EXPECT **MORE** FROM RETIREMENT℠

Putnam INVESTMENTS

Putnam Retirement Advantage Funds

Q2 | 22

Target-date series of mutual funds

A glide path that seeks to improve outcomes

Active strategies of a veteran team

Putnam INVESTMENTS

Putnam manages money for individuals and institutions worldwide with a commitment to helping them achieve their long-term financial goals.

We are dedicated to providing a complete range of capabilities for the challenges investors face. We offer a choice of managed strategies that harness insights reached through collaborative, fundamental research.

Putnam has fostered the evolution of diversification strategies for investors

We believe that diversifying a portfolio across asset classes or risk sources is an effective way to reduce performance volatility and to take advantage of compounding through more consistent positive returns.

Diversification has been part of Putnam's story since the launch of our first fund in 1937, and today Putnam is a leader in this area thanks to the managed diversification strategies of Putnam's long-tenured Global Asset Allocation team.

1937	**Balanced investing**	In the wake of the Great Depression, a portfolio of stocks and bonds helps to moderate the risks of investing in individual stocks.
1994	**Asset allocation funds**	The Global Asset Allocation group is formed and launches three new portfolios to pursue conservative, balanced, and growth profiles.
2004	**Target-date portfolios**	Glide paths provide a better approach to risk over a life cycle for tens of millions of people approaching retirement.
2008	**Absolute return strategies**	Absolute return and low volatility strategies seek to reduce the impact of volatile markets and give investors alternatives to diversify portfolios.

The road to retirement requires a plan for diversification.

Security. Comfort. A new endeavor. Retirement is an opportunity for people to define their future. But getting to retirement means tackling questions about how to save, how to invest, and how to manage risk over time.

For millions of working people today, the road to retirement depends on access to a workplace savings plan. Studies show that having a well-designed workplace savings plan is one of the greatest advantages for individuals to make progress toward their retirement goals.

Putnam Retirement Advantage offers convenient features and active strategies in a target-date format

Diversification across stocks and bonds

Target-date funds invest in a mix of stocks for growth and bonds for stability.* Combining stocks and bonds can enhance stable performance of the portfolios. This diversification allows the funds to benefit when either stocks or bonds are performing well and can help to reduce risk.

A glide path to adjust the mix automatically

Protecting investors near retirement from significant losses is critical to a successful, sustainable retirement. That's why our portfolios follow a glide path that automatically moves assets out of volatile equities and into less volatile bonds and cash near the target date, when the savings amount is largest.

Putnam's active strategies and competitive fees

The funds pursue active strategies managed by Putnam's long-tenured Global Asset Allocation team, and are available in a 1940 Act mutual fund structure available in R6 class shares.

*Diversification does not guarantee a profit or ensure against loss. It is possible to lose money in a diversified portfolio.

It's important to reduce an equity allocation when losses would do the most harm — just before or just after retirement.

The volatility of an equity portfolio can be damaging to retirement planning if experienced at the wrong time

Equities are an attractive investment for a long-term goal like retirement because they have historically outperformed other asset classes. However, a sequence-of-returns comparison highlights the risk of relying on equities for retirement.

Savings are most at risk just before and just after retirement

Before retirement, as people contribute to retirement savings, early losses can be recovered, while late losses cannot. In retirement, as people take withdrawals from their savings, early losses can deplete portfolios.

Significantly reducing the risk of losses from equities just before and just after retiring can help preserve savings for a lifetime.

SEQUENCE-OF-RETURNS

SEQUENCE-OF-RETURNS COMPARISON

In this comparison, both investments achieve an 11% average return. The only difference is the sequence of returns.

BEFORE RETIREMENT

ACCUMULATION PHASE

Losses late in the savings period are far more damaging than losses early in the savings period because they significantly reduce the portfolio value just before retirement.

Assumes a beginning balance of $100,000, a salary in year 1 of $51,324, a contribution rate of 10%, a salary adjustment for inflation of 3% per year, and a salary in year 20 of $92,697. Returns are represented by the S&P 500 Index from 1/1/91 to 12/31/10. This illustration is hypothetical and not indicative of any fund or product. You cannot invest directly in an index.

