Dear Baron Partners Fund Shareholder:

Performance

Baron Partners Fund (the "Fund") advanced substantially in the second quarter of 2020 and meaningfully exceeded its comparable benchmarks. The Fund gained 49.47% (Institutional Shares) in the quarter. The Russell Midcap Growth Index (the "Index") gained 30.26%. The Morningstar Mid-Cap Growth Category average and the S&P 500 Index increased 30.27% and 20.54%, respectively.

The Fund's gains in the quarter have more than offset the sudden and rapid declines in the first quarter as COVID-19 began to impact America and halt many global economies. The Fund has now advanced 18.53% since the start of the year. This result compares favorably to its benchmarks. The Index gained 4.16% in the first six months of 2020. The Morningstar Mid-Cap Growth Category average has increased 3.60% and the S&P 500 Index declined 3.08%.

Table I.
Performance
Annualized for periods ended June 30, 2020

	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]	49.36%	49.47%	30.26%	20.54%
Six Months[5]	18.36%	18.53%	4.16%	(3.08)%
One Year	36.84%	37.23%	11.91%	7.51%
Three Years	19.88%	20.19%	14.76%	10.73%
Five Years	16.17%	16.47%	11.60%	10.73%
Ten Years	18.03%	18.35%	15.09%	13.99%
Since Conversion (April 30, 2003)	14.84%	15.03%	11.86%	9.57%
Twenty Years	10.35%	10.51%	6.21%	5.91%
Since Inception (January 31, 1992)	13.70%	13.82%	10.02%	9.59%

MICHAEL BARON
CO-PORTFOLIO MANAGER

RON BARON
CEO AND LEAD PORTFOLIO MANAGER

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

While COVID-19 remains a threat to world health, governments have met this pandemic with an unprecedented level of financial stimulus to prevent the health crisis from becoming a liquidity and financial crisis. Stay at home measures have had a severe impact on many individuals' ability to earn and spend. However, investors have looked past the depressed results and valued businesses on their potential growth and anticipated future profits.

Economic events and cycles do not neatly line up with quarters or even years. The COVID-19 pandemic did not begin precisely on January 1 and we highly doubt its conclusion (as measured by the development of widely available therapeutics or a vaccine) will exactly coincide with the final day of a month or year. Therefore, we find it more insightful and helpful to understand how the Fund has performed thus far through the COVID-19 cycle rather than only the previous three-month period.

Performance listed in the above table is net of annual operating expenses. Annual expense ratio for the Retail Shares as of December 31, 2019 was 2.22% (comprised of operating expenses of 1.32% and interest expense of 0.90%) and Institutional Shares was 1.96% (comprised of operating expenses of 1.06% and interest expense of 0.90%). 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, 2030, 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 indexes are unmanaged. The index performance is not Fund performance; one cannot invest directly into an index. 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. The Russell Midcap Growth Index, the S&P 500 Index and the Fund are with dividends, which positively impact the performance results. 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.

[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.

BARON FUNDS® 1987

Baron Partners Fund

2020 can be divided into three segments: pre-COVID-19, the COVID-19 panic, and COVID-19 temporary normal. We have also segmented the Fund's concentrated portfolio into four busines categories: **Core Growth**, **Disruptive Growth**, **Financials**, and **Real/Irreplaceable Assets**. Each category has performed differently in these various periods and that diversity has contributed to the strong relative and absolute returns exhibited so far in the year.

Pre-COVID-19: December 31, 2019 – February 19, 2020

The Fund performed very well during the pre-COVID-19 environment, December 31 through the Index's peak on February 19. This period was a continuation of the 2019 economic conditions. Disruptive Growth companies that exhibited revenue growth and operational efficiencies were rewarded as the likelihood of their long-term success increased. This category appreciated 65.9% in less than two months. It was driven by advances in **Tesla, Inc.**, which demonstrated its new China factory could produce vehicles at lower costs than at older facilities. It has also manufactured at higher volumes than predicted to meet unprecedented foreign demand. Companies like **Iridium Communications Inc.** and **Zillow Group, Inc.** also rose due to wide acceptance of new products and services.

