Voya Enhanced Yield Fixed Income SMA

Strategy-At-A-Glance	
Objective[1]	Seeks to generate more income than pure investment grade, while preserving principle, by adding selective high yield bond exposure: Greater performance than pure investment grade portfolios Lower performance volatility than pure high yield portfolios
Inception Date	07/01/01
Benchmark	Custom Benchmark[2]

[1] There is no guarantee that this objective will be achieved.
[2] Please see last page for the benchmark definition.

Strategy Overview

The Voya Enhanced Yield Fixed Income strategy seeks to maximize total return via a higher credit quality approach expressed through the use of Treasury, Agency, and Corporate Credit securities, both Investment Grade and Below, with 1-10 year maturities. The strategy targets greater income than pure investment grade while preserving principle by adding selective high yield bond exposure.

Investment Philosophy

We believe that intensive security level research paired with a broadly informed awareness of the economic and credit cycles are critical to identifying superior investment opportunities and managing downside risk.

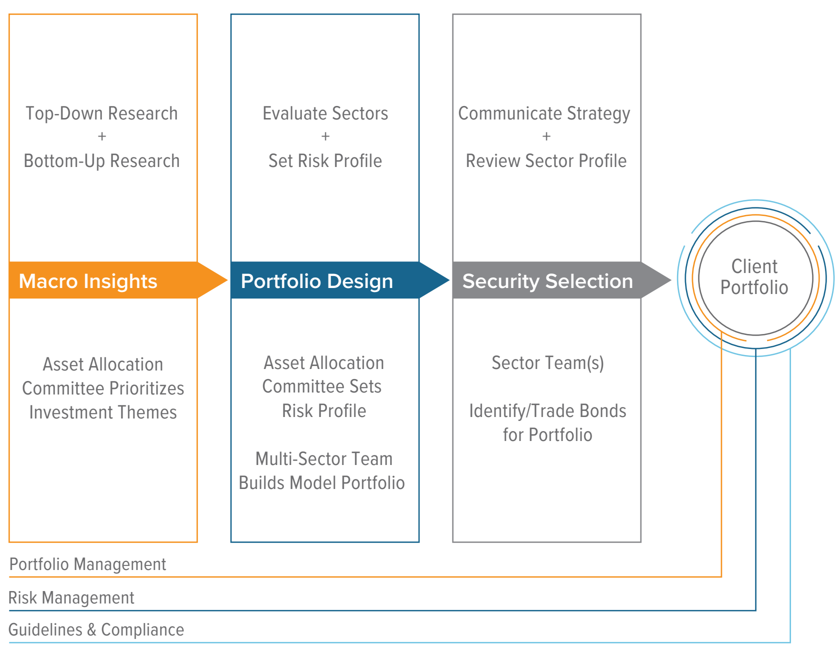
The following key beliefs underpin our investment philosophy:

- Security selection is a significant driver of risk and returns
- Nimble sector and sub-sector allocations capture relative value
- Risk management is critical throughout the entire investment process

These three key beliefs frame an integrated strategy that incorporates a dynamic blend of top-down and bottom-up approaches.

