

**STRATEGY OBJECTIVES**

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

**ANNUALIZED RETURNS**

Periods ending 12/31/2023

|                   | Matrix Dividend Income |        | R1000 Value |
|-------------------|------------------------|--------|-------------|
|                   | Gross                  | Net    | Index       |
| 4th Qtr., 2023    | 12.26%                 | 12.10% | 9.47%       |
| YTD 2023          | 9.52%                  | 8.82%  | 11.41%      |
| 1 Year            | 9.52%                  | 8.82%  | 11.41%      |
| 3 Years           | 9.76%                  | 9.06%  | 8.82%       |
| 5 Years           | 11.41%                 | 10.70% | 10.88%      |
| 10 Years          | 9.58%                  | 8.89%  | 8.38%       |
| Since Inception** | 11.27%                 | 10.57% | 10.10%      |

**PORTFOLIO STATISTICS**

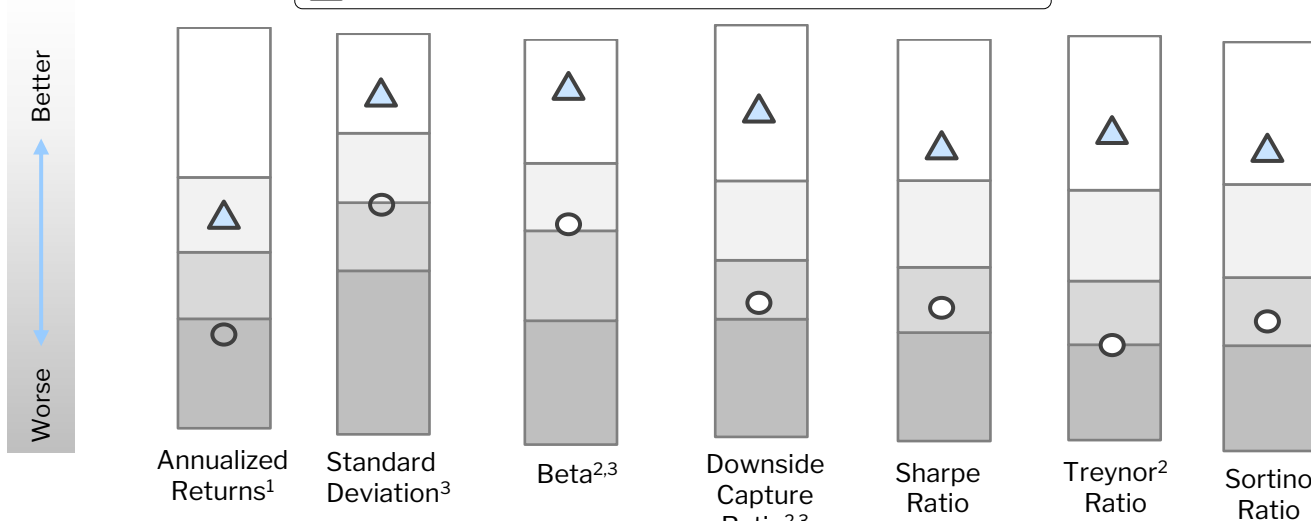
|                                    |               |
|------------------------------------|---------------|
| Dividend Yield                     | 3.10%         |
| Average Annual Dividend Growth*    | 6.43%         |
| Portfolio Turnover (TTM)           | 30.39%        |
| Downside/UpSide Capture vs. R1000V | 82.8% / 90.1% |

**KEY DIFFERENTIATORS**

- Designed to be an all-weather portfolio that can be an effective strategy in all kinds of market environments.
- 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 that pay strong dividend yields with a long history of continually growing those dividends.
- Low correlation with other investment styles.
- Experienced team with a long successful history of working together.
- Strong focus on client service, with direct access to senior investment leaders.
- Same investment approach also available as an ESG-focused portfolio.

**PORTFOLIO RETURN AND RISK - since inception**

△ Matrix Dividend Income    ○ Russell 1000 Value Index



|        |       |       |      |       |      |       |      |
|--------|-------|-------|------|-------|------|-------|------|
| Matrix | 11.27 | 13.04 | 0.82 | 82.81 | 0.79 | 12.55 | 1.27 |
| % Rank | 39    | 10    | 8    | 10    | 15   | 12    | 13   |

Return & Risk

Market Sensitivity

Risk-Adjusted Ratios

**QUARTERLY HIGHLIGHTS**

The Matrix Dividend Income (MDI) portfolio rebounded strongly in the quarter and had a solid year of high single-digit performance. This follows very strong relative performance in the 2022 bear market when the portfolio defended extremely well, down just modestly in a very tumultuous year.

