



Annual Report

September 30, 2020

Loomis Sayles Growth Fund

Loomis Sayles Strategic Income Fund

Table of Contents

| | |
|-------------------------------|----|
| Portfolio Review | 1 |
| Portfolio of Investments | 25 |
| Financial Statements | 41 |
| Notes to Financial Statements | 54 |

IMPORTANT NOTICE TO SHAREHOLDERS

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of shareholder reports like this one will no longer be sent by mail, unless you specifically request paper copies of the reports from the Fund or from your financial intermediary, such as a broker-dealer or bank. Instead, the reports will be made available on the Funds' website, and you will be notified by mail each time a report is posted and provided with a website link to access the report. If you wish to continue receiving paper copies of your shareholder reports after January 1, 2021, you can inform the Fund at any time by calling 1-800-225-5478. If you hold your account with a financial intermediary and you wish to continue receiving paper copies after January 1, 2021, you should call your financial intermediary directly. Paper copies are provided free of charge, and your election to receive reports in paper will apply to all funds held with the Natixis Funds complex. If you have already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You currently may elect to receive shareholder reports and other communications from the Fund or your financial intermediary electronically at www.icsdelivery.com/natixisfunds.

About us

Natixis Investment Managers serves financial professionals and their clients worldwide with more insightful ways to build portfolios. Powered by the expertise of more than 20 specialized investment managers globally, we apply Active Thinking® to deliver proactive solutions to help investors pursue better outcomes in all markets.

Natixis ranks among the world's largest asset management firms¹ with \$1,067.3 billion assets under management.² The diverse expertise of our high-conviction investment managers, each with its own unique process and culture, offers access to multi-dimensional and unconventional thinking across equities, fixed income, sustainable and alternative investments.

The Natixis Funds Family

Alternatives

- AlphaSimplex Global Alternatives Fund
- AlphaSimplex Managed Futures Strategy Fund
- Loomis Sayles Strategic Alpha Fund

ESG Investing

- Mirova Global Green Bond Fund
- Mirova Global Sustainable Equity Fund
- Mirova International Sustainable Equity Fund
- Natixis Sustainable Future 2015 Fund®
- Natixis Sustainable Future 2020 Fund®
- Natixis Sustainable Future 2025 Fund®
- Natixis Sustainable Future 2030 Fund®
- Natixis Sustainable Future 2035 Fund®
- Natixis Sustainable Future 2040 Fund®
- Natixis Sustainable Future 2045 Fund®
- Natixis Sustainable Future 2050 Fund®
- Natixis Sustainable Future 2055 Fund®
- Natixis Sustainable Future 2060 Fund®

Taxable Fixed-Income

- Loomis Sayles Core Plus Bond Fund
- Loomis Sayles Credit Income Fund
- Loomis Sayles High Income Fund
- Loomis Sayles Intermediate Duration Bond Fund
- Loomis Sayles Investment Grade Bond Fund

- Loomis Sayles Limited Term Government and Agency Fund
- Loomis Sayles Senior Floating Rate and Fixed Income Fund
- Loomis Sayles Strategic Income Fund

Municipal Fixed-Income

- Loomis Sayles Intermediate Municipal Bond Fund

Global Equity

- Loomis Sayles Global Growth Fund

Hedged Equity

- Gateway Fund
- Gateway Equity Call Premium Fund

Non-U.S. Equity

- Natixis Oakmark International Fund

U.S. Equity

- AEW Global Focused Real Estate Fund
- Loomis Sayles Growth Fund³
- Natixis Oakmark Fund
- Natixis U.S. Equity Opportunities Fund
- Vaughan Nelson Select Fund
- Vaughan Nelson Mid Cap Fund
- Vaughan Nelson Small Cap Value Fund

Multi-Asset

- AlphaSimplex Multi-Asset Fund
- Loomis Sayles Global Allocation Fund

¹ Cerulli Quantitative Update: Global Markets 2020 ranked Natixis Investment Managers as the 17th largest asset manager in the world based on assets under management as of December 31, 2019.² Net asset value as of September 30, 2020. Assets under management ("AUM"), as reported, may include notional assets, assets serviced, gross assets and other types of non-regulatory AUM. Non-regulatory AUM includes assets which do not fall within the U.S. Securities and Exchange Commission's definition of 'regulatory AUM' in Form ADV, Part 1.³ The Loomis Sayles Growth Fund is subject to a "soft close." See the Fund's prospectus for additional information. Natixis Distribution, L.P. is a limited purpose broker-dealer and the distributor of various registered investment companies for which advisory services are provided by affiliates of Natixis Investment Managers.

Natixis Distribution, L.P. is located at 888 Boylston Street, Suite 800, Boston, MA 02199-8197.

This page not part of shareholder report

Letter from the President

Dear Shareholder:

We remain in the midst of a global health crisis that affects each of us in a number of different ways. While this has been a challenging period, we are pleased to report that Natixis Investment Managers and our affiliated asset managers have continued to provide the same high level of service you expect.

Market volatility returns

The 12-month period starting in October 2019 began fairly quietly, but by February 2020, global capital markets were rattled by the new reality of the Covid-19 pandemic. The stock market reacted swiftly, selling off on the prospect of a global recession. By late March, shutdowns were in full force across much of the United States.

In response to the growing crisis, central banks around the world deployed unprecedented monetary policy to increase liquidity and prevent a financial collapse. The Federal Open Market Committee (the Fed) lowered interest rates twice in March, to near 0% by the middle of the month. This decisive action helped stabilize the fixed income markets, as bond prices rise when interest rates fall.

Government policy makers also moved quickly, providing fiscal stimulus designed to soften the blow to affected companies and consumers. Although many areas of the financial markets rebounded in the second half of the period, returns varied significantly across asset classes due to the realignment of economic activity.

Winners and losers

Dispersion in the stock market increased significantly during the period. Overall, large companies fared better than small ones and growth stocks outperformed value stocks. The difference in returns between growth and value styles reached its widest range in nearly 20 years, and the differences between equity market sectors was equally dramatic. Technology and healthcare companies thrived while travel, entertainment and energy struggled.

Bond prices remained relatively strong as interest rate levels declined, but returns also varied more widely than usual. High quality US Government and corporate securities generally fared well as investors favored lower-risk assets. Lower-quality securities were generally hit harder in the downturn, which reduced their returns over the full period.

Prepare for continued uncertainty

The unprecedented conditions that characterized most of 2020 are unlikely to resolve quickly. The closure of non-essential businesses and prevalence of stay-at-home orders has dampened both supply and demand. The US unemployment rate has improved, however, ending the period at 7.9%, down from its all-time high of 14.7% in April. While interest rates remain at historic lows, the equity market recovery has been uneven, and the expectation is for volatility to continue as the pace of reopening remains uncertain.

Monitoring fund performance

The enclosed report describes your Fund's performance for the year ended September 30, 2020. For current information and market insights, please visit im.natixis.com, where you'll also find Fund-specific information under the Products tab.

Finally, as we move closer to the recovery phase, we encourage you to maintain a long-term perspective when it comes to your investments, and to contact your financial advisor with any immediate concerns. We thank you for your continued trust and wish the best for you and your family.

Sincerely,



David L. Giunta
President

LOOMIS SAYLES GROWTH FUND

Manager

Aziz V. Hamzaogullari, CFA®
Loomis, Sayles & Company, L.P.

Symbols

| | |
|---------|-------|
| Class A | LGRRX |
| Class C | LGRCX |
| Class N | LGRNX |
| Class Y | LSGRX |

Investment Goal

The Fund seeks long-term growth of capital.

Market Conditions

The emergence of Covid-19 led to elevated volatility across global equity markets during the past 12 months. Equities posted gains in aggregate despite these headwinds, however returns were quite divergent beneath the surface.

After performing very well from October until mid-February, equity markets plunged once the coronavirus began to spread throughout the United States and Europe. Resulting uncertainty regarding the trajectory of economic growth and corporate earnings fueled largely indiscriminate selling across the global equity markets in early spring. The downturn abated in late summer as lockdown restrictions were lifted and consumer confidence began to rise. The Federal Reserve swiftly cut the fed funds rate to the zero lower bound and announced a variety of facilities to support fixed income market liquidity. Additionally, the US Congress passed a \$2 trillion-plus stimulus bill to counter the effects of slower growth and unemployment. These actions fostered confidence that current and ongoing monetary and fiscal support would help the economy return to growth. Optimism regarding the approval of a Covid-19 vaccine touched off an impressive advance that lasted through late August.

The rally allowed most major equity indices to close the period in positive territory, but returns among sectors were highly disparate. Gains were primarily driven by strength in mega-cap US technology stocks, leading to a wide performance advantage for the growth style over value, and for large-cap over small-cap. In addition, US equities exceeded the returns of both the developed and emerging market indices. At a time of elevated uncertainty surrounding the economic outlook, investors appeared to gravitate toward companies seen as having the most reliable earnings and growth prospects.

Performance Results

For the 12 months ended September 30, 2020, Class Y shares of Loomis Sayles Growth Fund returned 33.15% at net asset value. The Fund underperformed its benchmark, the Russell 1000® Growth Index, which returned 37.53%.

Explanation of Fund Performance

We are an active manager with a long-term, private equity approach to investing. Through our proprietary bottom-up research framework, we look to invest in those few high-quality

businesses with sustainable competitive advantages and profitable growth when they trade at a significant discount to intrinsic value. Given the rare confluence of quality, growth, and valuation, we may study dozens of companies but may only invest in a select few businesses each year. We believe identifying those few businesses with these characteristics is an art, not a science. As a result of this rigorous approach, ours is a selective, high-conviction portfolio of typically 30-40 names.

The Fund's positions in Coca-Cola, Danone, and Schlumberger detracted the most from performance. Stock selection in the information technology, consumer discretionary, energy, consumer staples and financials sectors, along with our allocations in the energy, healthcare, information technology (IT) and consumer discretionary sectors, detracted from relative performance.

The Coca-Cola Company is the world's leading owner and marketer of non-alcoholic beverage brands and employs an unrivaled global beverage distribution network. Coke has been sold in the US since 1886, and today the company sells its products in more than 200 countries and generates 75% of revenue from products that are top ranked in their category in the countries in which they are sold. A Fund holding since 2010, we believe Coca-Cola's strong and sustainable competitive advantages include its iconic global brands, difficult-to-replicate global infrastructure and beverage distribution network, and unmatched scale. With emerging markets accounting for over 60% of the company's sales by volume, we believed Coca-Cola was well positioned to benefit from long-term secular growth in emerging market spending on non-alcoholic ready-to-drink beverages, driven by both urbanization and growth in disposable income. We believed the sustainability of the company's cash flow growth drivers and the positive impact of the refranchising of its owned bottling operations had been underappreciated by the market. In late January, the company reported strong financial results which surpassed management's full-year guidance that had already been raised during the year, and the company recorded its 10th consecutive quarter of mid-single-digit organic revenue growth. We believe these results demonstrated the company's renewed focus on innovation and brand building following the nearly completed refranchising of its bottling operations, as well as the strength of the company's brands, marketing, scale, and distribution in the markets it serves. The refranchising culminated a decade-long effort to restructure the company's largest bottling partners to meet best-in-class operational standards and position them for sustainable long-term growth under the management of capable franchisees. That effort was largely completed in 2017 and has been reflected in the company's improved execution and returns. While management expected its strong organic growth to continue, the current level of growth exceeded our long-term forecasts for the company. We exited our position in March to reallocate capital to more attractive reward-to-risk opportunities, including our new positions in Illumina, Salesforce.com, and Workday. Due to the timing of the sale in the March downturn, the company is among the biggest detractors for the period. However, over the Fund's almost 10-year holding period, the company was a top-25 contributor to overall strategy performance.

Danone is a multinational packaged goods company, and one of the few to have truly transformed its offering to primarily health and nutrition products. The company is a

LOOMIS SAYLES GROWTH FUND

global or regional leader in its three primary product segments: essential dairy & plant-based, which accounts for approximately 55% of sales; specialized nutrition, approximately 30% of sales; and waters, approximately 15% of sales. Its products are available in over 120 countries. With a difficult-to-replicate global manufacturing and distribution system, especially in emerging markets where it generates almost 50% of its revenues, we believed Danone was positioned to benefit from the secular shift to healthy and nutritious food around the world and increasing urbanization in developing markets. We have owned Danone in the Fund since 2010, and the company was a modest positive contributor to absolute returns over our holding period. In the company's largest market, European fresh dairy, where Danone is the clear leader in yogurt, the company has undergone a multi-year recovery to stabilize its business after losing the ability to use scientific health claims in the marketing of certain products. While the company successfully returned to organic growth in that market, recently posting three consecutive quarters of positive sales growth, in both our initial analysis and through the recovery period we underappreciated the erosion of brand equity and pricing power that the company would experience in this segment. As a result, both the European fresh dairy market and Danone's relative market share underperformed our original expectations. With consistent review of the fundamentals of the business and our investment thesis, it became clear that our original base case investment thesis, as well as our updated investment thesis for a stronger recovery of business fundamentals following the company's acquisition of WhiteWave, was becoming a less likely outcome, which led us to count this holding among our mistakes. We first began to trim the position in December 2019 and further reduced the position in the first quarter of 2020 when the company was a relative outperformer during the downturn. We sold our remaining stake of approximately 40 basis points in early April to reallocate capital to more attractive reward-to-risk opportunities, which included our recent purchases of Boeing, Illumina, Intuitive Surgical, Salesforce.com and Workday.

Schlumberger is the world's leading supplier of technology, equipment, integrated project management, and information solutions to the oil and gas exploration and production (E&P) industry. Only a few companies can compete with the scope of Schlumberger's integrated suite of products and services, and even fewer can compete with its technology and execution capability. A Fund holding since 2010, Schlumberger reported financial results that were generally in line with to slightly better than consensus expectations, but deteriorated due to the oil price environment. Following record oil price declines in the first quarter due to Covid-19-related demand weakness in China and a price war between OPEC and Russia, demand and prices fell further in the second quarter as a result of the global lockdown, leading to a record 30% decline in demand during April and May and futures prices that turned negative on fears of inadequate storage. In the short term, oilfield services company revenues are tied directly to the capital spending of E&P companies, which is tied to expectations for energy prices and hence projected revenues. As a result, global service activity in 2020 is now expected to decline by over 20% year over year. Given the ongoing uncertainty and lack of visibility into near-term results, Schlumberger has taken steps to increase liquidity, including cutting its dividend, raising cash by issuing debt, reducing executive pay, furloughing employees, closing facilities, and cutting headcount. While we expect near-term results to remain under pressure until market supply and

demand normalizes, the company continues to generate positive free cash flow, and we believe Schlumberger's products remain a necessary part of the solution for profitably extracting energy resources, even in times of substantial commodity price compression. As a result, its business is typically less cyclical than the broader industry. For instance, over a two-year period which began in 2014 and saw industry spending fall by over 50%, Schlumberger gained share and maintained leading margins, while several competitors posted losses or very thin margins. Schlumberger was one of the few companies to generate positive free cash flow during the downturn, and continued to invest to strengthen its ability to offer integrated solutions to clients. Secular growth in the long-term global demand for oil, arising primarily from the need to replace naturally depleting reserves, is driving the need to extract hydrocarbons from harsher environments that are increasingly difficult to reach or extract from. Because oilfield services companies are key to making difficult-to-reach resources more accessible, we believe that services like those Schlumberger provides will become an increasingly larger portion of the overall cost of extracting energy resources and that Schlumberger will disproportionately benefit from this shift. We believe that Schlumberger will continue to execute well and that the company is positioned to weather the current environment and capitalize on growth in oilfield services as market supply and demand normalizes. The company's growing leadership in digital solutions should also create further differentiation versus peers. We believe shares of Schlumberger are selling at a significant discount to our estimate of intrinsic value, and offer a compelling reward-to-risk opportunity.

The Fund's positions in Amazon, Nvidia, and Alibaba contributed the most to performance. Stock selection in the industrials and healthcare sectors, along with our allocations in the industrials and consumer discretionary sectors, contributed positively to relative performance.

Online retailer Amazon offers millions of products – sold by Amazon or by third parties — with the value proposition to consumers of selection, price, and convenience. Amazon's enterprise IT business, Amazon Web Services (AWS), offers a suite of secure, on-demand cloud-computing services, with a value proposition to clients of speed, agility, and savings. In both of its core markets, we believe Amazon possesses strong and sustainable competitive advantages that would be difficult for competitors to replicate. A long-term Fund holding, Amazon reported strong fundamentals, as shown by continued market share gains. With gross merchandise volume (GMV) growing, by our estimates, above growth in the teens for US e-commerce and low single-digit growth in global retail sales, the company continued to take market share. AWS also posted strong revenue growth that was many multiples higher than our estimate of single-digit growth in overall enterprise IT spending. Revenue growth during the year exceeded consensus expectations and accelerated following the company's 2019 rollout of one-day Prime shipping, and again following the outbreak of Covid-19 on a surge in demand for categories such as consumer staples and health and personal care that later broadened to include hardline and softline categories. In order to manage the increase in demand while protecting the safety of employees and customers, Amazon incurred almost \$5 billion of Covid-19-related costs, while also investing rapidly in new fulfillment capacity. Reiterating Amazon's long-standing practice

LOOMIS SAYLES GROWTH FUND

of investing aggressively to better position the company for the long term, CEO Jeff Bezos recently stated that he believes the measures taken to get essential products to customers while continuing to ensure the safety and well-being of its hundreds of thousands of employees represents the best long-term investment the company could make. We believe Amazon is one of the best-positioned companies in e-commerce and enterprise IT — each addressing large, underpenetrated markets. The secular shift in consumer preference from traditional brick-and-mortar retail to online retail and e-commerce spending is the primary growth driver for Amazon, but both markets benefit from secular growth that is still in its early stages. We believe the current share price shows a lack of appreciation for Amazon's significant long-term growth opportunities and the sustainability of its business model. As a result, we believe the company is selling at a significant discount to our estimate of intrinsic value and offers a compelling reward-to-risk opportunity.

Nvidia Corporation is the world leader in visual computing, which enables computers to produce and utilize highly realistic 3D graphic imagery and models. Nvidia created the first graphics processing unit (GPU), a dedicated semiconductor that performs graphics rendering that is superior to a computer's standard central processing unit (CPU). The parallel processing capability of Nvidia's GPUs can also accelerate computing functions performed by standard CPUs by greater than ten times. As a result, GPU technology has broad application in computing fields unrelated to graphics. Nvidia is the market leader in GPUs where it forms a duopoly with competitor Advanced Micro Devices. We believe the company's competitive advantages include its intellectual property and expertise, brands, and a large and growing ecosystem of developers, device manufacturers, and applications based on GPU technology. The company is focused on building out its GPU-computing-based ecosystem and is enabling breakthroughs in new fields such as AI, autonomous driving, and virtual reality, while continuing to lead its legacy gaming market. A Fund holding since the first quarter of 2019, Nvidia reported better-than-expected financial results, driven by recovery in its gaming business and rising demand in its data center business. The gaming industry has recovered strongly and inventories have returned to more normal levels following a period of industry weakness as gaming card inventory had become temporarily inflated due to declining demand from cryptocurrency miners. The company is also benefiting from the rollout over the past few quarters of Turing, its newest GPU architecture, which is becoming the industry norm for the latest blockbuster titles. Data center revenue also rebounded after a period of softness with quarterly data center revenue exceeding \$1 billion for the first time in each of the past two quarters. Nvidia reported that it continues to see strong traction for its T4 Turing-based chip that allows it to compete more effectively in the inferencing market that is currently dominated by Intel. The company also launched its latest architecture, Ampere, which for the first time enables clients to address both training and inferencing through a single architecture, with performance that surpasses that of their already leading T4 inferencing and V100 training products. As a result, Nvidia's clients will have unprecedented flexibility in that they will no longer be constrained by their initial choice of architecture as they build out their data centers. Over our investment horizon, we believe Nvidia can sustain high-teens revenue growth. As the business shifts increasingly towards its more profitable data center business and pricing in the gaming business continues to rise, we believe operating profits will grow

faster than revenues. With low capital intensity and high cash flow returns on invested capital, we believe the company can generate strong double-digit growth in free cash flow. We believe Nvidia's strong free cash flow growth prospects are not currently reflected in its share price. As a result, we believe the company's shares trade at a significant discount to our estimate of intrinsic value and offer a compelling long-term reward-to-risk opportunity.

A Fund holding since its initial public offering in the third quarter of 2014, China e-commerce and consumer-engagement platform provider Alibaba reported fundamentally strong results during the period that were above consensus expectations and reflected continued market share gains. Revenue growth in the mid-30% range was well above our estimates for China consumer spending, China e-commerce sales, and China IT spending, indicating the company continues to grow its leading market share. Operating margins were roughly flat year over year, despite management's significant ongoing reinvestment in the business. Areas of focus for strategic reinvestment include improving user experience, local services through recently acquired delivery company Ele.me, "new retail," logistics, globalization, cloud services, digital media, and greater operating efficiency. Alibaba's strong free cash flow generation and balance sheet strength enable it to reinvest substantially, and we believe these investments are consistent with the company's long-term strategy to strengthen and extend its competitive positioning across commerce, advertising, and cloud computing, while expanding its addressable market both internationally and through its "new retail" initiative. Further, while many of these strategic initiatives are currently loss generating, we believe they will become profitable over time and contribute to greater earnings and free cash flow growth. With GMV (gross merchandise volume) that exceeded \$1 trillion across the Alibaba digital economy, which includes its commerce, local services, and digital media and entertainment offerings, and 726 million active annual consumers on its China commerce retail sites in its latest fiscal year, Alibaba is the world's largest retail platform. The long-term structural expansion of internet users and online shopping are drivers of secular growth for Alibaba in China, where because of a lack of traditional retail infrastructure e-commerce is expanding consumption rather than simply replacing offline spending. Alibaba continues to execute well on its business model, allowing it to expand its already dominant market position and to invest to strengthen its competitive advantages. We believe the current market price embeds expectations for key revenue and cash flow growth drivers that are well below our long-term assumptions. As a result, we believe the company's shares trade at a significant discount to our estimate of intrinsic value and offer a compelling long-term reward-to-risk opportunity.

All aspects of our quality-growth-valuation investment thesis must be present simultaneously for us to make an investment. Often our research is completed well in advance of the opportunity to invest. We are patient investors and maintain coverage of high-quality businesses in order to take advantage of meaningful price dislocations if and when they occur. During the period we initiated new positions in Boeing, Disney, Illumina, Intuitive Surgical, Salesforce.com, and Workday. We added to our existing holdings in Deere, Novartis, Roche, and Schlumberger. We trimmed our existing positions

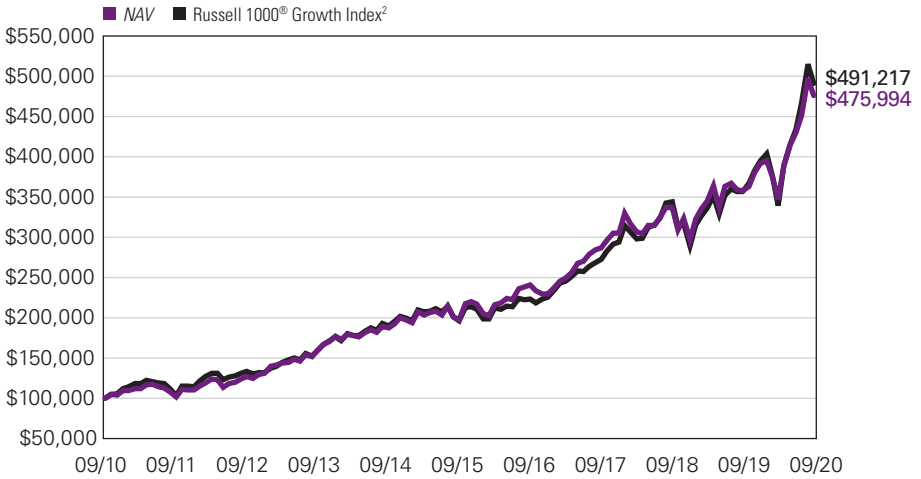
LOOMIS SAYLES GROWTH FUND

in Novo Nordisk, Qualcomm, Regeneron Pharmaceuticals, Varian Medical Systems, and Yum China. We also trimmed our position in Amazon as it approached our maximum allowable position size. We sold our positions in Alcon, American Express, Amgen, Coca-Cola, Danone, Merck, and Procter & Gamble. We sold Alcon, Amgen, Coca-Cola, and Procter & Gamble on the basis of risk-reward to fund more attractive reward-to-risk opportunities. We sold American Express and Merck as they approached our estimate of intrinsic value. We sold Danone due to a mistaken investment thesis.

Outlook

Our investment process is characterized by bottom-up, fundamental research and a long-term investment time horizon. The nature of the process leads to a lower-turnover portfolio in which sector positioning is the result of stock selection. The Fund ended the year with overweight positions in the industrials, communication services, consumer discretionary, financials, health care, energy, and consumer staples sectors and an underweight position in the information technology sector. We did not own positions in the real estate or materials sectors.

Hypothetical Growth of \$100,000 Investment in Class Y Shares³ September 30, 2010 through September 30, 2020



See notes to chart on page 9

Top Ten Holdings as of September 30, 2020

| | Security Name | % of Assets |
|----|---|-------------|
| 1 | Amazon.com, Inc. | 7.43% |
| 2 | Alibaba Group Holding Ltd., Sponsored ADR | 6.60 |
| 3 | Facebook, Inc., Class A | 6.12 |
| 4 | Visa, Inc., Class A | 5.92 |
| 5 | NVIDIA Corp. | 5.57 |
| 6 | salesforce.com, Inc. | 4.91 |
| 7 | Microsoft Corp. | 4.43 |
| 8 | Autodesk, Inc. | 4.40 |
| 9 | Oracle Corp. | 3.95 |
| 10 | Deere & Co. | 3.59 |

The portfolio is actively managed and holdings are subject to change. There is no guarantee the Fund continues to invest in the securities referenced. The holdings listed exclude any temporary cash investments.

LOOMIS SAYLES GROWTH FUND

Average Annual Total Returns — September 30, 2020³

| | 1 Year | 5 Years | 10 Years | Life of Class N | Expense Ratios ⁴ | |
|--|--------|---------|----------|-----------------|-----------------------------|-------|
| | | | | | Gross | Net |
| Class Y (Inception 5/16/91) NAV | 33.15% | 19.15% | 16.89% | —% | 0.66% | 0.66% |
| Class A (Inception 12/31/96) NAV | 32.80 | 18.87 | 16.60 | — | 0.91 | 0.91 |
| With 5.75% Maximum Sales Charge | 25.14 | 17.47 | 15.92 | — | | |
| Class C (Inception 9/12/03) NAV | 31.76 | 17.97 | 15.75 | — | 1.66 | 1.66 |
| With CDSC ¹ | 30.76 | 17.97 | 15.75 | — | | |
| Class N (Inception 2/1/13) NAV | 33.26 | 19.27 | — | 17.21 | 0.56 | 0.56 |
| Comparative Performance Russell 1000 [®] Growth Index ² | 37.53 | 20.10 | 17.25 | 17.81 | | |

Performance data shown represents past performance and is no guarantee of, and not necessarily indicative of, future results. Total return and value will vary, and you may have a gain or loss when shares are sold. Current performance may be lower or higher than quoted.

