

Proxy Voting Policies, Procedures and Results

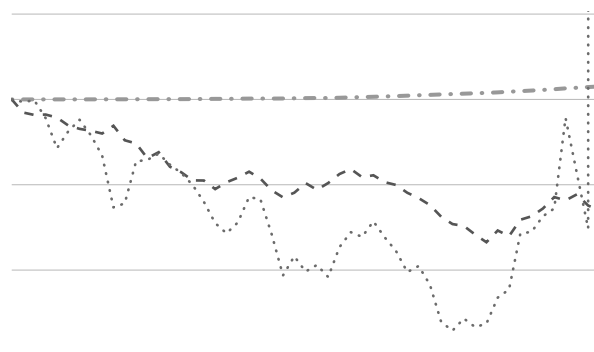
A description of the proxy voting policies and procedures used to determine how to vote proxies on behalf of the

The Investment Environment

For the 12-month reporting period ended December 31, 2022, several key U.S. stock indices posted their largest calendar year drop since the 2008 recession and the Bloomberg US Aggregate Bond Index suffered its worst calendar year performance since its inception in 1976, with longer-term bonds underperforming shorter-term bonds. Inflation spiked, interest rates rose, and economic growth around the world slowed. The ongoing war between Russia and Ukraine and the continuing, albeit uneven, fallout from the COVID-19 pandemic weighed on economies and markets around the world. Oil prices peaked at over \$120 per barrel in early March as sanctions were imposed on Russian imports—and again in June on supply-and-demand imbalances—but retreated through most of the rest of the reporting period, ending it at just over \$80 per barrel. The U.S. dollar strengthened against a basket of international currencies over the reporting period, generally decreasing the returns on overseas investments in U.S. dollar terms. For the reporting period, the S&P 500[®] Index, a bellwether for the overall U.S. stock market, returned -18.11%. The MSCI EAFE[®] Index (Net)*, a broad measure of developed international equity performance, returned -14.45%. Emerging market equities were weaker, with the MSCI Emerging Markets Index (Net)* returning -20.09%. Among U.S. and international bonds, the Bloomberg US Aggregate Bond Index returned -13.01% and the FTSE non-US Dollar World Government Bond Index returned -22.07%.

As inflation continued to rise and U.S. Federal Reserve (Fed) monetary policy shifted, bond yields began to climb early in 2022, for the most part maintaining that trajectory through the first three quarters of the year, exerting downward pressure on bond prices. (Bond yields and bond prices typically move in opposite directions.) In the final quarter, longer-term yields became more volatile and prices rebounded slightly, leading to an inversion of certain parts of the yield curve. Over the reporting period, the yield on the 10-year U.S. Treasury rose from 1.52% to 3.88%. Short-term rates also rose sharply, with the yield on the three-month U.S. Treasury climbing from 0.06% to 4.42% over the reporting period, ending the year just slightly off its one-year high.

ASSET CLASS PERFORMANCE COMPARISON % RETURNS DURING THE 12 MONTHS ENDED DECEMBER 31, 2022



In the United States, amid fading government stimuli, ongoing supply chain disruptions, persisting inflation, and a widening U.S. trade deficit, gross domestic product (GDP) contracted for the first two quarters of 2022, decreasing at an annualized rate of -1.6% and -0.6% for the first and second quarters, respectively. GDP grew at an annualized rate of 3.2% for the third quarter of 2022, driven primarily by energy exports and consumer spending. Inflation rose steadily in the first half of the year, hitting a 40-year high in June, before declining through the end of the reporting period as certain consumer and energy prices began to recede. The unemployment rate remained low despite inflationary pressures, ending the reporting period at pre-pandemic lows.

Outside the United States, conditions were similar. The eurozone, despite considerable headwinds, managed to



Portfolio Management



Zifan Tang, Ph.D., CFA, Senior Portfolio Manager for Schwab Asset Management, is responsible for the co-management of the fund. Prior to 1.183n3r10.479 aTagement



Schwab VIT Growth Portfolio_{as of December 31, 2022}

The Schwab VIT Growth Portfolio (the fund) seeks to provide long-term capital appreciation. To pursue its goal, the fund aims to provide diversification across major asset classes, including domestic equity securities, international equity securities, real assets, fixed-income securities, and money market investments, as well as diversification across a range of sub-asset classes within the major asset classes.

The fund is considered a “fund-of-funds” in that it gains exposure to these asset classes by primarily investing in affiliated exchange-traded funds (ETFs) from Schwab Funds. The fund may also invest in affiliated mutual funds from Schwab Funds and unaffiliated third-party ETFs and mutual funds. The fund uses the internally calculated VIT Growth Composite Index (the composite index) as a performance gauge. The components that make up the composite index may vary over time. For index definition, please see the Glossary.

Market Highlights. For the 12-month reporting period ended December 31, 2022, several key U.S. stock indices posted their largest calendar year drop since the 2008 recession and the Bloomberg US Aggregate Bond Index suffered its worst calendar year performance since its inception in 1976, with longer-term bonds underperforming shorter-term bonds. Inflation spiked, interest rates rose, and economic growth around the world slowed. The ongoing war between Russia and Ukraine and the continuing, albeit uneven, fallout from the COVID-19 pandemic weighed on economies and markets around the world. Oil prices peaked at over \$120 per barrel in early March as sanctions were imposed on Russian imports—and again in June on supply-and-demand imbalances—but retreated through most of the rest of the reporting period, ending it at just over \$80 per barrel. The U.S. dollar strengthened against a basket of international currencies over the reporting period, generally decreasing the returns on overseas investments in U.S. dollar terms. As inflation continued to rise and U.S. Federal Reserve monetary policy shifted, bond yields began to climb early in 2022, for the most part maintaining that trajectory through the first three quarters of the year, exerting downward pressure on bond prices. (Bond yields and bond prices typically move in opposite directions.)

