

# Schwab Managed Retirement Trust Income Fund™ (SMRT Income) Unit Class I

All information as of **September 30, 2022**, unless otherwise indicated

## Fund Facts

<b>Trustee</b>	Charles Schwab Trust Bank ("Schwab Trust Bank" or "CSTB")
<b>Fund Type</b>	Collective Trust Fund
<b>Morningstar Category</b>	Retirement
<b>Benchmark</b>	SMRT Income Composite Index <sup>1</sup>
<b>Unit Class Inception Date</b>	12/17/2004
<b>Fund Inception Date</b>	12/17/2004
<b>Net Asset Value (NAV)</b>	\$17.92
<b>Total Fund Assets</b>	\$110.4M

## Annual Fund Operating Expense

<b>Expense Ratio</b>	0.89%
<b>Expense per \$1,000</b>	\$8.90

Schwab Trust Bank charges an annual trustee fee equal to the "expense ratio" on all assets within the Fund, which includes 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 website for an example showing the long-term effect of fees and expenses at <http://www.dol.gov/sites/default/files/ebsa/about-ebsa/ouractivities/resource-center/publications/a-look-at-401k-planfees.pdf>.

## Portfolio Turnover

Turnover	11%
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## About the Sub-Advisors

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	Mellon Investments Corporation
Baird Advisors	Peregrine Capital Management
BlackRock	State Street Global Advisors
Brown Advisory	The Vanguard Group
Dimensional Fund Advisors	Thompson, Siegel & Walmsley
Dodge & Cox	Wellington Management
Insight Investment Management Ltd.	Western Asset Management Company
Loomis Sayles & Co	William Blair & Co

## Objective

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

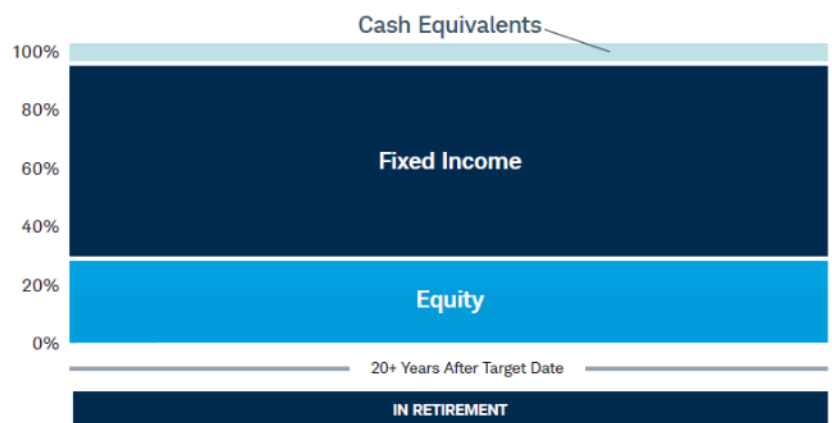
## Fund Strategy

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), global 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 28% equity (including global real estate), 66% 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.

## Performance (%)\* as of September 30, 2022

Annualized	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
SMRT Income I	-4.75	-16.97	-15.89	-0.96	1.01	2.36	3.33
SMRT Income Composite Index <sup>1</sup>	-4.37	-15.48	-13.75	-0.26	1.78	2.96	3.77
Bloomberg US Aggregate Bond Index	-4.75	-14.61	-14.60	-3.26	-0.27	0.89	2.91
Morningstar Category: Target-Date Retirement MF	-4.59	-16.15	-14.41	-0.28	1.56	2.94	–

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

Annual	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
SMRT Income I	8.20	4.53	4.41	-0.45	3.75	7.02	-2.29	11.66	10.12	3.84
SMRT Income Composite Index <sup>1</sup>	6.60	4.82	5.35	0.48	4.24	7.15	-1.34	12.24	9.41	4.86
Bloomberg US Aggregate Bond Index	4.21	-2.02	5.97	0.55	2.65	3.54	0.01	8.72	7.51	-1.54
Morningstar Category: Target-Date Retirement MF	9.01	7.36	4.36	-1.50	5.10	8.81	-3.18	12.85	9.03	5.51

**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.**

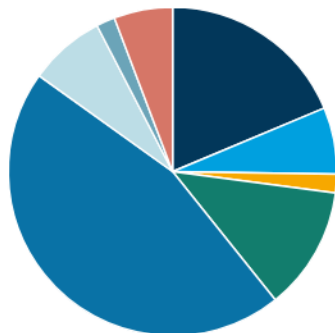
\*See the "Disclosures" for additional information.

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.

