



# Annual Report

November 30, 2018

Loomis Sayles Global Growth Fund

Vaughan Nelson Select Fund

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## 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 may currently elect to receive shareholder reports and other communications from the Fund or your financial intermediary electronically at [www.icsdelivery.com/natixisfunds](http://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, we apply Active Thinking<sup>SM</sup> to deliver proactive solutions to help investors pursue better outcomes in all markets.

Natixis ranks among the world's largest asset management firms<sup>1</sup> with \$999.5 billion assets under management.<sup>2</sup> 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

- ASG Global Alternatives Fund
- ASG 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<sup>SM</sup>
- Natixis Sustainable Future 2020 Fund<sup>SM</sup>
- Natixis Sustainable Future 2025 Fund<sup>SM</sup>
- Natixis Sustainable Future 2030 Fund<sup>SM</sup>
- Natixis Sustainable Future 2035 Fund<sup>SM</sup>
- Natixis Sustainable Future 2040 Fund<sup>SM</sup>
- Natixis Sustainable Future 2045 Fund<sup>SM</sup>
- Natixis Sustainable Future 2050 Fund<sup>SM</sup>
- Natixis Sustainable Future 2055 Fund<sup>SM</sup>
- Natixis Sustainable Future 2060 Fund<sup>SM</sup>

### Taxable Fixed-Income

- Loomis Sayles Core Plus Bond 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

- McDonnell 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 Real Estate Fund
- ASG Tactical U.S. Market Fund
- Loomis Sayles Growth Fund<sup>3</sup>
- Natixis Oakmark Fund
- Natixis U.S. Equity Opportunities Fund
- Vaughan Nelson Select Fund
- Vaughan Nelson Small Cap Value Fund<sup>4</sup>
- Vaughan Nelson Value Opportunity Fund

### Multi-Asset

- ASG Dynamic Allocation Fund
- Loomis Sayles Global Allocation Fund
- Loomis Sayles Multi-Asset Income Fund

<sup>1</sup> Cerulli Quantitative Update: Global Markets 2018 ranked Natixis Investment Managers as the 16th largest asset manager in the world based on assets under management as of December 31, 2017.<sup>2</sup> Net asset value as of September 30, 2018. 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.<sup>3</sup> The Loomis Sayles Growth Fund is subject to a "soft close." See the Fund's prospectus for additional information.<sup>4</sup> The Vaughan Nelson Small Cap Value Fund was closed to new investors on July 31, 2009. 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.

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# Letter from the President

Dear Shareholder:

US stock markets posted modest gains for the 12 months ended November 30, 2018, despite a resurgence in volatility during the last two months of the period. US bond markets declined slightly as rates rose. The Federal Open Market Committee (the Fed) raised the federal funds rate four times during the period, to the current level of 2.00–2.25%, and concerns about the future path of interest rates began to surface.

US investments continued to outpace their international peers, and global growth became less synchronized as the year progressed. Returns for international stocks were negative, particularly in emerging markets. Global bond markets finished slightly lower than their US counterparts.

## **US economy still strong, but volatility is picking up**

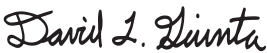
The pattern of steady growth continued, and the US remains in a full-employment economy. The unemployment rate ended the period at 3.7%, near its 50-year low, and the pace of inflation rose slightly. Equities enjoyed a boost from corporate tax cuts early in the calendar year, but a combination of factors including trade tariff discussions and geopolitical uncertainty prompted turbulence across global markets through the end of the period.

While the economic picture remains positive, the extraordinarily calm market environment that prevailed throughout 2017 may have run its course. We encourage you to work closely with your financial professional to keep your portfolio allocations aligned with your long-term goals and tolerance for risk.

## **Monitoring fund performance**

The enclosed report showcases your fund's performance for the 12 months ended November 30, 2018. For more current information, please visit our website, [im.natixis.com](http://im.natixis.com), where you'll find fund-specific information under the Products tab. You may also want to explore the Insights section to learn more about market trends and new investment ideas.

Sincerely,



David L. Giunta  
President

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# LOOMIS SAYLES GLOBAL GROWTH FUND

## Manager:

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

## Symbols:

Class A LSAGX  
Class C LSCGX  
Class N LSNGX  
Class Y LSGGX

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## Investment Goal

The Fund's investment goal is long-term growth of capital.

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## Market Conditions

Global equity markets experienced widely divergent results in the 12-month period ending November 30, 2018, reflecting the broad range of economic and political trends that influenced sentiment across the major regions.

In the United States, stocks rose through much of the period, though they pulled back in the last two months. US equities were boosted by the strength of the US economy and associated increases in consumer, business and investor confidence. The improvement in growth also fed through to corporate profits, leading to better-than-expected results. These developments outweighed concerns related to trade policy and ongoing interest rate increases by the US Federal Reserve (Fed). Growth stocks, especially those in the technology sector, were particularly strong performers. The recent pullback was tied to somewhat heightened concerns regarding trade and Fed policy. There were signs that the monetary tightening of the past three years has begun to have some impact on the economy, particularly housing.

While US stocks fully recovered from the early-year decline, developed foreign markets did not. Economic growth failed to meet the optimistic expectations that existed late in 2017. In addition, European equities faced the headwinds of tighter central bank policy and populist political movements. Emerging market stocks also weakened, largely because of some slowing in the Chinese economy, trade initiatives in the United States and economic turmoil in countries such as Argentina and Turkey. The downturn in most foreign currencies against the US dollar also weighed on non-US equities.

## Performance Results

For the 12 months ended November 30, 2018, Class Y shares of the Loomis Sayles Global Growth Fund returned 2.27%. The Fund outperformed its benchmark, the MSCI All Country World Index (Net), which returned -0.98%.

## 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 30-45 names.

The Fund's positions in Amazon, Under Armour, and MercadoLibre contributed the most to performance. Stock selection in the consumer discretionary and industrials sectors, along with our allocations in the information technology (IT), financials, communication services and industrials 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. In e-commerce these include its brand, scale, network advantage, technology platform, and logistics and distribution systems. The AWS business benefits from its brand, technology platform, and massive scale, which allows it to pass along cost savings while continuing to innovate. Amazon reported healthy fundamentals and strong growth in revenue during the period. 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, approaching a \$27 billion annual run rate, that was many multiples higher than our estimate of single-digit growth in overall enterprise IT spending. Under the thoughtful leadership of founder Jeff Bezos, Amazon continued rapid investment in key areas that capitalize on its strength, focusing on businesses with high, durable growth prospects and strong financial returns. With an increasing shift to higher-margin product categories such as third-party sales, AWS, and advertising, gross margins expanded during the period. 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.

Under Armour is a leading sports apparel, footwear, and accessories provider, primarily engaged in developing, marketing, and distributing performance-centric branded sportswear. In twenty years, Under Armour has accomplished what few have achieved by becoming a credible number three global sportswear brand behind Nike and Adidas. We believe the company's strong and sustainable advantages include its brand, distribution, and scale needed to compete globally, and that it is well positioned to benefit from secular growth in global per capita consumption of sportswear and market share gains in both footwear and international markets. A new purchase in the fourth quarter of 2017, Under Armour reported financial results that reflected continued strength in international markets and better-than-expected performance amid ongoing weakness in the North American

## LOOMIS SAYLES GLOBAL GROWTH FUND

sportswear retail industry. Sportswear retailers have come under pressure in the last few years due in part to a shift in consumer buying behavior away from multi-brand physical stores toward e-commerce and direct-to-consumer sales from the brand owners themselves. In early 2016, Under Armour's second-largest customer declared bankruptcy. This reduced Under Armour's points of sale and resulted in an industry-wide excess of inventory that prompted other leading brands, including Nike, to spend heavily on promotions to work through excess inventory. The combination of contracting wholesale sales and elevated promotional expenditures created headwinds for Under Armour that persisted into 2018. We believe these issues are temporary and not secular in nature, and the company is taking the necessary steps to improve execution and profitability. Under Armour has successfully reduced excess inventory while preserving its gross margins, and we believe it is poised to return to profitable growth in North America by focusing on its heritage as a provider of premium performance sports apparel. We believe the current share price embeds growth and profitability assumptions for the business that are substantially below our estimates for the company's long-term growth.

MercadoLibre hosts the largest online commerce platform in Latin America. A Fund holding since inception, the company was among the largest contributors to performance during the period. Despite macroeconomic weakness in the region, MercadoLibre delivered strong revenue growth and continued market share gains. The company has increased its investments to drive a more powerful ecosystem focused on greater product selection, easier payment options, wider credit availability, and lowering the cost and time of delivery. While these investments have impacted near-term profitability, we believe they have led to accelerating market share gains and a stronger competitive position. We believe MercadoLibre's competitive advantages include its network and ecosystem, brand, and understanding of local markets. The company operates in 19 countries representing over 95% of Latin American GDP, and its 212 million registered buyers as of December 31, 2017, represented approximately 50% of the region's 400 million internet users. The company's brand and understanding of local-market challenges have contributed to its leadership position in each market it serves. With continued growth in internet access, increasing availability of credit, and the company's continuing investments to improve the ease and convenience of transacting online, we believe MercadoLibre is well positioned for sustained growth over the next decade, driven by the secular growth of e-commerce in Latin America. Over our forecast period, we believe the penetration of e-commerce, which currently accounts for under 5% of retail sales in Latin America, can more than double, which would bring the penetration level close to today's global average of approximately 10%. As the largest e-commerce company in Latin America, MercadoLibre should be a direct beneficiary of the growing penetration of e-commerce. We believe the current market price embeds expectations for key revenue and cash flow growth drivers that are well below our long-term assumptions. We believe the shares of all three contributors trade at a significant discount to our estimate of intrinsic value and offer compelling long-term reward-to-risk opportunities.

The Fund's positions in Cielo, Facebook, and Baidu detracted the most from performance. Stock selection in the IT, energy, communication services, financials, consumer staples and

healthcare sectors, along with our allocations in the consumer discretionary, consumer staples and healthcare sectors, detracted from relative performance.

Cielo SA is the largest merchant acquirer and payment processor in Brazil with around 47% market share. Along with its next largest competitor, Rede, the two companies formed a virtual duopoly, capturing almost 80% market share. When we initiated our position at strategy inception, we believed Cielo's competitive advantages of distribution, scale, and its innovative culture and differentiated services would position it to benefit from secular growth in electronic-based payments in Brazil. However, with consistent review of the fundamentals of the business and our investment thesis, it became clear that our original base case investment thesis was becoming a less likely outcome. Higher-than-expected competitive intensity in Brazil's rapidly changing payments market, coupled with a lack of innovation from Cielo, has led us to expect less differentiation, higher pricing pressure, greater market share erosion, and lower margins than we originally forecast. Further, the company's newly appointed CEO from parent company Banco do Brazil lacks a strong emerging payments background. As a result, we believe the quality of the business does not match our original investment thesis, and the downside risk to our thesis and valuation is greater than anticipated. We sold the position in the fourth quarter of 2018 and reinvested the proceeds in Brazil-based Ambev — the leading beer brewer and distributor in Latin America, which we first purchased in the third quarter of 2017. Ambev has also underperformed over its recent history, but we believe it is a much higher-quality business in a structurally attractive industry. We believe the shares of Ambev are trading at a significant discount to our estimate of intrinsic value and represent a compelling reward-to-risk opportunity.

Social media company Facebook provides an online platform that allows people to connect, share, and interact with friends and communities. A Fund holding since inception, Facebook reported solid overall growth and market share gains versus the prior-year period. However, shares reacted negatively to management's guidance for a near-term deceleration in revenue growth, coupled with a multi-year acceleration in investments. The company noted that revenue in the second half of 2018 would be negatively impacted by its decisions to provide users more choices around privacy and to increase focus on Instagram and FB Stories — “experience” products that the company believes will drive improved engagement, but where monetization is currently lower. Facebook also announced a 50% to 60% increase in investments for 2018 targeting core product development, safety and security, virtual reality, marketing, and content acquisition. As a result, expenses will increase faster than revenue over the near term, pressuring margins. We believe Facebook is a unique, high-quality company, benefiting from the secular shift from traditional advertising to online advertising, and is positioned for strong and sustainable growth over our investment horizon. We believe management's decisions and actions illustrate their commitment to preserve platform integrity and to sustain the company's leadership and long-term growth. With 2.6 billion people worldwide using its apps – Facebook, Messenger, WhatsApp, and Instagram – and more than 90 million global businesses with Facebook pages, the scale and reach of Facebook's network is unrivaled. We believe that corporations will continue to allocate an increasing proportion of their advertising spending

## LOOMIS SAYLES GLOBAL GROWTH FUND

online, and Facebook remains one of very few platforms where advertisers can reach consumers at such scale. We added to our position in Facebook during the period.

Baidu is the leading online search and advertising provider in China. A Fund holding since inception, Baidu was among the leading detractors for the period. The company reported fundamentally solid results that were above management's guidance and consensus expectations for revenue and earnings per share (EPS). Management did provide guidance for the fourth quarter of 2018 that was below expectations, noting cyclical pressure from regulatory changes in gaming and financial services, and macroeconomic weakness. However, the company showed continued improvement in its core advertising business over the year, and share price performance was largely in line with broad weakness in the China internet sector. We believe Baidu's sustainable competitive advantages include its strong brand recognition, economies of scale, a powerful network and business ecosystem, and strong distribution. Serving over 980,000 advertisers and approximately 770 million internet users, Baidu dominates China's internet search market, capturing about 80% share of search revenues. Reflecting this dominance, the company's difficult-to-replicate brand was rated the fifth most valuable brand in China in 2017 by MillwardBrown's annual BrandZ study. With each user click, Baidu better understands its consumer base, enabling it to develop more effective advertising tools and services, creating a virtuous cycle that can lead to more efficient results for advertisers and a better user experience. Online advertising currently represents almost 40% of the annual advertising market in China, and we believe it will increase to about 70% over our forecast period. We believe Baidu's competitive advantages sustainably position the company to benefit from secular growth in online advertising in China. We believe the shares of both Baidu and Facebook sell at a significant discount to our estimate of intrinsic value and offer a compelling 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 Adyen, Reckitt Benckiser and Tencent. We added to our existing holdings in Alphabet, Ambev, Colgate-Palmolive, Facebook, Nestle, Oracle, Roche, Unilever and Yum China, as near-term price weakness created a more attractive reward-to-risk opportunity. We trimmed our existing positions in American Express and Microsoft. We sold our position in Cielo due to an incorrect investment thesis. We also sold our positions in Shire, which is in the process of being acquired by Takeda Pharmaceutical, and Elekta, as both companies approached our estimate of intrinsic value.

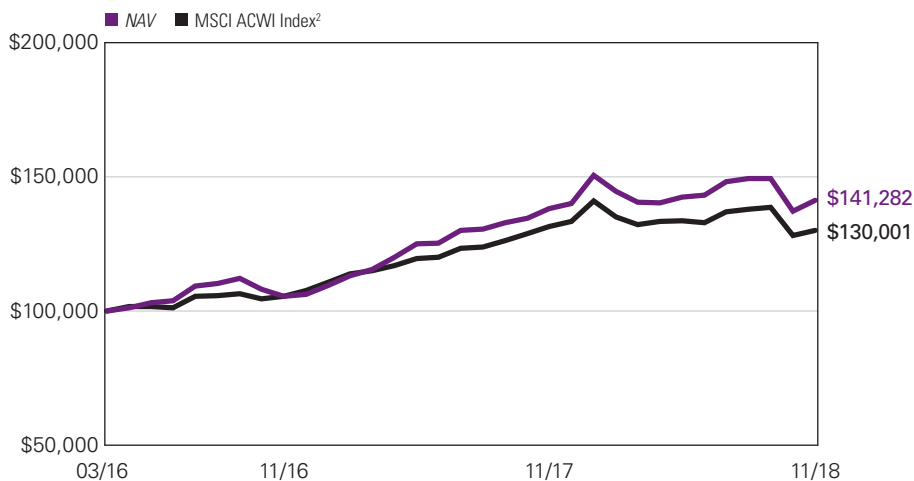
### Outlook

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 period with overweight positions in the consumer discretionary, consumer staples,



communication services and information technology sectors and underweight positions in the financials, energy, healthcare and industrials sectors. We did not own positions in the materials, utilities or real estate sectors.

### Hypothetical Growth of \$100,000 Investment in Class Y Shares<sup>3</sup> March 31, 2016 (inception) through November 30, 2018



See notes to chart on page 7.

### Top Ten Holdings as of November 30, 2018

|    | Security Name                             | % of net assets |
|----|---|-----------------|
| 1  | Amazon.com, Inc.                          | 6.52%           |
| 2  | Alibaba Group Holding Ltd., Sponsored ADR | 5.46            |
| 3  | Oracle Corp.                              | 4.69            |
| 4  | Visa, Inc., Class A                       | 4.52            |
| 5  | Alphabet, Inc., Class A                   | 4.43            |
| 6  | MercadoLibre, Inc.                        | 4.40            |
| 7  | Roche Holding AG                          | 4.33            |
| 8  | Facebook, Inc., Class A                   | 4.24            |
| 9  | Deere & Co.                               | 3.97            |
| 10 | Yum China Holdings, Inc.                  | 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 GLOBAL GROWTH FUND

## Average Annual Total Returns — November 30, 2018<sup>3</sup>

|   | 1 Year | Life of Class |         | Expense Ratios <sup>4</sup> |       |
|---|--------|---------------|---------|-----------------------------|-------|
|   |        | Class Y/A/C   | Class N | Gross                       | Net   |
| Class Y (Inception 3/31/2016)<br>NAV                    | 2.27%  | 13.83%        | —%      | 2.31%                       | 1.05% |
| Class A (Inception 3/31/2016)<br>NAV                    | 2.05   | 13.55         | —       | 2.56                        | 1.30  |
| With 5.75% Maximum Sales Charge                         | -3.81  | 11.06         | —       |                             |       |
| Class C (Inception 3/31/2016)<br>NAV                    | 1.25   | 12.66         | —       | 3.31                        | 2.05  |
| With CDSC <sup>1</sup>                                  | 0.27   | 12.66         | —       |                             |       |
| Class N (Inception 3/31/2017)<br>NAV                    | 2.31   | —             | 12.97   | 15.78                       | 1.00  |
| Comparative Performance<br>MSCI ACWI (Net) <sup>2</sup> | -0.98  | 10.34         | 7.61    |                             |       |

**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](http://im.natixis.com/performance).** 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 The MSCI ACWI (Net) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets.
- 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 caps set to expire on 3/31/19. When a Fund's expenses are below the cap, gross and net expense ratios will be the same. See Note 6 of the Notes to Financial Statements for more information about the Fund's expense caps.

# VAUGHAN NELSON SELECT FUND

## Managers:

Dennis G. Alff, CFA® \*  
Chad D. Fargason, PhD\*  
Chris D. Wallis, CFA®  
Scott J. Weber, CFA®

## Symbols:

Class A VNSAX  
Class C VNSCX  
Class N VNSNX  
Class Y VNSYX

*Vaughan Nelson Investment Management, L.P.*

\* Effective January 18, 2018, Dennis Alff and Chad Fargason no longer serve as co-managers of the Vaughan Nelson Select Fund.

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## Investment Goal

The Fund seeks long-term capital appreciation.

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## Market Conditions

Fiscal stimulus and regulatory relief in the United States led to accelerating domestic growth, which combined with quantitative tightening by the Federal Reserve, fueled a rally in the US dollar. US dollar strength led to weakness in overseas markets, which were further pressured by trade war rhetoric between the US and China. With the Federal Reserve raising interest rates throughout the year and the US economy producing strong nominal growth, global liquidity left international capital markets and sought the safety of US assets.

It is quite unusual to have material fiscal stimulus this late in a business cycle with little slack in labor markets. For the first time in several decades there are more job openings than people remaining in the labor pool. Accelerating economic growth is a welcome attribute; however, this late in the business cycle at a time when dollar liquidity is declining and margins are under pressure, the benefits will likely accrue to Main Street rather than Wall Street.

Market volatility returned as liquidity conditions tightened and interest rates increased due to a modest uptick in inflationary pressures and an anticipated increase in US Treasury issuance to fund expanding deficits. With the yield on the 2-year US Treasury now higher than the dividend yield for most stocks, further hikes in Treasury rates will likely continue to pressure stock valuations.

## Performance Results

For the 12 months ended November 30, 2018, Class Y shares of Vaughan Nelson Select Fund returned 5.86% at net asset value. The fund underperformed its benchmark, the S&P 500® Index, which returned 6.27%.

## Explanation of Fund Performance

The primary detractor from relative performance during the year was stock selection in the consumer discretionary sector. Alibaba and Home Depot detracted from results. Alibaba traded lower as China's growth slowed and political tensions between the US and China escalated. With tariffs likely to impact China's economy further, the Fund sold Alibaba for

## VAUGHAN NELSON SELECT FUND

a small gain. Home Depot's underperformance was due primarily to investors avoiding companies exposed to residential housing given the slowdown in housing due to rising interest rates.

The energy sector also detracted from performance. During the year, the Fund was overweight the sector due to attractive valuations and rising oil prices. As oil prices fell toward the end of the year, the energy sector performed poorly including our holdings, Halliburton and Kosmos. The Fund sold Halliburton in the third quarter to reduce its exposure to the oil and gas industry.

The industrials sector lagged the market during the year and the Fund's overweight to the sector detracted from relative returns. Fund holding General Dynamics had a difficult year, with negative market reaction to its acquisition of IT services firm CSRA and a product line transition in its Gulfstream division impacting near-term margins.

Healthcare was one of the best performing sectors in the S&P 500<sup>®</sup>. The Fund's holdings performed in line with the benchmark; however, the Fund was underweight Healthcare, which detracted from relative return. UnitedHealth and Thermo Fisher were exceptional performers during the year. UnitedHealth continues to benefit from a stable cost trend environment and strong organic growth rates. The company is taking share by investing heavily in technology to separate itself from the competition. Thermo Fisher reported strong organic growth numbers across all end markets during the year including life sciences, specialty diagnostics, and lab products. Grifols, a plasma company, underperformed for the year and was sold.

Other notable detractors for the year included AT&T, Aptiv, and Citigroup. AT&T completed the acquisition of Time Warner but margin degradation in the Entertainment Group and competitive pressures in the Wireless business weighed on the stock. Aptiv shares reacted to slowing auto sales, especially in China, and to currency headwinds due to the strong US dollar. Citigroup underperformed the market as the yield curve flattened, deposit costs increased, and global growth slowed.

Information technology contributed the most to absolute and relative performance. Stock selection was the primary driver of relative performance, with Mastercard and Microsoft contributing the most to results. Mastercard continues to benefit from the ongoing global secular shift to card-based and electronic payments. Mastercard's business is characterized by recurring revenues, high incremental margins, low capital expenditures, and high free cash flow. Microsoft has been extraordinarily successful in transitioning its business model to the Enterprise segment, which accounts for over half of total revenue. In addition, the company is benefiting from a broad and powerful lineup of Cloud solutions.

The Fund benefited from stock selection in the communication services sector. Twenty-First Century Fox, a top ten holding during the year, was the target of a bidding war between Disney and Comcast. Ultimately, Disney emerged as the winning bidder for the Fox assets. The bid for the company fully valued the shares, so the Fund exited the stock with a material gain.

The materials sector also contributed to performance due to stock selection. Both Ecolab and Sherwin-Williams were positive contributors even though materials was the worst performing sector in the benchmark. Ecolab is experiencing robust volume growth and should benefit from margin expansion as raw material prices moderate. The company also implemented a \$200 million cost savings program, which should be a future earnings tailwind.

Stock and sector selection drove the positive performance in the consumer staples sector. The sector lagged the market over the trailing twelve months so the Fund's underweight added to relative returns. Further, stock selection was strong with Estee Lauder materially outperforming the group due to a mix shift from lower margin retail channels such as malls to higher margin boutiques. Estee is also benefiting from strong international growth and development of new brands.

Strong stock selection in financials also contributed to relative performance. Ares Capital and Berkshire Hathaway added the most to returns. Ares Capital performed well during the year due to a stable credit environment, rising interest rates, and a strong portfolio. Berkshire Hathaway advanced on solid earnings per share and book value growth during the year. Berkshire's underlying portfolio companies performed well given the strong economic environment, and its insurance subsidiaries benefited from rising interest rates and reserve releases.

## Outlook

Global synchronized growth peaked earlier this year, and it is imperative that US economic growth pull the rest of the world forward if further market appreciation is to be expected. With declining dollar liquidity, rising margin pressures, and elevated earnings growth expectations, we expect market volatility to remain elevated until there is either a reacceleration in global growth or a pause in Federal Reserve interest rate increases.

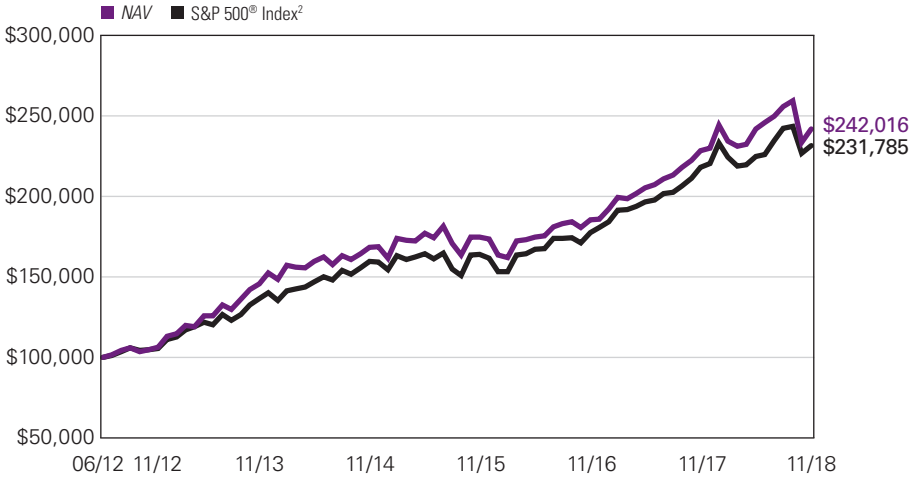
Despite strong economic growth in the US, the Fed's monetary policy normalization is beginning to affect certain sectors of the economy. Housing activity and home price appreciation are beginning to slow from the significant increase in mortgage rates over the last year. Housing is typically one of the first sectors to feel the effects of rising interest rates and typically leads a broader economic slowdown by approximately 12 to 18 months.

At this late stage in the economic cycle, the two primary threats to sustained economic growth and rising equity markets are further monetary policy normalization by global central banks or sustained pressure on global supply chains from trade tariffs. For US equity markets to remain attractive it is critical for the Federal Reserve to allow sufficient time for capital markets to adjust to higher interest rates and declining liquidity before continuing with monetary policy normalization.

Our outlook remains balanced, stock-specific, and not reflective of opportunities in specific industries, regions of the world, or broader market indices.

# VAUGHAN NELSON SELECT FUND

Hypothetical Growth of \$100,000 Investment in Class Y Shares<sup>3</sup>  
 June 29, 2012 (inception) through November 30, 2018



## Top Ten Holdings as of November 30, 2018

|    | Security Name                     | % of net assets |
|----|-----------------------------------|-----------------|
| 1  | Berkshire Hathaway, Inc., Class B | 5.78%           |
| 2  | UnitedHealth Group, Inc.          | 5.73            |
| 3  | Sherwin-Williams Co. (The)        | 5.46            |
| 4  | Roper Technologies, Inc.          | 5.30            |
| 5  | AT&T, Inc.                        | 5.02            |
| 6  | Home Depot, Inc. (The)            | 4.97            |
| 7  | Microsoft Corp.                   | 4.93            |
| 8  | Snap-on, Inc.                     | 4.73            |
| 9  | General Dynamics Corp.            | 4.58            |
| 10 | Enterprise Products Partners LP   | 3.86            |

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.

## Average Annual Total Returns — November 30, 2018<sup>3</sup>

|  | 1 Year | 5 Years | Life of Class         |               | Expense Ratios <sup>4</sup> |       |
|--|--------|---------|-----------------------|---------------|-----------------------------|-------|
|  |        |         |                       |               | Gross                       | Net   |
| Class Y (Inception 6/29/2012)<br>NAV                               | 5.86%  | 10.65%  | Class Y/A/C<br>14.75% | Class N<br>—% | 1.29%                       | 1.21% |
| Class A (Inception 6/29/2012)<br>NAV                               | 5.62   | 10.36   | 14.45                 | —             | 1.54                        | 1.46  |
| With 5.75% Maximum Sales Charge                                    | -0.43  | 9.06    | 13.40                 | —             |                             |       |
| Class C (Inception 6/29/2012)<br>NAV                               | 4.77   | 9.54    | 13.61                 | —             | 2.29                        | 2.21  |
| With CDSC <sup>1</sup>   | 3.80   | 9.54    | 13.61                 | —             |                             |       |
| Class N (Inception 3/31/2017)<br>NAV                               | 5.90   | —       | —                     | 12.57         | 14.83                       | 1.16  |
| Comparative Performance<br>S&P 500 <sup>®</sup> Index <sup>2</sup> | 6.27   | 11.12   | 14.00                 | 11.96         |                             |       |

**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](http://im.natixis.com/performance).** 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 S&P 500<sup>®</sup> Index is a widely recognized measure of U.S. stock market performance. It is an unmanaged index of 500 common stocks chosen for market size, liquidity, and industry group representation, among other factors. It also measures the performance of the large cap segment of the U.S. equities market.
- 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 caps set to expire on 3/31/20. When a Fund's expenses are below the cap, gross and net expense ratios will be the same. See Note 6 of the Notes to Financial Statements for more information about the Fund's expense caps.

## 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.

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## 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 Natixis Funds' website at [im.natixis.com](http://im.natixis.com); and on the Securities and Exchange Commission's (SEC) website at [www.sec.gov](http://www.sec.gov). Information regarding how Natixis Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available from Natixis Funds' website and the SEC's website.

## QUARTERLY PORTFOLIO SCHEDULES

Natixis Funds file a complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Funds' Forms N-Q are available on the SEC's website at [www.sec.gov](http://www.sec.gov) and may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 800-SEC-0330.



# UNDERSTANDING FUND EXPENSES

As a mutual fund shareholder, you incur different costs: transaction costs, including sales charges (loads) on purchases and contingent deferred sales charges on redemptions and ongoing costs, including management fees, distribution and/or service fees (12b-1 fees), and other fund expenses. Certain exemptions may apply. These costs are described in more detail in the Funds' prospectus. 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 of 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 June 1, 2018 through November 30, 2018. 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 = 8.60) 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 each Fund and 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.

| <b>LOOMIS SAYLES GLOBAL GROWTH FUND</b>  | <b>BEGINNING<br/>ACCOUNT VALUE<br/>6/1/2018</b> | <b>ENDING<br/>ACCOUNT VALUE<br/>11/30/2018</b> | <b>EXPENSES PAID<br/>DURING PERIOD*<br/>6/1/2018 – 11/30/2018</b> |
|--|---|--|---|
| <b>Class A</b>                           |   |  |   |
| Actual                                   | \$1,000.00                                      | \$991.80                                       | \$6.29  |
| Hypothetical (5% return before expenses) | \$1,000.00                                      | \$1,018.75                                     | \$6.38  |
| <b>Class C</b>                           |   |  |   |
| Actual                                   | \$1,000.00                                      | \$987.20                                       | \$10.06   |
| Hypothetical (5% return before expenses) | \$1,000.00                                      | \$1,014.94                                     | \$10.20   |
| <b>Class N</b>                           |   |  |   |
| Actual                                   | \$1,000.00                                      | \$993.30                                       | \$5.00  |
| Hypothetical (5% return before expenses) | \$1,000.00                                      | \$1,020.06                                     | \$5.06  |
| <b>Class Y</b>                           |   |  |   |
| Actual                                   | \$1,000.00                                      | \$992.60                                       | \$5.10  |
| Hypothetical (5% return before expenses) | \$1,000.00                                      | \$1,019.96                                     | \$5.17  |

\* Expenses are equal to the Fund's annualized expense ratio (after waiver/reimbursement): 1.26%, 2.02%, 1.00% and 1.02% 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 365 (to reflect the half-year period).

| <b>VAUGHAN NELSON SELECT FUND</b>        | <b>BEGINNING<br/>ACCOUNT VALUE<br/>6/1/2018</b> | <b>ENDING<br/>ACCOUNT VALUE<br/>11/30/2018</b> | <b>EXPENSES PAID<br/>DURING PERIOD*<br/>6/1/2018 – 11/30/2018</b> |
|--|---|--|---|
| <b>Class A</b>                           |   |  |   |
| Actual                                   | \$1,000.00                                      | \$998.90                                       | \$5.96  |
| Hypothetical (5% return before expenses) | \$1,000.00                                      | \$1,019.10                                     | \$6.02  |
| <b>Class C</b>                           |   |  |   |
| Actual                                   | \$1,000.00                                      | \$994.80                                       | \$9.70  |
| Hypothetical (5% return before expenses) | \$1,000.00                                      | \$1,015.34                                     | \$9.80  |
| <b>Class N</b>                           |   |  |   |
| Actual                                   | \$1,000.00                                      | \$1,000.00                                     | \$4.56  |
| Hypothetical (5% return before expenses) | \$1,000.00                                      | \$1,020.51                                     | \$4.61  |
| <b>Class Y</b>                           |   |  |   |
| Actual                                   | \$1,000.00                                      | \$1,000.00                                     | \$4.71  |
| Hypothetical (5% return before expenses) | \$1,000.00                                      | \$1,020.36                                     | \$4.76  |

\* Expenses are equal to the Fund's annualized expense ratio (after waiver/reimbursement): 1.19%, 1.94%, 0.91% and 0.94% 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 365 (to reflect the half-year period).

# Portfolio of Investments – as of November 30, 2018

## Loomis Sayles Global Growth Fund

| Shares                                      | Description                                  | Value (t)    |
|---|--|--------------|
| <b>Common Stocks — 100.2% of Net Assets</b> |  |              |
| <b>Argentina — 4.4%</b>                     |  |              |
| 7,179                                       | MercadoLibre, Inc.                           | \$ 2,526,793 |
| <b>Brazil — 2.0%</b>                        |  |              |
| 269,671                                     | Ambev S.A., ADR                              | 1,151,495    |
| <b>China — 15.3%</b>                        |  |              |
| 19,508                                      | Alibaba Group Holding Ltd., Sponsored ADR(a) | 3,138,057    |
| 10,123                                      | Baidu, Inc., Sponsored ADR(a)                | 1,905,958    |
| 41,900                                      | Tencent Holdings Ltd.                        | 1,675,105    |
| 57,600                                      | Yum China Holdings, Inc.                     | 2,063,808    |
|   |  | 8,782,928    |
| <b>Denmark — 3.4%</b>                       |  |              |
| 41,924                                      | Novo Nordisk AS, Class B                     | 1,949,945    |
| <b>France — 4.5%</b>                        |  |              |
| 21,651                                      | Danone                                       | 1,616,582    |
| 9,200                                       | Sodexo S.A.                                  | 952,105      |
|   |  | 2,568,687    |
| <b>Italy — 0.9%</b>                         |  |              |
| 151,400                                     | Prada SpA                                    | 527,984      |
| <b>Netherlands — 1.6%</b>                   |  |              |
| 1,779                                       | Adyen NV, 144A(a)                            | 920,502      |
| <b>Switzerland — 8.8%</b>                   |  |              |
| 14,192                                      | Nestle S.A., (Registered)                    | 1,210,762    |
| 14,629                                      | Novartis AG, (Registered)                    | 1,335,649    |
| 9,573                                       | Roche Holding AG                             | 2,484,997    |
|   |  | 5,031,408    |
| <b>United Kingdom — 7.9%</b>                |  |              |
| 24,827                                      | Diageo PLC                                   | 896,590      |
| 59,225                                      | Experian PLC                                 | 1,444,820    |
| 9,972                                       | Reckitt Benckiser Group PLC                  | 830,086      |
| 25,167                                      | Unilever NV                                  | 1,396,624    |
|   |  | 4,568,120    |
| <b>United States — 51.4%</b>                |  |              |
| 2,292                                       | Alphabet, Inc., Class A(a)                   | 2,543,318    |
| 2,215                                       | Amazon.com, Inc.(a)                          | 3,743,727    |
| 5,801                                       | American Express Co.                         | 651,278      |
| 25,168                                      | Coca-Cola Co. (The)                          | 1,268,467    |
| 16,000                                      | Colgate-Palmolive Co.                        | 1,016,320    |
| 3,016                                       | Core Laboratories NV                         | 250,660      |
| 14,722                                      | Deere & Co.                                  | 2,280,143    |
| 13,323                                      | Expeditors International of Washington, Inc. | 1,013,747    |
| 17,341                                      | Facebook, Inc., Class A(a)                   | 2,438,318    |
| 14,786                                      | Microsoft Corp.                              | 1,639,620    |
| 55,301                                      | Oracle Corp.                                 | 2,696,477    |
| 14,881                                      | Procter & Gamble Co. (The)                   | 1,406,403    |

Portfolio of Investments – as of November 30, 2018  
Loomis Sayles Global Growth Fund – (continued)

| Shares | Description   | Value (t)         |
|--------|---|-------------------|
|        | <b>United States — continued</b>                      |                   |
| 22,992 | QUALCOMM, Inc.  | \$ 1,339,514      |
| 22,947 | Schlumberger Ltd.                                     | 1,034,910         |
| 16,714 | SEI Investments Co.                                   | 897,542           |
| 64,646 | Under Armour, Inc., Class A(a)                        | 1,543,746         |
| 18,320 | Visa, Inc., Class A                                   | 2,596,127         |
| 12,597 | Yum! Brands, Inc.                                     | 1,161,695         |
|        |   | <u>29,522,012</u> |
|        | Total Common Stocks<br>(Identified Cost \$56,172,868) | <u>57,549,874</u> |

**Principal  
Amount**

**Short-Term Investments — 0.7%**

|           |   |                      |
|-----------|---|----------------------|
| \$398,658 | Tri-Party Repurchase Agreement with Fixed Income Clearing Corporation, dated 11/30/2018 at 1.300% to be repurchased at \$398,701 on 12/03/2018 collateralized by \$410,000 U.S. Treasury Note, 2.75% due 6/30/2025 valued at \$409,989 including accrued interest (Note 2 of Notes to Financial Statements) (Identified Cost \$398,658) | <u>398,658</u>       |
|           | Total Investments — 100.9%<br>(Identified Cost \$56,571,526)  | 57,948,532           |
|           | Other assets less liabilities — (0.9)%  | <u>(500,440)</u>     |
|           | Net Assets — 100.0%   | <u>\$ 57,448,092</u> |

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

(a) Non-income producing security.

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 November 30, 2018, the value of Rule 144A holdings amounted to \$920,502 or 1.6% of net assets.

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 November 30, 2018

### Loomis Sayles Global Growth Fund – (continued)

#### Industry Summary at November 30, 2018

|   |               |
|---|---------------|
| Internet & Direct Marketing Retail          | 16.4%         |
| Interactive Media & Services                | 14.8          |
| Pharmaceuticals                             | 10.1          |
| Software                                    | 7.6           |
| Hotels, Restaurants & Leisure               | 7.3           |
| IT Services                                 | 6.1           |
| Beverages                                   | 5.8           |
| Household Products                          | 5.7           |
| Food Products                               | 4.9           |
| Machinery                                   | 4.0           |
| Textiles, Apparel & Luxury Goods            | 3.6           |
| Professional Services                       | 2.5           |
| Personal Products                           | 2.4           |
| Semiconductors & Semiconductor<br>Equipment | 2.3           |
| Energy Equipment & Services                 | 2.2           |
| Other Investments, less than 2% each        | 4.5           |
| Short-Term Investments                      | <u>0.7</u>    |
| Total Investments                           | 100.9         |
| Other assets less liabilities               | <u>(0.9)</u>  |
| Net Assets                                  | <u>100.0%</u> |

#### Currency Exposure Summary at November 30, 2018

|                               |               |
|-------------------------------|---------------|
| United States Dollar          | 70.9%         |
| Swiss Franc                   | 8.8           |
| Euro                          | 8.5           |
| British Pound                 | 5.5           |
| Hong Kong Dollar              | 3.8           |
| Danish Krone                  | <u>3.4</u>    |
| Total Investments             | 100.9         |
| Other assets less liabilities | <u>(0.9)</u>  |
| Net Assets                    | <u>100.0%</u> |

# Portfolio of Investments – as of November 30, 2018

## Vaughan Nelson Select Fund

| Shares   | Description                            | Value (†)    |
|--|--|--------------|
| <b>Common Stocks — 95.4% of Net Assets</b>           |  |              |
| <b>Aerospace &amp; Defense — 4.6%</b>                |  |              |
| 49,475   | General Dynamics Corp.                 | \$ 9,147,433 |
| <b>Banks — 2.8%</b>                                  |  |              |
| 87,800   | Citigroup, Inc.                        | 5,688,562    |
| <b>Biotechnology — 3.5%</b>                          |  |              |
| 74,025   | AbbVie, Inc.                           | 6,978,337    |
| <b>Capital Markets — 2.2%</b>                        |  |              |
| 27,025   | Moody's Corp.                          | 4,298,867    |
| <b>Chemicals — 9.2%</b>                              |  |              |
| 46,675   | Ecolab, Inc.                           | 7,490,871    |
| 25,720   | Sherwin-Williams Co. (The)             | 10,907,080   |
|  |  | 18,397,951   |
| <b>Diversified Financial Services — 5.8%</b>         |  |              |
| 52,910   | Berkshire Hathaway, Inc., Class B(a)   | 11,547,078   |
| <b>Diversified Telecommunication Services — 5.0%</b> |  |              |
| 321,014  | AT&T, Inc.                             | 10,028,477   |
| <b>Electrical Equipment — 2.1%</b>                   |  |              |
| 31,950   | Acuity Brands, Inc.                    | 4,154,139    |
| <b>Entertainment — 6.0%</b>                          |  |              |
| 63,075   | Electronic Arts, Inc.(a)               | 5,302,715    |
| 57,325   | Walt Disney Co. (The)                  | 6,620,464    |
|  |  | 11,923,179   |
| <b>Health Care Providers &amp; Services — 5.7%</b>   |  |              |
| 40,625   | UnitedHealth Group, Inc.               | 11,430,250   |
| <b>Industrial Conglomerates — 5.3%</b>               |  |              |
| 35,545   | Roper Technologies, Inc.               | 10,577,837   |
| <b>IT Services — 3.0%</b>                            |  |              |
| 29,875   | MasterCard, Inc., Class A              | 6,006,966    |
| <b>Life Sciences Tools &amp; Services — 3.2%</b>     |  |              |
| 25,325   | Thermo Fisher Scientific, Inc.         | 6,319,854    |
| <b>Machinery — 4.7%</b>                              |  |              |
| 56,850   | Snap-on, Inc.                          | 9,450,744    |
| <b>Oil, Gas &amp; Consumable Fuels — 11.0%</b>       |  |              |
| 614,900  | Cameco Corp.                           | 7,305,012    |
| 293,475  | Enterprise Products Partners LP        | 7,703,719    |
| 1,288,125  | Kosmos Energy Ltd.(a)                  | 6,930,112    |
|  |  | 21,938,843   |
| <b>Personal Products — 2.8%</b>                      |  |              |
| 39,150   | Estee Lauder Cos., Inc. (The), Class A | 5,585,139    |
| <b>REITs – Diversified — 2.5%</b>                    |  |              |
| 290,100  | New Residential Investment Corp.       | 4,989,720    |

Portfolio of Investments – as of November 30, 2018  
Vaughan Nelson Select Fund – (continued)

| Shares  | Description   | Value (†)    |
|---------|---|--------------|
|         | <b>Road &amp; Rail — 3.3%</b>   |              |
| 189,525 | Knight-Swift Transportation Holdings, Inc.  | \$ 6,568,937 |
|         | <b>Semiconductors &amp; Semiconductor Equipment — 2.8%</b>                                |              |
| 55,700  | Texas Instruments, Inc.   | 5,561,645    |
|         | <b>Software — 4.9%</b>  |              |
| 88,775  | Microsoft Corp.   | 9,844,260    |
|         | <b>Specialty Retail — 5.0%</b>  |              |
| 55,035  | Home Depot, Inc. (The)  | 9,923,911    |
|         | Total Common Stocks<br>(Identified Cost \$170,236,852)                                    | 190,362,129  |
|         | <b>Total Purchased Options — 0.3%</b><br>(Identified Cost \$2,091,911) (see detail below) | 700,500      |

**Principal Amount**

**Short-Term Investments — 4.5%**

|             |   |                |
|-------------|---|----------------|
| \$8,934,453 | Tri-Party Repurchase Agreement with Fixed Income Clearing Corporation, dated 11/30/2018 at 1.300% to be repurchased at \$8,935,421 on 12/03/2018 collateralized by \$9,160,000 U.S. Treasury Note, 2.750% due 11/15/2023 valued at \$9,117,479 including accrued interest (Note 2 of Notes to Financial Statements) (Identified Cost \$8,934,453) | 8,934,453      |
|             | Total Investments — 100.2%<br>(Identified Cost \$181,263,216)   | 199,997,082    |
|             | Other assets less liabilities — (0.2%)  | (359,543)      |
|             | Net Assets — 100.0%   | \$ 199,637,539 |

**Purchased Options — 0.3%**

| Description                 | Expiration Date | Exercise Price | Contracts | Notional Amount | Cost        | Value (†) |
|-----------------------------|-----------------|----------------|-----------|-----------------|-------------|-----------|
| <b>Index Options — 0.3%</b> |                 |                |           |                 |             |           |
| S&P 500® Index, Put(a)      | 01/18/2019      | 2,600          | 300       | \$82,805,100    | \$2,091,911 | \$700,500 |

**Written Options — (0.1%)**

| Description                   | Expiration Date | Exercise Price | Contracts | Notional Amount | Premiums (Received) | Value (†)   |
|-------------------------------|-----------------|----------------|-----------|-----------------|---------------------|-------------|
| <b>Index Options — (0.1%)</b> |                 |                |           |                 |                     |             |
| S&P 500® Index, Put           | 01/18/2019      | 2,450          | (300)     | \$(82,805,100)  | \$(1,319,089)       | \$(262,500) |

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

(a) Non-income producing security.