Performance. For the 12-month reporting period ended December 31, 2022, the fund returned -17.24%. The Dow Jones U.S. Total Stock Market Index and the Bloomberg US Aggregate Bond Index, reflecting broad-based U.S. stock and bond market performance, returned -19.53% and -13.01%, respectively. The composite index, described above, returned -16.84%.

Positioning and Strategies. The fund’s allocations were broadly in line with those of the composite index.

The fund’s U.S. equity exposure detracted the most from the total return of the fund. The Schwab U.S. Large-Cap ETF was the largest detractor from the total return of the fund, returning approximately -19% for the reporting period and generally tracking its comparative index components. The Schwab U.S. Small-Cap ETF also detracted from the total return of the fund, returning approximately -20% for the reporting period and generally tracking its comparative index component.

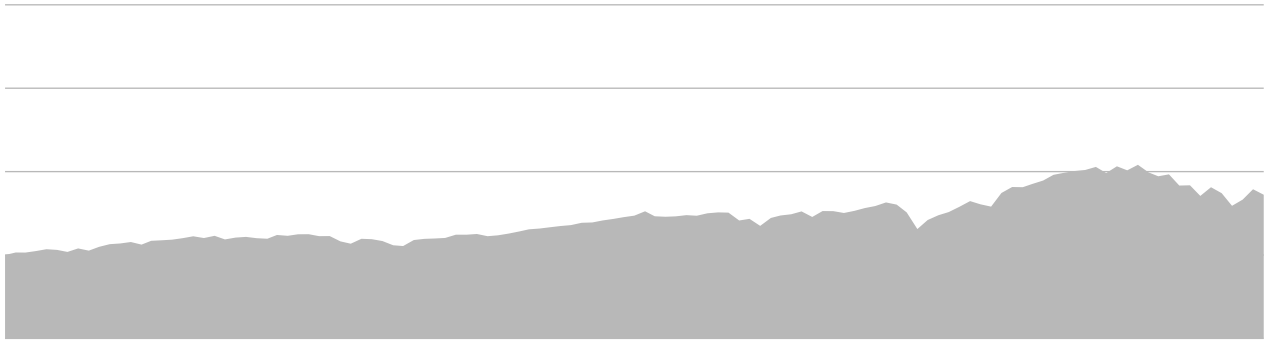
The fund’s international equity exposure detracted from the total return of the fund. The Schwab International Equity ETF and the Schwab Emerging Markets Equity ETF detracted from the total return of the fund, returning approximately -15% and -18%, respectively, for the reporting period and generally tracking their respective comparative index components. The Schwab International Small-Cap Equity ETF was the smallest detractor from the total return of the fund, returning approximately -22% for the reporting period and generally tracking its comparative index component.

The fund’s fixed-income exposure, the Schwab U.S. Aggregate Bond ETF, detracted from the total return of the fund, returning approximately -13% for the reporting period and generally tracking its comparative index component.

The fund’s real estate exposure, the Schwab U.S. REIT ETF, also detracted from the total return of the fund, returning approximately -25% for the reporting period and generally tracking its comparative index component.

The performance data quoted represents past performance. Past performance does not guarantee future results. Investment returns and principal value will fluctuate so that an investor's shares 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/schwabfunds_prospectus.

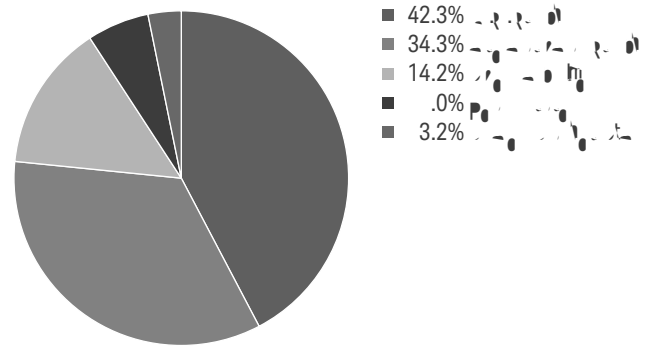
PERFORMANCE OF HYPOTHETICAL \$10,000 INVESTMENT (DECEMBER 31, 2012 – DECEMBER 31, 2022)¹



STATISTICS

Number of Holdings	8
Portfolio Turnover Rate	13%

ASSET CLASS WEIGHTINGS % OF INVESTMENTS^{1,2}



TOP HOLDINGS % OF NET ASSETS



Fund Expenses^(Unaudited)

EXAMPLES FOR A \$1,000 INVESTMENT

As a fund shareholder, you may incur two types of costs: (1) transaction costs; and (2) ongoing costs, including management fees, transfer agent fees, and other fund expenses.

The expense examples below are intended to help you understand your ongoing cost (in dollars) of investing in the fund and to compare this cost with the ongoing cost of investing in other mutual funds. These examples are based on an investment of \$1,000 invested for six months beginning July 1, 2022 and held through December 31, 2022.

The Actual Return line in the table below provides information about actual account values and actual expenses. You may use this information, together with the amount you invested, to estimate the expenses that you paid over the period. To do so, simply divide your account value by \$1,000 (for example, an \$8,600 account value ÷ \$1,000 = 8.6), then multiply the result by the number given for the fund under the heading entitled "Expenses Paid During Period."

