



BCV Asset Management Inc.

The Dividend Growth Story

September 2021

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BCV Asset Management Inc.

The Dividend Growth Story- Canadian Equity Model Portfolio September 2021

Dividend Changes in Most Recent Twelve Months:

Increases: 20
Unchanged: 5
Decreases: 0
Implementation: 0

Portfolio Characteristics (As of September 30th 2021):

Dividend Yield: 3.28%

Dividend Growth Rate:
One Year: +4.8%
Five Years: +8.7%

The BCV Asset Management Canadian Equity Model Portfolio consisted of twenty-five companies at the end of September 2021. In the twelve months ending September 30th 2021, twenty companies increased their dividend over the amount paid in the preceding twelve months and five companies maintained their dividend at the amount paid in the preceding twelve months.

The Canadian Equity Model Portfolio changed during the third quarter of 2021 with the addition of new positions in Tourmaline Oil Corporation and Tricon Residential Inc. and removal of positions in Allied Properties Real Estate Investment Trust, Brookfield Asset Management Reinsurance Partners Ltd., and National Bank of Canada.

Three companies paid an increased dividend in the third quarter of 2021. These companies are Algonquin Power & Utilities Corporation, Open Text Corporation, and Tourmaline Oil Corporation. No companies have announced a dividend increase that will be paid starting in the fourth quarter of 2021.

Three companies, Dream Industrial Real Estate Investment Trust, Northland Power Inc., and Tricon Residential Inc. each have not had a recent dividend increase. These companies have elected to forgo dividend increases to have additional capital to invest in their respective businesses.

Two other companies, Bank of Nova Scotia and Sun Life Financial Inc., have not had a recent dividend increase. These companies are constrained by a directive made in March 2020 from the Office of the Superintendent of Financial Institutions to not increase dividends or engage in share repurchase transactions to protect the financial capacity of banks and insurance companies against the financial uncertainties of the COVID-19 pandemic.

A full outline of the five year dividend history of the companies in the BCV Asset Management Canadian Equity Model Portfolio is provided on the following pages.

The Dividend Growth Story- Canadian Equity Model Portfolio

Summary of Dividends Paid

	Twelve Month Period Ending September 30 th						Growth Rate	
	2021	2020	2019	2018	2017	2016	1 Year	5 Years
Algonquin Power & Utilities Corporation (AQN) ¹	0.6359	0.5781	0.5256	0.4777	0.4448	0.3948	10.0%	10.0%
Bank of Montreal (BMO)	4.2400	4.2100	3.9900	3.7200	3.5200	3.3600	0.7%	4.8%
Bank of Nova Scotia (BNS)	3.6000	3.6000	3.4400	3.2200	3.0000	2.8400	0.0%	4.9%
Brookfield Asset Management Inc. (BAM.A) ^{1,2}	0.5100	0.4667	0.4200	0.3933	0.3667	0.3400	9.3%	8.4%
Canadian Imperial Bank of Commerce (CM)	5.8400	5.8000	5.5200	5.2600	4.9900	4.6600	0.7%	4.6%
Canadian National Railway Company (CNR)	2.4200	2.2625	2.0675	1.7775	1.6125	1.4375	7.0%	11.0%
Canadian Natural Resources Ltd. (CNQ)	1.7900	1.6000	1.4200	1.2200	1.0300	0.9200	11.9%	14.2%
Canadian Western Bank (CWB)	1.1600	1.1500	1.0800	1.0000	0.9300	0.9200	0.9%	4.7%
Dream Industrial Real Estate Investment Trust (DRI.UN)	0.7000	0.7000	0.7000	0.7000	0.7000	0.7000	0.0%	0.0%
Enbridge Inc. (ENB)	3.3150	3.1680	2.8850	2.6230	2.3330	2.0550	4.6%	10.0%
Fortis Inc. (FTS)	2.0200	1.9100	1.8000	1.7000	1.6000	1.5000	5.8%	6.1%
Granite Real Estate Investment Trust (GRN.UN)	2.9760	2.8770	2.7780	2.6940	2.5620	2.3700	3.4%	4.7%
Intact Financial Corporation (IFC)	3.3200	3.2500	2.9800	2.7400	2.5000	2.2700	2.2%	7.9%
Manulife Financial Corporation (MFC)	1.1200	1.0900	1.0000	0.8650	0.8000	0.7250	2.8%	9.1%
Northland Power Inc. (NPI)	1.2000	1.2000	1.2000	1.1700	1.0800	1.0800	0.0%	2.1%
OpenText Corporation (OTEX) ¹	0.8233	0.6984	0.6528	0.5676	0.4940	0.4300	17.9%	13.9%
Power Corporation of Canada (POW)	1.7900	1.7050	1.5740	1.4810	1.3870	1.2925	5.0%	6.7%
Royal Bank of Canada (RY)	4.3200	4.2600	4.0000	3.7000	3.4000	3.2000	1.4%	6.2%
Stantec Inc. (STN)	0.6400	0.6000	0.5650	0.5250	0.4750	0.4350	6.7%	8.0%
Sun Life Financial Inc. (SLF)	2.2000	2.2000	2.0500	1.8600	1.7100	1.5900	0.0%	6.7%
TC Energy Corporation (TRP)	3.3600	3.1200	2.8800	2.6300	2.3800	2.1700	7.7%	9.1%
Toronto-Dominion Bank (TD)	3.1600	3.0600	2.8200	2.5400	2.3000	2.1200	3.3%	8.3%
Tourmaline Oil Corporation (TOU)	0.6300	0.4800	0.4400	0.2700	0.0000	0.0000	31.3%	N/A
Tricon Residential Inc. (TCN)	0.2800	0.2800	0.2800	0.2700	0.2600	0.2500	0.0%	2.3%
Waste Connections Inc. (WCN) ¹	0.8000	0.7400	0.6400	0.5600	0.4800	0.3880	8.1%	15.6%

