



Spark<sup>nz</sup>



**2019**

**NOTICE OF**

**ANNUAL**

**MEETING**

**10.00am, Thursday 7 November 2019**

Spark City Conference Centre, Level 2,

167 Victoria Street West, Auckland

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# Letter from the Chair

4 October 2019

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On behalf of the Board of directors I am pleased to invite you to the 2019 Annual Meeting of Spark New Zealand Limited ("Spark"), which will be held at Spark City Conference Centre, Level 2, 167 Victoria Street West, Auckland\* at 10.00am on Thursday 7 November 2019 (New Zealand time).

Shareholders are also able to attend the Annual Meeting online via the Virtual Annual Meeting portal at [virtualmeeting.co.nz/spark2019](http://virtualmeeting.co.nz/spark2019) or by telephone from New Zealand by dialling **0800 448 986** or from Australia by dialling **1800 572 288**.

*\*for location map please see back cover.*

## Items of Business

- A. Chairperson's Address
- B. Chief Executive Officer's Review
- C. Resolutions

To consider, and if thought fit, pass the resolutions:

1. **Auditor's remuneration:** That the directors of Spark are authorised to fix the auditor's remuneration.
2. **Re-election of Ms Justine Smyth:** That Ms Justine Smyth, who retires by rotation and is eligible for re-election, is re-elected as a director of Spark.
3. **Re-election of Mr Warwick Bray:** That Mr Warwick Bray (appointed as a director of Spark by the Board with effect from 23 September 2019) who retires and is eligible for re-election, is re-elected as a director of Spark.
4. **Re-election of Ms Jolie Hodson:** That Ms Jolie Hodson (appointed as a director of Spark by the Board with effect from 23 September 2019) who retires and is eligible for re-election, is re-elected as a director of Spark.
5. **Revocation and adoption of constitution:** That the existing Company constitution is revoked and the new constitution, in the form presented at the Annual Meeting, is adopted as the constitution of Spark with effect from the close of the meeting.

Resolutions 1, 2, 3 and 4 above are to be considered as ordinary resolutions and, to be passed, require the approval of more than 50% of the votes of those shareholders entitled to vote and voting on the resolution. Resolution 5 is to be considered as a special resolution and, to be passed, requires the approval of 75% or more of the votes of those shareholders entitled to vote and voting on the resolution.

For more information on the resolutions, please see the Explanatory Notes.

## D. Shareholder Questions

By Order of the Board of Spark New Zealand Limited



**Justine Smyth**

Chair, Spark New Zealand Limited

4 October 2019

# Explanatory Notes

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## **Resolution 1: Fixing the remuneration of the auditor, KPMG**

Pursuant to section 207(T) of the Companies Act 1993, KPMG is automatically reappointed at the Annual Meeting as auditor of Spark. The proposed resolution is to authorise the directors under section 207(S) of the Companies Act 1993 to fix the remuneration of the auditor, KPMG.

KPMG was first appointed as auditor in 2002. In accordance with Spark's External Auditor Independence Policy, the lead audit partner is changed every 5 years. Spark's policy regarding rotation of audit partners reduces the risk that independence is compromised while at the same time, helps to preserve valuable knowledge and understanding of Spark's complex business by providing Spark with the flexibility to retain its external auditor.

Mr David Gates replaced Mr Malcolm Downes as the lead audit partner for the financial year ending 30 June 2018, and was the lead audit partner for the financial year ending 30 June 2019.

In August 2019 the Audit and Risk Management Committee assessed and confirmed the independence of KPMG after consideration of the External Audit Independence Policy criteria.



**Ms Justine Smyth**

## **Resolution 2: Rotation and re-election of Ms Justine Smyth**

Non-executive director and Chair of the Board Ms Justine Smyth retires by rotation pursuant to NZX Main Board Listing Rule 2.7.1 and offers herself for re-election. Ms Justine Smyth is considered by the Board to be independent.