IN RETIREMENT

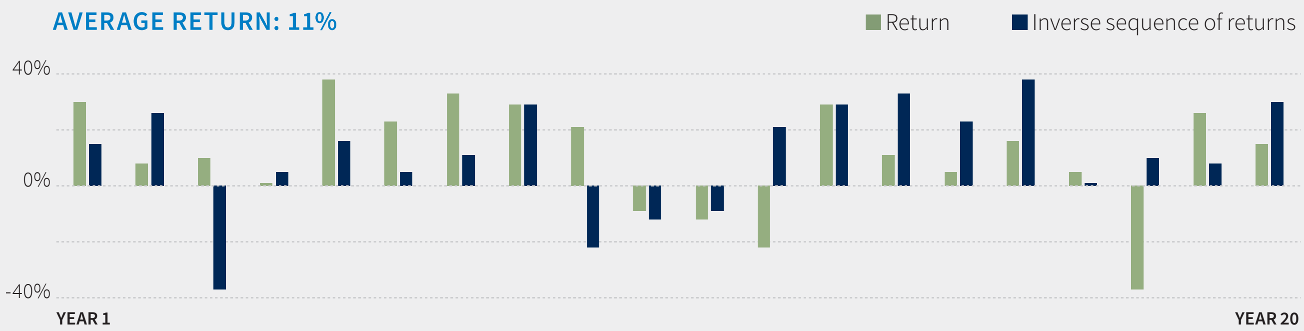
DISTRIBUTION PHASE

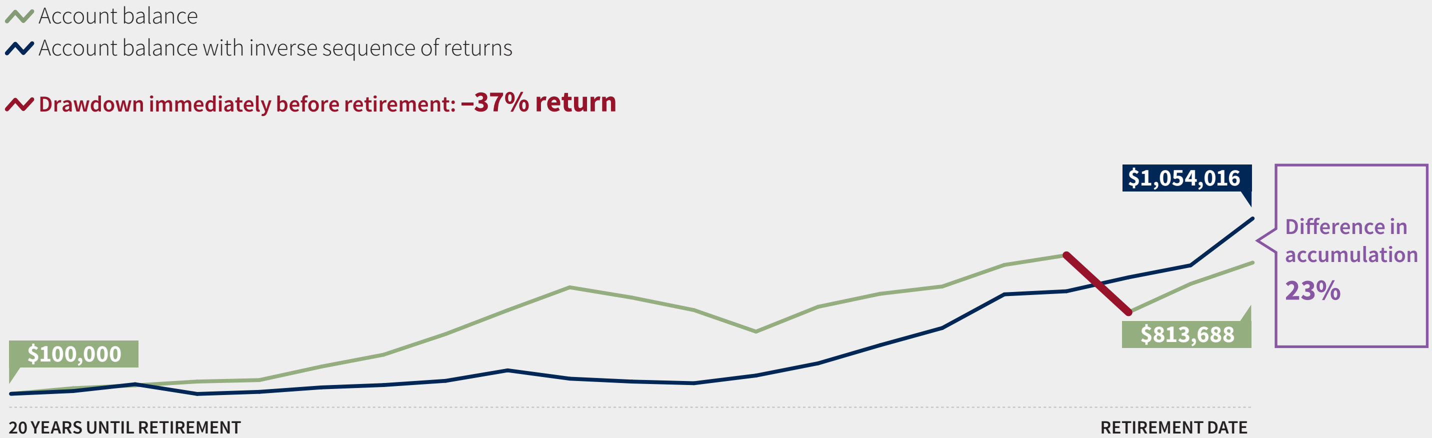
Losses early in retirement are far more damaging than losses later in retirement years because they reduce the portfolio so much that it never recovers, and it is entirely depleted after 16 years.