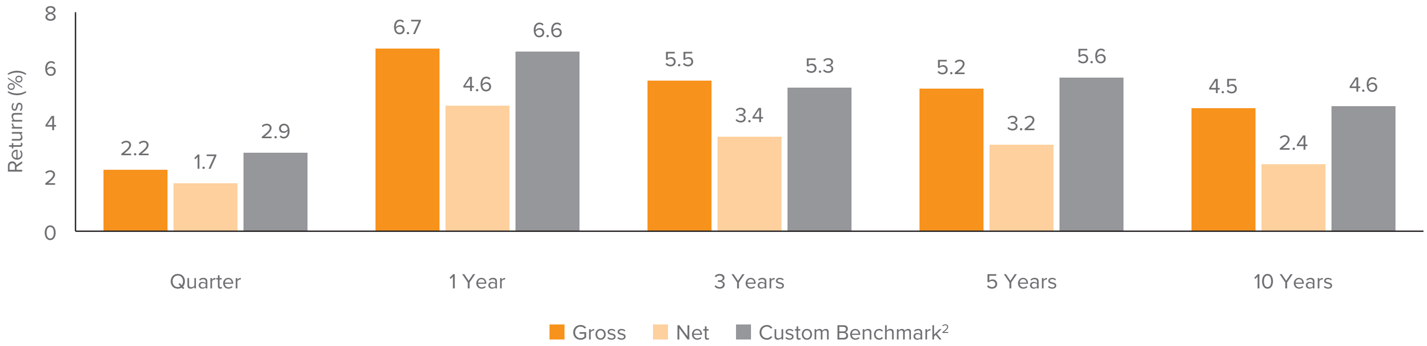
Investment Process

Supported by a seasoned team of over 200 fixed income professionals, our three-step process leverages the collective insights from across Voya's Fixed Income platform, incorporating both top-down and bottom-up research insights. First, our asset allocation committee deliberates and prioritizes investment themes impacting fixed income markets, and offers unencumbered views regarding sectors and overall risk posturing. Next, the Head of Global Rates & Macro, the Head of Fixed Income Research, and the Head of Multi-Sector Portfolio Management then build a model portfolio, incorporating client guidelines and objectives. Finally, individual sector teams are then responsible for identifying and trading specific bonds.



Performance[3]

Voya Enhanced Yield Fixed Income SMA Composite



Investment Commentary

For the quarter, the Voya Enhanced Yield Fixed Income SMA underperformed its benchmark with positive return even as rates rose for the quarter. The benchmark is a blended index consisting of 60% of the Bloomberg Barclays Intermediate U.S. Government/Credit index and 40% of the ICE Bank of America Merrill Lynch U.S. High Yield Master II Constrained index. Sector allocation added to performance, while security selection detracted.

The portfolio remained overweight in high-quality corporate bonds versus an underweight to U.S. Treasury bonds. Corporate exposure was concentrated in less-aggressive, liquid and higher credit quality debt issues. While the decision to overweight investment-grade (IG) and high-yield (HY) corporates versus the benchmark added to relative results, some of the individual securities detracted as lower-quality securities performed better in 4Q20 than higher-quality securities, thereby offsetting the asset allocation gain over the period. The U.S. Treasury allocation also added to results.

Yields rose and spread sectors continued their outperformance in the final quarter of 2020. The U.S. and global economies showed signs of re-emerging from challenges earlier in the year, and the approval of two vaccines extended the outperformance of risks assets and triggered a cyclical rotation favoring sectors that had been lagging in the summer rebound. U.S. GDP rose 33.4% on an annualized basis in the third quarter (after a decline of -31.4% in the second quarter) and U.S. unemployment levels declined to 6.7% in November, albeit at a slower pace, but a meaningful reduction from the peak level of 14.7% recorded in April. Fiscal stimulus, varying levels of re-openings around the country and simply adjusting to living in a "Covid world" supported healing in the economy. While the U.S. elections were expected to be the center of attention, the announcement of two vaccines and their rapid approval by the Food and Drug Administration (FDA) stole the spotlight. The news from both Moderna and Pfizer fueled hope for a return to normalcy and added momentum to the demand for risk assets.

Heading into 2021, the market backdrop for cyclical sectors is extraordinarily positive. We believe consumers, supported by excess savings, robust net worth and additional fiscal aid, will drive a recovery in discretionary spending, leading to a full re-engagement of the service sector as the vaccine rollout becomes more widespread. The recovery in services spending, coupled with resilience in goods demand, should usher in an extended period of synchronous, above-trend global growth, easing pressures on the income divide.

