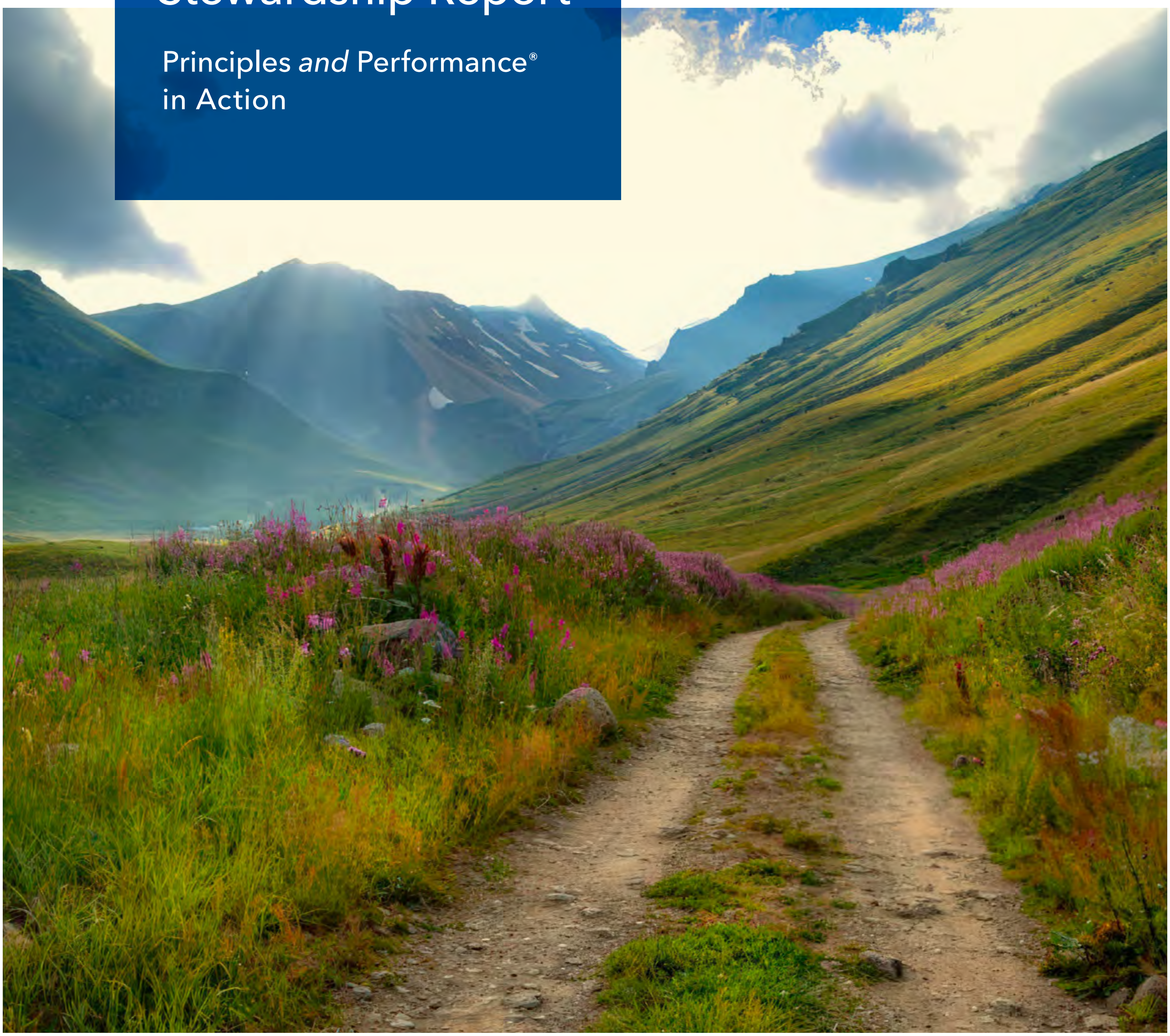
PARNASSUS INVESTMENTS®

2025

Annual Sustainability & Stewardship Report

Principles *and* Performance® in Action



> *Our bedrock principles stem from our founder's original insight that good companies make good investments.*

Benjamin Allen
Chief Executive Officer, Portfolio Manager

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The Pursuit of Enduring Value Creation

Since 1984, Parnassus Investments has invested differently. Our culture emphasizes taking care of each other and the world around us, and we carry that philosophy through our portfolios. We believe good companies make good investments. We invest in companies that take care of their employees and communities, aim to minimize their impact on the environment and have strong ethics and governance, because they are most likely to be successful and create enduring value.

Principles *and* Performance underpins all that we do because we believe that sustainability-related factors are relevant to our assessment of a company's quality and potential risk or returns of an investment. Our analysts conduct fundamental research to identify high-quality companies in the pursuit of strong long-term investment returns to help investors achieve their goals.

Over the past 40 years, our methods have evolved, but our commitment to building wealth responsibly remains the same. Engagement, proxy voting and advocacy are the three main tools our Sustainability and Stewardship team uses to drive long-term sustainable value creation at our portfolio companies. We press companies to widen the aperture of stakeholders they consider when making business or operational decisions. We also seek company disclosures on material issues so our investment team can make more-informed decisions about what does (and doesn't) belong in our portfolios.

PARNASSUS PRINCIPLES

CULTIVATE A GOOD WORKPLACE

Support the health, safety and well-being of the workforce to attract and retain the best talent.

MINIMIZE ENVIRONMENTAL IMPACT

Manage natural resources effectively, including reducing emissions, waste and pollution, and mitigating climate and water-related risks.

PROMOTE PRODUCT RESPONSIBILITY

Offer customers safe, fair and ethical products and services, including supply chains.

UPHOLD STRONG GOVERNANCE AND ETHICS

Implement strategic and operational goals with accountability and transparency. Avoid legal and reputational risks and be a good corporate citizen.

Navigating Change With Unwavering Purpose

As we present our annual report on our sustainable investment approach and our stewardship and engagement activities for the year, we reflect on a year defined by significant shifts in the regulatory landscape, the escalating urgency of global sustainability challenges and rapid changes in technology driven by artificial intelligence (AI). While navigating the implications of these changes has made this a challenging year for our industry, our commitment to building wealth responsibly for long-term investors remains steadfast.

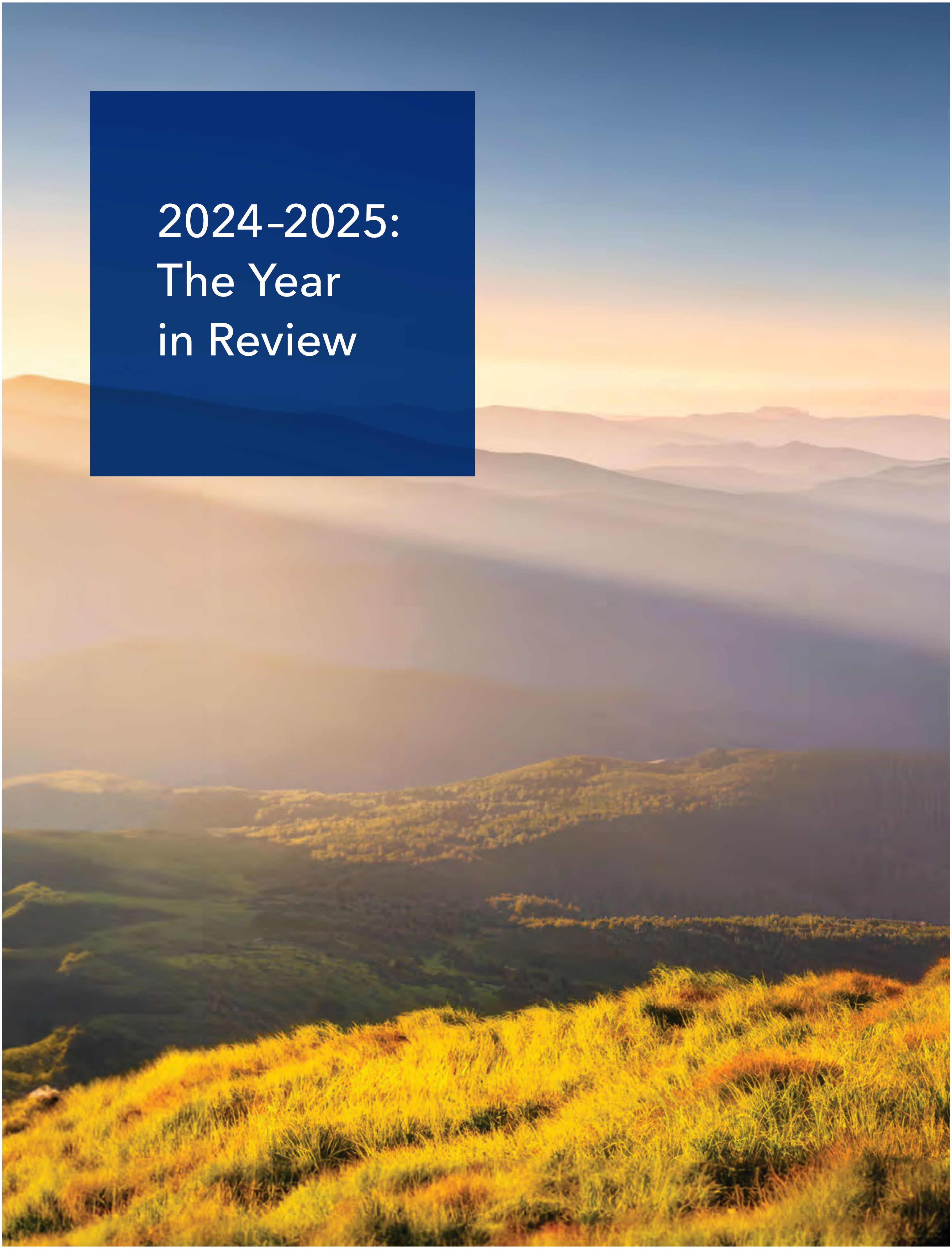
Throughout the year, we continued our engagements with portfolio companies on critical issues, including advancing climate action—with 61% of our fund assets under management covered by science-based targets or commitments as of June 30, 2025—and promoting responsible practices in artificial intelligence and chemical safety. Our proxy voting consistently advocated for strong governance and the integration of material environmental and social factors.

This report details the impactful dialogues, advocacy and proxy decisions that underpin our efforts to drive positive change and foster resilient, sustainable businesses. We believe companies committed to high standards of workplace quality, environmental stewardship and ethical governance are best positioned to deliver enduring value.

If you have questions or want to learn more about the topics in this report, please don't hesitate to reach out. Thank you for your continued trust.

