

**CHAIR'S**

**ADDRESS**





# PROGRESS

## IN FY18

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### BIG TRENDS

Insatiable demand for services

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Customers want more for less

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Decline in legacy businesses

### HOW WE'RE RESPONDING

Focus on growth areas: mobile, cloud, security

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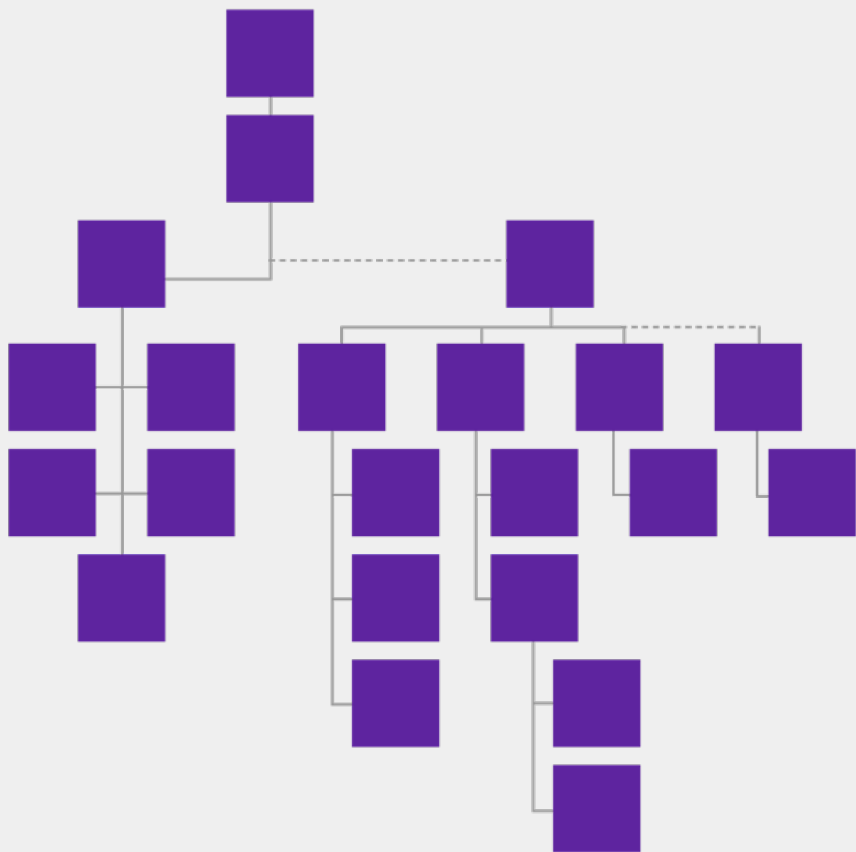
Future technologies

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Reducing cost while improving customer experience

