

# STRATEGIC ISSUE HIGH YIELD STRATEGY

SEEKING TO CAPTURE INCOME WITH DISCIPLINED RISK CONTROL

## Objective

The Chartwell Strategic Issue High Yield Strategy aims to generate returns in excess of the broad high yield market with lower volatility over a full economic cycle.

The Chartwell Strategic Issue High Yield strategy seeks to maintain a yield advantage versus the U.S. high yield market, with comparable or better average credit quality, and with limited exposure to CCC-rated issues. The portfolio is built with securities that the team believes offer attractive income and total return potential from the universe of high yield issues that are \$500 million in size or smaller.

## Portfolio Managers

Andrew S. Toburen, CFA  
John M. Hopkins, CFA

## Inception Date

August 1, 2018

## Strategy Statistics

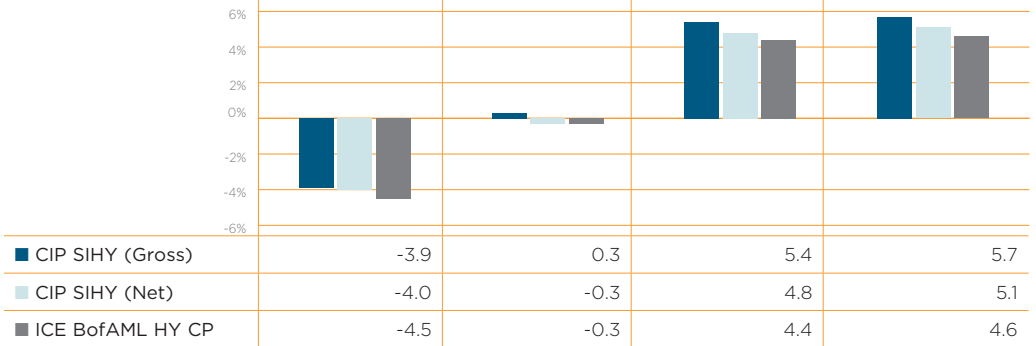
As of 03.31.2022

Benchmark	ICE BofA HY Cash Pay Index
Range of Holdings (Issuers)	70-100
Annualized Turnover	35.4%
Firm Assets	\$11.2B
Product Assets	\$72M

Source: Chartwell

## Performance

**Total Return %**  
As of 03.31.2022



Returns 1 year + annualized.

\*The Chartwell Strategic Issue High Yield strategy's inception was August 1, 2018.

Source: Chartwell

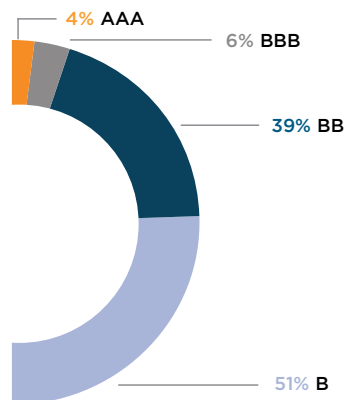
**Calendar Year Total Return %**  
As of 12.31.2021

	Gross Return	Net Return	ICE BofA HY CP
2021	5.6	5.0	5.3
2020	6.3	5.7	6.2
2019	15.9	15.3	14.4

Source: Chartwell

## Credit Quality

As of 03.31.2022



The credit quality represents the higher rating of Moody's or S&P.  
Source: Chartwell

## Peer Performance\*

Since Inception as of 03.31.2022

Performance	5.38	25 <sup>th</sup> Percentile
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\*Universe: eVestment US High Yield Fixed Income  
Peer ranking is calculated using 165 peer observations.  
Source: eVestment

# STRATEGIC ISSUE HIGH YIELD STRATEGY

## Holdings-Based Statistics

As of 03.31.2022

	Chartwell SIHY	ICE HY CP
Average Coupon	6.01%	5.65%
Current Yield	6.08%	5.79%
Yield to Maturity	6.26%	6.07%
Average Maturity	5.14 yrs.	6.95 yrs.
Average Duration	4.21 yrs.	4.92 yrs.
Average Quality	Ba3	Ba3

