

Investment Objective Achieving long-term capital growth in real terms and steadily increasing income. Our aim is to achieve a higher rate of total return than the FTSE Actuaries All-Share Index Total Return through investing in a diversified portfolio of stocks.

Fund Managers' Comments

In May, the net asset value (on a cum income basis with debt at fair value) rose 2.3% while the FTSE All-Share benchmark increased by 1.1%.

The largest positive contributor to relative performance was Senior, an aircraft and parts company. The shares performed well after receiving a third unsolicited cash offer for the business from Lone Star, a private equity company, at a 72% premium to the pre offer share price. The bid was rejected by the board on the view that the offer undervalued the long-term potential of the business. The largest detractor from relative performance was Ceres Power, a hydrogen fuel cell company. Ceres and peers underperformed during the month as investors looked to take profits after the industry performed strongly in 2020.

In May, we participated in a placing in Accsys Technologies, a sustainable wood transformation company, to fund a new plant that will give a clear route to the US market using their established technology. We exited our position in EQTEC after a period of strong performance.

James Henderson and Laura Foll, Janus Henderson

LWDB

Launch date	12 December 1889
Financial year end	31 December
Market cap	£939.29m
Benchmark	FTSE All Share
AIC sector	UK Equity Income

Portfolio Information

NAV (debt at fair value)	£919.32m
NAV per ordinary share	755.02p
Share price	766.00p
Premium / (Discount)	1.45%
AIC gross total assets	£1,074m
AIC gearing - AIC (net)	10.00%
Dividend quarterly	6.875p
AIC dividend yield	2.57%
Next expected dividend declaration	15 September 2021
Ongoing charges	0.55%
Management fee	0.30%
Performance fee	No

Performance Overview



	YTD %	1 year %	3 years %	5 years %	10 years %
NAV total return ^{2*} (with debt at par) ¹	14.4	40.9	25.6	77.8	167.5
NAV total return ^{2*} (with debt at fair value) ¹	17.0	44.2	24.7	76.7	158.9
FTSE Actuaries All-Share Index total return ²	10.9	20.5	8.9	41.5	85.6
Share price total return ²	12.3	56.5	41.5	88.0	188.2
Share price ²	11.0	50.8	26.0	57.6	106.0

¹ NAV is calculated in accordance with the Association of Investment Companies (AIC) methodology, based on performance data held by Law Debenture including fair value of IPS business and long-term borrowings.
² Source: Refinitiv.

132 years

of value creation for shareholders

+85%

outperformance of benchmark over ten years

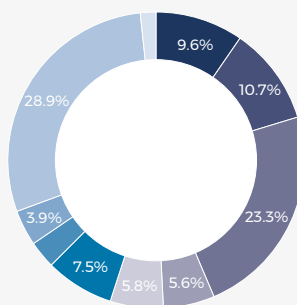
40+ years

of increasing or maintaining dividends

Top Equity Portfolio Holdings (%)

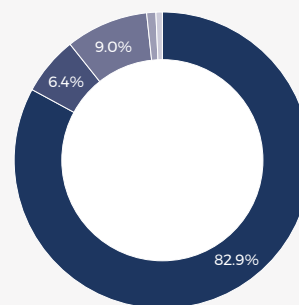
1	Rio Tinto	2.4
2	GlaxoSmithKline	2.4
3	Barclays	2.1
4	HSBC	2.1
5	BP	1.9
6	Royal Mail	1.8
7	Royal Dutch Shell	1.7
8	Lloyds Banking Group	1.6
9	Ceres Power	1.5
10	Accsys Technologies	1.5

Sector Breakdown



Oil & Gas	9.6%
Basic Materials	10.7%
Industrials	23.3%
Consumer Goods	5.6%
Health Care	5.8%
Consumer Services	7.5%
Telecommunications	3.0%
Utilities	3.9%
Financials	28.9%
Technology	1.7%

Regional Breakdown



United Kingdom	82.9%
North America	6.4%
Europe	9.0%
Japan	1.0%
Other Pacific	0.7%

Equity Portfolio

Managed by James Henderson and Laura Foll of Janus Henderson

OBJECTIVE: LONG-TERM CAPITAL GROWTH IN REAL TERMS & STEADILY INCREASING INCOME

- Focused on long-term returns
- Contrarian investment style:
 - Out of favour equities standing at valuation discounts to their long-term historical average
 - High quality companies with strong competitive advantage at attractive valuations
- Selective, bottom-up approach
- Diversified portfolio by sector and geography (predominant UK weighting)

Significant, consistent income contribution from IPS gives greater flexibility in stock selection

Independent Professional Services (IPS) business

PENSIONS

The longest established and largest UK provider of independent pension trustees

CORPORATE TRUST

A leading independent corporate trustee across international capital markets

CORPORATE SERVICES

Range of outsourced solutions to corporates internationally

INTERNATIONAL PRESENCE

United Kingdom, Cayman Islands, Channel Islands, Delaware, Dublin, Hong Kong and New York

All divisions have further potential for growth through market share gains, alongside better leveraging technology, strong relationships and a high quality brand

James Henderson and Laura Foll – Joint Portfolio Managers

James and Laura have been working together for over ten years managing UK income portfolios. They have a valuation-focused, moderately contrarian approach, aiming to identify good quality companies at the point where they are temporarily out of favour.

Denis Jackson – CEO

Appointed as CEO in 2018. Denis was formerly the director of new business enterprise at Capita and joined Law Debenture as Chief Commercial Officer in 2017. Prior to that, he spent 20 years at Citigroup before becoming regional general manager for Tibra Trading Europe Limited.

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Hester Scotton – CFO

Hester joined Law Debenture in 2019 as Head of Internal Controls & Group MLRO and was then promoted to CFO in September 2020. She qualified as a Chartered Accountant at Ernst & Young and also has experience at Legal & General, Bupa and Marks & Spencer.

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Trish Houston – COO

Trish was appointed as COO in September 2020. She is a Chartered Accountant and Member of the Chartered Institute of Securities and Investments, and previously held roles at JDx Consulting Limited, Ruffer LLP and PwC.

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