

Putnam U.S. Large Cap Growth Equity Concentrated SMA



Separately Managed Accounts | Fact Sheet as of December 31, 2025

Investment overview

Putnam U.S. Large Cap Growth Equity Concentrated SMA combines investment themes with deep fundamental research to build a portfolio of structurally advantaged, durable growth companies.

Investment objective

Seek to identify companies exhibiting durable and above-average growth that can outperform in a variety of economic environments.

Investment philosophy and process

We believe that stock prices follow earnings and cash flows over time. To capture these opportunities, our process seeks to repeatedly identify companies with uniquely resilient growth.

Durable growth

Seek to identify companies exhibiting above-average growth that can outperform in a variety of economic environments

Thematic approach

Combine top-down investment themes with fundamental research to identify companies we believe can benefit from growth trends

Emphasis on risk-adjusted performance

Construct a concentrated portfolio that seeks to maximize stock-specific risk and mitigate factor bets

Key differentiators

- Pursues consistent performance in a variety of market conditions
- A thematic approach grounded in bottom-up research that seeks to identify secular winners with large addressable markets
- Over 70% of the portfolio is in structurally advantaged, quality growth companies, while also providing exposure to innovative disruptors
- Focus on downside analysis and a narrow range of outcomes
- Process seeks to drive alpha primarily through stock selection with an emphasis on portfolio construction and risk management

Management team

Putnam is a diversified equity-only asset manager serving investors worldwide. The firm has roots dating back to 1937, decades of experience in changing markets, and a tenured portfolio management team. Putnam offers a range of stock-driven portfolios that seeks to pursue consistent outperformance while managing downside risk.

Investment management team

Richard Bodzy
Portfolio Manager
Industry since 2008

Greg McCullough, CFA
Portfolio Manager
Industry since 2008

No assurance can be given that the investment objective will be achieved or that an investor will receive a return of all or part of their initial investment. Actual results could be materially different from the stated goals. As with any investment, there is a potential for profit as well as the possibility of loss. Use of models and analytical, quantitative and risk management tools and techniques is no guarantee of investment success or positive performance.

Investment process

STEP 1

Filter the growth universe

Seek to identify companies exhibiting above-average growth that can outperform in a variety of economic environments

- Focus on the 'growth algorithm'
- Target revenues and cash flows that grow faster than the market
- Seek companies that are in low-penetration industries within large growing addressable markets

STEP 2

Stock selection through fundamental analysis

Bottom-up fundamental research

- Identify companies that have superior growth levels and duration of growth
- Focus on industry structure and competitive landscape
- Seek companies with a strong ownership culture
- Aim to avoid valuation extremes

STEP 3

Thematic overlay

Investment themes help to identify secular growers

- Seek companies that may benefit from multi-year growth themes
- Separate themes from fad by building conviction in the duration of growth
- Evaluate data from third-party research, government agencies and company/industry reports
- Putnam benefits from an ability to take a long-term view of the market as themes can have multi-year growth horizons: >90% of portfolio tied to 1 theme, >60% tied to 2 or more themes

STEP 4

Portfolio construction and risk control

Construct a concentrated portfolio driven primarily by stock-specific risk and designed to mitigate factor bets

- Prioritize stocks where we have multiple ways to win with a narrow range of operational and financial outcomes
- Position sizing reflects our conviction in the outcome
- Apply a rigorous risk lens, keeping sector and stock weights within +/- 5% of the Russell 1000 Growth Index
- Sell discipline grounded in the power of compounding and reduction of turnover

The investment process may change over time. The characteristics set forth above are intended as a general illustration of some of the criteria the strategy team considers in selecting securities for client portfolios. There is no guarantee that investment objectives will be achieved.

