

Laudus International MarketMasters Fund™

Investment objective

The Fund seeks long-term capital appreciation.

Fund highlights

- Offers a disciplined multi-manager approach to investing in international stocks
- Brings together a select group of investment managers, each with a particular focus and style
- Managers are rigorously evaluated based on portfolio characteristics, investment style and consistency, discipline, and risk measures
- Internationally diversified to incorporate varied equity styles and market capitalizations in both developed and emerging markets

Investment adviser allocations

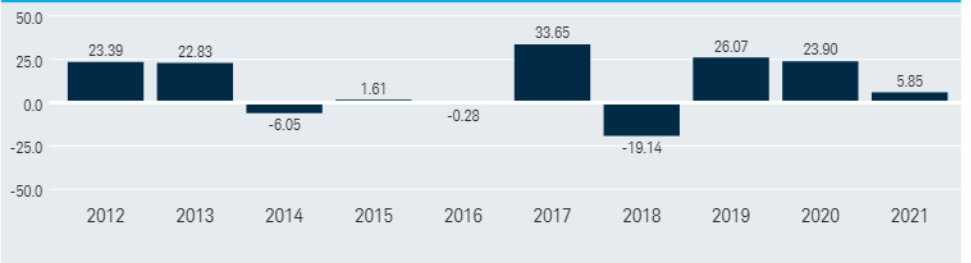
	Investment style	% of net assets
American Century Investment Management, Inc.	International small-cap growth	28.0
William Blair Investment Management, LLC	International multi-cap growth	24.0
Harris Associates L.P.	International large-cap value	18.3
Mondrian Investment Partners Limited	International small-cap value	17.4
Baillie Gifford Overseas Limited	International growth	8.2
Mellon Investments Corporation	International blend	0.0

Fund details

Minimum initial investment	None
Inception date	04/02/04
Total net assets	\$1,428,760,769
Ticker symbol	SWMIX
CUSIP	808509640
NAV	\$25.02
Gross expense ratio ¹	1.51%
Net expense ratio ¹	1.25%

Performance (%) as of 12/31/21	Cumulative		Annualized				
	3 Months	Year to Date	1 Year	3 Years	5 Years	10 Years	Since Inception
Fund	-0.66	5.85	5.85	18.25	12.31	9.93	8.30
MSCI EAFE® Index (Net) ²	2.69	11.26	11.26	13.54	9.55	8.03	5.92
MSCI EAFE Fair Value Index (Net) ^{2,3}	2.85	10.85	10.85	13.40	9.58	8.03	-
Category Average ²	2.01	7.69	7.69	20.03	14.11	10.16	-

Annual total returns⁴ (%) as of 12/31



The Fund commenced operations on 10/16/96 which became the Laudus International MarketMasters Fund™ Investor Shares (SWMIX). The Investor Shares were consolidated into Select Shares (SWMIX) on 2/26/19. The performance presented is that of the former Select Shares which commenced operations on 4/2/04.

Performance data quoted represents past performance and is no guarantee of future results. Returns are based on total return, which assumes reinvestment of dividends and distributions. Investment returns and principal value will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than performance data quoted. To obtain performance information current to the most recent month end, please visit www.schwabassetmanagement.com.

Index performance returns do not reflect any management fees, transaction costs or expenses, which would lower performance. They assume dividends and distributions were reinvested. Indices are unmanaged and cannot be invested in directly.

The first index listed for the fund is the fund's primary benchmark, as shown in the prospectus. Additional indices shown are provided for comparative purposes.

Top holdings⁵ (% of portfolio) as of 12/31/21

ASML Holding NV	1.73
MercadoLibre, Inc.	0.83
Alibaba Group Holding Ltd.	0.77
Adyen NV	0.76
Kering SA	0.76
Tritax Big Box REIT Plc	0.69
Bayer AG	0.68
Lloyds Banking Group plc	0.67
Tencent Holdings Ltd.	0.65
BNP Paribas SA Class A	0.64
TOTAL	8.18

Important investment concerns

International investments involve additional risks, which include differences in financial accounting standards, currency fluctuations, geopolitical risk, foreign taxes and regulations, and the potential for illiquid markets. Investing in emerging markets may accentuate these risks.

