

Energy Champions Fund

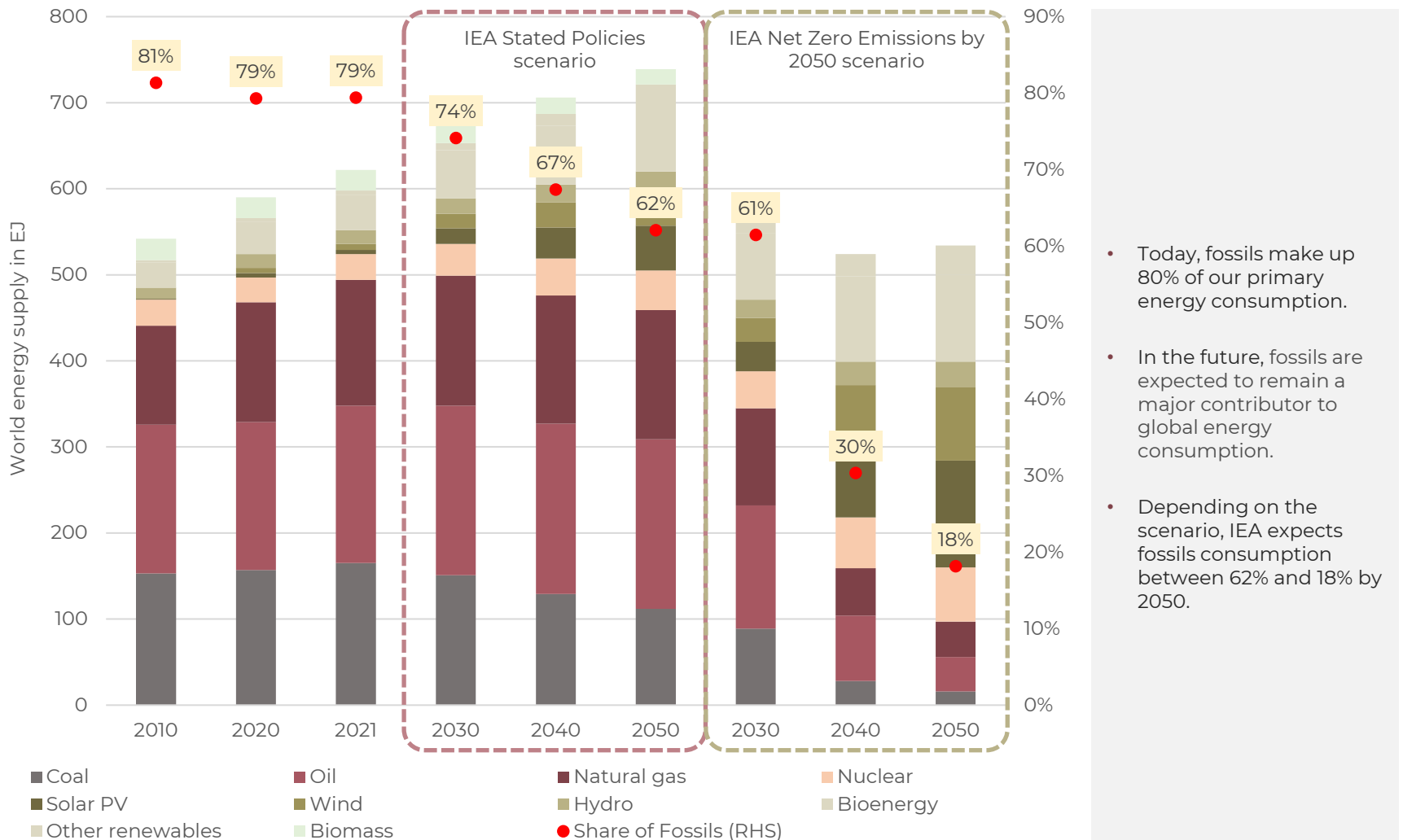
The Case for Oil & Gas

We are still fossil fuel dependent

Executive summary

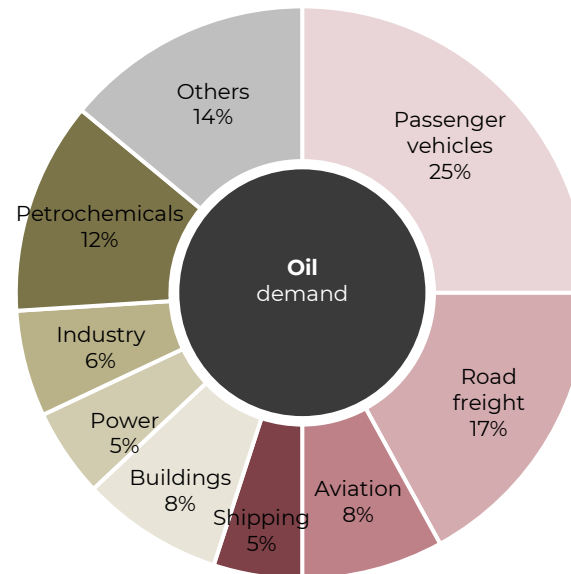
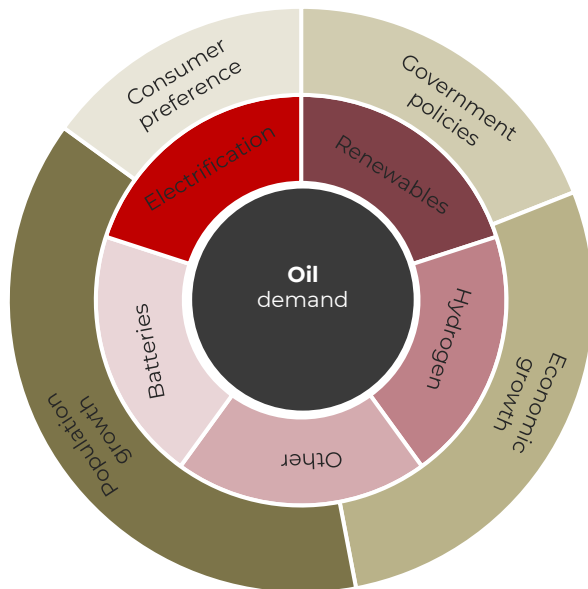
- Energy is the bedrock of modern civilization and fossils are still too important to be ignored
- Significant debate on the future of oil but is still indispensable for many applications
- Leading research institutes offer varied outlooks on future oil demand
- Despite higher prices, the oil & gas industry has not significantly increased capital expenditures
- Oil & gas companies exhibit strong free cash flow generation, heightened profitability, and minimal debt
- The energy sector is currently undervalued and overlooked in investment circles
- Commodities are poised to enter a new Supercycle driven by the ongoing energy transition
- Oil & gas companies present significant attractiveness compared to other markets

Fossils make up 80% of our primary energy consumption today



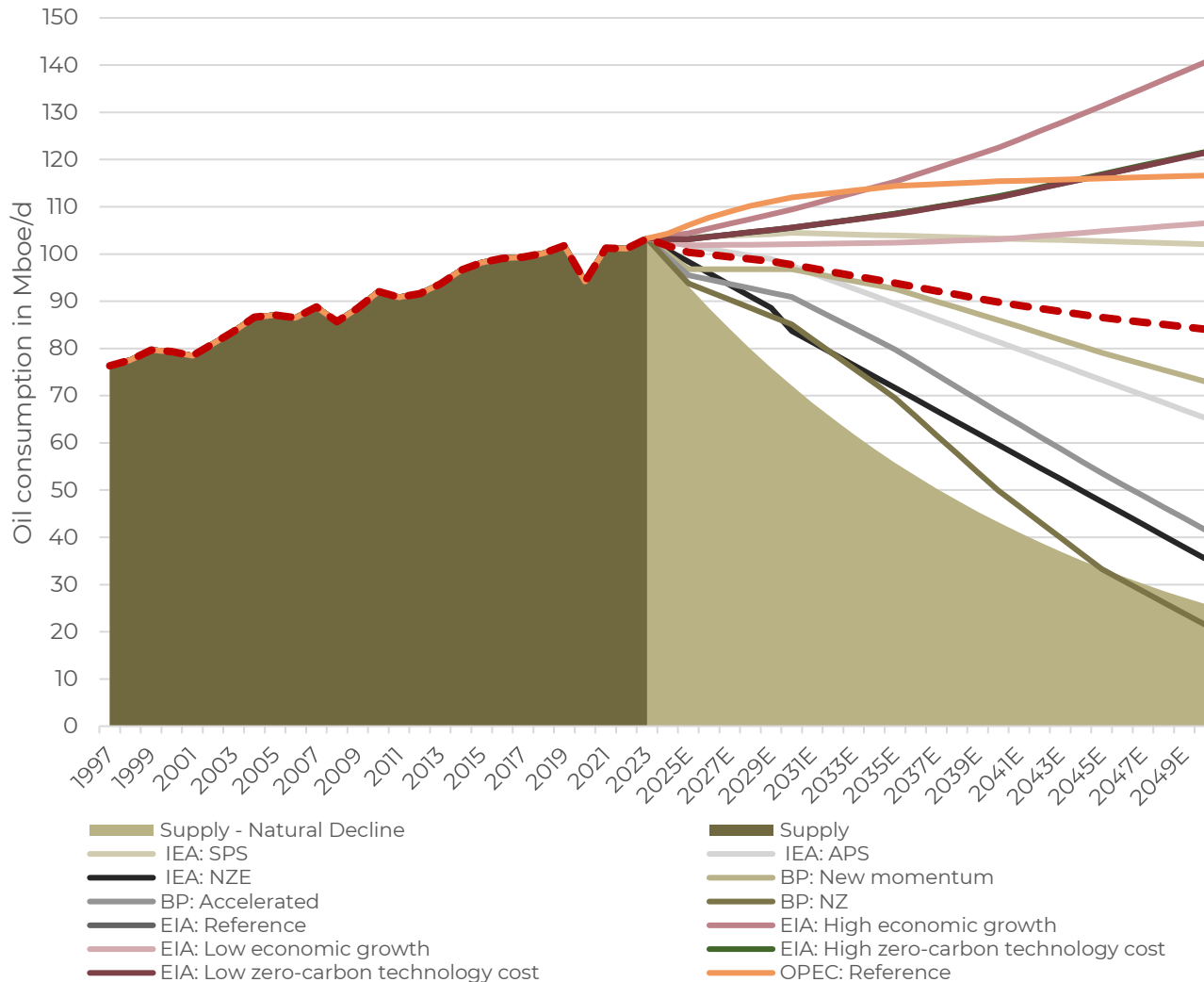
- Today, fossils make up 80% of our primary energy consumption.
- In the future, fossils are expected to remain a major contributor to global energy consumption.
- Depending on the scenario, IEA expects fossils consumption between 62% and 18% by 2050.