In the near-term, cyclical sectors are relatively attractive. We believe that a rebound in economic growth, fostered by fiscal and central bank support, will push yield spreads uncomfortably tight in 2021. However, we also recognize the market seems to be very aligned on the near-term positive direction of risk assets. This one-way sentiment opens the door for volatility. The vaccine news is overwhelmingly positive, and we believe the vaccine ultimately will succeed. However, the potential for episodic market stresses, whether connected to the vaccine or other global factors, should not be overlooked.

The heavy use of economic stabilizers creates vulnerability to shocks and will leave investors exposed to increasingly asymmetric risk profiles. Security selection, which is always important, will be critical, as the dispersion between "winning" and "losing" investments within sectors will remain extremely wide. Diversification and careful analysis of cyclical versus structural factors are necessary to mitigate downside risks and prepare portfolios for the income-starved world we face ahead.

[2] Please see last page for the benchmark definition.

[3] "Gross Returns" are presented before the deduction of transaction costs and should be used as Supplemental Information only. Prior to January 2007, net-of-fee returns presented reflect the deduction of actual fees paid by each account in the composite. After January 2007, net-of-fees returns presented are calculated by subtracting a hypothetical maximum total wrap fee (estimated at 2.00% per annum) from the monthly "pure" gross-of-fees returns. The total wrap fee includes transaction costs, portfolio management, investment advisory, custodial and other administrative costs. Wrap fees vary amongst brokerage firms and may be negotiated based on account size and other factors. The hypothetical maximum total wrap fee used is deemed to be the maximum fee charged to any composite account but we cannot guarantee accuracy. More information about fees can be found in the Form ADV Part II of Voya Investment Management Co.

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. 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.

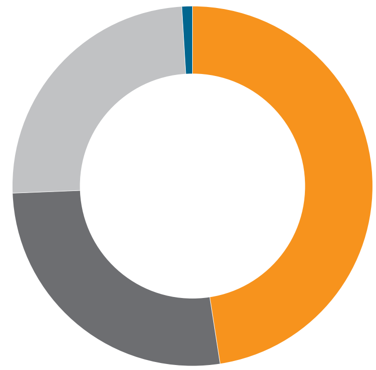
Portfolio Highlights

Returns-Based Characteristics (5 years ending 12/31/20)	Composite	Custom Benchmark[2]
Standard Deviation (%)	3.15	3.65
Tracking Error (%)	1.01	–
Information Ratio	-0.40	–
Alpha (annualized %)	0.34	–
Beta	0.83	1.00
R-Squared	0.93	1.00
Sharpe Ratio	1.28	1.22

Credit Quality (%)	Portfolio	Custom Benchmark[2]
Treasuries/Cash	24.68	34.61
AAA	0.95	4.13
AA	6.25	2.03
A	12.22	8.89
BBB	8.36	10.61
BB	35.07	21.36
B	10.32	13.09
<B	2.17	5.28
Not Rated	0.00	0.00

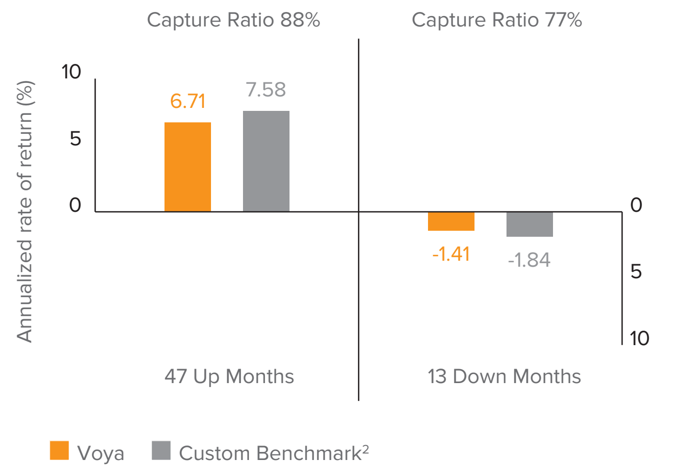
Top Ten Credit Exposures (%)	Portfolio
Olin Corp.	2.58
HCA Inc.	2.48
Crestwood Midstream Partners LP.	2.23
MDC Holdings, Inc.	2.20
Cedar Fair L.P.	2.17
APACHE CORP	2.16
SLM Corp.	2.09
PulteGroup Inc.	2.08
Goodyear Tire & Rubber Company	2.08
Dish DBS Corp.	2.05

