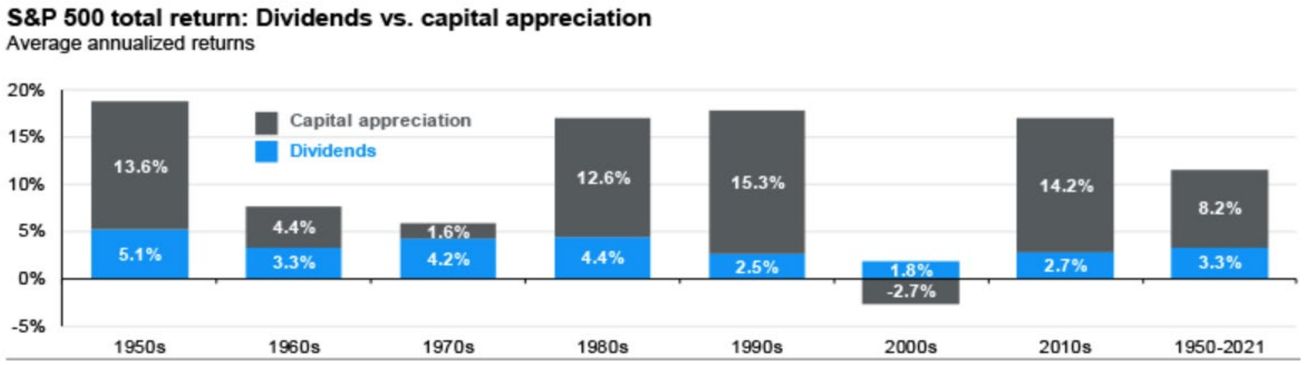
Equity Income SMA Commentary

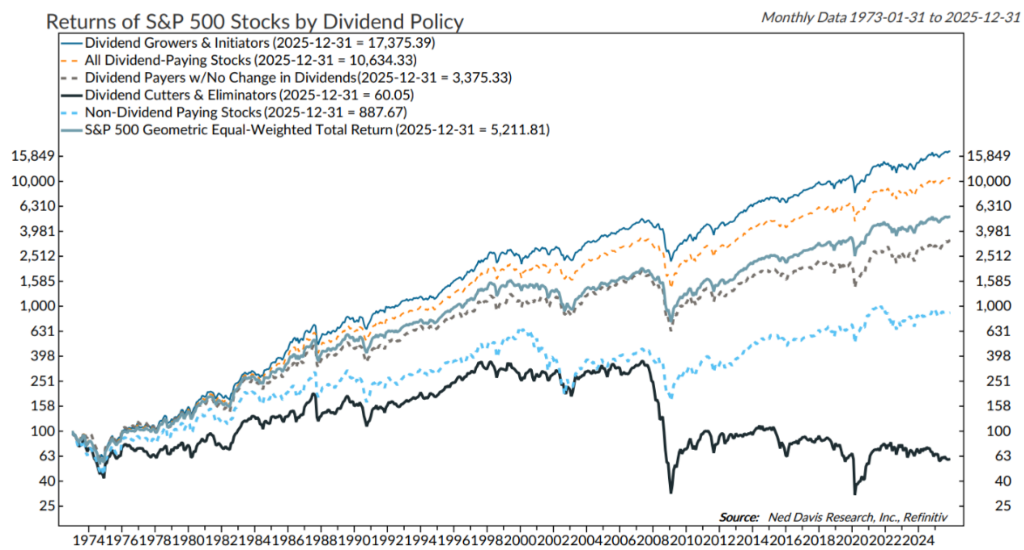
4th Quarter 2025

Dividends matter — that's the simple philosophy underlying the Sterling Capital Equity Income portfolio. From 1950-2021, the S&P 500® Index appreciated (price only) at an 8.2% compound rate, while total return (including reinvested dividends) was 11.5% per year. If that 3.3% per-year difference sounds trivial, consider the beauty of compounding over those 71 years. A $100 investment at 12.31.1950 would have grown to $26,924 from price appreciation alone, but to $227,256 assuming reinvestment of all cash flows. Reinvested dividends provided nearly 29% of the stock market's total return over time.



Source: J.P. Morgan Asset Management

To maximize our perceived odds of investment success, we go two steps further in selecting companies for our portfolio. First, we consider only those stocks whose prevailing dividend yield is above that offered by the S&P 500, and second, we require that dividends have grown for at least three consecutive years or in six of the last ten years. As Ned Davis Research (NDR) shows below, stocks that are able to increase payouts over time outperform the overall stock market as well as the no-dividend stocks which often garner the most attention. Once again, the difference is meaningful: dividend growers offered a 10.2% compound return for over 50 years, compared to 7.8% for equally-weighted members of the S&P 500, 4.2% for non-dividend constituents, and a woeful -1.0% for companies that cut their dividends.



Portfolio Performance Statistics Analysis Dates: 1973-01-31 - 2025-12-31		
Portfolio	Gain/Annum %	Growth of $100
Dividend Growers & Initiators	10.2	17375.4
All Dividend-Paying Stocks	9.2	10634.3
Dividend Payers w/No Change in Dividends	6.9	3375.3
Dividend Cutters & Eliminators	-1.0	60.0
Non-Dividend Paying Stocks	4.2	887.7
S&P 500 Geometric Equal-Weighted Total Return	7.8	5211.8

Returns based on monthly equal-weighted geometric average of total returns of S&P 500 component stocks, with components reconstituted monthly. Copyright 2025 Ned Davis Research, Inc. Further distribution prohibited without prior permission. All rights reserved. See NDR disclaimer at www.ndr.com/copyright.html. For data vendor disclaimers refer to www.ndr.com/vendorinfo/.
Source: Ned Davis Research.

Index performance of the S&P 500 is for illustrative purposes only. The volatility of an index varies greatly. Indices are unmanaged and investments cannot be made directly in an index.

STERLING CAPITAL

Equity Income SMA Commentary

4th Quarter 2025

Quarterly Review

Performance	QTR	YTD	1YR	3YR	5YR	10YR	Since Inception[1]
Sterling (Pure Gross)	-1.23%	2.24%	2.24%	7.07%	9.01%	11.11%	9.80%
Sterling (Net)	-1.97%	-0.74%	-0.74%	3.96%	5.85%	7.89%	6.61%
Russell 1000® Value Index	3.81%	15.91 %	15.91%	13.90%	11.33%	10.53%	7.71%

In 4Q25, the Equity Income strategy returned -1.23% on a gross basis and -1.97% on a net of fee basis, relative to the 3.81% return for the Russell 1000® Value Index. For the year Equity Income returned -0.74% on a net of fee basis versus the 15.91% return for the index.

Over the next several pages we are going to discuss the historic investment process style headwinds Equity Income strategy experienced in 2025, the unique policy challenges in our healthcare and consulting companies this past year, and the action we have taken in seeking to improve performance in 2026. First, we believe our four pillar investment approach of owning companies with better returns on capital, strong balance sheets, operating earnings growth, and attractive valuations has served us well for over 20 years. The first two pillars are quality and are captured in the following table we updated from last year. The highlighted rows show the outperformance of low-quality stocks (those with lower letter grades that demonstrate lower returns on capital, leveraged balance sheets, and volatile earnings) relative to high-quality stocks in 2025. Importantly, Bank of America (BofA) Global noted that the quality characteristic was the worst performing of the characteristics that they tracked in 2025.

