JANUS HENDERSON GLOBAL DIVIDEND INDEX

EDITION 26
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For promotional purposes

CONTENTS

* Please refer to the glossary of terms found on page 18.

INTRODUCTION

JANUS HENDERSON IS AN ASSET MANAGER INVESTING IN GLOBAL EQUITY MARKETS ON BEHALF OF ITS CLIENTS THROUGHOUT THE WORLD FOR OVER 80 YEARS.

Formed in 2017 from the merger between Janus Capital Group and Henderson Global Investors, we are committed to adding value through active management. For us, active is more than our investment approach – it is the way we translate ideas into action, how we communicate our views and the partnerships we build in order to create the best outcomes for clients.

We take pride in what we do and care passionately about the quality of our products and the services we provide. While our investment managers have the flexibility to follow approaches best suited to their areas of expertise, overall our people come together as a team. This is reflected in our Knowledge Shared ethos, which informs the dialogue across the business and drives our commitment to empowering clients to make better investment and business decisions.

We are proud to offer a highly diversified range of products, harnessing the intellectual capital of some of the industry's most innovative and formative thinkers. Our expertise encompasses the major asset classes, we have investment teams situated around the world, and we serve individual and institutional investors globally. We have US$294.4bn in assets under management, more than 2,000 employees and offices in 27 cities worldwide*. Headquartered in London, we are an independent asset manager that is dual-listed on the New York Stock Exchange and the Australian Securities Exchange.

What is the Janus Henderson Global Dividend Index?

The Janus Henderson Global Dividend Index (JHGDI) is a long-term study into global dividend trends. It measures the progress global firms are making in paying their investors an income on their capital, using 2009 as a base year – index value 100. The index is calculated in US dollars, and can be broken down into regions, industries and sectors. It enables readers to easily compare the dividend performance of countries like the US, which provides a large proportion of global dividends, with smaller nations, such as the Netherlands.

The report aims to help readers better understand the world of income investing.

*As at 31 March 2020

EXECUTIVE SUMMARY BY REGION

Overview

- Almost no pandemic impact on Q1 dividends, which rose 3.6% to a Q1 record of $275.4bn
- Underlying growth was 4.3%, in line with our forecast
- Canada and US broke all-time quarterly records
- Q1 seasonally skewed to North America, so trends there disproportionately influenced the global result
- JHGDI rose to 196.3*, meaning dividends have almost doubled since 2009 when the index started

Overview of Covid-19 impact on global dividends

- Dividends in different parts of the world will be influenced by:
  - Extent of epidemic
  - Severity of lockdown
  - Policy response
  - Regulation
  - Sector mix
  - Dividend seasonality
  - Dividend policy
- North American dividends likely to be less affected than Europe and UK
- Asia likely to see minor impact this year, but bigger effect in 2021

ALMOST NO PANDEMIC IMPACT ON Q1 DIVIDENDS, WHICH ROSE 3.6% TO A Q1 RECORD OF $275.4BN

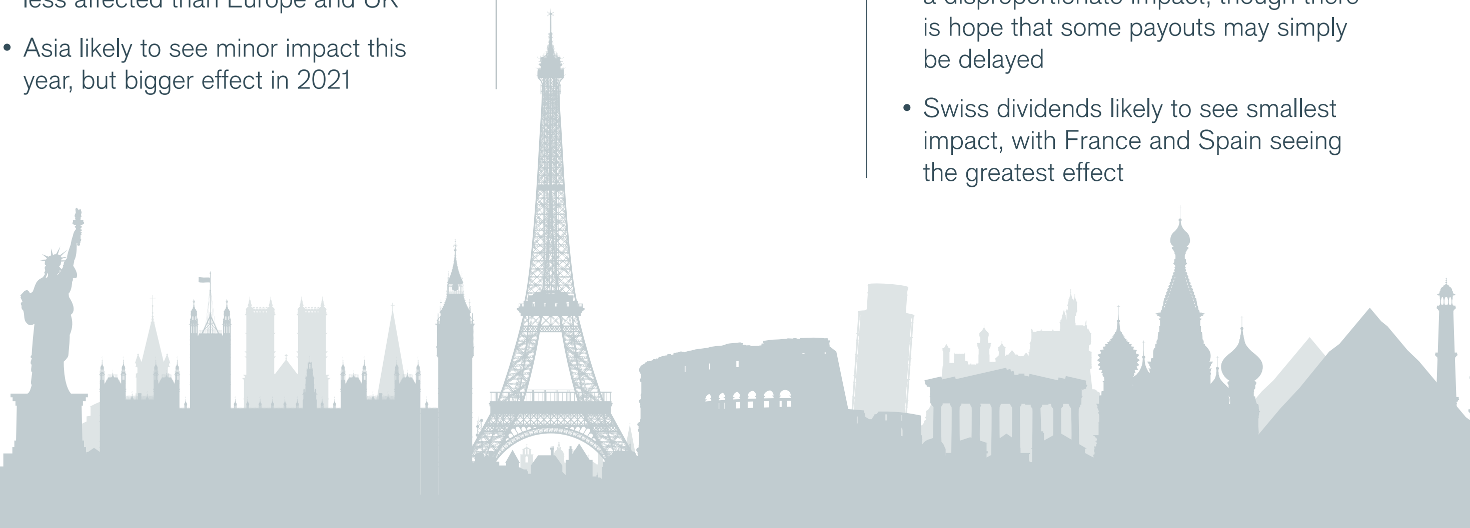
- Banks, discretionary consumer sectors and economically sensitive industrials are most severely impacted
- Dividends from technology, healthcare, food and most basic consumer sectors should be safer

North America

- Q1 underlying growth of 5.6% led by Canada
- Suspending buybacks should enable US companies to protect dividends more successfully through the pandemic
- US market has a favourable sector mix – e.g. dominant technology companies that can weather the crisis
- Canada has a very strong banking sector

Europe ex UK

- Q1 dominated by Switzerland; European dividends rose 0.8% on an underlying basis
- ECB prohibition on banking dividends will knock $1 in $7 off European payouts in 2020
- Most European companies pay once per year so a dividend cancellation has a disproportionate impact, though there is hope that some payouts may simply be delayed
- Swiss dividends likely to see smallest impact, with France and Spain seeing the greatest effect



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* This is a statistical measure of change of the Janus Henderson Global Dividend Index.

UK

- Q1 registered 0.8% underlying growth
- Pandemic impact on UK payouts is severe for 2020
- The big question is whether oil dividends are safe

Asia-Pacific ex Japan

- Q1 marks a seasonal low for dividends, so the 0.8% decline does not set the trend for the year
- Asian companies likely to see limited impact on payouts this year as they largely relate to 2019 profits and have mostly been confirmed
- Greater impact likely in 2021 when weakened 2020 profits are announced
- Australia is more vulnerable due to its high banking and mining exposure

Japan

- Q1 marks a seasonal low but saw underlying growth of 4.0%.
- Pandemic impact is likely to be smaller in Japan than in Europe or UK, though Japan's reliance on exports is a vulnerability

OUR BEST-CASE SCENARIO SEES A DECLINE IN GLOBAL DIVIDENDS OF 15% THIS YEAR TO $1.21 TRILLION, A DROP OF $213BN

OUR WORST-CASE SCENARIO SEES A DECLINE OF 35% THIS YEAR TO $933BN

Emerging Markets

- Emerging market dividends are highly volatile
- Chinese dividends this year relate to 2019 profits so are somewhat protected until 2021
- Depressed oil and commodity prices leave Russian payouts vulnerable

Outlook for income investing in a time of crisis

- For 2020, Q1 dividends have been paid so the full peak-to-trough impact is likely to be seen over the next twelve months or so
- Global diversification helps investors spread the country and sector risk
- Moreover, most large companies are still operating, and the disruption caused by the pandemic is severe but hopefully temporary
- Our best-case scenario sees a decline in global dividends of 15% this year to $1.21 trillion, a drop of $213bn
- Our worst-case scenario sees a decline of 35% this year to $933bn

ALMOST NO PANDEMIC IMPACT ON Q1 DIVIDENDS, RISING 3.6% TO A RECORD $275.4BN

Dividends in the first quarter were almost entirely unaffected by the Covid-19 pandemic, but for the rest of the year the impact will be significant. Q1 therefore represented a temporary peak for our index. Global payouts rose 3.6% on a headline basis to a first-quarter record of $275.4bn, equivalent to underlying growth of 4.3%. The US and Canada both saw all-time quarterly records, while Japan, Hong Kong, and Russia broke Q1 records.

196.3

OUR INDEX OF GLOBAL PAYOUTS ROSE TO A RECORD 196.3, ALMOST DOUBLE THAT WHEN THE INDEX STARTED IN 2009

Dividends payments are very seasonal in all corners of the globe except in North America, where companies almost all pay an equal quarterly dividend. Outside the US and Canada, the first quarter sees the lowest global total paid, with just $1 in $8 of the annual total distributed to investors during the period. North America therefore accounts for three fifths of total payouts in Q1, far more than the approximately two fifths that it contributes over the course of a whole year. That means that the rate of growth in North America disproportionately impacts the global total in the first three months of the year.

