Dear Baron Partners Fund Shareholder:

Performance

Baron Partners Fund (the "Fund") declined marginally in the first quarter of 2021, slightly outperforming its primary benchmark, the Russell Midcap Growth Index (the "Index"). The S&P 500 Index, our secondary benchmark, and the Fund's Morningstar Mid-Cap Growth Category Average (the "Peer Group") achieved better returns over this period. The Fund declined 0.38% (Institutional Shares) in the quarter, while the Index declined 0.57%. The S&P 500 Index and the Peer Group rose 6.17% and 3.96%, respectively.

The Fund's trailing 12-month performance is outstanding. This period follows the panic-induced selling at the start of the COVID-19 pandemic. During that period, the Fund advanced 213.03%. This result compares very favorably to its benchmarks and Peer Group. The Index gained 68.61%, while the Peer Group and S&P 500 Index increased 81.95% and 56.35%, respectively.

Table I.
Performance
Annualized for periods ended March 31, 2021

	Baron Partners Fund Retail Shares[1,2,3]	Baron Partners Fund Institutional Shares[1,2,3,4]	Russell Midcap Growth Index[2]	S&P 500 Index[2]
Three Months[5]	(0.44)%	(0.38)%	(0.57)%	6.17%
One Year	212.21%	213.03%	68.61%	56.35%
Three Years	50.35%	50.75%	19.41%	16.78%
Five Years	37.67%	38.03%	18.39%	16.29%
Ten Years	22.81%	23.14%	14.11%	13.91%
Since Conversion (April 30, 2003)	18.97%	19.18%	12.95%	10.75%
Twenty Years	16.66%	16.85%	10.47%	8.47%
Since Inception (January 31,1992)	16.23%	16.36%	10.73%	10.31%

MICHAEL BARON
CO-PORTFOLIO MANAGER

RON BARON
CEO AND LEAD PORTFOLIO MANAGER

Retail Shares: BPTRX
Institutional Shares: BPTIX
R6 Shares: BPTUX

But it is not only the prior year when the Fund had strong performance. For the nearly 18 years since Baron Partners Fund converted from a private partnership into a mutual fund, it has an annualized return of 19.18%. Since its conversion, it is ranked 2nd among all U.S. equity funds (2,229 share classes) through March 31, 2021.*

Performance listed in the above table is net of annual operating expenses. Annual expense ratio for the Retail Shares as of December 31, 2020 was 1.56% (comprised of operating expenses of 1.31% and interest expense of 0.25%) and Institutional Shares was 1.30% (comprised of operating expenses of 1.05% and interest expense of 0.25%). 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.

1 Reflects the actual fees and expenses that were charged when the Fund was a partnership. The predecessor partnership charged a 20% performance fee after reaching a certain performance benchmark. If the annual returns for the Fund did not reflect the performance fees the returns would be higher. The Fund's shareholders will not be charged a performance fee. The predecessor partnership's performance is only for periods before the Fund's registration statement was effective, which was April 30, 2003. During those periods, the predecessor partnership was not registered under the Investment Company Act of 1940 and was not subject to its requirements or the requirements of the Internal Revenue Code relating to registered investment companies, which, if it were, might have adversely affected its performance.

2 The **Russell Midcap® Growth Index** measures the performance of medium-sized U.S. companies that are classified as growth and the **S&P 500 Index** of 500 widely held large cap U.S. companies. Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell is a trademark of Russell Investment Group. The index and the Fund include reinvestment of dividends, net of withholding taxes, which positively impact the performance results. The indexes are unmanaged. The index performance is not Fund performance; one cannot invest directly into an index.

3 The performance data in the table does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemption of Fund shares.

4 Performance for the Institutional Shares prior to May 29, 2009 is based on the performance of the Retail Shares, which have a distribution fee. The Institutional Shares do not have a distribution fee. If the annual returns for the Institutional Shares prior to May 29, 2009 did not reflect this fee, the returns would be higher.

