

Parnassus Endeavor Fund

Fourth Quarter 2021

Strategy

The Parnassus Endeavor Fund is a core large cap value portfolio with a quality bias. This high-conviction fund aims to identify good 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
- Compelling valuations relative to each stock's history or to its peers

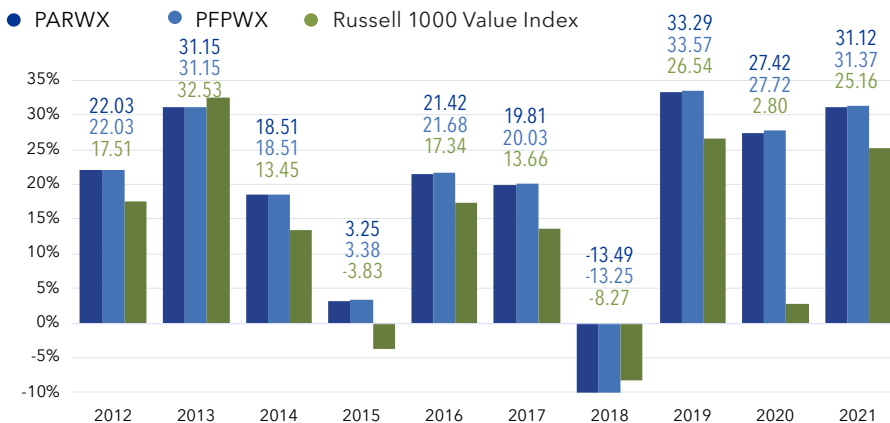
The portfolio manager seeks "clean-value" opportunities by avoiding controversial companies and carbon-intensive industries.

The Fund aims to compound wealth for investors while providing comprehensive security, sector and portfolio risk management.

Total Returns (%)¹

As of 12/31/21	3M	YTD	1Y	3Y	5Y	10Y
PARWX	8.82	31.12	31.12	30.59	18.21	18.56
PFPWX	8.88	31.37	31.37	30.86	18.47	18.74
Russell 1000 Value Index	7.77	25.16	25.16	17.64	11.16	12.97

Annual Returns (%)



Fund Facts	Investor Shares	Institutional Shares
Ticker	PARWX	PFPWX
Minimum Investment	\$2,000	\$100,000
Gross Expense Ratio	0.94%	0.73%
Net Expense Ratio*	0.94%	0.71%
Inception Date	4/29/05	4/30/15

Distribution Frequency	Annually
Total Net Assets	\$5.42 B
Category	Large Value
Benchmark	Russell 1000 Value Index

Fund Characteristics	Fund	Benchmark
Avg. Weighted Mkt Cap	\$280.5 M	\$167 M
P/E Ratio	20.0x	18.4x
P/B Ratio	3.9x	2.6x
Active Share	88.6%	-
Number of Holdings	43	853
Portfolio Turnover (2021 Annual)	37.2%	-

Morningstar Ratings™

PARWX Overall Star Rating™** ★★★★★

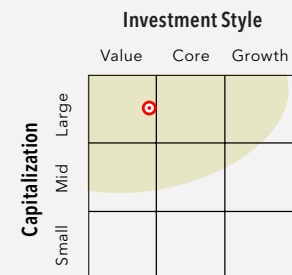
PFPWX Overall Star Rating™** ★★★★★

Analyst Rating™ **Neutral**

Sustainability Rating™** 

*Overall rating based on risk-adjusted returns out of 1,143 Large Value funds as of 12/31/21. **Sustainability Rating as of 11/30/21 out of 3,355 US Equity Large Cap Blend funds.

Ownership Zone



¹All returns greater than one year are annualized. Effective September 30, 2021 the benchmark for the Parnassus Endeavor Fund changed from the S&P 500 to the Russell 1000 Value Index.

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.