Core Growth and Financials holdings also appreciated meaningfully at the start of the year. The strong initial economic backdrop resulted in continued success for these companies. Growth businesses' market sizes were expanding, and customers were consolidating their corporate spending with companies like **CoStar Group, Inc.** and **IDEXX Laboratories, Inc.** Financial companies, like **Brookfield Asset Management, Inc.** and **Arch Capital Group Ltd.**, were leveraged to the healthy economic environment of sizable job growth, high consumer confidence, and improving housing starts in the beginning of the year. Only the Fund's Real/Irreplaceable Assets failed to exceed the Index's return as these traditional growth at reasonable price ("GARP") business models were not as prized during the healthy economic expansion.

The COVID-19 Panic: February 19 – March 23, 2020

However, things suddenly and drastically changed in late February. Over about a month's time, the Index fell 35.7% until bottoming on March 23. COVID-19 cases grew exponentially, and governments took drastic steps to "flatten the curve," which were often at the expense of economic activity. Economies around the globe came to a standstill. Investors reacted with panic selling during these unprecedented times. Individuals and corporations around the world reigned in spending. Businesses that curtailed operations were discarded by investors. Limited refuge was found in "essential" Consumer Staples and Health Care sectors, two categories the Fund has generally avoided due to reservations about their long-term sustainable competitive advantages.

The operations of what we call Real/Irreplaceable Assets were significantly impacted by many governments' shelter orders. Guests at hotels were non-existent as travel was largely prohibitive. Both the near-term financial viability and the longer-term business models were questioned if the pandemic persisted. The Fund's holdings in Real/Irreplaceable Assets, with important long-term concentration in travel and leisure, fell 49.5% during this period.

Disruptive Growth companies' stock prices also fell sharply. This portion of the Fund declined 45.2% during the COVID-19 panic. Investors focused on short-term results instead of long-term business opportunities. They sold businesses with high valuations. Disruptive businesses often penalize near-term earnings by investing in future products and operations. They often hire staff, build facilities that are operating subscale, and launch products that do not yet have a sufficient scale to produce strong profits. These actions depress current earnings and artificially inflate commonly used valuation metrics.

Financials businesses fell 44.3% as the market dislocation, declining rates, and skyrocketing unemployment resulted in devaluation of their assets and net interest income.

Only the Fund's Core Growth businesses slightly exceeded the Index but still declined 32.0%. These businesses were considered to be able to maintain growth, albeit at a slower pace, through the pandemic.

The COVID-19 Temporary Normal: March 23 – June 30, 2020

We believe the market and economy are currently amid a COVID-19 temporary normal, which began at the market's bottom as of March 23. The Fund's performance over this time has been exceptional, increasing 83.9%. The Disruptive Growth category again led the performance, but other segments have also performed very well. We believe the COVID-19 pandemic has not created a "new normal" where people will be permanently isolated, and global commerce is hampered. Instead, COVID-19 has accelerated changes in the economy that we had previously believed would eventually occur. Investors now realize that these Disruptive Growth businesses are often advantaged in this forthcoming economy. These businesses had often digitalized platforms, operated more efficiently with the lower density footprint, and were providing the infrastructure for changes in commerce.

Tesla, Inc. produces its cars with more automation than competitors. Its cars are connected through the cloud and continuously improve with software updates after they have been purchased. Tesla sales occur without physical dealership locations. **Zillow Group, Inc.** facilitates home transactions without interested buyers present at the property. It allows for increased research and transactions. **Shopify Inc.** enables brands to reach consumers without the burdensome expense and lack of brand control at online marketplaces or brick and mortar locations. We believe these changes of convenience and efficiency in the economy would have occurred regardless of COVID-19, but the current pandemic has quickened the rate of conversion.

Core Growth businesses also have done well in this period, increasing 50.4%. Many of these businesses have continued to operate throughout the entire year and their returns across the various periods have been steadier.