5 Not annualized.

* **This is a hypothetical ranking created by Baron Capital using Morningstar data and is as of 3/31/2021.** Note, the peer group used for this analysis includes all U.S. equity share classes in Morningstar Direct domiciled in the U.S., including obsolete funds, index funds, and ETFs. The individual Morningstar Categories used for this analysis are the Morningstar Large Blend, Large Growth, Large Value, Mid-Cap Blend, Mid-Cap Growth, Mid-Cap Value, Small Blend, Small Growth, and Small Value Categories. There are **2,229** share classes in these nine Morningstar Categories for the period from 4/30/2003 to 3/31/2021.

The Morningstar Mid-Cap Growth Category consisted of 595, 500, and 379 share classes for the 1-, 5-, and 10-year periods. Morningstar ranked Baron Partners Fund – Retail Share Class in the 1st, 1st, 1st, and 1st percentiles for the 1-, 5-, 10-year, and since conversion periods, respectively. The Fund converted into a mutual Fund 4/30/2003, and the category consisted of 221 share classes.

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We remain optimistic that the end of the COVID-19 pandemic is in sight. Vaccines are now in the process of being administered. The rollout has accelerated much faster than many had originally feared. Many jurisdictions are currently easing economic restrictions. Governments have continued to provide financial assistance to needy constituents. We believe this combination of effective vaccine distribution and financial assistance should continue until this pandemic has ended.

However, the waning pandemic has created a volatile period in the financial markets. Investors were quick to assess data on the vaccine rollout and attempt to infer when economic activity would return to "normal." In January and February, it appeared that vaccine administration would be slow. Stocks of companies that had done well during the pandemic continued to appreciate. The Fund was up 3.05% in the first two months of the year. However, data in March led investors to believe more citizens would soon be vaccinated. A rotation in the market towards COVID-impacted businesses, which are underrepresented in the Fund, resulted in the Fund falling 3.32% in March.

As we have stated numerous times, we do not try to predict these events nor make inferences from limited data sets. We did not alter the portfolio to populate it with "work-from-home" businesses at the start of the pandemic, and we have not modified the portfolio significantly in favor of "reopening" companies today. The main contributors to performance have been companies that had long been held in the portfolio prior to the COVID-19 outbreak. We do not believe this pandemic will fundamentally alter the long-term outcome of many industries, but rather has accelerated their transformations. The Fund owns businesses that are driving this change.

Baron Partners Fund is a concentrated portfolio, yet it is still diversified among different types of businesses. In our analysis, we segment the Fund's portfolio into four business categories (**Core Growth**, **Disruptive Growth**, **Financials**, and **Real/Irreplaceable Assets**).

Real/Irreplaceable Assets and **Financials** had the strongest performance in the current quarter. These companies were directly impacted by the stagnant global economy and should rebound quickly as commerce resumes. Real/Irreplaceable Assets companies like **Marriott Vacations Worldwide Corp.** and **Hyatt Hotels Corp.** came to a near standstill at the pandemic's peak, as travel was largely restricted. However, there is significant pent-up demand for both leisure and business travel. Occupancy at Marriott Vacations has steadily improved, and bookings now exceed 2019 levels. Occupancies are expected to reach over 90% by the second half of 2021, after bottoming in the mid-single-digits last spring. These strong occupancy rates bode well for future timeshare sales, as they have historically proven to be a quality source of new customers.

The **Financials** companies were also directly impacted by the virus and are now recovering. **The Charles Schwab Corp.**, **Arch Capital Group Ltd.**, and **Brookfield Asset Management, Inc.** had the largest favorable impacts on this group. Investors anticipate a macro environment of rising interest rates, firmer insurance pricing, and improved tenant occupancies which will lift these businesses' results. However, some of our Financials holdings, like data providers **FactSet Research Systems, Inc.** and **MSCI, Inc.**, were less impacted by the pandemic. Their data products were more heavily utilized by clients who were dispersed because of the virus. We expect their businesses to be favorably affected by higher asset levels and increased uses for their data. These stocks fell slightly because of the market rotation.

