Corporate Governance Statement FY26

Annual Corporate Governance Statement FY26

The Board and Management of Spark New Zealand Limited (Spark) are committed to maintaining high standards of corporate governance.

Spark's governance structures and processes are regularly reviewed by the Board to ensure that they meet international best practice.

Spark is required to report against the NZX Corporate Governance Code (NZX Code) and has elected to consider and substantially comply with the ASX Corporate Governance Council's Principles and Recommendations (the Fourth Edition).

This statement is a snapshot of Spark's practices, processes and policies measured against the principles of the NZX Code for the period from 1 July 2025 to 30 June 2026. It was approved by the Board on 19 August 2026 and is accurate as at that date.

Justine Smyth, CNZM
Chair

Principle 1:

Ethical Standards

"Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for these standards being followed throughout the organisation."

Recommendation 1.1

The board should document minimum standards of ethical behaviour to which the issuer's directors and employees are expected to adhere (a code of ethics).

Spark has an integrated company-wide compliance framework. A Code of Ethics (which applies to all employees) and Directors' Code of Ethics (together, the Codes), together set out the standards by which our people are expected to conduct themselves. These Codes provide guidance on decision-making and set out to instil a culture of acting lawfully, ethically, and responsibly. Spark has a Whistleblowing Policy which outlines the range of options for Spark people to raise concerns or report wrongdoing, and sets out the protections and processes that apply when concerns are raised.

The Code of Ethics contains links to Spark's core policies, and details our values and expected behaviours. It also sets out Spark's approach to conflicts of interest, bribery and corruption, gifts and hospitality, confidentiality, use of assets and information, and compliance with laws. Also set out in the Codes are Spark's compliance escalation procedures that are designed to be used to report breaches of Spark's legal obligations, the Codes themselves, or other Spark policies. Any breaches can be reported through Spark's whistleblowing reporting channels, including via Spark's 'Honesty Box' confidential whistle-blowing online portal or directly to the Chief Executive Officer (CEO).

Training on Spark's Code of Ethics and how to apply this is compulsory for all employees. It is delivered through a series of online modules within Spark's learning management system. This training forms part of the onboarding journey for new employees, and annual completion of the module for existing employees is required to maintain compliance. We reinforce this training through regular reminders from People Leaders and broader internal communication across the business. The module content is reviewed annually and updated to reflect any code/policy changes, if necessary. We also embed relevant aspects of the Code into Spark 'plays'. Plays are one-page online guides on how to carry out common activities at Spark. Spark provides mandatory training on the importance of raising concerns and the reporting options available under its Whistleblowing Policy, supported by regular companywide reminders. The Directors' Code of Ethics is provided to new directors as part of their induction.

Spark's Code of Ethics, the Directors' Code of Ethics and the Whistleblowing Policy can be found here.

Recommendation 1.2

An issuer should have a financial product dealing policy which applies to employees and directors.

Spark's Insider Trading Policy and Disclosure Policy (together with the associated procedures for implementation) are core policies that address the treatment of material information and trading in Spark and other issuers' financial products while in possession of material information.

These policies apply to all directors, senior managers and employees of the Spark group of companies.

Spark's Insider Trading Policy and the Disclosure Policy can be found here.

Principle 2:

Board Composition & Performance

"To ensure an effective board, there should be a balance of independence, skills, knowledge, experience and perspectives."

Recommendation 2.1

The board of an issuer should operate under a written charter which sets out the roles and responsibilities of the board. The board charter should clearly distinguish and disclose the respective roles and responsibilities of the board and management.

The Board of Directors is elected by shareholders to protect and enhance the value of the assets of Spark in the interests of Spark and its shareholders. The Board has statutory responsibility for the affairs and activities of Spark, which in practice is achieved through delegation to the CEO and those who are charged with the day-to-day leadership and management of Spark. The CEO has formally delegated certain authorities to direct reports and has established an empowerment (delegated authority) framework that sets out decision rights at Spark.

The Board regularly reviews and assesses Spark's governance structures and processes to ensure that they are consistent with international best practice in both form and substance.

Information regarding the respective roles and responsibilities of the Board and Management is set out in the Board Charter, which can be found **here**.

Recommendation 2.2

Every issuer should have a procedure for the nomination and appointment of directors to the board.

The procedures for the appointment and removal of directors are governed by Spark's constitution, the Companies Act 1993 and relevant stock exchange listing rules.