### **Term of Office:**

Appointed 1 December 2011 and last re-elected at the 2016 Annual Meeting.

### **Board Committees:**

Chair of the Nominations and Corporate Governance Committee and member of the Human Resources and Compensation Committee.

### **Biography:**

Justine joined the Board of Spark New Zealand in December 2011 and became Chair in 2017. Her extensive experience in governance, mergers and acquisitions, taxation and financial performance of large corporate enterprises, as well as her active investing in and running of small and medium enterprises (SMEs), underpins her contribution as a director. Her background is in finance and business management, having been a Partner with Deloitte and Group Finance Director at Lion Nathan.

She is currently a director of Auckland International Airport Limited, Pushpay Holdings Limited and Chair of The Breast Cancer Foundation New Zealand. Former governance roles include being a board member of the Financial Markets Authority and Deputy Chair of New Zealand Post Limited. Justine has a Bachelor of Commerce from the University of Auckland and is a Fellow of Chartered Accountants Australia and New Zealand and a Chartered Fellow of the Institute of Directors.



### **Resolution 3: Re-election of Mr Warwick Bray**

Under NZX Main Board Listing Rule 2.7.1 a Director appointed by the Board must not hold office (without re-election) past the next annual meeting following the Director's appointment. Mr Warwick Bray has been appointed as non-executive director with effect from 23 September 2019. Mr Warwick Bray accordingly retires and offers himself for re-election at the 2019 Annual Meeting. Mr Warwick Bray is considered by the Board to be independent.

#### **Term of Office:**

Appointed with effect from 23 September 2019.

#### **Board Committees:**

Member of the Audit and Risk Management Committee and the Nominations and Corporate Governance Committee.

#### **Biography:**

Warwick joined the Board in September 2019, bringing over four decades of experience in the international telecommunications, technology and media sectors. He was Chief Financial Officer at Telstra Australia until 2018, with previous roles at Telstra over a nine-year period including Group Managing Director Product, Executive Director Mobile and Head of Corporate Strategy. Earlier in his career, Warwick was a managing director at JP Morgan (London) and Dresdner Kleinwort Wasserstein (London) in telecommunications equity research. He also worked at McKinsey in Europe, advising telecommunications companies on strategy, regulation and operational improvement, and as a network systems engineer at Hewlett Packard. Warwick has served on the GSMA strategy committee, the boards of Hong Kong mobile business CSL and Australian pay TV operator Foxtel and as Chairman of the Australian Mobile Telecommunications Association. He holds a Bachelor of Science (Hons) and a Masters in Business Administration from the University of Melbourne.



**Ms Jolie Hodson**

#### **Resolution 4: Re-election of Ms Jolie Hodson**

Under NZX Main Board Listing Rule 2.7.1 a Director appointed by the Board must not hold office (without re-election) past the next annual meeting following the Director's appointment. Ms Jolie Hodson has been appointed as executive director with effect from 23 September 2019. Ms Jolie Hodson accordingly retires and offers herself for re-election at the 2019 Annual Meeting. Ms Jolie Hodson is considered by the Board not to be independent.

#### **Term of Office:**

Appointed with effect from 23 September 2019.

#### **Biography:**

Jolie became Chief Executive Officer on 1 July 2019 and joined the Board in September 2019. As CEO Jolie is responsible for ensuring the company has a sound strategy and applies her leadership to delivering on that strategy, while building a leadership team around her and a business that is able to adapt to the fast-changing world of digital services.

Prior to being appointed CEO Jolie was Spark's Customer Director. She joined Spark in 2013 as CFO before becoming CEO Spark Digital in October 2016 - and in both roles played a pivotal part in transforming Spark from a legacy telco to a growing digital service company.

