

Bristol Gate APIC DougE

Dividend Growth Investing for the Digital Age

October 7-9, 2025

FOR FINANCIAL ADVISOR USE ONLY – NOT FOR PUBLIC USE

Philosophy Focused
on High Dividend
Growth

Integrated
Fundamental &
Machine Learning
Approach

Evidence-Based
Investment Culture

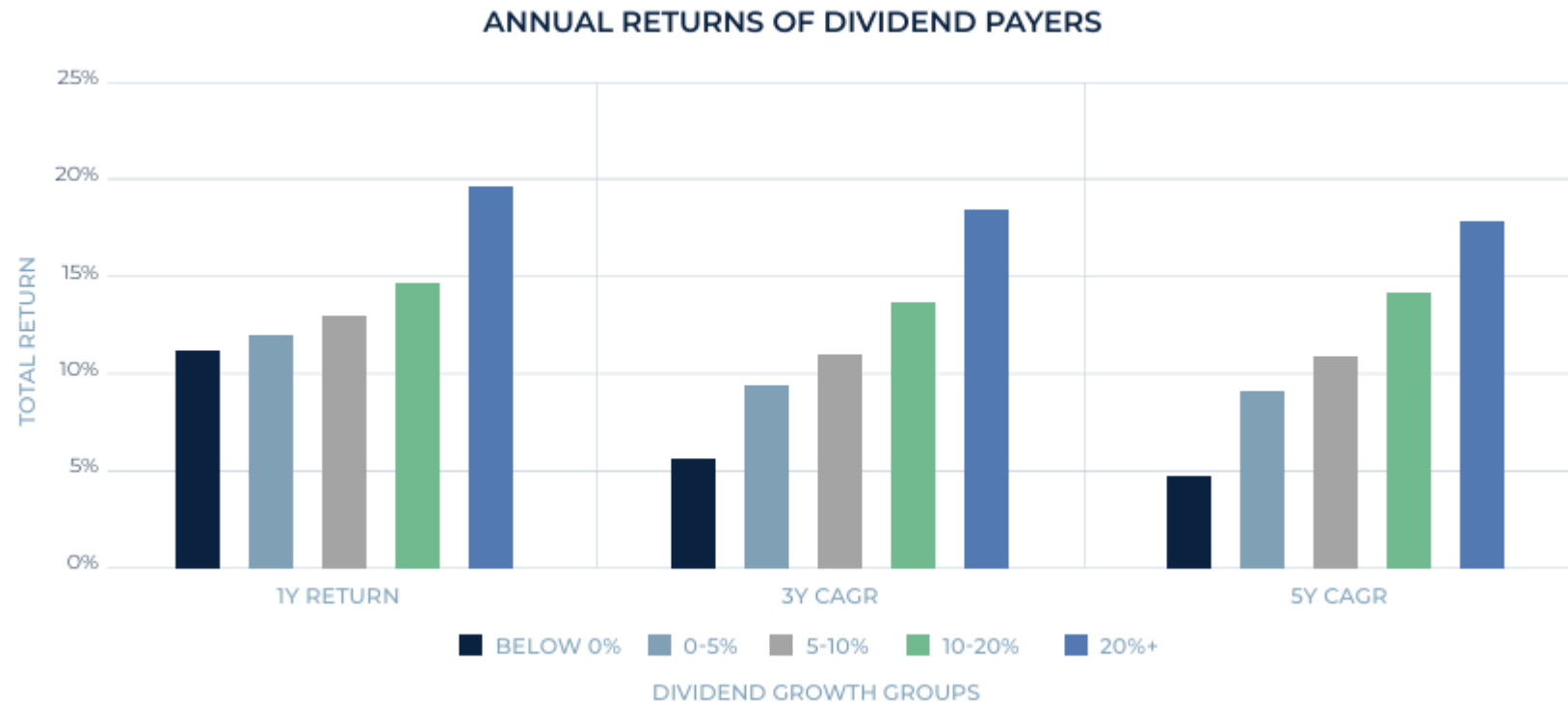
Independent,
Entrepreneurial
Boutique

Institutional AUM & AUA (US\$)	\$1.6B	79%	Location	Toronto, Canada
Retail AUM & AUA (US\$)	\$0.4B	21%	Total Full-Time Employees	23
Total AUM & AUA (US\$)	\$2.0B	100%	Firm Inception	2006