BofA Investment Strategy Selected Proprietary Indices

(Price Performance as of December 2025)

						2 Year Performance		3 Year Performance	
Quality Indices (1)	1 M	3 M	6 M	12 M	YTD	Gross	Anlzd	Gross	Anlzd
A+	0.68	-0.03	3.62	3.35	3.35	9.94	4.85	35.24	10.59
A	1.41	-0.77	1.68	5.32	5.32	14.43	6.97	30.62	9.31
A-	2.43	3.45	8.17	12.16	12.16	21.26	10.12	52.25	15.04
B+	2.48	2.81	6.22	6.26	6.26	15.41	7.43	58.49	16.59
B	3.64	6.10	12.59	17.91	17.91	26.89	12.64	48.07	13.98
B-	3.01	5.92	9.96	5.32	5.32	11.27	5.49	89.72	23.79
C&D	3.46	12.79	37.54	34.34	34.34	48.99	22.06	71.01	19.59
Not Ranked	0.21	1.55	15.13	14.11	14.11	45.13	20.47	9.39	3.04
B+ or Better	2.14	2.11	5.69	7.27	7.27	16.70	8.03	51.32	14.81
B or Worse	1.80	4.52	15.97	15.47	15.47	37.74	17.36	31.00	9.42

Source: BofA Global Research.

[1]Inception date is 12.31.2000. Data is as of 12.31.2025. The benchmark is the Russell 1000 Value. Performance results prior to 01.01.2013 are considered "predecessor performance" and were achieved by the Equity Opportunities team when they were known as CHOICE Asset Management, a division of Scott & Stringfellow. The net of fee performance reflects the deduction of the maximum SMA bundled fee of 3.00% annually for all periods presented. Performance is preliminary and is annualized for periods longer than one year. Net of fees performance returns are presented net of the SMA bundled fee, which includes all charges for trading costs, advisory services, portfolio management, custody and other administrative fees. "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 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. Sources: Russell Investments; eVestment Alliance; Sterling Capital Management Analytics.

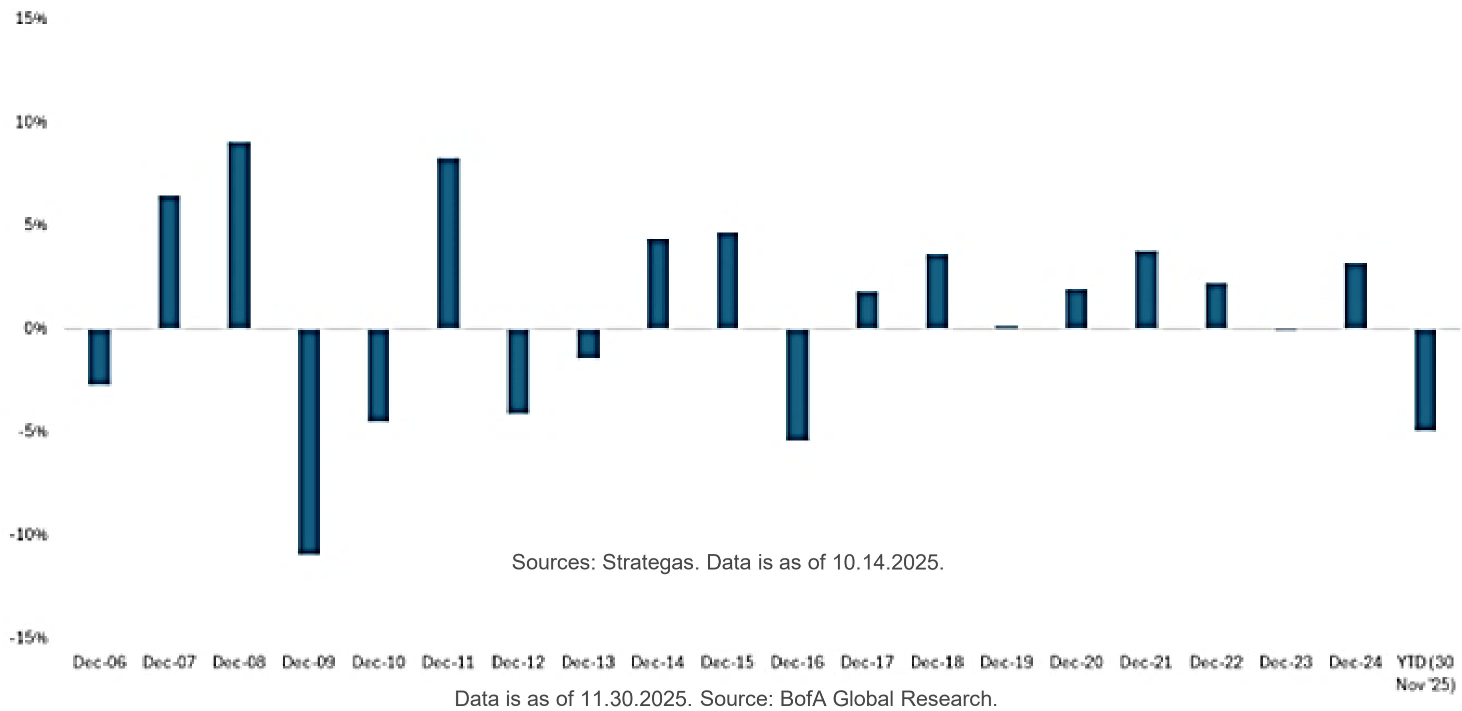
STERLING CAPITAL

Equity Income SMA Commentary

4th Quarter 2025

Quality was not only the most challenged characteristic in 2025, it was also the worst performance year since 2005, but greatest since 2016. The following chart is a historical perspective from BofA Global using quality characteristics aligned with Equity Income.

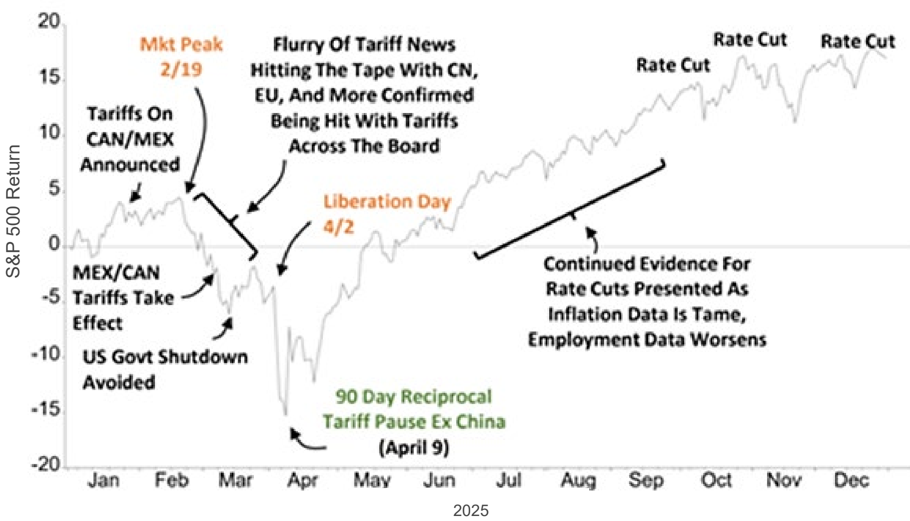
Annual Performance of Return on Equity (ROE) and Earnings Stability vs Equal Weight S&P 500



Sources: Strategas. Data is as of 10.14.2025.

Data is as of 11.30.2025. Source: BofA Global Research.

We feel this past year was similar to 2016 due to the presidential election result in macroeconomic and policy shifts where quality underperformed. Policy shifts in 2025 were much more pronounced coming out of Liberation Day[1] leading to historic performance from characteristics that we did not own, namely risk and momentum. We believe their heightened performance was driven in large part due to the events in the chart seen to the right.



