

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 December, the net asset value (on a cum income basis with debt at fair value) rose 7.8%, while the FTSE All-Share benchmark increased by 3.9%.

The largest positive contributor to performance was fuel cell technology company, Ceres Power. The shares performed strongly after announcing that the partnership with Bosch is being scaled for mass production. AFC Energy, a hydrogen power generation company, also performed well after communicating a partnership with global industrial, ABB, to develop electric vehicle charging solutions. The largest detractor from relative returns was the fund's holding in insurance company, Hiscox, which gave back some of its gains from November.

During the month, we opened a position in KPN, a Dutch telecom company, on the view that the current valuation underappreciates the potential for free cash flow growth. We closed the position in AstraZeneca on concerns that the Alexion deal reduces the longer-term growth profile of the business and introduces merger integration risk to the story.

James Henderson and Laura Foll, Janus Henderson

LWDB

Launch date	12 December 1889
Financial year end	31 December
Market cap	£811.41m
Benchmark	FTSE All Share
AIC sector	UK Equity Income

Portfolio Information

NAV (debt at fair value)	£770.06m
NAV per ordinary share	651.64p
Share price	690.00p
Premium / (Discount)	5.89%
AIC gross total assets	£936m
AIC gearing - AIC (net)	12.00%
Dividend quarterly	6.50p
AIC dividend yield	2.90%
Next expected dividend declaration	26 February 2021
Ongoing charges	0.48%
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	0.6	0.6	12.2	54.4	140.5
NAV total return ^{2*} (with debt at fair value) ¹	(1.2)	(1.2)	9.7	48.2	127.3
FTSE Actuaries All-Share Index total return ²	(9.8)	(9.8)	(2.7)	28.5	71.9
Share price total return ²	12.9	12.9	24.3	67.3	174.8
Share price ²	6.2	6.2	9.7	38.6	93.5

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

+74%

outperformance of benchmark over ten years

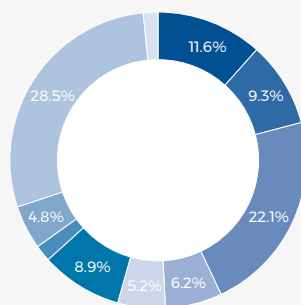
40+ years

of increasing or maintaining dividends

Top Equity Portfolio Holdings (%)

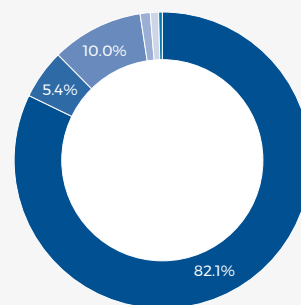
1	Ceres Power	3.0
2	GlaxoSmithKline	2.8
3	Rio Tinto	2.5
4	Herald Investment Trust	2.2
5	Royal Dutch Shell	1.9
6	BP	1.8
7	Prudential Corp	1.6
8	National Grid	1.5
9	Morgan Advanced Materials	1.5
10	HSBC	1.5

Sector Breakdown



Oil & Gas	11.6%
Basic Materials	9.3%
Industrials	22.1%
Consumer Goods	6.2%
Health Care	5.2%
Consumer Services	8.9%
Telecommunications	1.8%
Utilities	4.8%
Financials	28.5%
Technology	1.6%

Regional Breakdown



United Kingdom	82.1%
North America	5.4%
Europe	10.0%
Japan	1.1%
Other Pacific	0.9%
Other	0.4%

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)

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

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

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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