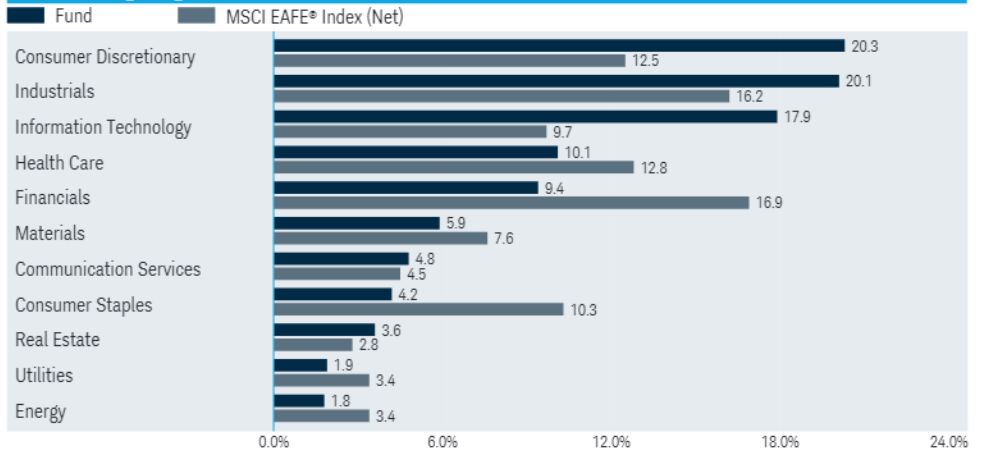
Characteristics as of 12/31/21

	Fund	MSCI EAFE® Index (Net)
Number of securities	443	829
Wtd. avg. market capitalization (in millions)	\$49,943	\$86,511
Portfolio turnover rate (1-year trailing) ⁶	54.96%	—
Price-to-earnings ratio	21.55	16.64
Price-to-book ratio	2.84	1.89
Price-to-cash-flow ratio	16.00	11.36
Return on equity	10.32%	12.86%
5-year earnings growth	12.21%	6.59%

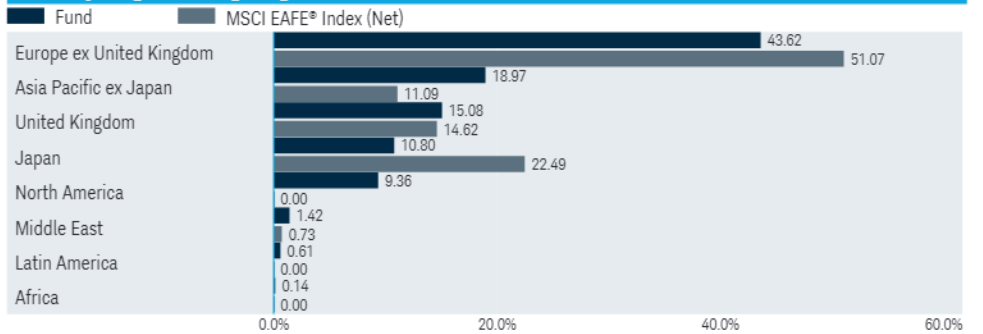
Data provided by FactSet as of 12/31/21, unless otherwise noted.

Statistical information (3 Yr.)⁷ as of 12/31/21

	Fund	MSCI EAFE® Index (Net)
Sharpe ratio	0.86	0.73
Information ratio	0.71	0.00
Standard deviation	20.06%	17.16%
R-squared	89.95%	100.00%
Beta vs. Benchmark	1.11	1.00

Sector weightings⁵ (% of portfolio) as of 12/31/21


Sector and/or industry weightings for the portfolio are determined using the Global Industry Classification Standard (GICS). GICS was developed by and is the exclusive property of MSCI and Standard & Poor's (S&P). GICS is a service mark of MSCI and S&P and has been licensed for use by Charles Schwab & Co., Inc.

Country/Regional weightings⁵ (% of portfolio) as of 12/31/21

Find out more today

For more information, please visit www.schwabassetmanagement.com.

For additional information about the indices and terms shown, please visit www.schwabassetmanagement.com/resources/glossary.

Investors should consider carefully information contained in a fund's prospectus, or if available, the summary prospectus including investment objectives, risks, charges and expenses. You can view and download a prospectus by visiting www.schwabassetmanagement.com/prospectus. Please read the prospectus carefully before investing.

¹ As stated in the prospectus, the investment adviser and its affiliates have agreed to limit the Fund's total annual fund operating expenses (excluding interest, taxes, and certain non-routine expenses) to 1.25%, for so long as the investment adviser serves as the adviser to the Fund. This agreement may only be amended or terminated with the approval of the Fund's Board of Trustees. These figures may differ from those presented in the Fund's shareholder report.

² Source: Morningstar, Inc. as of 12/31/21.

³ A fair value index measures returns adjusted to reflect price and foreign exchange rate changes for index securities in markets that have closed prior to the close of the New York Stock Exchange. Fair value index returns are calculated using fair value adjustment factors as of the close of the New York Stock Exchange provided by Interactive Data's (IDC) Fair Value Information Service.

⁴ Fund expenses may have been partially absorbed by Charles Schwab Investment Management, Inc. (CSIM) and its affiliates. Without these reductions, a fund's returns would have been lower. Fund performance does not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

⁵ Data provided by FactSet as of 12/31/21. Portfolio holdings and composition are as of the date shown and may not represent current or future holdings and are not a recommendation of individual securities.

⁶ Data provided by State Street Corporation as of 12/31/21.

⁷ Data provided by Zephyr StyleADVISOR as of 12/31/21.

Securities information includes trades posted to the Fund as of trade date.

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