Unsecure future of oil, yet it is still indispensable for many applications



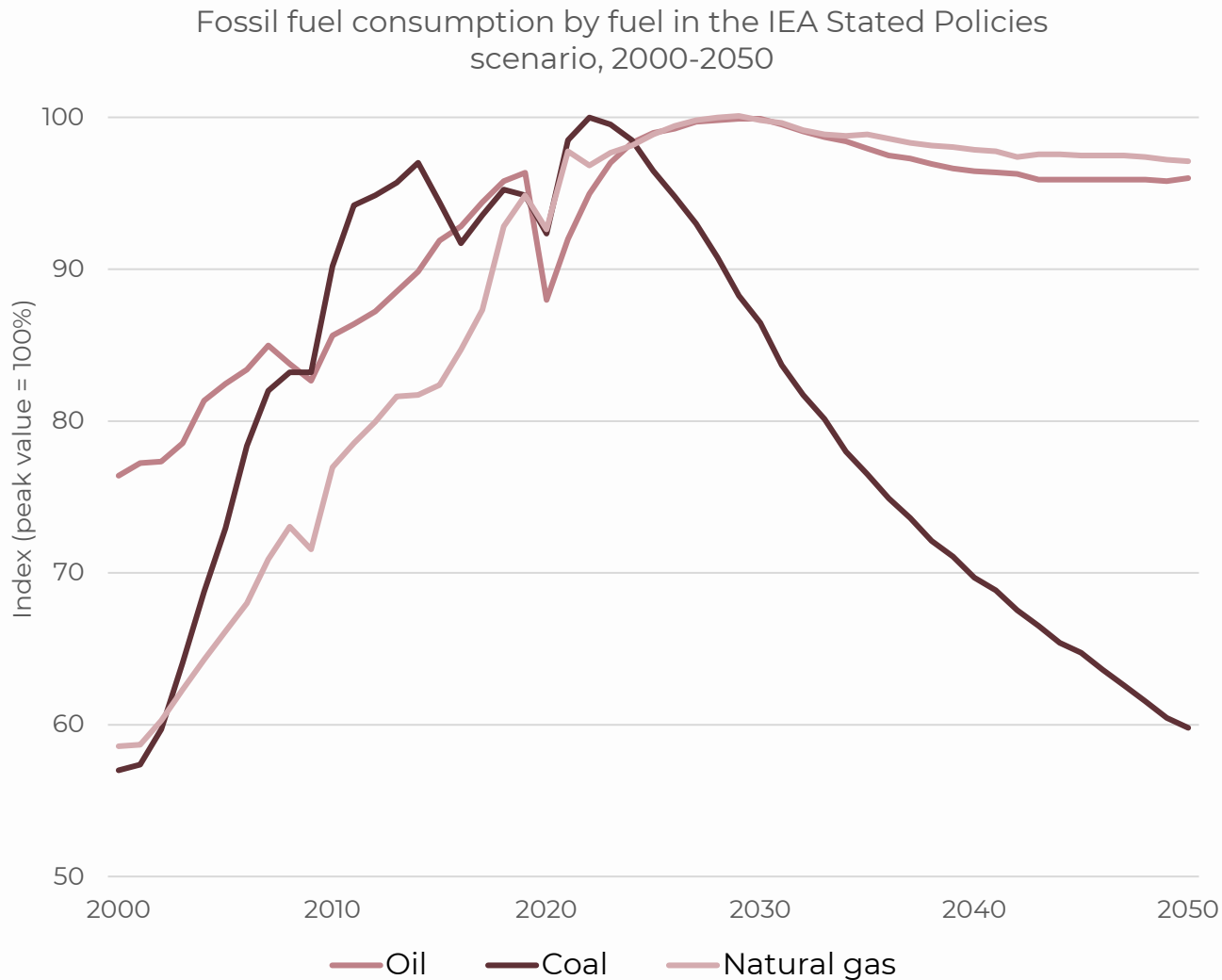
- The debate on the future of oil argues with substitution by renewable energy, yet oil is still indispensable for many applications.
- Toothpaste, soap, cameras, computers, gasoline, heating oil, jet fuel, car tires, contact lenses, cosmetics, medicines and artificial limbs all require the use of oil or its derivatives.
- Growing economies and rising populations, as well as consumer preferences and government policies, are keeping up demand.

Oil forecasts have significant disparities among leading institutes



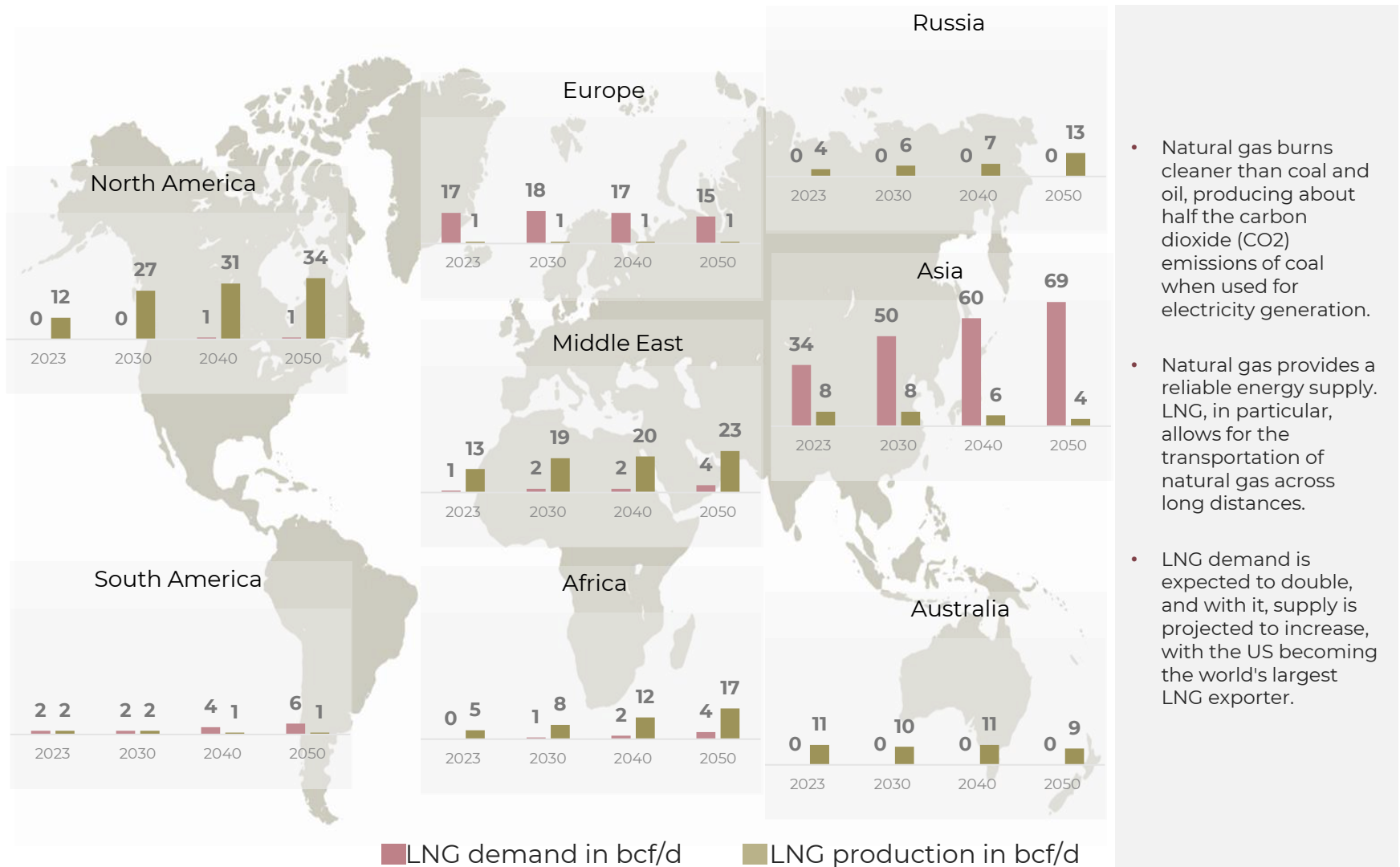
- Oil forecasts diverge significantly among leading institutes, but all of them continue to include oil consumption to a significant extent.
- BP's and IEA's Net zero (NZ) scenarios predict a low level of oil consumption, between 22-36 Mboe/d by 2050.
- EIA's and OPEC's scenarios anticipate oil consumption to grow compared to 2023.
- On average we will probably continue to consume oil for a long time to come

