

# EGA MLP Total Return

## STRATEGY OVERVIEW

Eagle Global Advisors MLP Total Return Portfolios strategy seeks to provide investors access to the total return opportunity of the Midstream and MLP asset class through a diversified portfolio of primarily midstream MLPs and energy infrastructure companies. The strategy targets a total rate of return through a long-term investment focus. Trading activity strives to preserve the tax benefits of Midstream and MLPs through low portfolio turnover and long-term gains. Portfolios are managed by a team of dedicated MLP and Midstream infrastructure professionals.

## INVESTMENT HIGHLIGHTS

- **Essential Infrastructure:** MLPs and Midstream build and operate pipelines and storage facilities for the transmission of vital domestic energy supplies
- **Strong Cash Flow:** Cash flows generated are stable and predictable
- **Distributions:** Majority of cash flows are distributed to unit holders
- **Tax Efficiency:** Distributions are largely a return of capital\*\*\*
- **Inflation Protection:** Distributions have grown over time, providing an effective inflation hedge

## PORTFOLIO STRUCTURE 6/30/2024

Number of Portfolio Investments	13
Current Yield (Equity Only)	5.6%
% Portfolio in K-1 securities	51.0%
% Portfolio in 1099 issuing securities	47.9%
% Portfolio in cash	1.2%
Average Turnover	20-25%

## PORTFOLIO ATTRIBUTION

The MLP Total Return Strategy returned +6.84%/+6.53% (gross/net, est.) during the second quarter versus +2.76% for the Alerian MLP Index. The topic du jour was artificial intelligence (A.I.), and more specifically the datacenters needed to drive it. For context, a ChatGPT search requires roughly 10 times more power than a traditional Google search. This paradigm shift in energy consumption has to come from somewhere, and we think the most cost efficient and scalable energy source is traditional energy and specifically natural gas. The United States has plenty of it, though perhaps not so much an effective way to get it to where it's needed. For Midstream this has all the looks of a win-win scenario. If the infrastructure is built the sector stands to benefit from incremental cash flow growth on top of the already large amount of positive free cash flow it already generates. If the infrastructure is not built, the scarcity value already being priced into operated assets rises even more. For the quarter our overweight in Targa (TRGP) once again generated the most positive attribution as investors continue to gravitate to its strong and rising free cash flow outlook. Also contributing to positive attribution was our underweight in SUN, which continues to underperform following the closing of its acquisition of Nustar Energy. The primary performance detractor came from our underweight in Genesis Energy (GEL) that has seen modest improvement to the outlook for its offshore pipelines and the soda ash market.

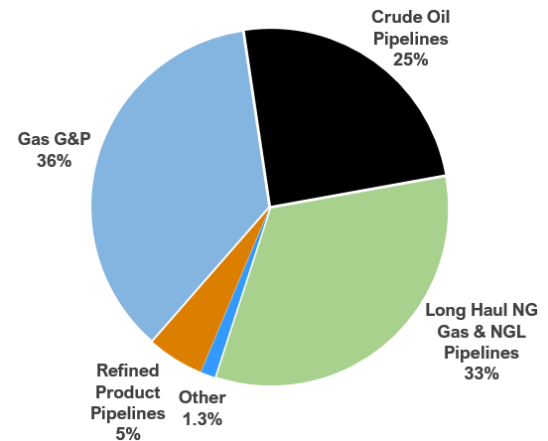
## PERFORMANCE

	MRQ*	YTD*	1 Year*	Annualized Returns			
				3 Years*	5 Years*	7 Years*	10 Years*
EGA MLP Total Return Port (Gross)	6.8	23.0	40.2	28.8	13.1	9.2	2.8
EGA MLP Total Return Port (Net)	6.5	22.3	38.6	27.3	11.7	7.9	1.6
Alerian MLP Index	2.8	17.0	35.0	22.5	12.0	8.2	2.0

\*Preliminary

## PORTFOLIO MLP AND MIDSTREAM SECTOR WEIGHTINGS

(Positions as a percentage of portfolio)



## TOP 10 HOLDINGS\*\*

	% Weight	% Yield
1 Targa Resources Inc.	12.4%	2.3%
2 Energy Transfer LP	12.0%	7.8%
3 Plains All American Pipeline LP	10.6%	7.1%
4 MPLX LP	10.1%	8.0%
5 Cheniere Energy Inc.	9.1%	1.0%
6 Western Midstream Partners	8.7%	8.8%
7 Enterprise Products Partners	8.0%	7.1%
8 Enlink Midstream LLC	6.8%	3.9%
9 Hess Midstream LP	6.3%	7.2%
10 ONEOK Inc.	5.3%	4.9%

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\*\*EGA top ten holdings represent our 10 largest holdings as of June 30, 2024. This is not a recommendation to buy or sell any security. There can be no assurance the portfolio will continue to hold the same position in companies described herein, and the portfolio may change any portfolio position at any time.

\*\*\*Upon realization of a Midstream and MLP Investment, the portion of the cash distribution that is characterized as return of capital will be treated as income.

