CREATING AN AGILE SPARK



SPARKATA GLANCE

THE LEADING DIGITAL SERVICES PROVIDER IN NEW ZEALAND

#1 share

of mobile market by revenue **40%** of total NZ mobile connections **40%** retail broadband market share 5,200 employees across the business NZ \$3.5b revenue generated annually

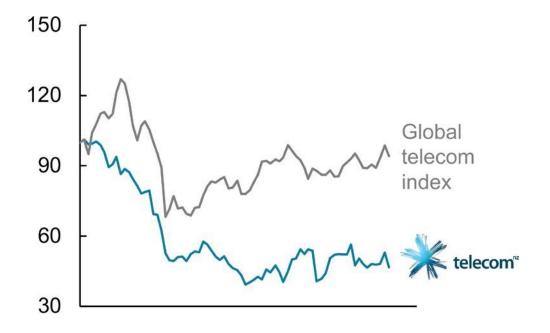
>50%

stock price growth in the last 5 years



SPARK'SJOURNEYSTARTED WITH THETELECOM NEW ZEALANDOF 2013

TELECOM UNDERPERFORMING VS. GLOBAL TELCOS AND INVESTOR SENTIMENT WAS BEARISH.



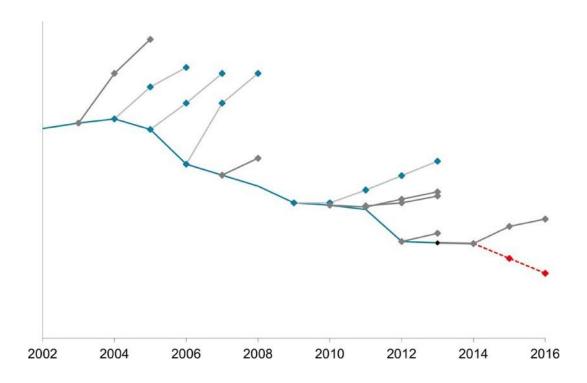
"One of the **poorest performers** in the buoyant telecoms sector, with **underwhelming earnings growth and capex rising**"

AUSTRALIAN FINANCIAL REVIEW

(JULY 2013)