# A BIT ABOUT AGILE

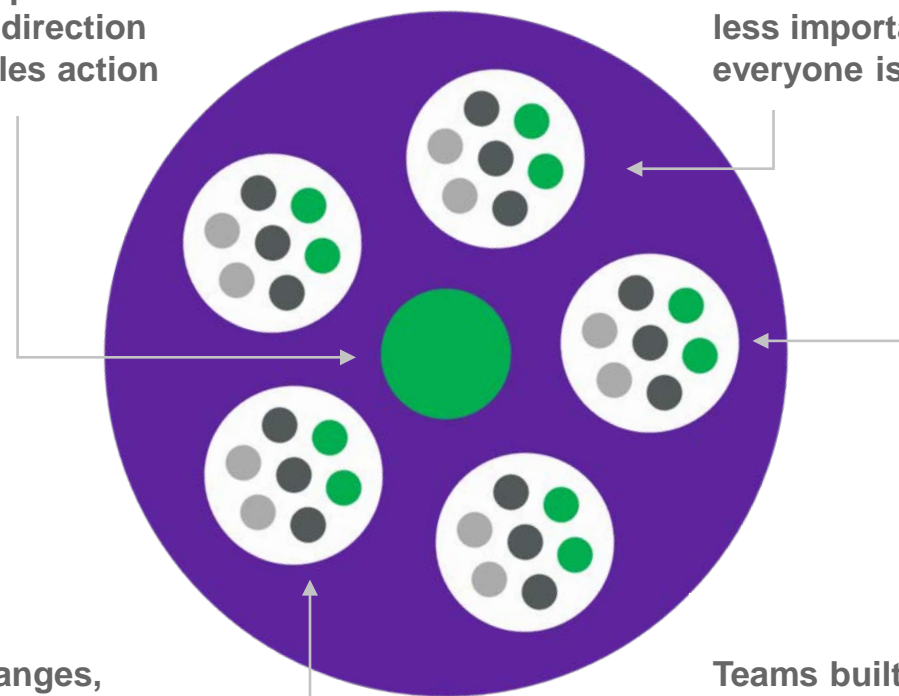
## TOP-DOWN HIERARCHY



## AGILE

Leadership provides direction and enables action

'Boxes and lines' less important, everyone is a 'doer'



Quick changes, flexible resources

Teams built around e2e accountability

# WHY THIS | BIG CHANGE?



Speed to market



Customer centricity



Employee engagement



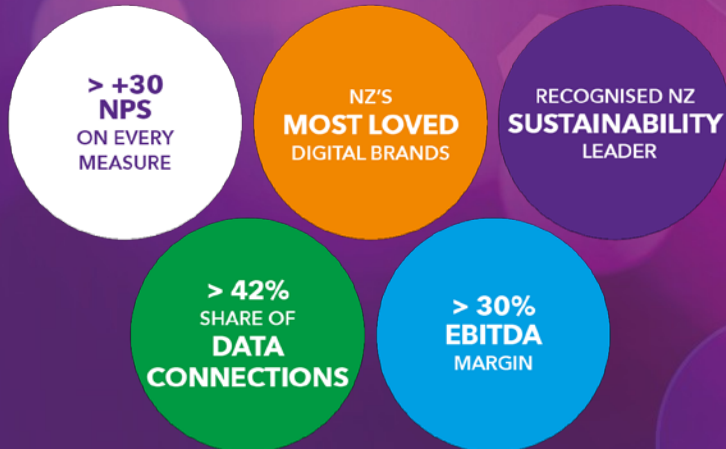
# OUR PLAN ON A PAGE

## 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 3 YEAR GOALS



## OUR STRATEGIC PILLARS



## OUR FOUNDATIONS



**TO HELP ALL OF NEW ZEALAND  
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**ĀWHINATIA NGĀ TANGATA KATOA O AOTEAROA  
KIA MATOMATO TE TIPU I TE AO MATIHIKO**

