



## **Duff & Phelps Investment Management Co.**

200 S. Wacker Drive

Suite 500

Chicago, IL 60606

(312) 263-2610

[www.dpimc.com](http://www.dpimc.com)

This brochure provides information about the qualifications and business practices of Duff & Phelps Investment Management Co. (“Duff & Phelps”). If you have questions about the contents of this brochure, please contact us at (312) 263-2610. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Duff & Phelps is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with the information about which you may determine to hire or retain an adviser.

Additional information about Duff & Phelps also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s website also provides information about any persons affiliated with Duff & Phelps who are registered as investment adviser representatives of Duff & Phelps.

## Item 2. Material Changes

We will ensure clients receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our fiscal year which is December 31. We will provide other ongoing disclosure information about material changes as necessary. We will also provide clients with a new Brochure as necessary, based on changes or new information, at any time, without charge.

We have made the following changes to our ADV, Part 2A since our last annual amendment in March 2022. Although not every change is material, we believe it is important information for you to know.

### **“Fees and Compensation”**

- Added Advisory Fees for Water
- Revised initial minimum account sizes for Global Listed Infrastructure and Global Clean Energy

### **“Investment Strategies”**

- Added Water
- Revised Risks of Investing

### **“Other Financial Industry Activities’ and Affiliations”**

- Updated to add new affiliated investment advisers

Other changes in this “ADV Part 2A” not deemed material have also been made. We have also amended our Form ADV Part 2B to add bios of personnel due to hire or role change.

You can request our Brochure by contacting Jean Loftus at (312) 917-6515 or it is available on our website [www.dpimc.com](http://www.dpimc.com)

Additional information about Duff & Phelps Investment Management Co. is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The web site also provides information about any persons affiliated with us who are registered, or are required to be registered, as our investment adviser representatives.

### Item 3. Table of Contents

Item 2. Material Changes _____	2
Item 3. Table of Contents _____	3
Item 4. Advisory Business _____	4
Item 5. Fees and Compensation _____	4
Item 6. Performance-Based Fees and Side-by-Side Management _____	6
Item 7. Types of Clients _____	7
Item 8. Methods of Analysis, Investment Strategies, and Risk of Loss _____	7
Item 9. Disciplinary Information _____	14
Item 10. Other Financial Industry Activities and Affiliations _____	14
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading _____	16
Item 12. Brokerage Practices _____	19
Item 13. Review of Accounts _____	23
Item 14. Client Referrals and Other Compensation _____	23
Item 15. Custody _____	24
Item 16. Investment Discretion _____	24
Item 17. Voting Client Securities _____	25
Item 18. Financial Information _____	25

## Item 4. Advisory Business

Duff & Phelps is a boutique investment firm located in Chicago, Illinois, and offers discretionary investment management services to clients globally. We are a wholly owned subsidiary of Virtus Partners, Inc. (“VPI”) which is a wholly owned subsidiary of Virtus Investment Partners, Inc. (“Virtus”) a publicly traded company operating a multi-manager asset manager business (NASDAQ: VRTS, [http:// www.virtus.com](http://www.virtus.com)).

Duff & Phelps was established in 1979 as an investment manager, evolving from the Duff & Phelps investment research firm founded in 1932. We pursue a limited number of specialized investment strategies with exceptional depth of resources, expertise, and intellectual rigor. In this way, we leverage the perspective and culture of a respected fundamental research boutique to provide specialty investment strategies that are designed to enhance client outcomes through active portfolio management and customized solutions.

Since our earliest beginnings providing vital research and analysis of utility company securities to Depression-era investors, our attention has been squarely set on identifying attractive opportunities and strategies, while effectively managing the risks of investing in listed securities. Today, with our analysts and portfolio managers building on our distinguished legacy, Duff & Phelps focuses on developing and managing customized investment solutions for institutional clients.

Duff & Phelps offers investment advisory services to institutional clients, mutual funds, closed-end funds, and other pooled investment vehicles. We base investment decisions on individual client needs and investment guidelines and will accept investment restrictions from clients if the restrictions do not prevent us from executing our investment strategies. We offer various investment management strategies, including the following:

- Global Clean Energy
- Global Real Estate Securities
- Global Listed Infrastructure
- Investment Grade Fixed Income
- Midstream & Energy Infrastructure
- Multi-Strategy Real Asset
- U.S. Large Cap Equities
- Water

Several strategies also are available in pooled investment vehicles. We provide customized advisory services and multi-investment strategy institutional accounts through our Portfolio Solutions Team. We also offer delivery of investment model portfolios to third party managers/sponsors of managed accounts.

As of December 31, 2022, Duff & Phelps managed approximately \$12 billion in assets on a discretionary basis.

## Item 5. Fees and Compensation

We base investment advisory fees on a percentage of the market value of assets under management. Fees are individually negotiated and calculated based on the market value of securities in the account, including all cash, cash equivalents and, in most cases, accrued income and dividends. Specialized investment management fees could be higher depending on the securities. Fees are mutually set and are customarily

payable in arrears. We also can agree to performance-based fee arrangements (see "Performance-Based Fees" herein).

We bill clients for investment advisory fees in arrears on a quarterly basis or as otherwise agreed upon in the investment management agreement. In cases where an account was opened or terminated during a quarter (billing period) prorate fees based on the length of time we managed an account. Although we do not seek to charge investment advisory fees in advance, in cases where a client was to opt to pay fees in advance at their own discretion and the account terminated during the billing period, we would refund any investment advisory fees paid but not yet earned.

Our investment advisory fees are exclusive of brokerage commissions, transaction fees, and other related costs such as those imposed by custodians, brokers, and other third parties. Such fees include custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. We discuss brokerage commissions under *Item 12. Brokerage Practices*.

Investment advisory fees and minimum account sizes are subject to negotiation. We do not require fees to be prepaid nor do we require payments six or more months in advance.

***Separately Managed Institutional Account Fee Schedules***

The following reflects our standard investment advisory fee schedules. Fees and minimum account size are subject to negotiation. We will customize fee schedules for balanced accounts applying institutional equity and fixed income fee schedules based on target asset allocations.

<p><b>Global Listed Infrastructure</b> Initial minimum account size: 25 million</p> <p>0.75% on assets up to 25 million 0.70% on the next 25 million 0.60% on amounts in excess of 50 million</p>	<p><b>U.S. REIT</b> Initial minimum account size: 25 million</p> <p>0.65% on assets up to 25 million 0.60% on the next 25 million 0.50% on amounts in excess of 50 million</p>
<p><b>Global Real Estate Securities</b> Initial minimum account size: 25 million</p> <p>0.75% on assets up to 25 million 0.70% on the next 25 million 0.60% on amounts in excess of 50 million</p>	<p><b>International Real Estate Securities</b> Initial minimum account size: 25 million</p> <p>0.80% on assets up to 25 million 0.75% on the next 25 million 0.65% on amounts in excess of 50 million</p>
<p><b>MLP &amp; Energy Infrastructure</b> Initial minimum account size: 5 million</p> <p>0.75% on assets up to 25 million 0.70% on the next 25 million 0.65% on the next 50 million 0.60% on amounts in excess of 100 million</p>	<p><b>Institutional Fixed Income</b> Initial minimum account size: 10 million</p> <p>0.30% on assets up to 50 million 0.25% on the next 50 million 0.20% on the next 100 million 0.15% on amounts in excess of 200 million</p>

<b>Global Clean Energy</b> <b>Initial minimum account size: 25 million</b>	<b>Water</b> <b>Initial minimum account size: 25 million</b>
0.75% on assets up to 25 million 0.70% on the next 25 million 0.60% on amounts in excess of 50 million	0.85% on assets up to 25 million 0.80% on the next 25 million 0.70% on amounts in excess of 50 million

### ***Fees for Assets Invested in Funds***

In some cases, clients' investment guidelines permit Duff & Phelps to invest a portion of their assets in affiliated or unaffiliated mutual funds. Account assets invested in an affiliated fund are not subject to the account level investment advisory fee, except as described below. Those assets are only subject to the fund's internal investment management fees (and other charges) applicable to investors as stated in the current prospectus. Clients have the option to invest in funds not affiliated with Duff & Phelps.

