



DUFF & PHELPS

A VIRTUS INVESTMENT PARTNER

Duff & Phelps Global Water SMA

March 31, 2024

*Portfolio
Managers:*

David Grumhaus
*Chief Investment Officer
Portfolio Manager*

Nick Holmes, CFA
*Portfolio Manager
Senior Research Analyst*

A high-speed photograph of water being poured, creating a central stream that splashes into a pool of water below, with many bubbles and droplets visible. The background is a light, neutral color.

Agenda

Firm Overview

D&P Global Water SMA

Appendix

Firm Overview



Duff & Phelps overview



A leader in listed real asset investing

Reliable Partner

Founded in 1932 as an investment research firm, D&P 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 designed to enhance client outcomes through fundamental research and active management.

Experienced Team

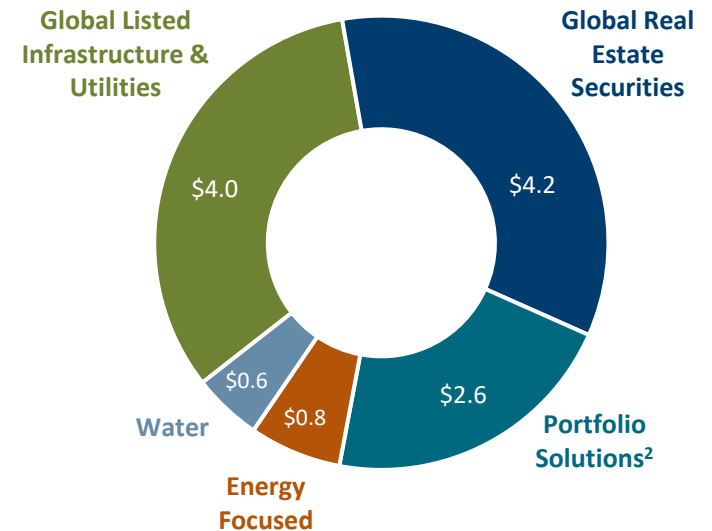
36 investment professionals with an average of 22 years of investment experience and an average of 12 years at the firm.

Client Focused

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

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

\$12.3 billion in firm AUM






- Quality**
IS OUR STANDARD OF EXCELLENCE
- Reliability**
IS OUR COMMITMENT TO CLIENTS
- Specialization**
IS OUR EDGE

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.

Investment strategy overview



	 Real Estate	 Infrastructure	 Clean Energy	 Water	 Portfolio Solutions/ Multi-Strategy
Potential Portfolio Benefits	<ul style="list-style-type: none"> • Income • Diversification • Inflation protection 	<ul style="list-style-type: none"> • Income • Downside protection • Inflation protection 	<ul style="list-style-type: none"> • Secular growth • Sustainability • Capital appreciation 	<ul style="list-style-type: none"> • Secular growth • Sustainability • Capital appreciation 	<p>Customized to meet client objectives</p>
Investment Universe	Global across 16 property sectors	Global across 4 sectors	Global across 3 key categories	Global across 3 key categories	Customized exposures
Strategy Inception	U.S. Real Estate – 1995 Global Real Estate – 2009 Non-Core Opport. – 2023	Global Listed Infra. – 2004 Energy Infra. – 2012	Clean Energy – 2020 ¹ <i>Investing in CE since 2004</i>	Water – 2022 ¹ <i>Investing in Water since 2004</i>	Portfolio Solutions – 1990 Diversified Real Asset – 2020
Highlights	<ul style="list-style-type: none"> • Portfolio managers have worked together since 2005 • Proprietary valuation tool – determines intrinsic value, mitigates risk • Team structure enables us to capitalize on alpha opportunities 	<ul style="list-style-type: none"> • 90+ year legacy in real assets informs approach • Focus on essential services and regulatory environment • Holdings range is optimal balance of diversification and conviction 	<ul style="list-style-type: none"> • Unique vantage point sitting at the intersection of clean energy technology providers and users • Rigorous qualification framework prevents strategy drift • More dynamic and results orientated than static index 	<ul style="list-style-type: none"> • Focused on supply, quality and efficiency of global water resources • Veteran water team dedicated to the asset class • Rigorous investment framework ensures pure-play water exposure 	<ul style="list-style-type: none"> • Consultative approach is part of firm’s heritage • Multi-strategy capability invests dynamically across real assets sectors • Bespoke completion strategies designed to complement other investments

¹Duff & Phelps has been investing in clean energy and water since the launch of our global listed infrastructure strategy in 2004.

There is no guarantee that any investment strategy, or investment product, will work under all market conditions or is suitable for all investors.



David Grumhaus, Jr.
Portfolio Manager
President & Chief Investment Officer (31)



Nick Holmes, CFA
Portfolio Manager &
Senior Analyst (14)



Benjamin Bielawski, CFA
Senior Analyst (29)



Rodney Clayton, CFA
Senior Analyst (20)



Eric Fogarty, CFA
Senior Analyst (26)

Research Analysts

25 avg. yrs. investment exp.



