

2Q 2021 Update William Blair Bond Fund

OBJECTIVE

Seeks to outperform its index by maximizing total return through a combination of income and capital appreciation

CHARACTERISTICS

The Fund seeks to outperform the Bloomberg Barclays U.S. Aggregate Index by employing a broad range of fixed income sectors, including up to 5% in non-investment grade holdings.

WHY CONSIDER THIS FUND?

- Seeks to offer a conservative, diversified core fixed income portfolio with a duration similar to that of the Bloomberg Barclays U.S. Aggregate Index
- 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 R6	0.46%	0.40%

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 4/30/22.

FUND FACTS AND STATISTICS¹

Total Net Assets (\$MM)	\$335
Number of Holdings	169
Trailing 1-Year Turnover	13.7%
Cash ²	0.1%
Average Maturity (Years)	9.3
Duration (Years)	6.3

30-DAY SEC YIELDS (%) (as of 6/30/21)³

	Subsidized	Unsubsidized
Class R6	1.89%	1.89%

INVESTMENT PERFORMANCE (as of 06/30/21)

	QTR	YTD	1 Y	3 Y	5 Y	10 Y
Class R6 (SI: 05/01/07)	2.04%	-1.16%	2.12%	5.85%	3.70%	4.13%
Bloomberg Barclays U.S. Aggregate Index ⁴	1.83%	-1.60%	-0.33%	5.34%	3.03%	3.39%
Morningstar Intermediate Core Bond Category ⁵	1.77%	-1.22%	0.77%	5.26%	3.02%	3.31%

CALENDAR YEAR PERFORMANCE

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Class R6 (SI: 05/01/07)	7.79%	11.39%	-2.26%	4.24%	4.61%	0.01%	5.53%	-1.13%	8.61%	7.88%
Bloomberg Barclays U.S. Aggregate Index ⁴	7.51%	8.72%	0.01%	3.54%	2.65%	0.55%	5.97%	-2.02%	4.21%	7.84%

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 R6 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 R6 Rating	★★★★★	--	★★★★	★★★★	★★★★★
Class R6 Percentile Ranking		15	20	10	5
# of Funds in Category		437	403	348	264

***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	3.88% due 04/15/29	5.0
Fannie Mae Pool	5.50% due 12/01/41	3.1
Freddie Mac Gold Pool	5.50% due 12/01/48	3.1
Freddie Mac Gold Pool	5.50% due 07/01/38	2.8
Fannie Mae Pool	6.00% due 04/01/40	2.8
Fannie Mae Pool	6.00% due 04/01/41	2.7
Fannie Mae Pool	6.00% due 10/01/39	2.7
Freddie Mac Gold Pool	6.00% due 02/01/37	2.2
United States Treasury Inflation Indexed	6.50% due 10/01/39	2.1
United States Treasury Inflation Indexed	1.38% due 02/15/44	1.7
Bonds		
Total Top 10		28.2

PORTFOLIO MANAGEMENT



Ruta Ziverte, Partner

Started in Industry: 2000
Education: M.B.A., Rensselaer Polytechnic Institute



Vesta Marks, CFA, CAIA

Started in Industry: 2001
Education: B.S., Massachusetts Institute of Technology (MIT)

SECTOR DIVERSIFICATION^{6,7,8}

Sector Type	Fund	Index ⁴
Developed Markets Credit	43.0%	29.7%
U.S. Agency Mortgage-Backed Pass Through	37.4%	27.3%
U.S. Treasury	14.9%	37.8%
Emerging Markets	2.5%	1.3%
Asset-Backed Securities	2.1%	0.3%
Commercial Mortgage-Backed Securities	0.0%	2.1%
U.S. Agency Debentures	0.0%	1.5%
Cash	0.1%	0.0%

QUALITY DISTRIBUTION^{6,7,9}

Quality	Fund	Index ⁴
U.S. Treasury	14.9%	37.8%
U.S. Agency	37.4%	29.5%
AAA	0.7%	3.9%
AA	5.9%	5.2%
A	13.5%	11.7%
BBB	23.4%	11.9%
BB	3.7%	0.0%
B	0.4%	0.0%
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 U.S. Aggregate Index is an unmanaged index that represents the investment grade bond market. It is composed of securities from the Bloomberg Barclays Treasury, Government-Related, Corporate and Securitized Indices. It is not possible to directly invest in an unmanaged index.

⁵The Morningstar Intermediate Core Bond Category represents the average annual composite performance of all mutual funds listed in the Intermediate Core 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. Investing in the bond market is subject to certain risks including market, interest-rate, issuer, credit, and inflation risk; investments may be worth more or less than the original cost when redeemed. Current conditions may result in a rise in interest rates, which in turn may result in a decline in the value of the fixed income investments held by the fund. Convertible securities may be called before intended, which may have an adverse effect on investment objectives. The Fund's investments in below investment grade securities may have additional credit risk. In some cases, below investment grade securities may decline in credit quality or go into default. High yield, lower-rated, securities involve greater risk than higher-rated securities; portfolios that invest in them may be subject to greater levels of credit and liquidity risk than portfolios that do not.

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.

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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