

Engagement and Stewardship Policy

August 2020

Philosophy

Our commitment to clients is the foundation of all we do.

Our investment stewardship as an asset manager aims to provide long-term value through active ownership, monitoring, and engagement with the issuers of the securities we hold in our clients' portfolios.

We believe that effective governance practices and appropriate transparency regarding material business issues, including relevant environmental, social, and governance (ESG) issues, benefit all investors.

As active managers, we are committed to conducting thorough research and to incorporating fundamental insight into all of our activities and decisions, including corporate engagement.

Fundamental research that is context and asset specific

Rigorously evaluating the companies in which we decide to invest is an integral part of our investment approach. As active managers, we are committed to conducting thorough fundamental research when pursuing investment opportunities for our clients. We conduct our research on companies in a variety of ways, including direct communication with management teams, attending industry and customer conferences, and incorporating relevant third-party and independent research. We integrate ESG analysis into our research process with a materiality-focused approach, as relevant issues vary by sector, geography, asset class, and company context. Currently, research integration is more advanced within our equities and corporate credit teams. In other areas,

such as mortgage-backed or government securities within fixed income, we expect that our approach will evolve as the types and quality of data increase.

Portfolio managers have the ultimate decision-making authority for the funds they manage, and the degree to which environmental, social, and governance factors are integrated will vary by fund and strategy.

For our equity and corporate credit teams, our research is guided by internally developed "materiality maps," which were inspired and guided by the materiality mapping of the Sustainable Accounting Standards Board (SASB). We believe that this kind of integrated, long-term research with ESG analysis has the potential to mitigate risk and to augment returns, or, in other words, outperform market averages, although there can be no guarantee of results. We also utilize ESG data from several third-party resources, including MSCI and Sustainalytics, as part of our broader research process.

In addition to our core research teams, Putnam has a dedicated Sustainable Investing team, whose greatest priority is to extend Putnam's strength in fundamental research by adding insight on material sustainability issues. Importantly, Putnam's Sustainable Investing team is part of the Core Equity team, not separate from it. Our culture values and emphasizes collaboration, with frequent formal and informal dialogue, and sharing of research among the integrated members of our investment team across all asset classes.

How we engage

Our engagement with companies and issuers spans a wide range of topics, including corporate strategy, capital allocation, and relevant ESG issues. This engagement is an integral part of our fundamental research process, and reflects our belief that the value we provide for clients is linked to research and understanding of long-term business fundamentals. Engagement focus areas and approaches may differ by issue, asset class, portfolio, and context.

Because we are active managers and proactively select securities for inclusion in our portfolios, we have ongoing direct access to company management. The vast majority of our engagement is done privately and directly with company management and boards of directors. We believe that engaging directly and privately leads to the most effective and candid communication, is most additive to our research process and mosaic of information gathering, and offers the highest benefit to our clients.

Proxy voting

The Putnam Funds:

Putnam and the Putnam Funds' independent trustees are committed to managing our mutual funds in the best interests of our shareholders. The independent Trustees of The Putnam Funds, through the Trustees' Board Policy and Nominating Committee and with the assistance of a member of the Trustees' independent administrative staff, the Director of Proxy Voting and Corporate Governance, exercise control over the Funds' proxy voting. The Trustees of The Putnam Funds are committed to promoting strong corporate governance practices and encouraging corporate actions that enhance shareholder value through the judicious voting of the Funds' proxies.

Through proxy voting, the Trustees seek to make company management accountable and to align the interests of management with those of shareholders of the Funds.

The Putnam Funds have had detailed proxy voting guidelines in place for many years. Each year, the Board Policy and Nominating Committee of the Board of Trustees reviews the proxy voting guidelines and considers whether any changes are appropriate, recommending any changes to the proxy voting guidelines to the Trustees for approval.

Putnam's institutional investment management clients:

In order to implement these objectives, Putnam has adopted a set of procedures and guidelines. The guidelines and procedures cover all accounts for which Putnam has proxy voting authority. Similarly, other clients may from time to time elect to vote their own proxies by retaining the right to vote all proxies in the investment management agreement rather than giving Putnam authority to do so.