Marian Macindoe
Managing Director,
Sustainable Investment Strategy

Robert Klaber
Director, Sustainability Research,
Portfolio Manager



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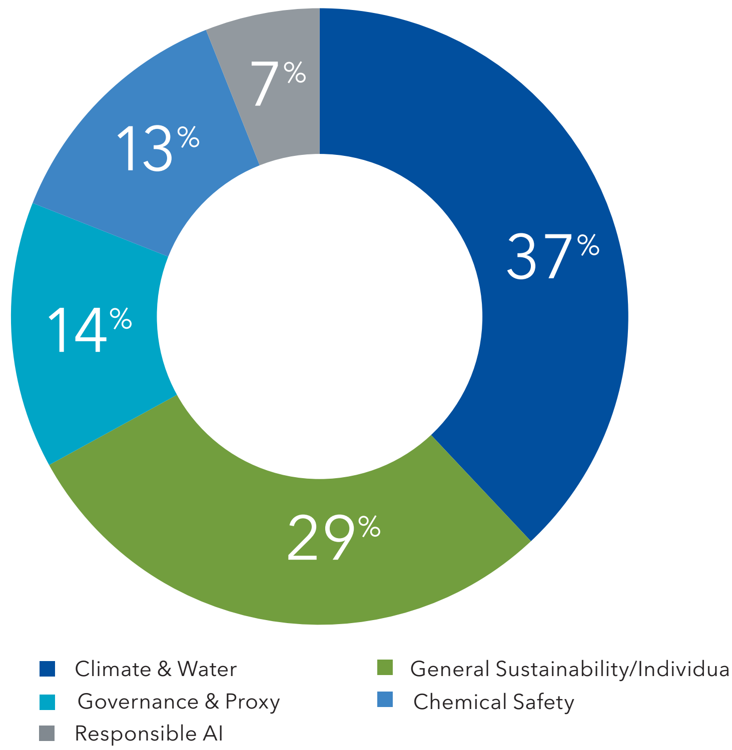
Stewardship Focus Areas



Source: Parnassus Investments, for the period 7/1/2024- 6/30/2025.

Climate Action

We announced an engagement-based climate target to reach net-zero carbon emissions in our portfolios by 2050 across fund assets under management (AUM). Advances in policy and technology are needed to meet the stated climate goals, to limit emissions and to keep global temperatures from rising above 1.5° C. To be successful, policymakers, investors and companies around the world must work together to promote and deliver an economically viable, fair and sustainable transition to a low-carbon future.

2008
Signed the UN Principles for Responsible Investment

2023
Published a climate action plan aligned with the goals of the Paris Agreement

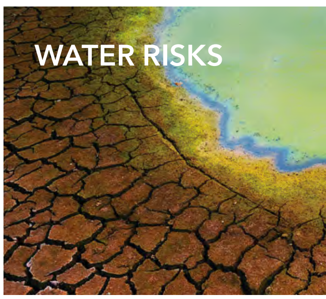
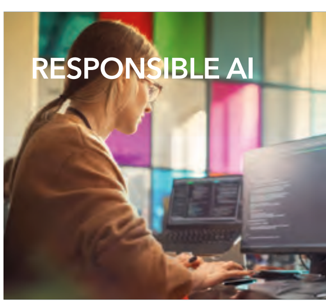
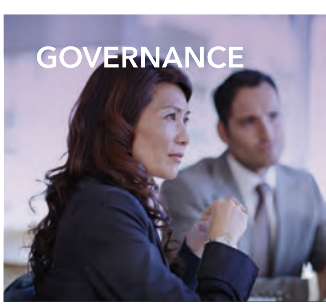
2025
61% of Parnassus' Funds AUM are covered by science-based targets or commitments

2030
Goal of 67% of AUM to adopt science-based targets

2040
Goal of 100% of AUM to adopt science-based targets

2050
Goal of net-zero emissions for all Parnassus' Funds AUM

As of June 30, 2025.

Themes	Objectives	Long-Term Value Creation Opportunity
 CLIMATE	■ Set science-based emissions-reduction targets ■ Prepare and publish climate transition plans ■ Strengthen climate change-related governance, oversight and transparency	■ Strengthen the resilience and durability of the business ■ Improve strategic planning and decision-making ■ Improve cost and resource efficiency
 WATER RISKS	■ Develop and implement strong water-risk management strategies, particularly in areas of high-water stress ■ Strengthen water-related governance, oversight and transparency	■ Improve resource management ■ Avoid disruptions caused by a scarcity of water needed for business operations ■ Reduce regulatory risks
 CHEMICAL SAFETY	■ Conduct chemical risk assessments and prioritize safer chemical use ■ Strengthen chemical safety-related governance, oversight and disclosure	■ Improve risk oversight and processes ■ Reduce regulatory and legal risks ■ Mitigate the possibility of reputational damage ■ Drive product innovation
 RESPONSIBLE AI	■ Conduct AI risk assessments to drive safety, privacy, accuracy and fairness and avoid unintended outcomes ■ Strengthen management of AI-related risks, governance, oversight and transparency	■ Build competitive advantages that help attract and retain customers ■ Earn public trust ■ Mitigate regulatory, legal and reputational risks
 GOVERNANCE	■ Encourage strong corporate governance and executive compensation programs ■ Manage material sustainability-related issues with rigor and discipline	■ Provide leadership and oversight to drive operational excellence and improve business resilience ■ Drive value with executive compensation that reinforces strategic priorities ■ Reduce legal and reputational risks

THEME

Climate Risk

Increasingly intense storms, rising sea levels, extreme heat, droughts, fires and floods are among the most pressing climate-related risks facing businesses and society today. Companies that proactively address these challenges while pursuing sustainable business practices can gain significant advantages, including reduced operating costs, fewer business interruptions, more resilient supply chains and access to new products and markets.

Engaging to Encourage Net-Zero Emissions

Avoiding the worst impacts of global warming requires companies to act now to reach net-zero carbon emissions by 2050 at the latest. In support, Parnassus set a goal of achieving net-zero carbon emissions across all our funds by 2050. Meeting this goal requires our fund holdings to have science-based emissions-reduction targets by 2040 or sooner.

We encourage portfolio companies to conduct climate risk assessments aligned with the Task Force on Climate-Related Financial Disclosure (TCFD), set science-based emissions-reduction targets and publish climate transition plans in response to risks, opportunities and targets set. We also leverage guidance from the Science Based Targets initiative (SBTi), a global body with robust target setting guidance, tools and resources and a commitment platform that enables companies and financial institutions to set ambitious science-aligned goals.

As of June 2025, 49% of Parnassus Funds' assets under management have a science-based target approved by SBTi. Another 12% have committed to set a target for review by SBTi, for a total of 61%.

Engagement in Action

Semiconductor companies typically have operations and value chains that rely on abundant energy and access to clean water. Their operations often sit in water stressed areas, which may be even more difficult to manage in the future. Responsible long-term stewardship of these resources is important for continued access, efficient manufacturing and cost management.

In 2023, Parnassus engaged global semiconductor company Advanced Micro Devices (AMD) on science-based targets, supplier engagement and water-risk management practices in its supply chain. AMD has since submitted and received approval for its new targets from SBTi. The company published a climate transition plan on August 13, 2025.

CASE STUDY

FedEx–Making Measured Progress by Operating Sustainably

FedEx (FDX), the global transportation and logistics company that provides shipping, e-commerce and supply chain solutions worldwide, is a sustainability leader. In 2021, the company announced a goal to achieve carbon-neutral global operations by 2040. FedEx intends to decarbonize its operations and offset remaining emissions with sustainable business practices that include purchasing sustainable fuel and electrifying its fleet.

The company has made impressive progress. It currently operates more than 8,000 electric vehicles and has set a goal to make all delivery vehicles fully electric by 2040. Importantly, FedEx reported that its 2024 scope 1 and 2 emissions intensity had decreased 58% since 2009, even while simultaneously growing volume by 121%, demonstrating it can accomplish meaningful sustainability results while continuing to grow its business.

Our Engagement

After FedEx's ambitious announcement, we began engaging the company on climate in 2022 to support its efforts to mitigate physical and transition risks and to strengthen its goal by setting and submitting science-based targets to the SBTi. Submitting its targets for validation would anchor the company's goals to the most up-to-date climate science and provide external validation that its decarbonization ambition is aligned with a 1.5 degree pathway.

Outcome

In the first half of 2025, FedEx publicly committed to set near-term science-based targets with SBTi to support its goal of achieving carbon-neutral operations by 2040. The company additionally shared imminent plans to announce new aviation intensity targets and a facilities renewable energy goal in alignment with its peers, a key Parnassus request. We will follow and encourage the company's progress on these goals, which are opportunities to reduce costs, provide lower-carbon services and achieve its commitments.

THEME

Water Risk

Prolonged droughts, torrential rainfall and widespread flooding are some of the most devastating impacts of a changing planet that are related to water supply. This year's engagements focused on companies heavily reliant on water for operations, as well those that operate in areas with high water stress as determined by the World Resources Institute Aqueduct Map. We primarily engaged companies in the semiconductor industry, a continuation of last season's work, as well as consumer and manufacturing companies. Semiconductor manufacturing requires large amounts of water, and several foundries are located in areas that are already under water stress.

Encouraging Good Water-Risk Management

Our engagements addressed specific water-risk management practices, tailored to each company's business. Depending on the maturity and nature of existing water strategies, we encouraged risk assessments, improved management or increased transparency—including in companies' supply chains.

For example, an engagement might focus on a company's impact on water availability in water-stressed areas and any mitigation strategies such as reduced use, reuse or alternative sources. If a company has polluted the water supply in the past, the engagement might focus on proactive remediation, strengthened governance or restoration efforts. In other cases, if a company has followed responsible water risk practices, we aim to collaborate on best practices and encourage transparency through improved reporting.

Engagement in Action

We engaged with Microsoft (MSFT) to focus on moving from good to great. The company is already a relative leader in water-risk management for its operations, having committed to replenishing more water than it consumes across its global footprint by 2030. Moreover, Microsoft's water-risk principles include targeting its replenishment efforts in areas with high water stress and high operational water consumption.

The focus of our engagement was to strengthen the company's water stewardship by potentially setting absolute withdrawal targets, mitigating supply chain water risks and intensity, and evaluating the materiality of any water quality and biodiversity impacts. These topics are especially salient in light of the rapid development of AI and its impacts on water and power consumption in data centers. Initial contacts have been favorable and engagement with the company is ongoing.

CASE STUDY

Chipotle Mexican Grill–Minimizing Upstream Impact

Chipotle Mexican Grill (CMG) is a multinational chain of fast casual restaurants specializing in Mexican-style cuisine. The company is well known for making its dishes fresh to order and for using natural ingredients. Chipotle was one of the first national restaurant brands to commit to goals for using local and organic produce, and, in 1999, it was the first national restaurant brand to commit to using only responsibly raised meat.

