

2nd Quarter 2021 Market Review:

Equity Income SMA

Sterling Capital Management LLC Risks & Disclosures

- This webcast is being recorded.
- The material presented in this presentation is as of 06.30.2021, unless otherwise stated.
- The opinions contained in this presentation reflect those of Sterling Capital Management LLC and are for general information only and are not meant to be predictions or an offer of individual or personalized investment advice.
- Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients.
- Any type of investment involves risk and there are no guarantees. 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



George F. Shipp, CFA®
Managing Director
Co-PM Equity Income &
Special Opportunities



Adam B. Bergman, CFA®
Executive Director
Co-PM Equity Income



Charles J. Wittmann, CFA®
Executive Director
Associate PM Equity Income



Whitney L. Stewart, CFA®
Executive Director
Client Portfolio Manager

WebEx Agenda:

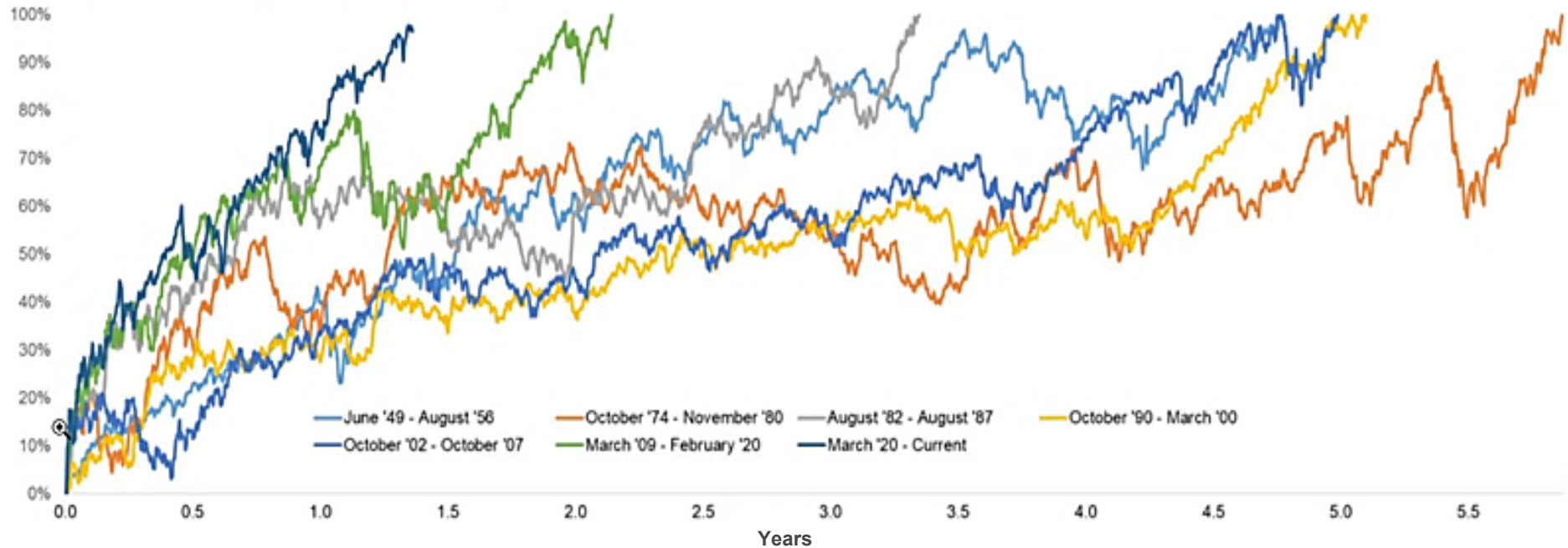
- Equity market and macro environment review
- Equity Income SMA Review of Q2.2021 performance, activity and positioning
- Equity market outlook
- Q&A

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.

S&P 500 – Fastest to Double Since WWII

This Could Be The Fastest Bull Market To Double Off The Lows

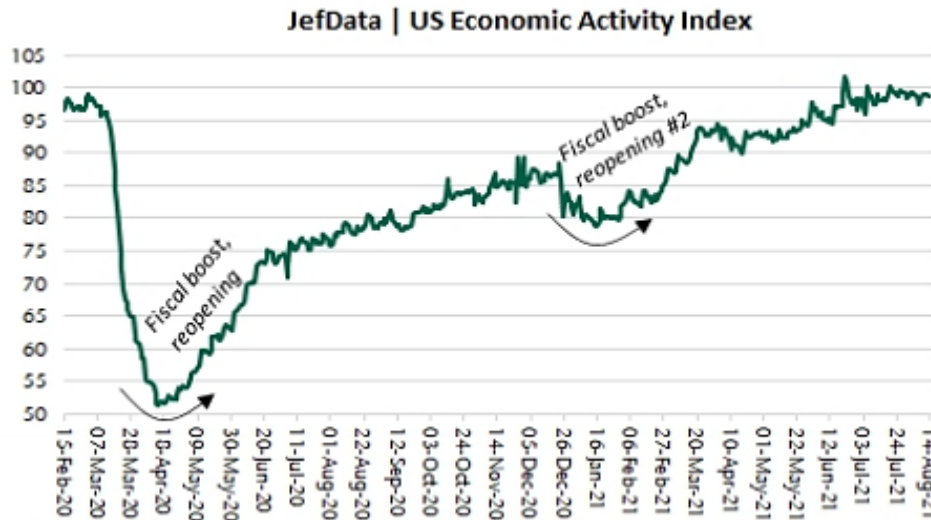
S&P 500 Index Bull Markets To Double (Since WWII)



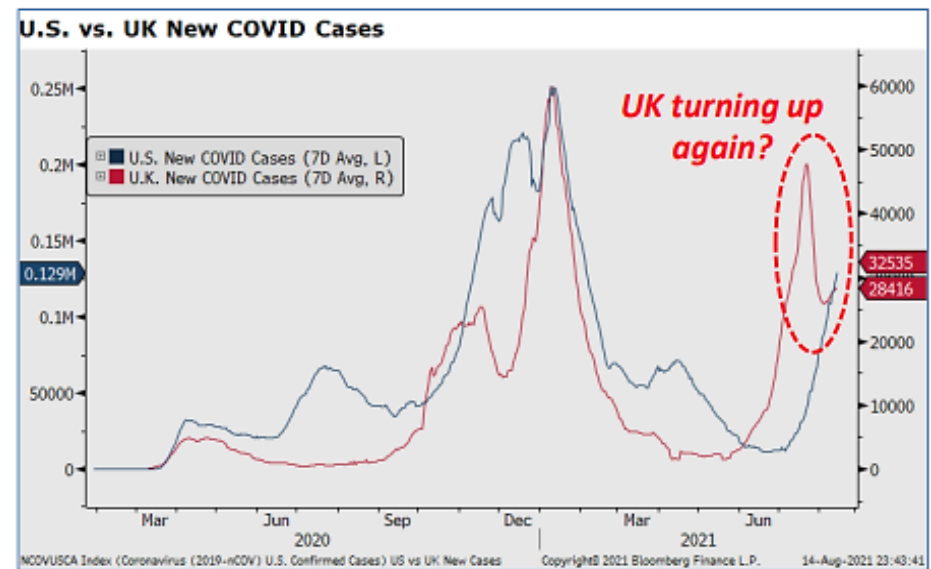
As of 07.31.2021. Source: LPL Research, FactSet. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

Past performance is not indicative of future results.