1 Dividend paid in USD.

2 Cash dividends only. Company has also distributed shares of Trisura Group Ltd. in 2017 and Brookfield Asset Management Reinsurance Partners Ltd. in 2021.

The Dividend Growth Story- Canadian Equity Model Portfolio

Summary of Dividend Increases

Fourth Quarter 2020:

Fortis Inc.: 50.5 cents (47.75 cents)

OpenText Corporation: 20.08 cents (17.46 cents)*

First Quarter 2021:

Brookfield Asset Management Inc.: 13 cents (12 cents)*

Canadian National Railway Company: 61.5 cents (57.5 cents)

Enbridge Inc.: 83.5 cents (81 cents)

Granite Real Estate Investment Trust: 25 cents (24.2 cents)

Waste Connections Inc.: 20.5 cents (18.5 cents)*

Second Quarter 2021:

Canadian Natural Resources Ltd.: 47 cents (42.5 cents)

Stantec Inc.: 16.5 cents (15.5 cents)

TC Energy Corporation: 87 cents (81 cents)

Third Quarter 2021:

Algonquin Power & Utilities Corporation: 17.06 cents (15.51 cents)*

Open Text Corporation: 22.09 cents (20.08 cents)*

Tourmaline Oil Corporation: 17 cents (16 cents)

Fourth Quarter 2021 (Pending):

* Dividend paid in USD.

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BCV Asset Management Inc.

The Dividend Growth Story- United States Equity Model Portfolio September 2021

Dividend Changes in Most Recent Twelve Months:

Increases: 13
Unchanged: 2
Decreases: 2
Implementation: 1

Portfolio Characteristics (As of September 30th 2021):

Dividend Yield: 1.79%

Dividend Growth Rate:
One Year: -7.7%
Five Years: +4.9%

The BCV Asset Management United States Equity Model Portfolio consisted of eighteen companies at the end of September 2021. In the twelve months ending September 30th 2021, thirteen companies increased their dividend over the amount paid in the preceding twelve months, two companies maintained their dividend at the same level, two companies reduced their dividend, and one company has implemented a new dividend policy.

The United States Equity Model Portfolio changed during the third quarter of 2021 with an increase to the existing position in D.R. Horton Inc. and a reduction of the existing position in JPMorgan Chase & Company.

Five companies paid an increased dividend in the third quarter of 2021, continuing its trend of year-over-year increases. These companies were Bank of America Corporation, FedEx Corporation, Medtronic plc, Stanley Black and Decker Inc., and Wells Fargo & Company. Two companies, Honeywell International Inc. and JPMorgan Chase & Company, have announced a dividend increase that will be paid starting in the fourth quarter of 2021.

CVS Health Corporation and JPMorgan Chase & Company each have not had a recent dividend increase. CVS has elected to hold dividends at current levels until balance sheet leverage, which has increased because of the 2018 acquisition of Aetna Inc., is reduced. JPMorgan Chase & Company, which was subject to restrictions from the Federal Reserve on bank holding companies increasing dividends, will begin to pay an increased dividend in the fourth quarter of 2021.

Dominion Energy Inc. has reduced its dividend by approximately 33 percent, starting in the first quarter of 2021. This dividend reduction was first discussed by the company in mid-2020 and occurred prior to the position in the company being taken. The company has made this decision as part of a strategy of debt reduction, which includes an increased focus on its core electricity generation and distribution business and a divestiture of non-core assets.



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The Dividend Growth Story- United States Equity Model Portfolio September 2021

Wells Fargo & Company has increased its dividend in the third quarter of 2021, following a reduction in its dividend in the third quarter of 2020. The cumulative effect is still a reduction in the dividend on a year over year basis.

