

Mid Cap Relative Value SMA Commentary

3rd Quarter 2026

Investment Objective

The Sterling Capital Mid Cap Relative Value SMA seeks long-term capital appreciation. The portfolio uses a value investment approach to invest primarily in common stocks of mid-cap companies. We believe that undervalued companies with good earnings prospects have superior appreciation potential with reasonable levels of risk. Quantitatively, we focus on a stock's fundamental valuation relative to its peers. Qualitatively, we seek to identify business catalysts which will serve to drive future earnings growth, increase investor interest and expand valuation.

Performance	QTR	YTD	1Y	3Y	5Y	10Y
Sterling (Gross)	-10.48%	11.36%	8.08%	13.16%	7.94%	9.86%
Sterling (Net)	-11.16%	8.94%	4.94%	9.89%	4.81%	6.68%
Index	-1.76%	11.77%	14.67%	16.49%	9.63%	10.66%

Key Quarterly Performance Notes

- The portfolio posted a total return of -10.48% (gross of fees) and -11.16% (net of fees) during the three-month period ended 09.30.2026. In the quarter, it underperformed the Bloomberg U.S. Mid Cap Value Index by 872 bps (on a gross basis) and by 940 bps (on a net basis).
- **Absolute Performance Drivers:** Within the portfolio, holdings in the Energy, Health Care, and Materials sectors performed the best on an absolute basis. Holdings within Industrials, Consumer Staples, and Communication Services lagged.
- **Relative Performance Drivers:** On a sector basis, relative underperformance during the quarter was driven by negative stock selection within the Industrials, Information Technology, and Consumer Staples sectors. Positive stock selection within the Health Care and Energy sectors, as well as an underweight allocation to Utilities, served as partial offsets.

Bps = basis points. ¹The composite inception date is 07.01.2013. Data is as of 09.30.2026. Performance results prior to 08.01.2015 are considered "predecessor performance" and were achieved by the investment team when they were part of the Stratton Management Company. The benchmark is the Bloomberg U.S. Mid Cap Value Index. Performance is preliminary and is annualized for periods longer than one year. Net of fees performance returns are preliminary and are presented net of the investment management fees and trading expenses. Gross of fees performance returns reflect the deduction of 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 SCM'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. Please refer to the attached GIPS Composite Report for additional disclosures. Net returns are calculated by deducting the highest applicable wrap fee of 3.00% annually from the gross composite return. Sources: Bloomberg L.P.; eVestment Alliance; Sterling Capital Management Analytics.

