

ANNUAL REPORT & ACCOUNTS

For the year ended 31 March 2021

Who are Janus Henderson Investors?

Global Strength



Source: Janus Henderson Investors, Staff and assets under management (AUM) data as at 31 March 2021. AUM data excludes Exchange-Traded Note (ETN) assets.

Who we are

Janus Henderson Investors ('Janus Henderson') is a global asset manager offering a full suite of actively managed investment products across asset classes.

As a company, we believe the notion of 'connecting' is powerful – it has shaped our evolution and our world today. At Janus Henderson, we seek to benefit clients through the connections we make. Connections enable strong relationships based on trust and insight as well as the flow of ideas among our investment teams and our engagement with companies. These connections are central to our values, to what active management stands for and to the long-term outperformance we seek to deliver.

Our commitment to active management offers clients the opportunity to outperform passive strategies over the course of market cycles. Through times of both market calm and growing uncertainty, our managers apply their experience weighing risk versus reward potential – seeking to ensure clients are on the right side of change.

Why Janus Henderson Investors

At Janus Henderson, we believe in linking our world-class investment teams and experienced global distribution professionals with our clients around the world.

Active because active matters

We selectively invest in what we believe are the most compelling opportunities. Our investment teams are free to form their own views and seek to actively position portfolios to connect clients with their financial goals.

Global strength to deliver local solutions

We offer true global reach with a presence in all major markets, combined with the responsiveness, tailored solutions and personal touch you would expect from a local partner.

Empowering clients through Knowledge Shared

We connect our clients with insights and knowledge that empower them to make better investment and business decisions.

Contents

Authorised Corporate Director's (ACD) report	Page 1
Director's statement	Page 2
Market review	Page 4
Statement of Authorised Corporate Director's (ACD) responsibilities	Page 6
Statement of Depositary's responsibilities and report of the Depositary to the shareholders of Janus Henderson Sustainable/Responsible Funds	Page 7
Independent Auditors' report to the shareholders of Janus Henderson Sustainable/Responsible Funds	Page 8
Aggregated notes to the financial statements	Page 11
Financial statements	
Janus Henderson Global Sustainable Equity Fund	Page 18
Janus Henderson UK Responsible Income Fund	Page 46
Janus Henderson Global Responsible Managed Fund	Page 69
Appendix - additional information (unaudited)	
Securities financing transactions	Page 100
Remuneration policy	Page 102
Further information	Page 104

Authorised Corporate Director's (ACD) report for the year ended 31 March 2021

We are pleased to present the Annual Report and Accounts for Janus Henderson Sustainable/Responsible Funds (the 'Company') for the year ended 31 March 2021.

Authorised status

The Company is an open-ended investment company (OEIC) with variable capital incorporated in England and Wales under registered number IC15 and authorised by the Financial Conduct Authority (FCA) with effect from 14 October 1998. It is a United Kingdom Undertakings for Collective Investment in Transferrable Securities (UK UCITS) scheme structured as an umbrella company, comprising of three sub-funds ('funds') complying with chapter 5 of the Collective Investment Schemes Sourcebook (COLL). The operation of the company is governed by the OEIC regulations, COLL, its Instrument of Incorporation and Prospectus.

The Company has an unlimited duration. Shareholders are not liable for the debts of the Company.

Segregation of assets

The assets of each fund will be treated as separate from those of every other fund and will be invested in accordance with the investment objective and investment policy applicable to that fund. The funds are segregated portfolios of assets and, accordingly, the assets of a fund belong exclusively to that fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other fund and shall not be available for any such purpose.

Other information

From 10 March 2021, the Janus Henderson Institutional Global Responsible Managed Fund changed its name to the Janus Henderson Global Responsible Managed Fund.

JPMorgan Chase Bank, National Association (London Branch) was appointed as the Securities Lending Agent of the Company with effect from 10 March 2021, in replacement of BNP Paribas Securities Services, London Branch.

Brexit update

With effect from 1 January 2021, UK domiciled investment funds that had previously operated under the UCITS regulations ceased to be classed as UCITS and instead became 'UK UCITS'. The way in which the funds are managed was not impacted by this change.

Value assessment

The board of Henderson Investment Funds Limited (HIFL) present the value assessment report for the period to 31 December 2020, made available on our website www.janushenderson.com. Access by this link (<https://www.janushenderson.com/en-gb/investor/notice/value-assessment-report>).

The FCA, the UK's financial services regulator, requires all fund management groups to perform a detailed assessment of whether funds are providing value to investors, and publish an annual statement summarising the outcome of this process, known as the value assessment. Our report is published by HIFL, the Board of the ACD (the body responsible for an investment fund) and summarises the period to 31 December 2020.

The value assessment considers a minimum of seven criteria set by the FCA; while investment performance and quality of service are clearly important factors, costs and charges paid by investors are also key considerations. At Janus Henderson, ensuring value is delivered to investors has always been central to our process and therefore the value assessment is an extension to the existing ongoing monitoring processes that provide oversight of how the funds are managed on your behalf.

The report contains an overview of the process that Janus Henderson undertook to perform this assessment along with the conclusions.

COVID-19

The outbreak of the novel coronavirus ('COVID-19') and subsequent global pandemic began impacting financial markets and economies during the first quarter of 2020. The worldwide spread of the virus led to uncertainty on an unprecedented scale. The impact of COVID-19 has been taken into account in the measurement of the assets and liabilities in the primary statements for the year to 31 March 2021.

Authorised Corporate Director's (ACD) report (continued)

Director's statement

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority. I hereby certify the investment reviews and financial statements on behalf of the Directors of Henderson Investment Funds Limited.



G Foggin
(Director)

18 June 2021

Authorised Corporate Director's (ACD) report (continued)

Service providers

	Name	Address	Regulator
Authorised Corporate Director	Henderson Investment Funds Limited Member of The Investment Association The ultimate holding company is Janus Henderson Group plc	Registered Office: 201 Bishopsgate London EC2M 3AE Registered in England No 2678531 Dealing – 0845 608 8703 Enquiries – 0800 832 832	Authorised and regulated by the Financial Conduct Authority
Directors of the ACD	R Chaudhuri A Crooke G Foggin G Fogo S Hillenbrand H J de Sausmarez P Shea* F Smith* * Independent		
Investment Manager	Henderson Global Investors Limited The ultimate holding company is Janus Henderson Group plc	201 Bishopsgate London EC2M 3AE	Authorised and regulated by the Financial Conduct Authority
Shareholder Administrator	SS&C Financial Services International Limited and SS&C Financial Services Europe Limited	SS&C House St Nicholas Lane Basildon Essex SS15 5FS	Authorised and regulated by the Financial Conduct Authority
Depository	NatWest Trustee and Depository Services Limited The ultimate holding company is the Royal Bank of Scotland Group plc	250 Bishopsgate London EC2M 4AA	Authorised and regulated by the Prudential Regulation Authority and regulated by the Financial Conduct Authority
Independent Auditors	PricewaterhouseCoopers LLP	141 Bothwell Street Glasgow G2 7EQ	Institute of Chartered Accountants in England and Wales
Legal Adviser	Eversheds Sutherland (International) LLP	One Wood Street London EC2V 7WS	The Law Society

Global equity markets surged during the year to 31 March 2021 (MSCI World Index +39.1% in sterling and +54.8% in US dollar terms). The massive monetary and fiscal policy response to the global pandemic underpinned the gains, while the development of COVID-19 vaccines and their roll-out across the world provided further significant support.

In the UK, the FTSE All Share Index was up by 26.7% in sterling terms. The reporting year started very strongly, as fiscal and monetary policy measures in the UK and elsewhere in the world boosted sentiment. Surging infections in the autumn months prompted the government to announce England's second national lockdown at the end of October. The development of COVID-19 vaccines triggered an end-of-year rally that was supported by the announcement, on Christmas Eve, that the UK and the European Union (EU) had finally agreed a trade deal. Stocks came under pressure in January as a third national lockdown was imposed in England, while infection and death rates hit record levels. The market recovered in February and March, however, as infections and deaths declined once more and the government started to ease some restrictions. The UK economy contracted by a record 9.8% in 2020 as a result of the pandemic. The government's furlough scheme helped to limit job losses, although an unemployment rate of 5.0% in the three months to February 2021 was up from 4.0% in the three months to April 2020.

European stocks moved higher (FTSE World Europe ex UK Index +34.9% in sterling and +40.6% in euro terms). Stocks surged during the opening months, helped by the European Central Bank's (ECB) emergency bond-buying programme – which totalled €1.85trn by the end of the reporting year – while various countries announced financial support packages. The easing of lockdown curbs and announcement of a €750bn EU recovery fund supported the rebound in the summer. Sharp rises in new cases of COVID-19 in the autumn months and the return of restrictions pressured shares. The vaccine progress marked a turnaround and stocks rose strongly in the final two months of 2020, with the UK/EU trade deal providing support. In the new year, concerns about the slow roll-out of vaccinations weighed on shares, as did the rise in global bond yields. Vaccine-led optimism helped equities end the reporting year strongly, despite tightening COVID-19 restrictions – notably in France and Germany – as the region endured a third wave of infections. Eurozone GDP contracted by 6.6% in 2020, as lockdowns damaged the region's economies. An unemployment rate of 8.3% in February 2021 was up from 7.3% in April 2020, but down from a peak of 8.7% in August and September 2020.

US equities, as measured by the S&P 500 Index, increased by 40.5% in sterling and 56.4% in US dollar terms. Supportive monetary and fiscal policy fuelled strong gains in equities in the spring months of 2020. Surging new COVID-19 cases in the US and elsewhere, and uncertainty about the outcome of the US presidential vote, pulled stocks down in September and October, before the vaccine breakthroughs provided some end-of-year cheer. Confirmation of Joe Biden's win in November's election supported the gains, as did two more stimulus packages totalling US\$2.8trn although the rise in government bond yields pressured shares in February. The main US indices powered to record high levels the following month – despite further rises in bond yields – as the US Federal Reserve upgraded its US GDP growth forecast for 2021 and sought to assuage investors' concerns about inflation. US GDP contracted by 3.5% in 2020. The unemployment rate fell steadily throughout the reporting year, from a peak of 14.8% in April 2020 to 6.0% in February 2021.

In Japan, the TOPIX rose by 24.8% in sterling and 42.1% in yen terms. Monetary policy support and US\$2.2trn of government stimulus triggered a rally in the opening months of the reporting year. A nationwide state of emergency – imposed because of the pandemic – was lifted in May, further boosting sentiment, although Prime Minister Shinzo Abe's resignation, because of ill health, caused some unease. New leader Yoshihide Suga vowed to continue his predecessor's reforms, which calmed market nerves about the changeover. Stocks participated in the global rally from November, which was supported in December by the government's third economic stimulus package in 2020. Optimism about an economic rebound – fuelled, in part, by the improved outlook, particularly in the US – helped the TOPIX hit 30-year highs in March. Japan's economy finished 2020 strongly, expanding by an annualised 11.7% in the fourth quarter, following record growth of 22.8% in the third quarter.

In Asia, the MSCI AC Asia Pacific ex Japan Index strengthened by 42.9% in sterling and 59.1% in US dollar terms. Worldwide monetary and fiscal stimulus helped to drive the rebound from the pandemic-led sell-off in equity markets in the first quarter of 2020. China's market was strong as the economy recovered relatively quickly after lockdown restrictions were eased – GDP expanded by 6.5% year on year in the fourth quarter, returning to pre-pandemic growth levels. However, the bond market turmoil, worries about the impact of policy tightening by Beijing on valuations, and tensions with Western countries pressured shares towards the end of the reporting year. South Korean and Taiwanese equities shot higher – both markets outperformed the regional index – as they benefited from strength in technology stocks. Australian stocks also made strong gains, as the country's economy rebounded in the third and fourth quarters from its first recession in 28 years.

The MSCI Emerging Markets Index gained 42.8% in sterling and 58.9% in US dollar terms, with optimism about a global economic recovery underpinning large increases in equities. India's market was sharply higher, as the economy recovered from the pandemic-induced slump. Stimulus measures and the positive vaccine news helped the benchmark NSE Nifty 50 and S&P BSE Sensex indices hit record highs in 2021. The Brazilian market made gains, although it underperformed the broader index in sterling and US dollar terms. A surge in COVID-19 infections to record levels in 2021 and President Jair Bolsonaro's perceived mishandling of the crisis weighed on sentiment. Turkey's market performed weakly – returns were negative in sterling and only slightly positive in US dollar terms. Shares dropped sharply towards the end of March after President Recep Tayyip Erdogan dismissed the central bank governor, following a new interest rate rise. South African stocks advanced strongly, on vaccine-led recovery hopes and as the economy rebounded from a prolonged slump.

Market review (continued)

Within fixed income, the JPM Global Government Bond Index dropped by 9.8% in sterling but rose 0.4% in US dollar terms. Yields on core government bond markets – the US, UK, Germany and Japan – moved higher, spiking in February and March, as investors grew increasingly concerned about the prospects of rising inflation and interest rates. The US benchmark 10-year Treasury yield ended the year up by more than 180% at approximately 1.7% – the highest level since January 2020. There were also strong upward moves in UK benchmark 10-year gilt and German benchmark 10-year bund yields, although the latter remained in negative territory. In the corporate debt market, global bond issuance of more than US\$5.3trn in 2020 was US\$1trn higher than the previous record, in 2019.

In commodity markets, oil prices were up sharply, having endured wild swings because of the pandemic. US benchmark West Texas Intermediate – which finished the reporting year up by almost 190% at just over US\$59 per barrel – briefly turned negative in April 2020 as supply hugely outstripped demand. Prices rebounded as producers cut output and as the vaccine breakthroughs spurred hopes of a revival in demand. Gold prices were lower – spot prices ended the period down by more than 5% – as vaccine-led optimism about a global economic recovery reduced the appeal of the precious metal. Copper prices rallied – futures prices were higher by more than 80% – on strong demand, particularly from China.

Statement of Authorised Corporate Director's (ACD) responsibilities

for the year ended 31 March 2021

The FCA'S COLL requires the ACD to prepare financial statements for each annual accounting year which give a true and fair view, in accordance with the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Management Association (IMA) in May 2014, United Kingdom Generally Accepted Accounting Practice (UK GAAP) (United Kingdom Accounting Standards, comprising the Financial Reporting Standard 102 (FRS 102) applicable in the UK and Republic of Ireland), of the financial affairs of the Company and each of the sub-funds, and their revenue/expenditure for the year. In preparing the financial statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the requirements of the SORP for Authorised Funds issued by the IMA in May 2014;
- follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records which enable it to demonstrate that the financial statements, as prepared by HIFL, comply with the above requirements;
- make best judgements and estimates that are reasonable; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, Prospectus and the Regulations. The ACD is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Depositary's responsibilities and report of the Depositary to the shareholders of Janus Henderson Sustainable/Responsible Funds ('the Company')

for the year ended 31 March 2021

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), as amended, the Financial Services and Markets Act 2000, as amended (together 'the Regulations'), the Company's Instrument of Incorporation and Prospectus (together 'the Scheme documents') as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares is carried out in accordance with the Regulations;
- the value of shares in the Company is calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the ACD are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the ACD:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

NatWest Trustee and Depositary Services Limited
London
18 June 2021

Independent Auditors' report to the shareholders of Janus Henderson Sustainable/Responsible Funds

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Janus Henderson Sustainable/Responsible Funds (the 'Company'):

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 31 March 2021 and of the net revenue and the net capital gains on the scheme property of the Company and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Janus Henderson Sustainable/Responsible Funds is an Open Ended Investment Company ('OEIC') with three sub-funds. The financial statements of the Company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report & Accounts (the 'Annual Report'), which comprise: the balance sheets as at 31 March 2021; the statements of total return, and the statements of changes in net assets attributable to shareholders for the year then ended; the distribution tables; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's or any sub-funds' ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's or any sub-funds' ability to continue as a going concern.

Our responsibilities and the responsibilities of the Authorised Corporate Director with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Corporate Director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Authorised Corporate Director's Report

In our opinion, the information given in the Authorised Corporate Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditors' report to the shareholders of Janus Henderson Sustainable/Responsible Funds (continued)

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Corporate Director for the financial statements

As explained more fully in the Statement of Authorised Corporate Director's responsibilities, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's and each of the sub-funds ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to wind up or terminate the Company or individual sub-fund, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Company or the sub-funds. Audit procedures performed included:

- Discussions with the Authorised Corporate Director, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Authorised Corporate Director's board of directors;
- Identifying and testing journal entries, specifically manual journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent Auditors' report to the shareholders of Janus Henderson Sustainable/ Responsible Funds (continued)

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.



PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
18 June 2021

1 Accounting policies

(a) Basis of preparation

The financial statements of Janus Henderson Sustainable/Responsible Funds (the 'Company') comprise the financial statements of each of the funds. They have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the SORP for UK Authorised Funds issued by the IMA in May 2014, FRS 102, the FCA's COLL, the Company's Instrument of Incorporation and Prospectus.

The financial statements have been prepared on a going concern basis.

(b) Basis of valuation of investments

The valuation of listed investments has been at fair value, which is generally deemed to be bid market price, excluding any accrued interest in the case of debt securities, at close of business on the last working day of the accounting year (31 March 2021) in accordance with the provisions of the scheme particulars.

The ACD reviews and approves fair value pricing decisions on a regular basis with the support of the Janus Henderson UK & EMEA Fair Value Pricing Committee (FVPC). The Committee reports to the Board of Directors on suspended, defaulted, delisted, unquoted or manually priced securities, taking into consideration where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.

Derivative assets and liabilities are valued at the fair value price to close out the contract at the Balance sheet date, using available market prices or an assessment of fair value based on counterparty valuations and appropriate pricing models.

(c) Revenue recognition

Dividends receivable from quoted equity and non equity shares are credited to revenue, when the security is quoted ex-dividend. Dividends on unquoted stocks are credited to revenue when the dividend is announced.

Overseas dividends and overseas REIT income are disclosed gross of any foreign tax suffered, the tax element being separately disclosed in the tax note.

Interest on debt securities is recognised on an accruals basis, taking into account the effective yield on the investment. The effective yield is a calculation that amortises any discount or premium on the purchase of an investment over its remaining life based on estimated cash flows.

Bank interest is recognised on an accruals basis.

Income distributions from UK Real Estate Investment Trusts (UK REIT) is split into two parts, a Property Income Distribution (PID) made up of rental revenue and a non-PID element, consisting of non-rental revenue. The PID element is subject to corporation tax as schedule A revenue, while the non-PID element is treated as franked revenue.

Dividends received from US REITs are allocated between revenue and capital for distribution purposes. The split is based on the year end tax reporting data issued by the US REIT with the revenue element being subject to UK corporation tax. Where the split of revenue and capital has not been announced at the accounting date then the income is treated as an ordinary dividend until such time as this is known.

Distributions from offshore funds on accumulation shares are recognised as revenue and added to the bookcost of the holding when they are declared.

Revenue derived from the gains/losses on hedged class forward currency contracts is allocated to both the capital and revenue of the share class based upon the prior day capital/revenue split.

Special dividends are recognised as either revenue or capital depending on the nature and circumstances of the dividends receivable.

Dividends received as shares (scrip/stock dividends), to the extent that the value of such dividends is equal to the cash dividends, are treated as revenue. The revenue forms part of any distribution.

If any revenue receivable at the Balance sheet date is not considered recoverable, a provision is made for the relevant amount.

(d) Treatment of expenses (including ACD expenses)

All expenses (other than those detailed below and those relating to the purchase and sale of investments) are charged against revenue on an accruals basis.

1 Accounting policies (continued)

(d) Treatment of expenses (including ACD expenses) (continued)

Annual Management Charge

In payment for carrying out its duties and responsibilities the ACD is entitled to take an annual fee out of the Company's property, calculated as a percentage of the relevant value of the property of each class of each fund. The Annual Management Charge (AMC) is accrued on a daily basis by reference to the net asset value of each share class on that dealing day and the amount due for each month is payable on the last working day of the month.

The investment objective of Janus Henderson UK Responsible Income Fund concentrates on the generation of income with prospects of capital growth. The ACD and Depositary have agreed that 100% of the AMC for this fund is to be taken to capital for the purpose of calculating the distribution, as permitted by the OEIC regulations and in accordance with the Prospectus. The distribution currently payable reflects this treatment together with any associated tax effect.

General Administration Charge

All fees with the exception of the AMC, Depositary, professional fees and safe custody fees have been replaced by a single ad valorem charge, the General Administration Charge (GAC). The ACD believes that this creates more efficiency around the charging process than more traditional methods. The GAC is calculated as a percentage of the scheme property and the amount each share class in each fund will pay will depend on the costs attributable to each share class based on whether the class is a 'Retail' class or an 'Institutional' class. The GAC accrues on a daily basis and is payable to the ACD by each share class monthly.

Allocation of revenue and expenses to multiple share classes

With the exception of the AMC, the GAC and revenue derived from the gains/losses on hedged class forward currency contracts, which are directly attributable to individual share classes, all revenue and expenses are allocated to share classes pro rata to the value of the net assets of the relevant share class on the day that the revenue or expense is incurred.

(e) Exchange rates

Foreign currency transactions are translated into sterling at the exchange rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies at the end of the accounting year are translated into sterling at the exchange rates prevailing at close of business on the last valuation day of the accounting year.

(f) Taxation

Provision is made for tax at the current rates on the excess of taxable revenue over allowable expenses, with relief for overseas taxation taken where appropriate.

Corporation tax is charged at 20% of the revenue liable to corporation tax less expenses.

Deferred tax is provided on all timing differences that have originated but not reversed at the Balance sheet date other than those recorded as permanent differences. Deferred tax is provided at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Deferred tax assets are only recognised to the extent it is regarded as more likely than not that there will be taxable profits against which the future reversal of underlying timing differences can be offset.

(g) Cash flow statement

The funds are not required to produce a cash flow statement as they meet the exemption criteria set out in FRS 102 7.1A as the funds' investments are highly liquid, are carried at market value and a Statement of change in net assets attributable to shareholders is provided for each fund.

(h) Hedged share classes

The following hedged share classes are available within the fund:

- Class I Euro (hedged) accumulation and Class A Euro (hedged) accumulation on Janus Henderson Global Sustainable Equity Fund.

Hedged share classes allow the ACD to use currency hedging transactions to reduce the effect of fluctuations in the rate of exchange between the currency of shares in those classes and sterling which is the base currency of the fund.

Any benefits or losses of the hedging transactions accrue to shareholders in that hedged share class only. The ACD will review the relevant hedging positions on a regular basis and, if considered appropriate, make adjustments to correct the allocations across share classes.

