

**Objective**

The fund seeks positive total return.

**Portfolio Managers**

**Robert J. Schoen**  
(industry since 1990)

**James A. Fetch**  
(industry since 1994)

**Jason R. Vaillancourt, CFA**  
(industry since 1993)

**Brett S. Goldstein**  
(industry since 2010)

**Current unit value**

Class IA: \$9.56

Class IB: \$9.40

**Non-directional strategies**

**Equity Selection Alpha:** Long/short or beta/market neutral equity strategies that focus on individual securities, basket of securities, and/or sectors. **Fixed Income**

**Selection Alpha:** Long/short and/or opportunistic alpha strategies within the more unique areas of the fixed-income market, such as the securitized mortgage market. **Fixed Income Sector Alpha:**

Long/short selections strategies either within a particular fixed-income sector or between sectors. **Regional**

**Equity Long/Short:** Top-down equity long/short trades. Could be between two different countries or basket of countries. **Regional Fixed**

**Income Long/Short:** Top-down fixed-income long/short trades. Could be between two different countries or basket of countries. **Commodity**

**Alpha:** Long/short trades focused on commodity markets. Could be between two different indices, sub-sectors, or different parts of the futures curve. **Currency**

**Alpha:** Long/short individual and/or baskets of currencies. **Alternative Beta:** Seek

different sources of market beta or risk premium, constructed in a way that is market neutral.

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

# Putnam VT Multi-Asset Absolute Return Fund

Seeks positive returns with a similar level of volatility

**Targeting positive returns**

The fund seeks positive returns with a similar level of volatility over a full market cycle.

**Global flexibility**

The strategy dynamically combines efficient beta and uncorrelated alpha strategies to create a well-diversified portfolio.

**Diversification potential**

Less influenced by traditional market risks, the fund can be an effective choice to improve portfolio efficiency.

**Diversified strategies make the portfolio more efficient**

The portfolio combines long and short directional beta strategies with non-directional alpha strategies. They have low or negative correlation to each other and combining them can reduce portfolio volatility.

Directional	27.6%
Equity	10.4
Credit	4.6
Rates	11.7
Commodity	1.0

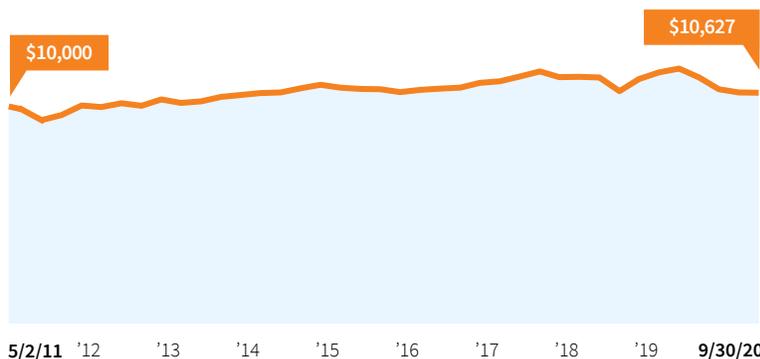


Non-directional	72.4%
Equity selection alpha	36.9
Fixed income selection alpha	9.2
Regional fixed income long/short	2.7
Commodity alpha	12.5
Currency alpha	1.6
Alternative beta	9.5

Stand-alone risk allocations as of 9/30/20. Diversification does not guarantee a profit or ensure against loss. It is possible to lose money in a diversified portfolio.

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

The fund has returned an average of 0.7% annually since inception. (Class IB)



**The fund seeks strong risk-adjusted returns with low market risk since inception**

5/2/11-9/30/20

Annualized return (IB Share)	0.65%
Standard deviation	4.04
Sharpe ratio	-0.01
Beta (BBG U.S. Aggregate Bond Index)	0.29
Beta (S&P 500 Index)	0.18

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. All total return figures are at net asset value. The charges and expenses of the insurance company separate account level are not reflected. 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.

**Number of holdings**

503

**Net assets**

\$25.28M

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 YTD
Class IA	—	4.6%	4.5%	4.1%	-0.2%	0.9%	7.2%	-7.6%	5.9%	-6.1%
Class IB	—	4.4	4.1	3.9	-0.4	0.6	7.0	-7.8	5.9	-6.3
ICE BofA U.S. Treasury Bill Index	0.1%	0.1	0.1	0.1	0.1	0.4	0.8	1.9	2.4	0.7

**Annualized total return performance**

	Class IA NAV Inception 5/2/11	Class IB NAV Inception 5/2/11	ICE BofA U.S. Treasury Bill Index
1 year	-9.30%	-9.53%	1.19%
3 years	-2.06	-2.25	1.73
5 years	-0.12	-0.33	1.22
Life of fund	0.89	0.65	0.69

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**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.

**Sharpe ratio** is a measure of historical adjusted performance calculated by dividing the fund's return minus the risk free rate (ML 3-Month T-Bill) by the standard deviation of the fund's return. The higher the ratio, the better the fund's return per unit of risk.

**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.

Not all share classes are available on all platforms. For informational purposes only. Not an investment recommendation.

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Not for public distribution

Putnam Retail Management  
FS110\_VT 323450 10/20

The ICE BofA U.S. Treasury Bill Index is an unmanaged index that tracks the performance of U.S. dollar-denominated U.S. Treasury bills publicly issued in the U.S. domestic market. Qualifying securities must have a remaining term of at least one month to final maturity and a minimum amount outstanding of \$1 billion. You cannot invest directly in an index. ICE Data Indices, LLC ("ICE BofA"), used with permission. ICE BofA permits use of the ICE BofA indices and related data on an "as is" 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.

**Consider these risks before investing:** Allocation of assets among asset classes may hurt performance. 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, asset class, geography, industry, or sector. These and other factors may lead to increased volatility and reduced liquidity in the fund's portfolio holdings. Growth stocks may be more susceptible to earnings disappointments, and value stocks may fail to rebound. 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. Unlike bonds, funds that invest in bonds have fees and expenses. Lower-rated bonds may offer higher yields in return for more risk. Funds that invest in government securities are not guaranteed. Mortgage-backed securities are subject to prepayment risk, which means that they may increase in value less than other bonds when interest rates decline and decline in value more than other bonds when interest rates rise. The fund may have to invest the proceeds from prepaid investments, including mortgage- and asset-backed investments, in other investments with less attractive terms and yields. International investing involves currency, economic, and political risks. Emerging-market securities have illiquidity and volatility risks. Our alpha strategy may lose money or not earn a return sufficient to cover associated trading and other costs. Our use of leverage obtained through derivatives increases these risks by increasing investment exposure. 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 fund's efforts to produce lower-volatility returns may not be successful. The fund may not achieve its goal, and it is not intended to be a complete investment program. The fund's prospectus lists additional risks. 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. The fund is not intended to outperform stocks and bonds during strong market rallies.

**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.**