

Real Impact

2022



Praxis Mutual Funds®

A fund family of Everence

Table of contents

- 3** From the president
- 4** Impact highlights
- 6** UN SDG overview
- 7** ImpactX overview
- 8** Values + ESG screening
- 10** Proxy voting
- 12** ESG integration
- 14** Positive impact bonds
- 16** Company engagement
- 18** Advocacy and education
- 20** Community investing
- 22** Reflection: *Far more than a “nice thing”!*

From the president

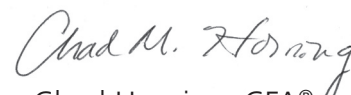


Welcome to Praxis Mutual Funds® third Real Impact Report, our effort to highlight the real impact your investments are making when you invest with Praxis. Of course, you invest in the funds to help reach your financial goals and plan for the future. But many of you invest with Praxis to align your money with your values to accomplish a greater impact that benefits others locally and around the world.

In the pages that follow, we highlight the many ways your investments make an impact that go far beyond the simple avoidance of certain companies and industries, although we do that too. From actively investing in bonds that address challenges of the global community and the climate, to our engagement with companies whose stocks we own, we work to extend the impact of your investments into the world.

Sometimes this impact is visible, like the community investments we make in each fund, or opaque like the careful attention we pay to proxy voting. Regardless of the activity, our goal is to manage every aspect of the funds for maximum positive impact.

I trust you’ll be pleasantly surprised by the many ways your money is making the world a better place. Thanks for joining Praxis on this journey.


Chad Horning, CFA®
President

2022 Real impact highlights

\$19 million

community development investments through our partner **Calvert Impact**.

37%

of Praxis Impact Bond Fund holdings invested in **impact bonds** (balance in other ESG/SRI holdings).

11

company engagements focused on **addressing inequality**.

5

Praxis wrote or joined five comment letters and/or commentaries to the **SEC or Department of Labor** in our advocacy and education work.

\$166 million

of Praxis Impact Bond holdings aligned with UN SDGs relating to **building for the future**.

6

energy companies established key commitments in the past two years as a result of engagement by Praxis and others.

5 million

people expected to be reached through **WaterEquity's Global Access Fund**, in which the Praxis Impact Bond Fund invested for the third time.

Nearly 1/2

of all shareholder proposals were **withdrawn before a vote** – indicating managements' greater cooperation.

2

screening policy changes in our Values+ESG Screening methodology: **ensuring no Russia-domiciled companies** and **adding governance criteria**.

43.1%

of community development investments dedicated to **small business** or **microfinance**.

\$42 million

of Praxis Impact Bond holdings aligned with UN SDGs relating to **ending poverty**.

9

company engagements focused on **environmental sustainability**.

16,465

total proposals voted on by Praxis on behalf of our shareholders.

~1%

of Praxis Mutual Fund assets dedicated to **community development investments**.

>35

ESG shareholder proposals received **majority votes** on proxy ballots.



YourStake

Praxis leverages new partnership with YourStake to advance impact measurement and reporting

YourStake

In 2022, Praxis Mutual Funds began working with YourStake, a platform that equips asset managers and financial advisors with tools, data, and reporting metrics to make sustainable investing more meaningful and accessible for their clients.

Though 85% of investors want to align their portfolios with their values, only about 10% actually do. This new relationship will help our investment team and advisors understand how Praxis funds are living up to our real-world impact objectives.

YOURSTAKE METHODOLOGY

YourStake uses data collected from annual company reports, academic literature, and 100+ sources that meet regulatory standards around the world. Its data allows us to compare Praxis funds to their benchmarks. For more information, go to YourStake.org.

We are excited to deepen our clients' understanding of how their investments align with their values and the difference they want to make in the world. Following is an example selected for each of our funds.

Sample comparison to their benchmarks

93% fewer

Praxis Impact Bond Fund

Medical and health care violations

Penalties paid to the U.S. government or U.K. government for deceptive medical practices and inadequate health care access.

100% less

Growth Index Fund

Gambling exposure

Companies that operate online or in-person gambling games.

69% fewer

Value Index Fund

Environmental violations

Penalties paid to the U.S. government or U.K. government for harming the environment.

81% less

Small Cap Index Fund

Industrial greenhouse gas emissions

Amount of greenhouse gas emissions from facilities in North America and European Union.

77% fewer

International Index Fund

Indigenous peoples' rights violations

Companies that violate the rights and protections of Indigenous peoples.

The UN SDGs overview

The United Nations Sustainable Development Goals (SDGs) serve as a useful lens to view progress on some of the world's most pressing problems. The 17 goals enable key global actors, such as investors and governments, to track progress toward achievement by 2030.

SUSTAINABLE DEVELOPMENT GOALS



Celebrating our contribution to achieving the SDGs

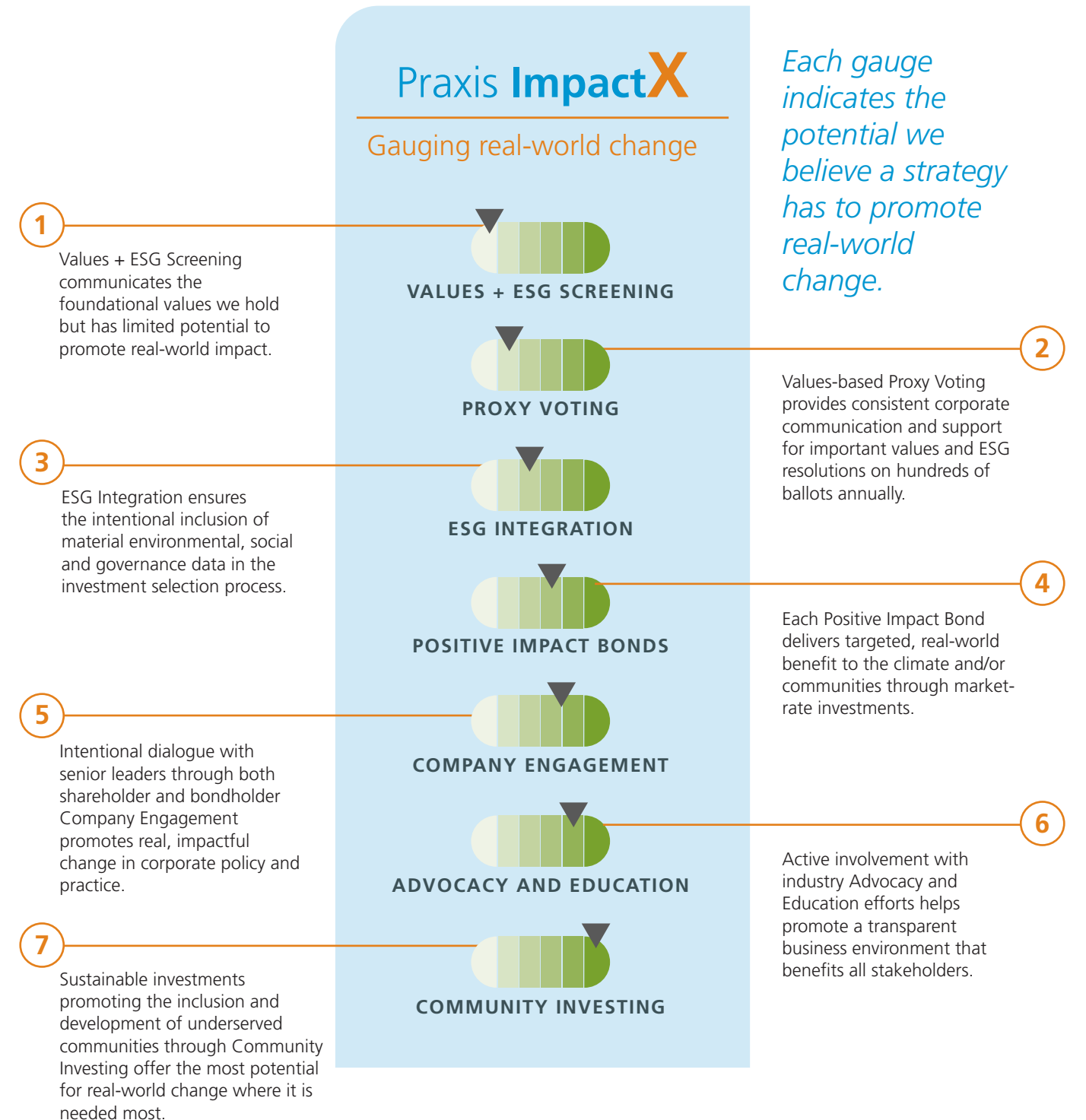
We are pleased to share a selection of ways our funds are contributing to progress across multiple SDGs. Using YourStake data, the following table provides specific examples of SDG alignment compared to their benchmarks.

