

Special Opportunities Fund



A Shares
(BOPAX)
Inception 06.02.2003

C Shares
(BOPCX)
Inception 06.02.2003

Inst'l Shares
(BOPIX)
Inception 06.02.2003

R6 Shares*
(STRSX)
Inception 02.01.2018

STERLING
CAPITAL FUNDS

06.30.2022

Philosophy and Process

The fund's management team utilizes fundamental analysis overlaid with top-down macroeconomic trends. The fund's objective is long-term capital appreciation. It has a concentrated portfolio of 30 to 35 stocks and has the flexibility to shift among styles and differing market caps (large, small, mid, growth or value) to achieve best perceived combination of underlying growth potential at the lowest available valuation. The management team utilizes screens and various forms of research to search for stocks that meet valuation, growth and financial strength objectives and identify themes that transcend day-to-day economic news flows. Valuation is a key determinant for stocks to enter the portfolio. The team looks for below-average valuations (P/E) with above-average earnings growth with below-average leverage and above-average returns (ROE).

Morningstar Sustainability Rating™



Percent Rank in Global Category: 19
Historical Sustainability Score: 20
As of 05.31.2022. Based on 100% of AUM. Data is based on long positions only.

Fund Facts

Investment Objective:

Seeks long-term capital appreciation.

Total Net Assets	\$526,424,229
Number of Holdings	34
Wtd. Harmonic Med. P/E	18.2x
Wtd. Avg. ROE	22.24%
Wtd. Average Market Cap	\$238.57B
Active Share	89.8%
Turnover	30%

Total Expense Ratio

	Net	Gross
A Shares (BOPAX)	1.12%	1.12%
C Shares (BOPCX)	1.87%	1.87%
Inst'l Shares (BOPIX)	0.87%	0.87%
R6 Shares* (STRSX)	0.79%	0.87%

The Fund Administrator, Sterling Capital Management LLC, has contractually agreed to waive its administrative fees, pay Fund operating expenses, and/or reimburse the Fund .08% of the Class R6 avg. daily net assets for the period February 1, 2022 through January 31, 2023. Performance would have been lower without limitations in effect.

Risk/Return Statistics vs. Russell 3000® Index

10-Year

Alpha	-0.76
Beta	1.01
R-Squared	89.82
Standard Deviation	14.97
Sharpe Ratio	0.74
Capture Ratio Up	93.39%
Capture Ratio Down	95.25%

Fund Performance 06.30.2022	QTR	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
A Shares with 5.75% Sales Charge	-21.81%	-25.89%	-19.55%	5.22%	6.94%	11.01%	10.35%
A Shares without Sales Charge	-17.04%	-21.37%	-14.65%	7.32%	8.21%	11.67%	10.69%
Institutional Shares	-16.98%	-21.26%	-14.44%	7.59%	8.49%	11.95%	10.97%
Russell 3000® Index	-16.70%	-21.10%	-13.87%	9.77%	10.60%	12.57%	9.62%
Bloomberg U.S. 3000	-16.84%	-21.41%	-14.17%	9.79%	10.59%	12.57%	--
Lipper Multi-Cap Core Median	-15.83%	-20.69%	-13.77%	8.74%	9.19%	11.35%	--