Source: Chartwell

## Top 10 Holdings

As of 03.31.2022

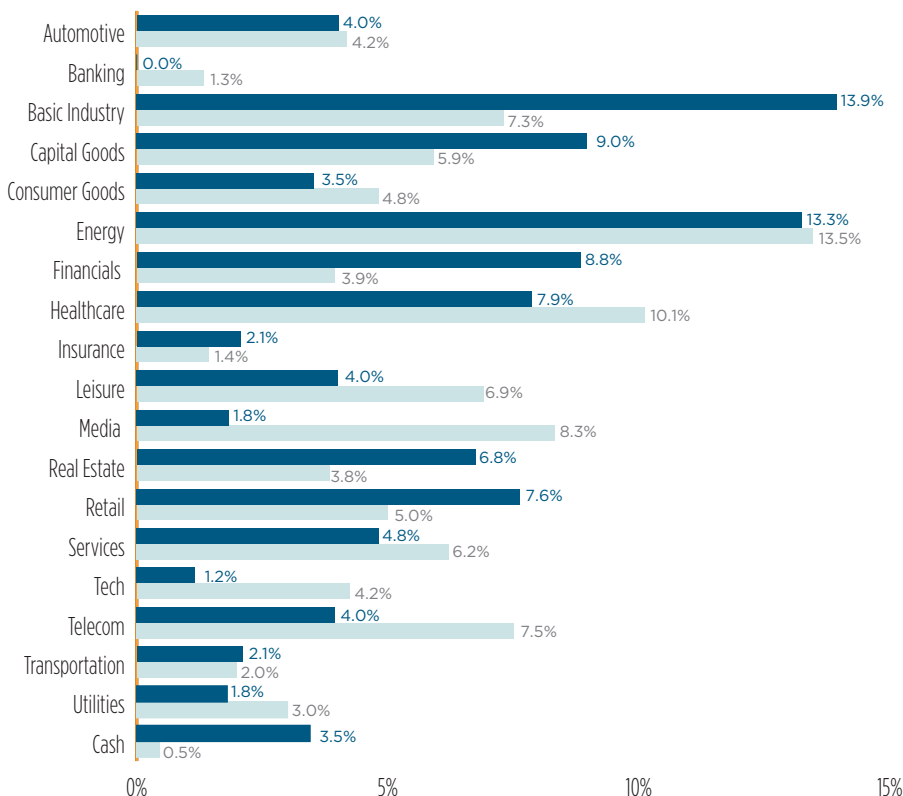
	Maturity	Weight
Compass Minerals	07.15.2024	1.17%
Dell Inc.	04.15.2028	1.14%
NMI Holdings, Inc.	06.01.2025	1.12%
Safeway Inc.	09.15.2027	1.10%
Howmet Aerospace	01.15.2028	1.09%
Joseph T. Ryerson	08.01.2028	1.09%
Colgate Energy Prtnrs.	02.15.2026	1.07%
Jacobs Enter. Inc.	02.15.2029	1.07%
OneMain Fin. Corp.	10.01.2023	1.06%
Allegheny Ludlum Corp.	12.15.2025	1.06%

**Total Top 10** **10.97%**

Source: Chartwell

## Sector Diversification

As of 03.31.2022

■ Chartwell Strategic Issue High Yield
 ■ ICE High Yield Cash Pay Index


Source: Chartwell

Period	Comp. AUM (\$M)	% of Total AUM	# of Accounts	Gross Return	Net Return	ICE BoA HY Cash Pay	Comp. 3 Yr. Std. Dev. (%)*	ICE BoA HYCP 3 Yr. Std. Dev. (%)	Comp. Dispersion	Total Firm AUM (\$M)
Q1 2022	\$72M	0.6	6	-3.85	-4.00	-4.53	9.47	9.20	N/A	\$11,229M
2021	\$75M	0.6	6	5.60	5.00	5.29	9.48	9.25	N/A	\$11,844M
2020	\$25M	<0.1	3	6.31	5.71	6.20	N/A	N/A	N/A	\$10,263M
2019	\$23M	<0.1	3	15.91	15.31	14.40	N/A	N/A	N/A	\$9,701M
Q3-Q4'18	\$20M	<0.1	3	-2.19	-2.44	-3.40	N/A	N/A	N/A	\$9,189M

This information is for illustrative purposes only, is subject to change at any time, and should not be considered investment advice or a recommendation to buy or sell any particular security.