Chipotle's water usage comes from two main sources: direct consumption in its restaurants and indirect use through the farms that supply its ingredients. Stewarding water resources, for both quality and quantity, is strategically important to the company's operational and financial success.

Our Engagement

We sought transparency on Chipotle's plans to reduce upstream water-related risks. We also requested information on the timing, content and approach to setting quantitative water-related targets for the firm. Through our engagement, the company confirmed it would communicate efforts to support its water goals in its 2024 sustainability report.

Outcome

Since 2019, the company has engaged its supply chain on water management practices, completed a water risk assessment, and, most recently, published details on replenishment initiatives. As part of those efforts, it has identified 3,800 acres of farmland in California, Colorado and South Dakota that it plans to support through water conservation, restoration or regenerative farming efforts.

However, Chipotle has not published quantitative water targets, even as the company's growth brings related increases in water withdrawal and restaurant consumption. Our engagement with Chipotle is ongoing.

Chemical Safety

We chose chemical safety as a key engagement topic due to its relationship with human health and long-term investment performance. Many manufacturers use chemicals to enhance their products with features and functionality such as fire resistance, water repellency and increased strength and sheen. Consumers encounter thousands of synthetic chemicals in food packaging, personal care products, apparel, cookware and medical devices, among others, which may pose severe health risks.

Our 2024–2025 chemical safety initiative specifically targeted medical device and consumer-facing companies involved in manufacturing, processing or selling products containing hazardous chemicals, such as PFAS, phthalates, BPA and flame retardants.

Adopting a Comprehensive Chemical-Management Policy

The investment rationale for emphasizing chemical safety is clear: hazardous chemicals if improperly managed can present substantial financial and reputational risks. Companies that fail to proactively manage these risks face regulatory scrutiny, litigation, reputational damage and potential loss of market share. In our view, businesses adopting a proactive, hazard-based approach are better positioned to manage these challenges effectively.

We encourage companies to comprehensively evaluate their chemical footprints to identify dependencies on chemicals of concern across their operations and supply chain. Manufacturers that establish a plan for hazard-based risk assessments and prioritize safer chemical innovation and preparedness can reduce risks to the business and add value to the brand. Consumers can also benefit when companies transparently disclose their strategies and make progress in offering safer ingredients.

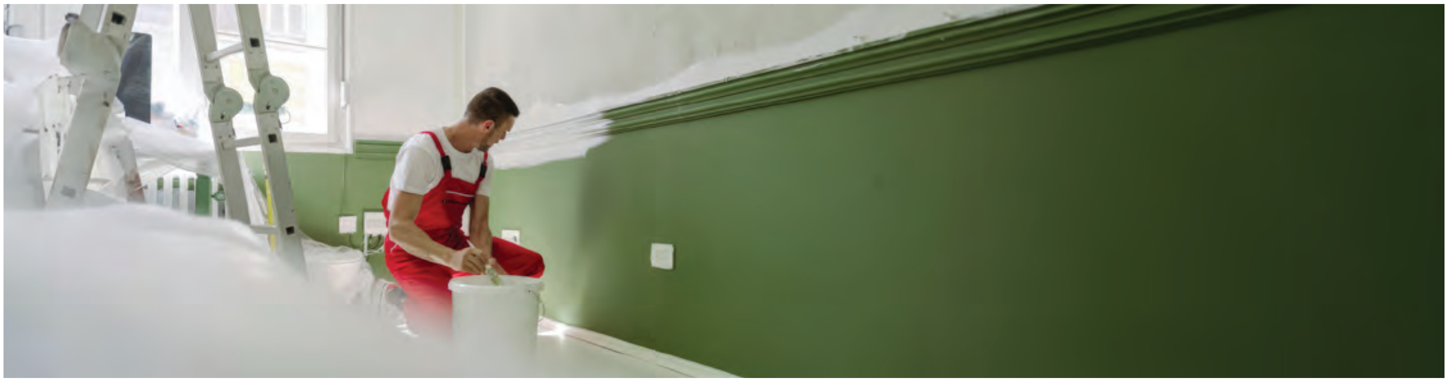
Shifting From Reactive to Proactive Initiatives

Historically, chemical safety approaches have been compliance driven, responding reactively to evolving regulations. However, recent developments signal a mindset shift toward proactive management practices. Incremental yet noteworthy progress was achieved this year among several companies that embraced foundational steps toward enhanced chemical management.

Our engagement with Costco Wholesale Corporation (COST) is a good example. One of the world's largest retailers, Costco sells a large number of products under the OEKO-TEX certification, a registered trademark that verifies the safety of textile and leather products. However, Costco lacks meaningful chemical inventory disclosures for other products, including household cleaning, personal care and formulated goods. Following our engagement, Costco took the encouraging step of joining Change Chemistry, a collaboration of more than 125 companies that aim to make safer and sustainable chemistry widely available in the marketplace.

CASE STUDY

Sherwin-Williams–
Collaborating for Safer Chemistry



The Sherwin-Williams Company (SHW) manufactures, distributes and sells paints, coatings and related products to professional, industrial, commercial and retail customers. The company has long emphasized sustainability without sacrificing performance, including the key sustainability benefits of making products last longer and extending their useful life.

In certain specialized paint and coating applications, PFAS chemicals are used for their exceptional water and grease repellant properties, while volatile organic compounds (VOCs) are used as solvents to ensure a smooth application. However, both classes of chemicals are linked to health and environmental harm. VOCs can cause respiratory irritation, headaches and organ damage and contribute to the formation of ground-level ozone (smog), while PFAS have been linked to various cancers, decreased fertility, liver damage and endocrine, thyroid and immune-system disruption.

Our Engagement

We encouraged Sherwin-Williams to demonstrate progress towards reducing or eliminating chemicals of concern in its products and increasing the use of safer alternatives.

Outcome

Following our engagement, Sherwin-Williams disclosed that the raw materials in its new products are screened against the European Union's List of Substances of Very High Concern and the Stockholm Convention Persistent Organic Pollutants List. The company also reported that approximately 25% of its 2024 revenue came from products with third-party sustainability certifications.

We are also pleased that Sherwin-Williams expanded its material ingredient disclosure certifications to include Health Product Declarations for select products, specifically focusing on transparent ingredient disclosure to complement the company's environmental product declarations. This increase in public disclosure sets a positive precedent for continued collaboration towards safer products.

THEME

Responsible AI

The rapid evolution of artificial intelligence is fundamentally transforming how businesses operate, creating both unprecedented opportunities and significant risks. As generative AI rollouts have accelerated, managing AI responsibly has shifted from a theoretical concern to a critical business imperative with direct implications for long-term value creation.

As much as companies are focused on the opportunities to use AI to improve their productivity and efficiency, they should also be defining initiatives to address the risks that bias or misinformation could create unintended consequences for customers or society. Without such initiatives, companies may be exposing themselves to significant financial and reputational damage that could erode shareholder value. Health insurers, for example, face lawsuits for allegedly using algorithms to improperly deny care, while technology firms have paid substantial settlements to resolve allegations of discriminatory practices.

Moving From Principles to Practice

The dialogue around managing AI responsibly has progressed from establishing high-level principles to building foundational governance structures. The central question is no longer "What are your principles for responsible AI?" but "What are your controls and how are they being implemented?"

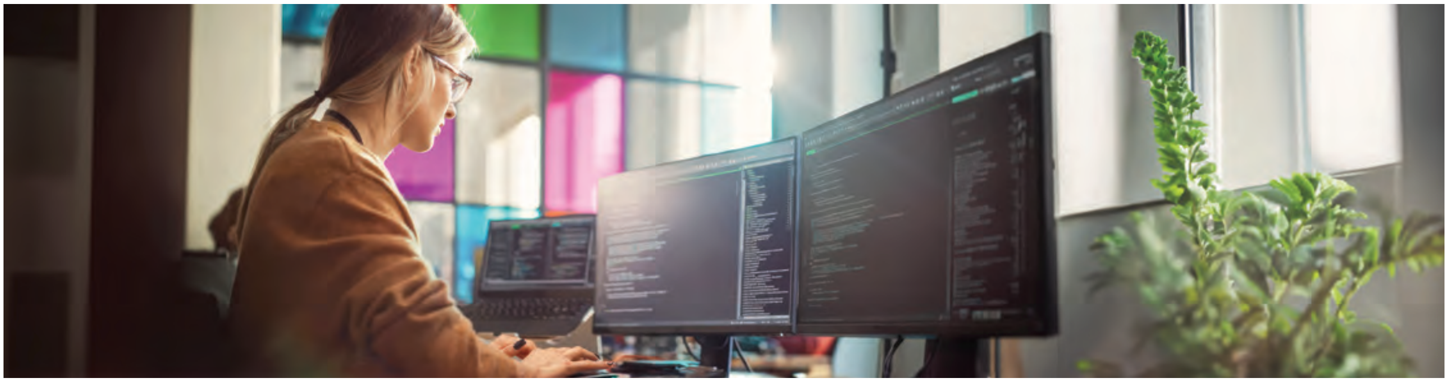
The regulatory landscape has also been evolving. The European Commission defined the first-ever legal framework for AI in 2024 that prohibits eight practices, including harmful manipulation and deception, exploitation of vulnerabilities, social scoring and criminal-offense risk assessment or prediction, to name a few. Meanwhile, the U.S. has been developing a more decentralized approach, with various federal agencies issuing guidance and individual states crafting their own legislation.

Engagement in Action

This year, our engagements focused on encouraging companies to demonstrate the effectiveness of their governance structures. This included establishing formal roles and responsibilities for AI oversight, policies and procedures for AI development, deployment and monitoring, defined accountability and reporting relationships and risk-management framework specific to AI initiatives. We have also pursued human rights impact assessments to help companies identify and avoid unintended and potentially costly consequences. Best practices further include integrating safety and privacy considerations into product life cycles and providing clear insight into review processes. Reflecting the depth of our engagement, Parnassus co-developed first-of-its-kind investor guidance on a human rights-based approach to AI.

CASE STUDY

NVIDIA—Advancing Human Rights Impact Assessment



NVIDIA (NVDA) is a leading AI chipmaker whose products power AI systems across industries. The company's technology enables AI applications that have a wide range of potential uses—many positive, but some of which could enable civilian or workplace surveillance, present conflict-zone applications or create disadvantages or negative outcomes through automated decision making. Without proper oversight, these applications could contribute to discrimination, privacy violations, human rights violations or inappropriate business decisions that could compromise personal dignity, freedom, privacy and equality.

Our Engagement

We engaged NVIDIA by working with an investor group that was formed to encourage the company to disclose its human-rights policies and risk-management processes. The company published an initial human rights policy in 2022 that detailed its commitment to human rights in the company's operations and supply chain and in the development and use of its products, particularly AI. In September 2023, the investor group organized to engage on strengthening human rights risk management, including an independent assessment that would examine which groups might be disproportionately affected, the severity and likelihood of potential harms, whether the impacts are direct, indirect or cumulative, and both intended and unintended consequences.

