Duff & Phelps
Global Utility Income Fund Inc.

QUESTIONS AND ANSWERS REGARDING THE MANAGED DISTRIBUTION PLAN

Question 1: What is a Managed Distribution Plan?

Answer: A Managed Distribution Plan is one in which common shareholders receive a consistent, but not guaranteed, periodic cash payment, regardless of when or whether income is earned or capital gains are realized. Such a policy recognizes that many investors are willing to accept the higher price volatility of equity investments, but desire a stable level of cash distributions available to them each quarter for reinvestment or other purposes. The Plan adopted by your Fund's Board of Directors in June 2015 provides for a continuation of quarterly distributions of 35.0 cents per share, which amounts to $1.40 annually, subject to the Board's right to suspend, modify, or terminate the Plan without notice at any time.

Question 2: Why is the Fund implementing a Managed Distribution Plan at this time?

Answer: The prolonged period of unprecedented monetary easing has resulted in very low interest rates, which have driven the valuations of income-oriented stocks to relatively high levels and have depressed domestic utility common stock dividend yields well below their long-term average. Moreover, during the period since the Fund's inception, there have been numerous dividend reductions, particularly by foreign telecom companies, but also by European utility companies that could be potential Fund holdings. The increase in the value of the U.S. dollar has caused the Fund's foreign dividend income to decline, on a relative basis, after conversion into U.S. dollars. Thus, the Fund is now in a position where dividend income is harder to obtain and where trading to augment dividend income generates significant realized capital gains, due to the favorable performance of the Fund's holdings.

Realized capital gains must be distributed to shareholders in accordance with the following regulatory requirements. The 1940 Act and related SEC rules generally prohibit investment companies from distributing long-term capital gains, as defined by the Internal Revenue Code, more often than once in a twelve-month period, subject to limited exceptions. For that reason, funds that have adopted a Managed Distribution Plan often seek an exemptive order from the SEC, permitting them to distribute long-term capital gains up to 12 times annually.

Question 3: As the Fund implements the Managed Distribution Plan, will it be able to benefit from an SEC exemptive order?

Answer: Yes. The SEC issued such an exemptive order (the "Exemptive Order") to another fund in the same complex as the Fund—DNP Select Income Fund Inc. ("DNP")—and to the Fund's investment adviser, Duff & Phelps Investment Management Co. (the "Adviser"), on August 26, 2008. The Exemptive Order expressly provided that it would also apply to any closed-end investment company that in the future is advised by the Adviser and complies with the terms and conditions of the Exemptive Order. Accordingly, pursuant to resolutions adopted at the June 2015 Board meeting, the Fund has elected to avail itself of the benefits, and comply with the terms and conditions, of the Exemptive Order.

Based on the Exemptive Order, the Fund can support a managed distribution by making multiple distributions of long-term capital gains over the course of a year, instead of being forced to have a lower distribution rate over the course of a year and then making one special distribution of long-term capital gains at the end of the year.

Question 4: What information did the SEC require the Board to consider in connection with the decision to rely on the Exemptive Order?

Answer: First, the Board was required to consider: (1) the details of the proposed Managed Distribution Plan (including the amount of the periodic, level distribution), the purpose of the Plan, and the right of the Board to amend or terminate the Plan at any time without prior notice to Fund shareholders; (2) how adoption and implementation of the Plan are consistent with the Fund's investment objectives and policies and are in the best interests of the Fund and its shareholders; (3) any potential or actual conflict of interest that the Adviser or any affiliated persons of the Fund or Adviser may have relating to the adoption or implementation of the Plan; (4) any foreseeable material effect of the Plan on the Fund's long-term total return in relation to market price and net asset value ("NAV"); and (5) whether the rate of distribution under the Plan will exceed the Fund's total expected return in relation to NAV.

