JANUS HENDERSON GLOBAL DIVIDEND INDEX

Edition 29

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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$401.6bn in assets under management, more than 2,000 employees and offices in 26 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 December 2020

EXECUTIVE SUMMARY
BY REGION

Overview

- Global payouts fell 12.2% in 2020 to $1.255 trillion, equivalent to an underlying fall of 10.5%
- This exceeded our best-case forecast thanks to a resilient fourth quarter
- Our index of dividends fell to 172.4, a level last seen in 2017

Q4 ended the year with a smaller fall than expected

- The restoration (in full and in part) of some suspended dividends provided a major boost
- In the US the first set of dividend announcements for the next four quarters began more positively than anticipated
- Exchange rate factors, seasonal effects, higher one-off special dividends and some unexpectedly large increases from a few companies also provided a boost

GLOBAL PAYOUTS FELL 12.2% IN 2020 TO $1.255 TRILLION, EQUIVALENT TO AN UNDERLYING FALL OF 10.5%

How did Covid 19 affect global dividends?

- Cuts and cancellations totalled $220bn between April and December 2020, but dividends paid were $965bn and far outweighed the cuts
- One company in eight cancelled its payout altogether and one in five made a cut, but two thirds increased or held steady
- Banks accounted for one third of global dividend reductions by value, more than three times as much as oil producers – the next most severely affected sector
- Six in ten consumer discretionary companies cut or cancelled payouts
- Among the world's larger stock markets, the impact in Spain and France was particularly widespread – 71% of companies made reductions compared to just 9% in Canada

EXECUTIVE SUMMARY
BY REGION (CONTINUED)

Regions & Countries

- The UK and Europe contributed more than half the world's cuts by value, with the prohibition on banking dividends making the biggest impact; Australia was also severely affected
- North America saw payouts reach a new record, partly because share buybacks were curtailed ahead of dividends
- China, Hong Kong and Switzerland joined Canada among the best performing nations; Japanese payouts also proved relatively resilient

Industries & Sectors

- Banks, oil, mining and consumer discretionary companies were worst hit, while classic defensives – food retail, pharmaceuticals and personal products – were well insulated

OUR BEST-CASE SCENARIO SEES 2021 DIVIDENDS UP 5% ON A HEADLINE BASIS TO A TOTAL OF $1.32 TRILLION, AN UNDERLYING INCREASE OF 2%. THIS INCLUDES Q1, IN WHICH PAYOUTS WILL CONTINUE TO FALL

Outlook & Viewpoint

- The effect of the pandemic on dividends has followed the pattern of a conventional recession and its impact at a global level has been less severe than in the aftermath of the global financial crisis
- The outlook for dividends in 2021 remains uncertain given the ongoing pandemic but dividends should begin to recover from April onwards
- Our best-case scenario sees 2021 dividends up 5% on a headline basis to a total of $1.32 trillion, an underlying increase of 2%. This includes Q1, in which payouts will continue to fall
- Our worst case sees a fall of around 2% on a headline basis which equates to -3% underlying.

OVERVIEW OF 2020

In an extraordinary year, global dividends showed remarkable resilience. Over the whole of 2020, which included a normal first quarter, payouts fell 12.2% on a headline basis to $1.255 trillion, exceeding our $1.210 trillion best-case scenario thanks to a relatively strong finish to the year. On an underlying basis, which adjusts for exchange rates, one-off special dividends, and technical factors, the decline was just 10.5%.

Despite the worst global crisis since World War II and with much of the global economy in enforced hibernation, companies nevertheless distributed $965bn to their shareholders between April and December[1]. Two thirds either held their dividends steady or increased them and only one in eight cancelled them outright. Mid-way through 2020 it seemed likely that cuts would ripple around the world, progressively affecting more and more regions. But rather than getting worse, the situation began to ease. Some parts of the world proved particularly resistant to cuts, leaving the downturn in payments smaller than we initially feared. In total companies cut by $220bn over these nine months[2].

The relative resilience in 2020 demonstrates the value of diversifying globally for income. The pandemic caused dramatic differences in dividend payments from one part of the world to another and across different sectors and industries. Investors never know where the next crisis might come from, so broad investment exposure can help mitigate the risks. A global approach helps smooth out the impact of seasonal patterns, captures the advantage of different sector dynamics from one country to another and reduces investor dependence on a few big companies for their income.

OVER THE WHOLE OF 2020, WHICH INCLUDED A NORMAL FIRST QUARTER, PAYOUTS FELL 12.2% ON A HEADLINE BASIS TO $1.255 TRILLION, EXCEEDING OUR $1.210 TRILLION BEST-CASE SCENARIO THANKS TO A RELATIVELY STRONG FINISH TO THE YEAR

The dividend cuts were most severe in the UK and Europe, which together accounted for more than half the total reduction in payouts globally, mainly owing to the forced curtailment on banking dividends by regulators. But even as payouts in Europe and the UK fell below the levels seen in 2009 when our index began, they rose 2.6% on a headline basis in North America to a new record. North America did so well mainly because companies protected their dividends by suspending or reducing share buybacks instead, and because regulators were more lenient with the banks. In Asia, Australia was worst affected, thanks to its heavy reliance on banking dividends, which were constrained by regulators until December. Elsewhere, China, Hong Kong and Switzerland joined Canada among the best performing nations.

From a sector perspective, banks, oil, mining and consumer discretionary companies were worst hit, while classic defensives – food retail, pharmaceuticals and personal products – were well insulated.

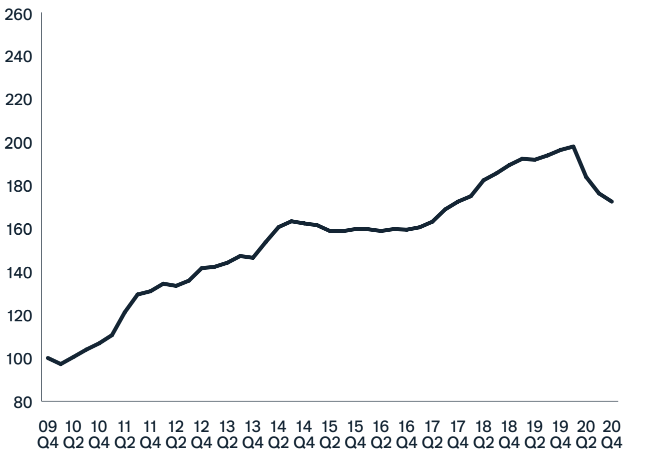
Our index of dividends fell to 172.4, a level last seen in 2017.

[1] Includes an estimated $109bn for companies outside the top 1,200 in our index.

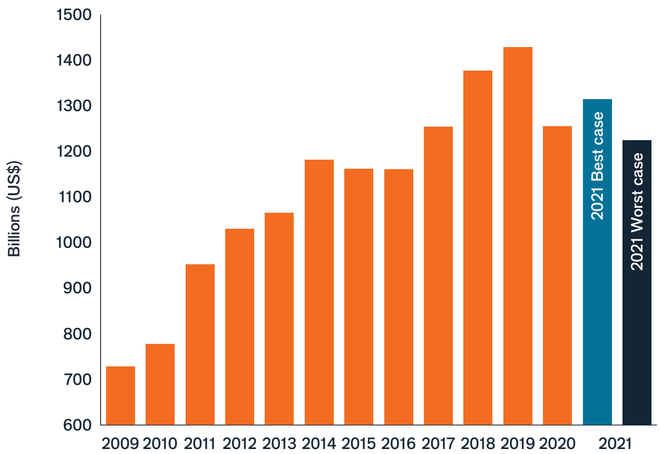
[2] Includes an estimated $25bn for companies outside the top 1,200 in our index.

OVERVIEW OF 2020 (CONTINUED)

JHGDI (INDEX)



GLOBAL TOTAL ANNUAL DIVIDENDS (US$ BILLIONS)



ANNUAL DIVIDENDS BY REGION (US$ BILLIONS)

Region	2017	%*	2018	%*	2019	%*	2020	%*	Q4 2019	%*	Q4 2020	%*
Emerging Markets	$105.8	18.5	$127.5	20.6	$140.2	9.9	$126.9	-9.5	$30.2	37.6	$21.0	-30.2
Europe ex UK	$225.1	0.8	$256.6	14.0	$251.1	-2.1	$171.6	-31.7	$22.5	12.3	$20.0	-11.1
Japan	$70.0	8.1	$79.1	13.0	$85.4	8.0	$80.7	-5.6	$34.6	5.8	$31.9	-7.8
North America	$475.7	7.0	$509.7	7.2	$535.2	5.0	$549.0	2.6	$132.7	2.7	$134.1	1.1
Asia Pacific ex Japan	$141.6	22.7	$150.4	6.2	$151.0	0.4	$123.3	-18.3	$28.1	0.0	$22.4	-20.3
UK	$95.7	2.9	$99.6	4.1	$105.7	6.1	$62.5	-40.9	$15.8	2.8	$9.6	-39.0
Total	$1,113.8	8.1	$1,223.0	9.8	$1,268.7	3.7	$1,114.0	-12.2	$263.8	6.6	$239.1	-9.4
Divs outside top 1,200	$141.3	8.1	$155.2	9.8	$161.0	3.7	$141.3	-12.2	$33.5	6.6	$30.3	-9.4
Grand total	**$1,255.1**	**8.1**	**$1,378.2**	**9.8**	**$1,429.7**	**3.7**	**$1,255.3**	**-12.2**	**$297.3**	**6.6**	**$269.4**	**-9.4**

* % change

FULL YEAR 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	**-6.0%**	-3.4%	-2.6%	2.6%	0.0%	**-9.5%**
Europe ex UK	**-28.4%**	-3.1%	0.6%	-0.7%	0.0%	**-31.7%**
Japan	**-2.1%**	-0.2%	1.8%	-5.1%	0.0%	**-5.6%**
North America	**0.1%**	2.4%	-0.1%	0.2%	0.0%	**2.6%**
Asia Pacific ex Japan	**-11.9%**	-4.8%	0.3%	-1.9%	0.0%	**-18.3%**
UK	**-32.8%**	-9.1%	0.3%	0.6%	0.0%	**-40.9%**
Global	**-10.5%**	-1.4%	0.0%	-0.3%	0.0%	**-12.2%**

Q4 ENDED THE YEAR WITH A SMALLER FALL THAN FEARED

Q4 payouts fell 14.0% on an underlying basis to a total of $269.1bn while the headline decline was just 9.4%. This was less severe than we expected for several reasons. First, several companies restored payments that they had suspended earlier in the year. Some came back at full strength – the largest included Sberbank in Russia, Volkswagen in Germany and Ferguson in the UK – while others, such as Inditex in Spain and Essilor in France, resumed payouts but at a reduced level. Secondly, some companies in Europe split their dividends into two parts for the first time, paying the second tranche in Q4 – e.g. UBS. Thirdly, the US dollar weakened sharply which boosted the value of dividends from around the world. Fourthly, one-off special dividends were larger than forecast. And finally, the start of the annual review of dividends in the dominant US market was significantly more benign than expected. Seasonal factors also had an influence, and there were a few unexpectedly dramatic increases from companies like Fortescue Metals and Nintendo.

