Q4 | 2023

Putnam Investments
A Franklin Templeton Company

Putnam Sustainable Leaders Fund

Investing in sustainability leadership

★★★★

The fund received a 4-star Overall Morningstar Rating as of 12/31/23 among 1,118 funds in the Large Growth category (Y shares, based on risk-adjusted returns)

Katherine Collins, CFA, MTS
Portfolio Manager
(industry since 1990)

Stephanie Dobson
Portfolio Manager
(industry since 2011)

Objective
The fund seeks long-term capital appreciation.

Morningstar category
Large Growth

Lipper category
Large-Cap Core

Primary benchmark
S&P 500 Index

Linked benchmark
Putnam Sustainable Leaders Linked Benchmark

Fund symbols

Class A	PNOPX
Class B	PNOBX
Class C	PNOCX
Class R	PNORX
Class R6	PSLGX
Class Y	PNOYX

Net assets
$5,753.57M

Number of holdings
54

Turnover
25%

Not FDIC insured
May lose value
No bank guarantee

Leadership focus

Invests in companies that have demonstrated leadership in key sustainability issues that are financially material to their business context

Active research process

Integrates relevant and forward-looking sustainability analysis with high-quality fundamental research to drive investment decisions

Integrated, experienced team

Managed by dedicated and experienced sustainable investing team embedded within Putnam's equity research and quantitative/risk analysis groups

Top 10 holdings

Microsoft	9.08%
Apple	7.72
Amazon	4.45
NVIDIA	4.15
UnitedHealth	2.66
Hilton Worldwide	2.51
Salesforce	2.48
Ingersoll Rand	2.48
Walmart	2.47
Visa	2.36

Holdings represent 40.35% of the portfolio and will vary over time.

Sector weightings

Sector	Underweight	Overweight	Portfolio	Primary benchmark
Information technology		5.8	34.7%	28.9%
Materials		3.0	5.4	2.4
Health care		2.0	14.6	12.6
Consumer discretionary		1.7	12.6	10.9
Real estate		0.8	3.3	2.5
Utilities	-0.4		1.9	2.3
Consumer staples	-0.5		5.7	6.2
Industrials	-0.7		8.1	8.8
Financials	-2.4		10.6	13.0
Energy	-3.9		0.0	3.9
Communication services	-6.7		1.9	8.6

Cash and net other assets represent 1.3% of the portfolio.

Allocations will vary over time. Due to rounding, percentages may not equal 100%.

The unclassified sector, where applicable, includes exchange-traded funds and other securities not able to be classified by sector.

Risk (Y shares, as of 12/31/23)

Beta	0.98
Tracking error	3.68%
Up capture ratio	99.78%
Down capture ratio	96.99%

Top active weights

Top 5 overweights	Portfolio	Primary benchmark	Over/under
Ingersoll Rand	2.5%	0.1%	2.4%
Hilton Worldwide	2.5	0.1	2.4
Roper Technologies	2.3	0.1	2.2
Boston Scientific	2.3	0.2	2.1
Microsoft	9.1	7.0	2.1

Top 5 underweights	Portfolio	Primary benchmark	Over/under
Alphabet	0.0%	3.8%	-3.8%
Meta Platforms	0.0	2.0	-2.0
Tesla	0.0	1.7	-1.7
Berkshire Hathaway	0.0	1.6	-1.6
Broadcom	0.0	1.2	-1.2

Capture ratios are used to evaluate how well an investment manager performed relative to an index during specific periods (periods of positive return in the case of up capture, negative return in the case of down capture). The ratio is calculated by dividing the manager's returns by the returns of the index during the period and multiplying that factor by 100. **Turnover** is the rate at which the fund buys and sells securities each year. For example, if a fund's assets total $100 million and the fund bought and sold $100 million of securities that year, its portfolio turnover rate would be 100%. **Beta** is defined as a fund's sensitivity to market movements and is used to evaluate market related, or systematic, risk. It is a historical measure of the variability of return earned by an investment portfolio. Risk statistics are measured using a 5-year regression analysis. For funds with shorter track records, Since Inception analysis is used. **Tracking error** assesses how closely a fund's performance tracks that of the fund's benchmark by calculating the standard deviation of the difference between the fund's returns and its benchmark returns over a given time period, typically 5 years.

Not all share classes are available on all platforms.