Top Sector Allocation (%)



	Voya	Custom Benchmark[2]
HY Corporates	47.55	39.31
IG Corporates	26.83	19.88
US Treasury & Cash	24.68	34.61
Government Related	0.95	4.95
Emerging Markets	0.00	1.23
Privates	0.00	0.02

Up / Down Capture Ratio



[2] Please see last page for the benchmark definition.

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 do not apply to the Fund itself or to the Fund shares. 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).

The return-based characteristics presented are based on the gross-of-fee composite returns. 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. **Past performance does not guarantee future results.** Totals may not equal due to rounding.

Portfolio Managers

Matt Toms, CFA
Chief Investment Officer, Fixed Income
Years of experience: 27
Years with firm: 12

Bob Kase, CFA
Senior Portfolio Manager
Years of experience: 37
Years with firm: 14

Randy Parrish, CFA
Head of Credit
Years of experience: 31
Years with firm: 20

Voya Investment Management

Voya Investment Management is the asset management business of Voya Financial, a Fortune 500 company with over 6,000 employees seeking to help clients plan, invest and protect their savings. Voya Investment Management manages approximately $247 billion* in assets across fixed income, senior loans, equities, multi-asset strategies and solutions, private equity, and real assets. Drawing on over 40 years of experience and the expertise of 250+ investment professionals, the firm's capabilities span traditional products and solutions as well as those that cannot be easily replicated by an index.

At Voya Investment Management, a heritage of partnership and innovation serves clients at every step. Our award winning culture is deeply rooted in a client-centric approach to help investors meet their goals — from insurance companies, corporate and public pension funds, sovereign wealth funds, endowments and foundations, and consultants to intermediaries, as well as individual investors.

*As of 09/30/20. Voya IM assets are calculated on a market value basis and include proprietary insurance general account assets of $66 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 strategy may invest in mortgage-related securities, which can be paid off early if the borrowers on the underlying mortgages pay off their mortgages sooner than scheduled. If interest rates are falling, the strategy will be forced to reinvest this money at lower yields. Conversely, if interest rates are rising, the expected principal payments will slow, thereby locking in the coupon rate at below market levels and extending the security's life and duration while reducing its market value. High yield bonds carry particular market risks and may experience greater volatility in market value than investment grade bonds. Foreign investments could be riskier than U.S. investments because of exchange rate, political, economics, liquidity, and regulatory risks. Additionally, investments in emerging market countries are riskier than other foreign investments because the political and economic systems in emerging market countries are less stable.

Returns are benchmarked to a customized blend of 60% Bloomberg Barclays Intermediate Gov/Credit Index & 40% Bank of America US High Yield Master II Constrained Index, rebalanced on a monthly basis, which does not incur management fees, transaction costs, or other expenses associated with a composite portfolio. Securities prices used to value the benchmark index for the purposes of calculating total return may or may not differ significantly from those used to value securities held within composite portfolios. In December 2006, the High Yield portion of the custom-weighted benchmark was changed from the Citigroup High Yield Cash Pay Index to the Bank of America US High Yield Master II Constrained Index, effective from June 1, 2005 to the present. The reason for the change was due to a fundamental change in the composition of the Citigroup index that made it unrepresentative of the strategy's investment process.

Indexes do not reflect fees, brokerage commissions, taxes or other expenses of investing, and investors cannot directly invest in an index.

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(800) 992-0180 Individual Investors I (800) 334-3444 Investment Professionals
SMASB-SFI (0101-010121-ex042921) 163348