

Portfolio Managers

Karan S. Sodhi, CFA
(industry since 1998)

Spencer Morgan, CFA
(industry since 2009)

Andrew J. Yoon, CFA
(industry since 2011)

Objective

The fund seeks long-term capital appreciation.

Morningstar category

Foreign Small/Mid Blend

Lipper category

International Small/Mid-Cap Core

Fund symbols

| | |
|----------|-------|
| Class A | PNAVX |
| Class B | PVNBX |
| Class C | PUVCX |
| Class M | PIVMX |
| Class R | PICRX |
| Class R6 | PICOX |
| Class Y | PIVYX |

Number of holdings

60

Net assets

\$365.36M

Dividend frequency

Annually

Putnam International Capital Opportunities Fund

Harnessing the potential of international small and midsize companies since 1995

Undiscovered stocks

The fund invests in small to midsize companies located outside the United States, which are frequently overlooked by Wall Street.

A flexible strategy

The fund managers take a core investment focus that seeks to minimize exposure to single factors, such as value or quality.

A disciplined process

The portfolio managers use a disciplined bottom-up fundamental investment process that seeks stocks with the potential for price and earnings momentum.

Fundamental investment research determines top holdings and country weightings

| Top ten holdings | | Country | | ● Fund | ● S&P Developed Ex-U.S. SmallCap Index |
|---------------------------------|-------|-----------------|-------|--------|----------------------------------------|
| Cogeco Communications | 3.22% | Japan | 20.1% | 23.0% | |
| Eurazeo | 3.13 | United Kingdom | 17.4 | 13.8 | |
| Euronext | 3.07 | Canada | 13.8 | 7.6 | |
| Compugroup Medical | 2.82 | France | 8.1 | 8.6 | |
| Paltac | 2.54 | Taiwan | 5.5 | 0.0 | |
| Technopro Holdings | 2.50 | Ireland | 4.0 | 0.8 | |
| Domino'S Pizza Group | 2.43 | Australia | 4.0 | 6.5 | |
| Melco International Development | 2.37 | Germany | 2.8 | 7.2 | |
| Minebea Mitsumi | 2.34 | Spain | 2.6 | 2.5 | |
| Brickworks | 2.32 | Hong Kong | 2.4 | 2.0 | |
| | | Other countries | 15.3 | 28.1 | |

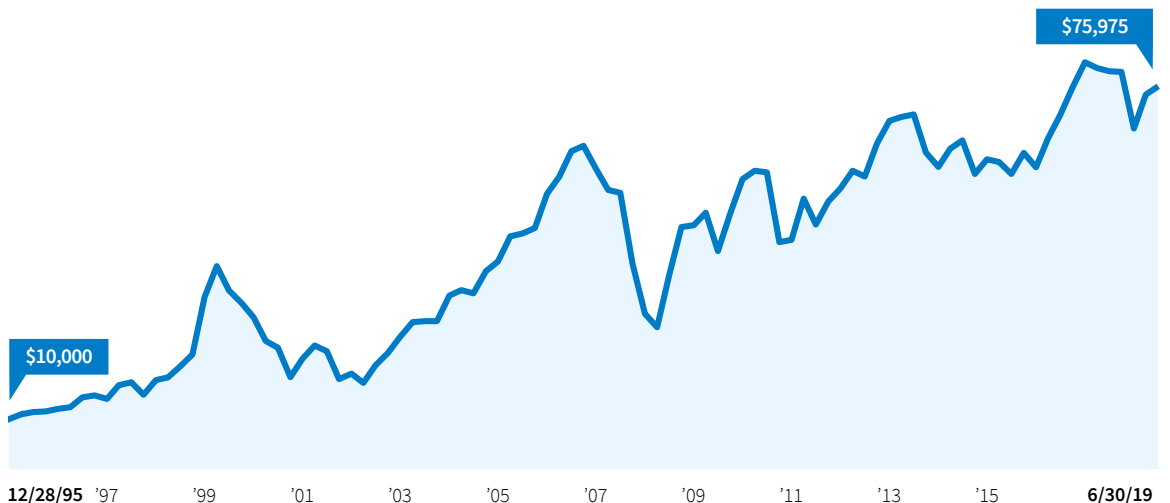
Holdings represent 26.74% of the portfolio and will vary over time.

