

3rd Quarter 2022 Market Review:

Equity Income SMA

Sterling Capital Management LLC Risks & Disclosures

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- The material presented in this presentation is as of 09.30.2022 unless otherwise stated.
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- Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients.
- Any type of investing involves risk and there are no guarantees that these methods will be successful. Past performance is not indicative of future results.
- The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index.

Meet Your Speakers & Agenda

WebEx Agenda:

- Equity Income SMA review of Q3 2022 performance, activity and positioning
- Equity market and macro environment review
- Equity market outlook
- Frequently asked questions



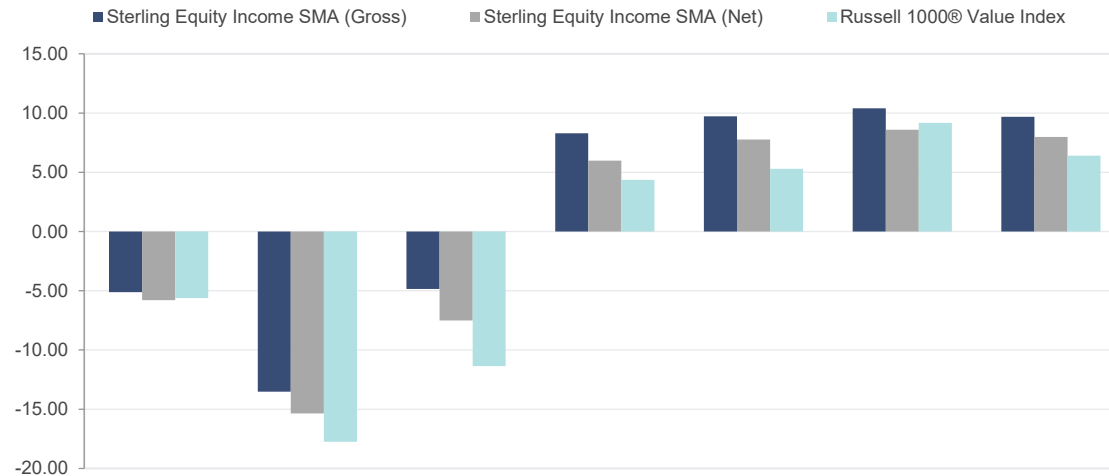
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Executive Director
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Client Portfolio Manager

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Equity Income - Performance



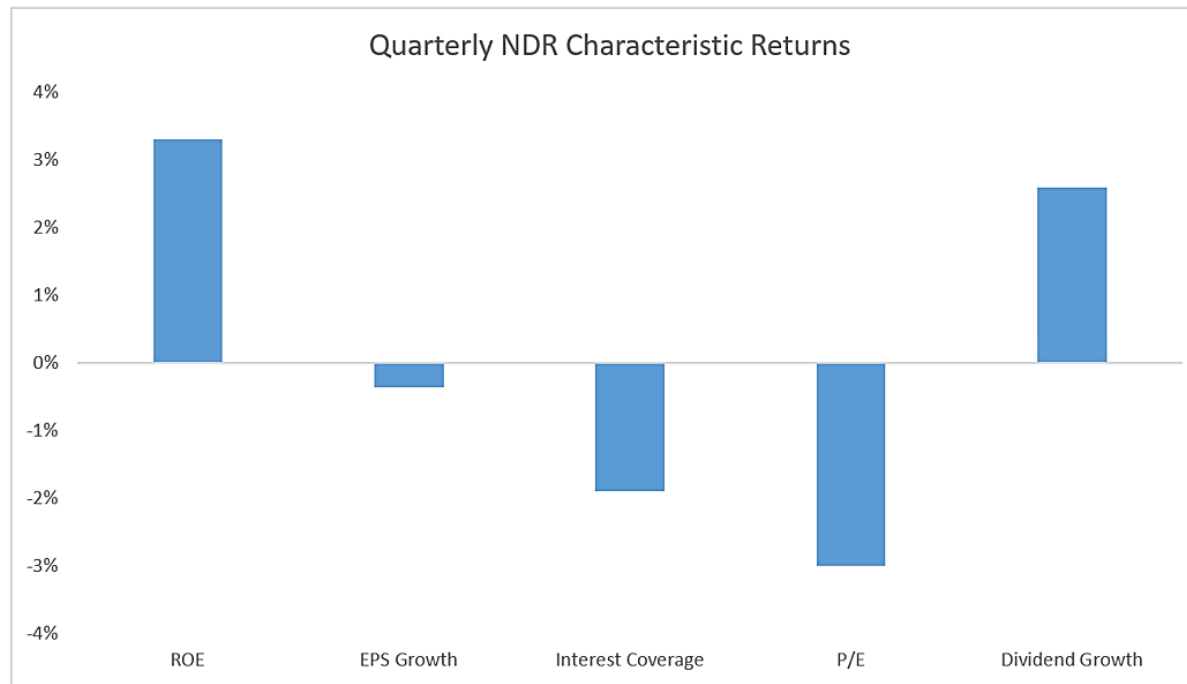
Performance	QTR	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception ¹
Sterling (Gross)	-5.12%	-13.52%	-4.85%	8.30%	9.73%	10.40%	9.69%
Sterling (Net) ²	-5.80%	-15.36%	-7.51%	5.98%	7.77%	8.59%	7.98%
Russell 1000® Value	-5.62%	-17.75%	-11.36%	4.36%	5.29%	9.17%	6.40%

¹Inception date is 12.31.2000.

²The maximum bundled external platform fee is 2.82%. Actual fees may vary by size and type of portfolio.

Data as of 09.30.2022. 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 Sterling's Form ADV 2A. Performance reflects the reinvestment of interest income and dividends and realized capital gains. The performance presented represents past performance and is no guarantee of future results. Performance is compared to an index; however, the volatility of an index varies greatly and investments cannot be made directly in an index. Market conditions vary from year to year and can result in a decline in market value due to material market or economic conditions. Please refer to the GIPS Composite Report in the Appendix for additional disclosures. Sources: Russell Investments; eVestment Alliance; Sterling Capital Management Analytics.

Quarterly Pillar Performance



ROE = return on equity. EPS = earnings per share. P/E = price/earnings.

Source: Ned Davis Research. Data are as of 09.30.2022. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Starbucks Investor Day

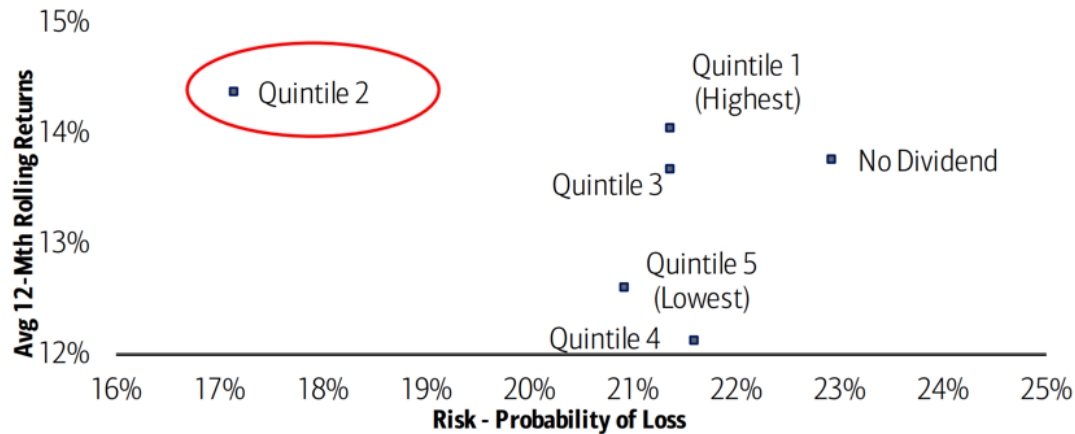


Sources: Sterling Capital; Starbucks. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

“Sustainable Yield”

Exhibit 2: Average annual returns vs. downside risk of Russell 1000 quintiles by dividend yield

1/31/84-05/31/22. Quintile 2 had significantly lower risk than the other quintiles, and the highest return



Source: BofA US Equity & US Quant Strategy, Russell

Note: Average 12-month performance in the above exhibit is based on backtested results from 1/31/84 through 9/28/10 and actual performance from 9/28/10 to present. And does not represent the actual performance of any account or fund. Backtested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein. Disclaimer: The screen identified as Quintile 2 is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This screen was not created to act as a benchmark.