Outcome

The engagement prompted NVIDIA to commit to conducting a human-rights saliency assessment with a third party, with full board and executive team support. This assessment identified five salient risk areas: responsible minerals sourcing, working conditions in the supply chain, a clean and healthy environment, responsible product development and responsible product use. NVIDIA shared plans to enhance both its human rights and responsible minerals policies in the current fiscal year and formed an executive-level steering committee for environmental, social and governance (ESG) issues, including human rights oversight. The company also planned to add staff to support this effort.

Proxy Voting Summary

Proxy voting is an important tool to promote best practices in corporate governance, executive compensation and other topics that appear on corporate proxy ballots. Our commitment to serve the best interests of our clients guides our proxy vote decisions globally. We do not delegate our proxy voting authority or rely on third-party recommendations to vote our shares.

Decisions are made by members of the investment team and are reviewed regularly by the firm's Proxy Voting Committee, comprised of senior Sustainability and Stewardship team members, the director of research, the director of sustainability research and other key staff. Parnassus's Proxy Voting Policies and Procedures are publicly available on our website.

2024–2025 Results

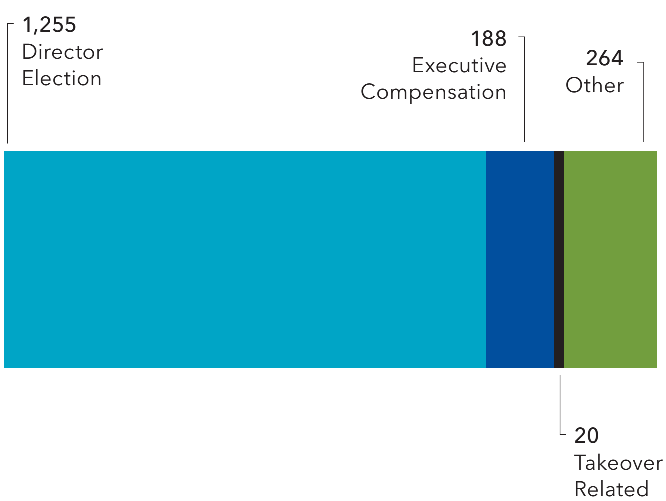
141
MEETINGS VOTED

1,853
PROPOSALS VOTED

16%
VOTES AGAINST MANAGEMENT

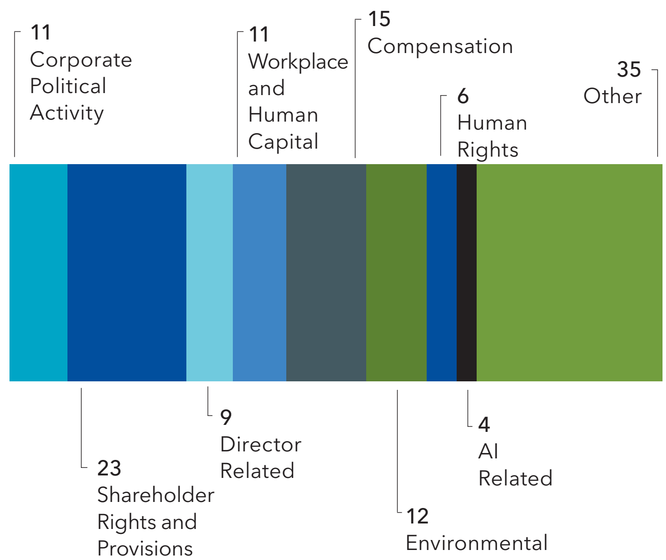
Management Proposal Breakdown

Number and Types of Proposals by Category

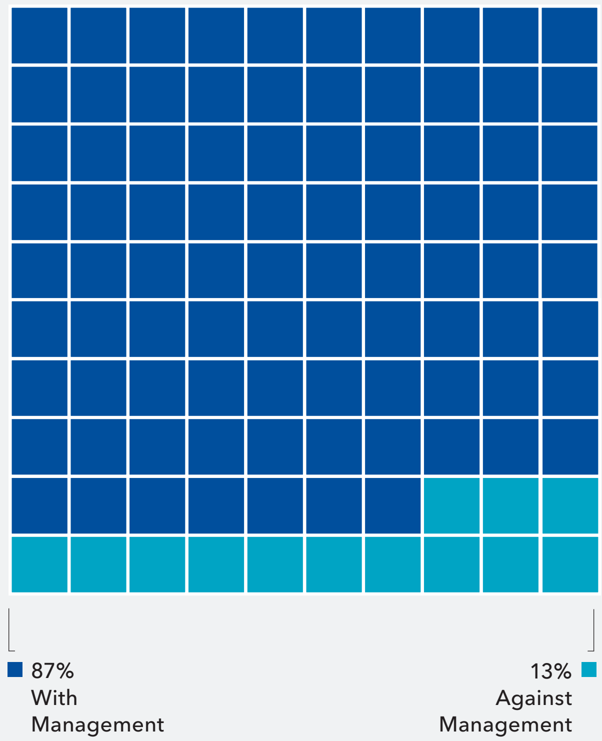


Shareholder Proposal Breakdown

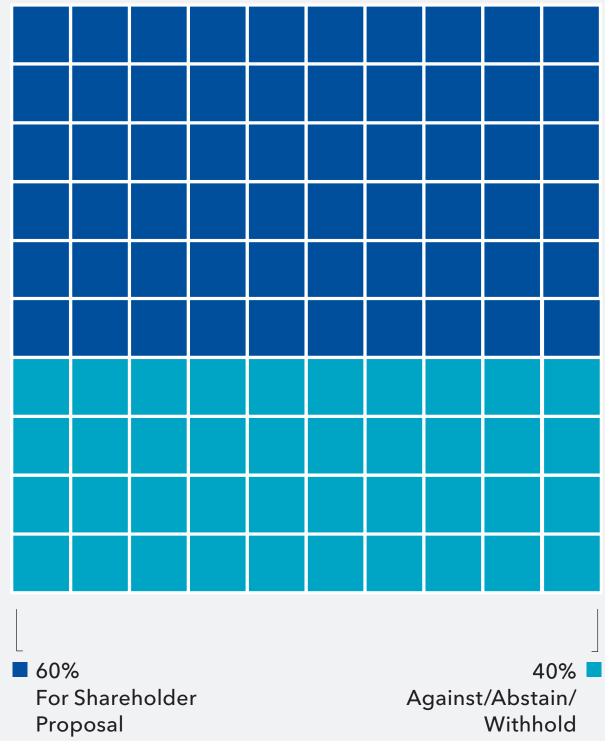
Number and Types of Proposals by Category



Votes for Management Proposals



Votes for Shareholder Proposals



Voting in Alignment With Shareholder Interests

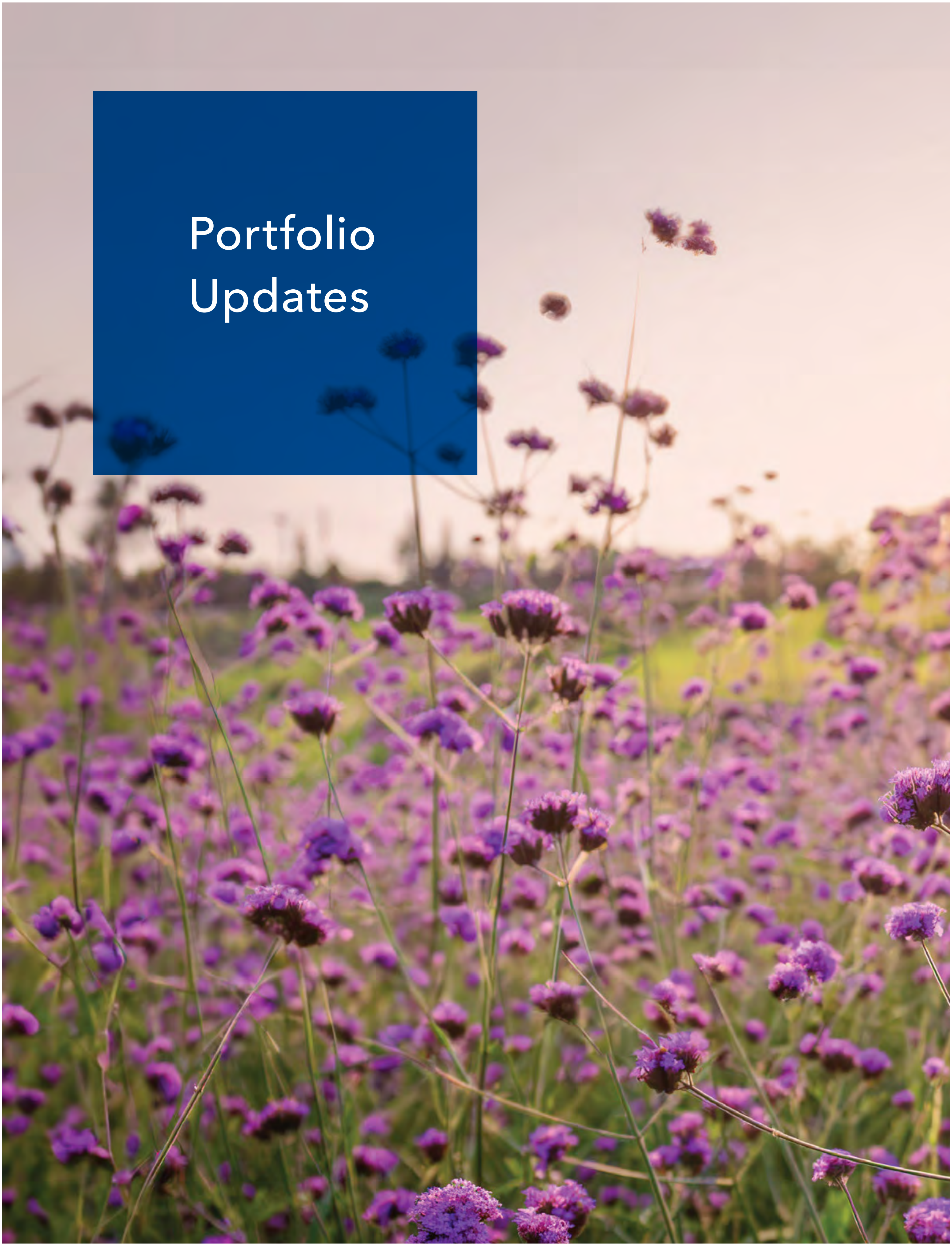
When we vote against management proposals, it's typically due to structure of or approach to executive compensation or because of governance issues. We consider how the proposals will serve shareholder interests. For example, incentive structures that are not conditioned upon meeting certain performance goals or that have weak or unclear performance targets that don't create strong alignment between executive pay and company performance. Additionally, we compare pay packages among the company's peers. As shareholders, we typically don't support packages that have excessive perquisites and inappropriate peer benchmarking

Examples of Shareholder Proposals We Supported

- Climate-related proposals requesting companies disclose their greenhouse gases (GHG) emissions and efforts to reduce them, as well as proposals related to disclosures on lobbying, data centers, clean energy financing and plastic packaging
- Proposals requesting companies submit severance agreements to shareholder votes to provide shareholders with a clearer understanding of how companies' policies safeguard against excessive severance payments
- AI-related proposals requesting disclosure regarding companies' use of AI in their operations and products, risks posed to human rights and user safety by AI systems, such as the spread of misinformation and disinformation, privacy violations and targeted advertising
- Proposals requesting disclosure on corporate lobbying and political-involvement activities and improved political accountability

Note: Votes are expressed as a percentage of voted proposals.