Though 2023's full year results were lower than the Russell 1000® Value Index, because the portfolio defended so well in 2022, even with the performance lag this year, the Dividend portfolio's results were modestly better than the Russell 1000® Value Index's returns over the past two years, with less volatility since the start of the bear market in 2022.

In the 4th quarter, the portfolio was up low double digits, led by strong gains in Financials, Industrials, and Technology. After a very poor start to the year, Financials were the strongest contributors to the portfolio's gains since the end of May. We are pleased that the MDI strategy delivered on its goal of being more protective than the market during difficult years like 2022, while also generating a strong and growing income stream, and showing solid returns in 2023.

**TOP 10 HOLDINGS**

**SECTOR ALLOCATION (%)**

|                        | <u>Matrix</u> | <u>R1000V</u> |
|------------------------|---------------|---------------|
| Communication Services | 4.2           | 4.7           |
| Consumer Discretionary | 7.3           | 5.2           |
| Consumer Staples       | 0.0           | 7.9           |
| Energy                 | 0.0           | 7.8           |
| Financials             | 26.9          | 21.8          |
| Health Care            | 20.9          | 14.6          |
| Industrials            | 7.7           | 13.9          |
| Information Technology | 19.6          | 9.6           |
| Materials              | 3.6           | 4.9           |
| Real Estate            | 0.0           | 5.1           |
| Utilities              | 8.2           | 4.8           |
| Cash & Equivalent      | 1.7           | 0.0           |

|                                  |      |
|----------------------------------|------|
| Microsoft Corporation            | 8.1% |
| J.P. Morgan Chase & Co.          | 5.3% |
| PNC Financial Services Group     | 4.9% |
| Union Pacific Corp.              | 4.9% |
| US Bancorp                       | 4.8% |
| Bank of New York Mellon Corp.    | 4.7% |
| Gilead Sciences Inc.             | 4.2% |
| American Electric Power Co, Inc. | 4.2% |
| Comcast Corp – Class A.          | 4.2% |
| Medtronic PLC                    | 4.1% |

**PORTFOLIO CHARACTERISTICS**

|                               | <u>Matrix</u> | <u>R1000V</u> |
|-------------------------------|---------------|---------------|
| P/E Ratio – 1 year forward    | 14.3          | 14.9          |
| Dividend Yield (%)            | 3.10          | 2.30          |
| Market Cap. - \$wtd. (\$bil.) | 367.8         | 139.2         |
| Number of Holdings            | 25            | 849           |

**MATRIX PARTNERS**

DAVID KATZ  
President, CIO  
37 years at Matrix / 39 years in industry

RESEARCH / PORTFOLIO MGMT

|                    |         |
|--------------------|---------|
| Lon Birnholz ^     | 28 / 40 |
| Jordan Posner      | 18 / 39 |
| Steven Roukis      | 28 / 29 |
| Stephan Weinberger | 13 / 43 |

TRADING / OPERATIONS

|                |         |
|----------------|---------|
| Sherri Hurwitz | 28 / 28 |
| Jonathan Tom   | 18 / 18 |

CLIENT RELATIONS

|            |         |
|------------|---------|
| Lisa Mabel | 20 / 26 |
|------------|---------|

^ years at Matrix / years in industry

**GENERAL FIRM INFORMATION**

|                               |  |
|-------------------------------|--|
| <i>Product Contact:</i>       | Lon F. Birnholz  |
| <i>Address:</i>               | Matrix Asset Advisors, Inc.<br>10 Bank Street, Suite 590<br>White Plains, NY 10606 |
| <i>Phone:</i>                 | 212-486-2004   |
| <i>Firm/Product Assets:</i>   | \$1.021 Billion / \$328 Million  |
| <i>Product Accounts:</i>      | 263  |
| <i>Investment Style:</i>      | 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>   | 25 Years   |
| <i>Mgr. Avg. Experience:</i>  | 38 Years   |

