



# ANNUAL REPORT & ACCOUNTS

For the year ended  
30 June 2020

Janus Henderson  
— INVESTORS —

Janus Henderson Multi-Manager Global Select Fund



# Who are Janus Henderson Investors?



\* Source: Janus Henderson Investors. Staff and assets under management (AUM) data as at 30 June 2020. AUM data excludes Exchange-Traded Note ('ETN') assets.

## Who we are

The notion of "connecting" is powerful – it has shaped our evolution and our world today. At Janus Henderson Investors ('Janus Henderson'), we seek to benefit clients through the connections we make.

Connections enable strong relationships with clients based on trust and insight as well as the flow of ideas among our investment teams and our engagement with companies, all of which allow us to make a positive difference. These connections are central to our values as a firm, to what active management stands for and to the 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.

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\* These collectively comprise the Authorised Fund Manager's Report.

## **Authorised Fund Manager's report** for the year ended 30 June 2020

We are pleased to present the Annual Report and Accounts for Janus Henderson Multi-Manager Global Select Fund (the 'fund') for the year ended 30 June 2020.

### **Authorised status**

The fund is an Alternative Investment Fund (AIF) under the Alternative Investment Fund Manager (AIFMD) Regulations, authorised as a non-Undertakings for Collective Investment in Transferrable Securities (UCITS) retail scheme for the purposes of the the Financial Conduct Authority (FCA) rules, complying with chapter 5 of the Collective Investment Schemes Sourcebook (COLL). The operation of the scheme is governed by the Trust Deed, COLL and Prospectus.

The Trustee is also the Depositary for the purposes of the AIFMD pursuant to a depositary agreement dated 22 July 2014.

The fund was established on 10 July 2006 and authorised by the FCA on 13 July 2006.

Unitholders are not liable for the debts of the fund.

### **Brexit update**

Janus Henderson Investors established a Brexit project following the 2016 referendum to look at all possible Brexit impacts including distribution, regulatory permissions and licences, Human Resources, Information Technology and Operations. Through this project, Janus Henderson Investors sought to minimise the potential impact on investors regardless of the end outcome of Brexit.

The project is actively involved in discussions with regulators, industry groups and clients to remain abreast of developments that may impact on our preparations.

The project team is supported by a number of law firms both in the UK and across multiple European countries.

We have a long history in both the UK and continental Europe, and the planned build out of our existing office in Luxembourg was completed in 2019. We are well placed to continue to support our clients globally after Brexit.

### **Value assessment**

The board of Henderson Investment Funds Limited present the value assessment report for the period to 31 December 2019, made available on our website [www.janushenderson.com](http://www.janushenderson.com). Access by this link (<https://www.janushenderson.com/en-gb/adviser/notice/value-assessment-report>).

Over the period 2015 to 2019, the UK's financial services regulator, the Financial Conduct Authority (FCA), carried out a study of the asset management industry to understand how asset managers compete to deliver value to investors. The findings of this study have given rise to a range of FCA initiatives, one being for the Board of the Authorised Fund Manager (the body responsible for an investment fund) in the UK to perform detailed assessments of whether funds are providing value to investors, and publish an annual statement summarising the outcome of this process, known as the value assessment.

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**

An outbreak of an infectious respiratory illness caused by a novel coronavirus known as COVID-19 was first detected in China in December 2019 and has now been declared a pandemic by the World Health Organization. The impact of COVID-19 has now been highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of a fund's investments. This may impact liquidity in the marketplace, which in turn may affect the fund's ability to meet redemption requests. Public health crises caused by the COVID-19 pandemic may exacerbate other pre-existing political, social and economic risks in certain countries or globally. The duration of the COVID-19 pandemic and its effects cannot be determined with certainty, and could prevent a fund from executing advantageous investment decisions in a timely manner and negatively impact a fund's ability to achieve its investment objective.

## Authorised Fund Manager's report (continued)

### Service providers

	Name	Address	Regulator
<b>Authorised Fund Manager and Alternative Investment Fund Manager (AIFM)</b>	<b>Henderson Investment Funds Limited</b> 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
<b>Directors of the Authorised Fund Manager</b>	R Chaudhuri (from 17.03.20) A Crooke G Foggin G Fogo S Hillenbrand H J de Sausmarez P Shea* F Smith* R Thompson (to 31.12.19) *Independent		
<b>Investment Adviser</b>	<b>Henderson Global Investors Limited</b> The ultimate holding company is Janus Henderson Group plc.	201 Bishopsgate London EC2M 3AE	Authorised and regulated by the Financial Conduct Authority
<b>Unitholder Administrator</b>	<b>SS&amp;C Financial Services International Limited and SS&amp;C Financial Services Europe Limited</b>	SS&C House St Nicholas Lane Basildon Essex SS15 5FS	Authorised and regulated by the Financial Conduct Authority
<b>Trustee and Depositary</b>	<b>NatWest Trustee and Depositary Services Limited</b> The ultimate holding company is the Royal Bank of Scotland Group plc	250 Bishopsgate London EC2M 4AA	Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and by the Prudential Regulation Authority
<b>Independent Auditors</b>	<b>PricewaterhouseCoopers LLP</b>	141 Bothwell Street Glasgow G2 7EQ	Institute of Chartered Accountants in England and Wales
<b>Legal Adviser</b>	<b>Eversheds Sutherland (International) LLP</b>	One Wood Street London EC2V 7WS	The Law Society

## Authorised Fund Manager's report (continued)

### Investment Fund Managers

Janus Henderson Multi-Asset Team

### Investment objective and policy

The fund aims to provide capital growth over the long term.

Performance target: To outperform the IA Global Sector average, after the deduction of charges, over any 5 year period.

The fund invests in Collective Investment Schemes (other funds including those managed by Janus Henderson and Exchange Traded Funds) to provide diversified global exposure to a range of assets including shares (equities) of companies, bonds issued by companies and governments, and to a lesser extent, alternative assets such as property, commodities, private equity and hedge funds.

The fund is actively managed with reference to the IA Global Sector average, which is based on a peer group of broadly similar funds, as this forms the basis of the fund's performance target.

The investment manager has complete discretion to choose investments for the fund and is not constrained by a benchmark.

### Performance summary

	30 Jun 19 - 30 Jun 20	30 Jun 18 - 30 Jun 19	30 Jun 17 - 30 Jun 18	30 Jun 16 - 30 Jun 17	30 Jun 15 - 30 Jun 16
	%	%	%	%	%
<b>Class I accumulation</b>	0.3	4.4	6.4	26.0	1.9
<b>IA Global Sector</b>	5.0	7.3	9.4	23.5	7.4

Source: Morningstar

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

Benchmark values are as at close of business.

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

### Benchmark usage

Peer group: IA Global Sector

Peer group usage: Target

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) forms the basis of the fund's performance target.

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 Fund Manager's report (continued)

### Significant portfolio changes for the year ended 30 June 2020

<b>Largest purchases</b>	<b>£000</b>	<b>Largest sales</b>	<b>£000</b>
iShares Core MSCI EM IMI UCITS ETF	3,548	Montanaro European Smaller Companies Trust	3,570
iShares Physical Gold ETC	2,177	Pantheon	2,538
Hermes Asia Ex Japan Equity Fund C Accumulation	1,648	Schroder Asian Total Return Investment Company	2,133
Schroders International Selection Asian Total Return Fund	552	Vanguard S&P 500 UCITS ETF	2,111
Vanguard S&P 500 UCITS ETF	494	WisdomTree Physical Gold	1,829
iShares USD Corporate Bond UCITS ETF	415	iShares Core MSCI EM IMI UCITS ETF	1,737
Polar Capital UK Value Opportunities Fund S Accumulation	374	JPMorgan Global Emerging Markets Income Trust	1,547
WisdomTree Physical Gold	260	Finsbury Growth & Income Investment Trust	1,522
		Genesis Emerging Markets Fund	1,251
		Janus Henderson European Growth Fund I Accumulation <sup>1</sup>	788
<b>Total purchases</b>	<b>9,468</b>	<b>Total sales</b>	<b>23,415</b>

All purchases have been included.