Where to Next?



JefData US Economic Activity Index						
Dataset	Bucket	Weight (%)	8/6	8/13	WoW (ppts)	Contribution
Restaurants Bookings	Consumer Behavior	3%	94.0	91.0	-3.0	-0.1
Foot Traffic	Consumer Behavior	21%	120.3	120.4	0.1	0.0
Retail Web Traffic	Consumer Behavior	7%	110.0	110.0	0.0	0.0
Mortgage Applications	Housing	4%	99.8	99.8	-0.1	0.0
Transit	Movement	1%	70.7	70.0	-0.7	0.0
Congestion	Movement	6%	76.2	79.6	3.4	0.2
Domestic Flights	Movement	6%	83.0	88.4	5.4	0.3
International Flights	Movement	1%	55.5	57.1	1.6	0.0
Unemployment Application	Employment Activity	10%	82.7	84.2	1.5	0.1
Work Hours Clock	Employment Activity	10%	95.0	95.0	0.0	0.0
Hiring - Total Listings	Employment Activity	10%	97.6	97.6	0.0	0.0
Railroad Traffic	Industrial Production	7%	92.8	95.6	2.8	0.2
Steel Production	Industrial Production	7%	98.9	100.3	1.4	0.1
Petroleum	Industrial Production	7%	88.5	88.5	0.0	0.0
Index		100%	97.7	98.5	0.9	0.9



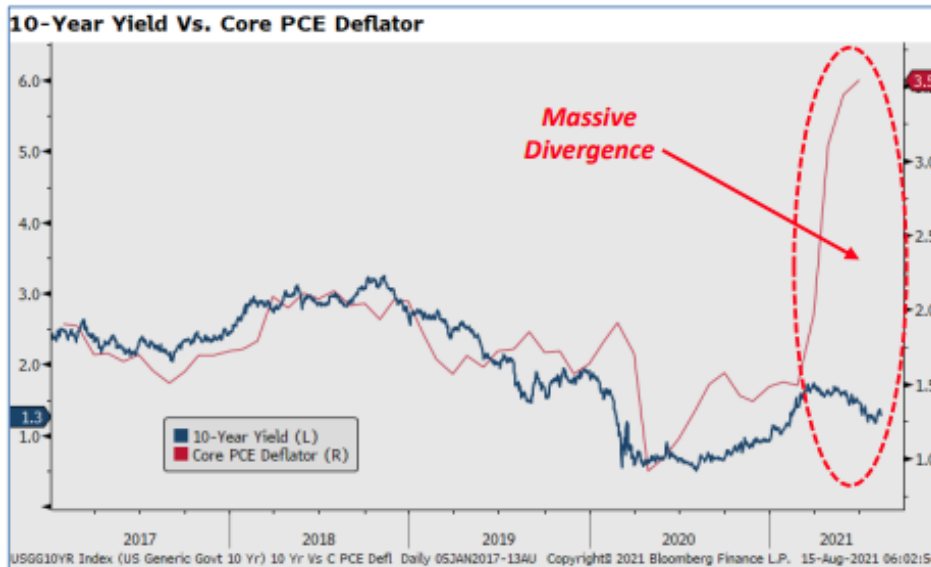
Source: Jefferies (left charts), Wolfe Research (right chart). The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.

The Question of the Moment: Is Inflation “Transitory”?

Our response: “It depends.”

Varying types of inflation:

- Commodity
- Labor
- Structural
- “Theoretical”



Source: Bespoke (left chart), Yahoo Finance (right chart). 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.



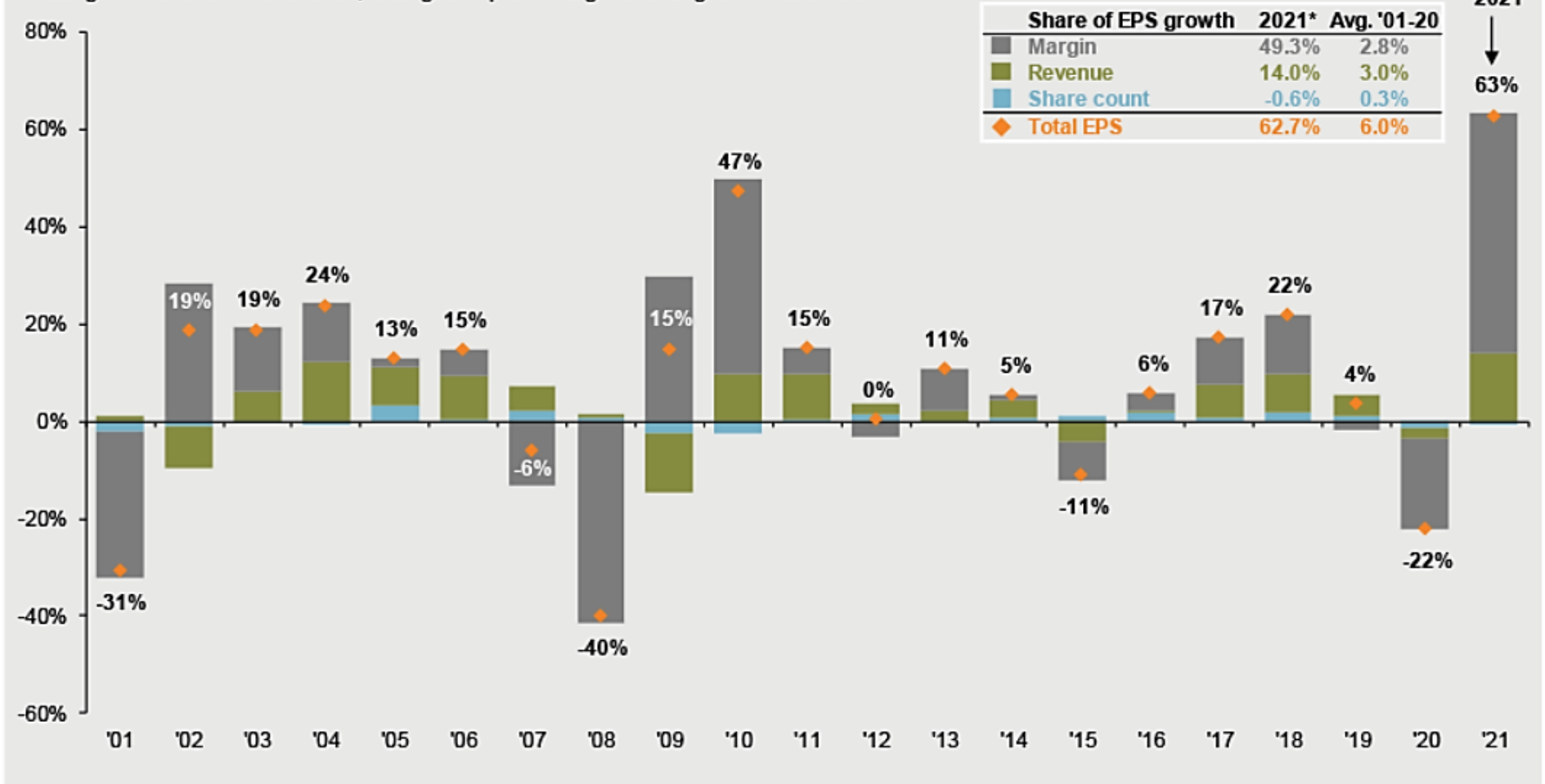
“When inputs go up, pricing has to go up. We certainly have to be competitive, but we certainly have to get pricing to cover the increase in inputs. And we’re doing that, and we’re doing that very methodically.”