Q4 PAYOUTS FELL 14.0% ON AN UNDERLYING BASIS TO A TOTAL OF $269.1BN WHILE THE HEADLINE DECLINE WAS JUST 9.4%.

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References made to individual securities should not constitute or form part of any offer or solicitation to issue, sell, subscribe or purchase the security.

† Timing effects are not significant on an annual basis.

* Please refer to the glossary of terms found on page 22.

FACTORS INFLUENCING DIVIDENDS DURING THE PANDEMIC

IN APRIL, TO ESTIMATE THE LIKELY IMPACT OF THE PANDEMIC ON 2020'S DIVIDENDS, WE SCREENED COMPANIES IN OUR INDEX BY CONSIDERING SEVEN KEY FACTORS. WE REPEAT THEM HERE AS AN AIDE MEMOIRE.

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?

HOW DID COVID 19 AFFECT GLOBAL DIVIDENDS?

The first dividend cuts began at the very beginning of Q2, so to understand how companies have adjusted their dividends in response to the pandemic, we have compared April to December 2020 with the same period in 2019.

We want to emphasise that despite the worst global crisis since the second world war companies in our index for the most part continued to pay dividends to their shareholders – this totalled $856.5bn over the last three quarters, with an estimated further $108.7bn contributed by companies outside the global top 1200. Just one company in eight cancelled its payout altogether while an additional one in five made a cut. Impressively, however, two thirds either held their dividends steady or increased them. Collectively, companies in our index cancelled $102bn of dividends and made cuts worth a further $93bn. We estimate the impact on companies outside our index was an additional $25bn to make a global total of $220bn.

GLOBALLY, COMPANIES CUT OR CANCELLED $220BN OF DIVIDENDS BETWEEN Q2 AND Q4

The impact on dividends is naturally very varied from one part of the world to another and across different sectors, again and again highlighting the importance of a diversified approach to income investing. Companies in the UK

Q2-Q4 2020 – WHO PAID? WHO CUT? WHO CANCELLED?

Region	$m Cancelled	$m Cut	$m Paid	% of companies Cancelled	% of companies Cut	% of companies Cut or cancelled
Emerging Markets	$2.5	$18.2	$108.4	10%	40%	50%
Europe ex UK	$51.9	$22.0	$135.1	25%	25%	50%
Japan	$2.1	$6.7	$74.1	3%	34%	37%
North America	$19.0	$11.9	$392.5	7%	8%	14%
Asia Pacific ex Japan	$4.2	$20.6	$102.9	9%	35%	44%
UK	$22.0	$14.0	$43.4	32%	23%	55%
Total	**$101.7**	**$93.4**	**$856.5**	**12%**	**22%**	**34%**
Companies outside top 1,200	**$12.9**	**$11.8**	**$108.7**			
Grand Total	**$114.6**	**$105.2**	**$965.2**			

Industry	$m Cancelled	$m Cut	$m Paid	% of companies Cancelled	% of companies Cut	% of companies Cut or cancelled
Basic Materials	$4.8	$7.9	$56.2	10%	27%	37%
Consumer Basics	$1.0	$4.5	$92.8	5%	16%	21%
Consumer Discretionary	$17.5	$10.7	$46.8	27%	34%	62%
Financials	$53.9	$34.1	$214.5	15%	23%	38%
Healthcare & Pharmaceuticals	$2.4	$0.6	$74.8	9%	7%	16%
Industrials	$15.2	$4.1	$64.1	15%	23%	38%
Oil, Gas & Energy	$0.6	$23.6	$90.8	5%	42%	47%
Technology	$1.0	$2.1	$95.6	4%	12%	16%
Communications & Media	$3.3	$4.7	$78.6	6%	25%	31%
Utilities	$2.1	$1.2	$42.2	4%	11%	15%
Total	**$101.7**	**$93.4**	**$856.5**	**12%**	**22%**	**34%**
Companies outside top 1,200	**$12.9**	**$11.8**	**$108.7**			
Grand Total	**$114.6**	**$105.2**	**$965.2**			

HOW DID COVID 19 AFFECT GLOBAL DIVIDENDS? (CONTINUED)

and Europe made up more than half the value of cuts and cancellations combined, but this was in large part due to the prohibition placed on banking dividends by regulators and did not mean that the banks had neither the desire nor the ability to pay. Among the world's largest stock markets, companies in Spain and France were the most likely to reduce payouts (71% did so), with Australia and the UK close behind[3]. Canada saw the fewest reductions with only one company in eleven affected, beating its larger US neighbour (one in seven). As the largest source of the world's dividends, the relatively limited impact on companies in North America helps explain why the global total held up so well. Companies in the region have chosen to reduce or suspend share buybacks rather than cut or cancel dividends, and in Canada, the economic disruption has been less severe than in many other western countries. Crucially, banking dividends in Canada and the US continued almost unimpeded, in sharp contrast to Europe, the UK, Australia and some other medium-sized markets like Singapore.

From a sector perspective, the banks made the largest impact in value terms, cutting or cancelling $70bn of payments, just over a third of the total global reductions, and more than three times as much as the next largest sector (oil & gas producers). But companies most sensitive to sharply curtailed consumer spending were most likely to make cuts. With populations across much of the western world locked in their homes, consumer-discretionary dividends fell by 37% year-on-year between April and December. For example, four fifths of leisure companies and vehicle manufacturers made reductions. Half the banks and half the oil, mining, aerospace and construction companies in our index also cut or cancelled.

Classically defensive sectors were barely affected. Dividends from food retailers and producers, tobacco, personal products and utilities were flat or slightly higher, while healthcare and software companies posted 5% and 10% underlying growth respectively between April and December. Beverages are an interesting exception. Normally drinks manufacturers withstand economic downturns very well. But during the pandemic hospitality venues worldwide have either been closed or severely restricted so the vital 'on-trade' business, which provides so much volume at superior margins for drinks companies, has fallen dramatically. Beverage dividends have fallen 15% with brewers hardest hit.

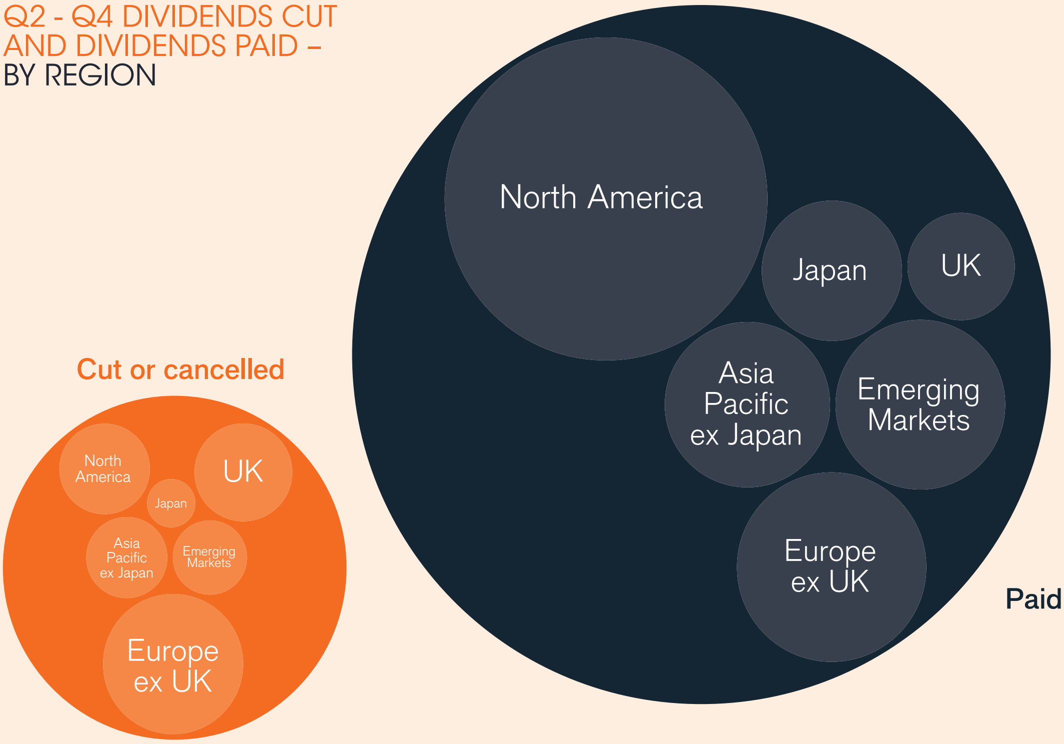
(The Appendices contain a table which details the Q2-Q4 dividend cuts by country)

FROM A SECTOR PERSPECTIVE, THE BANKS MADE THE LARGEST IMPACT IN VALUE TERMS, CUTTING OR CANCELLING $70BN OF PAYMENTS, JUST OVER A THIRD OF THE TOTAL GLOBAL REDUCTIONS, AND MORE THAN THREE TIMES AS MUCH AS THE NEXT LARGEST SECTOR (OIL & GAS PRODUCERS).

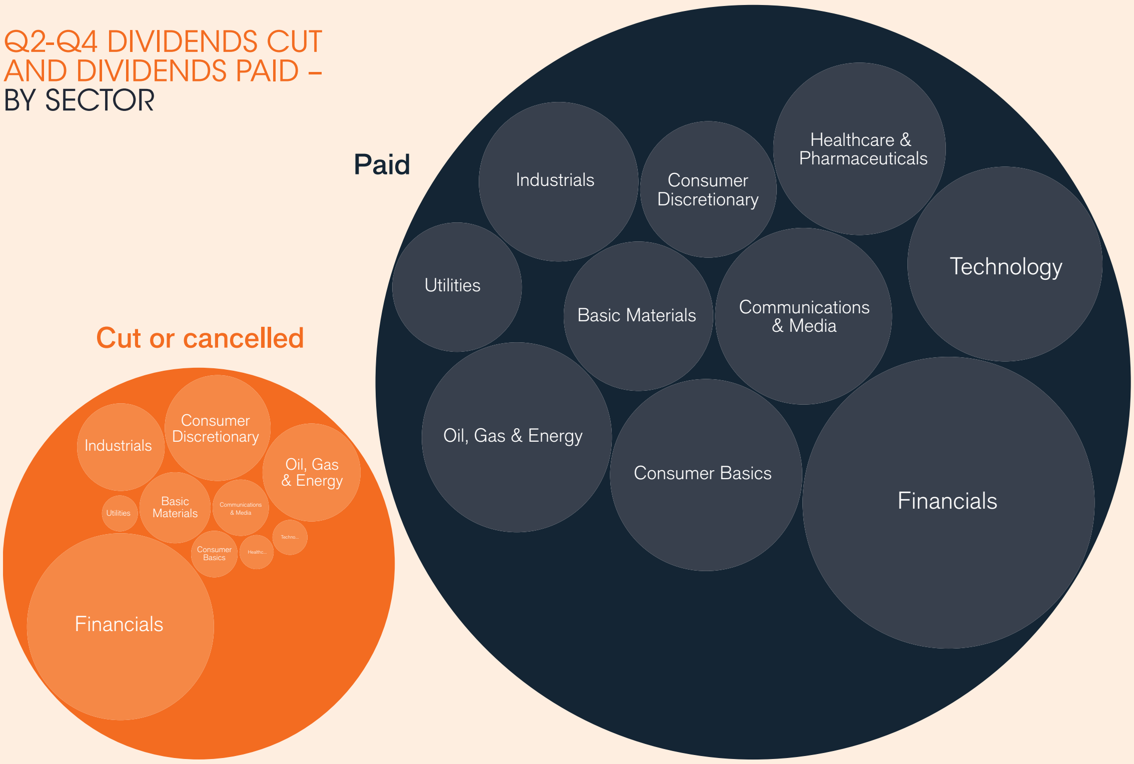
[3] See Appendix for full country tables.

