

Putnam International Stock ETF

PGRI
Commentary | as of December 31, 2025

Key Takeaways

- **Markets:** Most non-U.S. equity markets had a solid quarter, finishing a year of generally strong performance.
- **Contributors:** Stock selection in financials, health care and consumer staples
- **Detractors:** Stock selection in consumer discretionary and materials
- **Outlook:** We remain focused on targeting quality companies that demonstrate key durable growth characteristics.

Performance Review

- From inception on 10/22/25 through 12/31/25, the portfolio generated a negative return (Market Price return) and underperformed its benchmark, the MSCI All Country World ex-US Growth Index. Both stock selection and sector allocation detracted modestly.
- Stock selection contributed most in the financials, health care and consumer staples sectors. Detractors included relative weakness among stocks in the consumer discretionary and materials sectors..
- From a sector allocation perspective, relative performance was hurt by overweight exposure to communication services, the weakest sector in the benchmark, and underweight exposure to information technology, the strongest sector in the benchmark.
- Top individual contributors to performance included overweight positions in financial companies Prudential and AIA Group and out-of-benchmark positions in British American Tobacco (consumer staples) and CME Group (financials).
- Individual detractors included overweight positions in Alibaba Group (consumer discretionary), Nintendo (communication services) and Compass Group (consumer discretionary). Avoidance of SK Hynix (information technology) also detracted from relative performance.

Outlook

- We remain focused on targeting quality companies that demonstrate key durable growth characteristics. These include companies with strong moats, quality management, significant market share, and attractive end markets.

Top Equity Issuers (% of Total)

| Holding | Fund |
|--------------------------|------|
| Taiwan Semiconductor | 7.07 |
| AstraZeneca | 5.86 |
| Prudential | 5.22 |
| HOYA | 4.89 |
| ASML | 4.73 |
| Airbus Group | 4.45 |
| Tencent | 4.36 |
| AIA Group | 4.32 |
| CRH | 4.31 |
| British American Tobacco | 4.24 |

Average annual total returns and fund expenses (%) - as of December 31, 2025

| Product | Ticker | Listed Exchange | 3-Mo* | 6-Mo* | YTD* | 1-Yr | 3-Yr | 5-Yr | 10-Yr | Inception | Gross Expenses | Net Expenses | Inception Date |
|---------------------|--------|-----------------|-------|-------|------|------|------|------|-------|-----------|----------------|--------------|----------------|
| Market Price Return | PGRI | NYSE Arca | — | — | — | — | — | — | — | -0.96 | 0.55 | 0.55 | 10/21/2025 |
| NAV Returns | — | — | — | — | — | — | — | — | — | -0.96 | 0.55 | 0.55 | 10/21/2025 |
| Benchmark | — | — | — | — | — | — | — | — | — | 0.09 | — | — | — |

*Cumulative total returns

Benchmark(s)

Benchmark = MSCI All Country World ex-US Growth Index-NR

Performance data quoted represents past performance, which does not guarantee future results. Current performance may be lower or higher than the figures shown. Principal value and investment returns will fluctuate, and investors' shares, when redeemed, may be worth more or less than the original cost. Performance would have been lower if fees had not been waived in various periods. Total returns assume the reinvestment of all distributions and the deduction of all fund expenses. An investor cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expense or sales charges. Returns for periods of less than one year are not annualized. For current month-end performance, please visit franklintempleton.com. The total annual operating expenses are as of the fund's prospectus available at the time of publication. Actual expenses may be higher and may impact portfolio returns.

What are the Risks?

All investments involve risks, including possible loss of principal. International investments are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets**. To the extent the portfolio invests in a **concentration of certain securities, regions or industries**, it is subject to increased volatility. **Small- and mid-cap stocks** involve greater risks and volatility than large-cap stocks. **Large-capitalization companies** may fall out of favor with investors based on market and economic conditions. **Derivative instruments** can be illiquid, may disproportionately increase losses, and have a potentially large impact on performance. The portfolio is, or could become, **non-diversified** and may invest in a relatively small number of issuers, which may negatively impact the performance and result in greater fluctuation in value. 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. **The fund is newly organized**, with a limited history of operations. These and other risks are discussed in the fund's prospectus.

Glossary

Moat is an advantage a company has which allows it to protect its market share and profitability.

Important Information

The information provided is not a complete analysis of every material fact regarding any country, market, industry, security or fund. Because market and economic conditions are subject to change, comments, opinions and analyses are rendered as of the date of this material and may change without notice. A portfolio manager's assessment of a particular security, investment or strategy is not intended as individual investment advice or a recommendation or solicitation to buy, sell or hold any security or to adopt any investment strategy; it is intended only to provide insight into the fund's portfolio selection process. Holdings are subject to change.

ETFs and ETPs trade like stocks, fluctuate in market value and may trade at prices above or below the ETFs/ETPs net asset value. Brokerage commissions and ETF expenses will reduce returns. ETF/ETP shares may be bought or sold throughout the day at their market price, not their Net Asset Value (NAV), on the exchange on which they are listed. Shares of ETFs/ETPs are tradable on secondary markets and may trade either at a premium or a discount to their NAV on the secondary market. **Canada:** This content is intended only for Canadian institutional investors that qualify as "permitted clients" as defined in National Instrument 31-103 - Registration Requirements, Exemptions and Ongoing Registrant Obligations. U.S. securities laws generally limit a non-U.S. fund's purchase of a U.S. registered mutual fund or ETF/ETP (a "U.S. Fund") to no more than 3% of the U.S. Fund's voting stock. You should consult your legal counsel prior to investing in a U.S. Fund.

The **MSCI All Country World ex-US Growth Index** measures the performance of growth stocks in developed and emerging markets, excluding the US. Source: MSCI makes no warranties and shall have no liability with respect to any MSCI data reproduced herein. No further redistribution or use is permitted. This report is not prepared or endorsed by MSCI.

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