665	3%
Total - Capability	**10,543,000**	**31%**	**10,514,476**	**31%**	**11,211,189**	**32%**
Total - Expenses	**33,764,411**	**100%**	**31,184,108**	**100%**	**34,500,106**	**100%**

Expenditure by pillar comparison

Chart: Expenditure by pillar comparison showing Budget 2023, Forecast 2022, and Budget 2022 across categories: Total - Expenses, Total - Capability, Total - Information, Total - Development, Total - Registry, Total - Membership.

Legend: ■ Budget 2023 ■ Forecast 2022 ■ Budget 2022

APNIC
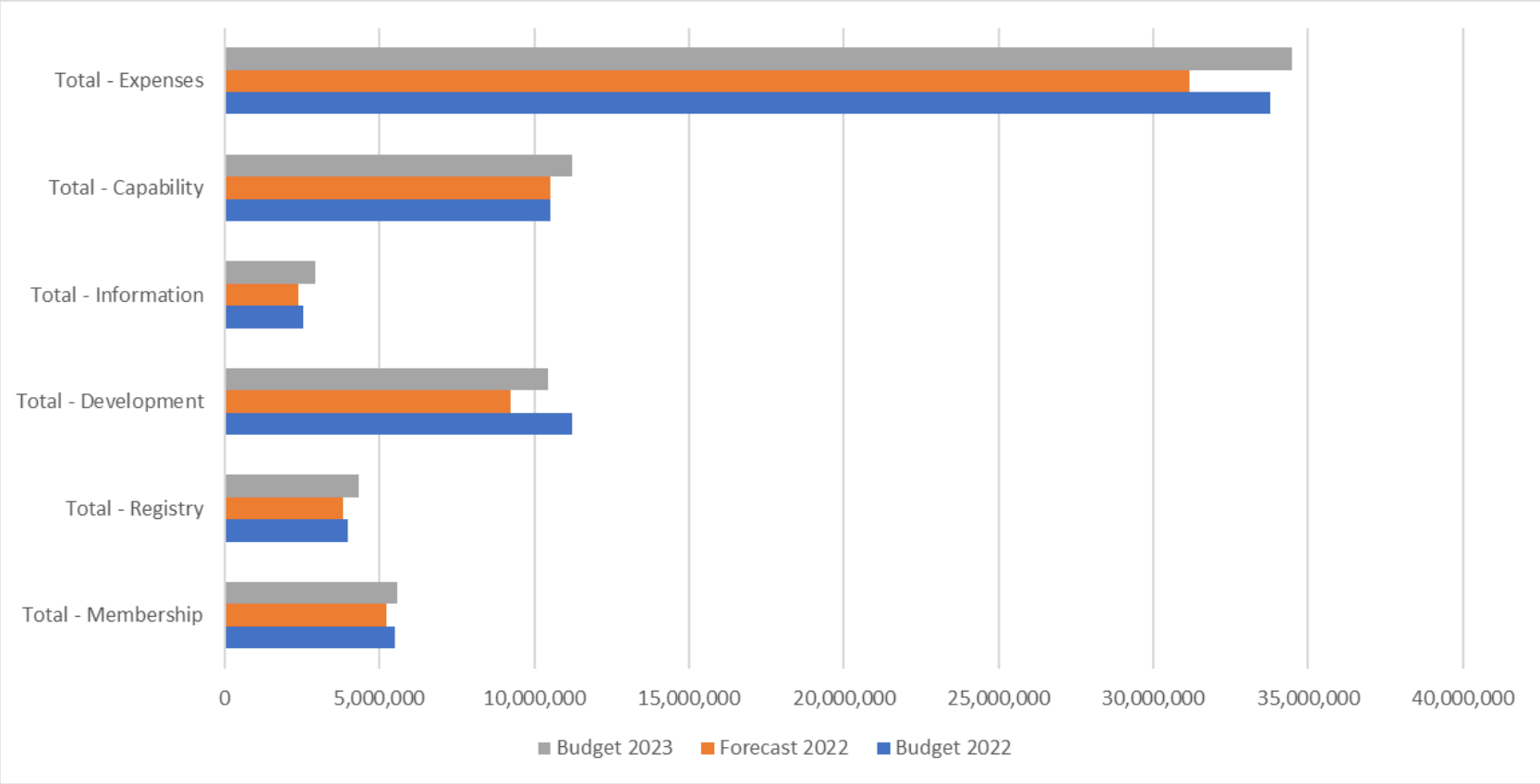
PY Allocations

Activity	Budget 2022	%	Actual 2022 YTD	%	Budget 2023	%
Membership	**24.93**	**20%**	**22.96**	**21%**	**22.94**	**18%**
Membership : Member services	14.67		13.54		12.98	
Membership : Membership products	9.40		8.24		8.27	
Membership : Membership reporting	0.87		1.18		1.69	
Registry	**15.16**	**12%**	**13.74**	**13%**	**15.08**	**12%**
Registry : Registration services	5.11		5.15		4.89	
Registry : Registry products	9.30		7.86		9.50	
Registry : Policy development	0.75		0.74		0.69	
Development	**34.60**	**28%**	**27.13**	**25%**	**37.42**	**30%**
Development : APNIC conferences	4.15		4.33		4.35	
Development : Foundation Support	1.31		1.96		1.40	
Development : Community engagement	4.71		5.07		6.24	
Development : Community participation	1.95		2.50		3.77	
Development : APNIC academy	19.58		12.14		19.65	
Development : Infrastructure support	2.90		1.12		2.01	
Information	**9.74**	**8%**	**8.89**	**8%**	**9.54**	**8%**
Information : Information products	8.87		7.76		8.59	
Information : Research and analysis	0.87		1.13		0.95	
Capability	**37.78**	**31%**	**35.12**	**33%**	**41.29**	**33%**
Capability : Technical infrastructure	16.81		14.25		16.18	
Capability : Finance and business services	12.09		12.42		14.89	
Capability : Employee experience	7.19		6.44		6.80	
Capability : Governance	1.68		2.01		3.42	
Total	**122.21**	**100%**	**107.84**	**100%**	**126.27**	**100%**

2023 BUDGET PY
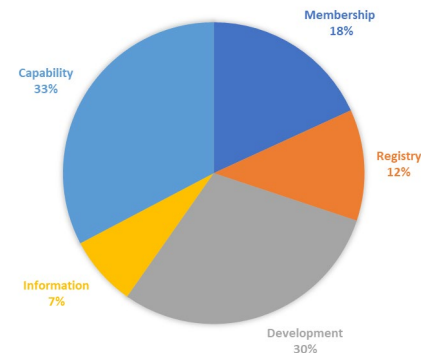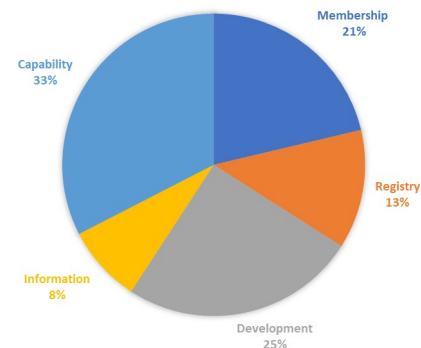
Membership 18%
Registry 12%
Development 30%
Information 7%
Capability 33%

2022 ACTUAL PY

Membership 21%
Registry 13%
Development 25%
Information 8%
Capability 33%

APNIC

[Confidential information redacted]

[Confidential information redacted]

[Confidential information redacted]

[Confidential information redacted]

[Confidential information redacted]

[Confidential information redacted]

BUDGET SUMMARY

Budgeting summary

- **Budget Summary:**
  - Operational budget = $416,791 surplus
    - Total revenue = $30,646,810
    - Total expenses = $30,230,019
  - Investment budget = $2,261,024 deficit
    - Total revenue = $2,209,063
    - Total expenses = 4,470,087
  - Total budget = $1,844,233 deficit
    - Total revenue = $32,855,873
    - Total expenses = $34,700,106

- **Bit factor adjustments:**
  - [Confidential information redacted]

- **Investments summary:**
  - APNIC funded investments (opex) = $3,118,124
  - APNIC funded investments (capex) = 718,700
  - Foundation funded investments (opex) = $1,351,963

Budget improvement

- **Agreed – to be removed**
  - [Confidential information redacted]

- **Possible – for EC discussion**
  - **250k – Foundation oncharging of licences and other costs**
  - **240k – Merchant fees oncharging**
  - **$490K TOTAL > $989,233 DEFICIT REMAINS**

- **Possible – Investments for EC discussion**
  - **Shift 5x9s to 3 yr rather than 2yr – ~110k opex, 100k Capex. (50k active-active, 60k Tier 1 support)**
  - **$110K TOTAL > $879,233 DEFICIT REMAINS**

QUESTIONS?

