



DUFF & PHELPS
INVESTMENT MANAGEMENT CO.

GLOBAL LISTED INFRASTRUCTURE FACT SHEET & COMMENTARY

Quarter Ending June 30, 2022

INVESTMENT PHILOSOPHY

We believe a rigorous, fundamentally-driven process is essential to providing superior risk-adjusted returns through different market cycles.

We invest globally in the owners/operators of high-quality infrastructure assets with consistent and predictable business models.

We have a total return approach that seeks to provide distinct portfolio benefits including capital appreciation, growing income, lower relative volatility, and long-term inflation protection.

Our emphasis on alignment of interests results in a collaborative team dynamic that strives to uncover the best opportunities and ties compensation directly to strategy performance.

PERFORMANCE ¹



	QTD	YTD	1 Year	3 Years	5 Years	10 Years
Composite Gross Return	-9.5%	-6.0%	1.9%	4.6%	6.9%	8.5%
Composite Net Return	-9.6%	-6.3%	1.3%	3.9%	6.2%	7.7%
Linked Benchmark ²	-7.3%	-3.9%	4.1%	3.9%	5.8%	7.1%

PORTFOLIO STRATEGY

Holdings	40-60 securities
Single Security	Maximum 10% of portfolio purchase, maximum +5% vs. benchmark weight
Cash	<5%
Country Allocation	Minimum 25% U.S., minimum three countries, minimum 40% ex. U.S.
Benchmark	FTSE Developed Core Infrastructure 50/50 Index

PORTFOLIO CHARACTERISTICS

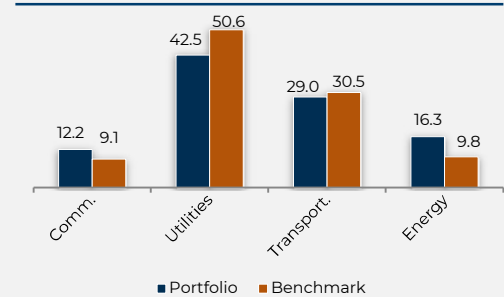
	Portfolio ³	Benchmark
Dividend Yield	3.2%	3.5%
Price to Cash Flow	10.0x	9.5x
Return on Equity, 5 yr.	13.5%	10.7%
EPS Growth Rate, Forward 3-5 yr.	19.2%	17.4%
Weighted Avg. Market Cap (bn)	\$51.2	\$44.2

Source: Bloomberg Finance L.P., FTSE.

TOP TEN HOLDINGS⁴

	Portfolio (%) ³
American Tower Corp.	5.7
NextEra Energy Inc.	5.5
Transurban Group	4.6
Dominion Energy Inc.	4.4
Cheniere Energy Inc.	4.1
Crown Castle Intl Corp.	4.0
Sempra Energy	3.8
Aena SME SA	3.6
Atlantia Spa	3.3
National Grid Plc	3.0

SECTOR ALLOCATION VS BENCHMARK³



Source: Bloomberg Finance L.P.

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¹ Inception date is December 31, 2004. Periods over one year are annualized. Please see the GIPS Composite Report on the final page for more information.

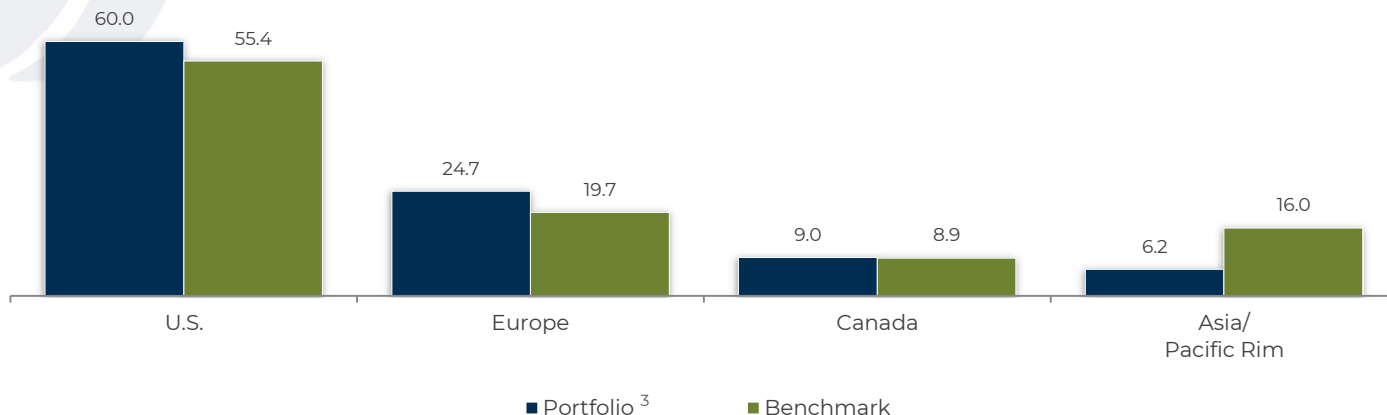
² The Benchmark is the FTSE Developed Core Infrastructure 50/50 Index. The Linked Benchmark returns are compiled by linking returns from the FTSE Benchmark beginning October 1, 2016 with returns of the MSCI World Infrastructure Sector Capped Index for the period September 1, 2008 through September 30, 2016.

