

# BARON EMERGING MARKETS FUND



September 30, 2023

Institutional Shares (BEXIX)

CUSIP 06828M876



## Portfolio Manager

Michael Kass joined Baron Capital in 2007 and was named portfolio manager of Baron International Growth Fund in 2008, Baron Emerging Markets Fund in 2010, and Baron New Asia Fund in 2021. He has 36 years of research experience.

## Portfolio Facts and Characteristics

Inception Date	December 31, 2010
Net Assets	\$4.54 billion
# of Issuers / % of Net Assets	89 / 93.8%
Turnover (3 Year Average)	37.69%
Active Share	72.9%
Median Market Cap <sup>2</sup>	\$12.35 billion
Weighted Average Market Cap <sup>2</sup>	\$91.49 billion

## As of FYE 12/31/2022

Expense Ratio	1.12%
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Retail: BEXFX  
R6: BEXUX

## Top 10 Holdings<sup>4</sup>

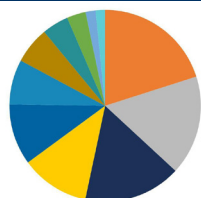
	% of Net Assets
Taiwan Semiconductor Manufacturing Company Limited	5.9
Samsung Electronics Co., Ltd.	4.6
Alibaba Group Holding Limited	4.1
Tencent Holdings Limited	3.7
Bajaj Finance Limited	2.6
Suzano S.A.	2.3
HDFC Bank Limited	2.1
HD Korea Shipbuilding & Offshore Engineering Co., Ltd.	2.1
Tata Communications Limited	1.9
PT Bank Rakyat Indonesia (Persero) Tbk	1.7
<b>Total</b>	<b>30.9</b>

## Investment Strategy

The Fund primarily holds emerging market companies of all sizes with significant growth potential. The Fund may have up to 20% in developed and frontier countries. Diversified.

	Value	Blend	Growth
Large			
Medium			
Small			

## GICS Sector Breakdown<sup>1,4</sup>



- Financials 20.1%
- Consumer Discretionary 16.8%
- Information Technology 16.5%
- Industrials 11.6%
- Communication Services 10.3%
- Consumer Staples 7.6%
- Cash & Cash Equivalents 6.2%
- Materials 4.5%
- Health Care 3.2%
- Energy 1.7%
- Real Estate 1.6%

## Top GICS Sub-Industry Breakdown<sup>1</sup>

Diversified Banks	7.0%
Semiconductors	6.3%
Broadline Retail	6.2%
Interactive Media & Services	5.9%
Technology Hardware, Storage & Peripherals	4.6%
Restaurants	3.8%
Consumer Finance	3.4%
Life & Health Insurance	3.2%
Construction Machinery & Heavy Trans. Equipment	3.1%
Industrial Machinery & Supplies & Components	2.8%

Colors of Sub-Industry bars correspond to sector chart.

## Performance

	Total Return (%)		Annualized Returns (%)				Since Inception 12/31/2010
	QTD	YTD	1 Year	3 Years	5 Years	10 Years	
BEXIX-Institutional Shares	-4.89	1.38	10.07	-5.24	0.36	2.29	2.71
MSCI EM Index	-2.93	1.82	11.70	-1.73	0.55	2.07	0.98
MSCI EM IMI Growth Index	-3.99	0.34	9.65	-5.43	1.37	2.96	1.82
Morningstar Diversified Emerging Mkts Category Average	-2.96	3.99	13.97	-0.35	1.45	2.09	0.80

## Historical Performance (Calendar Year %)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
BEXIX-Institutional Shares	-25.82	-6.07	29.22	18.86	-18.49	40.63	4.08	-10.97	3.75
MSCI EM Index	-20.09	-2.54	18.31	18.42	-14.58	37.28	11.19	-14.92	-2.19
MSCI EM IMI Growth Index	-23.88	-5.50	30.75	23.60	-18.44	44.70	5.84	-10.51	-0.15

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 may reimburse certain Fund expenses pursuant to a contract expiring on August 29, 2034, 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 [baronfunds.com](http://baronfunds.com) or call 1-800-99-BARON.

