

About the Index

Live date
June 24, 2020

Rebalancing frequency
Daily

Index ticker
PDLV5E

Currency
U.S. dollar

Volatility
Target: 5%

Putnam Dynamic Low Volatility Excess Return Index™ (PDLV5E)

Combines stocks, bonds, and cash to pursue consistent, attractive returns

Putnam Dynamic Low Volatility Excess Return Index (PDLV5E) dynamically pursues attractive returns with a focus on managing volatility and avoiding unwanted surprises. It combines three kinds of asset classes: U.S. stocks with better risk-adjusted return potential than the market average, U.S. Treasury bonds for stability and diversification, and cash to help mitigate downside risk. The Index has rules that seek to manage risk. On a daily basis, the Index can flex and rebalance, targeting volatility centered around 5%.

U.S. STOCKS	U.S. BONDS	CASH
S&P 500 Low Volatility Index Stocks of large companies with lower average historic risk than the stock market and higher risk-adjusted return potential	S&P 10-Year U.S. Treasury Note Futures Index U.S. government bonds that may perform well in periods when stocks struggle	U.S. Treasury 13-Week Bill High Discount Rate Less volatile than stocks and bonds, and a tool to help smooth Index performance

 **Summary commentary**

Performance: PDLV5E posted a positive return of 0.47% in Q1 2024.

Attribution: Performance was primarily driven by positive returns from low-volatility stocks (5.84%). Cash (1.32%) was also additive, while U.S. Treasury bonds (-1.03%) detracted, during a period of rising yields.

Positioning: The Index entered the quarter allocated mostly to bonds (42%), while allocation to cash (35%) was higher than to stocks (23%). Over the quarter, the allocation to bonds and cash was reduced and the allocation to stocks was increased, leaving stocks with the highest allocation by quarter-end.

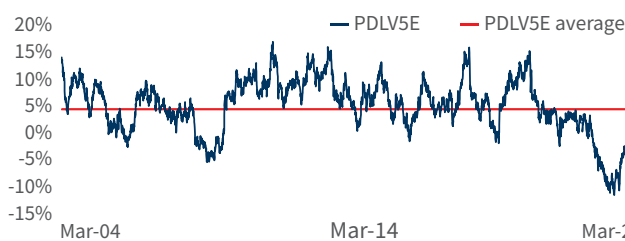
PDLV5E annualized return performance as of 3/31/24*

YTD	1 year	3 years	5 years	10 years	Since inception
0.47%	-2.86%	-2.69%	-0.14%	2.81%	3.99%

Historically more consistent than S&P 500 Price Return Index over the last 20 years*

Positive returns in 82% of 1-year periods*

PDLV5E rolling 1-year returns and average return



	PDLV5E	S&P 500 Price Return Index
% of 1-year returns above 0%	82.0%	80.7%
Average 1-year return	4.6%	8.9%
Max 1-year return	16.8%	74.8%
Min 1-year return	-11.6%	-48.8%
Range (Max-Min)	28.4%	123.6%

* PDLV5E Index levels are calculated by S&P Dow Jones Indices. PDLV5E Index performance metrics are calculated by Putnam. PDLV5E performance is based on hypothetical back-tested data prior to the actual launch of the Index: The Index back-test inception is 12/29/89. The live date of the Index was 6/24/20. The Index levels represent performance in excess of the U.S. Treasury 13-Week Bill High Discount Rate. The Index levels reflect the daily deduction of a fee at a rate of 0.50% per annum. Past performance is not a guarantee or indicative of future results.

Targets are presented for the purpose of communicating the intended risk profile and are not intended to be projections of performance. It is possible that the Putnam Dynamic Low Volatility Excess Return Index could realize volatility greater than its target. No assurance can be given that the index objective will be achieved. Actual results could be materially different from the stated goals. Excess return may be positive or negative and does not mean any additional return on the index performance. Diversification strategies do not guarantee positive performance or prevent negative performance. Total assets under management are unaudited and subject to change and do not reflect pending activity for client decisions communicated to Putnam as of 3/31/24.