Investing in affiliated funds presents a conflict of interest because we can be incented to recommend or select an investment in an affiliated fund based on our (or an affiliate's) compensation rather than a client's needs. To help mitigate any conflict, we offset investment advisory fees for client assets invested in affiliated funds, we monitor portfolio holdings to make sure they are consistent with client and strategy guidelines, and we maintain written Code of Conduct and Code of Ethics that outline our fiduciary duty to place our clients' interests ahead of our own.

In cases where Duff & Phelps invests a client's assets in the Virtus Duff & Phelps Real Asset Fund ("Real Asset Fund"), which is organized as a "fund of funds" and it does not charge an investment management fee at the top fund level. However, investors pay the total operating expense, which includes investment management fees of the underlying funds, including affiliated funds, as described in the prospectus for the Real Asset Fund. Therefore, clients will pay an account level investment advisory fee in addition to the underlying investment management fees charged by the underlying funds.

We can purchase unaffiliated closed-end funds or no-load open-end mutual funds, exchange-traded funds or alternative investments for client accounts where permitted by a client's guidelines. These funds generally contain embedded management fees. Consequently, a client may pay both an account level investment management or allocation fee and an embedded management fee.

## **Item 6. Performance-Based Fees and Side-by-Side Management**

### ***Performance-Based Fees***

In certain instances, we can be compensated for investment advisory services based on the overall performance of all or a portion of client assets ("a performance fee"). At the request of the client the terms of the performance fees are based upon a negotiated written arrangement. This arrangement could include a base fee calculated on the market value of the assets under management. Where we charge a performance-based fee, we will follow Section 205(b) of the Investment Adviser Act, and all applicable laws and regulations.

The management of accounts with performance fee arrangements creates a conflict of interest as it gives us an incentive to make riskier or more speculative investments or create an incentive to favor these accounts over others in the allocation of investment opportunities due to the potential to earn higher fees.

We have procedures to prevent conflicts such as portfolio management policies and procedures and trade order allocation policies and procedures to ensure that all clients are treated fairly. We also monitor trading activity and portfolio holdings to confirm accounts invested in the same strategy are managed similarly. We also monitor performance across similarly managed accounts to identify potential outliers, which may indicate favoritism.

### ***Side-by-Side Management***

Duff & Phelps provides investment management services for various clients and at times will give advice and act with respect to one client that differs from advice given or the timing or nature of action taken with respect to another client. The management of multiple accounts and strategies creates conflicts of interest, including an incentive to favor accounts invested in certain investment strategies or accounts that pay higher fees. To mitigate these conflicts, we manage accounts invested in similar strategies according to each strategy's model portfolio and allocate aggregated transactions to all participating eligible client accounts in a fair and equitable manner consistent with our trade allocation procedures, fiduciary obligations and each participating client's investment guidelines and investment management agreement. We also monitor trading activity and portfolio holdings to confirm accounts invested in the same strategy are managed similarly. We also monitor performance across similarly managed accounts to identify potential outliers, which could indicate favoritism.

## **Item 7. Types of Clients**

We provide investment advisory services to registered investment companies, other pooled investment vehicles, and institutional separate accounts such as:

- Pension and profit-sharing plans
- Trusts
- Estates and charitable organizations
- Corporations and business entities
- Endowments
- Foundations; and
- Sub-advisory

We require new clients to sign a written investment agreement and to adopt written investment guidelines. We impose a minimum account size or other conditions for opening an account. Please see "Fees and Compensation" for complete account minimum requirements.

## **Item 8. Methods of Analysis, Investment Strategies, and Risk of Loss**

Duff & Phelps offers specialty investment strategies designed to enhance client outcomes through active portfolio management and customized solutions. Our fundamental security analysis is supplemented by quantitative analysis and other methods. The primary objective of the firm's research process is to determine if we believe a company possesses a sustainable competitive advantage, and if so, to evaluate its expected reliability over time. To accomplish this, Duff & Phelps conducts bottom-up research on the companies in which we seek to invest. Investment teams review a wide array of sources, including company reports, regulatory filings, industry data and research reports and conduct interviews with company

management. Duff & Phelps strives to understand the relationship between qualitative attributes and financial quality.

## **Investment Strategies**

### ***Real Estate Securities***

The Real Estate Securities strategies pursue long-term capital appreciation by investing in global listed real estate companies, including REITs. Our strategies invest in high quality owner/operators of commercial real estate companies which we believe can provide the attractive risk-adjusted returns to investors. Strategies may invest in specific geographies or globally but are typically invested in developed markets. Real estate sectors may include, but are not limited to, the residential, office, retail, lodging, self-storage, industrial, datacenter and healthcare sectors. These sectors make up the majority of the listed real estate market.

Each portfolio company is evaluated and ranked according to quality of management, property portfolio, cash flow and growth prospects. Extensive field research, combined with the utilization of five- year operating models and ten-year discounted cash flow models, allows the team to make reasoned judgments when evaluating each company's investment merits. In the portfolio construction process, portfolio managers synthesize top-down macro considerations with bottom-up company research analysis. Portfolios are built with the team's highest conviction investment ideas, weighting each name considering portfolio risk controls, client specific guidelines and the strength of each investment thesis. Portfolio managers adjust the portfolio when they believe a more attractive opportunity is available or the investment thesis changes.

### ***Global Listed Infrastructure***

The Global Listed Infrastructure strategy pursues long-term capital appreciation in global listed infrastructure companies. The strategy invests in companies that own and/or operate high-quality infrastructure assets, primarily in developed markets and within the communications, utilities, transportation, and energy mid-stream sectors. Duff & Phelps believes these companies offer consistent and rather predictable business models and dividends greater than the broad equity market, with distinct portfolio benefits including capital appreciation, growing income, lower relative volatility, and long-term inflation protection.

The investment team adheres to a rigorous bottom-up investment process which looks to provide investors with superior risk-adjusted returns through different market cycles. The investment process is focused on 1) regulatory research - understanding the complexity and impact of the regulatory environment at all levels; 2) company research- analyzing management and strategy, company dynamics (including ESG considerations), financial quality, and valuation; 3) portfolio construction – building the portfolio considering investment outlook and analyst input; and 4) sell discipline – adjust the portfolio when a more attractive opportunity is available or the investment thesis changes.

### ***Midstream & Energy Infrastructure***

The Midstream & Energy Infrastructure strategy pursues long-term capital appreciation in midstream companies. The strategy seeks to invest in companies with vertically integrated business models, visible and growing cash flows, sustainable dividends, strong corporate governance and favorable geographic footprints. The investment team utilizes a disciplined investment process which allows the strategy to be opportunistic and take advantage of the inefficiencies within the sector and across the entire energy value chain.



The investment team adheres to a rigorous bottom-up investment process which looks to provide investors with superior risk-adjusted returns. The investment process is focused on 1) investment outlook - ongoing evaluation of key drivers which may include macro environment, energy commodities, market dynamics, and sector fundamentals; 2) company research - analyzing management and strategy, company dynamics (including ESG considerations), financial quality, and valuation; 3) portfolio construction – building the portfolio considering investment outlook and analyst input; and 4) sell discipline – adjusting the portfolio when a more attractive opportunity is available or the investment thesis changes.

## *Global Clean Energy*

The Global Clean Energy strategy pursues long-term capital appreciation in global clean energy companies. The strategy invests in a global portfolio of what we believe are the best positioned utility, industrial, technology and energy companies that are leaders in clean and sustainable energy. We believe investors can attain attractive risk adjusted returns while taking advantage of the secular trends toward “ESG themed” investing. The strategy primarily invests in developed markets. Duff & Phelps believes it has the advantage of sitting at the intersection of clean energy technology providers and clean energy users. The investment team leverages this vantage point in meeting with management teams to conduct research along every part of the clean energy value chain. The strategy invests in innovation where we believe it is most commercially proven.

The investment team adheres to a rigorous bottom-up investment process that aims to provide investors with superior risk-adjusted returns through different market cycles. The investment process is focused on 1) regulatory & political research - understanding the complexity and impact of the regulatory environment at all levels; 2) company research - analyzing management and strategy, company dynamics, financial quality and valuation, and sustainable factors; 3) portfolio construction –building the portfolio considering investment outlook and analyst input; and 4) sell discipline – adjusting the portfolio when a more attractive opportunity is available or the investment thesis changes.