Data is as of 12.31.2025. Source: Price Sandler Companies (PSC) Macro

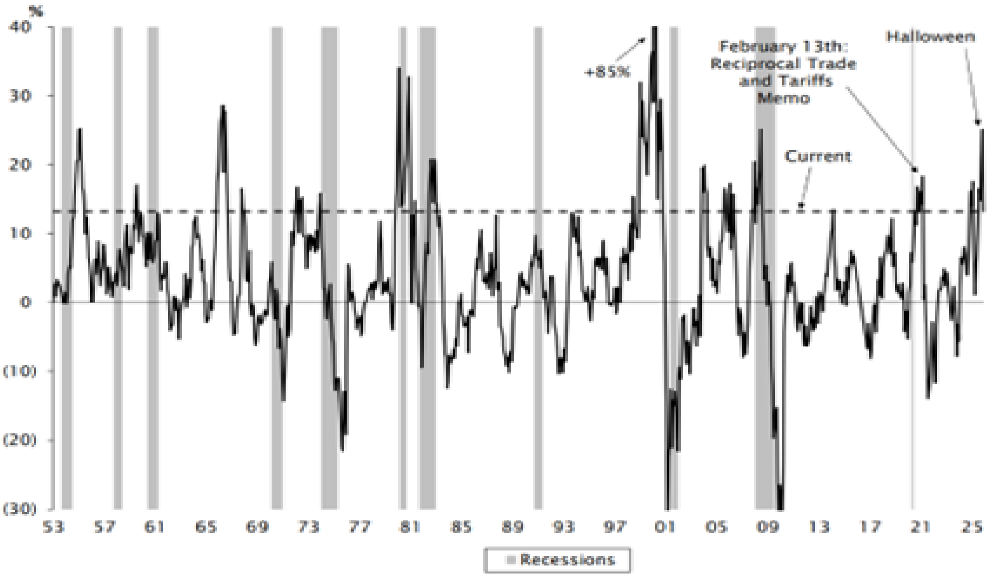
[1]President Donald Trump declared Liberation Day on April 2, 2025, announcing broad tariffs to reduce trade deficits and revive U.S. industry.

Equity Income SMA Commentary

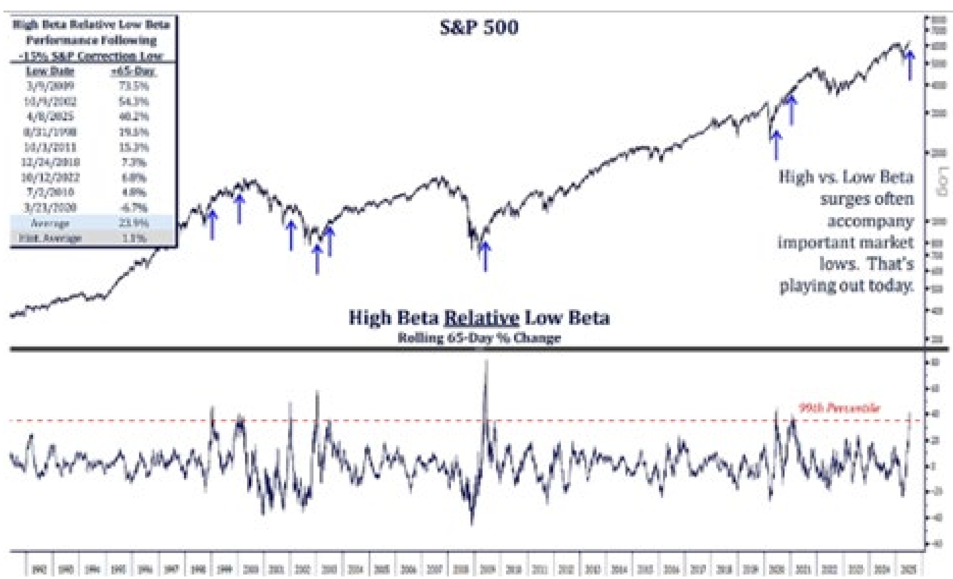
4th Quarter 2025

While Equity Income added exposure to beneficiaries of tariff relief, rate cuts, and artificial intelligence (AI) investments during this period, we believe the stock market rewarded high potential sales growth, high risk, and high momentum at the expense of our more proven and profitable companies with a history of demonstrated capital allocation skill. In our opinion, the major takeaway was that our quality philosophy experienced uniquely strong headwinds for what we owned, while what we owned less of, namely risk and momentum, saw temporary returns rarely seen over the past several decades.

In 2025 Momentum Stocks Performed the Best in Seven Decades…



…While High Risk (Beta) was in the 99th Percentile of Returns



Data is as of 12.31.2025. Sources: Empirical Research; Strategas.

STERLING CAPITAL

Equity Income SMA Commentary

4th Quarter 2025

The following graphic shows that Equity Income is typically challenged in years where the benchmark has a double-digit return. Last year, however, absolute return was more pronounced due primarily to the intensity of the style headwinds.

Equity Income SMA: Higher Potential of Outperformance when Market <10%

Equity Income SMA Outperformance vs. Russell 1000 Value Index
(12.31.2000-12.31.2025, Pure Gross and Net of Fees Rolling One Year Returns)

	% of Rolling 1-Year Periods (Monthly), Outperformed when Benchmark is Negative		Average Return During Negative Benchmark Year		Average Excess Return	
	Pure Gross	Net	Pure Gross	Net	Pure Gross	Net
Sterling Capital Equity Income SMA	93%	79%	-6.59%	-9.34%	5.91%	3.16%
Russell 1000® Value Index	-		-12.50%	-12.50%	-	

	% of Rolling 1-Year Periods (Monthly), Outperformed when Benchmark is 0%-10%		Average Return When Benchmark 0%-10%		Average Excess Return	
	Pure Gross	Net	Pure Gross	Net	Pure Gross	Net
Sterling Capital Equity Income SMA	75%	58%	7.85%	4.74%	2.57%	-0.54%
Russell 1000® Value Index	-		5.29%	5.29%	-	

	% of Rolling 1-Year Periods (Monthly), Outperformed when Benchmark > 10%		Average Return When Benchmark > 10%		Average Excess Return	
	Pure Gross	Net	Pure Gross	Net	Pure Gross	Net
Sterling Capital Equity Income SMA	54%	21%	20.09%	16.64%	-0.57%	-4.01%
Russell 1000® Value Index	-		20.66%	20.66%	-	

Data is as of 12.31.2025. Inception date is 12.31.2000. The net of fee performance reflects the deduction of the maximum SMA bundled fee of 3.00% annually for all periods presented. Performance is preliminary and is annualized for periods longer than one year. Please refer to the slide titled "Performance" for the one, five, and ten year returns of the composite. Net of fees performance returns are presented net of the SMA bundled fee, which includes all charges for trading costs, advisory services, portfolio management, custody and other administrative fees. "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 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 GIPS Composite Report in the Appendix for additional disclosures.
Sources:Russell Investments; eVestment Analytics; Sterling Capital Management Analytics.