-Tyson Foods CEO Donnie King

2021: A Snapback Year for Earnings

S&P 500 year-over-year operating EPS growth

Annual growth broken into revenue, changes in profit margin & changes in share count



Source: FactSet, Compustat, Standard & Poor's, J.P. Morgan Asset Management. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. 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
CAPITAL

The Portfolio's Holdings are Participating in the Strong Earnings Growth Trend

Ticker	Company	Sales Growth	Earnings Growth
Average		28%	80%
Median		20%	46%
C US Equity	CITIGROUP INC	-12%	470%
COG US Equity	CABOT OIL & GAS CORP	-2%	420%
GS US Equity	GOLDMAN SACHS GROUP INC	16%	140%
QSR CN Equity	RESTAURANT BRANDS INTERN	37%	133%
CMI US Equity	CUMMINS INC	59%	120%
GLW US Equity	CORNING INC	35%	112%
ABT US Equity	ABBOTT LABORATORIES	40%	105%
TSN US Equity	TYSON FOODS INC-CL A	25%	93%
KO US Equity	COCA-COLA CO/THE	41%	62%
HON US Equity	HONEYWELL INTERNATIONAL INC	18%	60%
MSI US Equity	MOTOROLA SOLUTIONS INC	22%	49%
MSFT US Equity	MICROSOFT CORP	21%	49%
JNJ US Equity	JOHNSON & JOHNSON	27%	49%
UPS US Equity	UNITED PARCEL SERVICE-CL B	14%	44%
ABBV US Equity	ABBVIE INC	34%	33%
MMC US Equity	MARSH & MCLENNAN COS	20%	33%
PEP US Equity	PEPSICO INC	21%	30%
ACN US Equity	ACCENTURE PLC-CL A	21%	26%
DOX US Equity	AMDOCS LTD	4%	26%
CCI US Equity	CROWN CASTLE INTL CORP	10%	25%
NTRS US Equity	NORTHERN TRUST CORP	5%	18%
VZ US Equity	VERIZON COMMUNICATIONS INC	11%	16%
LHX US Equity	L3HARRIS TECHNOLOGIES INC	5%	15%
MRK US Equity	MERCK & CO. INC.	5%	-4%
CVS US Equity	CVS HEALTH CORP	11%	-8%
ANTM US Equity	ANTHEM INC	14%	-24%
EOG US Equity	EOG RESOURCES INC	208%	N.M.
CB US Equity	CHUBB LTD	9%	N.M.
SBUX US Equity	STARBUCKS CORP	78%	N.M.
DFS US Equity	DISCOVER FINANCIAL SERVICES	34%	N.M.

Note: Only Showing Q2 Reports Through 08.15.2021.

Data as of 08.15.2021. Source: Company Reports, Bloomberg. 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.

Past performance is not indicative of future results.

The Portfolio's Holdings are Providing Strong Dividend Growth, Inflation Protection

2Q21 Dividend Increases:

- Cabot Oil & Gas +10%
- Chubb +3% (28th straight year)
- Discover Financial +14%
- Goldman Sachs +60%
- Johnson & Johnson +5% (59th straight year)
- Medtronic +9% (44th straight year)
- Pepsi +5% (49th straight year)

July Dividend Increases:

- Marsh & McLennan +15%

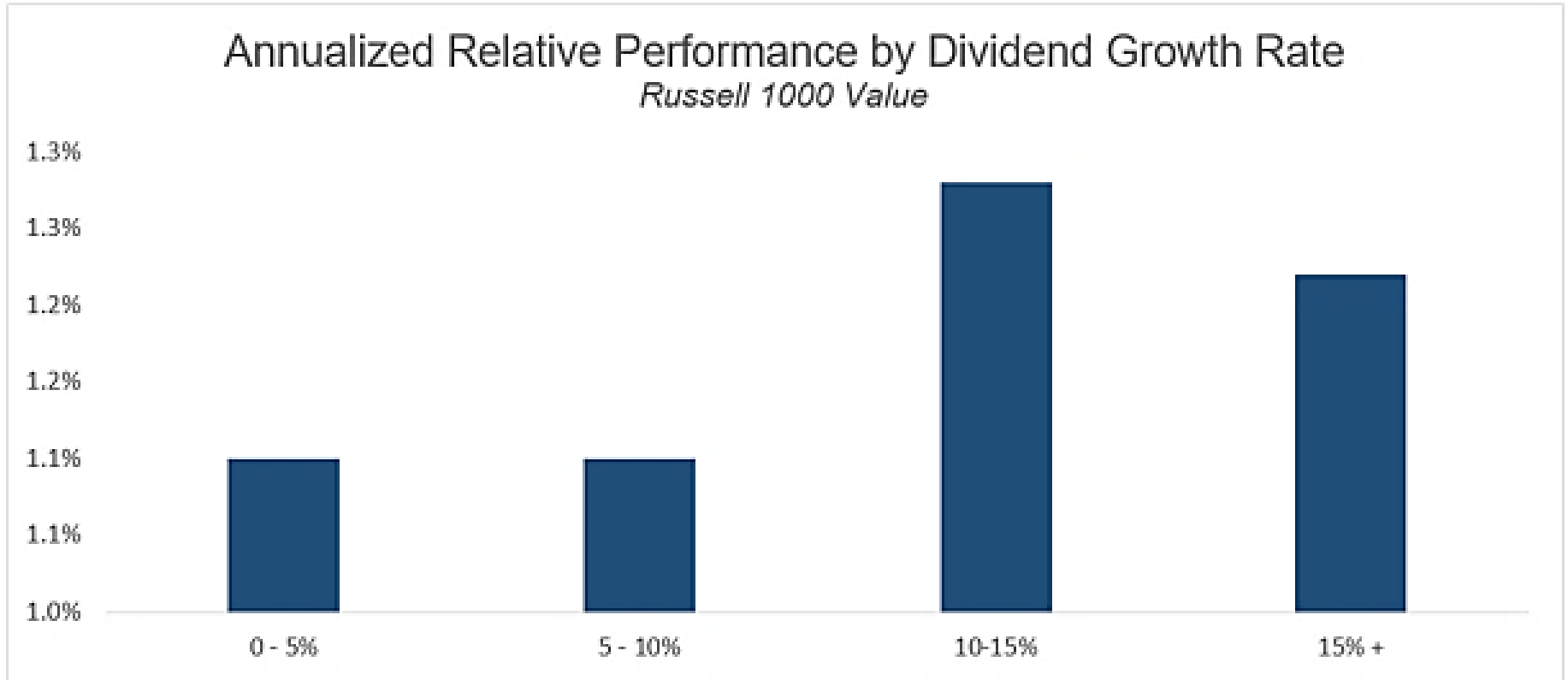
	Year-Over-Year Dividend Increase
ABT	25%
ABBV	10%
AC N	10%
ADI	11%
ANTM	19%
C	0%
CB	3%
CCI	11%
CMI	3%
COG	10%
CSCO	3%
CVS	0%
DFS	14%
DKS	16%
DOX	11%
EOG	10
GLW	9%
GS	60%
HD	10%
HON	3%
JNJ	5%
KO	2%
LHX	20%
MDT	9%
MMC	15%
MRK	7%
MSFT	10%
MSI	11%
NTRS	0%
PEP	5%
QSR	2%
SBUX	10%
TSN	6%
UPS	1%
VZ	2%
avg	9.8%

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.