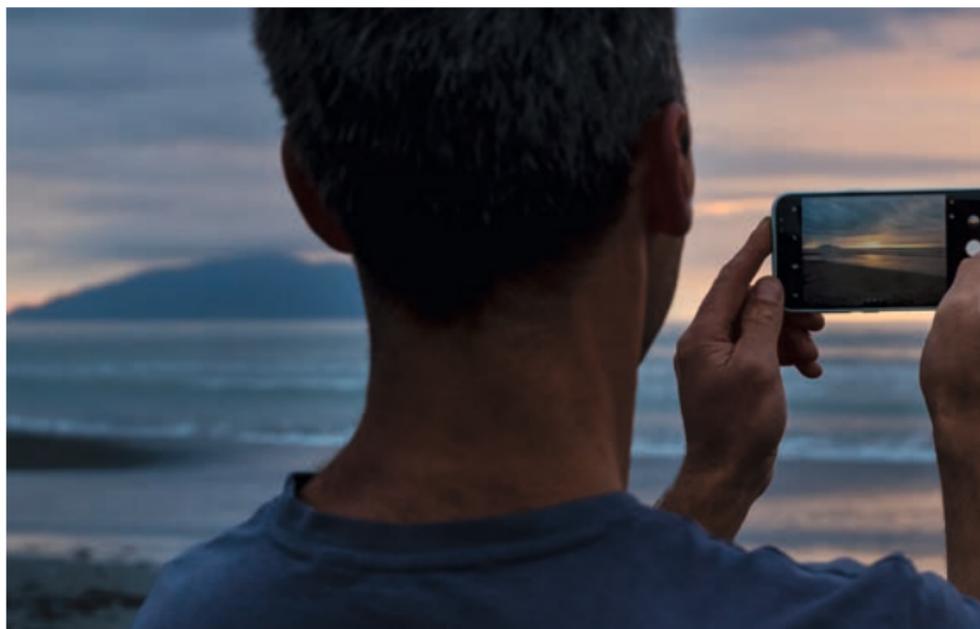
Prior to this, she worked for 12 years with the Lion Group and Deloitte in a range of senior finance roles. She has a Bachelor of Commerce from the University of Auckland.

## Resolution 5: Changes to constitution

The former NZX Main Board & Debt Market Listing Rules (dated 1 October 2017) have been replaced by updated Listing Rules (dated 1 January 2019) ("New Listing Rules"). Spark transitioned to the New Listing Rules on 1 January 2019. As a result, Spark is required to update its existing constitution ("Constitution"). An amended constitution has been prepared. A copy, marked to show the changes to the Constitution can be viewed under the Annual Meeting section of our website at [investors.sparknz.co.nz](http://investors.sparknz.co.nz).

The principal amendments to the Constitution that have been proposed for the purposes of alignment with the New Listing Rules are summarised as follows:

- **Director rotation:** the provision relating to the retirement and re-election of directors has been amended to reflect that the New Listing Rules apply, being that all directors must not hold office without re-election past the third annual meeting following the director's appointment or three years, whichever is longer.
- **Managing directors:** provisions relating to the rotation of managing directors have been amended to reflect that director rotation requirements under the New Listing Rules are the same for all directors.
- **Restriction on appointment of directors:** the Constitution has been amended to reflect that each resolution to appoint, elect or re-elect a director must be for one director only as required under the New Listing Rules.
- **Board composition:** the minimum independent director requirements have been amended to reflect the New Listing Rules, being that the Board must have at least two independent directors.
- **New Zealand resident directors:** the constitution has been amended to reflect the New Listing Rules, being that at least two directors must be ordinarily resident in New Zealand. Accordingly, the requirement that half of the Board be New Zealand citizens has been removed.



