

Behavioral Large Cap Value Equity Fund



A Shares (BBTGX)
Inception 10.09.1992

C Shares (BCVCX)
Inception 02.01.2001

Inst'l Shares (BBISX)
Inception 10.09.1992

R6 Shares* (STRAX)
Inception 02.01.2018

STERLING
CAPITAL FUNDS

09.30.2022

Philosophy and Process

The portfolio management team applies "behavioral finance" principles in the construction of the fund's portfolio. Behavioral finance theorizes that investment decisions are often influenced by emotion, and that investors can be predictable (and, at times, irrational) in their decision making. These emotionally charged investment decisions can lead to stock price anomalies that create buying opportunities in the marketplace. The portfolio management team seeks to capitalize on these behaviorally driven market anomalies by employing a disciplined investment process that ranks companies in the fund's investment universe based on a number of factors, such as valuation, price momentum and earnings revisions, and also takes into account such factors as liquidity and sector exposure to construct a diversified portfolio. The team considers selling a security when the security's ranking becomes less attractive and/or in light of liquidity, sector exposure or diversification considerations.

Fund Facts

Investment Objective:

Seeks maximum long-term total return, by investing primarily in equity securities of large companies.

| | |
|-------------------------|--------------|
| Total Net Assets | \$27,882,446 |
| Number of Holdings | 110 |
| Wtd. Median P/E | 13.8x |
| Wtd. Median P/B | 2.1x |
| Wtd. Average Market Cap | \$74.14B |
| Active Share | 79.7% |
| Turnover | 135% |

Total Expense Ratio

| | Net | Gross |
|-----------------------|-------|-------|
| A Shares (BBTGX) | 1.02% | 1.02% |
| C Shares (BCVCX) | 1.77% | 1.77% |
| Inst'l Shares (BBISX) | 0.77% | 0.77% |
| R6 Shares* (STRAX) | 0.71% | 0.77% |

The Fund Administrator, Sterling Capital Management LLC, has contractually agreed to waive its administrative fees, pay Fund operating expenses, and/or reimburse the Fund .06% 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 1000® Value Index

10-Year

| | |
|--------------------|--------|
| Alpha | -0.94 |
| Beta | 0.96 |
| R Squared | 94.57 |
| Standard Deviation | 14.27 |
| Sharpe Ratio | 0.50 |
| Capture Ratio Up | 92.38% |
| Capture Ratio Down | 98.22% |

30-Day SEC Yield

| | With Waivers | Without Waivers |
|-----------------------|--------------|-----------------|
| A Shares (BBTGX) | 2.02% | 2.02% |
| Inst'l Shares (BBISX) | 2.41% | 2.41% |

SEC Yield is an annualization of the fund's total net investment income per share for the 30-day period ended on the last day of the month.

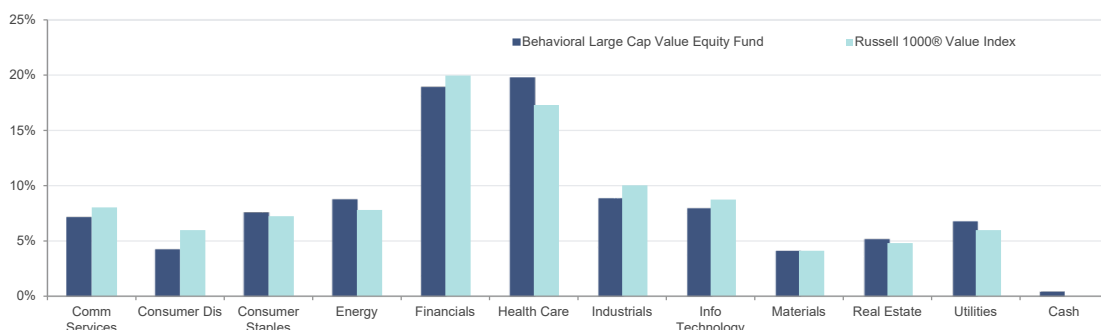
| Fund Performance 09.30.2022 | QTR | YTD | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception |
|----------------------------------|---------|---------|---------|---------|---------|----------|-----------------|
| A Shares with 5.75% Sales Charge | -11.21% | -21.65% | -15.02% | 2.03% | 2.84% | 7.09% | 6.87% |
| A Shares without Sales Charge | -5.81% | -16.88% | -9.84% | 4.07% | 4.06% | 7.73% | 7.08% |
| Institutional Shares | -5.79% | -16.72% | -9.62% | 4.30% | 4.32% | 7.99% | 7.35% |
| Russell 1000® Value Index | -5.62% | -17.75% | -11.36% | 4.36% | 5.29% | 9.17% | 9.38% |
| Bloomberg US 1000 Value | -6.40% | -15.05% | -8.23% | 5.82% | 5.96% | 9.69% | 0.00% |
| Lipper Multi-Cap Value Median | -5.55% | -16.90% | -10.47% | 5.18% | 5.46% | 8.87% | -- |

| Year-End Returns | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-------------------------------|--------|--------|--------|---------|--------|--------|--------|
| A Shares without Sales Charge | -2.34% | 10.41% | 18.46% | -10.51% | 19.88% | -1.82% | 30.78% |
| Institutional Shares | -2.08% | 10.69% | 18.82% | -10.31% | 20.17% | -1.59% | 31.07% |
| Russell 1000® Value Index | -3.83% | 17.34% | 13.66% | -8.27% | 26.54% | 2.80% | 25.16% |

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 1000® Value Index** measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000® companies with lower price-to-book ratios and lower expected growth values. The Russell 1000® Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics. **The Bloomberg U.S. 1000 Value Index** provides exposure to companies with superior value factor scores based on their earnings yield, valuation, dividend yield, and growth. **The Lipper Multi-Cap Value Index** reflects the average time-weighted rate of return of a representative group of multi-cap value funds over time. Refinitiv™ Lipper® defines a multi-cap value 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 value funds typically have below-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.

