Andrew Jones

Portfolio Manager, UK Equity Income
Janus Henderson Investors

RECOVERY AND RESPONSIBILITY

July 2021

Andrew Jones
Fund Manager

UK EQUITY INCOME

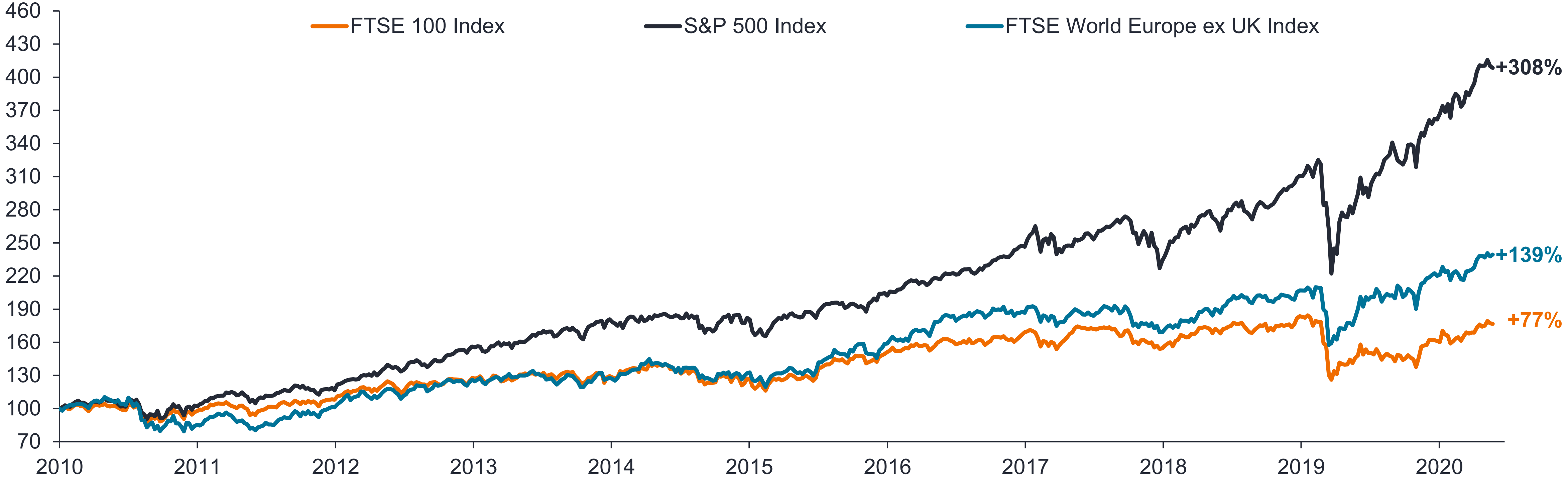
- UK market valuation attractive
- Income prospects brighter
- Focus on a sustainable recovery

Source: Janus Henderson Investors, as at 31 May 2021.

UK MARKET ENVIRONMENT

Significant UK Market underperformance

Regional Performance (%)