Hypothetical back-test for illustrative purposes only. Performance represents hypothetical data determined by retroactive application of a back-tested model, itself designed with the benefit of hindsight. Hypothetical back-tested data is theoretical, subject to risk, and not predictive of future results. The level of the Index is calculated on an excess return basis and reflects the daily deduction of a fee at a rate of 0.50% per annum. The fee is not related to any life insurance product or annuity. The hypothetical performance information presented herein does not reflect fees and expenses that an investor would pay in a life insurance product or fixed index annuity.

It is not possible to invest directly in an index.

Find current performance and more at putnamindex.com

Not a bank or credit union deposit, obligation or guarantee | May lose value

Not FDIC or NCUA/NCUSIF insured | Not insured by any federal government agency

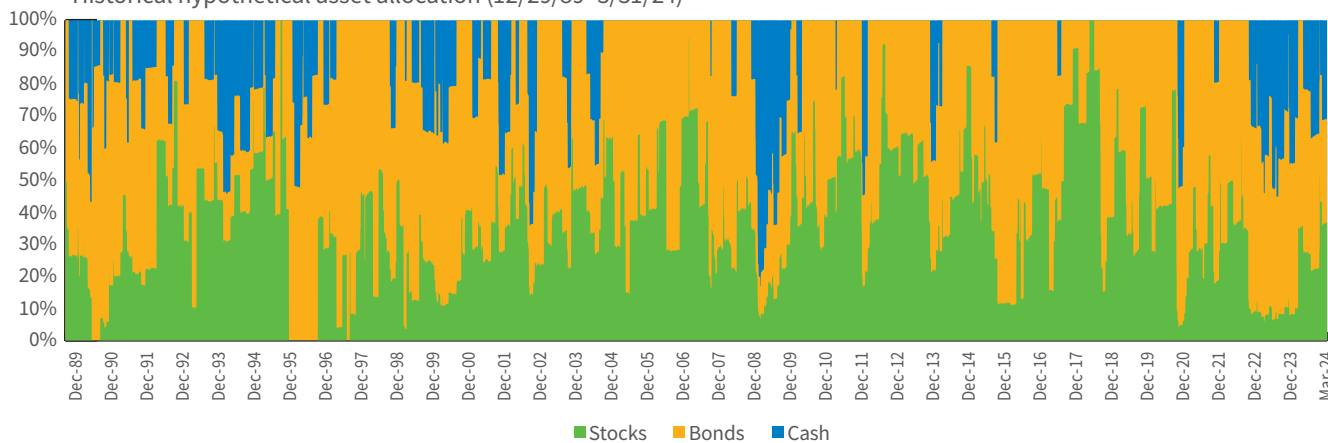
Dynamic allocation process seeks to control volatility and maximize risk-adjusted returns

STEP 1: Monitor risk daily to determine expected volatility.

STEP 2: If volatility >1% (+/-) from target 5%, dynamically shifts asset class weights.

If volatility <1% (+/-) from target 5%, maintains current asset class weights.

Historical hypothetical asset allocation (12/29/89–3/31/24)



Historical asset class range

	Stocks	Bonds	Cash
Mean	36.8%	51.3%	11.9%
Max	100.0%	100.0%	83.2%
Min	0.0%	0.0%	0.0%

Historical asset allocations are hypothetical and illustrate how the Putnam Dynamic Low Volatility Excess Return Index would have responded to market conditions from December 29, 1989–June 24, 2020, had it existed. The information does not represent the current allocations of the index. It is only provided as an example of how the allocations would have worked in certain market environments. No future asset allocations of the index can be predicted based on the simulated asset allocations described herein. The live date of the Index was June 24, 2020. Asset allocation strategies do not guarantee positive performance or prevent negative performance. Past performance is not a guarantee or a reliable indicator of future results.