The currency transactions will not cause the Euro hedged share classes to be leveraged. The value of the share class to be hedged will be made up of both capital and income elements and the ACD intends to hedge between 95-105% of the value of each hedged share class. Adjustments to any hedge to keep within this target range will only be made when the required adjustment is material. As such the Euro hedged share classes will not be completely protected from all currency fluctuations.

1 Accounting policies (continued)

(i) Treatment of derivatives

Derivative transactions are accounted for on a trade date basis. Where such transactions are used to protect or enhance revenue and the circumstances support it, the revenue and expenses derived there from are included in Revenue in the Statement of total return on an accruals basis. Where such transactions are used to protect or enhance capital and the circumstances support it, the gains and losses derived there from are included in Net capital gains/(losses) in the Statement of total return.

Forward foreign currency contracts

Open forward currency contracts are shown in the Portfolio statement at fair value and the net gains/(losses) are reflected in Forward currency contracts in Net capital gains/(losses) on investments.

Forward foreign currency contracts on hedged share classes

Open forward currency contracts on hedged share classes are shown in the Portfolio statement at fair value. The net gains/(losses) on forward currency contracts on hedged unit classes are apportioned between hedged income on forward currency contracts in the Revenue account and Forward currency contracts on hedged share classes in Net capital gains/(losses) on investments reflecting the income and capital elements of the hedged share classes.

The gains or losses from the hedge are calculated on a daily basis, and are allocated to both capital and revenue of the share class based upon the relationship of the prior day capital/revenue split, with the revenue element impacting upon that class's potential distributable revenue.

(j) Dilution adjustment

The funds are priced on a single swinging price basis. The ACD has the discretion to charge a dilution adjustment when there is a large volume of deals and, in accordance with the FCA regulations, to pay this amount into the fund. In particular the ACD reserves the right to make such an adjustment in the following circumstances:

- On a fund experiencing large levels of net purchases (i.e. purchases less redemptions), relative to its size;
- On a fund experiencing large levels of net redemptions (i.e. redemptions less purchases), relative to its size;
- In any other case where the ACD is of the opinion that the interests of existing or continuing shareholders and potential investors require the imposition of a dilution adjustment.

2 Distribution policy

The distribution policy of the funds is to distribute/accumulate all available revenue, after the deduction of expenses properly chargeable against revenue, subject to any of the AMC or other expense which may currently be transferred to capital. The funds pay dividend distributions.

Revenue attributed to accumulation shareholders is retained at the end of each distribution period and represents a reinvestment of revenue.

Marginal tax relief is not taken into account when determining the amount available for distribution on the funds.

Gains and losses on investments and currencies, whether realised or unrealised, are taken to capital and are not available for distribution.

When the revenue from investments exceeds the expenses, a distribution will be made. Should expenses exceed revenue there will be no distribution and the shortfall will be transferred from capital at the year end.

The funds make biannual distributions (31 May and 30 November) to shareholders.

All distributions unclaimed for a period of six years after having become due for payment shall be forfeited and shall revert to the funds.

Equalisation

Income equalisation applies to Janus Henderson UK Responsible Income Fund only.

Equalisation applies only to shares purchased during the distributions period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

3 Risk

In pursuing their investment objectives the funds hold a number of financial instruments. These financial instruments comprise securities and other investments, cash balances, debtors and creditors arising from the funds' operations. The funds may also enter into derivatives and forward transactions for the purpose of efficient portfolio management only.

The risk management policy and process for the funds are designed to satisfy the regulatory requirements for a UCITS; associated regulatory technical standards and guidelines; and local regulations. The framework for risk controls and limits for the funds is documented within the ACD's Risk Management Policy and Process document, which outlines for each main risk category the controls and risk measures in place, including stress tests for assessing sensitivity to the most relevant risks. This risk framework includes setting of limits and monitoring against those limits.

In the normal course of business, the funds' activities expose them to various types of risk which are associated with the financial instruments and markets in which they invest. These financial risks: market risk (comprising currency risk, interest rate risk and other market price risk), credit and counterparty risk and liquidity risk and the approach to the management of these risks, are set out below and remain unchanged from the previous accounting period. For a detailed explanation of these and further risks involved in investing in the funds, reference should be made to the Prospectus; investors and prospective investors are recommended to discuss all potential risks with their own legal, tax and financial advisors.

The risk management systems to which the Janus Henderson Risk, Compliance and Operations teams have access for independent monitoring and risk measurement purposes include:

- Charles River system's Compliance module for investment restrictions monitoring;
- Nasdaq BWISE operational risk database;
- RiskMetrics, UBS Delta, Style Research, Cognity and Barra for market risk measurement; and
- Bloomberg for market data and price checking.

These are supplemented by an in-house developed system; the Janus Henderson Derivatives Risk and Compliance database.

(a) Market risk

Market risk is the risk of loss resulting from fluctuations in the market value of positions in the funds attributable to changes in market variables such as interest rates, foreign exchange rates or an issuer's creditworthiness.

The investments of the funds are subject to normal market fluctuations and other risks inherent in investing in securities in pursuance of the investment objectives and policies.

The funds may be unable to invest in certain sectors and companies due to ethical screening that they undertake. This may mean that they are more sensitive to price swings than other funds.

There can be no assurance that any appreciation in the value of investments will occur. There is no certainty that the investment objective of the funds will actually be achieved and no warranty or representation is given to this effect.

Investments in emerging markets may be more volatile than investments in more developed markets. Some of these markets may have relatively unstable governments, economies based on only a few industries and securities markets that trade only a limited number of securities. Many emerging markets do not have well developed regulatory systems and disclosure standards may be less stringent than those of developed markets. Some of the more common risks associated with emerging markets investment include: fraudulent securities; lack of liquidity; currency fluctuations; settlement and custody risks; investment and remittance restrictions; and accounting, auditing and financial reporting requirements.

Where the investment objective of a fund is to treat the generation of income as a higher priority than capital growth, or the generation of income and capital growth have equal priority, all or part of the AMC may be charged against capital instead of against income. This treatment of the AMC will increase the amount of income (which may be taxable) available for distribution to shareholders in the fund concerned but may constrain capital growth.

The funds may use derivatives for the purposes of hedging and efficient portfolio management only, it is not expected that the use of derivatives for these purposes will alter the risk profile of the funds.

Currency risk

Currency risk is the risk that the value of the funds' investments will fluctuate as a result of changes in foreign currency exchange rates.

A proportion of the funds' assets and revenue are denominated in currencies other than sterling (the funds' functional currency and the one in which financial statements are reported). As a result, movements in exchange rates may affect the sterling value of those items. The ACD regularly reviews currency risk.

Please refer to the individual funds' accounts for details of currency risk exposure.

3 Risk (continued)

(a) Market risk (continued)

Hedged share classes on Janus Henderson Global Sustainable Equity Fund

The hedged share class allows the ACD to use currency hedging transactions to reduce the effect of fluctuations in the rate of exchange between the currency of shares in the foreign class and sterling which is the base currency of the fund.

Any benefits or losses of the hedging transactions should accrue to shareholders in the hedged share class, to income and capital as relevant. The ACD will review the relevant hedging positions on a regular basis. The currency transactions will not cause the hedged class to be leveraged. The value of the share class to be hedged will be made up of both capital and income elements and the ACD intends to hedge between 95-105% of the value of the hedged share class. Adjustments to any hedge to keep within this target range will only be made when the required adjustment is material. As such the hedged class shares will not be completely protected from all currency fluctuations.

Hedging transactions may be entered into if the euro is declining or increasing in value relative to sterling. Where such hedging is undertaken it may substantially protect investors in the class against a decrease in the value of sterling relative to the euro but it may also preclude investors from benefiting from an increase in the value of sterling. The gains or losses from the hedge are calculated on a daily basis, and are allocated to both the capital and revenue of the share class based upon the relationship of the prior day capital/revenue split, with the revenue element impacting upon that class's potential distributable revenue.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Some securities such as bonds are directly impacted by interest rate movements but others are indirectly affected.

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of the capital may fall, and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security will fall in the event of the default or reduced credit rating of the issue. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. High yield bonds with lower credit rating (also known as sub-investment grade bonds) are potentially more risky (higher credit risk) than investment grade bonds.

From time to time Janus Henderson Global Responsible Managed Fund may hold sub-investment grade bonds. Such bonds have a lower credit rating than investment grade bonds and carry a higher degree of risk.

Please refer to the individual funds' accounts for details of interest rate risk exposure.

Other market price risk

Other market price risk is the risk that the value of the funds' investments will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. The risk arises mainly from uncertainty about future prices of financial instruments the funds might hold. It represents the potential loss the funds might suffer through holding market positions in the face of price movements.

The funds' investment portfolios are exposed to market price fluctuations, which are monitored by the ACD in pursuance of the investment objectives and policies.

An outbreak of an infectious respiratory illness known as COVID-19 was first detected in China in December 2019 and has now been declared a pandemic by the World Health Organization. Due to this outbreak, market volatility in all major asset classes increased substantially in the early part of 2020, which has led to an increase in fund volatility of fund valuations. There can be an increase in a wide range of impacts on the fund from COVID-19, as with all stressed market events, which might include: a reduction in revenues, a reduction in net asset value due to market fluctuations, and financial and non-financial covenant defaults.

In response to the COVID-19 pandemic, the Financial Reporting Council (FRC) issued guidance to companies to ensure that they maintain sufficient capital reserves, which resulted in cancelled dividend payments. In order to assess and mitigate the risk of not receiving income accrued, procedures were put in place. We continue to monitor the effect of any cancelled dividends and to make suitable provisions when calculating the amount available for distribution.

3 Risk (continued)

(a) Market risk (continued)

Global exposure

The global exposure of the funds is calculated by using either the commitment approach or Value-at-Risk ("VaR") approach by reference to their risk profile. Sensitivity analysis of funds using the commitment approach is calculated using the Value-at-Risk approach. VaR is a mathematical statistical concept and is commonly used as a standard measure of risk in the financial sector. For each fund the maximum potential loss that it could suffer in normal market conditions within a given time horizon and a certain degree of confidence is estimated.

In these calculations all positions in the relevant investment portfolio are taken into consideration including those undertaken for efficient portfolio management purposes. VaR is calculated daily using a Monte Carlo simulation approach; as a control mechanism, Monte Carlo results are compared to the parametric model for validation purposes within the daily monitoring process. The following parameters are applied as a minimum: a one-tailed 99% confidence interval, a holding period equivalent to one month (20 business days), effective observation period (history) of risk factors of at least 1 year (250 business days), quarterly data set updates and daily calculation.

For those funds using the VaR approach to calculate either sensitivity analysis or global exposure and for which there is no suitable reference portfolio absolute monthly VaR calculated on all the positions in a fund's investment portfolio is not to exceed a regulatory maximum limit of 20%.

Please refer to the individual funds' accounts for details of global exposure, leverage and sensitivity analysis, where relevant.

(b) Credit and counterparty risk

Credit and counterparty risk is the risk of loss resulting from the possibility that the counterparty to a transaction may default on its obligations prior to the settlement of the transaction's cash flow.

In order to manage credit risk the funds are subject to investment limits for issuers of securities as outlined in the Prospectus. Issuer credit ratings are evaluated periodically and an approved issuer list is maintained and monitored. In addition the funds may only buy and sell investments through brokers which have been approved by the ACD as acceptable counterparties and limits are set and monitored to cover the exposure to any individual broker. Changes in brokers financial ratings are periodically reviewed by the Janus Henderson Counterparty Risk Committee along with set limits and new counterparty approval.

The funds' assets that are held with banks could be exposed to credit and counterparty risk. The banks used by the funds and ACD are subject to regular reviews. Only counterparties that have been approved by Janus Henderson Counterparty Risk Committee are used for derivative transactions. The continuing creditworthiness of counterparties is monitored on a daily basis.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the FCA's COLL mitigates the risk of excessive exposure to any particular type of security or issuer.

Whilst COVID-19 has affected counterparties used by Janus Henderson, the risk controls and procedures in place help to mitigate the risk caused by the pandemic. There have been additional controls put in place to protect against the risk of not receiving income that has been accrued, to make appropriate provisions in calculating the amount available for distribution, and also to consider the risk of pricing errors. The risk framework is regularly monitored and reviewed to ensure the controls and procedures are adequate to protect against credit and counterparty risk.

Please refer to the individual funds' accounts for details of credit and counterparty risk exposure.

(c) Operational risk

Failure of Janus Henderson systems or those of other third party service providers could lead to an inability to provide accurate reporting and monitoring or a misappropriation of assets. Janus Henderson have a comprehensive business continuity plan which facilitates continued operation of the business in the event of a service disruption or major disaster.

COVID-19 has the potential to affect the daily operations of the Manager and other service providers. Supply chain risk is now considered to be one of the highest risks facing asset management firms. Janus Henderson's current service providers have demonstrated that they have robust business continuity plans in place which have not adversely affected their service, which is further supported by regular updates on business process controls from both internal and external suppliers.

3 Risk (continued)

(d) Liquidity risk

Liquidity risk is the risk that a position in the funds' portfolios cannot be sold, liquidated or closed out at limited cost in an adequately short timeframe and that the ability of the funds to meet their settlement obligations is thereby compromised.

The funds are generally able to realise cash quickly to meet liabilities. The main liquidity requirements of the funds include the redemption of any shares that a shareholder wishes to sell. Temporary higher liquidity levels may also arise during the carrying out of a change in asset allocation policy, or following a large issue of shares.

The ACD manages the funds' cash positions to ensure they can meet their liabilities. The ACD receives daily reports of subscriptions and redemptions enabling the ACD to raise cash from each fund's portfolio in order to meet redemption requests. In addition the ACD monitors the market liquidity of all securities, seeking to ensure the funds maintain sufficient liquidity to meet known and potential redemption activity. Each fund's cash balances are monitored daily by the ACD and administrator. Where investments cannot be realised in time to meet any potential liability, the funds may borrow up to 10% of their property to ensure settlement.

Please refer to the individual funds' accounts for the maturity analysis of each fund's financial liabilities.

Market volatility in all major asset classes increased substantially in the early part of 2020 which has led to an increase in fund volatilities and reduced liquidity. Even though market liquidity was more challenging during this stressed period in certain markets, we did not have any issues meeting redemptions for the funds and believe that the funds will be able to handle typical redemption patterns going forward.

(e) Brexit risk

The United Kingdom (UK) left the European Union (EU) on 31 January 2020, a transition period was in place until 31 December 2020, during which all EU rules and laws continued to apply to the UK. On 24 December 2020 the EU and the UK reached an agreement on a new partnership, this was approved by the EU member states on 29 December 2020, and the UK parliament's approval followed on 31 December 2020. On 1 January 2021 this agreement took effect and the new rules entered into force.

The new agreement between the EU and the UK does not cover the financial services industry. The EU have agreed to establish a structured regulatory co-operation on financial services, with the aim of establishing a durable and stable relationship between autonomous jurisdictions. As at April 2021, both parties have agreed a Memorandum of Understanding establishing the framework for the co-operation.

Currency volatility resulting from this uncertainty may mean that the returns of the fund and its investments are adversely affected by market movements, potential decline in the value of the British pound and/or euro, and any downgrading of United Kingdom sovereign credit rating. This may also make it more difficult, or more expensive, for the fund to execute prudent currency hedging policies. This uncertainty may have an adverse effect on the economy generally and on the ability of relevant funds and their investments to execute their respective strategies and to receive attractive returns, and may also result in increased costs to the relevant funds.

4 Cross-holdings

As at 31 March 2021 there were no sub-fund cross holdings within Janus Henderson Sustainable/Responsible Funds (2020: nil).

Janus Henderson Global Sustainable Equity Fund

Authorised Corporate Director's report

Investment Fund Managers

Hamish Chamberlayne and Aaron Scully

Investment objective and policy

The fund aims to provide capital growth over the long term (5 years or more).

The fund invests at least 80% of its assets in shares (also known as equities) of companies, of any size, in any industry, in any country. The fund will invest in companies whose products and services are considered by the Investment Manager as contributing to positive environmental or social change and thereby have an impact on the development of a sustainable global economy. The fund will avoid investing in companies that the Investment Manager considers to potentially have a negative impact on the development of a sustainable global economy.

The fund is actively managed with reference to the MSCI World Index, which is broadly representative of the companies in which it may invest, as this can provide a useful comparator for assessing the fund's performance. The Investment Manager has discretion to choose investments for the fund with weightings different to the index or not in the index.

Performance summary

Cumulative performance

	One year 31 Mar 20 - 31 Mar 21 %	Three years 31 Mar 18 - 31 Mar 21 %	Five years 31 Mar 16 - 31 Mar 21 %	Since inception 1 Aug 91 - 31 Mar 21 %
Class I accumulation (Net)	44.2	68.5	133.7	1,232.2
MSCI World Index	39.1	48.2	100.4	1,229.5
IA Global Sector	40.6	43.2	90.1	845.3

Discrete performance

	31 Mar 20 - 31 Mar 21 %	31 Mar 19 - 31 Mar 20 %	31 Mar 18 - 31 Mar 19 %	31 Mar 17 - 31 Mar 18 %	31 Mar 16 - 31 Mar 17 %
Class I accumulation (Net)	44.2	7.2	9.0	8.5	27.9
MSCI World Index	39.1	(5.3)	12.5	1.9	32.7
IA Global Sector	40.6	(6.3)	8.7	2.9	29.0

Source: Morningstar

Class I accumulation (Net), NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point.

Benchmark values are at close of business.

Class I accumulation is disclosed as it is the representative share class.

Benchmark usage:

Index: MSCI World Index

Index usage: Comparator

Index description: The MSCI World Index is a measure of the combined performance of large and medium sized companies from developed stock markets around the world. It provides a useful comparison against which the fund's performance can be assessed over time.

Peer group: IA Global Sector

Peer group usage: Comparator

Peer group description: The Investment Association (IA) groups funds with similar geographic and/or investment remit into sectors.

The fund's ranking within the sector (as calculated by a number of data providers) can be a useful performance comparison against other funds with similar aims.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Authorised Corporate Director's report (continued)

Significant portfolio changes for the year ended 31 March 2021

Largest purchases	£000	Largest sales	£000
Taiwan Semiconductor Manufacturing	34,107	Tesla	36,922
Evoqua Water Technologies	25,276	Salesforce.com	32,147
Nvidia	20,916	SAP	22,828
Lam Research	17,762	ASML	15,202
Knorr-Bremse	17,740	Walt Disney	14,877
Microsoft	16,924	Teladoc Health	13,883
TE Connectivity	15,202	Kingspan	13,199
Murata Manufacturing	14,471	Gildan Activewear	10,901
SSE	14,116	Boralex 'A'	9,201
Microchip Technology	13,098	Lam Research	7,426
Total purchases	433,596	Total sales	201,442

Investment review

The fund returned 44.2% based on Class I accumulation (Net) over the year under review, compared with a return of 39.1% in the MSCI World Index and a return of 40.6% in the IA Global Sector peer group benchmark.

The reporting year was one of incredible unpredictability. Stock markets worldwide declined sharply in March 2020, with economic activity negatively impacted by the COVID-19 global pandemic as social distancing measures and travel restrictions were enacted in many countries. A year into the pandemic, there has been significant progress in the roll-out of COVID-19 vaccination programmes, albeit with progress varying from country to country. Despite some concern about the transmission of virus variants, it appears that equity market participants have priced in the continued lifting of restrictions and a path towards the normalisation of economic activity.

Governments have committed huge amounts of money to sustainable agendas over the past year. The European Union's (EU) €1.8trn COVID-19 recovery package details a focus on projects including renewable energy and storage, sustainable buildings and public transport. Similarly, US President Joe Biden's \$2trn-plus fiscal stimulus bill, the American Jobs Plan, outlines a migration towards a greener and cleaner economy and society. On his election, President Biden quickly established the US' commitment to address climate change by reinstating the Paris Agreement. There was further positive momentum from incoming EU President Ursula von der Leyen, who outlined ambitions to reduce emissions by at least 55% by 2030 instead of the 40% previously targeted. In welcome news, China committed to achieving peak carbon emissions by 2030 and carbon neutrality by 2060. China is the world's second-largest economy and the largest emitter of carbon dioxide, and the announcement was a huge step towards a sustainable global economy. We hope these goals can be quickly met and surpassed.

With the fund's focus on sustainability and long-term compounding growth, we had minimal exposure to the types of businesses that were most severely affected by the pandemic, which was beneficial to performance. The fund's overweight stance towards the information technology sector was beneficial, but good stock selection also played a significant role in performance.

Several of the fund's holdings – including Tesla, Aptiv, ASML, Lam Research and Walker & Dunlop – recorded large positive returns. Tesla, which had a remarkable year in terms of share performance, made the biggest gains. In 2020, it was one of the only major automotive companies to report sales growth. It achieved an important milestone when it reported its fourth consecutive quarter of profitability, thereby making it eligible for inclusion in the S&P 500 Index. As one of world's leading suppliers of advanced technology for the electrification of cars, Aptiv was initially negatively impacted by the decline in car sales in 2020 as well as production stoppages at its customers. However, we took the view that it would benefit from increasing adoption of electric vehicles. The stock performed well over the year.

In 2020, companies providing cloud solutions were in high demand as employees across many businesses started working from home. Semiconductor equipment manufacturers LAM Research and ASML have exposure to the 5G technology and cloud data centre trends, and both performed strongly. Walker & Dunlop was added to the portfolio in the first quarter of 2020 amid the market volatility. Loan originations recovered as activity in multi-family lending rebounded, and the company announced strong earnings results in the second half of the reporting year.

Among the detractors from performance were Equinix, Crown Castle International and Encompass Health. The market rally in the second half of the reporting year was driven by sectors with pro-cyclical characteristics, while more defensive equities lagged. The largest detractor was real estate investment trust (REIT) company Equinix, a defensive stock that was on the wrong side of the market rotation. Equinix has been a beneficiary of strong demand for digital infrastructure services. However, it did not participate in the market rally following the positive COVID-19 vaccine news, as it was not negatively impacted by the pandemic. Similarly, REIT company Crown Castle International performed negatively. Encompass Health struggled to follow the broader market recovery as COVID-19 has had a negative impact on admissions to its inpatient rehabilitation facilities, although its home health and hospice services continued to grow.

The fund initiated positions in Taiwan Semiconductor Manufacturing and financial technology company Bill.com. Divestments included Teladoc Health, Walt Disney and Kingspan. We significantly trimmed the fund's holding in Tesla, taking profits after its incredible performance. We remained invested, although maintaining portfolio construction discipline, with regard to near-term valuation and position sizing, is an important part of the fund's investment process.