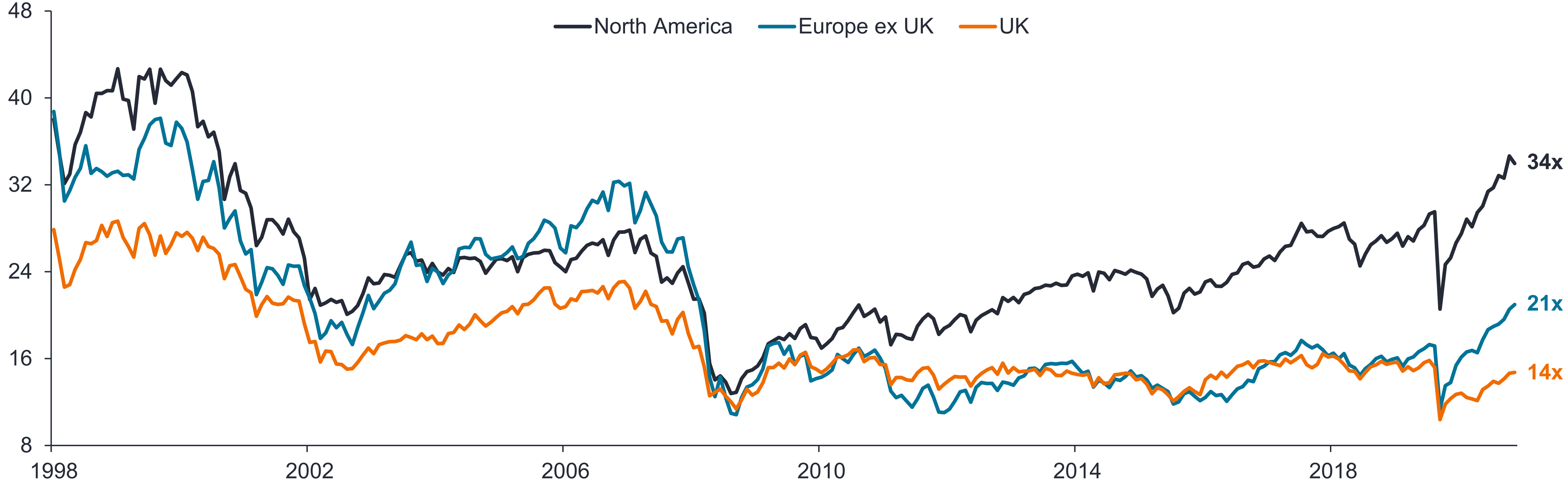


Source: Refinitiv DataStream, Janus Henderson Investors Analysis, as at 26 May 2021, total return indices.
Notes: Cumulative returns rebased to 100 at 31 December 2010.
Past performance is not a guide to future performance.

UK MARKET ENVIRONMENT

UK market is cheap in both absolute and relative terms

Regional Equity Indices Cyclical Adjusted PE (x)

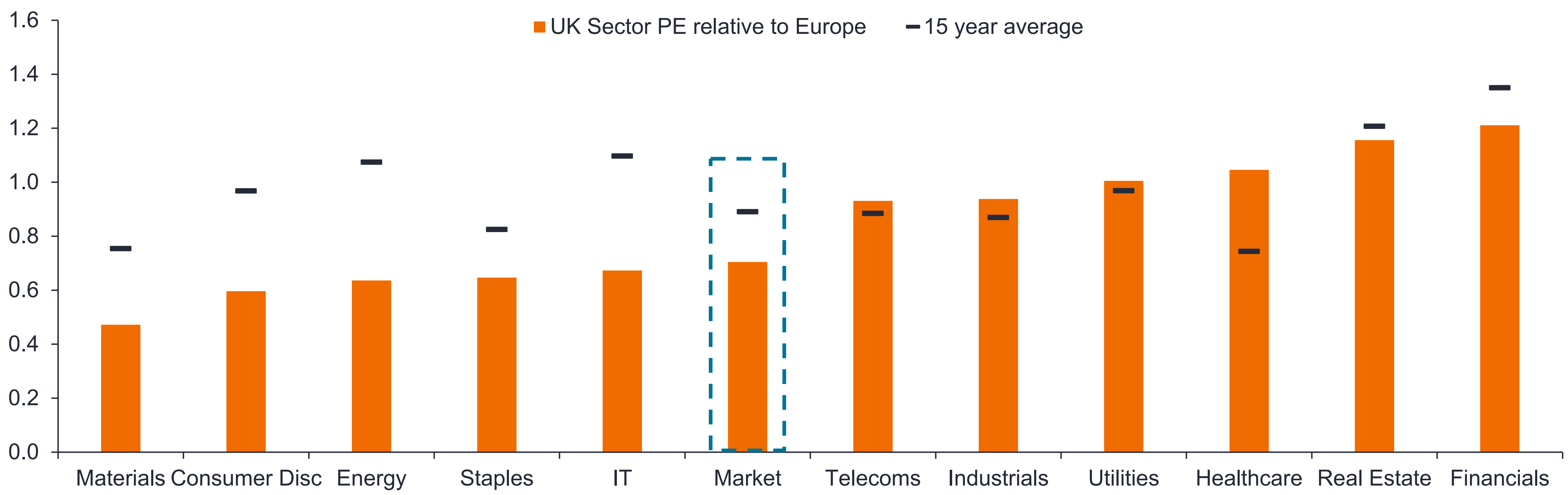


Source: Refinitiv DataStream, Janus Henderson Investors Analysis, as at 18 May 2021.
Notes: Cyclically adjusted PE based on 10 year average earnings. Indices shown are FTSE All-Share Index, FTSE World Europe ex UK Index and FTSE North American Index.
Past performance is not a guide to future performance.

