



STERLING
CAPITAL FUNDS

SPECIAL OPPORTUNITIES FUND

A Shares
(BOPAX)
Inception 06.02.2003

C Shares
(BOPCX)
Inception 06.02.2003

Inst'l Shares
(BOPIX)
Inception 06.02.2003

R6 Shares*
(STRSX)
Inception 02.01.2018

12.31.2019

Morningstar Sustainability Rating™



Percent Rank in Global Category: 16
Historical Sustainability Score: 22

As of 11.30.2019. Based on 100% of AUM. Data is based on long positions only.

FUND FACTS

Investment Objective:

Seeks long-term capital appreciation.

Total Net Assets	\$1,100,075,845
Number of Holdings	31
Weighted Harmonic Med. P/E	15.60
Weighted Average P/B	3.10
Weighted Average Market Cap	\$123.22 B
Active Share	93.96
Turnover	9%

TOTAL EXPENSE RATIO

	Net	Gross
A Shares (BOPAX)	1.11%	1.11%
C Shares (BOPCX)	1.86%	1.86%
Inst'l Shares (BOPIX)	0.86%	0.86%
R6 Shares* (STRSX)	0.78%	0.86%

*The Administrator has contractually agreed to waive its administrative fees, pay Fund operating expenses, and/or reimburse the Fund to keep R6 shares Net Expense Ratio to 0.78% from February 1, 2020 through January 31, 2021. Performance would have been lower without limitations in effect.

RISK/RETURN STATISTICS VS. RUSSELL 3000® INDEX*

10-Year

Alpha	-0.48
Beta	0.94
R-Squared	89.24
Standard Deviation	12.80
Sharpe Ratio	0.90
Capture Ratio Up	89.23
Capture Ratio Down	90.92

Philosophy and Process

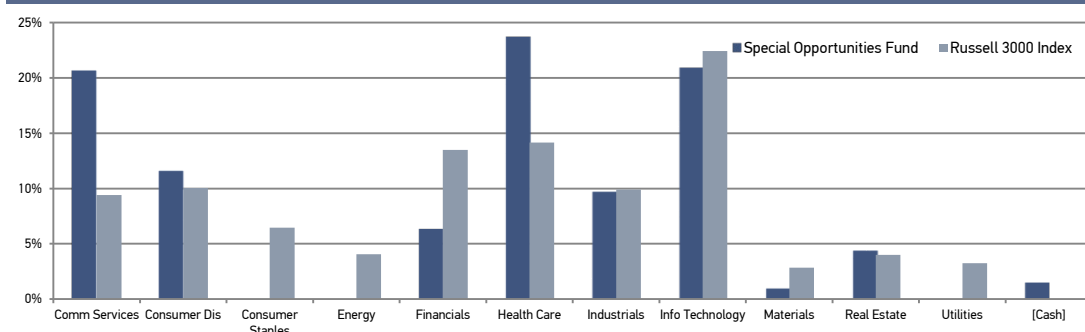
The fund's management team utilizes fundamental analysis overlaid with top-down macroeconomic trends. The team is style and capitalization neutral when selecting companies. The fund's objective is long-term capital appreciation. It has a concentrated portfolio of 30 to 35 stocks and has the flexibility to shift among styles and differing market caps (large, small, mid, growth or value) to achieve best perceived combination of underlying growth potential at the lowest available valuation. The management team utilizes screens and various forms of research to search for stocks that meet valuation, growth and financial strength objectives and identify themes that transcend day-to-day economic newsflows. Valuation is a key determinant for stocks to enter portfolio. The team looks for below average valuations (P/E) with above average earnings with below average risk and above average returns (ROE).

Fund Performance 12.31.2019	QTR	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
A Shares with 5.75% Sales Charge	1.94%	20.81%	20.81%	11.10%	9.22%	11.09%	11.15%
A Shares without Sales Charge	8.16%	28.19%	28.19%	13.32%	10.52%	11.75%	11.55%
Institutional Shares	8.21%	28.47%	28.47%	13.61%	10.81%	12.03%	11.83%
Russell 3000® Index*	9.10%	31.02%	31.02%	14.57%	11.24%	13.42%	9.93%
Russell 1000® Growth Index	10.62%	36.39%	36.39%	20.49%	14.63%	15.22%	10.87%
S&P 500 Index	9.07%	31.49%	31.49%	15.27%	11.70%	13.56%	9.77%
Lipper Multi-Cap Core Median	8.11%	28.57%	28.57%	12.82%	9.33%	11.70%	--

Year-End Returns	2013	2014	2015	2016	2017	2018	2019
A Shares without Sales Charge	26.96%	15.60%	7.80%	5.13%	19.33%	-4.87%	28.19%
Institutional Shares	27.27%	15.87%	8.11%	5.36%	19.66%	-4.61%	28.47%
Russell 3000® Index*	33.55%	12.56%	0.48%	12.74%	21.13%	-5.24%	31.02%
Russell 1000 Growth TR USD	33.48%	13.05%	5.67%	7.08%	30.21%	-1.51%	36.39%
S&P 500 TR USD	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%

Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month end and information on other share classes, please visit www.sterlingcapital.com. Performance for periods greater than one year is annualized.