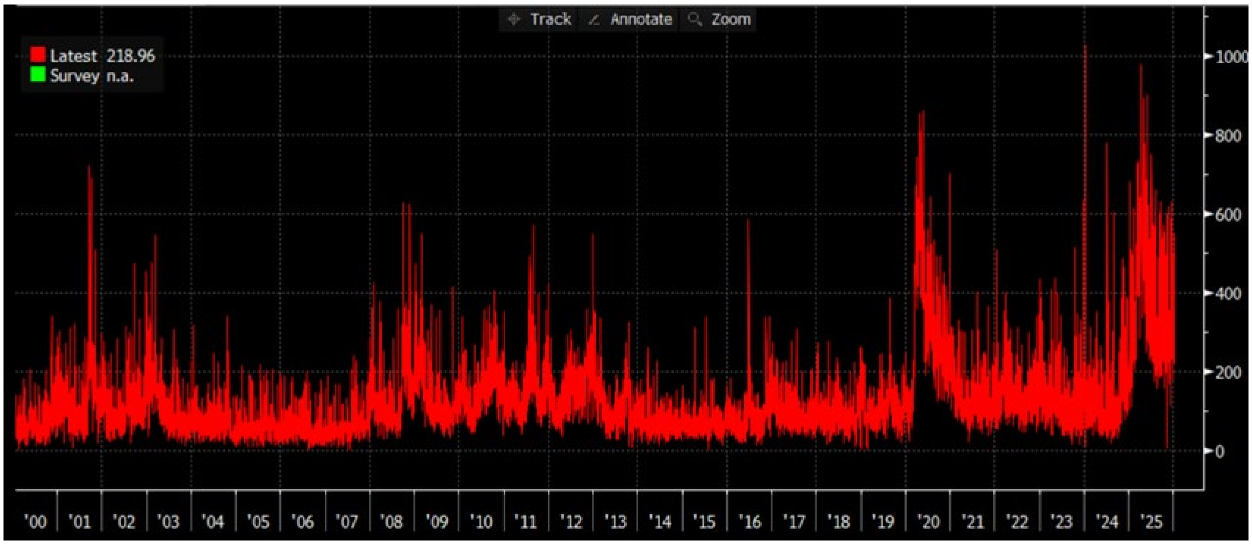
STERLING CAPITAL

Equity Income SMA Commentary

4th Quarter 2025

We believe the second negative contributor to annual performance was stock selection, and while we could have used more AI-infrastructure themed investments beyond Microsoft and Ferguson, policy issues within our managed care and information technology consulting holdings inhibited these stocks. The following chart measures how businesses with material exposure to government reimbursement faced historic levels of uncertainty over the past year.

U.S. Economic Policy Uncertainty Index



Source: Bloomberg L.P. Data is as of 12.31.2025.

In 2025, we augmented our biannual quintiles discipline, focusing the same 360° team approach dedicated specifically to our managed care and consulting holdings challenged amidst the uncertainty. The benefit of these sessions was for the investment team to challenge our investment thesis on each holding and seek to gain behavioral benefits such as new, alternative viewpoints, removing anchoring bias, and reducing blind spots.

The output of these meetings was that the team took action to reduce and remove positions where our investment thesis had changed and transferred client capital into more opportunities that better fit our investment policies. The tangible benefits of these efforts was an enhancement of overall earnings growth for the portfolio that improved this fourth quarter (see performance page 2) versus last fourth quarter relative to our benchmark, due to the incremental changes from these dedicated quintiles sessions.

STERLING CAPITAL

Equity Income SMA Commentary

4th Quarter 2025

In addition to these sessions, we continue our commitment to the primary research of current holdings through continued in-person due diligence and meeting and interviewing company management teams to unearth opportunities. The following photos show select meetings with Deere & Company (on the left) where they discussed their AI “See & Spray” subscription service initiative, and Home Depot where they discussed their expansion into the professional contractor marketplace.

Sources: Deere & Company, Home Depot..

Whether targeting a focused quintiles approach on specific areas of the strategy, focusing on optimizing earnings growth, or seeking to employ a longer investment time horizon with a possible advantage, these are the same disciplines we have discussed in prior commentaries to enhance value. In our 4Q24 commentary, we discussed our focus on identifying companies that possess thematic optionality. We noted at the time “we believe the demand for Rockwell Automation’s digital and hardware solutions may continue increasing at a relatively attractive rate from a combination of U.S. onshoring and political incentives (CHIPs and Science Act, Inflation Reduction Act, etc.), along with labor challenges and productivity benefits.” Based upon company meetings, Rockwell Automation has begun benefitting from this theme and we believe is a good case study of actions taken last year that have matured within the strategy, in our opinion.

Equity Income SMA Commentary

4th Quarter 2025

During periods such as these in the past, we have returned to our process and four pillars and see a portfolio of holdings that we believe may have higher ROEs than the market, better balance sheets, and perhaps faster earnings growth that are also less expensive than our benchmark. With the top five detractors that we do not own in our benchmark trading at price to earnings (P/E) valuations a standard deviation above their 10-year average, we believe we are positioned to take advantage of our combination of earnings growth and our margin of safety in valuation.

	Return on Equity	Historic 3 Year EPS Growth	Price to NTM EPS	Net Debt/EBITDA	Historic 5 Year Dividend Growth Rate
Sterling Capital Equity Income	29.6%	7.6%	17.7x	1.6x	9.4%
Russell 1000 Value	17.9%	5.0%	19.1x	1.74x	7.1%

EPS: Earnings per share. NTM: Next 12 months. EBITDA: Earnings before interest, taxes, depreciation, and amortization.
Source: FactSet. Data is presented using weighted averages.

We believe we benefit from the compounding of dividend growth from our holdings. Below is a complete list of the companies within the Equity Income portfolio that raised their dividends this quarter at a rate greater than the benchmark and market overall.

Stock	4Q25 Year over Year Increase
Accenture	10.1%
ADP	10.4%
Honeywell	5.3%
Microsoft	9.6%
Motorola Solutions	11.0%
Rockwell Automatior	5.3%

Data is as of 12.31.2025. A complete list of securities showing increases and decreases is available upon request. Source: Bloomberg L.P.

4Q25 Attribution

Leading Contributors	Portfolio Weight	Total Return	Gross Contribution to Return
Coterra Energy	3.47%	12.24%	0.42%
Analog Devices	4.39%	10.77%	0.41%
Rockwell Automation	3.37%	11.73%	0.39%
Accenture PLC Cl-A	2.88%	9.54%	0.27%
Elevance Health	2.78%	9.05%	0.23%

Sources: FactSet; Sterling Capital Management Analytics.

Coterra Energy was our best performing stock in the quarter as their Board of Directors received a letter from an activist shareholder seeking to unlock value in the oil and natural gas asset base. Our discussion with the CEO this quarter confirmed their focus on creating shareholder value. **Analog Devices'** quarterly results confirmed improved revenue trends across its automotive and industrial markets. **Rockwell Automation's** Investor Day that we attended confirmed our thesis that demand for their robotics should show sustained growth due to continued U.S. onshoring. **Accenture's** attractive valuation was enhanced by an improvement in revenue bookings in this past quarter leading to a modest rerating that we believe has the potential for further advancement. Finally, **Elevance Health's** medical costs stabilized this past quarter for a stock at the low end of its historic valuation range due to policy uncertainty.

Please refer to the Performance Disclosure found on page 16. Please refer to the table titled "Performance", which provides the gross and net of fee returns of the composite, including performance results for the prescribed 1-year, 5-year, and 10-year periods (or since inception, as applicable).

Equity Income SMA Commentary

4th Quarter 2025

Leading Detractors	Portfolio Weight	Total Return	Gross Contribution to Return
ADP	3.87%	-11.80%	-0.51%
Booz Allen Cl-A	3.07%	-15.04%	-0.51%
Home Depot	3.03%	-14.52%	-0.49%
Linde PLC	4.25%	-9.90%	-0.46%
Microsoft	4.82%	-6.45%	-0.36%

Sources: FactSet; Sterling Capital Management Analytics.