## *Water*

The Water strategy pursues long-term capital appreciation in global water companies. The strategy is a long-only, high-conviction global equity portfolio that invests across the water value chain in companies improving the sustainability of global water resources. Investments are focused on water infrastructure and equipment and technology companies that are expected to enhance water supply, quality, and efficiency. The strategy is designed to enable investors to access attractive secular earnings growth and durable cash flows.

The Water strategy investment process follows a fundamental approach to construct a high-conviction global equity portfolio. The strategy targets high-quality water companies backed by strong structural growth drivers and durable cash flows, seeking to deliver attractive long-term total returns and a resilient portfolio across a market cycle. There are three stages in the investment process: universe screening, refinement, and portfolio construction. To compile the investable universe, the investment team considers companies in the global equity market that take part in the water value chain. The team focuses on companies that provide solutions related to water supply, water quality, and water efficiency and uses the UN Sustainable Development Goals (“UN SDG”) framework to align the investable universe. During the refinement process, the universe is filtered to assess the degree of alignment, exposure, and advantage each company has to the overall investment philosophy. The portfolio construction phase is aimed at selecting the highest-conviction ideas with attractive risk-adjusted return potential. Analysts conduct in-depth fundamental research on the candidates for the portfolio.

### ***Diversified Real Asset***

The Diversified Real Asset strategy seeks long-term capital appreciation and aims to maximize the potential for real returns during inflationary environments. The strategy utilizes a multi-asset, multi-manager portfolio, which aims to protect purchasing power by investing in a broad range of real assets. The strategy provides thoughtful portfolio construction across active and passive strategies with target allocation ranges and portfolio rebalancing.

The strategy invests across seven broad real asset categories: global real estate, global infrastructure, midstream energy, natural resources, commodities, Treasury Inflation-Protected Securities (“TIPS”), and floating rate bank debt, each of which has a target allocation range. The strategy is managed by a committee approach to investing and designed to represent the team’s best ideas. In managing the strategy, Duff & Phelps relies on the strength of the underlying strategies to generate the majority of the investment returns. The investment team adjusts investment allocations when they believe shifts in the market are occurring.

### ***U.S. Equities***

Our Portfolio Solutions Team offers a variety of passive equity replication strategies to complement or complete existing portfolios. For any index replication we pay a licensing fee to the underlying index provider, who does not sponsor or endorse the product.

### ***Investment Grade Fixed Income***

The Investment Grade Fixed Income strategies include taxable and tax-exempt fixed-income portfolios. The investment process is focused on determining the appropriate relative duration, yield curve distribution, and sector allocations versus a given benchmark while pursuing a moderate turnover approach of investment grade securities. A commitment to investment grade securities is key to our fixed income philosophy. We believe that a fixed income investment portfolio should have reasonable liquidity and marketability. Our approach is distinguished by the ability to use a wide spectrum of investment grade sectors while consistently quantifying and managing portfolio exposure to the risks faced by the markets.

### ***Integration of Environmental, Societal and Governance Factors into our Method of Investment Analysis***

Duff & Phelps incorporates and integrates Environmental, Societal and Governance (“ESG”) factors into our investment analysis and decision-making processes consistent with our fiduciary duties to our clients and the investment objectives that our clients have directed us to pursue. We have found that our ESG work is additive to our investment research process, particularly as the market increasingly sees it as another fundamental factor in determining the intrinsic value of a company. ESG factors are not specifically considered with regard to our passive equity or sovereign debt strategies.

We are attracted to businesses that share a long-term perspective and are thoughtful stewards of their resources. We take a value-creation approach to our ESG research, meaning that we use ESG analyses to help us maximize financial returns. We look for opportunities where ESG can improve our investment outcomes by lowering risk, improving company operations, attracting and retaining the best talent, increasing customer satisfaction and market share, and other means of increasing earnings and cash flow over the long term. By incorporating ESG into our fundamental analysis, we improve our understanding of the risks and opportunities that companies face.

We receive access to independent, third-party ESG research through Sustainalytics, MSCI, ISS and Bloomberg, and these sources are a starting point for our in-house research. We have developed our own

proprietary scorecard that is tailored to our approach, and this allows us to engage management as appropriate and tailor investment solutions if desired.

We believe that strong corporate governance and capital stewardship are essential components of long-term investing and embedding ESG practices into the core of our investment activities globally is in the best long-term interests of our clients. We also generally encourage companies in which we invest to pursue and disclose sustainable business practices. Our Proxy Committee incorporates consideration of ESG issues into its evaluation of recommendations of our proxy advisory firm and our voting of proxies generally. We engage with portfolio companies on ESG issues when necessary to seek to increase shareholder value.

### *Use of Derivatives*

Depending on portfolio investment objectives and policies, our use of derivatives is currently limited to the writing of covered call options on securities and securities indices. However, when we believe it is appropriate, we can engage in transactions in financial futures, spread strategies and related options for the sole purpose of hedging against foreign currency exchange rates and risk management purposes. We will only invest in derivative instruments if such an investment is consistent with established client investment guidelines.

### *Risks of Investing*

As with any investment, loss of principal is a risk of investing with any of the investment strategies described above. The value of securities in a portfolio can go up or down, sometimes rapidly or unpredictably. The value of securities in a portfolio can decline due to economic conditions, recessions, adverse investor sentiment, or local, regional or global events such as war, acts of terrorism, the spread of infectious illnesses or other public health issues. During a general downturn in the securities markets, multiple asset classes can decline in value simultaneously. There is no guarantee that your portfolio will achieve its investment objective.

The following list of common risk factors does not purport to be a complete list of all of the risks involved in an investment strategy. Clients are encouraged to consult their own financial, legal and tax advisors regarding their unique circumstances. The value of your portfolio can be affected by one or more of the following risks:

**Credit Risk:** There is a risk that the issuer of a security will fail to pay interest or principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of the security to decline. Debt instruments rated below investment-grade are especially susceptible to this risk.

**Concentration/Diversification:** If a relatively high percentage of an account's assets are invested in securities of a limited number of issuers and/or investment sectors, an account will be more susceptible to any single, economic, political or regulatory occurrence than a more diversified portfolio.

**Currency Rate Risk:** Foreign securities in which an account invests generally trade in currencies other than the U.S. dollar. As such, changes in currency exchange rates will affect the value of an account, the value of dividends and interest earned, and gains and losses realized on the sale of securities. Because the value of the account's shares is calculated in U.S. dollars, it is possible for the account to lose money by investing in a foreign security if the local currency of a foreign market depreciates against the U.S. dollar, even if the local currency value of the account's holdings goes up. Generally, a strong U.S. dollar relative to other currencies will adversely affect the value of the account's holdings in foreign securities.

**Cyber Security Risk:** Besides the risks associated to the value of investments, there are various operational, systems, information security and related risks involved in investing, including but not limited

to “cybersecurity” risk. A breach in cybersecurity refers to both intentional and unintentional events that could cause an account to lose proprietary information such as misappropriating sensitive information, access to digital systems to obtain client and financial information, corrupting data, or causing operational disruption. Similar adverse consequences could result from cybersecurity incidents affecting counterparties with which we engage in transactions, third-party service providers (e.g., a client account’s custodian), governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers and other financial institutions and other parties.

**Derivatives Risk:** Derivatives include, among other things, futures, options, forwards and swap agreements and could be used to hedge portfolio risks, create leverage, or to attempt to increase yield. It is generally more difficult to ascertain the risk of, and to properly value, derivative contracts. Many derivatives, and particularly those that are privately negotiated, are complex and often valued subjectively. A client’s account or fund’s investment in or use of derivatives can have the effect of increasing losses and/or volatility of returns. Derivatives are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligations. Derivative contracts entered into for hedging purposes may also subject a fund to losses if the contracts do not correlate with the assets, indexes or rates they were designed to hedge. In regard to currency hedging using forward contracts, it is generally not possible to precisely match the foreign currency exposure of such foreign currency forward contracts to the value of the securities involved due to fluctuations in the market values of such securities and cash flows into and out of the fund between the date a foreign currency forward contract is entered into and the date it expires.

