

### 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 – 28/05/2021



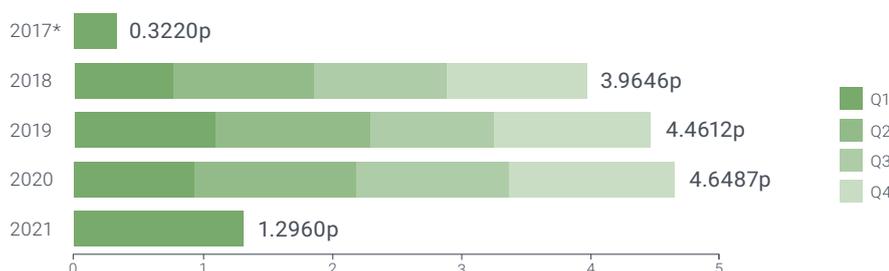
### RETURNS

	MAY 2021	3 MONTHS	12 MONTHS	36 MONTHS	SINCE INCEPTION	VOLATILITY
VT Gravis Clean Energy	-0.99%	-0.82%	21.98%	69.24%	66.25%	11.86%
MSCI World Infrastructure	-2.60%	8.00%	3.96%	21.52%	15.10%	16.66%
S&P Global Clean Energy	-3.91%	-12.84%	69.53%	136.21%	154.57%	27.84%

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

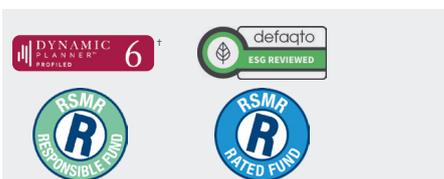
Dividends paid net of charges since inception to 28 May 2021 for C GBP Income share class.



\* 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>	£298.21m
<b>Share classes</b>	Income and Accumulation Clean & Institutional (£, \$, €)
<b>Min. investment</b>	£100
<b>Net Asset Value per share as at 28 May 2021</b>	C Acc (£): 166.25p C Inc (£): 146.75p I Acc (£): 158.21p I Inc (£): 128.49p
<b>Trailing 12 month net yield<sup>2</sup> as at 28 May 2021</b>	3.42%
<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>1</sup>Independently risk-rated and assessed as Medium Risk

## FUND ADVISER'S REPORT

The Fund recorded a total return of -0.99% in May (C Accumulation GBP units). The strategy suffered a sharp decline in the early stages of the period, in part reflecting market fears over rising inflationary pressures and increased yield expectations, which would – if persistent – provide a headwind for income-focused strategies. However, amidst the broader weakness, it was encouraging to see many UK companies held within the portfolio – including the solar-focused cohort of Bluefield Solar, Foresight Solar and Next Energy Solar – strengthen over the course of the month following a sharp sell-off in April. At a macro level, a significant strengthening in the value of sterling (most significantly against the US dollar) also impacted absolute performance at base currency level. For context, the S&P Global Clean Energy Index and the MSCI World Infrastructure Index lost 3.91% and 2.60% in value, respectively (GBP-adjusted).

New positions were taken in ERG, Neoen and Scatec Solar (cumulatively amounting to c.2.3% of the portfolio initially) as the Adviser sought to capitalize on opportunities resulting from pricing volatility in the Clean Energy sector. Milan-listed ERG is a great example of a company that has transformed itself from having a historic focus on conventional, fossil-fuel driven power generation to one that is now focused primarily on renewable energy generation from an installed base of wind, solar and hydro assets. The Adviser observes similar transitions within the energy sector – Danish wind giant Orsted provides a similar example, and the company would be eligible for inclusion within the Fund once it transforms its last coal-fired power plants to biomass feedstock (expected by 2023).

Neoen and Scatec, are independent power producers listed in France and Norway, respectively. These companies are well established within the renewables sector and operate fully integrated build-to-own business models. Their inclusion not only brings exposure to operational renewable energy assets (located globally) but also adds an element of earlier stage exposure to the Fund. Neoen, for example, has c.4GW of renewable power generation assets in operation or under construction but by leveraging its development pipeline for rapid capacity expansion, the company aims for this to reach 10GW by FY 2025.

While the development and construction stages of renewables projects bring additional risks (vs. simply acquiring proven, operational assets), they compensate through the potential for higher returns as assets progress through the process. Competition for commissioned assets is very high, placing downward pressure on achievable returns, so there is an advantage for companies that have the capabilities to oversee the whole process and, as is the case with a number of holdings within the Fund, for companies that have the ability to source commissioned assets, often from related parties, through bilateral ROFO agreements or similar.

The Fund participated in follow on equity raises in May from John Laing Environmental Assets and US Solar, and was active in Greencoat Renewables, adding to the existing position via an Accelerated Book Build process that was triggered by a large shareholder seeking to divest a sizeable amount of stock.

The Fund will declare its income distribution for the second quarter of 2021 at the end of June. The Adviser's expectation is that the distribution will be ahead of that paid for the comparable period in 2020, reflecting the fact that annual management fees are now taken from capital. This dynamic will more than offset the natural reduction in income accruals resulting from the tactical cash balance employed throughout much of the period.

### 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.£3.5bn 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.£767m VT Gravis UK Infrastructure Income Fund, the c.£298m VT Gravis Clean Energy Income Fund, the c.£51m VT Gravis UK Listed Property (PAIF) Fund and the VT Gravis Digital Infrastructure Income Fund.

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## CORRELATION, PERFORMANCE AND VOLATILITY COMPARISON

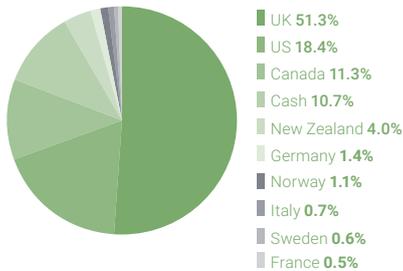
18 December 2017 – 28 May 2021

	CORRELATION	RETURN	VOLATILITY	YIELD
VT Clean Energy (C Acc GBP)	–	66.2%	11.9%	3.4%
MSCI World Infrastructure	0.06	15.1%	16.7%	3.7%
S&P Global Clean Energy	0.18	154.6%	27.8%	1.5%

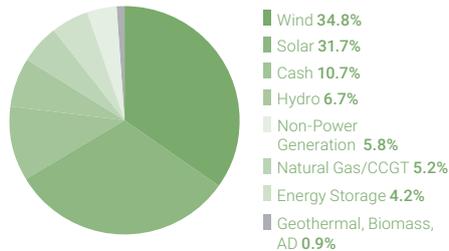
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**PORTFOLIO**

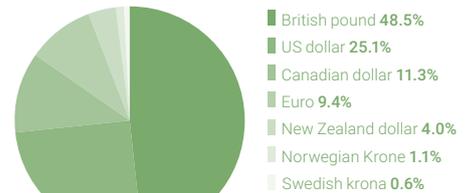
**Geographic listing**



**Energy source**



**Currency**



**SECURITY TYPE**

**Sectors**



**TOP 10 HOLDINGS ON 28 MAY 2021**

HOLDING	WEIGHT
Renewables Infrastructure Group Ltd	7.0%
Greencoat UK Wind PLC	6.5%
TransAlta Renewables Inc	5.6%
Atlantica Sustainable Infrastructure PLC	5.0%
Clearway Energy Inc	4.5%
Greencoat Renewables PLC	4.3%
NextEnergy Solar Fund Ltd	4.2%
Foresight Solar Fund Ltd	4.1%
Meridian Energy Ltd	4.0%
US Solar Fund PLC	3.7%

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