

**BAIRD FUNDS, INC.**

**Supplement to the Prospectus and Summary Prospectus**  
*Dated May 1, 2018*

Baird MidCap Fund  
Baird Small/Mid Cap Value Fund  
Baird SmallCap Value Fund  
Chautauqua International Growth Fund  
Chautauqua Global Growth Fund

---

The Board of Directors (the “Board”) of Baird Funds, Inc. (the “Company”) has approved a reduced advisory fee for the Baird Small/Mid Cap Value Fund, the Chautauqua International Growth Fund and the Chautauqua Global Growth Fund. Effective December 1, 2018, the investment advisory fee that each of the above-referenced Funds pays to Robert W. Baird & Co. Incorporated, the Funds’ investment advisor (the “Advisor”), will be reduced from an annual rate of 0.80% of the average daily net assets of each Fund to an annual rate of 0.75% of the average daily net assets of each Fund.

The Board also approved an amended and restated expense cap/reimbursement agreement between the Advisor and the Company on behalf of the Baird Small/Mid Cap Value Fund, the Baird SmallCap Value Fund, the Chautauqua International Growth Fund and the Chautauqua Global Growth Fund. Effective December 1, 2018, the Advisor has contractually agreed to waive its fees and/or reimburse each Fund’s total annual fund operating expenses at least through April 30, 2020 to the extent necessary to ensure that the total operating expenses, including interest expense and the fees and expenses incurred by a Fund in connection with the Fund’s investments in other investment companies and excluding taxes, brokerage commissions and extraordinary expenses, do not exceed an annual rate of:

- 1.10% of the Investor Class’s average daily net assets and 0.85% of the Institutional Class’s average daily net assets for the Baird Small/Mid Cap Value Fund;
- 1.20% of the Investor Class’s average daily net assets and 0.95% of the Institutional Class’s average daily net assets for the Baird SmallCap Value Fund;
- 1.05% of the Investor Class’s average daily net assets and 0.80% of the Institutional Class’s average daily net assets for the Chautauqua International Growth Fund; and
- 1.05% of the Investor Class’s average daily net assets and 0.80% of the Institutional Class’s average daily net assets for the Chautauqua Global Growth Fund.

*This supplement should be retained with your Prospectus and Summary Prospectus for future reference.*

*The date of this Prospectus and Summary Prospectus Supplement is November 30, 2018.*

# Chautauqua International Growth Fund

## Trading Symbols:

CCWSX – Investor Class Shares

CCWIX – Institutional Class Shares

## Summary Prospectus May 1, 2018

View the following for this fund: [Statutory Prospectus](#) | [Statement of Additional Information](#)

Before you invest, you may want to review the Fund's prospectus, which contains more information about the Fund and its risks. You can find the Fund's prospectus and other information about the Fund, including the Fund's statement of additional information and shareholder reports, online at <http://www.bairdassetmanagement.com/baird-funds/funds-and-performance#Literature>. You may also obtain this information at no cost by calling 1-866-442-2473 or by sending an e-mail request to [prospectus@bairdfunds.com](mailto:prospectus@bairdfunds.com). The Fund's prospectus and statement of additional information, both dated May 1, 2018, are incorporated by reference into this Summary Prospectus.

## Investment Objective

The investment objective of the Chautauqua International Growth Fund (the “Fund”) is to provide long-term capital appreciation.

## Fees and Expenses of the Fund

The table below describes the fees and expenses that you may pay if you buy and hold shares of the Fund.

### Shareholder Fees

*(fees paid directly from your investment)*

	<u>Investor Class Shares</u>	<u>Institutional Class Shares</u>
Redemption Fee <i>(as a percentage of amount redeemed, for shares held 90 days or less)</i>	2.00%	2.00%

### Annual Fund Operating Expenses

*(expenses that you pay each year as a percentage of the value of your investment)*

	<u>Investor Class Shares</u>	<u>Institutional Class Shares</u>
Management Fees	0.80%	0.80%
Distribution and Service (12b-1) Fees	0.25%	None
Other Expenses	0.41%	0.41%
Total Annual Fund Operating Expenses <sup>(1)</sup>	1.46%	1.21%
Less: Fee Waiver <sup>(2)</sup>	-0.26%	-0.26%
Total Annual Fund Operating Expenses After Fee Waiver	1.20%	0.95%

(1) Please note that the Total Annual Fund Operating Expenses in the table above do not correlate to the Ratio of Expenses to Average Net Assets (before waivers) found within the “Financial Highlights” section of this prospectus, which reflects the operating expenses of the Fund and does not include fees and expenses incurred indirectly by the Fund as a result of investments in other investment companies.