This material has been prepared for informational use and is provided for limited purposes. By receiving and reviewing this material, the recipient acknowledges the following: This material is a general communication being provided for informational and educational purposes only. It is not designed to be a recommendation of any specific investment product, strategy, or decision, and is not intended to suggest taking or refraining from any course of action. The material was not prepared, and is not intended, to address the needs, circumstances, and objectives of any specific institution, plan, or individual(s). Putnam is not providing advice in a fiduciary capacity under applicable law in providing this material, which should not be viewed as impartial, because it is provided as part of the general marketing and advertising activities of Putnam, which earns fees when clients select its products and services. Prior to making any financial decisions, any recipients of this material should seek individualized advice from their personal financial, legal, tax, and other professional advisors that takes into account all of the particular facts and circumstances of their situation. Putnam Investments cannot guarantee the accuracy or completeness of any statements or data contained in the material. This material or any portion hereof may not be reprinted, sold, or redistributed in whole or in part without the express written consent of Putnam Investments. The information provided relates to Putnam Investments and its affiliates, which includes Putnam Investment Management LLC. Putnam Investments is a Franklin Templeton company.

The Index is made and compiled without regard to the needs, including, but not limited to, the suitability needs, of any insurance company, life insurance product, index annuity, or owners of any life insurance product or index annuity. Life insurance and index annuities are insurance policies and contracts, not registered securities or stock market investments. Life insurance and index annuities are not invested in the index itself, but rather interest is credited based on the performance of the index and the rules prescribed in the insurers' index-crediting strategy. Life insurance and index annuities are not issued by Putnam Investments. There can be no assurance that an investment strategy based on the Putnam Dynamic Low Volatility Excess Return Index will be successful. The index does not guarantee future income or protect against loss of principal. Indexes are unmanaged, and one cannot invest directly in an index. Putnam does not issue, sponsor, endorse, market, offer, review, or otherwise express any opinion regarding any financial product or trading strategy that is based on, linked to, or seeks to provide an investment return related to the performance of the index. Putnam makes no assurance that any linked investments will accurately track index performance or provide positive investment returns. Past performance is not a guarantee or a reliable indicator of future results. Putnam may license the Putnam Dynamic Low Volatility Excess Return Index to one or more companies for use in a product offered or issued by the company. The products are not, in whole or in part, sponsored, structured, priced, endorsed, offered, sold, issued, or promoted by Putnam or any of its affiliates, or any third-party licensor of information to Putnam. Neither Putnam nor any of its affiliates accepts any liability in connection with the publication or use of the level of the Putnam Dynamic Low Volatility Excess Return Index at any given time.

Hypothetical back-tested data has many built-in limitations, some of which are described below. The hypothetical back-test performance data and other data (such as hypothetical asset allocations) presented reflects application of the current index methodology and selection of index constituents prepared with the benefit of hindsight. No theoretical approach can take into account all of the factors in the markets in general and the impact of decisions that might have been made during the actual operation of an index. Simulated performance data is based on criteria applied retroactively with the benefit of hindsight and knowledge of factors that may have positively affected its performance, and may reflect a bias toward strategies that have performed well in the past. Back-tested performance data and hypothetical asset allocations do not reflect actual performance or actual asset allocations of the index. Actual results may vary, perhaps materially, from the simulated results presented. There are numerous factors related to the markets in general or the implementation of any specific investment strategy, which cannot be fully accounted for in the preparation of simulated results and all of which can adversely affect actual results. No representation is being made that any account, product, or strategy will or is likely to achieve profits, losses, or results similar to those shown.

The Putnam Dynamic Low Volatility Excess Return Index (the "Index") is the property of Putnam Investment Management LLC ("Putnam"), which has contracted with S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC) to calculate and maintain the Index. The Index is not sponsored by S&P Dow Jones Indices or its affiliates or its third-party licensors (collectively, "S&P Dow Jones Indices"). S&P Dow Jones Indices will not be liable for any errors or omissions in calculating the Index. "Calculated by S&P Dow Jones Indices" and the related stylized mark(s) are service marks of S&P Dow Jones Indices and have been licensed for use by Putnam. S&P® is a registered trademark of Standard & Poor's Financial Services LLC ("SPFS"), and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones").