

STRATEGY OBJECTIVES

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

4th Qtr., 2021

3rd. Qtr. 2021

Since Inception

RETURNS

<u>Matrix ESG Dividend Income</u>		<u>R1000 Value</u>
<u>Gross</u>	<u>Net</u>	<u>Index</u>
9.02%	8.91%	7.75%
0.49%	0.33%	-0.78%
9.56%	9.27%	6.91%

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

<u>Characteristics</u>	<u>Matrix</u>	<u>R1000V</u>
Market Cap. \$ Wtd. (\$Bil.)	320.15	167.03
Market Cap. median (\$Bil.)	136.18	14.53
Portfolio P/E (Forward)	14.40	16.52
Dividend Yield (%)	2.79	2.24
# of Holdings	23	852

QUARTERLY HIGHLIGHTS

- Our ESG Dividend Income Equity portfolio (MDI) showed a strong return both gross and net of fees in Q4 and for the six months through 12/31/21. Relative to the Russell 1000 Value Index, the portfolio outperformed during the three and six month periods. After providing better downside protection than the market in the difficult month of September, and outperforming the Russell 1000 Value Index in Q3, 2021, the portfolio showed good all-weather performance by outperforming again in the strong Q4 market.
- In the 4th quarter, six stocks in the portfolio increased their dividend by an average of 8.2%. The portfolio had a 2.87% current dividend yield on 12/31/21, which compares very favorably to the 2.24% yield on the Russell 1000 Value and the 1.51% yield on the 10-year Treasury.
- The portfolio sells at a significant discount to the overall market's P/E multiple with good earnings and dividend growth prospects in the coming year. With the market at all-time highs, selling at the upper end of its valuation range, and after a period of very strong 3-, 5-, and 10-year returns, we think there is a great likelihood that returns will slow and the market will enter a period of more volatility. We believe the ESG Dividend Income portfolio should be very well suited to navigate that environment, targeting slow and steady gains and less downside volatility than the market.

TOP 10 HOLDINGS

Microsoft Corporation	6.9%
CVS Health Corp.	5.8%
Abbvie Inc.	5.4%
Cisco Systems Inc.	5.2%
JP Morgan Chase & Co.	5.0%
Gilead Sciences, Inc	4.7%
Merck & Co, Inc	4.6%
PNC Financial Services Group	4.5%
Coca-Cola Co.	4.5%
Amgen Inc.	4.3%

SECTOR ALLOCATION (%)

<u>Sectors</u>	<u>Matrix</u>	<u>R1000V</u>
Communication Services	7.9	7.3
Consumer Discretionary	0.0	5.7
Consumer Staples	20.7	7.4
Energy	0.0	5.1
Financial Services	25.8	20.7
Health Care	24.8	18.0
Industrials	0.0	11.5
Info. Technology	16.4	10.2
Materials	0.0	3.8
Real Estate	0.0	5.1
Utilities	4.0	5.1
Cash & Equivalent	0.5	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	16 / 36
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

<i>Product Contacts:</i>	Lon Birnholz, Stephan Weinberger
<i>Address:</i>	Matrix Asset Advisors, Inc. 10 Bank Street, Suite 590 White Plains, NY 10606
<i>Phone:</i>	212-486-2004
<i>Firm Assets:</i>	\$994 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>	22 Years
<i>Mgr. Avg. Experience:</i>	35 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 12/31/19. 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.