Digitisation is one trend that we see accelerating and we have many investments exposed to this area across many industries. The resilience of the digital economy thus far, with many companies seeing increasing demand for their services, has served to underline the idea that many people and businesses can lead lower-carbon lives. The whole point of digitisation is that it enables greater productivity and more efficient use of our precious natural resources.

Instead of undermining it, we are hopeful that the COVID-19 crisis will serve to underline the attractiveness of sustainable investing and how it leads to better outcomes, not only for investors but also for the environment and society.

Comparative tables for the year ended 31 March 2021

	Class A income		
	2021 (pence per share)	2020 (pence per share)	2019 (pence per share)
Change in net assets per share			
Opening net asset value per share	314.65	303.79	281.89
Return before operating charges*	151.75	16.59	26.94
Operating charges	(7.18)	(5.67)	(4.98)
Return after operating charges*	144.57	10.92	21.96
Distributions on income shares	-	(0.06)	(0.06)
Closing net asset value per share	459.22	314.65	303.79
* after direct transaction costs of:	0.09	0.09	0.09
Performance			
Return after charges	45.95%	3.59%	7.79%
Other information			
Closing net asset value (£000s)	151,805	104,970	130,690
Closing number of shares	33,056,981	33,361,196	43,020,419
Operating charges	1.73%	1.69%	1.69%
Direct transaction costs	0.02%	0.03%	0.03%
Prices			
Highest share price (pence)	482.20	385.60	318.20
Lowest share price (pence)	299.80	290.70	261.00

	Class E income	
	2021 (pence per share)	08/07/19 - 31/03/20 (pence per share)
Change in net assets per share		
Opening net asset value per share	315.44	339.17 ¹
Return before operating charges*	152.41	(20.29)
Operating charges	(5.17)	(2.99)
Return after operating charges*	147.24	(23.28)
Distributions on income shares	(0.27)	(0.45)
Closing net asset value per share	462.41	315.44
* after direct transaction costs of:	0.09	0.09
Performance		
Return after charges	46.68%	(6.86%)
Other information		
Closing net asset value (£000s)	49,212	26,715
Closing number of shares	10,642,606	8,469,415
Operating charges	1.23%	1.19%
Direct transaction costs	0.02%	0.03%
Prices		
Highest share price (pence)	485.00	386.30
Lowest share price (pence)	300.60	291.30

¹ Class E income launched on 8 July 2019 and this is the first published price.

Comparative tables (continued)

	Class G income		
	2021 (pence per share)	2020 (pence per share)	2019 (pence per share)
Change in net assets per share			
Opening net asset value per share	336.78	323.38	299.59
Return before operating charges*	162.71	17.55	28.50
Operating charges	(3.31)	(2.66)	(2.22)
Return after operating charges*	159.40	14.89	26.28
Distributions on income shares	(1.85)	(1.49)	(2.49)
Closing net asset value per share	494.33	336.78	323.38
* after direct transaction costs of:	0.10	0.09	0.09

Performance

Return after charges	47.33%	4.60%	8.77%
----------------------	--------	-------	-------

Other information

Closing net asset value (£000s)	24,199	14,219	26
Closing number of shares	4,895,194	4,222,078	8,071
Operating charges	0.74%	0.73%	0.73%
Direct transaction costs	0.02%	0.03%	0.03%

Prices

Highest share price (pence)	518.50	413.10	339.20
Lowest share price (pence)	320.70	311.70	277.80

	Class I accumulation		
	2021 (pence per share)	2020 (pence per share)	2019 (pence per share)
Change in net assets per share			
Opening net asset value per share	352.62	337.46	310.42
Return before operating charges*	170.59	18.32	29.77
Operating charges	(4.03)	(3.16)	(2.73)
Return after operating charges*	166.56	15.16	27.04
Distributions on accumulation shares	(1.32)	(1.97)	(2.07)
Retained distributions on accumulation shares	1.32	1.97	2.07
Closing net asset value per share	519.18	352.62	337.46
* after direct transaction costs of:	0.10	0.10	0.10

Performance

Return after charges	47.23%	4.49%	8.71%
----------------------	--------	-------	-------

Other information

Closing net asset value (£000s)	749,627	320,105	234,089
Closing number of shares	144,385,624	90,778,483	69,367,389
Operating charges	0.85%	0.84%	0.84%
Direct transaction costs	0.02%	0.03%	0.03%

Prices

Highest share price (pence)	544.10	431.70	351.40
Lowest share price (pence)	336.00	325.70	289.20

Comparative tables (continued)

	Class I income		
	2021 (pence per share)	2020 (pence per share)	2019 (pence per share)
Change in net assets per share			
Opening net asset value per share	336.55	323.99	300.00
Return before operating charges*	162.61	17.69	28.79
Operating charges	(3.79)	(3.02)	(2.64)
Return after operating charges*	158.82	14.67	26.15
Distributions on income shares	(1.39)	(2.11)	(2.16)
Closing net asset value per share	493.98	336.55	323.99
* after direct transaction costs of:	0.10	0.09	0.10
Performance			
Return after charges	47.19%	4.53%	8.72%
Other information			
Closing net asset value (£000s)	334,416	207,271	199,270
Closing number of shares	67,698,534	61,586,737	61,504,563
Operating charges	0.85%	0.84%	0.84%
Direct transaction costs	0.02%	0.03%	0.03%
Prices			
Highest share price (pence)	518.00	412.60	339.60
Lowest share price (pence)	320.50	311.30	278.30
	Class Z accumulation		
	2021 (pence per share)	2020 (pence per share)	2019 (pence per share)
Change in net assets per share			
Opening net asset value per share	487.77	463.21	422.78
Return before operating charges*	236.46	24.87	40.70
Operating charges	(0.45)	(0.31)	(0.27)
Return after operating charges*	236.01	24.56	40.43
Distributions on accumulation shares	(7.19)	(7.15)	(6.71)
Retained distributions on accumulation shares	7.19	7.15	6.71
Closing net asset value per share	723.78	487.77	463.21
* after direct transaction costs of:	0.14	0.13	0.14
Performance			
Return after charges	48.39%	5.30%	9.56%
Other information			
Closing net asset value (£000s)	160,051	114,021	118,596
Closing number of shares	22,113,142	23,375,876	25,603,069
Operating charges	0.07%	0.06%	0.06%
Direct transaction costs	0.02%	0.03%	0.03%
Prices			
Highest share price (pence)	757.20	596.70	480.00
Lowest share price (pence)	464.80	450.40	396.20

Comparative tables (continued)

	Class A Euro (hedged) accumulation		
	2021 (pence per share)	2020 (pence per share)	2019 (pence per share)
Change in net assets per share			
Opening net asset value per share	979.81	932.44	903.77 ²
Return before operating charges*	401.76	65.16	35.24
Operating charges	(20.05)	(17.79)	(6.57)
Return after operating charges*	381.71	47.37	28.67
Distributions on accumulation shares	-	-	(0.18)
Retained distributions on accumulation shares	-	-	0.18
Closing net asset value per share	1,361.52	979.81	932.44
* after direct transaction costs of:	0.26	0.27	0.27

Performance

Return after charges (Share class base currency)	38.96%	5.08%	3.17%
Return after charges (Share class currency hedged)	44.35%	2.32%	6.19%

Other information

Closing net asset value (£000s)	2,194	25,780	13
Closing number of shares	161,102	2,631,079	1,391
Operating charges	1.72%	1.69%	1.69%
Direct transaction costs	0.02%	0.03%	0.03%

Prices

Highest share price (Euro cents)	1,682.00	1,355.00	1,082.00
Lowest share price (Euro cents)	1,055.00	1,022.00	934.10

² Class A Euro (hedged) accumulation launched on 26 October 2018 and this is the first published price.

	Class A Euro accumulation		
	2021 (pence per share)	2020 (pence per share)	2019 (pence per share)
Change in net assets per share			
Opening net asset value per share	28,013.86	27,042.30	25,089.46
Return before operating charges*	13,492.26	1,481.30	2,398.65
Operating charges	(626.56)	(509.74)	(445.81)
Return after operating charges*	12,865.70	971.56	1,952.84
Distributions on accumulation shares	-	(5.31)	(22.12)
Retained distributions on accumulation shares	-	5.31	22.12
Closing net asset value per share	40,879.56	28,013.86	27,042.30
* after direct transaction costs of:	8.01	7.79	8.02
Performance			
Return after charges	45.93%	3.59%	7.78%
Other information			
Closing net asset value (£000s)	4,301	5,635	1,221
Closing number of shares	10,522	20,116	4,513
Operating charges	1.73%	1.69%	1.69%
Direct transaction costs	0.02%	0.03%	0.03%
Prices			
Highest share price (Euro cents)	48,840.00	40,930.00	31,480.00
Lowest share price (Euro cents)	30,420.00	27,870.00	25,780.00

Comparative tables (continued)

	Class I Euro (hedged) accumulation		
	2021 (pence per share)	2020 (pence per share)	2019 (pence per share)
Change in net assets per share			
Opening net asset value per share	2,109.24	1,990.57	1,893.53
Return before operating charges*	872.25	136.85	113.04
Operating charges	(23.11)	(18.18)	(16.00)
Return after operating charges*	849.14	118.67	97.04
Distributions on accumulation shares	(8.17)	(10.28)	(14.36)
Retained distributions on accumulation shares	8.17	10.28	14.36
Closing net asset value per share	2,958.38	2,109.24	1,990.57
* after direct transaction costs of:	0.62	0.58	0.60
Performance			
Return after charges (Share class base currency)	40.26%	5.96%	5.12%
Return after charges (Share class currency hedged)	45.70%	3.18%	7.05%
Other information			
Closing net asset value (£000s)	8,944	5,839	1,277
Closing number of shares	302,338	276,829	64,158
Operating charges	0.82%	0.81%	0.81%
Direct transaction costs	0.02%	0.03%	0.03%
Prices			
Highest share price (Euro cents)	3,646.94	2,913.77	2,431.76
Lowest share price (Euro cents)	2,270.11	2,200.16	1,989.38

	Class I Euro accumulation	
	2020 (pence per share)	2019 (pence per share)
Change in net assets per share		
Opening net asset value per share	195.42	179.70
Return before operating charges*	18.95	17.25
Operating charges	(1.72)	(1.53)
Return after operating charges*	17.23	15.72
Distributions on accumulation shares	(0.93)	(1.28)
Retained distributions on accumulation shares	0.93	1.28
Final cancellation	(212.65) ³	-
Closing net asset value per share	-	195.42
* after direct transaction costs of:	0.05	0.06
Performance		
Return after charges	8.82%	8.75%
Other information		
Closing net asset value (£000s)	-	139,651
Closing number of shares	-	71,463,171
Operating charges	0.81%	0.81%
Direct transaction costs	0.03%	0.03%
Prices		
Highest share price (Euro cents)	249.70	227.20
Lowest share price (Euro cents)	223.00	185.90

³ Class I Euro accumulation closed on 17 October 2019.

Comparative tables (continued)

Direct transaction costs incurred on securities transactions are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

There were no share classes launched or closed during the year.

Hedged share classes

Class A Euro (hedged) accumulation and Class I Euro (hedged) accumulation are hedged share classes. Hedged share classes allow the ACD to use currency hedging transactions to reduce the effect of fluctuations in the rate of exchange between the currency of shares in those classes and sterling which is the base currency of the fund.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

	2021 %	2020 %	Estimated OCF from 5 May 2020¹ %
Class A income	1.73 ²	1.69	1.73
Class E income	1.23 ²	1.19	1.23
Class G income	0.74 ³	0.73	0.75
Class I accumulation	0.85 ⁴	0.84	0.85
Class I income	0.85 ⁴	0.84	0.85
Class Z accumulation	0.07 ³	0.06	0.07
Class A Euro (hedged) accumulation	1.72 ²	1.69	1.73
Class A Euro accumulation	1.73 ²	1.69	1.73
Class I Euro (hedged) accumulation	0.82 ³	0.81	0.82

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

¹ The estimated ongoing charge is based on the new GAC rates to the year ended 31 March 2021.

² The GAC on Class A income, Class E income, Class A Euro (hedged) accumulation and Class A Euro accumulation increased from 0.18% to 0.22% on 5 May 2020 and therefore the rate applied is not consistent throughout the year.

³ The GAC on Class G income, Class Z accumulation and Class I Euro (hedged) accumulation increased from 0.045% to 0.06% on 5 May 2020 and therefore the rate applied is not consistent throughout the year.

⁴ The GAC on Class I accumulation and Class I income increased from 0.075% to 0.09% on 5 May 2020 and therefore the rate applied is not consistent throughout the year.

Risk and reward profile

The fund currently has 9 types of share classes in issue: A income, E income, G income, I accumulation, I income, Z accumulation, A Euro (hedged) accumulation, A Euro accumulation, I Euro (hedged) accumulation.

Each share class has the same risk and reward profile which is as follows:



The share classes appear at 6 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in net asset value in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

The full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

The risk rating for Class A income, Class E income, Class G income, Class I accumulation, Class I income, Class Z accumulation and Class I Euro (hedged) accumulation increased to 6 from 5 during the year. The ratings may change over time as a fund takes on more or less risky investments or where market conditions become more or less volatile. At share class level the ratings may differ dependent on the class currency and may be influenced by currency movements and the impact of inflows and outflows. Class A Euro accumulation and Class A Euro (hedged) accumulation remain at a 6 rating.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

* Class G income was launched on 16 February 2018, Class A Euro (hedged) accumulation was launched on 26 October 2018 and Class E income was launched on 8 July 2019. As these share classes do not have a 5 year history, a synthetic history has been created for Class G income and Class A Euro (hedged) accumulation using the fund's relevant sector average and for Class E income using the A income share class.

Portfolio statement as at 31 March 2021

Holding	Investment	Market value £000	Percentage of total net assets %
	Equities 97.00% (2020: 97.13%)		
	Australia 0.44% (2020: 0.56%)		
	Health Care 0.44% (2020: 0.56%)		
2,077,700	Nanosonics	6,515	0.44
	Canada 5.20% (2020: 6.35%)		
	Consumer Discretionary 0.00% (2020: 1.17%)		
	Financials 2.25% (2020: 1.92%)		
376,700	Intact Financial	33,424	2.25
	Utilities 2.95% (2020: 3.26%)		
924,500	Boralex 'A'	21,017	1.42
1,797,200	Innergex Renewable Energy	22,708	1.53
		43,725	2.95
	China 0.81% (2020: 0.00%)		
	Information Technology 0.81% (2020: 0.00%)		
7,323,811	Linklogis	12,003	0.81
	France 4.88% (2020: 5.17%)		
	Communication Services 0.46% (2020: 0.51%)		
765,500	Orange	6,847	0.46
	Industrials 4.42% (2020: 4.66%)		
762,600	Getlink	8,497	0.57
334,600	Legrand	22,609	1.52
310,400	Schneider Electric	34,440	2.33
		65,546	4.42
	Germany 3.53% (2020: 5.57%)		
	Consumer Discretionary 1.66% (2020: 2.02%)		
108,900	Adidas	24,621	1.66
	Industrials 1.87% (2020: 1.01%)		
305,700	Knorr-Bremse	27,765	1.87
	Information Technology 0.00% (2020: 2.54%)		
	Hong Kong 2.32% (2020: 2.34%)		
	Financials 2.32% (2020: 2.34%)		
3,924,300	AIA	34,500	2.32
	Ireland 0.00% (2020: 0.71%)		
	Industrials 0.00% (2020: 0.71%)		
	Japan 8.98% (2020: 8.92%)		
	Communication Services 2.47% (2020: 2.87%)		
90,600	Nintendo	36,726	2.47

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Consumer Discretionary 1.86% (2020: 1.91%)		
159,400	Shimano	27,566	1.86
	Industrials 1.18% (2020: 0.93%)		
199,700	Nidec	17,592	1.18
	Information Technology 3.47% (2020: 3.21%)		
505,100	Murata Manufacturing	29,293	1.98
842,900	Shimadzu	22,143	1.49
		51,436	3.47
	Netherlands 3.52% (2020: 4.23%)		
	Industrials 1.34% (2020: 1.03%)		
314,600	Wolters Kluwer	19,864	1.34
	Information Technology 2.18% (2020: 3.20%)		
73,500	ASML	32,364	2.18
	Taiwan 2.94% (2020: 0.00%)		
	Information Technology 2.94% (2020: 0.00%)		
2,931,700	Taiwan Semiconductor Manufacturing	43,715	2.94
	United Kingdom 3.07% (2020: 2.63%)		
	Materials 1.36% (2020: 1.52%)		
4,959,300	DS Smith	20,219	1.36
	Utilities 1.71% (2020: 1.11%)		
1,740,100	SSE	25,319	1.71
	United States 61.31% (2020: 60.65%)		
	Communication Services 0.00% (2020: 1.44%)		
	Consumer Discretionary 3.59% (2020: 3.20%)		
315,950	Aptiv	31,623	2.14
163,500	Nike 'B'	15,763	1.06
12,100	Tesla	5,858	0.39
		53,244	3.59
	Consumer Staples 0.65% (2020: 0.95%)		
149,800	McCormick Non-Voting Shares	9,679	0.65
	Financials 7.91% (2020: 8.38%)		
224,250	AON	37,393	2.52
310,400	Marsh & McLennan	27,407	1.85
334,300	Progressive	23,166	1.56
394,300	Walker & Dunlop	29,427	1.98
		117,393	7.91

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Health Care 4.90% (2020: 7.13%)			
532,800	Encompass Health	31,635	2.13
135,500	Humana	41,175	2.77
		<u>72,810</u>	<u>4.90</u>
Industrials 4.71% (2020: 2.92%)			
1,733,800	Evoqua Water Technologies	33,050	2.22
245,300	Wabtec	14,065	0.95
299,800	Xylem	22,859	1.54
		<u>69,974</u>	<u>4.71</u>
Information Technology 34.03% (2020: 30.17%)			
129,150	Adobe	44,493	3.00
104,800	Atlassian	16,009	1.08
214,400	Autodesk	43,054	2.90
272,400	Avalara	26,346	1.77
100,000	Bill.com	10,546	0.71
304,000	Cadence Design Systems	30,184	2.03
157,300	IPG Photonics	24,049	1.62
136,300	Lam Research	58,806	3.95
109,700	MasterCard	28,337	1.91
268,900	Microchip Technology	30,252	2.04
462,500	Microsoft	79,032	5.31
59,000	Nvidia	22,832	1.54
361,500	TE Connectivity	33,829	2.28
208,100	Texas Instruments	28,496	1.92
303,700	Zendesk	29,192	1.97
		<u>505,457</u>	<u>34.03</u>
Materials 1.16% (2020: 1.18%)			
129,150	Avery Dennison	17,199	1.16
Real Estate 4.36% (2020: 5.28%)			
207,000	Crown Castle International	25,816	1.74
52,950	Equinix	26,077	1.76
998,300	Physicians Realty Trust REIT	12,785	0.86
		<u>64,678</u>	<u>4.36</u>
Derivatives (0.01%) (2020: (0.13%))			
Forward Foreign Exchange Contracts 0.00% (2020: 0.00%)¹			
	Buy EUR 1,075 : Sell GBP 915 April 2021 ²	-	-
	Buy GBP 13,707 : Sell EUR 16,076 April 2021 ²	-	-
	Buy GBP 2,891 : Sell EUR 3,386 April 2021 ²	-	-
	Buy GBP 81,247 : Sell EUR 95,237 April 2021 ²	-	-
		<u>-</u>	<u>-</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts (Hedged share classes) (0.01%) (2020: (0.13%))¹			
	Buy EUR 10,496,992 : Sell GBP 9,029,712 April 2021	(85)	(0.01)
	Buy EUR 11 : Sell GBP 10 April 2021 ²	-	-
	Buy EUR 131,657 : Sell GBP 112,806 April 2021	(1)	-
	Buy EUR 141,043 : Sell GBP 121,486 April 2021	(1)	-
	Buy EUR 16,074 : Sell GBP 13,707 April 2021 ²	-	-
	Buy EUR 19,213 : Sell GBP 16,563 April 2021 ²	-	-
	Buy EUR 2,666,736 : Sell GBP 2,293,977 April 2021	(22)	-
	Buy EUR 33,340 : Sell GBP 28,566 April 2021 ²	-	-
	Buy EUR 33,495 : Sell GBP 28,851 April 2021 ²	-	-
	Buy EUR 4 : Sell GBP 3 April 2021 ²	-	-
	Buy EUR 5 : Sell GBP 4 April 2021 ²	-	-
	Buy EUR 5,800 : Sell GBP 4,975 April 2021 ²	-	-
	Buy EUR 8 : Sell GBP 7 April 2021 ²	-	-
	Buy EUR 95,222 : Sell GBP 81,247 April 2021 ²	-	-
	Buy GBP 139,770 : Sell EUR 162,482 April 2021	1	-
	Buy GBP 143,721 : Sell EUR 167,058 April 2021	1	-
	Buy GBP 200,974 : Sell EUR 234,059 April 2021	2	-
	Buy GBP 25,814 : Sell EUR 29,905 April 2021 ²	-	-
	Buy GBP 37,038 : Sell EUR 43,057 April 2021 ²	-	-
	Buy GBP 4,311 : Sell EUR 4,996 April 2021 ²	-	-
	Buy GBP 51,530 : Sell EUR 60,012 April 2021 ²	-	-
	Buy GBP 915 : Sell EUR 1,075 April 2021 ²	-	-
	Buy GBP 9,915 : Sell EUR 11,586 April 2021 ²	-	-
		<u>(105)</u>	<u>(0.01)</u>
	Investment assets including investment liabilities	1,440,076	96.99
	Other net assets	44,673	3.01
	Total net assets	1,484,749	100.00

¹ Not listed on an official stock exchange

² Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges or are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Statement of total return for the year ended 31 March 2021

	Note	2021		2020	
		£000	£000	£000	£000
Income					
Net capital gains	2		407,127		28,094
Revenue	3	15,560		13,896	
Expenses	4	(10,464)		(7,532)	
Interest payable and similar charges	5	(1)		(1)	
Net revenue before taxation		5,095		6,363	
Taxation	6	(1,659)		(1,332)	
Net revenue after taxation			3,436		5,031
Total return before distributions			410,563		33,125
Distributions	7		(4,300)		(5,450)
Change in net assets attributable to shareholders from investment activities			406,263		27,675

Statement of change in net assets attributable to shareholders for the year ended 31 March 2021

	2021		2020	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		824,555		824,833
Amounts receivable on issue of shares	384,836		215,063	
Amounts payable on inspecie in prior year	-		(165,820)	
Amounts payable on cancellation of shares	(134,218)		(81,265)	
		250,618		(32,022)
Dilution adjustment		29		47
Change in net assets attributable to shareholders from investment activities		406,263		27,675
Retained distributions on accumulation shares		3,283		4,020
Unclaimed distributions		1		2
Closing net assets attributable to shareholders		1,484,749		824,555

Balance sheet as at 31 March 2021

	Note	2021 £000	2020 £000
Assets:			
Investments		1,440,185	800,976
Current assets:			
Debtors	8	12,141	2,374
Cash and bank balances	9	47,132	25,157
Total assets		1,499,458	828,507
Liabilities:			
Investment liabilities		109	1,122
Creditors:			
Distributions payable		246	314
Other creditors	10	14,354	2,516
Total liabilities		14,709	3,952
Net assets attributable to shareholders		1,484,749	824,555

1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

2 Net capital gains

Net capital gains on investments during the year comprise:

	2021	2020
	£000	£000
Forward currency contracts	(96)	213
Forward currency contracts on hedged share classes	(331)	322
Non-derivative securities	407,629	28,135
Other currency losses	(68)	(565)
Transaction costs	(7)	(11)
Net capital gains	407,127	28,094

3 Revenue

	2021	2020
	£000	£000
Bank interest	5	142
Hedged income on forward currency contracts	1	(1)
Overseas dividends*	12,923	11,800
Overseas REIT revenue	1,299	573
UK dividends	1,332	1,382
Total revenue	15,560	13,896

* includes distributions from overseas funds

4 Expenses

	2021	2020
	£000	£000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	9,090	6,699
GAC*	1,257	754
	<u>10,347</u>	<u>7,453</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	58	46
Safe custody fees	59	33
	<u>117</u>	<u>79</u>
Total expenses	10,464	7,532

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £11,556 (2020: £10,317).

