



DANA CATHOLIC ESG SMALL CAP EQUITY STRATEGY

QUARTERLY REVIEW

As of December 31, 2022

After three consecutive down quarters in 2022, the S&P 500 Index delivered a most welcome +7.56% return in the fourth quarter. While volatility kept investors on their toes, the bounce into December had good breadth. Importantly, earnings reports also remained satisfactory with most companies exceeding analyst expectations and avoiding worst-case market fears in their forecasts. Small cap stocks rebounded in Q4 as well, with the Russell 2000 Index up +6.23%. All benchmark sectors were up this quarter, except the Health Care sector, and the Energy sector led the way with the highest absolute return. This was a challenging year for markets, and one we certainly won't miss. However, we are pleased to see the "growth at any price" mentality dissipate. The Fed's inflation fighting interest rate hikes in 2022 compressed company valuations which led to significant declines across all market caps this past year. We expect the reset in valuations to help stabilize the equity market going forward, and a more fundamentally driven market favors Dana's active management and relative value approach.

The Dana Catholic ESG Small Cap Equity Strategy posted a strong Q4 return of +7.83%, well ahead of its benchmark. For the full year, the Strategy returned -20.92% versus a -20.44% return for the Russell 2000 Index. Patience was certainly a virtue the second half of this year. Several holdings that seemed out of favor over the dog days of summer and early fall rebounded strongly in Q4 as investors rotated out of momentum and growth indices, and took profits on winners. While equity returns could be challenged in the next few months by the "known unknown" of corporate earnings in the face of a potential recession, the resiliency of the U.S. economy, an equity market sustained by relatively good fundamentals, and reasonable valuations all support our favorable outlook for the Dana Catholic ESG Small Cap Equity Strategy for 2023 and beyond.

SECTOR CONTRIBUTORS

Health Care – Biotech and Pharma holdings led to positive industry returns vs. negative returns for the benchmark. Horizon Therapeutics PLC (HZNP) rallied after two rough quarters as Amgen decided it was the right fit to add to their stable. Axsome Therapeutics, Inc. (AXSM) hit the market with its newly approved drug for major depression in October, and released positive clinical results on secondary indication for Alzheimer's agitation.

Consumer Staples – e.l.f. Beauty, Inc. (ELF) continues to gain shelf space and expand market share with their line of low priced cosmetics. Q3 sales and EBITDA beat estimates and margins are improving as sales grow and leverage SG&A investment. Simply Good Foods Company (SMPL) beat cautious estimates and is showing better than expected product momentum.

SECTOR DETRACTORS

Industrials – Advanced Drainage Systems, Inc. (WMS) saw demand dip below expectations due, in part to Hurricane Ian impacts. Regal Rexnord Corporation (RRX) fell during Q4 2022 after the company announced a significant acquisition that brings execution risk and a large amount of debt with it.

Energy – Crude oil and Natural gas prices declined during a volatile quarter as macro tensions and supply questions remain in focus. This hurt new holding Matador (MTDR) which has more beta to a changing commodity price deck as it has new capex in play aimed at production growth. Ovintiv, Inc. (OVV) lagged yet still managed a double-digit return.

Characteristics ^{a b}	Dana Catholic ESG Small Cap	Ru2000 ETF
Market Cap (\$ billions)	4.9	2.7
Median Market Cap (\$ billions)	4.3	0.9
Dividend Yield (%)	1.2	1.4
3 Year Dividend Growth (%)	9.1	1.4
Return on Equity (ROE) (%) ²	17.9	10.1
P/E NTM ¹	15.0	22.4
P/E LTM ¹	15.0	24.1
Historical 3Yr Sales Growth (%)	17.4	13.4
PEG	0.9	1.6

Weighted Average unless noted:

¹ Weighted Harmonic Average; ² Weighted Median

Statistics (net of fees) ^b	Dana Catholic ESG Small Cap	Russell 2000 Index
Monthly Returns Since 6/30/2014		
Alpha	-0.31	-
Beta	0.96	1.00
Sharpe Ratio	0.23	0.25
Batting Average	.461	-
Information Ratio	-0.12	-

SELECT ADDITIONS

Matador Resources Company (MTDR) – This Texas-based domestic exploration company has an amount of midstream assets which support its operations. Matador has demonstrated strong execution on production, realizations, and expense management. FCF is going toward paying down debt, dividends, and adding a seventh rig which supports 2023 production growth.

Lattice Semiconductor Corporation (LSCC) – LSCC makes programmable logic chips and is a leader in the low power niche, which is outgrowing current semiconductor trends. Lattice is returning cash through repurchases, and its newly launched Avant platform is positioned to take market share.

SELECT DELETIONS

Rapid7, Inc. (RPD) – Rapid7 offers a cloud security software platform. The company has diversified away from virtual machine and pursued bigger opportunities that have low penetration. Hiccups in sales goals have required additional investments in the salesforce. Management is hoping a new pricing strategy will help, but this will likely require a few quarters before recurring revenue growth hits targets.

CONMED Corporation (CNMD) – This company provides surgical equipment for minimally invasive surgery. CONMED has been impacted by headwinds in forex, supply chains, and staffing shortages at hospitals. Margins will face continued pressure and top line estimates may be too optimistic.

