

Fund Manager Commentary William Blair SICAV Global Leaders Fund

Fund Performance & Positioning

The William Blair SICAV Global Leaders Fund outperformed its benchmark, the MSCI ACWI IMI Index (net), during the third quarter. Outperformance versus the Index was primarily driven by positive stock selection across most sectors. Information Technology was particularly beneficial, with strength in internet software and semiconductor holdings. Chinese ecommerce leader Alibaba's share price was driven by quarterly revenue and earnings growth ahead of consensus expectations. The core ecommerce business benefited from stronger advertising revenues, which offset softer commission revenue on givebacks to retailers. In addition to the core business, Alibaba reported consensus-beating revenue growth of 96% Y/Y in its cloud business. U.S.-based semiconductor company LAM Research also contributed positively to quarterly performance. The company reported solid demand from memory makers where they have more exposure—with notable strength in 3D NAND where there is continued competitive investment taking place.

Healthcare stock selection also bolstered relative performance, as pharmaceutical holdings outperformed. Denmark-based diabetes drug leader Novo Nordisk reported good quarterly earnings results on cost controls and provided a sanguine outlook on drug pricing pressures in the U.S. market. Subsequent to its earnings release, Novo announced positive trial results for its key once-weekly insulin drug Semaglutide, demonstrating superiority in both weight and blood glucose reduction relative to a competitor drug from Eli Lilly, with no significant safety concerns.

Partially offsetting these positive effects were stock selection in the Consumer Discretionary and Industrials sectors. Within Discretionary, U.K.-based media company WPP's share price pulled back following disappointing Q2 financial results that showed deteriorating organic growth trends amid industry contractual pressures in U.S. media, account losses and spending cuts in the Fast Moving

Top 10 Holdings as of 30.09.2017

Company Name	% of Fund
Alphabet Inc.	2.6%
Amazon.com, Inc.	2.3%
BlackRock, Inc.	2.3%
Valeo SA	2.2%
JPMorgan Chase & Co.	2.2%
HDFC Bank Limited	2.2%
The Home Depot, Inc.	2.1%
Tencent Holdings Limited	2.1%
BNP Paribas SA	2.0%
Alibaba Group Holding Limited	1.9%
Total of Top 10	21.9%

Consumer Goods (FMCG) segment. Within the Industrials sector, U.S.-based consumer credit information company Equifax was the primary laggard, hampered by its announcement that it had encountered a major data breach that exposed sensitive identification information for up to 140 million Americans. Uncertainty about potential litigation and security costs related to the incident sent the share price sharply lower in the first half of September.

Market Review & Outlook

Global equities continued to march higher in the third quarter, supported by generally solid corporate fundamentals and positive growth conditions across the major economies. The ACWI IMI – MSCI's broadest measure of global equity performance – advanced 5.32% during the quarter and 17.24% year to date through September (in USD terms). Emerging market equities continued to outpace developed markets during the quarter, supported by continued strength in technology shares and a rebound in the energy sector.

European equity outperformance was driven by the region's ongoing economic recovery, improving

corporate fundamentals and investors' perception of a potentially stronger European Union following the French and German elections. The euro appreciated nearly 4% versus the U.S. dollar during the quarter and 12% year to date, driven by expectations for higher inflation and gradual interest rate normalization by the European Central Bank. Currency strength also bolstered U.K. returns during the quarter as the Bank of England laid the groundwork for tighter monetary policy to combat inflation.

U.S. equities achieved record highs during the quarter, overcoming mounting tensions with North Korea and weaker GDP growth expectations in the aftermath of Hurricanes Harvey, Irma and Maria. Within Japan, the release of encouraging economic data in September helped to propel equities higher into quarter end. While core inflation, labor market and industrial production data for August were broadly positive, Prime Minister Abe's decision to call a snap election raised some uncertainty on the policy outlook.

