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2020 Global Equity Review and Outlook: Global Leaders SMA

WHAT MATTERS MOST TO YOU MATTERS MOST TO US.



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Sterling Capital Management LLC Risks & Disclosures

- *This webcast is being recorded.*
- *The material presented in this presentation is as of 09.30.2020, unless otherwise stated.*
- *The opinions contained in this presentation reflect those of Sterling Capital Management LLC and are for general information only and are not meant to be predictions or an offer of individual or personalized investment advice.*
- *Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients.*
- *Any type of investment involves risk and there are no guarantees. 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.*



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Meet Your Speakers & Agenda

WebEx Agenda:

- Sterling Capital Overview
- Performance Update
- Portfolio Positioning and Activity
- Q&A



Charles (Chip) J. Wittmann, CFA®
Executive Director
PM Global Leaders SMA



Whitney L. Stewart, CFA®
Executive Director
Client Portfolio Manager

The Chartered Financial Analyst® (CFA) charter is a graduate-level investment credential awarded by the CFA Institute — the largest global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.



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Sterling Capital Management

THE FIRM

- Institutional investment advisor based in Charlotte, NC; offices in Raleigh, NC; Washington, DC; Richmond, VA; Virginia Beach, VA; Jupiter, FL; Philadelphia, PA; and San Francisco, CA
- \$70 Billion in Assets Under Management and Assets Under Advisement
- Founded in 1970
- Independently-operated subsidiary of Truist Financial Corporation

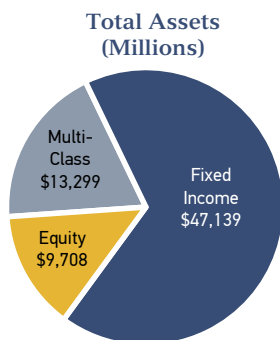
THE PEOPLE

- 172 seasoned investment professionals, client service and administrative associates
- Highly motivated personnel with varied experience to act as subject matter experts:
 - 51 CFA® designees in the firm
 - Independent fundamental equity and credit research
 - Quantitative proprietary risk modeling

Experience	Average Yrs
Portfolio Managers	24
Investment Analysts	15
Traders	19
Client Strategists	20

43 Portfolio Managers 24 Investment Analysts 8 Traders 23 Client Strategists 10 Client Analysts 43 Operations 7 Compliance 14 Staff

DIVERSIFIED INVESTMENT STRATEGIES



Equity		Fixed Income		Yield-Focused
Large Cap	Mid Cap	Treasuries	Municipals	Preferreds
Small Cap	All Cap	Government Related	Investment Grade Multi-Sector	High Yield Corporate
Opportunistic	International	High Yield Corporate	Securitized	Securitized
Active/Factor	Real Estate	Inflation Protected	Floating Rate	Unconstrained
Dividend Equity		Multi-Sector		

Data as of 09.30.2020. Sterling's preliminary Assets Under Advisement ("AUA") differs from our regulatory Assets Under Management ("AUM") for which we provide continuous and regular investment management services as disclosed in our ADV. AUA generally refers to non-discretionary assets for which Sterling provides advice or consultation for which Sterling does not have authority to effectuate transactions. Such services include Model portfolios and assets Sterling advises as an outsourced Chief Investment Officer on a non-discretionary basis. Important Information – Designation: The **Chartered Financial Analyst® (CFA)** charter is a graduate-level investment credential awarded by the CFA Institute — the largest global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.



History of Attractive Risk Adjusted Returns

- 19+ year history of achieving performance objective of above-average returns and below-average risk over time, resulting in attractive upside and downside participation*

Consistent Team, Philosophy, and Process

- Consistent team, philosophy, and process should lead to repeatable results
- Only investment person to leave the team was due to a retirement

Active

- High active share and high conviction provides alpha potential
- Four Pillars have empirical evidence of alpha generation and reduced downside risk over time

Long-Term

- Long-term focus allows for time horizon arbitrage as other investors are often overly focused on short-term results and expectations
- Low turnover reduces transaction costs and tax impact

Align Interests with Clients

- Portfolio managers invest a portion of their personal capital in the strategies they manage, thus aligning our interests with those of our clients

Risk Management

- Consistent risk management process measures and controls risk from three perspectives: Investment Risk (margin-of-safety), Portfolio Risk (diversification), and Company Risk (leverage and earnings volatility)

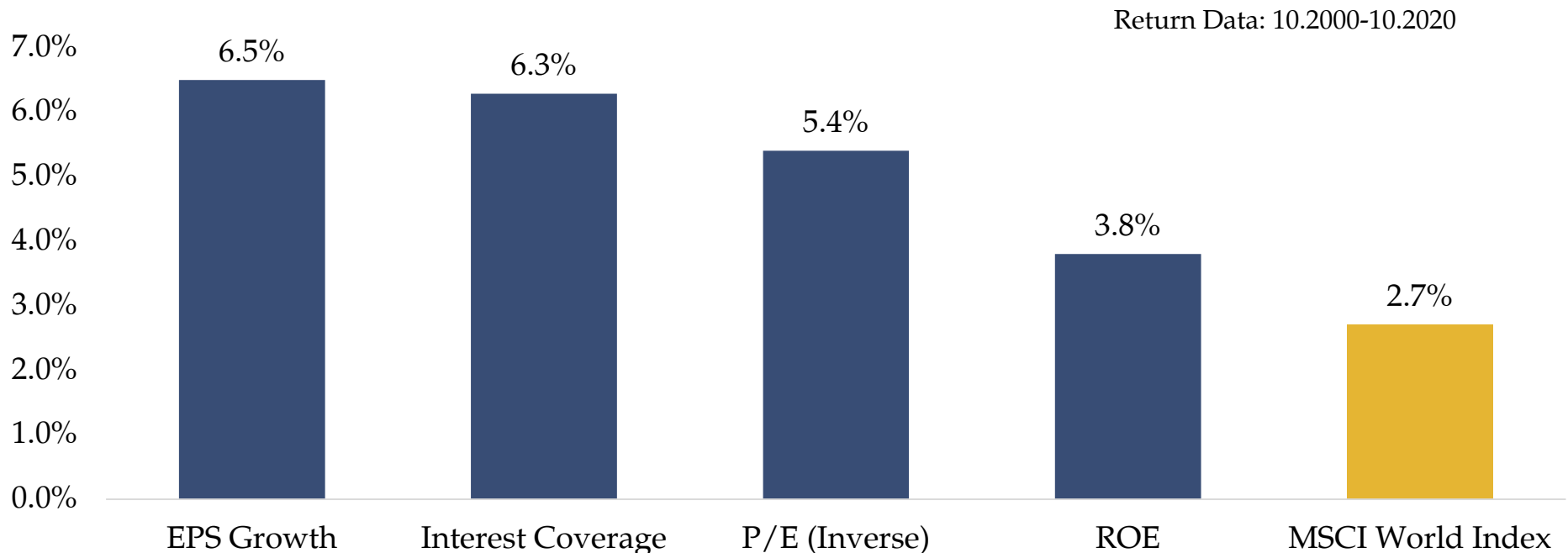
**See Performance, Peer Universe Comparison, and Up/Down Market Capture Ratio slides (8-10).*

Past performance is no guarantee of future results. Any type of investing involves risk and there are no guarantees that these methods will be successful.



