

# Focus on quality in growth equities

Many investors are seeking some type of growth for their portfolios but finding it, in light of economic uncertainty, can be a challenge. Today, it can feel like we have more questions than answers. Concerns about a possible recession, inflationary pressures, and geopolitical issues are all present in today's economy. How this translates to the stock market over the coming year is difficult to predict. Focusing on quality growth is one way equity investors can find some predictability and earnings consistency, at a time when uncertainty and market volatility is high.

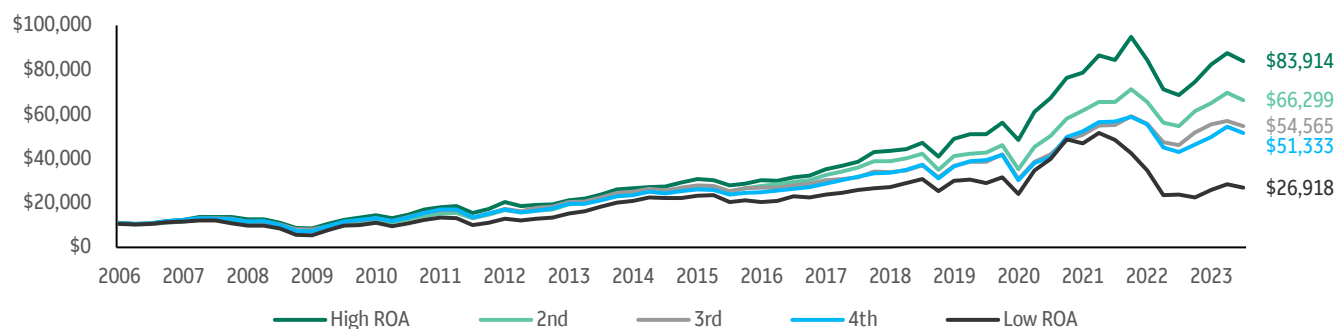
**Quality investing is easy to talk about but difficult to do well because of innate behavioral biases. By first focusing on durable quality characteristics, investors may be able to tip the scales in their favor.**

## Focus on quality first

Focusing on quality measures is one way equity investors can find some predictability and earnings consistency, when uncertainty and market volatility are high. We believe companies exhibiting profitability, competitive advantages, and durable pricing power are best suited in this particular environment.

## High quality outperforms over the long run

High-quality, profitable companies, as measured by return on assets (ROA), have proven to stand the test of time, through good periods and difficult ones, to provide competitive total returns with lower downside volatility.



Source: FactSet. Data as of September 30, 2023. Chart uses the Russell 1000 Growth Index. Equally weighted, rebalanced quarterly. Chart is for illustrative purposes only. **Past performance is not a guarantee of future results.**

## Investment solutions to consider

### Delaware Ivy Large Cap Growth Fund (IYGIX)

Overall Morningstar Rating™



A time-tested process applied to a dynamic ever-evolving environment intended to capitalize on market inefficiency.

### Delaware Ivy Mid Cap Growth Fund (IYMIX)

Overall Morningstar Rating™



Long-term focus of owning enduring business models over multi-year periods.

Source: Morningstar. Data as of December 31, 2023 unless otherwise noted. Morningstar ranking is based on Morningstar risk-adjusted return measure that accounts for variation in a managed product's monthly excess performance. **Past performance is no guarantee of future results.** See below for additional ranking information.

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For more information, call **877 693-3546** or contact your regional director.

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**Investing involves risk, including the possible loss of principal.**

**Carefully consider the Funds' investment objectives, risk factors, charges, and expenses before investing. This and other information can be found in the Funds' prospectuses and summary prospectuses, which may be obtained by visiting [delawarefunds.com/literature](https://delawarefunds.com/literature) or calling 800 523-1918. Investors should read the prospectuses and summary prospectuses carefully before investing.**

Diversification may not protect against market risk.

Risk is increased in a concentrated portfolio since it holds a limited number of securities with each investment having a greater effect on the overall performance. • The disruptions caused by natural disasters, pandemics, or similar events could prevent the Fund from executing advantageous investment decisions in a timely manner and could negatively impact the Fund's ability to achieve its investment objective and the value of the Fund's investments.

The Russell 1000 Growth Index measures the performance of the large-cap growth segment of the US equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

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(including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-end mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. **IYGIX rated 5, 4, 4 and 5 stars for the overall, 3-, 5-, and 10-year periods among 1118, 1118, 1031 and 810 Large Growth funds, respectively. IYMIX rated 4, 3, 4 and 4 stars for the overall, 3-, 5-, and 10-year periods among 523, 523, 492 and 395 Mid-Cap Growth funds, respectively.** The calculation is based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance. **Past performance does not guarantee of future results.**

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