Budgeting summary

Revenue (AUD)	Original Budget Operational Activities 2023	Original Budget Investment Activities 2023	Original Budget 2023	Adjustments Operational Activities 2023	Adjustments Investment Activities 2023	Adjustments Budget 2023	Revised Budget Operational Activities 2023	Revised Budget Investment Activities 2023	Revised Budget 2023
Membership fees	26,565,676		26,565,676				26,565,676		26,565,676
Non-members fees	267,578		267,578				267,578		267,578
Reactivation fees	22,500		22,500				22,500		22,500
Sign-Up fees	294,200		294,200				294,200		294,200
Transfer fees	216,251		216,251				216,251		216,251
Sundry income	230,150		230,150	37,300		37,300	267,450		267,450
Foundation receipts	3,050,455	1,351,963	4,402,418				3,050,455	1,351,963	4,402,418
Operating Revenue	**30,646,810**	**1,351,963**	**31,998,773**	**37,300**	**0**	**37,300**	**30,684,110**	**1,351,963**	**32,036,073**
Investment income	0	657,100	657,100					657,100	657,100
TOTAL REVENUE	**30,646,810**	**2,009,063**	**32,655,873**	**37,300**	**0**	**37,300**	**30,684,110**	**2,009,063**	**32,693,173**
Bank service fees	261,000	0	261,000				261,000	0	261,000
Communication expenses	730,600	0	730,600				730,600	0	730,600
Computer expenses	2,224,400	188,500	2,412,900		(50,000)	(50,000)	2,224,400	138,500	2,362,900
Contribution to APNIC Foundation	0	0	0	(250,000)		(250,000)	(250,000)	0	(250,000)
Foundation funded project expenses	3,050,455	1,351,963	4,402,418				3,050,455	1,351,963	4,402,418
Depreciation expenses	802,789	0	802,789				802,789	0	802,789
Doubtful debt expenses	20,000	0	20,000				20,000	0	20,000
ICANN contract fees	238,600	0	238,600				238,600	0	238,600
Insurance expenses	272,000	0	272,000				272,000	0	272,000
Meeting & training expenses	831,400	0	831,400	(11,000)		(11,000)	820,400	0	820,400
Membership fees expenses	72,000	0	72,000				72,000	0	72,000
Office operating expenses	482,100	0	482,100				482,100	0	482,100
Postage & delivery expenses	71,500	0	71,500				71,500	0	71,500
Printing & photocopy expenses	30,500	0	30,500				30,500	0	30,500
Professional fees	1,369,450	140,000	1,509,450	(58,500)	(60,000)	(118,500)	1,310,950	80,000	1,390,950
Recruitment expenses	182,500	0	182,500				182,500	0	182,500
Salaries & personnel expenses	16,720,345	2,589,624	19,309,969	(228,040)		(228,040)	16,492,305	2,589,624	19,081,929
Sponsorship & publicity expenses	832,380	0	832,380	(50,000)		(50,000)	782,380	0	782,380
Staff training expenses	278,000	0	278,000				278,000	0	278,000
Translation expenses	10,000	0	10,000				10,000	0	10,000
Travel expenses	1,750,000	0	1,750,000				1,750,000	0	1,750,000
TOTAL EXPENSES	**30,230,019**	**4,270,087**	**34,500,106**	**(597,540)**	**(110,000)**	**(707,540)**	**29,632,479**	**4,160,087**	**33,792,566**
OPERATING SURPLUS/ (DEFICIT)	**416,791**	**(2,261,024)**	**(1,844,233)**	**634,840**	**110,000**	**744,840**	**1,051,631**	**(2,151,024)**	**(1,099,393)**

APNIC

61

Budgeting summary

CAPITAL (AUD)	Original Budget			Adjustments			Revised Budget		
	Operational Activities 2023	Investment Activities 2023	Budget 2023	Operational Activities 2023	Investment Activities 2023	Budget 2023	Operational Activities 2023	Investment Activities 2023	Budget 2023
Equipment & Software.	470,700	100,000	570,700		-100,000	(100,000)	470,700	0	470,700
Office Furniture & Fittings.	10,000	618,700	628,700				10,000	618,700	628,700
Capital Expenditure Reporting	**480,700**	**718,700**	**1,199,400**	**0**	**(100,000)**	**(100,000)**	**480,700**	**618,700**	**1,099,400**

APNIC 2023 Budget

Draft

APNIC

Contents

Tables

1   Executive Summary

This document contains the APNIC budget submission for the financial year from January to December 2023. The budget submission includes revenue, expense, and capital expenditure projections based on the planned activities for the APNIC Secretariat for 2023.

The purpose of this budget submission is to allow the APNIC Executive Council to approve an expenditure level for 2023, in the manner as described in the APNIC By-laws:

"to establish the basis for the budget of APNIC and determine, in the light of the decisions taken by the Members on the reports referred to in by-law 5(b) above, a ceiling for the expenditure of APNIC until the next AGM after considering all relevant aspects of the work of APNIC in that period" [APNIC By-laws 30 (g)]

The proposed budget includes expenditure of AUD $33,792,566 and projected revenue of AUD $32,693,173 providing an operating deficit of AUD $1,099,393 for 2023. While APNIC is forecasting an operational deficit for 2023, it is important to highlight that $4,160,087 of expenditure is related to investments in new initiatives across key focus areas of:

- Membership products
- Registry products
- APNIC Academy
- Internet infrastructure support
- Internal technical infrastructure
- Finance and business services

APNIC's ongoing operational budget, before investments, is projected to deliver a $1,051,631 surplus in 2023 as outlined in Table 2.1 in Section 2 of this budget submission.

Also included in APNIC's 2023 budget is $4,402,418 of APNIC Foundation funded project expenditure. This expenditure is fully offset by an equivalent amount of APNIC Foundation funding revenue, such that APNIC is fully re-imbursed for these project costs.

APNIC's 2022 capital expenditure requirements for 2023 are $1,099,400 as outlined in Table 2.2 in Section 2 of this budget submission.

All values in this document are expressed in Australian Dollars (AUD) unless otherwise indicated.