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 MSCI World® Index by Factor



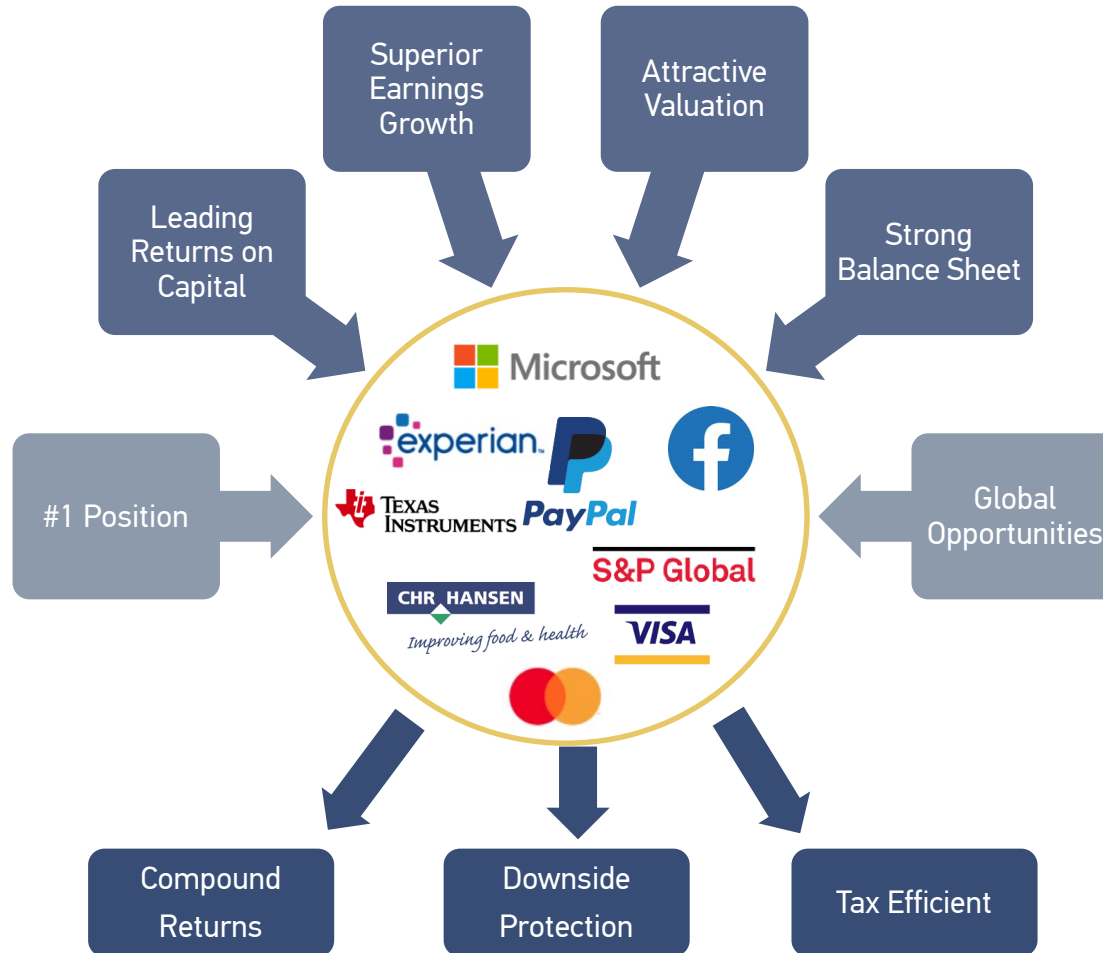
As of 10.31.2020. Source: Ned Davis Research, MSCI, Indices. EPS Growth, P/E, and ROE daily returns. Interest Coverage monthly returns by region that total 97% of index. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful. Past performance is not indicative of future results. Please see important index disclosures in the Appendix.



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Philosophy of Investing: Putting the World's Alpha Engines to Work

WHAT WE LOOK FOR IN PORTFOLIO COMPANIES



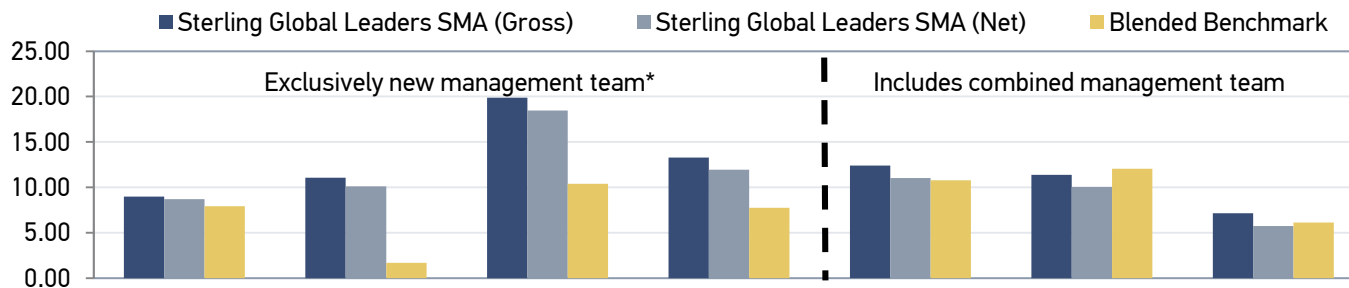
WHAT WE SEEK TO ACHIEVE AS A RESULT

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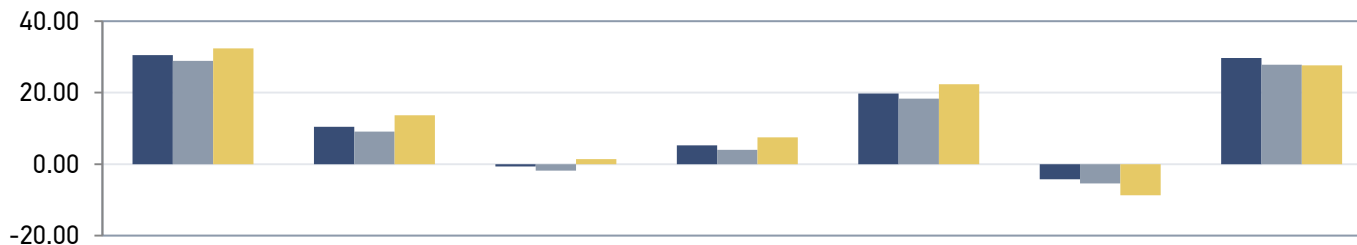


Performance

Sterling Global Leaders SMA



Performance	QTR	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception*
Sterling (Gross)	9.00%	11.08%	19.87%	13.30%	12.39%	11.38%	7.16%
Sterling (Net)	8.71%	10.11%	18.47%	11.94%	11.04%	10.03%	5.74%
Blended Benchmark	7.93%	1.70%	10.41%	7.74%	10.80%	12.06%	6.14%
MSCI World (Net)	7.93%	1.70%	10.41%	7.74%	10.48%	9.37%	5.40%



