

## DEAR BARON WEALTHBUILDER FUND SHAREHOLDER:

## PERFORMANCE

2022 was a very difficult year. There was extreme volatility in most equity markets and consistent valuation pressures on many growth businesses that Baron Funds favor. The final quarter was particularly difficult on a relative basis as **Tesla, Inc.**'s outsized investment in several underlying Funds saw its stock price decline substantially.

Baron WealthBuilder Fund (the "Fund") increased 1.14% (Institutional Shares) in the quarter but declined 32.59% for the calendar year. As mentioned, this performance was lower than the S&P 500 Index's (the "U.S. Index") quarterly and annual returns of 7.56% and (18.11)%, respectively. MSCI ACWI Index (the "Global Index") increased 9.76% in the quarter and declined 18.36% for the year. The Morningstar Allocation-85%+ Equity Category Average (the "Peer Group") had performance of 8.07% and (18.18)% in the quarter and year, respectively.

**Table I.**  
**Performance**

Annualized for periods ended December 31, 2022

	Baron Wealth Builder Fund Retail Shares <sup>1,2</sup>	Baron Wealth Builder Fund Institutional Shares <sup>1,2</sup>	Baron Wealth Builder Fund TA Shares <sup>1,2</sup>	S&P 500 Index <sup>1</sup>	MSCI ACWI Index <sup>1</sup>
Three Months <sup>3</sup>	1.08%	1.14%	1.14%	7.56%	9.76%
One Year	(32.75)%	(32.59)%	(32.59)%	(18.11)%	(18.36)%
Three Years	8.35%	8.61%	8.61%	7.66%	4.00%
Five Years and Since Inception (December 29, 2017)	10.11%	10.36%	10.36%	9.42%	5.23%



MICHAEL BARON  
CO-PORTFOLIO  
MANAGER

RONALD BARON  
CEO AND PORTFOLIO  
MANAGER

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

Despite the most recent year's performance, the Fund's longer-term track record exceeds its U.S. Index, its Global Index, and competitors. Its 3- and 5-year (also its since inception period) annualized returns were 8.61% and 10.36%, respectively. These figures compare to 7.66% and 9.42%, respectively, for the U.S. Index. The Global Index's performance is considerably lower, with returns of only 4.00% and 5.23% for the 3- and 5-year periods, respectively. While we are disappointed with the year's returns, we are pleased the longer-term appreciation was better than these comparables despite a challenging environment for growth equity investing.

As of 12/31/2022, the annualized returns of the Morningstar Allocation-85%+ Equity Category Average were (18.18)%, 3.19%, and 4.59% for the 1-, 3-, and 5-year periods, respectively.

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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, 2021 was 1.33%, 1.08%, and 1.08%, respectively, but the net annual expense ratio was 1.30%, 1.05%, and 1.05% (includes acquired fund fees of 1.00%, 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. The Adviser reimburses certain Fund expenses pursuant to a contract expiring on August 29, 2033, unless renewed for another 11-year term, 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](http://www.BaronFunds.com) or call 1-800-99BARON.

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> Not annualized.

# Baron WealthBuilder Fund

Baron WealthBuilder Fund is a diversified portfolio of Baron mutual funds. It provides exposure to growth equity investments that fit the consistent Baron investment criteria across market caps, sectors, and geographies. It is intended to mimic how we would invest incremental capital across an array of our products. (Since the Fund's inception in 2017, we have personally made the majority of our new Baron Funds investments in Baron WealthBuilder and are the Fund's largest individual clients.)

We tend to examine performance by breaking down the underlying Funds' growth rates, market caps and geographies. While we believe this format is beneficial for our clients' understanding the Fund's results and construction (and we intend to return to this format), it is important to address more thoroughly the Fund's largest position and quarter's main detractor, Tesla.

Tesla declined 53.6% in the quarter and detracted 5.25% from the Fund's overall performance in the period. This company is predominately held in Baron Partners and Focused Growth Funds. Baron Partners Fund had initiated its position in Tesla in February 2014 at a split-adjusted price of \$11.91. Over the subsequent two years, Baron Partners and Focused Growth Funds acquired 18.0 million shares for an average split-adjusted price of \$14.29.

