

# Henderson High Income Trust plc

## Management Engagement Committee

### Terms of Reference

(adopted: 29 September 2004, revised 4 November 2008)

#### 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, towards the end of the Company's financial year; and
- the Committee is authorised to obtain, at the Company's expense, external legal/other professional advice on any matters within its Terms of Reference.

#### Terms of Reference

- to consider, on an annual basis, the performance and continued retention or otherwise of the Investment Manager;
- to review the terms of the management agreement, to ensure they are competitive and in the best interests of shareholders;
- to consider the following when the management agreement is reviewed:
  - 'bullet point' summary of key terms;
  - dates of original/supplemental agreements;
  - key company data, incl. fees and TER vs peer group;
  - company performance data over 1, 3 and 5 years vs benchmark and peer group;
  - copy of statement made in last annual report;
  - any other relevant information;
- to negotiate terms with the Investment Manager;
- to review periodically the quality and services of other external service providers;
- to employ the services of such advisers as necessary to fulfil its responsibilities;
- to make proposals to the Board on any matter within its term of remit;
- to make a statement in the Annual Report concerning:
  - its activities;
  - membership of the Committee;
  - the number of meetings held;
  - attendance over the course of the year;
- to make available its Terms of Reference on the website and as requested, explaining clearly its role and the authority delegated to it by the Board; and
- to review, on an annual basis, its own performance, Constitution and Terms of Reference.

#### The Committee shall make recommendations to the Board concerning:

- any area within its remit or where action/improvement is required.

