

DEAR BARON WEALTHBUILDER FUND SHAREHOLDER:

PERFORMANCE

Baron WealthBuilder Fund (the "Fund") increased 8.02% (Institutional Shares) in the quarter while the S&P 500 Index (the "Index") rose 8.55%. The MSCI ACWI Index and the Morningstar Allocation 85+ Equity Category (the "Peer Group") Average rose 7.39% and 6.75%, respectively.

Table I.
Performance
Annualized for periods ended June 30, 2021

	Baron WealthBuilder Fund Retail Shares ^{1,2}	Baron WealthBuilder Fund Institutional Shares ^{1,2}	Baron WealthBuilder Fund TA Shares ^{1,2}	S&P 500 Index ¹	MSCI ACWI Index ¹
Three Months ³	7.98%	8.02%	8.07%	8.55%	7.39%
Six Months ³	9.25%	9.39%	9.39%	15.25%	12.30%
One Year	60.90%	61.32%	61.20%	40.79%	39.26%
Three Years	28.12%	28.45%	28.45%	18.67%	14.57%
Since Inception (December 29, 2017)	26.22%	26.49%	26.49%	16.67%	12.22%

The Fund's trailing 12-month absolute and relative performance has been quite strong. Over that period, the Fund advanced 61.32%. This result compares favorably to its benchmarks and Peer Group. The Index and MSCI ACWI Index gained 40.79% and 39.26%, respectively. The Peer Group rose 40.77% over this period.

As of 6/30/2021, the Morningstar Allocation – 85+ Equity Category consisted of 159, 149, and 149 share classes for the 1-year, 3-year, and since inception (12/29/2017) periods. Morningstar ranked Baron WealthBuilder Fund Institutional Share Class in the 3rd, 1st, and 1st percentiles, respectively. On an absolute basis, Morningstar ranked Baron WealthBuilder Fund Institutional Share Class as the 5th, 2nd, and 1st best performing share class in its category for the 1-year, 3-year, and since inception (12/29/2017) periods, respectively. As of 6/30/2021, the annualized returns of the Morningstar Allocation – 85+ Equity Category Average were 40.77%, 13.59%, and 11.23% for the 1-year, 3-year, and since inception (12/29/2017) periods, respectively.

Morningstar calculates the Morningstar Allocation – 85+ Equity Category Average performance and rankings using its Fractional Weighting methodology. Morningstar rankings are based on total returns and do not include sales charges. Total returns account for management, administrative, and 12b-1 fees and other costs automatically deducted from fund assets.

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Performance listed in the above table is net of annual operating expenses. Annual expense ratio for the Retail Shares, Institutional Shares, and TA Shares as of December 31, 2020 was 1.47%, 1.22%, and 1.22%, respectively, but the net annual expense ratio was 1.36%, 1.11%, and 1.11% (includes acquired fund fees of 1.06%, net of the Adviser's fee waivers), respectively. 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. BAMCO, Inc. ("BAMCO" or the "Adviser") has agreed that, pursuant to a contract expiring on August 29, 2031, unless renewed for another 11-year term, it will reimburse certain expenses of the Fund, limiting net annual operating expenses (portfolio transaction costs, interest, dividend, acquired fund fees and expenses and extraordinary expenses are not subject to the operating expense limitation) to 0.30% of average daily net assets of Retail Shares, 0.05% of average daily net assets of Institutional Shares and 0.05% of average daily net assets of TA Shares, 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 The S&P 500 Index measures the performance of 500 widely held large cap U.S. companies. The MSCI ACWI Index is an unmanaged, free float-adjusted market capitalization weighted index reflected in US dollars that measures the equity market performance of large- and mid-cap securities across developed and emerging markets. MSCI is the source and owner of the trademarks, service marks and copyrights related to the MSCI Indexes. The indexes and the Fund include reinvestment of dividends, net of withholding taxes, which positively impact the performance results. The indexes are unmanaged. Index performance is not Fund performance; one cannot invest directly into an index.

