

Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

► See separate instructions.

Part I Reporting Issuer

1 Issuer's name Baird Funds, Inc. - Baird Aggregate Bond Fund		2 Issuer's employer identification number (EIN) 39-2002097	
3 Name of contact for additional information Dustin Hutter	4 Telephone No. of contact 414-298-2317	5 Email address of contact dhutter@rwbaird.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 777 E Wisconsin Ave.		7 City, town, or post office, state, and ZIP code of contact Milwaukee, WI 53202	
8 Date of action SEE BOX 14		9 Classification and description RETURN OF CAPITAL DISTRIBUTION	
10 CUSIP number 057071854	11 Serial number(s) NOT APPLICABLE	12 Ticker symbol BAGIX	13 Account number(s) NOT APPLICABLE

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► **THE BAIRD FUNDS, INC. - BAIRD AGGREGATE BOND FUND PAID CAPITAL DISTRIBUTIONS TO**

THE SHAREHOLDERS OF RECORD ON THE DATES LISTED BELOW, A PORTION OF WHICH CONSTITUTES A NON-TAXABLE RETURN.

RECORD DATE: 1/27/25; PAYABLE DATE 1/29/25; RETURN OF CAPITAL 0.1087% OF TOTAL DISTRIBUTION

RECORD DATE: 2/25/25; PAYABLE DATE 2/27/25; RETURN OF CAPITAL 0.1087% OF TOTAL DISTRIBUTION

RECORD DATE: 3/26/25; PAYABLE DATE 3/28/25; RETURN OF CAPITAL 0.1087% OF TOTAL DISTRIBUTION

RECORD DATE: 4/24/25; PAYABLE DATE 4/28/25; RETURN OF CAPITAL 0.1087% OF TOTAL DISTRIBUTION

RECORD DATE: 5/23/25; PAYABLE DATE 5/28/25; RETURN OF CAPITAL 0.1087% OF TOTAL DISTRIBUTION

RECORD DATE: 6/23/25; PAYABLE DATE 6/25/25; RETURN OF CAPITAL 0.1087% OF TOTAL DISTRIBUTION

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► **THE PORTION OF THE DISTRIBUTION THAT CONSTITUTES RETURN OF CAPITAL WILL**

DECREASE A U.S. TAXPAYER'S BASIS IN THE SHARES OF THE ISSUER. THE TOTAL NONTAXABLE RETURN OF CAPITAL PORTION OF THE DIVIDENDS PAID ARE LISTED BELOW.

RECORD DATE: 1/27/25; PAYABLE DATE 1/29/25; RETURN OF CAPITAL PER SHARE .00003146

RECORD DATE: 2/25/25; PAYABLE DATE 2/27/25; RETURN OF CAPITAL PER SHARE .00003313

RECORD DATE: 3/26/25; PAYABLE DATE 3/28/25; RETURN OF CAPITAL PER SHARE .00003614

RECORD DATE: 4/24/25; PAYABLE DATE 4/28/25; RETURN OF CAPITAL PER SHARE .00003350

RECORD DATE: 5/23/25; PAYABLE DATE 5/28/25; RETURN OF CAPITAL PER SHARE .00003433

RECORD DATE: 6/23/25; PAYABLE DATE 6/25/25; RETURN OF CAPITAL PER SHARE .00003591

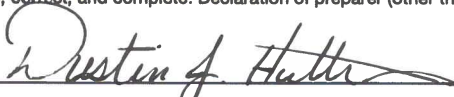
16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► **THE FUND COMPUTED THE AMOUNT OF EARNINGS AND PROFITS FOR THE FISCAL YEAR ENDING**

DECEMBER 31, 2025. THE AMOUNT OF THE DISTRIBUTIONS THAT CONSTITUTE NONTAXABLE RETURN OF CAPITAL IS THE AMOUNT BY WHICH THE DISTRIBUTIONS MADE (ON A PER SHARE BASIS) EXCEEDED EARNINGS AND PROFITS PER SHARE.

Part II Organizational Action (continued)**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► IRC 301,316**18** Can any resulting loss be recognized? ► NO LOSS CAN BE RECOGNIZED BY THE SHAREHOLDERS OF RECORD ON THE DATES LISTED BELOW FOR THE NONTAXABLE RETURN OF CAPITAL RECEIVED.RECORD DATE 1/27/25RECORD DATE 2/25/25RECORD DATE 3/26/25RECORD DATE 4/24/25RECORD DATE 5/23/25RECORD DATE 6/23/25**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► THE INFORMATION PROVIDED ABOVE WILL BE PROVIDED ON THE SHAREHOLDERS 2025 1099 DIV STATEMENT BOX 3.**Sign
Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ►



Date ►

1/22/2026

Print your name ►

Dustin J. Hutter

Title ►

Treasurer**Paid
Preparer
Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if
self-employed

PTIN

Firm's name ►

Firm's EIN ►

Firm's address ►

Phone no.