For most recent month-end performance, visit im.natixis.com. Performance for other share classes will be greater or less than shown based on differences in fees and sales charges. You may not invest directly in an index. Performance for periods less than one year is cumulative, not annualized. Returns reflect changes in share price and reinvestment of dividends and capital gains, if any. The table(s) do not reflect taxes shareholders might owe on any fund distributions or when they redeem their shares.

- 1 Performance for Class C shares assumes a 1% contingent deferred sales charge ("CDSC") applied when you sell shares within one year of purchase.
- 2 Russell 1000[®] Growth Index is an unmanaged index that measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000[®] Growth Index companies with higher price-to-book ratios and higher forecasted growth values.
- 3 Fund performance has been increased by fee waivers and/or expense reimbursements, if any, without which performance would have been lower.
- 4 Expense ratios are as shown in the Fund's prospectus in effect as of the date of this report. The expense ratios for the current reporting period can be found in the Financial Highlights section of this report under Ratios to Average Net Assets. Net expenses reflect contractual expense limitations set to expire on 1/31/21. When a Fund's expenses are below the limitation, gross and net expense ratios will be the same. See Note 5 of the Notes to Financial Statements for more information about the Fund's expense limitations.

LOOMIS SAYLES STRATEGIC INCOME FUND

Managers

Matthew J. Eagan, CFA®

Daniel J. Fuss, CFA®, CIC

Brian P. Kennedy

Elaine M. Stokes

Loomis, Sayles & Company, L.P.

Symbols

Class A NEFZX

Class C NECZX

Class N NEZNX

Class Y NEZYY

Admin Class NEZAX

Investment Goal

The Fund seeks high current income with a secondary objective of capital growth.

Market Conditions

The financial markets experienced significant volatility in the past year, as investors grappled with the uncertainty surrounding Covid-19. The bulk of the market disruptions occurred in February and March, when world governments first aimed to contain the virus by locking down broad swaths of their economies. Higher-risk assets were hit hard in the ensuing selloff, while demand for lower-risk investments surged. The US Federal Reserve (Fed) sought to counter the extraordinary developments by cutting the fed funds rate to zero and reinstating quantitative easing through the purchases of Treasuries and mortgage-backed securities. It revived lending facilities last used in 2008, such as the TALF (Term Asset-Backed Securities Loan Facility), which is a funding backdrop for the asset-backed securities market. It even established facilities never used before, such as the Corporate Credit Facilities which allowed the Fed to purchase corporate bond assets for the first time in its history. In conjunction with a \$2.2 trillion stimulus package passed by the US Congress, the Fed's response fueled an impressive recovery in higher-risk assets from late March onward.

The uncertain environment worked to the benefit of US Treasuries due to their status as a relative "safe haven." Longer duration bonds delivered particularly robust gains. The yield on the 10-year note fell to an all-time low in March and remained close to that level thereafter on expectations that the Fed would pursue its low-rate policy indefinitely. (Prices and yields move in opposite directions.)

Investment grade corporates were notable beneficiaries of rising risk appetite and investors' demand for high-quality alternatives to low-yielding government debt. Despite their downturn in the February-March selloff, corporates outperformed the broader fixed income market for the full 12-month period.

High yield corporate bonds also delivered positive returns. The category was supported by hopes for an economic recovery, reduced investor risk aversion and accommodative fiscal and monetary policy. However, high yield issues trailed investment grade securities. Lower-quality debt was generally harder hit in the downturn due to lower market liquidity and the effect of falling oil prices, which weighed on the asset class's return for the full period.

LOOMIS SAYLES STRATEGIC INCOME FUND

Securitized assets — including mortgage-backed securities, asset-backed securities and commercial mortgage-backed securities — lagged Treasuries and investment grade corporates, but they nonetheless posted a solid total return thanks to their rally in the second half of the period.

Emerging market bonds also gained ground despite the slowdown in global growth. The asset class was boosted by the combination of investors' thirst for yield and the pronounced weakness in the US dollar from April through August.

Performance Results

For the 12 months ended September 30, 2020, Class Y shares of the Loomis Sayles Strategic Income Fund returned -1.14% at net asset value. The Fund underperformed its primary benchmark, the Bloomberg Barclays U.S. Aggregate Bond Index, which returned 6.98%.

Explanation of Fund Performance

The past year has been defined by the widespread impact of the Covid-19 global pandemic. After an extremely turbulent first quarter of 2020, markets snapped back amidst unprecedented central bank actions, lifting of lockdowns and promising news of a potential vaccine. The majority of the Fund's underperformance was generated in the first quarter of the year. Performance has since improved as markets rebounded, though not enough to offset the earlier experienced losses. Security selection was the primary source of underperformance. Additionally, the Fund's shorter-than-benchmark positioning with respect to duration (and corresponding interest rate sensitivity) weighed on return as interest rates declined during the period. Exposure to high yield corporate credit had the largest negative impact on relative performance, driven by holdings in the energy sector. An allocation to equities, particularly communications issues, detracted from returns. An allocation to non-US-dollar-denominated issues weighed on return, with holdings in the Mexican peso, Canadian dollar and Brazilian real as the main detractors. Additionally, an underweight to US Treasuries and holdings in defensive, reserve-like positions constrained performance.

The Fund's longer-than-benchmark duration positioning within securitized assets aided relative performance during the year.

Outlook

At this time of writing, which is the end of September 2020, economic and financial market conditions have continued to show encouraging signs of improvement, though the outlook remains uncertain. The Federal Reserve has provided forward guidance that helps ensure monetary policy can remain accommodative for the foreseeable future, which appears to be boosting business and consumer confidence and keeping investor risk appetite strong going into the final quarter of the year. We also believe it is still possible for a limited agreement to be reached that extends the fiscal stimulus package and provides further support to the economy, though ongoing debate by lawmakers on the size and scale of the package has been causing increased anxiety among investors as we get closer to the US election. We continue to assess the immediate and longer-term impacts of the pandemic on the economy, but currently expect a slow and uneven pace of recovery.

The global economy has been showing signs of improvement, with stronger levels of manufacturing and services purchasing manager data in the third quarter of 2020. This trend could continue should our forecasts be accurate for profit growth, gains in employment and a better managed second wave of the virus. We do believe that the economy can normalize with a successful distribution of a vaccine early next year, though a full recovery in GDP growth is not expected in the near term.

We increased our credit exposure during the dislocation in the credit markets earlier this year. We have maintained our allocation to credit with the view that we have entered the credit repair phase of the credit cycle, exiting from the downturn/recessionary phase. This phase of the cycle is typically characterized by balance sheet improvement, better liquidity conditions and tightening spread levels. We believe this phase could potentially provide attractive returns for fixed income investors.

Valuations in the corporate bond sectors have been less compelling following the strong credit rally that has unfolded since the end of March. However, we believe the low global interest rate environment will likely continue to drive the search for yield and help provide a positive technical backdrop for both investment grade and high yield corporate debt. Also, we have been active and selective in new issues throughout the year, and will continue to look for opportunities in the primary market. The effects of the pandemic have created a need for many companies, across industries, to access capital for liquidity purposes and to potentially refinance debt, a credit positive. New issues generally come at a premium (higher yield than the existing debt of the issuer) to attract investors. Harvesting this new issue “premium” can potentially be an attractive and persistent source of excess return. Recently, there have been modest signs of slowing issuance, given market concerns and some risk aversion. New issuance can provide added liquidity and the ability to extend maturities. However, it can also increase the overall debt level of an issuer. While economic conditions have been improving, the recovery has been uneven and varies by sector. We are still monitoring the potential for fallen angels with expectations for more to possibly occur in specific areas, including consumer cyclical, lodging & leisure, retailers and restaurants. We think default rate risk and fallen angel activity will likely be more moderate than what was experienced in the spring of this year, and there is opportunity to add value in the credit sectors with good security selection.

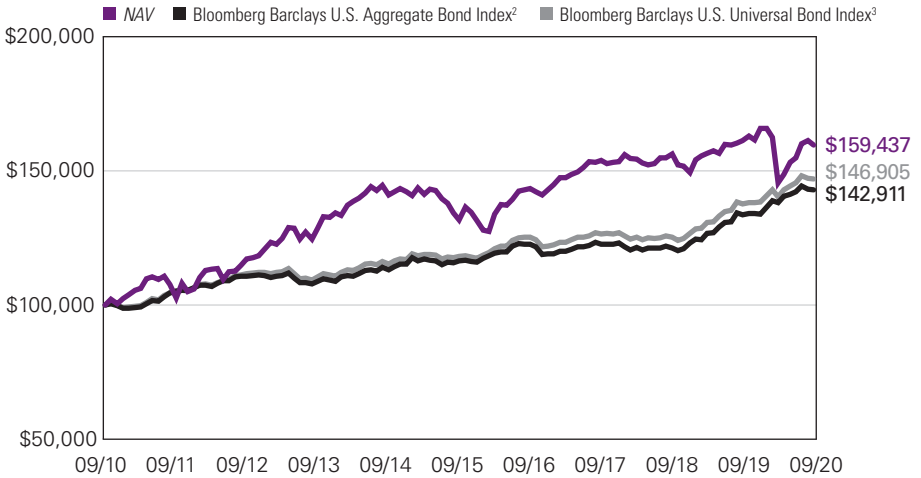
As we approach the end of 2020, we believe our portfolios are well-positioned to generate excess return potential. We have remained focused on areas where investors are mispricing risk while following our disciplined, value-oriented approach to portfolio construction, a process rooted in fundamental credit analysis and a long-term view of the market.

During periods in which the US dollar appreciates relative to foreign currencies, Funds that hold non-US-dollar-denominated bonds may realize currency losses in connection with the maturity or sale of certain bonds. These realized losses will impact some or all of a Fund's ordinary income distributions (to the extent that losses are not offset by realized currency gains within the Fund's fiscal year). A recognized currency loss, in accordance with federal tax rules, decreases the amount of ordinary income a Fund has available to distribute, even though these bonds continue to generate coupon income.

LOOMIS SAYLES STRATEGIC INCOME FUND

Fund officers have analyzed the Fund’s current portfolio of investments, realized currency gains and losses, schedule of maturities, and the corresponding amounts of unrealized currency losses that may become realized during the current fiscal year. This analysis is performed regularly to determine how realized currency losses may impact periodic ordinary income distributions for the Fund. Based on the most recent quarterly analysis (as of September 30, 2020), Fund officers believe that realized currency losses will have an impact on some of the distributions in the 2021 fiscal year. This analysis is based on certain assumptions including, but not limited to, the level of foreign currency exchange rates, security prices, interest rates, the Fund advisers’ ability to manage realized currency losses, and the net asset level of the Fund. Changes to these assumptions could materially impact the analysis and the amounts of future fund distributions. Fund officers will continue to monitor these amounts on a regular basis and take the necessary actions required to manage the Fund’s distributions to address realized currency losses while seeking to avoid a return of capital distribution.

Hypothetical Growth of \$100,000 Investment in Class Y Shares⁴ September 30, 2010 through September 30, 2020



Average Annual Total Returns — September 30, 2020⁴

| | 1 Year | 5 Years | 10 Years | Life of Class N | Expense Ratios ⁵ | |
|---|--------|---------|----------|-----------------|-----------------------------|-------|
| | | | | | Gross | Net |
| Class Y (Inception 12/1/99) | | | | | | |
| NAV | -1.14% | 3.93% | 4.78% | —% | 0.71% | 0.71% |
| Class A (Inception 5/1/95) | | | | | | |
| NAV | -1.39 | 3.68 | 4.52 | — | 0.96 | 0.96 |
| With 4.25% Maximum Sales Charge | -5.56 | 2.78 | 4.06 | — | | |
| Class C (Inception 5/1/95) | | | | | | |
| NAV | -2.18 | 2.89 | 3.73 | — | 1.71 | 1.71 |
| With CDSC ¹ | -3.14 | 2.89 | 3.73 | — | | |
| Class N (Inception 2/1/13) | | | | | | |
| NAV | -1.06 | 4.03 | — | 3.47 | 0.63 | 0.63 |
| Admin Class (Inception 2/1/10) | | | | | | |
| NAV | -1.64 | 3.42 | 4.26 | — | 1.20 | 1.20 |
| Comparative Performance | | | | | | |
| Bloomberg Barclays U.S. Aggregate Bond Index ² | 6.98 | 4.18 | 3.64 | 3.46 | | |
| Bloomberg Barclays U.S. Universal Bond Index ³ | 6.68 | 4.49 | 3.92 | 3.65 | | |

Performance data shown represents past performance and is no guarantee of, and not necessarily indicative of, future results. Total return and value will vary, and you may have a gain or loss when shares are sold. Current performance may be lower or higher than quoted. For most recent month-end performance, visit im.natixis.com. Performance for other share classes will be greater or less than shown based on differences in fees and sales charges. You may not invest directly in an index. Performance for periods less than one year is cumulative, not annualized. Returns reflect changes in share price and reinvestment of dividends and capital gains, if any. The table(s) do not reflect taxes shareholders might owe on any fund distributions or when they redeem their shares.

- Class C share performance assumes a 1% CDSC applied when you sell shares within one year of purchase.
- The Bloomberg Barclays U.S. Aggregate Bond Index is an unmanaged index that covers the U.S.-dollar-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities. The index includes bonds from the Treasury, government-related, corporate, mortgage-backed securities, asset-backed securities, and collateralized mortgage-backed securities sectors.
- The Bloomberg Barclays U.S. Universal Bond Index represents the union of the U.S. Aggregate Index, the U.S. High-Yield Corporate Index, the 144A Index, the Eurodollar Index, the Emerging Markets Index, and the non-ERISA portion of the CMBS Index. Municipal debt, private placements, and non-dollar-denominated issues are excluded from the Universal Bond Index. The only constituent of the index that includes floating-rate debt is the Emerging Markets Index.
- Fund performance has been increased by fee waivers and/or expense reimbursements, if any, without which performance would have been lower.
- Expense ratios are as shown in the Fund's prospectus in effect as of the date of this report. The expense ratios for the current reporting period can be found in the Financial Highlights section of this report under Ratios to Average Net Assets. Net expenses reflect contractual expense limitations set to expire on 1/31/22. When a Fund's expenses are below the limitation, gross and net expense ratios will be the same. See Note 5 of the Notes to Financial Statements for more information about the Fund's expense limitations.

ADDITIONAL INFORMATION

The views expressed in this report reflect those of the portfolio managers as of the dates indicated. The managers' views are subject to change at any time without notice based on changes in market or other conditions. References to specific securities or industries should not be regarded as investment advice. Because the Fund is actively managed, there is no assurance that they will continue to invest in the securities or industries mentioned.

All investing involves risk, including the risk of loss. There is no assurance that any investment will meet its performance objectives or that losses will be avoided.

ADDITIONAL INDEX INFORMATION

This document may contain references to third party copyrights, indexes, and trademarks, each of which is the property of its respective owner. Such owner is not affiliated with Natixis Investment Managers or any of its related or affiliated companies (collectively "Natixis Affiliates") and does not sponsor, endorse or participate in the provision of any Natixis Affiliates services, funds or other financial products.

The index information contained herein is derived from third parties and is provided on an "as is" basis. The user of this information assumes the entire risk of use of this information. Each of the third party entities involved in compiling, computing or creating index information disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to such information.

PROXY VOTING INFORMATION

A description of the Natixis Funds' proxy voting policies and procedures is available without charge, upon request, by calling Natixis Funds at 800-225-5478; on the Natixis Funds' website at im.natixis.com; and on the Securities and Exchange Commission's ("SEC's") website at www.sec.gov. Information regarding how the Natixis Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available from the Natixis Funds' website and the SEC's website.

QUARTERLY PORTFOLIO SCHEDULES

The Natixis Funds file complete schedules of portfolio holdings with the SEC for the first and third quarters of each fiscal year as an exhibit on Form N-PORT. The Funds' Forms N-PORT are available on the SEC's website at www.sec.gov.

CFA[®] and Chartered Financial Analyst[®] are registered trademarks owned by the CFA Institute.

UNDERSTANDING YOUR FUND'S EXPENSES

As a mutual fund shareholder, you incur different types of costs: transaction costs, including sales charges (loads) on purchases and contingent deferred sales charges on redemptions; and ongoing costs, including management fees, distribution fees (12b-1 fees) and/or service fees, and other fund expenses. Certain exemptions may apply. These costs are described in more detail in the Funds' prospectuses. The following examples are intended to help you understand the ongoing costs of investing in the Funds and help you compare these with the ongoing costs of investing in other mutual funds.

The first line in the table for each class of Fund shares shows the actual account values and actual Fund expenses you would have paid on a \$1,000 investment in the Fund from April 1, 2020 through September 30, 2020. To estimate the expenses you paid over the period, simply divide your account value by \$1,000 (for example \$8,600 account value divided by \$1,000 = 8.6) and multiply the result by the number in the Expenses Paid During Period column as shown below for your class.

The second line in the table for each class of Fund shares provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratios and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid on your investment for the period. You may use this information to compare the ongoing costs of investing in the Fund to other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown reflect ongoing costs only, and do not include any transaction costs, such as sales charges. Therefore, the second line in the table of each fund is useful in comparing ongoing costs only, and will not help you determine the relative costs of owning different funds. If transaction costs were included, total costs would be higher.

| LOOMIS SAYLES GROWTH FUND | BEGINNING ACCOUNT VALUE 4/1/2020 | ENDING ACCOUNT VALUE 9/30/2020 | EXPENSES PAID DURING PERIOD* 4/1/2020 – 9/30/2020 |
|--|---|---|--|
| Class A | | | |
| Actual | \$1,000.00 | \$1,368.60 | \$5.33 |
| Hypothetical (5% return before expenses) | \$1,000.00 | \$1,020.50 | \$4.55 |
| Class C | | | |
| Actual | \$1,000.00 | \$1,363.00 | \$9.75 |
| Hypothetical (5% return before expenses) | \$1,000.00 | \$1,016.75 | \$8.32 |
| Class N | | | |
| Actual | \$1,000.00 | \$1,370.70 | \$3.32 |
| Hypothetical (5% return before expenses) | \$1,000.00 | \$1,022.20 | \$2.83 |
| Class Y | | | |
| Actual | \$1,000.00 | \$1,369.80 | \$3.85 |
| Hypothetical (5% return before expenses) | \$1,000.00 | \$1,021.75 | \$3.29 |

* Expenses are equal to the Fund’s annualized expense ratio: 0.90%, 1.65%, 0.56% and 0.65% for Class A, C, N and Y, respectively, multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half-year (183), divided by 366 (to reflect the half-year period).

| LOOMIS SAYLES STRATEGIC INCOME FUND | BEGINNING ACCOUNT VALUE 4/1/2020 | ENDING ACCOUNT VALUE 9/30/2020 | EXPENSES PAID DURING PERIOD* 4/1/2020 – 9/30/2020 |
|--|---|---|--|
| Class A | | | |
| Actual | \$1,000.00 | \$1,095.00 | \$5.13 |
| Hypothetical (5% return before expenses) | \$1,000.00 | \$1,020.10 | \$4.95 |
| Class C | | | |
| Actual | \$1,000.00 | \$1,090.90 | \$9.04 |
| Hypothetical (5% return before expenses) | \$1,000.00 | \$1,016.35 | \$8.72 |
| Class N | | | |
| Actual | \$1,000.00 | \$1,097.80 | \$3.36 |
| Hypothetical (5% return before expenses) | \$1,000.00 | \$1,021.80 | \$3.23 |
| Class Y | | | |
| Actual | \$1,000.00 | \$1,096.50 | \$3.83 |
| Hypothetical (5% return before expenses) | \$1,000.00 | \$1,021.35 | \$3.69 |
| Admin Class | | | |
| Actual | \$1,000.00 | \$1,093.90 | \$6.44 |
| Hypothetical (5% return before expenses) | \$1,000.00 | \$1,018.85 | \$6.21 |

* Expenses are equal to the Fund’s annualized expense ratio: 0.98%, 1.73%, 0.64%, 0.73% and 1.23% for Class A, C, N, Y and Admin Class, respectively, multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half-year (183), divided by 366 (to reflect the half-year period).

BOARD APPROVAL OF THE EXISTING ADVISORY AGREEMENTS

The Board of Trustees of the Trust (the “Board”), including the Independent Trustees, considers matters bearing on each Fund’s advisory agreement (collectively, the “Agreements”) at most of its meetings throughout the year. Each year, usually in the spring, the Contract Review Committee of the Board meets to review the Agreements to determine whether to recommend that the full Board approve the continuation of the Agreements, typically for an additional one-year period. After the Contract Review Committee has made its recommendation, the full Board, including the Independent Trustees, determines whether to approve the continuation of the Agreements.

In connection with these meetings, the Trustees receive materials that the Funds’ investment adviser (the “Adviser”) believes to be reasonably necessary for the Trustees to evaluate the Agreements. These materials generally include, among other items, (i) information on the investment performance of the Funds and the performance of peer groups of funds and the Funds’ performance benchmarks, (ii) information on the Funds’ advisory fees and other expenses, including information comparing the Funds’ advisory fees to the fees charged to institutional accounts with similar strategies managed by the Adviser, if any, and to those of peer groups of funds and information about any applicable expense caps and/or fee “breakpoints,” (iii) sales and redemption data in respect of the Funds, (iv) information about the profitability of the Agreements to the Adviser and (v) information obtained through the completion by the Adviser of a questionnaire distributed on behalf of the Trustees. The Board, including the Independent Trustees, also considers other matters such as (i) each Fund’s investment objective and strategies and the size, education and experience of the Adviser’s investment staff and its use of technology, external research and trading cost measurement tools, (ii) arrangements in respect of the distribution of the Funds’ shares and the related costs, (iii) the allocation of the Funds’ brokerage, if any, including, to the extent applicable, the use of “soft” commission dollars to pay for research and other similar services, (iv) the Adviser’s policies and procedures relating to, among other things, compliance, trading and best execution, proxy voting and valuation, (v) information about amounts invested by the Funds’ portfolio managers in the Funds or in similar accounts that they manage and (vi) the general economic outlook with particular emphasis on the mutual fund industry. Throughout the process, the Trustees are afforded the opportunity to ask questions of and request additional materials from the Adviser.

In addition to the materials requested by the Trustees in connection with their annual consideration of the continuation of the Agreements, the Trustees receive materials in advance of each regular quarterly meeting of the Board that provide detailed information about the Funds’ investment performance and the fees charged to the Funds for advisory and other services. This information generally includes, among other things, an internal performance rating for each Fund based on agreed-upon criteria, graphs showing each Fund’s performance and expense differentials against each Fund’s peer group/category of funds, performance ratings provided by a third-party, total return information for various periods, and third-party performance rankings for various periods comparing a Fund against similarly categorized funds. The portfolio management team for each Fund or other

representatives of the Adviser make periodic presentations to the Contract Review Committee and/or the full Board, and Funds identified as presenting possible performance concerns may be subject to more frequent Board or Committee presentations and reviews. In addition, each quarter the Trustees are provided with detailed statistical information about each Fund's portfolio. The Trustees also receive periodic updates between meetings. These updates have increased in frequency during the Covid-19 crisis.

The Board most recently approved the continuation of the Agreements for a one year period at its meeting held in June 2020. In considering whether to approve the continuation of the Agreements, the Board, including the Independent Trustees, did not identify any single factor as determinative. Individual Trustees may have evaluated the information presented differently from one another, giving different weights to various factors. Matters considered by the Trustees, including the Independent Trustees, in connection with their approval of the Agreements included, but were not limited to, the factors listed below.

The nature, extent and quality of the services provided to the Funds under the Agreements. The Trustees considered the nature, extent and quality of the services provided by the Adviser and its affiliates to the Funds and the resources dedicated to the Funds by the Adviser and its affiliates.

The Trustees considered not only the advisory services provided by the Adviser to the Funds, but also the monitoring and oversight services provided by Natixis Advisors, L.P. ("Natixis Advisors"). They also considered the administrative and shareholder services provided by Natixis Advisors and its affiliates to the Funds. They also took into consideration increases in the services provided resulting from new regulatory requirements.

For each Fund, the Trustees also considered the benefits to shareholders of investing in a mutual fund that is part of a family of funds that offers shareholders the right to exchange shares of one type of fund for shares of another type of fund, and provides a variety of fund and shareholder services.

After reviewing these and related factors, the Trustees concluded, within the context of their overall conclusions regarding each of the Agreements, that the nature, extent and quality of services provided supported the renewal of the Agreements.

Investment performance of the Funds and the Adviser. As noted above, the Trustees received information about the performance of the Funds over various time periods, including information that compared the performance of the Funds to the performance of peer groups and categories of funds and the Funds' respective performance benchmarks. In addition, the Trustees reviewed data prepared by an independent third party that analyzed the performance of the Funds using a variety of performance metrics, including metrics that measured the performance of the Funds on a risk adjusted basis.

The Board noted that, through December 31, 2019, each Fund's one-, three- and five-year performance stated as percentile rankings within categories selected by the independent

third-party data provider was as follows (where the best performance would be in the first percentile of its category):

| | <u>One-Year</u> | <u>Three-Year</u> | <u>Five-Year</u> |
|-------------------------------------|-----------------|-------------------|------------------|
| Loomis Sayles Growth Fund | 60% | 43% | 16% |
| Loomis Sayles Strategic Income Fund | 46% | 56% | 92% |

In the case of each Fund that had performance that lagged that of a relevant category median as determined by the independent third party for certain (although not necessarily all) periods, the Board concluded that other factors relevant to performance supported renewal of the Agreements. These factors included one or more of the following: (1) that the underperformance was attributable, to a significant extent, to investment decisions (such as security selection or sector allocation) by the Adviser that were reasonable and consistent with the Fund's investment objective and policies; (2) that the Fund's more recent performance had shown improvement relative to its category; (3) that the Fund's long-term performance was strong; and (4) that the Fund's shorter-term performance has been competitive relative to its category. The Board also considered information about the Funds' more recent performance, including how that performance had been impacted by the Covid-19 crisis.

The Trustees also considered the Adviser's performance and reputation generally, the performance of the fund family generally, and the historical responsiveness of the Adviser to Trustee concerns about performance and the willingness of the Adviser to take steps intended to improve performance.

After reviewing these and related factors, the Trustees concluded, within the context of their overall conclusions regarding each of the Agreements, that the performance of the Funds and the Adviser and/or other relevant factors supported the renewal of the Agreements.