The stock prices of **Core Growth** and **Disruptive Growth** companies did not fare as well in the current period. Some Core Growth companies, like **Gartner, Inc.** benefited from the eased travel restrictions, and their stocks climbed in the quarter. Gartner's clients should return to their physical conferences next year. However, most Core Growth companies held in the Fund, like **CoStar Group, Inc.**, **IDEXX Laboratories, Inc.**, and **GDS Holdings Limited**, were impacted by the market rotation. These companies had been steady growers throughout the pandemic, and now investors are favoring businesses that are cyclically rebounding. However, we remain confident in the fundamentals and prospects of this group. GDS, the leading developer and operator of data centers in China, is one example. Chinese technology companies declined from their highs after strong appreciation in 2020. However, we believe that the growth prospects and operating fundamentals for GDS remain compelling. Customer demand for data center space has only strengthened, as clients accelerated cloud adoption throughout the pandemic. GDS expects new bookings to represent nearly 50% growth on currently utilized or revenue generating space. Existing clients have quickly reserved space in these new locations, and 75% of facilities under construction are already pre-committed by customers. We believe GDS will supplement organic growth with highly accretive acquisitions of data centers that GDS could market to its client base. Lastly, GDS plans to enter select countries in Southeast Asia with anchor orders from its existing customers. This expansion would create a unique pan-Asia platform and make the business a more attractive partner to global clients.

Disruptive Growth companies also were negatively impacted by the shift in investor sentiment. Despite these companies executing on their business plans and exhibiting strong results, companies like **Tesla, Inc.**, **Guidewire Software, Inc.**, **Zillow Group, Inc.**, and **Spotify Technology S.A.** all detracted from overall performance. However, we believe that the changes in consumer behavior are unlikely to revert to legacy models. These businesses are well-positioned to dominate their respective categories and have largely spent the pandemic enhancing their competitive positioning. Spotify is one example. We believe the digitization of audio entertainment is permanent. We also believe subscribing to the audio service will be sustained. Premium customer churn at Spotify has consistently fallen over the past four years and ended 2020 at its lowest level, 4.2%. Additionally, Spotify has broadened its offering, making it difficult for others to replicate or persuade users to depart for an alternative. Spotify has grown its original content through the purchase and integration of podcasts and its marketplace content creation service. It will also compete in the audio social media space through its acquisition of Locker Room. Users will soon not only be able to listen to entertainment, but also interact with a community. Subscriber growth was 74 million in 2020, and we believe its market share is approximately 35%. Its high number of users, along with its analytics, enables a highly advanced recommendation engine and superior engagement to its competitors.

The sudden market rotation in March undoubtedly caused the Fund to slightly trail its Peer Group. But the Fund's diversification among various types of businesses enabled it to retain its value during this volatile period. It is unlikely a fund populated with a single type of business would have been able to successfully weather this shift in investor sentiment. Not only are we satisfied with the Fund's performance during this discrete period (and are especially pleased with its performance over the prior year), but we are also optimistic about the prospects for the Fund's holdings over the coming years. The pandemic accelerated change throughout many industries. We believe many of the companies held in the Fund will lead this change and capitalize on the altered business landscape.

