

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

12.31.2022 (rev. 02.15.2023¹)

Morningstar Sustainability Rating™



Percent Rank in Global Category: 13
Historical Sustainability Score: 20

As of 11.30.2022. Based on 100% of AUM. Data is based on long positions only.

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 30-35 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).

Fund Facts

Investment Objective:

Seeks long-term capital appreciation.

Total Net Assets	\$476,281,784
Number of Holdings	33
Wtd. Median P/E	27.0x
Wtd. Avg. ROE	20.85%
Wtd. Avg. Market Cap	\$197.41B
Active Share	90.4%
Turnover	33%

Total Expense Ratio

	Net	Gross
A Shares (BOPAX)	1.14%	1.14%
C Shares (BOPCX)	1.89%	1.89%
Inst'l Shares (BOPIX)	0.89%	0.89%
R6 Shares* (STRSX)	0.80%	0.89%

The Fund Administrator, Sterling Capital Management LLC, has contractually agreed to waive its administrative fees, pay Fund operating expenses, and/or reimburse the Fund .09% of the Class R6 avg. daily net assets for the period February 1, 2023 through January 31, 2024. Performance would have been lower without limitations in effect.

Risk/Return Statistics vs. Russell 3000® Index

10-Year

Alpha	-1.15
Beta	1.01
R-Squared	90.94
Standard Deviation	15.97
Sharpe Ratio	0.63
Capture Ratio Up	93.11%
Capture Ratio Down	97.47%

Fund Performance 12.31.2022	QTR	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
A Shares with 5.75% Sales Charge	-0.07%	-24.79%	-24.79%	2.75%	5.75%	10.13%	10.15%
A Shares without Sales Charge	6.02%	-20.20%	-20.20%	4.80%	7.01%	10.79%	10.49%
Institutional Shares	6.06%	-20.03%	-20.03%	5.04%	7.27%	11.06%	10.76%
Russell 3000® Index	7.18%	-19.21%	-19.21%	7.07%	8.79%	12.13%	9.49%
Bloomberg U.S. 3000	7.10%	-19.62%	-19.62%	7.05%	8.76%	12.12%	N/A
Lipper Multi-Cap Core Median	8.10%	-18.46%	-18.46%	6.41%	7.52%	10.78%	--

Year-End Returns	2015	2016	2017	2018	2019	2020	2021	2022
A Shares without Sales Charge	7.80%	5.13%	19.33%	-4.87%	28.19%	13.17%	27.44%	-20.20%
Institutional Shares	8.11%	5.36%	19.66%	-4.61%	28.47%	13.46%	27.73%	-20.03%
Russell 3000® Index ¹	0.48%	12.74%	21.13%	-5.24%	31.02%	20.89%	25.66%	-19.21%
Bloomberg U.S. 3000 ¹	0.53%	12.70%	21.18%	-5.32%	31.03%	21.15%	25.97%	-19.62%

¹Calendar-year index returns only revised 02.15.2023.

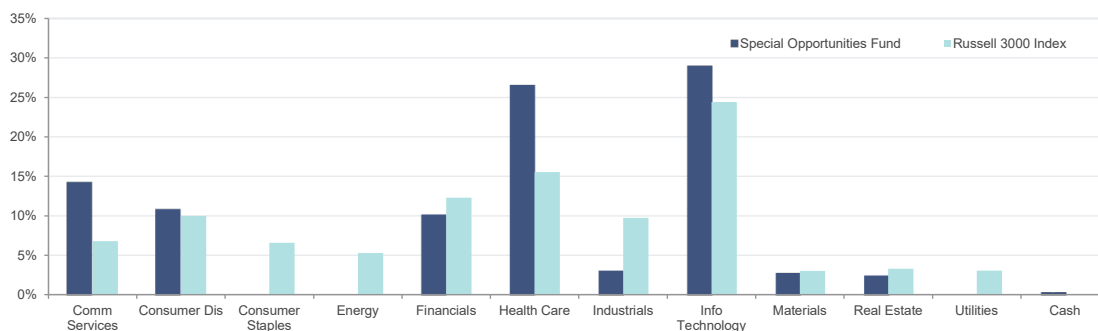
Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than 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.

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
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Morningstar Style Box



12.31.2022

Portfolio Management

Joshua L. Haggerty, CFA®

Executive Director | Co-Portfolio Manager

Josh joined the Equity Opportunities Group in 2005, which integrated with SCM in January 2013. He has investment experience since 1998. Josh received a B.B.A. in Finance from James Madison University. He holds the CFA® designation.

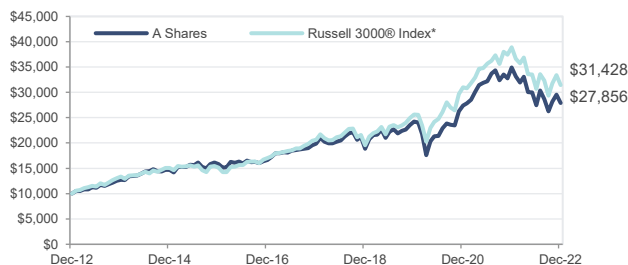
Daniel A. Morrall

Executive Director | Co-Portfolio Manager

Dan joined SCM in 2014 and has investment experience since 2001. He received a B.S. in Business and Economics from Washington and Lee University, a M.B.A. from Columbia Business School, and a M.S.I.T. 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.

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 12.31.2022. It includes the reinvestment of dividends and capital gains.

Top Ten Equity Holdings

1.UnitedHealth Group, Inc.	6.36%
2.Charles Schwab Corp. (The)	5.54%
3.HCA Holdings, Inc.	5.13%
4.Danaher Corp.	5.09%
5.Alphabet, Inc.	4.97%
6.NXP Semiconductors NV	4.43%
7.Visa, Inc.	4.32%
8.Comcast Corp.	4.08%
9.Akamai Technologies, Inc.	3.66%
10.Amazon.Com, Inc.	3.66%

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 12.31.2022

	1 Year	3 Years	5 Years	10 Years
Lipper Ranking / Number of Funds in Category	455 / 655	433 / 597	295 / 537	155 / 362
Lipper Quartile (Percentile)	3rd (70%)	3rd (73%)	3rd (55%)	2nd (43%)

Morningstar Large Blend Category Based on Risk-Adjusted Returns as of 12.31.2022

	Overall Rating	1 Year	3 Years	5 Years	10 Years
Institutional Shares Morningstar Rating™	★★	--	★	★★	★★
Morningstar Ranking / Number of Funds In Category	1,223	1099 / 1,358	1077 / 1,223	846 / 1,116	546 / 818
Morningstar Quartile (Percentile)		4th (80%)	4th (88%)	4th (79%)	3rd (68%)

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. ©2023 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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Not a deposit • Not FDIC insured • May lose value • Not guaranteed by the bank • Not insured by any government agency