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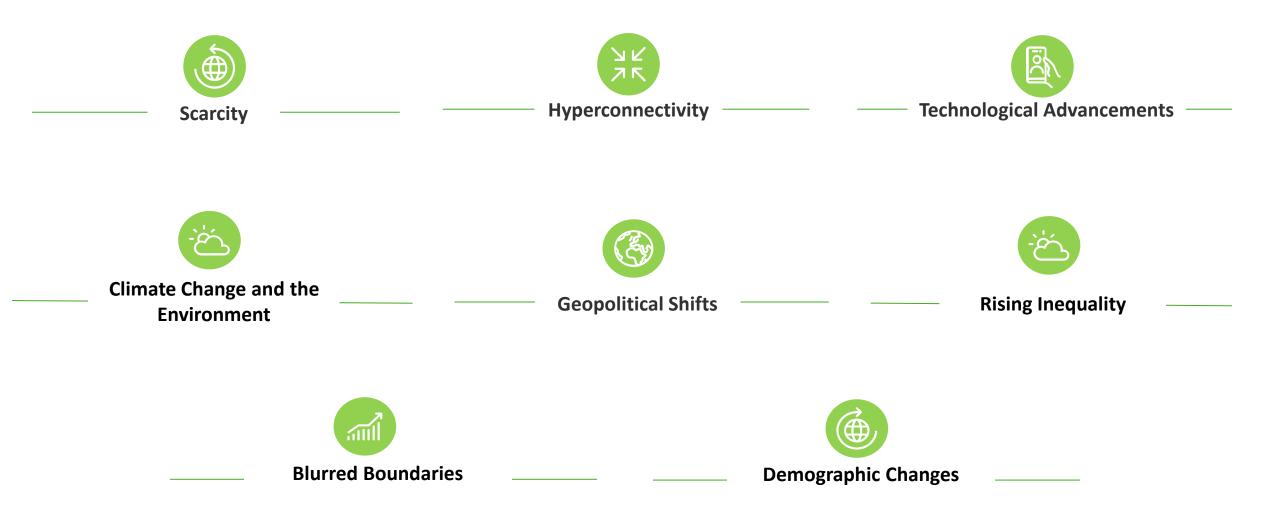
Shaping Aotearoa's Future CLC Masterclass Presentation



June 2023

Shaping Aotearoa's Future

Eight Global MegaTrends – the emerging issues, risks & opportunities



Sustainable Transformation in Aotearoa – the response required

Seven key shifts that characterise organisations with transformative approaches to sustainability, where long-term value is generated.

		FROM		→ TO
1	I Risk focused	Companies see sustainability through the lens of disruption and risk, focusing on how sustainability could damage the company's bottom line.	Opportunity focused	Companies see sustainability through the lens of growth and opportunity, focusing on how sustainability could increase the company's bottom line.
2	Ø Opaque	Companies shy away from technology and reporting practices that could expose their poor sustainability performance.	Transparent	Companies adopt technology advances to enable radical transparency, and openly discuss sustainability performance and improvement areas.
3	(\$) Profit-driven	Profit-driven companies are committed to create financial returns for their shareholders, this drives their strategy and decision-making.	Purpose driven	Purpose-driven companies seek to create long-term value for all stakeholders, not just shareholders. Their purpose guides strategy and decision-making.
4 Ente	्र्रेष्ट् हrprise focused	An enterprise approach operates within a company's traditional boundaries. Interactions with external stakeholders are transactional and not reciprocal.	Ecosystem focused	An ecosystem approach involves the wider ecosystem, recognising interdependencies in the company's relationships with external stakeholders.
5 ,	Consultative	Consultative approaches aim to raise awareness, exchange information, build support, and secure buy-in from stakeholders.	Collaborative	Collaborative approaches aim to engage in co-innovation and partnerships with stakeholders to build mutual interest in sustainable outcomes.
6	Preservative	A preservative model aims to sustain the present state. This model adopts a "do no harm" approach to sustainability.	Regenerative	A regenerative model aims to go beyond the current state to restore and reconstruct. The model aims to "do more good than harm".
7) Linear	Companies take a linear approach to using resources. The raw material is transformed into a product, which is thrown away after it ends its life cycle.	Circular	Companies strive to adopt a circular model, which is renewable by design and aims to decouple growth from the use of raw materials to preserve resources.