The Hypothetical Return line in the table below provides information about hypothetical account values and hypothetical expenses based on the fund's actual expense ratio and an assumed return of 5% per year before expenses. Because the return used is not an actual return, it may not be used to estimate the actual ending account value or expenses you paid for the period.

You may use this information to compare the ongoing costs of investing in the fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only, and do not reflect any transactional costs. Therefore, the hypothetical return lines of the table are useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	EXPENSE RATIO (ANNUALIZED) ^{1,2}	EFFECTIVE EXPENSE RATIO (ANNUALIZED) ^{3,4}	BEGINNING ACCOUNT VALUE AT 7/1/22	ENDING ACCOUNT VALUE (NET OF EXPENSES) AT 12/31/22 ²	EXPENSES PAID DURING PERIOD 7/1/22-12/31/22 ^{2,5}	EFFECTIVE EXPENSES PAID DURING PERIOD 7/1/22-12/31/22 ^{4,5}
Schwab VIT Growth Portfolio						
Actual Return	0.49%	0.55%	\$1,000.00	\$1,008.40	\$2.48	\$2.78
Hypothetical 5% Return	0.49%	0.55%	\$1,000.00	\$1,022.74	\$2.50	\$2.80

¹ Based on the most recent six-month expense ratio; may differ from the expense ratio provided in the Financial Highlights.

² Excludes acquired fund fees and expenses, which are indirect expenses incurred by the fund through its investments in underlying funds.

³ Based on the most recent six-month acquired fund fees and expenses and the expense ratio; may differ from the acquired fund fees and expenses and the expense ratio in the prospectus.

⁴ Includes acquired fund fees and expenses, which are indirect expenses incurred by the fund through its investments in underlying funds.

⁵ Expenses for the fund are equal to its annualized expense ratio, multiplied by the average account value over the period, multiplied by 184 days in the period, and divided by 365 days in the fiscal year.

Financial Statements

FINANCIAL HIGHLIGHTS

	1/1/22– 12/31/22	1/1/21– 12/31/21	1/1/20– 12/31/20	1/1/19– 12/31/19	1/1/18– 12/31/18
Per-Share Data					
Net asset value at beginning of period	\$19.83	\$17.52	\$16.24	\$13.75	\$15.28
Income (loss) from investment operations:					
Net investment income (loss) ¹	0.25	0.29	0.24	0.30	0.27
Net realized and unrealized gains (losses)	(3.68)	2.27	1.51	2.54	(1.53)
Total from investment operations	(3.43)	2.56	1.75	2.84	(1.26)
Less distributions:					
Distributions from net investment income	(0.29)	(0.25)	(0.32)	(0.27)	(0.22)
Distributions from net realized gains	(0.42)	–	(0.15)	(0.08)	(0.05)
Total distributions	(0.71)	(0.25)	(0.47)	(0.35)	(0.27)
Net asset value at end of period	\$15.69	\$19.83	\$17.52	\$16.24	\$13.75
Total return	(17.24%)	14.67%	11.34%	20.84%	(8.35%)
Ratios/Supplemental Data					
Ratios to average net assets:					
Net operating expenses ²	0.49% ³	0.49%	0.50%	0.51%	0.50%
Gross operating expenses ²	0.49% ³	0.49%	0.50%	0.51%	0.50%
Net investment income (loss)	1.50%	1.53%	1.55%	1.98%	1.78%
Portfolio turnover rate	13%	13%	18%	5%	9%
Net assets, end of period (x 1,000)	\$147,720	\$187,038	\$165,495	\$160,381	\$139,844

¹ Calculated based on the average shares outstanding during the period.

² Ratio excludes acquired fund fees and expenses, which are indirect expenses incurred by the fund through its investments in underlying funds.

³ Ratio includes less than 0.005% of non-routine proxy expenses.

This section shows all the securities in the fund's portfolio and their values as of the report date, including a summary of the fund's transactions with its affiliated underlying funds during the period.

The fund files its complete schedule of portfolio holdings with the U.S. Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year on Form N-PORT Part F. The fund's Form N-PORT Part F is available on the SEC's website at www.sec.gov. The fund also makes available its complete schedule of portfolio holdings on the fund's website at www.schwabassetmanagement.com/schwabfunds_prospectus, typically 60-80 days after the end of the fund's fiscal quarter.

