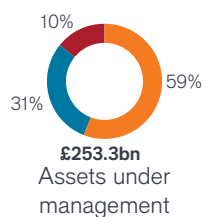


ANNUAL REPORT & ACCOUNTS

For the year ended 31 July 2023

Who are Janus Henderson Investors?

Global Strength



■ North America ■ EMEA & LatAm ■ Asia Pacific



More than **2,000**
employees



24
Offices worldwide



4,000
company engagements
by our investment teams
in 2022

* Numbers may not cast due to rounding.

Source: Janus Henderson Investors, Staff and assets under management (AUM) data as at 30 June 2023. AUM data excludes Exchange-Traded Note (ETN) assets.

Who we are

At Janus Henderson our mission is to help clients define and achieve superior financial outcomes through differentiated insights, disciplined investments, and world-class service. This means being ever mindful of the futures of the millions of lives that our thinking and our investments help shape. Our diverse client base and robust balance sheet allow us to offer financial strength and stability with which to help investors achieve their objectives.

The human connection matters in all that we do. Teams across Janus Henderson come together every day to deliver outcomes for our clients – and their clients – that make a difference. We are proud of this responsibility as we fulfil our purpose of 'Investing in a brighter future together'. The goals we set, the strategy we create, and the way that we work are all shaped with this ultimate objective in mind.

Why us

Choosing Janus Henderson means benefiting from:

Differentiated insights

- We are proud of our deep-rooted research culture, which has underpinned our 89-year track record of investing.
- Janus Henderson's investment teams meet thousands of companies each year. Insight from these meetings combined with proprietary analysis results in original views that shape our investment positioning.
- With 340 investment professionals around the world, we benefit from a range of perspectives that we test and share as we seek to differentiate between the winners and losers on behalf of our clients.

Disciplined investments

- Our investment teams set clearly defined objectives and processes to deliver long-term risk-adjusted returns. We value the trust clients place in us and are disciplined in staying true to our investment style through all market conditions.
- We apply robust controls to ensure that risk taken is in accordance with client expectations and investment manager expectations. We have more than 150 experts in our risk and compliance teams.

World class service

- We offer global reach with our broad network of investment and client service specialists. This is combined with the responsiveness, tailored solutions, and personal touch of a local partner.
- Understanding the challenges our clients – and their clients – face globally, and working in partnership, means we can provide support as we blend our best ideas and capabilities to define appropriate tailored outcomes.
- We seek to contribute to clients' understanding and decision-making – we share knowledge through published insights, at events, and by actively participating in debate on the future of investing.

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Authorised Corporate Director's (ACD) report for the year ended 31 July 2023

We are pleased to present the Annual Report & Accounts for Janus Henderson Investment Funds Series II (the 'Company') for the year ended 31 July 2023.

Authorised status

The Company is an open-ended investment company (OEIC) with variable capital incorporated in England and Wales under registered number IC000189 and authorised by the Financial Conduct Authority (FCA) with effect from 30 August 2002. It is a United Kingdom Undertakings for Collective Investment in Transferable Securities (UK UCITS) scheme structured as an umbrella company, comprising of one sub fund ('fund'), complying with chapter 5 of the Collective Investment Schemes Sourcebook (COLL). The operation of the Company is governed by the OEIC regulations, COLL, its Instrument of Incorporation and Prospectus.

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

Segregation of assets

This umbrella consists of one sub fund, however should more funds be launched in the future then each fund would be treated as a separate entity and would be a segregated portfolio of assets and those assets could only be used to meet the liabilities of, or claims against that fund.

Value assessment

The board of Janus Henderson Fund Management UK Limited (JHFMUKL) present the value assessment report for the period to 31 December 2022, made available on our website www.janushenderson.com.

Access by this link (<https://www.janushenderson.com/en-gb/investor/notice/value-assessment-report>).

The FCA, the UK's financial services regulator, requires all fund management groups to perform a detailed assessment of whether funds are providing value to investors, and publish an annual statement summarising the outcome of this process, known as the value assessment. Our report is published by JHFMUKL, the Board of the ACD (the body responsible for an investment fund) and summarises the period to 31 December 2022.

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.

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

Macro risks

Janus Henderson continues to monitor closely macro risks, including geopolitical risks, such as the impact of the Russia/Ukraine conflict, and market risks, such as stresses in the banking sector and the higher inflationary and interest rate environment. We have established processes to be able to respond timely to changes. We have well-established and tested business continuity and crisis management processes in place, which cover a large number of disruptive scenarios, including cyber threats and market events. Janus Henderson also has embedded market risk monitoring processes, including modelling potential stressed market scenarios, to help inform our investment decisions.

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

Director's statement

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



R Chaudhuri
(Director)

18 October 2023

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

Service providers

	Name	Address	Regulator
Authorised Corporate Director	Janus Henderson Fund Management UK Limited Member of the Investment Association The ultimate holding company is Janus Henderson Group plc	Registered Office: 201 Bishopsgate London EC2M 3AE Registered in England No 2678531 Enquiries – 0800 832 832	Authorised and regulated by the Financial Conduct Authority
Directors of the ACD	R Chaudhuri G Fogo S Hillenbrand JR Lowry W Lucken P Shea* F Smith* R Weallans (from 30.09.22) *Independent		
Investment Manager	Janus Henderson Investors UK Limited The ultimate holding company is Janus Henderson Group plc	201 Bishopsgate London EC2M 3AE	Authorised and regulated by the Financial Conduct Authority
Shareholder Administrator	SS&C Financial Services International Limited and SS&C Financial Services Europe Limited	SS&C House St Nicholas Lane Basildon Essex SS15 5FS	Authorised and regulated by the Financial Conduct Authority
Fund Administrator	BNP Paribas	10 Harewood Avenue London NW1 6AA	Authorised and regulated by the Financial Conduct Authority
Depository	NatWest Trustee and Depository Services Limited The ultimate holding company is the Royal Bank of Scotland Group plc	250 Bishopsgate London EC2M 4AA	Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and by the Prudential Regulation Authority
Independent Auditors	PricewaterhouseCoopers LLP	141 Bothwell Street Glasgow G2 7EQ	Institute of Chartered Accountants in England and Wales
Legal Adviser	Eversheds Sutherland (International) LLP	One Wood Street London EC2V 7WS	The Law Society

Statement of Authorised Corporate Director's (ACD) responsibilities for the year ended 31 July 2023

The FCA's COLL requires the ACD to prepare financial statements for each annual accounting year which give a true and fair view, in accordance with the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Management Association (IMA) in May 2014 and amended in June 2017, UK Generally Accepted Accounting Practice (UK GAAP) (UK Accounting Standards, comprising the Financial Reporting Standard 102 (FRS 102) applicable in the UK and Republic of Ireland), of the financial affairs of the Company and its sub-fund, and its revenue/expenditure for the year. In preparing the financial statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the requirements of the SORP for Authorised Funds issued by the IMA in May 2014 and amended in June 2017;
- 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 JHFMUKL, comply with the above requirements;
- make best judgements and estimates that are reasonable; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future.

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

Statement of Depositary's responsibilities and report of the Depositary to the shareholders of Janus Henderson Investment Funds Series II (the 'Company')

for the year ended 31 July 2023

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

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

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

The Depositary must ensure that:

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

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

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

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

NatWest Trustee and Depositary Services Limited
London
18 October 2023

Independent Auditors' report to the shareholders of Janus Henderson Investment Funds Series II

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Janus Henderson Investment Funds Series II (the "Company"):

- give a true and fair view of the financial position of the Company and its sub-fund as at 31 July 2023 and of the net revenue and the net capital losses on the scheme property of the Company and its sub-fund for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Janus Henderson Investment Funds Series II is an Open-Ended Investment Company ('OEIC') with a single sub-fund. The financial statements of the Company comprise the financial statements of its sub-fund. We have audited the financial statements, included within the Annual Report & Accounts (the 'Annual Report'), which comprise: the Balance sheet as at 31 July 2023; the Statement of total return and the Statement of change in net assets attributable to shareholders for the year then ended; the Distribution tables; the Accounting policies; and the Notes to the financial statements.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

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

Reporting on other information

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

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

Based on our work undertaken in the course of the audit, the Collective Investment Schemes sourcebook requires us also to report certain opinions as described below.

Authorised Corporate Director's Report

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

Independent Auditors' report to the shareholders of Janus Henderson Investment Funds Series II (continued)

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Corporate Director for the financial statements

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

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's and its sub-fund'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 Corporate Director either intends to wind up or terminate the Company or its sub-fund, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

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

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

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

Use of this report

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

Independent Auditors' report to the shareholders of Janus Henderson Investment Funds Series II (continued)

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

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

Collective Investment Schemes sourcebook exception reporting

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

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

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
18 October 2023

1 Accounting policies

(a) Basis of preparation

The financial statements of Janus Henderson Investment Funds Series II (the 'Company') comprise the financial statements of Janus Henderson Cautious Managed Fund (the 'fund'). They have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the SORP for UK Authorised Funds issued by the IMA in May 2014 and amended in June 2017, FRS 102, the FCA's COLL and the Company's Instrument of Incorporation and Prospectus.

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

(b) Basis of valuation of investments

The valuation of listed investments has been at fair value, which is generally deemed to be bid market price, excluding any accrued interest in the case of debt securities, at close of business on the last working day of the accounting year (31 July 2023) in accordance with the provisions of the scheme particulars.

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

The realised and unrealised gains and losses derived from investments in Non-derivative securities are included in Net capital losses in the Statement of total return.

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

(c) Revenue recognition

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

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

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.

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

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

Underwriting commission is taken to revenue and recognised when the issue takes place, except where the fund is required to take up all or some of the shares underwritten in which case an appropriate proportion of the commission received is deducted from the cost of the relevant shares.

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

Stock lending revenue is accounted for on an accruals basis, net of bank charges, agent fees and any withholding tax deducted.

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

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 ACD expenses)

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

1 Accounting policies (continued)

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

Annual Management Charge

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

The investment objective of the fund is to provide a combination of income and capital growth. The ACD and Depositary have agreed that 100% of the AMC for this fund is to be taken to capital for the purpose of calculating the distribution, as permitted by the OEIC regulations and in accordance with the Prospectus. The distribution currently payable reflects this treatment together with any associated tax effect.

General Administration Charge

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

Allocation of revenue and expenses to multiple share classes

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

(e) Exchange rates

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

(f) Taxation

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

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

Deferred tax is provided on all timing differences that have originated but not reversed at the Balance sheet date other than those recorded as permanent differences. Deferred tax is provided at the standard rate of 20%. 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 FRS 102 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 shareholders is provided for the fund.

(h) Hedged share classes

The following hedged share classes are available within the fund:

- Class A EUR (hedged) accumulation
- Class I USD (hedged) accumulation

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

Any benefits or losses of the hedging transactions accrue to shareholders in that hedged share class only.

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

1 Accounting policies (continued)

(i) Treatment of derivatives

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

Bond future contracts

The unrealised gain/(loss) on open 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), reflecting the nature of the total return. The basis of the apportionment is typically made by reference to the yield on the underlying security or index or other appropriate source.

Forward foreign currency contracts

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

Forward foreign currency contracts on hedged share classes

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

(j) Dilution adjustment

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

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

2 Distribution policy

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

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

For the purpose of calculating the distribution, interest on debt securities is computed on an effective yield basis, the same basis on which it is reflected in the financial statements.

Stock dividends are taken to capital and are therefore not 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.

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

The fund makes distributions on a monthly basis for the EM and M share classes and on a quarterly basis (31 December, 31 March, 30 June and 30 September) for all other share classes.

In the event that the income yielded is low (generally less than 1% p.a.) the ACD has the discretion not to make an income allocation in respect of a particular interim income allocation date and instead to hold over that payment until the final income allocation date.

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 applies to the fund.

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

3 Risk

In pursuing 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, stock lending and forward transactions for the purpose of efficient portfolio management.

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

In the normal course of business, the 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 BWide operational risk database;
- RiskMetrics, UBS Delta, Style Analytics 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.

Funds investing outside the UK are exposed to and can hold investments in currencies other than pounds sterling (the fund base currency), so fluctuations in exchange rates may cause the value of the investments to rise or fall. The fund may hold fixed interest securities which are the debts of governments and companies, generally in the form of bonds. These bonds are particularly affected by changes in interest rates, inflation and the decline in creditworthiness of an issuer, which may in turn affect the bond's value.

The fund may use derivatives for hedging purposes and efficient portfolio management. Derivatives are linked in value to an underlying asset and any fall in the value of that asset may result in a loss greater than the original amount invested in the derivative itself. It is not intended that using derivatives for efficient portfolio management will alter the risk profile or increase the volatility of the fund. In adverse situations, however, the fund's use of derivatives may become ineffective in hedging or efficient portfolio management and the fund may suffer significant loss as a result.

The global exposure of the fund is calculated using the commitment approach; the commitment approach means that financial derivative instruments are converted into the market value of the equivalent position in the underlying asset(s).

The sensitivity of the fund to market risk is calculated using the Value-at-Risk (VaR) approach. VaR is a mathematical-statistical concept and is commonly used as a standard measure of risk in the financial sector. The maximum potential loss that the fund could suffer in normal market conditions within a given time horizon and a certain degree of confidence is estimated.

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

Please refer to the fund's accounts for details of leverage and sensitivity analysis.