Sector Allocation



Allocations are based on the current weight to funds in the cited Sector. The composition of the fund's holdings is subject to change.

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus or summary prospectus with this and other information about the fund, please call (888) 228-1872 or visit our website at www.sterlingcapital.com. Read the prospectus carefully before investing.



STERLING CAPITAL FUNDS

Morningstar Style Box



SPECIAL OPPORTUNITIES FUND



Portfolio Management

George F. Shipp, CFA®
Senior Managing Director
Lead Portfolio Manager

George founded what is now the Sterling Capital Equity Opportunities group in December 2000, after serving for 18 years as a sell-side equity analyst with the broker-dealer BB&T Scott & Stringfellow. George serves as the lead portfolio manager for the Equity Income and Special Opportunities strategies, and has since their inception. George is a graduate of the University of Virginia where he received a B.A. in Biology, and an MBA from its Darden Graduate School of Business in 1982. He holds the CFA® designation.

Joshua L. Haggerty, CFA®
Executive Director
Associate Portfolio Manager

Josh joined the CHOICE Asset Management team of BB&T Scott & Stringfellow in 2005, which integrated with Sterling Capital Management in January 2013. He has investment experience since 1998. Josh is a graduate of James Madison University where he received his BBA in Finance. He holds the CFA® designation.

*The **Chartered Financial Analyst® (CFA)** charter is a graduate-level investment credential awarded by 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.*

*Returns for the Russell 3000® Index are included to show how the fund's performance compares with the overall performance of the broad U.S. Equity Universe.

Ratings and Rankings would have been lower for Class A shares due to fees and expenses.

Lipper and Morningstar rankings are based on total return, including the reinvestment of dividends and capital gains but do not include sales charges for the periods indicated. Rankings shown are for Class I Shares and may be lower for Class A Shares due to higher fees and expenses. Mutual funds are assigned a rank within a universe of funds, relative to a peer group and similar in investment objective as determined by Lipper and Morningstar. The lower the number rank, the better the fund performed compared to other funds in the classification group. Lipper and Morningstar also calculate a percentile measure for each fund ranging from 1% (best) to 100% (worst).

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

Sustainalytics provides company-level analysis used in the calculation of Morningstar's Historical Sustainability Score. The Morningstar® Sustainability Rating™ is intended to measure how well the issuing companies of the securities within a fund's portfolio holdings are managing their environmental, social, and governance, or ESG, risks and opportunities relative to the fund's Morningstar Global Category peers. The Morningstar Sustainability Rating calculation is a three-step process. First, each fund with at least 67% of assets covered by a company level ESG score from Sustainalytics receives a Morningstar Portfolio Sustainability Score. The Morningstar Portfolio Sustainability Score is an asset-weighted average of normalized company-level ESG scores with deductions made for controversial incidents by the issuing companies, such as environmental accidents, fraud, or discriminatory behavior. The Portfolio Sustainability Score ranges between 0 to 100, with a higher score indicating that a fund has, on average, more of its assets invested in companies that score well after normalization and controversy-level deductions are applied. Second, the Historical Sustainability Score is an exponential weighted moving average of the Portfolio Sustainability Scores over the past 12 months. The process rescales the current Portfolio Sustainability Score to reflect the consistency of the scores. The Historical Sustainability Score ranges between 0 to 100, with a higher score indicating that a fund has, on average, more of its assets invested in companies that score well after normalization and controversy-level deductions are applied, on a consistent historical basis. Third, the Morningstar Sustainability Rating is then assigned to all scored funds within Morningstar Global Categories in which at least thirty (30) funds receive a Historical Sustainability Score and is determined by each fund's Morningstar Sustainability Rating Score rank. Please visit <http://corporate1.morningstar.com/SustainableInvesting/> for more detailed information about the Morningstar Sustainability Rating methodology and calculation frequency.