SECURITY	VALUE AT 12/31/21	PURCHASES	SALES	REALIZED GAINS (LOSSES)	NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION)	VALUE AT 12/31/22	BALANCE OF SHARES HELD AT 12/31/22	DISTRIBUTIONS RECEIVED ^(a)
AFFILIATED UNDERLYING FUNDS 99.3% OF NET ASSETS								
U.S. Stocks 42.0%								
Large-Cap 35.0%								
Schwab U.S. Large-Cap ETF	\$65,622,693	\$6,531,845	(\$6,986,958)	\$801,950	(\$14,241,130)	\$51,728,400	1,145,701	\$846,588
Small-Cap 7.0%								
Schwab U.S. Small-Cap ETF	13,081,088	1,804,761	(1,830,539)	(227,798)	(2,516,461)	10,311,051	254,531	141,732
						62,039,451		
International Stocks 34.0%								
Developed Markets 26.0%								
Schwab International Equity ETF	39,478,393	2,810,656	(4,664,441)	(593,202)	(6,010,374)	31,021,032	963,087	872,145
Schwab International Small-Cap Equity ETF	9,337,320	794,811	(550,381)	(156,699)	(1,992,970)	7,432,081	236,164	132,464
						38,453,113		
Emerging Markets 8.0%								
Schwab Emerging Markets Equity ETF	14,764,415	2,510,461	(2,621,540)	(422,149)	(2,427,810)	11,803,377	498,664	334,911
						50,256,490		
Real Estate 6.0%								
U.S. REITs 6.0%								
Schwab U.S. REIT ETF	11,638,115	1,714,700	(1,565,494)	213,446	(3,153,582)	8,847,185	458,641	212,287
Fixed Income 14.1%								
Intermediate-Term Bond 14.1%								
Schwab U.S. Aggregate Bond ETF	25,639,152	3,957,293	(4,897,517)	(599,943)	(3,311,892)	20,787,093	455,358	553,659
Money Market Funds 3.2%								
Schwab Variable Share Price Money Fund, Ultra Shares, 4.42% ^(b)	4,635,380	77,367	–	–	10	4,712,757	4,711,344	77,773



Statement of Assets and Liabilities

As of December 31, 2022

ASSETS

Investments in securities, at value - affiliated (cost \$113,304,214)	\$146,642,976
Cash	1,324,070
Receivables:	
Investments sold	1,268,318
Dividends	25,691
Prepaid expenses	+ 359
Total assets	149,261,414

LIABILITIES

Payables:	
Investments bought	1,409,487
Investment adviser and administrator fees	60,961
Fund shares redeemed	36,238
Independent trustees' fees	31
Accrued expenses	+ 34,709
Total liabilities	1,541,426
Net assets	\$147,719,988

NET ASSETS BY SOURCE

Capital received from investors	\$114,063,172
Total distributable earnings	+ 33,656,816
Net assets	\$147,719,988

Net Asset Value (NAV)

Net Assets	÷	Shares Outstanding	=	NAV
\$147,719,988		9,413,837		\$15.69

Statement of Operations

For the period January 1, 2022 through December 31, 2022

INVESTMENT INCOME	
Dividends received from securities - affiliated	\$3,171,559
Interest received from securities - unaffiliated	+ 7,906
Total investment income	3,179,465
EXPENSES	
Investment adviser and administrator fees	716,873
Professional fees	23,628
Independent trustees' fees	13,635
Portfolio accounting fees	13,060
Shareholder reports	9,611
Proxy fees ¹	2,426
Custodian fees	2,290
Transfer agent fees	424
Other expenses	+ 3,925
Total expenses	- 785,872
Net investment income	2,393,593
REALIZED AND UNREALIZED GAINS (LOSSES)	
Net realized losses on sales of securities - affiliated	(984,395)
Net change in unrealized appreciation (depreciation) on securities - affiliated	+ (33,654,209)
Net realized and unrealized losses	(34,638,604)
Decrease in net assets resulting from operations	(\$32,245,011)

¹ Proxy fees are non-routine expenses (see financial note 4 for additional information).

Statement of Changes in Net Assets

For the current and prior report periods

OPERATIONS

	1/1/22-12/31/22	1/1/21-12/31/21
Net investment income	\$2,393,593	\$2,698,202
Net realized gains (losses)	(984,395)	4,656,115
Net change in unrealized appreciation (depreciation)	+ (33,654,209)	16,406,347
Increase (decrease) in net assets resulting from operations	(\$32,245,011)	\$23,760,664

DISTRIBUTIONS TO SHAREHOLDERS

Total distributions	(\$6,624,352)	(\$2,315,222)
---------------------	---------------	---------------

TRANSACTIONS IN FUND SHARES

	1/1/22-12/31/22		1/1/21-12/31/21	
	SHARES	VALUE	SHARES	VALUE
Shares sold	618,939	\$11,110,432	1,044,962	\$19,957,820
Shares reinvested	425,729	6,624,352	121,089	2,315,222
Shares redeemed	+ (1,060,800)	(18,183,469)	(1,184,544)	(22,175,070)
Net transactions in fund shares	(16,132)	(\$448,685)	(18,493)	\$97,972

SHARES OUTSTANDING AND NET ASSETS

	1/1/22-12/31/22		1/1/21-12/31/21	
	SHARES	NET ASSETS	SHARES	NET ASSETS
Beginning of period	9,429,969	\$187,038,036	9,448,462	\$165,494,622
Total increase (decrease)	+ (16,132)	(39,318,048)	(18,493)	21,543,414
End of period	9,413,837	\$147,719,988	9,429,969	\$187,038,036

Schwab VIT Growth Portfolio (the fund) is a series of Schwab Annuity Portfolios (the trust), a no-load, open-end management investment company. The trust is organized as a Massachusetts business trust and is registered under the Investment Company Act of 1940, as amended (the 1940 Act). The list below shows all the funds in the trust as of the end of the period, including the fund discussed in this report, which is highlighted:

SCHWAB ANNUITY PORTFOLIOS (ORGANIZED JANUARY 21, 1994)

Schwab VIT Growth Portfolio

The fund is a “fund of funds” which primarily invests in affiliated Schwab Exchange-Traded Funds (ETFs). The fund may also invest in affiliated mutual funds from Schwab Funds and unaffiliated third-party ETFs and mutual funds (all such ETFs and mutual funds referred to as “underlying funds”). The fund may also invest directly in equity or fixed-income securities, including bonds, cash equivalents, money market funds and money market investments, to achieve its investment objectives.

