

**MORNINGSTAR RATINGS AND PEER GROUP RANKINGS** as of 12/31/23  
 Institutional shares (AWTIX) rated within Natural Resources category

Overall Rating ★★★★★ (out of 108 Funds)

Time Period	# of Stars	# of Funds
3 Year	★★	108
5 Year	★★★★★	105
10 Year	★★★★★	90

Time Period	Percentile Ranking	Ranking/# of Peers
1 Year	41st	34/119
3 Year	87th	98/108
5 Year	59th	58/105
10 Year	26th	17/90

Morningstar ratings are based on risk-adjusted returns. Rankings are based on fund share class total return and do not include the effect of the fund's sales load, if applicable. Each fund is ranked within a universe of funds similar in portfolio characteristics and capitalization. Strong rankings are not indicative of positive fund performance.

### Pure-play Water Exposure

Targets pure-play water companies, committed to addressing water scarcity, increasing water quality, and enhancing water efficiency. Investors may benefit fully from the secular growth trend that the water theme represents globally.

### A Resilient Secular Growth Story

The Fund focuses on what the manager considers high-quality water stocks backed by strong structural drivers, seeking to deliver stability in difficult market environments while generating attractive long-term growth and returns.

### Time-tested Experience in Water and Impact Investing

The Duff & Phelps team has decades of experience in listed real assets and water-related investment expertise, engaging in a recurring dialogue with global water leaders. The Fund is aligned to four of the 17 United Nations Sustainable Development Goals (SDG), with a focus on Goal 6, Clean Water and Sanitation.



“With less than 1% of the earth’s water potable and global demand rising, we focus on companies that specialize in water technologies to address the global water crisis.”

David Grumhaus, Jr.  
 President and Chief Investment Officer  
 Start Date with Fund: 2022

### Tapping Growth

Water investing has historically outpaced broader equity markets.

#### GROWTH OF \$1,000 INVESTMENT



**Past performance is not indicative of future results.**

Source: Virtus Performance & Analytics. Data as of S&P Global Water Index inception 11/16/01.

### A Global Water Crisis

With less than 1% of the Earth’s water potable and consumption increasing across agriculture, industrial, and domestic purposes, global fresh water demand will outstrip supply by 40% by 2030.\*

\* Sources: www.WorldWaterDay.org and “Turning the Tide” 2023 Global Commission on the Economics of Water.

### Be a Part of the Clean-Water Solution:

The Fund focuses on investment opportunities across three dimensions of the water solution.

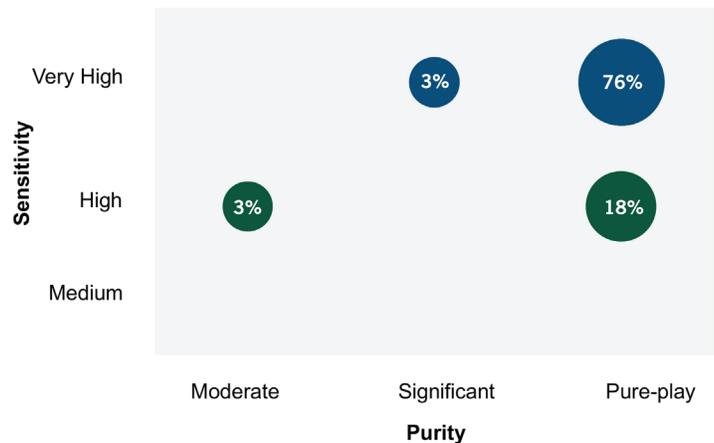
- 1 Supply:** Companies that develop and build sustainable, reliable, and cost-efficient water infrastructure management systems.
- 2 Quality:** Companies that help manage wastewater and help to ensure our drinking water is safe for consumption.
- 3 Efficiency:** Companies that create innovative, effective, and economical water-supply solutions that support sustainability.