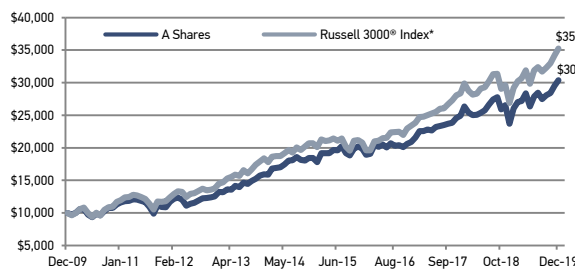
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Technical Terms: **Weighted Median P/E:** A ratio used to compare the price of a fund's stocks with their per-share earnings, with a higher ratio indicating the market has belief that a company has the ability to increase its earnings. **Weighted Average P/B:** A weighted harmonic average ratio used to compare the book value of fund's stocks with their market value. The price to book ratio indicates how much an investor is paying for a company's assets based on historical valuations. It does not reflect current market value. **Active Share:** Measures the degree of active management by a portfolio manager represented as a percentage of the fund's holdings that differ from the benchmark. **Portfolio Turnover Rate:** A measure of how frequently assets within a fund are bought and sold by the managers. **Alpha:** measure of performance on a risk-adjusted basis by comparing it to the benchmark index. **Beta:** A measure of relative risk. A Beta rating above 1.0 indicates greater volatility than the market while below 1.0 indicates lower volatility. **R-Squared:** A statistical measure that represents what amount of a fund's movements can be explained by movements in its benchmark index. A high R-Squared (between 85 and 100) indicates the fund's performance patterns have been in line with the index. **Standard Deviation:** A statistical measurement showing how widely the returns varied over a certain period of time. When a fund has a high standard deviation, it may imply greater volatility. **Sharpe Ratio:** The measurement of a fund's excess return due to sound investment decisions or excess risk. The greater a fund's Sharpe ratio, the better its risk-adjusted performance has been. **Upside/Downside Capture Ratio:** The measurement of a fund's cumulative return divided by its benchmark's cumulative return during positive and negative market periods.

Sterling Capital Management LLC, a separate subsidiary of BB&T Corporation now Truist Financial Corporation, serves as investment adviser to the Sterling Capital Funds and is paid a fee for its services. Shares of the Sterling Capital Funds are not deposits or obligations of, or guaranteed or endorsed by, Branch Banking and Trust Company now Truist Bank or its affiliates. The Funds are not insured by the FDIC or any other government agency. The Funds are distributed by Sterling Capital Distributors LLC, which is not affiliated with Branch Banking and Trust Company now Truist Bank or its affiliates.

Not a deposit • Not FDIC insured • May lose value • Not guaranteed by the bank • Not insured by any government agency

Growth of \$10,000



The Growth of \$10,000 chart is hypothetical based upon the performance of A Shares without sales charge for the period ended 12.31.2019. It includes the reinvestment of dividends and capital gains.

Lipper Multi-Cap Core Category

Based on Total Return as of 12.31.2019

Lipper Ranking / Number of Funds in Category

1 Year

3 Years

5 Years

10 Years

363 / 715

238 / 617

89 / 524

154 / 370

Lipper Quartile (Percentile)

3rd (51%)

2nd (39%)

1st (17%)

2nd (42%)

Morningstar Large Growth Category

Based on Risk-Adjusted Returns as of 12.31.2019

Overall Rating

1 Year

3 Years

5 Years

10 Years

Institutional Shares Morningstar Rating™

★★★

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★★★

★★★

★★★

Morningstar Ranking / Number of Funds In Category

1,203

848 / 1,387

608 / 1,203

338 / 1,058

450 / 808

Morningstar Quartile (Percentile)

3rd (63%)

3rd (53%)

2nd (37%)

3rd (60%)

Firm Overview

Sterling Capital Management LLC is a registered investment adviser founded in 1970, and an independently operated subsidiary of BB&T Corporation now Truist Financial Corporation, one of the nation's largest financial services holding companies. Sterling is headquartered in Charlotte, NC with offices in Raleigh, NC; Washington, D.C.; Philadelphia, PA; San Francisco, CA; Richmond, VA; and Virginia Beach, VA. We are driven by our commitment to pursue performance excellence and provide exceptional client service. Our seasoned investment teams aim to generate long-term consistent investment performance in line with specific fund objectives. What matters most to you matters most to us.

Investment Considerations

The fund is subject to investment style risk which depends where the fund is primarily invested. An investment in growth stocks may be particularly sensitive to market conditions while value stocks may be undervalued for longer than anticipated. The fund may invest in foreign securities subject to risks such as currency volatility, political and social instability or small capitalization companies subject to greater volatility and less liquidity due to limited resources or product lines. The fund may engage in writing covered call options. By selling covered call options, the fund limits its opportunity to profit from an increase in the price of the underlying stock above the exercise price, but continues to bear the risk of a decline in the stock. While the fund receives premiums for writing the call options, the price it realizes from the exercise of an option could be substantially below a stock's current market price.