



# DANA LARGE CAP GROWTH EQUITY STRATEGY

## QUARTERLY REVIEW

As of June 30, 2023

The S&P 500 Index was up +8.74% in Q2, led by mega-cap technology stocks. AI-themed securities continued to rise, and this accounted for a number of outperformers in the Strategy. The U.S. economy remained resilient in Q2, despite scattered weakness in the macroeconomic data. As a result, market breadth improved in June and Industrial stocks reacted well to this tailwind. Growth, as measured by the Russell 1000 Growth Index was up +12.81% for the quarter, while the Russell 1000 Value Index delivered a more modest, yet still positive return of +4.07%.

Characteristics <sup>a b</sup>	Dana Large Cap Growth	Ru1000G ETF
Market Cap (\$ billions)	530.3	1052.6
Median Market Cap (\$ billions)	115.2	16.7
Free Cash Flow Yield <sup>3</sup>	2.8	2.9
3 Year Dividend Growth	10.1	8.7
Return on Assets (ROA) <sup>3</sup>	11.2	8.3
P/E NTM <sup>1</sup>	30.2	28.2
P/OCF <sup>1</sup>	22.5	23.4
Hist 3 Yr Sales % Growth <sup>3</sup>	17.1	12.4
PEG	1.3	1.7

Weighted Average unless noted:

<sup>1</sup> Weighted Harmonic Average; <sup>2</sup> Weighted Median; <sup>3</sup> Median

Statistics (net of fees) <sup>b</sup>	Dana Large Cap Growth	Russell 1000 Growth Index
Monthly Returns Since 2/28/2001		
Alpha	0.34	-
Beta	0.92	1.00
Sharpe Ratio	0.43	0.43
Batting Average	.444	-
Information Ratio	-0.04	-

The Dana Large Cap Growth Equity Strategy posted a Q2 return of +14.39% and is up +32.99% versus +29.02% for the benchmark YTD, significant rebounds from last year's tech swoon. Stock selection excelled in Communication Services and Industrials during the quarter. Information Technology holdings fell slightly shy of benchmark holdings, but still contributed significantly to absolute returns. Health Care stocks lagged the benchmark and sector holdings. We remain bullish on the ability of the Strategy to provide steady returns over time and are pleased to produce solid performance in a narrow first half market.

### SECTOR CONTRIBUTORS

**Industrials** – Uber Technologies, Inc. (UBER) produced upside free cash flow results while sentiment for TransUnion (TRU) improved due to stabilizing housing-related demand.

**Communications Services** – Meta Platforms, Inc. (META) and Alphabet, Inc. (GOOGL) soared again as AI interest continued to provide a tailwind to many communication and tech-related names.

### SECTOR DETRACTORS

**Information Technology** – Not owning NVIDIA Corporation (NVDA) was the largest sector detractor while an underweight to Apple, Inc. (AAPL) was the second largest detractor. CrowdStrike Holdings, Inc. (CRWD) and Salesforce, Inc. (CRM) were up, but lagged sector performance after strong first quarter returns.

**Health Care** – Catalent, Inc. (CTLT) declined on management execution issues while Thermo Fisher Scientific, Inc. (TMO) underperformed along with the broader bioprocessing group as post-Covid inventory destocking persisted.

### SELECT ADDITIONS

**S&P Global, Inc. (SPGI)** – S&P Global participates in a favorable investment ratings oligopoly that seems likely to persist for the foreseeable future. Debt issuance appears to be recovering from trough levels following a post-Covid slowing. We also like the steady growth potential of the company's investment software, data, and index-related businesses.

**Moderna, Inc. (MRNA)** – Investors have soured on Moderna's Covid vaccine potential. We don't have outsized hopes for Covid-related growth but see a large, diverse pipeline of mRNA opportunities, particularly in infectious disease and oncology. We are excited about early progress on personalized cancer "vaccines" and believe that mRNA-based therapies have a chance to be very successful in the coming years.

### SELECT DELETIONS

**Bank of America Corporation (BAC)** – The banking sector is challenged by rapidly increasing deposit costs, higher capital requirements, slowing loan growth and middling capital markets activity. We think Bank of America is one of the more attractive banks, but currently prefer other opportunities in the financial sector.

**Seagen, Inc. (SGEN)** – Pfizer announced its intention to acquire Seagen in March for a significant premium. We sold the stock to take advantage of the gain and avoid future antitrust risk.