Emerging market quarterly gains were paced by Brazil, which rebounded from the latest presidential corruption scandal amid the country's nascent consumer-led economic recovery. Russia and China also posted double-digit gains for the quarter. More than half of MSCI China IMI's 14.49% quarterly gain was driven by the Information Technology sector, with the balance spread among Consumer Discretionary, Financials and Real Estate. From a global sector perspective based on the MSCI ACWI IMI, Energy was the leading performer for the quarter, benefiting from the bounce in crude oil prices, followed closely by the Information Technology and Materials sectors. In contrast, Consumer Staples significantly lagged for the quarter, with particular weakness in U.S. and Japanese tobacco stocks.

The performance of William Blair's proprietary quantitative models demonstrated that momentum and earnings trend style factors outperformed during the quarter, while quality, fundamental volatility and valuation underperformed. These style trends were particularly acute within emerging markets.

The latest high frequency data and surveys indicate that ongoing economic expansion is gathering pace, especially in the Euro Area. At the same time, wage growth continues to be modest across most developed markets, and this is beginning to restrain consumer behavior. In Q3 2017, retail sales volumes growth decelerated across all major developed economies. From the perspective of corporates, top line growth is currently in the range of 6-10% pa; it is not meaningfully higher across emerging markets. Beyond improving corporate performance, the outlook for the remainder of this year remains relatively benign, as major national elections, especially in Europe, produced outcomes favorable for continued growth.

From a global strategy perspective, we continue to see upside potential to nominal growth in select companies and industries, as expectations do not appear extended. We do not expect the unfolding gradual withdrawal of monetary policy stimulus to be detrimental to growth either in the U.S. or in the Euro Area, where policy action is not expected until 2018. Corporate performance in the 2H 2017 is likely to be stronger in Europe and in Japan, as economic expansion in the U.S. is relatively more mature. Emerging markets are well positioned to participate in the ongoing global expansion and valuations remain relatively favorable. Recent U.S. dollar strength is unlikely to dampen the fortunes of corporates in emerging markets materially.

The Fund, the Management Company and the Investment Manager

This document has been prepared and issued by FUNDROCK MANAGEMENT COMPANY S.A., a "société anonyme", incorporated under the laws of the Grand Duchy of Luxembourg having its registered office at 33, rue de Gasperich, L-5826 Hesperange and registered in the R.C.S. Luxembourg under n° 104196 (the "Management Company"). The Management Company is authorised and regulated by the Luxembourg Supervisory Authority of the Financial Sector (the "CSSF") as the management company of UCITS (defined below) under the EU directive 2009/65/EC, as amended.

The Management Company has been appointed as the management company of WILLIAM BLAIR SICAV, a "société d'investissement à capital variable", incorporated under the laws of the Grand Duchy of Luxembourg having its registered office at 31, Z.A.I. Bourmicht, Bertrange, registered in the R.C.S. Luxembourg under n° 98806 and approved by the CSSF as an undertaking for collective investment in transferable securities

(UCITS) in accordance with the EU directive 2009/65/EC, as amended (the "Fund").

The Management Company has appointed WILLIAM BLAIR INVESTMENT MANAGEMENT, LLC, the asset management business of WILLIAM BLAIR & COMPANY, LLC., having its registered office at 150 North Riverside Plaza Chicago, IL 60606, USA ("William Blair Group") as the investment manager for the Fund (the "Investment Manager").

Fund Distribution

The Fund is currently registered for public offering only in the following countries: Austria, Denmark, Finland, France, Germany, Ireland, Luxembourg, Norway, Sweden, Switzerland and the UK. Therefore the Fund may not be registered to be marketed in your jurisdiction or may only be marketed to certain categories of investors in your jurisdiction.

Marketing Materials

William Blair Group makes no representations that these marketing materials are appropriate or available for use in any jurisdiction.

This document is not intended to be published or made available to any person in any jurisdiction where doing so would result in contravention of any laws or regulations applicable to the recipient.

This document shall constitute a marketing communication only in the countries in which the Fund has been registered for public offering.

In any other countries, laws and regulations may restrict the access to the present website. The access to the present website is not to be considered as marketing communication or as the marketing of the shares of the Fund if such access to such information and documentation through a website would be unlawful.

