

3rd Quarter 2021 Market Review:

Equity Income SMA

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- Any type of investing involves risk and there are no guarantees that these methods will be successful. Past performance is not indicative of future results.
- The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index.

Meet Your Speakers & Agenda



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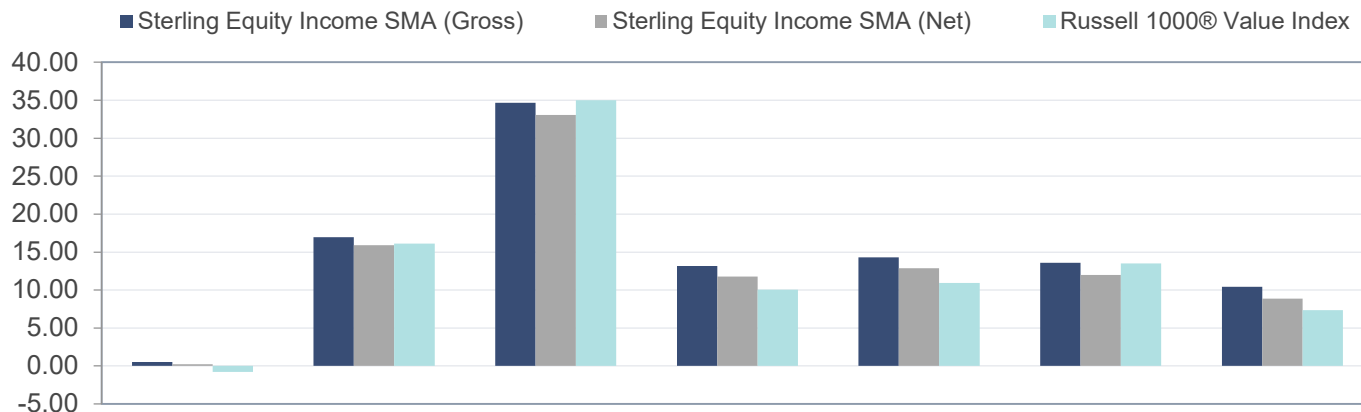
WebEx Agenda:

- Equity Income SMA review of Q3.2021 performance, activity and positioning
- Equity market and macro environment review
- Equity market outlook
- Q&A

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Performance

Sterling Equity Income SMA



Performance	QTR	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception*
Sterling (Gross)	0.52%	16.95%	34.68%	13.16%	14.32%	13.58%	10.45%
Sterling (Net)	0.21%	15.90%	33.06%	11.76%	12.87%	11.99%	8.86%
Russell 1000® Value	-0.78%	16.14%	35.01%	10.07%	10.94%	13.51%	7.34%

*Inception date is 12.31.2000.

Data as of 09.30.2021. Performance is preliminary and is annualized for periods longer than one year. Net of fees performance returns are presented net of the investment management fees and trading expenses. "Pure" Gross of fees performance returns do not reflect the deduction of any fees including trading costs; a client's return will be reduced by the management fees and other expenses it may incur. Investment management fees are described in Sterling's Form ADV 2A. Performance reflects the reinvestment of interest income and dividends and realized capital gains. The performance presented represents past performance and is no guarantee of future results. Performance is compared to an index, however, the volatility of an index varies greatly and investments cannot be made directly in an index. Market conditions vary from year to year and can result in a decline in market value due to material market or economic conditions. The Performance is considered Supplemental Information to the GIPS Composite Report located in the Appendix. Source: Russell Investments, S&P, Sterling Capital Management Analytics.

Past performance is not indicative of future results.



Third Quarter Leaders and Laggards

Q3 Top Five Contributors:

- Coterra (fka Cabot Oil & Gas)
- Accenture
- Chubb
- Discover Financial
- Microsoft

Q3 Bottom Five Detractors:

- UPS
- Crown Castle
- Corning
- Cummins
- Northern Trust

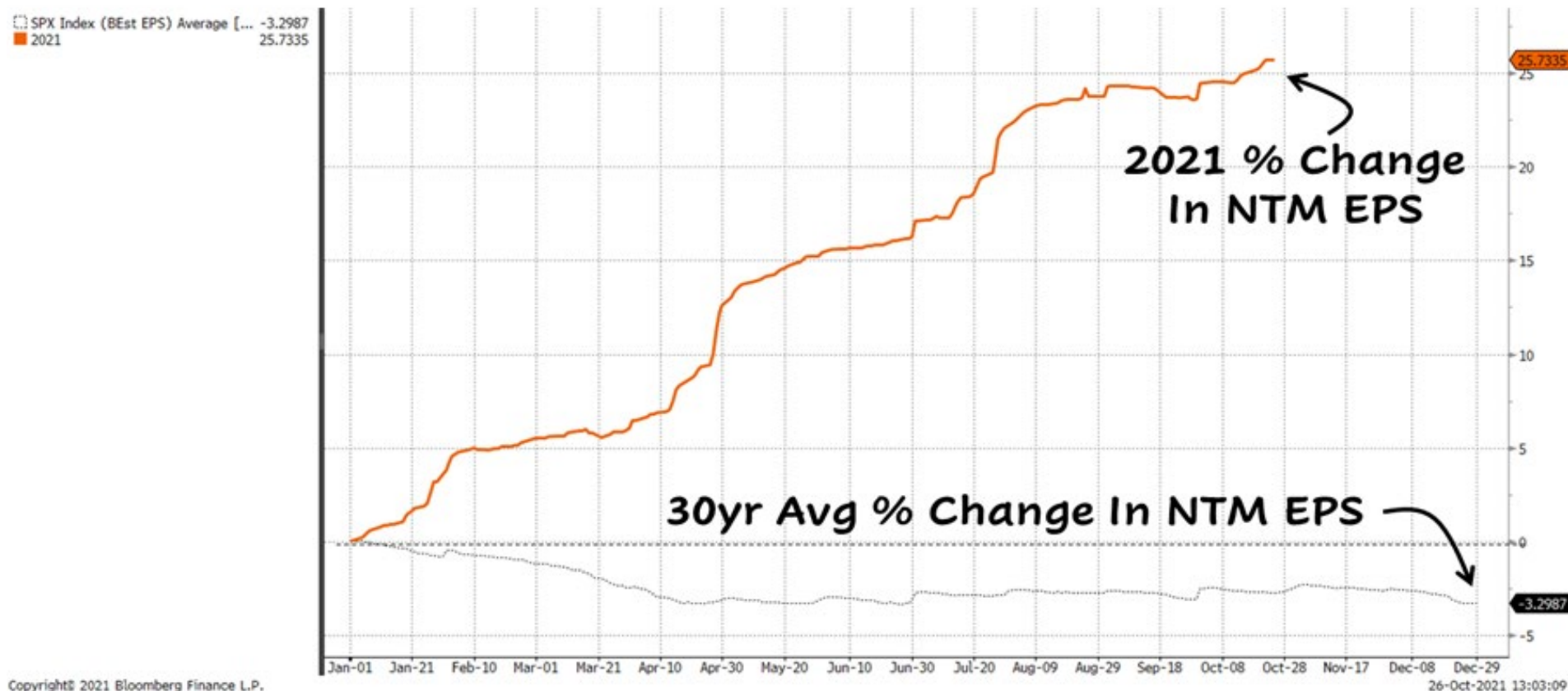
Data as of 09.30.2021. The top/bottom performers are based on quarterly attribution to return. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information.