UK MARKET ENVIRONMENT

A number of sectors look cheap relative to history

Not Just a Banks and Energy Issue

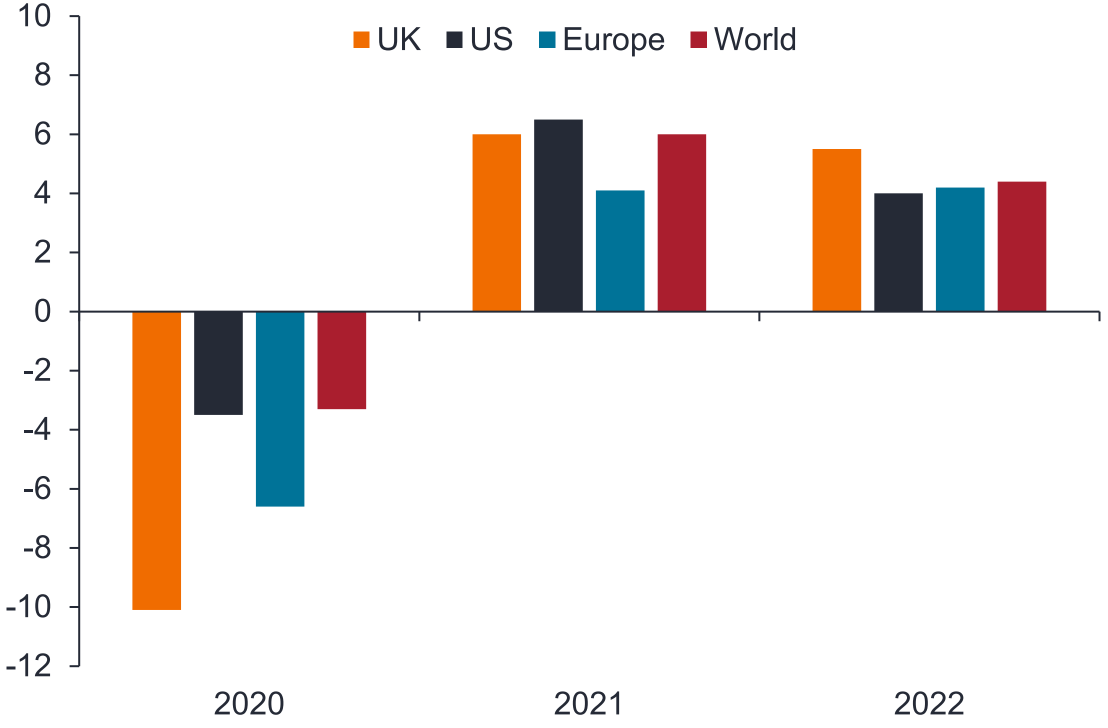


Source: Refinitiv DataStream, Janus Henderson Investors Analysis, as at 9 April 2021.
Notes: MSCI UK Sector 12 month forward PE relative to European peers.

GROWTH OUTLOOK

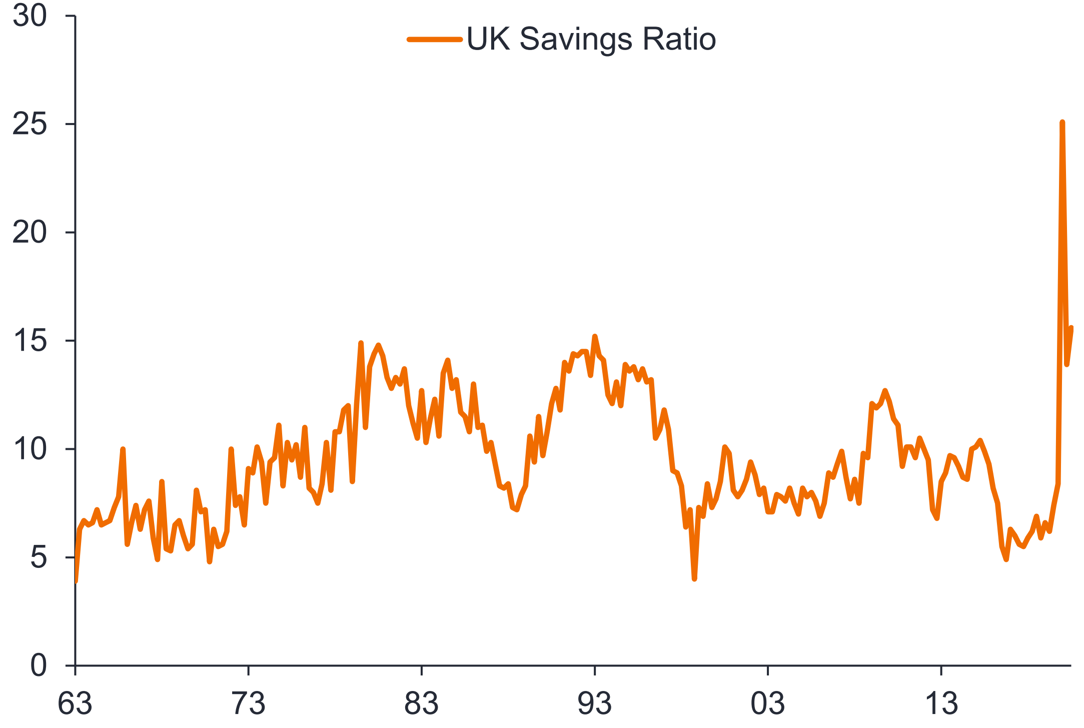
Outlook for global and domestic economies is strong

Two Years of Synchronised Global Growth Forecast (%)



Source: Bloomberg, Janus Henderson Investors Analysis, as at 18 May 2021.
Notes: Chart shows y-on-y GDP growth. Data for 2021 and 2022 are forecasts.

