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Putnam Convertible Securities Fund

Annual report
10 | 31 | 22



Income funds invest in bonds and other securities with the goal of providing a steady stream of income over time.

FUND SYMBOL
CLASS A
PCONX

Putnam Convertible Securities Fund

Annual report

10 | 31 | 22

Message from the Trustees	1
Interview with your fund's portfolio managers	3
Your fund's performance	8
Your fund's expenses	11
Consider these risks before investing	13
Terms and definitions	14
Other information for shareholders	16
Important notice regarding Putnam's privacy policy	17
Trustee approval of management contract	18
Audited financial statements	23
Report of Independent Registered Public Accounting Firm	24
Federal tax information	50
Shareholder meeting results	51
About the Trustees	52
Officers	54

Message from the Trustees

December 9, 2022

Dear Fellow Shareholder:

Financial markets are reminding us that the journey to long-term returns often involves weathering periods of heightened volatility. This year, stocks and bonds have experienced losses, and U.S. gross domestic product has declined slightly. Persistent inflation has caused the U.S. Federal Reserve to raise interest rates, and it may maintain high interest rates in 2023 until inflation indicators move meaningfully lower.

While this environment is challenging, you can be confident that Putnam portfolio managers are working for you. Our teams are actively researching new and attractive investment opportunities for your fund while assessing risks.

We also would like to announce changes to the Board of Trustees. In July 2022, we welcomed Jennifer Williams Murphy and Marie Pillai as new Trustees. Both have a wealth of investment advisory and executive management experience. We also want to thank our Trustees who retired from the Board on June 30, 2022. Paul Joskow served with us since 1997, and Ravi Akhoury joined the Board in 2009. We wish them well.

Thank you for investing with Putnam.

Respectfully yours,



A handwritten signature in black ink that reads "Robert L. Reynolds".

Robert L. Reynolds
President and Chief Executive Officer
Putnam Investments

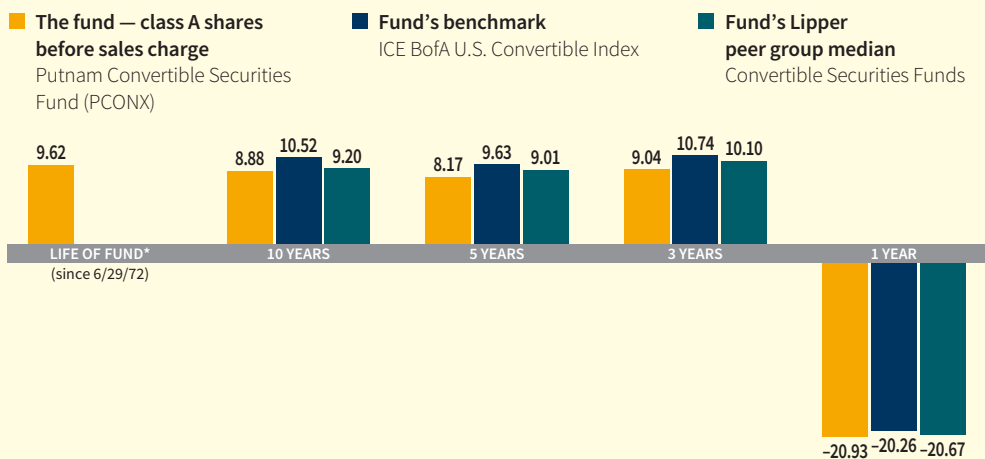


A handwritten signature in black ink that reads "Kenneth R. Leibler".

Kenneth R. Leibler
Chair, Board of Trustees

Performance history as of 10/31/22

Annualized total return (%) comparison

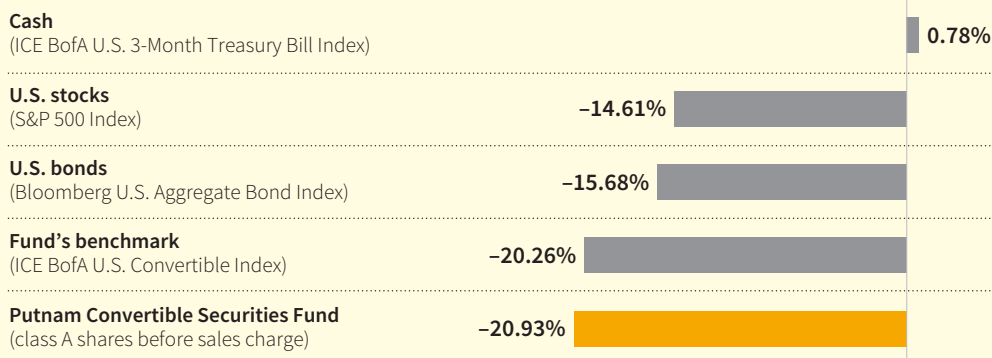


Current performance may be lower or higher than the quoted past performance, which cannot guarantee future results. Share price, principal value, and return will fluctuate, and you may have a gain or a loss when you sell your shares. Performance of class A shares assumes reinvestment of distributions and does not account for taxes. Fund returns in the bar chart do not reflect a sales charge of 5.75%; had they, returns would have been lower. See below and pages 8–11 for additional performance information. For a portion of the periods, the fund had expense limitations, without which returns would have been lower. To obtain the most recent month-end performance, visit putnam.com.

Lipper peer group median is provided by Lipper, a Refinitiv company.

* The fund's benchmark, the ICE BofA U.S. Convertible Index, was introduced on 12/31/87, which post-dates the inception of the fund's class A shares. The Lipper category median return for the life-of-fund period is not shown because the fund was the sole member of the category over that period.

Recent broad market index and fund performance



This comparison shows your fund's performance in the context of broad market indexes for the 12 months ended 10/31/22. See above and pages 8–11 for additional fund performance information. Index descriptions can be found on pages 14–15.

All Bloomberg indices are provided by Bloomberg Index Services Limited.

Interview with your fund's portfolio managers

Rob Salvin and Anthony Daigle discuss the investment environment and fund performance for the 12 months ended October 31, 2022, as well as their outlook for the fund.



Robert L. Salvin
Portfolio Manager

Rob is Head of Corporate and Tax-Exempt Credit. He has an M.B.A. from the Booth School of Business, University of Chicago, and a B.S. from The Wharton School, University of Pennsylvania. He joined Putnam in 2000 and has been in the investment industry since 1986.



Anthony J. Daigle
Portfolio Manager

Anthony has a B.S. in International Business from Merrimack College. He has been in the investment industry since he joined Putnam in 2004.

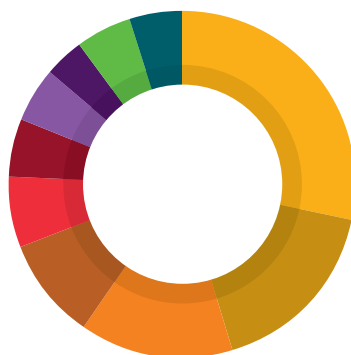
What were market conditions in the U.S. convertible market during the 12-month reporting period ended October 31, 2022?

ROB Convertible securities faced difficult market conditions. Investor concerns about inflation and the prospect that the Federal Reserve might trigger a recession to reduce price pressures led to increased volatility for much of the period. In March 2022, the Fed embarked on a campaign of raising interest rates to address the record-setting inflation. The five rate increases during the reporting period included unusually large 0.75% increases in June, July, and September. Geopolitical tensions between Russia and the West and Covid-19 lockdowns in China also dampened sentiment. Investors became more risk averse and shifted capital away from riskier assets into lower-risk or perceived safe-haven assets.

The stock and bond markets sold off sharply, and bond yields rose in this environment. Additionally, growth names comprise a sizeable part of the convertible market, and the higher interest rates weighed heavily on the growth-oriented technology and health care sectors.

Sector allocations

● Technology	28.3%
● Health care	17.0
● Consumer cyclicals	14.3
● Consumer staples	9.5
● Utilities	6.6
● Energy	5.4
● Communication services	5.1
● Financials	3.7
● Other	5.2
● Cash and net other assets	4.9



Allocations are shown as a percentage of the fund's net assets as of 10/31/22. Cash and net other assets, if any, represent the market value weights of cash, derivatives, short-term securities, and other unclassified assets in the portfolio. Summary information may differ from the portfolio schedule included in the financial statements due to the inclusion of derivative securities, any interest accruals, the use of different classifications of securities for presentation purposes, and rounding. Holdings and allocations may vary over time.

Top 10 holdings

HOLDING (PERCENTAGE OF FUND'S NET ASSETS)	SECURITY TYPE	SECTOR/INDUSTRY
Palo Alto Networks, Inc. (2.9%)	Convertible bonds and notes	Technology/Technology services
Pioneer Natural Resources Co. (2.3%)	Convertible bonds and notes	Energy/Oil and gas
NextEra Energy, Inc. (2.3%)	Convertible preferred stocks	Utilities and power/ Electric utilities
Southwest Airlines Co. (1.8%)	Convertible bonds and notes	Transportation/Airlines
Bank of America Corp. (1.8%)	Convertible preferred stocks	Financials/Banking
Dexcom, Inc. (1.8%)	Convertible bonds and notes	Health care/Pharmaceuticals
Danaher Corp. (1.7%)	Convertible preferred stocks	Health care/Medical technology
T-Mobile US, Inc. (1.6%)	Convertible preferred stocks	Communication services/ Telecommunications
Ford Motor Co. (1.6%)	Convertible bonds and notes	Consumer cyclicals/Automotive
EQT Corp. (1.4%)	Convertible bonds and notes	Energy/Oil and gas

This table shows the fund's top 10 individual holdings and the percentage of the fund's net assets that each represented as of 10/31/22. Short-term investments and derivatives, if any, are excluded. Holdings may vary over time.

What was your strategy in this environment?

ANTHONY Given the more challenging market conditions and opportunities that resulted from the recent sell-off in risk assets, we sought to improve the quality of the portfolio. This included adding to positions in higher-quality companies that have experienced significant price corrections. We might have avoided some of these in the past due to their high equity valuations. We also replaced some of the highly equity-sensitive holdings with more balanced and credit-sensitive convertible securities to limit the fund's susceptibility to stock market volatility.

From a sector perspective, the fund has an overweight position in energy as well as travel names. We believe both sectors are well positioned to benefit from a strong U.S. consumer, pent-up demand, and a shift in consumer preferences from goods to services.

How did the fund perform during the reporting period?

ROB The fund's class A share performance at net asset value was -20.93% for the 12 months ended October 31, 2022. This was lower than the ICE BofA U.S. Convertible Index return [-20.26%] and the median return [-20.67%] of funds ranked within its Lipper peer group, Convertible Securities Funds.

Underweight positioning and security selection within health care was the largest detractor from relative returns during the period. Waning Covid-19-related tailwinds led to a sell-off in the sector during the early months of the reporting period. An underweight exposure and selection within financials detracted from relative performance amid rising rates. Selection within the industrials sector was negatively impacted by pandemic-related supply chain issues, which were aggravated by lockdowns in China.

Overweight positioning within the energy sector was the top contributor to relative performance during the period. Oil prices rose meaningfully, particularly during the first six months of the period. Security selection within consumer

“**The meaningful correction in growth equities and the broader representation of value-focused names has brought a greater balance to the convertible market, in our view.**”

Rob Salvin

discretionary also aided relative returns. Our avoidance of certain retail names that suffered as consumer preferences transitioned from goods to services was particularly helpful. Underweight positioning in real estate also aided results. Real estate struggled due to the sharp rise in interest rates.

What investments detracted most from returns relative to the benchmark during the reporting period?

ANTHONY Rising interest rates are generally negative for utilities. However, utilities held up relatively better than many other sectors of the economy, especially growth-oriented sectors. Thus, the fund's slightly overweight positioning in utilities relative to the benchmark was advantageous. On the other hand, not holding the relatively better-performing Southern Company, an electric power distribution company, weighed on relative performance.

Within financials, the fund held overweight exposure to Bank of America through equity and convertible preferred securities. Owning the equity hurt the fund's performance when the security sold off on recession concerns. The fund held underweight exposure to the convertible preferred relative to the benchmark. This hurt performance as the preferred securities outperformed the equity during the period.

Natera, a genetic testing company dedicated to women's health, cancer, and organ health, also dampened results. The company specializes in noninvasive, cell-free DNA testing technology. The underlying equity sold off during the first half of the period due to negative sentiment

related to deceptive sales and billing practices. With questions emerging about the company's management and the efficacy of its testing, we exited the position.

What investments aided the fund's performance during the period?

ROB Stock selection and positioning in energy, the only sector in the fund's benchmark with positive performance for the period, helped results. After several years of falling oil prices amid a supply/demand imbalance, the lifting of Covid restrictions and a global surge in consumption caused energy prices to soar. The economic sanctions placed on Russia following its invasion of Ukraine further elevated the price of oil and natural gas.

The fund's overweight positioning in EQT, a natural gas producer, was the fund's top contributor to performance. The underlying equity rose over 100% during the period, as higher natural gas prices led to strong earnings and increased forward guidance. Overweight positioning in Pioneer Natural Resources, an oil and gas exploration and production

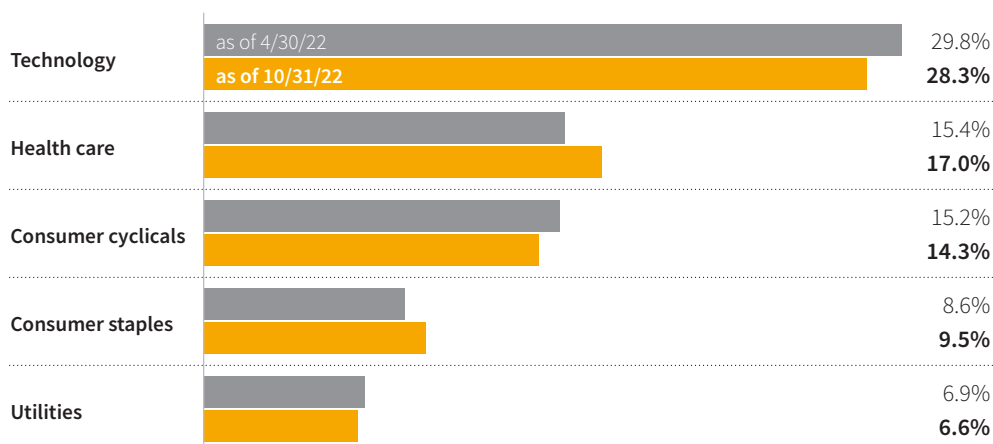
company, was another strong beneficiary of surging commodity prices. We continue to hold both positions given their positive exposure to commodity prices amid high inflation and supply chain disruptions.

Our decision to underweight the fund's exposure to Wayfair, the e-commerce company that sells furniture and home goods, also benefited relative results. The convertible's underlying equity sold off by more than 70% due to inflationary pressures and softening demand as consumers shifted from goods to services. We continue to hold a below-benchmark exposure to the home retailer, as it is one of the larger issuers in the convertible market.

What is your outlook for the convertible market?

ANTHONY As we approach the end of 2022, we believe corporate fundamentals remain relatively strong. However, growth is slowing, causing us to have a more cautious view of equities and corporate credit. Rising inflation, central bank monetary tightening, and

Comparison of top sector weightings



This chart shows how the fund's top weightings have changed over the past six months. Allocations are shown as a percentage of the fund's net assets. Current period summary information may differ from the portfolio schedule included in the financial statements due to the inclusion of derivative securities, any interest accruals, the use of different classifications of securities for presentation purposes, and rounding. Holdings and allocations may vary over time.

geopolitical impacts on energy supplies remain considerable headwinds, in our view.

ROB We expect continued volatility for the foreseeable future. However, the meaningful correction in growth equities and the broader representation of value-focused names has brought a greater balance to the convertible market, in our view. We believe this could lead to attractive returns for convertibles relative to other asset classes, particularly in risk-adjusted terms.

Thank you, gentlemen, for your time and insights today.

The views expressed in this report are exclusively those of Putnam Management and are subject to change. They are not meant as investment advice.

Please note that the holdings discussed in this report may not have been held by the fund for the entire period. Portfolio composition is subject to review in accordance with the fund's investment strategy and may vary in the future. Current and future portfolio holdings are subject to risk. Statements in the Q&A concerning the fund's performance or portfolio composition relative to those of the fund's Lipper peer group may reference information produced by Lipper Inc. or through a third party.

Of special interest

Effective September 2022, the fund's quarterly dividend rate for class A shares was raised to \$0.044 per share from \$0.032 per share as a result of an increase in net investment income. Similar increases were made to other share classes.

