

### THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISER.

IF YOU HAVE SOLD OR OTHERWISE TRANSFERRED ALL YOUR SHARES IN THE COMPANY, PLEASE SEND THIS DOCUMENT AND THE ACCOMPANYING DOCUMENTS TO THE PURCHASER OR TRANSFEREE OR TO THE STOCKBROKER, BANK OR OTHER AGENT THROUGH WHOM THE SALE OR TRANSFER WAS EFFECTED FOR TRANSMISSION TO THE PURCHASER OR TRANSFEREE.

#### AGM details

Thursday, 1 May 2014

#### Sydney, Australia

Starts 5.30pm (Sydney time)

Four Seasons Hotel, 199 George Street, Sydney NSW 2000

#### London, United Kingdom

Starts 8.30am (London time)

201 Bishopsgate, London, EC2M 3AE

#### This booklet contains:

- Information about who may vote at the meeting, and how they may vote (pages 2 to 4)
- The formal Notice of Annual General Meeting containing the resolutions proposed to be put at the meeting (pages 5 to 9)
- Explanatory Notes which set out an explanation of the business to be conducted at the meeting (pages 10 to 22)
- Maps of the meeting locations (page 24)

#### Need Help?

If you have any questions, you can phone the Shareholder Information Line on:

#### United Kingdom

01534 281842

#### Australia

1300 137 981

#### New Zealand

0800 888 017

### LETTER FROM THE CHAIRMAN

#### Dear Shareholder

I would like to invite you to the 2014 Annual General Meeting (AGM) of Henderson Group plc (Henderson Group).

The AGM will take place on 1 May 2014 in Sydney, with a simultaneous broadcast to a venue in London. The Board will be present in Sydney and details of the venues are set out on pages 1, 5 and 24. If you cannot attend the meeting, you can listen to the AGM via our website [www.henderson.com/AGM2014](http://www.henderson.com/AGM2014). In accordance with the UK Corporate Governance Code, all Directors will be seeking reappointment at the AGM.

Resolutions 15 to 23 are to renew shareholder approval for the existing employee share plans. Renewed approval is being sought at this AGM so that each plan will have been approved within the past three years in order to satisfy the conditions of ASX Listing Rule 7.2, Exception 9. This means that any new shares issued under the employee share plans are not taken into account in assessing the limit on the number of new shares that can otherwise be issued without shareholder approval in accordance with ASX Listing Rule 7.1. All of the existing employee share plans were approved by shareholders in 2011, and shareholder approval for two of the plans as well as for certain amendments was also given in 2013. Further details of the employee share plans are set out on pages 12 to 20.

This document contains the resolutions on which shareholders are asked to vote and accompanying notes that provide an explanation of the business to be conducted at the AGM. All resolutions are matters typically dealt with at our AGM. Note that, for the first time, we are putting the Directors' Remuneration Policy to a non-binding advisory vote as set out in the explanatory notes on page 10, in addition to the normal vote on the Directors' Remuneration Report. You should read the entire document before deciding how to vote.

#### Voting procedures

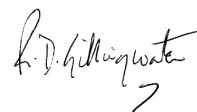
If you would like to vote, you may do so:

- by attending and voting at the meeting on Thursday, 1 May 2014. If you are a CDI holder and wish to attend the meeting, please read the voting instructions on page 4; or
- by appointing someone as your proxy to attend and vote for you at the meeting. To appoint someone, use either the enclosed Proxy Form/CDI Voting Instruction Form or go to the Henderson Group website at [www.henderson.com/AGM2014](http://www.henderson.com/AGM2014) to appoint someone online. Instructions about how to complete the form are set out on the front of the Proxy Form and the back of the CDI Voting Instruction Form.

There are different voting procedures depending on whether you hold your shares on the London Stock Exchange or if you have CDIs quoted on the Australian Securities Exchange. Please read the voting instructions on pages 2 to 4 carefully to ensure you are aware of the arrangements affecting you. Your Proxy Form or CDI Voting Instruction Form (either online or paper) needs to be lodged so that it reaches Henderson Group's Share Registry by the time and date specified on your form.

The Board considers all of the proposed resolutions to be in the best interests of the Company and shareholders as a whole, and recommends that you vote FOR all the resolutions at the AGM.

Yours sincerely



**Richard Gillingwater**

Chairman

6 March 2014

# VOTING INFORMATION FOR HOLDERS OF ORDINARY SHARES OTHER THAN CDI HOLDERS

## Who can vote at the meeting?

Only those members entered in the register of members of Henderson Group as at the close of business (London time) on 29 April 2014 or, if this meeting is adjourned, in the register of members 48 hours before the time of any adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

## How can you vote at the meeting?

You may attend the meeting in person or appoint either one or more people as proxies (who need not be a member of Henderson Group) to attend, speak and vote on your behalf. If you wish to appoint more than one proxy, please copy the enclosed Proxy Form.

## Who can be a proxy?

You may appoint anyone as your proxy, including the Chairman of the meeting. A proxy need not be a shareholder of Henderson Group.

## What happens if you appoint more than one proxy?

A member may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares. If you appoint more than one proxy, then on each Proxy Form you must specify the number of shares for which each proxy is appointed. If you appoint more than one proxy, each proxy will be entitled to vote on a show of hands (when they will have one vote) and on a poll (when each proxy will have one vote for every share to which their appointment relates except in the case of a proxy appointed by the Depositary Nominee).

## How do you submit your proxy instructions?

- **By internet** via the Henderson Group website at [www.henderson.com/AGM2014](http://www.henderson.com/AGM2014). To use this facility, you will need your unique PIN and your Shareholder Reference Number. These numbers are shown on your Proxy Form, email bulletin or Notice of Annual General Meeting and Annual Report. We will assume you have signed the Proxy Form if you lodge it in accordance with the instructions on the website;
- **By mail** to the Henderson Group Share Registry, using the enclosed reply-paid envelope or by posting it to: Henderson Group Share Registry, Computershare, The Pavilions, Bridgwater Road, Bristol BS99 6ZY; or
- **By CREST** message. If you are a CREST system user (including a CREST personal member) you can submit proxy instructions by having an appropriate CREST message transmitted. CREST personal members or other CREST sponsored members should contact their CREST sponsor for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and systems timings, please refer to the CREST manual. Henderson Group may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Article 34 of the Companies (Uncertificated Securities) (Jersey) Order 1999.

## What is the last time for receiving your proxy?

The latest time for receipt of Proxy Forms sent by mail, by CREST message and proxy instructions submitted via the internet is 8.30am (London time) on Tuesday, 29 April 2014. If your proxy instructions (and any supporting documents) are not received by then, your proxy appointment will not be effective.

## What if a proxy is appointed under a power of attorney or other authority?

Proxy instructions given under authority on behalf of a holder of ordinary shares must be submitted by mailing a Proxy Form.

If the Proxy Form is signed under a power of attorney or other authority on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or other authority, or a certified copy, is sent to Henderson Group's Share Registry so as to arrive no later than 8.30am (London time) on Tuesday, 29 April 2014 unless it has previously been lodged with Henderson Group.

## How does a shareholder that is a UK company execute the Proxy Form?

If the holder of ordinary shares submitting proxy instructions is a UK company, then it must execute the Proxy Form in one of the following ways:

- by having two directors or a director and a secretary of the company sign the Proxy Form;
- by having a director of the company sign in the presence of a witness who attests the signature;
- by having a duly authorised officer or attorney sign the Proxy Form (in which case the shareholder must send with the Proxy Form the original, or a certified copy, of the document authorising the attorney or representative); or
- if the company has a common seal, by affixing the common seal in accordance with the company's constitution.

## Does a proxy have to vote?

Your proxy can decide whether or not to attend the meeting and, if he or she attends, can decide whether or not to vote. Therefore, you should nominate someone you can trust. However, if a proxy attends the meeting and votes, a proxy should only vote following the voting directions given by the holder of ordinary shares. If no voting directions are given, a proxy may decide whether to vote in favour, against or abstain on any item of business.

## Can a proxy vote in favour or against, as he or she wishes?

If the holder of ordinary shares appointing the proxy:

- directs the proxy how to vote on an item of business, then the proxy should only vote on that item of business in the way the holder of ordinary shares directed; or
- does not direct the proxy how to vote on an item of business, then the proxy may vote as he or she thinks fit on that item.

The proxy will also have discretion to vote as he or she thinks fit on any other business which may properly come before the meeting including amendments to any resolution, and at any adjourned meeting.

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**How will the Chairman vote as proxy if he has not been directed how to vote?**

If a holder of ordinary shares appoints the Chairman of the meeting as proxy and does not direct the Chairman how to vote on an item of business, then when the Chairman votes as proxy on a poll, he intends to vote in favour of each of the proposed resolutions.

**Persons nominated to receive information rights**

The proxy rights set out above do not apply to persons nominated by a shareholder to receive information rights pursuant to Article 80 of Henderson Group's Articles of Association. Persons nominated to receive information rights under Article 80 that have been sent this notice of meeting are hereby informed that they may have the right under an agreement with the registered shareholder by whom they were nominated to be appointed, or to have someone else appointed, as a proxy for this meeting. If they do not have such a right or do not wish to exercise it, they may have a right under such an agreement to give instructions to the registered shareholder as to the exercise of voting rights. Nominated persons should contact the registered shareholder who nominated them in respect of these arrangements.

# VOTING INFORMATION FOR CDI HOLDERS

## Who can vote at the meeting?

Only those CDI holders entered in the register of CDI holders of Henderson Group as at the close of business (London time) on 29 April 2014 or, if this meeting is adjourned, in the register of CDI holders 48 hours before the time of any adjourned meeting, shall be entitled to provide voting instructions to CHES Depositary Nominees Pty Limited (CDN) in respect of the number of CDIs registered in their name at that time. Changes to entries in the register of CDI holders after that time shall be disregarded in determining the rights of any CDI holders to provide voting instructions to CDN in regard to this meeting.

## How can you exercise your voting rights?

You can exercise your voting rights by directing CDN how to vote on each of the resolutions in respect of your CDIs. If instead you wish to attend the meeting (or you would like someone else to attend on your behalf), you can exercise your voting rights by submitting instructions to CDN to appoint you or your representative as proxy. Your representative can be the Chairman. You can direct your representative how to vote on each of the resolutions in respect of your CDIs at the meeting.

## Who can be a proxy?

You may instruct CDN to appoint yourself or any other person (including the Chairman of the meeting) as its proxy in respect of your CDIs. A proxy need not be a shareholder of Henderson Group.

## How do you submit your voting instructions?

- **By internet** via the Henderson Group website at [www.henderson.com/AGM2014](http://www.henderson.com/AGM2014). To use this facility, you will need your Shareholder Reference Number, which is shown on your Voting Instruction Form or Notice of Annual General Meeting and Annual Report. We will assume you have signed the Voting Instruction Form if you lodge it in accordance with the instructions on the website;
- **By mail** by sending the Voting Instruction Form enclosed to Computershare Investor Services Pty Ltd, using the enclosed reply-paid envelope or by posting it to Computershare Investor Services Pty Ltd, GPO Box 4578, Melbourne VIC 8060, Australia; or Private Bag 92119, Auckland 1142, New Zealand; or
- **By facsimile** by faxing the Voting Instruction Form enclosed to 03 9473 2555 in Australia or 09 488 8787 in New Zealand.

## What is the last date for submitting your voting instructions or instructing CDN to appoint a proxy on your behalf?

If you are directing CDN to vote on your behalf, the latest time for receipt of Voting Instruction Forms (and any necessary supporting documents) via post or by fax or voting instructions by internet, is 5.30pm (Sydney time) on Tuesday, 29 April 2014.

If you are directing CDN to appoint you, the Chairman or someone else as proxy in relation to your CDIs, the latest time for receipt of Voting Instruction Forms (and any necessary supporting documents) via post or by fax, or voting instructions by internet, is 5.30pm (Sydney time) on Tuesday, 29 April 2014.