After the “Oil Peak” anticipating an extended era of very slow decline

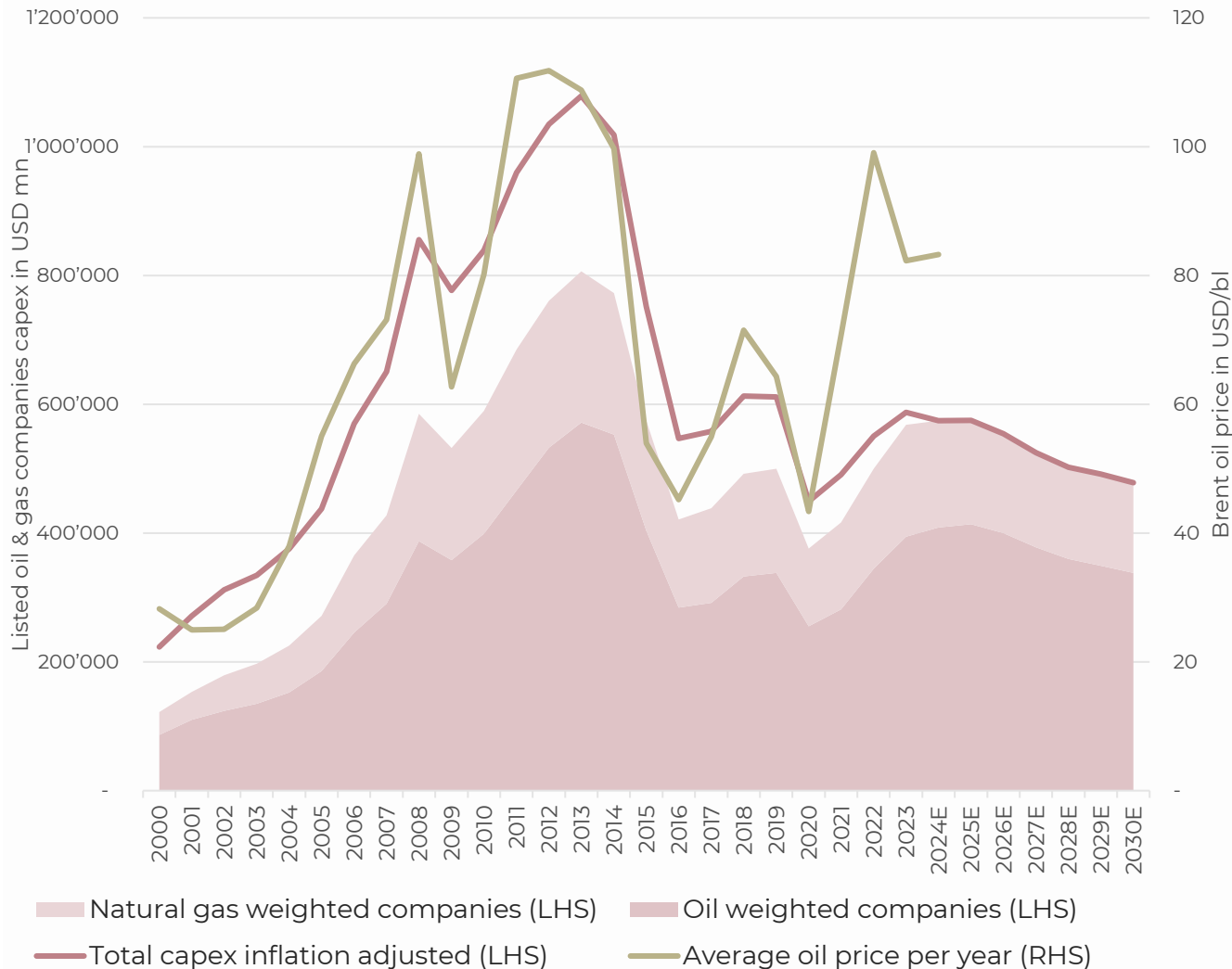


- The demand peak for crude oil and natural gas consumption will not be followed by a sharp decline.
- Both crude oil and natural gas consumption, which have yet to peak, are expected to remain nearly as high (>95%) as they are projected to be in 2030.
- The only exception among fossil fuels is coal, where demand is close to peak levels and is expected to decline significantly in the future.

Natural gas, specifically LNG, is crucial for the energy transition



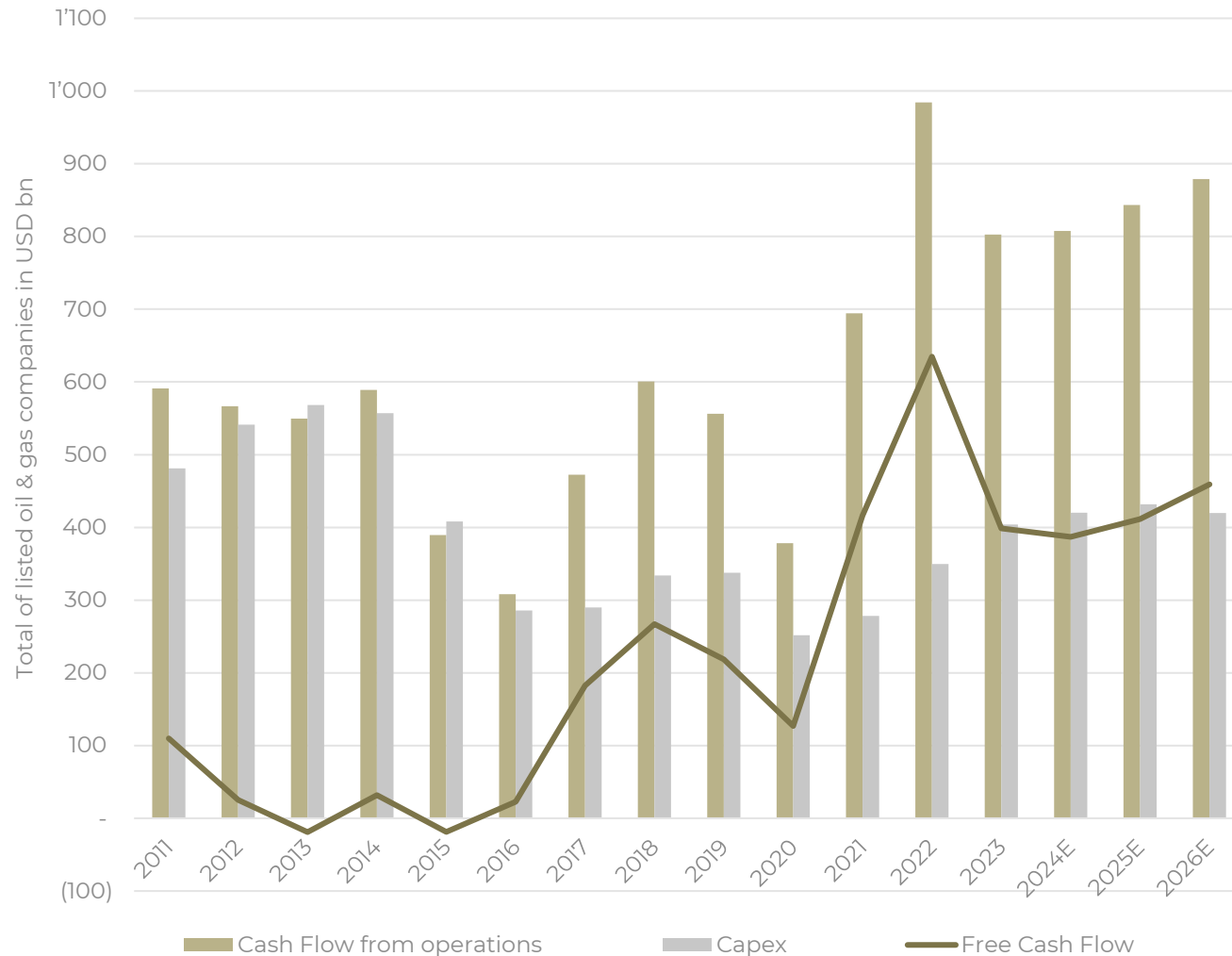
Despite higher prices no capex response by the industry



- Despite higher prices, oil and natural gas companies' capex do not increase.
- To prevent commodity markets entering in a structural deficit, CAPEX should have been or be allocated – something which didn't happen yet.
- Investors need to distinguish between growth and maintenance CAPEX, with the latter comprising most of recent CAPEX allocation programs due to aging assets and depleted rock (shale oil).