Praxis Impact Bond Fund		Digital rights freedom of expression score How well do internet and telecommunications companies protect free expression and limit censorship?	24% more
		Product safety violations Penalties paid to the U.S. government or U.K. government for unsafe products.	80% less
Growth Index Fund		Environmental violations Penalties paid to the U.S. government or U.K. government for unsafe products.	77% less
		Toxic water pollution Amount (weighted by toxicity) of toxic water pollution from facilities in the U.S. and European Union.	51% less
Value Index Fund		Clean energy companies Companies with the highest clean economy revenues, and pure-play clean energy companies.	26% more
		Bribery, corruption, and fraud violations Penalties paid to the U.S. government or U.K. government for bribery, corruption, and fraud.	47% less
Small Cap Index Fund		Indigenous peoples' rights violations Companies that violate the rights and protections of Indigenous peoples.	40% less
		Diversity score How well does a company create a diverse and inclusive culture, according to employee reviews?	15% more
International Index Fund		Industrial greenhouse gas emissions Amount of greenhouse gas emissions from facilities in North America and European Union.	56% less
		Fossil fuel industry exposure Companies operating in the fossil fuel industry, and utilities powered by fossil fuels.	39% less

How do we understand real-world impact in investing?

There are many ways to seek impact, but they aren't created equal. At Praxis Mutual Funds, we utilize seven different impact strategies – which we call **ImpactX** – across our funds. Many investors are familiar with screening – but that's only the beginning of the story.

ImpactX helps investors understand the relative difference various impact strategies can make.





Demonstrating our foundational values through our investment choices

Chris Meyer

Stewardship Investing Advocacy and Research Manager



Praxis applies screens to our investments as a way to reflect our principles. We exclude companies whose products or practices are most antithetical to our values, while also accepting that no company is perfect.

We understand that screening has limited potential to promote the real-world impact that other strategies may offer. Nonetheless, our screens help define what we stand for, and when we avoid companies that are less congruent with our beliefs, we make more room for companies better aligned with our values.

In 2022, we made two screening policy changes. Due to Russia's invasion of Ukraine, we added a screen excluding all Russian-domiciled companies. We also added criteria to our governance screen to make it a more well-rounded assessment of corporate performance.



YourStake Impact Data for Values + ESG Screening

Sample comparison to their benchmarks

PRAXIS IMPACT BOND FUND

- **100% less military weapons exposure.** Companies involved in the manufacture or sale of military weapons and major military contractors.
- **93% fewer medical and health care violations.** Penalties paid to the U.S. government or U.K. government for deceptive medical practices and inadequate health care access.
- **69% less toxic air pollution.** Harm done by toxic air pollution released in the U.S. by the company, using EPA data.

PRAXIS GROWTH INDEX FUND

- **77% fewer environmental violations.** Penalties paid to the U.S. government or U.K. government for harming the environment.
- **100% less gambling exposure.** Companies that operate online or in-person gambling games.
- **51% less toxic water pollution.** Amount (weighted by toxicity) of toxic water pollution from facilities in the U.S. and European Union.

PRAXIS VALUE INDEX FUND

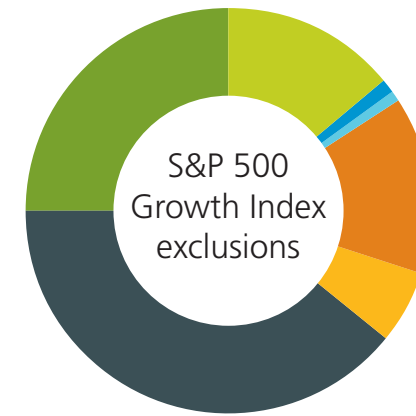
- **90% less mining exposure.** Companies involved in mining.
- **60% less industrial GHG emissions.** Amount of greenhouse gas emissions from facilities in North America and European Union.
- **92% less military weapons exposure.** Companies involved in the manufacture or sale of military weapons and major military contractors.

PRAXIS SMALL CAP INDEX FUND

- **50% fewer discrimination violations.** Penalties paid to the U.S. government or U.K. government for employment or consumer access discrimination.
- **58% less migrant detention involvement.** Does a company have direct financial ties to U.S. Migrant Detention Centers?
- **51% less fossil fuel industry exposure.** Companies operating in the fossil fuel industry, and utilities powered by fossil fuels.

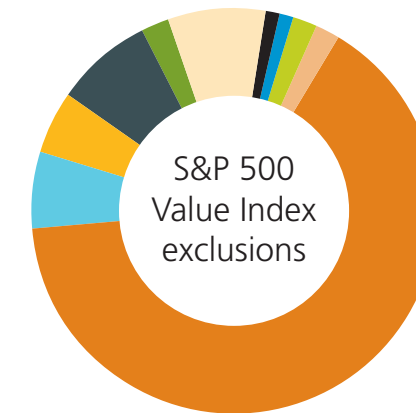
PRAXIS INTERNATIONAL INDEX FUND

- **29% fewer product safety violations.** Penalties paid to the U.S. government or U.K. government for public and workplace health and safety failures.
- **54% fewer bribery, corruption and fraud violations.** Penalties paid to the U.S. government or U.K. government for bribery, corruption, and fraud.
- **49% less air pollution in minority communities.** Amount that minority communities are exposed to toxic air pollution from industrial facilities in the U.S., using Census and EPA data.



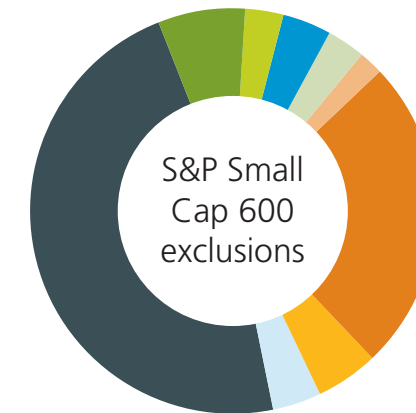
- 25% Social
- 14% Abortion
- 1% Alcohol
- 1% Nuclear power
- 14% Military weapons
- 6% Tobacco
- 39% Environment

Total weight excluded: 12.4%



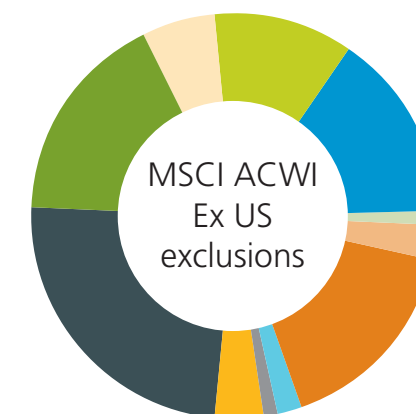
- 2% Social
- 8% Governance
- 1% Adult entertainment
- 1% Alcohol
- 2% Abortion
- 2% Gambling
- 65% Military weapons
- 6% Nuclear power
- 5% Tobacco
- 8% Environment

Total weight excluded: 14.9%



- 7% Social
- 3% Abortion
- 4% Alcohol
- 3% Firearms
- 2% Gambling
- 25% Military weapons
- 5% Tobacco
- 4% Predatory lending
- 47% Environment

Total weight excluded: 8.5%



- 17% Social
- 6% Governance
- 11% Abortion
- 15% Alcohol
- 1% Firearms
- 3% Gambling
- 16% Military weapons
- 2% Nuclear power
- 1% Cannabis
- 4% Tobacco
- 24% Environment

Total weight excluded: 18.5%



Praxis updates investment screens regarding Russia and governance

The unprovoked February 2022 Russian invasion of Ukraine prompted moral, humanitarian, business, and political outrage and increased isolation for Russian leaders, oligarchs, and the country as a whole.