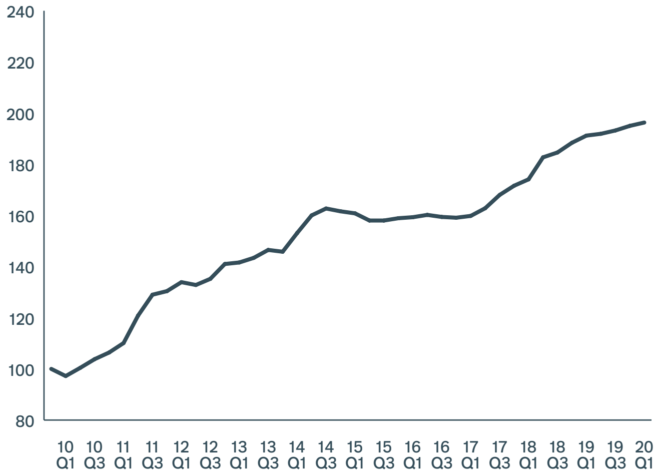
Our index of global payouts rose to a record 196.3, meaning they have almost doubled from when the index started in 2009.

ANNUAL DIVIDENDS BY REGION (US$ BILLIONS)

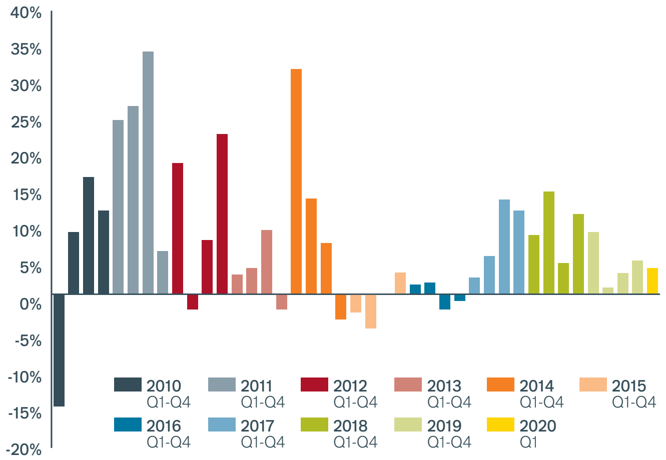
Region	2016	%*	2017	%*	2018	%*	2019	%*	Q1 2019	%*	Q1 2020	%*
Emerging Markets	$88.7	-22.3	$105.1	18.6	$126.9	20.7	$140.0	10.4	$16.3	-5.5	$15.2	-6.6
Europe ex UK	$223.2	4.6	$225.1	0.8	$256.6	14.0	$251.4	-2.0	$40.4	9.1	$36.2	-10.3
Japan	$64.7	23.2	$70.0	8.1	$79.1	13.0	$85.7	8.4	$5.5	5.7	$5.8	4.8
North America	$445.0	0.9	$475.7	6.9	$509.7	7.2	$534.7	4.9	$133.2	8.2	$151.4	13.7
Asia Pacific	$117.8	3.5	$141.6	20.2	$150.4	6.3	$147.7	-1.8	$19.8	23.2	$17.1	-13.4
UK	$93.0	-3.3	$95.7	2.9	$99.6	4.1	$105.8	6.2	$20.7	10.8	$18.6	-10.4
Total	$1,032.4	0.1	$1,113.2	7.8	$1,222.4	9.8	$1,265.3	3.5	$235.9	8.5	$244.4	3.6
Divs outside top 1,200	$131.0	0.1	$141.2	7.8	$155.1	9.8	$160.5	3.5	$29.9	8.5	$31.0	3.6
Grand total	**$1,163.4**	**0.1**	**$1,254.4**	**7.8**	**$1,377.4**	**9.8**	**$1,425.8**	**3.5**	**$265.9**	**8.5**	**$275.4**	**3.6**

* % change

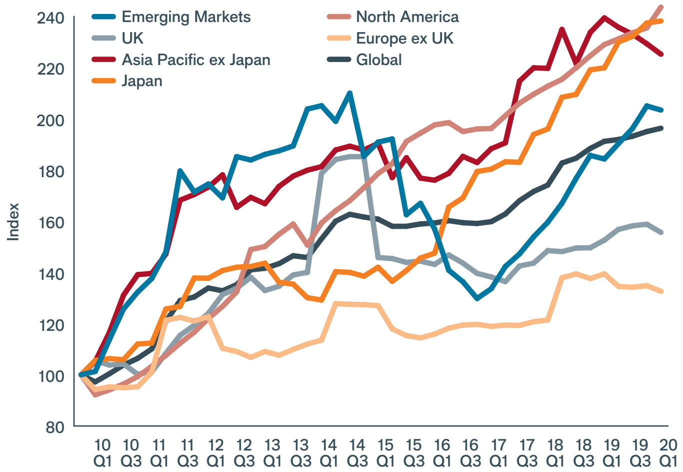
JHGDI (INDEX)



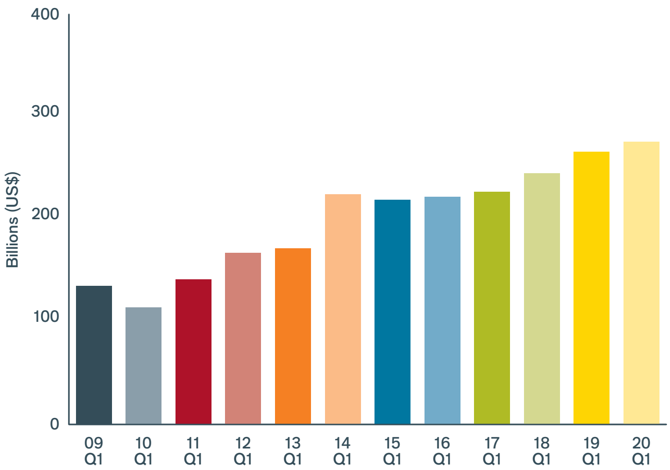
TOTAL DIVIDENDS, ANNUAL GROWTH PER QUARTER (%)



JHGDI BY REGION (INDEX)



GLOBAL DIVIDENDS (US$ BILLIONS)



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HEADLINE v. UNDERLYING GROWTH

Our headline growth rate is simply the change, in US dollar terms, in the total value of dividends paid but it does not tell the whole story. One-off special dividends were lower year-on-year in most parts of the world, holding back headline growth rates in the UK, Europe, Asia, and elsewhere; but were sharply higher in the US – overall specials flattered the global growth rate by 1.1 percentage points. The US dollar was stronger year-on-year against all major currencies, other than the Japanese yen. This deducted 0.8% from the headline growth rate. Technical effects were relatively small at the global level but larger at regional and country levels.

ONE-OFF SPECIAL DIVIDENDS WERE LOWER YEAR-ON-YEAR IN MOST PARTS OF THE WORLD, HOLDING BACK HEADLINE GROWTH RATES IN THE UK, EUROPE, ASIA, AND ELSEWHERE; BUT WERE SHARPLY HIGHER IN THE US – OVERALL SPECIALS FLATTERED THE GLOBAL GROWTH RATE BY 1.1 PERCENTAGE POINTS

Q1 2020 ANNUAL GROWTH RATE – ADJUSTMENTS FROM UNDERLYING TO HEADLINE GROWTH – BY REGION

Region	Underlying growth*	Special dividends*	Currency effects	Index changes	Timing effects†	Headline dividend growth*
Emerging Markets	12.6%	-2.8%	-2.1%	-5.9%	-8.4%	-6.6%
Europe ex UK	0.8%	-8.5%	-0.3%	0.1%	-2.2%	-10.3%
Japan	4.0%	1.0%	1.1%	-1.3%	0.0%	4.8%
North America	5.6%	8.0%	-0.1%	0.3%	-0.2%	13.7%
Asia Pacific ex Japan	-0.8%	-8.3%	-5.3%	1.1%	0.0%	-13.4%
UK	0.8%	-12.7%	-1.1%	2.6%	0.0%	-10.4%
Global	4.3%	1.1%	-0.8%	0.1%	-1.1%	3.6%

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† Timing effects are not significant on an annual basis.

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OVERVIEW OF COVID-19 IMPACT ON GLOBAL DIVIDENDS

Although people all over the world are equally susceptible to Covid-19, its impact on economies and companies will vary widely. Some of the key factors influencing dividends include:

Extent of epidemic:
How extensive is the contagion?

Severity of lockdown:
How bad is the economic damage?

Policy response:
What support are governments and central banks providing to companies and the economy?

Regulation:
How severe are regulator demands, for example on banks?

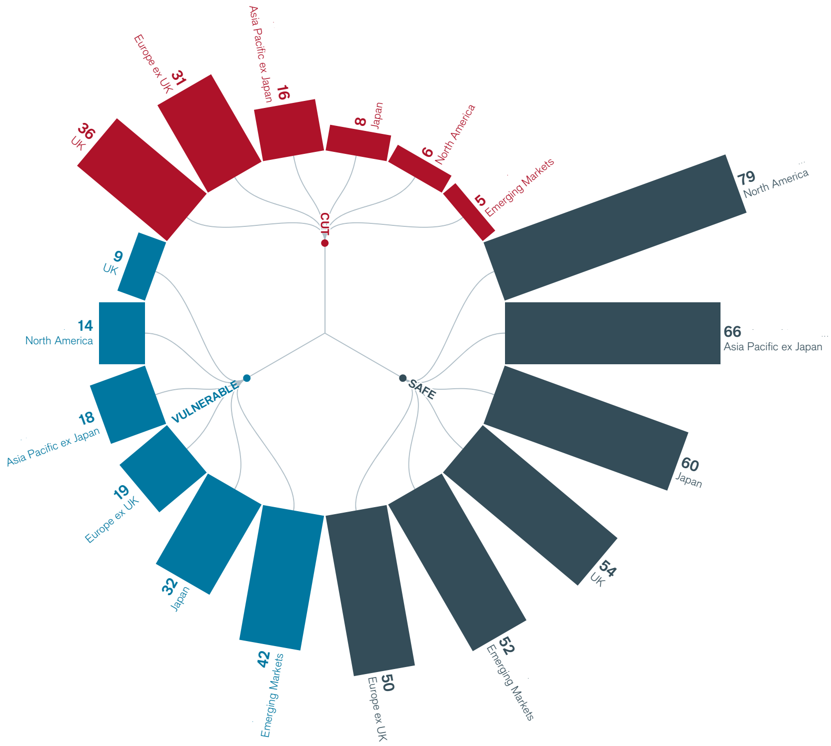
Sector mix:
What weighting does the stock market have towards more/less affected industries

Dividend seasonality:
How strongly seasonal are dividends, and will the impact be felt sooner or later?

