

# Voya Investment Grade Credit Strategy

## Strategy-at-a-glance

Objective <sup>1</sup>	To maximize total return through a combination of current income and capital appreciation while typically maintaining duration within +10% of the Index
Value Added Sources	Security Selection: 80-90% Industry Selection: 10-20%
Inception Date	02/01/09
Strategy Assets <sup>2</sup>	\$36.0 billion
Benchmark	Bloomberg U.S. Corporate Index
Available Vehicles	Separate Account Mutual Fund SICAV Collective Trust

<sup>1</sup> There is no guarantee that this objective will be achieved.

<sup>2</sup> AUM as of 12/31/23

## Strategy overview

The Investment Grade Credit strategy seeks to maximize total return over a full market cycle via a broadly diversified and well-balanced approach to discovering risk-adjusted opportunities across the full range of U.S. investment grade corporate bonds.

## Investment philosophy

We believe that selecting securities based on rigorous credit research and a keen awareness of credit and economic cycles is critical for identifying investment opportunities and managing risk.

The following four key beliefs underpin our investment philosophy:

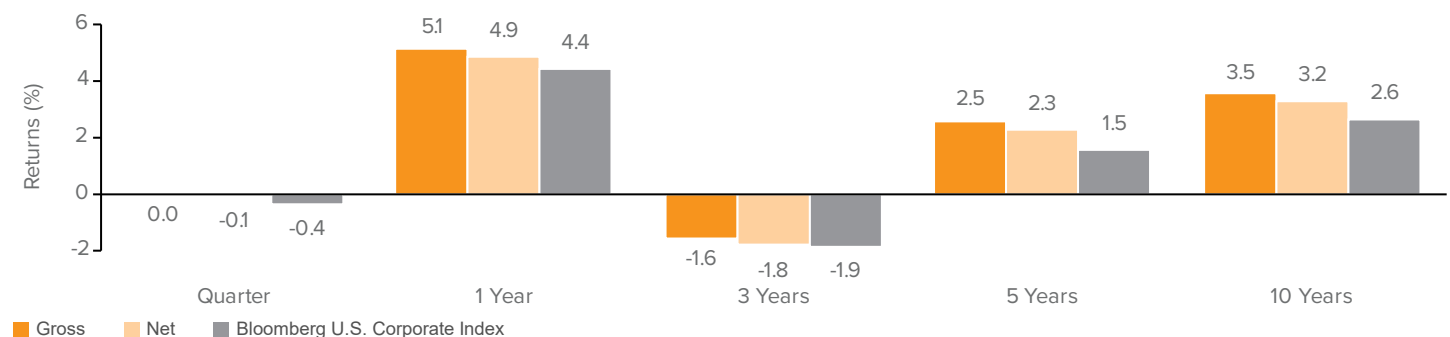
- Fundamental credit research drives security selection
- Active management allows for a robust and diversified portfolio without compromising on liquidity
- Cycle awareness informs investment decisions
- Focusing on downside risk optimizes long-term, risk-adjusted returns

## Investment process

The Voya Investment Grade Credit investment process begins with fundamental bottom-up credit research driven by a dedicated team of credit analysts who drive security selection and engage in relative value discussions. A collaborative approach leads to highest conviction ideas, which originate from credit analysts, portfolio managers and traders, and are enhanced by quantitative research and macro views from the broader Voya Fixed Income platform. An integration of analyst recommendations, macro views, and client guidelines lead to a diversified credit portfolio that incorporates the best relative value opportunities. Constant portfolio monitoring by both our investment grade credit portfolio managers and analysts, as well as our independent risk team, ensures that we maintain an appropriate balance of risk and return.

## Performance

### Voya Investment Grade Credit Composite



Voya Investment Management claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. **To learn more on the GIPS® compliance Schedule of Composite Performance go to:**

<https://institutional.voya.com/document/product/gips.pptx>

**Past performance does not guarantee future results.** Performance numbers for time periods greater than one year are annualized. The Composite represents the investment results of a group of fully discretionary portfolios managed according to the strategy. Returns include the reinvestment of income. Gross-of-fees returns are presented before management and custodial fees but after all trading expenses. Net-of-fees returns are calculated by deducting a hypothetical management fee from the gross return on a monthly basis and geometrically linking the results to produce returns shown. The hypothetical management fee is equal to or greater than the asset-weighted average of each accounts' fee schedule in the composite. The model fee used will result in a net return that is equal to or lower than a net return using actual fees. For a description of advisory fees, please see Form ADV, Part II. Gross returns should be used as Supplemental Information only.

