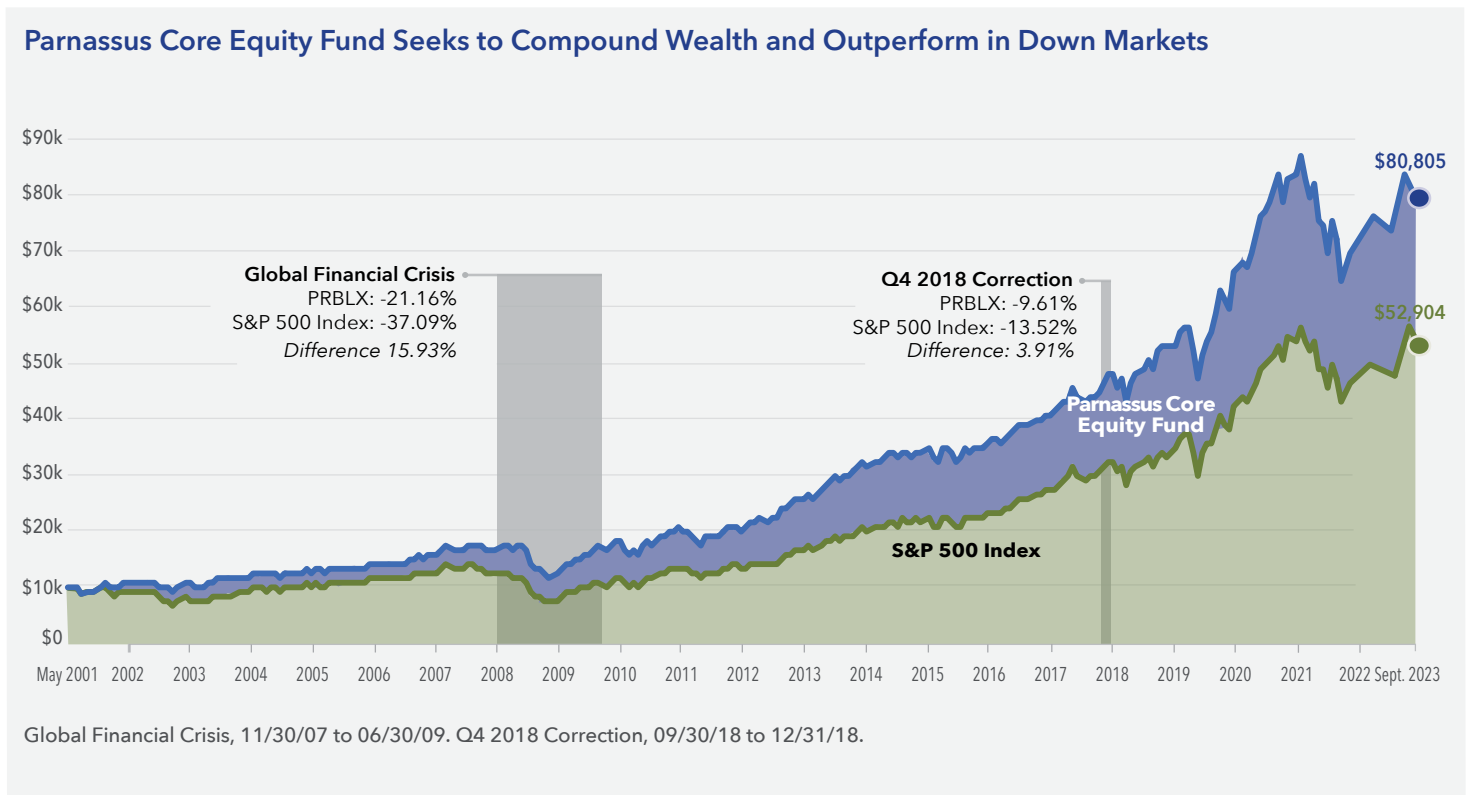


# Parnassus Core Equity Fund (PRBLX | PRILX)

## A Standout Core Holding for Long-Term Investors

The Parnassus Core Equity Fund is a portfolio of approximately 40 high-quality U.S. large cap companies managed by a veteran portfolio management team.

The Core Equity Fund’s managers seek to invest in sound companies that are well-positioned for a range of economic and market conditions. They strive to achieve the fund’s capital appreciation and current income goals by capturing a large portion of the S&P 500 Index’s upside while potentially outperforming the index when the market turns down. The fund has achieved this target for some time periods, with significantly higher upside than downside capture since its inception. Its time-tested investment team has skillfully steered the fund, capturing outperformance in volatile market environments, ranging from the prolonged and severe global financial crisis to the short-lived bout of volatility during the fourth quarter of 2018.



**Performance data quoted represent past performance and are no guarantee of future returns. Current performance may be lower or higher than the performance data quoted, and most recent month-end and quarter-end performance is available on the Parnassus website, [www.parnassus.com](http://www.parnassus.com). Investment return and principal will fluctuate, so that an investor’s shares, when redeemed, may be worth more or less than their original principal cost. One cannot invest directly into an index.**

### Prepare for Changing Markets

Today, many investors and their financial advisors are preparing for a wider range of potential future market conditions, including the possibility of heightened downside risk. We believe the Core Equity Fund can help investors position their portfolios to navigate changing markets because every holding is thoroughly vetted with an eye to long-range outcomes. This deep fundamental stock analysis includes close scrutiny of each company’s management team, long-term competitive advantages and relevancy in the marketplace.