Given the circumstances, Praxis moved in March to restrict all Russia-domiciled companies from its investment universe and remove any existing companies from its funds. Most Russian companies had already been excluded from Praxis funds based on a range of environmental, social, governance, and weapons-related restrictions. The new policy ensures that Praxis is additionally protected from conflict-driven risk at the country level.

Praxis also expanded its governance screen from a singular metric focused on corruption to using MSCI's governance pillar score. This aggregates several key issues, including ownership and control, board, pay, accounting, business ethics, and tax transparency into a combined analysis.

Praxis continuously evaluates its screening guidelines, integrating new understanding of issues and responding to outside developments to ensure alignment with its core values while maintaining a functional investment universe.



Communicating our values to companies

Chris Meyer

Stewardship Investing Advocacy and Research Manager



Proxy voting is an extension of shareholder advocacy and a fundamental privilege and responsibility of stock ownership. At Praxis, we believe it offers us the opportunity to communicate shared values and concerns to companies on a wide range of issues.

A record number of shareholder proposals were seen on proxy ballots in 2022 and a record number of them achieved majority votes. New resolution topics on proxy ballots more than doubled and included carbon credits, competitive employment standards, and ghost guns. Banking was the leading industry receiving shareholder proposals. The most successful proposals requested lobbying expenditures disclosure, racial equity audits, and Paris-aligned climate policy.

Praxis provided input to companies through our votes on these and many other issues that both represented our values and helped to drive positive change.

Record filings and majority votes dominate in 2022

The 2022 Proxy Season was record-breaking both in terms of the number of shareholder proposals that went to a vote and the number of majorities achieved on social and environmental resolutions. This is due to a confluence of factors, including increased investor awareness and support for these issues, as well as an interpretive shift by the SEC that reduced company challenges to shareholder resolutions.

More than 35 resolutions filed by shareholders received majority votes and ranged in topic from climate to governance to diversity, equity, and inclusion. Even votes in favor of shareholder resolutions that reach double digits are an effective mechanism for focusing management and investor attention on areas of environmental, social and governance concern, and one of the main reasons we believe it's critical for all investors to practice active ownership of their shares by voting their values.

Additionally, nearly half of all proposals were withdrawn before coming to a vote, continuing the trend of increasing cooperation between shareholders and company management. Shareholders withdraw proposals when the company agrees to some kind of fulfillment of the investor ask, such as a commitment to a certain policy change or agreement to a good-faith dialogue.

Our Proxy Voting Context

Praxis holds over 1,000 companies in our funds, and we annually vote on more than 15,000 unique proposals. Many are routine proposals necessary for regular corporate operations, while others offer us the opportunity to provide input on significant issues of environmental, social, or governance concern.

Each ballot may include a mix of company-sponsored and shareholder-sponsored proposals. Typically, company management recommends voting against shareholder proposals, as they often represent a different perspective from the corporation. At Praxis, we vote based on our values, whether or not in agreement with management preference.

Shareholder proposals on proxy ballots tend to be nonbinding, meaning that the company isn't required to abide by the majority vote. But company management pays close attention to the will of shareholders and often enacts policy changes based on shareholder support.

2022 PRAXIS GENERAL PROXY VOTING STATISTICS

1,364

Total meetings

16,465

Total proposals voted

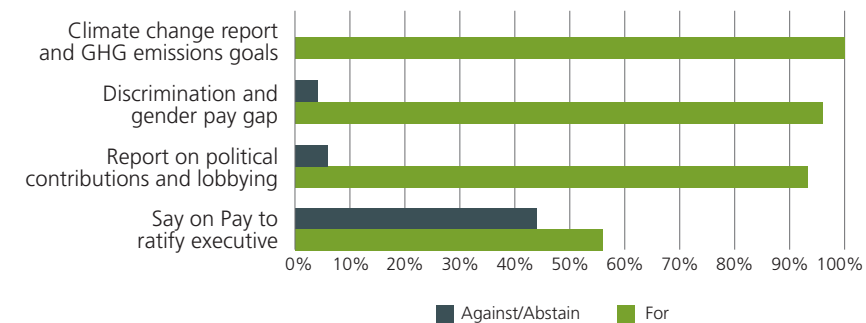
80%

Votes with management recommendations

20%

Votes against management recommendations

PRAXIS SUPPORT OF KEY PROPOSALS



- Praxis voted unanimously in favor of proposals asking companies for **reports on their climate policies** and proposals asking them to set robust **greenhouse gas emissions reduction targets**.
- Praxis strongly supported proposals calling for **audits of potentially discriminatory policies** and proposals requesting actions to **close the gender pay gap**.
- Praxis backed proposals seeking **transparency in corporate political contributions** and lobbying expenditures.
- Praxis voted for **management say on pay** (MSOP) proposals 56% of the time in 2022, down from 63% in 2021, meaning we voted against more executive pay packages this year. This reflects both a policy change in 2021 that takes a more stringent position on excessive pay packages and higher executive compensation numbers in 2022.

Understanding the value of diversity



One of the Praxis core values is to respect the dignity and value of all people. Companies can benefit from assessing the risks of their products and practices that are potentially discriminatory, racist, or increasing inequalities.

During the 2022 shareholder season, Praxis co-filed a proposal at Amazon calling for a racial equity audit. Praxis and the other filers withdrew their proposal after Amazon agreed to conduct an independent audit led by former U.S. Attorney General Loretta Lynch. The audit will investigate "disparate racial impacts" that may result from its employment practices, particularly regarding the company's hourly workers.

Praxis commends Amazon for listening to its shareholders, making the audit a corporate priority, and taking its impact on racial justice seriously.

As of Dec. 31, 2022, the Praxis Growth Index Fund has invested 1.91% of its assets in Amazon. Fund holdings are subject to change. To obtain holdings as of the most previous quarter, visit praxismutualfunds.com.



ESG Integration supports our values and prudent management

Benjamin Bailey, CFA®

Vice President of Investments, Senior Fixed Income Manager



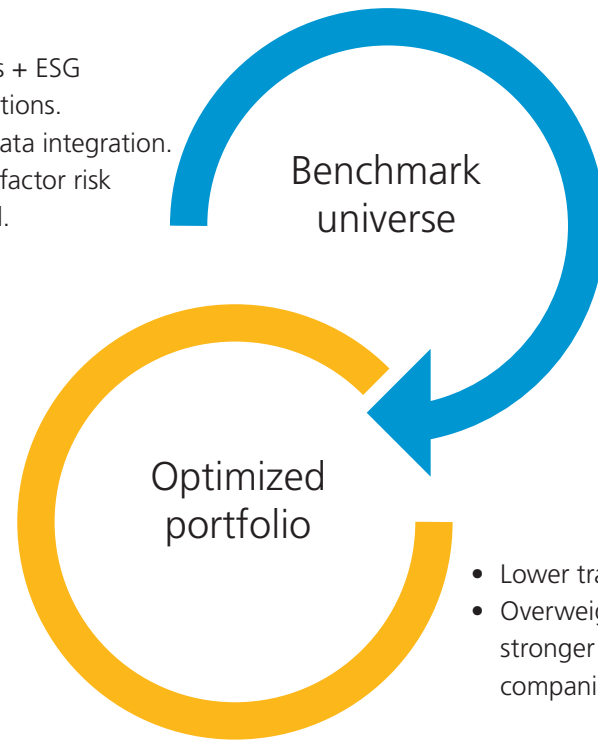
ESG data is integral to all Praxis Mutual Funds. It quantifies information that matches with our stewardship investing core values.