Frank Spindler, CFA
Client Portfolio Manager (20)



Carly Miller
Portfolio Sustainability (12)



Kathleen Hegyi
Chief Compliance Officer (35)



Tim Fitzgerald
Head of Trading (43)



Alan Meder, CFA, CPA
Chief Risk Officer (41)

Investment Support

32 avg. yrs. investment exp.

D&P Global Water SMA

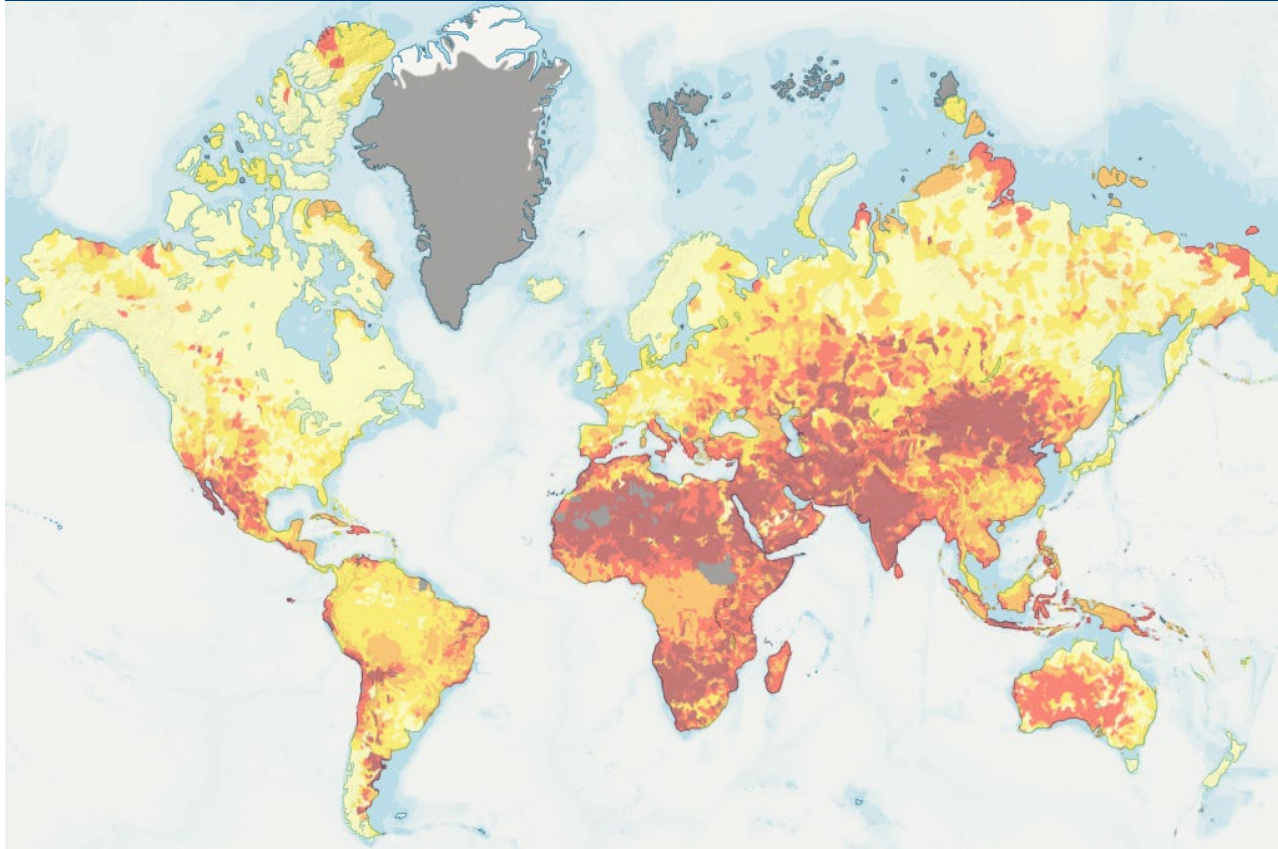


The global water crisis

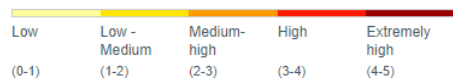


Intensifying water risks call for change

Widespread global water stress



Overall Water Risk



■ No data

Source: ¹The UN world water development report 2021: valuing water, ²McKinsey "Water: A human and business priority" May 2020.

