

## Fund Overview

# William Blair Large Cap Growth Fund

### INVESTMENT OBJECTIVE

Capital Appreciation

### FUND CHARACTERISTICS

The Fund seeks to invest in large cap companies with strong growth characteristics, quality management teams, and attractive financials.

### PORTFOLIO CONSTRUCTION

Initial Position	1%-2.5%
Position Limit	7% <sup>1</sup>
Portfolio Holdings	30-40
Sector Guidelines	0.5x-2.0x Benchmark
Minimum Market Cap	\$5 billion
Benchmark	Russell 1000 Growth Index

<sup>1</sup> The greater of 7% or 150% of the Russell 1000 Growth Index weight.

### TEAM HIGHLIGHTS

- Portfolio management team averages 26 years of investment experience, managing large and mid cap equities
- Integrated team of experienced sector analysts (20 years average investment experience) and portfolio managers work together to generate and analyze investment ideas

### PORTFOLIO MANAGEMENT



**James Golan,**  
CFA, Partner  
*Started in Industry:* 1988  
*Education:* M.B.A.,  
Northwestern University;  
B.A., DePauw University



**David Ricci,**  
CFA, Partner  
*Started in Industry:* 1994  
*Education:* M.B.A.,  
Harvard University;  
ScB., Brown University

### WHY CONSIDER THE WILLIAM BLAIR LARGE CAP GROWTH FUND?

#### Complement Passive Large Cap Exposure

- High conviction, concentrated portfolio (30-40 stocks)
- Active management: Active share typically greater than 70%
- We believe our focus on higher growth, higher quality companies should provide a degree of downside protection

#### Seek to Enhance Return Potential

- Compared to many managers that invest based on short-term issues, we believe the Fund's long-term focus (at least 3 to 5 years) enables the investment team to exploit the following market inefficiencies:
  - Traditional quality growth: Market underappreciates the level and/or duration of long-term growth prospects
  - Fallen quality growth: Market overreacts to short-term factors despite attractive long-term growth prospects
- Through fundamental conviction and valuation discipline, the Fund seeks to avoid overvalued growth companies—we're not momentum investors
- Intensive research approach seeks to uncover our best ideas
  - Bottom-up stock selection drives performance—experienced portfolio management team supported by deep, talented team of analysts who are sector specialists
  - Given global nature of high quality, large cap companies, investment team also leverages William Blair's international research insights

### INVESTMENT PHILOSOPHY

QUALITY GROWTH – COMPANIES WE LIKE
Superior, Longer-term Earnings Growth
Strong management
Sustainable business model
Attractive financials

MARKET INEFFICIENCIES WE SEEK TO EXPLOIT – STOCKS WE SEEK TO BUY	
Traditional Quality Growth	Fallen Quality Growth
Market underappreciates long-term growth potential	Market overreacts to short-term issue, reducing near-term visibility
Deep conviction in sustainability of growth	Long-term growth potential remains
Avoid overvalued quality growth companies	Both valuation and fundamental opportunity

*“Many managers zero in on only what is happening today, whereas we pay attention to what will happen tomorrow. We believe our long-term investment horizon puts us in an excellent position to exploit the dislocation of stock prices based on short-term data.”*

**James Golan, CFA**  
Co-Portfolio Manager

### QUALITY GROWTH: OUR INVESTMENT UNIVERSE

The investment team seeks to invest in quality growth companies with a superior and durable long-term outlook. These quality growth companies possess strong management teams, sustainable business models, and attractive financials.

HOW WE DEFINE QUALITY GROWTH COMPANIES			
Strong Management	Record of Success	Common Goals with Shareholders	Significant Equity Ownership
	Ability to Reinvent	Solid Corporate Culture	Leadership and Execution Capabilities
Sustainable Business Model	Market Opportunity	Leadership in its Field	Value-Added Products and Services
	Flexible Pricing	High Barriers to Entry	Sustainable Competitive Advantages
Attractive Financials	Predictable Earnings	Conservative Accounting	Recurring Revenue
	Superior Cash Flow	High Return on Investment	Low Debt

**Risks:** The Fund’s returns will vary, and you could lose money by investing in the Fund. The Fund invests most of its assets in equity securities of large cap domestic growth companies where the primary risk is that the value of the equity securities it holds might decrease in response to the activities of those companies or market and economic conditions. Individual securities may not perform as expected or a strategy used by the Adviser may fail to produce its intended result. Different investment styles tend to shift in and out of favor depending on market conditions and investor sentiment, and at times when the investment style used by the Adviser for the Fund is out of favor, the Fund may underperform other equity funds that use different investment styles. The Fund invests most of its assets in equity securities of domestic growth companies, including common stocks and other forms of equity investments (e.g., convertible securities). Convertible securities are at risk of being called before intended, which may have an adverse effect on investment objectives. The Fund is not intended to be a complete investment program. The Fund is designed for long-term investors.

The Russell 1000® Growth Index consists of large-capitalization companies with above average price-to-book ratios and forecasted growth rates. The Index is unmanaged, does not incur fees or expenses, and cannot be invested in directly.

**Active Share:** A measure of the percentage of stock holdings in a manager’s portfolio that differ from the benchmark index.

*Please carefully consider the Fund’s investment objective, risks, charges, and expenses before investing. This and other information is contained in the Fund’s prospectus, which you may obtain by calling +1 800 742 7272. Read it carefully before you invest or send money. Investing includes the risk of loss.*

This content is for informational and educational purposes only and not intended as investment advice or a recommendation to buy or sell any security. Investment advice and recommendations can be provided only after careful consideration of an investor’s objectives, guidelines, and restrictions.

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