GLOBAL CLEAN ENERGY
FACT SHEET & COMMENTARY

DUFF & PHELPS
INVESTMENT MANAGEMENT CO.

Quarter Ending September 30, 2021

KEY FEATURES

Pure Play Exposure to Clean Energy

A specialized portfolio of clean energy market leaders with a balanced and diversified approach across technologies, sectors, and geographies. Investors may benefit from the long-term secular growth of clean energy demand and the projected build-out of renewable energy generation across the utility, industrial, technology, and energy sectors

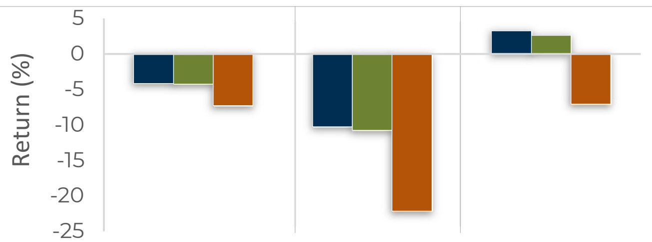
Actively Managed, Built for Transformation

The team selects a high-conviction portfolio of clean energy producers, clean energy technology and equipment providers, and clean energy transmission and distribution companies where innovation is most commercially proven

Time-Tested, Experienced Investment Team

Duff & Phelps' history and proven process with utilities and energy investments spans more than eight decades. Maintaining direct insight into every part of the clean energy value chain, through specialized research and analysis, along with crucial knowledge of the legislative and regulatory environment, provides for a distinct vantage point

PERFORMANCE [1]



	QTD	YTD	Since Inception
Composite Gross Return	-4.2%	-10.3%	3.2%
Composite Net Return	-4.3%	-10.8%	2.6%
S&P Global Clean Energy Index (Net)	-7.3%	-22.2%	-7.1%

PORTFOLIO STRATEGY

Holdings	Typically 30-40 securities
Single Security	Maximum 10% of portfolio at market value
Country Allocation	Minimum 33% U.S., minimum 3 countries, minimum 25% ex. U.S.
Benchmark	S&P Global Clean Energy Index (Net)

PORTFOLIO CHARACTERISTICS

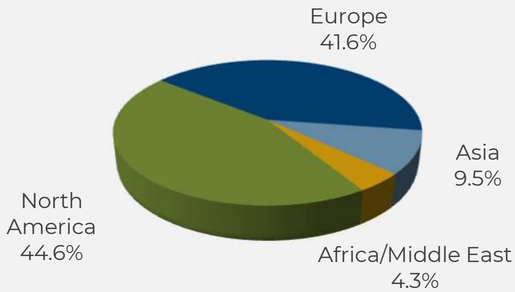
	Portfolio[2]	Benchmark
Dividend Yield	2.0%	1.9%
Forward P/CF	13.1%	11.8%
Div. Growth, 5yr. est.	8.9%	8.9%
Weighted Avg. Market Cap ($B)	$30.7	$29.3

Sources: Bloomberg Finance L.P., S&P

TOP TEN HOLDINGS[3]

	Portfolio(%)[2]
Vestas Wind Systems A/S	6.3
Enphase Energy Inc	6.0
Orsted A/S	5.5
China Longyuan Power Group	5.0
Solaredge Technologies Inc	4.3
Xinyi Solar Holdings Ltd	3.9
Nextera Energy Inc	3.9
Iberdrola Sa	3.8
SSE Plc	3.7
Enel Spa	3.7

PORTFOLIO[2] BY GEOGRAPHY



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1 *Composite Inception Date: 11/30/2020. Periods over one year are annualized. Please see the GIPS Composite Report on the final page for more information.*

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

3 *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.*

MARKET REVIEW

The global clean-energy sector remained rangebound for most of the third quarter but ultimately gave way to supply-chain concerns that plagued both the sector and broader markets overall. The S&P Global Clean Energy Index declined -7.32% for the quarter. The Duff & Phelps Global Clean Energy strategy composite, however, exhibited another strong quarter of relative outperformance (-4.15% gross of fees; -4.33% net of fees). We believe our continued focus on clean-energy businesses with attractive growth, global scale, and strong balance sheets positions us well versus our competitors.