Cash and net other assets represent 4.0% of the portfolio.

Due to rounding, percentages may not equal 100%.

Growth of a \$10,000 investment

The fund has returned an average of 9.0% annually since inception.



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 Y shares assumes reinvestment of distributions and does not account for taxes. 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. Performance for class Y shares before their inception are derived from the historical performance of class A shares (inception 12/28/95), which have not been adjusted for the lower expenses; had they, returns would have been higher. For the most recent month-end performance, please visit putnam.com.

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

Lipper rankings

(Y shares, based on total return)

| | |
|----------|-------------|
| 1 year | 11% (7/63) |
| 3 years | 15% (8/54) |
| 5 years | 56% (27/48) |
| 10 years | 70% (21/29) |

Total expense ratio

(Y shares)

1.12%

Adjustable management fee examples

Based on performance versus benchmark

| | |
|-------------------------------------|----------|
| Base fee | 0.92% |
| Higher fee after 1% outperformance | 0.95% |
| Lower fee after 1% underperformance | 0.89% |
| Maximum performance adjustment | +/-0.21% |

Market-cap breakdown

| | |
|-----------------------|--------|
| Over \$10B | 10.92% |
| \$5B-\$10B | 22.27% |
| \$3B-\$5B | 16.68% |
| \$1B-\$3B | 36.50% |
| Less than \$1B | 9.60% |
| Cash and other assets | 4.03% |

"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.

Beta

0.98

Price to earnings

12.12

Projected 5-yr EPS growth

8.23

For informational purposes only. Not an investment recommendation.

Putnam Retail Management
FS011_Y 317431 7/19

Annual performance at net asset value (all distributions reinvested)

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 YTD |
|--------------------------------------|-------|--------|-------|-------|--------|------|-------|-------|--------|----------|
| Y shares | 19.0% | -21.0% | 22.5% | 24.1% | -13.2% | 2.6% | -2.6% | 34.8% | -16.3% | 12.4% |
| S&P Developed Ex-U.S. SmallCap Index | 22.0 | -14.5 | 18.6 | 26.1 | -3.4 | 5.9 | 3.8 | 32.4 | -18.4 | 13.3 |

Annualized total return performance

| Inception 2/1/00 | Class Y shares | S&P Developed ex-U.S. SmallCap Index |
|------------------|----------------|--------------------------------------|
| 1 year | -3.77% | -5.74% |
| 3 years | 9.05 | 8.57 |
| 5 years | 1.55 | 3.91 |
| 10 years | 7.01 | 9.54 |
| Life of fund | 9.01 | 6.96 |

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 Y shares assumes reinvestment of distributions and does not account for taxes. 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. Performance for class Y shares before their inception are derived from the historical performance of class A shares (inception 12/28/95), which have not been adjusted for the lower expenses; had they, returns would have been higher. For the most recent month-end performance, please visit putnam.com.

Highlights of five-year performance periods (12/28/95-6/30/19)*

| 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 |
|--------------------|----------------------|---------------------|-----------------------|-----------------------|-------------------------------------------|-----------------------------------|-----------------------------------|
| 29.08% | 9/30/07 | -5.09% | 6/30/12 | 7.81% | 85% | 64 | 11 |

*Based on annualized returns for quarterly rolling periods.

The S&P Developed Ex-U.S. SmallCap Index is an unmanaged index of small-cap stocks from developed countries, excluding the United States. 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.

Lipper rankings for class Y shares are based on total return without sales charge relative to all share classes of funds with similar objectives as determined by Lipper.

Earnings per share (EPS) is found by taking the net income and dividing it by the basic or diluted number of shares outstanding, as reported. You can also take "expected" earnings for the current year or for future years to calculate other P/E ratios. The **price-earnings ratio** of a firm's common stock is calculated as the current stock price divided by projected earnings per share for the coming year. The projections used are based on street consensus estimates provided by IBES. **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. 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.

Not all share classes are available on all platforms.

Consider these risks before investing: 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. 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. Growth stocks may be more susceptible to earnings disappointments, and value stocks may fail to rebound. 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. 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.