



Transitioning to a Toxic Free Future: IEHN Investor Guidance on Safer Chemical Management



ICCR Spring 2026 Conference



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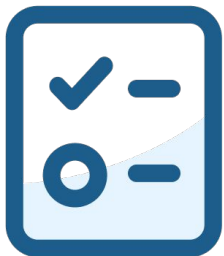
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Are you aware of hazardous chemical risks in your portfolio?



How active are you in engaging companies on safer chemical management?



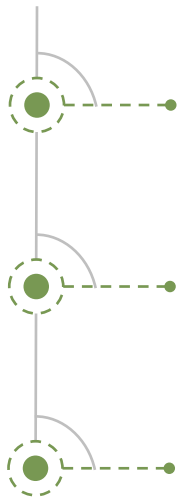


Why Chemical Risk Matters to Investors

Larisa Ruoff

March 2026



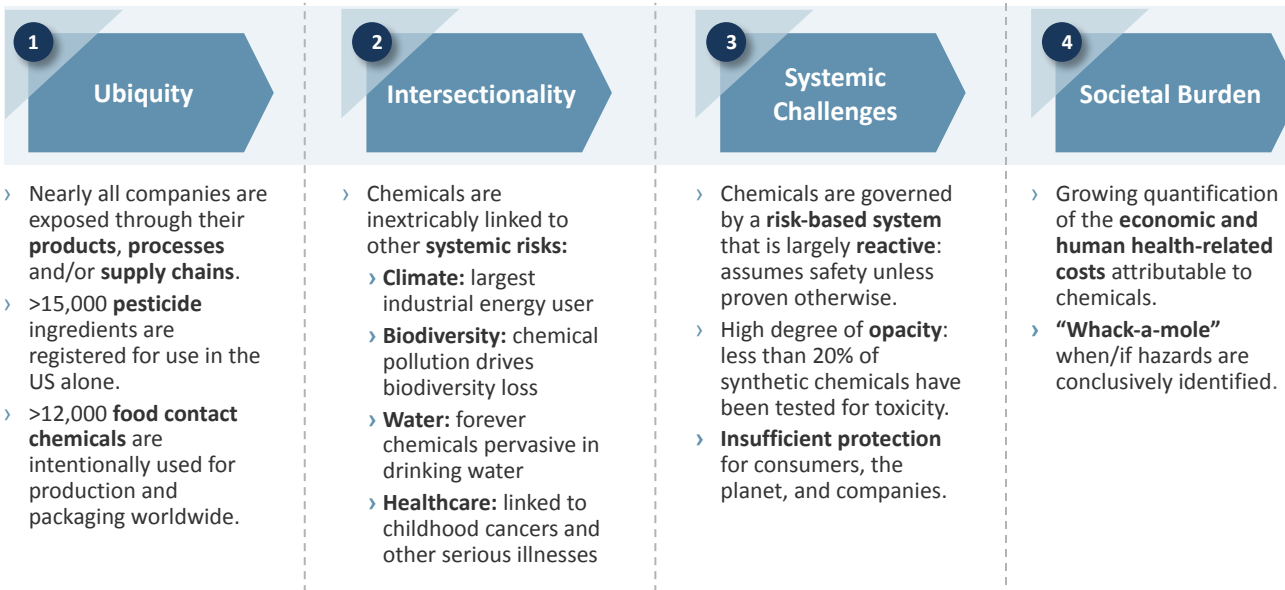


Why Chemicals? Ubiquitous, linked to systemic risks, system insufficiently protects consumers, the planet and companies.

Investor Perspective: Litigation, regulation, consumer preferences, oh my!

Resources and Partners: What is available for investors and companies?

Why We Focus on Chemicals-related Risk



Why Chemical Risk Matters to Investors



Harmful chemicals – and their mismanagement – can introduce financial risks for companies.



Litigation risks: Significant financial impact and increasing number of lawsuits.



Consumer preferences: Strong support for ingredient transparency, increased regulation and assurance of safety.



Regulatory environment: Complex, turbulent – uncertain for companies and investors.

To mitigate long-term risk and meet evolving expectations, companies should understand their chemicals-related risks, have a comprehensive plan to manage and reduce them, and support safer alternatives.

A Hazard-Based Approach



The business imperative for adopting precautionary, hazard-based chemicals management:

Why a hazard-based approach?

- › Targets chemicals with the **highest inherent risk**, not just regulated ones
- › Drives **proactive** substitution
- › Preserves brand trust and **protects value**

Business Upside

- › Avoids **litigation**
- › **Future-proofs** supply chains and product portfolios
- › Helps to prevent **recalls** and forced **reformulation**
- › Builds **consumer confidence**
- › Improves **transparency**

A hazard-based approach does not *conflict with* a company's enterprise risk management approach but can instead *enhance* it by adding important information into decision-making.



Understanding chemical risk is a vital piece of the puzzle, but the bigger challenge is how to manage these risks. To address this, IEHN has developed two resources:



- The framework includes detailed guidance on how to:
1. Use independent third parties to conduct full chemical hazard assessment;
 2. Adopt a comprehensive chemical management plan and validate its efficacy; and
 3. Incentivize safer chemistry solutions when legally feasible.

For **investors**: Helps assess how companies are managing risks

For **companies**: Provides clarity on what investors expect and what peers are doing.

clear roadmap • metrics for success • supporting resources • peer examples

STACY GLASS

bridging chemical data and supply chain impact



Co-founder and CEO



Advisory Board

Partners



patagonia[®]



... and growing

Many companies have established clear and measurable goals toward **reducing carbon emissions** but lack similar **goals for safer chemistry**

“You can’t manage what you can’t measure”

Establishing a metrics framework was the first order of business for the Safer Chemistry Impact Fund.



Measuring the Transition to Safer Chemistry

Multi-stakeholder co-design with global consulting firm



- **Percent of chemicals characterized**
% of chemicals where hazards are known (A-F)
- **Presence of verified safer chemistry**
% of ingredients with hazard bands (A-C)
- **Presence of chemicals of concern**
% of high hazard/regulatory risk chemicals (D-F)
- **Percent of chemicals uncharacterized**
Report on frequency, volume, and /or function



Key Components of the Fund



The fund will identify, fund, scale, and measure impact solutions to embed safer chemistry across supply chains as the standard operating system



Metrics

Establish and track metrics, leveraging sector specific data and insights to set goals, quantify progress and publish results year over year



The Data Trust

A shared repository of chemical hazard assessments and quality processes to guide creation, verification, and maintenance and interpretation of data



Impact Programs

A docket of programs and projects to activate systems change across supply chains will be assembled annually for the release of funds



Knowledge Hub

Science-based, data-driven communications to make the case, provide industry specific data, and create agency throughout the supply chain