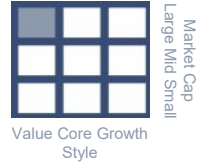
Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus or summary prospectus with this and other information about the fund, please call 888.228.1872 or visit our website at www.sterlingcapital.com. Read the prospectus carefully before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



STERLING
CAPITAL FUNDS

Behavioral Large Cap Value Equity Fund

Morningstar Style Box



09.30.2022



Portfolio Management

Robert W. Bridges, CFA®

Senior Managing Director
Co-Portfolio Manager

Bob joined Sterling Capital in 1996 and is head of equity. He also serves as co-head of Factor Investing/Behavioral Finance and has investment experience since 1991. Bob received a BS in Business from Wake Forest University. He holds the Chartered Financial Analyst® designation.

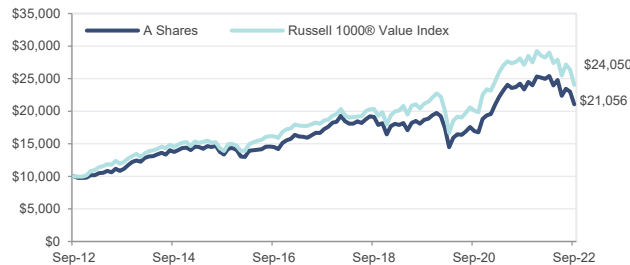
Robert O. Weller, CFA®

Executive Director
Co-Portfolio Manager

Rob joined Sterling Capital in 2012 and is co-head of Factor Investing/Behavioral Finance. He has investment experience since 1996. Rob received a BBA in Finance from Loyola University Maryland. He holds the Chartered Financial Analyst® designation.

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.

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 09.30.2022. It includes the reinvestment of dividends and capital gains.

Top Ten Equity Holdings

| | |
|----------------------------------|-------|
| 1. Exxon Mobil Corp. | 3.12% |
| 2. Bristol-Myers Squibb Co | 2.38% |
| 3. CVS Health Corp. | 2.16% |
| 4. Merck & Co., Inc. | 2.09% |
| 5. Conocophillips | 1.99% |
| 6. AT&T Inc | 1.92% |
| 7. Regeneron Pharmaceuticals Inc | 1.86% |
| 8. Morgan Stanley | 1.85% |
| 9. Gilead Sciences, Inc. | 1.76% |
| 10. Mckesson Corp. | 1.74% |

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

Lipper Multi-Cap Value Category Based on Total Return as of 09.30.2022

| | 1 Year | 3 Years | 5 Years | 10 Years |
|--|-----------|-----------|-----------|-----------|
| Lipper Ranking / Number of Funds in Category | 284 / 650 | 415 / 616 | 426 / 579 | 321 / 404 |
| Lipper Quartile (Percentile) | 2nd (44%) | 3rd (68%) | 3rd (74%) | 4th (80%) |

Morningstar Large Value Category Based on Risk-Adjusted Returns as of 09.30.2022

| | Overall Rating | 1 Year | 3 Years | 5 Years | 10 Years |
|---|----------------|-------------|-------------|-------------|-----------|
| Institutional Shares Morningstar Rating™ | ★★ | -- | ★★★ | ★★ | ★★ |
| Morningstar Ranking / Number of Funds in Category | 1,153 | 644 / 1,215 | 782 / 1,153 | 874 / 1,094 | 655 / 800 |
| Morningstar Quartile (Percentile) | | 3rd (51%) | 3rd (68%) | 4th (80%) | 4th (82%) |

Investment Considerations

The overall results of the Fund will be dependent on the process and ability of the Adviser to apply "behavioral finance" principles to recognize a company's value, earnings revisions and price momentum. The Fund may invest in undervalued securities which may not appreciate in value as anticipated or remain undervalued for longer than anticipated. The overall results of the fund will be dependent on the process and ability of the Adviser to recognize a company's value. The Fund may invest in REITs (Real Estate Investment Trusts), the value of which will be affected by conditions of the real estate industry and exchange-traded funds (ETFs), thus shareholders may bear additional costs and the ETF may not exactly replicate the performance it seeks to track.

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 I 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.

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Technical Terms: **Active Share** measures the percentage of stock holdings in a manager's portfolio that differ from the benchmark index. **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. **Weighted Average P/B** compares the book value of fund's stocks with their market value. The price to book ratio indicates how much an investor is paying for a company's assets based on historical valuations. It does not reflect current market value. **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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