Tesla produced approximately 35,000 vehicles in 2014, the year of Baron Funds' initial purchase. In 2022, it produced nearly 1.37 million. Not only has its production grown tremendously, but it also has had significant expansion in profitability per vehicle. It has expanded from producing high-performance electric vehicles for wealthy aficionados to a company that produces affordable luxury cars for a sizable audience. In turn, it has transformed that industry. Investors rewarded this expansion in both production and profits, and the stock price increased to \$265.25 at the end of the third quarter. During this time, Baron Partners and Focused Growth Funds sold 5.24 million shares, or 29.1% of their original holding, at an average price of \$226.18.

Investors have recently become concerned about many external factors. Tesla's founder and CEO, Elon Musk's purchase of Twitter has negatively impacted the Tesla brand over the short term. China's COVID policies and outbreak have paused purchases and production in the company's largest region. Global recessionary fears and upcoming Inflation Reduction Act incentives caused some to delay new vehicle purchases in various markets.

We strongly believe Tesla's long-term growth objective remains intact and achievable. We are confident these current issues will eventually be remedied without a long-term impact to the business. Instead, we are focused on the next leg for the company in achieving its stated mission, "to accelerate the world's transition to sustainable energy." We believe the company is taking significant steps towards introducing a lower cost vehicle that will be much more accessible to the mass market, while still achieving enviable profits. We believe this product introduction in 2024 should give investors the reassurance needed to stabilize and stimulate the stock price. It should also lessen the impact of perceived competition, that we expect will be unable to match the new value proposition.

Despite the recent rally in the market, high-growth companies remain out of favor on Wall Street. The underlying Funds that have steadier growth investments, like Baron Growth and Asset Funds, meaningfully outperformed their respective benchmarks. These two Funds, with a combined position size of 29.6%, represent the largest allocation of assets for Baron WealthBuilder Fund as of the end of the year. Performance was led by companies like **Arch Capital Group Ltd.** and **Gartner, Inc.**, that were able to grow despite a challenging environment. There are also strong indicators that this growth could continue. We believe Arch, an insurance provider, is uniquely positioned to benefit from the hardening rate environment. Its conservative hurdles for new policies are now being met because of the improved landscape. The company's property & casualty premiums rose 26% in the prior quarter. While its mortgage insurance business declined because of a lower residential real estate sales and higher interest rates, credit quality is strong given low unemployment and high homeownership equity. Gartner, a leading provider of syndicated research, reported excellent quarterly results. Not only did the company grow in the current period, but leading indicators show it can sustain this growth. Contract value, a predictor of future revenues, was up 14%. The legacy and important conference business, which had declined considerably during the pandemic, had a great rebound in attendance. Interest for the company's products appears high, and the company expanded margins despite hiring new associates.

Conversely, higher growth portfolios like Baron Global Advantage, Fifth Avenue Growth, and Opportunity Funds meaningfully trailed their benchmarks. These three underlying Funds had a combined ending weight of 10.9%. These portfolios performed well during the pandemic, when demand was high for the products and services of these faster growing, often tech-oriented businesses. Slowing growth rates and higher interest rates caused investors to severely cut their valuations. Companies like **ZoomInfo Technologies Inc.** and **CrowdStrike Holdings, Inc.** were impacted by this shift. ZoomInfo operates a cloud-based business-to-business platform that provides sales, marketing, and HR teams with comprehensive business intelligence. The difficult environment for customers is causing reduced spending and longer sales cycles. Although we believe in the company's ability to increase sales of existing products and introduce new solutions, the near term will likely remain difficult. Similarly, CrowdStrike, a provider of cloud-delivered, security solutions, is experiencing longer sales cycles, and customers are delaying the start of subscriptions.

**Table II.**  
**Cumulative performance throughout the pandemic and its aftermath**

	Pre-COVID	COVID Panic	COVID New Normal	Macro-Induced Market Rotation	Worst Time to Buy to Present	Full Period
	12/31/2019 to 2/19/2020	2/19/2020 to 3/23/2020	3/23/2020 to 11/18/2021	11/18/2021 to 12/31/2022	2/19/2020 to 12/31/2022	12/31/2019 to 12/31/2022
Baron WealthBuilder Fund (Institutional Shares)	13.84%	(38.48)%	179.85%	(34.64)%	12.53%	28.11%
S&P 500 Index	5.08%	(33.79)%	115.86%	(16.91)%	18.75%	24.79%
MSCI ACWI Index	2.74%	(33.64)%	102.32%	(18.44)%	9.50%	12.50%
Russell 2000 Growth Index	5.09%	(38.46)%	129.58%	(31.34)%	(2.98)%	1.96%
Russell Midcap Growth Index	6.97%	(35.71)%	134.05%	(30.42)%	4.70%	12.00%

*Performance data quoted represents past performance. Past performance is no guarantee of future results. The indexes are unmanaged. The index performance is not Fund performance; one cannot invest directly into an index.*

Baron WealthBuilder Fund is a compilation of our Baron Funds and provides broad equity exposure. All underlying Baron Funds follow a consistent investment philosophy and process. We do not try to mimic the Indexes, and we do not alter our strategy to coincide with short-term macro events that we regard as unpredictable. We remain focused on underlying business fundamentals.

