Quarterly Factsheet

December 31, 2019

Mid Cap Growth Equity

Bottom-up, research-intensive approach to build diversified portfolios of companies with projected strong earnings growth on an intermediate-term basis

Strategy Overview

Firm AUM:	$173.2B
Strategy AUM:	$2.6B
Inception Date:	December 31, 1996
Number of Holdings:	Typically 80-90
Benchmark:	Russell Midcap® Growth Index
Available Vehicles:	▪ Institutional Separate Account ▪ US Mutual Fund ▪ Managed Account

Team Members

Portfolio Managers

Average Industry Experience: 26 years

John P. Mullman, CFA   Benjamin F. Bryan, CFA

Sheetal M. Prasad, CFA

Dedicated Analysts: 6

Average Industry Experience: 17 years

Highlights

- We have a deep and experienced team dedicated to our small and midcap strategies, focused on understanding business models and investing in companies with long-term appreciation potential.
- We believe we can outperform by owning businesses with above average EPS growth that generally have the following characteristics:
  - Sustainable and/or improving earnings growth over the investment horizon
  - Strong business fundamentals
  - Stable and enduring franchise value
- We look for companies transitioning from early-stage growth to a more mature, seasoned level of performance.
- We seek to own these “high quality” businesses at attractive valuations. In our opinion, the market often under-appreciates the performance of steady growth companies.
- A research-intensive approach is used to build diversified portfolios with stocks in a variety of industries and sectors.
- We conduct a hands-on qualitative assessment of the company’s business model that typically includes meetings with company management, suppliers, customers and other industry experts.
- Our underlying philosophy is to buy businesses rather than just stocks.

Performance	4Q19	Full Year 2019	3 Years	5 Years	10 Years	Since Inception
Mid Cap Growth Equity Composite (Gross)	6.6%	38.5%	16.5%	10.3%	13.0%	11.4%
Mid Cap Growth Equity Composite (Net)	6.5	38.1	16.2	10.0	12.7	11.1
Russell Midcap® Growth Index	8.2	35.5	17.4	11.6	14.2	9.4

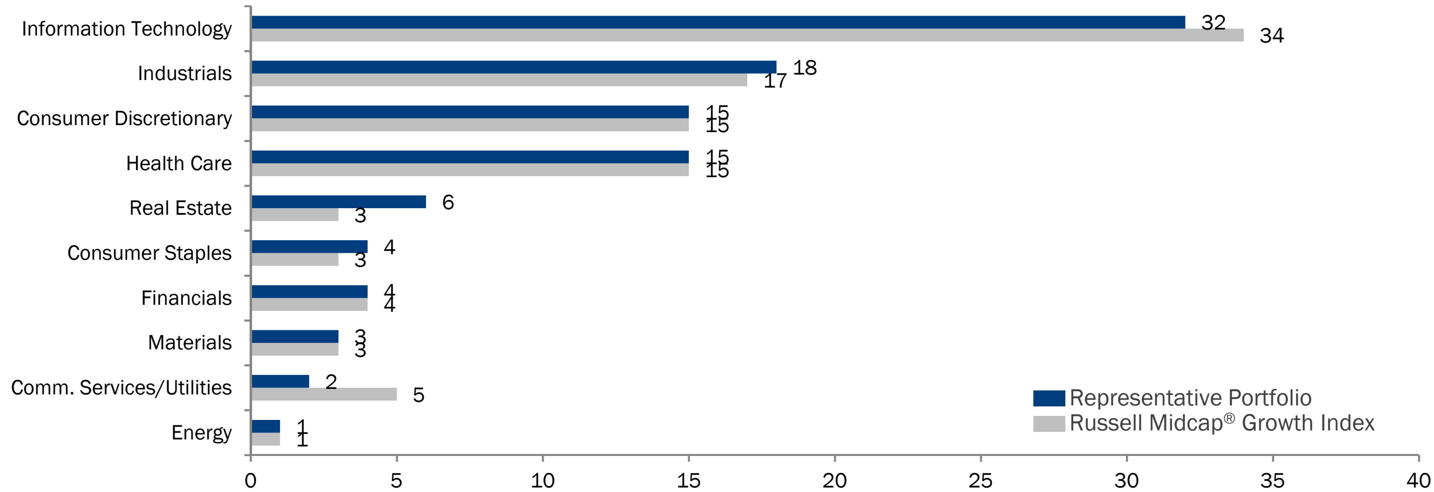
Past performance does not guarantee future results. *Source: Jennison/Mellon Analytical Solutions. Inception of Mid Cap Growth Equity Composite: 12/31/96. Periods greater than one year are annualized. See disclosures for important information.*

Jennison Associates LLC
www.jennison.com
support@jennison.com

466 Lexington Avenue, New York, New York 10017   tel: 212-421-1000
One International Place, Suite 4300, Boston, MA 02110   tel: 617-345-6850

50 YEARS OF INVESTMENT EXCELLENCE

Sector Allocation



Source: Jennison/Melon Analytical Solutions. Cash excluded. See disclosures for important information.