Mid Cap Relative Value SMA Commentary

3rd Quarter 2026

Market Commentary

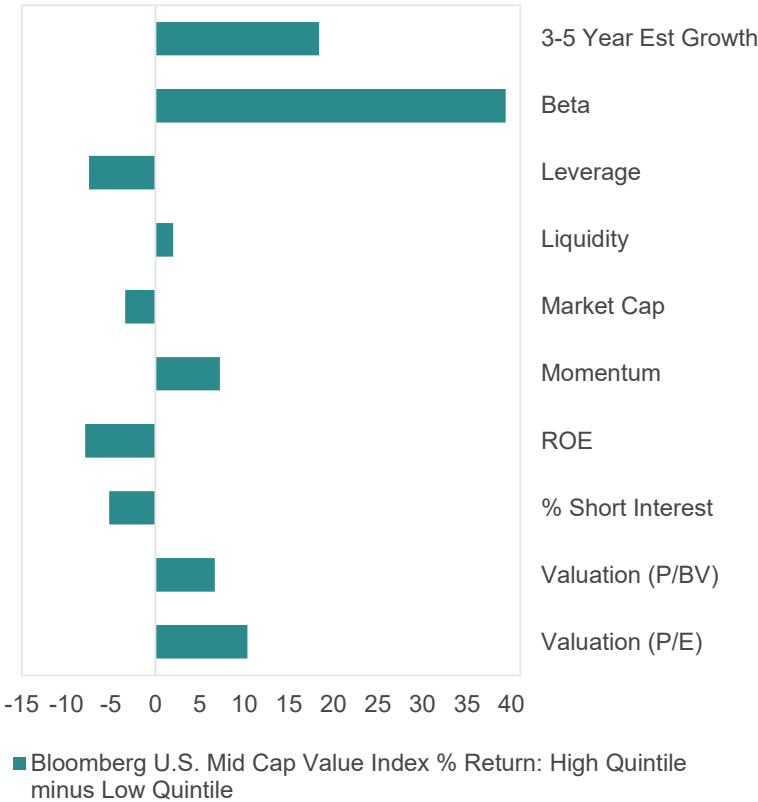
Mid Cap Market Review

- Mid cap equities, represented by the Bloomberg U.S. Mid Cap Index, posted a total return of -3.35% in 3Q. The first two months of the quarter resulted in mixed performance as sector rotation took hold in the market, leaving the overall benchmark near-flat entering September. In our view, investor trepidation over the persistence of outperformance by artificial intelligence (AI)-related stocks was the primary driver of rotation, with outperformance by low valuation, low momentum, and low growth stocks. The sector rotation narrative, however, took a backseat to interest rates in September as 10-year U.S. Treasury rates rose over 50 bps during the month, holding above 5% for the first time since the mid-2000s. Higher rates, and the inflation concerns that partially stoked them, appeared to drive the overall mid cap market lower in September, leading to an overall negative return for the quarter.
- Within the Bloomberg U.S. Mid Cap Value benchmark, which declined 1.76%, sector performance varied widely. Energy and Information Technology posted strong gains while Utilities and Real Estate were the worst performers. Energy was driven by the Refining sub-industry, which outperformed as the war in Iran continued to staunch the flow of distillates from the Middle East. Information Technology was led by a bounce back in software companies, which had lagged hardware producers in recent quarters but were beneficiaries of the aforementioned rotation in 3Q. Real Estate and Utilities, which pay above-average yields, appear to be hurt by rising interest rates.
- Within the Mid Cap segment, Value outperformed Growth by 305 bps in 3Q. The relative outperformance of Value was driven by both sector weightings and a few key differences in underlying holdings. From a sector perspective, Value benefitted from a higher weighting in Energy and a lower weighting in Industrials. Value's exposure to oil refiners, which are not present in the Growth benchmark, as well as greater exposure to cryptocurrency-related stocks, also appeared to boost the style's relative outperformance.

Outlook

- As described above, sector rotation and higher inflation and interest rates appeared to be the primary factors affecting 3Q market returns, in our view.
- With respect to inflation, demand for labor and components critical to the buildout of AI, domestic manufacturing, and defense production appear to be spurring price increases for a growing number of goods and services. We expect this dynamic to continue, keeping interest rates higher than in recent years.
- Our expectation for ongoing industrial demand with sufficient strength to influence inflation leads us to believe that the recent sector rotation may have become overdone. We therefore expect to maintain our overweight positions in Industrials and Information Technology.
- Demand for domestically manufactured components appears to be rising, driven by tariffs and AI-related development. We believe U.S. manufacturers with spare capacity may be in a advantaged position to possibly drive higher revenue and margins.
- We continue to seek investments in higher quality, value equities with above-peer-average earnings prospects. We believe these characteristics will remain in relative favor through a potentially volatile environment for stocks.

Factor Performance:
Mid Cap Equity Market



ROE = return on equity. The above chart depicts the performance of the constituents of the Bloomberg U.S. Mid Cap Value Index based on relative composite fundamental characteristics. The benchmark for this composite is the Bloomberg U.S. Mid Cap Value Index. For illustrative purposes only, characteristics are also shown for the Bloomberg U.S. Mid Cap Value Index in order to provide additional information on the broader small-cap equity market. For each characteristic, the constituents of the index are sorted and grouped into quintiles. The bar adjacent to each characteristic listed shows the performance of the stocks in the highest quintile relative to the performance of the those in the lowest quintile. Terms and definitions can be found on page 4. Source: Bloomberg L.P.



STERLING
CAPITAL

Mid Cap Relative Value SMA Commentary

3rd Quarter 2026

Performance Attribution Analysis

Top Contributors:

- Phillips 66
- CACI Int CI-A
- Rewity, Inc.
- Thermo Fisher Scientific, Inc.
- PTC, Inc.

