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# Putnam Large Cap Value Trust

Annual report  
12|31|20

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# Manager's Report 12/31/20

## Market Highlights

Equity markets had a solid start in 2020, hitting record highs in early February 2020; however, market conditions changed dramatically as the Covid-19 pandemic began its global spread. Financial markets encountered unprecedented bouts of volatility. Manufacturing and services activities ceased across the globe as businesses were closed and stay-at-home orders went into effect. In the first three months of 2020, U.S. large-cap value stocks, the focus of this fund, declined 26.73%, giving back slightly more than their entire gain for the 2019 calendar year. However, just as surprising to many investors was the rebound in stocks that followed. In April 2020, major stock indexes posted their best monthly percentage gains since 1987. In September, market volatility picked up as Covid-19 cases began to surge globally. Also weighing on investor sentiment was uncertainty surrounding the U.S. presidential election. While overall stock performance weakened, value stocks began to outperform growth stocks. In November, particularly after approval of the first Covid-19 vaccine was announced, the Russell 1000 Value Index, the fund's benchmark, delivered its highest-ever monthly return, handily outperforming its Russell 1000 Growth Index counterpart.

## Performance

During this period, the Putnam Large Cap Value Trust (the "fund") returned 6.28% (net of fees) for Class I, significantly outperforming its benchmark, the Russell 1000 Value Index, which returned 2.80%. Class IA returned 6.37%, and Class IB returned 6.69%.

The strong outperformance can be attributed to the solid relative performance of the strategy during the volatile first quarter of 2020 as well as strong selection throughout the year as markets recovered. A key component of our investment process has always been rigorous risk control. Another key strategy — which was very important in volatile markets — is portfolio construction. We had a balanced portfolio throughout the course of 2020 that was focused on the fundamentals of individual businesses rather than on macroeconomic or sector trends.

Stock selection accounted for over 70% of the relative outperformance during the period. Sector allocation also had a positive impact. Selections within the information technology, materials, consumer staples, communication services, and consumer discretionary sectors proved most beneficial. Our modest overweights to the information technology (+2%) and healthcare (+2%) sectors also contributed positively. Positions within financials and energy lagged.

Top contributors to relative performance included out-of-benchmark positions in Microsoft (information technology), Apple (information technology), Qualcomm (information technology), and BJ's Wholesale Club (consumer staples). Overweights to Freeport-McMoRan (materials), United Rentals (industrials), Albemarle (materials), and Kroger (consumer staples) also added favorably.

Our positions in Assured Guaranty (financials), Citigroup (financials), Valero Energy (energy), and ConocoPhillips (energy) were among the top detractors. Our out-of-benchmark position in BP (energy) also hurt the fund's performance.

## Outlook & Strategy

The portfolio is a broadly diversified, large-cap equity strategy that seeks companies with underappreciated fundamentals and the income potential from growing dividends to pursue returns for investors. Our bottom-up, relative value approach to investing has not changed. Leveraging both fundamental and quantitative tools allows us to differentiate between cheap and undervalued stocks. To do this, we assess the equity universe daily — across both growth and value styles. We combine a six-factor quantitative model with classic fundamental research. Defining relative value in this way keeps us on top of the changing market and brings us to places beyond traditional value.

The news of an effective Covid-19 vaccine had a profound effect on investor sentiment. Suddenly, the idea of leaving our homes for shopping, dining, travel, and entertainment felt like a distinct possibility. While the pandemic has been a financial hardship for many, there are also many households that built up significant savings during 2020. As we enter 2021, we see considerable demand for leisure spending as well as more assets in savings accounts that are ready to be deployed.

There will be debate over whether multiple waves of the Covid-19 pandemic will result in more permanent economic damage. So far, the market has looked fully past that, anticipating a return to normal in the second half or final quarter of 2021. We have the prospect of herd immunity, pent-up demand from consumers who are eager to go out and spend their savings, and the potential for more fiscal stimulus for those who are struggling.

Rather than trying to predict the next headline and the market reactions to it, we continue to focus on longer-term trends. We are working to determine which changes are temporary and which may be permanent and to take advantage of mispricings across all sectors. Our goal, as always, is to prepare the fund for a range of scenarios with a balanced structure for the portfolio. We plan to maintain a mix of cyclical and defensive holdings, investing in our best ideas with a focus on the fundamentals of the businesses.

By sector, we remain within +/-5% of benchmark weight. Currently, the largest overweight relative to the benchmark is to the materials, energy, and healthcare sectors. Our largest absolute position is to the financials sector (this is in line with the benchmark), and we are notably overweight in banking. The communication services, industrials, and real estate sectors are most underweight at this time.

*The views expressed in this report are exclusively those of Putnam as of December 31, 2020, and are subject to change. This report is for informational purposes only, and should not be regarded as investment advice or as a recommendation to undertake or forego a course of action. Please note that all holdings discussed in this report may not have been held by the fund for the entire period. Portfolio composition is subject to review in accordance with the fund's investment strategy and may vary in the future. Current and future portfolio holdings are subject to risk. Past performance does not guarantee future results.*



## Report of Independent Auditors

To the Trustee of Putnam Large Cap Value Trust

We have audited the accompanying financial statements of Putnam Large Cap Value Trust (the “Fund”), which comprise the statement of assets and liabilities, including the fund’s portfolio, as of December 31, 2020 and the related statements of operations, of changes in net assets and the financial highlights for the year then ended. These financial statements and financial highlights are hereafter collectively referred to as “financial statements.”

