

Schwab Managed Retirement Trust Income Fund

Unit Class II

As of September 30, 2021

Fund Facts

Trustee	Charles Schwab Trust Bank
Fund Type	Collective Trust Fund
Morningstar Category	Retirement
Benchmark	SMRT Income Composite Index¹
Unit Class Inception Date	9/2/2005
Fund Inception Date	12/17/2004
Net Asset Value (NAV) (Sep 30, 2021)	\$21.98
Total Fund Assets (Sep 30, 2021)	\$159.2M

Annual Fund Operating Expense

Expense Ratio	0.69%
Expense per \$1,000	\$6.90

Schwab Trust Bank charges an annual trustee fee equal to the "expense ratio" on all assets within the Fund, which includes the fees charged on the underlying investments. Fees and expenses are only one of several factors participants and beneficiaries should consider when making investment decisions. The cumulative effect of fees and expenses can substantially reduce the growth of an investment. Please visit the Department of Labor's web site for an example showing the long term effect of fees and expenses at <http://www.dol.gov/sites/default/files/ebsa/about-ebsa/our-activities/resource-center/publications/a-look-at-401k-plan-fees.pdf>.

Portfolio Turnover

23%

About the Sub-Advisors

Charles Schwab Trust Bank uses an open-architecture sub-advised approach to investing. Fund investments are selected based on advice received from or products offered by industry recognized investment management firms ("sub-advisors"). The Fund may invest in other Schwab Trust Bank Collective Trust Funds to gain exposure to the underlying sub-advised strategies. See the "Disclosures" at the end of this document.

Sub-Advisors

AllianceBernstein	Macquarie
American Funds	State Street Global Advisors
Baird Advisors	TCW MetWest
BlackRock	The Vanguard Group
Mellon Investments Corporation	Brown Advisory
Dimensional Fund Advisors	Wellington Management
Dodge & Cox	William Blair & Co
Thompson, Siegel & Walmsley	Peregrine Capital Management
Loomis Sayles & Co	

Objective

The Fund seeks to provide total return for investors near or in retirement.

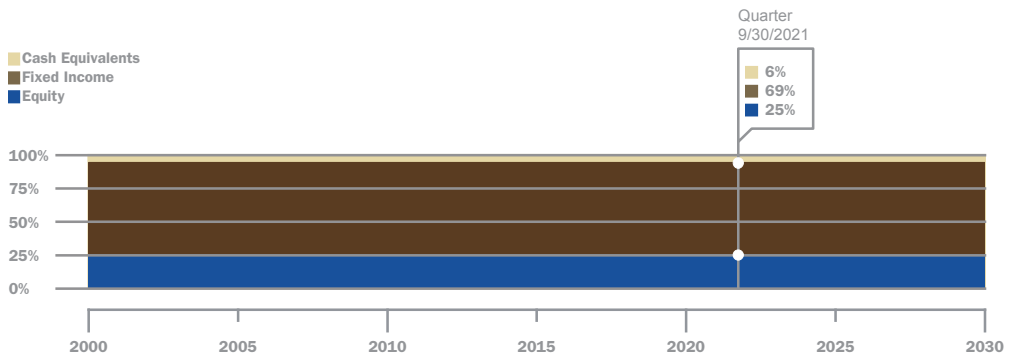
Fund Strategy

To pursue its investment objective, the Fund is designed as a single investment portfolio that maintains a policy allocation that is intended to remain static and does not seek to distribute income. The Fund may diversify holdings by investing in assets across a variety of asset classes, including, but not limited to, domestic equity, international equity, emerging markets equity, global real estate, short-term bond, intermediate-term bond, inflation-protected bond (U.S. TIPS), world bond, and cash equivalents. The Fund uses a blend of actively and passively managed sub-advised strategies to gain exposure to various market capitalizations and asset classes. The SMRT Income Composite Index is a blend of broad based market indices used to measure the Fund's performance.

In addition to age and anticipated retirement date, investors should consider their risk tolerance, personal circumstances and complete financial situation prior to investing in a particular target date fund. The principal value of the Fund is not guaranteed at any time, will continue to fluctuate up to and after the target date, and may not provide adequate retirement income.