Table II.
Total returns by category for the three months ended March 31, 2021

	% of Net Assets (as of 3/31/2021)	Total Return (%)	Contribution to Return (%)
Real/Irreplaceable Assets	13.0	8.40	0.66
Red Rock Resorts, Inc.	0.3	30.15	0.06
Marriott Vacations Worldwide Corp.	1.8	26.93	0.36
Hyatt Hotels Corp.	3.6	11.38	0.24
Douglas Emmett, Inc.	0.5	8.32	0.02
Vail Resorts, Inc.	4.3	4.74	0.10
Gaming and Leisure Properties, Inc.	1.1	1.60	0.00
Manchester United plc	1.4	–5.33	–0.11
Financials	12.3	6.10	0.66
Windy City Investments Holdings, L.L.C.	–	227.38	0.01
The Charles Schwab Corp.	3.8	23.29	0.61
Brookfield Asset Management, Inc.	0.7	8.04	0.04
Arch Capital Group Ltd.	3.7	6.38	0.24
MSCI, Inc.	0.9	–6.08	–0.04
FactSet Research Systems, Inc.	3.2	–6.95	–0.19
Russell Midcap Growth Index		–0.57	
Disruptive Growth	56.5	–2.16	–0.20
Space Exploration Technologies Corp.	5.0	53.44	1.40
Virgin Galactic Holdings, Inc.	0.1	29.08	0.01
Airbnb, Inc.	0.0	28.02	0.01
Iridium Communications Inc.	1.0	4.90	0.06
Shopify Inc.	1.1	–2.25	–0.07
Zillow Group, Inc.	5.4	–3.35	–0.41
Tesla, Inc.	41.5	–5.39	–0.62
GoodRx Holdings, Inc.	–	–7.82	–0.01
Spotify Technology S.A.	0.8	–14.84	–0.15
Moderna, Inc.	0.1	–17.41	–0.01
Guidewire Software, Inc.	1.4	–21.05	–0.35
American Well Corporation	0.1	–31.43	–0.05
Core Growth	21.4	–5.67	–1.26
Gartner, Inc.	1.9	13.96	0.19
Activision Blizzard, Inc.	1.1	0.16	–0.01
IDEXX Laboratories, Inc.	5.8	–2.11	–0.21
Adyen N.V.	2.0	–3.97	–0.13
HEICO Corporation	0.4	–4.01	–0.02
CoStar Group, Inc.	9.0	–11.08	–0.89
GDS Holdings Limited	1.1	–13.22	–0.19
Cash	–3.3	–0.35	0.02
Fees	–	–0.30	–0.28
Total	100.0	–0.41*	–0.41*

Sources: FactSet PA, BAMCO, and Russell, Inc.

* Represents the blended return of all share classes of the Fund.

Table III.
Top contributors to performance for the quarter ended March 31, 2021

	Year Acquired	Market Cap When Acquired (billions)	Quarter End Market Cap (billions)	Total Return	Percent Impact
Space Exploration Technologies Corp.	2017	–	–	53.44%	1.40%
The Charles Schwab Corp.	1992	1.0	122.7	23.29	0.61
Marriott Vacations Worldwide Corp.	2018	3.2	7.2	26.93	0.36
Hyatt Hotels Corp.	2009	4.2	8.4	11.38	0.24
Arch Capital Group Ltd.	2002	0.6	15.5	6.38	0.24

Space Exploration Technologies Corp. ("SpaceX") designs, manufactures, and launches rockets, satellites, and spacecraft. Its mission, ultimately, is to enable people to live on other planets. SpaceX is commercializing its broadband offering by rapidly deploying user terminals and its satellite constellation. It continues to reliably provide reusable launch capabilities, including crewed flights, and advancing the development of its newest and larger rocket, Starship. We value SpaceX using prices of recent transactions and a proprietary valuation model.

Shares of brokerage firm **The Charles Schwab Corp.** rose in the quarter. The company has been successfully integrating its acquisition of TD Ameritrade. The merger enables Schwab to leverage efficiencies of scale to drive down its industry-leading operating costs per client assets. Additionally, net new assets grew in the mid-single digits as customers tapped the services of the combined businesses. Finally, the business now has over $400 billion of interest-earning assets, which should lead to improved earnings in a more normalized interest rate environment.

Shares of timeshare company **Marriott Vacations Worldwide Corp.** increased in the quarter on accelerated sales driven largely by increased demand in Orlando and Hawaii, which together comprise 40% of its annual sales. The company's announcement of its acquisition of Welk also helped boost its share price. We think the additional inventory from its Welk acquisition will lower the company's future capital expenditures and improve its cash flow.

Shares of global hotelier **Hyatt Hotels Corp.** rose in the quarter on an increase in business transient and group spending in China. This sequential improvement combined with better margins driven by enhanced operational efficiencies helped boost the share price. We think these welcome developments will strengthen Hyatt's balance sheet over the next year as EBITDA improves and cash flow is used to pay down debt taken on during the pandemic.

