

Voya Corporate Leaders® 100

Firm Overview

Voya Investment Management at a Glance

Voya Investment Management (Voya IM) is a leading active asset management firm. As of March 31, 2017, Voya IM manages approximately \$219 billion* for affiliated and external institutions as well as individual investors. Drawing on over 40 years of experience and an ongoing commitment to reliable investing, Voya IM has the resources and expertise to help provide long-term investors with strong investment results.

Mission

Voya Investment Management's mission is to find unrecognized value ahead of consensus by seeking original insights on markets and companies. Toward that end, we apply our proprietary research and analytics, benchmark awareness and risk management to serve client needs within the guidelines and objectives of each assignment.

Portfolio Managers



Vincent Costa, CFA

Head of Global Equities
Years of experience: 32
Years with company: 11



Steve Wetter

Portfolio Manager
Years of experience: 28
Years with company: 4



Kai Yee Wong

Portfolio Manager
Years of experience: 24
Years with company: 4

Strategy

Summary

A rules-based strategy designed to exploit market inefficiencies in a disciplined systematic manner

Objective**

Outperform the market capitalization-weighted return of the S&P 500 index with less downside risk.

Investment Process

- Equal-weight the S&P 100 index[^]
- Securities will be trimmed to 1% if they appreciate 50%+ during the quarter
- Securities that fall 30% or more during the quarter will be taken out of the portfolio
- Quarterly rebalance realigns holdings to 1% weights[‡]

Risk Control

- Potential to maximize upside capture and minimize downside exposure ratios
- Manages turnover
- Captures gains
- Distributes gains to more attractively valued stocks

Investment Style

- Portfolio investments range across market cap and style spectra
- The portfolio focuses on the large cap segment and has a mild value bias

[^] SPDRs may be used to equalize cash since they are highly correlated to the S&P 500 cap-weighted index. They are used as equity proxies for the Corporate Leaders 100 strategy because they are more closely correlated to the strategy, and provide higher liquidity, than the S&P 100 cap-weighted SPDR.

[‡] Rebalancing can result in capital gains or losses.

*Voya IM assets of \$219 billion include proprietary insurance general account assets of \$89 billion calculated on a market value basis. Voya IM assets, as reported in Voya Financial, Inc. SEC filings, include general account assets valued on a statutory book value basis and total approximately \$213 billion. Both totals include approximately \$8 billion in Private Equity, \$4 billion in Real Estate and \$5 billion in other assets including those sub-advised through the Voya family of funds and the Multi-Asset Strategies and Solutions product offerings. Approximately \$0.6 billion of total fixed income assets are also included in the Senior Loan and Private Equity totals.

**There is no guarantee that this objective will be achieved.

Supplemental Performance: Annualized Total Returns¹
Voya Corporate Leaders® 100

Composite	Quarter	YTD	1 Year	Annualized		
				3 Years	5 Years	10 Years
Gross:	2.46	7.76	17.53	8.54	14.73	7.83
Net:	2.33	7.50	17.01	8.09	14.27	7.40
S&P 500 Index	3.09	9.34	17.90	9.61	14.63	7.18
Gross Excess Return	-0.63	-1.58	-0.37	-1.08	0.10	0.65

Commentary

Market Review

Global economic expansion gained strength in the second quarter as the growth impulse shifted to an international focus. As expected, the Federal Reserve (Fed) hiked short-term interest rates 25 basis points in June. As Fed policy has shifted toward normalizing, the European Central Bank (ECB) embraced accommodation but will likely be patient with no pressure from inflation. Domestic data continues to reflect economic growth but not as robustly as late last year. Meanwhile, the so-called "Trump trade" optimism has all but evaporated as prospects for a tax deal and fiscal stimulus have diminished. The low-growth U.S. GDP scenario needs a dose of fiscal policy change since monetary policy has seemingly run its course. These factors add up to financial markets that are well, but not fully, supported. Short of a shock such as geopolitics, equities seem to have the strength to hold their gains, and bond markets face marginally higher yields as U.S. fiscal policy gains clarity.

Account Performance

For the quarter ended March 31, 2017, the Corporate Leaders 100 SMA underperformed its benchmark, the S&P 500 Index.

The SMA's investment strategy follows a strict rules-based approach. It starts by holding equal-weighted positions in the stocks of the S&P 100 Index at the beginning of

each calendar quarter (implying that each holding represents approximately 1% of the portfolio). On a quarterly basis, if the value of a security rises by more than 50%, the position size immediately is reduced to 1%, and if the value of a security falls more than 30%, the position is eliminated. The portfolio is rebalanced quarterly in order to realign the strategy's holdings to its initial 1% weightings.

