International and Global Growth Funds

Q4 2025 Commentary and Market Outlook

Baird Funds

MARKET RECAP

Global equity markets closed out 2025 on a strong note, with international equities delivering their widest annual outperformance versus U.S. equities since the Great Financial Crisis (GFC). A weakening dollar, narrowing rate differentials, and attractive relative valuations all contributed to the reversal. A significant de-escalation in U.S.-China trade tensions provided additional relief and supported risk-on sentiment. Meanwhile, central bank policy paths diverged—the Federal Reserve (Fed) continued easing, the European Central Bank (ECB) held steady, and the Bank of Japan (BOJ) raised rates to their highest level in nearly three decades.

The fourth quarter proved challenging for our international portfolios as several themes that had contributed positively earlier in the year reversed sharply. Our Greater China holdings gave back a portion of their substantial gains amid profit-taking, though they remained additive to full-year performance. Value and cyclical leadership persisted, and we had no exposure to European or Japanese banks or to materials, where commodities rallied on AI-related infrastructure demand and precious metals prices. Within information technology, the market's enthusiasm for AI-related hardware contrasted sharply with weakness in application software and IT services, where concerns about potential disruption weighed on valuations. And in health care, company-specific concerns weighed on two of our holdings.

While this environment did not favor our quality growth approach, our investment philosophy remains unchanged. Our concentrated, conviction-weighted portfolios are designed to outperform market growth rates over an investment cycle. We prioritize businesses that align with secular trends and have strong competitive advantages and market positions. Our portfolio companies are chosen for their high profit margins, strong balance sheets, and consistent cash generation. We believe these qualities will endure even in challenging macroeconomic conditions, and we remain confident in the long-term potential of the businesses we own.

In the fourth quarter of 2025, the Baird Chautauqua International Growth Fund Net Investor Class returned +0.11%, significantly underperforming the MSCI ACWI ex-U.S. Index® ND, which returned +5.05%. The Baird Chautauqua Global Growth Fund Net Investor Class returned +4.18% during the quarter, outperforming the MSCI ACWI Index® ND, which returned +3.29%.*

MARKET UPDATE

For the MSCI ACWI ex-U.S. Index®, growth style notably underperformed value style. Within the MSCI ACWI Index®, growth style underperformed value, and large capitalization stocks outperformed small capitalization stocks. In emerging markets, growth also underperformed value, and large-cap stocks outperformed small-cap.

Sector performance, except consumer discretionary and real estate, was positive for the quarter, and country performance was mixed but leaned positive.

MSCI Sector and Country Performance (QTD as of 12/31/2025)

Sector	Performance
Health Care	9.93%
Materials	6.53%
Financials	5.04%
Communication Services	3.38%
Information Technology	2.92%
Energy	2.82%
Utilities	2.38%
Industrials	1.86%
Consumer Staples	1.26%
Consumer Discretionary	-0.51%
Real Estate	-2.31%

Country	Performance	Country	Performance
Ireland	14.23%	Netherlands	3.60%
Taiwan	10.45%	France	3.46%
Switzerland	9.83%	Japan	3.26%
Canada	7.85%	United States	2.42%
Denmark	5.39%	Singapore	1.04%
India	4.83%	Australia	-0.99%
Indonesia	4.78%	China	-7.35%

Source: FactSet. Based on MSCI country returns.

*Returns less than one year are not annualized. **The performance data quoted represents past performance. Past performance does not guarantee future results. Investment returns and principal value will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Current performance data may be lower or higher than the data quoted. Returns include reinvestment of dividends and capital gains. To obtain the most recent month-end performance data available, please visit bairdfunds.com.**

The fourth quarter capped a strong year for global equities, with the U.S., international developed, and emerging markets all posting gains. But for the full year, the bigger story was a decisive reversal of fortunes between U.S. and international equities. After more than a decade of consistent U.S. outperformance, international equities significantly outperformed this year. The dollar had a steep decline, driven by narrowing rate differentials, domestic fiscal concerns, and tariff policy uncertainty, which provided a meaningful tailwind for international assets. And international valuations remained at a substantial discount to U.S. levels, offering a more attractive starting point for returns.

