QUARTERLY REPORT 2Q 2026

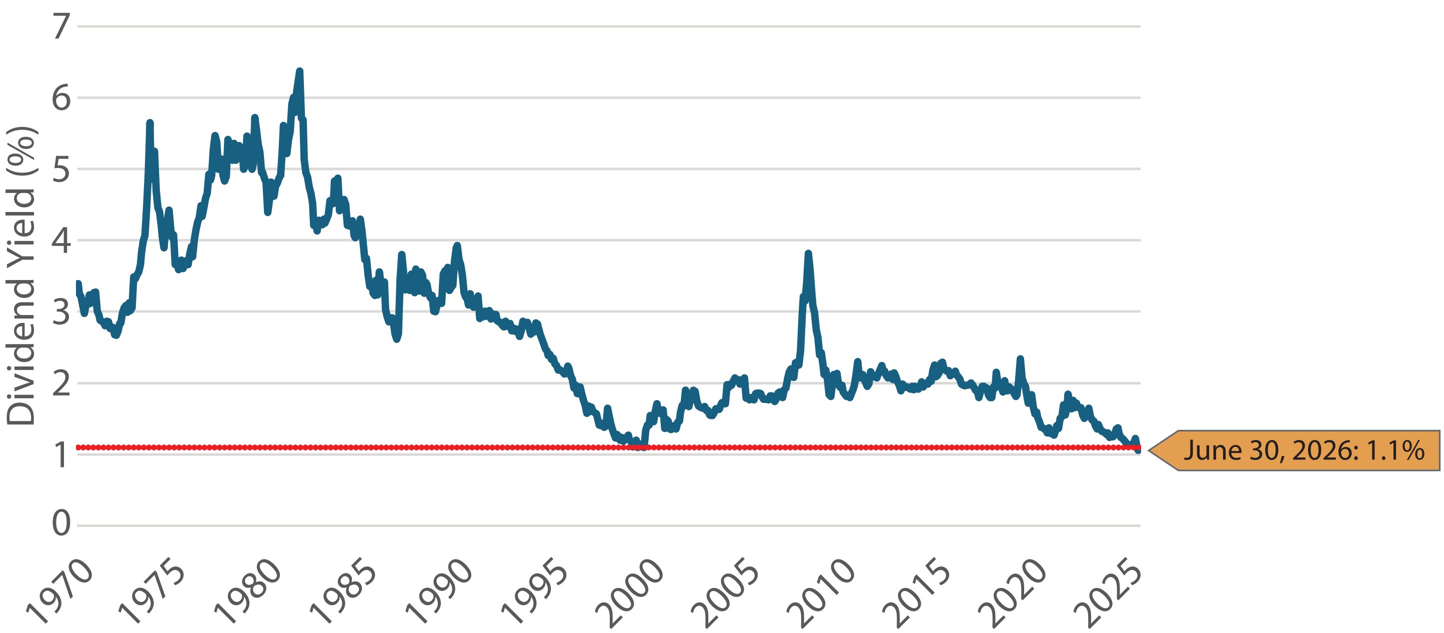
Miller/Howard INVESTMENTS

Navigating a Changing Market: High Yield Stocks Provide Relative Consistency

JUNE 30, 2026

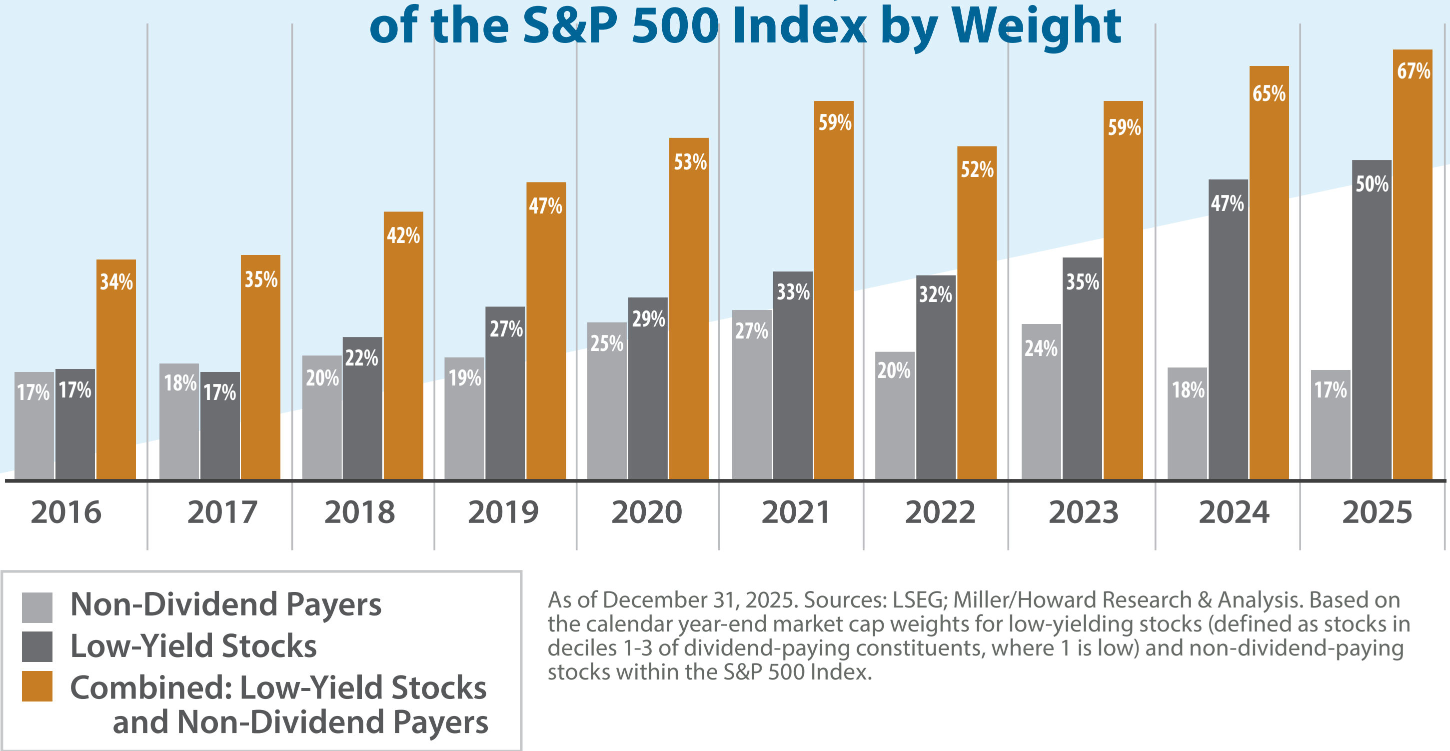
THE S&P 500 INDEX'S DIVIDEND yield quietly fell to its lowest level in more than 55 years. This occurred as investors instead focused on the largest IPO in history, parabolic semiconductor stocks, a renewed "higher for longer" rate backdrop, and the geopolitical whipsaw around Iran. In May, the dividend yield of the S&P 500 dropped below 1.1% for the first time since March 2000. As income managers who have extolled the virtues of compounding dividend payments for the last 35 years, we have found some solace in the fact that dividend payments are not declining. In fact, the absolute level of dividends paid by S&P 500 companies hit an all-time high in 2025. The low dividend yield is a denominator problem (price).

S&P 500 Index Dividend Yield at Lowest Level in Over 55 Years



As of June 30, 2026. Sources: Bloomberg; Miller/Howard Research & Analysis. Based on the trailing 12 month dividend yield.