2   Budget Summary

The 2023 budget for revenue and expenses and capital expenditure are included in the tables below:

Revenue (AUD)	Budget 2022	Forecast 2022	Operational Activities 2023	Investment Activities 2023	Budget 2023
Membership fees	24,799,617	24,715,216	26,565,676		26,565,676
Non-members fees	263,209	261,510	267,578		267,578
Reactivation fees	22,644	21,210	22,500		22,500
Sign-Up fees	315,985	268,833	294,200		294,200
Transfer fees	220,431	169,072	216,251		216,251
Sundry income	6,128,237	319,805	267,450		267,450
Foundation receipts	406,563	3,710,829	3,050,455	1,351,963	4,402,418
Operating Revenue	**32,156,686**	**29,466,477**	**30,684,110**	**1,351,963**	**32,036,073**
Investment income	806,229	750,806	0	657,100	657,100
TOTAL REVENUE	**32,962,915**	**30,217,283**	**30,684,110**	**2,009,063**	**32,693,173**
Bank service fees	261,000	277,724	261,000		261,000
Communication expenses	688,600	651,565	730,600		730,600
Computer expenses	2,295,755	1,894,370	2,131,314	138,500	2,269,814
Foundation funded project expenses	6,362,600	3,696,298	3,050,455	1,351,963	4,402,418
Depreciation expenses	839,869	677,762	769,789		769,789
Doubtful debt expenses	20,000	10,000	20,000		20,000
ICANN contract fees	225,600	231,762	238,600		238,600
Insurance expenses	231,600	255,322	238,899		238,899
Meeting & training expenses	553,500	620,898	820,400		820,400
Membership fees expenses	81,010	77,436	72,000		72,000
Office operating expenses	455,640	616,729	427,839		427,839
Postage & delivery expenses	48,000	36,201	71,500		71,500
Printing & photocopy expenses	29,000	27,717	30,500		30,500
Professional fees	1,824,480	1,976,818	1,310,950	80,000	1,390,950
Recruitment expenses	306,000	466,936	182,500		182,500
Salaries & personnel expenses	17,577,277	16,983,801	16,464,914	2,589,624	19,054,538
Sponsorship & publicity expenses	553,780	628,822	782,380		782,380
Staff training expenses	314,000	273,947	268,839		268,839
Translation expenses	30,000	30,000	10,000		10,000
Travel expenses	1,066,700	1,750,000	1,750,000		1,750,000
TOTAL EXPENSES	**33,764,411**	**31,184,108**	**29,632,479**	**4,160,087**	**33,792,566**
OPERATING SURPLUS/ (DEFICIT)	**(801,496)**	**(966,825)**	**1,051,631**	**(2,151,024)**	**(1,099,393)**

Table 2.1 2023 Budget summary

CAPITAL (AUD)	Budget 2022	Forecast 2022	Operational Activities 2023	Investment Activities 2023	Budget 2023
Equipment & Software.	711,350	759,222	470,700		470,700
Office Furniture & Fittings.	2,030,000	183,198	10,000	618,700	628,700
Capital Expenditure Reporting	**2,741,350**	**942,420**	**480,700**	**618,700**	**1,099,400**

Table 2.2 2023 Capital Expenditure

3   Budget Preparation Notes

The budget is developed on a zero-based methodology and involves extensive consultation across the organization. There are a range of key inputs which are included in the budget process, including but not limited to the following:

- The 2022 APNIC Survey

- The 2023 APNIC Activity Plan

- 2022 priorities as established through the operational planning process

- The APNIC organization structure, HR cost analysis and recruitment plans

- Membership projections, derived from analysis of historical membership growth and recent trends

- Investment return forecasts provided by APNIC's investment advisors

- The asset register and quantity survey reports, forming the basis of depreciation and capital allowance forecast

- Activities funded by and undertaken on behalf of the APNIC Foundation.

3.1   Projection techniques

Projections for membership fees are calculated by analysing recent trends in membership activity. A linear projection of membership growth and account closure is used to estimate the incremental growth in revenue for membership fees in 2023. The following drivers have impacted the membership fees budget for 2023:

- New membership growth has continued at a slower rate than historical trends throughout 2022. While this trend may reverse in future years, the 2022 trend will impact membership fees for at least the 2023 budget year.

- The share of APNIC membership from Least Developed Countries (LDC's) has continued to increase, with higher growth coming from South Asia economies especially. As fees payable by members from LDC's is discounted by 50%, the average membership fee from new members is decreasing.

- The 2023 budget submission includes a change to the bit factor from 1.3 to 1.31 to help combat the ongoing impacts of inflation on APNIC's costs. There has been no change to the base fee.

Interest income is based on analysis of APNIC's existing cash deposits, the contracted rates and maturity dates for fixed deposits. Estimates of interest from the current account are based on current returns. Investment income predictions are based on forecasts provided by APNIC's investment advisors across the range of investment categories set out in APNIC's Investment Policy.

APNIC's ERP system allows for the verification of all current approved spending commitments. This data is combined with new planned expenditure in 2022.

A headline Consumer Price Index (CPI) inflation rate of 7.3% was recorded for the 12 months ending September 2022 (2021: 3.0%) and has been used throughout this submission where there is cost uncertainty for 2023. Inflation is expected to remain high throughout 2023 and 2024.

Reference – https://www.qgso.qld.gov.au/issues/3441/consumer-price-index-202209.pdf

Wage Price Index (WPI) inflation of 4.2% has been used in this submission for salary & personnel cost growth estimates. This is based benchmarks outlined in the *'Korn Ferry Movements & Forecast Report – October 2022'*

3.2 APNIC's Taxation Status

APNIC's taxation status as a "Mutual Organisation" by way of a Private Ruling from the Australian Taxation Office (ATO) was re-confirmed in November 2017 for five years ending June 2022. Early in 2022 APNIC engaged its external taxation advisors, KPMG, to assist in the renewal of the Private Ruling. A submission for extension to the existing Private Ruling was made to the ATO in August 2022. The ATO provided confirmation by way of Private Ruling on 14 December 2022 of the extension of APNIC's status as a Mutual Organisation for the income tax years ending 30 June 2023 – 30 June 2027.

4   Revenue

The table below tracks APNIC's revenue from 2019 through to the forecast for 2022 and the budget submission for 2022.

REVENUE (AUD)	Actual 2019	Actual 2020	Actual 2021	Forecast 2022	Budget 2023	FY23 Budget vs FY22 Forecast
Membership fees	21,061,318	22,766,728	24,252,513	24,715,216	26,565,676	7.5%
Non-members fees	255,751	260,483	257,209	261,510	267,578	2.3%
Reactivation fees	16,900	18,400	22,400	21,210	22,500	6.1%
Sign-Up fees	345,500	347,250	302,750	268,833	294,200	9.4%
Transfer fees	173,831	216,016	244,156	169,072	216,251	27.9%
Sundry income	327,769	314,749	22,516	319,805	267,450	-16.4%
Foundation receipts	103,095	147,110	453,956	3,710,829	4,402,418	18.6%
Operating Revenue	**22,284,164**	**24,070,736**	**25,555,500**	**29,466,477**	**32,036,073**	**8.7%**
Investment income	981,871	924,590	865,457	750,806	657,100	-12.5%
TOTAL REVENUE	**23,266,035**	**24,995,326**	**26,420,957**	**30,217,283**	**32,693,173**	**8.2%**
Change	4.3%	7.4%	5.7%	14.4%	8.2%	

2023 revenue budget growth % excluding impacts of receipts from APNIC Foundation is 6.6% (2022: 2.1%)

Table 4.1 Revenue over time

4.1   Investment Income

APNIC's investment portfolio has declined by 11% in 2022 due to market volatility which in turn has impacted investment returns. Investment income projections for 2023 have been based on advice from APNIC's investment advisors. Interest on cash deposits not held in the fund are forecast to achieve 3.95% in 2023, which is an increase from 0.5% included in the previous year's budget submission.

4.2   Membership Fees

4.2.1   Membership growth

The 2023 membership budget has been built using modelling techniques adopted in previous budget cycles. Projections for membership fees are calculated by analysing recent trends in membership activity. A linear projection of membership growth and account closure is used to estimate the incremental growth in revenue for membership fees in 2023.