Independent, non-profit, science-based

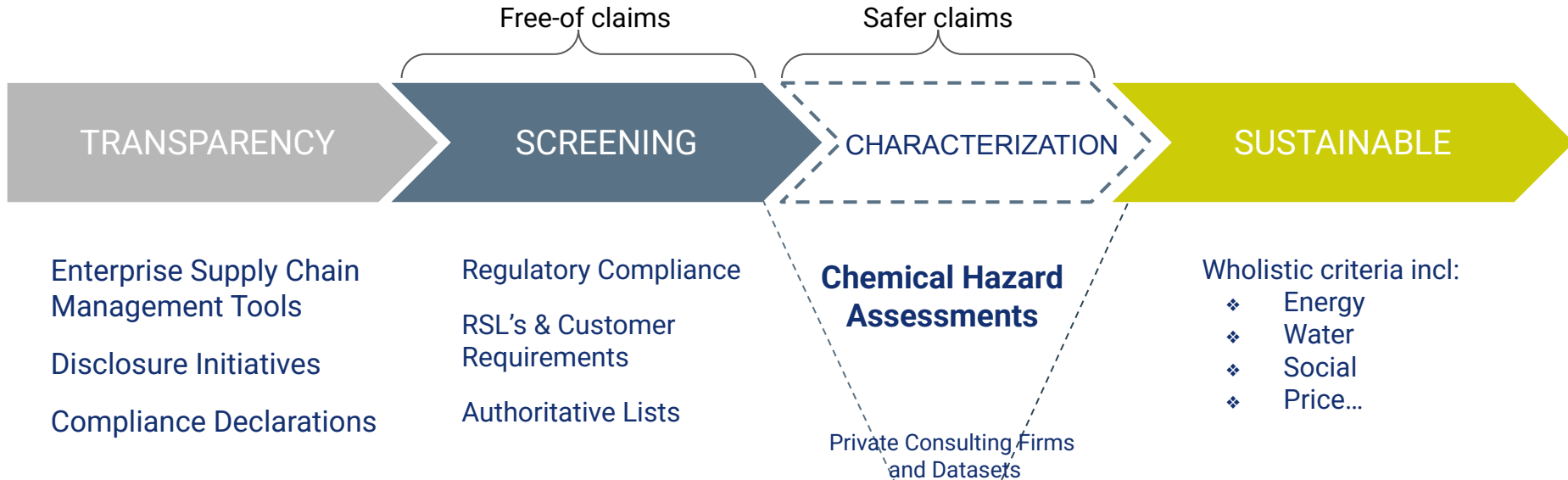
Scaling Access to Safer Chemistry

CHEMICAL HAZARD DATA TRUST

Serving a world where every material decision is informed by transparent, robust chemical hazard data, eliminating regrettable substitutions, and enabling safe and sustainable design

Bridging the chasm to safer chemistry

Lack of cost-effective, high-quality, chemical hazard data has been a barrier for many companies



Historically, the system perpetuated high cost, inconsistencies, and slowed the transition to inherently safer chemistry







WHY CHAs? TOXIC IS EASY, SAFE IS HARD

“It takes a lot more information to prove that a chemical is inherently safe than it does to prove that it is toxic. Just knowing that a chemical is a known carcinogen or that it causes skin sensitization can be enough to rule it out as a good candidate for product applications. But to be sure that it is inherently benign for its intended use means that data gaps must be filled. A lack of hazard data does not mean that a chemical is inherently benign,”

Lauren Heine, Ph.D., Co-Founder and Strategic Advisor, ChemFORWARD

| Human Health | | | | | | | | | | Environmental | | | | | | Other | | | | | | |
|--------------|-----------------|--------------|---------------------------------------|----------------------|---------------|-----------------|---------------------|---------------|---|-----------------------------------|---------------|------------------|----------------|----------------------|-------------|-----------------|--------------------|----------------------|-----------------|--------------|------------------------------|---|
| | Carcinogenicity | Mutagenicity | Reproductive & Developmental Toxicity | Endocrine Disruption | Oral Toxicity | Dermal Toxicity | Inhalation Toxicity | Neurotoxicity | Skin, Eye, and Respiratory Corrosion/Irritation | Sensitization of Skin and Airways | Fish Toxicity | Daphnia Toxicity | Algae Toxicity | Terrestrial Toxicity | Persistence | Bioaccumulation | Climatic Relevance | Other (Human Health) | Organohalogenes | Toxic Metals | Other (Environmental Health) | |
| Oral | - | G | R | Y | G | | | - | | | Y | Y | - | G | G | G | G | G | G | G | G | G |
| Dermal | G | | G | | | G | | - | Y | G | | | | | | | | G | G | G | G | G |
| Inhalation | - | | - | | | | G | - | | | | | | | | | | G | G | G | G | G |

Simplified Ratings for Actionable Decision Support

| | ChemFORWARD Hazard Band | Chemical Rating | Implications |
|---|--|---|---|
| Based on CHAs |  | a | Low hazard and low risk |
| |  | b or c/b | Some moderate hazards but low risk |
| |  | x/c, x/c-CMR(2), grey/c, c/b-CRE | Moderate hazard, moderate risk or uncertainty that could result in moderate risk |
| Based on Authoritative Sources and CHAs |  | x*, x-PB, x-PMT, x-vPvM, x/c-CMR(2)-E | Moderate to high hazard; emerging regulatory risk (classification may be based on a chemical class/grouping approach) |
| |  | x-Reg, x/c-CMR(1), x/c-E, x-PBT, x-vPvB, x-vPT | High hazards and high risk in most scenarios |
| |  | | Request a CHA to inform a decision |

Building Trust in the Science of CHAs

Quality and continuous improvement are necessary for shared data:

- **One profile per chemical**
- Built on proven existing [hazard classification methodologies](#) (starting with GHS, C2CC). ChemFORWARD is NOT a new CHA method.
- [Qualified Assessors](#) own and **maintain the data** they create and participate in a community of practice
- **Peer review/verification** by independent toxicologists who assure assessments are comprehensive, consistent, and credible - thereby increasing user trust
- **Bi-annual validity review**. Ongoing **maintenance** to ensure CHA's remain complete and accurate - identification of CHAs which become materially incorrect or high priority for reassessment as new data becomes available; **extending the life of reliable data**
- A technical [challenge process](#) that promotes **continuous improvement** and results in a definitive dataset that justifies having one CHA per chemical
- A policy for reviewing, incorporating, and protecting unpublished [private data](#) into CHAs

