

August 2023 Update

William Blair Small-Mid Cap Value Fund

OBJECTIVE

Capital Appreciation

CHARACTERISTICS

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

WHY CONSIDER THIS FUND?

- Seeks to identify undervalued quality companies that possess an identifiable catalyst for value realization and seeks to provide strong absolute and risk-adjusted performance.

INVESTMENT PERFORMANCE (AS OF 8/31/23)

	QTR	YTD	1 Y	3 Y	5 Y	10 Y	Since Incep.
Class R6 (SI: 8/17/23)	--	--	--	--	--	--	2.20%
Russell 2500 [®] Value Index ³	--	--	--	--	--	--	1.64%

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.

EXPENSE RATIOS

	Gross Expense	Net Expense
Class R6	1.08%	0.80%

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 4/30/25.

FUND FACTS AND STATISTICS¹

Total Net Assets (\$MM)	\$2
Number of Holdings	81
Wgt'd Avg Mkt Cap (\$BB)	\$6.1
Unwgt'd Median Mkt Cap (\$BB)	\$4.5
P/E Ratio (Next 12 Months)	12.2
EPS Growth (Long-Term Projected)	9.6%
Since Inception Turnover	3.2%
Cash ²	4.9%

TOP TEN HOLDINGS (%)^{4,5}

Company	Industry	% of Fund
Matador Resources Company	Oil, Gas & Consumable Fuels	1.7
SM Energy Company	Oil, Gas & Consumable Fuels	1.6
Hub Group, Inc.	Air Freight & Logistics	1.6
Expro Group Holdings N.V.	Energy Equipment & Services	1.6
Flowserve Corporation	Machinery	1.5
Arch Capital Group Ltd.	Insurance	1.5
Axalta Coating Systems Ltd.	Chemicals	1.5
Encompass Health Corporation	Health Care Providers & Services	1.5
Crown Holdings, Inc.	Containers & Packaging	1.5
AGCO Corporation	Machinery	1.4
Total Top 10		15.4

SECTOR DIVERSIFICATION^{4,5}

Sector Type	Fund	Index ³
Industrials	21.3%	19.8%
Information Technology	14.8%	8.6%
Consumer Discretionary	14.2%	12.5%
Financials	11.9%	19.4%
Real Estate	9.9%	10.2%
Materials	7.9%	6.5%
Energy	6.6%	5.8%
Health Care	6.5%	7.9%
Consumer Staples	3.6%	3.0%
Utilities	2.2%	3.4%
Communication Services	1.1%	2.9%

MARKET CAP DIVERSIFICATION^{4,5}

Market Cap	Fund	Index ³
> \$15.0B	5.6%	5.1%
\$3.0B - \$15.0B	61.3%	71.9%
<\$3.0B	33.1%	23.0%

PORTFOLIO MANAGEMENT



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



Matthew Fleming, CFA
Started in Industry: 1996
Education: B.A., Princeton University

¹**Weighted 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. **Since Inception 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 2500 Value Index is the Fund's primary benchmark and consists of small-mid 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. S&P Dow Jones Indices (S&P DJI) and MSCI have revised the GICS structure effective the close of business March 17, 2023. William Blair has implemented these revisions in applicable portfolio and index data shown above. MSCI's implementation is expected to be on close of business May 31, 2023.

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.

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