Low-Yield and Non-Dividend Payers Are Now Two-Thirds of the S&P 500 Index by Weight



As of December 31, 2025. Sources: LSEG; Miller/Howard Research & Analysis. Based on the calendar year-end market cap weights for low-yielding stocks (defined as stocks in deciles 1-3 of dividend-paying constituents, where 1 is low) and non-dividend-paying stocks within the S&P 500 Index.

Markets have been propelled higher by an increasingly concentrated group of tech companies with paltry or no dividends. Evidence of this dynamic can be seen in observing the yield of the S&P 500 Equal Weight Index that, unlike its market-weighted counterpart, has remained well within historical ranges. The decomposition of the S&P 500's market capitalization is even more striking. Since 2016, the weight of low-yielding stocks (defined as stocks in deciles 1-3 of dividend-paying constituents, where 1 is low) and non-dividend-paying stocks within the S&P 500 Index have nearly doubled. At the end of 2025, low-yielders and non-payers comprised over two-thirds of the index (driven by low-yielders as many non-payers initiated nominal dividends).

Are Equities Overvalued?

With dividend yields at historical lows, it raises the question, "Are equities overvalued at these levels?" To find an answer, we begin by comparing stocks and bonds, the two large liquid asset classes available to investors. Historically, the forward earnings yield (earnings/price) has been compared to interest rates as a proxy for the equity risk premium (ERP).Some might argue that dividends, rather than earnings, should be the relevant metric, since dividends and bond yields are both "money in your pocket." As much as we like dividends at Miller/Howard, we view earnings as the right comparison. The portion of earnings not paid as dividends provides companies with the capital to grow earnings and dividends in the future.

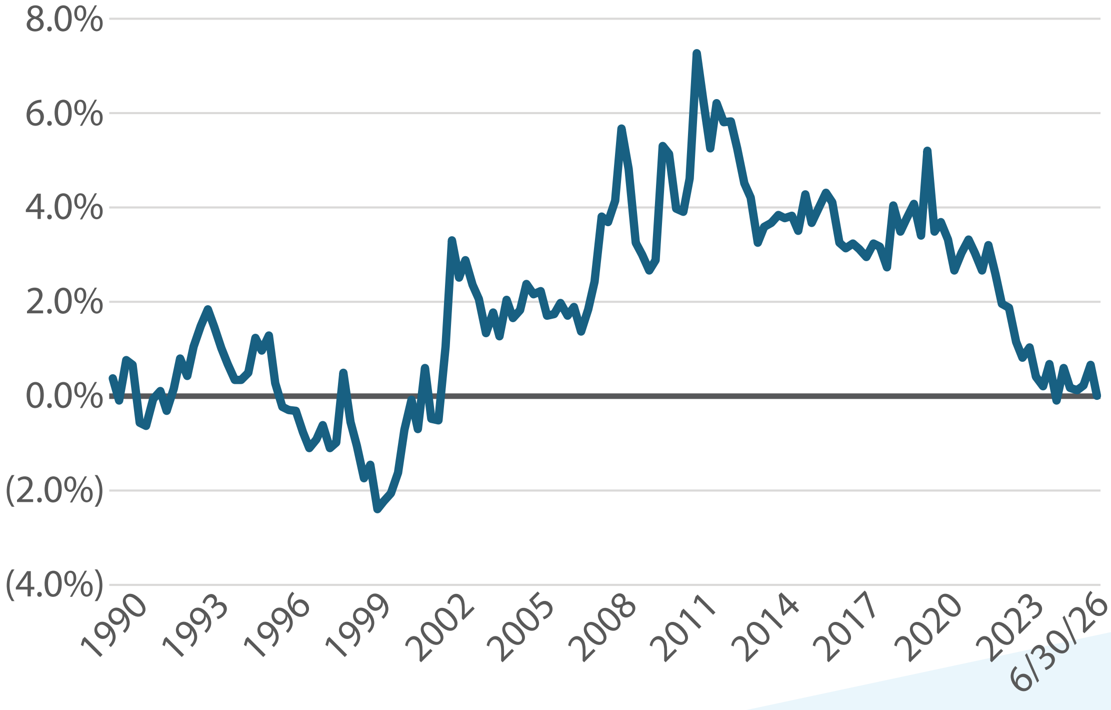
The ERP has taken a dramatic round trip over the last 35 years. In the early 1990s, the ERP was near zero, as high bond yields squeezed earnings yields. By the peak of the Dot-Com Bubble, the spread famously turned negative (implying that equity investors were receiving no premium for the additional risk they were taking), as multiples expanded to historic highs and investors extrapolated aggressive growth assumptions into the future. Conversely, the ERP ballooned through the Global Financial Crisis offering investors an earnings yield far above bond yields, implying equities were attractive relative to bonds. However, in recent years, the ERP has returned to nearly zero as the Fed increased interest rates to combat inflation and stock multiples expanded on enthusiasm around AI-driven growth. At current levels, the ERP suggests investors are relying on strong expected earnings growth to compensate for the additional risk of owning equities.

It is worth noting that this approach to the ERP is often considered shorthand due to its inability to fully incorporate future growth expectations. For this reason, some investors and academics, like Aswath Damodaran at NYU Stern, have argued for the use of an implied ERP. This measure is calculated using a discounted cash flow approach to back out an implied ERP. The implied ERP at the end of 2025 was not as exaggerated compared to historical levels, but it is still the lowest it has been in nearly 20 years. For this reason, we believe the risk-reward in *broad market* equities has deteriorated.

Looking at the broad US equity market in isolation leads us to the same conclusion. Over the last 35+ years, the index's price-to-forward-earnings (P/FE) ratio has ranged between 10x and 25x. At quarter end, the S&P 500 had a P/FE of ~20x, which is well above historical averages of 16x to 17x and at levels that have only been surpassed during the Dot-Com Bubble and the COVID rebound in late 2020. The elevated multiple reflects expectations of strong future growth and successful execution, therefore amplifying duration risk. As we explored in our last Quarterly Report, when growth names are priced to perfection, even slight degradations in the growth rate can have a significant impact on returns.

Investors Are Receiving Little to No Premium for Taking Equity Risk

S&P 500 Index Equity Risk Premium



As of June 30, 2026. Sources: Bloomberg; Miller/Howard Research & Analysis. Equity risk premium is the earnings yield (earnings divided by price) minus the yield on the 10-year Treasury.

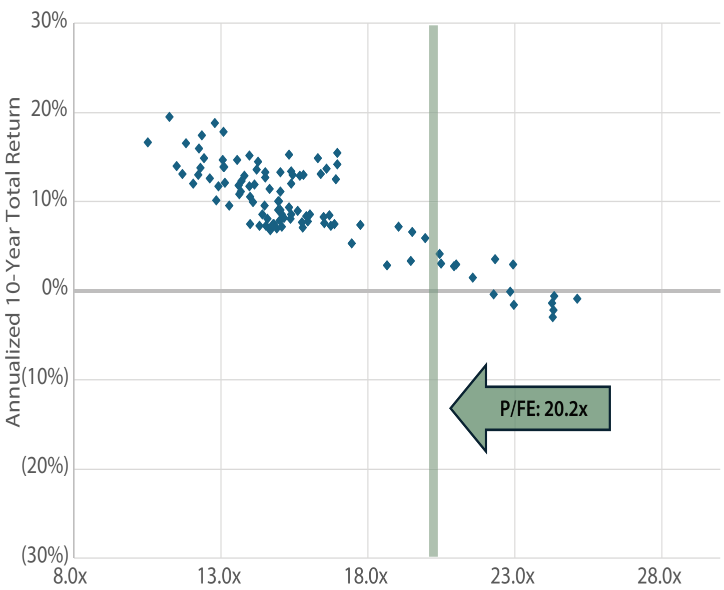
What Could This Mean for Future Returns?