³ Portfolio information is based on a representative institutional account excluding cash. Holdings are subject to change.

⁴ It should not be assumed that securities identified were or will be profitable. The top ten holdings list represents the largest percentage holdings at quarter end of a representative institutional account excluding cash and does not represent all of the securities held in client portfolios. The securities identified may no longer be held in client portfolios and the holdings of any particular client portfolio may vary. The list is provided for illustrative purposes and should not be considered a recommendation to purchase or sell a particular security. A complete list of holdings and transactions for the previous twelve months is available upon request.



REGIONAL ALLOCATION VS. BENCHMARK (%)



Source: Bloomberg Finance L.P.

MARKET REVIEW

Equities suffered a broad-based decline in the second quarter, with global developed markets (as measured by the MSCI World Index (net)) falling 16.18% on a total return basis. Investor sentiment turned increasingly downbeat on concerns that rising global inflation, ongoing supply chain problems, and a war in Ukraine might tip the world into a recession. The Federal Reserve and Bank of England enacted interest rate hikes during the quarter and warned of continued inflation while the European Central Bank is poised to raise interest rates in July. The war in Ukraine persisted and concerns mounted over potential natural gas shortages as Russia curtailed gas supplies. Germany moved to phase two of its emergency energy plan and could eventually move to phase three, which would involve rationing gas to industrial users and potentially households as well. Global listed infrastructure stocks (as measured by the FTSE Developed Core Infrastructure 50/50 Index (net)) again displayed their relative defensiveness with a 7.30% decline in the quarter, significantly outpacing the broader market.

Communications was the best-performing sector in the quarter despite trading lower. While fundamental business conditions for wireless towers remain quite positive, higher interest rates and a rotation from growth to value pressured some tower stocks in the period. Shares of Cellnex Telecom declined due to these factors and uncertainty surrounding a potential acquisition of Deutsche Telekom's tower portfolio.

The utility sector declined for the quarter though there was significant dispersion among individual companies. The Russia-Ukraine conflict and corresponding spike in energy prices caused investors to focus on the European Union's reliance on Russian oil and gas. Many European electric and gas utilities performed poorly as investors grew concerned about the fallout from higher commodity prices and the uncertainty of energy supply. North American electric and gas utilities fared better in the face of market volatility.

The energy infrastructure sector reversed course this quarter and traded lower as a bullish commodity backdrop was more than offset by growing concerns about economic weakness. Commodity prices remain high due to general under-investment by oil and gas producers in recent years and exacerbated more recently by the Russian invasion of Ukraine. Global inventory levels remain low, which will likely result in persistent oil and natural gas supply issues and intensify what was already a tight commodity market.

Transportation stocks were the worst performing sector for the quarter on the back of economic concerns and short-term operational issues. European airports struggled to accommodate a sharp rebound in air passengers and were challenged by high costs and a shortage of labor as summer leisure travel returned in force. North American freight railroads suffered their own labor shortage, preventing the rails from serving growing demand as the supply chain begins to unplug.



Quarter Ending June 30, 2022

PORTFOLIO REVIEW

The Duff & Phelps Global Listed Infrastructure composite finished the quarter down 9.48% gross of fees (-9.61% net), trailing the composite's benchmark. Underperformance was almost entirely due to stock selection, which was negative across all sectors. An overweight of midstream energy also detracted from performance.

