

# Global Leaders SMA

12.31.2022



**STERLING**  
CAPITAL

## Equity Opportunities Team

- Portfolio Manager:  
Colin R. Ducharme, CFA®
- Long-Term Experience and Continuity Among the Investment Team
- Average Investment Experience of 18 Years
- Based in Virginia Beach, Virginia

## Philosophy

Seeking Long-Term Appreciation and Total Return by Identifying Global Companies with:

- Sustainable Competitive Advantages and Pricing Power
- Above-Average Returns on Capital
- Strong Free Cash Flows and Financial Profiles
- Attractive Valuation

## Process

- Internal Screens and External Sources Used to Identify Investment Candidates
- Team-Based Approach to Fundamental Research
- Valuation Assessed Relative to Historical Range, Industry Peers, Growth Rate, and the Market

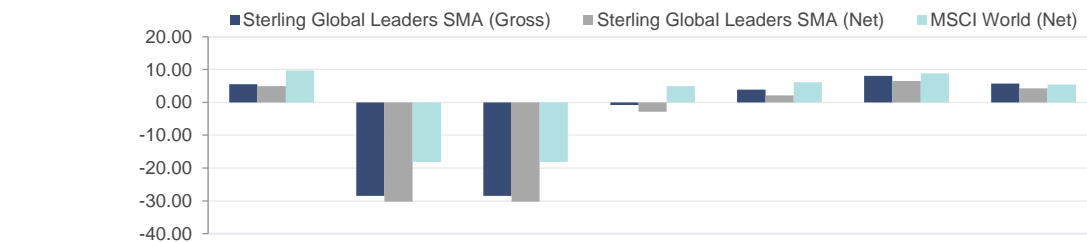
## Structure

- Global Large Cap Portfolio Focused on Industry Leaders
- Concentrated Portfolio of 25-30 Securities
- Investment Considerations Drive Decisions but Long-Term, Tax-Efficient Orientation
- Typical Turnover 40% or Lower

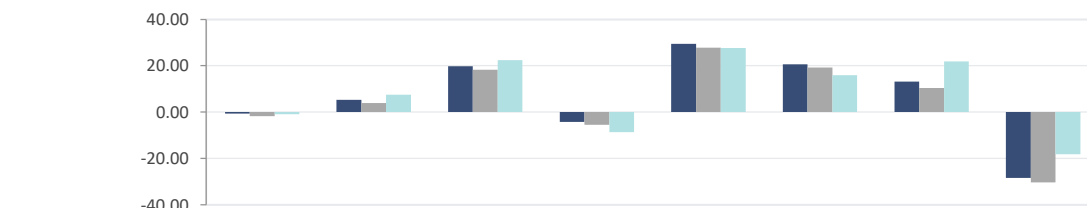
<sup>1</sup>Performance inception date is 12.31.2000.

<sup>2</sup>Effective 01.01.2021, the maximum bundled external platform fee is 2.52%. Actual fees may vary by size and type of portfolio. Performance is preliminary and is annualized for periods longer than one year. Net of fees performance returns are presented net of the SMA bundled fee, which includes all charges for trading costs, advisory services, portfolio management, custody and other administrative fees. "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. Please refer to the attached GIPS Composite Report for additional disclosures.

Benchmark: As of 12.31.2015 the benchmark is the MSCI World Net Index. Prior to 12.31.2015 the benchmark was the S&P 500®. Sources: MSCI; S&P; FactSet; Sterling Capital Management Analytics.