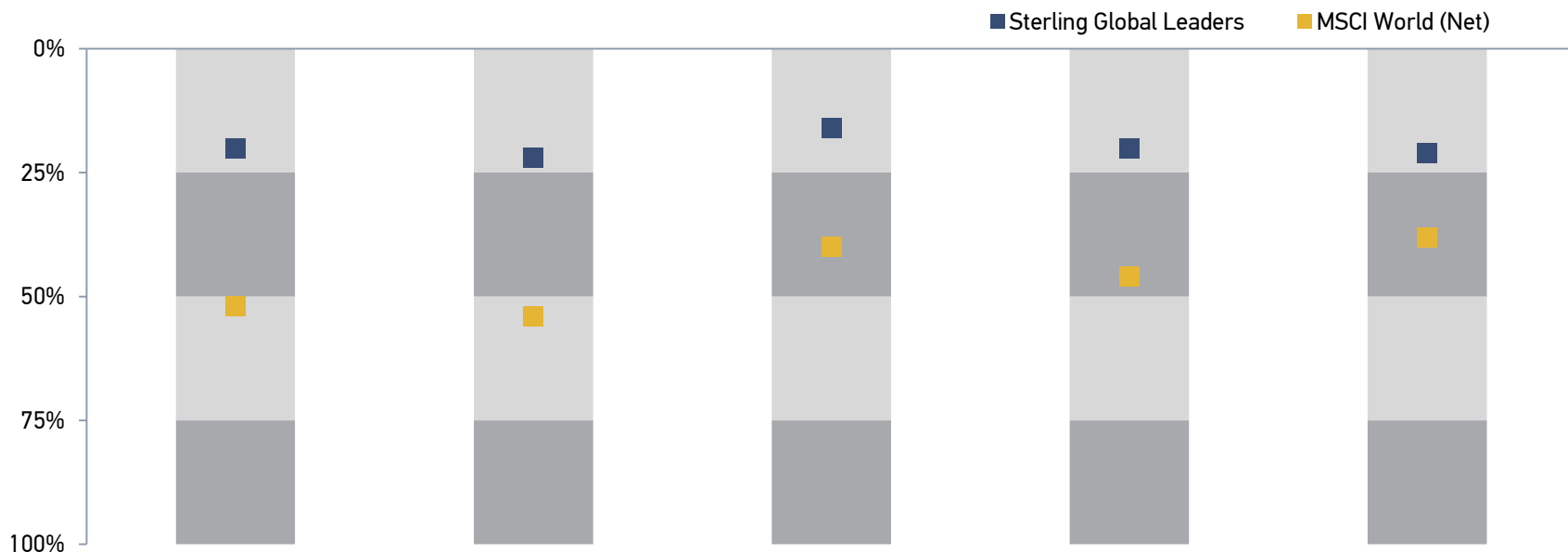
Year-End Returns	2013	2014	2015	2016	2017	2018	2019
Sterling (Gross)	30.51%	10.40%	-0.63%	5.25%	19.80%	-4.23%	29.39%
Sterling (Net)	28.94%	9.06%	-1.81%	3.99%	18.34%	-5.41%	27.85%
Blended Benchmark	32.39%	13.69%	1.38%	7.51%	22.40%	-8.71%	27.67%
MSCI World (Net)	26.68%	4.94%	-0.87%	7.51%	22.40%	-8.71%	27.67%

*Inception date is 12.31.2000. In March 2016, Charles J. Wittmann, CFA, became the portfolio manager with the retirement of Guy W. Ford, CFA. Guy W. Ford, CFA, managed the portfolio from January 2012 to March 2016, succeeding George F. Shipp, CFA, who had 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. Data as of 09.30.2020. Blended benchmark: As of 12.31.2015 the benchmark is the MSCI World Net Index. Prior to 12.31.2015 the benchmark was the S&P 500 Index. 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 Composite Disclosure Presentation located in the APPENDIX. Source: MSCI, S&P, Sterling Capital Management Analytics.

Past performance is not indicative of future results.



Sterling Global Leaders SMA Quarterly Returns (Gross of Fees) Since Inception (12.31.2000)



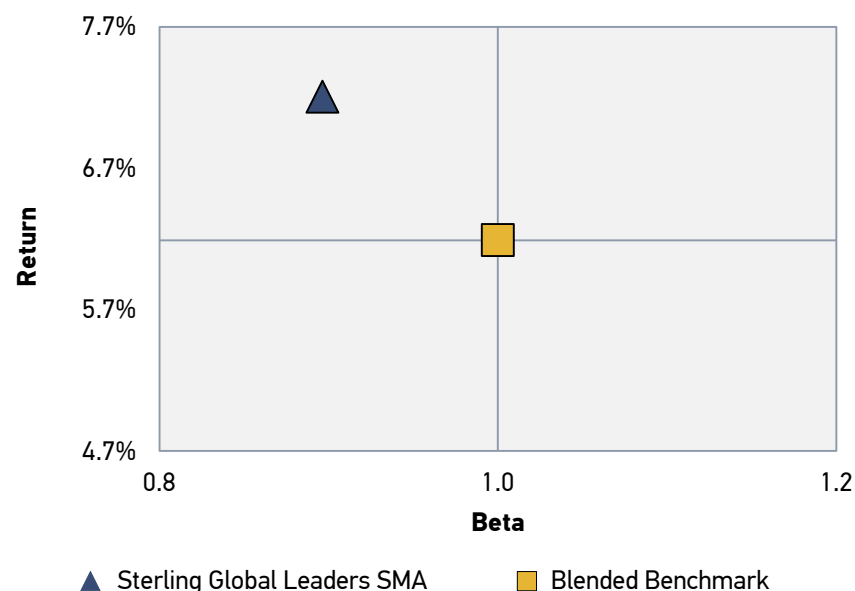
	YTD Return	YTD Rank	1-Year Return	1-Year Rank	3-Year Return	3-Year Rank	5-Year Return	5-Year Rank	10-Year Return	10-Year Rank
Median	2.01%		10.59%		6.14%		10.02%		8.04%	
Sterling Global Leaders SMA	11.08%	20	19.87%	22	13.30%	16	12.39%	20	11.38%	21
MSCI World (Net)	1.70%	52	10.41%	54	7.74%	40	10.48%	46	9.37%	38

Data as of 09.30.2020. The Global Leaders SMA universe is the eVestment SMA/Wrap – Global Equity universe. All information has been obtained from sources considered to be reliable, but accuracy and completeness cannot be guaranteed. Neither the information presented nor any opinion expressed constitutes a representation by eVestment Analytics or a solicitation of the purchase or sale of any securities. The inclusion or omission of any firm or service herein shall not be deemed a recommendation by eVestment Analytics for or against the use thereof. "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 and unrealized capital gains and losses. 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 Composite Disclosure Presentation located in the APPENDIX. Source: Russell Investments, eVestment Analytics, Sterling Capital Management Analytics.



