

Top 10 Dividend Elite

Top Dividend Picks With 25+ Years of Rising Dividends

October 2026 Edition

A monthly special report service from Sure Dividend

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Top 10 Dividend Elite – October 2026

Name & Ticker	Div. Risk Score	Price	Fair Value	# Years Div. Inc	Div. Yield	Exp. Growth Return	Exp. Value Return	Exp. Total Return
Albemarle (ALB)	A	$105	$208	30	1.6%	7.5%	14.6%	24.1%
Stryker (SYK)	A	$273	$391	32	1.3%	12.0%	7.4%	21.1%
Badger Meter (BMI)	A	$128	$158	34	1.4%	15.0%	4.3%	20.9%
Brown & Brown (BRO)	A	$62	$104	32	1.1%	8.0%	11.0%	20.5%
PepsiCo (PEP)	A	$126	$188	54	4.7%	6.0%	8.4%	17.9%
S&P Global (SPGI)	A	$389	$500	53	1.0%	11.0%	5.2%	17.4%
PPG Industries (PPG)	A	$105	$150	55	2.8%	7.0%	7.5%	16.9%
Marzetti (MZTI)	A	$100	$176	63	4.0%	2.0%	12.0%	16.8%
Automatic Data (ADP)	A	$264	$343	51	2.6%	9.0%	5.4%	16.7%
H2O America (HTO)	A	$60	$81	58	2.9%	8.0%	6.0%	16.5%

Notes: *Data for the table above is from the 10/2/26 spreadsheet of our Sure Analysis Research Database. "Div." stands for Dividend. "# Years Div. Inc" shows the consecutive years of dividend growth. "Exp." stands for Expected. Expected returns are annualized and based on 5-year forward projections. Data in the table above may be different than individual company analysis pages due to writing the company reports throughout the previous several days.*

Disclosures: *Sure Dividend's Real Money Portfolio is long PPG and HTO. Ben Reynolds is long BRO, PPG, and ADP.*

There was just one change in this month's versus last month's Top 10. FactSet Research (FDS) was replaced by Marzetti (MZTI). This one change was due to not yet having an updated Sure Analysis report for FDS' most recent earnings FDS is likely to be in future editions of the Top 10 Dividend Elite based on its current metrics.

The Top 10 has the following average characteristics:

	Top 10 Dividend Elite	S&P 500[1]
Dividend Yield:	2.3%	1.1%
Growth Rate:	8.6%	5.5%
Valuation Return:	8.2%	-0.3%
Expected Annual Total Returns:	18.9%	6.2%

Please keep reading to see detailed analyses on the *Top 10 Dividend Elite*.

Note: Data for this report is from 9/28/26 through 10/2/26.

[1] The S&P 500 valuation return uses the average P/E of the last 10 years for a fair value estimate.

Albemarle Corp. (ALB)

Dividend Risk Score: A
5-Year Expected Annual Total Returns: 23.8%

Overview & Current Events

With operations spanning nearly 100 countries, Albemarle holds the position of the world's top lithium producer and ranks second globally in bromine production, with these two products accounting for roughly two-thirds of the company's total sales. Lithium extraction takes place at the company's salt brine operations in the United States and Chile, supplemented by two Australian joint ventures that add further lithium output. Albemarle's Chilean operations give it access to lithium at a low cost. Annual revenue for the company exceeds $6 billion, generated across two business segments: Energy Storage and Specialties. The stock trades for a $12.0 billion market cap.

Albemarle lifted its quarterly dividend by 1.2% to $0.41 on July 21st, 2026, extending its streak of consecutive annual increases to 30 years.

On August 5th, 2026, Albemarle reported second-quarter results for the period ending June 30th, 2026. For the quarter, revenue climbed 30.8% year-over-year to $1.7 billion, which beat analyst projections by $70 million. On an adjusted basis, earnings-per-share (EPS) came in at $3.75, a sharp improvement from just $0.11 a year earlier and $0.51 above consensus estimates.

Albemarle is now expected to earn $11.54 per share in 2026, compared to $11.62 and $6.96 previously. This would be a substantial jump from the prior year, if realized.

Safety & Dividend Risk Analysis

Profitability at Albemarle has not proven immune to economic downturns, as earnings-per-share fell by nearly 20% during the 2008-2009 financial crisis, and the company has continued to show significant volatility in its profits since then. This history keeps Albemarle from being classified as recession resistant.

A key competitive advantage of Albemarle is that it ranks as the largest producer of lithium in the world. The metal is used in batteries for electric cars, pharmaceuticals, airplanes, mining, and other applications. Albemarle is also a top producer of Bromine, which is used in the electronics, construction, and automotive industries. Few competitors can match the scale Albemarle has built in these markets.

Growth, Value & Expected Total Return Analysis

The past decade has been marked by considerable unevenness in Albemarle's earnings-per-share, with sharp profitability declines or losses recurring in multiple years, including 2012, 2014, 2017, 2020, 2024, and 2025. While 2025 proved to be another weak year, the outlook for the current fiscal year has improved considerably. Given the company's dominant standing in both lithium and bromine, we are holding our long-term earnings growth projection steady at 7.5%.

