

**STRATEGY OBJECTIVES**

- ESG
- Generate High Current and Growing Income
  - Downside Protection
  - Capital Appreciation

1st Qtr., 2022  
4th Qtr., 2021  
3rd Qtr., 2021  
Since Inception

**RETURNS**

Matrix ESG Dividend	Income		R1000 Value
	Gross	Net	Index
1st Qtr., 2022	-2.74%	-2.80%	-0.74%
4th Qtr., 2021	9.02%	8.91%	7.75%
3rd Qtr., 2021	0.49%	0.33%	-0.78%
Since Inception	<b>6.55%</b>	<b>6.22%</b>	<b>6.12%</b>

**KEY DIFFERENTIATORS**

- Designed to be an ESG all-weather portfolio.
- Strong balance sheets, low betas and under-valuation all contribute to strong downside protection, lower volatility, and potential for capital appreciation.
- Focused best-ideas portfolio, composed of 20-30 high-quality stocks with talented management, above average current dividend yields, and a long history of continually growing those dividends.
- Low correlation with other investment styles.
- Experienced team with a long successful history of working together.

**PORTFOLIO CHARACTERISTICS**

Characteristics	Matrix	R1000V
Market Cap. \$ Wtd. (\$Bil.)	307.29	169.16
Market Cap. median (\$Bil.)	134.70	13.99
2022 P/E	13.46	15.86
Dividend Yield (%)	2.97	1.99
# of Holdings	23	848

**QUARTERLY HIGHLIGHTS**

- During a period of extreme market turbulence and downside volatility, the ESG Dividend Income portfolio navigated the market as it was designed to do and ended the quarter with a modest decline. After providing better downside protection than the market in the selloff, the portfolio trailed the market during the March rally. Since inception, the portfolio has modestly outperformed the benchmark (net of fees).
- Six portfolio holdings raised their dividends in the quarter by an average of 5.1%. The portfolio had a 2.97% current dividend yield on March 31, which compares very favorably to the 1.99% yield on the Russell 1000 Value and the 2.34% yield on the 10-year Treasury. Looking forward, we expect further dividend increases in the portfolio as the year progresses.
- At the end of the first quarter, the ESG-DI portfolio's largest sector concentrations were in Health Care, Financials, Technology, and Consumer Staples. These large sector weightings provide a nice balance of economic sensitivity and stable earnings growth. The ESG-DI portfolio sells at a significant discount to the overall market's P/E multiple with good earnings and dividend growth. Its 2022 estimated P/E multiple was 13.5 times estimated earnings compared to the Russell 1000 Value estimated P/E multiple of 15.3 times earnings.
- We believe the ESG Dividend Income strategy is ideal for conservative, income-oriented ESG investors. The portfolio should be well positioned to navigate the volatile market we expect during a period of economic growth and rising interest rates in 2022.

All data is through (or as of) 3/31/2022 unless otherwise noted. Source: Matrix Asset Advisors, Bloomberg, eVestment Alliance. As evidence of our experience in managing similar Dividend Income portfolios, for informational purposes only, please see attached MDI Fact Sheet. Portfolio Holdings information and portfolio turnover is based on a representative portfolio. The securities identified and described do not represent all of the securities purchased, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified was or will be profitable.

**TOP 10 HOLDINGS**

Microsoft Corporation	7.2%
Merck & Co., Inc.	5.5%
CVS Health Care Corp.	5.5%
Coca-Cola Co.	5.3%
Amgen Inc.	5.2%
Cisco Systems, Inc	5.2%
Abbvie Inc.	5.1%
M&T Bank	5.1%
J.P. Morgan Chase	4.9%
Kellogg Company .	4.8%

**SECTOR ALLOCATION (%)**

<u>Sectors</u>	<u>Matrix</u>	<u>R1000V</u>
Communication Services	9.2	7.2
Consumer Discretionary	0.0	5.1
Consumer Staples	14.8	7.4
Energy	0.0	7.1
Financial Services	27.6	20.8
Health Care	29.0	17.9
Industrials	0.0	11.0
Info. Technology	17.4	9.3
Materials	0.0	4.1
Real Estate	0.0	4.9
Utilities	1.7	5.4
Cash & Equivalent	0.2	0.0

**MATRIX PARTNERS**

DAVID KATZ  
President, CIO  
35 years at Matrix / 37 years in Industry

RESEARCH / PORTFOLIO MGMT

Lon Birnholz*	26 / 38
Jordan Posner	17 / 37
Steven Roukis	26 / 27
Stephan Weinberger	11 / 41

TRADING / OPERATIONS

Sherri Hurwitz	26 / 26
Jonathan Tom	16 / 16

CLIENT RELATIONS

Lisa Mabel	18 / 24
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**GENERAL FIRM INFORMATION**

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<i>Phone:</i>	212-486-2004
<i>Firm Assets:</i>	\$971 Million
<i>Investment Style:</i>	ESG, Dividend-Focused US Large Cap Value Equity
<i>Market Capitalization:</i>	Generally \$10 Billion or more
<i>Decision Making:</i>	Bottom-Up Stock Selection
<i>Manager Avg. Tenure:</i>	23 Years
<i>Mgr. Avg. Experience:</i>	36 Years

\*Years at Matrix / Years in Industry.

**The Matrix ESG Dividend Income Composite** contains fully discretionary dividend income equity accounts that invest in high-quality U.S. large cap value companies that pay high dividends consistently and have raised their dividends historically. For comparison purposes the composite is measured against the S&P 500 Index, an index that measures the performance of 500 publicly traded companies, which are among the largest in the United States. As of January, 2018, it is also measured against the Russell 1000 Value Index, an index which measures the performance of the companies in the Russell 1000 Index with lower price-to-book ratios and lower forecasted growth values. The Russell 1000 Value Index was added as a benchmark as it reflects the investment style of the strategy. The minimum account size for this composite is \$100 thousand. Matrix Asset Advisors, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Matrix Asset Advisors, Inc. has been independently verified for the periods 1/1/92 through 12/31/20. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The verification and performance examination reports are available upon request. Matrix Asset Advisors, Inc. is a registered investment adviser that manages equity and fixed income assets for client accounts. The firm's list of composite descriptions is available upon request. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Since inception, the composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow of 15% or greater of portfolio assets. Past performance is not indicative of future results. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using the highest management fee of 0.65%, as per our fee schedule and applied quarterly. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. The management fee schedule is as follows: 0.65% on the first \$5,000,000 of assets under management, 0.55% on the next \$5,000,000 of assets under management, 0.50% on the next \$15,000,000 of assets under management, 0.45% on the next \$25,000,000 of assets under management, 0.35% on the next \$50,000,000 of assets under management and 0.30% on assets under management in excess of \$100,000,000. Actual investment advisory fees incurred by clients may vary.

The Matrix ESG Dividend Income Composite was created June 30, 2021.