

Valu-Trac Investment Management Limited

Authorised and regulated by the Financial Conduct Authority (FCA), registration number 145168.

Registered in England No. 2428648

Tel: +44 (0)1343 880217

Orton, Moray, IV32 7QE

Responsible Investment Statement VT Gravis Clean Energy Income Fund

Impact

The Fund selects investments that have a significant involvement in clean energy, by:

- The ownership of renewable energy assets and the generation of clean energy
- Direct linkage to renewable energy through funding, construction, and the supply chain
- Improving energy generation, supply, and usage (including increasing efficiency and reducing pollutants)

Investing in companies focused on these themes limits the controversial activities a company may be involved in. However, it is recognised that where more diversified investments are selected, other activities of the company need to be examined. The following policy sets out how the Fund addresses potential issues.

ESG

Environment -

Attention will be given to the environmental performance of the selected investments. For an investment to be deemed suitable for the Fund, it must demonstrate a commitment to environmental improvements, through policy, management systems or positive products.

Consideration will also be given to potential negative incidents and environmental controversies, including pollution events and environmentally related fines.

In the energy sector there remains a legacy of nuclear and fossil fuel generation - for companies involved in multiple generation methods natural gas is deemed acceptable, whereas any involvement in coal and nuclear activities is deemed unacceptable.

Social -

In selecting suitable investments consideration will be given to the management of social impacts, including:

- Community impacts
- Labour rights
- Supply chains and modern slavery

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Governance -

In selecting suitable investments, consideration will be given to governance issues including:

- Company ownership and control structure
- Remuneration of board members
- Taxation
- Corruption & Bribery (including fraud and market manipulation)

Avoidance of Controversial Activities

Based on the positive themed focus of the Fund we consider it unlikely that investment will be made in controversial activities. However, where diversified companies are selected for investment it is possible that some company activities would not be desirable. The Fund will avoid investment in companies with significant involvement in controversial activities, including those that contradict with the stated aims of the fund.

- Controversial activities include significant involvement in: armaments, alcohol, gambling, pornography and tobacco. Significant involvement is defined as greater than 5% of revenue.
- Companies with ongoing or persistent involvement in human rights abuses will be avoided.
- No involvement in production of coal, or generation of power from coal is acceptable
- No involvement in production of power from nuclear fuel is acceptable. Companies indirectly involved in the nuclear industry, such as providing maintenance and services, are acceptable.
- The Fund managers reserve the right to avoid investment in other activities not listed above where they are also deemed in conflict with the overall Fund aim.

Responsible Ownership

The Fund will undertake the systematic use of voting rights to encourage the implementation of best practise with regards to ESG considerations and with an aim to improve business sustainability and diversity.

Other notes

Newly listed companies (e.g. via Initial Public Offerings) will have a grace period of up to twelve months, to resolve issues regarding governance and reporting which may prevent a full assessment of the company under the above policies.

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