Glide Path

The Fund maintains a policy allocation, defined in the investment guidelines, of 25% equity (including global real estate), 69% fixed income and 6% cash equivalents, which is intended to remain static. It is assumed that investors will gradually withdraw assets invested in the Fund over time; however the actual withdrawal rate will vary depending on each individual's circumstances.



The values of the target funds will fluctuate up to and after the target dates. There is no guarantee the funds will provide adequate income at or through retirement.

Diversification and asset allocation strategies do not ensure a profit and cannot protect against losses in a declining market. The Funds are subject to market volatility and risks associated with the underlying investments. Risks include exposure to international and emerging markets, small company and sector equity securities, and fixed income securities subject to changes in inflation, interest rates, market valuations, liquidity, prepayments, and early redemption. The Funds are built for investors who expect to start gradual withdrawals of Fund assets on the target date, to begin covering expenses in retirement.

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Performance* as of Sep 30, 2021

Annualized	YTD	3 Month	1 Year	3 Year	5 Year	10 Year	Since Inception
SMRT Income II	2.67%	-0.02%	7.34%	7.14%	5.64%	5.44%	4.77%
SMRT Income Composite Index	2.75%	0.15%	7.05%	7.15%	5.73%	5.43%	4.90%
Bloomberg US Aggregate Bond Index	-1.55%	0.05%	-0.90%	5.36%	2.94%	3.01%	4.04%
Morningstar Category: Target-Date Retirement MF	3.38%	-0.20%	9.04%	7.03%	5.92%	5.61%	-

YTD and "3 Month" performance are cumulative. "Since Inception" is cumulative if less than one year.

Annual	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
SMRT Income II	2.78%	8.41%	4.74%	4.62%	-0.26%	3.95%	7.22%	-2.10%	11.89%	10.33%
SMRT Income Composite Index	4.01%	6.60%	4.82%	5.35%	0.48%	4.24%	7.15%	-1.34%	12.24%	9.41%
Bloomberg US Aggregate Bond Index	7.84%	4.21%	-2.02%	5.97%	0.55%	2.65%	3.54%	0.01%	8.72%	7.51%
Morningstar Category: Target-Date Retirement MF	1.60%	9.01%	7.36%	4.36%	-1.50%	5.10%	8.81%	-3.18%	12.85%	9.03%

Past performance is no guarantee of future results. Investment return and principal value will fluctuate, and units, when redeemed, may be worth more or less than original cost. Fund performance includes the reinvestment of all income and is presented net of all fees. Current performance may be lower or higher than performance data quoted. Effective January 1, 2019, Charles Schwab Bank transferred trusteeship of its Collective Trust Funds to its affiliate CSTB, as successor trustee of the Funds.

The performance data for reporting periods whose start date precedes the Inception Date (i.e., the "extended performance") is calculated based on the performance of the oldest unit class, adjusted for the difference in unit class expenses. "Since Inception" performance is not extended performance and is based on the inception date of the specific unit class shown.

*See the "Disclosures" for additional information.

The composition of the composite index is adjusted to align similarly to the Fund's strategic policy allocation in each asset class. The Fund will not attempt to replicate the index.

¹For the year 2018, 2019, 2020, and 2021, the SMRT Income Composite Index is comprised of approximately 16.6%2 Russell 1000 Index, 0.9% Russell 2000 Index, 6.2%2 MSCI EAFE Index (Net), 0.0% MSCI Emerging Markets Index (Net), 1.3% FTSE EPRA Nareit Developed Index (Net), 12.4% Bloomberg US Government/Credit: 1-3 Years Index, 47.2% Bloomberg US Aggregate Bond Index, 7.5% Bloomberg US Treasury Inflation-Linked Bond Index (Series L), 1.9% Bloomberg Global Aggregate Bond Ex-US Hedged Index, and 6.0% FTSE 3 Month T-Bill Index. Calculation of the composite index returns reflects the historical changes in policy allocations and components over time.