At the security level, the largest positive contributors were Cheniere Energy and Fraport AG. Cheniere Energy is the leading producer and exporter of liquefied natural gas (LNG) in the United States. Cheniere reported strong demand for LNG in the quarter and benefited from increased commercial activity as customers signed long term supply agreements. As Europe looks to wean itself from Russian natural gas, U.S.-sourced LNG represents a natural alternative and is expected to see continued strong demand. Fraport AG is a German-based airport operator that was not owned in the portfolio. Fraport's airports struggled to handle a rebound in passenger volumes, resulting in higher-than-anticipated operating expenses. Lower profitability combined with elevated debt leverage weighed on the stock in the quarter. Other top contributors to relative performance were Ferrovial SA, Union Pacific Corp, and FirstEnergy Corp (not held in the portfolio).⁵

The largest negative contributors were Atlantia Spa and Atlas Arteria, two toll road companies that benefited from M&A activity. Italian toll road operator Atlantia Spa agreed to a buyout by Edizione and Blackstone at premium of more than 20%. The stock was held in the portfolio, but at a weighting less than the benchmark weight. Atlas Arteria (ALX), an Australian operator with toll roads in Europe and the U.S., was not held in the portfolio. IFM Investors, an Australian infrastructure fund, bought a 15% stake in ALX and requested due diligence with the intent to launch a bid for the company. ALX's board did not grant the due diligence request, but ALX is considered an active acquisition target and the stock rose toward the rumored transaction price. Rounding out the top five detractors were Cellnex Telecom SA, Targa Resources, and CSX Corp.⁶

INVESTMENT OUTLOOK

Investors will likely remain focused on geopolitical tensions and rising inflation, which could have an impact on economic growth in the second half of 2022. However, we believe global infrastructure companies are well positioned in an uncertain macro environment due to the essential nature of their businesses. With respect to inflation, we would highlight that infrastructure companies possess measures of revenue and cash flow protection via inflation-linked contracts and regulatory resets.

We see opportunities for our strategy as market volatility has created attractive valuations across much of the infrastructure universe. Strong secular trends support a steady growth cadence for communications and utility companies, while transportation and midstream energy companies are poised to benefit from improving economies. In addition, midstream energy companies and renewables-focused utilities are positioned to provide the energy security necessary for global economies to grow and thrive over the long term.

Within the communications sector, we continue to be bullish on wireless tower companies. In the U.S., we expect a reacceleration of growth to accommodate wireless usage and deploy new spectrum. In Europe, the independent tower model is accelerating, as more telecommunications carriers are considering selling off their tower portfolios. We expect further M&A in 2022 as the European market follows a roadmap used in the U.S. more than a decade ago. This provides significant opportunity for tower companies to grow through acquisition while they continue to construct new towers to meet organic demand. The 5G buildout is just beginning and will be a multi-year process, so tower companies' runway for related growth is still quite long. Investment by telecommunications carriers will necessitate more wireless towers, including small cells and fiber networks, to meet increasing levels of data and video usage.

⁵ Top five contributors' relative attribution performance: Cheniere Energy +14 bps, Fraport AG +12 bps, Ferrovial SA +10 bps, Union Pacific Corp +9 bps, First Energy Corp +8 bps.

⁶ Top five detractors' relative attribution performance: Atlantia Spa -50 bps, Atlas Arteria -45 bps, Cellnex Telecom SA -27 bps, Targa Resources -26 bps, CSX Corp -24 bps.



INVESTMENT OUTLOOK CONT.

We maintain an underweight position in the utility sector relative to the benchmark but have a positive bias toward utilities with a focus on the clean-energy transition. Decarbonization of the economy creates a win-win for utilities as they improve their environmental profile while also increasing their earnings. The transition to renewable energy provides a visible ramp of growth that extends for more than a decade. Political initiatives reinforce our positive thesis. Investments from the Next Generation EU recovery funds should hit their stride in 2022 and are focused on the energy transition. In the U.S., the clean-energy portion of the Build Back Better legislation may yet be addressed by Congress in some fashion, adding to the already attractive economics of wind and solar power generation. Utilities have much to offer as investments: strong earnings visibility, momentum from the global clean-energy theme, and attractive valuations relative to the broader market.

The pace of recovery within the transportation sector has varied due to mixed operating measures. North American railroads have seen freight volumes nearly recover to pre-pandemic levels. Volume growth should improve over the remainder of the year, as we expect global supply chain congestion to moderate, supporting more fluid movement of freight volumes. In addition, strong pricing trends in an inflationary environment are expected to offset rising costs. The key for the second half of 2022 will be the railroads' ability to hire enough employees to improve their service levels.

