

HENDERSON INTERNATIONAL INCOME TRUST PLC

Terms of Reference for the Management Engagement Committee

1. Constitution

- 1.1 The committee is appointed by the board in accordance with the Articles of Association of the Company and assists the board in evaluating the performance of the manager and other third-party service providers engaged by the Company.

2. Membership

- 2.1 The committee shall comprise the chairman of the Company and all the directors of the Company who are independent of the manager.
- 2.2 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 their numbers to chair the meeting.
- 2.3 Only members of the committee have the right to attend committee meetings. However, other individuals such as other directors, representatives of the manager and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.

3. Secretary

- 3.1 The company secretary or their nominee shall act as the secretary of the committee.

4. Quorum

- 4.1 The quorum necessary for the transaction of business shall be two independent non-executive directors. A duly convened meeting of the committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the committee.

5. Frequency of meetings

- 5.1 The committee shall meet at least annually and at such other times as the chairman of the committee shall require.

6. Notice of Meetings

- 6.1 Meetings of the committee shall be convened by the secretary of the committee at the request of any member thereof.
- 6.2 Unless otherwise agreed by the committee, 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 and any other person required to attend no later than five working days before the date of the meeting. Supporting papers shall be sent to the committee members at the same time.
- 6.3 Notices, agendas and supporting papers can be sent in electronic form where the recipient has agreed to receive documents in such a way.

HENDERSON INTERNATIONAL INCOME TRUST PLC

7. Minutes of Meetings

- 7.1 The secretary shall minute the proceedings and decisions of all meetings of the committee, including recording the names of those present and in attendance.
- 7.2 Draft minutes of the committee meetings shall be agreed with the committee chairman and then circulated 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.
- 7.3 Draft minutes will be included in the next set of board papers for the board's review.

8. Annual general meeting

- 8.1 The chairman of the committee shall attend the Annual General Meeting and shall be prepared to respond to any shareholder questions on the committee's activities.

9. Duties

- 9.1 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.

- 9.2 The committee shall:

- 9.2.1 review, at least annually, the contractual relationships with the manager and terms of the management agreement, to ensure they are competitive and in the interests of shareholders as a whole, making recommendations to the board on any variation to the terms which it considers necessary or appropriate;
- 9.2.2 review, at least annually, the performance of the manager and describe its decisions and rationale in the Annual Report;
- 9.2.3 consider whether the appointment of the manager continues to be in the interests of shareholders;
- 9.2.4 if it considers it necessary or appropriate, to negotiate/re-negotiate terms with the manager;
- 9.2.5 review the standard of any administrative, company secretarial or sales and marketing support provided by the manager, whether under the terms of the management agreement or simply as part of a non-contractual obligation of understanding;
- 9.2.6 review, monitor and evaluate, at least annually, the performance of the Company's third-party service providers in meeting their obligations under their respective agreements and

HENDERSON INTERNATIONAL INCOME TRUST PLC

to ensure their continued competitiveness and effectiveness, making recommendations on any variation to the terms which it considers necessary or appropriate;

- 9.2.7 assess the company's third-party service providers in their role as stakeholders and whether there is an appropriate level of engagement with them; and
- 9.2.8 consider any points of conflict which may arise for the providers of services to the Company.

10. Reporting responsibilities

- 10.1 The committee chairman shall report formally to the board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 10.2 The committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.
- 10.3 The committee shall make a statement in the annual report about its activities.

11. Other matters

- 11.1 The committee shall:
 - 11.1.1 have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required;
 - 11.1.2 be provided with appropriate, timely training, both in the form of an induction programme for new members and on an ongoing basis for all members as and when required;
 - 11.1.3 give due consideration to the laws and regulations, the provisions of the AIC Code of Corporate Governance, the requirements of the FCA's Listing, Prospectus and Disclosure Guidance and Transparency Rules and any other applicable rules, as appropriate; and
 - 11.1.4 at least annually review its constitution and terms of reference to ensure it is operating effectively and recommend any changes it considers necessary to the board for approval.

12. Authority

- 12.1 The committee shall have authority to:
 - 12.1.1 seek information it requires from the manager or third party that it requires in order to perform its duties; and
 - 12.1.2 to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.