Alerian Energy Infrastructure ETF

Ticker: ENFR

Monthly Insights as of August 31, 2026

Key Takeaways

- The Alerian Energy Infrastructure ETF (ENFR) gained 2.69% on a total-return basis in August, supported by robust second-quarter earnings. Meanwhile, the US and Iran remained gridlocked over the Strait of Hormuz, which remained effectively closed.
- Seven ENFR holdings raised their second quarter dividends sequentially, and 90.45% of the ETF by weighting have grown their payouts within the last year.
- At the end of August, ENFR's underlying index, the Alerian Midstream Energy Select Index (AMEI), was yielding 4.47% and was trading above its three-year average forward EV/EBITDA multiple.

Performance Notes

ENFR rose 2.69% on a total-return basis in August, supported by strong second-quarter earnings, as the US-Iran conflict remained at an impasse with no active negotiations over the Strait of Hormuz. For the month, ENFR lagged the S&P 500 Index, which gained 2.72%, and the broad Energy Select Sector Index (IXE), which gained 7.38% on a total-return basis. The US oil benchmark rose 1.29% to $85.76 per barrel, while US natural gas prices rose 6.84% to $2.94 per million British thermal units. Year to date through the end of August, ENFR has gained 31.86%, on a total-return basis while the S&P 500 is up 13.14%. Energy remains the best-performing sector in 2026 by a wide margin, with the IXE up 44.97% year to date through August.

In August, ENFR announced a distribution of $0.38575 per share, roughly even with the August 2025 payout.

Digging into portfolio performance for August, Liquefaction was the best-performing subsector for the second straight month as international natural gas benchmarks reached their highest levels since early 2023 with the Strait of Hormuz effectively closed. The worst-performing subsector and the only subsector with losses was Storage.

Performance Summary

Total Returns	Aug-26	QTD	YTD	1 Y
Alerian Energy Infrastructure ETF (ENFR)(NAV)	2.69%	6.43%	31.86%	30.98%
Alerian Midstream Energy Select Index (AMEI)	2.75%	6.54%	32.52%	31.94%
Gathering & Processing Subsector	*4.26%*	*6.33%*	*38.22%*	*41.93%*
Liquefaction Subsector	*10.54%*	*23.38%*	*64.80%*	*9.84%*
Natural Gas Transportation Subsector	*1.63%*	*4.19%*	*26.22%*	*29.05%*
Petroleum Transportation Subsector	*0.66%*	*5.24%*	*26.96%*	*30.17%*
Storage Subsector	*-1.59%*	*5.97%*	*22.15%*	*21.91%*
Energy Select Sector Index (IXE)	7.38%	20.23%	44.97%	46.05%
Crude Oil (WTI)	1.29%	23.40%	49.36%	33.98%
Crude Oil (WCS - Western Canadian Select)	1.22%	21.57%	53.30%	31.23%

Source: Bloomberg L.P., as of 8/31/2026

Performance data quoted represents past performance. Past performance is no guarantee of future results so that shares, when redeemed, may be worth more or less than their original cost. The investment return and principal value will fluctuate. Current performance may be higher or lower than the performance quoted. For current month-end performance call 1-866-759-5679 or visit www.alpsfunds.com. Performance includes reinvested distributions and capital gains.

For standardized performance please see page 3.

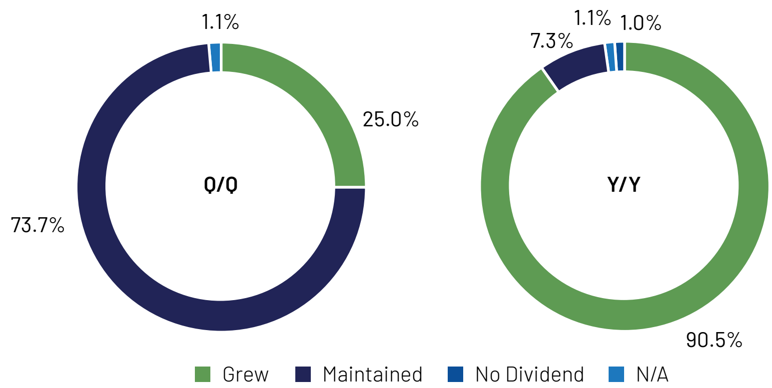
Crude Oil performance numbers are based on price return.