Automatic Data Processing (ADP) weakened on concerns over lower interest rates reducing interest income but resilient revenues from this line-item last quarter appears to have offset this concern. **Booz Allen** reported a challenging quarter in its civil consulting business, we trimmed the position later in the quarter. **Home Depot** reported softer sales due to lower storm related repair demand, but we believe the stock is well positioned to benefit from potentially lower interest rates in 2026, fueling improved demand. **Linde** shares were weak during the quarter due to concerns over future sales volumes but our conversation with the company indicated a solid pipeline of new business next year. Finally, **Microsof**t took a pause as it diversified its AI client base which we believe will serve them well over the longer term.

Full Year Attribution

Leading Contributors	Portfolio Weight	Total Return	Gross Contribution to Return
Charles Schwab	5.43%	36.65%	1.83%
Ferguson Enterprises	4.07%	29.89%	1.64%
Analog Devices	4.45%	29.76%	1.17%
Rockwell Automation	3.15%	38.35%	0.99%
AbbVie	3.08%	33.13%	0.80%

Sources: FactSet; Sterling Capital Management Analytics.

Charles Schwab was our best performer as our initial thesis that bank balance sheet funding issues would heal over time bore fruit. **Ferguson** has exposure to the AI infrastructure theme through its commercial business and is benefitting from AI capital expenditures. **Analog Devices** performed well for reasons noted in the quarterly attribution as did **Rockwell Automation**. **AbbVie** rounded out our best performers as its blockbuster drugs Skyrizi and Rinvoq continued to impress us.

Leading Detractors	Portfolio Weight	Total Return	Gross Contribution to Return
UnitedHealth Group	2.40%	-31.26%	-2.07%
Booz Allen Cl-A	3.35%	-33.01%	-1.26%
Becton, Dickinson & Co	0.94%	-21.11%	-0.50%
Marsh & McLennan	3.19%	-11.27%	-0.47%
Domino's Pizza	2.30%	-9.94%	-0.45%

Sources: FactSet; Sterling Capital Management Analytics.

United Health was challenged by medical costs that continued to rise ahead of premium increases, we sold the position with the prospect for continued cost and margin pressure on the business. The challenges for **Booz Allen's** civil business were noted in the quarterly attribution discussion when challenges were most notable.

Please refer to the Performance Disclosure found on page 16. Please refer to the table titled "Performance", which provides the gross and net of fee returns of the composite, including performance results for the prescribed 1-year, 5-year, and 10-year periods (or since inception, as applicable).

STERLING CAPITAL

Becton Dickinson was impacted by changing Federal government policies for healthcare and research funding impacting their diagnostics business, we sold our shares in the third quarter. A softening insurance pricing market weighed on **Marsh & McLennan** shares, we believe its demonstrated ability to continue to improve profit margins should power the shares going forward. We believe the fourth quarter **Automatic Data Processing** concerns outlined in the quarterly attribution section have the ability to reverse with the company striking a bullish tone through its recently announced increased share buyback. **Dominos Pizza's** shares lagged despite posting strong same store sales through relationships with new food delivery partners that should fuel sustained growth moving forward.

Purchases

Motorola Solutions (MSI) — MSI returns to the Equity Income strategy as the market appears to be currently overemphasizing tariff noise and quarterly backlog cadence while underappreciating the durability of the land mobile radio (LMR) refresh, the accelerating software/AI attach across products and services, the improving quality of revenue (as recurring revenue is now about half of total, up from ~20% a decade ago), and the visibility embedded in a record Software & Services backlog. Moreover, given recent company management commentary and our own conversations with the company, we believe product backlog is set to improve in the coming quarters given strong levels of underlying demand. These factors support sustained growth, rising recurring revenue mix, and operating margin expansion in the coming years, in our opinion.

Southern Company (SO) — We have been assessing utilities for years looking for a compelling opportunity and believe we have one in Southern. Southern's Southeast service territory is attracting data centers due to a combination of energy affordability, economic incentives, infrastructure advantages, and regulatory alignment. Given the attractiveness of Southern's service territory for data centers, data center usage there has increased 17% year over year. Southern Company also operates within a regulatory framework that combines vertically integrated markets with transparent and orderly processes, allowing the company to meet growing electricity demand while maintaining reliability. This constructive environment has produced tangible benefits for customers, including Georgia Power's rate plan freezing base rates until at least 2029 (excluding storm-related costs), demonstrating regulatory alignment with customer affordability goals.

VICI Properties (VICI) — VICI is an S&P 500 real estate investment trust (REIT) that owns one of the largest portfolios of market-leading gaming, hospitality, and entertainment destinations. The company's core business model focuses on acquiring "irreplaceable" and mission-critical assets such as the Caesars Palace, MGM Grand, and Venetian resort complexes on the Las Vegas Strip and leasing them to industry-leading operators. In our view, the investment opportunity in VICI Properties lies at the intersection of a durable, inflation-protected business model and a temporary market dislocation that has compressed valuation multiples to attractive levels. Ultimately, we view VICI as offering a rare combination of income reliability and proven capital appreciation potential.

For a full discussion of portfolio changes, please refer to our stock writeups issued in the month after activity.

Equity Income SMA Commentary

4th Quarter 2025

Removals

United Health (UNH) — At purchase, we liked UNH's vertical integration that fused a scaled insurer with a broad services platform in Optum, enabling tighter care coordination, better cost management, and the ability to shift resources where they were most effective across cycles. The company's deep data and analytics capabilities, particularly within Optum Insight, underpinned proactive population health management, more accurate risk assessment, and administrative efficiency, reinforcing a flywheel of better decisions and stronger stakeholder alignment. We viewed this as a durable engine that is not easily replicated, given the breadth of datasets, embedded workflows, and enterprise infrastructure. Today, the story is more complicated. Medical utilization has proven elevated and complex, pressuring plan economics and forcing benefit and offering adjustments that can dull near-term competitiveness and member experience. Within Optum Health, company management is retrenching to a narrower, more integrated value-based network, acknowledging that rapid expansion created inconsistencies and misalignment. Leadership changes, expected membership declines, and challenged margin recovery signal a longer, more uncertain turnaround path.

CubeSmart (CUBE) — At purchase, we liked the short-term repricing and low capex elements of the self-storage industry. Self-storage operators typically price on a month-to-month basis which gives them flexibility to adjust rental prices quickly, which is especially valuable in a dynamic interest rate environment. However, CUBE's other operating regions have experienced more pronounced weakness recently, especially in the Sunbelt area. While we anticipated that CUBE would be able to recover quickly from these pressures, company management has been clear in stating there are limited catalysts for dramatic improvement over the course of the next year, with trends stabilizing as opposed to being able to inflect back to accelerating growth.

Outlook

As we look to 2026, the market is pricing in two additional Federal Reserve rate cuts to help the S&P 500 EPS to accelerate to a projected 15% in 2026 from 12% in 2025. We discussed the actions we took during 2025 to enhance the overall relative earnings growth of the strategy in stocks with improving outlooks and how the strategy now has a stronger proven growth rate than the benchmark. Our assessment is that these earnings are not only sustainable but have opportunities for improvement, whether through our exposure to secular themes such as factory automation and onshoring, AI infrastructure through our technology and new utility holdings, AI beneficiaries in data-rich services businesses, or our wealth management exposure. In 2025 we also positioned the strategy to benefit from the emerging opportunities from lower rates should the "Ice Age" in housing thaw.

For a full discussion of portfolio changes, please refer to our stock writeups issued in the month after the activity.

