

# Voya Senior Loan Strategy

| Strategy-at-a-glance         |   |
|------------------------------|---|
| Objective <sup>1</sup>       | To seek superior long-term risk-adjusted total returns over a full credit and interest rate cycle by investing primarily in a broadly diversified portfolio of senior secured floating rate loans |
| Value Added Sources          | Issuer Selection: 50-75%<br>Industry Selection: 25-50%<br>Overall Risk Level: 0-25%   |
| Inception Date               | 04/01/01  |
| Strategy Assets <sup>2</sup> | \$20.9 billion  |
| Benchmark                    | Morningstar LSTA US Leveraged Loan Index  |
| Available Vehicles           | Separate Account<br>Collective Trust<br>Common Trust<br>Mutual Fund   |

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

<sup>2</sup> AUM as of 03/31/25

## Strategy overview

The Senior Loan strategy seeks superior long-term risk-adjusted total returns over a full credit and interest rate cycle by investing primarily in a broadly diversified portfolio of senior secured floating-rate loans.

## Investment philosophy

Traditional, fundamental credit underwriting and monitoring are the foundation of our investment philosophy and process. Our disciplined investment style and through-cycle investment approach seeks to deliver reliable results for our clients.

The following key beliefs underpin our investment philosophy:

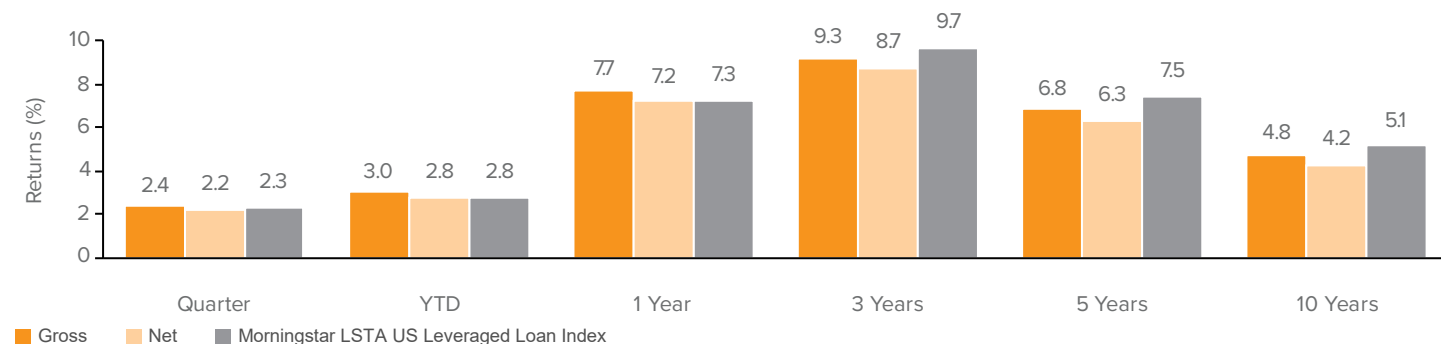
- Investing in senior loans require a lender's mentality
- Risk vs. return is asymmetrical; Alpha is ultimately created by avoiding loss
- Proactive management allows for downside protection

## Investment process

Supported by an over 30-person dedicated investment team, our investment process focuses on fundamental credit analysis, relative value assessment and high levels of diversification. We conduct top-down analysis to target industries with strong operating momentum or improving credit conditions, while avoiding those sectors prone to the clustering of defaults. The other major component of our process, specific borrower selection, is based on fundamental bottom-up credit analysis that includes independent credit research, in-depth collateral review and relative value analysis.

## Performance

### Voya Senior Loan Unleveraged Composite



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**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 | Not a Deposit

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INVESTMENT MANAGEMENT



## Portfolio Highlights

| Returns-Based Characteristics<br>(5 years ending 06/30/25) | Composite | Morningstar LSTA US<br>Leveraged Loan Index |
|--|-----------|---|
| Standard Deviation (%)                                     | 3.19      | 3.26  |
| Tracking Error (%)   | 0.45      | —   |
| Information Ratio  | -1.36     | —   |
| Alpha (annualized %)                                       | -0.47     | —   |
| Beta   | 0.97      | 1.00  |
| R-Squared  | 0.98      | 1.00  |
| Sharpe Ratio   | 1.24      | 1.40  |

| Characteristics                    |                |
|------------------------------------|----------------|
| Number of Industries               | 56             |
| Average per Industry               | \$18,269,602   |
| Average per Industry as % of AUM   | 1.79           |
| Number of Issuers                  | 361            |
| Average per Issuer                 | \$2,834,066    |
| Average per Issuer as % of AUM     | 0.28           |
| AUM Current Month End              | \$1,023,097,71 |
| AUM Previous Month End             | \$1,115,359,23 |
| Weighted Average Spread            | 3.18%          |
| Weighted Average Maturity in Years | 4.85           |
| Weighted Average Market Price      | 99.50%         |

