

Nomination Committee

A nomination committee refers to a group of board members who are responsible for the corporate governance of an organization. Nominating committee members typically work to evaluate the characteristics and performance of board members and are responsible for selecting the best candidates for each seat on the board.

Who is Part of a Nomination Committee?

A nomination committee includes a chair – the person responsible for overseeing and managing the committee and its decisions. The role of the chair's been traditionally held by the company's chairman, but there is an increasing reliance on:

Non-Executive Directors (NEDS)

NEDs are directors that represent a majority shareholder but do not oversee the day-to-day management of the company.

Senior Independent Directors (SIDs)

SIDs are external directors with no link to the company but are hired for guidance.

Nomination committees usually comprise a mix of SIDs, NEDs, and senior directors that are part of the company's board (e.g., the chairman). The individual assigned to the role of the committee chair is decided by the company.