<sup>1</sup> Related party to the fund

## Authorised Fund Manager's report (continued)

### Investment review

The fund returned 0.3% based on Class I accumulation over the year under review, compared with a return of 5.0% in the IA Global Sector peer group benchmark.

The reporting year can be separated into three distinct periods, as signs of improving late-cycle growth were cut short by the COVID-19 pandemic and related economic shutdown, before a reopening of economies prompted a recovery.

The latter half of 2019 was characterised by improving expectations for an upswing in global growth after a distinct slowdown across much of the world. Entering 2020, investors were optimistic about the year and positioned accordingly. The pandemic was initially seen as an Asian issue in the same way that previous virus outbreaks in recent decades were reasonably well contained. However, the spread of COVID-19 to Western Europe and the northeastern US resulted in large developed market economies being brought to an effective halt, setting off a financial market slump.

Massive fiscal and monetary intervention, alongside extremely bearish sentiment, saw markets start to rise late in March. Signs that the outbreak was being brought under control in early April reinforced the move higher. While further outbreaks continued to cause concern in parts of the US and emerging markets into the summer, markets broadly remained in a buoyant mood.

Positive performance was mainly driven by the fund's equity holdings, particularly in the US, Europe and Japan. Gold was also a contributor to performance as were positions in government bonds (US Treasuries and UK gilts). The top contributors to performance from our underlying active holdings are the First State Japan Equity Fund (+29.5%), the Findlay Park American Fund (+6.7%), the BlackRock European Dynamic Fund (+11.3%) and the Montanaro European Smaller Companies Trust (12.5%). Equity futures in the Euro Stoxx 50, the Nasdaq 100 and the S&P 500 indices that expired in June (thus encompassing the second quarter of 2020) were top performers overall, which reflected the renewed investor risk appetite towards the back end of the reporting year (+40.5%, +40.3%, +32.6%, respectively).

The largest detractors over the year were equity futures that expired in March (thus encompassing the first quarter of 2020) in the Euro Stoxx 50 and S&P 500 indices (-43.3% and -33.7%, respectively), which reflected the very sharp sell-off in equity markets over March. Holdings in Riverstone Energy, Fidelity American Special Situations and the iShares Core MSCI Emerging Markets IMI UCITS ETF were also detractors.

Activity during the year was in part characterised by the selling of investment trust positions (Finsbury Growth and Income Investment Trust, Montanaro European Smaller Companies Trust, Schroder Asian Total Return Investment Company, Genesis Emerging Markets Fund and JPMorgan Global Emerging Markets Income Trust), with the resulting proceeds switched into more liquid vehicles within each relevant asset class. The investment in the Stewart Investors Asia Pacific Leaders Fund was also switched into the Stewart Investors Asia Pacific Sustainability Fund. Both funds have a very similar investment process and universe, though we believed that the latter was more attractive from a risk/reward perspective and due to an enhanced environmental, social and governance tilt. More tactical trading included entering a DAX Index position in November, which was exited in January prior to the sell-off. Exploiting the improving investor risk sentiment theme also came through in our initiation of a Nasdaq 100 Index position in February, which was topped up in April following the market sell-off and fully exited in June as the position had performed very well. A position in UK gilts was initiated in October and sold in January, while the position in US Treasuries initiated in January was sold after the March sell-off as it had effectively protected the portfolio. A small position in a US investment-grade bond exchange traded fund was initiated in March to take advantage of an extreme sell-off and subsequent recovery in the asset class. Overall, the fund ended the year with an increased allocation to US and European equities excluding the UK (and reduced weights to the UK, Japan, Asia excluding Japan and emerging markets). The commodities allocation rose, driven by our increased holding in gold. The corporate bond allocation rose very slightly due to our position in the investment-grade-focused iShares USD Corporate Bond UCITS ETF.

Markets are likely to remain bumpy as investors continue to react to the ebbs and flows of virus cases. As the largest single economy in the world, the US has been a focal point to investors. There is no historical roadmap for investors to follow as they try to analyse the path of the pandemic and its effects on the global economy. In particular, market participants must deal with potentially conflicting signals that may lead to occasional large swings in sentiment and market leadership. While buy-and-hold investing has been an efficient strategy in the low-volatility and trending markets of the past decade, we believe that high-volatility regimes like this demand and reward a more active approach to asset allocation.

## Comparative tables for the year ended 30 June 2020

	Accumulation units		
	2020 (pence per unit)	2019 (pence per unit)	2018 (pence per unit)
<b>Change in net assets per unit</b>			
Opening net asset value per unit	254.14	244.73	230.38
Return before operating charges*	4.58	14.11	18.98
Operating charges	(4.83)	(4.70)	(4.63)
Return after operating charges*	(0.25)	9.41	14.35
Distributions on accumulation units	-	-	-
Retained distributions on accumulation units	-	-	-
Closing net asset value per unit	253.89	254.14	244.73
* after direct transaction costs of:	0.05	-	-
<b>Performance</b>			
Return after charges	(0.10%)	3.85%	6.23%
<b>Other information</b>			
Closing net asset value (£000s)	33,404	36,525	51,486
Closing number of units	13,156,965	14,371,753	21,037,757
Operating charges	1.93%	1.93%	1.93%
Direct transaction costs	0.02%	0.00%	0.00%
<b>Prices</b>			
Highest unit price (pence)	269.80	255.20	249.70
Lowest unit price (pence)	195.00	224.30	230.10

	Class E accumulation	
	2020 (pence per unit)	24/06/19 - 30/06/19 (pence per unit)
<b>Change in net assets per unit</b>		
Opening net asset value per unit	254.16	253.70 <sup>1</sup>
Return before operating charges*	4.62	0.51
Operating charges	(3.59)	(0.05)
Return after operating charges*	1.03	0.46
Distributions on accumulation units	(1.17)	(0.11)
Retained distributions on accumulation units	1.17	0.11
Closing net asset value per unit	255.19	254.16
* after direct transaction costs of:	0.05	-
<b>Performance</b>		
Return after charges	0.41%	0.18%
<b>Other information</b>		
Closing net asset value (£000s)	11,820	12,341
Closing number of units	4,631,997	4,855,745
Operating charges	1.43%	1.43%
Direct transaction costs	0.02%	0.00%
<b>Prices</b>		
Highest unit price (pence)	270.50	254.20
Lowest unit price (pence)	195.70	253.50

<sup>1</sup> Class E accumulation launched on 24 June 2019 and this is the first published price.

## Comparative tables (continued)

	Class I accumulation		
	2020	2019	2018
	(pence per unit)	(pence per unit)	(pence per unit)
<b>Change in net assets per unit</b>			
Opening net asset value per unit	181.65	173.65	162.29
Return before operating charges*	3.30	10.08	13.39
Operating charges	(2.14)	(2.08)	(2.03)
Return after operating charges*	1.16	8.00	11.36
Distributions on accumulation units	(1.34)	(1.33)	(1.21)
Retained distributions on accumulation units	1.34	1.33	1.21
Closing net asset value per unit	182.81	181.65	173.65
* after direct transaction costs of:	0.04	-	-
<b>Performance</b>			
Return after charges	0.64%	4.61%	7.00%
<b>Other information</b>			
Closing net asset value (£000s)	11,584	13,196	13,615
Closing number of units	6,336,157	7,264,152	7,840,443
Operating charges	1.19%	1.20%	1.20%
Direct transaction costs	0.02%	0.00%	0.00%
<b>Prices</b>			
Highest unit price (pence)	193.60	182.30	176.90
Lowest unit price (pence)	140.10	159.70	162.90

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 unit class.

### Unit class launches and closures

There were no unit classes launched or closed in the year.