3 Risk (continued)

(a) Market risk (continued)

Currency risk

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

A proportion of a fund's assets and income may be denominated in currencies other than sterling (the fund's functional currency and the one in which financial statements are reported). As a result, movements in exchange rates may affect the sterling value of those items so the funds total return and Balance sheet can be significantly affected by currency fluctuations.

The Investment Manager may seek to manage exposure to currency movements by using hedging transactions in line with the fund's investment objective, powers and limits, though this will not eliminate the fund's currency risk.

Please refer to the fund's accounts for details of currency exposure.

Hedged share classes

Class A EUR (hedged) accumulation and Class I USD (hedged) accumulation are hedged share classes. These hedged share classes allow the ACD to use currency hedging transactions to reduce the effect of exchange rate fluctuations between the share class currency and the base currency of the fund.

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

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

Where such hedging is undertaken it may substantially protect investors in the relevant class against a decrease in the value of sterling relative to the US dollar or euro but it may also preclude investors from benefiting from an increase in the value of sterling.

Interest rate risk

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

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

Please refer to the fund's accounts for details of interest rate risk exposure.

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 ACD in pursuance of the investment objective and policy.

The Russia/Ukraine conflict and market risks, such as stresses in the banking sector are closely monitored and assessed by various business units which has not required activation of the business continuity plans or a change from regular business processes. The fund did not have any direct exposure to Russia and/or Ukraine. The secondary market impact resulting in an increase in overall market volatility influences risk levels of the fund. The fund continue to be managed according to its investment objective through this period of uncertainty with currently no areas of concern identified. Fund valuations are carried out without any necessary deviation from the valuation policy, the fund's risk profile remains within pre-defined ranges and redemptions and subscriptions continue to be met in the normal course of business.

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.

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

The fund's assets that are held with banks could be exposed to credit and counterparty risk. The banks used by the fund and ACD are subject to regular reviews. Only counterparties that have been approved by Janus Henderson's Counterparty Risk Committee are used for derivative and stock lending transactions.

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

Please refer to the fund's accounts for details of credit and counterparty risk exposure.

(c) Operational risk

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

(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 shares that a shareholder wishes to sell. Temporary higher liquidity levels may also arise during the carrying out of a change in asset allocation policy, or following a large issue of shares.

The ACD manages the fund's cash position to ensure it can meet its liabilities. The ACD receives daily reports of subscriptions and redemptions enabling the ACD to raise cash from the fund's portfolio in order to meet redemption requests. In addition the ACD monitors market liquidity of all securities, with particular focus on collective investment schemes which may contain restrictions on withdrawals, 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 ACD. Where investments cannot be realised in time to meet any potential liability, the fund may borrow up to 10% of its property value to ensure settlement.

A maturity analysis of the fund's financial liabilities is disclosed in the fund's accounts.

Janus Henderson Cautious Managed Fund

Authorised Corporate Director's report

Investment Fund Managers

Stephen Payne and James Briggs

Investment objective and policy

The fund aims to provide a return, from a combination of income and capital growth over the long term.

Performance target: To outperform the 50% FTSE All Share + 50% ICE Bank of America Sterling Non-Gilt Index by 1.5% per annum, before the deduction of charges, over any 5 year period.

The fund invests in shares (also known as equities) and bonds of governments, companies or any other type of issuer, in any country. At all times the investment in equities will be limited to a maximum of 60% of the value of the fund's portfolio and the fund will normally have a strong bias towards UK companies and bonds. Companies and bond issuers may be of any size, in any industry.

The fund may also invest in other assets including cash and money market instruments.

The Investment Manager may use derivatives (complex financial instruments) to reduce risk or to manage the fund more efficiently.

The fund is actively managed with reference to the 50% FTSE All Share + 50% ICE Bank of America Sterling Non-Gilt Index, which is broadly representative of the securities in which it may invest, as this forms the basis of the fund's performance target. The Investment Manager has a high degree of freedom to choose individual investments for the fund.

Strategy

The Investment Manager looks to balance the long-term growth and income potential of equities with the more stable returns offered by bonds and cash. The strategy has the flexibility to adjust to changing market conditions by altering the level of exposure to the different asset classes.

The Investment Manager will typically follow a value investment style for the equity portion of the portfolio, seeking companies it believes to be undervalued by the market that may be more resilient in periods of economic uncertainty.

Performance summary

Cumulative performance

	One year 31 Jul 22 - 31 Jul 23 %	Three years 31 Jul 20 - 31 Jul 23 %	Five years 31 Jul 18 - 31 Jul 23 %	Since inception 3 Feb 03 - 31 Jul 23 %
Class I accumulation (Net)	(1.4)	13.7	6.6	200.2
50% FTSE All Share + 50% ICE Bank of America Sterling Non-Gilt Index*	(0.9)	8.9	6.7**	242.7**
IA Mixed Investment 20-60% Shares Sector	0.0	6.0	7.7	160.5
Class I accumulation (Gross)	(0.7)	16.2	10.5	247.4
50% FTSE All Share + 50% ICE Bank of America Sterling Non-Gilt Index + 1.5%*	0.5	13.9	14.9**	364.9**

Discrete performance

	31 Jul 22 - 31 Jul 23 %	31 Jul 21 - 31 Jul 22 %	31 Jul 20 - 31 Jul 21 %	31 Jul 19 - 31 Jul 20 %	31 Jul 18 - 31 Jul 19 %
Class I accumulation (Net)	(1.4)	(3.1)	19.0	(5.9)	(0.3)
50% FTSE All Share + 50% ICE Bank of America Sterling Non-Gilt Index*	(0.9)	(3.4)	13.8	(6.7)**	5.1*
IA Mixed Investment 20-60% Shares Sector	0.0	(5.3)	12.0	(2.3)	4.0
Class I accumulation (Gross)	(0.7)	(2.4)	19.9	(5.2)	0.4
50% FTSE All Share + 50% ICE Bank of America Sterling Non-Gilt Index + 1.5%*	0.5	(1.9)	15.5	(5.3)**	6.6*

Please note that the performance target is to be achieved over a specific annualised time period. Refer to the investment objective and policy above.

Authorised Corporate Director's report (continued)

Performance summary (continued)

* From 1 July 2020, the fund benchmark changed from 50% FTSE All Share + 50% ICE Bank of America ML 5-15 Year Sterling Non-Gilt Index to 50% FTSE All Share + 50% ICE Bank of America Sterling Non-Gilt Index. Past performance before 1 July 2020 is shown for the previous fund benchmark.

** Performance is a blend of the old and new benchmark.

Source: Morningstar

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

Class I accumulation (Gross), NAV to NAV, gross of OCF 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 share class.

Benchmark usage:

Index: 50% FTSE All Share + 50% ICE Bank of America Sterling Non-Gilt Index

Index usage: Target

Index description: The 50% FTSE All Share + 50% ICE Bank of America Sterling Non-Gilt Index is a composite index reflecting 50% exposure to shares listed on the London Stock Exchange and 50% exposure to sterling denominated corporate bonds. It is the basis of the fund's performance target.

Peer group: IA Mixed Investment 20-60% Shares Sector

Peer group usage: Comparator

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

Past performance does not predict future returns. 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.

Significant portfolio changes for the year ended 31 July 2023

Largest purchases	£000	Largest sales/maturities	£000
UK Treasury 4.25% 07/06/2032	52,114	UK Treasury 4.25% 07/06/2032	57,295
UK Treasury 3.25% 31/01/2033	20,738	UK Treasury 1.25% 22/07/2027	21,014
UK Treasury 1.25% 22/07/2027	20,401	UK Treasury 0.125% 31/01/2024	18,711
US Treasury Inflation Indexed 0.625% 15/07/2032	16,589	UK Treasury 3.25% 31/01/2033	11,481
UK Treasury 4.25% 07/12/2040	14,482	Shell	11,093
GSK	13,425	Prudential	10,875
UK Treasury 0.625% 31/07/2035	13,339	British American Tobacco	10,087
UK Treasury 4.25% 07/09/2039	13,271	JD Sports Fashion	9,969
UK Treasury 4.25% 07/12/2046	12,626	BP	9,562
UK Treasury 1.75% 07/09/2037	12,378	Euromoney Institutional Investor	9,421
Total purchases	665,865	Total sales/maturities	704,121

Investment review

The fund fell 1.4% (Net), 0.7% (Gross) based on Class I accumulation over the year under review, compared with a fall of 0.9% in the 50% FTSE All Share + 50% ICE Bank of America Sterling Non-Gilt Index, a return of 0.5% in the Target Index + 1.5% and a flat return in the IA Mixed Investment 20-60% Shares Sector peer group benchmark.

Equities ended the reporting year higher as inflation across developed economies started to cool and major central banks slowed the scale and pace of their interest rate hikes. There was, however, considerable volatility due to uncertainty about the direction of monetary policy and anxiety about a potential recession, China's stuttering economic recovery and contagion effects from the collapse of two US regional banks in March 2023.

Government bond yields rose in response to tighter monetary policy, with growing expectations that interest rates would stay higher for longer underpinning further gains near end of the reporting year. Corporate credit markets moved marginally higher – 2022's sell-off was followed by a recovery in 2023, thanks to robust corporate earnings and tightening credit spreads. UK gilts and sterling-denominated debt underperformed, partly as a consequence of then Prime Minister Liz Truss's unfunded tax cut plan in September 2022 and with UK inflation stubbornly high for much of the year.

The equity allocation underperformed the FTSE All Share Index, with much of this down to negative stock selection. Selection in the industrials and consumer discretionary sectors was especially detrimental, although this was partially offset by positive selection in the telecommunications and utilities sectors. Sector allocation added value, in aggregate. Relatively light exposures to real estate and basic materials contributed the most, while an underweight position in industrials detracted. The fund's underweight exposure to aerospace and defence companies was particularly unfavourable as geopolitical tensions boosted the outlook for weapon sales. At the issuer level, detractors included media firm Future and translation company RWS, with both warning of slower growth due to weakness in their end markets. The top contributors included Moneysupermarket.com, which benefited from a recovery in foreign travel and an increase in insurance comparisons due to rising prices. The holding in WisdomTree Physical Silver ETF was another notable positive, as precious metal prices rallied in anticipation of slower interest rate hikes.

In terms of fixed income, higher-quality bonds generally performed more strongly, whereas the weakest returns came from lower-rated issues with a longer maturity and euro-denominated bonds. The fund benefited from GE Capital UK Funding's decision to buy back US\$25bn of its debt in circulation. COVID-19-recovery issuers, such as Heathrow Funding and Whitbread, performed well. The Bank of England's interest rate announcements put pressure on the fund's fixed income allocation to utilities. Bonds issued by Annington Funding performed weakly after the UK government began to explore options to buy back residential properties for military personnel and families that were privatised in 1996.

We reduced the fund's equity exposure during the year, taking it below 50% and trimming it further as markets rallied. Towards the end of 2022, we opportunistically bought and sold several cyclical UK shares as investor sentiment swung significantly. Elsewhere, notable moves included exiting the mining sector in January 2023 via the sale of positions in Anglo American and Antofagasta. We took profits in Alphabet and trimmed the position in British American Tobacco after both stocks re-rated. Purchases included a new position in healthcare software firm EMIS. We also sought to benefit from what, in our view, were overblown fears regarding Zantac litigation and added to Haleon and GSK.

In fixed income, we reallocated some cash into Treasuries in early 2023, by which point we felt that yields had reached attractive levels. We improved the fund's credit quality throughout the year and generally positioned holdings further towards issuers with defensive and less cyclical characteristics.

We remain cautious about the outlook for economic growth and how fast or far inflation might fall. Leading indicators suggest a weaker global economy as the lagged impact of monetary policy bites. Labour markets remain tight, so while goods price inflation is expected to fall sharply, we acknowledge the risk that services inflation could prove 'sticky' thanks to high wage growth. This backdrop does not bode well for profits in the near term, as nominal growth rolls over. However, we feel that interest rate expectations have got ahead of themselves, especially in the UK.

We believe we have gone through a regime shift away from very low inflation and virtually zero interest rates, towards more 'normal' conditions where money is no longer 'free' and investors need to assess their options more carefully. The value bias of the UK equity market is more attuned to this environment and the low valuation starting point for the UK stock market continues to bode well for returns over the longer term, in our view.

Credit market valuations have remained remarkably resilient in the face of high-profile bank failures, reflecting emergency liquidity provision to stem outflows from bank deposits. We continue to believe that credit spreads are insufficiently pricing in the deteriorating outlook and that markets remain vulnerable to a repricing as the depth of market liquidity subsides. The outlook for government bonds remains more favourable, in our view, and we continue to favour interest rate exposure over credit risk to generate income.