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S&P 500 – Unique Earnings Trajectory

Forward EPS Estimates Are Rising At An Historic Rate In 2021



Source: Cornerstone Macro, Bloomberg. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

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The Portfolio's Holdings are Participating in the Strong Earnings Growth Trend

Ticker	Company	Sales			Earnings		
		Curr	Prev	Growth	Curr	Prev	Growth
			Average Sales	17%	Average EPS	54%	
			Median Sales	12%	Median EPS	25%	
CTRA US Equity	COTERRA ENERGY INC	577,327,000	347,400,000	66%	0.52	0.09	478%
EOG US Equity	EOG RESOURCES INC	4,765,000,000	2,245,484,000	112%	2.16	0.43	402%
SBUX US Equity	STARBUCKS CORP	8,146,700,000	6,203,100,000	31%	1	0.51	96%
ANTM US Equity	ANTHEM INC	35,548,000,000	30,649,000,000	16%	6.79	4.2	62%
GS US Equity	GOLDMAN SACHS GROUP INC	13,608,000,000	10,781,000,000	26%	14.93	9.68	54%
C US Equity	CITIGROUP INC	17,154,000,000	17,302,000,000	-1%	2.15	1.4	54%
DFS US Equity	DISCOVER FINANCIAL SERVICES	2,777,000,000	2,714,000,000	2%	3.54	2.45	44%
ABT US Equity	ABBOTT LABORATORIES	10,928,000,000	8,853,000,000	23%	1.4	0.98	43%
FMC US Equity	FMC CORP	1,194,000,000	1,084,600,000	10%	1.43	1.22	17%
CCI US Equity	CROWN CASTLE INTL CORP	1,618,000,000	1,486,000,000	9%	1.73	1.24	40%
NTRS US Equity	NORTHERN TRUST CORP	1,644,500,000	1,493,000,000	10%	1.802	1.318	37%
CB US Equity	CHUBB LTD	10,940,000,000	9,665,000,000	13%	2.64	2	32%
MMC US Equity	MARSH & MCLENNAN COS	4,583,000,000	3,968,000,000	16%	1.08	0.82	32%
GLW US Equity	CORNING INC	3,639,000,000	3,007,000,000	21%	0.56	0.43	30%
HON US Equity	HONEYWELL INTERNATIONAL INC	8,473,000,000	7,797,000,000	9%	2.02	1.56	29%
ACN US Equity	ACCENTURE PLC-CL A	13,419,284,000	10,835,271,000	24%	2.195	1.7	29%
MSFT US Equity	MICROSOFT CORP	45,317,000,000	37,154,000,000	22%	2.27	1.819	25%
BAH US Equity	BOOZ ALLEN HAMILTON HOLDING	2,106,038,000	2,019,185,000	4%	1.26	1.03	22%
MSI US Equity	MOTOROLA SOLUTIONS INC	2,107,000,000	1,868,000,000	13%	2.35	1.95	21%
UPS US Equity	UNITED PARCEL SERVICE-CL B	23,184,000,000	21,238,000,000	9%	2.71	2.28	19%
CVS US Equity	CVS HEALTH CORP	73,794,000,000	67,056,000,000	10%	1.97	1.66	19%
KO US Equity	COCA-COLA CO/THE	10,044,000,000	8,648,000,000	16%	0.65	0.55	18%
JNJ US Equity	JOHNSON & JOHNSON	23,338,000,000	21,082,000,000	11%	2.6	2.2	18%
ABBV US Equity	ABBVIE INC	14,342,000,000	12,902,000,000	11%	3.33	2.83	18%
LHX US Equity	L3HARRIS TECHNOLOGIES INC	4,229,000,000	4,463,000,000	-5%	3.21	2.84	13%
VZ US Equity	VERIZON COMMUNICATIONS INC	32,915,000,000	31,543,000,000	4%	1.41	1.25	13%
QSR CN Equity	RESTAURANT BRANDS INTERN	1,495,000,000	1,337,000,000	12%	0.76	0.68	12%
PEP US Equity	PEPSICO INC	20,189,000,000	18,091,000,000	12%	1.79	1.66	8%
CMI US Equity	CUMMINS INC	5,968,000,000	5,118,000,000	17%	3.69	3.472	6%
MRK US Equity	MERCK & CO. INC.	13,154,000,000	12,551,000,000	5%	1.75	1.74	1%
DOX US Equity	AMDOCS LTD	1,087,309,000	1,052,948,000	3%	1.16	1.23	-6%

Note: Only Showing Reports Through 11.05.2021.

Data as of 11.05.2021. Source: Company Reports, Bloomberg. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

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Do Earnings Matter?

MAKING MONEY ON COMPANIES THAT MAKE NO MONEY:

% of Russell 3000 Growth Stocks with Negative Earnings



Data as of 09.30.2021. Source: GMO. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

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Portfolio Holdings are Providing Strong Dividend Growth, Inflation Protection

3Q21 Dividend Increases:

- Cummins +7%
- Marsh & McLennan +15%
- Microsoft +11%
- Starbucks +9%
- Verizon +2%

October Dividend Increases:

- Abbvie +9% (50th straight year)
- Crown Castle +11%
- Honeywell +5%

November Dividend Increases:

- Amdocs +10%
- EOG +100%

Ticker	Year-Over-Year Dividend Increase
ABT	25%
ABBV	9%
AC N	10%
ADI	11%
ANTM	19%
BAH	19%
C	0%
CB	3%
CCI	11%
CMI	3%
COG	10%
CSCO	3%
CVS	0%
DFS	14%
DOX	11%
EOG	100%
FMC	9%
GLW	9%
GS	60%
HD	10%
HON	5%
JNJ	5%
KO	2%
LHX	20%
MDT	9%
MMC	15%
MRK	7%
MSFT	11%
MSI	11%
NTRS	0%
PEP	5%
QSR	2%
SBUX	9%
TSN	0%
UPS	1%
VZ	2%
avg	12.4%

Source: Sterling Capital. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

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Buybacks Another Mechanism for Returning Capital to Shareholders

3Q21 Buyback News:

- Starbucks guided for \$20B capital return to shareholders over three years
- Chubb repurchased \$1.5B of its stock in the third quarter
- Citi repurchased \$3B of its stock in the third quarter

- Average company in the portfolio has reduced its shares outstanding ~1% year-over-year
- L3Harris: 6.3% fewer shares versus a year ago
- Citigroup: 4.7% fewer shares versus a year ago

Ticker	Year-Over-Year Change
ABT	0.1%
ABBV	0.2%
A CN	-0.4%
ADI	-0.1%
ANTM	-3.2%
BAH	-2.5%
C	-4.7%
CB	-3.3%
CCI	1.2%
CMI	-1.0%
COG	0.2%
CSCO	-0.1%
CTRA	
CVS	1.0%
DFS	-2.6%
DOX	-4.1%
EOG	0.9%
FMC	-0.5%
GLW	-2.6%
GS	-1.7%
HD	-1.4%
HON	-1.5%
JNJ	0.2%
KO	0.4%
LHX	-6.3%
MDT	0.5%
MMC	0.2%
MRK	0.2%
MSFT	-0.9%
MSI	0.3%
NTRS	0.1%
PEP	-0.4%
QSR	-1.1%
SBUX	0.8%
TSN	0.5%
UPS	0.8%
VZ	0.0%
avg	-0.8%

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Common Threads in New Purchases

Consistent with Equity Income's heritage:

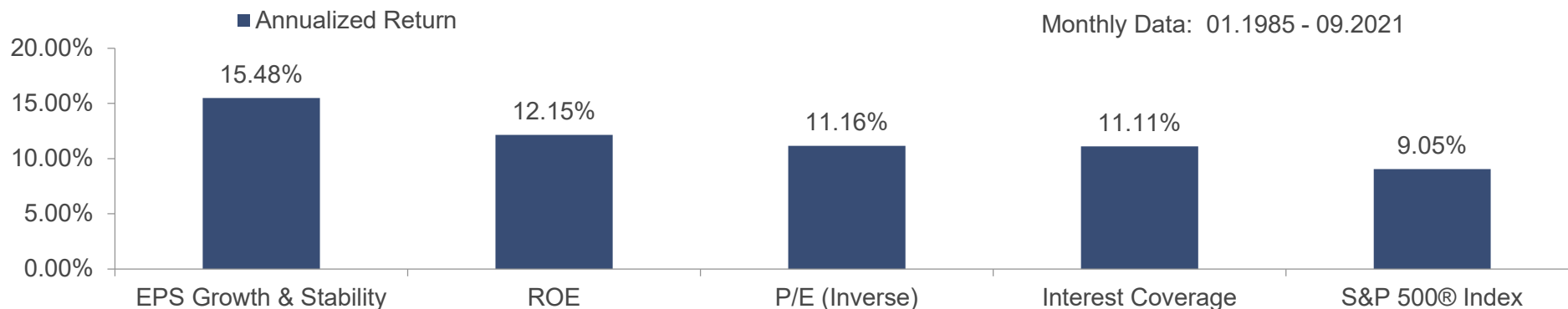
- Four pillars
 - Above-average growth
 - Below-average valuation
 - Above-average returns on capital
 - Above-average balance sheet strength
- Dividend criteria
 - Above-average dividend yield
 - At least three consecutive years of dividend growth (and/or six of last ten years)
- Quality compounders with above-average track records
- Generally not seeking to make/express any specific macro forecast