## OUR 3 YEAR GOALS

**> +30  
NPS**  
ON EVERY  
MEASURE

NZ'S  
**MOST LOVED**  
DIGITAL BRANDS

RECOGNISED NZ  
**SUSTAINABILITY**  
LEADER

**> 42%**  
SHARE OF  
**DATA**  
**CONNECTIONS**

**> 30%**  
**EBITDA**  
MARGIN

## **OUR STRATEGIC PILLARS**

**BE DIGITAL FIRST**

**EMBED AGILE AT SCALE**

**GROW KEY MARKETS**

**EXTEND COST LEADERSHIP**

**LEAD ON SUSTAINABILITY**



## OUR FOUNDATIONS

**NEW ZEALAND'S BEST CONVERGED DATA  
NETWORKS AND DIGITAL SERVICES CAPABILITY**

**A TOP DECILE, INCLUSIVE AND DIVERSE  
ORGANISATION CULTURE UNDERPINNED BY VALUES:**

**WE  
EMPOWER**  
WHAKAMANA

**WE  
SUCCEED  
TOGETHER**  
MATOMATO

**WE  
CONNECT**  
TŪHONO

**WE ARE  
BOLD**  
MĀIA





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





# MANAGING DIRECTOR'S REVIEW





**THE 5G**

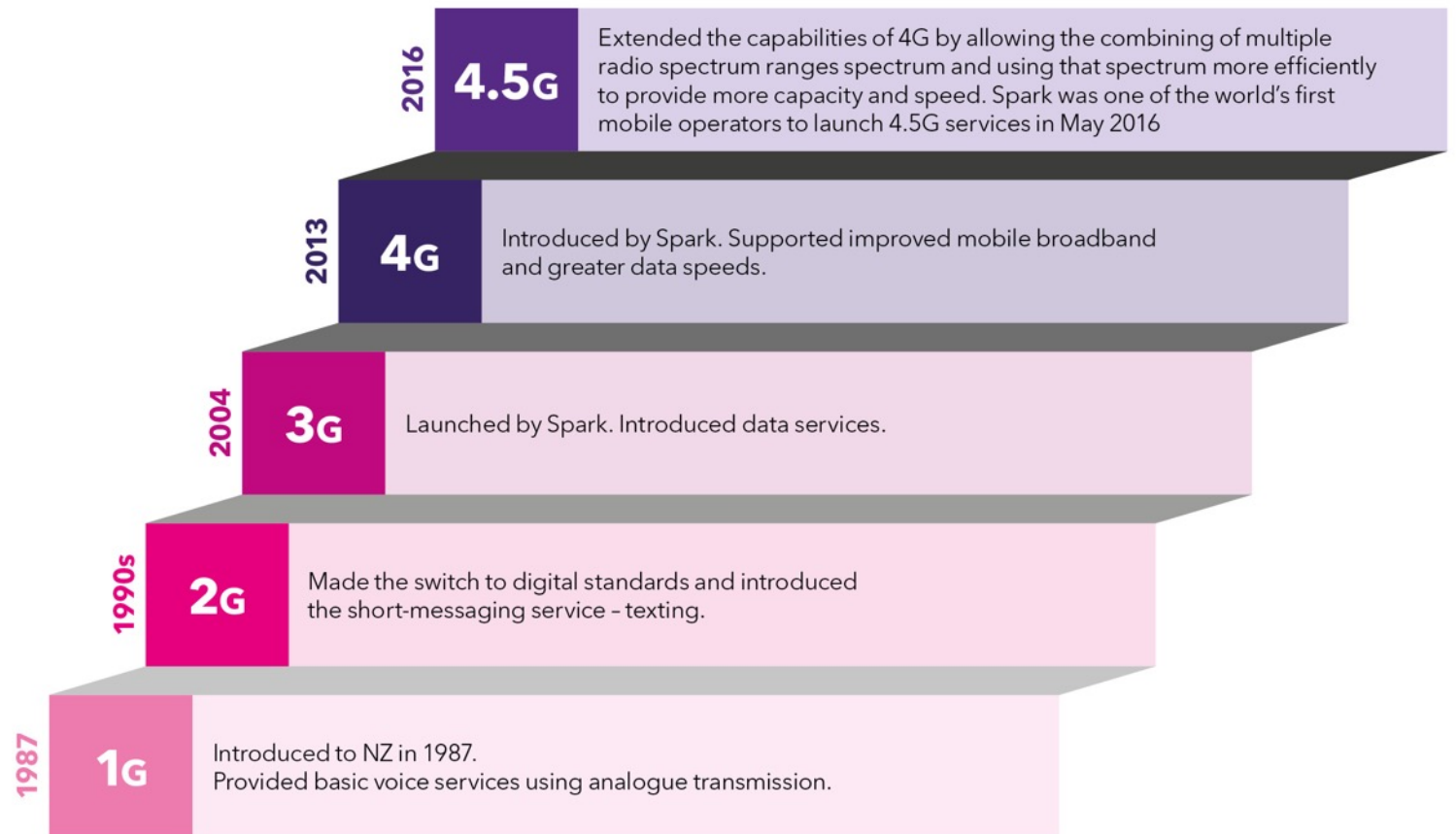
**REVOLUTION**





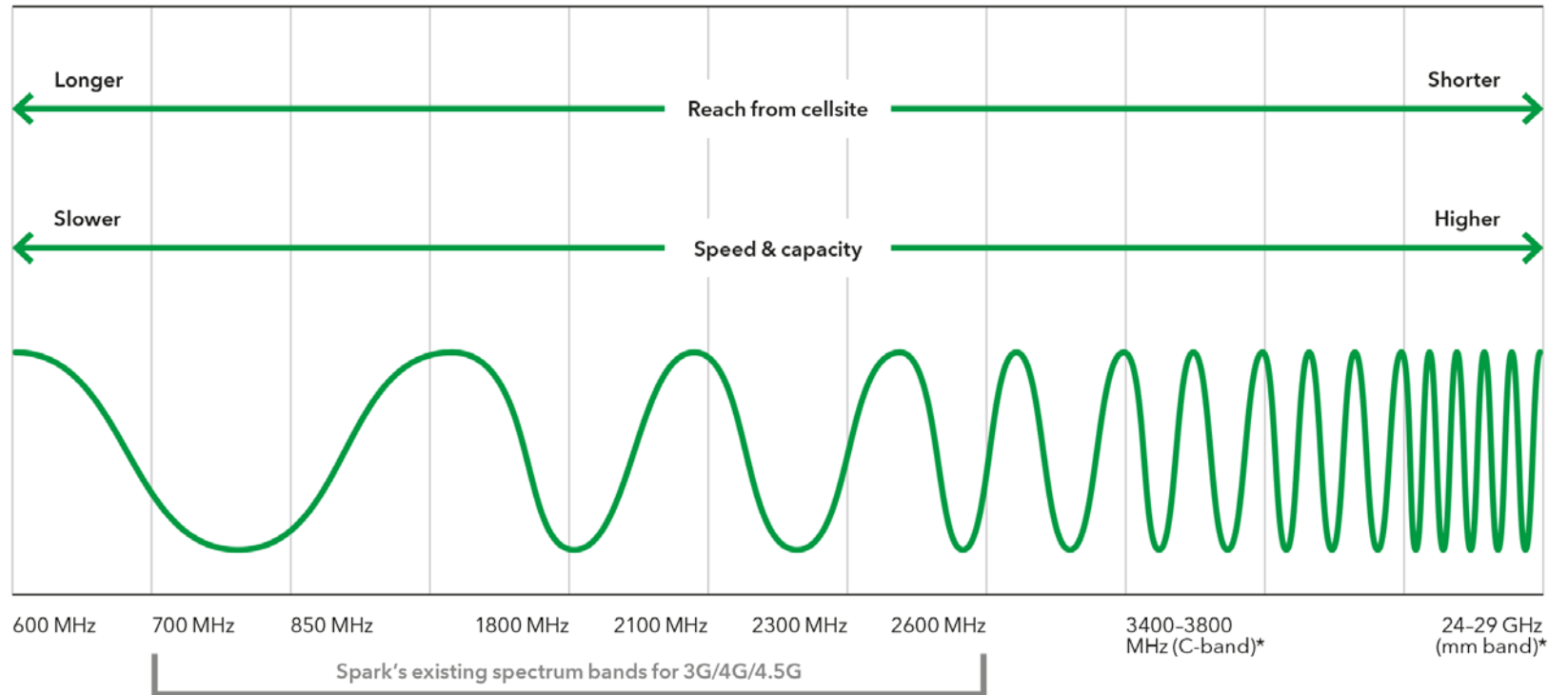