**Emerging Markets Risk:** The risks of foreign investments are generally greater in countries whose markets are still developing than they are in more developed markets. Emerging market countries typically have economic and political systems that are less fully developed and can be expected to be less stable than those of more developed countries. For example, the economies of such countries can be subject to rapid and unpredictable rates of inflation or deflation. Since these markets are often small, they could be more likely to suffer sharp and frequent price changes or long-term price depression because of adverse publicity, investor perceptions or the actions of a few large investors. They may also have policies that restrict investment by foreigners, or that prevent foreign investors from withdrawing their money at will. Certain emerging markets could also face other significant internal or external risks, including the risk of war and civil unrest. For all of these reasons, investments in emerging markets could be considered speculative.

**Equity Securities:** Generally, prices of equity securities are more volatile than those of fixed income securities. The prices of equity securities will rise and fall in response to a number of different factors. In particular, equity securities will respond to events that affect entire financial markets or industries (such as changes in inflation or consumer demand) and to events that affect particular issuers (such as news about the success or failure of a new product). Equity securities also are subject to “stock market risk,” meaning that stock prices in general may decline over short or extended periods of time. When the value of the stocks held by a fund goes down, the value of the fund’s shares will be affected.

**Equity REIT Securities Risk:** REITs are financial vehicles that pool investor capital to purchase or finance real estate. Equity REITs invest primarily in direct ownership or lease of real property, and they derive most of their income from rents. Equity REITs can also realize capital gains by selling properties that have appreciated in value. Investing in equity REITs and REIT-like entities involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. REITs and REIT-like entities are typically small or medium market capitalization companies, and they are subject to management fees and other expenses. A fund that invests in REITs and REIT-like entities will bear its proportionate share of the costs of the REITs’ and REIT-like entities’ operations. REITs and REIT-like entities are dependent upon management skill, may not be diversified, and are subject to heavy cash flow dependency

and self-liquidation. REITs and REIT-like entities also are subject to the possibility of failing to qualify for tax-free pass-through of income. Also, because REITs and REIT-like entities typically are invested in a limited number of projects or in a particular market segment, these entities are more susceptible to adverse developments affecting a single project or market segment than more broadly diversified investments. In the event of a default by a borrower or lessee, a REIT may experience delays in enforcing its rights as a mortgagee or lessor and may incur substantial costs associated with protecting its investments. In addition, investment in REITs could cause the fund to possibly fail to qualify as a regulated investment company, depending upon the nature of dividends received by a client's investment portfolio.

**ETF Risk:** Exchange Traded Funds ("ETFs") invest in a portfolio of securities designed to track a particular market segment or index. The risks associated with investing in ETFs generally reflect the risks of owning shares of the underlying securities the ETF is designed to track, although lack of liquidity in an ETF could result in its value being more volatile than the underlying portfolio of securities. Assets invested in ETFs incur a layering of expenses, including operating costs and advisory fees that fund shareholders indirectly bear; such expenses may exceed the expenses the fund would incur if it invested directly in the underlying portfolio of securities the ETF is designed to track. Shares of ETFs trade on a securities exchange and may trade at, above, or below their net asset value.

**Foreign Investment Risk:** Investments in securities of non-U.S. issuers can involve more risk than those of U.S. issuers. These investments can fluctuate more widely in price and be less liquid due to market, economic, political, regulatory or other factors. Adverse currency exchange rates also present an added risk of loss.

**Infrastructure-Related Risk:** Infrastructure-related entities are subject to a variety of factors that may adversely affect their business or operations including high interest costs in connection with capital construction programs, costs associated with environmental and other regulations, the effects of economic slowdown and surplus capacity, increased competition from other providers of services, uncertainties concerning the availability of fuel at reasonable prices, the effects of energy conservation policies and other factors. Additionally, infrastructure-related entities may be subject to regulation by various governmental authorities and may also be affected by governmental regulation of rates charged to customers, service interruption due to environmental, operational, or other mishaps and the imposition of special tariffs and changes in tax laws, regulatory policies and accounting standards.

**Interest Rate Risk:** The value of a fixed income strategy invested in debt securities will change as interest rates fluctuate. When interest rates decline, the values are expected to increase and vice versa. Lower-rated and comparable unrated debt securities are subject to greater risks of loss of income and principal than are higher-rated fixed income securities.

**Liquidity Risk:** Liquidity risk exists when particular investments are difficult to purchase or sell illiquid or thinly traded securities, possibly preventing us from selling out of such illiquid securities at an advantageous price.

**Market Risk:** The value of your portfolio's assets will fluctuate as the stock or bond market fluctuates. The value of your investments can decline, sometimes rapidly and unpredictably, simply because of economic changes or other events that affect large portions of the market.

**Master Limited Partnership ("MLP") Units Risk:** An investment in MLP Units involves risks that differ from a similar investment in equity securities, such as common stock, of a corporation. Holders of MLP Units have the rights typically afforded to limited partners in a limited partnership. There are also certain tax risks associated with an investment in MLP Units; including, but not limited to the fact that a change in current tax law or a change in the types of income earned by a given MLP could result in an MLP being

treated as a corporation for United States federal income tax purposes, which would result in such MLP being required to pay United States federal income tax on its taxable income.

**Natural Resources Risk:** A portfolio's investments in instruments issued by companies with business operations in or related to activities in natural resources industries, are likely to be significantly affected by events affecting those industries, including international political and economic developments, energy conservation, the success of exploration projects, commodity prices, taxes and other governmental regulations.

**Real Estate Investments Risk:** Investing in companies that invest in real estate ("Real Estate Companies") exposes the fund to the risks of owning real estate directly, as well as to risks that relate specifically to the way in which Real Estate Companies are organized and operated. Real estate is highly sensitive to general and local economic conditions and developments and characterized by intense competition and periodic overbuilding. Real Estate Companies may lack diversification due to ownership of a limited number of properties and concentration in a particular geographic region or property type.

**Sustainable Investing:** If a 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.

**Water-Related Risk:** If a 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.

## Item 9. Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events material to the evaluation of them or the integrity of their management. Duff & Phelps has no such disciplinary information to report.

## Item 10. Other Financial Industry Activities and Affiliations

Duff & Phelps is a wholly owned subsidiary of Virtus Partners, Inc. ("VPI"), which is a wholly owned subsidiary of Virtus Investment Partners, Inc. ("Virtus"). Virtus is a publicly traded company operating a multi-manager asset management business (NASDAQ: VRTS). Certain officers and directors of Virtus serve as officers of Virtus' indirect, wholly owned affiliates, including Duff & Phelps. Duff & Phelps has several affiliates that are registered investment advisers as described in Part 1A of its Form ADV.

In providing services to its clients, Duff & Phelps may use personnel or services of one or more of its affiliated investment advisers or other corporate affiliates, and Duff & Phelps' affiliated investment advisers can use personnel or services of Duff & Phelps. Services provided in these arrangements may include, among other things, investment advice, portfolio execution and trading, back-office processing, accounting, reporting, and client servicing. Those services would be provided through arrangements that take a variety of forms, including dual employee, participating affiliate, delegation arrangement, subadvisory, consulting, or other servicing agreements. In each case, the personnel of the entity providing services are required to follow policies and procedures designed to ensure that the applicable clients' accounts are handled appropriately and in the best interests of the clients.

When Duff & Phelps uses the personnel or services of an affiliate to provide services to Duff & Phelps' clients, Duff & Phelps remains responsible for the account from a legal and contractual perspective. Similarly, if an affiliated investment adviser uses the personnel or services of Duff & Phelps to provide services to such affiliated investment adviser's clients, the affiliated investment adviser remains responsible for the account from a legal and contractual perspective. No additional fees are charged to the clients for such services except as otherwise set forth in the client's applicable investment management or other agreement.

### ***Affiliated Broker-Dealer***

Duff & Phelps is affiliated with VP Distributors, LLC ("VPD"), is a registered broker-dealer. VPD is a limited purpose broker-dealer that serves as principal underwriter and distributor of certain open-end mutual funds and ETFs managed by Duff & Phelps and/or its affiliated investment advisers. As a limited purpose broker-dealer, VPD does not conduct any broker-dealer trading activities. Certain Duff & Phelps personnel whose job responsibilities either require or are appropriate for registering as broker-dealer representatives are registered representatives of VPD. Certain employees of VPD promote the services of Duff & Phelps as well as the products managed by Duff & Phelps. When Duff & Phelps pays a fee to VPD for the efforts of VPD's employees to promote Duff & Phelps' services, VPD is considered a solicitor for Duff & Phelps.

