



The fund received a 4-star Overall Morningstar Rating as of 3/31/22 among 633 funds in the High Yield Bond category (R6 shares, based on risk-adjusted returns)

#### Objective

The fund seeks high current income. Capital growth is a secondary goal when consistent with achieving high current income.

#### Portfolio Managers

**Robert L. Salvin**  
Portfolio Manager  
(industry since 1986)

**Norman P. Boucher**  
Portfolio Manager  
(industry since 1985)

#### Morningstar category

High Yield Bond

#### Lipper category

High Yield

#### Benchmark

JPMorgan Developed High Yield Index

Credit qualities are shown as a percentage of the fund's net assets. A bond rated BBB or higher (A-3 or higher, for short-term debt) is considered investment grade. This chart reflects the highest security rating provided by one or more of Standard & Poor's, Moody's, and Fitch. Ratings and portfolio credit quality will vary over time. Cash and net other assets, if any, represent the market value weights of cash, derivatives, and short-term securities in the portfolio. **The fund itself has not been rated by an independent rating agency.**

Effective 3/31/22, Paul Scanlon left Putnam and was replaced as Portfolio Manager by Robert Salvin.

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

# Putnam High Yield Fund

Seeking a high level of income for investors since 1986

#### Income-focused

The portfolio managers strive for a higher level of income than most bonds offer by investing in higher-yielding, lower rated corporate bonds.

#### Focus on performance

The managers can invest across a range of industries and companies, and can adjust the fund's holdings to capitalize on market opportunities.

#### Leading research

The fund's managers, supported by Putnam's fixed-income research division, analyze a range of bonds to build a diversified portfolio.

#### Diversification across market sectors

Consumer cyclicals	22.4%
Energy	13.7
Health care	9.4
Financials	9.2
Basic materials	8.3
Capital goods	8.1
Communication services	7.9
Consumer staples	7.9
Technology	5.9
Utilities	2.8
Transportation	1.8
Net cash	2.4

Allocations will vary over time.

Allocations may not total 100% of net assets because the table includes the notional value of derivatives (the economic value for purposes of calculating periodic payment obligations), in addition to the market value of securities.

#### Maturity breakdown

0 to 1 year	7.8%
1 to 5 years	45.4
5 to 10 years	42.6
10 to 15 years	1.8
Over 15 years	2.4

#### Portfolio quality

BBB	11.2%
BB	41.4
B	28.4
CCC and below	12.2
Not rated	4.4
Net cash	2.4

Holdings represent 100% of the portfolio and will vary over time.

#### Annualized total return performance

	1 year	3 years	5 years	10 years	Life of fund
R6 shares (Inception 5/22/18)	0.16%	4.49%	4.31%	5.14%	7.14%
Benchmark	0.12	4.52	4.68	5.86	—

**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 R6 shares assumes reinvestment of distributions and does not account for taxes. Class R6 shares, available to qualified employee-benefit plans only, are sold without an initial sales charge and have no CDSC. Performance for class R6 shares prior to their inception is derived from the historical performance of class Y shares (inception 12/31/98), and has not been adjusted for the lower investor servicing fees applicable to class R6 shares; had it, returns would have been higher. For the most recent month-end performance, please visit [putnam.com](http://putnam.com).

**Fund symbols**

Class A	PHYX
Class B	PHYBX
Class C	PHYLX
Class M	PHYMX
Class R	PFJAX
Class R6	PHYUX
Class Y	PHAYX

**Morningstar rankings**

(R6 shares, based on total return)

1 year	34% (230/677)
3 years	32% (180/633)

**Total expense ratio**

(R6 shares)

0.66%

**Net assets**

\$1,069.38M

**Number of holdings**

652

**Dividend frequency**

Monthly

**Standard deviation**

8.85

**Average effective duration**

4.08

**30-day SEC yield**

5.20%

For informational purposes only. Not an investment recommendation.

Putnam Retail Management  
FS032\_R6 329651 4/22

**Annual performance (all distributions reinvested)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 YTD
R6 shares at net asset value	7.10%	2.21%	-5.18%	15.51%	7.16%	-3.98%	14.47%	5.97%	5.31%	-4.14%
Benchmark	8.42	2.15	-4.53	18.22	7.80	-2.36	14.60	5.34	5.92	-4.18

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 R6 shares assumes reinvestment of distributions and does not account for taxes. Class R6 shares, available to qualified employee-benefit plans only, are sold without an initial sales charge and have no CDSC. Performance for class R6 shares prior to their inception is derived from the historical performance of class Y shares (inception 12/31/98), and has not been adjusted for the lower investor servicing fees applicable to class R6 shares; had it, returns would have been higher. For the most recent month-end performance, please visit [putnam.com](http://putnam.com).

**Highlights of five-year performance periods (3/25/86–3/31/22)\***

	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
R6 shares	18.71%	12/31/95	-2.56%	9/30/02	7.52%	97%	121	4

\* Based on annualized returns for quarterly rolling periods.

The JPMorgan Developed High Yield Index is an unmanaged index of high-yield fixed-income securities issued in developed countries. You cannot invest directly in an index.

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 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. Ratings do not take into account the effects of sales charges and loads. Putnam High Yield Fund received 4, 4, and 3 stars for the 3-, 5-, and 10-year periods among 633, 567, and 375 High Yield Bond funds, respectively.

Morningstar rankings for class R6 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.

**Standard deviation** measures how widely a set of values varies from the mean. It is a historical measure of the variability of return earned by an investment portfolio. **Average effective duration** provides a measure of a fund's interest-rate sensitivity. The longer a fund's duration, the more sensitive the fund is to shifts in interest rates.

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.

Lower-rated bonds may offer higher yields in return for more risk. Bond investments are subject to interest-rate risk (the risk of bond prices falling if interest rates rise) and credit risk (the risk of an issuer defaulting on interest or principal payments). Interest-rate risk is generally greater for longer-term bonds, and credit risk is generally greater for below-investment-grade bonds (a significant part of the fund's investments). 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. Unlike bonds, funds that invest in bonds have fees and expenses.

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.**

Putnam Investments | 100 Federal Street | Boston, MA 02110 | 1-800-225-1581 | [putnam.com](http://putnam.com)