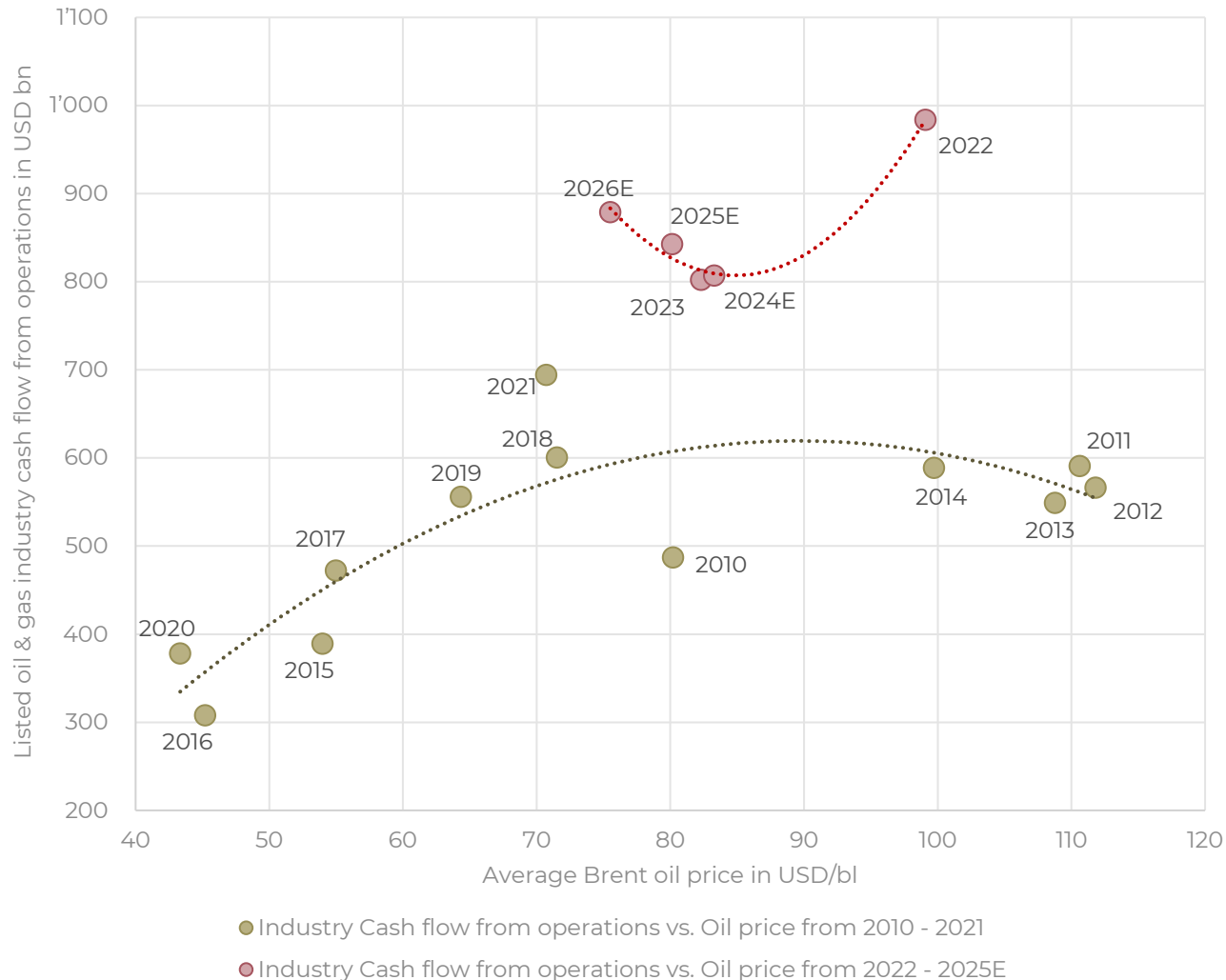
Sweetspot for Equities

The oil & gas industry is generating abundant Free Cash Flow



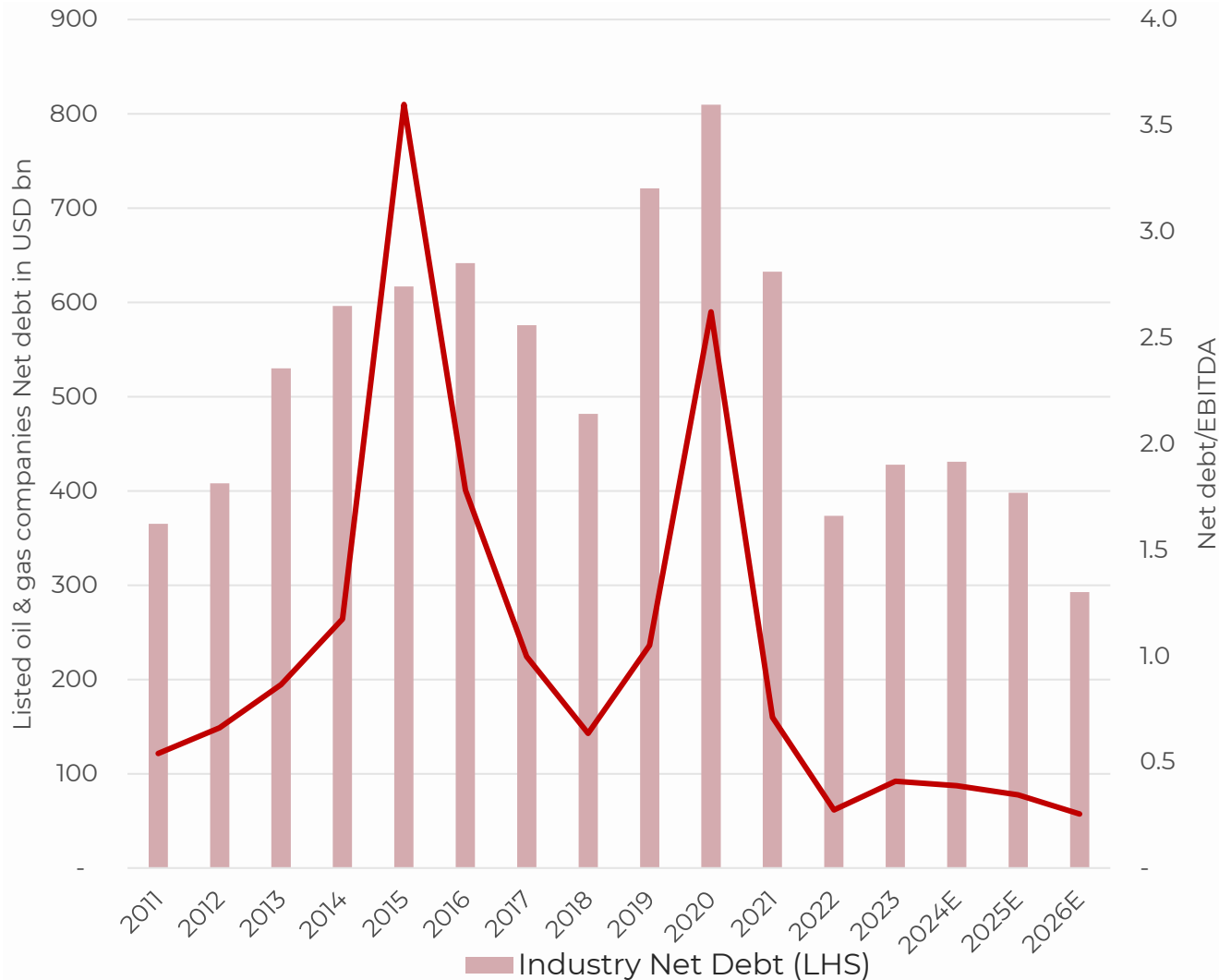
- The oil & gas industry is generating abundant free cash flows and it is expected that the trend continues for the next years.
- Cash flows from operations in relation to Capex is expected to stay extraordinarily high.
- As investors expect companies to reward them with dividends and share buybacks, companies are reluctant to spend excess cash on growth initiatives. This keeps shareholder returns high but supply growth low.

The oil & gas industry emerged as highly profitable



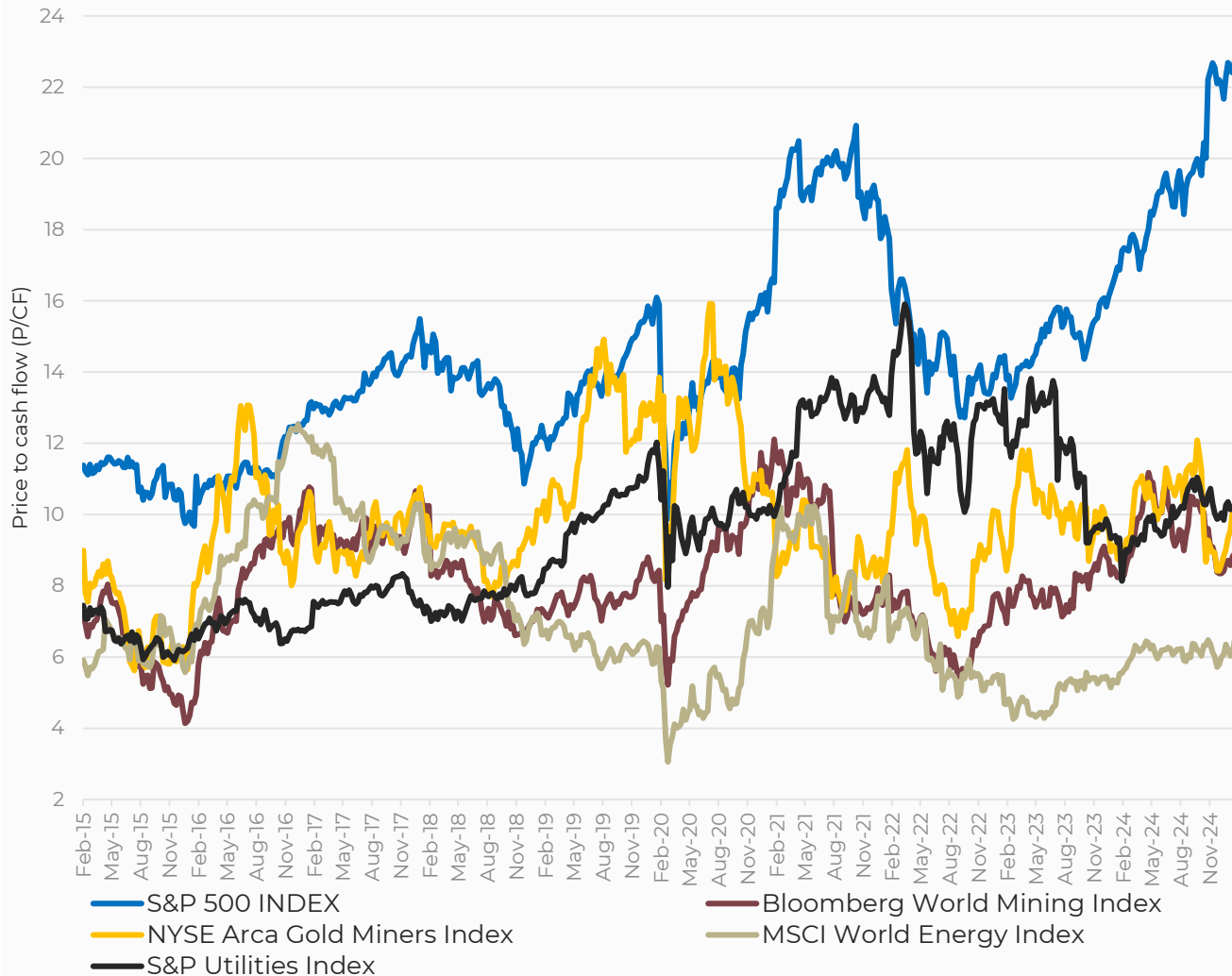
- Despite similar oil prices, the oil & gas industry generated higher cash flows in recent years compared to 2010 – 2021.
- With the optimization of their operations, energy companies are now running more efficiently than ever, yielding increased cash flows even amidst lower oil prices. This trend is anticipated to persist.
- Future oil prices expect to remain stable, with high cash flow from operations.

