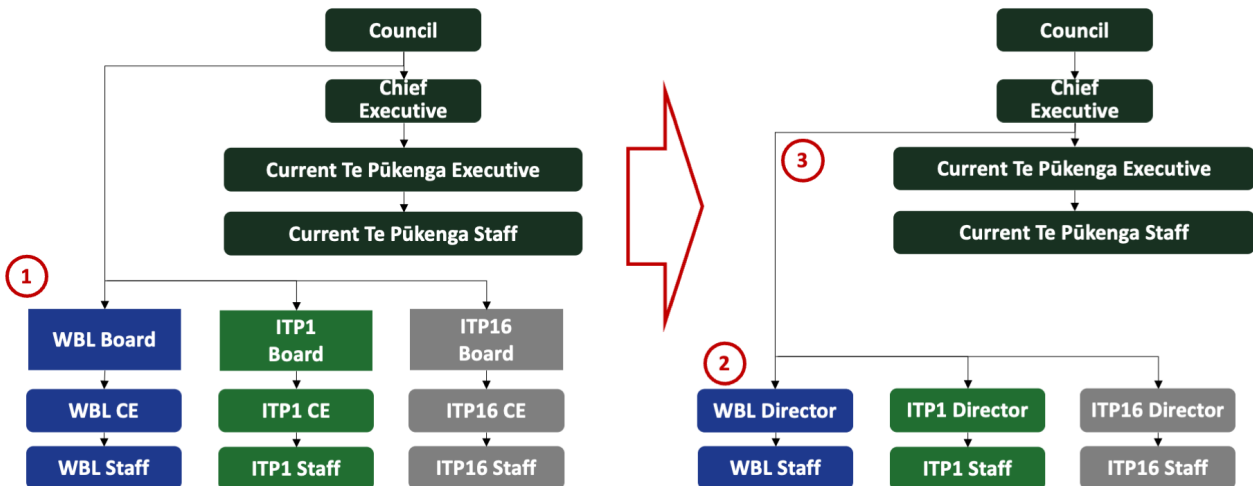


Tā tātou huarahi whakawhitinga | Our transition approach

Step 1: Subsidiary dissolution



In this process, operations become a self-contained business unit of Te Pūkenga:

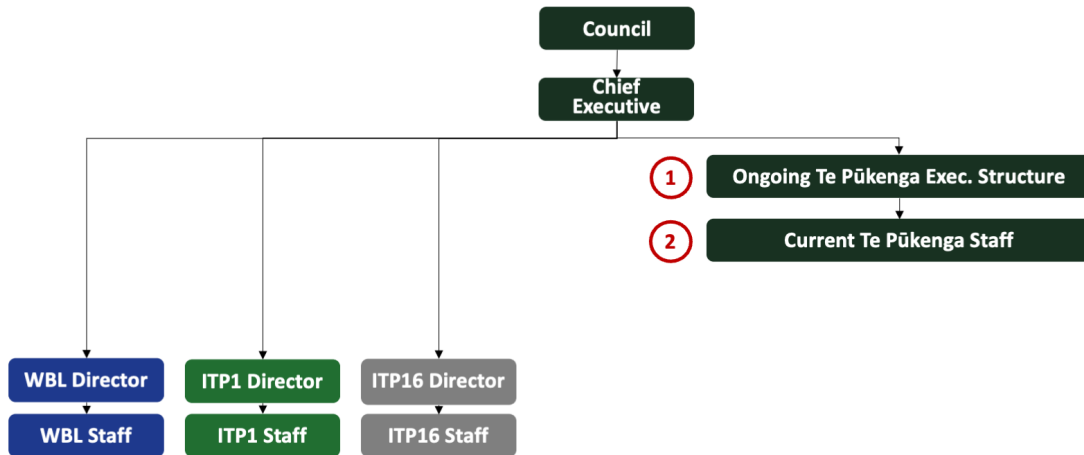
- 1 The companies are dissolved and their current Boards cease to exist. The companies become business units within Te Pūkenga.
- 2 The current subsidiary Chief Executive remains in place as a Director of that business unit.
- 3 The business unit Directors report to Te Pūkenga Chief Executive (or whichever person to whom he delegates this task).

All kaimahi are transferred into Te Pūkenga, in their current roles, on their current terms and conditions.

This process is now well-practised after the move of Toi Ohomai and Wintec into Te Pūkenga at the beginning of June this year. We expect all ITP subsidiaries to have made this move before Christmas 2022, and are working with WBL on the timing of its dissolution.

The advantages of this approach are that it removes the complication of the technical change of employer and puts all kaimahi, as employees of Te Pūkenga, on the same footing for the next steps.

Step 2: Set the foundations of the new organisation



The foundations of the new Te Pūkenga organisational structure are put in place:

- 1 Executive leadership team appointed in accordance with the proposed organisational structure set out in this document.
- 2 Existing National Office kaimahi reporting lines change as required to map into the new structure.

