

# BARON PARTNERS FUND

December 31, 2021

Institutional Shares (BPTIX)



## Portfolio Managers

Ron Baron is Baron Capital's founder, chairman, and CEO. He has 52 years of research and investment experience.

Michael Baron joined Baron in 2004 as a research analyst and was named co-portfolio manager of Baron WealthBuilder Fund in 2020 and Baron Partners Fund in 2018. He has 19 years of research experience.

Please visit our website for details on their experience and education.

## Investment Principles

- Long-term perspective allows us to think like an owner of a business
- Independent and exhaustive research is essential to understanding the long-term fundamental growth prospects of a business
- We seek open-ended growth opportunities, exceptional leadership, and durable competitive advantages
- Purchase price and risk management are integral to our investment process

## Investment Strategy

This is a focused Fund that invests mainly in U.S. companies of any size with significant growth potential. A substantial percentage of the Fund's assets are in its top 10 holdings. It also uses leverage. Non-diversified.

Value	Blend	Growth	
			Large
			Medium
			Small

## Portfolio Facts and Characteristics

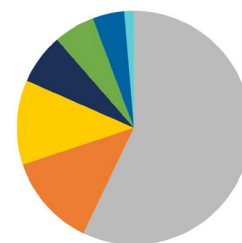
Inception Date	January 31, 1992
Net Assets	\$8.66 billion
# of Issuers / % of Net Assets	34 / 106.5%
Turnover (3 Year Average)	9.27%
Active Share	94.6%
Median Market Cap <sup>4</sup>	\$14.98 billion
Weighted Average Market Cap <sup>4</sup>	\$523.70 billion
<b>As of FYE 12/31/2020</b>	<b>Institutional Shares</b>
CUSIP	06828M405
Expense Ratio*	1.30%

\*The Expense Ratio includes 1.05% of operating expense and 0.25% of interest expense. Retail and R6 Shares are also available for this Fund.

## Top 10 Holdings<sup>2</sup>

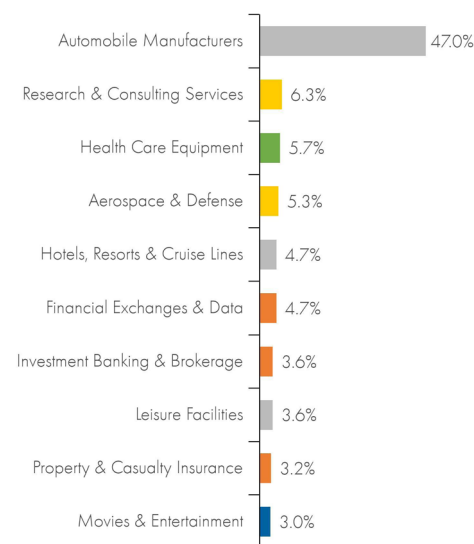
	% of Total Investments
Tesla, Inc.	47.0
CoStar Group, Inc.	6.3
IDEXX Laboratories, Inc.	5.7
Space Exploration Technologies Corp.	4.8
FactSet Research Systems, Inc.	3.7
The Charles Schwab Corp.	3.6
Vail Resorts, Inc.	3.6
Hyatt Hotels Corp.	3.4
Arch Capital Group Ltd.	3.2
Gartner, Inc.	2.5
<b>Total</b>	<b>83.8</b>
Long Equity Exposure (% of Net Assets)	106.5
Cash & Equivalents (% of Net Assets)	-6.5

## GICS Sector Breakdown<sup>1,2</sup>



Consumer Discretionary	57.1%
Financials	12.8%
Industrials	11.7%
Information Technology	7.0%
Health Care	5.7%
Communication Services	4.4%
Real Estate	1.3%

## Top GICS Sub-Industry Breakdown<sup>1,2</sup>



Colors of Sub-Industry bars correspond to sector chart above.

## Risks

**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 date of the latest prospectus supplement, about 40% of the Fund's 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 leverage include increased volatility of the Fund's returns and exposure of the Fund to greater risk of loss in any given period.