Recommendations for nominations of new directors are generally made by the Nominations and Corporate Governance Committee (NOMs) and considered by the Board as a whole. External consultants are from time to time used to access a wide base of potential candidates, and to review and provide input on the suitability of candidates for appointment.

When recommending a candidate to act as Director, the NOMs takes into account factors including the candidate's experience, qualifications, and personal qualities. In doing so Spark will undertake appropriate checks, including as to the candidate's character, education, any criminal record, and bankruptcy history. The NOMs will review the candidate's skills and experience relative to the Board skills matrix to determine whether they will augment the existing Board skillset, and assess their availability to commit themselves to the role.

If the Board appoints a new Director during the financial year, that person will stand for election by shareholders at the next annual meeting. Shareholders are provided with relevant information on the candidates standing for election in the notice of meeting.

Recommendation 2.3

An issuer should enter into written agreements with each newly appointed director establishing the terms of their appointment.

Each Director has a signed letter of appointment or employment agreement setting out the terms of their appointment, including their duties, terms, conditions of appointment, expectations of the role, and remuneration. Spark directors have no fixed term of office but are subject to the retirement provisions contained in Spark's constitution and relevant stock exchange listing rules.

Recommendation 2.4

Every issuer should disclose information about each director in its annual report or on its website, including:

a. a profile of experience, length of service and ownership interests;

b. the director's attendance at board meetings; and

c. the board's assessment of the director's independence.

A biography of each Board member can be found on Spark's website, with key information about each Board member also outlined on page 18 of the FY26 Annual Report. Director ownership interests (including relevant interests in Spark shares) are disclosed on page 59 of the FY26 Annual Report.

The Board skills matrix that outlines the qualifications, capabilities, geographical location, tenure, and gender of each member of the Board can be found in the Governance section of the FY26 Annual Report.

Board and Committee meeting attendance can be found on page 56 of the FY26 Annual Report.

The Board's statement regarding Director independence can be found on page 55 of the FY26 Annual Report.

Recommendation 2.5

An issuer should have a written diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving diversity (which, at a minimum, should address gender diversity) and to assess annually both the objectives and the entity's progress in achieving them.

Spark's Board believes that diverse teams and diversity of thought are essential for driving strategic growth, enhancing customer experience, and improving overall business performance.

Spark's commitment to diversity, equity, and inclusion is a strategic business priority, and there is an ongoing focus on attracting, retaining, and progressing a diverse range of people across the business. We have measurable ambitions to improve female representation and reduce our median gender pay gap, and these are reported on annually.

Spark's Diversity and Inclusion Policy sets out the requirement for the Board to set and review measurable objectives for achieving diversity each year. As a baseline for measurable objectives for diversity of Board composition, the policy requires Spark to ensure it has an objective in accordance with, or in excess of, the standard set out in the NZX Corporate Governance Code, that the composition of the Board is not to have fewer than 30% of its directors being male and not fewer than 30% of its directors being female, within a specified period.

The Human Resources and Compensation Committee (HRCC) annually reviews and reports to the Board on the relative proportion of gender and cultural diversity that makes up Spark's workforce and recommends objectives to the Board, assesses progress towards these objectives and ensures transparency through disclosures in the Annual Report.

Further details on diversity, equity and inclusion at Spark, and reporting on our workforce demographics, can be found in the 'Our People' section of the FY26 Annual Report.

Spark's Diversity and Inclusion policy can be found here.

Recommendation 2.6

Directors should undertake appropriate training to remain current on how to best perform their duties as directors of an issuer.

The Board introduces new Directors to Management and business operations through tailored induction programmes designed to meet individual requirements.

Directors receive regular updates on pertinent industry developments and company matters, which include site visits to Spark facilities and briefings from key members of the Leadership Team or external experts, and Director-led education discussions where Directors share insights from recent professional development, governance programmes, industry forums, and other continuing education activities. The Board expects all Directors to undertake continuous education so that they may appropriately and effectively perform their duties.

Recommendation 2.7

The board should have a procedure to regularly assess director, board and committee performance.

The Board regularly discusses governance and performance, and annually reviews its own performance as a whole against the Board Charter, and each Committee's performance against its charter. The Chair meets with Directors to discuss the performance of each Director individually.

Board evaluations are undertaken annually to seek Director, and, where appropriate, Leadership Team feedback on a range of matters relating to Board performance, including its role and composition and engagement with Management, shareholders and stakeholders.