Traffic trends for toll roads have shown improvement and, in some cases, are even surpassing pre-pandemic levels. While there are concerns about the effect of higher gasoline prices on traffic volumes, past periods of elevated prices have had modest short-term impact on toll roads. As a result, we believe a sustained recovery is likely in the future as the effects of the pandemic and higher oil prices diminish. Permanent changes to working and commuting patterns remain a possibility over the longer term and will be a key measure to watch for urban toll road operators.

The easing of government-imposed travel restrictions related to COVID-19 has supported the recovery of passenger air travel, especially leisure travel. A strong summer season is underway, despite capacity headwinds from airlines and airports. Post summer, the air passenger traffic recovery is likely to moderate due to seasonal factors. In addition, the Russian invasion of Ukraine has increased the uncertainty surrounding air travel, particularly in Europe. We continue to follow travel and supply chain trends closely, as they may have a significant influence on our positioning throughout 2022.

We have an overweight in midstream energy with robust end-market demand boosting volumes close to pre-pandemic levels. The supply side is showing signs of tightness, with the Russian invasion of Ukraine adding to concerns. Because Russia is a large, global supplier of crude oil and natural gas, the current military action and resulting sanctions are disrupting production and distribution of these commodities. Inventories are at low levels, and we do not expect a quick solution that will increase supply. We are positioned in natural gas and natural gas liquids (NGLs) related names that will be favorably exposed to growing volumes and the need for energy security.

The year will undoubtedly present unforeseen challenges, but we expect to find opportunities as well. Based on our current views of macroeconomic trends, industry drivers, and geopolitical risks, we believe our strategy is appropriately positioned. Our objective is to invest in companies with experienced management teams and predictable business models that are positioned for success despite the uncertain economic environment. As always, we will continue to closely monitor global developments through our research and management meetings, incorporating changes to portfolio positioning as warranted.

As always, thank you for your continued support of our team and investment strategy.



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Head of Infrastructure



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Senior Portfolio Manager



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PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

Returns are calculated in U.S. dollars and include the reinvestment of dividends and other earnings. Indices are not available for direct investment and index returns do not reflect the deduction of any fees. This material has been prepared using sources of information generally believed to be reliable; however, its accuracy is not guaranteed. Opinions represented are subject to change and should not be considered investment advice or an offer of securities. Forward-looking statements are necessarily speculative in nature. It can be expected that some or all of the assumption or beliefs underlying the forward-looking statements will not materialize or will vary significantly from actual results or outcomes.

The securities identified were selected from all of the holdings of a representative institutional account for the period based on relative contribution to the account's return versus the Benchmark. An average holding weight was computed based on daily ending market values. The securities identified do not represent all of the securities purchased, sold or recommended for advisory clients and the securities identified may no longer be held in client accounts. The methodology used to calculate the contribution to return or a list showing every holding's contribution to the account's return for the period is available upon request. Results exclude the effect of trading costs, fees and intraday trading prices.

The FTSE Developed Core Infrastructure 50/50 Index (net) is a free float-adjusted market capitalization weighted index designed to measure the performance of developed market infrastructure companies and adjusted semi-annually to cap the exposure to certain infrastructure subsectors and holdings (the "benchmark"). The constituent weights are 50% Utilities, 30% Transportation (including capping 7.5% for railroads/railways), and a 20% mix of other sectors including pipelines, satellites, and telecommunications towers, as well as a company weight of 5%.

The MSCI World Index (net) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of global developed markets.

Duff & Phelps Investment Management Co. and VP Distributors, LLC are indirect subsidiaries of Virtus Investment Partners, Inc.



GIPS COMPOSITE REPORT

Year-end (12/31)	Annual Composite Return (%)		Annual Linked Benchmark Return (%) ¹	3-Year Annualized Standard Deviation (%)		Number of Accounts	Asset-weighted Dispersion (%)	Composite Assets (US \$M)	Firm Total Assets (US \$B)
	Gross	Net		Composite	Linked Benchmark ¹				
2021	14.32	13.65	15.05	16.46	16.13	≤5	n.a.	711.0	12.2
2020	0.84	0.17	-3.74	15.68	15.44	≤5	n.a.	679.8	10.6
2019	29.92	28.96	25.04	9.13	8.73	≤5	n.a.	528.4	11.2
2018	-5.00	-5.75	-4.63	9.26	9.01	≤5	n.a.	262.1	9.0
2017	19.02	18.10	18.18	9.68	10.16	≤5	n.a.	362.2	10.2
2016	13.04	12.16	11.06	10.08	10.10	≤5	n.a.	213.7	10.3
2015	-9.17	-9.90	-12.34	10.39	10.95	≤5	n.a.	221.6	9.2
2014	11.38	10.50	10.26	9.39	9.55	≤5	n.a.	284.8	10.8
2013	17.71	16.78	19.51	10.12	10.86	≤5	n.a.	254.7	9.2
2012	12.11	11.20	6.65	12.72	12.92	≤5	n.a.	199.1	8.9