Relative Contributors

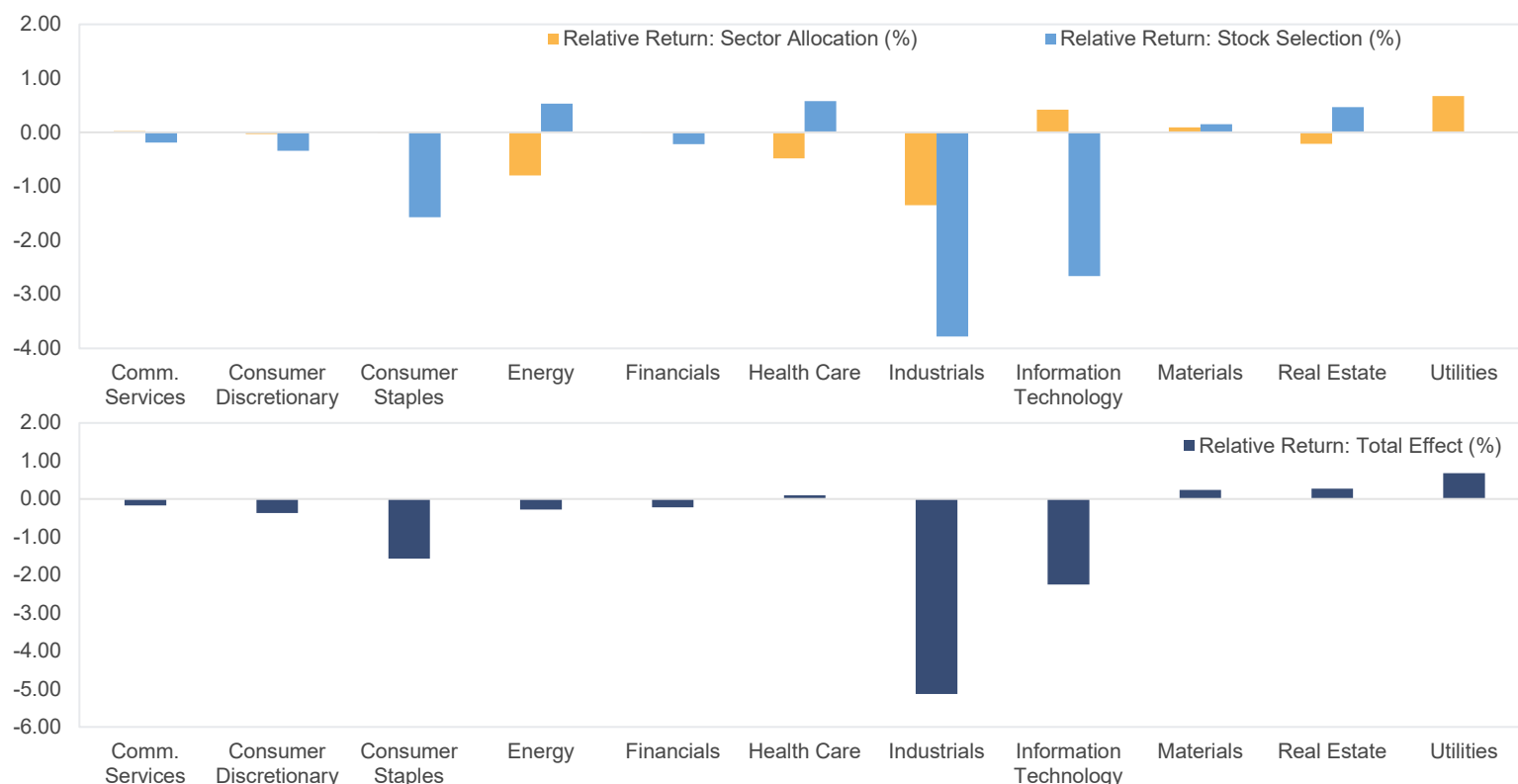
- An underweight allocation to the Utilities sector.
- Positive stock selection within the Health Care sector, driven by portfolio holdings Rewity, Inc. and Thermo Fisher Scientific.
- Positive stock selection within the Energy sector, driven by portfolio holding Phillips 66.

Bottom Contributors:

- MasTec, Inc.
- Casey's General Stores, Inc.
- Curtiss-Wright Corporation
- Kulicke & Soffa Industries, Inc.
- Powell Industries, Inc.

Relative Detractors

- Negative stock selection within, and an overweight allocation to, the Industrials sector. Negative selection was driven by portfolio holdings MasTec and Curtiss-Wright.
- Negative stock selection within the Information Technology sector, driven by portfolio holding Kulicke & Soffa.
- Negative stock selection within the Consumer Staples sector, driven by portfolio holding Casey's General Stores.



