



Michael C. Petro, CFA
 Portfolio Manager
 (industry since 1999)

Objective

Putnam BDC Income ETF seeks current income.

Type

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

Ticker	CUSIP
PBDC	746729508

Primary exchange

NYSE

Fund distributor

Foreside Fund Services, LLC

Inception

September 29, 2022

Benchmark

S&P BDC Index

Number of holdings

18

Operating expenses*

Management fees	0.75%
Distribution and service (12b-1) fees	0.00%
Other expenses†	0.00%
Acquired fund fees and expenses‡	9.86%
Total annual fund operating expenses	10.61%

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

Putnam BDC Income ETF (PBDC)

Investing in companies offering attractive income to public investors through private market exposure

Distinctive high-income opportunities

A BDC is a company that generates an attractive level of income by providing financing primarily to privately held small and midsize companies and distributing most of the net investment income to investors.

Attractive portfolio diversification

BDCs historically have had low correlations to other comparable asset classes and are well positioned for varying interest-rate environments.

A manager with deep BDC experience

The portfolio manager has 20+ years of experience investing in small-cap value stocks and 15+ years of experience investing in BDCs.

Top 10 holdings

	Portfolio	Benchmark	Over/Under
Blue OWL Capital	12.6%	10.1%	2.5%
Ares Capital	12.2	10.1	2.1
Blackstone Secured Lending Fund	10.0	9.6	0.4
Main Street Capital	9.8	7.9	1.9
FS KKR Capital	7.2	9.9	-2.7
Hercules Capital	6.8	5.0	1.8
Golub Capital BDC	5.6	5.6	0.0
Sixth Street Specialty Lending	5.5	3.7	1.8
MidCap Financial Investment	4.5	2.0	2.5
Bain Capital Specialty Finance	4.1	1.6	2.5

Holdings represent 78.4% of the portfolio and will vary over time.

Why invest in PBDC?



Income from BDCs

This ETF invests in business development companies (BDCs), which historically have generated an attractive level of income. Most BDCs hold a portfolio of loans to small and midsize companies and distribute most of the income they earn to investors.



Access to private market companies

A BDC is a registered investment company that invests in smaller private companies, similar to venture capital or private equity funds. Public BDCs are equity securities that are typically listed on national exchanges, and they typically own portfolios composed primarily of private market loans.



Active investment process

The fund's disciplined investment process evaluates a BDC's liability structure, dividend policy, fee structure, and underwriting philosophy.

* **About operating expenses.** A fund that invests in BDCs discloses the expenses of the BDCs as acquired fund fees and expenses (AFFEs). AFFEs make the expense ratios look much higher for this fund compared with other equity funds, but it is important to remember that AFFEs are indirect expenses not borne by the fund. AFFEs are shown as a line item in an expense table to distinguish them from the fees of the fund. Under SEC rules, the fund must report a total expense ratio that combines the fees paid directly out of the fund's assets (direct fees) and the proportional expense ratios of the funds in which it invests.

† Other expenses are based on estimated amounts for the current fiscal year.

‡ Acquired fund fees and expenses are based on estimated amounts for the current fiscal year.

Annualized total return at net asset value

Inception: 9/29/22	NAV	Market price	Benchmark*
Q1	7.15%	7.11%	6.00%
1 year	32.15	32.30	28.50
Since inception	34.10	34.18	31.94

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 loss when you sell your shares. Performance assumes reinvestment of distributions and does not account for taxes.

Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV, and are not individually redeemed from the fund. Brokerage commissions will reduce returns.

Returns less than one year are not annualized. For the most recent month-end performance, please call 1-833-228-5577 or visit the fund's website at putnam.com.

Related performance: Annualized composite performance

	Q1	1 year	3 years	5 years	Since inception
Gross	7.37%	33.25%	16.39%	16.62%	15.00%
Net	7.14	32.11	15.40	15.62	14.01
Benchmark	6.00	28.50	12.52	10.65	9.19

Putnam BDC Income ETF (the "fund") is newly organized and has limited performance history. The historical performance information presented is for the Putnam Investments Business Development Companies Composite (the "Composite"). It is not that of the fund and should not be considered a substitute for the fund's own performance. Please see the disclosures below for important Related Performance information.