### ***International Affiliates***

Duff & Phelps has certain related persons, including Virtus Investment Partners International LTD. ("Virtus International"), Stone Harbor Investment Partners Limited ("Stone Harbor Ireland") (REF. Co. C182357), which are authorized and regulated by the Central Bank of Ireland ("CBI"); Stone Harbor Investment Partners (UK), LLP ("Stone Harbor LLP") (FRN 451446) which is authorized and regulated by the Financial Conduct Authority; Stone Harbor Services (UK) Limited ("Stone Harbor UK"), and Virtus Global Partners PTE. Ltd. ("Virtus Singapore") (UEN 201018015Z), which is authorized and regulated by the Monetary Authority of Singapore ("MAS") (collectively, "International Entities"). Representatives of the International Entities are permitted to introduce the Investment Advisory Services of Duff & Phelps and certain of its affiliates to Institutional Entities, Sovereign Wealth Funds, and other Foreign official institutions within the United Kingdom, in certain European Economic Area member states and outside the European Economic area, or in certain Asian countries. Through a relationship with Stone Harbor Ireland, salespersons will be seconded to conduct sales and marketing activities in respect of the CBI regulated funds of Stone Harbor Ireland and its affiliates. It is expected that Stone Harbor Ireland will be appointed as the management company to the CBI regulated funds affiliated with International Entities and Duff & Phelps.

When certain employees of Duff & Phelps' affiliates, including Virtus International, Stone Harbor Investment Partners (UK), LLP, Virtus Global Partners Pte. Ltd., and VP Distributors, LLC promote the services of Duff & Phelps and when Duff & Phelps, directly or indirectly, pays cash or non-cash compensation to these employees or affiliates for these services, these affiliates are considered promoters for Duff & Phelps. In such cases, the affiliation is disclosed to prospective clients.

### ***Model Portfolio Provider***

We provide model portfolios to managed account sponsors on a non-discretionary basis. Duff & Phelps does not provide customized investment advice to a managed account sponsor's underlying clients. We generally receive an annual fee ranging from 0.25% to 0.40% based on the market value under management for managed account sponsors' clients invested according to these model portfolios. Model portfolio assets refer to assets that Duff & Phelps is under contract to deliver a model portfolio for and are not considered regulatory assets under management.

### ***Collective Investment Trusts***

Duff & Phelps has been retained as the Investment Adviser for various Funds of a collective investment trust ("CIT") established by an unaffiliated trust company. Fund strategies include U.S. Real Estate Securities, Global Real Estate Securities and Global Listed Infrastructure. CITs are pooled investment vehicles available to qualified clients, which generally include only employee benefit plans governed by ERISA and certain government sponsored plans. Each participating plan in the CIT pays a Trustee fee to the Trustee. The Trustee fee pays (i) the normal operating fees and expenses of each Fund; and (ii) compensation to the Trustee and Investment Adviser for the fiduciary services provided by the Trustee and Investment Adviser. Annual fees range from 0.50% to 0.75% of assets under management.

### ***Sub-Advised Funds***

Duff & Phelps serves as subadviser to various affiliated and unaffiliated pooled investment vehicles such as U.S. mutual funds and UCITS funds. We generally receive an annual management fee ranging from 0.20% to 0.95% of the net advisory fee paid to the investment adviser.

### ***Closed-End Funds***

Duff & Phelps serves as the investment adviser to the Duff & Phelps Closed End Funds: DNP Select Income Fund Inc., Duff & Phelps Utility & Infrastructure Fund Inc. and DTF Tax-Free Income 2028 Term Fund Inc. We generally receive an annual management fee ranging from 0.50% to 1.00%.

## **Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

We endeavor to ensure that the investment management and overall business of the firm complies with both our firm's and Virtus's (our parent company's) policies and applicable U.S. federal and state securities laws and regulations. We have adopted the Virtus Code of Conduct and the Code of Ethics (the "Codes") in accordance with Rule 204A-1 of the Investment Advisers Act of 1940, as amended. The Codes have been reasonably designed to prevent and detect possible conflicts of interest with client trades.

Compliance with the Codes is a condition of employment. All of our supervised persons must acknowledge terms at least, annually, or as amended. Any employee found to have engaged in improper or unlawful activity faces appropriate disciplinary action. Each employee is responsible for ensuring that they and those they manage conduct business professionally and comply with our firm's policies and procedures. Employees must immediately report (to their supervisor, a compliance officer or corporate legal counsel) their knowledge of any wrongdoing or improper conduct. Failure to do so may result in disciplinary action being taken against that individual. Our reporting procedures are supported by a telephone number and similar on-line reporting technology available 24-hours/day to any employee to confidentially report, or request assistance concerning possible violations of the Codes and other firm policies. This technology and reporting platform is administered by an independent, third-party.

Our officers and employees are permitted to invest in shares of investment products that we and/or our affiliates advise. Subject to limitations described herein and set forth by our Codes, our directors, officers, and/or associated personnel may buy, hold, or sell the same investments for their own accounts as are held or to be held or sold for a client account and they can engage in the following:

- Recommend that clients buy or sell securities or investment products in which we or a related person have some financial interest; and/or



- Buy or sell securities or investment products that our firm and/or our directors, officers, associated personnel or a related person recommends to our clients.

Our Codes are designed to prevent and detect conflicts of interest regarding the above. For example, we require all Access Persons to disclose their brokerage accounts and preclear most securities transactions. We also monitor trading activities of all Access Persons and the firm. We provide mandatory training to all Access Persons regarding the Code of Ethics and compliance policies.

No Access or Advisory persons may directly or indirectly buy or sell any security or any option to buy or sell such security, such that they hold or acquire any direct or indirect beneficial ownership as a result of the transaction, if they know at the time of such transaction that such a security or option is being bought, sold, or considered for purchase or sale for a client account, unless one or more of the following conditions exist:

- They have no influence or control over the transaction from which they will acquire a beneficial interest;
- The transaction is non-volitional on their part or the client's;
- The transaction is a purchase under an automatic dividend reinvestment plan or pursuant to the exercise of rights issues, pro-rata to them and other holders of the same class of the issuer's securities; or
- They have obtained, in advance, approval from someone authorized to grant such approval when circumstances indicate no reasonable likelihood of harm to the client or violation of applicable laws and regulations.

Duff & Phelps deems all its employees to be Access Persons under the Code of Ethics. In some cases, Access Persons also are considered Advisory Persons and are subject to additional prohibitions.

### ***Code of Ethics***

Employees are categorized as either Supervised, Access or Advisory Persons under our Code of Ethics. All Supervised Persons are required to comply with the following:

- Instruct their brokers to directly provide our Compliance Department with duplicate copies of brokerage statements and trade confirmations or the electronic equivalent;
- Provide Initial Holdings Reports, Quarterly Transaction Reports, and Annual Certification and Holdings Reports, which our Compliance Department reviews for trading activity; and
- Conduct their personal transactions consistent with the Code of Ethics and in a manner that avoids any actual or potential conflict of interest.

In addition to the above, those employees classified as Access Persons are further required to comply with the following:

- Pre clear all non-exempt transactions with respect to which an employee is beneficial owner in order to prevent the employee from buying or selling at the same time as the firm.
- Hold all covered securities no less than 30 days.

Employees classified as Advisory Persons are further prohibited from directly or indirectly acquiring or disposing of a security on the date of, and within seven calendar days before and after the portfolio(s) associated with that person's portfolio management activities. Any covered employee not in observance of the above may be subject to discipline.

We do not purchase or sell securities for our own account. However, when we do not engage a subadviser, we can at times utilize personnel as members of our portfolio management and trading team who also serve certain Duff & Phelps affiliates in the same and/or similar capacities. In serving in this capacity these

personnel serve an affiliate in managing assets of portfolio owned by another affiliate. Duff & Phelps and its applicable affiliates have policies and procedures in place to ensure that their respective clients who share the same portfolio management and trading facilities are treated equitably and fairly over time, with respect to allocation and/or sequencing of trade orders for investment opportunities and to mitigate conflicts of interest with Virtus proprietary accounts.

