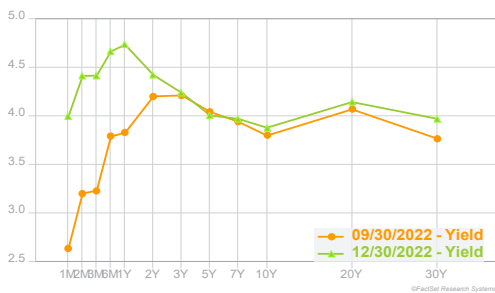




Fed – We Have a Long Way to Go

Over the fourth quarter, the Federal Reserve continued tightening financial conditions by raising the fed funds rate to 4.50%. Inflation persisted at unacceptable levels for the FOMC, with year-over-year levels hitting a 7.1% Consumer Price Index and 5.5% Personal Consumption Expenditures. Chairman Powell reiterated to the markets that the Federal Reserve will remain aggressive in its actions. He stated that there is a long way to go in restoring price stability back toward 2-2.5% levels, and they will continue even if their actions should push the economy into a recession. Strong wage growth (above 5%) coupled with a low unemployment rate remain challenging to the Fed's inflation fight. Other economic signals are just now showing the impact from these tighter monetary policy actions. Over the course of the year, consumer sentiment, as measured by the University of Michigan survey, fell from 70.6 to 59.7. The housing market also added to consumer concerns as home prices fell with rising mortgage rates negatively affecting affordability. The cumulative effect of increasing interest rates from 0%-0.25% to 4.25%-4.50% within a one-year time period while inflation has softened has given rise to an inverted yield curve (U.S. Treasury Yield Curve – Chart 1). Bond yields for the 1-month through 7-year portion of the yield curve traded between 4-5% for the first time since before the financial crisis. The Two-Year U.S. Treasury yield ended the year at 4.43%, while the Ten-Year U.S. Treasury ended the year at 3.88%. The bond rally in Q4 was broad reaching and all taxable fixed income sectors posted positive returns for the quarter.

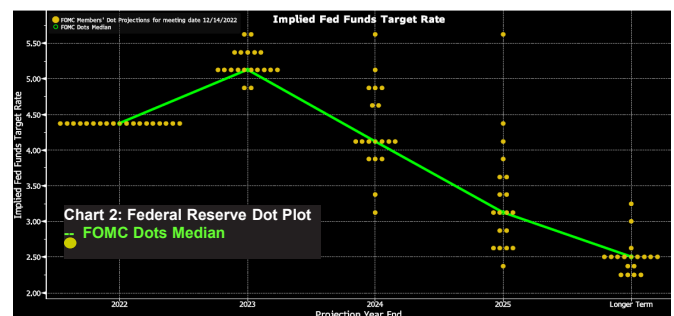
Chart 1: United States Treasury Yield Curve



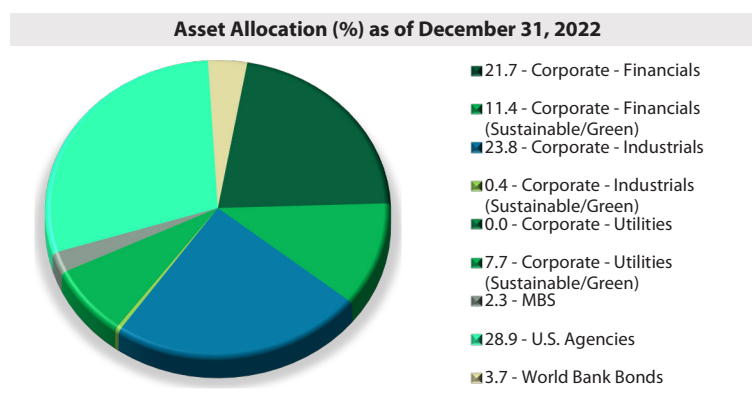
The Federal Reserve reduced the magnitude of interest movement to 50 basis points in December and indicated that it plans to keep rates high throughout 2023 (Federal Reserve Dot Plot – Chart 2). Chairman Powell has talked about the Fed's mistake of easing policy too early in the 1970s, which led to a rebound that required very high interest rates and deep recessions to bring it under control. Federal Reserve Governors also point to the current tightness in the labor market and rising wages, along with readings on "sticky" inflation, as reasons to keep rates higher for longer. Despite consistent messaging from the Fed that it plans to "hike and hold" throughout 2023, the futures market is pricing in rate cuts later in the year. The inverted yield curve and low readings for implied inflation expectations suggest the financial markets anticipate slowing growth and easing price pressures in the first half of 2023.

Investment-grade corporate bond spreads dropped 28 basis points in Q4 and ended the quarter at 82 basis points above U.S. Treasuries. Longer maturity and lower quality corporate bonds experienced the strongest performance gains with BBB-rated corporate bonds having posted a return of +4.18% for the quarter, while AAA-rated corporate bonds posted only a +1.22% return. The Strategy's positive returns posted in both 2019 and 2020 far offset the combined negative returns of 2021 and 2022. New investors are poised to benefit from the attractive higher yield environment going forward, which hasn't been available to investors in recent years. The Dana Social ESG Bond Strategy benefited due to its overall higher allocation in corporate bonds, and a relative higher allocation in U.S. Agency bonds versus U.S. Treasury bonds. Green and social bonds performed slightly better than traditional corporates as they became more attractive in the second half of 2022.

