

Spark is committed to championing digital equity in Aotearoa. Our commitment starts with our purpose, to help all of New Zealand win big in a digital world. Digital equity is a key feature of our business strategy and sustainability framework, the sole focus of our charitable arm, the Spark Foundation, and it permeates our operations – from the products we create to how we do business. Every year Spark commits funding, and significant internal resources, to achieve its digital equity ambitions.

It is estimated that up to 1 in 5
New Zealanders may be
experiencing digital exclusion in
some way, and we understand over
130,000 households do not have
access to the internet. The role of
digital technology in New Zealand's
transformation to a highproductivity, low-carbon economy
brings the issue of digital equity into
the spotlight. We are committed to
creating a positive digital future
where every Kiwi can prosper and a
just and equitable transition on the
way through.

Our digital equity efforts are guided by the Government's Digital Inclusion Blueprint, which identified four elements of digital inclusion motivation, access, skills, and trust. We recognise we cannot solve this challenge alone, and we have developed meaningful partnerships across the community sector and industry to drive long-term change.



OUR PURPOSE

To help all of New Zealand win big in a digital world.

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

• Our purpose is expressly inclusive. It encompasses all people, businesses, and communities, and our role in creating success for the country as a whole.

OUR BUSINESS STRATEGY

Spark's business strategy guides our focus and investment over the FY24-26 period.

- Our strategy includes a commitment to Toitū Sustainability at Spark and Te Korowai Tupu, our Māori Strategy.
- Digital equity is a core pillar of our Sustainability Framework, and integral to Te Korowai Tupu and our focus on partnership, protection, and participation.

TOITŪ SUSTAINABILITY AT SPARK -OUR SUSTAINABILITY FRAMEWORK

Spark's sustainability framework has three focus areas:

- 1. Economic transformation
- 2. Digital equity
- 3. Sustainable Spark

Our core digital equity focus areas are:

- Skills and pathways: we will focus Spark and Spark Foundation investment on increasing Māori and Pasifika participation in the technology sector
 - FY26 KPI: Increase Māori and Pasifika participation within Spark by 5pp by end FY26
- **Affordability:** we will support low income households to participate in the digital world
 - FY26 KPI: Extend the reach of our not-for-profit broadband service Skinny Jump, with YoY growth
- Products and services: we will increase accessibility and maintain the highest security and privacy standards
 - FY26 KPI: Maintain top quartile position in the Worldwide Benchmarking Alliance's annual Digital Inclusion Benchmark

SUSTAINABILITY RESOURCING AND OPERATIONALISATION

Spark commits significant internal resources to its digital equity objectives and progress is tracked at the highest levels.

Spark's sustainability framework is led by the Corporate Relations and Sustainability Director, who reports to Spark's CEO and is a member of the Leadership Squad.

Progress against Spark's sustainability framework is reported to the Leadership Squad and Board on a quarterly basis.

- Spark's Sustainability Lead reports to the Corporate Relations and Sustainability Director. The Sustainability Lead works across Spark and operates cross-functional squads to improve Spark's sustainability performance and integrate sustainability into the business.
- Spark funds the operations of Spark Foundation, which includes the Foundation team and an annual grant to fund projects in the community.
- Spark also funds the operations of the Skinny Jump squad, who operate the not-for-profit service end-to-end.
- Spark has an Agile operating model and its business strategy is executed through a Quarterly Business Review (QBR) process that assigns priorities and resources. Sustainability, including digital equity, is a standing item on the QBR.





SPARK FOUNDATION

Spark Foundation was established in 2011 and has a sole focus on digital equity.

The Foundation is a charitable trust with a Board of Trustees, including independent community representatives and members of the Spark team.

The Foundation's vision is that no New Zealander is left behind in a digital world, and its mission is to accelerate towards digital equity. It does Our aspiration is to embed this by focusing on three strategic pillars, with community partnerships supporting each.

The Foundation is a founding member of the Digital Equity Coalition for Aotearoa (DECA).



OUR **PRODUCTS**

We recognise that being able to access the digital world is a critical first step in addressing digital equity.

We are committed to offering a range of products to cater to this need including not-for-profit broadband for people not currently connected, free devices for those in need. and low-cost broadband and mobile plans.

accessible design principles into future product builds, to further enhance accessibility for all New Zealanders.

OUR **NETWORK**

Spark's long-term investment in mobile infrastructure has enabled us to provide wireless broadband products that support digital equity objectives.

We recognise that regional and rural communities can also experience digital exclusion, due to the challenging nature of providing economic services in remote areas of New Zealand - and we are committed to working in partnership with Government and industry to bridge this gap.

OUR CUSTOMERS

New Zealand is a nation of small-medium businesses (SME), and we are committed to supporting our SME customers and the broader SME community to embrace digitisation and the benefits it can bring.

DIVERSITY AND INCLUSION

Spark is committed to building a diverse and inclusive culture, where all our people feel they belong.

