

VIRTUS DUFF & PHELPS WATER FUND

December 31, 2023

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.

VIRTUS INVESTMENT PARTNERS

MULTI-ASSET MANAGER



KEY FACTS

\$172.3

Billion in
AUM

38

Funds Rated
4 or 5 Stars¹



Past performance is not indicative of future results.

As of 12/31/23. ¹Based on institutional-class or I shares. Please see page 16 for additional Morningstar disclosure. Strong ratings are not indicative of positive fund performance. ²Newfleet Asset Management, Seix Investment Advisors, and Stone Harbor Investment Partners are divisions of Virtus Fixed Income Advisers, LLC ("VFIA"), an SEC registered investment adviser. Virtus has a majority or minority interest in the managers shown, with exception of Voya Investment Management.

FIRM OVERVIEW

A LEADER IN LISTED REAL ASSET INVESTING



Reliable Partner

- Founded in 1932 as an investment research firm, Duff & Phelps began managing investment portfolios in 1979, and has been a Virtus partner since 1995¹.

Real Asset Specialists

- Investment boutique headquartered in Chicago, delivering listed real asset strategies that enhance client outcomes through fundamental research and active management.

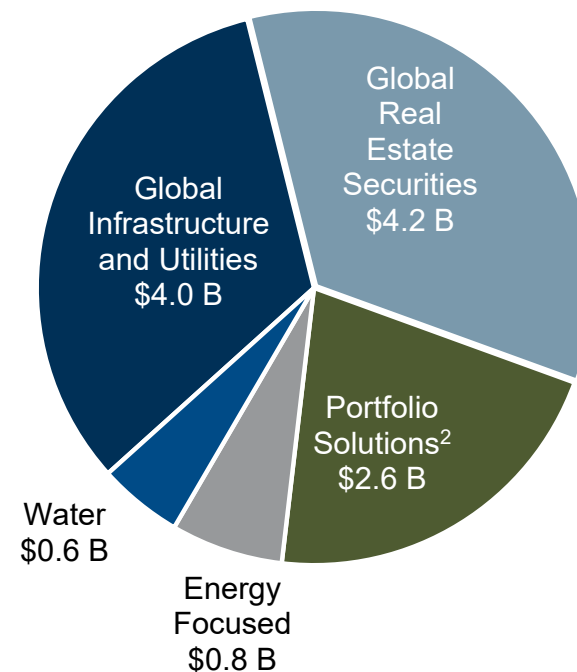
Experienced Team

- 36 investment professionals with an average of 22 years of investment experience and an average of 12 years at the firm.

Client Focused

- Our clients come first. Dedicated to providing our clients with clear and consistent communication and customized solutions to meet their unique goals.

DUFF & PHELPS
ASSETS UNDER MANAGEMENT: \$12.3 B



Quality

Quality Is Our Standard of Excellence

Reliability

Reliability Is Our Commitment to Clients

Specialization

Specialization Is Our Edge

Investment Support

In-house	Compliance	Trading	Risk Management	Client Service
Virtus	Operations	Technology	Legal	Finance

As of December 31, 2023.

¹Includes common ownership under the entity which spun-out Virtus Investment Partners. ²Includes customized portfolio solutions, fixed income and other strategies designed for institutional clients and other clients.

GLOBAL WATER: REVIEW & OUTLOOK

AS OF 12/31/23



Quarterly market review:

- Positive returns across sectors, led by industrial and technology.
- Secular tailwinds of aging infrastructure, resiliency investment, digitalization and quality / scarcity issues continued to drive investment into the sector.
- Listed water valuation multiples trade at attractive levels to historical averages and compared to the broad market.

Investment themes:

- **Government legislation:** Increased over 2023 and will continue to drive focus on spending across all dimensions of water.
- **Utilities:** lagged significantly as interest rates weighed on the capital-intensive business models. Will benefit from investment needed.
- **Technology:** Digital water technologies growing at 2x the broad market to meet strong demand for metering infrastructure, desalination equipment, and leak and contamination detection.
- **Aged Infrastructure:** Remains a focal point for many government and industrial spending and capex plans to support and drive growth.

Outlook:

- Upgrading water infrastructure, growing resiliency investment, and advancing key technologies, point to above average and stable growth potential.
- Strong fundamentals and visible catalysts underpin attractive short and long-term earnings outlook.
- Stock selection remains key – established water purity positions fund seeking to take advantage of secular growth trend in water investments.