<ul style="list-style-type: none"> <li>• Exploration, engineering, and design</li> <li>• Wastewater treatment</li> <li>• Pumping stations and pipelines</li> <li>• Desalination equipment</li> <li>• Well drilling</li> </ul>	<ul style="list-style-type: none"> <li>• Filtration</li> <li>• Monitoring and testing</li> <li>• Disinfection chemicals</li> <li>• Sanitary appliances</li> <li>• Waste-water technology</li> </ul>	<ul style="list-style-type: none"> <li>• Automation controls</li> <li>• Smart meters</li> <li>• Advanced irrigation equipment</li> <li>• Drought-resistant crops</li> <li>• Leak and waste detection</li> </ul>
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### Virtus Duff & Phelps Water Fund Purity and Impact Measurement

The Fund targets pure-play water related companies, focusing its investments on businesses with higher purity/business exposure and higher sensitivity/degree of impact. More than two-thirds of the Fund’s investment are “pure-plays”, which are defined by measuring the percentage of cash flows derived from water-oriented businesses and the effect of addressing water scarcity. Sensitivity is measured by the degree of impact the companies’ products and services have on the attainment of positive social and environmental outcomes.

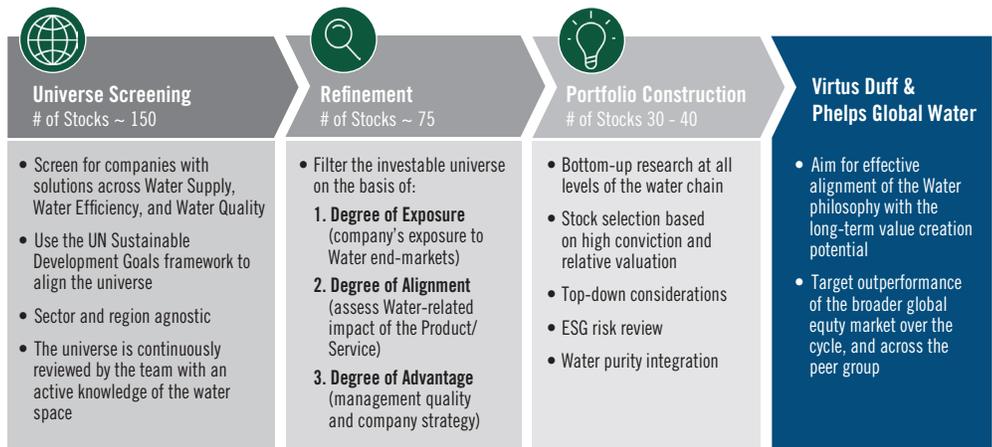


**Portfolio weighted average water purity: 75%**

Purity measure: Pure-play defined as having 50-100%, Significant 20-50%, and Moderate 0-20% of cash flows related to water. Sensitivity measures: Very High - companies in a key sector (defined by the UNEP Finance Initiative) with business activities that contribute to the attainment of multiple SDGs, High - companies in an associated sector with business activities that contribute to the attainment of multiple SDGs and Medium: companies in an associated or key sector with business activities that contribute to the attainment of a single SDG. Holdings are subject to change. As of 12/31/23. Source: Duff & Phelps Investment Management Co. \*Key sectors as defined by the UNEP Finance Initiative. The graph serves to illustrate the portfolio’s preference for higher purity/business exposure and higher sensitivity/degree of impact. Companies may be linked to more than one SDG with differing degrees of sensitivity, the portfolio companies are therefore reflected here only once and within the category where they exhibit the highest level of sensitivity. Weights will add up to 100%. Figures are rounded to the nearest whole number.

## The Duff & Phelps Difference

Duff & Phelps' specialist investment team place an emphasis on quality, and focus research efforts on balance sheets, cashflow statements, and return on invested capital. The team incorporates ESG risk analysis, utilizing a proprietary scorecard developed by the portfolio management team. They build their portfolio from the bottom-up, investing in a concentrated portfolio of pure-play, market leaders that look to improve water supply, efficiency, and quality.



During any given stage of the investment process, the selection criteria may vary from those shown above. The diagrams and statements above reflect the typical investment process applied to this strategy. At any given time other criteria may affect the investment process.

