

BARON GLOBAL ADVANTAGE FUND

December 31, 2020

Institutional Shares (BGAIX)



Portfolio Manager

Alex Umansky joined Baron in 2011 as a portfolio manager. He has 28 years of research experience, 18 of which were at Morgan Stanley. From 2007 to 2011, he was co-manager of the Morgan Stanley Opportunity Fund. He co-managed the Global Opportunity Fund from 2008 to 2011 as well as the International Opportunity and the International Advantage Funds from 2010 to 2011. He co-managed the Information Fund from 2004 to 2005 and the Small Company Growth Fund from 1999 to 2002. He was lead manager of the Morgan Stanley Institutional Technology Strategy and the Technology Fund from 1998 to 2004. Alex graduated from New York University Stern School of Business with a B.S. in Finance, Information Systems, and Mathematics in 1993.

Investment Principles

- Long-term perspective allows us to think like an owner of a business
- Independent and exhaustive research is essential to understanding the long-term fundamental growth prospects of a business
- We seek open-ended growth opportunities, exceptional leadership, and sustainable competitive advantages
- Purchase price and risk management are integral to our investment process

Investment Strategy

The Fund invests mainly in growth companies of all sizes located throughout the world. Diversified.

| Value | Blend | Growth | |
|-------|-------|--------|--------|
| | | | Large |
| | | | Medium |
| | | | Small |

Portfolio Facts and Characteristics

| | |
|--|------------------|
| Inception Date | April 30, 2012 |
| Net Assets | \$2.41 billion |
| # of Equity Securities / % of Net Assets | 60 / 97.1% |
| Turnover (3 Year Average) | 15.99% |
| Active Share | 92.4% |
| Median Market Cap ² | \$18.72 billion |
| Weighted Average Market Cap ² | \$219.68 billion |

As of FYE 12/31/2019 Institutional Shares

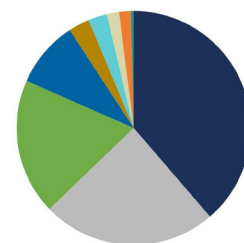
| | |
|--|-----------|
| CUSIP | 06828M835 |
| Gross Expense Ratio | 1.00% |
| Less: Reimbursement of Expenses by Adviser | (0.10)% |
| Net Expense Ratio | 0.90% |

Retail and R6 Shares are also available for this Fund.

Top 10 Holdings

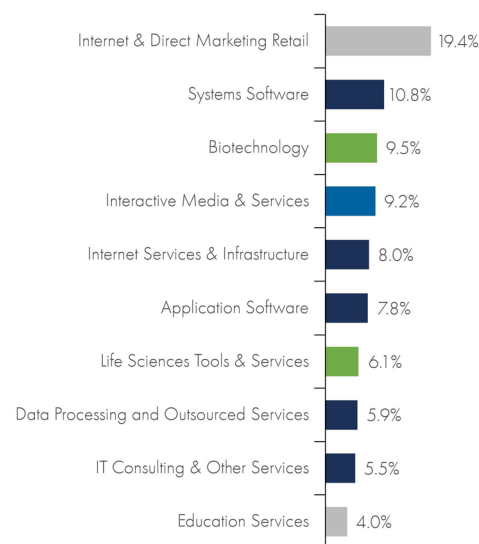
| | % of Net Assets |
|-------------------------------|-----------------|
| Amazon.com, Inc. | 5.0 |
| Alibaba Group Holding Limited | 4.7 |
| Alphabet Inc. | 3.9 |
| RingCentral, Inc. | 3.4 |
| GDS Holdings Limited | 3.4 |
| Facebook, Inc. | 3.3 |
| MercadoLibre, Inc. | 3.1 |
| Acceleron Pharma Inc. | 3.0 |
| Fiverr International Ltd. | 2.6 |
| Opendoor Technologies Inc. | 2.6 |
| Total | 35.0 |

GICS Sector Breakdown¹



- Information Technology 38.7%
- Consumer Discretionary 24.1%
- Health Care 18.8%
- Communication Services 9.2%
- Cash & Cash Equivalents 2.9%
- Real Estate 2.6%
- Unclassified 1.7%
- Financials 1.6%
- Materials 0.4%

Top GICS Sub-Industry Breakdown¹



Colors of Sub-Industry bars correspond to sector chart above.

Risks

Risks: Growth stocks can react differently to issuer, political, market and economic developments than the market as a whole. Non-U.S. investments may involve additional risks to those inherent in U.S. investments, including exchange-rate fluctuations, political or economic instability, the imposition of exchange controls, expropriation, limited disclosure and illiquid markets, resulting in greater share price volatility. Securities of small and medium-sized companies may be thinly traded and more difficult to sell.