Financials and Real/Irreplaceable Assets businesses continued to lag the Index's return during this COVID-19 temporary normal but still gained 37.0% and 29.5%, respectively. The financial service data and analytics providers, **MSCI, Inc.** and **FactSet Research Systems, Inc.**, have continued to do exceptionally well. Their products have been incrementally more valuable as clients have dispersed from corporate offices. Both companies' data and analytics are vital to enable their customers' smooth operations. However, the valuations of **The Charles Schwab Corp.**, **Arch Capital Group Ltd.**, and **Brookfield Asset Management, Inc.** remain depressed based upon fears that the income generated from their assets has been permanently impaired. We strongly disagree with that assessment. We still view these businesses as able to grow organically, consolidate competitors at favorable valuations to improve services and operational efficiency, and will earn higher future returns on a larger asset base. We continue to think we will earn three to four times on these three investments in the next 10 years and more than 50% in the next 2 years.

Investors have closely examined balance sheets and assessed that the Fund's Real/Irreplaceable Assets businesses can sustain during the pandemic and their properties will ultimately be utilized. We believe competitors' reduction in capital expenditures has tightened future supply and increased the value of existing assets. Business and leisure customers are expected to return. Convention business in 2021 has remained steady for **Hyatt Hotels Corp.**, while skiers at **Vail Resorts, Inc.** continue to purchase advance season passes. However, June's increase in COVID-19 cases and slowing economic reopening plans in many states have caused the group to not increase as rapidly as others.

The first half of 2020 has undisputedly been quite volatile. The Fund does not attempt to chase the segments that are in favor. There have not been major alterations to the portfolio during the sudden panic and subsequent temporary normal. However, the volatility has provided opportunities to invest in businesses we believe in their long-term success while they trade at attractive prices. During the pre-COVID-19 period, the Fund initiated or added to positions in Core Growth businesses like e-commerce payment facilitator **Adyen N.V.** and Chinese data center operator **GDS Holdings Limited**. When the COVID-19 panic occurred, we initiated a new position in Disruptive Growth company **Shopify Inc.**, which was trading significantly less than its long-term potential. Additionally, we reduced leverage and realized losses to shelter future taxable gains. We also found opportunities to increase positions in high-quality Real/Irreplaceable Assets and Financials companies like **Hyatt Hotels Corp.** and **MSCI, Inc.** During the current COVID-19 temporary normal period, we utilized higher trading volume to increase the Fund's stake in companies that remained at depressed values even though their fundamentals are intact.

We do not attempt to predict the unpredictable, and the various economic turning points of COVID-19 are such unpredictable events. We do not assert to have accurately forecasted how long the investor panic would last nor claim to know when developed therapeutics or a vaccine will end the health crisis (although we are confident that such developments will occur.) There may be an economic rebound when the Fund trails its benchmark for a short period. Government intervention or a scientific discovery could temporarily revitalize highly levered or weaker operational businesses not held by the Fund. While some Real/Irreplaceable Assets and Financials investments should also benefit, other categories may trail as some businesses rebound from their lows.

However, we remain confident that the Fund's holdings will sustain themselves during this difficult time. We also believe in many of these businesses' ability to emerge from the COVID-19 pandemic with an enhanced competitive position and lead change in the new economy. We anticipate the Fund performing well on both an absolute and relative basis over the course of the entire cycle.