For the reporting period, and on the sector level, the portfolio's underweight allocation to the information technology sector, combined with unfavorable holdings within the sector, negatively impacted performance. On an individual stock level basis, an underweight position in Apple Inc. and overweight positions in Target Corporation and Occidental Petroleum Corporation were among the key detractors for the period. By contrast, portfolio holdings within the energy and materials sectors contributed favorably to performance. Among the largest individual contributors for the period were overweight positions in Priceline Group Inc., Twenty-First Century Fox, Inc. Class A and an underweight position in Exxon Mobil Corporation.

As of the end of the reporting period, the strategy's largest sector overweight positions were within the industrials and consumer staples sectors while the largest sector underweight is information technology. Sector exposures are purely a function of the strategy's rules-based investment discipline and are not actively managed.

¹ 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 annual returns shown. The hypothetical management fee is equal to the highest fee from any fee schedule offered at the time for the strategy shown. While fee schedules can change over time, any amended fee resulting from a change will not be retroactively applied to performance history, but will rather be applied on a prospective basis from the point of change. More information about fees can be found in the Form ADV Part II of Voya Investment Management Co. Please refer to Voya Investment Management GIPS compliant composite for additional performance information.

Past performance does not guarantee future results. There is no guarantee that any forecasts or opinions in this material will be realized. Manager commentary is for informational purposes only and does not constitute investment advice and is not a recommendation to purchase or sell any of the securities referenced.

Strategy Statistics⁽²⁾

Top Ten Holdings (%)	Portfolio
Nike, Inc.. Class B	1.11
Emerson Electric Co.	1.02
Caterpillar Inc.	1.01
Capital One Financial Corporation	1.01
Lowe's Companies, Inc.	1.01
FedEx Corporation	1.01
Union Pacific Corporation	1.01
Home Depot Inc.	1.01
Costco Wholesale Corporation	1.01
United Parcel Service Inc. CLASS B	1.01

Top Sector Weightings (%)	Portfolio	Index
Consumer Discretionary	14.11	12.27
Consumer Staples	11.99	9.05
Energy	7.00	6.01
Financials	14.95	14.55
Health Care	14.93	14.51
Industrials	13.06	10.28
Information Technology	13.97	22.26
Materials	3.00	2.85
Real Estate	0.99	2.93
Telecommunication Services	2.00	2.14
Utilities	3.98	3.16

Returns-Based Statistics (5 years ending 06/30/17)	Composite	S&P 500 Index
Standard Deviation (%)	9.77	9.48
Tracking Error (%)	1.67	NA
Information Ratio	0.06	NA
Alpha (annualized %)	-0.13	NA
Beta	1.02	1.00
R-Squared	0.97	1.00
Sharpe Ratio	1.49	1.53

Portfolio Characteristics	Portfolio	Index
Weighted Avg. Cap (\$ Millions)	138,852	168,789
Active Share	48	NA
P/E (next 12 mos.)	18.93	19.47
EPS Growth (3-5 Year Estimate)	9.91	10.77
Price to Cash Flow	15.64	16.11
ROA (%)	6.95	7.14
Dividend yield	2.36	2.01
PEG Ratio (next 12 mos.)	2.00	2.03

Glossary of Terms:

Standard Deviation — A measure of the degree to which an individual probability value varies from the distribution mean. The higher the number, the greater the risk.

Tracking Error — A measure of how closely the returns of a fund tend to follow the returns of the index to which it is benchmarked; specifically, the variability of excess returns around the average.

Information Ratio — The ratio of excess returns above a market index to the variability of those excess returns; in effect, describing the value added from active management in relation to the risk taken in achieving those returns.

Alpha — A measure of risk-adjusted performance; expressed as an annualized rate, it is the return that would have been realized by the manager over a measurement period if the return for the market were zero.

Beta — The sensitivity of a portfolio's returns to changes in the return of the market as measured by the index or benchmark that represents the market. A beta of 1.0 behaves exactly like the index. Beta less than 1.0 suggests lower risk than the index; greater than 1.0 indicates a risk level higher than the index.

R-Squared — The proportion of the variation in a portfolio's returns that can be explained by the variability of the returns of an index. High R-Squared (close to 1.0) is usually consistent with broad diversification.

Sharpe Ratio — A risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe Ratio, the better the fund's historical risk-adjusted performance.

Weighted Average Market Capitalization — The value of a corporation as determined by the market price of its issued and outstanding common stock.

P/E (next 12 months) — Calculates the price of a stock divided by its earnings per share.

EPS Growth (3-5 Year Estimate) — The portion of a company's profit allocated to each outstanding share of common stock EPS growth serves as an indicator of a company's profitability.

Price to Cash Flow — The ratio of a stock's price to its cash flow per share. The price-to-cash flow ratio is an indicator of a stock's valuation.

ROA — An indicator of how profitable a company is relative to its total assets. ROA gives an idea as to how efficient management is at using its assets to generate earnings.