The oil & gas industry reduced debt by over half and are now healthy



- Aggregated net debt continuously decreased by more than half over the past decade.
- Similarly, net debt / EBITDA decreased, too, bringing oil and gas producers in a healthy financial position.
- The lower gearing is expected to continue in the next 3 years, in line with cash flow expectations.

Natural Resources Equities with an attractive valuation



Sources: Bloomberg

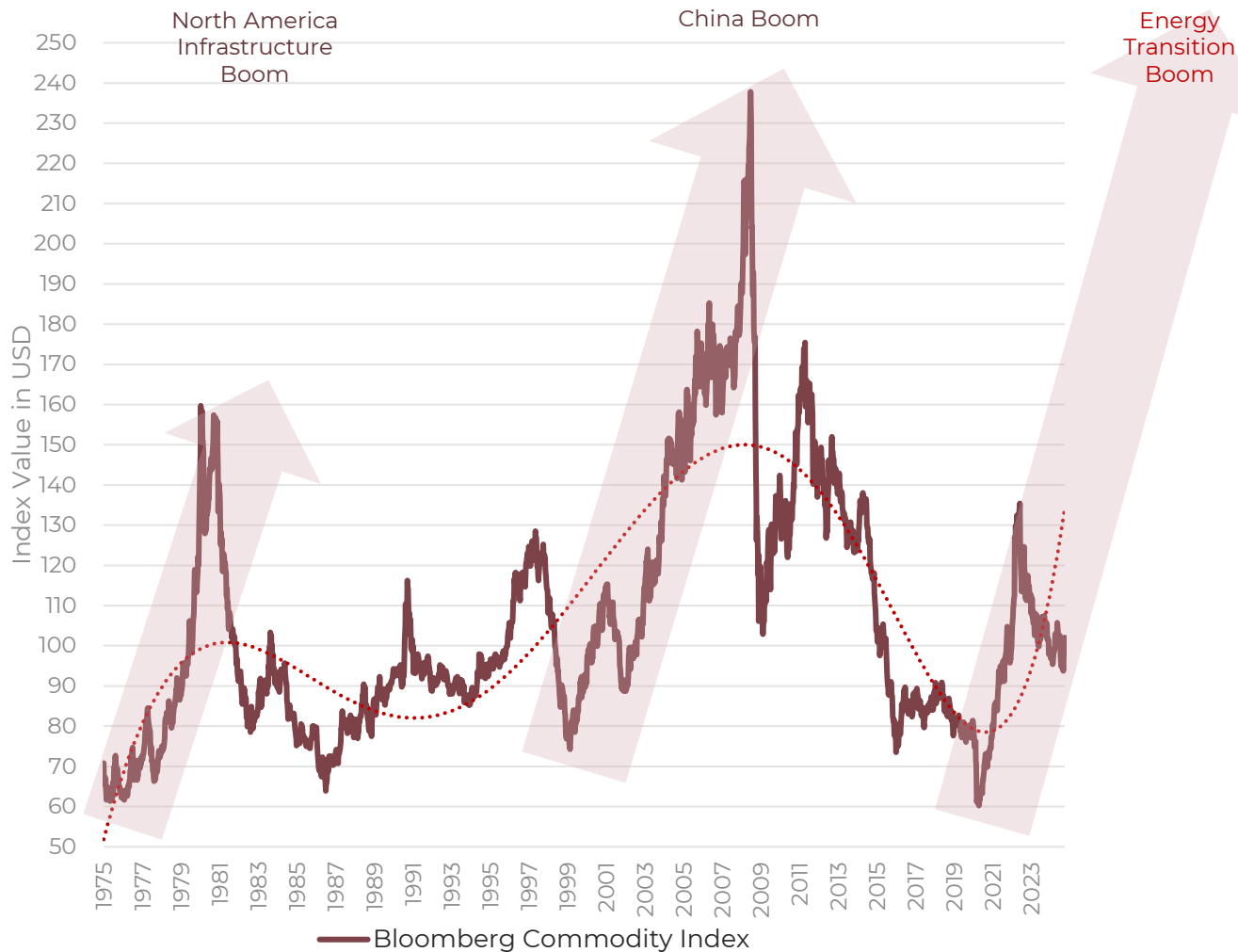
- Price to cash flow (P/CF) ratios of mining companies are considerably lower than the broad market, reflected by the S&P 500 Index.
- A low P/CF constitutes an attractive valuation multiple for the mining industry.
- ESG portfolio constraints are among the causes for the undervaluation, even though renewables require metals production.
- A trend which is observed to be reversed as large money managers coming back into the sector

The energy sector has never been overlooked to this extent



- The S&P 500 has a market capitalization of \$45.9 trillion and energy has currently a weight of 3.6% (or \$1.6 trillion), less than half its 20 years average.
- Despite that, the energy sector is responsible for over >10% of free cash flows in the S&P 500
- After \$260bn of M&A in 2023 and this level may be surpassed in 2024

Commodities initiating a new supercycle



- Commodities follow super-cyclical path, driven by large infrastructure booms (CAPEX booms), lasting for many years.
- The current energy transition boom with its high demand for commodities initiates a new supercycle.
- Consequently, commodity prices rise and drive profits of producing companies.

Energy Champion Fund (ECF)

ECF – Very long track record and high upside beta to oil & gas equities



ECF Share classes	MTD	YTD	1 Year	2 Years	3 Years	4 Years	5 Years	CY2024	CY2023	CY2022	CY2021
Institutional (I2)	-3.2%	1.9%	-8.4%	-1.9%	4.6%	60.8%	64.6%	-11.6%	9.4%	26.0%	81.6%
Retail (A1)	-3.2%	1.9%	-8.9%	-3.2%	2.6%	56.7%	59.4%	-12.2%	8.7%	25.2%	80.5%
<i>Percentile scoring to peers*</i>	10%	57%	10%	43%	52%	76%	72%	33%	81%	67%	100%

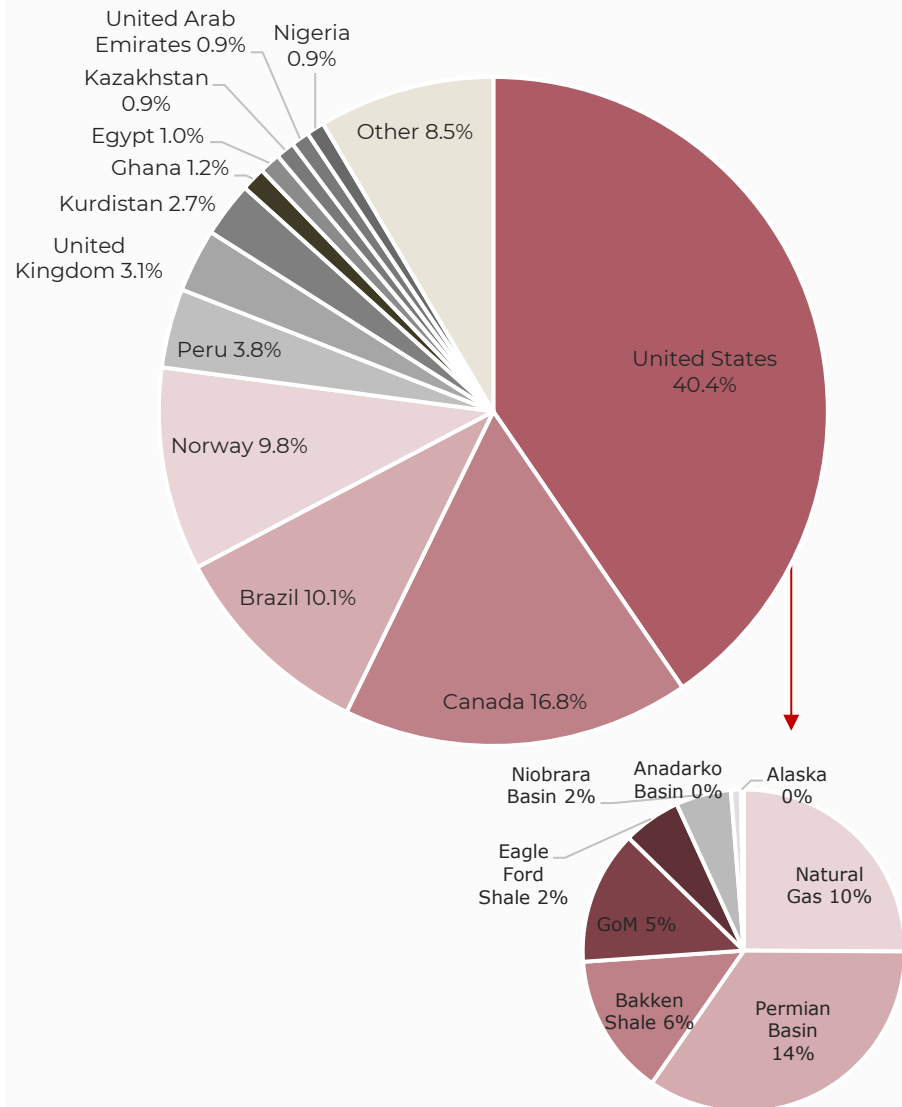
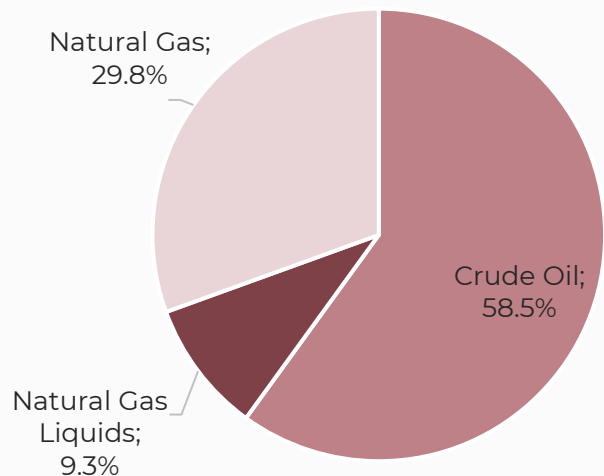
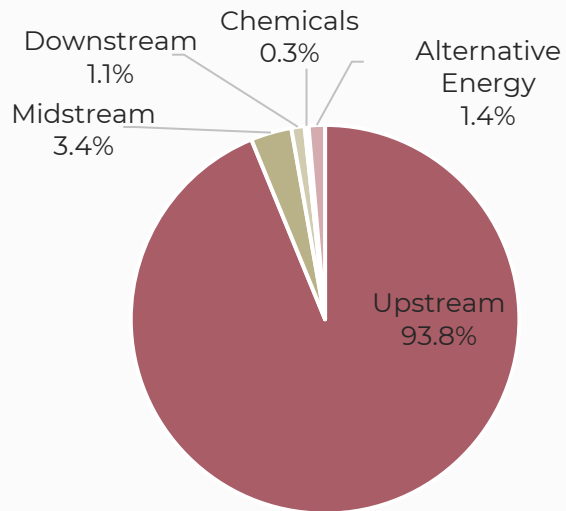
*Percentile scoring relative to peers reflects the ECF performance in comparison to our peers. A higher percentile indicates better ECF relative performance. Full list of peers available upon request.

