



The fund received a 4-star Overall Morningstar Rating as of 3/31/22 among 325 funds in the Foreign Large Value category (IB shares, based on risk-adjusted returns)



Darren A. Jaroch, CFA
Portfolio Manager
(industry since 1996)



Lauren B. DeMore, CFA
Portfolio Manager
(industry since 2002)

Objective

The fund seeks capital growth. Current income is a secondary objective.

Morningstar category

Foreign Large Value

Lipper category

VP (Underlying Funds) – International Large-Cap Value Funds

Benchmark

MSCI EAFE Value Index (ND)

Current unit value

Class IA: \$10.60
Class IB: \$10.48

Net assets

\$88.26M

Number of holdings

69

Putnam VT International Value Fund

Benefiting from undervalued international companies experiencing positive change

International companies

The fund invests in international large and midsize companies to benefit from business opportunities outside the United States.

A value strategy

The fund focuses on companies whose stocks are priced below their long-term potential, and where there may be a catalyst for positive change.

Building competitive portfolios

The portfolio manager uses fundamental research as the cornerstone of the investment process. This research is supported by quantitative tools and macroeconomic analysis.

Top 10 holdings

Sanofi	3.13%
Mitsubishi	2.88
ING Groep	2.59
Vinci	2.57
Sony	2.57
Royal Dutch Shell	2.49
HSBC	2.48
Anglo American	2.47
Australia and New Zealand Banking Group	2.42
AIA Group	2.28

Holdings represent 25.88% of the portfolio and will vary over time.

Market-cap breakdown

Over \$33B	64.26%
\$7.6B–\$33B	23.01
\$1.5B–\$7.6B	7.64
\$350M–\$1.5B	0.71
Less than \$350M	0.00
Cash and other assets	4.38

“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.

Risk (IB shares, as of 3/31/22)

Beta	0.98
Tracking error	3.09%
Up capture ratio	103.89%
Down capture ratio	95.75%

Country weightings

	Underweight	Overweight	Portfolio	Benchmark
United Kingdom		5.9	24.8%	18.9%
France		4.8	14.9	10.1
Canada		4.1	4.1	0.0
South Korea		3.1	3.1	0.0
Ireland		2.8	3.6	0.8
Spain	-2.5		0.6	3.1
Australia	-2.8		5.9	8.7
Italy	-3.0		0.0	3.0
Germany	-5.0		5.6	10.6
Switzerland	-6.4		1.8	8.2
Other countries			31.1	36.5

Cash and net other assets represent 4.4% of the portfolio. Due to rounding, percentages may not equal 100%.

Top active weights

Top 5 overweights	Portfolio	Benchmark	Over/under
Sony	2.6%	0.0%	2.6%
Mitsubishi	2.9	0.6	2.3
AIA Group	2.3	0.0	2.3
ING Groep	2.6	0.5	2.1
Suncor Energy	2.0	0.0	2.0

Top 5 underweights	Portfolio	Benchmark	Over/under
BHP	0.0%	2.3%	-2.3%
Toyota	0.0	2.3	-2.3
Novartis	0.0	2.3	-2.3
Nestle	0.0	1.5	-1.5
GlaxoSmithKline	0.0	1.3	-1.3

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 ratio is calculated by dividing the manager's returns by the returns of the index during the period and multiplying that factor by 100. **Turnover** is the rate at which the fund buys and sells securities each year. For example, if a fund's assets total \$100 million and the fund bought and sold \$100 million of securities that year, its portfolio turnover rate would be 100%. **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. **Tracking error** assesses how closely a fund's performance tracks that of the fund's benchmark by calculating the standard deviation of the difference between the fund's returns and its benchmark returns over a given time period, typically 5 years.

Not all share classes are available on all platforms.

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

Morningstar rankings

(IB shares, based on total return)

1 year	46% (10/47)
3 years	9% (2/44)
5 years	20% (5/44)
10 years	34% (11/42)

Annual performance at net asset value (all distributions reinvested)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 YTD
Class IA	22.63%	-9.29%	-1.71%	1.28%	24.95%	-17.31%	20.44%	4.23%	15.28%	-2.94%
Class IB	22.21	-9.49	-2.00	1.11	24.69	-17.61	20.22	3.94	14.94	-2.92
Benchmark	22.95	-5.39	-5.68	5.02	21.44	-14.78	16.09	-2.63	10.89	0.33

Annualized total return performance

	1 year	3 years	5 years	10 years	Life of fund
Class IA NAV (Inception 1/2/97)	2.86%	9.20%	6.24%	5.72%	5.39%
Class IB NAV (Inception 4/6/98)	2.59	8.93	5.98	5.47	5.15
Benchmark	3.55	5.24	4.18	4.87	5.05

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. All total return figures are at net asset value. The charges and expenses of the insurance company separate account level are not reflected. Performance for class IB shares for periods prior to their inception is based on class IA shares, adjusted to reflect the fees paid by class IB shares including a 12b-1 fee of 0.25%. Class IA shares are offered at net asset value and are not subject to a distribution fee. Class IB shares are offered at net asset value and pay an ongoing distribution fee. To obtain the most recent month-end performance, contact your variable annuity provider, who has more information about their variable annuity and variable life products that invest in Putnam-managed products. For a portion of the period, this fund limited expenses, without which returns would have been lower.

The MSCI EAFE Value Index (ND) is an unmanaged index that measures the performance of equity securities representing the value style in countries within Europe, Australasia, and the Far East. You cannot invest directly in an index.

The Morningstar Rating™ for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a 3-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its 3-, 5-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% 3-year rating for 36–59 months of total returns, 60% 5-year rating/40% 3-year rating for 60–119 months of total returns, and 50% 10-year rating/30% 5-year rating/20% 3-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent 3-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take into account the effects of sales charges and loads. Putnam International Value Fund received 4, 4, and 4 stars for the 3-, 5-, and 10-year periods among 325, 289, and 182 Foreign Large Value funds, respectively. Morningstar rankings for class IB shares are based on total return without sales charge relative to all share classes of funds with similar objectives as determined by Morningstar. Morningstar rankings may differ significantly from Morningstar's risk-adjusted star ratings. Past performance is not indicative of future results.

Consider these risks before investing: International investing involves currency, economic, and political risks. Emerging market securities carry illiquidity and volatility risks. Because the fund currently invests, and may in the future invest, significantly in European companies, the fund is particularly susceptible to economic, political, regulatory, or other events or conditions affecting issuers in Europe. Investments in small and/or midsize companies increase the risk of greater price fluctuations.

Value stocks may fail to rebound, and the market may not favor value-style investing. 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. From time to time, the fund may invest a significant portion of its assets in companies in one or more related industries or sectors, which would make the fund more vulnerable to adverse developments affecting those industries or sectors. 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.

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.

Your clients should carefully consider the investment objective, risks, charges, and expenses of a fund before investing. For a prospectus containing this and other information for any variable annuity or variable life product that invests in Putnam managed products, call the Putnam Client Engagement Center at 1-800-354-4000. Your clients should read the prospectus carefully before investing.

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Putnam Retail Management

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