

Henderson High Income Trust plc

Nominations Committee

Terms of Reference

(adopted: 22 January 2004)

Constitution

- the Committee is appointed in accordance with the Articles of Association of the Company (articles 116 and 119);
- the Committee shall comprise the Chairman and all directors of the Company independent of the Manager;
- a quorum shall be any two members of the Committee present in person;
- the Committee shall meet at least on an annual basis.

Terms of Reference

- to review on an annual basis the structure, size and composition (including the knowledge, skills and experience) of the Board, and make recommendations to the Board with regard to any changes;
- to keep under regular review the leadership needs of the Company, to ensure the continued ability of the Company to compete effectively in the marketplace. The incumbent Chairman should not participate in the selection of his/her replacement;
- to identify and nominate, for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- to evaluate the balance of knowledge, skills and experience on the Board prior to making an appointment and, in the light of this evaluation, prepare a description of the role and capabilities required;
- to consider the process to be followed in making appointments, that is the use of external advice, open advertising or other methods;
- to consider candidates from a wide range of backgrounds beyond the "usual suspects";
- to give full consideration to succession planning, taking into account challenges/opportunities facing the Company, and the skills and expertise needed on the Board in the future;
- to make a statement in the Annual Report concerning:
 - its activities;
 - the process for making appointments, particular the use of open advertising/external advice or not and, if not, why not;
 - membership of the Committee;
 - the number of meetings held;
 - attendance over the course of the year;
- to ensure that on appointment to the Board, 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;

- to review on an annual basis the time required from each non-executive director; and
- to make available its Terms of Reference when requested, explaining clearly its role and the authority delegated to it by the Board.

The Committee shall make recommendations to the Board concerning:

- the appointment of new directors;
- the re-appointment of directors at the conclusion of their specified term of office;
- the re-election by shareholders of directors under the 'Retirement by Rotation' provisions in the Company's Articles of Association;
- any matters relating to the continuation in office of any director at any time; and
- succession planning.