Past performance is not indicative of future results.

Source: Duff & Phelps Investment Management Co., FTSE, Bloomberg Finance L.P. and Morningstar Direct. It is not possible to invest directly in an index. Indexes defined on page 20. Common inception is 11/19/01 the inception date of the S&P Global Water Index.

Global Water: Compelling Performance

As of December 31, 2023

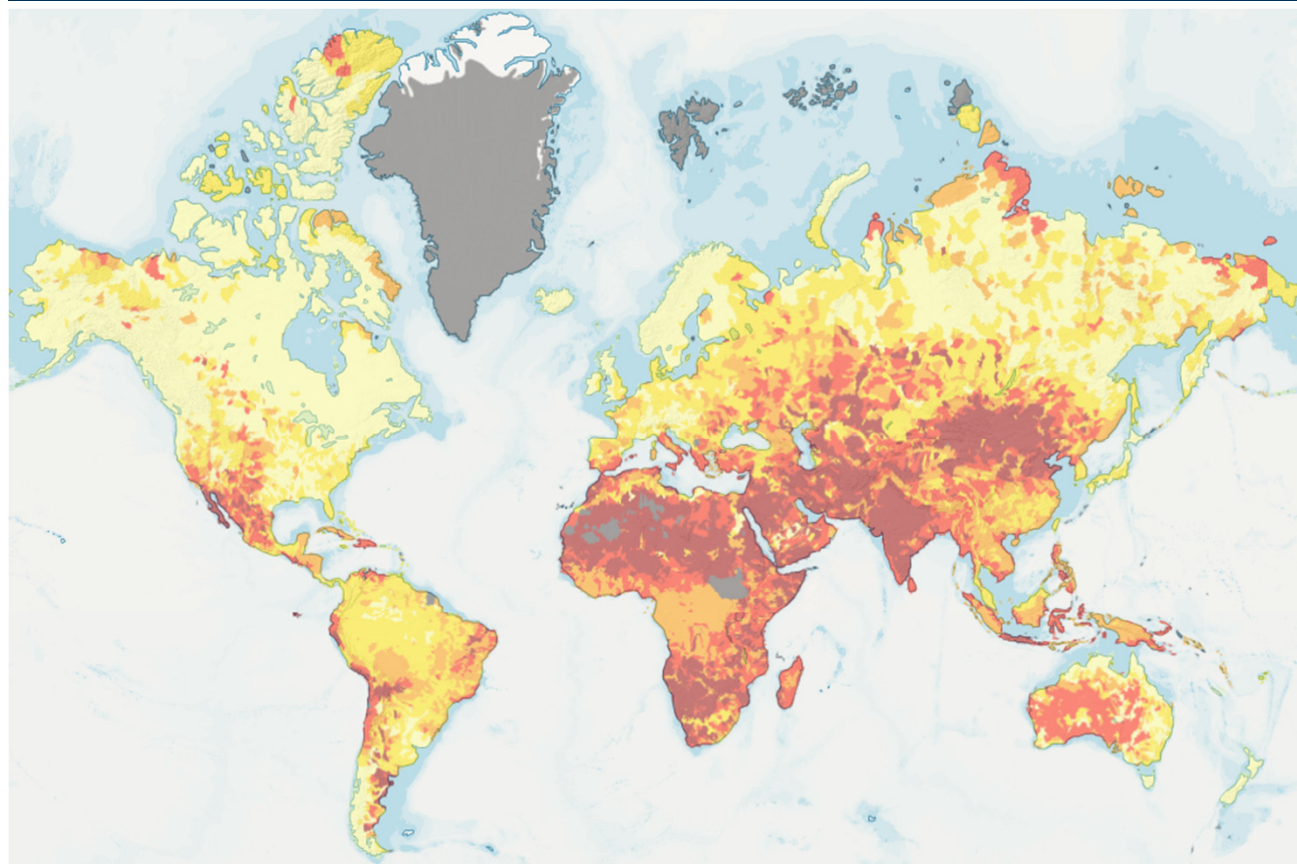
GROWTH OF \$1,000 INVESTMENT



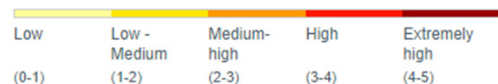
THE GLOBAL WATER CRISIS

INTENSIFYING WATER RISKS CALL FOR CHANGE

Widespread global water stress¹



Overall Water Risk



■ No data

Water challenges

40%

gap between global water supply and demand by 2030¹

80%

of wastewater is untreated globally¹

2/3

of businesses face substantial risk from water stresses²

THE GLOBAL WATER CRISIS

DEMAND OUTSTRIPPING SUPPLY

Current

69%

of all water consumption is used for **agriculture**



19%

of all water is used for **industrial** purposes



12%

of all water is used for **domestic** purposes



Future in 2050

Food demand to increase by **60%**

Global water demand for manufacturing will increase by **400%**

Urban water demand to expand by **80%**

THE GLOBAL WATER CRISIS

RISING POPULATION GROWTH AND LIVING STANDARDS ARE KEY DRIVERS



Population growth¹

- World population expected to increase to ~ 9.8 billion by 2050
- 3.6 billion people live in areas that are potentially water-scarce at least one month per year, which could increase to ~ 5.25 billion by 2050

Urbanization²

- 70% of the world population will be living in urban areas by 2050, up from 43% in 1990
- Global water use for energy will increase by 85% by 2050

Rising Living Standards³

How many gallons of water does it take to make...

HEAD OF
LETTUCE

15

POUND OF
CHICKEN

450

COTTON
SHIRT

700

POUND
OF BEEF

1,850

POUND OF
COFFEE

2,250

NEW
CAR

39,090

¹Source: The United Nations World Water Development Report 2018 (Nature-Based Solutions for Water) and The United Nations World Water Development Report 2021 "Valuing Water".

²Sources: United Nations Department of Economic and Social Affairs, World Prospects and the International Energy Agency (IEA). *Water for Energy: Is Energy Becoming a Thirstier Resource?* Ch. 17 (World Energy Outlook 2012. Paris, IEA, 2012).