### ***Virtus Code of Conduct***

The Virtus Code of Conduct directs our employees' conduct in the following areas:

- Compliance with Applicable Laws
- Rules and Regulations
- Insider Trading
- Conflicts of Interest and Related Party Transactions
- Corporate Opportunities
- Fair Dealing
- Protection and Proper Use of Company Assets
- Confidentiality
- Recordkeeping
- Interaction with Government Officials and Lobbying
- Contract Review and Execution
- Company Disclosures and Public Communications
- Information Protection Policies
- Human Resource Policies
- Use of Social Media
- Intellectual Property
- Designation of Compliance Officers
- Seeking Guidance About Requirements of the Code
- Reporting Violations
- Waivers, Discipline and Penalties

### ***Other Related Policies and Procedures***

We have adopted Insider Trading Policy and Procedures designed to mitigate the risks of our firm and its employees misusing and misappropriating any material non-public information that they may become aware of, either on behalf of our clients or for their own benefit. Personnel are not to divulge or act upon any material, non-public information, as defined under relevant securities laws and in our Insider Trading Policy and Procedures. The policy applies to each of our Supervised, Access and Advisory Persons and extends to activities both within and outside their duties to our firm, including an employee's personal account.

In addition to the above, our policies set limitations on and require reporting of gifts, entertainment, business meals, sponsorships, business building and charitable donations, whether given or received. Our employees are prohibited from accepting or providing gifts or other gratuities from clients or individuals seeking to conduct business with us in excess of \$100.

Our personnel may, under certain conditions, be granted permission to serve as directors, trustees, or officers of outside organizations. Prior to doing so, approval must be provided by Compliance.

A complete copy of our Code of Conduct and/or our Code of Ethics is available by sending a written request to Duff & Phelps Investment Management Co., Attn: Compliance Department 200 S. Wacker Drive, Suite 500, Chicago, IL 60606 or by emailing a request to: [DPIM.Compliance@dpimc.com](mailto:DPIM.Compliance@dpimc.com).

## Item 12. Brokerage Practices

Our policy is to seek the best execution available for each transaction. In doing so, we consider the overall quality of brokerage and, if applicable, research services provided. Best execution is not limited to obtaining the lowest commissions, but seeks, if applicable, the most reasonably favorable terms for a transaction. We do not base allocation on receipt of products or services other than brokerage or research. When selecting brokers, we may allocate brokerage transactions to brokers that may also sell fund shares; however, we do not consider this factor when determining where to allocate brokerage transactions.

We determine the broker or trading platform that effects securities transactions. We select brokers for portfolio transactions after consideration of:

- The overall direct net economic result, including price and commissions or costs paid
- The efficiency of the effected transaction
- The ability to effect large block transactions
- The availability to stand ready to execute possibly difficult future transactions responsiveness to us; and
- The broker's financial strength and stability

Once the forgoing factors have been considered, we also consider minority ownership of a brokerage firm to be a positive factor in the determination of the broker-dealers to be selected for execution of portfolio transactions.

Unless the client directs otherwise, we can execute trades with affiliated broker-dealers according to applicable law. Procedures ensure that these trades are effected at rates that compare favorably with those charged by unaffiliated brokers in comparable transactions. Currently, we do not execute trades with any affiliated broker-dealer.

### *Aggregation of Orders and Trade Rotation*

Although not obligated to do so, we strive to aggregate orders for the purchase or sale of the same security for client accounts. Traders and portfolio managers will consider various criteria when evaluating whether to aggregate an order, including, as relevant, the account's investment objectives and guidelines, policies, tax status, nature and size of the aggregated order, and any other factors deemed appropriate under the circumstances.

When an aggregated order is filled entirely, each participating client receives the average share price for that order on the same business day and share transaction costs pro rata based on each client's participation. If the aggregated order is partially filled, each account participating in the aggregated order will receive a pro rata portion of the shares filled based on the account's percentage participation in the order. In allocating partially filled orders, we also consider the need to accommodate clients' cash positions, the potential to incur expensive minimum brokerage fees for minimal allocations, or the need to allocate in round lots.

A partially filled order will not be allocated pro rata if such a small amount has been transacted that pro rata allocation among accounts would result, in our judgment, in a non-meaningful allocation for particular

accounts. In such cases, we will use our best efforts to allocate such de minimis amounts obtained from partial fills to the various accounts on a random basis.

Alternatively, we can employ a trade rotation process where one group of clients has a transaction effected before or after another group of our clients. Traders presently use trade rotation in primarily two circumstances: (1) when a client has mandated that their trades be done “execution only”, and therefore such orders would not be aggregated with other orders for the same security that are being executed bundled with research; and (2) when a “model delivery” account for which we do not execute trades is being managed in a similar manner to accounts for which we trade and therefore such orders might not be aggregated. Our rotation practice could at times result in a transaction being effected for you within the rotation. In this event, your trade orders will bear the market price impact, if any, of those trades executed earlier or later in the rotation, and, as a result, you could receive a less favorable net price for the trade. However, our rotation procedures are generally designed to treat clients equitably and fairly over time. Traders accomplish rotation by virtue of a randomizer that operates pursuant to a computer generated algorithm to help ensure fairness to all clients in the ordering of execution over time. Rotation is used with standard allocation methodology, provided the rotation system results in fair access for all groupings of clients over time to trading opportunities.

All orders for fixed income transactions are executed by the respective broker at the time of our acceptance of the bid/offer on an approved electronic trading platform or the verbal communication with the broker. For new offerings, investment teams are responsible for ensuring that only appropriate clients participate in the new issues and that such participation complies with investment limitations and governing law. There is no distinction or preference accorded one investment team over another for allocating new issues or determining new issue allocations. All new issue requests in which a full allocation of the order is received will be distributed among all participating accounts in the predesignated amount. Partial allocations of new issues will be allocated on a pro rata basis or weighted among all participating accounts. All of the new issues purchased will be allocated, and there will be no de minimis allocation exceptions. Accounts with restricted brokerage are not eligible to participate in new fixed income issue offerings, unless the restricted broker is part of the underwriting syndicate and the amount allocated to that account will be distributed by the restricted broker.

We can participate in secondary market transactions, public offerings directly from an underwriter, or privately negotiated transactions with an issuer. We can resell securities purchased in public offerings shortly after acquisition in the immediate aftermarket for the security to take advantage of price appreciation from the public offering price or other reasons. Short-term trading of securities acquired in public offerings, or otherwise, could result in higher portfolio turnover and associated brokerage expenses. If consistent with client investment objectives, restrictions and risk tolerance, we could purchase securities sold in underwritten public offerings, such as deal securities and initial public offerings (“IPOs”) for client accounts, including affiliated and proprietary accounts. Deal securities and IPOs are generally allocated among participating accounts in a fair manner to avoid unfairly discriminating in favor of certain clients or types of accounts. Restricted brokerage accounts usually are not eligible to participate in new issue offerings unless the restricted broker is part of the underwriting syndicate, and they distribute shares to that account. If we receive a reduced allocation of deal securities, the portfolio manager will allocate them among participating accounts according to the allocation percentages in the initial indication of interest instructions for those securities or IPOs. We review these allocations to ensure that any one account does not receive a disproportionate share of these deals. If in the interest of both clients, we could execute cross transactions according to applicable law and client-specific or investment company procedures.

### ***Directed Brokerage***

In some cases, clients direct us to place their orders or portion of their orders for their accounts through specific broker-dealers. They might have existing arrangements permitting offset of administration, accounting, custody, consultant or other fees relative to the brokerage transactions they handle. Directed brokers can also include brokers with whom clients custody their accounts and who impose a material fee on trades executed away from the broker (i.e., “trade away or step outs”). Clients who instruct us to direct their brokerage typically are responsible for negotiating commission rates and transaction costs with the directed broker-dealer.

Where we believe that we can cause trades to be effected more efficiently for our clients, we could attempt to trade away from the designated broker-dealer, whether directed or non-directed. A step-out trade is one in which we place the order for a transaction for one or more client accounts with a broker (“Step-out Broker”), other than the broker that the client has directed us to utilize. The Step-out Broker reports a net price, which could include a commission, mark-up, or spreads paid to market makers for execution which will be borne by the client for which the trade was being executed. Additionally, if a foreign currency transaction is required, a foreign broker-dealer may receive compensation in the form of a dealer spread or markup. There could be other exchange or similar fees charged by third parties, and foreign tax charges. The directed broker receives the compensation, if any, shown on the affirming confirmation. This compensation is at whatever commission rate or retail managed account fee the client has negotiated. Thus, the clients that participate in a step-out transaction could pay different transaction costs and incur different execution rates than clients that do not participate in step-out transactions.