Significant Pent Up Consumer Demand

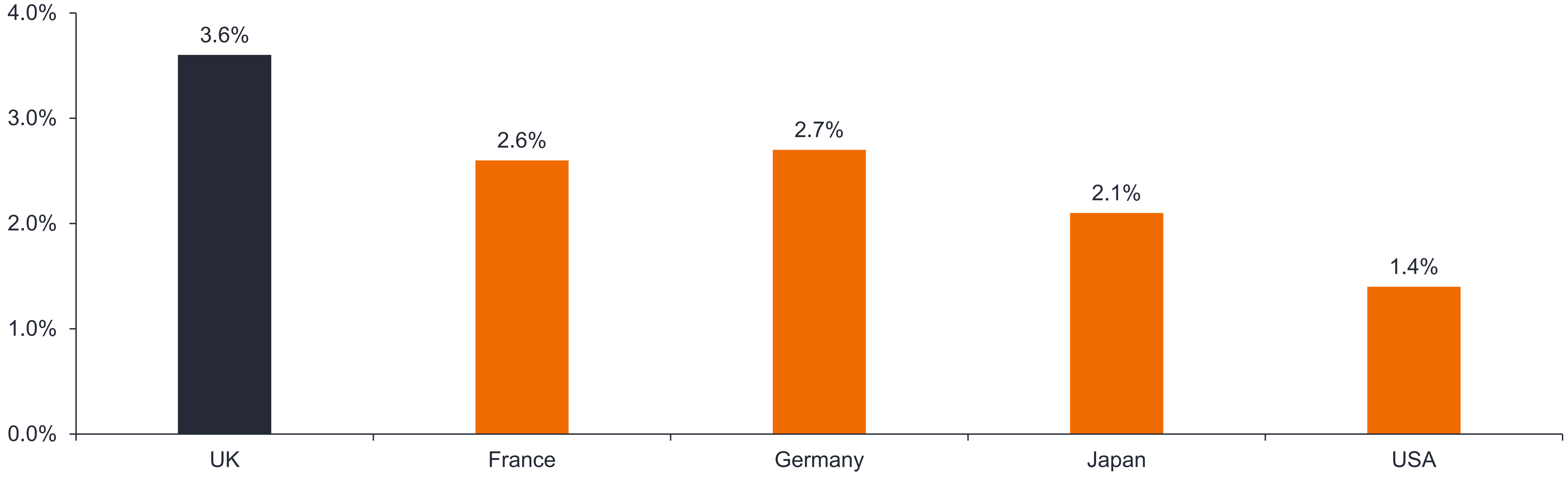


Source: Refinitiv DataStream, Janus Henderson Investors Analysis, as at Q4 2020.

UK INCOME BACKDROP

The UK continues to look attractive for income

2021 Estimated Dividend Yield



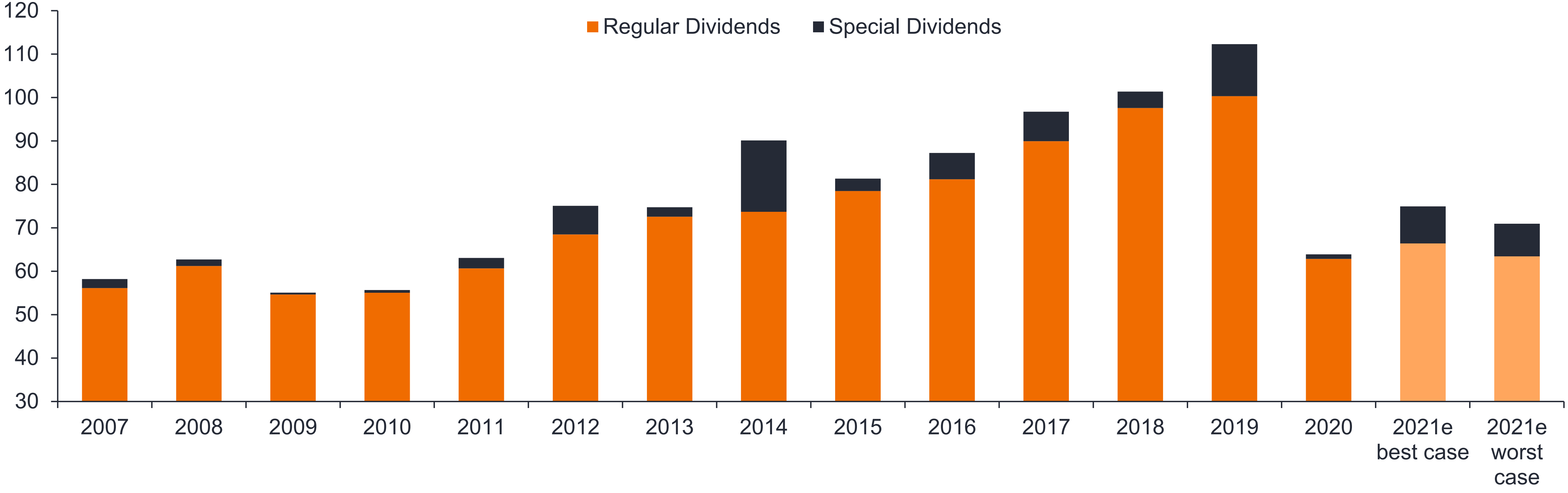
Source: Lazarus, Citi, Janus Henderson Investors Analysis, as at May 2021.
Note: Yields may vary and are not guaranteed. There is no guarantee that past trends will continue, or forecasts will be realised.