Baron Partners Fund

Table II.
Total returns by category for the six months ended June 30, 2020

	% of Net Assets (as of 6/30/2020)	Pre-COVID-19 12/31/2019 to Peak (2/19/2020) Total Return (%)	COVID-19 Panic Peak to Trough (3/23/2020) Total Return (%)	COVID-19 Temporary Normal Trough to 6/30/2020 Total Return (%)	YTD Total Return (%)
Disruptive Growth	**52.6**	**65.85**	**–45.21**	**104.65**	**86.31**
Tesla, Inc.	36.0	119.31	–52.66	148.64	158.12
Spotify Technology S.A.	0.7	–4.14	–18.08	95.46	53.50
Virgin Galactic Holdings Inc	0.1	223.38	–65.27	25.98	41.47
Zillow Group, Inc.	4.8	19.90	–45.19	91.33	25.74
Space Exploration Technologies Corp.	4.8	8.74	–7.63	12.69	13.19
Shopify Inc.	1.9	–	–9.51	19.84	8.44
Iridium Communications Inc.	1.2	26.30	–35.92	27.65	3.30
Guidewire Software, Inc.	3.1	11.69	–38.55	45.65	–0.04
Zoom Video Communications, Inc.	–	–	–	–0.23	–0.23
Benefitfocus, Inc.	–	–22.01	–5.62	–	–26.40
Core Growth	**33.6**	**16.31**	**–32.01**	**50.40**	**18.73**
Adyen N.V.	2.6	6.71	–21.29	89.81	59.42
GDS Holdings Limited	1.7	15.87	–16.86	58.84	53.01
Activision Blizzard, Inc.	1.8	8.33	–12.27	34.32	27.66
IDEXX Laboratories, Inc.	8.1	11.43	–37.40	80.52	25.91
CoStar Group, Inc.	16.1	23.32	–29.57	35.79	17.94
HEICO Corporation	0.7	14.77	–45.64	42.49	–11.11
Gartner, Inc.	2.6	–0.27	–44.89	43.08	–21.36
Financials	**19.1**	**10.90**	**–44.30**	**36.96**	**–15.41**
MSCI, Inc.	1.3	28.64	–28.39	44.46	33.07
FactSet Research Systems, Inc.	7.0	15.04	–34.12	60.99	22.01
Windy City Investments Holdings, L.L.C.	0.0	0.39	–	0.78	1.18
Brookfield Asset Management, Inc.	1.2	17.49	–51.13	48.53	–14.72
The Charles Schwab Corp.	3.9	0.12	–39.92	18.74	–28.58
Arch Capital Group Ltd.	5.8	12.33	–51.81	23.17	–33.32
Air Lease Corp.	–	–7.93	–78.98	–	–80.65
Real/Irreplaceable Assets	**16.9**	**1.39**	**–49.50**	**29.46**	**–33.71**
Gaming and Leisure Properties, Inc.	1.9	13.64	–59.94	78.76	–18.63
Manchester United plc	2.4	–4.06	–29.91	18.84	–20.08
Vail Resorts, Inc.	5.1	2.36	–42.24	30.07	–23.10
Douglas Emmett, Inc.	0.9	1.18	–44.71	27.18	–28.85
Marriott Vacations Worldwide Corp.	2.0	–1.77	–65.81	87.52	–37.02
Hyatt Hotels Corp.	4.4	0.26	–47.07	5.82	–43.84
Red Rock Resorts, Inc.	0.2	11.57	–78.23	48.23	–64.00
Norwegian Cruise Line Holdings, Ltd.	–	–10.94	–64.96	–	–68.80
MGM Growth Properties LLC	–	8.91	–90.86	–	–90.04
[Cash]	**–22.2**	**–0.00**	**–0.01**	**–0.02**	**–0.03**
[Fees]	**–**	**–0.24**	**–0.16**	**–0.41**	**–0.81**
Baron Partners Fund	**100.00**	**30.85***	**–50.76***	**83.86***	**18.45***
Russell Midcap Growth Index		**6.97**	**–35.71**	**51.45**	**4.16**

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

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

The peak and trough dates are based on the Russell Midcap Growth Index.

Table III.
Top contributors to performance for the quarter ended June 30, 2020

	Year Acquired	Market Cap When Acquired (billions)	Quarter End Market Cap (billions)	Total Return	Percent Impact
Tesla, Inc.	2014	$21.9	$200.3	106.07%	26.30%
CoStar Group, Inc.	2005	0.7	28.0	21.02	4.08
IDEXX Laboratories, Inc.	2013	4.7	28.0	36.29	3.36
Zillow Group, Inc.	2015	4.3	12.8	69.31	3.10
FactSet Research Systems, Inc.	2007	2.7	12.4	26.33	2.12

Tesla, Inc. designs, manufactures and sells electric vehicles, solar products and energy storage solutions. Despite significant operational COVID-19-related disruptions, the stock rose on strong first quarter delivery numbers, unit economics of mature and new vehicle programs that beat Street estimates, and significant growth in production from its new factory in Shanghai. With reduced business model risks, the stock is benefiting from Tesla's investments in growth as evidenced by its opportunities around Model Y and CyberTruck and its localization of manufacturing in China and Europe.

Shares of **CoStar Group, Inc.**, a real estate information and marketing services company, contributed to performance as markets rallied and financial results were better than investors feared. CoStar has seen an acceleration in its digital marketplace businesses as traditionally offline activities are increasingly shifting online. This growth was partially offset by slower trends in its commercial real estate data licensing businesses. We believe CoStar's revenue streams are well diversified, its contracts are sticky, and its competitors are under-managed and under-capitalized.