The collective results of the evaluation are then reported to the Board by the Chair and discussed individually with Directors. The last Board evaluation review was undertaken in May 2026.

Recommendation 2.8

A majority of the board should be independent directors.

Spark's Board Charter requires that a majority of directors must be independent.

Each Director is required to provide the Board with all the information it needs to undertake an annual assessment of the director's independence. The Board confirms that a majority of Directors are Independent Directors, having regard to all relevant factors, including the formal criteria for 'independent directors' according to the NZX Listing Rules, the NZX Corporate Governance Code and the Board Charter.

Recommendation 2.9

An issuer should have an independent chair of the board.

The Chair is elected by the Board. The Chair's role is to manage and provide leadership to the Board and to facilitate the Board's interface with the CEO.

The current Chair, Justine Smyth, is a Non-Executive and Independent Director as required by the Board Charter. The Board does not have a Deputy Chair.

Recommendation 2.10

The chair and the CEO should be different people.

The Board supports the separation of the roles of Chair and the CEO. The current CEO, Jolie Hodson, is an Executive Director.

Principle 3:

Board Committees

"The board should use committees where this will enhance its effectiveness in key areas, while still retaining board responsibility."

Spark's Board establishes committees to assist in the execution of the Board's responsibilities. Board committees do not act or make decisions on behalf of the Board unless specifically mandated by prior Board authority to do so.

The current committees of the Board are (together, the Committees):

- Audit and Risk Management Committee (ARMC);
- Human Resources and Compensation Committee (HRCC); and,
- Nominations and Corporate Governance Committee (NOMs).

Other committees may be established from time to time to consider matters of special importance or to exercise the delegated authority of the Board.

Recommendation 3.1

An issuer's audit committee should operate under a written charter. An audit committee should only comprise non-executive directors of the issuer. One member of the committee should be both independent and have an adequate accounting or financial background. The chair of the audit committee should be an independent director and not the chair of the board.

Under the ARMC Charter, the Board has delegated responsibility to the ARMC for reviewing Spark's principal risks on an at least annual basis. This ensures an established risk management framework that:

- includes policies and procedures to effectively identify, treat, and monitor principal business risks;
- assesses the effectiveness of the risk management system and ensures it is fit for purpose; and
- monitors compliance with the risk management framework.

The ARMC is also tasked with ensuring the quality, credibility, and objectivity of Spark's accounting processes, including financial reporting. The ARMC will discuss interim financial statements with the Leadership Team, including whether the reporting is consistent with the Committee members' information and knowledge and whether it is adequate for shareholder needs.

The ARMC is comprised solely of Non-Executive Directors. The current Chair of the ARMC is Lindsay Wright, who is an Independent Director with an accounting and financial background and is not the Chair of the Board.

The members of the ARMC and their key skills and capabilities can be found on pages 54 and 56 of the FY26 Annual Report.

Recommendation 3.2

Employees should only attend audit committee meetings at the invitation of the audit committee.

Spark Management and employees can only attend ARMC meetings at the invitation of the Committee.

Recommendation 3.3

An issuer should have a remuneration committee which operates under a written charter (unless this is carried out by the whole board). At least a majority of the remuneration committee should be independent directors. Management should only attend remuneration committee meetings at the invitation of the remuneration committee.

The HRCC operates under a written charter and is responsible for reviewing Spark's remuneration policy and practices, as well as Spark's overall human resources strategy, structure, policy, and practices. The remuneration of directors is reviewed by the HRCC – taking account of Spark's size and complexity and the responsibilities, skills, performance, and experience of the directors – with recommendations made to the Board for approval.

The HRCC is comprised of a majority of Independent Directors.

Spark Management and employees can only attend HRCC meetings at the invitation of the HRCC.

Recommendation 3.4

An issuer should establish a nomination committee to recommend director appointments to the board (unless this is carried out by the whole board), which should operate under a written charter. At least a majority of the nomination committee should be independent directors.

The NOMs' operates under a written charter and its role is to identify and recommend to the Board individuals for nomination as members of the Board and its Committees (considering such factors as it deems appropriate, including experience, qualifications, judgement, and personal qualities); and to develop and review Spark's corporate governance principles, and make recommendations to the Board. The NOMs is also responsible for reviewing Board succession planning.

The NOMs is comprised of a majority of Independent Directors.