Average Annual Total Return as of 12/31/2022	Unannualized	1 Year	3 Year	5 Year	Since Inception
	Quarter				
Dana Catholic ESG Small Cap Equity Strategy (gross of fees)	8.00	-20.37	6.04	4.78	6.17
Dana Catholic ESG Small Cap Equity Strategy (net of fees)	7.83	-20.92	5.35	4.11	5.49
Russell 2000 Index	6.23	-20.44	3.10	4.13	6.10

Sector Allocation (%) as of 12/31/2022	Dana Catholic ESG Small Cap	Ru2000 ETF
Communication Services	2.44	2.58
Consumer Discretionary	10.38	10.54
Consumer Staples	4.01	3.60
Energy	7.16	6.80
Financials	16.89	17.21
Health Care	16.81	16.87
Industrials	15.45	15.45
Information Technology	12.60	12.72
Materials	4.18	4.30
Real Estate	6.76	6.42
Utilities	3.31	3.50

Dana Catholic ESG Small Cap Equity Strategy Top 10 Holdings (%) as of 12/31/2022	
Horizon Therapeutics	2.43
Evercore Inc	2.06
Ensign Group Inc	2.00
Primerica Inc	2.00
e.l.f. Beauty Inc	1.99
Axis Capital Holdings Ltd	1.97
Wintrust Financial Corp	1.95
Envista Holdings Corp	1.95
Synovus Financial Corp	1.93
Omniceil Inc	1.92

Due to rounding, totals may not equal 100%

	6/30/2014 to 12/31/2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Return Gross of Fees	1.75%	2.26%	11.75%	13.29%	-14.42%	23.76%	13.69%	31.72%	-20.37%
Total Return Net of Fees	1.50%	1.64%	10.95%	12.55%	-14.97%	23.03%	12.97%	30.87%	-20.92%
Benchmark Return	1.66%	-4.41%	21.31%	14.65%	-11.01%	25.52%	19.96%	14.82%	-20.44%
Composite 36 Month Standard Deviation	N/A	N/A	N/A	12.59%	15.42%	16.31%	25.76%	23.86%	26.14%
Benchmark 36 Month Standard Deviation	N/A	N/A	N/A	13.91%	15.79%	15.71%	25.27%	23.35%	26.02%
Number of Portfolios	1	2	3	3	3	3	5	5	5
Internal Dispersion	N/A	N/A*	0.25%	0.02%	0.58%	0.84%	0.57%	0.43%	0.38%
Composite Assets (US\$ millions)	1.1	10.1	16.0	17.2	13.6	16.0	27.5	34.4	37.1
% of Bundled Fee Assets	100.0%	10.7%	8.7%	9.2%	9.1%	7.9%	5.2%	4.7%	3.5%
Strategy Assets (US\$ millions)	1.1	10.1	16.0	17.2	13.6	16.0	27.5	35.1	37.6
Total Firm Assets (US\$ millions)	4,091.7	4,490.7	4,769.4	4,865.7	5,183.2	4,548.9	4,782.0	4,647.0	4,427.7
Total Entity Assets (US\$ millions)	5,383.3	6,634.5	7,172.0	7,538.4	7,454.1	7,142.0	7,185.0	7,662.0	6,816.3

*Only one account was in the composite for the entire year.

Strategy Assets and Total Entity Assets include applicable composite assets, wrap program assets and model portfolio assets and are presented as supplemental information. Dana does not have final trading authority on model portfolio assets, which are excluded from both Composite Assets and Total Firm Assets.

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- Definition of Firm:** Dana Investment Advisors, Inc. is an SEC-registered independent investment management firm established in 1980 and is not affiliated with any parent organization. Dana manages a variety of equity, fixed income, and balanced portfolios for primarily U.S. institutional, individual, and mutual fund clients.
- Composite Creation Date:** June 30, 2014.
- Composite Definition:** The Dana Catholic ESG Small Cap Equity composite includes all fee-paying, discretionary equity portfolios that invest in U.S. equities with the goal of providing long-term capital appreciation within a well-diversified Catholic ESG small cap strategy. The composite does not have a minimum size criterion for membership. A complete list of composite descriptions is available upon request.
- Benchmark Description:** The benchmark for the Dana Catholic ESG Small Cap Equity composite is the Russell 2000 Index.
- Performance and Fees:** Valuations are computed and performance is reported in U.S. dollars. Gross-of-fees returns are presented before investment management and custodial fees but after all trading expenses. The composite contains both traditional commission paying and bundled-fee (i.e., asset-based pricing) portfolios. Trading costs are allocated to bundled-fee portfolios at actual asset-based rates. If actual asset-based trading costs cannot be readily identified, the entire bundled fee (which may include costs for administration, investment management, custody, asset allocation, etc.), net of Dana's investment management fees, is deducted from the gross return. Net-of-fees returns are calculated by deducting Dana's actual investment management fees from the monthly gross-of-fees returns. Dana's current standard annual Catholic ESG Small Cap Equity fee schedule is 0.75% on the first \$10MM, 0.70% on the next \$15MM, and 0.65% thereafter; however, Dana's investment management fees may vary based upon the differences in size, composition and servicing needs of client accounts. Policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.
- Standard Deviation:** The 36-month annualized standard deviation measures the variability of the monthly net-of-fees composite and the benchmark monthly returns for the period. The 36-month annualized standard deviation is not presented for 2014 to 2016 as the periods were less than 36-months from the composite's inception.
- Internal Dispersion:** Dispersion is calculated using the equal-weighted standard deviation of annual net returns of those portfolios that were included in the composite for the entire year.

Past performance is not indicative of future results.

Characteristics for the iSHARES® Russell 2000 ETF ("Ru2000 ETF") are presented for informational purposes only and are merely intended to serve as an approximation of similar characteristics for the underlying index. Dana is neither affiliated with iSHARES®, nor its distributor, BlackRock Investments, LLC ("BLACKROCK®"). iSHARES® and BLACKROCK® are registered trademarks of BFA and its affiliates. Data and Chart Sources: Dana Investment Advisors; (a) FactSet Research Systems; (b) Morningstar Direct.