

Enhanced Total Return From a Quantitative Equity Strategy

Strategy overview

Emerging markets equity strategy seeks to maximize total return and generate higher income than the reference Index, using model-driven stock selection call options writing.

Key takeaways

- During the quarter, the Fund benefited from the performance of the core model, where four pillars had positive impact (particularly sentiment).
- Strong performance in emerging market technology stocks (especially in China) has helped emerging market (EM) assets despite tariff-driven volatility.
- New tariffs implemented by the U.S. and China's retaliatory measures have substantially increased costs for companies involved in bilateral trade, and the broader impact is likely to affect China's foreign trade and its economy in the coming quarters.

Portfolio review

For the quarter, the Fund provided a total return of 4.53% on a net asset value basis, and a total return of 8.78% on a market price basis. The Fund's reference Index, the MSCI Emerging Markets Index, returned 2.93%.

Equity Portfolio

The equity sleeve outperformed the reference Index, primarily due to the core model where four out of the five pillars had a positive impact, with sentiment being the strongest performer. Dividend yield contributed modestly and stock selection effects had a positive impact.

On the sector level, stock selection within the consumer discretionary, financials and communication services sectors contributed. Conversely, selection in the industrials, health care and information technology sectors detracted. Regionally, selection in European—Non-Euro regions contributed the most and selection in Asia Ex-Japan detracted.

At the individual stock level, the key contributors were the not owning Delta Electronics (Thailand) Public Co. and overweight positions in TIM S.A. as well as Centrais Electricas Brasileiras. Conversely, the largest detractors were the underweight position in Alibaba Group Holding Ltd., the overweight in HCL Technologies Ltd. and not owning Hanwha Aerospace Co.

An investor should consider the investment objectives, risks, charges and expenses of the Fund(s) carefully before investing. For a free copy of the Fund's prospectus or summary prospectus, which contains this and other information, visit us at www.voyainvestments.com or call (800) 992-0180. Please read all materials carefully before investing.

Option Portfolio

The Fund's covered call strategy seeks to generate premiums and retain some potential for upside appreciation. This strategy was neutral to returns during the period. The Fund typically implements this strategy by writing call options on the emerging markets (EM) exchange-traded fund (ETF). The strike prices of the options written are usually at or near the money, with expiration dates around one month at inception.

Current strategy and outlook

EM assets benefited from a rebound in Chinese equities driven by renewed fiscal stimulus, improving sentiment, and a significant recovery in large-cap technology stocks.

China's influence on EM performance remains significant, and ongoing pressures from the U.S.-China trade conflict will require close monitoring. Despite facing global economic challenges, China demonstrated resilience through strong export activity during the first quarter. However, this momentum is now at risk due to recent changes in U.S.-China trade relations. For many years, exports to the U.S. have been a cornerstone of China's economic growth, boosting manufacturing, generating jobs, and contributing to foreign exchange reserves. The situation took a sharp turn between February and April, as the U.S. imposed new tariffs and China responded with its own retaliatory measures. These actions have substantially increased the costs for companies involved in bilateral trade, and the broader impact is likely to affect China's foreign trade in the coming quarters.

Holdings detail

Companies mentioned in this report—percentage of portfolio investments, as of 03/31/25: Delta Electronics (Thailand) Public Co. 0.00%, TIM S.A. 0.44%, Centrais Electricas Brasileiras 0.49%, Alibaba Group Holding Ltd. 2.79%, HCL Technologies Ltd. 0.63% and Hanwha Aerospace Co. 0.00%; 0% indicates that the security is no longer in the portfolio. Portfolio holdings are subject to change daily.

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The **MSCI Emerging Markets (EM) Index** captures large and mid cap representation across 24 Emerging Markets (EM) countries. With 1,387 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. Index returns do not reflect fees, brokerage commissions, taxes or other expenses of investing. **Investors cannot invest directly in an index.**

All investing involves risks of fluctuating prices and the uncertainties of rates of return and yield inherent in investing. You could lose money on your investment and any of the following risks, among others, could affect investment performance. The following principal risks are presented in alphabetic order which does not imply order of importance or likelihood: China Investing Risks - Investing through Bond Connect; China Investing Risks - Investing through Stock Connect; China Investing Risks - Variable Interest Entities; Company; Currency; Derivative Instruments; Dividend; Environmental, Social, and Governance; Foreign (Non-U.S.) Investments/ Developing and Emerging Markets; Investment Model; Liquidity; Manager; Market; Market Capitalization; Market Disruption and Geopolitical; Operational; Option Writing; Other Investment Companies; Securities Lending. **Investors should consult the Fund's Prospectus and Statement of Additional Information for a more detailed discussion of the Fund's risks. The prospectus should be read carefully before investing. Consider the Fund's investment objective, risks, and charges and expenses carefully before investing.**

The Fund may purchase put and call options and may write (sell) put options and call options and is subject to Options Risk. The risk in writing a call option is that the Fund gives up the opportunity for profit if the market price of the security increases and the option is exercised. The risk in buying an option is that the Fund pays a premium whether or not the option is exercised. Risks may also arise from an illiquid secondary market or from the inability of counter-parties to meet the terms of the contract. When an option is exercised or closed out, the Fund may be required to sell portfolio securities or to deliver portfolio securities to satisfy its obligations when it would not otherwise choose to do so, or the Fund may choose to sell portfolio securities to realize gains to offset the losses realized upon option exercise. Such sales or delivery would involve transaction costs borne by the Fund and may also result in realization of taxable capital gains, including short-term capital gains taxed at ordinary income tax rates, and may adversely impact the Fund's after-tax returns.

The strategy employs a quantitative investment process. The process is based on a collection of proprietary computer programs, or models, that calculate expected return rankings based on variables such as earnings growth prospects, valuation, and relative strength.

Data imprecision, software or other technology malfunctions, programming inaccuracies and similar circumstances may impair the performance of these systems, which may negatively affect performance. Furthermore, there can be no assurance that the quantitative models used in managing the strategy will perform as anticipated or enable the strategy to achieve its objective.

The Fund discussed may be available to you as part of your employer sponsored retirement plan. There may be additional plan level fees resulting in personal performance to vary from stated performance. Please call your benefits office for more information.

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The opinions, views and information expressed in this commentary regarding holdings are subject to change without notice. The information provided regarding holdings is not a recommendation to buy or sell any security. Portfolio holdings are fluid and are subject to daily change based on market conditions and other factors. **Past Performance does not guarantee future results**

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