

BARON FOCUSED GROWTH FUND



December 31, 2023

Institutional Shares (BFGIX)

CUSIP 06828M504



Portfolio Managers

Ron Baron founded Baron Capital in 1982. He has been portfolio manager of Baron Partners Fund since 1992, Baron Growth Fund since 1994, Baron Focused Growth Fund since 1996, and Baron WealthBuilder Fund since 2017. Ron has 54 years of research experience.

David Baron joined Baron Capital in 2005 as a research analyst and was named portfolio manager of Baron Focused Growth Fund in 2018. He has 22 years of research experience.

Investment Strategy

The portfolio managers purchase small- and mid-sized U.S. companies that have significant growth potential with the intention of holding them for the long term. A substantial percentage of the Fund's assets are in its top 10 holdings. Non-diversified.

Value	Blend	Growth	
			Large
			Medium
			Small

Portfolio Facts and Characteristics

Inception Date	May 31, 1996
Net Assets	\$1.34 billion
# of Issuers / % of Net Assets	31 / 99.5%
Turnover (3 Year Average)	24.49%
Active Share	98.5%
Median Market Cap ²	\$18.12 billion
Weighted Average Market Cap ²	\$124.72 billion

As of FYE 12/31/2022

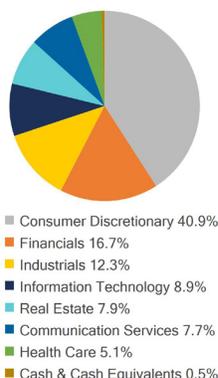
Expense Ratio	1.06%
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R6: BFGUX
Retail: BFGFX

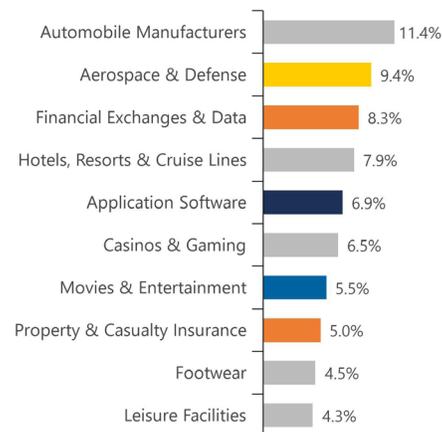
Top 10 Holdings⁴

	% of Net Assets
Tesla, Inc.	11.4
Space Exploration Technologies Corp.	9.4
Arch Capital Group Ltd.	5.0
Hyatt Hotels Corporation	4.9
FactSet Research Systems Inc.	4.5
Vail Resorts, Inc.	4.3
Guidewire Software, Inc.	4.3
CoStar Group, Inc.	4.2
MSCI Inc.	3.8
Red Rock Resorts, Inc.	3.8
Total	55.6

GICS Sector Breakdown^{1,4}



Top GICS Sub-Industry Breakdown¹



Colors of Sub-Industry bars correspond to sector chart.

Performance

	Total Return (%)		Annualized Returns (%)				
	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception 5/31/1996
BFGIX-Institutional Shares	9.74	27.78	27.78	3.05	26.01	15.54	13.35
Russell 2500 Growth Index	12.59	18.93	18.93	-2.68	11.43	8.78	8.04
S&P 500 Index	11.69	26.29	26.29	10.00	15.69	12.03	9.39
Morningstar Mid-Cap Growth Category Average	12.38	21.37	21.37	-0.86	12.46	9.23	-

Historical Performance(Calendar Year %)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
BFGIX-Institutional Shares	27.78	-28.14	19.16	122.75	30.33	4.07	26.59	0.97	-2.12	2.54
Russell 2500 Growth Index	18.93	-26.21	5.04	40.47	32.65	-7.47	24.46	9.73	-0.19	7.05
S&P 500 Index	26.29	-18.11	28.71	18.40	31.49	-4.38	21.83	11.96	1.38	13.69

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 or call 1-800-99-BARON.