Past performance is not indicative of future results.



Closer Look at Dividend Growth and Performance



As of 06.30.2011-06.30.2021. Source: Bloomberg. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. 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

Past performance is not indicative of future results.

Buybacks Another Mechanism for Returning Capital to Shareholders

2Q21 Buyback News:

- Discover Financial: authorized \$2.4B share buyback program, enough to repurchase 6% of the company
- UPS: authorized \$5B share buyback program
- Chubb: added \$5B to its existing buyback program, enough to repurchase 6% of the company
- Corning: repurchased 4% of its shares directly from Samsung
- L3Harris: 5.6% fewer shares outstanding versus a year ago
- Amdocs: 4.1% fewer shares outstanding versus a year ago
- Anthem: 3.2% fewer shares outstanding versus a year ago

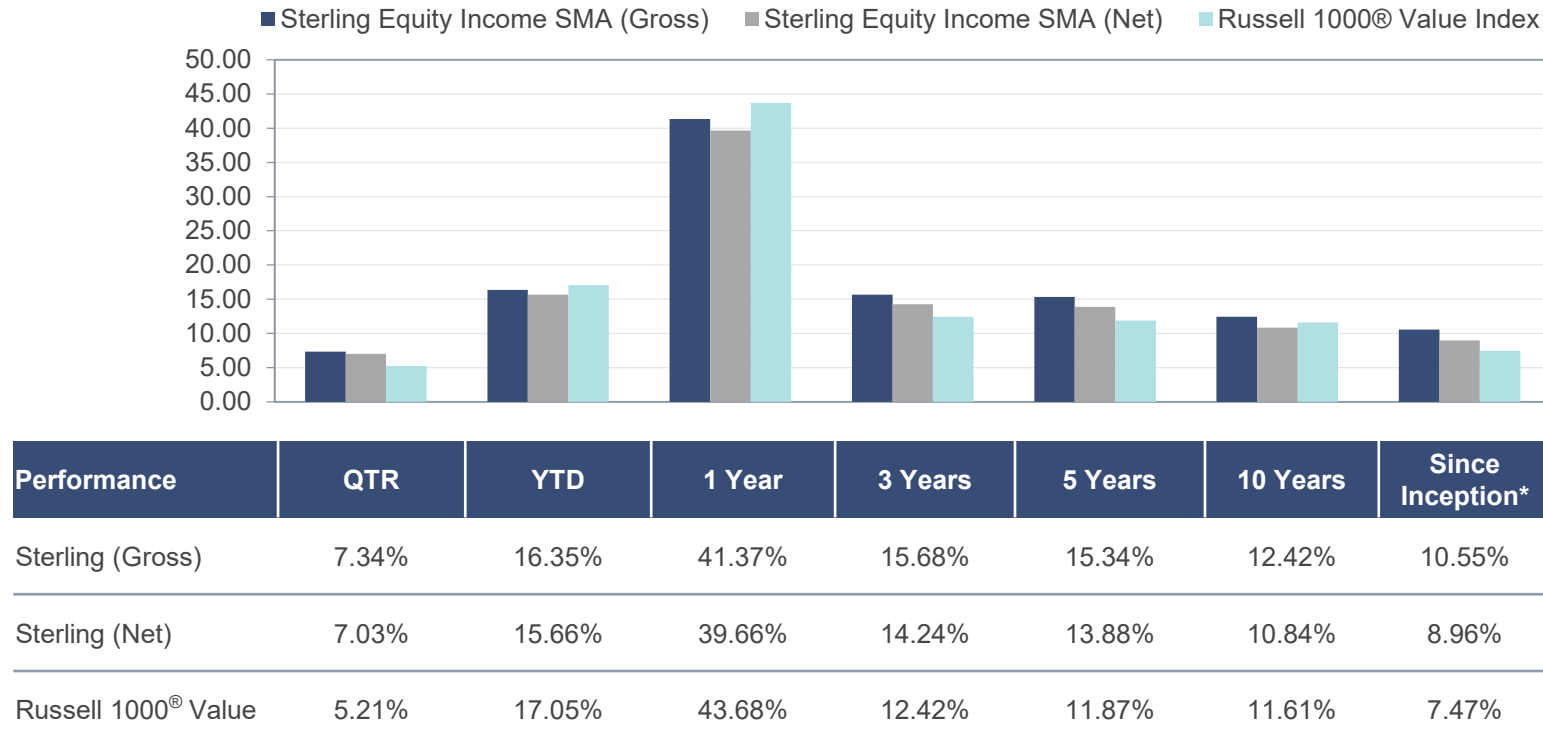
Source: Sterling Capital. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. 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.

Past performance is not indicative of future results.



Performance

Sterling Equity Income SMA



*Inception date is 12.31.2000.

Data as of 06.30.2021. 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. "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. The Performance is considered Supplemental Information to the GIPS Composite Report located in the APPENDIX. Source: Russell Investments, S&P, Sterling Capital Management Analytics.

Past performance is not indicative of future results.



Second Quarter Leaders and Laggards

Q2 Top Five Contributors:

- Discover Financial
- United Parcel Service
- Microsoft
- Goldman Sachs
- Analog Devices

Q2 Bottom Five Detractors:

- Corning
- Cummins
- Abbott Laboratories
- Verizon Communications
- Citigroup

Data as of 06.30.2021. The top/bottom performers are based on quarterly contribution to return. 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.

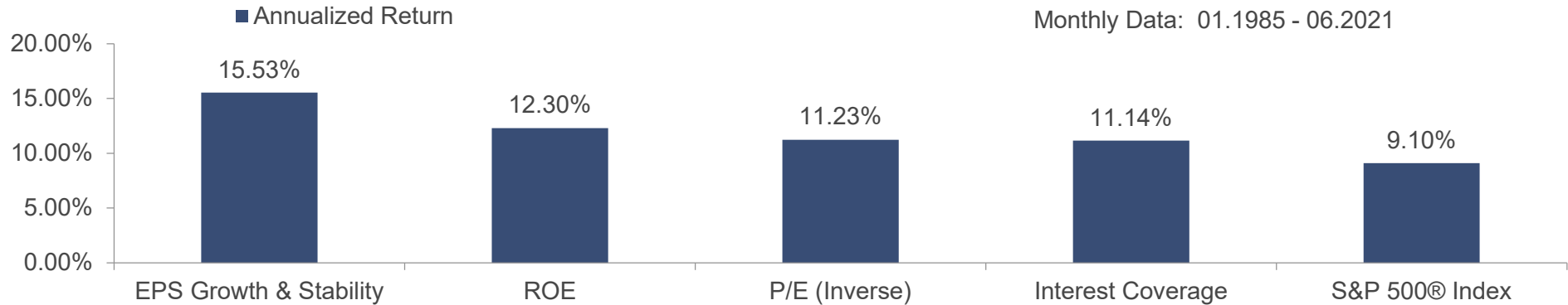
Past performance is not indicative of future results.



