

**TALKTALK TELECOM GROUP PLC**  
(the “Company”)

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**  
(approved at a meeting of the Board of Directors held on 30 January 2014)

**CONSITUTION**

1. The Board of Directors of the Company (the “**Board**”) hereby resolve that the terms of reference of the nomination committee are as set out below.

**MEMBERSHIP**

2. A majority of members of the committee will be independent non-executive Directors and other Directors may be appointed from time to time by the Board provided always that a majority of the members of the committee are independent non-executive Directors.
3. The Chairman of the committee shall be appointed by the Board (and shall be John Gildersleeve at the date of approval of these terms of reference) and shall have a casting vote on all matters in the event of an equality of votes.

**MEETINGS**

4. A quorum shall be any two members.
5. All reasonable efforts shall be made to give notice of meetings of the committee to all members of it and arrange such meetings so that members are able to attend it. A member of the committee may participate in a committee by telephone.
6. Meetings shall be held as required and not less than twice a year.
7. Minutes of any formal meeting of the committee shall be prepared by the company secretary and circulated to all committee members and, after approval and signature by the committee Chairman, shall be submitted to the Board.
8. The Chairman of the committee shall be available to answer questions about the committees’ work at the annual general meeting of the Company.

**DUTIES**

9. Where the Board has identified the need for Board appointments, the committee shall carry out a formal selection process of candidates, and then propose to the Board and make recommendations regarding appointments, whether of executive or non-executive Directors.

10. The committee shall consider nominees put forward by any member of the Board. It shall also be authorised to employ the services of search consultants in accordance with the procedure agreed by the Board.
11. In particular, in discharging its duties, the committee shall have regard to: the UK Corporate Governance Code published in September 2012 by the UK Financial Reporting Council (as amended from time to time) including provisions on the role and duties of the nomination committee in Section B and related guidance and good practice suggestions; the UKLA Listing Rules; and associated guidance and other applicable regulations and guidelines from bodies such as the Association of British Insurers.
12. Additionally, the committee should:-
  - 12.1 be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
  - 12.2 before making an appointment, evaluate the balance of skills, knowledge and experience on the Board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment;
  - 12.3 review annually the time required from a non-executive Director. Performance evaluation should be used to assess whether the non-executive Director is spending enough time to fulfil their duties;
  - 12.4 consider candidates from a wide range of backgrounds and look beyond the “usual suspects”;
  - 12.5 give full consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the Company and what skills and expertise are therefore needed on the Board in the future;
  - 12.6 regularly review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the Board with regard to any changes;
  - 12.7 keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
  - 12.8 make a statement in the annual report about its activities; the process used for appointments and explain if external advice or open advertising has not been used; the membership of the committee, number of committee meetings and attendance over the course of the year;

- 12.9 make available its terms of reference explaining clearly its role and the authority delegated to it by the Board; and
  - 12.10 ensure that on appointment to the Board, non-executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings.
13. The committee should make recommendations to the Board:-
- 13.1 as regards to plans for succession for both executive and non-executive Directors;
  - 13.2 as regards to the re-appointment of any non-executive Director at the conclusion of their specified term of office;
  - 13.3 concerning the re-election by shareholders of any Director under the retirement by rotation provisions in the Company's articles of association;
  - 13.4 concerning any matters relating to the continuation in the office of any Director at any time; and
  - 13.5 concerning the appointment of any Director to executive or other office other than to the positions of Chairman and chief executive, there commendation for which would be considered at a meeting of the Board.

#### **ULTIMATE DECISIONS**

14. All decisions in respect of appointment of Directors shall be referred to the Board and shall take effect, only upon approval thereof by resolution of the Board at a meeting which is properly convened and constituted and in accordance with the Company's Articles of Association.

30 January 2014