³Source: Water Footprint Network (2008); Ecolab, Closing Keynote Presentation from the Financial Times Water Summit from Doug Baker, CEO of Ecolab (October 2015).



1) Water Supply

- Exploration, engineering, design
- Wastewater treatment
- Pumping stations and pipelines
- Desalination equipment
- Well drilling



2) Water Quality

- Filtration
- Monitoring and testing
- Disinfection chemicals
- Sanitary appliances
- Waste-water technology



3) Water Efficiency

- Automation controls
- Smart meters
- Advanced irrigation equipment
- Drought-resistant crops
- Leak and waste detection

The D&P Water Strategy supports UN sustainable development goals



CASE STUDIES

INVESTMENTS ACROSS WATER SUPPLY, QUALITY AND EFFICIENCY



Water Supply



Solution: Digital Infrastructure

One of the leading providers of digital network technologies to water utilities, featuring leak detection, remote monitoring, and advanced analytics



Water Quality



Solution: Emerging Contaminants

High-end consulting and engineering services firm, ranked #1 in water and environmental management by *Engineering News-Record**



Water Efficiency



Solution: Advanced Irrigation

One of the leading providers of advanced irrigation equipment and remote management technology

Source: Duff & Phelps Investment Management Co.

References to specific securities and their characteristics are examples of securities held in the Fund and are not intended to be, and should not be interpreted as an offer, solicitation or recommendation to purchase or sell any financial instrument, an indication that the purchase of such securities was or will be profitable, or representative of the composition or performance of the portfolio. Holdings in portfolio of the Virtus Duff & Phelps Water Fund as of 12/31/23: Xylem Inc. 9.90%, TetraTech 4.23%, Lindsay 0.50%. This is for guidance only and not indicative of future allocation. A stock mentioned as example above will not necessarily be comprised in the portfolio by the time this document is disclosed or at any subsequent date. * [Press Release](#) May 2023.

VIRTUS DUFF & PHELPS WATER FUND

INVESTMENT PHILOSOPHY & KEY FACTS



PHILOSOPHY:

Invest in companies which actively address global water scarcity and quality issues and help to improve the sustainability of global water resources.