Performance Based Characteristics³

	Std. Dev. (%) - Annualized	Sharpe Ratio	Alpha (%) - Annualized	Beta	R-Squared (%)	Tracking Error (%)	Information Ratio	Upside Capture (%)	Downside Capture (%)
3 Years	23.21	0.03	6.24	0.97	79.41	10.55	0.54	105.98	87.09
5 Years	30.62	0.79	13.88	1.08	68.34	17.34	0.84	129.02	93.07
10 Years	24.05	0.59	6.99	1.02	68.15	13.58	0.50	113.93	91.16
Since Inception	22.90	0.49	6.83	0.84	66.41	13.77	0.39	98.23	79.74

Top Contributors/Detractors to Performance²

BY SUB-INDUSTRIES¹

Top Contributors	Average Weight (%)	Contribution (%)
Aerospace & Defense	8.45	2.41
Casinos & Gaming	5.36	1.43
Application Software	6.56	1.30

Top Detractors	Average Weight (%)	Contribution (%)
Automobile Manufacturers	12.32	-0.51
Alternative Carriers	2.43	-0.35
Property & Casualty Insurance	6.18	-0.31

BY HOLDINGS

Top Contributors	Average Weight (%)	Contribution (%)
Space Exploration Technologies Corp.	8.45	2.41
Hyatt Hotels Corporation	4.74	1.07
Red Rock Resorts, Inc.	3.33	0.95

Top Detractors	Average Weight (%)	Contribution (%)
Marriott Vacations Worldwide Corporation	0.92	-0.53
Iridium Communications Inc.	2.43	-0.35
Arch Capital Group Ltd.	6.18	-0.31

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.

Risks: The Fund is non-diversified which means, in addition to increased volatility of the Fund's returns, it will likely have a greater percentage of its assets in a single issuer or a small number of issuers, including in a particular industry than a diversified fund. Single issuer risk is the possibility that factors specific to an issuer to which the Fund is exposed will affect the market prices of the issuer's securities and therefore the net asset value of the Fund. As of the most recent quarter-end, about 11% of the Fund's net assets are invested in Tesla stock. Therefore, the Fund is exposed to the risk that were Tesla stock to lose significant value, which could happen rapidly, the Fund's performance would be adversely affected. Specific risks associated with investing in small and medium-sized companies include that the 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.

Performance reflects the actual fees and expenses that were charged when the Fund was a partnership. The predecessor partnership charged a 15% performance fee through 2003 after reaching a certain performance benchmark. If the annual returns for the Fund did not reflect the performance fees for the years the predecessor partnership charged a performance fee, the returns would be higher. The Fund's shareholders will not be charged a performance fee. The performance is only for the periods before the Fund's registration statement was effective, which was June 30, 2008. 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.

Performance for the Institutional Shares prior to 5/29/2009 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 5/29/2009 did not reflect this fee, the returns would be higher.

Definitions (provided by BAMCO, Inc.): **The Russell 2500™ Growth Index** measures the performance of small to medium-sized U.S. companies that are classified as growth. The **S&P 500 Index** measures the performance of 500 widely held large-cap U.S. companies. All rights in the FTSE Russell Index (the "Index") vest in the relevant LSE Group company which owns the Index. Russell® is a trade mark of the relevant LSE Group company and is used by any other LSE Group company under license. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. The Fund includes reinvestment of dividends, net of withholding taxes, while the Russell 2500® Growth Index and S&P 500 Index include reinvestment of dividends before taxes. Reinvestment of dividends positively impacts the performance results. The indexes are unmanaged. Index performance is not Fund performance. Investors cannot invest directly in an index. Morningstar calculates the **Morningstar Mid-Cap Growth Category Average** performance and rankings using its Fractional Weighting methodology. © 2024 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its affiliates or content providers; (2) may not be copied, adapted or distributed; (3) is not warranted to be accurate, complete or timely; and (4) does not constitute advice of any kind, whether investment, tax, legal or otherwise. User is solely responsible for ensuring that any use of this information complies with all laws, regulations and restrictions applicable to it. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. **MORNINGSTAR IS NOT RESPONSIBLE FOR ANY DELETION, DAMAGE, LOSS OR FAILURE TO STORE ANY PRODUCT OUTPUT, COMPANY CONTENT OR OTHER CONTENT.** **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). **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. **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. **R-Squared:** measures how closely a fund's performance correlates to the performance of the benchmark index, and thus is a measurement of what portion of its performance can be explained by the performance of the index. Values for R-Squared range from 0 to 100, where 0 indicates no correlation and 100 indicates perfect correlation. **Tracking Error:** measures how closely a fund's return follows the benchmark index returns. It is calculated as the annualized standard deviation of the difference between the fund and the index returns. **Information Ratio:** measures the excess return of a fund divided by the amount of risk the fund takes relative to the benchmark index. The higher the information ratio, the higher the excess return expected of the fund, given the amount of risk involved. **Upside Capture:** explains how well a fund performs in time periods where the benchmark's returns are greater than zero. **Downside Capture:** explains how well a fund performs in time periods where the benchmark's returns are less than zero. **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.

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