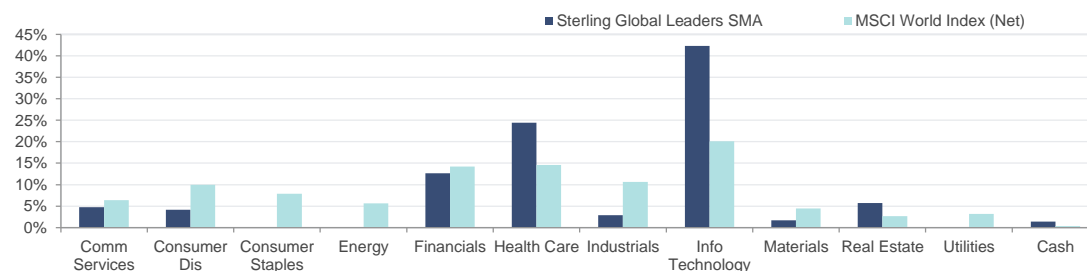
Performance	QTR	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception <sup>1</sup>
Sterling (Gross)	5.58%	-28.44%	-28.44%	-0.78%	3.89%	8.13%	5.78%
Sterling (Net) <sup>2</sup>	4.93%	-30.28%	-30.28%	-2.83%	2.10%	6.55%	4.27%
MSCI World (Net)	9.77%	-18.14%	-18.14%	4.94%	6.14%	8.11%	5.44%



Year-End Returns	2015	2016	2017	2018	2019	2020	2021	2022
Sterling (Gross)	-0.63%	5.25%	19.80%	-4.23%	29.39%	20.58%	13.19%	-28.44%
Sterling (Net)	-1.81%	3.99%	18.34%	-5.41%	27.85%	19.19%	10.40%	-30.28%
MSCI World (Net)	-0.87%	7.51%	22.40%	-8.71%	27.67%	15.90%	21.82%	-18.14%

Portfolio Characteristics			Top Ten Equity Holdings	
	Sterling	Index		
Wtd. Average Market Cap	\$270.0B	\$296.7B	1. Constellation Software Inc.	6.8%
Wtd. Median Market Cap	\$61.5B	\$90.3B	2. Brookfield Asset Management Ltd. Class A	6.5%
Wtd. Harmonic Median P/E Ratio (FY1)	30.3x	19.4x	3. S&P Global, Inc.	6.2%
Median Historical 3-Year EPS Growth	16%	8.5%	4. Adyen N.V. Unsponsored ADR	6.0%
Median Est. 3-5 Year EPS Growth	14.6%	8.0%	5. UnitedHealth Group Incorporated	5.9%
Median Net Debt/EBITDA	0.4	1.3	6. Mastercard Incorporated Class A	5.7%
Median Return on Equity	27.4%	13.3%	7. Equinix, Inc.	5.7%
Number of Holdings	22	1,508	8. Astrazeneca PLC Sponsored ADR	5.5%
Active Share	91.1%	---	9. Capgemini SE Unsponsored ADR	5.2%
Turnover <sup>3</sup>	53.3%	---	10. DexCom, Inc.	5.1%
			Total % of Portfolio	58.5%

## Sector Allocation



<sup>3</sup>Turnover is for the last 12 months. Portfolio characteristics 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.



## STERLING CAPITAL

### Summary Statistics vs. MSCI World Net Index (of Monthly Returns)

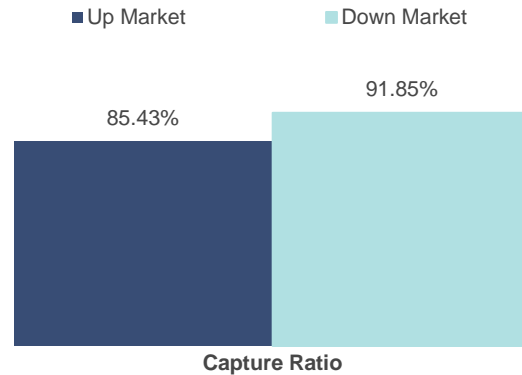
Gross & Net of Fees, Since Inception  
(12.31.2000)

	Gross	Net
Portfolio Return	5.78%	4.27%
Index Return	5.44%	-
Std. Deviation	15.22	15.19
Std. Deviation (Index)	15.79	-
Annualized Alpha	0.86	-0.50
Beta	0.90	0.90
Tracking Error	5.46	5.51
Rolling 3Y Batting Avg.	63.32%	49.78%
Rolling 5Y Batting Avg.	80.00%	52.20%
Outperforms in Down Periods	61.39%	60.40%