The costs of the services to be provided and profits to be realized by the Adviser and its affiliates from their respective relationships with the Funds. The Trustees considered the fees charged to the Funds for advisory and administrative services as well as the total expense levels of the Funds. This information included comparisons (provided both by management and by an independent third party) of the Funds' advisory fees and total expense levels to those of their peer groups and information about the advisory fees charged by the Adviser to comparable accounts (such as institutional separate accounts), as well as information about differences in such fees and the reasons for any such differences. In considering the fees charged to comparable accounts, the Trustees considered, among other things, management's representations about the differences between managing mutual funds as compared to other types of accounts, including the additional resources required to effectively manage mutual fund assets, the greater regulatory costs associated with the management of such assets, and the entrepreneurial, regulatory and other risks associated with sponsoring and managing mutual funds. In evaluating each Fund's advisory fee, the Trustees also took into account the demands, complexity and quality of the investment management of such Fund, as well as the need for the Adviser to offer competitive compensation and the potential need to expend additional resources to the extent the Fund grows in size. The Trustees considered that over the past several years, management had made recommendations regarding reductions in advisory fee rates, implementation of

advisory fee breakpoints and the institution of advisory fee waivers and expense caps for various funds in the fund family. They noted that both of the Funds have expense caps in place, and they considered the material terms under their expense cap agreement. The Trustees also considered that the current expenses for each Fund were below their caps. The Trustees further noted that management had proposed to reduce the expense cap of Loomis Sayles Strategic Income Fund.

The Trustees noted that Loomis Sayles Strategic Income Fund had an advisory fee rate that was above the median of a peer group of funds. In this regard, the Trustees considered the factors that management believed justified such relatively higher advisory fee rate, including (1) that the advisory fee rate was only one basis point above the peer group median and (2) that management had proposed to reduce the expense cap of the Fund.

The Trustees also considered the compensation directly or indirectly received by the Adviser and its affiliates from their relationships with the Funds. The Trustees reviewed information provided by management as to the profitability of the Adviser's and its affiliates' relationships with the Funds, and information about how expenses are determined and allocated for purposes of profitability calculations. They also reviewed information provided by management about the effect of distribution costs and changes in asset levels on Adviser profitability, including information regarding resources spent on distribution activities. When reviewing profitability, the Trustees also considered information about court cases in which adviser compensation or profitability were issues, the performance of the Funds, the expense levels of the Funds, whether the Adviser had implemented breakpoints and/or expense caps with respect to such Funds and the overall profit margin of Natixis Investment Managers compared to that of certain other investment managers for which such data was available.

After reviewing these and related factors, the Trustees concluded, within the context of their overall conclusions regarding each of the Agreements, that the advisory fee charged to each of the Funds was fair and reasonable, and that the costs of these services generally and the related profitability of the Adviser and its affiliates in respect of their relationships with the Funds supported the renewal of the Agreements.

Economies of Scale. The Trustees considered the existence of any economies of scale in the provision of services by the Adviser and whether those economies are shared with the Funds through breakpoints in their investment advisory fees or other means, such as expense caps. The Trustees also considered management's explanation of the factors that are taken into account with respect to the implementation of breakpoints in investment advisory fees or expense caps. With respect to economies of scale, the Trustees noted that Loomis Sayles Strategic Income Fund had breakpoints in its advisory fee and that each of the Funds was subject to an expense cap. The Trustees considered management's proposal to reduce the expense cap for Loomis Sayles Strategic Income Fund. In considering these issues, the Trustees also took note of the costs of the services provided (both on an absolute and on a relative basis) and the profitability to the Adviser and its affiliates of their relationships with the Funds, as discussed above. The Trustees also considered that the Funds have benefitted from the substantial reinvestment the Adviser has made into its business.

After reviewing these and related factors, the Trustees concluded, within the context of their overall conclusions regarding each of the Agreements, that the extent to which economies of scale were shared with the Funds supported the renewal of the Agreements.

The Trustees also considered other factors, which included but were not limited to the following:

- The effect of recent market and economic events, including but not limited to the Covid-19 crisis, on the performance, asset levels and expense ratios of each Fund.
- Whether each Fund has operated in accordance with its investment objective and the Fund's record of compliance with its investment restrictions, and the compliance programs of the Funds and the Adviser. They also considered the compliance-related resources the Adviser and its affiliates were providing to the Funds.
- So-called "fallout benefits" to the Adviser, such as the engagement of affiliates of the Adviser to provide distribution and administrative services to the Funds, and the benefits of research made available to the Adviser by reason of brokerage commissions (if any) generated by the Funds' securities transactions. The Trustees also considered the benefits to the parent company of Natixis Advisors from the retention of the Adviser. The Trustees considered the possible conflicts of interest associated with these fallout and other benefits, and the reporting, disclosure and other processes in place to disclose and monitor such possible conflicts of interest.
- The Trustees' review and discussion of the Funds' advisory arrangements in prior years, and management's record of responding to Trustee concerns raised during the year and in prior years.

Based on their evaluation of all factors that they deemed to be material, including those factors described above, and assisted by the advice of independent counsel, the Trustees, including the Independent Trustees, concluded that each of the existing Agreements should be continued through June 30, 2021.

LIQUIDITY RISK MANAGEMENT PROGRAM

Annual Report for the Period Commencing on December 1, 2018 and ending December 31, 2019 (including updates through September 30, 2020)

Effective December 1, 2018, the Funds adopted a liquidity risk management program (the “Program”) pursuant to the requirements of Rule 22e-4 under the Investment Company Act of 1940, as amended (the “Rule”). The Rule requires registered open-end funds, including mutual funds and exchange-traded funds to establish liquidity risk management programs in order to effectively manage fund liquidity and mitigate the risk that a fund could not meet redemption requests without significantly diluting the interests of remaining investors.

The rule requires the Funds to assess, manage and review their liquidity risk considering applicable factors during normal and foreseeable stressed conditions. In fulfilling this requirement, each Fund assesses and reviews (where applicable and amongst other matters) its investment strategy, portfolio holdings, possible investment concentrations, use of derivatives, short-term and long-term cash flow projections, use of cash and cash equivalents, as well as borrowing arrangements and other funding sources. Each Program has established a Program Administrator which is the adviser of the Fund.

In accordance with the Program, each of the Funds’ portfolio investments is classified into one of four liquidity categories based on a determination of a reasonable expectation for how long it would take to convert the investment to cash (or sell or dispose of the investment) without significantly changing its market value.

Each Fund is prohibited from acquiring an investment if, after the acquisition, its holdings of illiquid assets will exceed 15% of its net assets. If a Fund does not hold a majority of highly liquid investments in its portfolio, then the Fund is required to establish a highly liquid investment minimum (“HLIM”). Loomis Sayles Strategic Income Fund has established an HLIM.

During the period from December 1, 2018 to December 31, 2019, there were no material changes to the Program and no material events that impacted the operation of the Funds’ Programs. During the period, the Funds held sufficient liquid assets to meet redemptions on a timely basis and did not have any HLIM or illiquid security violations during the period.

During the period January 1, 2020 through September 30, 2020, the Funds held sufficient liquid assets to meet redemptions on a timely basis and did not have any HLIM or illiquid security violations.

Annual Program Assessment and Conclusion

In the opinion of the Program Administrator the Program of each Fund approved by the Funds’ Board has been implemented effectively. The Program Administrator has also monitored, assessed and managed each Fund’s liquidity risk regularly and has determined that the Program is operating effectively.

Pursuant to the Rule’s requirements, the Board has received and reviewed a written report prepared by each Fund’s Program Administrator that addressed the operation of the Program, assessed its adequacy and effectiveness and described any material changes made to the Program.

Portfolio of Investments – as of September 30, 2020

Loomis Sayles Growth Fund

| Shares | Description | Value (t) |
|---|--|----------------|
| Common Stocks — 99.0% of Net Assets | | |
| Aerospace & Defense — 2.8% | | |
| 1,978,347 | Boeing Co. (The) | \$ 326,941,625 |
| Air Freight & Logistics — 2.5% | | |
| 3,158,810 | Expeditors International of Washington, Inc. | 285,935,481 |
| Beverages — 3.5% | | |
| 4,991,241 | Monster Beverage Corp.(a) | 400,297,528 |
| Biotechnology — 3.3% | | |
| 682,110 | Regeneron Pharmaceuticals, Inc.(a) | 381,831,536 |
| Capital Markets — 3.1% | | |
| 579,765 | FactSet Research Systems, Inc. | 194,151,703 |
| 3,269,058 | SEI Investments Co. | 165,806,622 |
| Communications Equipment — 1.7% | | |
| 4,811,722 | Cisco Systems, Inc. | 189,533,730 |
| Energy Equipment & Services — 0.6% | | |
| 4,096,310 | Schlumberger NV | 63,738,584 |
| Entertainment — 1.9% | | |
| 1,741,943 | Walt Disney Co. (The) | 216,140,287 |
| Health Care Equipment & Supplies — 2.1% | | |
| 211,782 | Intuitive Surgical, Inc.(a) | 150,267,800 |
| 545,102 | Varian Medical Systems, Inc.(a) | 93,757,544 |
| Health Care Technology — 1.8% | | |
| 2,845,241 | Cerner Corp. | 205,682,472 |
| Hotels, Restaurants & Leisure — 4.0% | | |
| 2,397,255 | Starbucks Corp. | 205,972,150 |
| 2,192,226 | Yum China Holdings, Inc. | 116,078,367 |
| 1,541,555 | Yum! Brands, Inc. | 140,743,971 |
| Household Products — 1.5% | | |
| 2,280,638 | Colgate-Palmolive Co. | 175,951,222 |
| Interactive Media & Services — 11.1% | | |
| 196,777 | Alphabet, Inc., Class A(a) | 288,396,371 |
| 196,505 | Alphabet, Inc., Class C(a) | 288,783,748 |
| 2,688,707 | Facebook, Inc., Class A(a) | 704,172,363 |
| Internet & Direct Marketing Retail — 14.0% | | |
| 2,581,862 | Alibaba Group Holding Ltd., Sponsored ADR(a) | 759,015,791 |
| 271,247 | Amazon.com, Inc.(a) | 854,083,566 |
| IT Services — 6.6% | | |
| 541,870 | Automatic Data Processing, Inc. | 75,585,446 |

Portfolio of Investments – as of September 30, 2020
Loomis Sayles Growth Fund – (continued)

| Shares | Description | Value (†) |
|-----------|--|-----------------------|
| | IT Services — continued | |
| 3,405,338 | Visa, Inc., Class A | \$ 680,965,440 |
| | | <u>756,550,886</u> |
| | Life Sciences Tools & Services — 2.0% | |
| 750,787 | Illumina, Inc.(a) | 232,053,246 |
| | Machinery — 3.6% | |
| 1,862,684 | Deere & Co. | 412,826,655 |
| | Pharmaceuticals — 5.7% | |
| 2,332,591 | Novartis AG, Sponsored ADR | 202,842,113 |
| 1,600,701 | Novo Nordisk A/S, Sponsored ADR | 111,136,671 |
| 7,939,769 | Roche Holding AG, Sponsored ADR | 339,901,511 |
| | | <u>653,880,295</u> |
| | Semiconductors & Semiconductor Equipment — 8.0% | |
| 1,182,971 | NVIDIA Corp. | 640,247,565 |
| 2,373,174 | QUALCOMM, Inc. | 279,275,116 |
| | | <u>919,522,681</u> |
| | Software — 19.2% | |
| 2,190,495 | Autodesk, Inc.(a) | 506,026,250 |
| 2,419,767 | Microsoft Corp. | 508,949,593 |
| 7,607,324 | Oracle Corp. | 454,157,243 |
| 2,247,596 | salesforce.com, Inc.(a) | 564,865,827 |
| 802,971 | Workday, Inc., Class A(a) | 172,743,151 |
| | | <u>2,206,742,064</u> |
| | Total Common Stocks | |
| | (Identified Cost \$6,486,587,023) | <u>11,388,858,288</u> |

**Principal
Amount**

Short-Term Investments — 1.0%

| | | |
|---------------|--|--------------------------|
| \$107,491,517 | Tri-Party Repurchase Agreement with Fixed Income Clearing Corporation, dated 9/30/2020 at 0.000% to be repurchased at \$107,491,517 on 10/01/2020 collateralized by \$109,650,000 U.S. Treasury Note, 0.2500% due 9/30/2025 valued at \$109,641,447 including accrued interest (Note 2 of Notes to Financial Statements) (Identified Cost \$107,491,517) | <u>107,491,517</u> |
| | Total Investments — 100.0% | |
| | (Identified Cost \$6,594,078,540) | 11,496,349,805 |
| | Other assets less liabilities — 0.0% | 3,674,996 |
| | Net Assets — 100.0% | <u>\$ 11,500,024,801</u> |

(†) See Note 2 of Notes to Financial Statements.

(a) Non-income producing security.

ADR An American Depositary Receipt is a certificate issued by a custodian bank representing the right to receive securities of the foreign issuer described. The values of ADRs may be significantly influenced by trading on exchanges not located in the United States.

Portfolio of Investments – as of September 30, 2020

Loomis Sayles Growth Fund – (continued)

Industry Summary at September 30, 2020

| | |
|---|---------------|
| Software | 19.2% |
| Internet & Direct Marketing Retail | 14.0 |
| Interactive Media & Services | 11.1 |
| Semiconductors & Semiconductor Equipment | 8.0 |
| IT Services | 6.6 |
| Pharmaceuticals | 5.7 |
| Hotels, Restaurants & Leisure | 4.0 |
| Machinery | 3.6 |
| Beverages | 3.5 |
| Biotechnology | 3.3 |
| Capital Markets | 3.1 |
| Aerospace & Defense | 2.8 |
| Air Freight & Logistics | 2.5 |
| Health Care Equipment & Supplies | 2.1 |
| Life Sciences Tools & Services | 2.0 |
| Other Investments, less than 2% each | 7.5 |
| Short-Term Investments | <u>1.0</u> |
| Total Investments | 100.0 |
| Other assets less liabilities | <u>0.0*</u> |
| Net Assets | <u>100.0%</u> |

* Less than 0.1%

Portfolio of Investments – as of September 30, 2020
Loomis Sayles Strategic Income Fund

| Principal Amount (\$) | Description | Value (t) |
|--|--|--------------|
| Bonds and Notes — 83.9% of Net Assets | | |
| Non-Convertible Bonds — 77.2% | | |
| ABS Other — 0.2% | | |
| \$ 23,214,946 | GCA2014 Holdings Ltd., Series 2014-1, Class C, 6.000%, 1/05/2030, 144A(a)(b)(c)(d) | \$ 7,819,722 |
| 10,440,551 | GCA2014 Holdings Ltd., Series 2014-1, Class D, 7.500%, 1/05/2030, 144A(a)(b)(c)(d) | 1,195,130 |
| 42,000,000 | GCA2014 Holdings Ltd., Series 2014-1, Class E, Zero Coupon, 1/05/2030, 144A(a)(b)(c)(d)(e) | — |
| 6,078,088 | Global Container Assets Ltd., Series 2015-1A, Class B, 4.500%, 2/05/2030, 144A(a)(b)(f) | 5,214,453 |
| | | 14,229,305 |
| Aerospace & Defense — 2.0% | | |
| 90,000 | Boeing Co. (The), 3.100%, 5/01/2026 | 89,779 |
| 380,000 | Boeing Co. (The), 3.250%, 2/01/2035 | 357,188 |
| 2,505,000 | Boeing Co. (The), 3.550%, 3/01/2038 | 2,281,902 |
| 15,000 | Boeing Co. (The), 3.625%, 3/01/2048 | 13,182 |
| 1,385,000 | Boeing Co. (The), 3.750%, 2/01/2050 | 1,263,826 |
| 415,000 | Boeing Co. (The), 3.850%, 11/01/2048 | 380,277 |
| 3,930,000 | Boeing Co. (The), 3.950%, 8/01/2059 | 3,557,684 |
| 620,000 | Bombardier, Inc., 7.350%, 12/22/2026, 144A, (CAD) | 342,545 |
| 10,225,000 | Bombardier, Inc., 7.450%, 5/01/2034, 144A | 7,543,698 |
| 6,765,000 | Bombardier, Inc., 7.875%, 4/15/2027, 144A | 5,130,847 |
| 3,145,000 | Embraer Netherlands Finance BV, 5.400%, 2/01/2027 | 2,986,178 |
| 9,576,000 | Leonardo U.S. Holdings, Inc., 6.250%, 1/15/2040, 144A | 10,886,571 |
| 8,815,000 | Leonardo U.S. Holdings, Inc., 7.375%, 7/15/2039, 144A | 10,946,555 |
| 5,310,000 | Textron Financial Corp., 3-month LIBOR + 1.735%, 2.015%, 2/15/2067, 144A(g) | 3,691,831 |
| 6,485,000 | TransDigm, Inc., 5.500%, 11/15/2027 | 6,232,409 |
| 24,513,000 | TransDigm, Inc., 6.500%, 7/15/2024 | 24,451,717 |
| 17,765,000 | TransDigm, Inc., 6.500%, 5/15/2025 | 17,709,484 |
| 370,000 | TransDigm, Inc., 7.500%, 3/15/2027 | 384,175 |
| 19,475,000 | TransDigm, Inc., 8.000%, 12/15/2025, 144A | 21,179,063 |
| | | 119,428,911 |
| Airlines — 1.3% | | |
| 17,495,000 | Air Canada Pass Through Trust, Series 2020-2A, 5.250%, 10/01/2030, 144A | 17,940,948 |
| 240,000 | American Airlines Group, Inc., 3.750%, 3/01/2025, 144A | 121,687 |
| 20,000,000 | American Airlines Group, Inc., 5.000%, 6/01/2022, 144A | 13,600,000 |
| 7,953,217 | American Airlines Pass Through Certificates, Series 2013-1, Class A, 4.000%, 1/15/2027 | 6,295,449 |
| 1,597,035 | American Airlines Pass Through Certificates, Series 2016-3, Class B, 3.750%, 4/15/2027 | 1,107,719 |
| 931,816 | American Airlines Pass Through Certificates, Series 2017-2, Class B, 3.700%, 4/15/2027 | 592,796 |
| 12,800,000 | American Airlines, Inc., 11.750%, 7/15/2025, 144A | 12,352,000 |

Portfolio of Investments – as of September 30, 2020
Loomis Sayles Strategic Income Fund – (continued)

| Principal Amount (\$) | Description | Value (t) |
|-----------------------|---|--------------------|
| | Airlines — continued | |
| \$ 193,163 | Continental Airlines Pass Through Certificates, Series 2001-1, Class A-1, 6.703%, 12/15/2022 | \$ 185,090 |
| 1,344,677 | Continental Airlines Pass Through Certificates, Series 2012-2, Class B, 5.500%, 4/29/2022 | 1,306,556 |
| 26,975,000 | Mileage Plus Holdings LLC/Mileage Plus Intellectual Property Assets Ltd., 6.500%, 6/20/2027, 144A | 28,087,719 |
| 129,953 | Northwest Airlines Pass Through Trust, Series 2002-1, Class G2, (MBIA Insured), 6.264%, 5/20/2023 | 127,605 |
| | | <u>81,717,569</u> |
| | Automotive — 2.8% | |
| 1,210,000 | Allison Transmission, Inc., 4.750%, 10/01/2027, 144A | 1,244,788 |
| 46,535,000 | Ford Motor Co., 4.750%, 1/15/2043 | 42,133,952 |
| 10,745,000 | Ford Motor Co., 5.291%, 12/08/2046 | 10,080,153 |
| 1,220,000 | Ford Motor Co., 6.625%, 2/15/2028 | 1,281,451 |
| 1,345,000 | Ford Motor Co., 7.500%, 8/01/2026 | 1,464,544 |
| 1,500,000 | Ford Motor Credit Co. LLC, 5.113%, 5/03/2029 | 1,537,500 |
| 5,000,000 | Ford Motor Credit Co. LLC, 5.125%, 6/16/2025 | 5,156,250 |
| 18,565,000 | Ford Motor Credit Co. LLC, 5.596%, 1/07/2022 | 18,982,712 |
| 2,845,000 | General Motors Co., 5.200%, 4/01/2045 | 3,064,534 |
| 2,120,000 | General Motors Co., 6.250%, 10/02/2043 | 2,512,335 |
| 62,220,000 | General Motors Financial Co., Inc., 3.600%, 6/21/2030 | 64,435,482 |
| 11,130,000 | Goodyear Tire & Rubber Co. (The), 4.875%, 3/15/2027 | 10,545,675 |
| 1,585,000 | Goodyear Tire & Rubber Co. (The), 5.000%, 5/31/2026 | 1,540,018 |
| 4,977,000 | Goodyear Tire & Rubber Co. (The), 7.000%, 3/15/2028 | 5,164,882 |
| | | <u>169,144,276</u> |
| | Banking — 5.9% | |
| 6,000,000 | Ally Financial, Inc., 8.000%, 11/01/2031 | 8,214,747 |
| 983,000 | Bank of America Corp., (fixed rate to 12/20/2027, variable rate thereafter), 3.419%, 12/20/2028 | 1,093,858 |
| 265,000 | Bank of America Corp., MTN, 4.250%, 10/22/2026 | 306,851 |
| 7,045,000 | Bank of America Corp., Series L, MTN, 4.183%, 11/25/2027 | 8,071,582 |
| 3,450,000 | Cooperatieve Rabobank UA, 3.950%, 11/09/2022 | 3,665,928 |
| 1,709,000 | Deutsche Bank AG, (fixed rate to 12/01/2027, variable rate thereafter), 4.875%, 12/01/2032 | 1,627,430 |
| 25,000,000 | Goldman Sachs Group, Inc. (The), Series MPLE, 3.550%, 2/12/2021, (CAD) | 18,968,120 |
| 19,245,000 | Intesa Sanpaolo SpA, 5.017%, 6/26/2024, 144A | 20,225,203 |
| 36,195,000 | Morgan Stanley, GMTN, 4.350%, 9/08/2026 | 41,895,743 |
| 185,000,000 | Morgan Stanley, GMTN, 5.000%, 9/30/2021, (AUD) | 138,003,687 |
| 46,735,000 | Morgan Stanley, MTN, 4.100%, 5/22/2023 | 50,621,966 |
| 10,000,000 | Morgan Stanley, MTN, 6.250%, 8/09/2026 | 12,699,973 |
| 53,095,000 | Morgan Stanley, Series MPLE, 3.125%, 8/05/2021, (CAD) | 40,701,182 |
| 10,445,000 | UniCredit SpA, (fixed rate to 6/30/2030, variable rate thereafter), 5.459%, 6/30/2035, 144A | 10,640,843 |
| | | <u>356,737,113</u> |
| | Brokerage — 1.4% | |
| 1,675,000 | Jefferies Finance LLC/JFIN Co-Issuer Corp., 7.250%, 8/15/2024, 144A | 1,735,719 |

Portfolio of Investments – as of September 30, 2020
Loomis Sayles Strategic Income Fund – (continued)

| Principal Amount (\$) | Description | Value (t) |
|-----------------------|--|------------------|
| | Brokerage — continued | |
| \$ 43,025,000 | Jefferies Group LLC, 5.125%, 1/20/2023 | \$ 46,898,187 |
| 14,755,000 | Jefferies Group LLC, 6.250%, 1/15/2036 | 18,285,449 |
| 15,215,000 | Jefferies Group LLC, 6.450%, 6/08/2027 | 18,548,917 |
| | | <hr/> 85,468,272 |
| | Building Materials — 0.5% | |
| 5,565,000 | American Woodmark Corp., 4.875%, 3/15/2026, 144A | 5,634,562 |
| 3,255,000 | JELD-WEN, Inc., 4.875%, 12/15/2027, 144A | 3,317,008 |
| 1,859,000 | Masco Corp., 6.500%, 8/15/2032 | 2,409,896 |
| 1,226,000 | Masco Corp., 7.750%, 8/01/2029 | 1,729,814 |
| 10,800,000 | Owens Corning, 7.000%, 12/01/2036 | 14,397,633 |
| | | <hr/> 27,488,913 |
| | Cable Satellite — 1.1% | |
| 975,000 | CCO Holdings LLC/CCO Holdings Capital Corp., 5.375%, 5/01/2025, 144A | 1,003,031 |
| 4,360,000 | CCO Holdings LLC/CCO Holdings Capital Corp., 5.875%, 5/01/2027, 144A | 4,577,564 |
| 17,880,000 | CSC Holdings LLC, 5.375%, 2/01/2028, 144A | 18,885,750 |
| 17,679,000 | DISH DBS Corp., 5.875%, 11/15/2024 | 18,129,815 |
| 4,865,000 | DISH DBS Corp., 7.750%, 7/01/2026 | 5,348,386 |
| 4,835,000 | Time Warner Cable LLC, 4.500%, 9/15/2042 | 5,252,090 |
| 135,000 | Time Warner Cable LLC, 5.875%, 11/15/2040 | 168,220 |
| 11,275,000 | Videotron Ltd., 5.625%, 6/15/2025, 144A, (CAD) | 9,116,192 |
| 5,530,000 | Ziggo BV, 5.500%, 1/15/2027, 144A | 5,792,675 |
| | | <hr/> 68,273,723 |
| | Chemicals — 0.4% | |
| 19,810,000 | Aruba Investments, Inc., 8.750%, 2/15/2023, 144A | 20,008,100 |
| 6,275,000 | Minerals Technologies, Inc., 5.000%, 7/01/2028, 144A | 6,452,457 |
| | | <hr/> 26,460,557 |
| | Construction Machinery — 0.0% | |
| 1,310,000 | United Rentals North America, Inc., 4.875%, 1/15/2028 | 1,375,500 |
| | Consumer Cyclical Services — 0.1% | |
| 5,500,000 | ServiceMaster Co. LLC (The), 7.450%, 8/15/2027 | 6,001,875 |
| | Consumer Products — 0.3% | |
| 11,880,000 | Avon Products, Inc., 8.950%, 3/15/2043 | 13,920,390 |
| 2,405,000 | Whirlpool Corp., 4.600%, 5/15/2050 | 2,978,646 |
| | | <hr/> 16,899,036 |
| | Electric — 0.8% | |
| 9,371,000 | AES Corp. (The), 5.500%, 4/15/2025 | 9,660,189 |
| 25,441,282 | Alta Wind Holdings LLC, 7.000%, 6/30/2035, 144A | 30,918,532 |
| 835,000 | Edison International, 4.950%, 4/15/2025 | 913,990 |
| 3,570,000 | Empresa Nacional de Electricidad S.A., 7.875%, 2/01/2027 | 4,265,881 |
| | | <hr/> 45,758,592 |
| | Finance Companies — 5.4% | |
| 1,020,000 | Antares Holdings LP, 6.000%, 8/15/2023, 144A | 1,031,482 |
| 20,000,000 | Antares Holdings LP, 8.500%, 5/18/2025, 144A | 21,092,331 |

See accompanying notes to financial statements.