(2) Robert W. Baird & Co. Incorporated (the “Advisor”) has contractually agreed to waive management fees and/or reimburse other expenses in order to limit the Fund’s total annual fund operating expenses to 1.20% of average daily net assets for the Investor Class shares and 0.95% of average daily net assets for the Institutional Class shares. This obligation includes interest expense and the fees and expenses incurred by the Fund in connection with the Fund’s investments in other investment companies and excludes taxes, brokerage commissions and extraordinary expenses. If such excluded expenses were incurred, Fund expenses would be higher. The Advisor is entitled to recoup the fees waived and/or expenses reimbursed within a three-year period from the time the expenses were incurred to the extent of the expense limitations described above and in place at the time of the recoupment. The agreement will continue in effect at least through April 30, 2019 and may only be terminated prior to the end of this term by or with the consent of the Board of Directors.

## Example

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds.

The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund’s operating expenses remain the same. Please note that the one-year numbers below are based on the Fund’s net expenses resulting from the expense reimbursement agreement described above. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	1 Year	3 Years	5 Years	10 Years
Investor Class Shares	\$122	\$436	\$773	\$1,724
Institutional Class Shares	\$ 97	\$358	\$640	\$1,443

## Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in total annual fund operating expenses or in the example, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 71.0% of the average value of its portfolio.

## Principal Investment Strategies

The Fund invests primarily in equity securities of both U.S. and non-U.S. companies with medium to large market capitalizations (*i.e.*, those with market capitalizations in excess of U.S. \$5 billion at the time of purchase). Equity securities in which the Fund may invest include common stocks, preferred stocks, depositary shares and receipts, rights, warrants and exchange-traded funds (“ETFs”). Under normal market conditions, the Fund will invest at least 65% of its total assets at the time of purchase in non-U.S. companies. The Fund will normally be diversified among at least three countries in addition to the United States. The Fund invests primarily in developed markets but may invest in emerging and less developed markets. In evaluating potential investments, the Advisor considers companies with growth characteristics that the Advisor believes are likely to benefit from current macro-economic and global trends and sustainable competitive advantages. The Fund will normally hold a concentrated number (generally 25 to 35) of companies.

In determining whether a company is a non-U.S. company, the Advisor considers a number of factors, including the company’s jurisdiction of incorporation or organization, the location of the company’s corporate or operational headquarters or principal place of business, the location of the principal trading market for the company’s common stock, the location(s) of a majority of the company’s assets or production of its goods and services, and the locations of the primary sources of the company’s revenues or profits.

The Fund may invest in ETFs. For example, the Fund may invest cash temporarily in ETFs until individual securities are identified for purchase or until the Fund is able to purchase securities in a particular country or region.

The Advisor will typically sell or reduce a position to mitigate specific risk, to take advantage of better opportunities, to avoid country risks, when the Advisor believes that valuations are high with limited justification for significant increases, or when operational performance does not meet expectations.

## Principal Risks

Please be aware that you may lose money by investing in the Fund. The following is a summary description of certain risks of investing in the Fund.

### *Stock Market Risks*

Stock prices vary and may fall, thus reducing the value of the Fund’s investments. Certain stocks selected for the Fund’s portfolio may decline in value more than the overall stock market. The U.S. and international markets have experienced extreme price volatility, reduced liquidity and valuation difficulties in recent years. Continuing market problems may have adverse effects on the Fund.

### *Growth-Style Investing Risks*

Because the Fund focuses on growth-style stocks, its performance may at times be better or worse than the performance of funds that focus on other types of stocks or that have a broader investment style. Growth stocks are often characterized by high price-to-earnings ratios, which may be more volatile than stocks with lower price-to-earnings ratios.

### *Limited Holdings Risks*

Although it is diversified, the Fund may invest a relatively high percentage of assets in a small number of issuers, which may result in increased volatility.

### *Management Risks*

The Advisor's judgments about the attractiveness, value and potential appreciation of particular companies' stocks may prove to be incorrect. Such errors could result in a negative return and a loss to you.