The fund in this report offers one share class. Shares are bought and sold at closing net asset value per share (NAV), which is the price for all outstanding shares of the fund. Each share has a par value of 1/1,000 of a cent, and the fund’s Board of Trustees (the Board) may authorize the issuance of as many shares as necessary.

The fund is available exclusively as an investment vehicle for variable annuity and variable life insurance contracts offered by separate accounts of participating life insurance companies, and in the future may be offered to pension and retirement plans qualified under the Internal Revenue Code of 1986, as amended. At December 31, 2022, 100% of the fund’s shares were held through separate accounts of five insurance companies. Subscriptions and redemptions of these insurance separate accounts could have a material impact on the fund.

The fund maintains its own account for purposes of holding assets and accounting, and is considered a separate entity for tax purposes. Within its account, the fund may also keep certain assets in segregated accounts, as required by securities law.

2. Significant Accounting Policies:

The following is a summary of the significant accounting policies the fund uses in its preparation of financial statements. The fund follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification *Topic 946 Financial Services – Investment Companies*. The accounting policies are in conformity with accounting principles generally accepted in the United States of America (GAAP).

The financial statements of the fund should be read in conjunction with the underlying funds’ financial statements. For more information about the underlying funds’ operations and policies, please refer to those funds’ semiannual and annual reports, which are filed with the U.S. Securities and Exchange Commission (SEC) and are available on the SEC’s website at www.sec.gov.

(a) Security Valuation:



2. Significant Accounting Policies (continued):

respectolc99o-278(P)uedue.9802 36.5 -17.96 re 539.46399 36.774vestmeolicies(contiliciehtTeolicieslend:



Financial Notes (continued)

2. Significant Accounting Policies (continued):

(h) Federal Income Taxes:

The fund intends to meet federal income and excise tax requirements for regulated investment companies under subchapter M of the Internal Revenue Code, as amended. Accordingly, the fund distributes substantially all of its net investment income and net realized capital gains, if any, to the participating insurance company's (shareholders) separate accounts each year. As long as the fund meets the tax requirements, it is not required to pay federal income tax.

(i) Indemnification:

Under the fund's organizational documents, the officers and trustees are indemnified against certain liabilities arising out of the performance of their duties to the fund. In addition, in the normal course of business the fund enters into contracts with its vendors and others that provide general indemnifications. The fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the fund. However, based on experience, the fund expects the risk of loss attributable to these arrangements to be remote.

(j) Regulatory Update:

Effective January 24, 2023, the SEC adopted rule and form amendments to require mutual funds and ETFs to transmit concise and visually engaging streamlined annual and semiannual reports to shareholders that highlight key information deemed important for retail investors to assess and monitor their fund investments. Other information, including financial statements, will no longer appear in a streamlined shareholder report but must be available online, delivered free of charge upon request, and filed on a semiannual basis on Form N-CSR. The rule and form amendments have a compliance date of July 24, 2024. At this time, management is evaluating the impact of these rule and form amendment changes on the content of the current shareholder report and the newly created annual and semiannual streamlined shareholder reports.

3. Risk Factors:

Investing in the fund may involve certain risks, as discussed in the fund's prospectus, including, but not limited to, those described below. Any of these risks could cause an investor to lose money.

Asset Allocation Risk. The fund is subject to the risk that the selection of the underlying funds and the allocation of the fund's assets among the various asset classes and market segments may cause the fund to underperform other funds with a similar investment objective.

Conflicts of Interest Risk. The investment adviser's authority to select and substitute underlying funds from a variety of affiliated and unaffiliated mutual funds and ETFs may create a conflict of interest because the fees paid to it and its affiliates by some underlying funds are higher than the fees paid by other underlying funds. The investment adviser also may have an incentive to select an affiliated underlying fund for other reasons, including to increase assets under management or to support new investment strategies. In addition, other conflicts of interest may exist where the best interests of the affiliated underlying fund may not be aligned with those of the fund. However, the investment adviser is a fiduciary to the fund and is legally obligated to act in the fund's best interests when selecting underlying funds.

Market Risk. Financial markets rise and fall in response to a variety of factors, sometimes rapidly and unpredictably. Markets may be impacted by economic, political, regulatory and other conditions, including economic sanctions and other government actions. In addition, the occurrence of global events, such as war, terrorism, environmental disasters, natural disasters and epidemics may also negatively affect the financial markets. As with any investment whose performance is tied to these markets, the value of an investment in the fund will fluctuate, which means that an investor could lose money over short or long periods.

Securities Lending Risk. Securities lending involves the risk of loss of rights in, or delay in recovery of, the loaned securities if the borrower fails to return the security loaned or becomes insolvent.

ETF Risk. When the fund invests in an ETF, it will bear a proportionate share of the ETF's expenses. In addition, lack of liquidity in the market for an ETF's shares can result in its value being more volatile than the underlying portfolio of securities.

Direct Investment Risk. The fund may invest directly in cash, cash equivalents and equity and fixed-income securities, including money market securities, to maintain its allocations. The fund's direct investment in these securities is subject to the same or similar risks as an underlying fund's investment in the same securities.

Underlying Fund Investment Risk. Before investing in the fund, investors should assess the risks associated with the underlying funds in which the fund may invest, which include any combination of the risks described below.

