

Gravis Advisory Limited Voting & Engagement Policy

Introduction

This policy aims to set out the overall approach of Gravis Advisory Limited (“GAL”) to engagement and voting. GAL, a subsidiary of Gravis Capital Management Limited (“Gravis”), is adviser to four open ended funds, the VT Gravis UK Infrastructure Income Fund, the VT Gravis Clean Energy Income Fund, the VT Gravis UK Listed Property (PAIF) Fund and the VT Gravis Digital Infrastructure Income Fund. These Funds are managed by Valu-Trac Investment Management Ltd (“VTIM”).



Gravis are infrastructure and real estate specialists. We believe in a long-term approach to investment and seek to deliver stable, predictable returns by investing in companies with sustainable business models and long dated dependable cashflows. We aim to preserve and protect capital and deliver a regular income to our investors, with minimal disruptive volatility.

Our long-term approach enables us to engage with investee companies, on matters relating to Responsible Investment and gives us the opportunity to seek to drive change where appropriate. We believe that integrating active ownership practices into our investment process can help to create more successful and sustainable businesses over the long-term and generate enhanced value for our clients and society at large. We seek to invest in companies that are well-managed and take appropriate account of ESG risks and opportunities.

Gravis has been a signatory to the Principles of Responsible Investment (PRI) since January 2019 and is committed to adopting the principles set out therein. We also aim to operate within the principles set out in the UN Global Compact with reference to human rights, labour, environment and anti-corruption. Gravis have committed to the principles of the UK Stewardship Code 2020, including the principles relating to the integration of Responsible Investment and Stewardship. For more information and to view the Gravis Responsible Investment Policy and commitment to the Stewardship Code please visit our [website](#).

This document explains GAL’s approach to active ownership, including engagement and voting. It should be noted that, although the following guidelines are intended to provide an insight into how we approach voting and engagement, GAL assesses every company individually.

Engagement

GAL believes engagement is essential to achieving the best outcome for our clients. We prioritise our engagement activities based on the materiality of the issue and our exposure to the company.

Purpose and Objectives

We seek to engage with the companies in which we invest to understand and provide input into the key areas we see having a material impact on long-term shareholder value creation. With regards to ESG matters, we seek to engage with companies to:

- Influence corporate practice (or identify the need to influence) on ESG issues, including encouraging enhanced ESG disclosure.
- Monitor developments in ESG practices, and progress against any ESG issues we have identified.
- Assess any deviations from our investment thesis, ensuring each company continues to comply with any ESG considerations that informed the initial investment process.
- Enhance the analysis of an entity's risk and opportunities, encouraging resilience over time.

These ESG engagement matters will likely be identified when completing an internal ESG checklist required for all holdings, as per the Gravis [Responsible Investment Policy](#), or whilst undertaking our annual review of holdings' ESG credentials. In the case of the VT Gravis Clean Energy Income Fund, matters which require engagement may be identified during the third party screening of holdings against the Fund's [Responsible Investment Statement](#).

Process

GAL will engage with companies in a constructive way, encouraging long-term consistent dialogue rather than single one-off conversations. We aim to enhance long-term value for our clients through engagement.

The form of engagement will be decided upon on a case-by-case basis, however it is likely the engagement will form part of a broader investment opportunities conversation with company management, most likely via a call or meeting (face to face or virtually).

If we are dissatisfied with a company's response, we may escalate to written engagement with the company's Board. We additionally see voting as a means of escalation. If our concerns remain following escalation, we may look to divest our holding.

Prior to any engagement, objectives will be identified and shared internally as needed. These objectives may include:

- Increased transparency in reporting relating to ESG factors.
- Discussions surrounding Board composition and tenure.

Collaboration

GAL recognises that in some cases collaborative engagement activity by shareholders may be more effective and beneficial than acting alone. As such, there may be some occasions in which GAL will work with other significant shareholders with whom we share a similar perspective, to encourage improvements.

Governance

Responsibility for engagement lies primarily with the Lead Adviser for each of our four open ended Funds. Engagement will generally be carried out confidentially and where required, will be reported on anonymously. We have an ESG engagement tracker and aim to log ESG engagement activities. We will seek to assess our contribution to change from engagement activities as accurately as possible, aiming to differentiate our contribution from the positive developments occurring generally, this is in line with the Principles of the UK Stewardship Code 2020.