APNIC is forecast to deliver annualized net membership growth (new & re-activated members less closures) of 4.5% in 2022 vs 5.1% in 2021. The decline in net membership growth is being driven both by a decrease in new member growth and an increase in account closures.

Membership growth trends have been impacted, in part at least, by the COVID-19 pandemic. While these trends may reverse in future years, the 2022 member growth rate has a direct impact on the membership fee budget for 2023.

The table below shows membership growth since 2019:

Member Count	2019	2020	2021	Forecast 2022	Budget 2023
Extra Large	24	26	26	27	27
Very Large	46	48	49	48	50
Large	143	143	151	165	176
Medium	493	521	548	565	587
Small	3,601	3,685	3,733	3,777	3,823
Very Small	3,334	3,778	4,126	4,357	4,657
Associate	135	140	135	220	244
Total	**7,776**	**8,341**	**8,768**	**9,159**	**9,563**
New & Reactivation Adjustment	838	833	770	729	748
Close	-224	-268	-343	-338	-344
Net Growth	**614**	**565**	**427**	**391**	**404**
Average Monthly Gain	**51**	**47**	**36**	**33**	**34**

Table 4.2 Membership growth over time

LDC Membership Share

The share of APNIC membership from LDC's is increasing, with higher growth coming from South Asia economies. For 2022 year to date, 37.4% of all new members are eligible for the LDC discount, compared to the budget assumption of 30%. As fees payable by members from LDC's is discounted by 50%, the average membership fee from new members is decreasing. In 2022, average fees for new members is $1,255 compared to the budget assumption of $1,435. The increasing LDC membership share will have an ongoing impact on average fees per member and the membership fees budget for 2023.

Change in Bit Factor

The 2023 budget submission includes a change in the bit factor from 1.3 to 1.31. The purpose of this change is to help combat the ongoing impacts of inflation on APNIC's costs. There has been no change to the base fee which is currently $1,180.

[Confidential information redacted]

Based on the assumed annualised net membership growth rate, LDC membership share and average fees per new member, APNIC's budgeted 2023 membership revenue growth will be 7.5% over 2022. Without the bit factor change, the estimated 2023 membership revenue growth would be 2.4%. The impact of the bit factor adjustment from 1.3 to 1.31 will increase budgeted revenue growth by 5.1%.

4.2.2   *Membership and Sign-Up fee revenue – sensitivity analysis*

The table below illustrates the potential impact on membership revenue if the actual growth of membership in 2023 varies from the assumptions included in the budget. The average annual fee a new Member will pay is estimated at $1,255 which accounts for allocations from the last /8 and the IANA reclaimed pool, and for discounts applied to new Members from LDC's.

New Members	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
LDC	25	25	25	25	25	25	25	25	25	25	25	25	299
Non LDC	37	37	37	37	37	37	37	37	37	37	37	37	449
Total New	**62**	**62**	**62**	**62**	**62**	**62**	**62**	**62**	**62**	**62**	**62**	**62**	**748**

Membership Fees from new Members

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Impact of 30% More new Members	$ 2,551	$ 5,101	$ 7,652	$ 10,202	$ 12,753	$ 15,303	$ 17,854	$ 20,404	$ 22,955	$ 25,505	$ 28,056	$ 30,606	$ 198,941
Impact of 20% More new Members	1,700	3,401	5,101	6,801	8,502	10,202	11,902	13,603	15,303	17,003	18,704	20,404	$ 132,627
Impact of 10% More new Members	850	1,700	2,551	3,401	4,251	5,101	5,951	6,801	7,652	8,502	9,352	10,202	$ 66,314
Membership Fees from new Members	**$ 8,502**	**$ 17,003**	**$ 25,505**	**$ 34,007**	**$ 42,509**	**$ 51,010**	**$ 59,512**	**$ 68,014**	**$ 76,516**	**$ 85,017**	**$ 93,519**	**$ 102,021**	**$ 663,135**
Impact of 10% Less new Members	$ (850)	$ (1,700)	$ (2,551)	$ (3,401)	$ (4,251)	$ (5,101)	$ (5,951)	$ (6,801)	$ (7,652)	$ (8,502)	$ (9,352)	$ (10,202)	$ (66,314)
Impact of 20% Less new Members	$ (1,700)	$ (3,401)	$ (5,101)	$ (6,801)	$ (8,502)	$ (10,202)	$ (11,902)	$ (13,603)	$ (15,303)	$ (17,003)	$ (18,704)	$ (20,404)	$ (132,627)
Impact of 30% Less new Members	$ (2,551)	$ (5,101)	$ (7,652)	$ (10,202)	$ (12,753)	$ (15,303)	$ (17,854)	$ (20,404)	$ (22,955)	$ (25,505)	$ (28,056)	$ (30,606)	$ (198,941)

Sign-Up Fees from new Members

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Impact of 30% More new Members	$ 7,480	$ 7,480	$ 7,480	$ 7,480	$ 7,480	$ 7,480	$ 7,480	$ 7,480	$ 7,480	$ 7,480	$ 7,480	$ 7,480	$ 89,760
Impact of 20% More new Members	4,987	4,987	4,987	4,987	4,987	4,987	4,987	4,987	4,987	4,987	4,987	4,987	$ 59,840
Impact of 10% More new Members	2,493	2,493	2,493	2,493	2,493	2,493	2,493	2,493	2,493	2,493	2,493	2,493	$ 29,920
Sign-Up Fees from new Members	**$ 24,933**	**$ 24,933**	**$ 24,933**	**$ 24,933**	**$ 24,933**	**$ 24,933**	**$ 24,933**	**$ 24,933**	**$ 24,933**	**$ 24,933**	**$ 24,933**	**$ 24,933**	**$ 299,200**
Impact of 10% Less new Members	$ (2,493)	$ (2,493)	$ (2,493)	$ (2,493)	$ (2,493)	$ (2,493)	$ (2,493)	$ (2,493)	$ (2,493)	$ (2,493)	$ (2,493)	$ (2,493)	$ (29,920)
Impact of 20% Less new Members	$ (4,987)	$ (4,987)	$ (4,987)	$ (4,987)	$ (4,987)	$ (4,987)	$ (4,987)	$ (4,987)	$ (4,987)	$ (4,987)	$ (4,987)	$ (4,987)	$ (59,840)
Impact of 30% Less new Members	$ (7,480)	$ (7,480)	$ (7,480)	$ (7,480)	$ (7,480)	$ (7,480)	$ (7,480)	$ (7,480)	$ (7,480)	$ (7,480)	$ (7,480)	$ (7,480)	$ (89,760)

Total Fees from new Members

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Impact of 30% More new Members	$ 10,031	$ 12,581	$ 15,132	$ 17,682	$ 20,233	$ 22,783	$ 25,334	$ 27,884	$ 30,435	$ 32,985	$ 35,536	$ 38,086	$ 288,701
Impact of 20% More new Members	6,687	8,387	10,088	11,788	13,488	15,189	16,889	18,589	20,290	21,990	23,690	25,391	$ 192,467
Impact of 10% More new Members	3,344	4,194	5,044	5,894	6,744	7,594	8,445	9,295	10,145	10,995	11,845	12,695	$ 96,234
Fees from new Members	**$ 33,435**	**$ 41,937**	**$ 50,439**	**$ 58,940**	**$ 67,442**	**$ 75,944**	**$ 84,445**	**$ 92,947**	**$ 101,449**	**$ 109,951**	**$ 118,452**	**$ 126,954**	**$ 962,335**
Impact of 10% Less new Members	$ (3,344)	$ (4,194)	$ (5,044)	$ (5,894)	$ (6,744)	$ (7,594)	$ (8,445)	$ (9,295)	$ (10,145)	$ (10,995)	$ (11,845)	$ (12,695)	$ (96,234)
Impact of 20% Less new Members	$ (6,687)	$ (8,387)	$ (10,088)	$ (11,788)	$ (13,488)	$ (15,189)	$ (16,889)	$ (18,589)	$ (20,290)	$ (21,990)	$ (23,690)	$ (25,391)	$ (192,467)
Impact of 30% Less new Members	$ (10,031)	$ (12,581)	$ (15,132)	$ (17,682)	$ (20,233)	$ (22,783)	$ (25,334)	$ (27,884)	$ (30,435)	$ (32,985)	$ (35,536)	$ (38,086)	$ (288,701)

Table 4.3 Sensitivity analysis – membership growth

Based on analysis of recent trends, it is forecast that 729 new Members will join APNIC in 2022 (61 per month). The average value of closed accounts is estimated at $1,732 and on average, 28 account closures are expected each month. In 75% of cases, resources are returned to APNIC. The table below illustrates the impact on Membership revenue if the actual number of membership closures in 2023 varies from the assumptions included in the budget.