Comparative tables for the year ended 31 July 2023

	Class A accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	287.44	297.55	249.48
Return before operating charges*	(1.81)	(5.77)	52.14
Operating charges	(4.14)	(4.34)	(4.07)
Return after operating charges*	(5.95)	(10.11)	48.07
Distributions on accumulation shares	(9.06)	(8.32)	(7.49)
Retained distributions on accumulation shares	9.06	8.32	7.49
Closing net asset value per share	281.49	287.44	297.55
* after direct transaction costs of:	0.18	0.37	0.43

Performance

Return after charges	(2.07%)	(3.40%)	19.27%
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Other information

Closing net asset value (£000s)	271,908	306,308	355,786
Closing number of shares	96,596,115	106,564,840	119,570,173
Operating charges	1.48%	1.48%	1.48%
Direct transaction costs	0.06%	0.13%	0.16%

Prices

Highest share price (pence)	294.30	304.40	299.00
Lowest share price (pence)	250.90	275.90	243.50

	Class A income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	143.77	153.12	131.92
Return before operating charges*	(0.91)	(2.90)	27.26
Operating charges	(2.05)	(2.21)	(2.14)
Return after operating charges*	(2.96)	(5.11)	25.12
Distributions on income shares	(4.48)	(4.24)	(3.92)
Closing net asset value per share	136.33	143.77	153.12
* after direct transaction costs of:	0.09	0.19	0.22

Performance

Return after charges	(2.06%)	(3.34%)	19.04%
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Other information

Closing net asset value (£000s)	32,240	40,982	49,894
Closing number of shares	23,647,840	28,505,144	32,583,628
Operating charges	1.48%	1.48%	1.48%
Direct transaction costs	0.06%	0.13%	0.16%

Prices

Highest share price (pence)	145.20	156.00	154.80
Lowest share price (pence)	125.50	138.80	128.50

Comparative tables (continued)

	Class C accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	812.08	834.37	694.48
Return before operating charges*	(6.90)	(17.58)	144.28
Operating charges	(4.42)	(4.71)	(4.39)
Return after operating charges*	(11.32)	(22.29)	139.89
Distributions on accumulation shares	(20.72)	(24.72)	(22.17)
Retained distributions on accumulation shares	20.72	24.72	22.17
Closing net asset value per share	800.76	812.08	834.37
* after direct transaction costs of:	0.50	1.04	1.19

Performance

Return after charges	(1.39%)	(2.67%)	20.14%
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Other information

Closing net asset value (£000s)	874	26,177	30,642
Closing number of shares	109,161	3,223,429	3,672,495
Operating charges	0.57%	0.57%	0.57%
Direct transaction costs	0.06%	0.13%	0.16%

Prices

Highest share price (pence)	834.10	856.70	838.50
Lowest share price (pence)	709.80	778.60	679.20

	Class E accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	291.07	300.05	250.58
Return before operating charges*	(2.21)	(6.07)	52.20
Operating charges	(2.78)	(2.91)	(2.73)
Return after operating charges*	(4.99)	(8.98)	49.47
Distributions on accumulation shares	(8.87)	(8.40)	(7.54)
Retained distributions on accumulation shares	8.87	8.40	7.54
Closing net asset value per share	286.08	291.07	300.05
* after direct transaction costs of:	0.18	0.37	0.43

Performance

Return after charges	(1.71%)	(2.99%)	19.74%
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Other information

Closing net asset value (£000s)	13,159	14,649	15,556
Closing number of shares	4,599,707	5,032,962	5,184,409
Operating charges	0.98%	0.98%	0.98%
Direct transaction costs	0.06%	0.13%	0.16%

Prices

Highest share price (pence)	298.50	307.60	301.50
Lowest share price (pence)	254.20	279.20	244.80

Comparative tables (continued)

	Class E income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	145.69	154.52	132.59
Return before operating charges*	(1.11)	(3.07)	27.31
Operating charges	(1.38)	(1.48)	(1.43)
Return after operating charges*	(2.49)	(4.55)	25.88
Distributions on income shares	(4.39)	(4.28)	(3.95)
Closing net asset value per share	138.81	145.69	154.52
* after direct transaction costs of:	0.09	0.19	0.23

Performance

Return after charges	(1.71%)	(2.94%)	19.52%
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Other information

Closing net asset value (£000s)	18,716	19,277	20,400
Closing number of shares	13,482,898	13,231,281	13,202,136
Operating charges	0.98%	0.98%	0.98%
Direct transaction costs	0.06%	0.13%	0.16%

Prices

Highest share price (pence)	147.40	157.50	156.20
Lowest share price (pence)	127.30	140.60	129.30

	Class EM accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	153.97	158.72	132.54
Return before operating charges*	(1.16)	(3.22)	27.62
Operating charges	(1.47)	(1.53)	(1.44)
Return after operating charges*	(2.63)	(4.75)	26.18
Distributions on accumulation shares	(4.69)	(4.45)	(3.99)
Retained distributions on accumulation shares	4.69	4.45	3.99
Closing net asset value per share	151.34	153.97	158.72
* after direct transaction costs of:	0.10	0.20	0.23

Performance

Return after charges	(1.71%)	(2.99%)	19.75%
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Other information

Closing net asset value (£000s)	127	105	86
Closing number of shares	83,715	68,451	54,022
Operating charges	0.98%	0.98%	0.98%
Direct transaction costs	0.06%	0.13%	0.16%

Prices

Highest share price (pence)	157.90	162.70	159.50
Lowest share price (pence)	134.50	147.70	129.50

Comparative tables (continued)

	Class EM income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	110.19	116.87	100.28
Return before operating charges*	(0.89)	(2.33)	20.65
Operating charges	(1.04)	(1.12)	(1.08)
Return after operating charges*	(1.93)	(3.45)	19.57
Distributions on income shares	(3.31)	(3.23)	(2.98)
Closing net asset value per share	104.95	110.19	116.87
* after direct transaction costs of:	0.07	0.14	0.17

Performance

Return after charges	(1.75%)	(2.95%)	19.52%
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Other information

Closing net asset value (£000s)	1,996	2,052	2,086
Closing number of shares	1,901,795	1,862,495	1,785,000
Operating charges	0.98%	0.98%	0.98%
Direct transaction costs	0.06%	0.13%	0.16%

Prices

Highest share price (pence)	111.40	119.10	117.70
Lowest share price (pence)	95.67	106.10	97.53

	Class I accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	265.23	272.85	227.39
Return before operating charges*	(2.12)	(5.65)	47.30
Operating charges	(1.89)	(1.97)	(1.84)
Return after operating charges*	(4.01)	(7.62)	45.46
Distributions on accumulation shares	(8.30)	(8.00)	(7.18)
Retained distributions on accumulation shares	8.30	8.00	7.18
Closing net asset value per share	261.22	265.23	272.85
* after direct transaction costs of:	0.17	0.34	0.39

Performance

Return after charges	(1.51%)	(2.79%)	19.99%
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Other information

Closing net asset value (£000s)	364,687	424,286	505,459
Closing number of shares	139,610,244	159,968,709	185,248,365
Operating charges	0.73%	0.73%	0.73%
Direct transaction costs	0.06%	0.13%	0.16%

Prices

Highest share price (pence)	272.30	280.00	274.20
Lowest share price (pence)	231.80	254.30	222.30

Comparative tables (continued)

	Class I income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	120.31	127.50	109.32
Return before operating charges*	(0.97)	(2.58)	22.47
Operating charges	(0.85)	(0.91)	(0.87)
Return after operating charges*	(1.82)	(3.49)	21.60
Distributions on income shares	(3.72)	(3.70)	(3.42)
Closing net asset value per share	114.77	120.31	127.50
* after direct transaction costs of:	0.08	0.16	0.19

Performance

Return after charges	(1.51%)	(2.74%)	19.76%
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Other information

Closing net asset value (£000s)	81,868	94,932	115,956
Closing number of shares	71,329,967	78,906,995	90,943,989
Operating charges	0.73%	0.73%	0.73%
Direct transaction costs	0.06%	0.13%	0.16%

Prices

Highest share price (pence)	121.70	130.00	128.90
Lowest share price (pence)	105.10	116.10	106.70

	Class M accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	151.69	157.02	131.66
Return before operating charges*	(0.95)	(3.03)	27.50
Operating charges	(2.19)	(2.30)	(2.14)
Return after operating charges*	(3.14)	(5.33)	25.36
Distributions on accumulation shares	(4.78)	(4.39)	(3.95)
Retained distributions on accumulation shares	4.78	4.39	3.95
Closing net asset value per share	148.55	151.69	157.02
* after direct transaction costs of:	0.10	0.19	0.22

Performance

Return after charges	(2.07%)	(3.39%)	19.26%
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Other information

Closing net asset value (£000s)	308	378	616
Closing number of shares	207,016	249,083	392,616
Operating charges	1.48%	1.48%	1.48%
Direct transaction costs	0.06%	0.13%	0.16%

Prices

Highest share price (pence)	155.30	160.60	157.80
Lowest share price (pence)	132.40	145.60	128.50

Comparative tables (continued)

	Class M income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	108.52	115.58	99.57
Return before operating charges*	(0.74)	(2.20)	20.57
Operating charges	(1.54)	(1.67)	(1.61)
Return after operating charges*	(2.28)	(3.87)	18.96
Distributions on income shares	(3.37)	(3.19)	(2.95)
Closing net asset value per share	102.87	108.52	115.58
* after direct transaction costs of:	0.07	0.14	0.17

Performance

Return after charges	(2.10%)	(3.35%)	19.04%
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Other information

Closing net asset value (£000s)	3,423	4,940	5,616
Closing number of shares	3,327,870	4,552,420	4,859,320
Operating charges	1.48%	1.48%	1.48%
Direct transaction costs	0.06%	0.13%	0.16%

Prices

Highest share price (pence)	109.50	117.80	116.40
Lowest share price (pence)	94.16	104.60	96.74

Class A EUR (hedged) accumulation

	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	929.92	989.77	881.02
Return before operating charges*	1.60	(45.74)	122.83
Operating charges	(13.88)	(14.11)	(14.08)
Return after operating charges*	(12.28)	(59.85)	108.75
Distributions on accumulation shares	(30.13)	(27.32)	(25.78)
Retained distributions on accumulation shares	30.13	27.32	25.78
Closing net asset value per share	917.64	929.92	989.77
* after direct transaction costs of:	0.61	1.20	1.47

Performance

Return after charges (Share class base currency)	(1.32%)	(6.05%)	12.34%
Return after charges (Share class currency hedged)	(3.51%)	(4.37%)	18.67%

Other information

Closing net asset value (£000s)	7	25	7
Closing number of shares	712	2,698	712
Operating charges	1.48%	1.48%	1.48%
Direct transaction costs	0.06%	0.13%	0.16%

Prices

Highest share price (Euro cents)	1,128.00	1,184.00	1,166.00
Lowest share price (Euro cents)	966.70	1,068.00	953.10

Comparative tables (continued)

Class I EUR (hedged) accumulation 2021 (pence per share)

Change in net assets per share

Opening net asset value per share	910.31
Return before operating charges*	9.39
Operating charges	(1.86)
Return after operating charges*	7.53
Distributions on accumulation shares	(8.67)
Retained distributions on accumulation shares	8.67
Final cancellation	(917.84) ¹
Closing net asset value per share	-
* after direct transaction costs of:	1.44

Performance

Return after charges (Share class base currency)	0.83%
Return after charges (Share class currency hedged)	0.55%

Other information

Closing net asset value (£000s)	-
Closing number of shares	-
Operating charges	0.73%
Direct transaction costs	0.16%

Prices

Highest share price (Euro cents)	1,045.00 ²
Lowest share price (Euro cents)	984.80 ²

¹ Class I EUR (hedged) accumulation closed on 6 November 2020.

² to 6 November 2020.

Comparative tables (continued)

	Class I USD (hedged) accumulation		
	2023	2022	2021
	(pence per share)	(pence per share)	(pence per share)
Change in net assets per share			
Opening net asset value per share	1,133.19	1,017.10	894.76
Return before operating charges*	(55.20)	123.84	129.36
Operating charges	(8.20)	(7.75)	(7.02)
Return after operating charges*	(63.40)	116.09	122.34
Distributions on accumulation shares	(35.48)	(32.04)	(27.35)
Retained distributions on accumulation shares	35.48	32.04	27.35
Closing net asset value per share	1,069.79	1,133.19	1,017.10
* after direct transaction costs of:	0.73	1.33	1.49
Performance			
Return after charges (Share class base currency)	(5.59%)	11.41%	13.67%
Return after charges (Share class currency hedged)	(0.18%)	(2.49%)	20.42%
Other information			
Closing net asset value (£000s)	8,100	8,881	12,674
Closing number of shares	757,182	783,717	1,246,057
Operating charges	0.73%	0.73%	0.73%
Direct transaction costs	0.06%	0.13%	0.16%
Prices			
Highest share price (USD cents)	1,430.11	1,452.44	1,421.07
Lowest share price (USD cents)	1,210.65	1,321.35	1,149.31

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

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

Operating charges

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

Share class launches and closures

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

Hedged share classes

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

Ongoing charge figure

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

	2023 %	2022 %
Class A accumulation	1.48	1.48
Class A income	1.48	1.48
Class C accumulation	0.57	0.57
Class E accumulation	0.98	0.98
Class E income	0.98	0.98
Class EM accumulation	0.98	0.98
Class EM income	0.98	0.98
Class I accumulation	0.73	0.73
Class I income	0.73	0.73
Class M accumulation	1.48	1.48
Class M income	1.48	1.48
Class A EUR (hedged) accumulation	1.48	1.48
Class I USD (hedged) accumulation	0.73	0.73

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

Risk and reward profile

The fund currently has 13 types of share class in issue: A accumulation, A income, C accumulation, E accumulation, E income, EM accumulation, EM income, I accumulation, I income, M accumulation, M income, A EUR (hedged) accumulation and I USD (hedged) accumulation.

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



The share classes appear at 5 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in Net Asset Value in the past five 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 five* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

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

The rating above is based on the historic volatility of the share classes. Historic data may not be a reliable indication of the future risk profile of the fund. The rating is not guaranteed and may change over time.

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

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

The risk ratings for E income, I accumulation and I USD (hedged) accumulation increased from 4 to 5 during the year. All other share classes remain the same. The ratings may change over time as a fund takes on more or less risky investments or where market conditions become more or less volatile. At share class level the ratings may differ dependent on the class currency and may be influenced by currency movements and the impact of inflows and outflows.

