Janus Henderson

Henderson Diversified Income Trust plc

Key Information Document

Janus Henderson INVESTORS

Purpose

This document provides you with the key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Name of product:	Henderson Diversified Income Trust plc	Regulator:	Financial Conduct Authority
Name of PRIIP		Published date:	30/09/2020
Manufacturer:	Henderson Investment Funds Ltd		
ISIN:	GB00BF03YC36		
Phone number:	0800 832 832		
Website:	www.hendersoninvestmenttrusts.com		

What is this product?

Type

The Trust is an investment company as defined in Section 833 of the Companies Act 2006 and operates as an investment trust in accordance with Section 1158 of the Corporation Tax Act 2010. The Company is subject to the Financial Conduct Authority Rules.

Objectives

To seek income and capital growth such that the total return on the net asset value of the Company exceeds the average return on a rolling basis of three month sterling LIBOR plus 2 per cent. The Company invests in a diversified portfolio of global fixed and floating rate income asset classes including secured loans, government bonds, high yield (sub-investment grade) corporate bonds, unrated corporate bonds, investment grade corporate bonds and asset backed securities. It may also invest in high yielding equities. The Company's investments can be in assets of any size, sector, currency or issued in any country. Financial assets known as derivatives can also be used to enhance returns, reduce risk or manage the Company's assets more efficiently. The Company may also employ financial gearing for efficient portfolio management and to enhance investment returns.

Intended retail investor

Investors (retail, professional and eligible counterparties) with at least basic capital markets knowledge or experience of shares, who understand the Trust's risks, are seeking income and capital growth from fixed and floating rate asset classes, and intend to invest their money for at least five years. This Trust is designed to be used only as a component in a diversified investment portfolio and is not designed for investors who are unable to accept more than a minimal loss of their investment.

Terms of the PRIIP

This investment has no maturity date. There are no circumstances under which Janus Henderson would be entitled to terminate the Company unilaterally. There are no circumstances under which the Company can be automatically terminated.

What are the risks and what could I get in return?

Risk Indicator

Lower Risk | 1 | 2 | 3 | 4 | **5** | 6 | 7 | Higher Risk

The Risk Indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. Details of all the relevant risks, including discount, gearing and regulatory risks are on the Company's website and in the annual report which can be found at www.hendersoninvestmenttrusts.com

Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe or total losses in some cases. The summary risk indicator only reflects historical share price volatility of the Company's shares and does not include risks such as risks associated with gearing, portfolio concentration, single market exposure, currency risk, counterparty risk, regulatory risk, derivatives risk and emerging markets risk, where applicable, for example.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It is based on an assessment of its aggregated level of market and credit risk in accordance with the criteria laid down in the regulatory technical standards. It shows how likely it is that the product will lose money because of movements in the markets.

We have classified this product as 5 out of 7 which is a medium-high risk class.

This rates the potential losses from future performance at a medium-high level, and poor market conditions will likely to impact the return from your investment. Investors do not bear the risk of incurring additional financial commitments or obligations.

This product does not include any protection from future market performance so you could lose some or all of your investment.

Performance Scenarios

Investment £10,000				
Scenarios		**1 year**	**3 years**	**5 years**
Stress scenario	**What you might get back after costs**	£658.90	£3,940.58	£2,878.56
	Average return each year	-93.41%	-26.69%	-22.05%
Unfavourable scenario	**What you might get back after costs**	£7,870.74	£6,801.61	£6,242.88
	Average return each year	-21.29%	-12.06%	-8.99%
Moderate scenario	**What you might get back after costs**	£10,267.88	£10,758.87	£11,273.33
	Average return each year	2.68%	2.47%	2.43%
Favourable scenario	**What you might get back after costs**	£13,260.23	£16,847.12	£20,152.27
	Average return each year	32.60%	18.99%	15.04%

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest £10,000 for 5 years.
The scenarios are calculated on historical share price total return performance figures from the last 5 years when markets have been particularly strong and might not be replicated in the future. When there has been steady and consistent growth over the relevant period of time it can make the performance scenarios look overly optimistic; past performance is not a guide to future performance and future returns could be significantly different from those shown. The returns shown are produced by applying a prescribed formula to the Trust's returns over the last five years. They are not intended to show that the past performance of the Trust is expected to continue or to indicate which scenario is most likely over the time periods shown. The stress scenario outcome, which is calculated using a prescribed formula based on the Trust's worst performing days over the last 5 years, shows what you may have got back in extreme market circumstances but does not take into account the scenario where the share price of the investment falls to zero and your maximum loss would be the full amount of your investment.
The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.
The scenarios presented are an estimate of future performance based on evidence from the past and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment.
The figures shown include all the costs of the product itself but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if Henderson Investment Funds is unable to pay out?