UK INCOME BACKDROP

A difficult 2020 but outlook better

UK Dividends (Full Year Basis)

£ Billions

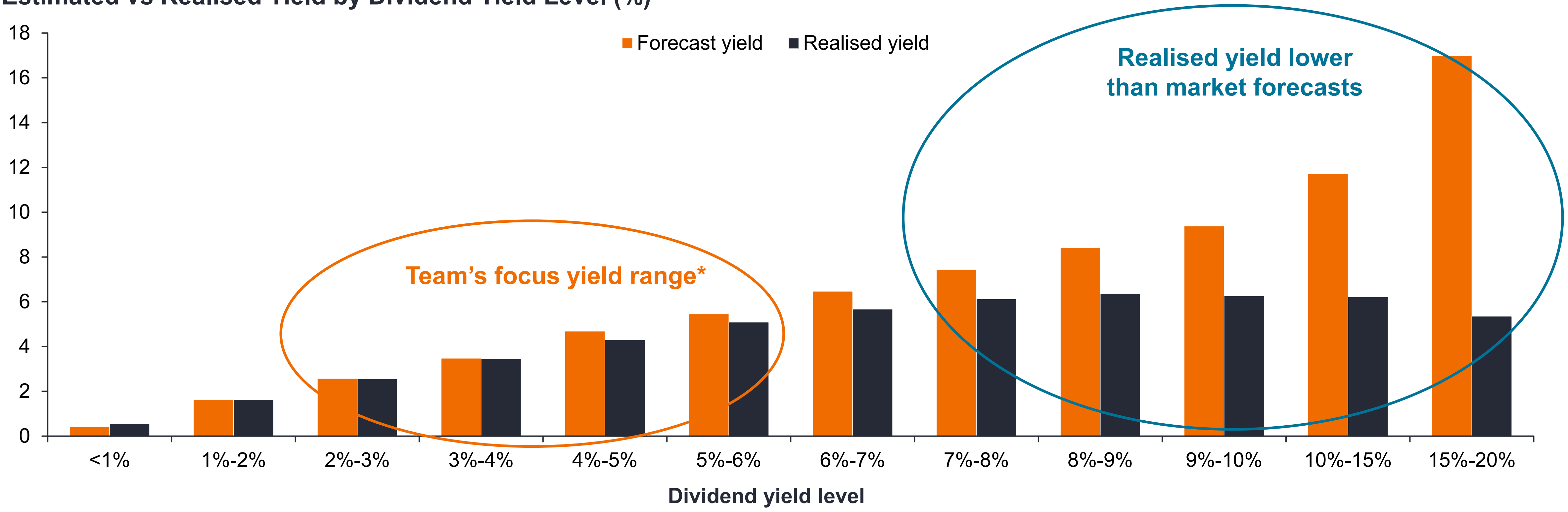


Source: Link Q1 2021 dividend monitor, Janus Henderson Investors Analysis, as at 31 March 2021. e = estimate.
Note: Yields may vary and are not guaranteed. There is no guarantee that past trends will continue, or forecasts will be realised.