Shares of veterinary diagnostics leader **IDEXX Laboratories, Inc.** contributed to performance as markets rallied and veterinary visits exhibited a "v" shaped recovery. 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 approach 30% over the next several years.

Zillow Group, Inc. operates leading U.S. real estate sites, a mortgage marketplace, and the Zillow Offers home-buying business. Shares were up on strong first quarter results in core Premier Agent, resumed home-buying in Offers, and robust re-acceleration in top- and middle-funnel metrics. In our view, Zillow is well positioned to penetrate the large opportunity in online real estate advertising with substantial upside from Offers, which can grow Zillow's addressable market not only in houses to be bought/sold but also in leads that Offers can provide to Premier Agents.

FactSet Research Systems, Inc., a leading provider of investment management tools, contributed on solid fiscal third quarter 2020 earnings results with annual subscription value reacceleration, meaningful margin outperformance, and a guidance raise for fiscal year 2020. These results illustrate the resilient nature of the FactSet business model, as they were achieved in the midst of the COVID-19 pandemic. We remain invested in FactSet due to the large addressable market, consistent execution on both new product development and financial results, and robust free cash flow generation.

Table IV.
Top detractors from performance for the quarter ended June 30, 2020

	Year Acquired	Market Cap When Acquired (billions)	Quarter End Market Cap (billions)	Total Return	Percent Impact
Arch Capital Group Ltd.	2002	$0.6	$11.6	0.67%	–0.19%

Arch Capital Group Ltd. is a specialty insurance company based in Bermuda. While the property & casualty insurance segments are improving, economic-related headwinds in the mortgage business caused the shares to detract. Lender forbearance and rising unemployment are causing higher mortgage delinquencies, which pressured earnings due to Arch's provision for credit losses even if these delinquencies don't ultimately result in cash losses. However, we continue to own the stock due to Arch's strong management team and underwriting discipline.

Investment Strategy and Portfolio Structure

The objective of Baron Partners Fund is to double its value per share within five years. Our strategy to accomplish this goal is 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 the volatility of the returns. These businesses are identified by our analysts using our Firm's proprietary research approach. We think these well-managed businesses have sustainable competitive advantages and strong, long-term growth opportunities.

As of June 30, 2020, Baron Partners Fund held 28 investments. The median market capitalization of these growth companies was $12.0 billion. The top 10 positions represented 96.0% of net assets. Leverage was 22.2%.

The long-term absolute and relative performance of the Fund has been very good. The Fund has returned 13.82% annualized since inception on January 31, 1992, besting its comparable index, the Russell Midcap Growth Index, by 3.80% per year. Additionally, the Fund's performance has exceeded its comparable benchmark over the prior 1-, 3-, 5- and 10-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 had performed very well during the economic expansion that followed the Financial Panic. This 11-year period has seen steady financial growth and stock market appreciation. Had you hypothetically invested $10,000 in the Fund on 12/31/2008, it would be worth $58,586 at the end of the bull run on 12/31/2019. Had you only tried to mimic benchmark returns, that $10,000 hypothetical investment would be worth $55,380 if you invested in a fund designed to track the Russell Midcap Growth Index or $45,104 if you invested in a fund designed to track the S&P 500 Index.

We believe it is equally important to look at the Fund 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 gained 1.54% annualized. $10,000 hypothetically invested at the start of this period would be worth $11,479 after the nine years. The Fund preserved (and slightly grew) capital during this challenged economic time because of its investments in high-quality growth businesses that were able to weather the environment while its competition retrenched. The indexes performed considerably worse. The Russell Midcap Growth Index and S&P 500 Index fell 4.69% annualized and 3.60% annualized, respectively. A $10,000 hypothetical investment would be worth only $6,488 and $7,188 in each of those indexes, respectively.

Additionally, the current COVID-19 period has again led to strong absolute and relative results. While we do not know how long the current period will last, thus far the Fund has returned 18.53% while the Russell Midcap Growth Index gained 4.16% and the S&P 500 Index fell 3.08%.