In the event of the default or liquidation of Henderson Investment Funds Limited, there would be no direct impact on investors as the assets in the Trust are held independently of Henderson. The Board of the Trust would seek to find a new investment manager. However, a default by the Trust or any of the underlying holdings could affect the value of your investment. You may sell your shares at any time on the London Stock Exchange using your share dealing service. Your shares are sold to another buyer in the market and not directly to the Trust or Henderson Investment Funds Limited. If the Trust goes into liquidation the investments will be sold and you will receive your pro rata share of the proceeds after settlement of any liabilities. Investment trusts are not covered by the Financial Services Compensation Scheme.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest £10,000. The figures are estimates and may change in the future.

Costs over time

Investment £10,000 Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years
Total costs	£142.66	£421.90	£693.24
Impact on return (RIY) per year	1.43%	1.43%	1.43%

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Composition of Costs

The table below shows:
- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	**Entry costs**	0.00%	The impact of the costs you pay when entering your investment. Neither the Manager nor the Trust makes any charges when you purchase your investment. Stamp Duty Reserve Tax (SDRT) of 0.5% is payable if UK shares are purchased on the secondary market.
	Exit costs	0.00%	The impact of the costs of exiting your investment when you sell it. Neither the Manager nor the Trust makes any charges when you sell your investment.
Ongoing costs	**Portfolio transaction costs**	0.27%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	1.16%	The impact of the management fee payable to the Trust's investment manager (0.65%), the Trust's other administrative expenses (0.24%) and the ongoing costs of any underlying investments in funds within the Trust's portfolio (0.00%), totalling (0.89%); in addition, the impact of the cost of borrowing money to invest including interest & arrangement fees (0.27%) and stock lending fees (0.00%) but not any income or capital benefit of doing so.
Incidental costs	**Performance Fees**	0.00%	No Performance Fees are applied.

How long should I hold it and can I take money out early?

Recommended holding period: 5 years

Investment trusts should be considered medium to long term investments. This means 5 years or more. There is no minimum (or maximum) holding period and shares can be sold at any time after purchase. These transactions may be subject to dealing charges and taxes. There is no guarantee that any appreciation in the value of the Trust's investments will occur and investors may not get back the full value of their investments. The value of the shares and the income derived from them (if any) may go down as well as up. The share sale price will be based on trading prices at the time and is unlikely to equal the net asset value per share of the Trust. The share price, premium/discount and net asset value are available on the Trust's website.

How can I complain?

Should you wish to complain you can do so by contacting us by telephone, email or post. Telephone: 0800 832 832. Email: trusts@janushenderson.com. Post: Janus Henderson Investors, PO Box 10665, Chelmsford CM99 2BF. Contact information can also be found on our website www.hendersoninvestmenttrusts.com.

Other relevant information

This Key Information Document has been produced in accordance with the Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulatory Technical standards (RTS) issued by the EU Commission and is reflective of the Association of Investment Companies' guidance (July 2019) which takes into account the policy statement (PS17/6) of UK's financial services regulator, the FCA, and the views of technical stakeholders from within the investment trust industry.

Further information on the Company can be found in Annual and Half Year Reports and Factsheet which are available on the Company's website at www.hendersoninvestmenttrusts.com. The Report and Accounts will include details of the Trust's management fees, administrative expenses and borrowing costs, which are the main components of the other ongoing costs disclosed in the table above. The performance scenarios are calculated using historical performance figures based on the last five years when markets have been particularly strong and might not be replicated in the future. When there has been steady and consistent growth over the relevant period of time it can make the performance scenario look overly optimistic; past performance is not a guide to future performance and future returns could be significantly different from those shown.

Janus Henderson Investors is the name under Henderson Investment Funds Limited (reg. no. 2678531), incorporated and registered in England and Wales with registered office at 201 Bishopsgate London EC2M 3AE, is authorised and regulated by the Financial Conduct Authority to provide investment products and services.

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