Statistical Information

as of Sep 30, 2021

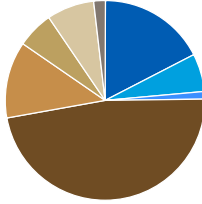
	3 Year		5 Year	
	Fund	Benchmark	Fund	Benchmark
Alpha (%)	-0.71	0.00	-0.59	0.00
Beta	1.10	1.00	1.09	1.00
Information Ratio	-0.02	0.00	-0.15	0.00
R-Squared (%)	99.06	100.00	98.92	100.00
Sharpe Ratio	1.02	1.13	0.95	1.06
Standard Deviation (%)	5.88	5.30	4.76	4.34

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Fund Composition as of Sep 30, 2021



	Quarter-End Allocation	2021 Policy Allocation
Domestic Equity	17.39%	17.55%
International Equity	6.17%	6.20%
Global Real Estate	1.21%	1.25%
Intermediate-Term Bond	47.42%	47.25%
Short-Term Bond	12.42%	12.37%
Cash Equivalents	5.91%	6.00%
Inflation-Protected Bond (U.S. TIPS)	7.60%	7.50%
World Bond	1.88%	1.87%

Percentages do not include indirect asset class exposure. For example, an underlying Equity strategy may invest a portion of assets in Global Real Estate. Portfolio holdings are subject to change.

Underlying Investments as of Sep 30, 2021

Strategy	Category	Allocation
Equity		
Schwab Instl Large Cap Value Trust Fund-Instl (Dodge & Cox)	Large Value	3.72%
BNY Mellon Large Cap Stock Index Fund Instl	Large Blend	7.31%
Schwab Instl Large Cap Growth Trust Fund-Instl (Wellington)	Large Growth	3.66%
Vanguard Mid-Cap Index Fund Instl Plus (VMCPX)	Mid Cap Blend	1.44%
BNY Mellon Small Cap Stock Index Fund Instl	Small Blend	0.50%
Schwab Instl Small Cap Trust Fund-Instl (Closed)	Small Blend	0.76%
<i>Peregrine Small Cap Value Portfolio</i>	<i>Small Value</i>	0.18%
<i>Brown Advisory Small Cap Growth Portfolio</i>	<i>Small Growth</i>	0.16%
<i>AllianceBernstein US Small Cap Growth Portfolio</i>	<i>Small Growth</i>	0.24%
<i>Macquarie Small Cap Value Portfolio</i>	<i>Small Value</i>	0.19%
Schwab Instl Diversified Intl Trust Fund-Instl	Foreign Large Blend	6.17%
<i>TSW International Equity Fund</i>	<i>Foreign Large Value</i>	2.42%
<i>American Funds EuroPacific Growth Fund R6 (RERGX)</i>	<i>Foreign Large Growth</i>	2.34%
<i>DFA Intl Small Cap Value Portfolio Instl (DISVX)</i>	<i>Foreign Small/Mid Value</i>	0.68%
<i>William Blair Intl Small Cap Growth Collective Invt Fund II</i>	<i>Foreign Small/Mid Growth</i>	0.73%
SSgA Emerging Markets Index Fund A	Diversified Emerging Markets	0.00%
BlackRock Developed Real Estate Index Fund E	Global Real Estate	1.21%
Fixed Income		
Schwab Instl Core Plus Fixed Income Trust Fund III	Intermediate Core-Plus Bond	36.67%
<i>BNY Mellon U.S. Aggregate Bond Index Fund Instl</i>	<i>Intermediate Core Bond</i>	7.25%
<i>Loomis Sayles Core Plus Full Discretion Fund</i>	<i>Intermediate Core-Plus Bond</i>	5.56%
<i>Baird Core Bond Fund</i>	<i>Intermediate Core Bond</i>	11.92%
<i>TCW MetWest Total Return Bond Fund</i>	<i>Intermediate Core-Plus Bond</i>	11.93%
BNY Mellon U.S. Aggregate Bond Index Fund Instl	Intermediate Core Bond	10.75%
Mellon Investments Corporation Active 1-5 Gov/Cred Bond Fund	Short-Term Bond	12.42%
BlackRock U.S. TIPS Index Fund E	Inflation-Protected Bond	7.60%
BlackRock Global Agg Bond Fund Ex-USD	World Bond-USD Hedged	1.88%
Cash Equivalents		
State Street U.S. Government Short Term Investment Fund	Cash Equivalents	5.91%

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Disclosures

Important information on risks, investment term definitions and portfolio statistical information can be found at [SMRT Fund Characteristics and Risk Disclosures](#)