Water challenges

40%

gap between global water supply and demand by 2030¹

80%

of wastewater is untreated globally¹

2/3rd

of businesses face substantial risk from water stresses²

The global water crisis



Demand outstripping supply due to key megatrends including population growth, urbanization, and industrialization

Current

69%

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

Future in 2050



Food demand to increase by **60%**

19%

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



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

12%

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



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

The investment case for water

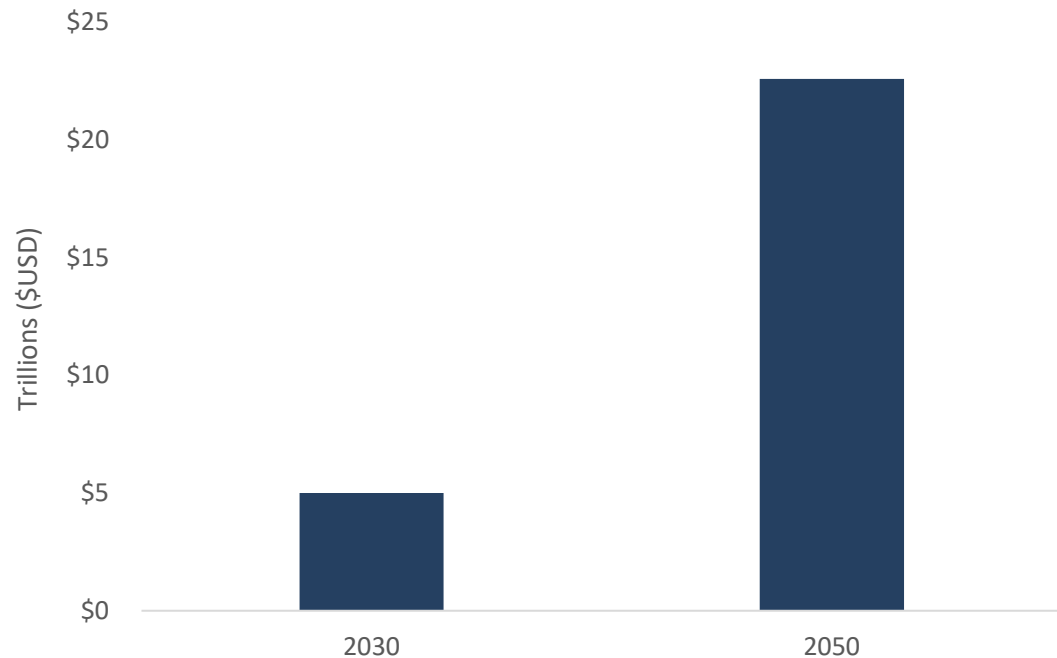


Trillions of dollars of investment needed to improve water sustainability

Investment in infrastructure and technologies drives secular earnings growth

- Global infrastructure investment improving connectivity, water quality, and wastewater treatment
- Technology investments enhancing water supply, ensuring water quality, and advancing water efficiency
- Catalysts provide tailwinds for investment in coming years and decades

Substantial investment needed in water infrastructure & technologies to meet global water goals



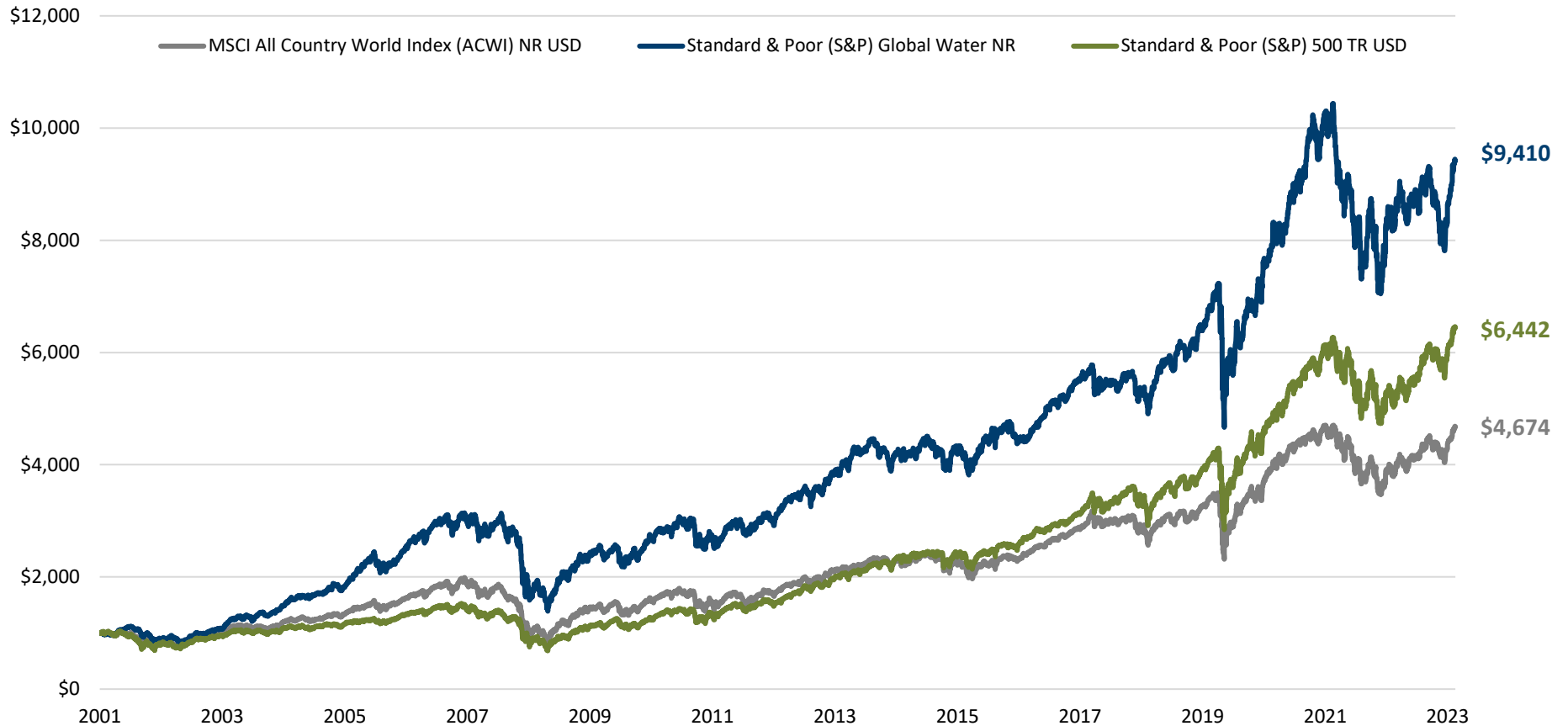
Catalysts			
Resiliency Investment	Government funding & regulation	Corporate sustainability	Technology innovation & adoption