HOW DID COVID 19 AFFECT GLOBAL DIVIDENDS? (CONTINUED)

Q2 - Q4 DIVIDENDS CUT AND DIVIDENDS PAID – BY REGION



Q2-Q4 DIVIDENDS CUT AND DIVIDENDS PAID – BY SECTOR



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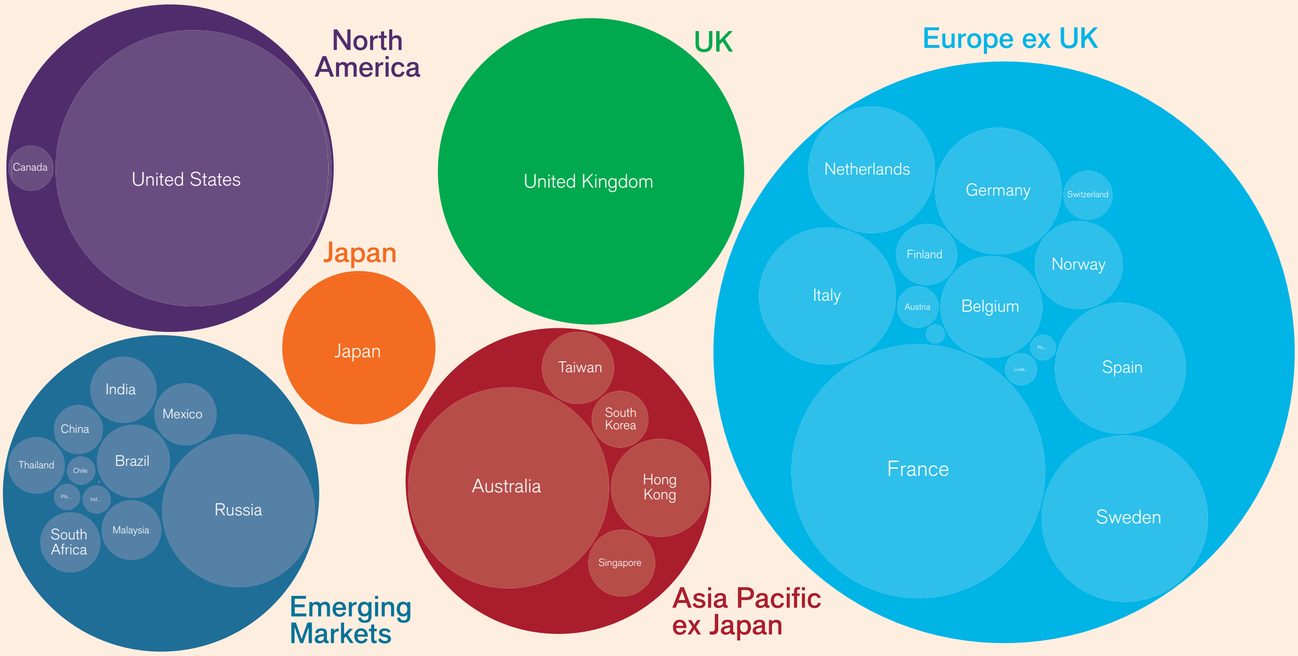
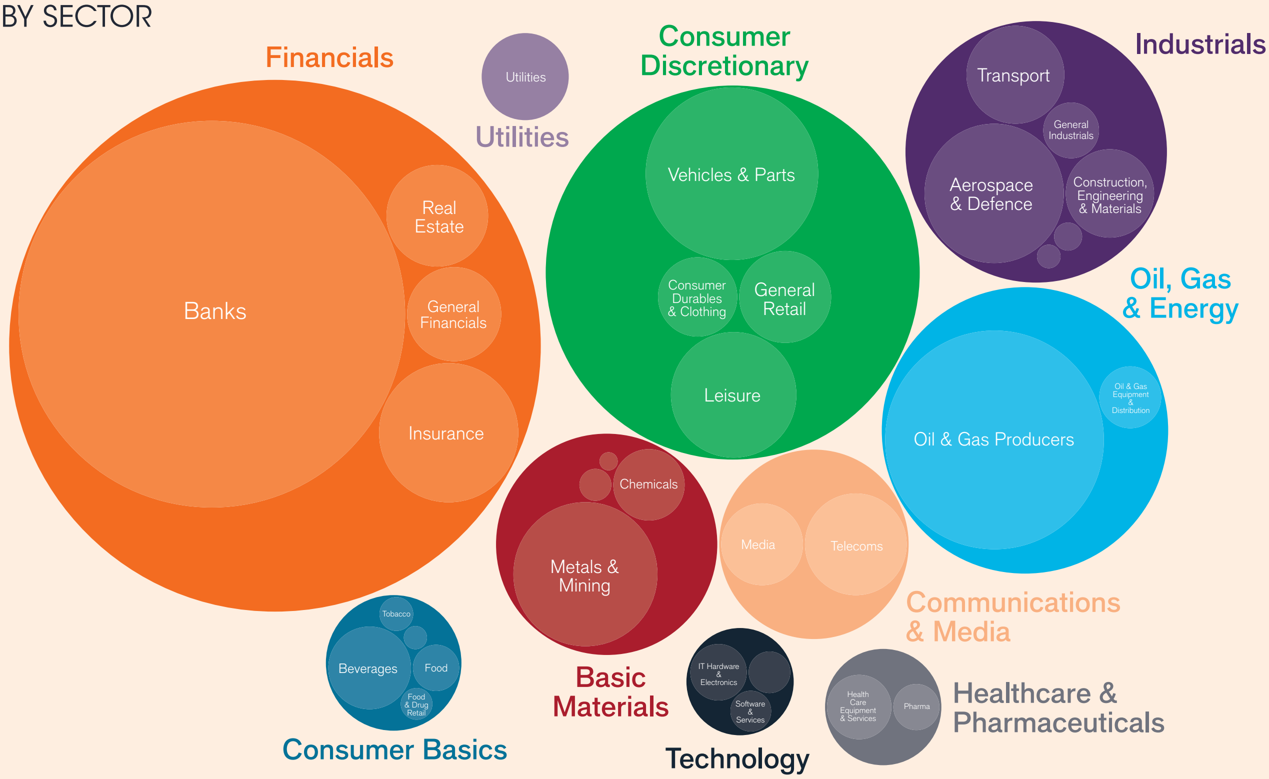
HOW DID COVID 19 AFFECT GLOBAL DIVIDENDS? (CONTINUED)

Q2 - Q4 DIVIDENDS CUT – BY GEOGRAPHY



Q2 - Q4 DIVIDENDS CUT – BY SECTOR



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REGIONS AND COUNTRIES

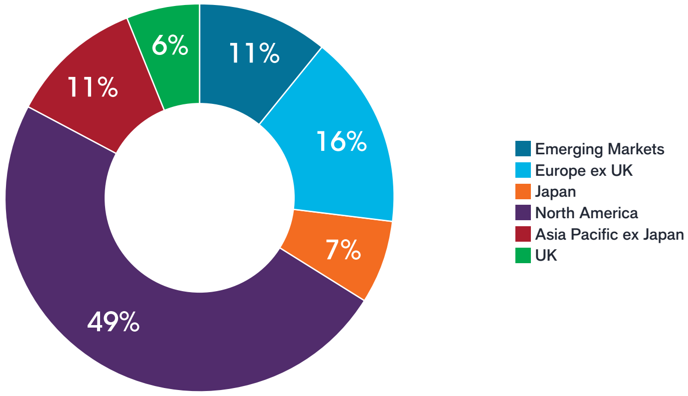
North America

In a normal year, companies in North America pay just over two fifths of the world's dividends, so what happens here has a significant impact on the global picture. In 2020, the resilience of North American dividends meant their share increased to half the global total.

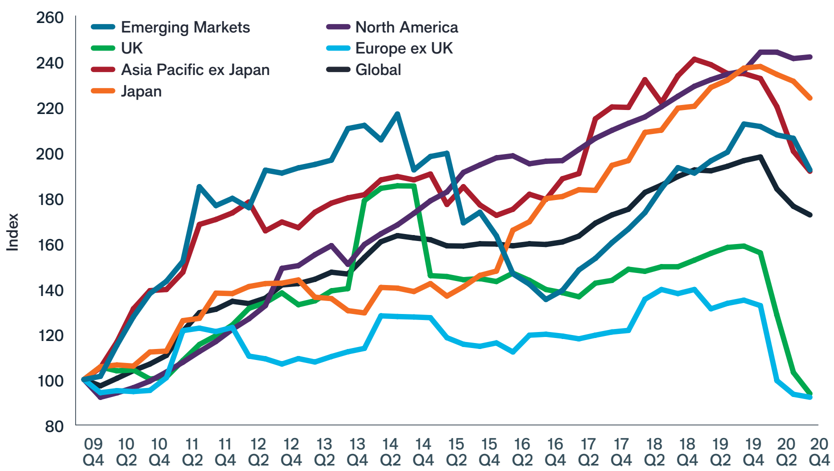
Despite the pandemic, North American payouts rose 2.6% in for the full year on a headline basis, breaking a new record of $549.0bn. Special dividends helped boost the headline figure – on an underlying basis, payouts were flat year-on-year (+0.1%). Between April and December, they were only fractionally lower compared to the same period in 2019. Q4 was weaker than Q2 and Q3, as we had cautioned it would be, but the 2.8% underlying Q4 decline was considerably milder than we expected and helped ensure the global total was better than even the top end of our forecast range. On a headline basis payouts rose thanks to higher special dividends, especially from food retailer CostCo, which like its peers around the world, has seen sales soar in 2020.