The following amendments are also proposed:

- updating references and provisions for consistency with legislative changes;
- updating wording for clarification and for consistency with the New Listing Rules;
- removing all references to facsimile communication;
- amendment to allow for Spark's legal requirements to be met by electronic means in accordance with the Contract and Commercial Law Act;
- allowing for electronic means of voting at shareholder meetings, to allow shareholders to vote by signifying their assent or dissent by electronic means, including voting on a personal computer, to reflect the alignment of the New Listing Rules with legislation permitting annual meetings to be held by electronic means;
- amending provisions relating to notices to shareholders to simplify the provisions, and reflect the requirements of the Companies Act;
- adding provisions that preclude interested directors from voting on board resolutions in respect of matters in which they are interested, unless the matter is one that the Companies Act expressly requires a certificate to be signed by the director;
- amendments to recognise that a notice of meeting may provide for different matters for different kinds of proxies; and
- consequential alterations, including in respect of numbering.

As the amendments to the Constitution do not impose or remove a restriction on the activities of the Company or affect the rights attaching to shares, the shareholder minority buy-out rights under the Companies Act 1993 do not apply.

Russell McVeagh has provided an opinion to NZX that it considers that all proposed amendments comply with the New Listing Rules.



# Procedural Notes

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## Attending in Person

If you wish to vote in person you should attend the Annual Meeting where you will be issued with a voting card. Please bring your proxy form with you to the meeting to assist with your registration.

## Voting by Mobile Phone (optional)

Shareholders attending the Annual Meeting in person will be able to vote using their compatible smartphone during the Annual Meeting. Shareholders who choose to do so will need to download the free LinkVote App from the Apple App Store or Google Play in advance. On arrival at the meeting please obtain your PIN from the registration desk.

## Online Participation

Shareholders may also attend the Annual Meeting virtually via an online portal, where they can watch the Annual Meeting, vote and ask questions during the Annual Meeting. Shareholders attending virtually will require their Holder Number for verification purposes. Shareholders attending virtually will be able to ask questions during the Annual Meeting via the chat functionality or via telephone. Information on participating via telephone can be retrieved during the meeting through the Question Button. Unfortunately, ADR holders are not eligible to participate virtually in the Annual Meeting.

Spark's Virtual Annual Meeting portal can be found at [virtualmeeting.co.nz/spark2019](http://virtualmeeting.co.nz/spark2019)

If you require any help using the online portal prior to or during the Annual Meeting, please call **0800 200 220**. A user guide can be found under the Annual Meeting section of our website at [investors.sparknz.co.nz](http://investors.sparknz.co.nz).

## Telephone Participation

To participate in the Annual Meeting by telephone in New Zealand please dial **0800 448 986** or from Australia please dial **1800 572 288**. Shareholders attending by phone will require their unique PIN for verification purposes. Your unique PIN can be found at the top of the Proxy Form that accompanies this notice. Please disregard the PIN on your Proxy Form if you will be attending virtually via the online portal.

Shareholders who participate by phone will be able to hear the meeting, ask questions and vote at the appropriate times during the meeting. Voting will be conducted at the conclusion of the meeting. Please follow the voting instructions provided by the call facilitator.

## Voting Entitlements

Only shareholders whose names are registered on the Spark share register at 5.00 pm on Tuesday 5 November 2019 (New Zealand time) are entitled to vote, and only shares registered in the names of those shareholders at that time may be voted at the Annual Meeting.

## Proxy Voting

If you cannot attend the Annual Meeting and choose not to participate by telephone or virtually via the Annual Meeting portal, you are encouraged to appoint a proxy to attend and vote on your behalf.

## Appointing a proxy

Shareholders entitled to attend and vote at the Annual Meeting may appoint a proxy to attend and vote on their behalf. A body corporate that is a shareholder may appoint a person to attend the meeting as its representative in the same manner that it would appoint a proxy. A proxy need not be a Spark shareholder.

The Chair of the meeting or any other director is willing to act as proxy for any shareholder who appoints him or her for that purpose. The Chair of the meeting and the directors of Spark intend to vote all discretionary proxies, for which they have authority to vote, in favour of the resolutions.

If, in appointing your proxy, you do not name a person as your proxy (either online or on your proxy form), or your named proxy does not attend the Annual Meeting, the Chair of the meeting will be your proxy and may vote only in accordance with your express direction.