### AVERAGE ANNUAL TOTAL RETURNS (%) as of 12/31/23

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception 07/15/08
<b>Class I</b>	14.07	12.38	12.38	3.85	11.77	7.02	7.38
<b>MSCI ACWI Index (net) (Index 1)</b>	11.03	22.20	22.20	5.75	11.72	7.92	7.24
<b>S&amp;P Global Water Index (net) (Index 2)</b>	14.98	14.82	14.82	5.92	13.06	8.78	8.61

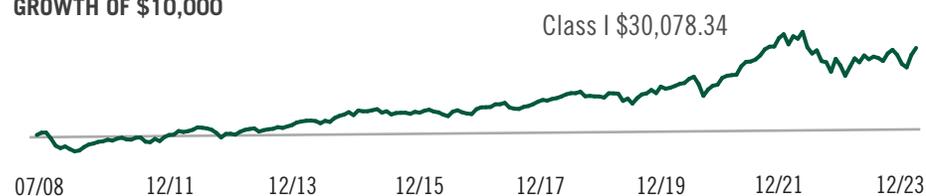
Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please visit [virtus.com](http://virtus.com) for performance data current to the most recent month end. This share class has no sales charges and is not available to all investors. Other share classes have sales charges. See [virtus.com](http://virtus.com) for details.

The fund class gross expense ratio is 1.24%. The net expense ratio is 0.93%, which reflects a contractual expense reimbursement in effect through 02/01/25. Average annual total return is the annual compound return for the indicated period and reflects the change in share price and the reinvestment of all dividends and capital gains. Returns for periods of one year or less are cumulative returns.

### ANNUAL PERFORMANCE (%)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Fund</b>	12.38	-20.80	25.82	17.01	33.12	-12.23	22.71	5.13	0.59	-0.84
<b>Index 1</b>	22.20	-18.36	18.54	16.25	26.60	-9.41	23.97	7.86	-2.36	4.16
<b>Index 2</b>	14.82	-21.48	31.82	16.12	33.86	-9.82	27.10	6.83	-1.50	4.08

### GROWTH OF \$10,000



This chart assumes an initial investment of \$10,000 made on 07/15/08. As of 12/31/23 the fund value would have been \$30,078.34. Fund performance assumes reinvestment of dividends and capital gain distributions. This growth reflects no front end sales charges.

### CHARACTERISTICS

	Fund Index 1	
Avg. Weighted Market Cap (bn)	25.97	422.55
Median Market Cap (bn)	9.30	6.14
Trailing P/E Ex-Negative Earnings	25.58	17.99
Price-to-Cash Flow	17.50	19.83
Price-to-Book Value	4.12	4.54
3-Year EPS Growth Rate	19.87	20.54
5-Year EPS Growth Rate	7.15	14.82
Active Share	98.91	n/a

### RISK STATISTICS (3 YEAR)

	Fund Index 1	
Alpha	-1.94	n/a
Beta	1.18	1.00
R <sup>2</sup>	0.90	1.00
Sharpe Ratio	0.08	0.22
Standard Deviation	20.24	16.27

See Glossary on last page for definitions of these metrics.

**PORTFOLIO MANAGERS**



**David Grumhaus, Jr.**  
Industry start date: 1989  
Start date as Fund Portfolio Manager: 2022



**Nicholas Holmes, CFA**  
Industry start date: 2010  
Start date as Fund Portfolio Manager: 2023



**Evan Lang, CFA**  
Industry start date: 2014  
Start date as Fund Portfolio Manager: 2022

**FUND INFORMATION**

<b>Inception Date</b>	07/15/08
<b>AUM (\$ millions)</b>	630.4
<b>Number of Holdings</b>	34
<b>Dividends</b>	Semi-Annually
<b>Morningstar Category</b>	Natural Resources
<b>Index 1</b>	MSCI ACWI Index (net)
<b>Index 2</b>	S&P Global Water Index (net)

**REGIONAL BREAKDOWN**

	% Fund	% Index 2
North America	71.33	57.31
United Kingdom	12.18	12.58
Europe ex-UK	10.64	13.25
EM Latin America	3.35	5.34
Japan	1.60	1.86
EM Asia	0.91	5.13
EM EU, Middle East and Africa	0.00	4.52

**INDEX DEFINITIONS**

**Index 1:** The **MSCI AC World Index (net)** is a free float-adjusted market capitalization-weighted index that measures equity performance of developed and emerging markets. The index is calculated on a total return basis with net dividends reinvested. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.

**Index 2:** The **S&P Global Water Index (net)** is a modified capitalization-weighted index comprised of 50 of the largest publicly traded companies in water-related businesses that meet specific invest ability requirements. The index is designed to provide liquid exposure to the leading publicly-listed companies in the global water industry, from both developed markets and emerging markets. The index is calculated on a total return basis with net dividends reinvested. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.