Notes to the financial statements (continued)

5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2021 £000	2020 £000
Interest payable	1	1
Total interest payable and similar charges	1	1

6 Taxation

a) Analysis of charge in the year

The tax charge comprises:

	2021 £000	2020 £000
Current tax		
Overseas withholding tax	1,659	1,332
Total tax (note 6b)	1,659	1,332

b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised OEICs of 20% (2020: 20%). The differences are explained below:

	2021 £000	2020 £000
Net revenue before taxation	5,095	6,363
Corporation tax at 20% (2020: 20%)	1,019	1,273
Effects of:		
Overseas withholding tax	1,659	1,332
Overseas dividends	(2,584)	(2,358)
Tax effect of expensed double tax relief	(22)	(18)
UK dividends*	(266)	(276)
Unused management expenses	1,853	1,379
Tax charge for the year (note 6a)	1,659	1,332

* As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2020: nil).

d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £10,295,053 (2020: £8,441,537) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

Notes to the financial statements (continued)

7 Distributions

	2021	2020
	£000	£000
Interim income	771	1,025
Interim accumulation	2,070	2,925
Final income	246	314
Final accumulation	1,213	1,095
Equalisation adjustment on large disinvestment*	-	91
Total distributions	4,300	5,450
Net revenue after taxation	3,436	5,031
Revenue shortfall	864	419
Total distributions	4,300	5,450

* An equalisation adjustment was made during the prior year in respect to a large disinvestment on the I Euro accumulation share class. While it is recognised that this adjustment is not in line with the fund's equalisation policy, it was considered appropriate to prevent the overall share class from falling into deficit.

Details of the distribution per share are set out in the Distribution tables on pages 44 to 45.

8 Debtors

	2021	2020
	£000	£000
Accrued revenue	1,601	945
Amounts receivable for issue of shares	10,323	1,230
Overseas withholding tax reclaimable	217	199
Total debtors	12,141	2,374

9 Cash and bank balances

	2021	2020
	£000	£000
Cash and bank balances	47,132	25,157
Total cash and bank balances	47,132	25,157

10 Other creditors

	2021	2020
	£000	£000
Accrued annual management charge	922	545
Accrued Depositary's fee	6	5
Accrued other expenses	134	71
Amounts payable for cancellation of shares	1,168	1,895
Purchases awaiting settlement	12,124	-
Total other creditors	14,354	2,516

Notes to the financial statements (continued)

11 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

12 Related party transactions

HIFL as ACD to the fund is deemed to be a related party in respect of their dealings with the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 33 and 34 and notes 4, 8 and 10 on pages 35 to 37 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations
- Annual management charge
- GAC

There were no material shareholders at the year end (2020: nil).

13 Shareholders' funds

The fund currently has 8 share classes available: Class A (Retail), Class A Euro hedged (Retail), Class A Euro unhedged (Retail), Class E (Retail), Class G (Institutional), Class I (Institutional), Class I Euro hedged (Institutional) and Class Z (Institutional). The annual management charge on each share class is as follows:

	2021 %	2020 %
Class A	1.50	1.50
Class E	1.00	1.00
Class G	0.675	0.675
Class I	0.75	0.75
Class Z ¹	0.00	0.00
Class A Euro (hedged)	1.50	1.50
Class A Euro (unhedged)	1.50	1.50
Class I Euro (hedged)	0.75	0.75

¹ Charges for managing Z class shares are levied outside the fund and are agreed between the ACD and investors.

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative tables on pages 21 to 26. The distribution per share class is given in the Distribution tables on pages 44 to 45. All share classes have the same rights on winding up.

Shares reconciliation as at 31 March 2021

	Class A income	Class E income	Class G income	Class I accumulation
Opening number of shares	33,361,196	8,469,415	4,222,078	90,778,483
Issues during the year	5,169,534	310,464	1,328,476	57,893,788
Cancellations during the year	(3,038,462)	(397,146)	(655,360)	(4,473,936)
Shares converted during the year	(2,435,287)	2,259,873	-	187,289
Closing shares in issue	33,056,981	10,642,606	4,895,194	144,385,624
	Class I income	Class Z accumulation	Class A Euro (hedged) accumulation	Class A Euro accumulation
Opening number of shares	61,586,737	23,375,876	2,631,079	20,116
Issues during the year	15,214,041	214,168	253,171	16,808
Cancellations during the year	(9,100,587)	(1,449,318)	(2,723,148)	(26,402)
Shares converted during the year	(1,657)	(27,584)	-	-
Closing shares in issue	67,698,534	22,113,142	161,102	10,522

Notes to the financial statements (continued)

13 Shareholders' funds (continued)

Shares reconciliation (continued)

	Class I Euro (hedged) accumulation
Opening number of shares	276,829
Issues during the year	134,401
Cancellations during the year	(108,892)
Shares converted during the year	-
Closing shares in issue	<u>302,338</u>

14 Financial derivatives

The fund may use financial derivatives to reduce risk or to manage the fund more efficiently.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

There was no collateral pledged or collateral held in respect of forward foreign exchange contracts as at 31 March 2021 (2020: nil). The fund had cash assets of nil (2020: nil) and cash liabilities of nil (2020: nil) held in margin accounts at derivative clearing houses and brokers at 31 March 2021.

The tables below, provide further details of the counterparty exposure for the derivative positions held on the fund at 31 March 2021 (2020).

2021

At 31 March 2021 the counterparty exposure calculated using the positive marked-to-market fair value for the derivatives held, which is considered to be the risk of repayment to the counterparty by the fund, was as follows:

Counterparty	Forward foreign exchange contracts £000
JP Morgan	4
	<u>4</u>

2020

At 31 March 2020 the counterparty exposure calculated using the positive marked-to-market fair value for the derivatives held, which is considered to be the risk of repayment to the counterparty by the fund, was as follows:

Counterparty	Forward foreign exchange contracts £000
BNP Paribas	3
JP Morgan	59
	<u>62</u>

2021

At 31 March 2021 the underlying exposure to each counterparty, calculated on a notional basis using the market values for each derivative instrument held, was as follows:

Counterparty	Forward foreign exchange contracts £000
BNP Paribas	3
JP Morgan	12,326
	<u>12,329</u>

Notes to the financial statements (continued)

14 Financial derivatives (continued)

2020

At 31 March 2020 the underlying exposure to each counterparty, calculated on a notional basis using the market values for each derivative instrument held, was as follows:

Counterparty	Forward foreign exchange contracts £000
BNP Paribas	194
JP Morgan	35,156
	35,350

15 Risk

Currency risk

The exposure to currency risk is considered significant. The following table details the net exposure of the principal foreign currencies the fund is exposed to including any instruments used to hedge foreign currencies.

2021	Investment assets including (investment liabilities) £000	Other net assets/ (liabilities) £000	Total net assets/ (liabilities) £000
Currency			
Australian dollar	6,515	-	6,515
Canadian dollar	77,149	312	77,461
Euro	187,922	287	188,209
Hong Kong dollar	46,503	(12,124)	34,379
Japanese yen	133,320	1,099	134,419
Norwegian krone	-	26	26
Taiwan dollar	43,715	168	43,883
UK sterling	34,517	54,301	88,818
US dollar	910,435	604	911,039
Total	1,440,076	44,673	1,484,749

2020	Investment assets including (investment liabilities) £000	Other net assets £000	Total net assets/ (liabilities) £000
Currency			
Australian dollar	4,601	-	4,601
Canadian dollar	42,760	206	42,966
Euro	160,987	529	161,516
Hong Kong dollar	19,315	-	19,315
Japanese yen	73,529	516	74,045
Norwegian krone	-	24	24
UK sterling	(11,143)	23,025	11,882
US dollar	509,805	401	510,206
Total	799,854	24,701	824,555

Sensitivity analysis

The net foreign currency assets held by the fund at the year end were £1,395,931,034 (2020: £812,672,973). A 10% increase/ (decrease) in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of increasing/ (decreasing) the return for the year ended 31 March 2021 and the net assets as at 31 March 2021 by £139,593,103 (2020: £81,267,297).

Notes to the financial statements (continued)

15 Risk (continued)

Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other market price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

Leverage

The fund has not employed significant leverage in the current or prior year.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis.

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2021				
Derivative financial liabilities	-	109	-	-
Distribution payable	-	246	-	-
Other creditors	-	14,354	-	-
Total	-	14,709	-	-

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2020				
Derivative financial liabilities	-	1,122	-	-
Distribution payable	-	314	-	-
Other creditors	-	2,516	-	-
Total	-	3,952	-	-

16 Fair value disclosure

Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Notes to the financial statements (continued)

16 Fair value disclosure (continued)

Fair value hierarchy

	2021		2020	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	1,440,181	-	800,914	-
Level 2	4	109	62	1,122
Level 3	-	-	-	-
	<u>1,440,185</u>	<u>109</u>	<u>800,976</u>	<u>1,122</u>

17 Direct transaction costs

	Purchases		Sales	
	2021 £000	2020 £000	2021 £000	2020 £000
Trades in the year				
Equities	<u>433,332</u>	<u>293,806</u>	<u>201,472</u>	<u>166,117</u>
Trades in the year before transaction costs	<u>433,332</u>	<u>293,806</u>	<u>201,472</u>	<u>166,117</u>
Transaction costs				
Commissions				
Equities	<u>99</u>	<u>66</u>	<u>27</u>	<u>35</u>
Total commissions	<u>99</u>	<u>66</u>	<u>27</u>	<u>35</u>
Taxes				
Equities	<u>124</u>	<u>62</u>	<u>-</u>	<u>-</u>
Total taxes	<u>124</u>	<u>62</u>	<u>-</u>	<u>-</u>
Other expenses				
Equities	<u>41</u>	<u>36</u>	<u>3</u>	<u>2</u>
Total other expenses	<u>41</u>	<u>36</u>	<u>3</u>	<u>2</u>
Total transaction costs	<u>264</u>	<u>164</u>	<u>30</u>	<u>37</u>
Total net trades in the year after transaction costs	<u>433,596</u>	<u>293,970</u>	<u>201,442</u>	<u>166,080</u>

	Purchases		Sales	
	2021 %	2020 %	2021 %	2020 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.02	0.02	0.01	0.02
Taxes				
Equities	0.03	0.02	-	-
Other expenses				
Equities	0.01	0.01	-	-
	<u>2021</u>	<u>2020</u>		
	<u>%</u>	<u>%</u>		
Total transaction costs expressed as a percentage of net asset value				
Commissions	0.01	0.01		
Taxes	0.01	0.01		
Other expenses	-	-		
Total costs	<u>0.02</u>	<u>0.02</u>		

Notes to the financial statements (continued)

17 Direct transaction costs (continued)

There were no in specie transfers during the year (2020: £159,962,042). There were no corporate actions during the year (2020: nil).

There were no direct transaction costs associated with derivatives in the year (2020: nil).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

The portfolio dealing spread as at 31 March 2021 was 0.10% (2020: 0.18%). The portfolio dealing spread is calculated at a 12 noon valuation point.

18 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

Distribution tables for the year ended 31 March 2021 (in pence per share)

Interim dividend distribution (accounting date 30 September 2020, paid on 30 November 2020)

Group 1: shares purchased prior to 1 April 2020

Group 2: shares purchased on or after 1 April 2020

	Distribution per share	Total distribution per share 30/11/20	Total distribution per share 29/11/19
Class A income			
Group 1	-	-	0.0616
Group 2	-	-	0.0616
Class E income			
Group 1	0.2676	0.2676	0.4548
Group 2	0.2676	0.2676	0.4548
Class G income			
Group 1	1.2872	1.2872	0.8010
Group 2	1.2872	1.2872	0.8010
Class I accumulation			
Group 1	0.9820	0.9820	1.5124
Group 2	0.9820	0.9820	1.5124
Class I income			
Group 1	1.0675	1.0675	1.6457
Group 2	1.0675	1.0675	1.6457
Class Z accumulation			
Group 1	3.9285	3.9285	4.3101
Group 2	3.9285	3.9285	4.3101
Class A Euro (hedged) accumulation¹			
Group 1	-	-	-
Group 2	-	-	-
Class A Euro accumulation¹			
Group 1	-	-	6.0020
Group 2	-	-	6.0020
Class I Euro (hedged) accumulation¹			
Group 1	6.4376	6.4376	7.0529
Group 2	6.4376	6.4376	7.0529
Class I Euro accumulation^{1,2}			
Group 1	n/a	n/a	1.0488
Group 2	n/a	n/a	1.0488

¹ in Euro cents per share

² Class I Euro accumulation closed on 17 October 2019.

Distribution tables (continued)

Final dividend distribution (accounting date 31 March 2021, paid on 28 May 2021)

Group 1: shares purchased prior to 1 October 2020

Group 2: shares purchased on or after 1 October 2020

	Distribution per share	Total distribution per share 28/05/21	Total distribution per share 29/05/20
Class A income			
Group 1	-	-	-
Group 2	-	-	-
Class E income			
Group 1	-	-	-
Group 2	-	-	-
Class G income			
Group 1	0.5602	0.5602	0.6899
Group 2	0.5602	0.5602	0.6899
Class I accumulation			
Group 1	0.3356	0.3356	0.4616
Group 2	0.3356	0.3356	0.4616
Class I income			
Group 1	0.3230	0.3230	0.4623
Group 2	0.3230	0.3230	0.4623
Class Z accumulation			
Group 1	3.2636	3.2636	2.8448
Group 2	3.2636	3.2636	2.8448
Class A Euro (hedged) accumulation¹			
Group 1	-	-	-
Group 2	-	-	-
Class A Euro accumulation¹			
Group 1	-	-	-
Group 2	-	-	-
Class I Euro (hedged) accumulation¹			
Group 1	2.7311	2.7311	4.5613
Group 2	2.7311	2.7311	4.5613

¹ in Euro cents per share

Janus Henderson UK Responsible Income Fund

Authorised Corporate Director's report

Investment Fund Manager

Andrew Jones

Investment objective and policy

The fund aims to provide an income with the potential for capital growth over the long term (5 years or more).

The fund invests at least 80% of its assets in shares (also known as equities) of companies, of any size, in the UK. Companies will be incorporated, headquartered, or deriving significant revenue from, the UK.

The fund is actively managed with reference to the FTSE All Share Index, which is broadly representative of the companies in which it may invest, as this can provide a useful comparator for assessing the fund's performance. The Investment Manager has discretion to choose investments for the fund with weightings different to the index or not in the index.

As an additional means of assessing the performance of the fund, the IA UK Equity Income Sector average, which is based on a peer group of broadly similar funds, may also provide a useful comparator.

Performance summary

Cumulative performance

	One year 31 Mar 20 - 31 Mar 21 %	Three years 31 Mar 18 - 31 Mar 21 %	Five years 31 Mar 16 - 31 Mar 21 %	Since inception 30 Jun 85 - 31 Mar 21 %
Class I income (Net)	31.4	19.3	34.4	725.5
FTSE All Share Index	26.7	9.9	35.7	463.4
IA UK Equity Income Sector	32.5	8.8	25.9	460.3

Discrete performance

	31 Mar 20 - 31 Mar 21 %	31 Mar 19 - 31 Mar 20 %	31 Mar 18 - 31 Mar 19 %	31 Mar 17 - 31 Mar 18 %	31 Mar 16 - 31 Mar 17 %
Class I income (Net)	31.4	(12.7)	4.1	2.2	10.2
FTSE All Share Index	26.7	(18.5)	6.4	1.2	22.0
IA UK Equity Income Sector	32.5	(20.7)	3.6	0.4	15.2

Source: Morningstar

Class I income (Net), NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point.

Benchmark values are at close of business.

Class I income is disclosed as it is the representative share class.

Benchmark usage:

Index: FTSE All Share Index

Index usage: Comparator

Index description: The FTSE All Share Index is a measure of the combined performance of a large number of the companies listed on the London Stock Exchange and includes large, medium and smaller companies. It provides a useful comparison against which the fund's performance can be assessed over time.

Peer group: IA UK Equity Income Sector

Peer group usage: Comparator

Peer group description: The Investment Association (IA) groups fund with similar geographic and/or investment remit into sectors.

The fund's ranking within the sector (as calculated by a number of data providers) can be a useful performance comparison against other funds with similar aims.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Authorised Corporate Director's report (continued)

Significant portfolio changes for the year ended 31 March 2021

Largest purchases	£000	Largest sales	£000
WM Morrison Supermarkets	6,233	RSA Insurance	7,559
ConvaTec	5,168	Sanofi	4,435
3i	4,952	Phoenix	3,656
UPM-Kymmene	4,880	GlaxoSmithKline	3,324
RSA Insurance	4,819	SGS	3,221
Aviva	4,507	Veolia Environnement	3,205
Vodafone	4,316	Munchener Ruckvers	2,884
AstraZeneca	4,282	ASR Nederland	2,759
BT	4,142	Bellway	2,680
Pennon	4,013	Allianz	2,587
Total purchases	156,579	Total sales	75,359

Investment review

The fund returned 31.4% based on Class I income (Net) over the year under review, compared with a return of 26.7% in the FTSE All Share Index and a return of 32.5% in the IA UK Equity Income Sector peer group benchmark.

During the year, the FTSE 100 Index rose 21.9%, the FTSE 250 Index increased 45.1% and the FTSE Small Companies ex Investment Trusts Index gained 74.9%. At a sector level, materials, consumer discretionary, industrials and financials performed well while energy, healthcare, utilities and consumer staples were weaker.

The year under review was dominated by the spread of COVID-19 across the globe and policy actions undertaken to tackle the virus. Equity markets, having fallen very sharply in the first quarter of 2020 as the seriousness of the virus became apparent, rallied significantly over the year. Global equity markets started to recover from their March 2020 lows following an unprecedented level of co-ordinated government support through furlough and loan guarantee schemes and monetary and fiscal stimulus.

Markets continued to recover towards the end of 2020, despite the emergence of a second wave and new, more contagious strains of the virus, on the news that a number of highly effective vaccines had been developed. The election of Joe Biden as US president was seen as a further positive for equities, while the last-minute trade deal between the UK and European Union (EU) over their future trading relationship was a significant relief given the uncertainty it removed.

With the market making strong progress over the year, the fund's holdings in financial services and insurance were positive for performance. Companies such as Intermediate Capital, 3i, Schroder and Phoenix continued to announce very resilient results and paid attractive dividends. Performance was also aided by the fund's holding in RSA Insurance, which recommended a takeover offer from Tryg and Intact that was at a significant premium to the share price.

With domestic stocks more in favour as a result of the vaccine development and a favourable UK/EU trade deal outcome, the positions in National Express, Go-Ahead and Whitbread were also helpful to performance. As investors became more optimistic about the pace of economic recovery, the holdings in Electrocomponents, Johnson Matthey and Smurfit Kappa also outperformed the strong market.

On a relative basis, the most significant detractors to performance came from having no exposure to sectors that the fund is not permitted to own due to its avoidance criteria. Mining companies such as Rio Tinto, Anglo American and Glencore performed very strongly as commodity prices rose over the year and gambling stocks such as Flutter Entertainment and Entain also did well.

The year was a challenging one for equity income in the UK, with numerous companies either cutting or suspending dividends in order to preserve liquidity during the early phases of the pandemic. However, as the year went on there were encouraging signs of gradual normalisation. A significant number of companies returned to the dividend list as many realised that the effects of COVID-19 on their businesses were not as severe as initially thought. Although the fund's distribution fell over the reporting year, the portfolio proved far more resilient than the broader market. The absence of holdings in the oil and tobacco sectors was helpful on a relative basis, as was the significant exposure to sectors such as utilities, healthcare and financial services, where dividends continued to be paid.

The fund's exposure to overseas companies was increased to help mitigate the drop in income. Companies such as Zurich Insurance, Deutsche Telekom, ABB and Schneider Electric operated very well during the year and continued to pay good levels of dividends. As the shares in these businesses were acquired at attractive levels, this diversification also benefited the fund's capital performance.

While the manager added to overseas companies to diversify the sources of income, it was also important to recognise that a number of businesses that had cut or paused their dividends may offer significant value on a long-term basis, as well as the potential to return to the dividend list. As a result, several positions in companies that lowered their dividends were added to or retained in the portfolio. This included companies such as Whitbread, National Express, Informa and RSA Insurance. It was pleasing to see significantly improved share price performance from many of these companies as the year progressed.

After an unprecedented 2020, the outlook for the economy is encouraging as vaccination programmes gain traction and monetary and fiscal policy remains highly supportive. The UK equity market has significantly underperformed other equity markets for several years and, as a result, looks very attractively valued, in our view. After a challenging year for dividends, we continue to believe that the outlook is brighter, with a significant number of companies returning to the dividend list. We will continue with our strategy of selecting companies with strong free-cash-flow generation that are attractively valued and are well positioned to benefit from a recovery in economic activity.