Portfolio Updates



Amazon—One Day Delivery, Long-term Thinking

Amazon (AMZN) has evolved from an online bookstore into a global technology powerhouse that touches nearly every aspect of modern commerce and computing. The company's diverse ecosystem provides consumers, companies and governments with services spanning e-commerce, cloud computing through Amazon Web Services (AWS), digital advertising, streaming services and artificial intelligence.

Our Analysis

Amazon has established a strong competitive moat with a business model that scales in a way that allows the company to offer better prices and services and attract more customers and vendors, which in turn generates more data and efficiency gains. This virtuous cycle has produced formidable competitive advantages, including one of the world's largest and most sophisticated fulfillment networks, a dominant cloud infrastructure service (AWS) and more than 200 million loyal Prime subscribers.

The company benefits from two powerful secular trends: the continued growth of e-commerce and AI adoption. High switching costs for AWS clients and strong network effects across Amazon's core businesses provide durable protection for these growth opportunities. We believe Amazon's diversified revenue streams, combined with its operational leverage and innovation capacity, position it to compound returns over the long term as digital commerce and cloud adoption accelerate worldwide.

Sustainability Outcomes

From a sustainability standpoint, Amazon has been working on improving the energy efficiency of its business, decarbonizing its transportation network and investing in biodiversity projects around the world. The company has a goal and established plans to reach net-zero carbon emissions across its global operations by 2040. And it has been the largest corporate purchaser of renewable energy in the world since 2020, even as its absolute carbon footprint remains large.

Amazon's business model depends fundamentally on attracting and retaining a large workforce and maintaining safe operations. We engage actively with management on workplace safety standards and the impacts of the company's technologies. The company has shown its willingness to improve by investing in safety initiatives, both of which have helped reduce warehouse injury rates. We also engage on safer chemical management in the pursuit of enhanced transparency and reduction of chemicals of concern.

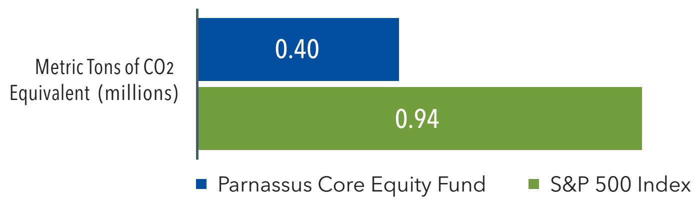
PARNASSUS CORE EQUITY FUND

2024-2025 Engagements	
Theme	**Companies Engaged**
Climate Risk	Applied Materials, Bank of America, Broadcom
Water Risk	Applied Materials, Microsoft
Chemical Safety	Amazon.com, Ball Corp, Costco Wholesale, Procter & Gamble, Sherwin-Williams, Stryker Corp.
Responsible AI	Intuit, NVIDIA, Salesforce, Verisk Analytics
Proxy & Governance	Amazon.com, Applied Materials, Bank of America, Deere & Co, Equifax, Intuit, Realty Income, Salesforce
Sustainable Workplace	Amazon.com, Applied Materials, Bank of America, Workday
General ESG/Individual	Autozone, Marsh & McLennan

Key Metrics

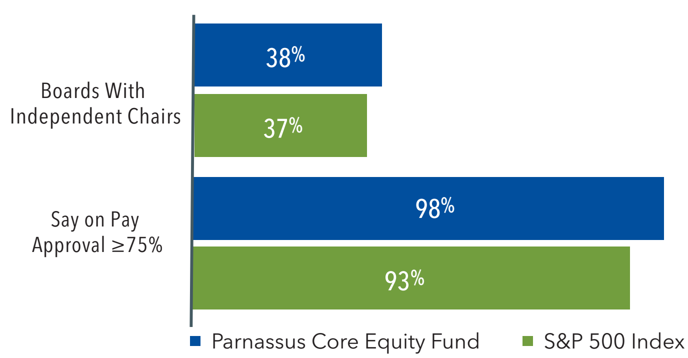
Environmental Impact: Portfolio company emissions are 57% lower than the benchmark.

Greenhouse Gas Emissions: scope 1 is direct emissions and scope 2 is indirect emissions from purchased energy. Lower is better to help improve air and water quality.



Ethical Governance: We seek companies with strong management teams whose incentives are aligned with shareholders.

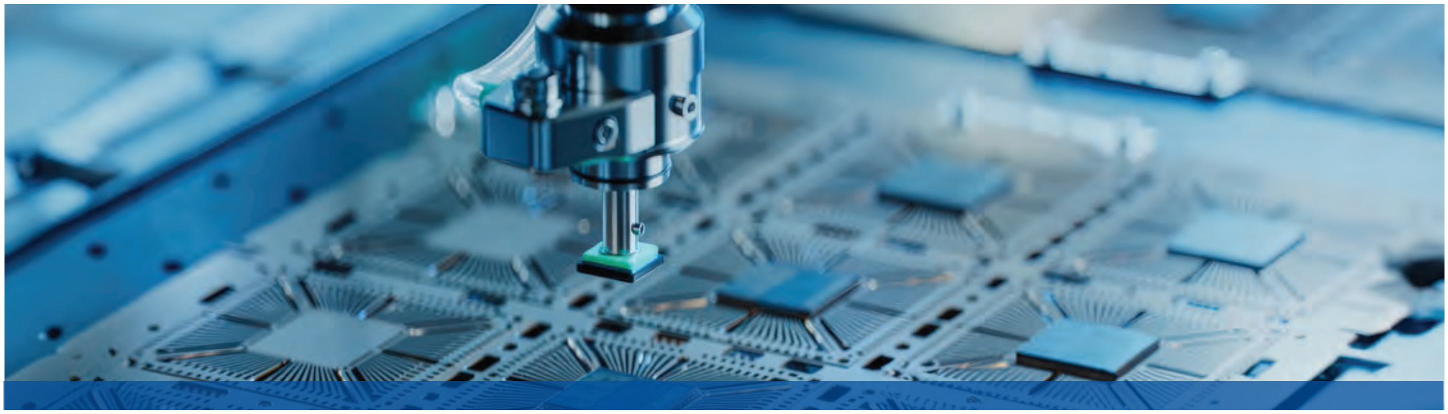
We believe corporate boards are more likely to make better decisions if they have independent chairs. Say-on-Pay is a non-binding shareholder vote on executive compensation. We consider shareholder approval greater than 75% to represent alignment with investor expectations.



As of 6/30/2025. Sources: Parnassus, ISS, MSCI, FactSet.

GHG Emissions are calculated by Parnassus using ISS and FactSet data and are based on the assets under management of the fund at portfolio weights (ex-cash). GHG Emissions for the Index are calculated for Index holdings at Index weights. Emissions data are updated annually on a one-year lag so 12/31/23 is the most recent data available. Parnassus Investments calculates the aggregate percentage difference between the fund and the Index. Scope 1 Emissions are the direct emissions that occur from sources controlled or owned by the company. Scope 2 Emissions are the indirect greenhouse gas emissions associated with the purchase of electricity, steam, heat or cooling.

Taiwan Semiconductor Manufacturing–Fabricating the Future Sustainably



Taiwan Semiconductor Manufacturing (TSMC; ticker TSM) is the world's largest contract chip manufacturer, fabricating semiconductors for major companies in consumer electronics, communications systems and automotive and industrial equipment. As artificial intelligence reshapes computing demands, TSMC's leadership in advanced semiconductors has become increasingly crucial for the growth of high-performance computing and AI servers.

Our Analysis

TSMC's moat stems from its leadership in process technology, enabling production of the most advanced chips with superior power, performance and cost efficiency. This innovative edge creates a self-reinforcing cycle. Its superior capabilities attract the world's leading technology companies, ensuring high utilization rates and lower per-unit manufacturing costs, which, along with heavy research and development (R&D) investments, prevent peers from catching up with TSMC.

The company's competitive position has strengthened as competitors have struggled with advanced node development. The artificial intelligence boom has proven particularly beneficial for TSMC, driving demand for graphics processing units that rely on its most advanced processes. We expect this dynamic to drive robust revenue and earnings growth as hyperscale cloud providers and enterprise customers accelerate AI infrastructure investments.

TSMC's global expansion, including new facilities in Arizona and potential European operations, diversifies geographic risk while extending its technological leadership into new regions.

Sustainability Outcomes

TSMC may face significant physical climate risks, particularly regarding water management in water-stressed regions like Taiwan and Arizona. We engaged the company on water quantity and quality risks, renewable energy procurement, grid decarbonization and setting validated science-based targets. On Earth Day 2025 in April, the company committed to achieving science-based targets aligned with the SBTi Corporate Net-Zero Standard. We will continue to engage the company on target validation and its global water footprint as it expands internationally.

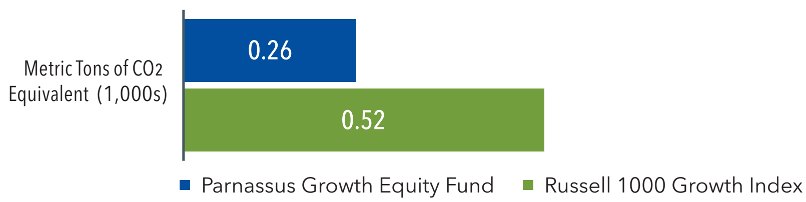
PARNASSUS GROWTH EQUITY FUND

2024–2025 Engagements	
Theme	**Companies Engaged**
Climate Risk	Applied Materials, Broadcom, Datadog, TSMC
Water Risk	Applied Materials, Chipotle Mexican Grill, Microsoft, TSMC
Chemical Safety	Amazon.com, Boston Scientific, Costco Wholesale, Sherwin-Williams
Responsible AI	Intuit, NVIDIA, Salesforce
Proxy & Governance	Amazon.com, Applied Materials, Deere & Co, Intuit, Salesforce
Sustainable Workplace	Amazon.com, Applied Materials, Chipotle Mexican Grill, Workday

Key Metrics

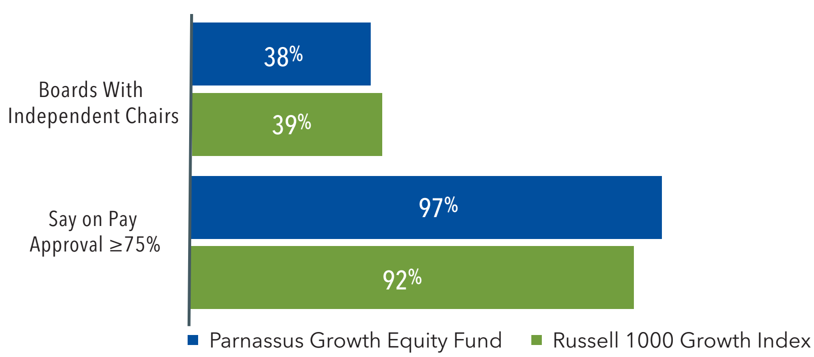
Environmental Impact: Portfolio company emissions are 50% lower than the benchmark.