### Up Market/Down Market Capture Ratio

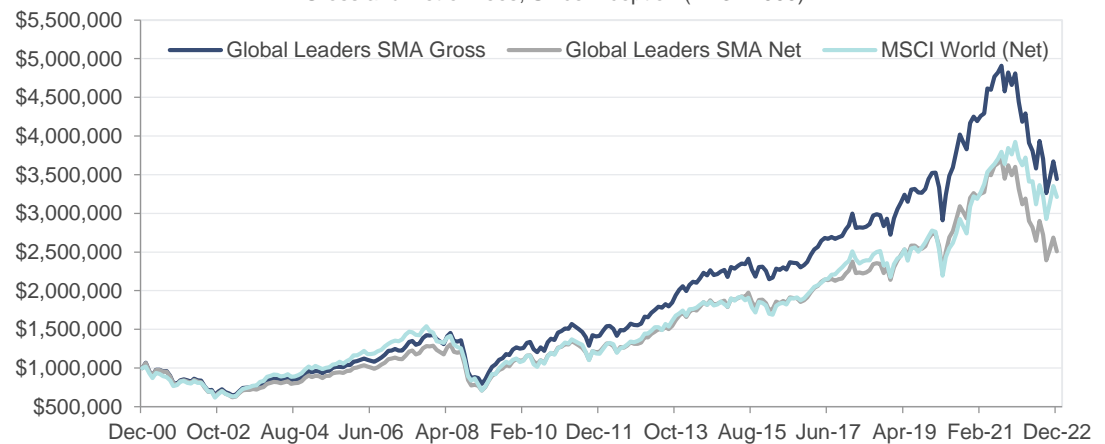
#### Sterling Capital Global Leaders SMA vs. MSCI World (Net) Index

Net of Fees, Since Inception (12.31.2000)



### Growth of \$1 Million

Gross and Net of Fees, Since Inception (12.31.2000)



Data is as of 12.31.2022. Effective 01.01.2021, the maximum bundled external platform fee is 2.52%. Risk statistics are calculated using the gross and net performance of the strategy composite. Please refer to the table titled "Performance" for the one-, five-, and ten-year returns of the composite. Performance is preliminary and is annualized for periods longer than one year. Net of fees performance returns are net of the SMA bundled fee which includes all charges for trading costs, advisory services, portfolio management, custody and other administrative fees. "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. Please refer to the attached GIPS Composite Report for additional disclosures. Up Market Capture is a measure of the manager's performance when the benchmark has positive returns for the period relative to the benchmark itself. Down Market Capture is a measure of the manager's performance when the benchmark has negative returns for the period relative to the benchmark itself. Risk statistics are calculated using the gross and net performance of the strategy composite. Please refer to the table titled "Performance" for the one-, five-, and ten-year returns of the composite. Performance is preliminary and is annualized for periods longer than one year. Net of fees performance returns are net of the SMA bundled fee which includes all charges for trading costs, advisory services, portfolio management, custody and other administrative fees. "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. Please refer to the attached GIPS Composite Report for additional disclosures. The Growth of \$1 Million chart depicts a hypothetical investment based upon actual returns of the composite since inception. Please refer to the table titled "Performance" for the one-, five-, and ten-year returns of the composite. The performance presented represents past performance and is no guarantee of future results. Net of fees performance returns are presented preliminary and are net of the SMA bundled fee which includes all charges for trading costs, advisory services, portfolio management, custody and other administrative fees. Gross of fees performance returns reflect the deduction of 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. 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. Please refer to the attached GIPS Composite Report for additional disclosures. Sources: Russell Investments; S&P; eVestment Analytics; FactSet; Sterling Capital Management Analytics.

The MSCI World Index captures large and mid-cap representation across 23 Developed Markets (DM) countries. With 1,601 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. DM countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the U.K. and the U.S.

The Chartered Financial Analysts® (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.