# THE PATHWAY TO 5G

## Spark network timeline



# DECISIONS ON SPECTRUM NEEDED

## Potential 5G bands identified by government



\* The Government proposes that C-band (3400-3800 MHz) is top priority for 5G implementation, with mm-wave band (24-29 GHz) a high priority (Ministry of Business, Innovation and Employment discussion document 'Preparing for 5G in New Zealand', March 2018).

# TRANSFORMING THE DIGITAL EXPERIENCE

**1,250,000**<sup>(24%)</sup>

Year on year reduction  
of calls into consumer  
contact centres

**750,000+**

Virtual assistant chat  
interactions since launch  
in August 2017

**6,000+**

Business customers  
using “walk me” self-  
service tutorials

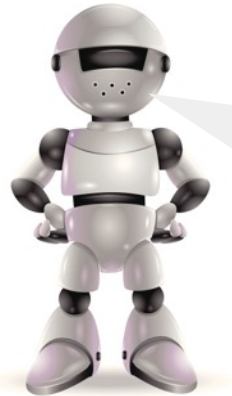
**+6pts**

Increase in consumer  
and small business  
market NPS in the year

**77%**

YoY Increase in consumer  
chat interactions (as at  
end of FY18)

# THE BOT SQUAD



Hi, my name is FibreBot. I  
log managed customer  
orders with fibre  
companies

Hi, my name is Pluto! I  
take care of public WiFi  
fault resolution



Hi, my name is Verity. I  
look after Server  
Security patching





**EXPONENTIAL SPEED  
OF CHANGE**

# SPARK PEOPLE ARE LEADING THE WAY





# THE FUTURE FOR SPARK