Chartwell Investment Partners, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Chartwell Investment Partners has been independently verified for the period ended June 30, 2021. Chartwell Investment Partners, LLC (Chartwell), founded in 1997, is an investment management firm registered under the Investment Advisors Act of 1940. Chartwell manages a variety of equity, fixed income and balanced assets for Institutional, Sub-Advisory, as well as WRAP/Retail clients. Chartwell's firm assets of \$11.2 billion include \$1.2 billion in Model assets as of 03.31.2022.

On January 3, 2014, Chartwell Investment Partners, LP (Chartwell, LP), entered into a definitive agreement to join TriState Capital Holdings, Inc. (NASDAQ: TSC, TriState Capital). On March 5, 2014, Chartwell, LP sold substantially all of its assets and business to Chartwell, a newly formed Pennsylvania corporation and wholly owned subsidiary of TriState Capital. The roster of employees, investment teams, address and phone number of Chartwell was the same as Chartwell, LP upon closing of the transaction.

Effective July 1, 2015, Chartwell's organizational structure changed from a Pennsylvania corporation to a Pennsylvania Limited Liability Company, "LLC". This modification was made strictly for tax purposes only, with no effect on Chartwell's ownership, management, roster of employees or investment advisory services provided to its clients.

On April 29, 2016, TriState Capital closed the acquisition of investment management firm The Killen Group, Inc. (TKG). TriState Capital is integrating all TKG's personnel, operations and assets into Chartwell's business. The TKG assets are included in Firm Managed Assets beginning the period ended Q2 2016.

On April 6, 2018, TriState Capital closed the acquisition of the long-only investment management business of Columbia Partners, based in Chevy Chase, MD. The deal represents approximately \$1 billion of AUM in Fixed Income and Equity relationships. Along with the AUM, TriState Capital has integrated three of Columbia's employees into Chartwell's business. They include a Marketing Director, a Large Cap Growth Portfolio Manager and a Senior Analyst.

Verification assesses whether (1) the firm has complied with all the composite

construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policy and procedures are designed to calculate and present performance in compliance with the GIPS standards.

The performance data quoted represents past performance; past performance does not guarantee future results. Current performance may be lower or higher than the performance data quoted. The gross returns were calculated on a time weighted basis, including all dividends and interest, accrual income, realized and unrealized gains or losses and are net of all brokerage commissions, execution costs and do not give effect to investment advisory fees, which would reduce such returns. The net returns presented above were calculated by applying the highest institutional investment advisory fee paid by a client of Chartwell. The investment advisory fee schedule for institutional portfolios is: 0.60% on all assets. Fees for WRAP/SMA portfolios are different and will vary per platform.

The ICE BoA High Yield Cash Pay Index returns are provided to represent the investment environment existing during the time periods shown. For comparison purposes, the index is fully invested and includes the reinvestment of income. The returns for the index do not include any trading costs, management fees, or other costs. Index returns have been taken from published sources.

The Strategic Issue High Yield Fixed Income Institutional composite, composed of portfolios invested in U.S. fixed income issues that offer returns exceeding the ICE BoA High Yield Cash Pay Index, was initially created in August 2018 and includes all fee paying and non-fee paying (i.e. incubators), discretionary accounts with comparable investment objectives and a market value in excess of \$1,000,000. Trade date accounting is utilized and cash equivalents are included in performance returns. Returns are calculated by geometrically linking the monthly and quarterly returns respectively. Valuations are computed and performance reported in U.S. Dollars. Composite dispersion is calculated using the asset-weighted standard deviation method, which determines the dollar-weighted mean return using the beginning-of-year market values. There is no use of leverage or derivatives. The results of individual accounts and for different periods may vary. Other performance calculation methods might produce different results. Investors should not rely on prior performance data as a reliable indication of future performance.

To receive a complete list and description of Chartwell Investment Partners' composites and/or a presentation that adheres to the GIPS standards, please contact Chartwell at (610) 296-1400 or info@chartwellip.com.



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Chartwell Investment Partners LLC, is an investment management firm dedicated solely to the investment advisory business. Chartwell's philosophy is to rely on proprietary, bottom-up research to find high quality investments across its various product offerings.

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