Recommendation 3.5

An issuer should consider whether it is appropriate to have any other board committees as standing board committees. All committees should operate under written charters. An issuer should identify the members of each of its committees, and periodically report member attendance.

Each Board Committee has a charter summarising the role, rights, responsibilities and membership requirements for that Committee. The Board reviews the charters of the Board Committees annually and their performance against those charters, with the last annual review conducted in November 2025.

The Board is responsible for appointing committee members and chairs according to the skills, experience, and other qualities they bring to the Committee. All Board Committees are comprised of a majority of Independent Directors. A Committee Chair is entitled to invite persons to attend Committee meetings as deemed necessary.

Specific Committee memberships and attendance information are outlined on page 56 of the FY26 Annual Report.

The Board Committee Charters can be found here.

Recommendation 3.6

The board should establish appropriate protocols that set out the procedure to be followed if there is a 'control transaction' for the issuer including the procedure for any communications between the issuer's board and management and the bidder. The board should disclose the scope of independent advisory reports to shareholders. These protocols should include the option of establishing an independent control transaction committee, and the likely composition and implementation of an independent control transaction committee.

Spark's Board has put in place Takeover Response Guidelines that set out the procedures and protocols to be followed if there is a control transaction offer for Spark, including procedures with regards to communications between insiders and the bidder, the preparation of an independent advisor's report, and establishment of a bid response sub-committee.

Principle 4:

Reporting & Disclosure

"The board should demand integrity in financial and non-financial reporting, and in the timeliness and balance of corporate disclosures."

Recommendation 4.1

An issuer's board should have a written continuous disclosure policy.

Spark is committed to providing timely, orderly, and credible information consistent with legal and regulatory requirements. Pursuant to its Disclosure Policy, Spark has an appointed Disclosure Officer to authorise all financial market communications. Together with the Company Secretary, the Disclosure Officer is responsible for overseeing Spark's disclosure practices and ensuring that all material information is lodged promptly and without delay with the relevant stock exchanges, and ensuring that the Board is kept informed of the nature and quality of the information being disclosed to the market.

Authorised spokespeople are restricted to reduce the risk of inconsistent communications and to ensure that public comments are within the bounds of information already in the public domain and/or information that is not materially price sensitive.

Recommendation 4.2

An issuer should make its code of ethics, board and committee charters and the policies recommended in the NZX Code, together with any other key governance documents, available on its website.

Spark's website has a dedicated governance section that contains Spark's policies that outline its core governance structures and processes.

This includes the Code of Ethics, Board Charter (and the charters of the various committees), Disclosure Policy, Insider Trading Policy, Diversity and Inclusion Policy, Director and Executive Remuneration Policies, Whistleblowing Policy and other principal corporate governance documents.

Recommendation 4.3

Financial reporting should be balanced, clear and objective.

Spark's financial reports are prepared in a manner that is balanced, clear and objective. The financial statements in the Annual Report are prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP) and comply with New Zealand equivalents to IFRS Accounting Standards (NZ IFRS).

The Board requires that, prior to its approval of financial statements, the CEO and Chief Financial Officer (CFO) make a declaration that, in their opinion, Spark's financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of Spark; and that their opinion has been formed on the basis of a sound system of risk management and internal control, which is operating effectively.

Recommendation 4.4

An issuer should provide non-financial disclosure at least annually, including considering environmental, social sustainability and governance factors and practices. It should explain how operational or non-financial targets are measured. Non-financial reporting should be informative, include forward looking assessments, and align with key strategies and metrics monitored by the board.

In addition to the published financial statements, Spark's Annual Report provides information on Spark's performance on several non-financial matters, including environmental, social, and governance commitments.

Spark's FY26 Annual Report applies the Integrated Reporting <IR> Framework and Global Reporting Initiative (GRI) standards. Spark also publishes a stand-alone Climate-related Disclosures Report, which has been prepared in compliance with the Aotearoa New Zealand Climate Standards (NZ CS 1, NZ CS 2 and NZ CS 3) issued by the External Reporting Board (XRB). The Climate-related Disclosures Report also integrates our FY26 Greenhouse Gas Inventory Report.

Spark's FY26 Modern Slavery and Human Rights Statement is also published alongside this Corporate Governance Statement as part of our FY26 annual reporting disclosures.

Principle 5:

Remuneration

"The remuneration of directors and executives should be transparent, fair and reasonable."

