



DANA SMALL CAP EQUITY STRATEGY

QUARTERLY REVIEW

As of June 30, 2022

The U.S. stock markets were negative for the second consecutive quarter with the first back-to-back quarterly declines in the S&P 500 Index since 2008-09. The S&P 500 Index fell -16.10% in Q2 and is down -19.96% YTD, the weakest first half of the year since 1970. The S&P 500 Index entered bear market territory in June, down -20% from its 1/3/2022 high, touching a YTD low of -23.55% on 6/16/2022, before rallying in the second half of June. Interconnected concerns on both monetary policy and inflation dominated investor thinking. The Fed raised short-term interest rates, in increasing increments, twice during Q2. Later in the quarter the Fed also began the process of slowly reducing its balance sheet (i.e., quantitative tightening). Costs rose significantly for consumers and businesses while many businesses began passing costs on to customers through price increases. Margins also retreated from their 2021 peaks. Supply chain issues remained and may persist, based on China's Covid response, helping fuel inflation while also creating inventory management problems for companies. The Russia-Ukraine conflict continued to drive volatility and uncertainty in commodities.

The Dana Small Cap Equity Strategy returned -16.52% in the second quarter, outperforming the benchmark return of -17.20%. Rotations among sectors, industries, and styles exacerbated share price movements. This was especially true in Energy where wild swings in the underlying commodities created risk-on and risk-off environments within the quarter. During the quarter, Strategy changes reduced cyclical beta and sought broader diversification. While we still see volatility persisting near term, we continue to find companies with solid businesses at reasonable valuations that should hold up well as the Fed attempts to tame inflation.

SECTOR CONTRIBUTORS

Consumer Discretionary – Group 1 Automotive (GPI), Deckers Outdoor (DECK), and Malibu Boats (MBUU) bucked the trend of a very risk-off discretionary sector. Group 1 raised their dividend and buyback authorization. Deckers sold off in Q1 on inventory concerns and rewarded investors in Q2 with strong sales and earnings beats. Malibu beat earnings and raised 2022 sales guidance to 28% growth.

Communication Services – Radius Global Infrastructure (RADI) reported an EBITDA beat and indicated they are exploring strategic options.

SECTOR DETRACTORS

Energy – It was a wild ride for investors as natural gas pulled back from its peak price of over \$9 and fell to \$5.29 by quarter end. Crude oil also dropped from above \$120 to \$105. Strategy holdings Ovintiv (OVV) and Cactus (WHD) fell with peers as their relative value and high quality financial positions were not enough to prevent selling.

Industrials – The recession playbook led to rotation out of cyclical Industrials, especially the transports, building products, and electrical equipment industries. Regal Rexnord (RRX), Advanced Drainage Systems (WMS), and Gates Industrial Corporation (GTES) fell on recession fears. Gates compounded their situation by delivering a quarter that reduced investor confidence in margin improvement.

Characteristics ^{a b}	Dana Small Cap Equity	Ru2000 ETF
Market Cap (billions)	\$ 4.3	\$ 2.5
Median Market Cap (billions)	\$ 3.6	\$ 0.9
Dividend Yield	1.1%	1.4%
3 Year Dividend Growth	9.0%	-2.6%
Return on Equity (ROE) ²	16.2%	8.5%
P/E NTM ¹	13.0	19.0
NTM Earnings Yield	7.2	4.9
Historical 3Yr Sales Growth	14.0%	10.5%
PEG	0.7	1.3

Weighted Average unless noted:

¹ Weighted Harmonic Average; ² Weighted Median

Statistics (gross of fees) ^b	Dana Small Cap Equity	Russell 2000 Index
Monthly Returns Since 7/31/1999		
Alpha	2.47	-
Beta	0.84	1.00
Sharpe Ratio	0.40	0.29
Batting Average	.509	-
Information Ratio	0.20	-

SELECT ADDITIONS

Clearway Energy, Inc. (CWEN) – This energy infrastructure yield company makes long-term investments in contracted clean energy assets, including solar and wind, and conventional natural gas contracts. The controlling investor is Global Infrastructure Partners.

Synovus Financial Corporation (SNV) – This well-managed regional financial company serves a demographically strong Southeast. Management is focusing on its wholesale banking and banking as a service initiative. SNV provides good earnings growth and lending opportunities. In the last three quarters this bank delivered double-digit loan growth. Its efficiency ratio was better than expected and still has room to be even better.

SELECT DELETIONS

Southwest Gas Holdings, Inc. (SWX) – Activist resolutions drove strong quarterly performance that provided a nice opportunity to swap into a utility with more strategic clarity and less construction industry exposure.

