

Putnam Focused Large Cap Growth ETF

Commentary | as of September 30, 2025

Key Takeaways

- **Markets:** US equities delivered strong performance, and large-cap growth stocks handily outperformed their value counterparts in the quarter.
- **Contributors:** Stock selection in information technology, real estate and materials
- **Detractors:** Stock selection in communication services, consumer discretionary and industrials
- **Outlook:** Uncertainty continues to surround the Trump administration's actions, but the US economy has remained resilient.

Performance Review

- The strategy posted solid absolute returns but trailed its benchmark for the quarter (Market Price Return). Stock selection in information technology, real estate and materials proved additive to results, while positions in communication services, consumer discretionary and industrials detracted.
- A cash position detracted, given the robust performance of US large-cap equities.
- Top contributors to relative performance included overweight positions in Applovin (information technology) and Oracle (information technology) and avoiding Costco (consumer staples).
- Detractors included overweight exposure to Chipotle (consumer discretionary) and Netflix (communication services) and underweight exposure to strong-performing Apple (information technology).

Outlook

- Uncertainty continues to surround the Trump administration's actions, but the US economy has remained resilient and markets climbed to all-time highs in the third quarter.
- While we are vigilant of macroeconomic challenges, our focus in on bottom-up stock selection process combined with top-down growth themes.
- In the quarter, we added a new portfolio theme: "Closer to home." This was influenced by increased efforts from some of the world's largest economies to prioritize domestic economic growth over a more comprehensive and globalized approach. Many countries are taking incremental measures to reduce their reliance on other countries. This has a material impact on supply chains and capital deployment decisions. Areas of the growth universe likely to benefit from this theme are US manufacturing and consumer companies that produce and sell the majority of their offerings within the United States.

Top Equity Issuers (% of Total)

Holding	Fund
NVIDIA	14.87
Microsoft	12.58
Apple	8.43
Broadcom	6.89
Amazon	5.74
Tesla	4.38
Meta	4.06
Alphabet	3.57
Eli Lilly	3.23
Mastercard	3.18

Average annual total returns and fund expenses (%) - as of September 30, 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	PGRO	NYSE Arca	8.19	28.44	14.60	23.34	30.65	—	—	14.26	0.50	0.49	5/25/2021
NAV Returns	—	—	8.29	28.28	14.73	23.24	30.67	—	—	14.26	0.50	0.49	5/25/2021
Benchmark	—	—	10.51	30.22	17.24	25.53	31.61	—	—	15.89	—	—	—

*Cumulative total returns

Benchmark(s)

Benchmark =Russell 1000 Growth Index

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. Net Asset Value (NAV) returns are based on the NAV of the ETF; Market Price returns are based upon the official closing price of the ETF's shares. Returns are average annualized total returns, except for those periods of less than one year, which are cumulative. Market Price returns are calculated using the closing price as of 4 p.m. Eastern time on each trading day (when NAV is normally determined for most funds), and do not represent the returns you would receive if you traded shares at other times. Performance for the ETF and its benchmark index are as of the ETF's last trading day before the end of the period.

Gross expenses are the fund's total annual operating expenses as of the fund's prospectus available at the time of publication. Actual expenses may be higher and may impact portfolio returns. Net expenses reflect contractual fee waivers, expense caps and/or reimbursements, which cannot be terminated prior to 09/14/2026 without Board consent. Additional amounts may be voluntarily waived and/or reimbursed and may be modified or discontinued at any time without notice.

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. The portfolio is **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. These and other risks are discussed in the fund's prospectus.

Important Information

Effective September 15, 2025, the fund transitioned to a 'transparent' ETF, disclosing its complete portfolio holdings daily and operating under Rule 6c-11 of the Investment Company Act of 1940. Effective July 1, 2025, the all-inclusive management fee decreased to 0.49%. Refer to the prospectus supplement for more 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 **Russell 1000 Growth Index** measures the performance of the large-cap growth segment of the U.S. equity universe. Source: FTSE.

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Before investing, carefully consider a fund's investment objectives, risks, charges and expenses. You can find this and other information in each prospectus, or summary prospectus, if available, at www.franklintempleton.com. Please read it carefully.