BARON GLOBAL ADVANTAGE FUND

December 31, 2020

Historical Performance (Calendar Year %)

| Year | BGAIX | MSCI ACWI Index | MSCI ACWI Growth Index |
|------|-------|-----------------|------------------------|
| 2012 | 4.20 | 5.00 | 3.52 |
| 2013 | 30.13 | 22.80 | 23.17 |
| 2014 | 5.32 | 4.16 | 5.43 |
| 2015 | -1.51 | -2.36 | 1.55 |
| 2016 | -0.93 | 7.86 | 3.27 |
| 2017 | 49.82 | 23.97 | 30.00 |
| 2018 | -3.66 | -9.42 | -8.13 |
| 2019 | 45.45 | 26.60 | 32.72 |
| 2020 | 79.46 | 16.25 | 33.60 |

Performance Based Characteristics³

| | 3 Years | 5 Years | Since Inception |
|----------------------------|---------|---------|-----------------|
| Std. Dev. (%) - Annualized | 22.20 | 19.09 | 17.74 |
| Sharpe Ratio | 1.55 | 1.52 | 1.15 |
| Alpha (%) - Annualized | 24.63 | 16.46 | 9.76 |
| Beta | 1.00 | 1.02 | 1.07 |
| R-Squared (%) | 68.42 | 65.48 | 67.09 |
| Tracking Error (%) | 12.47 | 11.22 | 10.22 |
| Information Ratio | 2.08 | 1.59 | 1.06 |
| Upside Capture (%) | 141.25 | 142.02 | 130.15 |
| Downside Capture (%) | 54.85 | 69.67 | 81.23 |

Country Breakdown

| | % of Net Assets | | % of Net Assets |
|------------------|-----------------|-----------------|-----------------|
| Developed | 70.5 | Emerging | 26.6 |
| United States | 54.7 | China | 15.3 |
| Israel | 5.7 | Brazil | 5.3 |
| Netherlands | 4.6 | Argentina | 3.8 |
| Canada | 3.2 | India | 1.6 |
| United Kingdom | 2.3 | Mexico | 0.5 |
| | | Poland | 0.1 |

Performance

| | Total Return (%) | | | | Annualized Returns (%) | | | | | Cumulative Returns (%) |
|--|------------------|------------|------------|-------|------------------------|---------|---------|----------|---------------------------|---------------------------|
| | 4th Q 2020 | 3rd Q 2020 | 2nd Q 2020 | YTD | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception 4/30/2012 | Since Inception 4/30/2012 |
| BGAIX-Institutional Shares | 17.33 | 13.10 | 46.39 | 79.46 | 79.46 | 35.99 | 30.14 | - | 21.09 | 425.04 |
| MSCI ACWI Index | 14.68 | 8.13 | 19.22 | 16.25 | 16.25 | 10.06 | 12.26 | - | 10.29 | 133.78 |
| MSCI ACWI Growth Index | 13.09 | 12.00 | 25.14 | 33.60 | 33.60 | 17.66 | 16.94 | - | 13.45 | 198.55 |
| Morningstar World Large Stock Category Average | 14.96 | 8.22 | 20.06 | 17.67 | 17.67 | 9.70 | 11.48 | - | N/A | N/A |

Top Contributors/Detractors to Performance²

BY SUB-INDUSTRIES¹

| Top Contributors | Average Weight(%) | Contribution(%) |
|---|-------------------|-----------------|
| Systems Software | 10.31 | 3.08 |
| Internet & Direct Marketing Retail | 19.39 | 2.78 |
| Biotechnology | 9.19 | 2.21 |
| Data Processing and Outsourced Services | 6.05 | 2.14 |
| Real Estate Services | 0.53 | 1.52 |

| Top Detractors | Average Weight(%) | Contribution(%) |
|--------------------|-------------------|-----------------|
| Education Services | 4.55 | -0.39 |
| Home Furnishings | 0.06 | -0.05 |

BY HOLDINGS

| Top Contributors | Average Weight(%) | Contribution(%) |
|----------------------------|-------------------|-----------------|
| Opendoor Technologies Inc. | 0.53 | 1.52 |
| MercadoLibre, Inc. | 2.91 | 1.36 |
| Fiverr International Ltd. | 2.85 | 1.10 |
| Pinduoduo Inc. | 0.97 | 0.93 |
| Twilio Inc. | 2.52 | 0.87 |

| Top Detractors | Average Weight(%) | Contribution(%) |
|-------------------------------|-------------------|-----------------|
| Alibaba Group Holding Limited | 5.94 | -1.37 |
| Splunk, Inc. | 2.13 | -0.25 |
| Afya Limited | 1.64 | -0.14 |
| TAL Education Group | 1.96 | -0.13 |
| Arco Platform Limited | 0.95 | -0.12 |