## 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.

	2020 %	2019 %	Estimated OCF from 5 May 2020 <sup>1</sup> %
<b>Accumulation units</b>	1.93 <sup>2</sup>	1.93	1.96
<b>Class E accumulation</b>	1.43 <sup>2</sup>	1.43	1.46
<b>Class I accumulation</b>	1.19 <sup>3</sup>	1.20	1.20

The OCF includes a synthetic element of 0.46% (2019: 0.47%) to incorporate the OCF of underlying funds.

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

<sup>1</sup> The estimated ongoing charge is based on the new General Administration Charge (GAC) rates to the year ended 30 June 2020.

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

<sup>3</sup> The GAC on Class I 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 3 types of unit class in issue; Accumulation, Class E accumulation and Class I accumulation.

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



The unit classes appear at 5 out of 7. 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 units 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.

There has been no change to the risk ratings in the year.

The full list of the fund's risks are contained in the 'Risk Warnings' section of the fund's prospectus. The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

\* Class E accumulation launched on 24 June 2019 and as it does not have a 5 year history, a synthetic history has been created using the Accumulation unit class.

## Portfolio statement as at 30 June 2020

Holding	Investment	Market value £000	Percentage of total net assets %
<b>Alternatives 0.00% (2019: 0.00%)</b>			
2,977,407	Jupiter Second Split Trust <sup>1</sup>	-	-
2,500,000	Speymill Deutsche Immobilien <sup>1</sup>	-	-
<b>Asia Ex Japan Equity 8.78% (2019: 8.44%)</b>			
1,647,447	Hermes Asia Ex Japan Equity Fund C Accumulation	2,437	4.29
3,958	Schroders International Selection Asian Total Return Fund	1,477	2.60
171,384	Stewart Investors Asia Pacific Sustainability Fund B Accumulation	1,073	1.89
2,160,908	Vision Opportunity China <sup>1</sup>	-	-
		<u>4,987</u>	<u>8.78</u>
<b>Commodities 4.26% (2019: 2.37%)</b>			
85,765	iShares Physical Gold ETC	<u>2,421</u>	<u>4.26</u>
<b>Europe ex UK Equity 14.42% (2019: 16.01%)</b>			
1,937,524	BlackRock European Dynamic Fund A Accumulation	3,810	6.71
97,192	Henderson European Focus Trust	1,176	2.07
1,261,955	Invesco European Equity Income Fund	1,523	2.68
309,344	Janus Henderson European Growth Fund I Accumulation <sup>2</sup>	1,683	2.96
		<u>8,192</u>	<u>14.42</u>
<b>Global Emerging Market Equity 2.55% (2019: 4.42%)</b>			
66,240	iShares Core MSCI EM IMI UCITS ETF	<u>1,448</u>	<u>2.55</u>
<b>Investment Grade Bonds 0.80% (2019: 0.00%)</b>			
4,361	iShares USD Corporate Bond UCITS ETF	<u>453</u>	<u>0.80</u>
<b>Japan Equity 9.47% (2019: 9.77%)</b>			
295,068	Baillie Gifford Japan Trust	2,310	4.06
116,177	First State Japan Equity Fund III	2,061	3.63
666,339	MAN GLG Japan CoreAlpha Fund	1,012	1.78
		<u>5,383</u>	<u>9.47</u>
<b>North America Equity 32.76% (2019: 39.22%)</b>			
214,562	Fidelity American Special Situations	3,186	5.61
66,103	Findlay Park American Fund	7,018	12.35
12,847	Legg Mason ClearBridge US Aggressive Growth Fund	2,649	4.66
736,173	Renn Universal Growth Investment Trust <sup>3</sup>	958	1.69
101,738	Vanguard S&P 500 UCITS ETF	4,799	8.45
		<u>18,450</u>	<u>32.76</u>
<b>Private Equity 1.24% (2019: 6.41%)</b>			
5,750,000	EIH <sup>3</sup>	140	0.25
250,268	Henderson Private Equity Investment Trust <sup>1</sup>	-	-
2,250,000	Promethean <sup>1</sup>	-	-
150,472	Riverstone Energy	564	0.99
		<u>704</u>	<u>1.24</u>

## Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	<b>UK Equity 6.75% (2019: 9.77%)</b>		
947,683	Majedie UK Equity Fund	1,469	2.59
232,735	Polar Capital UK Value Opportunities Fund S Accumulation	2,363	4.16
		<u>3,832</u>	<u>6.75</u>
	<b>Derivatives 0.49% (2019: 0.12%)</b>		
	<b>Futures 0.32% (2019: 0.04%)</b>		
64	CME S&P 500 E-mini Index September 2020	82	0.14
114	EUX Euro Stoxx50 September 2020	17	0.03
23	ICE FTSE 100 Index September 2020	(20)	(0.03)
(19)	OSE TOPIX Index September 2020	101	0.18
		<u>180</u>	<u>0.32</u>
		-	
	<b>Forward Foreign Exchange Contracts 0.17% (2019: 0.08%)<sup>4</sup></b>		
	Buy EUR 3,694,503 : Sell GBP 3,321,990 July 2020	38	0.07
	Buy GBP 2,256,639 : Sell JPY 303,071,461 July 2020	(17)	(0.03)
	Buy USD 8,003,217 : Sell GBP 6,397,607 July 2020	78	0.13
		<u>99</u>	<u>0.17</u>
	<b>Investment assets including investment liabilities</b>	<b>46,309</b>	<b>81.52</b>
	Other net assets	10,499	18.48
	<b>Total net assets</b>	<b><u>56,808</u></b>	<b><u>100.00</u></b>

<sup>1</sup> Suspended or delisted securities

<sup>2</sup> Related party to the fund

<sup>3</sup> Manually priced securities

<sup>4</sup> Unquoted securities

The collective investment schemes held are approved regulated collective investment schemes within the meaning of the FCA rules. Exchange traded funds and all other investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

## Composition of portfolio

	Market value £000	Percentage of total net assets %
<b>2020</b>		
<b>Investments</b>		
Total collective investment schemes	31,761	55.91
Total equities	14,269	25.12
Total derivatives	279	0.49
<b>Investment assets including investment liabilities</b>	<b>46,309</b>	<b>81.52</b>
Other net assets	10,499	18.48
<b>Total net assets</b>	<b>56,808</b>	<b>100.00</b>
	<b>Market value £000</b>	<b>Percentage of total net assets %</b>
<b>2019</b>		
<b>Investments</b>		
Total collective investment schemes	33,545	54.05
Total equities	26,288	42.36
Total derivatives	77	0.12
<b>Investment assets including investment liabilities</b>	<b>59,910</b>	<b>96.53</b>
Other net assets	2,152	3.47
<b>Total net assets</b>	<b>62,062</b>	<b>100.00</b>

## Statement of Authorised Fund Manager's responsibilities for the year ended 30 June 2020

The Financial Conduct Authority's (FCA) Collective Investment Schemes Sourcebook (COLL) requires the Authorised Fund Manager 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 Managers Association (IMA) in May 2014, United Kingdom Generally Accepted Accounting Practice (UK GAAP) (United Kingdom Accounting Standards, comprising FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland), of the financial affairs of the fund and of its revenue/ expenditure for the year. In preparing the financial statements the Authorised Fund Manager is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the requirements of the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Management Association (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 Henderson Investment Funds Limited, 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 fund will continue in operation for the foreseeable future.

The Authorised Fund Manager is responsible for the management of the fund in accordance with its Trust Deed, Prospectus and the Regulations. The Authorised Fund Manager is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Statement of the Trustee's responsibilities and report of the Trustee to the unitholders of Janus Henderson Multi-Manager Global Select Fund (the 'Scheme')

for the year ended 30 June 2020

The Trustee must ensure that the Scheme is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Investment Funds Sourcebook, the Financial Services and Markets Act 2000, as amended, (together 'the Regulations'), the Trust Deed and Prospectus (together 'the Scheme documents') as detailed below.

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

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

The Trustee must ensure that:

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

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

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

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

NatWest Trustee and Depositary Services Limited  
London  
29 October 2020

# Independent Auditors' report to the unitholders of Janus Henderson Multi-Manager Global Select Fund

## Report on the audit of the financial statements

### Opinion

In our opinion, the financial statements of Janus Henderson Multi-Manager Global Select Fund (the 'Trust').

