



**Michael J. Maguire, CFA**  
Portfolio Manager  
(industry since 2002)

**Objective**

The fund seeks capital appreciation.

**Morningstar category**

Health

**Benchmark**

MSCI World Health Care Index (ND)

**Fund symbols**

Class A	PHSTX
Class B	PHSBX
Class C	PCHSX
Class R	PHSRX
Class R6	PGHAX
Class Y	PHSYX

**Net assets**

\$1,531.71M

**Number of holdings**

65

**Turnover**

82%

# Putnam Global Health Care Fund

Investing in the health-care sector since 1982

**A dynamic sector**

From biotech and drugs to devices and hospitals, the fund invests in industries that can profit from the global demand for health-care products and services.

**Seeks growth from innovation**

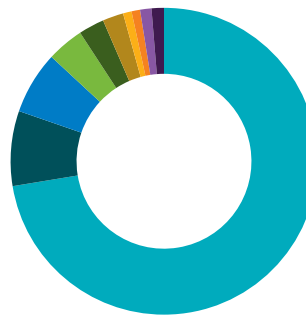
Innovative health-care solutions are always in demand, giving the fund potential for positive returns regardless of economic conditions.

**Active management**

Supported by experienced research analysts, the portfolio manager uses bottom-up research to assess scientific innovation, regulatory changes, and company fundamentals.

**Diversification across markets**

United States	72.4%
United Kingdom	7.9
Switzerland	6.6
Japan	3.9
France	2.7
Ireland	2.2
Germany	0.9
Denmark	0.9
Other countries	1.2
Cash and net other assets	1.3



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

**Top ten holdings**

UnitedHealth	6.77%
AbbVie	5.67
Johnson & Johnson	5.52
AstraZeneca	5.47
Eli Lilly	4.35
Thermo Fisher Scientific	3.19
Danaher	3.17
Roche	2.96
Medtronic	2.93
Sanofi	2.73

Holdings represent 42.76% of the portfolio and will vary over time.

**Top active weights**

Top 5 overweights	Portfolio	Benchmark	Over/under	Top 5 underweights	Portfolio	Benchmark	Over/under
AstraZeneca	5.5%	2.0%	3.5%	Amgen	0.5%	2.2%	-1.7%
AbbVie	5.7	2.9	2.8	CVS Health	0.0	1.5	-1.5
Ironwood Pharmaceuticals	2.2	0.0	2.2	CSL	0.0	1.4	-1.4
Icon	2.2	0.0	2.2	Stryker	0.0	1.2	-1.2
Eli Lilly	4.4	2.4	2.0	Gilead Sciences	0.0	1.2	-1.2

**Risk**

	Beta	Tracking error	Up capture ratio	Down capture ratio
Y share (as of 3/31/21)	0.99	3.20%	100.32%	98.33%

The MSCI World Health Care Index (ND) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets in the health-care sector. You cannot invest directly in an index.

**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.

**Not FDIC insured  
May lose value  
No bank guarantee**

**Total expense ratio**(Y shares)  
0.82%(A shares)  
1.07%**Market-cap breakdown**

Over \$69B	63.00%
\$16B–\$69B	18.72%
\$3.4B–\$16B	6.50%
\$1B–\$3.4B	6.77%
Less than \$1B	3.72%
Cash and other assets	1.29%

“Cash and other assets” includes cash, short-term securities, ETFs, bonds excluding convertible bonds, and other securities not able to be classified by market capitalization.

**Annual performance (all distributions reinvested)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 YTD
Y shares at net asset value	22.3%	42.1%	27.8%	7.8%	-11.5%	15.6%	-0.4%	30.6%	16.2%	0.9%
A shares before sales charge	22.0	41.7	27.5	7.5	-11.7	15.3	-0.6	30.2	15.9	0.8
Benchmark	17.5	36.3	18.1	6.6	-6.8	19.8	2.5	23.2	13.5	0.7

**Annualized total return performance**

	1 year	3 years	5 years	10 years	Life of fund
Y shares (Inception 4/4/00)	31.52%	15.23%	11.90%	13.28%	12.01%
A shares (Inception 5/28/82) before sales charge	31.19	14.94	11.62	13.00	11.86
A shares after sales charge	23.64	12.69	10.31	12.33	11.69
Benchmark	29.16	13.52	11.60	13.02	—

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](http://putnam.com).

**Highlights of five-year performance periods (5/28/82–3/31/21)\***

	Best 5-year return	Best period end date	Worst 5-year return	Worst period end date	Average 5-year return	% of 5-year periods with positive returns	Number of positive 5-year periods	Number of negative 5-year periods
Y shares	26.48%	3/31/99	-2.09%	9/30/05	11.72%	96%	130	6
A shares	26.48	3/31/99	-2.34	9/30/05	11.58	96	130	6

\* Based on annualized returns for quarterly rolling periods.

**Consider these risks before investing:** International investing involves currency, economic, and political risks. Emerging-market securities carry illiquidity and volatility risks. Investments in small and/or midsize companies increase the risk of greater price fluctuations. The health care industries may be affected by technological obsolescence, changes in regulatory approval policies for drugs, medical devices, or procedures, and changes in governmental and private payment systems. The fund concentrates on a limited group of industries and is non-diversified. Because the fund may invest in fewer issuers than a diversified fund, it is vulnerable to common economic forces and may result in greater losses and volatility. Growth stocks may be more susceptible to earnings disappointments, and value stocks may fail to rebound. The use of short selling may result in losses if the securities appreciate in value. Risks associated with derivatives include increased investment exposure (which may be considered leverage) and, in the case of over-the-counter instruments, the potential inability to terminate or sell derivatives positions and the potential failure of the other party to the instrument to meet its obligations. 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. 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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Putnam Retail Management  
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