The Schwab Managed Retirement Trust Funds™, Schwab Indexed Retirement Trust Funds® and Schwab Institutional Trust Funds® (each a “Fund”, collectively the “Funds” or “Collective Trusts Funds (CTFs)”) are collective trust funds maintained by Charles Schwab Trust Bank (CSTB), as trustee. They are available for investment only by eligible retirement plans and entities. Charles Schwab Trust Bank’s Collective Trust Funds are not insured by FDIC or any other type of deposit insurance; are not deposits or other obligations of, and are not guaranteed by CSTB or any of its affiliates; and involve investment risks, including possible loss of principal invested. The Funds are not mutual funds and are exempt from registration and regulation under the Investment Company Act of 1940 (the “1940 Act”), and their units are not registered under the Securities Act of 1933, or applicable securities laws of any state or other jurisdiction. Unit holders of the Funds are not entitled to the protections of the 1940 Act. The decision to invest in the Funds should be carefully considered. The Funds’ unit values will fluctuate and may be worth more or less when redeemed, so unit holders may lose money. The Funds are not sold by prospectus and are not available for investment by the public. The Funds’ prices are not quoted in newspapers.

The Charles Schwab Corporation provides services to retirement and other employee benefit plans and participants through its separate but affiliated companies and subsidiaries: Charles Schwab Trust Bank (CSTB); Charles Schwab Bank, SSB (CSB); Charles Schwab & Co., Inc.; Charles Schwab Investment Management, Inc. (CSIM); and Schwab Retirement Plan Services, Inc. Trust, custody and deposit products and service are available through CSTB and CSB, Members of FDIC. Brokerage products and services are offered by Charles Schwab & Co., Inc. (Member SIPC). Schwab Retirement Plan Services, Inc. provides recordkeeping and related services to retirement plans. CSIM provides investment research, advisory and fund administration services to CSTB and the Funds. CSIM is an investment advisers registered with the Securities and Exchange Commission.

The Schwab Trust Bank Collective Trust Funds select investments based on advice received from, or products offered by industry-recognized investment management firms (“sub-advisors”). The Funds access investment strategies through various investment vehicles including, but not limited to, collective trust funds, mutual funds, and/or exchange-traded funds and may also access strategies through sub-advisors engaged by Schwab Trust Bank to advise one or more separate accounts of a Fund. Exposure to some strategies may be indirect through investment in other Schwab Trust Bank Collective Trust Funds. The SMRT Funds invest in the Schwab Institutional Large Cap Value Trust Fund, Schwab Institutional Large Cap Growth Trust Fund, Schwab Institutional Small Cap Fund, Schwab Institutional International Diversified Trust Fund, and Schwab Institutional Core Plus Fixed Income Trust Fund.

The Funds’ Declaration of Trust authorizes securities lending and the Funds may invest in underlying strategies that participate in securities lending. There are various risks associated with securities lending including but not limited to the risks that a borrower fails to return some or all of the securities in a timely manner and investments acquired with cash collateral decline in value. Schwab Trust Bank, in coordination with the underlying strategies’ investment managers, actively monitors any securities lending activity to minimize any potential impact to the Funds.

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Policy allocations are subject to change. Investors should consider their risk tolerance, personal circumstances and complete financial situation prior to investing in the Funds.

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TRUST BANK

Schwab Managed Retirement Trust Income Fund

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As of **September 30, 2021**

Performance as of Prior Calendar Year* as of Dec 31, 2020

Annualized	1 Year	3 Year	5 Year	10 Year	Since Inception
SMRT Income Unit Class II	10.33%	6.52%	6.14%	5.07%	4.83%
Bloomberg US Aggregate Bond Index	7.51%	5.34%	4.44%	3.84%	4.35%

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*See the "Disclosures" for additional information.

Information in this fact sheet is provided by Schwab Trust Bank in order to fulfill its disclosure obligations to covered plan administrators relating to operating expenses, performance data, and benchmark information under Department of Labor ("DOL") Regulation 404a-5 under ERISA ("Rule 404a-5"). Rule 404a-5 requires Schwab Trust Bank to provide a broad-based securities market benchmark as a tool for participants to use in assessing the various investment options available to them. Schwab Trust Bank has included the index shown but neither endorses nor recommends the index and does not manage the Fund to this index. Please note that there may be additional information required to be disclosed by covered plan administrators that is not contained in this Fund Fact Sheet because the information is not available to Schwab Trust Bank. Schwab Trust Bank will provide information or data that is within its control, or reasonably available to it, that is required for a covered plan administrator to comply with participant disclosure obligations related to an investment in the Fund.