

JUNE 30, 2021

Dana Epiphany ESG Small Cap Equity Fund Manager Commentary

Overview

Beginning the quarter with strong momentum, the market set 8 new record highs for the S&P 500 Index in the first 11 trading days. Q1 earnings for the S&P 500 Index came in at the highest level ever, with the majority of companies reporting positive surprises on both EPS and revenue. Equities then retreated mid-quarter, as the April jobs report and other economic indicators were very positive but softer than expected. Interest rates fell as a result, which helped the bid for larger growth companies and weakened demand for value and interest-rate sensitive companies. Inflation and the Fed had remained in the crosshairs as we've proceeded through the recovery. After sprinting ahead in the first quarter, small-cap gains in Q2 were modest versus large-cap gains. Yet on a year-to-date basis, the Russell 2000 Index is up +17.54%, outshining the Russell large-cap indexes, as well as the S&P 500 Index. Q2 ended with the S&P 500 Index closing at record highs in each of the last 5 trading days in the quarter, all while hitting daily closing peaks 19 times during Q2 and 34 times in total so far in 2021. The S&P 500 Index produced a strong +8.55% total return for the quarter, and is up +15.25% year-to-date.

The Dana Epiphany ESG Small Cap Equity Fund (the 'Fund') finished the quarter up +4.15%, with a year-to-date total return of +21.11%, outperforming its benchmark in both periods. Since the beginning of the year, small-cap earnings and revenue estimates have continued to grow much more than larger peers have, helping to maintain the relative attractiveness of small cap valuations despite having such a strong start to the year.

Sector Contributors

MATERIALS

The sector benefited from a surge in commodity prices as metals companies paced the group. Other industries were stock specific, including Summit Materials, Inc. (SUM) and Element Solutions, Inc. (ESI), which both rallied on good earnings reports. Summit is seeing volume growth in cement and aggregates and pricing is stable to positive. Element Solutions reported large revenue and EBITDA beats with particular strength in auto and electronic end markets.

INFORMATION TECHNOLOGY

A rotation into value tech names boosted returns of IT services holdings Perficient, Inc. (PRFT) and DXC Technology Company (DXC). DXC continues to see multiple expansion. Perficient beat earnings and raised estimates, and disclosed a record pipeline.

REAL ESTATE

REITs rallied on more reopening and stable-to-declining interest rates. STAG Industrial, Inc.

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.



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(STAG) continues to gain from ecommerce distribution activity, and QTS Realty Trust, Inc. (QTS) was bought out by Blackstone at a decent premium.

Sector Detractors

HEALTH CARE

The market reacted harshly to a mixed report from Fund holding SAGE Therapeutics, Inc. (SAGE) regarding a product for depression with a rapid onset versus the current standard of care. Cytokinetics, Inc. (CYTK) declined on an absence of news about an important phase 2 drug study for a cardiomyopathy indication.

COMMUNICATION SERVICES

This sector was a strong performing sector in Q2, and while Bandwidth, Inc. (BAND), TechTarget, Inc. (TTGT), and Vonage Holdings Corporation (VG) posted double-digit returns, they did not keep up with the benchmark constituents.

ENERGY

Mixed performance in Energy sector holdings led to slight lag for this sector.

Select Additions

PDC ENERGY, INC. (PDCE)

This domestic exploration and production company with a solid balance sheet and a pathway to free cash flow is focused on a 3-year plan to generate \$2b in FCF at \$55 bbl oil. PDCE is buying back shares and targeting debt reduction.

CAMBIUM NETWORKS CORPORATION (CMBM)

CMBM is a wireless broadband infrastructure company serving network operators. It is benefiting from new products and rural broadband investment that should benefit from federal rural broadband investment funds.

GATES INDUSTRIAL CORPORATION (GTES)

Gates makes power transmission and fluid transfer products for industrial, machinery, and auto end markets. Current estimates could be conservative if the firm hits its margin and revenue goals. GTES has been lagging, but Q1 revenue beat suggests acceleration.

Select Deletions

CIMAREX ENERGY CO. (XEC)

Cimarex is merging with Cabot Oil & Gas at minimal premium that perplexed investors. XEC had been both a defensive quality domestic play, yet the combined entity is likely to acquire more assets and re-lever.

DXC TECHNOLOGY COMPANY (DXC)

DXC has seen considerable multiple expansion in the last 12 months and its market value is approaching \$10 billion. Execution risk still remains.

QTS REALTY TRUST, INC. (QTS)

QTS is a data center technology REIT that agreed to be purchased by Blackstone Group in early June at a significant premium to its prior closing price and at an all-time high. The buyout vindicates management's restructuring of the business and refocusing on key lines.

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Portfolio

ANNUALIZED RETURNS as of 6/30/21

	TICKER	QTD	YTD	1 Year	3 Years	5 Years	Since Inception
Dana Epiphany ESG Small Cap Equity Fund	DSCIX	4.15%	21.11%	62.28%	11.24%	11.77%	8.93%
Morningstar US Small Core Index		2.52%	17.65%	54.48%	10.63%	12.96%	11.53%
Russell 2000 Index		4.29%	17.54%	62.03%	13.52%	16.47%	13.96%

Epiphany ESG Small Cap – 11/02/2015

The gross expense ratio for the institutional class is 2.58%.

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*The Dana Epiphany ESG Small Cap Fund has changed its primary benchmark from the FTSE Russell 2000 Index to the Morningstar US Small Core Index. Access to the FTSE Russell 2000 Index data has become cost-prohibitive for the Fund. The composition of the two indexes is substantially similar, and in the opinion of Dana Investment Advisors, Inc., investment adviser to the Fund, the Morningstar US Small Core Index provides an appropriate broad-based market comparison for the Fund.

TOP HOLDINGS as of 6/30/21, subject to change

ADVANCED DRAINAGE SYSTEMS, INC.	2.14%
DECKERS OUTDOOR CORPORATION	2.14%
GROUP 1 AUTOMOTIVE, INC.	2.08%
BOOT BARN HOLDINGS, INC.	2.06%
HANNON ARMSTRONG SUS. INFRA.	2.01%
ENSGIN GROUP, INC.	2.01%
CONMED CORP	1.97%
ENVISTA HOLDINGS CORP	1.94%
JEFFERIES FINANCIAL GROUP, INC.	1.94%
MALIBU BOATS, INC. CL A	1.90%

Current and future portfolio holdings are subject to risk.

The universe of acceptable investments for the Fund may be limited as compared to other funds due to the Fund's ESG investment screening. Because the Fund does not invest in companies that do not meet its ESG criteria, and the Fund may sell portfolio companies that subsequently violate its screens, the Fund may be riskier than other mutual funds that invest in a broader array of securities.

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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.