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

* Classes E accumulation, E income, EM accumulation and EM income launched on 24 June 2019. As these share classes do not have a five year history, a synthetic history has been created using the A accumulation, A income, M accumulation and M income share classes, respectively.

Portfolio statement as at 31 July 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	Equities 47.05% (2022: 50.18%)		
	Canada 1.22% (2022: 0.96%)		
	Basic Materials 1.22% (2022: 0.96%)		
725,000	Barrick Gold	9,734	1.22
	Chile 0.00% (2022: 0.49%)		
	Basic Materials 0.00% (2022: 0.49%)		
	China 0.00% (2022: 0.08%)		
	Consumer Discretionary 0.00% (2022: 0.08%)		
	Finland 0.47% (2022: 0.00%)		
	Energy 0.47% (2022: 0.00%)		
130,000	Neste	3,729	0.47
	France 0.00% (2022: 0.58%)		
	Health Care 0.00% (2022: 0.58%)		
	South Africa 0.00% (2022: 0.83%)		
	Basic Materials 0.00% (2022: 0.83%)		
	South Korea 0.53% (2022: 0.61%)		
	Telecommunications 0.53% (2022: 0.61%)		
4,000	Samsung Electronics GDR	4,231	0.53
	Switzerland 1.02% (2022: 0.79%)		
	Health Care 1.02% (2022: 0.79%)		
33,500	Roche Non-Voting Shares	8,127	1.02
	United Kingdom 43.81% (2022: 45.84%)		
	Basic Materials 1.12% (2022: 0.84%)		
750,000	Glencore	3,551	0.44
350,000	Victrix	5,404	0.68
		8,955	1.12
	Consumer Discretionary 4.56% (2022: 7.29%)		
650,000	B&M European Value Retail	3,596	0.45
200,000	Burberry	4,446	0.56
850,000	easyJet	3,844	0.48
500,000	Entain	6,930	0.87
550,000	Future	4,612	0.58
2,237,575	National Express	2,088	0.26
45,000	Next	3,171	0.40
650,000	Redrow	3,360	0.42
3,750,000	Taylor Wimpey	4,288	0.54
		36,335	4.56
	Consumer Staples 9.09% (2022: 10.00%)		
720,000	British American Tobacco	18,832	2.36
220,000	Cranswick	7,339	0.92
750,000	Hilton Food	4,830	0.61
700,000	Imperial Brands	12,873	1.61

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Consumer Staples (continued)			
2,750,000	PZ Cussons	4,560	0.57
225,000	Reckitt Benckiser	13,131	1.65
2	Tate & Lyle ¹	-	-
260,000	Unilever	10,895	1.37
		<u>72,460</u>	<u>9.09</u>
Energy 3.52% (2022: 4.63%)			
1,575,000	BP	7,607	0.95
865,000	Shell	20,462	2.57
		<u>28,069</u>	<u>3.52</u>
Financials 10.89% (2022: 11.81%)			
200,000	Admiral	4,258	0.53
5,236,793	Barclays	8,115	1.02
990,000	Beazley	5,425	0.68
630,000	Close Brothers	5,790	0.73
900,000	Conduit	4,370	0.55
3,750,000	HICL Infrastructure	4,920	0.62
1,800,000	HSBC	11,632	1.46
1,500,000	IG	10,620	1.33
400,000	Impax Asset Management	2,196	0.28
5,500,000	Just	4,526	0.57
600,000	Lancashire	3,582	0.45
7,845,368	Lloyds Bank	3,525	0.44
1,050,000	OSB	3,856	0.48
257,465	St James's Place	2,420	0.30
650,000	WisdomTree Physical Silver ETF	11,566	1.45
		<u>86,801</u>	<u>10.89</u>
Health Care 5.21% (2022: 3.41%)			
150,000	AstraZeneca	16,776	2.11
1,200,000	GSK	16,611	2.08
390,000	Hikma Pharmaceuticals	8,143	1.02
		<u>41,530</u>	<u>5.21</u>
Industrials 4.58% (2022: 5.46%)			
130,026	Bunzl	3,751	0.47
1,000,000	Chemring	2,830	0.35
180,000	DCC	8,118	1.02
1,375,000	Genuit	4,304	0.54
4,650,000	Hays	4,975	0.62
210,000	Morgan Sindall	3,998	0.50
406	Renishaw	16	-
1,800,000	RWS	4,673	0.59
2,500,000	Serco	3,883	0.49
		<u>36,548</u>	<u>4.58</u>
Real Estate 0.67% (2022: 0.00%)			
700,000	Segro	5,338	0.67

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Technology 1.82% (2022: 1.10%)		
1,500,000	Ascential	3,138	0.39
200,000	EMIS	2,904	0.36
4,750,000	Learning Technologies	3,563	0.45
1,800,000	Moneysupermarket.com	4,932	0.62
		<u>14,537</u>	<u>1.82</u>
	Telecommunications 0.48% (2022: 0.00%)		
350,000	Gamma Communications	<u>3,871</u>	<u>0.48</u>
	Utilities 1.87% (2022: 1.30%)		
3,350,000	Centrica	4,625	0.58
700,000	Drax	4,233	0.53
360,000	SSE	6,068	0.76
		<u>14,926</u>	<u>1.87</u>
	Bonds 51.55% (2022: 42.99%)		
	Australia 0.00% (2022: 1.01%)		
	Fixed Rate Bond 0.00% (2022: 1.01%)		
	Belgium 0.58% (2022: 0.36%)		
	Fixed Rate Bond 0.00% (2022: 0.11%)		
	Variable Rate Bond 0.58% (2022: 0.25%)		
GBP 2,600,000	KBC 1.25% 21/09/2027	2,231	0.28
GBP 2,500,000	KBC 5.50% 20/09/2028	2,424	0.30
		<u>4,655</u>	<u>0.58</u>
	Canada 0.67% (2022: 0.00%)		
	Fixed Rate Bond 0.67% (2022: 0.00%)		
GBP 3,250,000	CPPIB 6.00% 07/06/2025	3,264	0.41
GBP 2,300,000	Royal Bank of Canada 3.625% 14/06/2027	2,113	0.26
		<u>5,377</u>	<u>0.67</u>
	Denmark 0.71% (2022: 0.00%)		
	Fixed Rate Bond 0.39% (2022: 0.00%)		
GBP 3,300,000	Orsted 4.875% 12/01/2032	<u>3,113</u>	<u>0.39</u>
	Variable Rate Bond 0.32% (2022: 0.00%)		
GBP 2,660,000	Danske Bank 4.625% 13/04/2027	<u>2,554</u>	<u>0.32</u>
	Finland 0.34% (2022: 0.31%)		
	Variable Rate Bond 0.34% (2022: 0.31%)		
GBP 3,410,000	Nordea Bank 1.625% 09/12/2032	<u>2,717</u>	<u>0.34</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	France 4.06% (2022: 2.96%)		
	Fixed Rate Bond 3.90% (2022: 2.50%)		
GBP 2,900,000	Banque Fédérative du Crédit Mutuel 1.00% 16/07/2026	2,514	0.31
GBP 3,100,000	Banque Fédérative du Crédit Mutuel 5.00% 19/01/2026	3,017	0.38
GBP 2,100,000	BNP Paribas 2.875% 24/02/2029	1,784	0.22
GBP 3,000,000	BNP Paribas 5.75% 13/06/2032	2,922	0.37
GBP 3,900,000	BPCE 6.125% 24/05/2029	3,844	0.48
GBP 6,000,000	Crédit Agricole 4.875% 23/10/2029	5,716	0.72
GBP 3,300,000	Électricité de France 5.50% 25/01/2035	3,037	0.38
GBP 4,100,000	Électricité de France 5.625% 25/01/2053	3,651	0.46
GBP 1,800,000	Engie 7.00% 30/10/2028	1,897	0.24
GBP 2,700,000	Société Générale 6.25% 22/06/2033	2,743	0.34
		<u>31,125</u>	<u>3.90</u>
	Variable Rate Bond 0.16% (2022: 0.46%)		
GBP 1,000,000	BPCE 2.50% 30/11/2032	818	0.10
GBP 500,000	Crédit Agricole 5.75% 29/11/2027	491	0.06
		<u>1,309</u>	<u>0.16</u>
	Germany 0.93% (2022: 1.93%)		
	Fixed Rate Bond 0.65% (2022: 1.93%)		
GBP 1,100,000	E.ON Finance 6.125% 06/07/2039	1,119	0.14
USD 2,983,000	Mercedes-Benz Finance 5.05% 03/08/2033	2,308	0.29
GBP 1,800,000	Volkswagen 5.875% 23/05/2029	1,767	0.22
		<u>5,194</u>	<u>0.65</u>
	Variable Rate Bond 0.28% (2022: 0.00%)		
GBP 2,400,000	Deutsche Bank 6.125% 12/12/2030	2,262	0.28
	Iceland 0.00% (2022: 0.00%)		
	Fixed Rate Bond 0.00% (2022: 0.00%)		
GBP 475,000	Kaupthing Singer & Friedlander 7.50% 13/11/2019 ²	-	-
	Ireland 0.00% (2022: 0.00%)		
	Fixed Rate Bond 0.00% (2022: 0.00%)		
EUR 1,825,000	Waterford Wedgewood 9.875% Perpetual ²	-	-
	Italy 0.72% (2022: 0.51%)		
	Fixed Rate Bond 0.72% (2022: 0.51%)		
GBP 5,000,000	Enel Finance International 2.875% 11/04/2029	4,261	0.54
GBP 1,500,000	Enel Finance International 5.75% 14/09/2040	1,452	0.18
		<u>5,713</u>	<u>0.72</u>
	Japan 0.35% (2022: 0.00%)		
	Fixed Rate Bond 0.35% (2022: 0.00%)		
GBP 3,400,000	East Japan Railway 1.162% 15/09/2028	2,754	0.35

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Luxembourg 0.00% (2022: 0.59%)		
	Asset Backed 0.00% (2022: 0.00%)		
EUR 1,089,681	Hellas Telecommunications 8.50% Perpetual ²	-	-
	Fixed Rate Bond 0.00% (2022: 0.59%)		
	Netherlands 0.44% (2022: 0.19%)		
	Fixed Rate Bond 0.44% (2022: 0.19%)		
GBP 1,800,000	ING 3.00% 18/02/2026	1,669	0.21
EUR 1,930,000	TenneT 4.75% 28/10/2042	1,807	0.23
		<u>3,476</u>	<u>0.44</u>
	Norway 0.46% (2022: 0.37%)		
	Variable Rate Bond 0.46% (2022: 0.37%)		
GBP 3,910,000	DNB Bank 4.00% 17/08/2027	3,648	0.46
	Spain 0.64% (2022: 0.00%)		
	Fixed Rate Bond 0.27% (2022: 0.00%)		
GBP 2,200,000	Telefonica Emisiones 5.445% 08/10/2029	2,143	0.27
	Variable Rate Bond 0.37% (2022: 0.00%)		
GBP 3,100,000	Santander 4.75% 30/08/2028	2,940	0.37
	Supranational 1.01% (2022: 0.48%)		
	Fixed Rate Bond 1.01% (2022: 0.48%)		
GBP 4,200,000	Inter-American Development Bank 5% 20/07/2030	4,266	0.54
GBP 3,900,000	International Finance 4.125% 28/11/2025	3,773	0.47
		<u>8,039</u>	<u>1.01</u>
	Sweden 0.82% (2022: 0.35%)		
	Fixed Rate Bond 0.42% (2022: 0.35%)		
GBP 3,300,000	Volvo Treasury 6.125% 22/06/2028	3,357	0.42
	Variable Rate Bond 0.40% (2022: 0.00%)		
GBP 3,270,000	Swedbank 5.875% 24/05/2029	3,184	0.40
	Switzerland 0.62% (2022: 1.10%)		
	Fixed Rate Bond 0.00% (2022: 0.75%)		
	Variable Rate Bond 0.62% (2022: 0.35%)		
GBP 3,730,000	UBS 2.25% 09/06/2028	3,170	0.40
GBP 2,010,000	Zurich Finance 5.125% 23/11/2052	1,792	0.22
		<u>4,962</u>	<u>0.62</u>
	United Kingdom 29.64% (2022: 25.39%)		
	Fixed Rate Bond 27.19% (2022: 22.31%)		
GBP 870,000	AA Bond Co 7.375% 31/07/2029	808	0.10
GBP 1,660,000	Accent Capital 2.625% 18/07/2049	1,033	0.13
GBP 1,320,000	Anglian Water Services 5.875% 20/06/2031	1,320	0.17
GBP 2,010,000	Annington Funding 2.308% 06/10/2032	1,439	0.18
GBP 1,950,000	Annington Funding 4.75% 09/08/2033	1,667	0.21