**IMPORTANT RISK CONSIDERATIONS**

**Market Volatility:** The value of the securities in the portfolio may go up or down in response to the prospects of individual companies and/or general economic conditions. Local, regional, or global events such as war or military conflict, terrorism, pandemic, or recession could impact the portfolio, including hampering the ability of the portfolio's manager(s) to invest its assets as intended. **Issuer Risk:** The portfolio will be affected by factors specific to the issuers of securities and other instruments in which the portfolio invests, including actual or perceived changes in the financial condition or business prospects of such issuers. **Equity Securities:** The market price of equity securities may be adversely affected by financial market, industry, or issuer-specific events. Focus on a particular style or on small, medium, or large-sized companies may enhance that risk. **Water-Related Risk:** Because the portfolio focuses its investments in water-related companies, it is particularly affected by events or factors relating to this sector, which may increase risk and volatility. **Focused Investments:** To the extent the portfolio focuses its investments on a limited number of issuers, sectors, industries or geographic regions, it may be subject to increased risk and volatility. **Foreign Investing:** Investing in foreign securities subjects the portfolio to additional risks such as increased volatility; currency fluctuations; less liquidity; less publicly available information about the foreign investment; and political, regulatory, economic, and market risk. **Sustainable Investing:** Because the portfolio focuses on investments in companies that the Manager believes exhibit strong environmental, social, and corporate governance records, the portfolio's universe of investments may be smaller than that of other portfolios and broad equity benchmark indices. ESG factors may not be considered for every investment decision and there is no guarantee that the integration of ESG factors will result in better performance. **Prospectus:** For additional information on risks, please see the fund's prospectus.

Please consider a Fund's investment objectives, risks, charges, and expenses carefully before investing. For this and other information about any Virtus Fund, contact your financial professional, call 800-243-4361, or visit [virtus.com](http://virtus.com) for a prospectus or summary prospectus. Read it carefully before investing.

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**TOP TEN HOLDINGS**

	% Fund
Xylem Inc/NY	9.90
American Water Works Co Inc.	7.86
Essential Utilities Inc.	7.01
Severn Trent PLC	6.84
Tetra Tech Inc.	4.23
Veolia Environnement SA	4.13
Ecolab Inc.	3.91
Core & Main Inc.	3.84
United Utilities Group PLC	3.53
Stantec Inc.	3.46

**TOP INDUSTRIES**

	% Equity	% Index 2
Water Utilities	30.77	35.03
Industrial Machinery & Supplies & Components	20.14	24.74
Environmental & Facilities Services	9.90	4.38
Construction & Engineering	6.76	5.95
Building Products	6.49	12.36
Life Sciences Tools and Services	5.60	0.00
Trading Companies & Distributors	5.58	1.50
Multi-Utilities	4.17	0.00
Electronic Equipment & Instruments	3.95	1.60
Specialty Chemicals	3.95	4.09

Holdings, regional, and industry weightings are subject to change.

**GLOSSARY**

**Avg. Weighted Market Cap (bn):** The sum of each security's weight within the fund (or index) multiplied by the security's market capitalization. **Trailing P/E Ex-Negative Earnings:** Per share stock price divided by the latest 12-months earnings per share. **Price-to-Cash Flow:** Per-share stock price divided by the per-share operating cash flow. **Price-to-Book Value:** A ratio used to compare a stock's market value to its book value. **3-Year EPS Growth Rate:** Average of earnings per share growth for latest 3-year period. **5-Year EPS Growth Rate:** Average of earnings per share growth for latest 5-year period. **Active Share:** A measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index. **Alpha:** A risk-adjusted measure of an investment's excess return relative to a benchmark. **Beta:** A quantitative measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. **R<sup>2</sup>:** A measure that represents the percentage of a fund or security's movements that can be explained by movements in a benchmark index. **Sharpe Ratio:** A risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. **Standard Deviation:** Measures variability of returns around the average return for an investment portfolio. Higher standard deviation suggests greater risk.

**Morningstar:** Morningstar Rating™ for funds, or 'star rating,' is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take into account the effect of sales charges and loads.

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