Equity Income SMA Commentary

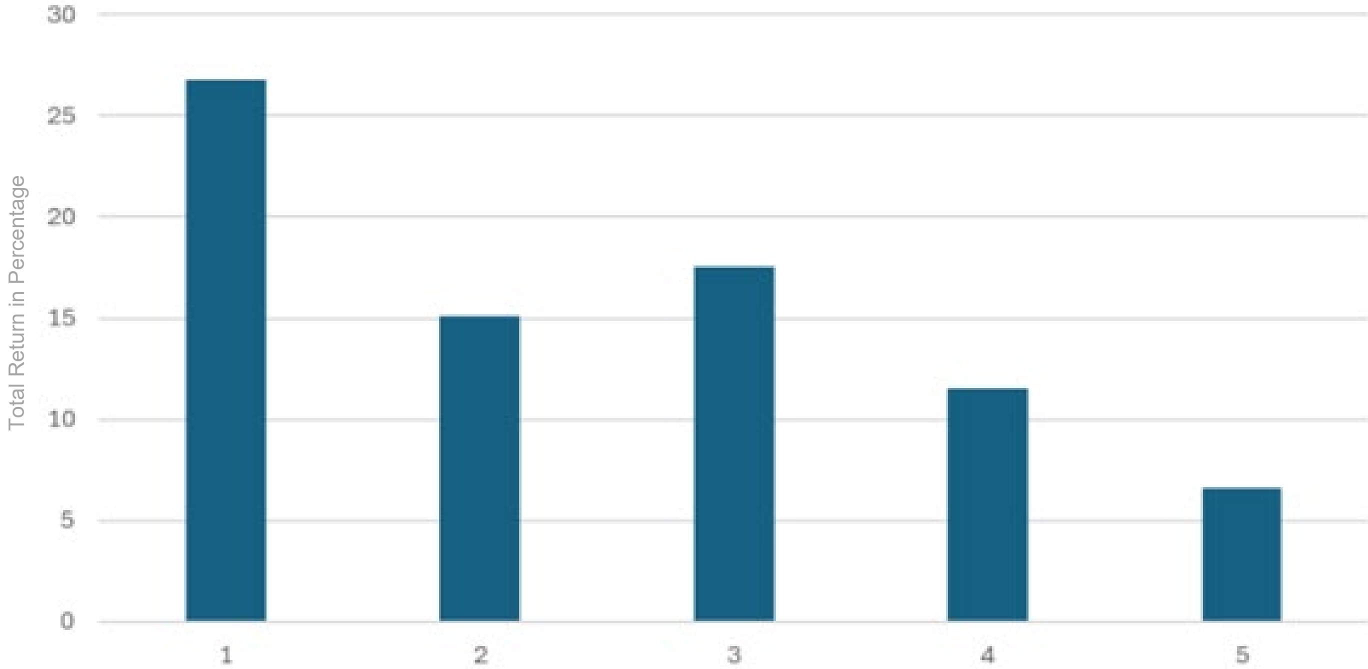
4th Quarter 2025

We have positioned the Equity Income strategy to benefit from enhanced earnings, while at the same time we have been, and continue to be, vigilant on valuations within this market. We believe this past year saw the most expensive stocks in the market perform the best throughout the year.

In the chart below, the quintile ranking has split the S&P 500 index into five rankings. The “1” quintile, or 20%, of stocks in the S&P 500 were up over 25%, and the bottom quintile, “5,” were up ~7%.

S&P 500 Performance by Next 12-Month P/E Ratio

(12.31.2024-11.30.2025)

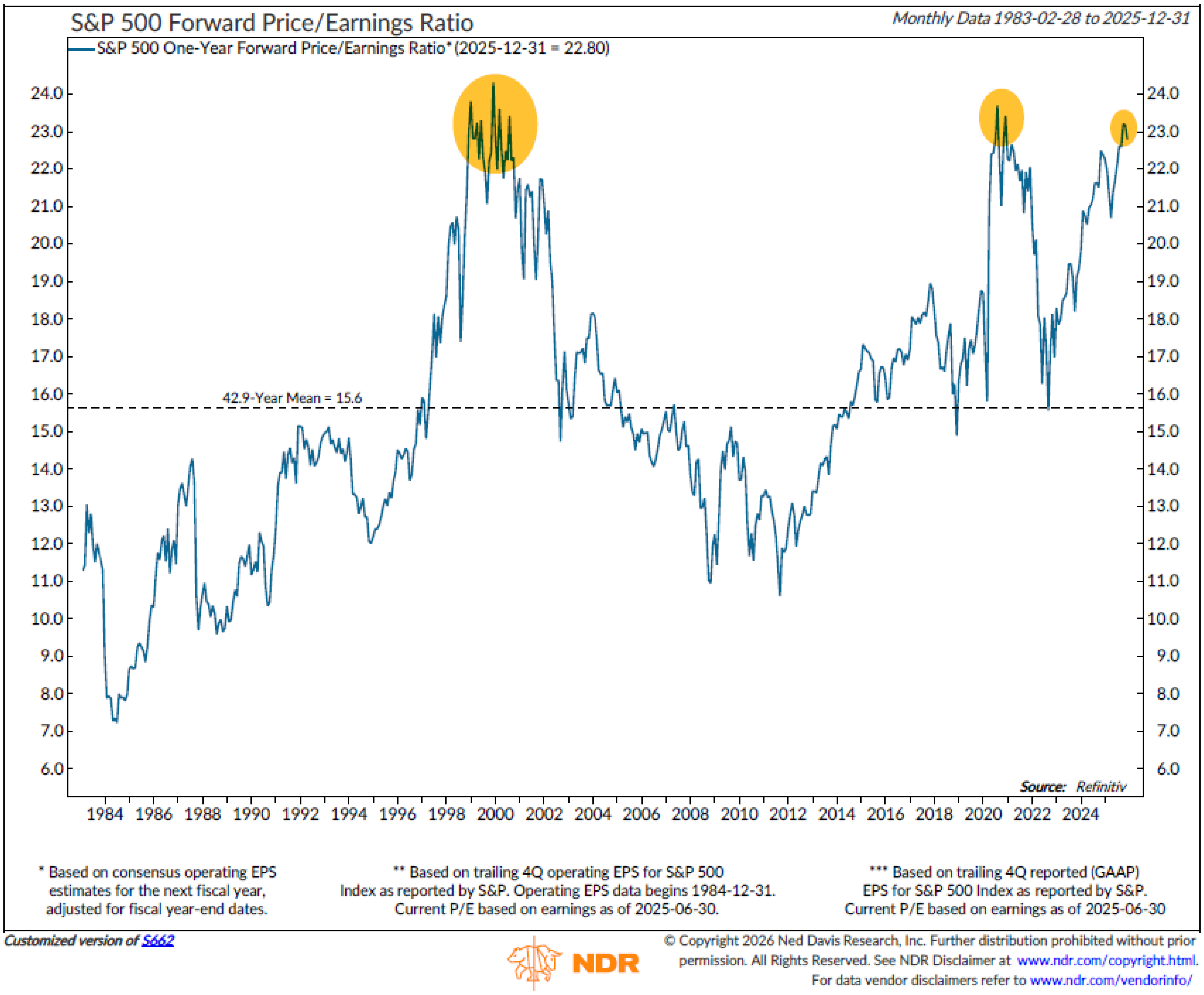


Quintile Rank – Lower Number, Higher Valuation Rank

Source: Strategas.

