

Equity Income Fund

A Shares (BAEIX)
Inception 06.30.2004

C Shares (BCEGX)
Inception 06.30.2004

Inst'l Shares (BEGIX)
Inception 06.30.2004

R6 Shares¹ (STREX)
Inception 02.01.2018



STERLING
CAPITAL FUNDS

06.30.2026

Fund Facts

Investment Objective:

Seeks capital growth and current income.

Total Net Assets \$578,869,770

Number of Holdings 33

Wtd. Median P/E 21.10x

Wtd. Median P/B 5.73x

Wtd. Avg. Market Cap \$194.87B

Active Share 89.39%

Turnover 51%

Annual turnover data is shown as of 09.30.2025, the most recent fiscal year end.

Total Expense Ratio

	Net	Gross
A Shares (BAEIX)	1.07%	1.07%
C Shares (BCEGX)	1.82%	1.82%
Inst'l Shares (BEGIX)	0.82%	0.82%
R6 Shares ¹ (STREX)	0.70%	0.82%

¹The Fund Administrator, Sterling Capital Management LLC, has contractually agreed to waive its administrative fees, pay Fund operating expenses, and/or reimburse the Fund 0.12% of the Class R6 avg. daily net assets for the period February 1, 2026 through January 31, 2027. Performance would have been lower without limitations in effect.

10Y Risk Statistics vs. B1000 Value

Alpha	-0.04%
Beta	0.92
R-Squared	91.32%
Standard Deviation	14.95%
Sharpe Ratio	0.55
Up Capture Ratio	91.17%
Down Capture Ratio	92.76%

30-Day SEC Yield

	With Waivers	Without Waivers
A Shares (BAEIX)	0.86%	0.86%
Inst'l Shares (BEGIX)	1.11%	1.11%

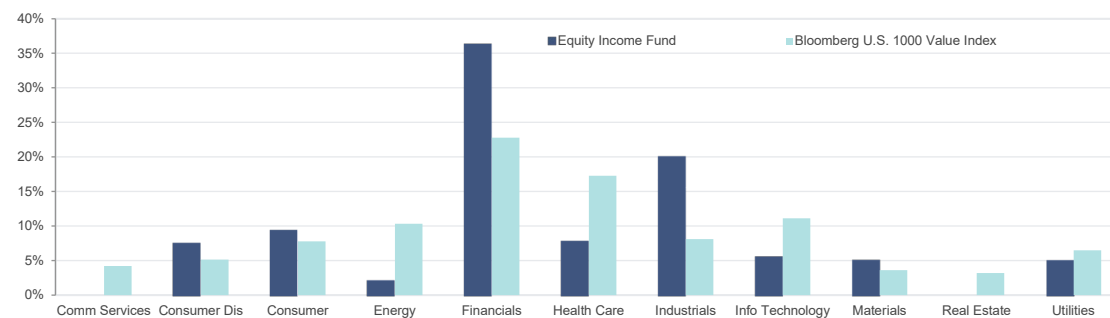
SEC Yield is an annualization of the Fund's total net investment income per share for the 30-day period ended on the last day of the month.

Fund Performance For the period ended 06.30.2026	QTR	YTD	1Y	3Y	5Y	10Y	Since Inception
A Shares with 5.75% Sales Charge	-0.18%	-0.73%	-1.13%	5.02%	4.65%	9.91%	9.38%
A Shares without Sales Charge	5.88%	5.31%	4.90%	7.12%	5.90%	10.57%	9.68%
Institutional Shares	5.97%	5.41%	5.19%	7.40%	6.16%	10.84%	9.95%
Bloomberg U.S. 1000 Value Index	8.42%	14.70%	26.20%	17.69%	11.73%	12.00%	9.55%
Russell 1000® Value Index	13.84%	16.23%	27.09%	17.78%	11.17%	11.52%	9.17%
Lipper Equity Income Median	8.99%	10.22%	19.77%	15.30%	10.01%	11.03%	---

Year-End Performance	2019	2020	2021	2022	2023	2024	2025
A Shares without Sales Charge	25.04%	8.35%	27.70%	-3.38%	12.10%	4.75%	1.29%
Institutional Shares	25.38%	8.60%	28.05%	-3.16%	12.37%	5.01%	1.59%
Bloomberg U.S. 1000 Value Index	27.28%	-0.16%	28.55%	-2.52%	9.37%	13.63%	16.53%
Russell 1000® Value Index	26.54%	2.80%	25.16%	-7.54%	11.46%	14.37%	15.91%

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 is annualized for periods greater than one year.

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.

Philosophy & Process

The Fund's management team utilizes fundamental analysis to construct a portfolio of high-quality, dividend growth equities. They look for the best ideas that include companies with strong balance sheets that are reasonably valued and have shown market/sales gain over time with a credible plan to continue such growth in the future. The Fund represents a concentrated portfolio utilizing "best ideas" with the typical number of core holdings between 30 and 35. Dividends matter to the management team, and they only purchase companies that have raised their dividends for the last three consecutive years or for six years of the last ten. They target stocks with dividend yields greater than the yield of the S&P 500® Index.

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.

Portfolio Management

Jeremy Lopez, CFA®

Executive Director | Co-Portfolio Manager
Jeremy joined the firm in 2016 and has co-managed the Fund since 2022. He has investment experience since 1997. Jeremy received his B.A. in Economics from Wheaton College and his M.B.A. from the University of Chicago's Booth School of Business. He holds the CFA® designation.

Chip Wittmann, CFA®

Executive Director | Co-Portfolio Manager
Chip joined SCM in 2014 and has investment experience since 1995. Chip earned a B.A. in Economics from Davidson College and a M.B.A. from Duke University's Fuqua School of Business. He holds the CFA® 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 06.30.2026. It includes the reinvestment of dividends and capital gains.

Top Ten Equity Holdings

Analog Devices, Inc.	4.63%
Philip Morris International Inc.	4.52%
Waste Management, Inc.	4.50%
JPMorgan Chase & Co.	4.41%
Eaton Corp. Plc	4.36%
Linde plc	4.20%
Southern Co.	4.16%
American Express Co.	4.06%
Charles Schwab Corp	4.05%
Rockwell Automation, Inc.	4.03%

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

Lipper Equity Income Category Based on Total Return as of 06.30.2026	1Y	3Y	5Y	10Y
Lipper Ranking/Number of Funds in Category	525/541	483/504	437/475	211/393
Lipper Quartile (Percentile)	4th (98%)	4th (97%)	4th (93%)	3rd (54%)

Morningstar U.S. Large Value Category For the Period Ended 06.30.2026	Overall Rating	1Y	3Y	5Y	10Y
Institutional Shares Morningstar Rating™	★★	--	★	★	★★★
Morningstar Ranking/Number of Funds in Category	1,054	1,088/1,106	1,052/1,054	958/991	557/830
Morningstar Quartile (Percentile)		4th (98%)	4th (100%)	4th (96%)	3rd (69%)

Note: Morningstar Ratings are based on risk-adjusted returns. Morningstar Rankings are based on total return.

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 **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 **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 **Lipper Equity Income Index** reflects the average time-weighted rate of return of a representative group of equity income funds over time. Refinitiv™ Lipper® defines an equity income fund as a fund that, by prospectus language and portfolio practice, seeks relatively high current income and growth of income by investing at least 65% of its portfolio in dividend-paying equity securities. 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.

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 risk-adjusted 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 risk-adjusted 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. ©2026 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.

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 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. **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 Median Price/Book** 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 Price/Earnings** 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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