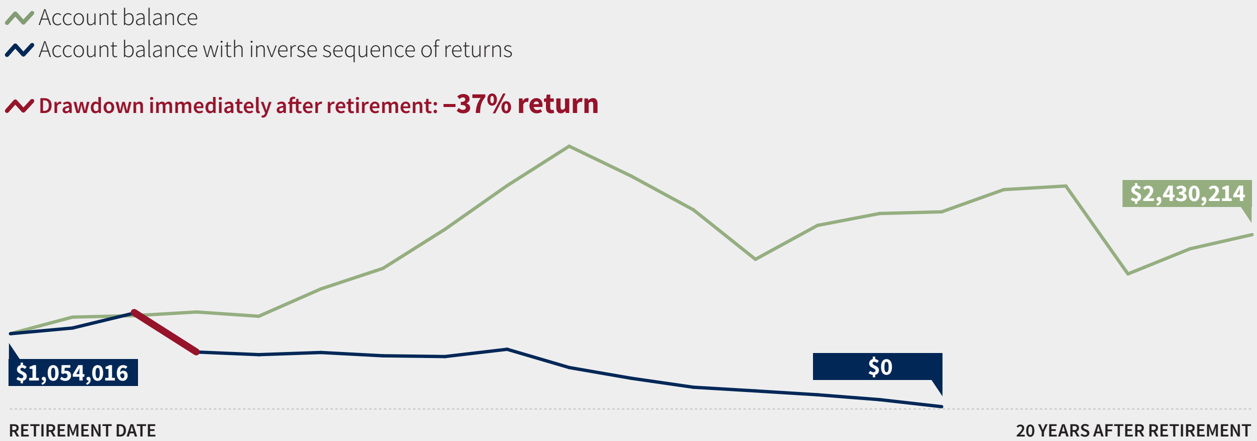
Assumes an ending salary of $92,697, a beginning balance of $1,054,016, income replacement of 75% of ending salary ($69,523 in Year 1), and distribution adjustment for inflation of 3% per year. Returns are represented by the S&P 500 Index from 1/1/91 to 12/31/10. This illustration is hypothetical and not indicative of any fund or product. You cannot invest directly in an index.

Two investors who experience the same long-term average returns can have much different outcomes based on when the returns occur

Investors have no control over when an equity market downturn occurs, and the impact can be significant if the investors have large equity allocations.







For illustrative purposes only. Not an investment recommendation.

Putnam Retirement Advantage offers a unique glide path to help improve outcomes and reduce risk near retirement.

Our glide path is designed to counter sequence-of-returns risk

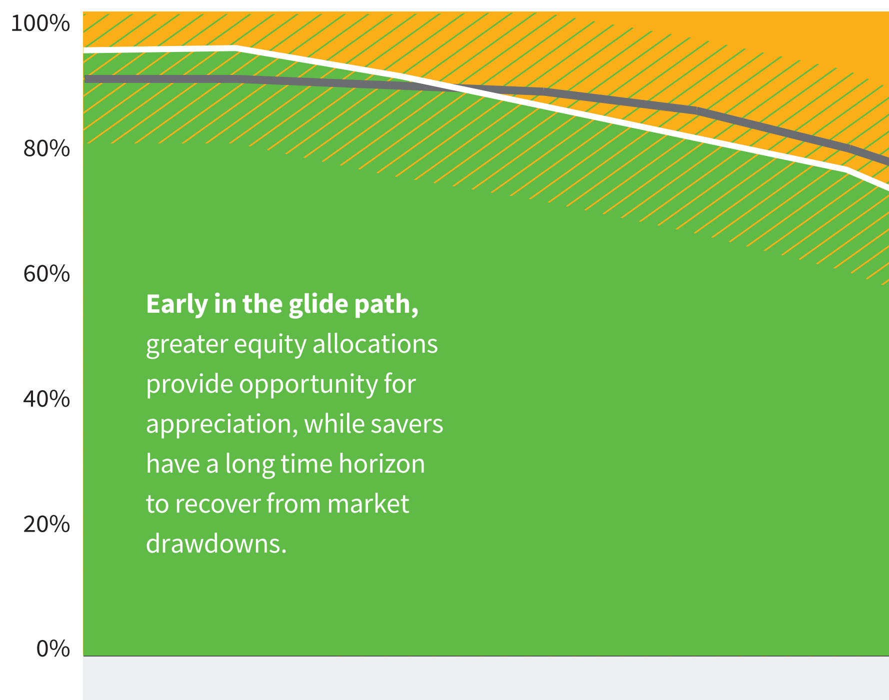
As investors approach retirement, Putnam's target-date glide path shifts more assets toward fixed income than the industry average.

Along the glide path, we make tactical allocations

The glide path guides the mix of stocks and bonds in each portfolio over time. With the glide path as a consistent reference point, the portfolio managers can add or subtract up to 15% to the stock or bond weightings based on their analysis of market opportunities and risks.