We believe small- and mid-cap growth stocks offer attractive return potential relative to their risk over the long term. Small- and mid-cap businesses represent 66.8% of the Fund (compared to only 16.2% for the U.S. Index). While our small- and mid-cap growth investments have been successful over our 40-year history, these styles are occasionally out of favor. Today's environment is one of those times. Growth companies largely trailed value in the quarter and throughout 2022, and large caps outperformed smaller caps.

Rather than only examining the Fund's performance over a quarter or a year, we believe it is equally important to see how the Fund has performed over the course of an economic cycle. The COVID Pandemic and subsequent macro-induced market rotation has been very difficult for small- and mid-sized growth companies. Investors have favored larger-cap, value-oriented businesses that are deemed safer during this time of uncertainty. We believe this offers a great opportunity for long-term investors, but we are also aware of managing through this current environment for clients. Markets peaked in late February 2020 before a rapid drop as the economy braced for the uncertain COVID pandemic. It recovered quickly followed by another sizable drop based on macroeconomic factors. The Russell 2000 Growth Index, a small-cap growth index, declined 2.98%, on a cumulative basis, from February 19, 2020 to present. The Russell Midcap Growth Index rose only 4.70% in this period. With that backdrop, the Fund's appreciation of 12.53% is much more attractive. We believe protecting and growing clients' assets during this challenging period positions long-term investors well for meaningful appreciation once the macro landscape changes. Table II provides a more complete look at how the Fund and various indexes performed throughout the pandemic and its aftermath.

We have started to see the performance of some individual securities diverge. Companies that demonstrated continued growth were rewarded, while those that exhibited any weakness were punished. The magnitude of these movements, however, has been unusual. This divergence of returns, we believe, should start to favor growth investors. Approximately 72% of the Fund's underlying positions, on a weighted average basis, appreciated in the quarter.

# Baron WealthBuilder Fund

**Table III.**  
**Baron Funds Performance**  
As of December 31, 2022

## Institutional Share Class Data

% of Net Assets of Fund	Fourth Quarter of 2022*	Annualized 12/29/2017 to 12/31/2022	Primary Benchmark	Fourth Quarter of 2022*	Annualized 12/29/2017 to 12/31/2022	
<b>33.5%</b>	<b>Small Cap</b>					
4.8%	Baron Discovery Fund	0.22%	7.61%	Russell 2000 Growth Index	4.13%	3.51%
15.8%	Baron Growth Fund	11.93%	11.15%			
12.9%	Baron Small Cap Fund	4.24%	7.07%			
<b>6.2%</b>	<b>Small/Mid Cap</b>					
6.2%	Baron Focused Growth Fund	(4.52)%	20.94%	Russell 2500 Growth Index	4.72%	5.97%
<b>13.8%</b>	<b>Mid Cap</b>					
13.8%	Baron Asset Fund	12.21%	9.29%	Russell Midcap Growth Index	6.90%	7.64%
<b>6.1%</b>	<b>Large Cap</b>					
3.6%	Baron Fifth Avenue Growth Fund	(7.06)%	2.48%	Russell 1000 Growth Index	2.20%	10.96%
2.5%	Baron Durable Advantage Fund	4.65%	8.39% <sup>†</sup>	S&P 500 Index	7.56%	8.98% <sup>†</sup>
<b>16.0%</b>	<b>All Cap</b>					
3.7%	Baron Opportunity Fund	(4.54)%	13.11%	Russell 3000 Growth Index	2.31%	10.45%
12.3%	Baron Partners Fund	(19.94)%	21.98%	Russell Midcap Growth Index	6.90%	7.64%
<b>10.0%</b>	<b>International</b>					
3.1%	Baron Emerging Markets Fund	8.58%	(2.70)%	MSCI EM Index	9.70%	(1.40)%
3.5%	Baron Global Advantage Fund	(8.90)%	3.27% <sup>†</sup>	MSCI ACWI Index	9.76%	4.64% <sup>†</sup>
3.4%	Baron International Growth Fund	14.85%	2.17%	MSCI ACWI ex USA Index	14.28%	0.88%
<b>14.3%</b>	<b>Specialty</b>					
6.1%	Baron Real Estate Fund	6.17%	7.65%	MSCI USA IMI Extended Real Estate Index	8.71%	4.73%
2.3%	Baron Real Estate Income Fund	2.10%	(10.14)% <sup>†</sup>	MSCI US REIT Index	4.90%	(5.10)% <sup>†</sup>
3.3%	Baron Health Care Fund	9.08%	13.65% <sup>†</sup>	Russell 3000 Health Care Index	11.54%	10.18% <sup>†</sup>
2.6%	Baron FinTech Fund	4.98%	4.19% <sup>†</sup>	FactSet Global FinTech Index	3.91%	(3.30)% <sup>†</sup>