Albemarle is currently trading at a P/E ratio of 9.2, which is below our assumed fair P/E of 18. An expanding valuation multiple could boost annual returns by 14.4% per year over the next five years. Along with the 7.5% projected EPS growth and a 1.5% dividend yield, we forecast total annual returns of 23.8% over the next five years.

Stryker Corp. (SYK)

Dividend Risk Score: A
5-Year Expected Annual Total Returns: 20.7%

Overview & Current Events

Stryker Corp. ranks among the world's largest medical technology companies, with a product portfolio spanning surgical equipment, neurovascular products, and orthopedic implants. The company was founded in 1941 by Dr. Homer Stryker who wanted to improve the lives of his patients. It has a market capitalization of $105 billion.

On July 30th, 2026, Stryker posted its Q2 results for the period ended June 30th, 2026. For the quarter, revenue climbed 9.6% year-over-year to $6.6 billion, surpassing estimates by $20 million. Adjusted EPS reached $3.69, an 18% jump from $3.13 in the prior-year quarter and $0.20 ahead of analyst forecasts. Organic growth of 9.0% was in line with its previously high levels. Volume drove the increase, up 9%, while pricing was flat. MedSurg and Neurotechnology sales rose 9.2% organically to $3.6 billion, driven by a 9.1% rise in volume and a marginal 0.1% pricing tailwind. Orthopaedics revenue grew 8.6% to $3.0 billion, with volume accounting for the full increase while pricing was flat.

Management also revised its full-year 2026 guidance. The company now expects organic revenue growth between 8.3% and 9.3%. Adjusted EPS is forecasted to be in the range of $14.95 to $15.10. At the midpoint, this would imply 10.1% growth over 2025.

On Aug. 31st, Stryker announced it'll acquire ZuriMED, expanding its shoulder portfolio.

Safety & Dividend Risk Analysis

We consider Stryker's dividend well-protected, with a projected 2026 payout ratio below 25%. Looking back over the last ten years, the company's payout ratio has never exceeded the mid-30% range. Given the outlook for continued earnings growth alongside more modest dividend increases going forward, we expect the current 23% payout ratio to trend even lower in the years ahead.

Stryker's competitive advantage is built on its global leadership in medical technologies, with strong positions across MedSurg, Neurotechnology, and Orthopaedics, and a broad intellectual property portfolio that includes approximately 14,600 owned patents. Because its devices and equipment serve essential medical needs worldwide, demand tends to hold firm through economic downturns, limiting the company's exposure to recession-driven declines.

Growth, Value & Expected Total Return Analysis

Stryker's EPS has grown at an average annual rate of 13.5% over the past ten years. Looking ahead, we project 12% annual growth through 2031, which is in line with its historical growth rate. A continued rebound in elective procedure volumes, paired with pricing gains, should support this trajectory.

Today, the stock trades with a price-to-earnings ratio of 18.4, a discount to our 26.0 target multiple. If shares reach that target by 2031, multiple expansion will contribute 7.1% to annual returns. Along with the 12.0% EPS growth and a starting dividend yield of 1.3%, we expect Stryker to deliver total annual returns of 20.7% through 2031.

Badger Meter Inc. (BMI)

Dividend Risk Score: A
5-Year Expected Annual Total Returns: 21.8%

Overview & Current Events

Badger Meter was founded in 1905 in Milwaukee, WI. The company's first product was a "frost-proof" water meter. Badger Meter has since grown into a manufacturer of meters and valves that are used to measure and control the flow of liquids, including water, oil, and various chemicals, as well as air and other gases. Last year's revenue came in at $917 million, and the company now carries a market cap of $3.6 billion.

On May 1st, 2026, Badger completed its acquisition of UK-based UDlive for $100 million, strengthening its sewer line monitoring business.
On July 22nd, 2026, Badger Meter announced its Q2 results for the period ended June 30th, 2026. Revenue declined 6.6% year-over-year to $222.3 million, which was $1.2 million more than expected. Earnings-per-share (EPS) of $1.02 compared unfavorably to $1.17 in the prior year but was a penny above expectations. Shares dropped about 13% on the news, as investors focused on the year-over-year decline and cautious guidance.

We've revised our 2026 EPS forecast down to $4.52 from a prior estimate of $5.13, implying a 5.6% year-over-year decline.

On August 17th, 2026, Badger increased its dividend by 10% to $0.44.

Safety & Dividend Risk Analysis

Badger Meter's 34-year record of dividend increases, and a healthy 39% payout ratio point to a highly secure dividend with ample room to keep growing. The company's EPS actually rose through the Great Recession, underscoring its resilience.
Much of its business rests on municipal water utilities, an essential service with demand that holds up regardless of economic conditions, giving the company solid defensive qualities. Additionally, roughly 60% of U.S. water meters have yet to be converted to advanced metering infrastructure (AMI), with current AMI penetration at approximately 40%. That runway, combined with supportive regulatory tailwinds, bodes well for continued expansion.

Growth, Value & Expected Total Return Analysis

EPS growth has averaged 17.6% annually over the past ten years and accelerated to 23.2% over the last five, fueled largely by rising demand for the company's ultrasonic smart meters and its BEACON software platform, which carries higher margins. Looking ahead, we project 15% annual EPS growth as advanced metering adoption continues, software revenue expands, and infrastructure spending increases.