CI- A = Class A Common Stock. Data is as of 09.30.2026. Sources: FactSet; Sterling Capital Management Analytics. Attribution source: FactSet. Attribution results are shown for illustrative purposes only.

Important Information & Disclosures

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. Economic charts are provided for illustrative purposes only. The information provided herein is subject to market conditions and is therefore expected to fluctuate.

The opinions contained in this commentary reflect those of Sterling Capital Management LLC (SCM), are for general information only, and are educational in nature. The opinions expressed are as of the date of publication and are subject to change without notice. These opinions are not meant to be predictions and do not constitute an offer of individual or personalized investment advice. They are not intended as an offer or solicitation with respect to the purchase or sale of any security. This information and these opinions are subject to change without notice. All opinions and information herein have been obtained or derived from sources believed to be reliable. SCM does not assume liability for any loss which may result from the reliance by any person upon such information or opinions.

Investment advisory services are available through SCM (CRD# 135405), an investment adviser registered with the U.S. Securities & Exchange Commission (SEC) and an indirect, wholly-owned subsidiary of Desjardins Global Asset Management Inc., which is part of the Desjardins Group. SEC registration does not imply a certain level of skill or training, nor an endorsement by the SEC. SCM manages customized investment portfolios, provides asset allocation analysis, and offers other investment-related services to affluent individuals and businesses.

SCM 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.

Performance is preliminary and is annualized for periods longer than one year. Net of fees performance returns are preliminary and are presented net of the investment management fees and trading expenses. Net returns are calculated by deducting the highest applicable wrap fee of 3.00% annually from the gross composite return. Gross of fees performance returns reflect the deduction of 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 SCM'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. Please refer to the attached GIPS Composite Report for additional disclosures.

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.

Technical Terms: the below technical terms are sourced from Corporate Finance Institute.

Price-to-earnings ratio (P/E ratio) is the ratio for valuing a company that measures its current share price relative to its per-share earnings.

Price-to-book (P/B) ratio is the ratio to the market value of a company's shares (share price) over its book value of equity.

Return on equity (ROE) is the measure of a company's net income divided by its shareholders' equity.

Fed funds rate is the target interest rate set by the Federal Reserve for overnight loans between commercial banks.

One, Big, Beautiful Bill has a significant effect on federal taxes, credits and deductions. It was signed into law on July 4, 2025, as Public Law 119-21.

Beta measures the volatility of returns relative to the entire market. It is used as a measure of risk and is an integral part of the capital asset pricing model. A company with a higher beta has greater risk and also greater expected returns.

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

The Bloomberg U.S. Mid Cap Value Index is a float market-cap-weighted index based on an equal-weighted combination of four factors: earnings yield, valuation, dividend yield, and growth.

Bloomberg L.P. Information: "Bloomberg®" and the Bloomberg indices are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the index (collectively, "Bloomberg") and have been licensed for use for certain purposes by Sterling Capital Management LLC and its affiliates. Bloomberg is not affiliated with Sterling Capital Management LLC or its affiliates, and Bloomberg does not approve, endorse, review, or recommend the product(s) presented herein. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to the product(s) presented herein.

Sterling Capital Mid Cap Relative Value SMA

	Total Gross Return	Total Net Return	Benchmark Return	3Y Composite Std. Dev. (Gross)	3Y Benchmark Std. Dev.	Composite Dispersion	Number of Portfolios	Composite AUM (MM)	Total Firm AUM (MM)
2025	6.17%	3.09%	11.79%	14.88%	14.99%	Not Calculable	1	\$52	\$69,234
2024	10.38%	7.18%	12.99%	18.82%	19.42%	Not Calculable	1	\$38	\$66,160
2023	15.08%	11.76%	11.41%	18.47%	19.03%	Not Calculable	1	\$44	\$66,746
2022	-10.18%	-12.84%	-7.08%	22.37%	24.86%	Not Calculable	1	\$44	\$62,842
2021	24.72%	21.14%	29.66%	19.79%	22.93%	Not Calculable	1	\$63	\$75,309
2020	4.49%	1.44%	4.20%	20.55%	23.62%	Not Calculable	1	\$61	\$70,108
2019	30.60%	26.87%	27.62%	12.54%	13.54%	Not Calculable	1	\$65	\$58,191
2018	-13.54%	-16.09%	-12.35%	12.80%	11.97%	Not Calculable	1	\$54	\$56,889
2017	22.79%	19.26%	15.78%	11.33%	10.48%	Not Calculable	1	\$69	\$55,908
2016	12.68%	9.42%	22.85%	12.21%	11.40%	Not Calculable	1	\$62	\$2,984