ECF - Transparency

All 25 holdings	ECF	Financials	ECF	Operating	ECF
AKER BP ASA	4.5%	Number of holdings	25	Upstream in %	94%
DEVON ENERGY	4.5%	Market cap	\$31.4bn	Production in kboe/d	249.6
SHELL	4.5%	P/B	1.1	Share of oil in production	70%
DIAMONDBACK ENERGY	4.5%	P/Cash flow	3.0	Production growth CAGR 2024-2028E	5.8%
CHORD ENERGY	4.5%	EV/EBITDA 2025E	3.3	Cash costs \$/boe	16.8
		EV/EBITDA 2026E	3.1	F&D costs organic \$/boe	19.3
		P/E 2025E	7.3	Reserve valuation EV/IP (Proven Reserves) \$/boe	14.0
		P/E 2026E	6.7	Reserve valuation EV/2P Reserves \$/boe	8.5
		EBITDA margin 2025E	53%	Resource valuation EV/ Resources \$/boe	5.2
		FCF yield 2025E	13.4%	1P Reserve Life in years	11.1
		FCF yield 2026E	15.0%	Reserve replacement ratio (RRR Index)	60%
		ROE	12.9%	Operated assets	72%
		ROIC	14.5%	Drilling success rate 3 years avg	39%
		Dividend yield	6.2%		
		Net debt to equity	42%		
		Insider ownership	13.5%		

only for investors

ECF – Segment, Commodity & Geographical Mix



ECF - How to invest

Fund Name	White Fleet II - Energy Champions Fund					
Legal status	Luxembourg SICAV with UCITS-IV status					
Launch date	March 2014					
Fund size	USD 23 million					
Custodian	Credit Suisse (Luxembourg) S.A.					
Administrator	Credit Suisse Fund Services Luxembourg					
Auditor	PricewaterhouseCoopers AG					
Share classes	A 1	A 2	B	C	I 1	I 2
Currency	USD	USD	USD	USD	USD	USD
Distribution	Accumulating	Distributing	Accumulating	Accumulating	Accumulating	Distributing
Bloomberg ticker	WFECHA1 LX Equity	WFECHA2 LX Equity	Pending	WFIECAU LX Equity	WFECI1A LX Equity	WFECI2D LX Equity
ISIN	LU1018863792	LU1018863875	Pending	LU2786375498	LU1092312823	LU1092313045
Valora	23322792	23322921	Pending	133667381	25025471	25025474
Management fee p.a.	1.25%	1.25%	1.50%	2.00%	0.65%	0.65%
Min. subscription	USD 1 million	USD 1 million	USD 500'000	One share	USD 5 million	USD 5 million
Trading	Daily , no lock-up, no redemption fees					

Conclusions

- Global energy dynamics are evolving rapidly, with oil and natural gas reclaiming significance in the energy mix
- Limited industry capex response despite higher prices suggests that the market may fall into a chronic deficit
- The commodities market is poised for a new Supercycle
- Oil & gas companies demonstrate strong financial performance with high profitability, minimal debt, and significant attractiveness compared to other markets
- Our investment strategy emphasizes rigorous fundamental analysis to identify standout performers, or «Champions»

The ideal time to enter the sector is now!

Independent Capital Group AG (ICG)

Investment Vehicles – Road to Green

ICG Investment Strategies Figures as per 24.02.2025		AuM	YTD	1 year	2 years	3 years	4 years	5 years
Energy	Energy Champions Fund	\$23m	2.6%	-7.8%	-1.3%	5.2%	61.7%	65.6%
	<i>Scoring to Peers</i>		57%	10%	43%	52%	76%	72%
Mining	Industrial Metals Champions Fund	\$25m	6.0%	4.8%	-12.4%	-23.2%	-10.9%	69.4%
	<i>Scoring to Peers</i>		59%	32%	27%	30%	44%	88%
Power	Crucial Minerals Certificate	\$5m	2.3%	-1.4%	-14.0%	-17.3%		
	Precious Metals Champions Fund	\$9m	17.0%	63.1%	63.8%	30.5%	27.9%	
	<i>Scoring to Peers</i>		33%	59%	76%	81%	65%	
	Nuclear Comeback Certificate	\$5m	-4.3%	-1.4%				
	Clean Power Champions Fund	Project	-0.3%	-4.8%	-11.4%	-12.5%	-0.7%	45.9%

Scoring to Peers: Percentile scoring relative to peers reflects the ICG Investment Strategy's performance in comparison to its sector peers. A higher percentile indicates better ICG Investment Strategy's relative performance to its sector peers. Full list of peers available upon request.

Independent Capital Group AG

- **Independent Capital Group AG (ICG)** operates through two distinct business units.
- The headquarters, based in Zurich, specializes in family office services, while the Basel branch is dedicated exclusively to energy transition investments.
- Since 2013, ICG has been regulated by the Swiss Financial Market Supervisory Authority (FINMA), ensuring compliance and transparency in its operations with the FINMA license: Verwalter von Kollektivvermögen.
- ICG is fully privately owned by Swiss entrepreneurs, including Dietrich Joos, who leads the Basel branch.
- The firm's clientele consists of institutional investors, select high-net-worth individuals, and their advisors.
- **ICG Basel's asset management team (ICG Basel)** is focused on investments aligned with the "Road to Green," capturing the shift from traditional fossil-based energy to clean, renewable power.
- Their investment strategy seeks to capitalize on undervaluation and future opportunities within the energy transition space.
- ICG Basel follows a systematic, fundamentals-driven approach to maximize long-term, risk-adjusted returns for its clients.
- Historically, ICG Basel, formerly known as Gateway Capital Group, joined ICG in 2014 to leverage the firm's FINMA license.
- Gateway Capital Group AG, a boutique investment firm founded in the late 1990s, launched its first product—the Gateway Natural Resources Fund—in 2004. The same experienced team has been managing commodity-related investment solutions for nearly 20 years.
- All of ICG Basel's investment solutions consistently rank in the first quartile of their respective peer groups, reflecting the firm's commitment to delivering superior performance.