Tickers	A: AWTAX C: AWTCX Institutional: AWTIX P: AWTPX
Benchmark	S&P Global Water Index (net), MSCI ACWI Index (net)
Fund Inception	July 15, 2008
Morningstar Category	Natural Resources
Portfolio Managers	David Grumhaus Jr., Nicholas Holmes, CFA, and Evan Lang, CFA
Investment Style	Actively managed, diversified exposure, long-only equity
Focus	Market leaders with a unique position within the water supply chain and long history in global infrastructure
Water Dimensions	Water Supply, Water Efficiency, Water Quality
Geographic Ranges	North America 45-75%, Europe 20-45%, Asia & Other 0-25%
Number of stocks	30-40
Fund AUM	\$630.4

Source: Duff & Phelps Investment Management Co. as of 12/31/23. Environmental, Social and Governance (ESG) strategies consider factors beyond traditional financial information to select securities or eliminate exposure which could result in relative investment performance deviating from other strategies or broad market benchmarks.

Universe Screening

of Stocks approx. 150

- Screen for companies with solutions across Water Supply, Water Efficiency, and Water Quality
- Use the UN Sustainable Development Goals framework to align the universe
- Sector and region agnostic
- The universe is continuously reviewed by the D&P team with an active knowledge of the water space

Refinement

of Stocks approx 75

- Filter the investable universe on the basis of:
 1. **Degree of Exposure**
(company's exposure to Water end-markets)
 2. **Degree of Alignment**
(assess Water-related impact of the Product/Service)
 3. **Degree of Advantage**
(management quality and company strategic advantages)

Portfolio Construction

of Stocks 30 - 40

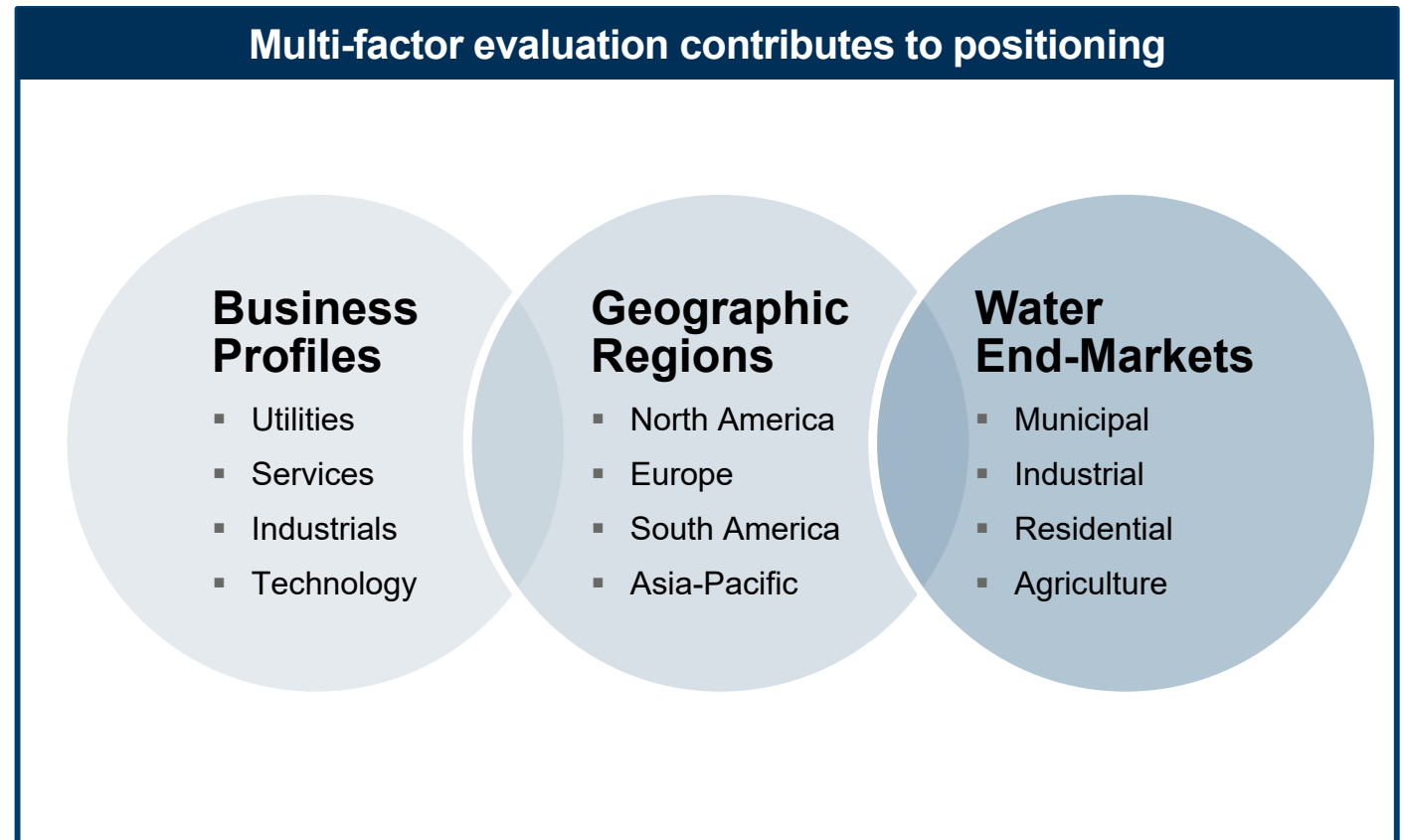
- Bottom-up research at all levels of the water chain
- Stock selection based on high conviction and relative valuation
- Top-down considerations
- ESG risk review
- Water purity integration