If your Voting Instruction Form (and any necessary supporting documents) is not received by then, your proxy appointment will not be effective.

## What if voting instructions are submitted under a power of attorney or other authority?

Voting Instructions given under authority on behalf of a CDI holder must be submitted by mailing or faxing the Voting Instruction Form.

If the Voting Instruction Form is signed under a power of attorney or other authority on behalf of a CDI holder, then the attorney must make sure that either the original power of attorney or other authority, or a certified copy, is sent to Computershare Investor Services Pty Ltd so as to arrive by the date specified on the form unless it has previously been lodged with Henderson Group.

## How does a CDI holder that is an Australian or New Zealand company execute the Voting Instruction Form?

If the CDI holder executing voting instructions is an Australian or New Zealand company, then it must execute a Voting Instruction Form in one of the following ways:

- by having two directors or a director and a secretary of the company sign the Voting Instruction Form;
- if the company has one director who is also the company secretary of the company (or the company does not have a secretary), by having that director sign it;
- by having a duly authorised officer or attorney sign the Voting Instruction Form (in which case the CDI holder must send with the Voting Instruction Form the original, or a certified copy, of the document authorising the attorney or representative); or
- if the company has a common seal, by affixing the common seal in accordance with the company's constitution.

## Does a proxy have to vote?

Your proxy can decide whether or not to attend the meeting and, if he or she attends, can decide whether or not to vote. Therefore, you should nominate someone you can trust. However, if a proxy attends the meeting and votes, a proxy should only vote following the voting directions given by the CDI holder. If no voting directions are given, a proxy may decide whether to vote in favour, against or abstain on any item of business.

## Can a proxy vote in favour or against, as he or she wishes?

If the Voting Instruction Form:

- directs the proxy how to vote on an item of business, then the proxy should only vote on that item in the way the CDI holder directed; or
- does not direct the proxy how to vote on an item of business, then the proxy may vote as he or she thinks fit on that item.

The proxy will also have discretion to vote as he or she thinks fit on any other business which may properly come before the meeting including amendments to any resolution, and at any adjourned meeting.

## How will the Chairman vote as proxy if he has not been directed how to vote?

If a CDI holder instructs CDN to appoint the Chairman of the meeting as proxy and does not direct the Chairman how to vote on an item of business, then when the Chairman votes as proxy on a poll, he intends to vote in favour of each of the proposed resolutions.

# NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting (AGM) of shareholders of Henderson Group plc (the Company) will be held on Thursday, 1 May 2014 at the Four Seasons Hotel, 199 George Street, Sydney, NSW 2000, Australia at 5.30pm (Sydney time) and simultaneously broadcast to 201 Bishopsgate, London, EC2M 3AE, United Kingdom at 8.30am (London time).

## Items of Business

Resolutions 1 to 24 set out below will be proposed as ordinary resolutions. An ordinary resolution will be passed if more than 50% of the votes cast are in favour. Resolution 25 requires a three-quarters majority under the Company's Articles of Association and will be passed if 75% or more of the votes cast are in favour. Resolutions 26 to 28 will be proposed as special resolutions and will be passed if two-thirds or more of the votes cast are in favour.

### Resolution 1: Directors' Report and Accounts

To receive the accounts of the Company for the financial year ended 31 December 2013 and the reports of the Directors and Auditors thereon.

### Resolution 2: Directors' Remuneration Report

To approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy set out in Resolution 3 below) for the financial year ended 31 December 2013.

### Resolution 3: Directors' Remuneration Policy

To approve the Director's Remuneration Policy set out in pages 63 to 68 of the Directors' Remuneration Report in the Annual Report and Accounts for the financial year ended 31 December 2013.

### Resolution 4: Dividend

To declare a final dividend for the financial year ended 31 December 2013 of 5.85 pence per ordinary share of the Company, as recommended by the Directors, such dividend to be due and payable on 30 May 2014.

### Resolution 5: Reappointment of Existing Director

To reappoint Ms S F Arkle as a Director of the Company.

### Resolution 6: Reappointment of Existing Director

To reappoint Mr K C Dolan as a Director of the Company.

### Resolution 7: Reappointment of Existing Director

To reappoint Mr A J Formica as a Director of the Company.

### Resolution 8: Reappointment of Existing Director

To reappoint Mr R D Gillingwater as a Director of the Company.

### Resolution 9: Reappointment of Existing Director

To reappoint Mr T F How as a Director of the Company.

### Resolution 10: Reappointment of Existing Director

To reappoint Mr R C H Jeens as a Director of the Company.

### Resolution 11: Reappointment of Existing Director

To reappoint Ms A C Seymour-Jackson as a Director of the Company.

### Resolution 12: Reappointment of Existing Director

To reappoint Mr R M J Thompson as a Director of the Company.

### Resolution 13: Appointment of the Auditors

To appoint PricewaterhouseCoopers LLP as Auditors to the Company until the conclusion of the next general meeting at which accounts are laid.

### Resolution 14: Remuneration of the Auditors

To authorise the Directors to agree the remuneration of the Auditors.

### Resolution 15: Henderson Group plc Deferred Equity Plan

That:

- (a) the Henderson Group plc Deferred Equity Plan ("DEP"), the main features of which are summarised in the Explanatory Notes to this Notice of Annual General Meeting, and any issue of securities under the DEP, be approved for all purposes (including for the purposes of ASX Listing Rule 7.2, Exception 9); and
- (b) without limitation, the Board be authorised to establish further incentive arrangements for the benefit of employees in jurisdictions outside the United Kingdom based on the DEP, subject to such modifications as may be necessary or desirable to take into account local securities laws, exchange control and tax legislation, provided that any limit on individual or overall participation in the DEP will apply to such further incentive arrangements.

### Resolution 16: Henderson Group plc Restricted Share Plan

That:

- (a) the Henderson Group plc Restricted Share Plan ("RSP"), the main features of which are summarised in the Explanatory Notes to this Notice of Annual General Meeting, and any issue of securities under the RSP, be approved for all purposes (including for the purposes of ASX Listing Rule 7.2, Exception 9); and
- (b) without limitation, the Board be authorised to establish further incentive arrangements for the benefit of employees in jurisdictions outside the United Kingdom based on the RSP, subject to such modifications as may be necessary or desirable to take into account local securities laws, exchange control and tax legislation, provided that any limit on individual or overall participation in the RSP will apply to such further incentive arrangements.

### Resolution 17: Henderson Group plc Long Term Incentive Plan

That:

- (a) the Henderson Group plc Long Term Incentive Plan ("LTIP"), the main features of which are summarised in the Explanatory Notes to this Notice of Annual General Meeting, and any issue of securities under the LTIP, be approved for all purposes (including for the purposes of ASX Listing Rule 7.2, Exception 9); and
- (b) without limitation, the Board be authorised to establish further incentive arrangements for the benefit of employees in jurisdictions outside the United Kingdom based on the LTIP, subject to such modifications as may be necessary or desirable to take into account local securities laws, exchange control and tax legislation, provided that any limit on individual or overall participation in the LTIP will apply to such further incentive arrangements.

# NOTICE OF ANNUAL GENERAL MEETING CONTINUED

## **Resolution 18: Henderson Group plc Company Share Option Plan**

That:

- (a) the Henderson Group plc Company Share Option Plan (“CSOP”), the main features of which are summarised in the Explanatory Notes to this Notice of Annual General Meeting, and any issue of securities under the CSOP, be approved for all purposes (including for the purposes of ASX Listing Rule 7.2, Exception 9 and the employees eligible to receive Incentive Stock Options, and the aggregate number of ordinary shares that may be granted subject to Incentive Stock Options under the US part of the CSOP (“US CSOP”));
- (b) without limitation, the Board be authorised to establish further incentive arrangements for the benefit of employees in jurisdictions outside the United Kingdom based on the CSOP, subject to such modifications as may be necessary or desirable to take into account local securities laws, exchange control and tax legislation, provided that any limit on individual or overall participation in the CSOP will apply to such further incentive arrangements; and
- (c) the Board be authorised to make such modifications to the US CSOP as it may consider appropriate with a view to maintaining compliance with the requirements of the US Internal Revenue Code, provided that the aggregate number of ordinary shares that may be issued to participants as Incentive Stock Options under the US CSOP shall not exceed 5,000,000 ordinary shares and that the companies whose employees will be eligible to participate in the US CSOP shall be the US subsidiaries of the Company and any of its other subsidiaries as are selected to participate from time to time in accordance with the terms of the US CSOP.

## **Resolution 19: Henderson Group plc Executive Shared Ownership Plan**

That:

- (a) the Henderson Group plc Executive Shared Ownership Plan (“ExSOP”), the main features of which are summarised in the Explanatory Notes to this Notice of Annual General Meeting, and any issue of securities under the ExSOP, be approved for all purposes (including for the purposes of ASX Listing Rule 7.2, Exception 9); and
- (b) without limitation, the Board be authorised to establish further incentive arrangements for the benefit of employees in jurisdictions outside the United Kingdom based on the ExSOP, subject to such modifications as may be necessary or desirable to take into account local securities laws, exchange control and tax legislation, provided that any limit on individual or overall participation in the ExSOP will apply to such further incentive arrangements.

## **Resolution 20: Henderson Group plc Buy As You Earn Plan**

That:

- (a) the Henderson Group plc Buy As You Earn Plan (“BAYE Plan”), the main features of which are summarised in the Explanatory Notes to this Notice of Annual General Meeting, and any issue of securities under the BAYE Plan, be approved for all purposes (including for the purposes of ASX Listing Rule 7.2, Exception 9); and

- (b) without limitation, the Board be authorised to establish further incentive arrangements for the benefit of employees in jurisdictions outside the United Kingdom based on the BAYE Plan, subject to such modifications as may be necessary or desirable to take into account local securities laws, exchange control and tax legislation, provided that any limit on individual or overall participation in the BAYE Plan will apply to such further incentive arrangements.

## **Resolution 21: Henderson Group plc International Buy As You Earn Plan**

That the Henderson Group plc International Buy As You Earn Plan (“International BAYE Plan”), the main features of which are summarised in the Explanatory Notes to this Notice of Annual General Meeting, and any issue of securities under the International BAYE Plan, be approved for all purposes (including for the purposes of ASX Listing Rule 7.2, Exception 9).

## **Resolution 22: Henderson Group plc Sharesave Scheme**

That:

- (a) the Henderson Group plc Sharesave Scheme (“Sharesave Scheme”), the main features of which are summarised in the Explanatory Notes to this Notice of Annual General Meeting, and any issue of securities under the Sharesave Scheme, be approved for all purposes (including for the purposes of ASX Listing Rule 7.2, Exception 9); and
- (b) without limitation, the Board be authorised to establish further incentive arrangements for the benefit of employees in jurisdictions outside the United Kingdom based on the Sharesave Scheme, subject to such modifications as may be necessary or desirable to take into account local securities laws, exchange control and tax legislation, provided that any limit on individual or overall participation in the Sharesave Scheme will apply to such further incentive arrangements.

## **Resolution 23: Henderson Group plc Sharesave Plan USA**

That:

- (a) the Henderson Group plc Sharesave Plan USA (“Sharesave Plan USA”), the main features of which are summarised in the Explanatory Notes to this Notice of Annual General Meeting, and any issue of securities under the Sharesave Plan USA, be approved for all purposes (including for the purposes of ASX Listing Rule 7.2, Exception 9 and the employees eligible to participate in, and the aggregate number of ordinary shares subject to, the Sharesave Plan USA); and
- (b) the Board be authorised to make such modifications to the Sharesave Plan USA as it may consider appropriate with a view to maintaining compliance with the requirements of the US Internal Revenue Code, provided that the aggregate number of ordinary shares that may be issued to participants under the Sharesave Plan USA shall not exceed 5,000,000 ordinary shares and that the companies whose employees will be eligible to participate in the Sharesave Plan USA shall be the US subsidiaries of the Company and any of its other subsidiaries as are selected by the Remuneration Committee to participate from time to time in accordance with the terms of the Sharesave Plan USA.