Outlook

Most ENFR holdings reported broadly constructive second-quarter earnings in August, underscoring the sector's improving outlook and prompting several companies to raise full-year guidance. Companies continue to see robust growth opportunities for natural gas infrastructure tied to liquefied natural gas (LNG) exports and power generation, including for data centers. Meanwhile, oil prices remain volatile and headline-driven. Ongoing Middle East disruptions have resulted in severe inventory depletion, which are likely to keep the oil futures curve "higher for longer" even if maritime traffic fully normalizes. A stronger oil price environment, combined with the ongoing alleviation of Permian takeaway constraints, provides significant volume tailwinds for midstream companies. Reflecting this sustained momentum, the US Energy Information Administration now forecasts domestic oil output will reach a new record high in 2027, averaging 14.2 million barrels per day.

EBITDA growth and ongoing free cash flow generation continue to drive a constructive outlook for midstream payouts. For the quarter, seven ENFR holdings raised their dividends sequentially, representing about a quarter of the ETF by weighting. While 2Q26 was expectedly quieter for dividend hikes, as many C-Corps typically raise their payouts annually for 1Q or 4Q, dividend growth remains a clear priority across the sector. Twenty-one names representing 90.45% of the ETF by weighting have increased their payouts on a year-over-year (Y/Y) basis, as shown in the chart below. Looking ahead, midstream companies are mostly targeting mid-single-digit dividend growth for the year.

ENFR Holdings 2Q26 Dividend Trends by Weighting



Weightings as of 8/31/2026
**Waterbridge Infrastructure (WBI) and Rockpoint Gas Storage (RGSI CN) went public on September 17 and October 9, 2025, paying their first dividends in March and December, respectively. Both are classified as N/A.*
2Q26 dividends refer to dividends paid in 3Q26 based on 2Q26 performance.
Source: VettaFi, SS&C ALPS Advisors, Company reports, as of 9/1/2026

Constituent News

- Targa Resources (**TRGP, 5.20% weight as of 8/31/2026**) reported second quarter results above expectations, driven by record Permian volumes, and expects full-year 2026 adjusted EBITDA toward the upper end of its $5.7 billion - $5.9 billion guidance range. The company updated its 2026 net growth capital expenditure (Capex) estimate to ~$5.0 billion and placed several key projects into service, including the Train 11 fractionator and Delaware Express expansion. Additionally, TRGP announced new 20-year fee-based agreements with ExxonMobil (XOM, not in ENFR) underpinning three new Delaware processing plants and the Bull Run II pipeline, all expected in service in 1H28.
- ONEOK (**OKE, 5.14% weight as of 8/31/2026**) reported second quarter results in line with expectations and raised the lower end of its full-year 2026 adjusted EBITDA guidance range by 2.5%. Alongside earnings, OKE announced the roughly $4.4 billion acquisition of Brazos Midstream's Permian Midland Basin assets, funded by a $9.0 billion minority equity investment from Apollo (APO, not in ENFR). The Apollo capital will also extinguish $5.0 billion in debt to accelerate deleveraging, while the accretive Brazos deal will double OKE's Midland Basin processing capacity. Operationally, the company advanced several processing plant expansions and highlighted new commercial agreements to supply natural gas for 1 gigawatt (GW) of power demand and late-stage AI data centers.
- Williams (**WMB, 6.05% weight 8/31/2026**) reported second quarter results in line with expectations and raised its 2026 adjusted EBITDA guidance from $8.3 billion - $8.5 billion, an increase of 1.5% at the midpoint, driven by its $5.5 billion acquisition of Momentum Midstream. Management increased 2026 growth Capex and raised its long-term adjusted EBITDA growth target to 11+% from 10+%. The company highlighted a $15.5 billion project backlog, announcing new immediate expansions tied to the Momentum footprint, while finalizing a $5.34 billion financing joint venture with Blackstone (BX, not in ENFR) and advancing several projects to serve growing power demand.
- Kinder Morgan (**KMI, 4.92% weight as of 8/31/2026**), alongside Phillips 66 (PSX, not in ENFR) and HF Sinclair (DINO, not in ENFR), sanctioned the joint venture Western Gateway Pipeline system, a ~$5.0 billion refined products pipeline serving Arizona and California. The project has a design capacity of 230 thousand barrels per day (MBpd), which is expandable in the future without requiring new pipe. KMI is contributing existing pipelines alongside a ~$250 million cash contribution, while its partners will fund the remaining capital for new construction and pipeline reversals.

