

Parnassus Endeavor Fund

Fourth Quarter 2019

Strategy

The Parnassus Endeavor Fund invests with low turnover and high conviction in approximately 30 holdings. The Fund focuses on identifying companies with:

- Wide moats or strong competitive advantages that protect market share and profitability
- Quality management teams that will act in the best interest of shareholders
- Favorable three-year investment horizon

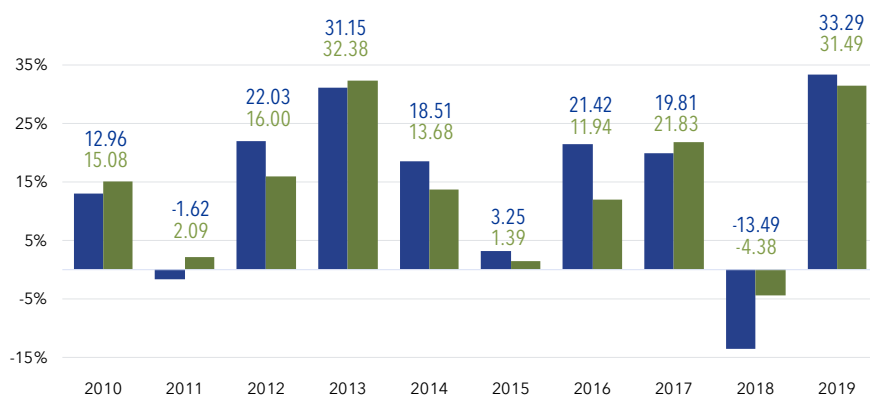
The Fund invests in large-capitalization companies that represent Parnassus's clearest expression of ESG investing. Portfolio companies must offer outstanding workplaces, and must not be engaged in the extraction, exploration, production, manufacturing or refining of fossil fuels. This workplace focus can result in significant exposure to technology companies, many of which are leaders in offering positive and innovative workplaces.

Total Returns (%)¹

As of 12/31/19	3M	1Y	3Y	5Y	10Y	Since Incept. 04/29/05
PARWX	9.98	33.29	11.38	11.61	13.82	11.91
S&P 500 Index	9.07	31.49	15.27	11.70	13.56	9.47

Annual Returns (%)

● PARWX ● S&P 500 Index




¹All returns greater than one year are annualized. ²Percent based on total net assets as of 12/31/19.

Risks: 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 broad market indexes. The **S&P 500 Index** is a product of S&P Dow Jones Indices LLC and/or its affiliates and has been licensed for use by Parnassus Investments. Copyright ©2020 by S&P Dow Jones Indices LLC, a subsidiary of McGraw-Hill Financial, Inc., and/or its affiliates. All rights reserved. Redistribution, reproduction and/or photocopying in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. For more information on any of S&P Dow Jones Indices LLC's indices please visit www.spdji.com. S&P® is a registered trademark of Standard & Poor's Financial Services LLC and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC. Neither S&P Dow Jones Indices LLC, Dow Jones Trademark Holdings LLC, their affiliates nor their third party licensors make any representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and neither S&P Dow Jones Indices LLC, Dow Jones Trademark Holdings LLC, their affiliates nor their third party licensors shall have any liability for any errors, omissions, or interruptions of any index or the data included therein. The Standard & Poor's 500 Composite Stock Price Index (the S&P 500 Index) is a widely recognized indexes of common stock prices. An individual cannot invest directly in an index. An index reflects no deductions for fees, expenses or taxes. Returns shown for the fund do not reflect the declaration of taxes a shareholder would pay on the fund distributions or the redemption of fund shares. **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. 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.**

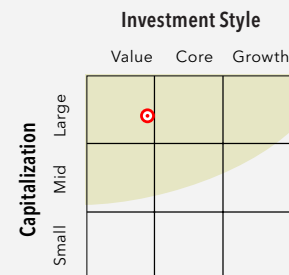
Investor Shares

PARWX

Morningstar Ratings™

Sustainability Rating™** 

*Sustainability Rating as of 11/30/19 based on 100% of AUM for US Equity Large Cap Blend funds.



Ten Largest Holdings²

Micron Technology Inc.	9.0%
Applied Materials Inc.	8.4%
Lam Research Corp.	6.8%
Charles Schwab Corp.	6.1%
Cisco Systems Inc.	5.2%
The Gap Inc.	4.7%
Gilead Sciences Inc.	4.4%
Hanesbrands Inc.	4.1%
Perrigo Co. plc	4.0%
Cummins Inc.	3.7%
Total	56.4%