### *Management’s Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors’ Responsibility*

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Fund’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Putnam Large Cap Value Trust as of December 31, 2020, and the results of its operations, changes in its net assets and the financial highlights for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

*PricewaterhouseCoopers LLP*

April 16, 2021

## The fund's portfolio 12/31/20

<b>COMMON STOCKS (96.2%)*</b>	<b>Shares</b>	<b>Value</b>
<b>Automotive (3.0%)</b>		
General Motors Co.	702,703	\$29,260,553
United Rentals, Inc.	85,304	19,782,851
		<b>49,043,404</b>
<b>Banking (12.0%)</b>		
Bank of America Corp.	1,665,597	50,484,245
Citigroup, Inc.	796,437	49,108,305
JPMorgan Chase & Co.	410,504	52,162,743
KeyCorp	465,089	7,632,110
PNC Financial Services Group, Inc. (The)	154,786	23,063,114
State Street Corp.	163,892	11,928,060
		<b>194,378,577</b>
<b>Basic materials (7.7%)</b>		
Albemarle Corp.	151,372	22,330,397
CRH PLC (Ireland)	459,874	19,439,951
Dow, Inc.	429,711	23,848,961
DuPont de Nemours, Inc.	84,649	6,019,390
Fortune Brands Home & Security, Inc.	144,442	12,381,568
Freeport-McMoRan, Inc. (Indonesia)	1,402,618	36,496,120
Sherwin-Williams Co. (The)	4,758	3,496,702
		<b>124,013,089</b>
<b>Biotechnology (2.1%)</b>		
Amgen, Inc.	97,134	22,333,049
Regeneron Pharmaceuticals, Inc.	24,420	11,797,546
		<b>34,130,595</b>
<b>Capital goods (5.8%)</b>		
Eaton Corp. PLC	142,792	17,155,031
Honeywell International, Inc.	63,560	13,519,212
Johnson Controls International PLC	409,926	19,098,452
Northrop Grumman Corp.	92,271	28,116,819
Raytheon Technologies Corp.	230,890	16,510,944
		<b>94,400,458</b>
<b>Commercial and consumer services (0.9%)</b>		
Aramark	366,700	14,110,616
		<b>14,110,616</b>
<b>Communication services (5.5%)</b>		
American Tower Corp. <sup>R</sup>	68,640	15,406,934
Charter Communications, Inc. Class A	46,138	30,522,594
Comcast Corp. Class A	488,825	25,614,430
T-Mobile US, Inc.	123,200	16,613,520
		<b>88,157,478</b>
<b>Communications equipment (1.0%)</b>		
Cisco Systems, Inc.	380,251	17,016,232
		<b>17,016,232</b>
<b>Conglomerates (1.1%)</b>		
Danaher Corp.	64,247	14,271,829

<b>COMMON STOCKS (96.2%)* <i>cont.</i></b>	<b>Shares</b>	<b>Value</b>
<b>Conglomerates <i>cont.</i></b>		
General Electric Co.	330,262	\$3,566,830
		<b>17,838,659</b>
<b>Consumer finance (0.7%)</b>		
Capital One Financial Corp.	111,689	11,040,458
		<b>11,040,458</b>
<b>Consumer staples (3.6%)</b>		
Keurig Dr Pepper, Inc.	368,870	11,803,840
PepsiCo, Inc.	136,329	20,217,591
Procter & Gamble Co. (The)	193,251	26,888,944
		<b>58,910,375</b>
<b>Electronics (4.2%)</b>		
NXP Semiconductors NV	69,326	11,023,527
Qualcomm, Inc.	210,206	32,022,782
Texas Instruments, Inc.	76,585	12,569,896
Vontier Corp.	380,800	12,718,720
		<b>68,334,925</b>
<b>Energy (4.8%)</b>		
BP PLC (United Kingdom)	2,171,527	7,480,396
ConocoPhillips	508,115	20,319,519
EOG Resources, Inc.	75,051	3,742,793
Exxon Mobil Corp.	317,700	13,095,594
Halliburton Co.	209,588	3,961,213
TOTAL SA (France)	217,987	9,403,543
Valero Energy Corp.	351,234	19,869,307
		<b>77,872,365</b>
<b>Financial (1.7%)</b>		
Apollo Global Management, Inc.	270,947	13,270,984
Radian Group, Inc.	724,810	14,677,403
		<b>27,948,387</b>
<b>Health-care services (1.7%)</b>		
Cigna Corp.	132,738	27,633,397
		<b>27,633,397</b>
<b>Homebuilding (1.1%)</b>		
PulteGroup, Inc.	397,634	17,145,978
		<b>17,145,978</b>
<b>Insurance (2.5%)</b>		
American International Group, Inc.	338,707	12,823,447
Assured Guaranty, Ltd.	477,846	15,047,371
AXA SA (France)	556,539	13,351,854
		<b>41,222,672</b>
<b>Investment banking/Brokerage (2.4%)</b>		
Charles Schwab Corp. (The)	300,325	15,929,238
Goldman Sachs Group, Inc. (The)	86,471	22,803,267
		<b>38,732,505</b>
<b>Lodging/Tourism (1.1%)</b>		
Hilton Worldwide Holdings, Inc.	160,040	17,806,050
		<b>17,806,050</b>

<b>COMMON STOCKS (96.2%)* <i>cont.</i></b>	<b>Shares</b>	<b>Value</b>
<b>Medical technology (0.9%)</b>		
Baxter International, Inc.	180,530	\$14,485,727
		<b>14,485,727</b>
<b>Pharmaceuticals (8.4%)</b>		
AbbVie, Inc.	242,269	25,959,123
AstraZeneca PLC ADR (United Kingdom)	353,709	17,681,913
Eli Lilly and Co.	156,258	26,382,601
Johnson & Johnson	222,100	34,954,098
Merck & Co., Inc.	286,484	23,434,391
Pfizer, Inc.	220,373	8,111,930
Viatis, Inc.	26,512	496,835
		<b>137,020,891</b>
<b>Real estate (2.4%)</b>		
Boston Properties, Inc. <sup>R</sup>	181,388	17,146,608
Gaming and Leisure Properties, Inc. <sup>R</sup>	527,887	22,382,409
		<b>39,529,017</b>
<b>Retail (6.6%)</b>		
BJ's Wholesale Club Holdings, Inc.	513,331	19,136,980
Home Depot, Inc. (The)	60,611	16,099,494
Target Corp.	129,000	22,772,370
Walmart, Inc.	342,483	49,368,924
		<b>107,377,768</b>
<b>Software (4.4%)</b>		
Activision Blizzard, Inc.	214,926	19,955,879
Microsoft Corp.	231,833	51,564,296
		<b>71,520,175</b>
<b>Technology services (1.9%)</b>		
Fidelity National Information Services, Inc.	213,721	30,232,973
		<b>30,232,973</b>
<b>Transportation (3.4%)</b>		
Southwest Airlines Co.	619,032	28,853,082
Union Pacific Corp.	123,423	25,699,137
		<b>54,552,219</b>
<b>Utilities and power (5.3%)</b>		
Ameren Corp.	150,936	11,782,064
American Electric Power Co., Inc.	257,010	21,401,223
Exelon Corp.	600,079	25,335,335
NRG Energy, Inc.	746,940	28,047,599
		<b>86,566,221</b>
<b>Total common stocks (cost \$1,353,673,101)</b>		<b>\$1,561,021,211</b>
<b>PREFERRED STOCKS (0.9%)*</b>	<b>Shares</b>	<b>Value</b>
2020 Cash Exchange Trust 144A 5.25% cv. pfd.	12,075	\$14,473,940
<b>Total preferred stocks (cost \$12,536,994)</b>		<b>\$14,473,940</b>
<b>CONVERTIBLE PREFERRED STOCKS (0.7%)*</b>	<b>Shares</b>	<b>Value</b>
Danaher Corp. 5.00% cv. pfd.	8,567	\$11,146,524
<b>Total convertible preferred stocks (cost \$8,908,911)</b>		<b>\$11,146,524</b>