- The “E” or environment matches our sixth core value to “Practice environmental stewardship.”
- The “S” or social matches our first, third and fifth core values to “Respect the dignity and value of all people,” “Demonstrate a concern for justice in a global society” and “Support and involve communities.”
- The “G” or governance matches our fourth core value to invest in companies that “Exhibit responsible management practices.”

ESG data is imperative to “living out” our stewardship investing core values. We don’t just screen out, we also invest in – or invest a higher weight into – companies that better represent our core values and/or invest a lower weight into companies that don’t represent our core values as well. In addition, this practice tilts our portfolios toward companies that have less risk and greater opportunity in E, S, and G areas.

ESG INTEGRATION FOR THE PRAXIS EQUITY INDEX FUNDS

- Values + ESG restrictions.
- ESG data integration.
- Multi-factor risk model.

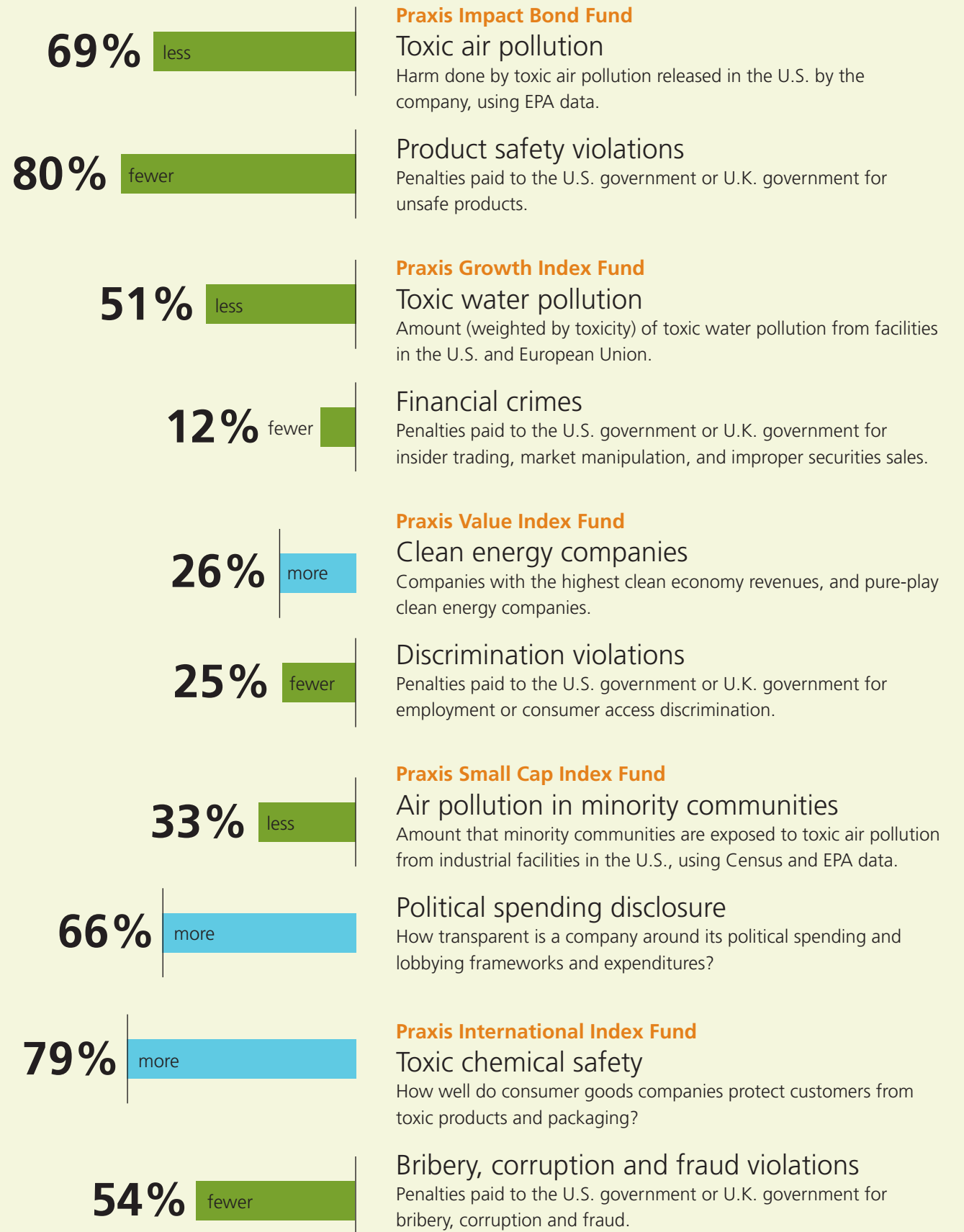


- Lower tracking error.
- Overweight to stronger ESG companies.



YourStake impact data for ESG Integration

Sample comparison to their benchmarks:





Delivering real world impact through market rate fixed income

Benjamin Bailey, CFA®

Vice President of Investments, Senior Fixed Income Manager



The Praxis Impact Bond Fund added numerous positive impact bonds in 2022. Positive impact bonds make a specific positive impact on creation and/or communities, domestically or internationally.

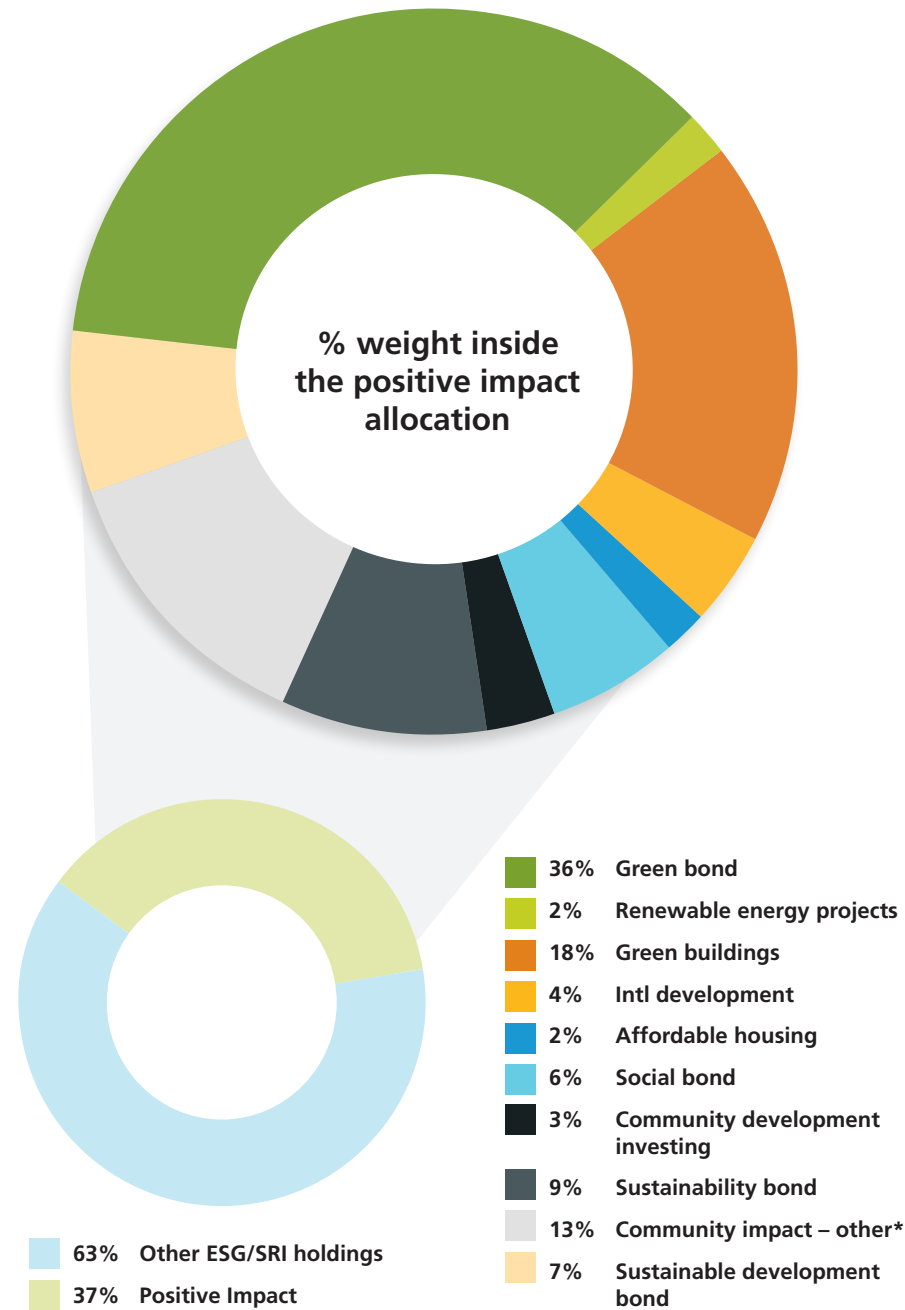
The Fund invested in green, social and sustainability bonds even before there were those labels because they exemplify the impact that we want to make in the world. The Fund's weight in these bonds grew from 34% in 2021 to 37% of the fund by the end of 2022.