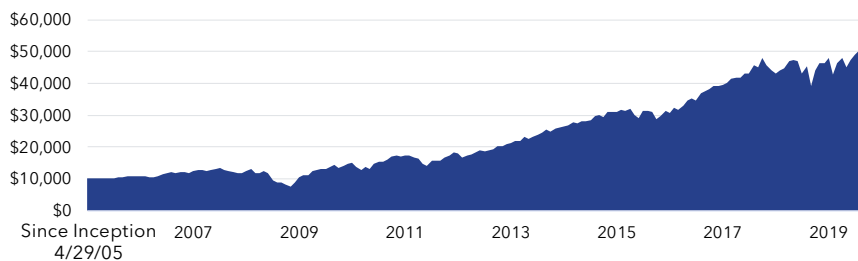
Sector Weighting²

● PARWX ● S&P 500 Index

Information Technology	38%	24%
Financials	14%	13%
Health Care	14%	14%
Industrials	10%	9%
Consumer Discretionary	9%	10%
Communication Services	2%	10%
Consumer Staples	0%	7%
Energy	0%	4%
Materials	0%	3%
Real Estate	0%	3%
Utilities	0%	3%
Short-Term Investments	13%	0%

PARWX – Annual Growth of \$10,000 as of Dec. 31, 2019³

\$52,112



Parnassus Overview

At Parnassus Investments, we invest responsibly to build wealth for our clients. We select businesses that we believe have increasingly relevant products or services, sustainable competitive advantages and quality management teams for our high-conviction portfolios. Every investment we make must meet rigorous fundamental and environmental, social and governance (ESG) criteria.

Meet the Portfolio Managers



Jerome L. Dodson
Chairman,
Portfolio Manager
2005–Present

- 44 years in the industry
- With firm since 1984
- MBA, Harvard Business School 1971
- BA, Political Science, University of California, Berkeley 1965



Billy J. Hwan, CPA, CFA
Portfolio Manager
2018–Present

- 18 years in the industry
- With firm since 2012
- MBA, University of California, Berkeley 2012
- MS, Accountancy, University of Houston 2005
- BS, Industrial Engineering, Stanford University 2001

Fund Facts	Investor Shares	Institutional Shares
Ticker	PARWX	PPFWX
Minimum Investment	\$2,000	\$100,000
Gross Expense Ratio	0.95%	0.72%
Net Expense Ratio	0.95%	0.72%
Inception Date	4/29/05	4/30/15

Distribution Frequency	Annually
Total Net Assets	\$3,842.0 M

Fund Characteristics	Fund	S&P 500 Index
Avg. Weighted Mkt Cap	\$89.5 B	\$291.3 B
P/E Ratio	16.8x	23.0x
P/B Ratio	3.1x	3.5x
Active Share	92.1%	–
Number of Holdings	29	505
Portfolio Turnover (2019 Annual)	57.3%	–

PARWX Statistics (5Y)	Investor Shares	S&P 500 Index
Alpha	-2.25%	–
Beta	1.24	1.00
R-Squared	0.85	1.00
Sharpe Ratio	0.66	0.90
Standard Deviation	16.10%	11.98%

³The chart shows the growth of a hypothetical \$10,000 investment since inception and assumes reinvestment of dividends and capital gains. It does not reflect the deduction of taxes a shareholder would pay on fund distributions or the redemption of fund shares.

Average Weighted Market Cap is the average capitalization of all stocks in the portfolio, weighted by each holding's size in the portfolio. **Price/Earnings (P/E) Ratio** is a ratio of a stock's current price to its per-share earnings over the past 12 months. **Price/Book (P/B) Ratio** is the ratio of a stock's latest closing price divided by its book value per share. **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. The excess return of the fund relative to the return of the benchmark index is a fund's alpha. **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. **R-Squared** is a measurement of how closely the portfolio's performance correlates with the performance of a benchmark index such as the S&P 500 Index. **Standard Deviation** is a calculation used to measure the variability (risk) of a portfolio's performance. **Sharpe Ratio** is a ratio used to measure risk-adjusted performance. It is calculated by subtracting the risk-free rate from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns. **Active Share** measures the percentage amount your portfolio differs from a passive benchmark.

The **Morningstar® Sustainability Rating** is a measure of how well the portfolio holdings are managing their ESG Risk relative to the portfolio's Global Category peer group. The Morningstar Historical Sustainability Score is a weighted average of the trailing 12 months of Morningstar Portfolio Sustainability Scores. More-recent portfolios are weighted more heavily than older portfolios. Based on their Morningstar Historical Sustainability Score, funds are assigned absolute category and percent ranks within their Morningstar Global Categories. Higher ratings are better and indicate that a fund has, on average, more of its assets invested in companies that have lower ESG risk as characterized by Sustainalytics. The Morningstar Sustainability Rating is depicted by globe icons where High equals 5 globes and Low equals 1 globe. Morningstar updates its Sustainability Ratings monthly and uses Sustainalytics' ESG scores from the same month as the portfolio as-of date. Visit <http://corporate1.morningstar.com/SustainableInvesting/> for more detailed information about the methodology and calculation frequency. © 2020 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. 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. 0173-012120.

The Parnassus Funds are distributed by Parnassus Funds Distributor, LLC.

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