Total expense ratio

(Y shares)
0.67%

(A shares)
0.92%

Adjustable management fee examples

(Y shares, based on performance versus benchmark)

Base fee	0.55%
Higher fee after 1% outperformance	0.58%
Lower fee after 1% underperformance	0.52%
Maximum performance adjustment	+/-0.12%

Annual performance (all distributions reinvested)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Y shares at net asset value	13.64%	-0.16%	7.91%	29.39%	-0.65%	36.17%	28.84%	23.56%	-22.59%	26.56%
A shares before sales charge	13.35	-0.40	7.65	29.05	-0.90	35.83	28.50	23.26	-22.79	26.25
Primary benchmark	13.69	1.38	11.96	21.83	-4.38	31.49	18.40	28.71	-18.11	26.29
Linked benchmark	12.44	5.09	7.39	29.59	-2.12	35.64	18.40	28.71	-18.11	26.29

Annualized total return performance	Q4	1 year	3 years	5 years	10 years
Y shares (Inception 7/19/94)	13.96%	26.56%	6.57%	16.26%	12.82%
A shares (Inception 8/31/90) before sales charge	13.90	26.25	6.31	15.97	12.54
A shares after sales charge	7.35	18.99	4.23	14.60	11.88
Primary benchmark	11.69	26.29	10.00	15.69	12.03
Linked benchmark	11.69	26.29	10.00	16.41	13.15

Current performance may be lower or higher than the quoted past performance, which cannot guarantee future results. Share price, principal value, and return will vary, and you may have a gain or a loss when you sell your shares. Performance of class A and Y shares assumes reinvestment of distributions and does not account for taxes. After-sales-charge returns for class A reflect a maximum 5.75% load. Returns for class Y shares prior to their inception are derived from the historical performance of class A shares, which have not been adjusted for their lower expenses; had they, returns would have been higher. Class Y shares, available to investors through an asset-based fee program or for institutional clients, are sold without an initial sales charge and have no CDSC. For the most recent month-end performance, please visit putnam.com.

The Morningstar Rating™ for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a 3-year history. Exchange-traded funds and open-ended 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 Morningstar Rating does not include any adjustment for sales loads. 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 3-, 5-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% 3-year rating for 36–59 months of total returns, 60% 5-year rating/40% 3-year rating for 60–119 months of total returns, and 50% 10-year rating/30% 5-year rating/20% 3-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 3-year period actually has the greatest impact because it is included in all three rating periods. Putnam Sustainable Leaders Fund received 4, 4 and 4 stars for the 3-, 5-, and 10-year periods among 1,118, 1,031, and 810 Large Growth funds, respectively.

The S&P 500® Index is an unmanaged index of common stock performance. The Putnam Sustainable Leaders Linked Benchmark represents the performance of the Russell 3000® Growth Index through July 31, 2019, and the performance of the S&P 500® Index thereafter. Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. Russell® is a trademark of Frank Russell Company. You cannot invest directly in an index.

Because the dollar amount of the monthly performance fee adjustment is based on the fund's average assets during the rolling performance period, the amount of any dollar adjustment as a percentage of a fund's current assets could exceed the "maximum annualized performance adjustment rates." Performance fee adjustments will not commence until a fund has been operating under a shareholder-approved management contract with a performance fee adjustment for at least 12 months.

Consider these risks before investing: The value of investments in the fund's portfolio may fall or fail to rise over extended periods of time for a variety of reasons, including general economic, political, or financial market conditions; investor sentiment and market perceptions; government actions; geopolitical events or changes; and factors related to a specific issuer, geography, industry, or sector. These and other factors may lead to increased volatility and reduced liquidity in the fund's portfolio holdings.

Growth stocks may be more susceptible to earnings disappointments, and the market may not favor growth-style investing. Investments in small and midsize companies increase the risk of greater price fluctuations. International investing involves currency, economic, and political risks. Emerging market securities have illiquidity and volatility risks.

Investing with a focus on companies that exhibit a commitment to sustainable business practices may result in the fund investing in certain types of companies, industries, or sectors that underperform the market as a whole. From time to time, the fund may invest a significant portion of its assets in companies in one or more related industries or sectors, which would make the fund more vulnerable to adverse developments affecting those industries or sectors. The technology industries may be significantly affected by technological obsolescence, short product cycles, falling prices and profits, competitive pressures, and general market conditions. In evaluating an investment opportunity, we may make investment decisions based on information and data that is incomplete or inaccurate. In addition, a company's business practices, products, or services may change over time. As a result of these possibilities, among others, the fund may temporarily hold securities that are inconsistent with the fund's sustainable investment criteria.

Our investment techniques, analyses, and judgments may not produce the outcome we intend. The investments we select for the fund may not perform as well as other securities that we do not select for the fund. We, or the fund's other service providers, may experience disruptions or operating errors that could have a negative effect on the fund. You can lose money by investing in the fund.

Request a prospectus or a summary prospectus, if available, from your financial representative or by calling Putnam at 1-800-225-1581. These prospectuses include investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

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