### EGA MLP Total Return Portfolios Composite January 1, 2010 through December 31, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
EGA MLP Total Return Portfolios - Total Return (%) Gross	25.52	35.95	49.76	(35.26)	6.24	(12.85)	(7.07)	32.36	(37.15)	11.00	37.83	9.45	13.48	38.99
EGA MLP Total Return Portfolios - Total Return (%) Net	24.05	34.37	48.03	(36.08)	4.98	(13.91)	(8.19)	30.81	(37.93)	9.69	36.22	8.15	12.14	37.37
Alerian MLP Index - Benchmark Total Return (%)*	26.56	30.92	40.17	(28.69)	6.56	(12.42)	(6.52)	18.31	(32.59)	4.80	27.58	4.80	13.88	35.85
Composite 3 Year Std. Dev.	20.41	41.77	39.89	39.86	17.78	19.87	21.83	22.87	19.87	13.50	12.07	11.82	14.52	21.77
Benchmark 3 Year Std. Dev.	20.46	49.08	47.52	47.85	17.95	18.36	19.33	20.23	18.76	13.73	13.62	13.56	17.43	23.69
Number of Portfolios	7	7	9	12	22	28	32	39	38	46	39	31	18	11
Composite Dispersion (%)	0.34	0.72	1.10	0.70	1.04	0.29	1.31	2.41	0.35	0.32	0.75	0.80	0.39	0.85
Composite Assets at End of Period (US\$ 000)	155,026	130,523	104,479	103,805	243,940	483,252	646,250	758,058	568,531	934,687	811,877	628,858	271,580	210,655
Total MLP Strategy Assets at End of Period (US\$ 000)	604,086	530,198	431,030	342,845	1,210,714	1,690,132	2,461,286	2,937,868	2,181,760	3,203,899	2,503,008	1,399,752	975,824	886,079
Total Firm Assets (US\$ 000)	1,940,225	1,700,514	1,911,969	1,571,232	2,279,115	2,632,277	3,561,407	3,946,902	3,281,294	4,208,672	3,514,431	2,255,886	2,088,976	2,527,423

\* Benchmark: Alerian MLP Index.

- **The EGA MLP Total Return Composite** - The EGA MLP Quality Core Composite consists of those portfolios invested in mid-stream master limited partnership (MLP) units.
- For GIPS purposes, Eagle Global Advisors, LLC is an independent investment advisor, registered with the SEC, actively managing individual investment portfolios containing domestic equity, international equity, master limited partnerships, and domestic fixed income securities, (either directly or through a sub-advisory relationship), for mutual funds, high net worth individuals, retirement plans for corporations and unions, financial institutions, trusts, endowments and foundations. SEC registration does not imply a certain level of skill or training.
- Eagle Global Advisors, LLC claims compliance with Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with GIPS standards. Eagle Global Advisors, LLC has been independently verified for the periods 1/1/1997 to 12/31/2021. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Only direct trading expenses are deducted when presenting gross of fee returns. In addition to management fees, actual client returns will be reduced by any other expenses related to the management of an account such as trustee fees or custodian fees. The reporting currency is the U.S. dollar. Returns are calculated net of non-reclaimable foreign withholding taxes on dividends, interest, and capital gains. Reclaimable withholding taxes are not accrued, but are cash basis as received. Eagle uses the asset-weighted standard deviation as the measure of composite dispersion of the individual component portfolio gross full period returns around the aggregate composite mean gross return. The 3 year annual standard deviation and internal dispersion are calculated using Gross of Fees returns. If the composite contains 5 portfolios or less (<=5) for the full period, a measure of dispersion is shown as not meaningful (N/A) and the number of portfolios is not reported. Past performance cannot guarantee comparable future results. All investments involve risk including the loss of principal. This presentation is only intended for investors qualifying as prospective clients as defined by GIPS.
- The composite start date is January 1, 2002 and was created in 2010. The composite consists of those MLP separate account portfolios where the firm has full investment discretion, the client pays a fee, the portfolio contains over \$250,000 in MLP units, and the portfolio properly represented the intended strategy at the end of the calendar quarter. As of January 1, 2005 the minimum asset level is \$1,000,000. All performance returns assume the reinvestment of dividends, interest, and capital gains.
- The benchmark is the Alerian MLP Index, a composite of the 21 most prominent energy master limited partnerships calculated by Standard & Poor's using a float-adjusted market capitalization methodology.
- The indices shown are for informational purposes only and are not reflective of any investment. As it is not possible to invest in the indices, the data shown does not reflect or compare features of an actual investment, such as its objectives, costs and expenses, liquidity, safety, guarantees or insurance, fluctuation of principal or return, or tax features. Indices do not include fees or operating expenses and are not available for actual investment. Indices presented are representative of various broad based asset classes. They are unmanaged and shown for illustrative purposes only. The volatility of the indices is likely materially different than the strategy depicted. Eagle Global's MLP strategies include buying and selling various MLP related assets. Such assets can and do include actual MLPs, general partners, C-corps that own MLP assets, and shipping companies. Holdings will vary from period to period and non-MLP assets can have a material impact on the performance.
- The Eagle list of composite descriptions is available upon request. Eagle policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.

MLP Total Return Composite (minimum investment: \$5,000,000)	
Account Size	All Assets
Annual Fee	1.25%