

## INVESTMENT OVERVIEW

The Fund seeks long-term capital appreciation by investing in international companies across market capitalizations. Fundamental, bottom-up research aims to identify industry-leading businesses positioned for attractive long-term revenue and earnings growth, with sustainable competitive advantages and visionary management teams.

## KEY FEATURES

**Sustainable Growth** — Searches for companies that offer strong, predictable, and sustainable growth

**Benchmark Unconstrained** — A high-conviction, concentrated portfolio that invests in response to opportunities, rather than index relative weights

**Valuation Discipline** — Manages price risk through application of valuation tools focused on cash flow

## AVERAGE ANNUAL TOTAL RETURNS (%) as of 03/31/2024

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Class I	-1.33	-1.33	7.23	0.67	7.59	6.36	6.29
Class A NAV	-1.49	-1.49	6.94	0.38	7.31	6.11	5.85
Class A POP	-6.91	-6.91	1.06	-1.49	6.11	5.51	5.63
Class R6	-1.32	-1.32	7.43	0.78	7.72	n/a	9.20
Index	4.69	4.69	13.26	1.94	5.97	4.25	4.89

## ANNUAL PERFORMANCE (%)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Class I	17.25	-18.19	8.59	23.17	28.61	-7.69	31.58	0.02	3.03	-7.73
Index	15.62	-16.00	7.82	10.65	21.51	-14.20	27.19	4.50	-5.66	-3.87

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](https://virtus.com) for performance data current to the most recent month end.

**Class I Shares have no sales charges and are not available to all investors.** The fund class gross expense ratio is 1.32%. The net expense ratio is 1.05%, which reflects a contractual expense reimbursement in effect through 4/30/2025.

**Class A shares have a maximum sales charge of 5.50%. A contingent deferred sales charge of 1% may be imposed on certain redemptions within 18 months on purchases on which a finder's fee has been paid.** The fund class gross expense ratio is 1.57%. The net expense ratio is 1.30%, which reflects a contractual expense reimbursement in effect through 4/30/2025.

**Class R6 Shares have no sales charges and are not available to all investors.** The fund class gross expense ratio is 1.18%. The net expense ratio is 0.95%, which reflects a contractual expense reimbursement in effect through 4/30/2025.

**Other share classes may have sales charges. See [virtus.com](https://virtus.com) for details.** 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.

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 AC World ex USA Index (net) is a free float-adjusted market capitalization-weighted index that measures equity performance of developed and emerging markets, excluding the United States. 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.

Since inception performance for the index reflects a start date of 12/29/2000. Class I inception date: 12/1/1995. Class A inception date: 1/2/1996. Class R6 inception date: 9/1/2015.

## SHARE CLASSES

	Ticker	CUSIP
I Shares	STITX	92837F276
A Shares	SCIIX	92837F284
C Shares	VSGEX	92837X632
R6 Shares	SCIZX	92837F268

## FUND INFORMATION

Inception Date (Class I)	12/01/95
AUM (\$ millions)	657.3
Number of Holdings	33
Dividends	Semi-Annually
Morningstar Category	Foreign Large Growth
Index	MSCI AC World ex USA Index (net)

The Index shown represents the Fund's performance index, which may differ from the Fund's regulatory index included in its Prospectus.

## MORNINGSTAR RATINGS (CLASS I)

Time Period	# of Stars	# of Funds
Overall	★★★★	383
3 Year	★★★	383
5 Year	★★★	327
10 Year	★★★★	223

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

## INVESTMENT ADVISER

Virtus Fund Advisers, LLC

## INVESTMENT SUBADVISER



Founded in 2003, Sustainable Growth Advisers is a growth equity manager focused on high-conviction U.S., global, emerging markets, and international portfolios.