Global supply-chain concerns continued to be top of mind for companies and investors throughout the quarter. A post-COVID demand recovery, and the associated risk of longer-term inflation pressures, created tightness across a broad spectrum of the supply chain ranging from chemicals, semiconductors, and steel, to shipping and logistics. Despite the near-term cost increases associated with supply-chain constraints, companies were encouraged by continued strength in customer demand for clean-energy equipment. Nonetheless, we continue to keep this issue in focus and recognize that companies with sufficient scale and pricing power will be better positioned to weather the storm should these constraints last for longer than the market is expecting.

Government policy continued to play an important role throughout the quarter, especially in the U.S. Although the final details of the infrastructure bill and budget reconciliation have yet to be released, our conversations with companies, regulators, and other clean-energy stakeholders indicated a high degree of confidence in the announcement of specific clean-energy incentives. These include the potential extension of wind and solar tax credits for 10 years, stand-alone battery-storage tax credits, and tax credits for hydrogen production. From a global perspective, all eyes will be on further policy announcements at the COP26 conference to be held in Glasgow in early November.

Despite uncertainties around the supply chain and government policy, our view of the underlying demand environment for clean-energy technology, equipment, and projects remains notably constructive. For example, AES Corp., an electric power company, noted that the U.S. demand outlook for renewable energy has shifted from 30 GW/year in 2020 to 60 GW/year. The strength in demand continues to be supported by improvements in the cost curve for renewable technologies, along with a need for companies to meet their individual clean-energy commitments. In China, Bloomberg New Energy Finance (BNEF) reported the country is planning a ~400 GW wind and solar project. To put this project in perspective, BNEF estimates that 270 GW will be installed globally for 2021.

PORTFOLIO REVIEW

The Duff & Phelps Global Clean Energy strategy finished ahead of the benchmark by 317 basis points (gross of fees) and by 299 basis points (net of fees) for the quarter. The strategy composite returned -4.15% (gross of fees) and -4.33 (net of fees) versus -7.32% for the S&P Global Clean Energy Index. Stock selection and sector allocation both contributed to the relative outperformance. Stock selection was positive across all sectors except materials. Sector allocation had a slightly positive effect on performance primarily due to an overweight position in materials and an underweight in technology. An overweight position in industrials had a slightly negative effect.

The strategy's best-performing names from a bottom-up attribution perspective were China Longyuan Power Group, Aker Carbon Capture, and Clearway Energy Inc.

China Longyuan (HK: 916) is a leading wind power generation company in China, primarily engaged in the design, development, construction, management, and operation of wind farms. Our overweight position stands to benefit from China's goal of achieving net-zero carbon emissions by 2060. The country's policy also calls for the proportion of non-fossil energy to total energy consumption to reach ~25% by 2030. This supportive policy backdrop is expected to generate annual mid-teens EPS growth for China Longyuan over the next several years.

Aker Carbon Capture (ACC) is an out-of-benchmark 'pure-play' carbon-capture company delivering ready-to-use capture facilities that enable customers to nearly eliminate CO2 emissions. While operations are currently focused on Europe, where ACC has an incumbent position, in our view substantial end-market opportunities remain. Carbon capture is integral to reaching the goals of the Paris Agreement as it allows the removal of otherwise 'hard-to-abate' industries. ACC currently serves the following segments: cement (7% of global CO2 alone), waste-to-energy, steel, oil & gas, power generation, blue hydrogen and other industrial. ACC's carbon-capture costs are expected to continue to trend lower, leading to costs below the EU market carbon price, the key economic catalyst absent any other carbon mechanisms (taxes, country-specific prices, etc.).

