

# Schwab Global Real Estate Fund

## Investment objective

The Fund seeks capital growth and income consistent with prudent investment management.

## Fund highlights

- An actively managed fund that offers convenient access to the global real estate market
- Provides exposure to a range of real estate securities, such as real estate investment trusts (REITs) and real estate operating companies (REOCs)
- Seeks to deliver consistent, risk-adjusted return through a disciplined investment process that uses proprietary research as one of several inputs
- An experienced investment team evaluates securities based on three components: fundamentals, valuation, and sentiment

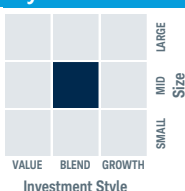
## Fund details

Total net assets	\$297,077,086
Number of fund holdings	124
Distribution frequency	Quarterly
Inception date	05/31/07
Loads/12b-1 fees	None
Total annual fund operating expenses <sup>1</sup>	0.73%
Minimum initial investment	None
Minimum balance	None

## Morningstar Rating™ and Style Box<sup>2</sup>

Fund Category:  
Global Real Estate

Rating  
Overall ★★★  
Three-Year ★★  
Five-Year ★★  
Ten-Year ★★★



Source: Morningstar, Inc. As of 06/30/22, the Morningstar Rating for the total number of Global Real Estate funds for the three-, five- and ten-year periods were 148/188, 133/172, and 61/109 respectively. The ratings reflect historical risk-adjusted performance and the Overall Rating is derived from a weighted average of the Fund's three-, five- and ten-year Morningstar Rating metrics.

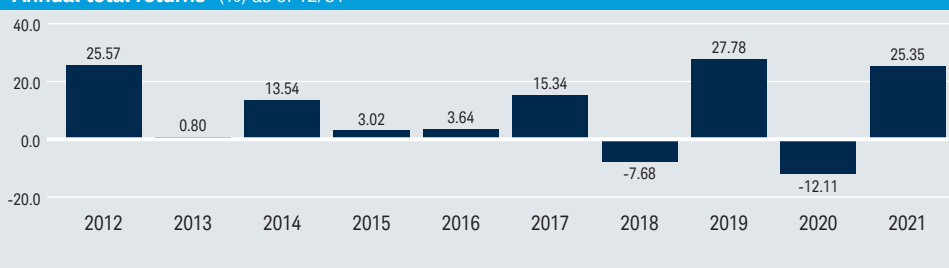
## Quartile rankings within Morningstar category<sup>3</sup>



Rank within category is independently calculated and compares this Fund's total annual return to that of other funds in the same category and its figures are not adjusted for any fees and expenses, loads, sales charges, or taxes. As of 06/30/22, the quartile ranking of Global Real Estate funds for the one-, three-, five- and ten-year periods were 98/189, 148/188, 133/172, and 61/109, respectively.

Performance (%) as of 6/30/22	Cumulative		Annualized			
	3 Months	Year to Date	1 Year	3 Years	5 Years	10 Years
Fund <sup>4</sup>	-16.18	-20.47	-13.61	-1.55	1.75	4.83
FTSE EPRA Nareit Global Index (Net) <sup>3</sup>	-17.01	-19.94	-14.16	-2.11	1.51	4.37
Category Average <sup>3</sup>	-16.87	-20.93	-14.67	-0.33	2.57	4.84

## Annual total returns<sup>4</sup> (%) as of 12/31



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](http://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.

## Top holdings<sup>5,7</sup> (% of portfolio) as of 6/30/22

Prologis Incorporated	6.69
Equinix, Inc.	3.44
Mid-America Apartment Communities, Inc.	3.15
Invitation Homes, Inc.	2.84
CK Asset Holdings Limited	2.79
Healthcare Trust of America, Inc. Class A	2.25
Extra Space Storage Inc.	2.01
Gaming and Leisure Properties, Inc.	2.00
SBA Communications Corp. Class A	1.76
Dexus	1.70
<b>TOTAL</b>	<b>28.63</b>

## Yields<sup>6</sup> as of 6/30/22

<b>30-day SEC yield</b>	<b>2.68%</b>
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## 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. Risks of investing in REITs are similar to those associated with direct ownership of real estate, such as changes in real estate values and property taxes, interest rates, cash flow of underlying real estate assets, supply and demand, and the management skill and credit worthiness of the issuer. Investing in REITs may pose additional risks such as real estate industry risk, interest rate risk, risks related to the uncertainty of and compliance with certain tax regime rules, and liquidity risk.

## Portfolio managers

Iain Clayton, CFA, Senior Portfolio Manager

Wei Li, Ph.D., CFA, Senior Portfolio Manager

Holly Emerson, CFA, Portfolio Manager

## Characteristics as of 6/30/22

	Fund	FTSE EPRA Nareit Global Index (Net)
Number of securities	124	504
Wtd. avg. market capitalization (in millions)	\$18,818	\$19,769
Portfolio turnover rate (1-year trailing) <sup>8</sup>	86.00%	—
Price-to-earnings ratio	11.41	13.51
Price-to-book ratio	1.12	1.26
Price-to-cash-flow ratio	11.96	12.39
Return on equity	9.65%	10.42%
5-year earnings growth	8.35%	6.65%

