

### OVERVIEW

- Aims to deliver a regular income expected to be 4.5%<sup>1</sup> 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 – 26/02/2021



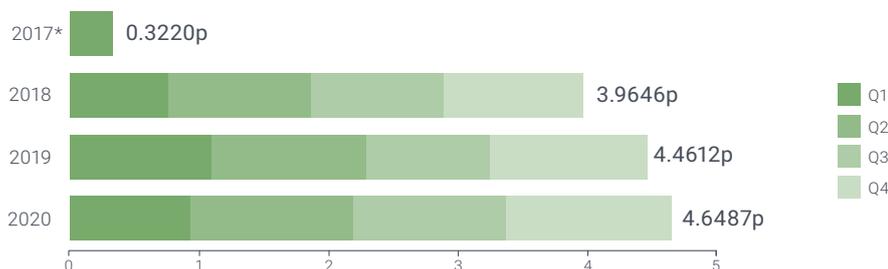
### RETURNS

	FEBRUARY 2021	3 MONTHS	6 MONTHS	12 MONTHS	SINCE INCEPTION	VOLATILITY
VT Gravis Clean Energy	-4.69%	1.50%	10.47%	21.57%	67.62%	12.04%
MSCI World Infrastructure	-3.67%	-5.77%	-0.73%	-6.19%	6.57%	17.01%
S&P Global Clean Energy	-14.81%	5.17%	44.55%	93.32%	192.08%	26.73%

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 26 February 2021 for C GBP Income share class.



\* Part period from launch on 18 December 2017.

Fund information	
<b>Fund name</b>	VT Gravis Clean Energy Income Fund
<b>Regulatory status</b>	FCA Authorised UK OEIC UCITS V
<b>Sector</b>	IA Global
<b>Launch date</b>	18 December 2017
<b>Fund size</b>	£253.00m
<b>Share classes</b>	Income and Accumulation Clean & Institutional (£, \$, €)
<b>Min. investment</b>	£100
<b>Net Asset Value per share as at 26 February 2021</b>	C Acc (£): 167.62p C Inc (£): 149.27p I Acc (£): 159.49p I Inc (£): 130.64p
<b>Trailing 12 month net yield<sup>2</sup> as at 26 February 2021</b>	3.11%
<b>Charges<sup>3</sup></b>	AMC: 0.80% OCF: 0.81%
<b>Dividend pay dates</b>	end of Jan, Apr, July, Oct
<b>Classification</b>	Non-complex
<b>£ ISINs</b>	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



<sup>†</sup>Independently risk-rated and assessed as Medium Risk

**FUND ADVISER'S REPORT**

**Acciona and Repsol have announced plans to explore the potential IPO of their respective renewable energy generation divisions**

The Fund's NAV declined by 4.69% in February with the key detractors from performance being US and Canadian yield cos amid a broader retracement in the share prices of companies operating within the clean energy sector. In addition to the sector-specific de-ratings, the Adviser notes the sharp upwards trajectory of sovereign yields in recent weeks which has, in all likelihood, proved a dampening factor with regards to income-orientated asset classes such as the clean energy infrastructure that underpins the portfolio.

A total of ten portfolio companies generated flat or positive performance during the period, all of which are UK-listed entities. Readers will recall that recent capital deployment has been focused on UK-listed companies as part of a rotation away from US and Canadian yield cos in particular in an effort to protect the portfolio from the stretched valuations that have been prevalent in recent months. The recent pullback in the US and Canadian companies that are of interest to the Fund represents an overdue correction in the Adviser's opinion and could ultimately provide an attractive buying opportunity through which the Fund may build back larger portfolio exposures to many of these companies. The portfolio has a sizeable cash position to deploy into opportunities as they arise, however pricing discipline remains critical.

In February, freezing temperatures forced over 40GW of Texas's power generation capacity offline, an event that was compounded by the relative isolation of the Electric Reliability Council of Texas (ERCOT) grid network. Renewable power generation assets (predominantly wind assets) owned by two portfolio companies, Innergex and Clearway Energy, were impacted and suffered downtime. The inability to deliver pre-defined levels of power to their offtakers meant that financial losses were incurred as a result. While the likely magnitude of the costs to these companies are sizeable, most notably for Innergex, they are unlikely to impact financial expectations too significantly over the course of the full year.

The companies in question amounted to a combined weighting of 3.95% in the portfolio (at 26th February). Related to this, the Adviser notes the sizeable backlog of battery storage projects seeking permits within the ERCOT region. Such assets could help mitigate any similar situation in future and that is an argument that could be extrapolated to many other energy markets globally. Energy Storage Solutions remains an area of interest for the Fund and while the opportunities to gain exposure to operational battery storage assets in listed markets remain scarce (certainly in terms of pure exposure), it is an area of the energy infrastructure market that is likely to see accelerated growth and wider uptake.

With further reference to the Fund's investible universe, it is interesting to note that Acciona (Spanish engineering group, >€7bn market capitalisation) and Repsol (Spanish integrated oil & gas major, >€16bn market capitalisation) have recently announced plans to explore the potential IPO of their respective renewable energy generation divisions. This dynamic, alongside the potential for large utilities and energy infrastructure developers to divest coal assets (not permitted in the Fund no matter how small the exposure may be in a company's asset base), is likely to offer additional opportunities for the Fund in future.

The Fund will declare its income distribution for the first quarter of 2021 at the end of March. The Adviser's expectation is that the distribution will be ahead of that paid for the comparable period in 2020, partly reflecting the fact that annual management fees are now taken from capital.

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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.£3.3bn 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.£726m VT Gravis UK Infrastructure Income Fund, the c.£253m VT Gravis Clean Energy Income Fund and the VT Gravis UK Listed Property (PAIF) Fund.

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**CORRELATION, PERFORMANCE AND VOLATILITY COMPARISON**

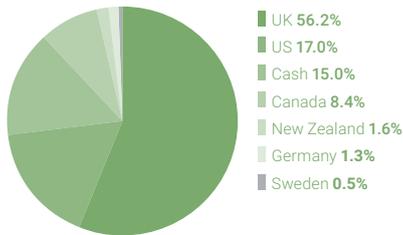
18 December 2017 – 26 February 2021

	CORRELATION	RETURN	VOLATILITY	YIELD
VT Clean Energy (C Acc GBP)	—	67.6%	12.0%	3.1%
MSCI World Infrastructure	0.06	6.6%	17.0%	3.9%
S&P Global Clean Energy	0.17	192.1%	26.7%	0.9%

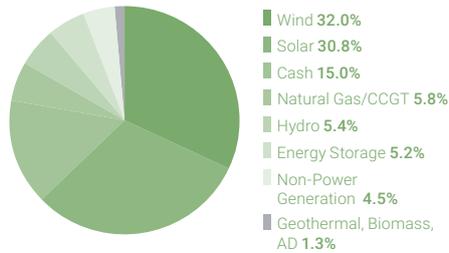
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**PORTFOLIO**

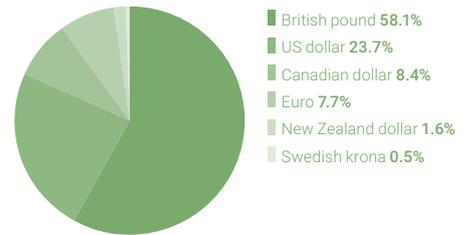
**Geographic listing**



**Energy source**



**Currency**



**SECURITY TYPE**

**Sectors**



**TOP 10 HOLDINGS ON 26 FEBRUARY 2021**

HOLDING	WEIGHT
Renewables Infrastructure Group Ltd	7.5%
Greencoat UK Wind PLC	7.4%
Atlantica Sustainable Infrastructure PLC	5.6%
TransAlta Renewables Inc	4.8%
Foresight Solar Fund Ltd	4.8%
Greencoat Renewables PLC	4.0%
NextEnergy Solar Fund Ltd	4.0%
Gresham House Energy Storage Fund PLC	4.0%
Ecofin US Renewables Infrastructure Trust PLC	3.6%
Bluefield Solar Income Fund Ltd	3.3%

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