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Fixed Rate Bond (continued)			
GBP 590,000	Arqiva Financing 7.21% 30/06/2028	600	0.08
GBP 5,100,000	Aster Treasury 5.412% 20/12/2032	5,137	0.64
GBP 1,500,000	Barclays 3.00% 08/05/2026	1,368	0.17
GBP 2,835,000	BG Energy Capital 5.00% 04/11/2036	2,685	0.34
GBP 420,000	Blend Funding 'B' 3.459% 21/09/2047	308	0.04
GBP 1,980,000	BP Capital Markets 5.773% 25/05/2038	2,002	0.25
GBP 3,830,000	British Telecommunications 5.75% 13/02/2041	3,603	0.45
GBP 2,300,000	Cadent Finance 2.125% 22/09/2028	1,918	0.24
GBP 2,800,000	Cadent Finance 2.25% 10/10/2035	1,906	0.24
GBP 1,500,000	Cadent Finance 2.625% 22/09/2038	986	0.12
GBP 4,890,000	Church Commissioners for England 3.25% 14/07/2032	4,251	0.53
GBP 4,900,000	Diageo Finance 2.375% 08/06/2028	4,310	0.54
GBP 850,000	Dwr Cymru Financing 2.375% 31/03/2034	589	0.07
GBP 1,000,000	Eastern Power Networks 2.125% 25/11/2033	732	0.09
GBP 2,250,000	ENW Finance 4.893% 24/11/2032	2,113	0.27
GBP 2,200,000	Gatwick Funding 5.75% 23/01/2037	2,111	0.27
GBP 3,750,000	GlaxoSmithKline Capital 1.625% 12/05/2035	2,573	0.32
GBP 950,000	GreenSquareAccord 5.25% 30/11/2047	871	0.11
GBP 2,100,000	Heathrow Funding 6.45% 10/12/2031	2,160	0.27
GBP 2,100,000	Heathrow Funding 6.75% 03/12/2026	2,128	0.27
GBP 1,900,000	HSBC 6.00% 29/03/2040	1,725	0.22
GBP 3,210,000	Jersey International 2.875% 06/05/2052	2,117	0.27
GBP 6,380,000	Logicor 1.875% 17/11/2026	5,531	0.69
GBP 1,760,000	London Stock Exchange 1.625% 06/04/2030	1,407	0.18
GBP 2,980,000	Motability Operations 4.875% 17/01/2043	2,826	0.35
GBP 3,000,000	National Gas Transmission 1.375% 07/02/2031	2,170	0.27
GBP 1,900,000	National Grid 2.75% 06/02/2035	1,410	0.18
GBP 2,300,000	National Grid 4.00% 08/06/2027	2,140	0.27
USD 1,493,000	National Grid 5.809% 12/06/2033	1,172	0.15
GBP 2,360,000	National Grid 5.818% 31/07/2041	2,353	0.30
GBP 1,110,000	NATS En Route 1.75% 30/09/2033	789	0.10
GBP 2,010,000	NatWest 6.375% 08/11/2027	2,022	0.25
GBP 3,040,000	NatWest 6.625% 22/06/2026	3,066	0.38
GBP 1,100,000	NIE Finance 5.875% 01/12/2032	1,108	0.14
GBP 2,270,000	Northern Gas Networks Finance 6.125% 02/06/2033	2,278	0.29
GBP 720,000	Northern Powergrid (Northeast) 3.25% 01/04/2052	499	0.06
GBP 600,000	Northern Powergrid (Yorkshire) 5.125% 04/05/2035	568	0.07
GBP 1,550,000	Northumbrian Water Finance 4.50% 14/02/2031	1,403	0.18
GBP 1,710,000	Paradigm 2.25% 20/05/2051	959	0.12
GBP 5,260,000	PRS Finance 1.50% 24/08/2034	3,747	0.47
GBP 3,330,000	Rentokil Initial 5.00% 27/06/2032	3,143	0.39
GBP 2,690,000	Sage 2.875% 08/02/2034	2,072	0.26
GBP 1,010,000	Sanctuary Capital 2.375% 14/04/2050	579	0.07
GBP 3,280,000	Severn Trent Utilities Finance 4.625% 30/11/2034	2,962	0.37
GBP 2,000,000	Southern Gas Networks 6.375% 15/05/2040	2,025	0.25
GBP 2,900,000	SSE 8.375% 20/11/2028	3,218	0.40
GBP 2,390,000	Telereal Securitisation 3.5625% 10/12/2031	2,027	0.25
GBP 3,940,000	Tesco 5.50% 27/02/2035	3,702	0.46
GBP 1,733,000	Thames Water Utilities Finance 2.625% 24/01/2032	1,311	0.16
GBP 1,352,242	UK Treasury 0.50% 31/01/2029	1,095	0.14

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Fixed Rate Bond (continued)			
GBP 19,200,000	UK Treasury 0.625% 31/07/2035	12,564	1.58
GBP 6,950,997	UK Treasury 1.25% 22/10/2041	4,197	0.53
GBP 6,755,000	UK Treasury 1.50% 22/07/2047	3,829	0.48
GBP 16,401,895	UK Treasury 1.75% 07/09/2037	11,824	1.48
GBP 9,240,000	UK Treasury 3.25% 31/01/2033	8,496	1.07
GBP 2,600,000	UK Treasury 3.50% 22/10/2025	2,506	0.31
GBP 1,300,000	UK Treasury 3.75% 22/10/2053	1,150	0.14
GBP 9,700,000	UK Treasury 3.75% 29/01/2038	8,948	1.12
GBP 4,553,641	UK Treasury 4.1255% 29/01/2027	4,449	0.56
GBP 11,300,000	UK Treasury 4.25% 07/09/2039	11,022	1.38
GBP 10,800,000	UK Treasury 4.25% 07/12/2040	10,504	1.32
GBP 3,200,000	UK Treasury 4.25% 07/12/2046	3,084	0.39
GBP 760,000	UK Treasury 4.50% 07/12/2042	761	0.10
GBP 3,170,000	Unilever 1.875% 15/09/2029	2,633	0.33
GBP 1,680,000	United Utilities Water Finance 5.125% 06/10/2038	1,554	0.20
GBP 3,780,000	University of Oxford 2.544% 08/12/2117	1,947	0.24
GBP 4,620,000	Vodafone 5.125% 02/12/2052	4,010	0.50
GBP 1,240,000	Wellcome Trust Finance 4.625% 25/07/2036	1,208	0.15
GBP 1,660,000	Wessex Water Services Finance 1.50% 17/09/2029	1,266	0.16
GBP 3,520,000	Westfield Stratford City Finance 1.642% 04/08/2026	3,023	0.38
GBP 3,250,000	Whitbread 2.375% 31/05/2027	2,764	0.35
GBP 1,730,000	Wrekin Housing 2.50% 22/10/2048	1,018	0.13
GBP 2,300,000	Yorkshire Building Society 3.50% 21/04/2026	2,146	0.27
GBP 2,862,000	Yorkshire Water Finance 2.75% 18/04/2041	1,842	0.23
		<u>216,787</u>	<u>27.19</u>
Variable Rate Bond 2.45% (2022: 3.08%)			
GBP 3,100,000	Aviva 6.125% 14/11/2036	3,058	0.38
GBP 800,000	HSBC 5.844% Perpetual	802	0.10
GBP 1,930,000	HSBC 8.201% 16/11/2034	2,015	0.25
GBP 2,330,000	Lloyds Bank 6.625% 02/06/2033	2,271	0.29
GBP 2,200,000	Nationwide Building Society 6.178% 07/12/2027	2,173	0.27
GBP 2,750,000	NatWest 2.105% 28/11/2031	2,324	0.29
GBP 1,900,000	NatWest 3.619% 29/03/2029	1,678	0.21
GBP 3,400,000	Santander 2.92% 08/05/2026	3,165	0.40
GBP 2,060,000	Santander 7.098% 16/11/2027	2,067	0.26
		<u>19,553</u>	<u>2.45</u>
United States 9.56% (2022: 7.44%)			
Fixed Rate Bond 5.95% (2022: 5.02%)			
GBP 3,500,000	Amgen 4.00% 13/09/2029	3,237	0.41
GBP 3,000,000	AT&T 4.375% 14/09/2029	2,736	0.34
GBP 1,950,000	AT&T 7.00% 30/04/2040	2,066	0.26
GBP 4,740,000	Citigroup 1.75% 23/10/2026	4,178	0.53
GBP 1,100,000	Experian Finance 0.739% 29/10/2025	984	0.12
GBP 1,550,000	GE Capital UK Funding 5.875% 18/01/2033	1,531	0.19
GBP 187,815	Lehman Brothers 7.875% 08/05/2018 ¹	-	-
GBP 2,020,000	McDonalds 5.875% 23/04/2032	2,085	0.26
EUR 1,050,000	Medtronic Global 3.125% 15/10/2031	868	0.11
GBP 2,360,000	Metropolitan Life Global Funding I 4.125% 02/09/2025	2,270	0.29
GBP 2,080,000	Metropolitan Life Global Funding I 5.00% 10/01/2030	2,011	0.25

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Fixed Rate Bond (continued)			
GBP 1,880,000	New York Life Global Funding 0.75% 14/12/2028	1,476	0.19
GBP 2,910,000	New York Life Global Funding 4.35% 16/09/2025	2,813	0.35
GBP 2,660,000	Pacific Life Global Funding II 5.00% 12/01/2028	2,566	0.32
GBP 4,480,000	PepsiCo 3.20% 22/07/2029	4,014	0.50
GBP 2,209,000	Pfizer 2.735% 15/06/2043	1,542	0.19
USD 2,150,000	Pfizer 4.75% 19/05/2033	1,660	0.21
GBP 2,650,000	Procter & Gamble 6.25% 31/01/2030	2,804	0.35
GBP 1,000,000	Time Warner Cable 5.75% 02/06/2031	928	0.12
GBP 4,300,000	Walmart 5.25% 28/09/2035	4,364	0.55
GBP 4,000,000	Wells Fargo 2.50% 02/05/2029	3,296	0.41
		<u>47,429</u>	<u>5.95</u>
Index Linked Bonds 1.96% (2022: 0.00%)			
USD 21,000,000	US Treasury Inflation Indexed 0.625% 15/07/2032	<u>15,643</u>	<u>1.96</u>
Variable Rate Bond 1.65% (2022: 2.42%)			
GBP 3,030,000	Bank of America 3.584% 27/04/2031	2,630	0.33
GBP 3,990,000	Goldman Sachs 3.625% 29/10/2029	3,543	0.45
GBP 4,000,000	JPMorgan Chase 0.991% 28/04/2026	3,676	0.46
GBP 3,340,000	Morgan Stanley 5.789% 18/11/2033	3,278	0.41
		<u>13,127</u>	<u>1.65</u>
Derivatives 0.07% (2022: (0.03%))			
Futures 0.02% (2022: (0.04%))			
(39)	CBT US 10 Year Note September 2023	(1)	-
390	CBT US 2 Year Note September 2023	(285)	(0.04)
35	CBT US 5 Year Note September 2023	(37)	-
(26)	EUX Euro Bobl September 2023	31	-
(4)	EUX Euro Bund September 2023	7	-
(8)	EUX Euro Buxl September 2023	19	-
327	ICE Long Gilt September 2023	447	0.06
		<u>181</u>	<u>0.02</u>
Forward Foreign Exchange Contracts 0.03% (2022: 0.02%)³			
	Buy EUR 1,342,173 : Sell GBP 1,155,567 August 2023	(5)	-
	Buy EUR 3,469,357 : Sell GBP 2,980,396 August 2023	(7)	-
	Buy EUR 63,700 : Sell GBP 54,571 August 2023 ¹	-	-
	Buy GBP 1,077 : Sell USD 1,384 August 2023 ¹	-	-
	Buy GBP 1,185,477 : Sell USD 1,493,000 August 2023	25	-
	Buy GBP 1,362 : Sell USD 1,759 August 2023 ¹	-	-
	Buy GBP 10,457,117 : Sell USD 12,994,190 August 2023	358	0.05
	Buy GBP 133,374 : Sell USD 169,435 August 2023	2	-
	Buy GBP 173,467 : Sell USD 222,400 August 2023 ¹	-	-
	Buy GBP 240,125 : Sell USD 306,741 August 2023	2	-
	Buy GBP 33,857 : Sell EUR 39,533 August 2023 ¹	-	-
	Buy GBP 4,170,744 : Sell EUR 4,835,697 August 2023	26	-
	Buy GBP 5,015 : Sell USD 6,497 August 2023 ¹	-	-
	Buy GBP 7,396 : Sell USD 9,515 August 2023 ¹	-	-
	Buy USD 5,234,382 : Sell GBP 4,104,168 August 2023	(36)	-
	Buy USD 9,951,383 : Sell GBP 7,888,120 August 2023	(154)	(0.02)
		<u>211</u>	<u>0.03</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts (Hedged share classes) 0.02% (2022: (0.01%))³			
	Buy EUR 177 : Sell GBP 154 August 2023 ¹	-	-
	Buy EUR 7,482 : Sell GBP 6,420 August 2023 ¹	-	-
	Buy GBP 5,568 : Sell USD 7,195 August 2023 ¹	-	-
	Buy GBP 618 : Sell USD 793 August 2023 ¹	-	-
	Buy GBP 972 : Sell USD 1,271 August 2023 ¹	-	-
	Buy USD 1,384 : Sell GBP 1,077 August 2023 ¹	-	-
	Buy USD 1,749 : Sell GBP 1,361 August 2023 ¹	-	-
	Buy USD 1,759 : Sell GBP 1,361 August 2023 ¹	-	-
	Buy USD 10,198,347 : Sell GBP 7,772,859 August 2023	153	0.02
	Buy USD 2,420 : Sell GBP 1,846 August 2023 ¹	-	-
	Buy USD 244,660 : Sell GBP 189,863 August 2023 ¹	-	-
	Buy USD 6,497 : Sell GBP 5,014 August 2023 ¹	-	-
	Buy USD 697 : Sell GBP 543 August 2023 ¹	-	-
	Buy USD 9,515 : Sell GBP 7,396 August 2023 ¹	-	-
		<u>153</u>	<u>0.02</u>
Investment assets including investment liabilities		786,797	98.67
	Other net assets	10,616	1.33
	Total net assets	797,413	100.00

