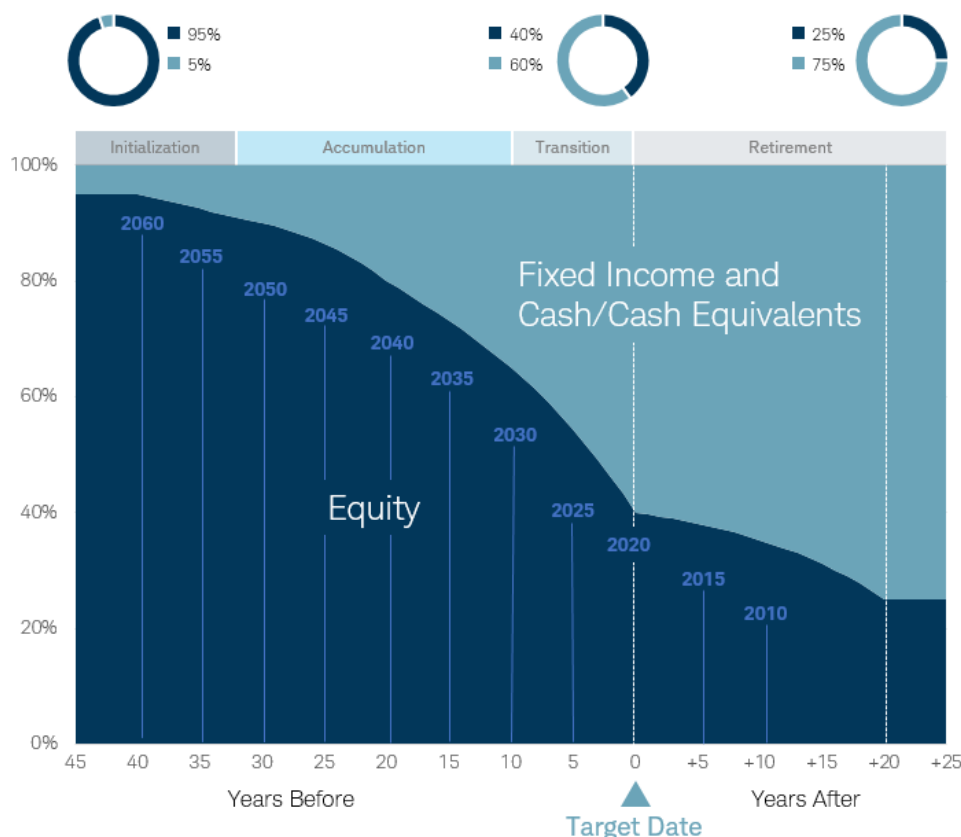


Charles Schwab Trust Bank Collective Investment Trusts

Schwab Managed Retirement Trusts™ (SMRT)
 Schwab Indexed Retirement Trusts® (SIRT)

Charles Schwab Trust Bank announces the release of the 2020 target date policy allocations for SMRT and SIRT

Charles Schwab Trust Bank has released the 2020 policy allocations for both SMRT and SIRT as well as the custom index allocations. There are no changes to the overall glide path strategy and each of the trusts will continue to transition from equity to fixed income and cash/cash equivalents as depicted below.



Equity includes domestic equity, international equity, emerging markets equity, commodities and global real estate. Fixed income includes intermediate-term bond, world bond, short-term bond and inflation-protected bond. The Schwab Managed Retirement Income Trust available in the SMRT series only 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.

Fixed Income Allocation Enhancements

SMRT and SIRT Trusts

Charles Schwab Trust Bank (CSTB) reviews the strategic asset allocation framework and capital market expectations on an annual basis seeking long-term opportunities to further enhance the funds for investors. The following enhancements are being made to the funds effective February 1, 2020.

U.S. Aggregate Bonds and Cash/Cash Equivalents

CSTB elected to increase the policy allocations to passive U.S. Aggregate Bonds by up to 3.4%. To implement this enhancement, cash/cash equivalents will be reduced by up to 3.4%.