- give a true and fair view of the financial position of the Trust as at 30 June 2020 and of the net revenue and the net capital losses on its scheme property 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 Trust Deed.

We have audited the financial statements, included within the Annual Report & Accounts (the 'Annual Report'), which comprise: the balance sheet as at 30 June 2020; the statement of total return, the statement of change in net assets attributable to unitholders 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 Trust 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

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the Authorised Fund Manager's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Authorised Fund Manager has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trust's ability to continue as a going concern.

### 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 Fund Manager 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.

# Independent Auditors' report to the unitholders of Janus Henderson Multi-Manager Global Select Fund (continued)

## Authorised Fund Manager's Report

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

## Responsibilities for the financial statements and the audit

### Statement of Authorised Fund Manager's responsibilities

As explained more fully in the Statement of Authorised Fund Manager's responsibilities set out on page 13, the Authorised Fund Manager 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 Fund Manager 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 Fund Manager is responsible for assessing the Trust's 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 Fund Manager either intend to wind up or terminate the Trust, or have 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.

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](http://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 Trust's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook 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.

## 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 and returns.

We have no exceptions to report arising from this responsibility.



PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Glasgow  
29 October 2020

## Statement of total return for the year ended 30 June 2020

	Note	2020		2019	
		£000	£000	£000	£000
Income					
Net capital (losses)/gains	4		(103)		2,279
Revenue	5	820		895	
Expenses	6	(698)		(798)	
Interest payable and similar charges	7	-		(1)	
Net revenue before taxation		122		96	
Taxation	8	-		-	
Net revenue after taxation			122		96
Total return before distributions			19		2,375
Distributions	9		(139)		(102)
<b>Change in net assets attributable to unitholders from investment activities</b>			<b>(120)</b>		<b>2,273</b>

## Statement of change in net assets attributable to unitholders for the year ended 30 June 2020

	2020		2019	
	£000	£000	£000	£000
<b>Opening net assets attributable to unitholders</b>		<b>62,062</b>		<b>65,101</b>
Amounts receivable on issue of units	505		1,006	
Amounts payable on cancellation of units	(5,778)		(6,420)	
		(5,273)		(5,414)
Change in net assets attributable to unitholders from investment activities		(120)		2,273
Retained distributions on accumulation units		139		102
<b>Closing net assets attributable to unitholders</b>		<b>56,808</b>		<b>62,062</b>

## Balance sheet as at 30 June 2020

	Note	2020 £000	2019 £000
<b>Assets:</b>			
Investments		46,346	59,932
Current assets:			
Debtors	10	134	433
Cash and bank balances	11	1,852	659
Cash equivalents	12	8,881	1,601
<b>Total assets</b>		<b>57,213</b>	<b>62,625</b>
<b>Liabilities:</b>			
Investment liabilities		37	22
Creditors:			
Amounts held at derivatives clearing houses and brokers		200	36
Bank overdrafts		52	415
Other creditors	13	116	90
<b>Total liabilities</b>		<b>405</b>	<b>563</b>
<b>Net assets attributable to unitholders</b>		<b>56,808</b>	<b>62,062</b>

## Directors' 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. We hereby certify the investment review and financial statements on behalf of the Directors of Henderson Investment Funds Limited.



G Foggin  
(Director)



H J de Sausmarez  
(Director)

29 October 2020

## 1 Accounting policies

### (a) Basis of preparation

The financial statements of Janus Henderson Multi-Manager Global Select Fund (the 'fund') have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice (SORP) for UK Authorised Funds issued by the Investment Management Association (IMA) in May 2014, the Financial Reporting Standard 102 (FRS 102), the Financial Conduct Authority's (FCA) Collective Investment Schemes Sourcebook (COLL), Trust Deed 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 (30 June 2020) in accordance with the provisions of the scheme particulars.

The AFM has assigned the responsibility to review and approve fair value pricing decisions on a regular basis to the Janus Henderson UK & EMEA Fair Value Pricing Committee. The Committee report 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.

Investments in collective investment schemes (CIS) have been valued at bid prices. For those CIS funds that are not dual priced, single prices are used.

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

Distributions from CIS and 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 are disclosed gross of any foreign tax suffered, the tax element being separately disclosed in the tax note.

Bank interest is recognised on an accruals basis.

Accumulation of revenue relating to accumulation units or shares held in underlying funds is recognised as revenue and included in the amount available for distribution. Equalisation received and accrued from distributions or accumulations on units or shares in underlying investments is treated as capital and deducted from the cost of the investment.

Revenue earned on derivatives and interest on margin are accounted for on an accruals basis.

Any annual management charge rebates from underlying funds, including offshore, are recognised on an accruals basis when the entitlement arises in accordance with the treatment of the annual management charge on the underlying CIS.

Stock lending revenue is accounted for on an accruals basis, net of bank and agent fees.

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.

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 Authorised Fund Manager expenses)

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

### Annual Management Charge (AMC)

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

### General Administration Charge

All fees with the exception of the AMC, Trustee and safe custody fees have been replaced by a single ad valorem charge, the General Administration Charge (GAC). The Authorised Fund Manager 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 unit class in the fund will pay will depend on the costs attributable to each unit 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 Authorised Fund Manager by each unit class monthly.

## Notes to the financial statements (continued)

### 1 Accounting policies (continued)

#### (d) Treatment of expenses (including Authorised Fund Manager expenses) (continued)

##### Allocation of revenue and expenses to multiple unit classes

With the exception of the AMC and the GAC which are directly attributable to individual unit classes, all revenue and expenses are allocated to unit classes pro rata to the value of the net assets of the relevant unit 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 fund is not required to produce a cash flow statement as it meets the exemption criteria set out in FRS102.7.1A as the fund's investments are highly liquid, are carried at market value and a Statement of change in net assets attributable to unitholders is provided for the fund.

#### (h) Cash equivalents

Cash equivalents are highly liquid investments held in the base currency of the fund, which are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three-month high quality government bond.

#### (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 as at fair value and the net gains/(losses) are reflected in Forward currency contracts in Net capital gains/(losses) on investments.

#### Index future contracts

The unrealised gain/(loss) on open index future contracts is disclosed in the Portfolio statement. The margins paid on these contracts are included in amounts held at derivative clearing houses and brokers. The net gains/(losses) are apportioned between the revenue account and derivative securities in net capital gains/(losses) on investments, reflecting the nature of the return. The basis of the apportionment is typically made by reference to the yield on the underlying security or index or other appropriate source.

#### (j) Dilution adjustment

The fund is priced on a single swinging price basis. The Authorised Fund Manager 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 Authorised Fund Manager 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 Authorised Fund Manager is of the opinion that the interests of existing or continuing unitholders and potential investors require the imposition of a dilution adjustment.

## Notes to the financial statements (continued)

### 2 Distribution Policy

The distribution policy of the fund is to 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 fund pays dividend distributions.

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

Marginal tax relief relating to underlying management fee rebates has been taken into account when determining the amount available for distribution.

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 fund makes annual distributions (31 August) to unitholders.

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

### Equalisation

Income equalisation does not apply to the fund.

### 3 Risk

In pursuing its investment objective the fund holds a number of financial instruments. These financial instruments comprise securities and other investments, cash balances, debtors and creditors arising from the fund's operations. The fund may also enter into derivatives and forward transactions for the purpose of efficient portfolio management.

The risk management policy and process for the fund is designed to satisfy the requirements of the AIFMD; associated regulatory technical standards and guidelines; and local regulations. The framework for risk controls and limits for the fund is documented within the Henderson Investment Funds Limited (HIFL) 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 the setting of limits and monitoring against those limits.

In the normal course of business, the fund's activities expose it to various types of risk which are associated with the financial instruments and markets in which it invests. 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 year. For a detailed explanation of these and further risks involved in investing in the fund, 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 fund attributable to changes in market variables such as interest rates, foreign exchange rates or an issuer's creditworthiness.