Your fund's performance

This section shows your fund's performance, price, and distribution information for periods ended October 31, 2022, the end of its most recent fiscal year. In accordance with regulatory requirements for mutual funds, we also include performance information as of the most recent calendar quarter-end and expense information taken from the fund's current prospectus. Performance should always be considered in light of a fund's investment strategy. Data represent past performance. Past performance does not guarantee future results. More recent returns may be less or more than those shown. Investment return and principal value will fluctuate, and you may have a gain or a loss when you sell your shares. Performance information does not reflect any deduction for taxes a shareholder may owe on fund distributions or on the redemption of fund shares. For the most recent month-end performance, please visit the Individual Investors section at putnam.com or call Putnam at 1-800-225-1581. Class I, R, R6, and Y shares are not available to all investors. See the Terms and definitions section in this report for definitions of the share classes offered by your fund.

Annualized fund performance Total return for periods ended 10/31/22

	Life of fund	10 years	5 years	3 years	1 year
Class A (6/29/72)					
Before sales charge	9.62%	8.88%	8.17%	9.04%	-20.93%
After sales charge	9.49	8.23	6.90	6.90	-25.47
Class B (7/15/93)					
Before CDSC	9.44	8.22	7.36	8.20	-21.56
After CDSC	9.44	8.22	7.11	7.48	-24.64
Class C (7/26/99)					
Before CDSC	9.49	8.22	7.37	8.23	-21.51
After CDSC	9.49	8.22	7.37	8.23	-22.13
Class I (3/3/15)					
Net asset value	9.77	9.26	8.58	9.43	-20.66
Class R (12/1/03)					
Net asset value	9.34	8.60	7.90	8.76	-21.13
Class R6 (5/22/18)					
Net asset value	9.75	9.19	8.51	9.37	-20.69
Class Y (12/30/98)					
Net asset value	9.75	9.15	8.45	9.31	-20.73

Current performance may be lower or higher than the quoted past performance, which cannot guarantee future results. After-sales-charge returns for class A shares reflect the deduction of the maximum 5.75% sales charge levied at the time of purchase. Class B share returns after contingent deferred sales charge (CDSC) reflect the applicable CDSC, which is 5% in the first year, declining over time to 1% in the sixth year, and is eliminated thereafter. Class C share returns after CDSC reflect a 1% CDSC for the first year that is eliminated thereafter. Class I, R, R6, and Y shares have no initial sales charge or CDSC. Performance for class B, C, R, and Y shares before their inception is derived from the historical performance of class A shares, adjusted for the applicable sales charge (or CDSC) and the higher operating expenses for such shares, except for class Y shares, for which 12b-1 fees are not applicable. Performance for class I and R6 shares prior to their inception is derived from the historical performance of class Y shares and has not been adjusted for the lower investor servicing fees applicable to class I and R6 shares; had it, returns would have been higher.

For a portion of the periods, the fund had expense limitations, without which returns would have been lower. Class B and C share performance reflects conversion to class A shares after eight years.

Comparative annualized index returns For periods ended 10/31/22

	Life of fund	10 years	5 years	3 years	1 year
ICE BofA U.S. Convertible Index	—*	10.52%	9.63%	10.74%	-20.26%
Lipper Convertible Securities Funds category median	—†	9.20	9.01	10.10	-20.67

Index and Lipper results should be compared with fund performance before sales charge, before CDSC, or at net asset value.

Lipper peer group median is provided by Lipper, a Refinitiv company.

* The fund's benchmark, the ICE BofA U.S. Convertible Index, was introduced on 12/31/87, which post-dates the inception of the fund's class A shares.

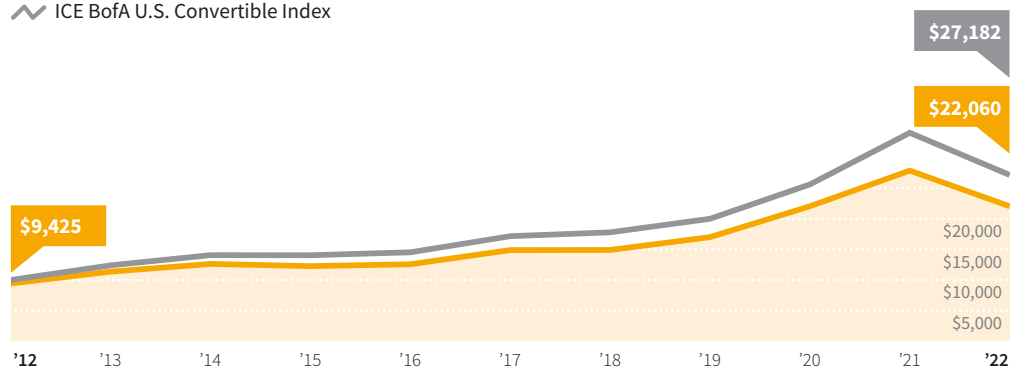
† Over the 1-year, 3-year, 5-year, and 10-year periods ended 10/31/22, there were 78, 73, 71, and 55 funds, respectively, in this Lipper category. The Lipper category median return for the life-of-fund period is not shown because the fund was the sole member of the category over that period.

Change in the value of a \$10,000 investment (\$9,425 after sales charge)

Cumulative total return from 10/31/12 to 10/31/22

↗ Putnam Convertible Securities Fund class A shares after sales charge

↘ ICE BofA U.S. Convertible Index



Past performance does not indicate future results. At the end of the same time period, a \$10,000 investment in the fund's class B and C shares would have been valued at \$22,041 and \$22,043, respectively, and no contingent deferred sales charges would apply. A \$10,000 investment in the fund's class I, R, R6, and Y shares would have been valued at \$24,241, \$22,823, \$24,079 and \$24,011, respectively.

Fund price and distribution information For the 12-month period ended 10/31/22

Distributions	Class A		Class B	Class C	Class I	Class R	Class R6	Class Y
Number	4		1	1	4	4	4	4
Income	\$0.140		—	—	\$0.232	\$0.070	\$0.224	\$0.206
Capital gains								
Long-term gains	5.241		\$5.241	\$5.241	5.241	5.241	5.241	5.241
Short-term gains	1.782		1.782	1.782	1.782	1.782	1.782	1.782
Total	\$7.163		\$7.023	\$7.023	\$7.255	\$7.093	\$7.247	\$7.229
Share value	Before sales charge	After sales charge	Net asset value	Net asset value	Net asset value	Net asset value	Net asset value	Net asset value
10/31/21	\$34.68	\$36.80	\$33.65	\$34.04	\$34.73	\$34.47	\$34.68	\$34.66
10/31/22	21.59	22.91	20.73	21.05	21.62	21.43	21.58	21.57
Current rate (end of period)	Before sales charge	After sales charge	Net asset value	Net asset value	Net asset value	Net asset value	Net asset value	Net asset value
Current dividend rate ¹	0.82%	0.77%	—	—	1.18%	0.56%	1.15%	1.08%
Current 30-day SEC yield ²	N/A	2.57	2.00%	2.01%	3.09	2.49	3.04	2.97

The classification of distributions, if any, is an estimate. Before-sales-charge share value and current dividend rate for class A shares, if applicable, do not take into account any sales charge levied at the time of purchase. After-sales-charge share value, current dividend rate, and current 30-day SEC yield, if applicable, are calculated assuming that the maximum sales charge (5.75% for class A shares) was levied at the time of purchase. Final distribution information will appear on your year-end tax forms.

¹ Most recent distribution, including any return of capital and excluding capital gains, annualized and divided by NAV or market price at end of period.

² Based only on investment income and calculated using the maximum offering price for each share class, in accordance with SEC guidelines.

Annualized fund performance as of most recent calendar quarter

Total return for periods ended 9/30/22

	Life of fund	10 years	5 years	3 years	1 year
Class A (6/29/72)					
Before sales charge	9.55%	8.45%	7.77%	8.15%	-21.46%
After sales charge	9.42	7.81	6.50	6.04	-25.98
Class B (7/15/93)					
Before CDSC	9.37	7.80	6.97	7.34	-22.07
After CDSC	9.37	7.80	6.72	6.63	-25.13
Class C (7/26/99)					
Before CDSC	9.42	7.80	6.96	7.34	-22.06
After CDSC	9.42	7.80	6.96	7.34	-22.67
Class I (3/3/15)					
Net asset value	9.70	8.83	8.18	8.56	-21.15
Class R (12/1/03)					
Net asset value	9.28	8.18	7.50	7.89	-21.66
Class R6 (5/22/18)					
Net asset value	9.69	8.75	8.10	8.48	-21.24
Class Y (12/30/98)					
Net asset value	9.68	8.72	8.03	8.42	-21.28

See the discussion following the fund performance table on page 8 for information about the calculation of fund performance.

Your fund's expenses

As a mutual fund investor, you pay ongoing expenses, such as management fees, distribution fees (12b-1 fees), and other expenses. Using the following information, you can estimate how these expenses affect your investment and compare them with the expenses of other funds. You may also pay one-time transaction expenses, including sales charges (loads) and redemption fees, which are not shown in this section and would have resulted in higher total expenses. For more information, see your fund's prospectus or talk to your financial representative.

Expense ratios

	Class A	Class B	Class C	Class I	Class R	Class R6	Class Y
Total annual operating expenses for the fiscal year ended 10/31/21	1.01%	1.76%	1.76%	0.67%	1.26%	0.71%	0.76%
Annualized expense ratio for the six-month period ended 10/31/22*	1.05%	1.80%	1.80%	0.69%	1.30%	0.73%	0.80%

Fiscal year expense information in this table is taken from the most recent prospectus, is subject to change, and may differ from that shown for the annualized expense ratio and in the financial highlights of this report.

Expenses are shown as a percentage of average net assets.

* Expense ratios for each class are for the fund's most recent fiscal half year. As a result of this, ratios may differ from expense ratios based on one-year data in the financial highlights.

Expenses per \$1,000

The following table shows the expenses you would have paid on a \$1,000 investment in each class of the fund from 5/1/22 to 10/31/22. It also shows how much a \$1,000 investment would be worth at the close of the period, assuming *actual returns* and expenses.

	Class A	Class B	Class C	Class I	Class R	Class R6	Class Y
Expenses paid per \$1,000*†	\$5.13	\$8.77	\$8.77	\$3.37	\$6.34	\$3.57	\$3.91
Ending value (after expenses)	\$936.60	\$932.50	\$933.10	\$938.00	\$935.30	\$938.10	\$937.70

* Expenses for each share class are calculated using the fund's annualized expense ratio for each class, which represents the ongoing expenses as a percentage of average net assets for the six months ended 10/31/22. The expense ratio may differ for each share class.

† Expenses are calculated by multiplying the expense ratio by the average account value for the period; then multiplying the result by the number of days in the period (184); and then dividing that result by the number of days in the year (365).

Estimate the expenses you paid

To estimate the ongoing expenses you paid for the six months ended 10/31/22, use the following calculation method. To find the value of your investment on 5/1/22, call Putnam at 1-800-225-1581.

How to calculate the expenses you paid

Value of your investment on 5/1/22 ÷ **\$1,000** X **Expenses paid per \$1,000** = **Total expenses paid**

Example Based on a \$10,000 investment in class A shares of your fund.

\$10,000 ÷ **\$1,000** X **\$5.13** (see preceding table) = **\$51.30**

Compare expenses using the SEC's method

The Securities and Exchange Commission (SEC) has established guidelines to help investors assess fund expenses. Per these guidelines, the following table shows your fund's expenses based on a \$1,000 investment, assuming a *hypothetical 5% annualized return*. You can use this information to compare the ongoing expenses (but not transaction expenses or total costs) of investing in the fund with those of other funds. All mutual fund shareholder reports will provide this information to help you make this comparison. Please note that you cannot use this information to estimate your actual ending account balance and expenses paid during the period.

	Class A	Class B	Class C	Class I	Class R	Class R6	Class Y
Expenses paid per \$1,000*†	\$5.35	\$9.15	\$9.15	\$3.52	\$6.61	\$3.72	\$4.08
Ending value (after expenses)	\$1,019.91	\$1,016.13	\$1,016.13	\$1,021.73	\$1,018.65	\$1,021.53	\$1,021.17

* Expenses for each share class are calculated using the fund's annualized expense ratio for each class, which represents the ongoing expenses as a percentage of average net assets for the six months ended 10/31/22. The expense ratio may differ for each share class.

† Expenses are calculated by multiplying the expense ratio by the average account value for the six-month period; then multiplying the result by the number of days in the six-month period (184); and then dividing that result by the number of days in the year (365).

Consider these risks before investing

The value of investments in the fund's portfolio may fall or fail to rise over extended periods of time for a variety of reasons, including general economic, political, or financial market conditions; investor sentiment and market perceptions; government actions; geopolitical events or changes; and factors related to a specific issuer, asset class, geography, industry, or sector. These and other factors may lead to increased volatility and reduced liquidity in the fund's portfolio holdings.

These risks are generally greater for convertible securities issued by small and/or midsize companies. Convertible securities' prices may be adversely affected by underlying common stock price changes. While convertible securities tend to provide higher yields than common stocks, the higher yield may not protect against the risk of loss or mitigate any loss associated with a convertible security's price decline. Convertible securities are subject to credit risk, which is the risk that an issuer of the fund's investments may default on payment of interest or principal. Credit risk is generally greater for below-investment-grade convertible securities. Convertible securities may be less sensitive to interest-rate changes than non-convertible bonds because of their structural features (e.g., convertibility, "put" features). Interest-rate risk is generally greater, however, for longer-term bonds and convertible securities whose underlying stock price has fallen significantly below the conversion price.

Our investment techniques, analyses, and judgments may not produce the intended outcome, and the investments we select for the fund may not perform as well as other securities that were not selected for the fund. We, or the fund's other service providers, may experience disruptions or operating errors that could negatively impact the fund. You can lose money by investing in the fund.

Terms and definitions

Important terms

Total return shows how the value of the fund's shares changed over time, assuming you held the shares through the entire period and reinvested all distributions in the fund.

Before sales charge, or net asset value, is the price, or value, of one share of a mutual fund, without a sales charge. Before-sales-charge figures fluctuate with market conditions. They are calculated by dividing the net assets of each class of shares by the number of outstanding shares in the class.

After sales charge is the price of a mutual fund share plus the maximum sales charge levied at the time of purchase. After-sales-charge performance figures shown here assume the 5.75% maximum sales charge for class A shares.

Contingent deferred sales charge (CDSC) is generally a charge applied at the time of the redemption of class B or C shares and assumes redemption at the end of the period. Your fund's class B CDSC declines over time from a 5% maximum during the first year to 1% during the sixth year. After the sixth year, the CDSC no longer applies. The CDSC for class C shares is 1% for one year after purchase.

Share classes

Class A shares are generally subject to an initial sales charge and no CDSC (except on certain redemptions of shares bought without an initial sales charge).

Class B shares are closed to new investments and are only available by exchange from class B shares of another Putnam fund or through dividend and/or capital gains reinvestment. They are not subject to an initial sales charge and may be subject to a CDSC.

Class C shares are not subject to an initial sales charge and are subject to a CDSC only if the shares are redeemed during the first year.

Class I shares are not subject to an initial sales charge or CDSC and carry no 12b-1 fee. They are only available to institutional clients and other investors who meet minimum investment requirements.

Class R shares are not subject to an initial sales charge or CDSC and are only available to employer-sponsored retirement plans.

Class R6 shares are not subject to an initial sales charge or CDSC and carry no 12b-1 fee. They are generally only available to employer-sponsored retirement plans, corporate and institutional clients, and clients in other approved programs.

Class Y shares are not subject to an initial sales charge or CDSC and carry no 12b-1 fee. They are generally only available to corporate and institutional clients and clients in other approved programs.

Fixed income terms

Current rate is the annual rate of return earned from dividends or interest of an investment. Current rate is expressed as a percentage of the price of a security, fund share, or principal investment.

Comparative indexes

Bloomberg U.S. Aggregate Bond Index is an unmanaged index of U.S. investment-grade fixed income securities.

ICE BofA (Intercontinental Exchange Bank of America) U.S. 3-Month Treasury Bill Index is an unmanaged index that seeks to measure the performance of U.S. Treasury bills available in the marketplace.

ICE BofA U.S. Convertible Index is an unmanaged index of high-yield U.S. convertible securities.

S&P 500® Index is an unmanaged index of common stock performance.

Indexes assume reinvestment of all distributions and do not account for fees. Securities and performance of a fund and an index will differ. You cannot invest directly in an index.

