HENDERSON HIGH INCOME TRUST PLC

Terms of Reference of the Nominations and Remuneration Committee

Adopted on 1 February 2020 and amended on 26 January 2021, 4 July 2024 and 7 July 2025

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 shall be the Senior Independent 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.

1.5 In the event the Chairman of the Board is appointed Committee Chairman, the Chairman of the Board shall not chair the Committee when it is dealing with the matter of succession to the Chairmanship.

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

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

8. Duties

8.1 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:

8.2 regularly review the performance, structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes;

8.3 give full consideration to succession planning for Directors in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future to ensure plans are in place for orderly succession to the Board and to oversee and develop a diverse pipeline for succession;

8.4 keep under review the leadership needs of the organisation, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;

8.5 be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;

8.6 lead the process for appointments, review the balance of skills, knowledge, experience and diversity on the Board, and, in the light of this review, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates, the Committee shall:

- use open advertising or the services of external advisers to facilitate the search;
- consider candidates from a wide range of backgrounds;
- consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board (which protect against discrimination for those with protected characteristics within the meaning of the Equalities Act 2010). They should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths, inclusion and equal opportunity, taking care that appointees have enough time available to devote to the position;

8.7 for the appointment of a Chairman of the Board, the Committee should prepare a job specification. A proposed Chairman's other significant commitments should be disclosed to the Board before appointment and any changes to the Chairman's commitments should be reported to the Board as they arise;

8.8 determine and disclose a policy on the tenure of the Chair;

8.9 prior to the appointment of a Director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest;

8.10 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;

8.11 ensure there is a formal and rigorous annual review of the performance of the Board, its Committees, the chair and individual Directors. The Committee will consider having a regular externally facilitated board review;

8.12 review the results of the board performance review process that relate to the composition of the Board;

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

8.14 set the renumeration policy for the non-executive directors including the Chairman of the Board and the Chairman of the Audit and Risk Committee (subject to the remuneration policy being approved by the shareholders at every third annual general meeting or if there are any material changes proposed);

8.15 in determining the remuneration policy take into account all factors which it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the UK Code of Corporate Governance and the Association of Investment Companies Corporate Governance Code and any investor feedback;

8.16 the objective of such a policy should be to attract, retain and motivate non-executive directors of the quality required to manage the Company successfully without paying

more than is necessary, having regard to views of shareholders and other stakeholders;

8.17 review the ongoing appropriateness and relevance of the remuneration policy at least annually;

8.18 obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity;

8.19 recommend and monitor the level of remuneration for the non-executive directors, including the Chairman of the Board and the Chairman of the Audit and Risk Committee;

8.20 agree the policy for authorising claims for expenses for the non-executive directors (including whether to gross up or pay net taxable benefits).

The Committee shall also make recommendations to the Board concerning:

8.21 membership of the Audit and Risk Committee, and any other Board Committees as appropriate, in consultation with the Chairman of those Committees; and

8.22 the appointment of Senior Independent Director, Chairmen of the Board Committees and Chairman of the Board;

8.23 the re-appointment by Shareholders of Directors under the annual re-election provisions of the AIC Code, having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board (particularly in relation to Directors being re-elected for a term beyond six years); and

8.24 any matters relating to the continuation in office of any Director at any time.

9. Reporting responsibilities

9.1 the Committee Chairman shall report to the Board on its proceedings after each meeting on the contents of its discussions, 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 shall produce a report to be included in the Company's Annual Report including:

- a description of the work of the Committee;
- the process used in relation to appointments, its approach to succession planning and how both support and develop a diverse pipeline; and
- how the Board performance review has been conducted, the nature and extent of an external reviewer's contract with the Board and individual Directors, the outcomes and actions taken, and how it has or will influence Board composition.

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 ensure that Directors are provided with appropriate and timely training, both in the form of an induction programme for new Directors and on an ongoing basis for all Directors as and when required;

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.