Dividends do not tell the whole story, however. The proportion of capital US and Canadian companies typically spend buying back their own shares, rather than on dividends, is higher than in most comparable countries. In the US these totalled $700bn in 2019, according to Goldman Sachs, while Factset puts the Canadian total at $36bn (CA$50bn). This means buybacks were worth comfortably more than dividends in the US and almost as much as them in Canada[4]. In the UK, by contrast, dividends were four times greater than buybacks in 2019[5] and across most of Europe buybacks are lower still.

2020 DIVIDENDS BY REGION



JANUS HENDERSON GLOBAL DIVIDEND INDEX BY REGION



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4. US 2019 buybacks were 43% higher than 2019 US dividends in the JHGDI. In Canada they were just 17% less than dividends. Note that the JHGDI does not comprise all the companies in each market, so this is not an entirely like-for-like comparison, but it gives a good guide.

5. Source: Bloomberg

While companies in many countries therefore cut or cancelled dividends in 2020 in order to preserve cash, lower buybacks have borne the brunt in the US, falling to their lowest level since 2012 in Q2 according to S&P before recovering some of the lost ground. Meanwhile, Canada's banks have been banned by the regulator from share buybacks for the duration of the crisis, despite record levels of capital on their balance sheets. If we add share buybacks and dividends together, then North America also saw a fall last year although the overall decline would still be smaller than for other comparable nations.

In the US, payouts rose 2.6% to a record $503.1bn in 2020, boosted by higher special dividends. On an underlying basis, they fell, but only just, down 0.4%. We were prepared for Q4 to be weak as it marks the point in the year when companies begin to announce their quarterly payouts for the year ahead. But this rebasing was much more benign than we anticipated, boding well for the quarters to come. In the event, Q4 merely saw a 3.4% decline, much better than expected. Wells Fargo made the biggest cut, as mandated by the Federal Reserve, while other household names Boeing, Las Vegas Sands, Ford and General Motors all cancelled their Q4 dividends.

Between April and December, one US company in fourteen cancelled its dividend and a similar proportion made a cut. As we had forecast, Microsoft became the world's largest dividend payer for the first time in 2020.

Canada saw the fastest dividend growth in the world among comparable countries and the fewest dividend cuts. Canadian dividends rose 5.9% on an underlying basis in 2020 to a new record of $46.0bn. They even rose during the pandemic period too, up 4%. More than nine-tenths of Canadian companies increased payouts or held them steady between April and December.

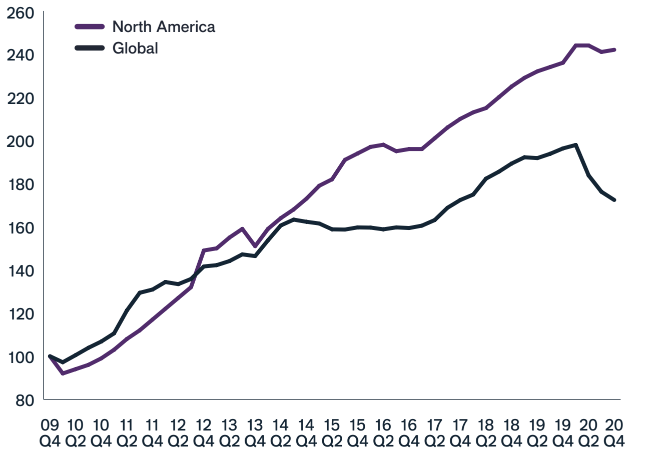
With an index reading of 241.9, North American companies have shown the fastest dividend growth in the world since 2009.

↑2.6%

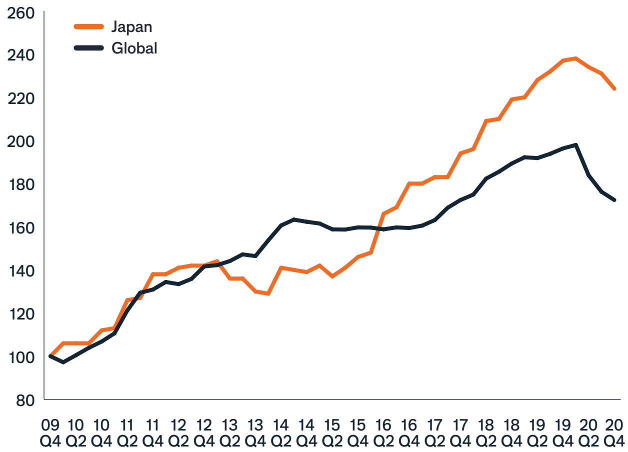
IN NORTH AMERICA, PAYOUTS ROSE 2.6% TO A RECORD $503.1BN IN 2020, BOOSTED BY A HEALTHY INCREASE IN CANADIAN DIVIDENDS

REGIONS AND COUNTRIES (CONTINUED)

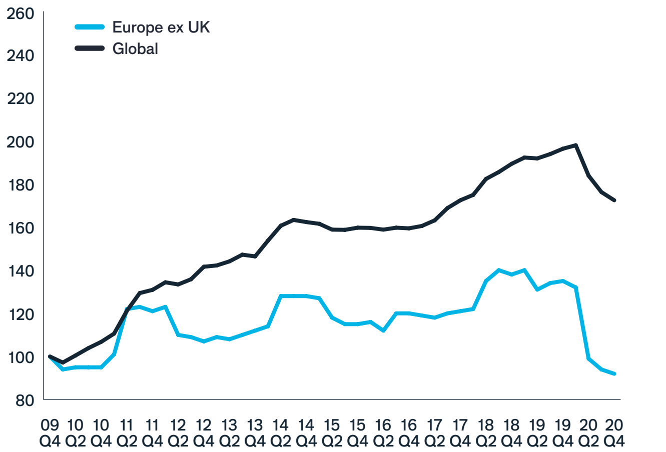
JHGDI – NORTH AMERICA



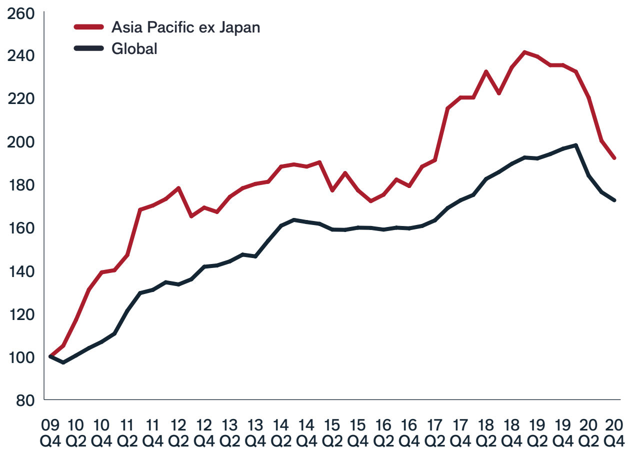
JHGDI – JAPAN



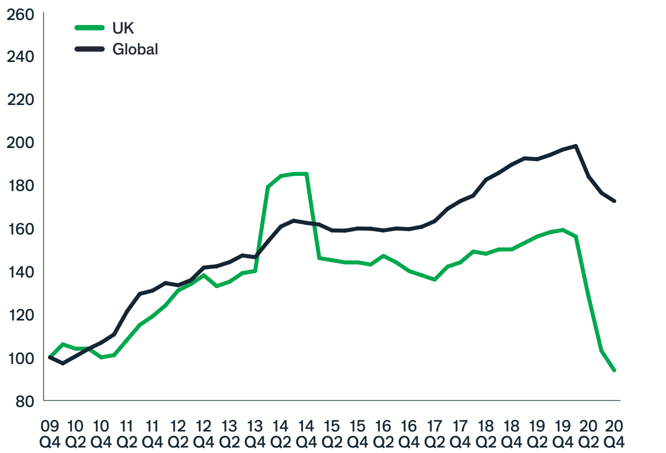
JHGDI – EUROPE EX UK



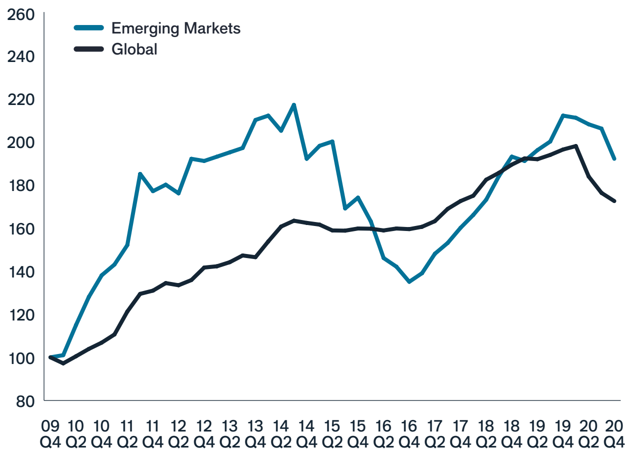
JHGDI – ASIA PACIFIC EX JAPAN



JHGDI – UK



JHGDI – EMERGING MARKETS



Unless otherwise stated all data is sourced by Janus Henderson Investors as of 31 December 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.

Europe ex UK

European dividends fell by 28.4% on an underlying basis in 2020, dropping to $171.6bn. This was the lowest total from Europe since at least 2009 and reflects both the slow growth from this region between 2009 and 2019 and the severe impact in 2020 of the pandemic. Our Europe ex UK index sank to 92.2 with only Switzerland and Norway paying more in 2020 than they did in 2009.

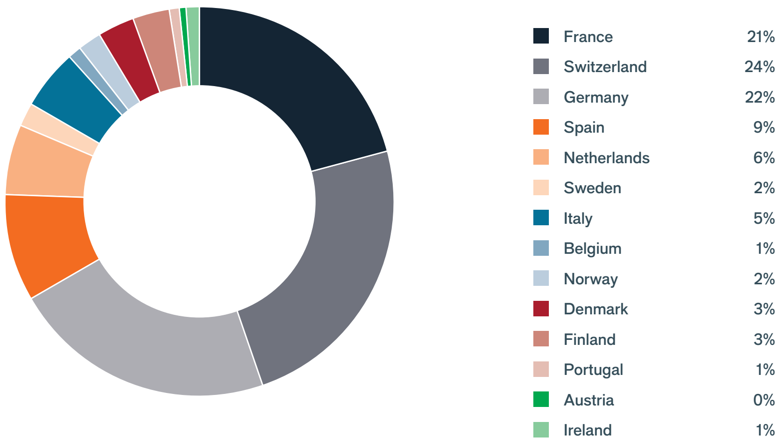
Cuts and cancellations totalled $70bn between April and December. 50% the European companies in our index made reductions split equally between those making cuts and those cancelling altogether. The biggest impact came from the banks, accounting for half the total lost income. Cuts from car manufacturers and insurance companies were also very large.

There was a very wide variation from country to country.