Clearway Energy Inc. (CWEN) owns and operates a portfolio of renewable generation plants in the U.S. including 3.1 GW of onshore wind and 1.7 GW of solar. ~63% of cash available for distribution (CAFD) comes from renewable operations. Generation is sold under long-term contracts with a weighted average contract life of 13 years. CWEN's growth is underpinned by the support of a strong parent in Global Infrastructure Partners (GIP). GIP is CWEN's sponsor and owns ~43%/~55% of the economic/voting interests in CWEN. GIP, through its portfolio company Clearway Energy Group (CEG), develops renewable power projects for CWEN's future growth. The growth project outlook is attractive, with CEG owning a renewables pipeline of 16.3 GW, of which 6.9 GW have clear visibility through 2025. Rounding out the top five contributors were Eversource Energy and Xylem Inc.[4]

The three largest relative detractors from a bottom-up attribution perspective were TPI Composites (TPIC), Vestas Wind Systems (VWS), and Siemens Gamesa Renewable Energy (SGRE). Notably, these companies serve the onshore and offshore wind markets. The aforementioned supply-chain disruption weighed on all three companies as higher costs affected their near-term margin outlooks. Higher costs were seen across the supply chain ranging from epoxy resin used in wind-blade manufacturing to steel for wind-tower construction to freight delivery delays of wind turbines and other equipment. Despite the margin headwinds, the long-term demand outlook for onshore and offshore wind remains favorable in our view. This is supported by the International Energy Agency (IEA), which forecasts wind to be the single largest generator of electricity by 2050, making up 35% of total generation and with over 8,000 GW installed (compared to ~740 GW in 2020). On the path to zero, the IEA expects that by 2030, 390 GW of wind will be installed annually, or about 4x more than the record set in 2020. Rounding out the top five detractors were AES Corp. and IDACORP Inc.[5]

[4]Top five contributors' relative attribution performance: China Longyuan Power Group (99 bps); Aker Carbon Capture (66 bps); Clearway Energy Inc. (46 bps); Eversource Energy (29 bps); and Xylem Inc. (28 bps).

[5]Top five detractors' relative attribution performance: TPI Composites (-49 bps), Vestas Wind Systems (-25 bps); Siemens Gamesa Renewable Energy (-21 bps); AES Corp. (-16 bps); and IDACORP Inc. (-15 bps).

INVESTMENT OUTLOOK

As noted above, the sector faced headwinds during the quarter and we are carefully watching those that could persist. First, the bounce in global interest rates could weigh on equity markets. Second, the global economy continues to experience cost inflation and supply-chain pressures. Third, Europe is witnessing a dramatic rise in natural-gas prices, which feed through to higher power prices, which in turn increase household electric bills. European nations have taken a pragmatic approach thus far; however, Spain surprisingly decided on an interventionist move by imposing a clawback tax on incumbent utilities. Unfortunately, these incumbent utilities are also the world's largest renewable power generators and the main facilitators of the energy transition in Spain. If the coming winter is particularly cold and energy supplies remain tight, there could be a short-term period of further political/populist intervention.

Once the dust settles, we believe the current high energy-price environment will underline the need to lessen Europe's dependence on fossil fuels and may act as a catalyst to accelerate the energy transition. Higher energy prices further bolster the economic investment case for renewables (while promoting energy independence). This was the main feedback we received over the past month from numerous meetings with company management teams. In fact, at the time of writing, Spain is now reconsidering the clawback tax given the potential disruption to renewable investment. Commentary from the EU sums it up (per the Financial Times 9/20/21): "The current situation makes the case for the Green Deal policies even stronger. We need more change, not less, and faster," Kadri Simson, EU energy commissioner, told the FT. "The only real, long-term solution here is to increase the share of renewable energy, which is already generally the cheapest energy on the market."