Arch Capital Group Ltd. is a specialty insurance company based in Bermuda. The stock increased on quarterly earnings that exceeded investor estimates and 15% growth in its book value per share. Pricing trends are favorable in the property & casualty insurance market, and the outlook for the mortgage insurance business has substantially improved as the economy recovers from last year's pandemic-related uncertainty. We continue to own the stock because we expect earnings growth to resume and admire Arch's strong management team and underwriting discipline.

Table IV.
Top detractors from performance for the quarter ended March 31, 2021

	Year Acquired	Market Cap When Acquired (billions)	Quarter End Market Cap (billions)	Total Return	Percent Impact
CoStar Group, Inc.	2005	$ 0.7	$ 32.4	–11.08%	–0.89%
Tesla, Inc.	2014	22.0	641.1	–5.39	–0.62
Zillow Group, Inc.	2015	1.5	31.3	–3.35	–0.41
Guidewire Software, Inc.	2017	6.0	8.5	–21.05	–0.35
IDEXX Laboratories, Inc.	2013	4.7	41.8	–2.11	–0.21

Shares of **CoStar Group, Inc.**, a real estate information and marketing services company, detracted as a result of a broader rotation away from higher-multiple growth stocks. CoStar has seen an acceleration in demand for its digital marketplace businesses as traditionally offline activities shifted online. Modest headwinds in its data licensing businesses that hampered growth in 2020 are now abating. CoStar has moved to enter the residential real estate market, which meaningfully expands its market and should amplify growth as it launches new technological innovations.

Tesla, Inc. designs, manufactures, and sells fully electric vehicles, solar products, energy storage solutions, and battery cells. The stock fell during the quarter as a result of general market dynamics and a potential production slowdown due to parts shortages. A refreshed S/X and China Model Y ramp could also have a negative impact on margins in early 2021. We anticipate strong growth and improved margins driven by new production capacity, manufacturing efficiencies, localization of its manufacturing and supply chain, and maturation of Tesla's full self-driving technology.

Zillow Group, Inc. operates leading U.S. real estate sites, a mortgage marketplace, and the Zillow Offers home-buying business. Shares fell during the quarter in concert with the broader rotation out of technology-based stocks despite the company's continued inflection in mortgages revenue, strong profitability in its core business, and a positive real estate outlook as Zillow builds out its iBuying ecosystem. In our view, Zillow is a leader in the large online real estate advertising market with substantial upside from mortgages and Offers, and we remain investors.

Shares of property and casualty ("P&C") insurance software vendor **Guidewire Software, Inc.** detracted from performance as shares of high-multiple growth stocks lagged. The company is near the midpoint of its cloud transition, which should correspond with improving financial results. Despite short-term headwinds, we believe Guidewire has tripled its addressable market through new products and cloud delivery, and it will become the critical software vendor for the global P&C insurance industry, capturing 30% to 50% of its $15 billion to $30 billion total addressable market and generating margins above 40%.

Shares of veterinary diagnostics leader **IDEXX Laboratories, Inc.** detracted from performance in the quarter as part of a broader rotation away from high-multiple growth stocks. Veterinary visits continued to increase, with practice revenue growing at double-digit rates. IDEXX's competitive trends are outstanding, and we expect new proprietary innovations and field sales force expansion to be meaningful contributors to growth. Margins are moving significantly higher, and we believe that margins can exceed 30% over time.

Investment Strategy and Portfolio Structure

Baron Partners Fund seeks to invest in businesses that we believe could double in value within five or six years. The Fund seeks to invest for the long term in a focused portfolio of appropriately capitalized, well-managed growth businesses at attractive prices across market capitalizations. We attempt to create a portfolio of approximately 30 securities diversified by GICS sectors, but with the top 10 positions representing a significant portion of net assets. The Fund uses leverage to enhance returns, although this does increase its volatility. These businesses are identified by our analysts and portfolio managers using our Firm's proprietary research. We think these well-managed businesses have sustainable competitive advantages and strong, long-term growth opportunities.

As of March 31, 2021, Baron Partners Fund held 31 investments. The median market capitalization of these growth companies was $16.0 billion. The top 10 positions represented 85.4% of net assets. Leverage was 3.3%.