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8 Date of action SEE BOX 14		9 Classification and description RETURN OF CAPITAL DISTRIBUTION	
10 CUSIP number 057071854	11 Serial number(s) NOT APPLICABLE	12 Ticker symbol BAGIX	13 Account number(s) NOT APPLICABLE

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► **THE BAIRD FUNDS, INC. - BAIRD AGGREGATE BOND FUND PAID CAPITAL DISTRIBUTIONS TO THE SHAREHOLDERS OF RECORD ON THE DATES LISTED BELOW, A PORTION OF WHICH CONSTITUTES A NON-TAXABLE RETURN.**

RECORD DATE: 7/25/25; PAYABLE DATE 7/29/25; RETURN OF CAPITAL 0.1087% OF TOTAL DISTRIBUTION
RECORD DATE: 8/25/25; PAYABLE DATE 8/27/25; RETURN OF CAPITAL 0.1087% OF TOTAL DISTRIBUTION
RECORD DATE: 9/24/25; PAYABLE DATE 9/26/25; RETURN OF CAPITAL 0.1087% OF TOTAL DISTRIBUTION
RECORD DATE: 10/24/25; PAYABLE DATE 10/28/25; RETURN OF CAPITAL 0.1087% OF TOTAL DISTRIBUTION
RECORD DATE: 11/24/25; PAYABLE DATE 11/26/25; RETURN OF CAPITAL 0.1087% OF TOTAL DISTRIBUTION
RECORD DATE: 12/26/25; PAYABLE DATE 12/30/25; RETURN OF CAPITAL 0.1087% OF TOTAL DISTRIBUTION

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► **THE PORTION OF THE DISTRIBUTION THAT CONSTITUTES RETURN OF CAPITAL WILL DECREASE A U.S. TAXPAYER'S BASIS IN THE SHARES OF THE ISSUER. THE TOTAL NONTAXABLE RETURN OF CAPITAL PORTION OF THE DIVIDENDS PAID ARE LISTED BELOW.**

RECORD DATE: 7/25/25; PAYABLE DATE 7/29/25; RETURN OF CAPITAL PER SHARE .00003803
RECORD DATE: 8/25/25; PAYABLE DATE 8/27/25; RETURN OF CAPITAL PER SHARE .00003569
RECORD DATE: 9/24/25; PAYABLE DATE 9/26/25; RETURN OF CAPITAL PER SHARE .00003486
RECORD DATE: 10/24/25; PAYABLE DATE 10/28/25; RETURN OF CAPITAL PER SHARE .00003575
RECORD DATE: 11/24/25; PAYABLE DATE 11/26/25; RETURN OF CAPITAL PER SHARE .00003654
RECORD DATE: 12/26/25; PAYABLE DATE 12/30/25; RETURN OF CAPITAL PER SHARE .00005963

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► **THE FUND COMPUTED THE AMOUNT OF EARNINGS AND PROFITS FOR THE FISCAL YEAR ENDING DECEMBER 31, 2025. THE AMOUNT OF THE DISTRIBUTIONS THAT CONSTITUTE NONTAXABLE RETURN OF CAPITAL IS THE AMOUNT BY WHICH THE DISTRIBUTIONS MADE (ON A PER SHARE BASIS) EXCEEDED EARNINGS AND PROFITS PER SHARE.**

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► IRC 301,316

18 Can any resulting loss be recognized? ► NO LOSS CAN BE RECOGNIZED BY THE SHAREHOLDERS OF RECORD ON THE DATES LISTED BELOW FOR THE NONTAXABLE RETURN OF CAPITAL RECEIVED.

RECORD DATE: 7/25/25RECORD DATE: 8/25/25RECORD DATE: 9/24/25RECORD DATE: 10/24/25RECORD DATE: 11/24/25RECORD DATE: 12/26/25

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► THE INFORMATION PROVIDED ABOVE WILL BE PROVIDED ON THE SHAREHOLDERS 2025 1099 DIV STATEMENT BOX 3.

Sign
Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ►

Dustin J. Hutter

Date ►

1/22/2026

Print your name ►

Dustin J. Hutter

Title ►

TreasurerPaid
Preparer
Use Only

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if
self-employed

PTIN

Firm's name ►

Firm's EIN ►

Firm's address ►

Phone no.