A proxy is able to vote on motions from the floor and/or any resolutions put before the meeting to amend the resolutions stated in this notice.

Shareholders can appoint a proxy by completing the enclosed proxy form and returning it to Link Market Services Limited by email, mail or fax as set out in the proxy form.

## Online proxy voting

Alternatively, shareholders can elect to lodge their proxy appointment online by visiting [vote.linkmarketservices.com/SPK](https://vote.linkmarketservices.com/SPK).

Holders on the New Zealand register will be required to enter their Holder Number and Authorisation Code (FIN) to complete the online validation process to securely appoint a proxy online.

Holders on the Australian register will be required to enter their Holder Number and postcode or country of residence to complete the online validation process to securely appoint a proxy online.

All online or postal proxy appointments must be received by Link Market Services Limited no later than 10.00 am on Tuesday 5 November 2019 (New Zealand time).

## Shareholder Questions

Shareholders present at the Annual Meeting or attending virtually via the online portal or by telephone will have the opportunity to ask questions during the Annual Meeting.

If you cannot attend the Annual Meeting but would like to ask a question you can submit a question by completing the shareholder question section on the Proxy Form and returning it to Link Market Services Limited, or online by going to [vote.linkmarketservices.com/SPK](https://vote.linkmarketservices.com/SPK). After completing the online validation process choose "Questions". Shareholder questions will need to be submitted by 5.00 pm Friday 25 October 2019 (New Zealand Time).

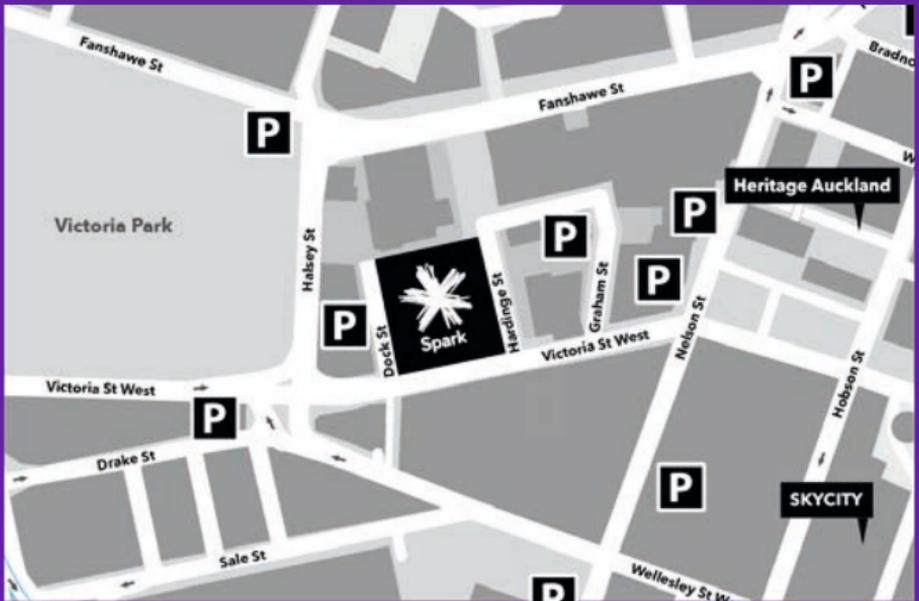
## Webcast

The Annual Meeting will be webcast live on the internet. To view the webcast, go to [virtualmeeting.co.nz/spark2019](https://virtualmeeting.co.nz/spark2019).

# Venue & Parking

Spark's Annual Meeting will be held at:

Spark City Conference Centre  
Level 2, 167 Victoria Street West, Auckland, New Zealand



Auckland's CBD is well served by rail and bus services. There are a number of buses that stop outside Spark's building on Victoria Street West. For full route, timetable and fare information call Auckland Transport Contact Centre on **09 366 6400** or **0800 103 080**. Or visit AT online at [at.govt.nz/bus-train-ferry](http://at.govt.nz/bus-train-ferry)