Water's been a compelling investment



Secular growth driven value creation

Growth of \$1,000 Investment



As of December 31, 2023. Source: Morningstar Direct. Measurement period begins is 11/19/01, the inception date of the S&P Global Water Index. 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.

Past performance is not indicative of future results.

Three dimensions to the water solution



1) Water Supply

- Engineering, design and resource management
- Pumping stations and pipelines
- Smart meters and leak detection
- Water reuse systems
- Desalination equipment



2) Water Quality

- Monitoring and testing
- Filtration and treatment technology
- Disinfection chemicals
- Wastewater management and resource recovery
- Emerging contaminant detection and remediation



3) Water Efficiency

- Advanced irrigation equipment and technology
- Remote monitoring and automation controls
- Water-as-a-service
- Residential and commercial systems
- Circular economy

The D&P Water Strategy supports UN sustainable development goals



In October 2018, D&P became a signatory of the UN-backed Principles for Responsible Investment (the “PRI”) to further its commitment to ESG principles. Our participation came as a natural extension of the firm’s longstanding excellence in corporate governance matters. We continue to become more involved with the PRI, advancing our responsible investing methods as we practice continuous improvement. Read more about our [Responsible Investment Policy](#) and [Policy for Engagement on Environmental, Social, and Governance Issues](#).

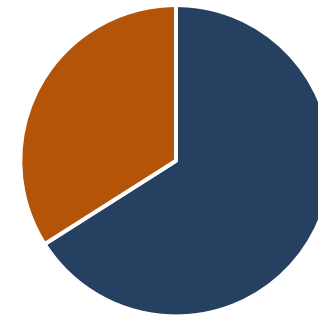


Infrastructure improvements, digital technologies, and alternative sources of water increasing supply

Pervasive water scarcity driving investment in supply solutions

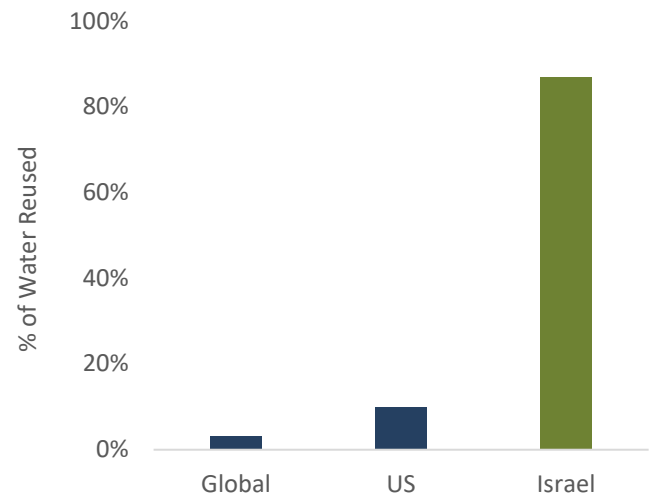
- Developed markets direct 70% of budgets toward break-and-fix projects to upgrade over-aged pipes and facilities, while emerging markets build out new infrastructure
- Digital water technologies detect, communicate, and reduce water loss through the deployment of smart meters, remote control centers, and predictive analytics
- Advances in water filtration, treatment, and energy recovery enabling increased adoption of alternative sources of water, such as reuse and desalination

