

YELL GROUP PLC
NOMINATION COMMITTEE
TERMS OF REFERENCE

Definitions: “the Committee” the Nomination Committee

“the Company” Yell Group plc

1 CONSTITUTION

The Committee shall be a committee of the Board of Directors of the Company whose members shall be approved by a majority of the Board of Directors.

2 MEMBERSHIP

- 2.1 The Committee shall comprise of a chairman and at least 2 other members.
- 2.2 A majority of members of the Committee shall be independent non-executive directors.
- 2.3 The Committee chairman shall be either the Chairman of the Board or an independent non-executive director.
- 2.4 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive, the head of human resources and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.
- 2.5 Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods provided that the majority of the Committee members remain independent.
- 2.6 The Company Secretary or a nominee shall act as the Secretary of the Committee.

3 MEETINGS

- 3.1 The Committee shall meet as appropriate but not less than once a year.
- 3.2 A meeting of the Committee may be called by the Secretary at the request of any member of the Committee.
- 3.3 Meetings of the Committee shall be called by seven days' written notice unless all members of the Committee agree to shorter notice.

- 3.4 Members may participate in a meeting by means of a conference telephone, video conferencing facility or other similar communicating equipment.
- 3.5 The quorum for meetings shall be 3, of whom at least 2 must be independent non-executive directors.
- 3.6 The Secretary shall minute the proceedings and resolutions of all meetings as well as keep appropriate records.
- 3.7 Minutes of Committee meetings shall be circulated promptly to all members of the Committee and the Chairman of the Board and, once agreed, to all other members of the Board, unless a conflict of interest exists.

4 DUTIES

The duties of the Committee shall be:

- 4.1 to review regularly the Board structure, size and composition and make recommendations to the Board with regard to any adjustments that are deemed necessary;
- 4.2 to be responsible for identifying and nominating candidates for the approval of the Board to fill Board vacancies as and when they arise as well as put in place plans for succession, in particular, of the Chairman and the Chief Executive;
- 4.3 to be responsible for identifying and nominating suitable candidates for the role of senior independent director;
- 4.4 to review and make recommendations as to the membership of the Audit and Remuneration Committees, in consultation with the chairmen of those committees;
- 4.5 to make recommendations to the Board for the continuation (or not) in service of an executive director as an executive or non-executive director;
- 4.6 to recommend directors who are retiring by rotation to be put forward for re-election where appropriate and desired by that director;
- 4.7 to keep the membership and succession position of the Board under regular review to ensure the optimum balance of executive and non-executive directors, disciplines, age and relevant experience;
- 4.8 to receive and consider reports on the identification and career planning of senior executives judged to have potential for the Board and to ensure the planned development of people so identified;
- 4.9 to take practical steps to meet and form personal judgements on those identified to have potential for the Board;

- 4.10 to make appropriate recommendations to the Board on these and any other matters which may be specifically referred to it by the Board, including where necessary, recommendations regarding external recruitment and means of successfully undertaking this; and
- 4.11 to ensure that the chairman of the Committee or in his absence, an appointed deputy, attends the Annual General Meeting to answer any shareholders' questions on the Committee's activities.
- 4.12 to review any possible conflicts of interest brought to its attention by any director and formulate proposal to the main Board for approval (or not) of such conflict.
- 4.13 To review directors' conflicts of interest on an annual basis.

5 REPORTING RESPONSIBILITIES

- 5.1 The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 5.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 5.3 The Committee shall make a statement in the annual report about its activities, the process used to make appointments and explain if external advice or open advertising has not been used.

6 OTHER

The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

7 AUTHORITY

The Committee is empowered by the articles of association of the Company to discharge its functions on behalf of the Board of Directors and is entitled to have access, at the Company's expense, to such internal or external professional advice as it sees fit in furtherance of its duties.

8 DECISIONS OF THE COMMITTEE

Any decisions of the Committee shall be taken in a simple majority basis. The Chairman shall have a casting vote in the event of equality of voting.