2023 Goal: Establish a baseline metric for BPC



SEPHORA



credo
BEAUTY

BEAUTYCOUNTER®

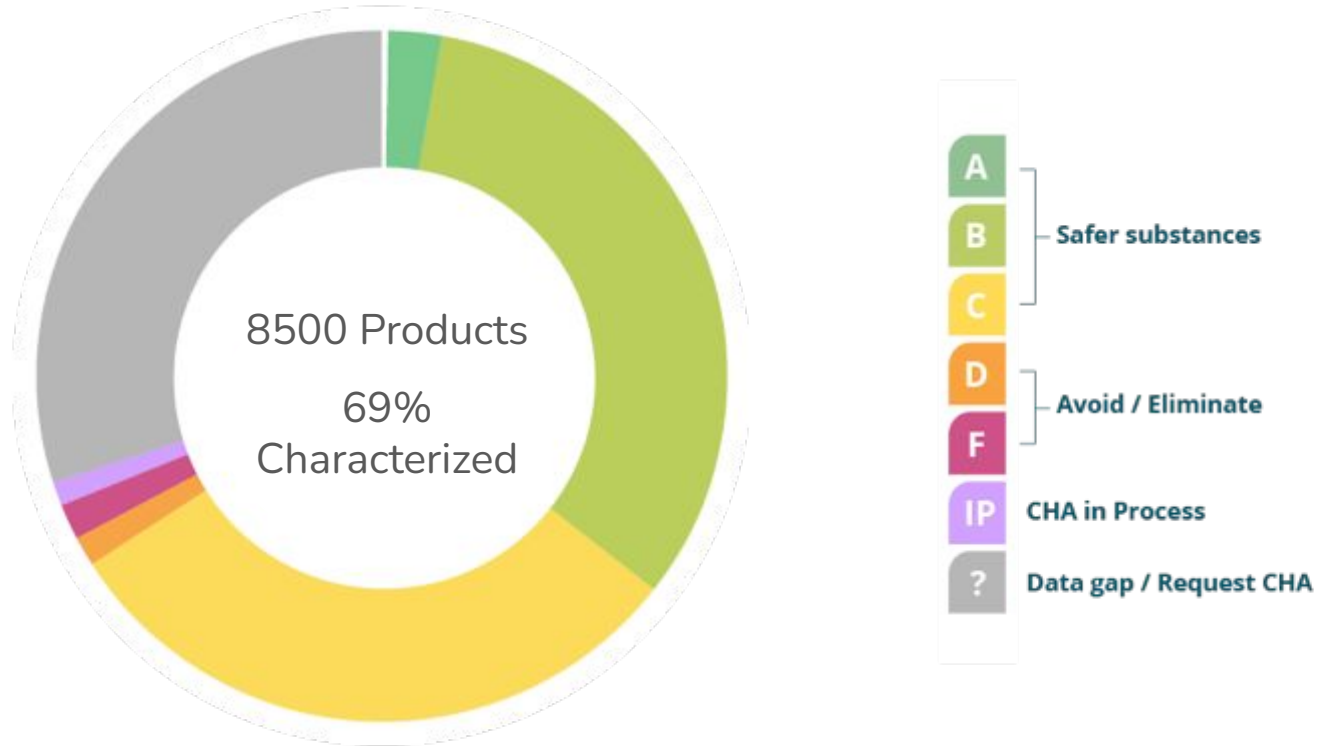


Inolex



KEY INSIGHTS

1. Chemical Hazards are Knowable



2. The Number of Chemicals is Manageable



3. High Hazards Persist...

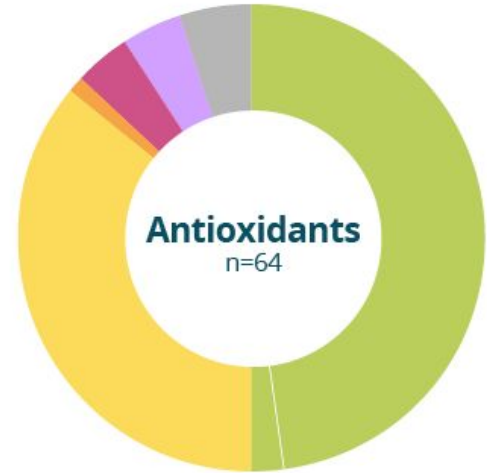
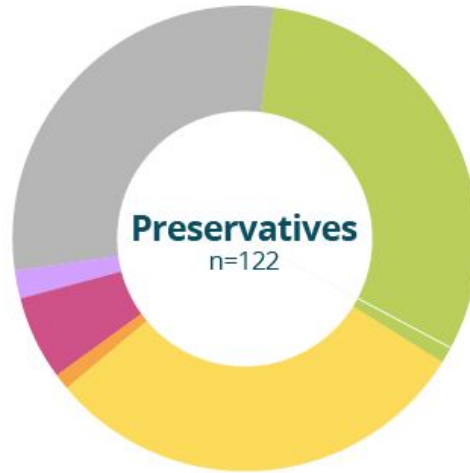
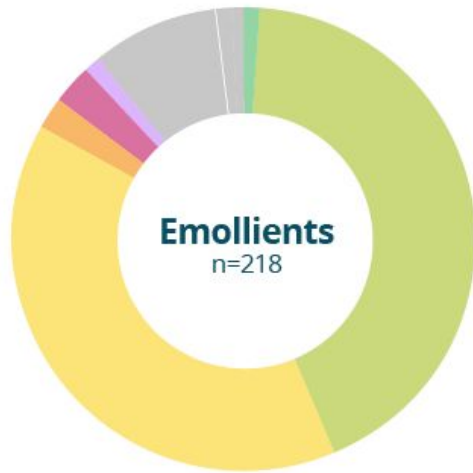
| % OF PRODUCTS | INCI NAME | POSSIBLE FUNCTIONS* | |
|---------------|---|--|---|
| 18% | Cyclopentasiloxane | Emollient, Solvent | F |
| 14% | BHT (Butylated Hydroxytoluene) | Antioxidant/ Preservative | D |
| 10% | Chromium oxide greens (CI 77288) | Colorant | F |
| 9% | Methylparaben | Preservative | F |
| 9% | Carbomer (chlorinated) | Emulsion Stabilizer, Viscosity Increasing | D |
| 7% | Red 30 (CI 73360) | Colorant | D |
| 7% | Red 27 (CI 45410) | Colorant | D |
| 5% | Butylphenyl Methylpropional (Lilial) | Fragrance | F |
| 5% | Ethylhexyl Methoxycinnamate (Octinoxate) | UV Protection | F |
| 3% | Aluminum Powder (CI 77000) | Colorant | F |

HAZARD BAND

KEY INSIGHTS

...despite potentially safer alternatives

Safer, functional, scalable, and cost-effective alternatives are the goal



When potential alternatives don't exist or don't meet performance and cost expectations, we use SCI Fund's network to make a market-validated call for innovation.

4. Chemical Disclosure and Characterization: A Business Imperative

Uncharacterized chemicals represent risk to consumer safety, brand trust, and investor liability

“ We’re at a tipping point, chemical hazard disclosure is no longer a niche concern for social impact investors—it’s **a strategic due diligence requirement for all investors.** Without visibility into these risks, investors fly blind in a market increasingly demanding accountability. ”

Alexandra McPherson

Director, **Investor Environmental Health Network**



5. Collaboration is an Accelerator



25
CHAs

SUCCESSFULLY FILLING
20K DATA
GAPS

INVESTMENT OF ONLY

\$125K

COST-EFFECTIVE

\$6 PER DATA
GAP

Year-over-year



did we move the needle?