Beneath the headline international outperformance, there were pronounced sector and factor rotations. Value extended its lead over growth across both developed and emerging markets, led by financials and materials. European banks posted their strongest year in nearly three decades as net interest margins expanded and return on equity recovered from post-crisis lows. Japanese banks rallied on BOJ rate normalization. Materials rose on precious metals strength and AI-related infrastructure demand. And memory semiconductors delivered outsized returns as high-bandwidth memory demand for AI datacenters rewarded players in that consolidated industry. On the other side, application software and IT services faced persistent pressure on concerns that generative AI could disrupt traditional business models.

On the global monetary policy side, the past year marked the largest easing push since the GFC. Yet by the end of the year, there was a notable divergence among the three major central banks. In the U.S., the Fed cut rates by 25 basis points in both October and December to bring the target range to 3.50–3.75%. However, the most recent Fed meeting revealed divisions over whether supporting the softening labor market or managing above-target inflation is the bigger imperative. The ECB continued to hold rates steady at 2%, citing sticky services inflation, even though headline inflation has moved closer to target. And Japan moved in the opposite direction entirely, with the BOJ raising rates to 0.75%, its highest level in nearly three decades and less than two years removed from exiting negative rates, on solid wage growth and growing confidence in the domestic outlook.

The fourth quarter also marked a significant de-escalation in trade tensions between the U.S. and China. Presidents Trump and Xi reached an agreement in October that saw the U.S. reduce fentanyl-related tariffs on Chinese goods and extend the suspension of reciprocal tariffs for one year. In exchange, China suspended its rare earth export controls, ended semiconductor-related investigations targeting U.S. companies, and suspended retaliatory tariffs on U.S. agricultural products. Furthermore, in December, the U.S. announced a partial rollback of semiconductor export controls, allowing shipments of previously banned yet still lagging-edge datacenter chips.

While trade tensions have eased, the average effective U.S. tariff rate of 17% is significantly elevated compared to the 2–3% level at the end of 2024. The formalization of framework agreements with most large trading partners has removed the most severe tail risks. However, ongoing sector-specific investigations add to the potential for renewed volatility. Critically, the pass-through of tariffs to consumer prices has been more muted than initially feared. The Fed's most recent study, done in October, estimated that tariffs have added approximately 50 basis points to core inflation through August. And businesses have absorbed the remainder of the impact through a combination of drawing down pre-tariff inventory buffers and accepting lower margins. The Fed acknowledged that tariff pass-through remains an upside risk to inflation in 2026, and surveys support this as businesses conclude that tariffs will endure.

In the U.S., the labor market continued to soften. The unemployment rate rose to 4.6% in November, its highest level in more than four years, and job growth has been concentrated almost entirely in health care, with employment declining in most other sectors. Consumer spending has remained resilient, but confidence is fragile. Inflation has been stubbornly persistent, with core inflation easing only modestly and remaining well above the Fed's 2% target.

In Europe, the fiscal stimulus announced earlier in the year, including Germany's €500 billion infrastructure fund and expanded E.U.-wide defense spending, has begun to flow, though the initial optimism has faded somewhat. Germany has been mired in recession for more than two years, and its growth outlook remains subdued. The ECB has held rates steady and indicated that all policy options remain open given persistent uncertainty. Meanwhile, as Chinese exports are diverted from U.S. markets, European manufacturers face intensifying competitive pressure, a structural challenge that fiscal stimulus alone cannot address.

In China, economic data remained mixed despite trade war stabilization. Exports have been resilient, but domestic demand remains stubbornly weak. The property sector downturn, now in its fifth year, continues to weigh on investment and consumer confidence. Factory activity had been contracting for most of the year before the purchasing managers index (PMI) reading showed the first expansion in nine months, offering a tentative sign of stabilization. Despite the mixed data, President Xi confirmed the economy would achieve its roughly 5% growth target for 2025. And at the December economic planning meeting, policymakers for the first time identified raising household incomes as a priority for boosting consumption, signaling recognition that the economy's reliance on exports rather than domestic demand has become increasingly precarious.