# MATRIX ASSET ADVISORS, INC.

## DIVIDEND INCOME COMPOSITE ANNUAL COMPOSITE REPORT PRESENTATION

| Date | Total Firm Assets (mm) | Composite Assets |             | Annual Performance Results |                    |          |                           |                      |                                      |          |                           |
|------|------------------------|------------------|-------------|----------------------------|--------------------|----------|---------------------------|----------------------|--------------------------------------|----------|---------------------------|
|      |                        | USD (mm)         | # of Accts. | Composite                  |                    |          |                           |                      | 3 Year Annualized Standard Deviation |          |                           |
|      |                        |                  |             | Gross of Fees Return       | Net of Fees Return | S&P 500® | Russell 1000® Value Index | Composite Dispersion | Composite                            | S&P 500® | Russell 1000® Value Index |
| 2022 | 884                    | 222              | 313         | -3.59%                     | -4.23%             | -18.13%  | -7.56%                    | N/A                  | 17.94%                               | 20.87%   | 21.25%                    |
| 2021 | 994                    | 202              | 277         | 25.23%                     | 24.47%             | 28.68%   | 25.12%                    | 0.4%                 | 15.88%                               | 17.17%   | 19.06%                    |
| 2020 | 791                    | 166              | 252         | 1.18%                      | 0.52%              | 18.39%   | 2.78%                     | 0.5%                 | 17.35%                               | 18.53%   | 19.62%                    |
| 2019 | 814                    | 225              | 255         | 28.30%                     | 27.52%             | 31.48%   | 26.52%                    | 0.5%                 | 12.04%                               | 11.93%   | 11.85%                    |
| 2018 | 717                    | 172              | 252         | -3.93%                     | -4.56%             | -4.39%   | -8.28%                    | 0.3%                 | 11.10%                               | 10.80%   | 10.82%                    |
| 2017 | 792                    | 184              | 244         | 14.35%                     | 13.63%             | 21.82%   | 13.64%                    | 0.2%                 | 9.78%                                | 9.92%    | 10.20%                    |
| 2016 | 763                    | 109              | 171         | 17.68%                     | 16.94%             | 11.95%   | 17.33%                    | 0.3%                 | 10.03%                               | 10.59%   | 10.77%                    |
| 2015 | 679                    | 87               | 144         | 0.61%                      | -0.04%             | 1.37%    | -3.84%                    | 0.2%                 | 10.33%                               | 10.47%   | 10.68%                    |
| 2014 | 1,044                  | 69               | 116         | 11.85%                     | 11.14%             | 13.68%   | 13.46%                    | 0.2%                 | 8.15%                                | 8.98%    | 9.20%                     |
| 2013 | 978                    | 31               | 82          | 27.42%                     | 26.64%             | 32.39%   | 32.54%                    | 0.2%                 | 8.66%                                | 11.94%   | 12.70%                    |
| 2012 | 785                    | 18               | 60          | 10.75%                     | 10.05%             | 16.00%   | 17.51%                    | 0.3%                 | N.A.                                 | N.A.     | N.A.                      |
| 2011 | 874                    | 11               | 34          | 13.79%                     | 13.07%             | 2.11%    | 0.39%                     | 0.5%                 | N.A.                                 | N.A.     | N.A.                      |

N.A. 3 year annualized ex post standard deviation is not shown since there were not 3 years worth of data.

**The 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 12/31/22. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Dividend Income Composite has had a performance examination for the periods January 1, 2011 through December 31, 2023. 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 maintains a complete list and description of composites and broad distribution pooled funds, which 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. The 3 year annualized standard deviation is calculated using monthly data gross of fees. The U.S. Dollar is the currency used to express performance. 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, gross of fees. Additional information regarding the policies for valuing investments, calculating performance, and preparing GIPS® reports 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.

As of 6/09/16, the S&P High Yield Dividend Aristocrats Index is no longer presented, since it is no longer considered representative of the strategy. The benchmark change was applied retroactively. The Dividend Income Composite was created and has an inception date of January 1, 2011. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

**Gross Rate of Return** is the total rate of return on an investment before the deduction of any fees, commissions, or expenses. Often quoted as the rate of return on an investment in strategy marketing materials. Returns for more than a year are often annualized, which provides the geometric average return of an investment for each year over a given time period.

**Net Rate of Return** is the total rate of return on an investment after the deduction of any fees, commissions, or expenses. Often quoted as the rate of return on an investment in strategy marketing materials. Returns for more than a year are often annualized, which provides the geometric average return of an investment for each year over a given time period.

**The Russell 1000® Value Index** measures the performance of those Russell 1000® Index companies with lower price-to-book ratios and lower forecasted growth values.

**Price to Earnings Ratio** also called the P/E ratio, tells investors how much a company is worth. The P/E ratio simply the stock price divided by the company's earnings per share for a designated period like the past 12 months. The price/earnings ratio conveys how much investors will pay per share for \$1 of earnings.

**Portfolio Turnover (TTM)** is a measure of how quickly securities in a fund are either bought or sold by the fund's managers, over a given period of time. The rate of turnover is important for potential investors to consider, as funds that have a high rate will also have higher fees to reflect the turnover costs.

**Upside Capture Ratio** is the statistical measure of an investment manager's overall performance in up-markets. It is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen.

**Downside Capture Ratio** is a statistical measure of an investment manager's overall performance in down-markets. It is used to evaluate how well an investment manager performed relative to an index during periods when that index has dropped. The ratio is calculated by dividing the manager's returns by the returns of the index during the down-market and multiplying that factor by 100.

