

Behavioral Small Cap Value Fund



A Shares (SPSAX)
Inception 02.01.2010

C Shares (SPSDX)
Inception 02.01.2010

Inst'l Shares
(SPSCX)
Inception 01.02.1997

R6 Shares* (STRBX)
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. The management process identifies investment opportunities from the broad equity universe using fundamental analysis, valuation and risk management to select approximately 200-325 holdings within the fund.

Fund Facts

Investment Objective:

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

Total Net Assets	\$35,792,242
Number of Holdings	242
Wtd. Median P/E	8.5x
Wtd. Median P/B	1.2x
Wtd. Average Market Cap	\$3.59B
Active Share	84.3%
Turnover	93%

Total Expense Ratio

	Net	Gross
A Shares (SPSAX)	1.06%	1.06%
C Shares (SPSDX)	1.81%	1.81%
Inst'l Shares (SPSCX)	0.81%	0.81%
R6 Shares* (STRBX)	0.76%	0.81%

The Fund Administrator, Sterling Capital Management LLC, has contractually agreed to waive its administrative fees, pay Fund operating expenses, and/or reimburse the Fund .05% 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 2000® Value Index

10-Year

Alpha	0.22
Beta	0.98
R Squared	95.84
Standard Deviation	19.21
Sharpe Ratio	0.37
Capture Ratio Up	97.58%
Capture Ratio Down	98.36%

30-Day SEC Yield

	With Waivers	Without Waivers
A Shares (SPSAX)	0.76%	0.76%
Inst'l Shares (SPSCX)	1.08%	1.08%

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	-10.50%	-24.33%	-18.46%	3.33%	1.07%	7.07%	8.20%
A Shares without Sales Charge	-5.07%	-19.70%	-13.50%	5.40%	2.27%	7.70%	8.45%
Institutional Shares	-5.07%	-19.58%	-13.35%	5.64%	2.53%	7.96%	8.58%
Russell 2000® Value Index	-4.61%	-21.12%	-17.69%	4.72%	2.87%	7.94%	8.33%
Bloomberg US 2000 Value	-4.74%	-20.35%	-17.07%	7.97%	3.67%	7.94%	0.00%
Lipper Small-Cap Value Median	-4.44%	-22.58%	-17.58%	4.76%	3.59%	8.28%	--
Year-End Returns	2015	2016	2017	2018	2019	2020	2021
A Shares without Sales Charge	-2.85%	23.73%	8.63%	-17.47%	21.57%	-6.01%	43.12%
Institutional Shares	-2.65%	24.08%	8.89%	-17.34%	21.95%	-5.81%	43.51%
Russell 2000® Value Index	-7.47%	31.74%	7.84%	-12.86%	22.39%	4.63%	28.27%

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 over one year is annualized.

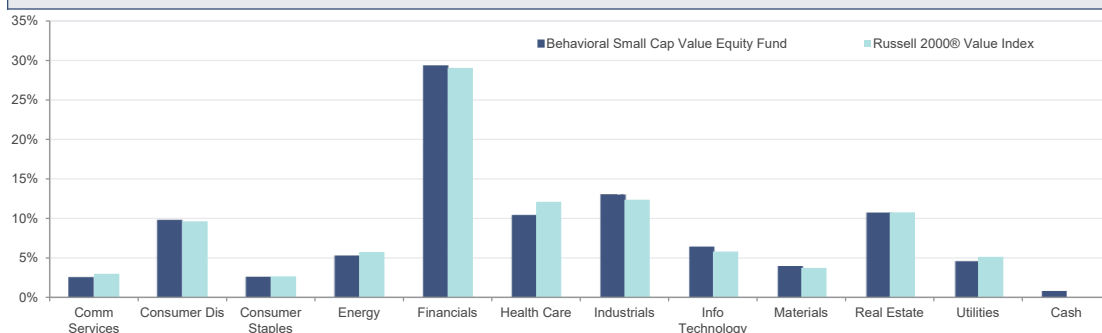
Performance for Class A Shares for periods prior to inception is based on the performance of the Institutional Shares of the Fund. The performance information for the Institutional Shares prior to December 18, 2006 is based on the performance of the Institutional Shares of the Fund's predecessor, Sterling Capital Small Cap Value Fund, a series of The Advisors' Inner Circle Fund (the "Predecessor Fund"), which transferred all of its assets and liabilities to the Fund pursuant to a reorganization. Information prior to March 16, 2001 relates to the UAM Fund Inc.'s Sterling Partners' Small Cap Value Portfolio, the assets of which were acquired by the Predecessor Fund.

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 2000® Value Index** measures the performance of small-cap value segment of the U.S. equity universe. It includes those Russell 2000® companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2000® Value Index is constructed to provide a comprehensive and unbiased barometer for the small-cap value segment. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set and that the represented companies continue to reflect value characteristics.

The **Bloomberg U.S. 2000 Value Index** is a float market-cap-weighted benchmark of the lower 2000 in capitalization of the Bloomberg U.S. 3000 Index that provides exposure to companies with superior value factor scores based on their earnings yield, valuation, dividend yield, and growth.

The **Lipper Small-Cap Value Index** reflects the average time-weighted rate of return of a representative group of small-cap value funds over time. Refinitiv™ Lipper® defines a small-cap value fund as a fund that, by portfolio practice, invests at least 75% of its equity assets in companies with market capitalizations (on a three-year weighted basis) below Refinitiv Lipper's USDE small-cap ceiling. Small-cap value funds typically have below-average characteristics compared with the S&P SmallCap 600® 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.

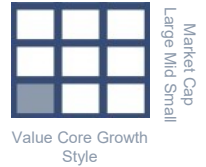
Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus or summary prospectus with this and other information about the fund, please call 888.228.1872 or visit our website at www.sterlingcapital.com. Read the prospectus carefully before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



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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. Atlas Air Worldwide Holdings, Inc.	1.29%
2. Murphy Oil Corp.	1.06%
3. Spartannash Co.	0.94%
4. Boise Cascade Co.	0.92%
5. Rambus, Inc.	0.88%
6. Rush Enterprises, Inc.	0.87%
7. QCR Holdings, Inc.	0.86%
8. Arcbest Corp.	0.84%
9. Matson Inc.	0.83%
10. Hope Bancorp, Inc.	0.80%

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

Lipper Small-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	176 / 873	279 / 830	545 / 775	304 / 534
Lipper Quartile (Percentile)	1st (21%)	2nd (34%)	3rd (71%)	3rd (57%)

Morningstar Small 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	443	150 / 471	206 / 443	274 / 417	141 / 316
Morningstar Quartile (Percentile)		2nd (39%)	2nd (48%)	3rd (65%)	2nd (46%)

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. Investments made in small to mid-capitalization companies are subject to greater risks than large company stocks due to limited resources and inventory as well as more sensitive to adverse conditions.

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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