Second, from a compliance standpoint, the Board was required to consider the policies and procedures that the Fund's Administrator and Adviser propose to adopt relating to the Plan. Specifically, the compliance procedures relating to the Plan must: (1) be designed to provide reasonable assurance that all notices required to be sent to Fund shareholders pursuant to Section 19 of the 1940 Act include all the required disclosures; (2) require that the Fund keep records that demonstrate its compliance with all of the conditions of Section 19 of the 1940 Act; (3) provide for the Fund's Chief Compliance Officer to review the adequacy of the policies and procedures proposed by the Fund's Administrator and Adviser, determine whether the Fund and the Fund's Adviser have complied with the conditions set out by the SEC in the exemptive order, and report the results of the review to the Board of Directors at least once every three months or at the next regularly scheduled quarterly board meeting; (4) address the course of action for widespread public disclosure of information regarding the Fund's periodic distributions via press releases, SEC filings, website postings, and inclusion in Fund information, communications, and reports to shareholders, beneficial owners, and potential shareholders; (5) address monitoring the trading in the Fund's common stock so that the Board of Directors may readdress the appropriateness of the Plan and its benefits to Fund shareholders if the Fund's common stock has traded at greater than a 10% premium to NAV and/or the Fund's annualized distribution rate, expressed as a percentage of NAV, is greater than the Fund's average annual total return in relation to the change in NAV over a prescribed period of time.

Question 5: What are the primary advantages of a Managed Distribution Plan?

Answer: A managed distribution plan allows a fund to provide to its common shareholders a regular, periodic distribution that is not dependent on the timing or amount of income earned or capital gains realized by the fund. This type of distribution plan recognizes that many investors are willing to accept the higher price volatility of equity investments but also like to receive a consistent level of cash distributions each quarter for reinvestment or other purposes. It also reduces share price volatility associated with a potentially large one-time distribution. Further, Lipper Analytical Services ("Lipper") data indicate that, historically, managed distribution policies have tended to have a positive effect on supporting a closed-end fund's market price in relation to its NAV.

To the extent that the Fund distributes long-term capital gains, the tax effects will be favorable under current tax law, as the applicable tax rate will be the lower capital gains tax rate instead of the rate applied to ordinary income.

Question 6: What are the primary disadvantages of a Managed Distribution Plan?

Answer: The Managed Distribution Plan may affect the Fund's portfolio management strategy, which is discussed in Question 7 below. If the Fund's total return is less than the annual distribution, the Managed Distribution Plan could shrink the assets of the Fund over time and thus increase the Fund's expense ratio (i.e., the Fund's fixed expenses will be spread over a smaller pool of assets). Another potential disadvantage of the Managed Distribution Plan is that it is subject to modification, suspension or termination by the Board at any time, without notice. This is discussed in more detail in Question 8 below. Advantages and disadvantages notwithstanding, the Fund has no control over the capital gains it may be forced to realize because of unexpected tender offers or mergers of the issuers of its underlying stockholdings. In addition, the components of dividends received from MLPs—ordinary income, capital gains, and return of capital—cannot be determined by the Fund at the time of distribution. Indeed, the MLPs themselves do not know the exact percentage breakdown of those components until after the end of the calendar year, at which time MLP security holders (including the Fund) are notified. The tax characteristics of the MLP distribution portion of the Fund's total distribution for a year are then made available to Fund shareholders, but are not within the control of the Fund.

Question 7: Will the Managed Distribution Plan impact the way in which the Fund is managed?

Answer: Adoption of the Plan is not expected to materially change the portfolio management strategy of the Fund. The Fund's ongoing investment objective is to seek total return, resulting *primarily* from (i) a high level of current income, with an emphasis on providing tax-advantaged dividend income and (ii) growth in current income, and *secondarily* from capital appreciation. Under normal market conditions, the Fund will invest at least 80% of its total assets in dividend-paying equity securities of companies in the utility industry. For purposes of the foregoing policy, dividend paying equity securities must be issued by companies with a market capitalization of at least $500 million at the time of purchase, except with respect to companies in the telecommunications sector, which must have a market capitalization of at least $1 billion at the time of purchase. Also for purposes of the foregoing policy, the utility industry is defined to include the following sectors: electric, gas, water, telecommunications and midstream energy.

These sectors are defined as follows:

- The electric sector of the utility industry consists of companies involved to a significant extent in the generation, transmission, distribution, delivery or sale of electricity.
- The gas sector of the utility industry consists of companies involved to a significant extent in the transmission, distribution, delivery or sale of natural gas.
- The water sector of the utility industry consists of companies involved to a significant extent in the distribution or sale of water.
- The telecommunications sector of the utility industry consists of companies involved to a significant extent in the transmission of voice, data or other information over the electromagnetic spectrum (including wireline telephone, wireless telephone, cable television, Internet and other communications media).
- The midstream energy sector of the utility industry consists of companies involved to a significant extent in the gathering, transportation, processing, storing, marketing or distribution of natural gas, natural gas liquids (including propane), crude oil, refined petroleum products or coal.

