



Robert L. Salvin
Portfolio Manager
(industry since 1986)



Anthony J. Daigle
Portfolio Manager
(industry since 2004)

Objective

The fund seeks, with equal emphasis, current income and capital appreciation. Its secondary objective is conservation of capital.

Morningstar category

Convertibles

Lipper category

Convertible Securities

Benchmark

ICE BofA U.S. Convertible Index

Fund symbols

Class A	PCONX
Class B	PCNBX
Class C	PRCCX
Class R	PCVRX
Class R6	PCNTX
Class Y	PCGYX

Net assets

\$1,026.85M

Number of holdings

137

Dividend frequency

Quarterly

Putnam Convertible Securities Fund

Offering investors the diverse benefits of convertible securities since 1972

Balanced profile

The fund seeks to achieve an equilibrium balancing much of the upside potential of equities, the lower downside risk of bonds, and an attractive current yield.

Effective diversification

The fund offers diversification potential for investor portfolios: Convertible securities may provide more attractive risk-adjusted returns than stocks and have near zero correlation with aggregate bond strategies.

Joint venture

Uniquely combining both dedicated fixed income and equity expertise to enhance the ability to fully exploit these hybrid securities.

Top ten holdings

Broadcom	2.06%
NextEra Energy	2.03
Palo Alto Networks	1.84
Square	1.82
Danaher	1.79
Snap	1.71
Liberty Media	1.70
Exact Sciences	1.59
Southwest Airlines	1.58
Zillow Group	1.51

Holdings represent 17.63% of the portfolio and will vary over time.

Sector weightings

Information technology	29.6%
Consumer discretionary	20.7
Health care	17.8
Communication services	12.3
Industrials	7.0
Utilities	4.6
Financials	2.8
Energy	1.5
Consumer staples	0.7
Real estate	0.5
Cash and net other assets	2.4

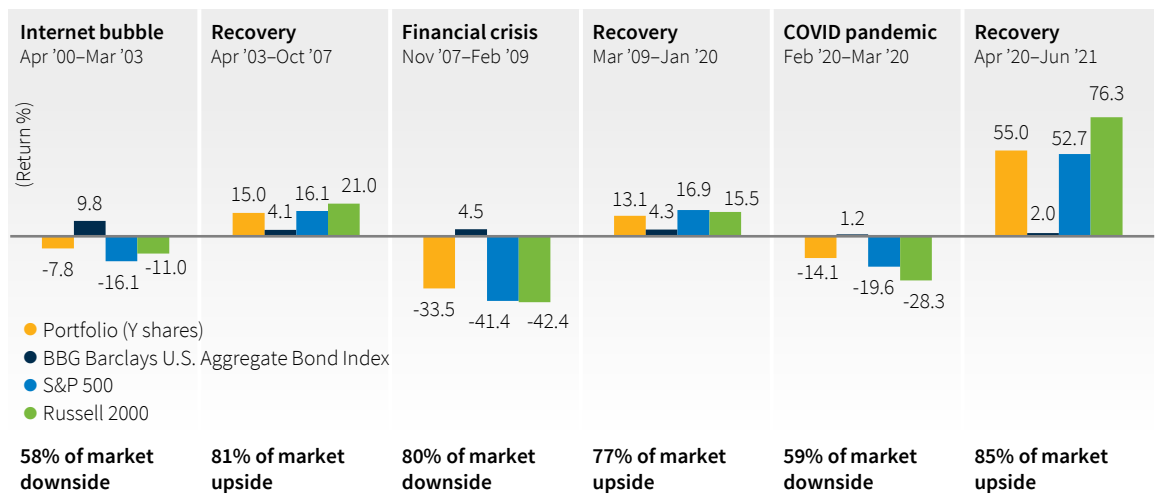
Allocations will vary over time. Due to rounding, percentages may not equal 100%.

Portfolio composition

Convertible bonds and notes	78.9%
Mandatories	15.0
Common stock	2.3
Convertible preferred stock	1.3
Cash and net other assets	2.4

Convertibles may offer upside potential with downside protection

Asset class returns over various market cycles



Sources: Bloomberg Index Services Limited. Putnam, as of 6/30/21. All returns are annualized. Fund performance is shown net of fees. Indexes are unmanaged and do not incur expenses. You cannot invest directly in an index. Past performance is not a guarantee of future results.

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 4.00% 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.