Badger Meter currently trades at a P/E ratio of 27.3, a discount to our fair-value estimate of 35.0. Should the stock reach that multiple within five years, it would add a 5.0% annualized valuation tailwind to returns. Combined with the 15.0% EPS growth forecast and the stock's 1.4% dividend yield, we forecast total annual returns of 21.8% over the next five years.

Brown & Brown Inc. (BRO)

Dividend Risk Score: A
5-Year Expected Annual Total Returns: 20.9%

Overview & Current Events

Brown & Brown Inc. is a leading insurance brokerage firm providing risk management solutions to individuals and businesses, with a focus on property & casualty insurance. One trait that sets the company apart from many of its peers is the large stake that insiders hold in the business, which tends to align management's interests closely with those of shareholders. The company employs roughly 23,000 people, should produce about $7.1 billion in revenue this year, and holds a market capitalization of $21 billion.

Brown & Brown posted second-quarter results on July 27th, 2026. Adjusted earnings came in at $1.07 per share, right in line with expectations. Revenue climbed 31% compared to the same period a year earlier, reaching $1.7 billion, but missed projections by $40 million. Organic revenue actually contracted slightly, by 0.3%, meaning virtually all of the reported top-line growth was driven by the company's acquisition activity rather than growth within its existing operations.

Pre-tax income increased by 24% year-over-year to $915 million, and net income rose 27% to reach $714 million for the quarter.

Full-year earnings are expected to come in at $4.50 per share.

Safety & Dividend Risk Analysis

Brown & Brown's competitive advantage lies in its discipline in executing small, frequent acquisitions. This growth-by-acquisition strategy gives the company a durable runway for continued expansion.

The business is also modestly recession resistant. The company's earnings-per-share (EPS) declined by just 20.5% during the worst of the 2007-2009 financial crisis, and the dividend kept growing throughout. The 2020 and 2021 results were essentially unaffected by the COVID-19 crisis as well.

Brown & Brown has a reputation for rewarding shareholders over time. It has now raised its dividend for 32 consecutive years, earning it a spot on the Dividend Aristocrats list.

Growth, Value & Expected Total Return Analysis

Brown & Brown has a remarkable growth track record that includes a decade-long compound annual earnings growth rate above 18%. The company's book value per common share has grown at a similar rate, expanding at a double-digit rate over the last ten years. Over the years, the company has actively acquired smaller insurance brokerage firms and integrated them into its larger operating base. We believe the firm can continue to grow EPS at 8% per year. In addition, we forecast 9% annual growth in the dividend for the foreseeable future given Brown & Brown's very low payout ratio of just 15%.

Shares of Brown & Brown currently trade at 13.5 times our projected adjusted EPS for Fiscal Year 2026, which is meaningfully below our fair value estimate of 23.0 times earnings. Valuation expansion could boost annual returns by 11.3% per year. Combined with the 1.1% dividend yield and 8.0% expected annual EPS growth, total returns are projected to reach 20.9% per year through 2031.

PepsiCo Inc. (PEP)

Dividend Risk Score: A
5-Year Expected Annual Total Returns: 17.7%

Overview & Current Events

PepsiCo is a global food and beverage company that produces nearly $94 billion in annual sales. Its product portfolio includes Pepsi, Mountain Dew, Frito-Lay chips, Gatorade, Tropicana orange juice, and Quaker foods. The company has more than twenty billion-dollar brands in its portfolio. It was founded in 1898 and has 306,000 employees across the globe and has a market cap of $173 billion.

On February 3rd, 2026, PepsiCo announced a 4.0% increase to its annual dividend to $5.92 with the June payment, raising the company's dividend growth streak to 54 consecutive years.

On July 9th, 2026, PepsiCo reported Q2 results for the period ending June 13th, 2026. Revenue rose 6.4% to $24.2 billion, which beat estimates by $230 million. Adjusted earnings-per-share (EPS) of $2.20 increased 4% compared to $2.12 the prior year but was a penny below expectations. Organic revenue grew 2.4% for the quarter. Food and Beverages volumes rose by 3% and 2%, respectively.

PepsiCo also reiterated its guidance for 2026, expecting organic revenue growth of 2% to 4% and EPS growth of 4% to 6%. It plans to pay $7.9 billion in dividends and spend $1 billion on share repurchases for the year.

Safety & Dividend Risk Analysis

PepsiCo is considered resilient during economic downturns, as its earnings increased even in the last recession and it pays an attractive dividend. The company enjoys several major competitive strengths that distinguish it from rivals; its size gives it leverage with vendors, and while it's famous for soft drinks, its food and snack products account for just over half of sales. This diversification helps protect PepsiCo from any weakness in a single area of its business.

The company has rewarded shareholders for decades, and is expecting to continue this practice in 2026, projecting to return $8.9 billion in cash to shareholders in the form of dividends and share repurchases.

With an expected dividend payout ratio of 69% and a 54-year streak of annual dividend increases, Pepsi's dividend is likely to continue rising.

Growth, Value & Expected Total Return Analysis

PepsiCo has compounded adjusted EPS at 5.9% annually in the past decade, and 6.4% in the last five years. Over the next five years, we forecast 6% annualized EPS growth, in line with its historical rate, driven by organic growth and share repurchases.