Our success is aligned with that of our clients & partners
Our employees invest in our strategies and pay the same fees

US Equity Strategy inception date: May 15, 2009. AUM & AUA as of June 30, 2025 in USD. Please refer to appendix for **Important Disclosures**

Why Predict High Dividend Growth?

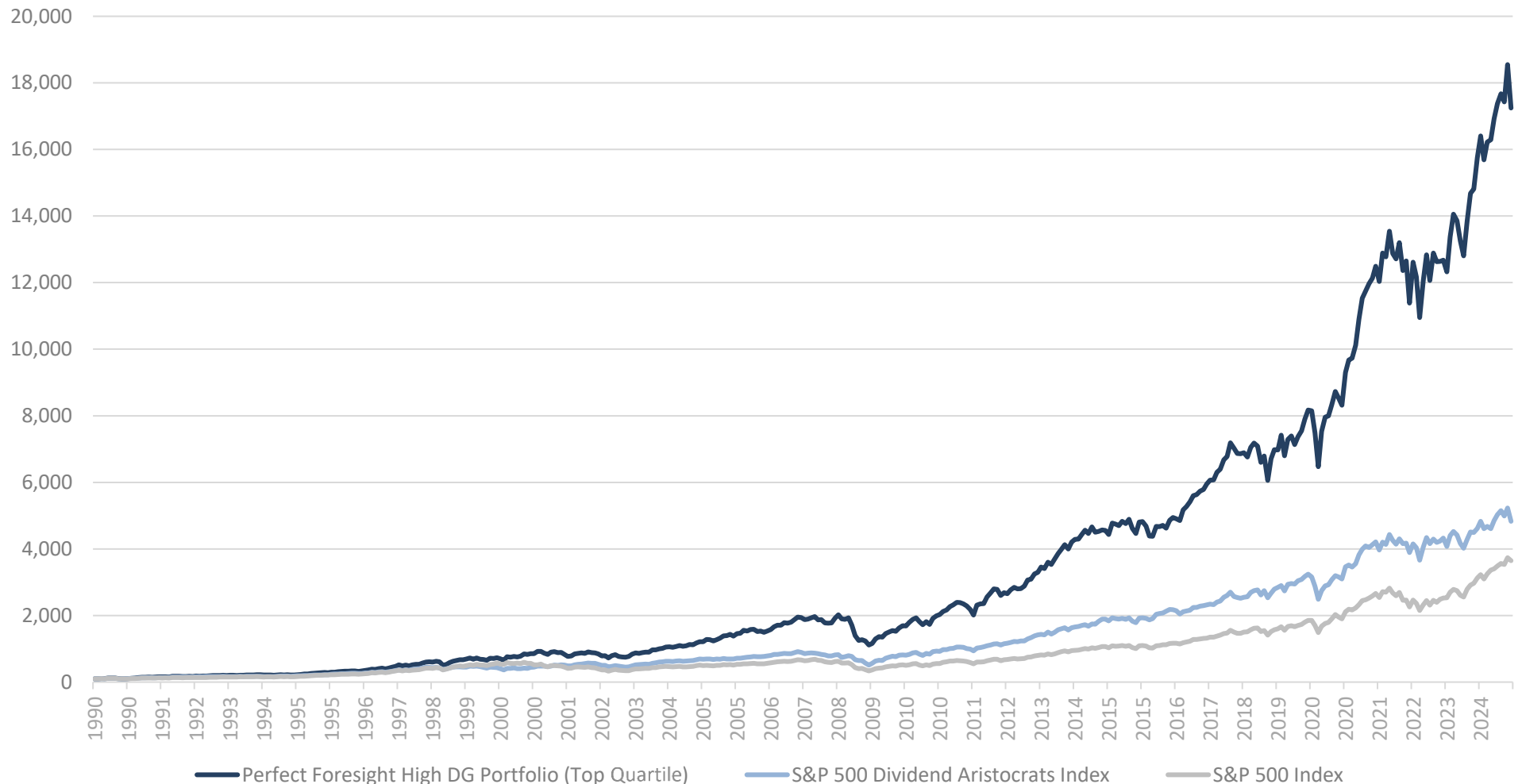


What within dividend growth offers the greatest return potential?

The chart above illustrates the total return for dividend paying securities in the S&P 500 based on their dividend growth rate over the relevant periods. The period referenced is from January 1, 1990, to December 31, 2024, and observations are made on a monthly basis. Please refer to appendix for **Important Disclosures**

Source: Bristol Gate, FactSet