WARRANTS (—%)*	Expiration date	Strike price	Warrants	Value
Occidental Petroleum Corp.	8/3/27	\$22.00	5,254	\$35,780
<b>Total warrants (cost \$26,010)</b>				<b>\$35,780</b>

SHORT-TERM INVESTMENTS (3.1%)*	Principal amount/shares	Value
Putnam Money Market Portfolio 0.17% <sup>L</sup>	Shares 48,653,875	\$48,653,875
U.S. Treasury Bills 0.092%, 1/19/21	\$1,000,000	999,955
U.S. Treasury Bills 0.079%, 3/18/21 <sup>Δ</sup>	600,000	599,901
U.S. Treasury Bills 0.077%, 3/25/21 <sup>Δ</sup>	800,000	799,859
<b>Total short-term investments (cost \$51,053,590)</b>		<b>\$51,053,590</b>

TOTAL INVESTMENTS	Value
<b>Total investments (cost \$1,426,198,606)</b>	<b>\$1,637,731,045</b>

#### Key to holding's abbreviations

ADR American Depository Receipts: represents ownership of foreign securities on deposit with a custodian bank

#### Notes to the fund's portfolio

Unless noted otherwise, the notes to the fund's portfolio are for the close of the fund's reporting period, which ran from January 1, 2020 through December 31, 2020 (the reporting period). Within the following notes to the portfolio, references to "ASC 820" represent Accounting Standards Codification 820 *Fair Value Measurements and Disclosures*.

\* Percentages indicated are based on net assets of \$1,623,514,690.

<sup>Δ</sup> This security, in part or in entirety, was pledged and segregated with the custodian for collateral on certain derivative contracts at the close of the reporting period. Collateral at period end totaled \$564,888 and is included in Investments in securities on the Statement of assets and liabilities (Notes 2 and 8).

<sup>L</sup> Affiliated company (Note 5). The rate quoted in the security description is the annualized 7-day yield of the Putnam Money Market Portfolio at the close of the reporting period.

<sup>R</sup> Real Estate Investment Trust.

Unless otherwise noted, the rates quoted in Short-term investments security descriptions represent the weighted average yield to maturity.

144A after the name of an issuer represents securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.

FORWARD CURRENCY CONTRACTS at 12/31/20 (aggregate face value \$70,253,170)						
Counterparty	Currency	Contract type*	Delivery date	Value	Aggregate face value	Unrealized appreciation/(depreciation)
<b>Bank of America N.A.</b>						
	British Pound	Sell	3/17/21	\$8,679,866	\$8,549,999	\$(129,867)
	Euro	Sell	3/17/21	5,229,821	5,205,552	(24,269)
<b>Barclays Bank PLC</b>						
	British Pound	Sell	3/17/21	7,320,781	7,210,118	(110,663)
	Euro	Sell	3/17/21	2,264,094	2,253,451	(10,643)
<b>Citibank, N.A.</b>						
	British Pound	Buy	3/17/21	1,036,073	1,020,637	15,436
	Euro	Sell	3/17/21	1,788,221	1,779,795	(8,426)
<b>HSBC Bank USA, National Association</b>						
	British Pound	Buy	3/17/21	3,466,529	3,414,559	51,970
	Euro	Sell	3/17/21	8,200,321	8,163,427	(36,894)
<b>JPMorgan Chase Bank N.A.</b>						
	British Pound	Sell	3/17/21	5,269,430	5,190,634	(78,796)
<b>UBS AG</b>						
	Euro	Sell	3/17/21	18,806,432	18,718,117	(88,315)



**FORWARD CURRENCY CONTRACTS at 12/31/20 (aggregate face value \$70,253,170) cont.**

Counterparty	Currency	Contract type*	Delivery date	Value	Aggregate face value	Unrealized appreciation/ (depreciation)
<b>WestPac Banking Corp.</b>						
	British Pound	Sell	3/17/21	\$6,556,005	\$6,458,078	\$(97,927)
	Euro	Sell	3/17/21	2,299,579	2,288,803	(10,776)
<b>Unrealized appreciation</b>						<b>67,406</b>
<b>Unrealized (depreciation)</b>						<b>(596,576)</b>
<b>Total</b>						<b>\$(529,170)</b>

\* The exchange currency for all contracts listed is the United States Dollar.

ASC 820 establishes a three-level hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of the fund's investments. The three levels are defined as follows:

Level 1: Valuations based on quoted prices for identical securities in active markets.

Level 2: Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3: Valuations based on inputs that are unobservable and significant to the fair value measurement.