Financial Notes (continued)

3. Risk Factors (continued):

- **Equity Risk.** The prices of equity securities rise and fall daily. These price movements may result from factors affecting individual companies, industries or the securities market as a whole. In addition, equity markets tend to move in cycles, which may cause stock prices to fall over short or extended periods of time.
- **Market Capitalization Risk.** Securities issued by companies of different market capitalizations tend to go in and out of favor based on market and economic conditions. During a period when securities of a particular market capitalization fall behind other types of investments, an underlying fund's performance could be impacted.
- **Foreign Investment Risk.** An underlying fund's investments in securities of foreign issuers involve certain risks that may be greater than those associated with investments in securities of U.S. issuers. These include risks of adverse changes in foreign economic, political, regulatory and other conditions; changes in currency exchange rates or exchange control regulations (including limitations on currency movements and exchanges); the imposition of economic sanctions or other government restrictions; differing accounting, auditing, financial reporting and legal standards and practices; differing securities market structures; and higher transaction costs. These risks may negatively impact the value or liquidity of an underlying fund's investments, and could impair the underlying fund's ability to meet its investment objective or invest in accordance with its investment strategy. There is a risk that investments in securities denominated in, and/or receiving revenues in, foreign currencies will decline in value relative to the U.S. dollar or, in the case of hedging positions, that the U.S. dollar will decline in value relative to the currency hedged, resulting in the dollar value of an underlying fund's investment being adversely affected.
- **Emerging Markets Risk.** Emerging market countries may be more likely to experience political turmoil or rapid changes in market or economic conditions than more developed countries. Emerging market countries often have less uniformity in accounting, auditing, financial reporting and recordkeeping requirements and greater risk associated with the custody of securities. In addition, the financial stability of issuers (including governments) in emerging market countries may be more precarious than in developed countries. As a result, there may be an increased risk of illiquidity and price volatility associated with an underlying fund's investments in emerging market countries, which may be magnified by currency fluctuations relative to the U.S. dollar, and, at times, it may be difficult to value such investments.
- **Growth Investing Risk.** Certain of the underlying funds pursue a "growth style" of investing. Growth investing focuses on a company's prospects for growth of revenue and earnings. If a company's earnings or revenues fall short of expectations, its stock price may fall dramatically. Growth stocks also can perform differently from the market as a whole and other types of stocks and can be more volatile than other types of stocks. Since growth companies usually invest a high portion of earnings in their business, they may lack the dividends of value stocks that can cushion stock prices in a falling market. Growth stocks may also be more expensive relative to their earnings or assets compared to value or other stocks.
- **Value Investing Risk.** Certain of the underlying funds may pursue a "value style" of investing. Value investing focuses on companies whose stocks appear undervalued in light of factors such as the company's earnings, book value, revenues or cash flow. If an underlying fund's investment adviser's (or sub-adviser's) assessment of a company's value or prospects for exceeding earnings expectations or market conditions is wrong, the underlying fund could suffer losses or produce poor performance relative to other funds. In addition, "value stocks" can continue to be undervalued by the market for long periods of time.
- **Fixed-Income Risk.** Interest rates rise and fall over time, which will affect an underlying fund's yield and share price. A change in a central bank's monetary policy or economic conditions, among other things, may result in a change in interest rates. A rise in interest rates could cause an underlying fund's share price to fall. The credit quality of a portfolio investment could also cause an underlying fund's share price to fall. An underlying fund could lose money if the issuer or guarantor of a portfolio investment or the counterparty to a derivatives contract fails to make timely principal or interest payments or otherwise honor its obligations. Fixed-income securities may be paid off earlier or later than expected. Either situation could cause an underlying fund to hold securities paying lower-than-market rates of interest, which could hurt an underlying fund's yield or share price. Below investment-grade bonds (junk bonds) involve greater credit risk, are more volatile, involve greater risk of price declines and may be more susceptible to economic downturns than investment-grade securities.
- **Interest Rate Risk.** Interest rates rise and fall over time. As with any investment whose yield reflects current interest rates, an underlying fund's yield will change over time. During periods when interest rates are low, an underlying fund's yield (and total return) also may be low. Changes in interest rates also may affect an underlying fund's share price: a rise in interest rates generally causes an underlying fund's share price to fall. The longer an underlying fund's portfolio duration, the more sensitive to interest rate movements its share price is likely to be. Also, a change in a central bank's monetary policy or economic conditions, among other things, may result in a change in interest rates, which could have sudden and unpredictable effects on the markets and significantly impact the value of fixed-income securities in which the underlying fund invests.

Financial Notes (continued)

