

## SMid Cap Core Equity

Bottom-up fundamental approach focused on investing across the Growth/Value spectrum

### Strategy Overview

<b>Firm AUM:</b>	\$241.4B
<b>Strategy AUM:</b>	\$2.3B
<b>Inception Date:</b>	May 31, 2004
<b>Number of Holdings:</b>	Typically 110-135
<b>Benchmark:</b>	Russell 2500™ Index
<b>Available Vehicles:</b>	<ul style="list-style-type: none"> <li>▪ Institutional Separate Account</li> <li>▪ US Mutual Fund</li> <li>▪ Managed Account</li> </ul>

### Team Members

#### Portfolio Managers

*Average Experience:* 25 years

Jason M. Swiatek, CFA

Jonathan M. Shapiro

**Dedicated Analysts:** 8

*Average Experience:* 16 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 buy businesses rather than just stocks.
- We spend time evaluating the appropriate values for our investments even before we buy them. Our price targets allow us to maintain a disciplined approach to buying and selling stocks.
- We explore investment opportunities outside conventional boundaries. We are willing and able to investigate controversial or complex stories which may be misunderstood and not followed by Wall Street.
- A research-intensive approach is used to build diversified portfolios with stocks in a variety of industries and sectors that have attractive valuations and should experience solid earnings growth on an intermediate term basis in our view.
- The team focuses on business evaluation to identify companies with the majority of the following criteria. This list is fluid and focuses on what is most relevant to our current thinking.
  - Strong competitive positions
  - Quality management teams
  - Positive industry dynamics
  - Balance sheet flexibility and strength
  - Strong earnings growth prospects

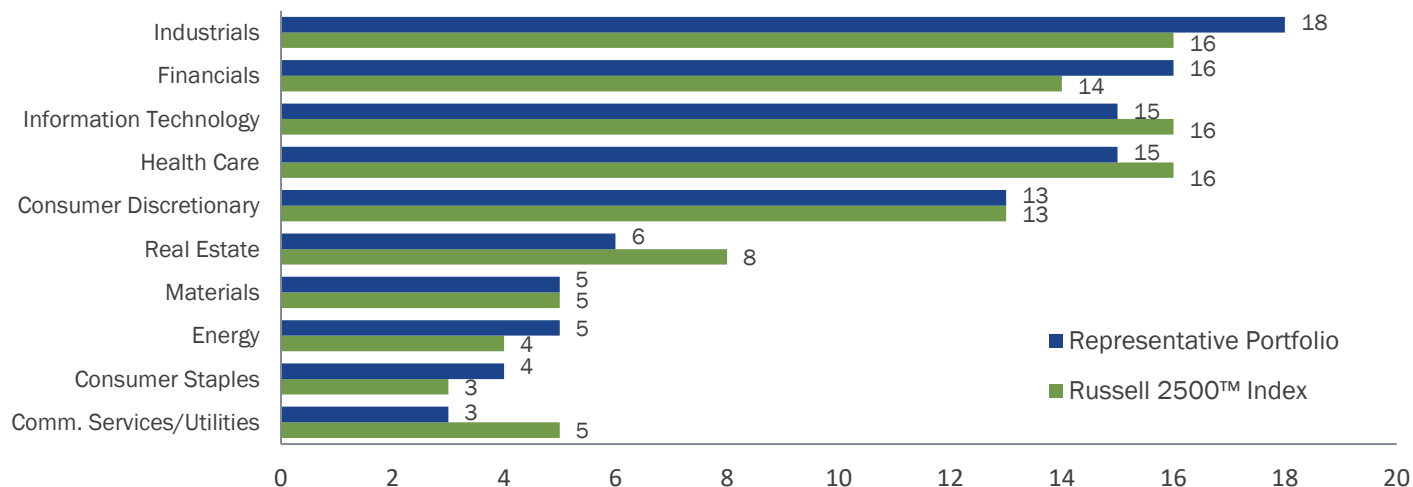
### Performance (%)

	2Q21	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
SMid Cap Core Equity Composite (Gross)	7.3	20.3	78.2	18.0	18.6	13.7	12.4
SMid Cap Core Equity Composite (Net)*	7.1	19.8	76.8	17.0	17.7	12.8	11.6
Russell 2500™ Index	5.4	17.0	57.8	15.2	16.3	12.8	10.7

**Past performance does not guarantee future results.** Source: Jennison and FTSE Russell. \*For periods prior to 2010, net of fee performance is presented net of Jennison's actual advisory fees and transaction costs. For periods beginning January 1, 2010, net of fee performance reflects the deduction of a model fee. It is net of transaction costs and is calculated based on the highest tier of the fee schedule in effect during the period shown (.90% 2010; .80% thereafter), which may not reflect the actual historical fees applied to accounts in the Composite. Inception of SMid Cap Core Equity Composite: 5/31/04. Periods greater than one year are annualized. See disclosures for important information.

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## Sector Allocation



For ease of reference, certain similar GICS sectors have been grouped together. Source: Jennison and FTSE Russell. Cash excluded. See disclosures for important information.

### Equity Characteristics

	Representative Portfolio	Russell 2500™ Index
Earnings Per Share Growth 2021E	46%	27%
Earnings Per Share Growth 2022E	26%	15%
P/E 2021E	25x	29x
P/E 2022E	19x	23x
Weighted Avg. Market Cap	\$7.1 bil.	\$7.1 bil.
Median Market Cap	\$5.1 bil.	\$1.8 bil.
Dividend Yield	0.9%	1.1%
Number of Holdings	140	2,489

Source: Jennison and FTSE Russell. See disclosures for important information. **Forecasts are not a reliable indicator of future performance and may not be achieved.**

### Largest Holdings (%)

Devon Energy	1.8
PDC Energy	1.7
Performance Food	1.7
WillScot Mobile Mini	1.6
Brightsphere Investment	1.6
Brunswick	1.6
Horizon Therapeutics	1.6
Molina Healthcare	1.5
Avantor	1.5
Great Lakes Dredge & Dock	1.5
<b>Total</b>	<b>15.8%</b>

Source: Jennison. See disclosures for important information.

### Largest Absolute Impact (2Q21)

	Average Weight (%)	Total Return (%)	Contribution to Return (%)		Average Weight (%)	Total Return (%)	Contribution to Return (%)
<b>Top Five</b>				<b>Bottom Five</b>			
Devon Energy	1.9	35	0.58	Penn National Gaming	0.9	-27	-0.27
Intellia Therapeutics	0.5	102	0.57	Performance Food	1.6	-16	-0.25
PDC Energy	1.5	33	0.42	Saia	1.6	-9	-0.14
Targa Resources	1.0	40	0.39	Rush Street Interactive	0.4	-25	-0.12
Summit Materials	1.6	24	0.39	Veracyte	0.4	-26	-0.12

**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 disclosures for important information.

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## Disclosures

All data is as of June 30, 2021 unless otherwise noted. Due to rounding, individual values may not sum to total shown.

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The **Russell 2500™ Index** measures the performance of the small- to mid-cap segment of the U.S. equity universe. The Russell 2000® Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000® Growth Index measures the performance of those Russell 2000® 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.

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