

# ENERGY CHAMPIONS FUND



## ECF Factsheet

### Fund objectives

The fund aims to generate long term capital growth by primarily investing in equities from companies offering exposure to the energy market.

### Fund facts

#### Investment manager

Independent Capital Group AG

#### Fund name

White Fleet II Energy Champions Fund

#### Legal status

Luxembourg SICAV with UCITS IV status

#### Base currency

USD

#### NAV calculation

Daily

#### Inception date

March 2014

#### Fund size

USD \$22m

#### Custodian

Credit Suisse (Luxembourg) S.A.

### Codes

#### Share classes

A1 USD, acc.	A2 USD, distri
B pending	C USD, acc.
I1 USD, acc.	I2 USD, distr.

#### Bloomberg ticker

A1 WFECHA1 LX Equity	A2 WFECHA2 LX Equity
B pending	C WFIECAU LX Equity
I1 WFECIA1 LX Equity	I2 WFECI2D LX Equity

#### ISIN

A1 LU1018863792	A2 LU1018863875
B pending	C LU2786375498
I1 LU1092312823	I2 LU1092313045

#### Valor-Number

A1 23322792	A2 23322921
B pending	C 133667381
I1 25025471	I2 25025474

### Dealing & prices

#### Mgmt fee p.a.

A1 1.25%	A2 1.25%
B 1.50%	C 2.00%
I1 0.65%	I2 0.65%

#### Min Subscription

A1 USD \$1m	A2 USD \$1m
B USD \$0.5m	C One share
I1 USD \$5m	I2 USD \$5m

#### Trading frequency

Daily

## January 2025

### Performance since inception



### Cumulative net performance in USD

	NAV	January	YTD	3 Years	4 Years	5 Years	10 Years
	31.01.2025	31.12.2024 - 31.01.2025					
Class A1	58.7	2.0%	2.0%	2.7%	99.9%	42.8%	-11.9%
Class A2	49.0	2.0%	2.0%	2.7%	99.9%	42.8%	-12.0%
Class C*	85.6	2.0%	2.0%				
Class I1*	87.3	2.1%	2.1%				
Class I2*	494.9	2.1%	2.1%	4.7%	105.1%	47.5%	-6.2%

\*I2-Class since 12.9.2014, I1-Class since 01.12.2022, C-Class since 11.06.2024

### Monthly comment

Over the weekend, President Trump announced new tariffs: 25% on imports from Canada and Mexico and 10% on imports from China, with Canadian energy facing a lower 10% tariff starting February 4. This policy move has already impacted global markets, particularly oil prices, which rose on Monday due to fears of supply disruptions. However, gains were tempered by concerns over a potential trade war and economic slowdown. The tariffs will significantly impact U.S. refiners, as Canada and Mexico supply a quarter of U.S. crude imports. Canadian heavy crude is essential for U.S. refineries, and substituting it with U.S. shale will be inefficient, leading to compressed refining margins and higher consumer costs. However, analysts predict that Canadian oil producers will bear most of the burden due to limited alternative export markets. The natural gas market will also see cost-sharing between suppliers and consumers in key U.S. regions with limited substitution options. Prolonged implementation of tariffs could in theory weaken GDP growth and oil demand, with a stronger U.S. dollar further suppressing demand by raising fuel costs in local currencies. Investors are closely monitoring OPEC+ discussions, expecting the group to maintain its gradual output increases. Despite Trump's calls for lower oil prices, OPEC+ is likely to stick to its "precautious, proactive, and pre-emptive" approach, planning to add barrels starting in April if market conditions warrant it. Meanwhile, Trump has signaled potential revisions to waivers on Venezuelan crude imports and hinted at harsher sanctions against Russia. Major oil companies, including Chevron, Exxon, and Shell, reported lower fourth-quarter refining margins due to increased global refining capacity and sluggish demand growth. Interestingly, the 2025 US onshore drilling outlook looks weak, with indicators and industry leaders like Halliburton and Schlumberger pointing to slower growth. Despite these challenges, Chevron plans to build natural gas-based power plants adjacent to data centers, anticipating a surge in energy demand driven by AI. Exxon has also expressed interest in decarbonized data centers, highlighting the evolving intersection of energy and technology. Despite market volatility, analysts see the energy sector benefiting from AI-driven growth and sector shifts, reinforcing its indispensable role in the global economy.

