

DECEMBER 31, 2020

Dana Epiphany ESG Small Cap Equity Fund Market Commentary



Overview

Pressured by COVID-19 stress and pre-election uncertainty, U.S. equities retreated in the last three weeks of October. Following the election in early November, equities moved higher and were further bolstered by encouraging vaccine news from both Pfizer and Moderna. The market then broadened, and value indices outperformed growth indices for the first full quarter since 2018. However, much of the outperformance in value came from sector rotations and strong rebounds in lower-quality stocks. Mid-cap and small-cap stocks outperformed large-cap stocks by wide margins in Q4, with the Russell 2000 Index producing its single largest quarterly return since inception in 1984, up +31.37%. Despite all of the turmoil, uncertainty, and economic disruptions that arose during 2020, the Russell 2000 Index still managed to produce a generous +13.32% return for the year. From trough levels on March 23rd through year end, our investors were rewarded with a +98.50% bounce, in-line with the Index's +99.05% return.

The Dana Epiphany ESG Small Cap Fund (the 'Fund') finished the quarter up +29.04%, posting the Fund's single best quarter ever, having benefited from improving market breadth and generally strong equity market returns. Positive news regarding several different vaccines helped to quickly move the market in the direction of companies that could benefit from further reopening and continued economic recovery. While many of these companies were standout performers in Q4, they typically remained laggards for the full year 2020. Conversely, numerous companies that provided solid performance through the first three quarters of the year saw their returns suffer on a relative basis in Q4. The Fund continues to find investment opportunities across the small-cap landscape. We expect the economic recovery to further unfold in 2021, providing better visibility and prospects for the Fund's holdings.

Sector Contributors

INFORMATION TECHNOLOGY

The Fund's exposure to semiconductors and software companies proved accretive. Semiconductor stock Cohu, Inc. (COHU) more than doubled in Q4, far surpassing estimates and raising guidance expectations on 5G and autos and operational enhancements. Rapid7, Inc. (RPD), a security software company, reported a strong quarter as customers spent more on RPD's expanding security platform.

FINANCIALS

Bank holdings rebounded on increasing yields and economic prospects. Western Alliance Bancorporation (WAL) and Pinnacle Financial Partners, Inc. (PNFP) soared in the quarter on the heels of better loan-loss provisions and loan growth.



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Sector Detractors

HEALTH CARE

The biotech industry remained on fire as massive development efforts, capex and positive trial data garnered investor attention. Fund holdings Ligand Pharmaceutical Incorporated (LGND) and Emergent BioSolutions, Inc. (EBS) struggled to keep up as therapeutics became “old” news.

REAL ESTATE

Leveraged distressed companies rallied in November, and the Fund holds higher quality stocks that lagged. QTS Realty Trust, Inc. (QTS) and Global Medical REIT, Inc. (GMRE) are doing well fundamentally; however, their shares took a breather during the quarter.

Select Additions

COLFAX CORPORATION (CFX)

CFX is an industrial company with two primary segments. ESAB provides manufacturing and services for metal fab companies and DJO sells orthopedic products. The MedTech segment is undervalued versus peers and the company continues to make transformative acquisitions.

ELEMENT SOLUTIONS, INC. (ESI)

ESI is a chemical company with a diversified end market exposure coupled with electronic manufacturing related to 5G and autos that should ramp up margins and valuation.

Select Deletions

COMFORT SYSTEMS USA, INC. (FIX)

Slower than expected organic growth overshadowed good Q3 earnings. Difficult comps ahead from strong 2020 while other industrial companies present better opportunity.

CUBIC CORPORATION (CUB)

An Industrial technology company that recently benefitted from private equity interests, but near-term business expectations are lower due to COVID impacts and budget uncertainties.

HOULIHAN LOKEY (HLI)

Financial service company that benefitted from restructuring demand in 2020. With valuation at strong level used the opportunity to swap into a bank as yield curve takes new shape.

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Portfolio

ANNUALIZED RETURNS as of 12/31/20

	TICKER	QTD	YTD	1 Year	3 Years	5 Years	Since Inception
Dana Epiphany ESG Small Cap Equity Fund	DSCIX	29.04%	13.32%	13.32%	4.56%	7.16%	5.83%
Russell 2000 Index TR		31.37%	19.96%	19.96%	10.25%	13.26%	11.85%

The gross expense ratio for the institutional class is 1.88%.

The performance of the Fund quoted is past performance and does not guarantee future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data as of the most recent month may be obtained by calling 1-855-280-9648.

TOP HOLDINGS as of 12/31/20, subject to change

DECKERS OUTDOOR CORPORATION	2.32%
TOPBUILD CORP.	2.32%
BOOT BARN HOLDINGS, INC.	2.29%
BLOOMIN' BRANDS, INC.	2.27%
OMNICELL, INC.	2.25%
GROUP 1 AUTOMOTIVE, INC.	2.14%
ENVISTA HOLDINGS CORP.	2.09%
SIMPLY GOOD FOODS CO	2.08%
MASTEC, INC.	2.07%
CONMED CORPORATION	2.07%

Current and future portfolio holdings are subject to risk.

“We expect the economic recovery to further unfold in 2021, providing better visibility and prospects for the Fund’s holdings.”

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There is no guarantee that this, or any, investment strategy will succeed. Mutual funds involve risk, including possible loss of principal. Small cap investing involves greater risk no associated with investing in more established companies, such as greater price volatility, business risk, less liquidity, and increased competitive threat.

Before investing you should carefully consider the investment objectives, risks, charges and expenses of the Dana Funds. This and other important information about the Fund is contained in the prospectus, which can be obtained by visiting www.DanaFunds.com or by calling 855-280-9648. The prospectus should be read carefully before investing. The Dana Funds are distributed by Ultimus Fund Distributors, LLC member FINRA. Dana Investments Advisors is not affiliated with Ultimus Fund Distributors, LLC.

The funds may lose money due to fluctuations within the stock market which may be unrelated to individual issuers and could not have been predicted. The price of the securities which the funds hold may change unpredictably due to local, regional, international, or global events. In the case of a general market downturn, multiple asset classes, or the entire market, may be negatively affected for an extended and unknown amount of time.