PepsiCo stock trades at 14.8 times our expected adjusted EPS for 2026, which is well below our fair value estimate of 22.0. Valuation expansion could boost annual returns by 8.2% per year. Along with the 6.0% EPS growth and a starting dividend yield of 4.7%, we expect PepsiCo to deliver total returns of 17.7% per year through 2031.

S&P Global Inc. (SPGI)

Dividend Risk Score: A
5-Year Expected Annual Total Returns: 17.0%

Overview & Current Events

S&P Global is a worldwide provider of financial services and business information with a market capitalization of $114 billion and revenue near $17 billion. Through its various segments, it provides credit ratings, benchmarks and indices, analytics, and other data to commodity market participants, capital markets, and automotive markets.

On July 1st, 2026, the company finalized the spinoff of its Mobility segment, which now trades independently under the ticker MBGL.

S&P Global reported second-quarter results on July 28th, 2026. Adjusted earnings-per-share (EPS) came to $4.08, falling 94 cents short of expectations. Revenue climbed over 10% year-over-year to $4.15 billion, topping forecasts by $30 million. By segment, Ratings revenue rose 17% to $1.34 billion, Market Intelligence increased 6% to $1.29 billion, Indices jumped 20% to $534 million, and Energy edged up 2% to $568 million.

Management's full-year outlook calls for revenue growth between 6% and 8%, with adjusted EPS projected in a range of $17.50 to $17.75. Our own expected EPS is a bit more bullish, at $17.85.

Safety & Dividend Risk Analysis

The most important feature of S&P Global is its entrenched market position. It operates in the highly concentrated financial ratings industry where the three well-known rating agencies control more than 90% of global financial debt ratings. On the other hand, S&P Global is vulnerable to recessions, as companies, countries and individuals become much more conservative during such periods, and their interest in financial services and debt issuance greatly decreases.

Despite this cyclicality, S&P Global has a very safe dividend with a 2026 expected payout ratio of just 22%. S&P Global has paid dividends continuously since 1937, increased its payout for 53 consecutive years, and is a member of the prestigious Dividend Kings.

Growth, Value & Expected Total Return Analysis

S&P Global's business has benefited from a series of favorable secular trends. Since the Great Recession in 2009, total corporate debt has been on a steady rise, which means more ratings are needed. Margins have expanded alongside revenue growth, and investors increasingly seek out real-time data and deeper analytics. On top of this, index-linked investment vehicles like ETFs keep gaining popularity, feeding the Indices segment.

We expect 11% EPS growth annually in the coming years. S&P Global shares currently trade at 22.1 times our expected earnings for 2026. If it expands to our fair multiple of 28.0 over the next five years, it will enjoy a 4.8% annualized boost in returns. Given also the 11.0% earnings growth and the 1.0% dividend yield, the stock can deliver a 17.0% total annual return over the next five years.

PPG Industries Inc. (PPG)

Dividend Risk Score: A
5-Year Expected Annual Total Returns: 17.0%

Overview & Current Events

PPG Industries holds the title of the largest paints and coatings maker in the world. Its only two rivals of comparable scale are Sherwin Williams and Dutch paint company Akzo Nobel. PPG Industries was founded in 1883 as a manufacturer and distributor of glass (its name stands for Pittsburgh Plate Glass). It has since grown into a business generating close to $17 billion in annual revenue with a $23 billion market cap.

On July 28th, 2026, PPG Industries reported its second-quarter results. For the quarter, revenue climbed 7.1% year-over-year to $4.5 billion, which topped estimates by $140 million. Adjusted earnings-per-share (EPS) landed at $2.23, a small gain from $2.22 a year earlier, though it fell two cents short of what analysts had expected. The quarter marked PPG's sixth straight quarter of organic growth, coming in at 4%.

Management held its full-year 2026 guidance steady, still projecting adjusted EPS between $7.70 and $8.10, a range that would represent roughly 4.2% growth at the midpoint versus last year.

Safety & Dividend Risk Analysis

PPG Industries has raised its dividend for 55 consecutive years, earning it a spot on the Dividend Kings list, a club reserved for companies that have raised their payout every year for at least 50 years running, through multiple recession and market cycles. With a dividend payout ratio of just 37%, PPG's dividend is well covered, and leaves a cushion to keep raising the payout even if earnings growth slows or a downturn hits. Furthermore, its dividend has only crossed the 50% threshold once in recent history, back in 2009.

PPG Industries' key advantage is that it is one of just three similarly sized companies in this industry, which translates into meaningful pricing power and scale advantage that smaller rivals simply can't match. That scale advantage supports steadier margins and cash flows through economic cycles, underpinning the reliability of the dividend.

Growth, Value & Expected Total Return Analysis

PPG Industries' earnings-per-share have a growth rate of 9.8% from 2016 through 2025, but the growth rate has cooled to just 3.1% when looking at the period from 2021 through 2025. We continue to expect earnings-per-share to grow at a rate of 7% through 2031. In addition to revenue growth, share repurchases will boost earnings-per-share.

The company bought back roughly $75 million in stock during the second quarter alone, bringing its year-to-date total to about $175 million.

PPG stock trades at a P/E ratio of 13.2. Our fair value estimate for PPG is a P/E of 19.0. An expanding P/E multiple could boost annual returns by 7.5% per year over the next five years. In addition, we expect 7.0% annual EPS growth, while the stock has a 2.8% current dividend yield. Put together, we expect total annual returns of 17.0% per year over the next five years.

