Putnam Focused International Equity Fund

Pursuing growth from high-quality but undervalued non-U.S. companies

Quality companies
The fund invests in developed and emerging markets, seeking high-quality companies trading at deep discounts to their value.

Wide moat advantages
We seek companies that have high and sustainable returns on capital, low debt, and leaders with a track record of smart capital allocations.

Focused portfolio
With 25-35 stock holdings, we aim for better returns and lower risk through intense study of each company.

Top 10 holdings
Taiwan Semiconductor 6.15%
Constellation Software 5.80%
Ryanair 5.27%
Alphabet 4.18%
Berkeley Group 4.07%
ITOCHU 3.99%
Universal Music Group 3.87%
Unilever 3.82%
Admiral Group 3.78%
CompuGroup Medical 3.58%

Holdings represent 44.51% of the portfolio and will vary over time.

Country weightings
United Kingdom 9.4% 19.0% 9.6%
Canada 6.4% 13.9% 7.5%
South Korea 6.2% 9.6% 3.4%
Ireland 4.7% 5.3% 0.6%
United States 4.1% 4.2% 0.1%

Other countries
Denmark -2.1% 0.0% 2.1%
Japan -3.9% 10.8% 14.7%
Australia -4.7% 0.0% 4.7%
France -5.1% 2.6% 7.7%
Switzerland -6.4% 0.0% 6.4%

Other countries 29.2% 43.1%

Risk (Y shares, as of 9/30/23)
Beta 1.07
Tracking error 6.06%
Up capture ratio 106.88%
Down capture ratio 113.18%

Top active weights
Top 5 overweights
Constellation Software 5.8% 0.2% 5.6%
Ryanair 5.3% 0.0% 5.3%
Taiwan Semiconductor 6.1% 1.7% 4.4%
Alphabet 4.2% 0.0% 4.2%
Berkeley Group 4.1% 0.0% 4.1%

Top 5 underweights
Nestle 0.0% 1.3% -1.3%
Novo Nordisk 0.0% 1.3% -1.3%
Tencent 0.0% 1.1% -1.1%
ASML 0.0% 1.0% -1.0%
Shell 0.0% 0.9% -0.9%

Not all share classes are available on all platforms.

Capture ratios are used to evaluate how well an investment manager performed relative to an index during specific periods (periods of positive return in the case of up capture, negative return in the case of down capture). The ratio is calculated by dividing the manager’s returns by the returns of the index during the period and multiplying that factor by 100. Turnover is the rate at which the fund buys and sells securities each year. For example, if a fund’s assets total $100 million and the fund bought and sold $100 million of securities that year, its portfolio turnover rate would be 100%. 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. Tracking error assesses how closely a fund’s performance tracks that of the fund’s benchmark by calculating the standard deviation of the difference between the fund’s returns and its benchmark returns over a given time period, typically 5 years.

Not FDIC insured
May lose value
No bank guarantee

The fund received a 4-star Overall Morningstar Rating as of 9/30/23 among 679 funds in the Foreign Large Blend category (Y shares, based on risk-adjusted returns)

Spencer Morgan, CFA
Portfolio Manager (industry since 2009)

Karan S. Sodhi, CFA
Portfolio Manager (industry since 1998)
Morningstar rankings
(Y shares, based on total return)

1 year 19% (145/730)
3 years 80% (520/679)
5 years 47% (265/562)
10 years 7% (17/409)

Total expense ratio
(Y shares) 0.86%
(A shares) 1.11%

Adjustable management fee examples
(Y shares, based on performance versus benchmark)
Base fee 0.69%
Higher fee after 1% outperformance 0.72%
Lower fee after 1% underperformance 0.66%
Maximum performance adjustment +/-0.15%

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/50% 5-year rating/25% 10-year rating.

Note: No fees or sales charges have been deducted from returns. The “original prospectus” fees and expenses may differ from the “current prospectus” fees and expenses. The Morningstar Rating is calculated for the A share class of this fund.

Annual performance (all distributions reinvested)

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<tbody>
<tr>
<td>Y shares at net asset value</td>
<td>1.67%</td>
<td>-1.66%</td>
<td>1.24%</td>
<td>28.46%</td>
<td>-12.42%</td>
<td>27.00%</td>
<td>10.35%</td>
<td>10.31%</td>
<td>-17.94%</td>
<td>7.60%</td>
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<tr>
<td>A shares before sales charge</td>
<td>1.46</td>
<td>-1.90</td>
<td>1.01</td>
<td>28.08</td>
<td>-12.63</td>
<td>26.66</td>
<td>10.12</td>
<td>9.99</td>
<td>-18.15</td>
<td>7.43</td>
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<tr>
<td>Primary benchmark</td>
<td>-3.87</td>
<td>-5.66</td>
<td>4.50</td>
<td>27.19</td>
<td>-14.20</td>
<td>21.51</td>
<td>10.65</td>
<td>7.82</td>
<td>-16.00</td>
<td>5.34</td>
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<tr>
<td>Linked benchmark</td>
<td>4.94</td>
<td>-0.87</td>
<td>7.51</td>
<td>22.40</td>
<td>-8.71</td>
<td>27.67</td>
<td>15.90</td>
<td>9.31</td>
<td>-16.00</td>
<td>5.34</td>
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All Morningstar ratings provided by Morningstar.

The Morningstar Rating is calculated for the A share class of this fund.

Annualized total return performance

<table>
<thead>
<tr>
<th>Period</th>
<th>Q3</th>
<th>1 year</th>
<th>3 years</th>
<th>5 years</th>
<th>10 years</th>
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<tbody>
<tr>
<td>Y shares (Inception 9/23/02)</td>
<td>-3.78%</td>
<td>26.15%</td>
<td>2.51%</td>
<td>2.91%</td>
<td>5.36%</td>
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<tr>
<td>A shares (Inception 7/1/94) before sales charge</td>
<td>-3.83%</td>
<td>25.86%</td>
<td>2.26</td>
<td>2.65%</td>
<td>5.11%</td>
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<tr>
<td>A shares after sales charge</td>
<td>-9.36%</td>
<td>18.62%</td>
<td>0.26%</td>
<td>1.45%</td>
<td>4.49%</td>
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<tr>
<td>Primary benchmark</td>
<td>-3.77%</td>
<td>20.39%</td>
<td>3.74%</td>
<td>2.58%</td>
<td>3.35%</td>
</tr>
<tr>
<td>Linked benchmark</td>
<td>-3.77%</td>
<td>20.39%</td>
<td>3.30%</td>
<td>4.38%</td>
<td>6.80%</td>
</tr>
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</table>

All Morningstar benchmarks provided by Morningstar.

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 investment of distributions and does not account for taxes. After-sales-charge returns for class A reflect a maximum 5.75% 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.

Putnam Focused International Equity Fund received 2, 2, and 5 stars for the 3, 5, and 10-year periods among 679, 622, and 409 Morningstar subcategories, respectively.