The Morningstar Analyst Rating™ is not a credit or risk rating. It is a subjective evaluation performed by Morningstar's manager research group, which consists of various Morningstar, Inc. subsidiaries ("Manager Research Group"). In the United States, that subsidiary is Morningstar Research Services LLC, which is registered with and governed by the U.S. Securities and Exchange Commission. The Manager Research Group evaluates funds based on five key pillars, which are process, performance, people, parent, and price. The Manager Research Group uses this five pillar evaluation to determine how they believe funds are likely to perform relative to a benchmark, or in the case of exchange-traded funds and index mutual funds, a relevant peer group, over the long term on a risk-adjusted basis. They consider quantitative and qualitative factors in their research, and the weight of each pillar may vary. The Analyst Rating scale is Gold, Silver, Bronze, Neutral, and Negative. A Morningstar Analyst Rating of Gold, Silver, or Bronze reflects the Manager Research Group's conviction in a fund's prospects for outperformance. Neutral-rated funds perform at the category average. Analyst Ratings ultimately reflect the Manager Research Group's overall assessment, are overseen by an Analyst Rating Committee, and are continuously monitored and reevaluated at least every 14 months. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to global.morningstar.com/managerdisclosures/. The Morningstar Analyst Rating (i) should not be used as the sole basis in evaluating a fund, (ii) involves unknown risks and uncertainties which may cause Analyst expectations not to occur or to differ significantly from what they expected, and (iii) should not be considered an offer or solicitation to buy or sell the fund. © 2022 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. Analyst rating shown is as of 03/03/2021.

*The investment adviser has contractually agreed to reduce its investment advisory fee to the extent necessary to limit total annual fund operating expenses to 0.88% of net assets for the Parnassus Endeavor Fund—Investor Shares and to 0.65% of net assets for the Parnassus Endeavor Fund—Institutional Shares. This agreement will not be terminated prior to May 1, 2023 and may be continued indefinitely by the investment adviser on a year-to-year basis.

Fund Statistics (5Y)	Investor Shares	Institutional Shares	Benchmark
Alpha	4.85%	5.09%	–
Beta	1.15	1.15	1.00
R-Squared	0.88	0.88	1.00
Sharpe Ratio	0.84	0.85	0.61
Standard Deviation	19.00%	18.99%	15.50%

Meet the Portfolio Manager



Billy J. Hwan, CPA, CFA

Portfolio Manager

2018–Present

- 20 years in the industry
- With firm since 2012

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.

²Percent based on total net assets as of 12/31/21. **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.

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.

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 ©2022 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) and the Russell 1000 Value Index are widely recognized indices 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.

The **Morningstar Rating™** for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. As of 12/31/21, the Parnassus Endeavor Fund was rated against the following numbers of Large Value Funds over the following time periods: 1,143 funds in the last three years, 1,036 funds in the last five years and 755 funds in the last 10 years. With respect to these Large Value funds, the Parnassus Endeavor Fund – Investor Share class received a Morningstar Rating of 5, 5 and 5 stars for the 3-, 5- and 10-year periods, respectively. The Parnassus Endeavor Fund – Institutional Share Class received a Morningstar rating of 5, 5 and 5 stars for the 3-, 5- and 10-year periods, respectively, based on risk-adjusted returns.

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. © 2022 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.**

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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.

Ten Largest Holdings²

The Charles Schwab Corp.	3.7%
Cisco Systems Inc.	3.5%
Verizon Communications Inc.	3.4%
Merck & Co., Inc.	3.3%
Intel Corp.	3.1%
Agilent Technologies Inc.	2.9%
PepsiCo Inc.	2.9%
Simon Property Group Inc.	2.7%
Sysco Corp.	2.7%
Global Payments Inc.	2.6%
Total	30.8%

Sector Weighting²

	Fund	Benchmark
Information Technology	30%	10%
Healthcare	22%	18%
Financials	19%	21%
Industrials	8%	11%
Consumer Discretionary	6%	6%
Consumer Staples	6%	7%
Communication Services	5%	8%
Real Estate	3%	5%
Energy	0%	5%
Materials	0%	4%
Utilities	0%	5%
Short-Term Investments	1%	0%