BASEL

Asset Management

Sternengasse 21
CH-4051 Basel



ZURICH

Family Office

Waldmannstrasse 8
CH- 8001 Zurich

Decades of expertise



Dietrich Joos

Founder

40 years in finance
 26 years in commodities



Pablo Gonzalez, CFA

Senior Portfolio Manager

23 years in finance
 18 years in commodities



Cyrill Joos

Portfolio Manager

17 years in finance
 14 years in commodities



Manny Weiss

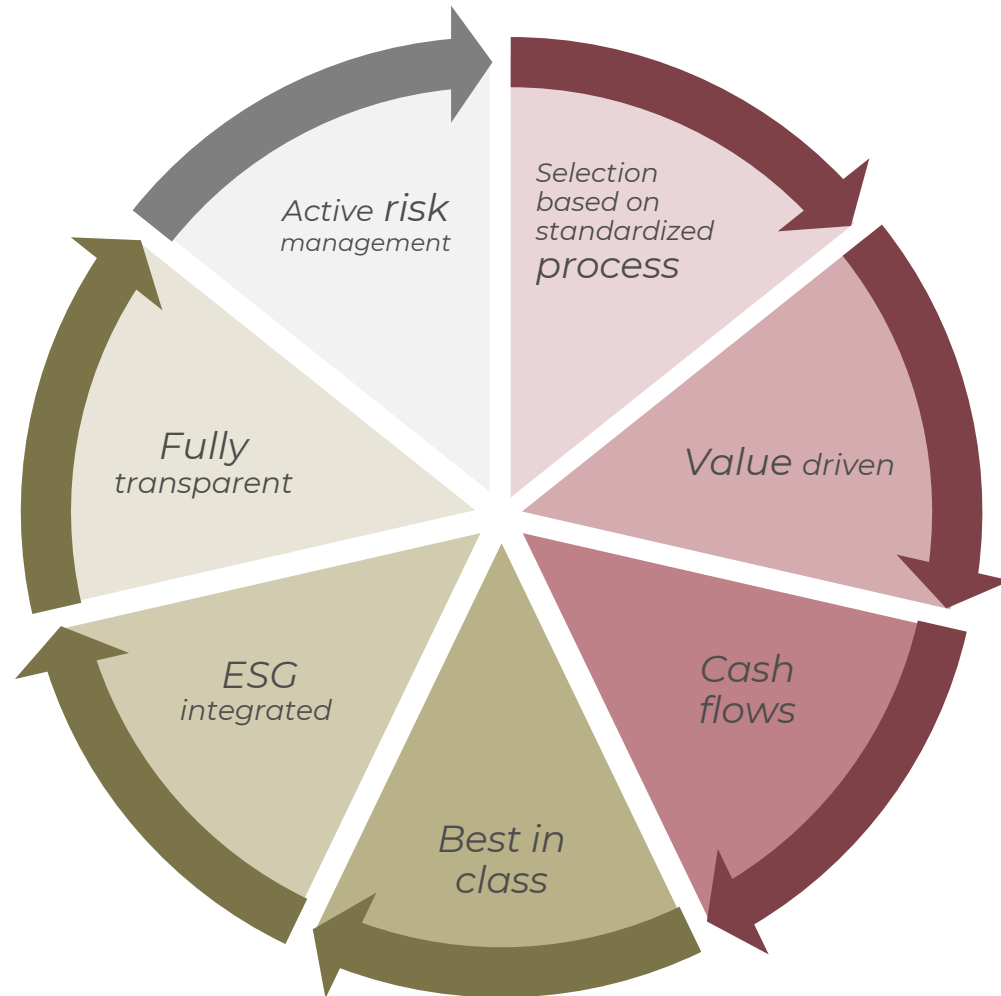
Advisor

30 years in finance
 50 years in commodities

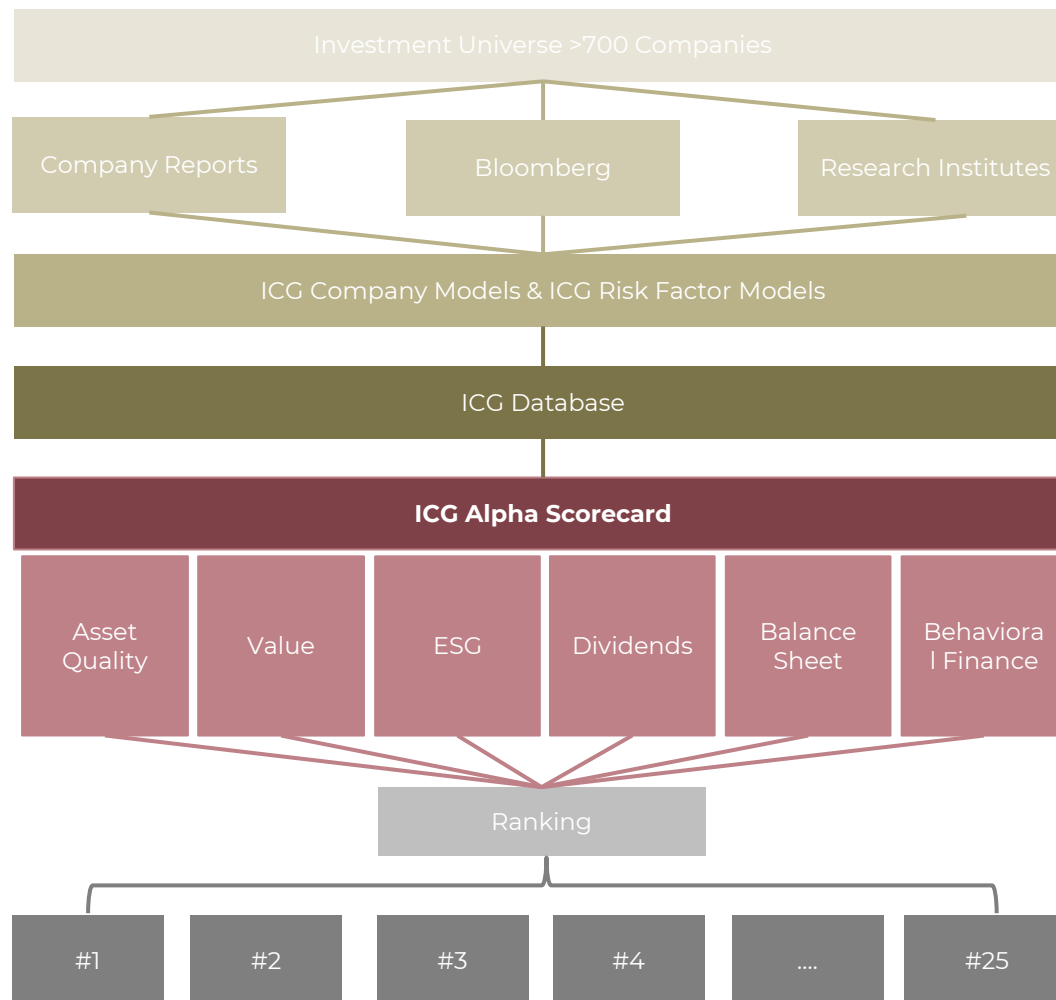
Same investment team for almost 20 years

- Demonstrated enduring success in commodity futures and equities since 2004, showcasing a proven long-term track record.
- Uniquely positioned as the exclusive commodity-focused boutique in Switzerland, pioneering strategies employing a distinctive "bucket approach" within energy, industrial metals, precious metals and utilities sub-sectors.
- Established expertise spans across all market phases, adeptly navigating both booms and busts.
- Managing the sole oil & gas equity fund in Switzerland for over a decade, with a distinguished track record exceeding 10 years.
- Holds the longest-standing track-record in industrial metals-focused investment vehicles, capturing the transformative megatrend of the energy transition and its metal implications since 2018.
- Houses over a decade's worth of comprehensive data in an in-house database, empowering the crafting of bespoke investment solutions tailored for family offices and sophisticated investors (e.g., the Crucial Minerals Certificate or Nuclear Comeback Certificate).
- Boasts an exciting pipeline of rigorously back-tested strategies primed for deployment, including a comprehensive suite ranging from long-only or long-short commodity strategies to the Clean Power Champions Fund.
- Embraces a succinct investment philosophy, centering on concentrated yet diversified portfolios.
- Adopts a sound investment approach adaptable to any sector or theme.
- Distinguishes itself with a proprietary "Alpha Scorecard" tailored for subsectors such as base and precious metals, steel, aluminum, uranium, oil & gas, and power.
- Prioritizes proven expertise and track record, deliberately excluding exploration or development companies from main strategies to mitigate investor risk.
- Leverages unique and proven risk management methodologies, incorporating internally developed "country risk factors" and "commodity risk factors" across all investment strategies.
- Operates with a lean organizational structure, facilitating seamless scalability without requiring additional manpower in the investment approach.
- Equipped with a seasoned team prepared to navigate and capitalize on the nascent commodities super-cycle.