Digital water technologies reduce water loss

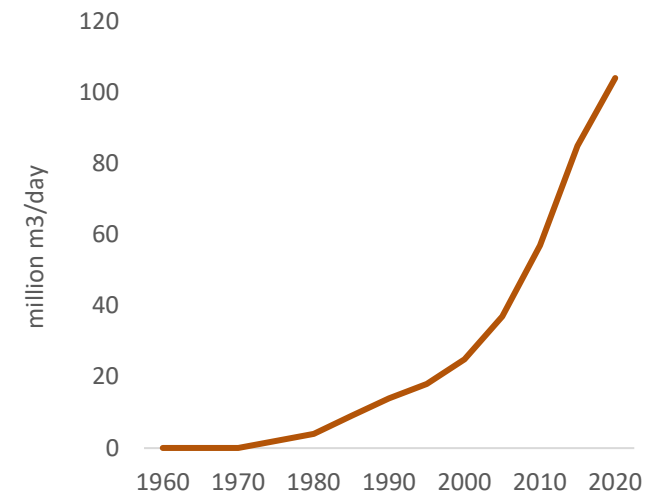


■ Water Delivered ■ Water Lost

Israel, a leader in reuse, is an example for increased global adoption



Desalination cost declines driving capacity growth



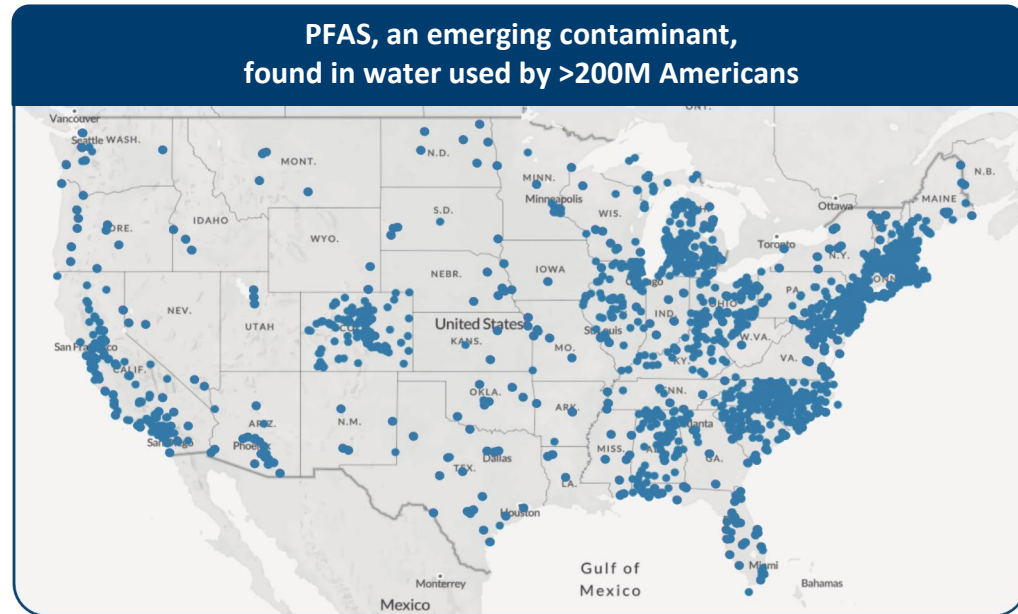
Water quality



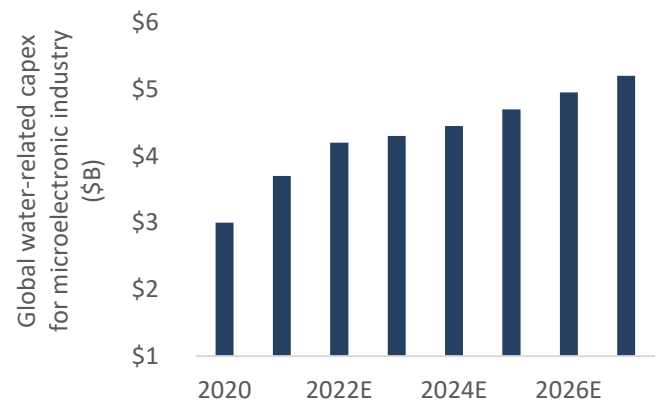
Treatment and testing improving health, environment, and economic development

Regulation, industrialization, and environmental considerations driving water quality investments

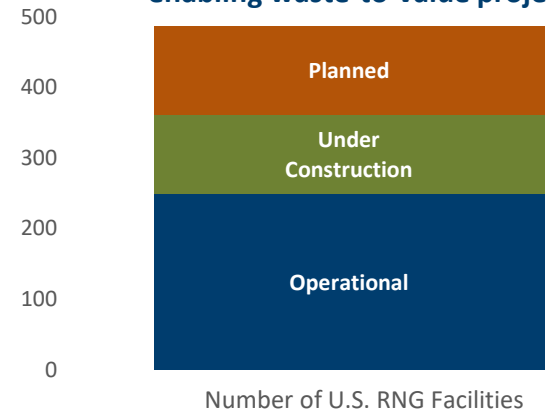
- Emerging contaminants (i.e., PFAS), spread of diseases, and toxic discharge increasing adoption of water treatment and testing technologies
- Demand rising for ultra-pure and designer water (made to exact specifications) from advanced manufacturing (i.e., semiconductors), health care and food & beverage sectors
- Improved infrastructure and technologies reducing pollution and advancing circular economy in waste management