Fund Documents

The Articles of Incorporation, the Prospectus, the Key Investor Information Documents (KIID), the Annual and Half-yearly Reports of the Fund and the Subscription Form are available free of charge in English and German from our website SICAV.williamblair.com or at the registered office of the Management Company (33, rue de Gasperich, L-5826 Hesperange, Grand Duchy of Luxembourg), at the registered office of the Fund (William Blair SICAV, 31, Z.A. Bourmicht, L-8070 Bertrange, Grand Duchy of Luxembourg) or from the Swiss representative, First Independent Fund Services Limited, Klausstrasse 33, CH-8008 Zurich (Paying agent in Switzerland is NPB New Private Bank Ltd, Limmatquai 1, CH-8022 Zurich), and in German language at Marcard, Stein & Co., Ballindamm 36, 20095 Hamburg, Germany, and at Bank of Austria Creditanstalt AG, Am Hof 2, 1010 Vienna, Austria.

Recipients of this Document

The present document is not intended to be directed to those categories of investors to which the communication of this

document would be unlawful in any country according to any applicable law or regulation.

This document is intended for the use of the persons to whom it is addressed, being persons who are Professional Investors as defined in the Markets in Financial Instruments Directive (2004/39/EC), understood as financial advisers, insurance companies, asset managers, discretionary wealth managers, banks and other authorised intermediaries.

Therefore, its content should not be used by retail clients. These materials are not intended to be distributed or passed on, directly or indirectly, to any other class of persons and may not be relied upon by such persons and is therefore not intended for private individuals or those who would be classified as retail clients. William Blair Group does not accept responsibility for retail clients accessing information intended exclusively for Professional Investors.

No Investment Advice

This document has been produced for information purposes only and is not to be construed as investment advice or a solicitation or an offer to purchase or sell investments or related financial instruments to any recipients.

The investments in the Fund may not be suitable for all recipients. This document does not contain personalized recommendations or advice and is not intended to substitute any professional advice on investment in financial products.

Recipients of this document should make their own investment decisions based upon the Fund Documents listed above (which can be obtained free of charge) and in accordance with their own financial objectives and financial resources and, if in any doubt, should seek advice from independent professional advice as to risks and consequences of any investment

Risks

Recipients of this document should be aware of the risks detailed in this paragraph.

Please be advised that any return estimates or indications of past performance on this document are for information purposes only. Past performance is not necessarily a guide to future performance and no assurance can be made that the profits will be achieved or that substantial losses will not be incurred. Returns for periods of one year or more are annualized. All charges and fees, except any entry, exit and switching charge, have been taken into account in calculating the Fund's performance. The value of shares and any income from them can increase or decrease. An investor may not get back the amount originally invested.

Where investment is made in currencies other than the investor's base currency, the value of those investments, and any income from them, will be affected by movements in exchange rates. This effect could be unfavourable as well as favourable. Levels and bases for taxation may change. Further specific risks may arise in relation to specific investments and you should review the risk factors very carefully before investing. Intended risk profile of the Fund may change overtime. The Fund is designed for long-

term investors. For the most current month-end performance information, please visit our web site at SICAV.williamblair.com.

William Blair's Opinion

This document contains the opinions of William Blair, as at the date of issue based on sources believed to be reliable. However, William Blair does not guarantee the timeliness, accuracy, or completeness of the information contained in this document. All information and opinions may change without notice.

Property of William Blair

This document is the property of William Blair and is not intended for distribution or dissemination, directly or indirectly, to any other persons than those to which it has been addressed exclusively for their personal use. It is being supplied to you solely for your information and may not be reproduced, modified, forwarded to any other person or published, in whole or in part, for any purpose without the prior written consent of William Blair.

Liability

To the extent permitted by applicable law, William Blair will accept no liability for any direct or consequential loss, damages, costs or prejudices whatsoever arising from the use of this document or its contents.

As used in this document, "William Blair" means William Blair Investment Management, LLC and the Investment Management division of William Blair & Company, L.L.C.

Copyright © 2017 William Blair. William Blair is a registered trademark of William Blair & Company, L.L.C. "William Blair" refers to William Blair & Company, L.L.C., William Blair Investment Management, LLC, and affiliates.