**ECF Factsheet**
**Financial statistics\***

Number of holdings	25
Market cap	\$31bn
P/E 2025E	7.1x
P/cash flow	3.0x
EV/EBITDA 2025E	3.2x
FCF yield 2025E	13.1%
Dividend yield	6.7%
Net debt/equity	39%

**Operating statistics in boe\***

Production	243 kboe/d
Cash costs	\$17/boe
Reserve life (1P reserves)	11 years
Reserve valuation (EV/1P)	\$14/boe
F&D organic costs 3yrs avg	\$19/boe

**Market cap. segmentation\***

Small	< \$3bn	26%
Mid	\$3 - 30bn	48%
Large	> \$30bn	27%

**Top commodity exposure\***

Crude & liquids	68%
Natural gas	32%

**Top 5 country exposure (production)\***

United States	41.9%
Canada	16.0%
Brazil	9.9%
Norway	9.7%
United Kingdom	3.2%

**Top 5 holdings**

Galp Energia	4.6%
Ovinitiv	4.5%
Civitas Resources	4.5%
Shell	4.5%
Permian Resources	4.5%

Transparency	ECF	O&G Universe
Scope 1 GHG/EVIC	215	418
Carbon footprint/EVIC	234	446
GHG intensity	348	432
Gas flaring	455	922
Hydrocarbon spills	81	91
Fatality rate	0.00%	0.58%
Women on board	29%	25%
Independent board	80%	58%
Sustainalytics Rating	60.3	42.2

More information and details see ESG Quarterly Report



The ECF is the first fund in Switzerland and the first energy fund globally to have received South Pole Carbon's label as a "Climate Impact Transparent Investment"

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\* based on weighted average and/or weighted average barrels of oil equivalent (boe) numbers

Disclaimer: This is an advertising document. The state of the origin of the fund is Luxembourg. In Switzerland, the representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the paying agent is Credit Suisse (Switzerland) Ltd., Paradeplatz 8, CH-8001 Zurich. The prospectus, the key information documents or the key investor information documents, the articles of association as well as the annual and semi-annual reports may be obtained free of charge from the representative. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.

**January 2025**
**Why commodities**

Commodities have been key in the economic development of the world. Urban population is expected to grow globally from 52% to 66% by 2050. Urbanisation drives per capita wealth increase and with it the demand for natural resources. Middle class expands on a global basis, more than doubling by 2030 to reach >5 billion people. India and China show the largest increases with each reaching more than 1 billion middle-class citizens, China alone has the potential for 250 million people to urbanise in the next 10 years. By 2030, global middle-class consumption is expected to be more than \$63 trillion vs \$35 trillion in 2015. Demand for commodities remains continual, while they are becoming scarcer.

**Why natural resource equities and the Industrial Metals Champions Fund**

Natural resource companies are entering a phase of improving margins and the valuation is very low on a relative basis compared to the global equity markets. A portfolio of natural resource equities reduces firm specific risks while it increases the commodity exposure. The Energy Champions Fund offers the investor the opportunity to participate in an actively managed portfolio of energy companies active in the attractive oil and gas sector and this in a pragmatic sustainable way.

**ICG Investment Process**

Our investment process is based on a quantitative approach to find the best-in-class companies. The consistent methodological process is non-predictive with >90% of the analysis based on historical data. Our process has a portfolio view and helps to create a balanced portfolio instead of single stock bets. We developed a proprietary data base to better analyse financial and operating figures. Extensive data is used (>170'000 data points) to analyse trends across the industry and pinpoint sector champions. After defining the broad investment universe, selecting the best-in-class subsectors with the highest margins or most attractive investment opportunities, the universe is further filtered down to companies with significant subsector exposure.

**ICG Alpha Scorecard**

The ICG Alpha Scorecard is a quantitative and qualitative screening scorecard that pinpoints sector champions with strong economic «moat» based on different variables. The approach helps to identify companies with a relative good track record in different key financial and operational variables. The majority of variables are dynamic and based on historical figures from the last fiscal year or on a 3 year average. All 25 positions are equally weighted, however we may reduce the weight or even exclude a company on exceptional events (e.g. oil spill, political risk).

ICG Alpha Scorecard					
<b>Asset Quality</b> Profitability Cash margins ROIC adj. Avg ROCE Production growth debt adj Full cycle ratio Operatorship Asset diversif. Inventory depth Drilling success Reserve rep ratio Reserve life	<b>Value</b> M&A multiple on 1P, 2P reserves & risked resources P/B P/CF FCB/B EV/DACF Relative EV/EBITDA FCF	<b>Sustainability (ESG)</b> Emissions/boe produced & 1P Energy intensity/boe Pollution/boe Women ratio Community spending Fatalities Board ind. Govt ownership Insider owner	<b>Dividends</b> Dividend yield estimates Shares buyback Div. growth Last div yield Previous div. growth Dividend health EPS-DPS FCF-DPS Payout Ratio	<b>Balance Sheet</b> CFPS Net debt/CFO-interest exp. Net debt/1P reserves Funding capacity Liquidity Size Capex/CFO Investments Asset disposals	<b>Behavioral Finance</b> Momentum Short interest change Volatility Newsflow Analyst rating Estimate revisions Risk appetite Comdty exposure Market cap
ICG proprietary data base					

**Investment Manager**

The Energy Champions Fund is managed by Independent Capital Group AG, an independent asset management and investment advisory firm based in Zurich and Basel. Independent Capital Group AG has taken over the team of the commodities and energy investment boutique Gateway Capital Group in Basel in 2014.