Portfolio of Investments – as of September 30, 2020
Loomis Sayles Strategic Income Fund – (continued)

| Principal Amount (\$) | Description | Value (t) |
|---|---|--------------------|
| Finance Companies — continued | | |
| \$ 25,580,000 | GE Capital Funding LLC, 4.550%, 5/15/2032, 144A | \$ 27,495,039 |
| 135,000 | Navient Corp., 5.000%, 3/15/2027 | 126,769 |
| 22,945,000 | Navient Corp., 5.500%, 1/25/2023 | 23,090,815 |
| 3,030,000 | Navient Corp., 5.875%, 10/25/2024 | 3,012,971 |
| 109,950(††) | Navient Corp., 6.000%, 12/15/2043 | 2,344,959 |
| 950,000 | Navient Corp., 6.750%, 6/15/2026 | 947,625 |
| 54,470,000 | Navient Corp., MTN, 5.625%, 8/01/2033 | 45,843,314 |
| 47,984,000 | Navient Corp., MTN, 6.125%, 3/25/2024 | 48,343,880 |
| 6,490,000 | Navient Corp., MTN, 7.250%, 1/25/2022 | 6,652,250 |
| 23,115,000 | OneMain Finance Corp., 6.875%, 3/15/2025 | 25,650,138 |
| 4,075,000 | OneMain Finance Corp., 7.125%, 3/15/2026 | 4,552,590 |
| 26,970,000 | OneMain Finance Corp., 7.750%, 10/01/2021 | 28,208,597 |
| 55,015,000 | OneMain Finance Corp., 8.250%, 10/01/2023 | 61,066,650 |
| 14,750,000 | Owl Rock Capital Corp., 4.250%, 1/15/2026 | 14,942,192 |
| 7,155,000 | Owl Rock Technology Finance Corp., 4.750%, 12/15/2025, 144A | 7,070,094 |
| 4,360,000 | Quicken Loans LLC, 5.250%, 1/15/2028, 144A | 4,593,958 |
| | | <u>326,065,654</u> |
| Financial Other — 0.6% | | |
| 11,820,000 | Nationstar Mortgage Holdings, Inc., 5.500%, 8/15/2028, 144A | 11,805,225 |
| 25,465,000 | Nationstar Mortgage Holdings, Inc., 9.125%, 7/15/2026, 144A | 27,311,212 |
| | | <u>39,116,437</u> |
| Food & Beverage — 0.3% | | |
| 15,420,000 | Kraft Heinz Foods Co., 4.375%, 6/01/2046 | <u>15,821,999</u> |
| Gaming — 0.1% | | |
| 5,475,000 | International Game Technology PLC, 6.250%, 1/15/2027, 144A | <u>5,871,937</u> |
| Government Owned – No Guarantee — 0.1% | | |
| 6,535,000 | Pertamina Persero PT, 6.450%, 5/30/2044, 144A | <u>8,465,520</u> |
| Healthcare — 5.7% | | |
| 1,420,000 | CHS/Community Health Systems, Inc., 6.625%, 2/15/2025, 144A | 1,373,850 |
| 40,686,000 | HCA, Inc., 5.875%, 5/01/2023 | 44,288,542 |
| 14,620,000 | HCA, Inc., 7.050%, 12/01/2027 | 17,068,850 |
| 20,447,000 | HCA, Inc., 7.500%, 12/15/2023 | 23,309,580 |
| 24,215,000 | HCA, Inc., 7.500%, 11/06/2033 | 32,205,950 |
| 14,056,000 | HCA, Inc., 7.690%, 6/15/2025 | 16,515,800 |
| 32,745,000 | HCA, Inc., 8.360%, 4/15/2024 | 38,557,237 |
| 10,815,000 | HCA, Inc., MTN, 7.580%, 9/15/2025 | 12,896,888 |
| 9,492,000 | HCA, Inc., MTN, 7.750%, 7/15/2036 | 12,102,300 |
| 19,785,000 | Tenet Healthcare Corp., 5.125%, 5/01/2025 | 19,969,001 |
| 43,295,000 | Tenet Healthcare Corp., 6.125%, 10/01/2028, 144A | 42,104,387 |
| 40,800,000 | Tenet Healthcare Corp., 6.750%, 6/15/2023 | 42,840,000 |
| 43,749,000 | Tenet Healthcare Corp., 6.875%, 11/15/2031 | 42,874,020 |
| 990,000 | Tenet Healthcare Corp., 8.125%, 4/01/2022 | 1,100,781 |
| | | <u>347,207,186</u> |
| Home Construction — 1.2% | | |
| 47,260,000 | PulteGroup, Inc., 6.000%, 2/15/2035 | 58,366,100 |

Portfolio of Investments – as of September 30, 2020
Loomis Sayles Strategic Income Fund – (continued)

| Principal Amount (\$) | Description | Value (t) |
|--------------------------------------|---|--------------------|
| Home Construction — continued | | |
| \$ 13,190,000 | PulteGroup, Inc., 6.375%, 5/15/2033 | \$ 16,586,425 |
| 195,000 | TRI Pointe Group, Inc./TRI Pointe Homes, Inc., 5.875%, 6/15/2024 | 210,600 |
| | | <u>75,163,125</u> |
| Independent Energy — 3.1% | | |
| 2,685,000 | Aker BP ASA, 3.750%, 1/15/2030, 144A | 2,603,946 |
| 18,736,000 | Ascent Resources Utica Holdings LLC/ARU Finance Corp., 10.000%, 4/01/2022, 144A | 18,454,960 |
| 8,225,000 | Baytex Energy Corp., 5.625%, 6/01/2024, 144A | 4,647,125 |
| 1,310,000 | Chesapeake Energy Corp., 4.875%, 4/15/2022(b)(f)(h) | 53,238 |
| 21,335,000 | Chesapeake Energy Corp., 8.000%, 1/15/2025(b)(f)(h) | 787,688 |
| 55,365,000 | Chesapeake Energy Corp., 8.000%, 6/15/2027(b)(f)(h) | 1,868,569 |
| 15,215,000 | Continental Resources, Inc., 3.800%, 6/01/2024 | 14,035,838 |
| 5,450,000 | Continental Resources, Inc., 4.500%, 4/15/2023 | 5,193,850 |
| 302,000 | Continental Resources, Inc., 5.000%, 9/15/2022 | 299,759 |
| 2,340,000 | Diamondback Energy, Inc., 3.500%, 12/01/2029 | 2,268,454 |
| 15,580,000 | Lonestar Resources America, Inc., 11.250%, 1/01/2023, 144A(b)(f)(h) | 2,648,600 |
| 7,644,000 | MEG Energy Corp., 7.000%, 3/31/2024, 144A | 7,108,920 |
| 17,908,000 | Mesquite Energy, Inc., 6.125%, 1/15/2023(b)(f)(h) | 85,958 |
| 9,520,000 | Mesquite Energy, Inc., 7.750%, 6/15/2021(b)(f)(h) | 45,696 |
| 22,014,000 | Montage Resources Corp., 8.875%, 7/15/2023 | 22,371,727 |
| 540,000 | Occidental Petroleum Corp., 4.500%, 7/15/2044 | 387,833 |
| 32,720,000 | Occidental Petroleum Corp., 6.625%, 9/01/2030 | 30,184,200 |
| 20,595,000 | Occidental Petroleum Corp., 8.875%, 7/15/2030 | 21,212,850 |
| 2,390,000 | Pan American Energy LLC, 7.875%, 5/07/2021, 144A | 2,330,250 |
| 4,850,000 | Parsley Energy LLC/Parsley Finance Corp., 4.125%, 2/15/2028, 144A | 4,559,000 |
| 2,055,000 | QEP Resources, Inc., 5.250%, 5/01/2023 | 1,495,013 |
| 26,537,000 | SM Energy Co., 10.000%, 1/15/2025, 144A | 25,324,524 |
| 1,110,000 | Southwestern Energy Co., 6.450%, 1/23/2025 | 1,075,313 |
| 14,955,000 | Vine Oil & Gas LP/Vine Oil & Gas Finance Corp., 8.750%, 4/15/2023, 144A | 10,019,850 |
| 2,530,000 | Vine Oil & Gas LP/Vine Oil & Gas Finance Corp., 9.750%, 4/15/2023, 144A | 1,720,400 |
| 6,145,000 | WPX Energy, Inc., 4.500%, 1/15/2030 | 6,041,365 |
| | | <u>186,824,926</u> |
| Life Insurance — 1.3% | | |
| 3,575,000 | Brighthouse Financial, Inc., 4.700%, 6/22/2047 | 3,440,570 |
| 13,830,000 | Brighthouse Financial, Inc., 5.625%, 5/15/2030 | 16,105,936 |
| 15,000,000 | Global Atlantic Fin Co., 8.625%, 4/15/2021, 144A | 15,482,734 |
| 20,000,000 | National Life Insurance Co., 10.500%, 9/15/2039, 144A(b)(f) | 32,223,600 |
| 8,920,000 | NLV Financial Corp., 7.500%, 8/15/2033, 144A(b)(f) | 11,736,579 |
| 2,500,000 | Prudential Financial, Inc., MTN, 3.700%, 3/13/2051 | 2,748,550 |
| | | <u>81,737,969</u> |
| Local Authorities — 1.2% | | |
| 95,480,000 | New South Wales Treasury Corp., 4.000%, 4/08/2021, (AUD) | 69,748,716 |
| Media Entertainment — 0.6% | | |
| 111,590,000 | Grupo Televisa SAB, EMTN, 7.250%, 5/14/2043, (MXN) | 3,769,225 |
| 4,215,000 | iHeartCommunications, Inc., 8.375%, 5/01/2027 | 4,151,775 |

See accompanying notes to financial statements.

Portfolio of Investments – as of September 30, 2020
Loomis Sayles Strategic Income Fund – (continued)

| Principal Amount (\$) | Description | Value (t) |
|---|--|-------------------|
| Media Entertainment — continued | | |
| \$ 22,870,000 | ViacomCBS, Inc., 4.950%, 5/19/2050 | \$ 26,834,678 |
| | | <u>34,755,678</u> |
| Metals & Mining — 1.1% | | |
| 25,271,000 | ArcelorMittal S.A., 7.000%, 3/01/2041 | 31,209,685 |
| 1,970,000 | Barrick North America Finance LLC, 5.750%, 5/01/2043 | 2,868,583 |
| 12,315,000 | First Quantum Minerals Ltd., 7.250%, 5/15/2022, 144A | 12,326,083 |
| 1,810,000 | First Quantum Minerals Ltd., 7.500%, 4/01/2025, 144A | 1,790,289 |
| 2,730,000 | Kaiser Aluminum Corp., 6.500%, 5/01/2025, 144A | 2,814,057 |
| 16,135,000 | Russel Metals, Inc., 6.000%, 4/19/2022, 144A, (CAD) | 12,117,457 |
| 8,741,000 | United States Steel Corp., 6.650%, 6/01/2037 | 5,375,715 |
| | | <u>68,501,869</u> |
| Midstream — 0.5% | | |
| 13,110,000 | New Fortress Energy, Inc., 6.750%, 9/15/2025, 144A | 13,706,505 |
| 13,667,000 | NGL Energy Partners LP/NGL Energy Finance Corp., 6.125%, 3/01/2025 | 8,131,865 |
| 8,125,000 | NGL Energy Partners LP/NGL Energy Finance Corp., 7.500%, 11/01/2023 | 5,413,281 |
| 505,000 | NGPL PipeCo LLC, 7.768%, 12/15/2037, 144A | 642,816 |
| 11,980,000 | Summit Midstream Partners LP, Series A, (fixed rate to 12/15/2022, variable rate thereafter), 9.500%(b)(f)(h)(i) | 1,513,434 |
| | | <u>29,407,901</u> |
| Oil Field Services — 1.3% | | |
| 1,765,000 | Noble Holding International Ltd., 7.750%, 1/15/2024(b)(f)(h) | 10,096 |
| 19,385,000 | Noble Holding International Ltd., 7.875%, 2/01/2026, 144A(h) | 4,713,463 |
| 2,080,000 | Shelf Drilling Holdings Ltd., 8.250%, 2/15/2025, 144A | 821,600 |
| 57,983,250 | Transocean Proteus Ltd., 6.250%, 12/01/2024, 144A | 51,750,051 |
| 2,770,000 | Transocean, Inc., 7.500%, 4/15/2031(b)(f) | 373,950 |
| 48,755,000 | Transocean, Inc., 11.500%, 1/30/2027, 144A | 19,999,301 |
| 11,165,000 | Valaris PLC, 7.750%, 2/01/2026(b)(f)(h) | 565,730 |
| | | <u>78,234,191</u> |
| Packaging — 0.2% | | |
| 8,750,000 | Owens-Brockway Glass Container, Inc., 6.625%, 5/13/2027, 144A | 9,477,344 |
| Paper — 0.8% | | |
| 15,225,000 | Georgia-Pacific LLC, 7.750%, 11/15/2029 | 22,761,848 |
| 4,865,000 | WestRock MWV LLC, 7.950%, 2/15/2031 | 6,905,572 |
| 8,750,000 | WestRock MWV LLC, 8.200%, 1/15/2030 | 12,329,552 |
| 2,840,000 | Weyerhaeuser Co., 6.950%, 10/01/2027 | 3,582,080 |
| | | <u>45,579,052</u> |
| Property & Casualty Insurance — 0.7% | | |
| 12,510,000 | MBIA Insurance Corp., 3-month LIBOR + 11.260%, 11.535%, 1/15/2033, 144A(e)(g) | 4,378,500 |
| 1,500,000 | MGIC Investment Corp., 5.250%, 8/15/2028 | 1,547,138 |
| 14,480,000 | Nationwide Mutual Insurance Co., 4.350%, 4/30/2050, 144A | 15,512,292 |
| 20,810,000 | Radian Group, Inc., 6.625%, 3/15/2025 | 21,954,550 |
| | | <u>43,392,480</u> |

Portfolio of Investments – as of September 30, 2020
Loomis Sayles Strategic Income Fund – (continued)

| Principal Amount (\$) | Description | Value (t) |
|-----------------------|--|-------------|
| | REITs – Diversified — 0.0% | |
| \$ 665,000 | iStar, Inc., 4.750%, 10/01/2024 | \$ 643,388 |
| | REITs – Hotels — 0.2% | |
| 545,000 | Service Properties Trust, 3.950%, 1/15/2028 | 452,350 |
| 5,965,000 | Service Properties Trust, 4.350%, 10/01/2024 | 5,398,325 |
| 1,690,000 | Service Properties Trust, 4.500%, 6/15/2023 | 1,657,349 |
| 940,000 | Service Properties Trust, 4.650%, 3/15/2024 | 874,200 |
| 915,000 | Service Properties Trust, 4.750%, 10/01/2026 | 813,728 |
| 2,750,000 | Service Properties Trust, 4.950%, 2/15/2027 | 2,447,500 |
| | | 11,643,452 |
| | Retailers — 0.4% | |
| 3,325,000 | Dillard’s, Inc., 7.000%, 12/01/2028 | 3,411,184 |
| 1,500,000 | Dillard’s, Inc., 7.750%, 7/15/2026 | 1,573,395 |
| 1,795,000 | Hanesbrands, Inc., 5.375%, 5/15/2025, 144A | 1,893,725 |
| 27,224,000 | J.C. Penney Corp., Inc., 6.375%, 10/15/2036(b)(f)(h) | 130,131 |
| 2,510,000 | J.C. Penney Corp., Inc., 7.625%, 3/01/2097(b)(f)(h) | 15,788 |
| 6,365,000 | Marks & Spencer PLC, 7.125%, 12/01/2037, 144A | 6,767,904 |
| 7,615,000 | Michaels Stores, Inc., 8.000%, 7/15/2027, 144A | 7,957,675 |
| | | 21,749,802 |
| | Supermarkets — 0.2% | |
| 9,196,000 | Albertson’s Cos. LLC/Safeway, Inc./New Albertson’s LP/Albertson’s LLC, 5.750%, 3/15/2025 | 9,486,134 |
| 2,290,000 | Safeway, Inc., 7.250%, 2/01/2031 | 2,576,250 |
| | | 12,062,384 |
| | Technology — 0.9% | |
| 23,345,000 | Iron Mountain, Inc., 4.875%, 9/15/2029, 144A | 23,753,537 |
| 15,170,000 | KLA Corp., 5.650%, 11/01/2034 | 20,268,313 |
| 3,970,000 | Micron Technology, Inc., 4.975%, 2/06/2026 | 4,602,207 |
| 120,000 | Samsung Electronics Co. Ltd., 7.700%, 10/01/2027, 144A | 148,496 |
| 1,829,000 | Seagate HDD Cayman, 4.091%, 6/01/2029, 144A | 1,988,471 |
| 1,688,000 | Seagate HDD Cayman, 4.875%, 6/01/2027 | 1,890,889 |
| | | 52,651,913 |
| | Transportation Services — 0.5% | |
| 810,000 | Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 5.750%, 7/15/2027, 144A | 730,571 |
| 10,503,000 | Fenix Marine Service Holdings Ltd., 8.000%, 1/15/2024(b)(f) | 8,720,956 |
| 20,980,000 | Penske Truck Leasing Co. LP/PTL Finance Corp., 4.000%, 7/15/2025, 144A | 23,634,572 |
| | | 33,086,099 |
| | Treasuries — 31.1% | |
| 10,000,000(†††) | Mexican Fixed Rate Bonds, Series M, 5.750%, 3/05/2026, (MXN) | 46,298,985 |
| 4,250,000(†††) | Mexican Fixed Rate Bonds, Series M, 7.750%, 5/29/2031, (MXN) | 21,669,301 |
| 27,224,481(†††) | Mexican Fixed Rate Bonds, Series M, 8.000%, 12/07/2023, (MXN) | 135,061,695 |
| 7,740,000(†††) | Mexican Fixed Rate Bonds, Series M-20, 7.500%, 6/03/2027, (MXN) | 38,907,751 |
| 3,035,000(†††) | Mexican Fixed Rate Bonds, Series M-20, 8.500%, 5/31/2029, (MXN) | 16,229,354 |

Portfolio of Investments – as of September 30, 2020
Loomis Sayles Strategic Income Fund – (continued)

| Principal Amount (\$) | Description | Value (t) |
|-----------------------|---|----------------|
| | Treasuries — continued | |
| 21,700,000(†††) | Mexican Fixed Rate Bonds, Series M-20, 10.000%, 12/05/2024, (MXN) | \$ 116,631,305 |
| 175,365,000 | New Zealand Government Bond, Series 0521, 6.000%, 5/15/2021, (NZD) | 120,182,176 |
| 458,725,000 | Norway Government Bond, Series 474, 3.750%, 5/25/2021, 144A, (NOK) | 50,372,279 |
| 162,850,000 | Republic of Brazil, 8.500%, 1/05/2024, (BRL) | 31,874,337 |
| 55,925,000 | Republic of Brazil, 10.250%, 1/10/2028, (BRL) | 11,722,551 |
| 569,455,000 | U.S. Treasury Bond, 1.250%, 5/15/2050 | 541,338,159 |
| 283,420,000 | U.S. Treasury Bond, 1.375%, 8/15/2050 | 278,150,159 |
| 50,000,000 | U.S. Treasury Bond, 2.000%, 2/15/2050 | 56,726,563 |
| 144,325,000 | U.S. Treasury Bond, 3.000%, 8/15/2048 | 197,167,118 |
| 61,615,000 | U.S. Treasury Note, 1.500%, 10/31/2021 | 62,524,784 |
| 155,000,000 | U.S. Treasury Note, 1.500%, 11/30/2021 | 157,433,984 |
| | | 1,882,290,501 |
| | Wireless — 0.3% | |
| 293,000,000 | America Movil SAB de CV, 6.450%, 12/05/2022, (MXN) | 13,444,488 |
| 134,600,000 | America Movil SAB de CV, 8.460%, 12/18/2036, (MXN) | 6,338,737 |
| | | 19,783,225 |
| | Wirelines — 2.6% | |
| 18,163,000 | AT&T, Inc., 3.650%, 9/15/2059, 144A | 17,842,414 |
| 9,528,000 | AT&T, Inc., 4.500%, 3/09/2048 | 10,934,473 |
| 7,545,000 | Bell Canada, Inc., MTN, 6.100%, 3/16/2035, 144A, (CAD) | 7,662,123 |
| 4,370,000 | Bell Canada, Inc., MTN, 6.550%, 5/01/2029, 144A, (CAD) | 4,408,661 |
| 1,240,000 | CenturyLink, Inc., 5.625%, 4/01/2025 | 1,324,769 |
| 28,385,000 | CenturyLink, Inc., Series S, 6.450%, 6/15/2021 | 29,130,106 |
| 7,940,000 | CenturyLink, Inc., Series W, 6.750%, 12/01/2023 | 8,704,225 |
| 350,000 | Cincinnati Bell Telephone Co. LLC, 6.300%, 12/01/2028 | 356,570 |
| 2,160,000 | Cincinnati Bell, Inc., 8.000%, 10/15/2025, 144A | 2,281,500 |
| 30,646,000 | Telecom Italia Capital S.A., 6.000%, 9/30/2034 | 35,549,360 |
| 16,440,000 | Telecom Italia Capital S.A., 6.375%, 11/15/2033 | 19,563,600 |
| 14,223,000 | Verizon Communications, Inc., 4.329%, 9/21/2028 | 17,266,722 |
| | | 155,024,523 |
| | Total Non-Convertible Bonds (Identified Cost \$5,144,595,225) | 4,673,290,913 |
| | Convertible Bonds — 5.1% | |
| | Cable Satellite — 2.4% | |
| 14,660,000 | DISH Network Corp., 2.375%, 3/15/2024 | 13,193,264 |
| 143,750,000 | DISH Network Corp., 3.375%, 8/15/2026 | 131,962,001 |
| | | 145,155,265 |
| | Energy — 0.0% | |
| 43,802,000 | Chesapeake Energy Corp., 5.500%, 9/15/2026(b)(f)(h) | 1,467,367 |
| | Oil Field Services — 0.1% | |
| 9,941,000 | Pioneer Energy Services Corp., 5.000% PIK or 5.000% Cash, 11/15/2025, 144A(a)(b)(c)(d)(j)(k) | 6,103,774 |
| | Pharmaceuticals — 0.0% | |
| 870,000 | BioMarin Pharmaceutical, Inc., 0.599%, 8/01/2024 | 912,937 |

Portfolio of Investments – as of September 30, 2020
Loomis Sayles Strategic Income Fund – (continued)

| Principal Amount (\$) | Description | Value (t) |
|--|---|----------------------|
| Pharmaceuticals — continued | | |
| \$ 715,000 | BioMarin Pharmaceutical, Inc., 1.250%, 5/15/2027, 144A | \$ 699,264 |
| | | <u>1,612,201</u> |
| REITs – Diversified — 0.3% | | |
| 14,245,000 | iStar, Inc., 3.125%, 9/15/2022 | 15,150,370 |
| Technology — 2.3% | | |
| 10,415,000 | Booking Holdings, Inc., 0.900%, 9/15/2021 | 11,082,650 |
| 1,380,000 | Evolut Health, Inc., 3.500%, 12/01/2024, 144A | 1,352,400 |
| 23,135,000 | Nuance Communications, Inc., 1.000%, 12/15/2035 | 33,833,549 |
| 9,670,000 | Nuance Communications, Inc., 1.250%, 4/01/2025 | 17,222,560 |
| 34,500,000 | Nuance Communications, Inc., 1.500%, 11/01/2035 | 56,708,257 |
| 17,000,000 | Western Digital Corp., 1.500%, 2/01/2024 | 16,139,728 |
| | | <u>136,339,144</u> |
| | Total Convertible Bonds (Identified Cost \$315,096,985) | <u>305,828,121</u> |
| Municipals — 1.6% | | |
| Illinois — 0.3% | | |
| 17,570,000 | State of Illinois, 5.100%, 6/01/2033 | 17,756,066 |
| Michigan — 0.1% | | |
| 8,145,000 | Michigan Tobacco Settlement Finance Authority, Series A, 7.309%, 6/01/2034 | 8,318,488 |
| Virginia — 1.2% | | |
| 68,005,000 | Tobacco Settlement Financing Corp., Series A-1, 6.706%, 6/01/2046 | 70,190,001 |
| | Total Municipals (Identified Cost \$90,526,284) | <u>96,264,555</u> |
| | Total Bonds and Notes (Identified Cost \$5,550,218,494) | <u>5,075,383,589</u> |
| Senior Loans — 0.2% | | |
| Construction Machinery — 0.2% | | |
| 21,276,992 | Onsite Rental Group Pty Ltd., Note, 6.100%, 10/26/2023(a)(b)(c)(d) | 11,064,036 |
| Technology — 0.0% | | |
| 9,507,380 | IQOR U.S., Inc., 2nd Lien Term Loan, Zero Coupon, 4/01/2022(b)(f)(h) | 199,655 |
| | Total Senior Loans (Identified Cost \$27,439,348) | <u>11,263,691</u> |
| Shares | | |
| Common Stocks — 11.4% | | |
| Chemicals — 0.1% | | |
| 664,252 | Hexion Holdings Corp., Class B(e) | 6,601,336 |
| Diversified Telecommunication Services — 3.7% | | |
| 7,868,481 | AT&T, Inc. | 224,330,393 |

See accompanying notes to financial statements.