Why Predict High Dividend Growth?



Although markets have been volatile over this period, investing in the best dividend growth companies would have resulted in attractive returns.

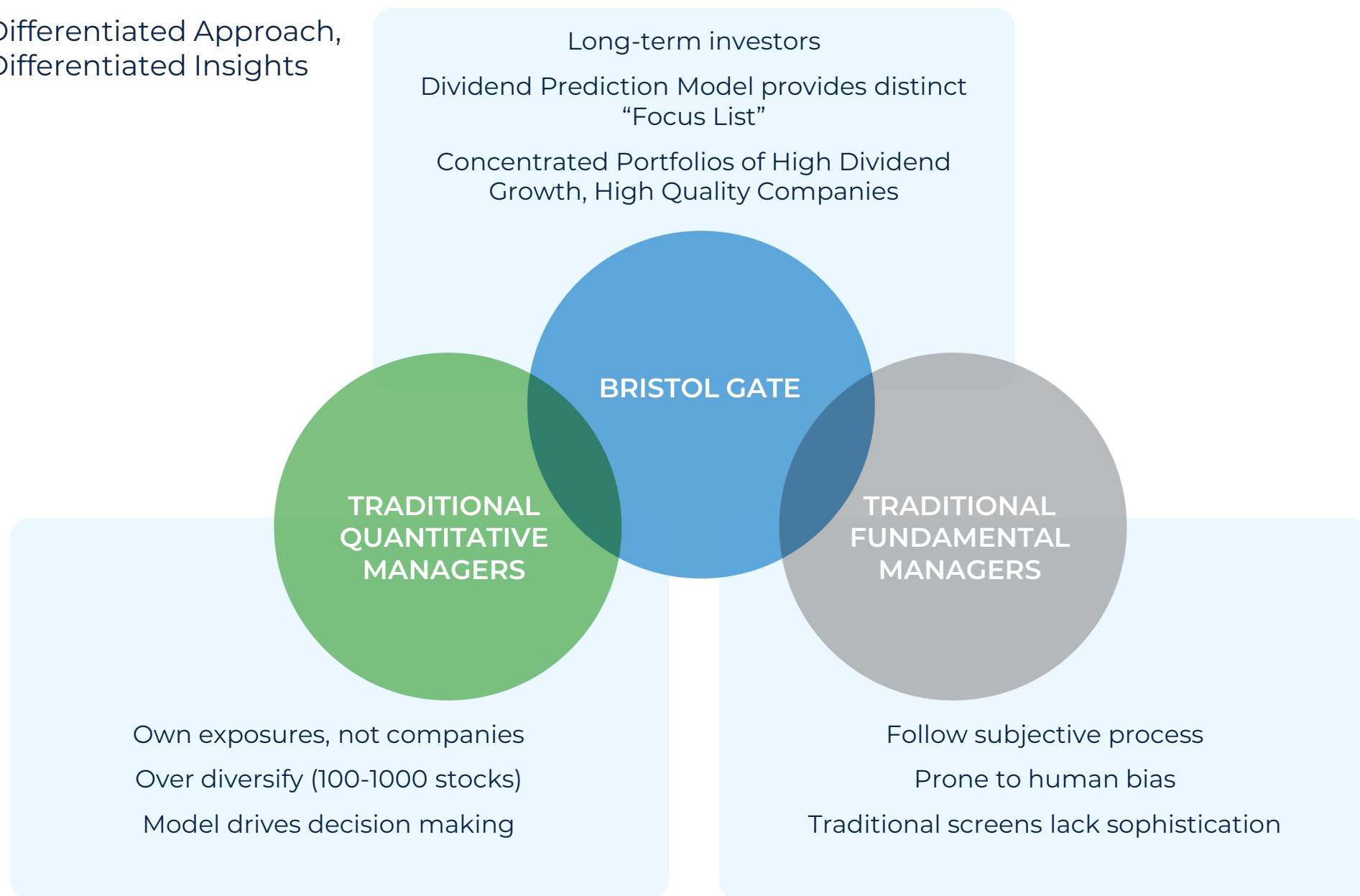
The chart above illustrates if you would have had the foresight to invest in the best dividend growth stocks (“Top Quartile”) in the S&P 500 over the period. The period referenced is from Jan 1, 1990, to Dec 31, 2024, where each theoretical portfolio presented for the stated category was constructed from an equal weight basket of stocks selected from the S&P 500 universe. Each theoretical portfolio was reconstituted annually and rebalanced quarterly. For illustration purposes only, past performance is not indicative of future results. Please refer to appendix for