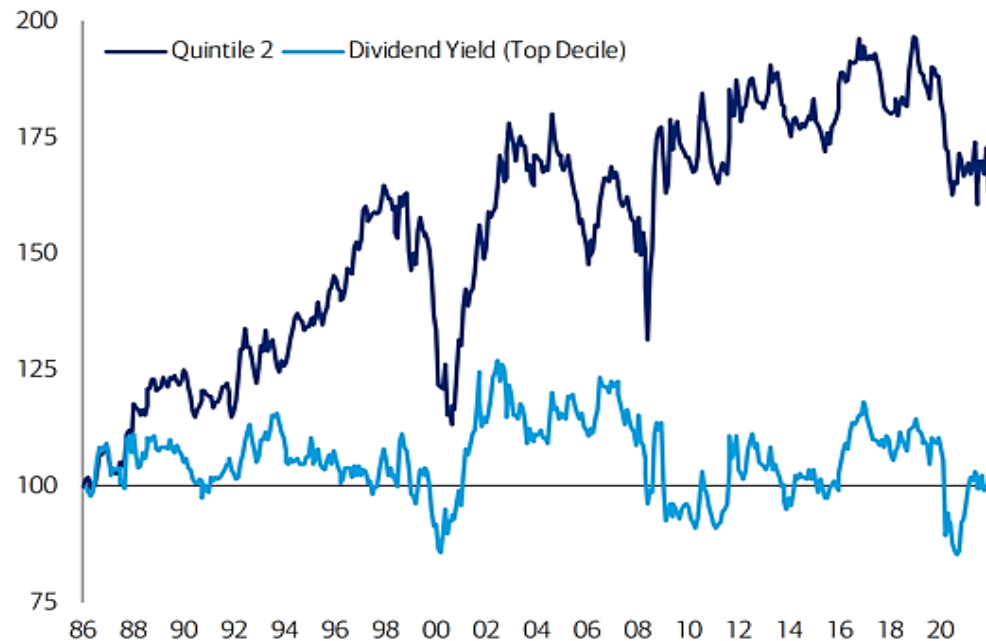
Source: BofA Global Research. Data are as of 05.31.2022. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Please refer to page 32 for dividend risks and disclosures.

“Sustainable Yield Over Time”

Exhibit 195: High dividend yield strategies underperformed during market downturns; secure yield outperformed over the long run

Relative performance of Quintile 2 vs. the equal-weighted Russell 1000 Index and the Dividend Yield* factor vs. the equal-weighted S&P 500 Index (1/1986-3/2022)

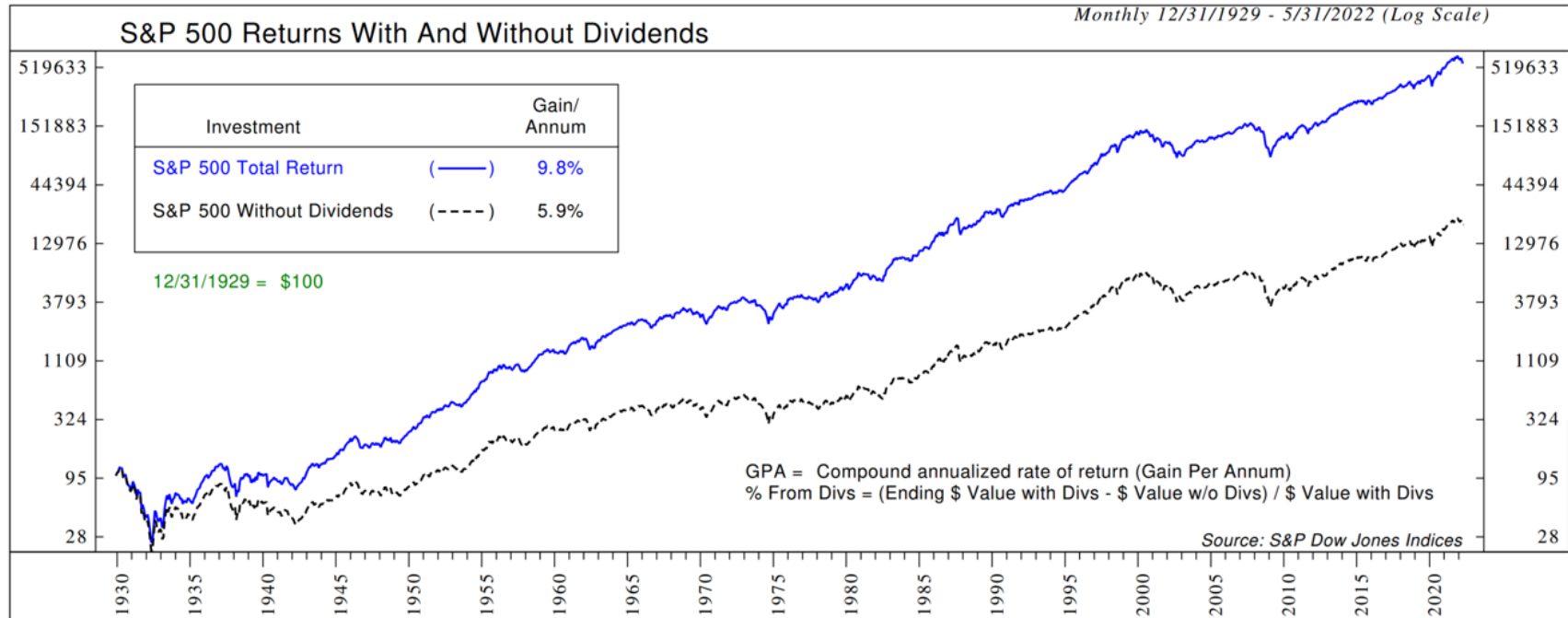


Note: *See our [Quantitative Profiles report](#) for details about the Dividend Yield (QP) factor. Quintile 2 performance in the above chart is based on backtested results from 1/31/84 through 9/28/10. Actual performance is from 9/28/10-present. This performance is backtested and does not represent the actual performance of any account or fund. Backtested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein. Disclaimer: The screen identified as Quintile 2 is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This screen was not created to act as a benchmark.

Source: BofA Global Research. Data are as of 03.31.2022. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Please refer to page 32 for dividend risks and disclosures.

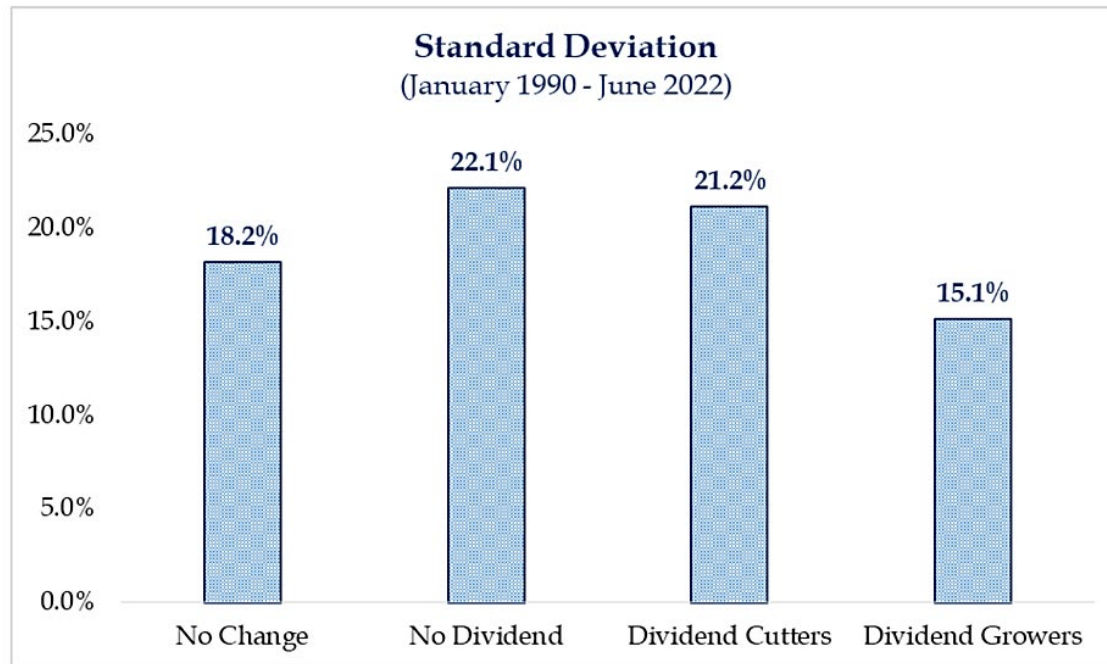
Dividends Add to Total Return Over Time



Source: Ned Davis Research. Data are as of 05.31.2022. For illustrative purposes only. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Please refer to page 32 for dividend risks and disclosures.

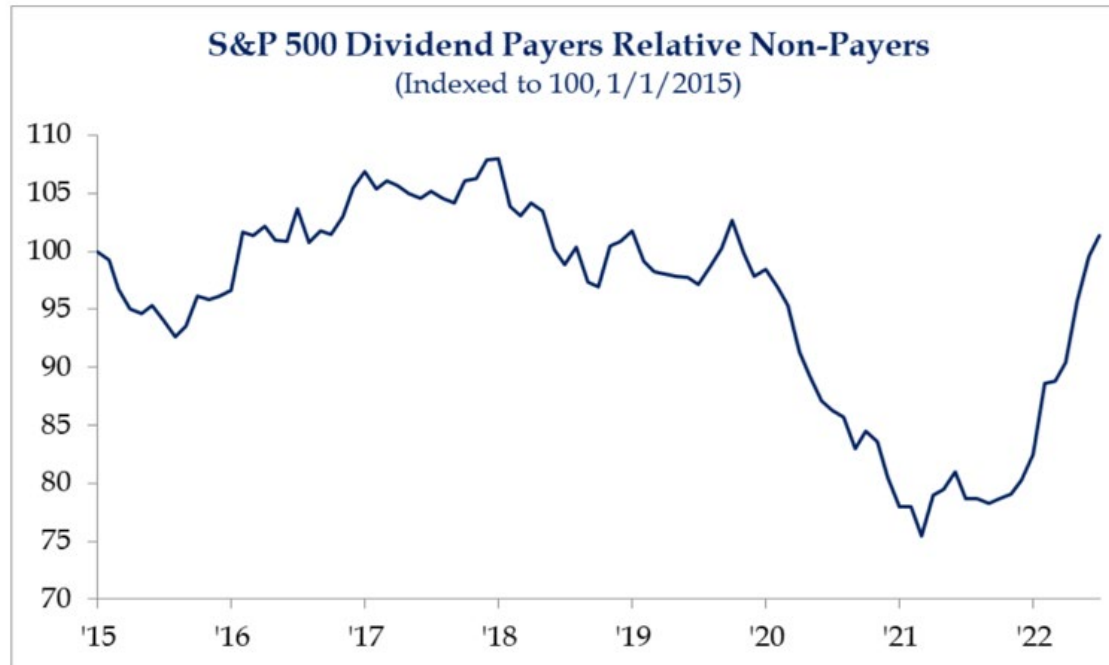
Smoothing the Ride



Source: Strategas. Data are as of 06.30.2022. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