Greenhouse Gas Emissions: scope 1 is direct emissions and scope 2 is indirect emissions from purchased energy. Lower is better to help improve air and water quality.



Ethical Governance: We seek companies with strong management teams whose incentives are aligned with shareholders.

We believe corporate boards are more likely to make better decisions if they have independent chairs. Say-on-Pay is a non-binding shareholder vote on executive compensation. We consider shareholder approval greater than 75% to represent alignment with investor expectations.



As of 6/30/2025. Sources: Parnassus, ISS, MSCI, FactSet.

GHG Emissions are calculated by Parnassus using ISS and FactSet data and are based on the assets under management of the fund at portfolio weights (ex-cash). GHG Emissions for the Index are calculated for Index holdings at Index weights. Emissions data are updated annually on a one-year lag so 12/31/23 is the most recent data available. Parnassus Investments calculates the aggregate percentage difference between the fund and the Index. Scope 1 Emissions are the direct emissions that occur from sources controlled or owned by the company. Scope 2 Emissions are the indirect greenhouse gas emissions associated with the purchase of electricity, steam, heat or cooling.

Walmart—Great Value for People and the Planet

Walmart (WMT) is one of the largest discount retailers, providing a broad array of goods and services through its extensive network of stores and digital platforms. Having successfully transformed from a traditional brick-and-mortar giant into a leading omnichannel and e-commerce disruptor, Walmart has made extensive investments in digital technology that can expand margins by unlocking new revenue streams such as advertising, membership, fulfillment, data and marketplace services.

Our Analysis

Walmart's wide and growing competitive moat is built on a vast physical store and fulfillment network, alongside significant e-commerce capabilities. With locations within 10 miles of 90% of the U.S. population, the company ensures widespread accessibility and rapid delivery, driving high repeat traffic and expanding its e-commerce reach. Walmart's strong brand has become synonymous with value and convenience, and its massive scale provides unmatched leverage in vendor negotiations, reinforcing its value proposition.

Walmart's dominant position in groceries further insulates its business from online-only competitors. While e-commerce was historically a drag on margins, investments in automation and alternative businesses, such as advertising, are now yielding results. We believe Walmart is a high-quality compounder with the potential to gain market share and deliver continued strong performance.

Sustainability Outcomes

Walmart has demonstrated leadership in environmental sustainability, notably by pioneering chemical footprinting. The company was the first U.S. retailer to participate in the Chemical Footprint Project survey and the first to set a time-bound chemical-footprint reduction goal and publicly report progress. Through a "ban the bad" strategy and green chemistry initiatives, Walmart reached a 20% chemical footprint reduction by 2021. Walmart has also made strides in renewable energy, waste reduction and sustainable packaging.

Although Walmart is an environmental leader, the company has a checkered history for labor and workplace practices. This year, Parnassus co-signed a letter asking Walmart to support a pioneering social-insurance initiative that promotes long-term workers' protection for Bangladesh garment workers. The initiative is aligned with our broader priorities around sustainable workplaces, which we plan to discuss with Walmart.

PARNASSUS VALUE EQUITY FUND

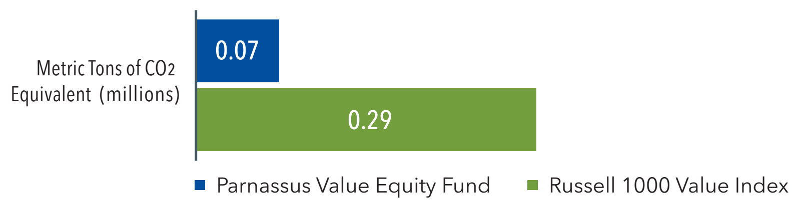
2024–2025 Engagements

Theme	Companies Engaged
Climate Risk	Applied Materials, Bank of America, Broadcom, D.R. Horton, FedEx, Intel, Micron Technology, TSMC
Water Risk	Applied Materials, Micron Technology, Microsoft, TSMC
Chemical Safety	Amazon.com, Ball Corp.
Proxy & Governance	Amazon.com, Applied Materials, Bank of America, Bank of New York Mellon, Deere & Co.
Sustainable Workplace	Amazon.com, Applied Materials, Bank of America, FedEx
General ESG/Individual	Cigna Group, Sysco Corp, UnitedHealth Group

Key Metrics

Environmental Impact: Portfolio company emissions are 74% lower than the benchmark.

Greenhouse Gas Emissions: scope 1 is direct emissions and scope 2 is indirect emissions from purchased energy. Lower is better to help improve air and water quality.



Ethical Governance: We seek companies with strong management teams whose incentives are aligned with shareholders.

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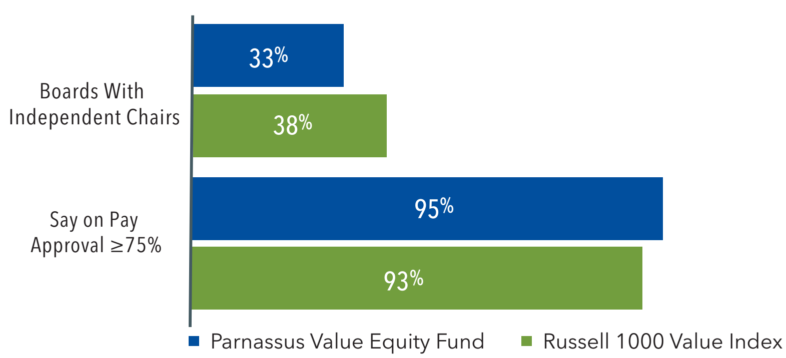

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Workday—Building Better Workplaces

Workday (WDAY) is a leading global provider of enterprise software applications for financial planning and human capital management.

Our Analysis

Workday's software serves as a system of record for large organizations, giving the company a wide competitive moat driven by high switching costs and category leadership. The company benefits from the long-term secular trends of digital transformation, cloud computing and enterprise software adoption given its strong foothold in the cloud-based financial and human-capital management markets. Recently, Workday integrated AI into its software, using it to accomplish such tasks as identifying skill sets based on applicant resumes or recommending personalized learning programs for employees.

Sustainability Outcomes

Data privacy and cybersecurity are two key risks for Workday to manage. The company maintains robust data privacy, which is critical for a company handling sensitive employee and financial data.

Building on a dialogue that we initiated in the last stewardship season, we engaged Workday on the potential impacts of its AI-driven human-capital management software on workers' rights and protections. We pressed the company to commit to developing and adopting a human rights policy, enhancing its responsible AI disclosures and formalizing board-level oversight of the company's responsible AI framework and human rights approach.

Following our engagement on the topic, Workday completed a third-party assessment of its responsible AI governance framework against the National Institute of Standards in Technology AI Risk Management Framework (NIST AI RMF). The company also achieved ISO 42001 accreditation, which is a way to verify that an organization's AI practices align with international standards for quality, consistency and effectiveness, focusing on transparency, accountability, fairness and data privacy. We are pleased with these notable accomplishments and continue to engage Workday to encourage it to enhance its disclosures.

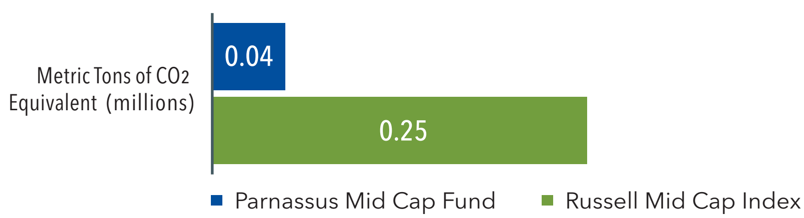
PARNASSUS MID CAP FUND

2024–2025 Engagements	
Theme	**Companies Engaged**
Climate Risk	D.R. Horton, J.B. Hunt Transport Services, O'Reilly Automotive
Proxy & Governance	Agilent Technologies, Bank of New York Mellon, Realty Income
Sustainable Workplace	Workday, O'Reilly Automotive
General ESG/Individual	Xylem

Key Metrics

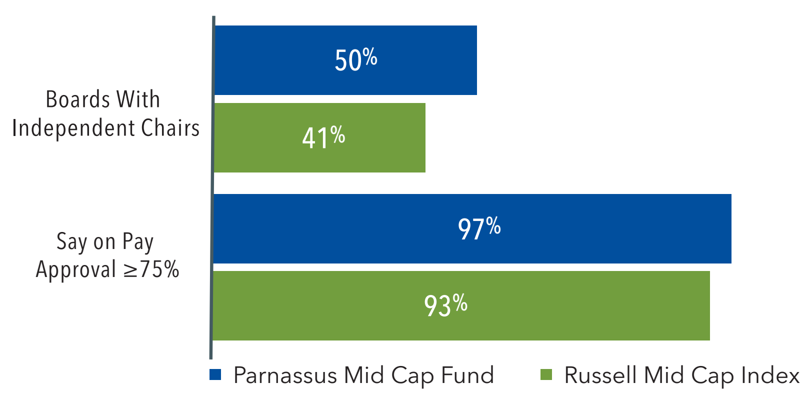
Environmental Impact: Portfolio company emissions are 84% lower than the benchmark.

Greenhouse Gas Emissions: scope 1 is direct emissions and scope 2 is indirect emissions from purchased energy. Lower is better to help improve air and water quality.



Ethical Governance: We seek companies with strong management teams whose incentives are aligned with shareholders.

We believe corporate boards are more likely to make better decisions if they have independent chairs. Say-on-Pay is a non-binding shareholder vote on executive compensation. We consider shareholder approval greater than 75% to represent alignment with investor expectations.



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Autodesk—Designing Software, Redesigning Sustainability

We aim to invest in mid cap companies that are leaders in their markets and that we believe have long runways for growth. Autodesk (ADSK) is a good example of the types of companies we favor. The company's computer-aided design (CAD) software is the industry standard for the architecture, engineering, construction and manufacturing industries.