Valuation Update

- At the end of August, ENFR's underlying index, AMEI, was trading at a forward EV/EBITDA multiple of 11.05x based on 2027 consensus estimates, above its three-year average ratio of 10.08x.
- The current yield for AMEI is 4.47%, which is below its three-year average of 5.48%.

AMEI Current Valuations

	Current	3 Year Avg	Delta
Price/Cash Flow (TTM)	8.36x	6.95x	20.42%
Enterprise Value/EBITDA^	11.05x	10.08x	9.56%
Yield	4.47%	5.48%	-18.46%
ENFR 30-Day SEC Yield	4.11%		

Source: Bloomberg L.P. and VettaFi, as of 8/31/2026
Past performance is no guarantee of future results.
^ *NEXT and TELL were excluded from the current EV/EBITDA calculation as outliers.*

Performance

Total Returns	Cumulative as of 8/31/2026				Annualized as of 6/30/2026				
	1 M	3 M	YTD	SI	1 Y	3 Y	5 Y	10 Y	SI
NAV (Net Asset Value)	2.69%	8.11%	31.86%	193.18%	23.66%	26.55%	20.09%	11.55%	8.33%
Market Price	2.59%	8.08%	31.67%	193.03%	23.76%	26.61%	20.07%	11.57%	8.34%
Alerian Midstream Energy Select Index - TR	2.75%	8.29%	32.52%	225.23%	24.49%	27.44%	20.88%	12.47%	9.21%
Alerian MLP Index - TR	3.30%	11.06%	31.65%	122.56%	21.47%	23.12%	20.51%	9.20%	5.64%

Performance data quoted represents past performance. Past performance is no guarantee of future results so that shares, when redeemed, may be worth more or less than their original cost. The investment return and principal value will fluctuate. Current performance may be higher or lower than the performance quoted. For current month-end performance call 1-866-759-5679 or visit www.alpsfunds.com. Performance includes reinvested distributions and capital gains.

Market Price is based on the midpoint of the bid/ask spread at 4 p.m. ET and does not represent the returns an investor would receive if shares were traded at other times.

Fund inception date: 10/31/2013

Total Operating Expenses: ***0.35%***

Top 10 Holdings

ENERGY TRANSFER LP	8.34%	PLAINS GP HOLDINGS LP	5.53%
ENBRIDGE INC	7.32%	TARGA RESOURCES CORP	5.20%
ENTERPRISE PRODUCTS PARTNERS	7.06%	ONEOK INC	5.14%
WILLIAMS COS INC	6.05%	MPLX LP	5.01%
CHENIERE ENERGY INC	5.80%	KINDER MORGAN INC	4.92%

As of 8/31/2026, subject to change

Daily holdings are available at www.alpsfunds.com.

Important Disclosures & Definitions

An investor should consider the investment objectives, risks, charges and expenses carefully before investing. This material must be preceded or accompanied by the prospectus. Read the prospectus carefully before investing.

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemable.

Performance data quoted represents past performance. Past performance is no guarantee of future results; current performance may be higher or lower than performance quoted.