Growth in semiconductors driving demand for ultra-pure water



Treatment technologies enabling waste-to-value projects





Technology and process innovations reducing water demand across all end users

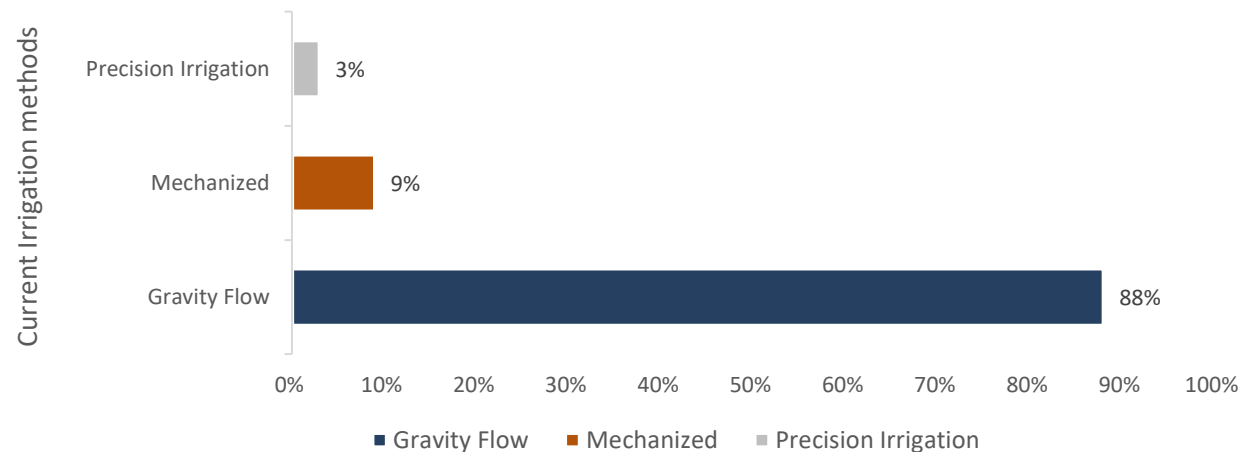
Increased demand for resilient and sustainable water solutions driving efficiency investments

- Agriculture sector (~70% of demand) adopting advanced irrigation equipment and digital technologies to lessen water use and increase crop yields
- Industrial sector (~20% of demand) investing in water technologies to reduce water footprint, improve operational resiliency, and advance sustainability initiatives
- Residential and commercial sectors (~10% of demand) implementing treatment and digitally-connected equipment to improve health and safety and minimize water usage

Leaders in sustainability increasingly establishing water sustainability initiatives



More advanced irrigation systems will reduce water use



Source: Lindsay Corporation. Specific investments described herein do not represent all investment decisions made by Duff & Phelps. The reader should not assume that investment decisions identified and discussed were or will be profitable. Specific investment advice references provided herein are for illustrative purposes only and are not necessarily representative of investments that will be made in the future.



**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 strategy 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. 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.