Dividend policy:
How high are dividends compared to profits, and do companies favour a target payout ratio or a progressive dividend policy?

For example, though the US has experienced a severe coronavirus outbreak and its lockdown is stringent, there has been strong policy stimulus, and as yet no regulatory demands have been made on companies not to pay dividends. There is a favourable sector mix (high exposure to technology). In addition, quarterly dividends spread the risk of cancellations, and payout ratios are relatively low (buybacks are popular in the US). All this means that dividends are likely to be more resilient.

% OF DIVIDENDS SAFE, VULNERABLE AND CUT BY REGION



NORTH AMERICAN PAYOUTS ARE LIKELY TO BE LESS AFFECTED THAN THOSE IN EUROPE. ASIA IS ALSO LIKELY TO BE LESS SEVERELY AFFECTED THIS YEAR AS 2019 DIVIDENDS ARE ALREADY FIXED

In Europe, by contrast, though the policy response has been strong, the outbreak and lockdown are severe. Banks are an important sector and have been forced to cease payments by regulators and once-per-year dividend payments mean a decision to cut has a big one-off impact. Payout ratios are also relatively high so Europe is likely to be one of the most affected regions as a result.

To try to assess the impact on global dividends, we have also screened companies in our index representing over three quarters of global payouts by value. We have tracked those that have already cancelled or suspended payouts, those whose payouts we judge to be vulnerable, and those least likely to be

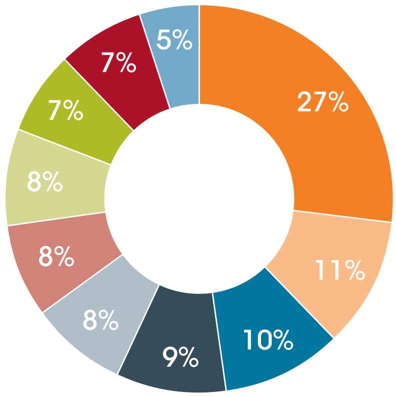
OVERVIEW OF COVID-19 IMPACT ON GLOBAL DIVIDENDS (CONTINUED)

affected. This includes a consideration of the level of corporate indebtedness – some companies have too much debt to cope with such a sudden and unexpectedly sharp economic contraction. Reducing or cancelling the dividend, along with issuing new shares, are routes that some companies are taking in order to conserve cash and bolster their balance sheets.

This exercise produces a similar result to the regional factors analysis above, suggesting that North American payouts are likely to be less affected than those in Europe. Asia is also likely to be less severely affected this year because 2019 dividends are about to be paid and are already fixed, but the impact on 2020 profits means dividends payable next year will be lower. The impact on UK dividends is closer to that of Europe than North America. Although there has been a strong policy response in the UK and there is less payment seasonality than in Europe, there is a severe epidemic, a broad regulatory impact on the financial sector, and a significant concentration of dividends among a few large companies.

From a sector perspective, we find banks, consumer discretionary, and certain industrial sectors, like aerospace, most at risk. We find widespread vulnerability in the oil and mining sectors, wider financials, and construction; but we see relative safety among technology companies, and defensive sectors like healthcare, food, and most consumer basics (with the exception of drinks producers who depend strongly on the bar and restaurant trade). Sectors more reliant on government support may also find it expedient to reduce or cancel dividends for a time.

2019 DIVIDENDS ($BN)
INDUSTRY AND SECTORS



Financials	$345bn
Oil, Gas & Energy	$142bn
Consumer Basics	$119bn
Technology	$118bn
Healthcare & Pharmaceuticals	$106bn
Industrials	$105bn
Healthcare & Pharmaceuticals	$95bn
Consumer Discretionary	$91bn
Basic Materials	$86bn
Utilities	$58bn

THE OIL AND MINING SECTORS, WIDER FINANCIALS, AND CONSTRUCTION ARE VULNERABLE; THERE IS RELATIVE SAFETY AMONG TECHNOLOGY COMPANIES AND DEFENSIVE SECTORS LIKE HEALTHCARE, FOOD, AND MOST CONSUMER BASICS

With so much uncertainty, any forecast for dividends would have little value, so we are withdrawing our 2020 estimate. Instead we introduce a range as a guide to how 2020 may look. Our best case incorporates only those dividend cuts that have already been announced, or that we believe are very likely to be. This suggests global payouts will fall 15% this year. Our worst case also includes all those that are vulnerable. This suggests global payouts could fall 35% this year. The breadth of the range reflects the rapidly changing crisis and the likelihood that many companies will simply reduce their payouts, rather than cancel them altogether. Some of the impact will spread into 2021, which is now likely to see lower payouts than we might have expected before the pandemic. Even so 2021 is likely to see dividend payments from a number of sectors resume, provided the growth in virus cases has peaked, the current government enforced lockdowns end, and the global economy starts to function and recover.

REGIONS AND COUNTRIES

North America

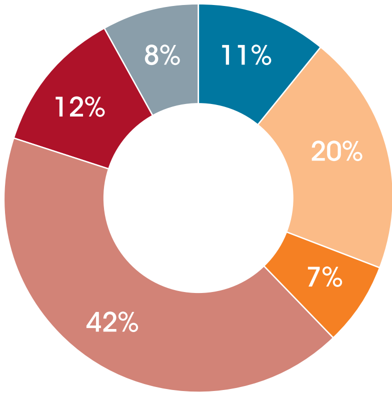
A host of special dividends in the US pushed headline growth sharply higher in Q1, with payouts up by one seventh to a record $139.9bn. The largest special dividend was paid by NortonLifeLock, which distributed $7.4bn of the proceeds from assets sold to Broadcom. Excluding those specials, as well as minor technical factors, underlying growth was 5.4%, in line with our expectations. Four fifths of US companies increased their payouts, with most of the remainder holding them steady. Microsoft's dividend was $350m higher than Q1 2019 and put it on track to become the world's largest payer this year for the first time, overtaking Shell. A decade ago, Microsoft was only the world's 25th largest payer.

On an underlying basis, Canada continued to outpace its larger neighbour, and most other developed economies, with underlying growth of 8.0% and a record $11.5bn paid. It was once again Canada's banks that contributed most to the growth rate but every Canadian company in our index held or raised its dividend. Over the longer-term, Canadian dividends have lagged behind the global average, but in the last three years they have increased almost twice as fast as the rest of the world, reflecting the more cyclical sensitivity of Canada's listed companies.

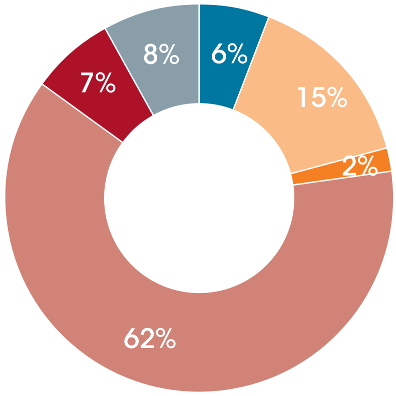
Covid-19

North American dividends are likely to be less severely affected by the Covid-19 pandemic than other parts of the world for a variety of reasons. There is no escaping the chilling effect of Covid-19 on the economy but quarterly payments make it easier for any suspension to be relatively short-lived, as companies adapt dividend policy to reflect underlying business performance. In aggregate, US companies also spend more of their free cash flow buying back their own shares than they do on dividends, in contrast to places where buybacks are more uncommon, like Europe. As a result, in the US, share buybacks, rather than dividends, are bearing the brunt of moves by management to preserve capital. The sector mix in the US is also relatively favourable. For example, technology companies are among those less impacted by the pandemic. Many of the largest technology companies have net cash on their balance sheets, and some may even benefit from increased demand due to Covid-19-driven changes in corporate and consumer behaviours. They pay $1 in $7 of US dividends, compared to $1 in $20 in the rest of the world. The US healthcare and consumer basics sectors also contribute more to US dividends than elsewhere, with both likely to weather the crisis better. Meanwhile in Canada, the epidemic has been less severe than other western countries and the dominant banks are relatively strong.

2019 DIVIDENDS BY REGION



2020 Q1 DIVIDENDS BY REGION



Emerging Markets | Europe ex UK | Japan | North America | Asia Pacific ex Japan | UK

$139.9BN

A HOST OF SPECIAL DIVIDENDS IN THE US PUSHED HEADLINE GROWTH SHARPLY HIGHER IN Q1, WITH PAYOUTS UP BY ONE SEVENTH TO A RECORD $139.9BN

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Europe ex UK

Most European companies make just one dividend payment per year mainly during Q2, but the pattern does vary from country to country. Switzerland's giant pharmaceutical companies Roche and Novartis pay in the first quarter, but neither is growing its dividend rapidly – a little under 4% year-on-year. Together they accounted for over two fifths of the European total, so they heavily influenced the overall European results which saw dividends rise just 0.8% on an underlying basis.

The biggest negative impact, however, came from Danske Bank, which customarily pays its single annual dividend in March. As the pandemic struck, the bank postponed its AGM and put its dividend under review. This put Danske Bank at the forefront of a global wave of dividend cancellations, cuts, and postponements, and reduced the European dividend growth rate by three percentage points in Q1.