APPROACH TO INCOME

Avoid value traps: higher yield can be illusory

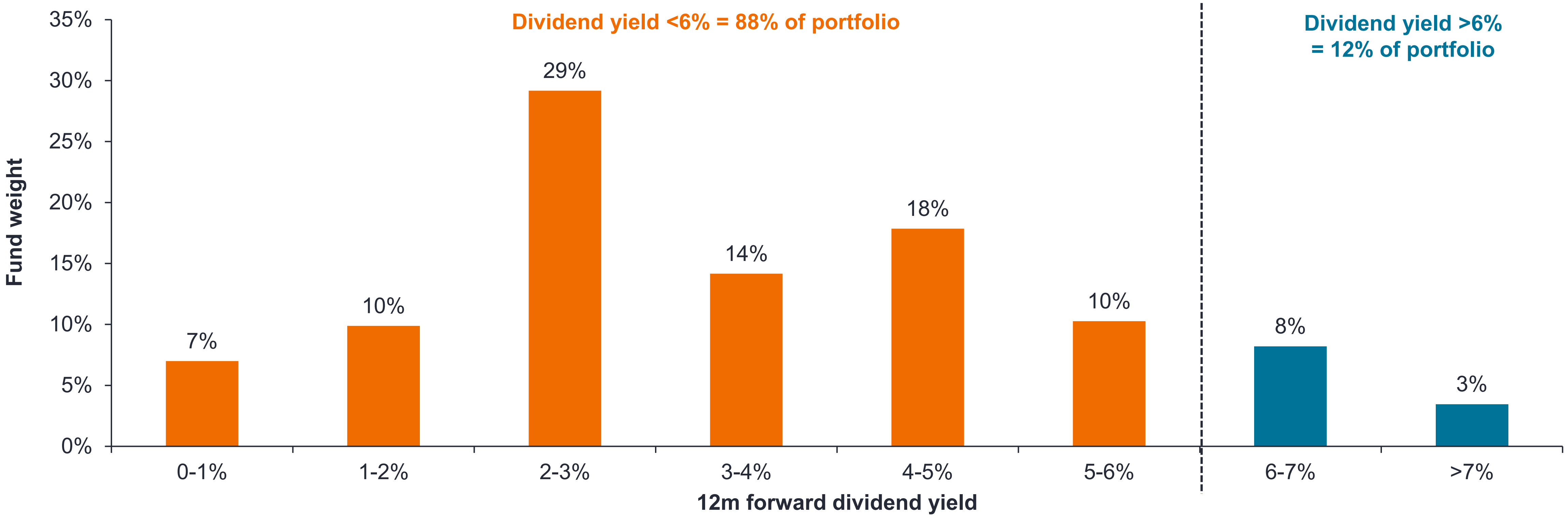
Estimated vs Realised Yield by Dividend Yield Level (%)



Source: Société Générale Cross Asset Research, Janus Henderson Investors Analysis, as at 31 March 2021.
Note: Yield and forecasts relate to the period 1995 to 31 March 2021.
* Janus Henderson Global Equity Income team generally focus on, but is not limited to, stocks yielding 2% – 6%.
Yields may vary and are not guaranteed. There is no guarantee that past trends will continue, or forecasts will be realised.

UK RESPONSIBLE INCOME FUND

Avoid value traps: higher yield can be illusory



Source: Bloomberg, Janus Henderson Investors Analysis. Portfolio weights excluding cash, as at 31 March 2021. Dividend yield as at 12 April 2021.
Note: Yields may vary and are not guaranteed. Fund weights are subject to change without notice.
Past performance is not a guide to future performance.

UK RESPONSIBLE INCOME FUND

Avoidance criteria

ENVIRONMENTAL

- Fossil fuel extraction & refining
- Fossil fuel power generation
- Nuclear Power
- Chemicals of concern
- Contentious industries*
- Fur
- Animal testing (non-medical)

SOCIAL

- Alcohol
- Armaments
- Gambling
- Pornography
- Tobacco
- Human rights
- Corruption & bribery

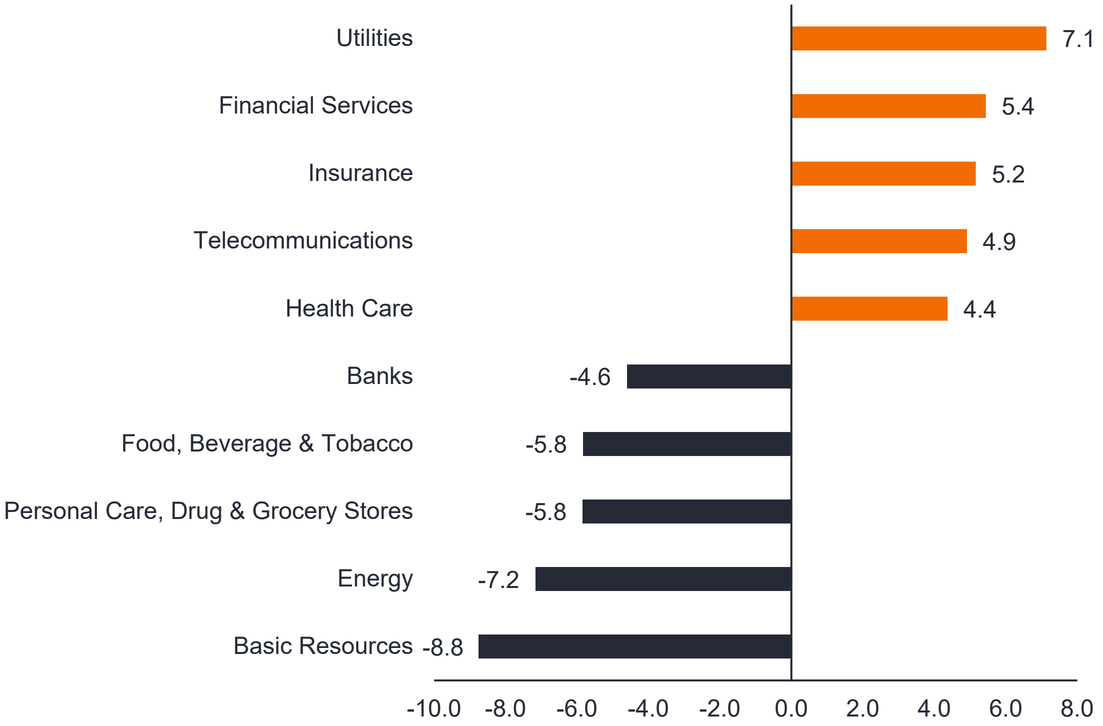
All holdings compliant with UN Global Compact

Note: Please reference our Investment Principles document for complete avoidance criteria descriptions.
*Contentious industries include cement, and mining.