Voting

Voting forms an important part of our investment strategy, demonstrated by our commitment to the PRI and adherence to the principles of the UK Stewardship Code 2020. In line with the recommendations of the PRI we believe that voting and engagement practices are interlinked, with engagement being the first step to achieve change, and voting being a means of escalation.

Purpose and Objectives

Our primary aim with all voting decisions is in the long-term interests of our clients, this includes ensuring fair and honest corporate governance and the adoption of socially responsible practices. We aim to vote on all holdings at all meetings. We do not allow stock lending.

Process

We will vote systematically, using voting research provided by ISS in line with their Sustainability Proxy Voting Guidelines.

Founded in 1985, ISS are global proxy voting specialists. With over 2,000 institutional clients, ISS covers approximately 45,000 meetings in 115 markets, delivering proxy research and vote recommendations and executing more than 12.2 million ballots, representing 3.9 trillion shares. The ISS team is made up of over 400 governance analysts, located in 29 offices around the world, enabling the provision of global coverage with local market expertise.

Typically, we will vote in line with the ISS Sustainability Proxy Voting Guidelines. These guidelines are tailored for investors concerned with portfolio value preservation and enhancement through the incorporation of sustainability factors, voting not only with economic returns and good corporate governance in mind, but also with ensuring corporate activities and practices are aligned with the broader objectives of society.

The ISS Sustainability Policy seeks to promote support for recognised global governing bodies promoting sustainable business practices advocating stewardship of environment, fair labour practices, non-discrimination, and the protection of human rights. Generally, ISS's Sustainability Policy will take as its frame of reference internationally recognised sustainability-related initiatives such as the United Nations Environment Programme Finance Initiative (UNEP FI), United Nations Principles for Responsible Investment (UNPRI), United Nations Global Compact, Global Reporting Initiative (GRI), Carbon Principles, International Labour Organization Conventions (ILO), CERES Roadmap for Sustainability, Global Sullivan Principles, MacBride Principles, and environmental and social European Union Directives. Each of these efforts promote a fair, unified and productive reporting and compliance environment which advances positive corporate ESG actions that promote practices that

present new opportunities or that mitigate related financial and reputational risks. On matters of corporate governance, executive compensation, and corporate structure, the Sustainability Policy guidelines are based on a commitment to create and preserve economic value and to advance principles of good corporate governance.

Although generally we will vote in line with the ISS Sustainability Policy, we retain the right to assess all voting decisions on a case-by-case basis. Where our view of best practice for an individual company diverges from that of ISS we will vote in line with our views. The justification for this will be noted internally.

There are a few key issues which we view to be particularly important with regards to enhancing long-term shareholder value. These views may differ slightly from those of ISS.

- **Shareholder rights:**
 - We believe the waiving of pre-emption rights can be detrimental for smaller shareholders. However, we believe waiving pre-emption rights can be important for smaller companies, who are looking to scale their business and broaden their shareholder base. As such we may support a request for the waiving of pre-emption rights for smaller companies.
- **Political donations:**
 - We do not think it is appropriate for companies to make political donations and consequently we will always vote against resolutions seeking permission to do so.
- **Takeover bids:**
 - The Fund Advisers reserve the right to review takeover bids on a case-by-case basis, independent of ISS, as valuations are subjective.

We aim to be supportive of the Boards and management of the companies in which we invest however, we will not always support management's decisions. In these instances, we may vote against the company or choose to abstain.

If ISS intend to recommend GAL votes against company management, they will seek to inform management in advance. ISS will typically aim to engage with company management in advance to explain their reasons behind this decision and work to find potential ways to avoid this.

Governance

Voting is undertaken by the investment manager, VTIM, following consultation with the Fund Adviser, GAL, which will, in turn, utilise the research and recommendations of ISS to inform their voting recommendation. VTIM will vote on behalf of all four VT Gravis funds through the ISS system ProxyExchange, on which all votes are logged.

Responsibilities & Governance

Adherence to this policy will be overseen by the Lead Adviser to each open ended Fund as well as by the Authorised Corporate Director ("ACD") and VTIM. Additionally, this policy will be reviewed by the Gravis Responsible Investment Committee.

We maintain records of all voting activity which is available upon request.