INVESTMENT OBJECTIVE
The investment objective of the Fund is to seek an annual rate of total return, before fund expenses, greater than the annual rate of total return of the Bloomberg Barclays 1-3 Year U.S. Government/Credit Bond Index.

INVESTMENT PHILOSOPHY
Risk control is the foundation of the Baird Advisors investment discipline. Since interest rates are extremely difficult to consistently forecast over time, Baird Advisors employs a duration-neutral, risk-controlled approach. The duration of the Fund is set equal to the duration of the Bloomberg Barclays 1-3 Year U.S. Government/Credit Bond Index, thus helping to ensure a high degree of predictability in tracking benchmark returns. Incremental value is added through security selection, yield curve positioning, sector allocation and competitive execution of trades.

INVESTMENT STRATEGY
The Fund normally invests at least 80% of its net assets in the following types of U.S. dollar-denominated debt obligations:

- U.S. government and other public-sector entities
- Asset-backed and mortgage-backed obligations of U.S. and foreign issuers
- Corporate debt of U.S. and foreign issuers

The Fund only invests in debt obligations rated investment grade at the time of purchase by at least one major rating agency or, if unrated, determined by Baird Advisors to be investment grade.

Baird Advisors attempts to keep the duration of the Fund’s portfolio equal to the duration of the Fund’s benchmark. The dollar-weighted average portfolio effective maturity of the Fund will normally be more than one year but less than three years during normal market conditions. The Fund may invest in debt obligations of all maturities. Baird Advisors attempts to diversify the Fund’s portfolio by holding securities of many different issuers and choosing issuers in a variety of sectors.
not possible.

and conversely, in a falling interest rate environment, the value of fixed income securities generally increase. Indices are unmanaged and direct investment is

has historically provided financial support to various U.S. government-sponsored agencies, no assurance can be given that it will do so in the future if it is not

risks including political and economic instability, differences in financial reporting standards and less regulated securities markets. While the U.S. government

changes than other types of debt securities. The Fund may also invest in U.S. dollar denominated securities issued by foreign issuers which involve additional

obligated by law. All investments carry risk, including loss of principal. In a rising interest rate environment, the value of fixed-income securities generally decline

The Fund may invest in mortgage- and asset-backed securities which may be subject to prepayment risk and thus may be more sensitive to interest rate

estimated total annual fund operating expense of 0.55%. Investment results assume all distributions are reinvested and reflect applicable fees and expenses.

1Based on a subjective evaluation performed by the mutual fund analysts of Morningstar, Inc. Morningstar evaluates funds based on five key pillars, which are process, performance, people, parent, and price. Morningstar's analysts use this five pillar evaluation to identify funds they believe are more likely to outperform over the long term on a risk-adjusted basis. Analysts consider quantitative and qualitative factors in their research, and the weighting of each pillar may vary. The Analyst Rating ultimately reflects the analyst's overall assessment and is overseen by Morningstar's Analyst Rating Committee. The approach serves not as a formula but as a framework to ensure consistency across Morningstar's global coverage universe. The Analyst Rating scale ranges from Gold to Negative, with Gold being the highest rating and Negative being the lowest rating. Gold rating - Fund distinguishes itself across the five pillars and has garnered the analysts' highest level of conviction. Silver rating - Fund has notable advantages across several, but perhaps not all, of the five pillars-strengths that give the analysts a high level of conviction. Bronze rating – Fund has advantages that outweigh the disadvantages across the five pillars, with sufficient level of analyst conviction to warrant a positive rating. Neutral rating - Fund isn't seriously flawed across the five pillars, nor does it distinguish itself very positively. Negative rating - Fund is flawed in at least one if not more pillars and is considered an inferior offering to its peers. Analyst Ratings are reevaluated at least every 14 months.

2The Baird Short-Term Bond Fund Institutional Class received 3 stars rated against 478 Short-Term Bond Funds, as of 6/30/2019, based on risk-adjusted total return. Ratings are determined monthly and subject to change. The Overall Morningstar Rating for a mutual fund is derived from a weighted average of the performance figures associated with its three-, five and 10-year (if applicable) Morningstar Rating metrics. For each mutual fund with at least a three-year history, Morningstar calculates a Morningstar Rating based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's adjusted monthly performance placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each 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 Baird Short-Term Bond Fund (Institutional Class) was rated 3 stars out of 478 funds; 4 stars out of 421 funds; and 3 stars out of 269 funds in the Short-Term Bond category for the 3-, 5- and 10-year periods, respectively.

3Investment results assume all distributions are reinvested and reflect applicable fees and expenses. Investor Class shares were first offered on September 19, 2012. Investor Class share results prior to the date of first sale are hypothetical based on Institutional Class share results and were calculated using an estimated total annual fund operating expense of 0.55%. Investment results assume all distributions are reinvested and reflect applicable fees and expenses. The Fund may invest in mortgage- and asset-backed securities which may be subject to prepayment risk and thus may be more sensitive to interest rate changes than other types of debt securities. The Fund may also invest in U.S. dollar denominated securities issued by foreign issuers which involve additional risks including political and economic instability, differences in financial reporting standards and less regulated securities markets. While the U.S. government has historically provided financial support to various U.S. government-sponsored agencies, no assurance can be given that it will do so in the future if it is not obligated by law. All investments carry risk, including loss of principal. In a rising interest rate environment, the value of fixed-income securities generally decline and conversely, in a falling interest rate environment, the value of fixed income securities generally increase. Indices are unmanaged and direct investment is not possible.

4The SEC 30-Day Yield reflects the rate at which the fund is earning income on its current portfolio of holdings after expenses.

5The quality profile is calculated on a market value-weighted basis using the highest credit quality rating given by S&P, Moody’s or Fitch for each security in the fund. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). Baird Funds are offered through Robert W. Baird & Co., a registered broker/dealer, member NYSE and SIPC. Robert W. Baird & Co. also serves as investment advisor for the Fund and receives compensation for these services as disclosed in the current prospectus.