Duff & Phelps Investment Management Co. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Duff & Phelps Investment Management Co. has been independently verified for the periods January 1, 1993 through December 31, 2020. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

- 1. Organization** – Duff & Phelps Investment Management Co. (“Duff & Phelps” or the “firm”) is a registered investment adviser and a wholly owned subsidiary of Virtus Investment Partners. Duff & Phelps manages assets on behalf of institutional and retail separate accounts and open-end and closed-end funds. Registration of an investment adviser does not imply any level of skill or training.
- 2. Composite Description** – The Global Listed Infrastructure Composite includes all fully discretionary accounts that focus their investments in the equity securities of global developed market infrastructure companies involved in the communications, utilities, transportation and energy industries. Material risks, in addition to global market risk or potential strategy underperformance, include sector concentration risks and risk factors specific to global listed infrastructure securities. The inception date of the Composite is December 31, 2004 and the Composite was created on September 1, 2006. The Composite contains 5 or fewer portfolios.
- 3. Benchmark** – The Composite Benchmark is the FTSE Developed Core Infrastructure 50/50 Index, a free float-adjusted market capitalization weighted index designed to measure the performance of developed market infrastructure companies and adjusted semi-annually to cap the exposure to certain infrastructure subsectors and holdings (the “Benchmark”). The constituent weights are 50% Utilities, 30% Transportation (including capping 7.5% for railroads/railways), and a 20% mix of other sectors including pipelines, satellites, and telecommunications towers, as well as a company weight of 5%.
- 4. Calculations** – Returns are total, time-weighted rates of return expressed in U.S. dollars and include accrued income. The Composite and Benchmark results reflect the reinvestment of dividends and other earnings. Composite dispersion is not presented for periods with 5 or fewer portfolios. The 3-year annualized ex-post standard deviation measures the variability of gross Composite returns and the Benchmark returns over the preceding 36-month time period.
- 5. Performance and Fee Information** – Investment performance returns are presented on both a gross of fee and net of fee basis. Gross composite returns are calculated net of trading costs, but do not reflect any deduction for investment advisory fees, custodial charges or other costs that a client might incur in connection with the management of an account. The firm's fee schedule for management of institutional separate Global Infrastructure accounts is: 0.75% on assets up to \$25 million, 0.70% on the next \$25 million, and 0.60% on amounts in excess of \$50 million. Returns realized by clients will be reduced by these costs. Actual investment advisory fees incurred by clients may vary. Initial minimum account size for institutional accounts is \$10 million. Effective October 1, 2016, net composite returns are calculated by subtracting actual separate account investment management fee rates from gross account returns based on month-end assets. Previously, net composite returns were calculated by subtracting the highest separate account investment management fee in effect for the period. Index returns do not reflect the deduction of any fees.

Linked returns are compiled by linking returns (the “Linked Benchmark”) from the FTSE Developed Core Infrastructure 50/50 Index beginning October 1, 2016 with returns of the MSCI World Infrastructure Sector Capped Index for the period September 1, 2008 through September 30, 2016. The change in the Benchmark was made to better reflect the maturing infrastructure asset class.

Composite returns and Benchmark returns are calculated net of non-reclaimable withholding taxes. The withholding tax rates used in the calculation of the Composite are those applied to U.S. entities; the withholding tax rates used in the calculation of the Benchmark are the maximum withholding rates applicable to dividends received by non-resident institutional investors and the withholding tax rates used in the calculation of the previous MSCI Benchmark are those applied to the dividends received by a Luxembourg holding company.

- 6. Additional Information** – A list of all composite and pooled fund investment strategies offered by the firm, with a description of each strategy, is available upon request. The type of portfolios in which each strategy is available (segregated account, limited distribution pooled fund, or broad distribution pooled fund) is indicated in the description of each strategy. Duff & Phelps's policies for valuing investments, calculating performance and preparing GIPS reports are available upon request

¹Linked Benchmark returns are compiled by linking returns from the FTSE Developed Core Infrastructure 50/50 Index beginning October 1, 2016 with returns of the MSCI World Infrastructure Sector Capped Index for the period September 1, 2008 through September 30, 2016.

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