## PORTFOLIO MANAGERS

### Tucker Brown

Industry start date: 1995

Start date as Fund Portfolio Manager: 2019

### Alexandra Lee, M.D.

Industry start date: 2000

Start date as Fund Portfolio Manager: 2019

### Kishore Rao

Industry start date: 1997

Start date as Fund Portfolio Manager: 2022

CHARACTERISTICS	Fund	Index
Avg. Weighted Market Cap (bn)	89.66	83.57
Median Market Cap (bn)	44.32	4.20
Trailing P/E Ex-Negative Earnings	28.33	14.81
Price-to-Cash Flow	22.15	15.14
Price-to-Book Value	4.72	3.08
Enterprise Yield	3.20	3.70
3-Year Earnings Growth Rate	16.18	20.00
5-Year Earnings Growth Rate	10.99	10.80
Gross Margin	51.00	40.00
Cash Flow/Earnings	89.00	64.00
Net Debt/EBITDA	0.80	0.90
Active Share	95.62	n/a

RISK STATISTICS (3 YEAR)	Fund	Index
Alpha	-1.02	n/a
Beta	1.01	1.00
R <sup>2</sup>	0.87	1.00
Sharpe Ratio	-0.12	-0.05
Standard Deviation	17.66	16.19

TOP TEN HOLDINGS	% Fund
Novo Nordisk A/S	4.97
Fomento Economico Mexicano SAB de CV	4.80
Steris PLC	4.79
Aon PLC	4.76
Universal Music Group NV	4.07
HDFC Bank Ltd	3.99
Alcon Inc	3.98
Canadian Pacific Kansas City Ltd	3.91
L'Oreal SA	3.53
Infosys Ltd	3.52

TOP TEN COUNTRIES	% Invested Assets	% Index
Ireland	15.55	0.22
Switzerland	10.30	6.07
Netherlands	9.00	3.29
France	8.65	7.86
Mexico	8.10	0.75
Canada	7.92	7.62
India	7.78	4.88
United Kingdom	7.28	9.42
Denmark	5.14	2.35
Brazil	5.11	1.44

Holdings and sector weightings are subject to change.

SECTOR ALLOCATIONS	% Equity	% Index
Consumer Staples	22.72	7.44
Health Care	19.68	9.17
Financials	16.57	21.40
Information Technology	11.45	13.36
Industrials	10.60	13.83
Consumer Discretionary	8.93	11.80
Materials	5.75	7.43
Communication Services	4.31	5.08
Energy	0.00	5.53
Utilities	0.00	3.00
Real Estate	0.00	1.96

## IMPORTANT RISK CONSIDERATIONS

**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. **Foreign & Emerging Markets:** Investing in foreign securities, especially in emerging markets, subjects the portfolio to additional risks such as increased volatility, currency fluctuations, less liquidity, and political, regulatory, economic, and market risk. **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. **Limited Number of Investments:** Because the portfolio has a limited number of securities, it may be more susceptible to factors adversely affecting its securities than a portfolio with a greater number of securities. **Industry/Sector Concentration:** A portfolio that focuses its investments in a particular industry or sector will be more sensitive to conditions that affect that industry or sector than a non-concentrated portfolio. **Currency Rate:** Fluctuations in the exchange rates between the U.S. dollar and foreign currencies may negatively affect the value of the portfolio's shares. **Depository Receipts:** Investments in foreign companies through depository receipts may expose the portfolio to the same risks as direct investments in securities of foreign issuers. **Prospectus:** For additional information on risks, please see the fund's prospectus.

## 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. **Enterprise Yield (EY):** A proprietary measure of the free cash flow truly available to investors as a percentage of market value (CFATS / Market Capitalization). **3-Year Earnings Growth Rate:** Average of earnings per share growth for latest 3-year period. **5-Year Earnings Growth Rate:** Average of earnings per share growth for latest 5-year period. **Gross Margin:** A financial ratio indicating the percent of sales the company retains after incurring the direct costs associated with producing the goods and services it sells. **Cash Flow/Earnings:** A measure of the proportion of earnings that is converted into cash. **Net Debt/EBITDA:** (Total Debt - Cash & Equivalents)/(Earnings Before

Interest, Taxes, Depreciation, and Amortization) measured as a weighted average excluding securities +/- 1 standard deviation from the average. **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.

© 2024 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

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.

**Not FDIC Insured | May Lose Value | Not Bank Guaranteed**

Mutual funds distributed by VP Distributors, LLC, member FINRA and subsidiary of Virtus Investment Partners, Inc.

1231 05-24 © 2024 Virtus Mutual Funds