We actively reduced the concentration in the top 10 positions. We have sold approximately 24% of our largest position, Tesla, since August 2020. These sales are not a reflection of our confidence in the company's prospects or its valuation, but rather our management of the risk its weighting represents to the portfolio. We began acquiring a stake in the car manufacturer in *2014*. We purchased shares at an average price of $42.67. Our last purchase of a Tesla share was in *February 2016*, at which point, the position represented 9.58% of total investments. Tesla has been operationally successful. It is recognized for revolutionizing the automobile industry as well as for its prospects to attain a dominant share of the global vehicle market. It has steadily been reducing its manufacturing costs and improving its factory productivity. Its battery hardware and autonomous software provide potential additional future revenue streams. Over the past 12 months, the stock price appreciated 538%, which resulted in it becoming 41.5% of the Fund. We felt it would be prudent risk management to reduce this concentration while still maintaining a meaningful stake that will allow the Fund to benefit if our investment analysis continues to prove correct.

Additionally, portfolio leverage is at historically low levels. We have traditionally managed the portfolio with 20% to 30% leverage (the average leverage over the prior five years was 24.0%). A year ago, leverage was 27.3%. However, due to a combination of a rapidly rising market, higher market volatility and increased concentration in top holdings, we lowered risk by reducing the amount of leverage used by the Fund. Leverage is currently only 3.3%. We continue to have a $1 billion line of credit and will increase portfolio leverage when we feel market conditions and investment opportunities make it appropriate. We believe this "dry powder" gives the Fund flexibility to make attractive investments.

The long-term absolute and relative performance of the Fund has been very good. The Fund has returned 16.36% annualized since inception as a private partnership on January 31, 1992, besting its comparable Index by 5.63% per year. Additionally, the Fund's performance has exceeded its Index over the prior 1-, 3-, 5-, 10- and 20-year periods. In addition to viewing the Fund's returns over various trailing periods, we believe it is helpful to understand how the Fund has performed in various economic cycles. (Please see Table V.)

The Fund has appreciated considerably in good times…

The Fund performed very well during the current economic expansion that followed the Financial Panic. For over 12 years, there has been sizable growth in the economy and stock market appreciation. While the market had strong returns, the Fund's returns were considerably greater. Baron Partners Fund's annualized return has been 24.43%. Had you hypothetically invested $10,000 in the Fund on 12/31/2008, it would have been worth $145,432 on 3/31/2021. Had you only tried to mimic the Index's returns by investing in a Fund designed to track an index, that $10,000 hypothetical investment would be worth $74,664.

The Fund has retained value in difficult times…

We believe it is equally important to examine the Fund's performance during more challenging economic times. The nine-year period from the Internet Bubble collapse through the Financial Panic (12/31/1999–12/31/2008) saw lower returns for the Fund. It had annualized returns of 1.54%. However, the Index declined substantially. $10,000 hypothetically invested in the Fund at the start of this period would have been worth $11,479 after those nine years. A $10,000 hypothetical investment in funds designed to track the Index would be worth only $6,488. The Fund preserved (and slightly grew) capital during this difficult economic time because its investments in high-quality growth businesses were able to weather the environment and enhance their competitive positioning.

The strong relative returns during difficult times are what we believe sets the Fund apart and makes its returns over an entire cycle exceptional. A $10,000 hypothetical investment at the start of the cycle on 12/31/1999 would be worth $166,936 today. That same $10,000 hypothetical investment would be worth 71% less had it been invested in a fund designed to track the Russell Midcap Growth Index. That investment would be worth only $48,439.

During periods of strong economic expansion, investors often disregard more challenging periods. Losing capital during those periods, we believe, makes it nearly impossible to have exceptionally strong returns over the long term. Baron Partners Fund has shown a prior ability to modestly grow capital during those tough times. We believe the high-quality growth portfolio should be able to perform well again in future difficult economic stretches, although there is no guarantee that will be the case.

Since its conversion to a mutual fund on April 30, 2003 through December 31, 2020, the Fund's performance ranked 2nd among all U.S equity funds (2,229 share classes). The Fund also ranked in the 1st percentile for the same time period.