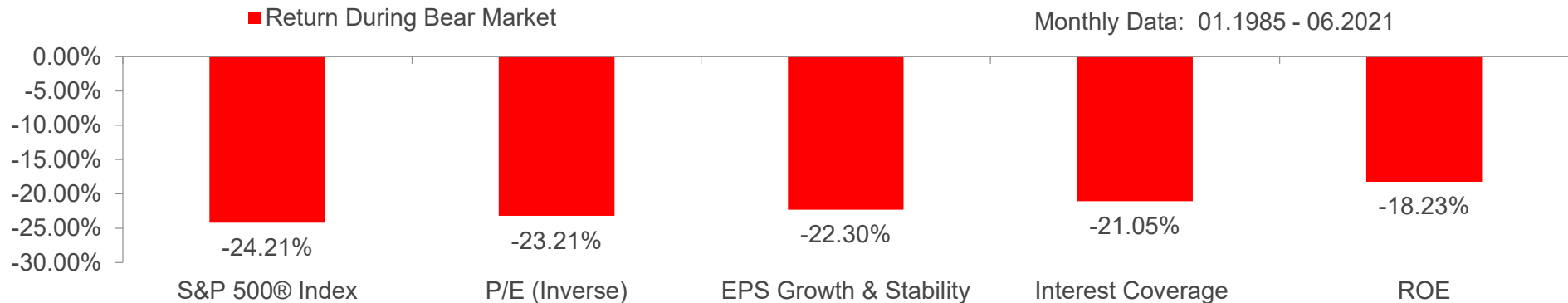
Equity Opportunities Group Philosophy of Investing

Seek Capital Appreciation and Risk Reduction by Constructing Portfolios with Attractive Valuations (P/E), Robust Operating Growth (EPS Growth/Stability), High Profitability (ROE) and Strong Balance Sheets (Interest Coverage)

Annualized Return of Top Decile of S&P 500® Index by Factor



Annualized Return in Bear Markets for Top Decile of S&P 500® Index by Factor



As of 06.30.2021. Source: Ned Davis Research, S&P Dow Jones Indices. 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.

Second Quarter ESG-Related Highlights

Accenture: Consulting practice is integrating ESG into Salesforce software to integrate ESG into business practices for clients.

Northern Trust: The bank initiated Vector scores to measure ESG criteria and risk as part of its growing ESG strategies.

Amdocs: Received a Carbon Disclosure Practice leadership ranking.

United Parcel Service: Expanded its ESG disclosures in its proxy statement after polling shareholders.

Johnson & Johnson: Hosted its annual ESG Update for investors highlighting supplier diversity.

Coca Cola: Announced the integration of SDG 12 as part of responsible consumption and production using 100% recycled plastic in 30 markets representing 30% of revenues.

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.

Added Cummins (CMI) in April

Global Provider of Engines, Power Systems, and Parts

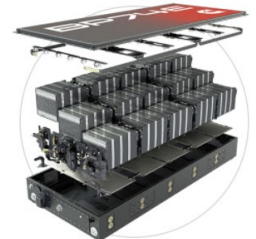
- \$20.9 billion of trailing revenue
 - +\$8.8 billion joint venture (JV) China/India
- Leading maker of Class 8 & medium duty diesel and natural gas engines
- Largest supplier of turbochargers, filtration, and other components
- \$900 million in research and development (R&D)
- 2021 revenue expected up 20-24%
- 6% net debt/capital
- 14 consecutive years “World’s Most Ethical”



Engines



Generators and Power Systems



New Power

Cummins participation in hydrogen economy



Public

Cummins

- Commissioned the largest electrolysis plant in the world
 - Will produce 3,000 tons hydrogen/year
- Fuel cell electric powertrains
 - BlueBird school buses; three million Chinese passengers
- First hydrogen fuel cell passenger train

Source: Cummins. 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.



Added Cabot Oil and Gas (COG) in May

Free Cash Flow Leader in Energy Production

- Return on equity (ROE) of 32% in 2019
- Net Debt to EBITDA of 1.2x
- Bloomberg consensus earnings per share (EPS) growth 20% in 2022
- Trading at less than 8x 2022 consensus EPS
- Stock is flattish year-over-year, while natural gas prices have roughly doubled
- Pending merger with Cimarex
 - Would combine two low cost producers
 - Both companies have strong balance sheets
 - Forecast special dividend would boost yield

Merger of Equals Creates a Premier Energy Company

Free Cash Flow Focused, Diversified Energy Company



Commitment to ESG & Sustainability

Shared Commitments to Environmental Stewardship, Sustainability & Strong Corporate Governance

Environment, social & safety performance	Governance	Sustainability reporting
<ul style="list-style-type: none">■ Cabot reported 0 flaring, 100% produced & flowback water recycled & 0 hydrocarbon spills in 2020■ Cimarex reduced GHG emissions intensity 22% in 2020■ Combined business commits to strong safety performance & further reducing GHG emissions	<ul style="list-style-type: none">■ Continue to embed ESG in compensation structure■ Maintain board-level oversight of ESG performance & programs■ Commit to independent, diverse & experienced board	<ul style="list-style-type: none">■ Combined business to report on ESG performance & progress, in line with SASB & TCFD standards■ For additional information, refer to Cabot's 2020 Sustainability Report & Cimarex's ESG disclosures on its website

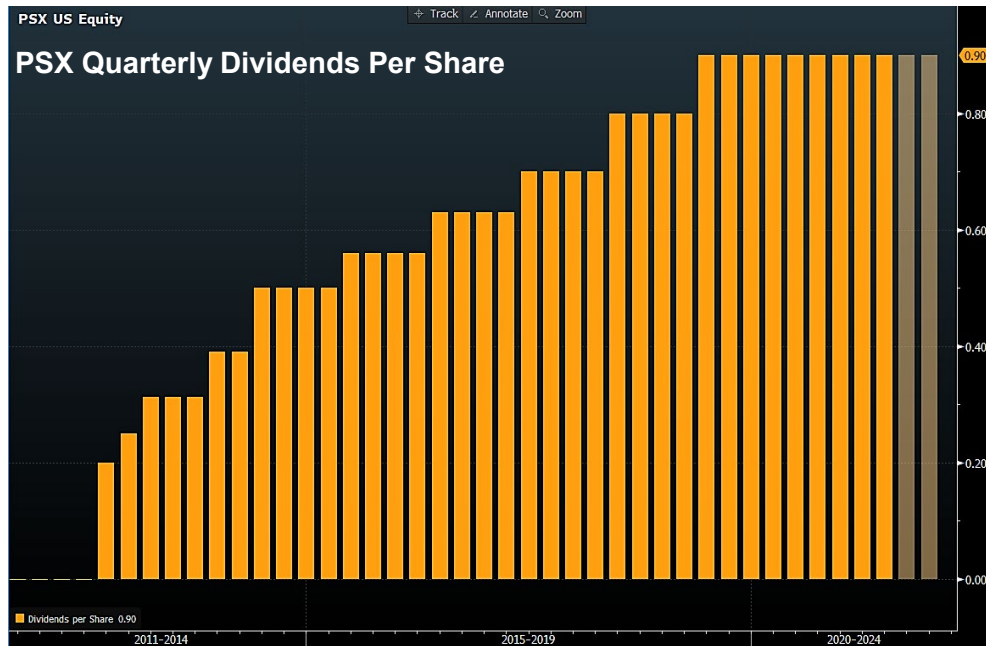
- Cabot stand alone has impressive environmental, social and corporate governance (ESG) reporting
- Cabot brings ESG reporting to potential combined entity
- “Prioritization of ESG issues” stated rationale for merger

Source: 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.

