

JUNE 30, 2021

Dana Epiphany ESG 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, following a disappointing April jobs report and otherwise positive economic indicators that often came with red flags. Throughout the quarter, inflation received added attention as debates over how much was “transitory” or tied to “base effects” began to heat up. Monetary policy, fiscal policy, and money flows continued to dominate market behavior. Fundamentals became more relevant as well, but market responses to fundamental data generally remained muted by the unique circumstances created by the pandemic. Long-term interest rates trended downward, which lent support to long-duration growth stocks, and helped the Russell 1000 Growth Index outperform the Russell 1000 Value Index by more than 6.5% for the quarter. This was especially evident with growth stocks showing considerable strength in both April and June. 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 Equity Fund (the ‘Fund’) finished the quarter up +5.82%, with a year-to-date total return of +15.19%. Due to COVID-19, the Fund experienced higher turnover during 2020 and into the first quarter of 2021. Having already re-positioned the portfolio in advance of the recovery that is underway, Q2 turnover was extremely light. We are keeping our eye on inflation and any downward pressure this may exert on margins for Fund holdings, while continuing our search for companies demonstrating pricing power. Although we remain optimistic towards equities, we expect a reduction in the pace of growth in equity returns in the second half of the year.

Sector Contributors

MATERIALS

Both Fund holdings, Nucor Corporation (NUE) and Avery Dennison Corporation (AVY), posted double-digit returns well above the sector average, driven by pricing and margin strength at both companies.

COMMUNICATION SERVICES

Alphabet, Inc. (GOOGL) and Facebook, Inc. (FB) led the portfolios in the sector, but underweight positions in these stocks hurt relative performance. Double-digit returns from T-Mobile US, Inc. (TMUS) and Interpublic Group of Companies (IPG), and lack of exposure to several weak performers in this small sector, allowed the Fund to overcome the headwind from concentrated sector leadership.

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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FINANCIALS

Rising spending and lower credit risk for individuals led to a strong return from Discover Financial Services (DFS). Morgan Stanley (MS) also contributed to relative strength for the Fund in the Financials sector.

*Sector Detractors***INFORMATION TECHNOLOGY**

Lack of exposure to the exceptional return from NVIDIA Corporation (NVDA) was the largest source of underperformance in Information Technology, with underweights to Microsoft Corporation (MSFT) and Apple, Inc. (AAPL) also hurting relative performance.

HEALTH CARE

A steep decline in Emergent Biosolutions, Inc. (EBS) accounted for the Fund's largest negative contribution during the quarter. Negative returns from new position Cigna Corporation (CI) and Encompass Health Corporation (EHC) also detracted from performance.

INDUSTRIALS

A decline in the stock of Alaska Air Group, Inc. (ALK) was a detractor for the Fund, with negative returns from Regal Beloit Corporation (RBC), Deere & Company (DE) and Norfolk Southern Corporation (NSC) also hindering performance.

*Select Additions***CIGNA CORPORATION (CI)**

Cigna's managed care business should see robust growth as enrollment in Medicare Advantage remains elevated due to market and product expansion and baby boomers aging into Medicare. Strong cash flow generation allows for significant capital returned to shareholders and potential accretive M&A. With the stock trading at a discounted valuation, the reward versus risk appears quite favorable.

IQVIA HOLDINGS, INC. (IQV)

Clinical trials have long life cycles and are highly complicated. The intricacy of numerous laws, regulations, and practices convinces many pharmaceutical companies to contract out these services to companies like IQVIA. Fueled by growing R&D budgets and easy biotech financing, demand for clinical services is increasing, providing a nice tailwind. Steady earnings growth, an undemanding valuation, and strong execution make this stock appealing.

*Select Deletions***ALASKA AIR GROUP, INC. (ALK)**

Alaska Air was added to the Fund late in 2020 to gain exposure to travel which was expected to rebound significantly from 2020 lows as vaccine development encouraged travelers (and investors). ALK stock rebounded sharply, matching its 2019 high, despite revenue well below 2019 levels, higher debt, an increased share count, and cost pressures. We expect future gains in the stock to be more difficult.

MASTERCARD, INC. (MA)

While we remain positive on Mastercard in the long-term, payments processing stocks have been relative laggards in the past year. We elected to consolidate exposure to this industry group by removing Mastercard, in part due to higher-than-expected expenses in the most recent quarter that are likely to persist for the remainder of 2021.

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Portfolio

ANNUALIZED RETURNS *as of 6/30/21*

	TICKER	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Dana Epiphany ESG Equity Institutional	ESGIX	5.82%	15.19%	37.30%	15.17%	15.09%	11.23%	9.04%
S&P 500 Index		8.55%	15.25%	40.79%	18.67%	17.65%	14.84%	11.23%

Epiphany ESG – 02/13/2008

The gross expense ratio for the institutional class is 2.00%.

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

APPLE, INC.	3.20%
MICROSOFT CORP	3.09%
LAM RESEARCH CORP	2.05%
DECKERS OUTDOOR CORP	2.04%
ALPHABET, INC. CL A	2.01%
TE CONNECTIVITY LTD.	1.97%
TEXAS INSTRUMENTS, INC.	1.96%
MORGAN STANLEY	1.95%
CDW CORP.	1.92%
HANNON ARMSTRONG SUS. INFRA.	1.92%

Current and future portfolio holdings are subject to risk.

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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; past performance is not an indicator of future performance; and investment results may vary. Mutual funds involve risk, including possible loss of principal. The S&P 500 Index is a widely recognized unmanaged index of equity prices and are representative of a broader market and range of securities than is found in the Fund's portfolio. The Index returns do not reflect the deduction of expenses, which have been deducted from the Fund's returns. The Index return assumes reinvestment of all distributions and does not reflect the deduction of taxes and fees. Individuals cannot invest directly in the Index, however, an individual can invest in exchange traded funds or other investment vehicles that attempt to track the performance of a benchmark index.

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 at 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.