

## Q1 2025 Summary

Reporting on business activities showed continuing strong operational and financial results across the petroleum sectors. Exploration and production companies are adhering to sound financial and operational management. Permian Basin properties remain the focus of acquisitions in the United States.

The Integrated Leaders portfolio produced better results than the broad market as measured by the iShares MSCI ACWI ETF (-0.4% year-to-date). Both of the Laggards portfolios trailed the broad market for the quarter.

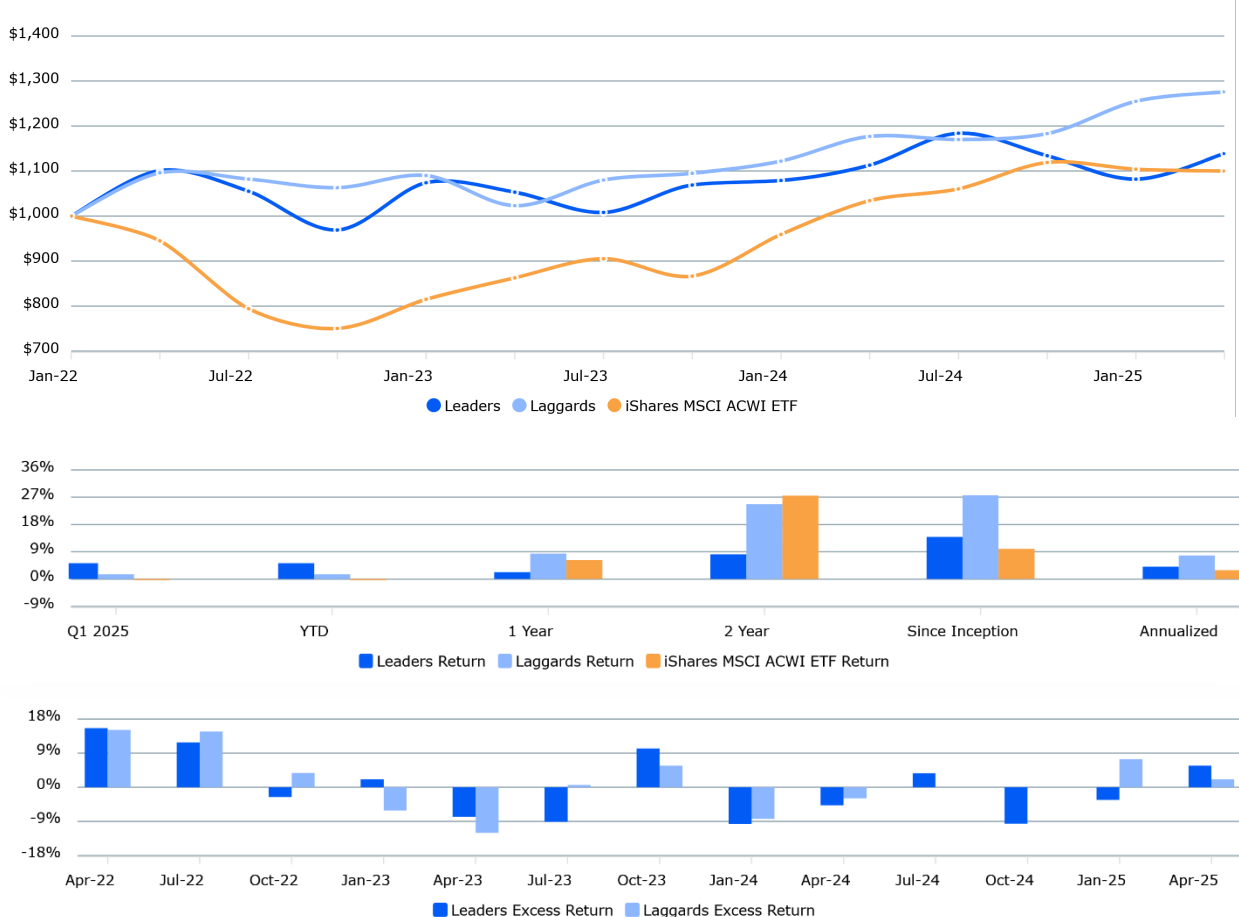
## Integrated Oil & Gas Tracker

There were no changes to the constituents of Integrated Leaders and Laggards portfolios in Q1 2025, each consisting of 9 companies per the trackers' selection rules.

- **Leaders portfolio:** holds predominantly European companies, some of which – such as TotalEnergies and Shell – are actively engaging with the energy transition.
- **Laggards portfolio:** continues to be comprised of Canadian oil sands producers and sub-major companies with less stringent emissions targets.

The Integrated Laggards portfolio continues to lead the Integrated Leaders portfolio since inception in large part due to the recovery in YPF's market value at the end of 2024.

### Integrated Oil & Gas



## Integrated Leaders Recap

The Integrated Oil & Gas Leaders had results of +5.3% for the first quarter of 2025. Notable Leaders news included:

- **Repsol** brought Schrodgers Greencoat Europe SCSp, an investor in renewable energy infrastructure, as a partner into its Spanish wind and solar portfolio via a partial sale. The company sought a partner to bolster its expertise in the management of renewables.
- **Origin Energy** is close to securing access to a key transmission line in New South Wales, which may facilitate the integration of electricity from its 1.5GW Yanco Delta Wind Farm.