Current valuations remain elevated relative to history, driven by optimism from supportive fiscal and monetary policy in conjunction with potential AI-driven productivity improvements, in our opinion. As a result, we have positioned the strategy to benefit less from valuation improvements and more on earnings growth and dividends to drive total returns.

S&P 500 Forward P/E Only Higher in 1999-2000 and 2020-2021



Data is as of 12.31.2025. Source: Ned Davis Research.

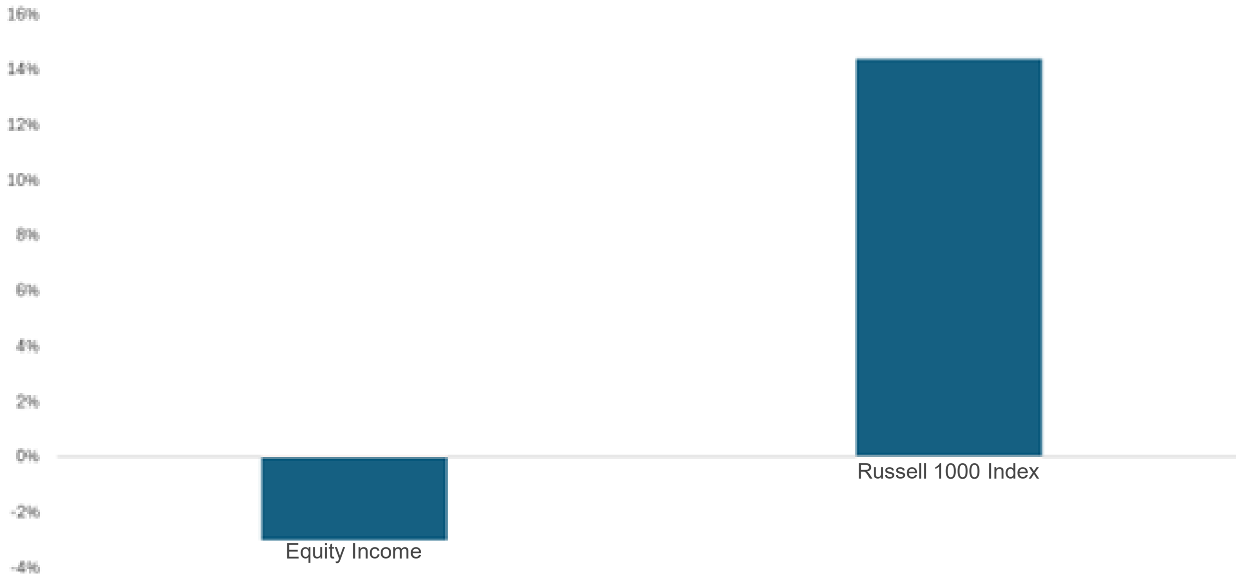
Regarding valuations, a significant difference between our strategy and the benchmark has been valuation with stocks not only compelling relative to current market valuations, but also relative to their history that we believe offers a doubling of valuation opportunities for our holdings. Given the current environment, it has resulted in benchmark performance driven by the largest market capitalization stocks, we offer some perspective. At year-end, the largest five stocks in our benchmark that we do not own are trading at over a standard deviation premium to their 10-year average on a P/E ratio.

Equity Income SMA Commentary

4th Quarter 2025

The following chart shows that our strategy is trading not at a discount to the benchmark 10-year high valuations, but at a discount to the Russell 1000 10-year average. In short, with a strategy ROE 10% above our benchmark, with stocks trading below their 10-year average valuations and with track records of growing earnings faster than the benchmark holdings, we see our current holdings of valued companies at discount prices in an advantaged position.

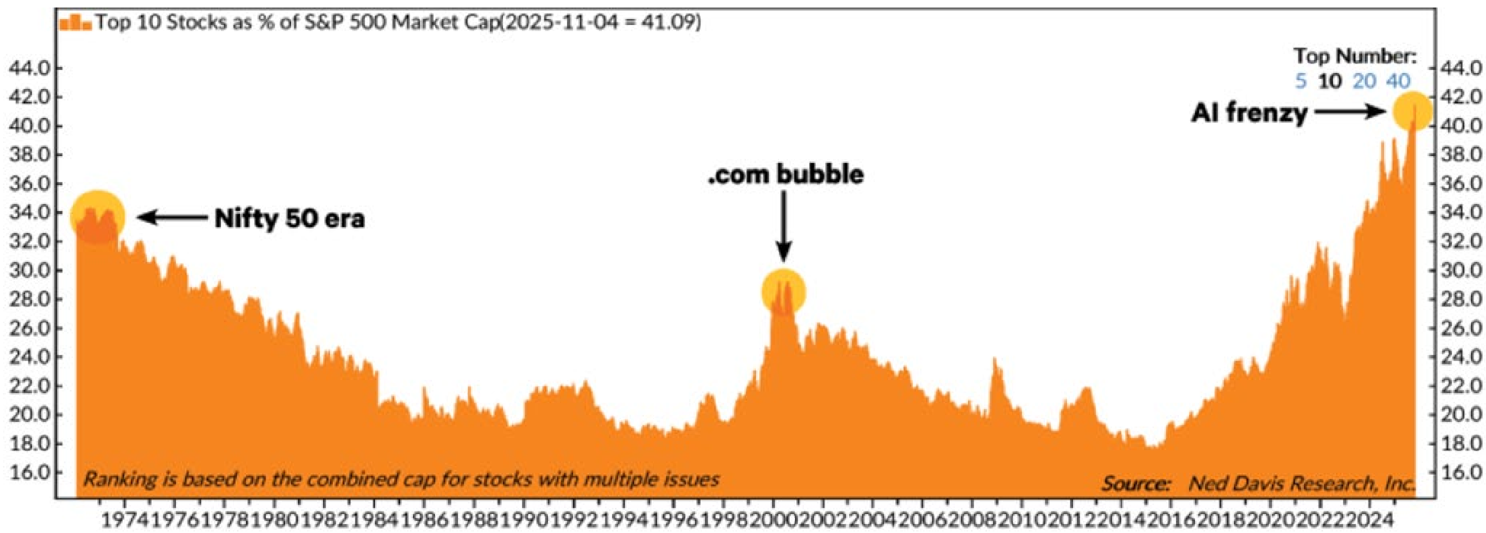
Valuation Comparison Based on 10-Year History



Data is as of 12.31.2025. Source: Bloomberg L.P.

Benchmarks overall have increasingly become concentrated in a few large holdings. Positioned with these valued companies at discounted prices, we believe our quality approach is positioned to benefit should the market rotate away from growth.

Top 10 Stocks as % of S&P 500 Market Cap



Data is as of 11.04.2025. Returns based on monthly equal-weighted geometric average of total returns of S&P 500 component stocks, with components reconstituted monthly. Copyright 2025 Ned Davis Research, Inc. Further distribution prohibited without prior permission. All rights reserved. See NDR disclaimer at www.ndr.com/copyright.html. For data vendor disclaimers refer to www.ndr.com/vendorinfo/.
Source: Ned Davis Research.

Equity Income SMA Commentary

4th Quarter 2025

Last year witnessed headwinds for our quality-oriented investment philosophy that helped ensure absolute returns to the unique performance of momentum and risk in stocks that were in the benchmark. In terms of holdings that were held back on an absolute basis due to changes in federal policy, we focused our quintiles discipline to vet those specific stocks, reducing or eliminating holdings where appropriate. We believe our deliberate approach materially enhanced the earnings power of the strategy as we enter 2026. As we enter the year, the strategy remains consistent with its investment approach of owning stocks with higher returns on capital than the market, strong balance sheets, and operating earnings growth trading at attractive valuations. Positioned in market-leading companies growing faster than the benchmark and trading at lower valuations while compounding dividends faster than our benchmark, we believe the earnings and dividend growth engine provides fuel for performance with lower valuations and room for further upside relative to the market.