FUND PERFORMANCE AS OF DECEMBER 31, 2025

	Total Return (%)	Average Annual Total Returns (%)				
	QTR	1 Year	3 Year	5 Year	Since Inception (04/15/2016)	Expense Ratio (net/gross)*
International Growth Fund Institutional Class (net)	0.18	19.47	14.44	5.65	10.00	0.80/0.84
International Growth Fund Investor Class (net)	0.11	19.17	14.16	5.39	9.73	1.05/1.09
MSCI ACWI ex-U.S. Index - ND	5.05	32.39	17.33	7.91	8.52	
Excess Returns (Institutional Net)	-4.87	-12.92	-2.89	-2.26	1.48	
Morningstar % Rank in US Fund Foreign Large Growth Category (Rank/Count)		49% (193/373)	43% (154/367)	27% (87/345)	9% (20/302)	

	Total Return (%)	Average Annual Total Returns (%)				
	QTR	1 Year	3 Year	5 Year	Since Inception (04/15/2016)	Expense Ratio (net/gross)*
Global Growth Fund Institutional Class (net)	4.23	22.40	18.32	8.37	12.66	0.80/0.86
Global Growth Fund Investor Class (net)	4.18	22.12	18.03	8.10	12.40	1.05/1.11
MSCI ACWI Index – ND	3.29	22.34	20.65	11.19	11.90	
Excess Returns (Institutional Net)	0.94	0.06	-2.33	-2.82	0.76	
Morningstar % Rank in US Fund Global Large-Stock Growth Category (Rank/Count)		12% (38/314)	50% (171/303)	40% (126/282)	38% (101/233)	

Returns less than one year are not annualized. **The performance data quoted represents past performance. Past performance does not guarantee future results. Investment returns and principal value will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Current performance data may be lower or higher than the data quoted. Returns include reinvestment of dividends and capital gains. To obtain the most recent month-end performance data available, please visit bairdfunds.com.**

The Morningstar percentile rankings are for the Institutional Share Class of the Funds and are **based on the average annual total returns** for the periods stated and do not include any sales charges but do include reinvestment of dividends and capital gains and Rule 12b-1 fees. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100.

*The Net Expense Ratio is the Gross Expense Ratio minus any reimbursement from the Advisor. The Advisor has contractually agreed to waive its fees and/or reimburse expenses at least through April 30, 2026, to the extent necessary to ensure that the total operating expenses do not exceed 1.05% of the Investor Class's average daily net assets and 0.80% of the Institutional Class's average daily net assets. Investor class expense ratios include a 0.25% 12b-1 fee.

PERFORMANCE ATTRIBUTION

The Baird Chautauqua International Growth Fund underperformed its benchmark during the quarter, as stock selection in health care, and both stock selection and a relative overweight in consumer discretionary, detracted the most from relative returns. Holdings in industrials and utilities contributed positively during the period. From a regional perspective, stock selection in Asia & the Pacific Basin, particularly China, detracted most from performance. The largest detractors were Sea Limited, KE Holdings, and WuXi Biologics, while the largest contributors were Fanuc, Temenos, and Ryanair.

The Baird Chautauqua Global Growth Fund outperformed its benchmark during the quarter, driven by positive stock selection, primarily in the information technology sector. Holdings in health care, and both stock selection and a relative overweight in consumer discretionary, detracted most from relative performance. Regionally, North America, led by the U.S., contributed positively to relative returns, while Asia & the Pacific Basin, particularly China, was the largest detractor. The largest contributors to relative returns were Micron Technology, Regeneron Pharmaceuticals, and Fanuc, while the largest detractors were Sea Limited, WuXi Biologics, and KE Holdings.

Baird Chautauqua International Growth Fund Top & Bottom Contributors for Q4 2025

Top 5 Contributors

Security	Avg. Weight (%)
Fanuc Corporation	3.16
Temenos AG	2.69
Ryanair Holdings Plc	3.04
Brookfield Renewable Holdings	3.83
DBS Group Holdings Ltd.	4.24

Bottom 5 Contributors

Security	Avg. Weight (%)
Sea Limited Sponsored	3.38
KE Holdings, Inc.	2.63
WuXi Biologics Inc.	2.24
Prosus N.V.	4.15
Alibaba Group Holding Limited	3.49

Source: FactSet. The holdings identified do not represent all the securities held, purchased or sold for the Funds during the period; past performance does not guarantee future results. Holdings are subject to risk and can change at any time. To obtain information about the calculation methodology and a list showing all holdings and their contribution, please contact Baird.

Baird Chautauqua Global Growth Fund Top & Bottom Contributors for Q4 2025

Top 5 Contributors

Security	Avg. Weight (%)
Micron Technology, Inc.	4.45
Regeneron Pharmaceuticals, Inc.	2.05
Fanuc Corporation	2.08
Alphabet Inc.	3.99
Incyte Corporation	2.96

Bottom 5 Contributors

Security	Avg. Weight (%)
Sea Limited	2.55
WuXi Biologics Inc.	1.63
KE Holdings, Inc.	1.79
Constellation Software Inc.	2.97
Alibaba Group Holding Limited	2.27

Source: FactSet. The holdings identified do not represent all the securities held, purchased or sold for the Funds during the period; past performance does not guarantee future results. Holdings are subject to risk and can change at any time. To obtain information about the calculation methodology and a list showing all holdings and their contribution, please contact Baird.