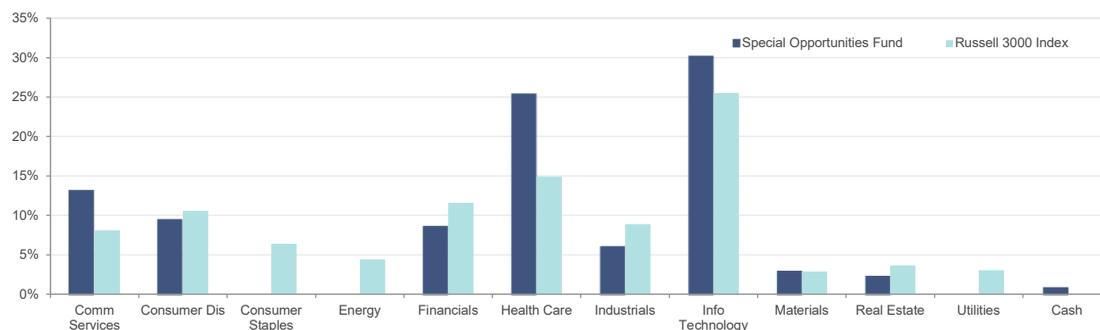
Year-End Returns	2015	2016	2017	2018	2019	2020	2021
A Shares without Sales Charge	7.80%	5.13%	19.33%	-4.87%	28.19%	13.17%	27.44%
Institutional Shares	8.11%	5.36%	19.66%	-4.61%	28.47%	13.46%	27.73%
Russell 3000® Index	0.48%	12.74%	21.13%	-5.24%	31.02%	20.89%	25.66%

Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month end and information on other share classes, please visit www.sterlingcapital.com. Performance for periods greater than one year is annualized.

A Note on Indices: The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index. **The Russell 3000® Index** measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market. The Russell 3000® Index is constructed to provide a comprehensive, unbiased and stable barometer of the broad market and is completely reconstituted annually to ensure new and growing equities are included.

The Bloomberg U.S. 3000 Index is a float market-cap-weighted benchmark of the 3000 most highly capitalized U.S. companies. **The Lipper Multi-Cap Core Index** reflects the average time-weighted rate of return of a representative group of multi-cap core funds over time. Refinitiv™ Lipper® defines a multi-cap core fund as a fund that, by portfolio practice, invests in a variety of market capitalization ranges without concentrating 75% of its equity assets in any one market-capitalization range over an extended period of time. Multi-cap core funds typically have average characteristics compared with the S&P SuperComposite 1500® Index. The funds that comprise the index are intended to be employed as a good representation of combined peer group performance, acting as relevant benchmarks to measure single fund manager performance and rankings within that peer group. Lipper ensures that no restricted track record extensions are permitted, meaning only real histories represent the independently collected data. Source: Refinitiv Lipper.

Sector Allocation



Allocations are based on the current weight to funds in the cited Sector. The composition of the fund's holdings is subject to change.

Investment Considerations

The fund is subject to investment style risk which depends where the fund is primarily invested. An investment in growth stocks may be particularly sensitive to market conditions while value stocks may be undervalued for longer than anticipated. The fund may invest in foreign securities subject to risks such as currency volatility, political and social instability or small capitalization companies subject to greater volatility and less liquidity due to limited resources or product lines. The fund may engage in writing covered call options. By selling covered call options, the fund limits its opportunity to profit from an increase in the price of the underlying stock above the exercise price, but continues to bear the risk of a decline in the stock. While the fund receives premiums for writing the call options, the price it realizes from the exercise of an option could be substantially below a stock's current market price.

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus or summary prospectus with this and other information about the fund, please call 888.228.1872 or visit our website at www.sterlingcapital.com. Read the prospectus carefully before investing.

Special Opportunities Fund



STERLING
CAPITAL FUNDS

Morningstar Style Box



06.30.2022



Portfolio Management

Joshua L. Haggerty, CFA®
Executive Director
Co-Portfolio Manager

Josh joined the CHOICE Asset Management team of Scott & Stringfellow in 2005, which integrated with Sterling Capital Management in January 2013. He has investment experience since 1998. Josh received a BBA in Finance from James Madison University. He holds the Chartered Financial Analyst® designation.

Daniel A. Morrall
Executive Director
Associate Portfolio Manager

Dan joined Sterling Capital Management in 2014 and has investment experience since 2001. He received a BS in Business and Economics from Washington and Lee University, a MBA from Columbia Business School, and a MSIT from Capella University.

The Chartered Financial Analyst® (CFA) charter is a graduate-level investment credential awarded by 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.