Account Closures	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Membership Accounts	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-29	-344

Reduction in Membership Fees from account closures

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Impact of 30% Less closures	$ 1,241	$ 2,483	$ 3,724	$ 4,965	$ 6,206	$ 7,448	$ 8,689	$ 9,930	$ 11,171	$ 12,413	$ 13,654	$ 14,895	$ 96,819
Impact of 20% Less closures	828	1,655	2,483	3,310	4,138	4,965	5,793	6,620	7,448	8,275	9,103	9,930	$ 64,546
Impact of 10% Less closures	414	828	1,241	1,655	2,069	2,483	2,896	3,310	3,724	4,138	4,551	4,965	$ 32,273
Reduction in fees from closures	**$ (4,138)**	**$ (8,275)**	**$ (12,413)**	**$ (16,550)**	**$ (20,688)**	**$ (24,825)**	**$ (28,963)**	**$ (33,100)**	**$ (37,238)**	**$ (41,376)**	**$ (45,513)**	**$ (49,651)**	**$ (322,729)**
Impact of 10% More closures	$ (414)	$ (828)	$ (1,241)	$ (1,655)	$ (2,069)	$ (2,483)	$ (2,896)	$ (3,310)	$ (3,724)	$ (4,138)	$ (4,551)	$ (4,965)	$ (32,273)
Impact of 20% More closures	$ (828)	$ (1,655)	$ (2,483)	$ (3,310)	$ (4,138)	$ (4,965)	$ (5,793)	$ (6,620)	$ (7,448)	$ (8,275)	$ (9,103)	$ (9,930)	$ (64,546)
Impact of 30% More closures	$ (1,241)	$ (2,483)	$ (3,724)	$ (4,965)	$ (6,206)	$ (7,448)	$ (8,689)	$ (9,930)	$ (11,171)	$ (12,413)	$ (13,654)	$ (14,895)	$ (96,819)

Table 4.4 Sensitivity analysis – membership closures

4.3 Non-Members Fees

Fees from Non-Member account holders continue to be very stable and it is anticipated that in 2023 that there will be minimal change to this revenue for this item.

4.4 Reactivation Fees

Reactivation Fees are charged to Members to reactivate their accounts after closure. The revenue for this item is expected to be in line with 2022.

4.5 Sign-Up Fees

Sign-Up fees are directly related to membership growth as outlined in table 4.2 above. The fee is $500 and is discounted by 50% for LDC economies currently making up 37.4% of new members. The effect of a variance to the budget assumptions for membership growth for this revenue item is outlined above in 4.2.2.

4.6   Transfer Fees

Transfer activity is expected to track in line with 2022 activity.

4.7   Sundry Income

Sundry income includes revenue for sources such as:

- Meeting receipts registration – Members/Non-Members

- Meeting receipts – Sponsorship

- External training receipts – Members/Non-Members

- Research funding – cooperative research with organisations such as ICANN, ISOC and other key partners.

- Foreign exchange gains/losses

    - The budget for exchange rate variances has been set as zero; it is not possible to forecast the total gain or loss on APNIC transactions. APNIC has a low exposure to currency variations as all fees from members and most expenses in running APNIC's operations are paid in Australian dollars.

4.8   Foundation Receipts

Foundation receipts includes all funds received from the APNIC Foundation in respect of projects to be delivered by APNIC. Foundation receipts are offset by a corresponding expenditure budget line 'Foundation funded project expenses'.

Foundation receipts and Foundation funded project expenses are reported as separate line items in APNIC's financial statements to provide transparency over the activities of APNIC that are funded by the APNIC Foundation.

The activities to be funded by the APNIC Foundation are outlined below in Section 7.

5 Expenses

The tables below set out APNIC's expenses since 2019, with more detail of the major expenses included below:

EXPENSES (AUD)	Actual 2019	Actual 2020	Actual 2021	Forecast 2022	Budget 2023	FY23 Budget vs FY22 Forecast
Bank service fees	207,759	241,477	259,116	277,724	261,000	-6.0%
Communication expenses	570,832	697,060	634,015	651,565	730,600	12.1%
Computer expenses	1,067,957	1,216,809	1,514,823	1,894,370	2,269,814	19.8%
Contribution to APNIC Foundation	762,179	760,890	0	0	0	0.0%
Foundation funded project expenses	0	0	0	3,696,298	4,402,418	19.1%
Depreciation expenses	862,055	707,658	652,408	677,762	769,789	13.6%
Doubtful debt expenses	24,302	-733	13,413	10,000	20,000	100.0%
ICANN contract fees	263,386	223,432	197,515	231,762	238,600	3.0%
Insurance expenses	206,523	229,242	224,060	255,322	238,899	-6.4%
Meeting & training expenses	425,704	135,335	88,785	620,898	820,400	32.1%
Membership fees expenses	58,241	62,381	62,720	77,436	72,000	-7.0%
Office operating expenses	342,806	290,543	367,000	616,729	427,839	-30.6%
Postage & delivery expenses	35,060	26,198	11,674	36,201	71,500	97.5%
Printing & photocopy expenses	36,145	32,428	22,109	27,717	30,500	10.0%
Professional fees	1,820,443	1,932,613	2,212,254	1,976,818	1,390,950	-29.6%
Recruitment expenses	95,357	165,662	297,997	466,936	182,500	-60.9%
Salaries & personnel expenses	12,789,661	14,070,813	15,707,940	16,983,801	19,054,538	12.2%
Sponsorship & publicity expenses	627,766	437,724	315,397	628,822	782,380	24.4%
Staff training expenses	381,567	218,474	149,705	273,947	268,839	-1.9%
Translation expenses	6,668	3,007	22,867	30,000	10,000	-66.7%
Travel expenses	2,390,238	331,259	65,455	1,750,000	1,750,000	0.0%
TOTAL EXPENSES	22,974,649	21,782,270	22,819,252	31,184,108	33,792,566	8.4%
Change	8.3%	-5.2%	4.8%	36.7%	8.4%	

2023 expense budget growth % excluding impacts of APNIC Foundation funding is 9.55% (2022: 22.84%)

Table 5.1 Expenses over time

5.1 Salary and Personnel Expenses

Salary and personnel expenses will increase by 12% in 2023 when compared to the forecast expenditure for the 2022. The assumptions included in the budget are:

- Existing headcount commitments continue from 2022. There are 4 new staff positions included in the 2023 budget submission for APNIC. Of these:
  - 1 role to be funded by APNIC:
    - 1 x Paralegal to provide ongoing support for HRM, proactive response to member and community concerns and legal support. Currently, APNIC have engaged a casual resource to support in these areas. The appointment of a full-time Paralegal would replace the existing casual resource.
  - 3 roles to be funded by APNIC Foundation:
    - Full Stack Developer (Academy Product)
    - Training & Development Co-ordinator
    - Product Development – Salesforce Developer (contractor conversion)

- Employee superannuation contributions will increase from 10.5% to 11% in July 2023

- All permanent staff will take 3.5 weeks of annual leave

- The overall allowance for salary increases resulting from role changes and annual performance reviews will be set at 4.2%. This is based benchmarks outlined in the *'Korn Ferry Movements & Forecast Report – October 2022'*

▪ Ongoing provision of a telecommunications allowance to all staff to support remote and hybrid working

For completeness, Table 5.2 below shows the APNIC and APNIC Foundation headcounts. Only the APNIC headcount is relevant for this budget submission.

