

3 February 2020

## The Warehouse Group announces leadership changes as part of its move to agile ways of working

The Warehouse has today confirmed its Leadership Squad as the company works towards adopting agile ways of working (agile) from August this year.

The adoption of agile is in early stages and Group CEO Nick Grayston confirms that the formation of a Leadership Squad will support the planned implementation in August at the beginning of FY21.

Mr Grayston said the announcement of the new leadership squad does not alter the FY20 strategy or its execution.

"The future will be dominated by an ever-increasing pace of change and traditional structures are too slow to provide a flexible platform to react at pace to changing customer dynamics. As part of an agile way of working The Warehouse Group head office will move from a more traditional hierarchical structure to one that involves co-located self-managing teams empowered to deliver for rapidly evolving customer needs. Each team will have clear accountabilities and will collaborate quickly and effectively to deliver to customer expectations and business priorities," said Mr Grayston.

To enable the new ways of working a traditional leadership team will change to become a leadership "squad" that sets business strategy and empowers individual teams to deliver.

Nick Grayston said "The Warehouse Group has clear aspirations for its move to agile including: keeping customers at the centre of everything we do; making our company the best place to work; being fast and dynamic at executing; achieving a higher standard of performance; and getting back to the ambitious innovation that made us great."

The new leadership squad will start working together in this way immediately. The new squad will consist of the following:

Group CEO – Nick Grayston – no change

Chief Financial Officer – Jonathan Oram – no change

Chief Transformation Officer – Scott Newton – no change

Chief Digital Officer – Michelle Anderson – no change

Chief Information Officer – Edwin Gear – no change

Chief Customer Officer – Jonathan Waecker – currently Chief Marketing Officer

Chief Sales Officer – Tim Edwards – currently CEO Noel Leeming

Chief Operating Officer – Pejman Okhovat – currently CEO The Warehouse/Warehouse Stationery

Chief Product Officer – Tania Benyon – currently CEO Group Sourcing Support and TWL/WSL

Merchandise

Chief Human Resources Officer – Richard Parker (Acting) – currently Acting Chief People Officer

Mr Grayston said that each member of the Leadership Squad brings specific insights and knowledge to business and this change in people operating model will benefit from this focused leadership squad.

A key change has been the removal of the CEO roles for both The Warehouse/Warehouse Stationery and Noel Leeming businesses to reflect the scale of the Group, the strategic opportunity to create a wider ecosystem and the opportunities to share knowledge, skills and delivery across key functional areas. While the brand specific CEO roles change, there is no change to the external customer branding and both Tim Edwards and Pejman Okhovat will be working across the existing brands.

In the Chief Sales Officer role, Tim Edwards will focus on maximising customer experience of the brands through driving excellence in customer facing teams, whereas Pejman Okhovat in the role of the Chief Operating Officer will ensure products and services are available to buy across all TWG channels with the right products in the right place at the right time and minimise handoffs with the creation of a true end-to-end supply chain from factory to shelf.

Other brands remain unchanged, although Torpedo7 will adopt many agile principles and cadence, and Simon West will continue the transformation underway in that business.

TheMarket (which already employs agile ways of working) will continue to operate independently with dedicated governance provided by a delegated committee of the Group Board, and Justus Wilde will continue as CEO of TheMarket.

Stewart Smith will take on sponsorship for new concepts and opportunities along with a continuing support of Group strategy development and execution. All three will report directly to Nick Grayston as Group CEO.

-Ends-

For investor queries please contact:

Jonathan Oram <u>Jonathan.oram@thewarehouse.co.nz</u>

Chief Financial Officer +64 21 757 415

For media enquiries please contact:

Tanya Henderson media.enquiries@thewarehouse.co.nz

General Manager, Corporate Communications +64 21 195 2854