

OVERVIEW

- Aims to deliver a regular income expected to be 4.5%¹ per annum
- Preserve investors' capital throughout market cycles, with the potential for capital growth
- Invests in a diversified portfolio of global listed securities including Yield Co Equities, Investment Companies and Equities
- Offers exposure to companies engaged in the provision, storage, supply and consumption of clean energy

PERFORMANCE CHART

VT Gravis Clean Energy Income Fund – C Acc GBP (Total Return after charges)
18/12/2017 – 31/12/2021



RETURNS

	DECEMBER 2021	3 MONTHS	12 MONTHS	36 MONTHS	SINCE INCEPTION	VOLATILITY
VT Gravis Clean Energy	-0.57%	2.34%	1.24%	72.81%	75.66%	11.27%
MSCI World Infrastructure	3.51%	3.36%	7.29%	21.71%	20.28%	15.73%
S&P Global Clean Energy	-10.52%	-1.94%	-22.36%	154.39%	150.87%	26.97%

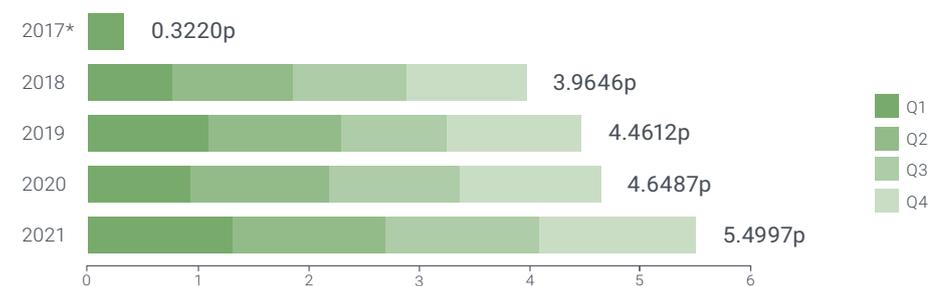
Past performance is not necessarily a guide to future performance.

Fund launched on 18 December 2017.

Fund performance is illustrated by the C GBP Net Accumulation share class.

DIVIDENDS

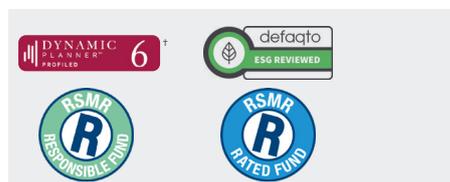
Dividends paid net of charges since inception to 31 December 2021 for C GBP Income share class.



* Part period from launch on 18 December 2017.

Fund information	
Fund name	VT Gravis Clean Energy Income Fund
Regulatory status	FCA Authorised UK OEIC UCITS V
Sector	IA Infrastructure
Launch date	18 December 2017
Fund size	£395.88m
Share classes	Income and Accumulation Clean & Institutional (£, \$, €)
Min. investment	£100
Net Asset Value per share as at 31 December 2021	C Acc (£): 175.66p C Inc (£): 150.79p I Acc (£): 167.29p I Inc (£): 132.12p
Trailing 12 month net yield² as at 31 December 2021	3.65%
Charges³	AMC: 0.80% OCF: 0.81%
Dividend pay dates	end of Jan, Apr, July, Oct
Classification	Non-complex
£ ISINs	C Acc: GB00BFN4H792 C Inc: GB00BFN4H461

1. This is an unofficial target and there is no guarantee it will be achieved. Per annum by reference to launch price of £1.00 per unit, payable quarterly, one month in arrears.
 2. Published dividends from 14/10/2020 are net of charges, which are taken from capital. Prior to 14/10/2020, charges were taken from income.
 3. The OCF for all share classes is capped at the AMC (excluding underlying fund holding charges and dealing costs from EMX and Calastone) and any costs in excess of the OCF/AMC will be paid by the Investment Adviser.
- All data, source: Valu-Trac Investment Management, MSCI Inc and Reuters



[†]Independently risk-rated and assessed as Medium Risk

FUND ADVISER'S REPORT

The strategy delivered a modest positive return over the course of the full year

The strategy drifted lower throughout December, recording a total return of -0.57% (C Accumulation GBP). The most significant detractors to performance were Atlantica Sustainable Infrastructure, Clearway Energy and Hannon Armstrong among a broader cohort of US and Canadian yield companies which generally lost value in December. By contrast, the Fund's UK-listed renewables exposures performed well, albeit not sufficiently to offset the weakness seen elsewhere in the portfolio. Greencoat UK Wind, a position that was increased significantly in November, generated the greatest positive contribution and is well placed to benefit from its exposure to spot power prices in the UK as well as a sizeable element of index-linked cash flows via Renewable Obligation Certificates, for example.

