HENDERSON HIGH INCOME TRUST PLC

Terms of Reference of the Management Engagement Committee

Adopted on 1 October 2019 and amended on 17 November 2020

1. Membership

1.1 The Committee shall comprise at least two Directors. A majority of the members of the Committee shall be independent non-executive Directors.

1.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.

1.3 Appointments to the Committee are made by the Board.

1.4 The Board shall appoint the Committee Chairman who should be either the Chairman of the Board or an independent non-executive Director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board.

2. Secretary

2.1 The Company Secretary, or his or her nominee, shall act as the Secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

2.2 The Company Secretary will ensure that the Committee has the policies, processes, information, time and resources it needs in order to function effectively and efficiently.

3. Quorum

3.1 The quorum necessary for the transaction of business shall be two members.

4. Frequency of meetings

4.1 The Committee shall meet at least once a year and otherwise as required.

5. Notice of meetings

5.1 Meetings of the Committee shall be convened by the Secretary of the Committee at the request of any of its members.

5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive Directors, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

6. Minutes of meetings

6.1 The Secretary shall minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.

6.2 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless it would be inappropriate to do so in the opinion of the Committee Chairman.

7. Engagement with shareholders

The Committee Chairman should attend the annual general meeting to answer any shareholder questions on the Committee's activities.

8. Duties

To fulfil the duty under section 172 of the Companies Act 2006, each individual Director must act in the way he/she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its Shareholders as a whole and in doing so, have regard to a number of broader matters including:

(a) the likely consequences of any decision in the long-term;
(b) the need to foster the Company's business relationships with suppliers, customers and others;
(c) the impact of the Company's operations on the community and the environment;
(d) the desirability of the Company maintaining a reputation for high standards of business conduct; and
(e) the need to act fairly between members of the Company.

Committee members should have regard to these matters when considering the business of the Committee.

The Committee shall:

8.1 review, at least annually, the contractual relationships with the Manager and terms of the Investment Management Agreement, to ensure they are competitive and in the interests of Shareholders, and make recommendations to the Board on any variation to the terms which it considers necessary;

8.2 review, at least annually, the performance of the Manager and describe its decisions and rationale in the Annual Report;

8.3 negotiate terms with the Investment Manager;

8.4 review, monitor and evaluate, at least annually, the performance of the Company's other third-party service providers in meeting their obligations under their respective agreements, making recommendations on any variation to the terms which it considers necessary;

8.5 assess the Company's third-party service providers in their role as stakeholders and whether there is an appropriate level of engagement with them;

8.6 consider the appointment and remuneration of the Company's third-party service providers, considering alternative suppliers where necessary;

8.7 consider any points of conflict which may arise between the providers of services to the Company; and

8.8 consider the appointment and removal of the Company Secretary.

9. Reporting responsibilities

9.1 The Committee Chairman shall report to the Board on its proceedings after each meeting on the contents of its discussion, recommendations and actions to be taken.

9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be available for board discussion when necessary.

9.3 The Committee Chairman shall attend the annual general meeting to answer any shareholder questions on the Committee's activities;

9.4 The Committee shall make a statement in the Annual Report concerning its activities;

9.5 The Committee shall keep these terms of reference under regular review.

10. Other matters

The Committee shall:

10.1 have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required;

10.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;

10.3 give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code, the AIC Code of Corporate Governance and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure, Guidance and Transparency Rules and any other applicable rules, as appropriate;

10.4 oversee any investigation of activities which are within its terms of reference;

10.5 work and liaise as necessary with all other Board Committees; and

10.6 arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board.

11. Authority

The Committee is authorised to:

11.1 seek any information it requires from the Manager, in order to perform its duties;

11.2 obtain, at the Company's expense, independent legal, accounting or other professional advice on any matter it believes it necessary to do so, up to a limit of £5,000 for any one issue and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary; and

11.3 have the right to publish in the Company's Annual Report, details of any issues that cannot be resolved between the Committee and the Board.