Headline dividends in Europe ex UK fell 10.3% to $36.2bn, with most of that decline because Akzo Nobel paid a very large special dividend in Q1 2019.

Covid-19

The pandemic has hit Europe hard. The ECB's blanket prohibition on banks paying dividends this year has knocked at least $1 in $7 off European payouts. Not only have 2019's distributions been cancelled, but 2020's are likely to be hit by the crisis too.

Government schemes to support companies during the crisis have been robust in most parts of the region. This will provide some protection for the economy but those taking this support may find it politically difficult to pay dividends, or at the very least will have to reduce them. From a country perspective, the greatest impact will be felt in France. It is Europe's largest payer and is experiencing a prolonged lockdown; it has significant sector exposure to more economically sensitive business, and a relatively high degree of political dirigisme. Germany has managed the epidemic well and has a more favourable sector mix. Moreover, its weak banks have already slashed payouts, so the ECB prohibition will have little impact. Finally, its largest payer, Allianz, has pledged to push ahead with its dividend. Meanwhile Spanish dividends will fall sharply thanks to the dominance of the banks and insurers and the large contribution of Inditex, the retailer.

COUNTRIES ACROSS EUROPE WILL SEE THE PANDEMIC IMPACT DIVIDENDS VERY DIFFERENTLY – SWISS DIVIDENDS SEEM LEAST AFFECTED

Swiss dividends will likely escape relatively unscathed. The banking groups are pressing ahead with their payouts and pharmaceutical dividends have already been paid this year. Most other major Swiss companies also seem relatively secure.

Overall, we expect European dividends to be amongst the hardest hit of our global regions, though we highlight the possibility that some suspended dividends may yet be paid later in the year, if the crisis has abated, rather than end up being forfeited altogether.

UK

In the UK a weak economy has impacted corporate earnings, while some of the largest payers, such as the big oil companies, already distribute a very significant portion of their profits. Both factors are limiting the ability of UK companies to increase dividends. UK payouts fell 10.4% in Q1 to $18.6bn, mainly because large special dividends were not repeated. The underlying growth rate was just 0.8%.

Covid-19

The UK has a number of sectors whose dividend outlook is impacted by the pandemic. The Bank of England has recommended that banks do not pay dividends for the whole of 2020, including those that relate to 2019, and advised insurers to be prudent with respect to dividend payments. The earnings of the large mining companies listed in London are sensitive to global economic growth, though so far only Glencore has cancelled its payout. The big question was whether the oil majors would take the opportunity to reset their payout ratios to a more sustainable level, especially given that they are battling sharply lower oil prices. BP has held its payment for now, but Shell has made its first cut since World War 2, reducing its payout by two thirds. It will relinquish its position as the world's largest dividend payer this year as a result. UK dividends are heavily reliant on a few very large companies, so the risk is very concentrated here, highlighting the value of global diversification. Overall UK payouts will be severely hit this year, in a similar way to those in Europe.

0.8%

UK PAYOUTS ROSE 0.8% ON AN UNDERLYING BASIS IN Q1, BUT THE PANDEMIC WILL HAVE A SIGNIFICANT IMPACT FOR THE REST OF 2020

Asia Pacific ex Japan

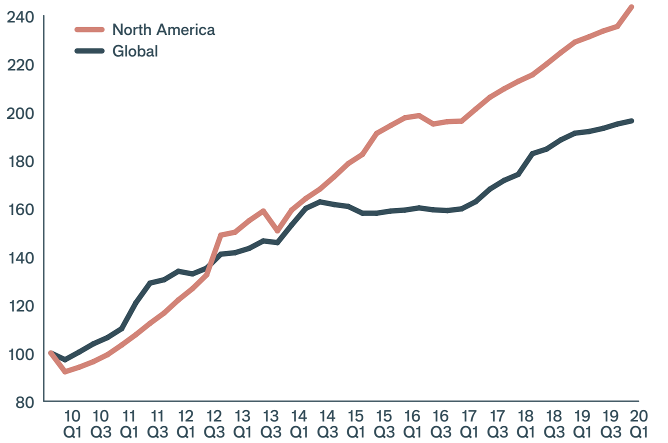
Very few dividends are paid across Asia-Pacific in the first quarter, so one-offs can easily distort the picture. A doubling of payouts in Hong Kong, thanks to a large one-off distribution from property company China Evergrande, was not enough to offset lower one-offs in Australia or the effect of a sharply lower Australian dollar. Overall dividends from the region fell by 13.4% on a headline basis to $17.1bn, equivalent to an underlying decline of 0.8%.

Covid-19

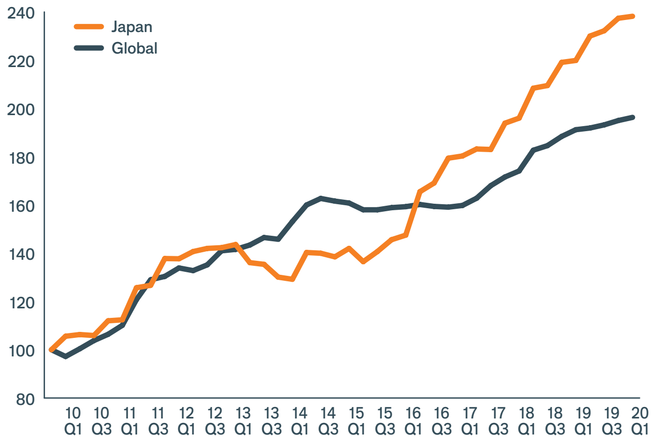
Asian companies seem relatively well positioned to pay dividends this year. The coronavirus impact has not been as severe as in some Western countries, and in Hong Kong and Taiwan we are seeing last year's profits being distributed without interruption in most cases. Asian banks make the largest contribution to the region's dividends and they are generally well capitalised and have low dividend payout ratios. This suggests that Asia is less likely to experience the same level of dividend cuts as those anticipated in the US, UK, and Europe this year. There is greater risk to banking dividends in Singapore owing to government pressure to support the corporate sector. Australia's banks are also under severe pressure from the regulator to curb payouts. National Australia Bank is the first to break cover, reducing its payout by three fifths and looking to raise new capital too. Westpac followed suit and suspended its June payout. The lack of sector diversification within the Australian stock market leaves Australian dividends very vulnerable to cuts from the banks but also to a weakened global commodity market.

REGIONS AND COUNTRIES (CONTINUED)

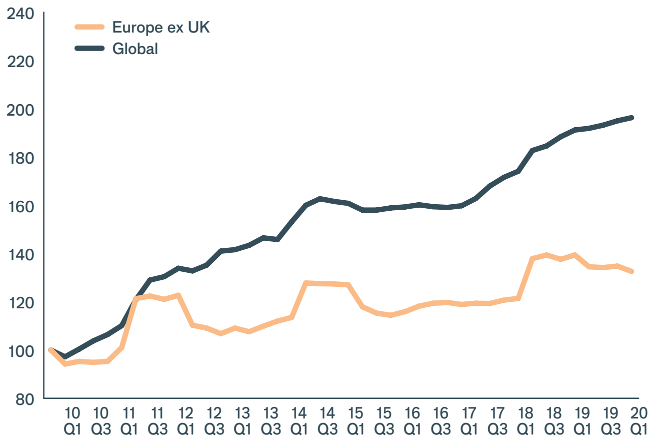
JHGDI – NORTH AMERICA



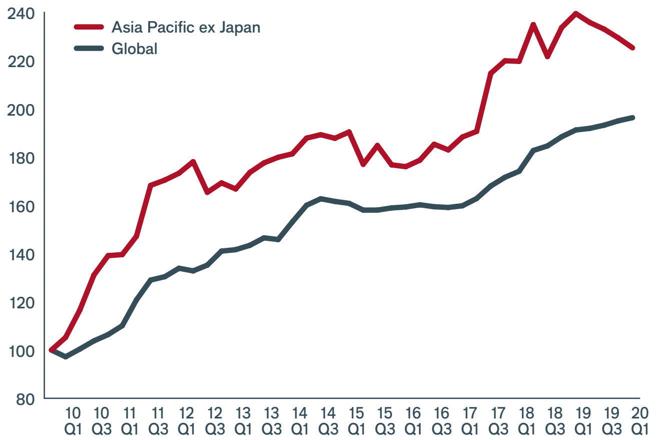
JHGDI – JAPAN



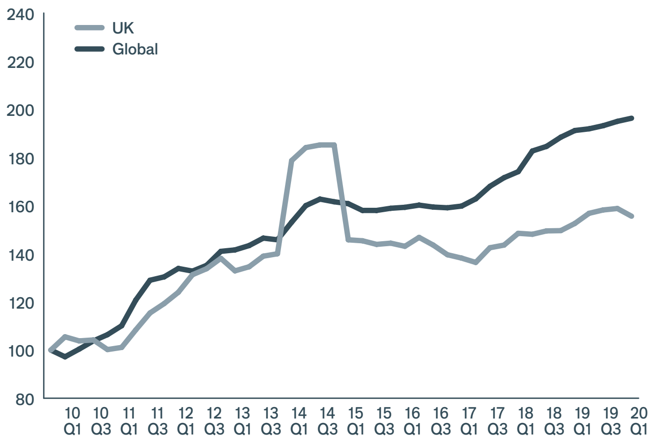
JHGDI – EUROPE EX UK



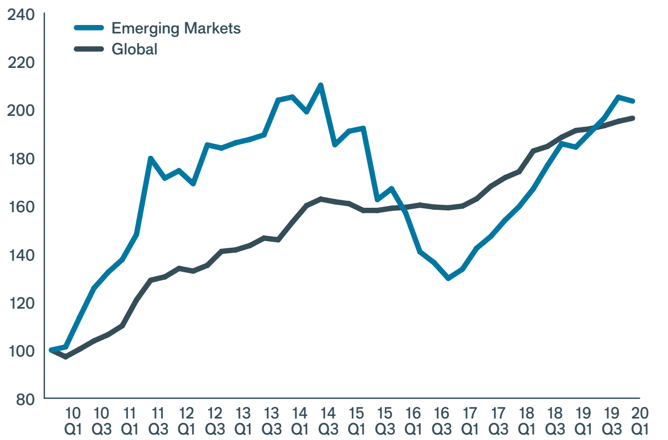
JHGDI – ASIA PACIFIC EX JAPAN



JHGDI – UK



JHGDI – EMERGING MARKETS



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Japan

The first quarter marks a seasonal low point for Japanese dividends. Even in a normal year it is difficult to draw conclusions about the year ahead from the Q1 figures. Underlying growth of 4.0% was recorded.