Virtus Duff & Phelps Water Fund

- Effective alignment of the Water philosophy with long-term value creation
- Target outperformance of the broader global equity market over the cycle and across the peer group

Our analysis uncovers trends across water sectors, geographies and markets

- Strategy favors market leaders, or those taking market share, in improving water supply, quality, and efficiency
- Top-down perspective supports tactical decisions to optimize portfolio given water fundamentals, economic environment, and market backdrop
- Sector provides attractive universe with diverse business profiles, geographic regions, and end-markets



TOP HOLDINGS AND CHARACTERISTICS



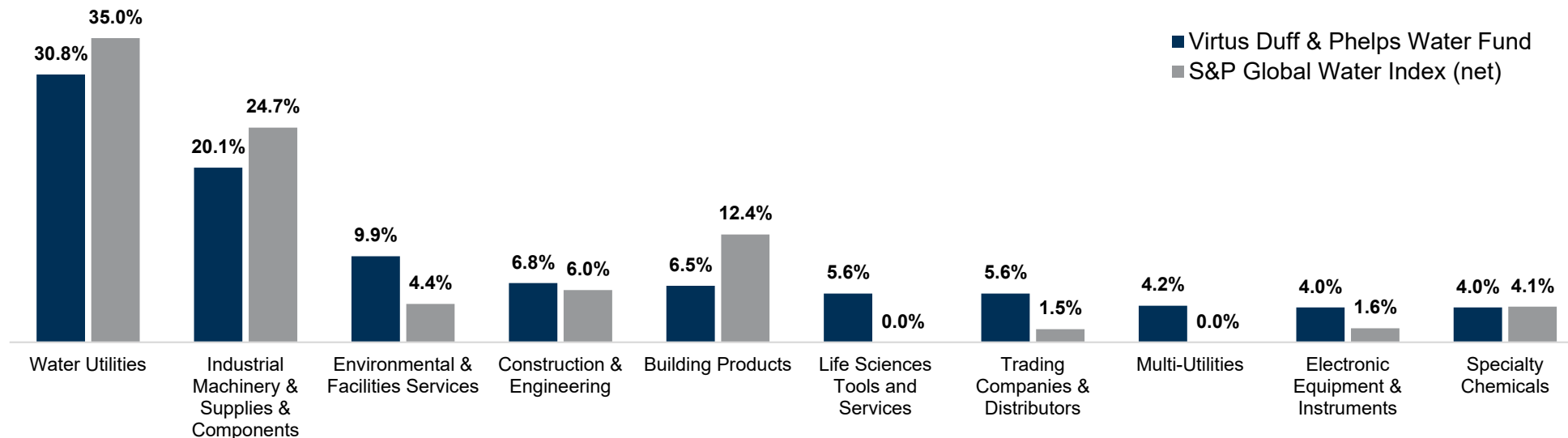
Top Ten Holdings	% of Fund
Xylem Inc/NY	9.90
American Water Works Co. Inc.	7.86
Essential Utilities Inc.	7.01
Severn Trent PLC	6.84
Tetra Tech Inc.	4.23
Veolia Environnement SA	4.13
Ecolab Inc.	3.91
Core & Main Inc.	3.84
United Utilities Group PLC	3.53
Stantec	3.46
Total	54.71

Equity Characteristics	Virtus Duff & Phelps Water Fund	MSCI AC World Index (net)
Average 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	-

