Voya Financial to acquire OneAmerica's retirement plan business

September 11, 2024

Forward-Looking and Other Cautionary Statements

This presentation and any accompanying remarks made orally contain forward-looking statements within the meaning of the Private Securities Reform Act of 1995. The company does not assume any obligation to revise or update these statements to reflect new information, subsequent events or changes in strategy. Forward-looking statements include statements relating to future developments in our business or expectations for our future financial performance and any statement not involving a historical fact. Forward-looking statements use words such as "anticipate," "believe," "estimate," "expect," "intend," "plan," and other words and terms of similar meaning in connection with a discussion of future operating or financial performance. Actual results, performance or events may differ materially from those projected in any forward-looking statement due to, among other things, (i) global market risks, including general economic conditions, our ability to manage such risks and interest rates; (ii) liquidity and credit risks, including financial strength or credit ratings downgrades, requirements to post collateral, and availability of funds through dividends from our subsidiaries or lending programs; (iii) strategic and business risks, including our ability to maintain market share, achieve desired results from our acquisitions and dispositions, or otherwise manage our third-party relationships; (iv) investment risks, including the ability to achieve desired returns and liquidate certain assets; (v) operational risks, including cybersecurity and privacy failures and our dependence on third parties; and (vi) tax, regulatory and legal risks, including limits on our ability to use deferred tax assets, changes in law, regulation or accounting standards, and our ability to comply with regulations. Factors that may cause actual results to differ from those in any forward-looking statement also include those described under "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations – Trends and Uncertainties" in our Annual Report on Form 10-K for the year ended December 31, 2023, as filed with the SEC on February 23, 2024, and in our Quarterly Report on Form 10-Q for the three and six months ended June 30, 2024, filed with the SEC on August 1, 2024.

This presentation and any accompanying remarks made orally contain certain non-GAAP financial measures. Non-GAAP measures used by the company include Adjusted Operating Earnings, Adjusted Operating Earnings Per Share, Net Revenue, Adjusted Operating Margin, and Financial Leverage. Information regarding these and other non-GAAP financial measures, including reconciliations to the most directly comparable GAAP financial measures, is provided in our quarterly earnings press releases and in our quarterly investor supplements, all of which are available at the Investor Relations section of Voya Financial's website at investors.voya.com

Transaction advances Voya's Workplace Solutions growth strategy

- **OneAmerica acquisition adds scale and a broader set of capabilities** to Voya's full-service business in Wealth Solutions, including $47B of assets in attractive emerging and mid-market segments, employee stock ownership plan (ESOP) capabilities and new opportunities for distribution partnerships

- **Adds significant adjusted operating earnings and free cash flows** driving an unlevered IRR significantly above cost of capital

- **Deal structured to limit impact on capital deployment plans.** 2024 excess capital return and existing debt refinance plans preserved. 2025 cash consideration and required capital to be funded by a portion of existing excess capital

Transaction overview

Adds Scale to Voya's Full-service Retirement Business while Providing New Strategic Capabilities

- OneAmerica grows Voya's Defined Contribution client assets to $580B from $519B while bringing total plan and participant count to 60K and 7.9M, respectively[1]
  - Adds material scale to strategically important full-service segments, including approximately $47B[1] of assets in the emerging and mid market
  - Extends our top positions in large markets by adding approximately $15B[1] of Recordkeeping assets
- Adds broader set of capabilities, including ESOP administration, and new opportunities for distribution partnerships
- Both organizations operate on the same core technology platform, which reduces execution risk
- Adds approximately $4B of spread-based AUM, growing Voya's general account to nearly $38B[1,2]

Financial Terms Drive Attractive Valuation

- Transaction expected to close on January 1, 2025
- Upfront purchase price of $50M
  - Deferred consideration of up to $160M payable in the second quarter of 2026, contingent on plan persistency and transition incentives
- Projected to deliver at least $75M of pre-tax adjusted operating earnings and over $200M of net revenue in first year post-closing
  - Structure and pricing of transition arrangements drives significant synergy benefit at close
- Unlevered IRR in excess of 30%, significantly above cost of capital