Removed Phillips 66 (PSX) in June

A Leader in Midstream, Chemicals, and Refining

- ROE of 22.5% in 2018
- Total Debt/Total Capital 43%
- Unique integrated energy company
- History of benefitting from low cost North American hydrocarbons
- Historic performance negatively impacted by COVID-19



Source: Company Reports, Bloomberg. 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.

Enhancing Returns in Refining and Marketing

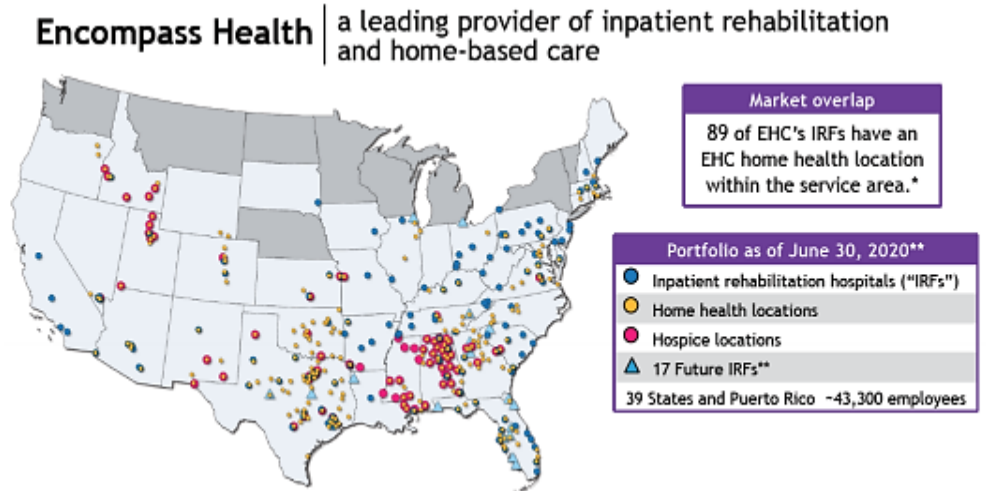


- We sold the shares due to the flattening of dividend growth, tighter dividend coverage, and recovery of the stock toward pre-pandemic levels

Removed Encompass Health Corp (EHC) in July

Leader in Rehabilitation Centers and Home Health

- Beneficiary of aging population theme as baby boomers will be over 65 years old in 2030
- Reported inpatient growth over 20% at time of sale
- Announced strategic review of home health business

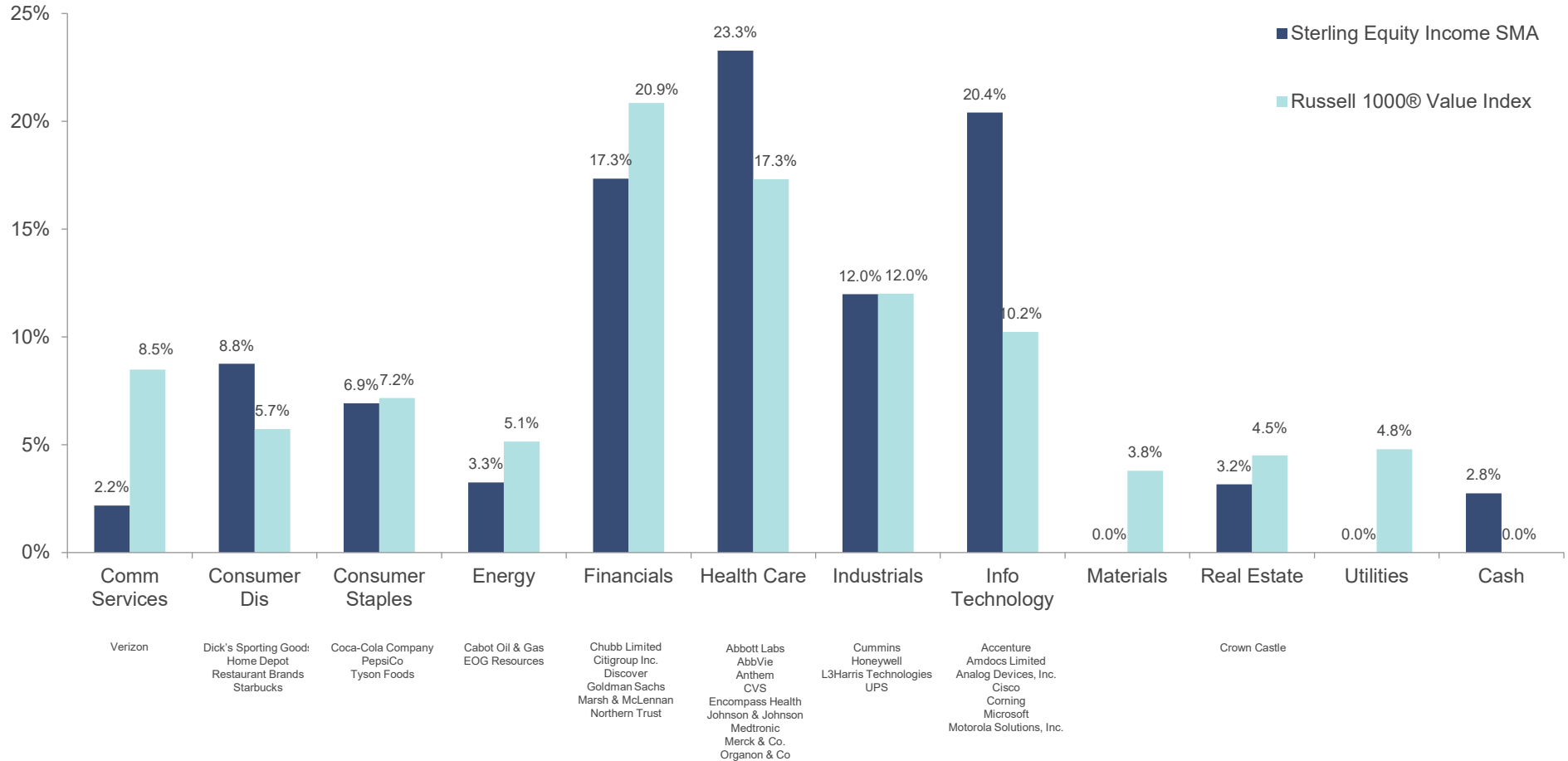


- Small position size, sold with shares close to all time highs

Source: Encompass Health, 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.