The table below displays the move from cash equivalents to passive U.S. Aggregate Bonds in [SMRT and SIRT](#):

UNDERLYING INVESTMENT (%)	2060	2055	2050	2045	2040	2035	2030	2025	2020	2015	2010	Income
U.S. Aggregate Bonds	--	--	0.1	0.2	0.4	0.6	0.9	1.4	2.1	2.5	2.6	3.4
Cash Equivalents	--	--	-0.1	-0.2	-0.4	-0.6	-0.9	-1.4	-2.1	-2.5	-2.6	-3.4

Schwab Managed Retirement Trust Allocations

The chart below represents the [2020 SMRT Policy Allocations](#)

ASSET CLASS	UNDERLYING INVESTMENT	2060	2055	2050	2045	2040	2035	2030	2025	2020	2015	2010	Income
Equity		95.0	92.5	90.0	86.4	80.0	73.2	65.0	54.4	40.0	38.1	35.3	25.0
Large Cap Value	Schwab Instl Large Cap Value Trust-Instl (Dodge & Cox)	13.4	13.1	12.8	12.3	11.5	10.5	9.3	7.6	5.5	5.3	5.0	3.7
Large Cap Blend	BNY Mellon Large Cap Stock Index Fund	13.2	13.4	13.5	13.7	13.9	13.9	13.7	12.8	11.0	10.6	10.0	7.4
Large Cap Growth	Schwab Instl Large Cap Growth Trust-Instl (Wellington)	13.4	13.1	12.8	12.3	11.5	10.5	9.3	7.6	5.5	5.3	5.0	3.7
Mid Cap Blend	Vanguard Mid-Cap Index Fund (VMCPX)	8.6	8.2	7.9	7.4	6.5	5.6	4.6	3.6	2.5	2.4	2.2	1.5
Small Cap Blend	BNY Mellon Small Cap Stock Index Fund	1.6	1.6	1.6	1.6	1.5	1.4	1.3	1.1	0.9	0.8	0.8	0.5
Small Cap Blend	Schwab Instl Small-Cap Trust-Instl	6.3	6.0	5.7	5.2	4.4	3.6	2.8	2.1	1.3	1.3	1.2	0.8
Foreign Large Blend	Schwab Instl International Diversified Trust-Instl	29.2	28.3	27.4	26.1	23.9	21.5	18.8	15.3	11.3	10.4	9.3	6.2
Diversified Emerging Markets	SSgA Emerging Markets Index Fund	3.2	3.0	2.8	2.4	2.0	1.5	1.1	0.8	--	--	--	--
Global Real Estate	BlackRock Developed Real Estate Index Fund	4.8	4.6	4.5	4.3	4.0	3.7	3.2	2.7	2.0	1.9	1.8	1.3
Commodities Broad Basket	BlackRock Commodity Index Fund	1.2	1.2	1.2	1.1	1.0	0.9	0.8	0.6	--	--	--	--
Fixed Income		4.5	6.8	9.2	12.5	18.5	25.0	32.6	42.5	56.0	57.7	60.1	69.0
Short-Term Bond	Mellon Investments Corporation Active 1-5 Year Gov/Credit Bond Fund	0.5	0.8	1.0	1.5	2.3	3.2	4.5	6.3	9.1	9.5	10.1	12.4
Intermediate Core Bond	BNY Mellon U.S. Aggregate Bond Index Fund	--	--	--	0.5	1.1	1.9	3.1	5.1	8.5	8.8	9.2	10.7
Intermediate Core-Plus Bond	Schwab Instl Core Plus FI Trust Fund III	3.3	5.0	6.7	8.5	12.2	16.0	19.8	24.5	30.0	30.9	32.1	36.6
Inflation-Protected Bond (U.S. (TIPS))	BlackRock U.S. TIPS Index Fund	--	--	--	--	--	--	0.5	2.3	6.0	6.2	6.5	7.5
World Bond-USD Hedged	BlackRock Global Aggregate Bond Fund Ex-USD	0.8	1.1	1.5	2.0	2.9	3.9	4.7	4.3	2.4	2.4	2.3	1.9
Cash Equivalents		0.5	0.7	0.8	1.0	1.5	1.9	2.4	3.1	4.0	4.3	4.6	6.0
Cash Equivalents	State Street U.S. Government Short-Term Investment Fund	0.5	0.7	0.8	1.0	1.5	1.9	2.4	3.1	4.0	4.3	4.6	6.0