Table 5.2 below shows a forecast headcount as at 31 December 2023 for both APNIC and APNIC Foundation.

2022 vs 2023 Reconiliation		APNIC	APNIC Staff Foundation Funded*	APNIC Foundation	TOTAL
2022	Filled	112	12	9	133
	Hiring	1	4	0	5
TOTAL 2022 Workforce		**113**	**16**	**9**	**138**
2023	Increase	1	3	0	4
	Decrease	-1	0	0	-1
TOTAL 2023 Workforce		**113**	**19**	**9**	**141**

All APNIC resources, funded by APNIC Foundation including for delivery of non-APNIC projects (i.e. ISIF)

Table 5.2 2023 Workforce

Table 5.3 below shows the reconciliation of salary and wages expenditure from 2022 forecast to 2023 budget (APNIC only).

2022 vs 2023 Reconciliation	Notes	Amount	% of 2022 Baseline
2022 forecast salary & personnel costs		$ 16,983,801	
Increases, bonuses and statutory oncharges in 2023	1	$ 1,577,475	9.3%
Current role vacancies	2	$ 327,825	1.9%
New roles - operational	3	$ 55,802	0.3%
Casual employees	3	$ 31,812	0.2%
Ancilliary costs	4	$ 77,824	0.5%
TOTAL		**$ 19,054,538**	**12.2%**

Note 1 – Refer to table 5.4 for further breakdown.
Note 2 – includes 2 roles approved and budgeted.
Note 3 – Paralegal role to commence July 2023 and included as a casual role from January – June 2023.
Note 4 – includes Work Cover, income protection and allowances, less APNIC Foundation cross charges.

Table 5.3 2023 Salary & personnel costs

Wage growth, bonuses & statutory increases	Notes	Amount
Budgeted wage price growth	1	$ 540,039
Annual leave, leave loading, LSL and payroll tax	2	$ 50,519
Superannuation	3	$ 18,167
2022 roles annualised	4	$ 944,323
Bonuses (incl. superannuation and paytoll tax)	5	$ 24,426
Total		$ **1,577,475**

Note 1 – Assumed at 4.2%
Note 2 – Based on note 1 value
Note 3 – Increase from 10.5% to 11% on 1 July 2023
Note 4 – Part year to full year extrapolation of roles approved and recruited in 2022
Note 5 – Increase over 2022 (2.5 weeks of total wages)

Table 5.4 Wage growth, statutory increases and bonuses

5.2   Computer Expenses

Computer expenses include all non-capital purchases of equipment, consumables, license and support fees for hardware and software. In 2023, continued focus on security, resilience, and investment in working to achieve 59s availability for highly critical services will contribute to cost increases along with APNIC's commitment to cloud services and CPI impacts.

Overall, computer expenses are budgeted to increase by 20% in 2023.

The total 2023 budget provision for computer expenses is $2,269,814 (Forecast 2022: $1,894,370). Major planned expenditure includes:

Budget Code	BUD 2023	Investment/ Operations	Pillar
IDE-5A-Computer Zoom video conferencing license	64,000	Operations	Capability
IDE-1A-Computer Pardot licence	44,000	Operations	Membership
IDE-1A-Computer Salesforce licence	182,000	Operations	Membership
IDE-1A-Computer Salesforce premium support	40,000	Operations	Membership
IDE-1B-Computer Cloudflare Licence	120,000	Operations	Membership
IDE-1B-Computer SSO APNIC Login	61,000	Operations	Membership
IDE-1C-Computer Expense reporting licence	25,800	Operations	Membership
IDE-1C-Computer NetSuite license	183,000	Operations	Membership
IDE-5A-Computer Atlassian Cloud	30,000	Operations	Capability
IDE-5A-Computer GitLab	27,000	Operations	Capability
IDE-5A-Computer SSO LifeCycle Okta	58,500	Operations	Capability
IDE-5A-Computer ZTNA & PAM	20,000	Investment	Capability
IDE-5A-Computer Security Compliance Tool	58,000	Investment	Capability
IDE-5A-Computer Adobe creative cloud (Corp)	22,000	Operations	Capability
IDE-5A-Computer Lucidcharts (Corp)	43,000	Operations	Capability
DGE-5B-Computer Data Warehouse Licenses	169,280	Operations	Capability
DGE-4A-Computer Neo4J license	50,000	Operations	Information
HE-5C-Computer HRIS Licences	138,000	Operations	Capability
IDE-1A-Computer Email gateways Halon licence	21,000	Operations	Membership
IDE-2B-Computer Cloud infrastructure	150,500	Operations	Registry
IDE-5A-Computer CentOS upgrade path	45,000	Operations	Capability
IDE-5A-Computer Rapid7 license & Support	45,000	Operations	Capability
IDE-5A-Computer HackerOne VRP & BBP program	96,000	Operations	Capability
IDE-5A-Computer Server Backup Protection	30,000	Operations	Capability
IDE-5A-Computer Source code vulnerability scanner	40,000	Investment	Capability
IDE-5A-Computer Vmware licence	30,000	Operations	Capability
IDE-2B-Computer Firewall & intrusion detection/ prevention	75,000	Operations	Registry
IDE-2B-Computer HSM support & maintenance RPKI	35,000	Operations	Registry
IDE-5A-Computer Local network storage support & maintenance	35,000	Operations	Capability
IDE-2B-Computer 59s Monitoring improvement	20,000	Investment	Registry

5.3   Professional Fees

Professional Fees includes all contractor and consultant services and advisory. APNIC continues to use contractor arrangements for services that do not require full-time in-house resources, delivery of discreet projects and some international arrangements where employment arrangements are not practical.

In 2023, completion of project work and revision of some services has resulted in a decrease in professional fees. The total 2023 budget provision for professional fees is $1,390,950 (Forecast 2022: $1,976,818). Major professional fees expenditure in 2023 includes:

Budget Code	BUD 2023	Investment/ Operations	Pillar
BE-5B-Professional Workspace Consultancy	20,000	Investment	Capability
CE-1C-Professional iTank design consultancy	134,100	Operations	Membership
CE-1C-Professional Strategic planning services consultancy	90,000	Operations	Membership
DGE-5D-Professional Legal fees	150,500	Operations	Capability
DGE-4B-Professional Lab research consultancy	238,500	Operations	Information
DGE-5B-Professional Data Warehouse consultancy	20,000	Operations	Capability
DGE-4A-Professional Registry knowledge graph	60,000	Investment	Information
BE-5B-Professional Audit fees	50,000	Operations	Capability
BE-5B-Professional Financial and tax advice	40,000	Operations	Capability
BE-1C-Professional NetSuite consultant support	30,000	Operations	Membership
BE-5B-Professional Business internal system	22,000	Operations	Capability
HE-5C-Professional HR consulting	80,000	Operations	Capability
HE-5C-Professional HRIS support/ integration (i)	65,000	Operations	Capability
HE-5C-Professional Leadership consulting	30,000	Operations	Capability
HE-5C-Professional Productivity coaching (i)	108,850	Operations	Capability
IDE-5A-Professional ISO27001 Consulting/ Audit/ Certification	20,000	Operations	Capability
IDE-5A-Professional 59s Tier 1 support improvement	50,000	Investment	Capability
STE-3C-Professional IGF/ICANN/ITU consultants	50,000	Operations	Development
STE-3C-Professional Strategic Engagement consultants	58,500	Operations	Development

5.4   Depreciation

Depreciation expenses are budgeted based on analysis of the existing depreciation and capital allowance schedules; including anticipated depreciation based on Capital Expenditure planned for 2023.