YEAR-OVER-YEAR METRICS

2025 Progress Report

48,095 Products analyzed
(up from 8,500)

1.2 m Ingredients
(up from 300,000)

2,286 Unique ingredients
(up from 2,279)



Dashboard Summary



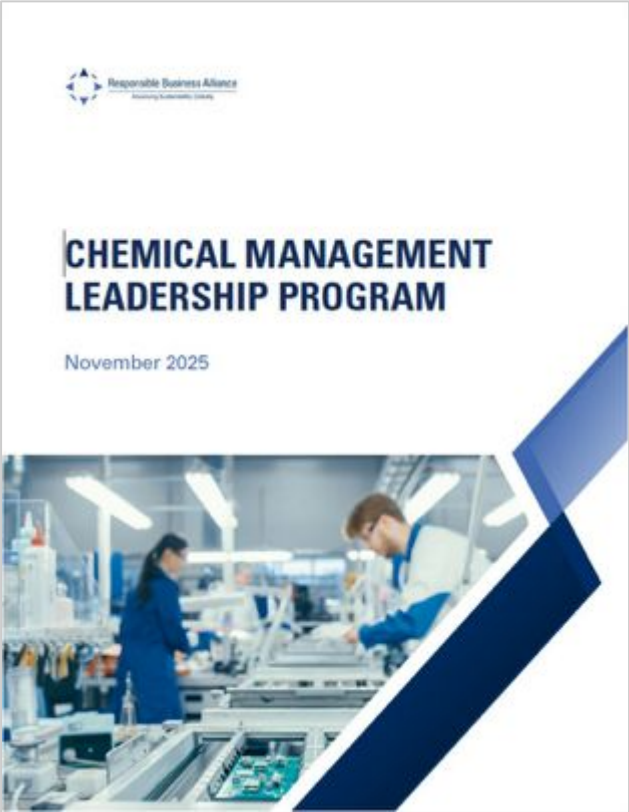
Percent characterized represents actual proportions of the dataset, as collected, compared to Data Trust Hazard Bands each year. Observed changes should be interpreted in light of sample size and market fluctuations and results may not be directly comparable year over year.

**Does this Approach Work
in Other Sectors?**

Electronics Safer Chemistry Collaborative



...and growing



Apparel Working Group

- **Establish an industry baseline metric**
- **Create a roadmap for action**
reduce CoC's and increase verified safer
- **Engage industry stakeholders**
Brands, retailers, suppliers, NGOs
- **Publish a baseline report**
(May/June 2026)
- **Embed action plan in existing efforts**



Preliminary Metric

Accounting for frequency of use in the dataset

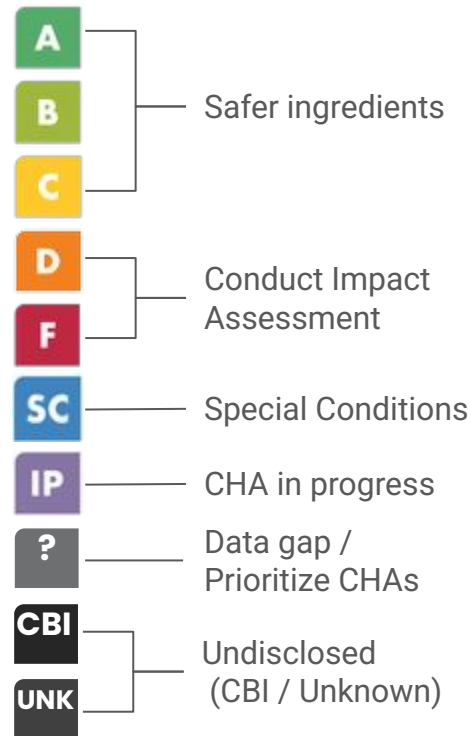
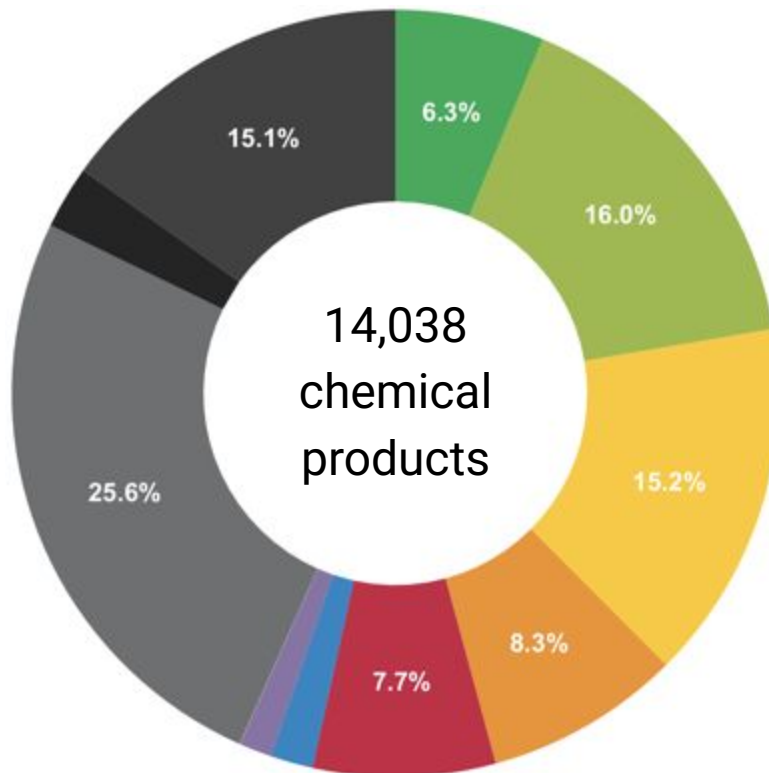
82.3% Disclosed

56.7% characterized

37.5% safer chemistry

16.0% chemicals of concern

25.6% uncharacterized



Shared data enables



Inolex



trade name assessments

- 1 Ensure safety of all chemical constituents (including NIAs) while **protecting CBI**
- 2 Leverage existing CHAs to **reduce the cost** and increase consistency of a material review
- 3 Build customer confidence with rigorous **third-party** process
- 4 Provides a portable claim to **distinguish** trade name material