Comparative tables for the year ended 31 March 2021

	Class A income		
	2021 (pence per share)	2020 (pence per share)	2019 (pence per share)
Change in net assets per share			
Opening net asset value per share	103.32	124.64	124.87
Return before operating charges*	31.25	(13.70)	7.12
Operating charges	(2.02)	(2.22)	(2.16)
Return after operating charges*	29.23	(15.92)	4.96
Distributions on income shares	(4.68)	(5.40)	(5.19)
Closing net asset value per share	127.87	103.32	124.64
* after direct transaction costs of:	0.29	0.25	0.17
Performance			
Return after charges	28.29%	(12.77%)	3.97%
Other information			
Closing net asset value (£000s)	33,972	30,747	50,564
Closing number of shares	26,568,067	29,757,502	40,567,478
Operating charges	1.73%	1.70%	1.70%
Direct transaction costs	0.25%	0.19%	0.13%
Prices			
Highest share price (pence)	130.60	142.00	137.29
Lowest share price (pence)	95.98	93.34	113.40

	Class E income	
	2021 (pence per share)	08/07/19 - 31/03/20 (pence per share)
Change in net assets per share		
Opening net asset value per share	103.71	133.13 ¹
Return before operating charges*	31.45	(22.86)
Operating charges	(1.46)	(1.16)
Return after operating charges*	29.99	(24.02)
Distributions on income shares	(4.71)	(5.40)
Closing net asset value per share	128.99	103.71
* after direct transaction costs of:	0.30	0.26
Performance		
Return after charges	28.92%	(18.04%)
Other information		
Closing net asset value (£000s)	17,648	10,804
Closing number of shares	13,681,449	10,417,478
Operating charges	1.23%	1.20%
Direct transaction costs	0.25%	0.19%
Prices		
Highest share price (pence)	131.70	142.50
Lowest share price (pence)	96.34	93.67

¹ Class E income launched on 8 July 2019 and this is the first published price.

Comparative tables (continued)

	Class I income		
	2021 (pence per share)	2020 (pence per share)	2019 (pence per share)
Change in net assets per share			
Opening net asset value per share	121.97	146.03	145.18
Return before operating charges*	37.04	(16.27)	8.32
Operating charges	(1.19)	(1.29)	(1.25)
Return after operating charges*	35.85	(17.56)	7.07
Distributions on income shares	(5.73)	(6.50)	(6.22)
Closing net asset value per share	152.09	121.97	146.03
* after direct transaction costs of:	0.35	0.30	0.20
Performance			
Return after charges	29.39%	(12.02%)	4.87%
Other information			
Closing net asset value (£000s)	237,735	118,096	107,101
Closing number of shares	156,314,776	96,824,510	73,342,646
Operating charges	0.85%	0.84%	0.84%
Direct transaction costs	0.25%	0.19%	0.13%
Prices			
Highest share price (pence)	155.40	167.60	159.82
Lowest share price (pence)	113.30	110.20	132.60
	Class Z accumulation		
	2021 (pence per share)	2020 (pence per share)	2019 (pence per share)
Change in net assets per share			
Opening net asset value per share	317.87	361.01	341.64
Return before operating charges*	98.92	(42.91)	19.58
Operating charges	(0.26)	(0.23)	(0.21)
Return after operating charges*	98.66	(43.14)	19.37
Distributions on accumulation shares	(15.25)	(16.39)	(14.93)
Retained distributions on accumulation shares	15.25	16.39	14.93
Closing net asset value per share	416.53	317.87	361.01
* after direct transaction costs of:	0.93	0.75	0.47
Performance			
Return after charges	31.04%	(11.95%)	5.67%
Other information			
Closing net asset value (£000s)	2,950	2,127	2,598
Closing number of shares	708,100	669,180	719,575
Operating charges	0.07%	0.06%	0.06%
Direct transaction costs	0.25%	0.19%	0.13%
Prices			
Highest share price (pence)	419.20	428.80	376.52
Lowest share price (pence)	296.20	282.20	321.50

Comparative tables (continued)

Direct transaction costs incurred on securities transactions are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

There were no share classes launched or closed during the year.

Ongoing charge figure

The annualised OCF of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

	2021 %	2020 %	Estimated OCF from 5 May 2020¹ %
Class A income	1.73 ²	1.70	1.73
Class E income	1.23 ²	1.20	1.23
Class I income	0.85 ³	0.84	0.85
Class Z accumulation	0.07 ⁴	0.06	0.07

The OCF is calculated in accordance with guidelines issued by ESMA.

¹ The estimated ongoing charge is based on the new GAC rates to the year ended 31 March 2021.

² The GAC on Class A income and Class E income increased from 0.18% to 0.22% on 5 May 2020 and therefore the rate applied is not consistent throughout the year.

³ The GAC on Class I income increased from 0.075% to 0.09% on 5 May 2020 and therefore the rate applied is not consistent throughout the year.

⁴ The GAC on Class Z accumulation increased from 0.045% to 0.06% on 5 May 2020 and therefore the rate applied is not consistent throughout the year.

Risk and reward profile

The fund currently has 4 types of share class in issue: A income, E income, I income and Z accumulation.

Each share class has the same risk and reward profile which is as follows:



The share classes appear at 6 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in net asset value in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The SRRRI is calculated based on historical volatility over a rolling 5* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRRI level. The SRRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

The full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

The risk rating for all share classes increased to 6 from 5 during the year. The ratings may change over time as a fund takes on more or less risky investments or where market conditions become more or less volatile. At share class level the ratings may differ dependent on the class currency and may be influenced by currency movements and the impact of inflows and outflows.

The SRRRI conforms to the ESMA guidelines for the calculation of the SRRRI.

* Class E income was launched on 8 July 2019 and as it does not have a 5 year history, a synthetic history has been created using the A income share class.

Portfolio statement as at 31 March 2021

Holding	Investment	Market value £000	Percentage of total net assets %
	Equities 101.01% (2020: 100.90%)		
	Finland 1.58% (2020: 0.00%)		
	Basic Materials 1.58% (2020: 0.00%)		
177,061	UPM-Kymmene	4,631	1.58
	France 1.68% (2020: 4.51%)		
	Consumer Discretionary 0.89% (2020: 0.69%)		
109,393	Vivendi	2,608	0.89
	Health Care 0.00% (2020: 2.11%)		
	Industrials 0.79% (2020: 0.00%)		
20,851	Schneider Electric	2,314	0.79
	Utilities 0.00% (2020: 1.71%)		
	Germany 1.27% (2020: 2.35%)		
	Technology 0.00% (2020: 1.25%)		
	Telecommunications 1.27% (2020: 1.10%)		
253,941	Deutsche Telekom	3,709	1.27
	Ireland 1.68% (2020: 1.62%)		
	Industrials 1.68% (2020: 1.62%)		
144,446	Smurfit Kappa	4,920	1.68
	Switzerland 5.13% (2020: 3.93%)		
	Financials 0.62% (2020: 0.77%)		
5,841	Zurich Insurance	1,815	0.62
	Health Care 3.08% (2020: 0.00%)		
2,600,689	ConvaTec	5,100	1.75
62,518	Novartis	3,888	1.33
		8,988	3.08
	Industrials 1.43% (2020: 3.16%)		
190,423	ABB	4,188	1.43
	United Kingdom 86.25% (2020: 84.56%)		
	Basic Materials 2.18% (2020: 1.29%)		
211,486	Johnson Matthey	6,372	2.18
	Consumer Discretionary 13.50% (2020: 14.66%)		
167,630	Compass	2,450	0.84
158,839	Go-Ahead	2,159	0.74
462,466	Informa	2,589	0.89
2,676,010	ITV	3,215	1.10
446,331	Kingfisher	1,421	0.49
1,529,666	National Express	4,708	1.61
39,690	Next	3,122	1.07

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Consumer Discretionary (continued)			
138,430	Persimmon	4,070	1.39
344,881	RELX	6,273	2.14
434,338	RM	973	0.33
1,907,926	Taylor Wimpey	3,443	1.18
146,799	Whitbread	5,029	1.72
		<u>39,452</u>	<u>13.50</u>
Consumer Staples 3.69% (2020: 2.26%)			
648,565	Britvic	5,432	1.86
2,939,549	WM Morrison Supermarkets	5,363	1.83
		<u>10,795</u>	<u>3.69</u>
Financials 29.72% (2020: 25.72%)			
667,200	Ashmore	2,611	0.89
1,497,852	Aviva	6,114	2.09
1,773,744	Direct Line Insurance	5,557	1.90
577,656	Greencoat UK Wind	743	0.25
330,991	Intermediate Capital	6,097	2.09
1,733,756	Jupiter Fund Management	4,830	1.65
9,574,224	Lloyds Banking	4,072	1.39
45,358	London Stock Exchange	3,148	1.08
2,254,215	M&G	4,675	1.60
2,749,472	NatWest	5,396	1.85
349,513	Paragon Banking	1,599	0.55
912,585	Phoenix	6,700	2.29
487,656	Prudential	7,512	2.57
378,577	Schroder Non-Voting Shares	9,427	3.23
165,457	St James's Place	2,108	0.72
639,388	Standard Chartered	3,194	1.09
1,665,080	Standard Life Aberdeen	4,827	1.65
715,384	3i	8,252	2.83
		<u>86,862</u>	<u>29.72</u>
Health Care 8.81% (2020: 14.64%)			
193,731	AstraZeneca	14,040	4.80
367,192	GlaxoSmithKline	4,729	1.62
506,652	Smith & Nephew	6,982	2.39
		<u>25,751</u>	<u>8.81</u>
Industrials 7.09% (2020: 6.75%)			
1,009,440	DS Smith	4,115	1.40
379,379	Electrocomponents	3,767	1.29
308,232	Euromoney Institutional Investor	2,941	1.01
44,183	Ferguson	3,830	1.31
136,038	Oxford Instruments	2,593	0.89
104,127	Spectris	3,464	1.19
		<u>20,710</u>	<u>7.09</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Real Estate 2.82% (2020: 3.53%)			
3,136,541	Assura	2,261	0.77
160,200	Ethical Property ¹	147	0.05
844,256	Land Securities	5,827	2.00
		<u>8,235</u>	<u>2.82</u>
Technology 3.12% (2020: 2.02%)			
1,237,697	Moneysupermarket.Com	3,300	1.13
948,906	Sage	5,815	1.99
		<u>9,115</u>	<u>3.12</u>
Telecommunications 4.89% (2020: 3.48%)			
3,026,504	BT	4,685	1.60
7,283,847	Vodafone	9,606	3.29
		<u>14,291</u>	<u>4.89</u>
Utilities 10.43% (2020: 10.21%)			
991,004	National Grid	8,562	2.92
368,641	Pennon	3,594	1.23
192,276	Severn Trent	4,434	1.52
566,999	SSE	8,250	2.82
611,442	United Utilities	5,661	1.94
		<u>30,501</u>	<u>10.43</u>
United States 3.42% (2020: 3.93%)			
Health Care 1.00% (2020: 1.58%)			
64,064	Bristol-Myers Squibb	2,931	1.00
Technology 0.78% (2020: 0.97%)			
16,755	Texas Instruments	2,294	0.78
Telecommunications 1.64% (2020: 1.38%)			
68,006	Cisco Systems	2,549	0.88
52,988	Verizon Communications	2,233	0.76
		<u>4,782</u>	<u>1.64</u>
Investment assets		295,264	101.01
Other net liabilities		(2,959)	(1.01)
Total net assets		292,305	100.00

¹ Manually priced securities

All investments are listed on recognised stock exchanges or are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Prior year comparative percentages have changed for some sectors due to reclassification within these sectors.

Statement of total return for the year ended 31 March 2021

	Note	2021		2020	
		£000	£000	£000	£000
Income					
Net capital gains/(losses)	2		50,863		(31,939)
Revenue	3	9,651		7,778	
Expenses	4	(2,269)		(1,891)	
Interest payable and similar charges	5	(1)		(1)	
Net revenue before taxation		7,381		5,886	
Taxation	6	(217)		(112)	
Net revenue after taxation			<u>7,164</u>		<u>5,774</u>
Total return before distributions			58,027		(26,165)
Distributions	7		(9,142)		(7,453)
Change in net assets attributable to shareholders from investment activities			<u>48,885</u>		<u>(33,618)</u>

Statement of change in net assets attributable to shareholders for the year ended 31 March 2021

	2021		2020	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		161,774		160,263
Amounts receivable on issue of shares	107,010		47,867	
Amounts payable on cancellation of shares	<u>(25,596)</u>		<u>(12,856)</u>	
		81,414		35,011
Dilution adjustment		122		-
Change in net assets attributable to shareholders from investment activities		48,885		(33,618)
Retained distributions on accumulation shares		109		116
Unclaimed distributions		1		2
Closing net assets attributable to shareholders		<u>292,305</u>		<u>161,774</u>

Balance sheet as at 31 March 2021

	Note	2021 £000	2020 £000
Assets:			
Investments		295,264	163,232
Current assets:			
Debtors	8	2,228	4,384
Cash and bank balances	9	1,179	1,249
Total assets		298,671	168,865
Liabilities:			
Creditors:			
Bank overdrafts		-	760
Distributions payable		4,368	2,802
Other creditors	10	1,998	3,529
Total liabilities		6,366	7,091
Net assets attributable to shareholders		292,305	161,774

1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

2 Net capital gains/(losses)

Net capital gains/(losses) on investments during the year comprise:

	2021	2020
	£000	£000
Forward currency contracts	15	-
Non-derivative securities	50,870	(31,833)
Other currency losses	(17)	(99)
Transaction costs	(5)	(7)
Net capital gains/(losses)	50,863	(31,939)

3 Revenue

	2021	2020
	£000	£000
Bank interest	-	7
Overseas dividends	1,987	1,102
UK dividends	7,428	6,363
UK REIT revenue - PID	193	263
UK REIT revenue - non PID	43	43
Total revenue	9,651	7,778

4 Expenses

	2021	2020
	£000	£000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	1,978	1,679
GAC*	264	190
	<u>2,242</u>	<u>1,869</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	20	16
Safe custody fees	7	6
	<u>27</u>	<u>22</u>
Total expenses	2,269	1,891

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £8,861 (2020: £7,912).

Notes to the financial statements (continued)

5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2021 £000	2020 £000
Interest payable	1	1
Total interest payable and similar charges	1	1

6 Taxation

a) Analysis of charge in the year

The tax charge comprises:

	2021 £000	2020 £000
Current tax		
Overseas withholding tax	217	112
Total tax (note 6b)	217	112

b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised OEICS of 20% (2020: 20%). The differences are explained below:

	2021 £000	2020 £000
Net revenue before taxation	7,381	5,886
Corporation tax at 20% (2020: 20%)	1,476	1,177
Effects of:		
Overseas dividends	(397)	(220)
Overseas withholding tax	217	112
UK dividends*	(1,494)	(1,281)
Unused management expenses	415	324
Tax charge for the year (note 6a)	217	112

* As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2020: nil).

d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £5,587,029 (2020: £5,171,665) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

Notes to the financial statements (continued)

7 Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	2021	2020
	£000	£000
Interim income	5,617	4,896
Interim accumulation	65	78
Final income	4,368	2,802
Final accumulation	44	38
	<u>10,094</u>	<u>7,814</u>
Amounts deducted on cancellation of shares	243	146
Amounts received on issue of shares	(1,195)	(507)
Total distributions	<u>9,142</u>	<u>7,453</u>
Net revenue after taxation	7,164	5,774
Annual management charge borne by the capital account	1,978	1,679
Total distributions	<u>9,142</u>	<u>7,453</u>

Details of the distribution per share are set out in the Distribution tables on page 68.

8 Debtor

	2021	2020
	£000	£000
Accrued revenue	1,237	598
Amounts receivable for issue of shares	932	511
Currency transactions awaiting settlement	-	944
Income tax recoverable	28	27
Overseas withholding tax reclaimable	31	32
Sales awaiting settlement	-	2,272
Total debtors	<u>2,228</u>	<u>4,384</u>

9 Cash and bank balances

	2021	2020
	£000	£000
Cash and bank balances	1,179	1,249
Total cash and bank balances	<u>1,179</u>	<u>1,249</u>

Notes to the financial statements (continued)

10 Other creditors

	2021 £000	2020 £000
Accrued annual management charge	208	129
Accrued Depositary's fee	2	1
Accrued other expenses	29	17
Amounts payable for cancellation of shares	474	3
Currency transactions awaiting settlement	-	941
Purchases awaiting settlement	1,285	2,438
Total other creditors	1,998	3,529

11 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

12 Related party transactions

HIFL as ACD to the fund is deemed to be a related party in respect of their dealings with the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 57 and 58 and notes 4, 7, 8 and 10 on pages 59 to 62 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations
- Annual management charge
- GAC

There were no material shareholders at the year end (2020: nil).

13 Shareholders' funds

The fund currently has 4 share classes available: Class A (Retail), Class E (Retail), Class I (Institutional) and Class Z (Institutional). The annual management charge on each share class is as follows:

	2021 %	2020 %
Class A	1.50	1.50
Class E	1.00	1.00
Class I	0.75	0.75
Class Z ¹	0.00	0.00

¹ Charges for managing Z class shares are levied outside the fund and are agreed between the ACD and investors.

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative tables on pages 49 to 51. The distribution per share class is given in the Distribution tables on page 68. All share classes have the same rights on winding up.

Shares reconciliation as at 31 March 2021

	Class A income	Class E income	Class I income	Class Z accumulation
Opening number of shares	29,757,502	10,417,478	96,824,510	669,180
Issues during the year	3,028,167	734,248	74,302,363	91,362
Cancellations during the year	(2,728,370)	(651,808)	(15,056,937)	(52,442)
Shares converted during the year	(3,489,232)	3,181,531	244,840	-
Closing shares in issue	26,568,067	13,681,449	156,314,776	708,100

Notes to the financial statements (continued)

14 Financial derivatives

The fund may use financial derivatives to reduce risk, to manage the fund more efficiently, or to generate additional income for the fund.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

The counterparty exposure has been calculated using the positive marked-to-market value of the derivative contract with that counterparty.

There was no collateral pledged or collateral held in respect of derivatives as at 31 March 2021 (2020: nil).

2021

The fund had no exposure to derivatives as at 31 March 2021.

2020

The fund had no exposure to derivatives as at 31 March 2020.

15 Stock lending

The fund and the Investment Manager have entered into a stock lending programme with JPMorgan Chase Bank, National Association (London Branch) acting as the stock lending agent in order to generate additional revenue.

Stock lending revenue is disclosed under 'Revenue' in the Statement of total return.

Eligible collateral types for stock lending and borrowing transactions are approved by the Investment Manager and may consist of (i) cash, (ii) securities issued or guaranteed by an EU Member State, Member State of the OECD or by their local authorities or supranational institutions and organisations with regional, EU and world-wide scope, or by Hong Kong or Singapore, generally subject to a minimum long term credit rating of at least A- by one or more major rating agency, or (iii) equities. Collateral should be highly liquid and traded on a regulated market. Collateral is subject to a haircut on a sliding scale based on the combination of the underlying instrument being lent versus the asset being received as collateral. The value of collateral required will range from 102% to 110.00% of the value of the stock on loan.

2021

Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
UBS	3,899	4,197	Government Bond
	3,899	4,197	

Recipient	Relationship	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000
BNP Paribas ¹	Stock lending agent	-	-	-

¹ Until 9 March 2021 BNP Paribas was the securities lending agent

2020

The fund had no stock on loan as at 31 March 2020.

Notes to the financial statements (continued)

16 Risk

Currency risk

The exposure to currency risk is considered significant. The following table details the net exposure of the principal foreign currencies the fund is exposed to including any instruments used to hedge foreign currencies.

	Investment assets £000	Other net assets/(liabilities) £000	Total net assets/(liabilities) £000
2021			
Currency			
Euro	13,261	228	13,489
Swiss franc	9,891	76	9,967
UK sterling	262,105	(3,381)	258,724
US dollar	10,007	118	10,125
Total	295,264	(2,959)	292,305
	Investment assets £000	Other net assets/(liabilities) £000	Total net assets/(liabilities) £000
2020			
Currency			
Euro	11,096	32	11,128
Swiss franc	6,362	168	6,530
UK sterling	139,424	(1,219)	138,205
US dollar	6,350	(439)	5,911
Total	163,232	(1,458)	161,774

Sensitivity analysis

The net foreign currency assets held by the fund at the year end were £33,580,909 (2020: £23,569,528). A 10% increase/(decrease) in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of increasing/(decreasing) the return for the year ended 31 March 2021 and the net assets as at 31 March 2021 by £3,358,091 (2020: £2,356,953).

Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other market price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

Leverage

The fund has not employed significant leverage in the current or prior year.

Notes to the financial statements (continued)

16 Risk (continued)

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis.

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2021				
Distribution payable	-	4,368	-	-
Other creditors	-	1,998	-	-
Total	-	6,366	-	-
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2020				
Bank overdrafts	760	-	-	-
Distribution payable	-	2,802	-	-
Other creditors	-	3,529	-	-
Total	760	6,331	-	-

17 Fair value disclosure

Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Fair value hierarchy

	2021		2020	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	295,117	-	163,080	-
Level 2	-	-	-	-
Level 3	147	-	152	-
	295,264	-	163,232	-

Notes to the financial statements (continued)

17 Fair value disclosure (continued)

Fair value hierarchy (continued)

Where a price is unavailable or the price provided is not thought to be a fair reflection of the current market value of the asset, the Investment Manager, at its discretion, may permit some other method of valuation to be used if they consider that it better reflects value and is in accordance with good accounting practice. Janus Henderson UK & EMEA Fair Value Pricing Committee (FVPC) of the Investment Manager supports the ACD in determining or approving unquoted prices. Where deemed necessary, the FVPC will seek ratification of decisions from the Janus Henderson Investment Performance and Risk Committee. The FVPC meets on a monthly basis and consists of representatives from various parts of the Investment Manager who act as an independent party, segregated from the fund management function, to review and approve fair value pricing decisions and pricing models on a regular basis. The asset included within level 3 is an unlisted security which has been valued by the FVPC at their best estimate of fair value. The Ethical Property holding has been valued using the last traded price on the Bulletin Board of Ethex website, which was dated 24 March 2021.