**Resolution 24: Authority to allot shares**

That, pursuant to Article 9 of the Company's Articles of Association and generally, the Directors be and are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot relevant securities (as defined in the Articles of Association):

- (a) up to a nominal amount of £46,725,000; and
- (b) comprising equity securities (as defined in the Articles of Association) up to a nominal amount of £93,450,000 (including within such limit any shares issued under paragraph (a) above) in connection with an offer by way of a rights issue to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter;

for the period expiring on the date of the AGM of the Company to be held in 2015 or, if earlier, on 1 August 2015 (unless previously renewed, varied or revoked by the Company in general meeting) save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors of the Company may allot relevant securities pursuant to such offer or agreement as if the authority conferred on them hereby had not expired.

**Resolution 25: Limited disapplication of pre-emption rights**

That, pursuant to Article 12 of the Company's Articles of Association and generally, the Directors be and are hereby generally and unconditionally given power to allot equity securities (as defined in the Articles of Association) for cash pursuant to the authority conferred by Resolution 24 as if the pre-emption rights set out within Article 10 of the Articles of Association did not apply to any such allotment, such power to be limited:

- (a) to the allotment of equity securities in connection with an offer of equity securities (but in the case of the authority granted under Resolution 24(b), by way of a rights issue only) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and
- (b) in the case of the authority granted under Resolution 24(a), to the allotment (otherwise than under paragraph (a) above) of equity securities up to a nominal amount of £7,008,950;

such power to apply for the period expiring on the date of the AGM of the Company to be held in 2015 or, if earlier, on 1 August 2015 (unless previously renewed, varied or revoked by the Company in general meeting) save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors of the Company may allot equity securities

pursuant to such offer or agreement as if the authority conferred on them hereby had not expired.

**Resolution 26: Authority to purchase own shares**

That, pursuant to Article 57 of the Companies (Jersey) Law 1991, the Company be and is hereby generally and unconditionally authorised to make market purchases on a stock exchange of its ordinary shares of 12.5 pence each, subject to the following conditions:

- (a) the maximum number of ordinary shares authorised to be purchased is 112,140,000 minus the number of shares purchased pursuant to Resolution 27;
- (b) the minimum price (exclusive of expenses) which may be paid for an ordinary share is 12.5 pence (being the nominal value of an ordinary share);
- (c) the maximum price (exclusive of expenses) which may be paid for each ordinary share is the higher of (i) an amount equal to 105% of the average of the middle market quotations for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased; and (ii) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading system (SETS);
- (d) this authority shall expire at the close of the AGM of the Company held in 2015 or 1 November 2015, whichever is earlier;
- (e) a contract to purchase shares under this authority may be made before this authority expires, and concluded in whole or in part after this authority expires; and
- (f) pursuant to Article 58A of the Companies (Jersey) Law 1991, the Company may hold as treasury shares any ordinary shares of the Company purchased pursuant to the authority conferred in this Resolution.

**Resolution 27: Contingent Purchase Contract**

That the Company be and is hereby generally and unconditionally authorised (pursuant to Article 57 of the Companies (Jersey) Law 1991) to enter into a contingent purchase contract between the Company and Credit Suisse (Australia) Limited and certain of its affiliates (Credit Suisse) as identified in the contract (a draft of which is produced to the meeting and initialled by the Chairman for the purposes of identification) (CP Contract), providing for the purchase by the Company of ordinary shares of 12.5 pence each converted from CHES Depository Interests (CDIs) substantially on the terms set out in the CP Contract and to purchase ordinary shares of 12.5 pence each pursuant to such CP Contract subject to the following conditions:

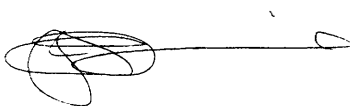
- (a) the maximum number of ordinary shares authorised to be purchased under the CP Contract is 112,140,000 minus the number of shares purchased pursuant to Resolution 26;
- (b) the minimum price (exclusive of expenses) which may be paid by Credit Suisse for each CDI is the Australian dollar equivalent of 12.5 pence per CDI;

# NOTICE OF ANNUAL GENERAL MEETING CONTINUED

- (c) the maximum price (exclusive of expenses) which may be paid by Credit Suisse for each CDI is an amount which is equal to 105% of the average of closing prices for CDIs over the previous five days on which sales of CDIs were recorded on the Australian Securities Exchange;
- (d) the price to be paid by the Company for such ordinary shares is the price paid by Credit Suisse for the relevant CDI plus any stamp duty, stamp duty reserve tax, or other applicable transfer tax relating to CDIs purchased by Credit Suisse;
- (e) this authority shall expire at the close of the AGM of the Company held in 2015 or 1 November 2015, whichever is earlier; and
- (f) pursuant to Article 58A of the Companies (Jersey) Law 1991, the Company may hold as treasury shares any ordinary shares of the Company purchased pursuant to the authority conferred in this Resolution.

**Resolution 28: Amendment to the Articles of Association**  
That Article 153 of the Company's Articles of Association be amended by deleting the words "£700,000" and replacing them with the words "£900,000", such that the first sentence of the Article shall read: "The ordinary remuneration of the directors who do not hold executive office for their services (excluding amounts payable under any other provision of these Articles) shall not exceed in aggregate £900,000 per annum or such higher amount as the Company may from time to time by ordinary resolution determine."

By Order of the Board



Ms Jacqui Irvine  
Company Secretary, 6 March 2014. Henderson Group plc  
Registered office: 47 Esplanade, St Helier, Jersey, JE1 0BD  
Registered in Jersey no. 101484. ABN: 67 133 992 766

## Notes:

### Determination of entitlement to attend and vote at the meeting

The Company, pursuant to the Companies (Uncertificated Securities) (Jersey) Order 1999, specifies that only those members entered in the register of members of Henderson Group plc at 8.30am (London time) Tuesday, 29 April 2014 or, if this meeting is adjourned, in the register of members 48 hours before the time of any adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting. Shareholders other than CDI holders should read the voting instructions on pages 2 and 3 and CDI holders should read the voting instructions on page 4.

## Documents available for inspection

The following documents are available for inspection during normal business hours at 47 Esplanade, St Helier, JE1 0BD, Jersey and at 201 Bishopsgate, London, EC2M 3AE from 6 March 2014 until the conclusion of the AGM, and will also be available for inspection at the AGM venue in Sydney from 5.00pm (Sydney time) prior to and during the AGM itself:

- (a) copies of the Directors' service contracts or letters of appointment with the Company;
- (b) the biographies of all Directors;
- (c) the rules of the share plans referred to in Resolutions 15 to 23;
- (d) the CP Contract referred to in Resolution 27; and
- (e) the Articles of Association referred to in Resolution 28.

## Proxies

All shareholders entitled to attend and vote are entitled to appoint a proxy to attend, speak and vote in their place. A member may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares. A proxy need not be a shareholder of the Company. If a CDI holder wishes to attend the meeting (or would like someone else to attend on their behalf) then instructions must be submitted to CDN to appoint the CDI holder or their representative as a proxy. Please see pages 2 to 4 for further details for holders of ordinary shares and CDI holders.

This right does not apply to persons nominated by a member to receive information rights under Article 80 of the Company's Articles of Association (which reflect the provisions of sections 146 to 149 (other than section 147(4)) of the UK Companies Act 2006). Persons nominated to receive information rights under Article 80 of the Company's Articles of Association that have been sent this notice of meeting are hereby informed that they may have the right under an agreement with the registered shareholder by whom they were nominated to be appointed, or to have someone else appointed, as a proxy for this meeting. If they have no such right or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member as to the exercise of voting rights. Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements.

## Total Voting Rights

As at 6 March 2014 (being the last practicable date prior to the publication of this notice) the Company's issued share capital consists of 1,124,917,911 ordinary shares of 12.5 pence, carrying one vote each. The Company held nil ordinary shares in treasury at 6 March 2014. Therefore, the total voting rights in the Company as at 6 March 2014 were 1,124,917,911.



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### **Members' requests under Article 81 of the Company's Articles of Association**

Under Article 81 of the Company's Articles of Association (Article 81), members meeting the threshold requirements set out in that Article have the right to require the Company to publish a statement on a website setting out any matter relating to:

- (a) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or
- (b) any circumstance connected with an auditor of the Company ceasing to hold office since the last AGM. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Article 81. Where the Company is required to place a statement on a website pursuant to Article 81, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required pursuant to Article 81 to publish on a website.

### **Sending documents relating to the meeting to the Company**

Any documents or information relating to the proceedings at the meeting may only be sent to the Company in one of the ways set out on pages 2 to 4.

### **CHESSE Depository Nominee's Financial Services Guide**

To obtain a copy of the CHESSE Depository Nominee's Financial Services Guide, go to [www.asx.com.au/documents/settlement/CHESSE\\_Depository\\_Interests.pdf](http://www.asx.com.au/documents/settlement/CHESSE_Depository_Interests.pdf) or phone 131 279 (from Australia) if you would like one sent to you by mail.

### **Important Information**

This document is important. If you are in any doubt as to the action you should take, please contact your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

## EXPLANATORY NOTES

The information below is an explanation of the business to be considered at the 2014 AGM.

### **Resolution 1: Directors' Report and Accounts**

The Directors are required to present the following reports in respect of the financial year ended 31 December 2013 to the meeting:

- the Annual Report and Accounts (which includes the financial statements); and
- the Directors' Report and the Auditors' Report.

Shareholders will be given an opportunity at the meeting to ask questions and make comments on these reports and accounts and on the business, operations and management. At the end of the discussion, shareholders will be invited to vote to receive the reports and the accounts.

### **Resolution 2: Directors' Remuneration Report**

The Annual Report and Accounts contain the Directors' Remuneration Report, which sets out the remuneration arrangements for Executive Directors, senior management and Non-Executive Directors for the financial year ending 31 December 2013. This resolution excludes the Directors' Remuneration Policy which will be voted on separately in Resolution 3 below.

The shareholder vote on the Directors' Remuneration Report will be advisory only.

### **Resolution 3: Directors' Remuneration Policy**

Although Henderson Group is incorporated in Jersey and is not subject to the Companies Act 2006, almost all of the recent changes to the UK legislation regarding changes to remuneration disclosures have been adopted as good practice to keep our disclosures in line with market practice and expectations. We are therefore putting the Directors' Remuneration Policy in the Directors' Remuneration Report to a non-binding advisory vote and the Remuneration Committee will take the outcome of the vote into consideration when implementing the policy.

### **Resolution 4: Dividend**

This Resolution seeks authority for the Company to pay a final dividend to shareholders for the financial year ended 31 December 2013, as recommended by the Directors. If approved, the dividend will be paid on 30 May 2014 to all ordinary shareholders who are on the register on 9 May 2014.

### **Resolutions 5 to 12: Reappointment of existing Directors**

In accordance with the UK Corporate Governance Code, all Directors are offering themselves for reappointment.

#### **Sarah Arkle**

Independent Non-Executive Director since September 2012. Chair of the Board Risk Committee and a member of the Audit, Nomination and Remuneration Committees.

#### **Experience**

Ms Arkle has been in the financial services industry for over 31 years. She joined Allied Dunbar Asset Management in 1983 which became Threadneedle in 1994. She was most recently Vice Chairman of Threadneedle until the end of July 2012 and

was Chief Investment Officer until December 2010, a role she held for 10 years. She was instrumental in establishing Threadneedle's investment process and recruiting a number of the firm's senior fund managers. Previously, Ms Arkle worked at the Far Eastern stockbroker WI Carr (Overseas) Limited. She is currently a Non-Executive Director of Foreign & Colonial Investment Trust plc and a member of the Newnham College, Cambridge Investment Committee and has been an advisor to the South Yorkshire Pension Fund. Ms Arkle is also a Non-Executive Director of JPMorgan Emerging Markets Investment Trust plc.