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Dividend Payers in 2022

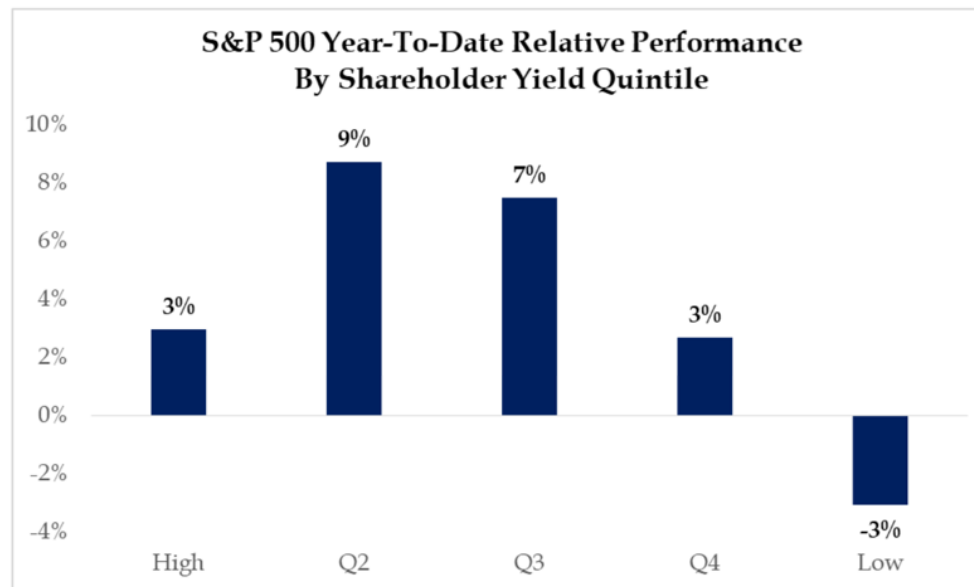


Source: Strategas. Data are as of 07.31.2022. For illustrative purposes only. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Please refer to page 32 for dividend risks and disclosures.

Providing Shareholder Yield

SHORTER DURATION EQUITIES OUTPERFORMING YEAR TO DATE



Source: Strategas. Data are from 12.31.2021 to 08.31.2022. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Dividends and Inflation

S&P 500: Dividend Growth Rate By Decade

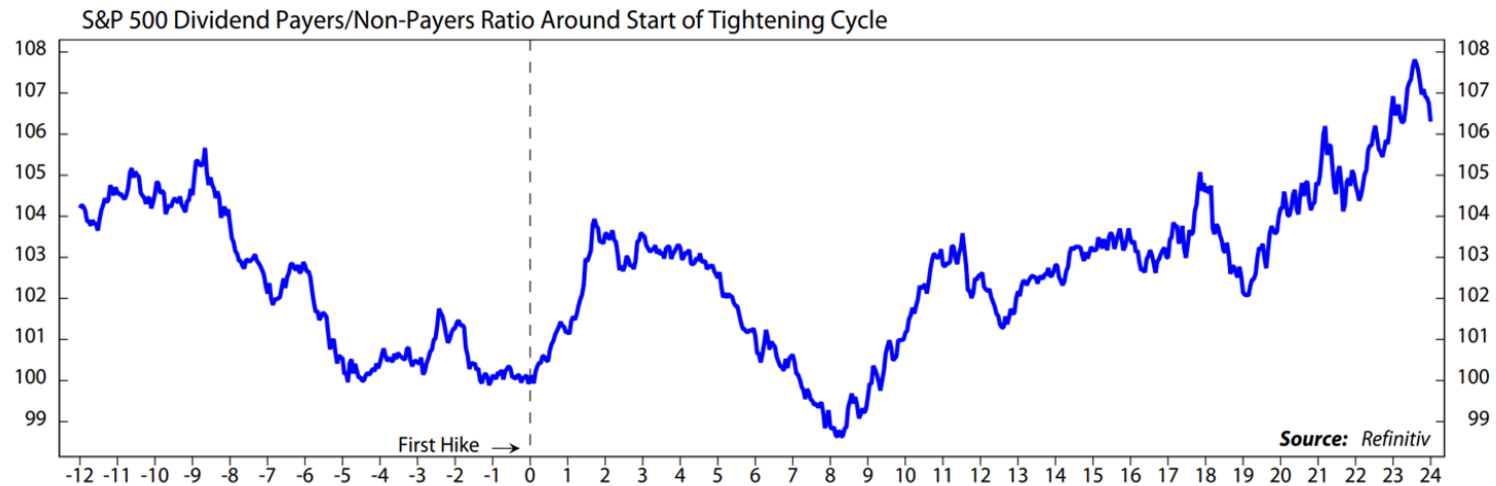
Decade	Total Growth	Annual Growth	Inflation Rate
1950s	60.5%	4.8%	2.0%
1960s	72.7%	5.6%	2.3%
1970s	78.8%	6.0%	7.1%
1980s	95.6%	6.9%	5.5%
1990s	49.1%	4.1%	3.0%
2000s	36.0%	3.1%	2.6%
2010s	93.6%	6.8%	1.7%

Source: Robert Shiller Data. Data are as of 12.31.2019. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Please refer to page 32 for dividend risks and disclosures.

Dividends and Inflation

Payers > Non-Payers as Tightening Cycle Unfolds

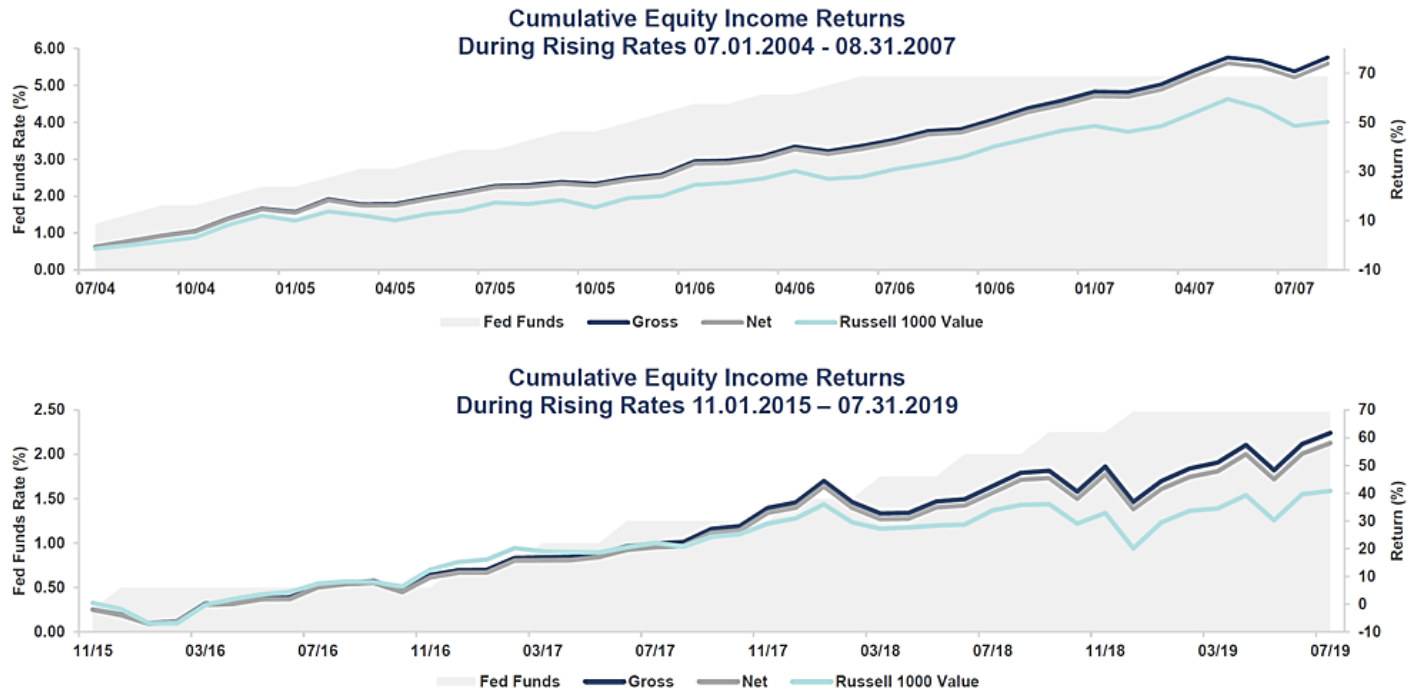


Source: Ned Davis Research. The x-axis depicts months. Data are as of 03.31.2022. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Please refer to page 32 for dividend risks and disclosures.