3. Risk Factors (continued):

- **Credit Risk.** A decline in the credit quality of an issuer or guarantor of a portfolio investment could cause an underlying fund to lose money or underperform. An underlying fund could lose money if the issuer or guarantor of a portfolio investment fails to make timely principal or interest payments or otherwise honor its obligations.
- **Prepayment and Extension Risk.** Certain fixed income securities are subject to the risk that the securities may be paid off earlier or later than expected, especially during periods of falling or rising interest rates, respectively. Prepayments of obligations could cause an underlying fund to forgo future interest income on the portion of the security's principal repaid early and force the underlying fund to reinvest that money at the lower prevailing interest rates. Extensions of obligations could cause the fund to exhibit additional volatility and hold securities paying lower-than-market rates of interest. Either case could hurt the underlying fund's performance.
- **U.S. Government Securities Risk.** Some of the U.S. government securities that the underlying funds invest in are not backed by the full faith and credit of the U.S. government, which means they are neither issued nor guaranteed by the U.S. Treasury. Issuers such as the Federal Home Loan Banks (FHLB) maintain limited access to credit lines from the U.S. Treasury. Certain securities, such as obligations issued by the Federal Farm Credit Banks Funding Corporation, are supported solely by the credit of the issuer. There can be no assurance that the U.S. government will provide financial support to securities of its agencies and instrumentalities if it is not obligated to do so under law. Also, any government guarantees on securities the underlying funds own do not extend to shares of the underlying funds themselves.
- **Real Estate Investment Risk.** An underlying fund in which the fund may invest may have a policy of concentrating its investments in real estate companies and companies related to the real estate industry. As such, an underlying fund is subject to risks associated with the direct ownership of real estate securities and the fund's investment in such an underlying fund is subject to risks associated with the direct ownership of real estate securities and an investment in the underlying fund will be closely linked to the performance of the real estate markets. These risks include, among others, declines in the value of real estate; risks related to general and local economic conditions; possible lack of availability of mortgage funds or other limits to accessing the credit or capital markets; defaults by borrowers or tenants, particularly during an economic downturn; and changes in interest rates.
- **Real Estate Investment Trusts (REITs) Risk.** An underlying fund may invest in REITs. An underlying fund's investments in REITs will be subject to the risks associated with the direct ownership of real estate, including fluctuations in the value of underlying properties, defaults by borrowers or tenants, changes in interest rates and risks related to general or local economic conditions. REITs are also subject to certain additional risks. For example, equity REITs may be affected by changes in the value of the underlying properties owned by the trusts, and mortgage REITs may be affected by the quality of any credit extended. Further, REITs may have their investments in relatively few properties, a small geographic area or a single property type. In addition, REITs have their own expenses, and the underlying fund will bear a proportionate share of those expenses.
- **Mortgage-Backed and Mortgage Pass-Through Securities Risk.** Mortgage-backed securities tend to increase in value less than other debt securities when interest rates decline, but are subject to similar or greater risk of decline in fair value during periods of rising interest rates. Certain of the mortgage-backed securities in which an underlying fund may invest are issued or guaranteed by agencies or instrumentalities of the U.S. government but are not backed by the full faith and credit of the U.S. government. There can be no assurance that the U.S. government would provide financial support to its agencies or instrumentalities where it was not obligated to do so which can cause an underlying fund to lose money or underperform. The risks of investing in mortgage-backed securities include, among others, interest rate risk, credit risk, prepayment risk and extension risk. Transactions in mortgage pass-through securities often occur through to-be-announced (TBA) transactions. An underlying fund could lose money or underperform if a TBA counterparty defaults or goes bankrupt.
- **Portfolio Turnover Risk.** Certain of the underlying funds may buy and sell portfolio securities actively. If they do, their portfolio turnover rate and transaction costs will rise, which may lower the underlying fund's performance and may increase the likelihood of capital gains distributions.
- **Liquidity Risk.** An underlying fund may be unable to sell certain securities, such as illiquid securities, readily at a favorable time or price, or the underlying fund may have to sell them at a loss.
- **Derivatives Risk.** An underlying fund's use of derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. An underlying fund's use of derivatives could reduce the underlying fund's performance, increase volatility, and could cause the underlying fund to lose more than the initial amount invested. In addition, investments in derivatives may involve leverage, which means a small percentage of assets invested in derivatives can have a disproportionately large impact on an underlying fund.



Financial Notes (continued)

6. Borrowing from Banks:

During the period, the fund was a participant with other funds in the Fund Complex in a joint, syndicated, committed \$850 million line of credit (the Syndicated Credit Facility), which matured on September 29, 2022. On September 29, 2022, the Syndicated Credit Facility was amended to run for a new 364 day period with the line of credit amount increasing to \$1 billion, maturing on September 28, 2023. Under the terms of the Syndicated Credit Facility, in addition to the interest charged on any borrowings by the fund, the fund paid a commitment fee of 0.15% per annum on the fund's proportionate share of the unused portion of the Syndicated Credit Facility.

During the period, the fund was a participant with other funds in the Fund Complex in a joint, unsecured, uncommitted \$400 million line of credit (the Uncommitted Credit Facility), with State Street Bank and Trust Company, which matured on September 29, 2022. On September 29, 2022, the Uncommitted Credit Facility was amended to run for a new 364 day period with the line of credit amount remaining unchanged, maturing on September 28, 2023. Under the terms of the Uncommitted Credit Facility, the fund pays interest on the amount the fund borrows. There were no borrowings from either line of credit during the period.

The fund also has access to custodian overdraft facilities. The fund may have utilized the overdraft facility and incurred an interest expense, which is disclosed on the fund's Statement of Operations, if any. The interest expense is determined based on a negotiated rate above the current Federal Funds Rate.

7. Purchases and Sales of Investment Securities:

For the period ended December 31, 2022, purchases and sales of securities (excluding short-term obligations) were as follows:

PURCHASES OF SECURITIES	SALES OF SECURITIES
\$20,201,894	\$23,116,870

8. Federal Income Taxes:

As of December 31, 2022, the tax basis cost of the fund's investments and gross unrealized appreciation and depreciation were as follows:

TAX COST	GROSS UNREALIZED APPRECIATION	GROSS UNREALIZED DEPRECIATION	NET UNREALIZED APPRECIATION (DEPRECIATION)
\$115,338,293	\$36,514,949	(\$5,210,266)	\$31,304,683

As of December 31, 2022, the components of distributable earnings on a tax basis were as follows:

UNDISTRIBUTED ORDINARY INCOME	NET UNREALIZED APPRECIATION (DEPRECIATION) ON INVESTMENTS	CAPITAL LOSS CARRYFORWARDS AND OTHER LOSSES	TOTAL
\$2,392,373	\$31,304,683	(\$40,240)	\$33,656,816

The primary difference between book basis and tax basis unrealized appreciation or unrealized depreciation of investments is the tax deferral of losses on wash sales. The tax cost of the fund's investments, disclosed above, have been adjusted from their book amounts to reflect these unrealized appreciation or depreciation differences, as applicable.