Sterling Global Leaders SMA *Gross of Fees, Since Inception (12.31.2000)*

Summary Statistics vs. Blended Benchmark (of Quarterly Returns)	
Alpha	2.20
Beta	0.90
R Squared	0.91
Tracking Error	5.19
Standard Deviation	16.63
Information Ratio	0.34
Up Market Capture Ratio	95.64%
Down Market Capture Ratio	82.58%



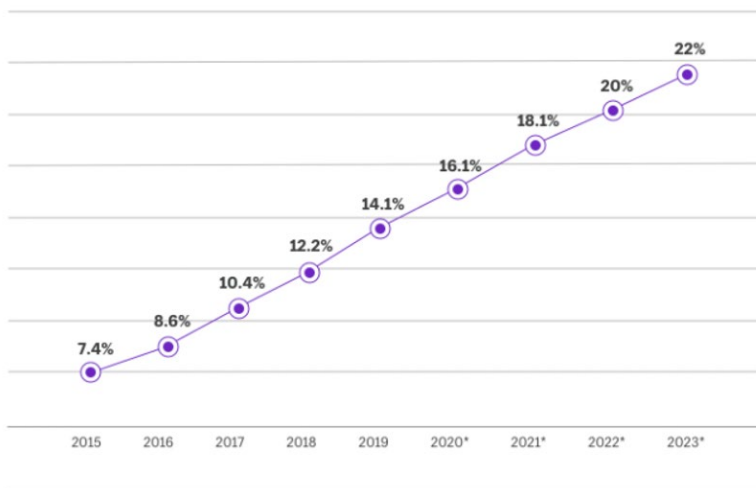
Data as of 09.30.2020. Blended Benchmark: as of 12.31.2015, the benchmark is the MSCI World Net Index. Prior to 12.31.2015, the benchmark was the S&P 500 Index. Performance is preliminary and is annualized for periods longer than one year. "Pure" Gross of fees performance returns do not reflect the deduction 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 Composite Disclosure Presentation located in the APPENDIX. Source: MSCI, S&P, eVestment Analytics, FactSet, Sterling Capital Management Analytics.



Social and E-Commerce

- From 2015 to 2023, the share of the world's global retail sales will shift from less than 8% online to nearly a quarter of all sales by 2023 (eMarketer, Winkler Group 2020).
- Integrating social media improves awareness, and that awareness can be converted into sales 25% of the time, as demonstrated in China (McKinsey, China Digital Consumer Trends 2019).
- Sterling Capital Global Leaders portfolio holdings as of 09.30.2020: Alibaba, Tencent, Facebook, Alphabet, Paypal, Mastercard and Visa.

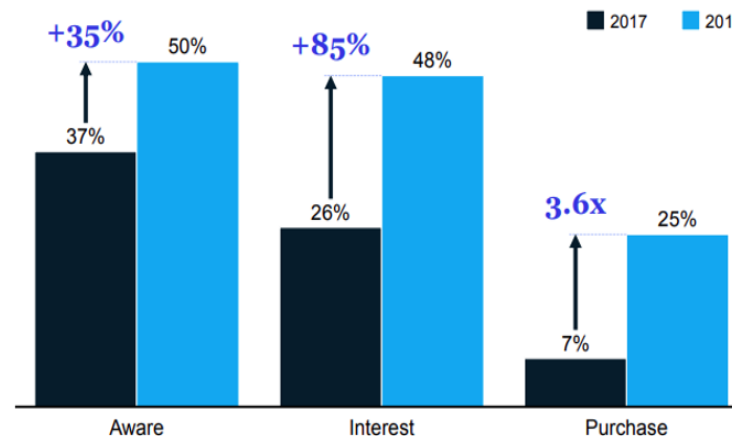
Ecommerce share of total global retail sales from 2015 to 2023



Source: eMarketer, Statista

Influence of social media and content on the consumer journey

% of online shoppers who use social platforms to gain awareness / evaluate / purchase



Social is most important for **apparel, beauty, and package food** categories for engagement

Source: iConsumer, McKinsey

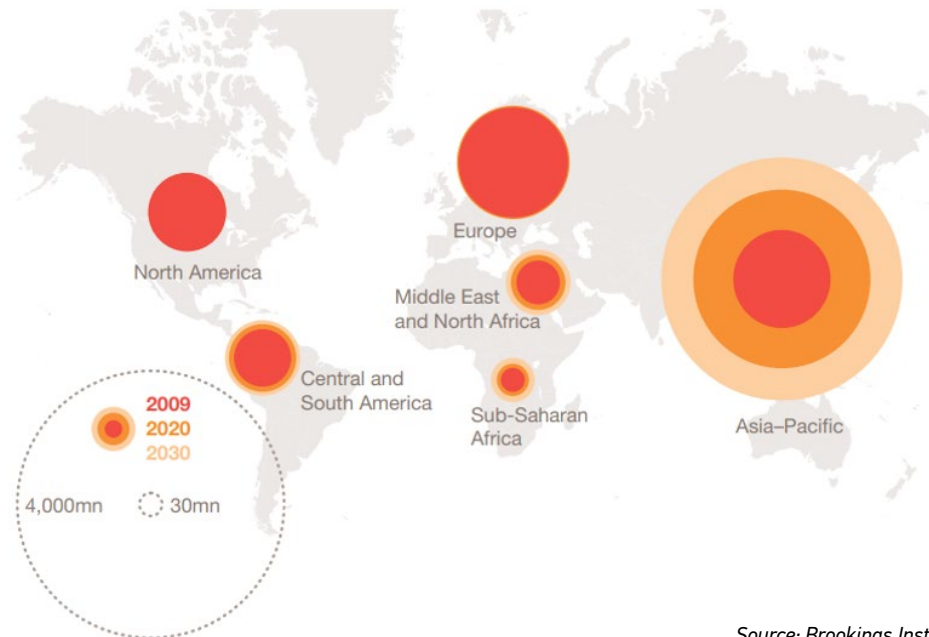
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Asia Growth

- “The rapid middle class expansion in Asia will see our target customer base double in 10 years, growing seven times faster than the rest of the world.” (AIA Group, first half 2020 earnings call).
- Every second, five people enter the middle class globally and 87% of those entrants will be Asian (Brookings Institute, A Golden Age for Business? 2017).
- Sterling Capital Global Leaders portfolio holdings as of 09.30.2020: Alibaba, Tencent, AIA Group, LVMH, CSL Limited and Mettler-Toledo.