Equity Income and Rising Rates

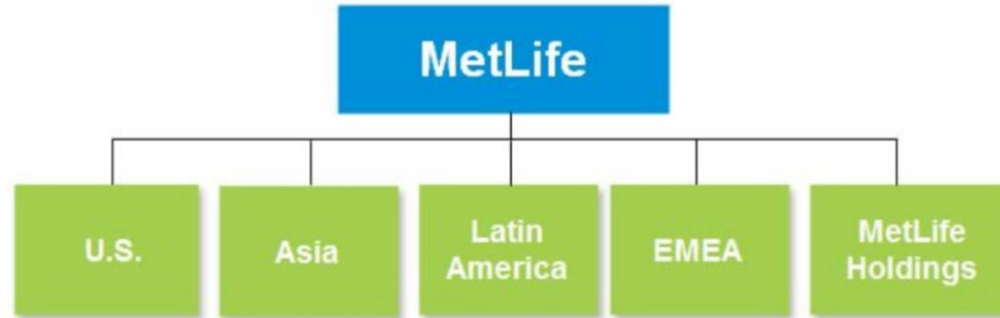
Equity Income Performance in a Rising Rate Environment



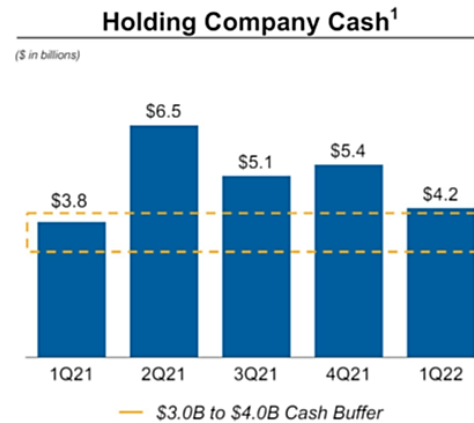
Performance is preliminary and is annualized for periods longer than one year. Net of fees performance returns are presented net of the investment management fees and trading expenses. Gross of fees performance returns reflect the deduction of trading costs; a client's return will be reduced by the management fees and other expenses it may incur. Investment management fees are described in Sterling's Form ADV 2A. Performance reflects the reinvestment of interest income and dividends and realized capital gains. The performance presented represents past performance and is no guarantee of future results. Performance is compared to an index, however, the volatility of an index varies greatly and investments cannot be made directly in an index. Market conditions vary from year to year and can result in a decline in market value due to material market or economic conditions. The Performance is considered Supplemental Information to the GIPS Composite Report located in the Appendix. Source: Sterling Capital Analytics, Russell.

Source: Sterling Capital Management Analytics. Data are as of 07.31.2019. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

MetLife Purchase



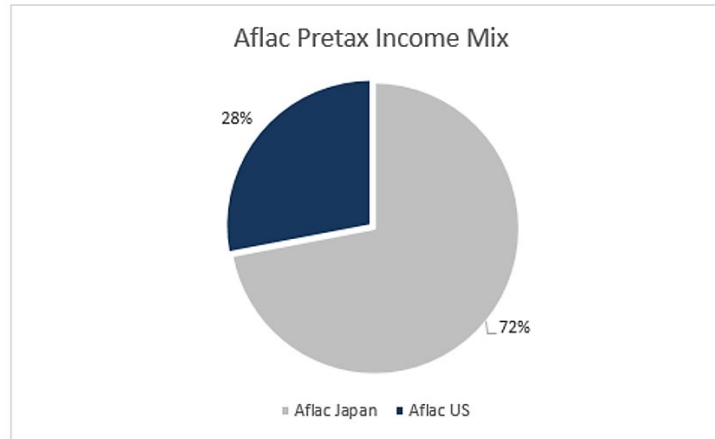
Cash & capital



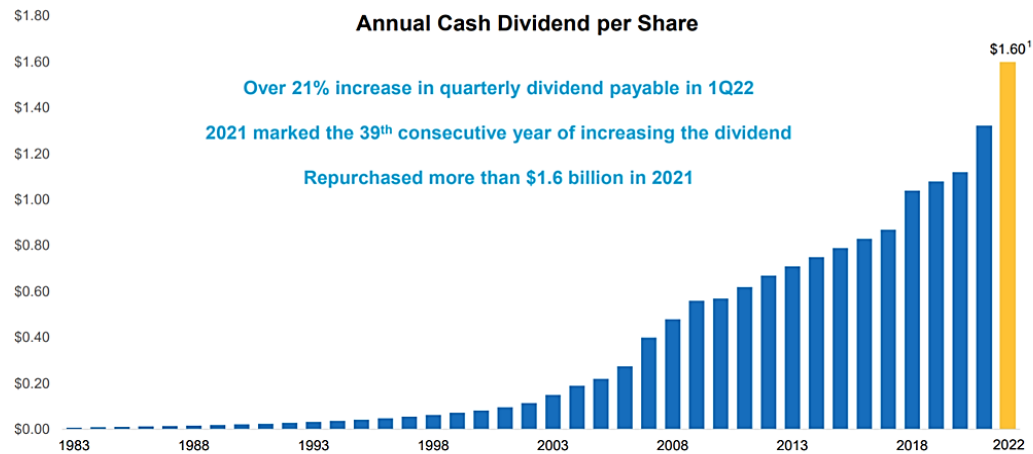
¹Includes cash and liquid assets at MetLife, Inc. and other holding companies at quarter-end.

Sources: Sterling Capital; MetLife company reports. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Aflac Purchase



Tactical Capital Deployment

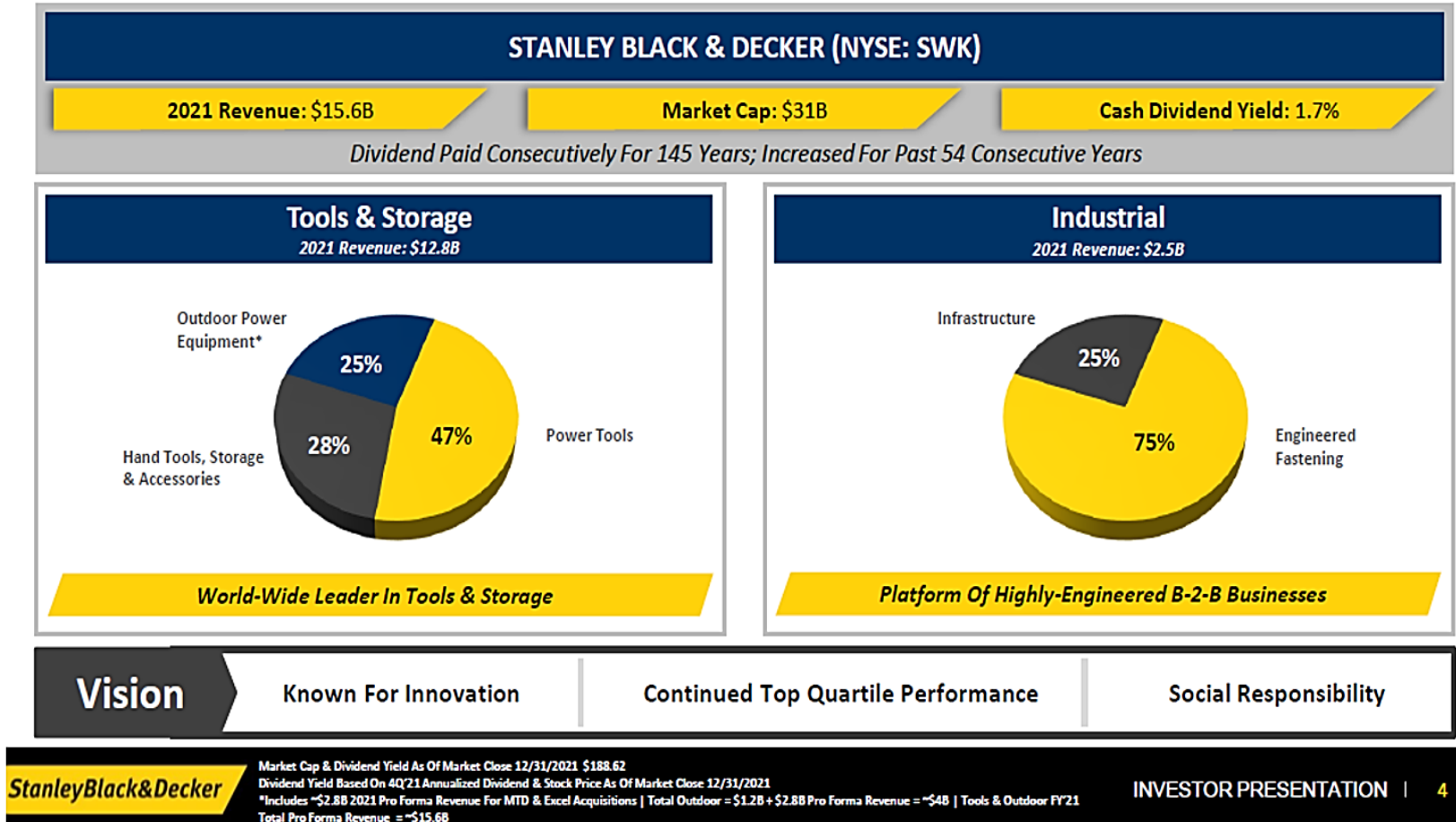


¹Annualized first quarter dividend. Source: Company Reports.