Strong issuance of impact bonds continued in 2022 with total worldwide issuance of \$863 billion, according to Bloomberg. That is a drop from a record \$1.1 trillion in issuance in 2021 and it is the first annual sales decline since the market's inception. Bond markets saw lower issuance of all debt in 2022, so the decline isn't too surprising.

Our hope is that 2022 will be a short-term blip and that the market can return to solid growth in 2023.

Praxis Impact Bond Fund

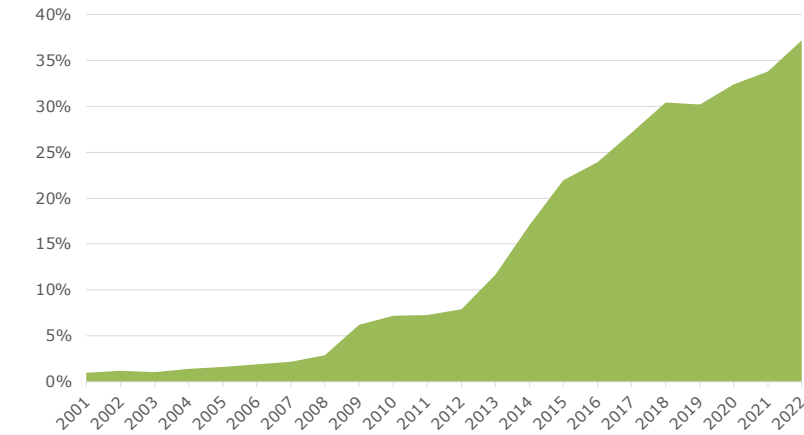
POSITIVE IMPACT ALLOCATION 37%



*Community Impact – other includes CDFI, education, health, women investments, impact, and philanthropy bonds.

As of Dec. 31, 2022.

Percentage of the Fund in positive impact bonds



Fixed income alignment with the UN SDGs

The United Nations Sustainable Development Goals are another way for Praxis to view impacts that positive impact bonds have on the world. The table below shows the breakout among the different SDGs. The largest portion of holdings in the Praxis Impact Bond Fund is invested toward projects that help accomplish UN SDG 7: Affordable and Clean Energy.

Building for the future \$166,479,350 invested in: • Energy efficiency. • Sustainable infrastructure. • Lower carbon emissions projects.	
Ending poverty \$41,760,075 invested in: • Affordable housing. • Help end hunger. • Make education more accessible.	
Reducing inequality \$39,220,113 invested in: • Gender equity. • Healthcare accessibility.	
Peaceful communities \$1,898,462 invested in: • Promoting peace and inclusive societies. • Global partnerships.	

Praxis supports improved water access



In the second quarter of 2022, the Praxis Impact Bond Fund made its third bond purchase supporting WaterEquity's Global Access Fund, through a U.S. International Development Finance Corporation bond.

WaterEquity closed its third impact investment fund, the Global Access Fund, which is expected to reach 5 million people and give them improved access to water and sanitation in Asia, Latin America and Africa. 100% of the targeted groups are low-income families, and 60% will be women.

Impact bonds like this exemplify our desire at Praxis to invest in market-rate, fixed income securities that generate explicit benefits to the climate and communities across the globe. For over 15 years, the Praxis Impact Bond Fund has prioritized buying positive impact bonds that help bring sustainable, real-world change to those who need it most.





Seeking corporate transformation through advocacy

Chris Meyer

Stewardship Investing Advocacy and Research Manager



Company engagement means using the rights and privileges conferred by stock or bond ownership to promote corporate change. We believe the most important question is not what we exclude from our funds; rather, what do we do with what we own? How can our investments make an impact in the real world?

Praxis has been promoting positive change through company engagement for more than a quarter century. Climate change, human rights standards, conflict minerals, and predatory credit card practices are just a few of the dozens of issues Praxis has addressed.

Our current focus issues are environmental sustainability and addressing inequality. From corporate commitments to reduce emissions, mobilize resources to address human trafficking, or create equitable workplaces, our efforts are bearing fruit. We are excited to share some of our highlights from the past year where engagement led to real, impactful change in corporate policy and practice.

ADDRESSING INEQUALITY

Company	Issue	Company milestone	SDG relevance
Best Buy	Paid sick leave	Improved sick leave policy transparency.	
Home Depot	Paid sick leave	Increased transparency of sick leave policies and will consider policy expansion.	3 GOOD HEALTH AND WELL-BEING, 10 REDUCED INEQUALITIES
FedEx	Paid sick leave	Committed to future meetings with shareholders.	
ODP Corporation	Paid sick leave	Committed to future meetings with shareholders.	
Amazon	Racial and gender inequality	Agreed to conduct an independent racial equity audit led by former U.S. Attorney General Loretta Lynch.	5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH
Target	Racial and gender inequality	Committed to improving diversity, equity and inclusion performance, including new metrics to gauge progress.	10 REDUCED INEQUALITIES
ConocoPhillips	Indigenous rights	Continued expanding mutually beneficial relationships with the indigenous communities where it operates.	8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES
General Mills	Human rights policy	Agreed to future dialogues on the UN Guiding Principles and human rights policy.	8 DECENT WORK AND ECONOMIC GROWTH, 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Delta Airlines	Human trafficking	Continued commitment to addressing human trafficking through employee training and policy action.	
AT&T	Online child exploitation	Improved partnerships with NGOs and law enforcement, and more extensive protective measures with products and policy.	3 GOOD HEALTH AND WELL-BEING, 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Verizon	Online child exploitation	Improved partnerships with NGOs and law enforcement, and more extensive protective measures with products and policy.	

ENVIRONMENTAL SUSTAINABILITY

Company	Issue	Company milestone	SDG relevance
American Electric Power	Climate change – utilities	Published expanded Just Transition Report.	
AES	Climate change – utilities	Improved capital expenditure alignment with climate goals.	
Duke Energy	Climate change – utilities	Announced goal of generating less than 5% of its electricity from coal by 2030 and a complete coal phaseout by 2035.	
NiSource	Climate change – utilities	Set goal of 60% or more electricity generation from renewable sources by 2030.	7 AFFORDABLE AND CLEAN ENERGY, 13 CLIMATE ACTION
Southern Company	Climate change – utilities	Published first report on Just Transition.	
ConocoPhillips	Climate change – oil and gas	GHG emissions intensity reduction of 40-50% by 2030.	
Bank of America	Climate change – banks	Committed to improving alignment of financing with climate goals.	
Morgan Stanley	Climate change – banks	Intends to align financing activities with greenhouse gas emissions reduction targets.	
McDonald's	Antibiotics	Established policies to reduce the use of antibiotics throughout its global beef and pork supply chains.	3 GOOD HEALTH AND WELL-BEING, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Meaningful progress made with energy companies

Praxis pursues advocacy on climate change as a faith-based response to our role as stewards of creation. Praxis has engaged energy companies on issues such as greenhouse gas emissions, climate scenario planning and renewable energy for over a decade.

Praxis climate advocacy efforts are focused on supporting the low carbon transition. The “low carbon transition” refers to the necessary transition of the global economy from carbon-intensive operations and energy sources to zero or low carbon options to avoid the most consequential effects of climate change. A key part of the low carbon transition is the principle of a “just transition” that refers to the integration of worker and community concerns into climate-related planning and activity.

Listed below are select Praxis engagements with energy companies and key commitments and milestones reached within the past two years:

AMERICAN ELECTRIC POWER American Electric Power net zero carbon emissions by 2050 and 80% reduction by 2030; goal of 50% electricity generation from renewable sources by 2030.

AES net zero carbon emissions for all business scopes by 2050, net zero for electricity sales by 2040; reduction of coal-fired generation to less than 10% by 2025.

ConocoPhillips ConocoPhillips net zero carbon emissions by 2050; GHG emissions intensity reduction of 40-50% by 2030.

Duke Energy net zero carbon emissions by 2050; less than 5% coal generation by 2030 and complete phaseout by 2035.

NiSource NiSource complete coal phaseout by 2028; projection of more than 60% of electricity generation from renewable sources by 2030.

Southern Company net zero by 2050 and 50% reduction by 2030; 2022 Just Transition Report.

These commitments from energy companies represent real, forward steps in the race to quickly reduce emissions.

Dialogue with ConocoPhillips on indigenous rights continues to expand

In cooperation with investor partners, Praxis has engaged ConocoPhillips on indigenous rights issues for more than a decade.

In 2022, the conversations focused on the company’s Indigenous Peoples Sustainability Report, regional updates from Canada, Australia, and Alaska, and new metrics meant to measure the company’s social performance in these areas.

During the course of this engagement, ConocoPhillips has made progress on developing positive and mutually beneficial relationships with the indigenous communities it relates to, and implementing a robust free, prior, and informed consent (FPIC) structure.

ConocoPhillips was one of the first energy companies to embed the UN Guiding Principles on Business and Human Rights into their human rights policy.

As of Dec. 31, 2022, the Praxis Impact Bond Fund has invested 0.26% of its assets in AT&T, 0.74% of its assets in Duke Energy, 0.12% in Home Depot, 0.12% in McDonald’s, 0.29% of its assets in Verizon; the Praxis Value Index Fund has invested 0.40% of its assets in American Electric Power, 0.08% of its assets in AES, 0.95% of its assets in AT&T, 0.16% of its assets in ConocoPhillips, 0.24% of its assets in Delta Air Lines, 0.39% in Duke Energy, 0.23% in FedEx, 0.85% in Home Depot, 0.21% in NiSource, 0.55% in McDonald’s, 0.37% of its assets in Target, and 0.65% in The Southern Company, 1.03% of its assets in Verizon; the Praxis Growth Index Fund has invested 1.15% of its assets in Home Depot, 0.52% of its assets in McDonald’s; the Praxis Small Cap Index Fund has invested 0.24% in The ODP Corporation. Fund holdings are subject to change. To obtain holdings as of the most previous quarter, visit praxismutualfunds.com.



Speaking up for vision and values

Mark Regier
Vice President of Stewardship Investing



Perhaps one of the most effective ways we can help deliver real-world change is to engage regulators and policymakers who shape the frameworks that govern the way investing works.

For Praxis, this means encouraging greater transparency from both companies and investment managers, promoting fact-based decision making, and advancing a long-term vision that's sustainable for both people and planet. We also routinely speak up for the important role that faith and values – and the investors who embrace them – play in the economic fabric of our country.

2022 was an especially active year as several critical rules were put forward by government agencies addressing how environmental, social and governance issues intersect investment and corporate accountability. In our comments, Praxis endorsed ESG risk factors as material to a prudent investment process while also promoting the important contribution that values can make to product innovation and positive corporate change.

Advocacy and education engagements

Issue	Entity	Latest engagement
Climate-related financial risk	Department of Labor	May 2022 Signed on to US SIF's comment letter responding to the Department of Labor's Request for Information on climate risks in retirement and pension plans.
SEC Climate Rules	Securities and Exchange Commission	June 2022 Submitted Praxis commentary to the SEC on the proposed SEC Climate Disclosure Rule, generally supporting the rules while offering suggestions for improvement.
SEC Climate Rules	Securities and Exchange Commission	Sept. 2022 Joined investor letter to the SEC requesting prompt release of its Climate Disclosure Rule. The rule will standardize climate disclosures and help investors hold companies accountable on climate policy and performance.
ESG disclosure and regulation	Securities and Exchange Commission	Aug. 2022 Submitted comments to the SEC in response to their proposed guidance around their "Names" and "Disclosure" rules pertaining to investment managers that integrate ESG into their investment process.
Shareholder proposals	Securities and Exchange Commission	Sept. 2022 Submitted comments to the SEC supporting their proposed changes to rule 14a-8. This rule covers the right of shareholders to file proposals with companies, and the changes would narrow the grounds on which companies could exclude shareholder proposals, leading to increased communication between shareholders and the company.

Shareholder proposals should encourage corporate dialogue

In September, Praxis Mutual Funds submitted an independent comment letter in support of three specific rule changes under consideration by the Securities and Exchange Commission. The changes relate to portions of Rule 14a-8, which plays an important role in public company corporate governance.

The Rule's framework provides a way for investors to communicate with corporate boards and management – and with each other – about issues of concern through the filing of shareholder proposals. Praxis relies on this framework in our shareholder advocacy work. Together with other investors, we file shareholder proposals to prompt dialogue with companies and spur positive change.

Rule 14a-8 requires companies to bring shareholder proposals to a vote unless they obtain an exemption from the SEC staff. In the proposed changes to this rule, the SEC is considering modifications to three specific exemption factors. Praxis strongly supports enactment of all three proposed changes.

Two changes would narrow exemption criteria for:

- "Substantial implementations," in which a company argues it's already made changes close enough to those sought by shareholders.
- "Substantial duplication," in which a company argues that two or more proposals are similar enough that it can reasonably exclude all but one.

The third proposed change, addressing "resubmission," would make it easier for concerned shareholders to make their voice heard over time by limiting a company's ability to bar repeat or similar proposals from future ballots when they don't garner a specified level of support. We believe this approach discourages innovation and engagement between companies and shareholders that often yields a better, mutual understanding of the issue at hand.

Praxis supports strong, effective, and efficient company-shareholder engagement on topics of critical concern to both companies and their stakeholders. We are encouraged by the SEC's efforts to ensure concerned, engaged shareholders have a strong framework to promote positive and productive change.





Reflecting on our community investing journey

Stella Tai

Stewardship Investing Impact and Analysis Manager



Our Community Development Investing strategy is a powerful tool that helps investors faithfully steward their funds into local, community driven solutions aimed at disinvested low-income communities, particularly Black, Brown, and rural communities. The investments address gaps in access, economic equity and wealth creation.

The capital flows through Community Development Financial Institutions which are uniquely positioned to respond to the needs of their constituents with appropriate and creative locally grounded solutions. Investors can feel proud that they are responding practically to real human needs with hope and opportunity.

The success of this strategy is that it relies on relationships. Over 22 years, Praxis is proud to have invested nearly \$44 million, approximately 1% of each fund, through our partner Calvert Impact. These are "deep-impact" catalytic investments that tackle our most challenging problems such as affordable housing, small-business financing and sustainable agriculture.

Praxis impact site tours

This past year, Praxis collaborated with Calvert Impact to sponsor two impact site tours, the first in Kenya and the second in Denver, Colorado, to see the "on-the-ground" real impact that place-based community development investing does. The tours entailed visiting CDFIs supported by the Praxis funds that provide business financing, affordable housing, alternative and renewable energy solutions, homeless and veteran services and much more.