The New Global Middle Class



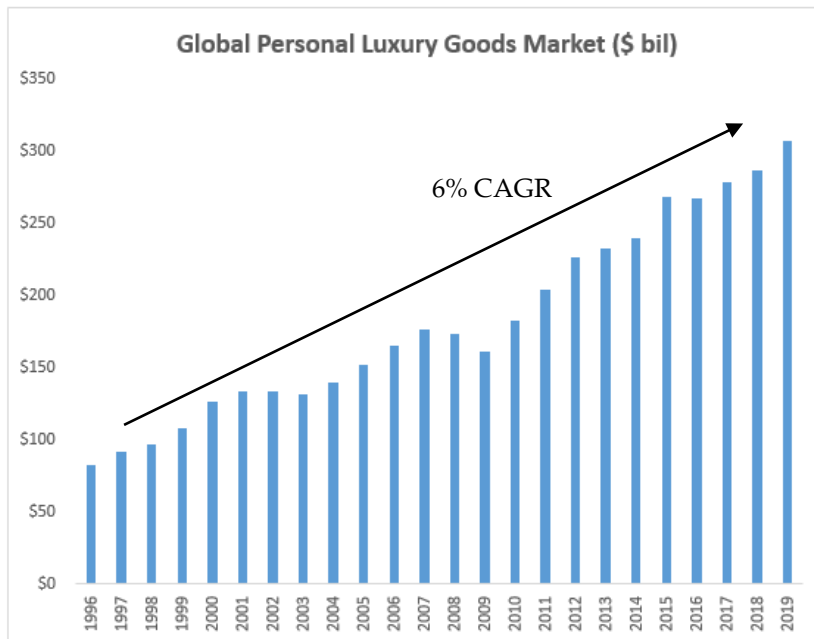
Source: Brookings Institute

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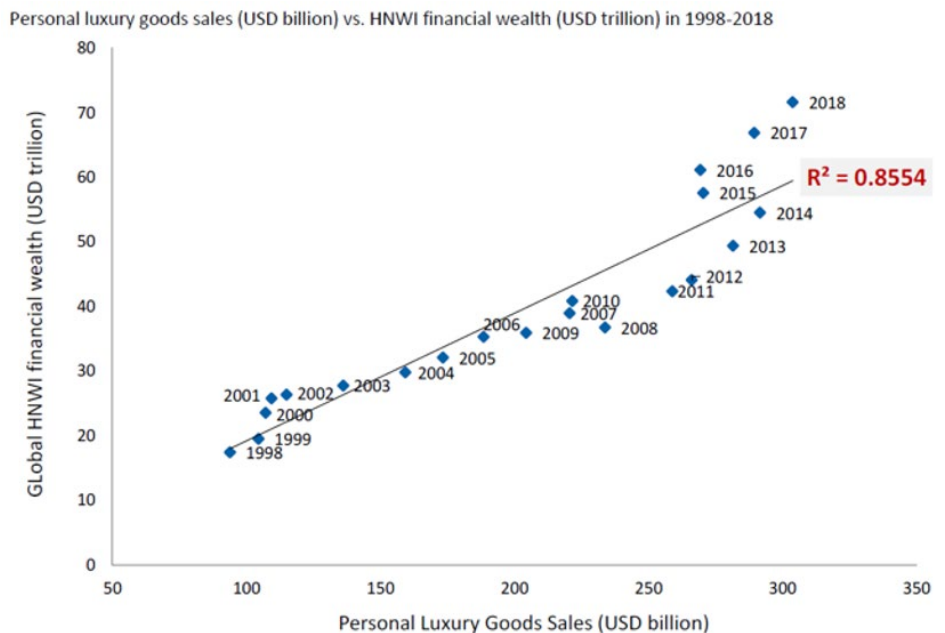
Luxury Brands

- The personal luxury goods market has grown nearly every single year since the late 1990's.
- The luxury goods market has compounded at a 6% rate over since the 1990's.
- The second-hand fashion market is projected to reach \$51 billion by 2023 (ThredUp).
- Sterling Capital Global Leaders portfolio holdings as of 09.30.2020: LVMH, Ferrari and Alibaba.



Source: Bain & Company

Global Luxury Good Sales and Global Wealth



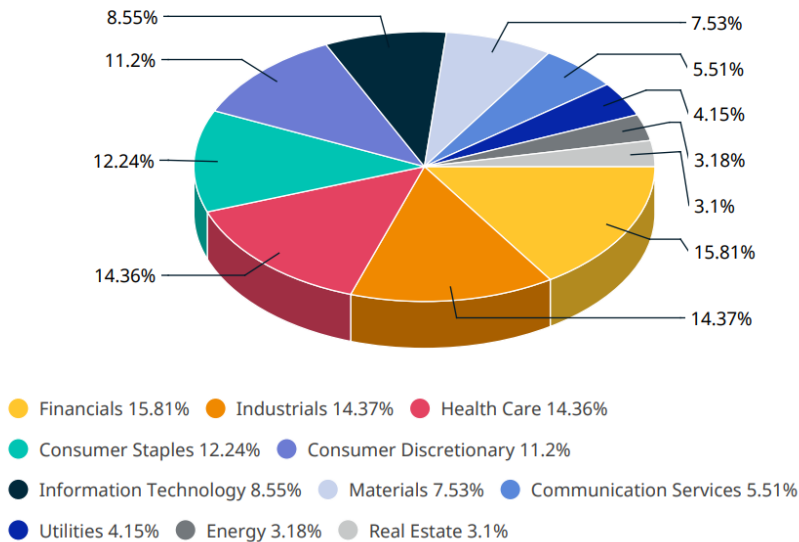
Source: Bain Altagamma, Capgemini, Datastream, RBC

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MSCI EAFE Index (USD)