High P/FEs make returns from future multiple expansion less likely, but earnings growth and dividends can still push the market higher. While this makes predicting short-term returns based on valuation futile, an analysis of 10-year rolling S&P 500 returns demonstrates a strong negative correlation between starting valuation and long-term returns (lower starting P/FEs are associated with higher returns). In this analysis, the starting valuation explained over 70% of the variance of returns.

Over the last 30+ years, all periods of 10%+ annual returns had a starting P/FE below 17x. Conversely, all periods of negative returns occurred when the starting P/FE was above 22x.

Higher Starting Valuations Are Associated with Lower Future Returns

S&P 500 Index P/FE vs Subsequent 10-Year Return



As of June 30, 2026. Sources: Bloomberg; Miller/Howard Research & Analysis. Price-to-forward-earnings (P/FE) is based on next 12 months.

Of course, past performance is no guarantee of future results, but assuming this relationship holds, the S&P 500's current multiple is historically associated with a subsequent 10-year return of only 4%—well below long-term averages.

This conclusion seems reasonable for the market as a whole, though any broad-market assessment inevitably paints with a wide brush given the heterogeneous composition of the equity market. Miller/Howard's income focus provides daily reminders that high-yielding stocks (defined as stocks in decile 7-9 of dividend-paying S&P 500 constituents) look quite different than the broad market. These differences become clearer when we revisit our analysis of 10-year returns and starting P/E ratios, while separating high-yielders, low-yielders, and non-payers from the aggregate S&P 500.

Non-payer returns exhibited the strongest correlation to the starting P/FE. Their starting P/FE ratios and returns were also the most variable. While the non-payers group has had the highest return periods, it has also had the worst return periods. Low-yielders had similar properties to non-payers with a slightly lower correlation. Both low-yielders and non-payers posted negative returns in one in twelve 10-year periods, driven by the peak of the Dot-Com Bubble (reflecting starting points between 1999 and late 2000).

High-yielder returns showed the weakest relationship with starting P/FE ratios, in part because the group had a more limited range of starting valuations. As we have discussed many times in our quarterly reviews, this is a matter of simple algebra. A high and well-covered dividend is incompatible with a high P/FE. A compressed starting multiple, combined with consistent cash returns to shareholders, creates a structural cushion that can reduce risk and support more consistent long-term returns. In fact, over the entire sample period, high-yielders did not record a single 10-year period of negative returns.

At quarter-end, high-yielders offered a more attractive relative setup compared with low-yielders and non-payers. This advantage was not a function of high-yielders being "cheap" relative to their own history. In fact, broad equity demand has lifted the current P/FE ratios of all three groups above the 80th percentile of their historical distributions, but these elevated valuations have typically had a greater impact on the return profiles of low-yielders and non-payers.

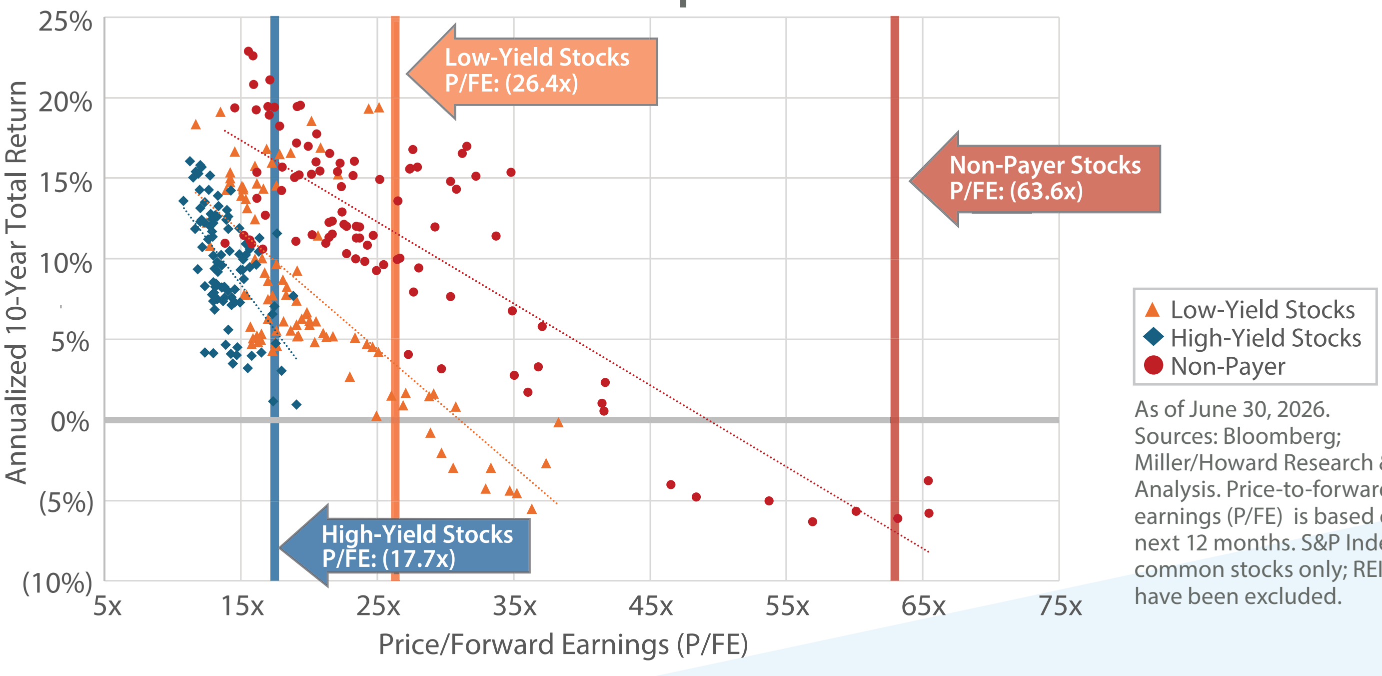
Due to the tighter dispersion of starting P/FEs, high-yielders trade at only a 4-turn premium above their historic median. This compares to low-yielders that trade at an 8-turn premium and non-payers that trade at a nearly 40-turn premium. We note that the elevated P/FEs are a particularly dangerous starting point for low-yielders and non-payers, given their elevated volatility. The higher volatility is intuitive, as growth stocks derive a larger share of their value from less certain future cash flows, while higher starting multiples make them more vulnerable to multiple compression.

High-yielders' lower starting P/FE is historically correlated to a future 10-year annualized return of 5.3%—roughly 110 basis points above the same measure for the S&P 500, 190 basis points above low-yielders, and 1,275 basis points above non-payers.

This analysis may understate high-yielders' true relative advantage, as the investible universe is not limited to S&P 500 constituents. By expanding the data set to all equities with a market capitalization of over $1 billion (which more closely aligns with our actual investment universe) we can get a better view of the current opportunity. Within this broader set, the current P/FE for high-yield stocks drops by over a full turn to 16.4x, leaving it less than three turns above its historical median. Based on a regression analysis of this data set, high-yielders' current P/FE is historically associated with a forward 10-year annualized return of 7.4%, suggesting an even wider relative advantage to the S&P 500.

Miller/Howard will continue to focus on providing our clients exposure to high-yield stocks that have an ability to grow their dividends. The group's consistent valuation and return profile offers investors a repeatable model for growth. While we consider our portfolios to be an all-weather solution, we view the current backdrop as another reason for investors to consider dividend stocks.