## Statistical Information as of September 30, 2022

	3 Year		5 Year	
	Fund	Benchmark	Fund	Benchmark
Alpha (%)	-0.67	0.00	-0.86	0.00
Beta	1.07	1.00	1.07	1.00
Information Ratio	-0.82	0.00	-1.09	0.00
R-Squared (%)	99.29	100.00	99.30	100.00
Sharpe Ratio	-0.19	-0.11	-0.02	0.10
Standard Deviation (%)	8.05	7.47	6.69	6.24

## Fund Composition as of September 30, 2022



	Quarter-End Allocation	2022 Policy Allocation
Domestic Equity	18.69%	19.24%
International Equity	6.56%	6.80%
Global Real Estate	1.84%	1.96%
Short-Term Bond	12.17%	11.82%
Intermediate-Term Bond	45.64%	45.15%
Inflation-Protected Bond (U.S. TIPS)	7.49%	7.50%
Global Bond	1.84%	1.79%
Cash Equivalents	5.77%	5.73%

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 September 30, 2022

Strategy	Category	Allocation
<b>Equity</b>		
Schwab Institutional Large Cap Value Trust Fund-Instl (Dodge & Cox)	Large Value	<b>3.94%</b>
BNY Mellon Large Cap Stock Index Fund Institutional	Large Blend	<b>7.96%</b>
Schwab Institutional Large Cap Growth Trust Fund-Instl (Wellington)	Large Growth	<b>3.89%</b>
Vanguard Mid-Cap Index Fund Institutional Plus (VMCPX)	Mid Cap Blend	<b>1.56%</b>
BNY Mellon Small Cap Stock Index Fund Institutional	Small Blend	<b>0.55%</b>
Schwab Institutional Small Cap Trust Fund-Instl (Closed)	Small Blend	<b>0.81%</b>
Macquarie Small Cap Value Portfolio	Small Value	0.22%
Peregrine Small Cap Value Portfolio	Small Value	0.21%
AllianceBernstein US Small Cap Growth Portfolio	Small Growth	0.22%
Brown Advisory Small Cap Growth Portfolio	Small Growth	0.16%
Schwab Institutional Diversified International Fund-Instl	Foreign Large Blend	<b>6.56%</b>
TSW International Equity Fund	Foreign Large Value	2.62%
American Funds EuroPacific Growth Fund R6 (ERGX)	Foreign Large Growth	2.50%
DFA International Small Cap Value Portfolio Institutional (DISVX)	Foreign Small/Mid Value	0.82%
William Blair International Small Cap Growth Collective Invnt Fund II	Foreign Small/Mid Growth	0.62%
SSgA Emerging Markets Index Fund A	Diversified Emerging Markets	<b>0.00%</b>
BlackRock Developed Real Estate Index Fund E	Global Real Estate	<b>1.84%</b>
<b>Fixed Income</b>		
BNYM Insight NSL 1-5 Year Govt/Credit Bond Fund	Short-Term Bond	<b>12.17%</b>
BNY Mellon U.S. Aggregate Bond Index Fund Institutional	Intermediate Core Bond	<b>10.33%</b>
Schwab Institutional Core Plus Fixed Income Fund III	Intermediate Core-Plus Bond	<b>35.31%</b>
BNY Mellon U.S. Aggregate Bond Index Fund Institutional	Intermediate Core Bond	7.61%
Baird Core Bond Fund	Intermediate Core Bond	14.50%
Western Asset Core Plus Bond Trust	Intermediate Core-Plus Bond	8.14%
Loomis Sayles Core Plus Full Discretion Fund	Intermediate Core-Plus Bond	5.06%
BlackRock U.S. TIPS Index Fund E	Inflation-Protected Bond	<b>7.49%</b>
BlackRock Global Agg Bond Fund Ex-USD	Global Bond-USD Hedged	<b>1.84%</b>
<b>Cash Equivalents</b>		
State Street U.S. Government Short Term Investment Fund	Cash Equivalents	<b>5.77%</b>

## 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 Trust 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.

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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 Charles 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.

Schwab Trust Bank is responsible for voting proxies for securities held in the Funds. Glass Lewis has been retained to provide in-depth research, global issuer analysis, and voting recommendations as well as vote execution, reporting and record keeping services on behalf of the Funds. Schwab Trust Bank may solicit recommendations from advisors or sub-advisors which it retains with respect to the Funds. Schwab Trust Bank retains oversight for proxy voting and reviews its proxy voting guidelines at least annually.

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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1. For the year 2022, the SMRT Income Composite Index is comprised of approximately 18.2% Russell 1000 Index, 1.0% Russell 2000 Index, 6.8% MSCI EAFE Index (Net), 0.0% MSCI Emerging Markets Index (Net), 2.0% FTSE EPRA/NAREIT Developed Index (Net), 11.8% Bloomberg US Government/Credit 1-3 Year Index, 45.2% Bloomberg US Aggregate Bond Index, 7.5% Bloomberg US Treasury Inflation-Linked Bond Index (Series L), 1.8% Bloomberg Global Aggregate ex-US Hedged Index, and 5.7% FTSE 3 Month U.S. Treasury Bill Index. Calculation of the composite index returns reflects the historical changes in policy allocations and components over time.

## Performance (%) as of Prior Calendar Year\* as of December 31, 2021

Annualized	1 Year	3 Year	5 Year	10 Year	Since Inception
SMRT Income I	3.84	8.49	5.95	5.00	4.62
Bloomberg US Aggregate Bond Index	-1.54	4.79	3.57	2.90	4.00

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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.