Recommendation 5.1

An issuer should have a remuneration policy for the remuneration of directors. An issuer should recommend director remuneration to shareholders for approval in a transparent manner. Actual director remuneration should be clearly disclosed in the issuer's annual report.

The HRCC is responsible for Spark's remuneration policy and practices and is also ultimately responsible for ensuring Spark meets legislative and regulatory requirements as they relate to remuneration matters.

Spark is committed to ensuring that the remuneration of directors is transparent, fair, and reasonable. The total fees available to be paid to directors are subject to shareholder approval.

Non-Executive Director remuneration is determined with consideration of the size and complexity of Spark and relative market benchmarks. From time-to-time, independent consultants are engaged for benchmarking purposes to ensure that the remuneration of Spark's Non-Executive Directors is appropriate and comparable to that of similar companies in New Zealand and, as relevant, Australia. Non-Executive Directors are also expected to purchase and hold an amount of Spark shares within the first three years of their appointments.

Jolie Hodson, as an Executive Director, does not receive any director fees.

Further details on Non-Executive Director remuneration can be found in the Remuneration Report at pages 51 and 52 of the FY26 Annual Report.

Further details on Non-Executive Director shareholding expectations can be found on page 59 of the FY26 Annual Report.

Further details on directors' Spark shareholdings can be found at pages 58 and 59 of the FY26 Annual Report.

Spark's Director Remuneration Policy can be found here.

Recommendation 5.2

An issuer should have a remuneration policy for remuneration of executives which outlines the relative weightings of remuneration components and relevant performance criteria.

The Leadership Team's remuneration consists of a fixed remuneration component and at-risk short-term and long-term incentives. Spark's short-term incentive (STI) scheme rewards senior leaders for the achievement of annual performance objectives, with payments awarded from a fixed cash pool that is set based on overall Spark performance against financial and/or non-financial annual performance objectives.

Spark believes that senior leaders should have part of their remuneration linked to the long-term performance of Spark. For the Leadership Team and a select group of senior leaders, a long-term incentive (LTI), which vests after three years contingent on continued employment and Spark achieving performance hurdles, forms part of their remuneration packages.

Further details on Leadership Team remuneration can be found in the Remuneration Report at page 48 of the FY26 Annual Report.

Spark's Executive Remuneration policy is here.

Recommendation 5.3

An issuer should disclose the remuneration arrangements in place for the CEO in its annual report. This should include disclosure of the base salary, short-term incentives and long-term incentives and the performance criteria used to determine performance based payments.

The CEO's remuneration package reflects the scope and complexity of the role and is set by the Board, with reference to the remuneration of CEOs of similarly sized organisations. For FY26 the CEO's remuneration package comprises a fixed cash component, an at-risk short-term incentive and an at-risk long-term incentive.

The CEO's annual cash-based short-term incentive is subject to the achievement of specific performance objectives set by the Board based on Spark's strategy and business plan for the respective financial year.

The CEO's annual long-term incentive will be granted as options under Spark's LTI scheme, contingent on continued employment and Spark achieving performance hurdles. The CEO is also expected to purchase and hold an amount of Spark shares.

Further details on CEO remuneration can be found in the Remuneration Report on page 48 of the FY26 Annual Report.

Further details on the CEO shareholding expectations can be found on page 51 of the FY26 Annual Report.

For more details on Director and Executive remuneration please see the Remuneration Report in the FY26 Annual Report.

Principle 6:

Risk Management

"Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks."

Recommendation 6.1

An issuer should have a risk management framework for its business and the issuer's board should receive and review regular reports. An issuer should report the material risks facing the business and how these are being managed.

Spark's operating model, decision-making practices and governance arrangements empower its people to make decisions and manage the risks associated with achieving Spark's strategy and business objectives. Strong corporate governance, including a highly effective and integrated risk management framework, helps Spark make good business decisions that create stakeholder value.

Spark's Managing Risk Policy and Framework is benchmarked to the COSO ERM 2017, a leading enterprise risk management standard, and is designed on the principle that managing risk creates, protects, and enhances value. It is embedded in decision-making processes and accountability structures so that uncertainty and risk can be managed effectively. The framework is iterative and responsive to change, helping Spark adapt to evolving internal and external conditions.

The ARMC is responsible for ensuring that Management has established an effective risk management framework. Risk owners are accountable for identifying, assessing, managing and monitoring risks within their areas of responsibility, supported by clear governance and escalation processes. The Risk team is responsible for maintaining and continuously improving the framework and providing enterprise-wide guidance, challenge and reporting. The framework is structured around the Three Lines of Defence Risk Model, ensuring that risk ownership, oversight and independent assurance are clearly defined across Spark.