The Marzetti Company (MZTI)

Dividend Risk Score: A
5-Year Expected Annual Total Returns: 16.9%

Overview & Current Events

The Marzetti Company, formerly Lancaster Colony Corp., is a specialty food manufacturer serving both retail and foodservice channels. Once diversified across food and non-food businesses, the company became a focused food platform after divesting its last non-food operations in 2014. Marzetti generated $1.93 billion in Fiscal 2026 revenue and has a market capitalization of about $2.7 billion. Its portfolio includes dressings, sauces, croutons, refrigerated dips, frozen breads, rolls, and other meal-enhancing products under owned brands such as Marzetti, New York Bakery, Sister Schubert's, and Bachan's, as well as licensed brands including Olive Garden, Chick-fil-A, Buffalo Wild Wings, Arby's, Subway, and Texas Roadhouse.

On August 25th, 2026, The Marzetti Company announced fiscal Q4 results for the period ended June 30th, 2026. Revenue declined 2.2% year-over-year to $465.0 million but grew 0.4% excluding an expired temporary supply agreement with Winland Foods that ended earlier in 2026. Diluted earnings-per-share (EPS) increased to $1.76 from $1.18, while adjusted EPS increased 9.0% to $1.46. Retail net sales increased 0.9% to $243.6 million, supported by $15.4 million from Bachan's, the Japanese barbecue sauce brand acquired for $400 million on May 1st. However, underlying sales remained pressured by weaker club-channel demand and difficult comparisons. Foodservice net sales declined 5.3% to $221.4 million but were nearly flat excluding the expired supply agreement. Gross profit increased 7.4% to $114.0 million on cost savings, with gross margin expanding to 24.5%. Management expects Bachan's and new product launches to support Fiscal 2027 growth.

Safety & Dividend Risk Analysis

We view Marzetti's dividend as relatively safe. The company has raised its payouts for 63 consecutive years, and the payout ratio is about 59% of this year's expected earnings, which is reasonable for a mature food business. Marzetti also benefits from steady niche categories like dressings, sauces, croutons, and frozen breads, as well as long-lasting distribution relationships with partners such as Walmart and McLane Company. The main risks are weaker restaurant traffic in Foodservice and margin pressure from inflation, but overall, the dividend still looks well covered.

Growth, Value & Expected Total Return Analysis

Marzetti has increased earnings-per-share by 5.6% per year over the past decade, driven by Foodservice growth, pricing actions, and licensed brand partnerships, partly offset by weak Retail volumes and higher input and SG&A costs. We expect EPS to grow about 2% annually going forward, driven by low single-digit sales growth and gradual margin improvement, though margins are likely to remain volatile from year to year.

Marzetti is currently trading at a P/E ratio of 14.7, which is below our assumed fair P/E of 26.0. An expanding valuation multiple could boost annual returns by 12.2% per year over the next five years. Along with the 2.0% projected EPS growth and a 4.0% dividend yield, we forecast total annual returns of 16.9% over the next five years.

Automatic Data Processing Inc. (ADP)

Dividend Risk Score: A
5-Year Expected Annual Total Returns: 17.4%

Overview & Current Events

Automatic Data Processing is one of the world's largest providers of cloud-based human capital management (HCM) solutions. The company provides payroll, human resources, talent, time management, benefits, and compliance services to more than 1.1 million clients across over 140 countries. Automatic Data Processing currently has a market capitalization of $104 billion.

On July 29th, 2026, ADP reported fourth-quarter and full-year Fiscal 2026 results for the period ended June 30th, 2026. Quarterly revenue increased 7% to $5.47 billion, beating estimates by roughly $40 million. Adjusted earnings-per-share (EPS) climbed 17% to $2.64 and exceeded consensus by $0.05.

Employer Services revenue rose 7%, while full-year new business bookings increased 6% to $2.2 billion and client retention remained strong at 92.1%. PEO Services revenue also grew 7%, although its quarterly margin declined by 100 basis points. Interest earned on client funds rose 15% to $355 million, supported by higher balances and improved yields.

For the full year, revenue increased 7% to $21.9 billion, while adjusted EPS advanced 11% to $11.12. For Fiscal 2027, management expects revenue growth of 5% to 6%, adjusted EBIT margin expansion of 70 to 90 basis points, and adjusted EPS growth of 9% to 11%. We now expect adjusted EPS of approximately $12.25 for the full year, implying 10% growth.

Safety & Dividend Risk Analysis

Recessions will undoubtedly harm earnings potential, given that ADP needs people to be employed, but it held up very well during the last recession and performed better than expected during the COVID recession. The rebound out of COVID was impressive and ADP is firing on all cylinders out of what was a very short recession. The company's long-term debt is quite minimal, which leads to very high levels of interest coverage.

With an expected dividend payout ratio of 56% and a 51-year streak of annual dividend increases, ADP's dividend is quite safe.