Largest Contributors

Fanuc Corporation
Fanuc reported September quarter results that beat consensus estimates, raising full-year operating profit guidance by 10% on demand recovery and improved utilization rates. Robot orders were particularly strong, up 38% y/y, driven by reshoring-related automation demand in North America, European automation investments, and new energy vehicle spending in China. Furthermore, at an international robot show in December, Fanuc showcased significant advancements in AI-enabled robotics, with commercialization that may arrive in the coming years.

Temenos (International)
Temenos reported solid 3Q25 results and raised FY25 guidance. Management commented on several large deals in the pipeline for 4Q25 and a stable sales environment. The strong results amid negative sentiment post the recent CEO departure led to significant price appreciation.

Ryanair Holdings (International)
After posting an in-line September quarter and providing a better-than-expected outlook for the holiday travel season based on forward bookings, Ryanair outlined a bullish long-term outlook. Based on continued industry capacity constraints and the company's widening unit cost advantage, Ryanair believes it can raise fares while maintaining its significant value gap to competitors and increase net profit per passenger from €10 today to €12 to €14 over the next decade.

Micron Technology (Global)
Micron reported strong FY4Q25 results and raised its 1Q guidance for revenues, earnings, and margins, reflecting improved pricing, particularly in DRAM. Demand continues to outpace supply, with pricing up sequentially in both DRAM and NAND. Management sees tightness in supply across CY26.

Regeneron Pharmaceuticals, Inc. (Global)
Regeneron reported strong 3Q25 results with both top- and bottom-line beats driven by Dupixent and Eylea HD. Issues with Eylea HD third-party manufacturing will likely be resolved in 2026. In addition, there will be important pipeline data readouts in 2026.

Largest Detractors

Sea Limited
Sea reported September quarter results that beat consensus estimates, with revenue growing 38% and gross merchandise value growing 28%. However, the stock sold off as Shopee's adjusted EBITDA margin declined sequentially to 0.6% despite improving take rates. Management signaled a preference for growth over near-term margin optimization, with ongoing investments in logistics, fulfillment capabilities, and its VIP membership program. Competition in both Brazil and Taiwan, combined with lack of clarity on 2026 margin targets, further weighed on sentiment.

KE Holdings, Inc.
KE Holdings reported in-line revenues and better-than-expected earnings for 3Q25. Weakness in China's property market continues to weigh on its market outlook, but operational efficiency and AI integration should lead to significant margin improvements in 2026.

WuXi Biologics Inc.
WuXi Biologics' new order momentum remains robust, and its capex plan is progressing as scheduled. The stock had appreciated over 100% in the first three quarters of the year and faced some profit-taking in 4Q25.

PORTFOLIO HIGHLIGHTS | BUYS AND SELLS

For the Baird Chautauqua International Growth Fund, 76% of companies that reported earnings during the quarter were in-line with or exceeded consensus estimates.

For the Baird Chautauqua Global Growth Fund, 80% of companies that reported earnings during the quarter were in-line with or exceeded consensus estimates.

Our conviction weighting process, which considers our estimates for growth, profitability, and valuation, is key to our portfolio management strategy and has been additive to returns over the long run.

In the International Fund, we reduced positions in Alibaba, ASML, BeOne Medicines, Brookfield Renewable, DBS, Fairfax Financial, Fanuc, Prosus, and Ryanair. Proceeds were used to initiate a new position in Galderma and increase positions in Atlassian, Constellation Software, KE Holdings, Lululemon, and Recruit Holdings.

In the Global Fund, we reduced positions in Alphabet, ASML, BeOne Medicines, Brookfield Renewable, Charles Schwab, DBS, Fairfax Financial, Fanuc, Mastercard, Micron Technology, Prosus, Ryanair, and TJX. Proceeds were used to initiate a new position in Galderma and increase positions in Atlassian, KE Holdings, Lululemon, and Recruit Holdings.

