

COMU INDUCTION



Induction is primarily the responsibility of the Chair and the company/entity's management.

COMU has traditionally organised a one-day induction seminar at the conclusion of every significant process and invited the appointees from that process to attend. The COMU induction seminar is not intended to inform people "how to be a director" nor does it provide information on the specific companies/entities that directors may have been appointed to. It gives an overview of the shareholders' expectations, the differences involved in governance in a Crown company, the specific reporting requirements and the agencies that are involved.

It is not compulsory for new board members to attend a COMU induction seminar, but they should be strongly encouraged to attend. If the original date does not suit a majority of the appointees, consideration should be given to deferring the event. The cost of the seminar itself, including catering, is borne by COMU. However, COMU does not pay for travel and accommodation (if required) for the individual attendees, and they should discuss those costs with the entity to which they have been appointed.

Typically, the induction seminar has included an address by the responsible Minister who welcomes the new directors and broadly outlines the shareholders' expectations for Crown companies. It is also an important opportunity for directors to speak to a Minister directly and pose questions.

In terms of logistics, commencement of the organisation for the induction seminar should start with the Minister. If the Minister is to be involved, it is easier to schedule that session at the start of the day and work the rest of the agenda around it. A request for a date in the Minister's diary should be made well in advance of the end of the appointment process. This will enable appointees to be invited to the induction seminar as part of their appointment letter.

Other possible participants at COMU induction seminar

- ▶ Chair or senior director of a Crown company
- ▶ Senior management from a Crown company (eg, CEO or company secretary)
- ▶ COMU Monitoring Manager(s)
- ▶ Treasury Legal team
- ▶ Minister's private secretary
- ▶ Office of the Auditor-General