REITs Real Estate Investment Trusts

# Portfolio of Investments – as of November 30, 2018

## Vaughan Nelson Select Fund – (continued)

### Industry Summary at November 30, 2018

|   |                      |
|---|----------------------|
| Oil, Gas & Consumable Fuels                                       | 11.0%                |
| Chemicals   | 9.2                  |
| Entertainment   | 6.0                  |
| Diversified Financial Services                                    | 5.8                  |
| Health Care Providers & Services                                  | 5.7                  |
| Industrial Conglomerates  | 5.3                  |
| Diversified Telecommunication Services                            | 5.0                  |
| Specialty Retail  | 5.0                  |
| Software  | 4.9                  |
| Machinery   | 4.7                  |
| Aerospace & Defense   | 4.6                  |
| Biotechnology   | 3.5                  |
| Road & Rail   | 3.3                  |
| Life Sciences Tools & Services                                    | 3.2                  |
| IT Services   | 3.0                  |
| Banks   | 2.8                  |
| Personal Products   | 2.8                  |
| Semiconductors & Semiconductor<br>Equipment                       | 2.8                  |
| REITs - Diversified   | 2.5                  |
| Capital Markets   | 2.2                  |
| Electrical Equipment  | 2.1                  |
| Index Options   | 0.3                  |
| Short-Term Investments  | <u>4.5</u>           |
| Total Investments   | 100.2                |
| Other assets less liabilities (including<br>open written options) | <u>(0.2)</u>         |
| Net Assets  | <u><u>100.0%</u></u> |



# Statements of Assets and Liabilities

November 30, 2018

|   | <b>Loomis Sayles<br/>Global<br/>Growth Fund</b> | <b>Vaughan<br/>Nelson<br/>Select Fund</b> |
|---|---|---|
| <b>ASSETS</b>   |   |   |
| Investments at cost   | \$56,571,526                                    | \$181,263,216                             |
| Net unrealized appreciation   | 1,377,006                                       | 18,733,866                                |
| Investments at value  | 57,948,532                                      | 199,997,082                               |
| Receivable for Fund shares sold   | 1,679   | 26,331                                    |
| Receivable for securities sold  | 163,457   | —   |
| Dividends and interest receivable   | 49,252  | 281,916                                   |
| Tax reclaims receivable   | 33,361  | 14,994                                    |
| Prepaid expenses (Note 8)   | 25  | 126                                       |
| <b>TOTAL ASSETS</b>   | <u>58,196,306</u>                               | <u>200,320,449</u>                        |
| <b>LIABILITIES</b>  |   |   |
| Options written, at value (premiums received \$0 and \$1,319,089, respectively) (Note 2)  | —   | 262,500                                   |
| Payable for Fund shares redeemed  | 639,427   | 179,376                                   |
| Management fees payable (Note 6)  | 16,285  | 100,879                                   |
| Deferred Trustees' fees (Note 6)  | 15,159  | 54,020                                    |
| Administrative fees payable (Note 6)  | 1,959   | 6,780                                     |
| Payable to distributor (Note 6d)  | 54  | 466                                       |
| Other accounts payable and accrued expenses   | 75,330  | 78,889                                    |
| <b>TOTAL LIABILITIES</b>  | <u>748,214</u>                                  | <u>682,910</u>                            |
| <b>NET ASSETS</b>   | <u>\$57,448,092</u>                             | <u>\$199,637,539</u>                      |
| <b>NET ASSETS CONSIST OF:</b>   |   |   |
| Paid-in capital   | \$54,185,866                                    | \$162,215,227                             |
| Accumulated earnings  | 3,262,226                                       | 37,422,312                                |
| <b>NET ASSETS</b>   | <u>\$57,448,092</u>                             | <u>\$199,637,539</u>                      |
| <b>COMPUTATION OF NET ASSET VALUE AND OFFERING PRICE:</b>   |   |   |
| <b>Class A shares:</b>  |   |   |
| Net assets  | \$ 1,851,367                                    | \$ 17,702,973                             |
| Shares of beneficial interest   | 139,451   | 976,325                                   |
| Net asset value and redemption price per share  | \$ 13.28  | \$ 18.13                                  |
| Offering price per share (100/94.25 of net asset value) (Note 1)  | \$ 14.09  | \$ 19.24                                  |
| <b>Class C shares: (redemption price per share is equal to net asset value less any applicable contingent deferred sales charge) (Note 1)</b> |   |   |
| Net assets  | \$ 606,442                                      | \$ 6,916,766                              |
| Shares of beneficial interest   | 46,427  | 399,686                                   |
| Net asset value and offering price per share  | \$ 13.06  | \$ 17.31                                  |
| <b>Class N shares:</b>  |   |   |
| Net assets  | \$ 2,843,428                                    | \$ 1,219                                  |
| Shares of beneficial interest   | 213,181   | 66  |
| Net asset value, offering and redemption price per share  | \$ 13.34  | \$ 18.26*                                 |
| <b>Class Y shares:</b>  |   |   |
| Net assets  | \$52,146,855                                    | \$175,016,581                             |
| Shares of beneficial interest   | 3,910,935                                       | 9,589,125                                 |
| Net asset value, offering and redemption price per share  | \$ 13.33  | \$ 18.25                                  |

\* Net asset value calculations have been determined utilizing fractional share and penny amounts.

# Statements of Operations

For the Year Ended November 30, 2018

|  | <b>Loomis Sayles<br/>Global<br/>Growth Fund</b> | <b>Vaughan<br/>Nelson<br/>Select Fund</b> |
|--|---|---|
| <b>INVESTMENT INCOME</b>   |   |   |
| Dividends  | \$ 608,990                                      | \$ 3,078,880                              |
| Interest   | 6,800   | 75,046                                    |
| Less net foreign taxes withheld  | <u>(32,703)</u>                                 | <u>(18,610)</u>                           |
|  | 583,087   | 3,135,316                                 |
| Expenses   |   |   |
| Management fees (Note 6)   | 343,594   | 1,580,358                                 |
| Service and distribution fees (Note 6)   | 7,907   | 126,440                                   |
| Administrative fees (Note 6)   | 18,788  | 83,694                                    |
| Trustees' fees and expenses (Note 6)   | 16,150  | 19,711                                    |
| Transfer agent fees and expenses (Notes 6 and 7)   | 9,717   | 65,230                                    |
| Audit and tax services fees  | 43,552  | 43,212                                    |
| Custodian fees and expenses  | 54,656  | 9,099                                     |
| Legal fees   | 769   | 3,781                                     |
| Registration fees  | 79,794  | 88,459                                    |
| Shareholder reporting expenses   | 3,169   | 24,644                                    |
| Miscellaneous expenses (Note 8)  | <u>16,931</u>                                   | <u>18,277</u>                             |
| Total expenses   | 595,027   | 2,062,905                                 |
| Less waiver and/or expense reimbursement (Note 6)  | <u>(149,078)</u>                                | <u>(99,504)</u>                           |
| Net expenses   | 445,949   | 1,963,401                                 |
| Net investment income  | <u>137,138</u>                                  | <u>1,171,915</u>                          |
| <b>NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS,<br/>OPTIONS WRITTEN AND FOREIGN CURRENCY TRANSACTIONS</b> |   |   |
| Net realized gain on:  |   |   |
| Investments  | 1,801,749                                       | 15,186,072                                |
| Options written  | —   | 1,738,800                                 |
| Foreign currency transactions (Note 2c)  | 6,877   | —   |
| Net change in unrealized appreciation (depreciation) on:   |   |   |
| Investments  | (1,908,348)                                     | (8,994,971)                               |
| Options written  | —   | 514,397                                   |
| Foreign currency translations (Note 2c)  | <u>(1,453)</u>                                  | <u>(39)</u>                               |
| Net realized and unrealized gain (loss) on investments, options written<br>and foreign currency transactions         | <u>(101,175)</u>                                | <u>8,444,259</u>                          |
| <b>NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b>  | <u>\$ 35,963</u>                                | <u>\$ 9,616,174</u>                       |

# Statements of Changes in Net Assets

|   | Loomis Sayles Global<br>Growth Fund |                                    | Vaughan Nelson<br>Select Fund      |                                    |
|---|-------------------------------------|------------------------------------|------------------------------------|------------------------------------|
|   | Year Ended<br>November 30,<br>2018  | Year Ended<br>November 30,<br>2017 | Year Ended<br>November 30,<br>2018 | Year Ended<br>November 30,<br>2017 |
| <b>FROM OPERATIONS:</b>   |                                     |                                    |                                    |                                    |
| Net investment income   | \$ 137,138                          | \$ 52,478                          | \$ 1,171,915                       | \$ 766,365                         |
| Net realized gain on investments,<br>options written and foreign<br>currency transactions                                       | 1,808,626                           | 501,578                            | 16,924,872                         | 14,787,021                         |
| Net change in unrealized appreciation<br>(depreciation) on investments,<br>options written and foreign<br>currency translations | (1,909,801)                         | 3,130,805                          | (8,480,613)                        | 13,647,695                         |
| Net increase in net assets resulting<br>from operations   | 35,963                              | 3,684,861                          | 9,616,174                          | 29,201,081                         |
| <b>FROM DISTRIBUTIONS TO<br/>SHAREHOLDERS:</b>  |                                     |                                    |                                    |                                    |
| Class A   | (47,880)                            | (4,494)(a)                         | (1,715,872)                        | (337,102)(a)                       |
| Class C   | (4,651)                             | (505)(a)                           | (530,390)                          | (124,325)(a)                       |
| Class N   | (41)                                | —                                  | (92)                               | —                                  |
| Class Y   | (540,538)                           | (244,734)(a)                       | (11,877,364)                       | (1,860,714)(a)                     |
| Total distributions   | (593,110)                           | (249,733)                          | (14,123,718)                       | (2,322,141)                        |
| <b>NET INCREASE (DECREASE) IN NET<br/>ASSETS FROM CAPITAL SHARE<br/>TRANSACTIONS (NOTE 11)</b>                                  |                                     |                                    |                                    |                                    |
|   | 40,276,521                          | 4,281,483                          | 50,701,439                         | (5,953,310)                        |
| Net increase in net assets  | 39,719,374                          | 7,716,611                          | 46,193,895                         | 20,925,630                         |
| <b>NET ASSETS</b>   |                                     |                                    |                                    |                                    |
| Beginning of the year   | 17,728,718                          | 10,012,107                         | 153,443,644                        | 132,518,014                        |
| End of the year   | <u>\$57,448,092</u>                 | <u>\$17,728,718</u>                | <u>\$199,637,539</u>               | <u>\$153,443,644</u>               |

(a) See Note 2e of Notes to Financial Statements.

# Financial Highlights

For a share outstanding throughout each period.

|  | <b>Loomis Sayles Global Growth Fund—Class A</b> |   |  |
|--|---|---|--|
|  | <b>Year Ended<br/>November 30,<br/>2018</b>     | <b>Year Ended<br/>November 30,<br/>2017</b> | <b>Period Ended<br/>November 30,<br/>2016*</b> |
| Net asset value, beginning of the period         | \$13.44   | \$10.53                                     | \$10.00  |
| <b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b> |   |   |  |
| Net investment income (loss)(a)                  | 0.02  | (0.00)(b)                                   | 0.00(b)  |
| Net realized and unrealized gain (loss)          | 0.26(c)   | 3.15  | 0.53   |
| Total from Investment Operations                 | 0.28  | 3.15  | 0.53   |
| <b>LESS DISTRIBUTIONS FROM:</b>                  |   |   |  |
| Net investment income                            | (0.03)  | (0.03)                                      | —  |
| Net realized capital gains                       | (0.41)  | (0.21)                                      | —  |
| Total Distributions                              | (0.44)  | (0.24)                                      | —  |
| Net asset value, end of the period               | \$13.28   | \$13.44                                     | \$10.53  |
| Total return(d)(e)                               | 2.05%   | 30.63%                                      | 5.30%(f)                                       |
| <b>RATIOS TO AVERAGE NET ASSETS:</b>             |   |   |  |
| Net assets, end of the period (000's)            | \$1,851   | \$1,541                                     | \$ 195   |
| Net expenses(g)                                  | 1.27%   | 1.29%                                       | 1.30%(h)                                       |
| Gross expenses                                   | 1.62%   | 2.56%                                       | 2.74%(h)                                       |
| Net investment income (loss)                     | 0.16%   | (0.00)%(i)                                  | 0.00%(h)(i)                                    |
| Portfolio turnover rate                          | 24%   | 17%   | 12%  |

\* From commencement of Class operations on March 31, 2016 through November 30, 2016.