UK RESPONSIBLE INCOME FUND

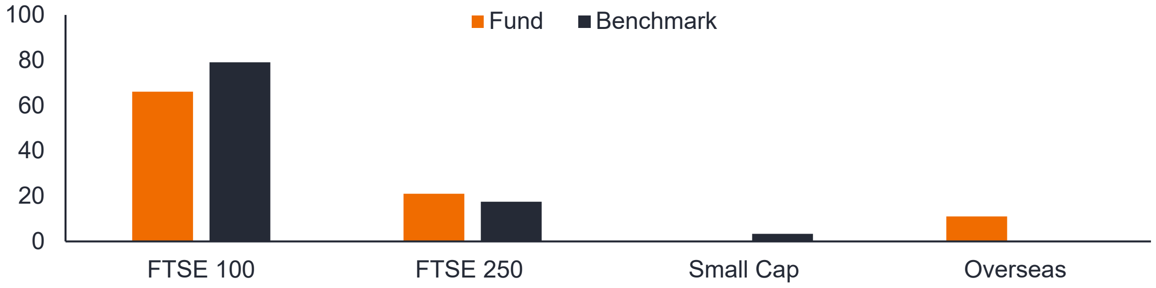
Current portfolio strategy

Sector Weights Relative to Benchmark (%)

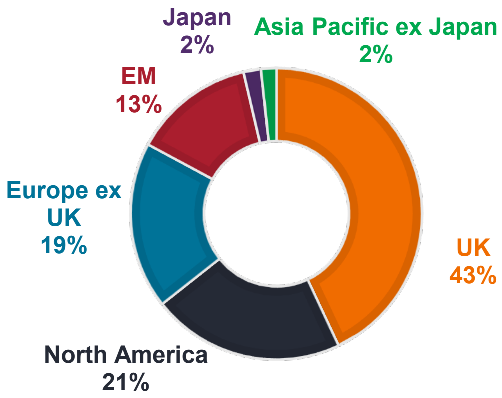


Source: Janus Henderson Investors, as at 31 May 2021.
Note: Benchmark: FTSE All Share Index.
Allocations are subject to change without notice.

Market Capitalisation vs Benchmark (%)



Regional Split by Revenue Generation

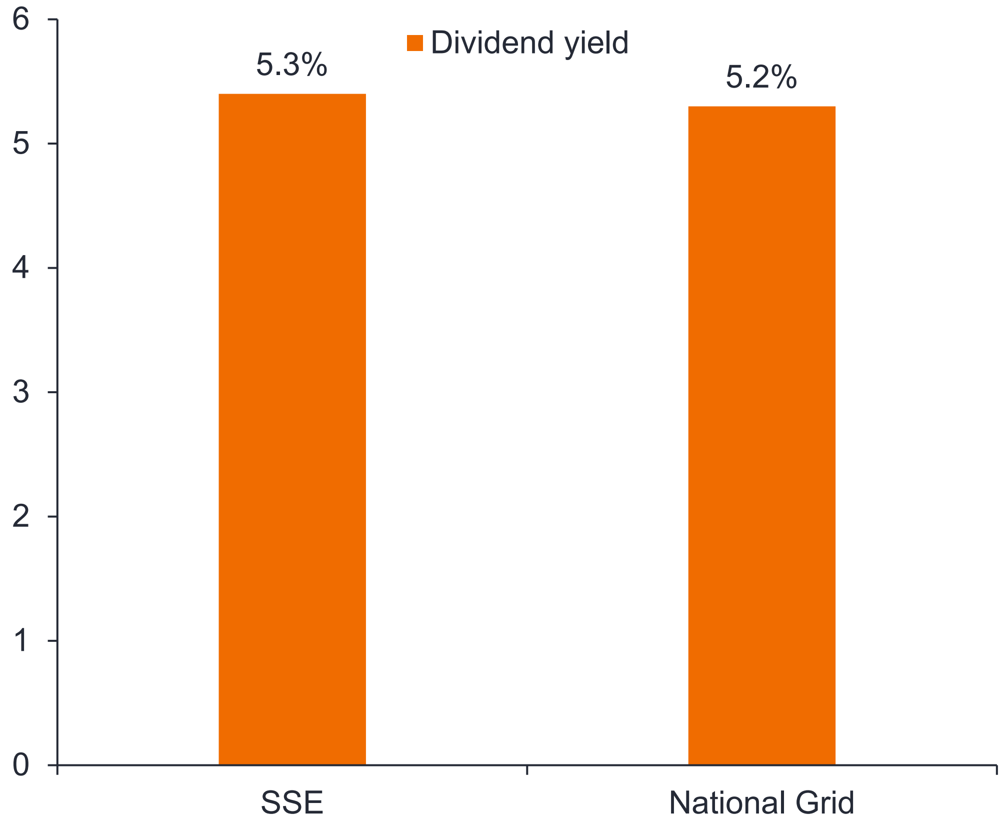


Source: Janus Henderson Investors, as at 31 May 2021.
Note: Benchmark: FTSE All Share Index.
Allocations and revenues are subject to change without notice.
Totals may not add up to 100 due to rounding and exclusion of cash.