All investments are subject to risks, including the loss of money and the possible loss of the entire principal amount invested. Additional information regarding the risks of this investment is available in the prospectus.

Investments in securities of Master Limited Partnerships (MLPs) involve risks that differ from an investment in common stock. MLPs are controlled by their general partners, which generally have conflicts of interest and limited fiduciary duties to the MLP, which may permit the general partner to favor its own interests over the MLPs.

A portion of the benefits you are expected to derive from the Fund's investment in MLPs depends largely on the MLPs being treated as partnerships for federal income tax purposes. As a partnership, an MLP has no federal income tax liability at the entity level. Therefore, treatment of one or more MLPs as a corporation for federal income tax purposes could affect the Fund's ability to meet its investment objective and would reduce the amount of cash available to pay or distribute to you. Legislative, judicial, or administrative changes and differing interpretations, possibly on a retroactive basis, could negatively impact the value of an investment in MLPs and therefore the value of your investment in the Fund.

The Fund invests primarily in a particular sector and could experience greater volatility than a fund investing in a broader range of industries.

The Fund may be subject to risks relating to its investment in Canadian securities. Because the Fund will invest in securities denominated in foreign currencies and the income received by the Fund will generally be in foreign currency, changes in currency exchange rates may negatively impact the Fund's return.

Investments in the energy infrastructure sector are subject to: reduced volumes of natural gas or other energy commodities available for transporting, processing or storing; changes in the regulatory environment; extreme weather and; rising interest rates which could result in a higher cost of capital and drive investors into other investment opportunities.

The Fund employs a "passive management" - or indexing - investment approach and seeks investment results that correspond (before fees and expenses) generally to the performance of its underlying index. Unlike many investment companies, the Fund is not "actively" managed. Therefore, it would not necessarily sell or buy a security unless that security is removed from or added to the underlying index, respectively.

30-Day SEC Yield: reflects the dividends and interest earned during the period, after the deduction of the Fund's expenses.

Alerian Midstream Energy Select Index (AMEI): a composite of North American energy infrastructure companies. The capped, float-adjusted, capitalization-weighted index constituents are engaged in midstream activities involving energy commodities.

Alerian MLP Index (AMZ): the leading gauge of energy infrastructure MLPs. The capped, float-adjusted, capitalization-weighted index constituents earn the majority of their cash flow from midstream activities involving energy commodities.

Capital Expenditures (CAPEX/Capex/CapEx): refers to investments in physical assets such as plant and machinery.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): a measure of a company's overall financial performance.

Enterprise Multiple (EV/EBITDA): a ratio used to determine the value of a company by considering the company's debt. The enterprise multiple is the enterprise value (EV) (market capitalization + total debt – cash and cash equivalents) divided by EBITDA (earnings before interest, taxes, depreciation and amortization).

Net Debt-to-EBITDA Ratio: a debt ratio that shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant.

Price/Cash Flow (P/CF) Trailing Twelve Month (TTM) Ratio: represents the weighted average of the price/cash flow ratios (generated over the trailing twelve months) of the stocks in a portfolio. Price/cash flow represents the amount an investor is willing to pay for a dollar generated from a particular company's operations.

S&P 500 Index: widely regarded as the best single gauge of large-cap US equities. The index includes 500 leading companies and covers approximately 80% of available market capitalization.

Tailwind: a certain situation or condition that may lead to higher profits, revenue or growth.

One may not invest directly in an index.

ALPS Advisors, Inc., registered investment adviser with the SEC, is the investment adviser to the Fund. ALPS Advisors, Inc. and ALPS Portfolio Solutions Distributor, Inc., affiliated entities, are unaffiliated with VettaFi and the Alerian Index Series.

ALPS Portfolio Solutions Distributor, Inc. is the distributor for the Fund.

Not FDIC Insured • No Bank Guarantee • May Lose Value

ALR002119 1/31/2027

SS&C | ALPS ADVISORS