- (a) Per share net investment income (loss) has been calculated using the average shares outstanding during the period.
- (b) Amount rounds to less than \$0.01 per share.
- (c) The amount shown for a share outstanding does not correspond with the aggregate realized and unrealized gain (loss) on investments for the period due to the timing of sales and redemptions of fund shares in relation to fluctuating market values of investments of the Fund.
- (d) A sales charge for Class A shares is not reflected in total return calculations.
- (e) Had certain expenses not been waived/reimbursed during the period, total returns would have been lower.
- (f) Periods less than one year are not annualized.
- (g) 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.
- (h) Computed on an annualized basis for periods less than one year.
- (i) Amount rounds to less than 0.01%.

# Financial Highlights (continued)

For a share outstanding throughout each period.

|  | <b>Loomis Sayles Global Growth Fund—Class C</b> |   |  |
|--|---|---|--|
|  | <b>Year Ended<br/>November 30,<br/>2018</b>     | <b>Year Ended<br/>November 30,<br/>2017</b> | <b>Period Ended<br/>November 30,<br/>2016*</b> |
| Net asset value, beginning of the period         | \$13.30   | \$10.47                                     | \$10.00  |
| <b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b> |   |   |  |
| Net investment loss(a)                           | (0.09)  | (0.09)                                      | (0.08)   |
| Net realized and unrealized gain (loss)          | 0.26(b)   | 3.13  | 0.55   |
| Total from Investment Operations                 | 0.17  | 3.04  | 0.47   |
| <b>LESS DISTRIBUTIONS FROM:</b>                  |   |   |  |
| Net investment income                            | —   | (0.00)(c)                                   | —  |
| Net realized capital gains                       | (0.41)  | (0.21)                                      | —  |
| Total Distributions                              | (0.41)  | (0.21)                                      | —  |
| Net asset value, end of the period               | <u>\$13.06</u>                                  | <u>\$13.30</u>                              | <u>\$10.47</u>                                 |
| Total return(d)(e)                               | 1.25%   | 29.67%                                      | 4.70%(f)                                       |
| <b>RATIOS TO AVERAGE NET ASSETS:</b>             |   |   |  |
| Net assets, end of the period (000's)            | \$ 606  | \$ 134                                      | \$ 25  |
| Net expenses(g)                                  | 2.03%   | 2.04%                                       | 2.05%(h)                                       |
| Gross expenses                                   | 2.37%   | 3.31%                                       | 3.18%(h)                                       |
| Net investment loss                              | (0.71)%   | (0.73)%                                     | (1.09%(h)                                      |
| Portfolio turnover rate                          | 24%   | 17%   | 12%  |

\* From commencement of Class operations on March 31, 2016 through November 30, 2016.

- (a) Per share net investment loss has been calculated using the average shares outstanding during the period.
- (b) The amount shown for a share outstanding does not correspond with the aggregate realized and unrealized gain (loss) on investments for the period due to the timing of sales and redemptions of fund shares in relation to fluctuating market values of investments of the Fund.
- (c) Amount rounds to less than \$0.01 per share.
- (d) A contingent deferred sales charge for Class C shares is not reflected in total return calculations.
- (e) Had certain expenses not been waived/reimbursed during the period, total returns would have been lower.
- (f) Periods less than one year are not annualized.
- (g) 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.
- (h) Computed on an annualized basis for periods less than one year.

# Financial Highlights (continued)

For a share outstanding throughout each period.

|  | <b>Loomis Sayles Global<br/>Growth Fund—Class N</b> |  |
|--|---|--|
|  | <b>Year Ended<br/>November 30,<br/>2018</b>         | <b>Period Ended<br/>November 30,<br/>2017*</b> |
| Net asset value, beginning of the period         | \$13.49   | \$11.26  |
| <b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b> |   |  |
| Net investment income(a)                         | 0.05  | 0.03   |
| Net realized and unrealized gain (loss)          | 0.26(b)   | 2.20   |
| Total from Investment Operations                 | <u>0.31</u>   | <u>2.23</u>                                    |
| <b>LESS DISTRIBUTIONS FROM:</b>                  |   |  |
| Net investment income                            | (0.05)  | —  |
| Net realized capital gains                       | (0.41)  | —  |
| Total Distributions                              | <u>(0.46)</u>                                       | <u>—</u>                                       |
| Net asset value, end of the period               | <u>\$13.34</u>                                      | <u>\$13.49</u>                                 |
| Total return(c)                                  | 2.31%   | 19.80%(d)                                      |
| <b>RATIOS TO AVERAGE NET ASSETS:</b>             |   |  |
| Net assets, end of the period (000's)            | \$2,843   | \$ 1   |
| Net expenses(e)                                  | 1.00%   | 1.00%(f)                                       |
| Gross expenses                                   | 1.35%   | 15.78%(f)                                      |
| Net investment income                            | 0.38%   | 0.30%(f)                                       |
| Portfolio turnover rate                          | 24%   | 17%(g)   |

\* From commencement of Class operations on March 31, 2017 through November 30, 2017.

- (a) Per share net investment income has been calculated using the average shares outstanding during the period.
- (b) The amount shown for a share outstanding does not correspond with the aggregate realized and unrealized gain (loss) on investments for the period due to the timing of sales and redemptions of fund shares in relation to fluctuating market values of investments of the Fund.
- (c) Had certain expenses not been waived/reimbursed during the period, total returns would have been lower.
- (d) Periods less than one year are not annualized.
- (e) 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.
- (f) Computed on an annualized basis for periods less than one year.
- (g) Represents the Fund's portfolio turnover rate for the year ended November 30, 2017.

# Financial Highlights (continued)

For a share outstanding throughout each period.

|  | <b>Loomis Sayles Global Growth Fund—Class Y</b> |   |  |
|--|---|---|--|
|  | <b>Year Ended<br/>November 30,<br/>2018</b>     | <b>Year Ended<br/>November 30,<br/>2017</b> | <b>Period Ended<br/>November 30,<br/>2016*</b> |
| Net asset value, beginning of the period         | \$ 13.48  | \$ 10.55                                    | \$10.00  |
| <b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b> |   |   |  |
| Net investment income(a)                         | 0.04  | 0.05  | 0.03   |
| Net realized and unrealized gain (loss)          | 0.27(b)   | 3.14  | 0.52   |
| Total from Investment Operations                 | 0.31  | 3.19  | 0.55   |
| <b>LESS DISTRIBUTIONS FROM:</b>                  |   |   |  |
| Net investment income                            | (0.05)  | (0.05)                                      | —  |
| Net realized capital gains                       | (0.41)  | (0.21)                                      | —  |
| Total Distributions                              | (0.46)  | (0.26)                                      | —  |
| Net asset value, end of the period               | \$ 13.33  | \$ 13.48                                    | \$10.55  |
| Total return(c)                                  | 2.27%   | 30.96%                                      | 5.50%(d)                                       |
| <b>RATIOS TO AVERAGE NET ASSETS:</b>             |   |   |  |
| Net assets, end of the period (000's)            | \$52,147  | \$16,053                                    | \$9,793  |
| Net expenses(e)                                  | 1.02%   | 1.04%                                       | 1.05%(f)                                       |
| Gross expenses                                   | 1.37%   | 2.31%                                       | 2.55%(f)                                       |
| Net investment income                            | 0.33%   | 0.40%                                       | 0.45%(f)                                       |
| Portfolio turnover rate                          | 24%   | 17%   | 12%  |

\* From commencement of Class operations on March 31, 2016 through November 30, 2016.

- (a) Per share net investment income has been calculated using the average shares outstanding during the period.
- (b) The amount shown for a share outstanding does not correspond with the aggregate realized and unrealized gain (loss) on investments for the period due to the timing of sales and redemptions of fund shares in relation to fluctuating market values of investments of the Fund.
- (c) Had certain expenses not been waived/reimbursed during the period, total returns would have been lower.
- (d) Periods less than one year are not annualized.
- (e) 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.
- (f) Computed on an annualized basis for periods less than one year.

# Financial Highlights (continued)

For a share outstanding throughout each period.

| Vaughan Nelson Select Fund—Class A               |                                    |                                    |                                    |                                    |                                    |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
|  | Year Ended<br>November 30,<br>2018 | Year Ended<br>November 30,<br>2017 | Year Ended<br>November 30,<br>2016 | Year Ended<br>November 30,<br>2015 | Year Ended<br>November 30,<br>2014 |
| Net asset value, beginning of the period         | \$ 18.59                           | \$ 15.38                           | \$ 14.82                           | \$ 14.78                           | \$ 14.22                           |
| <b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b> |                                    |                                    |                                    |                                    |                                    |
| Net investment income (loss)(a)                  | 0.07                               | 0.06                               | 0.03                               | 0.01                               | (0.01)                             |
| Net realized and unrealized gain (loss)          | 0.91                               | 3.41                               | 0.83                               | 0.47                               | 2.01                               |
| Total from Investment Operations                 | 0.98                               | 3.47                               | 0.86                               | 0.48                               | 2.00                               |
| <b>LESS DISTRIBUTIONS FROM:</b>                  |                                    |                                    |                                    |                                    |                                    |
| Net investment income                            | (0.10)                             | (0.01)                             | (0.00)(b)                          | —                                  | (0.01)                             |
| Net realized capital gains                       | (1.34)                             | (0.25)                             | (0.30)                             | (0.44)                             | (1.43)                             |
| Total Distributions                              | (1.44)                             | (0.26)                             | (0.30)                             | (0.44)                             | (1.44)                             |
| Net asset value, end of the period               | \$ 18.13                           | \$ 18.59                           | \$ 15.38                           | \$ 14.82                           | \$ 14.78                           |
| Total return(c)                                  | 5.62%(d)                           | 22.86%(d)                          | 5.91%(d)                           | 3.31%                              | 15.31%(d)                          |
| <b>RATIOS TO AVERAGE NET ASSETS:</b>             |                                    |                                    |                                    |                                    |                                    |
| Net assets, end of the period (000's)            | \$17,703                           | \$22,268                           | \$20,502                           | \$15,794                           | \$11,182                           |
| Net expenses                                     | 1.22%(e)(f)                        | 1.28%(e)(g)                        | 1.34%(e)(h)                        | 1.40%                              | 1.40%(e)                           |
| Gross expenses                                   | 1.27%                              | 1.33%                              | 1.37%                              | 1.40%                              | 1.62%                              |
| Net investment income (loss)                     | 0.41%                              | 0.39%                              | 0.18%                              | 0.05%                              | (0.08)%                            |
| Portfolio turnover rate                          | 54%                                | 66%                                | 64%                                | 35%                                | 64%                                |

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

(b) Amount rounds to less than \$0.01 per share.

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

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

(e) 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.

(f) Effective July 1, 2018, the expense limit decreased from 1.25% to 1.20%.

(g) Effective July 1, 2017, the expense limit decreased from 1.30% to 1.25%.

(h) Effective July 1, 2016, the expense limit decreased from 1.40% to 1.30%.



# Financial Highlights (continued)

For a share outstanding throughout each period.

|  | Vaughan Nelson Select Fund—Class C |                                    |                                    |                                    |                                    |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
|  | Year Ended<br>November 30,<br>2018 | Year Ended<br>November 30,<br>2017 | Year Ended<br>November 30,<br>2016 | Year Ended<br>November 30,<br>2015 | Year Ended<br>November 30,<br>2014 |
| Net asset value, beginning of the period         | \$17.84                            | \$14.87                            | \$14.44                            | \$14.52                            | \$14.07                            |
| <b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b> |                                    |                                    |                                    |                                    |                                    |
| Net investment loss(a)                           | (0.06)                             | (0.06)                             | (0.08)                             | (0.10)                             | (0.11)                             |
| Net realized and unrealized gain (loss)          | 0.87                               | 3.28                               | 0.81                               | 0.46                               | 1.99                               |
| Total from Investment Operations                 | 0.81                               | 3.22                               | 0.73                               | 0.36                               | 1.88                               |
| <b>LESS DISTRIBUTIONS FROM:</b>                  |                                    |                                    |                                    |                                    |                                    |
| Net realized capital gains                       | (1.34)                             | (0.25)                             | (0.30)                             | (0.44)                             | (1.43)                             |
| Net asset value, end of the period               | \$17.31                            | \$17.84                            | \$14.87                            | \$14.44                            | \$14.52                            |
| Total return(b)                                  | 4.77%(c)                           | 21.96%(c)                          | 5.14%(c)                           | 2.52%                              | 14.54%(c)                          |
| <b>RATIOS TO AVERAGE NET ASSETS:</b>             |                                    |                                    |                                    |                                    |                                    |
| Net assets, end of the period (000's)            | \$6,917                            | \$7,429                            | \$7,693                            | \$5,607                            | \$2,955                            |
| Net expenses                                     | 1.96%(d)(e)                        | 2.03%(d)(f)                        | 2.09%(d)(g)                        | 2.15%                              | 2.15%(d)                           |
| Gross expenses                                   | 2.01%                              | 2.08%                              | 2.12%                              | 2.15%                              | 2.35%                              |
| Net investment loss                              | (0.32)%                            | (0.37)%                            | (0.58)%                            | (0.69)%                            | (0.84)%                            |
| Portfolio turnover rate                          | 54%                                | 66%                                | 64%                                | 35%                                | 64%                                |

- (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.
- (c) Had certain expenses not been waived/reimbursed during the period, total returns would have been lower.
- (d) 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.
- (e) Effective July 1, 2018, the expense limit decreased from 2.00% to 1.95%.
- (f) Effective July 1, 2017, the expense limit decreased from 2.05% to 2.00%.
- (g) Effective July 1, 2016, the expense limit decreased from 2.15% to 2.05%.

# Financial Highlights (continued)

For a share outstanding throughout each period.

|  | <b>Vaughan Nelson<br/>Select Fund—Class N</b> |  |
|--|---|--|
|  | <b>Year Ended<br/>November 30,<br/>2018</b>   | <b>Period Ended<br/>November 30,<br/>2017*</b> |
| Net asset value, beginning of the period         | <u>\$18.73</u>                                | <u>\$16.28</u>                                 |
| <b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b> |   |  |
| Net investment income(a)                         | 0.13  | 0.09   |
| Net realized and unrealized gain (loss)          | <u>0.89</u>                                   | <u>2.36</u>                                    |
| Total from Investment Operations                 | <u>1.02</u>                                   | <u>2.45</u>                                    |
| <b>LESS DISTRIBUTIONS FROM:</b>                  |   |  |
| Net investment income                            | (0.15)  | —  |
| Net realized capital gains                       | <u>(1.34)</u>                                 | <u>—</u>                                       |
| Total Distributions                              | <u>(1.49)</u>                                 | <u>—</u>                                       |
| Net asset value, end of the period               | <u><u>\$18.26</u></u>                         | <u><u>\$18.73</u></u>                          |
| Total return(b)                                  | 5.90%   | 15.05%(c)                                      |
| <b>RATIOS TO AVERAGE NET ASSETS:</b>             |   |  |
| Net assets, end of the period (000's)            | \$ 1  | \$ 1   |
| Net expenses(d)                                  | 0.93%(e)                                      | 0.97%(f)(g)                                    |
| Gross expenses                                   | 13.54%  | 14.62%(f)                                      |
| Net investment income                            | 0.68%   | 0.80%(f)                                       |
| Portfolio turnover rate                          | 54%   | 66%(h)   |

\* From commencement of Class operations on March 31, 2017 through November 30, 2017.