The global policy backdrop supporting clean energy continued its momentum. Fresh off the "Fit-for-55" climate laws introduced by the EU in July, in August the U.N. followed with the release of the Intergovernmental Panel on Climate Change (IPCC) Assessment Report. This report, which brings a scientific consensus of ~200 member countries for the first time, concludes that it is "unequivocal that human influence has warmed the atmosphere, ocean and land." The report thus leaves no excuse for nations to eschew climate-mitigating actions. In addition to the policy actions noted earlier in this letter, local-level events are expected to continue to contribute. The German Green Party just had their best showing ever in federal elections. With the upcoming coalition government expected to have a firm green agenda, we believe Europe's largest economy will take more aggressive action over time. Also in Europe, the previously created Recovery Fund reportedly made disbursements to member countries. These public funds will be allocated to various projects and are intended to spur a multi-trillion-euro private investment in the clean-energy space. In the U.K., Prime Minister Boris Johnson is expected to announce that Britain will get all its electricity from renewable sources by 2035. This is a major step toward the government's goal of net-zero emissions by 2050 and a way to reduce exposure to gas-price fluctuations. Finally, we await the U.N. Climate Change Conference (COP26) taking place next month and expect it to bring even more ambitious clean-energy goals.

The pace of clean-energy innovations and partnerships continued to permeate various sectors of the economy. For example, Orsted A/S signed a memorandum of understanding with Williams, one of the U.S.'s largest natural-gas transportation companies, to co-develop green hydrogen capabilities. Additionally, Aker Carbon Capture formed a new unit to export its expertise around the world targeting 'hard-to-abate' sectors such as cement production. AES announced the IPO of their Fluence battery-storage subsidiary. Utilities such as Public Service Enterprise Group are discussing development of regional offshore transmission grids with regulators. These are just a few recent examples of the advancements in the production, technology, and distribution of clean energy. We expect further proliferation across the value chain and geographies.

INVESTMENT OUTLOOK (CONT.)

The strategy's objective remains to invest in companies that are leaders in their respective fields, have strong balance sheets, have scalable but scarce businesses, and exhibit pricing power. We believe companies with these qualities are best positioned to weather the near-term headwinds noted above. The long-term attraction of clean energy and the overall energy transition remains intact. We continue see this as a global, long-term capital replacement cycle with decades of growth ahead.

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

BENJAMIN BIELAWSKI, CFA
Portfolio Manager

ERIC FOGARTY, CFA
Portfolio Manager

PAST PERFORMANCE IS NOT INDICATIVE 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 assumptions 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.

S&P Global Clean Energy Index (net), a float-adjusted market capitalization index measuring the performance of companies in global clean energy-related businesses from both developed and emerging markets. The index comprises a diversified mix of companies involved in the production of clean energy or provision of clean energy technology and equipment.

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 Performance			3-Year Annualized Standard Deviation		Number of Accounts	Asset-Weighted Dispersion (%)	Composite Assets (US $mm)	Firm Total Assets (US $bn)
	Composite Gross (%)	Composite Net (%)	Benchmark Return (%)	Composite (%)	Benchmark (%)				
2020[1]	15.04	14.97	19.41	n.a.	n.a.	≤5	n.a.	2.7	10.6

[1]Partial year return. Composite inception date is November 30, 2020.

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 Clean Energy Composite includes fully discretionary accounts that focus their investments in global equity securities of clean energy or clean energy related companies throughout the world, including both developed and emerging market countries and issuers. Material risks, in addition to market risk or potential strategy underperformance, include sector concentration risks and risk factors specific to global developed and emerging market clean energy securities. The inception date of the Composite is November 30, 2020 and the Composite was created on November 30, 2020. The Composite contains 5 or fewer portfolios.
3. **Benchmark –** The Composite Benchmark is the S&P Global Clean Energy Index (net), a float-adjusted market capitalization index measuring the performance of companies in global clean energy-related businesses from both developed and emerging markets. The index comprises a diversified mix of companies involved in the production of clean energy or provision of clean energy technology and equipment. The withholding tax rates used in the calculation of the Benchmark are those applied to dividends received by a Luxembourg investor; the withholding tax rates used in the calculation of the Composite are those applied to dividends received by account domicile.
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 Clean Energy 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. Net composite returns are calculated by subtracting either the highest fee rate or actual separate account investment management fee rates from gross account returns based on month-end assets. As of December 31, 2020, 100% of Composite assets were in non-fee paying portfolios; in such cases, net of fee returns for the Composite are calculated by subtracting the highest fee rate. Index returns do not reflect the deduction of any fees.
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.