The investments of the fund are subject to normal market fluctuations and other risks inherent in investing in securities, in pursuance of the investment objective and policy.

Whilst equity investments carry potential for attractive returns over the longer term, the volatility of these returns can be relatively high and exposure to a single country or geographical area may increase potential volatility.

## Notes to the financial statements (continued)

### 3 Risk (continued)

#### a) Market risk (continued)

The objective of the fund intends or allows it to invest in shares issued by investment trusts, including split capital investment trusts. The shares of split capital investment trusts that have more than one class of share have different risk characteristics. The level of risk depends on both the share class and prevailing market conditions. Moreover, many split capital investment trusts employ gearing which can lead to considerable volatility in their asset values and share prices and therefore can increase the level of risk compared with those investment trusts that do not have a split capital structure and those that do not employ gearing. Furthermore, investors should be aware of the risk that in certain market conditions some split capital investment trust shares can lose their value.

The fund may use derivatives and forward transactions for the purposes of efficient portfolio management only; it is not expected that the use of derivatives for these purposes will alter the risk profile of the fund.

#### Currency risk

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

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 including (investment liabilities) £000	Other net assets £000	Total net assets/ (liabilities) £000
<b>2020</b>			
<b>Currency</b>			
Euro	3,377	639	4,016
Japanese yen	(2,173)	11	(2,162)
UK sterling	17,559	9,149	26,708
US dollar	27,546	700	28,246
<b>Total</b>	<b>46,309</b>	<b>10,499</b>	<b>56,808</b>
	Investment assets including (investment liabilities) £000	Other net assets £000	Total net assets/ (liabilities) £000
<b>2019</b>			
<b>Currency</b>			
Euro	(3,839)	79	(3,760)
Japanese yen	(896)	38	(858)
UK sterling	51,895	1,892	53,787
US dollar	12,750	143	12,893
<b>Total</b>	<b>59,910</b>	<b>2,152</b>	<b>62,062</b>

#### Sensitivity analysis

The net foreign currency assets held by the fund at the year end were £30,100,927 (2019: £8,275,200). 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 30 June 2020 and the net assets as at 30 June 2020 by £3,010,093 (2019: £827,520).

## Notes to the financial statements (continued)

### 3 Risk (continued)

#### a) Market risk (continued)

##### 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. The majority of the fund's financial assets are investments which neither pay interest nor have a maturity date.

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

Other market price risk is the risk that the value of the fund's 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 fund might hold. It represents the potential loss the fund might suffer through holding market positions in the face of price movements.

The fund's investment portfolio is exposed to market price fluctuations, which are monitored by the Authorised Fund Manager in pursuance of the investment objective and policy.

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 has increased substantially, which has led to an increase in 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 FRC (Financial Reporting Council) has issued guidance to companies to ensure that they maintain sufficient capital reserves, which in some circumstances could result in cancelled dividend payments already announced to the market. In order to assess and mitigate the risk of not receiving income accrued at the end of the year, procedures are in place to monitor the effect of any cancelled dividends and to make suitable provisions when calculating the amount available for distribution.

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 may apply leverage to the portfolio by utilising financial gearing, such as bank borrowings and overdrafts; and synthetic gearing through derivatives and/or other non-fully funded instruments or techniques for efficient portfolio management purposes such as stock lending. Typically leverage will arise through the use of index futures, forward foreign exchange contracts or contracts for difference, where cash is paid to the counterparty as margin against the current mark to market value of the derivative contract; as a result, depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may even result in further loss exceeding any margin deposited. The use of leverage therefore creates additional risks and may significantly increase the market and counterparty risk of the fund through non-fully funded exposure to underlying markets or securities.

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

The table below sets out the current maximum limit and actual level of leverage for the fund as at 30 June 2020:

	Leverage as a percentage of net asset value	
	Gross Method	Commitment Method
Maximum level	200%	150%
Actual level as at 30 June 2020	147%	104%
Actual level as at 30 June 2019	121%	104%

There have been no breaches of the maximum levels during the year, no changes to the maximum level of leverage employed by the fund nor to its right of reuse of collateral nor any guarantee granted under the leveraging arrangements.

## Notes to the financial statements (continued)

### 3 Risk (continued)

#### (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.

Issuer credit ratings are evaluated periodically and an approved issuer list is maintained and monitored. In addition the fund may only buy and sell investments through brokers which have been approved by the Authorised Fund Manager 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 exposure to credit risk by the fund is considered insignificant. This is consistent with the exposure in the prior year.

The fund's assets that are held with the banks could be exposed to credit and counterparty risk. The banks used by the fund and Authorised Fund Manager are subject to regular reviews. Only counterparties that have been approved by Janus Henderson's 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 Trust Deed, the Prospectus and in the Financial Conduct Authority Collective Investment Schemes Sourcebook 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.

#### (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.

#### (d) Liquidity risk

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

The fund is generally able to realise cash quickly to meet its liabilities. The main liquidity requirements of the fund include the redemption of any units that a unitholder 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 units.

The AFM manages the fund's cash position to ensure it can meet its liabilities. The AFM receives daily reports of subscriptions and redemptions enabling the AFM to raise cash from the fund's portfolio in order to meet redemption requests. In addition the AFM monitors the market liquidity of all securities, seeking to ensure the fund maintains sufficient liquidity to meet known and potential redemption activity. The fund's cash balances are monitored daily by the AFM. When investments cannot be realised in time to meet any potential liability, the fund may borrow up to 10% of its property to ensure settlement.

## Notes to the financial statements (continued)

### 3 Risk (continued)

#### (d) Liquidity risk (continued)

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
<b>2020</b>				
Amounts held at derivatives clearing houses and brokers	200	-	-	-
Bank overdrafts	52	-	-	-
Derivative financial liabilities	-	37	-	-
Other creditors	-	116	-	-
<b>Total</b>	<b>252</b>	<b>153</b>	<b>-</b>	<b>-</b>
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
<b>2019</b>				
Amounts held at derivatives clearing houses and brokers	36	-	-	-
Bank overdrafts	415	-	-	-
Derivative financial liabilities	-	22	-	-
Other creditors	-	90	-	-
<b>Total</b>	<b>451</b>	<b>112</b>	<b>-</b>	<b>-</b>

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

#### (e) Brexit Risk

On 31 January 2020, the United Kingdom formally left the EU ('Brexit'). Under the terms of the withdrawal agreement concluded between the United Kingdom and the EU, a transition period will run until 31 December 2020, during which time the United Kingdom will continue to benefit from and be bound by many EU laws.

The terms of the United Kingdom's future relationship with the EU are uncertain and will depend on how the United Kingdom and the EU re-negotiate their relationship following Brexit. Given this, it is difficult to predict how the United Kingdom's withdrawal from the EU will be implemented and what the implications will be for the asset management industry and the broader European and global financial markets more generally.

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 uncertainty may have an adverse effect on the economy generally and on the ability of the fund and its investments to execute their respective strategies and to receive attractive returns, and may also result in increased costs to the fund.

## Notes to the financial statements (continued)

### 4 Net capital (losses)/gains

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

	2020 £000	2019 £000
Capital management fee rebates	16	11
Derivative securities*	206	63
Forward currency contracts*	135	19
Non-derivative securities*	(356)	2,157
Other currency (losses)/gains	(96)	35
Transaction costs	(8)	(6)
<b>Net capital (losses)/gains</b>	<b>(103)</b>	<b>2,279</b>
<b>*The above includes:</b>		
Realised gains	5,638	1,547
Unrealised (losses)/gains	(5,653)	692
	<b>(15)</b>	<b>2,239</b>

\* Where realised gains/(losses) include gains/(losses) arising in previous years, a corresponding gain/(loss) is included in unrealised gains/(losses).