(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) Periods less than one year are not annualized.

(d) 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.

(e) Effective July 1, 2018, the expense limit decreased from 0.95% to 0.90%.

(f) Computed on an annualized basis for periods less than one year.

(g) Effective July 1, 2017, the expense limit decreased from 1.00% to 0.95%.

(h) Represents the Fund's portfolio turnover rate for the year ended November 30, 2017.

# Financial Highlights (continued)

For a share outstanding throughout each period.

|  | Vaughan Nelson Select Fund—Class Y |                                    |                                    |                                    |                                    |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
|  | Year Ended<br>November 30,<br>2018 | Year Ended<br>November 30,<br>2017 | Year Ended<br>November 30,<br>2016 | Year Ended<br>November 30,<br>2015 | Year Ended<br>November 30,<br>2014 |
| Net asset value, beginning of the period         | \$ 18.71                           | \$ 15.48                           | \$ 14.90                           | \$ 14.83                           | \$ 14.24                           |
| <b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b> |                                    |                                    |                                    |                                    |                                    |
| Net investment income(a)                         | 0.13                               | 0.11                               | 0.06                               | 0.05                               | 0.02                               |
| Net realized and unrealized gain (loss)          | 0.90                               | 3.41                               | 0.85                               | 0.47                               | 2.03                               |
| Total from Investment Operations                 | 1.03                               | 3.52                               | 0.91                               | 0.52                               | 2.05                               |
| <b>LESS DISTRIBUTIONS FROM:</b>                  |                                    |                                    |                                    |                                    |                                    |
| Net investment income                            | (0.15)                             | (0.04)                             | (0.03)                             | (0.01)                             | (0.03)                             |
| Net realized capital gains                       | (1.34)                             | (0.25)                             | (0.30)                             | (0.44)                             | (1.43)                             |
| Total Distributions                              | (1.49)                             | (0.29)                             | (0.33)                             | (0.45)                             | (1.46)                             |
| Net asset value, end of the period               | \$ 18.25                           | \$ 18.71                           | \$ 15.48                           | \$ 14.90                           | \$ 14.83                           |
| Total return                                     | 5.86%(b)                           | 23.13%(b)                          | 6.22%(b)                           | 3.56%                              | 15.66%(b)                          |
| <b>RATIOS TO AVERAGE NET ASSETS:</b>             |                                    |                                    |                                    |                                    |                                    |
| Net assets, end of the period (000's)            | \$175,017                          | \$123,746                          | \$104,324                          | \$78,483                           | \$54,095                           |
| Net expenses                                     | 0.96%(c)(d)                        | 1.03%(c)(e)                        | 1.09%(c)(f)                        | 1.15%                              | 1.15%(c)                           |
| Gross expenses                                   | 1.01%                              | 1.08%                              | 1.12%                              | 1.15%                              | 1.33%                              |
| Net investment income                            | 0.68%                              | 0.64%                              | 0.43%                              | 0.31%                              | 0.16%                              |
| Portfolio turnover rate                          | 54%                                | 66%                                | 64%                                | 35%                                | 64%                                |

(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.

(d) Effective July 1, 2018, the expense limit decreased from 1.00% to 0.95%.

(e) Effective July 1, 2017, the expense limit decreased from 1.05% to 1.00%.

(f) Effective July 1, 2016, the expense limit decreased from 1.15% to 1.05%.

# Notes to Financial Statements

November 30, 2018

**1. Organization.** Natixis Funds Trust 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 Global Growth Fund (the “Global Growth Fund”)

Vaughan Nelson Select Fund (the “Select Fund”)

Global Growth Fund is a diversified investment company. Select Fund is a non-diversified investment company.

Each Fund offers Class A, Class C, Class N and Class Y shares. Class A shares are sold with a maximum front-end sales charge of 5.75%. 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 for Class N and Class Y as outlined in the relevant Fund’s prospectus.

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. 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 and Class C), and transfer agent fees are borne collectively for Class A, Class C and Class Y, 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 assets of a 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

# Notes to Financial Statements (continued)

November 30, 2018

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 or subadviser 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 or subadviser 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 Fund by an independent pricing service or bid prices obtained from broker-dealers. Broker-dealer bid prices may be used to value debt and unlisted equity securities 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. Domestic exchange-traded single name equity option contracts (including options on exchange-traded funds) are valued at the mean of the National Best Bid and Offer quotations. Option contracts on domestic indices are valued at the average of the closing bid and ask quotations as of the close of trading on the Chicago Board Options Exchange ("CBOE").

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 or subadviser pursuant to procedures approved by the Board of Trustees. On the last

# Notes to Financial Statements (continued)

November 30, 2018

business day of the month, the Funds will fair value S&P 500<sup>®</sup> Index options using the closing rotation values published by the CBOE. 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 the 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 Fund's pricing policies and procedures.

As of November 30, 2018, purchased and written S&P 500<sup>®</sup> Index options held by Select Fund were fair valued at \$700,500 and \$(262,500), representing 0.3% and (0.1)% of net assets, respectively, using the closing rotation values published by the CBOE.

As of November 30, 2018, securities held by Global Growth Fund were fair valued as follows:

| Equity<br><u>Securities</u> <sup>1</sup> | Percentage of<br><u>Net Assets</u> |
|--|------------------------------------|
| \$16,321,249                             | 28.4%                              |

<sup>1</sup> Certain foreign equity securities were fair valued pursuant to procedures approved by the Board of Trustees as events occurring after the close of the foreign market were believed to materially affect the value of those securities.

**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, is recorded on 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. Dividends reinvested are reflected as non-cash dividends on the Statements of Operations. Interest income is increased by the accretion of discount and decreased by the amortization of premium, if applicable.

# Notes to Financial Statements (continued)

November 30, 2018

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.

**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 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 or eliminate 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.

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. Option Contracts.** Select Fund may enter into option contracts. When a Fund purchases an option, it pays a premium and the option is subsequently marked-to-market to reflect current value. Premiums paid for purchasing options which expire are treated as realized losses. Premiums paid for purchasing options which are

# Notes to Financial Statements (continued)

November 30, 2018

exercised are added to the cost or deducted from the proceeds on the underlying instrument or index to determine the realized gain or loss. If the Fund enters into a closing sale transaction, the difference between the premium paid and the proceeds of the closing sale transaction is treated as a realized gain or loss. The risk associated with purchasing options is limited to the premium paid.

When a Fund writes an option, an amount equal to the net premium received (the premium less commission) is recorded as a liability and is subsequently adjusted to the current value. Net premiums received for written options which expire are treated as realized gains. Net premiums received for written options which are exercised are deducted from the cost or added to the proceeds on the underlying instrument or index to determine the realized gain or loss. If the Fund enters into a closing purchase transaction, the difference between the net premium received and any amount paid on effecting a closing purchase transaction, including commissions, is treated as a realized gain or, if the net premium received is less than the amount paid, as a realized loss. The Fund, as writer of a written option, bears the risk of an unfavorable change in the market value of the instrument underlying the written option.

Exchange-traded options contracts are standardized and are settled through a clearing house with fulfillment supported by the credit of the exchange. Therefore, counterparty credit risks to the Funds are reduced.

**e. New Disclosure Requirements.** In accordance with new reporting requirements pursuant to Regulation S-X of the Securities and Exchange Commission, presentation of certain amounts on the Statements of Changes in Net Assets for the year ended November 30, 2017 have been conformed to the new disclosure requirements. Where the prior disclosure of Distributions to Shareholders separately stated distributions from net investment income and from net realized capital gains for each share class of the Fund, they are now combined into a single line item for each respective share class. In addition, disclosure of Undistributed Net Investment Income has been removed from the Statements of Changes in Net Assets.

The following is a summary of the previously disclosed amounts, as reported at November 30, 2017:

## Global Growth Fund

### FROM DISTRIBUTIONS TO SHAREHOLDERS:

|  |                         |
|--|-------------------------|
| Net investment income                      |                         |
| Class A                                    | \$ (578)                |
| Class C                                    | (7)                     |
| Class Y                                    | (44,506)                |
| Net realized capital gains                 |                         |
| Class A                                    | (3,916)                 |
| Class C                                    | (498)                   |
| Class Y                                    | (200,228)               |
| Total distributions                        | <u>\$(249,733)</u>      |
| <b>UNDISTRIBUTED NET INVESTMENT INCOME</b> | <u><u>\$ 46,568</u></u> |



# Notes to Financial Statements (continued)

November 30, 2018

## Select Fund

### FROM DISTRIBUTIONS TO SHAREHOLDERS:

|  |                      |
|--|----------------------|
| Net investment income                      |                      |
| Class A                                    | \$ (9,096)           |
| Class Y                                    | (277,073)            |
| Net realized capital gains                 |                      |
| Class A                                    | (328,006)            |
| Class C                                    | (124,325)            |
| Class Y                                    | <u>(1,583,641)</u>   |
| Total distributions                        | <u>\$(2,322,141)</u> |
| <b>UNDISTRIBUTED NET INVESTMENT INCOME</b> | <b>\$ 569,142</b>    |

**f. 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 November 30, 2018 and has concluded that no provisions for income tax are required. The Funds' federal tax returns for the prior three fiscal years, where applicable, 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.

# Notes to Financial Statements (continued)

November 30, 2018

**g. Dividends and Distributions to Shareholders.** Dividends and distributions are recorded on 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 foreign currency gains and losses, deferred Trustees' fees, distribution redesignations and partnership basis adjustments. Permanent book and tax basis differences relating to shareholder distributions, net investment income, and net realized gains 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 deferred Trustees' fees, wash sales, return of capital distributions received, partnership basis adjustments and options contract mark-to-market. 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 November 30, 2018 and 2017 were as follows:

| Fund               | 2018 Distributions Paid From: |                               |            | 2017 Distributions Paid From: |                               |            |
|--------------------|-------------------------------|-------------------------------|------------|-------------------------------|-------------------------------|------------|
|                    | Ordinary<br>Income            | Long-Term<br>Capital<br>Gains | Total      | Ordinary<br>Income            | Long-Term<br>Capital<br>Gains | Total      |
| Global Growth Fund | \$ 186,759                    | \$ 406,351                    | \$ 593,110 | \$249,733                     | \$ —                          | \$ 249,733 |
| Select Fund        | 1,293,964                     | 12,829,754                    | 14,123,718 | 286,169                       | 2,035,972                     | 2,322,141  |

For the year ended November 30, 2017, differences between amounts previously reported and now disclosed in Note 2e of the Notes to Financial Statements are primarily attributable to different book and tax treatment for short-term capital gains.

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.

# Notes to Financial Statements (continued)

November 30, 2018

As of November 30, 2018, the components of distributable earnings on a tax basis were as follows:

|                                       | Global Growth<br>Fund | Select Fund         |
|---------------------------------------|-----------------------|---------------------|
| Undistributed ordinary income         | \$ 136,913            | \$ 417,937          |
| Undistributed long-term capital gains | 1,933,979             | 16,893,030          |
| Total undistributed earnings          | <u>2,070,892</u>      | <u>17,310,967</u>   |
| Unrealized appreciation               | 1,206,493             | 20,165,365          |
| Total accumulated earnings            | <u>\$3,277,385</u>    | <u>\$37,476,332</u> |

As of November 30, 2018, the cost of investments (including derivatives, if applicable) and unrealized appreciation (depreciation) on a federal tax basis were as follows:

|                        | Global Growth<br>Fund | Select Fund          |
|------------------------|-----------------------|----------------------|
| Federal tax cost       | <u>\$56,740,732</u>   | <u>\$181,223,090</u> |
| Gross tax appreciation | \$ 3,890,650          | \$ 27,985,544        |
| Gross tax depreciation | <u>(2,682,820)</u>    | <u>(7,820,140)</u>   |
| Net tax appreciation   | <u>\$ 1,207,830</u>   | <u>\$ 20,165,404</u> |

Differences between these amounts and those reported in the components of distributable earnings are primarily attributable to foreign currency mark-to-market and capital gains taxes.

**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 November 30, 2018, each Fund 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. 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

# Notes to Financial Statements (continued)

November 30, 2018

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.

**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 following is a summary of the inputs used to value the Funds' investments as of November 30, 2018, at value:

## Global Growth Fund

### Asset Valuation Inputs

| <u>Description</u>         | <u>Level 1</u>      | <u>Level 2</u>      | <u>Level 3</u> | <u>Total</u>        |
|----------------------------|---------------------|---------------------|----------------|---------------------|
| Common Stocks              |                     |                     |                |                     |
| China                      | \$ 7,107,823        | \$ 1,675,105        | \$ —           | \$ 8,782,928        |
| Denmark                    | —                   | 1,949,945           | —              | 1,949,945           |
| France                     | —                   | 2,568,687           | —              | 2,568,687           |
| Italy                      | —                   | 527,984             | —              | 527,984             |
| Switzerland                | —                   | 5,031,408           | —              | 5,031,408           |
| United Kingdom             | —                   | 4,568,120           | —              | 4,568,120           |
| All Other Common Stocks(a) | <u>34,120,802</u>   | <u>—</u>            | <u>—</u>       | <u>34,120,802</u>   |
| Total Common Stocks        | <u>41,228,625</u>   | <u>16,321,249</u>   | <u>—</u>       | <u>57,549,874</u>   |
| Short-Term Investments     | <u>—</u>            | <u>398,658</u>      | <u>—</u>       | <u>398,658</u>      |
| Total                      | <u>\$41,228,625</u> | <u>\$16,719,907</u> | <u>\$ —</u>    | <u>\$57,948,532</u> |

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

For the year ended November 30, 2018, there were no transfers among Levels 1, 2 and 3.

# Notes to Financial Statements (continued)

November 30, 2018

## Select Fund

### Asset Valuation Inputs

| <u>Description</u>     | <u>Level 1</u>       | <u>Level 2</u>     | <u>Level 3</u> | <u>Total</u>         |
|------------------------|----------------------|--------------------|----------------|----------------------|
| Common Stocks(a)       | \$190,362,129        | \$ —               | \$ —           | \$190,362,129        |
| Purchased Options(a)   | —                    | 700,500            | —              | 700,500              |
| Short-Term Investments | —                    | 8,934,453          | —              | 8,934,453            |
| Total                  | <u>\$190,362,129</u> | <u>\$9,634,953</u> | <u>\$ —</u>    | <u>\$199,997,082</u> |

### Liability Valuation Inputs

| <u>Description</u> | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u> |
|--------------------|----------------|----------------|----------------|--------------|
| Written Options(a) | \$ —           | \$ (262,500)   | \$ —           | \$ (262,500) |

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

For the year ended November 30, 2018, there were no transfers among Levels 1, 2 and 3.