The preservation (and mild growth) during difficult times is what we believe sets the Fund apart and makes its long-term returns exceptional. A $10,000 hypothetical investment at the inception of the Fund in 1992 would be worth $396,027 today. That same $10,000 hypothetical investment would be worth less than 40% that amount had you invested in funds designed to track either the Russell Midcap Growth Index or the S&P 500 Index. Those investments would be worth only $150,870 and $134,942, respectively.

The Fund is consistently investing in businesses based on their future earnings potential and are often penalizing near-term results in favor of future results. The current global health pandemic is unlike other economic downturns the Fund has successfully weathered in the past. This current crisis has halted many sectors of the economy. However, with constant reassessment of the portfolio and individual investments, we are assured that the high-quality growth businesses in which we are invested should yield attractive long-term returns from these levels. We believe the portfolio should once again successfully weather a difficult economic period like it has done before. It is during these tumultuous times that the Fund's relative performance tends to exceed its primary index and positions it for the long-term performance that resulted in the Fund's 2nd percentile rank since its conversion to a mutual fund.*

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 COVID-19 Pandemic 12/31/2008 to 12/31/2019		COVID-19 Pandemic to Present 12/31/2019 to 6/30/2020		Millennium Internet Bubble to Present 12/31/1999 to 6/30/2020		Inception 1/31/1992 to 6/30/2020	
	Value $10,000	Annualized	Value $10,000	Annualized	Value $10,000	Cumulative	Value $10,000	Annualized	Value $10,000	Annualized
Baron Partners Fund (Institutional Shares)	$11,479	1.54%	$58,586	17.44%	$11,853	18.53%	$79,707	10.66%	$396,027	13.82%
Russell Midcap Growth Index	$ 6,488	(4.69)%	$55,380	16.84%	$10,416	4.16%	$37,422	6.65%	$150,870	10.02%
S&P 500 Index	$ 7,188	(3.60)%	$45,104	14.68%	$ 9,692	(3.08)%	$31,422	5.74%	$134,942	9.59%

An investor cannot invest directly in an index.

* **Morningstar calculates the Morningstar US Fund Mid-Cap Growth Category Average using its Fractional Weighting methodology. Morningstar rankings are based on total returns and do not include sales charges. Total returns do account for management, administrative, and 12b-1 fees and other costs automatically deducted from fund assets.**

As of 6/30/2020, the Category consisted of 602, 500, 381, and 231 share classes for the 1-, 5-, 10-year, and since conversion (4/30/2003) periods. Morningstar ranked Baron Partners Fund Retail Share Class in the 1st, 4th, 2nd, and 2nd percentiles, respectively. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied, adapted 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, except where such damages or losses cannot be limited or excluded by law in your jurisdiction. Past financial performance is no guarantee of future results.

Portfolio Holdings

Table VI.
Top 10 holdings as of June 30, 2020

	Year Acquired	Market Cap When Acquired (billions)	Quarter End Market Cap (billions)	Quarter End Investment Value (millions)	Percent of Total Investments
Tesla, Inc.	2014	$21.9	$200.3	$1,187.8	29.4%
CoStar Group, Inc.	2005	0.7	28.0	533.0	13.2
IDEXX Laboratories, Inc.	2013	4.7	28.0	269.1	6.7
FactSet Research Systems, Inc.	2007	2.7	12.4	229.9	5.7
Arch Capital Group Ltd.	2002	0.6	11.6	192.0	4.7
Vail Resorts, Inc.	2008	1.6	7.3	168.5	4.2
Space Exploration Technologies Corp.	2017	–	–	159.1	4.0
Zillow Group, Inc.	2015	4.3	12.8	158.1	3.9
Hyatt Hotels Corp.	2009	4.2	5.1	145.8	3.6
The Charles Schwab Corp.	1992	1.0	43.4	128.2	3.2

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 continuing 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 Adviser believes that there is more potential for capital appreciation using non-diversification and leverage, but there also is more risk. Specific risks associated with non-diversification and leverage include increased volatility of the Fund's returns and exposure of the Fund to greater loss in any given period. The Fund invests in companies of all sizes, including small and medium sized companies whose securities may be thinly traded and made difficult to sell during market downturns. Leverage is the degree to which an investor or business is utilizing borrowed money. 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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