#### **Kevin Dolan**

Independent Non-Executive Director since September 2011 and a member of the Board Risk, Nomination and Remuneration Committees.

#### **Experience**

Mr Dolan has been in the financial services industry for 34 years. Mr Dolan has held various executive positions, including as Chief Executive of the Asset Management Division of Bank of Ireland Group and Chief Executive of Edmond de Rothschild Asset Management. He spent 10 years with the AXA Group where he was Chief Executive Officer of AXA Investment Managers Paris, and Global Deputy Chief Executive Officer of AXA Investment Management. He was Chief Executive of La Fayette Investment Management in London from 2006 until 2009. Mr Dolan has been a Director on a number of boards in Europe and the US, including DLJ and Alliance Capital. Mr Dolan is the founding partner of Anafin LLC, an advisory firm specialising in the investment industry and was appointed as a Director of Meeschaert Gestion Privée in October 2012.

#### **Andrew Formica**

Chief Executive. Executive Director since November 2008.

#### **Experience**

Mr Formica has been in the fund management industry since 1993. He has held various senior roles with the Henderson Group and he has been a member of the Executive Committee since 2004. Prior to being appointed Chief Executive of the Company, he was Joint Managing Director of the Listed Assets business (from September 2006) and was Head of Equities (since September 2004). In the early part of his career, he was an equity manager and analyst for the Henderson Group. Mr Formica is a member of the Board of the Investment Management Association.

#### **Richard Gillingwater**

Non-Executive Director since February 2013 and Chairman since May 2013. Chairman of the Nomination Committee.

#### **Experience**

Mr Gillingwater was, until recently, Dean of Cass Business School. Prior to this he spent 10 years at Kleinwort Benson, before moving to BZW, and, in due course, becoming joint Head of Corporate Finance and then latterly Chairman of European Investment Banking at Credit Suisse First Boston. He was Chief Executive and later Chairman of the Shareholder Executive, Chairman of the CDC Group and has also been a Non-Executive Director of P&O, Debenhams, Tomkins, Qinetiq Group and Kidde. Mr Gillingwater is the Senior Independent Director of Hiscox Ltd, Helical Bar plc and SSE plc. He is a Non-Executive Director of Wm Morrison Supermarkets Plc.

### **Tim How**

Independent Non-Executive Director since November 2008 and Senior Independent Director since January 2010. Chairman of the Remuneration Committee and a member of the Audit and Nomination Committees.

#### **Experience**

Mr How has extensive business experience. He was Chief Executive of Majestic Wine PLC from 1989 until August 2008 and was formerly Managing Director of Bejam Group Plc. Mr How is the Senior Independent Director of Dixons Retail plc and Chairman of Woburn Enterprises Limited. He was Chairman of Downing Income VCT 4 PLC until December 2013 and Deputy Chairman of the Peabody Trust and Non-Executive Director of Peabody Capital plc until February 2014. He is also Senior Independent Director of the Norfolk and Norwich University Hospitals NHS Foundation Trust.

### **Robert Jeens**

Independent Non-Executive Director since July 2009. Chairman of the Audit Committee and a member of the Nomination and Board Risk Committees.

#### **Experience**

Mr Jeens has extensive experience of financial services initially as an audit partner in Touche Ross & Co and subsequently as Finance Director of Kleinwort Benson Group plc and Woolwich plc. His previous Non-Executive appointments include the Chairman of nCipher plc and the Deputy Chairman of Hepworth plc. He was also a Non-Executive Director of Dialight plc and Gartmore Fledgling Trust plc. Mr Jeens was a Non-Executive Director of The Royal London Mutual Insurance Society Limited from 2003 to May 2012. He is currently a Non-Executive Director of TR European Growth Trust PLC and Deputy Chairman of JPMorgan Russian Securities plc. He is Deputy Chairman of RCM Technology Trust plc.

### **Angela Seymour-Jackson**

Independent Non-Executive Director since January 2014 and a member of the Board Risk, Nomination and Remuneration Committees.

#### **Experience**

Ms Seymour-Jackson has had over 20 years' experience in retail financial services. She has held various senior marketing and distribution roles in Norwich Union Insurance, General Accident Insurance, CGU plc and Aviva. She was CEO of RAC Motoring Services from 2010 until 2012 and led the sale to Carlyle. She joined Aegon UK in May 2012 and was appointed Managing Director of the Workplace Solutions Division in December 2012. Ms Seymour-Jackson is also a Non-Executive Director of Rentokil Initial plc.

### **Roger Thompson**

Chief Financial Officer. Executive Director since June 2013.

#### **Experience**

Mr Thompson joined Henderson from J.P. Morgan Asset Management where most recently he was Global Chief Operating Officer and was previously Head of UK and, prior to that, International CFO. In his 19 year career at J.P. Morgan, Mr Thompson has held a broad range of roles and has worked internationally, spending time in Tokyo, Singapore and Hong

Kong. He has wide-ranging asset management experience, both in the UK and internationally.

Pursuant to good corporate governance, the Chairman confirms that following their formal performance evaluations, the performance of each Director continues to be effective and they continue to demonstrate commitment to their roles as Directors, including their commitment of time for board and committee meetings and any other duties. Angela Seymour-Jackson who recently joined the Board on 23 January 2014, did not participate in the formal performance evaluations. However, the Board considers that she will make an effective contribution and is demonstrating that she is committed to her role as a Director. The Board supports the reappointment of each of the Directors.

In accordance with the UK Corporate Governance Code, the Board has reviewed the independence of its Non-Executive Directors and has determined that they remain independent in character and judgment.

### **Resolution 13: Appointment of the Auditors**

Pursuant to the Companies (Jersey) Law 1991, shareholders are required to approve the appointment of the Company's Auditors.

During 2013 the Audit Committee oversaw a tender process in relation to the appointment of the external auditors. By placing the audit out for tender, the Group was able to benchmark the current level of service, fees and value being delivered. To ensure that this audit tender process included all stakeholders within the Group, Management formed a working group. In addition, to ensure the working group concentrated on the key issues affecting the audit tendering process, a steering committee was established, which included the CFO, COO and the Head of Group Finance. A Request for Proposal was sent to the four main audit firms in May 2013 and responses were received in early June 2013. The presentations by the four audit firms to relevant members of the business were completed by mid-July and the Audit Committee Chairman participated in all of these. Following this process, the Audit Committee recommended to the Board that PricewaterhouseCoopers LLP be appointed as the external auditors for the year end 2014 subject to shareholder approval at the AGM in 2014. A review was undertaken of the non-audit work carried out by PricewaterhouseCoopers LLP to ensure there were no matters that would impact their independence once appointed, following which the Audit Committee was satisfied that PricewaterhouseCoopers LLP are independent. The Board confirms there are no matters in connection with Ernst & Young LLP's retirement as auditors which need to be brought to the attention of shareholders.

PricewaterhouseCoopers LLP's appointment runs until the conclusion of the next AGM (unless they are removed by resolution of the Company in general meeting).

### **Resolution 14: Remuneration of the Auditors**

This Resolution gives authority to the Directors to agree the Auditors' remuneration.

A summary of the remuneration paid to Ernst & Young LLP, in respect of their work for the financial year ended 31 December 2013, is included in note 4.2 on page 95 of the Annual Report and Accounts.

## EXPLANATORY NOTES CONTINUED

### **Resolutions 15 to 23: Renewal of shareholder approval for existing Henderson Group Employee Share Plans (“the Plans”)**

Approval for the purposes of ASX Listing Rule 7.2, Exception 9 (applicable to all share plans).

Under ASX Listing Rule 7.1, without the approval of the Company’s shareholders, the Company must not issue or agree to issue more than 15% of its shares, or securities convertible into shares (such as options), in the 12 months before the date of issue, subject to certain exceptions. ASX Listing Rule 7.2 provides a number of exceptions to this limitation. One of the exceptions (Exception 9) relates to the issue of shares or convertible securities under an employee incentive scheme provided that, in the three years prior to the date of issue of the securities, shareholders have approved the issue of securities under the scheme.

### **Voting exclusion statement in relation to Resolutions 15 to 23**

In order to obtain approval from shareholders for the purposes of ASX Listing Rule 7.2, Exception 9, the following ‘voting exclusion statement’ must be complied with.

The Company will disregard any votes cast on Resolutions 15 to 23 by:

- a Director who is eligible to participate in any employee incentive scheme in relation to the Company; and
- an associate of a Director who is eligible to participate in any employee incentive scheme in relation to the Company.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

As the Non-Executive Directors are not eligible to participate in any employee incentive scheme in relation to the Company, the above statement will not operate to exclude those Directors from voting on these Resolutions.

For the purposes of the ‘voting exclusion statement’, ‘associate’ is as defined in sections 11 and 13 to 17 of the Australian Corporations Act 2001 (as amended). Summaries of the key terms of each Plan are set out below.

In these summaries:

“Group” means the Company and its subsidiaries;

“Old Henderson Group” means HGI Group Limited (Company No. 02072534);

“Old Henderson Group Ordinary Shares” means ordinary shares in Old Henderson Group;

“Old Henderson Group Share Plans” means the employee share plans operated by Old Henderson Group;

“Shares” are references to ordinary shares in the Company.

The rules for each Plan will be available for inspection during

normal business hours at 47 Esplanade, St Helier, JE1 0BD, Jersey and at 201 Bishopsgate, London, EC2M 3AE from 6 March 2014 until the conclusion of the AGM, and will also be available for inspection at the AGM venue from 5.00pm (Sydney time) prior to and during the AGM itself.

### **Provisions applicable to all Plans**

#### **(i) Limits**

Options and share awards may be granted over unissued or existing Shares. No option or award may be granted under the Plans if it would cause the number of Shares (and Old Henderson Group Ordinary Shares) that have been issued or may be issued pursuant to awards and options granted within the preceding ten years under the Plans (and the Old Henderson Group Share Plans) to exceed 10% of the Company’s issued ordinary share capital at the proposed date of grant.

In addition, no option or award may be granted under any Henderson discretionary share plan (apart from the CSOP) if it would cause the number of Shares (and Old Henderson Group Ordinary Shares) that have been issued or may be issued pursuant to awards and options granted in the preceding ten years under the Henderson discretionary share plans (and the discretionary Old Henderson Group Share Plans), apart from the CSOP, to exceed 5% of the Company’s issued ordinary share capital at the proposed date of grant. In addition, any Shares issued pursuant to any new discretionary share plan that is approved by shareholders on the basis that it shall be excluded from this limit shall also be excluded. As approved by shareholders in 2011, up to 16 million Shares that could potentially be issued as matching shares under the Henderson Group plc Deferred Equity Plan in respect of awards made in 2011 are excluded from the calculation of this limit.

A reference to a discretionary share plan is a reference to any plan where participation may be limited at the discretion of the Board or the Remuneration Committee.

Any existing ordinary shares that are transferred in satisfaction of any options or awards shall not count against these limits. These limits do not apply to any options or awards which the Board has determined will only be satisfied by the transfer of existing ordinary shares.

Treasury shares will count as new issue Shares for the purposes of these limits for so long as institutional investor bodies consider that they need to be so counted.

These limits were last approved by shareholders on 1 May 2013.

#### **(ii) Participation by Executive Directors**

Participation in the Plans by Executive Directors will be limited to existing Shares purchased in the market.

#### **(iii) Benefits not pensionable**

Benefits under the Plans are not pensionable.

#### **(iv) Timing of options and awards under the Plans**

Options and awards are normally granted following the announcement by the Company of its financial results (or at other times when the Remuneration Committee considers there to be exceptional circumstances).