**4. Derivatives.** Derivative instruments are defined as financial instruments whose value and performance are based on the value and performance of an underlying asset, reference rate or index. Derivative instruments that Select Fund used during the period include option contracts.

Select Fund is subject to the risk of unpredictable declines in the value of individual equity securities and periods of below average performance in individual securities or in the equity market as a whole. The Fund may use purchased and written put options to hedge against a decline in values. The Fund may also use written call options to collect incremental income on an equity position it holds. During the year ended November 30, 2018, the Fund engaged in purchased and written put options for hedging purposes.

The following is a summary of derivative instruments for the Select Fund as of November 30, 2018, as reflected within the Statements of Assets and Liabilities:

|                                       |  |
|---------------------------------------|--|
| <u>Assets</u>                         | Investments<br><u>at value<sup>1</sup></u> |
| Exchange-traded asset derivatives     |  |
| Equity contracts                      | \$700,500                                  |
| <u>Liabilities</u>                    | Options written<br><u>at value</u>         |
| Exchange-traded liability derivatives |  |
| Equity contracts                      | \$(262,500)                                |

<sup>1</sup> Represents purchased options, at value.

# Notes to Financial Statements (continued)

November 30, 2018

Transactions in derivative instruments for Select Fund during the year ended November 30, 2018, as reflected within the Statements of Operations, were as follows:

|                              |                                |                        |
|------------------------------|--------------------------------|------------------------|
| <u>Net Realized Gain on:</u> | <u>Investments<sup>2</sup></u> | <u>Options written</u> |
| Equity contracts             | \$ (2,268,924)                 | \$ 1,738,800           |

Net Change in Unrealized Appreciation

|                           |                                |                        |
|---------------------------|--------------------------------|------------------------|
| <u>(Depreciation) on:</u> | <u>Investments<sup>2</sup></u> | <u>Options written</u> |
| Equity contracts          | \$ (649,799)                   | \$ 514,397             |

<sup>2</sup> Represents realized loss and change in unrealized appreciation (depreciation), respectively, for purchased options during the period.

As the Fund values its derivatives at fair value and recognizes changes in fair value through the Statements of Operations, it does not qualify for hedge accounting under authoritative guidance for derivative instruments. The Fund's investments in derivatives may represent an economic hedge; however, they are considered to be non-hedge transactions for the purpose of these disclosures.

The volume of option contract activity, as a percentage of net assets, for Select Fund, based on month-end market values of underlying securities, at absolute value, was as follows for the year ended November 30, 2018:

| <u>Select Fund**</u>  | <u>Put Options Purchased</u> | <u>Call Options Written</u> | <u>Put Options Written</u> |
|---|------------------------------|-----------------------------|----------------------------|
| Average Market Value of Underlying Securities                 | 43.36%                       | 0.17%                       | 43.36%                     |
| Highest Market Value of Underlying Securities                 | 45.33%                       | 0.00%                       | 45.33%                     |
| Lowest Market Value of Underlying Securities                  | 40.16%                       | 0.00%                       | 40.16%                     |
| Market Value of Underlying Securities as of November 30, 2018 | 41.48%                       | 0.00%                       | 41.48%                     |

\*\* Market value of underlying instruments is determined as follows: for securities by multiplying option shares by the price of the option's underlying security, as determined by the Fund's Pricing Policies and Procedures, and for indices by multiplying option contracts by the contract multiplier by the price of the option's underlying index.

Amounts outstanding at the end of the prior period are included in the average amount outstanding.

**5. Purchases and Sales of Securities.** For the year ended November 30, 2018, purchases and sales of securities (excluding short-term investments, option contracts and U.S. Government/Agency securities and including paydowns) were as follows:

|                    |                  |               |
|--------------------|------------------|---------------|
| <u>Fund</u>        | <u>Purchases</u> | <u>Sales</u>  |
| Global Growth Fund | \$ 50,489,707    | \$ 10,373,077 |
| Select Fund        | 131,930,748      | 98,106,938    |

# Notes to Financial Statements (continued)

November 30, 2018

## 6. Management Fees and Other Transactions with Affiliates.

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

Under the terms of the management agreement, the Fund pays a management fee at the annual rate of 0.80%, calculated daily and payable monthly, based on the Fund’s average daily net assets.

Natixis Advisors, L.P. (“Natixis Advisors”), serves as investment adviser to the Select Fund. Natixis Advisors is a wholly-owned subsidiary of Natixis. Under the terms of the management agreement, the Fund pays a management fee at the annual rate of 0.80%, calculated daily and payable monthly, based on the Fund’s average daily net assets. Prior to July 1, 2018, the Fund paid a management fee at the annual rate of 0.85%, calculated daily and payable monthly, based on the Fund’s average daily net assets.

Natixis Advisors has entered into a subadvisory agreement with Vaughan Nelson Investment Management, L.P. (“Vaughan Nelson”). Under the terms of the subadvisory agreement, the Fund pays a subadvisory fee at the annual rate of 0.53%, calculated daily and payable monthly, based on the Fund’s average daily net assets. Payments to Natixis Advisors are reduced by the amount of payments to Vaughan Nelson.

Loomis Sayles and Natixis Advisors have 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, dividend expenses on securities sold short, taxes, organizational and extraordinary expenses such as litigation and indemnification expenses. These undertakings are in effect until March 31, 2019 for Global Growth Fund and until March 31, 2020 for Select 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 November 30, 2018, the expense limits as a percentage of average daily net assets under the expense limitation agreements were as follows:

| Fund               | Expense Limit as a Percentage of<br>Average Daily Net Assets |         |         |         |
|--------------------|--|---------|---------|---------|
|                    | Class A  | Class C | Class N | Class Y |
| Global Growth Fund | 1.30%  | 2.05%   | 1.00%   | 1.05%   |
| Select Fund        | 1.20%  | 1.95%   | 0.90%   | 0.95%   |

# Notes to Financial Statements (continued)

November 30, 2018

Prior to July 1, 2018, the expense limits as a percentage of average daily net assets under the expense limitation agreement for Select Fund were as follows:

| Fund        | Expense Limit as a Percentage of<br>Average Daily Net Assets |         |         |         |
|-------------|--|---------|---------|---------|
|             | Class A  | Class C | Class N | Class Y |
| Select Fund | 1.25%  | 2.00%   | 0.95%   | 1.00%   |

Loomis Sayles and Natixis Advisors 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 November 30, 2018, the management fees and waivers of management fees for each Fund were as follows:

| Fund                  | Gross<br>Management<br>Fees | Contractual<br>Waivers of<br>Management<br>Fees <sup>1</sup> | Voluntary<br>Waivers of<br>Management<br>Fees <sup>2</sup> | Net<br>Management<br>Fees | Percentage<br>of Average<br>Daily Net<br>Assets |       |
|-----------------------|-----------------------------|--|--|---------------------------|---|-------|
|                       |                             |  |  |                           | Gross   | Net   |
| Global Growth<br>Fund | \$ 343,594                  | \$137,221  | \$11,497   | \$ 194,876                | 0.80%   | 0.45% |
| Select Fund           | 1,580,358                   | 69,517   | 29,515   | 1,481,326                 | 0.83%   | 0.78% |

<sup>1</sup> Contractual management fee waivers are subject to possible recovery until November 30, 2019.

<sup>2</sup> Voluntary management fee waivers are not subject to recovery under the expense limitation agreement described above.

No expenses were recovered for any of the Funds during the year ended November 30, 2018 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") and a Distribution and Service Plan relating to each Fund's Class C shares (the "Class C Plans").

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



# Notes to Financial Statements (continued)

November 30, 2018

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 the annual rate of 0.75% of the average daily net assets attributable to the Fund's Class C shares, as compensation for services provided by Natixis Distribution in connection with the marketing or sale of Class C shares.

For the year ended November 30, 2018, the service and distribution fees for each Fund were as follows:

| Fund               | Service Fees |         | Distribution Fees |
|--------------------|--------------|---------|-------------------|
|                    | Class A      | Class C | Class C           |
| Global Growth Fund | \$ 4,422     | \$ 871  | \$ 2,614          |
| Select Fund        | 55,431       | 17,752  | 53,257            |

**c. Administrative Fees.** Natixis Advisors provides certain administrative services for the Funds and contracts with State Street Bank and Trust Company ("State Street Bank") to serve as sub-administrator. Pursuant to an agreement among Natixis Funds Trusts, Loomis Sayles Funds Trusts, Natixis ETF Trust and Natixis Advisors, each Fund pays Natixis Advisors monthly its *pro rata* portion of fees equal to an annual rate of 0.0575% of the first \$15 billion of the average daily net assets of the Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trust, 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 Trust of \$10 million, which is reevaluated on an annual basis.

Prior to July 1, 2018, each Fund paid Natixis Advisors monthly its *pro rata* portion of fees equal to an annual rate of 0.0575% of the first \$15 billion of the average daily net assets of the Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trust, 0.0500% of the next \$15 billion, 0.0400% of the next \$30 billion, 0.0350% of the next \$30 billion and 0.0325% 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 Trust of \$10 million, which was reevaluated on an annual basis.

Effective October 1, 2018, State Street Bank agreed to reduce the fees it receives from Natixis Advisors for serving as sub-administrator to the Funds. Also, effective October 1, 2018, Natixis Advisors agreed to voluntarily waive fees paid by the Funds in

# Notes to Financial Statements (continued)

November 30, 2018

an amount equal to the reduction in sub-administrative fees discussed above. The waiver is in effect through June 30, 2019.

For the year ended November 30, 2018, the administrative fees for each Fund were as follows:

| <u>Fund</u>        | Gross<br>Administrative<br><u>Fees</u> | Waiver of<br>Administrative<br><u>Fees</u> | Net<br>Administrative<br><u>Fees</u> |
|--------------------|--|--|--------------------------------------|
| Global Growth Fund | \$18,788                               | \$ 89                                      | \$18,699                             |
| Select Fund        | 83,694                                 | 319  | 83,375                               |

**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.

For the year ended November 30, 2018, 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>        | Sub-Transfer Agent<br><u>Fees</u> |
|--------------------|-----------------------------------|
| Global Growth Fund | \$ 4,963                          |
| Select Fund        | 54,402                            |

As of November 30, 2018, 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>        | Reimbursements of<br>Sub-Transfer Agent<br><u>Fees</u> |
|--------------------|--|
| Global Growth Fund | \$ 54  |
| Select Fund        | 466  |

# Notes to Financial Statements (continued)

November 30, 2018

Sub-transfer agent fees attributable to Class A, Class C and Class Y 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 November 30, 2018 were as follows:

| <u>Fund</u>        | <u>Commissions</u> |
|--------------------|--------------------|
| Global Growth Fund | \$1,459            |
| Select Fund        | 2,579              |

**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 \$340,000. 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 \$170,000. 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 and the chairperson of the Audit Committee each receive an additional retainer fee at the annual rate of \$20,000. The chairperson of the Governance Committee receives an additional retainer fee at the annual rate of \$12,000. 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 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 Trust 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, 2018, the Chairperson of the Board received a retainer fee at the annual rate of \$325,000 and each Independent Trustee (other than the Chairperson) received, in the aggregate, a retainer fee at the annual rate of \$155,000, the chairperson of the Contract Review Committee and Audit Committee each received an additional retainer fee at the annual rate of \$17,500 and the chairperson of the Governance Committee received an additional retainer fee at the annual rate of \$10,000. All other Trustee fees remained unchanged.

Effective January 1, 2019, the Chairperson of the Board will receive a retainer fee at the annual rate of \$360,000, each Independent Trustee (other than the Chairperson) will

# Notes to Financial Statements (continued)

November 30, 2018

receive, in the aggregate, a retainer fee at the annual rate of \$190,000, and the chairperson of the Governance Committee will receive an additional retainer fee at the annual rate of \$15,000. All other Trustee fees will remain 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 Trust 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 Trust, 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.

An officer and employee of Loomis Sayles is also a Trustee of the Trust.

**g. Affiliated Ownership.** As of November 30, 2018, Natixis and affiliates held shares of the Funds representing the following percentages of the Funds' net assets:

| <u>Fund</u>        |                 |
|--------------------|-----------------|
| Global Growth Fund | 28.02%          |
| Select Fund        | Less than 0.01% |

Investment activities of affiliated shareholders could have material impacts on the Funds.

On December 30, 2017, Natixis contributed \$8,000,000 in additional seed money to the Global Growth Fund.

**h. Reimbursement of Transfer Agent Fees and Expenses.** Natixis Advisors has given a binding contractual undertaking to the Funds to reimburse any and all transfer agency expenses for the Funds' Class N shares. This undertaking is in effect through March 31, 2019 and is not subject to recovery under the expense limitation agreement described above.

For the year ended November 30, 2018, Natixis Advisors reimbursed the Funds for transfer agency expenses as follows:

| <u>Fund</u>        | <u>Reimbursement<br/>of Transfer<br/>Agency Expenses<br/>Class N</u> |
|--------------------|--|
| Global Growth Fund | \$271  |
| Select Fund        | 153  |

# Notes to Financial Statements (continued)

November 30, 2018

**7. Class-Specific Transfer Agent Fees and Expenses.** Transfer agent fees and expenses attributable to Class A, Class C and Class Y 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 November 30, 2018, the Funds incurred the following class-specific transfer agent fees and expenses (including sub-transfer agent fees, where applicable):

| <u>Fund</u>        | <u>Transfer Agent Fees and Expenses</u> |                |                |                |
|--------------------|---|----------------|----------------|----------------|
|                    | <u>Class A</u>                          | <u>Class C</u> | <u>Class N</u> | <u>Class Y</u> |
| Global Growth Fund | \$ 428                                  | \$ 87          | \$271          | \$ 8,931       |
| Select Fund        | 7,595                                   | 2,438          | 153            | 55,044         |

**8. Line of Credit.** Effective April 12, 2018, each Fund, together with certain other funds of Natixis Funds Trusts, Loomis Sayles Funds Trusts and Natixis ETF Trust, 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 other fees in connection with the new line of credit agreement, which are being amortized over a period of 364 days and are reflected as miscellaneous expenses on the Statements of Operations. The unamortized balance is reflected as prepaid expenses on the Statements of Assets and Liabilities.

Prior to April 12, 2018, each Fund, together with certain other funds of Natixis Funds Trusts and Loomis Sayles Funds Trusts, entered into a 364-day, \$400,000,000 syndicated, committed, unsecured line of credit with Citibank, N.A. to be used for temporary or emergency purposes only. Any one Fund was able borrow up to the full \$400,000,000 under the line of credit (as long as all borrowings by all Funds in the aggregate did 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 was charged to the Funds at a rate equal to the greater of the eurodollar or the federal funds rate plus 1.00%. In addition, a commitment fee of 0.15% per annum, payable on the last business day of each month, was accrued and apportioned among the participating funds based on their average daily unused portion of the line of credit.