S&P 500 Index Dividend Paying Common Stocks:
P/FE and Subsequent 10-Year Return



As of June 30, 2026. Sources: Bloomberg; Miller/Howard Research & Analysis. Price-to-forward-earnings (P/FE) is based on next 12 months. S&P Index common stocks only; REITs have been excluded.

Income-Equity

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"Markets can remain irrational longer than you can remain solvent." – attributed to John Maynard Keynes

Lord Keynes may or may not have said this well-known quote, but it points out that while you could be absolutely correct about a market being overvalued, you could also go broke waiting for valuations to correct. Historical returns have been much higher when starting from low price-to-earnings (P/Es) ratios than starting at high P/Es, like those we are seeing now. Unfortunately, the timing isn't exact, so investors need to use more nuanced tactics.

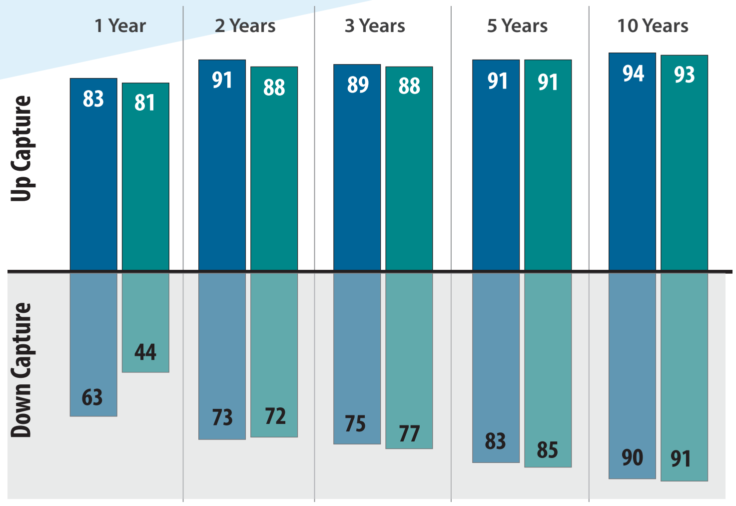
One investment approach to consider is the pursuit of high current income, growth of income, and financial strength in a portfolio that has a demonstrated ability to resist market declines without giving up much participation in up-moves by the market. This can offer investors upside participation with some downside cushion when the market returns to rationality.

Over the 12 months ending June 30, 2026, when the Russell 1000 Value Index's total returns were positive, our Income-Equity (No MLPs) portfolio rose about 81% as much as the index, but when the index was down, it only declined about 44% as much. Two-year and three-year numbers also show good results, with significant asymmetry: 88% upside capture against 72% downside capture in the 2-year period (and 88% upside vs 77% downside in 3-years). Five- and ten-year numbers show somewhat less upside/downside spread, but still show that our portfolio held its advantage.

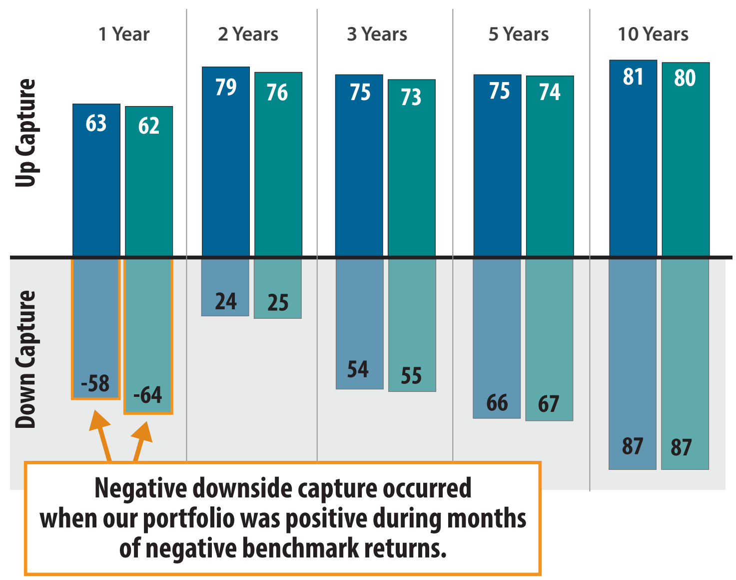
When compared to the S&P 500 Index, our Income-Equity portfolios outperformed during the trailing 1-year period. On the upside, our Income-Equity (No MLPs) portfolio rose about 62% as much as the index, but the outperformance came in down markets with a -64% down capture ratio (in other words, our portfolio posted positive absolute returns when the broad market was down).

Income-Equity Has Provided Favorable Up and Down Capture Ratios

(vs Russell 1000 Value Index)



(vs S&P 500 Index)



Income-Equity Portfolio
Income-Equity (No MLP) Portfolio

As of June 30, 2026. Sources: Morningstar; Miller/Howard Research & Analysis.

Upside (downside) capture ratios are the monthly return in months when the benchmark was positive (negative), divided by the benchmark return during that month.

The two-, three- and five-year periods also show a favorable spread. While our portfolios exhibited lower downside capture over a 10-year period, the upside capture wasn't quite strong enough to hold a positive spread. The favorable asymmetry seems to be another manifestation of the "accidental low P/E" that our portfolios have as a result of high dividend yields coupled with high dividend coverage.

Looking Ahead

Investors are expecting over +20% earnings per share gains for the S&P 500 in the second quarter of 2026 as compared to the same period one year ago, and 24% EPS growth for the index in calendar year 2026 over 2025. One major Wall Street firm's strategist estimates that about half of this gain is driven by AI companies. True, AI companies continue to see robust capital spending, but they have also benefitted from a controversial depreciation schedule and some one-time gains. The weighted average consensus for the next-12-month EPS growth for our Income-Equity portfolios are also a little more than +20%, but with much less controversy in our view. That level of growth, compared with +6% expected dividend growth over the next 12 months, should provide a large margin of safety to our portfolios' expected dividend growth.

Portfolio Highlights

- As investors' pendulum swung away from income stocks, our Income-Equity portfolios underperformed both the Russell 1000 Value and the S&P 500 Indices during the quarter. Our Income-Equity portfolio offers a 3.4% dividend yield, which we expect to grow at about +5.3% annualized over the next three to five years. Our No-MLP version yields 3.1% with an annualized expected three to five year grow rate of about +4.9%.
- **Dividend increases:** The second quarter is typically a light quarter for dividend increases, yet we had three increases, including **Paychex's (PAYX)** +10.2% increase. This number of increases is comparable to 2Q last year. Over the last three years, Income-Equity has grown its income at an annualized rate of +10.3%, while our No-MLP portfolio has grown at an annualized +7.1%.
- **Exited positions:** Most of our trades this quarter were trims and upweights, but early in the quarter, we did sell **Comcast (CMCSA)** because of its continuing loss of market share due to its older technology and higher prices and cost structure. Later in the quarter, we also sold **Bank of New York (BNY)** since its price appreciation had exceeded its dividend growth, raising the stock's valuation and lowering the stock's yield below our threshold.
- **New buys:** Likewise, we had two new buys this quarter. Mid-quarter, we purchased **Brixmor Property Group (BRX)**, a REIT that owns local neighborhood shopping centers. The favorable supply/demand dynamics in these smaller shopping centers (think grocery stores, quick-service restaurants, nail salons, etc.) are boosting occupancy and rents, and we expect, eventually, dividends. We also purchased **McDonald's (MCD)** because we forecast that its franchise-first business model should drive strong operating leverage and free-cash generation, leading to increased dividend growth.