Sources: Top chart: Bloomberg L.P. Bottom chart: Aflac company reports. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Stanley Black and Decker Sale

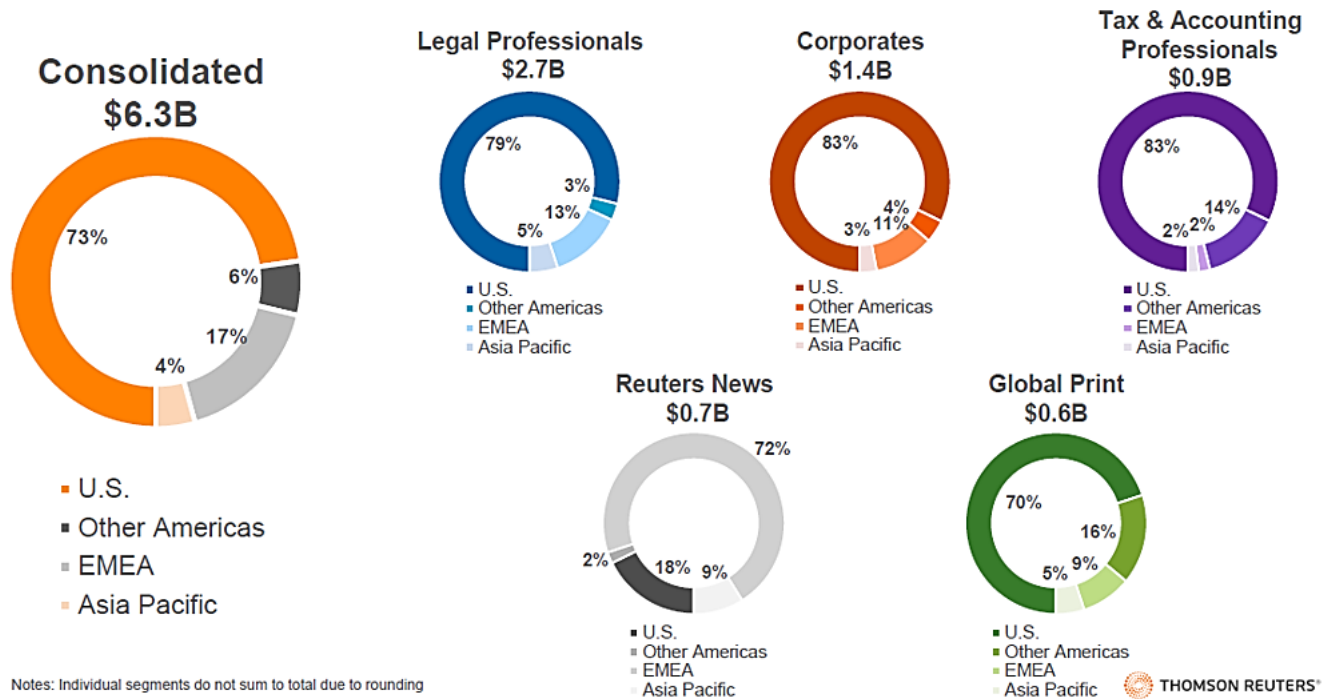
A Global Leader With World Class Franchises



Sources: Sterling Capital; Stanley Black & Decker company reports. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Thomson Reuters Sale

Thomson Reuters - 2021 Revenues by Region



Sources: Sterling Capital; Thomson Reuters company reports. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Third Quarter 2022 Attribution

Leading Contributors	Portfolio Weight	Return	Gross Contribution to Return	Net Contribution to Return ¹
Starbucks	4.28	10.92	0.40	0.37
Motorola	3.22	7.20	0.15	0.13
Corning	1.07	-7.18	0.13	0.12
CVS Health	3.64	3.53	0.09	0.06
Booz Allen Hamilton CI-A	3.42	2.66	0.07	0.04

Leading Detractors	Portfolio Weight	Return	Gross Contribution to Return	Net Contribution to Return ¹
Fidelity National Information Services	3.80	-17.11	-0.60	-0.63
Tyson Foods CI-A	2.37	-22.92	-0.56	-0.57
AbbVie	3.47	-11.55	-0.40	-0.43
United Parcel Service CI-B	3.45	-10.85	-0.38	-0.40
Crown Castle International	2.72	-13.39	-0.35	-0.37

¹Effective 1.1.21 the maximum bundled external platform fee is 2.82%. Actual fees may vary by size and type of portfolio.

Source: Sterling Capital. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.



Dividend Increases in Equity Income since August

■ Abbvie	+5%	51 st straight increase
■ Accenture	+15%	10 th straight increase
■ Crown Castle	+7%	8 th straight increase
■ Honeywell	+5%	13 th straight increase
■ Marsh & McLennan	+10%	12 th straight increase
■ Microsoft	+10%	19 th straight increase
■ Starbucks	+8%	9 th straight increase

Source: Sterling Capital. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

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Market Valuations

S&P 500 Index: Forward P/E ratio



Source: FactSet, FRB, Refinitiv Datastream, Robert Shiller, Standard & Poor's, Thomson Reuters, J.P. Morgan Asset Management. Price-to-earnings is price divided by consensus analyst estimates of earnings per share for the next 12 months as provided by IBES since August 1997 and by FactSet since January 2022. Current next 12-months consensus earnings estimates are \$241. Average P/E and standard deviations are calculated using 25 years of history. Shiller's P/E uses trailing 10-years of inflation-adjusted earnings as reported by companies. Dividend yield is calculated as the next 12-months consensus dividend divided by most recent price. Price-to-book ratio is the price divided by bookvalue per share. Price-to-cash flow is price divided by NTM cash flow. EY minus Baa yield is the forward earnings yield (consensus analyst estimates of EPS over the next 12 months divided by price) minus the Moody's Baa seasoned corporate bond yield. Std. dev. over-/under-valued is calculated using the average and standard deviation over 25 years for each measure. *P/CF is a 20-year average due to cash flow availability. Guide to the Markets – U.S. Data areas of September 30, 2022.

J.P.Morgan
ASSET MANAGEMENT

Source: JP Morgan Asset Management. Data are as of 09.30.2022. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

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Sentiment Indicators – Bear Sightings?



Fear & Greed Index

What emotion is driving the market now?
[Learn more about the index](#)

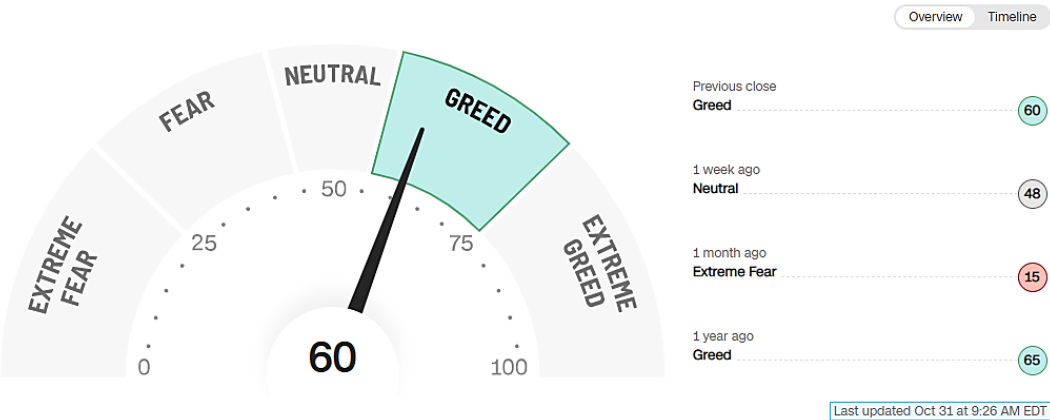
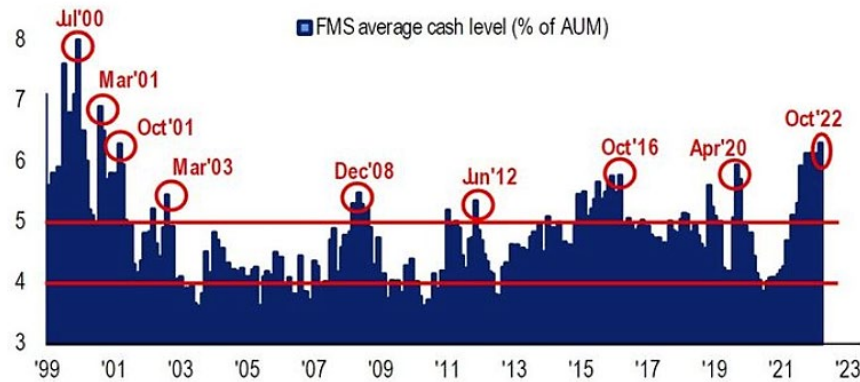


Chart 13: FMS investors raised cash levels further in October '22

FMS average cash balance, %



Source: BofA Global Fund Manager Survey

Sources: The Economist; CNN (as of 10.31.2022); BofA Securities. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Portfolio Changes Since August

Additions:

- Target
- MetLife
- AFLAC
- Travelers

Exits:

- Stanley Black & Decker
- Thomson Reuters

Source: Sterling Capital. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Insurance - Opportunities

- Products generally required by law, e.g. homeowners, auto
- Therefore, generally recession-resistant
- Pricing environment remains robust
- Significant beneficiaries of higher interest rates