Belgium, Sweden, and Luxembourg saw the steepest declines between Q2 and Q4, with payouts falling 66%, 73% and 83% year-on-year respectively, putting them at the bottom of the world rankings. The size of the declines mainly reflects the impact of dividend changes from large companies that dominate these relatively small stock markets. In Belgium, the biggest impact came from AB-Inbev. The company's sales were actually much stronger than expected, but it is overburdened with debt and is prioritising protecting its balance sheet during this crisis. Its cut was one of the twenty biggest in the world in 2020.

Norwegian and Italian dividends halved, while those in France and the Netherlands fell by 44% and 45% respectively. The loss of banking dividends was the main contributor to Italy's lower payouts, though there was a significant impact from transport infrastructure company Atlantia and oil group Eni too. The decline in France had the biggest influence on European dividends overall, down $25bn year-on-year between Q2 and Q4 (making up more than one third of the total European decline). Apart from the banks and other financial companies, the biggest cuts in France came from aerospace and car manufacturers, but the cuts were widespread – seven in ten French companies made reductions, one of the highest proportions in the world. In the Netherlands, ING's cut was the largest; three fifths of Dutch companies reduced payouts.

2020 DIVIDENDS
EUROPE EX UK



↓28.4%

EUROPEAN DIVIDENDS FELL BY 28.4% ON AN UNDERLYING BASIS IN 2020, DROPPING TO $171.6BN.

Spain's dividends dropped by a third on an underlying basis over the full year, falling to $14.7bn, almost three fifths lower than in 2009. Between April and December they fell 38% as seven in ten companies either cut or cancelled payouts. Santander's cancellation made the biggest impact, but there was good news from the Spanish utilities in our index, all of which made increases.

German companies saw dividends fall only 14% year-on-year between April and December (-12.9% on an underlying basis for the full year). Just one company in three cut its payout. The lack of strong banks in Germany, even before 2020, partly explains the outperformance, but the refusal of Germany's largest payer, Allianz (along with all the German insurers in our index), to submit to pressure from the EIOPA (the EU Insurance regulator) to suspend dividends also significantly limited the downside. Germany's car makers made the biggest cuts, though Volkswagen restored its suspended $1.7bn dividend at the end of the year.

Switzerland was the only major European country to escape the dividend fallout from the pandemic and became Europe's largest payer as a result, totalling $42bn, more than double the 2009 level. Its dividends were unchanged between Q2 and Q4 year-on-year and rose slightly over the whole year. A steep cut from Richemont made the biggest negative impact, but most Swiss companies increased dividends or held them steady.

↓32.8%

OVER THE COURSE OF 2020, UK PAYOUTS FELL BY A THIRD (-32.8%) ON AN UNDERLYING BASIS, EQUIVALENT TO A TWO-FIFTHS HEADLINE DECLINE, ONCE SHARPLY LOWER SPECIAL DIVIDENDS WERE FACTORED IN

UK

Over the course of 2020, UK payouts fell by a third (-32.8%) on an underlying basis, equivalent to a two-fifths headline decline, once sharply lower special dividends were factored in. But if we consider just the pandemic quarters, the picture is much worse, equivalent to an underlying fall of 45%. Among the world's large stock markets, this put the UK alongside France as the two most affected countries and puts UK payouts (like European ones) at their lowest level in dollar terms since at least 2009, with an index reading of 93.8.

The biggest impact came from the banks, followed by oil and then mining, though cuts and cancellations were widespread. A third of the British companies in our index cancelled their dividends and another 23% cut them. The cancellation of HSBC's $10.3bn dividend was comfortably the biggest cut in the world. By the end of Q1 2021, Shell will have cut by $10bn too.

To a large extent the UK picture reflects historic overdistribution by many companies. This left dividends vulnerable to the sudden economic deterioration witnessed in 2020, though the prohibition on banking payouts by the regulator was also a key factor. Banking dividends are set to resume, albeit at a lower level than before, but the UK's big oil companies have permanently reset their payouts. UK dividends will take several years to regain former highs.

Asia-Pacific ex Japan

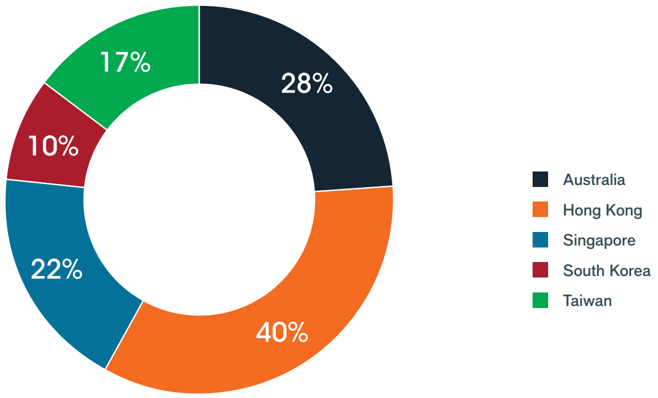
Dividends from Asia-Pacific fell 11.9% in 2020 on an underlying basis, roughly in line with the global average. The total dropped to a level last seen in mid-2016[6]. From Q2 onwards, the decline was 15%. Australia contributed most to the cuts, while Hong Kong's payout held steady, a performance almost as good as mainland China.

Despite exceptional success in controlling the pandemic, Australian dividends were as severely affected as much of Europe and the UK. In headline terms, payouts were down by 43% in 2020 (23.3% underlying), mainly because big specials from the mining companies were not repeated. CBA is usually Australia's biggest dividend payer and its first distribution of the year came before regulators in Australia curtailed banking dividends, helping prevent a much bigger annual decline.

Between April and December, Australian payouts fell by 38% as more than three in five companies cut or cancelled payments. Banks in Australia have traditionally paid out an exceptionally high portion of their profits in dividends Even under more normal economic conditionses this was becoming unsustainable, but in 2020 the regulator imposed restrictions on banking dividends that wiped $12.1bn off Australia's annual total, accounting for three quarters of Australia's cuts by value. Westpac's reduction was the third largest in the world.

Hong Kong's dividends were flat both for the full year and between April and December, despite two in five companies cutting or cancelling. A big increase from China Mobile and insurer AIA, along with relatively resilient dividends from the important real-estate sector, helped sustain the Hong Kong total.

2020 DIVIDENDS
ASIA-PACIFIC EX JAPAN



↓11.9%

DIVIDENDS FROM ASIA-PACIFIC FELL 11.9% IN 2020 ON AN UNDERLYING BASIS, ROUGHLY IN LINE WITH THE GLOBAL AVERAGE.

Taiwan, South Korea and Singapore all saw dividends fall. In Singapore, banks accounted for most of the cuts after the Monetary Authority imposed limits on the how much they could distribute. South Korean saw a limited impact, the most severe being from vehicle manufacturer Hyundai, but since the biggest payer, Samsung, held steady, the total only dipped by 6% between April and December. In Taiwan, the biggest cuts came from chemicals manufacturers.

Japan

Japanese dividends showed relative resilience in 2020. Over the course of the full year, they fell to $80.7bn, down 2.1% on an underlying basis.

Japanese companies were slower to react to the pandemic than their peers in Europe and the UK. They pressed ahead almost completely undeterred with their Q2 payments, which were declared on 2019 profits, with Nissan Motor a notable

6. On an annualised basis

exception. Q4 payments are the first to relate to 2020 trading, so we expected them to be weaker, but the 10.9% underlying decline was better than we expected and reflected the relatively milder impact of the pandemic in Japan. Just one Japanese company in 30 cancelled dividends between April and December – Nissan's was the largest – while a third made cuts, fewer than in many other developed economies. Nintendo was the star performer, increasing its dividend by four fifths as sales of the Nintendo Switch games console helped profits more than triple between April and September.

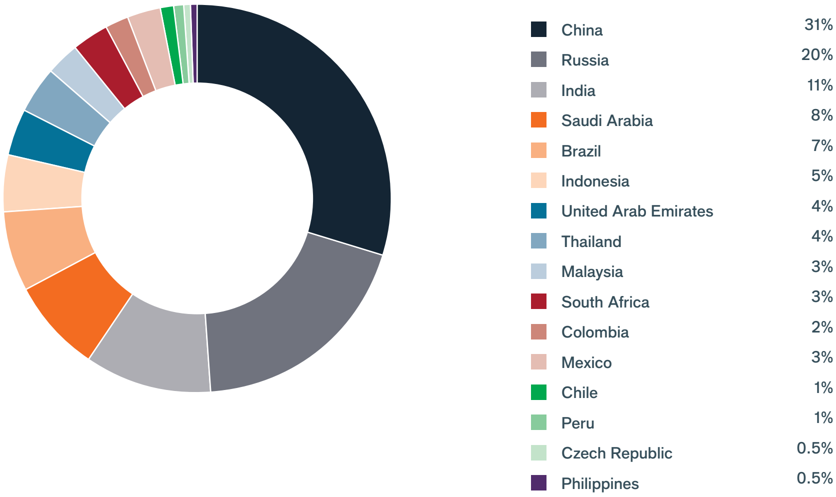
Over the longer term, Japanese payouts have grown faster than all other regions except North America, up 124% since 2009.

Emerging Markets

China is comfortably the largest dividend payer in emerging markets and saw an increase in the total distributed in 2020. This explains why emerging market payouts only dipped 6.0% on an underlying basis in 2020 (and only fell 6.9% between April and December).

Despite the pandemic originating in China, the economy re-opened quickly, limiting the damage to companies' operations. Moreover, most of the dividends related to 2019 profits and were upheld, in contrast to Europe where many companies cut or scrapped dividends on 2019 profits. Chinese payouts rose 3% on an underlying basis between April and December, and although one in three companies in our index paid out less than in 2019, large companies were mostly unaffected so the impact was limited. China's dominant banks, which account for three fifths of the total paid, all either held or increased dividends.

2020 DIVIDENDS
EMERGING MARKETS



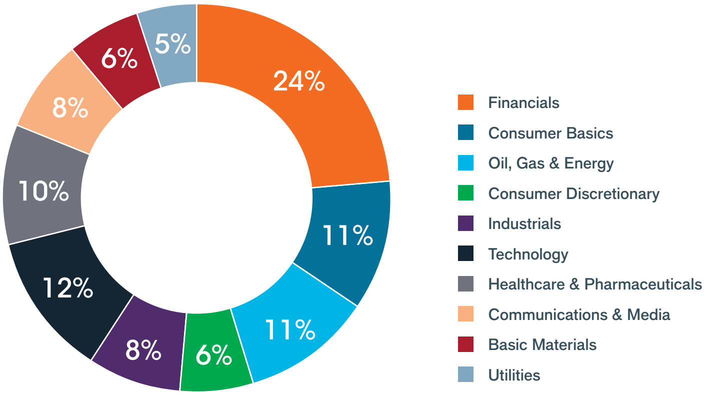
CHINA IS COMFORTABLY THE LARGEST DIVIDEND PAYER IN EMERGING MARKETS AND SAW AN INCREASE IN THE TOTAL DISTRIBUTED IN 2020

In Brazil, most companies in our index cut or cancelled payouts, but the total for the year was up thanks to the restoration of Vale's dividend. Indian payouts were also higher, as a big increase from tobacco group ITC (becoming India's largest payer) offset cuts and cancellations from a range of other companies.