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ICE Data Indices, LLC (“ICE BofA”), used with permission. ICE BofA permits use of the ICE BofA indices and related data on an “as is” basis; makes no warranties regarding same; does not guarantee the suitability,

quality, accuracy, timeliness, and/or completeness of the ICE BofA indices or any data included in, related to, or derived therefrom; assumes no liability in connection with the use of the foregoing; and does not sponsor, endorse, or recommend Putnam Investments, or any of its products or services.

Lipper, a Refinitiv company, is a third-party industry-ranking entity that ranks mutual funds. Its rankings do not reflect sales charges. Lipper rankings are based on total return at net asset value relative to other funds that have similar current investment styles or objectives as determined by Lipper. Lipper may change a fund’s category assignment at its discretion. Lipper category medians reflect performance trends for funds within a category.

Other information for shareholders

Proxy voting

Putnam is committed to managing our mutual funds in the best interests of our shareholders. The Putnam funds' proxy voting guidelines and procedures, as well as information regarding how your fund voted proxies relating to portfolio securities during the 12-month period ended June 30, 2022, are available in the Individual Investors section of putnam.com and on the Securities and Exchange Commission (SEC) website, www.sec.gov. If you have questions about finding forms on the SEC's website, you may call the SEC at 1-800-SEC-0330. You may also obtain the Putnam funds' proxy voting guidelines and procedures at no charge by calling Putnam's Shareholder Services at 1-800-225-1581.

Fund portfolio holdings

The fund will file a complete schedule of its portfolio holdings with the SEC for the first and third quarters of each fiscal year on

Form N-PORT within 60 days of the end of such fiscal quarter. Shareholders may obtain the fund's Form N-PORT on the SEC's website at www.sec.gov.

Prior to its use of Form N-PORT, the fund filed its complete schedule of its portfolio holdings with the SEC on Form N-Q, which is available online at www.sec.gov.

Trustee and employee fund ownership

Putnam employees and members of the Board of Trustees place their faith, confidence, and, most importantly, investment dollars in Putnam mutual funds. As of October 31, 2022, Putnam employees had approximately \$449,000,000 and the Trustees had approximately \$60,000,000 invested in Putnam mutual funds. These amounts include investments by the Trustees' and employees' immediate family members as well as investments through retirement and deferred compensation plans.

Important notice regarding Putnam's privacy policy

In order to conduct business with our shareholders, we must obtain certain personal information such as account holders' names, addresses, Social Security numbers, and dates of birth. Using this information, we are able to maintain accurate records of accounts and transactions.

It is our policy to protect the confidentiality of our shareholder information, whether or not a shareholder currently owns shares of our funds. In particular, it is our policy not to sell information about you or your accounts to outside marketing firms. We have safeguards in place designed to prevent unauthorized access

to our computer systems and procedures to protect personal information from unauthorized use.

Under certain circumstances, we must share account information with outside vendors who provide services to us, such as mailings and proxy solicitations. In these cases, the service providers enter into confidentiality agreements with us, and we provide only the information necessary to process transactions and perform other services related to your account. Finally, it is our policy to share account information with your financial representative, if you've listed one on your Putnam account.

Trustee approval of management contract

General conclusions

The Board of Trustees of The Putnam Funds oversees the management of each fund and, as required by law, determines annually whether to approve the continuance of your fund's management contract with Putnam Investment Management, LLC ("Putnam Management") and the sub-management contract with respect to your fund between Putnam Management and its affiliate, Putnam Investments Limited ("PIL"). The Board, with the assistance of its Contract Committee, requests and evaluates all information it deems reasonably necessary under the circumstances in connection with its annual contract review. The Contract Committee consists solely of Trustees who are not "interested persons" (as this term is defined in the Investment Company Act of 1940, as amended (the "1940 Act")) of The Putnam Funds ("Independent Trustees").

At the outset of the review process, members of the Board's independent staff and independent legal counsel considered any possible changes to the annual contract review materials furnished to the Contract Committee during the course of the previous year's review and, as applicable, identified those changes to Putnam Management. Following these discussions and in consultation with the Contract Committee, the Independent Trustees' independent legal counsel requested that Putnam Management and its affiliates furnish specified information, together with any additional information that Putnam Management considered relevant, to the Contract Committee. Over the course of several months ending in June 2022, the Contract Committee met on a number of occasions with representatives of Putnam Management, and separately in executive session, to consider the information that Putnam Management provided. Throughout this process, the Contract Committee was assisted by the members of the Board's independent staff and by independent legal counsel for The Putnam Funds and the Independent Trustees.

In May 2022, the Contract Committee met in executive session to discuss and consider its recommendations with respect to the continuance of the contracts. At the Trustees' June 2022 meeting, the Contract Committee met in executive session with the other Independent Trustees to review a summary of the key financial, performance and other data that the Contract

Committee considered in the course of its review. The Contract Committee then presented its written report, which summarized the key factors that the Committee had considered and set forth its recommendations. The Contract Committee recommended, and the Independent Trustees approved, the continuance of your fund's management contract and the approval of your fund's amended and restated sub-management contract, effective July 1, 2022. (Because PIL is an affiliate of Putnam Management and Putnam Management remains fully responsible for all services provided by PIL, the Trustees have not attempted to evaluate PIL as a separate entity, and all subsequent references to Putnam Management below should be deemed to include reference to PIL as necessary or appropriate in the context.)

The Independent Trustees' approval was based on the following conclusions:

- That the fee schedule in effect for your fund represented reasonable compensation in light of the nature and quality of the services being provided to the fund, the fees paid by competitive funds, the costs incurred by Putnam Management in providing services to the fund and the application of certain reductions and waivers noted below; and
- That the fee schedule in effect for your fund represented an appropriate sharing between fund shareholders and Putnam Management of any economies of scale as may exist in the management of the fund at current asset levels.

These conclusions were based on a comprehensive consideration of all information provided to the Trustees and were not the result of any single factor. Some of the factors that figured particularly in the Trustees' deliberations and how the Trustees considered these factors are described below, although individual Trustees may have evaluated the information presented differently, giving different weights to various factors. It is also important to recognize that the management arrangements for your fund and the other Putnam funds are the result of many years of review and discussion between the Independent Trustees and Putnam Management, that some aspects of the arrangements may receive greater scrutiny in some years than others and that the Trustees' conclusions may be based, in part, on their consideration of fee arrangements in previous years. For example,

with certain exceptions primarily involving newer or repositioned funds, the current fee arrangements under the vast majority of the funds' management contracts were first implemented at the beginning of 2010 following extensive review by the Contract Committee and discussions with representatives of Putnam Management, as well as approval by shareholders.

Management fee schedules and total expenses

The Trustees reviewed the management fee schedules in effect for all Putnam funds, including fee levels and breakpoints. Under its management contract, your fund has the benefit of breakpoints in its management fee schedule that provide shareholders with reduced fee levels as assets under management in the Putnam family of funds increase. The Trustees also reviewed the total expenses of each Putnam fund, recognizing that in most cases management fees represented the major, but not the sole, determinant of total costs to fund shareholders. (Two funds have implemented so-called "all-in" management fees covering substantially all routine fund operating costs.) The Trustees considered that the proposed amended and restated sub-management contract would lower the sub-management fees paid by Putnam Management to PIL.

In reviewing fees and expenses, the Trustees generally focus their attention on material changes in circumstances — for example, changes in assets under management, changes in a fund's investment strategy, changes in Putnam Management's operating costs or profitability, or changes in competitive practices in the mutual fund industry — that suggest that consideration of fee changes might be warranted. The Trustees concluded that the circumstances did not indicate that changes to the management fee schedule for your fund would be appropriate at this time.

As in the past, the Trustees also focused on the competitiveness of each fund's total expense ratio. The Trustees and Putnam Management and the funds' investor servicing agent, Putnam Investor Services, Inc. ("PSERV"), have implemented expense limitations that were in effect during your fund's fiscal year ending in 2021. These expense limitations were: (i) a contractual expense limitation applicable to specified open-end funds, including your fund, of 25 basis points on investor servicing fees and expenses and (ii) a contractual expense limitation applicable to specified open-end funds, including your

fund, of 20 basis points on so-called "other expenses" (i.e., all expenses exclusive of management fees, distribution fees, investor servicing fees, investment-related expenses, interest, taxes, brokerage commissions, acquired fund fees and expenses and extraordinary expenses). These expense limitations attempt to maintain competitive expense levels for the funds. Most funds, including your fund, had sufficiently low expenses that these expense limitations were not operative during their fiscal years ending in 2021. Putnam Management and PSERV have agreed to maintain these expense limitations until at least February 28, 2024. Putnam Management and PSERV's commitment to these expense limitation arrangements, which were intended to support an effort to have fund expenses meet competitive standards, was an important factor in the Trustees' decision to approve the continuance of your fund's management contract and to approve your fund's amended and restated sub-management contract.

The Trustees reviewed comparative fee and expense information for a custom group of competitive funds selected by Broadridge Financial Solutions, Inc. ("Broadridge"). This comparative information included your fund's percentile ranking for effective management fees and total expenses (excluding any applicable 12b-1 fees), which provides a general indication of your fund's relative standing. In the custom peer group, your fund ranked in the second quintile in effective management fees (determined for your fund and the other funds in the custom peer group based on fund asset size and the applicable contractual management fee schedule) and in the third quintile in total expenses (excluding any applicable 12b-1 fees) as of December 31, 2021. The first quintile represents the least expensive funds and the fifth quintile the most expensive funds. The fee and expense data reported by Broadridge as of December 31, 2021 reflected the most recent fiscal year-end data available in Broadridge's database at that time.

In connection with their review of fund management fees and total expenses, the Trustees also reviewed the costs of the services provided and the profits realized by Putnam Management and its affiliates from their contractual relationships with the funds. This information included trends in revenues, expenses and profitability of Putnam Management and its affiliates relating to the investment management, investor servicing and distribution services provided to the funds. In this regard, the Trustees also reviewed an analysis

of the revenues, expenses and profitability of Putnam Management and its affiliates, allocated on a fund-by-fund basis, with respect to the funds' management, distribution and investor servicing contracts. For each fund, the analysis presented information about revenues, expenses and profitability for each of the agreements separately and for the agreements taken together on a combined basis. The Trustees concluded that, at current asset levels, the fee schedules in place for the Putnam funds, including the fee schedule for your fund, represented reasonable compensation for the services being provided and represented an appropriate sharing between fund shareholders and Putnam Management of any economies of scale as may exist in the management of the Putnam funds at that time.

The information examined by the Trustees in connection with their annual contract review for the Putnam funds included information regarding services provided and fees charged by Putnam Management and its affiliates to other clients, including collective investment trusts offered in the defined contribution and defined benefit retirement plan markets, sub-advised mutual funds, private funds sponsored by affiliates of Putnam Management, model-only separately managed accounts and Putnam Management's exchange-traded funds. This information included, in cases where a product's investment strategy corresponds with a fund's strategy, comparisons of those fees with fees charged to the Putnam funds, as well as an assessment of the differences in the services provided to these clients as compared to the services provided to the Putnam funds. The Trustees observed that the differences in fee rates between these clients and the Putnam funds are by no means uniform when examined by individual asset sectors, suggesting that differences in the pricing of investment management services to these types of clients may reflect, among other things, historical competitive forces operating in separate marketplaces. The Trustees considered the fact that in many cases fee rates across different asset classes are higher on average for mutual funds than for other clients, and the Trustees also considered the differences between the services that Putnam Management provides to the Putnam funds and those that it provides to its other clients. The Trustees did not rely on these comparisons to any significant extent in concluding that the management fees paid by your fund are reasonable.

Investment performance

The quality of the investment process provided by Putnam Management represented a major factor in the Trustees' evaluation of the quality of services provided by Putnam Management under your fund's management contract. The Trustees were assisted in their review of Putnam Management's investment process and performance by the work of the investment oversight committees of the Trustees and the full Board of Trustees, which meet on a regular basis with individual portfolio managers and with senior management of Putnam Management's Investment Division throughout the year. The Trustees concluded that Putnam Management generally provides a high-quality investment process — based on the experience and skills of the individuals assigned to the management of fund portfolios, the resources made available to them and in general Putnam Management's ability to attract and retain high-quality personnel — but also recognized that this does not guarantee favorable investment results for every fund in every time period.

The Trustees considered that, in the aggregate, the Putnam funds' performance was generally solid in 2021 against a backdrop of strong U.S. economic and financial market growth. The Trustees considered Putnam Management's observation that, despite an environment of generally strong growth, there had been various headwinds experienced in 2021. For the one-year period ended December 31, 2021, the Trustees noted that the Putnam funds, on an asset-weighted basis, ranked in the 52nd percentile of their peers as determined by Lipper Inc. ("Lipper") and, on an asset-weighted-basis, delivered a gross return that trailed their benchmarks by 0.1%. Over the longer-term, the Committee noted that, on an asset-weighted basis, the Putnam funds delivered strong aggregate performance relative to their Lipper peers over the three-, five- and ten-year periods ended December 31, 2021, ranking in the 31st, 29th and 21st percentiles, respectively, and that the funds, in the aggregate, outperformed their benchmarks on a gross basis for each of those periods.

In addition to the performance of the individual Putnam funds, the Trustees considered, as they had in prior years, the performance of The Putnam Fund complex versus competitor fund complexes. In particular, the Trustees considered The Putnam Fund complex's performance as reported in the Barron's/Lipper Fund Families survey (the

“Survey”), which ranks mutual fund companies based on their performance across a variety of asset types. The Trustees noted that The Putnam Fund complex continued to rank highly in the Survey, especially over the longer-term, with The Putnam Funds ranking as the 6th best performing mutual fund complex out of 45 complexes for the ten-year period and 13th out of 49 complexes for the five-year period. The Trustees noted that 2021 marked the fifth consecutive year that The Putnam Funds have ranked in the top ten fund complexes for the ten-year period. The Trustees also considered that The Putnam Fund complex’s Survey performance over the one-year period was solid, with The Putnam Funds ranking 27th out of 51 complexes. In addition to the Survey, the Trustees also considered the Putnam funds’ ratings assigned by Morningstar Inc., noting that 25 of the funds were four- or five-star rated at the end of 2021 (representing a decrease of one fund year-over-year) and that this included nine funds that had achieved a five-star rating (representing an increase of two funds year-over-year). They also noted, however, the disappointing investment performance of some Putnam funds for periods ended December 31, 2021 and considered information provided by Putnam Management regarding the factors contributing to the underperformance and actions being taken to improve the performance of these particular funds. The Trustees indicated their intention to continue to monitor closely the performance of those funds and evaluate whether additional actions to address areas of underperformance may be warranted.

For purposes of the Trustees’ evaluation of the Putnam funds’ investment performance, the Trustees generally focus on a competitive industry ranking of each fund’s total net return over a one-year, three-year and five-year period. For a number of Putnam funds with relatively unique investment mandates for which Putnam Management informed the Trustees that meaningful competitive performance rankings are not considered to be available, the Trustees evaluated performance based on their total gross and net returns and comparisons of those returns to the returns of selected investment benchmarks. In the case of your fund, the Trustees considered that its class A share cumulative total return performance at net asset value was in the following quartiles of its Lipper peer group (Lipper Convertible Securities Funds) for the one-year, three-year and five-year periods ended

December 31, 2021 (the first quartile representing the best-performing funds and the fourth quartile the worst-performing funds):

One-year period	3rd
Three-year period	3rd
Five-year period	3rd

Over the one-year, three-year and five-year periods ended December 31, 2021, there were 77, 73 and 70 funds, respectively, in your fund’s Lipper peer group. (When considering performance information, shareholders should be mindful that past performance is not a guarantee of future results.)

The Trustees considered Putnam Management’s continued efforts to support fund performance through certain initiatives, including structuring compensation for portfolio managers to enhance accountability for fund performance, emphasizing accountability in the portfolio management process and affirming its commitment to a fundamental-driven approach to investing. The Trustees noted further that Putnam Management had made selective hires and internal promotions in 2021 to strengthen its investment team.

Brokerage and soft-dollar allocations; investor servicing

The Trustees considered various potential benefits that Putnam Management may receive in connection with the services it provides under the management contract with your fund. These include benefits related to brokerage allocation and the use of soft dollars, whereby a portion of the commissions paid by a fund for brokerage may be used to acquire research services that are expected to be useful to Putnam Management in managing the assets of the fund and of other clients. Subject to policies established by the Trustees, soft dollars generated by these means are used predominantly to acquire brokerage and research services (including third-party research and market data) that enhance Putnam Management’s investment capabilities and supplement Putnam Management’s internal research efforts. The Trustees indicated their continued intent to monitor regulatory and industry developments in this area with the assistance of their Brokerage Committee. In addition, with the assistance of their Brokerage Committee, the Trustees indicated their continued intent to monitor the allocation of the Putnam funds’ brokerage in order to ensure that the principle of seeking best price and execution remains paramount in the portfolio trading process.