The tours were an opportunity to both celebrate the CDFIs and get a first-hand look at the incredible work they do to build communities that provide opportunities for everyone and every neighborhood.

BioLite – Outdoor and off-grid energy

NAIROBI, KENYA

Supported by Calvert Impact's Off-Grid Energy Access Fund, BioLite's mission is to help end energy poverty by creating clean-fuel-powered cookstoves that decrease fuel consumption and reduce toxic fume emissions by 70%. These stoves also provide safe and reliable ways to cook food, charge electronic devices, and generate light for economically disadvantaged families in Kenya.



With a focus on B2B partnerships, BioLite has grown rapidly and now has a 25% market share in sub-Saharan Africa in over 20 countries. BioLite has been certified by the United Nations to sell carbon credits and is using the income earned to reduce the price of the stove for consumers. Because of the drop in cookstoves prices, BioLite's impact doubled due to the growing popularity of the stoves and the new-found accessibility for people with low incomes.

Foreside Financial Services, LLC and Praxis Mutual Funds are not affiliated with Calvert Impact.

Boulevard One with Volunteers of America

DENVER, COLORADO

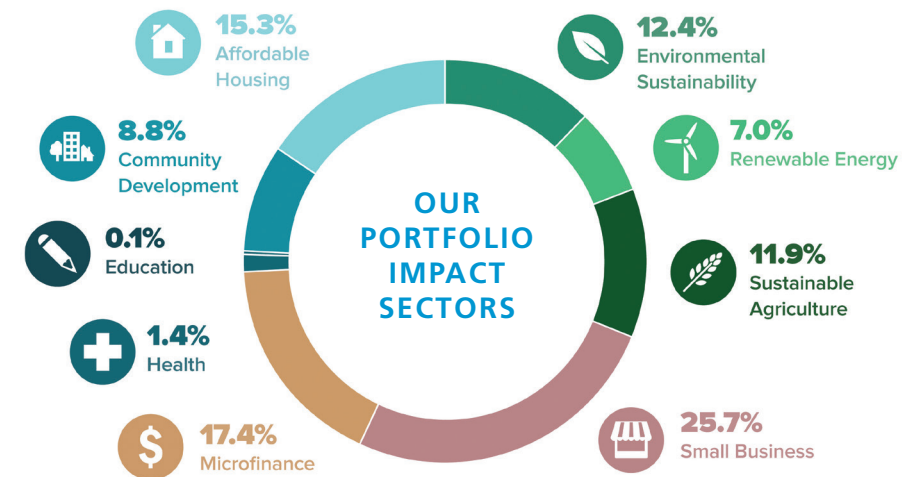
Affordable housing in the U.S. is in short supply and is a priority for community development organizations.



Boulevard One Residences is a joint venture project between Volunteers of America and the Denver Housing Authority, which provides affordable housing. Volunteers of America is a faith-based organization dedicated to meeting the needs of low-income individuals by providing high-quality affordable housing.

The project was creatively financed with a mix of public and private investments and community support and engagement. Boulevard One has offered housing solutions to residents with annual incomes between \$17,000 to \$41,000, veterans and to East Denver's homeless population.

Calvert Impact portfolio by sector



As of Dec. 31, 2022.



Calvert Impact is a global nonprofit investment firm that helps investors and financial professionals invest in impact-oriented solutions that people and the planet need.

TOTAL CDI INVESTMENTS

\$19 million

as of 2022.

\$44.3 million

since 2000 (approximate).

~1% of each fund

invested in CDI.



Reflection

Community investing: Far more than a “nice thing”!



Mark Regier

Vice President of Stewardship Investing

One of the most frequent comments I get following any presentation on the real-world impacts we seek at Praxis is how “nice” it is that we’ve decided to commit 1% of each of these funds to community investing. While I appreciate the appreciation, in my head I’m usually screaming “It’s not a ‘nice thing!’”

The allocation of concessionary, catalytic capital to marginalized people and communities is – or should be – much, much more.

MORE THAN JUST A “NICE THING,” COMMUNITY INVESTING IS...

- **A “sustainability thing”** – The concept of sustainability inherent in community investing reflects not only the support and empowerment of those left on the margins, but also the desire to see all people included in productive, sustainable economic relationships that bring lasting hope for a life of wholeness and wellbeing.
- **A “justice thing”** – Themes of justice abound throughout Judeo-Christian scripture. Meeting society’s rites and standards were not enough if the needs of the poor, the widow, the orphan, and the outcast remained unaddressed.
- **A “faith thing”** – Intentional inclusion of the marginalized in our financial decision-making is inextricably linked to the concept of stewardship. Christian stewards need to be both productive and deeply aligned with God’s will and vision for wholeness (shalom) in this world.
- **A “relationship thing”** – According to Christian scripture, two fundamental relationships should undergird all our choices – financial and otherwise: relationship with God and relationship with our neighbors.
- **A “transformational thing”** – Community investing provides both the opportunity and the challenge to bring us into direct relationship and a deeper understanding of those who have been shut out of our economic system for a wide-range of reasons.

OPENING DOORS, EXTENDING REACH

Community investing helps us understand our own privilege and others’ experience in new ways. It connects us with new partners for this good work. It opens doors of response in meeting real human needs, often in lasting and sustainable ways.

It also expands our reach, as many of us have more to “invest” (in a safe, if concessionary, manner) than we have to “give.”

The S&P 500 Growth Index represents the growth companies (defined by sales growth, earnings change to price and momentum) of the S&P 500 Index, a universe of large capitalization companies in the U.S. equity market. Indexes are unmanaged and do not incur fees. It is not possible to invest directly in an index.

The MSCI ACWI (All Country World) ex US Index is a free float-adjusted market capitalization weighted index designed to measure the equity market performance of developed and emerging markets, excluding the United States. The index consists of 44 country indices comprising 23 developed and 21 emerging market country indices.

Indexes are unmanaged, do not incur fees and cannot be invested in directly.

Bloomberg U.S. Aggregate Index is an index of widely held fixed-income securities often used as a proxy for the bond market. It is comprised of the U.S. Treasury and U.S. agency bonds, mortgage-backed bonds, and higher-grade corporate bonds.

Investing involves risk, including potential loss of principal.

The Fund’s stewardship investing strategy could cause the fund to sell or avoid securities that may subsequently perform well, and the application of social screens may cause the fund to lag the performance of its index.

Important risk information

Equity securities (stocks) are more volatile and carry more risk than other forms of investments, including investments in high-grade fixed income securities. The net asset value per share of these funds will fluctuate as the value of the securities in the portfolio changes. Common stocks, and funds investing in common stocks, generally provide greater return potential when compared with other types of investments.

Praxis Value Index Fund:

Value-based investments are subject to the risk that the broad market may not recognize their intrinsic value.

Praxis Growth Index Fund

Growth-based investments are subject to the risk that the broad market may overstate their intrinsic value.

Praxis International Index Fund

An investment in this Fund entails the special risks of international investing, including currency exchange fluctuation, government regulations, and the potential for political and economic instability. The Fund’s share price is expected to be more volatile than that of a U.S.-only fund.

Praxis Impact Bond Fund

Bond funds will tend to experience smaller fluctuations in value than stock funds. However, investors in any bond fund should anticipate fluctuations in price, especially for longer-term issues and in environments of rising interest rates.

Praxis Small Cap Index Fund

This Fund is subject to small capitalization company risk. Small capitalization companies may not have the size, resources or other assets of large capitalization companies. These small capitalization companies may be more vulnerable to economic, market and competitive pressures than larger companies and therefore may respond differently to market events, and may be subject to greater market risks and fluctuations in value than larger companies. In addition, application of screens may cause the Fund to vary from the performance of its index and other small cap funds.

Fund holdings are subject to change and are not a recommendation to buy or sell any security.

Current and future holdings are subject to risk.