Within each asset class, we select securities

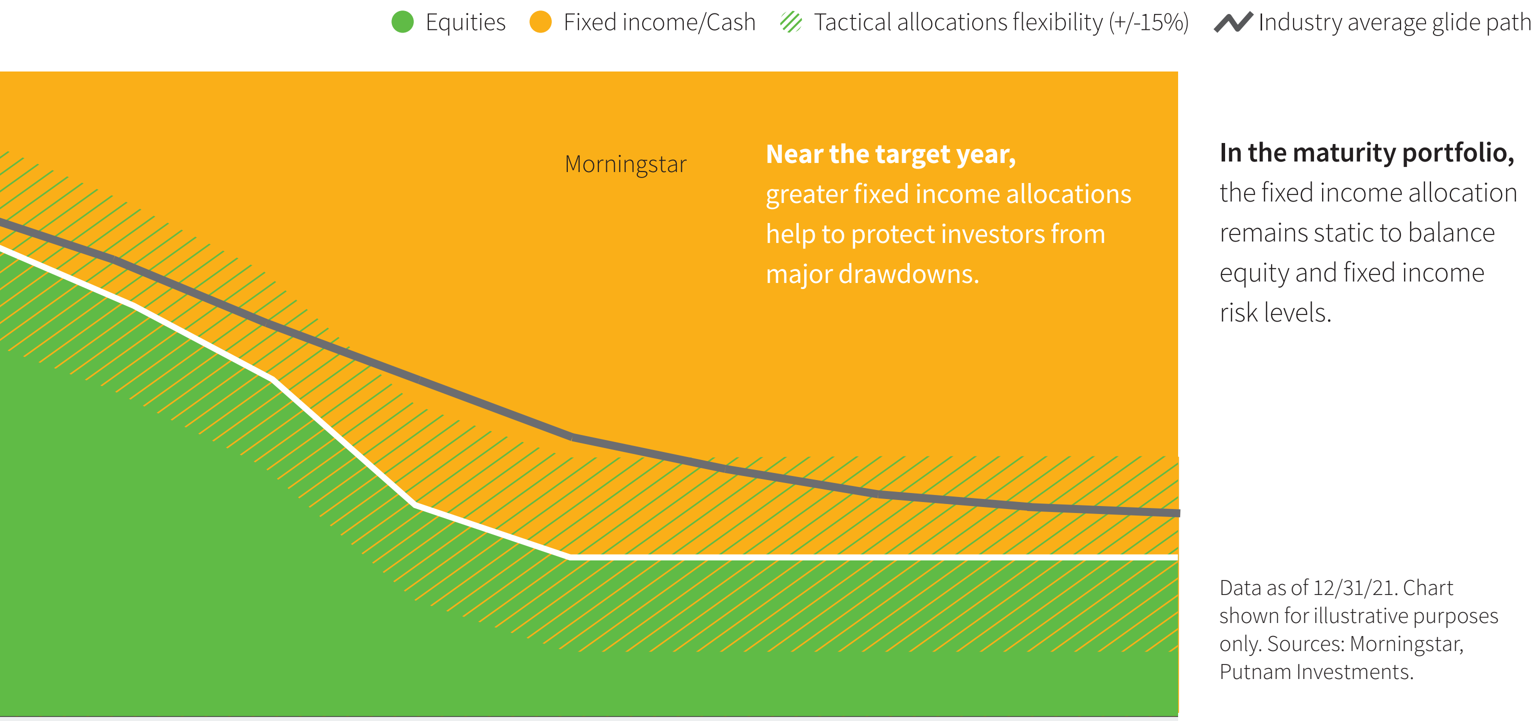
The portfolio managers analyze stocks and bonds to choose securities to buy and sell for the portfolios. Managing this level of selection gives them greater control of portfolio risks and enhances efficiency.



45	40	35	30	25	20
5%	5%	9%	14%	19%	24%
95%	95%	91%	86%	81%	76%
92%	92%	92%	91%	88%	83%

Putnam created a unique glide path

Compared with the industry, Putnam's glide path favors equities more when there is a long horizon before retirement and losses can be recovered. It has a greater emphasis on fixed income near retirement than the industry average.



In the maturity portfolio, the fixed income allocation remains static to balance equity and fixed income risk levels.

Data as of 12/31/21. Chart shown for illustrative purposes only. Sources: Morningstar, Putnam Investments.

Years to target

15	10	5	0	
34%	46%	67%	75%	Fixed Income
66%	54%	33%	25%	Putnam equity allocations
75%	64%	54%	43%	Industry average

A long-tenured team offers experience in the markets to serve retirement investors.