Knowledge Hub

CREATING HOPE AND CULTIVATING AGENCY

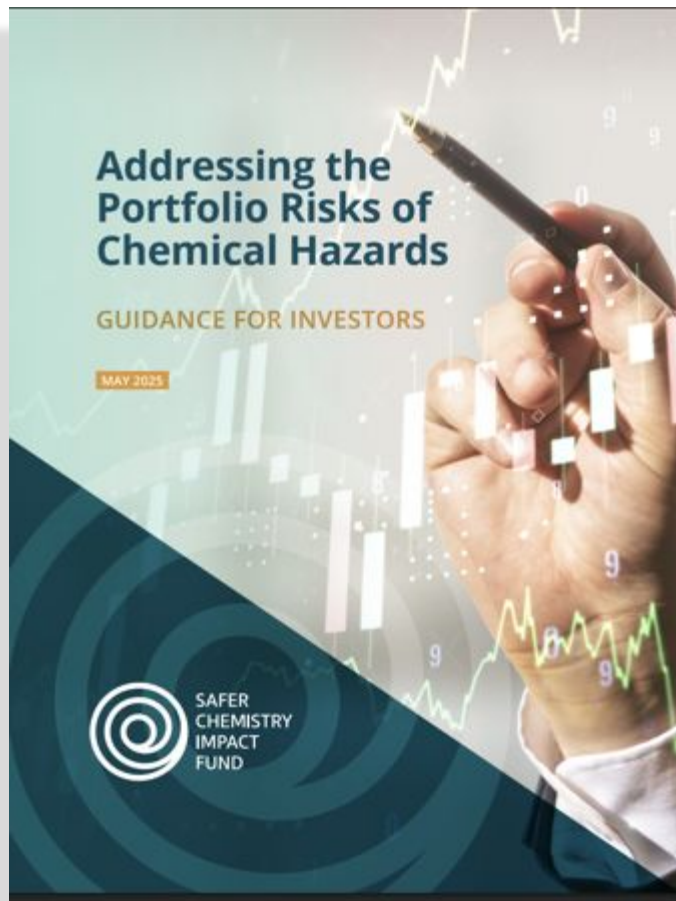
We believe in our collective ability to systematically reduce, and one day eliminate, chemical pollution.

The Fund has developed a science-based, data-driven communications strategy tailored that serves as an engine to frame the opportunity, instill optimism, and create agency throughout the supply chain.

Recent publications include



ESTABLISHING A FRAMEWORK



APPLYING THE FRAMEWORK

Summary Table

| | CRITERIA | Sustainable Accounting Standards Board | Chemical Footprint Project | Ingredient Intelligence Reports | Portfolio Sustainability Assessment |
|--------------------------------------|--|--|----------------------------|---------------------------------|-------------------------------------|
| 1 IMPACT: CHEMICAL EXPOSURE | Considers both human and environmental impacts | Optional | ✓ | ✓ | Optional |
| | Hazard-based (protective) | ✗ | ✓ | ✓ | ✗ |
| | Clearly defined hazard priorities | ✗ | ✓ | ✓ | ✗ |
| 2 METRICS AND TARGETS | Quantifies chemicals of concern beyond regulations | ✓ | ✓ | ✓ | ✗ |
| | Quantifies uncharacterized chemicals (knowledge gaps) | ✗ | ✗ | ✓ | ✗ |
| | Quantifies low-concern chemicals | ✗ | ✗ | ✓ | ✗ |
| | Quantifies % of sales and/or mass | ✓ | ✓ | ✗ | ✗ |
| | Ability to track year-over-year progress | Unknown | ✓ | ✓ | ✗ |
| 3 DATA QUALITY | Based on chemical hazard assessments (CHAs) | ✓ | ✗ | ✓ | ✗ |
| | Method for consistent classification | ✓ | ✓ | ✓ | ✗ |
| | Standardized data source | ✗ | Reference list of CoHC | Chemical Hazard Data Trust | ✗ |
| 4 TRANSPARENCY | Clearly disclosed method, assumptions, and limitations | ✓ | ✓ | ✓ | ✗ |
| 5 ASSURANCES | Self-reporting or third-party verified | Self-report | Self-report | Third-party | Self-report |

A COLLABORATIVE BLUEPRINT FOR THE TRANSITION TO SAFER CHEMISTRY

A Shared Vision: Built on the belief that chemical hazards are “knowable,” the number of chemicals is “manageable,” and toxic chemical exposure is “solvable”

Common Language: The supply chain share a common language for hazards and metrics ensuring collective benefit and collective impact

Illuminating Safer Chemistry: Value protection and value creation for Brands, Retailers, and Suppliers

Shared Data: The Data Trust is an enabler for change providing a single, reliable source of data, eliminating the need for each company to conduct its own CHAs

Accelerated Progress: Co-funding CHAs to fill high-frequency data gaps reduces the cost of knowledge and accelerates progress for all members



Chemicals and Additives in Food and Beverage Products

Laura Krausa, System Director Advocacy Programs

March 25, 2026

Chemicals and Additives: Food & Beverage Sector

They are used to:

- Color
- Flavor
- Sweeten
- Preserve
- Process



They are not:

- Food items in and of themselves
- Without risks to human health

Chemicals and Additives Proposals

RESOLVED: Shareholders request that The Coca-Cola Company (“Coca-Cola”), at reasonable cost and omitting proprietary information, report to shareholders on the processes and policies, above and beyond legal compliance, to assess and manage risks and/or hazards to human health, the company’s reputation and its financial position associated with chemicals and additives in its food and beverage products.

Chemicals and Additives Proposals – Regulatory Risks

Department of Health and Human Services (HHS) and the Food and Drug Administration (FDA)

- Synthetic Dyes Bans and Ask for Industry Pledges
 - Red Dye #3 Banned in January
 - 2 more phasing out: Citrus Red #2, Orange B
 - Call for industry pledges for the remaining 6:
<https://www.fda.gov/food/color-additives-information-consumers/tracking-food-industry-pledges-remove-petroleum-based-food-dyes>

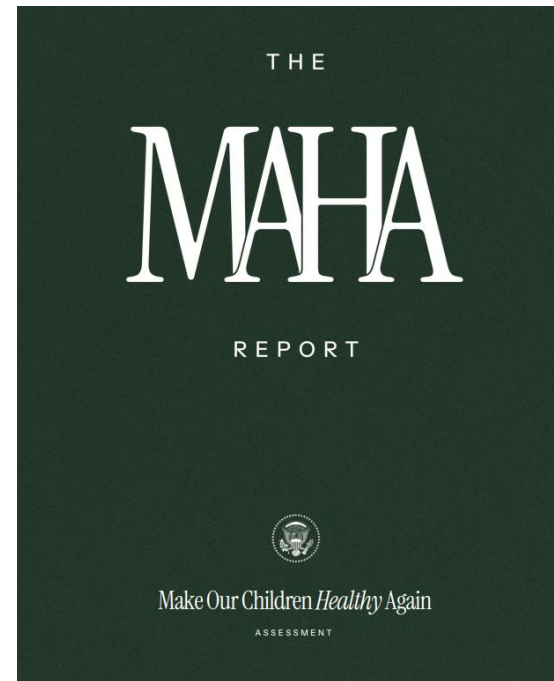
"We are going to get rid of the dyes and then one by one, we're going to get rid of every ingredient and additive in food that we can legally address."

