

1Q 2021 Update William Blair Income Fund

OBJECTIVE

Current income with relative stability of principal

CHARACTERISTICS

The Fund seeks to invest primarily in fixed income securities rated A- or higher, including up to 10% in securities rated BBB. The Fund's duration tends to be consistent with a short-term bond fund.

WHY CONSIDER THIS FUND?

- Seeks to provide competitive returns while maintaining a short-term duration and emphasizing higher-quality instruments (90% of the portfolio is comprised of securities rated "BBB" or higher)
- Seeks diversified alpha sources, which include corporate, mortgage-backed, asset-backed, and Treasury securities
- Focuses on outperforming its benchmark through a security selection process that adheres to a time-tested, disciplined approach
- Managed by an experienced, tenured team

EXPENSE RATIOS

	Gross Expense	Net Expense
Class I	0.74%	0.70%
Class N	0.98%	0.85%

Expenses shown are as of the most recent prospectus. The Fund's Adviser has contractually agreed to waive fees and/or reimburse expenses to limit fund operating expenses until 4/30/21.

FUND FACTS AND STATISTICS¹

Total Net Assets (\$MM)	\$65
Number of Holdings	117
Trailing 1-Year Turnover	26.2%
Cash ²	0.1%
Average Maturity (Years)	4.0
Duration	3.3

30-DAY SEC YIELDS (as of 3/31/21)³

	Subsidized	Unsubsidized
Class I	0.82%	0.82%
Class N	0.62%	0.58%

INVESTMENT PERFORMANCE (as of 03/31/21)

	QTR	YTD	1 Y	3 Y	5 Y	10 Y
Class I (SI: 10/01/99)	-1.12%	-1.12%	3.18%	3.06%	2.24%	2.63%
Class N (SI: 10/01/90)	-1.15%	-1.15%	3.13%	2.89%	2.05%	2.41%
Bloomberg Barclays Intermediate Govt./Credit Index ⁴	-1.86%	-1.86%	2.01%	4.36%	2.75%	2.88%
Morningstar Short-Term Bond Category ⁵	-0.12%	-0.12%	6.22%	3.30%	2.55%	2.06%

CALENDAR YEAR PERFORMANCE

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Class I (SI: 10/01/99)	4.39%	6.24%	-0.69%	1.68%	2.78%	0.63%	3.20%	-1.41%	6.28%	5.46%
Class N (SI: 10/01/90)	4.34%	5.92%	-0.86%	1.46%	2.44%	0.39%	3.06%	-1.61%	6.00%	5.21%
Bloomberg Barclays Intermediate Govt./Credit Index ⁴	6.43%	6.80%	0.88%	2.14%	2.08%	1.07%	3.13%	-0.86%	3.89%	5.80%

Performance cited represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the data quoted. Returns shown assume reinvestment of dividends and capital gains. Investment returns and principal will fluctuate with market and economic conditions and you may have a gain or loss when you sell shares. For the most current month-end performance information, please call +1 800 742 7272, or visit our Web site at www.williamblairfunds.com. Class N shares are available to the general public without a sales load. Class I shares are available only to investors who meet certain eligibility requirements.

MORNINGSTAR RATINGS AND RANKINGS*

	Overall	1 Y	3 Y	5 Y	10 Y
Class I Rating	★★★★	--	★★★	★★★	★★★★
Class N Rating	★★★	--	★★	★★	★★★★
Class I Percentile Ranking		79	63	65	17
Class N Percentile Ranking		80	75	78	23
# of Funds in Category		580	516	462	300

***Morningstar Rating®:** The Morningstar Rating for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

Morningstar Ranking: Morningstar Percentile Rankings are based on the Fund's total return (excluding sales charge) relative to all the funds in the same Morningstar category, where 1 is the highest and 100 is the lowest percentile rank. Ratings and rankings are one measure of performance. Some of our Funds have experienced negative performance for the time periods shown. For the most current performance, please visit williamblairfunds.com.

TOP TEN HOLDINGS^{6,7}

Company	Coupon/Maturity	% of Fund
Fannie Mae Pool	4.00% due 05/01/35	6.8
Fannie Mae Pool	5.50% due 12/01/41	5.4
Fannie Mae Pool	4.00% due 02/01/29	5.0
United States Treasury Inflation Indexed Bonds	3.88% due 04/15/29	3.1
Fannie Mae Pool	5.50% due 12/01/48	2.9
Fannie Mae Pool	6.00% due 01/01/38	2.7
Freddie Mac Gold Pool	6.00% due 04/01/40	2.4
Fannie Mae Pool	6.00% due 01/01/42	2.3
Fannie Mae Pool	6.00% due 01/01/42	2.1
Fannie Mae Pool	6.50% due 10/01/38	2.1
Total Top 10		34.8