The above percentages represent the 2020 SMRT policy allocations, effective February 1, 2020. Percentages listed may not total 100% due to rounding.

Schwab Indexed Retirement Trusts Allocations

The chart below represents the [2020 SIRT Policy Allocations](#)

ASSET CLASS	UNDERLYING INVESTMENT	2060	2055	2050	2045	2040	2035	2030	2025	2020	2015	2010
Equity		95.0	92.5	90.0	86.4	80.0	73.2	65.0	54.4	40.0	38.1	35.3
Domestic Equity	BNY Mellon Large Cap Stock Index Fund	49.8	49.0	48.1	46.8	44.3	41.4	37.7	32.4	25.0	24.2	22.7
Domestic Equity	BNY Mellon Small Cap Stock Index Fund	6.8	6.5	6.1	5.7	4.9	4.1	3.3	2.5	1.7	1.6	1.4
International Equity	BNY Mellon International Stock Index Fund	26.1	25.4	24.7	23.6	21.8	20.0	17.7	14.8	11.3	10.4	9.3
Diversified Emerging Markets	SSgA Emerging Markets Index Fund	6.3	5.9	5.5	4.9	4.0	3.1	2.2	1.3	--	--	--
Global Real Estate	BlackRock Developed Real Estate Index Fund	4.8	4.6	4.5	4.3	4.0	3.7	3.3	2.7	2.0	1.9	1.8
Commodities Broad Basket	BlackRock Commodity Index Daily Fund	1.2	1.2	1.2	1.1	1.0	0.9	0.8	0.6	--	--	--
Fixed Income		4.5	6.8	9.2	12.5	18.5	25.0	32.6	42.5	56.0	57.7	60.1
Short-Term Bond	SSgA U.S. Short-Term Government/Credit Bond Index Fund	0.5	0.8	1.0	1.5	2.3	3.2	4.5	6.3	9.1	9.5	10.1
Intermediate Core Bond	BNY Mellon U.S. Aggregate Bond Index Fund	3.3	5.0	6.7	9.1	13.4	17.9	22.9	29.6	38.5	39.6	41.3
Inflation-Protected Bond (U.S.)	BlackRock U.S. TIPS Index Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.5	2.3	6.0	6.2	6.5
World Bond-USD Hedged	BlackRock Global Aggregate Bond Fund Ex-USD	0.8	1.1	1.5	2.0	2.9	3.9	4.7	4.3	2.4	2.4	2.3
Cash Equivalents		0.5	0.7	0.8	1.0	1.5	1.9	2.4	3.1	4.0	4.3	4.6
Cash Equivalents	State Street U.S. Government Short Term Investment Fund	0.5	0.7	0.8	1.0	1.5	1.9	2.4	3.1	4.0	4.3	4.6

The above percentages represent the 2020 SIRT policy allocations, effective February 1, 2020. Percentages listed may not total 100% due to rounding.

Custom Index Allocations

The chart below represents the [2020 SMRT and SIRT Custom Index Allocations](#)