Equity Income SMA Positioning Overweight Healthcare and Technology

Sterling Equity Income SMA



Data as of 06.30.2021. Totals may not equal 100% due to rounding. 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 Portfolio Diversification is considered Supplemental Information to the GIPS Composite Report located in the APPENDIX. Source: Russell Investments, FactSet, Sterling Capital Management Analytics.

Equity Income Portfolio - Pillars

Equity Income as of 08.20.2021

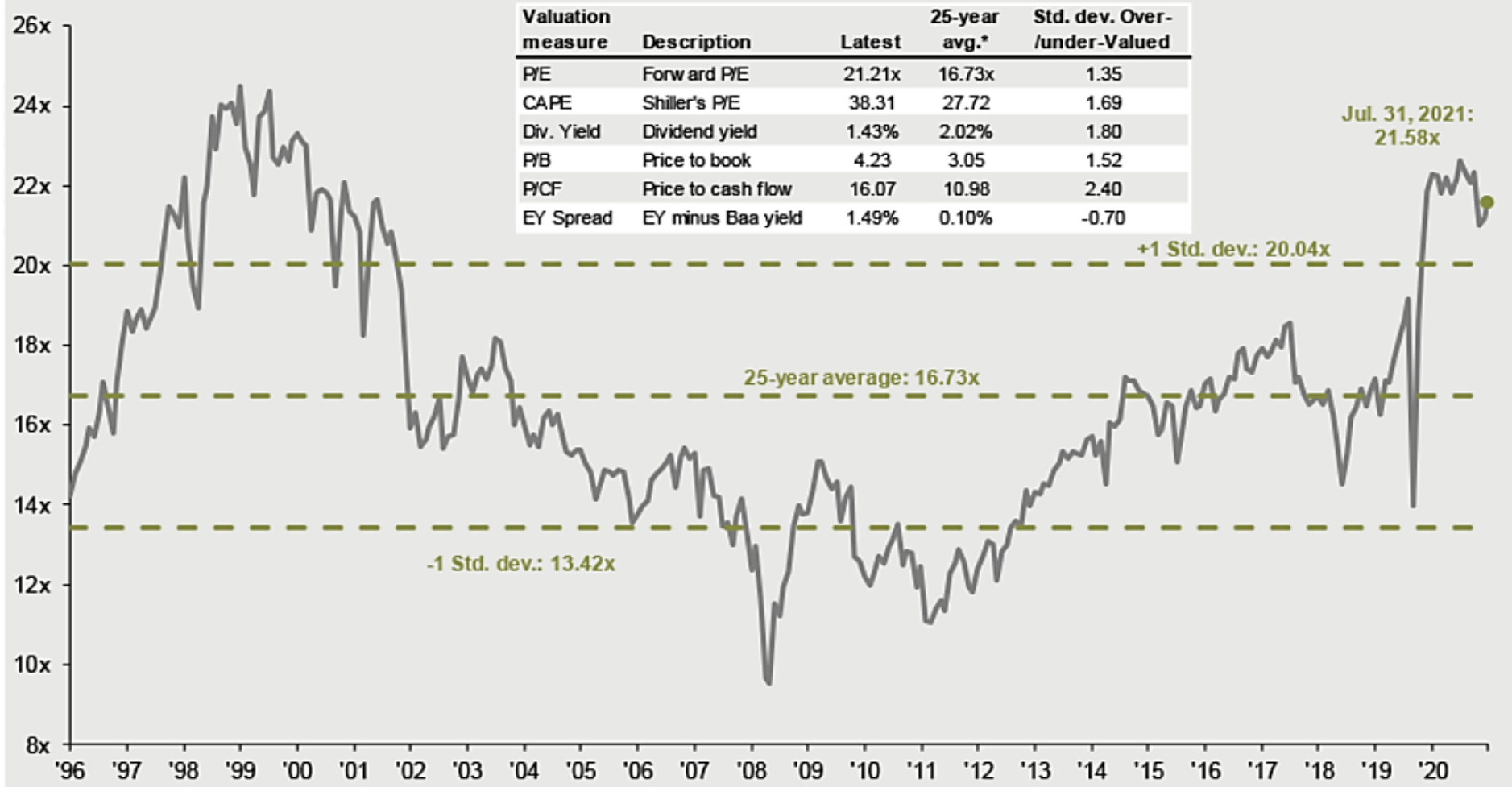
	Growth/Stability				Valuation			Profitability		Balance Sheet		Dividends	
	20y EPS Growth	21y EPS Growth	22y EPS Growth	'17-'22 EPS CAGR	22y P/E	22y EV/ EBITDA	22y EV FCF Yld	EBITDA ROE	Mgn	Interest Coverage	Leverage	5Yr Div Div Yield	CAGR
El Median *	-4%	22%	10%	11%	16.6	13.6	4.5%	19.8	26.6	6.4	1.8	2.2%	9.8%
R1V Median	-6%	23%	9%	10%	18.2	12.8	4.3%	13.7	21.1	3.9	2.2	1.9%	7.0%
vs Benchmark	2%	-1%	1%	1%	-9%	7%	6%	44%	26%	66%	-19%	11%	41%

*Representative account. Data as of 08.20.2021. Source: Bloomberg. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. 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.

Past performance is not indicative of future results.

Stock Market Valuations

S&P 500 Index: Forward P/E ratio



Source: FactSet, FRB, Robert Shiller, Standard & Poor's, Thomson Reuters, J.P. Morgan Asset Management. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. 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.

Past performance is not indicative of future results.