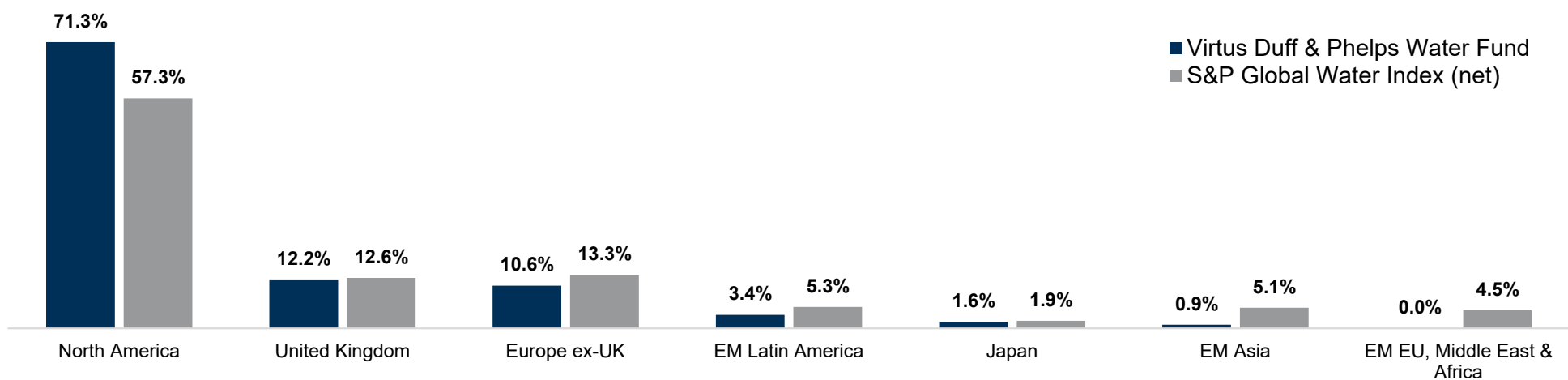
REPRESENTATIVE SECTOR & REGIONAL ALLOCATIONS



TOP TEN SECTOR ALLOCATIONS

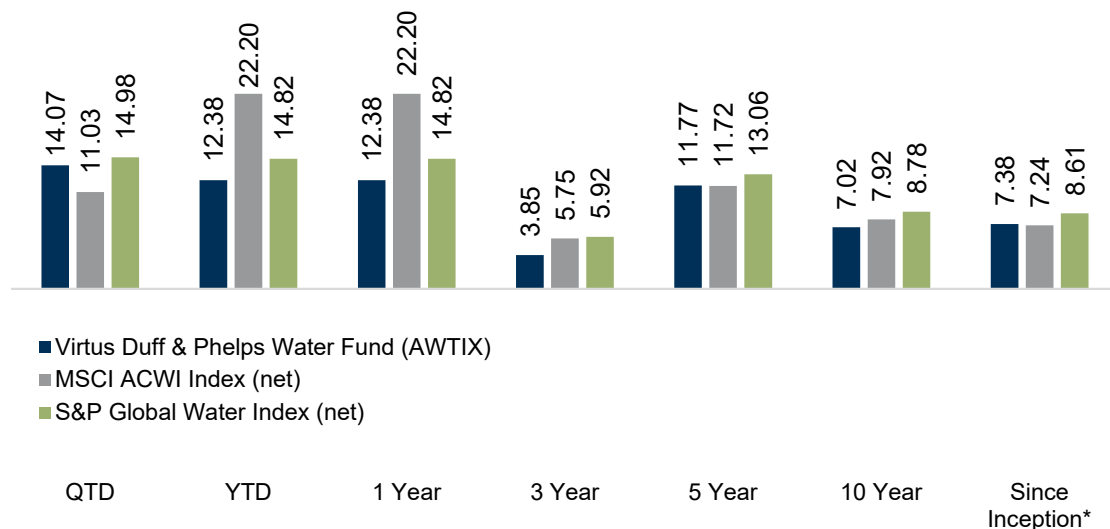


REGIONAL ALLOCATIONS



PERFORMANCE REVIEW

AS OF 12/31/23 (%)



■ Virtus Duff & Phelps Water Fund (AWTIX)
 ■ MSCI ACWI Index (net)
 ■ S&P Global Water Index (net)

*Inception: Institutional Class: 7/15/08.

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 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 for details.

Institutional Class: 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 2/1/2025.

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.