The ARMC reviews management's principal risk profile (Spark's material risks) bi-annually. It also receives reports on the effectiveness of the implementation and operation of the policies and systems designed to manage risk. The ARMC receives quarterly reporting from the Risk, Internal Audit and Fraud functions on the effectiveness of risk management, the evolution of the Managing Risk Framework, internal audit findings, fraud risk management activities and the status of management actions.

The ARMC receives an annual assessment to confirm the Managing Risk Framework is designed and operating effectively. The last assessment was undertaken by Spark's Risk team in August 2025. Every five years Spark also has its Managing Risk Framework externally reviewed to ensure it remains fit for purpose and is operating effectively. The next review is scheduled to be completed by November 2027.

A summary of Spark's Managing Risk Framework and Spark's identified principal business risks and mitigations are outlined in the Risk Management section of the FY26 Annual Report.

Spark's Managing Risk Policy can be found here.

Recommendation 6.2

An issuer should disclose how it manages its health and safety risks and should report on its health and safety risks, performance and management.

Spark is committed to fostering a workplace where our people, partners, and suppliers are accountable and empowered to work together to protect and promote the health, safety, and wellbeing of all.

To achieve this Spark has an established Health and Safety framework supporting our ACC Accredited Employer Programme for strong injury prevention and management practices; active hazard and risk management; development of an employee-driven safety culture; and the right resources and processes to deliver on the framework. Integral to the framework is the Health and Safety Information System, which shapes and monitors key performance indicators across the business, focusing on Spark's strategic objectives, targets, and managing critical hazards and risks.

The Board and Leadership Team are both integrally involved in health and safety strategic planning, implementation, and monitoring. Spark has also integrated wellbeing into its health and safety framework to make sure that we consider the full range of factors that contribute to healthy and safe working lives at Spark. This framework is a key part of building a safe, healthy, and inclusive environment for our people.

Further details regarding Spark's health and safety performance can be found in the Our People section of the FY26 Annual Report.

Principle 7:

Auditors

"The board should ensure the quality and independence of the external audit process."

Recommendation 7.1

The board should establish a framework for the issuer's relationship with its external auditors. This should include procedures:

a. for sustaining communication with the issuer's external auditors;

b. to ensure that the ability of the external auditors to carry out their statutory audit role is not impaired, or could reasonably be perceived to be impaired;

c. to address what, if any, services (whether by type or level) other than their statutory audit roles may be provided by the auditors to the issuer; and

d. to provide for the monitoring and approval by the issuer's audit committee of any service provided by the external auditors to the issuer other than in their statutory audit role.

The ARMC oversees Spark's relationship with its external auditor. The External Auditor Independence Policy and ARMC Charter together establish a framework for the engagement of the external auditor. The objective of this framework is to maintain the independence of the external auditor, both in fact and appearance, and support confidence in the reliability and credibility of Spark's financial reporting.

The ARMC is responsible for the appointment of Spark's external auditor, approval of its terms of engagement, and subject to shareholder approval, audit fees. The ARMC Charter also defines the services that may and may not be performed by the external auditor.

The ARMC annually assesses and confirms to the Board the independence of the external auditor in accordance with the External Auditor Independence Policy. Rotation of the external audit firm is not mandated. However, rotation of the lead audit partner is required, and occurs every five years. In accordance with this policy, Melissa Collier was appointed lead audit partner for FY26, succeeding Jason Stachurski.

The ARMC Charter establishes the protocols for communication between the ARMC, Management and the external auditor.

The ARMC Charter and the External Auditor Independence Policy can be found here.

Recommendation 7.2

The external auditor should attend the issuer's Annual Meeting to answer questions from shareholders in relation to the audit.

Representatives of Spark's external auditor attend Spark's annual meeting and are available to answer shareholder questions regarding the conduct of the audit and the content of the external auditor's reports.

Recommendation 7.3

Internal audit functions should be disclosed.

The primary objective of Spark's internal audit function is to support the Board and Management in exercising good governance by providing independent assurance over the effectiveness of Spark's risk management, control and governance processes.