Important Disclosures

Source: Bristol Gate, Morningstar, Bloomberg, Jan 1, 1990 - Dec 31, 2024, in USD

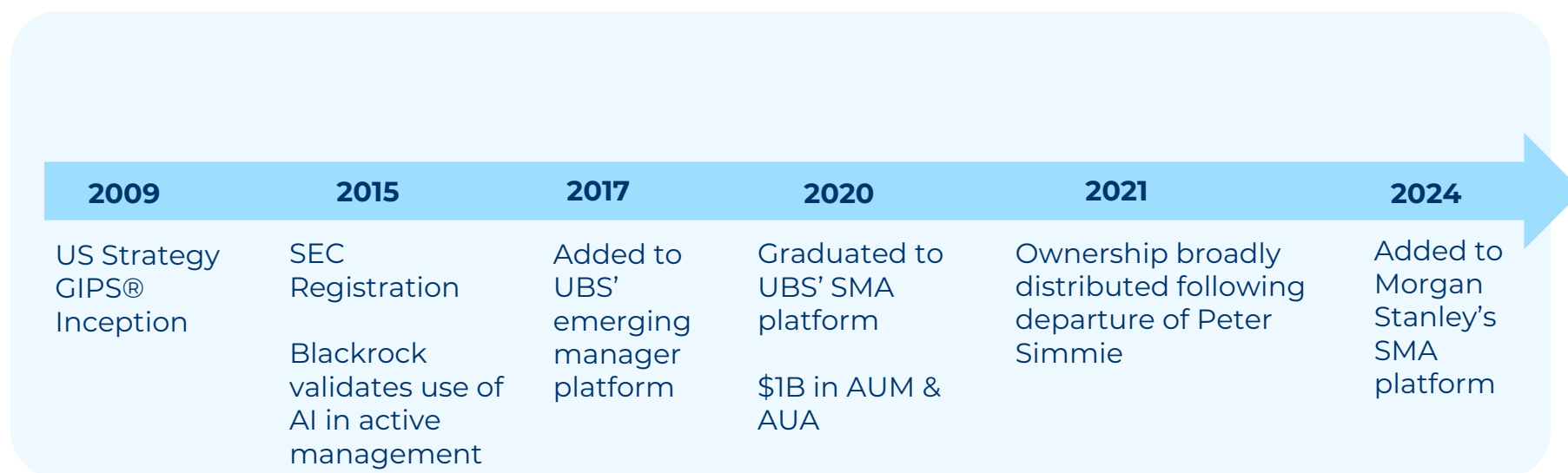
Our Competitive Advantage

Differentiated Approach,
Differentiated Insights



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BARRON'S

Bristol Gate U.S. Fund's 22 Top Dividend Stocks

Toronto-based hedge fund manager Peter Simmie buys shares of companies able to keep raising payouts.

By MICHAEL SHARI

May 23, 2015

[April Hedge Funds: Best, Worst, Biggest](#)

It seems pretty simple in retrospect. In the midst of the financial crisis, veteran Toronto-based money manager Peter Simmie couldn't help noticing how investors, many of whom had watched their stocks lose more than a quarter of their value, suddenly became fans of income-producing shares. Why not start a mutual fund that could offer them the very highest quality dividend-paying stocks?



Simmie buys shares of companies able to keep raising payouts. Tractor Supply is one. Photograph: Nigel Dickson

Simmie, who was advising Bank of Nova Scotia on high-net-worth investment products at the time, devised a dividend-focused strategy that he shopped to BNS and other Canadian banks that run the country's biggest mutual funds. But they saw it as a "me too" dividend product and worried Simmie didn't have a track record. He went back to the drawing board and came up with the Bristol Gate US Equity fund, a hedge fund that buys U.S.-listed blue-chip stocks with a history of raising their payouts.

Co-founded in May of 2009 by Simmie and CEO Richard Hamm, Bristol Gate holds 22 equal-weighted stocks, all members of the Standard & Poor's 500. To qualify, shares must rank among the index's top 5% in dividend growth, have raised their payouts by at least 15.5% in the previous year, and boast the financial wherewithal to continue at that pace for at least one more year. That strategy has another, well, dividend: Simmie says that the stock prices often rise at the same rate as the dividend payouts as investors discover how much of the cash flow is being directed to them. All of the dividends that Bristol Gate collects are reinvested in the stocks.

