

## **Appendix B**

### **The Terms of Reference of the Shareholder Sub Committee are:**

1. To receive reports and approve Key Decisions (those decisions related to, but not limited to, borrowing of funds, changes and appointments to senior management structure, strategic policy adoption) of HTS Group and its subsidiaries, including, but not exclusively, the Articles of Association, the scheme of delegation, the appointment of Board Advisors, to appointment to any standing committees of the HTS Group and its subsidiary and determining shareholder controls.
2. To be consulted on the appointment and dismissal of Statutory Directors for HTS Group and its subsidiaries and external auditors.
3. To hold all HTS Group Boards to account.
4. To receive and agree the Business Plans for HTS Group Limited and its trading subsidiaries.
5. To receive financial and performance monitoring reports and accounts for the HTS Group and its subsidiaries.
6. To approve activities and thresholds contained in each scheme of delegation for HTS Group and its subsidiaries.
7. To be consulted and approve any proposals to change the HTS Group Limited and any subsidiary corporate structure.

### **Relationship between the Shareholder Sub Committee (“SCC”) and HTS Group and its subsidiaries**

1. The SSC may consider the options available to all HTS Group trading arms with a view to improving performance or mitigating adverse consequences in the light of actual or reasonably anticipated circumstances. In addition the SSC may offer non-binding proposals, recommendations and opinions (all without liability on the part of the Council or any individual member) on any matter affecting the Council as a shareholder of the HTS Group. The SSC shall take into consideration the interests of the Council in giving any proposals, recommendations or opinion to the HTS Group and its trading arms.
2. HTS Group and its subsidiaries shall provide for each SSC meeting at least one Director from each trading arm qualified and authorised to address SSC Agenda items and issues listed for consideration by the Members of the SCC.
3. Upon request from the SSC, HTS Group and its subsidiaries shall provide :
  - (a) Copy agendas and support papers provided to any HTS Group Boards at the same time as the Boards (except for minutes that shall be supplied following signature).

(b) Supply the SSC with all information and data reasonably requested by the SSC to enable it to reach an informed judgement on any matter within its purview under these Terms of Reference.

4. HTS Group and its subsidiaries shall provide for each SSC meeting at least one Director from each trading arm qualified and authorised to address Agenda items and issues listed for consideration by the Members of the SCC.
5. Meetings of the SCC for the HTS Group are open to Members of the public, subject to the statutory exemptions contained in the Local Government Act 1972.