Covid-19

The pandemic is likely to have less effect on Japanese dividends than in Europe and the UK. Payout ratios are low, balance sheets are often very conservative with a high proportion of companies having no debt, and the direct economic impact has so far been slightly less severe. The export focus of many Japanese businesses does, however, leave them vulnerable to the global economic downturn, and means the impact on their dividends may be felt more later in the year in 2021 than in the immediate future.

12.6%

Q1 SAW UNDERLYING GROWTH OF 12.6% IN EMERGING MARKETS

Emerging Markets

Just one tenth of the year's emerging market dividends are paid in the first quarter so it is a poor guide to the full-year trend. The first quarter saw underlying growth of 12.6%. Many companies in this diverse group of countries do not follow regular payment patterns. This is especially so in Russia where payouts doubled year-on-year thanks to a large increase from Lukoil and an unusually timed payment from Norilsk Nickel. In India, the other large emerging market contributor in Q1, payouts were flat year-on-year.

Covid-19

Emerging market dividends are volatile at the best of times and will be especially so this year and next. Despite the pandemic starting in China, dividend payments there are likely to be relatively unaffected this year. The economy has been reopening, and state shareholdings in the banks (which supply most Chinese payouts) are likely to keep dividends flowing. The impact may be more severe next year when companies declare a dividend on lower 2020 profits. The epidemic may hit Indian companies harder, while depressed oil and commodity prices are sure to limit the ability of Russian companies to pay.

INDUSTRY AND SECTORS

Banks contributed $1 in every $6 of the world's dividends in 2019. The pandemic will hurt them as their customer base weakens, bad loans rise, and interest margins compress further. In addition to these economic factors, regulators in many parts of the world are taking precautionary action to strengthen their financial systems, which has included calls for moderation and even cancellation of bank dividends. One third of the world's bank dividends has already been suspended or cancelled, and another third is vulnerable. This sector will easily make the biggest single impact on global payouts this year.

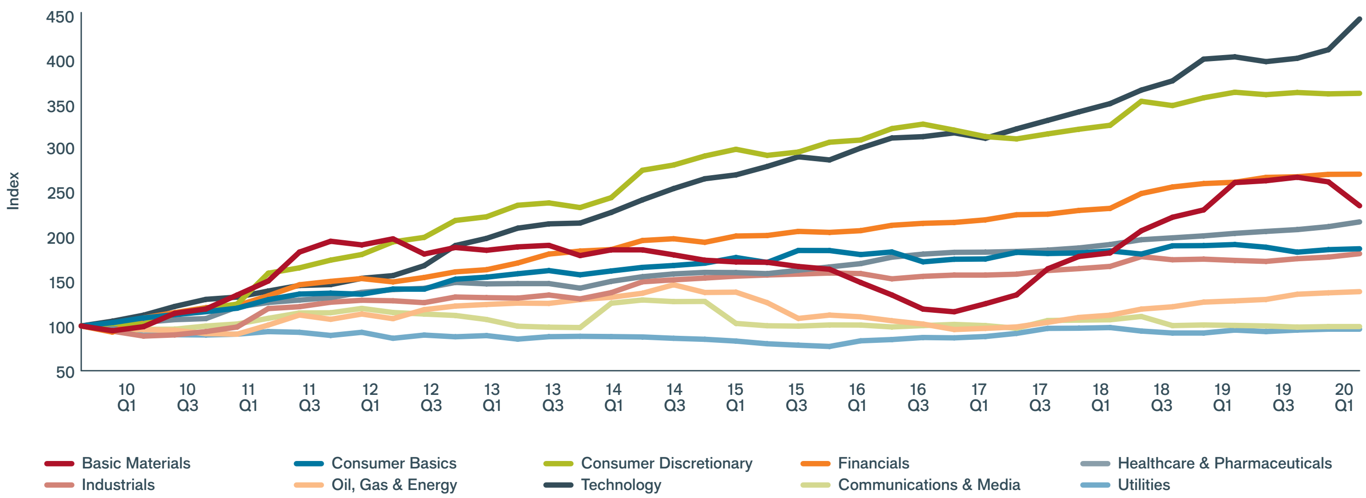
Non-food retail, leisure, consumer durables, and vehicle sales are also vulnerable, which will put dividends from the consumer discretionary sector under pressure. In the big global oil sector, which accounted for $1 in every $9 paid last year, the largest payer, Shell, has already cut its dividend by two thirds.

THE IMPACT OF THE PANDEMIC VARIES WIDELY ACROSS DIFFERENT SECTORS

Sector profits are set to plummet on the back of dramatically lower oil prices, so their dividends are certainly vulnerable, and oil companies may take the opportunity to reset their dividends at a more sustainable level. Among industrial firms, aerospace and transport are likely to feel the biggest impact.

Those sectors whose dividends are safest include healthcare, technology, utilities, telecoms, and many consumer basics companies.

JHGDI – TOTAL DIVIDENDS BY INDUSTRY



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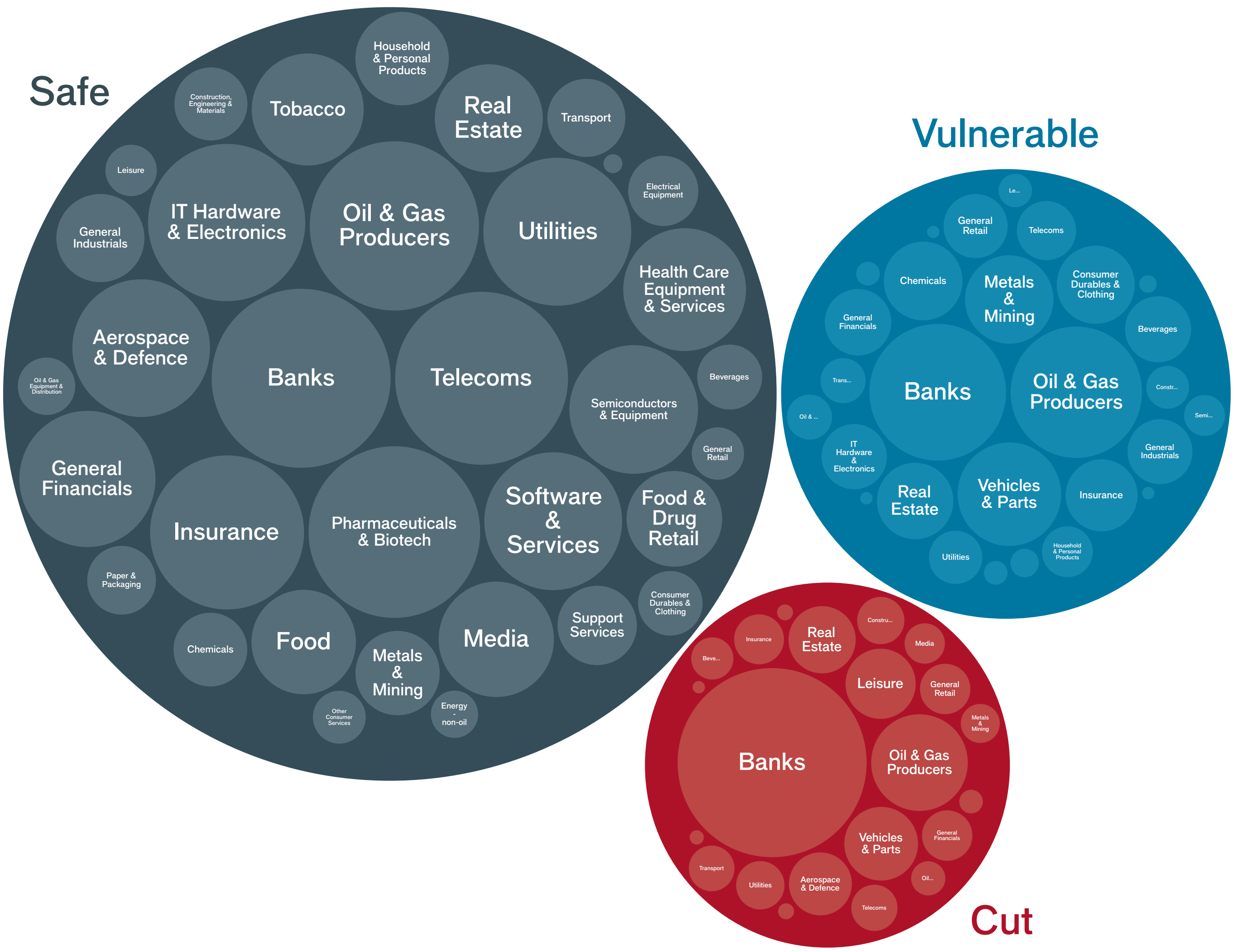
PANDEMIC IMPACT 2020, BY SECTOR