SECTOR WEIGHTS



Global Leaders Holdings Based in Europe and Japan

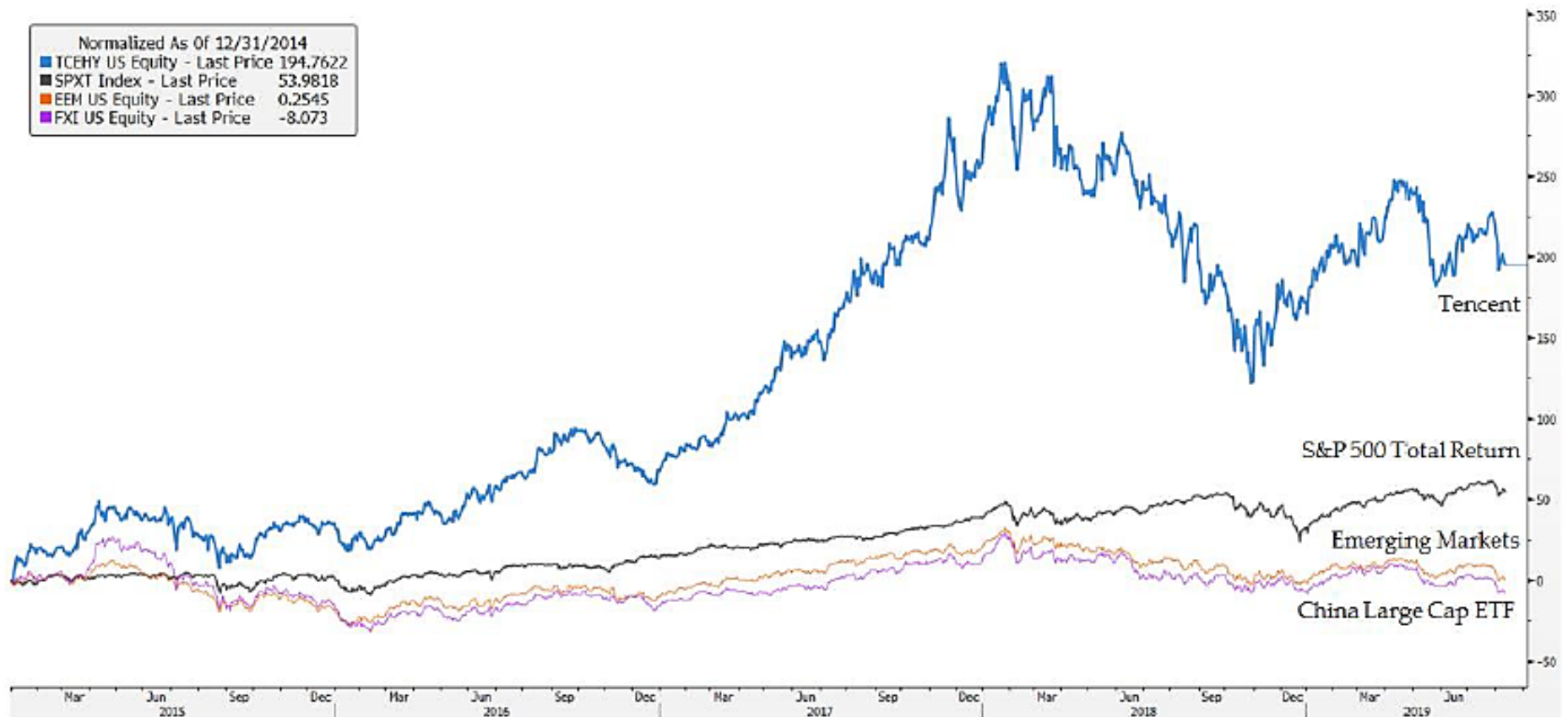
Revenues from Europe and Japan

Experian	23%
Ferrari	23%
Markit	11%

Source: MSCI, Bloomberg, Company Reports. 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.



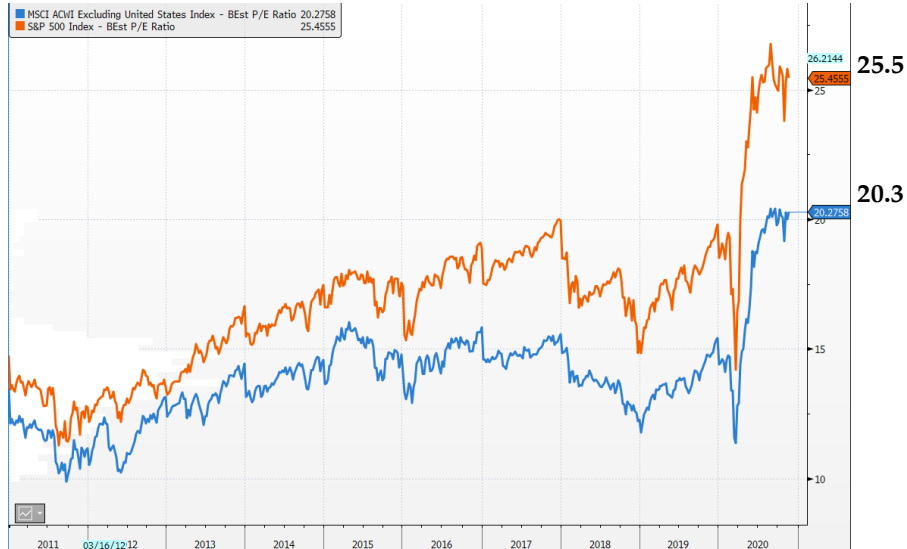
Individual Stock Selection Can Provide Significant Return Potential



Source: Bloomberg. Data as of 06.30.2019. 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. 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.

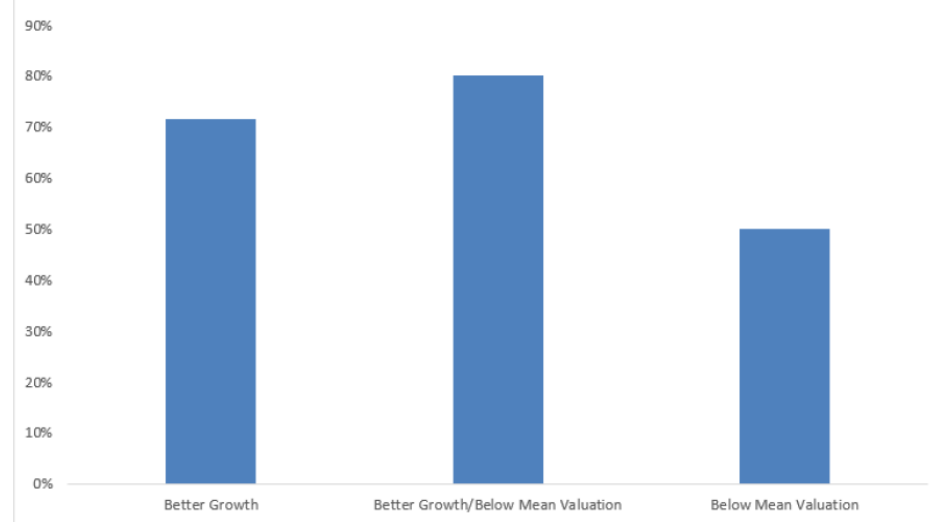


**Price to Earnings Ratio S&P 500 (orange)
Relative to MSCI ACWI (blue)**



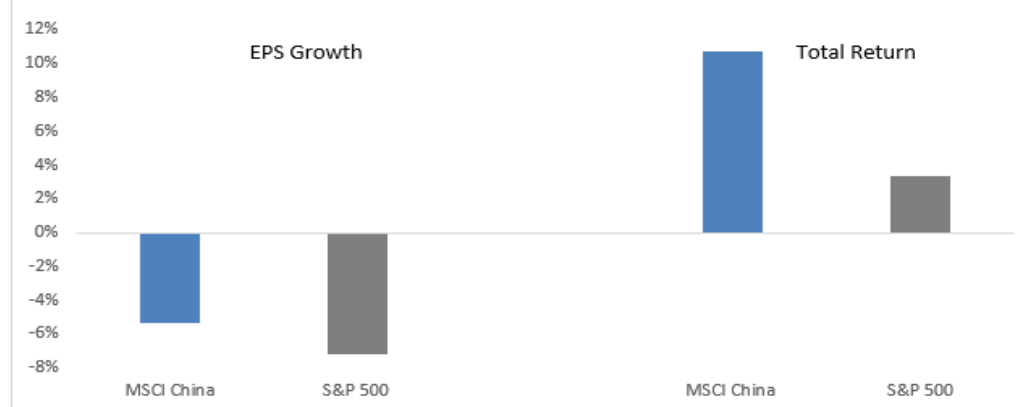
Source: Bloomberg, data from 2011 to 2020.

**Percentage of Years ACWI ex US Outperforms the S&P 500
2000-2019**



Source: Bloomberg, data annually 2000-2019.