**Dividend Yield** is a financial ratio that tells you the percentage of a company's share price that it pays out in dividends each year.

**Standard Deviation** is a way to measure the volatility of a stock, bond, fund or other financial instrument. Sometimes referred to as "volatility," it's one of the most commonly used metrics to project potential returns or losses from an investment.

**Beta (β)** is a measure of the volatility—or systematic risk—of a security or portfolio compared to the market as a whole (usually the S&P 500). Stocks with betas higher than 1.0 can be interpreted as more volatile than the S&P 500.

**Sharpe Ratio** compares the return of an investment with its risk. It's a mathematical expression of the insight that excess returns over a period of time may signify more volatility and risk, rather than investing skill.

**Sortino Ratio** is a variation of the Sharpe ratio that differentiates harmful volatility from total overall volatility by using the asset's standard deviation of negative portfolio returns—downside deviation—instead of the total standard deviation of portfolio returns.

**Treynor Ratio** is a risk-adjusted measurement of return based on systematic risk. It indicates how much return an investment, such as a portfolio of stocks, a mutual fund, or exchange-traded fund, earned for the amount of risk the investment assumed.

**Average Annual Dividend Growth** calculates the annualized average rate of increase in the dividends paid by a company. Calculating the dividend growth rate is necessary for using a dividend discount model for valuing stocks

**Annualized Returns** an annualized rate of return is calculated as the equivalent annual return an investor receives over a given period. The Global Investment Performance Standards dictate that returns of portfolios or composites for periods of less than one year may not be annualized. This prevents "projected" performance in the remainder of the year from occurring.

**Market Capitalization Weighted** is average market capitalization is a type of market index in which each component is weighted according to the size of its total market capitalization. Market capitalization is the sum of the total value of a company's outstanding shares multiplied by the price of one share.

**Market Capitalization Median** The midpoint of market capitalization (market price multiplied by the number of shares outstanding) of the stocks in a portfolio. Half the stocks in the portfolio will have higher market capitalizations; half will have lower.

**Top 10 Holdings** The Securities identified and described do not represent all of the securities purchased, sold or recommended for client accounts. Actual portfolio holdings may vary for each client and there is no guarantee that a particular client's account will hold any or all the securities identified. The reader should not assume that an investment in the securities identified was or will be profitable.

Note: Returns less than a one-year period are not annualized. 1Period: 12/31/2010 – 12/31/2023. 2The Russell 1000 Value Index was the benchmark used for calculation purposes. 3Scales are inverted for Standard Deviation, Beta and Downside Capture. All portfolio information (Top 10 Holdings, Portfolio Characteristics, Sector Allocation, Portfolio Statistics and Matrix's Defensive Construction) is supplemental to the GIPS Composite Presentation which is an integral part of this disclosure presentation. Portfolio Characteristics and Sector Allocation uses the SPDR S&P 500 ETF as a representative of the S&P 500 Index. Performance and statistics rankings are based on the eVestment Alliance's U.S. Large Cap Value Equity Universe (252 products as of 1/15/2024 since the inception period). 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. Advisory services offered through Matrix Asset Advisors, an Investment Adviser registered with the U.S. Securities & Exchange Commission. The information provided is for demonstrative and is NOT a recommendation to buy. No offer is made to buy or sell any security or investment product. This is not a solicitation to invest in any investment product of Matrix Asset Advisors. Matrix Asset Advisors does not provide tax or legal advice. Consult with your tax advisor or attorney regarding specific situations. Opinions expressed are subject to change without notice and are not intended as investment advice or to predict future performance. Investing involves risk, including the potential loss of principal. No investment can guarantee a profit or protect against loss in periods of declining value. All information is believed to be from reliable sources; however, we make no representation as to its completeness or accuracy. As with any analysis of economic and market data, it is important to remember that past performance is no guarantee of future results.

All data is through (or as of) 12/31/2023 unless otherwise noted. Source: Matrix Asset Advisors, Bloomberg, eVestment Alliance.

\*The average annual dividend growth is calculated thru 12/31/2023.

\*\*Since Inception: 1/1/2011. \*\*\* Annualized Returns, Beta, Downside Capture, Standard Deviation and Sharpe Ratio are calculated monthly and are for the period 1/1/2011 – 12/31/2023 period unless otherwise noted.

For more information about Matrix Asset Advisors, please visit our website at [www.MatrixAssetAdvisors.com](http://www.MatrixAssetAdvisors.com). Our website includes our firm's Client Relationship Summary document.

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For more information about Matrix Asset Advisors, please visit our website at [www.MatrixAssetAdvisors.com](http://www.MatrixAssetAdvisors.com). Our website includes our firm's Client Relationship Summary document.