## Integrated Laggards Recap

The Integrated Oil & Gas Laggards had results of +1.6% for the first quarter of 2025. Notable Laggards news included:

- **PKN Orlen** of Poland and Norway's Equinor (a Leader) signed a memorandum of understanding to jointly develop carbon capture and storage projects. The partnership focuses on identifying potential CO<sub>2</sub> storage sites in Poland, including onshore areas and under the Baltic Sea, with the goal of capturing, transporting, and storing up to 4 million metric tons of CO<sub>2</sub> annually by 2035.

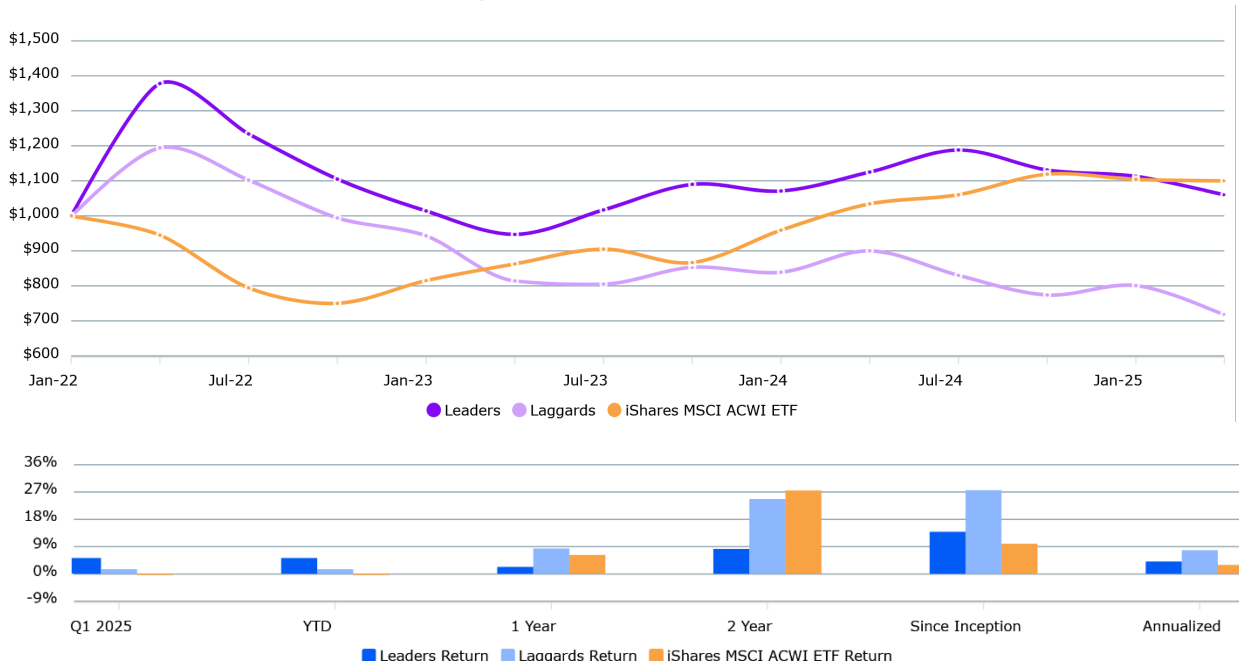
## Exploration & Production Tracker

There were no changes in the Leaders and Laggards portfolios in Q1 2025.

Generally, E&P leaders have greater production and reserves in natural gas. As a broader group, the firms are at early stages in addressing emissions and creating transition plans.

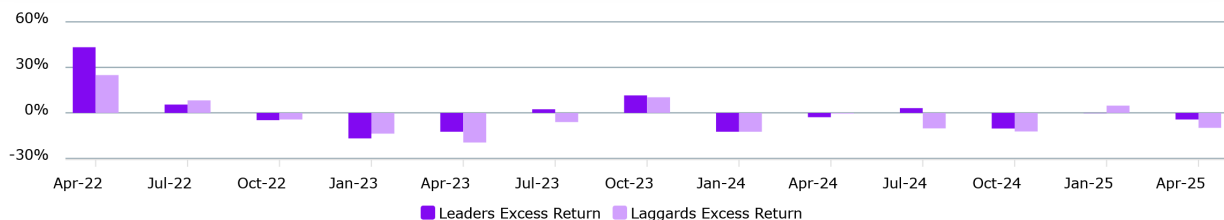
Each portfolio has eighteen constituents per the trackers' selection rules.

### Exploration & Production



## Energy Transition Trackers Commentary

### Exploration & Production



#### E&P Leaders Recap

The E&P Leaders portfolio produced results of -4.8% for the first quarter of 2025. Notable Leaders news included:

- **ConocoPhillips** is considering a potential sale of its Oklahoma assets valued at over \$1 billion. The assets were acquired during its \$22.5 billion takeover of Marathon Oil.
- **INPEX**'s senior management stated that the company has received buyer interest exceeding the planned output for its \$20 billion Abadi LNG project in Indonesia. The project is expected to produce up to 9.5 million metric tons of LNG annually.

#### E&P Laggards Recap

The E&P Laggards portfolio had results of -10.3% for the first quarter of 2025. Notable Laggards news included:

- Cottonmouth Ventures, a subsidiary of US-based oil and natural gas company **Diamondback Energy**, completed a \$50 million equity investment in Verde Clean Fuels to expand natural gas-to-gasoline plants.
- **Ovintiv** was reported to be nearing a deal to acquire oil exploration and production assets in the Permian Basin from EnCap Investments for approximately \$4 billion, including debt.