MSCI China and S&P 500 - 2020



Source: Bloomberg, earnings per share (EPS) growth as of 09.30.2020 year-over-year, total return first nine months 2020.



Sterling Global Leaders SMA

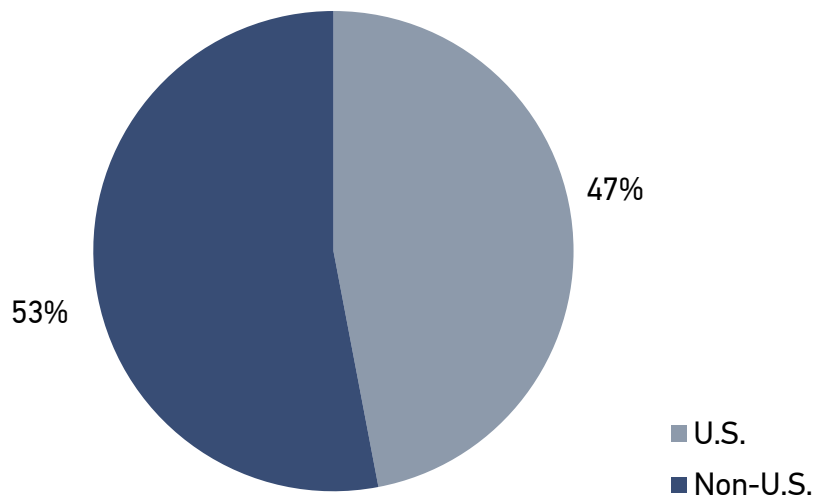
Portfolio Characteristics		
	Sterling	Index
Wtd. Average Market Cap	\$338.3B	\$308.3B
Wtd. Median Market Cap	\$130.7B	\$79.0B
Wtd. Harmonic Median P/E Ratio (FY1)	33.0x	27.3x
Median Historical 3-Year EPS Growth	23%	8.4%
Median Est. 3-5 Year EPS Growth	11.6%	7.1%
Median Net Debt/EBITDA	0.4	1.7
Median Return on Equity	25.0%	11.2%
Number of Holdings	26	1,607
Active Share	90.3%	---
Turnover	49.3%	---

Top Ten Equity Holdings	
1. Alibaba Group Holding Ltd. Sponsored ADR	6.6%
2. PayPal Holdings Inc	6.2%
3. Facebook, Inc. Class A	6.0%
4. Tencent Holdings Ltd. Unsponsored ADR	5.7%
5. Mastercard Incorporated Class A	5.7%
6. IHS Markit Ltd.	4.8%
7. Constellation Software Inc.	4.6%
8. S&P Global, Inc.	4.4%
9. Mettler-Toledo International Inc.	4.3%
10. Microsoft Corporation	4.1%
<i>Total % of Portfolio</i>	<i>52.3%</i>

Data as of 09.30.2020. Index is MSCI World Net. Turnover is for the last 12 months. 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 Characteristics and Top Ten Holdings are considered Supplemental Information to the Composite Disclosure Presentation located in the APPENDIX. Source: MSCI, FactSet, Sterling Capital Management Analytics.

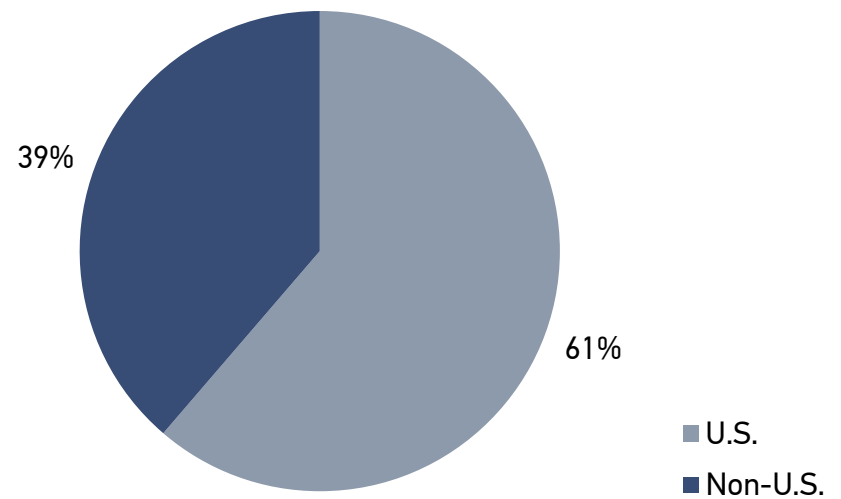


Geographic Allocation – Revenues



Source: Bloomberg, position weighted equity holdings as of 09.30.2020.

Geographic Allocation – Domicile



Source: Factset and Bloomberg, equity holdings as of 09.30.2020.



Top 5 Performers:

- Alibaba
- Facebook
- Paypal
- Mastercard
- Mettler-Toledo

Bottom 5 Performers:

- Automatic Data Processing
- Qualys
- Phillips 66
- Constellation Software
- CSL Limited

Data as of 09.30.2020. The top/bottom performers are based on quarterly contribution 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.



New Purchases:

- **LVMH Moet Hennessy Louis Vuitton.** We added “the world luxury leader” LVMH, whose flagship brand is Louis Vuitton.
- **Qualys.** Baird research states: “Qualys is a cloud-based enterprise security and compliance provider. It is the market leader in device Vulnerability Management, and has >9,300 customers in 100 countries.”
- **CSL Limited.** The company is the largest plasma product company globally and headquartered in Parkville, Australia near Melbourne. CSL describes itself in its annual report as “a global biotechnology leader which develops innovative medicines that save lives, protect public health and help people with life threatening medical conditions live full lives.”
- **Visa.** Visa is the largest global card-transaction processing firm, with leading positions across most worldwide geographies.

Sells:

- **Sage Group.** We sold Sage Group plc due to pressures on its small business client base in Europe.
- **Phillips 66.** We sold Phillips 66 after a rebound in the stock and in light of potential pressures on North American shale production.
- **Automatic Data Processing.** The COVID-19 crisis hit ADP’s business as payrolls declined during the pandemic, but this quarter the gains that management anticipated from new product offerings failed to materialize, leading to a disappointing future outlook.
- **Broadridge Financial.** We sold this mission-critical service provider that enables corporations and brokerage firms to benefit from trends in digitization that reduce cost and make its offerings increasingly more cost effective on valuation.



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We Added LVMH Moët Hennessy Louis Vuitton in Q3.2020

What Attracted Us to the Stock?

Industry Leader:

- #1 luxury leader worldwide
- Rich collection of global brands with size that enables efficiencies in research and development (R&D), distribution and sourcing

Competitive Moat:

- A collection of global brands that cannot be replicated in Louis Vuitton, Moët Chandon, Christian Dior, Tag Heuer, Sephora and others

Quality Compounder:

- Five year compound EBITDA growth of 17% with a return on invested capital (ROIC) that has increased over the same time period

Pillars

- Returns: 21% return on equity (ROE) as of last quarter
- Growth: Earnings have 13-30% growth over the past three years pre-COVID-19
- Balance sheet: EBIT/Interest Coverage 25x
- Valuation: Free cash flow yield on enterprise value equal to the MSCI World



Source: The Real Real

The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. 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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We Added CSL Limited in Q3.2020

What Attracted Us to the Stock?