Putnam Management may also receive benefits from payments that the funds make to Putnam Management's affiliates for investor or distribution services. In conjunction with the annual review of your fund's management and sub-management contracts, the Trustees reviewed your fund's investor servicing agreement with PSERV and its distributor's contract and distribution plans with Putnam Retail Management Limited Partnership ("PRM"), both of which are affiliates of Putnam Management. The Trustees concluded that the

fees payable by the funds to PSERV and PRM, as applicable, for such services are fair and reasonable in relation to the nature and quality of such services, the fees paid by competitive funds and the costs incurred by PSERV and PRM, as applicable, in providing such services. Furthermore, the Trustees were of the view that the investor services provided by PSERV were required for the operation of the funds, and that they were of a quality at least equal to those provided by other providers.

Audited financial statements

These sections of the report, as well as the accompanying Notes, preceded by the Report of Independent Registered Public Accounting Firm, constitute the fund's audited financial statements.

The fund's portfolio lists all the fund's investments and their values as of the last day of the reporting period. Holdings are organized by asset type and industry sector, country, or state to show areas of concentration and diversification.

Statement of assets and liabilities shows how the fund's net assets and share price are determined. All investment and non-investment assets are added together. Any unpaid expenses and other liabilities are subtracted from this total. The result is divided by the number of shares to determine the net asset value per share, which is calculated separately for each class of shares. (For funds with preferred shares, the amount subtracted from total assets includes the liquidation preference of preferred shares.)

Statement of operations shows the fund's net investment gain or loss. This is done by first adding up all the fund's earnings — from dividends and interest income — and subtracting its operating expenses to determine net investment income

(or loss). Then, any net gain or loss the fund realized on the sales of its holdings — as well as any unrealized gains or losses over the period — is added to or subtracted from the net investment result to determine the fund's net gain or loss for the fiscal period.

Statement of changes in net assets shows how the fund's net assets were affected by the fund's net investment gain or loss, by distributions to shareholders, and by changes in the number of the fund's shares. It lists distributions and their sources (net investment income or realized capital gains) over the current reporting period and the most recent fiscal year-end. The distributions listed here may not match the sources listed in the Statement of operations because the distributions are determined on a tax basis and may be paid in a different period from the one in which they were earned.

Financial highlights provide an overview of the fund's investment results, per-share distributions, expense ratios, net investment income ratios, and portfolio turnover in one summary table, reflecting the five most recent reporting periods. In a semiannual report, the highlights table also includes the current reporting period.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees and Shareholders of
Putnam Convertible Securities Fund:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the fund’s portfolio, of Putnam Convertible Securities Fund (the “Fund”) as of October 31, 2022, the related statement of operations for the year ended October 31, 2022, the statement of changes in net assets for each of the two years in the period ended October 31, 2022, including the related notes, and the financial highlights for each of the three years in the period ended October 31, 2022 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of October 31, 2022, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended October 31, 2022 and the financial highlights for each of the three years in the period ended October 31, 2022 in conformity with accounting principles generally accepted in the United States of America.

The financial statements of the Fund as of and for the year ended October 31, 2019 and the financial highlights for each of the periods ended on or prior to October 31, 2019 (not presented herein, other than the financial highlights) were audited by other auditors whose report dated December 12, 2019 expressed an unqualified opinion on those financial statements and financial highlights.

Basis for Opinion

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of October 31, 2022 by correspondence with the custodian and transfer agent. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Boston, Massachusetts
December 9, 2022

We have served as the auditor of one or more investment companies in the Putnam Investments family of funds since at least 1957. We have not been able to determine the specific year we began serving as auditor.

The fund's portfolio 10/31/22

CONVERTIBLE BONDS AND NOTES (79.1%)*	Principal amount	Value
Airlines (2.2%)		
JetBlue Airways Corp. cv. sr. unsec. notes 0.50%, 4/1/26	\$3,560,000	\$2,636,180
Southwest Airlines Co. cv. sr. unsec. notes 1.25%, 5/1/25	9,868,000	12,132,706
		14,768,886
Automotive (1.6%)		
Ford Motor Co. cv. sr. unsec. notes zero %, 3/15/26	10,870,000	10,924,350
		10,924,350
Biotechnology (5.5%)		
Alnylam Pharmaceuticals, Inc. 144A cv. sr. unsec. unsub. notes 1.00%, 9/15/27	4,323,000	4,331,646
Exact Sciences Corp. cv. sr. unsec. sub. notes 0.375%, 3/1/28	9,270,000	5,938,362
Guardant Health, Inc. cv. sr. unsec. sub. notes zero %, 11/15/27	2,825,000	1,996,993
Halozyme Therapeutics, Inc. cv. sr. unsec. notes 0.25%, 3/1/27	5,380,000	4,808,375
Halozyme Therapeutics, Inc. 144A cv. sr. unsec. notes 1.00%, 8/15/28	1,492,000	1,564,735
Innoviva, Inc. cv. sr. unsec. notes 2.50%, 8/15/25	4,435,000	4,596,878
Insmmed, Inc. cv. sr. unsec. sub. notes 0.75%, 6/1/28	3,330,000	2,625,705
Ironwood Pharmaceuticals, Inc. cv. sr. unsec. notes 1.50%, 6/15/26	5,830,000	6,015,831
Sarepta Therapeutics, Inc. cv. sr. unsec. notes 1.50%, 11/15/24	1,545,000	2,614,913
Sarepta Therapeutics, Inc. 144A cv. sr. unsec. unsub. notes 1.25%, 9/15/27	2,473,000	2,627,563
		37,121,001
Broadcasting (0.7%)		
Liberty Media Corp. 144A cv. sr. unsec. notes 2.25%, 8/15/27	5,190,000	4,772,205
		4,772,205
Cable television (3.5%)		
Cable One, Inc. company guaranty cv. sr. unsec. notes 1.125%, 3/15/28	3,755,000	2,744,905
DISH Network Corp. cv. sr. unsec. notes 3.375%, 8/15/26	4,477,000	3,095,846
DISH Network Corp. cv. sr. unsec. notes zero %, 12/15/25	4,410,000	2,968,812
Liberty Media Corp. cv. sr. unsec. bonds 1.375%, 10/15/23	3,306,000	4,231,680
Liberty Media Corp. cv. sr. unsec. unsub. bonds 0.50%, 12/1/50	5,116,000	5,456,569
Liberty Media Corp. 144A cv. sr. unsec. unsub. bonds 2.75%, 12/1/49	4,893,000	4,491,774
		22,989,586
Commercial and consumer services (4.2%)		
Block, Inc. cv. sr. unsec. notes 0.125%, 3/1/25	3,395,000	3,146,741
Block, Inc. cv. sr. unsec. sub. notes 0.25%, 11/1/27	5,896,000	4,400,145
Booking Holdings, Inc. cv. sr. unsec. notes 0.75%, 5/1/25	7,215,000	9,333,539
Liberty TripAdvisor Holdings, Inc. 144A cv. sr. unsec. bonds 0.50%, 6/30/51	7,135,000	5,033,743
Shift4 Payments, Inc. cv. sr. unsec. sub. notes zero %, 12/15/25	6,843,000	6,171,531
		28,085,699
Computers (11.9%)		
3D Systems Corp. 144A cv. sr. unsec. notes zero %, 11/15/26	5,177,000	3,598,015
Akamai Technologies, Inc. cv. sr. unsec. notes 0.375%, 9/1/27	7,736,000	7,604,488
Bentley Systems, Inc. cv. sr. unsec. sub. notes 0.375%, 7/1/27	7,489,000	5,826,442
BigCommerce Holdings, Inc. cv. sr. unsec. notes 0.25%, 10/1/26	3,514,000	2,574,005
Box, Inc. cv. sr. unsec. notes zero %, 1/15/26	3,322,000	4,125,924

CONVERTIBLE BONDS AND NOTES (79.1%)* cont.	Principal amount	Value
Computers cont.		
Cloudflare, Inc. cv. sr. unsec. notes zero %, 8/15/26	\$7,231,000	\$5,817,340
Confluent, Inc. 144A cv. sr. unsec. unsub. notes zero %, 1/15/27	1,995,000	1,496,250
CyberArk Software, Ltd. cv. sr. unsec. notes zero %, 11/15/24, (Israel)	5,805,000	6,800,707
Datadog, Inc. cv. sr. unsec. notes 0.125%, 6/15/25	4,180,000	4,752,660
DigitalOcean Holdings, Inc. 144A cv. sr. unsec. notes zero %, 12/1/26	3,621,000	2,648,084
Envestnet, Inc. company guaranty cv. sr. unsec. notes 0.75%, 8/15/25	5,289,000	4,495,650
Lumentum Holdings, Inc. cv. sr. unsec. notes 0.50%, 12/15/26	6,030,000	5,894,325
MongoDB, Inc. cv. sr. unsec. notes 0.25%, 1/15/26	4,180,000	4,698,320
RingCentral, Inc. cv. sr. unsec. notes zero %, 3/1/25	6,296,000	5,237,485
Splunk, Inc. cv. sr. unsec. notes 1.125%, 6/15/27	9,535,000	8,104,750
Zscaler, Inc. cv. sr. unsec. notes 0.125%, 7/1/25	4,420,000	5,416,710
		79,091,155
Consumer cyclicals (0.6%)		
Patrick Industries, Inc. 144A company guaranty cv. sr. unsec. notes 1.75%, 12/1/28	5,120,000	3,719,680
		3,719,680
Consumer finance (0.7%)		
SoFi Technologies, Inc. 144A cv. sr. unsec. notes zero %, 10/15/26	6,314,210	4,520,974
		4,520,974
Consumer goods (0.7%)		
Beauty Health Co. (The) 144A cv. sr. unsec. sub. notes 1.25%, 10/1/26	5,638,000	4,448,382
		4,448,382
Consumer services (6.4%)		
Airbnb, Inc. cv. sr. unsec. sub. notes zero %, 3/15/26	9,132,000	7,638,918
Etsy, Inc. cv. sr. unsec. notes 0.25%, 6/15/28	9,935,000	7,664,853
Fiverr International, Ltd. cv. sr. unsec. notes zero %, 11/1/25 (Israel)	4,733,000	3,715,621
IAC Financeco 2, Inc. 144A company guaranty cv. sr. unsec. notes 0.875%, 6/15/26	6,033,000	5,218,545
Lyft, Inc. cv. sr. unsec. notes 1.50%, 5/15/25	2,045,000	1,798,578
Uber Technologies, Inc. cv. sr. unsec. notes zero %, 12/15/25	6,146,000	5,076,052
Upwork, Inc. cv. sr. unsec. notes 0.25%, 8/15/26	5,275,000	3,930,717
Wayfair, Inc. cv. sr. unsec. notes 0.625%, 10/1/25	5,175,000	3,389,625
Zillow Group, Inc. cv. sr. unsec. notes 2.75%, 5/15/25	4,317,000	4,045,029
		42,477,938
Electronics (3.1%)		
Impinj, Inc. 144A cv. sr. unsec. notes 1.125%, 5/15/27	3,915,000	4,837,374
ON Semiconductor Corp. cv. sr. unsec. notes zero %, 5/1/27	5,939,000	7,777,121
Wolfspeed, Inc. 144A cv. sr. unsec. unsub. notes 0.25%, 2/15/28	8,371,000	7,651,094
		20,265,589
Energy (other) (1.7%)		
Enphase Energy, Inc. cv. sr. unsec. sub. notes zero %, 3/1/28	4,890,000	6,271,425
SolarEdge Technologies, Inc. cv. sr. unsec. notes zero %, 9/15/25 (Israel)	4,494,000	5,013,057
		11,284,482

CONVERTIBLE BONDS AND NOTES (79.1%)* cont.	Principal amount	Value
Entertainment (4.5%)		
IMAX Corp. cv. sr. unsec. unsub. notes 0.50%, 4/1/26, (Canada)	\$6,951,000	\$5,534,865
NCL Corp., Ltd. company guaranty cv. sr. unsec. notes 5.375%, 8/1/25	3,109,000	3,696,601
NCL Corp., Ltd. 144A company guaranty cv. sr. unsec. notes 2.50%, 2/15/27	7,780,000	6,029,500
Royal Caribbean Cruises, Ltd. 144A cv. sr. unsec. unsub. notes 6.00%, 8/15/25	5,450,000	7,093,175
Vail Resorts, Inc. cv. sr. unsec. sub. notes zero %, 1/1/26	8,100,000	7,168,500
		29,522,641
Gaming and lottery (0.6%)		
DraftKings, Inc. cv. sr. unsec. unsub. notes zero %, 3/15/28	6,192,000	3,873,096
		3,873,096
Health care services (1.5%)		
Brookdale Senior Living, Inc. cv. sr. unsec. unsub. notes 2.00%, 10/15/26	5,752,000	4,935,935
Teladoc Health, Inc. cv. sr. unsec. sub. notes 1.25%, 6/1/27	6,535,000	4,893,294
		9,829,229
Machinery (0.8%)		
Middleby Corp. (The) cv. sr. unsec. notes 1.00%, 9/1/25	4,486,000	5,419,088
		5,419,088
Manufacturing (0.8%)		
John Bean Technologies Corp. cv. sr. unsec. notes 0.25%, 5/15/26	6,442,000	5,466,037
		5,466,037
Medical technology (2.5%)		
China Medical Technologies, Inc. cv. sr. unsec. bonds Ser. CMT, 4.00%, 8/15/23, (China) (In default) † F	3,213,000	205,632
China Medical Technologies, Inc. 144A cv. sr. unsec. notes 6.25%, 12/16/22, (China) (In default) † F	3,544,000	198,464
CONMED Corp. 144A cv. sr. unsec. notes 2.25%, 6/15/27	4,098,000	3,579,603
Envista Holdings Corp. cv. sr. unsec. notes 2.375%, 6/1/25	918,000	1,519,749
Insulet Corp. cv. sr. unsec. notes 0.375%, 9/1/26	3,499,000	4,471,722
Omniceil, Inc. cv. sr. unsec. notes 0.25%, 9/15/25	2,414,000	2,407,965
Repligen Corp. cv. sr. unsec. notes 0.375%, 7/15/24	1,275,000	2,150,288
Tandem Diabetes Care, Inc. 144A cv. sr. unsec. notes 1.50%, 5/1/25	1,937,000	1,811,095
		16,344,518
Oil and gas (3.7%)		
EQT Corp. cv. sr. unsec. notes 1.75%, 5/1/26	3,300,000	9,403,350
Pioneer Natural Resources Co. cv. sr. unsec. notes 0.25%, 5/15/25	5,980,000	15,341,690
		24,745,040
Pharmaceuticals (3.7%)		
Ascendis Pharma A/S 144A cv. sr. unsec. notes 2.25%, 4/1/28 (Denmark)	3,349,000	3,275,657
Dexcom, Inc. cv. sr. unsec. unsub. notes 0.25%, 11/15/25	10,670,000	11,731,665
Jazz Investments I, Ltd. company guaranty cv. sr. unsec. notes 2.00%, 6/15/26 (Ireland)	3,900,000	4,355,813
Pacira Pharmaceuticals, Inc. cv. sr. unsec. sub. notes 0.75%, 8/1/25	5,050,000	4,904,813
		24,267,948