The portfolio managers have long specialized in pursuing diversified investing strategies

Putnam has one of the industry's longest-tenured investment teams, with a track record of more than two decades, dedicated to global asset allocation strategies.

The team has a record of achievements

- Average 23 years of investment experience
- Created the funds' strategic glide path
- Actively research global markets to anticipate changing trends
- Experience managing asset allocation strategies since 1994
- Experience managing target-date strategies since 2004

Robert J. Schoen
Co-Chief Investment Officer, GAA
Industry since 1990

Brett S. Goldstein, CFA
Co-Chief Investment Officer, GAA
Industry since 2010

Adrian H. Chan, CFA
Portfolio Manager
Industry since 2003

James A. Fetch
Head of Portfolio Construction, GAA
Industry since 1994

"In managing Putnam Retirement Advantage, we want to deploy any tool we can to help protect investors from the risk of sharp portfolio drawdowns at the threshold of retirement."

ROBERT SCHOEN
Co-Chief Investment Officer, GAA

Portfolio managers apply the insights they have gained to take on today's retirement challenges

Experience provides insights on best practices that can be used to refine the investment process, and Putnam has applied the latest thinking to capture these opportunities.

INVESTMENT CHALLENGE/ BEHAVIOR	PUTNAM RETIREMENT ADVANTAGE APPROACH
Allocations to other managers Target-date funds that allocate assets to other managers may have less precise management of portfolio holdings and risk levels.	**Comprehensive active management** All levels of Putnam portfolio decisions are managed by our in-house Global Asset Allocation team, providing efficient management of costs and risks. The team created the glide path and also controls tactical asset allocation and security selection.
Inconsistent savings Some glide paths take greater equity risk to compensate for inadequate savings.	**Downside protection** Retirement Advantage is designed to pursue outcomes for all participants without relying on equities to increase returns.
Aggressive allocations Many target-date funds with higher equity allocation near retirement overexpose participants to sequence-of-returns risk, jeopardizing balances when they are at their largest.	**Conservative, to-retirement glide path** Reducing equity allocations below industry average near retirement protects portfolio values from market drawdowns.

Pursuing all-weather performance.

Glide path and active strategies drive returns

Putnam Retirement Advantage Funds pursue performance for retirement savers of all ages. (Note, Retirement Advantage mutual funds launched on December 31, 2019, but Putnam has managed the strategies since 2008, and related composite performance is shown below.) Each vintage benefits from the careful glide path design and the active investment strategies of Putnam's Global Asset Allocation Team. The vintages with longer horizons to retirement place more emphasis on seeking capital appreciation, and the vintages closer to the retirement target date place more emphasis on reducing risk and seeking current income.

Related performance (Putnam Retirement Advantage Composite) as of 6/30/22

Vintages with longer horizons to retirement target date

	2065	2060	2055	2050	2045
Annualized composite performance (net of fees)					
1-year return	–16.01%	–15.96%	–15.67%	–15.38%	–14.89%
3-year return	—	6.08	5.92	5.69	5.45
5-year return	—	6.84	6.73	6.51	6.27
10-year return	—	—	9.89	9.69	9.36
Since inception return	–3.13	8.53	8.77	6.84	6.63

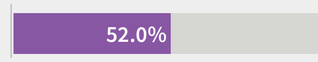
Two vintages show how the glide path influences outcomes

Putnam Retirement Advantage 2055 is for savers with a long horizon and tries to maximize total return. Its upside capture ratio — which indicates how much it participates in rising markets — historically has outperformed the industry average.

Putnam Retirement Advantage 2025 is for savers near retirement and tries to minimize the risk of drawdowns. For downside capture ratio, a lower number is better because it means an investment captured less of the market drawdown.

10-year up capture ratio vs. S&P 500

10-year down capture ratio vs. S&P 500



Data as of 6/30/22. Capture ratios represent related performance information and are calculated using month end return values for the for the Putnam Retirement Advantage 2055 Composite and the Putnam Retirement Advantage 2025 Composite for past ten years versus the S&P 500 Index. The S&P 500 Index is not the Composites' benchmark and is provided for informational purposes only. Past performance is not a guarantee of future results. An investment in these strategies can lose value.