2 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.

3 Not annualized.



MICHAEL BARON
CO- PORTFOLIO
MANAGER

RONALD BARON
CEO AND PORTFOLIO
MANAGER

Retail Shares: BWBFX
Institutional Shares: BWBIX
TA Shares: BWBTX

Since its inception, Baron WealthBuilder Fund has an annualized return of 26.49%. The Fund ranks as the #1 fund in its Peer Group since its inception.



Baron WealthBuilder Fund

COVID-19 vaccination rates steadily improved throughout the quarter. Industries are returning to pre-pandemic operations, while investors continue to assess global economic and health data points and extrapolate their implications. This has created a volatile environment for the markets and the Fund. While the Fund's absolute return for the three-month period was good, it was not consistent month to month. The Fund's April return was up 6.17%. In May, the Fund declined 2.50%. In June, it rose 4.36%. Yet the fundamentals and prospects of the Fund's investments changed little from month to month. We do not try to predict macroeconomic occurrences or their near-term impact on market valuations. Rather, we continually assess the health and prospects of our investments.

In this volatile environment, portfolios with companies that exhibited sustained growth contributed the most to Baron WealthBuilder's performance. It includes our mid- and large-cap funds, Baron Asset, Fifth Avenue Growth, Durable Advantage, and Global Advantage Funds, as well as our specialty sector funds, Baron FinTech and Health Care Funds. These underlying funds' investments in Information Technology ("IT"), Health Care, and Financials were largely able to execute their business plans despite the interruptions caused by the economic restart. Supply chain issues and employment concerns largely did not impact these operations. A few examples are Health Care business **West Pharmaceutical Services, Inc.** and outsourced software development firms **Endava plc** and **EPAM Systems, Inc.** West is a leading provider of components and systems for the packaging and delivery of injectable drugs. The company's impressive 31% organic growth rate was driven by increased sales of products used in COVID-19 vaccine packaging. We believe this usage will be sustained as greater drug discovery will utilize its high-value packaging products. Additionally, Endava and EPAM have both had an increase in usage as clients prioritize their digital initiatives. Utilizing software to interact and engage with customers is essential for today's businesses, but most organizations do not have the internal expertise to accomplish their needs. Market leaders Endava and EPAM are growing in the high 20% range with top-tier clients (examples are UBS, Mercedes, and Expedia) while still only attaining a single-digit market share of this \$150 billion category. We believe they should have sustained growth while maintaining strong margins.

On the other hand, portfolios that held disruptive growth businesses, which had outperformed last year, were impacted by a market rotation towards

cyclical companies. Additionally, investments in economically impacted sectors and regions also had more challenged returns. Further, stocks with any short-term disappointment significantly underperformed. As cyclical stocks gained interest, the non-diversified and high-growth portfolios of Baron Partners and Focused Growth Funds were negatively impacted. And our holdings in real estate and emerging markets were affected by macro events and fears of COVID variants. **Penn National Gaming, Inc.**, a regional casino operator, is a good example of one of those businesses. The stock declined approximately 27% in the second quarter due to increased competition for sports betting and i-gaming in key markets. Last year, Penn was up 238%. However, we have been impressed with Penn's market share despite limited traditional advertising. Its equity stake in Barstool should continue to attract loyal customers to its platform and into their properties. We believe it can also build a lucrative license business from other operators. This branding and license access cannot easily be replicated by competitors.