\* Not annualized.

<sup>†</sup> 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.

Performance data quoted represents past performance. Past performance is no guarantee of future results. 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

Baron WealthBuilder Fund closely mimics how we would incrementally invest across our various funds and strategies. The Fund allows investors to diversify across Baron Funds, gain exposure to various market caps, sectors, and geographies in a single product, and benefit from our rebalancing in a tax efficient manner. The portfolio managers of each underlying Baron Fund abide by the same core investment process and philosophy, focused on proprietary research to discover competitively advantaged businesses with immense opportunities and exceptional management teams. These businesses are led by executives who we think are talented and ethical.

The makeup of the underlying investments is very different from the Fund's key indexes. We feel the diversity in regions and sectors should mitigate risk, while providing strong absolute returns. While holding relatively the same number of securities as its primary benchmark (455 in the underlying Baron Funds vs. 502 in the U.S. Index), the similarities end there. The Fund's total underlying holdings declined by about 10% since the start of 2022 as our underlying Baron Funds have become incrementally more concentrated in higher conviction investments. The holdings in the underlying Baron Funds have a lower dividend yield on average (0.8% vs. 1.8% for the U.S. Index), with companies electing to reinvest earnings in their businesses for growth. And the approach is working; the projected annualized earnings per share growth rate over the next three to five years is 27.6% for the Fund's underlying holdings vs. 11.2% for the U.S. Index. We think that many of our investments could exceed external projections. Many of these businesses have depressed margins as they sacrifice current profitability for more durable and higher long-term growth. We believe higher and prolonged growth should reward long-term investors.

The underlying Baron Funds also favor higher-growth sectors and companies with unique attributes and competitive advantages. Information Technology, Consumer Discretionary, and Financials are among the top sectors by weight in the Fund. Companies in these sectors possess some of the highest growth rates in the global economy. The portfolio is also distinct in its industry weightings. The U.S. Index has a higher share of companies in industries that we believe have lower growth prospects, fewer defensible advantages, and are highly regulated. The U.S. Index has a greater weight in technology hardware storage & peripherals, oil, gas & consumable fuels, and pharmaceuticals. The Fund favors higher growth and competitively advantaged industries like hotels, restaurants & leisure, capital markets, professional services, and IT services. We believe companies in these industries have greater growth potential and advantages that can be maintained over the long term.

The Fund has exposure to non-U.S. companies, while the U.S. Index's constituents are solely domestic. We believe geographic diversity provides benefits, such as lower volatility over time. The Fund is also differentiated from the international coverage of the Global Index. The U.S. is 60.3% of the Global Index compared to 87.2% for the Fund. The non-U.S. exposure for the Global Index is skewed towards slower growth developed countries, whereas the Fund seeks faster growth in emerging economies. Of the Fund's non-U.S. exposure, 40.9% was in emerging and other countries. These markets represented 28.6% of the Global Index's non-U.S. investments. The Global Index had larger exposure to lower growth economies like Japan and France. Of its non-U.S. investments, Japan and France combined represented 21.6% of the Global Index, while only accounting for 5.1% of the Fund. Instead, the Fund favors emerging and fast-growing economies like India and China. Of its non-U.S. investments, China and India combined represented 22.8% of the Fund, while they represented only 13.3% of the Global Index.

We believe our allocations across the underlying Baron Funds, with their industry and geographic diversification, should continue to produce good returns over the long term.