Index: The **MSCI ACWI Index (net)** is a free float-adjusted market capitalization-weighted index that measures equity performance of developed and emerging markets. The **S&P Global Water Index (net)** is comprised of 50 of the largest publicly traded companies in water-related businesses that meet specific investability 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 indexes are calculated on a total return basis with dividends reinvested. The indexes are unmanaged, their returns do not reflect any fees, expenses, or sales charges, and they are not available for direct investment.

MORNINGSTAR RATINGS™

Institutional Share AWTIX	Natural Resources
Time Period	# of Stars # of Funds
Overall	★★★★ 108
3 Year	★★★ 108
5 Year	★★★★★ 105
10 Year	★★★★★★ 90

Morningstar ratings are based on risk-adjusted returns. Strong ratings are not indicative of positive fund performance.

The 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 effects of sales charges and loads.

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Precision exposure to sustainable water

Targets pure-play 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 portfolio in ever-changing market conditions

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 SDG 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,' offering potential exposure to financial, environmental, and social value

SUSTAINABLE DEVELOPMENT GOAL (SDG) EXPOSURE

NET EXPOSURE FOR EACH SDG WITH A FOCUS ON 6, 9, 11, & 12



Key ESG Metrics:

- We have **82%** net exposure to SDG 6
- **47%** of our companies have disclosed stated SDG targets
- **47%** of our companies have disclosed being signatories to the UN Global Compact
- MSCI ESG Fund Rating: **AA***

Exposure Defined:

UN SDG exposure is generally defined as the proportion of a portfolio company which has business activities (products or services) contributing to the achievement of the respective SDG. This means that both positive and negative business activities (and associated revenues) are taken into consideration. While there are various reporting methods in the marketplace, we offset the positive revenues against the negative revenues which results in a net exposure. We believe this is a more comprehensive and accurate measurement for each goal.

SDGs		Portfolio Net Exposure %
1	No Poverty	15%
2	Zero Hunger	0%
3	Good Health and Wellbeing	15%
4	Quality Education	0%
5	Gender Equality	0%
6	Clean Water & Sanitation	Primary 82%
7	Affordable and Clean Energy	3%
8	Decent Work and Economic Growth	0%
9	Industry, Innovation, & Infrastructure	Secondary 21%
10	Reduced Inequalities	0%
11	Sustainable Cities, & Communities	Secondary 21%
12	Responsible Consumption & Production	Secondary 74%
13	Climate Action	3%
14	Life Below Water	41%
15	Life on Land	6%
16	Peace, Justice, and Strong Institutions	0%
17	Partnership for the Goals	0%

As of December 31, 2023. *MSCI ESG Rating based on Virtus Duff & Phelps Water Fund as of 11/30/2023 and provided by MSG ESG Research. D&P purchases various products from MSCI and/or its affiliates. No compensation was paid directly or indirectly in connection with obtaining the rating, but pays for the ability to use the rating. The rating is provided for informational purposes only about the firm's Clean Energy strategy and should not be considered a recommendation to buy or sell shares of the Fund. The Fund is distributed by VP Distributors, LLC, member FINRA and subsidiary of Virtus Investment Partners, Inc. Source: Duff & Phelps Investment Management Co., MSCI. This table reflects the overall portfolio net exposure to companies contributing to the achievement of the respective SDG. Companies and/or revenue segments are excluded if business activities do not align with the achievement of a respective SDG. Company business activities can be linked to more than one SDG and the sum of the exposures can be higher than 100%. This view captures the overlap and interaction between SDGs and underlying goals. Figures are rounded to the nearest whole number. Holdings are subject to change. Please note we distinguish exposure (business activities) from alignment (operational activities) as it relates to the data reported in this slide.

WATER PURITY AND IMPACT MEASUREMENT

AT LEAST TWO-THIRDS OF OUR COMPANIES ARE "PURE-PLAY"



Purity

Water purity is defined by measuring the percentage of cash flows derived from water-oriented businesses and the effect of addressing water scarcity.