The Fund's large stake in small-cap growth Baron funds also resulted in lower relative returns than the S&P 500 Index. However, all three of these underlying funds, Baron Discovery, Small Cap, and Growth Funds, had returns that exceeded their respective benchmark, the Russell 2000 Growth Index. These underlying funds own higher-quality businesses than typically found in their benchmark. The businesses in which Baron Funds invested achieved sustained growth in a volatile environment while many of their counterparts had not. **Gartner, Inc.** and **IDEXX Laboratories, Inc.** are good examples. Both companies' stocks appreciated approximately 30% in the quarter. Gartner's high-margin research business had accelerating growth. Its retention of clients also improved. And its necessary pivot to digital conferences spurred by the pandemic has resulted in improved profitability. The company provided a favorable outlook and reinforced that optimism through the repurchase of its stock. Likewise, IDEXX is benefiting from a return of veterinary visits. This favorable backdrop allows its enhanced sales team to sell its new proprietary innovations. Some aspects of the business are already at pre-pandemic levels. Improved volume and growth in consumables led to improved margins. And again, the company used its cash flow to repurchase its own shares.

We encourage you to read the various quarterly letters found in this report for a deeper understanding of the funds that make up Baron WealthBuilder Fund.

Table II.
Baron Funds Performance
as of June 30, 2021

Institutional Share Class Data

% of Net Assets of Fund		Second Quarter of 2021*	Annualized 12/29/17 to 6/30/2021	Primary Benchmark	Second Quarter of 2021*	Annualized 12/29/17 to 6/30/2021
29.4%	Small Cap					
4.5%	Baron Discovery Fund	6.07%	28.69%	Russell 2000 Growth Index	3.92%	16.56%
12.8%	Baron Growth Fund	7.80%	21.55%			
12.1%	Baron Small Cap Fund	6.37%	20.56%			
4.0%	Small/Mid Cap					
4.0%	Baron Focused Growth Fund	2.42%	38.13%	Russell 2500 Growth Index	6.04%	19.65%
13.0%	Mid Cap					
13.0%	Baron Asset Fund	10.03%	22.00%	Russell Midcap Growth Index	11.07%	20.71%
8.0%	Large Cap					
6.3%	Baron Fifth Avenue Growth Fund	13.82%	26.86%	Russell 1000 Growth Index	11.93%	23.65%
1.7%	Baron Durable Advantage Fund	13.14%	18.00%†	S&P 500 Index	8.55%	16.44%†
21.0%	All Cap					
6.2%	Baron Opportunity Fund	10.14%	39.47%	Russell 3000 Growth Index	11.38%	23.14%
14.8%	Baron Partners Fund	4.83%	45.52%	Russell Midcap Growth Index	11.07%	20.71%
13.3%	International					
4.1%	Baron Emerging Markets Fund	4.83%	8.03%	MSCI EM Index	5.05%	7.45%
6.8%	Baron Global Advantage Fund	11.91%	32.20%†	MSCI ACWI Index	7.39%	11.38%†
2.4%	Baron International Growth Fund	8.51%	13.29%	MSCI ACWI ex USA Index	5.48%	6.81%
11.3%	Specialty					
4.7%	Baron Real Estate Fund	4.65%	19.92%	MSCI USA IMI Extended Real Estate Index	6.99%	11.29%
1.5%	Baron Real Estate Income Fund	4.36%†	4.36%*†	MSCI US REIT Index	5.31%†	5.31%*†
2.8%	Baron Health Care Fund	11.43%	29.14%†	Russell 3000 Health Care Index	8.16%	15.93%†
2.3%	Baron FinTech Fund	16.79%	47.55%†	S&P 500 Index	8.55%	33.71%†

* Not annualized.

† Performance is calculated from the time the Fund was added to Baron WealthBuilder Fund: Baron Durable Advantage Fund – 3/13/2018; Baron Global Advantage Fund – 1/9/2018; Baron Health Care Fund – 10/18/2018; Baron FinTech Fund – 2/27/2020; and Baron Real Estate Income Fund – 5/17/2021. An investor cannot invest directly in an index.

