October 26, 2026

Carter Sims (00:35):
Good morning. I'm Carter Sims, the Head of Field Sales for Tortoise Capital, and I'm extremely honored to have with me today Brett Wright, President of Tortoise Capital. And Brett and I are just getting together today to kind of re-discuss, talk again about our visit to the FUSE Research Forum, which was recently held in Boston. And we're going to take a few minutes giving you guys an update of what we saw there, getting Brett's insights and talking about what we see the impact of the industry being. So Brett, big takeaway from the conferences. You and I were both there in Boston. When you stepped back from the conference a little bit, what was the one theme or takeaway that stood out to you most about what's changing in the asset management industry today?

Brett Wright (01:22):
Yeah, I'm going to cheat because you said one. I'm going to give you two because there are two things that stood out to me really starkly about how much the business has changed. Number one, 55%, let me sure I get this right, 55% of all mutual fund assets now sit in passive. And the other one that really drove it home for me in over 50% of advisor allocations in our centralized portfolio discussion. And the takeaway from that is the marketplace has shrunk and shrunk considerably and the ability to focus and refine where you're going and how you're going to win has become more important than ever. And so Carter, you asked that question, those are the two things that kind of stood with me and I have been losing a little sleep over it to be honest with you over the last few weeks.

Carter Sims (02:12):
Yeah, it's amazing how things have changed over the last couple of years and El Paso has finally taken over active. Staying on the focus theme, Brent, if you talk about focus, one of the other themes that came out of the conference was distribution is becoming a differentiator, but the firms that people are concentrating on are fewer, but the resources are getting more intense on those high value relationships. So what do you think it means for the industry and where do you think the opportunities are going to lie for the ability for not only ourselves, but the competitors to differentiate themselves within a market that's concentrating on a fewer number of high value targets, I would say?

Brett Wright (02:53):
Yeah, I love that question because what you're really getting at too, you're getting at what's your value prop as an organization? And I don't know, there's only so many lanes to be in the asset management space. Certainly you can be a scale strategic provider. If I start thinking about that, Carter, the business is defined by firms like BlackRock, I don't know how many are, 12, $14 trillion. Vanguard might be another good example in the world of passive and the world of private markets would be Blackstone. Not everyone can be a skilled provider. If you're not going to be a skilled provider, the other edge of that scale is going to be your distribution powerhouse. You've got distribution resources. You don't have 20 wholesalers, you got 150 wholesalers. Maybe you're a solutions provider. So it's not about selling you the parts, it's about selling you the whole, or you maybe have captive distribution.
(03:45):
And so it's a combination of not only do we manufacture investment product, but we distribute our own cooking to our advisors within the system. And I think of Morgan Stanley Advance as that example. And if you're not in one of these lanes, it's really hard. And the last lane I didn't mention, because it kind of talks my book a little bit, specialized providers. And so it makes me feel really excited about where Tortoise is because if you don't know Tortoise where focus and clarity is our strength, it's also our weakness. But one of the things that really came through loud and clear, if you all have a very distinct value prop in the marketplace, doesn't matter where your focus is going to be hard to stand now with these trends we talked about the front end, the move towards passive, the move towards centralized portfolio decision making.

© 2026 Tortoise Capital

(04:30):
And the other stat which I got from Fuse, 99% of investment platforms today, broker dealer platforms, wealth management platforms are restricting access. In other words, they need another product like they need a hole in the head and that's one of the areas that have been pronounced within the marketplace for the last, call it two decades.

Carter Sims (04:49):
Well, that's a great point, Brett, because then you talked about the centralized decision making and we heard it a few from a number of people and those investment decisions are going upstream to models, they're going to CIO teams, they're going to home offices. We know we've seen that gradual rise. Everybody's been talking about it for 10 years, but we've seen kind of an uptick recently of those areas concentrated in a few decision makers, still sitting with the advisor for sure, but a lot of them are going upstream to the home offices, to the CIO models. How do you see even firms across the board and even firms like Tortoise, how do we engage to really engage and go upstream and then concentrate both on the decision makers at the home office and balance that out with how you're getting that information to advisors in the field?
(05:37):
How do you see that evolving?