¹ Due to rounding to nearest £1,000

² Defaulted

³ Not listed on an official stock exchange

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

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

Statement of total return for the year ended 31 July 2023

		2023		2022	
	Note	£000	£000	£000	£000
Income					
Net capital losses	2		(39,873)		(50,731)
Revenue	3	29,723		31,519	
Expenses	4	(8,727)		(10,367)	
Interest payable and similar charges	5	-		(3)	
Net revenue before taxation		20,996		21,149	
Taxation	6	(1,073)		2	
Net revenue after taxation			19,923		21,151
Total return before distributions			(19,950)		(29,580)
Distributions	7		(27,323)		(29,950)
Change in net assets attributable to shareholders from investment activities			(47,273)		(59,530)

Statement of change in net assets attributable to shareholders

for the year ended 31 July 2023

	2023		2022	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		942,992		1,114,778
Amounts receivable on issue of shares	9,254		12,259	
Amounts payable on cancellation of shares	(129,629)		(148,778)	
		(120,375)		(136,519)
Dilution adjustment		59		-
Change in net assets attributable to shareholders from investment activities		(47,273)		(59,530)
Retained distributions on accumulation shares		22,007		24,260
Unclaimed distributions		3		3
Closing net assets attributable to shareholders		797,413		942,992

Balance sheet as at 31 July 2023

	Note	2023 £000	2022 £000
Assets:			
Investments		787,322	879,446
Current assets:			
Debtors	8	12,446	13,433
Cash and bank balances	9	7,403	58,322
Total assets		807,171	951,201
Liabilities:			
Investment liabilities		525	1,100
Creditors:			
Amounts held at derivative clearing houses and brokers		627	461
Distributions payable		1,182	967
Other creditors	10	7,424	5,681
Total liabilities		9,758	8,209
Net assets attributable to shareholders		797,413	942,992

Notes to the financial statements for the year ended 31 July 2023

1 Accounting policies

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

2 Net capital losses

Net capital losses on investments during the year comprise:

	2023 £000	2022 £000
Derivative securities	(75)	(630)
Forward currency contracts	1,753	(2,530)
Forward currency contracts on hedged share classes	(336)	1,072
Non-derivative securities	(40,929)	(48,545)
Other currency losses	(280)	(91)
Transaction costs	(6)	(7)
Net capital losses	(39,873)	(50,731)

3 Revenue

	2023 £000	2022 £000
Bank interest	1,225	101
Derivative revenue	(21)	42
Hedged income on forward currency contracts	(5)	4
Interest on debt securities*	12,181	9,663
Overseas dividends	2,128	5,370
Stock lending revenue	26	31
UK dividends	14,116	16,299
UK REIT revenue - non PID	73	-
Underwriting commission	-	9
Total revenue	29,723	31,519

* Includes distributions from overseas funds.

4 Expenses

	2023 £000	2022 £000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	7,402	8,799
GAC*	1,234	1,457
	8,636	10,256
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	51	62
Safe custody fees	40	49
	91	111
Total expenses	8,727	10,367

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £17,879 (2022: £16,107).

Notes to the financial statements (continued)

5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2023 £000	2022 £000
Interest payable	-	1
Interest on margin	-	2
Total interest payable and similar charges	-	3

6 Taxation

a) Analysis of charge/(credit) in the year

The tax charge/(credit) comprises:

	2023 £000	2022 £000
Current tax		
Corporation tax	816	-
Overseas withholding tax	257	(2)
Total tax (note 6b)	1,073	(2)

b) Factors affecting tax charge/(credit) for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised OEICs of 20% (2022: 20%). The differences are explained below:

	2023 £000	2022 £000
Net revenue before taxation	20,996	21,149
Corporation tax at 20% (2022: 20%)	4,199	4,230
Effects of:		
Overseas dividends	(425)	(1,074)
Overseas withholding tax	257	(2)
UK dividends*	(2,838)	(3,260)
Unused management expenses	(120)	104
Tax charge/(credit) for the year (note 6a)	1,073	(2)

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

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

c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2022: 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 nil (2022: £119,952) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

Notes to the financial statements (continued)

7 Distributions

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

	2023 £000	2022 £000
Interim income	3,494	4,162
Interim accumulation	16,207	19,479
Final income	1,182	967
Final accumulation	5,800	4,781
	<u>26,683</u>	<u>29,389</u>
Amounts deducted on cancellation of shares	683	612
Amounts received on issue of shares	(43)	(51)
Total distributions	<u>27,323</u>	<u>29,950</u>
Net revenue after taxation	19,923	21,151
Annual management charge borne by the capital account	7,402	8,799
Equalisation on conversions	(2)	-
Total distributions	<u>27,323</u>	<u>29,950</u>

Details of the distribution per share are set out in the Distribution tables on pages 51 to 62.

8 Debtors

	2023 £000	2022 £000
Accrued revenue	6,866	5,218
Amounts receivable for issue of shares	19	28
Corporation tax recoverable	-	159
Overseas withholding tax reclaimable	233	292
Sales awaiting settlement	5,328	7,736
Total debtors	<u>12,446</u>	<u>13,433</u>

9 Cash and bank balances

	2023 £000	2022 £000
Amounts held at derivative clearing houses and brokers	2,608	2,312
Cash and bank balances	4,795	56,010
Total cash and bank balances	<u>7,403</u>	<u>58,322</u>

10 Other creditors

	2023 £000	2022 £000
Accrued annual management charge	588	676
Accrued Depositary's fee	6	5
Accrued other expenses	106	122
Amounts payable for cancellation of shares	2,748	1,483
Corporation tax payable	816	-
Purchases awaiting settlement	3,160	3,395
Total other creditors	<u>7,424</u>	<u>5,681</u>

Notes to the financial statements (continued)

11 Contingent liabilities and commitments

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

12 Related party transactions

JHFMUKL as ACD to the fund is deemed to be a related party in respect of their dealings with the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 37 and 38 and notes 4, 7, 8 and 10 on pages 39 to 41 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations
- Annual management charge
- GAC

There were no material shareholders at the year end (2022: nil).

13 Shareholders' funds

The fund currently has 6 share classes available: Class A (Retail), Class C (Institutional), Class E (Retail), Class EM (Retail), Class I (Institutional) and Class M (Retail). The annual management charge on each share class is as follows:

	2023 %	2022 %
Class A	1.25	1.25
Class C	0.50	0.50
Class E	0.75	0.75
Class EM	0.75	0.75
Class I	0.625	0.625
Class M	1.25	1.25

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative tables on pages 18 to 25. The distribution per share class is given in the Distribution tables on pages 51 to 62. All share classes have the same rights on winding up.

Shares reconciliation as at 31 July 2023

	Class A accumulation	Class A income	Class C accumulation	Class E accumulation
Opening number of shares	106,564,840	28,505,144	3,223,429	5,032,962
Issues during the year	1,902,253	814,827	3,277	64,104
Cancellations during the year	(9,536,149)	(1,968,424)	(3,117,545)	(707,872)
Shares converted during the year	(2,334,829)	(3,703,707)	-	210,513
Closing shares in issue	96,596,115	23,647,840	109,161	4,599,707
	Class E income	Class EM accumulation	Class EM income	Class I accumulation
Opening number of shares	13,231,281	68,451	1,862,495	159,968,709
Issues during the year	407,928	1,600	27,044	281,882
Cancellations during the year	(1,371,679)	(656)	(174,831)	(22,934,196)
Shares converted during the year	1,215,368	14,320	187,087	2,293,849
Closing shares in issue	13,482,898	83,715	1,901,795	139,610,244

Notes to the financial statements (continued)

13 Shareholders' funds (continued)

Shares reconciliation as at 31 July 2023 (continued)

	Class I income	Class M accumulation	Class M income	Class A EUR (hedged) accumulation
Opening number of shares	78,906,995	249,083	4,552,420	2,698
Issues during the year	546,851	8,516	70,003	-
Cancellations during the year	(11,483,431)	(34,003)	(634,576)	(1,986)
Shares converted during the year	3,359,552	(16,580)	(659,977)	-
Closing shares in issue	71,329,967	207,016	3,327,870	712

	Class I USD (hedged) accumulation
Opening number of shares	783,717
Issues during the year	53,476
Cancellations during the year	(80,011)
Shares converted during the year	-
Closing shares in issue	757,182

14 Financial derivatives

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

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

There was no collateral pledged or collateral held in respect of futures and forward foreign exchange contracts as at 31 July 2023 (2022: nil). The fund had cash assets of £2,608,037 (2022: £2,311,673) and cash liabilities of £626,933 (2022: £461,101) held in margin accounts at derivative clearing houses and brokers as at 31 July 2023. These balances are held as collateral on the fund's futures contracts.

2023

As at 31 July 2023 the counterparty exposure calculated using the positive marked-to-market value for the derivatives held, which is considered to be at risk of repayment to the fund by the counterparty, was as follows:

Counterparty	Forward foreign exchange contracts £000	Forward foreign exchange contracts (hedged share classes) £000	Futures £000	Total by counterparty £000
BNP Paribas	413	-	-	413
JPMorgan Chase	-	153	-	153
UBS	-	-	504	504
	413	153	504	1,070

Notes to the financial statements (continued)

14 Financial derivatives (continued)

2022

As at 31 July 2022 the counterparty exposure calculated using the positive marked-to-market value for the derivatives held, which is considered to be at risk of repayment to the fund by the counterparty, was as follows:

Counterparty	Forward foreign exchange contracts £000	Forward foreign exchange contracts (hedged share classes) £000	Futures £000	Total by counterparty £000
BNP Paribas	796	-	-	796
JPMorgan Chase	-	1	-	1
UBS	-	-	32	32
	796	1	32	829

15 Stock lending

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

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

Eligible collateral types for stock lending and borrowing transactions are approved by the Investment Manager and may consist of (i) cash, (ii) securities issued or guaranteed by an EU Member State, a Member State of the OECD or by their local authorities or supranational institutions and organisations with regional, EU and world-wide scope or by Hong Kong or Singapore, generally subject to a minimum long term credit rating of at least A- by one or more major rating agency or (iii) equities. Collateral should be highly liquid and traded on a regulated market. Collateral is subject to a haircut on a sliding scale based on the combination of the underlying instrument being lent versus the asset being received as collateral. The value of collateral required will range from 102% to 110% of the value of the stock on loan.

2023

Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Bank of America	14	15	Government Bond
Bank of Nova Scotia	1,879	2,110	Equity/Government Bond
HSBC	927	978	Government Bond
JPMorgan Chase	355	394	Equity/Government Bond
Morgan Stanley	249	294	Government Bond
UBS	1,382	1,524	Equity/Government Bond
	4,806	5,315	

Notes to the financial statements (continued)

15 Stock lending (continued)

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
JPMorgan Chase	Stock lending agent	28	2	26

2022

Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Bank of America	182	192	Government Bond
Bank of Nova Scotia	4,881	5,423	Equity/Government Bond
Credit Suisse	1,311	1,378	Government Bond
JPMorgan Chase	2,895	3,209	Equity/Government Bond
Morgan Stanley	2,156	2,270	Government Bond
	11,425	12,472	

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
JPMorgan Chase	Stock lending agent	34	3	31

16 Risk

Currency risk

The fund's net exposure to currency risk (including any instruments used to hedge foreign currencies) is considered insignificant. This is consistent with the exposure during the prior year.