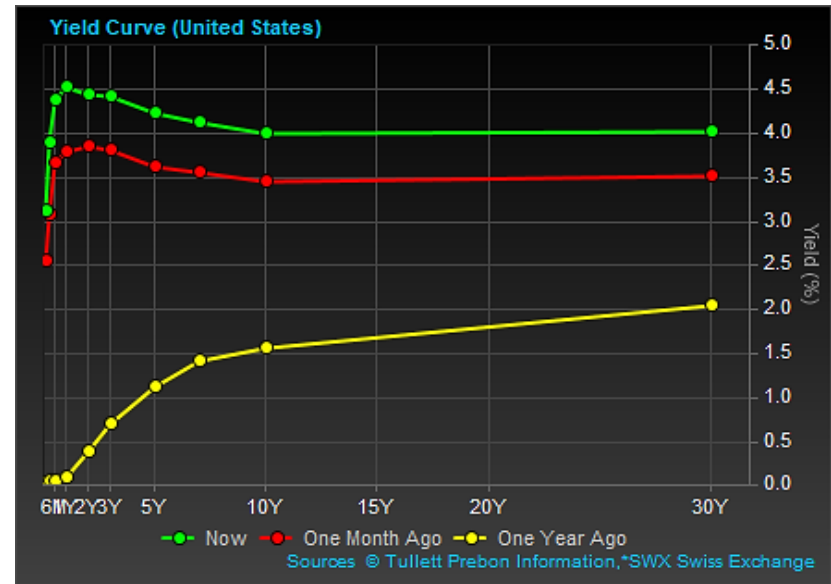
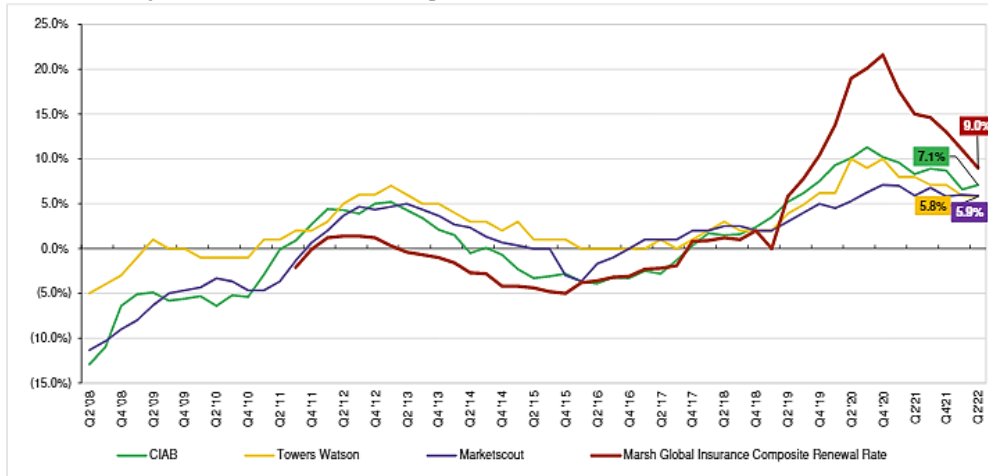
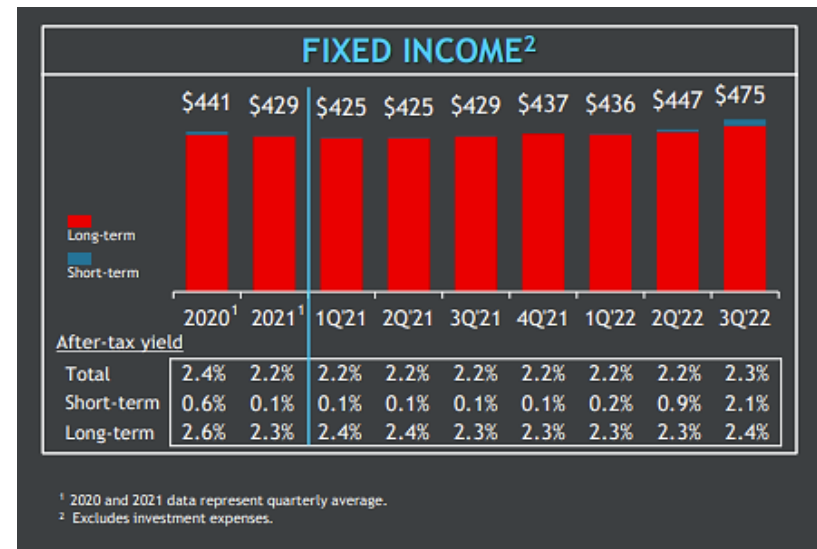


Exhibit 18 - Industry Commercial Lines Overall Price Changes Moderate But Most Lines Still Above Loss Trend



Source: Council of Insurance Agents & Brokers (CIAB), MarketScout, Towers Watson, Company data and Wells Fargo Securities, LLC



Sources: Wells Fargo; FactSet; Travelers. Bottom right chart is showing the after-tax yield of its investment portfolio. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Insurance – Travelers as a Case Study



Pricing

“We’re achieving meaningful price increases in personal lines. Looking ahead to 2023, we expect renewal premium change to increase above already very strong levels as we implement additional insured value increases. We expect domestic automobile renewal premium change will get into the double digits in the fourth quarter and be in the mid-teens throughout 2023.

--Travelers CEO Alan Schnitzer, 10/19/22

Investment Income

“And our high-quality investment portfolio is poised to generate meaningfully higher levels of fixed income net interest income going forward. New money rates as of September 30 were about 150 basis points higher than what is in the portfolio, and the difference is now around 200 basis points.”

--Travelers CEO Alan Schnitzer, 10/19/22

DOMESTIC PERSONAL INSURANCE

(\$ in millions)

ILLUSTRATIVE BUSINESS STATISTICS

Automobile

Retention ¹	85%	86%	86%	86%	85%	84%	83%
Renewal premium change ²	0.5%	0.4%	0.5%	2.1%	4.2%	6.5%	8.1%
Policies in force (in thousands)	2,807	2,852	2,898	2,937	2,972	3,008	3,053
• Sequential quarter growth	1%	2%	2%	1%	1%	1%	1%
• Year over year growth	4%	4%	5%	6%	6%	5%	5%
New business	\$278	\$299	\$297	\$279	\$290	\$318	\$356

Homeowners and Other

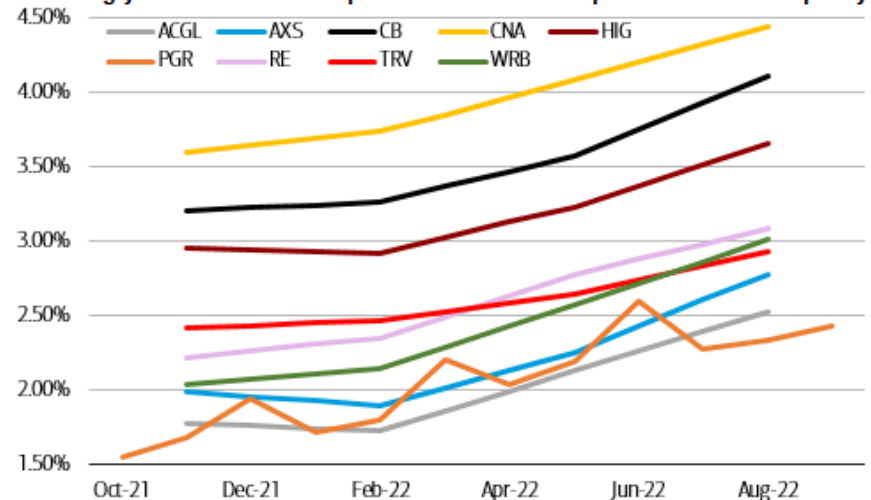
Retention ¹	84%	85%	85%	86%	84%	84%	83%
Renewal premium change ²	7.5%	8.0%	8.7%	8.6%	12.1%	13.3%	14.1%
Policies in force (in thousands)	5,703	5,836	5,931	5,995	6,051	6,108	6,142
• Sequential quarter growth	2%	2%	2%	1%	1%	1%	1%
• Year over year growth	8%	7%	7%	7%	6%	5%	4%
New business	\$263	\$335	\$312	\$273	\$258	\$316	\$327

¹ The ratio of expected number of renewal policies that will be retained throughout the annual policy period to the number of available renewal base policies.

² Represents the estimated change in average premium on policies that renew, including rate and exposure changes.

Note: Statistics are in part dependent on the use of estimates and are therefore subject to change.

Tracking yields of traditional portion of investment portfolios over the past year



Sources: Travelers; BofA. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.



Headline Review – Recession Seems Well-Flagged

US recession forecast just hit 100% in this key model. Here's one way Americans can prepare.