Brett Wright (05:39):
Yeah, I would say two things. Let's use the bridge from what we just said. You said centralized portfolio decision making because what's happening? Why would advisor outsource their asset management? Because you go back, I don't know, I'm going to date myself a little bit here, probably wrong thing to do. We go back a few decades ago. When I came into business, they weren't buying financial advisors, they were stockbrokers. And I literally remember the day we'd call in offices and people would call in because they wanted the price for a quote. And the rise of technology, the changing nature, stock brokers become financial advisors. And if you start to put yourself in the mind of the client, that could be Morgan Stanley, it could be Sariti, I don't care. It's not about the investment strategy you're selecting, it's about the value delivered to a client. And all they really want to do is how can we grow our client base?
(06:32):
And once you grow that client base, the way to sustainable growth is not through, I'd like to say it's great performance and that's what we're hyperly focused on, but if you're in the role of advisor, it's about holistic financial planning. And so that's probably one of the bigger drivers. If you're an advisor, whether you're an independent RA or wirehouse, you're thinking to ourself, how do I get clients and how do I keep clients? And the way you do that is deliver exemplified value prop as a wealth advisor. And so that's the trend that's really the underlying driver of centralized portfolio decision making. And I don't care if that's an asset manager or the home office, this is a trend that's not abating that we have to face. And so for firms like us or for really any firm in the marketplace, it's in how do you get leverage?
(07:20):
And the most important leverage you can have is trying to work with the home office, to be in alignment with the home office. And that usually works in various stages. I mean, the hardest thing we just talked about is getting access onto a platform. Most platforms have been restriction and have been since the GFC. And once you get into an investment platform, if you can work yourself into a research recommendation and the holy grail, the only area you're ever going to be able to be guaranteed flows is you get discretionary flows. And so for us, it has this quite think for us or any asset manager coming out of that Fuse network, the question you always have to ask yourself is how do I drive myself in alignment with these key secular trends? And am I aligning my resources? Most important thing I have is my people to the best and highest opportunity.
(08:04):
And for that, in many cases, it's a top-down, bottom-up approach. It's working top-down with the home offices to try to drive for their centralized portfolio opportunities, but you can never forget the advisor because that's where the relationship sits, period, full stop.

© 2026 Tortoise Capital

Carter Sims (08:21):
Yeah. And one thing I would comment on that, we saw it there, which is super interesting. We talk about the wires and the independence, but again, that trend is happening in the RIA aggregators. So the Dynasties, the Hightowers, the AssetMarket, et cetera, they are building out these discretionary models too that they are, as they adopt and acquire other RIAs, they are putting those discretionary platforms in place and not forcing, but giving the option to those firms or acquiring to say, "Hey, we want you to take a look at the home office discretionary model so you can be that relationship manager with your clients and let us manage the assets." So again, that trend has evolved from the wires, the independents to the RIA aggregators, et cetera, to having home office decision making and CIO models.

Brett Wright (09:10):
Yeah, well said. Nothing to add other than the joke was always back in the day, if you met one RIA, you met one RIA because each were unique and unto themselves. But the point you just drew out, exactly on point, it's become a lot more institutionalized and whether you approach Merrill or you approach Inserity, they're starting to look and feel a lot the same. And what do I mean by that? Sophisticated analyst running long research, long and intensive due diligence processes for scarce spots on a platform sounds a lot like you're competing for a institutional mandate. And that's what this business, and when you talk about the convergence between institutional and wealth management, I think that's what you're alluding to, Carter, from your experience and from the FUSE conference is one of the big central themes that I picked out from it.

Carter Sims (10:00):
Yeah, it's continued to pick up steam. We've all heard about it, the institutionalization of the marketplace, but I think it truly is taking hold in the last couple of years and it's evolving into all channels, not just singularly into the wirehouse channel and others. So it's super interesting to watch and see. I think there were just a bunch of great things that came out of the conference. We appreciate FUSE kind of enlightening us, I think, and having very engaged speakers. But shifting gears a little bit and pivoting to one other thing, which is kind of recognition and against the industry backdrop that we've seen, I want to talk about that Tortoise has just received the Barron's recognition for top asset managers with firms less than $25 billion in assets. And talk a little bit about what that means to you, what's it mean for Tortoise, and what does it mean actually for firms like our size competing in the industry today?