Growth, Value & Expected Total Return Analysis

ADP has compounded adjusted EPS at over 13% annually in the past decade, a pace we believe it can nearly sustain. Over a full economic cycle, we project about 9% annualized EPS growth, driven primarily by strong performance in the PEO Services segment. That segment's robust revenue growth, coupled with meaningful margin expansion, has had an outsized impact on the bottom line. Employer Services growth, AI-driven efficiencies, and rising client-funds interest should provide further support. In addition, ongoing share repurchases should continue to provide a low single-digit annual tailwind to EPS growth.

ADP stock trades at 21.0 times our expected adjusted EPS for Fiscal 2027, which is below our fair value estimate of 28.0. Valuation expansion could boost annual returns by 5.9% per year. After adding in the 2.6% dividend yield, the total returns are expected to reach 17.4% per year through 2032.

H2O America (HTO)

Dividend Risk Score: A
5-Year Expected Annual Total Returns: 16.0%

Overview & Current Events

H2O America, previously known as SJW Group, is a regulated water utility that produces, purchases, stores, treats, and delivers water across California, Texas, Connecticut, and Maine. Alongside its utility operations, the company runs a small real estate division that owns and develops properties for residential and warehouse customers in California and Tennessee. The company generated nearly $900 million in revenue last year and has a $2.5 billion market cap.

On July 27th, 2026, H2O America reported its Q2 results for the period ended June 30th, 2026. For the quarter, revenue climbed 6.2% year-over-year to $210.5 million, exceeding analyst projections by $2.9 million. Earnings-per-share (EPS) edged up a cent from last year to $0.72, beating expectations by two cents. Growth for the quarter was driven by a $14.5 million increase in rates, partly offset by a $1.7 million drag tied to regulatory mechanism adjustments. Operating expenses totaled $167.7 million, which was a 9% increase from Q2 2025, primarily due to higher average per unit costs for water extraction.

Looking ahead, H2O America plans to direct over $2.7 billion toward wastewater infrastructure between 2026 and 2030, with $483 million earmarked for 2026 alone. Management reaffirmed its prior outlook for 2026, with the company still projecting EPS in the range of $3.08 to $3.18. At the midpoint, this implies a 7.2% increase from the prior year. The company expects EPS growth in a range of 6% to 8% from 2026 to 2030. On August 17th, H2O received regulatory approval for its Quadvest acquisition, which closed on October 1st.

Safety & Dividend Risk Analysis

With an expected dividend payout ratio of 56% for 2026 and a 58-year streak of annual dividend increases, HTO's dividend appears well-protected. We expect dividends to grow at a rate of 6% annually through 2031, slightly above the trailing five-year growth rate.

During the last recession, H2O America experienced a decline in earnings that took several years to recover. Still, a key competitive edge for H2O America is that it operates in two regions, Silicon Valley and Central Texas, which have both seen high levels of population growth in recent years.

Growth, Value & Expected Total Return Analysis

H2O America's earnings-per-share grew at a CAGR of 1.4% over the last 10 years, with the growth rate accelerating to 9.0% in the last five years. We forecast that H2O America will grow EPS at an average growth rate of 8.0% through 2031, driven by continued revenue expansion and rate hikes.

Shares are currently trading at 19.7 times this fiscal year's expected earnings. Our fair value multiple is 26.0 times earnings, indicating a 5.6% annual return from valuation

expansion. Adding the 2.9% starting dividend yield and 8.0% expected growth implies the potential for 16.0% total annual returns over the next five years.

Ranking Procedure

The method we use to compute the rankings for the *Top 10 Dividend Elite* is as follows:

Note: Rankings are done using *Sure Analysis Research Database* data from 2 to 5 days before the publication of the *Top 10 Dividend Elite* special report in order to allow for analyses and publication of the report.

1. Filter for securities with 25+ years of consecutive dividend increases with a Dividend Risk Score of "A" and expected total returns of 10% or higher.
2. Sort by expected total returns (the higher the better).
3. If there are fewer than 10 securities, repeat the procedure for securities with a Dividend Risk Score of "B."
4. If there are still fewer than 10 securities, repeat the steps above with a minimum expected total return threshold of 9%.
5. If there are still fewer than 10 securities, continue reducing the minimum expected total return threshold by 1 percentage point and redo steps 1 through 3 until we have 10 securities.

Note: We will veto securities as necessary from our Top 10 based on qualitative analysis. We also remove international securities from the Top 10.

We view securities with A and B Dividend Risk Scores as generally having secure dividends that are very unlikely to be reduced in the near future.

Our expected total returns are calculated in the *Sure Analysis Research Database*. They are based on expected returns over the next five years. Our expected total returns take into account dividends, growth, and valuation returns.

Note that our expected total returns are based on the idea that the economy will continue forward "as is" for the foreseeable future and not encounter a recession. Recessions happen, of course, and we seek to recommend securities likely to pay steady or rising dividends during recessions. Recession safety factors into our Dividend Risk Scores, and in turn our *Top 10 Dividend Elite* rankings.

List of Securities with 25+ Years of Rising Dividends by Dividend Risk Score

Each of the securities with 25+ years of rising dividends in the *Sure Analysis Research Database* is grouped according to Dividend Risk Score and sorted (from highest to lowest) by expected 5-year total return using data from the *Sure Analysis Research Database*. Dividend Yield is included next to each security's ticker symbol.