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

FUND OF FUNDS STRUCTURE AND INVESTMENT STRATEGY

Table IV.
Performance Based Characteristics Since Inception (12/29/2017) as of June 30, 2021

	Baron WealthBuilder Fund-Institutional Shares	S&P 500 Index	Morningstar Allocation 85%+ Equity Category
Alpha (%) – Annualized	5.99	0.00	-4.11
Beta	1.20	1.00	0.96
Sharpe Ratio	1.10	0.87	0.57
Standard Deviation (%)			
– Annualized	22.95	17.65	17.32
Upside Capture (%)	121.93	100.00	84.72
Downside Capture (%)	93.92	100.00	99.22

Source: FactSet SPAR. Except for Standard Deviation and Sharpe Ratio, the performance based characteristics above were calculated relative to the S&P 500 Index.

Combining all our portfolios into one fund has not only produced category leading returns, but it also has generated since inception performance characteristics that we believe are stellar. Compared to the Index, the Fund’s alpha is 5.99%, yet its beta is only 1.20. Its Sharpe ratio, a measure of return per level of risk, is 1.10 compared to the Index’s 0.87. And we believe its upside capture of 121.93% is even more impressive when viewed alongside its downside capture of only 93.92%.

Baron WealthBuilder Fund closely mimics the way we would incrementally invest across our various funds and strategies. The Fund allows investors to diversify across all Baron Funds’ products, gain exposure to various market caps, sectors, and geographies in a single structure, and benefit from our rebalancing of the allocations in a tax efficient manner. The portfolio managers of each underlying fund abide by the same core investment process and philosophy, focused on proprietary research to discover competitively advantaged businesses with immense opportunities. These businesses are led by smart and honorable executives.

Baron WealthBuilder Fund

Baron Funds has had broad historical success. Our investment approach and process have yielded outstanding results since the Firm's founding in 1982. As of 6/30/2021, 16 of 17 Baron Funds, representing 98.2% of Baron Funds' assets under management ("AUM"), have outperformed their respective passive benchmarks since their inception. In addition, 14 of those funds, representing 98.0% of Baron Funds' AUM, rank in the top 17% of their respective Morningstar categories; and 11 funds, representing 71.8% of AUM, rank in the top 8%.

This strong relative performance has continued. Since their inclusion in Baron WealthBuilder Fund, all but one underlying Baron mutual fund have exceeded their respective benchmark indexes. And that only outlier, Baron Real Estate Income Fund, was added to the Fund in the second quarter of 2021 because of investment opportunities in the segment. We have always strived to provide top performance in various asset categories. **Baron WealthBuilder Fund allows individuals to gain access to a variety of these strategies in a single fund.** We are pleased with the composition and results.

The makeup of the underlying investments looks very different than the Fund's key indexes. Therefore, the Fund has a high active share when measured against its benchmarks. We feel the diversity in regions and sectors should dampen risk while still providing strong absolute returns. While holding nearly the same number of securities as its primary benchmark (510 in the underlying funds vs. 502 in the Index), the similarities end there. The holdings in the underlying funds have a lower dividend yield on average (0.4% vs. 1.4% for the Index), with companies electing to reinvest earnings back in their businesses for growth. **And the approach is working; the projected earnings per share growth rate over the next three to five years is 26.7% for the Funds' holdings vs. 17.3% for the S&P 500 Index (or 54.3% higher growth).** We think that many of our investments can exceed those external projections. Many of these businesses have depressed margins as they sacrifice current profitability for more sustainable and higher long-term growth rates. We believe higher and prolonged growth should reward long-term investors.

The portfolio is also distinct in its industry weightings. The Index has a higher share of companies in industries that we believe have lower growth and fewer defensible advantages. The Index has a greater weight in technology hardware storage & peripherals, semiconductors & semiconductor equipment, and banks. Instead, the Fund favors other segments within IT and Financials, such as IT services, software, and capital markets. The Fund is also overweight Health Care, and hotels, restaurants & leisure, and automobiles within Consumer Discretionary. We believe these sectors and industries have greater growth and their advantages can be maintained over the long term.