Portfolio of Investments – as of September 30, 2020
Loomis Sayles Strategic Income Fund – (continued)

| Shares | Description | Value (t) |
|------------|---|---------------|
| | Electronic Equipment, Instruments & Components — 1.4% | |
| 2,575,992 | Corning, Inc. | \$ 83,487,901 |
| | Media — 0.1% | |
| 2,500,188 | Clear Channel Outdoor Holdings, Inc.(e) | 2,500,188 |
| 279,162 | iHeartMedia, Inc., Class A(e) | 2,266,796 |
| | | 4,766,984 |
| | Oil Field Services — 0.0% | |
| 60,638 | Pioneer Energy Services Corp.(a)(b)(c)(d)(e)(k) | — |
| | Oil, Gas & Consumable Fuels — 0.2% | |
| 9,229 | Battalion Oil Corp.(e) | 72,909 |
| 4,231 | Chesapeake Energy Corp.(e) | 17,220 |
| 5,886 | Frontera Energy Corp. | 9,416 |
| 156,902 | Paragon Offshore Ltd., Litigation Units, Class A(a)(b)(c)(d)(e) | — |
| 225,503 | Paragon Offshore Ltd., Litigation Units, Class B(d)(e) | 1,127,515 |
| 1,514 | Southcross Holdings Group LLC(d)(e) | — |
| 1,514 | Southcross Holdings LP, Class A(a)(b)(c)(d) | 100,378 |
| 758,261 | Whiting Petroleum Corp.(e) | 13,110,341 |
| | | 14,437,779 |
| | Pharmaceuticals — 5.6% | |
| 5,651,190 | Bristol-Myers Squibb Co. | 340,710,245 |
| | REITs – Diversified — 0.3% | |
| 1,341,478 | iStar, Inc. | 15,842,855 |
| | Specialty Retail — 0.0% | |
| 11,662,687 | Onsite Rental Group Pty Ltd.(a)(b)(c)(d)(e) | — |
| | Total Common Stocks (Identified Cost \$648,407,582) | 690,177,493 |
| | Preferred Stocks — 0.6% | |
| | Convertible Preferred Stocks — 0.4% | |
| | Banking — 0.2% | |
| 8,447 | Bank of America Corp., Series L, 7.250% | 12,569,136 |
| | Communications — 0.0% | |
| 3,704 | Cincinnati Bell, Inc., Series B, 6.750% | 179,644 |
| | Energy — 0.0% | |
| 172,972 | Chesapeake Energy Corp., 4.500%(a)(b)(c)(e) | — |
| 240,916 | Chesapeake Energy Corp., 5.000%(a)(b)(c)(e) | — |
| 6,017 | Chesapeake Energy Corp., 5.750%(a)(b)(c)(e) | — |
| 43,178 | Chesapeake Energy Corp., 5.750%, 144A(a)(b)(c)(e) | — |
| 32,522 | Chesapeake Energy Corp., 5.750%, 144A(a)(b)(c)(e) | — |
| 23,928 | Chesapeake Energy Corp., 5.750%(a)(b)(c)(e) | — |
| | | — |
| | Midstream — 0.2% | |
| 242,297 | El Paso Energy Capital Trust I, 4.750% | 11,332,230 |
| | Total Convertible Preferred Stocks (Identified Cost \$139,645,703) | 24,081,010 |

Portfolio of Investments – as of September 30, 2020
Loomis Sayles Strategic Income Fund – (continued)

| Shares | Description | Value (t) |
|--|---|------------------|
| Non-Convertible Preferred Stocks — 0.2% | | |
| Finance Companies — 0.0% | | |
| 10,425 | iStar, Inc., Series G, 7.650% | \$ 254,161 |
| Home Construction — 0.0% | | |
| 208,246 | Hovnanian Enterprises, Inc., 7.625%(e) | 1,478,547 |
| REITs – Office Property — 0.0% | | |
| 1,596 | Highwoods Properties, Inc., Series A, 8.625% | 1,995,000 |
| REITs – Warehouse/Industrials — 0.2% | | |
| 116,192 | Prologis, Inc., Series Q, 8.540% | 9,138,501 |
| | Total Non-Convertible Preferred Stocks (Identified Cost \$8,540,569) | 12,866,209 |
| | Total Preferred Stocks (Identified Cost \$148,186,272) | 36,947,219 |
| Closed-End Investment Companies — 0.0% | | |
| 170,282 | NexPoint Strategic Opportunities Fund (Identified Cost \$10,230,310) | 1,474,642 |
| Warrants — 0.1% | | |
| 751,946 | iHeartMedia, Inc., Expiration on 5/1/2039(e) (Identified Cost \$18,045,316) | 5,921,575 |
| Principal Amount (‡) | | |
| Short-Term Investments — 2.8% | | |
| 10,070,157,559 | Central Bank of Iceland, 0.000%, (ISK)(g)(l) | 72,790,181 |
| 8,564,757 | Tri-Party Repurchase Agreement with Fixed Income Clearing Corporation, dated 9/30/2020 at 0.000% to be repurchased at \$8,564,757 on 10/01/2020 collateralized by \$8,736,800 U.S. Treasury Note, 0.250% due 9/30/2025 valued at \$8,736,119 including accrued interest (Note 2 of Notes to Financial Statements) | 8,564,757 |
| 90,000,000 | U.S. Treasury Bills, 0.096%, 11/27/2020(m) | 89,986,462 |
| | Total Short-Term Investments (Identified Cost \$180,515,570) | 171,341,400 |
| | Total Investments — 99.0% (Identified Cost \$6,583,042,892) | 5,992,509,609 |
| | Other assets less liabilities — 1.0% | 59,048,442 |
| | Net Assets — 100.0% | \$ 6,051,558,051 |

- (‡) Principal Amount stated in U.S. dollars unless otherwise noted.
(†) See Note 2 of Notes to Financial Statements.
(††) Amount shown represents units. One unit represents a principal amount of 25.
(†††) Amount shown represents units. One unit represents a principal amount of 100.

Portfolio of Investments – as of September 30, 2020

Loomis Sayles Strategic Income Fund – (continued)

- (a) Level 3 security. Value has been determined using significant unobservable inputs. See Note 3 of Notes to Financial Statements.
- (b) Illiquid security. (Unaudited)
- (c) Fair valued by the Fund's adviser. At September 30, 2020, the value of these securities amounted to \$26,283,040 or 0.4% of net assets. See Note 2 of Notes to Financial Statements.
- (d) Securities subject to restriction on resale. At September 30, 2020, the restricted securities held by the Fund are as follows:

| | Acquisition Date | Acquisition Cost | Value | % of Net Assets |
|--|------------------|------------------|--------------|-----------------|
| GCA2014 Holdings Ltd., Series 2014-1, Class C | 12/18/2014 | \$23,214,946 | \$ 7,819,722 | 0.1% |
| GCA2014 Holdings Ltd., Series 2014-1, Class D | 12/18/2014 | 10,440,551 | 1,195,130 | Less than 0.1% |
| GCA2014 Holdings Ltd., Series 2014-1, Class E | 12/18/2014 | 32,732,982 | — | — |
| Onsite Rental Group Pty Ltd. | 10/26/2017 | — | — | — |
| Onsite Rental Group Pty Ltd., Note | 10/26/2017 | 15,532,204 | 11,064,036 | 0.2% |
| Paragon Offshore Ltd., Litigation Units, Class A | 7/18/2017 | 1,167,146 | — | — |
| Paragon Offshore Ltd., Litigation Units, Class B | 7/18/2017 | 22,768,653 | 1,127,515 | Less than 0.1% |
| Pioneer Energy Services Corp., 5.000% PIK or 5.000% Cash | 5/29/2020 | 9,205,000 | 6,103,774 | 0.1% |
| Pioneer Energy Services Corp. | 5/29/2020 | 17,677,239 | — | — |
| Southcross Holdings Group LLC | 4/29/2016 | — | — | — |
| Southcross Holdings LP, Class A | 4/29/2016 | 2,215,133 | 100,378 | Less than 0.1% |

- (e) Non-income producing security.
- (f) Securities classified as fair valued pursuant to the Fund's pricing policies and procedures. At September 30, 2020, the value of these securities amounted to \$67,661,488 or 1.1% of net assets.
- (g) Variable rate security. Rate as of September 30, 2020 is disclosed.
- (h) The issuer is in default with respect to interest and/or principal payments. Income is not being accrued.
- (i) Perpetual bond with no specified maturity date.
- (j) Payment-in-kind security for which the issuer, at each interest payment date, may make interest payments in cash and/or additional principal. No payments were received during the period.
- (k) Affiliated issuer. See Note 5h for a summary of transactions in securities of affiliated issuers.
- (l) Security callable by issuer at any time. No specified maturity date.
- (m) Interest rate represents discount rate at time of purchase; not a coupon rate.

144A All or a portion of these securities are exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2020, the value of Rule 144A holdings amounted to \$890,327,840 or 14.7% of net assets.

| | |
|-------|--|
| ABS | Asset-Backed Securities |
| EMTN | Euro Medium Term Note |
| GMTN | Global Medium Term Note |
| LIBOR | London Interbank Offered Rate |
| MBIA | Municipal Bond Investors Assurance Corp. |
| MTN | Medium Term Note |
| PIK | Payment-in-Kind |
| REITs | Real Estate Investment Trusts |

Portfolio of Investments – as of September 30, 2020

Loomis Sayles Strategic Income Fund – (continued)

| | |
|-----|--------------------|
| AUD | Australian Dollar |
| BRL | Brazilian Real |
| CAD | Canadian Dollar |
| ISK | Icelandic Krona |
| MXN | Mexican Peso |
| NOK | Norwegian Krone |
| NZD | New Zealand Dollar |

Industry Summary at September 30, 2020

| | |
|--|---------------|
| Treasuries | 31.1% |
| Banking | 6.1 |
| Healthcare | 5.7 |
| Pharmaceuticals | 5.6 |
| Finance Companies | 5.4 |
| Diversified Telecommunication Services | 3.7 |
| Cable Satellite | 3.5 |
| Technology | 3.2 |
| Independent Energy | 3.1 |
| Automotive | 2.8 |
| Wirelines | 2.6 |
| Aerospace & Defense | 2.0 |
| Other Investments, less than 2% each | 21.4 |
| Short-Term Investments | 2.8 |
| Closed-End Investment Companies | 0.0* |
| Total Investments | <u>99.0</u> |
| Other assets less liabilities | <u>1.0</u> |
| Net Assets | <u>100.0%</u> |

* Less than 0.1%

Currency Exposure Summary at September 30, 2020

| | |
|-------------------------------|---------------|
| United States Dollar | 82.7% |
| Mexican Peso | 6.6 |
| Australian Dollar | 3.5 |
| New Zealand Dollar | 2.0 |
| Other, less than 2% each | 4.2 |
| Total Investments | <u>99.0</u> |
| Other assets less liabilities | <u>1.0</u> |
| Net Assets | <u>100.0%</u> |

Statements of Assets and Liabilities

September 30, 2020

| | Growth Fund | Strategic Income Fund |
|---|-------------------------|----------------------------------|
| ASSETS | | |
| Unaffiliated investments at cost | \$ 6,594,078,540 | \$6,556,121,937 |
| Affiliated investments at cost | — | 26,920,955 |
| Net unrealized appreciation (depreciation) on unaffiliated investments | 4,902,271,265 | (569,716,102) |
| Net unrealized appreciation (depreciation) on affiliated investments | — | (20,817,181) |
| Investments at value | <u>11,496,349,805</u> | <u>5,992,509,609</u> |
| Cash | — | 267,540 |
| Foreign currency at value (identified cost \$0 and \$3,296,470, respectively) | — | 3,312,655 |
| Receivable for Fund shares sold | 32,581,868 | 2,889,813 |
| Receivable for securities sold | 1,446,634 | — |
| Dividends and interest receivable | 2,936,897 | 65,194,887 |
| Tax reclaims receivable | 5,736,923 | 237 |
| Prepaid expenses (Note 7) | <u>1,132</u> | <u>789</u> |
| TOTAL ASSETS | <u>11,539,053,259</u> | <u>6,064,175,530</u> |
| LIABILITIES | | |
| Payable for securities purchased | 21,973,872 | — |
| Payable for Fund shares redeemed | 10,788,383 | 7,305,585 |
| Management fees payable (Note 5) | 4,682,428 | 2,861,654 |
| Deferred Trustees' fees (Note 5) | 607,592 | 1,813,875 |
| Administrative fees payable (Note 5) | 409,367 | 220,276 |
| Payable to distributor (Note 5d) | 100,143 | 57,871 |
| Other accounts payable and accrued expenses | <u>466,673</u> | <u>358,218</u> |
| TOTAL LIABILITIES | <u>39,028,458</u> | <u>12,617,479</u> |
| NET ASSETS | <u>\$11,500,024,801</u> | <u>\$6,051,558,051</u> |
| NET ASSETS CONSIST OF: | | |
| Paid-in capital | \$ 6,104,534,174 | \$6,812,829,394 |
| Accumulated earnings (loss) | <u>5,395,490,627</u> | <u>(761,271,343)</u> |
| NET ASSETS | <u>\$11,500,024,801</u> | <u>\$6,051,558,051</u> |

Statements of Assets and Liabilities (continued)

September 30, 2020

| | Growth Fund | Strategic Income Fund |
|---|-----------------|--------------------------|
| COMPUTATION OF NET ASSET VALUE AND OFFERING PRICE: | | |
| Class A shares: | | |
| Net assets | \$1,477,914,957 | \$1,683,547,306 |
| Shares of beneficial interest | 71,326,181 | 123,957,551 |
| Net asset value and redemption price per share | \$ 20.72 | \$ 13.58 |
| Offering price per share (100/[100-maximum sales charge] of net asset value) (Note 1) | \$ 21.98 | \$ 14.18 |
| Class C shares: (redemption price per share is equal to net asset value less any applicable contingent deferred sales charge) (Note 1) | | |
| Net assets | \$ 128,763,816 | \$ 277,896,478 |
| Shares of beneficial interest | 6,899,693 | 20,248,252 |
| Net asset value and offering price per share | \$ 18.66 | \$ 13.72 |
| Class N shares: | | |
| Net assets | \$ 579,571,444 | \$ 212,804,125 |
| Shares of beneficial interest | 26,040,450 | 15,685,977 |
| Net asset value, offering and redemption price per share | \$ 22.26 | \$ 13.57 |
| Class Y shares: | | |
| Net assets | \$9,313,774,584 | \$3,774,113,026 |
| Shares of beneficial interest | 418,485,106 | 278,235,702 |
| Net asset value, offering and redemption price per share | \$ 22.26 | \$ 13.56 |
| Admin Class shares: | | |
| Net assets | \$ — | \$ 103,197,116 |
| Shares of beneficial interest | — | 7,625,944 |
| Net asset value, offering and redemption price per share | \$ — | \$ 13.53 |

Statements of Operations

For the Year Ended September 30, 2020

| | <u>Growth Fund</u> | <u>Strategic Income Fund</u> |
|---|------------------------|----------------------------------|
| INVESTMENT INCOME | | |
| Dividends | \$ 95,387,464 | \$ 34,983,468 |
| Interest from unaffiliated investments | 467,385 | 251,044,579 |
| Interest from affiliated investments (Note 5) | — | 441,094 |
| Less net foreign taxes withheld | (4,518,184) | (430,452) |
| | <u>91,336,665</u> | <u>286,038,689</u> |
| Expenses | | |
| Management fees (Note 5) | 49,236,330 | 36,847,870 |
| Service and distribution fees (Note 5) | 4,544,100 | 9,532,359 |
| Administrative fees (Note 5) | 4,349,704 | 2,869,683 |
| Trustees' fees and expenses (Note 5) | 447,675 | 463,045 |
| Transfer agent fees and expenses (Notes 5 and 6) | 7,836,995 | 5,217,792 |
| Audit and tax services fees | 41,659 | 63,555 |
| Custodian fees and expenses | 459,500 | 324,017 |
| Legal fees (Note 7) | 233,660 | 159,823 |
| Registration fees | 272,179 | 176,399 |
| Shareholder reporting expenses | 405,271 | 300,076 |
| Miscellaneous expenses (Note 7) | 264,045 | 212,464 |
| Total expenses | <u>68,091,118</u> | <u>56,167,083</u> |
| Net investment income | <u>23,245,547</u> | <u>229,871,606</u> |
| NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND FOREIGN CURRENCY TRANSACTIONS | | |
| Net realized gain (loss) on: | | |
| Unaffiliated investments | 534,694,084 | (85,265,323) |
| Affiliated investments (Note 5) | — | (13,528,848) |
| Foreign currency transactions (Note 2c) | — | (1,837,713) |
| Net change in unrealized appreciation (depreciation) on: | | |
| Unaffiliated investments | 2,336,956,869 | (188,843,675) |
| Affiliated investments (Note 5) | — | (11,115,666) |
| Foreign currency translations (Note 2c) | — | 498,421 |
| Net realized and unrealized gain (loss) on investments and foreign currency transactions | <u>2,871,650,953</u> | <u>(300,092,804)</u> |
| NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS | <u>\$2,894,896,500</u> | <u>\$ (70,221,198)</u> |

Statements of Changes in Net Assets

| | Growth Fund | | Strategic Income Fund | |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | Year Ended September 30, 2020 | Year Ended September 30, 2019 | Year Ended September 30, 2020 | Year Ended September 30, 2019 |
| FROM OPERATIONS: | | | | |
| Net investment income | \$ 23,245,547 | \$ 46,632,228 | \$ 229,871,606 | \$ 312,461,598 |
| Net realized gain (loss) on investments and foreign currency transactions | 534,694,084 | 210,199,000 | (100,631,884) | (25,505,488) |
| Net change in unrealized appreciation (depreciation) on investments and foreign currency translations | 2,336,956,869 | 177,218,567 | (199,460,920) | (96,424,261) |
| Net increase (decrease) in net assets resulting from operations | 2,894,896,500 | 434,049,795 | (70,221,198) | 190,531,849 |
| FROM DISTRIBUTIONS TO SHAREHOLDERS: | | | | |
| Class A | (35,045,986) | (51,082,626) | (60,755,051) | (71,533,316) |
| Class C | (3,210,189) | (6,370,291) | (12,091,933) | (27,624,605) |
| Class N | (16,996,001) | (29,366,126) | (7,404,708) | (8,091,999) |
| Class Y | (197,277,542) | (317,599,223) | (150,040,710) | (189,621,495) |
| Admin Class | — | — | (3,669,167) | (4,619,879) |
| Total distributions | (252,529,718) | (404,418,266) | (233,961,569) | (301,491,294) |
| NET INCREASE (DECREASE) IN NET ASSETS FROM CAPITAL SHARE TRANSACTIONS (NOTE 10) | | | | |
| | 26,641,271 | (34,793,401) | (797,576,770) | (1,303,567,589) |
| Net increase (decrease) in net assets | 2,669,008,053 | (5,161,872) | (1,101,759,537) | (1,414,527,034) |
| NET ASSETS | | | | |
| Beginning of the year | 8,831,016,748 | 8,836,178,620 | 7,153,317,588 | 8,567,844,622 |
| End of the year | <u>\$11,500,024,801</u> | <u>\$8,831,016,748</u> | <u>\$ 6,051,558,051</u> | <u>\$ 7,153,317,588</u> |

Financial Highlights

For a share outstanding throughout each period.

| | Growth Fund—Class A | | | | |
|--|--|--|--|--|--|
| | Year Ended September 30, 2020 | Year Ended September 30, 2019 | Year Ended September 30, 2018 | Year Ended September 30, 2017 | Year Ended September 30, 2016 |
| Net asset value, beginning of the period | \$ 16.02 | \$ 16.05 | \$ 14.04 | \$ 11.96 | \$ 9.90 |
| INCOME (LOSS) FROM INVESTMENT OPERATIONS: | | | | | |
| Net investment income(a) | 0.01 | 0.05 | 0.06 | 0.06 | 0.06 |
| Net realized and unrealized gain (loss) | 5.14 | 0.71 | 2.29 | 2.18 | 2.05 |
| Total from Investment Operations | 5.15 | 0.76 | 2.35 | 2.24 | 2.11 |
| LESS DISTRIBUTIONS FROM: | | | | | |
| Net investment income | (0.05) | (0.05) | (0.05) | (0.05) | (0.05) |
| Net realized capital gains | (0.40) | (0.74) | (0.29) | (0.11) | — |
| Total Distributions | (0.45) | (0.79) | (0.34) | (0.16) | (0.05) |
| Net asset value, end of the period | \$ 20.72 | \$ 16.02 | \$ 16.05 | \$ 14.04 | \$ 11.96 |
| Total return(b) | 32.80% | 5.81% | 16.98% | 18.99% | 21.32% |
| RATIOS TO AVERAGE NET ASSETS: | | | | | |
| Net assets, end of the period (000's) | \$1,477,915 | \$1,250,030 | \$1,083,362 | \$983,047 | \$729,989 |
| Net expenses | 0.90% | 0.91% | 0.90% | 0.91% | 0.92% |
| Gross expenses | 0.90% | 0.91% | 0.90% | 0.91% | 0.92% |
| Net investment income | 0.04% | 0.35% | 0.39% | 0.45% | 0.58% |
| Portfolio turnover rate | 19% | 7% | 11% | 8% | 11% |

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

(b) A sales charge for Class A shares is not reflected in total return calculations.

Financial Highlights (continued)

For a share outstanding throughout each period.

| | Growth Fund—Class C | | | | |
|--|--|--|--|--|--|
| | Year Ended September 30, 2020 | Year Ended September 30, 2019 | Year Ended September 30, 2018 | Year Ended September 30, 2017 | Year Ended September 30, 2016 |
| Net asset value, beginning of the period | \$ 14.53 | \$ 14.68 | \$ 12.92 | \$ 11.06 | \$ 9.18 |
| INCOME (LOSS) FROM INVESTMENT OPERATIONS: | | | | | |
| Net investment loss(a) | (0.11) | (0.06) | (0.05) | (0.03) | (0.02) |
| Net realized and unrealized gain (loss) | 4.64 | 0.65 | 2.10 | 2.00 | 1.90 |
| Total from Investment Operations | 4.53 | 0.59 | 2.05 | 1.97 | 1.88 |
| LESS DISTRIBUTIONS FROM: | | | | | |
| Net realized capital gains | (0.40) | (0.74) | (0.29) | (0.11) | — |
| Net asset value, end of the period | \$ 18.66 | \$ 14.53 | \$ 14.68 | \$ 12.92 | \$ 11.06 |
| Total return(b) | 31.76% | 5.05% | 16.09% | 18.03% | 20.48% |
| RATIOS TO AVERAGE NET ASSETS: | | | | | |
| Net assets, end of the period (000's) | \$128,764 | \$120,493 | \$130,133 | \$133,329 | \$109,798 |
| Net expenses | 1.65% | 1.66% | 1.65% | 1.66% | 1.66% |
| Gross expenses | 1.65% | 1.66% | 1.65% | 1.66% | 1.66% |
| Net investment loss | (0.71)% | (0.39)% | (0.36)% | (0.29)% | (0.16)% |
| Portfolio turnover rate | 19% | 7% | 11% | 8% | 11% |

(a) Per share net investment loss has been calculated using the average shares outstanding during the period.

(b) A contingent deferred sales charge for Class C shares is not reflected in total return calculations.

Financial Highlights (continued)

For a share outstanding throughout each period.

| | Growth Fund—Class N | | | | |
|--|--|--|--|--|--|
| | Year Ended September 30, 2020 | Year Ended September 30, 2019 | Year Ended September 30, 2018 | Year Ended September 30, 2017 | Year Ended September 30, 2016 |
| Net asset value, beginning of the period | \$ 17.17 | \$ 17.15 | \$ 14.97 | \$ 12.73 | \$ 10.52 |
| INCOME (LOSS) FROM INVESTMENT OPERATIONS: | | | | | |
| Net investment income(a) | 0.07 | 0.11 | 0.12 | 0.11 | 0.10 |
| Net realized and unrealized gain (loss) | 5.53 | 0.76 | 2.44 | 2.32 | 2.18 |
| Total from Investment Operations | 5.60 | 0.87 | 2.56 | 2.43 | 2.28 |
| LESS DISTRIBUTIONS FROM: | | | | | |
| Net investment income | (0.11) | (0.11) | (0.09) | (0.08) | (0.07) |
| Net realized capital gains | (0.40) | (0.74) | (0.29) | (0.11) | — |
| Total Distributions | (0.51) | (0.85) | (0.38) | (0.19) | (0.07) |
| Net asset value, end of the period | \$ 22.26 | \$ 17.17 | \$ 17.15 | \$ 14.97 | \$ 12.73 |
| Total return | 33.26% | 6.14% | 17.40%(b) | 19.39%(b) | 21.75% |
| RATIOS TO AVERAGE NET ASSETS: | | | | | |
| Net assets, end of the period (000's) | \$579,571 | \$442,787 | \$1,001,688 | \$341,160 | \$60,765 |
| Net expenses | 0.57% | 0.56% | 0.57%(c) | 0.57%(c) | 0.58% |
| Gross expenses | 0.57% | 0.56% | 0.58% | 0.58% | 0.58% |
| Net investment income | 0.38% | 0.69% | 0.73% | 0.80% | 0.82% |
| Portfolio turnover rate | 19% | 7% | 11% | 8% | 11% |

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

(b) Had certain expenses not been waived/reimbursed during the period, total returns would have been lower.

(c) The investment adviser agreed to waive its fees and/or reimburse a portion of the Fund's expenses during the period. Without this waiver/reimbursement, expenses would have been higher.

Financial Highlights (continued)

For a share outstanding throughout each period.

| | Growth Fund—Class Y | | | | |
|--|--|--|--|--|--|
| | Year Ended September 30, 2020 | Year Ended September 30, 2019 | Year Ended September 30, 2018 | Year Ended September 30, 2017 | Year Ended September 30, 2016 |
| Net asset value, beginning of the period | \$ 17.17 | \$ 17.14 | \$ 14.97 | \$ 12.73 | \$ 10.53 |
| INCOME (LOSS) FROM INVESTMENT OPERATIONS: | | | | | |
| Net investment income(a) | 0.05 | 0.10 | 0.10 | 0.09 | 0.10 |
| Net realized and unrealized gain (loss) | 5.53 | 0.77 | 2.44 | 2.33 | 2.16 |
| Total from Investment Operations | 5.58 | 0.87 | 2.54 | 2.42 | 2.26 |
| LESS DISTRIBUTIONS FROM: | | | | | |
| Net investment income | (0.09) | (0.10) | (0.08) | (0.07) | (0.06) |
| Net realized capital gains | (0.40) | (0.74) | (0.29) | (0.11) | — |
| Total Distributions | (0.49) | (0.84) | (0.37) | (0.18) | (0.06) |
| Net asset value, end of the period | \$ 22.26 | \$ 17.17 | \$ 17.14 | \$ 14.97 | \$ 12.73 |
| Total return | 33.15% | 6.09% | 17.25% | 19.31% | 21.55% |
| RATIOS TO AVERAGE NET ASSETS: | | | | | |
| Net assets, end of the period (000's) | \$9,313,775 | \$7,017,707 | \$6,620,996 | \$5,749,576 | \$3,493,961 |
| Net expenses | 0.65% | 0.66% | 0.65% | 0.66% | 0.66% |
| Gross expenses | 0.65% | 0.66% | 0.65% | 0.66% | 0.66% |
| Net investment income | 0.27% | 0.60% | 0.64% | 0.69% | 0.82% |
| Portfolio turnover rate | 19% | 7% | 11% | 8% | 11% |

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

Financial Highlights (continued)

For a share outstanding throughout each period.

| | Strategic Income Fund—Class A | | | | |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | Year Ended September 30, 2020 | Year Ended September 30, 2019 | Year Ended September 30, 2018 | Year Ended September 30, 2017 | Year Ended September 30, 2016 |
| Net asset value, beginning of the period | \$ 14.25 | \$ 14.39 | \$ 14.84 | \$ 14.70 | \$ 14.70 |
| INCOME (LOSS) FROM INVESTMENT OPERATIONS: | | | | | |
| Net investment income(a) | 0.47 | 0.57 | 0.52 | 0.56 | 0.57 |
| Net realized and unrealized gain (loss) | (0.66) | (0.16) | (0.33) | 0.42 | 0.61 |
| Total from Investment Operations | (0.19) | 0.41 | 0.19 | 0.98 | 1.18 |
| LESS DISTRIBUTIONS FROM: | | | | | |
| Net investment income | (0.45) | (0.48) | (0.57) | (0.52) | (0.36) |
| Net realized capital gains | (0.03) | (0.07) | (0.07) | (0.32) | (0.82) |
| Total Distributions | (0.48) | (0.55) | (0.64) | (0.84) | (1.18) |
| Net asset value, end of the period | \$ 13.58 | \$ 14.25 | \$ 14.39 | \$ 14.84 | \$ 14.70 |
| Total return(b) | (1.39)% | 3.02% | 1.34% | 7.01% | 8.72% |
| RATIOS TO AVERAGE NET ASSETS: | | | | | |
| Net assets, end of the period (000's) | \$1,683,547 | \$1,835,813 | \$1,986,300 | \$1,999,385 | \$2,514,770 |
| Net expenses | 0.97%(c) | 0.96% | 0.96% | 0.96% | 0.96% |
| Gross expenses | 0.97% | 0.96% | 0.96% | 0.96% | 0.96% |
| Net investment income | 3.42% | 4.03% | 3.57% | 3.82% | 4.01% |
| Portfolio turnover rate | 30% | 13% | 6% | 11% | 17% |

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

(b) A sales charge for Class A shares is not reflected in total return calculations.