Dividend Yield — A financial ratio that shows how much a company pays out in dividends year relative to its share price.

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.

⁽²⁾ For information purposes only and not a recommendation to purchase or sell any security. The sector, security and holdings information is based on a representative portfolio included in the Composite that we believe best represents this investment management style. It should not be assumed that the adviser continues to hold the securities listed. Other accounts in the Composite might have slightly different portfolio characteristics. Returns-based characteristics are based on the Composite returns. Composite information is subject to change at any time.

Schedule of Composite Performance (%)

Year	"Pure" Gross Returns	Net Returns	S&P 500 Index Returns	Composite 3-Yr St Dev	Benchmark 3-Yr St Dev	Dispersion of Portfolio Returns		Number of Portfolios	Assets in this Composite (\$mm)	Total Firm Assets (\$mm)
						High	Low			
2016	12.32	11.87	11.96	10.91	10.59	12.32	12.32	≤5	918	99,889
2015	-0.69	-1.09	1.38	10.94	10.47	-0.69	-0.69	≤5	885	94,574
2014	14.39	13.94	13.69	8.89	8.97	14.39	14.39	≤5	756	100,577
2013	34.66	34.13	32.39	12.26	11.94	34.66	34.66	≤5	510	93,084
2012	17.05	16.59	16.00	15.64	15.09	17.05	17.05	≤5	364	76,532
2011	2.77	2.36	2.11	19.61	18.71	2.77	2.77	≤5	10	65,776
2010	16.13	15.67	15.06	22.68	21.85	16.12	16.12	≤5	10	60,236
2009	33.18	32.66	26.46	20.38	19.63	33.49	32.69	≤5	15	61,643
2008	-36.44	-36.70	-37.00	15.50	15.08	-36.25	-36.25	≤5	10	56,044
2007	6.01	5.59	5.49	8.08	7.68	6.06	6.00	≤5	28	74,322

Voya Investment Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. Voya Investment Management has been independently verified for the period January 1, 1996, through December 31, 2015. Verification assesses whether (1) the firm has complied with all of the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The verification report is available upon request.

Notes:

Firm Definition: Voya Investment Management (the "Firm") is defined as all discretionary accounts managed by Voya Investment Management Co. LLC and its subsidiary Voya Investment Trust Co., but not including collateralized debt obligation structures, long/short hedge funds, structured mortgage derivative portfolios, or specialized accounts supporting the reinsurance arrangements of affiliated insurance companies. Effective May 1st, 2014, the firm changed its name from ING Investment Management to Voya Investment Management. No changes to composites nor to investment groups & processes resulted from this event.

Composite Definition: This is a disciplined, equal weighted strategy designed to outperform the S&P 500 Index by investing 1% in each of the 100 companies in the S&P 500 Index. The Fund's investment portfolio will be rebalanced quarterly to re-align the Fund's holdings to 1% weightings. Portfolio valuations and returns for this composite are computed and stated in U.S. dollars. A \$1 million minimum has been set for inclusion in the composite. The name of this composite changed in May 2014. The composite was formerly known as the ING Corporate Leaders 100 Equity Composite. This composite was inceptioned and created on January 1, 2004.

Benchmark Definition: Returns are benchmarked to the S&P 500 Index, which does not incur management fees, transaction costs, or other expenses associated with a

composite portfolio. The S&P 500 is a market-capitalization-weighted index of 500 large cap U.S. equities considered to be leading companies in leading industries.

Treatment of Fees & Expenses: 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 annual returns shown. The hypothetical management fee is equal to the highest fee from any fee schedule offered at the time for the strategy shown. While fee schedules can change over time, any amended fee resulting from a change will not be retroactively applied to performance history, but will rather be applied on a prospective basis from the point of change. The annual management fee will vary according to the size of the account, and will depend on the type of investment vehicle selected. The current fee schedule for this strategy is: 0.50% on the first \$500 million; 0.45% on the next \$500 million; and 0.40% over \$1 billion. However, fee schedules may differ for pooled trusts or other types of investment vehicles. Further information regarding applicable fee schedules is available upon request.

Explanation of Risk Measures: "Dispersion of Portfolio Returns" presented for each annual period is based on gross-of-fees returns and is equal to the highest and lowest annual return among the portfolios that are included in the composite for the full year. "Composite 3-Yr St Dev" and "Benchmark 3-Yr St Dev" are rolling 3-year standard deviation calculations, which measure the variability of the monthly performance returns for the composite and benchmark index return over the preceding 36-month period on an annualized basis. If the composite has not been in existence for at least 3 years as of a particular year-end, then "NA" will be displayed.

Other Notes: Policies for valuing portfolios, calculating performance, and preparing compliant presentations, as well as a complete list of composite descriptions, are available upon request. Past performance is no guarantee of future results.

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Past performance does not guarantee future results.

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