It has been a challenging period as the Federal Reserve spent 2022 re-normalizing the yield curve, but as we begin 2023, the fixed income opportunities give rise to optimism for investors. Bond market yields are back to attractive levels, the majority of monetary tightening is behind us, and inflation is likely to continue to soften. A portfolio of high-quality bonds consisting of U.S. Treasuries, U.S. Agencies, and investment-grade corporate bonds can yield close to 5% without high interest-rate risk. Tax-exempt yields in municipal bonds are also attractive for investors in higher tax brackets. In these uncertain periods, investors should consider maintaining a well-diversified core fixed income portfolio managed in an active manner to continue compounding interest no matter what path interest rates may follow in the future. Whether the yield curve flattens, steepens, twists, or inverts, an allocation to fixed income investments provides important benefits, including diversification from equities, lower return volatility, and the added predictability of a recurring income stream.



Average Annual Total Return (%) as of 12/31/2022	Unannualized					Since Inception
	Quarter	1 Year	3 Year	5 Year	10 Year	
Dana Social ESG Bond Strategy (gross of fees)	1.65	-7.52	-0.96	0.95	1.48	2.15
Dana Social ESG Bond Strategy (net of fees)	1.58	-7.76	-1.22	0.69	1.23	1.90
Bloomberg Intermediate Govt/Credit Index	1.54	-8.23	-1.26	0.73	1.11	1.73



Characteristics	Dana Social ESG Bond Strategy	Bloomberg Intermediate Govt/Credit Index
Yield to Maturity (YTM) (%) ‡	4.87	4.56
Effective Duration	3.36	3.84
Average Maturity (Years)	3.80	4.26
Average Credit Quality	A1	Aa2
Average Coupon (%)	2.88	2.32

‡ For callable bonds, the expected yield to call is used. Data Source: BondEdge unless otherwise noted.

	Dana Social ESG Bond Strategy	Bloomberg Intermediate Govt/Credit Index
Trailing 10 Year (net of fees) ^a		
Alpha	0.134	-
Sharpe Ratio	0.132	0.096

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Return Gross of Fees	7.05%	0.61%	2.58%	1.79%	2.41%	2.71%	0.64%	7.26%	6.43%	-1.31%	-7.52%
Total Return Net of Fees	6.78%	0.34%	2.37%	1.56%	2.16%	2.48%	0.40%	6.97%	6.14%	-1.56%	-7.76%
Benchmark Return	3.89%	-0.86%	3.12%	1.07%	2.08%	2.14%	0.88%	6.80%	6.43%	-1.44%	-8.23%
Composite 36 Month Standard Deviation	N/A	N/A	2.07%	1.94%	1.87%	1.80%	1.75%	1.80%	2.79%	2.85%	4.03%
Benchmark 36 Month Standard Deviation	N/A	N/A	1.94%	2.10%	2.23%	2.11%	2.09%	2.04%	2.31%	2.34%	3.82%
Number of Portfolios	5	7	11	15	19	21	21	27	31	38	38
Internal Dispersion	2.35%	1.32%	0.21%	0.57%	0.38%	0.38%	0.28%	1.07%	1.33%	0.59%	0.81%
Composite Assets (US\$ millions)	9.2	11.7	16.9	20.9	20.5	21.6	20.7	21.4	24.6	39.0	33.4
Strategy Assets (US\$ millions)	9.2	11.7	16.9	20.9	20.5	21.6	20.7	21.4	24.6	39.0	33.4
Total Firm Assets (US\$ millions)	3,264.2	3,662.9	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
Total Entity Assets (US\$ millions)	3,622.2	4,484.3	5,383.3	6,634.5	7,172.0	7,538.4	7,454.1	7,142.0	7,185.0	7,662.0	6,816.3

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 Social ESG Bond composite has had a performance examination for the periods March 31, 2011 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:** March 31, 2011. The composite was known as the Dana Socially Responsible Bond composite through December 30, 2017 and thereafter known as the Dana Social ESG Bond composite.
- Composite Definition:** The Dana Social ESG Bond composite includes all fixed income portfolios that invest in intermediate duration U.S. investment grade fixed income securities with the goal of providing competitive current yield within a well-diversified, high credit quality, ESG integrated, intermediate duration fixed income 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 Social ESG Bond composite is the Bloomberg Intermediate Government/Credit Index ("BIGC 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. 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 Social ESG Bond fee schedule is 0.30% on the first \$3MM, 0.25% on the next \$7MM, and 0.20% 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 2012 to 2013 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.

Data and Chart Sources: Dana Investment Advisors; (a) Morningstar Direct.