**Table IV.**

Performance based characteristics since inception through December 31, 2022

	Baron WealthBuilder Fund (Institutional Shares)	S&P 500 Index	Morningstar Allocation 85%+ Equity Category
Alpha (%) – Annualized	-0.01	0.00	-4.25
Beta	1.18	1.00	0.92
Sharpe Ratio	0.38	0.44	0.16
Standard Deviation (%) – Annualized	23.97	18.69	17.54
Upside Capture (%)	110.76	100.00	81.56
Downside Capture (%)	110.63	100.00	96.91

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

**Table V.**

Sector exposures as of December 31, 2022

	Percent of Net Assets	S&P 500 Index	MSCI ACWI Index
Information Technology	20.9%	25.7%	20.0%
Consumer Discretionary	18.9	9.8	10.4
Financials	16.7	11.7	15.2
Health Care	14.7	15.8	13.4
Industrials	14.5	8.7	10.2
Real Estate	6.9	2.7	2.6
Communication Services	4.8	7.3	6.8
Materials	1.3	2.7	5.0
Consumer Staples	0.7	7.2	7.7
Energy	0.3	5.2	5.6
Utilities	0.1	3.2	3.2
Unclassified	0.1	–	–

**Table VI.**

Country exposures as of December 31, 2022

	Percent of Net Assets	S&P 500 Index	MSCI ACWI Index
United States	87.2%	100.0%	60.3%
United Kingdom	1.8	–	3.9
Netherlands	1.7	–	1.1
China	1.5	–	3.7
India	1.4	–	1.6
Canada	1.3	–	3.1
Ireland	0.6	–	0.2
Argentina	0.5	–	0.1
Korea	0.5	–	1.3
Brazil	0.4	–	0.6
Other	3.1	–	24.3

# Baron WealthBuilder Fund

**Table VII.**  
**Fund of fund holdings as of December 31, 2022**

	<b>Percent of Net Assets</b>
Baron Growth Fund	15.8%
Baron Asset Fund	13.8
Baron Small Cap Fund	12.9
Baron Partners Fund	12.3
Baron Focused Growth Fund	6.2
Baron Real Estate Fund	6.1
Baron Discovery Fund	4.8
Baron Opportunity Fund	3.7
Baron Fifth Avenue Growth Fund	3.6
Baron Global Advantage Fund	3.5
Baron International Growth Fund	3.4
Baron Health Care Fund	3.3
Baron Emerging Markets Fund	3.1
Baron FinTech Fund	2.6
Baron Durable Advantage Fund	2.5
Baron Real Estate Income Fund	2.3

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 providing 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 the Funds' distributor, Baron Capital, Inc., by calling 1-800-99BARON or visiting [www.BaronFunds.com](http://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.

**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. **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).

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## Baron Funds (Institutional Shares) and Benchmark Performance 12/31/2022