The following is a summary of the inputs used to value the fund's net assets as of the close of the reporting period:

Investments in securities:	Valuation inputs		
	Level 1	Level 2	Level 3
Common stocks*:			
Basic materials	\$104,573,138	\$19,439,951	\$—
Capital goods	94,400,458	—	—
Communication services	88,157,478	—	—
Conglomerates	17,838,659	—	—
Consumer cyclicals	205,483,816	—	—
Consumer staples	58,910,375	—	—
Energy	60,988,426	16,883,939	—
Financials	339,499,762	13,351,854	—
Health care	213,270,610	—	—
Technology	187,104,305	—	—
Transportation	54,552,219	—	—
Utilities and power	86,566,221	—	—
<b>Total common stocks</b>	<b>1,511,345,467</b>	<b>49,675,744</b>	<b>—</b>
Convertible preferred stocks	—	11,146,524	—
Preferred stocks	—	14,473,940	—
Warrants	35,780	—	—
Short-term investments	—	51,053,590	—
<b>Totals by level</b>	<b>\$1,511,381,247</b>	<b>\$126,349,798</b>	<b>\$—</b>
Valuation inputs			
<b>Other financial instruments:</b>			
Forward currency contracts	\$—	\$(529,170)	\$—
<b>Totals by level</b>	<b>\$—</b>	<b>\$(529,170)</b>	<b>\$—</b>

\* Common stock classifications are presented at the sector level, which may differ from the fund's portfolio presentation.

The accompanying notes are an integral part of these financial statements.

## Statement of assets and liabilities 12/31/20

### ASSETS

Investment in securities, at value (Note 2):	
Unaffiliated issuers (identified cost \$1,377,544,731)	\$1,589,077,170
Affiliated issuers (identified cost \$48,653,875) (Note 5)	48,653,875
Foreign currency (cost \$115,362) (Note 2)	116,315
Dividends, interest and other receivables	1,447,630
Receivable for units of the fund sold	14,625,040
Receivable from Trustee (Note 3)	17,085
Unrealized appreciation on forward currency contracts (Note 2)	67,406
<b>Total assets</b>	<b>1,654,004,521</b>

### LIABILITIES

Payable for investments purchased	27,655,977
Payable for units of the fund repurchased	1,784,032
Payable for custodian fees (Note 3)	21,582
Payable for administrative services (Note 3)	22,137
Payable for Trustee fees (Note 3)	385,126
Unrealized depreciation on forward currency contracts (Note 2)	596,576
Other accrued expenses	24,401
<b>Total liabilities</b>	<b>30,489,831</b>
<b>Net assets</b>	<b>\$1,623,514,690</b>

### COMPUTATION OF NET ASSET VALUE

Net assets per class I	\$58,228,944
Units outstanding	4,584,345
Net asset value per class I unit	\$12.70
Net assets per class IA	\$423,097,371
Units outstanding	34,265,323
Net asset value per class IA unit	\$12.35
Net assets per class IB	\$1,142,188,375
Units outstanding	91,833,423
Net asset value per class IB unit	\$12.44

The accompanying notes are an integral part of these financial statements.

## Statement of operations Year ended 12/31/20

<b>INVESTMENT INCOME</b>	
Dividends (net of foreign tax of \$149,040)	\$30,377,732
Interest (including interest income of \$280,475 from investments in affiliated issuers) (Note 5)	289,278
<b>Total investment income</b>	<b>30,667,010</b>
<b>EXPENSES (Note 3)</b>	
Custodian fees	28,909
Trustee fees	1,392,264
Administrative services	23,484
Other	36,445
Fees waived and reimbursed by Trustee	(58,605)
<b>Total expenses</b>	<b>1,422,497</b>
Expense reduction	(819)
<b>Net expenses</b>	<b>1,421,678</b>
<b>Net investment income</b>	<b>29,245,332</b>
<b>REALIZED AND UNREALIZED GAIN (LOSS)</b>	
<b>Net realized gain (loss) on:</b>	
Securities from unaffiliated issuers (Note 2)	17,277,706
Foreign currency transactions (Note 2)	29,305
Forward currency contracts (Note 2)	(3,797,709)
Futures contracts (Note 2)	(979,000)
<b>Total net realized gain</b>	<b>12,530,302</b>
<b>Change in net unrealized appreciation (depreciation) on:</b>	
Securities from unaffiliated issuers	95,492,995
Assets and liabilities in foreign currencies	13,263
Forward currency contracts	10,970
<b>Total change in net unrealized appreciation</b>	<b>95,517,228</b>
<b>Net gain on investments</b>	<b>108,047,530</b>
<b>Net increase in net assets resulting from operations</b>	<b>\$137,292,862</b>

The accompanying notes are an integral part of these financial statements.

## Statement of changes in net assets

<b>INCREASE IN NET ASSETS</b>	<b>Year ended 12/31/20</b>
<b>Operations:</b>	
Net investment income	\$29,245,332
Net realized gain on investments and foreign currency transactions	12,530,302
Change in net unrealized appreciation of investments and assets and liabilities in foreign currencies	95,517,228
<b>Net increase in net assets resulting from operations</b>	<b>137,292,862</b>
Increase in principal transactions (Note 4)	430,643,438
<b>Total increase in net assets</b>	<b>567,936,300</b>
<b>NET ASSETS</b>	
Beginning of year	1,055,578,390
<b>End of year</b>	<b>\$1,623,514,690</b>

The accompanying notes are an integral part of these financial statements.

## Financial highlights (For a unit outstanding throughout the year)

PER-UNIT OPERATING PERFORMANCE	Year ended 12/31/20		
	Class I	Class IA	Class IB
<b>Net asset value, beginning of year</b>	<b>\$11.95</b>	<b>\$11.61</b>	<b>\$11.66</b>
<i>Investment operations:</i>			
Net investment income (a)	0.23	0.23	0.27
Net realized and unrealized gain (loss) on investments	0.52	0.51	0.51
<b>Total from investment operations</b>	<b>0.75</b>	<b>0.74</b>	<b>0.78</b>
<b>Net asset value, end of year</b>	<b>\$12.70</b>	<b>\$12.35</b>	<b>\$12.44</b>
<b>Total return at net asset value (%)</b>	<b>6.28</b>	<b>6.37</b>	<b>6.69</b>

### RATIOS AND SUPPLEMENTAL DATA

<b>Net assets, end of year (in thousands)</b>	<b>\$58,229</b>	<b>\$423,097</b>	<b>\$1,142,188</b>
Ratio of expenses to average net assets %(c)	0.39	0.34	0.00*(b)
Ratio of net investment income to average net assets (%)	2.10	2.15	2.42(b)

\* Ratio represents less than 0.01%.

- (a) Per unit net investment income has been determined on the basis of the average number of units outstanding during the year.
- (b) Reflects an expense limitation in effect during the year. As a result of such limitation, the expenses of this class reflect a reduction of 0.01% of average net assets (Note 3).
- (c) Includes amounts paid through expense offset and/or brokerage/service arrangements, if any (Note 3). Also excludes acquired fund fees and expenses, if any.