OUTLOOK

Looking ahead, we enter the new year with cautious optimism. Trade agreements have removed the most severe tail risks, but the underlying picture is mixed: inflation remains above target in the U.S., labor markets are softening, and central banks are no longer moving in unison. The key question for 2026 is whether the Fed can continue easing or whether persistent inflation forces a pause. Europe offers relative stability, though structural headwinds persist. And in China, policymakers have signaled a shift in priorities toward household incomes, but execution remains uncertain as export tailwinds may fade.

In the U.S., the Fed faces a delicate balancing act. Its most recent forecasts signal just one additional rate cut in 2026, reflecting the tension between a weakening labor market and inflation that remains above target. Recent minutes revealed deepening divisions, with some officials emphasizing the Fed can afford to be patient while others argued rates should be held steady for an extended period. Adding to the uncertainty, Chair Powell's term expires in May, and a successor more inclined to President Trump's preference for lower rates would introduce a new variable for markets. Indeed, the Fed may be facing a two-sided risk, with rate hikes possible if inflation re-accelerates, and pauses or cuts if the labor market softens further.

The most likely source of such a re-acceleration is tariff pass-through to consumer prices. Businesses have thus far absorbed cost increases, but those buffers are depleting. If inflation surprises to the upside while the labor market continues to soften, the Fed's balancing act becomes considerably more difficult. The health of the U.S. consumer adds another layer of uncertainty, with unemployment at its highest level in four years and sluggish job growth.

Europe presents a more stable, if subdued, outlook. The ECB is likely to hold rates steady through 2026, with inflation near target and growth projected at a modest 1.2%, though officials have emphasized that all options remain open on the monetary policy front. Fiscal stimulus should continue to support the economy, while the tariff framework with the U.S. provides a degree of certainty to export-oriented sectors. However, structural headwinds, including competition from China and Germany's slow recovery, underlie the modest growth projection.

China faces a challenging structural transition. The most recent Chinese customs data showed its trade surplus crossed $1 trillion for the first time, a milestone no country has previously reached. Despite reduced exports to the U.S., Chinese goods have found new markets in Europe and Southeast Asia, drawing scrutiny from the E.U. and emerging economies alike. While December's economic planning meeting signaled that boosting household incomes is now a priority, the coming five-year plan still lists strengthening manufacturing as its top objective. Consensus forecasts point to growth slowing to around 4.5%, slower than the country’s likely target, as export tailwinds fade. Stimulus measures have been targeted rather than transformative, and deflationary pressures continue to weigh on confidence.

In the International Fund, roughly 15% of assets are invested in Greater China* holdings, which is overweight relative to the benchmark. In the Global Fund, roughly 11% of assets are invested in Greater China* holdings, which is overweight relative to the benchmark. We believe our Chinese holdings are at valuation levels, in the context of their long-term growth outlooks and competitive positioning, that more than compensate us for the risks. Our Chinese holdings are focused on secular growth areas of the domestic economy (private consumption and health care) that align with government priorities. They have strong balance sheets, resilient cash flows, and are not reliant on restricted Western technology inputs for future growth.

*Includes China and Prosus.

ASML had a 3.42%, Atlassian 2.49%, BeOne Medicines 3.47%, Constellation Software 3.41%, Fairfax Financial 1.55%, Galderma 0.99%, Lululemon 2.13%, and Recruit Holdings 3.53% weighting in the International Fund as of 12/31/2025. ASML had a 2.82%, Atlassian 1.74%, BeOne Medicines 2.65%, Brookfield Renewable 2.14%, Charles Schwab 2.89%, DBS 2.71%, Fairfax Financial 1.24%, Galderma 0.98%, Lululemon 1.73%, Mastercard 3.49%, Prosus 2.67%, Recruit Holdings 2.63%, Ryanair 2.20%, and TJX 2.80% weighting in the Global Fund as of 12/31/2025.

Our investment strategy focuses on companies with strong competitive advantages, healthy profit margins, robust balance sheets, and consistent cash flow generation. In an environment of elevated tariffs and policy uncertainty, these characteristics matter more than usual. We believe our investment process is not affected by tariffs, and the quality profile of our portfolio companies means they are well-positioned to withstand external economic shocks.