By instructing use to execute transactions through a directed broker-dealer, the client cannot necessarily obtain commission rates and execution as favorable as those that would be obtained if we were able to place the transactions with other broker-dealers. Directed brokerage arrangements can adversely affect our ability to obtain volume discounts on aggregated orders or achieve best execution. We are not always able to include client-directed transactions when aggregating orders. In these transactions, the executing broker must agree to transfer the client- directed portion of an aggregated order to the specified broker. If the executing broker does not agree to this transfer, the order for the same security on the client’s behalf is effected through the specified broker, and the cost of that transaction can be greater.

Some accounts are not able to hold foreign securities in ordinary form because of custodial limitations. We will purchase ordinary shares in foreign markets and arrange for these ordinary shares to be converted into ADRs. Fees and cost associated with the conversion and purchase of ADRs are typically included in the net price of the ADR and incurred by the purchasing account. Some portion of such costs can be attributable to local broker fees, stamp fees, and local taxes. Trades on foreign exchanges could incur greater transaction charges than trades on the U.S. Exchanges.

### ***Research and Other Soft Dollar Benefits***

We at least annually consider the amount and nature of research and research services provided by brokers and the extent that we rely on such. We attempt to allocate part of the brokerage business to brokers based on that consideration. Actual allocation can vary from year to year as a result of our evaluations of all applicable considerations. We do not make binding commitments on the level of brokerage commissions we will allocate to a broker, nor will we commit to pay cash if informal targets are not met.

Subject to Section 28(e) of the Securities and Exchange Act of 1934, we can pay a higher brokerage commission than another broker may charge for the same transaction. This can be due to the value of the brokerage and research services provided. We believe that access to independent research is important to our investment decision-making processes.

Brokers can provide brokerage and research services, effect securities transactions and perform incidental services such as clearance, settlement, and custody. When we use client brokerage commissions, markups, or markdowns to obtain research or other products and services, we benefit because we do not have to pay for the research, products, or services out of our own profits. We have an incentive to select a broker-dealer based on our interest in receiving research or other products or services rather than in the clients' interest in receiving a better commission rate.

Brokers also provide information regarding:

- The economy
- Industries
- Sectors of securities
- Individual companies
- Statistical information
- Taxation
- Political developments
- Legal developments
- Technical market action
- Credit analysis
- Pricing and appraisal services
- Risk measurement analysis, and
- Performance analysis

These services are in the form of written reports, telephone contacts and personal meetings with security analysts and industry experts.

To the extent Duff & Phelps uses commissions to purchase research, we must use the commission dollars generated from accounts that have granted us discretion for broker placement to purchase research that also benefits accounts that do not grant us discretion. The European Union's recast Markets in Financial Instruments Directive (Directive 2014/65/EU) ("MiFID II") provides that investment advisers registered in the European Union are allowed to receive investment research provided by third parties only if certain requirements are met. We may be required to substantively comply with the "research payment rules" under MiFID II to the extent that we provide sub-advisory services to a MiFID-licensed investment firm or otherwise commercially by an EU client. As a result, we may be restricted for certain client portfolios from utilizing brokerage commissions to purchase brokerage research services to be used by us for the benefit of such clients. While it is our policy not to favor or disfavor consistently or consciously any clients or class of clients, there may be certain instances where some of our clients benefit from the research services utilized or purchased through brokerage commissions generated in connection with trades executed on behalf of other clients.

We sometimes purchase new issues of securities for an account, in a fixed price offering. In these situations, the seller could be a member of the selling group that will sell securities to clients and provide us with research. The Financial Industry Regulatory Authority has adopted rules expressly permitting these types of arrangements under certain circumstances. Generally, the seller will provide research credits at a rate that is higher than available for typical secondary market transactions.

We have established a Brokerage Committee consisting of members from portfolio management, trading, risk, investment operations and compliance. The Brokerage Committee meets regularly to review best execution, brokerage activity, allocation among brokers and to approve all new arrangements for research and brokerage services provided. It serves as a focal point in managing these activities to ensure no improprieties or undisclosed referrals affecting the selection of brokers or allocation of brokerage

transactions. The Brokerage Committee also reviews and maintains an Approved Broker List and reviews it annually. Trades are executed only through firms on this approved list.

### ***Trade Errors***

Duff & Phelps maintains policies and procedures that address the identification and correction of trade errors in client accounts. We employ a standard of care in the placement, execution and settlement of trades for client accounts, and in the event we breach this standard of care, we have an obligation to correct the error and will bear the cost of correcting the error.

### ***Cross Trades***

Although we do not seek to do so, we can engage in cross trades among eligible client accounts and will comply with applicable consent and disclosure requirements associated with such transactions under the Investment Advisers Act of 1940. We also can engage in cross trades consistent with procedures adopted pursuant to Rule 17a-7 under the Investment Company Act of 1940 for mutual fund clients.

## **Item 13. Review of Accounts**

### ***Reviews***

Portfolio managers are responsible for constructing and managing portfolios consistent with clients' investment objectives, guidelines and restrictions and each strategy's investment policy and guidelines. While the portfolio managers are responsible for reviewing investment strategies and portfolios on an ongoing basis, the Compliance team also monitors portfolio compliance on a daily basis to ensure compliance with guidelines and restrictions. On a monthly basis, or more frequently as needed, the firm's chief investment officer meets with portfolio managers to discuss portfolio positioning, performance, trading, any other relevant portfolio considerations. Investment teams also meet regularly with Risk Management to review types and degrees of risk taken within portfolios and to review a series of risk analyses, stress tests, and attribution reports. Duff & Phelps provides written reports to clients on a quarterly basis, or according to a customized schedule as agreed to with the client.

## **Item 14. Client Referrals and Other Compensation**

We do not pay a fee, directly or indirectly, to any person for referral of business unless specified provisions of Rule 206(4)-1 under the Investment Advisers Act are met, including provision of required disclosures.

We permit designated persons, referred to as promoters, to refer potential clients to us. Unaffiliated promoters will enter into a written agreement with us describing the scope and agreed upon activities and the terms of compensation for these activities. Payments to promoters depend on the type of investment strategy and are generally based on a percentage of fees for a period of time. We do not regularly employ unaffiliated promoters to refer business. We currently have promoter arrangements with unaffiliated third parties only applicable to the referral of clients in certain countries outside of the United States. As described in Item 10, representatives of international entities affiliated with Duff & Phelps are permitted to introduce the investment advisory services of our firm to institutional clients.

Duff & Phelps or any of its affiliates enter into arrangements with, and/or make payments from their own assets to, intermediaries to enable access to Virtus branded mutual funds on platforms made available by

such intermediaries or to assist such intermediaries to upgrade existing technology systems or implement new technology systems or programs in order to improve the methods through which the intermediary provides services to Duff & Phelps and its affiliates and/or their clients. Such arrangements or payments establish contractual obligations on the part of such intermediary to provide Duff & Phelps's or an affiliate's fund clients with certain exclusive or preferred access to the use of the subject technology or programs or preferable placement on platforms operated by such intermediary. The services, arrangements and payments described in this paragraph present conflicts of interest because they provide incentives for intermediaries, customers or clients of intermediaries, or such customers' or clients' service providers to recommend, or otherwise make available, Duff & Phelps' or its affiliates' strategies or Virtus branded mutual funds to their clients in order to receive or continue to benefit from these arrangements from Duff & Phelps or its affiliates. The provision of these services, arrangements and payments described above by Duff & Phelps or its affiliates is only to the extent permitted by applicable law and guidance and is not dependent on the amount of Virtus branded mutual funds or strategies sold or recommended by such intermediaries, customers or clients of intermediaries, or such customers' or clients' service providers.

## **Item 15. Custody**

We do not have custody of client assets, including physical delivery of securities, cash or checks. Clients should receive at least quarterly statements from the broker dealer, bank, or other qualified custodian that holds and maintains their investment assets. We urge clients to carefully review these statements and compare the official custodian records to the account statements that we provide.

