

DECEMBER 31, 2021

Dana Epiphany ESG Small Cap Equity Fund Manager Commentary

Overview

In 2021, the S&P 500 Index returned +28.71% in another strong year for US equity markets. While the market did pullback coming into October and into December, these retreats were both brief and shallow. A Santa Claus rally then capped a +11.03% Q4 return for the S&P 500 Index. Even though the year was replete with challenges and stress, the buoyant S&P 500 Index set 70 record high daily closing values in 2021. Since 1929, only 1995 had more all-time closing highs. The S&P 500 Index has returned a remarkable +16.73% annualized since 3/31/2009, the depths of the global financial crisis. What a period for equities!

The Dana Epiphany ESG Small Cap Equity Fund (the 'Fund') delivered a +8.13% return in Q4, and an excellent return of +30.97% for the full-year 2021. A broadening out of the market, operating margin expansion (underpinned by a better macro environment) and the outperformance of Value versus Growth styles proved to be strong tailwinds for the Fund. Stock selection was also very strong in Q4 and the year. For the quarter, Health Care stock selection was particularly strong as the Fund's holdings. M&A activity remained high and the Fund experienced a number of key holdings that have been purchased at meaningful premiums throughout the year. While the transition to 2022 will likely present new challenges in the market, we see numerous companies providing fundamental performance that should reward investors.

Sector Contributors

HEALTH CARE

Large declines dominated the sector, punishing high valuation growth companies as COVID-19 re-emerged. Positive news contributed strongly in this type of environment. In equipment, CONMED Corporation (CNMD) and Envista Holdings Corporation (NVST) announced strong quarterly results. Omnicell, Inc. (OMCL), a medical management technology and solutions provider, continues to demonstrate strong performance during the pandemic's ups and downs.

MATERIALS

Specialty chemical company Avient Corporation (AVNT) beat expectations and upped guidance while also announcing new long term targets in December. AVNT is targeting annual revenue growth of 6.5% and 10% adjusted EBITDA growth. Summit Materials, Inc. (SUM) reported earnings and EBITDA upside. Management hit profitability metrics and reduced leverage.

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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Sector Detractors

FINANCIALS

Growth oriented insurance companies led that industry in the index while Fund holdings, Hanover Insurance Group, Inc. (THG) and Primerica, Inc. (PRI), were “flattish” for the quarter.

INFORMATION TECHNOLOGY

Despite strong relative performance from software industry holdings, info tech came up short as communications equipment holdings, Cambium Networks Corporation (CMBM) and CommScope Holding Company, Inc. (COMM) suffered weak quarters and guidance due to supply chain difficulties.

Select Additions

RADIUS GLOBAL INFRASTRUCTURE, INC. (RADI)

RADI manages a portfolio of land with communication asset leases that generate significant cash flows. Leases aggregate rental cash flows of ground and rooftop cell towers, and the company is currently on pace to acquire 400mm of leases per year. RADI is financing assets mostly with debt and is more of a real estate asset company, but not a REIT. Its recent convertible and warrants should reduce the need for an equity raise in 2022. New assets are yielding about 6.4%.

SHOCKWAVE MEDICAL, INC. (SWAV)

SWAV is an interesting company with emerging cardio tech rolling out with increasing application opportunities and no direct competition yet. The company achieved net income profitability in Q3 for the first time, well ahead of expectations. Its revenue ramp is compelling.

Select Deletions

COMMSCOPE HOLDING COMPANY, INC. (COMM)

CommScope provides communications equipment for broadband and wireless networks. Supply chain headaches and lack of clarity in rural broadband funding dim near term expectations for the firm.

BANDWIDTH, INC. (BAND)

BAND has a cloud based communications platform service and owns its own voice IP network. The company suffered a DDoS attack in Q3 that impacts Q3 and Q4 margins. Uncertainty surrounds revenue growth and improving EBIT margin.

“The Fund delivered a +8.13% return in Q4, and an excellent return of +30.97% for the full-year 2021.”

Portfolio

ANNUALIZED RETURNS as of 12/31/21

	TICKER	QTD	YTD	1 Year	3 Years	5 Years	Since Inception
Dana Epiphany ESG Small Cap Equity Fund	DSCIX	8.13%	30.97%	30.97%	21.72%	10.81%	9.55%
Morningstar US Small Core Index		7.25%	21.17%	21.17%	18.58%	10.26%	11.07%
Russell 2000 Index		2.14%	18.82%	14.82%	20.02%	12.02%	12.32%

Epiphany ESG Small Cap Inception Date – 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 12/31/21, subject to change

CACTUS, INC.	2.25%
HORIZON THERAPEUTICS PLC	2.17%
ENVISTA HOLDINGS CORP	2.12%
OVINTIV, INC.	2.09%
COHU, INC.	2.15%
CONMED CORP	1.97%
STAG INDUSTRIAL, INC.	1.97%
BOOT BARN HOLDINGS, INC.	1.96%
DECKERS OUTDOOR CORPORATION	1.95%
GROUP 1 AUTOMOTIVE, INC.	1.94%

Current and future portfolio holdings are subject to risk.

“While the transition to 2022 will likely present new challenges in the market, we see numerous companies providing fundamental performance that should reward investors.”

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.