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TOP PAYERS

WORLD'S BIGGEST DIVIDEND PAYERS

Rank	2013	2014	2015	2016	2017	2018	2019
1	Royal Dutch Shell Plc	Vodafone Group plc	Exxon Mobil Corp.	Royal Dutch Shell Plc	Royal Dutch Shell Plc	Royal Dutch Shell Plc	Royal Dutch Shell Plc
2	Exxon Mobil Corp.	Royal Dutch Shell Plc	Royal Dutch Shell Plc	Exxon Mobil Corp.	China Mobile Limited	Apple Inc	AT&T, Inc.
3	Apple Inc	China Construction Bank Corp.	China Construction Bank Corp.	Apple Inc	Exxon Mobil Corp.	Exxon Mobil Corp.	Exxon Mobil Corp.
4	China Construction Bank Corp.	Exxon Mobil Corp.	Apple Inc	AT&T, Inc.	Apple Inc	Microsoft Corporation	Microsoft Corporation
5	PetroChina Co. Ltd.	Apple Inc	Kraft Foods Group, Inc	Microsoft Corporation	Microsoft Corporation	AT&T, Inc.	Apple Inc
6	AT&T, Inc.	PetroChina Co. Ltd.	Microsoft Corporation	HSBC Holdings plc	AT&T, Inc.	China Construction Bank Corp.	BHP
7	China Mobile Limited	AT&T, Inc.	AT&T, Inc.	China Construction Bank Corp.	HSBC Holdings plc	HSBC Holdings plc	Rio Tinto
8	HSBC Holdings plc	Microsoft Corporation	HSBC Holdings plc	Verizon Communications Inc	China Construction Bank Corp.	Verizon Communications Inc	China Construction Bank Corp.
9	Banco Santander S.A.	Banco Santander S.A.	General Electric Co.	General Electric Co.	Verizon Communications Inc	Johnson & Johnson	JPMorgan Chase & Co.
10	Westpac Banking Corp	HSBC Holdings plc	Verizon Communications Inc	Johnson & Johnson	Johnson & Johnson	China Mobile Limited	HSBC Holdings plc
Subtotal $bn	$98.3	$124.6	$106.8	$109.6	$120.5	$118.1	$128.7
% of total	**9.2%**	**10.5%**	**9.2%**	**9.4%**	**9.6%**	**8.6%**	**9.0%**
11	Microsoft Corporation	General Electric Co.	BHP	Chevron Corp.	General Electric Co.	Samsung Electronics	Verizon Communications Inc
12	Commonwealth Bank of Australia	China Mobile Limited	Johnson & Johnson	Commonwealth Bank of Australia	Chevron Corp.	Chevron Corp.	Johnson & Johnson
13	General Electric Co.	Verizon Communications Inc	Chevron Corp.	Wells Fargo & Co.	Commonwealth Bank of Australia	JPMorgan Chase & Co.	Chevron Corp.
14	Vodafone Group plc	BHP	China Mobile Limited	Nestle SA	BP plc	BP plc	Wells Fargo & Co.
15	BHP	Chevron Corp.	Wells Fargo & Co.	BP plc	Pfizer Inc.	Commonwealth Bank of Australia	Taiwan Semiconductor Manufacturing
16	Chevron Corp.	Nestle SA	BP plc	Pfizer Inc.	Wells Fargo & Co.	Pfizer Inc.	BP plc
17	Total S.A.	Johnson & Johnson	Nestle SA	Novartis AG	JPMorgan Chase & Co.	BHP	Pfizer Inc.
18	Johnson & Johnson	Total S.A.	Novartis AG	Procter & Gamble Co.	Novartis AG	Wells Fargo & Co.	Total S.A.
19	Nestle SA	Novartis AG	Procter & Gamble Co.	China Mobile Limited	Nestle SA	Total S.A.	China Mobile Limited
20	BP plc	BP plc	Commonwealth Bank of Australia	JPMorgan Chase & Co.	Procter & Gamble Co.	Novartis AG	Commonwealth Bank of Australia
Subtotal $bn	$75.9	$79.3	$75.9	$74.0	$76.4	$81.1	$85.1
Grand total $bn	**$174.1**	**$204.0**	**$182.7**	**$183.6**	**$196.9**	**$199.2**	**$213.9**
% of total	**16.3%**	**17.3%**	**15.7%**	**15.8%**	**15.7%**	**14.5%**	**15.0%**

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OUTLOOK FOR INCOME INVESTING IN A TIME OF CRISIS

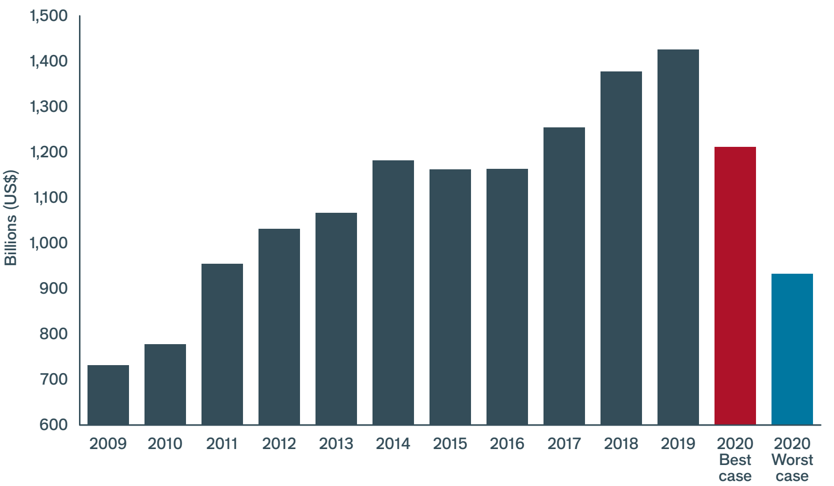
The pandemic is a humanitarian crisis that is causing serious disruption for economies and severe dislocation in financial markets. But most large companies around the world are still operating, one way or another, and for those who cannot, the pause is hopefully temporary. Some will fail, but the vast majority will survive and continue to operate in the future. An active approach to investing is more important than ever as it makes it possible to largely avoid regions, sectors or companies suffering the most.

This downturn does look likely be very steep, but the support from governments and central banks has been on an unprecedented scale, which we can only hope will make any recovery swift. Dividend suspensions are inevitable due to the sudden, unprecedented halt in economic activity in many countries. In many cases changes to dividend policies reflect the inability to predict when things return to 'normal', but a new factor in this cycle is the consideration of the relationship between government support and company behaviour. In some cases, dividend changes, along with executive pay moderation, are an acknowledgement or even requirement that shareholders should be part of society's Covid-19 response.

The most severe impact so far is to banking sector dividends, but unlike 2008-09, banks in most major economies are in a stronger position this time around, and regulatory oversight is more robust. That means banking dividends should recover more quickly following this downturn than after the last, provided the world economy is able to open for business sooner rather than later.

In 2019, over two fifths of the world's dividends were paid by defensive sectors that will be relatively insulated from the recession. Two fifths are more economically sensitive and are facing actual or potential cuts, although we are not anticipating total cancellations in most cases but reductions. Among the remaining fifth the impact will be mixed. This, of course, highlights the value of taking a global approach to income investing. Diversification across a wide variety of territories is extremely valuable and investors achieve far superior sector diversification by thinking globally rather than focusing on any one country or region.

ANNUAL DIVIDENDS (US$ BILLIONS)



For 2020, we must remember that Q1 dividends have largely already been paid. This, along with the varying seasonality of payouts, around the world means that the peak-to-trough impact of the pandemic on dividends is likely to be felt in the twelve months from a point somewhere between mid Q2 and early Q3. Focusing on 2020, in our best-case scenario, $1.21 trillion will still be paid this year, $213bn or 15% less than 2019. Our worst case assumes that all the vulnerable dividends are cancelled too, which would be a very pessimistic assumption. In that instance, payouts would be 35% lower this year, totalling $933bn, a reduction of $493bn. We then expect payments to recover some of the lost ground in 2021, albeit from this lower base.

IN OUR 2020 BEST-CASE SCENARIO, $1.21 TRILLION WILL STILL BE PAID THIS YEAR, $933BN OR 15% LESS THAN 2019

METHODOLOGY

Each year Janus Henderson analyse dividends paid by the 1,200 largest firms by market capitalisation (as at 31/12 before the start of each year). Dividends are included in the model on the date they are paid. Dividends are calculated gross, using the share count prevailing on the pay-date (this is an approximation because companies in practice fix the exchange rate a little before the pay date), and converted to US$ using the prevailing exchange rate. Where a scrip dividend* is offered, investors are assumed to opt 100% for cash. This will slightly overstate the cash paid out, but we believe this is the most proactive approach to treat scrip dividends*. In most markets it makes no material difference, though in some, particularly European markets, the effect is greater. Spain is a particular case in point. The model takes no account of free floats* since it is aiming to capture the dividend paying capacity of the world's largest listed companies, without regard for their shareholder base. We have estimated dividends for stocks outside the top 1,200 using the average value of these payments compared to the large cap dividends over the five year period (sourced from quoted yield data). This means they are estimated at a fixed proportion of 12.7% of total global dividends from the top 1,200, and therefore in our model grow at the same rate. This means we do not need to make unsubstantiated assumptions about the rate of growth of these smaller company dividends. All raw data was provided by Exchange Data International with analysis conducted by Janus Henderson Investors.