Thank you for your investment and confidence in us.

Chip Wittmann, CFA®	Jeremy Lopez, CFA®
Co-Portfolio Manager	Co-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.

STERLING CAPITAL

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 presentation 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 Guardian Capital Group Limited. 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.

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.

Performance Disclosure: The net of fee performance reflects the deduction of the maximum SMA bundled fee of 3.00% annually for all periods presented. Performance is preliminary and is annualized for periods longer than one year. Net of fees performance returns are presented net of the SMA bundled fee, which includes all charges for trading costs, advisory services, portfolio management, custody and other administrative fees. “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 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.

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 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 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.

Dividend Policies: Dividend Risk: Dividend yield is one component of performance and should not be the only consideration for investment. Dividends are not guaranteed and will fluctuate. This report should not be regarded by the recipients as a substitute for the exercise of their own judgment. It is important to review your investment objectives, risk tolerance and liquidity needs before choosing an investment style or manager. **Dividend Paying vs. Non-Paying:** Each stock's dividend policy is determined by its indicated annual dividend. We classify a stock as a dividend-paying stock if the company indicates that it is going to be paying a dividend within the year. A stock is classified as a non-payer if the stock's indicated annual dividend is zero. Prior to July 2000, the indicated annual dividends were updated on a quarterly basis. Since July 2000, the indicated annual dividends are updated on a daily basis, so the most up-to-date information is used. The index returns are calculated using monthly equal-weighted averages of the total returns of all dividend-paying (or non-paying) stocks. A stock's return is only included during the period it is a component of the underlying index. The dividend figure used to categorize the stock is the company's indicated annual dividend, which may be different from the actual dividends paid in a particular month.

Dividend Growing, No-Change-in-Dividend, and Dividend Cutting: Each dividend-paying stock is further classified into one of the three categories based on changes to their dividend policy over the previous 12 months. Dividend Growers and Initiators include stocks that increased their dividend anytime in the last 12 months. Once an increase occurs, it remains classified as a grower for 12 months or until another change in dividend policy. No-Change stocks are those that maintained their existing indicated annual dividend for the last 12 months (i.e., companies that have a static, non-zero dividend). Dividend Cutters and Eliminators are companies that have lowered or eliminated their dividend anytime in the last 12 months. Once a decrease occurs, it remains classified as a cutter for 12 months or until another change in dividend policy. (Source: Ned Davis Research).

Technical Terms: **Return on Equity (ROE)** is a measure of a company's financial performance. It is calculated by dividing net income by shareholders' equity. Because shareholders' equity is equal to a company’s assets minus its debt, ROE is a way of showing a company's return on net assets. **Earnings per share (EPS)** is a financial ratio that measures a company's profitability. It represents the net income earned by a company per outstanding share of its common stock. **Earnings before interest and taxes (EBITDA)** stands for earnings before interest, taxes, depreciation, and amortization. **Return on Equity (ROE)** is the measure of a company’s annual return (net income) divided by the value of its total shareholders’ equity, expressed as a percentage. Alternatively, ROE can also be derived by dividing the firm’s dividend growth rate by its earnings retention rate. The **equal weight S&P 500** refers to an index that assigns an equal weight to each of the 500 companies, regardless of their market capitalization. This means that all companies have approximately the same influence on the index's performance, which can lead to different investment strategies and market behaviors compared to the traditional market capitalization-weighted index. **The federal funds rate** is the interest rate at which depository institutions (mainly banks) lend reserve balances to other depository institutions overnight on an uncollateralized basis. **The price-to-earnings (P/E) ratio** measures a company's share price relative to its earnings per share (EPS). Often called the price or earnings multiple, the P/E ratio helps assess the relative value of a company's stock. **Forward price-to-earnings-ratio (P/E)** is a stock valuation metric that uses a company's projected earnings for the next 12 months to determine how much investors are paying for each dollar of future earnings. **Absolute return** is the return that an asset achieves over a specified period. This measure looks at the appreciation or depreciation, expressed as a percentage, that an asset, such as a stock or a mutual fund, achieves over a given period. **Capital expenditure (CapEx)** are the funds companies allocate to acquire, upgrade, and maintain essential physical assets like property, technology, or equipment, crucial for expanding operational capacity and securing long-term economic benefits. The **U.S. Economic Policy Uncertainty Index** is a time-series measure of uncertainty in future US economic policy; i.e., uncertainty over future interest rates, taxes, tariffs, and other government controlled fiscal and monetary policy (Technical definitions are sourced from Corporate Finance Institute and Investopedia.)

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.

STERLING CAPITAL

Sterling Capital Equity Income SMA

	Total "Pure" 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)
2024	5.82%	2.75%	14.37%	15.19%	16.66%	0.17%	525	$236	$66,160
2023	13.45%	10.17%	11.46%	15.52%	16.51%	0.13%	478	$277	$66,746
2022	-2.54%	-5.40%	-7.54%	20.20%	21.25%	0.12%	511	$283	$62,842
2021	28.68%	25.00%	25.16%	18.17%	19.06%	Not Calculable	4	$439	$75,309
2020	7.17%	4.05%	2.80%	18.87%	19.62%	Not Calculable	4	$588	$70,108
2019	25.30%	21.71%	26.54%	11.32%	11.85%	Not Calculable	5	$739	$58,191
2018	-0.26%	-3.18%	-8.27%	11.01%	10.82%	Not Calculable	5	$619	$56,889
2017	20.54%	17.08%	13.66%	9.78%	10.20%	Not Calculable	4	$643	$55,908
2016	15.43%	12.10%	17.34%	10.40%	10.77%	Not Calculable	3	$989	$51,603
2015	-2.70%	-5.55%	-3.83%	10.20%	10.68%	Not Calculable	3	$1,100	$51,155

Benchmark: Russell 1000® Value Index Composite Creation Date: 10.16.2014 Inception Date: 01.01.2001

1. Consists of all discretionary separately managed wrap Equity Income portfolios. SCM'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.
2. The material risks of this strategy are, but 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.
3. 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 to 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.
4. 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 SunTrustBanks, 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.
5. 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.
6. 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.
7. Performance reflects reinvested interest income and dividends and realized and unrealized capital gains and losses. All portfolios utilize trade-date and accrued income accounting. 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 1/1/21, composite returns are calculated by weighting the individual portfolio returns using beginning of period market values. Prior to 1/1/21, composite returns were calculated monthly by weighting the aggregate SMA/Wrap sponsor returns using beginning of period market values.
8. "Pure" gross of fees returns are presented as supplemental information and do not reflect the deduction of any fees including trading costs. Net returns are calculated by deducting the highest applicable wrap fee of 3.00% annually from the pure gross composite 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 2.84% annually and includes SCM's actual management fee of 0.34%. SCM's actual management fees are 0.50% annually or less. Since inception, the composite is comprised 100% of wrap fee portfolios.
9. Effective 1/1/22, portfolios are removed from the composite for flows 10% or greater of prior month portfolio market value. Portfolio remains out of the composite for the month of the flow and for one additional period. Prior to 1/1/22, portfolios were not removed from the composite for flows.
10. The appropriate benchmark 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.
11. 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 when a full three years of composite performance is not yet available.
12. Effective 1/1/22, number of portfolios is based on underlying accounts at the wrap sponsors. Prior to 1/1/22, number of portfolios was reported as the number of wrap platforms.