Coherent investment philosophy

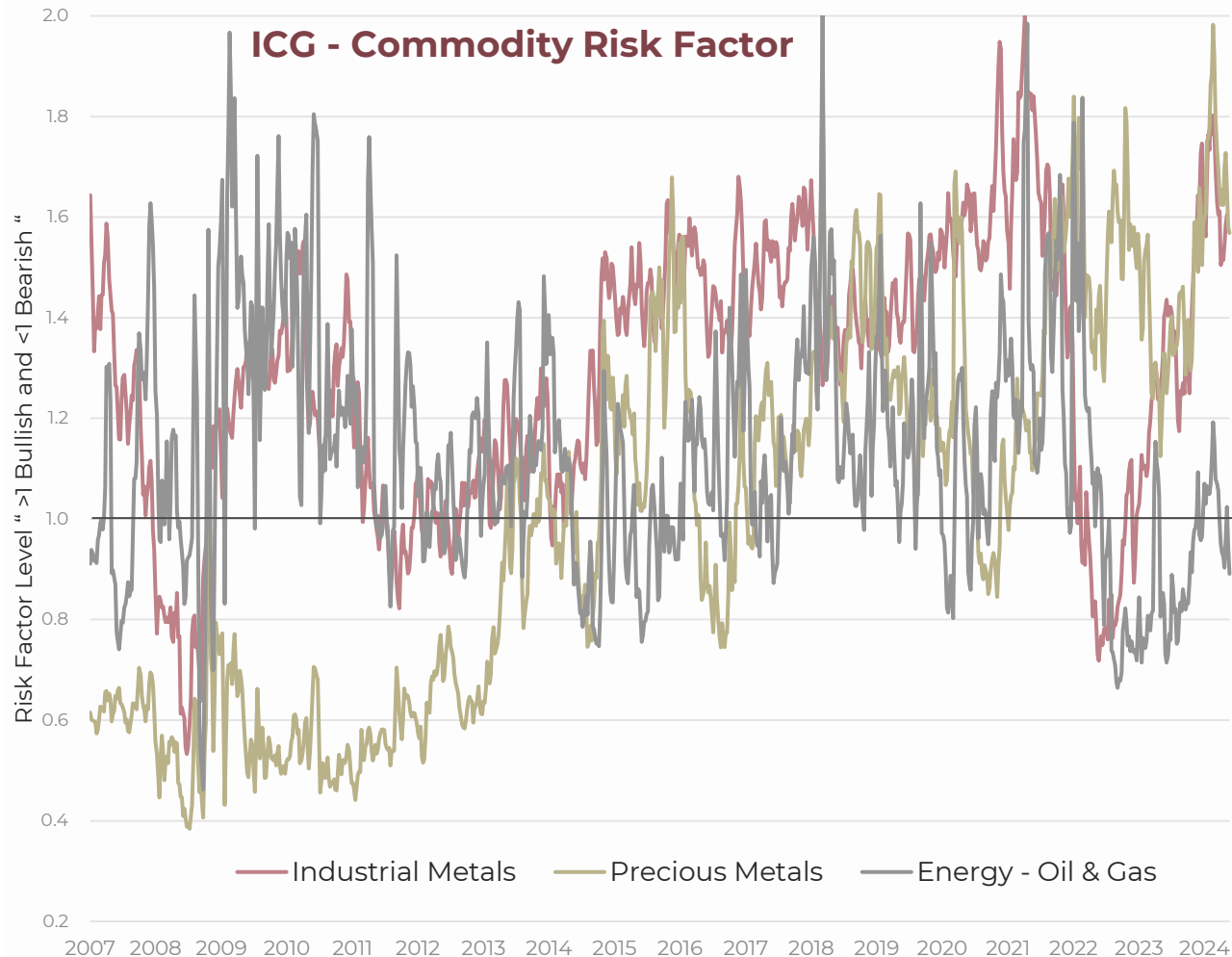


Resulting in a fundamental investment approach



- Producing companies with a free-float adjusted market cap of >\$100mn
- Sourcing of relevant operational data (yearly) and financial data (quarterly)
- Modelling and standardization of company data and other relevant data
- Feeding into proprietary database
- Aggregating data from database and other sources
- Calculation and categorizing of data
- Allocating points to different factors (>100 factors) that are mainly dynamic
- Weekly update of ICG Alpha Scorecard
- Aggregating points into a ranking
- Unemotional and systematic investment decision based on the ranking

Proprietary risk factor model to measure the sentiment of each commodity



- ICG developed a risk factor model to define the current attractiveness of every commodity based on different fundamental and technical dynamic factors.
- This can also be aggregated to sub-sectors like industrial metals, precious metals and energy.
- The risk factor model shows “Bullish > 1.0x and Bearish < 1.0x” and according to that we adjust the exposure and market risk to each investment strategy.

Proprietary risk factor model to measure geopolitical risk

Geopolitical Risk Factor		
1	Liechtenstein	89.64
2	Denmark	88.13
3	Germany	86.86
4	Norway	85.92
5	Sweden	85.91
6	Monaco	85.78
7	Singapore	84.95
8	Switzerland	84.67
9	Ireland	84.50
10	Finland	84.45
11	Hong Kong	84.42
12	Japan	83.13
13	Iceland	83.03
14	Netherlands	83.03
15	Austria	83.00
16	Australia	82.57
17	Canada	81.95
18	New Zealand	81.36
19	Belgium	81.23
20	United Kingdom	80.55
21	United States	80.25
22	Malta	79.74
23	France	79.13
24	Luxembourg	78.76
25	Czech Republic	77.80
26	Taiwan	77.27
27	Botswana	76.10
28	South Korea	75.08
29	Slovakia	74.93
30	Portugal	74.65

Geopolitical Risk Factor		
215	Iraq	40.01
216	Malawi	39.22
217	Liberia	39.15
218	Nigeria	38.94
219	Mozambique	38.58
220	Bolivia	38.56
221	Guinea	38.17
222	Ukraine	37.98
223	Guinea Bissau	37.75
224	Sri Lanka	37.48
225	Lebanon	36.87
226	Congo	36.84
227	D.R. of Congo	36.36
228	Mali	35.71
229	Yemen	35.66
230	Pakistan	34.45
231	Sudan	34.13
232	Afghanistan	34.12
233	Zimbabwe	34.05
234	Chad	33.29
235	Myanmar	32.66
236	Syria	32.46
237	Burundi	32.45
238	Niger	31.50
239	Venezuela	30.18
240	Eritrea	28.72
241	Palestine	28.33
242	North Korea	27.58
243	Haiti	27.34
244	Central African Republic	26.96
245	Somalia	25.09

- ICG developed a model utilizing data from a diverse range of sources, incl. multilateral institutes, NGOs, think tanks, government agencies, polling organizations, insurance & commodity trading finance companies.
- This model considers various geopolitical factors affecting a country, encompassing financial, economic, social, and political issues. Additionally, it accounts for supply chain risks, transparency, money laundering, corruption, peace, ESG, sustainable development goals, investment attractiveness, digital attention and data sourced from reputable and social media.
- This factor is integrated into every company and weighted based on their production or asset locations.

Sustainability – We publish quarterly ESG reports with >150 criteria



ESG Quarterly - 2023 - 2Q



Energy Champions Fund

Only Upstream resp. E&P and Integrated O&G

MSCI World Energy Index

Incl. Up-, Mid-, Downstream, O&G Service & Fuels, Coal, Uranium

Metric	SFDR PAIs	ICG Score	Value or Quantity (Arithmetic Average)	No. Companies reported	ICG Score	Value or Quantity (Arithmetic Average)	No. Companies reported		
ENVIRONMENTAL		56.8			50.4				
Climate Exposure		56.8		22	53.5		41		
Transition Risk									
Carbon Pricing	policy	49.6	Majority No	25	57.3	Majority Yes	52		
Climate Scenario Analysis	policy	56.4	Majority Yes	24	88.5	Majority Yes	53		
Risks of Climate Change Discussed	policy	85.6	Majority Yes	25	96.7	Majority Yes	53		
Climate Change Opportunities Discussed	policy	28.0	Majority No	25	32.9	Majority No	53		
Investment in Sustainable Products	\$ m / % of Capex	16.3	741.3	8.2%	7	10.0	1075.3	11.0%	7
Embedded Carbon	mtonne / % of Proven Reserves	70.3	682189	29.7%	25	40.9	1290825	27.4%	27
GHG Emissions Management									
GHG Emissions									
Fugitive Emissions									
Vented Emissions									
Emissions from Other Com									
Process Emissions									
Methane of Scop 1 Emissio									
Scope 1 GHG or CO2 Emiss									
Gas Flaring									
M1 Scope 1 GHG/EVIC									
M1 Scope 2 GHG/EVIC									
M2 Scope 1 & 2 GHG/EVIC = Ca									
M1 Scope 3 GHG/EVIC									
M1 Scope 1 & 2 & 3 GHG/EVIC									
M3 GHG Intensity									
GHG Emissions Policies									
GHG Emissions Reduction									
Emissions Reduction Initia									
GHG Regulation									
GHG Emissions Covered u									
GHG Target									
OE4 Net Zero Emissions Target									
Science Based Target									
Water Management									
Wastewater									
Fracturing Fluid Use Policy									
Produced Water Recycled									
OE6 Produced Water Discharge									
Produced Water and Flow									
M8 Emissions to Water									
Discharges to Water									
Water Use									
SOCIAL		35.9			35.3				
Occupational Health & Safety Management		72.4		19	65.6		38		
Fatalities									
Fatality Rate	Fatalities * 1000 / Workforce	32.1	1.07%	9	24.1	4.37%	16		
Fatality Rate	Fatalities * 1000 / Employees	90.8	0.13%	23	90.7	0.49%	50		
Fatality Rate	Fatalities * 1000 / Contractors	26.1	1.84%	8	23.3	16.88%	16		
Health & Safety Policies									
Short Service Employee Program	policy	13.6	Majority No	25	9.5	Majority No	50		
Health & Safety Policy	policy	100.0	Majority Yes	25	98.4	Majority Yes	53		
Safety Incidents									
Lost Time Incident Rate	LTI8 / 2001000h worked	51.1	0.09	14	44.8	0.14	35		
Lost Time Incident Rate	LTI8 / 100 Employees	79.0	0.06	21	71.0	0.11	42		
Lost Time Incident Rate	LTI8 / 100 Contractors	60.0	0.12	17	62.6	0.12	37		
Recordable Incident Rate	TRIR / 2001000h worked	42.3	0.50	20	43.7	0.42	38		
Recordable Incident Rate	TRIR / 100 Employees	76.1	0.24	25	58.1	0.36	46		
Recordable Incident Rate	TRIR / 100 Contractors	35.7	0.59	20	45.7	0.43	40		
Labor & Employment Practices		8.9		12	10.5		24		
Training									
Training Spet									
Hours Spent									
GOVERNANCE		58.7			43.0				
Board Composition		67.1		23	48.5		75		
Director Roles									
Non-Exec Directors on 3+ Boards	%	85.6	14.4	25	77.7	10.3	208		
Executive Directors on 2+ Boards	%	75.0	6.3	20	74.1	6.6	190		
Highest Number of BOD any Director Serves Ex-CEO	Amount	71.2	2.9	25	65.3	2.5	209		
Public Company BOD serve as BOD ex-CEO	Average Number	89.3	1.1	25	79.6	0.9	209		
Number of Board Positions CEO holds	Amount	93.6	0.3	24	82.9	0.3	205		
Number of Chair Positions Chairman holds	Average Number	96.0	0.4	25	83.0	0.4	208		
Diversity									
Board age	Avg Age / Bloomberg Score	47.4	60.0	6.2	19	29.5	59.4	6.6	154
M13 Board Members that are Women	%	57.7	28.8	25	36.5	21.6	203		
Female Chairperson	Y/N	20.8	Majority No	25	14.3	Majority No	202		
Independence									
Independent Directors	%	73.5	73.5	25	55.1	57.8	202		
Non-Executive Directors on Board	%	87.1	87.1	25	65.5	77.4	203		
Leadership Independence	Bloomberg Score	62.4	7.4	21	27.8	5.7	114		
CEO Duality	Y/N	92.8	Majority No	25	67.9	Majority No	203		
Refreshment									

Source: Company Data, Independent Capital Group AG, Bloomberg, Refinitiv, Sustainalytics, MSCI

THANK YOU FOR YOUR TRUST

If you require further details about the sources we used, please feel free to get in touch with us.

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