Although it was disappointing to end the year in such a manner, the strategy delivered a modest positive return over the course of the full year. This compares favourably when viewed against the significant loss in value recorded by the broader Clean Energy sector, which retraced from its overheated levels in January 2021.

EQT's acquisition of Covanta Holding Corp completed, releasing capital during the period. The company, which generates energy from waste (among other activities), contributed approximately 70bps to performance during 2021. In GBP terms (the Fund's base currency), the takeover price was c.£15.17 per share compared to a book cost of c.£9.50, without considering dividends received during the total holding period of approximately two years.

In December, noteworthy transactions included participation in an oversubscribed equity raise undertaken by Octopus Renewable Infrastructure through which the Fund increased its existing exposure considerably. Price weakness also provided an attractive opportunity to add to Brookfield Renewables Corporation in the US.

The early stages of 2022 have seen a continuation in selling pressure across the portfolio's North American holdings. Rather than being sector/theme specific, US equity markets have tracked lower more broadly, most likely in response to hawkish rhetoric around interest rates from the FOMC. Market corrections can of course be healthy, and in the Fund's target universe we observe that valuations are more reasonable on a range of metrics. On balance, US and Canadian Yield Cos are now trading at ratings last seen in mid-2020 thus providing a more solid foundation from which to move forward.

Fourth quarter dividend announced

Income distributions for the fourth quarter of 2021, payable in January, amounted to 1.4156p per C Income GBP unit and 1.2398p per I Income GBP unit. Distributions declared over the full calendar year amounted to 5.4997p per C Income GBP unit and 4.7816p per I Income GBP unit, reflecting considerable growth year-on-year. The trailing 12-month yield on the C Income GBP units is 3.65%.

Will Argent

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Investment Adviser

Gravis Advisory Limited is owned and managed by Gravis Capital Management Ltd ("Gravis"). Gravis was established in May 2008 as a specialist investor in infrastructure and now manages c.£3bn of assets in the sector in the UK. GCM is authorised and regulated by the FCA. Funds under management include the FTSE 250 companies GCP Infrastructure Investments Ltd and GCP Student Living Plc, and GCP Infrastructure Income Fund Ltd. Gravis has won numerous awards for their alternative approach to long term, secure, income-generative investments. Gravis Advisory Limited is Investment Adviser to the c.£842m VT Gravis UK Infrastructure Income Fund, the c.£396m VT Gravis Clean Energy Income Fund, the c.£80m VT Gravis UK Listed Property (PAIF) Fund and the c.£39m VT Gravis Digital Infrastructure Income Fund.

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CORRELATION, PERFORMANCE AND VOLATILITY COMPARISON

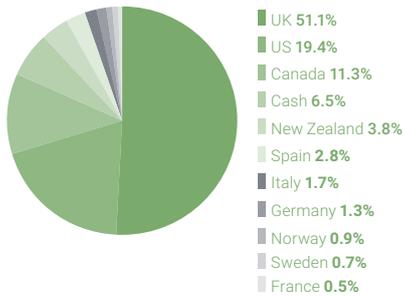
18 December 2017 – 31 December 2021

	CORRELATION	RETURN	VOLATILITY	YIELD
VT Clean Energy (C Acc GBP)	-	75.7%	11.3%	3.6%
MSCI World Infrastructure	0.06	20.3%	15.7%	4.1%
S&P Global Clean Energy	0.18	150.9%	27.0%	1.5%

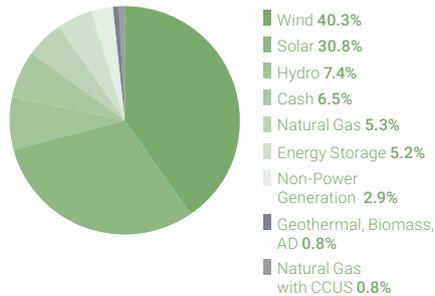
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PORTFOLIO

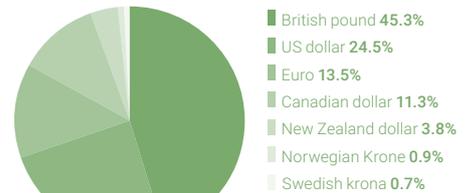
Geographic listing



Energy source



Currency



SECURITY TYPE

Sectors



TOP 10 HOLDINGS ON 31 DECEMBER 2021

HOLDING	WEIGHT
Greencoat UK Wind PLC	6.8%
Renewables Infrastructure Group Ltd	6.6%
Clearway Energy Inc	6.2%
TransAlta Renewables Inc	5.1%
Atlantica Sustainable Infrastructure PLC	4.9%
Greencoat Renewables PLC	4.6%
Innergex Renewable Energy Inc	3.9%
Meridian Energy Ltd	3.8%
Brookfield Renewable Corp	3.8%
Gresham House Energy Storage Fund PLC	3.5%

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