- HHS Secretary RFK, April 2025



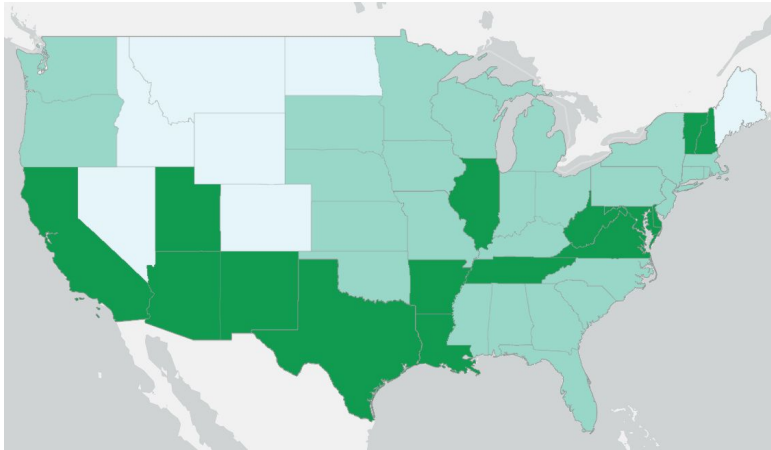
Chemicals and Additives Proposals – Regulatory Risks

- The Make America Health Again (MAHA) Report
 - Impacts on children's health: tumors, hormone imbalances, behavioral issues, obesity, diabetes, and in-utero harms
- The Generally Recognized as Safe (GRAS) Loophole
 - Allowed 111 chemicals of unknown safety into food /supplement supply (Environmental Working Group Study, 2026)

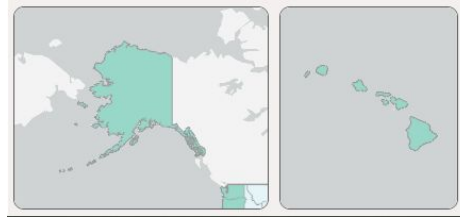


Chemicals and Additives Proposals – Legislative Risks

- Legislation introduced in 28 (43) states regarding chemicals and additives; 20 bills enacted and another 155 introduced



- Light green = proposed
- Dark green = enacted



Legislation Topics:

- Heavy Metals
- Food Dyes
- School Foods
- Statewide Ban
- Food Packaging
- Food Additives
- Ultra-processed Foods

[Environmental Working Group's Food Chemical Policy Map](#)

Chemicals and Additives – Legal Risks

- Martinez V. Kraft Heinz, Inc. et al. (December 2024)
 - Alleged that Coke and Kraft products caused Type 2 diabetes and fatty liver disease in 16 year old
- San Francisco Lawsuit (December 2025)
 - City Attorney filed against 10 companies alleging they intentionally created a public health crisis with their UPFs putting profit over people



Chemicals and Additives Proposals – Consumer Risks

- MAHA Moms and Other Advocacy Groups



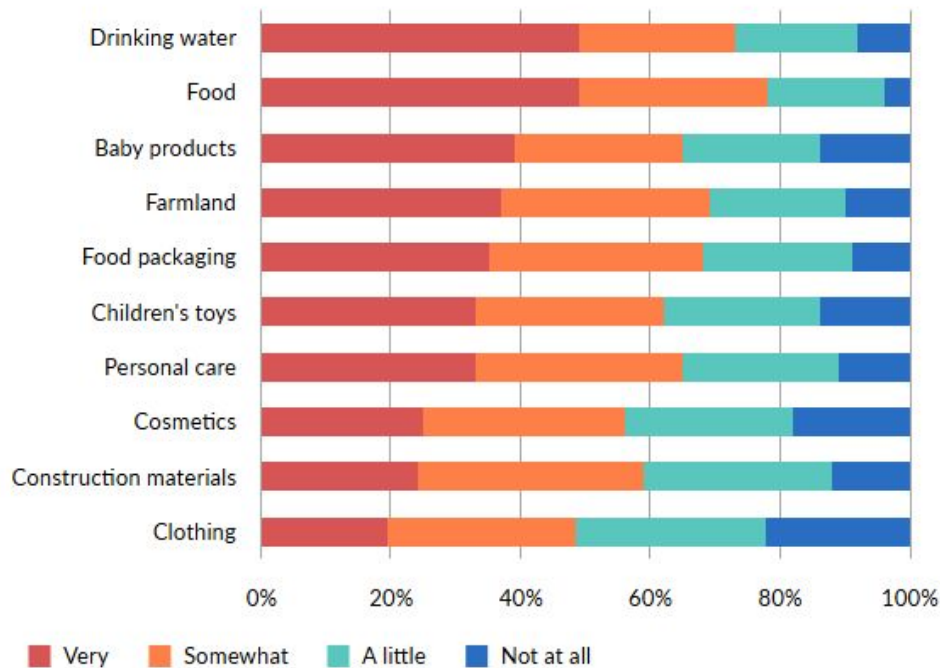
Chemicals and Additives Proposals – Consumer Risks

- Pew Research Poll (10/ 2025)

Figure 1

Most U.S. Adults Are Concerned About Harmful Chemicals in the Environment, Consumer Products

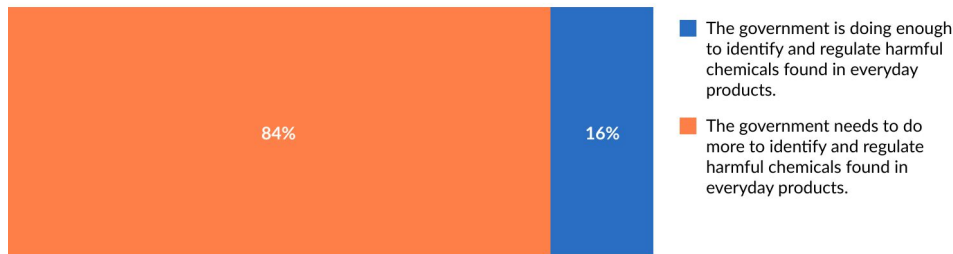
Survey responses by exposure source



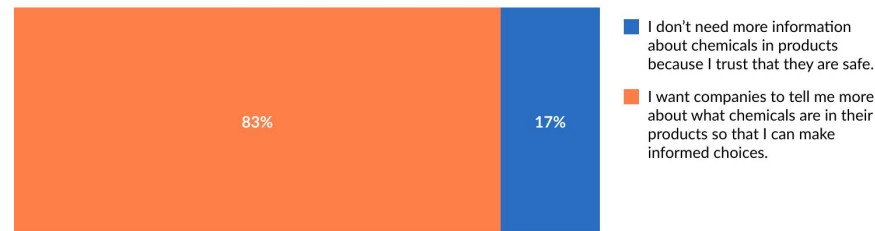
Chemicals and Additives Proposals – Consumer Risks