Finally, the Fund has exposure to non-U.S. companies unlike the Index, whose constituents are solely in domestic businesses. We believe geographic diversity provides benefits, such as lower volatility over time. The Fund is also differentiated from the global coverage of the MSCI ACWI Index. The U.S. is 58.6% of the MSCI ACWI Index compared to 82.7% for the Fund. The greater international exposure for the MSCI ACWI Index is heavily skewed towards slow growth developed countries, whereas the Fund seeks faster growth in emerging economies. Of WealthBuilder Fund's non-U.S. exposure, 43.9% was in emerging countries. These regions represented 31.5% of the MSCI ACWI Index's non-US investments. However, the MSCI ACWI Index had larger exposure to lower growth economies like Japan and France. Of its non-U.S. investments, Japan and France represented 14.3% and 7.1% of the MSCI ACWI Index while they represented only 1.7% and 1.2% for the Fund, respectively.

We believe the portfolio allocation of the underlying Baron Funds, their exposure to various industries, and their geographic diversification should continue to produce good returns over the long term.

Table V.
Sector exposures as of June 30, 2021

	Percent of Net Assets	S&P 500 Index	MSCI ACWI Index
Information Technology	23.3%	27.4%	21.9%
Consumer Discretionary	21.3	12.3	12.7
Health Care	16.6	13.0	11.6
Industrials	10.7	8.5	9.9
Financials	10.7	11.3	14.1
Communication Services	7.9	11.1	9.4
Real Estate	5.7	2.6	2.6
Materials	1.4	2.6	4.9
Consumer Staples	0.7	5.9	6.9
Unclassified	0.5	–	–
Energy	0.3	2.9	3.4
Utilities	–	2.5	2.6

Table VI.
Country exposures as of June 30, 2021

	Percent of Net Assets	S&P 500 Index	MSCI ACWI Index
United States	82.7%	100.0%	58.6%
China	3.4	–	4.9
United Kingdom	2.2	–	3.7
Netherlands	1.6	–	1.1
Israel	1.4	–	0.2
Canada	1.3	–	2.9
India	1.3	–	1.3
Brazil	0.7	–	0.7
Sweden	0.5	–	1.0
Argentina	0.5	–	0.1
Other	3.5	–	25.7

Table VII.
Fund of fund holdings as of June 30, 2021

	Percent of Net Assets
Baron Partners Fund	14.8%
Baron Asset Fund	13.0
Baron Growth Fund	12.8
Baron Small Cap Fund	12.1
Baron Global Advantage Fund	6.8
Baron Fifth Avenue Growth Fund	6.3
Baron Opportunity Fund	6.2
Baron Real Estate Fund	4.7
Baron Discovery Fund	4.5
Baron Emerging Markets Fund	4.1
Baron Focused Growth Fund	4.0
Baron Health Care Fund	2.8
Baron International Growth Fund	2.4
Baron FinTech Fund	2.3
Baron Durable Advantage Fund	1.7
Baron Real Estate Income Fund	1.5

Thank you for joining us as fellow shareholders in Baron WealthBuilder 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 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 a non-diversified fund because it invests, at any given time, in the securities of a select number of Baron mutual funds (the "Underlying Funds"), representing specific investment strategies. The Fund can invest in funds holding U.S. and international stocks; small-cap, small to mid-cap, large-cap, all-cap stocks; and specialty stocks. Each of the Underlying Funds has its own investment risks, and those risks can affect the value of the Fund's investments and therefore the value of the Fund's shares. To the extent that the Fund invests more of its assets in one Underlying Fund than in another, it will have greater exposure to the risks of that Underlying Fund. For further information regarding the investment risks of the Underlying Funds, please refer to the Underlying Funds' prospectus.

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. **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. **EPS Growth Rate** (3-5-year forecast) indicates the long term forecasted EPS growth of the companies in the portfolio, calculated using the weighted average of the available 3-to-5 year forecasted growth rates for each of the stocks in the portfolio provided by FactSet Estimates. The EPS Growth rate does not forecast the Fund's performance. **Price/Earnings Ratio** (trailing 12-months): is a valuation ratio of a company's current share price compared to its actual earnings per share over the last twelve months. If a company's actual EPS is negative, it is excluded from the portfolio level calculation. **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. **Upside Capture** explains how well a fund performs in time periods where the benchmark's returns are greater than zero. **Downside Capture** measures how well a fund performs in time periods where the benchmark's returns are less than zero. **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).

