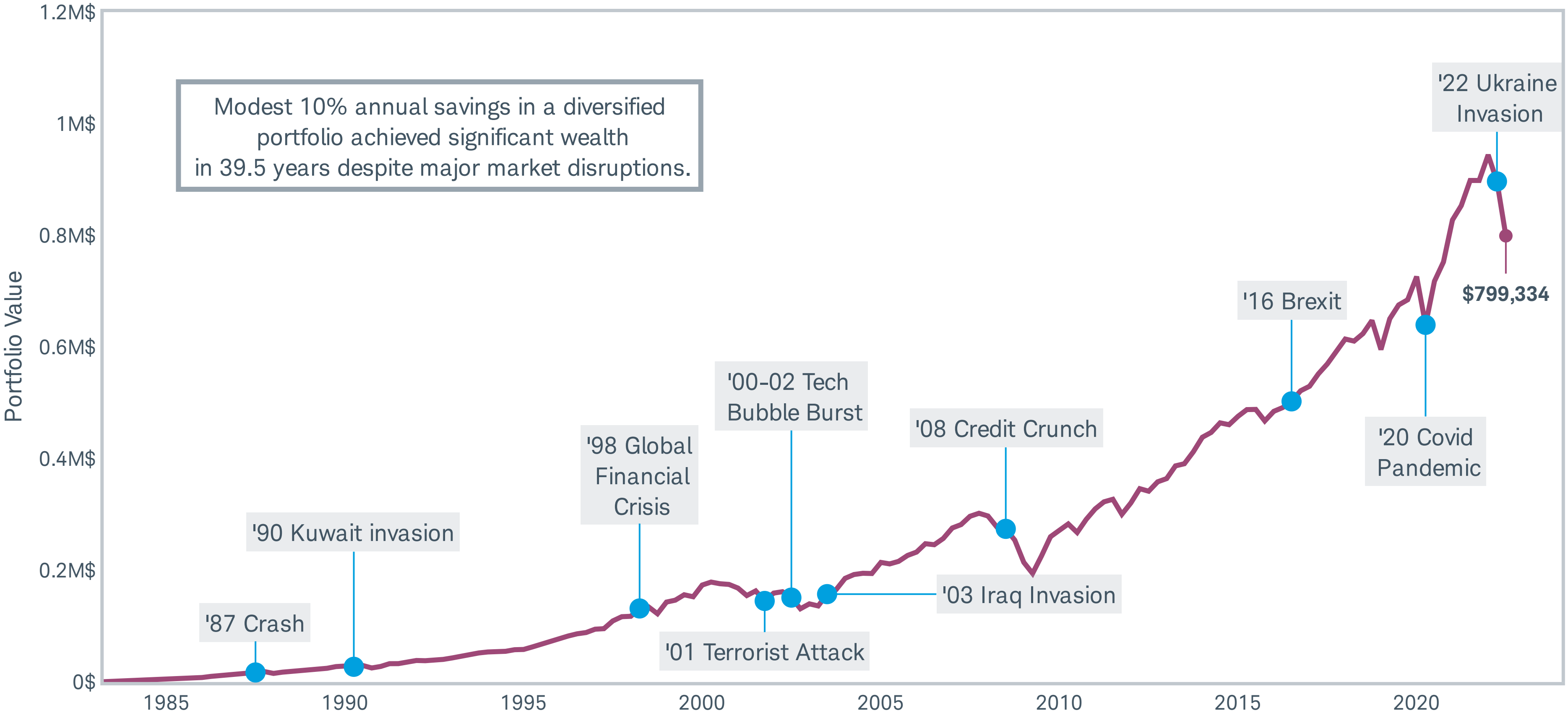
Progress toward goal more important than short-term performance

Hypothetical saver followed asset allocation glide path (1983 – 2022*)



Source: Schwab Center for Financial Research with data provided by Morningstar, Inc. The chart illustrates the growth in value of saving 10% of annual salary invested according to a glide path. The saver began with the Schwab Aggressive Model Plan until age 39, when the allocation shifts to the Moderately Aggressive Model. As the saver approaches retirement (age 52), the allocation shifts down to the Moderate Model. The saver is a 25-year old in 1983, whose 1983 salary of $18,580 is assumed to grow at 3% annual inflation and an additional 10% due to promotion every 5 years to reach $100,000 in 2018. The asset allocation plan is weighted averages of the performance of the indices used to represent each asset class in the plans and are rebalanced annually. Returns include reinvestment of dividends and interest. The indices representing each asset class are S&P 500® Index (large-cap stocks), Russell 2000® Index (small-cap stocks), MSCI AFE® Index -Net of Taxes (international stocks), Bloomberg US Aggregate Index (bonds), and FTSE U.S. 3-month Treasury bills (cash investments). The Aggressive allocation is 50% large-cap stocks, 20% small-cap stocks, 25% international stocks, and 5% cash investments. The Moderately Aggressive allocation is 45% large-cap stocks, 15% small-cap stocks, 20% international stocks, 15% bonds, and 5% cash investments. The Moderate allocation is 35% large-cap stocks, 10% small-cap stocks, 15% international stocks, 35% bonds, and 5% cash investments. Indices are unmanaged, do not incur fees or expenses, and cannot be invested in directly. For additional information, please see Schwab.com/IndexDefinitions. **Past performance is no guarantee of future results. Diversification strategies do not ensure a profit and do not protect against losses in declining markets. *Data as of 6/30/2022**

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