(c) Effective July 1, 2020, the expense limit decreased from 1.25% to 1.00%.

Financial Highlights (continued)

For a share outstanding throughout each period.

| | Strategic Income Fund—Class C | | | | |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | Year Ended September 30, 2020 | Year Ended September 30, 2019 | Year Ended September 30, 2018 | Year Ended September 30, 2017 | Year Ended September 30, 2016 |
| Net asset value, beginning of the period | \$ 14.39 | \$ 14.52 | \$ 14.97 | \$ 14.81 | \$ 14.80 |
| INCOME (LOSS) FROM INVESTMENT OPERATIONS: | | | | | |
| Net investment income(a) | 0.38 | 0.47 | 0.41 | 0.45 | 0.47 |
| Net realized and unrealized gain (loss) | (0.68) | (0.16) | (0.33) | 0.44 | 0.61 |
| Total from Investment Operations | (0.30) | 0.31 | 0.08 | 0.89 | 1.08 |
| LESS DISTRIBUTIONS FROM: | | | | | |
| Net investment income | (0.34) | (0.37) | (0.46) | (0.41) | (0.25) |
| Net realized capital gains | (0.03) | (0.07) | (0.07) | (0.32) | (0.82) |
| Total Distributions | (0.37) | (0.44) | (0.53) | (0.73) | (1.07) |
| Net asset value, end of the period | \$ 13.72 | \$ 14.39 | \$ 14.52 | \$ 14.97 | \$ 14.81 |
| Total return(b) | (2.18)% | 2.27% | 0.60% | 6.20% | 7.91% |
| RATIOS TO AVERAGE NET ASSETS: | | | | | |
| Net assets, end of the period (000's) | \$277,896 | \$676,602 | \$1,153,853 | \$2,248,939 | \$3,433,204 |
| Net expenses | 1.72%(c) | 1.71% | 1.71% | 1.71% | 1.71% |
| Gross expenses | 1.72% | 1.71% | 1.71% | 1.71% | 1.71% |
| Net investment income | 2.75% | 3.30% | 2.79% | 3.08% | 3.26% |
| Portfolio turnover rate | 30% | 13% | 6% | 11% | 17% |

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

(b) A contingent deferred sales charge for Class C shares is not reflected in total return calculations.

(c) Effective July 1, 2020, the expense limit decreased from 2.00% to 1.75%.

Financial Highlights (continued)

For a share outstanding throughout each period.

| | Strategic Income Fund—Class N | | | | |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | Year Ended September 30, 2020 | Year Ended September 30, 2019 | Year Ended September 30, 2018 | Year Ended September 30, 2017 | Year Ended September 30, 2016 |
| Net asset value, beginning of the period | \$ 14.24 | \$ 14.38 | \$ 14.83 | \$ 14.69 | \$ 14.69 |
| INCOME (LOSS) FROM INVESTMENT OPERATIONS: | | | | | |
| Net investment income(a) | 0.52 | 0.61 | 0.56 | 0.60 | 0.61 |
| Net realized and unrealized gain (loss) | (0.66) | (0.16) | (0.32) | 0.43 | 0.62 |
| Total from Investment Operations | (0.14) | 0.45 | 0.24 | 1.03 | 1.23 |
| LESS DISTRIBUTIONS FROM: | | | | | |
| Net investment income | (0.50) | (0.52) | (0.62) | (0.57) | (0.41) |
| Net realized capital gains | (0.03) | (0.07) | (0.07) | (0.32) | (0.82) |
| Total Distributions | (0.53) | (0.59) | (0.69) | (0.89) | (1.23) |
| Net asset value, end of the period | \$ 13.57 | \$ 14.24 | \$ 14.38 | \$ 14.83 | \$ 14.69 |
| Total return | (1.06)% | 3.37% | 1.67% | 7.38% | 9.09% |
| RATIOS TO AVERAGE NET ASSETS: | | | | | |
| Net assets, end of the period (000's) | \$212,804 | \$202,989 | \$176,456 | \$141,695 | \$130,637 |
| Net expenses | 0.64%(b) | 0.63% | 0.63% | 0.63% | 0.63% |
| Gross expenses | 0.64% | 0.63% | 0.63% | 0.63% | 0.63% |
| Net investment income | 3.77% | 4.36% | 3.91% | 4.13% | 4.34% |
| Portfolio turnover rate | 30% | 13% | 6% | 11% | 17% |

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

(b) Effective July 1, 2020, the expense limit decreased from 0.95% to 0.70%.

Financial Highlights (continued)

For a share outstanding throughout each period.

| | Strategic Income Fund—Class Y | | | | |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | Year Ended September 30, 2020 | Year Ended September 30, 2019 | Year Ended September 30, 2018 | Year Ended September 30, 2017 | Year Ended September 30, 2016 |
| Net asset value, beginning of the period | \$ 14.23 | \$ 14.38 | \$ 14.83 | \$ 14.69 | \$ 14.69 |
| INCOME (LOSS) FROM INVESTMENT OPERATIONS: | | | | | |
| Net investment income(a) | 0.51 | 0.60 | 0.55 | 0.59 | 0.61 |
| Net realized and unrealized gain (loss) | (0.66) | (0.17) | (0.32) | 0.43 | 0.61 |
| Total from Investment Operations | (0.15) | 0.43 | 0.23 | 1.02 | 1.22 |
| LESS DISTRIBUTIONS FROM: | | | | | |
| Net investment income | (0.49) | (0.51) | (0.61) | (0.56) | (0.40) |
| Net realized capital gains | (0.03) | (0.07) | (0.07) | (0.32) | (0.82) |
| Total Distributions | (0.52) | (0.58) | (0.68) | (0.88) | (1.22) |
| Net asset value, end of the period | \$ 13.56 | \$ 14.23 | \$ 14.38 | \$ 14.83 | \$ 14.69 |
| Total return | (1.14)% | 3.22% | 1.66% | 7.22% | 9.00% |
| RATIOS TO AVERAGE NET ASSETS: | | | | | |
| Net assets, end of the period (000's) | \$3,774,113 | \$4,316,010 | \$5,118,016 | \$5,702,607 | \$5,350,759 |
| Net expenses | 0.72%(b) | 0.71% | 0.71% | 0.71% | 0.71% |
| Gross expenses | 0.72% | 0.71% | 0.71% | 0.71% | 0.71% |
| Net investment income | 3.68% | 4.28% | 3.82% | 4.04% | 4.26% |
| Portfolio turnover rate | 30% | 13% | 6% | 11% | 17% |

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

(b) Effective July 1, 2020, the expense limit decreased from 1.00% to 0.75%.

Financial Highlights (continued)

For a share outstanding throughout each period.

| | Strategic Income Fund—Admin Class | | | | |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | Year Ended September 30, 2020 | Year Ended September 30, 2019 | Year Ended September 30, 2018 | Year Ended September 30, 2017 | Year Ended September 30, 2016 |
| Net asset value, beginning of the period | \$ 14.20 | \$ 14.34 | \$ 14.79 | \$ 14.65 | \$ 14.66 |
| INCOME (LOSS) FROM INVESTMENT OPERATIONS: | | | | | |
| Net investment income(a) | 0.44 | 0.53 | 0.48 | 0.52 | 0.53 |
| Net realized and unrealized gain (loss) | (0.66) | (0.16) | (0.33) | 0.43 | 0.61 |
| Total from Investment Operations | (0.22) | 0.37 | 0.15 | 0.95 | 1.14 |
| LESS DISTRIBUTIONS FROM: | | | | | |
| Net investment income | (0.42) | (0.44) | (0.53) | (0.49) | (0.33) |
| Net realized capital gains | (0.03) | (0.07) | (0.07) | (0.32) | (0.82) |
| Total Distributions | (0.45) | (0.51) | (0.60) | (0.81) | (1.15) |
| Net asset value, end of the period | \$ 13.53 | \$ 14.20 | \$ 14.34 | \$ 14.79 | \$ 14.65 |
| Total return | (1.64)% | 2.78% | 1.09% | 6.79% | 8.42% |
| RATIOS TO AVERAGE NET ASSETS: | | | | | |
| Net assets, end of the period (000's) | \$103,197 | \$121,903 | \$133,220 | \$142,871 | \$143,275 |
| Net expenses | 1.22%(b) | 1.20%(c) | 1.20%(c) | 1.19%(d) | 1.20%(c) |
| Gross expenses | 1.22% | 1.20%(c) | 1.20%(c) | 1.19%(d) | 1.20%(c) |
| Net investment income | 3.19% | 3.80% | 3.33% | 3.57% | 3.76% |
| Portfolio turnover rate | 30% | 13% | 6% | 11% | 17% |

(a) Per share net investment income has been calculated using the average shares outstanding during the period.

(b) Effective July 1, 2020, the expense limit decreased from 1.50% to 1.25%.

(c) Includes refund of prior year service fee of 0.01%.

(d) Includes refund of prior year service fee of 0.02%.

Notes to Financial Statements

September 30, 2020

1. Organization. Loomis Sayles Funds II (the “Trust”) is organized as a Massachusetts business trust. The Trust is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. The Declaration of Trust permits the Board of Trustees to authorize the issuance of an unlimited number of shares of the Trust in multiple series. The financial statements for certain funds of the Trust are presented in separate reports. The following funds (individually, a “Fund” and collectively, the “Funds”) are included in this report:

Loomis Sayles Growth Fund (the “Growth Fund”)

Loomis Sayles Strategic Income Fund (the “Strategic Income Fund”)

Each Fund is a diversified investment company.

Growth Fund was closed to new investors effective April 28, 2017. Growth Fund offers Class A, Class C, Class N, and Class Y shares to defined contribution and defined benefit plans, clients of registered investment advisers and registered representatives trading through intermediary programs/platforms on which the Fund is already available and existing shareholders. Strategic Income Fund offers Class A, Class C, Class N, Class Y and Admin Class shares.

Class A shares are sold with a maximum front-end sales charge of 5.75% for Growth Fund and 4.25% for Strategic Income Fund. Class C shares do not pay a front-end sales charge, pay higher Rule 12b-1 fees than Class A shares for ten years (at which point they automatically convert to Class A shares) and may be subject to a contingent deferred sales charge (“CDSC”) of 1.00% if those shares are redeemed within one year of acquisition, except for reinvested distributions. Class N and Class Y shares do not pay a front-end sales charge, a CDSC or Rule 12b-1 fees. Class N shares are offered with an initial minimum investment of \$1,000,000. Class Y shares are offered with an initial minimum investment of \$100,000. Certain categories of investors are exempted from the minimum investment amounts as outlined in the relevant Funds’ prospectus. Admin Class shares do not pay a front-end sales charge or a CDSC, but do pay a Rule 12b-1 fee. Admin Class shares are offered exclusively through intermediaries.

Most expenses can be directly attributed to a Fund. Expenses which cannot be directly attributed to a Fund are generally apportioned based on the relative net assets of each of the funds in Natixis Funds Trust I, Natixis Funds Trust II, Natixis Funds Trust IV, and Gateway Trust (“Natixis Funds Trusts”), Loomis Sayles Funds I and Loomis Sayles Funds II (“Loomis Sayles Funds Trusts”) and Natixis ETF Trust and Natixis ETF Trust II (“Natixis ETF Trusts”). Expenses of a Fund are borne *pro rata* by the holders of each class of shares, except that each class bears expenses unique to that class (such as the Rule 12b-1 fees applicable to Class A, Class C and Admin Class), and transfer agent fees are borne collectively for Class A, Class C, Class Y, and Admin Class and individually for Class N. In addition, each class votes as a class only with respect to its own Rule 12b-1 Plan. Shares of each class would receive their *pro rata* share of the net

Notes to Financial Statements (continued)

September 30, 2020

assets of the Fund if the Fund were liquidated. The Trustees approve separate distributions from net investment income on each class of shares.

2. Significant Accounting Policies. The following is a summary of significant accounting policies consistently followed by each Fund in the preparation of its financial statements. The Funds' financial statements follow the accounting and reporting guidelines provided for investment companies and are prepared in accordance with accounting principles generally accepted in the United States of America which require the use of management estimates that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. Management has evaluated the events and transactions subsequent to year-end through the date the financial statements were issued and has determined that there were no material events that would require disclosure in the Funds' financial statements.

a. Valuation. Fund securities and other investments are valued at market value based on market quotations obtained or determined by independent pricing services recommended by the adviser and approved by the Board of Trustees. Fund securities and other investments for which market quotations are not readily available are valued at fair value as determined in good faith by the adviser pursuant to procedures approved by the Board of Trustees, as described below. Market value is determined as follows:

Listed equity securities (including shares of closed-end investment companies and exchange-traded funds) are valued at the last sale price quoted on the exchange where they are traded most extensively or, if there is no reported sale during the day, the closing bid quotation as reported by an independent pricing service. Securities traded on the NASDAQ Global Select Market, NASDAQ Global Market and NASDAQ Capital Market are valued at the NASDAQ Official Closing Price ("NOCP"), or if lacking an NOCP, at the most recent bid quotations on the applicable NASDAQ Market. Unlisted equity securities (except unlisted preferred equity securities) are valued at the last sale price quoted in the market where they are traded most extensively or, if there is no reported sale during the day, the closing bid quotation as reported by an independent pricing service. If there is no last sale price or closing bid quotation available, unlisted equity securities will be valued using evaluated bids furnished by an independent pricing service, if available. In some foreign markets, an official close price and a last sale price may be available from the foreign exchange or market. In those cases, the official close price is used. Debt securities and unlisted preferred equity securities are valued based on evaluated bids furnished to the Funds by an independent pricing service or bid prices obtained from broker-dealers. Senior loans are valued at bid prices supplied by an independent pricing service, if available. Broker-dealer bid prices may be used to value debt and unlisted equity securities and senior loans where an independent pricing service is unable to price a security or where an independent pricing service does not provide a reliable price for the security.

Notes to Financial Statements (continued)

September 30, 2020

Fund securities and other investments for which market quotations are not readily available are valued at fair value as determined in good faith by the adviser pursuant to procedures approved by the Board of Trustees. The Funds may also value securities and other investments at fair value in other circumstances such as when extraordinary events occur after the close of a foreign market but prior to the close of the New York Stock Exchange. This may include situations relating to a single issuer (such as a declaration of bankruptcy or a delisting of the issuer's security from the primary market on which it has traded) as well as events affecting the securities markets in general (such as market disruptions or closings and significant fluctuations in U.S. and/or foreign markets). When fair valuing its securities or other investments, the Funds may, among other things, use modeling tools or other processes that may take into account factors such as securities or other market activity and/or significant events that occur after the close of the foreign market and before the time the Fund's net asset value ("NAV") is calculated. Fair value pricing may require subjective determinations about the value of a security, and fair values used to determine a Fund's NAV may differ from quoted or published prices, or from prices that are used by others, for the same securities. In addition, the use of fair value pricing may not always result in adjustments to the prices of securities held by a Fund.

Illiquid securities for which market quotations are readily available and have been evaluated by the adviser are considered and classified as fair valued securities pursuant to the Funds' pricing policies and procedures.

As of September 30, 2020, securities held by Strategic Income Fund were fair valued as follows:

| <u>Securities classified as fair valued</u> | <u>Percentage of Net Assets</u> | <u>Securities fair valued by the Fund's adviser</u> | <u>Percentage of Net Assets</u> |
|---|-------------------------------------|---|-------------------------------------|
| \$67,661,488 | 1.1% | \$26,283,040 | 0.4% |

b. Investment Transactions and Related Investment Income. Investment transactions are accounted for on a trade date plus one day basis for daily NAV calculation. However, for financial reporting purposes, investment transactions are reported on trade date. Dividend income (including income reinvested) and foreign withholding tax, if applicable, is recorded on the ex-dividend date, or in the case of certain foreign securities, as soon as a Fund is notified, and interest income is recorded on an accrual basis. Interest income is increased by the accretion of discount and decreased by the amortization of premium, if applicable. Distributions received from investments in securities that represent a return of capital or capital gain are recorded as a reduction of cost of investments or as a realized gain, respectively. In determining net gain or loss on securities sold, the cost of securities has been determined on an identified cost basis. Investment income, non-class specific expenses and realized and unrealized gains and losses are allocated on a *pro rata* basis to each class based on the relative net assets of each class to the total net assets of the Fund.

Notes to Financial Statements (continued)

September 30, 2020

c. Foreign Currency Translation. The books and records of the Funds are maintained in U.S. dollars. The values of securities, currencies and other assets and liabilities denominated in currencies other than U.S. dollars, if any, are translated into U.S. dollars based upon foreign exchange rates prevailing at the end of the period. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars on the respective dates of such transactions.

Net realized foreign exchange gains or losses arise from sales of foreign currency, changes in exchange rates between the trade and settlement dates on securities transactions and the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the Funds' books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains or losses arise from changes in the value of assets and liabilities, other than investment securities, as of the end of the fiscal period, resulting from changes in exchange rates. Net realized foreign exchange gains or losses and the net change in unrealized foreign exchange gains or losses are disclosed in the Statements of Operations. For federal income tax purposes, net realized foreign exchange gains or losses are characterized as ordinary income and may, if the Funds have net losses, reduce the amount of income available to be distributed by the Funds.

The values of investment securities are presented at the foreign exchange rates prevailing at the end of the period for financial reporting purposes. Net realized and unrealized gains or losses on investments reported in the Statements of Operations reflect gains or losses resulting from changes in exchange rates and fluctuations which arise due to changes in market prices of investment securities. For federal income tax purposes, a portion of the net realized gain or loss on investments arising from changes in exchange rates, which is reflected in the Statements of Operations, may be characterized as ordinary income and may, if the Funds have net losses, reduce the amount of income available to be distributed by the Funds.

For the year ended September 30, 2020, the amount of income available to be distributed by Strategic Income Fund has been reduced by \$29,222,029 as a result of losses arising from changes in exchange rates.

The Funds may use foreign currency exchange contracts to facilitate transactions in foreign-denominated investments. Losses may arise from changes in the value of the foreign currency or if the counterparties do not perform under the contracts' terms.

d. Federal and Foreign Income Taxes. The Trust treats each Fund as a separate entity for federal income tax purposes. Each Fund intends to meet the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies, and to distribute to its shareholders substantially all of its net investment income and any net realized capital gains at least annually. Management has performed an analysis of each Fund's tax positions for the open tax years as of September 30, 2020

Notes to Financial Statements (continued)

September 30, 2020

and has concluded that no provisions for income tax are required. The Funds' federal tax returns for the prior three fiscal years remain subject to examination by the Internal Revenue Service. Management is not aware of any events that are reasonably possible to occur in the next twelve months that would result in the amounts of any unrecognized tax benefits significantly increasing or decreasing for the Funds. However, management's conclusions regarding tax positions taken may be subject to review and adjustment at a later date based on factors including, but not limited to, new tax laws and accounting regulations and interpretations thereof.

A Fund may be subject to foreign withholding taxes on investment income and taxes on capital gains on investments that are accrued and paid based upon the Fund's understanding of the tax rules and regulations that exist in the countries in which the Fund invests. Foreign withholding taxes on dividend and interest income are reflected on the Statements of Operations as a reduction of investment income, net of amounts eligible to be reclaimed. Dividends and interest receivable on the Statements of Assets and Liabilities are net of foreign withholding taxes. Foreign withholding taxes where reclaims have been or will be filed are reflected on the Statements of Assets and Liabilities as tax reclaims receivable. Capital gains taxes paid are included in net realized gain (loss) on investments in the Statements of Operations. Accrued but unpaid capital gains taxes are reflected as foreign taxes payable on the Statements of Assets and Liabilities, if applicable, and reduce unrealized gains on investments. In the event that realized gains on investments are subsequently offset by realized losses, taxes paid on realized gains may be returned to a Fund. Such amounts, if applicable, are reflected as foreign tax rebates receivable on the Statements of Assets and Liabilities and are recorded as a realized gain when received.

e. Dividends and Distributions to Shareholders. Dividends and distributions are recorded on the ex-dividend date. The timing and characterization of certain income and capital gain distributions are determined in accordance with federal tax regulations, which may differ from accounting principles generally accepted in the United States of America. Permanent differences are primarily due to differing treatments for book and tax purposes of items such as distribution redesignations, defaulted and/or non-income producing securities, foreign currency gains and losses, premium amortization, convertible bonds, paydown gains and losses, partnership basis adjustments, corporate actions, contingent payment debt instruments, return of capital distributions received, capital gain distributions received, trust preferred securities and deferred Trustees' fees. Permanent book and tax basis differences relating to shareholder distributions will result in reclassifications to capital accounts reported on the Statements of Assets and Liabilities. Temporary differences between book and tax distributable earnings are primarily due to corporate actions, deferred Trustees' fees, wash sales, premium amortization, return of capital distributions received, trust preferred securities, defaulted and/or non-income producing securities, contingent payment debt instruments, partnership basis adjustments, foreign currency gains and

Notes to Financial Statements (continued)

September 30, 2020

losses, paydown gains and losses, capital gain distributions received and convertible bonds. Amounts of income and capital gain available to be distributed on a tax basis are determined annually, and at other times during the Funds' fiscal year as may be necessary to avoid knowingly declaring and paying a return of capital distribution. Distributions from net investment income and net realized short-term capital gains are reported as distributed from ordinary income for tax purposes.

The tax characterization of distributions is determined on an annual basis. The tax character of distributions paid to shareholders during the years ended September 30, 2020 and 2019 were as follows:

| Fund | 2020 Distributions Paid From: | | | 2019 Distributions Paid From: | | |
|-----------------------------|-------------------------------|----------------------------|---------------|-------------------------------|----------------------------|---------------|
| | Ordinary Income | Long-Term Capital Gains | Total | Ordinary Income | Long-Term Capital Gains | Total |
| Growth Fund | \$ 44,589,045 | \$207,940,673 | \$252,529,718 | \$ 44,783,074 | \$359,635,192 | \$404,418,266 |
| Strategic Income Fund | 222,956,339 | 11,005,230 | 233,961,569 | 263,812,130 | 37,679,164 | 301,491,294 |

Distributions paid to shareholders from net investment income and net realized capital gains, based on accounting principles generally accepted in the United States of America, are consolidated and reported on the Statements of Changes in Net Assets as Distributions to Shareholders. Distributions paid to shareholders from net investment income and net realized capital gains expressed in per-share amounts, based on accounting principles generally accepted in the United States of America, are separately stated and reported within the Financial Highlights.

As of September 30, 2020, the components of distributable earnings on a tax basis were as follows:

| | Growth Fund | Strategic Income Fund |
|--|-----------------|--------------------------|
| Undistributed ordinary income | \$ 24,501,470 | \$ 16,220,290 |
| Undistributed long-term capital gains | 484,020,341 | — |
| Total undistributed earnings | 508,521,811 | 16,220,290 |
| Capital loss carryforward: | | |
| Long-term: | | |
| No expiration date | — | (96,389,024) |
| Unrealized appreciation (depreciation) | 4,887,576,408 | (657,548,126) |
| Total accumulated earnings (losses) | \$5,396,098,219 | \$(737,716,860) |

Notes to Financial Statements (continued)

September 30, 2020

As of September 30, 2020, unrealized appreciation (depreciation) as a component of distributable earnings were as follows:

| | <u>Growth Fund</u> | <u>Strategic Income Fund</u> |
|--|------------------------|----------------------------------|
| Unrealized appreciation (depreciation) | | |
| Investments | \$4,887,576,408 | \$(193,460,877) |
| Foreign currency translations | — | (464,087,249) |
| Total unrealized appreciation (depreciation) | <u>\$4,887,576,408</u> | <u>\$(657,548,126)</u> |

As of September 30, 2020, the tax cost of investments and unrealized appreciation (depreciation) on a federal tax basis were as follows:

| | <u>Growth Fund</u> | <u>Strategic Income Fund</u> |
|-------------------------------------|------------------------|----------------------------------|
| Federal tax cost | <u>\$6,608,773,397</u> | <u>\$ 6,650,144,657</u> |
| Gross tax appreciation | \$5,073,833,434 | \$ 654,391,142 |
| Gross tax depreciation | (186,257,026) | (1,312,026,190) |
| Net tax appreciation (depreciation) | <u>\$4,887,576,408</u> | <u>\$ (657,635,048)</u> |

The difference between these amounts and those reported in the components of distributable earnings are primarily attributable to foreign currency mark-to-market.

f. Senior Loans. Strategic Income Fund may invest in senior loans to corporate, governmental or other borrowers. Senior loans, which include both secured and unsecured loans made by banks and other financial institutions to corporate customers, typically hold the most senior position in a borrower's capital structure, may be secured by the borrower's assets and have interest rates that reset frequently. Senior Loans can include term loans, revolving credit facility loans and second lien loans. A senior loan is often administered by a bank or other financial institution that acts as agent for all holders. The agent administers the terms of the senior loan, as specified in the loan agreement. Large loans may be shared or syndicated among several lenders. The Fund may enter into the primary syndicate for a loan or it may also purchase all or a portion of loans from other lenders (sometimes referred to as loan assignments), in either case becoming a direct lender. Senior loans outstanding at the end of the period are listed in the Fund's Portfolio of Investments.

g. Loan Participations. A Fund's investments in senior loans may be in the form of participations in loans. When investing in a loan participation, a Fund has the right to receive payments of principal, interest and any fees to which it is entitled only from the party from whom the Fund has purchased the participation and only upon receipt by that party of payments from the borrower. A Fund generally has no right to enforce compliance by the borrower with the terms of the loan agreement or to vote on matters

Notes to Financial Statements (continued)

September 30, 2020

arising under the loan agreement. Thus, a Fund may be subject to credit risk from both the party from whom it purchased the loan participation and the borrower. Additionally, a Fund may have minimal control over the terms of any loan modification. Loan participations outstanding at the end of the period, if any, are listed in each applicable Fund's Portfolio of Investments.