## **Item 16. Investment Discretion**

Duff & Phelps provides discretionary investment management services to clients. We also can provide investment management services on a non-discretionary basis if mutually agreed by us and the client. We exercise investment discretion consistent with our fiduciary duties and investment philosophy, as well as any investment guidelines or restrictions imposed by the client and that we have accepted. We typically request that clients provide us any changes to instruction in writing and to confirm in writing any changes that were communicated verbally between us and the client.

### ***Class Action Litigation***

Advisory clients are sometimes entitled to participate in securities class action litigation brought by one or more Plaintiffs against the issuer(s) of certain securities. Various sources provide notification of these class actions. Each class action involves certain legal rights that the owner/beneficiary of the security should consider before becoming a member of the class. We do not instruct or give advice to non-investment company clients on whether to participate as a member of the class.

If specifically requested to do so, we can provide information to assist clients with the claim process. We generally rely on the client's custody agent to notify clients of pending matters and to gather all necessary information for filing of a claim. The client should determine whether they are eligible to file and to pursue the class action recoveries on their own behalf.



## Item 17. Voting Client Securities

When we are responsible to vote proxies for client accounts, we will vote in a manner that ensures votes benefit the underlying beneficiaries. We have adopted policies and procedures to help ensure that we cast votes in the client's best interests, and that we maintain proper documentation on how we voted. The basic policies and procedures are as follows:

We have established a Proxy Committee which reviews all proposals to be voted upon pursuant to our accounts being shareholders in the companies that they own, and we have adopted and implemented procedures in place to address conflicts of interest or potential conflicts of interest relating to proxy proposals. According to our procedures, our Proxy Committee will vote the proxy according to either its determination of the client's best interests or by client direction. In performing its analysis of how to vote on a proposal, the Proxy Committee will begin by considering the voting recommendation of a non-affiliated third party vendor and will then override such vendor's recommendation if the Proxy Committee determines that such recommendation is not in the best interest of our clients. We seek not to finalize our votes until close to the deadline for being able to vote, so as to be able to consider any additional information that becomes available, including from the company in response to a recommendation that has been made by a proxy advisory firm. Our Proxy Committee incorporates consideration of ESG issues into its evaluation of recommendations of our proxy advisory firm and our voting of proxies generally (see "Integration of Environmental, Social and Governance Factors into Our Method of Investment Analysis" as described above). We have additionally adopted proxy voting guidelines that serve as a guide to voting with regard to certain recurring proposals. The vote our Proxy Committee selects will depend on the facts and circumstances of each situation as well as requirements of applicable law.

We do not vote proxies in certain situations or for certain accounts, such as when:

- Client has retained the right to vote the proxy;
- We deem the cost of voting to exceed any anticipated benefit to client;
- A proxy is received for a terminated client account;
- A proxy is received for a security we no longer manage due to the entire position being sold; or
- Exercising voting rights could restrict the ability of the portfolio manager to freely trade the security

We may not be able to vote proxies for any client account that participates in securities lending programs.

Clients can direct votes cast by us or request information about how we voted any proxies by contacting their Relationship Manager, an Investment Operations & Services Representative, or by sending a written request to Duff & Phelps Investment Management Co., Attn: Compliance Department, 200 S. Wacker Drive, Suite 500, Chicago, Illinois 60606.

## Item 18. Financial Information

Registered investment advisers are required to provide certain financial information or disclosures about their financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients and have not been the subject of a bankruptcy proceeding.



## FACTS

### WHAT DOES DUFF & PHELPS INVESTMENT MANAGEMENT CO. DO WITH YOUR PERSONAL INFORMATION?

<b>Why?</b>	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
<b>What?</b>	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> <li>■ Social Security number and investment experience</li> <li>■ Account balances and assets</li> <li>■ Risk tolerance and transaction history</li> </ul>
<b>How?</b>	All financial companies need to share customer's personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customer's personal information; the reasons Duff & Phelps Investment Management Co. ("Duff & Phelps") chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Duff & Phelps share?	Can you limit this sharing?
<b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	<b>Yes</b>	<b>No</b>
<b>For our marketing purposes—</b> to offer our products and services to you	<b>Yes</b>	<b>No</b>
<b>For joint marketing with other financial companies</b>	<b>No</b>	<b>We do not share</b>
<b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences	<b>Yes</b>	<b>No</b>
<b>For our affiliates' everyday business purposes—</b> information about your creditworthiness	<b>No</b>	<b>We do not share</b>
<b>For our affiliates to market to you</b>	<b>No</b>	<b>We do not share</b>
<b>For nonaffiliates to market to you</b>	<b>No</b>	<b>We do not share</b>

<b>Questions?</b>	Call (800)338-8214, or go to <a href="http://www.dpimc.com">www.dpimc.com</a>
-------------------	---

Who we are	
<b>Who is providing this notice?</b>	Duff & Phelps Investment Management Co., (“Duff & Phelps”)
What we do	
<b>How does Duff &amp; Phelps protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
<b>How does Duff &amp; Phelps collect my personal information?</b>	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>■ Open an account or give us your contact information</li> <li>■ Seek advice about your investments</li> <li>■ Enter into an investment advisory contract</li> <li>■ Tell us about your investment or retirement portfolio</li> </ul>
<b>Why can't I limit all sharing?</b>	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> <li>■ Sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>■ Affiliates from using your information to market to you</li> <li>■ Sharing for nonaffiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>
Definitions	
<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>■ Our affiliates include companies such as: Ceredex Value Advisors LLC; Kayne Anderson Rudnick Investment Management, LLC; NFJ Investment Group LLC; SEIX CLO Management LLC; Silvant Capital Management LLC; Stone Harbor Investment Partners Limited; Stone Harbor Investment Partners (UK) LLP; Sustainable Growth Advisers LP; Westchester Capital Management, LLC; Westchester Capital Partners, LLC; Virtus Alternative Investment Advisers, Inc.; Virtus ETF Advisers, LLC; Virtus Fixed Income Advisers, LLC; Virtus Fund Advisers, LLC; Virtus Fund Services, LLC; Virtus Global Partners PTE. Ltd.; Virtus Investment Advisers, Inc.; Virtus Investment Partners, Inc.; Virtus Investment Partners International Ltd.; Virtus Partners, Inc.; Virtus Shared Services, LLC; and VP Distributors, LLC.</li> </ul>
<b>Nonaffiliates</b>	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>■ Duff &amp; Phelps does not share with non-affiliates so they can market to you.</li> </ul>
<b>Joint marketing</b>	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>■ Duff &amp; Phelps does not jointly market.</li> </ul>

### For California Residents Only

In addition to our Privacy Policy, the below notice is provided solely to certain **California residents** who are clients of Duff & Phelps. To the extent that the California Consumer Privacy Act (“CCPA”), as amended by CPRA applies, you have the right to know what personal information we intend to collect or have collected about you and why. For clients of Duff & Phelps, this information is provided in our **Privacy Notice**, above.

The CCPA also provides you the right to request access to specific pieces of information we have collected from you. You have the right to request correction of inaccurate information that we maintain about you. You also can request that we delete personal information about you. You can contact our Compliance Department at (800)338-8214 or go to [www.dpimc.com](http://www.dpimc.com) if you wish to make any of these requests. It is important to note, however, that the CCPA does not apply to all businesses, nor does it apply to personal information maintained by financial services firms that is covered under certain exemptions described in the CCPA, and as such, the CCPA will typically not apply to Duff & Phelps customers.

If we do not delete certain items of personal information because we have a legal right or obligation to retain that information, we will notify you of that. Further, if we do not delete certain items of personal information because we have a legal right or obligation to retain that data, we will delete that information at such later time that we no longer have a legal right or obligation to retain that information upon such a request.

At this time we do not sell personal data or share personal data for purposes of cross-context advertising. We are not required under CCPA to provide information to you about our collection of your personal information or our sale or disclosure of personal information about you more than twice within a 12-month period. Additionally, we are permitted to refuse to honor unfounded or excessive repetitive requests to us or charge a reasonable administrative fee for honoring those requests, and in either case, will notify you of any such decision. We will not discriminate against you for making a rights requests under California law. You have the right to appeal any decision regarding your rights and can do that by contacting us as described above.