#### **(v) Adjustment of options and share awards**

In the event of any rights or capitalisation issue, sub-division,

consolidation, reduction or other variation of the Company's ordinary share capital, in relation to options or awards granted under the DEP, LTIP, RSP, CSOP, Sharesave Scheme and Sharesave Plan USA, the Remuneration Committee may adjust the number of Shares subject to options and share awards and the price (if any) payable on their exercise.

**(vi) Rights attaching to Shares**

Shares allotted or transferred under the Plans will rank *pari passu* with Shares of the same class then in issue (except in respect of rights attaching to such Shares by reference to a date prior to the date of exercise). The Company will apply to the UK Listing Authority for the listing of any newly issued Shares.

**(vii) Amendments**

The Remuneration Committee or Board may amend the Plans. However, the provisions governing eligibility requirements, equity dilution, individual participation limits, the basis for individual entitlement and the adjustments that may be made following a rights issue or any other variation of capital cannot be altered to the advantage of eligible employees or participants without the prior approval of shareholders at a general meeting (except for minor amendments to benefit the administration of the Plans, to take account of a change in legislation or developments in the law affecting the Plans or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants in the Plans or for any member of the Group). In addition, no alteration may be made that would materially affect any existing rights of any participants without their prior consent.

**(viii) Termination of the Plans**

The Plans will terminate on the tenth anniversary of the approval of the Plans by shareholders at the AGM, or such earlier time as the Remuneration Committee or the Board may determine, but the rights of existing participants will not thereby be affected. In the event of termination, no further options or share awards will be granted.

**(ix) Malus and clawback**

The Remuneration Committee has taken into consideration the regulations and guidance issued in connection with the amendments to the Capital Requirements Directive and the Financial Conduct Authority's Remuneration Code ("Remuneration Code") in respect of awards made to employees, in particular in respect of employees whose remuneration is subject to the Remuneration Code. The terms of awards therefore enable the forfeiture or reduction of unvested awards where the Board determines that there has been a material misrepresentation of the performance of the Company and/or the participant (including a misstatement of the financial results of the Company), that there is reasonable evidence of misbehaviour, or that there has been a material failure of risk management. In addition, the terms of the LTIP and RSP enable the clawing back of amounts received where the Board determines that there has been a material misrepresentation by the participant or where the participant is dismissed for misconduct.

## **Resolution 15: Henderson Group plc Deferred Equity Plan**

The Henderson Group plc Deferred Equity Plan ("DEP") was last approved by shareholders on 4 May 2011. Amendments to the DEP were approved by shareholders on 1 May 2013.

**(i) Introduction**

The DEP is the Company's deferral mechanism by which it seeks to comply with the Financial Conduct Authority's Remuneration Code (referred to above). The DEP enables selected employees of the Group who receive a bonus under any annual bonus scheme operated within the Group to receive part of their bonus in the form of Shares or interests in an investment fund as well as additional "matching" Shares or interests in an investment fund. Participants are entitled to receive their matching Shares or interests in an investment fund at the end of a specified restricted period subject to remaining in employment during that time.

**(ii) Eligibility**

The DEP is operated on a discretionary basis by the Remuneration Committee. All employees of the Group (including Executive Directors) are eligible to participate.

**(iii) Grant procedure**

Following notification of any bonus payable by a member of the Group, employees who are invited to participate in the DEP may elect to receive a proportion of their annual bonus in the form of Shares ("Bonus Shares"). Alternatively, the Company may determine that a participant may elect to receive an interest in an investment fund which is managed by the Group ("Bonus Investment Fund Interests"). Bonuses that exceed a specified amount are subject to a mandatory deferral into Shares or investment funds ("Restricted Shares" and "Restricted Investment Fund Interests" respectively).

If the voluntary deferral is equal to or in excess of the mandatory deferral, then the excess is deferred into Bonus Shares (or Bonus Investment Fund Interests) on award, and the Restricted Shares (or Restricted Investment Share Interests) comprised in the mandatory deferral will become Bonus Shares (or Bonus Investment Fund Interests) when the Restricted Shares (or Restricted Investment Share Interests) vest. The Remuneration Committee may make appropriate recommendations to the trustee of the Group discretionary employee benefit trust (the "Trustee") that additional matching Shares or matching Investment Fund Interests are also awarded to the participant having such value and on such terms as the Trustee may, on the Remuneration Committee's recommendation, determine.

**(iv) Restricted period**

The length of the restricted period, which is determined by the Remuneration Committee, is normally two or three years, but cannot be less than one year or longer than five years.

During the restricted period, a participant is the beneficial owner of the Restricted/Bonus Shares or Restricted/Bonus Investment Fund Interests, held on behalf of the participant by the Trustee. At the discretion of the Remuneration Committee the Participant may be entitled to receive dividends. However, a participant may not sell, transfer or otherwise dispose of the Restricted/Bonus Shares or Restricted/Bonus Investment Fund Interests. Subject

## EXPLANATORY NOTES CONTINUED

to the terms of the matching Shares/Interests, any attempt to do so normally results in the forfeiture of the related matching Shares or matching Interests (as applicable). A participant has no beneficial interest in any matching Shares or matching Investment Fund Interests.

In the event of a rights issue by the Company, the Trustee shall, in respect of a participant's matching Shares, take such course of action as it considers appropriate and, in respect of a participant's Restricted/Bonus Shares, take account of any directions given by the participant. In the event that the Trustee receives securities on a demerger or other reorganisation, such securities will be treated as Restricted/Bonus Shares and matching Shares. In the event of any other change affecting the ordinary share capital of the Company, the Trustee shall take such action as it agrees with the Remuneration Committee.

### *(v) Release of awards*

At the end of the relevant restricted period the Restricted/Bonus Shares and Restricted/Bonus Investment Fund Interests are released to a participant together with any matching Shares and matching Interests (subject to the terms of those matching Shares/Interests). If a participant ceases to be employed within the Group during the restricted period by reason of death, disability, the sale of the business or company in which the participant works or redundancy, the restricted period continues unless, in case of death or disability by reason of terminal illness, the Trustee with the consent of the Remuneration Committee determines otherwise. Awards which relate to less than 2,000 Shares are released immediately upon cessation of employment.

If a participant leaves employment during the restricted period for any other reason the Restricted Shares or Restricted Investment Fund Interests are, unless the Trustee determines otherwise, forfeited and are transferred to a person nominated by the Company for nil consideration. Forfeiture of the Bonus Shares or Bonus Investment Fund Interests is normally limited to cases of gross misconduct or bankruptcy but the Trustee may determine otherwise. In the event of a change of control of the Company the restricted period is deemed to have come to an end. Matching Shares/Interests will be released in accordance with the terms of those matching Shares.

In the event of a change in the identity of the investment manager of an Investment Fund, a resolution to wind up the Investment Fund or a change of control of the Investment Fund, a participant is able to instruct the Trustee to sell their Investment Fund Interests and hold the proceeds of sale or to reinvest such proceeds in interests in alternative Investment Funds.

As at 6 March 2014, nil Shares have been issued under the DEP since the plan was last approved by shareholders.

## **Resolution 16: Henderson Group plc Restricted Share Plan**

The Henderson Group plc Restricted Share Plan ("RSP") was last approved by shareholders on 4 May 2011. Amendments to the RSP were approved by shareholders on 1 May 2013.

### *(i) Introduction*

Under the RSP employees selected by the Remuneration Committee may be granted awards over Shares that are released after a certain 'restricted period'.

Awards may be granted in the form of a conditional allocation of Shares or an allocation of Shares subject to dealing restrictions.

Unless the Remuneration Committee decides otherwise, the participant has no dividend or voting rights in respect of the Shares comprised in the award until they are released to the participant.

### *(ii) Eligibility*

The RSP is operated on a discretionary basis by the Remuneration Committee. All employees of the Group (including Executive Directors) are eligible to participate.

### *(iii) Release of awards*

Awards are normally released at the end of the restricted period.

If a participant leaves employment before the end of the restricted period, the award will be forfeited unless the reason for leaving is death, injury, disability, ill-health, or the sale of the business or company in which the participant works or, if the Remuneration Committee so decides, any other reason. In these circumstances, all or a pro rated part (reflecting the proportion of the restricted period elapsed to the date of leaving) of a restricted share award (as the Remuneration Committee may determine) may be released at the end of the restricted period. If the time pro rated part of an award which is not subject to performance conditions relates to less than 2,000 Shares, the award will be released immediately. If the reason for termination of employment is death or terminal illness, the Remuneration Committee may determine that the restricted share award will be released immediately.

Restricted share awards shall be released in the event of a takeover, a scheme of arrangement for the reconstruction of the Company or the voluntary winding up of the Company. In these circumstances, all or a pro rated part (reflecting the proportion of the restricted period elapsed to the date of the relevant event) of a restricted share award (as the Remuneration Committee may determine) may be released. In addition, in the event of a demerger, dividend in specie or special dividend or other transaction which the Board determines would affect the value of any awards, the Board may determine that all or part of a restricted share award may be released.

### *(iv) Individual limits*

The maximum number of Shares that may be awarded to an Executive Director in any 12 month period is limited so that the aggregate market value (as at the date of grant) of those Shares must not exceed 150% of the Executive Director's basic salary. This limit shall not apply to employees who are not Executive Directors of the Company at the date of grant.

**(v) Overseas employees**

The Remuneration Committee may in its discretion grant phantom awards to non-UK resident employees in the form of a right to receive, contingent on the exercise of the phantom award, a cash payment equal to the market value of a maximum number of phantom shares determined by the Remuneration Committee at the date of grant. The rules of the RSP apply with appropriate amendments to such phantom awards.

As at 6 March 2014, 4,143,000 Shares have been issued under the RSP since the plan was last approved by shareholders.

**Resolution 17: Henderson Group plc Long Term Incentive Plan**

The Henderson Group plc Long Term Incentive Plan ("LTIP") was last approved by shareholders on 4 May 2011.

Amendments to the LTIP were approved by shareholders on 1 May 2013.

**(i) Introduction**

The LTIP enables selected employees and Executive Directors of the Group to be granted performance related share awards entitling them to acquire a number of Shares as determined by reference to the corporate performance of the Company over a performance period specified by the Remuneration Committee, generally of not less than three years. For 2014, the performance conditions will be based on TSR (95% of the award) and non-financial risk and sustainability metrics (5% of the award). Two thirds of the award is eligible to vest after three years subject to performance measured over a three year period and one third of the award is eligible to vest after four years, subject to performance measured over a four year period.

Awards may be granted in the form of a nil or nominal cost option, a conditional allocation of Shares or an allocation of Shares subject to dealing restrictions.

**(ii) Eligibility**

The LTIP is operated on a discretionary basis by the Remuneration Committee. All employees of the Group (including Executive Directors) are eligible to participate.

**(iii) Performance conditions**

Each share award under the LTIP is subject to performance conditions which will determine how many (if any) of the Shares under the award the participant will be entitled to acquire after the end of the performance period. The Remuneration Committee sets objective performance conditions which, for the Executive Directors, are disclosed in the Directors' Remuneration Report.

**(iv) Vesting of awards**

Awards will normally vest following the end of the performance period.

If a participant leaves employment before the end of the performance period, the award will lapse unless the reason for leaving is death, injury, disability, ill-health, or the sale of the business or company in which the participant works or, if the Remuneration Committee so decides, any other reason. In these circumstances an award may vest at the end of the normal performance period to the extent the applicable performance

condition has been achieved (except in the case of a participant's death where the Remuneration Committee may determine that performance conditions do not need to be satisfied). Unless the Remuneration Committee determines otherwise, the award will be pro rated to reflect the proportion of the performance period (measured in complete months) elapsed at the date of leaving. If the reason for termination of employment is death or terminal illness the Remuneration Committee may determine that the award shall vest immediately.