The accompanying notes are an integral part of these financial statements.

# Notes to financial statements 12/31/20

## 1. Description of the fund

Within the following Notes to financial statements, references to “State Street”, if any, represent State Street Bank and Trust Company and references to “OTC”, if any, represent over-the-counter. Unless otherwise noted, the “reporting period” represents the period from January 1, 2020 through December 31, 2020.

Putnam Large Cap Value Trust (the “fund”) is a fund established and maintained by Putnam Fiduciary Trust Company, LLC (“PFTC”) as Trustee (the “Trustee” and “Manager”) pursuant to the Declaration of Trust for the Putnam Fiduciary Trust Company Investment Funds for Pension and Profit Sharing Trusts (the “Trust”), dated March 31, 2008, as amended. PFTC has hired its affiliate, The Putnam Advisory Company, LLC (“PAC”), to provide certain non-discretionary investment advisory and administrative services to Putnam in connection with the fund. The fund seeks capital growth and current income by investing mainly in common stocks of midsize and large U.S. companies with a focus on value stocks that offer the potential for capital growth, current income or both. The fund may use derivatives such as futures, options, warrants and swap contracts, although they do not represent a primary focus of the fund.

The fund offers three classes of units. Class I, Class IA and Class IB. Class IA units are available to qualifying plans who, at the time of their investment in the fund are clients of Founding Partner financial intermediaries approved by PFTC. Founding Partner intermediaries are intermediaries with plan clients that invest in the fund on the first day of its investment operations. PFTC may also, in its reasonable discretion, make Class IA units available to other plans, including based on factors such as the amount of assets invested on behalf of the plan and the characteristics of the plan or its financial intermediary. Class IB units are available only to certain approved feeder fund investors and to other investors approved by PFTC in its reasonable discretion.

In the normal course of business, the fund enters into contracts that may include agreements to indemnify another party under given circumstances. The fund’s maximum exposure under these arrangements is unknown as this would involve future claims that may be, but have not yet been, made against the fund. However, the fund’s management team expects the risk of material loss to be remote.

## 2. Summary of Significant Accounting Policies

The following is a summary of significant accounting policies consistently followed by the fund in the preparation of its financial statements. The preparation of financial statements is in conformity with accounting principles generally accepted in the United States of America and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements and the reported amounts of increases and decreases in net assets from operations. Actual results could differ from those estimates. Subsequent events after the Statement of assets and liabilities date (December 31, 2020), through the date the financial statements were issued (April 16, 2021), have been evaluated in the preparation of the financial statements. The fund is an investment company and follows accounting and reporting guidance under Financial Accounting Standards Board (“FASB”) Accounting Standards Codification Topic 946, *Financial Services – Investment Companies*.

Investment income, realized and unrealized gains and losses and expenses of the fund are borne pro-rata based on the relative net assets of each class to the total net assets of the fund, except that each class bears expenses unique to that class, including the compensation received by the Trustee applicable to such classes, if any. Accrued compensation of the Trustee shall be deducted from the assets allocable in respect of the class and paid to the Trustee, and such deducted amount shall be allocated equally among the Class units. If the fund were liquidated, units of each class would receive their pro-rata unit of the net assets of the fund.

### Security Valuation

Investments for which market quotations are readily available are valued at the last reported sales price on their principal exchange, or official closing price for certain markets, and are classified as Level 1 securities under Accounting Standards Codification 820 *Fair Value Measurements and Disclosures* (ASC 820). If no sales are reported, as in the case of some securities that are traded OTC, a security is valued at its last reported bid price and is generally categorized as a Level 2 security.

Investments in open-end investment companies (excluding exchange-traded funds), if any, which can be classified as Level 1 or Level 2 securities, are valued based on their net asset value. The net asset value of such investment companies equals the total value of their assets less their liabilities and divided by the number of their outstanding shares.

Market quotations are not considered to be readily available for certain debt obligations (including short-term investments with remaining maturities of 60 days or less) and other investments; such investments are valued on the basis of valuations furnished by an independent pricing service approved by the Trustee or dealers selected by the Trustee. Such services or dealers determine valuations for normal institutional-size trading units of such securities using methods based on market transactions for comparable securities and various relationships, generally recognized by institutional traders, between securities (which consider such factors as security prices, yields, maturities and ratings). These securities will generally be categorized as Level 2. Securities quoted in foreign currencies, if any, are translated into U.S. dollars at the current exchange rate.

Many securities markets and exchanges outside the U.S. close prior to the scheduled close of the New York Stock Exchange and therefore the closing prices for securities in such markets or on such exchanges may not fully reflect events that occur after such close but before the scheduled close of the New York Stock Exchange. Accordingly, on certain days, the fund will fair value certain foreign equity securities taking into account multiple factors including movements in the U.S. securities markets, currency valuations and comparisons to the valuation of American Depository Receipts, exchange-traded funds and futures contracts. The foreign equity securities, which would generally be classified as Level 1

securities, will be transferred to Level 2 of the fair value hierarchy when they are valued at fair value. The number of days on which fair value prices will be used will depend on market activity and it is possible that fair value prices will be used by the fund to a significant extent. At the close of the reporting period, fair value pricing was used for certain foreign securities in the portfolio. Securities quoted in foreign currencies, if any, are translated into U.S. dollars at the current exchange rate.

To the extent a pricing service or dealer is unable to value a security or provides a valuation that the Trustee does not believe accurately reflects the security's fair value, the security will be valued at fair value by the Trustee in accordance with policies and procedures approved by the Trustee. Certain investments, including certain restricted and illiquid securities and derivatives, are also valued at fair value following procedures approved by the Trustee. These valuations consider such factors as significant market or specific security events such as interest rate or credit quality changes, various relationships with other securities, discount rates, U.S. Treasury, U.S. swap and credit yields, index levels, convexity exposures, recovery rates, sales and other multiples and resale restrictions. These securities are classified as Level 2 or as Level 3 depending on the priority of the significant inputs.