Ratings and Rankings would have been lower for Class A shares due to fees and expenses. Lipper and Morningstar rankings are based on total return, including the reinvestment of dividends and capital gains but do not include sales charges for the periods indicated. Rankings shown are for Class A Shares and may be lower for Class A Shares due to higher fees and expenses. Mutual funds are assigned a rank within a universe of funds, relative to a peer group and similar in investment objective as determined by Lipper and Morningstar. The lower the number rank, the better the fund performed compared to other funds in the classification group. Lipper and Morningstar also calculate a percentile measure for each fund ranging from 1% (best) to 100% (worst).

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. ©2022 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

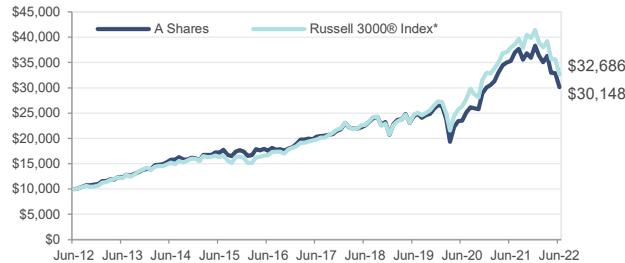
Sustainalytics provides company-level analysis used in the calculation of Morningstar's Historical Sustainability Score. The Morningstar® Sustainability Rating™ is intended to measure how well the issuing companies of the securities within a fund's portfolio holdings are managing their environmental, social, and governance, or ESG, risks and opportunities relative to the fund's Morningstar Global Category peers. The Morningstar Sustainability Rating calculation is a three-step process. First, each fund with at least 67% of assets covered by a company level ESG score from Sustainalytics receives a Morningstar Portfolio Sustainability Score. The Morningstar Portfolio Sustainability Score is an asset-weighted average of normalized company-level ESG scores with deductions made for controversial incidents by the issuing companies, such as environmental accidents, fraud, or discriminatory behavior. The Portfolio Sustainability Score ranges between 0 to 100, with a higher score indicating that a fund has, on average, more of its assets invested in companies that score well after normalization and controversy-level deductions are applied. Second, the Historical Sustainability Score is an exponential weighted moving average of the Portfolio Sustainability Scores over the past 12 months. The process rescales the current Portfolio Sustainability Score to reflect the consistency of the scores. The Historical Sustainability Score ranges between 0 to 100, with a higher score indicating that a fund has, on average, more of its assets invested in companies that score well after normalization and controversy-level deductions are applied, on a consistent historical basis. Third, the Morningstar Sustainability Rating is then assigned to all scored funds within Morningstar Global Categories in which at least thirty (30) funds receive a Historical Sustainability Score and is determined by each fund's Morningstar Sustainability Rating Score rank. The Morningstar Sustainability Rating is depicted by globe icons where High equals five globes and Low equals one globe. Please visit <http://corporate1.morningstar.com/SustainableInvesting/> for more detailed information about the Morningstar Sustainability Rating methodology and calculation frequency.