### *Equity Securities Risks*

Equity securities may experience sudden, unpredictable drops in value or long periods of decline in value. This change may occur because of factors that affect securities markets generally or factors affecting specific industries, sectors or companies in which the Fund invests.

### *Common Stock Risks*

Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. Holders of common stocks are generally subject to greater risk than holders of preferred stocks and debt obligations of the same issuer because common stockholders generally have inferior rights to receive payments from issuers in comparison with the rights of preferred stockholders, bondholders and other creditors.

### *Currency Risks*

The value of foreign investments held by the Fund may be significantly affected by changes in foreign currency exchange rates. Generally, when the U.S. dollar rises in value against a foreign currency, an investment in that foreign currency loses value because it is worth fewer U.S. dollars. The foreign currency exchange market can be highly volatile for a variety of reasons. For example, currency conversion expenses, restrictions, exchange control regulation, devaluation and political developments may have a significant impact on the value of any investments denominated in that currency.

### *Medium and Large Capitalization Risks*

Stocks of companies with certain market capitalization may perform differently from the equities markets generally. The Fund's investments will focus on companies with medium and large market capitalizations. At times, mid-cap and large-cap stocks may underperform as compared to small-cap stocks, and vice versa. Larger, more established companies may be unable to respond to new competitive challenges such as changes in consumer tastes or innovative smaller competitors. Moreover, mid-cap stocks may perform differently from large-cap stocks, as mid-cap stocks may be less liquid and more volatile than large-cap stocks.

### *Foreign Securities Risks*

Securities of foreign issuers and American Depositary Receipts ("ADRs") are subject to certain inherent risks, such as political or economic instability of the country of issue and government policies, tax rates, prevailing interest rates and credit conditions that may differ from those affecting domestic corporations. Securities of foreign issuers and ADRs may also be subject to currency fluctuations and controls and greater fluctuation in price than the securities of domestic corporations. Foreign companies generally are not subject to uniform auditing and financial reporting standards comparable to those applicable to domestic companies.

In June 2016, the United Kingdom (UK) voted to leave the European Union (EU) following a referendum referred to as "Brexit." There is significant market uncertainty regarding Brexit's ramifications, and the range of possible political, regulatory, economic, and market outcomes are difficult to predict. Other geopolitical events may also cause market disruptions. It is possible that geopolitical events could have an adverse effect on the value of the Fund's investments.

### *Emerging Market Risks*

Investments in emerging markets can involve risks in addition to and greater than those generally associated with investing in more developed foreign markets. The extent of economic development, political stability, market depth, infrastructure, capitalization, and regulatory oversight can be less than in more developed markets. Emerging market economies can be subject to greater social, economic, regulatory, and political uncertainties. All of these factors can make emerging market securities more volatile and potentially less liquid than securities issued in more developed markets.

### *Region, Country, Sector Risks*

The Fund may invest a higher percentage of its total assets in a particular country, region or sector of international markets, which may have a significant impact on the Fund's overall portfolio.

### *ETF Risks*

You will indirectly bear fees and expenses charged by the ETFs in which the Fund invests, in addition to the Fund's direct fees and expenses. Accordingly, your cost of investing in the Fund will generally be higher than the cost of investing directly in the ETF. The market price of ETF shares may trade at a discount to their net asset value or an active trading market for ETF shares may not develop or be maintained. ETFs in which the Fund invests typically will not be able to replicate exactly the performance of the indices they track.

### *Valuation Risks*

The prices provided by the Fund's pricing services or independent dealers or the fair value determinations made by the valuation committee of the Advisor may be different from the prices used by other mutual funds or from the prices at which securities are actually bought or sold. The prices of certain securities provided by pricing services may be subject to frequent and significant change, and will vary depending on the information that is available.