MLP & Midstream Energy Income

QUARTERLY REPORT 2Q 2026

THE MIDSTREAM INDUSTRY HAD A STRONG start to the year, outperforming the overall market during the first quarter. However, midstream trailed during the second quarter, as investors were concerned that higher oil prices could negatively impact the economy. In addition, investors continued to pile into tech stocks. But midstream tailwinds—primarily data centers and liquefied natural gas (LNG) exports—continue unabated and, longer term, may be stronger due to the war in the Middle East. We believe countries worldwide will look increasingly to North America to provide reliable, secure, and safe energy. We also believe there should be a greater premium for US energy infrastructure, particularly given the disruptions (low inventories, damaged facilities) caused by the war in the Middle East. Natural gas infrastructure, in particular, has become more valuable, in our opinion.

Looking Ahead

The war may have provided further growth to the LNG export tailwind. While there was concern that US LNG facilities could be overbuilt through the end of the decade, with some of Qatar's LNG export facilities offline for the next three to five years, this concern has eased. Natural gas is not the only commodity benefitting from this tailwind. During the quarter, a midstream company announced a significant increase to one of its ethane, butane, and propane export facilities. We believe over the coming quarters and years, we will continue to see project announcements around increasing export capabilities for natural gas and its byproducts.

In addition, despite public and regulatory pushback, the data center buildout has continued. We have seen long-term contracts with midstream companies to provide natural gas directly to data centers. We believe investing in natural gas midstream companies is a good way to participate in this theme.

According to the EIA's most recent natural gas pipeline project report, companies plan to add 17 billion cubic feet per day (Bcf/d) of pipeline capacity in 2026, 28 Bcf/d in 2027, and 31 Bcf/d in 2028. If all the 2028 projects become operational, this will represent the biggest buildout since 2008 (45 Bcf/d).

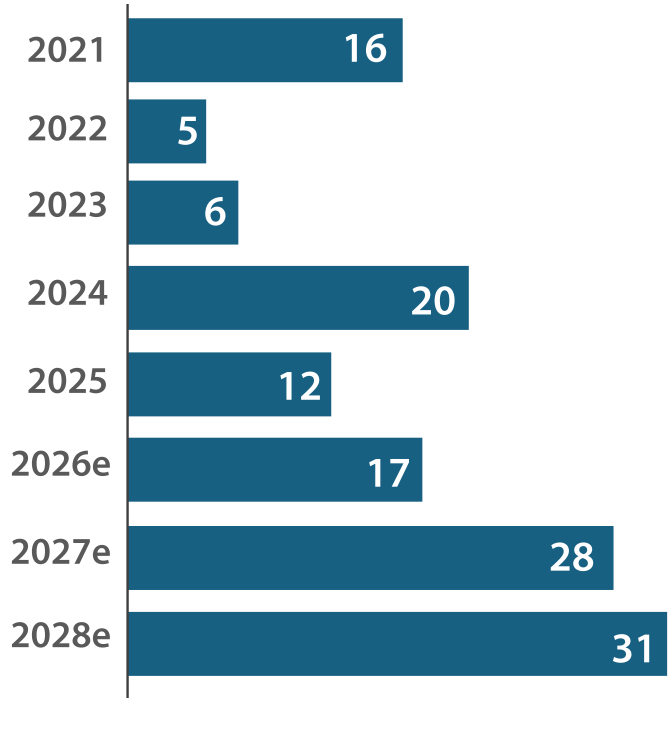
Portfolio Highlights

- **Distribution increases:** This quarter 4 of our 16 holdings announced dividend increases. The average increase was 4.2% year-over-year.
- **Sales:** We trimmed **Genesis Energy (GEL)** as offshore Gulf of Mexico projects have had a slower ramp-up than expected, negatively impacting EBITDA growth.
- **Buys:** We increased our position in **Sunoco (SUN)** as we believe the company is well positioned on income, growth of income, and financial strength.

We believe the midstream sector is well positioned going forward due to these tailwinds. Eventually, when these projects become operational, we expect to see the cash flow generated providing for lower leverage (higher EBITDA, potential debt paydowns), higher distribution growth, and potentially share buybacks.

Natural Gas Pipeline Capacity is Growing

Annual Additional Capacity (Bcf/d)



As of May, 2026. Sources: EIA; Miller/Howard Research & Analysis.

Infrastructure
QUARTERLY REPORT 2Q 2026

DESPITE A WEAK QUARTER, MILLER/HOWARD Infrastructure maintained its year-to-date outperformance of the broad market. Our energy holdings outpaced energy indices as our avoidance of direct commodity price exposure paid off in a falling oil price environment. Our transportation names benefitted from falling fuel prices and, seemingly, the end of the 3-year-long freight recession. Our utility holdings were slightly down as investors juggled the competing themes of increased power needs from AI data centers with fears that bill pressure may result in a tougher regulatory environment.

Looking Ahead

SpaceX's (SPCX, not held) IPO put a bold vision on record: orbital data centers, satellite connectivity, and a multi-trillion-dollar addressable market. Several clients have asked whether this threatens the infrastructure businesses we own. Our view is that the headlines are larger than the near-term reality, and the assets at the core of this portfolio remain well protected by the barriers to entry that drew us to them.

In which infrastructure industries do we see genuine, if modest, risk? In telecom, Starlink's direct-to-cell service may prove a real competitor at the rural and emergency edge—though dense-market networks are not substitutable from orbit with today's technologies. In data center REITs, SpaceX's orbital compute ambition—dated 2028 at the earliest and limited to specialized AI workloads—warrants monitoring. We see a small amount of long-term risk in both, but not a near-term threat.

While SpaceX proposes possible 2028 launches for the first orbital data centers, we view cost-competitive space-based data centers as highly unlikely in the next 10 years. If all of the economic/technical questions can be addressed, the answers may come after the largest portion of the terrestrial data center build-out is complete. We see this as quite unlikely to result in stranded assets or slower growth in our midstream and utility businesses. Rate base, rights-of-way, long-term contracts, and physical networks are not disrupted by satellites. We are monitoring industry developments closely, both around potential competition and emerging signs of regulatory and community opposition to new data center development in some jurisdictions.

We invest deliberately in high-quality companies with durable competitive moats—precisely the characteristics that withstand speculative, capital-intensive, decade-out competition. We remain confident in the resilience of the portfolio and its ability to deliver high and rising income for clients.

SpaceX Poses Limited Risks to Infrastructure Industries

Infrastructure Industry	Short 0-3Y	Med 3-7Y	Long 7Y*
Telecom/Towers: Direct-to-cell at rural/emergency edge; broadband alternative; towers at margin	Low	Low	Mod
Data Center REITs: Orbital data centers compete for AI workloads from ~2028	None	Low	Mod
Electric/Gas Utilities: Lower long-term growth from reduction in terrestrial data center power demand	None	None	Low
Midstream Energy: Lower long-term growth from reduction in terrestrial data center power demand	None	None	Low
Transportation: No risk identified	None	None	None
Waste Management: No risk identified	None	None	None

As of June 30, 2026. Source: Miller/Howard Research & Analysis.
None=no identified channel of risk. Low=very unlikely displacement on this horizon. Moderate=a possible risk assuming major technological progress. Elevated=likely chance of industry disruption.
SpaceX is not held in any Miller/Howard portfolios.

Portfolio Highlights

- **Dividend increases:** This quarter, 3 of our 36 holdings announced dividend increases with an average increase of 4.6% year-over-year.
- **Exiting positions:** We exited our position in **United Parcel Service (UPS)** after a run of poor execution by management and increasing competition from Amazon (AMZN, not held). We also exited **FedEx Freight (FDXF)** soon after its spin-off from **FedEx (FDX)** to reallocate capital back to FDX.
- **New positions:** We expect **HCA Healthcare (HCA)** to benefit from its local dominance and scale, with recent weakness creating an attractive entry point. We initiated a position in **SunocoCorp (SUNC)**, as our research suggests it can be a beneficiary of the current oil price environment and has opportunities to consolidate the gasoline distribution industry for further growth.