Equity Characteristics

	Representative Portfolio	Russell Midcap® Growth Index
EPS Growth 2019E	10%	12%
EPS Growth 2020E	16%	11%
P/E 2019E	28x	29x
P/E 2020E	25x	26x
Weighted Avg. Market Cap	$25.51 bil.	$19.86 bil.
Median Market Cap	$18.44 bil.	$9.49 bil.
Dividend Yield	0.71%	0.73%
Number of Holdings	77	403

Source: Jennison/Melon Analytical Solutions. See disclosures for important information.

Largest Holdings

Fidelity National Information Services	2.7%
Fiserv	2.6
Marvell Technology	2.5
Global Payments	2.4
AMETEK	2.3
IQVIA	2.2
CBRE	2.1
Hill-Rom	2.1
Quanta Services	2.0
Centene	2.0
	23.0%

Source: Jennison. See disclosures for important information.

Largest Absolute Impact (4Q19)

Top Five	Average Weight	Total Return	Contribution to Return
Centene	1.7%	45%	66 bps
DexCom	1.1	47	49
Splunk	1.6	27	37
Hilton Worldwide	1.7	19	33
Global Payments	2.2	15	32

Bottom Five	Average Weight	Total Return	Contribution to Return
Sage Therapeutics	0.3%	-51%	-24 bps
Dollar Tree	1.0	-18	-22
Pinterest	0.5	-30	-18
Proofpoint	1.4	-11	-18
Arista Networks	0.2	-22	-15

***Past performance does not guarantee future results.** Source: FactSet. The holdings identified do not represent all of the securities purchased, sold or recommended by Jennison during the time period shown. A complete list of holdings and how each contributed to the representatives portfolio's return is available upon request. See disclosure for important information.*

Jennison Associates LLC
www.jennison.com
support@jennison.com

466 Lexington Avenue, New York, New York 10017
One International Place, Suite 4300, Boston, MA 02110

tel: 212-421-1000
tel: 617-345-6850

Performance Review

The Mid Cap Growth Equity Composite (composite) underperformed in the fourth quarter as our lower beta strategy did not keep pace with the very strong 8.2% return of the Russell Midcap® Growth Index's (index). Midcap stocks underperformed small and large caps, while growth outperformed value across capitalizations. In the index, health care and information technology gained the most ground, while materials declined.

In the representative portfolio (portfolio), stock selection in industrials, information technology, and consumer discretionary detracted the most from performance. In information technology, semiconductors drove the shortfall while our retail names hurt results in consumer discretionary.

Holdings in materials and consumer staples were the largest source of relative gain driven respectively by names in chemicals and food products.

Despite giving back some relative performance in the fourth quarter, the composite outperformed the Russell Midcap® Growth Index's (index) very strong 35.5% gain in 2019.

Key Contributors

Centene focuses on serving people who receive health care through publicly sponsored programs, primarily Medicaid. The company has what we consider an impressive track record of expanding its Medicaid business and significant additional opportunities in high-acuity programs that serve senior and disabled populations. In addition, Centene's Affordable Care Act (ACA)-related commercial exchange business is highly profitable, and the company is increasingly focused on the Medicare market. The firm recently acquired WellCare, another leading managed-care provider focused on government programs. In our view, Centene's best-in-class Medicaid and Exchange platform combined with WellCare's scale in Medicare position the combined company for sustainable, long-term organic revenue and earnings growth. A shift in political rhetoric away from Medicare-for-All as well as better than expected Wellcare performance drove shares higher.

DexCom designs, develops, and sells continuous glucose monitoring (CGM) systems that eliminate the need for people with diabetes to test their blood glucose levels through finger sticks. CGMs measure glucose levels every few minutes through a tiny sensor inserted under the skin and wirelessly transmit the information to a monitor. With the launch of the G6 CGM last year, DexCom is a clear technological leader in the industry. As US CGM penetration is in its nascent stages (only about 10-15% penetrated), the market has significant room to grow. Opportunities are likewise attractive outside the US, where penetration rates are even lower. We expect the company's focus on margins and profitability to drive mid-teens operating margins over the next several years. Third-quarter earnings and revenue surpassed expectations by wide margins, and DexCom raised its full-year revenue guidance above consensus forecasts.