Portfolio Information‡

As of December 31, 2025

Top Ten Holdings (%)

	Portfolio
NVIDIA	12.88
Microsoft	10.49
Apple	9.65
Broadcom	6.83
Meta	5.21
Alphabet	4.94
Amazon	4.55
Tesla	4.44
Eli Lilly	4.24
Mastercard	3.38
Total	66.61

Sector Weightings (%)

	Portfolio	BM
Information Technology	49.37	50.30
Communication Services	12.40	12.09
Consumer Discretionary	9.65	13.36
Health Care	9.40	8.15
Financials	7.58	6.40
Industrials	6.37	5.96
Materials	1.76	0.31
Real Estate	1.59	0.43
Utilities	0.70	0.28
Consumer Staples	0.00	2.44
Energy	0.00	0.29
Cash & Other Net Assets	1.18	0.00

Characteristics

	Portfolio	BM
Estimated 3-5 Year EPS Growth	16.63%	16.45%
P/E to Growth	2.20x	2.12x
Price to Earnings (12-Month Forward)	29.81x	29.13x
Price to Cash Flow	31.12x	30.17x
Price to Book	13.54x	14.65x
Median Market Cap (Millions USD)	\$276,318	\$24,388
Weighted Average Market Capitalization (Millions USD)	\$2,075,687	\$2,027,580
Portfolio Turnover	26.47%	0.00%
Cash Weight	1.18%	-
Total strategy assets (Millions USD)	\$24,901	-

Market Capitalization (%)

	Portfolio
\$1.7B - \$6.3B	0.00
\$6.3B - \$36.6B	0.00
\$36.6B - \$155.9B	13.05
Over \$155.9B	85.77
Cash and other assets	1.18

Dividend Yield is calculated without the deduction of fees and expenses.

Source: Putnam Investments. Portfolio characteristics are for a representative account and are shown for illustrative purposes only. Each account is managed individually. Accordingly, characteristics may vary.

Composite Performance

Annualized Rates of Return – Gross and Net of Fees (%) as of December 31, 2025 – (Inception date: 3/31/2017)

	1 Mth	3 Mths	YTD	1 Year	3 Year	5 Year	Since Incept
U.S. Large Cap Growth Eq Conc—Gross of Fees—(USD)	-0.75	0.77	16.09	16.09	31.62	14.29	19.53
U.S. Large Cap Growth Eq Conc—Net of Fees—(USD)	-1.00	0.03	12.74	12.74	27.86	10.99	16.08
Russell 1000 Growth Index —(USD)	-0.62	1.12	18.56	18.56	31.15	15.32	18.87

Calendar-Year Total Returns – Gross and Net of Fees (%) ending December 31

	2025	2024	2023	2022	2021	2020	2019	2018
U.S. Large Cap Growth Eq Conc—Gross of Fees—(USD)	16.09	34.67	45.85	-31.06	24.07	37.60	40.10	6.82
U.S. Large Cap Growth Eq Conc—Net of Fees—(USD)	12.74	30.83	41.71	-33.15	20.51	33.68	36.12	3.71
Russell 1000 Growth Index —(USD)	18.56	33.36	42.68	-29.14	27.60	38.49	36.39	-1.51

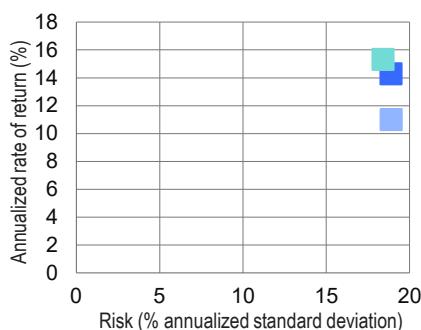
Please visit www.franklintempleton.com for the latest performance figures.