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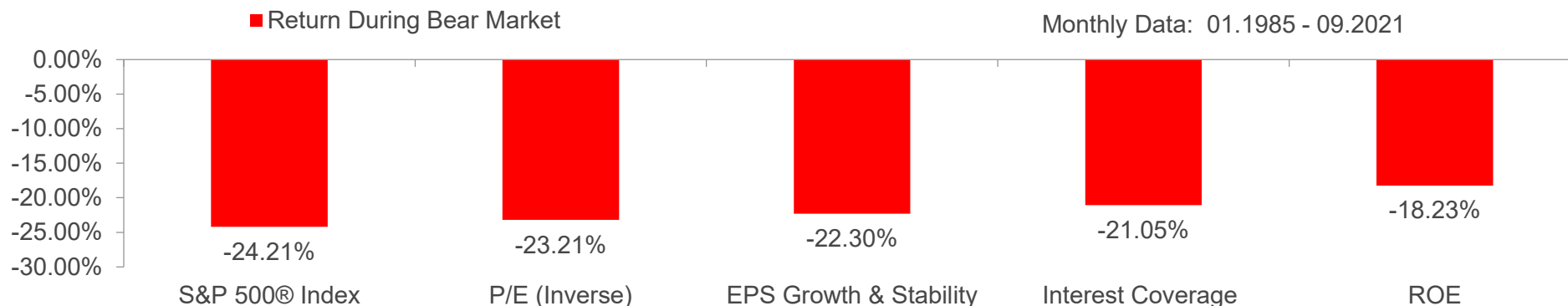
Equity Opportunities Group Philosophy of Investing

Seek Capital Appreciation and Risk Reduction by Constructing Portfolios with Attractive Valuations (P/E), Robust Operating Growth (EPS Growth/Stability), High Profitability (ROE) and Strong Balance Sheets (Interest Coverage)

Annualized Return of Top Decile of S&P 500® Index by Factor



Annualized Return in Bear Markets for Top Decile of S&P 500® Index by Factor

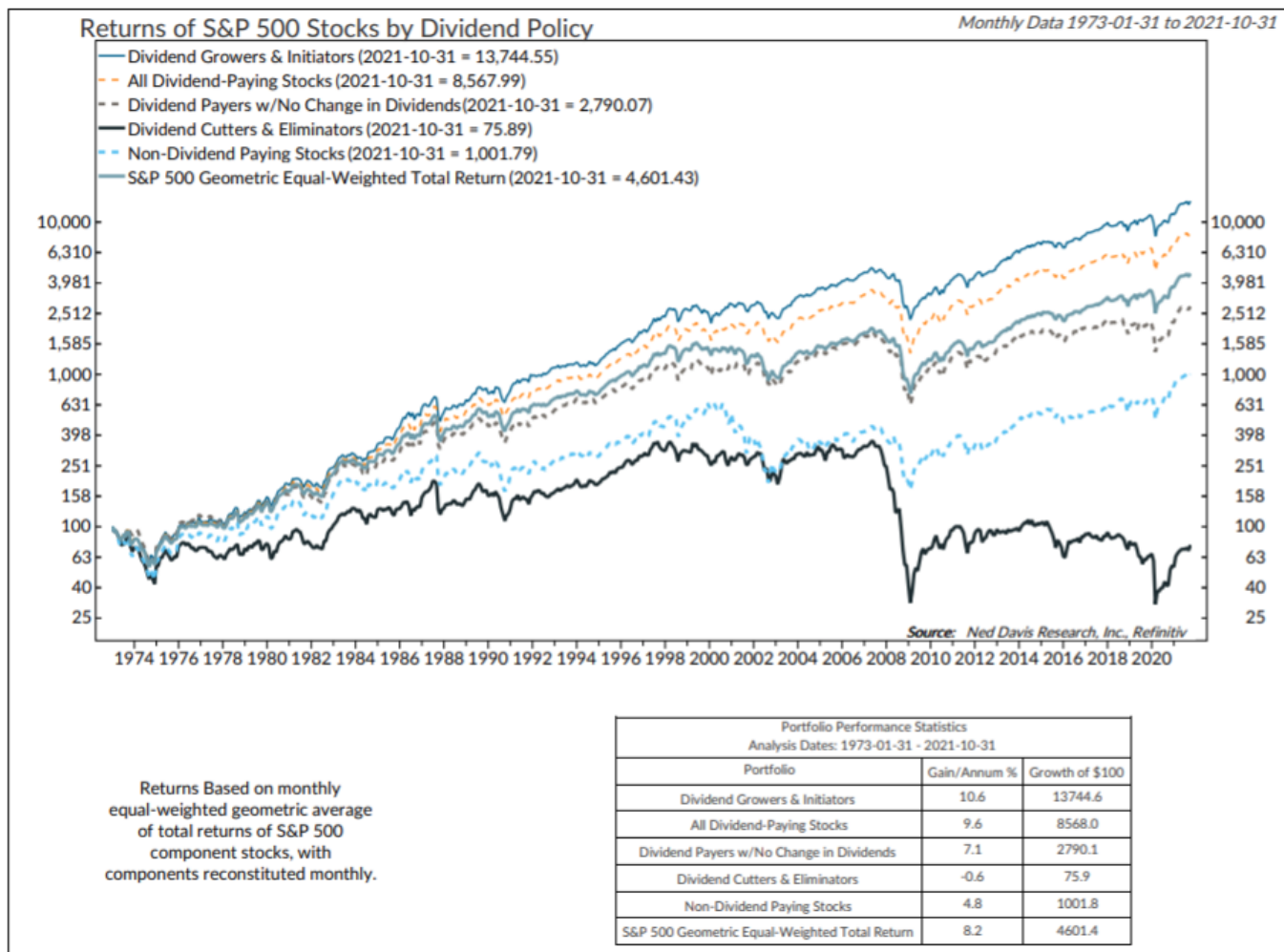


As of 09.30.2021. Source: Ned Davis Research, S&P Dow Jones Indices. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

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Dividend Growers a Historically Strong Cohort



S&P



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As of 10.31.2021. Source: Ned Davis Research. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

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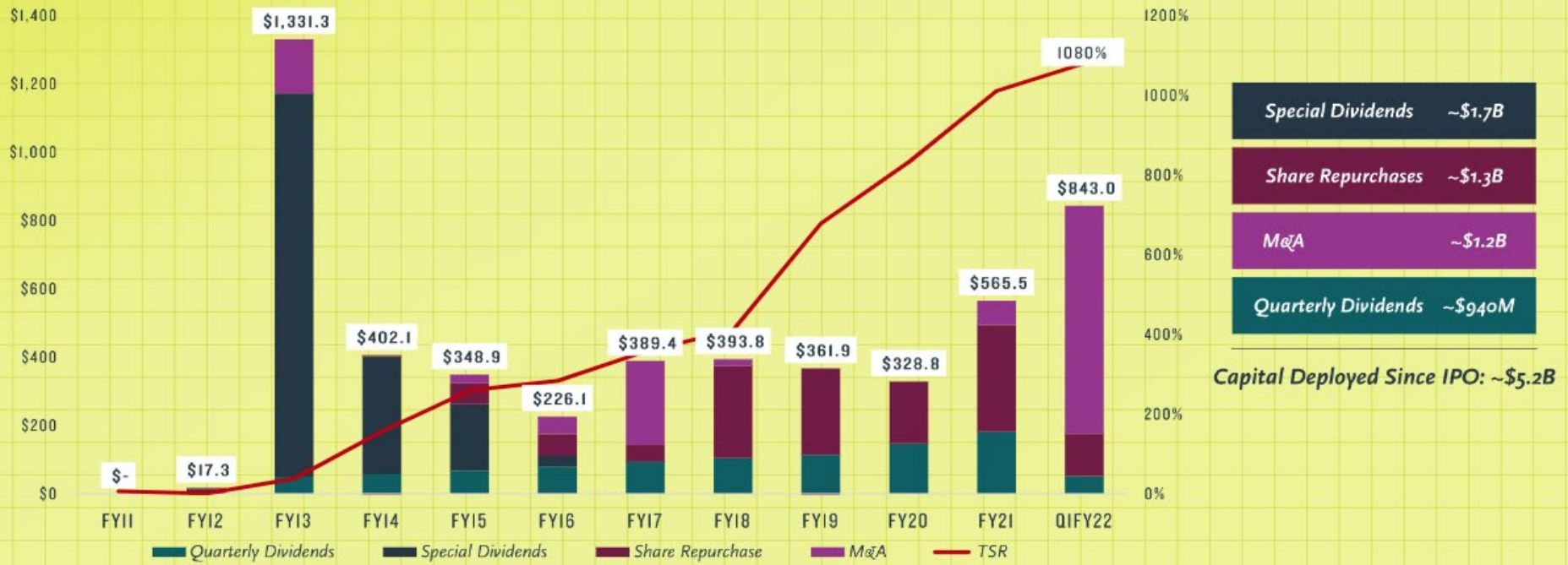