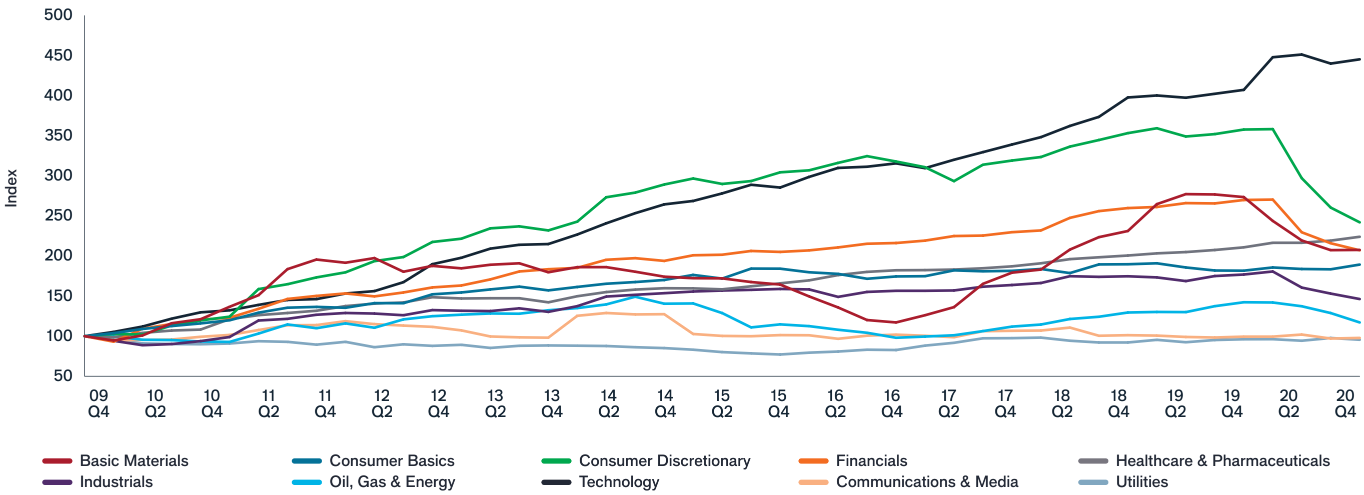
Russian dividends are hard to track at the best of times as they tend to follow rather erratic payment patterns. Payouts fell by a third between April and December and most Russian companies in our index made a cut. The fall was relatively modest because none cancelled a payout and the largest, Sberbank raised its dividend in rouble terms. Sberbank reinstated its suspended payment in Q4 and is a major contributor to the better-than-expected global total in 2020.

INDUSTRY AND SECTORS

2020 DIVIDENDS
BY INDUSTRY



JHGDI – TOTAL DIVIDENDS BY INDUSTRY



TOP PAYERS

WORLD'S BIGGEST DIVIDEND PAYERS

Rank	2014	2015	2016	2017	2018	2019	2020
1	Vodafone Group plc	Exxon Mobil Corp.	Royal Dutch Shell Plc	Royal Dutch Shell Plc	Royal Dutch Shell Plc	Royal Dutch Shell Plc	Microsoft Corporation
2	Royal Dutch Shell Plc	Royal Dutch Shell Plc	Exxon Mobil Corp.	China Mobile Limited	Apple Inc	AT&T, Inc.	AT&T, Inc.
3	China Construction Bank Corp.	China Construction Bank Corp.	Apple Inc	Exxon Mobil Corp.	Exxon Mobil Corp.	Exxon Mobil Corp.	Exxon Mobil Corp.
4	Exxon Mobil Corp.	Apple Inc	AT&T, Inc.	Apple Inc	Microsoft Corporation	Microsoft Corporation	Apple Inc
5	Apple Inc	Kraft Foods Group, Inc	Microsoft Corporation	Microsoft Corporation	AT&T, Inc.	Apple Inc	JPMorgan Chase & Co.
6	PetroChina Co. Ltd.	Microsoft Corporation	HSBC Holdings plc	AT&T, Inc.	China Construction Bank Corp.	BHP	China Construction Bank Corp.
7	AT&T, Inc.	AT&T, Inc.	China Construction Bank Corp.	HSBC Holdings plc	HSBC Holdings plc	Rio Tinto	Johnson & Johnson
8	Microsoft Corporation	HSBC Holdings plc	Verizon Communications Inc	China Construction Bank Corp.	Verizon Communications Inc	China Construction Bank Corp.	Verizon Communications Inc
9	Banco Santander S.A.	General Electric Co.	General Electric Co.	Verizon Communications Inc	Johnson & Johnson	JPMorgan Chase & Co.	Chevron Corp.
10	HSBC Holdings plc	Verizon Communications Inc	Johnson & Johnson	Johnson & Johnson	China Mobile Limited	HSBC Holdings plc	Taiwan Semiconductor Manufacturing
Subtotal $bn	$124.6	$106.8	$109.6	$120.5	$118.1		
% of total	**10.5%**	**9.2%**	**9.4%**	**9.6%**	**8.6%**	**9.0%**	**9.6%**
11	General Electric Co.	BHP	Chevron Corp.	General Electric Co.	Samsung Electronics	Verizon Communications Inc	China Mobile Limited
12	China Mobile Limited	Johnson & Johnson	Commonwealth Bank of Australia	Chevron Corp.	Chevron Corp.	Johnson & Johnson	Pfizer Inc.
13	Verizon Communications Inc	Chevron Corp.	Wells Fargo & Co.	Commonwealth Bank of Australia	JPMorgan Chase & Co.	Chevron Corp.	Nestle SA
14	BHP	China Mobile Limited	Nestle SA	BP plc	BP plc	Wells Fargo & Co.	Total SE
15	Chevron Corp.	Wells Fargo & Co.	BP plc	Pfizer Inc.	Commonwealth Bank of Australia	Taiwan Semiconductor Manufacturing	Novartis AG
16	Nestle SA	BP plc	Pfizer Inc.	Wells Fargo & Co.	Pfizer Inc.	BP plc	Procter & Gamble Co.
17	Johnson & Johnson	Nestle SA	Novartis AG	JPMorgan Chase & Co.	BHP	Pfizer Inc.	NortonLifeLock Inc
18	Total S.A.	Novartis AG	Procter & Gamble Co.	Novartis AG	Wells Fargo & Co.	Total S.A.	Royal Dutch Shell Plc
19	Novartis AG	Procter & Gamble Co.	China Mobile Limited	Nestle SA	Total S.A.	China Mobile Limited	Philip Morris International Inc
20	BP plc	Commonwealth Bank of Australia	JPMorgan Chase & Co.	Procter & Gamble Co.	Novartis AG	Commonwealth Bank of Australia	Abbvie Inc
Subtotal $bn	$79.3	$75.9	$74.0	$76.4	$81.1	$85.1	$78.4
Grand total $bn	**$204.0**	**$182.7**	**$183.6**	**$196.9**	**$199.2**	**$213.9**	**$198.9**
% of total	**17.3%**	**15.7%**	**15.8%**	**15.7%**	**14.5%**	**15.0%**	**15.8%**

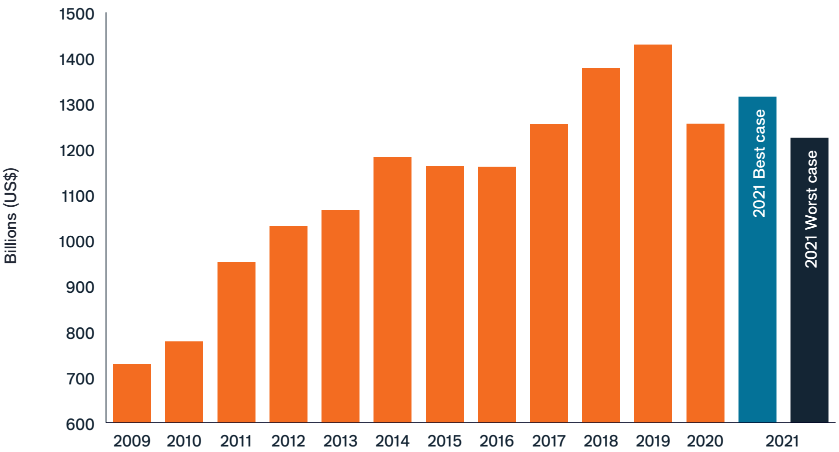
CONCLUSION AND OUTLOOK

Although the pandemic has changed the lives of billions in previously unimaginable ways, its influence on dividends has been consistent with a conventional, if severe, recession. Places like the UK, Australia and parts of Europe suffered a greater decline because some companies had arguably been overdistributing before the crisis and because banking regulators intervened. But at the global level, the underlying 15% year-on-year contraction in payouts between Q2 and Q4 was milder than the drop that followed the global financial crisis. Just as in any normal recession, sectors that depend on discretionary spending have been more severely impacted, while defensive sectors have continued to pay. In some countries and sectors, the disruption has been extreme, but the benefits of global diversification have helped mitigate these effects. Crucially the world's banks (which usually pay the largest share of the world's dividends) mostly entered the crisis with healthy balance sheets. Bank dividends may have been restricted by regulators in some parts of the world, but the banking system has continued to function, underpinned by robust capital levels, which is vital for the functioning of the economy. Finally, just as in any normal recession, dividends are falling less than profits because they reflect long-term assumptions about a firm's prospects rather than short-term profit. This is one reason why income is such an important consideration for investors.

For 2021 we must remember there is still another challenging quarter to come. Q1 will see payouts fall, although the decline is likely to be smaller than between Q2 and Q4 2020. The outlook for the full year remains extremely uncertain and our worst-case scenario sees payouts fall 2% for the full year on a headline basis (-3% underlying). The pandemic has intensified in many parts of the world, even as vaccine rollouts provide hope. Importantly we will see banking dividends resume in countries where they were curtailed, but they will not come close to 2019 levels in Europe and the UK, and this will limit the potential for growth. Those parts of the world that proved resilient in 2020 look likely to repeat this performance in 2021, but some sectors are likely to continue to struggle until economies can reopen fully. As with any economic recovery, profits are likely to rebound more quickly than dividends.

A slow escape from the pandemic, and the drag caused by the first quarter, limit our best-case expectation for 2021 dividends to growth of 2% on an underlying basis. It is quite likely we will see companies pay special dividends in 2021, utilising strong cash positions to make up some of the decline in distributions in 2020. This, along with a likely boost from exchange-rate factors, mean we could see headline growth of 5% for the full year to a total $1.32 trillion.