18 Direct transaction costs

	Purchases		Sales	
	2021	2020	2021	2020
	£000	£000	£000	£000
Trades in the year				
Equities	155,903	79,301	75,383	46,209
Trades in the year before transaction costs	155,903	79,301	75,383	46,209
Transaction costs				
Commissions				
Equities	48	24	24	18
Total commissions	48	24	24	18
Taxes				
Equities	617	300	-	-
Total taxes	617	300	-	-
Other expenses				
Equities	11	16	-	-
Total other expenses	11	16	-	-
Total transaction costs	676	340	24	18
Total net trades in the year after transaction costs	156,579	79,641	75,359	46,191

	Purchases		Sales	
	2021	2020	2021	2020
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.03	0.03	0.03	0.04
Taxes				
Equities	0.40	0.38	-	-
Other expenses				
Equities	0.01	0.02	-	-
Total transaction costs expressed as a percentage of net asset value	2021	2020		
	%	%		
Commissions	0.03	0.02		
Taxes	0.27	0.16		
Other expenses	-	0.01		
Total costs	0.30	0.19		

Notes to the financial statements (continued)

18 Direct transaction costs (continued)

There were no in specie transfers during the year (2020: nil). There were no corporate actions during the year (2020: nil).

There were no direct transaction costs associated with derivatives in the year (2020: nil).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

The portfolio dealing spread as at 31 March 2021 was 0.09% (2020: 0.16%). The portfolio dealing spread is calculated at a 12 noon valuation point.

19 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

Distribution tables for the year ended 31 March 2021 (in pence per share)

Interim dividend distribution (accounting date 30 September 2020, paid on 30 November 2020)

Group 1: shares purchased prior to 1 April 2020

Group 2: shares purchased on or after 1 April 2020

	Distribution per share	Equalisation	Total distribution per share 30/11/20	Total distribution per share 29/11/19
Class A income				
Group 1	2.8148	-	2.8148	3.6315
Group 2	0.9974	1.8174	2.8148	3.6315
Class E income				
Group 1	2.8325	-	2.8325	3.6324
Group 2	1.5651	1.2674	2.8325	3.6324
Class I income				
Group 1	3.4189	-	3.4189	4.3429
Group 2	1.3238	2.0951	3.4189	4.3429
Class Z accumulation				
Group 1	8.9762	-	8.9762	10.8029
Group 2	7.8687	1.1075	8.9762	10.8029

Final dividend distribution (accounting date 31 March 2021, paid on 28 May 2021)

Group 1: shares purchased prior to 1 October 2020

Group 2: shares purchased on or after 1 October 2020

	Distribution per share	Equalisation	Total distribution per share 28/05/21	Total distribution per share 29/05/20
Class A income				
Group 1	1.8671	-	1.8671	1.7644
Group 2	1.1739	0.6932	1.8671	1.7644
Class E income				
Group 1	1.8817	-	1.8817	1.7686
Group 2	1.2761	0.6056	1.8817	1.7686
Class I income				
Group 1	2.3121	-	2.3121	2.1609
Group 2	1.3179	0.9942	2.3121	2.1609
Class Z accumulation				
Group 1	6.2786	-	6.2786	5.5869
Group 2	6.1001	0.1785	6.2786	5.5869

Janus Henderson Global Responsible Managed Fund

Authorised Corporate Director's report

Investment Fund Managers

Hamish Chamberlayne, Philip Payne and Andrew Jones

Please note that as of 10 March 2021, the Janus Henderson Institutional Global Responsible Managed Fund changed its name to Janus Henderson Global Responsible Managed Fund. Furthermore, from 10 March 2021 Philip Payne and Andrew Jones also manage this fund.

Investment objective and policy

The fund aims to provide capital growth over the long term (5 years or more) by investing in companies that are responsibly run, giving due consideration to environmental, social and governance issues.

The fund will avoid investing in companies that the Investment Manager considers to potentially have a negative impact in the development of a sustainable global economy.

The fund invests in shares (also known as equities) and bonds of companies and issuers, in any industry, in any country, and will normally have significant allocations to the UK as well as other countries.

The fund is actively managed with reference to the IA Mixed Investment 40–85% Shares sector average, which is based on a peer group of broadly similar funds. The Investment Manager has a high degree of freedom to choose individual investments for the fund and to vary allocations between asset types within the constraints of the sector.

Performance summary

Cumulative performance

	One year 31 Mar 20 - 31 Mar 21 %	Three years 31 Mar 18 - 31 Mar 21 %	Five years 31 Mar 16 - 31 Mar 21 %	Since inception 13 Apr 00 - 31 Mar 21 %
Class I accumulation (Net)	29.3	42.3	70.7	197.1
IA Mixed Investment 40-85% Shares	26.5	21.8	45.4	155.9

Discrete performance

	31 Mar 20 - 31 Mar 21 %	31 Mar 19 - 31 Mar 20 %	31 Mar 18 - 31 Mar 19 %	31 Mar 17 - 31 Mar 18 %	31 Mar 16 - 31 Mar 17 %
Class I accumulation (Net)	29.3	2.5	7.3	3.6	15.8
IA Mixed Investment 40-85% Shares	26.5	(7.7)	4.4	1.6	17.5

Source: Morningstar

Class I accumulation (Net), NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point.

Benchmark values are at close of business.

Class I accumulation is disclosed as it is the representative share class.

Benchmark usage:

Peer group: IA Mixed Investment 40-85% Shares

Peer group usage: Comparator

Peer group description: The Investment Association (IA) groups funds with similar geographic and/or investment remit into sectors. The fund's ranking within the sector (as calculated by a number of data providers) can be a useful performance comparison against other funds with similar aims.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Authorised Corporate Director's report (continued)

Significant portfolio changes for the year ended 31 March 2021

Largest purchases	£000	Largest sales/maturities	£000
Taiwan Semiconductor Manufacturing	4,908	Tesla	5,431
Evoqua Water Technologies	3,570	Salesforce.com	4,659
Nvidia	3,084	SAP	3,165
Lam Research	2,415	UK Treasury 1.75% 07/09/2037	2,825
Microsoft	2,388	Teladoc Health	2,390
Knorr-Bremse	2,376	ASML	2,332
Crown Castle International	2,100	Walt Disney	2,291
TE Connectivity	1,960	Kingspan	2,061
Murata Manufacturing	1,862	RSA Insurance	1,723
WM Morrison Supermarkets	1,856	US Treasury 1.625% 15/08/2029	1,617
Total purchases	129,211	Total sales/maturities	88,444

Investment review

The fund returned 29.3% based on Class I accumulation (Net) over the year under review, compared with a return of 26.5% in the IA Mixed Investment 40-85% Shares peer group benchmark.

The past year was one of incredible unpredictability. Stock markets worldwide declined sharply in March 2020, with economic activity negatively impacted by the COVID-19 global pandemic. Now, a year later, equity markets have rebounded on hopes of a global economic recovery helped by the significant progress in the roll-out of COVID-19 vaccination programmes. Equity market participants appear to have priced in the continued lifting of restrictions and a path towards a normalisation in economic activity, despite concerns about the transmission of virus variants.

The MSCI World Total Return Index gained 39.1% in sterling terms during the reporting year, reaching all-time highs, helped by the strong performance of US technology stocks. The UK, meanwhile, agreed a trade deal with the European Union (EU) before its final departure in January 2021, which helped the FTSE All Share Index gain 26.7%. Globally, economically sensitive sectors such as consumer discretionary, materials and industrials performed strongly, as did information technology (IT). Conversely, defensive sectors such as utilities, healthcare and consumer staples were weak.

Given hopes of a strong rebound in economic activity, government bond markets declined, with the US 10-year bond yield (which moves inversely to prices) rising from 0.67% to 1.74% over the year. This sell-off in sovereign debt was not confined to the US, with European bonds also declining. Credit spreads, however, tightened, and with investors starting to anticipate the return of inflationary pressures, both corporate debt and inflation-linked bonds registered positive returns, outperforming government debt.

The fund's overweight equity position and underweight bond holding was beneficial for performance, with stock selection also adding value. Both the fund's international and UK equity holdings outperformed their respective benchmarks. The fund benefited from an overweight stance in IT, with the pandemic accelerating the transition towards a digital economy. Conversely, the fund had minimal exposure to the types of businesses more severely impacted by the COVID-19 crisis.

At the stock level, the fund's holdings in Tesla, Aptiv, ASML, Lam Research and Walker & Dunlop recorded large positive returns. The biggest positive contributor was Tesla, which was one of the only major automotive companies in 2020 to report sales growth. It also reported its fourth consecutive quarter of profitability, thereby making it eligible for inclusion in the S&P 500 Index. Aptiv is one of the world's leading suppliers of advanced technology for the electrification of cars and benefited from the increasing adoption of electric vehicles. Companies providing cloud solutions were also in high demand, as employees across many businesses started working from home. This benefited semiconductor equipment manufacturers LAM Research and ASML, which have exposure to 5G technology as well as cloud data centre trends. Mortgage finance company Walker & Dunlop saw a strong recovery in loan originations, which resulted in solid earnings results in the second half of the reporting year.

Among the detractors from performance were Equinix, Crown Castle International and Encompass Health. Equinix, a real estate investment trust (REIT) with a focus on data centres, was on the wrong side of the market rotation that occurred after the positive COVID-19 vaccine news benefited more cyclically exposed businesses. Similarly, REIT company Crown Castle International performed weakly, while Encompass Health struggled to keep pace with the market recovery due to the negative impact that COVID-19 has had on admissions to its inpatient rehabilitation facilities. In the UK, positions in defensive stocks such as AstraZeneca and GlaxoSmithKline, as well as electricity transmission company National Grid, also detracted from returns.

Given the relative attractiveness of equities over bonds, the allocation to equities was increased slightly during the year to around 78%. Some profits were taken from international equities and re-invested in UK equities, which had underperformed and looked attractively valued. Exposure to bonds, meanwhile, declined to around 17%, largely due to the underperformance of the asset class. The decision was taken not to actively increase exposure, given the low yields on offer and the limited opportunity for credit spreads to tighten further.

Digitisation, electrification and decarbonisation are dynamics that are impacting every sector of the global economy. These well-established themes have been accelerated by the events of the past year and are powerful agents of positive change with regard to both societal and environmental sustainability goals.

As we look to the next few years, we are optimistic. In the near term, we are conscious that valuations are high in some parts of the equity market. However, with extremely accommodative monetary policy, and central banks committed to supporting higher growth, conditions exist for further equity market upside. With a pro-climate US president, the EU putting climate-related investment at the heart of its economic recovery plan, and with China recently reaffirming its commitment to green investment and decarbonisation, there is clear momentum for a globally synchronised clean energy and technology investment boom. The pandemic has accelerated and cemented some trends that have been in place for a while, and we believe many of the societal and economic changes recently experienced will prove to be durable. Although 2020 was challenging, we are optimistic that the global economy will emerge from this pandemic more resilient, and on a more sustainable trajectory, than before.

Comparative tables for the year ended 31 March 2021

	Class A accumulation		
	2021 (pence per share)	2020 (pence per share)	2019 (pence per share)
Change in net assets per share			
Opening net asset value per share	200.34	199.89	187.37
Return before operating charges*	63.49	4.13	15.83
Operating charges	(4.20)	(3.68)	(3.31)
Return after operating charges*	59.29	0.45	12.52
Distributions on accumulation shares	(0.36)	(1.61)	(3.58)
Retained distributions on accumulation shares	0.36	1.61	3.58
Closing net asset value per share	259.63	200.34	199.89
* after direct transaction costs of:	0.18	0.12	0.08
Performance			
Return after charges	29.59%	0.23%	6.68%
Other information			
Closing net asset value (£000s)	6,217	4,437	5,365
Closing number of shares	2,394,619	2,214,731	2,684,265
Operating charges	1.73%	1.70%	1.69%
Direct transaction costs	0.07%	0.05%	0.04%
Prices			
Highest share price (pence)	268.70	240.10	204.80
Lowest share price (pence)	193.60	188.50	179.80

	Class E accumulation 08/07/19 - 31/03/20	
	2021 (pence per share)	(pence per share)
Change in net assets per share		
Opening net asset value per share	200.93	217.65 ¹
Return before operating charges*	63.54	(14.78)
Operating charges	(3.00)	(1.94)
Return after operating charges*	60.54	(16.72)
Distributions on accumulation shares	(1.68)	(2.17)
Retained distributions on accumulation shares	1.68	2.17
Closing net asset value per share	261.47	200.93
* after direct transaction costs of:	0.18	0.12
Performance		
Return after charges	30.13%	(7.68%)
Other information		
Closing net asset value (£000s)	1,639	1,034
Closing number of shares	626,946	514,862
Operating charges	1.23%	1.20%
Direct transaction costs	0.07%	0.05%
Prices		
Highest share price (pence)	270.30	240.70
Lowest share price (pence)	194.20	189.10

¹ Class E accumulation launched on 8 July 2019 and this is the first published price.

Comparative tables (continued)

	Class I accumulation		
	2021 (pence per share)	2020 (pence per share)	2019 (pence per share)
Change in net assets per share			
Opening net asset value per share	227.90	225.82	210.23
Return before operating charges*	72.00	4.15	17.43
Operating charges	(2.39)	(2.07)	(1.84)
Return after operating charges*	69.61	2.08	15.59
Distributions on accumulation shares	(2.64)	(3.46)	(3.27)
Retained distributions on accumulation shares	2.64	3.46	3.27
Closing net asset value per share	297.51	227.90	225.82
* after direct transaction costs of:	0.21	0.13	0.09
Performance			
Return after charges	30.54%	0.92%	7.42%
Other information			
Closing net asset value (£000s)	203,735	105,155	98,052
Closing number of shares	68,480,423	46,141,416	43,421,150
Operating charges	0.86%	0.84%	0.84%
Direct transaction costs	0.07%	0.05%	0.04%
Prices			
Highest share price (pence)	307.30	272.90	230.40
Lowest share price (pence)	220.20	214.40	202.80
	Class Z accumulation		
	2021 (pence per share)	2020 (pence per share)	2019 (pence per share)
Change in net assets per share			
Opening net asset value per share	364.58	358.94	332.08
Return before operating charges*	114.74	5.88	27.07
Operating charges	(0.35)	(0.24)	(0.21)
Return after operating charges*	114.39	5.64	26.86
Distributions on accumulation shares	(7.49)	(8.21)	(7.59)
Retained distributions on accumulation shares	7.49	8.21	7.59
Closing net asset value per share	478.97	364.58	358.94
* after direct transaction costs of:	0.33	0.21	0.14
Performance			
Return after charges	31.38%	1.57%	8.09%
Other information			
Closing net asset value (£000s)	162,021	128,360	135,844
Closing number of shares	33,826,907	35,207,772	37,846,310
Operating charges	0.08%	0.06%	0.06%
Direct transaction costs	0.07%	0.05%	0.04%
Prices			
Highest share price (pence)	494.20	436.20	364.80
Lowest share price (pence)	352.30	342.90	321.80

Comparative tables (continued)

Direct transaction costs incurred on securities transactions are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

Operating charges are expenses associated with the maintenance and administration of the fund on a day-to-day basis that are actually borne by the share class.

Share class launches and closures

There were no share classes launched or closed during the year.

Ongoing charge figure

The annualised OCF of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

	2021 %	2020 %	Estimated OCF from 5 May 2020¹ %
Class A accumulation	1.73 ²	1.70	1.74
Class E accumulation	1.23 ²	1.20	1.24
Class I accumulation	0.86 ³	0.84	0.86
Class Z accumulation	0.08 ⁴	0.06	0.08

The OCF is calculated in accordance with guidelines issued by ESMA.

¹ The estimated ongoing charge is based on the new GAC rates to the year ended 31 March 2021.

² The GAC on Class A accumulation and Class E accumulation increased from 0.18% to 0.22% on 5 May 2020 and therefore the rate applied is not consistent throughout the year.

³ The GAC on Class I accumulation increased from 0.075% to 0.09% on 5 May 2020 and therefore the rate applied is not consistent throughout the year.

⁴ The GAC on Class Z accumulation increased from 0.045% to 0.06% on 5 May 2020 and therefore the rate applied is not consistent throughout the year.

Risk and reward profile

The fund currently has 4 types of share class in issue: A accumulation, E accumulation, I accumulation and Z accumulation.

Each share class has the same risk and reward profile which is as follows:



The share classes appear at 5 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in net asset value in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The SRRRI is calculated based on historical volatility over a rolling 5* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRRI level. The SRRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

The full list of the fund's risks are contained in the 'Risk Factors' section of the fund's prospectus.

The risk rating for all share classes increased to 5 from 4 during the year. The ratings may change over time as a fund takes on more or less risky investments or where market conditions become more or less volatile. At share class level the ratings may differ dependent on the class currency and may be influenced by currency movements and the impact of inflows and outflows.

The SRRRI conforms to the ESMA guidelines for the calculation of the SRRRI.

* Class E accumulation was launched on 8 July 2019 and as it does not have a 5 year history, a synthetic history has been created using the A accumulation share class.

Portfolio statement as at 31 March 2021

Holding	Investment	Market value £000	Percentage of total net assets %
	Equities 76.60% (2020: 72.46%)		
	Australia 0.24% (2020: 0.28%)		
	Health Care 0.24% (2020: 0.28%)		
283,000	Nanosonics	887	0.24
	Canada 2.88% (2020: 3.37%)		
	Consumer Discretionary 0.00% (2020: 0.50%)		
	Financials 1.23% (2020: 1.07%)		
51,700	Intact Financial	4,587	1.23
	Utilities 1.65% (2020: 1.80%)		
132,200	Boralex 'A'	3,005	0.80
249,900	Innergex Renewable Energy	3,158	0.85
		6,163	1.65
	China 0.42% (2020: 0.00%)		
	Technology 0.42% (2020: 0.00%)		
965,682	Linklogis	1,583	0.42
	France 2.66% (2020: 2.93%)		
	Industrials 2.38% (2020: 2.63%)		
109,000	Getlink	1,215	0.33
46,200	Legrand	3,122	0.84
40,900	Schneider Electric	4,537	1.21
		8,874	2.38
	Telecommunications 0.28% (2020: 0.30%)		
118,700	Orange	1,062	0.28
	Germany 1.96% (2020: 3.07%)		
	Consumer Discretionary 0.90% (2020: 1.15%)		
14,900	Adidas	3,369	0.90
	Industrials 1.06% (2020: 0.60%)		
43,500	Knorr-Bremse	3,951	1.06
	Technology 0.00% (2020: 1.32%)		
	Hong Kong 1.32% (2020: 1.14%)		
	Financials 1.32% (2020: 1.14%)		
561,007	AIA	4,932	1.32
	Ireland 0.48% (2020: 0.82%)		
	Industrials 0.48% (2020: 0.82%)		
52,646	Smurfit Kappa	1,793	0.48