Added Booz Allen Hamilton

Leading Federal IT Consultant

TRACK RECORD OF DEPLOYING CAPITAL TO DELIVER SHAREHOLDER VALUE¹

Capital Deployment and TSR Performance Since IPO



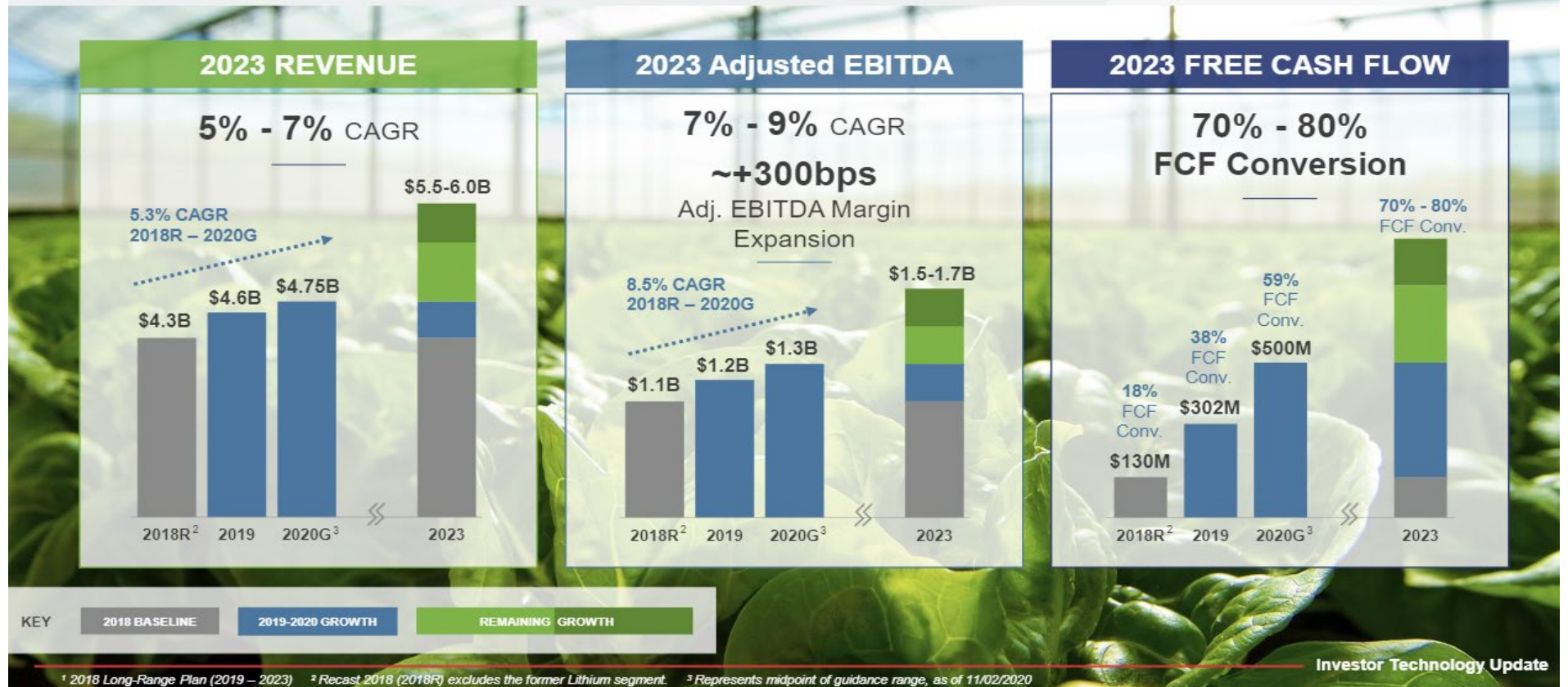
Source: Booz Allen. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.



Added FMC in October

Diversified Agricultural Chemicals Maker

Long-Range Plan¹ Remains on Track for Key Target Deliverables



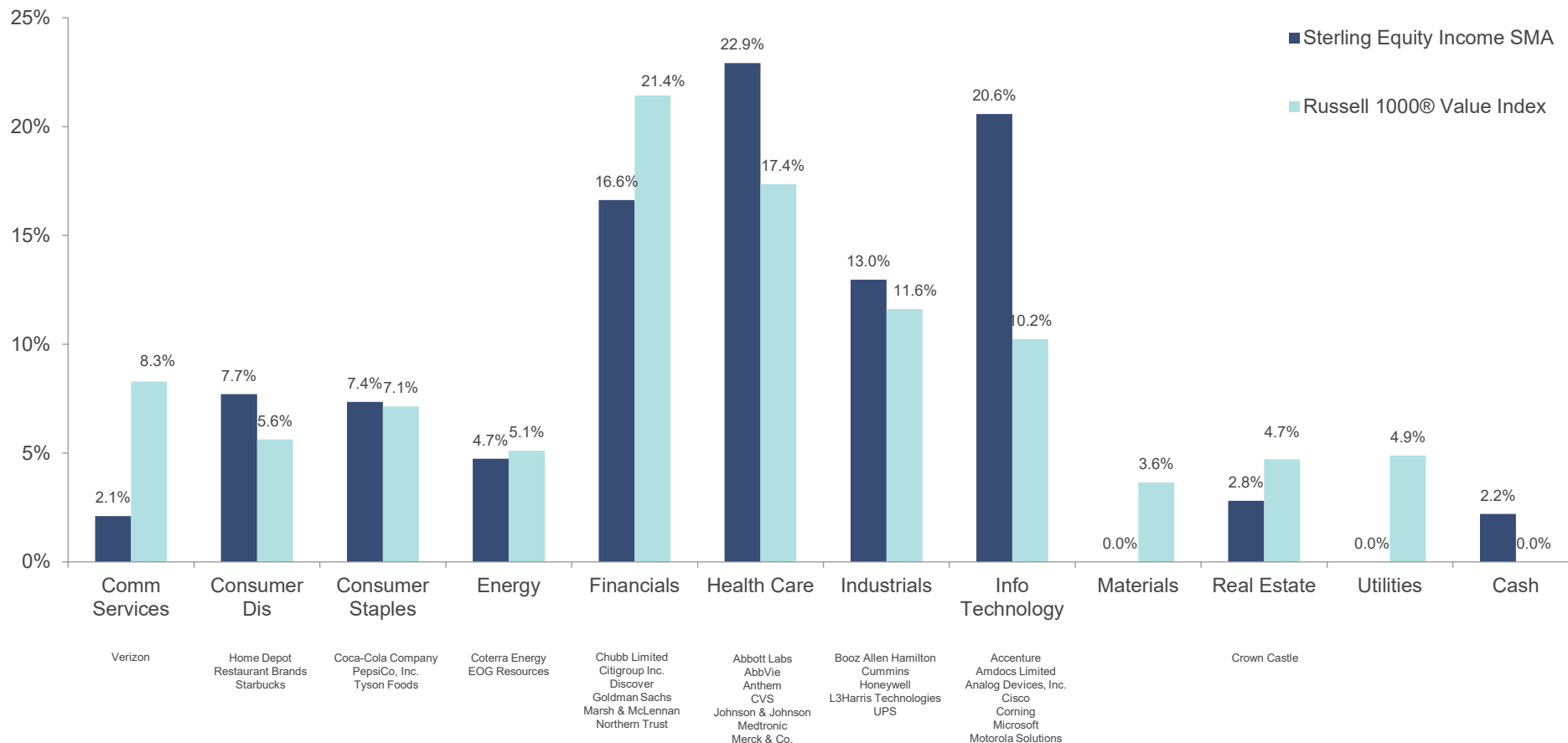
Investor Technology Update

Source: FMC. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.



Equity Income SMA Positioning Overweight Healthcare and Technology

Sterling Equity Income SMA



Data as of 09.30.2021. Totals may not equal 100% due to rounding. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. The Portfolio Diversification is considered Supplemental Information to the GIPS Composite Report located in the Appendix. Source: Russell Investments, FactSet, Sterling Capital Management Analytics.

Third Quarter ESG-Related Highlights

Home Depot: The company hosted an ESG investor day where it provided an update on its ESG initiatives, including:

- The company reduced energy consumption by 44% from 2010 to 2020 through investments such as LED lighting in its stores.
- New product options were introduced to reduce Scope 3 emissions including cordless electric lawn mowers, as the company estimates 18 million gallons of gasoline are spilled by consumers each year.
- Smart private label packaging redesigns resulted in 3,800 fewer cargo containers since the initiative began.

Cabot Oil and Gas: We spoke with management to gain a greater understanding of their ESG initiatives including their strategy to reduce greenhouse gas emissions.

Cisco: Hosted an investor day discussing its ESG progress and goals, including:

- A commitment to be carbon net zero on Scope 1 and 2 emissions by 2025 and Scope 3 by 2040.
- The company audited working conditions in its supply chain covering 200,000 workers through onsite audits.