ANNUAL DIVIDENDS (US$ BILLIONS)



A SLOW ESCAPE FROM THE PANDEMIC, AND THE DRAG CAUSED BY THE FIRST QUARTER, LIMIT OUR BEST-CASE EXPECTATION FOR 2021 DIVIDENDS TO GROWTH OF 2% ON AN UNDERLYING BASIS

METHODOLOGY

Each year Janus Henderson analyses 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.

APPENDICES

FULL YEAR 2020 ANNUAL DIVIDENDS BY COUNTRY IN USD BILLIONS

		2016		2017		2018		2019		2020	
Region	**Country**	**$bn**	**%**	**$bn**	**%**	**$bn**	**%**	**$bn**	**%**	**$bn**	**%**
Emerging Markets	Brazil	6.5	-39.8%	8.0	22.8%	9.5	18.9%	7.1	-24.9%	8.9	25.9%
	Chile	1.5	-37.6%	1.5	0.5%	2.2	45.3%	2.1	-4.2%	0.9	-58.4%
	China	28.4	-13.4%	30.3	6.8%	35.9	18.5%	36.5	1.7%	39.2	7.2%
	Colombia	0.0	-100.0%	0.3		1.3	298.5%	4.0	209.1%	2.1	-48.0%
	Czech Republic	0.9	2.0%	0.8	-9.9%	0.8	1.0%	0.6	-31.5%	0.8	47.3%
	India	11.3	10.8%	13.4	18.3%	15.9	19.3%	16.1	1.1%	13.8	-14.3%
	Indonesia	3.9	10.1%	4.8	23.2%	5.9	21.1%	6.5	10.4%	6.3	-2.0%
	Malaysia	5.4	-2.6%	4.4	-17.9%	4.7	5.4%	4.8	2.6%	3.2	-33.7%
	Mexico	4.3	-11.8%	5.2	18.6%	4.2	-19.2%	5.4	29.9%	3.3	-39.0%
	Peru	0.0	-100.0%	0.8		0.4	-49.8%	0.8	95.1%	0.8	4.8%
	Philippines	1.1	-24.4%	0.6	-46.1%	0.7	18.3%	0.8	5.5%	0.4	-46.5%
	Poland	0.6	-67.6%	0.0	-100.0%	0.5		1.6	197.7%	0.0	-100.0%
	Qatar	0.7	-61.1%	0.8	8.9%	1.5	88.7%	1.5	0.0%	0.0	-100.0%
	Russia	9.7	-32.6%	18.1	85.7%	25.1	38.6%	35.1	39.7%	24.9	-29.0%
	Saudi Arabia	0.0		0.0		0.0		0.0		9.5	
	South Africa	5.4	-30.7%	6.2	14.4%	6.5	6.5%	5.4	-17.0%	3.3	-39.6%
	Thailand	3.8	-27.0%	4.7	26.2%	6.4	34.9%	6.9	8.5%	4.7	-32.3%
	Turkey	0.7	-78.4%	0.6	-15.1%	0.6	14.0%	0.0	-100.0%	0.0	
	United Arab Emirates	5.0		5.3		5.4		5.1		4.8	
Europe ex UK	Austria	0.6	32.8%	0.9	52.5%	1.4	52.9%	1.5	4.5%	0.8	-45.3%
	Belgium	9.4	4.6%	9.9	6.1%	8.4	-15.9%	6.5	-22.5%	2.4	-63.3%
	Denmark	6.3	-34.1%	6.1	-2.8%	7.0	15.4%	6.1	-12.5%	5.0	-19.1%
	Finland	5.0	37.9%	5.2	4.5%	7.0	35.7%	5.8	-17.9%	4.5	-21.9%
	France	54.3	11.8%	52.1	-3.9%	63.1	21.0%	63.9	1.3%	35.8	-43.9%
	Germany	36.4	6.4%	38.1	4.7%	47.5	24.8%	43.8	-7.8%	37.3	-14.8%
	Ireland	0.7	-59.4%	0.7	6.3%	1.2	65.9%	1.3	9.0%	0.9	-33.9%
	Israel	1.4	-6.9%	0.8	-44.1%	0.0	-100.0%	0.0		0.0	
	Italy	12.5	8.2%	12.9	3.2%	15.3	19.0%	16.0	4.5%	9.4	-41.4%
	Luxembourg	0.5	-4.4%	0.5	-4.7%	0.5	0.0%	0.5	0.0%	0.1	-82.9%
	Netherlands	13.2	38.4%	14.6	10.7%	15.1	3.1%	19.2	27.2%	9.5	-50.4%
	Norway	5.6	-3.4%	6.9	24.4%	8.2	18.3%	7.1	-13.8%	4.2	-40.0%
	Portugal	1.0	59.9%	1.6	57.5%	1.8	10.6%	1.4	-25.0%	1.1	-20.9%
	Spain	22.7	-1.1%	21.9	-3.2%	24.4	11.3%	23.3	-4.5%	14.7	-36.9%
	Sweden	15.3	-1.8%	13.7	-10.0%	15.5	12.6%	15.4	-0.2%	4.0	-74.0%
	Switzerland	38.5	0.1%	39.0	1.2%	40.1	2.9%	39.3	-2.2%	41.9	6.6%
Japan	Japan	64.7	23.2%	70.0	8.1%	79.1	13.0%	85.4	8.0%	80.7	-5.6%
North America	Canada	31.1	-10.5%	37.5	20.4%	41.0	9.3%	43.8	7.0%	46.0	4.9%
	United States	413.7	1.8%	438.2	5.9%	468.8	7.0%	491.4	4.8%	503.1	2.4%
Asia Pacific ex Japan	Australia	44.9	-10.4%	53.3	18.7%	53.8	1.0%	59.1	9.9%	33.9	-42.6%
	Hong Kong	37.2	7.9%	49.0	31.8%	47.7	-2.6%	46.4	-2.8%	49.6	7.0%
	Singapore	6.6	-13.2%	5.8	-12.5%	9.5	63.8%	8.7	-8.3%	7.2	-17.3%
	South Korea	10.4	31.3%	13.7	31.7%	17.7	29.4%	15.5	-12.5%	11.8	-24.1%
	Taiwan	16.3	18.5%	19.8	21.4%	21.7	9.6%	21.4	-1.4%	20.8	-2.5%
UK	United Kingdom	93.0	-3.3%	95.7	2.9%	99.6	4.1%	105.7	6.1%	62.5	-40.9%
Total		**1,030.3**	**-0.1%**	**1,113.8**	**8.1%**	**1,223.0**	**9.8%**	**1,268.7**	**3.7%**	**1,114.0**	**-12.2%**
Outside top 1,200		**130.7**		**141.3**		**155.2**		**161.0**		**141.3**	
Grand Total		**1,161.0**	**-0.1%**	**1,255.1**	**8.1%**	**1,378.2**	**9.8%**	**1,429.7**	**3.7%**	**1,255.3**	**-12.2%**

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FULL YEAR 2020 ANNUAL DIVIDENDS BY INDUSTRY IN USD BILLIONS

	2016		2017		2018		2019		2020	
Industry	$bn	%	$bn	%	$bn	%	$bn	%	$bn	%
Basic Materials	38.5	-28.8%	58.8	53.0%	75.9	29.1%	89.8	18.3%	68.2	-24.1%
Consumer Basics	112.1	-5.2%	116.6	4.0%	121.9	4.5%	116.8	-4.2%	121.6	4.1%
Consumer Discretionary	81.3	4.4%	81.6	0.4%	90.3	10.7%	91.4	1.3%	61.9	-32.4%
Financials	276.5	5.4%	293.7	6.2%	332.2	13.1%	345.1	3.9%	264.8	-23.3%
Healthcare & Pharmaceuticals	91.6	9.9%	94.0	2.6%	100.9	7.2%	106.0	5.1%	112.6	6.2%
Industrials	92.7	-1.4%	96.9	4.6%	103.3	6.6%	104.7	1.3%	86.6	-17.3%
Oil, Gas & Energy	99.6	-14.5%	113.8	14.2%	131.6	15.7%	144.6	9.9%	119.1	-17.7%
Technology	91.0	10.6%	97.8	7.4%	114.7	17.3%	117.4	2.4%	128.4	9.4%
Communications & Media	97.0	0.6%	101.6	4.7%	96.4	-5.1%	94.7	-1.8%	93.1	-1.6%
Utilities	50.0	7.3%	59.0	17.9%	55.7	-5.6%	58.2	4.4%	57.8	-0.7%
TOTAL	**1,030.3**	**-0.1%**	**1,113.8**	**8.1%**	**1,223.0**	**9.8%**	**1,268.7**	**3.7%**	**1,114.0**	**-12.2%**
Divs outside top 1,200	**130.7**		**141.3**		**155.2**		**161.0**	**3.7%**	**141.3**	**-12.2%**
Grand Total	**1,161.0**	**-0.1%**	**1,255.1**	**8.1%**	**1,378.2**	**9.8%**	**1,429.7**	**3.7%**	**1,255.3**	**-12.2%**