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Japan 4.64% (2020: 4.48%)		
	Consumer Discretionary 2.36% (2020: 2.50%)		
12,400	Nintendo	5,026	1.34
22,064	Shimano	3,816	1.02
		<u>8,842</u>	<u>2.36</u>
	Industrials 0.70% (2020: 0.89%)		
99,300	Shimadzu	2,609	0.70
	Technology 1.58% (2020: 1.09%)		
71,300	Murata Manufacturing	4,135	1.11
20,000	Nidec	1,762	0.47
		<u>5,897</u>	<u>1.58</u>
	Netherlands 1.95% (2020: 2.25%)		
	Consumer Discretionary 0.74% (2020: 0.57%)		
43,582	Wolters Kluwer	2,752	0.74
	Technology 1.21% (2020: 1.68%)		
10,300	ASML	4,535	1.21
	Switzerland 0.43% (2020: 0.00%)		
	Health Care 0.43% (2020: 0.00%)		
822,036	ConvaTec	1,612	0.43
	Taiwan 1.68% (2020: 0.00%)		
	Technology 1.68% (2020: 0.00%)		
422,000	Taiwan Semiconductor Manufacturing	6,292	1.68
	United Kingdom 24.11% (2020: 20.71%)		
	Basic Materials 0.57% (2020: 0.30%)		
70,307	Johnson Matthey	2,118	0.57
	Consumer Discretionary 4.16% (2020: 3.49%)		
66,097	Compass	966	0.26
68,047	Go-Ahead	925	0.25
214,183	Informa	1,199	0.32
1,253,091	ITV	1,506	0.40
173,723	Kingfisher	553	0.15
521,275	National Express	1,604	0.43
15,324	Next	1,205	0.32
45,115	Persimmon	1,326	0.36
125,714	RELX	2,287	0.60
417,458	RM	935	0.25
716,316	Taylor Wimpey	1,293	0.35
51,011	Whitbread	1,748	0.47
		<u>15,547</u>	<u>4.16</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Consumer Staples 0.83% (2020: 0.55%)			
150,605	Britvic	1,261	0.34
1,006,027	WM Morrison Supermarkets	1,836	0.49
		<u>3,097</u>	<u>0.83</u>
Financials 7.69% (2020: 6.02%)			
242,335	Ashmore	948	0.25
472,084	Aviva	1,927	0.52
532,202	Direct Line Insurance	1,667	0.45
227,695	Greencoat UK Wind	293	0.08
113,057	Intermediate Capital	2,083	0.56
337,101	Jupiter Fund Management	939	0.25
3,089,672	Lloyds Banking	1,314	0.35
19,917	London Stock Exchange	1,382	0.37
658,743	Low Carbon Accelerator ¹	-	-
717,605	M&G	1,488	0.40
959,216	NatWest	1,882	0.50
131,891	Paragon Banking	604	0.16
281,048	Phoenix	2,063	0.55
188,764	Prudential	2,909	0.78
120,649	Schroder Non-Voting Shares	3,005	0.81
91,463	St James's Place	1,165	0.31
181,869	Standard Chartered	908	0.24
516,101	Standard Life Aberdeen	1,496	0.40
230,926	3i	2,665	0.71
		<u>28,738</u>	<u>7.69</u>
Health Care 2.54% (2020: 3.44%)			
64,536	AstraZeneca	4,677	1.25
188,051	GlaxoSmithKline	2,422	0.65
174,682	Smith & Nephew	2,407	0.64
		<u>9,506</u>	<u>2.54</u>
Industrials 2.41% (2020: 1.80%)			
406,751	DS Smith	1,659	0.44
159,687	Electrocomponents	1,586	0.42
131,281	Euromoney Institutional Investor	1,252	0.34
15,749	Ferguson	1,365	0.37
64,492	Oxford Instruments	1,229	0.33
191,093	Rotork	681	0.18
37,390	Spectris	1,244	0.33
		<u>9,016</u>	<u>2.41</u>
Real Estate 0.80% (2020: 0.90%)			
1,468,489	Assura	1,059	0.28
96,427	Ethical Property ²	89	0.02
266,822	Land Securities	1,841	0.50
		<u>2,989</u>	<u>0.80</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Technology 0.91% (2020: 0.68%)		
397,296	Moneysupermarket.Com	1,059	0.28
380,361	Sage	2,331	0.63
		<u>3,390</u>	<u>0.91</u>
	Telecommunications 1.44% (2020: 1.02%)		
1,287,025	BT	1,992	0.53
2,557,666	Vodafone	3,373	0.91
		<u>5,365</u>	<u>1.44</u>
	Utilities 2.76% (2020: 2.51%)		
349,235	National Grid	3,017	0.81
151,524	Penon	1,477	0.40
60,504	Severn Trent	1,395	0.37
192,131	SSE	2,796	0.75
173,767	United Utilities	1,609	0.43
		<u>10,294</u>	<u>2.76</u>
	United States 33.83% (2020: 33.41%)		
	Basic Materials 0.61% (2020: 0.60%)		
17,139	Avery Dennison	2,282	0.61
	Consumer Discretionary 1.89% (2020: 2.58%)		
44,100	Aptiv	4,414	1.18
243,200	Enova Systems ¹	-	-
17,300	Nike 'B'	1,668	0.45
2,000	Tesla	968	0.26
		<u>7,050</u>	<u>1.89</u>
	Consumer Staples 0.34% (2020: 0.52%)		
19,618	McCormick Non-Voting Shares	1,268	0.34
	Financials 4.33% (2020: 4.58%)		
32,200	AON	5,368	1.43
41,800	Marsh & McLennan	3,691	0.99
43,300	Progressive	3,001	0.80
55,400	Walker & Dunlop	4,135	1.11
		<u>16,195</u>	<u>4.33</u>
	Health Care 2.77% (2020: 4.03%)		
76,100	Encompass Health	4,518	1.21
19,200	Humana	5,835	1.56
		<u>10,353</u>	<u>2.77</u>
	Industrials 2.71% (2020: 2.28%)		
13,600	Bill.com	1,434	0.38
15,050	MasterCard	3,888	1.05
31,347	Wabtec	1,797	0.48
39,300	Xylem	2,997	0.80
		<u>10,116</u>	<u>2.71</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Real Estate 2.46% (2020: 2.80%)		
29,700	Crown Castle International	3,704	0.99
7,700	Equinix	3,792	1.01
132,800	Physicians Realty Trust REIT	1,701	0.46
		<u>9,197</u>	<u>2.46</u>
	Technology 17.44% (2020: 15.80%)		
17,102	Adobe	5,892	1.58
15,252	Atlassian	2,330	0.62
29,700	Autodesk	5,964	1.60
36,980	Avalara	3,577	0.96
40,900	Cadence Design Systems	4,061	1.09
22,700	IPG Photonics	3,471	0.93
18,800	Lam Research	8,111	2.17
36,600	Microchip Technology	4,118	1.10
66,300	Microsoft	11,328	3.02
8,600	Nvidia	3,328	0.89
51,000	TE Connectivity	4,772	1.28
30,830	Texas Instruments	4,222	1.13
41,500	Zendesk	3,989	1.07
		<u>65,163</u>	<u>17.44</u>
	Utilities 1.28% (2020: 0.22%)		
250,225	Evoqua Water Technologies	4,770	1.28
	Bonds 16.30% (2020: 25.12%)		
	Belgium 0.07% (2020: 0.00%)		
	Fixed Rate Bond 0.07% (2020: 0.00%)		
EUR 300,000	Cofinimmo 0.875% 02/12/2030	255	0.07
	Canada 0.16% (2020: 0.29%)		
	Fixed Rate Bond 0.16% (2020: 0.29%)		
CAD 1,000,000	Canada (Government of) 1.50% 01/06/2026	591	0.16
	Czech Republic 0.05% (2020: 0.08%)		
	Fixed Rate Bond 0.05% (2020: 0.08%)		
GBP 200,000	CPI Property 2.75% 22/01/2028	201	0.05
	Denmark 0.23% (2020: 0.32%)		
	Fixed Rate Bond 0.23% (2020: 0.32%)		
GBP 670,000	Orsted 2.50% 16/05/2033	713	0.19
GBP 150,000	Orsted 2.50% 18/02/2067	148	0.04
		<u>861</u>	<u>0.23</u>
	France 0.37% (2020: 0.73%)		
	Fixed Rate Bond 0.37% (2020: 0.63%)		
GBP 400,000	BNP Paribas 1.25% 13/07/2031	371	0.09
USD 436,000	BNP Paribas 3.375% 09/01/2025	339	0.09
USD 400,000	BPCE 5.15% 21/07/2024	324	0.09
EUR 410,000	Sodexo 0.75% 27/04/2025	360	0.10
		<u>1,394</u>	<u>0.37</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Variable Rate Bond 0.00% (2020: 0.10%)			
Germany 0.41% (2020: 0.74%)			
Fixed Rate Bond 0.41% (2020: 0.74%)			
EUR 300,000	Adidas 0.00% 09/09/2024	257	0.07
EUR 300,000	Adler 1.875% 14/01/2026	251	0.07
EUR 200,000	Aroundtown 1.625% Perpetual	164	0.04
GBP 300,000	Aroundtown 4.75% Perpetual	316	0.08
GBP 225,000	Deutsche Bahn Finance 1.375% 07/07/2025	231	0.06
USD 200,000	Deutsche Telekom International Finance 8.75% 15/06/2030	215	0.06
EUR 130,000	E.ON 1.00% 07/10/2025	115	0.03
		1,549	0.41
Italy 0.29% (2020: 0.17%)			
Fixed Rate Bond 0.29% (2020: 0.17%)			
EUR 500,000	Enel Finance International 0.375% 17/06/2027	432	0.12
GBP 190,000	Enel Finance International 1.00% 20/10/2027	185	0.05
EUR 530,000	Intesa Sanpaolo 0.75% 16/03/2028	453	0.12
		1,070	0.29
Luxembourg 0.15% (2020: 0.28%)			
Fixed Rate Bond 0.15% (2020: 0.28%)			
EUR 610,000	Logicor Financing 1.625% 15/07/2027	546	0.15
Netherlands 0.43% (2020: 0.69%)			
Fixed Rate Bond 0.23% (2020: 0.56%)			
EUR 700,000	Cooperatieve Rabobank 0.25% 30/10/2026	603	0.16
EUR 300,000	CTP 0.75% 18/02/2027	253	0.07
		856	0.23
Variable Rate Bond 0.20% (2020: 0.13%)			
USD 400,000	ABN AMRO Bank 4.40% 27/03/2028	307	0.08
GBP 400,000	ING FRN 07/12/2028	386	0.10
EUR 56,725	Rabobank 6.50% Perpetual	63	0.02
		756	0.20
New Zealand 0.00% (2020: 0.05%)			
Fixed Rate Bond 0.00% (2020: 0.05%)			
Norway 0.05% (2020: 0.07%)			
Fixed Rate Bond 0.05% (2020: 0.07%)			
EUR 200,000	Sparebank 1 Oestlandet 0.875% 13/03/2023	174	0.05

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Portugal 0.00% (2020: 0.07%)		
	Fixed Rate Bond 0.00% (2020: 0.07%)		
	Sweden 0.23% (2020: 0.15%)		
	Fixed Rate Bond 0.23% (2020: 0.15%)		
EUR 610,000	Heimstaden Bostad 2.625% Perpetual	514	0.13
EUR 200,000	Heimstaden Bostad 3.375% Perpetual	176	0.05
EUR 200,000	Samhallsbyggnadsbolaget 2.625% Perpetual	169	0.05
		<u>859</u>	<u>0.23</u>
	Switzerland 0.28% (2020: 0.04%)		
	Fixed Rate Bond 0.25% (2020: 0.00%)		
EUR 320,000	ABB Finance 0.00% 19/01/2030	265	0.07
GBP 270,000	Credit Suisse 2.25% 09/06/2028	274	0.06
EUR 100,000	Givaudan Finance Europe 1.625% 22/04/2032	95	0.03
EUR 150,000	Lonza Finance International 1.625% 21/04/2027	138	0.04
EUR 200,000	UBS 0.75% 21/04/2023	174	0.05
		<u>946</u>	<u>0.25</u>
	Variable Rate Bond 0.03% (2020: 0.04%)		
GBP 100,000	Zurich Finance UK 6.625% Perpetual	107	0.03
	United Kingdom 8.11% (2020: 12.47%)		
	Asset Backed 0.06% (2020: 0.15%)		
GBP 94,248	TC Dudgeon OFTO 3.158% 12/11/2038	106	0.03
GBP 120,000	Telereal Securitisation 1.365% 10/12/2031	120	0.03
		<u>226</u>	<u>0.06</u>
	Fixed Rate Bond 8.00% (2020: 12.19%)		
GBP 200,000	Accent Capital 2.625% 18/07/2049	220	0.06
GBP 200,000	Affordable Housing Finance 2.893% 11/08/2043	246	0.07
GBP 160,000	Affordable Housing Finance 3.80% 20/05/2042	221	0.06
GBP 300,000	Anglian Water Services Financing 1.625% 10/08/2025	310	0.08
GBP 170,000	Assura Financing 1.50% 15/09/2030	167	0.04
GBP 200,000	Assura Financing 3.00% 19/07/2028	220	0.06
GBP 320,000	Aster Treasury 1.405% 27/01/2036	300	0.08
GBP 200,000	Aviva 4.00% 03/06/2055	218	0.06
GBP 300,000	A2Dominion Housing 3.50% 15/11/2028	327	0.09
GBP 300,000	Bazalgette Finance 2.375% 29/11/2027	318	0.09
GBP 100,000	Blend Funding 2.922% 05/04/2054	109	0.03
GBP 420,000	Blend Funding 3.459% 21/09/2047	497	0.13
GBP 170,000	Bunzl Finance 1.50% 30/10/2030	164	0.04
GBP 300,000	Bunzl Finance 2.25% 11/06/2025	314	0.08
GBP 220,000	Burberry 1.125% 21/09/2025	217	0.06
GBP 400,000	Canary Wharf 2.625% 23/04/2025	400	0.11
EUR 350,000	Compass 1.875% 27/01/2023	309	0.08
GBP 230,000	Co-operative 5.125% 17/05/2024	246	0.07
GBP 400,000	Coventry Building Society 1.50% 23/01/2023	405	0.11
GBP 188,920	Delamare Finance 5.5457% 19/02/2029	217	0.06
GBP 400,000	Direct Line Insurance 4.00% 05/06/2032	443	0.12
GBP 300,000	Dwr Cymru Financing 1.375% 31/03/2033	291	0.08

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Fixed Rate Bond (continued)		
GBP 380,000	Dwr Cymru Financing 1.625% 31/03/2026	382	0.10
GBP 160,000	Dwr Cymru Financing 2.375% 31/03/2034	160	0.04
GBP 130,000	Dwr Cymru Financing 6.015% 31/03/2028	170	0.05
USD 426,000	Experian Finance 2.75% 08/03/2030	313	0.08
GBP 150,000	Experian Finance 3.25% 07/04/2032	168	0.04
GBP 600,000	GlaxoSmithKline Capital 1.25% 12/10/2028	591	0.16
GBP 290,000	GlaxoSmithKline Capital 1.625% 12/05/2035	276	0.07
GBP 200,000	Grainger 3.00% 03/07/2030	208	0.06
USD 200,000	HSBC 4.95% 31/03/2030	169	0.05
GBP 170,000	Hyde Housing Association 1.75% 18/08/2055	145	0.04
GBP 400,000	Leeds Building Society 1.50% 16/03/2027	397	0.11
GBP 200,000	LifeWest Treasury 1.875% 18/02/2056	187	0.05
GBP 160,000	Lloyds Bank Corporate Markets 1.50% 23/06/2023	163	0.04
GBP 200,000	Lloyds Bank 5.125% 07/03/2025	235	0.06
GBP 200,000	Lloyds Bank 7.5% 15/04/2024	240	0.06
GBP 400,000	London Power Networks 2.625% 01/03/2029	427	0.11
GBP 240,000	London Stock Exchange 1.625% 06/04/2030	238	0.06
GBP 290,000	Motability Operations 1.50% 20/01/2041	263	0.07
GBP 220,000	Motability Operations 2.375% 03/07/2039	231	0.06
EUR 600,000	National Grid Electricity Transmission 0.19% 20/01/2025	514	0.14
GBP 600,000	Nationwide Building Society 1.00% 24/01/2023	605	0.16
EUR 200,000	Nationwide Building Society 2.00% 25/07/2029	179	0.05
USD 500,000	Nationwide Building Society 2.00% 27/01/2023	372	0.10
USD 350,000	Nationwide Building Society 4.125% 18/10/2032	274	0.07
GBP 650,000	Natwest 2.875% 19/09/2026	690	0.18
GBP 200,000	Northern Powergrid (Northeast) 1.875% 16/06/2062	183	0.05
GBP 200,000	Notting Hill Genesis 2.875% 31/01/2029	215	0.06
GBP 300,000	Onward Homes 2.125% 25/03/2053	295	0.08
GBP 410,000	Optivo Finance 2.857% 07/10/2035	448	0.12
GBP 260,000	Platform HG Finance 1.625% 10/08/2055	228	0.06
GBP 800,000	PRS Finance 1.50% 24/08/2034	795	0.21
GBP 200,000	PRS Finance 2.00% 23/01/2029	212	0.06
GBP 50,000	Prudential 6.125% 19/12/2031	67	0.02
GBP 220,000	Sanctuary Capital 2.375% 14/04/2050	224	0.06
GBP 420,000	Scottish Hydro Electric Transmission 2.25% 27/09/2035	422	0.11
GBP 160,000	Severn Trent Water 2.00% 02/06/2040	153	0.04
GBP 230,000	Sovereign Housing Capital 2.375% 04/11/2048	237	0.06
GBP 200,000	SSE 3.74% Perpetual	210	0.06
EUR 210,000	Standard Chartered Bank 2.50% 09/09/2030	189	0.05
GBP 300,000	Thames Water Utilities Finance 2.375% 22/04/2040	293	0.08
GBP 500,000	Thames Water Utilities Finance 3.50% 25/02/2028	555	0.15
GBP 200,000	THFC Funding No.3 5.20% 11/10/2043	296	0.08
GBP 220,000	Transport for London 2.25% 09/08/2022	225	0.06
GBP 100,000	Transport for London 4.00% 12/09/2033	124	0.03
GBP 300,000	Tritax Big Box REIT 2.625% 14/12/2026	321	0.09
GBP 680,000	UK Treasury 0.625% 22/10/2050	555	0.15
GBP 200,000	UK Treasury 0.625% 31/07/2035	185	0.05
GBP 500,000	UK Treasury 1.25% 22/10/2041	491	0.13
GBP 200,000	UK Treasury 1.50% 22/07/2026	211	0.06
GBP 1,550,000	UK Treasury 1.50% 22/07/2047	1,588	0.44

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Fixed Rate Bond (continued)		
GBP 331,000	UK Treasury 1.75% 07/09/2037	355	0.10
GBP 550,000	UK Treasury 1.75% 22/01/2049	597	0.16
GBP 420,000	UK Treasury 3.25% 22/01/2044	575	0.15
GBP 693,000	UK Treasury 4.25% 07/12/2040	1,048	0.28
GBP 695,000	UK Treasury 4.25% 07/12/2046	1,125	0.30
GBP 295,000	UK Treasury 4.25% 07/12/2049	497	0.13
GBP 940,000	United Utilities Water Finance 0.875% 28/10/2029	889	0.24
GBP 100,000	University of Cambridge 3.75% 17/10/2052	149	0.04
GBP 100,000	Virgin Money UK 5.125% 11/12/2030	110	0.03
GBP 200,000	Vodafone 4.875% 03/10/2078	217	0.06
GBP 260,000	Wellcome Trust Finance 4.75% 28/05/2021	262	0.07
GBP 160,000	Westfield Stratford City Finance 1.642% 04/08/2026	158	0.04
GBP 130,000	Whitbread 2.375% 31/05/2027	129	0.03
GBP 420,000	Workspace 2.25% 11/03/2028	413	0.11
GBP 100,000	WPP Finance 2013 2.875% 14/09/2046	93	0.02
GBP 190,000	Wrekin Housing 2.50% 22/10/2048	199	0.05
GBP 570,000	Yorkshire Water Finance 1.75% 26/11/2026	583	0.16
		<u>29,877</u>	<u>8.00</u>
	Variable Rate Bond 0.05% (2020: 0.13%)		
GBP 141,000	HSBC 5.844% Perpetual	<u>198</u>	<u>0.05</u>
	United States 5.47% (2020: 8.97%)		
	Fixed Rate Bond 5.47% (2020: 8.97%)		
USD 900,000	Agilent Technologies 2.30% 12/03/2031	635	0.17
GBP 100,000	AT&T 4.875% 01/06/2044	131	0.03
USD 439,000	Bank of America 3.419% 20/12/2028	341	0.09
USD 400,000	Bank of America 4.183% 25/11/2027	322	0.09
USD 500,000	Bank of America 4.45% 03/03/2026	407	0.11
EUR 170,000	Booking 0.50% 08/03/2028	146	0.04
USD 235,000	Brown & Brown 4.50% 15/03/2029	191	0.05
USD 416,000	Charter Communications Operating Capital 4.908% 23/07/2025	342	0.09
GBP 200,000	Citigroup 2.75% 24/01/2024	210	0.06
USD 600,000	Citigroup 4.125% 25/07/2028	482	0.13
USD 228,000	Comcast 4.25% 15/10/2030	190	0.05
USD 686,000	Equinix 2.625% 18/11/2024	524	0.14
GBP 200,000	Fidelity National Information Services 3.36% 21/05/2031	221	0.06
USD 400,000	Hasbro 3.90% 19/11/2029	312	0.08
EUR 300,000	JPMorgan Chase 1.001% 25/07/2031	264	0.07
USD 700,000	JPMorgan Chase 2.95% 01/10/2026	542	0.15
USD 700,000	JPMorgan Chase 2.956% 13/05/2031	516	0.14
USD 317,000	Lowe's 3.65% 05/04/2029	251	0.07
USD 608,000	McCormick 1.85% 15/02/2031	414	0.11
USD 1,040,000	Microsoft 3.45% 08/08/2036	835	0.22
GBP 160,000	MPT Operating Partnership 2.50% 24/03/2026	161	0.04
GBP 170,000	MPT Operating Partnership 3.375% 24/04/2030	170	0.05
USD 223,000	Royalty Pharma 2.20% 02/09/2030	154	0.04
USD 700,000	T-Mobile USA 2.55% 15/02/2031	496	0.13
GBP 310,000	Toyota Motor Credit 0.75% 19/11/2026	304	0.08
USD 600,000	United Parcel Service 3.4% 15/11/2046	443	0.12

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Fixed Rate Bond (continued)		
USD 2,675,000	US Treasury 1.125% 31/03/2022	1,973	0.53
USD 1,400,000	US Treasury 1.375% 15/08/2050	789	0.21
USD 1,320,000	US Treasury 2.375% 15/11/2049	948	0.25
USD 2,800,000	US Treasury 2.375% 29/02/2024	2,149	0.58
USD 3,080,000	US Treasury 2.50% 31/03/2023	2,335	0.63
USD 893,000	US Treasury 2.75% 15/08/2047	690	0.18
USD 1,400,000	Verizon Communications 1.45% 20/03/2026	1,015	0.27
USD 459,000	Verizon Communications 3.55% 22/03/2051	331	0.09
USD 400,000	Verizon Communications 5.15% 15/09/2023	322	0.09
USD 534,000	Wells Fargo 1.654% 02/06/2024	395	0.11
GBP 300,000	Wells Fargo 2.00% 28/07/2025	309	0.08
GBP 150,000	Wells Fargo 5.25% 01/08/2023	165	0.04
		20,425	5.47
	Investment assets	347,085	92.90
	Other net assets	26,527	7.10
	Total net assets	373,612	100.00

¹ Suspended or delisted securities

² Manually priced securities

All investments are listed on recognised stock exchanges or are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Prior year comparative percentages have changed for some sectors due to reclassification within these sectors.

Statement of total return for the year ended 31 March 2021

	Note	2021		2020	
		£000	£000	£000	£000
Income					
Net capital gains/(losses)	2		73,521		(1,997)
Revenue	3	6,031		5,960	
Expenses	4	(1,585)		(1,095)	
Interest payable and similar charges	5	(4)		(5)	
Net revenue before taxation		4,442		4,860	
Taxation	6	(253)		(295)	
Net revenue after taxation			4,189		4,565
Total return before distributions			77,710		2,568
Distributions	7		(4,192)		(4,565)
Change in net assets attributable to shareholders from investment activities			73,518		(1,997)

Statement of change in net assets attributable to shareholders for the year ended 31 March 2021

	2021		2020	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		238,986		239,261
Amounts receivable on issue of shares	75,957		25,498	
Amounts payable on cancellation of shares	(19,041)		(28,341)	
		56,916		(2,843)
Change in net assets attributable to shareholders from investment activities		73,518		(1,997)
Retained distributions on accumulation shares		4,192		4,565
Closing net assets attributable to shareholders		373,612		238,986

Balance sheet as at 31 March 2021

	Note	2021 £000	2020 £000
Assets:			
Investments		347,085	233,207
Current assets:			
Debtors	8	5,238	3,691
Cash and bank balances	9	25,305	5,332
Total assets		377,628	242,230
Liabilities:			
Provisions for liabilities	10	3	5
Creditors:			
Other creditors	11	4,013	3,239
Total liabilities		4,016	3,244
Net assets attributable to shareholders		373,612	238,986

Notes to the financial statements for the year ended 31 March 2021

1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

2 Net capital gains/(losses)

Net capital gains/(losses) on investments during the year comprise:

	2021	2020
	£000	£000
Forward currency contracts	(12)	(10)
Non-derivative securities	73,582	(2,038)
Other currency (losses)/gains	(44)	58
Transaction costs	(5)	(7)
Net capital gains/(losses)	73,521	(1,997)

3 Revenue

	2021	2020
	£000	£000
Bank interest	1	48
Interest on debt securities	1,294	1,286
Overseas dividends	1,952	2,047
Overseas REIT revenue	282	142
UK dividends	2,439	2,308
UK REIT revenue - PID	45	113
UK REIT revenue - non PID	18	16
Total revenue	6,031	5,960

4 Expenses

	2021	2020
	£000	£000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	1,289	906
GAC*	247	157
	<u>1,536</u>	<u>1,063</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	25	22
Safe custody fees	14	10
	<u>39</u>	<u>32</u>
Other expenses:		
Professional fees	10	-
	<u>10</u>	<u>-</u>
Total expenses	1,585	1,095

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £8,861 (2020: £7,912).

