Stone Harbor Investment Partners Introduces

Actively Managed Emerging Market High Yield Debt ETF

VEMY, first ETF from Stone Harbor, invests in high yield sovereign and corporate debt sectors

HARTFORD, CT, **December 19, 2022** – Stone Harbor Investment Partners, an affiliated manager of Virtus Investment Partners, Inc. (NASDAQ: VRTS) and Virtus ETF Solutions have introduced the Virtus Stone Harbor Emerging Markets High Yield Bond ETF (NYSE: VEMY), the first actively managed ETF focused on emerging markets high yield debt.

VEMY, Stone Harbor's initial ETF strategy, offers exposure to the higher growth and diversified economic cycles that emerging markets provide. The ETF, which seeks current income and, secondarily, capital appreciation, actively allocates opportunistically across a diversified portfolio of emerging market high yield debt securities, both sovereign and corporate, that are denominated in US dollars. It is scheduled to pay monthly dividends.

The Stone Harbor investment team managing VEMY is under the leadership of James E. Craige, CFA, co-chief investment officer and head of Emerging Markets, and includes Richard Lange, portfolio manager, Emerging Markets Corporate Debt, Asia, Euro High Yield – Execution, Stuart Sclater-Booth, portfolio manager, Emerging Markets Debt, Global Sovereign, and Asset Allocation, and Darin Batchman, portfolio manager, Emerging Markets Corporate Debt, Latin America.

"Investing in emerging markets high yield bonds offers investors exposure to the diversified economic cycles of many emerging market countries. For investors who are seeking an alternative income-opportunity, adding emerging markets debt can provide the opportunity for a significantly attractive yield pickup, even when compared to U.S. high yield fixed income, where many investors have recently sought out incremental yield," Craige said. "We project a faster economic recovery and prolonged growth coming and VEMY's active approach is well suited for emerging markets where persistent inefficiencies make the investment case hard to ignore for active managers."

Craige added, “Partnering with Virtus ETF Solutions provides the platform for investors to harness the experience and rigorous investment process of Stone Harbor through an efficient, transparent vehicle.”

“Stone Harbor’s experience allocating risk in complex areas of fixed income markets makes VEMY a compelling and timely addition for the Virtus ETF suite,” said William Smalley, executive managing director of Virtus ETF Solutions. “We believe a strategy that is focused on the highest yielding portion within the U.S. dollar (USD) denominated emerging markets bond market offers an attractive alternative for traditional income-oriented investors.”

About Stone Harbor Investment Partners

Stone Harbor Investment Partners is a global credit specialist with three decades of expertise in emerging and developed markets debt. Stone Harbor’s investment team – portfolio managers, credit analysts, economists, quantitative analysts, and risk management professionals – engages in disciplined and regular collaboration to carefully construct their global macroeconomic outlook and strategic allocation framework. As a research-driven firm, Stone Harbor drills deeply into the fundamentals to determine the attractiveness of individual credits, currencies, interest rates, and yield curves to find the best investments within select asset classes. The firm managed $10.2 billion of assets as of September 30, 2022.

About Virtus ETF Solutions

Virtus ETF Solutions, is a multi-manager ETF sponsor that offers actively managed and index-based investment capabilities across multiple asset classes, seeking to deliver a family of complementary ETFs that are subadvised by select investment managers.

About Virtus Investment Partners, Inc.

Virtus Investment Partners (NASDAQ: VRTS) is a distinctive partnership of boutique investment managers singularly committed to the long-term success of individual and institutional investors. We provide investment management products and services from our affiliated managers, each with a distinct investment style and autonomous investment process, as well as select subadvisers. Investment solutions are available across multiple disciplines and product types to meet a wide array of investor needs. Additional information about our firm, investment partners, and strategies is available at virtus.com.

Risk Considerations

Exchange-Traded Funds (ETF): The value of an ETF may be more volatile than the underlying portfolio of securities it is designed to track. The costs to the fund of owning shares of an ETF may exceed the cost of investing directly in the underlying securities. **Emerging Markets Investing:** Emerging markets securities may be more volatile, or more greatly affected by negative conditions, than those of their counterparts in more established foreign markets. **High Yield Fixed Income Securities**: There is a greater risk of issuer default, less liquidity, and increased price volatility related to high yield securities than investment grade securities. **Credit & Interest**: Debt instruments are subject to various risks, including credit and interest rate risk. The issuer of a debt security may fail to make interest and/or principal payments. Values of debt instruments may rise or fall in response to changes in interest rates, and this risk may be enhanced with longer-term maturities. **Income**: Income received from the portfolio may vary widely over the short- and long-term and/or be less than anticipated if the proceeds from maturing securities in the portfolio are reinvested in lower-yielding securities. **Foreign Investing**: Investing in foreign securities subjects the portfolio to additional risks such as increased volatility; currency fluctuations; less liquidity; less publicly available information about the foreign investment; and political, regulatory, economic, and market risk. **Market Price/NAV**: At the time of purchase and/or sale, an investor's shares may have a market price that is above or below the fund's NAV, which may increase the investor's risk of loss. **Currency Rate**: Fluctuations in the exchange rates between the U.S. dollar and foreign currencies may negatively affect the value of the fund's shares. **Counterparty Risk**: There is risk that a party upon whom the fund relies to complete a transaction will default. **Non-Diversified**: The portfolio is not diversified and may be more susceptible to factors negatively impacting its holdings to the extent the portfolio invests more of its assets in the securities of fewer issuers than would a diversified portfolio. **Liquidity**: Certain instruments may be difficult or impossible to sell at a time and price beneficial to the portfolio. **Market Volatility**: The value of the securities in the portfolio may go up or down in response to the prospects of individual companies and/or general economic conditions. Price changes may be short- or long-term. Local, regional, or global events such as war (e.g., Russia's invasion of Ukraine), acts of terrorism, the spread of infectious illness (e.g., COVID-19 pandemic) or other public health issues, recessions, or other events could have a significant impact on the portfolio and its investments, including hampering the ability of the portfolio's manager(s) to invest the portfolio's assets as intended.

Please consider the Fund's objectives, risks, charges, and expenses before investing. Contact us at 1.800.243.4361 or visit www.virtus.com for a prospectus, which contains this and other information about the Fund. Read the prospectus carefully before investing.

ETFs distributed by **VP Distributors, LLC**, member FINRA and subsidiary of Virtus Investment Partners, Inc.

# # #

Contacts

Joe Fazzino, Media Relations
(860) 263-4725
joe.fazzino@virtus.com

Ryan Graham, Media Relations
(862) 777-4274
rgraham@jconnelly.com