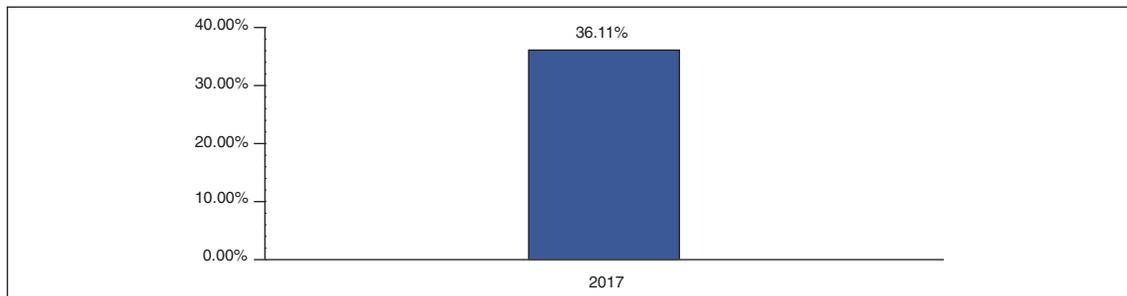
### *Recent Market Events*

U.S. and international markets have recently experienced significant volatility due, in part, to uncertainties regarding how quickly the Federal Reserve will raise the Federal Funds rate, inflation and wage growth, the effects of the recently passed Tax Cuts and Jobs Act tax reform legislation, new tariffs imposed by the U.S. and other countries, other legislative, economic and regulatory changes proposed by the President of the United States, and how the financial markets will react to the foregoing and other developments. Such uncertainties may have adverse effects on the Fund.

## Performance

The performance information provides some indication of the risks of investing in the Fund by showing the Fund's performance for the past calendar year and by showing how the Fund's average annual returns for one year and since inception compare with those of a broad measure of market performance. Past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future. Updated performance information is available on the Fund's website at [www.bairdfunds.com](http://www.bairdfunds.com) or by calling the Fund toll-free at 1-866-442-2473.

**Calendar Year Return for Institutional Class Shares**



<b><i>Best quarter:</i></b>	1st quarter 2017	10.76%
<b><i>Worst quarter:</i></b>	4th quarter 2016	-8.16%

## Average Annual Total Returns as of December 31, 2017

	<u>1 Year</u>	<u>Since Inception (4/15/16)</u>
<i>Institutional Class</i>		
Return Before Taxes	36.11%	16.69%
Return After Taxes on Distributions	34.55%	15.91%
Return After Taxes on Distributions and Sale of Fund Shares	20.85%	12.63%
<i>Investor Class</i>		
Return Before Taxes	35.86%	16.50%
<b>MSCI ACWI ex USA Index</b>		
(reflects no deduction for fees, expenses or taxes)	27.19%	17.10%

After-tax returns are shown only for Institutional Class shares, and the after-tax returns for Investor Class shares will vary. After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Your actual after-tax returns depend on your tax situation and may differ from those shown. After-tax returns are not relevant if you hold your shares through a tax-deferred account, such as a 401(k) plan or an individual retirement account.

## Investment Advisor

Robert W. Baird & Co. Incorporated is the Fund's investment advisor.

## Portfolio Manager

<u>Name</u>	<u>Portfolio Manager of the Fund Since</u>	<u>Title</u>
Brian Beitner, CFA	2016	Managing Director of the Advisor and Managing Partner of the Advisor's Chautauqua Capital Management division

## Purchase and Sale of Fund Shares

You may purchase or redeem shares of the Fund on any day the New York Stock Exchange (the "NYSE") is open by written request via mail (Baird Funds, Inc. c/o U.S. Bancorp Fund Services, LLC, P.O. Box 701, Milwaukee, WI 53201-0701) or overnight delivery (Baird Funds, Inc. c/o U.S. Bancorp Fund Services, LLC, 615 E. Michigan Street, Third Floor, Milwaukee, WI 53202), by wire transfer, by telephone at 1-866-442-2473, or through a financial intermediary. Purchases and redemptions by telephone are only permitted if you previously established these options on your account.

The minimum initial and subsequent investment amounts are shown below, although the Fund may reduce or waive them in some cases in its discretion.

	<u>Initial Purchase</u>	<u>Subsequent Purchases</u>
Investor Class	\$1,000 – Individual Retirement Accounts (Traditional/Roth/SIMPLE/SEP IRAs) and Coverdell Education Savings Account	\$100
	\$2,500 – All Other Accounts	\$100
Institutional Class	\$25,000 – All Account Types	No minimum

## **Tax Information**

The Fund's distribution may be subject to federal income tax and may be taxed as ordinary income or long-term capital gains unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account. You may be taxed later upon the withdrawal of such funds.

## **Payments to Broker-Dealers and Other Financial Intermediaries**

If you purchase Fund shares through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.