

Portfolio Managers**Michael Salm**

(industry since 1989)

Andrew Benson

(industry since 2008)

Albert Chan, CFA

(industry since 2002)

Sriketan Mahanti

(industry since 2000)

Objective

Seeks high current income consistent with prudent risk

Type

Active, fully transparent, traditional ETF with daily disclosure of portfolio holdings to public investors and traders

Ticker CUSIP

PCRB 746729607

Primary exchange

NYSE

Fund distributor

Foreside Fund Services, LLC

Inception

January 19, 2023

Benchmark

Bloomberg U.S. Aggregate Bond Index

Total expense ratio

0.35%

Dividend frequency

Monthly

Putnam ESG Core Bond ETF (PCRB)

Income securities diversified across multiple sectors for all-weather performance

Diverse opportunities

Invests across sectors of the U.S. bond market, including mortgage-backed securities, corporate bonds, and other government obligations

Bottom-up process

Pursues benchmark outperformance mainly through security selection, while subsector allocations within the benchmark and macro strategies also serve as potential alpha generators

Integrated ESG approach

Incorporates consideration of material environmental, social, and governance (ESG) issues that managers view as additive to the fundamental understanding of each issuer

**Core bond portfolio**

The fund invests mainly in bonds of governments and private companies that are investment grade in quality with intermediate- to long-term maturities (three years or longer).

**Active strategy**

To navigate the complexity of today's fixed income markets, the fund pursues active management with a commitment to fundamental research.

**Expertise in diverse capabilities**

Michael Salm, Putnam's Chief Investment Officer, Fixed Income, leads an experienced portfolio team with expertise in term structure, credit, prepayment, and liquidity strategies.

**Relevant ESG criteria**

The portfolio team invests with a focus on companies or bond issuers that meet relevant sector-specific ESG criteria.

Why ETFs?

- **Cost competitive**
ETFs may reduce costs to investors with a simplified fee structure compared to alternatives.
- **Tax efficient**
The structure of ETFs can reduce the impact of capital gains distributions relative to other investment vehicles.
- **Intraday liquidity**
ETFs trade at any time of day, offering convenience and price clarity when buying and selling.

Why active?

- **Potential for outperformance**
Active strategies aim to outperform passive indexes through investment research and portfolio positioning.
- **Active risk management**
Proactive analysis helps to identify better risk/reward potential than an index offers and seeks to reduce unintended risk.
- **Professional oversight**
Experienced portfolio managers balance risk and return while delivering the ETF's structural benefits.

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

Experienced portfolio managers

- Michael Salm is Chief Investment Officer, Fixed Income, and a seasoned veteran with experience in multiple economic and credit cycles over more than three decades. He specializes in strategies related to mortgage and structured credit products, as well as interest-rate and volatility derivatives.
- Portfolio Manager Andrew Benson specializes in investment-grade and corporate credit strategies. He also collaborates on ESG integration, assessing the fundamental relevance of ESG issues at a security level and the potential for alpha generation and risk mitigation.
- Albert Chan is Head of Portfolio Construction within Fixed Income and a portfolio manager on many funds and institutional accounts. He is responsible for term structure strategies, including interest-rate and foreign currency trading implementation, as well as quantitative modeling.
- Portfolio Manager Sriketan Mahanti specializes in agency residential mortgage-backed and asset-backed securities and is responsible for constructing portfolios.

The Bloomberg U.S. Aggregate Bond Index is an unmanaged index of U.S. investment-grade fixed income securities. You cannot invest directly in an index. BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). Bloomberg or Bloomberg's licensors own all proprietary rights in the Bloomberg Indices. Neither Bloomberg nor Bloomberg's licensors approve or endorse this material, or guarantee the accuracy or completeness of any information herein, or make any warranty, express or implied, 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.

Alpha is a measure of performance on a risk-adjusted basis. Alpha takes the volatility of a mutual fund and compares its risk-adjusted performance to a benchmark index. The excess return of the fund relative to the return of the benchmark index is a fund's alpha.

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: Investing with a focus on companies or issuers that exhibit a commitment to ESG factors may result in the fund investing in certain types of companies or issuers that underperform the market as a whole. In evaluating an investment opportunity, we may make investment decisions based on information and data that is incomplete or inaccurate. Due to changes in the products or services of the companies and issuers in which the fund invests, the fund may temporarily hold securities that are inconsistent with its ESG investment criteria.

Fixed income 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. 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. Funds that invest in government securities are not guaranteed. Mortgage-backed investments, unlike traditional debt investments, are also 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 in other investments with less attractive terms and yields.

The value of investments in the fund's portfolio may fall or fail to rise over 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. Our investment techniques, analyses, and judgments may not produce the outcome we intend. You can lose money by investing in the fund.

You should consider the fund's investment objectives, risks, charges, and expenses carefully before you invest. This and other important information is contained in the fund's prospectus available on putnam.com or by calling 1-833-228-5577. Please read carefully before you invest.

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