Periods less than one year are not annualized. Performance results are for the composite which includes all actual, fully discretionary accounts with substantially similar investment policies and objectives managed to the composite's investment strategy. Composite returns are stated in U.S. dollars and assume reinvestment of any dividends, interest income, capital gains, or other earnings. The composite may include account(s) that are gross of fees and pure gross of fees. "Pure" gross-of-fee returns do not reflect the deduction of any expenses, including transaction costs. A traditional (or "true") gross-of-fee return reflects performance after the reduction of transaction costs but before the reduction of the investment advisory fee. The gross-of-fee return may include a blend of "true" gross-of-fee returns for non-wrap accounts and "pure" gross-of-fee returns for wrap accounts. Net-of-fee returns are reduced by a model "wrap fee" (3.0% is the maximum anticipated wrap fee for equity and balanced portfolios) which includes trading expenses as well as investment management, administrative and custodial fees. The model wrap fee used represents the highest anticipated wrap fee applicable to the strategy. Actual fees and account minimums may vary.

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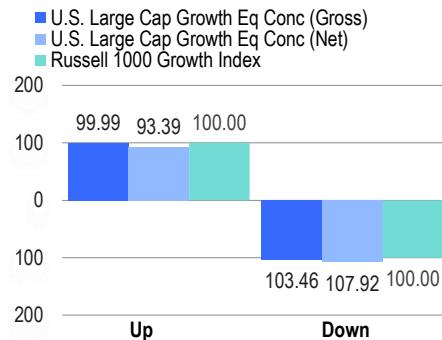
Composite Performance Statistics¹ (based on 5-year period ending December 31, 2025)

Risk/Return profile (%)

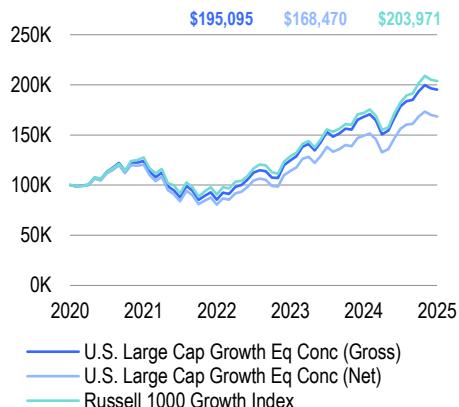


■ U.S. Large Cap Growth Eq Conc (Gross)	
Annualized Return (%)	14.29
Annualized Standard Deviation (%)	18.90
■ U.S. Large Cap Growth Eq Conc (Net)	
Annualized Return (%)	10.99
Annualized Standard Deviation (%)	18.90
■ Russell 1000 Growth Index	
Annualized Return (%)	15.32
Annualized Standard Deviation (%)	18.41

Up/Down market capture ratios (%)



Growth of \$100,000*



Modern portfolio statistics

	Portfolio (Gross)	Portfolio (Net)	BM
Sharpe Ratio	0.63	0.47	0.69
Beta	1.02	1.02	N/A
Alpha (%)	-1.05	-3.94	N/A
R-Squared	0.98	0.98	N/A

	(+) Months	(-) Months
Gross:	37	23
Net:	37	23

¹ Source: Putnam Investments.

*For illustrative purposes only. Assumes no withdrawals or contributions. These statistics are based on gross and net-of-fees quarterly composite returns, were calculated assuming reinvestment of dividends and income, and take into account both realized and unrealized capital gains and losses.

Periods less than one year are not annualized. Performance results are for the composite which includes all actual, fully discretionary accounts with substantially similar investment policies and objectives managed to the composite's investment strategy. Composite returns are stated in U.S. dollars and assume reinvestment of any dividends, interest income, capital gains, or other earnings. The composite may include account(s) that are gross of fees and pure gross of fees. "Pure" gross-of-fee returns do not reflect the deduction of any expenses, including transaction costs. A traditional (or "true") gross-of-fee return reflects performance after the reduction of transaction costs but before the reduction of the investment advisory fee. The gross-of-fee return may include a blend of "true" gross-of-fee returns for non-wrap accounts and "pure" gross-of-fee returns for wrap accounts. Net-of-fee returns are reduced by a model "wrap fee" (3.0% is the maximum anticipated wrap fee for equity and balanced portfolios) which includes trading expenses as well as investment management, administrative and custodial fees. The model wrap fee used represents the highest anticipated wrap fee applicable to the strategy. Actual fees and account minimums may vary.