### 5 Revenue

	2020 £000	2019 £000
Derivative revenue	4	-
Distributions from UK regulated collective investment schemes:		
Franked investment revenue	220	315
Interest on margin	-	2
Management fee rebates	46	72
Overseas dividends*	382	314
Stock lending revenue	1	5
UK dividends	167	187
<b>Total revenue</b>	<b>820</b>	<b>895</b>

\* includes distributions from overseas funds

### 6 Expenses

	2020 £000	2019 £000
<b>Payable to the Authorised Fund Manager, associates of the Authorised Fund Manager and agents of either of them:</b>		
Annual management charge	595	693
GAC*	96	98
	<u>691</u>	<u>791</u>
<b>Payable to the Trustee, associates of the Trustee and agents of either of them:</b>		
Trustee fees	5	6
Safe custody fees	2	1
	<u>7</u>	<u>7</u>
<b>Total expenses</b>	<b>698</b>	<b>798</b>

Irrecoverable VAT is included in the above expenses where relevant.

\* The current audit fee, which is levied through the GAC, is £10,316 (2019: £10,316).

## Notes to the financial statements (continued)

### 7 Interest payable and similar charges

The interest payable and similar charges comprise:

	2020 £000	2019 £000
Interest payable	-	1
<b>Total interest payable and similar charges</b>	<b>-</b>	<b>1</b>

### 8 Taxation

a) There is no tax charge for the current year (2019: nil).

#### 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 an authorised unit trust of 20% (2019: 20%). The differences are explained below:

	2020 £000	2019 £000
Net revenue before taxation	122	96
Corporation tax at 20% (2019: 20%)	24	19
Effects of:		
Overseas dividends	(69)	(60)
Tax effect of management fee rebate	3	2
UK dividends*	(77)	(100)
Unused management expenses	119	139
<b>Tax charge for the year (note 8a)</b>	<b>-</b>	<b>-</b>

\* As an authorised unit trust this item is not subject to corporation tax.

Unit trusts 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 (2019: 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 £2,388,648 (2019: £2,269,775) 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.

### 9 Distributions

	2020 £000	2019 £000
Final accumulation	139	102
<b>Total distributions</b>	<b>139</b>	<b>102</b>
Net revenue after taxation	122	96
Revenue shortfall	14	4
Tax effect of capitalised management fee rebate	3	2
<b>Total distributions</b>	<b>139</b>	<b>102</b>

Details of the distribution per unit are set out in the Distribution table on page 34.

## Notes to the financial statements (continued)

### 10 Debtors

	2020 £000	2019 £000
Accrued revenue	2	66
Amounts receivable for issue of units	21	-
Currency transactions awaiting settlement	43	-
Management fee rebates	68	53
Sales awaiting settlement	-	314
<b>Total debtors</b>	<b>134</b>	<b>433</b>

### 11 Cash and bank balances

	2020 £000	2019 £000
Amounts held at derivative clearing houses and brokers	1,784	272
Cash and bank balances	68	387
<b>Total cash and bank balances</b>	<b>1,852</b>	<b>659</b>

### 12 Cash equivalents

	2020 £000	2019 £000
Short term investments	8,881	1,601
<b>Total cash equivalents</b>	<b>8,881</b>	<b>1,601</b>

### 13 Other creditors

	2020 £000	2019 £000
Accrued annual management charge	47	55
Accrued Trustee's fee	-	1
Accrued other expenses	11	9
Amounts payable for cancellation of units	15	25
Currency transactions awaiting settlement	43	-
<b>Total other creditors</b>	<b>116</b>	<b>90</b>

### 14 Contingent liabilities and commitments

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

### 15 Related party transactions

Henderson Investment Funds Limited as Authorised Fund Manager 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 Authorised Fund Manager are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to unitholders' and the 'Balance sheet' on pages 17 and 18 and notes 6, 10 and 13 on pages 26 to 28 including all issues and cancellations where the Authorised Fund Manager acted as principal.

Transactions with the Authorised Fund Manager are as follows:

- All issues and cancellations,
- Annual management charge
- GAC

## Notes to the financial statements (continued)

### 15 Related party transactions (continued)

The ultimate controlling party of Henderson Investment Funds Limited is Janus Henderson Group plc. The transactions associated with Janus Henderson Group plc, its subsidiaries and other funds managed by Henderson Investment Funds Limited are as follows:

- The value of purchase transactions was £197,370 (2019: £84,870) and sales transactions was £787,759 (2019: £3,051,797) and the balance outstanding at the year end was purchases nil (2019: nil) and sales nil (2019: nil).
- Revenue receivable for the year was £38,024 (2019: £94,645) and the balance outstanding at the year end was nil (2019: nil).
- Management fee rebates receivable for the year was £15,888 (2019: £42,510) and the balance outstanding at the year end was £41,373 (2019: £42,510).
- The aggregate value of investments held at the year end was £1,682,956 (2019: £2,482,902).

There were no material unitholders at the year end (2019: nil).

### 16 Unitholders' funds

The fund currently has 3 unit classes available; Accumulation (Retail), E accumulation (Retail) and I accumulation (Institutional). The annual management charge on each unit class is as follows:

	2020	2019
	%	%
Accumulation units	1.25	1.25
Class E accumulation	0.75	0.75
Class I accumulation	0.625	0.625

The net asset value of each unit class, the net asset value per unit and the number of units in each unit class are given in the Comparative tables on pages 6 to 7. The distribution per unit class is given in the Distribution table on page 34. All unit classes have the same rights on winding up.

### Units reconciliation as at 30 June 2020

	Accumulation units	Class E accumulation	Class I accumulation
Opening number of units	14,371,753	4,855,745	7,264,152
Issues during the year	95,573	21,293	115,129
Cancellations during the year	(1,163,593)	(334,884)	(1,122,067)
Units converted during the year	(146,768)	89,843	78,943
<b>Closing units in issue</b>	<b>13,156,965</b>	<b>4,631,997</b>	<b>6,336,157</b>

### 17 Financial derivatives

The fund may use financial derivatives for the purposes of hedging for efficient portfolio management only.

Eligible collateral types are approved by the Investment Manager and 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 30 June 2020 (2019: nil).

### 2020

At 30 June 2020 the underlying exposure for each category of derivatives held was as follows:

Counterparty	Futures £000	Forward foreign exchange contracts £000	Total by counterparty £000
BNP Paribas	-	116	116
UBS	200	-	200
	<b>200</b>	<b>116</b>	<b>316</b>

## Notes to the financial statements (continued)

### 17 Financial derivatives (continued)

2019

At 30 June 2019 the underlying exposure for each category of derivatives held was as follows:

Counterparty	Futures £000	Forward foreign exchange contracts £000	Total by counterparty £000
BNP Paribas	-	57	57
JP Morgan	-	5	5
UBS	37	-	37
	<b>37</b>	<b>62</b>	<b>99</b>

### 18 Stock lending

The fund and the Investment Manager have entered into a stock lending programme with BNP Paribas 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 securities issued or guaranteed by a Member State of the OECD or by their local authorities or supranational institutions and organisations with regional, EU and world-wide scope, generally subject to a minimum long term credit rating of at least A- by one or more major credit rating agency or listed equities on eligible markets. 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 102.50% to 110.00% of the value of the stock on loan.

2020

Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
JP Morgan	812	902	Equity
	<b>812</b>	<b>902</b>	

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	Stock lending agent	1	-	1

2019

The fund had no stock on loan as at 30 June 2019.

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	Stock lending agent	6	1	5

## Notes to the financial statements (continued)

### 19 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

	2020		2019	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	13,372	20	25,477	11
Level 2	31,876	17	33,608	11
Level 3	1,098	-	847	-
	<b>46,346</b>	<b>37</b>	<b>59,932</b>	<b>22</b>

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 is responsible for 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 assets included within level 3 are delisted securities, Renn Universal (current and prior year) and EIH (current year only) which have been valued by the FVPC at their best estimate of fair value. For EIH, fair value estimations have been based on the last traded price, as recommended by the broker. For Renn Universal, the price for the current year has been determined using the value of reserve cash held with the Liquidator, together with the application of a 40% discount to take into consideration a number of indemnities that may be exercised over the next 3 years. It should be noted that the price calculated is an estimate because there are a range possible outcomes dependent on whether the indemnities are exercised. If the indemnities are not exercised this could result in the valuation increasing to £1,596,655, based on current exchange rates. However, if the indemnities are higher than forecast this would have the effect of reducing this valuation, and in the worst case scenario could result in the £1,596,655 being used to completely cover the indemnities, resulting in the reduction of Net Asset Value by 1.69%.