Splunk makes software that allows businesses to mine and analyze burgeoning amounts of digital data ("big data") from a vast array of sources, including applications, servers, mobile devices, and websites. We view the company as well positioned to benefit from the emergence of operational intelligence, which has the potential to disrupt traditional information technology spending. We expect long-term growth to be driven by the company's evolving use cases and expanding platform. Splunk's fiscal third-quarter earnings, revenue, license revenue, and billings all exceeded expectations. Guidance for fourth-quarter and full-year revenue likewise surpassed consensus forecasts.

Key Detractors

Sage Therapeutics fell on news that in a Phase 3 clinical trial in major depression (MDD), SAGE-217 failed to meet the study's primary endpoint of a statistically significant reduction in patient Hamilton Rating Scale for Depression scores. In early 2019, the company reported highly positive topline data from a Phase 3 study of Sage-217 in post-partum depression (PPD). The drug's statistically significant efficacy and strong safety profile in PPD were thought to bode well for its commercial applications in MDD. MDD represents a much larger unmet medical need than PPD, and the promise of SAGE-217 in the MDD market was a key element of our investment rationale.

Dollar Tree, an off-price retailer, declined on disappointing margin performance despite solid top-line results. Mix toward lower margin consumables, payroll pressures, and higher costs associated with freight and shrink were reasons given for the shortfall. Same store sales in both brands - Dollar Tree and Family Dollar - remain consistent, which is cornerstone to our investment thesis. The valuation is also very attractive in our view.

Pinterest (PINS) is a visual discovery engine people use to find inspiration for their lives, including recipes, home, style, and travel ideas. Third quarter results were disappointing as revenues came in below expectations, driven by slower than expected growth in monetization and in-line growth in the number of MAU (monthly active users). In our view, PINS should continue to outpace growth in the broader digital ad market through advertiser diversification and improved measurement capabilities. Steady global MAU growth and international expansion should also support above average industry growth.

Portfolio Positioning & Outlook

The resolution of trade and other issues affecting US-China relations remains uncertain, but progress is likely to create a more stable backdrop for business investment planning and reduce the threat of recession. The US economy, and the US consumer in particular, remain on firm ground. Unemployment is low, wage gains are driving consumption, housing activity is improving, and corporate profits are forecast to grow in the mid to high single digits in 2020. However, the US political landscape remains unsettled and is apt to weigh on business and consumer confidence and spend, as impeachment proceedings against President Trump begin and the 2020 election cycle ramps up. For the time being the market appears to be looking through the political maelstrom.

As economic and market uncertainty rise, we continue to identify those companies that have strong fundamentals and can outgrow market averages. We believe this favors our disciplined and bottom-up investment approach that focuses on identifying these above average growers with reasonable valuations.

The views expressed herein are those of Jennison investment professionals at the time the comments were made. They may not be reflective of their current opinions, are subject to change without prior notice, and should not be considered investment advice. Forecasts may not be achieved and are not a guarantee or reliable indicator of future results. See disclosures for important information.

Jennison Associates LLC
www.jennison.com
support@jennison.com

466 Lexington Avenue, New York, New York 10017 tel: 212-421-1000
One International Place, Suite 4300, Boston, MA 02110 tel: 617-345-6850

Disclosure

All data is as of December 31, 2019 unless otherwise noted. Due to rounding, individual values may not sum to total shown.

All non-performance portfolio data provided is based on a representative Jennison Mid Cap Growth Equity portfolio. Unless otherwise indicated, the Jennison strategy characteristics relate to that of an investment composite or a representative account managed within a composite. It is intended to provide a general illustration of the investment strategy and considerations used by Jennison in managing that strategy during normal market conditions. Individual accounts may differ from the reference data shown due to varying account restrictions, fees and expenses, and since-inception periods, among others.

*The **Russell Midcap® Growth** Index measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values The financial indices referenced herein are provided for informational purposes only; are unmanaged; include net reinvestment dividends; do not reflect fees or expenses; and are not available for direct investment.*

Certain third party information in this document has been obtained from sources that Jennison believes to be reliable as of the date presented; however, Jennison cannot guarantee the accuracy of such information, assure its completeness, or warrant such information will not be changed. Jennison has no obligation to update any or all such third party information. Any references to third party trademarks and data are proprietary and confidential and cannot be redistributed without Jennison's prior consent.