Past performance is not a guarantee of future results. An investment in this strategy can lose value. Periods less than one year are not annualized. Returns are presented in U.S. dollars and include the reinvestment of dividends and interest. Gross performance does not include the deduction of management fees and other expenses that may be incurred in managing an investment account. A portfolio's return will be reduced by advisory and other fees. Net performance reflects the deduction of a model fee, equal to the actual management fee incurred by a portfolio in the composite or the highest management fee charged to a prospect of the strategy, whichever is higher. Actual advisory fees may vary among clients with the same investment strategy. The Composite's benchmark is the S&P BDC Index. The Composite's benchmark was changed prospectively on June 1, 2022, from the Wells Fargo Business Development Company Index to the S&P BDC Index. This Composite benchmark change was made as a result of the Wells Fargo Business Development Company Index being discontinued. The Putnam Business Development Companies Linked Benchmark represents the performance of the Wells Fargo Business Development Company Index through May 31, 2022, and the performance of the S&P BDC Index thereafter. Inception date for the Putnam Investments Business Development Companies Composite was November 30, 2017.

Related Performance: Putnam Investments (the "Firm") is defined as a broad-based investment management organization that provides financial services to institutions and individuals through segregated accounts and pooled vehicles, such as mutual funds, active exchange-traded funds, collective investment trusts, and private funds. Except for a minority stake owned by employees, the Firm is a wholly owned subsidiary of Great-West Lifeco Inc. Investment management is provided by four wholly owned subsidiaries of the Firm: The Putnam Advisory Company, LLC; Putnam Investment Management, LLC; Putnam Fiduciary Trust Company, LLC; and Putnam Investments Limited. Composite performance information represents actual performance of all accounts that have (i) substantially similar investment policies, objectives, and strategies, and (ii) are managed by the same firm that manages the registered Putnam BDC Income ETF. Related investment performance of such accounts is presented for the Putnam Investments Business Development Companies Composite. The Composite includes all accounts managed by the firm that have investment objectives, policies, and strategies that are substantially similar to those of the fund. Composite performance information is intended to illustrate the past performance of Putnam in managing accounts that are substantially similar to the fund. Total fund expenses may be higher than fees reflected in net performance for the Composite.

A portfolio manager with extensive experience investing in the BDC universe

Michael Petro, CFA, has 20+ years of experience investing in small-cap value stocks and has invested in securities issued by BDCs since 2007. He is frequently featured as an expert speaker at BDC industry events. In addition to managing Putnam BDC Income ETF, Mike is Portfolio Manager of Putnam Small Cap Value Fund. He has experience as an analyst covering diverse sectors such as financial services, health care, technology, capital goods, and telecommunication services.

*The S&P BDC Index is an unmanaged index designed to track leading business development companies that trade on major U.S. exchanges. You cannot invest directly in an index.

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 Putnam Retail Management
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Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV, and are not individually redeemed from the fund. Brokerage commissions will reduce returns. Key risks for each fund are below.

Consider these risks before investing: Business development companies (BDCs) generally invest in less mature U.S. private companies or thinly traded U.S. public companies, which involves greater risk than well-established publicly traded companies. The fund will be sensitive to, and its performance will depend to a greater extent on, the overall condition of the financials sector.

The use of leverage by BDCs magnifies gains and losses on amounts invested and increases the risks associated with investing in BDCs. A BDC may make investments with greater risk of volatility and loss of principal than other investment options and may also be highly speculative and aggressive. Certain BDCs may also be difficult to value since many of the assets of BDCs do not have readily ascertainable market values.

As a non-diversified fund, the fund invests in fewer issuers and is more vulnerable than a more broadly diversified fund to fluctuations in the values of the securities it holds. 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.

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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