



Michael J. Maguire, CFA
Portfolio Manager
(industry since 2002)

Objective

The fund seeks capital appreciation.

Morningstar category

Health

Fund symbols

| | |
|----------|-------|
| Class A | PHSTX |
| Class B | PHSBX |
| Class C | PCHSX |
| Class R | PHSRX |
| Class R6 | PGHAX |
| Class Y | PHSYX |

Number of holdings

55

Net assets

\$1,464.46M

Dividend frequency

Annually

Putnam Global Health Care Fund (PHSYX)

Investing in the health-care sector since 1982

A dynamic sector

From biotech and drugs to devices and hospitals, the fund invests in industries that can profit from the global demand for health-care products and services.

Seeks growth from innovation

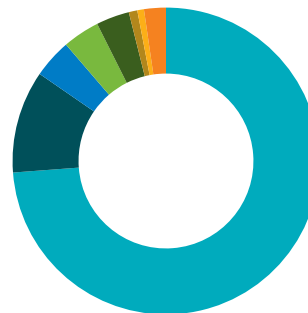
Innovative health-care solutions are always in demand, giving the fund potential for positive returns regardless of economic conditions.

Active management

Supported by experienced research analysts, the portfolio manager uses bottom-up research to assess scientific innovation, regulatory changes, and company fundamentals.

Diversification across markets

| | |
|---------------------------|-------|
| United States | 73.8% |
| Switzerland | 10.8 |
| Japan | 4.1 |
| United Kingdom | 3.9 |
| Denmark | 3.5 |
| France | 0.9 |
| Germany | 0.7 |
| Cash and net other assets | 2.3 |



Allocations will vary over time. Due to rounding, percentages may not equal 100%

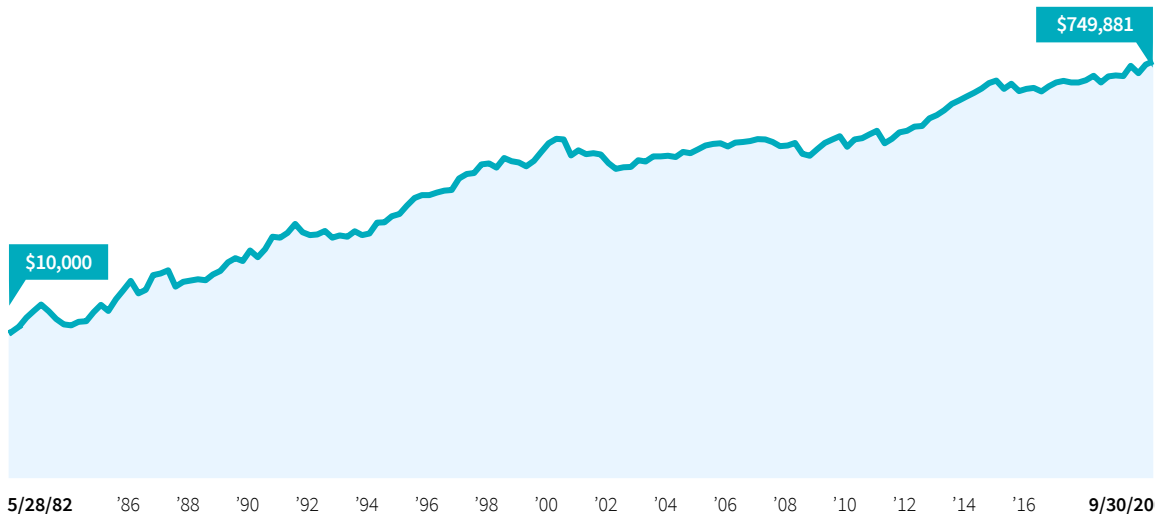
Top ten holdings

| | |
|--------------------------|-------|
| UnitedHealth | 6.15% |
| Johnson & Johnson | 5.71 |
| AbbVie | 5.22 |
| Roche | 4.89 |
| Merck | 4.10 |
| Thermo Fisher Scientific | 4.08 |
| Danaher | 4.04 |
| AstraZeneca | 3.94 |
| Novartis | 3.85 |
| Eli Lilly | 3.10 |

Holdings represent 45.08% of the portfolio and will vary over time.