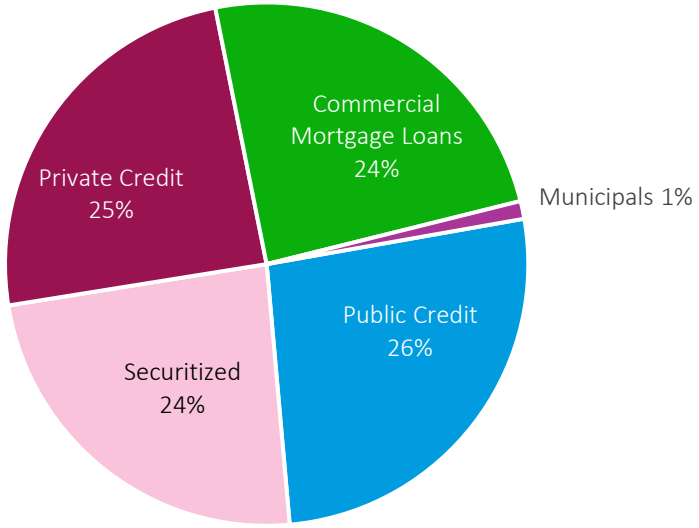
Structured to Limit Impact on Capital Deployment Plans

- Upfront consideration, RBC capital on general account business, and integration / transaction expenses total approximately $200M, expected to be funded with existing excess capital ($0.4B as of June 30, 2024)
  - Majority of deferred component of purchase price to be funded by earnings and cash flows of acquired business
- No impact to previously announced plan to refinance 2025 maturing debt
- Voya remains on track to return $800M of excess capital to shareholders in 2024

1. As of June 30, 2024
2. Based on Statutory Book Value, which will be adjusted to market value at closing date for the General Account Assets managed by our Investment Management Segment

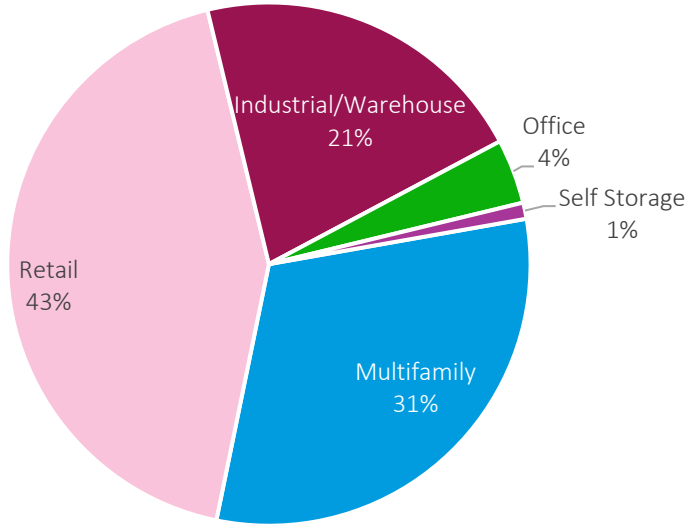
Conservative investment portfolio increases Voya's overall general account while maintaining high portfolio quality and enhancing diversification

OneAmerica Investment Account of approximately $4B[1] by Asset Types



- Portfolio contains no alternatives or equity exposure
- 1% of the block is below investment grade
- Improves Voya's high-quality portfolio, that is 96%+ investment grade

One America Retirement Commercial Mortgage Loans By Property Type



- 93% is rated CM1, significantly above the industry average of 46%
- 7% is rated CM2
- No mortgages are CM3 or lower, with no equity
- Low weighting of office mortgages
- Loan to Value ratio of 37%, highlights significant equity cushion
- Robust Debt Service Coverage Ratio ("DSCR") of 2.3x

1. Based on statutory book value as of June 30, 2024