## Notes to the financial statements (continued)

### 20 Direct transaction costs

	Purchases		Sales	
	2020	2019	2020	2019
	£000	£000	£000	£000
<b>Trades in the year</b>				
Collective investment schemes	2,574	3,511	4,479	8,870
Equities	6,892	1,307	18,944	992
<b>Trades in the year before transaction costs</b>	<b>9,466</b>	<b>4,818</b>	<b>23,423</b>	<b>9,862</b>
<b>Transaction costs</b>				
<b>Commissions</b>				
Collective investment schemes	-	-	-	-
Equities	2	-	8	-
<b>Total commissions</b>	<b>2</b>	<b>-</b>	<b>8</b>	<b>-</b>
<b>Taxes</b>				
Collective investment schemes	-	-	-	-
Equities	-	-	-	-
<b>Total taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other expenses</b>				
Collective investment schemes	-	-	-	-
Equities	-	-	-	-
<b>Total other expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total transaction costs</b>	<b>2</b>	<b>-</b>	<b>8</b>	<b>-</b>
<b>Total net trades in the year after transaction costs</b>	<b>9,468</b>	<b>4,818</b>	<b>23,415</b>	<b>9,862</b>

	Purchases		Sales	
	2020	2019	2020	2019
	%	%	%	%
<b>Total transaction costs expressed as a percentage of asset type cost</b>				
<b>Commissions</b>				
Collective investment schemes	-	-	-	-
Equities	0.03	-	0.04	-
<b>Taxes</b>				
Collective investment schemes	-	-	-	-
Equities	-	-	-	-
<b>Other expenses</b>				
Collective investment schemes	-	-	-	-
Equities	-	-	-	-

	2020	2019
	%	%
<b>Total transaction costs expressed as a percentage of net asset value</b>		
Commissions	0.02	-
Taxes	-	-
Other expenses	-	-
<b>Total costs</b>	<b>0.02</b>	<b>-</b>

There were no in specie transfers during the year (2019: nil). There were no corporate actions during the year (2019: £584,899).

## Notes to the financial statements (continued)

### 20 Direct transaction costs (continued)

There were direct transaction costs associated with derivatives in the year of £1,960 (2019: £549) which is 0.00% of the average net asset value of the fund (2019: 0.00%).

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 costs of acquiring and disposing of units/shares in other collective investment schemes are included within the expense ratio which is an intrinsic part of the NAV price per unit/share of the underlying fund.

The portfolio dealing spread as at 30 June 2020 was 0.14% (2019: 1.33%). The portfolio dealing spread is calculated at a 12 noon valuation point.

The prior year dealing spread is not representative of the typical spread during the year due to the large spread on the asset EIH as at 30 June 2019.

### 21 Events after the Balance sheet date

Due to COVID-19 and the resultant market volatility, we have assessed the effect on the Net Asset Value of the fund of this event. As at 27 October 2020, the fund had total net redemptions of £5,859,747 and the NAV impact was 10.3%. The Net Asset Value is £53,702,858 and it dropped by 5.5% from the balance sheet date. The fall in NAV is due to the fall in value of the underlying investments and net outflows from the fund. The movements are considered to be a non-adjusting post balance sheet event and therefore no adjustments to the financial statements were required as a result.

## Distribution table for the year ended 30 June 2020 (in pence per unit)

### Final dividend distribution (accounting date 30 June 2020, paid on 28 August 2020)

Group 1: units purchased prior to 1 July 2019

Group 2: units purchased on or after 1 July 2019

	Distribution per unit	Total distribution per unit 28/08/20	Total distribution per unit 30/08/19
<b>Accumulation units</b>			
Group 1	-	-	-
Group 2	-	-	-
<b>Class E accumulation</b>			
Group 1	1.1711	1.1711	0.1123
Group 2	1.1711	1.1711	0.1123
<b>Class I accumulation</b>			
Group 1	1.3389	1.3389	1.3335
Group 2	1.3389	1.3389	1.3335

## Appendix - additional information (unaudited)

This unaudited additional information section for the year ended 30 June 2020 has been prepared by and is the responsibility of Henderson Investment Funds Limited (HIFL), as Alternative Investment Fund Manager (AIFM) to the fund, to meet the periodic disclosure requirements of Alternative Investment Fund Manager Directive (AIFMD). This information does not form part of the audited financial statements of the fund, but does reference some sections therein and should be read in conjunction with the audited financial statements and Fund Prospectus.

### Risk profile

#### Investment objective

The fund aims to provide capital growth over the long term.

There is no certainty that the investment objective of the fund will actually be achieved and no warranty or representation is given to this effect.

#### Investment policy

The fund invests in Collective Investment Schemes (other funds including those managed by Janus Henderson and Exchange Traded Funds) to provide diversified global exposure to a range of assets including shares (equities) of companies, bonds issued by companies and governments, and to a lesser extent, alternative assets such as property, commodities, private equity and hedge funds.

#### Permitted instruments and investment limits

The fund may invest in:

- Transferable securities;
- Units in collective investment schemes (including Exchange Traded Funds);
- Money-market instruments;
- Derivatives and forward foreign exchange contracts;
- Deposits; and
- Cash and near cash.

Derivatives and forward foreign exchange contracts may be used for the purposes of Efficient Portfolio Management only and cash and near cash will be used for the purposes of redemptions and Efficient Portfolio Management only.

The Authorised Fund Manager may request the Trustee to enter into stock lending transactions and repo contracts in respect of the fund. However, the power must only be exercised where it reasonably appears to the Authorised Fund Manager to be appropriate to do so with a view to the generation of additional income for the fund with an acceptable degree of risk.

The property of the fund is invested with the aim of achieving the investment objective above but subject to the limits set out in chapter 5 of the COLL Sourcebook (COLL 5) applicable to Non UCITS Retail Schemes.

Investment powers and limits applicable to the fund are detailed in the fund Prospectus.

#### Basis of valuation

The Authorised Fund Manager has appointed the Investment Fund Manager to perform the valuation of the assets of the fund in accordance with its responsibilities under the AIFMD Rules. As required under the AIFMD Rules, the Investment Manager has adopted a written valuation policy, which may be modified from time to time, which is consistent with the Prospectus.

The fair value of financial assets and liabilities traded in active markets (such as publicly-traded derivatives and securities) is based on quoted market prices at the close of trading on the reporting date. Listed investments are valued at fair value which is generally deemed to be the bid price, excluding any accrued interest in the case of fixed interest securities.

All investment funds are valued at cancellation price. 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 Fund Manager, 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. The Janus Henderson UK & EMEA Fair Value Pricing Committee (FVPC) of the Investment Manager is responsible for determining or approving these fair values, which are reported to the Authorised Fund Manager, at each board meeting.

The FVPC provides an appropriate level of supervision and oversight to ensure the effective application of fair value pricing in the Fund. 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 Janus Henderson business 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.

## Appendix - additional information (unaudited) (continued)

### Risk profile (continued)

#### Risk types

##### General risks

The investments of the fund are subject to normal market fluctuations and other risks inherent in investing in securities. There can be no assurance that any appreciation in the value of investments will occur. The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount they invest. There is no certainty that the investment objective of the fund will actually be achieved and no warranty or representation is given to this effect.

The main categories of risk to which the fund is or might reasonably be expected to be exposed include:

- a) market risk;
- b) credit and counterparty risk;
- c) liquidity risk

whose impact on the fund is detailed in Note 3 to the financial statements covering Risk.