Deloitte.

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CURIOUS

Aotearoa so that we and play A REAL PROPERTY OF THE PROPERT

COURAGEOUS COLLABORATIVE

CHORUS

Thriving environment

Sustainable digital futures

WIN IN **CORE FIBRE**

Maximise fibre market share

Leading customer experience

Thrive in new regulatory

> Safe, resilient and efficient assets

Stronger future partnerships

OPTIMISE **NON-FIBRE ASSET BASE**

Refine rural strategy Progress UFB copper withdrawal **Optimise property** assets

Thriving people

Diverse, inclusive and adaptive Chorus

GROW NEW REVENUES

Incubate new fibre products (e.g. Hyperfibre) Monetise close adjacent opportunities (e.g. Edge)

Ongoing growth roadmap and strategy



Engaging with exec teams and boards



CHORUS

Re-engage and adapt

Thriving environment

Sustainable digital futures



CH RUS

June 2023



Role of materiality in organisational strategy

Masterclass Climate Leaders Coalition

Delivered.

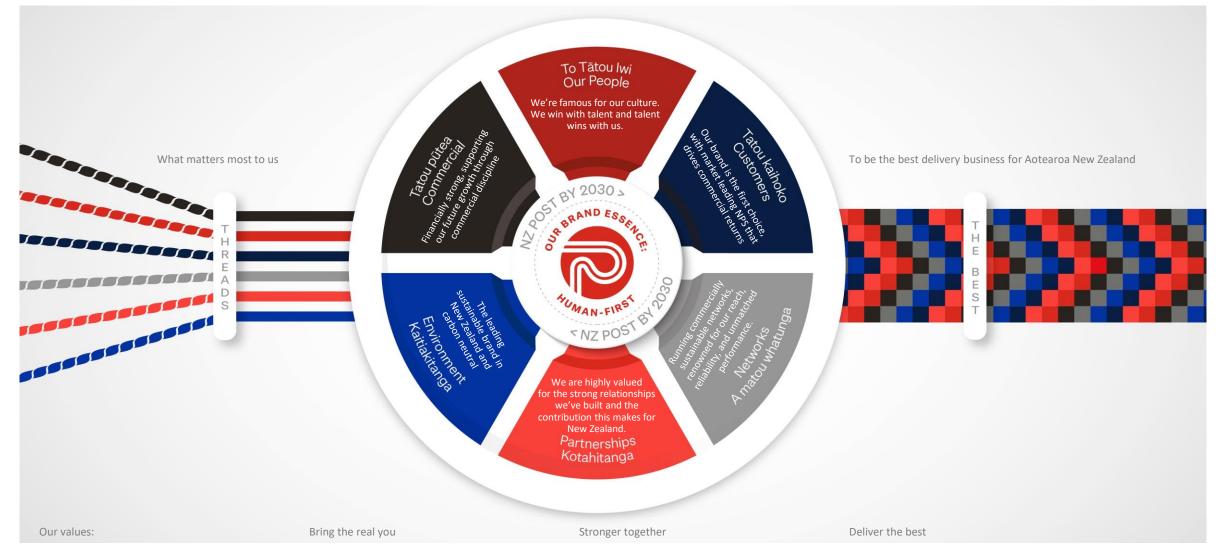
2022 Integrated Report



RZPos

Delivering what people care about





Our strategy delivers on our aspiration



Winning aspiration

To be the best delivery business in Aotearoa, New Zealand

Whether it's packages, parcels, letters, cards or something entirely different, NZ Post is in the business of connecting senders and receivers, delivering goods quickly and cost effectively across the country.

To become - and remain - the 'best delivery business for Aotearoa NZ', we are relentlessly working in line with our purpose - because delivering what people care about tomorrow looks different from today.