# Notes to Financial Statements (continued)

November 30, 2018

For the year ended November 30, 2018, neither Fund had borrowings under this agreement.

**9. Concentration of Risk.** Each Fund’s investments in foreign securities are subject to foreign currency fluctuations, higher volatility than U.S. securities, varying degrees of regulation and limited liquidity. Greater political, economic, credit and information risks are also associated with foreign securities.

The Select Fund is non-diversified, which means that it is not limited under the 1940 Act to a percentage of assets that it may invest in any one issuer. Because the Fund may invest in the securities of a limited number of issuers, an investment in the Fund may involve a higher degree of risk than would be present in a diversified portfolio.

**10. 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 November 30, 2018, based on management’s evaluation of the shareholder account base, the Funds had accounts representing controlling ownership of more than 5% of the Funds’ 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:

| <u>Fund</u>        | <u>Number of 5%<br/>Non-Affiliated<br/>Account<br/>Holders</u> | <u>Percentage of<br/>Non-Affiliated<br/>Ownership</u> | <u>Percentage<br/>of Affiliated<br/>Ownership<br/>(Note 6g)</u> | <u>Total<br/>Percentage of<br/>Ownership</u> |
|--------------------|--|---|---|--|
| Global Growth Fund | 1  | 36.25%  | 28.02%  | 59.32%                                       |
| Select Fund        | 1  | 5.71%   | —   | 5.71%  |

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 Funds do 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.

# Notes to Financial Statements (continued)

November 30, 2018

**11. 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<br>November 30, 2018 |                      | Year Ended<br>November 30, 2017(a) |                     |
|---|---------------------------------|----------------------|------------------------------------|---------------------|
|   | Shares                          | Amount               | Shares                             | Amount              |
| <b>Global Growth Fund</b>                                   |                                 |                      |                                    |                     |
| <b>Class A</b>  |                                 |                      |                                    |                     |
| Issued from the sale of shares                              | 55,513                          | \$ 750,169           | 110,685                            | \$ 1,346,389        |
| Issued in connection with the reinvestment of distributions | 3,442                           | 45,503               | 433                                | 4,494               |
| Redeemed  | (34,098)                        | (459,170)            | (15,006)                           | (194,373)           |
| Net change  | <u>24,857</u>                   | <u>\$ 336,502</u>    | <u>96,112</u>                      | <u>\$ 1,156,510</u> |
| <b>Class C</b>  |                                 |                      |                                    |                     |
| Issued from the sale of shares                              | 40,688                          | \$ 552,191           | 9,171                              | \$ 113,252          |
| Issued in connection with the reinvestment of distributions | 355                             | 4,651                | 49                                 | 505                 |
| Redeemed  | (4,662)                         | (62,814)             | (1,524)                            | (19,643)            |
| Net change  | <u>36,381</u>                   | <u>\$ 494,028</u>    | <u>7,696</u>                       | <u>\$ 94,114</u>    |
| <b>Class N</b>  |                                 |                      |                                    |                     |
| Issued from the sale of shares                              | 370,191                         | \$ 5,037,806         | 89                                 | \$ 1,001            |
| Issued in connection with the reinvestment of distributions | 3                               | 41                   | —                                  | —                   |
| Redeemed  | (157,102)                       | (2,192,826)          | —                                  | —                   |
| Net change  | <u>213,092</u>                  | <u>\$ 2,845,021</u>  | <u>89</u>                          | <u>\$ 1,001</u>     |
| <b>Class Y</b>  |                                 |                      |                                    |                     |
| Issued from the sale of shares                              | 3,420,773                       | \$ 46,082,848        | 405,138                            | \$ 4,736,808        |
| Issued in connection with the reinvestment of distributions | 40,764                          | 540,127              | 23,577                             | 244,734             |
| Redeemed  | (741,128)                       | (10,022,005)         | (166,027)                          | (1,951,684)         |
| Net change  | <u>2,720,409</u>                | <u>\$ 36,600,970</u> | <u>262,688</u>                     | <u>\$ 3,029,858</u> |
| Increase (decrease) from capital share transactions         | <u>2,994,739</u>                | <u>\$ 40,276,521</u> | <u>366,585</u>                     | <u>\$ 4,281,483</u> |

(a) From commencement of operations on March 31, 2017 through November 30, 2017 for Class N shares.

# Notes to Financial Statements (continued)

November 30, 2018

## 11. Capital Shares (continued).

| Select Fund   | Year Ended<br>November 30, 2018 |                | Year Ended<br>November 30, 2017(a) |                |
|---|---------------------------------|----------------|------------------------------------|----------------|
|   | Shares                          | Amount         | Shares                             | Amount         |
| <b>Class A</b>  |                                 |                |                                    |                |
| Issued from the sale of shares                              | 287,426                         | \$ 5,264,059   | 198,986                            | \$ 3,285,770   |
| Issued in connection with the reinvestment of distributions | 91,854                          | 1,591,840      | 19,215                             | 294,183        |
| Redeemed  | (600,541)                       | (11,109,114)   | (353,261)                          | (5,863,901)    |
| Net change  | (221,261)                       | \$ (4,253,215) | (135,060)                          | \$ (2,283,948) |
| <b>Class C</b>  |                                 |                |                                    |                |
| Issued from the sale of shares                              | 119,507                         | \$ 2,095,201   | 65,289                             | \$ 1,031,341   |
| Issued in connection with the reinvestment of distributions | 27,460                          | 457,492        | 7,207                              | 106,591        |
| Redeemed  | (163,783)                       | (2,883,432)    | (173,330)                          | (2,729,372)    |
| Net change  | (16,816)                        | \$ (330,739)   | (100,834)                          | \$ (1,591,440) |
| <b>Class N</b>  |                                 |                |                                    |                |
| Issued from the sale of shares                              | —                               | \$ —           | 61                                 | \$ 1,001       |
| Issued in connection with the reinvestment of distributions | 5                               | 92             | —                                  | —              |
| Net change  | 5                               | \$ 92          | 61                                 | \$ 1,001       |
| <b>Class Y</b>  |                                 |                |                                    |                |
| Issued from the sale of shares                              | 3,898,143                       | \$ 72,584,750  | 1,416,626                          | \$ 23,320,670  |
| Issued in connection with the reinvestment of distributions | 649,091                         | 11,300,753     | 114,285                            | 1,756,565      |
| Redeemed  | (1,571,820)                     | (28,600,202)   | (1,657,855)                        | (27,156,158)   |
| Net change  | 2,975,414                       | \$ 55,285,301  | (126,944)                          | \$ (2,078,923) |
| Increase (decrease) from capital share transactions         | 2,737,342                       | \$ 50,701,439  | (362,777)                          | \$ (5,953,310) |

(a) From commencement of operations on March 31, 2017 through November 30, 2017 for Class N shares.



# Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Natixis Funds Trust II and Shareholders of Loomis Sayles Global Growth Fund and Vaughan Nelson Select Fund:

## **Opinions on the Financial Statements**

We have audited the accompanying statements of assets and liabilities, including the portfolios of investments, of Loomis Sayles Global Growth Fund and Vaughan Nelson Select Fund (two of the funds constituting Natixis Funds Trust II, hereafter collectively referred to as the “Funds”) as of November 30, 2018, the related statements of operations for the year ended November 30, 2018, the statements of changes in net assets for each of the two years in the period ended November 30, 2018, including the related notes, and the financial highlights for each of the periods indicated therein (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 November 30, 2018, 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 November 30, 2018 and each of the financial highlights for the periods indicated therein 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 November 30, 2018 by correspondence with the custodian, and brokers; when replies

# Report of Independent Registered Public Accounting Firm

were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinions.

PricewaterhouseCoopers LLP  
Boston, Massachusetts  
January 23, 2019

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.

# 2018 U.S. Tax Distribution Information to Shareholders (Unaudited)

**Corporate Dividends Received Deduction.** For the fiscal year ended November 30, 2018, a percentage of dividends distributed by the Funds listed below qualify for the dividends received deduction for corporate shareholders. These percentages are as follows:

| <u>Fund</u>        | <u>Qualifying Percentage</u> |
|--------------------|------------------------------|
| Global Growth Fund | 55.40%                       |
| Select Fund        | 100.00%                      |

**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 November 30, 2018, unless subsequently determined to be different.

| <u>Fund</u>        | <u>Amount</u> |
|--------------------|---------------|
| Global Growth Fund | \$ 406,351    |
| Select Fund        | 12,829,754    |

**Qualified Dividend Income.** For the fiscal year ended November 30, 2018, 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 2018, complete information will be reported in conjunction with Form 1099-DIV.

| <u>Fund</u>        |
|--------------------|
| Global Growth Fund |
| Select Fund        |

# Trustee and Officer Information

The tables below provide certain information regarding the trustees and officers of Natixis Funds Trust 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 <sup>1</sup> | Principal Occupation(s) During Past 5 Years | Number of Portfolios in Fund Complex Overseen <sup>2</sup> 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<br>Trustee since 2008<br><i>Ex Officio</i> member of Audit Committee, Contract Review Committee and Governance Committee | Retired  | 51<br>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<br>Audit Committee Member and Governance Committee Member   | Executive Chairman; formerly, Chief Executive Officer of Bob’s Discount Furniture (retail) | 51<br>Director, Burlington Stores, Inc. (retail) | Significant experience on the Board and significant experience 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 <sup>1</sup> | Principal Occupation(s) During Past 5 Years                                  | Number of Portfolios in Fund Complex Overseen <sup>2</sup> and Other Directorships Held During Past 5 Years            | Experience, Qualifications, Attributes, Skills for Board Membership   |
|--|--|--|--|---|
| <u>INDEPENDENT TRUSTEES</u><br>continued |  |  |  |   |
| Richard A. Goglia (1951)                 | Trustee since 2015 Audit Committee Member  | Retired; formerly Vice President and Treasurer of Raytheon Company (defense) | 51<br>None   | 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 Contract Review Committee Member and Governance Committee Member    | Director of Abt Associates Inc. (research and consulting)                    | 51<br>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 <sup>1</sup> | Principal Occupation(s) During Past 5 Years   | Number of Portfolios in Fund Complex Overseen <sup>2</sup> and Other Directorships Held During Past 5 Years | Experience, Qualifications, Attributes, Skills for Board Membership  |
|--|--|---|---|--|
| <u>INDEPENDENT TRUSTEES</u><br>continued |  |   |   |  |
| Martin T. Meehan (1956)                  | Trustee since 2012<br>Audit Committee Member   | President, University of Massachusetts; formerly, Chancellor and faculty member, University of Massachusetts Lowell | 51<br>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<br>Contract Review Committee Member                                 | Retired; formerly President, Global Sales and Marketing, GE Asset Management, Inc. (financial services)             | 51<br>Director, Sterling Bancorp (Bank)   | Experience on the Board and on the boards of other business organizations; 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 <sup>1</sup>             | Principal Occupation(s) During Past 5 Years   | Number of Portfolios in Fund Complex Overseen <sup>2</sup> and Other Directorships Held During Past 5 Years | Experience, Qualifications, Attributes, Skills for Board Membership  |
|---|--|---|---|--|
| <b><u>INDEPENDENT TRUSTEES</u></b><br><b><u>continued</u></b> |  |   |   |  |
| <b>James P. Palermo</b><br>(1955)                             | Trustee since 2016<br>Contract Review Committee Member   | Founding Partner, Breton Capital Management, LLC (private equity); Partner, STEP Partners, LLC (private equity); formerly, Chief Executive Officer of Global Client Management of The Bank of New York Mellon Corporation | 51<br>Director, FutureFuel Corp. (Chemicals and Biofuels)   | Experience on the Board and on the boards of other business organizations; 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) |
| <b>Erik R. Sirri</b><br>(1958)                                | Trustee since 2009<br>Chairperson of the Audit Committee   | Professor of Finance at Babson College  | 51<br>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  |
| <b>Peter J. Smail</b><br>(1952)                               | Trustee since 2009<br>Chairperson of the Contract Review Committee and Governance Committee Member | Retired   | 51<br>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 <sup>1</sup>   | Principal Occupation(s) During Past 5 Years   | Number of Portfolios in Fund Complex Overseen <sup>2</sup> and Other Directorships Held During Past 5 Years | Experience, Qualifications, Attributes, Skills for Board Membership  |
|---|--|---|---|--|
| <b><u>INDEPENDENT TRUSTEES</u></b>  |  |   |   |  |
| <b><u>continued</u></b>   |  |   |   |  |
| Cynthia L. Walker (1956)  | Trustee since 2005<br>Chairperson of the Governance Committee and Audit Committee Member | Deputy Dean for Finance and Administration, Yale University School of Medicine  | 51<br>None  | Significant experience on the Board; executive experience in a variety of academic organizations (including roles as dean for finance and administration)  |
| <b><u>INTERESTED TRUSTEES</u></b>   |  |   |   |  |
| Kevin P. Charleston <sup>3</sup> (1965)<br>One Financial Center<br>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.  | 51<br>None  | 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 <sup>4</sup> (1965)   | Trustee since 2011<br>President and Chief Executive Officer since 2008                   | 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 | 51<br>None  | Significant experience on the Board; experience as 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 |

<sup>1</sup> 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.



# Trustee and Officer Information

- <sup>2</sup> 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 and Gateway Trust (collectively, the “Natixis Funds Trusts”), Loomis Sayles Funds I and Loomis Sayles Funds II and Natixis ETF Trust (collectively, the “Fund Complex”).
- <sup>3</sup> 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.
- <sup>4</sup> 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/Trusts]</u> | <u>Term of Office<sup>1</sup> and Length of Time Served</u> | <u>Principal Occupation(s) During Past 5 Years<sup>2</sup></u> |
|-------------------------------|---|---|--|
|-------------------------------|---|---|--|

## OFFICERS OF THE [TRUST/TRUSTS]

|                             |   |            |   |
|-----------------------------|---|------------|---|
| Russell L. Kane<br>(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, Chief Compliance Officer for Mutual Funds, 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<br>(1959) | Treasurer, Principal Financial and Accounting Officer                           | Since 2004 | Senior Vice President, Natixis Advisors, L.P. and Natixis Distribution, L.P.  |
| Kirk D. Johnson<br>(1981)   | Chief Compliance Officer, Assistant Secretary and Anti-Money Laundering Officer | Since 2018 | Senior Vice President, Deputy General Counsel, Assistant Secretary and Assistant Clerk, Natixis Distribution Corporation, Natixis Advisors, L.P. and Natixis Distribution, L.P.; formerly, Associate General Counsel, Natixis Distribution, L.P.; Vice President and Counsel, Natixis Investment Managers, L.P.   |

<sup>1</sup> 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.

<sup>2</sup> 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.

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> To learn more about Natixis Funds products and services:

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**Before investing, consider the fund's investment objectives, risks, charges, and expenses. Visit [im.natixis.com](http://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 fund's 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](mailto: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.

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