

4Q 2022 Update William Blair Small Cap Value Fund

OBJECTIVE

Capital Appreciation

CHARACTERISTICS

The Small Cap Value Fund seeks to identify small cap companies priced at discounts to their intrinsic values and with fundamentals that are solid or improving.

WHY CONSIDER THIS FUND?

- Employs a time-tested investment philosophy and process managed by an experienced, long-tenured portfolio management team committed to fundamental analysis
- Consistently applies a disciplined, rigorous investment process to uncover opportunities and reduce stock-specific and portfolio level risk
- Seeks to provide strong absolute and risk-adjusted performance

INVESTMENT PERFORMANCE (AS OF 12/31/22)

	Qtr	YTD	1 Y	3 Y	5 Y	Since Incep.
Class R6 (SI: 07/19/21)	10.70%	-11.06%	-11.06%	--	--	-2.25%
Russell 2000 [®] Value Index ³	8.42%	-14.48%	-14.48%	--	--	-5.69%

CALENDAR YEAR PERFORMANCE

	2022	2021*	2020	2019	2018	2017	2016	2015	2014	2013
Class R6 (SI: 07/19/21)	-11.06%	8.77%	--	--	--	--	--	--	--	--
Russell 2000 [®] Value Index ³	-14.48%	7.39%	--	--	--	--	--	--	--	--

*Since Share Class Inception on 7/19/21 through 12/31/21.

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 R6 shares are available only to investors who meet certain eligibility requirements.

EXPENSE RATIOS

	Gross Expense
Class R6	0.78%

Expenses shown are as of the most recent prospectus.

FUND FACTS AND STATISTICS¹

Total Net Assets (\$MM)	\$1,214
Number of Holdings	109
Wgtd Avg Mkt Cap (\$BB)	\$2.2
Unwgted Median Mkt Cap (\$BB)	\$2.0
P/E Ratio (Next 12 Months)	11.4
EPS Growth (Long-Term Projected)	10.6%
Trailing 1-Year Turnover	25.4%
Cash ²	2.0%

TOP TEN HOLDINGS (%)^{5,6}

Company	Industry	% of Fund
Belden Inc.	Electronic Equipment & Instruments	1.6
Albany International Corp.	Machinery	1.4
Methode Electronics, Inc.	Electronic Equipment & Instruments	1.4
Kite Realty Group Trust	Equity Real Estate Investment	1.3
Terex Corporation	Machinery	1.3
Progress Software Corporation	Software	1.3
CBIZ, Inc.	Professional Services	1.2
Texas Capital Bancshares, Inc.	Commercial Banks	1.2
Integer Holdings Corporation	Health Care Equipment & Supplies	1.2
Old National Bancorp	Commercial Banks	1.2
Total Top 10		13.1

SECTOR DIVERSIFICATION^{4,5}

Sector Type	Fund	Index ³
Financials	22.5%	28.8%
Industrials	19.8%	13.3%
Information Technology	14.2%	5.5%
Consumer Discretionary	13.1%	10.0%
Real Estate	7.6%	10.7%
Materials	6.2%	4.1%
Health Care	5.7%	10.5%
Energy	4.0%	6.2%
Consumer Staples	3.8%	2.7%
Utilities	2.1%	5.3%
Communication Services	1.0%	2.9%

PORTFOLIO MANAGEMENT



William Heaphy, CFA
Started in Industry: 1994
Education: B.S., Lehigh University;
J.D., University of Maryland School of Law



Gary Merwitz
Started in Industry: 1994
Education: B.S., University of Maryland
M.B.A., Duke University's Fuqua School
of Business

MARKET CAP DIVERSIFICATION^{4,5}

Market Cap	Fund	Index ³
> \$4.0B	5.2%	16.4%
\$3.0B - \$4.0B	15.9%	15.0%
\$2.0B - \$3.0B	30.4%	21.1%
\$1.0B - \$2.0B	33.7%	26.1%
<\$1.0B	14.8%	21.4%

1Weighted Average Market Capitalization: The Weighted Average Market Capitalization for a portfolio is calculated as the average market capitalization of the stocks within the portfolio, weighted by the amount of each stock owned. **Unweighted Median Market Capitalization:** This calculation represents the median market capitalization of the stocks in the portfolio, regardless of the amount of each stock owned. **P/E (Price/Earnings) Ratio:** A stock with a higher P/E ratio would be considered more expensive relative to another stock with a lower P/E. An investor may pay a higher P/E for a stock for several reasons including, but not limited to, an expectation that the company possesses higher returns on invested capital, less economic sensitivity, higher consistency of earnings and/or higher earnings growth potential. **EPS Growth (Long-Term Projected):** This measure represents the weighted average of forecasted growth in earnings expected to be experienced by stocks within the portfolio over the next 3-5 years. This projected earnings growth should not be considered an indication of future fund performance. **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. **Standard Deviation:** A higher standard deviation represents a greater dispersion of returns, and thus, a greater amount of risk. Standard deviation returns shown are annualized and calculated using monthly returns. Funds without a 10-year history are reported against the Fund's inception date. If the Fund's inception date does not fall on the first day of a given month, the annualized standard deviation is calculated based on the first day of the month following the Fund's inception date.

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

³The Russell 2000 Value Index is the Fund's primary benchmark and consists of small-capitalization companies with below average price-to-book ratios and forecasted growth rates. It is not possible to directly invest in an unmanaged index.

⁴Top ten holdings are shown as % of total net assets. Sector and market cap diversification exclude cash equivalents.

⁵Information 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. Sector diversification calculated by William Blair based on Global Industry Classification Sectors (GICS). Market capitalization and geographic distribution are calculated by William Blair. Weights may vary over time as benchmark index weights shift.

Risks: The Fund's returns will vary, and you could lose money by investing in the Fund. The Fund holds equities which may decline in value due to both real and perceived general market, economic, and industry conditions. Investing in smaller companies involves special risks, including higher volatility and lower liquidity. Individual securities may not perform as expected or a strategy used by the Adviser may fail to produce its intended result. Convertible securities may be called before intended, which may have an adverse effect on investment objectives.

Diversification does not ensure against loss.

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.

Distributed by William Blair & Company, L.L.C., member FINRA/SIPC

Copyright © William Blair & Company, L.L.C. "William Blair" is a registered trademark of William Blair & Company, L.L.C.

NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE

+1 800 742 7272 | williamblairfunds.com