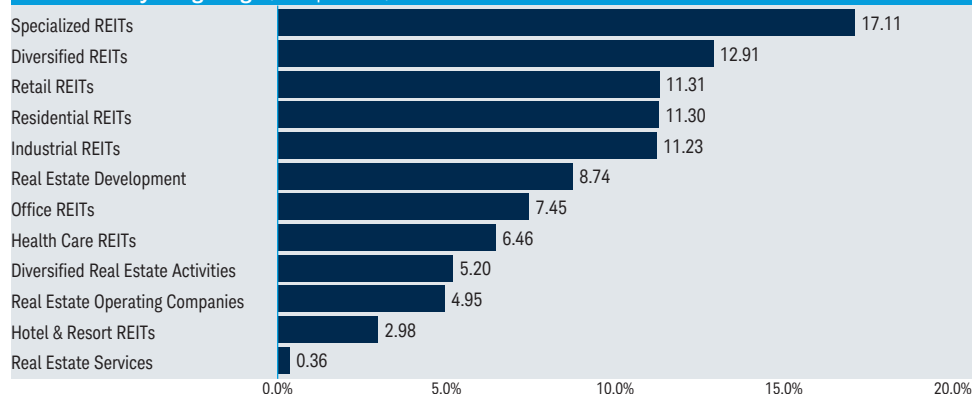
Data provided by FactSet as of 06/30/22, unless otherwise noted.

## Statistical information (3 Yr.) as of 6/30/22

	Fund	FTSE EPRA Nareit Global Index (Net)
Sharpe ratio	-0.10	-0.14
Information ratio	0.25	0.00
Standard deviation	20.92%	20.08%
R-squared	98.99%	100.00%
Beta vs. Benchmark	1.04	1.00

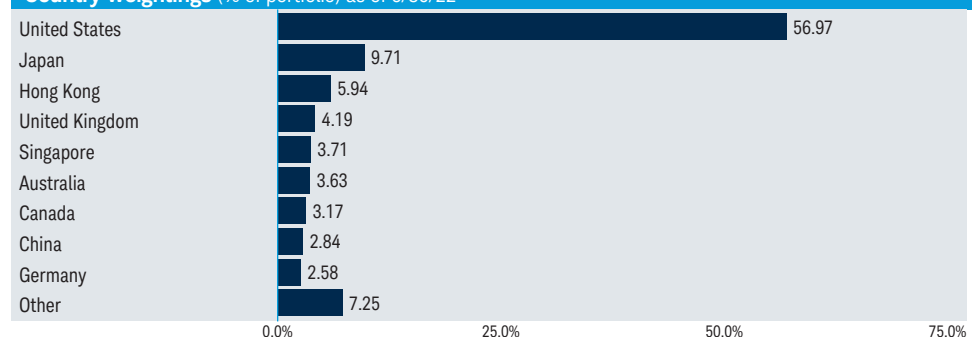
Data provided by Zephyr StyleADVISOR as of 06/30/22.

## Sub-industry weightings (% of portfolio) as of 6/30/22



Data provided by FactSet as of 06/30/22. Sub-industry weightings for the Fund's 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 weightings (% of portfolio) as of 6/30/22



Data provided by FactSet as of 06/30/22.

## Find out more today

For more information, please visit [www.schwabassetmanagement.com](http://www.schwabassetmanagement.com).

For additional information about the indices and terms shown, please visit [www.schwabassetmanagement.com/resources/glossary](http://www.schwabassetmanagement.com/resources/glossary).

Diversification strategies do not ensure a profit and do not protect against losses in declining markets.

**Investors should consider carefully information contained in the 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](http://www.schwabassetmanagement.com/prospectus). Please read the prospectus carefully before investing.**

<sup>1</sup> As stated in the prospectus. Effective June 27, 2022, Schwab Asset Management and its affiliates have agreed to limit the total annual operating expenses (excluding interest, taxes and certain non-routine expenses) of the fund to 0.75% 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 Board. Prior to June 27, 2022, Schwab Asset Management and its affiliates have agreed to limit the total annual operating expenses (excluding interest, taxes and certain non-routine expenses) of the fund to 1.05% for so long as the investment adviser serves as the adviser to the fund. These figures may differ from those presented in the fund's shareholder report.

<sup>2</sup> Morningstar proprietary ratings reflect historical risk-adjusted performance. For each fund with at least a 3-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar risk-adjusted return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. (Each share class is counted as a fraction of 1 fund within this scale and rated separately, which may cause slight variations in the distribution percentages). The top 10% of the funds in an investment category receive 5 stars, 22.5% receive 4 stars, 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star.

<sup>3</sup> Source: Morningstar, Inc. as of 06/30/22.

<sup>4</sup> Fund expenses may have been partially absorbed by Schwab Asset Management. Without these reductions, the fund's returns would have been lower.

<sup>5</sup> Portfolio holdings are as of the date shown and may not represent current or future holdings and are not a recommendation of individual securities by the investment adviser.

<sup>6</sup> **30-day SEC yield** measures the income earned by a portfolio, less expenses, expressed as a rate of return on the NAV for the past 30 days. Because the components of distributions (i.e. income, capital gains or return of capital) of the underlying REIT holdings the Fund invests in are not known until after the end of the calendar year, Schwab calculates 30-day SEC yields reflecting a reduction in the income based on the previous year's return of capital distribution from the underlying REIT holdings.

<sup>7</sup> Data provided by FactSet as of 06/30/22.

<sup>8</sup> Data provided by State Street Corporation as of 06/30/22.

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

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