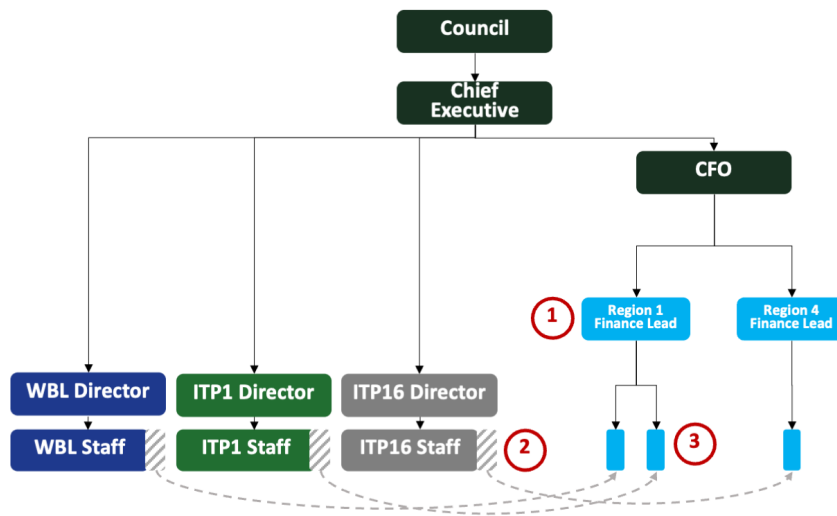
The subsidiaries continue to perform their roles and deliver their services during this phase.

Step 3: Appoint managers and change reporting lines

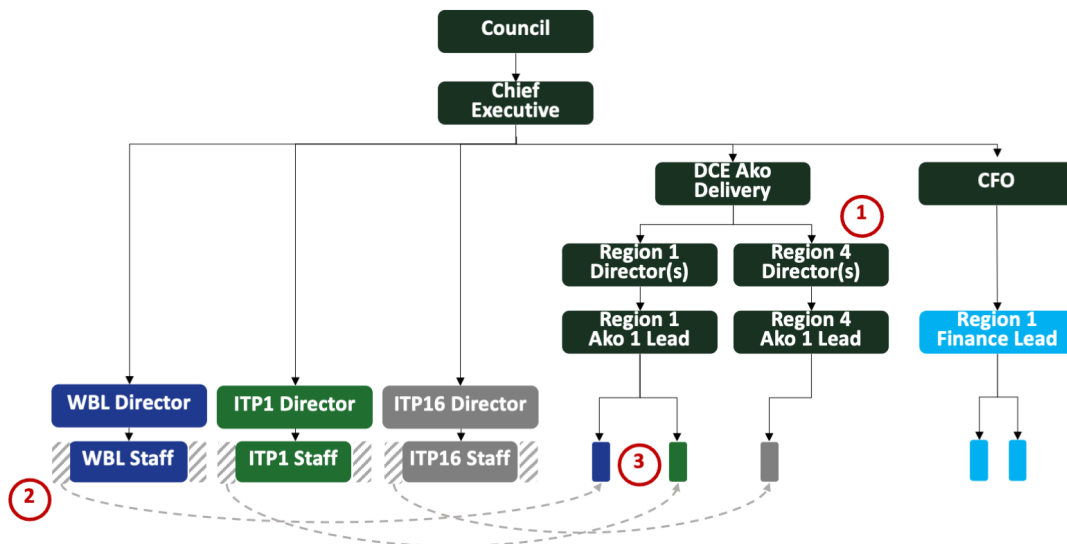
This diagrams below use simple, examples for the transitions. The diagram below uses Finance and we would expect all enabling functions to follow this approach.

The second diagram uses Ako Delivery Network Business Groups to illustrate how this might happen for delivery kaimahi.

Finance



Ako Delivery Network



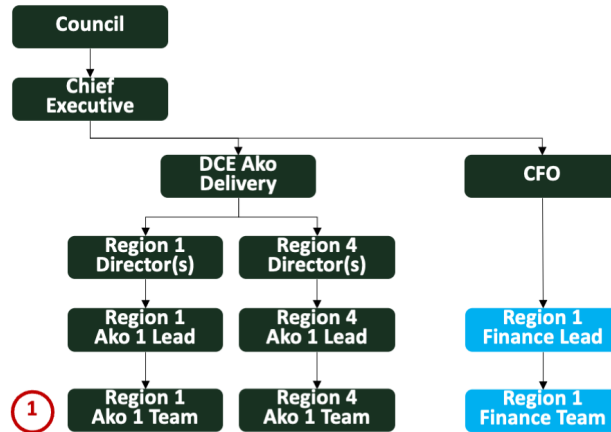
- 1 Centralised enabling: Regional Leads will be appointed within each enabling Business Group, reporting directly to the DCE.

Ako Delivery Network: Directors are appointed for each region, and within each region leads will be appointed for each Ako Delivery Network and Delivery function.

We plan to run competitive appointment processes for these positions but expect a large proportion to be appointed from within the Network.
- 2 Kaimahi who will map to that Ako Delivery Network are identified in each subsidiary.
- 3 Those kaimahi, in their existing teams where possible, have their reporting lines transferred into the new management structure. We will take a pragmatic approach to these transfers, which might result in a small number of exceptions to the general organisation structure, where it is not possible to move fully to the proposed model.

This process will be undertaken function by function across the entire Network. When residual WBL and ITP organisations cease to be coherent business units requiring their own management we expect to do the remaining transfers at once.

Step 4: Full integration



Continuing to use the simple example from the previous step:

- 1 Teams within regions become fully integrated, bringing the capabilities of ITOs and ITPs into a single team.

Where possible, we will do Steps 3 and 4 simultaneously so as to minimise the stages of change. We expect that this will involve some change so as to avoid duplication within and across regions or national functions but cannot, at this stage, specify what that would be. We intend to manage any such processes primarily through attrition and redeployment.