



Buy and Hold This 1 Top Dividend Stock Forever

Description

Power Corporation of Canada ([TSX:POW](#)) has made [significant efforts to help investors](#) understand the company's business model better. Power seems to want to create a far greater understanding of the company's businesses, strategies, goals, and performance. Recently, Power introduced quarterly results calls for analysts and investors in the first quarter of 2020 and held meetings with 81 institutional investors over the course of the year, all while working to continually improve the clarity of the company's public reporting.

Demonstrating a sustainable and responsible management philosophy

In addition, Power's publicly traded [operating companies](#) are also augmenting each company's respective communication efforts. Demonstrating a sustainable and responsible management philosophy, Power appears to endeavour to build the company's businesses on a foundation of integrity and ethical conduct.

Active ownership approach

Executive management at Power are top class and appear to have long recognized that Power's business success is predicated on the success of the company's employees and clients and on contributing to the communities in which the company operates. Power takes an active ownership approach in the companies in which it invests to ensure that the companies continue to be managed in accordance with a responsible management philosophy.

Charitable giving and supporting communities

In fiscal 2020, Power maintained the company's focus on climate change. Power was one of only three Canadian companies to receive a top score of A in 2020. Charitable giving and supporting the

communities in which Power does business appears integral to the company's mission. COVID-19 placed heightened demands on the most vulnerable among Power's communities. Power supported community-based organizations and funded several urgent COVID-19-related medical research projects at various hospitals.

Strengthen the governance framework and diversity policy

Additionally, Power continued to honour commitments to the company's cultural partners and supported initiatives to help artists facing increased financial hardship. During 2020, Power also continued to strengthen the company's governance framework, including thorough changes to the company's diversity policy.

Broad range of perspectives to achieve effective stewardship

The board at Power appears to sincerely believe that diversity ensures directors provide the necessary range of perspectives to achieve effective stewardship and recognizes that gender diversity is a significant aspect of diversity. Power Corporation has indicated that it aims to have at least 30% of the company's board composed of women by 2025. This year, the number of women nominated for election to the board at the 2021 annual meeting increased to three, or 21% of the company's board.

Demonstrating resilience in a volatile period

In fiscal 2020, Power and the company's subsidiaries demonstrated resilience in a volatile period, collectively delivering increased earnings in 2020 compared with 2019. Power Corporation also increased the company's dividends paid to participating shareholders. Power Corporation's net earnings attributable to participating shareholders was \$2 billion, or \$3.08 per share, for the year ended December 31, 2020, compared with \$1.1 billion, or \$2.53 per share, in 2019.

Big discount to net asset value

Overall, Power's net asset value per share is about \$50 per share. This gives value investors an opportunity to buy shares in the open market at a very big discount to net asset value.

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