There were no loan participations held by the Funds as of September 30, 2020.

h. Repurchase Agreements. Each Fund may enter into repurchase agreements, under the terms of a Master Repurchase Agreement, under which each Fund acquires securities as collateral and agrees to resell the securities at an agreed upon time and at an agreed upon price. It is each Fund's policy that the market value of the collateral for repurchase agreements be at least equal to 102% of the repurchase price, including interest. Certain repurchase agreements are tri-party arrangements whereby the collateral is held in a segregated account for the benefit of the Fund and on behalf of the counterparty. Repurchase agreements could involve certain risks in the event of default or insolvency of the counterparty, including possible delays or restrictions upon a Fund's ability to dispose of the underlying securities. As of September 30, 2020, each Fund, as applicable, had investments in repurchase agreements for which the value of the related collateral exceeded the value of the repurchase agreement. The gross value of repurchase agreements is included in the Statements of Assets and Liabilities for financial reporting purposes.

i. Securities Lending. The Funds have entered into an agreement with State Street Bank and Trust Company ("State Street Bank"), as agent of the Funds, to lend securities to certain designated borrowers. The loans are collateralized with cash or securities in an amount equal to at least 105% or 102% of the market value (including accrued interest) of the loaned international or domestic securities, respectively, when the loan is initiated. Thereafter, the value of the collateral must remain at least 102% of the market value (including accrued interest) of loaned securities for U.S. equities and U.S. corporate debt; at least 105% of the market value (including accrued interest) of loaned securities for non-U.S. equities; and at least 100% of the market value (including accrued interest) of loaned securities for U.S. Government securities, sovereign debt issued by non-U.S. Governments and non-U.S. corporate debt. In the event that the market value of the collateral falls below the required percentages described above, the borrower will deliver additional collateral on the next business day. As with other extensions of credit, the Funds may bear the risk of loss with respect to the investment of the collateral. The Funds invest cash collateral in short-term investments, a portion of the income from which is remitted to the borrowers and the remainder allocated between the Funds and State Street Bank as lending agent.

For the year ended September 30, 2020, neither Fund had loaned securities under this agreement.

Notes to Financial Statements (continued)

September 30, 2020

j. Indemnifications. Under the Trust's organizational documents, its officers and Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Funds. Additionally, in the normal course of business, the Funds enter into contracts with service providers that contain general indemnification clauses. The Funds' maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet occurred. However, based on experience, the Funds expect the risk of loss to be remote.

k. New Accounting Pronouncement. In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework — Changes to the Disclosure Requirements for Fair Value Measurement ("ASU 2018-13"). The update introduces new fair value disclosure requirements, eliminates some prior fair value disclosure requirements, and modifies certain existing fair value disclosure requirements. ASU 2018-13 is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. An entity is permitted to early adopt any eliminated or modified disclosures upon issuance of the update and delay adoption of any new disclosures until the required effective date. Management has evaluated the impact of the adoption of ASU 2018-13 and has determined to early adopt the removal of (i) the amount of and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy and (ii) the policy for timing of transfers between levels. Amended disclosures required and permitted for early adoption by ASU 2018-13 have been incorporated in the Funds' annual financial statements as of September 30, 2020.

In March 2020, the FASB issued Accounting Standard Update 2020-04, Reference Rate Reform (Topic 848) ("ASU 2020-04"). In response to concerns about structural risks of interbank offered rates, and particularly the risk of cessation of the London Interbank Offered Rate ("LIBOR"), which is expected to occur no later than December 31, 2021, regulators have undertaken reference rate reform initiatives to identify alternative reference rates that are more observable or transaction based and less susceptible to manipulation. ASU 2020-04 provides temporary guidance to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform on financial reporting. ASU 2020-04 is elective and applies to all entities, subject to meeting certain criteria, that have contracts that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. ASU 2020-04 amendments offer optional expedients for contract modifications that would allow an entity to account for such modifications by prospectively adjusting the effective interest rate, instead of evaluating each contract, in accordance with existing accounting standards, as to whether reference rate modifications constitute the establishment of new contracts or the continuation of existing contracts. ASU 2020-04 amendments are currently effective and an entity may elect to apply its provisions as of any date from the beginning of an interim period that includes or is subsequent to March 12, 2020. No Fund contracts have yet been impacted by reference rate reform. Management expects to apply the optional expedients when appropriate.

Notes to Financial Statements (continued)

September 30, 2020

3. Fair Value Measurements. In accordance with accounting standards related to fair value measurements and disclosures, the Funds have categorized the inputs utilized in determining the value of each Fund's assets or liabilities. These inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical assets or liabilities;
- Level 2 – prices determined using other significant inputs that are observable either directly, or indirectly through corroboration with observable market data (which could include quoted prices for similar assets or liabilities, interest rates, credit risk, etc.); and
- Level 3 – prices determined using significant unobservable inputs when quoted prices or observable inputs are unavailable such as when there is little or no market activity for an asset or liability (unobservable inputs reflect each Fund's own assumptions in determining the fair value of assets or liabilities and would be based on the best information available).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The Funds' pricing policies and procedures are recommended by the adviser and approved by the Board of Trustees. Debt securities are valued based on evaluated bids furnished to the Funds by an independent pricing service. Broker-dealer bid prices may be used if an independent pricing service either is unable to price a security or does not provide a reliable price for a security. The Funds' adviser may use internally developed models to validate broker-dealer bid prices that are only available from a single broker or market maker. Such securities are considered and classified as fair valued. Broker-dealer bid prices for which the Funds do not have knowledge of the inputs used by the broker-dealer are categorized in Level 3. Securities for which market quotations are not readily available are valued at fair value as determined in good faith by the Funds' adviser pursuant to procedures approved by the Board of Trustees. Fair valued securities may be categorized in Level 3.

The following is a summary of the inputs used to value the Funds' investments as of September 30, 2020, at value:

Growth Fund

Asset Valuation Inputs

| Description | Level 1 | Level 2 | Level 3 | Total |
|------------------------|-------------------------|----------------------|-------------|-------------------------|
| Common Stocks(a) | \$11,388,858,288 | \$ — | \$ — | \$11,388,858,288 |
| Short-Term Investments | — | 107,491,517 | — | 107,491,517 |
| Total | <u>\$11,388,858,288</u> | <u>\$107,491,517</u> | <u>\$ —</u> | <u>\$11,496,349,805</u> |

(a) Details of the major categories of the Fund's investments are reflected within the Portfolio of Investments.

Notes to Financial Statements (continued)

September 30, 2020

Strategic Income Fund

Asset Valuation Inputs

| Description | Level 1 | Level 2 | Level 3 | Total |
|---|--------------------|----------------------|--------------------|----------------------|
| Bonds and Notes | | | | |
| Non-Convertible Bonds | | | | |
| ABS Other | \$ — | \$ — | \$14,229,305(b)(c) | \$ 14,229,305 |
| Finance Companies | 2,344,959 | 323,720,695 | — | 326,065,654 |
| All Other Non-Convertible Bonds(a) | — | 4,332,995,954 | — | 4,332,995,954 |
| Total Non-Convertible Bonds | 2,344,959 | 4,656,716,649 | 14,229,305 | 4,673,290,913 |
| Convertible Bonds | | | | |
| Oil Field Services | — | — | 6,103,774(d) | 6,103,774 |
| All Other Convertible Bonds(a) | — | 299,724,347 | — | 299,724,347 |
| Total Convertible Bonds | — | 299,724,347 | 6,103,774 | 305,828,121 |
| Municipals(a) | — | 96,264,555 | — | 96,264,555 |
| Total Bonds and Notes | 2,344,959 | 5,052,705,551 | 20,333,079 | 5,075,383,589 |
| Senior Loans | | | | |
| Construction Machinery | — | — | 11,064,036(d) | 11,064,036 |
| Technology | — | 199,655 | — | 199,655 |
| Total Senior Loans | — | 199,655 | 11,064,036 | 11,263,691 |
| Common Stocks | | | | |
| Chemicals | — | 6,601,336 | — | 6,601,336 |
| Oil Field Services | — | — | —(c) | — |
| Oil, Gas & Consumable Fuels | 13,209,886 | 1,127,515 | 100,378(c)(d) | 14,437,779 |
| Specialty Retail | — | — | —(c) | — |
| All Other Common Stocks(a) | 669,138,378 | — | — | 669,138,378 |
| Total Common Stocks | 682,348,264 | 7,728,851 | 100,378 | 690,177,493 |
| Preferred Stocks | | | | |
| Convertible Preferred Stocks | | | | |
| Energy | — | — | —(c) | — |
| All Other Convertible Preferred Stocks(a) | 24,081,010 | — | — | 24,081,010 |
| Total Convertible Preferred Stocks | 24,081,010 | — | — | 24,081,010 |
| Non-Convertible Preferred Stocks | | | | |
| REITs - Office Property | — | 1,995,000 | — | 1,995,000 |
| REITs - Warehouse/Industrials | — | 9,138,501 | — | 9,138,501 |
| All Other Non-Convertible Preferred Stocks(a) | 1,732,708 | — | — | 1,732,708 |
| Total Non-Convertible Preferred Stocks | 1,732,708 | 11,133,501 | — | 12,866,209 |
| Total Preferred Stocks | 25,813,718 | 11,133,501 | — | 36,947,219 |

Notes to Financial Statements (continued)

September 30, 2020

Strategic Income Fund (continued)

Asset Valuation Inputs (continued)

| Description | Level 1 | Level 2 | Level 3 | Total |
|---------------------------------|----------------------|------------------------|---------------------|------------------------|
| Closed-End Investment Companies | \$ 1,474,642 | \$ — | \$ — | \$ 1,474,642 |
| Warrants | — | 5,921,575 | — | 5,921,575 |
| Short-Term Investments | — | 171,341,400 | — | 171,341,400 |
| Total | <u>\$711,981,583</u> | <u>\$5,249,030,533</u> | <u>\$31,497,493</u> | <u>\$5,992,509,609</u> |

(a) Details of the major categories of the Fund's investments are reflected within the Portfolio of Investments.

(b) Valued using broker-dealer bid prices (\$5,214,453) or fair valued by the Fund's adviser using a broker-dealer bid price provided by a single market maker (\$9,014,852).

(c) Includes a security fair valued at zero by the Fund's adviser using Level 3 inputs.

(d) Fair valued by the Fund's adviser.

The following is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value as of September 30, 2019 and/or September 30, 2020:

Strategic Income Fund

Asset Valuation Inputs

| | Balance as of September 30, 2019 | Accrued Discounts (Premiums) | Realized Gain (Loss) | Change in Unrealized Appreciation (Depreciation) | Purchases |
|----------------------------------|--|------------------------------------|-------------------------|---|---------------------|
| <u>Investments in Securities</u> | | | | | |
| Bonds and Notes | | | | | |
| Non-Convertible Bonds | | | | | |
| ABS Other | \$23,351,916(a) | \$ — | \$ 616 | \$(16,860,948) | \$ 1,891,721 |
| Independent Energy | 3,593,400(a) | 233,933 | (10,511,986) | 6,684,653 | — |
| Convertible Bonds | | | | | |
| Oil Field Services | — | 38,716 | — | (3,139,942) | 9,205,000 |
| Senior Loans | | | | | |
| Construction Machinery | — | 925,665 | — | (7,840,687) | — |
| Common Stocks | | | | | |
| Oil Field Services | — | — | — | (17,677,239) | 17,677,239 |
| Oil, Gas & Consumable Fuels | 1,569(a) | — | (3,016,862) | 2,434,371 | — |
| Specialty Retail | —(a) | — | — | — | — |
| Preferred Stocks | | | | | |
| Convertible Preferred Stocks | | | | | |
| Energy | 37,004,766 | — | — | (53,586,992) | — |
| Total | <u>\$63,951,651</u> | <u>\$1,198,314</u> | <u>\$(13,528,232)</u> | <u>\$(89,986,784)</u> | <u>\$28,773,960</u> |

Notes to Financial Statements (continued)

September 30, 2020

Strategic Income Fund (continued)

Asset Valuation Inputs (continued)

| | Sales | Transfers into Level 3 | Transfers out of Level 3 | Balance as of September 30, 2020 | Change in Unrealized Appreciation (Depreciation) from Investments Still Held at September 30, 2020 |
|----------------------------------|----------------------|------------------------|--------------------------|----------------------------------|--|
| <u>Investments in Securities</u> | | | | | |
| Bonds and Notes | | | | | |
| Non-Convertible Bonds | | | | | |
| ABS Other | \$(1,987,190) | \$ 7,833,190 | \$ — | \$14,229,305(a) | \$(16,672,427) |
| Independent Energy | — | — | — | — | — |
| Convertible Bonds | | | | | |
| Oil Field Services | — | — | — | 6,103,774 | (3,139,942) |
| Senior Loans | | | | | |
| Construction Machinery | — | 17,979,058 | — | 11,064,036 | (7,840,687) |
| Common Stocks | | | | | |
| Oil Field Services | — | — | — | —(a) | (17,677,239) |
| Oil, Gas & Consumable Fuels | — | 681,300 | — | 100,378(a) | (582,491) |
| Specialty Retail | — | — | — | —(a) | — |
| Preferred Stocks | | | | | |
| Convertible Preferred Stocks | | | | | |
| Energy | — | 16,582,226 | — | —(a) | (53,586,992) |
| Total | <u>\$(1,987,190)</u> | <u>\$43,075,774</u> | <u>\$ —</u> | <u>\$31,497,493</u> | <u>\$(99,499,778)</u> |

(a) Includes a security fair valued at zero by the Fund's adviser using Level 3 inputs.

A debt security valued at \$7,833,190 was transferred from Level 2 to Level 3 during the period ended September 30, 2020. At September 30, 2019, this security was valued on the basis of evaluated bids furnished to the Fund by an independent pricing service in accordance with the Fund's valuation policies. At September 30, 2020, this security was valued using broker-dealer bid prices based on inputs unobservable to the Fund as an independent pricing service did not provide a reliable price for the security.

A debt security valued at \$17,979,058 was transferred from Level 2 to Level 3 during the period ended September 30, 2020. At September 30, 2019, this security was valued at a bid price furnished to the Fund by an independent pricing service in accordance with the Fund's valuation policies. At September 30, 2020, this security was valued at fair value as determined in good faith by the Fund's adviser as an independent pricing service did not provide a reliable price for the security.

Notes to Financial Statements (continued)

September 30, 2020

A common stock valued at \$681,300 was transferred from Level 2 to Level 3 during the period ended September 30, 2020. At September 30, 2019, this security was valued on the basis of evaluated bids furnished to the Fund by an independent pricing service in accordance with the Fund's valuation policies. At September 30, 2020, this security was valued at fair value as determined in good faith by the Fund's adviser as an independent pricing service was unable to price the security.

A preferred stock valued at \$7,427,418 was transferred from Level 1 to Level 3 during the period ended September 30, 2020. At September 30, 2019, this security was valued at the closing bid quotation in accordance with the Fund's valuation policies. At September 30, 2020, this security was valued at fair value as determined in good faith by the Fund's adviser as an independent pricing service did not provide a reliable price for the security.

A preferred stock valued at \$9,154,808 was transferred from Level 2 to Level 3 during the period ended September 30, 2020. At September 30, 2019, this security was valued on the basis of evaluated bids furnished to the Fund by an independent pricing service in accordance with the Fund's valuation policies. At September 30, 2020, this security was valued at fair value as determined in good faith by the Fund's adviser as an independent pricing service did not provide a reliable price for the security.

4. Purchases and Sales of Securities. For the year ended September 30, 2020, purchases and sales of securities (excluding short-term investments and including paydowns) were as follows:

| Fund | U.S. Government/ Agency Securities | | Other Securities | |
|-----------------------|---------------------------------------|-------------|------------------|-----------------|
| | Purchases | Sales | Purchases | Sales |
| Growth Fund | \$ — | \$ — | \$1,887,433,872 | \$2,081,138,762 |
| Strategic Income Fund | 1,592,880,484 | 553,753,044 | 604,967,995 | 1,126,770,706 |

5. Management Fees and Other Transactions with Affiliates.

a. Management Fees. Loomis, Sayles & Company, L.P. ("Loomis Sayles") serves as investment adviser to each Fund. Loomis Sayles is a limited partnership whose sole general partner, Loomis, Sayles & Company, Inc., is indirectly owned by Natixis Investment Managers, LLC ("Natixis"), which is part of Natixis Investment Managers, an international asset management group based in Paris, France.

Under the terms of the management agreements, each Fund pays a management fee at the following annual rates, calculated daily and payable monthly, based on each Fund's average daily net assets:

| Fund | Percentage of Average Daily Net Assets | | | | |
|-----------------------|--|-----------------------|----------------------|----------------------|----------------------|
| | First \$200 million | Next \$1.8 billion | Next \$13 billion | Next \$10 billion | Over \$25 billion |
| Growth Fund | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% |
| Strategic Income Fund | 0.65% | 0.60% | 0.55% | 0.54% | 0.53% |

Notes to Financial Statements (continued)

September 30, 2020

Loomis Sayles has given binding undertakings to the Funds to waive management fees and/or reimburse certain expenses to limit the Funds' operating expenses, exclusive of acquired fund fees and expenses, brokerage expenses, interest expense, taxes, organizational and extraordinary expenses such as litigation and indemnification expenses. These undertakings are in effect until January 31, 2021 for Growth Fund and until January 31, 2022 for Strategic Income Fund, may be terminated before then only with the consent of the Funds' Board of Trustees and are reevaluated on an annual basis. Management fees payable, as reflected on the Statements of Assets and Liabilities, is net of waivers and/or expense reimbursements, if any, pursuant to these undertakings. Waivers/reimbursements that exceed management fees payable are reflected on the Statements of Assets and Liabilities as receivable from investment adviser.

For the year ended September 30, 2020 the expense limits as a percentage of average daily net assets under the expense limitation agreements were as follows:

| <u>Fund</u> | Expense Limit as a Percentage of Average Daily Net Assets | | | | |
|-----------------------|--|----------------|----------------|----------------|--------------------|
| | <u>Class A</u> | <u>Class C</u> | <u>Class N</u> | <u>Class Y</u> | <u>Admin Class</u> |
| Growth Fund | 1.25% | 2.00% | 0.95% | 1.00% | — |
| Strategic Income Fund | 1.00% | 1.75% | 0.70% | 0.75% | 1.25% |

Prior to July 1, 2020, the expense limits as a percentage of average daily net assets under the expense limitation agreement for Strategic Income Fund were as follows:

| <u>Fund</u> | Expense Limit as a Percentage of Average Daily Net Assets | | | | |
|-----------------------|--|----------------|----------------|----------------|--------------------|
| | <u>Class A</u> | <u>Class C</u> | <u>Class N</u> | <u>Class Y</u> | <u>Admin Class</u> |
| Strategic Income Fund | 1.25% | 2.00% | 0.95% | 1.00% | 1.50% |

Loomis Sayles shall be permitted to recover expenses borne under the expense limitation agreements (whether through waiver of management fees or otherwise) on a class by class basis in later periods to the extent the annual operating expenses of a class fall below a class' expense limits, provided, however, that a class is not obligated to pay such waived/reimbursed fees or expenses more than one year after the end of the fiscal year in which the fees or expenses were waived/reimbursed.

For the year ended September 30, 2020, the management fees for each Fund were as follows:

| <u>Fund</u> | Gross Management Fees | Percentage of Average Daily Net Assets |
|-----------------------|-----------------------------|--|
| Growth Fund | \$49,236,330 | 0.50% |
| Strategic Income Fund | 36,847,870 | 0.57% |

Notes to Financial Statements (continued)

September 30, 2020

No expenses were recovered for either Fund during the year ended September 30, 2020 under the terms of the expense limitation agreements.

b. Service and Distribution Fees. Natixis Distribution, L.P. (“Natixis Distribution”), which is a wholly-owned subsidiary of Natixis, has entered into a distribution agreement with the Trust. Pursuant to this agreement, Natixis Distribution serves as principal underwriter of the Funds of the Trust.

Pursuant to Rule 12b-1 under the 1940 Act, the Trust has adopted a Service Plan relating to each Fund’s Class A shares (the “Class A Plans”), a Distribution and Service Plan relating to each Fund’s Class C shares (the “Class C Plans”), and Strategic Income Fund has adopted a Distribution Plan relating to its Admin Class shares (the “Admin Class Plan”).

Under the Class A Plans, each Fund pays Natixis Distribution a monthly service fee at an annual rate not to exceed 0.25% of the average daily net assets attributable to the Fund’s Class A shares, as reimbursement for expenses incurred by Natixis Distribution in providing personal services to investors in Class A shares and/or the maintenance of shareholder accounts.

Under the Class C Plans, each Fund pays Natixis Distribution a monthly service fee at an annual rate not to exceed 0.25% of the average daily net assets attributable to the Fund’s Class C shares, as compensation for services provided by Natixis Distribution in providing personal services to investors in Class C shares and/or the maintenance of shareholder accounts.

Also under the Class C Plans, each Fund pays Natixis Distribution a monthly distribution fee at an annual rate of 0.75% of the average daily net assets attributable to the Funds’ Class C shares, as compensation for services provided by Natixis Distribution in connection with the marketing or sale of Class C shares.

Under the Admin Class Plan, Strategic Income Fund pays Natixis Distribution a monthly distribution fee at an annual rate not to exceed 0.25% of the average daily net assets attributable to the Fund’s Admin Class shares, as compensation for services provided by Natixis Distribution in connection with the marketing or sale of Admin Class shares or for payments made by Natixis Distribution to securities dealers or other financial intermediaries as commissions, asset-based sales charges or other compensation with respect to the sale of Admin Class shares, or for providing personal services to investors and/or the maintenance of shareholder accounts.

In addition, the Admin Class shares of Strategic Income Fund may pay Natixis Distribution an administrative service fee, at an annual rate not to exceed 0.25% of the average daily net assets attributable to Admin Class shares. These fees are subsequently paid to securities dealers or financial intermediaries for providing personal services and/or account maintenance for their customers who hold such shares.

Notes to Financial Statements (continued)

September 30, 2020

For the year ended September 30, 2020, the service and distribution fees for each Fund were as follows:

| Fund | Service Fees | | | Distribution Fees | |
|-----------------------|--------------|------------|-------------|-------------------|-------------|
| | Class A | Class C | Admin Class | Class C | Admin Class |
| Growth Fund | \$3,307,164 | \$ 309,234 | \$ — | \$ 927,702 | \$ — |
| Strategic Income Fund | 4,323,049 | 1,161,243 | 282,169 | 3,483,729 | 282,169 |

c. Administrative Fees. Natixis Advisors, L.P. (“Natixis Advisors”) provides certain administrative services for the Funds and contracts with State Street Bank to serve as sub-administrator. Natixis Advisors is a wholly-owned subsidiary of Natixis. Pursuant to an agreement among Natixis Funds Trusts, Loomis Sayles Funds Trusts, Natixis ETF Trusts and Natixis Advisors, each Fund pays Natixis Advisors monthly its *pro rata* portion of fees equal to an annual rate of 0.0540% of the first \$15 billion of the average daily net assets of the Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trusts, 0.0500% of the next \$15 billion, 0.0400% of the next \$30 billion, 0.0275% of the next \$30 billion and 0.0225% of such assets in excess of \$90 billion, subject to an annual aggregate minimum fee for the Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trusts of \$10 million, which is reevaluated on an annual basis.

For the year ended September 30, 2020, the administrative fees for each Fund were as follows:

| Fund | Administrative Fees |
|-----------------------|---------------------|
| Growth Fund | \$4,349,704 |
| Strategic Income Fund | 2,869,683 |

d. Sub-Transfer Agent Fees. Natixis Distribution has entered into agreements, which include servicing agreements, with financial intermediaries that provide recordkeeping, processing, shareholder communications and other services to customers of the intermediaries that hold positions in the Funds and has agreed to compensate the intermediaries for providing those services. Intermediaries transact with the Funds primarily through the use of omnibus accounts on behalf of their customers who hold positions in the Funds. These services would have been provided by the Funds’ transfer agent and other service providers if the shareholders’ accounts were maintained directly at the Funds’ transfer agent. Accordingly, the Funds have agreed to reimburse Natixis Distribution for all or a portion of the servicing fees paid to these intermediaries. The reimbursement amounts (sub-transfer agent fees) paid to Natixis Distribution are subject to a current per-account equivalent fee limit approved by the Funds’ Board of Trustees, which is based on fees for similar services paid to the Funds’ transfer agent and other service providers. Class N shares do not bear such expenses.

Notes to Financial Statements (continued)

September 30, 2020

For the year ended September 30, 2020, the sub-transfer agent fees (which are reflected in transfer agent fees and expenses in the Statements of Operations) for each Fund were as follows:

| <u>Fund</u> | <u>Sub-Transfer Agent Fees</u> |
|-----------------------|------------------------------------|
| Growth Fund | \$7,163,210 |
| Strategic Income Fund | 4,899,572 |

As of September 30, 2020, the Funds owe Natixis Distribution the following reimbursements for sub-transfer agent fees (which are reflected in the Statements of Assets and Liabilities as payable to distributor):

| <u>Fund</u> | <u>Reimbursements of Sub-Transfer Agent Fees</u> |
|-----------------------|--|
| Growth Fund | \$100,143 |
| Strategic Income Fund | 57,871 |

Sub-transfer agent fees attributable to Class A, Class C, Class Y, and Admin Class are allocated on a *pro rata* basis to each class based on the relative net assets of each class to the total net assets of those classes.

e. Commissions. Commissions (including CDSCs) on Fund shares retained by Natixis Distribution during the year ended September 30, 2020, were as follows:

| <u>Fund</u> | <u>Commissions</u> |
|-----------------------|--------------------|
| Growth Fund | \$69,465 |
| Strategic Income Fund | 79,913 |

f. Trustees Fees and Expenses. The Trust does not pay any compensation directly to its officers or Trustees who are directors, officers or employees of Natixis Advisors, Natixis Distribution, Natixis or their affiliates. The Chairperson of the Board of Trustees receives a retainer fee at the annual rate of \$369,000. The Chairperson does not receive any meeting attendance fees for Board of Trustees meetings or committee meetings that he attends. Each Independent Trustee (other than the Chairperson) receives, in the aggregate, a retainer fee at the annual rate of \$199,000. Each Independent Trustee also receives a meeting attendance fee of \$10,000 for each meeting of the Board of Trustees that he or she attends in person and \$5,000 for each meeting of the Board of Trustees that he or she attends telephonically. In addition, the chairperson of the Contract Review Committee, the chairperson of the Audit Committee and the chairperson of the Governance Committee each receive an additional retainer fee at the annual rate of \$20,000. Each Contract Review Committee member is compensated \$6,000 for each Committee meeting that he or she attends in person and \$3,000 for each meeting that he or she attends telephonically. Each Audit Committee member is compensated \$6,000

Notes to Financial Statements (continued)

September 30, 2020

for each Committee meeting that he or she attends in person and \$3,000 for each meeting that he or she attends telephonically. These fees are allocated among the funds in the Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trusts based on a formula that takes into account, among other factors, the relative net assets of each fund. Trustees are reimbursed for travel expenses in connection with attendance at meetings.

