

Voya Launches Innovative New Target Date Solution for Retirement Plan Participants

MyCompass Index supports Department of Labor guidance on target date funds, shielding fiduciary responsibility for plan sponsors

New offering will complement Voya's existing target date fund solutions managed by Voya Investment Management

WINDSOR, Conn.--(BUSINESS WIRE)-- Voya Financial, Inc. (NYSE: VOYA), announced today that its Retirement business has added a new target date fund solution. Designed by flexPATH Strategies Inc., MyCompass Index is now available to all of Voya's retirement plan customers. The innovative new solution is designed to address the unique retirement needs of all individual plan participants.

Target date funds (TDFs) are generally a crucial aspect of a retirement plan's investment lineup, reaching \$2.1 trillion in assets under management in employer-sponsored defined contribution plan accounts at the end of 2017, which according to industry data is up from \$1.3 trillion in 2015.¹ Growing even more in popularity are custom TDFs, which represented an estimated \$430 billion, or 20%.²

"As one of the most widely used investment options in defined contribution plans, target date funds provide a relatively simple way for Americans to save and invest for retirement," said Charlie Nelson, CEO of Retirement and Employee Benefits at Voya Financial. "However, we recognize that many individuals have diverse financial goals and risk tolerances, which may not be defined by a date alone. MyCompass Index combines the ease of target date fund selection with the unique needs of plan participants. This innovative new solution underscores Voya's commitment to providing meaningful, holistic financial wellness solutions that can help all Americans reach a secure financial future."

Voya's MyCompass Index leverages the expertise of flexPATH retirement planning capabilities along with fund management from well-known experts in the marketplace, including Voya's own industry leading stable-value capabilities. In addition to a competitive expense structure and integrated enrollment experience, the solution also offers participants added protection against market volatility and uncertainty.

MyCompass Index includes the following key features and benefits:

- **Multiple Participant Glide Paths:** MyCompass Index offers three unique glide paths —conservative, moderate and aggressive — to address the unique retirement needs of individual participants. This approach allows participants to have highly tailored portfolios that more closely match their individualized risk tolerance and time until retirement. This also gives advisors and plan sponsors the ability to offer customization based on a participant's feelings about risk, while not having to choose a single glide path for their plan.
- **Fund Name Transparency:** In addition to selecting the year in which a participant plans to retire (as one

does with a traditional TDF), participants are asked to review their total savings rate, average account balances and risk tolerance based on their individual situation, creating a “plan profile” for the participant. The customized fund name combines one’s retirement year and plan profile, offering a simple understanding of their selection. For example, by choosing the fund “MyCompass Index Aggressive 2025,” individuals have a clear indication of the risk assumptions they are undertaking.

- **Fiduciary Protection:** Due to the prevalence of TDFs in the marketplace, the Department of Labor (DOL) has issued guidance to help protect fiduciaries and guide them to make more-cautious decisions, which can ultimately have a significant impact on participants. MyCompass Index offers increased support and protection around TDFs, shielding the fiduciary responsibility for plan sponsors to select and monitor investment funds for participants.

“We understand that no two individuals are alike when it comes to planning for their future,” added Jeff Cimini, senior vice president, Retirement Product Management at Voya Financial. “The reality is that most plan sponsors and their participants today are looking for investment solutions that are more tailored to their individual needs. We’re excited to offer the new MyCompass Index solution to our participants as it provides a unique saving solution that is truly focused on the individual, helping them to secure the best possible retirement outcome.”

The new MyCompass Index solution further complements Voya’s current TDF solutions offered through Voya’s own asset manager, Voya Investment Management. Providing a unique approach that gives investors tremendous value by breaking free from the confines of traditional target date design, Voya’s TDF offerings have experienced significant growth over the years, with assets increasing from \$10.5 billion to \$16.5 billion over the past five years (as of June 30, 2019). Recognizing their value and the benefits of collaborating with retirement plan customers, Voya’s data shows approximately 80% of its new Small-Mid Corporate Market 401(k) plan participants select Voya TDFs.³

In addition to investment choices, Voya also believes it’s important to drive changes in behavior and action through a multi-channeled approach to improve one’s financial well-being — with engaging experiences and solutions. As such, the company continues to invest in its suite of digital retirement planning services including a digital **financial wellness experience**, **special needs planning tools** and **personalized account videos**.

As an industry leader and advocate for greater retirement readiness, Voya Financial is committed to delivering on its vision to be America’s Retirement Company® and its mission to make a secure financial future possible — one person, one family, one institution at a time.

1. Research from the Defined Contribution Institutional Investment Association (P&I: **Target-date fund strategies rise in popularity – DCIIA survey**, March 20, 2019).
2. Ibid.
3. Voya Small-Mid Corporate Market plan sponsor data (Dec. 31, 2018).

About Voya Financial®

Voya Financial, Inc. (NYSE: VOYA), helps Americans plan, invest and protect their savings — to get ready to retire better. Serving the financial needs of approximately 13.8 million individual and institutional customers in the United States, Voya is a Fortune 500 company that had \$8.5 billion in revenue in 2018. The company had \$560 billion in total assets under management and administration as of June 30, 2019. With a clear mission to make a secure financial future possible — one person, one family, one institution at a time — Voya’s vision is to be America’s Retirement Company®. Certified as a “Great Place to Work” by the Great Place to Work® Institute, Voya is equally committed to conducting business in a way that is socially, environmentally, economically and ethically responsible. Voya has been recognized as one of the 2019 World’s Most Ethical Companies® by the Ethisphere Institute; as a member of the Bloomberg Gender Equality Index; and as a “Best Place to Work for Disability Inclusion” on the Disability Equality Index by Disability:IN. For more information, visit voya.com. Follow Voya Financial on **Facebook**, **LinkedIn** and Twitter **@Voya**.

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