Awards will vest in the event of a takeover or a scheme of arrangement for the reconstruction or amalgamation of the Company. In these circumstances, the extent to which awards will vest will be determined according to the extent to which the performance conditions have been achieved up to the date of the relevant event and will be pro rated to reflect the proportion of the performance period elapsed to the date of the relevant event, save that the Remuneration Committee may, in its absolute discretion, having regard to the extent to which the performance conditions have been satisfied up to the relevant event, determine that awards may be exercised in respect of a greater number of Shares, but not exceeding the total number of Shares under the awards. In addition, in the event of a demerger, dividend in specie or other transaction which the Board determines would affect the value of any awards, or in the event of the voluntary winding up of the Company, the Board may determine that all or part of an award will vest.

**(v) Cash equivalent**

The Remuneration Committee may determine that an award may be settled by procuring a payment to a participant of a cash amount equal to the aggregate market value of the Shares on the vesting date (less any deductions required by law).

**(vi) Individual limits**

The maximum number of Shares that may be awarded to a participant in any 12 month period is limited so that the aggregate market value (on the date of grant) of such Shares must not exceed 300% or, in the case of a participant who for the time being is the Chief Executive of the Company, 500% of that participant's basic salary.

**(vii) Dividends**

Unless the Remuneration Committee determines otherwise, a participant has no dividend rights in respect of any Shares allocated subject to dealing restrictions until they vest.

A cash amount equivalent in value to the amount of dividends that would have been received since grant in respect of the number of Shares that vest under the LTIP may, if the Remuneration Committee so determines, be paid out in two equal tranches following vesting of an award (or, where the award is granted in the form of an option, the two years from when the option first becomes exercisable), provided that the participant remains in employment with the Group (subject to the leaver provisions outlined above).

## EXPLANATORY NOTES CONTINUED

### *(viii) Overseas employees*

The Remuneration Committee may in its discretion grant phantom awards to non-UK resident employees in the form of a right to receive, contingent on the exercise of the phantom award, a cash payment equal to the market value of a maximum number of phantom shares determined by the Remuneration Committee at the date of grant. The rules of the LTIP apply with appropriate amendments to such phantom awards.

As at 6 March 2014, 19,395,000 options have been granted under the LTIP and 10,816,000 Shares have been issued since the plan was last approved by shareholders.

### **Resolution 18: Henderson Group plc Company Share Option Plan**

The Henderson Group plc Company Share Option Plan ("CSOP") was last approved by shareholders on 1 May 2013.

#### *(i) Introduction*

The CSOP is a global plan that provides employees with an opportunity to buy Shares after three years at an option price fixed at the time of the award. Options are awarded on merit, but vesting is not subject to meeting a corporate performance condition. Benefits under the CSOP are not pensionable. The CSOP comprises the UK CSOP, the US CSOP and a schedule enabling the grant of tax-unapproved options for employees outside the UK and US.

#### *(ii) Eligibility*

Although a discretionary plan, in large part the Company uses the CSOP as a broad based plan, in order to make relatively small awards to large numbers of employees. Employees of the Group are eligible to participate, except Executive Directors.

Employees of the US subsidiaries of the Company and any of its subsidiaries are eligible to receive Incentive Stock Options under the US CSOP.

#### *(iii) Exercise price*

The exercise price of the options, which is determined by the Remuneration Committee, will be:

- (a) in the case of the UK CSOP, not less than the average market value of a Share for the five dealing days immediately preceding the date of the grant; and
- (b) in the case of the US CSOP, not less than the market value of a Share on the dealing day prior to the date of grant.

#### *(iv) Limits*

The aggregate price payable on the exercise of all unexercised HMRC-approved options granted to an employee under the UK CSOP, when aggregated with any HMRC-approved options granted under any associated company share option plans established by the Group (excluding Sharesave options), will not exceed the relevant statutory limit from time to time, which is currently £30,000.

In the case of the US CSOP, US tax rules require that the Company's shareholders approve the maximum number of Shares that can be granted as "Incentive Stock Options" under the US CSOP and the employees (or class of employees) who will be permitted to participate in the plan. US tax rules further

require that Incentive Stock Options covering no more than \$100,000 worth of Shares may vest for any employee in any calendar year.

The maximum aggregate number of Shares that can be granted subject to Incentive Stock Options under the US CSOP is 5,000,000 Shares.

#### *(v) Exercise of options*

Options may normally only be exercised between the third and fifth anniversaries of the date of grant and cannot in any circumstances be exercised later than ten years after the date of grant.

If a participant leaves employment, an option will lapse unless the reason for leaving is death, injury, disability, ill-health, redundancy, retirement, the sale of the business or company in which the participant works or, if the Remuneration Committee so decides, any other reason. In these circumstances an option will be exercisable for a period of six months following cessation (or 12 months in the event of death). In the case of the US CSOP, an option exercised later than three months after cessation will lose its US tax favourable status (unless the cessation is due to disability). An option exercised following cessation of employment will be pro rated to reflect the proportion of the vesting period elapsed at the date of leaving.

Options will vest in the event of a takeover, a scheme of arrangement of the Company, a demerger or the voluntary winding up of the Company, and may be exercised within specified periods.

#### *(vi) Overseas employees*

Overseas employees outside the UK and the US may be granted options which are unapproved for tax purposes under an unapproved part to the UK CSOP.

Such options cannot be granted with a value of more than 300% of annual basic salary (save in exceptional circumstances).

As at 6 March 2014, nil options have been granted under the CSOP and 3,476,900 Shares have been issued since the plan was last approved by shareholders.

### **Resolution 19: Henderson Group plc Executive Shared Ownership Plan**

The Henderson Group plc Executive Shared Ownership Plan ("ExSOP") was last approved by shareholders on 4 May 2011. Amendments to the ExSOP were approved by shareholders on 1 May 2013.

#### *(i) Introduction*

The ExSOP is an employee shared ownership plan and was introduced to encourage employee share ownership at middle management level. At a time of cost restraint, the ExSOP is intended to be overall cost neutral by reference to other share plans operated by the Company.

Under the terms of the ExSOP certain employees may be invited to acquire (for a nominal payment), jointly with an employee benefit trust (the "Co-Owner"), the beneficial interest in a number of Shares (the "ExSOP Award Shares") upon the terms of a 'joint ownership agreement' ("JOA").



Under a JOA, the employee benefits from any growth in value of the ExSOP Award Shares from the time of the award in excess of a 'Hurdle' amount fixed by the Remuneration Committee in respect of each award (which is calculated as simple interest, at a rate determined by the Remuneration Committee).

Insofar as the participant does not pay the full taxable value of their interest in the ExSOP Award Shares, the participant will incur a charge to income tax and National Insurance contributions on the amount of the difference. The Remuneration Committee may choose to pay a cash bonus to fund any such tax payable by the participant.

**(ii) Eligibility**

The ExSOP is operated on a discretionary basis by the Remuneration Committee. Employees of the Group are eligible to participate, except Executive Directors.

**(iii) Individual limits**

The maximum number of Shares that may be awarded in any year is limited so that the aggregate market value (as at the date of grant) of those Shares must not exceed 100% of the participant's basic salary.

**(iv) Vesting of ExSOP awards**

ExSOP awards will normally vest on the third anniversary of the award date. At any time from the vesting date until the fifth anniversary of the award date, the participant can require the ExSOP Award Shares to be sold. From the fifth anniversary of the award date, the Co-Owner can require the ExSOP Award Shares award to be sold.

If at any time the participant leaves employment, an ExSOP award will lapse unless the reason for leaving is death, injury, disability, ill-health, redundancy, retirement, the sale of the business or company in which the participant works or, if the Remuneration Committee so decides, any other reason.

Where the participant leaves employment in these circumstances prior to the third anniversary of the award date, a pro rated proportion of the ExSOP award will vest (to reflect the proportion of the vesting period elapsed at the date of leaving), and the Co-Owner can require the participant to sell these ExSOP Award Shares.

In the event of a change of control as a result of a takeover or a scheme of arrangement or the voluntary winding up of the Company the ExSOP Award Shares may be disposed of pursuant to, or may otherwise become subject to, such corporate event.

In each case the proceeds of sale of the ExSOP Award Shares will be distributed depending on the extent of the participant's part-interest at that time, such that the participant will receive the sale proceeds in excess of the market value of the Shares at the date the ExSOP Award was made plus the 'Hurdle'.

**(v) Settlement in Shares**

ExSOP awards may be settled on the basis that instead of the participant receiving the sale proceeds for his part-interest in the ExSOP Award Shares, as described above, a number of Shares of equivalent value may be transferred to the participant.

**(vi) Dividends**

The participant is entitled to a proportion of any dividend equal to his proportional part-interest in the ExSOP Award Shares at that time.

**(vii) Voting rights**

Save as otherwise agreed, the participant is entitled to instruct the exercise of voting rights in respect of the ExSOP Award Shares at such time as his part-interest in the ExSOP Award Shares exceeds 50% of the value at that time, and where this is not the case, the voting rights will not be exercised.

**(viii) Company reorganisations and reconstructions and variations of share capital**

In the event of a reorganisation or reconstruction of the Company or a variation of share capital, the Hurdle may be adjusted accordingly. Where a reorganisation results in a new holding of shares in place of the ExSOP award shares, the new holding shall be held subject to the terms of the JOA.

As at 6 March 2014, 2,750,000 Shares have been issued under the ExSOP since the plan was last approved by shareholders.

**Resolution 20: Henderson Group plc Buy As You Earn Plan**

The Henderson Group plc Buy As You Earn Plan ("BAYE Plan") was last approved by shareholders on 1 May 2013.

**(i) Introduction**

The BAYE Plan operates within UK legislation for HM Revenue & Customs approved share incentive plans. The BAYE Plan is supervised by the Remuneration Committee. Shares awarded under the BAYE Plan are held by a trustee in a special UK-resident trust on and subject to the terms of the trust deed and rules of the BAYE Plan.

**(ii) Eligibility**

All UK resident employees of the Company (including the Executive Directors) and any other Group company designated by the Remuneration Committee as a participating company, who have completed such period of continuous employment as is specified by the Remuneration Committee, are entitled to participate in the BAYE plan when it is operated. Employees who would otherwise qualify but for not being resident in the UK may be invited to participate.

**(iii) Types of award**

The Remuneration Committee may decide to invite applications from qualifying employees for any one or more of three types of award: (a) an award of free Shares ("Free Shares"); (b) an award of Shares purchased by qualifying employees out of deductions from their pre-tax salary ("Partnership Shares"); and (c) an award of free shares ("Matching Shares") to qualifying employees who purchase Partnership Shares.

**(a) Free Shares**

The Remuneration Committee may, in its discretion, determine that a fixed number of Free Shares may be awarded to all qualifying employees or that Free Shares may be awarded by reference to length of service, hours worked, level of remuneration or individual, team, divisional or corporate performance measures. The aggregate market value of Free Shares that can be awarded to any qualifying employee under the BAYE Plan in any year may not exceed the statutory maximum for HM Revenue & Customs

## EXPLANATORY NOTES CONTINUED

approved share incentive plans from time to time, which is currently £3,000 per annum (with a planned increase to £3,600 from 6 April 2014).

### **(b) Partnership Shares**

The Remuneration Committee may also invite qualifying employees to enter into a contract to acquire Partnership Shares using the employee's pre-tax salary. The number of Partnership Shares that an eligible employee may acquire from their pre-tax salary under the BAYE Plan in any year may not exceed the statutory maximum for HM Revenue & Customs approved share incentive plans from time to time, which is currently the lesser of £1,500 per annum (£1,800 from 6 April 2014) and 10% of salary.

The Remuneration Committee may permit Partnership Shares to be acquired either (a) using deductions from salary which are accumulated for a period of up to 12 months, in which case Shares will be bought within 30 days of the end of the accumulation period; or (b) using monthly deductions from pay, in which case Shares will be bought within 30 days of each deduction.

Where employees buy Partnership Shares at the end of an accumulation period, the price at which the Shares are bought will be the market value of these Shares at the beginning or end of the accumulation period.

