

BARON SMALL CAP FUND

September 30, 2023

Institutional Shares (BSFIX)

CUSIP 068278803



Portfolio Manager

Cliff Greenberg joined Baron Capital in 1997 as the portfolio manager for Baron Small Cap Fund. In 2020, he was named co-chief investment officer. He has 39 years of research experience.

Portfolio Facts and Characteristics

| | |
|--|--------------------|
| Inception Date | September 30, 1997 |
| Net Assets | \$4.22 billion |
| # of Issuers / % of Net Assets | 63 / 96.6% |
| Turnover (3 Year Average) | 14.74% |
| Active Share | 96.2% |
| Median Market Cap ² | \$4.68 billion |
| Weighted Average Market Cap ² | \$10.87 billion |

As of FYE 9/30/2022

| | |
|---------------|-------|
| Expense Ratio | 1.04% |
|---------------|-------|

Retail: BSCFX
R6: BSCUX

Top 10 Holdings⁴

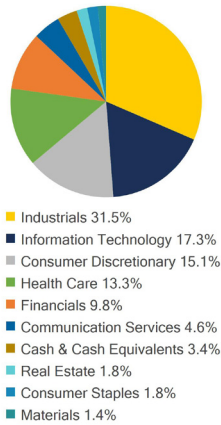
| | % of Net Assets |
|--------------------------------|-----------------|
| Vertiv Holdings Co | 6.3 |
| Gartner, Inc. | 5.5 |
| Kinsale Capital Group, Inc. | 4.7 |
| ICON Plc | 4.1 |
| SiteOne Landscape Supply, Inc. | 3.7 |
| ASGN Incorporated | 3.4 |
| Chart Industries, Inc. | 3.0 |
| Red Rock Resorts, Inc. | 2.9 |
| Floor & Decor Holdings, Inc. | 2.7 |
| Guidewire Software, Inc. | 2.6 |
| Total | 38.8 |

Investment Strategy

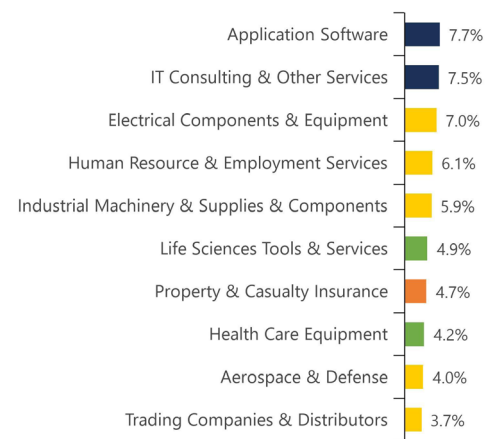
The portfolio manager purchases high-quality small-sized U.S. companies that are market leaders with significant growth potential and intends to hold them for the long term. Diversified.

| Value | Blend | Growth | |
|-------|-------|--------|--------|
| | | | Large |
| | | | Medium |
| | | | Small |

GICS Sector Breakdown^{1, 4}



Top GICS Sub-Industry Breakdown¹



Colors of Sub-Industry bars correspond to sector chart.

Performance

| | Total Return (%) | | Annualized Returns (%) | | | | Since Inception 9/30/1997 |
|---|------------------|-------|------------------------|---------|---------|----------|------------------------------|
| | QTD | YTD | 1 Year | 3 Years | 5 Years | 10 Years | |
| BSFIX-Institutional Shares | -3.11 | 12.92 | 17.71 | 1.97 | 5.94 | 9.06 | 9.78 |
| Russell 2000 Growth Index | -7.32 | 5.24 | 9.59 | 1.09 | 1.55 | 6.72 | 5.69 |
| S&P 500 Index | -3.27 | 13.07 | 21.62 | 10.15 | 9.92 | 11.91 | 7.96 |
| Morningstar Small Growth Category Average | -6.52 | 4.67 | 9.12 | 2.25 | 3.74 | 7.78 | 6.96 |

Historical Performance (Calendar Year %)

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|----------------------------|--------|-------|-------|-------|-------|-------|-------|-------|-------|
| BSFIX-Institutional Shares | -31.05 | 15.84 | 40.68 | 34.87 | -7.13 | 27.45 | 10.26 | -5.01 | 1.95 |
| Russell 2000 Growth Index | -26.36 | 2.83 | 34.63 | 28.48 | -9.31 | 22.17 | 11.32 | -1.38 | 5.60 |
| S&P 500 Index | -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 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 | 22.79 | 0.01 | 1.17 | 0.91 | 84.40 | 9.22 | 0.10 | 92.39 | 89.57 |
| 5 Years | 25.38 | 0.17 | 4.62 | 0.98 | 90.27 | 7.94 | 0.55 | 101.03 | 88.21 |
| 10 Years | 19.76 | 0.40 | 2.77 | 0.93 | 88.93 | 6.73 | 0.35 | 95.03 | 84.71 |

Top Contributors/Detractors to Performance²

BY SUB-INDUSTRIES¹

| Top Contributors | Average Weight (%) | Contribution (%) |
|-----------------------------------|--------------------|------------------|
| Electrical Components & Equipment | 6.44 | 1.73 |
| Application Software | 7.13 | 0.48 |
| Property & Casualty Insurance | 4.33 | 0.42 |

| Top Detractors | Average Weight (%) | Contribution (%) |
|------------------------------------|--------------------|------------------|
| Health Care Equipment | 4.60 | -0.99 |
| Diversified Support Services | 0.95 | -0.73 |
| Electronic Equipment & Instruments | 1.67 | -0.43 |

BY HOLDINGS

| Top Contributors | Average Weight (%) | Contribution (%) |
|-----------------------------|--------------------|------------------|
| Vertiv Holdings Co | 5.54 | 2.03 |
| Kinsale Capital Group, Inc. | 4.33 | 0.42 |
| Guidewire Software, Inc. | 2.30 | 0.36 |

| Top Detractors | Average Weight (%) | Contribution (%) |
|-------------------------------|--------------------|------------------|
| Driven Brands Holdings Inc. | 0.95 | -0.73 |
| Inspire Medical Systems, Inc. | 1.29 | -0.61 |
| Cognex Corporation | 1.67 | -0.43 |

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: Specific risks associated with investing in smaller companies include that the securities may be thinly traded and more difficult to sell during market downturns. Even though the Fund is diversified, it may establish significant positions where the Adviser has the greatest conviction. This could increase volatility of the Fund's returns. 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 3-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.

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.

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