The use of ESG factors could result in selling or avoiding investments that subsequently perform well or purchasing investments that subsequently underperform. As a result, strategies that take ESG factors into account could underperform similar strategies that do not take into account ESG factors.

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Still Likely to be an Issue Next Year?



OCT 9TH 2021

The shortage economy

Source: Economist.com. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Supply Chain Pressures versus Profit Margin Sustainability



Source: J.P. Morgan Asset Management,. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

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Addressing the Horse After it's Left the Barn?

Exhibit 19: Capex grows on a 2-yr basis for the first time since COVID

S&P 500 3Q21 quarterly capex growth (YoY and 2-yr growth) by sector

Sector	Aggregate YoY	Median YoY	Aggregate 2-yr growth	Median 2-yr growth
Consumer Discretionary	37%	34%	84%	5%
Consumer Staples	14%	27%	1%	14%
Energy	10%	15%	-30%	-33%
Financials	16%	6%	2%	-9%
Health Care	21%	5%	8%	2%
Industrials	18%	14%	-20%	-8%
Information Technology	25%	18%	22%	13%
Materials	22%	38%	-11%	-9%
Real Estate	-24%	-22%	-45%	-36%
Communication Services	17%	22%	4%	14%
Utilities	10%	12%	10%	10%
S&P 500	23%	19%	15%	-2%
S&P 500 ex-AMZN	20%	19%	3%	-2%

Source: FactSet, BofA US Equity & Quant Strategy, BofA Global Research. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

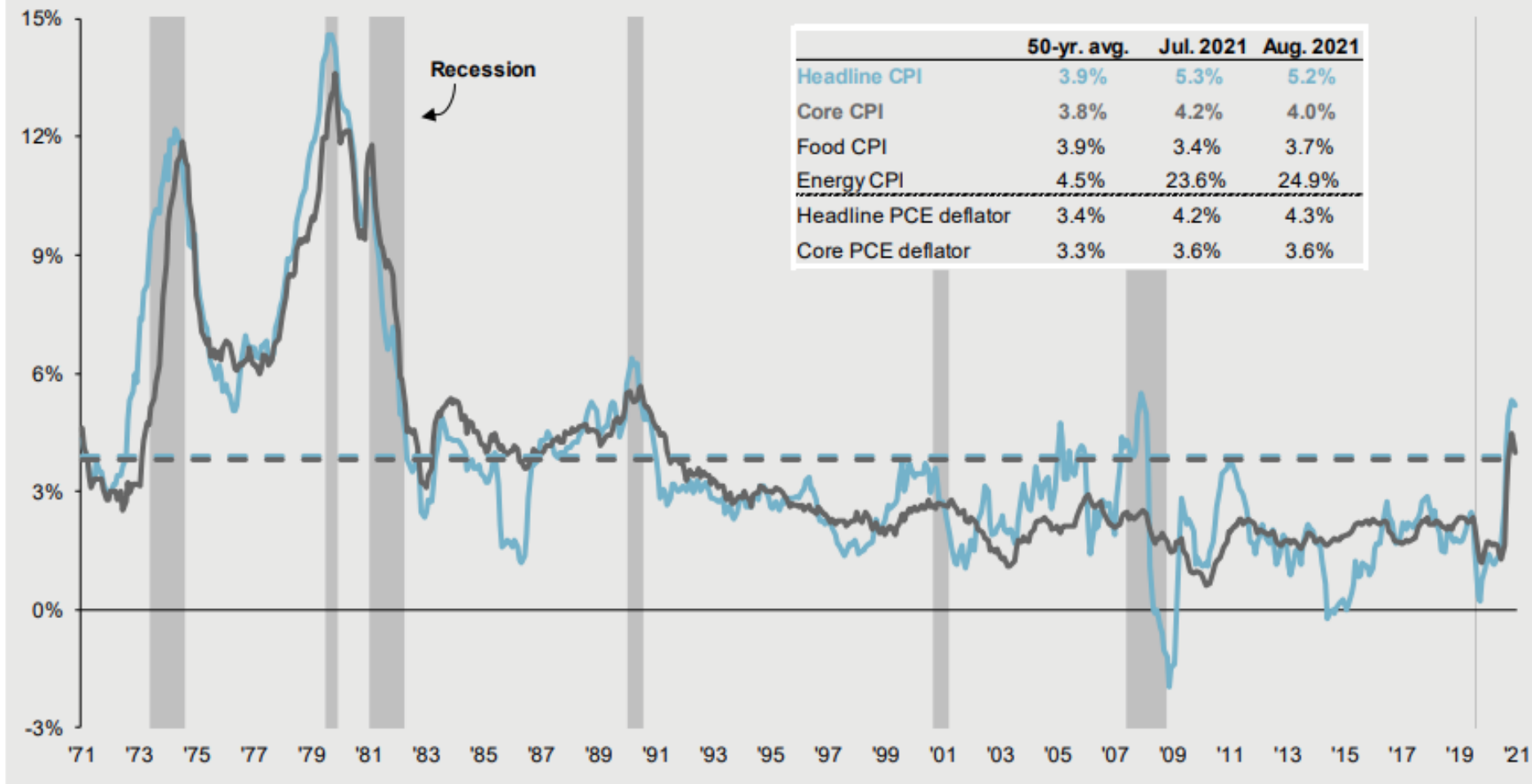
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Inflation – Unprecedented?

CPI and core CPI

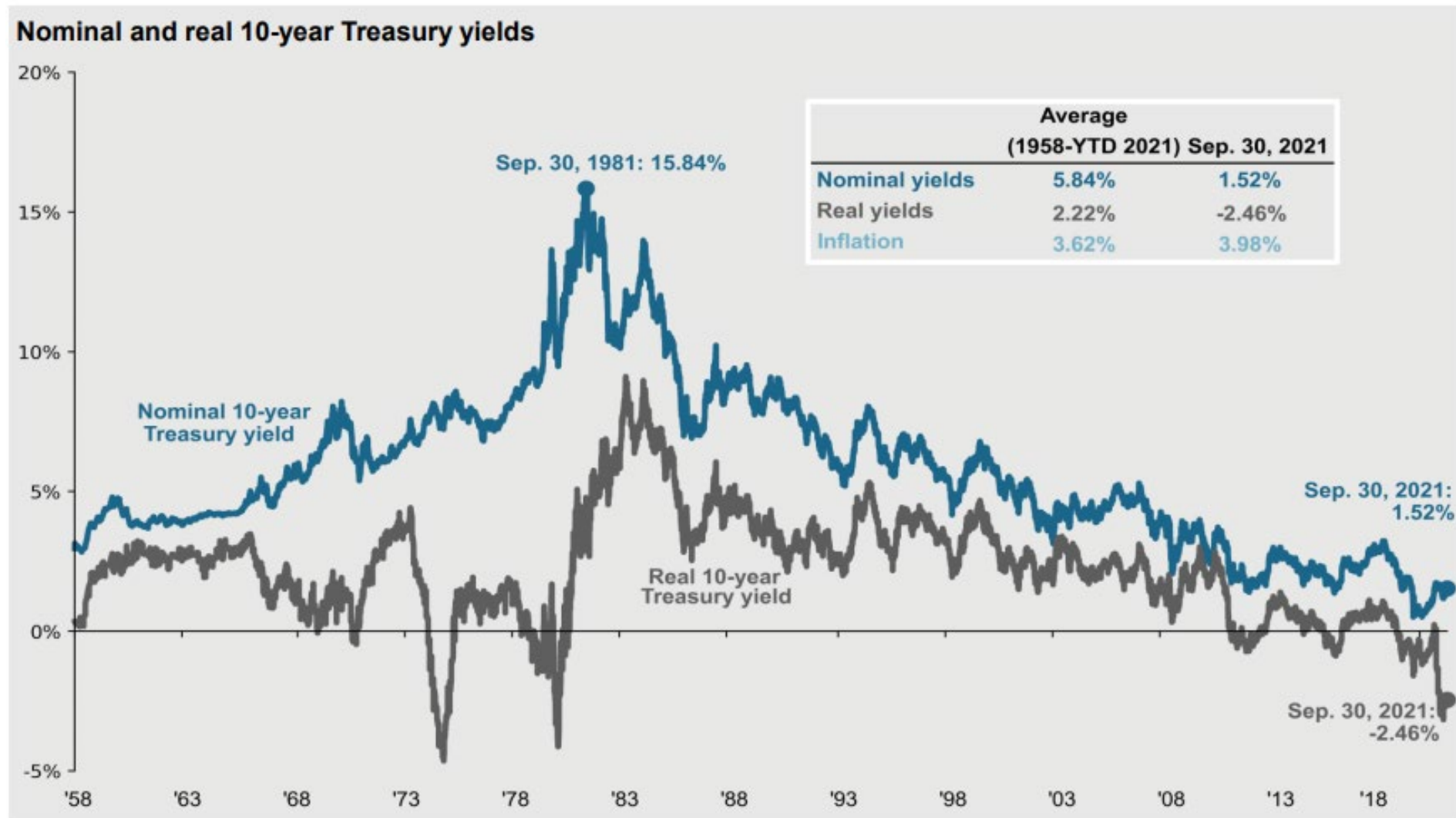
% change vs. prior year, seasonally adjusted



CPI = Consumer Price Index. Source: FactSet, BLS, J.P. Morgan Asset Management. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.