For the YourStake information

ESG (environment, social and governance) metrics may not provide a complete picture of the social impact as they are only as reliable as the amount of data available. They are based only on social impact, not financial performance. The metrics above have been compiled by YourStake, an independent third party. Praxis Mutual Funds has no direct or indirect affiliation to YourStake. Praxis pays a licensing fee to input data into YourStake’s platform for benchmark comparisons.

For the Praxis Impact Bond Fund and YourStake information

Information provided is as of Jan. 11, 2023, and may change over time based on market or other conditions. The metrics compare two selected portfolios, both chosen by Praxis: MIIIX, holdings as of Nov. 30, 2022, and Vanguard Total Bond Market Index ETF, holdings as of Sept. 9, 2022. MIIIX employs a broad-based intermediate term fixed income strategy. The Bloomberg U.S.

Aggregate Index is an index of widely held fixed-income securities often used as a proxy for the bond market. It is comprised of the U.S. Treasury and U.S. agency bonds, mortgage-backed bonds and higher-grade corporate bonds. Indexes are unmanaged and are not available for direct investment. Vanguard Total Bond Market Index ETF, used as a comparison in the metrics above, is designed to mimic the Bloomberg U.S. Aggregate index and provides data compatible with YourStake’s platform. Vanguard Total Bond Market Index ETF is a passively managed fund. Its investment objectives, costs, liquidity, expenses, fluctuation of principal or return, and tax features differ from MIIIX. The displayed comparisons represent a dollar-weighted average based on the portfolio constituents with data coverage for each metric.

For the Praxis Growth Index Fund and YourStake information Information provided is as of Jan. 11, 2023, and may change over time based on market or other conditions. The metrics compare two selected portfolios, both chosen by Praxis: MMDEX, holdings as of Nov. 30, 2022, and Vanguard S&P 500 Growth Index fund, holdings as of Jan. 9, 2023. MMDEX employs a broad-based large cap growth equity strategy. The S&P 500 Growth Index tracks the performance of stocks exhibiting the strongest growth characteristics using three factors: sales growth, the ratio of earnings change to price and momentum. Indexes are unmanaged and are not available for direct investment. Vanguard S&P 500 Growth Index fund, used as a comparison in the metrics above, is designed to mimic the S&P 500 Growth index and provides data compatible with YourStake’s platform. Vanguard S&P 500 Growth Index fund is a passively managed fund. Its investment objectives, costs, liquidity, expenses, fluctuation of principal or return, and tax features differ from MMDEX. The displayed comparisons represent a dollar-weighted average based on the portfolio constituents with data coverage for each metric.

For the Praxis Value Index Fund and YourStake information Information provided is as of Jan. 11, 2023, and may change over time based on market or other conditions. The metrics compare two selected portfolios, both chosen by Praxis: MVIIIX, holdings as of Nov. 30, 2022, and Vanguard S&P 500 Growth Index fund, holdings as of Sept. 21, 2022. MVIIIX employs a broad-based large cap value equity strategy. The S&P 500 Value Index is an index made up of the strongest value stocks on the S&P 500. Indexes are unmanaged and are not available for direct investment. Vanguard S&P 500 Value Index fund, used as a comparison in the metrics above, is designed to mimic the S&P 500 Value index and provides data compatible with YourStake’s platform. Vanguard S&P 500 Value Index fund is a passively managed fund. Its investment objectives, costs, liquidity, expenses, fluctuation of principal or return, and tax features differ from MVIIIX. The displayed comparisons represent a dollar-weighted average based on the portfolio constituents with data coverage for each metric.

For the Praxis Small Cap Index Fund and YourStake information Information provided is as of Jan. 12, 2023, and may change over time based on market or other conditions. The metrics compare two selected portfolios, both chosen by Praxis: MMSIX, holdings as of Nov. 30, 2022, and Vanguard S&P SmallCap 600 Index fund, holdings as of Jan. 10, 2023. MMSIX employs a broad-based small cap blend equity strategy. The S&P SmallCap 600 is an index of small-cap stocks managed by Standard and Poor’s. It tracks a broad range of small-sized companies that meet specific liquidity and stability requirements. Indexes are unmanaged and are not available for direct investment. Vanguard S&P SmallCap 600 Index fund, used as a comparison in the metrics above, is designed to mimic the S&P SmallCap 600 Index and provides data compatible with YourStake’s platform Vanguard S&P SmallCap 600 Index fund is a passively managed fund. Its investment objectives, costs, liquidity, expenses, fluctuation of principal or return, and tax features differ from MMSIX. The displayed comparisons represent a dollar-weighted average based on the portfolio constituents with data coverage for each metric.

For the Praxis International Index Fund and YourStake information Information provided is as of Jan. 10, 2023, and may change over time based on market or other conditions. The metrics compare two selected portfolios, both chosen by Praxis: MPLIX, holdings as of Nov. 30, 2022, and Fidelity Global ex US Index fund, holdings as of Jan. 10, 2023. MPLIX employs a broad-based international equity strategy. The MSCI ACWI ex USA Index captures large and mid-cap representation across 22 of 23 Developed Markets (DM) countries (excluding the U.S.) and 24 Emerging Markets (EM) countries. Indexes are unmanaged and are not available for direct investment. Fidelity Global ex US Index fund, used as a comparison in the metrics above, is designed to mimic the MSCI ACWI ex US Index and provides data compatible with YourStake’s platform Fidelity Global ex US Index fund is a passively managed fund. Its investment objectives, costs, liquidity, expenses, fluctuation of principal or return, and tax features differ from MPLIX. The displayed comparisons represent a dollar-weighted average based on the portfolio constituents with data coverage for each metric.

Products

PRAXIS MUTUAL FUNDS

Praxis Impact Bond Fund
Praxis Growth Index Fund
Praxis Value Index Fund
Praxis Small Cap Index Fund
Praxis International Index Fund

GENESIS PORTFOLIOS

Genesis Growth Portfolio
Genesis Balanced Portfolio
Genesis Conservative Portfolio

EVERENCE MONEY MARKET ACCOUNT

The Praxis Team

PRESIDENT

Chad Horning, CFA®

FUND MANAGERS

Benjamin Bailey, CFA® – Vice President of Investments, Senior Fixed Income Manager
Christopher Woods, CFA® – Fixed Income Investment Manager
Dale Snyder, CFA® – Portfolio Manager
Michael Branch, CFA®, Aperio Group – Co-portfolio Manager of Praxis International Index Fund
Annie Tan, Aperio Group – Co-portfolio Manager of Praxis International Index Fund
Brian Ko, Aperio Group – Co-portfolio Manager of Praxis International Index Fund

PRAXIS STAFF

Mark Regier – Vice President of Stewardship Investing, Director of Sales
Chris Meyer – Stewardship Investing Advocacy and Research Manager
Stella Tai – Stewardship Investing Impact and Analysis Manager
Josh Bean – National Sales Manager
Shireen Dial – Investment Services Assistant
Randy Beachy – Marketing Manager

Praxis Mutual Funds is a leading faith-based, socially responsible family of mutual funds designed to help investors integrate their finances with their values. Praxis is the mutual fund family of Everence Financial®, a comprehensive faith-based financial services organization helping individuals, organizations and congregations. To learn more, visit praxismutualfunds.com and everence.com.

Praxis Mutual Funds

1110 N. Main St.
P.O. Box 483
Goshen, IN 46527
800-503-0905

praxismutualfunds.com



Consider the fund's investment objectives, risks, charges and expenses carefully before you invest. The fund's prospectus and summary prospectus contain this and other information. Call 800-977-2947 or visit praxismutualfunds.com for a prospectus, which you should read carefully before you invest.

Praxis Mutual Funds are advised by Everence Capital Management and distributed through Foreside Financial Services, LLC, member FINRA. Investment products offered are not FDIC insured, may lose value, and have no bank guarantee.

© Praxis Mutual Funds
Printed on recycled FSC certified paper
2221120