Raytheon Technologies Corporation is considered to have implemented a new dividend policy following the merger, as the current dividend is not readily comparable to the previous dividend policies of Raytheon Company and United Technologies Corporation and does not take into account the distribution of Carrier Global Corporation and Otis Technologies Corporation shares.

A full outline of the five year dividend history of the companies in the BCV Asset Management United States Equity Model Portfolio is provided on the following pages.

The Dividend Growth Story- United States Equity Model Portfolio

Summary of Dividends Paid

	Twelve Month Period Ending September 30 th						Growth Rate	
	2021	2020	2019	2018	2017	2016	1 Year	5 Years
Analog Devices Inc. (ADI)	2.6900	2.4000	2.1000	1.8900	1.7700	1.6600	12.1%	10.1%
Bank of America Corporation (BAC)	0.7500	0.7200	0.6300	0.5100	0.3450	0.2250	4.2%	27.2%
Becton Dickinson & Company (BDX)	3.3200	3.1600	3.0800	3.0000	2.9200	2.6400	5.1%	4.7%
CVS Health Corporation (CVS)	2.0000	2.0000	2.0000	2.0000	1.9250	1.6250	0.0%	4.2%
Dominion Energy Inc. (D)	2.5200	3.7375	3.5875	3.2750	2.9650	2.7475	-32.6%	-1.7%
D.R Horton Inc. (DHI)	0.8000	0.7000	0.6000	0.5000	0.4000	0.3200	14.3%	20.1%
FedEx Corporation (FDX)	2.7000	2.6000	2.6000	2.1500	1.7000	1.1500	3.8%	18.6%
General Dynamics Corporation (GD)	4.5800	4.2400	3.9000	3.5400	3.2000	2.9000	8.0%	9.6%
Honeywell International Inc. (HON) ¹	3.7200	3.6000	3.2800	2.9800	2.6600	2.3800	3.3%	9.3%
Johnson & Johnson (JNJ)	1.0600	1.0400	1.0400	1.0300	0.9908	0.8586	1.9%	4.3%
Johnson Controls International plc (JCI)	4.1400	3.9200	3.7000	3.4800	3.2800	3.1000	5.6%	6.0%
JPMorgan Chase & Company (JPM)	3.6000	3.6000	3.2000	2.2400	1.9600	1.8000	0.0%	14.9%
Medtronic plc (MDT)	2.3700	2.2000	2.0400	1.8800	1.7500	1.5700	7.7%	8.6%
Microsoft Corporation (MSFT)	2.2400	2.0400	1.8400	1.6800	1.5600	1.4400	9.8%	9.2%
Raytheon Technologies Corporation (RTX) ²	1.9700	2.4200	2.9400	2.8000	2.6800	2.6000	-18.6%	-5.4%
Stanley Black and Decker Inc. (SWK)	2.8900	2.7700	2.6700	2.5500	2.3700	2.2300	4.3%	5.3%
UnitedHealth Group Inc. (UNH)	5.4000	4.6600	3.9600	3.3000	2.7500	2.2500	15.9%	19.1%
Wells Fargo & Company (WFC)	0.5000	1.6300	1.8400	1.6000	1.5300	1.5100	-69.3%	-19.8%

1 Cash dividends only. Company has also distributed shares of Resideo Technologies Inc. in 2018.

2. Cash dividends only. Pre-merger company also distributed shares of Carrier Global Corporation and Otis Worldwide Corporation in 2020.

The Dividend Growth Story- United States Equity Model Portfolio

Summary of Dividend Increases

Fourth Quarter 2020:

Becton Dickinson & Company: 83 cents (79 cents)

Honeywell International Inc.: 93 cents (90 cents)

Microsoft Corporation: 56 cents (51 cents)

First Quarter 2021:

Analog Devices Inc.: 69 cents (62 cents)

Second Quarter 2021:

General Dynamics Corporation: 119 cents (110 cents)

Johnson Controls International plc: 27 cents (26 cents)

Johnson & Johnson: 106 cents (101 cents)

Raytheon Technologies Corporation: 51 cents (47.5 cents)

UnitedHealth Group Inc.: 145 cents (125 cents)

Third Quarter 2021:

Bank of America Corporation: 21 cents (18 cents)

FedEx Corporation: 75 cents (65 cents)

Medtronic plc: 63 cents (58 cents)

Stanley Black and Decker Inc.: 79 cents (70 cents)

Wells Fargo & Company: 20 cents (10 cents)

Fourth Quarter 2021 (Pending):

Honeywell International Inc.: 98 cents (93 cents)

JPMorgan Chase & Company: 100 cents (90 cents)



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