CONVERTIBLE BONDS AND NOTES (79.1%)* cont.	Principal amount	Value
Power producers (0.8%)		
NRG Energy, Inc. company guaranty cv. sr. unsec. bonds 2.75%, 6/1/48	\$4,750,000	\$5,555,125
		5,555,125
Restaurants (1.7%)		
Cheesecake Factory, Inc. (The) cv. sr. unsec. sub. notes 0.375%, 6/15/26	7,286,000	5,974,520
Shake Shack, Inc. cv. sr. unsec. notes zero %, 3/1/28	8,025,000	5,492,109
		11,466,629
Retail (1.2%)		
Burlington Stores, Inc. cv. sr. unsec. notes 2.25%, 4/15/25	3,289,000	3,330,113
Dick's Sporting Goods, Inc. cv. sr. unsec. notes 3.25%, 4/15/25	285,000	1,008,615
National Vision Holdings, Inc. cv. sr. unsec. sub. notes 2.50%, 5/15/25	2,595,000	3,456,447
		7,795,175
Schools (0.7%)		
Chegg, Inc. cv. sr. unsec. notes zero %, 9/1/26	5,978,000	4,629,363
		4,629,363
Software (6.0%)		
Bill.com Holdings, Inc. cv. sr. unsec. notes zero %, 12/1/25	4,500,000	4,988,250
Bill.com Holdings, Inc. cv. sr. unsec. unsub. notes zero %, 4/1/27	3,905,000	3,077,140
Ceridian HCM Holding, Inc. cv. sr. unsec. notes 0.25%, 3/15/26	3,961,000	3,362,889
Coupa Software, Inc. cv. sr. unsec. notes 0.375%, 6/15/26	7,914,000	6,259,974
Everbridge, Inc. cv. sr. unsec. notes zero %, 3/15/26	5,451,000	4,640,436
HubSpot, Inc. cv. sr. unsec. notes 0.375%, 6/1/25	2,232,000	2,787,768
Okta, Inc. cv. sr. unsec. notes 0.375%, 6/15/26	11,591,000	9,203,254
Unity Software, Inc. 144A cv. sr. unsec. notes zero %, 11/15/26	7,310,000	5,314,370
		39,634,081
Technology services (7.0%)		
Palo Alto Networks, Inc. cv. sr. unsec. notes 0.375%, 6/1/25	11,025,000	19,398,488
Perficient, Inc. 144A cv. sr. unsec. notes 0.125%, 11/15/26	5,183,000	3,876,884
Snap, Inc. cv. sr. unsec. notes zero %, 5/1/27	9,431,000	6,493,244
Spotify USA, Inc. company guaranty cv. sr. unsec. notes zero %, 3/15/26	5,115,000	4,061,310
TechTarget, Inc. 144A cv. sr. unsec. unsub. notes zero %, 12/15/26	5,372,000	4,257,310
Twitter, Inc. cv. sr. unsec. sub. notes zero %, 3/15/26	4,042,000	3,981,370
Tyler Technologies, Inc. cv. sr. unsec. sub. notes 0.25%, 3/15/26	4,540,000	4,251,710
		46,320,316
Telecommunications (—%)		
Powerwave Technologies, Inc. cv. unsec. sub. notes 3.875%, 10/1/27, (In default) † F	5,121,000	512
		512
Utilities and power (0.8%)		
NextEra Energy Partners LP 144A company guaranty cv. sr. unsec. notes zero %, 11/15/25	5,015,000	5,198,042
		5,198,042
Total convertible bonds and notes (cost \$578,857,909)		\$524,536,767

CONVERTIBLE PREFERRED STOCKS (14.9%)*	Shares	Value
Banking (1.8%)		
Bank of America Corp. Ser. L, 7.25% cv. pfd.	10,390	\$12,014,477
		12,014,477
Commercial and consumer services (0.5%)		
Sabre Corp. \$6.50 cv. pfd.	40,715	3,231,550
		3,231,550
Electric utilities (5.0%)		
AES Corp. (The) \$6.875 cv. pfd. [§]	79,100	7,710,668
American Electric Power Co., Inc. \$3.06 cv. pfd. [§]	63,335	3,176,250
NextEra Energy, Inc. \$2.64 cv. pfd.	307,865	15,193,138
PG&E Corp. \$5.50 cv. pfd. [§]	50,645	6,803,331
		32,883,387
Financial (0.8%)		
KKR & Co., Inc. \$3.00 cv. pfd.	92,128	5,570,059
		5,570,059
Medical technology (3.0%)		
Boston Scientific Corp. \$5.50 cv. pfd. [§]	64,508	7,112,053
Danaher Corp. 5.00% cv. pfd.	8,425	11,006,411
Elanco Animal Health, Inc. \$2.50 cv. pfd.	90,127	1,907,087
		20,025,551
Metals (0.8%)		
RBC Bearings, Inc. \$5.00 cv. pfd.	45,563	5,555,447
		5,555,447
Pharmaceuticals (0.8%)		
Becton Dickinson and Co. \$3.00 cv. pfd. [§]	106,190	5,175,701
		5,175,701
Telecommunications (1.7%)		
T-Mobile US, Inc. 144A 5.25% cv. pfd. [†]	8,805	10,935,810
		10,935,810
Trucks and parts (0.5%)		
Aptiv PLC \$5.50 cv. pfd.	31,740	3,389,386
		3,389,386
Total convertible preferred stocks (cost \$102,435,666)		\$98,781,368
COMMON STOCKS (0.9%)*		
Bank of America Corp.	66,460	\$2,395,218
GT Advanced Technologies, Inc. ^F	552	—
Microchip Technology, Inc.	28,009	1,729,276
Penn Entertainment, Inc. ^{† §}	46,525	1,539,975
Total common stocks (cost \$6,712,444)		\$5,664,469
CORPORATE BONDS AND NOTES (0.2%)*		
Cinemark USA, Inc. 144A company guaranty sr. unsec. notes 5.875%, 3/15/26	\$1,895,000	\$1,595,230
Total corporate bonds and notes (cost \$1,732,386)		\$1,595,230

SHORT-TERM INVESTMENTS (6.4%)*	Shares	Value
Putnam Cash Collateral Pool, LLC 3.34% ^d	10,129,089	\$10,129,089
Putnam Short Term Investment Fund Class P 3.21% ^L	32,417,322	32,417,322
Total short-term investments (cost \$42,546,411)		\$42,546,411

TOTAL INVESTMENTS	
Total investments (cost \$732,284,816)	\$673,124,245

Notes to the fund's portfolio

Unless noted otherwise, the notes to the fund's portfolio are for the close of the fund's reporting period, which ran from November 1, 2021 through October 31, 2022 (the reporting period). Within the following notes to the portfolio, references to "Putnam Management" represent Putnam Investment Management, LLC, the fund's manager, an indirect wholly-owned subsidiary of Putnam Investments, LLC and references to "ASC 820" represent Accounting Standards Codification 820 *Fair Value Measurements and Disclosures*.

* Percentages indicated are based on net assets of \$662,990,983.

† This security is non-income-producing.

^d Affiliated company. See Notes 1 and 5 to the financial statements regarding securities lending. The rate quoted in the security description is the annualized 7-day yield of the fund at the close of the reporting period.

^F This security is valued by Putnam Management at fair value following procedures approved by the Trustees. Securities are classified as Level 3 for ASC 820 based on the securities' valuation inputs (Note 1).

^L Affiliated company (Note 5). The rate quoted in the security description is the annualized 7-day yield of the fund at the close of the reporting period.

^S Security on loan, in part or in entirety, at the close of the reporting period (Note 1).

Debt obligations are considered secured unless otherwise indicated.

144A after the name of an issuer represents securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.

The dates shown on debt obligations are the original maturity dates.

ASC 820 establishes a three-level hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of the fund's investments. The three levels are defined as follows:

Level 1: Valuations based on quoted prices for identical securities in active markets.

Level 2: Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3: Valuations based on inputs that are unobservable and significant to the fair value measurement.

The following is a summary of the inputs used to value the fund's net assets as of the close of the reporting period:

Investments in securities:	Valuation inputs		
	Level 1	Level 2	Level 3
Common stocks*:			
Consumer cyclicals	\$1,539,975	\$—	\$—
Financials	2,395,218	—	—
Technology	1,729,276	—	—
Total common stocks	5,664,469	—	—
Convertible bonds and notes	—	524,132,159	404,608
Convertible preferred stocks	—	98,781,368	—
Corporate bonds and notes	—	1,595,230	—
Short-term investments	—	42,546,411	—
Totals by level	\$5,664,469	\$667,055,168	\$404,608

* Common stock classifications are presented at the sector level, which may differ from the fund's portfolio presentation.

At the start and close of the reporting period, Level 3 investments in securities represented less than 1% of the fund's net assets and were not considered a significant portion of the fund's portfolio.

Statement of assets and liabilities 10/31/22

ASSETS

Investment in securities, at value, including \$9,874,712 of securities on loan (Note 1):	
Unaffiliated issuers (identified cost \$689,738,405)	\$630,577,834
Affiliated issuers (identified cost \$42,546,411) (Notes 1 and 5)	42,546,411
Dividends, interest and other receivables	1,362,766
Receivable for shares of the fund sold	288,114
Prepaid assets	41,037
Total assets	674,816,162

LIABILITIES

Payable for shares of the fund repurchased	807,579
Payable for compensation of Manager (Note 2)	346,468
Payable for custodian fees (Note 2)	7,536
Payable for investor servicing fees (Note 2)	130,041
Payable for Trustee compensation and expenses (Note 2)	185,139
Payable for administrative services (Note 2)	1,333
Payable for distribution fees (Note 2)	92,666
Collateral on securities loaned, at value (Note 1)	10,129,089
Other accrued expenses	125,328
Total liabilities	11,825,179
Net assets	\$662,990,983

REPRESENTED BY

Paid-in capital (Unlimited shares authorized) (Notes 1 and 4)	\$715,908,053
Total distributable earnings (Note 1)	(52,917,070)
Total — Representing net assets applicable to capital shares outstanding	\$662,990,983

COMPUTATION OF NET ASSET VALUE AND OFFERING PRICE

Net asset value and redemption price per class A share (\$389,288,608 divided by 18,032,162 shares)	\$21.59
Offering price per class A share (100/94.25 of \$21.59)*	\$22.91
Net asset value and offering price per class B share (\$1,001,207 divided by 48,288 shares)**	\$20.73
Net asset value and offering price per class C share (\$10,648,442 divided by 505,947 shares)**	\$21.05
Net asset value and offering price per class I share (\$17,345 divided by 802 shares)†	\$21.62
Net asset value, offering price and redemption price per class R share (\$2,554,862 divided by 119,218 shares)	\$21.43
Net asset value, offering price and redemption price per class R6 share (\$30,542,009 divided by 1,415,534 shares)	\$21.58
Net asset value, offering price and redemption price per class Y share (\$228,938,510 divided by 10,616,013 shares)	\$21.57

*On single retail sales of less than \$50,000. On sales of \$50,000 or more the offering price is reduced.

**Redemption price per share is equal to net asset value less any applicable contingent deferred sales charge.

†Net asset value may not recalculate due to rounding of fractional shares.

The accompanying notes are an integral part of these financial statements.

Statement of operations Year ended 10/31/22

INVESTMENT INCOME

Dividends (net of foreign tax of \$780)	\$7,967,138
Interest (including interest income of \$312,577 from investments in affiliated issuers) (Note 5)	5,423,741
Securities lending (net of expenses) (Notes 1 and 5)	48,976
Total investment income	13,439,855

EXPENSES

Compensation of Manager (Note 2)	4,983,681
Investor servicing fees (Note 2)	872,870
Custodian fees (Note 2)	16,156
Trustee compensation and expenses (Note 2)	33,309
Distribution fees (Note 2)	1,327,026
Administrative services (Note 2)	24,193
Other	380,507
Total expenses	7,637,742
Expense reduction (Note 2)	(2,328)
Net expenses	7,635,414
Net investment income	5,804,441

REALIZED AND UNREALIZED GAIN (LOSS)

Net realized gain (loss) on:

Securities from unaffiliated issuers (Notes 1 and 3)	5,850,113
Total net realized gain	5,850,113

Change in net unrealized appreciation (depreciation) on:

Securities from unaffiliated issuers	(214,597,267)
Total change in net unrealized depreciation	(214,597,267)
Net loss on investments	(208,747,154)
Net decrease in net assets resulting from operations	\$(202,942,713)

The accompanying notes are an integral part of these financial statements.

Statement of changes in net assets

INCREASE (DECREASE) IN NET ASSETS	Year ended 10/31/22	Year ended 10/31/21
Operations		
Net investment income	\$5,804,441	\$4,028,141
Net realized gain on investments and foreign currency transactions	5,850,113	213,181,685
Change in net unrealized appreciation (depreciation) of investments and assets and liabilities in foreign currencies	(214,597,267)	15,655,592
Net increase (decrease) in net assets resulting from operations	(202,942,713)	232,865,418
Distributions to shareholders (Note 1):		
From ordinary income		
Net investment income		
Class A	(2,553,213)	(2,948,417)
Class B	—	(2,893)
Class C	—	(24,808)
Class I	(175)	(175)
Class R	(8,701)	(11,496)
Class R6	(323,625)	(161,237)
Class Y	(2,478,126)	(3,158,906)
Net realized short-term gain on investments		
Class A	(28,958,957)	(14,944,636)
Class B	(155,988)	(121,253)
Class C	(1,196,960)	(956,579)
Class I	(1,122)	(544)
Class R	(192,991)	(104,148)
Class R6	(2,362,632)	(507,190)
Class Y	(20,627,878)	(11,556,418)
From net realized long-term gain on investments		
Class A	(85,170,535)	(37,702,649)
Class B	(458,773)	(305,900)
Class C	(3,520,351)	(2,413,277)
Class I	(3,299)	(1,373)
Class R	(567,600)	(262,746)
Class R6	(6,948,684)	(1,279,551)
Class Y	(60,668,187)	(29,154,780)
Increase from capital share transactions (Note 4)	34,007,954	34,235,769
Total increase (decrease) in net assets	(385,132,556)	161,482,211
NET ASSETS		
Beginning of year	1,048,123,539	886,641,328
End of year	\$662,990,983	\$1,048,123,539

The accompanying notes are an integral part of these financial statements.

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Financial highlights

(For a common share outstanding throughout the period)

Period ended	INVESTMENT OPERATIONS			LESS DISTRIBUTIONS	
	Net asset value, beginning of period	Net investment income (loss) ^a	Net realized and unrealized gain (loss) on investments	Total from investment operations	From net investment income
Class A					
October 31, 2022	\$34.68	.15	(6.08)	(5.93)	(.14)
October 31, 2021	30.49	.10	7.67	7.77	(.18)
October 31, 2020	25.27	.25	6.84	7.09	(.37)
October 31, 2019	25.23	.27	2.75	3.02	(.45)
October 31, 2018	26.19	.32	(.27)	.05	(.48)
Class B					
October 31, 2022	\$33.65	(.04)	(5.86)	(5.90)	—
October 31, 2021	29.74	(.14)	7.47	7.33	(.02)
October 31, 2020	24.69	.05	6.67	6.72	(.17)
October 31, 2019	24.70	.08	2.70	2.78	(.26)
October 31, 2018	25.66	.12	(.27)	(.15)	(.28)
Class C					
October 31, 2022	\$34.04	(.03)	(5.94)	(5.97)	—
October 31, 2021	30.06	(.14)	7.55	7.41	(.03)
October 31, 2020	24.93	.05	6.74	6.79	(.16)
October 31, 2019	24.93	.08	2.72	2.80	(.27)
October 31, 2018	25.88	.12	(.26)	(.14)	(.28)
Class I					
October 31, 2022	\$34.73	.24	(6.10)	(5.86)	(.23)
October 31, 2021	30.52	.22	7.68	7.90	(.29)
October 31, 2020	25.29	.35	6.84	7.19	(.46)
October 31, 2019	25.24	.36	2.76	3.12	(.54)
October 31, 2018	26.20	.42	(.27)	.15	(.58)
Class R					
October 31, 2022	\$34.47	.09	(6.04)	(5.95)	(.07)
October 31, 2021	30.33	.02	7.62	7.64	(.10)
October 31, 2020	25.14	.18	6.80	6.98	(.29)
October 31, 2019	25.11	.20	2.75	2.95	(.39)
October 31, 2018	26.07	.25	(.27)	(.02)	(.41)
Class R6					
October 31, 2022	\$34.68	.22	(6.08)	(5.86)	(.22)
October 31, 2021	30.48	.20	7.68	7.88	(.28)
October 31, 2020	25.27	.33	6.83	7.16	(.45)
October 31, 2019	25.23	.34	2.77	3.11	(.54)
October 31, 2018 [†]	26.54	.19	(1.23)	(1.04)	(.27)

See notes to financial highlights at the end of this section.

The accompanying notes are an integral part of these financial statements.