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. This report does not constitute an offer to sell or a solicitation of any offer to buy securities of Baron WealthBuilder Fund by anyone in any jurisdiction where it would be unlawful under the laws of that jurisdiction to make such offer or solicitation.

Ranking information provided is calculated for the Retail Share Class and is as of 6/30/2021. The number of share classes in each category may vary depending on the date that Baron downloaded information from Morningstar Direct. **Morningstar calculates its category average performance and rankings using its Fractional Weighting methodology. Morningstar rankings are based on total returns and do not include sales charges.** Total returns account for management, administrative, and 12b-1 fees and other costs automatically deducted from fund assets. The **Morningstar Large Growth Category** consisted of 1,239, 1,024, and 761 share classes for the 1-, 5-, and 10-year periods. Morningstar ranked *Baron Opportunity Fund* in the 2nd, 3rd, 9th, and 3rd percentiles for the 1-, 5-, 10-year, and since inception periods, respectively. The Fund launched 2/29/2000, and the category consisted of 269 share classes. Morningstar ranked *Baron Partners Fund* in the 1st, 2nd, 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 422 share classes. The **Morningstar Mid-Cap Growth Category** consisted of 579, 489, and 379 share classes for the 1-, 5-, and 10-year periods. Morningstar ranked *Baron Asset Fund* in the 93rd, 28th, 20th and 17th percentiles for the 1-, 5-, 10-year, and since inception periods, respectively. The Fund launched 6/12/1987, and the category consisted of 19 share classes. Morningstar ranked *Baron Growth Fund* in the 47th, 35th, 40th, and 8th percentiles for the 1-, 5-, 10-year, and since inception periods, respectively. The Fund launched 12/31/1994, and the category consisted of 54 share classes. Morningstar ranked *Baron Focused Growth Fund* in the 3rd, 2nd, 3rd, and 5th percentiles for the 1-, 5-, 10-year, and since conversion periods, respectively. The Fund converted into a mutual Fund 6/30/2008, and the category consisted of 316 share classes. The **Morningstar Small Growth Category** consisted of 612, 505, and 379 share classes for the 1-, 5-, and 10-year time periods. Morningstar ranked *Baron Small Cap Fund* in the 74th, 42nd, 50th, and 17th percentiles for the 1-, 5-, 10-year, and since inception periods, respectively. The Fund launched 9/30/1997, and the category consisted of 92 share classes. Morningstar ranked *Baron Discovery Fund* in the 14th, 6th, and 2nd percentiles for the 1-, 5-year, and since inception periods, respectively. The Fund launched 9/30/2013, and the category consisted of 432 share classes. The **Morningstar Real Estate Category** consisted of 246, 199, and 143 share classes for the 1-, 5-, and 10-year time periods. Morningstar ranked *Baron Real Estate Fund* in the 2nd, 1st, 1st, and 1st percentiles for the 1-, 5-, 10-year, and since inception periods, respectively. The Fund launched 12/31/2009, and the category consisted of 128 share classes. Morningstar ranked *Baron Real Estate Income Fund* in the 11th and 3rd percentiles for the 1-year and since inception periods, respectively. The Fund launched 12/29/2017, and the category consisted of 221 share classes. The **Morningstar Foreign Large Growth Category** consisted of 445, 323, 225, and 202 share classes for the 1-, 5-, 10-year, and since inception (12/31/2008) periods. Morningstar ranked *Baron International Growth Fund* in the 10th, 16th, 19th, and 11th percentiles, respectively. The **Morningstar Diversified Emerging Markets Category** consisted of 789, 602, 306, and 280 share classes for the 1-, 5-, 10-year, and since inception