Our Analysis

Autodesk's software is deeply entrenched within its customers' workflows, creating a wide competitive moat with a long runway for growth as its customers' workflows increasingly move to the cloud. Autodesk is also well positioned to embed more generative AI features into its products, creating the potential for incremental revenue growth over the long term. We purchased the stock in the third quarter of 2024 in the belief that Autodesk has the ability to increase its margins while generating attractive revenue growth.

Sustainability Outcomes

Autodesk supports sustainable business practices by helping companies optimize their operational efficiency and reduce environmental waste. This is especially important because the end markets that Autodesk sells into—including construction and manufacturing—often have an outsized impact on the environment.

The company's software helps architects optimize environmental performance, including embodied carbon. Embodied carbon refers to the total greenhouse gas (GHG) emissions associated with the production, transportation, installation, maintenance and disposal of building materials and products. It encompasses all the carbon emitted before and after a building is used, unlike operational carbon, which refers to emissions from heating, cooling and powering a building during its use.

Autodesk has made several sustainability commitments, such as supporting a foundation designed to provide solutions to environmental and social challenges. The company sources 100% renewable energy for its workplaces and purchases renewable energy credits for employees working from home. In its 2025 fiscal year, the company also raised its internal price on carbon by more than 50%, which would tend to incentivize a shift toward activities with lower carbon intensity.

PARNASSUS MID CAP GROWTH FUND

2024-2025 Engagements	
Theme	**Companies Engaged**
Climate Risk	Datadog, IDEXX Laboratories, J.B. Hunt Transport Services, O'Reilly Automotive
Water Risk	Chipotle Mexican Grill
Chemical Safety	Sherwin-Williams
Proxy & Governance	Agilent Technologies, Equifax, Teradyne
Sustainable Workplace	Chipotle Mexican Gill, Workday, O'Reilly Automotive
General ESG/Individual	Robinhood Markets

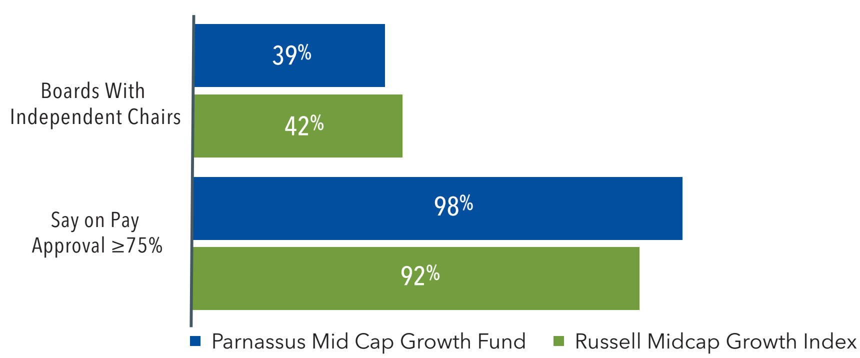
Key Metrics

Environmental Impact: Portfolio company emissions are 83% lower than the benchmark.

Greenhouse Gas Emissions: scope 1 is direct emissions and scope 2 is indirect emissions from purchased energy. Lower is better to help improve air and water quality.

Ethical Governance: We seek companies with strong management teams whose incentives are aligned with shareholders.

We believe corporate boards are more likely to make better decisions if they have independent chairs. Say-on-Pay is a non-binding shareholder vote on executive compensation. We consider shareholder approval greater than 75% to represent alignment with investor expectations.



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Unilever—Making Sustainable Living Commonplace

Unilever is a leading global consumer goods company with a diverse portfolio of beauty, personal care, nutrition and home care brands. Some of its well-known brands include Dove, Hellmann's and Lux. Unilever boasts significant market presence around the globe, with strength in emerging markets such as India and across Latin America.

Our Analysis

Unilever has durable competitive advantages due to the scale of its supply chain, expansive distribution network, retailer relationships, brand power in multiple categories and cost advantages that are difficult to replicate. The company makes significant investments in R&D and marketing for its portfolio of brands—especially in personal care, home care and beauty—which helps it maintain its relevancy against private label products. Unilever also benefits from its exposure to emerging markets, which tend to have lower private label penetration.

Recently, a new management team has implemented a significant restructuring, which involved divesting non-core assets and optimizing the product portfolio to drive cost efficiencies and increase focus on the most premium brands. This renewed approach has already yielded positive results, including improved sales volumes, margin expansion and earnings growth.

Sustainability Outcomes

Unilever's sustainability strategy, while evolving under new leadership, maintains a robust foundation, particularly regarding responsible sourcing. The company has notably achieved over 97% deforestation-free supply chains in key raw materials like palm oil.

We initiated an engagement with Unilever with the goal of enhancing the company's chemical management strategy. The company actively anticipates regulatory shifts and has set internal guidelines that exceed basic compliance. This proactive stance supports the global standardization of safer formulations across markets. While we recognize the company's strong foundation in this area, we aim to enhance it by encouraging commitments to time-bound phase-outs of priority chemicals and accelerated investment in safer alternatives. We believe a proactive approach to chemical safety can further solidify the company's leadership and enhance brand value in a rapidly evolving market.

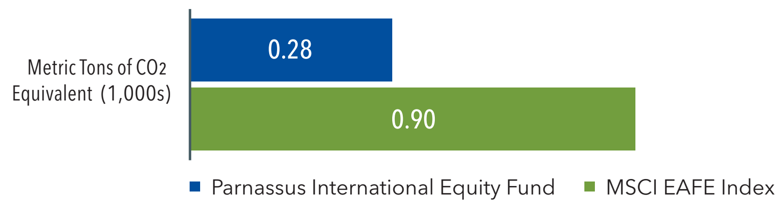
PARNASSUS INTERNATIONAL EQUITY FUND

2024–2025 Engagements	
Theme	**Companies Engaged**
Climate Risk	Adyen, BYD Company, CNH Industrial, Compagnie de Saint-Gobain, TSMC
Water Risk	TSMC
Chemical Safety	Fresenius Medical Care, Unilever
Sustainable Workplace	BYD Company, CNH Industrial, Compagnie de Saint-Gobain
General ESG/Individual	Compagnie de Saint-Gobain

Key Metrics

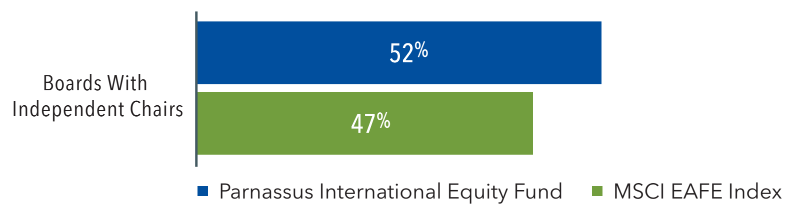
Environmental Impact: Portfolio company emissions are 69% lower than the benchmark.

Greenhouse Gas Emissions: scope 1 is direct emissions and scope 2 is indirect emissions from purchased energy. Lower is better to help improve air and water quality.



Ethical Governance: We seek companies with strong management teams and corporate governance practices.

We believe corporate boards are more likely to make better decisions if they have independent chairs.



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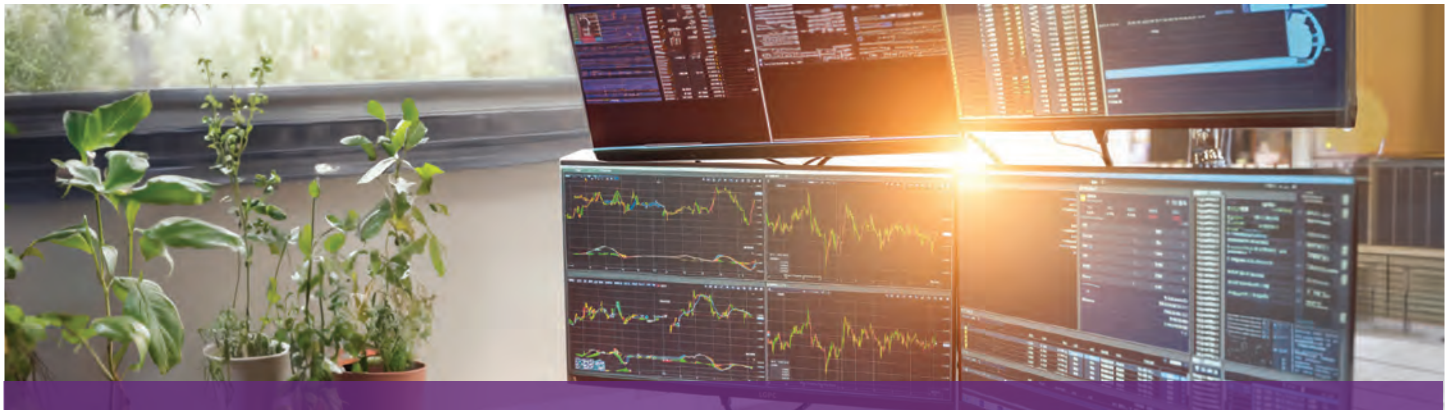
Intercontinental Exchange—Trading to Support the Global Energy Transition



Intercontinental Exchange (ICE) has evolved from a startup electronic trading platform into one of the world's most influential financial market operators, operating the New York Stock Exchange, derivatives exchanges, fixed-income data services and mortgage technology solutions across an integrated ecosystem.

Our Analysis

ICE's competitive strength rests on three pillars, each reinforced by distinct economic moats. First, the exchange business exemplifies network effects. As more participants trade on ICE platforms, liquidity deepens, attracting additional traders and creating self-reinforcing dominance. This dynamic is particularly pronounced in energy futures, where ICE holds dominant market positions in Brent crude and European natural gas contracts. Current energy market volatility has heightened demand for these hedging instruments, which also contributes to the growth of the exchange business.

Second, the fixed-income data segment leverages ICE's scale and brand recognition in bond pricing, a market where trust and reliability command premium pricing. Financial institutions depend on ICE's datasets for portfolio valuation and regulatory compliance, creating sticky relationships and supporting growth.

Finally, ICE has also assembled an end-to-end mortgage technology platform through acquisitions like Ellie Mae and Black Knight. The platform's services range from the initial lead generation through client service, positioning ICE to digitize an industry historically reliant on fragmented, manual processes. As mortgage markets stabilize and lenders seek efficiency gains, this platform offers substantial growth potential.

We anticipate a cyclical recovery in the mortgage and fixed-income markets and management's renewed capital return focus to support the company's long-term growth potential.

Sustainability Outcomes

ICE occupies a unique position in the global energy transition, providing environmental data services and facilitating environmental markets, such as carbon credit trading, which supports decarbonization efforts. This helps mitigate long-term risks in its oil and gas derivatives business. The company also faces significant data and cybersecurity risks which it has addressed through a formal cybersecurity strategy and dedicated cybersecurity and threat-intelligence teams.