Pure-play: 51-100% exposure

Significant: 21-50% exposure

Moderate: 0-20% exposure

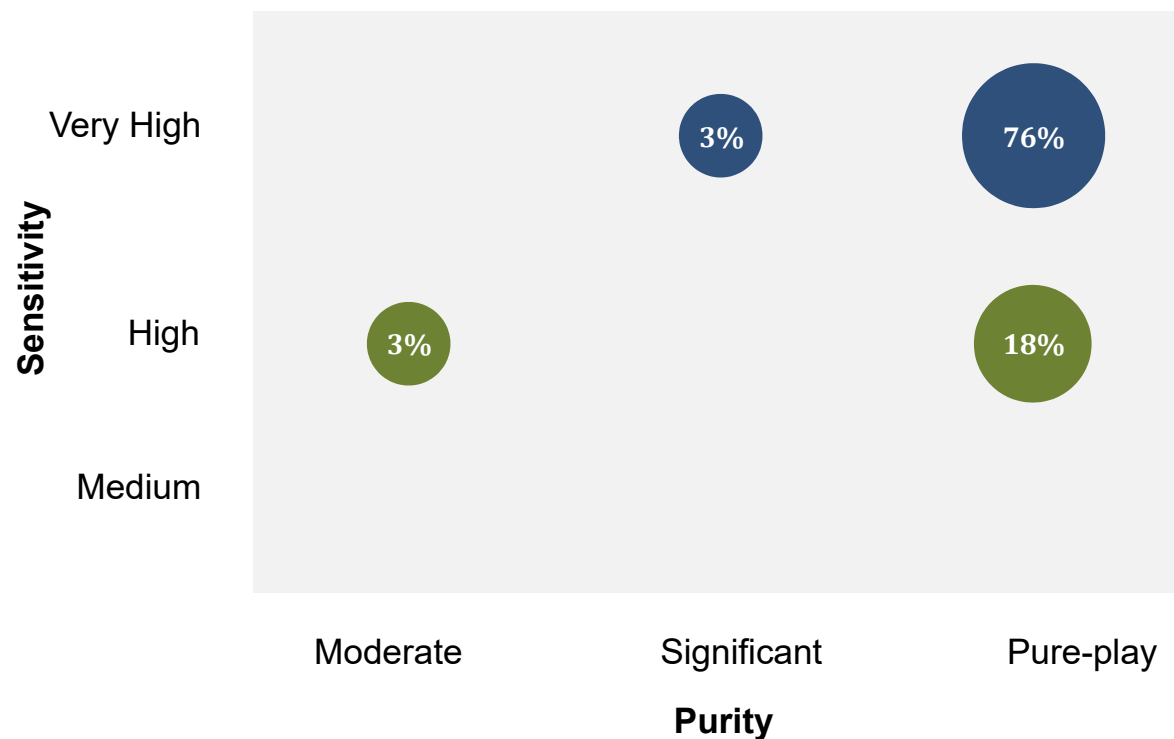
Sensitivity

We also use three categories for the degree of impact the business activities (products or services) have on the attainment of positive social and environmental outcomes.

Very High: Companies in a key sector* 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

Medium: Companies in an associated or key sector with business activities that contribute to the attainment of a single SDG



Portfolio weighted average water purity: 75%

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. Holdings are subject to change

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 **S&P 500® Index** is a free-float market capitalization-weighted index of 500 of the largest U.S. companies. The index is calculated on a total return basis with dividends reinvested. 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 indexes are unmanaged, their returns do not reflect any fees, expenses, or sales charges, and they are not available for direct investment.

Active Share is a measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index.

Avg. Weighted Market Cap (bn): The total dollar market value of all of a company's outstanding shares.

Trailing P/E Ex-Negative Earnings: Per share stock price divided by the latest 12-months earnings per share

EPS Growth Rate is the company's estimated future earnings for each stock held by the portfolio.

Price-to-Book is the per-share stock price divided by the latest 12-month per-share Book Value.

Price-to-Cash Flow is the per-share stock price divided by the per-share operating cash flow.

Price-to-Earnings ratio (P/E ratio) is the ratio for valuing a company that measures its current share price relative to its earnings per share (EPS).

Standard Deviation measures variability of returns around the average return for an investment portfolio. Higher standard deviation suggests greater risk.



Virtus (NYSE: VRTS) is a distinctive partnership of boutique investment managers, singularly committed to the long-term success of individual and institutional investors.

- We are not constrained by a single investment approach; rather, we provide access to independent, specialized investment philosophies through our multi-discipline, multi-strategy approach.
- We have the flexibility, agility, and responsiveness of a boutique asset management firm with similar product breadth and investment talent of our larger peers.
- We are committed to thoughtfully providing investment solutions, adhering to the highest standards of product quality, operational excellence, and fiduciary responsibility.

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](https://www.virtus.com) for a prospectus or summary prospectus. Read it carefully before investing.

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