



## MARKET RELEASE

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### **Spark announces leadership team changes as part of move to Agile**

Spark New Zealand has announced today upcoming changes to its leadership team as the company works towards adopting an Agile way of working across the organisation.

"In line with the timings indicated at last month's interim results announcement we continue to work towards adopting Agile ways of working across Spark, with this announcement supporting our planned 'at scale' implementation in Q1 FY19," managing director Simon Moutter said.

"These changes do not alter existing FY18 guidance. However, as noted at last month's interim results announcement, we are considering accelerating our business transformation to strengthen the FY19 result. No decision has yet been made, but if the programme is accelerated, then FY18 guidance may reduce due to the associated costs of change. We will update the market if appropriate.

"In an Agile Spark, we will move away from a traditional hierarchical organisational structure based around large business units. The Agile model involves self-managing teams, each with clear accountabilities, who collaborate quickly and effectively with one another to deliver great products and services for our customers. In this model, business leaders act as catalysts, showing direction and setting up the systems for people to do their jobs effectively.

"This also means the role of the Spark leadership team must change. It's no longer about each team member being in charge of a particular business unit or support function, and 'representing' that unit at the top table. Rather it's about assembling the right mix of skills, talent and experience to collectively make the big calls that will underpin our ongoing success across the company."

In the language of Agile people work together in multi-disciplined teams of up to 10, known as squads. Spark is adopting an Agile way of working in its top leadership team as well and to that end, and with effect from 1 July 2018, the Spark Leadership Squad will consist of the following:

Managing Director	Simon Moutter	no change
Customer Director	Jolie Hodson	currently CEO Spark Digital
Finance Director (CFO)	David Chalmers	no change



HR Director	Joe McCollum	no change
Marketing Director	to be recruited	
Product Director	Claire Barber	currently Chief Digital Officer, Platforms
Technology Director	Mark Beder	currently Chief Operating Officer, Connect

As their titles indicate, each leadership squad member will bring specific knowledge, insights and perspectives to the top table.

As a result of these changes, Ed Hyde, currently CEO of Spark Ventures, is expected to leave Spark by the end of June 2018.

"When we formed Spark Ventures as a business unit some five years ago, it was to accelerate our rate of innovation within Spark, by creating a focal point for the investment in and incubation of new digital services ventures. It was always our desire that this culture of innovation could be "mainstreamed" over time into the wider Spark," Mr Moutter commented.

"Unfortunately, with Spark Ventures' activities being integrated within the core of our new Agile tribe structure, we've been unable to date to identify a role that is significant and fulfilling enough for Ed - so unless things change he is expected to leave us by the end of June. Ed has done a fantastic job with us over recent years, especially as a driving force within Spark Ventures, which has been responsible for the build, development and investment in 10 new digital services businesses including Skinny, Lightbox, Qrious and our recent push into IoT."

Grant McBeath, who took over as interim CEO of Spark's Home, Mobile and Business (HMB) unit from Jason Paris earlier this year, will continue to lead HMB until July, when he will revert to his previous role guiding Spark's consumer and SME sales and service channels. "These customer-focused units are extremely important to Spark's future in an increasingly "omnichannel" environment where our physical and digital channels complement each other to delight our customers with an effortless experience," said Mr Moutter.

Although Spark prefers to develop talent from within – as evidenced by numerous senior internal appointments over recent years – Mr Moutter said the company was committed to recruit externally when required, such as for the new marketing director role.

Once Spark is operating under an Agile at scale model from Q1 FY19, the company will no longer be organised in hierarchies via the main business units that exist today (Home Mobile & Business, Digital, Ventures, Platforms, Connect). Spark intends to provide investors with more information on the new operating mode in due course, including any resulting changes to the structure of Spark's external reporting.



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