Updated: Oct. 18, 2022 at 1:05 p.m. ET

By [Andrew Shilling](#) [Follow](#)

Popular U.S. recession gauge is at risk of hitting most-negative level since Reagan era, BMO says

Last Updated: Oct. 18, 2022 at 4:11 p.m. ET

First Published: Oct. 18, 2022 at 12:53 p.m. ET

By [Vivien Lou Chen](#) [Follow](#)

This economic indicator is also signaling recession

Published: Oct. 20, 2022 at 10:16 a.m. ET

By [Jeffrey Bartash](#) [Follow](#)

Leading economic index drops 0.4% in September

MARKETS NOW

The risk of an accidental recession is rising, Goldman Sachs says



By Matt Egan, CNN Business

Published 12:45 PM EDT, Mon October 24, 2022

U.S. economy will likely fall into recession, former Fed official says

Last Updated: Oct. 26, 2022 at 9:40 a.m. ET

First Published: Oct. 25, 2022 at 3:39 p.m. ET

By [Aarthi Swaminathan](#) [Follow](#)

Recession ahead? This bond-market indicator is flashing a 'code-orange' warning

Last Updated: Oct. 26, 2022 at 1:05 p.m. ET

First Published: Oct. 26, 2022 at 1:02 p.m. ET

The Recession Signal That Really Counts Just Flashed Bright Red

By [Lawrence C. Strauss](#) [Follow](#) Oct. 26, 2022 11:11 am ET

Sources: Marketwatch; CNN Business; Barrons. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.



STERLING
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Targeting Target

Time Horizon Arbitrage



Chart 69 - TGT 3-Year Inventory Growth vs. 3-Year Sales Growth

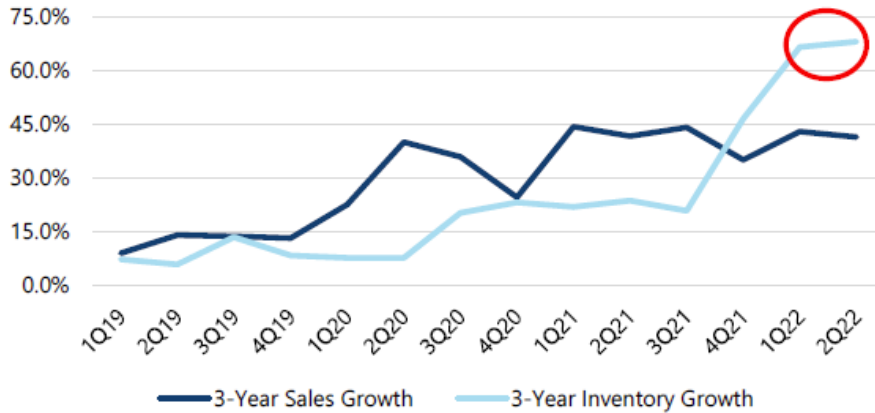


Chart 73 - Sales by Channel of Origination

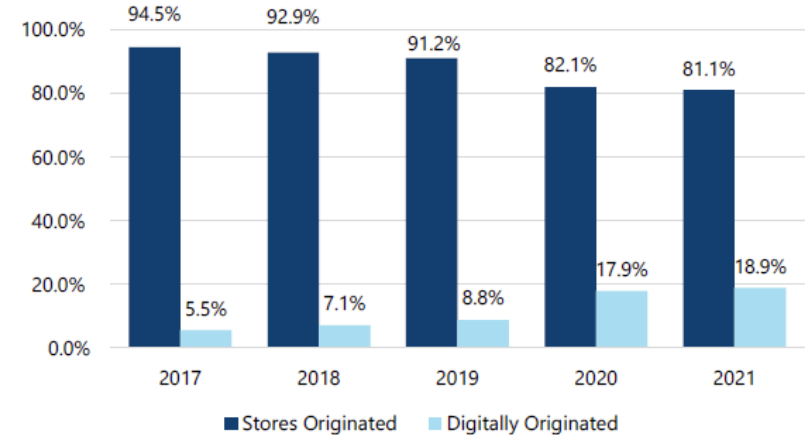


Chart 82 - F'22E Consensus Estimate Trends for TGT

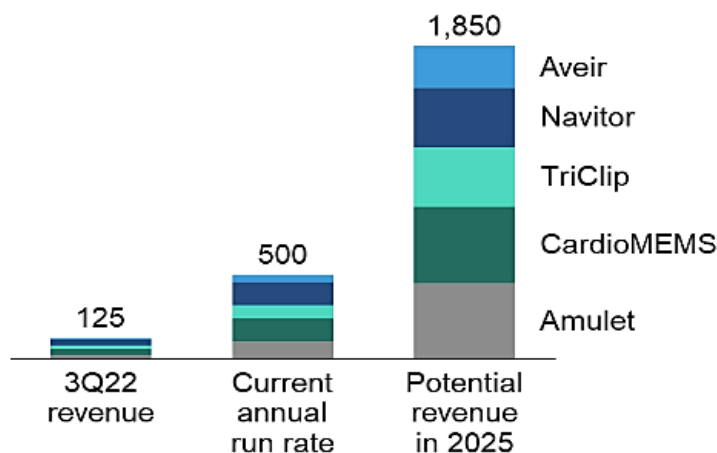
	9 Months Ago	6 Months Ago	3 Months Ago	Current	JEF Est.
Revenue	\$108.6B	\$110.1B	\$109.8B	\$109.7B	\$109.8B
(% Change vs. 9 months ago)		1.4%	1.1%	1.0%	-
Gross Margin %	28.8%	26.9%	24.7%	24.7%	24.3%
(% Change vs. 9 months ago)		(199bps)	(415bps)	(412bps)	-
Operating Margin %	7.7%	6.7%	5.1%	5.1%	4.6%
(% Change vs. 9 months ago)		(99bps)	(254bps)	(254bps)	-
EPS	\$13.20	\$10.93	\$8.16	\$8.13	\$7.90
(% Change vs. 9 months ago)		(17.2%)	(38.2%)	(38.4%)	-

Sources: FactSet; Jeffries; Target company reports. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

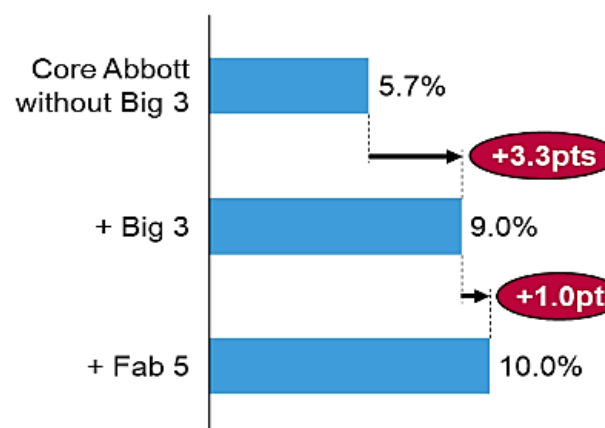
Another Example of “Time Horizon Arbitrage”

EXHIBIT 2 : **Abbott's "Fab 5" emerging growth drivers--which are largely excluded from consensus today--could add 1 point to ABT's organic growth CAGR over the next 3 years**

“Fab 5” Potential Revenue
\$ millions



ABT Organic Growth CAGR, 2022-25E
%



“The stock checks a lot of boxes for investors:

- Durable long-term growth
- Diversification and stability
- Balance sheet firepower
- Margin upside
- A dividend” (50 consecutive increases)

--Bernstein analyst Lee Hambright, 10.21.2022

CAGR = compound annual growth rate.

Source: Bernstein company reports. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Mid-Term Election