				RATIOS AND SUPPLEMENTAL DATA			
From net realized gain on investments	Total distributions	Net asset value, end of period	Total return at net asset value (%) ^b	Net assets, end of period (in thousands)	Ratio of expenses to average net assets (%) ^c	Ratio of net investment income (loss) to average net assets (%)	Portfolio turnover (%)
(7.02)	(7.16)	\$21.59	(20.93)	\$389,289	1.03	.63	37
(3.40)	(3.58)	34.68	26.41	570,217	1.01	.31	78
(1.50)	(1.87)	30.49	29.69	478,030	1.04	.93	98
(2.53)	(2.98)	25.27	14.11	394,780	1.05	1.08	60
(.53)	(1.01)	25.23	.13	371,067	1.05	1.22	68
(7.02)	(7.02)	\$20.73	(21.56)	\$1,001	1.78	(.16)	37
(3.40)	(3.42)	33.65	25.49	3,287	1.76	(.42)	78
(1.50)	(1.67)	29.74	28.69	4,118	1.79	.19	98
(2.53)	(2.79)	24.69	13.29	4,244	1.80	.35	60
(.53)	(.81)	24.70	(.63)	6,418	1.80	.47	68
(7.02)	(7.02)	\$21.05	(21.51)	\$10,648	1.78	(.14)	37
(3.40)	(3.43)	34.04	25.46	23,390	1.76	(.41)	78
(1.50)	(1.66)	30.06	28.73	30,926	1.79	.19	98
(2.53)	(2.80)	24.93	13.24	31,947	1.80	.34	60
(.53)	(.81)	24.93	(.59)	34,353	1.80	.47	68
(7.02)	(7.25)	\$21.62	(20.66)	\$17	.68	.99	37
(3.40)	(3.69)	34.73	26.87	22	.67	.65	78
(1.50)	(1.96)	30.52	30.18	17	.68	1.28	98
(2.53)	(3.07)	25.29	14.58	13	.68	1.44	60
(.53)	(1.11)	25.24	.51	12	.68	1.58	68
(7.02)	(7.09)	\$21.43	(21.13)	\$2,555	1.28	.38	37
(3.40)	(3.50)	34.47	26.08	3,989	1.26	.06	78
(1.50)	(1.79)	30.33	29.37	3,249	1.29	.69	98
(2.53)	(2.92)	25.14	13.84	3,343	1.30	.84	60
(.53)	(.94)	25.11	(.13)	3,712	1.30	.96	68
(7.02)	(7.24)	\$21.58	(20.69)	\$30,542	.72	.95	37
(3.40)	(3.68)	34.68	26.82	21,126	.71	.60	78
(1.50)	(1.95)	30.48	30.07	13,868	.72	1.24	98
(2.53)	(3.07)	25.27	14.50	9,190	.72	1.40	60
—	(.27)	25.23	(3.96) [*]	7,372	.32 [*]	.71 [*]	68

Financial highlights *cont.*

Period ended	INVESTMENT OPERATIONS			LESS DISTRIBUTIONS	
	Net asset value, beginning of period	Net investment income (loss) ^a	Net realized and unrealized gain (loss) on investments	Total from investment operations	From net investment income
Class Y					
October 31, 2022	\$34.66	.21	(6.07)	(5.86)	(.21)
October 31, 2021	30.47	.19	7.66	7.85	(.26)
October 31, 2020	25.26	.32	6.82	7.14	(.43)
October 31, 2019	25.22	.33	2.76	3.09	(.52)
October 31, 2018	26.18	.39	(.27)	.12	(.55)

* Not annualized.

† For the period May 22, 2018 (commencement of operations) to October 31, 2018.

^a Per share net investment income (loss) has been determined on the basis of the weighted average number of shares outstanding during the period.

^b Total return assumes dividend reinvestment and does not reflect the effect of sales charges.

^c Includes amounts paid through expense offset and/or brokerage/service arrangements, if any (Note 2). Also excludes acquired fund fees and expenses, if any.

The accompanying notes are an integral part of these financial statements.

RATIOS AND SUPPLEMENTAL DATA

From net realized gain on investments	Total distributions	Net asset value, end of period	Total return at net asset value (%)^b	Net assets, end of period (in thousands)	Ratio of expenses to average net assets (%) ^c	Ratio of net investment income (loss) to average net assets (%)	Portfolio turnover (%)
(7.02)	(7.23)	\$21.57	(20.73)	\$228,939	.78	.87	37
(3.40)	(3.66)	34.66	26.73	426,094	.76	.56	78
(1.50)	(1.93)	30.47	30.00	356,432	.79	1.18	98
(2.53)	(3.05)	25.26	14.42	285,817	.80	1.33	60
(.53)	(1.08)	25.22	.39	268,362	.80	1.47	68

Notes to financial statements 10/31/22

Within the following Notes to financial statements, references to “State Street” represent State Street Bank and Trust Company, references to “the SEC” represent the Securities and Exchange Commission, references to “Putnam Management” represent Putnam Investment Management, LLC, the fund’s manager, an indirect wholly-owned subsidiary of Putnam Investments, LLC and references to “OTC”, if any, represent over-the-counter. Unless otherwise noted, the “reporting period” represents the period from November 1, 2021 through October 31, 2022.

Putnam Convertible Securities Fund (the fund) is a Massachusetts business trust, which is registered under the Investment Company Act of 1940, as amended, as a diversified open-end management investment company. The objective of the fund is to seek, with equal emphasis, current income and capital appreciation. The fund’s secondary objective is conservation of capital. The fund invests mainly in convertible securities of U.S. companies. Under normal circumstances, the fund invests at least 80% of the fund’s net assets in convertible securities. This policy may be changed only after 60 days’ notice to shareholders. Convertible securities combine the investment characteristics of bonds and common stocks. Convertible securities include bonds, preferred stocks and other instruments that can be converted into or exchanged for common stock or equivalent value. A significant portion of the convertible securities the fund buys are below-investment-grade (sometimes referred to as “junk bonds”). The convertible bonds the fund buys usually have intermediate-to long-term stated maturities (i.e., three years or longer), but often contain “put” features, which allow bondholders to sell the bond back to the company under specified circumstances, that result in shorter effective maturities. When deciding whether to buy or sell investments, Putnam Management may consider, among other factors: (i) a security’s structural features, such as its position in a company’s capital structure and “put” and “call” features (a company’s right to repurchase the security under specified circumstances is a “call” feature); (ii) credit and prepayment risks; and (iii) with respect to a company’s common stock underlying a convertible security, the stock’s valuation and the company’s financial strength, growth potential, competitive position in its industry, projected future earnings, cash flows and dividends.

The fund offers the following share classes. The expenses for each class of shares may differ based on the distribution and investor servicing fees of each class, which are identified in Note 2.

Share class	Sales charge	Contingent deferred sales charge	Conversion feature
Class A	Up to 5.75%	1.00% on certain redemptions of shares bought with no initial sales charge	None
Class B*	None	5.00% phased out over six years	Converts to class A shares after 8 years
Class C	None	1.00% eliminated after one year	Converts to class A shares after 8 years
Class I [§]	None	None	None
Class R [†]	None	None	None
Class R6 [†]	None	None	None
Class Y [†]	None	None	None

* Purchases of class B shares are closed to new and existing investors except by exchange from class B shares of another Putnam fund or through dividend and/or capital gains reinvestment.

† Not available to all investors.

§ Intended for institutional and other investors who meet the \$5,000,000 minimum investment and who are not purchasing through an intermediary.

In the normal course of business, the fund enters into contracts that may include agreements to indemnify another party under given circumstances. The fund’s maximum exposure under these arrangements is unknown as this would involve future claims that may be, but have not yet been, made against the fund. However, the fund’s management team expects the risk of material loss to be remote.

The fund has entered into contractual arrangements with an investment adviser, administrator, distributor, shareholder servicing agent and custodian, who each provide services to the fund. Unless expressly stated otherwise, shareholders are not parties to, or intended beneficiaries of these contractual arrangements, and these

contractual arrangements are not intended to create any shareholder right to enforce them against the service providers or to seek any remedy under them against the service providers, either directly or on behalf of the fund.

Under the fund's Amended and Restated Agreement and Declaration of Trust, any claims asserted against or on behalf of the Putnam Funds, including claims against Trustees and Officers, must be brought in state and federal courts located within the Commonwealth of Massachusetts.

Note 1: Significant accounting policies

The following is a summary of significant accounting policies consistently followed by the fund in the preparation of its financial statements. The preparation of financial statements is in conformity with accounting principles generally accepted in the United States of America and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements and the reported amounts of increases and decreases in net assets from operations. Actual results could differ from those estimates. Subsequent events after the Statement of assets and liabilities date through the date that the financial statements were issued have been evaluated in the preparation of the financial statements.

Investment income, realized and unrealized gains and losses and expenses of the fund are borne pro-rata based on the relative net assets of each class to the total net assets of the fund, except that each class bears expenses unique to that class (including the distribution fees applicable to such classes). Each class votes as a class only with respect to its own distribution plan or other matters on which a class vote is required by law or determined by the Trustees. If the fund were liquidated, shares of each class would receive their pro-rata share of the net assets of the fund. In addition, the Trustees declare separate dividends on each class of shares.

Security valuation Portfolio securities and other investments are valued using policies and procedures adopted by the Board of Trustees. The Trustees have formed a Pricing Committee to oversee the implementation of these procedures and have delegated responsibility for valuing the fund's assets in accordance with these procedures to Putnam Management. Putnam Management has established an internal Valuation Committee that is responsible for making fair value determinations, evaluating the effectiveness of the pricing policies of the fund and reporting to the Pricing Committee.

Investments for which market quotations are readily available are valued at the last reported sales price on their principal exchange, or official closing price for certain markets, and are classified as Level 1 securities under Accounting Standards Codification 820 *Fair Value Measurements and Disclosures* (ASC 820). If no sales are reported, as in the case of some securities that are traded OTC, a security is valued at its last reported bid price and is generally categorized as a Level 2 security.

Investments in open-end investment companies (excluding exchange-traded funds), if any, which can be classified as Level 1 or Level 2 securities, are valued based on their net asset value. The net asset value of such investment companies equals the total value of their assets less their liabilities and divided by the number of their outstanding shares.

Market quotations are not considered to be readily available for certain debt obligations (including short-term investments with remaining maturities of 60 days or less) and other investments; such investments are valued on the basis of valuations furnished by an independent pricing service approved by the Trustees or dealers selected by Putnam Management. Such services or dealers determine valuations for normal institutional-size trading units of such securities using methods based on market transactions for comparable securities and various relationships, generally recognized by institutional traders, between securities (which consider such factors as security prices, yields, maturities and ratings). These securities will generally be categorized as Level 2.

Many securities markets and exchanges outside the U.S. close prior to the scheduled close of the New York Stock Exchange and therefore the closing prices for securities in such markets or on such exchanges may not fully reflect events that occur after such close but before the scheduled close of the New York Stock Exchange. Accordingly, on certain days, the fund will fair value certain foreign equity securities taking into account multiple factors including movements in the U.S. securities markets, currency valuations and comparisons to the valuation of American Depository Receipts, exchange-traded funds and futures contracts. The foreign equity securities, which would generally be classified as Level 1 securities, will be transferred to Level 2 of the fair value hierarchy when they are valued at fair value. The number of days on which fair value prices will be used will depend on market activity and it is possible that fair value prices will be used by the fund to a significant extent. Securities quoted in foreign currencies, if any, are translated into U.S. dollars at the current exchange rate.

To the extent a pricing service or dealer is unable to value a security or provides a valuation that Putnam Management does not believe accurately reflects the security's fair value, the security will be valued at fair value by Putnam Management in accordance with policies and procedures approved by the Trustees. Certain investments, including certain restricted and illiquid securities and derivatives, are also valued at fair value following procedures approved by the Trustees. These valuations consider such factors as significant market or specific security events such as interest rate or credit quality changes, various relationships with other securities, discount rates, U.S. Treasury, U.S. swap and credit yields, index levels, convexity exposures, recovery rates, sales and other multiples and resale restrictions. These securities are classified as Level 2 or as Level 3 depending on the priority of the significant inputs.

To assess the continuing appropriateness of fair valuations, the Valuation Committee reviews and affirms the reasonableness of such valuations on a regular basis after considering all relevant information that is reasonably available. Such valuations and procedures are reviewed periodically by the Trustees. The fair value of securities is generally determined as the amount that the fund could reasonably expect to realize from an orderly disposition of such securities over a reasonable period of time. By its nature, a fair value price is a good faith estimate of the value of a security in a current sale and does not reflect an actual market price, which may be different by a material amount.

Security transactions and related investment income Security transactions are recorded on the trade date (the date the order to buy or sell is executed). Gains or losses on securities sold are determined on the identified cost basis.

Interest income, net of any applicable withholding taxes, if any, and including amortization and accretion of premiums and discounts on debt securities, is recorded on the accrual basis. Dividend income, net of any applicable withholding taxes, is recognized on the ex-dividend date except that certain dividends from foreign securities, if any, are recognized as soon as the fund is informed of the ex-dividend date. Non-cash dividends, if any, are recorded at the fair value of the securities received. Dividends representing a return of capital or capital gains, if any, are reflected as a reduction of cost and/or as a realized gain.

Foreign currency translation The accounting records of the fund are maintained in U.S. dollars. The fair value of foreign securities, currency holdings, and other assets and liabilities is recorded in the books and records of the fund after translation to U.S. dollars based on the exchange rates on that day. The cost of each security is determined using historical exchange rates. Income and withholding taxes are translated at prevailing exchange rates when earned or incurred. The fund does not isolate that portion of realized or unrealized gains or losses resulting from changes in the foreign exchange rate on investments from fluctuations arising from changes in the market prices of the securities. Such gains and losses are included with the net realized and unrealized gain or loss on investments. Net realized gains and losses on foreign currency transactions represent net realized exchange gains or losses on disposition of foreign currencies, currency gains and losses realized between the trade and settlement dates on securities transactions and the difference between the amount of investment income and foreign withholding taxes recorded on the fund's books and the U.S. dollar equivalent amounts actually received or paid. Net unrealized appreciation and depreciation of assets and liabilities in foreign currencies arise from changes in the value of assets and liabilities other than investments at the period end, resulting from changes in the exchange rate.

Securities lending The fund may lend securities, through its agent, to qualified borrowers in order to earn additional income. The loans are collateralized by cash in an amount at least equal to the fair value of the securities loaned. The fair value of securities loaned is determined daily and any additional required collateral is allocated to the fund on the next business day. The remaining maturities of the securities lending transactions are considered overnight and continuous. The risk of borrower default will be borne by the fund's agent; the fund will bear the risk of loss with respect to the investment of the cash collateral. Income from securities lending, net of expenses, is included in investment income on the Statement of operations. Cash collateral is invested in Putnam Cash Collateral Pool, LLC, a limited liability company managed by an affiliate of Putnam Management. Investments in Putnam Cash Collateral Pool, LLC are valued at its closing net asset value each business day. There are no management fees charged to Putnam Cash Collateral Pool, LLC. At the close of the reporting period, the fund received cash collateral of \$10,129,089 and the value of securities loaned amounted to \$9,874,712.

Interfund lending The fund, along with other Putnam funds, may participate in an interfund lending program pursuant to an exemptive order issued by the SEC. This program allows the fund to borrow from or lend to other Putnam funds that permit such transactions. Interfund lending transactions are subject to each fund's investment policies and borrowing and lending limits. Interest earned or paid on the interfund lending

transaction will be based on the average of certain current market rates. During the reporting period, the fund did not utilize the program.

Lines of credit The fund participates, along with other Putnam funds, in a \$100 million (\$317.5 million prior to October 14, 2022) unsecured committed line of credit and a \$235.5 million unsecured uncommitted line of credit, both provided by State Street. Borrowings may be made for temporary or emergency purposes, including the funding of shareholder redemption requests and trade settlements. Interest is charged to the fund based on the fund's borrowing at a rate equal to 1.25% plus the higher of (1) the Federal Funds rate and (2) the Overnight Bank Funding Rate for the committed line of credit and 1.30% plus the higher of (1) the Federal Funds rate and (2) the Overnight Bank Funding Rate for the uncommitted line of credit. A closing fee equal to 0.04% of the committed line of credit and 0.04% of the uncommitted line of credit has been paid by the participating funds. In addition, a commitment fee of 0.21% per annum on any unutilized portion of the committed line of credit is allocated to the participating funds based on their relative net assets and paid quarterly. During the reporting period, the fund had no borrowings against these arrangements.

Federal taxes It is the policy of the fund to distribute all of its taxable income within the prescribed time period and otherwise comply with the provisions of the Internal Revenue Code of 1986, as amended (the Code), applicable to regulated investment companies. It is also the intention of the fund to distribute an amount sufficient to avoid imposition of any excise tax under Section 4982 of the Code.

The fund is subject to the provisions of Accounting Standards Codification 740 *Income Taxes* (ASC 740). ASC 740 sets forth a minimum threshold for financial statement recognition of the benefit of a tax position taken or expected to be taken in a tax return. The fund did not have a liability to record for any unrecognized tax benefits in the accompanying financial statements. No provision has been made for federal taxes on income, capital gains or unrealized appreciation on securities held nor for excise tax on income and capital gains. Each of the fund's federal tax returns for the prior three fiscal years remains subject to examination by the Internal Revenue Service.