APNIC's capitalization threshold for new assets is $1,000. The depreciation amounts budgeted for 2023 are:

- Equipment depreciation – $645,199

- Capital works allowances - 6 Cordelia Street – $124,670

The total 2023 budget provision for depreciation is $769,789 (Forecast 2022: $677,762)

5.5   Meeting & Training Expenses

Meeting and training expenses include all costs incurred in running APNIC meetings, conferences and training events. This expense category includes venue and equipment hire, catering and social events.

The major contributors to this expense are the APNIC conferences. For budgeting purposes, it has been assumed that APNIC55 will be hosted in The Philippines and APNIC56 will be hosted in Japan. In 2023, the return of APRICOT / APNIC55 as a hybrid meeting will contribute to increased costs along with CPI impacts.

The total 2023 budget provision for Meeting & training expenses is $820,400 (Forecast 2022: $620,898). Major planned expenditure includes:

Budget Code	BUD 2023	Investment/ Operations	Pillar
BE-5C-Meeting Xmas and Mid Year Staff events	30,000	Operations	Capability
CE-3A-Meeting APNIC APRICOT Closing reception	32,000	Operations	Development
CE-3A-Meeting APNIC Conference Closing dinner	30,000	Operations	Development
CE-3A-Meeting APNIC Conference Opening reception	90,000	Operations	Development
CE-3A-Meeting APNIC Conference AV rental	90,000	Operations	Development
CE-3A-Meeting APNIC Conference week venue hire and catering	240,000	Operations	Development
CE-3A-Meeting APNIC Conference Workshop week venue hire and catering	50,000	Operations	Development
CE-3A-Meeting APRICOT APNIC AGM Room and catering	38,000	Operations	Development
HE-5C-Meeting Staff Conference	20,000	Operations	Capability
SE-1A-Meeting Services outreach exhibition	20,000	Operations	Membership

5.6 Sponsorship & Publicity Expenses

Sponsorship and publicity expenses includes APNIC's contributions to the NRO and sponsorship of NOG's and other community events. In 2023, APNIC's commitment to ongoing work of the NRO includes additional investment into the delivery of the NRO strategic plan.

The total 2023 budget provision for Sponsorship & publicity expenses is $782,380 (Forecast 2022: $628,822). Major planned expenditure includes:

Budget Code	BUD 2023	Investment/ Operations	Pillar
BE-1A-Publicity General promotional item	40,000	Operations	Membership
CE-1A-Publicity Google PPC advertising	90,000	Operations	Membership
CE-3D-Publicity APNIC conference fellowships (i)	70,000	Operations	Development
CE-3A-Publicity APNIC Conference & NFH T-Shirt	20,000	Operations	Development
CE-3A-Publicity APNIC Conference guest travel	35,000	Operations	Development
DGE-2C-Publicity NRO expenses	328,000	Operations	Registry
IDE-3C-Publicity Sponsorships for NOGs/ IXPs/ Peering	80,000	Operations	Development
STE-3C-Publicity Community/ non-technical sponsorship	80,000	Operations	Development

5.7 Communication Expenses

Communication expenses include data network expenses, Internet connectivity expenses, telephony and mobile phone expenses. The major contributors to costs are the ongoing cost of the network connections and the cost of rack-space in the co-locations that are critical to APNIC's network resilience.

The total 2023 budget provision for computer expenses is $730,600 (Forecast 2022: $651,565). Major planned expenditure includes:

Budget Code	BUD 2023	Investment/ Operations	Pillar
IDE-2B-Communication Data centre rack hire & cross connects	230,000	Operations	Registry
IDE-2B-Communication Data network/ service monitoring & alerting	40,000	Operations	Registry
IDE-2B-Communication DNS anycast & regional whois cloud hosting	100,000	Operations	Registry
IDE-2B-Communication Network equipment support & maintenance	150,000	Operations	Registry
IDE-2B-Communication Transit/ Peering/ Virtual interconnections	200,000	Operations	Registry

5.8 Travel Expenses

While APNIC returned to travel in 2022, seat availability and costs remain volatile and unpredictable. APNIC are actively managing its travel expenses both through trip frequency and trip costs. The assumptions included in the budget are:

- All conference travel will be in economy class

- All regional travel will be in economy class

- All travel booking fees and overheads are included in the travel budget

- APNIC Foundation funded project travel is included in Foundation funded project expenses (i.e. it is excluded from the APNIC travel budget)

- Professional development travel is included in APNIC's training & professional development budget (i.e. it is excluded from the APNIC travel budget)

- Frequent ongoing review of planned travel will continue to ensure that all trips are justified under the APNIC Activity Plan and aligned with the budget assumptions

APNIC has set aside an initial budget provision of $1.75M for travel during 2023. The budget has been allocated across business areas based on pre-pandemic travel patterns.

5.9   Other Expenses

Other expenses included in APNIC's budget submission include bank service fees, doubtful debts, ICANN contract expenses, insurance, membership fees, office operating expense, postage & delivery, printing & photocopy, recruitment expense, staff training expense and translation expenses.

The total 2023 budget provision for Other expenses is $1,821,677 (Forecast 2022: $2,303,774). Major planned expenditure includes:

Budget Code	BUD 2023	Investment/ Operations	Pillar
IDE-5A-Printing Office printing & photocopy	20,000	Operations	Capability
BE-5B-Office Cleaning	78,000	Operations	Capability
BE-5B-Office Electricity	66,000	Operations	Capability
BE-5B-Office BCC rates	48,000	Operations	Capability
BE-5C-Office Kitchen supplies and catering	45,000	Operations	Capability
BE-5B-Office General maintenance and repairs	50,000	Operations	Capability
BE-5C-Office General workplace health & safety	25,000	Operations	Capability
CE-3A-Postage APNIC APRICOT event shipment	20,000	Operations	Development
CE-3A-Postage APNIC Conference & NFH event shipment	30,000	Operations	Development
DGE-2C-ICANN Contribution	238,600	Operations	Registry
BE-5D-Insurance Brokerage fees	37,000	Operations	Capability
BE-5D-Insurance Combined	235,000	Operations	Capability
BE-5B-Office Land tax	51,800	Operations	Capability
BE-1A-Bank Merchant fees	240,000	Operations	Membership
BE-5B-Doubtful Debts expense	20,000	Operations	Capability
HE-5C-Recruitment HR fees	100,000	Operations	Capability
HE-5C-Training Study assistance	50,000	Operations	Capability
HE-5C-Training Group/ General workshops	70,000	Operations	Capability
HE-5C-Training Staff individual professional development	125,000	Operations	Capability
HE-5C-Recruitment Migration Expenses	75,000	Operations	Capability
STE-3C-Membership International & Regional Annual Registration	22,200	Operations	Development

6   Capital Expenditure

Capital expenditure comprises of office furniture, fittings & building improvements and equipment & software. The 2023 budget submission includes capital expenditure provisions of $1,099,400. Of this amount, $628,700 relates to office furniture, fittings & building improvements, and $470,700 relates to equipment & software as set out in the table below:

CAPITAL (AUD)	Actual 2019	Actual 2020	Actual 2021	Forecast 2022	Budget 2023	FY23 Budget vs FY22 Forecast
Equipment & Software	552,713	502,865	540,440	759,222	470,700	-38.0%
Office Furniture & Fittings	87,098	14,408	9,244	183,198	628,700	243.2%
Total - Capital Expenditure	639,811	517,273	549,684	942,420	1,099,400	16.7%
Change	6.3%	-19.2%	6.3%	71.4%	16.7%	

Table 6.1 Capital Expenditure over time

The capital expenditure budget includes a provision of $593,700, workspace improvements. Of this, $543,700 is related to rectification of subsidence issues in the ground floor carpark of the APNIC office. This provision is an initial estimate only based on preliminary engineering reports. More work is needed to fully assess the necessity of these works.