GLOSSARY

COMMODITIES	– A raw material or primary agricultural product that can be bought and sold, such as copper or oil.
EQUITY DIVIDEND YIELDS	– A financial ratio that shows how much a company pays out in dividends each year relative to its share price.
FREE FLOATS	– A method by which the market capitalization of an index's underlying companies is calculated.
GOVERNMENT BOND YIELDS	– The rate of return derived from Government debt.
HEADLINE DIVIDENDS	– The sum total of all dividends received.
HEADLINE GROWTH	– Change in total gross dividends.
PERCENTAGE POINTS	– One percentage point equals 1/100.
SCRIP DIVIDEND	– An issue of additional shares to investors in proportion to the shares already held.
SPECIAL DIVIDENDS	– Typically, one-off payouts made by companies to shareholders that are declared to be separate from their regular dividend cycle.
UNDERLYING DIVIDEND GROWTH	– Headline dividend growth adjusted for special dividends, change in currency, timing effects and index changes.
UNDERLYING DIVIDENDS	– Headline dividends adjusted for special dividends, change in currency, timing effects and index changes.
VOLATILITY	– The rate and extent at which the price of a security or market index, for example, moves up and down. If the price swings up and down with large movements, it has high volatility. If the price moves more slowly and to a lesser extent, it has lower volatility. Used as a measure of risk.

* Please see the glossary of terms above.

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QUARTERLY DIVIDENDS BY COUNTRY IN USD BILLIONS

Region	Country US$ bn	14Q1	15Q1	16Q1	17Q1	18Q1	19Q1	20Q1
Emerging Markets	Argentina	$-	$-	$-	$-	$0.01	$-	$-
	Brazil	$3.73	$3.66	$2.06	$2.46	$3.48	$2.36	$1.95
	Chile	$0.77	$0.63	$0.60	$0.43	$0.71	$0.69	$0.12
	China	$-	$0.08	$0.13	$0.13	$0.05	$0.06	$0.16
	Colombia	$0.02	$0.02	$-	$-	$-	$-	$0.04
	India	$4.35	$2.65	$3.75	$3.56	$3.80	$4.60	$3.67
	Malaysia	$1.25	$1.49	$1.17	$0.67	$0.74	$0.89	$0.48
	Mexico	$0.15	$0.05	$0.42	$0.40	$0.36	$0.62	$0.27
	Philippines	$-	$0.25	$0.11	$0.04	$0.14	$0.14	$0.10
	Qatar	$-	$1.90	$0.74	$0.81	$1.52	$1.52	$-
	Russia	$1.26	$2.88	$0.21	$2.46	$2.90	$2.35	$4.97
	South Africa	$2.18	$1.71	$0.25	$0.25	$0.27	$0.40	$0.70
	Thailand	$-	$0.15	$0.20	$0.28	$0.39	$0.48	$0.56
	United Arab Emirates	$-	$2.12	$1.06	$1.87	$2.90	$2.20	$2.20
Europe ex UK	Belgium	$0.15	$0.13	$0.16	$0.15	$0.18	$0.17	$0.18
	Denmark	$2.51	$2.80	$3.73	$3.46	$4.49	$3.84	$2.76
	Finland	$0.90	$0.60	$0.96	$0.74	$1.09	$0.84	$1.17
	France	$2.70	$2.92	$4.42	$2.98	$4.24	$4.35	$4.24
	Germany	$3.79	$3.94	$4.05	$3.98	$4.37	$4.94	$4.85
	Ireland	$-	$0.58	$-	$-	$-	$-	$-
	Israel	$0.83	$0.32	$0.35	$0.35	$-	$-	$-
	Italy	$0.40	$-	$-	$0.98	$1.70	$1.98	$2.16
	Netherlands	$0.64	$0.52	$0.57	$0.58	$0.76	$4.28	$0.76
	Norway	$0.46	$0.75	$0.70	$0.72	$0.73	$0.93	$1.21
	Spain	$5.75	$4.64	$4.88	$4.51	$4.99	$5.14	$3.80
	Sweden	$1.77	$2.72	$2.93	$2.86	$-	$-	$-
	Switzerland	$15.10	$14.42	$14.35	$14.32	$14.45	$13.88	$15.08
Japan	Japan	$2.22	$3.49	$4.16	$4.48	$5.23	$5.53	$5.80
North America	Canada	$9.24	$8.83	$7.77	$8.65	$10.09	$10.66	$11.51
	United States	$86.64	$99.54	$107.87	$107.43	$113.11	$122.59	$139.93
Asia Pacific ex Japan	Australia	$7.91	$8.41	$5.96	$11.54	$11.61	$15.90	$10.30
	Hong Kong	$2.57	$3.58	$5.79	$3.86	$2.88	$3.05	$6.00
	Singapore	$0.92	$0.91	$0.98	$0.78	$1.20	$0.82	$0.82
	South Korea	$0.16	$0.33	$-	$-	$0.35	$-	$-
UK	United Kingdom	$43.45	$17.23	$16.37	$15.44	$18.70	$20.71	$18.56
Total		**$201.83**	**$194.23**	**$196.71**	**$201.16**	**$217.44**	**$235.92**	**$244.38**
Outside top 1,200		**$22.64**	**$24.64**	**$24.96**	**$25.52**	**$27.59**	**$29.93**	**$31.01**
Grand Total		**$224.47**	**$218.87**	**$221.67**	**$226.68**	**$245.03**	**$265.86**	**$275.39**

APPENDICES (CONTINUED)

QUARTERLY DIVIDENDS BY INDUSTRY IN USD BILLIONS

Industry US$ bn	14Q1	15Q1	16Q1	17Q1	18Q1	19Q1	20Q1
Basic Materials	$11.48	$10.84	$5.98	$8.92	$10.22	$20.27	$11.49
Consumer Basics	$17.14	$21.19	$18.31	$18.50	$20.00	$20.78	$21.42
Consumer Discretionary	$10.68	$12.59	$13.21	$11.38	$12.50	$14.06	$14.20
Financials	$28.14	$37.17	$39.66	$43.45	$46.35	$48.19	$48.42
Healthcare & Pharmaceuticals	$29.80	$29.69	$31.58	$31.66	$33.59	$35.00	$37.68
Industrials	$17.94	$19.19	$18.85	$18.84	$20.30	$19.49	$21.73
Oil, Gas & Energy	$24.63	$24.94	$22.97	$24.30	$26.90	$28.32	$29.67
Technology	$14.37	$15.61	$19.44	$17.72	$20.39	$21.12	$31.01
Communications & Media	$39.11	$15.65	$15.51	$14.26	$14.62	$14.13	$14.13
Utilities	$8.54	$7.36	$11.19	$12.12	$12.57	$14.57	$14.62
TOTAL	**$201.83**	**$194.23**	**$196.71**	**$201.16**	**$217.44**	**$235.92**	**$244.38**
Divs outside top 1200	**$22.64**	**$24.64**	**$24.96**	**$25.52**	**$27.59**	**$29.93**	**$31.01**
Grand Total	**$224.47**	**$218.87**	**$221.67**	**$226.68**	**$245.03**	**$265.86**	**$275.39**

APPENDICES (CONTINUED)

QUARTERLY DIVIDENDS BY SECTOR IN USD BILLIONS

Industry	Sector US$bn	14Q1	15Q1	16Q1	17Q1	18Q1	19Q1	20Q1
Basic Materials	Building Materials	$-	$-	$0.05	$0.06	$0.06	$0.07	$0.08
	Chemicals	$4.23	$3.65	$3.93	$3.92	$3.67	$7.40	$3.37
	Metals & Mining	$6.88	$6.79	$1.49	$4.43	$5.95	$12.34	$7.66
	Paper & Packaging	$0.37	$0.40	$0.51	$0.52	$0.54	$0.45	$0.39
Consumer Basics	Beverages	$4.28	$4.44	$3.42	$3.36	$3.79	$3.76	$3.79
	Food	$3.45	$2.49	$2.79	$2.72	$2.74	$2.82	$3.07
	Food & Drug Retail	$2.46	$5.24	$3.20	$3.18	$2.59	$2.79	$2.97
	Household & Personal Products	$2.60	$3.69	$3.88	$3.93	$4.46	$4.50	$4.47
	Tobacco	$4.35	$5.33	$5.02	$5.30	$6.42	$6.90	$7.13
Consumer Discretionary	Consumer Durables & Clothing	$1.17	$1.56	$1.51	$1.60	$1.52	$1.58	$1.65
	General Retail	$2.65	$3.31	$3.54	$2.81	$2.90	$4.50	$4.22
	Leisure	$4.92	$5.39	$4.48	$4.35	$5.01	$5.68	$5.55
	Other Consumer Services	$-	$0.06	$-	$-	$-	$-	$-
	Vehicles & Parts	$1.94	$2.28	$3.69	$2.62	$3.06	$2.31	$2.79
Financials	Banks	$15.76	$21.17	$19.99	$24.67	$25.11	$26.56	$21.80
	General Financials	$4.36	$4.55	$4.32	$5.35	$6.01	$5.42	$7.26
	Insurance	$4.07	$5.00	$5.89	$5.88	$6.09	$7.56	$7.29
	Real Estate	$3.94	$6.45	$9.46	$7.55	$9.14	$8.65	$12.07
Healthcare & Pharmaceuticals	Health Care Equipment & Services	$2.46	$2.99	$3.18	$3.53	$3.92	$4.93	$5.65
	Pharmaceuticals & Biotech	$27.34	$26.70	$28.40	$28.13	$29.67	$30.07	$32.03
Industrials	Aerospace & Defence	$2.86	$3.10	$3.14	$2.75	$3.14	$3.41	$5.30
	Construction, Engineering & Materials	$1.30	$1.40	$1.57	$1.79	$2.11	$2.34	$2.57
	Electrical Equipment	$0.65	$0.71	$0.69	$0.70	$0.74	$0.75	$0.87
	General Industrials	$8.79	$8.78	$8.86	$8.63	$8.53	$7.33	$7.12
	Support Services	$1.38	$1.38	$1.45	$1.38	$1.46	$1.38	$1.49
	Transport	$2.97	$3.81	$3.14	$3.58	$4.32	$4.28	$4.39
Oil, Gas & Energy	Energy - non-oil	$2.92	$2.08	$2.60	$1.89	$1.58	$1.17	$0.98
	Oil & Gas Equipment & Distribution	$2.48	$3.12	$2.67	$3.15	$3.50	$3.94	$4.43
	Oil & Gas Producers	$19.23	$19.73	$17.70	$19.27	$21.82	$23.21	$24.25
Technology	IT Hardware & Electronics	$5.59	$6.00	$6.18	$6.35	$7.01	$7.23	$7.55
	Semiconductors & Equipment	$2.89	$3.30	$3.57	$4.18	$4.96	$5.45	$6.03
	Software & Services	$5.89	$6.31	$9.69	$7.19	$8.43	$8.43	$17.43
Communications & Media	Media	$2.84	$3.51	$4.28	$2.98	$3.04	$2.67	$2.98
	Telecoms	$36.26	$12.14	$11.24	$11.28	$11.58	$11.46	$11.15
Utilities	Utilities	$8.54	$7.36	$11.19	$12.12	$12.57	$14.57	$14.62
Total		**$201.83**	**$194.23**	**$196.71**	**$201.16**	**$217.44**	**$235.92**	**$244.38**
Outside Top 1,200		**$22.64**	**$24.64**	**$24.96**	**$25.52**	**$27.59**	**$29.93**	**$31.01**
Grand total		**$224.47**	**$218.87**	**$221.67**	**$226.68**	**$245.03**	**$265.86**	**$275.39**