PORTFOLIO MANAGEMENT



Ruta Zivarte, Partner

Started in Industry: 2000

Education: M.B.A.,

Rensselaer Polytechnic Institute

SECTOR DIVERSIFICATION^{6,7,8}

Sector Type	Fund	Index ⁴
U.S. Agency Mortgage-Backed Pass Through	46.3%	0.0%
Developed Markets Credit	35.7%	37.6%
U.S. Treasury	10.9%	58.4%
Asset-Backed Securities	4.4%	0.0%
Emerging Markets	2.6%	1.3%
U.S. Agency Debentures	0.0%	2.7%
Cash	0.1%	0.0%

QUALITY DISTRIBUTION^{6,7,9}

Quality	Fund	Index ⁴
U.S. Treasury	10.9%	58.3%
U.S. Agency	46.3%	2.9%
AAA	1.3%	3.9%
AA	8.6%	5.3%
A	23.6%	15.4%
BBB	9.9%	14.2%
Cash	0.1%	0.0%

¹**Trailing 1-Year Turnover:** This figure reflects the portfolio's trading activity by calculating the amount of the portfolio's holdings bought or sold over the prior year, expressed as a percentage of the portfolio's average market value. Turnover figures may be related to the amount of trading costs experienced by the portfolio. Portfolio turnover excludes investments in cash securities, such as commercial paper and repurchase agreements, and derivative instruments, including mortgage to-be-announced (TBA) securities and credit default swap index transactions.

²Cash represents cash and any short-term or overnight investments held by the Fund.

³The 30-Day SEC Yield is an annualized yield based on the most recent 30 day period. Subsidized yields reflect fee waivers in effect. Unsubsidized yields reflect what the yield would have been if no fee waiver had been in effect.

⁴The Bloomberg Barclays Intermediate Government/Credit Bond Index indicates broad intermediate government/corporate bond market performance. It is not possible to directly invest in an unmanaged index.

⁵The Morningstar Short-Term Bond Category represents the average annual composite performance of all mutual funds listed in the Short-Term Bond Category by Morningstar.

⁶Top ten holdings are shown as % of total net assets. Investment type and credit quality diversification are shown as % of total investments which includes cash equivalents.

⁷Information about the Fund's holdings should not be considered investment advice. There is no guarantee that the Fund will continue to hold any one particular security or stay invested in any one particular sector. Holdings are subject to change at any time.

⁸Credit is a sector categorization used by Bloomberg Barclays. The sector is comprised of SEC-registered, fixed-rate, investment-grade, U.S. dollar-denominated securities that meet the inclusion criteria of the U.S. Aggregate Index set forth by Bloomberg Barclays. The sector has two main components: Corporate and Non-Corporate. The corporate sectors are Industrial, Utility, and Finance, which include both U.S. and non-U.S. corporations. The non-corporate sectors are Sovereign, Supranational, Foreign Agency, and Foreign Local Government. All of the Fund's holdings are corporate holdings. Over 75% of the Credit sector's composition are corporate sector bonds. The Developed Market Credit category is comprised of securities issued by issuers domiciled outside the emerging markets.

⁹The credit quality of securities in the Fund's portfolio and Index are derived from Fitch Ratings, Moody's Investors Service, Inc. and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. In cases where the credit rating agencies have assigned different credit ratings to the same security, the higher rating is used. In cases where only one rating agency has assigned a credit rating to a security, that rating is used. Credit quality designations range from high (AAA to AA) to medium (A to BBB) to low (BB, B, CCC, CC to C). The lower the rating, the higher the probability of default. Securities rated D are in default.

Risks: The Fund's returns will vary, and you could lose money by investing in the Fund. As interest rates rise, bond prices will fall and bond funds become more volatile. The Fund is subject to credit risk. The Fund's net asset value and total return may be adversely affected by the inability of the issuers of the Fund's securities to make interest payments or payment at maturity. The Fund's investments in obligations issued or guaranteed by U.S. Government agencies or instrumentalities may not be backed by the full faith and credit of the United States and may differ in the degree of support provided by the U.S. Government. The Fund is also subject to interest rate and foreign investments risk. Foreign investments often involve additional risks, including political instability, differences in financial reporting standards and less stringent regulation of securities markets. Rule 144A securities are not registered for resale in the general securities market and may be classified as illiquid. It may not be possible to sell or otherwise dispose of illiquid securities both at the price and within a time period deemed desirable by the Fund. Investments with longer maturities, which typically provide higher yields than securities with shorter maturities, may subject the Fund to increased price changes resulting from market yield fluctuations. The Fund's investments in collateralized mortgage obligations are subject to prepayment and extension risk. Prepayment of high interest rate mortgage-backed securities during times of declining interest rates will tend to lower the return of the Fund and may even result in losses to the Fund if the prepaid securities were acquired at a premium. Slower prepayments during periods of rising interest rates may increase the duration of the Fund's mortgage-backed securities and asset-backed securities and reduce their value

Please carefully consider the Fund's investment objectives, risks, charges, and expenses before investing. This and other information is contained in the Fund's prospectus and summary prospectus, which you may obtain by calling +1 800 742 7272. Read the prospectus and summary prospectus carefully before investing. Investing includes the risk of loss.

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