Terms and definitions:

Dividend yield is determined by dividing a stock's annual dividends per share by the current market price per share. Dividend yield is a financial ratio that shows how much a company pays out in dividends. **Dividend yield is calculated without the deduction of fees and expenses.**

P/E (Year 1) is the previous day's closing price of the stock divided by the consensus earnings per share (EPS) of fiscal year 1 (FY1) provided by I/B/E/S. Forecasts are inherently limited and should not be relied upon as indicators of future performance.

The **price-to-book ratio (P/B)** is a stock's price divided by the stock's per share book value. Earnings per share (EPS) is the portion of a company's profit allocated to each outstanding share of a common stock.

Weighted median market capitalization represents the value at which half the portfolio's market capitalization weight falls above, and half falls below.

Weighted average market capitalization represents the average value of the companies held in the portfolio. When that figure is weighted, the impact of each company's capitalization on the overall average is proportional to the total market value of its shares.

Market capitalization measures the number of outstanding common shares of a given corporation multiplied by the latest price per share.

Standard deviation measures the risk or volatility of an investment's return over a particular time period; the greater the number, the greater the risk.

The **up-capture ratio** measures the manager's overall performance to the benchmark's overall performance, considering only quarters that are positive in the benchmark. An up-capture ratio of more than 100 indicates a manager who outperforms the relative benchmark in the benchmark's positive quarters.

The **down-capture ratio** is the ratio of the manager's overall performance to the benchmark's overall performance, considering only quarters that are negative in the benchmark. A down-capture ratio of less than 100 indicates a manager who outperforms the relative benchmark in the benchmark's negative quarters and protects more of a portfolio's value during down markets.

Alpha is a measure of performance vs. a benchmark on a risk-adjusted basis. A positive alpha of 1.0 means the portfolio has outperformed its benchmark index by 1%. Correspondingly, a similar negative alpha would indicate an underperformance of 1%. Alpha is a measure of the difference between actual returns and expected performance measuring sensitivity to index movements.

Beta measures the sensitivity of an investment to the movement of its benchmark. A beta higher than 1.0 indicates the investment has been more volatile than the benchmark and a beta of less than 1.0 indicates that the investment has been less volatile than the benchmark.

Sharpe ratio is a risk-adjusted measure, calculated using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe ratio, the better a portfolio's historical risk-adjusted performance.

R-squared measures the strength of the linear relationship between a portfolio and its benchmark. R-squared at 1.00 implies perfect linear relationship and zero implies no relationship exists.

The **Russell 1000 Growth Index** measures the performance of the large-cap growth segment of the U.S. equity universe. Source: FTSE.

What are the risks?

All investments involve risks, including possible loss of principal. The investment style may become out of favor, which may have a negative impact on performance. To the extent the portfolio invests in a concentration of certain securities, regions or industries, it is subject to increased volatility. Dividends may fluctuate and are not guaranteed, and a company may reduce or eliminate its dividend at any time. Active management does not ensure gains or protect against market declines. The manager may consider environmental, social and governance (ESG) criteria in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated.

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Retail Separately Managed Accounts (SMAs): Putnam Investment Management, LLC acts as a discretionary investment manager or non-discretionary model provider in a variety of retail separately managed account programs and platforms ("SMA Programs") sponsored by non-affiliated financial intermediaries (each, a "Sponsor Firm"). Through various Sponsor Firms, Putnam offers model-delivery SMAs as well as single- and dual-contract SMAs through a range of actively managed equity strategies. SMA Programs may require a minimum asset level and, depending on specific investment objectives and financial position, may not be appropriate for all investors. The information provided relates to Putnam Investments and its affiliates, which includes Putnam Investment Management, LLC.

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