Such valuations and procedures are reviewed periodically by the Trustee. The fair value of securities is generally determined as the amount that the fund could reasonably expect to realize from an orderly disposition of such securities over a reasonable period of time. By its nature, a fair value price is a good faith estimate of the value of a security in a current sale and does not reflect an actual market price, which may be different by a material amount.

### **Security Transactions and Related Investment Income**

Security transactions are recorded on the trade date (the date the order to buy or sell is executed). Gains or losses on securities sold are determined on the identified cost basis.

Interest income, net of any applicable withholding taxes and including amortization and accretion of premiums and discounts on debt securities, is recorded on the accrual basis. Dividend income, net of any applicable withholding taxes, is recognized on the ex-dividend date except that certain dividends from foreign securities, if any, are recognized as soon as the fund is informed of the ex-dividend date. Non-cash dividends, if any, are recorded at the fair value of the securities received. Dividends representing a return of capital or capital gains, if any, are reflected as a reduction of cost and/or as a realized gain.

Distributions received from other investment funds, if any, are recorded on the ex-dividend date and retain the character of income as earned by the other investment funds.

All income earned by the fund is retained by the fund and included in the calculation of net asset value.

### **Foreign Currency Translation**

The accounting records of the fund are maintained in U.S. dollars. The fair value of foreign securities, currency holdings, and other assets and liabilities is recorded in the books and records of the fund after translation to U.S. dollars based on the exchange rates on that day. The cost of each security is determined using historical exchange rates. Income and withholding taxes are translated at prevailing exchange rates when earned or incurred. The fund does not isolate that portion of realized or unrealized gains or losses resulting from changes in the foreign exchange rate on investments from fluctuations arising from changes in the market prices of the securities. Such gains and losses are included with the net realized and unrealized gain or loss on investments. Net realized gains and losses on foreign currency transactions represent net realized exchange gains or losses on disposition of foreign currencies, currency gains and losses realized between the trade and settlement dates on securities transactions and the difference between the amount of investment income and foreign withholding taxes recorded on the fund's books and the U.S. dollar equivalent amounts actually received or paid. Net unrealized appreciation and depreciation of assets and liabilities in foreign currencies arise from changes in the value of assets and liabilities other than investments at the period end, resulting from changes in the exchange rate.

### **Futures Contracts**

The fund uses futures contracts to equitize cash.

The potential risk to the fund is that the change in value of futures contracts may not correspond to the change in value of the hedged instruments. In addition, losses may arise from changes in the value of the underlying instruments, if there is an illiquid secondary market for the contracts, if interest or exchange rates move unexpectedly or if the counterparty to the contract is unable to perform. With futures, there is minimal counterparty credit risk to the fund since futures are exchange traded and the exchange's clearinghouse, as counterparty to all exchange traded futures, guarantees the futures against default. Risks may exceed amounts recognized on the Statement of assets and liabilities. When the contract is closed, the fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

Futures contracts are valued at the quoted daily settlement prices established by the exchange on which they trade. The fund and the broker agree to exchange an amount of cash equal to the daily fluctuation in the value of the futures contract. Such receipts or payments are known as "variation margin."

Futures contracts outstanding at period end, if any, are listed after the fund's portfolio.

### **Forward Currency Contracts**

The fund buys and sells forward currency contracts, which are agreements between two parties to buy and sell currencies at a set price on a future date. These contracts are used to hedge foreign exchange risk.

The U.S. dollar value of forward currency contracts is determined using current forward currency exchange rates supplied by a quotation service. The fair value of the contract will fluctuate with changes in currency exchange rates. The contract is marked to market daily and the change in fair value is recorded as an unrealized gain or loss. The fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed when the contract matures or by delivery of the currency. The fund could be exposed to risk if the value of the currency changes unfavorably, if the counterparties to the contracts are unable to meet the terms of their contracts or if the fund is unable to enter into a closing position. Risks may exceed amounts recognized on the Statement of assets and liabilities. Forward currency contracts outstanding at period end, if any, are listed after the fund's portfolio.

### **Master Agreements**

The fund is a party to ISDA (International Swaps and Derivatives Association, Inc.) Master Agreements (Master Agreements) with certain counterparties that govern OTC derivative and foreign exchange contracts entered into from time to time. The Master Agreements may contain provisions regarding, among other things, the parties' general obligations, representations, agreements, collateral requirements, events of default and early termination. With respect to certain counterparties, in accordance with the terms of the Master Agreements, collateral pledged to the fund is held in a segregated account by the fund's custodian and, with respect to those amounts which can be sold or repledged, is presented in the fund's portfolio.

Collateral pledged by the fund is delivered to the counterparty and identified in the fund's portfolio. Collateral can be in the form of cash or debt securities issued by the U.S. Government or related agencies or other securities as agreed to by the fund and the applicable counterparty. Collateral requirements are determined based on the fund's net position with each counterparty.

Termination events applicable to the fund may occur upon a decline in the fund's net assets below a specified threshold over a certain period of time. Termination events applicable to counterparties may occur upon a decline in the counterparty's long-term and short-term credit ratings below a specified level. In each case, upon occurrence, the other party may elect to terminate early and cause settlement of all derivative and foreign exchange contracts outstanding, including the payment of any losses and costs resulting from such early termination, as reasonably determined by the terminating party. Any decision by one or more of the fund's counterparties to elect early termination could impact the fund's future derivative activity.

At the close of the reporting period, the fund had a net liability position of \$551,256 on open derivative contracts subject to the Master Agreements. Collateral pledged by the fund at period end for these agreements totaled \$564,888 and may include amounts related to unsettled agreements.

### **Federal Income Taxes**

It is the fund's policy to comply with the requirements of Section 501(a) of the Internal Revenue Code relating to collective investment of employee benefit funds. Accordingly, the fund is exempt from federal income taxes and no federal income tax provision is required.

The fund is subject to the provisions of Accounting Standards Codification 740 *Income Taxes* (ASC 740). ASC 740 sets forth a minimum threshold for financial statement recognition of the benefit of a tax position taken or expected to be taken in a tax return. The fund did not have a liability to record for any unrecognized tax benefits in the accompanying financial statements. No provision has been made for federal taxes on income, capital gains or unrealized appreciation on securities held nor for excise tax on income and capital gains, if any. The fund's prior two fiscal years remain subject to examination by the Internal Revenue Service.