The Dividend Risk Score uses payout ratio, dividend history, and expected growth to measure a company's dividend safety. You can learn more about how the score is calculated in the *Sure Analysis Glossary*. See our Ranking Procedure for more information.

Click on the name of any security below to go to that security's *Sure Analysis* page (if you are a member of the *Sure Analysis Research Database*).

A-Rated Dividend Risk Scores

1. American States Water Co. (AWR): 2.5%
2. FactSet Research Systems Inc. (FDS): 1.5%
3. Badger Meter Inc. (BMI): 1.3%
4. Stepan Co. (SCL): 2.6%
5. Thomson-Reuters Corp (TRI): 2.5%
6. Albemarle Corp. (ALB): 1.2%
7. The Marzetti Company (MZTI): 3.6%
8. Stryker Corp. (SYK): 1.1%
9. Brown & Brown, Inc. (BRO): 0.9%
10. PPG Industries, Inc. (PPG): 2.7%
11. PepsiCo Inc (PEP): 4.2%
12. H2O America (HTO): 2.8%
13. Automatic Data Processing Inc. (ADP): 2.4%
14. S&P Global Inc (SPGI): 0.9%
15. RPM International, Inc. (RPM): 2.1%
16. Caterpillar Inc. (CAT): 0.8%
17. Eastern Bankshares Inc. (EBC): 2.8%
18. SEI Investments Co. (SEIC): 0.9%
19. Lowe's Cos., Inc. (LOW): 2.5%
20. H.B. Fuller Company (FUL): 1.8%
21. Pentair plc (PNR): 1.8%
22. Sysco Corp. (SYY): 2.7%
23. A.O. Smith Corp. (AOS): 2.5%
24. Norwood Financial Corp. (NWFL): 3.8%
25. UMB Financial Corp. (UMBF): 1.5%
26. Becton Dickinson & Co. (BDX): 2.2%
27. McDonald`s Corp (MCD): 2.8%
28. Tompkins Financial Corp (TMP): 2.9%
29. Sonoco Products Co. (SON): 4%
30. RELX Plc (RELX): 2.5%
31. Gorman-Rupp Co. (GRC): 1%
32. Graco Inc. (GGG): 1.5%
33. Abbott Laboratories (ABT): 2.3%
34. Atmos Energy Corp. (ATO): 2.4%
35. Carlisle Companies Inc. (CSL): 1.5%
36. Cintas Corporation (CTAS): 1%
37. Illinois Tool Works, Inc. (ITW): 2.5%
38. Farmers & Merchants Bancorp Inc. (FMAO): 2.7%
39. Tennant Co. (TNC): 1.8%
40. Northwest Natural Holding Co (NWN): 4%
41. Farmers & Merchants Bancorp (FMCB): 1.5%
42. Nordson Corp. (NDSN): 1.2%
43. Federal Realty Investment Trust (FRT): 4%
44. L`Oreal (LRLCF): 2%
45. Bank of Utica (BKUT): 2.7%
46. MGE Energy, Inc. (MGEE): 2.5%
47. National Fuel Gas Co. (NFG): 2.6%
48. Genuine Parts Co. (GPC): 3.2%
49. Middlesex Water Co. (MSEX): 2.5%
50. Dover Corp. (DOV): 1.1%
51. Roper Technologies Inc (ROP): 0.9%
52. Brady Corp. (BRC): 1.1%
53. ABM Industries Inc. (ABM): 2.5%
54. MSA Safety Inc (MSA): 1.2%
55. RenaissanceRe Holdings Ltd (RNR): 0.5%
56. Donaldson Co. Inc. (DCI): 1.4%
57. California Water Service Group (CWT): 2.7%
58. Walmart Inc (WMT): 0.9%
59. Somerset Trust Holding Company (SOME): 2.1%
60. W.W. Grainger Inc. (GWW): 0.8%
61. Black Hills Corporation (BKH): 3.9%
62. Calvin B. Taylor Bankshares, Inc. (TYCB): 2.5%
63. Colgate-Palmolive Co. (CL): 2.3%
64. Emerson Electric Co. (EMR): 1.5%
65. Cincinnati Financial Corp. (CINF): 2.2%
66. Fortis Inc. (FTS): 3.4%
67. ITT Inc (ITT): 0.8%
68. Coca-Cola Co (KO): 2.4%
69. Chubb Limited (CB): 1.2%
70. Commerce Bancshares, Inc. (CBSH): 1.9%
71. Chesapeake Financial Shares Inc (CPKF): 1.8%
72. Procter & Gamble Co. (PG): 3%
73. Nucor Corp. (NUE): 0.9%
74. Target Corp (TGT): 2.8%
75. Tootsie Roll Industries, Inc. (TR): 0.9%
76. Franklin Electric Co., Inc. (FELE): 1.1%
77. Sherwin-Williams Co. (SHW): 1%
78. AbbVie Inc (ABBV): 2.7%
79. Archer Daniels Midland Co. (ADM): 2.5%
80. Kenvue Inc (KVUE): 4.5%
81. General Dynamics Corp. (GD): 1.7%
82. Lincoln Electric Holdings, Inc. (LECO): 1.2%
83. Aflac Inc. (AFL): 2.1%
84. Casey`s General Stores, Inc. (CASY): 0.3%
85. Linde Plc. (LIN): 1.3%