Technical Terms: **Active Share** measures the percentage of stock holdings in a manager's portfolio that differ from the benchmark index. **Alpha** measures the performance of an investment as compared to a suitable benchmark index. An alpha of one (the baseline value is zero) shows that the return on the investment during a specified time frame outperformed the overall market average by 1%. A negative alpha number reflects an investment that is underperforming as compared to the market average. **Beta** measures the volatility of returns relative to the entire market. It is used as a measure of risk and is an integral part of the capital asset pricing model. A company with a higher beta has greater risk and also greater expected returns. **Portfolio Turnover Rate** measures a fund's annual trading activity. It is a percentage used to demonstrate how many holdings in a mutual fund were replaced within the year. **Return on Equity (ROE)** equals a company's annual return (net income) divided by the value of its total shareholders' equity, expressed as a percentage. Return on Equity is a two-part ratio in its derivation because it brings together the income statement and the balance sheet, where net income or profit is compared to the shareholders' equity. The number represents the total return on equity capital and shows the firm's ability to turn equity investments into profits. **R-Squared** represents what amount of a fund's movements can be explained by movements in its benchmark index. A high R-Squared (between 85 and 100) indicates the fund's performance patterns have been in line with the index. **Sharpe Ratio** is commonly used to gauge the performance of an investment by adjusting for its risk. The higher the ratio, the greater the investment return relative to the amount of risk taken, and thus, the better the investment. The ratio can be used to evaluate a single stock or investment, or an entire portfolio. **Standard Deviation** measures the magnitude of deviations between the values of the observations contained in the dataset. From a financial standpoint, the standard deviation can help investors quantify how risky an investment is and determine their minimum required return on the investment. **Upside/Downside Capture Ratio** represents fund's cumulative return divided by its benchmark's cumulative return during positive and negative market periods. **Weighted Harmonic Median P/E** is calculated by taking the inverse of the weighted median P/E ratio, finding the weighted median, and then taking the inverse of that result. Harmonic medians give equal weighting to each data point, whereas arithmetic medians give greater weights to high data points. **Weighted Median P/E** compares the price of a fund's stocks with their per-share earnings, with a higher ratio indicating the market believes that a company has the ability to increase its earnings. (Sources: Corporate Finance Institute; Investopedia.)

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Sterling Capital Management LLC, a separate subsidiary of Truist Financial Corporation, serves as investment adviser to the Sterling Capital Funds and is paid a fee for its services. Shares of the Sterling Capital Funds are not deposits or obligations of, or guaranteed or endorsed by, Truist Bank or its affiliates. The Funds are not insured by the FDIC or any other government agency. The Funds are distributed by Sterling Capital Distributors LLC, which is not affiliated with Truist Bank or its affiliates.

Growth of \$10,000



The Growth of \$10,000 chart is hypothetical based upon the performance of A Shares without sales charge for the period ended 06.30.2022. It includes the reinvestment of dividends and capital gains.

Top Ten Equity Holdings

1. Unitedhealth Group, Inc.	6.85%
2. Alphabet, Inc.	6.20%
3. Danaher Corp.	4.91%
4. Hca Holdings, Inc.	4.31%
5. Bristol-Myers Squibb Co	4.23%
6. Nxp Semiconductors Nv	4.20%
7. Visa, Inc.	4.14%
8. Amazon.Com, Inc.	4.14%
9. Akamai Technologies, Inc.	4.01%
10. Charles Schwab Corp. (The)	3.91%

Current and future portfolio holdings are subject to change and risk. Based on Market Value of securities.

Lipper Multi-Cap Core Category Based on Total Return as of 06.30.2022

	1 Year	3 Years	5 Years	10 Years
Lipper Ranking / Number of Funds in Category	409 / 669	389 / 604	340 / 534	119 / 364
Lipper Quartile (Percentile)	3rd (62%)	3rd (65%)	3rd (64%)	2nd (33%)

Morningstar Large Blend Category Based on Risk-Adjusted Returns as of 06.30.2022

	Overall Rating	1 Year	3 Years	5 Years	10 Years
Institutional Shares Morningstar Rating™	★★★	--	★★	★★	★★★
Morningstar Ranking / Number of Funds In Category	1,225	1089 / 1,359	1002 / 1,225	880 / 1,107	398 / 811
Morningstar Quartile (Percentile)		4th (82%)	4th (82%)	4th (82%)	3rd (52%)

Firm Overview

Sterling Capital Management LLC, founded in 1970, is the institutional investment management arm of Truist Financial Corporation. Headquartered in Charlotte, NC, Sterling provides investment advisory services through mutual funds, separately managed accounts, model portfolios, and other commingled vehicles offered through a variety of intermediary and managed account platforms. Sterling's six distinct investment teams provide a full complement of fixed income, concentrated active equity, and multi-asset solutions.