The fund may also be subject to taxes imposed by governments of countries in which it invests. Such taxes are generally based on either income or gains earned or repatriated. The fund accrues and applies such taxes to net investment income, net realized gains and net unrealized gains as income and/or capital gains are earned. In some cases, the fund may be entitled to reclaim all or a portion of such taxes, and such reclaim amounts, if any, are reflected as an asset on the fund's books. In many cases, however, the fund may not receive such amounts for an extended period of time, depending on the country of investment.

### **Sales and Redemptions of Units of Participation**

The net asset value of the fund is currently determined as of the close of trading on the New York Stock Exchange each day the exchange is open for trading. Pursuant to the Declaration of Trust, the Trustee may also determine the net asset value on any other business day ("Valuation Date"). The net asset value must be determined upon date of sale or redemption. Sales and redemptions of participant units are made on such days at such units' net asset values. At the close of the reporting period, three unitholders of record owned 69.63%, 7.20% and 5.06%, respectively, of the outstanding units of the fund. In addition, an affiliate of the Trustee owned 3.51% of the outstanding units of the fund.

## **3. Expenses Incurred by the fund**

The fund pays management fees to the Trustee for Class I and Class IA. The fund does not pay management fees to the Trustee with respect to Class IB units. Three classes of units have currently been established for the fund, Class I, Class IA and Class IB.

The management fee varies by unit class. Plans are eligible to purchase a class of units as determined by the Trustee in its reasonable discretion. Management fees are accrued daily and collected monthly.



The following management fees apply to each Class of units.

Class	Management fee	
I	0.38%	\$180,966
IA	0.33%	\$1,211,298
IB	—%*	\$—

\* Class IB investing plan or other investors, will pay a management fee directly to PFTC as agreed separately in writing. Management fees for class IB units may vary among investors.

The fund pays its operating expenses, such as accounting, custody, middle office charges, audit fees, and legal expenses. The Trustee has voluntarily agreed to waive the fund's operating expenses for Class I and Class IA (other than investment management fees, brokerage, interest, taxes, investment-related expenses, extraordinary expenses, and underlying fund fees and expenses, if any) to the extent they exceed 0.02% of the fund's NAV per annum, though the Trustee could modify or eliminate this waiver at any time. The Trustee voluntarily agreed to waive the fund's operating expenses for Class IB in full (other than investment management fees, brokerage, interest, taxes, investment-related expenses, extraordinary expenses, and underlying fund fees and expenses, if any) though the Trustee could modify or eliminate this waiver at any time. During the reporting period, \$58,605 was reimbursed under this agreement.

The fund has entered into expense offset arrangements with the Trustee and State Street whereby the Trustee and State Street's fees are reduced by credits allowed on cash balances. For the reporting period, the fund's expenses were reduced by \$819 under the expense offset arrangements.

## 4. Principal Transactions

At the close of the reporting period principal transactions were as follows:

Class I	Year ended 12/31/20	
	Units	Amount
Proceeds from sale of units	3,406,413	\$36,529,311
Value of units redeemed	(2,437,599)	(26,383,886)
<b>Net increase</b>	<b>968,814</b>	<b>\$10,145,425</b>

Class IA	Year ended 12/31/20	
	Units	Amount
Proceeds from sale of units	11,389,266	\$117,578,269
Value of units redeemed	(9,590,099)	(101,608,949)
<b>Net increase</b>	<b>1,799,167</b>	<b>\$15,969,320</b>

Class IB	Year ended 12/31/20	
	Units	Amount
Proceeds from sale of units	42,579,281	\$461,073,606
Value of units redeemed	(5,254,346)	(56,544,913)
<b>Net increase</b>	<b>37,324,935</b>	<b>\$404,528,693</b>

## 5. Affiliated Transactions

The fund invested in the Putnam Money Market Portfolio, a portfolio established and maintained by PFTC. Investments in the Putnam Money Market Portfolio are valued at its closing net asset value each business day. Transactions during the reporting period with the Putnam Money Market Portfolio were as follows:

Name of affiliate	Fair value as of 12/31/19	Purchase cost	Sale proceeds	Investment income	Shares outstanding and fair value as of 12/31/20
<b>Short-term investments</b>					
Putnam Money Market Portfolio*	\$51,076,908	\$438,387,524	\$440,810,557	\$280,475	\$48,653,875
<b>Total Short-term investments</b>	<b>\$51,076,908</b>	<b>\$438,387,524</b>	<b>\$440,810,557</b>	<b>\$280,475</b>	<b>\$48,653,875</b>

\* There were no realized or unrealized gains or losses during the period.

## 6. Market, Credit and Other Risks

In the normal course of business, the fund trades financial instruments and enters into financial transactions where risk of potential loss exists due to changes in the market (market risk) or failure of the contracting party to the transaction to perform (credit risk). The fund may be exposed to additional credit risk that an institution or other entity with which the fund has unsettled or open transactions will default. Investments in foreign securities involve certain risks, including those related to economic instability, unfavorable political developments, and currency fluctuations.

On July 27, 2017, the United Kingdom's Financial Conduct Authority ("FCA"), which regulates LIBOR, announced a desire to phase out the use of LIBOR by the end of 2021. LIBOR has historically been a common benchmark interest rate index used to make adjustments to variable-rate loans. It is used throughout global banking and financial industries to determine interest rates for a variety of financial instruments and borrowing arrangements. The transition process might lead to increased volatility and illiquidity in markets that currently rely on LIBOR to determine interest rates. It could also lead to a reduction in the value of some LIBOR-based investments and reduce the effectiveness of new hedges placed against existing LIBOR-based investments. While some LIBOR-based instruments may contemplate a scenario where LIBOR is no longer available by providing for an alternative rate-setting methodology, not all may have such provisions and there may be significant uncertainty regarding the effectiveness of any such alternative methodologies. Since the usefulness of LIBOR as a benchmark could deteriorate during the transition period, these effects could occur prior to the end of 2021.

Beginning in January 2020, global financial markets have experienced, and may continue to experience, significant volatility resulting from the spread of a virus known as Covid-19. The outbreak of Covid-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand, and general market uncertainty. The effects of Covid-19 have adversely affected, and may continue to adversely affect, the global economy, the economies of certain nations, and individual issuers, all of which may negatively impact the fund's performance.