“Real” Risk-Free Rates

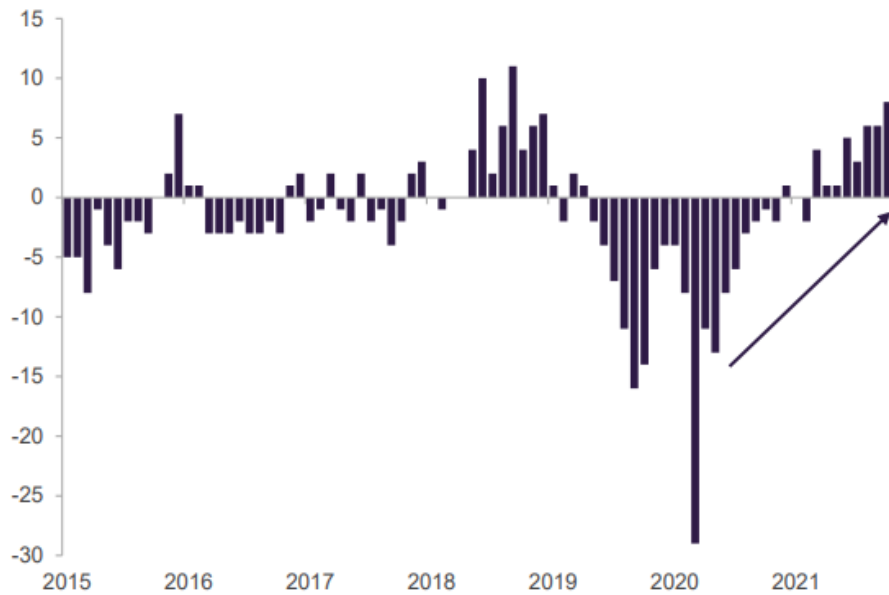


Source: FactSet, BLS, Federal Reserve, J.P. Morgan Asset Management. Real 10-year Treasury yields are calculated as the daily Treasury yield less year-over-year core CPI inflation for that month except for September and August 2021 where real yields are calculated by subtracting out September 2021 year-over-year core inflation. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

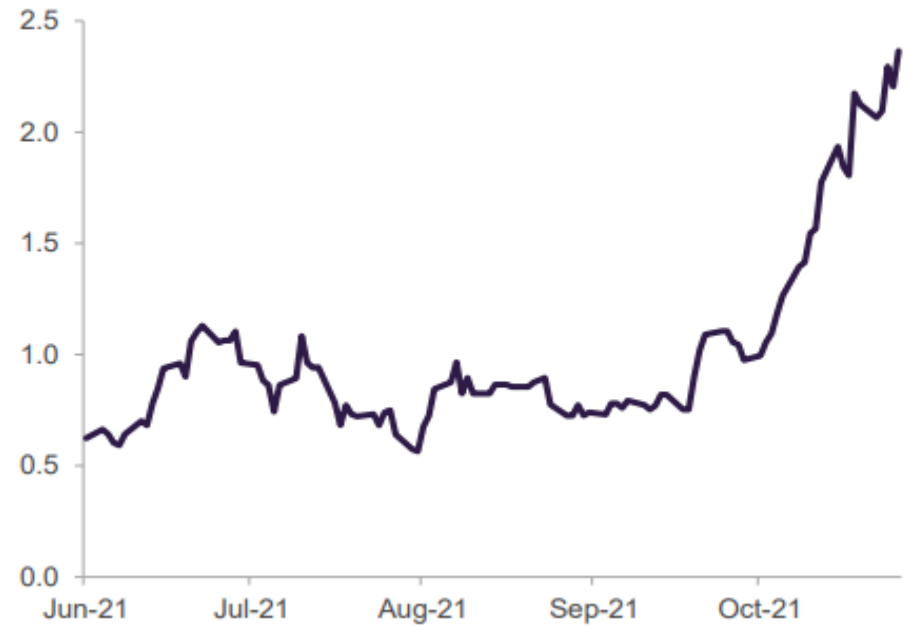


Central Banks Already Responding

Global central bank rate hikes minus cuts

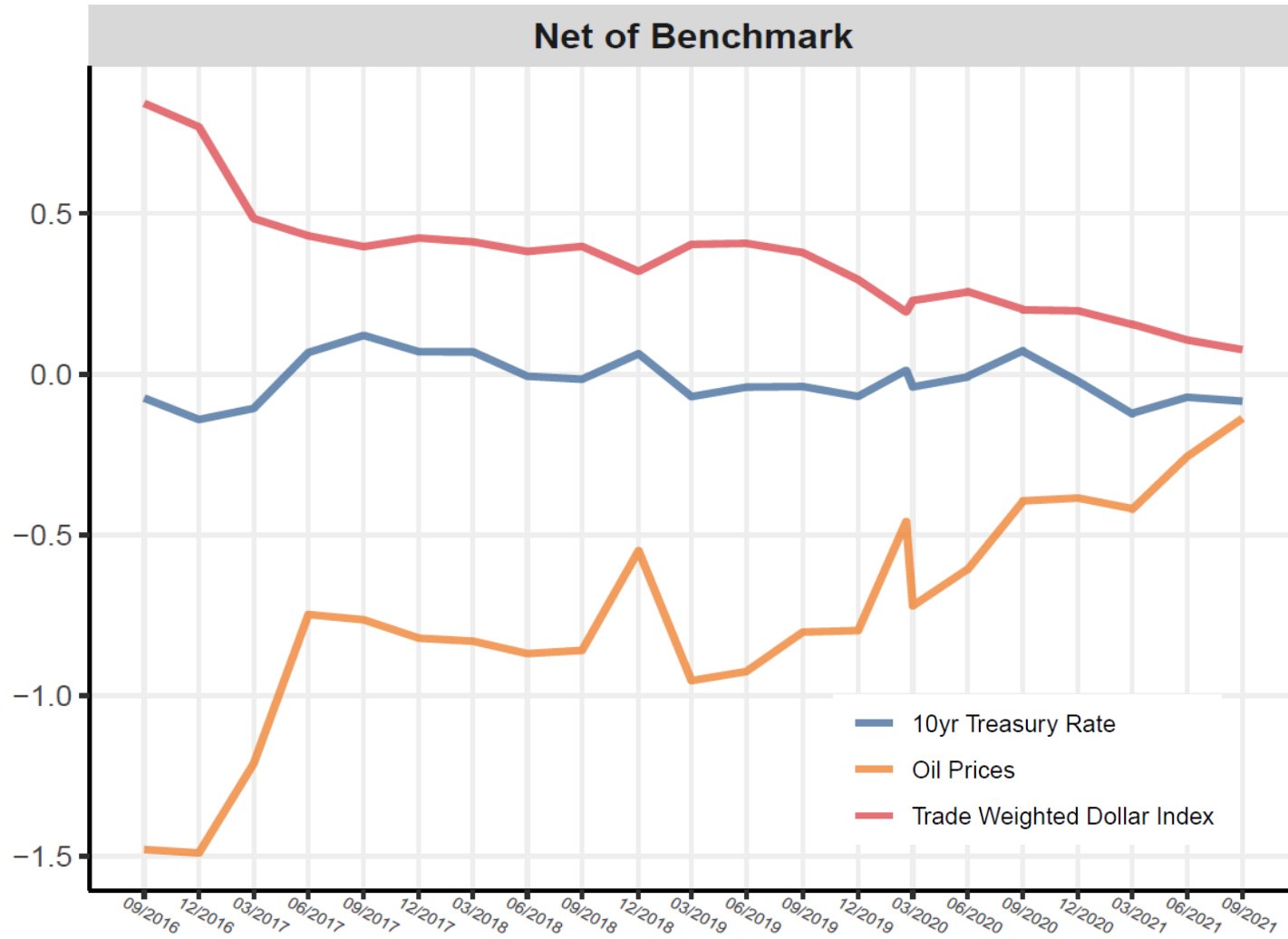


Number of Fed hikes priced in by end of 2022



Source: Truist IAG. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Macro Aware