Question 8: Under what circumstances can the Managed Distribution Plan be terminated or suspended?

Answer: The Managed Distribution Plan can be modified, suspended, or terminated at any time by the Board, without any notice to or approval by shareholders, if the Board deems such action to be in the best interests of the Fund and its shareholders. For instance, the Board may modify, suspend, or terminate the Managed Distribution Plan if the Plan has the effect of shrinking the Fund’s assets to a level that is determined to be detrimental to Fund shareholders. The suspension or termination of the Managed Distribution Plan could have the effect of creating a trading discount (if the Fund is trading at or above NAV) or widening an existing trading discount.

Question 9: Are the managed distribution payments considered “yield”?

Answer: Not necessarily. You should not draw any conclusions about the Fund’s investment performance based on the magnitude of the distribution. Yield is a measure of net investment income, relative to the share price, that is distributed to the Fund’s shareholders. A distribution of capital gains, for example, is not considered net investment income. Neither is a return of capital. Therefore, managed distributions consisting of capital gains and/or return of capital do not result in a higher yield.

Question 10: Will the Managed Distribution Plan result in any additional administrative consequences or have tax effects for shareholders?

Answer: A long-term capital gains distribution, regardless of whether it is disbursed quarterly or once annually, will be taxed at the long-term capital gain tax rate under the Internal Revenue Code.

Return of capital is not taxable to shareholders in the year it is paid. Rather, shareholders are required to reduce the cost basis of their shares by the amount of the return of capital so that, when the shares are ultimately sold, they will have properly accounted for the return of capital. Such an adjustment may cause a shareholder’s gain to be greater, or loss to be smaller, depending on the sales proceeds received. Because the Fund’s distributions already contain a return of capital component attributable to the holding of MLPs, these cost basis adjustments are already taking place. Shareholders who hold their shares in non-taxable accounts such as IRAs will not need to make any adjustments in the cost basis.

The foregoing is not intended to be a complete discussion of the tax consequences of the Managed Distribution Plan and shareholders are urged to seek their own professional tax advice regarding this matter. The Fund will send you a Form 1099-DIV following the end of each calendar year that will tell you how to report Fund distributions for federal income tax purposes.

Question 11: Why do shareholders receive a 19(a) Notice?

Answer: Section 19(a) of the 1940 Act provides that if a registered investment company’s distributions are composed of a source other than net income earned on the underlying holdings, the distribution must be accompanied by a written statement (a “19(a) Notice”) that adequately discloses the sources of the distribution. Net realized short and long-term capital gains and return of capital are examples of other sources from which the Fund’s distribution may be paid. Therefore, in accordance with the 1940 Act, the Fund provides a 19(a) Notice to shareholders, detailing the proportion of the distribution represented by net investment income, net realized short and/or long-term capital gains, and return of capital, as pertinent to the period covered by the distribution.

It is important for shareholders to understand that the calculations in the 19(a) Notice are based on Generally Accepted Accounting Principles (GAAP); on the other hand, the tax characteristics of distributions detailed on the 1099-DIV form that shareholders receive after the end of a calendar year are based on the Internal Revenue Code, which may or may not be equivalent to the GAAP treatment. Shareholders are urged to seek their own professional tax advice regarding this distinction.

The 19(a) Notice also assists you in understanding the Fund's yield and return characteristics. You should not draw any conclusions about the Fund's investment performance simply based on the magnitude of the distribution. Yield is a measure of net investment income, relative to the share price, that is distributed to the Fund's shareholders. A distribution of capital gains, for example, is not considered net investment income. Neither is a return of capital. Therefore, managed distributions consisting of capital gains and/or return of capital do not result in a higher yield or a high yield fund.

Question 12: Will additional information be available to shareholders?

Yes. Current information about the Managed Distribution Plan will be included in the Fund's annual and semi-annual reports to shareholders and will be posted on the Fund's website, http://www.dpgfund.com. Through these channels, shareholders will be kept informed of any actions taken by the Board of Directors to modify, suspend, or terminate the Plan.