Figure 2
About 5 in 6 U.S. Adults Want Government, Businesses to Do More on Chemical Safety and Transparency

Respondents' preferences for three paired statements

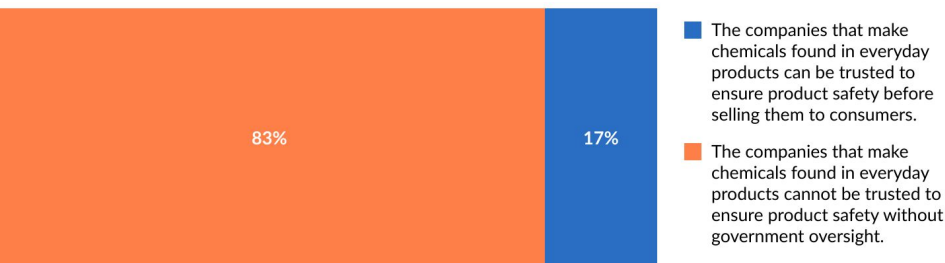


- The government is doing enough to identify and regulate harmful chemicals found in everyday products.
- The government needs to do more to identify and regulate harmful chemicals found in everyday products.



- I don't need more information about chemicals in products because I trust that they are safe.
- I want companies to tell me more about what chemicals are in their products so that I can make informed choices.

Pew Research Poll 10/2025



- The companies that make chemicals found in everyday products can be trusted to ensure product safety before selling them to consumers.
- The companies that make chemicals found in everyday products cannot be trusted to ensure product safety without government oversight.

The IEHN Framework Application

- Conduct full chemicals and additives in food and beverage products hazard inventories and disclose the results;
- Adopt hazard-based chemicals and additives management policies with time-bound goals;
- Invest in safer alternatives and incentivize suppliers to do the same.

What companies tell us:

- Science expertise in-house
- Consumers resist changes and want consistent products
- Any ingredient change is time consuming when it comes to preserving the Brand flavor

Thank you

Laura Krausa, MNM
System Director Advocacy Programs
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Transitioning to a Toxic Free Future

Investor Case Study - Pesticides

*Caroline Boden, Director of Shareholder Advocacy
Mercy Investment Services, Inc.*

March 25, 2026



Systemic & Material Risks

- » Ensure the long-term health of communities, consumers, and the environment by using sustainable chemicals in products, manufacturing, and agricultural supply chains.
- » Addressing the systemic risks to people and planet from chemicals of concern is good enterprise risk management practice.



Bayer's \$7.25 billion Roundup class settlement advances















Alignment with Standards & Frameworks

- » Global Biodiversity Framework 2030 Targets
 - » Target 7: Reduce pollution risks and ... reduce the overall risk from pesticides and highly hazardous chemicals by at least half including through integrated pest management.
- » Global Framework on Chemicals 2030 & 2035 Targets:
 - » A7: Phase out highly hazardous pesticides in agriculture where the risks have not been managed and where safer and affordable alternatives are available.
- » GRI and SASB Reporting Standards
- » TNFD and SBTN
- » IEHN's Safer Chemical Management Recommendations for Consumer-Facing Brands
- » Benchmarks: ChemScore, Retailer Report Card, World Benchmarking Alliance, Nature Action 100, Chemical Footprint Project, etc.

Engagement Asks

- » Establish and measure progress against commitments and targets that aim to reduce the risks of pesticides in alignment with the Global Biodiversity Framework's Target 7 and the Global Framework on Chemicals' Target A7.
- » Conduct a nature and biodiversity dependency and impact assessment inclusive of agrochemical use.
- » Map the presence of hazardous chemicals, including highly hazardous pesticides, and work to transition to verifiable safer alternatives.
- » Collect and monitor pesticide use data in supply chains.
- » Define regenerative agriculture that includes the reduction of hazardous chemicals.
- » Disclose progress.

Examples of Company Progress

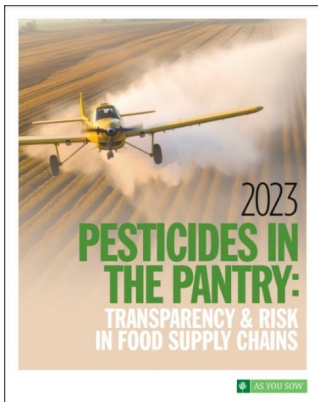
| Retailer | Grade | Points |
|--|-------|--------|
|  Whole Foods Market | A | 133 |
|  Sprouts | A- | 121 |
|  Giant Eagle | B+ | 115 |
|  Costco | B+ | 110 |
|  Walmart | B- | 94 |
|  Meijer | B- | 86.5 |
|  Kroger | C- | 65 |
|  CVS | D+ | 46.5 |
|  Dollar Tree | D | 43 |
|  Trader Joe's | D | 42 |
|  Aldi (US) | D | 40 |
|  Southeastern Grocers | D- | 33 |
|  Amazon.com | D- | 32 |
|  Ahold Delhaize | D- | 30 |
|  Albertsons | D- | 26 |
|  Target | F | 23 |
|  Wegmans | F | 17 |
|  BJ's Wholesale Club | F | 14 |
|  H-E-B | F | 9 |
|  Walgreens | F | 5 |
|  Hy-Vee | F | 5 |
| Dollar General | F | 0 |
| Publix | F | 0 |
| Wakefern Food | F | 0 |
| 7-Eleven | F | 0 |

- » Widespread adoption of Pollinator Health Policies in the retail sector.
- » Dollar Tree's Pollinator Policy includes commitment to "reduce the environmental impact of agricultural pest treatment."
- » Kroger & Walmart set timebound goals for their produce and live plant suppliers to adopt IPM practices.
- » Costco is a member of the Equitable Food Initiative and has 50 EFI-certified growers in its supply chain.

Challenges Across Sectors

- » Going beyond regulatory compliance.
- » Hazard vs. risk-based approach.
- » Adoption of regenerative agriculture commitments without clear definitions and/or without including the reduction of chemical inputs.
- » Lack of timebound and measurable goals to reduce the use of chemical inputs and transition to least-toxic alternatives.
- » Limited collection of data from suppliers.
- » Limited disclosure on metrics used and progress achieved.