A good example is Southwest Airlines (ticker: LUV), which raised its quarterly dividend by 50% in May 2014, and then approved a 25% increase, to 7.5 cents a share from six cents, on May 13 of this year. Southwest's share price has more than doubled since Simmie bought the stock for \$17.03 a share in late 2013. And T.J. Maxx parent TJX (TJX), which has been in the portfolio since inception, announced in March that it would raise its quarterly payout by 20%, to 21 cents. Over the past five years, TJX's share price has grown nearly five-fold, to \$66.

Aided by strong markets for dividend-paying stocks, Bristol Gate's performance has been outstanding. Since inception, the Cayman Islands-domiciled fund has delivered an annualized return of 21.3%, net of a low 0.5% management fee and 10% performance fee, through April of this year. It has easily

SEPTEMBER 2015

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Higher Dividend Growth

Bristol Gate portfolio companies have consistently delivered compelling dividend growth

Trailing Dividend Growth



Annual Dividend Growth Rates	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Bristol Gate U.S. Equity Strategy	14.7%	17.3%	25.0%	21.8%	23.8%	25.0%	24.6%	19.0%	18.7%	20.3%	20.1%	14.0%	12.0%	14.1%	14.4%	14.8%
S&P 500® Total Return Index	1.5%	3.1%	9.4%	11.6%	10.0%	11.1%	10.0%	7.3%	7.1%	9.0%	9.0%	5.3%	6.2%	8.1%	6.8%	5.8%

As of December 31, 2024. Source: Bloomberg. Median of the annual trailing 12-month dividend growth (as reported on Bloomberg) of the individual stocks held at the end of each calendar year.

There is a risk of loss inherent in any investment; past performance is not indicative of future results. Please refer to appendix for **Important Disclosures**