



Michael C. Petro, CFA
Portfolio Manager
(industry since 1999)

Objective

The fund seeks current income.

Type

Active, fully transparent

Putnam BDC Income ETF is a traditional ETF with a transparent portfolio. The fund tells public investors and traders the securities it holds each day. This characteristic makes it different from semi-transparent ETFs that do not disclose the assets they hold each day.

Ticker	CUSIP
PBDC	746729508

Primary exchange

NYSE

Fund distributor

Foreside Fund Services, LLC

Inception

September 29, 2022

Morningstar category

Financial

Lipper category

Financial Services

Benchmark

S&P BDC Index

Number of holdings

20

Operating expenses*

Management fees	0.75%
Distribution and service (12b-1) fees	0.00%
Other expenses [†]	0.00%
Acquired fund fees and expenses [‡]	9.86%
Total annual fund operating expenses	10.61%

Putnam BDC Income ETF (PBDC)

Investing in companies offering attractive income to public investors through private market exposure

Distinctive high-income opportunities

A BDC is a company that generates an attractive level of income by providing financing primarily to privately held small and midsize companies and distributing most of the net investment income to investors.

Attractive portfolio diversification

BDCs historically have had low correlations to other comparable asset classes and are well positioned for varying interest-rate environments.

A manager with deep BDC experience

The portfolio manager has 20+ years of experience investing in small-cap value stocks and 15+ years of experience investing in BDCs.

Top 10 holdings

	Portfolio	Benchmark	Over/Under
Owl Rock Capital	11.8%	9.8%	2.0%
Ares Capital	11.3	10.2	1.1
Blackstone Secured Lending Fund	11.0	8.1	2.9
Golub Capital BDC	9.8	5.5	4.3
Hercules Capital	5.4	4.2	1.2
Sixth Street Specialty Lending	4.9	3.5	1.4
Cion Investment	4.7	1.3	3.4
Barings BDC	4.6	1.9	2.7
FS KKR Capital	4.2	9.7	-5.5
Runway Growth Finance	3.4	0.5	2.9

Holdings represent 71.1% of the portfolio and will vary over time.

Valuation metrics

Price-to-earnings	7.6x
Price-to-book	0.9x
Price-to-cash flow	-3.6x

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

* **About operating expenses.** A fund that invests in BDCs discloses the expenses of the BDCs as acquired fund fees and expenses (AFFEs). AFFEs make the expense ratios look much higher for this fund compared with other equity funds, but it is important to remember that AFFEs are indirect expenses not borne by the fund. AFFEs are shown as a line item in an expense table to distinguish them from the fees of the fund. Under SEC rules, the fund must report a total expense ratio that combines the fees paid directly out of the fund's assets (direct fees) and the proportional expense ratios of the funds in which it invests.

[†] Other expenses are based on estimated amounts for the current fiscal year.

[‡] Acquired fund fees and expenses are based on estimated amounts for the current fiscal year.

Annualized total return at net asset value

Inception: 9/29/22	NAV	Market price	Benchmark*
Q4	10.98%	10.87%	11.53%
Since inception	11.41	11.41	12.24

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 loss when you sell your shares. Performance assumes reinvestment of distributions and does not account for taxes.

Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV, and are not individually redeemed from the fund. Brokerage commissions will reduce returns.

Returns less than one year are not annualized. For the most recent month-end performance, please call 1-833-228-5577 or visit the fund's website at putnam.com.

A portfolio manager with extensive experience investing in the BDC universe

Michael Petro, CFA, has 20+ years of experience investing in small-cap value stocks and has invested in securities issued by BDCs since 2007. He is frequently featured as an expert speaker at BDC industry events. In addition to managing Putnam BDC Income ETF, Mike is Portfolio Manager of Putnam Small Cap Value Fund. He has experience as an analyst covering diverse sectors such as financial services, health care, technology, capital goods, and telecommunication services.

*The S&P BDC Index is designed to track leading Business Development Companies that trade on major U.S. exchanges.

Consider these risks before investing: Business development companies (BDCs) generally invest in less mature U.S. private companies or thinly traded U.S. public companies, which involves greater risk than well-established publicly traded companies. The fund will be sensitive to, and its performance will depend to a greater extent on, the overall condition of the financials sector.

The use of leverage by BDCs magnifies gains and losses on amounts invested and increases the risks associated with investing in BDCs. A BDC may make investments with greater risk of volatility and loss of principal than other investment options and may also be highly speculative and aggressive. Certain BDCs may also be difficult to value since many of the assets of BDCs do not have readily ascertainable market values.

As a non-diversified fund, the fund invests in fewer issuers and is more vulnerable than a more broadly diversified fund to fluctuations in the values of the securities it holds. 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.

You should consider the fund's investment objectives, risks, charges, and expenses carefully before you invest. This and other important information is contained in the fund's prospectus available on putnam.com or by calling 1-833-228-5577. Please read carefully before you invest.

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Putnam Investments | 100 Federal Street | Boston, MA 02110 | 1-833-228-5577 | putnam.com