

30 October 2020

Spark New Zealand Ltd (SPK)

The company will hold its Annual Shareholders Meeting **10.00am Friday 6 November 2020**.

You can join the meeting at <https://virtualmeeting.co.nz/agm/spark2020/register>

Covid-19 presented a special challenge for the company. During lockdown wireless broadband network traffic increased 40% and at its peak mobile calling volumes increased 60%. In response the company removed data limits from capped broadband plans, waived late payment fees and did not terminate connections in cases of financial hardship.

It also added increased capacity at cell sites and deployed 6 COWS (cell sites on wheels) to increase coverage. The company provides 4G coverage to 98% of the population with 709,000 broadband connections and 2.5 million mobile connections. It employs over 5200 people, operates 66 retail stores and 26 regional business hubs. In February it sold its entertainment streaming service Lightbox to Sky Network Television.

In September it announced a three-year strategic plan that will see the rollout of 5G and increased capacity in wireless delivery.

Revenue was up 2.5% at \$3.6 billion, EBITDAI was up 2.1% at \$1.1 billion and NPAT was up 4.1% at \$427 million. Dividend was 25 cents per share. The shares are trading at \$4.54 and have traded through a range of \$3.74/\$5.03 over the past year.

Board Composition

The Board comprises an Independent Chair, six Independent Directors and the Managing Director CEO. Ido Leffler who has served on the Board since 2014 is retiring at the Annual Meeting. We consider the Board's skill sets to be appropriate to the business.

1. To approve the Auditor's appointment and authorise the Board to fix the Auditors remuneration

In March, the Board announced it would recommend Deloitte's appointment to replace KPMG who have been the Auditor since 2002. It is internationally recognised that Audit firms should be rotated every 10 years and the Lead Audit Partner rotated every 5 years to maintain independent oversight. NZSA agrees with this policy.

We will vote undirected proxies **IN FAVOUR** of this resolution.

2. To re-elect Paul Berriman as an Independent Director.

Paul Berriman was appointed to the Board in December 2011. He is giving up his role as Group Chief Technology Officer of HKT Trust but remains there in a part-time advisory capacity. He is a Director of Rain Networks in South Africa and a Director of the global operators Next Generation Mobile Networks Alliance.

We will vote undirected proxies **IN FAVOUR** of this resolution.

3. To re-elect Charles Sitch as an Independent Director.

Charles Sitch was appointed the Board in December 2011. He was with McKinsey for some years and now chairs the Board of Trinity College, University of Melbourne. He has a Master's in Business Administration from Columbia and degrees in laws and commerce from Melbourne.

We will vote undirected proxies **IN FAVOUR** of this resolution.

Proxies

You can vote online or appoint a proxy at <https://vote.linkmarketservices.com/SPK/>

Instructions are on the Proxy/voting paper sent to you.

Voting and proxy appointments close **10.00am Wednesday 4 November 2020.**

Please note you can appoint the Association as your proxy. We will have a representative attending the meeting.

STANDING PROXIES - AUTOMATICALLY APPOINT NZSA AS YOUR PROXY

MAKE YOUR VOTE COUNT!

Details on the NZSA website.

The Team at NZSA