The ARMC approves the appointment and oversees the performance of the Risk, Internal Audit and Fraud Lead, who is accountable for leading Spark's internal audit function and has direct access to the Chair of the ARMC. The Internal Audit Charter defines the Internal Audit's purpose, authority and responsibilities. Internal Audit is independent of the activities it audits and has unrestricted access to Spark's records, systems and employees.

The Internal Audit team delivers an annual Risk, Internal Audit and Fraud Plan, which is developed using Spark's principal risks, business priorities and other emerging risks. The ARMC approves the plan and monitors progress against it throughout the year. The ARMC also reviews whether the Internal Audit team is appropriately resourced and has the skills and capability required to provide effective assurance over Spark's key risks. Audit priorities are reviewed quarterly following consultation with the ARMC and relevant Management stakeholders.

Principle 8:

Shareholder Rights & Relations

"The board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer."

Spark is committed to promoting a fair and transparent market through comprehensive continuous disclosure, and ensuring our shareholders are provided with the information required to exercise their rights.

Spark's Disclosure Policy and associated procedures govern communications with shareholders and other stakeholders. All material information is lodged promptly and without delay with the relevant stock exchanges. Once lodged, information is published on Spark's investor website, and shared with local media and other market commentators where appropriate. Spark may make available on its website any other relevant information made available to investors/ analysts (e.g. presentation materials).

Recommendation 8.1

An issuer should have a website where investors and interested stakeholders can access financial and operational information and key corporate governance information about the issuer.

Spark's website is an important avenue of communications with shareholders and other stakeholders. Spark maintains a dedicated investor website which contains market releases, financial information, current and past annual reports, investor presentations and webcasts, dividend and share price histories, notices of meeting, biographies of Spark Directors and Leadership Team, investor contacts, important calendar dates, and other information about Spark.

Recommendation 8.2

An issuer should allow investors the ability to easily communicate with the issuer, including by designing its shareholder meeting arrangements to encourage shareholder participation and by providing shareholders the option to receive communications from the issuer electronically.

Spark provides shareholders with the option to receive communications from, and send communications to, Spark electronically.

Spark is committed to maintaining multiple channels of shareholder communications and engagement, which currently includes:

1. semi-annual earnings announcements via webcast and audio conference;
2. semi-annual post-results briefings with investors in New Zealand and offshore financial centres;
3. regular ad hoc one-on-one and group investor and analyst meetings;
4. an annual meeting with both in-person and virtual participation;
5. an Annual Report, Corporate Governance Statement, Modern Slavery and Human Rights Statement, and Climate-related Disclosures report; and
6. investor briefing days (where appropriate) and presentations to domestic and international investors at broker led conferences.

Spark remains committed to maintaining its investment profile in key investment markets in Europe, North America, Asia and Australasia to ensure that its strategies and opportunities are understood, and the market is fully informed.

All Spark shareholders are encouraged to participate in the annual meeting, including in person and virtually via an online annual meeting platform where shareholders can vote, ask questions, and watch the meeting via webcast. Shareholders can also electronically appoint and direct proxies to vote on their behalf at the annual meeting.

The annual meeting webcast will be archived on the Spark investor website after the meeting.

Recommendation 8.3

Quoted equity security holders should have the right to vote on major decisions which may change the nature of the issuer in which they are invested.

Spark is committed to ensuring that each shareholder who invests in Spark has the right to vote on major decisions that may change the nature of the company. All of Spark's shareholders have the right to one vote per share, and voting at the annual meeting is conducted by poll.

Recommendation 8.4

If seeking additional equity capital, issuers of quoted equity securities should offer further equity securities to existing equity security holders of the same class on a pro rata basis, and on no less favourable terms, before further equity securities are offered to other investors.

Spark did not undertake any equity capital raises over the 12 months to 30 June 2026.

Recommendation 8.5

The board should ensure that the notice of annual or special meeting of quoted equity security holders is posted on the issuer's website as soon as possible and at least 20 working days prior to the annual meeting.

Spark's Annual Meeting of Shareholders was held as a hybrid meeting on Friday, 7 November 2025. The Notice of Annual Meeting was published on Friday, 3 October 2025.

Glossary

ARMC	Audit and Risk Management Committee
HRCC	Human Resources and Compensation Committee
LTI	Long-Term Incentive Scheme, which is part of Spark Leadership Team and CEO remuneration
NOMs	Nominations and Corporate Governance Committee
Spark	Spark New Zealand Limited
STI	Short-Term Incentive Scheme, which is part of Spark Leadership Team and CEO remuneration

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