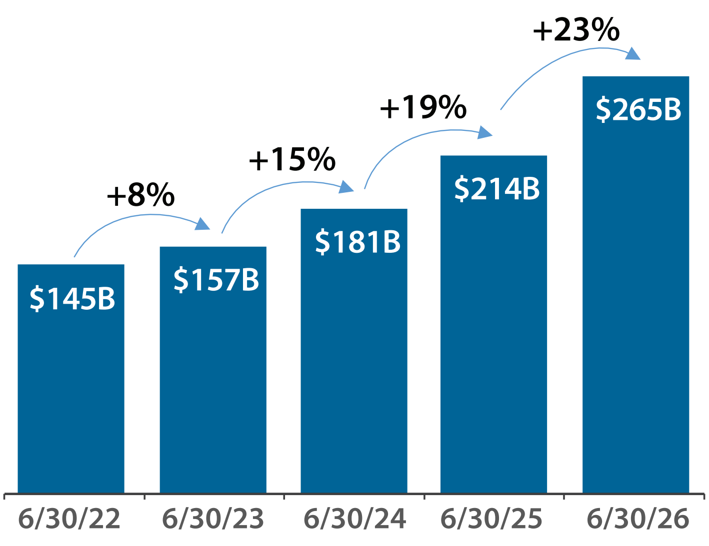
Utilities Plus

QUARTERLY REPORT 2Q 2026

OUR UTILITIES PLUS PORTFOLIO POSTED modestly positive performance during the quarter, outperforming its benchmark that was in negative territory. The quarter began with a rotation away from defensive sectors, including utilities, and back toward technology-related AI beneficiaries. Sector sentiment was further weighed down by concerns around more challenging regulatory environments and rising interest rates, with the 10-year Treasury yield reaching a 2026 high of ~4.66% in mid-May. Utilities recovered some ground relative to the broader market in June, supported by falling Treasury yields and continued interest in AI and data-center-driven power demand.

Within the sector, small- and mid-cap regulated utilities outperformed the group, benefiting from an increased appetite for risk as investors rotated out of the more defensive large-cap utilities that were favored last quarter. Independent power producers continued to underperform the sector amid limited incremental data center deals and as the market waits for more regulatory/political certainty.

Capex Guidance Continues to Grow for Regulated Utilities



As of June 30, 2026. Sources: Company presentations and filings; Miller/Howard Research & Analysis. The chart depicts the aggregate annualized capital plan guidance for majority regulated utilities in the S&P 500 Utilities Index for guidance available on a 6/30 basis each year. Based on the annualized capex plan guidance for regulated utilities in the S&P 500 Utilities Index, in aggregate.

Portfolio Highlights

- **Dividend increases:** This quarter, 3 of our 31 holdings announced dividend increases with an average increase of 4.2% year-to-date.
- **Attractive valuation, premium growth:** We added to our position in **Xcel Energy (XEL)**, which trades at a discount to high-growth peers despite its premium EPS growth profile, supported by incremental capex opportunities and a strong record of consistent execution.
- **M&A:** **NextEra Energy (NEE)** plans to acquire **Dominion Energy (D)** in an all-stock deal. If approved, it would be the largest merger in the utility sector's history. NEE anticipates the transaction to close within 12–18 months and expects merger synergies to support a 9%+ long-term EPS compound annual growth rate.

Looking Ahead

The utility sector continues to be driven by a range of structural tailwinds, including load growth from data centers, electrification trends, manufacturing reshoring, and grid modernization. To meet this demand, regulated utilities have materially increased capex guidance to fund the electric and natural gas infrastructure buildout. Aggregate annualized capex guidance for majority-regulated utilities in the S&P 500 Utilities Index increased from $145B in 2022 to $265B in 2026, representing an 83% increase. More notably, the pace of growth has accelerated, with year-over-year growth rising from 8% in 2023 to 23% in 2026.

The step-up in capex guidance is constructive for regulated utilities because, under the regulated business model, regulators permit utilities to earn an authorized return on capex. As a result, capex remains the primary driver of regulated utilities' earnings growth. That said, capex recovery is subject to regulatory oversight, which takes into consideration bill pressure dynamics that we continue to monitor. Nonetheless, we maintain our view that utilities' expanding and accelerating capex plans will drive a steepening earnings growth trajectory that will ultimately support their ability to deliver high and growing income for investors.

North American Energy (without K-1s)

QUARTERLY REPORT 2Q 2026

DURING THE QUARTER, THE WAR IN THE Middle East drove oil prices higher, causing concern about demand destruction. Despite posting negative returns for the quarter, our North American Energy portfolio–given its diversified approach to the energy value chain–beat its energy benchmark during the quarter and year-to-date, and has significantly outperformed the broad market year-to-date.

Longer term, we believe there will be a call on North American energy, a theme this portfolio has long championed. The structural tailwinds that have been present for the last few years have only strengthened over the last several months, as North America continues to be viewed as a stable, secure energy source, in our opinion.

Crude supply is tight. US crude oil inventories continue moving lower. US crude stocks, excluding the strategic petroleum reserve (SPR), sit at 424 million barrels per day (MMBbls), which is 2.5% higher than last year. The SPR now sits at 323 MMBbls, which is only about 45% full. According to the International Energy Agency (IEA), since the beginning of the war in the Middle East, cumulative supply losses from Persian Gulf producers have exceeded 1.3 billion barrels.

LNG demand is rising. The liquefied natural gas (LNG) industry lost two liquidation trains in Qatar, which could take up to five years to become fully operational again. Heading into 2026, the expectation was that North American LNG facilities would be overbuilt in the next few years, but now both Asia and Europe may further rely on North American facilities to restock inventories. US LNG exports have averaged ~19 billion cubic feet per day (Bcf/d) recently, above the 2025 average of 15.1 Bcf/d.

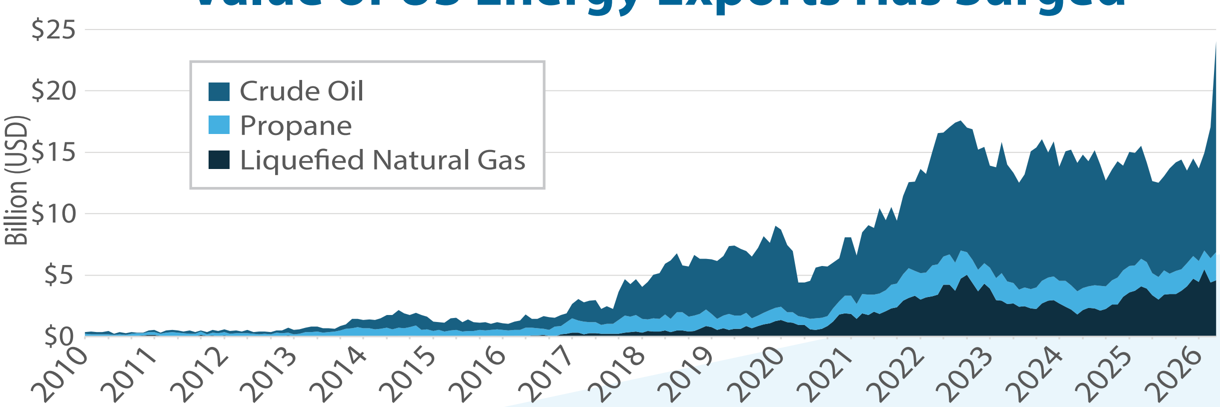
Portfolio Highlights

- **Dividend increases:** This quarter 2 of our 25 holdings announced dividend increases. The average increase was 2.6% year-over-year.
- **Sales:** We exited **Coterra Energy Inc. (CTRA)** as it was acquired. We trimmed **Select Water Solutions Inc (WTTR)** after strong performance.
- **Buys:** We initiated a position in **California Resources Corp. (CRC),** which offers diversification from most exploration and production (E&P) peers due to its conventional, low-decline wells with Brent-linked pricing. We bought **Targa Resources (TRGP)** as we view it to have one if the best growth profiles in midstream. We also bought **Williams (WMB),** which offers peer-leading EBITDA growth.