The above benchmark is the Russell 1000® Value Index. Source: Sterling Capital. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Equity Income Portfolio - Pillars

Equity Income as of 11.01.2021

	Growth/Stablity				Valuation			Profitability		Balance Sheet		Dividends	
	20y EPS Growth	21y EPS Growth	22y EPS Growth	'17-'22 EPS CAGR	22y P/E	22y EV/ EBITDA	22y EV FCF Yld	ROE	EBITDA Mgn	Interest Coverage	Leverage	Div Yield	5Yr Div CAGR
EI Median*	-2%	21%	10%	12%	15.8	12.6	4.8%	19.6	26.3	7.1	1.9	1.9%	10.1%
R1V Median	-6%	23%	9%	10%	18.6	13.0	4.1%	13.9	21.4	3.9	2.2	1.8%	7.0%
vs Benchmark	4%	-2%	1%	2%	-15%	-3%	17%	41%	23%	80%	-16%	5%	44%

*Representative account. Data as of 11.01.2021. Source: Bloomberg. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

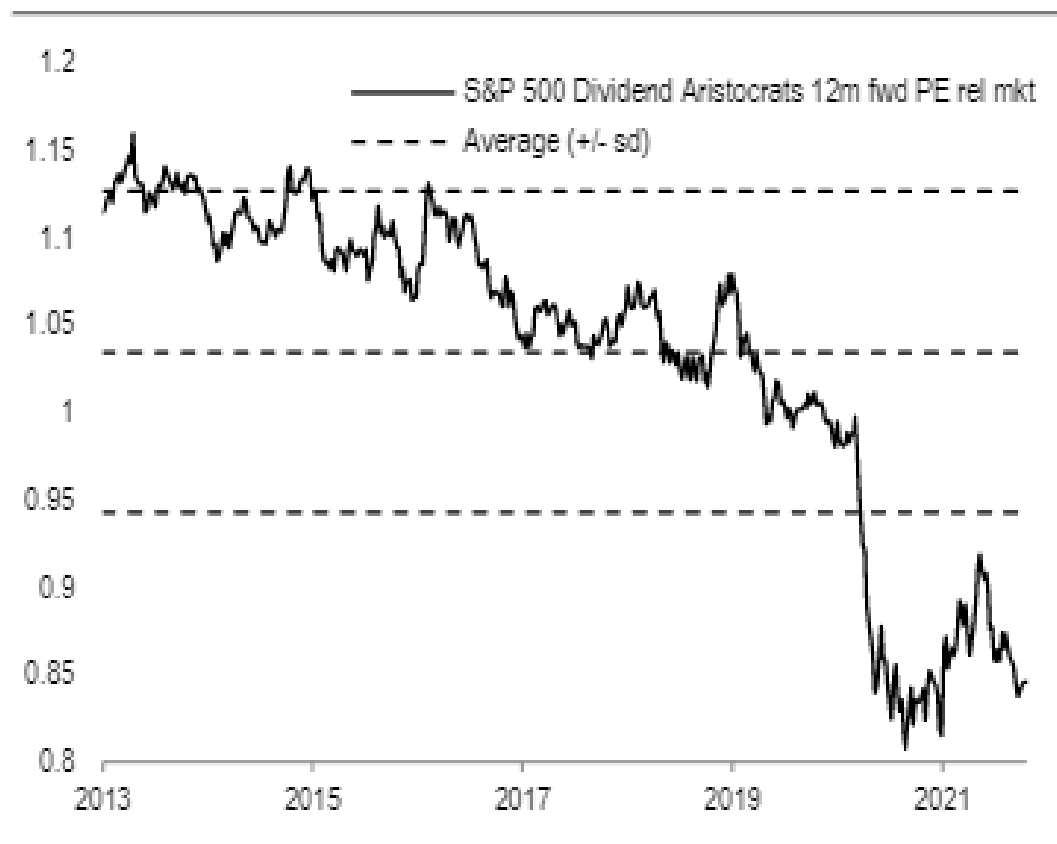
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Appendix

Dividend Aristocrats Appear Unusually Inexpensive

Figure 94: US dividend aristocrats are particularly cheap

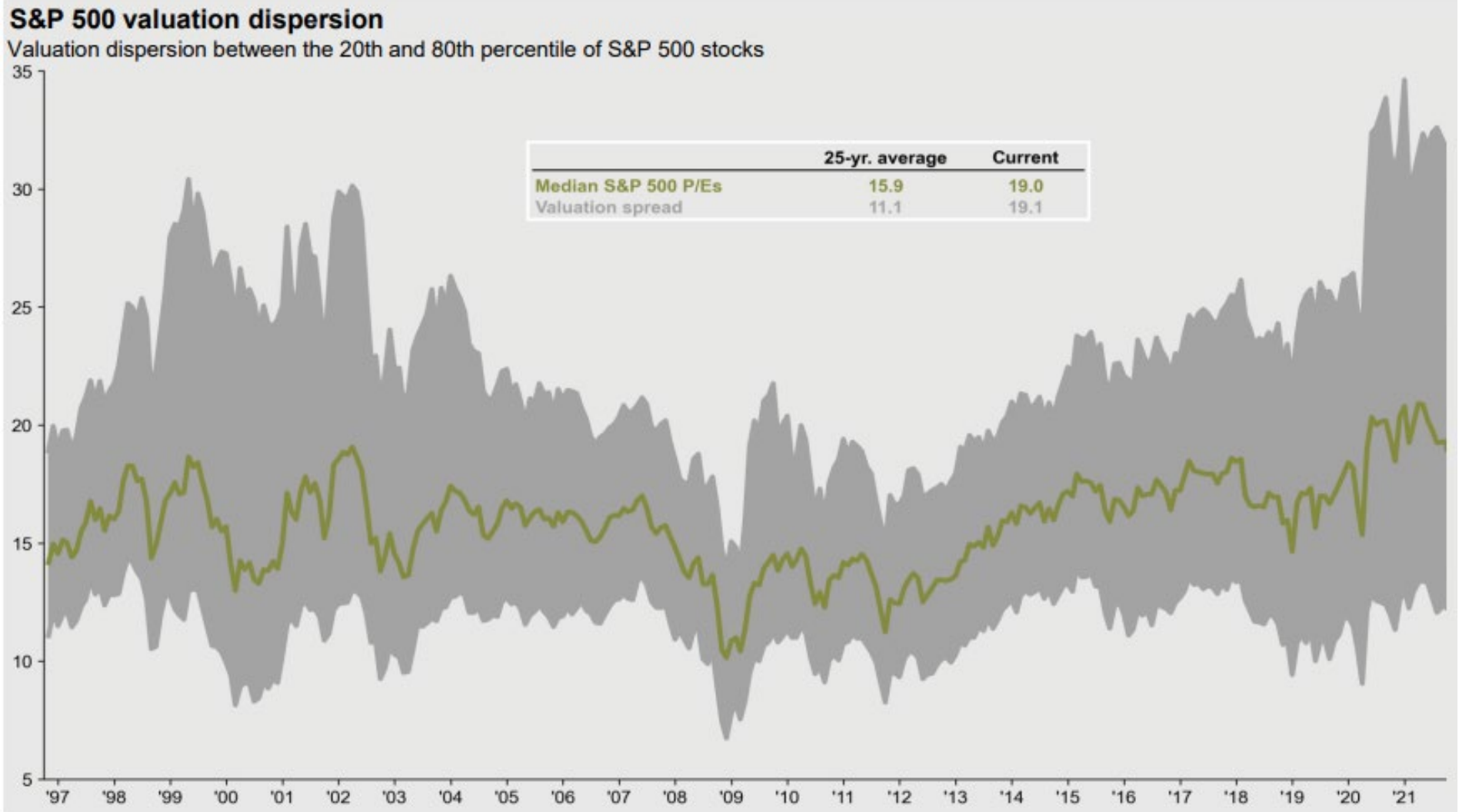


Source: Refinitiv, Credit Suisse Research. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

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Market Valuation



Source: FactSet, Compustat, Standard & Poor's, J.P. Morgan Asset Management. *Guide to the Markets* – U.S. Data are as of 09.30.2021. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Past performance is not indicative of future results.



Important Information

Disclosures

The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index.

The S&P 500® Index is a readily available, carefully constructed, market-value-weighted benchmark of common stock performance. Currently, the S&P 500 Composite includes 500 of the largest stocks (in terms of stock market value) in the United States and covers approximately 80% of available market capitalization.

The Russell 1000® Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000® companies with lower price-to-book ratios and lower expected growth values. The Russell 1000® Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics.

The Russell 3000® Index measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market. The Russell 3000® Index is constructed to provide a comprehensive, unbiased and stable barometer of the broad market and is completely reconstituted annually to ensure new and growing equities are included.