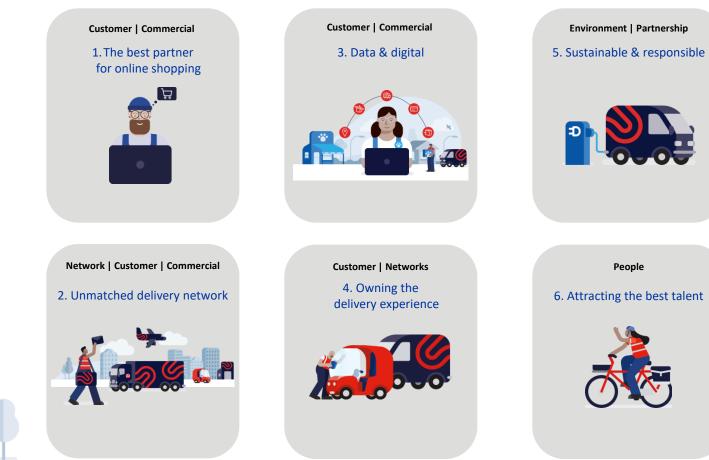
We will 'own the online delivery experience' for large ecommerce retailers

We will also serve all customer groups with a high-quality experience.

Where to play

How to win

Our competitive advantage



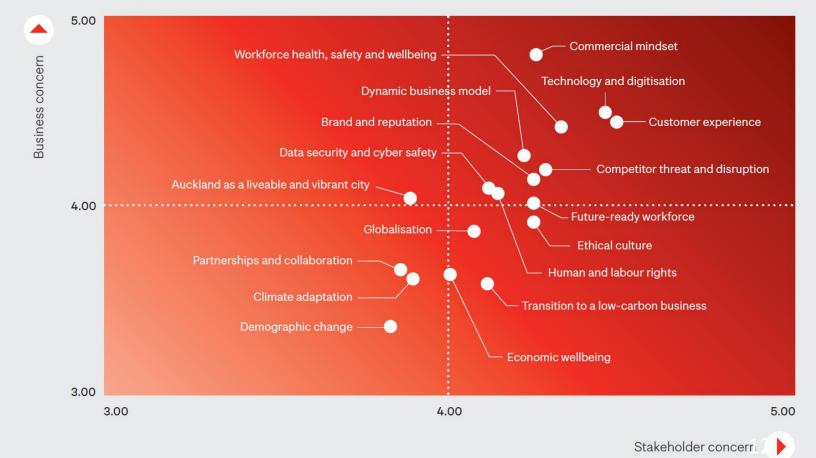
FY20 materiality matrix

Potential to impact NZ Post's ability to deliver value

A material issue is a risk or an opportunity as determined by our stakeholders (internal and external) that could significantly impact our business performance over the medium or long term.



Average scores start at 3.00



Strengths and challenges with materiality research to date





Strengths

- Independent research
- Internal and external view points
- Range of key external stakeholders
- Reviewed by board
- Published in report
- Transparent process



Challenges

- Too many material issues
- Seen as reporting tool rather than strategic
- Blur of risk and material issues
- Speaking to the 'right' people
- Not much change in date/insights over the years
- What's the so what?

And then **BOOM** the pandemic happened, war in Ukraine and not to mention a few serious climate change events

Making materiality more strategic

Existing process not hitting the spot with our Board, Exec and Senior managers

Clear agreement that greater value can and should be, extracted from the materiality process, and should be part of the ongoing strategic planning process however global and other trends need to be synthesised for our context.

Confirmation that:

- it must include a range of external views and be independent to get robust views
- support an adaptive multi decision making capability within the business
- assist us to identify appropriate proportional action on issues rather than state everything is important

"Having respondentsthink deeply about (the issues), and then come back to us about how they would navigate that dilemma (of prioritisation) from their perspective, would improve our process."

Use the latest issues to test at strategy session:

- What do the material issues mean for our threads/capitals and our ability to create value?
- What are the implications for our strategy strengths and vulnerabilities?





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Delivering what people care about.