## Historical Performance(Calendar Year %)

Year	BPTIX	Russell Midcap Growth Index	S&P 500 Index
2012	16.70	15.81	16.00
2013	48.02	35.74	32.39
2014	10.56	11.90	13.69
2015	-2.43	-0.20	1.38
2016	4.29	7.33	11.96
2017	31.91	25.27	21.83
2018	-1.75	-4.75	-4.38
2019	45.38	35.47	31.49
2020	149.18	35.59	18.40
2021	31.73	12.73	28.71

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

	3 Years	5 Years	10 Years	Since Inception
Std. Dev. (%) - Annualized	39.59	32.92	26.01	26.24
Sharpe Ratio	1.70	1.30	1.06	0.56
Alpha (%) - Annualized	22.42	14.21	5.57	5.89
Beta	1.51	1.45	1.38	1.10
R-Squared (%)	60.92	62.03	64.58	66.53
Tracking Error (%)	26.86	21.82	16.51	15.30
Information Ratio	1.52	1.11	0.70	0.40
Upside Capture (%)	184.04	170.29	146.88	125.51
Downside Capture (%)	126.44	125.16	125.55	110.87

## Performance

	Total Return (%)				Annualized Returns (%)					Cumulative Returns (%)
	4th Q 2021	3rd Q 2021	2nd Q 2021	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception 1/31/1992	Since Inception 1/31/1992
BPTIX-Institutional Shares	19.54	5.52	4.83	31.73	31.73	68.36	43.97	28.23	1700	10867.28
Russell Midcap Growth Index	2.85	-0.76	11.07	12.73	12.73	27.46	19.83	16.63	10.91	2113.94
S&P 500 Index	11.03	0.58	8.55	28.71	28.71	26.07	18.47	16.55	10.75	2021.69
Morningstar Large Growth Category Average	6.91	-0.07	10.28	20.45	20.45	29.54	22.39	17.65	N/A	N/A

## Top Contributors/Detractors to Performance<sup>4</sup>

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

Top Contributors	Average Weight(%)	Contribution(%)
Automobile Manufacturers	49.17	14.83
Aerospace & Defense	5.70	1.91
Hotels, Resorts & Cruise Lines	4.70	0.97
Financial Exchanges & Data	4.86	0.83
Investment Banking & Brokerage	3.77	0.69

Top Detractors	Average Weight(%)	Contribution(%)
Real Estate Services	0.16	-1.01
Research & Consulting Services	7.40	-0.23
Movies & Entertainment	3.53	-0.16
Interactive Home Entertainment	0.39	-0.12
Application Software	2.28	-0.08

### BY HOLDINGS

Top Contributors	Average Weight(%)	Contribution(%)
Tesla, Inc.	49.17	14.83
Space Exploration Technologies Corp.	5.23	1.92
Hyatt Hotels Corp.	3.36	0.87
FactSet Research Systems, Inc.	3.74	0.81
The Charles Schwab Corp.	3.77	0.69

Top Detractors	Average Weight(%)	Contribution(%)
Zillow Group, Inc.	1.20	-0.44
Manchester United plc	0.95	-0.36
CoStar Group, Inc.	7.40	-0.23
Activision Blizzard, Inc.	0.39	-0.12
RingCentral, Inc.	0.83	-0.08

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 Baron Fund expenses pursuant to a contract expiring on August 29, 2032, 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 [www.BaronFunds.com](http://www.BaronFunds.com) or call 1-800-99BARON. Investors should consider the investment objectives, risks, charges, and expenses of the Fund carefully before investing. The prospectus and summary prospectus contain this and other information about the Fund and can be obtained from the Fund's distributor, Baron Capital, Inc., by calling 1-800-99BARON or visiting [www.BaronFunds.com](http://www.BaronFunds.com). Please read them carefully before investing.

1 - Industry sector or sub-industry group levels are provided from the Global Industry Classification Standard ("GICS"), developed and exclusively owned by MSCI, Inc. ("MSCI") and Standard & Poor's Financial Services LLC ("S&P"). All GICS data is provided "as is" with no warranties. The Adviser may have reclassified/classified certain securities in or out of a sub-industry. Such reclassifications are not supported by S&P or MSCI.

2 - The Fund's top 10 holdings and the sector and sub-industry breakdowns are expressed as a percentage of the Fund's long positions. These percentages may change over time.

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 - Source: FactSet PA and BAMCO.

The Fund may not achieve its objectives. Portfolio holdings may change over time.

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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