Looking Ahead

We believe the companies we own in the portfolio are well positioned to participate in the call on North American energy. Higher demand for North American oil and natural gas should benefit the upstream companies and help support prices. Higher prices should result in more volume, which should benefit the midstream companies in the portfolio as well, we believe. (Although not as big as a tailwind as for the upstream companies, on the margin, this is good for midstream.) Lastly, service companies have historically benefitted from a higher commodity strip. In our opinion, this adds up to a positive outlook for companies in the North American energy value chain.

Value of US Energy Exports Has Surged



As of April 30, 2026. Source: US Census Bureau. Based on monthly data from 2010.

Miller/Howard INVESTMENTS

Yield, Growth, Strength, Stability

- Our Income-Equity portfolios each offer a high dividend yield that is 2.8x to 3.0x the yield on the S&P 500 Index, and have ample dividend coverage and reasonable leverage levels (net debt/EBITDA).
- Both portfolios trade at a significant discount to the broad market on price-to-earnings as well.
- We believe the portfolios are well-positioned for dividend growth throughout the full market cycle.

Income-Equity (with MLPs)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2Q2026
Income-Equity Yield	4.0	3.7	4.3	3.7	3.6	3.3	3.6	3.7	3.6	3.6	3.4
S&P 500 Yield	2.1	1.9	2.2	1.9	1.5	1.5	1.8	1.5	1.3	1.2	1.1
Ratio	1.9x	2.0x	2.0x	2.0x	2.3x	2.2x	2.0x	2.4x	2.7x	3.1x	3.0x
Income-Equity Projected Dividend Growth*	5.0	6.3	7.8	7.3	5.1	6.0	6.1	5.5	5.5	5.0	5.3
S&P 500 Projected Dividend Growth**	4.0	4.2	5.2	4.2	3.3	5.9	4.8	4.5	5.3	5.0	6.8
Ratio	1.2x	1.5x	1.5x	1.7x	1.5x	1.0x	1.3x	1.2x	1.0x	1.0x	0.8x
Income-Equity Dividend Coverage Ratio	1.3x	1.5x	1.9x	2.3x	2.1x	2.0x	2.7x	2.1x	2.1x	2.1x	1.9x
Income-Equity Net Debt/EBITDA***	2.0x	1.9x	1.4x	1.9x	1.9x	1.2x	2.0x	1.8x	2.2x	2.6x	2.8x
Income-Equity P/E Ratio Trailing	17.2	17.7	12.6	12.8	16.7	14.0	13.6	14.5	15.2	14.7	17.0
S&P 500 P/E Trailing	20.5	21.7	16.5	21.6	27.6	24.1	18.6	21.9	24.7	25.4	25.5
Premium/Discount	-16%	-18%	-23%	-41%	-40%	-42%	-27%	-34%	-38%	-42%	-33%

Income-Equity (No MLPs)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2Q2026
Income-Equity (No MLPs) Yield	3.9	3.7	4.2	3.6	3.5	3.2	3.5	3.4	3.4	3.4	3.1
S&P 500 Yield	2.1	1.9	2.2	1.9	1.5	1.5	1.8	1.5	1.3	1.2	1.1
Ratio	1.9x	2.0x	2.0x	2.0x	2.3x	2.1x	2.0x	2.2x	2.6x	2.9x	2.8x
Income-Equity (No MLPs) Projected Dividend Growth*	5.0	6.4	7.9	7.5	5.2	6.0	6.0	5.6	5.3	4.8	4.9
S&P 500 Projected Dividend Growth**	4.0	4.2	5.2	4.2	3.3	5.9	4.8	4.5	5.3	5.0	6.8
Ratio	1.2x	1.5x	1.5x	1.8x	1.5x	1.0x	1.3x	1.2x	1.0x	0.9x	0.7x
Income-Equity (No MLPs) Dividend Coverage Ratio	1.3x	1.5x	1.9x	2.3x	2.1x	2.0x	2.8x	2.3x	2.3x	2.1x	2.0x
Income-Equity (No MLPs) Net Debt/EBITDA***	2.2x	2.1x	1.4x	1.9x	1.9x	1.2x	1.8x	1.6x	2.1x	2.5x	2.5x
Income-Equity (No MLPs) P/E Ratio Trailing	18.2	18.0	12.9	13.5	16.8	14.0	13.8	14.6	15.3	15.2	17.2
S&P 500 P/E Trailing	20.5	21.7	16.5	21.6	27.6	24.1	18.6	21.9	24.7	25.4	25.5
Premium/Discount	-12%	-17%	-22%	-38%	-39%	-42%	-26%	-33%	-38%	-40%	-33%

As of June 30, 2026. Sources: Bloomberg; S&P; Miller/Howard Research & Analysis. The data above are based on representative accounts in our Income-Equity portfolios both with and without MLPs and are subject to change. Median P/E ratio trailing is published for our Income-Equity portfolios.

* Projected Dividend Growth—Miller/Howard Portfolio Team's 3-year annualized projected dividend growth based on data from various sources, adjusted to reflect our view of future economic and market conditions. There is no assurance projections will be realized.

** Bloomberg Dividend per Share 3-year forward estimates.

*** Excludes financials.

Dividend yields are indicated; Miller/Howard portfolios exclude cash.

All data are as of year-end, unless otherwise noted.

Common stocks do not assure dividend payments. Dividends are paid only when declared by an issuer's board of directors, and the amount of any dividend may vary over time. Dividend yield is one component of performance and should not be the only consideration for investment. See definitions and full disclosure on last page.

Infrastructure: Essential Service Providers with High Barriers to Entry

- Our Infrastructure portfolio offers a high dividend yield that is 2.5x the yield on the S&P 500 Index, strong prospects for dividend growth, and ample dividend coverage.
- The portfolio offers overall client portfolio diversification, as its active share relative to the S&P 500 is high and investors are under-exposed to these stocks through the broad market, as evidenced by low common holdings.
- In an uncertain market environment, we believe lower beta, high current income, and growth of income will prove to be an advantageous combination for investors.