Notes to the financial statements (continued)

5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2021	2020
	£000	£000
Interest payable	4	5
Total interest payable and similar charges	4	5

6 Taxation

a) Analysis of charge in the year

The tax charge comprises:

	2021	2020
	£000	£000
Current tax		
Corporation tax	5	99
Deferred tax	(2)	(1)
Double tax relief	(5)	(21)
Overseas withholding tax	255	218
Total tax (note 6b)	253	295

b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised OEICS of 20% (2020: 20%). The differences are explained below:

	2021	2020
	£000	£000
Net revenue before taxation	4,442	4,860
Corporation tax at 20% (2020: 20%)	888	972
Effects of:		
Double tax relief	(8)	(21)
Overseas withholding tax	255	218
Overseas dividends	(391)	(409)
UK dividends*	(491)	(465)
Tax charge for the year (note 6a)	253	295

* As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

Notes to the financial statements (continued)

6 Taxation (continued)

c) Deferred tax

	2021 £000	2020 £000
Provision at start of year	5	6
Deferred tax charge for year (note 6a)	(2)	(1)
Provision at end of year	3	5

d) Factors that may affect future tax charges

There were no factors that may affect future tax charges at the current or prior year end.

7 Distributions

	2021 £000	2020 £000
Interim accumulation	2,247	2,903
Final accumulation	1,945	1,662
Total distributions	4,192	4,565
Net revenue after taxation	4,189	4,565
Revenue shortfall	3	-
Total distributions	4,192	4,565

Details of the distribution per share are set out in the Distribution tables on page 99.

8 Debtors

	2021 £000	2020 £000
Accrued revenue	969	702
Amounts receivable for issue of shares	1,947	437
Corporation tax recoverable	6	-
Currency transactions awaiting settlement	738	1,157
Income tax recoverable	20	20
Overseas withholding tax reclaimable	31	33
Sales awaiting settlement	1,527	1,342
Total debtors	5,238	3,691

9 Cash and bank balances

	2021 £000	2020 £000
Cash and bank balances	25,305	5,332
Total cash and bank balances	25,305	5,332

Notes to the financial statements (continued)

10 Provisions for liabilities

	2021 £000	2020 £000
Deferred tax	3	5
Total provisions for liabilities	3	5

11 Other creditors

	2021 £000	2020 £000
Accrued annual management charge	135	75
Accrued Depositary's fee	3	2
Accrued other expenses	28	16
Amounts payable for cancellation of shares	3	18
Corporation tax payable	-	29
Currency transactions awaiting settlement	738	1,160
Purchases awaiting settlement	3,106	1,939
Total other creditors	4,013	3,239

12 Contingent assets, liabilities and commitments

The fund has filed a claim with HM Revenue & Customs ('HMRC') (on the basis of the principles set out in the Franked Investment Income Group Litigation Order (FII GLO)) for corporation tax unduly paid in respect of periods prior to 1 July 2009. The claim has been filed on the basis that the relevant UK tax legislation was in breach of EU law for these periods. A successful outcome may result in a refund of corporation tax. A contingent asset has not been recognised as the amount receivable is not certain.

There were no contingent liabilities or outstanding commitments at the current or prior year end.

13 Related party transactions

HIFL as ACD to the fund is deemed to be a related party in respect of their dealings with the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 87 and 88 and notes 4, 8 and 11 on pages 89 to 92 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations
- Annual management charge
- GAC

There were no material shareholders at the year end (2020: HSBC Global Custody Nominee (UK) Limited 53.71%).

14 Shareholders' funds

The fund currently has 4 share classes available: Class A (Retail), Class E (Retail), Class I (Institutional) and Class Z (Institutional). The annual management charge on each share class is as follows:

	2021 %	2020 %
Class A	1.50	1.50
Class E	1.00	1.00
Class I	0.75	0.75
Class Z ¹	0.00	0.00

¹ Charges for managing Z class shares are levied outside the fund and are agreed between the ACD and investors.

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative tables on pages 72 to 74. The distribution per share class is given in the Distribution tables on page 99. All share classes have the same rights on winding up.

Notes to the financial statements (continued)

14 Shareholders' funds (continued)

Shares reconciliation as at 31 March 2021

	Class A accumulation	Class E accumulation	Class I accumulation	Class Z accumulation
Opening number of shares	2,214,731	514,862	46,141,416	35,207,772
Issues during the year	3,409,833	80,423	24,143,208	-
Cancellations during the year	(3,116,779)	(43,411)	(1,837,182)	(1,380,865)
Shares converted during the year	(113,166)	75,072	32,981	-
Closing shares in issue	2,394,619	626,946	68,480,423	33,826,907

15 Financial derivatives

The fund may use financial derivatives to reduce risk or to manage the fund more efficiently.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

The counterparty exposure has been calculated using the positive marked-to-market value of the derivative contract with that counterparty.

There was no collateral pledged or collateral held in respect of derivatives as at 31 March 2021 (2020: nil).

2021

The fund had no exposure to derivatives as at 31 March 2021.

2020

The fund had no exposure to derivatives as at 31 March 2020.

16 Risk

Currency risk

The exposure to currency risk is considered significant. The following table details the net exposure of the principal foreign currencies the fund is exposed to including any instruments used to hedge foreign currencies.

	Investment assets £000	Other net assets/ (liabilities) £000	Total net assets/ (liabilities) £000
2021			
Currency			
Australian dollar	887	-	887
Canadian dollar	11,341	46	11,387
Euro	31,600	650	32,250
Hong Kong dollar	6,515	(1,599)	4,916
Japanese yen	17,348	150	17,498
Norwegian krone	-	8	8
Taiwan dollar	6,292	24	6,316
UK sterling	126,051	26,770	152,821
US dollar	147,051	478	147,529
Total	347,085	26,527	373,612

Notes to the financial statements (continued)

16 Risk (continued)

Currency risk (continued)

	Investment assets £000	Other net assets £000	Total net assets £000
2020			
Currency			
Australian dollar	663	-	663
Canadian dollar	8,657	36	8,693
Euro	26,734	928	27,662
Hong Kong dollar	2,728	-	2,728
Japanese yen	10,703	86	10,789
Norwegian krone	-	7	7
UK sterling	81,787	4,546	86,333
US dollar	101,935	176	102,111
Total	233,207	5,779	238,986

Sensitivity analysis

The net foreign currency assets held by the fund at the year end were £220,791,259 (2020: £152,653,584). A 10% increase/(decrease) in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of increasing/(decreasing) the return for the year ended 31 March 2021 and the net assets as at 31 March 2021 by £22,079,126 (2020: £15,265,358).

Interest rate risk

The fund's exposure to interest rate risk is considered significant. The interest rate risk profile of the fund's financial assets and financial liabilities at the year end is set out in the following table:

	Floating rate financial assets £000	Fixed rate financial assets £000	Non-interest bearing assets £000	Total £000
2021				
Australian dollar	-	-	887	887
Canadian dollar	21	591	10,775	11,387
Euro	660	6,995	24,809	32,464
Hong Kong dollar	-	-	6,515	6,515
Japanese yen	37	-	17,462	17,499
Norwegian krone	-	-	8	8
Taiwan dollar	-	-	6,316	6,316
UK sterling	25,269	31,894	97,370	154,533
US dollar	380	20,350	127,289	148,019
Total	26,367	59,830	291,431	377,628
2020				
Australian dollar	-	-	663	663
Canadian dollar	15	596	8,082	8,693
Euro	974	6,001	21,333	28,308
Hong Kong dollar	-	-	2,728	2,728
Japanese yen	7	-	10,782	10,789
Norwegian krone	7	-	-	7
UK sterling	4,735	30,899	52,482	88,116
US dollar	371	21,769	80,786	102,926
Total	6,109	59,265	176,856	242,230

Notes to the financial statements (continued)

16 Risk (continued)

Interest rate risk (continued)

2021	Floating rate financial liabilities £000	Fixed rate financial liabilities £000	Non-interest bearing liabilities £000	Total £000
Euro	-	-	213	213
Taiwan dollar	-	-	1,598	1,598
UK sterling	-	-	1,680	1,680
US dollar	-	-	525	525
Total	-	-	4,016	4,016

2020	Floating rate financial liabilities £000	Fixed rate financial liabilities £000	Non-interest bearing liabilities £000	Total £000
Euro	-	-	646	646
UK sterling	-	-	1,783	1,783
US dollar	-	-	815	815
Total	-	-	3,244	3,244

Credit ratings

2021	Market value £000	Percentage of total net assets %
Investments		
Investment grade (AAA - BBB)	55,222	14.19
Below investment grade (BB and below)	1,721	0.46
Unrated	3,948	1.65
Total debt securities	60,891	16.30
Equities	286,194	76.60
Investment assets	347,085	92.90
Other net assets	26,527	7.10
Total net assets	373,612	100.00

2020	Market value £000	Percentage of total net assets %
Investments		
Investment grade (AAA - BBB)	55,961	23.42
Below investment grade (BB and below)	1,107	0.46
Unrated	2,968	1.24
Total debt securities	60,036	25.12
Equities	173,171	72.46
Investment assets	233,207	97.58
Other net assets	5,779	2.42
Total net assets	238,986	100.00

Notes to the financial statements (continued)

16 Risk (continued)

Other market price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

Leverage

The fund has not employed significant leverage in the current or prior year.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis.

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2021				
Provisions for liabilities	-	-	3	-
Other creditors	-	4,013	-	-
Total	-	4,013	3	-
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2020				
Provisions for liabilities	-	-	5	-
Other creditors	-	3,239	-	-
Total	-	3,239	5	-

17 Fair value disclosure

Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Notes to the financial statements (continued)

17 Fair value disclosure (continued)

Fair value hierarchy

	2021		2020	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	302,808*	-	196,893*	-
Level 2	44,188	-	36,222	-
Level 3	89	-	92	-
	347,085	-	233,207	-

* Debt securities included in the highest fair value hierarchy level, where their valuation is determined by unadjusted quoted prices from an active market, amount to £16,703,077 as at 31 March 2021 (2020: £23,813,130).

Where a price is unavailable or the price provided is not thought to be a fair reflection of the current market value of the asset, the Investment Manager, at its discretion, may permit some other method of valuation to be used if they consider that it better reflects value and is in accordance with good accounting practice. Janus Henderson UK & EMEA Fair Value Pricing Committee (FVPC) of the Investment Manager supports the ACD in determining or approving unquoted prices. Where deemed necessary, the FVPC will seek ratification of decisions from the Janus Henderson Investment Performance and Risk Committee. The FVPC meets on a monthly basis and consists of representatives from various parts of the Investment Manager who act as an independent party, segregated from the fund management function, to review and approve fair value pricing decisions and pricing models on a regular basis. The asset included within level 3 is an unlisted security which has been valued by the FVPC at their best estimate of fair value. The Ethical Property holding has been valued using the last traded price on the Bulletin Board of Ethex website, which was dated 24 March 2021.

18 Direct transaction costs

	Purchases		Sales	
	2021 £000	2020 £000	2021 £000	2020 £000
Trades in the year				
Debt securities	39,945	37,192	36,484	30,250
Equities	89,037	48,759	51,970	47,458
Trades in the year before transaction costs	128,982	85,951	88,454	77,708
Transaction costs				
Commissions				
Debt securities	-	-	-	-
Equities	23	13	9	12
Total commissions	23	13	9	12
Taxes				
Debt securities	-	-	-	-
Equities	202	109	-	-
Total taxes	202	109	-	-
Other expenses				
Debt securities	-	-	-	-
Equities	4	3	1	1
Total other expenses	4	3	1	1
Total transaction costs	229	125	10	13
Total net trades in the year after transaction costs	129,211	86,076	88,444	77,695

Notes to the financial statements (continued)

18 Direct transaction costs (continued)

	Purchases		Sales	
	2021 %	2020 %	2021 %	2020 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Debt securities	-	-	-	-
Equities	0.03	0.03	0.02	0.03
Taxes				
Debt securities	-	-	-	-
Equities	0.23	0.22	-	-
Other expenses				
Debt securities	-	-	-	-
Equities	-	0.01	-	-
	2021 %	2020 %		
Total transaction costs expressed as a percentage of net asset value				
Commissions	0.01	0.01		
Taxes	0.06	0.04		
Other expenses	-	-		
Total costs	0.07	0.05		

There were no in specie transfers during the year (2020: nil). There were corporate actions during the year of £279,707 (2020: £780,590).

There were no direct transaction costs associated with derivatives in the year (2020: nil).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

Direct transaction costs related to bonds are not separately identifiable as with other financial instruments as the costs form part of the dealing spread and therefore are inherent within the purchase and sale prices of the trade.

The portfolio dealing spread as at 31 March 2021 was 0.16% (2020: 0.26%). The portfolio dealing spread is calculated at a 12 noon valuation point.

19 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

Distribution tables for the year ended 31 March 2021 (in pence per share)

Interim dividend distribution (accounting date 30 September 2020, paid on 30 November 2020)

Group 1: shares purchased prior to 1 April 2020

Group 2: shares purchased on or after 1 April 2020

	Distribution per share	Total distribution per share 30/11/20	Total distribution per share 29/11/19
Class A accumulation			
Group 1	0.3582	0.3582	1.3336
Group 2	0.3582	0.3582	1.3336
Class E accumulation			
Group 1	1.0588	1.0588	1.4516
Group 2	1.0588	1.0588	1.4516
Class I accumulation			
Group 1	1.5200	1.5200	2.3245
Group 2	1.5200	1.5200	2.3245
Class Z accumulation			
Group 1	4.0070	4.0070	5.0052
Group 2	4.0070	4.0070	5.0052

Final dividend distribution (accounting date 31 March 2021, paid on 28 May 2021)

Group 1: shares purchased prior to 1 October 2020

Group 2: shares purchased on or after 1 October 2020

	Distribution per share	Total distribution per share 28/05/21	Total distribution per share 29/05/20
Class A accumulation			
Group 1	-	-	0.2730
Group 2	-	-	0.2730
Class E accumulation			
Group 1	0.6227	0.6227	0.7203
Group 2	0.6227	0.6227	0.7203
Class I accumulation			
Group 1	1.1160	1.1160	1.1379
Group 2	1.1160	1.1160	1.1379
Class Z accumulation			
Group 1	3.4782	3.4782	3.2029
Group 2	3.4782	3.4782	3.2029

Appendix - additional information (unaudited)

Securities financing transactions

The Janus Henderson UK Responsible Income Fund engages in securities financing transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, as amended by the Transparency of Securities Financing Transactions and Reuse (Amendment) (EU Exit) Regulations 2019, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation (EU) 2015/2365, as amended by the Transparency of Securities Financing Transactions and Reuse (Amendment) (EU Exit) Regulations 2019, the fund's involvement in and exposures related to securities lending for the year ended 31 March 2021 are detailed below.

Global data

The table lists the amount of securities on loan as a proportion of total lendable assets and the fund's AUM as at 31 March 2021:

Fund	Market value of securities on loan £000	% of lendable assets	% of AUM
Janus Henderson UK Responsible Income Fund	3,899	1.32%	1.33%

Concentration data

The following table lists the ten largest collateral issuers by value of collateral received (across all SFTs) for the fund as at 31 March 2021:

Issuer	Market value of collateral received £000
Janus Henderson UK Responsible Income Fund	
Kingdom of Belgium	1,021
Government of Germany	833
Government of France	832
Government of Austria	749
US Treasury	363
UK Treasury	212
Republic of Finland	121
Kingdom of Netherlands	66

The following table details the top ten counterparties of each type of SFTs (based on gross volume of outstanding transactions), for the fund as at 31 March 2021:

Counterparty	Market value of securities on loan £000	Settlement basis
Janus Henderson UK Responsible Income Fund		
UBS	3,899	Triparty
	3,899	

All counterparties have been included.

Appendix - additional information (unaudited) (continued)

Securities financing transactions (continued)

Aggregate transaction data

The following table provides an analysis of the collateral received by the fund in respect of each type of SFTs as at 31 March 2021:

Counterparty	Counterparty country of origin	Type	Quality	Collateral Currency	Settlement basis	Custodian	Market value of collateral received £000
Janus Henderson UK Responsible Income Fund							
UBS	Switzerland	Government Bond	Investment grade	EUR	Triparty	JP Morgan	3,622
UBS	Switzerland	Government Bond	Investment grade	GBP	Triparty	JP Morgan	212
UBS	Switzerland	Government Bond	Investment grade	USD	Triparty	JP Morgan	363
							4,197

All collateral is held in segregated accounts.

The lending and collateral transactions are on an open basis and can be recalled on demand.

Re-use of collateral

Cash collateral may be reinvested during the loan transaction to generate additional returns for the benefit of the fund.

Return and cost on securities lending activities

The following table details the fund's return and costs for each type of SFTs for the year ended 31 March 2021:

Fund	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000	% return retained by the securities lending agent*	% return retained by the fund
Janus Henderson UK Responsible Income Fund	-	-	-	-	-

* JPMorgan Chase Bank, National Association (London Branch) replaced BNP Paribas as securities lending agent from 11 March 2021. Under this arrangement the return retained by the securities lending agent has reduced from 15% to 8%.

Appendix - additional information (unaudited) (continued)

Remuneration policy

Following the implementation of the UCITS V in the UK from 18 March 2016, all authorised UCITS Management Companies are required to comply with the UCITS Remuneration Code (SYSC 19E). Under the Code, the Compensation Committee of Janus Henderson Group plc in its oversight of HIFL must make relevant remuneration disclosures.

The disclosures must split remuneration between fixed and variable remuneration and must break down remuneration for categories of UCITS Code Staff (defined as all staff whose professional activities have a material impact on the risk profiles of the funds it manages). The Janus Henderson Group plc Compensation Committee approves the list of UCITS Code Staff annually. In addition, identified UCITS Code Staff are notified of their status and the associated implications annually.

Janus Henderson Sustainable/Responsible Funds is managed by HIFL, which is a subsidiary of Janus Henderson Group plc.

The Compensation Committee of Janus Henderson Group plc has established a Remuneration policy, one of the guiding principles of which is to ensure that the remuneration of its employees is consistent with and promotes sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profiles, rules or instruments of incorporation of each ACD and the funds they manage. This policy applies to HIFL and Janus Henderson Sustainable/Responsible Funds.

Further information with respect to Janus Henderson Group plc's Remuneration policy is available in Janus Henderson Group plc's annual report as at 31 December 2020.

	Headcount (1)	Total Remuneration (£000s) (2,3)
Janus Henderson UK Responsible Income Fund	2,013	440
of which		
Fixed Remuneration	2,013	183
Variable Remuneration	2,001	257
Janus Henderson UK Responsible Income Fund Remuneration Code Staff	49	192
of which		
Senior Management (4)	25	23
Other Code Staff (5)	24	169
Janus Henderson Global Sustainable Equity Fund	2,012	2,035
of which		
Fixed Remuneration	2,012	870
Variable Remuneration	2,000	1,165
Janus Henderson Global Sustainable Equity Fund Remuneration Code Staff	50	733
of which		
Senior Management (4)	25	119
Other Code Staff (5)	25	614
Janus Henderson Global Responsible Managed Fund	2,012	547
of which		
Fixed Remuneration	2,012	234
Variable Remuneration	2,000	313
Janus Henderson Global Responsible Managed Fund Remuneration Code Staff	50	197
of which		
Senior Management (4)	25	32
Other Code Staff (5)	25	165

1. This is the actual number of employees who are fully or partly involved in the activities of Janus Henderson Sustainable/Responsible Funds – no attempt has been made to apportion the time spent specifically in support of Janus Henderson Sustainable/Responsible Funds as this data is not captured as part of Janus Henderson Group plc's normal processes.
2. Please note that due to the employment structure and resourcing of Janus Henderson Group plc, the staff indicated in this table may provide services to other companies in Janus Henderson Group plc.

Appendix - additional information (unaudited) (continued)

Remuneration policy (continued)

3. The remuneration disclosed is only in respect of the provision of services to Janus Henderson Sustainable/Responsible Funds for the year, rather than the total remuneration for the year – for this purpose, remuneration has been apportioned between the provision of services to Janus Henderson Sustainable/Responsible Funds and to other entities in Janus Henderson Group plc, as follows:
 - in respect of fixed pay and annual/long term incentive bonuses:
 - where fixed pay is directly attributable to each of the funds of Janus Henderson Sustainable/Responsible Funds (for example, fees for HIFL Board members), 100% of those fees;
 - for Investment Fund Managers, pro-rated using the average AUM of each of the funds of Janus Henderson Sustainable/Responsible Funds managed by the relevant fund manager (as a proportion of the total AUM managed by that individual) as a proxy.
 - for other individuals, pro-rated using the average AUM of each of the funds of Janus Henderson Sustainable/Responsible Funds (as a proportion of the aggregate average AUM of Janus Henderson Group plc) as a proxy.
4. Senior Management includes the Janus Henderson Executive Committee and other Group Board members and the Board of HIFL.
5. Other Code Staff includes all other UCITS Code Staff not covered by the above, including Investment Fund Managers who manage AUM within each of the funds of Janus Henderson Sustainable/Responsible Funds.

Further information

Shareholder enquiries

If you have any queries about your fund holding, either contact your professional adviser or telephone us on one of the numbers below:

For dealing enquiries including buying and selling shares please telephone at local rate: **0845 608 8703**

The following line is also available:

Client Services: **0800 832 832**

or you can contact us via e-mail at **support@janushenderson.com**

We may record telephone calls for our mutual protection and to improve customer service.

Important Information

Janus Henderson Investors is the name under which investment products and services are provided by Janus Capital International Limited (reg no. 3594615), Henderson Global Investors Limited (reg. no. 906355), Henderson Investment Funds Limited (reg. no. 2678531), AlphaGen Capital Limited (reg. no. 962757), Henderson Equity Partners Limited (reg. no.2606646), (each registered in England and Wales at 201 Bishopsgate, London EC2M 3AE and regulated by the Financial Conduct Authority) and Henderson Management S.A. (reg no. B22848 at 2 Rue de Bitbourg, L-1273, Luxembourg and regulated by the Commission de Surveillance du Secteur Financier).

We may record telephone calls for our mutual protection, to improve customer service and for regulatory record keeping purposes.

Unless otherwise stated, all data is sourced by Janus Henderson Investors.

[Janus Henderson, Janus, Henderson, Perkins, Intech, Alphagen, VelocityShares, Knowledge. Shared and Knowledge Labs] are trademarks of Janus Henderson Group plc or one of its subsidiaries. © Janus Henderson Group plc.