Not FDIC Insured | May Lose Value | No Bank Guarantee

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INVESTMENT MANAGEMENT



### Portfolio highlights

Returns-Based Characteristics (5 years ending 03/31/24)	Composite	Bloomberg U.S. Corporate Index
Standard Deviation (%)	9.07	8.79
Tracking Error (%)	0.69	—
Information Ratio	1.47	—
Alpha (annualized %)	1.03	—
Beta	1.03	1.00
R-Squared	1.00	1.00
Sharpe Ratio	0.05	-0.06

Credit Quality (%)	Portfolio	Bloomberg U.S. Corporate Index
Treasuries/Cash	9.42	0.35
AAA	0.26	1.05
AA	2.36	6.59
A	40.04	45.22
BBB	47.40	46.75
BB	0.52	0.00
B	0.00	0.00
<B	0.00	0.00
Not Rated	0.00	0.04

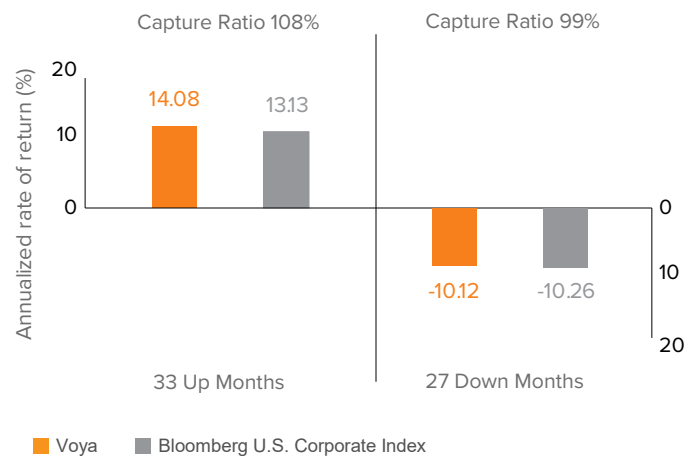
Top Ten Credit Exposures (%)	Portfolio
JPMORGAN CHASE & CO	3.50
BANK OF AMERICA CORP	2.72
MORGAN STANLEY	2.38
UBS GROUP AG	1.21
ABBVIE INC	1.19
NATIONAL RURAL UTILITIES COOPERATI	1.17
HCA INC	1.11
ORACLE CORP	1.11
PECO ENERGY CO	1.08
T-MOBILE USA INC	1.04

Top Sector Allocation (%)



	Portfolio	Index
Banking	19.10	22.96
Consumer Non Cyclical	11.39	15.34
Treasuries/Cash	9.16	0.36
Electric	8.63	8.09
Communications	8.43	8.55
Technology	8.34	8.81
Insurance	6.87	4.65
Energy	6.04	6.91
Consumer Cyclical	4.51	7.65
Capital Goods	4.43	5.17

Up / Down Capture Ratio



**Credit Quality** is calculated based on S&P, Moody's and Fitch ratings. If the ratings from all 3 rating agencies are available, securities will be assigned the median rating based on the numerical equivalents. If the ratings are available from only two of the agencies, the more conservative of the ratings will be assigned to the security. If the rating is available from only one agency, then that rating will be used. Any security is not rated by S&P, Moody's, or Fitch is placed in the NR (Not Rated) category. Internal ratings will not be used for any security. Ratings are subject to change. Ratings are a measure of quality and safety of a bond based on the financial condition of the issuer. Generally accepted, AAA is the highest grade (best) to D which is the lowest (worst).

**Past performance does not guarantee future results.** The returns-based characteristics presented are based on the gross-of-fee composite returns. Characteristics are based on a representative account in the composite that we believe best represents the portfolio management style of the composite. Characteristics may be adjusted to exclude securities for which data is not available or for extreme data outliers via commonly used trimming methodologies. Holdings are subject to change. The information shown is supplemental only. Totals may not equal due to rounding.

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## Portfolio managers

### Anil Katarya, CFA

Global Head of Investment Grade Credit

Years of experience: 26

Years with firm: 24

### Travis King, CFA

Head of U.S. Investment Grade Corporates

Years of experience: 26

Years with firm: 19

## Voya Investment Management

Voya Investment Management provides both core and specialized investment strategies to institutions, financial intermediaries and individual investors worldwide. Drawing on a 50-year legacy of active investing and the expertise of over 300 investment professionals, Voya Investment Management manages approximately \$318 billion\* in assets across public and private fixed income, equities, multi-asset solutions and alternative strategies.

Our culture is grounded in a commitment to understanding and anticipating clients' needs, producing strong investment performance, and seeking to embed diversity, equity and inclusion in everything we do. Voya Investment Management is the asset management business of Voya Financial (NYSE: VOYA), a leading health, wealth and investment company with 9,000 employees dedicated to serving the needs of over 14 million individual and workplace clients.

\*As of 12/31/23. Voya IM assets are calculated on a market value basis and include proprietary insurance general account assets of \$33 billion.

The principal risks are generally those attributable to bond investing. Holdings are subject to market, issuer, credit, prepayment, extension and other risks, and their values may fluctuate. Market risk is the risk that securities may decline in value due to factors affecting the securities markets or particular industries. Issuer risk is the risk that the value of a security may decline for reasons specific to the issuer, such as changes in its financial condition.

The **Bloomberg U.S. Corporate Bond Index** measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD-denominated securities publicly issued by US and non-US industrial, utility and financial issuers. This index is a component of the US Credit and US Aggregate Indices, and provided the necessary inclusion rules are met, US Corporate Index securities also contribute to the multi-currency Global Aggregate Index.

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