The S&P 500 Dividend Aristocrats, also known as the Dividend Aristocrats, is an exclusive index within the Standard and Poor's 500 that was launched in 2005. It contains companies that increased their dividend payouts for over 25 consecutive years. It is a high-performance index and consists of approximately 60 large-cap stocks over a wide variety of sectors and is often considered an attractive index to invest in, as it includes many stable growth-oriented stocks.

Technical Terms: **Earnings Per Share (EPS)**: a key metric used to determine the common shareholder's portion of the company's profit. EPS measures each common share's profit allocation in relation to the company's total profit. **Price Earnings Ratio (P/E)**: the relationship between a company's stock price and earnings per share (EPS). The P/E ratio shows the expectations of the market and is the price you must pay per unit of current earnings (or future earnings, as the case may be). **Return on Equity (ROE)**: the measure of a company's annual return (net income) divided by the value of its total shareholders' equity, expressed as a percentage. **Compound Annual Growth Rate (CAGR)**: the measure of an investment's annual growth rate over time, with the effect of compounding taken into account. It is often used to measure and compare the past performance of investments, or to project their expected future returns. **EBITDA**: Earnings Before Interest, Taxes, Depreciation, and Amortization is a metric used to evaluate a company's operating performance. It can be seen as a proxy for cash flow from the entire company's operations. **CapEx**: (short for capital expenditures) is the money invested by a company in acquiring, maintaining, or improving fixed assets such as property, buildings, factories, equipment, and technology. **ESG**: ESG is the acronym for Environmental, Social, and (Corporate) Governance, the three broad categories, or areas, of interest for what is termed "socially responsible investors." They are investors who consider it important to incorporate their values and concerns (such as environmental concerns) into their selection of investments – as opposed to simply considering the potential profitability and/or risk presented by an investment opportunity. (Technical definitions are sourced from Corporate Finance Institute.)

Past performance is not indicative of future results. Any type of investing involves risk and there are no guarantees that these methods will be successful.

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Sterling Capital does not provide tax or legal advice. You should consult with your individual tax or legal professional before taking any action that may have tax or legal implications.



Sterling Capital Management – Equity Income SMA Composite

December 31, 2000 – December 31, 2020

Description: Consists of all discretionary separately managed wrap Equity Income portfolios. Sterling’s Equity Income portfolios invest primarily in companies with a dividend yield greater than the S&P 500 and a history of growing the dividend, either three consecutive years or six of the prior ten years.

Year	Total Return "Pure"	Total Return	No. of Portfolios	Composite Assets	Total	Composite Dispersion (%)	Russell	Composite	Benchmark
	Gross of Fees	Net of Fees		End of Period	Firm Assets		1000 Value	3-yr St Dev	3-yr St Dev
				(\$MM)	(\$MM)			(%)	(%)
2020	7.16	5.83	4	588	70,108	Not Meaningful	2.80	18.87	19.62
2019	25.30	23.73	5	739	58,191	Not Meaningful	26.54	11.32	11.85
2018	-0.26	-1.53	5	619	56,889	Not Meaningful	-8.27	11.01	10.82
2017	20.54	18.94	4	643	55,908	Not Meaningful	13.66	9.78	10.20
2016	15.43	13.84	3	989	51,603	Not Meaningful	17.34	10.40	10.77
2015	-2.70	-4.15	3	1,100	51,155	Not Meaningful	-3.83	10.20	10.68
2014	4.61	2.98	3	1,501	47,540	Not Meaningful	13.45	8.33	9.20
2013	26.70	24.74	3	1,574	45,638	Not Meaningful	32.53	9.72	12.88
2012	12.39	10.63	3	1,272	4,422	Not Meaningful	17.51	11.83	15.73
2011	10.24	8.54	2	1,159	3,932	Not Meaningful	0.39	14.88	20.98
2010	15.64	13.87	2	992	3,548	Not Meaningful	15.51	17.82	23.51
2009	18.92	17.05	2	811	2,839	Not Meaningful	19.69	16.17	21.40
2008	-26.17	-27.26	2	620	1,907	Not Meaningful	-36.85	13.18	15.58
2007	9.20	7.66	1	668	2,059	Not Meaningful	-0.17	6.52	8.17
2006	23.09	21.35	1	442	1,314	Not Meaningful	22.25	6.00	6.78
2005	10.19	8.63	1	263	904	Not Meaningful	7.05	9.51	9.59
2004	23.23	21.39	1	128	522	Not Meaningful	16.49	12.76	14.97
2003	31.36	29.24	1	31	158	Not Meaningful	30.03	12.94	16.22
2002	-12.34	-13.78	1	15	51	Not Meaningful	-15.52		
2001	5.76	4.46	1	4	24	Not Meaningful	-5.59		

Sterling Capital Management LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Sterling Capital Management LLC has been independently verified for the periods 01/01/01 to 12/31/19. The verification report(s) is/are available upon request. 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. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of the CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Notes:

1. Sterling Capital Management LLC (SCM) is a registered investment advisor with the SEC. Registration does not imply a certain level of skill or training. Sterling manages a variety of equity, fixed income and balanced assets. Prior to January 2001, Sterling was a wholly owned subsidiary of United Asset Management (UAM). In January 2001, Sterling Capital Management LLC purchased all the assets and business of Sterling Capital Management Company from UAM to become an employee owned firm. In April 2005, BB&T Corporation purchased a majority equity ownership stake in Sterling Capital Management LLC. In October 2010, the management group of Sterling Capital entered into an agreement with BB&T Corporation that reduced and restructured management’s interest in Sterling Capital Management. Additionally, BB&T Asset Management merged into Sterling Capital Management. In January 2013, CHOICE Asset Management firm merged into Sterling Capital Management. “Percent of Firm Assets” and “Total Firm Assets” prior to 2013 are for CHOICE Asset Management. In August 2015, eight new employees joined Sterling Capital management via Stratton Management Company following the close of BB&T’s purchase of Susquehanna Bancshares. In December 2019, BB&T Corporation and SunTrust Banks, Inc. Holding Company merged as equals to form Truist Financial Corporation. Sterling Capital Management LLC is a wholly owned subsidiary of Truist Financial Corporation. In August 2020, new employees joined Sterling Capital Management via the Investment Advisory Group of SunTrust Advisory Services. This reorganization aligns all of the discretionary fixed income asset management activities within Truist under Sterling.
2. George F. Shipp, CFA, has managed the portfolio since inception. No alterations of composites, as presented herein, have occurred due to changes in personnel or other reasons at any time.
3. Inception date of composite: December 31, 2000. Creation date: December 31, 2000. The appropriate benchmark for this composite is the [Russell 1000 Value Index](#). The Russell 1000 Value Index measures the performance of the large-cap value segment of the U.S equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. The index is reconstituted annually. Total return includes price appreciation/depreciation and income as a percent of original investment. A complete list of all of SCM’s composites and SCM’s broad distribution pooled funds and their descriptions is available upon request. Policies for valuing investments, calculating performance, and preparing GIPS Composite Reports are available upon request.
4. Performance reflects reinvested interest income and dividends and realized and unrealized capital gains and losses. Portfolios utilize trade-date accounting. Valuations and performance are reported in US dollars. Composite returns are calculated monthly by weighting the aggregate SMA/Wrap sponsor returns using beginning of period market values. Periodic time weighted returns are geometrically linked. Returns are not calculated net of non-reclaimable withholding taxes due to immaterial dollar amounts.
5. “Pure” gross of fees returns are presented as supplemental information and do not reflect the deduction of any fees including trading costs. The net of fee return reflects the actual SMA fee of the individual portfolios in each platform except for one platform where the maximum fee is deducted from the gross return. The SMA fee includes all charges for trading costs, portfolio management, custody and other administrative fees. The actual fee may vary by size and type of portfolio. The maximum SMA or bundled external platform fee is 2.82% annually and includes Sterling’s actual management fee of 0.32%. Sterling’s actual management fees are 50 basis points annually or less. Since inception, the composite is comprised 100% of wrap fee portfolios.
6. The annual composite dispersion presented is measured by an asset-weighted standard deviation calculation method of all portfolios in the composite for the entire year, and is calculated using gross of fee returns. It is not meaningful when there have been less than six portfolios in composite for entire calendar year. The three year annualized standard deviation measures the variability of the composite and benchmark returns over the preceding 36 month period. The composite 3-year standard deviation is calculated using gross of fee returns. It is not required to be presented for annual periods prior to 2011 or when a full three years of composite performance is not yet available.
7. The performance presented represents past performance and is no guarantee of future results. Stock market conditions vary from year to year and can result in a decline in market value due to material market or economic conditions.