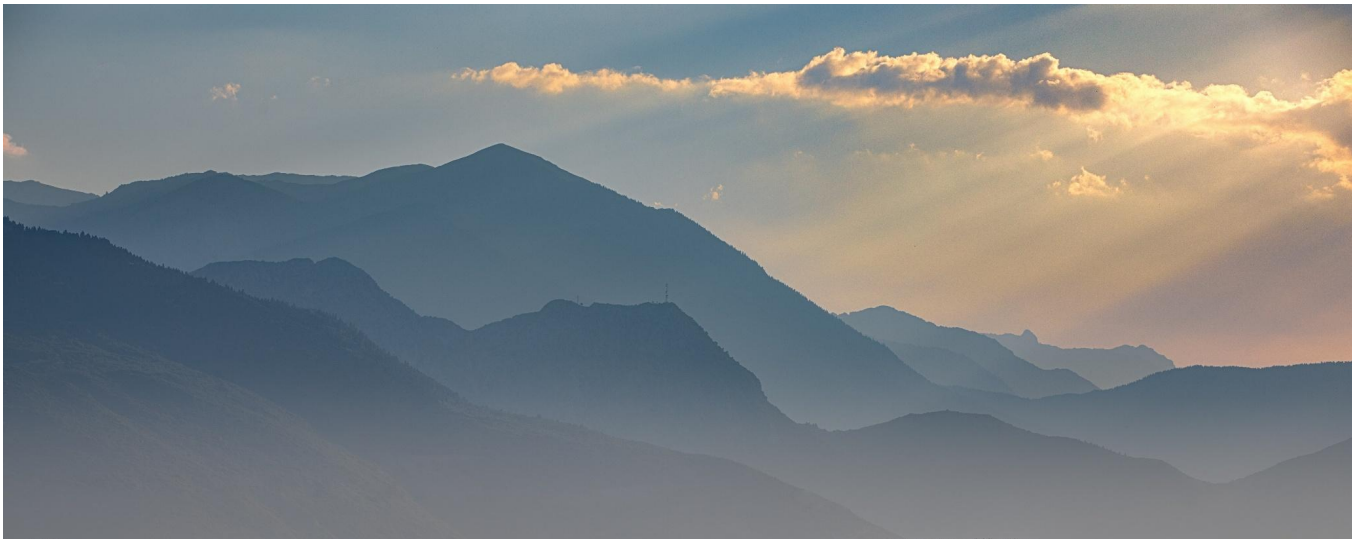
Resources



Thank you!

cboden@mercyinvestments.org





PFAS as a Cross-Sectoral Risk: An Investor Perspective

Marcy McCullaugh, Ph.D.
Director, Sustainability Research and Director, Sustainability and Stewardship

March 25, 2026

Evolution of PFAS Materiality

PFAS materiality is no longer confined to the companies that manufacture these chemicals. It is moving downstream into consumer brands, retailers and household product companies.

Companies face a convergence of risks

- **Regulatory.** A patchwork of U.S. state bans with differing definitions, timelines and product categories is creating significant compliance complexity. Globally, the trajectory is the same: the EU is advancing a comprehensive PFAS restriction under REACH, with a decision expected in 2027, and long-chain PFAS entering global elimination under the Stockholm Convention, with implementation beginning in 2026, subject to national adoption.
- **Legal.** Plaintiffs are increasingly using consumer protection statutes to target product-level marketing claims. Companies making sustainability or safety assertions without adequate chemical due diligence face growing legal exposure.
- **Supply chain.** Even companies that do not intentionally add PFAS may face exposure through contaminated raw materials, packaging or supplier inputs. As major PFAS producers exit the market, supply chain complexity and tightness is intensifying.

Companies not proactively assessing and managing PFAS exposure face compounding financial risk. Investors have both the mandate and the tools to engage them.

Many consumer-facing companies have quietly eliminated or significantly reduced PFAS in their products but will not disclose it. This paradox creates both a risk and an opportunity for engaged investors.

Why companies hesitate

- Legal liability concerns – acquisitions, supplier contamination
- Definitional complexity – "PFAS-free" claims are difficult to defend
- No standard language – e.g., "intentionally added" vs. absolute absence

The investor opportunity

- Engagement can help companies identify and adopt appropriate, defensible disclosure frameworks.
- Transparency benefits the company, building brand trust, regulatory preparedness and investor confidence.

Engagement Highlight: Chemical Safety in Consumer Goods



Holdings and allocations are subject to change. For the current holdings of the [Parnassus Core Equity Fund](#), the [Parnassus Mid Cap Fund](#), the [Parnassus Value Equity Fund](#), the [Parnassus Mid Cap Growth Fund](#), the [Parnassus Growth Equity 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. As of 12/31/2025, Costco Wholesale Corporation (COST) was held by only two Parnassus funds: it represented 1.34% of the Parnassus Growth Equity Fund and 1.9% of the Parnassus Core Equity Fund.

Important Information

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.

There are no assurances the investment objectives will be achieved, and no guarantees the strategies discussed will be successful.

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 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 industry advocacy. There is no guarantee that the ESG strategy will be successful.

Before investing, an investor should carefully consider the investment objectives, risks, charges and expenses of a fund and should carefully read the prospectus or summary prospectus, which contains this and other information about the fund. A prospectus or summary prospectus can be obtained on the Parnassus Investments website, www.parnassus.com, or by calling (800) 999-3505 for a mutual fund prospectus or (855) 514-4443 for an ETF prospectus.

PFAS (per- and polyfluoroalkyl substances) are a class of persistent, synthetic chemicals used across industrial and consumer applications for their resistance to heat, water, and oil. Due to their environmental persistence and bioaccumulation, PFAS have become a significant regulatory and liability focus globally, driving increasing demand for detection, remediation, and safer alternatives.

Reach (Registration, Evaluation, Authorization and Restriction of Chemicals) is the EU's primary chemicals regulation, enabling broad restriction or ban of hazardous substances, including PFAS.

Stockholm Convention is a global treaty aimed at eliminating or restricting persistent organic pollutants (POPs), including certain PFAS compounds. It establishes internationally binding controls on production, use, and disposal, driving coordinated global phase-outs of high-risk chemicals.

Opportunities for Investor Action

- Join a transatlantic collaboration calling for a future free from chemical pollution. To sign the statement or learn more, click [here](#)!
- Join [UN Global Framework on Chemicals](#) Finance Workstream (*please contact Peggy LeFort, UNEP FI, peggy.lefort@un.org*)
- Learn more about IEHN's Transatlantic Investor Initiative on Safer Cosmetics and Personal Care (*please contact Ali McPherson, IEHN, Alexandra@cleanproduction.org*)
- Download [IEHN's Safer Chemical Management Guidance and Resources](#)
- Learn more about [ChemFORWARD's resources and approach](#)
- Join [ICCR's Investor Working Group on Environmental Justice \(IWGEJ\)](#)

Safer Chemical Management Recommendations for Consumer-Facing Brands

Summary

Breakout Discussion



- What barriers are inhibiting or limiting investor engagement on chemical management?
- What do you feel you need to know about chemical management and hazardous chemicals to engage on this issue?
- What resources do you need or want to help get involved?
- How might you use the IEHN Guidance in your existing engagements on other issues (e.g., climate, Just Transition, biodiversity/nature loss, EJ, health, human and worker rights, etc.)?



Are you more likely to get involved in safer chemical management engagements after this session?





Would you like to learn more about IEHN and the chemical management work?