## Sterling Capital Management – Global Leaders SMA Composite

January 1, 2012 – December 31, 2021

Description: Consists of all discretionary separately managed wrap Global Leaders portfolios. Sterling's Global Leaders equity portfolios invest primarily in companies which have established themselves as market leaders, exhibiting sustainable advantages in production, marketing and research and development.

Year	Total Return		No. of Portfolios	Composite Assets		Total Firm Assets (\$MM)	Composite Dispersion (%)	Benchmark	MSCI World (Net)	Composite 3-yr St Dev (%)	Benchmark 3-yr St Dev (%)
	Gross of Fees	Net of Fees		End of Period (\$MM)	Firm Assets (\$MM)						
2021	13.19	10.40	25	17	75,308	0.59	21.82	21.82	16.06	17.06	
2020	20.58	19.19	42	30	70,108	0.62	15.90	15.90	16.50	18.27	
2019	29.39	27.85	51	29	58,191	0.87	27.67	27.67	10.44	11.14	
2018	-4.23	-5.41	57	26	56,889	0.50	-8.71	-8.71	9.90	10.38	
2017	19.80	18.34	63	29	55,908	0.51	22.40	22.40	9.54	10.07	
2016	5.25	3.99	88	37	51,603	0.30	7.51	7.51	10.07	10.80	
2015	-0.63	-1.81	80	38	51,155	0.37	1.38	-0.87	10.05	10.47	
2014	10.40	9.06	89	41	47,540	0.40	13.69	4.94	9.31	8.97	
2013	30.51	28.94	96	43	45,638	0.48	32.39	26.68	12.38	12.11	
2012	11.28	9.88	105	37	4,422	0.40	16.00	15.83	14.59	15.30	

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 12/31/21. 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.

**Please refer to the slide titled "Performance" for the one-, five-, and ten-year returns of the composite.**

### 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. Inception date of composite: December 31, 2000. Creation date: December 31, 2000. Effective 1/1/2016, the composite was renamed from "Leaders" to "Global Leaders." The appropriate benchmark index is the S&P 500 from inception to 12/31/2015 and the MSCI World Net index from 1/1/2016 forward. The MSCI World Index is a broad global equity benchmark that is rebalanced quarterly, and represents large and mid-cap equity performance across 23 developed markets countries. The MSCI World index covers approximately 85% of the free float-adjusted market capitalization in each country, and does not offer exposure to emerging markets. The S&P 500 is an unmanaged, weighted index of 500 stocks providing a broad indicator of price movements. Total return includes price appreciation/depreciation and income as a percent of the 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.
3. Performance reflects reinvested interest income and dividends and realized and unrealized capital gains and losses. All portfolios utilize trade-date and accrued income accounting. Valuations and performance are reported in U.S. dollars. Periodic time weighted returns are geometrically linked. Returns are not calculated net of non-reclaimable withholding taxes due to immaterial dollar amounts. Beginning July 1, 2020, portfolio performance is calculated daily including cash flows. Daily calculations are geometrically linked to create time weighted returns. Composite returns are asset weighted using the beginning market value and time weighted return of the portfolios. Prior to July 1, 2020, portfolio returns were calculated using the Modified Dietz Method and revalued for cash flows greater than 10%. Composite returns are calculated by weighting the individual portfolio returns using beginning of period market value plus weighted cash flows.
4. "Pure" gross of fees returns are presented as supplemental information and do not reflect the deduction of any fees including trading costs. Effective January 1, 2021, the net of fee return reflects the maximum bundled external platform fee of 2.52%. Prior to January 1, 2021, the net of fee return reflects the actual SMA fee of the individual account. The SMA fee includes all charges for trading costs, portfolio management, custody, administrative fees, and foreign withholding taxes. The maximum SMA or bundled external platform fee is 2.52% annually and includes Sterling's actual management fee of 0.27%. Sterling's actual management fees are 27 basis points annually. Since inception, the composite is comprised 100% of wrap fee portfolios.
5. 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.