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 S&P 500® Index is an unmanaged index of common stock performance. You cannot invest directly in an index.

Vintages with shorter horizons to retirement target date

2040	2035	2030	2025	Maturity
–14.29%	–13.33%	–12.21%	–11.66%	–11.35%
5.23	4.63	3.83	1.97	2.13
6.03	5.57	4.89	3.46	3.39
9.02	8.54	7.80	6.50	5.18
6.46	6.23	5.81	5.12	4.64

Related 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 adviser that manages the registered Putnam Retirement Advantage mutual funds. Related investment performance of such accounts is presented for the Putnam Retirement Advantage Composites. Net-of-fee returns are calculated using a model fee ("model net fee"). For the applicable time periods, net-of-fee returns reflect the deduction of the highest management fee paid by an account in the Composite applied on a monthly basis. For commingled funds included in the Composite, the fee is typically updated for the most recent fiscal year-end after the portfolio has been audited. Returns may be adjusted based upon each year's audited annual report. Inception date for the Retirement Advantage 2065 Composite is January 31, 2021. Inception date for the Retirement Advantage 2060 Composite is March 31, 2016. Inception date for the Retirement Advantage 2055 Composite is January 31, 2011. Inception date for Retirement Advantage 2025 through Retirement Advantage 2050 Composites and the Retirement Advantage Maturity Composite is January 31, 2008. Returns are stated in U.S. dollars and include the reinvestment of dividends and interest. Returns less than one year are not annualized. Past performance is not a guarantee of future results. An investment in these strategies can lose value.

Each Retirement Advantage Fund has a different target date indicating when the fund's investors expect to retire and begin withdrawing assets from their account. The dates range from 2025 to 2065 in five-year intervals. The funds are generally weighted more heavily toward more aggressive, higher-risk investments when the target date of the fund is far off, and more conservative, lower-risk investments when the target date of the fund is near. This means that both the risk of your investment and your potential return are reduced as the target date of the particular fund approaches, although there can be no assurance that any fund will have less risk or more reward than any other fund. The principal value of the funds is not guaranteed at any time, including the target date.

Consider these risks before investing: If the quantitative models or data that are used in managing an underlying fund prove to be incorrect or incomplete, investment decisions made in reliance on the models or data may not produce the desired results and the fund may realize losses.

Our allocation of assets among permitted asset categories may hurt performance. The value of investments in the underlying funds' portfolios may fall or fail to rise over extended periods of 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, asset class, geography, industry, or sector. These and other factors may lead to increased volatility and reduced liquidity in the underlying funds' portfolio holdings.

Growth stocks may be more susceptible to earnings disappointments, and value stocks may fail to rebound. Investments in small and/or midsize companies increase the risk of greater price fluctuations. Bond 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). Default risk is generally higher for non-qualified mortgages. Interest-rate risk is generally greater for longer-term bonds, and credit risk is generally greater for below-investment-grade bonds. Lower-rated bonds may offer higher yields in return for more risk. Funds that invest in government securities are not guaranteed. Mortgage-backed securities are 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 underlying funds may have to invest the proceeds from prepaid investments, including mortgage and asset-backed investments, in other investments with less attractive terms and yields. International investing involves currency, economic, and political risks. Emerging market securities carry illiquidity and volatility risks. REITs are subject to the risk of economic downturns that have an adverse impact on real estate markets. Convertible securities' prices may be adversely affected by underlying common stock price changes. While convertible securities tend to provide higher yields than common stocks, the higher yield may not protect against the risk of loss or mitigate any loss associated with a convertible security's price decline. Convertible securities are subject to credit risk. 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. There is no guarantee that the funds will provide adequate income at and through an investor's retirement.

Our investment techniques, analyses, and judgments may not produce the outcome we intend. The investments we select for the underlying funds may not perform as well as other securities that we do not select for the underlying funds. We, or the underlying fund's other service providers, may experience disruptions or operating errors that could have a negative effect on the underlying funds. You can lose money by investing in the funds.

For informational purposes only.
Not an investment recommendation.

A world of investing.®

Putnam INVESTMENTS

To request the offering document for the fund, visit putnam.com. The offering document includes investment objectives, risks, charges, expenses, and other information that you should read and consider carefully before investing.

Putnam Investments | 100 Federal Street | Boston, MA 02110 | putnam.com

Putnam Retail Management

FB535_DC 330283 7/22