As a technology company, which has traditionally skewed male, we have focused on gender diversity for many years. We have a FY24 target of 40:40:20 gender representation and have achieved this at a Board, Leadership Squad, and wider leadership level. We have also reduced our median gender pay gap from 28% to 21.6%, with a target of 18% by FY25. We are now extending this progress to ethnic diversity, with the objective of increasing Māori and Pasifika representation by 5 percentage points by FY26.

SECURITY AND PRIVACY

We recognise that a lack of trust in the digital world is a significant barrier to digital equity, and we are committed to supporting our customers to participate safely by putting cybersecurity, customer safety, and privacy at the heart of everything we do.

We are also investing in the development of emerging digital trust technology through MATTR, which utilises decentralised identity and verifiable data to restore trust in digital interactions.





SPARK FOUNDATION

Digital access

- Skinny Jump (see right)
- Recycle a Device (see right)

Digital skills and pathways

- Porirua Access Connectivity Education (PACE).
- <u>Pūhoro STEMM Academy</u> a Kaupapa Māori programme.
- Hihiko Te Rawa Auahau innovation hubs embedded into 30 Māori communities across the Bay of Plenty.
- <u>Take2</u> breaking the cycle of crime with technology by teaching incarcerated individuals coding skills.
- <u>Digital Future Aotearoa</u> skills programmes like Code Club.
- Fibre Fale creating pathways for Pacific people into the technology sector through education, advocacy, and facilitation.

Digital wellbeing

- Te lwi Matihiko, from the Digital Natives Academy.
- bbb

OUR PRODUCTS

Skinny Jump

- A subsidised, no-contract wireless broadband service for people who find cost a barrier to getting connected.
- Currently supporting 27,341 households and provided through a network of over 300 community partners.
- A modem and 15GB of data per month are provided for free, then \$5 for 30GB.

Recycle a Device (RAD)

- A partnership between Spark Foundation, Spark-owned Entelar, and Remojo Tech.
- RAD securely wipes secondhand laptops, teaches high school students to refurbish them, and then gets them into the hands of those in need.

Affordable broadband and mobile plans

 Spark's low-cost provider, Skinny, offers mobile plans for as little as \$5 for seven days, and broadband from as low as \$35 a month.

OUR NETWORK

Spark network investment

- Every year we make a significant investment into our network, to enable Kiwis to stay connected.
- We invest ~\$100 million into resilience every year.

Emerging technologies

- We invest in emerging technologies like 5G and IoT¹ to improve our way of life and deliver sustainability benefits.
- 5G in 77 locations and by FY26 in all towns with a population over 1,500

Rural Connectivity Group

- A joint venture between Spark, Vodafone and 2degrees, contracted by Governmentto deliver 4G to rural areas.
- RCG has built 400+ sites to date and Spark has committed an additional \$24 million in funding between 2023-2025.

Marae Digital Connectivity Programme

• Spark is working as a partner on the Marae Digital Connectivity Programme - which has connected over 600 marae to date.

OUR CUSTOMERS

Digital Boost Alliance

- An alliance of organisations focused on motivating SMEs to lift their use of digital technologies.
- Operated by TUANZ and MBIE.
- Spark commits a range of services and free products as part of its involvement.

Spark Lab

- The Spark Lab website and events helps SMEs go digital by providing access to tools and advice from experts.
- Our recent Future State event gave our SME customers access to some of the brightest minds in innovation and tech from across the globe, to educate and inspire.

Spark Business Hubs

 Spark operates a network of 24 regional hubs that support SME business customers with digital tools and services.

DIVERSITY AND INCLUSION

Spark's Blue Heart Kaupapa

• Sets the standard of behaviour and the values we stand for.

Te Korowai Tupu

 Our Māori Strategy integrates te ao Māori into our business and informs how we develop strong connections with Māori.

Gender and ethnic diversity

- We work with partners Diversity Works, Champions for Change, and SBC to drive economy-wide change.
- Our secondary and tertiary education and Spark Foundation partnerships help us build a diverse talent pipeline.
- 83% of our people have shared their ethnicity data with us to enable targeted initiatives.
- Our targets include:
- Achieving 40:40:20 gender representation Spark-wide by FY24:
- Reducing our median gender pay gap 10pp to 18% by FY25;
- Increasing our Māori and Pasifika workforce by 5pp by end FY26.

SECURITY AND PRIVACY

Cybersecurity

- Our Chief Information Security Officer leads our cybersecurity strategy, and our Security Operations Centre uses bestpractice frameworks, including ISO27001 and NIST CSF.
- Our Information Security Risk Management Committee (ISRMC) consists of senior leaders and external stakeholders.

Customer safety

- We protect our customers from scams and provide access to Netsafe safety information and free basic NetShield filtering.
- We participate in the DIA's <u>Digital</u> Child Exploitation Filter.

Data privacy

- Our privacy values are customer centricity, fairness, transparency, autonomy, simplicity and tikanga.
- Spark's Privacy Policy, website, and <u>Transparency Reports</u> detail how we handle customer information.
- Our <u>Al Principles</u> outline our responsible and ethical approach to the use of Al.