CURRENT OPPORTUNITIES

Utility sector gives exposure to renewable energy growth…

… and pay attractive dividends (%)



Source: Refinitiv DataStream, Janus Henderson Investors Analysis, as at 15 May 2021.

UK EQUITY INCOME

- UK market valuation attractive
- Income prospects brighter
- Focus on a sustainable recovery

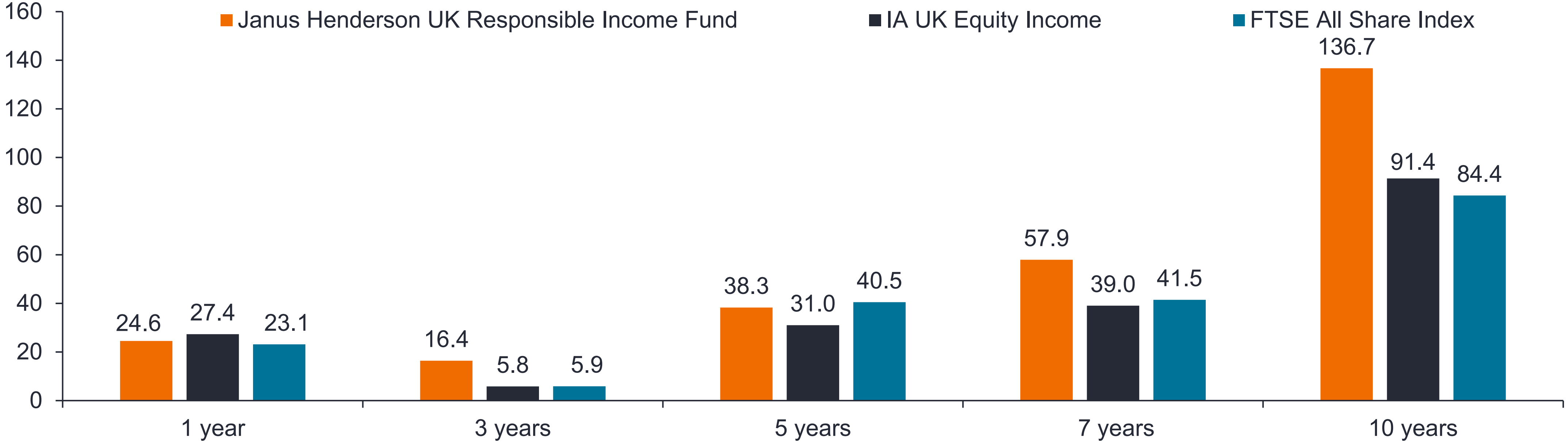
Source: Janus Henderson Investors, as at 31 May 2021.

APPENDIX

UK RESPONSIBLE INCOME FUND

Outperforming benchmark and peer group

Janus Henderson UK Responsible Income Fund Performance (Cumulative) (%)



Quartile	3rd	1st	1st	1st	1st

Source: Morningstar Workstation, Janus Henderson Investors Analysis, as at 31 May 2021.
Fund: I Inc share class, net of fees, in GBP.
Index: FTSE All Share Index. Index usage: Comparator.
Peer group: IA UK Equity Income. Peer group benchmark usage: Comparator.
Note: For a full description of the peer group benchmark and index usage please refer to slide 32.
Past performance is not a guide to future performance.

UK RESPONSIBLE INCOME FUND

Discrete Performance (%)	Fund I Inc GBP (Net)	Index	Peer Group Benchmark
31 May 2020 – 31 May 2021	24.6	23.1	27.3
31 May 2019 – 31 May2020	-4.6	-11.2	-12.4
31 May 2018 – 31 May 2019	-2.0	-3.2	-5.2
31 May 2017 – 31 May 2018	2.6	6.5	3.9
31 May 2016 – 31 May 2017	15.8	24.5	19.2

Index

FTSE All Share Index

Index usage: Comparator

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

Peer group benchmark

IA Global Equity

Peer group benchmark usage: Comparator

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

Source: Janus Henderson Investors, as at 31 May 2021.

Note: **Past performance is not a guide to future performance.**

Contact us

201 Bishopsgate, London, EC2M 3AE, United Kingdom
janushenderson.com

Janus Henderson INVESTORS

Important Information