Benchmark: Bloomberg U.S. Mid Cap Value Index

Composite Creation Date: 07.01.2013

Inception Date: 06.30.2013

- Consists of all discretionary mid capitalization portfolios managed in the relative value style. SCM's mid capitalization equity accounts invest primarily in companies similar to the market capitalization of the Bloomberg U.S. Mid Cap Index.
- The material risks of this strategy include, but are not limited to, the following: Market Risk, Management Risk, Market Disruption and Geopolitical Risk, Company Specific Risk, Equity Securities Risk. For a full list of strategy risks, please reference Sterling Capital Management's Form ADV, Part 2A.
- Sterling Capital Management LLC (SCM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. SCM has been independently verified for the periods 01/01/2001-12/31/2024. 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. Benchmark returns are not covered by the report of the independent verifiers. 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.
- SCM is a registered investment advisor with the U.S. Securities & Exchange Commission (SEC). Registration does not imply a certain level of skill or training. SCM manages a variety of equity, fixed income and multi-asset portfolios. Prior to January 2001, SCM was a wholly-owned subsidiary of United Asset Management (UAM). In January 2001, SCM 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 (BB&T) purchased a majority equity ownership stake in SCM. In October 2010, the management group of SCM entered into an agreement with BB&T that reduced and restructured management's interest in SCM. Additionally, BB&T Asset Management merged into SCM. In January 2013, CHOICE Asset Management merged into SCM. In August 2015, eight new employees joined SCM via Stratton Management Company following the close of BB&T's purchase of Susquehanna Bancshares. In December 2019, BB&T and SunTrust Banks, Inc. Holding Company merged as equals to form Truist Financial Corporation (Truist). SCM was then a wholly-owned subsidiary of Truist. In August 2020, eight new employees joined SCM via the Investment Advisory Group of SunTrust Advisory Services. In July 2024, Guardian Capital U.S. Asset Management (formerly Guardian Capital LLC), a wholly-owned subsidiary of Guardian Capital Group Limited (Guardian), completed the acquisition of SCM from Truist. In March 2026, Desjardins Group completed its acquisition of Guardian Capital Group Limited. SCM is now an indirect, wholly-owned subsidiary of Desjardins Global Asset Management Inc., which is part of the Desjardins Group.
- The performance presented represents past performance and is no guarantee of future results. Market and economic conditions vary from year to year and can result in a decline in market value due to material market or economic conditions. Please refer to the slide titled "Performance" for the one-, five-, and ten-year returns of the composite.
- 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.
- Performance reflects reinvested interest income and dividends and realized and unrealized capital gains and losses. Valuations and performance are reported in U.S. dollars. Periodic time-weighted returns are geometrically linked. Returns are not calculated net of non-reclaimable withholding taxes due to immaterial dollar amounts. Effective 1/1/22, composite returns are calculated by weighting the individual portfolio returns using beginning of period market values. From 8/1/15-1/1/22, composite returns were asset weighted using the average capital base method that reflects both beginning market value and cash flows and uses the aggregate method. Prior to 8/1/15 composite returns were calculated by weighting the individual portfolio returns using beginning of period market values. Performance results prior to 8/1/15 are considered "predecessor performance" and were achieved by the Relative Value Team when they were part of the Stratton Management Company.
- Gross of fees returns are presented before management fees but after all trading costs. Net returns are calculated by deducting the highest applicable wrap fee of 3.00% annually from the gross composite return. Since inception, the composite contains only the pooled vehicle account.
- The appropriate benchmark is the Bloomberg U.S. Mid Cap Value Index since inception, effective 6/30/26. The Bloomberg U.S. Mid Cap Value Index is a float market-cap-weighted index that tracks the performance of U.S. mid-capitalization equities exhibiting strong "value" characteristics. It is based on an equal-weighted combination of four factors: earnings yield, valuation, dividend yield, and growth. Prior to 6/30/26, the benchmark was the Russell Mid Cap® Value Index.
- 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 3-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 when a full three years of composite performance is not yet available.