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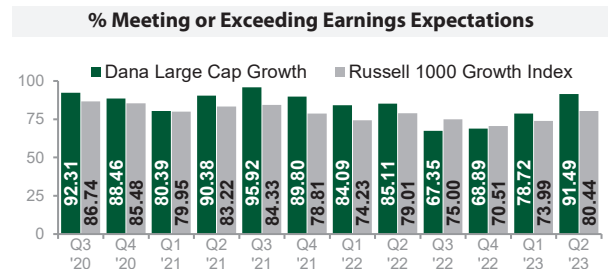
As of June 30, 2023

Average Annual Total Return (%) as of 06/30/2023	Unannualized							Since Inception†
	Quarter	YTD	1 Year	3 Year	5 Year	10 Year	20 Year	
<b>Dana Large Cap Growth Equity Strategy (gross of fees)</b>	<b>14.57</b>	<b>33.39</b>	<b>25.64</b>	<b>9.52</b>	<b>10.15</b>	<b>12.41</b>	<b>10.76</b>	<b>8.95</b>
<b>Dana Large Cap Growth Equity Strategy (net of fees)</b>	<b>14.39</b>	<b>32.99</b>	<b>24.92</b>	<b>8.94</b>	<b>9.59</b>	<b>11.87</b>	<b>10.25</b>	<b>8.45</b>
Russell 1000 Growth Index	12.81	29.02	27.11	13.73	15.14	15.75	11.49	8.70

Sector Allocation (%) as of 06/30/2023	Dana Large Cap Growth	Ru1000G ETF
Communication Services	7.60	10.74
Consumer Discretionary	14.95	15.98
Consumer Staples	4.89	4.42
Energy	1.94	0.49
Financials	6.17	6.39
Health Care	9.90	10.98
Industrials	9.49	5.96
Information Technology	43.35	43.33
Materials	0.38	0.70
Real Estate	0.70	0.96
Utilities	0.62	0.05

Due to rounding, totals may not equal 100%

Dana Large Cap Growth Top 10 Holdings (%) as of 06/30/2023	
Microsoft Corp	8.53
Meta Platforms Inc	5.45
Amazon.com Inc	5.39
Palo Alto Networks Inc	4.00
Uber Technologies Inc	3.98
Adobe Inc	3.95
ServiceNow Inc	3.64
Workday Inc	3.39
CrowdStrike Holdings Inc	3.38
Salesforce Inc	2.97



Dana's Large Cap Growth Equity Strategy holdings continue to execute well, experiencing more positive earnings surprises than the Russell 1000 Growth Index.

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD 2023
Total Return Gross of Fees	35.05%	15.77%	3.16%	1.64%	33.62%	-10.18%	32.27%	32.04%	22.18%	-35.13%	33.39%
Total Return Net of Fees	34.41%	15.27%	2.67%	1.17%	33.08%	-10.57%	31.60%	31.43%	21.58%	-35.50%	32.99%
Benchmark Return	33.48%	13.05%	5.67%	7.08%	30.21%	-1.51%	36.39%	38.49%	27.60%	-29.14%	29.02%
Composite 36 Month Standard Deviation	13.57%	10.40%	11.12%	11.35%	10.51%	12.49%	13.37%	18.96%	16.21%	22.46%	21.27%
Benchmark 36 Month Standard Deviation	12.18%	9.59%	10.70%	11.15%	10.54%	12.13%	13.07%	19.64%	18.17%	23.17%	21.41%
Number of Portfolios	97	101	97	103	84	70	56	40	32	19	20
Internal Dispersion	0.52%	0.53%	0.48%	0.31%	0.53%	0.70%	0.78%	1.18%	0.65%	0.60%	N/A
Composite Assets (US\$ millions)	327.6	331.5	295.5	270.5	265.0	206.0	145.7	113.9	69.4	17.6	22.3
% of Bundled Fee Assets	13.3%	14.8%	18.5%	36.0%	43.3%	47.8%	72.1%	83.3%	11.1%	26.8%	27.9%
Strategy Assets (US\$ millions)	351.0	366.4	393.7	351.7	363.9	264.2	204.8	176.4	136.2	58.5	70.0
Total Firm Assets (US\$ millions)	3,664.9	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	4,513.0
Total Entity Assets (US\$ millions)	4,486.3	5,383.3	6,634.5	7,172.0	7,538.4	7,454.1	7,142.0	7,185.0	7,662.0	6,810.3	6,890.0

Strategy Assets and Total Entity Assets are presented as supplemental information which includes applicable composite assets valued as of the most recent calendar quarter end, and wrap program assets, and model portfolio assets valued as of the prior calendar quarter end. 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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A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Dana Large Cap Growth composite has had a performance examination for the periods February 23, 2001 through December 31, 2022. The verification and performance examination reports are available upon request.

- 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:** February 23, 2001.
- Composite Definition:** The Dana Large Cap Growth 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 large cap growth oriented 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 Large Cap Growth composite is the Russell 1000 Growth Index.
- Composite Construction:** Prior to April 1, 2008, the composite included the Large Cap Growth segment of balanced accounts. Cash was allocated to these segments based on the average cash position of the Large Cap Growth "only" portfolios in the composite.
- 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. Prior to April 1, 2008, transaction costs were allocated to bundled fee trades at a per share commission rate equal to Dana's preferred list of non-directed institutional brokers. 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 Large Cap Growth fee schedule is 0.75% on the first \$10MM, 0.65% on the next \$15MM, and 0.50% 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.
- 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 1000 Growth ETF ("Ru1000G ETF") are presented for informational purposes only and are merely intended to serve as an approximation of similar characteristics for the underlying index.

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Data and Chart Sources: Dana Investment Advisors; (a) FactSet Research Systems; (b) Morningstar Direct; † Since inception performance is 02/28/2001.

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