Other areas of capital expenditure includes cyclical renewal of internal IT equipment and renewal of network hardware.

Provisions for capital expenditure in 2023 include:

CAPEX (AUD)	Budget 2023
Office furniture, fittings & building improvements	
BA-5B-Fittings Workspace Improvement	593,700 *
IDA-5A-Capital Staff monitors	10,000
BA-5B-Fittings Aircon new compressors	25,000 *
Total	**628,700**
Equipment & software	
IDA-5A-Capital NexDC and Interactive switch replacement	92,000
IDA-5A-Capital Servers	75,000
IDA-3E-Capital Training Labs server/ equipment	15,000
IDA-3F-Capital IXP and Root server development	10,000
IDA-5A-Capital Staff Laptops	154,200
IDA-3A-Capital Conference WIFI replacement/ Network case and AV accessories	25,000
DGA-4B-Capital Labs servers	45,000
IDA-5A-Capital IT office/ Projectors/ TVs equipment	20,000
IDA-5A-Capital Conference Laptops	16,000
IDA-5B- Fittings Office improvements/ Lighting/ Security cameras	10,000
IDA-3A-Capital Conference Check-In Hardware	8,500
Total	**470,700**
TOTAL CAPEX	**1,099,400**

= Investment expenditure

7 APNIC Foundation Funded Activity

APNIC Foundation funded activities are outlined below:

Workstream	Category	Activity	Funding
3E. APNIC Academy	Operations	3E.1 Academy Product Management	$ 910,500
3E. APNIC Academy	Operations	3E.2 Training Events	$ 867,500
3E. APNIC Academy	Operations	3E.3 Community Trainers Network	$ 905,600
3E. APNIC Academy	Investments	3E.7 Academy Product Development	$ 570,000
3E. APNIC Academy	Investments	3E.8 Curriculum for Non-Technical Audiences	$ 80,021
3F. Internet Infrastructure Support	Operations	3F.2 Community Honeynet and Security Threat Sharing Platform	$ 77,000
3F. Internet Infrastructure Support	Investments	3F.3 M-Root Deployment Support	$ 701,942
4B. Research and Analysis	Operations	4B.1 Conducting Research and Measurements	$ 289,855
TOTAL			**$ 4,402,418**

Table 7.1 APNIC Foundation Funded Activity

Agenda Item 21
# Strategic planning proposal 2024-2027

# Strategic Planning 2024-27

EC Meeting, Kathmandu

5-7 December 2022

2023: A pivot point for APNIC

- APNIC has changed considerably since the last strategic plan was created in 2019
  - APIDT born, Foundation growth
  - COVID pandemic disruption… and adaptation
  - New services introduced
  - Declining membership growth
  - Changes in working patterns, changes in workloads
  - War for talent
  - Shift to high inflation environment

- Last major organisational structure changes were made in 2018

- A strategic and organisational review is due
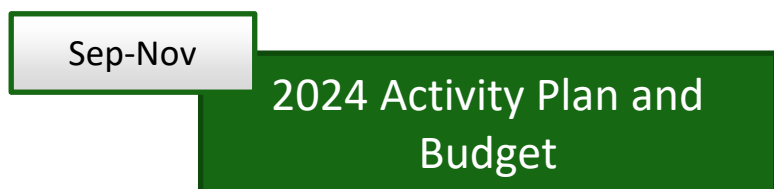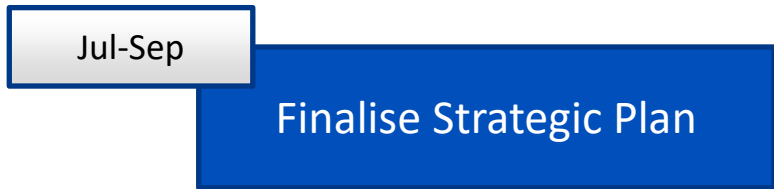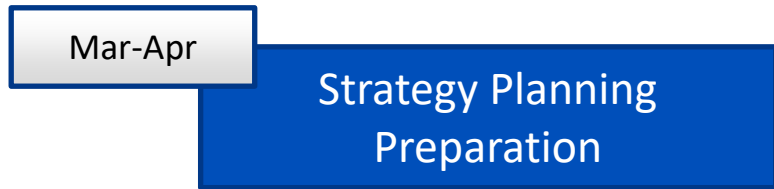
1. Requisite Organisation Review

- A methodology to help structure management and leadership to ensure decision-making occurs at the right level
  - Aims to identify inefficient structures, systems, staffing and realign them to fit business needs

- Last review was 2017

- New review to begin in January to identify areas where structural change would unlock efficiencies

2. Strategy Planning Preparation

- Information gathering from ELT and key staff
  - Understand industry trends and pressures
  - What has been successful?
  - Where are the challenges – internal and external?
  - Establish themes / ideas to investigate further

- Engagement of LeaderShape (Glenn Price and Terry Reynolds)

- Review of key inputs
  - APNIC Survey 2022
  - Staff surveys
  - Requisite organisation review report

APNIC

3. EC-ELT Strategic Workshop

- 2-day workshop at APNIC offices in Brisbane

- Sets the strategic framework for the plan to be developed
  - Recommit to vision, mission, and values
  - Review existing strategy
  - Align on strategic issues that require specific responses
  - Agree objectives for each strategic theme

- Four year strategy, but 5-10 year horizon/mindset: what's the future for APNIC, how does this plan help lay the foundations?
  - On what services do we need to focus our resources?
  - On what services do we need to reduce or withdraw resources?
  - Where do we need to build capability?

4. Finalise Strategic Plan

- Staff workshop / engagement
  - Input and suggestions on how APNIC can achieve the strategy framework developed by the EC and ELT

- ELT and Leadershape 2-day workshop
  - Development of the plan now that all inputs have been captured from EC and staff

- Ongoing development through July and August

- Present to ELT at Sept EC meeting at APNIC 56 for feedback and approvals
  - Once approved, the strategy forms the basis of the 2024 Activity Plan (developed in Sept-Nov)

5. Target Operating Model

- Strategic Plan will outline the key pillars and workstreams for 2024-2027
  - It will indicate where resources need to be realigned to suit the new strategy
  - It will indicate where organisational structures need to be realigned

- Combined with the RO Review findings and our financial modelling, a new Target Operating Model for APNIC can be created
  - It will also outline the steps to shift the organisation from the current operating model to the new target operating model

6. Executing the Strategy

- The 2024 Activity Plan and Budget will be the first to align to the new strategy

- To execute the plan in 2024, the target operating model will need to become reality

- The aim would be by November 2023 we would have a new operating model in place: structure, personnel, processes all aligned with the strategy

- 2024 would begin the execution of the plan based on the new model and strategy

Planning Timetable 2023

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
RO Review	■	■	■								
Strat Plan Prep			■	■							
EC + ELT Workshop					■						
Staff engagement						■					
ELT Plan Dev Workshop							■				
Plan development							■	■	■		
Target Op Model (TOM)							■	■	■		
EC Plan Approval									■		
Internal launch of plan									■		
Rollout TOM										■	
2024 Activity Planning									■	■	■

Strategic Planning 2024-27

EC Meeting, Kathmandu

5-7 December 2022

APNIC