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		
<b>SMALL CAP</b>										
Baron Growth Fund	Russell 2000 Growth Index	12.80%	7.30%	12/31/1994	-22.40%	7.45%	11.15%	12.33%	1.04% <sup>(3)</sup>	\$6.86 billion
Baron Small Cap Fund†	Russell 2000 Growth Index	9.55%	5.65%	9/30/1997	-31.05%	3.96%	7.07%	10.21%	1.04% <sup>(3)</sup>	\$3.93 billion
Baron Discovery Fund†	Russell 2000 Growth Index	11.37%	6.69%	9/30/2013	-35.12%	4.17%	7.61%	N/A	1.06% <sup>(3)</sup>	\$1.15 billion
<b>SMALL/MID CAP</b>										
Baron Focused Growth Fund <sup>(1)</sup>	Russell 2500 Growth Index	12.84%	7.65%	5/31/1996	-28.14%	24.02%	20.94%	15.39%	1.05% <sup>(4)</sup>	\$727.52 million
<b>MID CAP</b>										
Baron Asset Fund	Russell Midcap Growth Index	11.21%	9.79% <sup>(2)</sup>	6/12/1987	-25.87%	4.12%	9.29%	12.40%	1.04% <sup>(3)</sup>	\$4.35 billion
<b>LARGE CAP</b>										
Baron Fifth Avenue Growth Fund†	Russell 1000 Growth Index	7.06%	10.05%	4/30/2004	-50.49%	-6.01%	2.48%	9.39%	0.76%/0.75% <sup>(3)(6)</sup>	\$328.58 million
Baron Durable Advantage Fund	S&P 500 Index	9.37%	9.42%	12/29/2017	-24.81%	6.14%	9.37%	N/A	1.10%/0.70% <sup>(3)(7)</sup>	\$50.61 million
<b>ALL CAP</b>										
Baron Partners Fund <sup>(1)</sup>	Russell Midcap Growth Index	14.35%	9.43%	1/31/1992	-42.41%	23.65%	21.98%	19.49%	1.11% <sup>(4)(5)</sup>	\$4.83 billion
Baron Opportunity Fund†	Russell 3000 Growth Index	7.63%	5.45%	2/29/2000	-42.83%	6.71%	13.11%	13.13%	1.05% <sup>(3)</sup>	\$762.75 million
<b>INTERNATIONAL</b>										
Baron Emerging Markets Fund†	MSCI EM Index	2.77%	0.89%	12/31/2010	-25.82%	-3.44%	-2.70%	3.10%	1.08% <sup>(4)</sup>	\$4.77 billion
Baron Global Advantage Fund†	MSCI ACWI Index	9.23%	7.95%	4/30/2012	-51.57%	-4.28%	4.21%	9.43%	0.90% <sup>(4)(8)</sup>	\$770.73 million
Baron International Growth Fund†	MSCI ACWI ex USA Index	9.04%	6.13%	12/31/2008	-27.29%	1.49%	2.17%	6.50%	0.96%/0.95% <sup>(4)(9)</sup>	\$482.66 million
Baron New Asia Fund	MSCI AC Asia ex Japan Index	-18.92%	-16.27%	7/30/2021	-26.94%	N/A	N/A	N/A	8.59%/1.20% <sup>(4)(10)</sup>	\$3.74 million
<b>SECTOR</b>										
Baron Real Estate Fund	MSCI USA IMI Extended Real Estate Index	12.94%	10.20%	12/31/2009	-28.44%	8.69%	7.65%	10.28%	1.05% <sup>(4)</sup>	\$1.28 billion
Baron Real Estate Income Fund	MSCI US REIT Index	6.91%	2.48%	12/29/2017	-27.47%	4.75%	6.91%	N/A	1.08%/0.80% <sup>(4)(11)</sup>	\$77.32 million
Baron Health Care Fund†	Russell 3000 Health Care Index	13.90%	12.06%	4/30/2018	-16.90%	12.41%	N/A	N/A	0.89%/0.85% <sup>(4)(12)</sup>	\$210.01 million
Baron FinTech Fund†	S&P 500 Index	4.24%	7.66%	12/31/2019	-33.30%	4.24%	N/A	N/A	1.18%/0.95% <sup>(4)(13)</sup>	\$42.60 million
Baron Technology Fund	MSCI ACWI Information Technology Index	-44.30%	-31.07%	12/31/2021	-44.30%	N/A	N/A	N/A	1.73%/0.95% <sup>(4)(14)</sup>	\$3.31 million
<b>EQUITY ALLOCATION</b>										
Baron WealthBuilder Fund	S&P 500 Index	10.36%	9.42%	12/29/2017	-32.59%	8.61%	10.36%	N/A	1.08%/1.05% <sup>(4)(15)</sup>	\$426.44 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 December 31, 2022.

(3) As of 9/30/2022.

(4) As of 12/31/2021.

(5) Comprised of operating expenses of 1.05% and interest expenses of 0.06%.

(6) Annual expense ratio was 0.76%, but the net annual expense ratio was 0.75% (net of Adviser's fee waivers).

(7) Annual expense ratio was 1.10%, but the net annual expense ratio was 0.70% (net of Adviser's fee waivers).

(8) Annual expense ratio was 0.90%, but the net annual expense ratio was 0.90% (net of Adviser's fee waivers). Expense reimbursement was less than 0.01%.

(9) Annual expense ratio was 0.96%, but the net annual expense ratio was 0.95% (net of Adviser's fee waivers).

(10) Annual expense ratio was 8.59%, but the net annual expense ratio was 1.20% (net of Adviser's fee waivers).

(11) Annual expense ratio was 1.08%, but the net annual expense ratio was 0.80% (net of Adviser's fee waivers).

(12) Annual expense ratio was 0.89%, but the net annual expense ratio was 0.85% (net of Adviser's fee waivers).

(13) Annual expense ratio was 1.18%, but the net annual expense ratio was 0.95% (net of Adviser's fee waivers).

(14) Expense ratios are estimated for the current fiscal year.

(15) Annual expense ratio was 1.08%, but the net annual expense ratio was 1.05% (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.