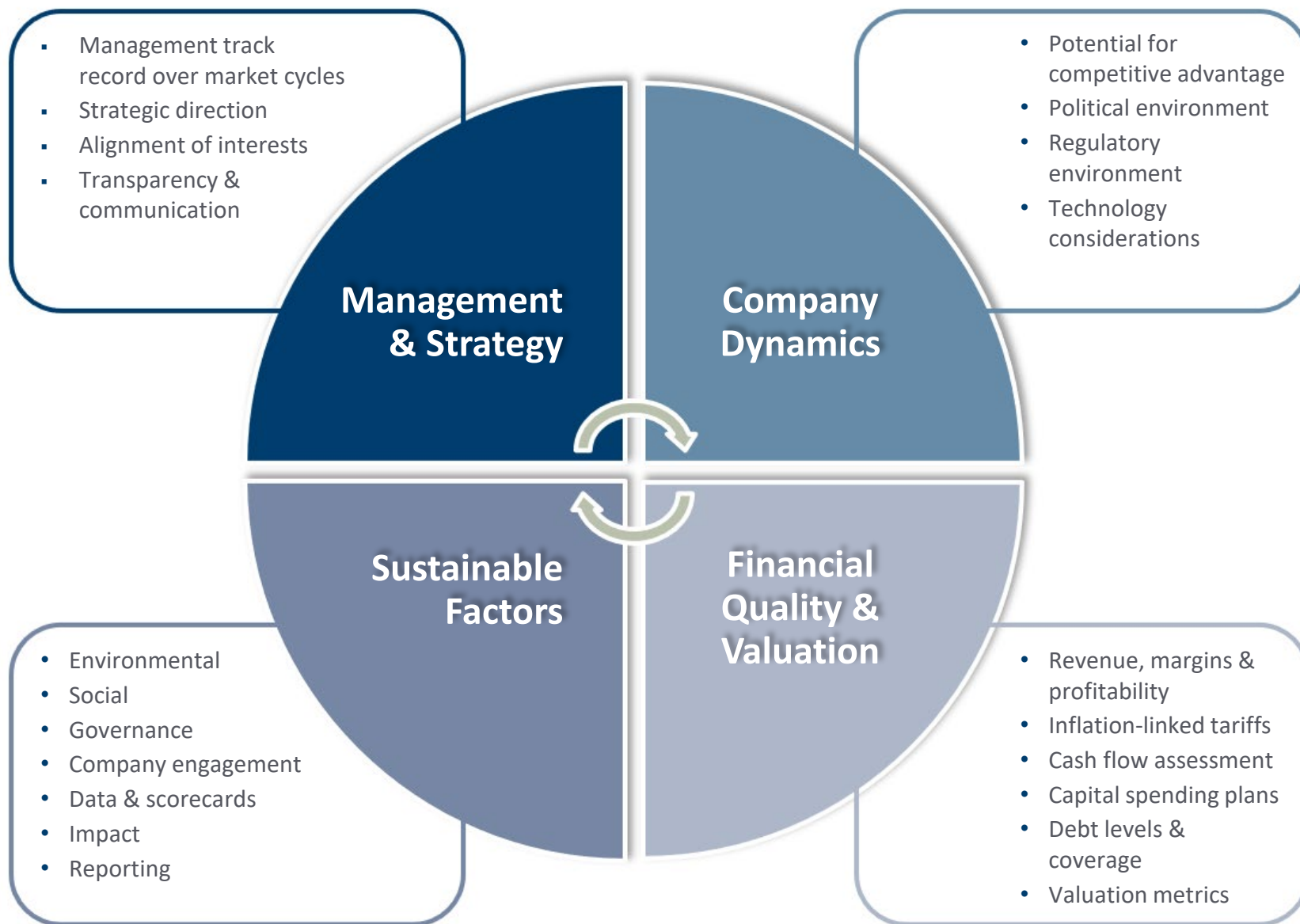
- Screen for companies with solutions across Water Supply, Water Efficiency, and Water Quality
- Use the UN Sustainable Development Goals framework to align the universe
- Sector and region agnostic
- Universe is continuously reviewed by the D&P team with an active knowledge of the water space

- 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)

- 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

Duff & Phelps Water Strategy

- 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

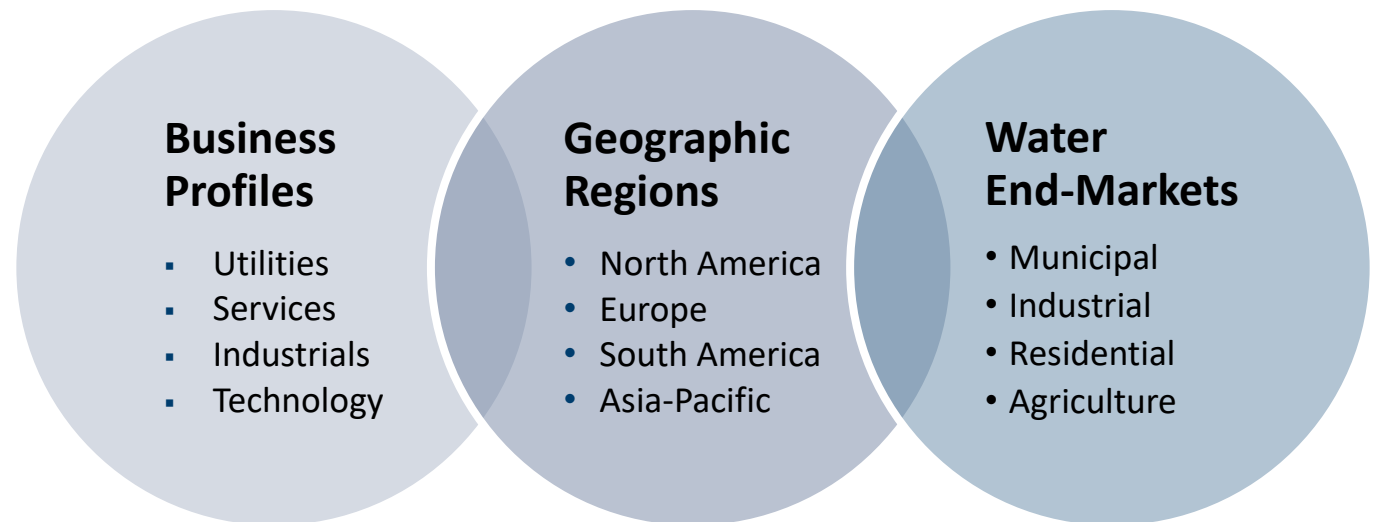




Our analysis uncovers trends across water sectors, geographies, and markets

- 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

Multi-factor evaluation contributes to positioning



Appendix





David Grumhaus, Jr.