The fund may also be subject to taxes imposed by governments of countries in which it invests. Such taxes are generally based on either income or gains earned or repatriated. The fund accrues and applies such taxes to net investment income, net realized gains and net unrealized gains as income and/or capital gains are earned. In some cases, the fund may be entitled to reclaim all or a portion of such taxes, and such reclaim amounts, if any, are reflected as an asset on the fund's books. In many cases, however, the fund may not receive such amounts for an extended period of time, depending on the country of investment.

Distributions to shareholders Distributions to shareholders from net investment income are recorded by the fund on the ex-dividend date. Distributions from capital gains, if any, are recorded on the ex-dividend date and paid at least annually. The amount and character of income and gains to be distributed are determined in accordance with income tax regulations, which may differ from generally accepted accounting principles. These differences include temporary and/or permanent differences from losses on wash sale transactions, from nontaxable dividends, from contingent payment debt income, and from convertible preferred income accrued. Reclassifications are made to the fund's capital accounts to reflect income and gains available for distribution (or available capital loss carryovers) under income tax regulations. At the close of the reporting period, the fund reclassified \$6,302,521 to increase undistributed net investment income, \$686,508 to increase paid-in capital and \$6,989,029 to decrease accumulated net realized gain.

Tax cost of investments includes adjustments to net unrealized appreciation (depreciation) which may not necessarily be final tax cost basis adjustments, but closely approximate the tax basis unrealized gains and losses that may be realized and distributed to shareholders. The tax basis components of distributable earnings and the federal tax cost as of the close of the reporting period were as follows:

Unrealized appreciation	\$40,903,176
Unrealized depreciation	(104,572,055)
Net unrealized depreciation	(63,668,879)
Undistributed ordinary income	7,910,157
Undistributed long-term gains	2,958,457
Cost for federal income tax purposes	\$736,793,124

Note 2: Management fee, administrative services and other transactions

The fund pays Putnam Management a management fee (based on the fund's average net assets and computed and paid monthly) at annual rates that may vary based on the average of the aggregate net assets of all open-end mutual funds sponsored by Putnam Management (excluding net assets of funds that are invested in, or that are invested in by, other Putnam funds to the extent necessary to avoid "double counting" of those assets). Such annual rates may vary as follows:

0.780%	of the first \$5 billion,	0.580%	of the next \$50 billion,
0.730%	of the next \$5 billion,	0.560%	of the next \$50 billion,
0.680%	of the next \$10 billion,	0.550%	of the next \$100 billion and
0.630%	of the next \$10 billion,	0.545%	of any excess thereafter.

For the reporting period, the management fee represented an effective rate (excluding the impact from any expense waivers in effect) of 0.616% of the fund's average net assets.

Putnam Management has contractually agreed, through February 28, 2024, to waive fees and/or reimburse the fund's expenses to the extent necessary to limit the cumulative expenses of the fund, exclusive of brokerage, interest, taxes, investment-related expenses, extraordinary expenses, acquired fund fees and expenses and payments under the fund's investor servicing contract, investment management contract and distribution plans, on a fiscal year-to-date basis to an annual rate of 0.20% of the fund's average net assets over such fiscal year-to-date period. During the reporting period, the fund's expenses were not reduced as a result of this limit.

Putnam Investments Limited (PIL), an affiliate of Putnam Management, is authorized by the Trustees to manage a separate portion of the assets of the fund as determined by Putnam Management from time to time. PIL did not manage any portion of the assets of the fund during the reporting period. If Putnam Management were to engage the services of PIL, Putnam Management would pay a quarterly sub-management fee to PIL for its services at an annual rate of 0.25% (prior to July 1, 2022, the annual rate was 0.35%) of the average net assets of the portion of the fund managed by PIL.

The fund reimburses Putnam Management an allocated amount for the compensation and related expenses of certain officers of the fund and their staff who provide administrative services to the fund. The aggregate amount of all such reimbursements is determined annually by the Trustees.

Custodial functions for the fund's assets are provided by State Street. Custody fees are based on the fund's asset level, the number of its security holdings and transaction volumes.

Putnam Investor Services, Inc., an affiliate of Putnam Management, provides investor servicing agent functions to the fund. Putnam Investor Services, Inc. received fees for investor servicing for class A, class B, class C, class R and class Y shares that included (1) a per account fee for each direct and underlying non-defined contribution account (retail account) of the fund; (2) a specified rate of the fund's assets attributable to defined contribution plan accounts; and (3) a specified rate based on the average net assets in retail accounts. Putnam Investor Services, Inc. has agreed that the aggregate investor servicing fees for each fund's retail and defined contribution accounts for these share classes will not exceed an annual rate of 0.25% of the fund's average assets attributable to such accounts.

Class I shares paid a monthly fee based on the average net assets of class I shares at an annual rate of 0.01%.

Class R6 shares paid a monthly fee based on the average net assets of class R6 shares at an annual rate of 0.05%.

During the reporting period, the expenses for each class of shares related to investor servicing fees were as follows:

Class A	\$500,977	Class R	3,419
Class B	1,932	Class R6	16,723
Class C	17,729	Class Y	332,088
Class I	2	Total	\$872,870

The fund has entered into expense offset arrangements with Putnam Investor Services, Inc. and State Street whereby Putnam Investor Services, Inc.'s and State Street's fees are reduced by credits allowed on cash balances. The fund also reduced expenses through brokerage/service arrangements. For the reporting period, the

fund's expenses were reduced by \$2,328 under the expense offset arrangements and by no monies under the brokerage/service arrangements.

Each Independent Trustee of the fund receives an annual Trustee fee, of which \$571, as a quarterly retainer, has been allocated to the fund, and an additional fee for each Trustees meeting attended. Trustees also are reimbursed for expenses they incur relating to their services as Trustees.

The fund has adopted a Trustee Fee Deferral Plan (the Deferral Plan) which allows the Trustees to defer the receipt of all or a portion of Trustees fees payable on or after July 1, 1995. The deferred fees remain invested in certain Putnam funds until distribution in accordance with the Deferral Plan.

The fund has adopted an unfunded noncontributory defined benefit pension plan (the Pension Plan) covering all Trustees of the fund who have served as a Trustee for at least five years and were first elected prior to 2004. Benefits under the Pension Plan are equal to 50% of the Trustee's average annual attendance and retainer fees for the three years ended December 31, 2005. The retirement benefit is payable during a Trustee's lifetime, beginning the year following retirement, for the number of years of service through December 31, 2006. Pension expense for the fund is included in Trustee compensation and expenses in the Statement of operations. Accrued pension liability is included in Payable for Trustee compensation and expenses in the Statement of assets and liabilities. The Trustees have terminated the Pension Plan with respect to any Trustee first elected after 2003.

The fund has adopted distribution plans (the Plans) with respect to the following share classes pursuant to Rule 12b-1 under the Investment Company Act of 1940. The purpose of the Plans is to compensate Putnam Retail Management Limited Partnership, an indirect wholly-owned subsidiary of Putnam Investments, LLC, for services provided and expenses incurred in distributing shares of the fund. The Plans provide payments by the fund to Putnam Retail Management Limited Partnership at an annual rate of up to the following amounts (Maximum %) of the average net assets attributable to each class. The Trustees have approved payment by the fund at the following annual rate (Approved %) of the average net assets attributable to each class. During the reporting period, the class-specific expenses related to distribution fees were as follows:

	Maximum %	Approved %	Amount
Class A	0.35%	0.25%	\$1,132,401
Class B	1.00%	1.00%	17,709
Class C	1.00%	1.00%	161,451
Class R	1.00%	0.50%	15,465
Total			\$1,327,026

For the reporting period, Putnam Retail Management Limited Partnership, acting as underwriter, received net commissions of \$18,315 from the sale of class A shares and received \$7 and \$19 in contingent deferred sales charges from redemptions of class B and class C shares, respectively.

A deferred sales charge of up to 1.00% is assessed on certain redemptions of class A shares. For the reporting period, Putnam Retail Management Limited Partnership, acting as underwriter, received no monies on class A redemptions.

Note 3: Purchases and sales of securities

During the reporting period, the cost of purchases and the proceeds from sales, excluding short-term investments, were as follows:

	Cost of purchases	Proceeds from sales
Investments in securities (Long-term)	\$291,563,809	\$477,734,088
U.S. government securities (Long-term)	—	—
Total	\$291,563,809	\$477,734,088

The fund may purchase or sell investments from or to other Putnam funds in the ordinary course of business, which can reduce the fund's transaction costs, at prices determined in accordance with SEC requirements and policies approved by the Trustees. During the reporting period, purchases or sales of long-term securities from or to other Putnam funds, if any, did not represent more than 5% of the fund's total cost of purchases and/or total proceeds from sales.

Note 4: Capital shares

At the close of the reporting period, there were an unlimited number of shares of beneficial interest authorized. Transactions, including, if applicable, direct exchanges pursuant to share conversions, in capital shares were as follows:

Class A	YEAR ENDED 10/31/22		YEAR ENDED 10/31/21	
	Shares	Amount	Shares	Amount
Shares sold	820,768	\$20,703,924	1,348,457	\$44,973,367
Shares issued in connection with reinvestment of distributions	4,120,404	109,731,345	1,617,772	52,119,300
	4,941,172	130,435,269	2,966,229	97,092,667
Shares repurchased	(3,349,057)	(82,141,354)	(2,204,396)	(73,768,457)
Net increase	1,592,115	\$48,293,915	761,833	\$23,324,210

Class B	YEAR ENDED 10/31/22		YEAR ENDED 10/31/21	
	Shares	Amount	Shares	Amount
Shares sold	3,094	\$78,752	2,803	\$91,474
Shares issued in connection with reinvestment of distributions	19,567	502,884	12,033	377,009
	22,661	581,636	14,836	468,483
Shares repurchased	(72,053)	(1,751,203)	(55,648)	(1,805,540)
Net decrease	(49,392)	\$(1,169,567)	(40,812)	\$(1,337,057)

Class C	YEAR ENDED 10/31/22		YEAR ENDED 10/31/21	
	Shares	Amount	Shares	Amount
Shares sold	112,168	\$2,625,738	107,286	\$3,546,431
Shares issued in connection with reinvestment of distributions	165,791	4,325,484	101,152	3,206,521
	277,959	6,951,222	208,438	6,752,952
Shares repurchased	(459,083)	(10,621,289)	(550,290)	(18,026,115)
Net decrease	(181,124)	\$(3,670,067)	(341,852)	\$(11,273,163)

Class I	YEAR ENDED 10/31/22		YEAR ENDED 10/31/21	
	Shares	Amount	Shares	Amount
Shares sold	—	\$—	—	\$—
Shares issued in connection with reinvestment of distributions	173	4,595	64	2,092
	173	4,595	64	2,092
Shares repurchased	—	—	—	—
Net increase	173	\$4,595	64	\$2,092

Class R	YEAR ENDED 10/31/22		YEAR ENDED 10/31/21	
	Shares	Amount	Shares	Amount
Shares sold	18,566	\$455,349	39,540	\$1,306,385
Shares issued in connection with reinvestment of distributions	29,050	769,069	11,694	374,432
	47,616	1,224,418	51,234	1,680,817
Shares repurchased	(44,118)	(1,103,006)	(42,658)	(1,397,033)
Net increase	3,498	\$121,412	8,576	\$283,784

Class R6	YEAR ENDED 10/31/22		YEAR ENDED 10/31/21	
	Shares	Amount	Shares	Amount
Shares sold	1,068,644	\$32,147,422	221,314	\$7,440,582
Shares issued in connection with reinvestment of distributions	174,957	4,647,279	60,444	1,947,508
	1,243,601	36,794,701	281,758	9,388,090
Shares repurchased	(437,253)	(10,254,907)	(127,540)	(4,266,822)
Net increase	806,348	\$26,539,794	154,218	\$5,121,268

Class Y	YEAR ENDED 10/31/22		YEAR ENDED 10/31/21	
	Shares	Amount	Shares	Amount
Shares sold	3,074,544	\$78,241,232	3,723,275	\$124,047,168
Shares issued in connection with reinvestment of distributions	2,716,898	72,199,683	1,154,956	37,188,569
	5,791,442	150,440,915	4,878,231	161,235,737
Shares repurchased	(7,468,643)	(186,553,043)	(4,283,476)	(143,121,102)
Net increase (decrease)	(1,677,201)	\$(36,112,128)	594,755	\$18,114,635

At the close of the reporting period, Putnam Investments, LLC owned the following shares of the fund:

	Shares owned	Percentage of ownership	Value
Class I	802	100%	\$17,345

Note 5: Affiliated transactions

Transactions during the reporting period with any company which is under common ownership or control were as follows:

Name of affiliate	Fair value as of 10/31/21	Purchase cost	Sale proceeds	Investment income	Shares outstanding and fair value as of 10/31/22
Short-term investments					
Putnam Cash Collateral Pool, LLC*	\$46,621,830	\$194,032,919	\$230,525,660	\$129,846	\$10,129,089
Putnam Short Term Investment Fund**	22,437,913	293,859,252	283,879,843	312,577	32,417,322
Total Short-term investments	\$69,059,743	\$487,892,171	\$514,405,503	\$442,423	\$42,546,411

* No management fees are charged to Putnam Cash Collateral Pool, LLC (Note 1). Investment income shown is included in securities lending income on the Statement of operations. There were no realized or unrealized gains or losses during the period.

** Management fees charged to Putnam Short Term Investment Fund have been waived by Putnam Management. There were no realized or unrealized gains or losses during the period.

Note 6: Market, credit and other risks

In the normal course of business, the fund trades financial instruments and enters into financial transactions where risk of potential loss exists due to changes in the market (market risk) or failure of the contracting party to the transaction to perform (credit risk). The fund may be exposed to additional credit risk that an institution or other entity with which the fund has unsettled or open transactions will default. Investments in foreign securities involve certain risks, including those related to economic instability, unfavorable political developments, and currency fluctuations.

On July 27, 2017, the United Kingdom's Financial Conduct Authority ("FCA"), which regulates LIBOR, announced its intention to cease compelling banks to provide the quotations needed to sustain LIBOR after 2021. ICE Benchmark Administration, the administrator of LIBOR, ceased publication of most LIBOR settings on a representative basis at the end of 2021 and is expected to cease publication of a majority of U.S. dollar LIBOR settings on a representative basis after June 30, 2023. In addition, global regulators have announced that, with limited exceptions, no new LIBOR-based contracts should be entered into after 2021. LIBOR has historically been a common benchmark interest rate index used to make adjustments to variable-rate loans. It is used throughout global banking and financial industries to determine interest rates for a variety of financial instruments and borrowing arrangements. Actions by regulators have resulted in the establishment of alternative reference rates to LIBOR in most major currencies. Various financial industry groups have been planning for the transition away from LIBOR, but there are obstacles to converting certain longer-term securities and transactions to new reference rates. Markets are developing slowly and questions around liquidity in these rates and how to appropriately adjust these rates to mitigate any economic value transfer at the time of transition remain a significant concern. Neither the effect of the transition process nor its ultimate success can yet be known. The transition process might lead to increased volatility and illiquidity in markets that rely on LIBOR to determine interest rates. It could also lead to a reduction in the value of some LIBOR-based investments and reduce the effectiveness of related transactions, such as hedges. While some LIBOR-based instruments may contemplate a scenario where LIBOR is no longer available by providing for an alternative rate-setting methodology, not all may have such provisions and there may be significant uncertainty regarding the effectiveness of any such alternative methodologies. Since the usefulness of LIBOR as a benchmark could deteriorate during the transition period, these effects could occur at any time.

Beginning in January 2020, global financial markets have experienced, and may continue to experience, significant volatility resulting from the spread of a virus known as Covid-19. The outbreak of Covid-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand, and general market uncertainty. The effects of Covid-19 have adversely affected, and may continue to adversely affect, the global economy, the economies of certain nations, and individual issuers, all of which may negatively impact the fund's performance.

Note 7: New accounting pronouncements

In March 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-04, Reference Rate Reform (Topic 848) — *Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. The amendments in ASU 2020-04 provide optional temporary financial reporting relief from the effect of certain types of contract modifications due to the planned discontinuation of LIBOR and other interbank-offered based reference rates as of the end of 2021. The discontinuation of LIBOR was subsequently extended to June 30, 2023. ASU 2020-04 is effective for certain reference rate-related contract modifications that occur during the period March 12, 2020 through December 31, 2022. The adoption of the guidance will not have a material impact on the fund's financial statements.