Interest rate risk

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

2023	Floating rate financial assets £000	Fixed rate financial assets £000	Non-interest bearing assets £000	Total £000
Canadian dollar	-	-	9,735	9,735
Euro	135	2,674	4,129	6,938
Swiss franc	-	-	8,128	8,128
UK sterling	67,402	326,691	350,335	744,428
US dollar	16,419	5,140	16,383	37,942
Total	83,956	334,505	388,710	807,171

Notes to the financial statements (continued)

16 Risk (continued)

	Floating rate financial assets £000	Fixed rate financial assets £000	Non-interest bearing assets £000	Total £000
2022				
Canadian dollar	-	-	9,097	9,097
Euro	791	8,608	6,798	16,197
Swiss franc	-	-	7,505	7,505
UK sterling	123,571	328,426	445,803	897,800
US dollar	2,247	-	18,355	20,602
Total	126,609	337,034	487,558	951,201
	Floating rate financial liabilities £000	Fixed rate financial liabilities £000	Non-interest bearing liabilities £000	Total £000
2023				
Euro	57	-	12	69
UK sterling	570	-	6,298	6,868
US dollar	-	-	2,821	2,821
Total	627	-	9,131	9,758
	Floating rate financial liabilities £000	Fixed rate financial liabilities £000	Non-interest bearing liabilities £000	Total £000
2022				
Canadian dollar	-	-	69	69
Euro	-	-	468	468
Swiss franc	-	-	207	207
UK sterling	461	-	6,638	7,099
US dollar	-	-	366	366
Total	461	-	7,748	8,209

Notes to the financial statements (continued)

16 Risk (continued)

Credit ratings

	Market value £000	Percentage of total net assets %
2023		
Investments		
Investment grade (AAA - BBB)	408,737	51.26
Below investment grade (BB and below)	2,324	0.29
Total debt securities	411,061	51.55
Derivatives	545	0.07
Equities	375,191	47.05
Investment assets including investment liabilities	786,797	98.67
Other net assets	10,616	1.33
Total net assets	797,413	100.00
	Market value £000	Percentage of total net assets %
2022		
Investments		
Investment grade (AAA - BBB)	383,815	40.71
Below investment grade (BB and below)	21,506	2.28
Total debt securities	405,321	42.99
Derivatives	(271)	(0.03)
Equities	473,296	50.18
Investment assets including investment liabilities	878,346	93.14
Other net assets	64,646	6.86
Total net assets	942,992	100.00

Other market price risk

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

Sensitivity analysis

The actual VaR results, limits and utilisation of limits are summarised in the table below:

VaR Results	Actual VaR in year			VaR limit	Utilisation of VaR limit		
	Minimum %	Maximum %	Average %		Minimum %	Maximum %	Average %
2023	3.35	5.41	4.18	20	16.73	27.04	20.92
2022	3.12	4.58	3.86	20	15.60	22.88	19.32
Leverage							
	Minimum %	Maximum %	Average %				
2023	0.56	11.80	2.65				
2022	0.86	5.00	2.84				

Notes to the financial statements (continued)

16 Risk (continued)

Liquidity risk

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

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2023				
Amounts held at derivatives clearing houses and brokers	627	-	-	-
Derivative financial liabilities	-	525	-	-
Distribution payable	-	1,182	-	-
Other creditors	-	7,424	-	-
Total	627	9,131	-	-
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2022				
Amounts held at derivatives clearing houses and brokers	461	-	-	-
Derivative financial liabilities	-	1,100	-	-
Distribution payable	-	967	-	-
Other creditors	-	5,681	-	-
Total	461	7,748	-	-

17 Fair value disclosure

Fair value measurement

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

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

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

Level 1

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

Level 2

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

Level 3

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

Notes to the financial statements (continued)

17 Fair value disclosure (continued)

Fair value hierarchy

	2023		2022	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	487,072*	323	548,341*	361
Level 2	300,250	202	331,105	739
Level 3	-	-	-	-
	787,322	525	879,446	1,100

* Debt securities included in the highest fair value hierarchy level, where their valuation is determined by unadjusted quoted prices from an active market, amount to £113,492,479 as at 31 July 2023 (2022: £75,011,555).

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 an alternative method of valuation to be used if they consider that it better reflects value and is in accordance with good accounting practice. The EPC of the Investment Manager supports the ACD in determining or approving unquoted prices. Where deemed necessary, the EPC will seek ratification of decisions from the Janus Henderson Investment Risk team. The EPC meets on a monthly basis and consists of representatives from various parts of the Investment Manager who act as an independent party, segregated from the fund management function, to review and approve fair value pricing decisions and pricing models on a regular basis. The asset Lehman Brothers 7.875% 08/05/2018 is a defaulted bond which has ceased trading and has been included within level 3 in the current period. This bond has been valued by the EPC at their best estimate of fair value. The value of the fund's holding in this bond is £319 at the balance sheet date. The fund also has holdings in level 3 bonds Kaupthing Singer & Friedlander 7.50% 13/11/2019, Waterford Wedgewood 9.875% Perpetual and Hellas Telecommunications 8.50% Perpetual. These bonds are defaulted and have valued at nil as detailed in the Portfolio Statement.

18 Direct transaction costs

	Purchases		Sales	
	2023 £000	2022 £000	2023 £000	2022 £000
Trades in the year				
Debt securities	536,432	302,531	470,327	268,522
Equities	128,910	268,093	233,880	455,382
Trades in the year before transaction costs	665,342	570,624	704,207	723,904
Transaction costs				
Commissions				
Debt securities	-	-	-	-
Equities	46	101	86	171
Total commissions	46	101	86	171
Taxes				
Debt securities	-	-	-	-
Equities	471	1,008	-	-
Total taxes	471	1,008	-	-
Other expenses				
Debt securities	-	-	-	-
Equities	6	4	-	-
Total other expenses	6	4	-	-
Total transaction costs	523	1,113	86	171
Total net trades in the year after transaction costs	665,865	571,737	704,121	723,733

Notes to the financial statements (continued)

18 Direct transaction costs (continued)

	Purchases		Sales	
	2023	2022	2023	2022
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Debt securities	-	-	-	-
Equities	0.04	0.04	0.04	0.04
Taxes				
Debt securities	-	-	-	-
Equities	0.37	0.38	-	-
Other expenses				
Debt securities	-	-	-	-
Equities	-	-	-	-
	2023	2022		
	%	%		
Total transaction costs expressed as a percentage of net asset value				
Commissions	0.02	0.03		
Taxes	0.06	0.10		
Other expenses	-	-		
Total costs	0.08	0.13		

There were no in specie transfers during the year (2022: nil). There were corporate actions during the year of £11,378,504 (2022: £4,703,529).

There were direct transaction costs associated with derivatives in the year of £1,531 (2022: £2,156) which is 0.00% of the average net asset value of the fund (2022: 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.

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

The portfolio dealing spread as at 31 July 2023 was 0.28% (2022: 0.29%). The portfolio dealing spread is calculated at a 12 noon valuation point.

19 Events after the Balance sheet date

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

Distribution tables for the year ended 31 July 2023 (in pence per share)

Interim dividend distribution (accounting date 31 August 2022, paid on 30 September 2022)

Group 1: shares purchased prior to 1 August 2022

Group 2: shares purchased on or after 1 August 2022

	Distribution per share	Equalisation	Total distribution per share 30/09/22	Total distribution per share 30/09/21
Class EM accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	0.3144	0.0021	0.3165	0.3165
Class EM income				
Group 1	0.3000	-	0.3000	0.3000
Group 2	-	0.3000	0.3000	0.3000
Class M accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	0.2953	0.0212	0.3165	0.3165
Class M income				
Group 1	0.3000	-	0.3000	0.3000
Group 2	0.0252	0.2748	0.3000	0.3000

Interim dividend distribution (accounting date 30 September 2022, paid on 31 October 2022)

Group 1: shares purchased prior to 1 September 2022

Group 2: shares purchased on or after 1 September 2022

	Distribution per share	Equalisation	Total distribution per share 31/10/22	Total distribution per share 29/10/21
Class EM accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	0.0883	0.2282	0.3165	0.3165
Class EM income				
Group 1	0.3000	-	0.3000	0.3000
Group 2	0.0547	0.2453	0.3000	0.3000
Class M accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	0.0904	0.2261	0.3165	0.3165
Class M income				
Group 1	0.3000	-	0.3000	0.3000
Group 2	0.1361	0.1639	0.3000	0.3000

Distribution tables (continued)

Interim dividend distribution (accounting date 31 October 2022, paid on 30 November 2022)

Group 1: shares purchased prior to 1 October 2022

Group 2: shares purchased on or after 1 October 2022

	Distribution per share	Equalisation	Total distribution per share 30/11/22	Total distribution per share 30/11/21
Class EM accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	0.0463	0.2702	0.3165	0.3165
Class EM income				
Group 1	0.2269	-	0.2269	0.3000
Group 2	0.0072	0.2197	0.2269	0.3000
Class M accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	0.0563	0.2602	0.3165	0.3165
Class M income				
Group 1	0.2140	-	0.2140	0.3000
Group 2	0.1232	0.0908	0.2140	0.3000

Distribution tables (continued)

Interim dividend distribution (accounting date 31 October 2022, paid on 30 December 2022)

Group 1: shares purchased prior to 1 August 2022

Group 2: shares purchased on or after 1 August 2022

	Distribution per share	Equalisation	Total distribution per share 30/12/22	Total distribution per share 31/12/21
Class A accumulation				
Group 1	2.1610	-	2.1610	2.4198
Group 2	0.9995	1.1615	2.1610	2.4198
Class A income				
Group 1	1.0809	-	1.0809	1.2454
Group 2	0.3696	0.7113	1.0809	1.2454
Class C accumulation				
Group 1	6.4085	-	6.4085	7.1258
Group 2	4.0229	2.3856	6.4085	7.1258
Class E accumulation				
Group 1	2.1891	-	2.1891	2.4411
Group 2	1.2448	0.9443	2.1891	2.4411
Class E income				
Group 1	1.0958	-	1.0958	1.2572
Group 2	0.3883	0.7075	1.0958	1.2572
Class I accumulation				
Group 1	2.0773	-	2.0773	2.3095
Group 2	0.9879	1.0894	2.0773	2.3095
Class I income				
Group 1	0.9423	-	0.9423	1.0791
Group 2	0.4442	0.4981	0.9423	1.0791
Class A EUR (hedged) accumulation¹				
Group 1	8.2796	-	8.2796	9.5082
Group 2	8.2796	-	8.2796	9.5082
Class I USD (hedged) accumulation²				
Group 1	10.7934	-	10.7934	11.9438
Group 2	4.2865	6.5069	10.7934	11.9438

¹ in Euro cents per share

² in USD cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 30 November 2022, paid on 30 December 2022)

Group 1: shares purchased prior to 1 November 2022

Group 2: shares purchased on or after 1 November 2022

	Distribution per share	Equalisation	Total distribution per share 30/12/22	Total distribution per share 31/12/21
Class EM accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	0.1022	0.2143	0.3165	0.3165
Class EM income				
Group 1	0.2801	-	0.2801	0.3000
Group 2	0.0437	0.2364	0.2801	0.3000
Class M accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	0.1104	0.2061	0.3165	0.3165
Class M income				
Group 1	0.2762	-	0.2762	0.3000
Group 2	0.0660	0.2102	0.2762	0.3000

Interim dividend distribution (accounting date 31 December 2022, paid on 31 January 2023)

Group 1: shares purchased prior to 1 December 2022

Group 2: shares purchased on or after 1 December 2022

	Distribution per share	Equalisation	Total distribution per share 31/01/23	Total distribution per share 31/01/22
Class EM accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	0.0099	0.3066	0.3165	0.3165
Class EM income				
Group 1	0.1726	-	0.1726	0.2317
Group 2	0.0349	0.1377	0.1726	0.2317
Class M accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	0.0230	0.2935	0.3165	0.3165
Class M income				
Group 1	0.1764	-	0.1764	0.2147
Group 2	0.0294	0.1470	0.1764	0.2147

Distribution tables (continued)

Interim dividend distribution (accounting date 31 January 2023, paid on 28 February 2023)

Group 1: shares purchased prior to 1 January 2023

Group 2: shares purchased on or after 1 January 2023

	Distribution per share	Equalisation	Total distribution per share 28/02/23	Total distribution per share 28/02/22
Class EM accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	0.0902	0.2263	0.3165	0.3165
Class EM income				
Group 1	0.1723	-	0.1723	0.1625
Group 2	0.0266	0.1457	0.1723	0.1625
Class M accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	0.1007	0.2158	0.3165	0.3165
Class M income				
Group 1	0.1759	-	0.1759	0.1605
Group 2	0.0468	0.1291	0.1759	0.1605

Distribution tables (continued)

Interim dividend distribution (accounting date 31 January 2023, paid on 31 March 2023)

Group 1: shares purchased prior to 1 November 2022

Group 2: shares purchased on or after 1 November 2022

	Distribution per share	Equalisation	Total distribution per share 31/03/23	Total distribution per share 31/03/22
Class A accumulation				
Group 1	1.6812	-	1.6812	1.6550
Group 2	0.7565	0.9247	1.6812	1.6550
Class A income				
Group 1	0.8343	-	0.8343	0.8447
Group 2	0.3097	0.5246	0.8343	0.8447
Class C accumulation				
Group 1	2.8269	-	2.8269	4.9922
Group 2	2.8269	-	2.8269	4.9922
Class E accumulation				
Group 1	1.6678	-	1.6678	1.6716
Group 2	0.5593	1.1085	1.6678	1.6716
Class E income				
Group 1	0.8281	-	0.8281	0.8539
Group 2	0.3206	0.5075	0.8281	0.8539
Class I accumulation				
Group 1	1.5765	-	1.5765	1.6110
Group 2	0.6704	0.9061	1.5765	1.6110
Class I income				
Group 1	0.7090	-	0.7090	0.7466
Group 2	0.2658	0.4432	0.7090	0.7466
Class A EUR (hedged) accumulation¹				
Group 1	6.4909	-	6.4909	6.5068
Group 2	6.4909	-	6.4909	6.5068
Class I USD (hedged) accumulation²				
Group 1	8.2604	-	8.2604	8.3790
Group 2	3.0224	5.2380	8.2604	8.3790

¹ in Euro cents per share

² in USD cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 28 February 2023, paid on 31 March 2023)

Group 1: shares purchased prior to 1 February 2023

Group 2: shares purchased on or after 1 February 2023

	Distribution per share	Equalisation	Total distribution per share 31/03/23	Total distribution per share 31/03/22
Class EM accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	0.1704	0.1461	0.3165	0.3165
Class EM income				
Group 1	0.3000	-	0.3000	0.2840
Group 2	0.0168	0.2832	0.3000	0.2840
Class M accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	0.1516	0.1649	0.3165	0.3165
Class M income				
Group 1	0.3000	-	0.3000	0.2801
Group 2	0.0208	0.2792	0.3000	0.2801

Interim dividend distribution (accounting date 31 March 2023, paid on 28 April 2023)