President and
Chief Investment Officer

David Grumhaus is the president and chief investment officer of Duff & Phelps Investment Management Co. He is responsible for setting and executing the firm's strategic initiatives, overseeing the investment strategies, and leading the Executive Committee. In addition, Mr. Grumhaus is a senior portfolio manager on the firm's energy infrastructure strategies. He joined Duff & Phelps in 2014 and began his career in the investment industry in 1993.

Previously, Mr. Grumhaus served as a partner and portfolio manager at Copia Capital, an energy and utility-focused hedge fund. He previously served as an investment banker with both William Blair & Company and Goldman Sachs.

Mr. Grumhaus holds an M.B.A. from Harvard Business School where he was a George F. Baker Scholar and a B.A. in history cum laude from Princeton University. He is a member of the Investment Committee at the Ann and Robert H. Lurie Children's Hospital of Chicago and serves as a board member of the Beyond Sports Foundation.



Nick Holmes, CFA

Portfolio Manager,
Senior Research Analyst

Nicholas Holmes is a portfolio manager and senior research analyst for the Duff & Phelps Water Strategy. His research focuses on supply, quality, and efficiency in the water sector. He joined Duff & Phelps in 2023, began his investment career in 2010 and has been actively following the water sector since 2015.

Previously, he was a portfolio manager at TortoiseEcofin, where he managed a sustainable global water strategy and was the lead analyst on water-specific private placement transactions in the energy sector.

Mr. Holmes holds a B.A. in political science from Yale University and an M.B.A. from the University of Kansas. In addition, he is a CFA charterholder.

Research Analyst Biographies



Benjamin Bielawski, CFA

Senior Research Analyst

Benjamin Bielawski provides research for the firm's listed infrastructure strategies and is a portfolio manager for the Duff & Phelps Global Clean Energy Strategy. His research focuses on global utilities and communications sectors, especially on companies and technologies expected to power the energy needs of the future. Mr. Bielawski joined the firm in 2017 and began his career in the investment industry in 1995.

Prior to joining Duff & Phelps, Mr. Bielawski served as a senior global equity analyst at Institutional Capital LLC (ICAP), covering global utilities, telecommunications, and infrastructure sectors and as the co-manager for global high dividend yield portfolios. In addition, he worked in institutional services at Harris Associates.

He holds an M.B.A. from the University of Chicago Booth School of Business and a B.S. in business administration from Wayne State University. In addition, he is a CFA charterholder.



Rodney Clayton, CFA

Senior Research Analyst

Rodney Clayton provides research for the firm's listed infrastructure strategies and is a portfolio manager for the Virtus Duff & Phelps Select MLP and Energy Fund. His research focuses on conventional and clean energy infrastructure companies. Mr. Clayton joined the firm in 2016 and began his career in the investment industry in 2004.

Prior to joining Duff & Phelps, Mr. Clayton served as a senior manager due diligence analyst at UBS Financial Services, covering MLP, large cap value, and equity income strategies. In addition, he served as an equity research analyst at JP Morgan Securities, covering the exploration and production, engineering and construction, and environmental services industries.

He completed his undergraduate studies and holds an M.B.A. from Florida A&M University. In addition, he is a CFA charterholder.



Eric Fogarty, CFA

Senior Research Analyst

Eric Fogarty provides research for the firm's listed infrastructure strategies and is a portfolio manager for the Duff & Phelps Global Clean Energy Strategy. His research focuses on global utilities, especially on companies and technologies expected to power the energy needs of the future. Mr. Fogarty joined the firm in 2018 and began his career in the investment industry in 1997.

Prior to joining Duff & Phelps, Mr. Fogarty served as a portfolio manager at Goldman Sachs, specializing in utilities, consumer staples, and ESG and he was responsible for integrating ESG factors into Goldman's investment processes. In addition, Mr. Fogarty served as a management development program associate at Chase Manhattan Bank.

He holds a B.S. in business administration from Binghamton University. In addition, he is a CFA charterholder.



Philosophy

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

Strategy

Benchmark	S&P Global Water Index, MSCI ACWI Index
Category	Morningstar: Natural Resources; Lipper: Equity Theme - Water
Portfolio Managers	David Grumhaus, Nick Holmes
Investment Style	Actively managed, diversified exposure, long-only equity
Focus	Market leaders with a unique position in 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%, Rest of World 0-25%
Number of stocks	Typically 30-40

Source: Duff & Phelps Investment Management Co. 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. 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 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.



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.

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DUFF & PHELPS

A VIRTUS INVESTMENT PARTNER

10 South Wacker Drive, 19th Floor | Chicago, IL 60606

(800) 338-8214 | dpimc.com