### **(c) Matching Shares**

The Remuneration Committee may in its discretion also offer Matching Shares to qualifying employees who have purchased Partnership Shares. The number of Matching Shares that the Remuneration Committee may award to a qualifying employee who has acquired Partnership Shares under the BAYE Plan in any year will be determined by the Remuneration Committee and may not exceed the statutory maximum for HM Revenue & Customs approved share incentive plans (currently in the ratio of up to two Matching Shares to each Partnership Share purchased).

### **(d) Dividend Shares**

The Remuneration Committee may permit dividends paid on any ordinary shares awarded and held in trust to be reinvested in acquiring further Shares ("Dividend Shares") to be held in the trust, or paid out directly to a participant. Any reinvested Dividend Shares will normally be subject to a holding period of three years.

The amount of dividends that can be invested by an eligible employee in further Shares may be determined by the Remuneration Committee, up to the full amount of any dividends received.

### **(iv) Holding periods and forfeiture of Shares**

Whilst in employment, participants may not withdraw their Free Shares or Matching Shares from the BAYE Plan during a holding period determined by the Remuneration Committee (being not less than three years). Partnership Shares and Dividend Shares can be withdrawn from the BAYE Plan at any time, although the Remuneration Committee may require that Matching Shares be forfeited if the related Partnership Shares are withdrawn within three years of purchase. The Remuneration Committee can impose forfeiture provisions on Free Shares and/or Matching Shares.

As at 6 March 2014, 516,580 Shares have been issued under the BAYE Plan since the plan was last approved by shareholders.

### **Resolution 21: Henderson Group plc International Buy As You Earn Plan**

The Henderson Group plc International Buy As You Earn Plan ("International BAYE Plan") was last approved by shareholders on 4 May 2011.

#### **(i) Introduction**

In order to provide employees around the world with similar opportunities to acquire Shares as are available to employees in the United Kingdom under the BAYE Plan, the Company established the International BAYE Plan. The International BAYE Plan is based on the BAYE Plan, but has modified terms which are intended to achieve a simpler implementation across different international jurisdictions.

The International BAYE Plan will be treated as being part of the BAYE Plan for the purposes of determining the overall limits under the BAYE Plan and the International BAYE Plan (and any other further employee incentive scheme established for the benefit of employees in jurisdictions outside of the United Kingdom and based on the International BAYE Plan).

#### **(ii) Eligibility**

Participation in the International BAYE Plan is available for any employees who are not under notice and have worked for the Group for any qualifying period of service set by the Remuneration Committee. Directors are not eligible to participate.

The Remuneration Committee has the discretion to determine how the International BAYE Plan will be operated and in which jurisdictions awards of shares may be made available.

#### **(iii) Types of Award**

The Remuneration Committee may decide to invite applications from qualifying employees for any one or more of three types of award: (a) an award of free Shares ("Free Shares"); (b) an award of Shares purchased by qualifying employees out of deductions from net salary ("Partnership Shares"); and (c) an award of free shares ("Matching Shares") to qualifying employees who purchase Partnership Shares.

##### **(a) Free Shares**

The Remuneration Committee may, in its discretion, determine that a fixed number of Free Shares may be awarded to all qualifying employees or that Free Shares may be awarded by reference to length of service, hours worked, level of remuneration or individual, team, divisional or corporate performance measures. The aggregate market value of Free Shares that can be awarded to any qualifying

employee under the International BAYE Plan in any year may not exceed £3,000 per annum (£3,600 from 6 April 2014) or such higher amount as the Remuneration Committee may determine.

**(b) Partnership Shares**

The Remuneration Committee may also invite qualifying employees to enter into a contract to acquire Partnership Shares from net salary deductions (or, if the Remuneration Committee allows, net bonuses). The number of Partnership Shares that an eligible employee may acquire from net salary deductions must comply with the monthly minimum and maximum, which are the local currency equivalent of £10 and £125 per month (£150 from 6 April 2014) respectively, or in each case any such other amount as the Remuneration Committee may determine.

**(c) Matching Shares**

The Remuneration Committee may in its discretion also offer Matching Shares to qualifying employees who have purchased Partnership Shares. The number of Matching Shares that may be awarded under the International BAYE Plan in any year will be determined by the Remuneration Committee but may not exceed the ratio of two matching shares for every one partnership share acquired (or such higher ratio as may be permitted from time to time by the relevant legislation for the purposes of the BAYE Plan).

**(d) Dividend Shares**

Cash dividends paid on any International BAYE Plan shares shall, unless otherwise directed by the Remuneration Committee, be held in trust to be reinvested in acquiring further Shares ("Dividend Shares") to be held in trust on behalf of the participant.

The amount of dividends that can be, or are required to be, re-invested by participants in further Shares may be determined by the Remuneration Committee, up to the full amount of any dividends received.

**(iv) Holding Periods of Free Shares, Dividend Shares and Matching Shares**

Participants may not withdraw their Free Shares, Matching Shares or Dividend Shares from the International BAYE Plan during such holding period as may be determined by the Remuneration Committee, of more than three years. Partnership Shares can be withdrawn from the International BAYE at any time, although the Remuneration Committee may determine that the right to acquire Matching Shares will be forfeited if the Partnership Shares are withdrawn before the Matching Shares appropriation date.

**(v) US Employees**

US employees may be invited to purchase Shares via an employee stock purchase plan known as the Sharesave Plan USA (which is described below) rather than via the International BAYE Plan. Under the Sharesave Plan USA, US employees are able to contribute (via payroll deductions) up to £1,500 (per year), or £1,800 per year from 6 April 2014, for the purchase of Shares at a purchase price equal to the fair market value of such Shares on the date of purchase. The Shares purchased under the Sharesave Plan USA are held in trust on behalf of the participating employees, and the Company may provide

free matching shares to each participating employee via the International BAYE Plan equal to the number of Shares purchased under the Sharesave Plan USA during the course of the year. These free matching Shares are also held in trust on behalf of the participating employees, and are subject to a holding period as applies to the Shares acquired by employees in other countries.

As at 6 March 2014, 67,725 Shares have been issued under the International BAYE Plan since the plan was approved by shareholders.

**Resolution 22: Henderson Group plc Sharesave Scheme**

The Henderson Group plc Sharesave Scheme ("Sharesave Scheme") was last approved by shareholders on 4 May 2011. Amendments to the Sharesave Scheme were approved by shareholders on 1 May 2013.

**(i) Introduction**

Under the Sharesave Scheme participants may enter into a three or five year savings contract and will be granted a share option which can be exercised upon maturity of the related savings contract. The Sharesave Scheme has been approved by HM Revenue & Customs.

**(ii) Eligibility**

All UK-resident employees of the Company (including the Executive Directors) and any other Group company designated by the Remuneration Committee as a participating company who have completed such period of continuous employment with a Group company as is specified by the Remuneration Committee (not exceeding five years) are entitled to apply for options under the Sharesave Scheme whenever it is operated. Employees who would otherwise qualify, but for not being resident in the UK, may be invited to participate.

**(iii) Exercise price**

The exercise price of options granted under the Sharesave Scheme may not be less than 80% of the market value of a Share at the date of invitation or, if the Remuneration Committee so decides, the date of grant.

**(iv) Savings contracts**

At the time of receiving options, participants must enter into a three or five year savings contract (whichever is offered), with a nominated savings institution, under which they agree to make monthly contributions of up to such amount permitted by legislation from time to time (currently £250 and from 6 April 2014, £500). The number of Shares over which a participant may be granted an option is the number that can be acquired, at the exercise price, with the savings made plus any tax-free bonus payable by the savings institution on maturity of the savings contract.

The Remuneration Committee may limit the number of Shares over which options may be granted in a particular invitation period. If there is an over-application for options, each applicant's allocation will be scaled down.

## EXPLANATORY NOTES CONTINUED

### *(v) Exercise of options*

Options may normally only be exercised during the six month period following the maturity date of the related savings contract.

If a participant leaves employment, an option will lapse unless the reason for leaving is death, injury, disability, ill-health, redundancy, retirement, the sale of the business or company in which the participant works or, if the Remuneration Committee so decides, any other reason. In these circumstances an option will be exercisable for a period of six months following cessation (or 12 months in the event of death) to the extent of the accrued savings.

Options will vest in the event of a takeover, a scheme of arrangement of the Company or the voluntary winding up of the Company, and may be exercised, within specified periods, to the extent of accrued savings.

As at 6 March 2014, 3,994,645 options have been granted under the Sharesave Scheme and 4,787,175 Shares have been issued since the scheme was approved by shareholders.

### **Resolution 23: Henderson Group plc Sharesave Plan USA**

The Henderson Group plc Sharesave Plan USA ("Sharesave Plan USA") was last approved by shareholders on 4 May 2011. Amendments to the Sharesave Plan USA were approved by shareholders on 1 May 2013.

#### *(i) Introduction*

Participants may be granted options to acquire Shares which normally become exercisable on one or more dates determined by the Remuneration Committee at the time of grant, being on or before the end of a period of 27 months from grant.

Participants are required to specify an amount they wish to contribute and such amount will be deducted from the participant's post-tax salary in equal instalments during a contribution period established by the Remuneration Committee.

#### *(ii) Eligibility*

All employees of the Company (including the Executive Directors) and any other Group company designated by the Remuneration Committee as a participating company who have completed such period of continuous employment with a Group company as is specified by the Remuneration Committee (not exceeding two years) are eligible to participate. Employees who own Shares possessing 5% or more of the total combined voting power of the Company are not eligible.

#### *(iii) Limits*

The maximum aggregate number of Shares that can be issued under the Sharesave Plan USA is 5,000,000 Shares.

#### *(iv) Employee contribution*

The minimum amount an employee may choose to contribute during the specified contribution period is established at the beginning of each contribution period and the maximum amount an employee may be permitted to contribute during the specified contribution period is \$25,000. Any interest that accrues on the employee's contributions is distributed to the employee on an annual basis.

### *(v) Contribution period*

An employee who elects to participate in the Sharesave Plan USA will be required to make the payroll contributions during the contribution period established by the Remuneration Committee. Each contribution period is two years. In order to comply with United States tax laws governing the Sharesave Plan USA, in no event will a contribution period last longer than 27 months after the option grant date. The Remuneration Committee may in its discretion establish a contribution period each year during the term of the Sharesave Plan USA subject to certain limitations under the United States tax laws.

### *(vi) Exercise Price*

The exercise price of an option may not be less than 85% of the fair market value of a Share on the date the option is granted, unless a grant is made in connection with the International BAYE Plan, in which case the exercise price may not be less than 85% of the fair market value of a Share on the date the option is exercised.

### *(vii) Exercise of Options*

On the exercise date or dates established by the Remuneration Committee, if the fair market value of a Share is greater than the per Share exercise price of the option, the option (or the applicable proportion of the option) will be automatically exercised to the extent of the accrued contributions. However if, on the exercise date or dates, the fair market value of a Share is less than the exercise price of the option, the option (or the applicable proportion of the option) will automatically expire and the accrued contributions will be repaid to the participant together with any accrued but unpaid interest.

### *(viii) Termination of Employment*

If a participant leaves employment, an option will lapse unless the reason for leaving is death, disability, redundancy, retirement at age 62 or the sale of the business or company in which the participant works. In these circumstances the option (or the applicable proportion of the option) will be automatically exercised to the extent of the accrued contributions. Where an employee leaves for any other reason the accrued contributions will be repaid to the participant together with any accrued but unpaid interest.

### *(ix) Change of Control or Other Reorganisations*

Options will vest in the event of a general offer being made, a scheme of arrangement for the reconstruction or amalgamation of the Company or the voluntary winding up of the Company. In these circumstances options may be exercised within specified exercise periods to the extent of the accrued contributions.

As at 6 March 2014, 284,144 options have been granted under the Sharesave Plan USA and 499,910 Shares have been issued since the plan was approved by shareholders.