Primerica, Inc. (PRI) – Volatility in the equity market is hampering growth momentum. At this stage we see better opportunities in the Financials sector.

Average Annual Total Return
(gross of fees) as of 6/30/2022

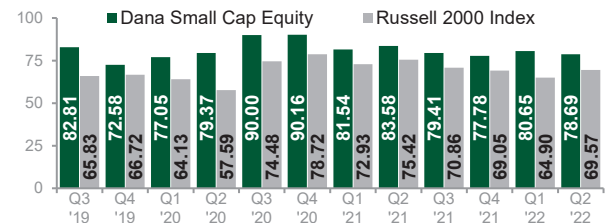
	Unannualized							Since Inception
	Quarter	YTD	1 Year	3 Year	5 Year	10 Year	20 Year	
Dana Small Cap Equity Strategy	-16.52%	-22.96%	-16.78%	5.51%	5.42%	9.84%	8.34%	9.12%
Russell 2000 Index	-17.20%	-23.43%	-25.20%	4.21%	5.17%	9.35%	8.17%	7.46%

Sector Allocation (%) as of 06/30/2022	Dana Small Cap Equity	Ru2000 ETF
Communication Services	2.89	2.82
Consumer Discretionary	9.59	10.17
Consumer Staples	4.34	3.77
Energy	6.77	5.56
Financials	16.59	17.11
Health Care	16.40	16.90
Industrials	15.06	14.90
Information Technology	13.35	13.73
Materials	3.92	4.13
Real Estate	7.70	7.34
Utilities	3.40	3.56

Due to rounding, totals may not equal 100%

Dana Small Cap Equity Top 10 Holdings (%) as of 06/30/2022	
Cactus Inc	2.40
Agree Realty Corp	2.27
e.l.f. Beauty Inc	2.27
Ovintiv Inc	2.21
The Simply Good Foods Co	2.04
SailPoint Technologies	1.97
Ensign Group Inc	1.93
Oasis Petroleum Inc	1.92
ShockWave Medical Inc	1.88
Spirit Realty Capital Inc	1.88

% Meeting or Exceeding Earnings Expectations



Dana's Small Cap Equity Strategy holdings continue to execute well, experiencing more positive earnings surprises than the Russell 2000 Index.

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD 2022
Total Return Gross of Fees	19.29%	46.27%	6.72%	2.13%	11.89%	13.23%	-15.28%	23.35%	13.63%	29.20%	-22.96%
Total Return Net of Fees	18.67%	45.57%	6.18%	1.56%	11.13%	12.49%	-15.84%	22.63%	12.93%	28.44%	-23.20%
Benchmark Return	16.35%	38.82%	4.89%	-4.41%	21.31%	14.65%	-11.01%	25.52%	19.96%	14.82%	-23.43%
Composite 36 Month Standard Deviation	19.15%	16.38%	12.49%	13.29%	14.14%	12.53%	15.56%	16.62%	25.95%	23.80%	24.14%
Benchmark 36 Month Standard Deviation	20.20%	16.45%	13.12%	13.96%	15.76%	13.91%	15.79%	15.71%	25.27%	23.35%	23.92%
Number of Portfolios	21	36	57	51	54	50	46	37	26	26	26
Internal Dispersion	0.22%	1.26%	0.53%	0.48%	0.61%	0.50%	0.65%	1.02%	1.59%	0.36%	N/A
Composite Assets (US\$ millions)	17.7	46.0	62.6	67.3	123.5	135.3	107.1	109.4	71.8	68.0	50.8
% of Bundled Fee Assets	11.4%	21.4%	30.5%	12.5%	8.1%	7.7%	7.4%	6.1%	2.1%	2.5%	2.5%
Strategy Assets (US\$ millions)	25.6	79.2	172.8	286.4	429.7	489.9	368.1	310.0	235.2	271.3	202.9
Total Firm Assets (US\$ millions)	3,264.2	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	4,517.9
Total Entity Assets (US\$ millions)	3,622.2	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	6,979.6

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.

Dana Investment Advisors, Inc. ("Dana") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. GIPS is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Dana has been independently verified for the periods January 1, 1992 through December 31, 2021.

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 Small Cap Equity composite has had a performance examination for the periods July 31, 1999 through December 31, 2021. 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:** July 31, 1999.
- Composite Definition:** The Dana 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 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 Small Cap Equity composite is the Russell 2000 Index.
- Composite Construction:** Prior to April 1, 2008, the composite included the Small Cap Equity segment of balanced accounts. Cash was allocated to these segments based on the average cash position of the Small Cap Equity "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 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 gross-of-fees composite and the benchmark monthly returns for the period.
- Internal Dispersion:** Dispersion is calculated using the equal-weighted standard deviation of annual gross 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.