The fund is also subject to operational risk, being the risk of loss resulting from inadequate internal processes and failures in relation to people and systems or from external events; this includes risk resulting from the trading, settlement, safe-keeping and valuation procedures operated on behalf of the fund. The valuation and fair value measurement process are detailed in Note 1 and Note 19 to the financial statements, accounting policies and fair value disclosure respectively.

##### Leverage

Leverage is considered in terms of the fund's overall exposure and includes any method by which the exposure of the fund is increased whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means. HIFL as the AIFM is required to calculate and monitor the level of leverage of the fund, expressed as the ratio between the total exposure of the fund and its net asset value with exposure values being calculated by both the gross method and commitment method at the year end.

Exposure values under the gross method basis are calculated as the absolute value of all positions of the fund; this includes all eligible assets and liabilities, relevant borrowings, derivatives (converted into their equivalent underlying positions) and all other positions even those held purely for risk reduction purposes, such as forward foreign exchange contracts held for currency hedging.

The gross method of exposure of the fund requires the calculation to:

- include the sum of all non-derivative assets held at market value, plus the absolute value of all such liabilities;
- exclude cash and cash equivalents which are highly liquid investments held in the base currency of the fund, that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three month high quality bond;
- convert derivative instruments into the equivalent position in their underlying assets;
- exclude cash borrowings that remain in cash or cash equivalents and where the amounts payable are known;
- include exposures resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised and the total amount of cash borrowed; and
- include positions within repurchase or reverse repurchase agreements and securities lending or borrowing or other similar arrangements.

Exposure values under the commitment method basis are calculated on a similar basis to the above, but may take into account the effect of netting off instruments to reflect eligible netting and hedging arrangements on eligible assets and the different treatment of certain cash and cash equivalent items in line with regulatory requirements.

## Appendix - additional information (unaudited) (continued)

### Risk profile (continued)

#### Additional risks

In addition to the above, the Prospectus includes within the section headed 'Risk Warnings', the following risks which relate to investment in the fund:

Market Risks;  
Past Performance;  
Effect of Initial Charge or Redemption Charge;  
Suspension of Dealings in Units;  
Charges Taken from Income;  
Charges Taken from Capital;  
Equity Investments;  
Investment Trusts;  
Single Country or Geographical Area;  
Exchange Rates;  
Efficient Portfolio Management;  
Stock Lending;  
Collateral Management;  
Income Payments;  
Regular Savings Plan;  
Cancellation Rights;  
Deferral of Redemptions;  
Emerging Markets;  
Inflation; and  
EMIR.

**For a detailed explanation of the above and further risks involved in investing in the fund, reference should be made to the Prospectus; investors and prospective investors are recommended to discuss all potential conflicts of interest and risks with their own legal, tax and financial advisors.**

#### Risk controls and limits

The risk management policy and process for the fund is designed to satisfy the requirements of the AIFMD; associated regulatory technical standards and guidelines; and local regulations. The framework for risk controls and limits for the fund is documented within HIFL's Risk Management Policy and Process document which outlines for each main risk category above 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.

There have been no breaches of risk limits set for the fund in the year under review and there are no such breaches anticipated.

#### Risk management systems

During the year there have been no changes in the main features of the fund's risk management systems, which have been outlined in the Notes to the financial statements.

#### Liquidity management

There have been no changes to the arrangements for managing the liquidity of the fund during the year and none of the fund's assets are subject to special arrangements arising from their illiquid nature.

## Appendix - additional information (unaudited) (continued)

### Securities financing transactions

The fund engages in securities financing transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions 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, the fund's involvement in and exposures related to securities lending for the year ended 30 June 2020 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 assets under management (AUM) as at 30 June 2020:

Fund	Market value of securities on loan £000	% of lendable assets	% of AUM
Janus Henderson Multi-Manager Global Select Fund	812	1.77%	1.43%

### Concentration Data

The following table lists the ten largest collateral issuers by value of collateral received (across all SFTs) for the fund as at 30 June 2020:

Issuer	Market value of collateral received £000
Intesa Sanpaolo	93
China CITIC Bank International	90
China Vanke	90
Serco	89
China Pacific Insurance	89
China Telecom 'H'	87
China Tower	86
Sunac China	76
Ferrexpo	26
ABC Arbitrage	22

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 30 June 2020:

Counterparty	Market value of securities on loan £000	Settlement basis
JP Morgan	812	Triparty
	<b>812</b>	

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 30 June 2020:

Counterparty	Counterparty country of origin	Type	Quality	Collateral Currency	Settlement basis	Custodian	Market value of collateral received £000
JP Morgan	United States	Equity	Main market listing	CAD	Triparty	BNP Paribas	3
JP Morgan	United States	Equity	Main market listing	CHF	Triparty	BNP Paribas	86
JP Morgan	United States	Equity	Main market listing	EUR	Triparty	BNP Paribas	120
JP Morgan	United States	Equity	Main market listing	GBP	Triparty	BNP Paribas	145
JP Morgan	United States	Equity	Main market listing	HKD	Triparty	BNP Paribas	531
JP Morgan	United States	Equity	Main market listing	JPY	Triparty	BNP Paribas	16
JP Morgan	United States	Equity	Main market listing	NOK	Triparty	BNP Paribas	1
							<b>902</b>

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

The fund does not engage in any re-use of collateral.

#### 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 30 June 2020:

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 Multi-Manager Global Select Fund	1	-	1	15%	85%

## Appendix - additional information (unaudited) (continued)

### Remuneration policy

The Authorised Fund Manager (AFM), Henderson Investment Funds Limited (HIFL), is authorised as an Alternative Investment Fund Manager (AIFM), and appointed as such, with effect from 22 July 2014.

The FCA's general guidance on the AIFMD remuneration Code (SYSC 19B) was published in January 2014. Under the Code, the Compensation Committee of Janus Henderson Group plc in its oversight of HIFL must make relevant remuneration disclosures no later than 6 months following the end of the relevant financial year, splitting remuneration into fixed and variable remuneration and breaking down remuneration for categories of AIFMD Code Staff which is defined as all staff whose professional activities have a material impact on the risk profiles of the AIFM or of the AIFs it manages.

The Compensation Committee approves the list of AIFMD Code Staff annually. In addition, identified AIFMD Code Staff are notified of their status and the associated implications annually.

Janus Henderson Multi-Manager Global Select Fund 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 AIFM and the AIFs they manage. This policy applies to HIFL and Janus Henderson Multi-Manager Global Select Fund.

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 2019.

	Headcount [1]	Total Remuneration (£000s) [2,3]
<b>Janus Henderson Multi-Manager Global Select Fund</b>	2,012	100
<b>of which</b>		
Fixed Remuneration	2,012	42
Variable Remuneration	2,000	58
<b>Janus Henderson Multi-Manager Global Select Fund Remuneration</b>	50	35
<b>of which</b>		
Senior Management [4]	25	6
Other Code Staff [5]	25	29

1. This is the actual number of employees who are fully or partly involved in the activities of Janus Henderson Multi-Manager Global Select Fund – no attempt has been made to apportion the time spent specifically in support of Janus Henderson Multi-Manager Global Select Fund 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 the Janus Henderson Group plc, the staff indicated in this table may provide services to other companies in the Janus Henderson Group plc.
3. The remuneration disclosed is only in respect of the provision of services to Janus Henderson Multi-Manager Global Select Fund 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 Multi-Manager Global Select Fund and to other entities in the Janus Henderson Group plc, as follows:
  - in respect of fixed pay and annual/long term incentive bonuses:
    - where fixed pay is directly attributable to Janus Henderson Multi-Manager Global Select Fund (for example, fees for HIFL Board members), 100% of those fees;
    - for Investment Fund Managers, pro-rated using the average AUM of Janus Henderson Multi-Manager Global Select Fund managed by the relevant Investment 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 Janus Henderson Multi-Manager Global Select Fund (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 AIFMD Code Staff not covered by the above, including Investment Fund Managers who manage AUM within Janus Henderson Multi-Manager Global Select Fund.

## Further information

### Unitholder 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 units 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](mailto: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.

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