Some of the most promising growth opportunities over long investment horizons may not be heavily influenced by current global events or specific regional circumstances. These opportunities include our investments in and around cloud computing, software-as-a-service, digital transformation, artificial intelligence, semiconductor technology, e-commerce, payment systems, industrial automation, electric vehicles, and innovative biologic and biosimilar therapies. Additionally, there are compelling growth prospects related to the rapid expansion of consumer markets, particularly in emerging economies and notably in Asia, which are driving the demand for various consumer products and financial services. In our view, slowing global economic growth should not undermine the enduring strength of these investment themes, or the business models and market positions of the companies in our portfolios.

U.S. market valuations remain significantly elevated, with the cyclically adjusted price-to-earnings (CAPE) ratio near historical peaks. In contrast, international markets trade at considerably lower valuations, offering a better starting point for future returns. A continued softening of the dollar may provide an additional tailwind. Thus, we remain strategically positioned with a preference for international equities, confident that our selective approach and emphasis on quality will effectively mitigate tariff-related risks while capitalizing on secular growth and valuation-driven opportunities.

BUSINESS UPDATE

There have been no changes to the investment team at Chautauqua Capital Management, nor have there been any changes to the ownership structure of our parent company, Baird.

Respectfully submitted,

The Partners of Chautauqua Capital Management – a Division of Baird

*Includes China, Hong Kong, and Prosus.

INVESTMENT TEAM

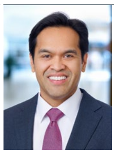
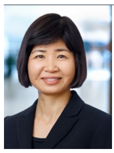
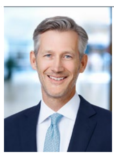
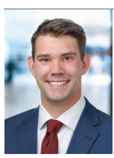
- **Generalists with specialized skills**
- **Average more than 20 years investment experience**

KEY PILLARS OF OUR INVESTMENT PROCESS

- **Security selection drives returns**
- **Long-term focus**
- **Concentrated conviction-weighted portfolios**

ORGANIZED FOR INVESTMENT SUCCESS

- **Autonomous institutional boutique**
- **Employee owners**
- **We invest alongside our clients**
- **Self-imposed limit of growth**

Investment Professional		Educational Background	Years of Experience	Prior Experience
	**Jesse Flores, CFA** Partner	MBA, Stanford University BS, Cornell University	19	Roth Capital Partners Blavin & Company Lehman Brothers
	**Haicheng Li, CFA** Managing Partner	MBA, Stanford University MMSc, Harvard Medical School MS, Harvard University BA, Rutgers University	24	TCW
	**David Lubchenco** Partner	MBA, University of Denver BA, The Colorado College	33	Marsico Capital Management Transamerica Investment Management Janus Capital
	**Nate Velarde** Partner	MIDS, UC Berkeley MBA, University of Chicago BA, University of Chicago	24	PIMCO Nuveen Investments TCW
	**Brenden Coney** Research Analyst	BBA, University of Colorado Boulder	3	Halftone Ventures

Investors should consider the investment objectives, risks, charges and expense of each fund carefully before investing. This and other information is found in the prospectus and summary prospectus. For a prospectus or summary prospectus, visit bairdfunds.com. Please read the prospectus or summary prospectus carefully before investing.

The Funds may hold fewer securities than other diversified funds, which increases the risk and volatility because each investment has a greater effect on the overall performance. The Funds invest in equity securities of foreign companies. Foreign investments involve additional risks such as currency rate fluctuations and the potential for political and economic instability, and different and sometimes less strict financial reporting standards and regulations.

Information in this document regarding market or economic trends, or the factors influencing historical or future performance, reflects the opinions of management as of the date of this document. These statements should not be relied upon for any other purpose. Holdings are subject to risk and can change without notice. The performance of any single fund holding is no indication of the performance of other holdings of the Baird Chautauqua International or Global Growth Funds. References to individual securities should not be construed as a recommendation to buy, hold, or sell a security, and it should not be assumed that holdings have been or will be profitable.

The MSCI ACWI Index® is a free float-adjusted, market capitalization-weighted index designed to represent performance of large- and mid-cap stocks across developed and emerging markets. The MSCI ACWI ex-U.S. Index® is a free float-adjusted, market capitalization-weighted index designed to represent performance of large- and mid-cap stocks across developed and emerging markets excluding the United States. Indexes are unmanaged and direct investment is not possible. “ND” represents net of dividends returns for the benchmark.

Baird Funds are offered through Robert W. Baird & Co. Incorporated, a registered broker/dealer, member NYSE and SIPC. Robert W. Baird & Co. Incorporated also serves as investment advisor for the Fund and receives compensation for these services as disclosed in the current prospectus.