

Sterling Capital Funds

Dividend Receivable Deduction (DRD) Percentages

Listed below are Sterling Capital Funds that, as of the latest calendar year, had ordinary income (i.e., dividend income plus short-term capital gains, if any) that would qualify for the corporate dividends-received deduction for 2025. The right column lists the percentage of each fund's qualifying ordinary income (% DRD).

Subject to certain restrictions, for Federal Income Tax purposes the Internal Revenue Code allows a corporate shareholder to deduct 70% of qualifying dividend income received from domestic corporations. To determine the amount of dividends qualifying for this deduction, multiply the % DRD (shown in the table below) by the amount of your total ordinary dividends. Ordinary dividends of a mutual fund include net short-term capital gains and foreign taxes.

Calendar Year 2025	
	% DRD
Sterling Capital Behavioral Large Cap Value Equity Fund	100.00%
Sterling Capital Mid Value Fund	100.00%
Sterling Capital Behavioral Small Cap Value Equity Fund	94.15%
Sterling Capital Special Opportunities Fund	0.00%
Sterling Capital Equity Income Fund	100.00%
Sterling Capital Behavioral International Equity Fund	0.00%
Sterling Capital Mid Cap Relative Value Fund	88.21%
Sterling Capital Real Estate Fund	0.00%
Sterling Capital Small Cap Value Fund	100.00%
Sterling Capital Ultra Short Bond Fund	0.00%
Sterling Capital Short Duration Bond Fund	0.00%
Sterling Capital Intermediate U.S. Government Fund	0.00%
Sterling Capital Total Return Bond Fund	0.00%
Sterling Capital Long Duration Corporate Bond Fund	0.00%
Sterling Capital Quality Income Fund	0.00%
Sterling Capital North Carolina Intermediate Tax-Free Fund	0.00%
Sterling Capital South Carolina Intermediate Tax-Free Fund	0.00%
Sterling Capital Virginia Intermediate Tax-Free Fund	0.00%
Sterling Capital West Virginia Intermediate Tax-Free Fund	0.00%

Fund share values are sensitive to stock market volatility. Market conditions may limit the ability to generate tax losses or to generate dividend income taxed at favorable tax rates. The fund's ability to utilize various tax-managed techniques may be curtailed or eliminated in the future by tax legislation or regulation. No fund is a complete investment program and you may lose money investing in a fund. A fund may engage in other investment practices that may involve additional risks and you should review the fund's prospectus for a complete description.

Before investing, investors should consider carefully the investment objectives, risks, charges and expenses of a mutual fund. This and other important information is contained in the prospectus and summary prospectus, which can be obtained from a financial advisor. Prospective investors should read the prospectus carefully before investing. To obtain more information, please call 888-228-1872 or visit us online at www.sterlingcapital.com.

Sterling Capital does not provide tax or legal advice. Prospective investors should consult with a tax or legal advisor before making any investment decision. The funds are distributed by Sterling Capital Distributors, LLC.