### **Resolution 24: Authority to allot shares**

The effect of this Resolution, if passed, is to renew the authority given at the AGM in 2013 which would otherwise expire at the AGM, to give the Directors authority to allot ordinary shares with a nominal amount of up to £46,725,000 and also to give the Directors authority to allot ordinary shares with a nominal amount of up to £93,450,000 by way of a rights issue. The amount of £46,725,000 represents approximately one-third of the Company's issued ordinary share capital as at 6 March 2014. The amount of £93,450,000 represents approximately two-thirds of the Company's issued ordinary share capital as at 6 March 2014.

The Board has no present intention to exercise this authority. However, renewal of this authority will ensure that the Board has flexibility in managing the Company's capital resources so that the Board can act in the best interests of shareholders generally.

This renewed authority would remain in force until the AGM in 2015 or 1 August 2015, whichever is the earlier. The Board has continued to seek annual renewal of this authority in accordance with best practice.

If the Board takes advantage of the additional authority to issue shares representing more than one-third of the Company's issued share capital or for a rights issue where the monetary proceeds exceed one-third of the Company's pre-issue market capitalisation, all members of the Board wishing to remain in office will stand for reappointment at the next AGM following the decision to make the relevant share issue. In any event the Board intends that all Directors will stand for re-election at each AGM in accordance with the requirements of the UK Corporate Governance Code.

The Company did not hold any treasury shares as at 6 March 2014.

### **Resolution 25: Limited disapplication of pre-emption rights**

The effect of this Resolution, if passed, is to renew the authority given at the AGM in 2013 which would otherwise expire at the AGM, to give the Directors authority to allot equity securities for cash on a non pre-emptive basis (a) pursuant to a rights issue, or (b) with an aggregate nominal amount of up to £7,008,950, which represents approximately 5% of the issued ordinary share capital of the Company as at 6 March 2014.

This will continue to permit the Directors to make limited allotments of unissued equity securities of the Company or certain rights to acquire such equity securities for cash other than in accordance with the pre-emption rights in the Company's Articles of Association, which requires the Company to first offer allotments of equity securities for cash proportionately to existing shareholders.

This renewed authority would remain in force until the AGM in 2015 or 1 August 2015, whichever is the earlier.

The Board has continued to seek annual renewal of this authority in accordance with best practice.

In accordance with the guidelines issued by the Association of British Insurers' Pre-emption Group, the Board confirms its intention that no more than 7.5% of the issued share capital

(excluding treasury shares) will be issued for cash on a non pre-emptive basis during any rolling three-year period.

Renewal of this authority will ensure that the Board has flexibility in managing the Company's capital resources so that it can act in the best interests of shareholders generally.

### **Resolution 26: Authority to purchase own shares**

The Directors consider that it is advantageous for the Company to renew the authority to buy back its own shares in certain circumstances. Resolution 26, which will be proposed as a special resolution, seeks shareholders' approval of the purchase by the Company of a maximum number of shares which, taken together with any ordinary shares purchased by the Company pursuant to Resolution 27, is 112,140,000 which represents just under 10% of the Company's issued share capital as at 6 March 2014.

The authority sought by this resolution will expire at the end of the next AGM or 1 November 2015, whichever is earlier.

The Directors have no present intention to exercise this authority but will keep a possible buy-back of shares under review, taking into account the Company's financial position, share price and other investment opportunities. The Directors would use this authority only if they believe at the time that such purchase would be in the best interests of shareholders generally.

Any purchases of ordinary shares would be by means of market purchases.

The resolution sets the maximum and minimum prices for any such purchases. Ordinary shares purchased under this authority may be held as treasury shares. The Companies (Jersey) Law 1991 allows the Company to purchase and hold treasury shares in its issued capital rather than cancelling those shares. Treasury shares do not carry voting rights and have no entitlement to dividends. Treasury shares may be cancelled, sold or used to meet the Company's obligations under its employee share schemes. If treasury shares are used in the Company's employee share schemes then, so long as this is required under institutional guidance, the Company will treat them as if they were an issue of new ordinary shares for the purpose of meeting the anti-dilution limits applicable to such schemes.

Any ordinary shares purchased, but not held as treasury shares, would be cancelled.

The Company has not bought back any ordinary shares since the authority was last renewed by shareholders.

As at 6 March 2014, there were 36,111,646 options over unissued ordinary shares in the Company outstanding under the Company's share schemes which represents 3.21% of the Company's issued capital at that date. If the Company was to purchase the maximum number of ordinary shares permitted under this Resolution and under Resolution 27 these options would then represent 3.57% of the Company's issued share capital.

The proportion of ordinary shares to be bought back pursuant to each of this Resolution and Resolution 27 will be determined by the Directors in what they believe to be in the best interests of shareholders generally.

## EXPLANATORY NOTES CONTINUED

### **Resolution 27: Contingent Purchase Contract**

The Directors consider that it is advantageous for the Company to renew the authority to 'buy back' interests in its own CHESSE Depositary Interests (CDIs) in certain circumstances. However, as CDIs are interests in shares, rather than shares themselves, the Companies (Jersey) Law 1991 provisions which provide for a buy back of shares do not apply to CDIs. The Company, therefore, cannot buy CDIs pursuant to Resolution 26.

The Company wishes to achieve a similar result by entering into a Contingent Purchase Contract (CP Contract) with Credit Suisse (Australia) Limited and certain of its affiliates (Credit Suisse) as identified in the CP Contract. It is proposed that Credit Suisse will buy the CDIs in Australia and then convert the CDIs into ordinary shares (Converted Shares). The Company would then have an obligation to buy any Converted Shares from Credit Suisse up to a maximum amount as explained below.

Article 57 of the Companies (Jersey) Law 1991 provides that any such purchase of shares must be approved by shareholders by special resolution and they must also approve the CP Contract. The Company seeks authority by way of a special resolution to enter into the CP Contract to buy back up to a maximum number of Converted Shares as explained below.

The maximum number of Converted Shares which could be bought back by the Company, together with the number of ordinary shares bought back by the Company under Resolution 26, would be limited to 112,140,000 which represents just under 10% of the Company's issued share capital as at 6 March 2014.

Under the terms of the CP Contract, the minimum price (exclusive of expenses) which can be paid by Credit Suisse for a CDI is the Australian dollar equivalent of 12.5 pence per CDI and the maximum price which can be paid by Credit Suisse for a CDI is an amount (exclusive of expenses) which is equal to 105% of the average of closing prices for CDIs over the previous five days on which sales of CDIs were recorded on the ASX. The price to be paid by the Company for a Converted Share is the price paid by Credit Suisse for the relevant CDI plus any stamp duty, stamp duty reserve tax, or other applicable transfer tax relating to the CDIs purchased by Credit Suisse.

The authority sought by this resolution will expire at the end of the next AGM or 1 November 2015, whichever is earlier.

The Directors would use this authority only if they believe at the time that such purchase would be in the best interests of shareholders generally.

Converted Shares purchased under this authority may be held as treasury shares. The Companies (Jersey) Law 1991 allows the Company to purchase and hold treasury shares in its issued capital rather than cancelling those shares. Treasury shares do not carry voting rights and have no entitlement to dividends. Treasury shares may be cancelled, sold or used to meet the Company's obligations under its employee share schemes. If treasury shares are used in the Company's employee share schemes then, so long as this is required under institutional guidance, the Company will treat them as if they were an issue of new ordinary shares for the purpose of meeting the anti-dilution limits applicable to such schemes.

Any Converted Shares purchased, but not held as treasury shares, would be cancelled. As at 6 March 2014, there were 36,111,646 options over unissued ordinary shares in the Company outstanding under the Company's share schemes which represents 3.21% of the Company's issued capital at that date. If the Company was to purchase the maximum number of shares permitted under this Resolution and under Resolution 26, these options would then represent 3.57% of the Company's issued share capital.

A draft of the CP Contract referred to in this Resolution is available for inspection by members of the Company at the Company's registered office and also at 201 Bishopsgate, London EC2M 3AE from and including 6 March 2014 up to and including 1 May 2014 and will also be available for inspection at the AGM venue in Sydney from 5.00pm (Sydney time) prior to and during the AGM itself.

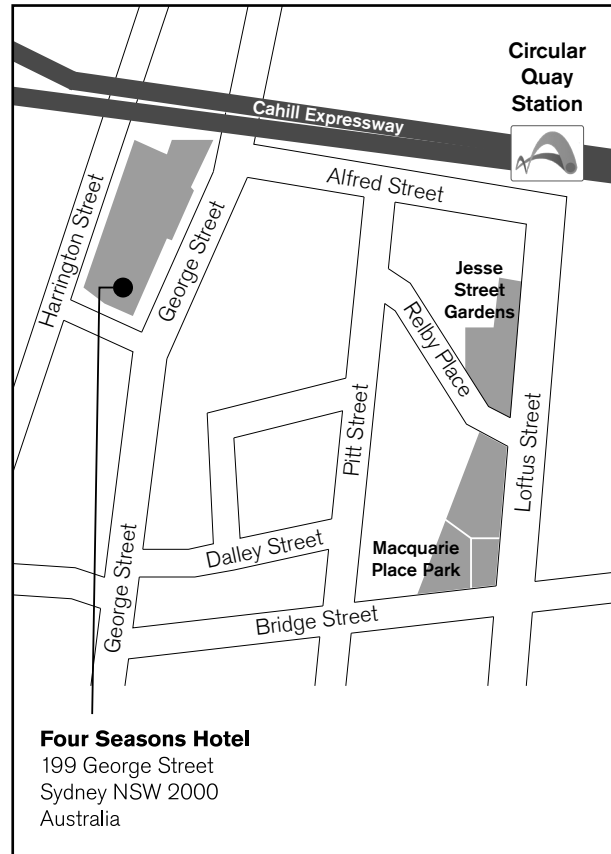
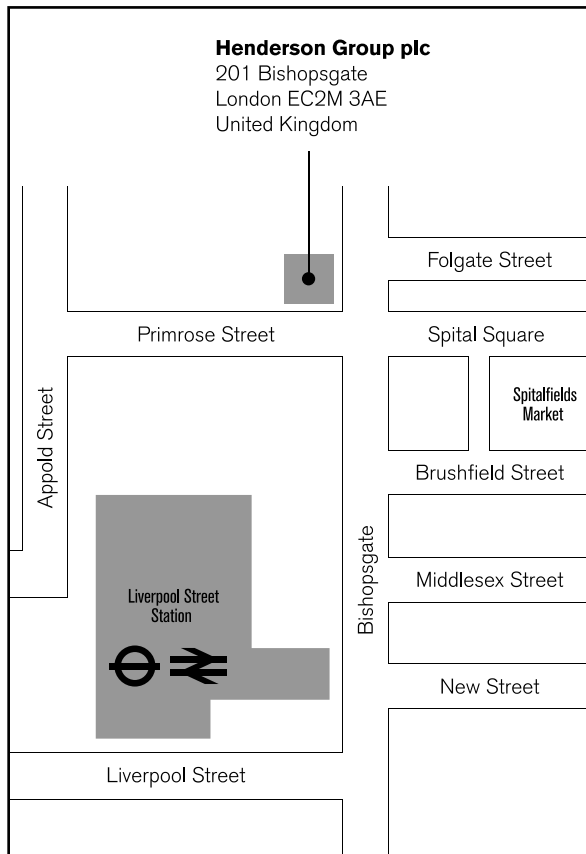
The proportion of shares to be bought back pursuant to each of this Resolution and Resolution 26 will be determined by the Directors in what they believe to be in the best interests of shareholders generally.

### **Resolution 28: Amendment to the Articles of Association**

In line with best practice, Article 153 of the Articles of Association of the Company currently contains a cap on the aggregate amount of fees which may be paid to Non-Executive Directors. It is proposed that this cap be increased from £700,000 per annum to £900,000 per annum. This would provide the Company with the flexibility it needs in managing the size of the Board and remunerating the Non-Executive Directors for their services.



## MEETING LOCATIONS



### For shareholder queries please contact the Henderson Group Share Registry

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