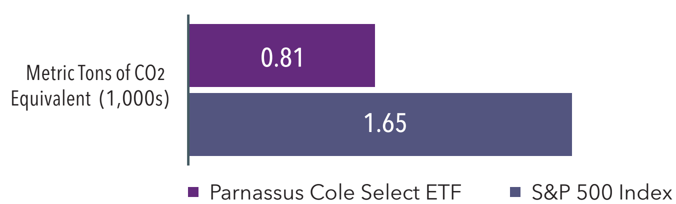
PARNASSUS CORE SELECT ETF (PRCS)

2024–2025 Engagements	
Theme	**Companies Engaged**
Climate Risk	Applied Materials, Bank of America
Water Risk	Applied Materials, Microsoft
Chemical Safety	Amazon.com, Ball Corp, Stryker Corp.
Responsible AI	NVIDIA, Salesforce
Proxy & Governance	Amazon.com, Applied Materials, Bank of America, Deere & Co, Realty Income, Salesforce
Sustainable Workplace	Amazon.com, Applied Materials, Bank of America, Workday
General ESG/Individual	Autozone

Key Metrics

Environmental Impact: Portfolio company emissions are 51% lower than the benchmark.

Greenhouse Gas Emissions: scope 1 is direct emissions and scope 2 is indirect emissions from purchased energy. Lower is better to help improve air and water quality.



Ethical Governance: We seek companies with strong management teams whose incentives are aligned with shareholders.

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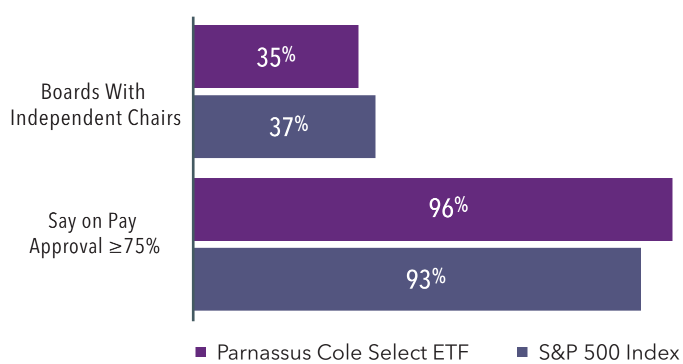

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Alphabet—Organizing the World's Information

Alphabet (GOOGL) has grown from a Stanford research project into one of the world's foremost digital-ad platforms as well as one of the more influential technology companies. Anchored by Google's preeminent search engine, the company's diverse portfolio spans mobile devices through Android, online video via YouTube, cloud computing with Google Cloud Platform and autonomous driving through Waymo—creating an interconnected ecosystem that touches billions of users daily.

Our Analysis

Alphabet's competitive strength stems from layered network effects that create a wide and stable economic moat. Google Search exemplifies this dynamic. As more users search, the algorithm improves, attracting additional users and advertisers in a self-reinforcing cycle. The company's products, including the Android ecosystem, Chrome browser, Gmail and Maps, each generate valuable user data that help strengthen the overall platform and create defensible space against competitors. The company's scale-based cost advantages are enhanced in capital-intensive areas like data centers and research and development. As traditional advertising continues its migration to digital channels, Alphabet sits at the center of this secular shift, with Search and YouTube capturing disproportionate value from the transition.

Perhaps most significantly, Alphabet has emerged as a leading artificial intelligence beneficiary through more than a decade of innovation and vertical integration. The company's approach spans custom hardware development through its TPU program, cloud infrastructure via Google Cloud Platform, frontier model development with Gemini and practical applications integrated across Search and other products. This comprehensive AI stack provides substantial leverage on the company's infrastructure investments, offering return optionality that few peers can match.

Sustainability Outcomes

Alphabet has strong data security and workplace practices, which help mitigate the overall risk to the company's execution. Its cloud services adhere to industry-leading certifications and regular transparency reporting. Given the expansion of the company's global infrastructure footprint, we engage with management on supply chain water-risk reduction. Alphabet also faces ongoing regulatory scrutiny regarding competitive practices across multiple jurisdictions although we believe material business impairment will remain unlikely in the near term.

PARNASSUS VALUE SELECT ETF (PRVS)

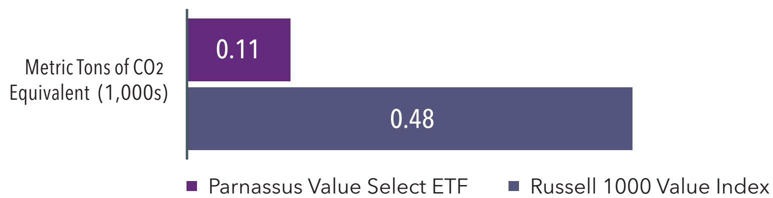
2024-2025 Engagements

Theme	Companies Engaged
Climate Risk	Applied Materials, Bank of America, D.R. Horton, Micron Technology, TSMC
Water Risk	Applied Materials, Micron Technology, Microsoft, TSMC
Chemical Safety	Amazon.com
Proxy & Governance	Amazon.com, Applied Materials, Bank of America, Deere & Co
Sustainable Workplace	Amazon.com, Applied Materials, Bank of America
General ESG/Individual	Sysco Corp, UnitedHealth Group

Key Metrics

Environmental Impact: Portfolio company emissions are 77% lower than the benchmark.

Greenhouse Gas Emissions: scope 1 is direct emissions and scope 2 is indirect emissions from purchased energy. Lower is better to help improve air and water quality.



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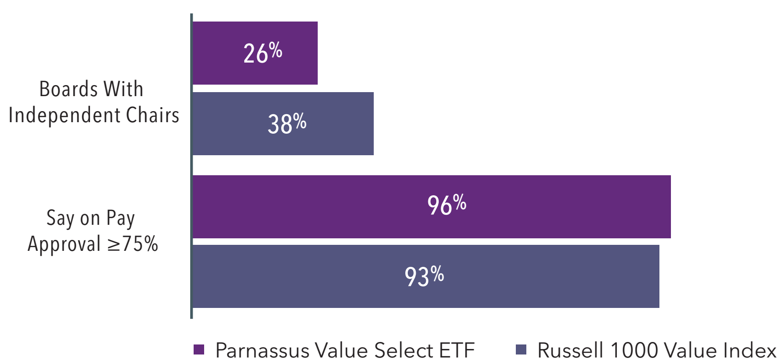

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Important Information

Science-based targets provide a clearly defined pathway for companies to reduce greenhouse gas (GHG) emissions, helping prevent the worst impacts of climate change and future-proof business growth. Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to 1.5°C above pre-industrial levels.

Scope 1 emissions are the direct emissions that occur from sources controlled or owned by the company. **Scope 2 emissions** are the indirect greenhouse gas emissions associated with the purchase of electricity, steam, heat or cooling. **Scope 3 emissions** are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly affects in its value chain. An organization's value chain consists of both its upstream and downstream activities.

Risks: The Funds' 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 Funds may invest in small and/or mid cap companies, which are generally riskier than larger companies, and the Funds' share price may be more volatile than Funds that invest in larger companies. Security holdings in the Funds can vary significantly from broad market indexes. ETFs are subject to additional risks that do not apply to conventional funds, including the risks that the market price of an ETF's shares may trade at a premium or discount to its net asset value, an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact an ETF's ability to sell its shares. Shares of any ETF are bought and sold at market price (not NAV) and are not individually redeemed from the ETF. Brokerage commissions will reduce returns.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) GUIDELINES The Parnassus strategies evaluate 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 strategies also utilize active ownership to encourage more sustainable business policies and practices and greater ESG transparency. Active ownership strategies include proxy voting, dialogue with company management, sponsorship of shareholder resolutions, and public policy advocacy. There is no guarantee that the ESG strategies will be successful.

The Russell Midcap® Index measures the performance of the mid cap segment of the U.S. equity universe. The Russell Midcap Index is a subset of the Russell 1000® Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Russell Midcap® Index represents approximately 26% of the total market capitalization of the Russell 1000® companies. The Russell Midcap Index is constructed to provide a comprehensive and unbiased barometer for the mid cap segment. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true mid cap opportunity set.

The Russell Midcap® Growth Index measures the performance of the mid cap growth segment of the U.S. equity universe. It includes those Russell Midcap Index companies with relatively higher price-to book ratios, higher I/B/E/S forecast medium term (2 year) growth and higher sales per share historical growth (5 years). The Russell Midcap® Growth Index is constructed to provide a comprehensive and unbiased barometer of the mid cap growth market. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true mid cap growth market.

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The Russell 1000® Value Index measures the performance of the large cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with relatively lower price-to-book ratios, lower I/B/E/S forecast medium term (2 year) growth and lower sales per share historical growth (5 years). The Russell 1000® Value Index is constructed to provide a comprehensive and unbiased barometer for the large cap value segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics.

The MSCI EAFE Index (net): A stock market index that measures the performance of large- and mid-cap companies across 21 developed markets countries around the world. Canada and the USA are not included. EAFE is an acronym that stands for Europe, Australasia, and the Far East. It is not possible to invest directly in an index.

The Russell 1000® Growth Index measures the performance of the large cap growth segment of the U.S. equity universe. An individual cannot invest directly in an index. An index reflects no deductions for fees, expenses or taxes, but mutual fund returns do.

For the current holdings of the **Parnassus Core Equity Fund**, the **Parnassus Growth Equity Fund**, the **Parnassus Value Equity Fund**, the **Parnassus Mid Cap Fund**, the **Parnassus Mid Cap Growth Fund**, the **Parnassus International Equity Fund**, the **Parnassus Core Select ETF**, and the **Parnassus Value Select ETF,** please visit each fund's individual holdings page. Fund holdings are subject to change a any time.

Fund holdings are not intended to represent future portfolio composition. Fund holdings are subject to change and should not be considered a recommendation to buy or sell any securities. 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. Mutual fund investing involves risk and loss of principal is possible.

Before investing, an investor should carefully consider the investment objectives, risks, charges and expenses of a fund and should carefully read the prospectus or summary prospectus, which contains this and other information and can be found in our Literature and Forms section or by calling (800) 999-3505 for a mutual fund prospectus or (855) 514-4443 for an ETF prospectus.

About Parnassus Investments

Parnassus Investments is a research-driven investment boutique founded in 1984 on the belief that a well-managed responsible investment strategy could outperform traditional approaches. We offer a focused set of actively managed equity strategies. Our investment team carefully selects a small number of companies for our portfolios, investing in high-quality businesses they believe have increasingly relevant products or services, durable competitive advantages, strong management teams and sustainable business practices to create enduring value for our investors. Headquartered in San Francisco, Parnassus has 84 employees and oversees $47.3 billion in assets as of June 30, 2025.

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