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## Performance Based Characteristics<sup>3</sup>

	3 Years	5 Years	10 Years
Std. Dev. (%) - Annualized	18.08	20.27	16.64
Sharpe Ratio	-0.39	-0.07	0.07
Alpha (%) - Annualized	-3.55	-0.01	0.45
Beta	0.98	1.02	0.92
R-Squared (%)	93.39	93.07	88.35
Tracking Error (%)	4.67	5.34	5.85
Information Ratio	-0.75	-0.04	0.04
Upside Capture (%)	91.21	100.18	89.92
Downside Capture (%)	106.92	100.93	88.37

## Country Breakdown<sup>4, 5</sup>

	% of Net Assets		% of Net Assets		% of Net Assets
<b>Emerging</b>	<b>90.4</b>	Poland	1.8	France	0.6
China	27.8	Indonesia	1.7	Spain	0.1
India	27.2	South Africa	1.1	<b>Other</b>	<b>0.0</b>
Korea	10.4	Peru	1.0	Russia	0.0
Taiwan	7.4	United Arab Emirates	0.3		
Brazil	7.0	<b>Developed</b>	<b>3.4</b>		
Mexico	2.6	Hong Kong	2.0		
Philippines	2.1	Japan	0.7		

## Top Contributors/Detractors to Performance<sup>2</sup>

### BY SUB-INDUSTRIES<sup>1</sup>

Top Contributors	Average Weight (%)	Contribution (%)
Paper Products	2.06	0.30
Integrated Telecommunication Services	1.61	0.28
Restaurants	3.47	0.26

Top Detractors	Average Weight (%)	Contribution (%)
Semiconductors	6.15	-0.75
Diversified Banks	7.16	-0.57
Industrial Machinery & Supplies & Components	3.23	-0.42

### BY HOLDINGS

Top Contributors	Average Weight (%)	Contribution (%)
Suzano S.A.	2.06	0.30
Tata Communications Limited	1.61	0.28
Bundl Technologies Private Limited	1.43	0.26

Top Detractors	Average Weight (%)	Contribution (%)
Taiwan Semiconductor Manufacturing Company Limited	5.70	-0.73
Samsung Electronics Co., Ltd.	4.55	-0.35
Tencent Holdings Limited	3.90	-0.34

**1** - The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and S&P Global Market Intelligence ("S&P") and is licensed for use by BAMCO, Inc. and Baron Capital Management, Inc. (each an "Adviser" and collectively "Baron Capital" or the "Firm"). Neither MSCI, S&P nor any other party involved in making or compiling the GICS or any GICS classification makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard classification. Without limiting any of the foregoing, in no event shall MSCI, S&P any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. All GICS structure changes that have occurred since 2016 have been applied retroactively in historical holdings-based analyses, including performance attribution. The Adviser may have reclassified/classified certain securities in or out of a sub-industry within a sector. Such reclassifications are not supported by S&P or MSCI. **2** - Source: FactSet PA and Baron Capital. **3** - Source: FactSet SPAR. Except for Standard Deviation and Sharpe Ratio, the performance based characteristics above were calculated relative to the Fund's benchmark. **4** - Individual weights may not sum to the total due to rounding. **5** - Balance of net assets was held in cash, cash equivalents, and two Russian issuers.

**Risks:** In addition to the general stock market risk that securities may fluctuate in value, investments in developing countries may have increased risks due to a greater possibility of: settlement delays; currency and capital controls; interest rate sensitivity; corruption and crime; exchange rate volatility; and inflation or deflation. The Fund invests in companies of all sizes, including small and medium sized companies whose securities may be thinly traded and more difficult to sell during market downturns. The Fund may not achieve its objectives. Portfolio holdings may change over time.

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

The Fund's 5- and 10-year historical performance was impacted by gains from IPOs and 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.

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