Baron WealthBuilder Fund

(12/31/2010) periods. Morningstar ranked *Baron Emerging Markets Fund* in the 47th, 45th, 5th, and 7th percentiles, respectively. The **Morningstar World Large-Stock Growth Category** consisted of 352, 263, and 175 share classes for the 1-, 5-year, and since inception (4/30/2012) periods. Morningstar ranked *Baron Global Advantage Fund* in the 16th, 2nd, and 1st percentiles, respectively. The **Morningstar Health Category** consisted of 163 and 138 share classes for the 1-year and since inception (4/30/2018) periods. Morningstar ranked *Baron Health Care Fund* in the 10th and 5th percentiles, respectively. The **Morningstar Allocation – 85%+ Equity Category** consisted of 159 and 149 share classes for the 1-year and since inception (12/29/2017) periods. Morningstar ranked *Baron WealthBuilder Fund* in the 4th and 2nd percentiles, respectively.

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Risk: All investments are subject to risk and may lose value. Index performance is not fund performance; one cannot invest directly into an index.

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Baron Funds (Institutional Shares) and Benchmark Performance 6/30/2021

Fund	Primary Benchmark	Annualized Return Since Fund Inception	Annualized Benchmark Return Since Fund Inception	Inception Date	Average Annualized Returns				Annual Expense Ratio	Net Assets
					1-Year	3-Year	5-Year	10-Year		
SMALL CAP										
Baron Growth Fund	Russell 2000 Growth Index	14.24%	9.22%	12/31/1994	46.19%	21.39%	20.92%	14.92%	1.04% ⁽³⁾	\$9.00 billion
Baron Small Cap Fund	Russell 2000 Growth Index	11.65%	7.66%	9/30/1997	47.60%	20.66%	21.50%	14.20%	1.05% ⁽³⁾	\$5.41 billion
Baron Discovery Fund†	Russell 2000 Growth Index	21.55%	13.23%	9/30/2013	70.06%	27.97%	30.53%	N/A	1.08% ⁽³⁾	\$2.00 billion
SMALL/MID CAP										
Baron Focused Growth Fund ⁽¹⁾	Russell 2500 Growth Index	14.48%	9.59%	5/31/1996	95.00%	39.58%	31.55%	18.44%	1.07% ⁽⁴⁾	\$689.65 million
MID CAP										
Baron Asset Fund	Russell Midcap Growth Index	12.56%	11.19% ⁽²⁾	6/12/1987	36.04%	21.91%	21.70%	15.73%	1.05% ⁽³⁾	\$6.24 billion
LARGE CAP										
Baron Fifth Avenue Growth Fund	Russell 1000 Growth Index	12.25%	12.42%	4/30/2004	35.34%	25.94%	27.32%	18.67%	0.78%/0.75% ⁽³⁾⁽⁶⁾	\$840.14 million
Baron Durable Advantage Fund	S&P 500 Index	18.93%	16.67%	12/29/2017	36.55%	21.14%	N/A	N/A	2.40%/0.70% ⁽³⁾⁽⁷⁾	\$28.85 million
ALL CAP										
Baron Partners Fund ⁽¹⁾	Russell Midcap Growth Index	16.39%	11.03%	1/31/1992	119.55%	47.64%	38.45%	23.88%	1.30% ⁽⁴⁾⁽⁵⁾	\$6.89 billion
Baron Opportunity Fund†	Russell 3000 Growth Index	11.01%	7.01%	2/29/2000	61.18%	38.62%	35.19%	19.39%	1.08% ⁽³⁾	\$1.62 billion
INTERNATIONAL										
Baron Emerging Markets Fund	MSCI EM Index	7.24%	4.16%	12/31/2010	42.40%	12.76%	12.66%	7.70%	1.09% ⁽⁴⁾	\$8.68 billion
Baron Global Advantage Fund†	MSCI ACWI Index	21.07%	11.10%	4/30/2012	45.78%	34.78%	33.68%	N/A	0.92%/0.90% ⁽⁴⁾⁽⁸⁾	\$2.90 billion
Baron International Growth Fund	MSCI ACWI ex USA Index	13.11%	8.50%	12/31/2008	44.18%	15.73%	16.50%	9.79%	1.01%/0.95% ⁽⁴⁾⁽⁹⁾	\$722.10 million
SECTOR										
Baron Real Estate Fund	MSCI USA IMI Extended Real Estate Index	17.44%	13.00%	12/31/2009	61.07%	25.42%	20.49%	16.63%	1.08% ⁽⁴⁾	\$1.78 billion
Baron Real Estate Income Fund	MSCI US REIT Index	17.01%	7.69%	12/29/2017	44.69%	20.18%	N/A	N/A	3.45%/0.80% ⁽⁴⁾⁽¹⁰⁾	\$73.57 million
Baron Health Care Fund	Russell 3000 Health Care Index	27.14%	17.98%	4/30/2018	46.51%	26.81%	N/A	N/A	1.45%/0.85% ⁽⁴⁾⁽¹¹⁾	\$172.68 million
Baron FinTech Fund	S&P 500 Index	42.27%	23.03%	12/31/2019	46.93%	N/A	N/A	N/A	2.43%/0.95% ⁽¹²⁾	\$61.87 million
EQUITY ALLOCATION										
Baron WealthBuilder Fund	S&P 500 Index	26.49%	16.67%	12/29/2017	61.32%	28.45%	N/A	N/A	1.22%/1.11% ⁽⁴⁾⁽¹³⁾	\$430.96 million