Group 1: shares purchased prior to 1 March 2023

Group 2: shares purchased on or after 1 March 2023

	Distribution per share	Equalisation	Total distribution per share 28/04/23	Total distribution per share 29/04/22
Class EM accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	-	0.3165	0.3165	0.3165
Class EM income				
Group 1	0.3000	-	0.3000	0.3000
Group 2	-	0.3000	0.3000	0.3000
Class M accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	-	0.3165	0.3165	0.3165
Class M income				
Group 1	0.3000	-	0.3000	0.3000
Group 2	-	0.3000	0.3000	0.3000

Distribution tables (continued)

Interim dividend distribution (accounting date 30 April 2023, paid on 31 May 2023)

Group 1: shares purchased prior to 1 April 2023

Group 2: shares purchased on or after 1 April 2023

	Distribution per share	Equalisation	Total distribution per share 31/05/23	Total distribution per share 31/05/22
Class EM accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	-	0.3165	0.3165	0.3165
Class EM income				
Group 1	0.3000	-	0.3000	0.3000
Group 2	-	0.3000	0.3000	0.3000
Class M accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	-	0.3165	0.3165	0.3165
Class M income				
Group 1	0.3000	-	0.3000	0.3000
Group 2	-	0.3000	0.3000	0.3000

Distribution tables (continued)

Interim dividend distribution (accounting date 30 April 2023, paid on 30 June 2023)

Group 1: shares purchased prior to 1 February 2023

Group 2: shares purchased on or after 1 February 2023

	Distribution per share	Equalisation	Total distribution per share 30/06/23	Total distribution per share 30/06/22
Class A accumulation				
Group 1	2.6075	-	2.6075	2.5379
Group 2	0.7052	1.9023	2.6075	2.5379
Class A income				
Group 1	1.2862	-	1.2862	1.2883
Group 2	0.3733	0.9129	1.2862	1.2883
Class C accumulation				
Group 1	6.6849	-	6.6849	7.4695
Group 2	6.6849	-	6.6849	7.4695
Class E accumulation				
Group 1	2.6035	-	2.6035	2.5656
Group 2	0.8100	1.7935	2.6035	2.5656
Class E income				
Group 1	1.2846	-	1.2846	1.3033
Group 2	0.4292	0.8554	1.2846	1.3033
Class I accumulation				
Group 1	2.4302	-	2.4302	2.4213
Group 2	0.7827	1.6475	2.4302	2.4213
Class I income				
Group 1	1.0867	-	1.0867	1.1153
Group 2	0.3706	0.7161	1.0867	1.1153
Class A EUR (hedged) accumulation¹				
Group 1	9.9816	-	9.9816	9.8807
Group 2	9.9816	-	9.9816	9.8807
Class I USD (hedged) accumulation²				
Group 1	12.8259	-	12.8259	12.4983
Group 2	4.0117	8.8142	12.8259	12.4983

¹ in Euro cents per share

² in USD cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 31 May 2023, paid on 30 June 2023)

Group 1: shares purchased prior to 1 May 2023

Group 2: shares purchased on or after 1 May 2023

	Distribution per share	Equalisation	Total distribution per share 30/06/23	Total distribution per share 30/06/22
Class EM accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	-	0.3165	0.3165	0.3165
Class EM income				
Group 1	0.3000	-	0.3000	0.3000
Group 2	-	0.3000	0.3000	0.3000
Class M accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	-	0.3165	0.3165	0.3165
Class M income				
Group 1	0.3000	-	0.3000	0.3000
Group 2	-	0.3000	0.3000	0.3000

Interim dividend distribution (accounting date 30 June 2023, paid on 31 July 2023)

Group 1: shares purchased prior to 1 June 2023

Group 2: shares purchased on or after 1 June 2023

	Distribution per share	Equalisation	Total distribution per share 31/07/23	Total distribution per share 29/07/22
Class EM accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	-	0.3165	0.3165	0.3165
Class EM income				
Group 1	0.3000	-	0.3000	0.2891
Group 2	-	0.3000	0.3000	0.2891
Class M accumulation				
Group 1	0.3165	-	0.3165	0.3165
Group 2	-	0.3165	0.3165	0.3165
Class M income				
Group 1	0.3000	-	0.3000	0.2725
Group 2	-	0.3000	0.3000	0.2725

Distribution tables (continued)

Final dividend distribution (accounting date 31 July 2023, paid on 31 August 2023)

Group 1: shares purchased prior to 1 July 2023

Group 2: shares purchased on or after 1 July 2023

	Distribution per share	Equalisation	Total distribution per share 31/08/23	Total distribution per share 31/08/22
Class EM accumulation				
Group 1	1.2120	-	1.2120	0.9646
Group 2	0.2633	0.9487	1.2120	0.9646
Class EM income				
Group 1	0.3602	-	0.3602	0.1667
Group 2	0.0642	0.2960	0.3602	0.1667
Class M accumulation				
Group 1	1.2999	-	1.2999	0.9075
Group 2	0.4039	0.8960	1.2999	0.9075
Class M income				
Group 1	0.4300	-	0.4300	0.1643
Group 2	0.0659	0.3641	0.4300	0.1643

Distribution tables (continued)

Final dividend distribution (accounting date 31 July 2023, paid on 29 September 2023)

Group 1: shares purchased prior to 1 May 2023

Group 2: shares purchased on or after 1 May 2023

	Distribution per share	Equalisation	Total distribution per share 29/09/23	Total distribution per share 30/09/22
Class A accumulation				
Group 1	2.6111	-	2.6111	1.7051
Group 2	1.6062	1.0049	2.6111	1.7051
Class A income				
Group 1	1.2765	-	1.2765	0.8580
Group 2	0.5326	0.7439	1.2765	0.8580
Class C accumulation				
Group 1	4.8029	-	4.8029	5.1360
Group 2	2.0927	2.7102	4.8029	5.1360
Class E accumulation				
Group 1	2.4090	-	2.4090	1.7257
Group 2	1.1352	1.2738	2.4090	1.7257
Class E income				
Group 1	1.1801	-	1.1801	0.8690
Group 2	0.4178	0.7623	1.1801	0.8690
Class I accumulation				
Group 1	2.2120	-	2.2120	1.6579
Group 2	1.0893	1.1227	2.2120	1.6579
Class I income				
Group 1	0.9807	-	0.9807	0.7568
Group 2	0.4664	0.5143	0.9807	0.7568
Class A EUR (hedged) accumulation¹				
Group 1	9.9494	-	9.9494	6.6336
Group 2	9.9494	-	9.9494	6.6336
Class I USD (hedged) accumulation²				
Group 1	11.8271	-	11.8271	8.6776
Group 2	4.4460	7.3811	11.8271	8.6776

¹ in Euro cents per share

² in USD cents per share

Appendix - additional information (unaudited)

Securities financing transactions

The fund engages in securities financing transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, as amended by the Transparency of Securities Financing Transactions and Reuse (Amendment) (EUR Exit) Regulations 2019, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation (EU) 2015/2365, as amended by the Transparency of Securities Financing Transactions and Reuse (Amendment) (EU Exit) Regulations 2019, the fund's involvement in and exposures related to securities lending for the year ended 31 July 2023 are detailed below.

Global data

The table lists the amount of securities on loan as a proportion of total lendable assets and the fund's AUM as at 31 July 2023:

Fund	Market value of securities on loan £000	% of lendable assets	% of AUM
Janus Henderson Cautious Managed Fund	4,806	0.61	0.60

Concentration data

The following table lists the ten largest collateral issuers by value of collateral received (across all SFTs) for the fund as at 31 July 2023:

Issuer	Market value of collateral received £000
Janus Henderson Cautious Managed Fund	
UK Treasury	1,047
US Treasury	874
Compass Group	106
Glencore	106
Brookfield	106
Barrick Gold	106
Manulife Financial	106
Diageo	106
National Bank of Canada	106
Fortis	106

The following table details the top ten counterparties of each type of SFTs (based on gross volume of outstanding transactions), for the fund as at 31 July 2023:

Counterparty	Market value of securities on loan £000	Settlement basis
Janus Henderson Cautious Managed Fund		
Bank of Nova Scotia	1,879	Triparty
UBS	1,382	Triparty
HSBC	927	Triparty
JPMorgan Chase	355	Triparty
Morgan Stanley	249	Triparty
Bank of America	14	Triparty
	4,806	

All counterparties have been included.

Appendix - additional information (unaudited) (continued)

Securities financing transactions (continued)

Aggregate transaction data

The following table provides an analysis of the collateral received by the fund in respect of each type of SFTs as at 31 July 2023:

Counterparty	Counterparty country of origin	Type	Quality	Collateral currency	Settlement basis	Custodian	Market value of collateral received £000
Janus Henderson Cautious Managed Fund							
Bank of America	United States	Government Bond	Investment grade	EUR	Triparty	JPMorgan Chase	4
Bank of America	United States	Government Bond	Investment grade	GBP	Triparty	JPMorgan Chase	11
Bank of Nova Scotia	Canada	Equity	Main market listing	AUD	Triparty	JPMorgan Chase	5
Bank of Nova Scotia	Canada	Equity	Main market listing	CAD	Triparty	JPMorgan Chase	663
Bank of Nova Scotia	Canada	Equity	Main market listing	EUR	Triparty	JPMorgan Chase	21
Bank of Nova Scotia	Canada	Equity	Main market listing	GBP	Triparty	JPMorgan Chase	908
Bank of Nova Scotia	Canada	Equity	Main market listing	USD	Triparty	JPMorgan Chase	471
Bank of Nova Scotia	Canada	Government Bond	Investment grade	GBP	Triparty	JPMorgan Chase	42
HSBC	United Kingdom	Government Bond	Investment grade	EUR	Triparty	JPMorgan Chase	978
JPMorgan Chase	United States	Equity	Main market listing	AUD	Triparty	JPMorgan Chase	56
JPMorgan Chase	United States	Equity	Main market listing	CAD	Triparty	JPMorgan Chase	35
JPMorgan Chase	United States	Equity	Main market listing	EUR	Triparty	JPMorgan Chase	108
JPMorgan Chase	United States	Equity	Main market listing	GBP	Triparty	JPMorgan Chase	87
JPMorgan Chase	United States	Equity	Main market listing	JPY	Triparty	JPMorgan Chase	55
JPMorgan Chase	United States	Equity	Main market listing	USD	Triparty	JPMorgan Chase	21
JPMorgan Chase	United States	Government Bond	Investment grade	USD	Triparty	JPMorgan Chase	32
Morgan Stanley	United States	Government Bond	Investment grade	EUR	Triparty	JPMorgan Chase	5
Morgan Stanley	United States	Government Bond	Investment grade	GBP	Triparty	JPMorgan Chase	25
Morgan Stanley	United States	Government Bond	Investment grade	JPY	Triparty	JPMorgan Chase	58
Morgan Stanley	United States	Government Bond	Investment grade	USD	Triparty	JPMorgan Chase	206
UBS	Switzerland	Equity	Main market listing	EUR	Triparty	JPMorgan Chase	6
UBS	Switzerland	Equity	Main market listing	GBP	Triparty	JPMorgan Chase	9
UBS	Switzerland	Equity	Main market listing	JPY	Triparty	JPMorgan Chase	208
UBS	Switzerland	Equity	Main market listing	USD	Triparty	JPMorgan Chase	554
UBS	Switzerland	Government Bond	Investment grade	EUR	Triparty	JPMorgan Chase	111
UBS	Switzerland	Government Bond	Investment grade	USD	Triparty	JPMorgan Chase	636
							5,315

All collateral is held in segregated accounts.

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

Re-use of collateral

Cash collateral may be reinvested during the loan transaction to generate additional returns for the benefit of the fund, however there was no collateral reinvested during the year.

Appendix - additional information (unaudited) (continued)

Securities financing transactions (continued)

Return and cost on securities lending activities

The following table details the fund's return and costs for each type of SFTs for the year ended 31 July 2023:

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 Cautious Managed Fund	28	2	26	8	92

Appendix - additional information (unaudited) (continued)

Remuneration policy

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

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

Janus Henderson Investment Funds Series II is managed by JHFMUKL, 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 risk profiles, rules or instruments of incorporation of each ACD and the funds they manage. This policy applies to JHFMUKL and Janus Henderson Cautious Managed Fund.

Further information on the Janus Henderson Group plc's Remuneration policy is available in the annual report as at 31 December 2022.

	Headcount (1)	Total Remuneration (£000s) (2,3)
Janus Henderson Cautious Managed Fund	2,131	1,470
of which		
Fixed Remuneration	2,131	760
Variable Remuneration	2,118	710
Janus Henderson Cautious Managed Fund Remuneration Code Staff	44	181
of which		
Senior Management (4)	25	98
Other Code Staff (5)	19	83

1. This is the actual number of employees who are fully or partly involved in the activities of Janus Henderson Investment Funds Series II – no attempt has been made to apportion the time spent specifically in support of Janus Henderson Investment Funds Series II as this data is not captured as part of the Company'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 Investment Funds Series II 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 Investment Funds Series II and to other entities in Janus Henderson Group plc, in respect of fixed pay and annual/long term incentive bonuses, as follows:
 - where fixed pay is directly attributable to Janus Henderson Investment Funds Series II (for example, fees for JHFMUKL Board members), 100% of those fees;
 - pro-rated using the average AUM of Janus Henderson Investment Funds Series II (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 JHFMUKL.
5. Other Code Staff includes all JHFMUKL Code Staff.
6. Please note that rounding off of values could lead to a mismatch of individual numbers and their sum.

Further information

Shareholder enquiries

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

For all enquiries please telephone at local rate: **0800 832 832**

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

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

Important Information

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

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