Prior to January 1, 2020, the Chairperson of the Board received a retainer fee at the annual rate of \$360,000 and each Independent Trustee (other than the Chairperson) received, in the aggregate, a retainer fee at the annual rate of \$190,000, and the chairperson of the Governance Committee received an additional retainer fee at the annual rate of \$15,000. All other Trustee fees remained unchanged.

A deferred compensation plan (the "Plan") is available to the Trustees on a voluntary basis. Deferred amounts remain in the Funds until distributed in accordance with the provisions of the Plan. The value of a participating Trustee's deferral account is based on theoretical investments of deferred amounts, on the normal payment dates, in certain funds of the Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trusts as designated by the participating Trustees. Changes in the value of participants' deferral accounts are allocated *pro rata* among the funds in the Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trusts, and are normally reflected as Trustees' fees and expenses in the Statements of Operations. The portions of the accrued obligations allocated to the Funds under the Plan are reflected as Deferred Trustees' fees in the Statements of Assets and Liabilities.

Certain officers and employees of Natixis Advisors and Loomis Sayles are also officers and/or Trustees of the Trust.

g. Affiliated Ownership. As of September 30, 2020, Loomis Sayles Funded Pension Plan and Trust and Loomis Sayles Employees' Profit Sharing Retirement Plan held shares of the Growth Fund representing 0.14% and 0.69%, respectively, of the Fund's net assets.

h. Affiliated Transactions. As a result of a business restructuring, Strategic Income Fund received common shares of Bellatrix Exploration Ltd. (the "Company") constituting more than 5% of the voting securities of the Company. As such, the Company was considered to be an affiliate at September 30, 2019. These securities were written-off as worthless during the year ended September 30, 2020. Similarly, as a result of a business restructuring, the Fund received common shares of Pioneer Energy Services Corp. (the "Company") constituting more than 5% of the voting securities of the Company. As such,

Notes to Financial Statements (continued)

September 30, 2020

the Company is considered to be an affiliate at September 30, 2020. A summary of affiliated transactions for the year ended September 30, 2020, is as follows:

| | Beginning Value | Purchase Cost | Sales Proceeds | Accrued Discounts (Premiums) |
|--|--------------------|---------------------|-------------------|------------------------------------|
| Bellatrix Exploration Ltd., 8.500% | \$3,593,400 | \$ — | \$ — | \$ 16,926 |
| Bellatrix Exploration Ltd., 12.500% (9.500% PIK, 3.000% Cash) | — | — | — | 217,007 |
| Bellatrix Exploration Ltd. | — | — | — | — |
| Pioneer Energy Services Corp., 5.000% PIK or 5.000% Cash | — | 9,205,000 | — | 38,716 |
| Pioneer Energy Services Corp. | — | 17,677,239 | — | — |
| | <u>\$3,593,400</u> | <u>\$26,882,239</u> | <u>\$ —</u> | <u>\$272,649</u> |

| | Realized Gain (Loss) | Change in Unrealized Gain (Loss) | Ending Value | Investment Income |
|---|----------------------------|---|--------------------|----------------------|
| Bellatrix Exploration Ltd., 8.500% | \$ (5,893,816) | \$ 2,283,490 | \$ — | \$ — |
| Bellatrix Exploration Ltd., 12.500% (9.500% PIK, 3.000% Cash) | (4,618,170) | 4,401,163 | — | — |
| Bellatrix Exploration Ltd. | (3,016,862) | 3,016,862 | — | — |
| Pioneer Energy Services Corp., 5.000% PIK or 5.000% Cash | — | (3,139,942) | 6,103,774 | 168,445 |
| Pioneer Energy Services Corp. | — | (17,677,239) | — | — |
| | <u>\$(13,528,848)</u> | <u>\$(11,115,666)</u> | <u>\$6,103,774</u> | <u>\$168,445</u> |

6. Class-Specific Transfer Agent Fees and Expenses. Transfer agent fees and expenses attributable to Class A, Class C, Class Y and Admin Class are allocated on a *pro rata* basis to each class based on the relative net assets of each class to the total net assets of those classes. Transfer agent fees and expenses attributable to Class N are allocated to Class N.

For the year ended September 30, 2020, the Funds incurred the following class-specific transfer agent fees and expenses (including sub-transfer agent fees, where applicable):

| Fund | Transfer Agent Fees and Expenses | | | | |
|-----------------------|----------------------------------|-----------|---------|-------------|-------------|
| | Class A | Class C | Class N | Class Y | Admin Class |
| Growth Fund | \$1,116,452 | \$104,493 | \$3,281 | \$6,612,769 | \$ — |
| Strategic Income Fund | 1,428,586 | 383,849 | 3,349 | 3,308,771 | 93,237 |

Notes to Financial Statements (continued)

September 30, 2020

7. Line of Credit. Each Fund, together with certain other funds of Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trusts, entered into a \$400,000,000 committed unsecured line of credit provided by State Street Bank. Any one Fund may borrow up to \$350,000,000 under the line of credit agreement (as long as all borrowings by all Funds in the aggregate do not exceed the \$400,000,000 limit at any time), subject to each Fund's investment restrictions and its contractual obligations under the line of credit. Interest is charged to the Funds based upon the terms set forth in the agreement. In addition, a commitment fee of 0.15% per annum, payable at the end of each calendar quarter, is accrued and apportioned among the participating funds based on their average daily unused portion of the line of credit. The Funds paid an arrangement fee, an upfront fee, and certain other legal fees in connection with the line of credit agreement, which are being amortized over a period of 364 days and are reflected in legal fees and/or miscellaneous expenses on the Statements of Operations. The unamortized balance is reflected as prepaid expenses on the Statements of Assets and Liabilities.

For the year ended September 30, 2020, neither Fund had borrowings under this agreement.

8. Risk. Strategic Income Fund's investments in foreign securities may be subject to greater political, economic, environmental, credit/counterparty and information risks. The Fund's investments in foreign securities also are subject to foreign currency fluctuations and other foreign currency-related risks. Foreign securities may be subject to higher volatility than U.S. securities, varying degrees of regulation and limited liquidity.

Global markets have experienced periods of high volatility triggered by the ongoing public health emergency known as coronavirus ("Covid-19"). As the situation continues, the extent and duration of the impact that the Covid-19 outbreak may have on financial markets and the economy as a whole remains highly uncertain. If the effects of the Covid-19 outbreak on financial markets and the economy continue for an extended period of time, the Funds' future financial and investment results may be adversely affected.

9. Concentration of Ownership. From time to time, a Fund may have a concentration of one or more accounts constituting a significant percentage of shares outstanding. Investment activities by holders of such accounts could have material impacts on the Funds. As of September 30, 2020, based on management's evaluation of the shareholder account base, the Funds had accounts representing controlling ownership of more than 5% of the Fund's total outstanding shares. The number of such accounts, based on accounts that represent more than 5% of an individual class of shares, and the aggregate percentage of net assets represented by such holdings were as follows:

| | Number of 5% <u>Account Holders</u> | Percentage of <u>Ownership</u> |
|-------------|--|-----------------------------------|
| Growth Fund | 4 | 41.64% |

Notes to Financial Statements (continued)

September 30, 2020

Omnibus shareholder accounts for which Natixis Advisors understands that the intermediary has discretion over the underlying shareholder accounts or investment models where a shareholder account may be invested for a non-discretionary customer are included in the table above. For other omnibus accounts, the Fund does not have information on the individual shareholder accounts underlying the omnibus accounts; therefore, there could be other 5% shareholders in addition to those disclosed in the table above.

10. Capital Shares. Each Fund may issue an unlimited number of shares of beneficial interest, without par value. Transactions in capital shares were as follows:

| | Year Ended September 30, 2020 | | Year Ended September 30, 2019 | |
|---|----------------------------------|------------------|----------------------------------|------------------|
| | Shares | Amount | Shares | Amount |
| Growth Fund | | | | |
| Class A | | | | |
| Issued from the sale of shares | 17,054,510 | \$ 295,932,287 | 19,091,773 | \$ 297,048,970 |
| Issued in connection with the reinvestment of distributions | 1,535,788 | 26,261,967 | 3,582,164 | 47,177,097 |
| Redeemed | (25,287,462) | (430,112,221) | (12,138,033) | (185,450,226) |
| Net change | (6,697,164) | \$ (107,917,967) | 10,535,904 | \$ 158,775,841 |
| Class C | | | | |
| Issued from the sale of shares | 1,233,665 | \$ 19,482,505 | 1,154,714 | \$ 15,338,399 |
| Issued in connection with the reinvestment of distributions | 120,727 | 1,870,055 | 332,911 | 3,998,270 |
| Redeemed | (2,748,722) | (44,108,509) | (2,056,040) | (28,433,099) |
| Net change | (1,394,330) | \$ (22,755,949) | (568,415) | \$ (9,096,430) |
| Class N | | | | |
| Issued from the sale of shares | 17,025,202 | \$ 315,167,287 | 8,887,567 | \$ 147,132,489 |
| Issued in connection with the reinvestment of distributions | 728,950 | 13,354,361 | 2,024,898 | 28,510,563 |
| Redeemed | (17,501,743) | (331,093,667) | (43,548,774) | (706,227,218) |
| Net change | 252,409 | \$ (2,572,019) | (32,636,309) | \$ (530,584,166) |
| Class Y | | | | |
| Issued from the sale of shares | 129,418,130 | \$ 2,410,503,407 | 117,111,537 | \$ 1,914,578,957 |
| Issued in connection with the reinvestment of distributions | 8,337,704 | 152,830,107 | 16,819,594 | 236,988,075 |
| Redeemed | (127,998,579) | (2,403,446,308) | (111,406,135) | (1,805,455,678) |
| Net change | 9,757,255 | \$ 159,887,206 | 22,524,996 | \$ 346,111,354 |
| Increase (decrease) from capital share transactions | 1,918,170 | \$ 26,641,271 | (143,824) | \$ (34,793,401) |

Notes to Financial Statements (continued)

September 30, 2020

10. Capital Shares (continued).

| Strategic Income Fund | Year Ended | | Year Ended | |
|---|---------------------------|------------------|---------------------------|--------------------|
| | September 30, 2020 | | September 30, 2019 | |
| | Shares | Amount | Shares | Amount |
| Class A | | | | |
| Issued from the sale of shares | 32,299,438 | \$ 444,080,248 | 27,644,005 | \$ 388,066,928 |
| Issued in connection with the reinvestment of distributions | 3,167,184 | 43,610,276 | 3,733,655 | 52,153,952 |
| Redeemed | (40,330,246) | (554,003,991) | (40,562,001) | (568,498,683) |
| Net change | (4,863,624) | \$ (66,313,467) | (9,184,341) | \$ (128,277,803) |
| Class C | | | | |
| Issued from the sale of shares | 1,902,282 | \$ 26,312,714 | 2,930,132 | \$ 41,347,083 |
| Issued in connection with the reinvestment of distributions | 600,408 | 8,382,443 | 1,354,833 | 19,052,625 |
| Redeemed | (29,280,757) | (408,234,280) | (36,710,107) | (519,364,178) |
| Net change | (26,778,067) | \$ (373,539,123) | (32,425,142) | \$ (458,964,470) |
| Class N | | | | |
| Issued from the sale of shares | 8,682,262 | \$ 119,974,137 | 5,710,006 | \$ 80,153,591 |
| Issued in connection with the reinvestment of distributions | 464,321 | 6,391,355 | 502,914 | 7,022,689 |
| Redeemed | (7,719,864) | (106,340,515) | (4,226,437) | (59,477,704) |
| Net change | 1,426,719 | \$ 20,024,977 | 1,986,483 | \$ 27,698,576 |
| Class Y | | | | |
| Issued from the sale of shares | 85,620,721 | \$ 1,132,582,915 | 60,558,641 | \$ 847,970,819 |
| Issued in connection with the reinvestment of distributions | 8,028,339 | 110,319,204 | 10,011,095 | 139,677,190 |
| Redeemed | (118,624,705) | (1,608,285,687) | (123,342,737) | (1,721,792,645) |
| Net change | (24,975,645) | \$ (365,383,568) | (52,773,001) | \$ (734,144,636) |
| Admin Class | | | | |
| Issued from the sale of shares | 1,076,312 | \$ 15,079,460 | 1,029,988 | \$ 14,399,151 |
| Issued in connection with the reinvestment of distributions | 252,576 | 3,465,330 | 293,184 | 4,080,471 |
| Redeemed | (2,287,176) | (30,910,379) | (2,027,234) | (28,358,878) |
| Net change | (958,288) | \$ (12,365,589) | (704,062) | \$ (9,879,256) |
| Decrease from capital share transactions | (56,148,905) | \$ (797,576,770) | (93,100,063) | \$ (1,303,567,589) |

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Loomis Sayles Funds II and Shareholders of Loomis Sayles Strategic Income Fund and Loomis Sayles Growth Fund:

Opinions on the Financial Statements

We have audited the accompanying statements of assets and liabilities, including the portfolios of investments, of Loomis Sayles Strategic Income Fund and Loomis Sayles Growth Fund (two of the funds constituting Loomis Sayles Funds II, hereafter collectively referred to as the “Funds”) as of September 30, 2020, the related statements of operations for the year ended September 30, 2020, the statements of changes in net assets for each of the two years in the period ended September 30, 2020, including the related notes, and the financial highlights for each of the five years in the period ended September 30, 2020 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds as of September 30, 2020, the results of each of their operations for the year then ended, the changes in each of their net assets for each of the two years in the period ended September 30, 2020 and each of the financial highlights for each of the five years in the period ended September 30, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

These financial statements are the responsibility of the Funds’ management. Our responsibility is to express an opinion on the Funds’ 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 Funds 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 September 30, 2020 by correspondence with the custodian, agent banks and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinions.

/s/ PricewaterhouseCoopers LLP
Boston, Massachusetts
November 20, 2020

We have served as the auditor of one or more investment companies in the Natixis Investment Company Complex since at least 1995. We have not determined the specific year we began serving as auditor.

2020 U.S. Tax Distribution Information to Shareholders (Unaudited)

Corporate Dividends Received Deduction. For the fiscal year ended September 30, 2020, a percentage of dividends distributed by the Funds listed below qualifies for the dividends received deduction for corporate shareholders. These percentages are as follows:

| <u>Fund</u> | <u>Qualifying Percentage</u> |
|-----------------------|------------------------------|
| Growth Fund | 100.00% |
| Strategic Income Fund | 14.66% |

Capital Gains Distributions. Pursuant to Internal Revenue Section 852(b), the following Funds paid distributions, which have been designated as capital gains distributions for the fiscal year ended September 30, 2020, unless subsequently determined to be different.

| <u>Fund</u> | <u>Amount</u> |
|-----------------------|---------------|
| Growth Fund | \$207,940,673 |
| Strategic Income Fund | 11,005,230 |

Qualified Dividend Income. For the fiscal year ended September 30, 2020, the Funds below will designate up to the maximum amount allowable pursuant to the Internal Revenue Code as qualified dividend income eligible for reduced tax rates. These lower rates range from 0% to 20% depending on an individual's tax bracket. If the Funds pay a distribution during calendar year 2020, complete information will be reported in conjunction with Form 1099-DIV.

| <u>Fund</u> |
|-----------------------|
| Growth Fund |
| Strategic Income Fund |

Trustee and Officer Information

The tables below provide certain information regarding the trustees and officers of Loomis Sayles Funds II (the “Trust”). Unless otherwise indicated, the address of all persons below is 888 Boylston Street, Suite 800, Boston, MA 02199-8197. The Funds’ Statement of Additional Information includes additional information about the trustees of the Trust and is available by calling Natixis Funds at 800-225-5478.

| Name and Year of Birth | Position(s) Held with the Trust, Length of Time Served and Term of Office ¹ | Principal Occupation(s) During Past 5 Years | Number of Portfolios in Fund Complex Overseen ² and Other Directorships Held During Past 5 Years | Experience, Qualifications, Attributes, Skills for Board Membership |
|------------------------|--|---|---|---|
|------------------------|--|---|---|---|

INDEPENDENT TRUSTEES

| | | | | |
|---------------------------|--|--|--|---|
| Kenneth A. Drucker (1945) | Chairperson of the Board of Trustees since January 2017 Trustee since 2008 <i>Ex Officio</i> member of Audit Committee, Contract Review Committee and Governance Committee | Retired | 54 None | Significant experience on the Board and on the boards of other business organizations (including at investment companies); executive experience (including as treasurer of an aerospace, automotive, and metal manufacturing corporation) |
| Edmond J. English (1953) | Trustee since 2013 Chairperson of Governance Committee and Audit Committee Member | Executive Chairman of Bob’s Discount Furniture (retail) | 54 Director, Burlington Stores, Inc. (retail) | Significant experience on the Board and on the boards of other business organizations (including retail companies and a bank); executive experience (including at a retail company) |

Trustee and Officer Information

| Name and Year of Birth | Position(s) Held with the Trust, Length of Time Served and Term of Office ¹ | Principal Occupation(s) During Past 5 Years | Number of Portfolios in Fund Complex Overseen ² and Other Directorships Held During Past 5 Years | Experience, Qualifications, Attributes, Skills for Board Membership |
|------------------------|--|---|---|---|
|------------------------|--|---|---|---|

INDEPENDENT TRUSTEES
continued

| | | | | |
|--------------------------|--|----------|---|---|
| Richard A. Goglia (1951) | Trustee since 2015 Contract Review Committee Member and Governance Committee Member | Retired; | 54 Director of Triumph Group (aerospace industry) | Significant experience on the Board and executive experience (including his role as vice president and treasurer of a defense company and experience at a financial services company) |
| Wendell J. Knox (1948) | Trustee since 2009 Chairperson of Contract Review Committee | Retired | 54 Director of Abt Associates Inc. (research and consulting); Director, The Hanover Insurance Group (property and casualty insurance); formerly, Director, Eastern Bank (bank) | Significant experience on the Board and on the boards of other business organizations (including at a bank and at a property and casualty insurance firm); executive experience (including roles as president and chief executive officer of a research and consulting company) |

Trustee and Officer Information

| Name and Year of Birth | Position(s) Held with the Trust, Length of Time Served and Term of Office ¹ | Principal Occupation(s) During Past 5 Years | Number of Portfolios in Fund Complex Overseen ² and Other Directorships Held During Past 5 Years | Experience, Qualifications, Attributes, Skills for Board Membership |
|--|---|---|---|--|
| <u>INDEPENDENT TRUSTEES</u> continued | | | | |
| Martin T. Meehan (1956) | Trustee since 2012 Audit Committee Member | President, University of Massachusetts | 54 None | Significant experience on the Board and on the boards of other business organizations; experience as President of the University of Massachusetts; government experience (including as a member of the U.S. House of Representatives); academic experience |
| Maureen B. Mitchell (1951) | Trustee since 2017 Contract Review Committee Member and Governance Committee Member | Retired; formerly President, Global Sales and Marketing, GE Asset Management, Inc. (financial services) | 54 Director, Sterling Bancorp (bank) | Experience on the Board; financial services industry and executive experience (including role as president of global sales and marketing at a financial services company) |

Trustee and Officer Information

| Name and Year of Birth | Position(s) Held with the Trust, Length of Time Served and Term of Office ¹ | Principal Occupation(s) During Past 5 Years | Number of Portfolios in Fund Complex Overseen ² and Other Directorships Held During Past 5 Years | Experience, Qualifications, Attributes, Skills for Board Membership |
|------------------------------------|--|---|---|--|
| <u>INDEPENDENT TRUSTEES</u> | | | | |
| continued | | | | |
| James P. Palermo (1955) | Trustee since 2016 Contract Review Committee Member | Founding Partner, Breton Capital Management, LLC (private equity); Partner, STEP Partners, LLC (private equity) | 54 Director, FutureFuel.io (chemicals and biofuels) | Experience on the Board; financial services industry and executive experience (including roles as chief executive officer of client management and asset servicing for a banking and financial services company) |
| Erik R. Sirri (1958) | Trustee since 2009 Audit Committee Member | Professor of Finance at Babson College | 54 None | Significant experience on the Board; experience as Director of the Division of Trading and Markets at the Securities and Exchange Commission; academic experience; training as an economist |
| Peter J. Smail (1952) | Trustee since 2009 Audit Committee Member and Governance Committee Member | Retired | 54 None | Significant experience on the Board; mutual fund industry and executive experience (including roles as president and chief executive officer for an investment adviser) |

Trustee and Officer Information

| Name and Year of Birth | Position(s) Held with the Trust, Length of Time Served and Term of Office ¹ | Principal Occupation(s) During Past 5 Years | Number of Portfolios in Fund Complex Overseen ² and Other Directorships Held During Past 5 Years | Experience, Qualifications, Attributes, Skills for Board Membership |
|---|--|---|---|---|
| <u>INDEPENDENT TRUSTEES</u> continued | | | | |
| Kirk A. Sykes (1958) | Trustee since 2019 Contract Review Committee Member | Managing Director of Accordia Partners, LLC (real estate development); President of Primary Corporation (real estate development); Managing Principal of Merrick Capital Partners (infrastructure finance); formerly, President of Urban Strategy America Fund (real estate fund manager) | 54 Trustee, Eastern Bank (bank); formerly Director, Ares Commercial Real Estate Corporation (real estate investment trust) | Experience on the Board and significant experience on the boards of other business organizations (including real estate companies and banks) |
| Cynthia L. Walker (1956) | Trustee since 2005 Chairperson of the Audit Committee and Governance Committee Member | Deputy Dean for Finance and Administration, Yale University School of Medicine | 54 None | Significant experience on the Board; executive experience in a variety of academic organizations (including roles as dean for finance and administration) |

Trustee and Officer Information

| Name and Year of Birth | Position(s) Held with the Trust, Length of Time Served and Term of Office ¹ | Principal Occupation(s) During Past 5 Years | Number of Portfolios in Fund Complex Overseen ² and Other Directorships Held During Past 5 Years | Experience, Qualifications, Attributes, Skills for Board Membership |
|------------------------|--|---|---|---|
|------------------------|--|---|---|---|

INTERESTED TRUSTEES

| | | | | |
|--|--------------------|---|------------|--|
| Kevin P. Charleston ³ (1965) One Financial Center Boston, MA 02111 | Trustee since 2015 | President, Chief Executive Officer and Chairman of the Board of Directors; formerly, Chief Financial Officer, Loomis, Sayles & Company, L.P. | 54 None | Significant experience on the Board; continuing service as President, Chief Executive Officer and Chairman of the Board of Directors of Loomis, Sayles & Company, L.P. |
| David L. Giunta ⁴ (1965) | Trustee since 2011 | President and Chief Executive Officer, Natixis Advisors, L.P., Natixis Distribution, L.P., Natixis Distribution Corporation and Chairman of the Board of Natixis Distribution Corporation | 54 None | Significant experience on the Board; experience as President and Chief Executive Officer of Natixis Advisors, L.P., Natixis Distribution, L.P., Natixis Distribution Corporation and Chairman of the Board of Natixis Distribution Corporation |

¹ Each trustee serves until retirement, resignation or removal from the Board. The current retirement age is 75. The position of Chairperson of the Board is appointed for a three-year term. Mr. Drucker was appointed to serve an additional one year term as the Chairperson of the Board on June 12, 2019.

² The trustees of the Trust serve as trustees of a fund complex that includes all series of the Natixis Funds Trust I, Natixis Funds Trust II, Natixis Funds Trust IV, Gateway Trust, Loomis Sayles Funds I, Loomis Sayles Funds II, Natixis ETF Trust and Natixis ETF Trust II (collectively, the “Fund Complex”).

³ Mr. Charleston is deemed an “interested person” of the Trust because he holds the following positions with an affiliated person of the Trust: President, Chief Executive Officer and Chairman of the Board of Directors of Loomis, Sayles & Company, L.P.

⁴ Mr. Giunta is deemed an “interested person” of the Trust because he holds the following positions with an affiliated person of the Trust: President and Chief Executive Officer, Natixis Advisors, L.P., Natixis Distribution, L.P., Natixis Distribution Corporation and Chairman of the Board of Natixis Distribution Corporation.

Trustee and Officer Information

| <u>Name and Year of Birth</u> | <u>Position(s) Held with the Trust</u> | <u>Term of Office¹ and Length of Time Served</u> | <u>Principal Occupation(s) During Past 5 Years²</u> |
|-------------------------------|--|---|--|
|-------------------------------|--|---|--|

OFFICERS OF THE TRUST

| | | | |
|--|---|------------|---|
| Daniel J. Fuss (1933) One Financial Center Boston, MA 02111 | Executive Vice President of Loomis Sayles Funds I and Loomis Sayles Funds II | Since 2003 | Vice Chairman and Director, Loomis, Sayles & Company, L.P. |
| Russell L. Kane (1969) | Secretary, Clerk and Chief Legal Officer | Since 2016 | Executive Vice President, General Counsel, Secretary and Clerk, Natixis Distribution Corporation, Natixis Advisors, L.P. and Natixis Distribution, L.P.; formerly, Senior Vice President, Deputy General Counsel, Assistant Secretary and Assistant Clerk, Natixis Distribution Corporation, Natixis Advisors, L.P. and Natixis Distribution, L.P. |
| Michael C. Kardok (1959) | Treasurer, Principal Financial and Accounting Officer | Since 2004 | Senior Vice President, Natixis Advisors, L.P. and Natixis Distribution, L.P. |

¹ Each officer of the Trust serves for an indefinite term in accordance with the Trust's current by-laws until the date his or her successor is elected and qualified, or until he or she sooner dies, retires, is removed or becomes disqualified.

² Each person listed above, except as noted, holds the same position(s) with the Fund Complex. Previous positions during the past five years with Natixis Distribution, L.P., Natixis Advisors, L.P. or Loomis, Sayles & Company, L.P. are omitted, if not materially different from an officer's current position with such entity.

This Page Intentionally Left Blank

This Page Intentionally Left Blank

This Page Intentionally Left Blank

This Page Intentionally Left Blank

This Page Intentionally Left Blank

This Page Intentionally Left Blank

This Page Intentionally Left Blank

> To learn more about Natixis Funds products and services:

Visit: im.natixis.com Call: 800-225-5478

Before investing, consider the funds' investment objectives, risks, charges, and expenses. Visit im.natixis.com or call 800-225-5478 for a prospectus or summary prospectus containing this and other information. Read it carefully.

Contact us by mail:

If you wish to communicate with the Funds' Board of Trustees, you may do so by writing to:

Secretary of the Funds
Natixis Advisors, L.P.

888 Boylston Street, Suite 800
Boston, MA 02199-8197

The correspondence must (a) be signed by the shareholder; (b) include the shareholder's name and address; and (c) identify the fund(s), account number, share class, and number of shares held in that fund, as of a recent date.

Or by e-mail:

secretaryofthefunds@natixis.com
(Communications regarding recommendations for Trustee candidates may not be submitted by e-mail.)

Please note: Unlike written correspondence, e-mail is not secure. Please do NOT include your account number, Social Security number, PIN, or any other non-public personal information in an e-mail communication because this information may be viewed by others.

GO PAPERLESS

Receive your shareholder reports
and prospectuses online

> Sign up at icsdelivery.com/natixisfunds