⁽¹⁾ Reflects the actual fees and expenses that were charged when the Funds were partnerships. The predecessor partnerships charged a 20% performance fee (Baron Partners Fund) or a 15% performance fee (Baron Focused Growth Fund) after reaching a certain performance benchmark. If the annual returns for the Funds did not reflect the performance fee for the years the predecessor partnerships charged a performance fee, returns would be higher. The Funds' shareholders are not charged a performance fee.

⁽²⁾ For the period June 30, 1987 to June 30, 2021.

⁽³⁾ As of 9/30/2020.

⁽⁴⁾ As of 12/31/2020.

⁽⁵⁾ Comprised of operating expenses of 1.05% and interest expenses of 0.25%.

⁽⁶⁾ Annual expense ratio was 0.78%, but the net annual expense ratio was 0.75% (net of Adviser's fee waivers).

⁽⁷⁾ Annual expense ratio was 2.40%, but the net annual expense ratio was 0.70% (net of Adviser's fee waivers).

⁽⁸⁾ Annual expense ratio was 0.92%, but the net annual expense ratio was 0.90% (net of Adviser's fee waivers).

⁽⁹⁾ Annual expense ratio was 1.01%, but the net annual expense ratio was 0.95% (net of Adviser's fee waivers).

⁽¹⁰⁾ Annual expense ratio was 3.45%, but the net annual expense ratio was 0.80% (net of Adviser's fee waivers).

⁽¹¹⁾ Annual expense ratio was 1.45%, but the net annual expense ratio was 0.85% (net of Adviser's fee waivers).

⁽¹²⁾ Annual expense ratio was 2.43%, but the net annual expense ratio was 0.95% (net of Adviser's fee waivers).

⁽¹³⁾ Annual expense ratio was 1.22%, but the net annual expense ratio was 1.11% (includes acquired fund fees and expenses, net of the Adviser's fee waivers).

† The Fund's historical performance was impacted by gains from IPOs and/or secondary offerings. 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.

⁽¹³⁾ Annual expense ratio was 1.31%, but the net annual expense ratio was 1.21% (includes acquired fund fees and expenses, net of the Adviser's fee waivers).

* Not annualized.

† The Fund's historical performance was impacted by gains from IPOs. There is no guarantee that these results can be repeated or that the Fund's level of participation in IPOs will be the same in the future.