INDEX	2060	2055	2050	2045	2040	2035	2030	2025	2020	2015	2010	Income
Russell 1000 Index	49.8	49.0	48.1	46.8	44.3	41.4	37.7	32.4	25.0	24.2	22.7	16.6
Russell 2000 Index	6.8	6.5	6.1	5.7	4.9	4.1	3.3	2.5	1.7	1.6	1.4	0.9
MSCI EAFE Index (Net)	26.1	25.4	24.7	23.6	21.8	20.0	17.7	14.8	11.3	10.4	9.3	6.2
MSCI Emerging Markets Index (Net)	6.3	5.9	5.5	4.9	4.0	3.1	2.2	1.3	--	--	--	0.0
FTSE EPRA/NAREIT Developed Index (Net)	4.8	4.6	4.5	4.3	4.0	3.7	3.3	2.7	2.0	1.9	1.8	1.3
Bloomberg Commodity Index	1.2	1.2	1.2	1.1	1.0	0.9	0.8	0.6	--	--	--	0.0
Bloomberg Barclays US Government/Credit 1-3 Year Index	0.5	0.8	1.0	1.5	2.3	3.2	4.5	6.3	9.1	9.5	10.1	12.4
Bloomberg Barclays US Aggregate Bond Index	3.3	5.0	6.7	9.1	13.4	17.9	22.9	29.6	38.5	39.6	41.3	47.2
Bloomberg Barclays US Treasury Inflation-Linked Bond Index (Series-L)	--	--	--	--	--	--	0.5	2.3	6.0	6.2	6.5	7.5
Bloomberg Barclays Global Aggregate Bond ex-US Hedged Index	0.8	1.1	1.5	2.0	2.9	3.9	4.7	4.3	2.4	2.4	2.3	1.9
FTSE 3 Month U.S. Treasury Bill Index	0.5	0.7	0.8	1.0	1.5	1.9	2.4	3.1	4.0	4.3	4.6	6.0

Income only available in the Schwab Managed Retirement Trust (SMRT) series. The above percentages represent the 2020 SMRT and SIRT custom index allocations, effective February 1, 2020. Percentages listed may not total 100% due to rounding.

Please refer to www.schwabtrustbankcollectives.com for the full 2020 target date policy allocations.

Contact us:

schwabtrustbankcollectives@schwab.com

www.schwabtrustbankcollectives.com

The values of the trusts will fluctuate up to and after the target dates. Past performance is no guarantee of future results. There is no guarantee the trusts 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 Trusts 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 trusts are built for investors who expect to start gradual withdrawals of trust assets on the target date, to begin covering expenses in retirement. The principal value of the trusts is not guaranteed at any time, and will continue to fluctuate up to and after the target date.

The Schwab Managed Retirement Trust Funds™, Schwab Indexed Retirement Trust Funds® and Schwab Institutional Trust Funds® (each a “Trust”, collectively the “Trusts” or “Collective Investment Trusts (CITs)”) are collective investment trusts 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 Investment Trusts 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 Trusts 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 Trusts are not entitled to the protections of the 1940 Act. The decision to invest in the Trusts should be carefully considered. The Trusts’ unit values will fluctuate and may be worth more or less when redeemed, so unit holders may lose money. The Trusts are not sold by prospectus and are not available for investment by the public. The Trusts’ 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 Bank (CSB); Charles Schwab Trust Bank (CSTB); Charles Schwab & Co., Inc.; Charles Schwab Investment Management, Inc. (CSIM); and Schwab Retirement Plan Services, Inc. Trust, custody and deposit products and services are available through CSB and CSTB, Members of FDIC. Brokerage products and services are offered by Charles Schwab & Co., Inc. (Member SIPC). Schwab Retirement Plan Services, Inc. is not a fiduciary to retirement plans or participants and only provides recordkeeping and related services to retirement plans. CSIM is an investment adviser registered with the Securities and Exchange Commission and provides investment research, advice, and administration services to CSTB and the Trusts

The Schwab Trust Bank Collective Investment Trusts select investments based on advice received from, or products offered by, industry-recognized investment management firms (“sub-advisors”). The Trusts access strategies through various investment vehicles including, but not limited to, collective investment trusts, separate accounts, mutual funds, and exchange-traded funds. Exposure to some strategies may be indirect through the investment in other Schwab Trust Bank Collective Investment Trusts. See the Trusts’ Financial Statements for additional information.

©2020 Charles Schwab Trust Bank. All rights reserved. (0120-08B5)