86. Johnson & Johnson (JNJ): 2%
87. RTX Corp (RTX): 1.4%
88. RLI Corp. (RLI): 1.1%
89. Parker-Hannifin Corp. (PH): 0.8%
90. Ecolab, Inc. (ECL): 1%
91. West Pharmaceutical Services, Inc. (WST): 0.3%

B-Rated Dividend Risk Securities

1. Andersons Inc. (ANDE): 1.2%
2. Amcor Plc (AMCR): 5.7%
3. Sanofi (SNY): 5.5%
4. Hormel Foods Corp. (HRL): 5.3%
5. NextEra Energy Inc (NEE): 3%
6. Brown-Forman Corp. (BF.B): 3.5%
7. Bank OZK (OZK): 4%
8. Fresenius Medical Care AG (FMS): 3.8%
9. Kimberly-Clark Corp. (KMB): 4.8%
10. First Farmers Financial Corp (FFMR): 2.9%
11. T. Rowe Price Group Inc. (TROW): 4.8%
12. New Jersey Resources Corporation (NJR): 3.5%
13. Arrow Financial Corp. (AROW): 3.2%
14. Essential Utilities Inc (WTRG): 3.5%
15. McCormick & Co., Inc. (MKC): 3.5%
16. Erie Indemnity Co. (ERIE): 2.3%
17. Solvay Bank Corp. (SOBS): 5.1%
18. Church & Dwight Co., Inc. (CHD): 1.2%
19. Consolidated Edison, Inc. (ED): 3.3%
20. Medtronic Plc (MDT): 3.1%
21. United Bankshares, Inc. (UBSI): 3.3%
22. Royal Gold, Inc. (RGLD): 0.7%
23. Stanley Black & Decker Inc (SWK): 3.5%
24. Altria Group Inc. (MO): 6.4%
25. Principal Financial Group Inc (PFG): 3.1%
26. McGrath RentCorp (MGRC): 1.8%
27. Bancfirst Corp. (BANF): 1.8%
28. Air Products & Chemicals Inc. (APD): 2.4%
29. Franklin Resources, Inc. (BEN): 4%
30. Muncy Columbia Financial Corporation (CCFN): 2.2%
31. Andover Bancorp, Inc. (ANDC): 3.6%
32. AptarGroup Inc. (ATR): 1.5%
33. Canadian National Railway Co. (CNI): 2.2%
34. Roche Holding AG (RHHBY): 2.9%
35. 1st Source Corp. (SRCE): 2.1%
36. Northeast Indiana Bancorp Inc. (NIDB): 3%
37. Canadian Utilities Ltd. (CDUAF): 3.6%
38. Republic Bancorp, Inc. (KY) (RBCAA): 2.1%
39. Old Republic International Corp. (ORI): 3%
40. Eagle Financial Services, Inc. (EFSI): 3%
41. C.H. Robinson Worldwide, Inc. (CHRW): 1.7%
42. Expeditors International of Washington, Inc. (EXPD): 0.9%
43. Cardinal Health, Inc. (CAH): 0.9%
44. PSB Holdings Inc (WI) (PSBQ): 1.4%

C-Rated Dividend Risk Securities

1. Community Financial System Inc. (CBU): 3.2%
2. Clorox Co. (CLX): 5.2%
3. Novo Nordisk (NVO): 4%
4. Eversource Energy (ES): 4.5%
5. Realty Income Corp. (O): 5.3%
6. Artesian Resources Corp. (ARTNA): 3.6%
7. NNN REIT Inc (NNN): 5.5%
8. Cass Information Systems Inc (CASS): 2.3%
9. TC Energy Corporation (TRP): 4%
10. J.M. Smucker Co. (SJM): 3.4%
11. Unilever plc (UL): 3.4%
12. Enterprise Products Partners L P (EPD): 5.7%
13. Essex Property Trust, Inc. (ESS): 3.7%
14. Enbridge Inc (ENB): 5.6%
15. Westamerica Bancorporation (WABC): 3.3%
16. L3Harris Technologies Inc (LHX): 1.9%
17. John Wiley & Sons Inc. (WLY): 2.7%
18. Community Trust Bancorp, Inc. (CTBI): 3.4%
19. Novartis AG (NVS): 2.9%
20. York Water Co. (YORW): 2.7%
21. Cullen Frost Bankers Inc. (CFR): 2.6%
22. Entergy Corp. (ETR): 2.4%
23. Nacco Industries Inc. (NC): 2.5%

D-Rated Dividend Risk Securities

1. Universal Health Realty Income Trust (UHT): 7.3%
2. Nestle SA (NSRGY): 4.1%
3. Southern Company (SO): 3.4%
4. International Business Machines Corp. (IBM): 2.9%
5. Universal Corp. (UVV): 7.2%
6. British American Tobacco Plc (BTI): 6%
7. Fastenal Co. (FAST): 2.1%
8. Exxon Mobil Corp. (XOM): 2.5%

F-Rated Dividend Risk Securities

1. Matthews International Corp. (MATW): 5%
2. Polaris Inc (PII): 4.4%
3. Canadian Natural Resources Ltd. (CNQ): 3.5%
4. Chevron Corp. (CVX): 3.4%
5. Imperial Oil Ltd. (IMO): 1.9%

Disclaimer

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