| Ratings Distribution | % of Market Value |
|----------------------|-------------------|
| BBB or Above         | 3.20              |
| BB                   | 25.69             |
| B                    | 67.33             |
| CCC                  | 2.06              |
| CCC or Below         | 0.00              |
| NR                   | 1.73              |

| Top Ten Issuers (\$ millions)                     | Market Value (\$) | % of AUM |
|---|-------------------|----------|
| First Eagle Investment Management, Inc.           | 9.61              | 0.94     |
| Transdigm, Inc.                                   | 8.58              | 0.84     |
| Acrisure, LLC                                     | 8.33              | 0.81     |
| Asurion, LLC                                      | 8.08              | 0.79     |
| Medline Industries Inc.                           | 7.27              | 0.71     |
| AssuredPartners, Inc.                             | 6.83              | 0.67     |
| AlliedUniversal fka Universal Services of America | 6.64              | 0.65     |
| Authentic Brands Group, LLC                       | 6.55              | 0.64     |
| AmWINS Group, Inc.                                | 6.54              | 0.64     |
| Cotiviti (Verscend Technologies, Inc.)            | 6.20              | 0.61     |

| Top Ten Industries (\$ millions) | Market Value (\$) | % of AUM |
|----------------------------------|-------------------|----------|
| Software                         | 99.12             | 9.69     |
| Insurance                        | 54.53             | 5.33     |
| Capital Markets                  | 52.93             | 5.17     |
| Health Care Providers & Services | 45.19             | 4.42     |
| Machinery                        | 43.56             | 4.26     |
| Hotels, Restaurants & Leisure    | 41.67             | 4.07     |
| Commercial Services & Supplies   | 40.50             | 3.96     |
| IT Services                      | 38.68             | 3.78     |
| Oil, Gas & Consumable Fuels      | 35.36             | 3.46     |
| Chemicals                        | 33.62             | 3.29     |

**Ratings Distribution** - The Standard & Poor's rating scale is as follows, from excellent (high grade) to poor (including default): AAA to D, with intermediate ratings offered at each level between AA and CCC. Anything lower than a BBB- rating is considered a non-investment grade or junk bond. Any security that is not rated by Standard & Poor's is placed in the NR (Not Rated) category.

**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

### Mohamed Basma, CFA

#### Head of Leveraged Credit

Years of experience: 28

Years with firm: 25

### Randy Parrish, CFA

#### Head of Public Credit

Years of experience: 35

Years with firm: 24

## Voya Investment Management

Voya Investment Management delivers actively managed public and private market solutions that drive differentiated outcomes for clients worldwide. Our team of 300+ investment professionals manages \$342 billion\* in assets. We excel at partnering with clients to understand their needs and address challenges in innovative ways, drawing on extensive expertise across fixed income, equity, and multi-asset strategies.

\*As of 03/31/25. Voya IM assets of \$345 billion, as reported in Voya Financial SEC filings, represent revenue generating assets for which Voya Investment Management LLC and the registered investment advisers it wholly owns has full discretionary investment management responsibility. Voya IM assets of \$342 billion are calculated on a market value basis for all accounts.

**Risk is inherent in all investing. The following are the principal risks associated with investing in senior loans.** **Credit risk:** Senior loans are below investment grade instruments that carry a higher than normal risk that borrowers may not make timely payments of principal and interest. Failure by borrowers to make such payments may cause the yield and/or the value of your investment to decline. **Interest rate risk:** The yield on senior loans is directly affected by changes in market interest rates. If such rates fall, the yield may fall. Also, if overall interest rates on loans decline, the yield may fall and the value of the assets may decrease. When market interest rates rise, there may be a delay in the rise in the yield due to a lag between changes in such rates and the resetting of the floating rates on the loans. **Limited secondary market for loans:** Loans do not trade on an established exchange. There is a limited secondary market for loans. **Demand for loans:** An increase in demand for loans may adversely affect the rate of interest payable on new loans, and it may also increase the price of loans in the secondary market. A decrease in the demand for loans may adversely affect the price of loans, which could cause the value of loans to decline. **Use of leverage:** The strategy may engage in leverage for some portfolios. The use of leverage in a portfolio may have a magnifying effect on the returns for a portfolio, both positively and negatively. **Foreign currency:** The strategy may invest in loans denominated in currencies other than the U.S. dollar. While the strategy seeks to hedge foreign currency risk to the greatest extent practicable, such hedging may not be effective.

**This is not, and is not intended to be, a description of all risks of investing in senior loans. The applicable offering documents should be read carefully before investing.**

The **Morningstar LSTA Leveraged Loan Index** is designed to measure the performance of the 100 largest facilities in the US leveraged loan market. Index constituents are market-value weighted, subject to a single loan facility weight cap of 2%. Index returns do not reflect fees, brokerage commissions, taxes or other expenses of investing. **Investors cannot invest directly in an index.**

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