Brett Wright (10:54):
Yeah. Well, there's thousands of asset manager firms. And so first of all, how does it make me feel? It makes me feel tremendous pride, not for myself, but for the people that work at Tortoise. It's the investment team, it's operations, it's finance, it's the commercial team. It's a total firm environment that helps to bring that over the line, number one. And so A, no, who doesn't like recognition, number one. Number two, it speaks to the transformation of the organization. I mean, Tortoise is broadly known in the marketplace. One of the great things I love working here is we never have to define ourselves. That's also our strength. I say it against our weakness. Power and energy markets is what we do and what an exciting time to be in that area. But that alone is not going to get you over the hump. One of the things that brought us in terms of a submission for the award is the transformation the organization's going on in the last few years.
(11:46):
We had a new CEO came in about two years ago, a guy by the name of Tom Florence, and the work that Tom did was really transformational in terms of modernizing the firm's investment lineup. Part of the way that modernization works is it's really addition to subtraction. You have a proliferation over 20 years of investment product and vehicles, and Tom came in with the central visions, we're going to simplify. And you go back, and this is why it's a whole team lift. I think it was upwards, so close to 20 corporate actions over that two-year period, and you end up with a very focused investment lineup that for an investor, whether it be an institution or a wealth manager, looking to try to understand where energy is, but more important where it's going and having a simplified, call it non-correlated set of strategies they can choose to pick from, that's a pretty compelling story.
(12:37):

© 2026 Tortoise Capital

And that's what I think the judges saw when they looked at transformation led by Tom and his organization over the years. So in short, what do I feel? I feel pride working in an organization has a defined value prop in the marketplace. I feel tremendous pride that no, it takes a village to transform an organization. And here is a great example and testament to the strong work of the people that come to this company and work each and every day here at Tortoise.

Carter Sims (13:07):
Yeah, to kind of summarize, and I totally agree with you. I was kind of looking at Tortoise and what is so unique about us and many other managers is that if you have a specialty expertise, which we've had for 20 years, we haven't really changed our focus. We've just expanded our solutions to deliver to the marketplace, and we are an energy solutions provider across the landscape, which advisors, firms, institutions, et cetera, are looking for today. And we've kind of just broadened our solution set to fit those individual constituencies so we can be that continued provider in the energy space. So I think that's a credit to the firm and credit to people like yourself and where we're focused on. And I think that's how firms under 25 billion continue to win, but also are getting a lot of attention in the marketplace today. So Brett, I wanted to just thank you for your time and thank you for everybody for listening.
(14:03):
And what this is we call it the Tortoise Energy Quick Take in 10, and we look forward to continue to deliver these to you consistently, and we thank you for your business and we look forward to also engaging with new partners. Have a great day.

Brett Wright (14:17):
Thanks everyone. Thanks for your time, Carter.

Have topics you want covered or other feedback to share? Write us at info@tortoisecapital.com.

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS

Important Information
Nothing contained in this communication constitutes tax, legal, or investment advice. Investors must consult their tax advisor or legal counsel for advice and information concerning their particular situation. This video contains certain statements that may include “forward-looking statements.” All statements, other than statements of historical fact, included herein are “forward-looking statements.” Although we believe that the expectations reflected in these forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. Actual events could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors. You should not place undue reliance on these forward-looking statements. This video reflects our views and opinions as of the date herein, which are subject to change at any time based on market and other conditions. We disclaim any responsibility to update these views. These views should not be relied on as investment advice or an indication of trading intention. Discussion or analysis of any specific company-related news or investment sectors are meant primarily as a result of recent newsworthy events surrounding those companies or by way of providing updates on certain sectors of the market. Through our family of registered investment advisers, we provide investment advice to related funds and others that includes investment into those sectors or companies discussed in these videos. As a result, we stand to beneficially profit from any rise in value from many of the companies mentioned herein including companies within the investment sectors broadly discussed.

© 2026 Tortoise Capital