## Staying on Course With Confidence

A high-quality strategy with historically more upside than downside capture may help investors focus on their goals when the market falls. Managing emotions can be a critical component of successful investing. If investors experience lower volatility than the market—especially during bear markets—the likelihood that they will make emotionally driven decisions that can harm their portfolios is reduced. This is especially important because selling when the market is down 25%, for example, leaves an investor in the position of having to capture a 33% gain to make up the 25% loss.<sup>5</sup>

|  |                             |                               |                                      |
|--|-----------------------------|-------------------------------|--------------------------------------|
| Portfolio Beta <sup>2</sup>                            | Upside Capture <sup>3</sup> | Downside Capture <sup>4</sup> | Annualized 2.68% Alpha <sup>1</sup>  |
| 0.83   | 83.18%                      | 74.47%                        | Beats 98% of Peer Group <sup>6</sup> |
| As of May 2001 - September 2023 (Lead Manager Tenure). |                             |                               |                                      |

| Total % Returns as of 9/30/23              | 1 year | 3 years | 5 years | 10 years | Since Inception |
|--|--------|---------|---------|----------|-----------------|
| Parnassus Core Equity Fund Investor Shares | 22.49  | 8.83    | 10.68   | 11.44    | 10.81           |
| S&P 500 Index                              | 21.62  | 10.15   | 9.92    | 11.91    | 9.94            |

Performance data quoted represent past performance and are no guarantee of future returns. Current performance may be lower or higher than the performance data quoted. Current performance information to the most recent month end is available on the Parnassus website ([www.parnassus.com](http://www.parnassus.com)). Investment return and principal value will fluctuate so that an investor's share, when redeemed, may be worth more or less than their original principal cost. PRBLX: Gross Expense Ratio 0.82%. The Parnassus Core Equity Fund - Investor Share Class inceptioned on 08/31/92.

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To learn more about the Parnassus Core Equity Fund, we encourage you to visit [parnassus.com](http://parnassus.com) and view the fund's [Morningstar](#) profile.

## September 2023

### Important Information and Risks

<sup>1</sup> Alpha is a measure of performance on a risk adjusted basis. Alpha takes the volatility (price risk) of a mutual fund and compares its risk-adjusted performance to a benchmark index. <sup>2</sup> Portfolio Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. A beta over 1.00 suggests that the share price will typically be more volatile than the market. <sup>3</sup> Upside Capture is a statistical measure of an investment manager's overall performance in up-markets. The ratio is calculated by dividing the manager's returns by the returns of the index during the up-market and multiplying that factor by 100. An upside capture ratio over 100 indicates a fund has generally outperformed the benchmark during periods of positive returns for the benchmark. <sup>4</sup> Downside Capture is a statistical measure of an investment manager's overall performance in down-markets. The ratio is calculated by dividing the manager's returns by the returns of the index during the down-market and multiplying that factor by 100. A downside capture ratio of less than 100 indicates a fund has generally outperformed the benchmark during periods of negative returns for the benchmark. <sup>5</sup> If a portfolio of \$1000 falls by \$250, it would need to gain roughly 33% to return to its starting value ( $\$1000 \times 0.75 = \$750 \times 1.33 = \$997.50$ ). <sup>6</sup> The peer group is the Morningstar US Equity Large-Cap Blend category.

The views expressed are subject to change at any time in response to changing circumstances in the markets and are not intended to predict or guarantee the future performance of any individual security, market sector or the markets generally, or the Parnassus Funds. Current and future portfolio holdings are subject to risks.

Mutual fund investing involves risk, and loss of principal is possible. There are no guarantees any investment strategy, including a socially responsible (ESG) investment strategy, will be successful in any market environment. The Fund's share price may change daily based on the value of its security holdings. Stock markets can be volatile, and stock values fluctuate in response to the asset levels of individual companies and in response to general U.S. and international market and economic conditions. In addition to large cap companies, the Fund may invest in small and/or mid cap companies, which can be more volatile than large cap firms. Security holdings in the fund can vary significantly from board market indexes.

The Parnassus Funds are distributed by Parnassus Funds Distributor, LLC. ©2023 Parnassus Investments, LLC. All rights reserved. Indexes are unmanaged, do not reflect fees and expenses. An investor can not invest directly in an index. The Standard & Poor's 500 Index, is a market-capitalization-weighted index of 500 leading publicly traded companies in the U.S.

**ENVIRONMENTAL, SOCIAL, AND GOVERNANCE GUIDELINES** The Fund evaluates financially material ESG factors as part of the investment decision-making process, considering a range of impacts they may have on future revenues, expenses, assets, liabilities and overall risk. The Fund also utilizes active ownership to encourage more sustainable business policies and practices and greater ESG transparency. Active ownership strategies include proxy voting, dialogue with company management and sponsorship of shareholder resolutions, and public policy advocacy. There is no guarantee that the ESG strategy will be successful.

**Before investing, an investor should carefully consider the investment objectives, risks, charges and expenses of the Funds and should carefully read the prospectus or summary prospectus, which contains this information. A prospectus or summary prospectus can be obtained on the website, [www.parnassus.com](http://www.parnassus.com), or by calling (800) 999-3505.**