Growth of a \$10,000 investment

The fund has returned an average of 11.9% annually since inception. Plotted on a logarithmic scale so that comparable percentage changes appear similar.



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 a loss when you sell your shares. Performance of class Y shares assumes reinvestment of distributions and does not account for taxes. Class Y shares, available to investors through an asset-based fee program or for institutional clients, are sold without an initial sales charge and have no CDSC. Performance for class Y shares prior to their inception is derived from the historical performance of class A shares (inception 5/28/82), which have not been adjusted for the lower expenses; had they, returns would have been higher. For the most recent month-end performance, please visit putnam.com.

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

Total expense ratio

(Y shares)

0.84%

Market-cap breakdown

| | |
|-----------------------|--------|
| Over \$69B | 59.10% |
| \$16B–\$69B | 25.22% |
| \$3.4B–\$16B | 9.38% |
| \$1B–\$3.4B | 2.57% |
| Less than \$1B | 1.42% |
| Cash and other assets | 2.32% |

“Cash and other assets” includes cash, short-term securities, ETFs, bonds excluding convertible bonds, and other securities not able to be classified by market capitalization.

Beta

1.03

Annual performance at net asset value (all distributions reinvested)

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 YTD |
|-----------------------------------|-------|-------|-------|-------|------|--------|-------|-------|-------|----------|
| Y shares | -1.2% | 22.3% | 42.1% | 27.8% | 7.8% | -11.5% | 15.6% | -0.4% | 30.6% | 7.3% |
| MSCI World Health Care Index (ND) | 9.5 | 17.5 | 36.3 | 18.1 | 6.6 | -6.8 | 19.8 | 2.5 | 23.2 | 6.3 |

Annualized total return performance

| Inception 4/4/00 | Class Y shares | MSCI World Health Care Index (ND) |
|------------------|----------------|-----------------------------------|
| 1 year | 26.09% | 20.81% |
| 3 years | 10.94 | 10.63 |
| 5 years | 9.06 | 9.90 |
| 10 years | 13.20 | 13.08 |
| Life of fund | 11.92 | — |

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Highlights of five-year performance periods (5/28/82–9/30/20)*

| Best 5-year return | Best period end date | Worst 5-year return | Worst period end date | Average 5-year return | % of 5-year periods with positive returns | Number of positive 5-year periods | Number of negative 5-year periods |
|--------------------|----------------------|---------------------|-----------------------|-----------------------|---|-----------------------------------|-----------------------------------|
| 26.48% | 3/31/99 | -2.09% | 9/30/05 | 11.74% | 96% | 128 | 6 |

* Based on annualized returns for quarterly rolling periods.

The MSCI World Health Care Index (ND) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets in the health-care sector. You cannot invest directly in an index.

Beta is defined as a fund's sensitivity to market movements and is used to evaluate market related, or systematic, risk. It is a historical measure of the variability of return earned by an investment portfolio. Risk statistics are measured using a 5-year regression analysis. For funds with shorter track records, Since Inception analysis is used.

Not all share classes are available on all platforms.

Consider these risks before investing: International investing involves currency, economic, and political risks. Emerging-market securities carry illiquidity and volatility risks. Investments in small and/or midsize companies increase the risk of greater price fluctuations. The health care industries may be affected by technological obsolescence, changes in regulatory approval policies for drugs, medical devices, or procedures, and changes in governmental and private payment systems. The fund concentrates on a limited group of industries and is non-diversified. Because the fund may invest in fewer issuers than a diversified fund, it is vulnerable to common economic forces and may result in greater losses and volatility. Growth stocks may be more susceptible to earnings disappointments, and value stocks may fail to rebound. The use of short selling may result in losses if the securities appreciate in value. 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. The value of investments in the fund's portfolio 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, geography, industry, or sector. These and other factors may lead to increased volatility and reduced liquidity in the fund's portfolio holdings. Our investment techniques, analyses, and judgments may not produce the outcome we intend. 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.

Request a prospectus or a summary prospectus, if available, from your financial representative or by calling Putnam at 1-800-225-1581. These prospectuses include investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

For informational purposes only. Not an investment recommendation.

Putnam Retail Management
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