Industry Leader:

- #1 global plasma company with 31% market share
- Global leader in pandemic response, Australian government has contracted with CSL to administer COVID-19 vaccine nationwide

Competitive Moat:

- Irreplaceable network of 130+ collection centers worldwide, including low cost geographies

Quality Compounder:

- Five year compound EBITDA growth of 10%+ with a ROE that has exceeded 35% over that timeframe

Pillars

- Returns: 36% return on equity as of last quarter
- Growth: Earnings grew 10-19% over the past three years pre-COVID-19
- Balance sheet: EBIT/Interest Coverage 17x



Source: Company Reports



Source: Company Reports

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Q&A

Please click the “raise your hand” icon for questions



Performance is compared to an index, however, the volatility of an index varies greatly. 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 MSCI World Index captures large and mid-cap representation across 23 Developed Markets (DM) countries. With 1,601 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. DM countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the U.K. and the U.S.

The MSCI EAFE Index is an equity index which captures large and mid-cap representation across 21 Developed Markets countries around the world, excluding the U.S. and Canada. With 900 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. Developed Markets countries in the MSCI EAFE Index include: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the U.K.

Technical Terms: P/E Ratio: the price-to-earnings ratio (P/E ratio) is a ratio used to compare the price of a fund's stocks with their per-share earnings, with a higher ratio indicating the market has belief that a company has the ability to increase its earnings. **Earnings Per Share (EPS):** the portion of a company's profit allocated to each outstanding share of common stock. Earnings per share serves as an indicator of a company's profitability. **EBITDA:** earnings before interest, taxes, depreciation, and amortization, is a measure of a company's overall financial performance and is used as an alternative to net income in some circumstances. **Return on Equity:** the amount of net income returned as a percentage of shareholders equity. Turnover: a measure of how frequently assets within a fund are bought and sold by the managers. **Return on Invested Capital (ROIC):** the amount of return a company makes above the average cost it pays for its debt and equity capital. (Technical definitions are sourced from Investopedia.)

Past performance is not indicative of future results. Any type of investing involves risk and there are no guarantees.

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Sterling Capital Management – Global Leaders SMA Composite

December 31, 2000 – December 31, 2019

***Description:** Consists of all discretionary separately managed wrap Global Leaders portfolios. Sterling’s Global Leaders equity portfolios invest primarily in companies which have established themselves as market leaders, exhibiting sustainable advantages in production, marketing and research and development.*

Year	Total Return "Pure" Gross of Fees	Total Return Net of Fees	No. of Portfolios	Composite Assets End of Period (\$MM)	Percent of Firm Assets	Total Firm Assets (\$MM)	Composite Dispersion (%)	Benchmark	MSCI World (Net) Index	Composite 3-yr St Dev (%)	Benchmark 3-yr St Dev (%)
2019	29.39	27.85	51	29	0.0	58,191	0.87	27.67	27.67	10.44	11.14
2018	-4.23	-5.41	57	26	0.0	56,889	0.50	-8.71	-8.71	9.90	10.38
2017	19.80	18.34	63	29	0.1	55,908	0.51	22.40	22.40	9.54	10.07
2016	5.25	3.99	88	37	0.1	51,603	0.30	7.51	7.51	10.07	10.80
2015	-0.63	-1.81	80	38	0.1	51,155	0.37	1.38	-0.87	10.05	10.47
2014	10.40	9.06	89	41	0.1	47,540	0.40	13.69	4.94	9.31	8.97
2013	30.51	28.94	96	43	0.1	45,638	0.48	32.39	26.68	12.38	12.11
2012	11.28	9.88	105	37	0.8	4,422	0.40	16.00	15.83	14.59	15.30
2011	-2.81	-4.03	133	43	1.1	3,932	0.49	2.11	-5.54	16.98	18.97
2010	14.77	13.32	137	46	1.3	3,548	0.32	15.06	11.76	22.25	22.16
2009	44.06	42.13	141	43	1.5	2,839	1.59	26.46	29.99	20.88	19.91
2008	-38.43	-39.26	165	33	1.7	1,907	1.19	-37.00	-40.71	17.86	15.29
2007	16.61	15.06	151	52	2.5	2,059	0.76	5.49	9.04	7.50	7.79
2006	17.79	16.18	141	41	3.1	1,314	0.38	15.80	20.07	7.02	6.92
2005	8.18	6.67	105	28	3.1	904	0.39	4.91	9.49	8.85	9.17
2004	15.61	13.90	62	16	3.1	522	0.98	10.88	14.72	13.80	15.07
2003	21.32	19.34	41	10	6.3	158	2.10	28.68	33.11	17.96	18.47
2002	-19.50	-20.80	39	7	13.7	51	0.40	-22.10	-19.89		
2001	-14.71	-15.94	12	4	16.7	24	0.10	-11.89	-16.82		
Annualized Since Inception	6.86	5.44						6.30	5.52		

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 12/31/18. The verification report(s) is/are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm’s policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

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.
2. In March 2016, Charles J. Wittmann, CFA, became the portfolio manager with the retirement of Guy W. Ford, CFA. Guy W. Ford, CFA, managed the portfolio from January 2012 to March 2016, succeeding George F. Shipp, CFA, who had 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. Effective 1/1/2016, the composite was renamed from “Leaders” to “Global Leaders.” The appropriate benchmark index is the S&P 500 from inception to 12/31/2015 and the MSCI World Net index from 1/1/2016 forward. The MSCI World Index is a broad global equity benchmark that is rebalanced quarterly, and represents large and mid-cap equity performance across 23 developed markets countries. The MSCI World index covers approximately 85% of the free float-adjusted market capitalization in each country, and does not offer exposure to emerging markets. The S&P 500 is an unmanaged, weighted index of 500 stocks providing a broad indicator of price movements. Total return includes price appreciation/depreciation and income as a percent of the original investment.
4. Performance reflects reinvested interest income and dividends and realized and unrealized capital gains and losses. All portfolios are valued monthly as of calendar month-end and utilize trade-date and accrued income accounting. Valuations and performance are reported in US dollars. Portfolio returns are calculated monthly using the Modified Dietz method. Portfolios are revalued for cash flows greater than 10%. Composite returns are calculated by weighting the individual portfolio returns using beginning of period market value plus weighted cash flows. Periodic time weighted returns are geometrically linked.
5. “Pure” gross of fees returns do not reflect the deduction of any fees including trading costs. The net of fee return reflects the actual SMA fee of the individual account. The SMA fee includes all charges for trading costs, portfolio management, custody, administrative fees, and foreign withholding taxes. Sterling’s actual management fees are 32 basis points annually.
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. It is not meaningful when there are less than six portfolios in the composite for the entire year. The three year annualized standard deviation measures the variability of the composite and benchmark returns over the preceding 36 month period. 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.