## 7. Summary of Derivative Activity

The volume of activity for the reporting period for any derivative type that was held during the period is listed below and was as follows based on an average of the holdings at the end of each fiscal quarter:

Futures contracts (number of contracts)	—*
Forward currency contracts (contract amount)	\$56,800,000
Warrants (number of warrants)	2,000

\* For the reporting period there were no holdings at the end of each fiscal quarter and the transactions were considered minimal.

The following is a summary of the fair value of derivative instruments as of the close of the reporting period:

### Fair value of derivative instruments as of the close of the reporting period

Derivatives not accounted for as hedging instruments under ASC 815	Asset derivatives		Liability derivatives	
	Statement of assets and liabilities location	Fair value	Statement of assets and liabilities location	Fair value
Foreign exchange contracts	Receivables	\$67,406	Payables	\$596,576
Equity contracts	Investments	35,780	Payables	—
<b>Total</b>		<b>\$103,186</b>		<b>\$596,576</b>

The following is a summary of realized and change in unrealized gains or losses of derivative instruments on the Statement of operations for the reporting period (see Note 2):

### Amount of realized gain or (loss) on derivatives recognized in net gain or (loss) on investments

Derivatives not accounted for as hedging instruments under ASC 815	Futures	Forward currency contracts	Total
Foreign exchange contracts	\$—	\$(3,797,709)	\$(3,797,709)
Equity contracts	(979,000)	—	(979,000)
<b>Total</b>	<b>\$(979,000)</b>	<b>\$(3,797,709)</b>	<b>\$(4,776,709)</b>

### Change in unrealized appreciation or (depreciation) on derivatives recognized in net gain or (loss) on investments

Derivatives not accounted for as hedging instruments under ASC 815	Warrants	Forward currency contracts	Total
Foreign exchange contracts	\$—	\$10,970	\$10,970
Equity contracts	9,770	—	9,770
<b>Total</b>	<b>\$9,770</b>	<b>\$10,970</b>	<b>\$20,740</b>

## 8. Offsetting of Financial and Derivative Assets and Liabilities

The following table summarizes any derivatives, repurchase agreements and reverse repurchase agreements, at the end of the reporting period, that are subject to an enforceable master netting agreement or similar agreement. For securities lending transactions or borrowing transactions associated with securities sold short, if any, see Note 2. For financial reporting purposes, the fund does not offset financial assets and financial liabilities that are subject to the master netting agreements in the Statement of assets and liabilities.

	Bank of America N.A.	Barclays Bank PLC	Citibank, N.A.	HSBC Bank USA, National Association	JPMorgan Chase Bank N.A.	UBS AG	WestPac Banking Corp.	Total
<b>Assets:</b>								
Forward currency contracts <sup>#</sup>	\$—	\$—	\$15,436	\$51,970	\$—	\$—	\$—	\$67,406
<b>Total Assets</b>	<b>\$—</b>	<b>\$—</b>	<b>\$15,436</b>	<b>\$51,970</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$67,406</b>
<b>Liabilities:</b>								
Forward currency contracts <sup>#</sup>	154,136	121,306	8,426	36,894	78,796	88,315	108,703	596,576
<b>Total Liabilities</b>	<b>\$154,136</b>	<b>\$121,306</b>	<b>\$8,426</b>	<b>\$36,894</b>	<b>\$78,796</b>	<b>\$88,315</b>	<b>\$108,703</b>	<b>\$596,576</b>
<b>Total Financial and Derivative Net Assets</b>	<b>\$(154,136)</b>	<b>\$(121,306)</b>	<b>\$7,010</b>	<b>\$15,076</b>	<b>\$(78,796)</b>	<b>\$(88,315)</b>	<b>\$(108,703)</b>	<b>\$(529,170)</b>
<b>Total collateral received (pledged)<sup>##†</sup></b>	<b>\$(150,970)</b>	<b>\$(110,978)</b>	<b>\$—</b>	<b>\$(90,982)</b>	<b>\$—</b>	<b>\$(88,315)</b>	<b>\$—</b>	
<b>Net amount</b>	<b>\$(3,166)</b>	<b>\$(10,328)</b>	<b>\$7,010</b>	<b>\$106,058</b>	<b>\$(78,796)</b>	<b>\$—</b>	<b>\$(108,703)</b>	
<i>Controlled collateral received (including TBA commitments)<sup>**</sup></i>	\$—	\$—	\$—	\$—	\$—	\$—	\$—	\$—
<i>Uncontrolled collateral received</i>	\$—	\$—	\$—	\$—	\$—	\$—	\$—	\$—
<i>Collateral (pledged) (including TBA commitments)<sup>**</sup></i>	\$(150,970)	\$(110,978)	\$—	\$(90,982)	\$—	\$(211,958)	\$—	\$(564,888)

<sup>\*\*</sup> Included with Investments in securities on the Statement of assets and liabilities.

<sup>†</sup> Additional collateral may be required from certain brokers based on individual agreements.

<sup>#</sup> Covered by master netting agreement (Note 2).

<sup>##</sup> Any over-collateralization of total financial and derivative net assets is not shown. Collateral may include amounts related to unsettled agreements.

## 9. New Accounting Pronouncements

In March 2017, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2017-08, *Receivables—Nonrefundable Fees and Other Costs* (Subtopic 310-20): *Premium Amortization on Purchased Callable Debt Securities*. The amendments in the ASU shorten the amortization period for certain callable debt securities held at a premium, to be amortized to the earliest call date. The ASU is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2019 for non-public business entities. The application of ASU No. 2017-08 (Subtopic 310-20) did not have a material impact on the fund's financial statements.

In March 2020, FASB issued ASU 2020-04, Reference Rate Reform (Topic 848) – *Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. The amendments in ASU 2020-04 provide optional temporary financial reporting relief from the effect of certain types of contract modifications due to the planned discontinuation of LIBOR and other interbank-offered based reference rates as of the end of 2021. ASU 2020-04 is effective for certain reference rate-related contract modifications that occur during the period March 12, 2020 through December 31, 2022. Management is currently evaluating the impact, if any, of applying this provision.



100 Federal Street  
Boston, MA 02110

1-800-225-1581

[putnam.com](http://putnam.com)