Figure 4: Markets for President and Congressional combinations

Election type	President	Election Date	President Party	Senate Majority	House of Representatives	FED funds rate	2y yield	10y yield	SPX	Nasdaq	DXY	USD/JPY	Oil	Gold
						change			% change					
Presidential	Jimmy Carter	2-Nov-76	Democrat	Democrat	Democrat	4.0	3.4	1.5	-9.0	24.8	-16.6	-40.0	#N/A	76.4
Midterm election	Jimmy Carter	7-Nov-78	Democrat	Democrat	Democrat	4.8	3.8	3.6	37.5	71.2	0.2	19.3	#N/A	198.8
Presidential	Ronald Reagan	4-Nov-80	Republican	Republican	Democrat	-4.3	-3.6	-1.9	6.5	12.7	40.3	30.8	#N/A	-33.3
Midterm election	Ronald Reagan	2-Nov-82	Republican	Republican	Democrat	0.5	1.1	1.0	23.9	15.1	14.4	-12.3	#N/A	-20.4
Presidential	Ronald Reagan	6-Nov-84	Republican	Republican	Democrat	-4.1	-4.6	-4.3	44.5	44.4	-23.3	-32.3	-47.9	19.1
Midterm election	Ronald Reagan	4-Nov-86	Republican	Democrat	Democrat	2.4	2.3	1.6	11.8	4.7	-14.2	-23.4	-7.7	2.4
Presidential	George Bush	8-Nov-88	Republican	Democrat	Democrat	-0.5	-0.9	-0.4	13.3	-10.1	-12.3	2.0	134.3	-9.1
Midterm election	George Bush	6-Nov-90	Republican	Democrat	Democrat	-4.8	-3.2	-1.6	34.8	77.5	7.8	-4.3	-35.9	-10.9
Presidential	Bill Clinton	3-Nov-92	Democrat	Democrat	Democrat	1.8	2.6	1.1	10.9	27.0	-2.7	-20.8	-11.2	13.7
Midterm election	Bill Clinton	8-Nov-94	Democrat	Republican	Republican	0.5	-1.3	-1.7	53.4	60.1	1.4	17.6	23.0	-1.5
Presidential	Bill Clinton	5-Nov-96	Democrat	Republican	Republican	-0.3	-1.5	-1.5	55.5	45.5	7.5	1.1	-36.5	-23.9
Midterm election	Bill Clinton	3-Nov-98	Democrat	Republican	Republican	1.5	1.7	1.1	28.9	91.0	23.0	-7.1	132.5	-8.2
Presidential	George W. Bush	7-Nov-00	Republican	Democrat	Republican	-4.8	-4.2	-1.8	-36.1	-59.0	-8.4	13.8	-21.8	20.2
Midterm election	George W. Bush	5-Nov-02	Republican	Republican	Republican	0.0	0.8	0.0	23.5	41.7	-19.3	-12.8	89.9	32.4
Presidential	George W. Bush	2-Nov-04	Republican	Republican	Republican	3.5	2.2	0.6	22.3	19.7	0.0	10.6	18.8	48.5
Midterm election	George W. Bush	7-Nov-06	Republican	Democrat	Democrat	-4.3	-3.3	-0.9	-27.3	-25.1	-0.8	-15.1	19.7	21.6
Presidential	Barack Obama	4-Nov-08	Democrat	Democrat	Democrat	-0.8	-1.1	-1.2	18.7	42.3	-9.5	-19.0	19.0	78.0
Midterm election	Barack Obama	2-Nov-10	Democrat	Democrat	Republican	0.0	0.0	-0.8	19.7	18.9	5.1	-0.6	5.7	25.0
Presidential	Barack Obama	6-Nov-12	Democrat	Democrat	Republican	0.0	0.2	0.6	40.9	53.5	7.9	41.1	-13.0	-30.9
Midterm election	Barack Obama	4-Nov-14	Democrat	Republican	Republican	0.3	0.3	-0.5	6.3	12.3	12.5	-7.5	-41.7	9.5
Presidential	Donald Trump	8-Nov-16	Republican	Republican	Republican	1.8	2.1	1.4	28.8	42.0	-1.6	8.2	38.3	-4.1
Midterm election	Donald Trump	6-Nov-18	Republican	Republican	Democrat	-2.0	-2.7	-2.3	28.9	58.8	-3.7	-7.0	-35.5	51.1
Presidential	Joseph Biden	3-Nov-20	Democrat	Democrat	Democrat	2.4	3.9	2.2	11.4	-7.7	20.2	37.6	109.7	-8.9
Midterm election	Joseph Biden		Democrat											
Average	Republican President, Republican House and Senate					1.8	1.7	0.6	24.9	34.5	-7.0	2.0	49.0	25.6
	Republican President, Democrat House or Senate					-2.4	-2.1	-1.2	11.1	13.2	0.0	-5.3	0.7	4.5
	Democrat President, Democrat House and Senate					2.4	2.5	1.4	13.9	31.5	-1.7	-4.6	39.2	71.6
	Democrat President, Republican House or Senate					0.3	-0.1	-0.5	34.1	46.9	9.6	7.4	11.7	-5.0

Sources: Deutsche Bank; Refinitiv Eikon Datastream; Bloomberg Finance L.P. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Appendix

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.

The opinions contained in the preceding presentation reflect those of Sterling Capital Management LLC, and not those of Truist Financial Corporation or its executives. The stated opinions are for general information only and are educational in nature. These opinions are not meant to be predictions or 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. Sterling Capital Management LLC does not assume liability for any loss which may result from the reliance by any person upon such information or opinions.

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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.

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

The S&P 500® Index is a readily available, carefully constructed, market-value-weighted benchmark of common stock performance. Currently, the S&P 500 Composite includes 500 of the largest stocks (in terms of stock market value) in the United States and covers approximately 80% of available market capitalization.

The 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.

Dividend Policies: 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: 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 Yield:** a financial ratio that measures the annual value of dividends received relative to the market value per share of a security. In other words, the dividend yield formula calculates the percentage of a company's market price of a share that is paid to shareholders in the form of dividends. **Return on equity (ROE)** is a measure of financial performance calculated by dividing net income by shareholders' equity. Because shareholders' equity is equal to a company's assets minus its debt, ROE is considered the return on net assets. **Earnings per share (EPS)** is a financial ratio that divides net earnings available to common shareholders by the total outstanding shares over a certain period of time. The EPS formula indicates a company's ability to produce net profits for common shareholders. The price-to-earnings ratio is the ratio for valuing a company that measures its current share price relative to its earnings per share (EPS). The price-to-earnings ratio is also sometimes known as the price multiple or the earnings multiple. **The Market to Book Ratio** (also called the Price to Book Ratio), is a financial valuation metric used to evaluate a company's current market value relative to its book value. The market value is the current stock price of all outstanding shares (i.e. the price that the market believes the company is worth). The book value is the amount that would be left if the company liquidated all of its assets and repaid all of its liabilities. **The price-to-cash flow** (also denoted as price/cash flow or P/CF) ratio is a financial multiple that compares a company's market value to its operating cash flow (or the company's stock price per share to its operating cash flow per share). **CAGR** stands for the Compound Annual Growth Rate. It is the measure of an investment's annual growth rate over time, with the effect of compounding taken into account. It is often used to measure and compare the past performance of investments or to project their expected future returns. (Technical definitions are sourced from Corporate Finance Institute and Investopedia.)



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Important Information

Disclosures

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.

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 Management – Equity Income SMA Composite

January 1, 2012 – December 31, 2021

Description: Consists of all discretionary separately managed wrap Equity Income portfolios. Sterling'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.

Year	Total Return		No. of Portfolios	Composite Assets		Total Firm Assets (\$MM)	Composite Dispersion (%)	Russell 1000 Value	Composite 3-yr St Dev (%)	Benchmark 3-yr St Dev (%)
	"Pure" Gross of Fees	Total Return Net of Fees		End of Period (\$MM)						
2021	28.68	25.17	4	438		75,308	Not Meaningful	25.16	18.17	19.05
2020	7.16	5.83	4	588		70,108	Not Meaningful	2.80	18.87	19.62
2019	25.30	23.73	5	739		58,191	Not Meaningful	26.54	11.32	11.85
2018	-0.26	-1.53	5	619		56,889	Not Meaningful	-8.27	11.01	10.82
2017	20.54	18.94	4	643		55,908	Not Meaningful	13.66	9.78	10.20
2016	15.43	13.84	3	989		51,603	Not Meaningful	17.34	10.40	10.77
2015	-2.70	-4.15	3	1,100		51,155	Not Meaningful	-3.83	10.20	10.68
2014	4.61	2.98	3	1,501		47,540	Not Meaningful	13.45	8.33	9.20
2013	26.70	24.74	3	1,574		45,638	Not Meaningful	32.53	9.72	12.88
2012	12.39	10.63	3	1,272		4,422	Not Meaningful	17.51	11.83	15.73

Sterling Capital Management LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Sterling Capital Management LLC has been independently verified for the periods 01/01/01 to 12/31/20. 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. 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.

Please refer to the slide titled "Performance" for the one-, five-, and ten-year returns of the composite.

Notes:

1. Sterling Capital Management LLC (SCM) is a registered investment advisor with the SEC. Registration does not imply a certain level of skill or training. Sterling manages a variety of equity, fixed income and balanced assets. Prior to January 2001, Sterling was a wholly owned subsidiary of United Asset Management (UAM). In January 2001, Sterling Capital Management LLC purchased all the assets and business of Sterling Capital Management Company from UAM to become an employee owned firm. In April 2005, BB&T Corporation purchased a majority equity ownership stake in Sterling Capital Management LLC. In October 2010, the management group of Sterling Capital entered into an agreement with BB&T Corporation that reduced and restructured management's interest in Sterling Capital Management. Additionally, BB&T Asset Management merged into Sterling Capital Management. In January 2013, CHOICE Asset Management firm merged into Sterling Capital Management. "Percent of Firm Assets" and "Total Firm Assets" prior to 2013 are for CHOICE Asset Management. In August 2015, eight new employees joined Sterling Capital management via Stratton Management Company following the close of BB&T's purchase of Susquehanna Bancshares. In December 2019, BB&T Corporation and SunTrust Banks, Inc. Holding Company merged as equals to form Truist Financial Corporation. Sterling Capital Management LLC is a wholly owned subsidiary of Truist Financial Corporation. In August 2020, new employees joined Sterling Capital Management via the Investment Advisory Group of SunTrust Advisory Services. This reorganization aligns all of the discretionary fixed income asset management activities within Truist under Sterling.
2. Inception date of composite: December 31, 2000. Creation date: December 31, 2000. The appropriate benchmark for this composite 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. 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.
3. Performance reflects reinvested interest income and dividends and realized and unrealized capital gains and losses. Portfolios utilize trade-date accounting. Valuations and performance are reported in US dollars. Composite returns are calculated monthly by weighting the aggregate SMA/Wrap sponsor returns using beginning of period market values. Periodic time weighted returns are geometrically linked. Returns are not calculated net of non-reclaimable withholding taxes due to immaterial dollar amounts.
4. "Pure" gross of fees returns are presented as supplemental information and do not reflect the deduction of any fees including trading costs. Effective January 1, 2021, the net of fee return reflects the maximum bundled external platform fee of 2.82%. Prior to January 1, 2021, the net of fee return reflects the actual SMA fee of the individual portfolios in each platform except for one platform where the maximum fee is deducted from the gross 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 2.82% annually and includes Sterling's actual management fee of 0.32%. Sterling's actual management fees are 50 basis points annually or less. Since inception, the composite is comprised 100% of wrap fee portfolios.
5. 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 for annual periods prior to 2011 or when a full three years of composite performance is not yet available.
6. The performance presented represents past performance and is no guarantee of future results. Stock market conditions vary from year to year and can result in a decline in market value due to material market or economic conditions.