Miller/Howard's Infrastructure Portfolio

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2Q2026
Infrastructure Yield	3.1	3.8	3.7	3.8	4.4	3.9	3.5	3.0	3.6	3.9	3.3	3.2	2.8
S&P 500 Index Yield	2.0	2.2	2.1	1.9	2.2	1.9	1.5	1.5	1.8	1.5	1.3	1.2	1.1
Ratio	1.6x	1.8x	1.8x	2.0x	2.1x	2.1x	2.3x	1.9x	2.0x	2.6x	2.5x	2.7x	2.5x
Infrastructure Projected Dividend Growth*	7.8	5.9	6.9	8.2	7.5	6.5	6.0	8.3	7.2	6.2	6.1	5.7	5.5
S&P 500 Index Projected Dividend Growth**	4.7	4.2	4.0	4.2	5.2	4.2	3.3	5.9	4.8	4.5	5.3	5.1	6.8
Ratio	1.7x	1.4x	1.7x	2.0x	1.4x	1.6x	1.8x	1.4x	1.5x	1.4x	1.2x	1.1x	0.8x
Infrastructure Dividend Coverage Ratio	2.5x	1.9x	1.6x	1.4x	1.6x	1.5x	1.9x	1.9x	3.4x	2.8x	2.9x	2.0x	2.2x
Infrastructure Beta (3-Year Rolling)†	0.8	0.9	0.8	0.8	0.7	0.8	0.9	0.9	0.9	0.8	0.8	0.6	0.4
Common Holdings with S&P 500 Index††	5.5	3.9	4.9	4.4	5.4	4.6	4.2	3.3	3.5	3.5	3.4	3.0	2.9
Active Share vs S&P 500 Index††	94.4	95.9	95.0	95.5	94.5	95.3	95.9	96.7	96.5	96.6	96.5	97.0	97.1

As of June 30, 2026.
Sources: Bloomberg; S&P; Miller/Howard Research & Analysis.
All data are as of year-end, unless otherwise noted. Holdings based on a representative account in our Infrastructure portfolio, and are subject to change.
Dividend yields are indicated; Miller/Howard portfolios exclude cash.
Performance characteristics, such as dividend yield, are calculated without the deduction of fees and expenses.

*Miller/Howard's 3-year annualized projected dividend growth, adjusted to reflect our view of future economic and market conditions. There is no assurance projections will be realized.
** Bloomberg Dividend per Share 3-year forward estimates.
† Vs. S&P 500 Index
†† The percentage of assets for the S&P 500 Index that are held in common with the Miller/Howard Infrastructure portfolio, as a percentage of S&P 500's market value. Active share is a measure of the differentiation of the holdings of a portfolio from the holdings of an index.

ANNUALIZED PERFORMANCE	QTD	YTD	1 YR	3 YRS	5 YRS	7 YRS	10 YRS
Income-Equity (Gross)	5.92	11.53	23.31	17.61	11.83	13.30	11.42
Income-Equity (Pro Forma 0.75% Net)*	5.72	11.12	22.40	16.74	11.00	12.46	10.60
Income-Equity (Pro Forma 3% Net)*	5.14	9.90	19.72	14.17	8.55	9.97	8.15
Russell 1000 Index	15.13	10.32	22.01	20.47	12.66	15.79	15.29
Russell 1000 Value Index	13.84	16.23	27.09	17.78	11.17	12.10	11.52

ANNUALIZED PERFORMANCE	QTD	YTD	1 YR	3 YRS	5 YRS	7 YRS	10 YRS
Income-Equity (No MLPs) (Gross)	5.15	11.96	23.69	16.96	11.43	12.94	11.23
Income-Equity (No MLPs) (Pro Forma 0.75% Net)*	4.95	11.55	22.78	16.10	10.60	12.11	10.41
Income-Equity (No MLPs) (Pro Forma 3% Net)*	4.37	10.32	20.09	13.55	8.16	9.63	7.97
Russell 1000 Index	15.13	10.32	22.01	20.47	12.66	15.79	15.29
Russell 1000 Value Index	13.84	16.23	27.09	17.78	11.17	12.10	11.52

ANNUALIZED PERFORMANCE	QTD	YTD	1 YR	3 YRS	5 YRS	7 YRS	10 YRS
MLP & Midstream Energy Income (Gross)	0.37	18.28	18.72	24.32	22.15	14.55	10.42
MLP & Midstream Energy Income (Pro Forma 0.75% Net)*	0.18	17.85	17.84	23.41	21.25	13.70	9.60
MLP & Midstream Energy Income (Pro Forma 3% Net)*	(0.38)	16.57	15.25	20.71	18.59	11.19	7.17
Alerian MLP Index	1.39	18.48	21.47	23.12	20.51	13.60	9.20

ANNUALIZED PERFORMANCE	QTD	YTD	1 YR	3 YRS	5 YRS	7 YRS	10 YRS
Infrastructure (Gross)	(0.53)	13.12	13.98	15.63	10.91	10.85	9.73
Infrastructure (Pro Forma 0.75% Net)*	(0.71)	12.70	13.14	14.78	10.08	10.03	8.91
Infrastructure (Pro Forma 3% Net)*	(1.27)	11.47	10.64	12.25	7.65	7.60	6.50
Dow Jones Brookfield Global Infrastructure Index	(0.47)	10.49	12.41	12.63	7.57	7.02	7.20

ANNUALIZED PERFORMANCE	QTD	YTD	1 YR	3 YRS	5 YRS	7 YRS	10 YRS
North American Energy (without K-1s)(Gross)	(10.73)	24.01	32.55	18.88	20.02	17.75	12.67
North American Energy (w/o K-1s)(Pro Forma Net 0.75%)*	(10.90)	23.56	31.58	18.01	19.14	16.88	11.83
North American Energy (w/o K-1s)(Pro Forma Net 3%)*	(11.42)	22.22	28.71	15.41	16.51	14.30	9.36
S&P 1500 Energy Index	(12.93)	20.47	30.01	13.01	18.73	12.30	8.21

ANNUALIZED PERFORMANCE	QTD	YTD	1 YR	3 YRS	5 YRS	7 YRS	10 YRS
Utilities Plus (Gross)	0.05	7.23	13.28	17.39	11.56	9.84	9.70
Utilities Plus(Pro Forma Net 0.75%)*	(0.14)	6.84	12.44	16.52	10.74	9.03	8.89
Utilities Plus(Pro Forma Net 3%)*	(0.70)	5.65	9.96	13.96	8.29	6.61	6.48
S&P 500 Utilities Index	(0.53)	7.69	14.22	14.97	10.84	9.57	9.11

As of June 30, 2026. Source: Morningstar Direct. Parentheses represent negative performance data. Results are shown in US dollars. Past performance is not indicative of future results.
*Pro Forma 0.75% net returns are a simulation using a 0.75% annual fee, deducted monthly. Pro Forma 3% net returns are a simulation of the effects of a bundled annual fee of 3%, deducted monthly, which would include advisor and consultant's fees, transactions costs, and maintenance fees. MHI's highest annual management fee as stated in our ADV is 0.75%.
Note: Investment returns include the reinvestment of dividends and other income. The Dow Jones index is net of dividend withholding taxes.

DEFINITIONS: High-Yield Stocks reflects a basket of the total returns for deciles 7, 8, & 9 as provided by Fama/French (value-weighted). **Inflation** is the year-over-year change of the Consumer Price Index for All Urban Consumers (CPI Index). **Free Cash Flow Margin** is free cash flow (defined as cash flow from operations minus capital expenditure) divided by revenue. **Price-Earnings Ratio (P/E)**—The ratio of a company's share price to its earnings per share. The ratio is used as a valuation tool and can help determine whether a company is overvalued or undervalued. **EBITDA** = earnings before interest, taxes, depreciation, and amortization. **MLP** = Master Limited Partnership. **S&P 500 Index®** widely regarded as the best single gauge of large-cap US equities and serves as the foundation for a wide range of investment products. The Index includes 500 leading companies and captures approximately 80% coverage of available market capitalization. **Russell 1000 Index®** measures the performance of the large-cap segment of the US equity universe. It is a subset of the Russell 3000 Index® and includes approximately 1,000 of the largest securities based on a combination of their market cap and current index membership. The Russell 1000 Index® represents approximately 92% of market capitalization of the US market. **Russell 1000 Value Index** offers investors access to the broad value segment of US equity value universe and is constructed to provide a comprehensive and unbiased barometer of the broad value market.

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