APPENDICES (CONTINUED)

JHGDI – BY REGION

Region	14Q1	15Q1	16Q1	17Q1	18Q1	19Q1	20Q1
Emerging Markets	205.1	190.9	156.9	133.6	159.6	184.3	203.4
Europe ex UK	113.5	127.0	115.9	118.9	121.4	139.4	132.6
Japan	129.2	142.0	147.5	180.3	196.0	219.9	238.2
North America	159.3	178.6	197.6	196.2	212.7	229.0	243.6
Asia Pacific ex Japan	181.3	190.4	176.0	188.3	219.7	239.4	225.2
UK	178.7	145.8	143.1	138.2	148.5	152.6	155.6
Global total	**153.1**	**160.8**	**159.3**	**159.8**	**174.1**	**191.2**	**196.3**

JHGDI – BY INDUSTRY

Industry	14Q1	15Q1	16Q1	17Q1	18Q1	19Q1	20Q1
Basic Materials	185.0	171.5	148.5	124.8	181.6	260.1	234.2
Consumer Basics	161.4	176.4	179.7	174.8	183.8	190.9	186.2
Consumer Discretionary	243.3	297.3	307.6	311.5	324.1	361.0	359.8
Financials	185.3	200.4	206.4	218.5	231.3	260.5	269.5
Healthcare & Pharmaceuticals	149.8	159.6	169.6	182.4	190.9	203.4	216.2
Industrials	137.2	155.6	158.5	156.8	166.5	173.2	180.7
Oil, Gas & Energy	132.0	137.7	110.2	97.3	112.0	128.0	138.3
Technology	226.8	268.7	298.7	309.6	348.3	400.5	442.8
Communications & Media	125.4	102.8	101.0	100.4	106.9	100.6	99.3
Utilities	88.1	83.1	83.4	88.2	98.2	95.4	96.4
Total	**153.1**	**160.8**	**159.3**	**159.8**	**174.1**	**191.2**	**196.3**

Q1 ANNUAL GROWTH RATE – ADJUSTMENTS FROM UNDERLYING TO HEADLINE

Region	Country	Underlying growth	Special dividends	Currency	Index changes	Timing effects	Headline Growth
Emerging Markets	Brazil	**6.0%**	-25%	-15%	1%	15%	**-17.2%**
	Chile	**6.7%**	0%	0%	-89%	0%	**-82.2%**
	China	**112.5%**	0%	0%	40%	0%	**152.2%**
	India	**0.0%**	-5%	-6%	-5%	-4%	**-20.4%**
	Malaysia	**-20.9%**	0%	-4%	-20%	0%	**-45.5%**
	Mexico	**-28.0%**	-20%	-8%	0%	0%	**-56.5%**
	Philippines	**1.5%**	0%	3%	-30%	0%	**-25.6%**
	Russia	**95.4%**	0%	16%	0%	0%	**111.8%**
	South Africa	**-21.8%**	106%	-8%	0%	0%	**75.9%**
	Thailand	**0.1%**	17%	0%	0%	0%	**17.6%**
	United Arab Emirates	**0.2%**	0%	0%	0%	0%	**0.2%**
Europe ex UK	Belgium	**4.0%**	0%	-2%	0%	0%	**1.5%**
	Denmark	**-26.4%**	0%	-2%	0%	0%	**-28.0%**
	Finland	**5.5%**	0%	-2%	0%	37%	**39.9%**
	France	**1.1%**	0%	-2%	-1%	0%	**-2.6%**
	Germany	**4.2%**	0%	-4%	-2%	0%	**-1.8%**
	Italy	**11.9%**	0%	-3%	0%	0%	**9.2%**
	Netherlands	**-1.3%**	-80%	-1%	0%	0%	**-82.3%**
	Norway	**18.1%**	0%	-10%	23%	0%	**30.3%**
	Spain	**2.9%**	0%	-2%	-3%	-24%	**-26.1%**
	Switzerland	**3.7%**	0%	4%	1%	0%	**8.7%**
Japan	Japan	**4.0%**	1%	1%	-1%	0%	**4.8%**
North America	Canada	**8.0%**	0%	-1.0%	1%	0%	**8.0%**
	United States	**5.4%**	9%	0%	0%	-0.17%	**14.1%**
Asia Pacific ex Japan	Australia	**-2.0%**	-27%	-7%	1%	0%	**-35.2%**
	Hong Kong	**5.2%**	88%	1%	3%	0%	**96.7%**
	Singapore	**-0.1%**	0%	0%	0%	0%	**0.3%**
UK	United Kingdom	**0.8%**	-13%	-1%	2.6%	0%	**-10.4%**

Unless otherwise stated all data is sourced by Janus Henderson Investors as of 31 March 2020. Nothing in this document should be construed as advice.

Past performance is no guarantee of future results. International investing involves certain risks and increased volatility. These risks include currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavourable political or legal developments.

The value of an investment and the income from it can fall as well as rise and you may not get back the amount initially invested.

FREQUENTLY ASKED QUESTIONS

What is the Janus Henderson Global Dividend Index?

The Janus Henderson Global Dividend Index (JHGDI) is a long-term study into global dividend trends, and is the first of its kind. It is a measure of the progress global firms are making in paying their investors an income on their capital. It analyses dividends paid every quarter by the world's largest 1,200 firms by market capitalisation.

How many companies are analysed?

The world's largest 1,200 companies by market capitalisation are analysed in detail, representing 90% of global dividends paid. The next 1,800 only represent 10%, so due to their size, their effects on the results are negligible.

What information does JHGDI provide?

The index breaks down global payouts by region, industry and sector. It enables readers to easily compare the dividend performance of countries like the US for example, that provide a large proportion of global dividends, alongside smaller nations such as the Netherlands. The report aims to explain the world of equity income investing.

What do the charts cover?

All charts and tables are based on the analysis of the top 1,200 companies. The charts are there to help illustrate the dividend performance, regional and sector payouts.

Why is this piece of research produced?

The hunt for income remains a major investment theme for investors, and in response to client feedback Janus Henderson has undertaken a long term study into global dividend trends with the launch of the Janus Henderson Global Dividend Index.

How are the figures calculated?

Dividends are included in the model on the date they are paid. They are calculated gross, using the share count prevailing on the pay-date, and converted into US dollars using the prevailing exchange rate. Please see the methodology section in the JHGDI report for a more detailed answer.

Why is the report based in dollars?

The report is produced in US dollars, since the US dollar is the global reserve currency, used as the standard measure for comparing cross border financial metrics.

Is the data in the report year on year or quarter on quarter?

The report is published on a quarterly basis. Given that this is a global study of dividend income, publishing the data on a quarterly basis provides best insight on which regions and sectors pay dividends in which quarter. In each edition the data is compared with the same quarter of the previous year e.g. Q1 2015 vs Q1 2014.

What is the difference between headline and underlying growth?

In the report we focus on headline growth which is how much was paid in US$ in any quarter in relation to the same period in the previous year. Underlying growth is also calculated, but is an adjusted rate which takes currency movements, special dividends, timing changes and index changes into account.

Can you invest in the JHGDI?

The JHGDI is not an investable index like the S&P 500 or FTSE 100, but is a measure of the progress that global firms are making in paying their investors an income on their capital, taking 2009 as a base year (index value of 100).

Is the JHGDI linked to any of Janus Henderson's funds?

The index is not linked to any of Janus Henderson's funds, however the report is headed up by Ben Lofthouse, Head of Janus Henderson's Global Equity Income strategy, and supported by Andrew Jones and Jane Shoemake, members of the Global Equity Income team.

Why should investors be interested in global dividend income?

Investing in companies that not only offer dividends, but increase them, has proven over time to provide both growing income and higher total return than companies that do not. Investing globally offers investors diversification across countries and sectors with the aim of reducing risk to income and capital.

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