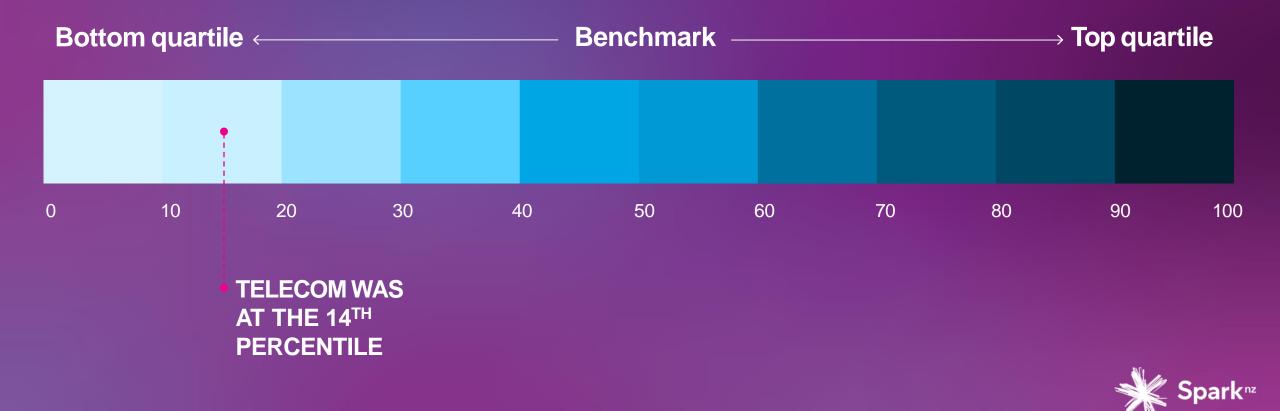


SPARK'SJOURNEYSTARTED WITH THETELECOM NEW ZEALANDOF 2013









SPARK'S TRANSFORMATION JOURNEY

Strategy

- Micro-market refocus
- Portfolio clean-up
- Regulatory reset

Performance and health

- Full potential ambition
- Relentless execution

Mindsets and behaviours

Systems and capabilities

Management intrinsic

- New business units ('Ventures')
- Systems overhaul

Agile migration

Purpose led culture change

- Business-IT integration
- Autonomous squads
- 90-day cycle

2012

2013-2015

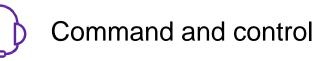
2016-2017

2017-2019



EVEN AFTERALL THISCHANGEWE STILL HAD







Too many handovers



Perpetually adding incremental resources to get things done



Too many meetings



Too many emails



AT ITS CORE, WHY DOES AGILE WORK?



- 10 people each working on six things trying to complete for attention
- Using hard-to-organise meetings to make progress with poor timeline management
- Held to account monthly in arrears

10 people 100% focused on one thing

INITIATIVE

- Required to deliver tangible outcomes every two weeks
- Held to account daily in flight





1 Be clear on the 'Why'? 2 How changeable is your organisation?

3 Burn the boats

Don't 'lift and shift'



OUR PURPOSE

TO HELP ALL OF NEW ZEALAND WIN BIG IN A DIGITAL WORLD

Āwhinatia ngā tangata katoa o Aotearoa, kia matomato te tipu i te ao matihiko.

OUR VALUES

We connect. Tūhono. We are bold. Māia. We empower. Whakamana. We succeed together. Matomato.



SPARK'S 'WHY AGILE'



Embedded customer focus E

Engaged and empowered people Faster to market

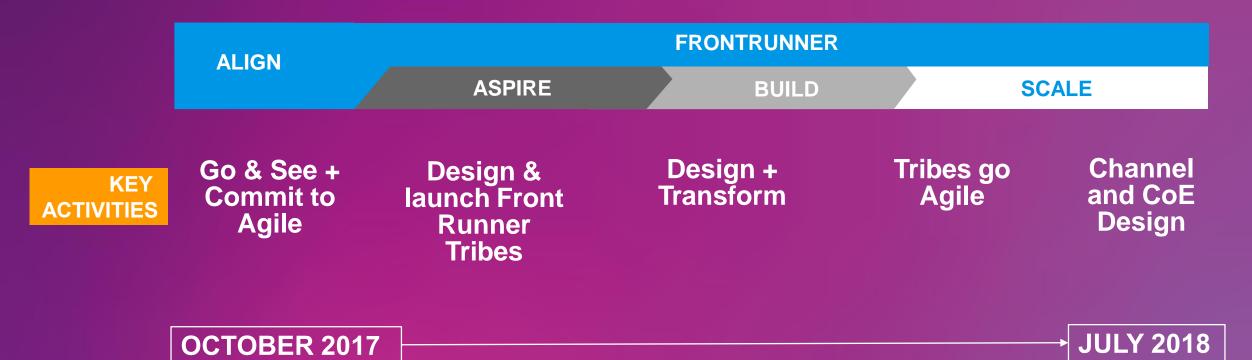
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TRANSFORMATIONAT PACE,MAKING DECISIONS QUICKLY







AGILE MEANS A BIG CHANGE IN CULTURE

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- LESS **Owning it** Cautious Value every voice Loudest voice wins **Empower and coach** Manage and direct **Team success** My tasks



Spark will be a better place because



SPARK NOW LOOKSRADICALLYDIFFERENTFROM ATRADITIONAL TELCO



2-week delivery cycles



90-day overall company prioritisation cycles



~70% less middle management



Crossfunctional teams



No rigid roles or titles



Agile Coaches



SOME ADVICEONGOING BIGAND FASTON CHANGE...

Hold the mirror up

2 Set bold ambitions

3 Take a 'no Plan B' approach

4 Be clear on the 'why'

5 Move at pace and make decisions quickly

6 Manage the governance closely

Communicate more than you've ever done before

Don't start if you're not genuinely ready





