

**Objective**

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

**Morningstar category**

High Yield Bond

**Lipper category**

VP (Underlying Funds) – High Yield Funds

**Portfolio Managers**

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

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

**Current unit value**

Class IA: \$5.73  
Class IB: \$5.68

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

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.**

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

# Putnam VT 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 cyclical	23.1%
Energy	14.5
Basic materials	9.0
Capital goods	8.9
Health care	8.8
Financials	8.2
Consumer staples	7.6
Communication services	7.4
Technology	6.1
Utilities	2.0
Transportation	1.8
Net cash	2.6

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	7.7%
1 to 5 years	45.3
5 to 10 years	42.4
10 to 15 years	2.1
Over 15 years	2.5

**Portfolio quality**

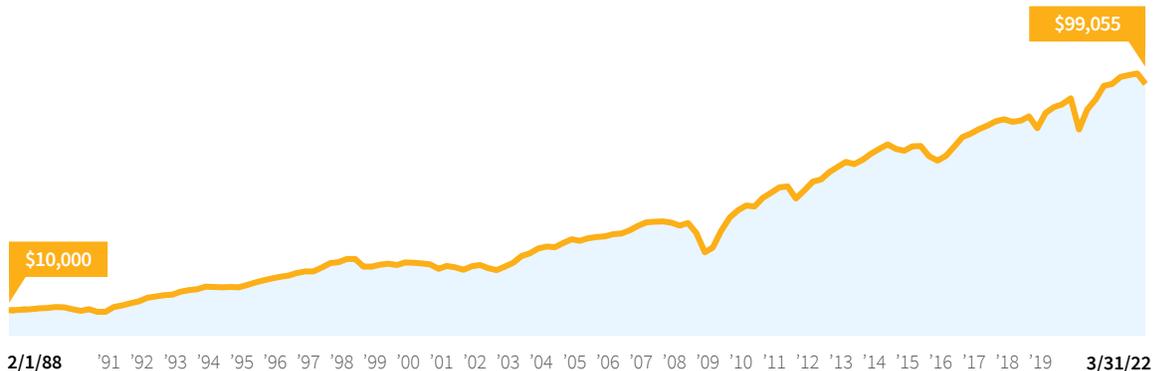
BBB	10.0%
BB	40.2
B	30.5
CCC and below	12.4
Not rated	4.3
Net cash	2.6

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

**Growth of a \$10,000 investment**

With dividends reinvested, the fund has returned an average of 6.9% annually since inception.

(Class IB)



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. All total return figures are at net asset value. The charges and expenses of the insurance company separate account level are not reflected. Performance for class IB shares for periods prior to their inception is based on class IA shares, adjusted to reflect the fees paid by class IB shares including a 12b-1 fee of 0.25%. To obtain the most recent month-end performance, contact your variable annuity provider, who has more information about their variable annuity and variable life products that invest in Putnam managed products. For a portion of the period, this fund limited expenses, without which returns would have been lower.

**Morningstar rankings**

(IB shares)	
1 year	38% (30/76)
3 years	45% (48/76)
5 years	46% (52/73)
10 years	41% (44/68)

**Number of holdings**

546

**Net assets**

\$154.20M

**Standard deviation**

9.02

**Average effective duration**

4.00

**Annual performance at net asset value (all distributions reinvested)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 YTD
Class IA	8.10%	1.91%	-5.14%	15.66%	7.22%	-3.59%	14.55%	5.50%	5.20%	-4.00%
Class IB	7.85	1.56	-5.35	15.55	6.98	-4.07	14.40	5.21	4.97	-4.00
JPMorgan Developed High Yield Index	8.42	2.15	-4.53	18.22	7.80	-2.36	14.60	5.34	5.92	-4.18

**Annualized total return performance**

	Class IA NAV Inception 2/1/88	Class IB NAV Inception 4/30/98	JPMorgan Developed High Yield Index
1 year	0.13%	0.02%	0.12%
3 years	4.42	4.16	4.52
5 years	4.28	4.02	4.68
10 years	5.30	5.04	5.86
Life of fund	7.16	6.94	—

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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.

Morningstar rankings for class IB 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.

**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.

**Your clients should carefully consider the investment objective, risks, charges, and expenses of a fund before investing. For a prospectus containing this and other information for any variable annuity or variable life product that invests in Putnam managed products, call the Putnam Client Engagement Center at 1-800-354-4000. Your clients should read the prospectus carefully before investing.**

For informational purposes only. Not an investment recommendation.

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Putnam Retail Management  
FS032\_VT 329758 4/22