Putnam has a Proxy Committee composed of senior investment professionals. The Proxy Committee is responsible for setting general policy as to proxy voting. The Committee reviews procedures and the guidelines annually, approves any amendments considered to be advisable, and considers special proxy issues as they may arise from time to time.

Putnam maintains written voting guidelines ("Guidelines") setting forth voting positions determined by the Proxy Committee on those issues believed most likely to arise day to day. The Guidelines may call for votes normally to be cast in favor of or opposed to a matter or may deem the matter an item to be referred to investment professionals on a case-by-case basis.

Putnam's Legal and Compliance Division administers the firm's proxy voting through a proxy manager, who, in turn, instructs a proxy-voting service (currently, Glass Lewis & Co. ["Glass Lewis"]), to process proxy votes for our client accounts. Although Glass Lewis may supply proxy-related research to Putnam, Glass Lewis does not make any decisions on how to vote client proxies. The Putnam proxy manager, with supervision from senior members of Putnam's Legal and Compliance Division, oversees the proxy administration work of Glass Lewis.

Collaboration

Putnam is an advocate of improved and relevant ESG disclosure. We are members of several organizations that similarly support the relevance behind disclosure:

- **United Nations Principles for Responsible Investing (UN PRI):** Putnam has been a signatory to the UN PRI since 2011. As a UN PRI signatory, Putnam is committed to sustainable investing, including a focus on understanding how ESG factors may influence performance, generate alpha, and/or mitigate risk in client portfolios.

- **Sustainable Accounting Standards Board (SASB):** Putnam joined SASB as an alliance member in 2018. SASB's mission is to connect businesses and investors on the financial impacts of sustainability. Their work includes the development of a taxonomy of financially material sustainability issues on an industry-specific basis.
- **CDP (formerly Carbon Disclosure Project):** Putnam joined the CDP as an investor signatory in 2020. The CDP is a non-profit that runs the global disclosure system for investors, companies, cities, states, and regions to manage their environmental impacts.
- **Boston Association of Institutional Investors ESG group:** Putnam is co-chairing the ESG working group for this association.

Where we consider engagement appropriate, Putnam will typically engage in dialogue with portfolio companies directly. While Putnam does not have a history of collaborating with other institutional investors, we will consider doing so if we believe it is likely to advance our clients' best interests, is consistent with our policies, and is permitted under applicable laws and regulations.

Conflicts of interest

Putnam maintains clear policies on matters of potential conflict that may arise in interacting with the companies in which we invest, including such areas as outside employment or directorships by Putnam personnel and the giving and acceptance of gifts and other items of value. More generally, potential conflicts may arise for any asset manager that manages multiple client accounts with differing objectives, and we maintain a compliance program aimed at monitoring and addressing these potential conflicts.

In the voting area, for example, a potential conflict of interest may arise when voting proxies of an issuer that has a significant business relationship with Putnam. Putnam's policy is to base our votes solely on the investment merits of the proposal.

In order to manage conflicts of interest, Putnam's Proxy Committee, which sets general policy on our proxy voting, is composed solely of professionals in Putnam's Investment Division, while proxy administration is the responsibility of our Legal and Compliance Division. Neither the Investment Division nor the Legal and Compliance Division reports to Putnam's marketing businesses. In addition, there are limits on the ability of Putnam employees who are not investment professionals to contact portfolio managers who are voting proxies. Investment professionals must disclose any contact with third parties beyond their routine communication with proxy solicitation firms. In addition, the Putnam proxy manager, a member of the Putnam Legal and Compliance Division, reviews all known Putnam business relationships with companies that have voting items referred to any portfolio management team to consider any potential conflicts and, where appropriate, ensures that potential conflicts are documented and appropriately escalated.

Annual review

The Engagement and Stewardship Policy is reviewed annually.

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