Portfolio EPS and P/E are estimates and are based on Jennison and Institutional Brokers Estimate System (I/B/E/S) estimates. Russell Midcap® Growth Index EPS are I/B/E/S data. Portfolio and Russell Midcap® Growth Index earnings growth rates are calculated using weighted average interquartile methodology and P/Es are calculated using harmonic mean methodology. Estimates are subject to change without prior notice. The EPS and P/E illustrations are not sponsored by, endorsed by or prepared by Russell®.

Jennison uses the Global Industry Classification Standard (GICS®) for categorizing companies into sectors and industries. GICS® is used for all portfolio characteristics involving sector and industry data such as benchmark, active and relative weights and attribution. The Global Industry Classification Standard (GICS®) is the exclusive intellectual property of MSCI Inc. (MSCI) and Standard & Poor's Financial Services, LLC (S&P). Neither MSCI, S&P, their affiliates, nor any of their third party providers ("GICS Parties") makes any representations or warranties, express or implied, with respect to GICS or the results to be obtained by the use thereof, and expressly disclaim all warranties, including warranties of accuracy, completeness, merchantability and fitness for a particular purpose. The GICS Parties shall not have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of such damages.

There is no assurance that any securities discussed herein will remain in an account's portfolio or that securities sold have not been repurchased. It should not be assumed that any of the securities transactions or holdings discussed were or will prove to be profitable. The securities discussed may represent only a small percentage of an account's portfolio holdings. Please note that certain securities of foreign issuers may be held as ADRs. Additionally, different classes of securities from the same issuer may be combined for illustrative purposes.

Performance results fluctuate, and there can be no assurances that objectives will be achieved. Performance results are calculated in US dollars and reflect reinvestment of dividends and other earnings. Gross of fee performance is presented before custodial and Jennison's actual advisory fees but after transaction costs. Net of fee performance is presented net of Jennison's actual advisory fees and transaction costs. Returns are gross of reclaimable withholding taxes, if any, and net of non-reclaimable withholding taxes. Actual advisory fees charged and actual account minimum size may vary by account due to various conditions described in Jennison Associates LLC's Form ADV.

***Average Weight** is the dollar value (price times the shares held) of the security or group, divided by the total dollar value of the entire portfolio displayed as a percentage. It is calculated as the simple arithmetic average of daily values. **Total Return** is the price change of a security or group including dividends accrued over the report period or the "in-portfolio return" which includes only the time period that each security was in the portfolio. **Contribution to Return** is the contribution of a security or group to the overall portfolio return. It is calculated as the security weight multiplied by the daily security return linked daily across the reporting period.*

Important Information

This material is only intended for investors which meet qualifications as institutional investors as defined in the applicable jurisdiction where this material is received. This material is not for use by retail investors and may not be reproduced or distributed without Jennison Associates LLC's permission.

These materials are for informational or educational purposes only. The information is not intended as investment advice and is not a recommendation about managing or investing assets. Jennison makes no representations regarding the suitability of any securities, financial instruments or strategies described in these materials. In providing these materials, Jennison is not acting as your fiduciary. These materials do not purport to provide any legal, tax or accounting advice.

Jennison Associates LLC ('Jennison') has not been licensed or registered to provide investment services in any jurisdiction outside the United States. The information contained in this document should not be construed as a solicitation or offering of investment services by Jennison or a solicitation to sell or a solicitation of an offer to buy any shares of any securities (nor shall any such securities be offered or sold to any person) in any jurisdiction where such solicitation or offering would be unlawful under the applicable laws of such jurisdiction.

In the United Kingdom, and various European Economic Area jurisdictions, information is issued by PGIM Limited. PGIM Limited registered office: Grand Buildings, 1-3 Strand, Trafalgar Square, London, WC2N 5HR is authorized and regulated by the Financial Conduct Authority of the United Kingdom (registration number 193418) and duly passported in various jurisdictions in the EEA. Prudential Financial, Inc. of the United States is not affiliated in any manner with Prudential plc, incorporated in the United Kingdom or with Prudential Assurance Company, a subsidiary of M&G plc, incorporated in the United Kingdom. This information is intended only for persons who are professional clients or eligible counterparties as defined in Directive 2014/65/EU (MiFID II), investing for their own account, for fund of funds, or discretionary clients.

Jennison Associates LLC
www.jennison.com
support@jennison.com

466 Lexington Avenue, New York, New York 10017 tel: 212-421-1000
One International Place, Suite 4300, Boston, MA 02110 tel: 617-345-6850