Table V.
Performance
Millennium to COVID-19 Pandemic. The Impact of Not Losing Money.

	Millennium Internet Bubble to Financial Panic 12/31/1999 to 12/31/2008		Financial Panic to Present 12/31/2008 to 3/31/2021		Millennium Internet Bubble to Present 12/31/1999 to 3/31/2021		Inception 1/31/1992 to 3/31/2021	
	Value $10,000	Annualized	Value $10,000	Annualized	Value $10,000	Annualized	Value $10,000	Annualized
Baron Partners Fund (Institutional Shares)	$11,479	1.54%	$145,432	24.43%	$166,936	14.16%	$829,422	16.36%
Russell Midcap Growth Index	$ 6,488	(4.69)%	$ 74,664	17.84%	$ 48,439	7.71%	$195,286	10.73%
S&P 500 Index	$ 7,188	(3.60)%	$ 56,701	15.22%	$ 40,756	6.84%	$175,028	10.31%

The indexes are unmanaged. Index performance is not Fund performance; one cannot invest directly into an index.

Portfolio Holdings

Table VI.
Top 10 holdings as of March 31, 2021

	Year Acquired	Market Cap When Acquired (billions)	Quarter End Market Cap (billions)	Quarter End Investment Value (millions)	Percent of Total Investments
Tesla, Inc.	2014	$22.0	$641.1	$2,788.6	40.2%
CoStar Group, Inc.	2005	0.7	32.4	604.1	8.7
IDEXX Laboratories, Inc.	2013	4.7	41.8	391.4	5.6
Zillow Group, Inc.	2015	1.5	31.3	361.3	5.2
Space Exploration Technologies Corp.	2017	–	–	338.4	4.9
Vail Resorts, Inc.	2008	1.6	11.7	291.7	4.2
The Charles Schwab Corp.	1992	1.0	122.7	254.2	3.7
Arch Capital Group Ltd.	2002	0.6	15.5	251.3	3.6
Hyatt Hotels Corp.	2009	4.2	8.4	239.8	3.5
FactSet Research Systems, Inc.	2007	2.7	11.7	216.0	3.1

Baron Partners Fund

Thank you for joining us as fellow shareholders in Baron Partners Fund. We continue to work hard to justify your confidence and trust in our stewardship of your hard-earned savings. We remain dedicated to provide you with the information we would like to have if our roles were reversed. We hope this letter enables you to make an informed decision about whether this Fund remains an appropriate investment.

Respectfully,

Ronald Baron
CEO and Lead Portfolio Manager

Michael Baron
Co-Portfolio Manager

Investors should consider the investment objectives, risks, and charges and expenses of the investment carefully before investing. The prospectus and summary prospectus contain this and other information about the Funds. You may obtain them from its distributor, Baron Capital, Inc., by calling 1-800-99BARON or visiting www.BaronFunds.com. Please read them carefully before investing.

Risks: The Fund is non-diversified which means, in addition to increased volatility of the Fund's returns, it will likely have a greater percentage of its assets in a single issuer or a small number of issuers, including in a particular industry than a diversified fund. Single issuer risk is the possibility that factors specific to an issuer to which the Fund is exposed will affect the market prices of the issuer's securities and therefore the net asset value of the Fund. As of the date of the latest prospectus supplement, about 40% of the Fund's assets are invested in Tesla stock. Therefore, the Fund is exposed to the risk that were Tesla stock to lose significant value, which could happen rapidly, the Fund's performance would be adversely affected. Specific risks associated with leverage include increased volatility of the Fund's returns and exposure of the Fund to greater risk of loss in any given period. The Fund may not achieve its objectives. Portfolio holdings are subject to change. Current and future portfolio holdings are subject to risk.

The discussions of the companies herein are not intended as advice to any person regarding the advisability of investing in any particular security. The views expressed in this report reflect those of the respective portfolio managers only through the end of the period stated in this report. The portfolio manager's views are not intended as recommendations or investment advice to any person reading this report and are subject to change at any time based on market and other conditions and Baron has no obligation to update them.

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