

4Q 2021 Update William Blair Bond Fund

Please note that the Fund will be liquidated on or before April 15, 2022. The Fund will be closed to new investors effective February 14, 2022 but will remain open for investment until February 28, 2022 for existing shareholders. Please refer to the Fund's prospectus for additional information.

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 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 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 I	0.55%	0.45%
Class N	0.79%	0.60%

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)	\$297
Number of Holdings	175
Trailing 1-Year Turnover	56.2%
Cash ²	3.0%
Average Maturity (Years)	7.8
Duration (Years)	5.4

30-DAY SEC YIELDS (%) (as of 12/31/21)³

	Subsidized	Unsubsidized
Class I	1.48%	1.45%
Class N	1.33%	1.26%

INVESTMENT PERFORMANCE (as of 12/31/21)

	QTR	YTD	1 Y	3 Y	5 Y	10 Y
Class I (SI: 05/01/07)	-0.13%	-1.41%	-1.41%	5.71%	3.75%	3.56%
Class N (SI: 05/01/07)	-0.32%	-1.66%	-1.66%	5.54%	3.56%	3.37%
Bloomberg Barclays U.S. Aggregate Index ⁴	0.01%	-1.54%	-1.54%	4.79%	3.57%	2.90%
Morningstar Intermediate Core Bond Category ⁵	-0.24%	-1.48%	-1.48%	4.81%	3.47%	2.95%

CALENDAR YEAR PERFORMANCE

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Class I (SI: 05/01/07)	-1.41%	7.73%	11.22%	-2.31%	4.16%	4.55%	-0.05%	5.37%	-1.28%	8.54%
Class N (SI: 05/01/07)	-1.66%	7.63%	11.09%	-2.42%	3.83%	4.40%	-0.23%	5.10%	-1.37%	8.33%
Bloomberg Barclays U.S. Aggregate Index ⁴	-1.54%	7.51%	8.72%	0.01%	3.54%	2.65%	0.55%	5.97%	-2.02%	4.21%

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		47	13	34	14
Class N Percentile Ranking		55	15	45	21
# of Funds in Category		423	386	348	253

***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	5.50% due 12/01/41	3.0
Fannie Mae Pool	5.50% due 12/01/48	2.9
Freddie Mac Gold Pool	5.50% due 07/01/38	2.7
Freddie Mac Gold Pool	6.00% due 10/01/39	2.6
United States Treasury Note/Bond	1.13% due 05/15/40	2.0
United States Treasury Strip Principal	0.00% due 08/15/27	1.5
United States Treasury Note/Bond	0.63% due 07/31/26	1.4
Royal Bank of Canada	0.64% due 11/02/26	1.3
United States Treasury Note/Bond	0.63% due 08/15/30	1.3
Med Trust 2021-MDLN	1.91% due 11/15/38	1.2
Total Top 10		19.9

SECTOR DIVERSIFICATION^{6,7,8}

Sector Type	Fund	Index ⁴
Developed Markets Credit	51.5%	28.8%
U.S. Agency Mortgage-Backed Pass Through	20.4%	27.4%
U.S. Treasury	12.9%	39.1%
Asset-Backed Securities	5.1%	0.3%
Commercial Mortgage-Backed Securities	3.8%	2.0%
Emerging Markets	3.3%	1.1%
U.S. Agency Debentures	0.0%	1.3%
Cash	3.0%	0.0%

QUALITY DISTRIBUTION^{6,7,9}

Quality	Fund	Index ⁴
U.S. Treasury	12.9%	39.1%
U.S. Agency	20.4%	27.4%
AAA	2.3%	5.5%
AA	2.5%	3.2%
A	16.5%	11.7%
BBB	37.6%	12.6%
BB	3.6%	0.0%
B	1.2%	0.0%
Cash	3.0%	0.0%

PORTFOLIO MANAGEMENT



Vesta Marks, CFA, CAIA

Started in Industry: 2001

Education: B.S., Massachusetts Institute of Technology (MIT)

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 U.S. Aggregate Index is an unmanaged index that represents the investment grade bond market. It is composed of securities from the Bloomberg 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. 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. 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 portfolio and Index are derived from Moody's Investors Service, Inc. and Standard & Poor's, Copyright © 2021, S&P Global Market Intelligence (and its affiliates, as applicable). Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content. A reference to a particular investment or security, a rating or any observation concerning an investment that is part of the Content is not a recommendation to buy, sell or hold such investment or security, does not address the suitability of an investment or security and should not be relied on as investment advice. Credit ratings are statements of opinions and are not statements of fact. 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 AAA (highest) to D (lowest). This applies to fixed income securities and derivatives, to the extent the ratings are available. Credit quality ratings on underlying securities are received from S&P and Moody's which are converted to the equivalent S&P major rating category for presentation purposes only. The portfolio itself has not been rated.

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.

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