

Liability-Driven Investing

Specialized expertise and extensive resources allow us to partner with clients at all stages of the de-risking lifecycle

We believe successful Liability-Driven Investing (LDI) portfolio management requires a comprehensive knowledge of actuarial sciences as well as a deep understanding of financial markets. This belief explains our multi-dimensional approach to LDI that combines a Liability Strategy Development team with a team of experienced portfolio managers.

Key Differentiators

Flexibility to Help Meet Plan Sponsors' Evolving Needs

Ability to pivot from asset management to completion, overlay solutions over the de-risking lifecycle

Expertise in Specialty Fixed Income Sectors

Successful track record of incorporating specialty asset classes like investment grade private credit and securitized assets in an LDI framework

Liability Focused Risk Management is in Our DNA

Voya Investment Management's insurance heritage forms the foundation for our focus on risk management

LDI Solutions Value Proposition

- Broad fixed income platform drawing on the expertise of more than 200 investment professionals
- Actuarial resources embedded within the LDI Strategy Development team
- Independent but integrated risk management team collaborates with portfolio management team
- Focus on both investment (issuer concentration, spread volatility, bond supply/liquidity) and operational (counterparty, collateral) risks

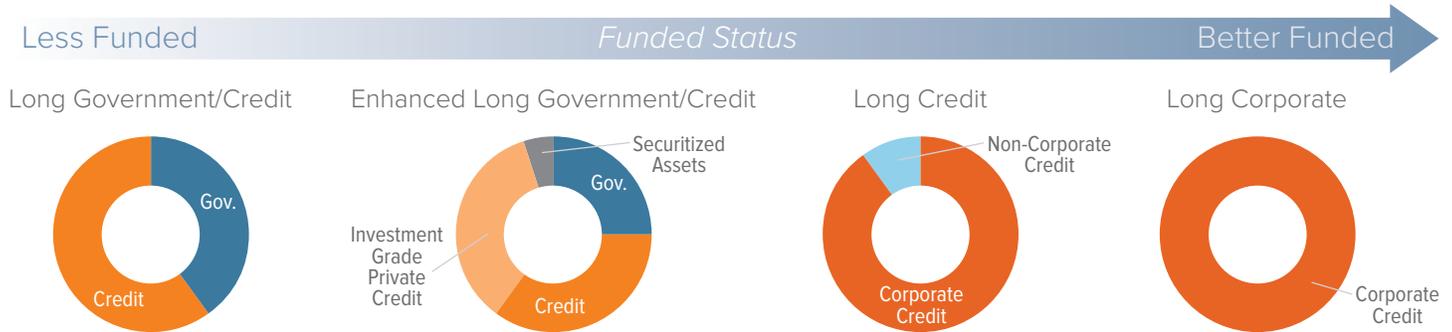


- More than 45 years experience managing liability-aware portfolios
- Customized solutions optimized for liability defeasance throughout the lifecycle of the plan
- Dynamic & cost effective overlay strategies to reduce funding status volatility, neutralize rate risk, create synthetic return exposures, and/or enhance risk/return profiles
- Liability, key rate duration, and custom benchmark analysis

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Voya offers plan sponsors a full suite of pension risk management solutions — from off-the-shelf strategies benchmarked to traditional market-based indices, to bespoke liability-matching portfolios with interest rate overlays.

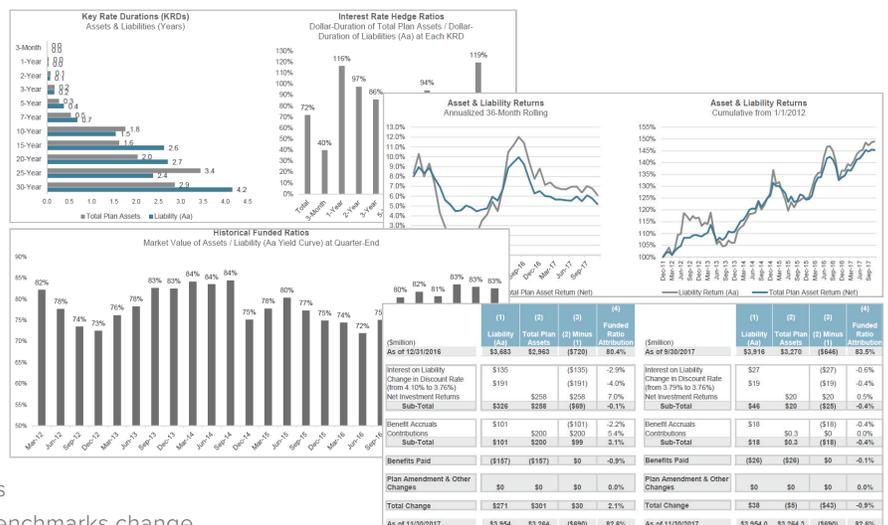
Off-the-Shelf Solutions*



Bespoke Solutions: Tailored to Meet Specific Plan Needs

Our Liability Strategy team partners with clients to evaluate current plan conditions as well as end-state goals and objectives to develop and recommend strategies appropriate to achieve the desired objectives while balancing risk and return within the established risk profile of each client.

- Complete plan diagnostics and analysis
- Custom benchmark creation
 - Blend of market-based benchmarks
 - Liability-based solutions
- Completion Portfolio Management
 - Duration extension
 - Key rate duration matching
 - Interest rate hedging
- Tailored reporting packages
 - Summary plan overview
 - Asset and liability highlights
 - Asset and liability returns
 - Funded ratio history and attribution
 - Interest rate, curve, and quality hedge ratio analysis
- Transition management as mandates evolve and benchmarks change



About Voya Investment Management

Voya Investment Management (Voya IM) is the asset management business of Voya Financial, a Fortune 500 company with over 6,000 employees seeking to help Americans plan, invest and protect their savings. As of March 31, 2018, Voya IM managed approximately \$227 billion¹ in assets across Fixed Income, Senior Loans, Equities and Multi-Asset Strategies & Solutions. Drawing on over 40 years of experience and the expertise of 250+ investment professionals, Voya IM's capabilities span traditional products and solutions as well as those that cannot be easily replicated by an index. We have been managing liability aware portfolios for more than 45 years — LDI and long duration portfolio management is a part of our DNA and is one of our core competencies.

All investing involves risks of fluctuating prices and the uncertainties of rates of return and yield inherent in investing. **High-Yield Securities**, or “junk bonds”, are rated lower than investment-grade bonds because there is a greater possibility that the issuer may be unable to make interest and principal payments on those securities. The strategy may use **Derivatives**, such as options and futures, which can be illiquid, may disproportionately increase losses and have a potentially large impact on performance. **Foreign Investing** does pose special risks including currency fluctuation, economic and political risks not found in investments that are solely domestic. Risks of foreign investing are generally intensified in Emerging Markets. As Interest Rates rise, bond prices may fall, reducing the value of the share price. **Debt Securities** with longer durations tend to be more sensitive to interest rate changes. Other risks of the Fund include but are not limited to: **Credit Risks; Other Investment Companies' Risks; Price Volatility Risks; Inability to Sell Securities Risks; and Securities Lending Risks**. 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. We deem all sources to be reliable, but cannot guarantee accuracy and completeness.

*Representative allocations; actual portfolios may vary.

¹As of 3/31/18. Voya IM assets are calculated on a market value basis and include proprietary insurance general account assets of \$87 billion.

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IEII-LDI 071618 • IM-0709-43326-0719 • 201974

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