Federal tax information (Unaudited)

Pursuant to §852 of the Internal Revenue Code, as amended, the fund hereby designates \$4,110,194 as a capital gain dividend with respect to the taxable year ended October 31, 2022, or, if subsequently determined to be different, the net capital gain of such year.

The fund designated 43.15% of ordinary income distributions as qualifying for the dividends received deduction for corporations.

For the reporting period, the fund hereby designates 48.29%, or the maximum amount allowable, of its taxable ordinary income distributions as qualified dividends taxed at the individual net capital gain rates.

The Form 1099 that will be mailed to you in January 2023 will show the tax status of all distributions paid to your account in calendar 2022.

Shareholder meeting results (Unaudited)

June 29, 2022 special meeting

At the meeting, each of the nominees for Trustees was elected as follows:

	Votes for	Votes withheld
Liaquat Ahamed	24,768,573	497,144
Barbara M. Baumann	24,778,572	487,145
Katinka Domotorffy	24,836,266	429,451
Catharine Bond Hill	24,821,433	444,284
Kenneth R. Leibler	24,699,120	566,597
Jennifer Williams Murphy	24,697,487	568,230
Marie Pillai	24,711,824	553,893
George Putnam, III	24,701,474	564,243
Robert L. Reynolds	24,834,726	430,991
Manoj P. Singh	24,717,524	548,193
Mona K. Sutphen	24,841,861	423,856

All tabulations are rounded to the nearest whole number.

About the Trustees

INDEPENDENT TRUSTEES



Liaquat Ahamed

Born 1952, Trustee since 2012

Principal occupations during past five years:

Author; won Pulitzer Prize for *Lords of Finance: The Bankers Who Broke the World*.

Other directorships: Chair of the Sun Valley Writers Conference, a literary not-for-profit organization, and a Trustee of the Journal of Philosophy.



Barbara M. Baumann

Born 1955, Trustee since 2010, Vice Chair since 2022

Principal occupations during past five years:

President of Cross Creek Energy Corporation, a strategic consultant to domestic energy firms and direct investor in energy projects.

Other directorships: Director of Devon Energy Corporation, a publicly traded independent natural gas and oil exploration and production company; Director of National Fuel Gas Company, a publicly traded energy company that engages in the production, gathering, transportation, distribution, and marketing of natural gas; Senior Advisor to the energy private equity firm First Reserve; Director of three private, independent oil and gas exploration and production companies: Ascent Resources, LLC, Texas American Resources Company II, LLC, and IOG Resources, LLC; member of the Finance Committee of the Children's Hospital of Colorado; member of the Investment Committee of the Board of The Denver Foundation; and previously a Director of publicly traded companies Buckeye Partners LP, UNS Energy Corporation, CVR Energy Company, and SM Energy Corporation.



Katinka Domotorffy

Born 1975, Trustee since 2012

Principal occupations during past five years:

Voting member of the Investment Committees of the Anne Ray Foundation and Margaret A. Cargill Foundation, part of the Margaret A. Cargill Philanthropies.

Other directorships: Director of the Great Lakes Science Center and of College Now Greater Cleveland.



Catharine Bond Hill

Born 1954, Trustee since 2017

Principal occupations during past five years:

Managing Director of Ithaka S+R, a not-for-profit service that helps the academic community navigate economic and technological change. From 2006 to 2016, Dr. Hill served as the 10th president of Vassar College.

Other directorships: Director of Yale-NUS College and Trustee of Yale University.



Kenneth R. Leibler

Born 1949, Trustee since 2006, Vice Chair from 2016 to 2018, Chair since 2018

Principal occupations during past five years:

Vice Chair Emeritus of the Board of Trustees of Beth Israel Deaconess Hospital in Boston. Member of the Investment Committee of the Boston Arts Academy Foundation.

Other directorships: Director of Eversource Corporation, which operates New England's largest energy delivery system; previously the Chair of the Boston Options Exchange, an electronic marketplace for the trading of listed derivatives securities; previously the Chair and Chief Executive Officer of the Boston Stock Exchange; and previously the President and Chief Operating Officer of the American Stock Exchange.



Jennifer Williams Murphy

Born 1964, Trustee since 2022

Principal occupations during past five years:

Chief Executive Officer and Founder of Runa Digital Assets, LLC, an institutional investment advisory firm specializing in active management of digital assets. Until 2021, Chief Operating Officer of Western Asset Management, LLC, a global investment adviser, and Chief Executive Officer and President of Western Asset Mortgage Capital Corporation, a mortgage finance real estate investment trust.

Other directorships: Previously, a Director of Western Asset Capital Corporation.



Marie Pillai

Born 1954, Trustee since 2022

Principal occupations during past five years:

Senior Advisor, Hunter Street Partners, LP, an asset-oriented private investment firm; Specialty Leader and Member of the Curriculum Committee of the Center for Board Certified Fiduciaries, a public benefit corporation providing coursework for developing fiduciaries. Until 2019, Vice President, Chief Investment Officer, and Treasurer of General Mills, Inc., a global food company.

Other directorships: Director of the Catholic Community Foundation of Minnesota; Investment Advisory Board Member of the University of Minnesota; Member of the Investment Committee of the Bush Foundation, a nonprofit organization supporting community problem-solving in Minnesota, North Dakota, and South Dakota; and previously, a Board Member of Catholic Charities of St. Paul and Minneapolis.

**George Putnam, III***Born 1951, Trustee since 1984***Principal occupations during past****five years:** Chair of New Generation

Research, Inc., a publisher of financial advisory and other research services, and President of New Generation Advisors, LLC, a registered investment adviser to private funds.

Other directorships: Director of The Boston Family Office, LLC, a registered investment advisor; a Director of the Gloucester Marine Genomics Institute; previously a Trustee of the Marine Biological Laboratory; and previously a Trustee of Epiphany School.

**Manoj P. Singh***Born 1952, Trustee since 2017***Principal occupations during past****five years:** Until 2015, Chief Operating

Officer and Global Managing Director at Deloitte Touche Tohmatsu, Ltd., a global professional services organization, serving on the Deloitte U.S. Board of Directors and the boards of Deloitte member firms in China, Mexico, and Southeast Asia.

Other directorships: Director of ReNew Energy Global plc, a publicly traded renewable energy company; Director of Abt Associates, a global research firm working in the fields of health, social and environmental policy, and international development; Trustee of Carnegie Mellon University; Director of Pratham USA, an organization dedicated to children's education in India; member of the advisory board of Altimetrik, a business transformation and technology solutions firm; and Director of DXC Technology, a global IT services and consulting company.

**Mona K. Sutphen***Born 1967, Trustee since 2020***Principal occupations during past five****years:** Partner, Investment Strategies, at

The Vistria Group, a private investment firm focused on middle-market companies in the health care, education, and financial services industries. From 2014 to 2018, Partner at Macro Advisory Partners, a global consulting firm.

Other directorships: Director of Spotify Technology S.A., a publicly traded audio content streaming service; Director of Unitek Learning, a private nursing and medical services education provider in the United States; Director of Pattern Energy Group LP, a private renewable energy company; Board Member, International Rescue Committee; Co-Chair of the Board of Human Rights First; Trustee of Mount Holyoke College; member of the Advisory Board for the Center on Global Energy Policy at Columbia University's School of International and Public Affairs; previously Director of Pattern Energy and Pioneer Natural Resources, publicly traded energy companies; and previously Managing Director of UBS AG.

INTERESTED TRUSTEE**Robert L. Reynolds****Born 1952, Trustee since 2008, President and Chief Executive Officer of Putnam Investments since 2008***Principal occupations during past five**

years: President and Chief Executive Officer of Putnam Investments; member of Putnam Investments' Board of Directors; and Chair of Great-West Lifeco U.S. LLC. Prior to 2019, also President and Chief Executive Officer of Great-West Financial, a financial services company that provides retirement savings plans, life insurance, and annuity and executive benefits products, and of Great-West Lifeco U.S. LLC, a holding company that owns Putnam Investments and Great-West Financial, and a member of Great-West Financial's Board of Directors.

Other directorships: Director of the Concord Museum; Director of Dana-Farber Cancer Institute; Director of the U.S. Ski & Snowboard Foundation; Chair of the Boston Advisory Board of the American Ireland Fund; Council Co-Chair of the American Enterprise Institute; Member of U.S. Chamber of Commerce, Center for Capital Markets Competitiveness; Chair of Massachusetts High Technology Council; Member of the Chief Executives Club of Boston; Member of the Massachusetts General Hospital President's Council; Director and former Chair of the Massachusetts Competitive Partnership; former Chair of the West Virginia University Foundation; and former Executive Committee Member of the Greater Boston Chamber of Commerce.

* Mr. Reynolds is an "interested person" (as defined in the Investment Company Act of 1940) of the fund and Putnam Investments. He is President and Chief Executive Officer of Putnam Investments, as well as the President of your fund and each of the other Putnam funds.

The address of each Trustee is 100 Federal Street, Boston, MA 02110.

As of October 31, 2022, there were 102 funds in the Putnam fund complex, including 96 Putnam Funds and six funds in Putnam ETF Trust. Each Trustee serves as Trustee of all Putnam Funds. In addition to serving as Trustees of the Putnam Funds, Dr. Hill, Mses. Domotorffy and Sutphen, and Mr. Ahamed serve as Trustees of Putnam ETF Trust.

Each Trustee serves for an indefinite term, until his or her resignation, retirement at age 75, removal, or death.

Officers

In addition to Robert L. Reynolds, the other officers of the fund are shown below:

James F. Clark *(Born 1974)*

Vice President and Chief Compliance Officer

Since 2016

Chief Compliance Officer and Chief Risk Officer, Putnam Investments, and Chief Compliance Officer, Putnam Management

Nancy E. Florek *(Born 1957)*

Vice President, Director of Proxy Voting and Corporate Governance, Assistant Clerk, and Assistant Treasurer

Since 2000

Michael J. Higgins *(Born 1976)*

Vice President, Treasurer, and Clerk

Since 2010

Jonathan S. Horwitz *(Born 1955)*

Executive Vice President, Principal Executive Officer, and Compliance Liaison

Since 2004

Richard T. Kircher *(Born 1962)*

Vice President and BSA Compliance Officer

Since 2019

Assistant Director, Operational Compliance, Putnam Investments and Putnam Retail Management

Martin Lemaire *(Born 1984)*

Vice President and Derivatives Risk Manager

Since 2022

Risk Manager and Risk Analyst, Putnam Investments

Susan G. Malloy *(Born 1957)*

Vice President and Assistant Treasurer

Since 2007

Head of Accounting and Middle Office Services, Putnam Investments and Putnam Management

Alan G. McCormack *(Born 1964)*

Vice President and Derivatives Risk Manager

Since 2022

Head of Quantitative Equities and Risk, Putnam Investments

Denere P. Poulack *(Born 1968)*

Assistant Vice President, Assistant Clerk, and Assistant Treasurer

Since 2004

Janet C. Smith *(Born 1965)*

Vice President, Principal Financial Officer, Principal Accounting Officer, and Assistant Treasurer

Since 2007

Head of Fund Administration Services, Putnam Investments and Putnam Management

Stephen J. Tate *(Born 1974)*

Vice President and Chief Legal Officer

Since 2021

General Counsel, Putnam Investments, Putnam Management, and Putnam Retail Management

Mark C. Trenchard *(Born 1962)*

Vice President

Since 2002

Director of Operational Compliance, Putnam Investments and Putnam Retail Management

The principal occupations of the officers for the past five years have been with the employers as shown above, although in some cases they have held different positions with such employers. The address of each officer is 100 Federal Street, Boston, MA 02110.

Putnam family of funds

The following is a list of Putnam's open-end mutual funds offered to the public. *Investors should carefully consider the investment objective, risks, charges, and expenses of a fund before investing. For a prospectus, or a summary prospectus if available, containing this and other information for any Putnam fund or product, contact your financial advisor or call Putnam Investor Services at 1-800-225-1581. Please read the prospectus carefully before investing.*

Blend

Core Equity Fund
Emerging Markets Equity Fund
Focused Equity Fund
Focused International Equity Fund
International Capital Opportunities Fund
International Equity Fund
Research Fund

Global Sector

Global Health Care Fund
Global Technology Fund

Growth

Growth Opportunities Fund
Small Cap Growth Fund
Sustainable Future Fund
Sustainable Leaders Fund

Value

International Value Fund
Large Cap Value Fund
Small Cap Value Fund

Income

Convertible Securities Fund
Diversified Income Trust
Floating Rate Income Fund
Global Income Trust
Government Money Market Fund*
High Yield Fund
Income Fund
Money Market Fund†
Mortgage Opportunities Fund
Mortgage Securities Fund
Short Duration Bond Fund
Ultra Short Duration Income Fund

Tax-free Income

Intermediate-Term Municipal Income Fund
Short-Term Municipal Income Fund
Strategic Intermediate Municipal Fund
Tax Exempt Income Fund
Tax-Free High Yield Fund

State tax-free income funds:‡

California, Massachusetts, Minnesota,
New Jersey, New York, Ohio, and Pennsylvania

Absolute Return

Fixed Income Absolute Return Fund
Multi-Asset Absolute Return Fund

Putnam PanAgora[§]

Putnam PanAgora Risk Parity Fund

Asset Allocation

Dynamic Risk Allocation Fund
George Putnam Balanced Fund
Dynamic Asset Allocation Balanced Fund
Dynamic Asset Allocation Conservative Fund
Dynamic Asset Allocation Growth Fund

Asset Allocation (cont.)

Putnam Retirement Advantage Maturity Fund
Putnam Retirement Advantage 2065 Fund
Putnam Retirement Advantage 2060 Fund
Putnam Retirement Advantage 2055 Fund
Putnam Retirement Advantage 2050 Fund
Putnam Retirement Advantage 2045 Fund
Putnam Retirement Advantage 2040 Fund
Putnam Retirement Advantage 2035 Fund
Putnam Retirement Advantage 2030 Fund
Putnam Retirement Advantage 2025 Fund
RetirementReady[®] Maturity Fund
RetirementReady[®] 2065 Fund
RetirementReady[®] 2060 Fund
RetirementReady[®] 2055 Fund
RetirementReady[®] 2050 Fund
RetirementReady[®] 2045 Fund
RetirementReady[®] 2040 Fund
RetirementReady[®] 2035 Fund
RetirementReady[®] 2030 Fund
RetirementReady[®] 2025 Fund

* You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

† You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. The fund may impose a fee upon sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

‡ Not available in all states.

§ Sub-advised by PanAgora Asset Management.

Check your account balances and the most recent month-end performance in the Individual Investors section at putnam.com.

Fund information

Founded over 80 years ago, Putnam Investments was built around the concept that a balance between risk and reward is the hallmark of a well-rounded financial program. We manage funds across income, value, blend, growth, sustainable, asset allocation, absolute return, and global sector categories.

Investment Manager

Putnam Investment Management, LLC
100 Federal Street
Boston, MA 02110

Investment Sub-Advisor

Putnam Investments Limited
16 St James's Street
London, England SW1A 1ER

Marketing Services

Putnam Retail Management Limited Partnership
100 Federal Street
Boston, MA 02110

Custodian

State Street Bank and Trust Company

Legal Counsel

Ropes & Gray LLP

Independent Registered Public Accounting Firm

PricewaterhouseCoopers LLP

Trustees

Kenneth R. Leibler, *Chair*
Barbara M. Baumann, *Vice Chair*
Liaquat Ahamed
Katinka Domotorffy
Catharine Bond Hill
Jennifer Williams Murphy
Marie Pillai
George Putnam, III
Robert L. Reynolds
Manoj P. Singh
Mona K. Sutphen

Officers

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President

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Vice President, Principal Financial Officer, Principal Accounting Officer, and Assistant Treasurer

Stephen J. Tate
Vice President and Chief Legal Officer

Mark C. Trenchard
Vice President

This report is for the information of shareholders of Putnam Convertible Securities Fund. It may also be used as sales literature when preceded or accompanied by the current prospectus, the most recent copy of Putnam's Quarterly Performance Summary, and Putnam's Quarterly Ranking Summary. For more recent performance, please visit putnam.com. Investors should carefully consider the investment objectives, risks, charges, and expenses of a fund, which are described in its prospectus. For this and other information or to request a prospectus or summary prospectus, call 1-800-225-1581 toll free. Please read the prospectus carefully before investing. The fund's Statement of Additional Information contains additional information about the fund's Trustees and is available without charge upon request by calling 1-800-225-1581.