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

Morningstar rankings

(Y shares, based on total return)

1 year	36% (35/76)
3 years	47% (38/72)
5 years	38% (31/70)
10 years	37% (20/53)

Total expense ratio(Y shares)
0.79%(A shares)
1.04%**Beta**

0.93

30-day SEC yield(Y shares)
0.16%**Annual performance (all distributions reinvested)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 YTD
Y shares at net asset value	15.4%	22.3%	7.7%	-6.8%	9.8%	15.2%	-3.1%	24.6%	45.3%	4.9%
A shares before sales charge	15.1	22.0	7.5	-7.0	9.5	14.9	-3.3	24.3	45.0	4.7
Benchmark	15.0	24.9	9.4	-3.0	10.4	13.7	0.2	23.2	46.2	6.9
Lipper category average	11.6	22.9	6.3	-3.9	8.2	13.4	-1.7	22.9	43.2	4.5

Annualized total return performance

	1 year	3 years	5 years	10 years	Life of fund
Y shares (Inception 12/30/98)	37.96%	20.95%	18.02%	11.43%	10.49%
A shares (Inception 6/29/72) before sales charge	37.59	20.64	17.73	11.15	10.36
A shares after sales charge	29.68	18.28	16.34	10.49	10.22
Benchmark	45.75	21.97	18.86	12.85	—
Lipper category average	36.56	20.03	17.16	10.80	—

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 4.00% 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.

Highlights of five-year performance periods (6/29/72–6/30/21)*

	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	23.04%	3/31/83	-3.30%	12/31/08	10.56%	97%	172	5
A shares	23.04	3/31/83	-3.55	12/31/08	10.44	97	172	5

* Based on annualized returns for quarterly rolling periods.

The ICE BofA U.S. Convertible Index tracks the performance of publicly issued U.S. dollar denominated convertible securities of U.S. companies. The Lipper Convertible Securities Funds Average is an arithmetic average of the total return of all Lipper Convertible Securities Funds. ICE Data Indices, LLC (ICE BofA), used with permission. ICE BofA permits use of the ICE BofA indices and related data on an "asis" basis; makes no warranties regarding same; does not guarantee the suitability, quality, accuracy, timeliness, and/or completeness of the ICE BofA indices or any data included in, related to, or derived therefrom; assumes no liability in connection with the use of the foregoing; and does not sponsor, endorse, or recommend Putnam Investments, or any of its products or services. You cannot invest directly in an index.

BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). BARCLAYS® is a trademark and service mark of Barclays Bank Plc (collectively with its affiliates, "Barclays"), used under license. Bloomberg or Bloomberg's licensors, including Barclays, own all proprietary rights in the Bloomberg Barclays Indices. Neither Bloomberg nor Barclays approves or endorses this material, or guarantees the accuracy or completeness of any information herein, or makes any warranty, express or limited, as to the results to be obtained therefrom, and to the maximum extent allowed by law, neither shall have any liability or responsibility for injury or damages arising in connection therewith.

Morningstar 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 Morningstar. Morningstar rankings may differ significantly from Morningstar's risk-adjusted star ratings. Past performance is not indicative of future results.

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 3-year regression analysis. For funds with shorter track records, Since Inception analysis is used.

Not all share classes are available on all platforms.

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. These risks are generally greater for convertible securities issued by small and/or midsize companies. Convertible securities' prices may be adversely affected by underlying common stock price changes. While convertible securities tend to provide higher yields than common stocks, the higher yield may not protect against the risk of loss or mitigate any loss associated with a convertible security's price decline. Convertible securities are subject to credit risk, which is the risk that an issuer of the fund's investments may default on payment of interest or principal. Credit risk is generally greater for below-investment-grade convertible securities. Convertible securities may be less sensitive to interest-rate changes than non-convertible bonds because of their structural features (e.g., convertibility, "put" features). Interest-rate risk is generally greater, however, for longer-term bonds and convertible securities whose underlying stock price has fallen significantly below the conversion price. Our investment techniques, analyses, and judgments may not produce the intended outcome, and the investments we select for the fund may not perform as well as other securities that were not selected for the fund. We, or the fund's other service providers, may experience disruptions or operating errors that could negatively impact 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.

Putnam Investments | 100 Federal Street | Boston, MA 02110 | 1-800-225-1581 | putnam.com

For informational purposes only. Not an investment recommendation.

Putnam Retail Management
FS019_YA 326791 7/21