FULL YEAR 2020 ANNUAL DIVIDENDS BY SECTOR IN USD BILLIONS

		2016		2017		2018		2019		2020	
Industry	**Sector**	$bn	%	$bn	%	$bn	%	$bn	%	$bn	%
Basic Materials	Building Materials	2.2	-10.0%	3.1	42.1%	3.6	14.4%	3.6	2.4%	3.0	-18.6%
	Chemicals	25.0	11.8%	27.3	9.3%	30.0	9.8%	30.5	1.6%	27.3	-10.5%
	Metals & Mining	8.9	-68.2%	25.9	190.4%	38.7	49.4%	52.6	36.1%	35.7	-32.2%
	Paper & Packaging	2.4	105.4%	2.5	6.5%	3.7	47.8%	3.1	-17.9%	2.3	-25.3%
Consumer Basics	Beverages	27.9	-0.1%	26.9	-3.7%	32.9	22.6%	23.6	-28.3%	22.8	-3.5%
	Food	21.1	-25.9%	21.5	1.9%	22.2	3.1%	22.6	1.8%	23.7	5.0%
	Food & Drug Retail	17.6	-9.3%	21.1	19.7%	16.9	-19.7%	19.0	12.4%	23.2	21.6%
	Household & Personal Products	21.4	5.8%	21.9	2.3%	24.1	10.1%	24.4	1.0%	24.7	1.4%
	Tobacco	24.1	8.3%	25.2	4.6%	25.7	1.9%	27.2	5.7%	27.3	0.3%
Consumer Discretionary	Consumer Durables & Clothing	12.7	4.3%	12.3	-2.8%	14.1	14.3%	14.8	5.2%	11.8	-20.0%
	General Retail	19.9	-1.4%	20.2	1.3%	19.7	-2.1%	22.8	15.5%	16.6	-27.1%
	Leisure	15.5	4.8%	15.7	1.4%	18.6	18.1%	19.1	2.8%	11.5	-39.6%
	Other Consumer Services	0.0	-100.0%	0.0		0.0		0.0		0.0	
	Vehicles & Parts	33.2	9.2%	33.4	0.5%	37.9	13.7%	34.8	-8.3%	21.9	-37.1%
Financials	Banks	158.0	0.9%	167.3	5.9%	191.3	14.3%	201.4	5.2%	124.9	-38.0%
	General Financials	27.2	-2.7%	33.0	21.3%	38.5	16.6%	36.0	-6.5%	36.2	0.5%
	Insurance	52.1	11.5%	53.8	3.3%	59.2	10.1%	63.0	6.3%	54.8	-12.9%
	Real Estate	39.1	26.7%	39.5	1.1%	43.2	9.1%	44.8	3.8%	48.9	9.2%
Healthcare & Pharmaceuticals	Health Care Equipment & Services	15.6	10.9%	18.3	17.1%	20.1	9.8%	22.9	14.0%	23.1	1.2%
	Pharmaceuticals & Biotech	76.0	9.7%	75.8	-0.3%	80.8	6.6%	83.1	2.9%	89.5	7.6%
Industrials	Aerospace & Defence	15.8	7.1%	15.1	-3.9%	16.4	8.0%	19.1	17.0%	11.4	-40.4%
	Construction, Engineering & Materials	11.6	7.8%	13.0	11.5%	15.1	16.6%	16.5	9.1%	13.5	-18.1%
	Electrical Equipment	6.9	3.0%	7.3	5.7%	8.0	9.0%	8.2	3.0%	8.5	3.2%
	General Industrials	31.5	-1.8%	33.4	6.0%	35.2	5.6%	30.9	-12.3%	28.6	-7.5%
	Support Services	6.9	10.1%	7.4	6.7%	7.4	0.6%	7.1	-4.5%	7.5	5.1%
	Transport	19.9	-14.8%	20.7	3.9%	21.2	2.4%	22.8	7.4%	17.1	-25.0%
Oil, Gas & Energy	Energy - non-oil	2.8	10.9%	3.4	21.6%	2.1	-38.6%	1.6	-21.6%	2.2	36.8%
	Oil & Gas Equipment & Distribution	10.4	-31.6%	13.4	28.9%	15.0	11.6%	16.8	12.4%	16.7	-0.9%
	Oil & Gas Producers	86.5	-12.5%	97.0	12.2%	114.6	18.1%	126.2	10.1%	100.2	-20.6%
Technology	IT Hardware & Electronics	34.1	4.3%	38.0	11.4%	42.6	12.1%	40.9	-4.1%	41.1	0.6%
	Semiconductors & Equipment	21.3	12.3%	24.5	15.1%	29.8	21.6%	33.8	13.3%	35.9	6.2%
	Software & Services	35.6	16.3%	35.2	-0.9%	42.3	20.0%	42.8	1.2%	51.4	20.3%
Communications & Media	Media	17.9	-6.1%	15.1	-15.4%	14.6	-3.7%	15.4	5.7%	13.1	-14.7%
	Telecoms	79.1	2.2%	86.5	9.3%	81.9	-5.3%	79.3	-3.1%	80.0	0.9%
Utilities	Utilities	50.0	7.3%	59.0	17.9%	55.7	-5.6%	58.2	4.4%	57.8	-0.7%
TOTAL		**1,030.3**	**-0.1%**	**1,113.8**	**8.1%**	**1,223.0**	**9.8%**	**1,268.7**		**1,114.0**	**-12.2%**
Divs outside top 1200		**130.7**	**0.0%**	**141.3**	**0.0%**	**155.2**	**0.0%**	**161.0**		**141.3**	**-12.2%**
Grand Total		**1,161.0**	**-0.1%**	**1,255.1**	**8.1%**	**1,378.2**	**9.8%**	**1,429.7**		**1,255.3**	**-12.2%**

APPENDICES (CONTINUED)

FULL YEAR 2020 ANNUAL GROWTH RATE – ADJUSTMENTS FROM UNDERLYING TO HEADLINE

Region	Country	Underlying growth	Special dividends	Currency	Index changes	Headline Growth
Emerging Markets	Brazil	**50.9%**	-12.8%	-23.7%	11.5%	**25.9%**
	Chile	**-4.2%**	6.5%	0.0%	-60.7%	**-58.4%**
	China	**4.4%**	-2.1%	1.0%	3.9%	**7.2%**
	Colombia	**4.3%**	-44.3%	-12.0%	4.0%	**-48.0%**
	Czech Republic	**42.2%**	0.0%	5.1%	0.0%	**47.3%**
	Hungary	**-100.0%**	0.0%	0.0%	0.0%	**-100.0%**
	India	**9.5%**	-14.0%	-5.1%	-4.7%	**-14.3%**
	Indonesia	**12.5%**	0.0%	-5.0%	-9.5%	**-2.0%**
	Malaysia	**-31.8%**	13.7%	-2.2%	-13.4%	**-33.7%**
	Mexico	**-28.5%**	-2.5%	-4.2%	-3.8%	**-39.0%**
	Peru	**33.0%**	-28.1%	0.0%	0.0%	**4.8%**
	Philippines	**-36.8%**	0.0%	1.9%	-11.7%	**-46.5%**
	Qatar	**-100.0%**	0.0%	0.0%	0.0%	**-100.0%**
	South Africa	**-20.6%**	6.3%	-11.0%	-14.3%	**-39.6%**
	Thailand	**-17.3%**	1.2%	-1.0%	-15.2%	**-32.3%**
	United Arab Emirates	**1.4%**	0.0%	0.0%	-7.0%	**-5.6%**
Europe ex UK	Austria	**-48.5%**	0.0%	3.1%	0.0%	**-45.3%**
	Belgium	**-59.8%**	0.0%	-0.5%	-3.0%	**-63.3%**
	Denmark	**-15.2%**	-2.0%	0.4%	-2.3%	**-19.1%**
	Finland	**-22.3%**	1.5%	-1.1%	0.0%	**-21.9%**
	France	**-38.9%**	-4.2%	0.2%	-1.0%	**-43.9%**
	Germany	**-12.9%**	0.0%	-0.7%	-1.1%	**-14.8%**
	Ireland	**6.8%**	0.0%	-1.3%	-39.4%	**-33.9%**
	Italy	**-41.2%**	0.0%	0.2%	-0.4%	**-41.4%**
	Luxembourg	**-82.9%**	0.0%	0.0%	0.0%	**-82.9%**
	Netherlands	**-34.3%**	-18.0%	0.8%	1.1%	**-50.4%**
	Norway	**-39.2%**	0.0%	-4.0%	3.2%	**-40.0%**
	Portugal	**-18.3%**	0.0%	-2.6%	0.0%	**-20.9%**
	Spain	**-32.1%**	-3.3%	0.7%	-2.3%	**-36.9%**
	Sweden	**-68.6%**	-6.5%	1.0%	0.0%	**-74.0%**
	Switzerland	**1.3%**	0.5%	4.1%	0.7%	**6.6%**
Japan	Japan	**-2.1%**	-0.2%	1.8%	-5.1%	**-5.6%**
North America	Canada	**5.9%**	-1.0%	-1.1%	1.0%	**4.9%**
	United States	**-0.4%**	2.7%	0.0%	0.1%	**2.4%**
Asia Pacific ex Japan	Australia	**-23.3%**	-16.1%	-1.1%	-2.1%	**-42.6%**
	Hong Kong	**0.0%**	4.7%	0.9%	1.4%	**7.0%**
	Singapore	**-17.8%**	-0.1%	-0.6%	1.1%	**-17.3%**
	South Korea	**-5.1%**	0.0%	-2.1%	-16.9%	**-24.1%**
	Taiwan	**-8.6%**	0.0%	4.9%	1.2%	**-2.5%**
UK	United Kingdom	**-32.8%**	-9.1%	0.3%	0.6%	**-40.9%**

Q2-Q4 2020 – WHO PAID? WHO CUT? WHO CANCELLED?

Country	$m Cancelled	$m Cut	$m Paid	% of companies Cancelled	% of companies Cut	% of companies Cut or cancelled
Brazil	$154	$1,975	$4,442	14%	57%	71%
Chile	$115	$212	$416	33%	33%	67%
China	$0	$962	$38,233	0%	28%	28%
Colombia	$0	$0	$1,955	0%	0%	0%
Czech Republic	$0	$0	$817	0%	0%	0%
Hungary	$3	$0	$0	100%	0%	100%
India	$1,026	$724	$9,802	27%	19%	46%
Indonesia	$0	$320	$6,343	0%	43%	43%
Malaysia	$307	$1,116	$2,031	17%	67%	83%
Mexico	$813	$731	$2,224	17%	50%	67%
Peru	$0	$0	$831	0%	0%	0%
Philippines	$74	$203	$309	25%	50%	75%
Russia	$0	$9,275	$22,167	0%	67%	67%
Saudi Arabia	$0	$0	$9,506			
South Africa	$0	$1,440	$2,586	0%	67%	67%
Thailand	$0	$1,274	$4,132	0%	75%	75%
United Arab Emirates	$0	$0	$2,614	0%	0%	0%
Austria	$671	$0	$806	33%	0%	33%
Belgium	$1,627	$2,448	$2,206	20%	40%	60%
Denmark	$138	$0	$2,199	17%	0%	17%
Finland	$634	$829	$3,559	20%	20%	40%
France	$19,621	$5,747	$31,607	39%	32%	71%
Germany	$1,583	$4,721	$32,279	14%	18%	32%
Greece	$0	$0	$0			
Ireland	$0	$0	$867	0%	0%	0%
Italy	$5,349	$2,030	$7,201	27%	27%	55%
Luxembourg	$0	$401	$83	0%	100%	100%
Netherlands	$5,284	$1,012	$8,751	31%	25%	56%
Norway	$1,969	$1,071	$3,035	50%	25%	75%
Portugal	$0	$254	$1,073	0%	50%	50%
Spain	$4,529	$2,202	$10,926	21%	50%	71%
Sweden	$10,345	$535	$4,012	39%	22%	61%
Switzerland	$190	$750	$26,514	4%	13%	17%
Japan	$2,065	$6,694	$74,138	3%	34%	37%
Canada	$0	$801	$34,066	0%	9%	9%
United States	$18,957	$11,090	$358,465	7%	8%	15%
Australia	$1,675	$14,243	$23,058	17%	46%	63%
Hong Kong	$2,066	$1,712	$43,318	10%	29%	38%
Singapore	$0	$1,758	$6,114	0%	80%	80%
South Korea	$421	$844	$11,782	6%	25%	31%
Taiwan	$0	$2,049	$18,678	0%	38%	38%
United Kingdom	$22,046	$13,952	$43,354	32%	23%	55%
Total	**$101,663**	**$93,374**	**$856,498**			

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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.

FOR MORE INFORMATION, PLEASE VISIT **JANUSHENDERSON.COM**

Janus Henderson INVESTORS

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