A Couple Cross-Sections of Valuation

P/E ratio of the top 10 and remaining stocks in the S&P 500

Next 12 months



Value vs. Growth relative valuations

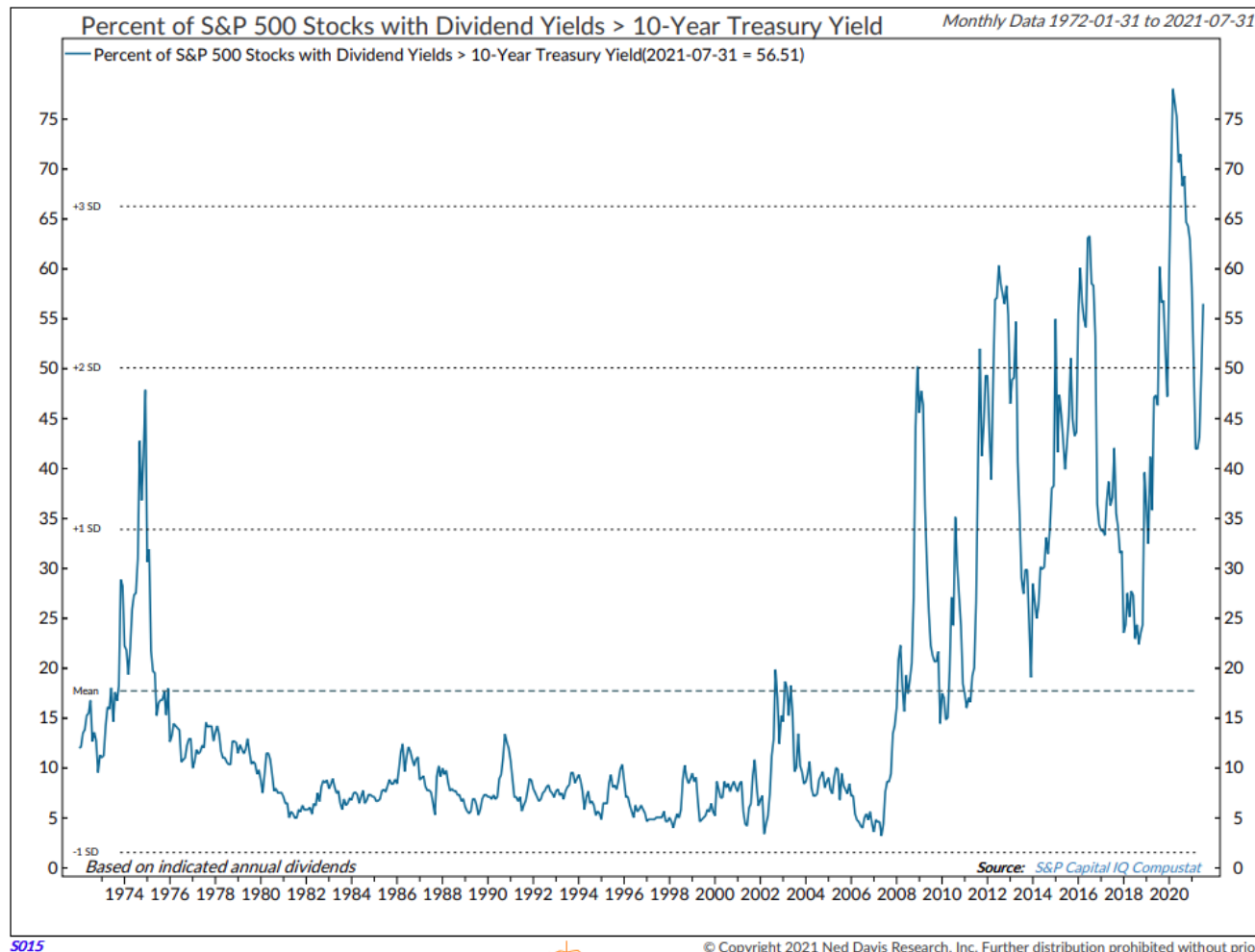
Rel. fwd. P/E ratio of Value vs. Growth, z-score, Dec. 1997 - present



Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management, FTSE Russell, NBER. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. 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.

Past performance is not indicative of future results.

Equity Income Outlook: Attractive Opportunity Set



© Copyright 2021 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. The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. 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.

Past performance is not indicative of future results.





Questions? Please use the WebEx “Q&A” or “Chat” boxes.

Appendix

Important Information

Disclosures

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.

Technical Terms: **Earnings Per Share (EPS)**: a key metric used to determine the common shareholder's portion of the company's profit. EPS measures each common share's profit allocation in relation to the company's total profit. **Price Earnings Ratio (P/E)**: the relationship between a company's stock price and earnings per share (EPS). The P/E ratio shows the expectations of the market and is the price you must pay per unit of current earnings (or future earnings, as the case may be). **Free Cash Flow (FCF)**: measures a company's financial performance. It shows the cash that a company can produce after deducting the purchase of assets such as property, equipment, and other major investments from its operating cash flow. **Return on Equity (ROE)**: the measure of a company's annual return (net income) divided by the value of its total shareholders' equity, expressed as a percentage. **Compound Annual Growth Rate (CAGR)**: 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. **EBITDA**: Earnings Before Interest, Taxes, Depreciation, and Amortization is a metric used to evaluate a company's operating performance. It can be seen as a proxy for cash flow from the entire company's operations. **Return on Invested Capital (ROIC)**: a profitability or performance ratio that aims to measure the percentage return that a company earns on invested capital. **Gross domestic product (GDP)**: is a standard measure of a country's economic health and an indicator of its standard of living. **ESG**: ESG is the acronym for Environmental, Social, and (Corporate) Governance, the three broad categories, or areas, of interest for what is termed "socially responsible investors." They are investors who consider it important to incorporate their values and concerns (such as environmental concerns) into their selection of investments – as opposed to simply considering the potential profitability and/or risk presented by an investment opportunity. (Technical definitions are sourced from Corporate Finance Institute.)

Past performance is not indicative of future results. Any type of investing involves risk and there are no guarantees.

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. Any type of investing involves risk and there are no guarantees. 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.

Investment advisory services are available through Sterling Capital Management LLC, a separate subsidiary of Truist Financial Corporation. Sterling Capital Management LLC manages customized investment portfolios, provides asset allocation analysis and offers other investment-related services to affluent individuals and businesses. Securities and other investments held in investment management or investment advisory accounts at Sterling Capital Management LLC are not deposits or other obligations of Truist Financial Corporation, Truist Bank or any affiliate, are not guaranteed by Truist Bank or any other bank, are not insured by the FDIC or any other federal government agency, and are subject to investment risk, including possible loss of principal invested.

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.

Sterling Capital Management – Equity Income SMA Composite

December 31, 2000 – December 31, 2020

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.

	Total Return "Pure"	Total Return	No. of	Composite Assets End of Period	Total Firm Assets	Composite Dispersion (%)	Russell 1000 Value	Composite 3-yr St Dev (%)	Benchmark 3-yr St Dev (%)
<u>Year</u>	<u>Gross of Fees</u>	<u>Net of Fees</u>	<u>Portfolios</u>	<u>(\$MM)</u>	<u>(\$MM)</u>				
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
2011	10.24	8.54	2	1,159	3,932	Not Meaningful	0.39	14.88	20.98
2010	15.64	13.87	2	992	3,548	Not Meaningful	15.51	17.82	23.51
2009	18.92	17.05	2	811	2,839	Not Meaningful	19.69	16.17	21.40
2008	-26.17	-27.26	2	620	1,907	Not Meaningful	-36.85	13.18	15.58
2007	9.20	7.66	1	668	2,059	Not Meaningful	-0.17	6.52	8.17
2006	23.09	21.35	1	442	1,314	Not Meaningful	22.25	6.00	6.78
2005	10.19	8.63	1	263	904	Not Meaningful	7.05	9.51	9.59
2004	23.23	21.39	1	128	522	Not Meaningful	16.49	12.76	14.97
2003	31.36	29.24	1	31	158	Not Meaningful	30.03	12.94	16.22
2002	-12.34	-13.78	1	15	51	Not Meaningful	-15.52		
2001	5.76	4.46	1	4	24	Not Meaningful	-5.59		

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 12/31/19. 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.

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. George F. Shipp, CFA, has managed the portfolio since inception. No alterations of composites, as presented herein, have occurred due to changes in personnel or other reasons at any time.
3. 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.
4. 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.
5. "Pure" gross of fees returns are presented as supplemental information and do not reflect the deduction of any fees including trading costs. 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.
6. 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.
7. 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.