The performance data quoted represents past performance. Past performance is no guarantee of future results. The investment return and principal value of an investment will fluctuate; an investor's shares, when redeemed, may be worth more or less than their original cost. The Adviser reimburses certain Baron Fund expenses pursuant to a contract expiring on August 29, 2031, unless renewed for another 11-year term and the Fund's transfer agency expenses may be reduced by expense offsets from an unaffiliated transfer agent, without which performance would have been lower. Current performance may be lower or higher than the performance data quoted. For performance information current to the most recent month end, visit www.BaronFunds.com or call 1-800-99BARON. Investors consider the investment objectives, risks, charges, and expenses of the Fund carefully before investing. The prospectus and summary prospectus contain this and other information about the Fund and can be obtained from the Fund's distributor, Baron Capital, Inc., by calling 1-800-99BARON or visiting www.BaronFunds.com. Please read them carefully before investing.

1 - Industry sector or sub-industry group levels are provided from the Global Industry Classification Standard ("GICS"), developed and exclusively owned by MSCI, Inc. ("MSCI") and Standard & Poor's Financial Services LLC ("S&P"). All GICS data is provided "as is" with no warranties. The Adviser may have reclassified/classified certain securities in or out of a sub-industry. Such reclassifications are not supported by S&P or MSCI.

2 - Source: FactSet PA and BAMCO.

3 - Source: FactSet SPAR. Except for Standard Deviation and Sharpe Ratio, the performance based characteristics above were calculated relative to the Fund's benchmark.

The Fund may not achieve its objectives. Portfolio holdings may change over time.

The Fund's 3- and 5-year historical performance was impacted by gains from IPOs and/or secondary offerings, and there is no guarantee that these results can be repeated or that the Fund's level of participation in IPOs and secondary offerings will be the same in the future.

Definitions (provided by BAMCO, Inc.): The indexes are unmanaged. The MSCI ACWI indexes cited are unmanaged, free float-adjusted market capitalization weighted indexes. The **MSCI ACWI Index Net USD** measures the equity market performance of large and mid cap securities across developed and emerging markets. The **MSCI ACWI Growth Index Net USD** measures the equity market performance of large and mid cap growth securities across developed and emerging markets. The indexes and the Fund include reinvestment of dividends, net of foreign withholding taxes, which positively impact the performance results. Morningstar calculates the **Morningstar World Large Stock Category Average** performance and rankings using its Fractional Weighting methodology. © 2021 Morningstar, Inc. All Rights Reserved. The Morningstar information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. **Standard Deviation (Std. Dev.)**: measures the degree to which a fund's performance has varied from its average performance over a particular time period. The greater the standard deviation, the greater a fund's volatility (risk). **Sharpe Ratio**: is a risk-adjusted performance statistic that measures reward per unit of risk. The higher the Sharpe ratio, the better a fund's risk adjusted performance. **Alpha**: measures the difference between a fund's actual returns and its expected performance, given its level of risk as measured by beta. **Beta**: measures a fund's sensitivity to market movements. The beta of the market is 1.00 by definition. **R-Squared**: measures how closely a fund's performance correlates to the performance of the benchmark index, and thus is a measurement of what portion of its performance can be explained by the performance of the index. Values for R-Squared range from 0 to 100, where 0 indicates no correlation and 100 indicates perfect correlation. **Tracking Error**: measures how closely a fund's return follows the benchmark index returns. It is calculated as the annualized standard deviation of the difference between the fund and the index returns. **Information Ratio**: measures the excess return of a fund divided by the amount of risk the fund takes relative to the benchmark index. The higher the information ratio, the higher the excess return expected of the fund, given the amount of risk involved. **Upside Capture**: explains how well a fund performs in time periods where the benchmark's returns are greater than zero. **Downside Capture**: explains how well a fund performs in time periods where the benchmark's returns are less than zero. **Active Share**: a term used to describe the share of a portfolio's holdings that differ from that portfolio's benchmark index. It is calculated by comparing the weight of each holding in the Fund to that holding's weight in the benchmark. Positions with either a positive or negative weighting versus the benchmark have Active Share. An Active Share of 100% implies zero overlap with the benchmark. Active Share was introduced in 2006 in a study by Yale academics, M. Cremers and A. Petajisto, as a measure of active portfolio management.

This information does not constitute an offer to sell or a solicitation of any offer to buy securities by anyone in any jurisdiction where it would be unlawful under the laws of that jurisdiction to make such offer or solicitation. This information is only for the intended recipient and may not be distributed to any third party.

BAMCO, Inc. is an investment adviser registered with the U.S. Securities and Exchange Commission (SEC). Baron Capital, Inc. is a limited purpose broker-dealer registered with the SEC and member of the Financial Industry Regulatory Authority, Inc. (FINRA).