Capital loss carryforwards have no expiration and may be used to offset future realized capital gains for federal income tax purposes. As of December 31, 2022, the fund had capital loss carryforwards of \$40,240.

The tax basis components of distributions, paid during the current and prior fiscal years were as follows:

CURRENT FISCAL YEAR END DISTRIBUTIONS		PRIOR FISCAL YEAR END DISTRIBUTIONS	
ORDINARY INCOME	LONG-TERM CAPITAL GAINS	ORDINARY INCOME	LONG-TERM CAPITAL GAINS
\$2,845,703	\$3,778,649	\$2,315,222	\$-

Financial Notes (continued)

8. Federal Income Taxes (continued):

Distributions paid to shareholders are based on net investment income and net realized gains determined on a tax basis, which may differ from net investment income and net realized gains for financial reporting purposes. These differences reflect the differing character of certain income items and net realized gains and losses for financial statement and tax purposes, and may result in reclassification among certain capital accounts on the financial statements. The fund may also designate a portion of the amount paid to redeeming shareholders as a distribution for tax purposes.

Permanent book and tax basis differences may result in reclassifications between components of net assets as required. The adjustments will have no impact on net assets or the results of operations.

As of December 31, 2022, management has reviewed the tax positions for open periods (for federal purposes, three years from the date of filing and for state purposes, four years from the date of filing) as applicable to the fund, and has determined that no provision for income tax is required in the fund's financial statements. The fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations. During the fiscal year ended December 31, 2022, the fund did not incur any interest or penalties.

9. Subsequent Events:

Management has determined there are no subsequent events or transactions through the date the financial statements were issued that would have materially impacted the financial statements as presented.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Schwab Annuity Portfolios and Shareholders of Schwab VIT Growth Portfolio

Opinion on the Financial Statements and Financial Highlights

W



Other Federal Tax Information_(unaudited)

The fund may elect to pass through, under section 853(a) of the Internal Revenue Code, the foreign tax credit of \$128,898 to its shareholders for the fiscal year ended December 31, 2022. The respective foreign source income on the fund is \$1,324,169.

For corporate shareholders, 31.35% of the fund's dividend distributions paid during the fiscal year ended December 31, 2022, qualify for the corporate dividends received deduction.

Under section 852(b)(3)(C) of the Internal Revenue Code, the fund hereby designates \$3,778,649 as long-term capital gain dividends for the fiscal year ended December 31, 2022.

For the fiscal year ended December 31, 2022, the fund designates 21.95% of dividend income as business interest income under section 163(j) of the Internal Revenue Code.

Liquidity Risk Management Program (unaudited)

The fund has adopted and implemented a liquidity risk management program (the “program”) as required by Rule 22e-4 under the Investment Company Act of 1940, as amended. The fund’s Board of Trustees (the “Board”) has designated the fund’s investment adviser, Charles Schwab Investment Management, Inc., dba Schwab Asset Management, as the administrator of the program. Personnel of the investment adviser or its affiliates conduct the day-to-day operation of the program.

Under the program, the investment adviser manages a fund’s liquidity risk, which is the risk that the fund could not meet shareholder redemption requests without significant dilution of remaining shareholders’ interests in the fund. The program is reasonably designed to assess and manage a fund’s liquidity risk, taking into consideration the fund’s investment strategy and the liquidity of its portfolio investments during normal and reasonably foreseeable stressed conditions; its historical redemption history and shareholder concentrations; and its cash holdings and access to other funding sources, including the custodian overdraft facility and lines of credit. The investment adviser’s process of determining the degree of liquidity of each fund’s investments is supported by third-party liquidity assessment vendors.

The fund’s Board reviewed a report at its meeting held on September 19, 2022 prepared by the investment adviser regarding the operation and effectiveness of the program for the period June 1, 2021, through May 31, 2022, which included individual fund liquidity metrics. No significant liquidity events impacting the fund were noted in the report. In addition, the investment adviser provided its assessment that the program had been operating effectively in managing the fund’s liquidity risk.

Trustees and Officers

The tables below give information about the trustees and officers of Schwab Annuity Portfolios, which includes the fund covered in this report. The “Fund Complex” includes The Charles Schwab Family of Funds, Schwab Capital Trust, Schwab Investments, Schwab Annuity Portfolios, Schwab Strategic Trust and Laudus Trust. The Fund Complex includes 105 funds.

The address for all trustees and officers is 211 Main Street, San Francisco, CA 94105. You can find more information about the trustees and officers in the fund’s Statement of Additional Information, which is available free by calling 1-877-824-5615.

INDEPENDENT TRUSTEES

NAME, YEAR OF BIRTH, AND POSITION(S) WITH THE TRUST (TERMS OF OFFICE, AND LENGTH OF TIME SERVED ¹)	PRINCIPAL OCCUPATIONS DURING THE PAST FIVE YEARS	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY THE TRUSTEE	OTHER DIRECTORSHIPS
Michael J. Beer 1961 Trustee (Trustee of The Charles Schwab Family of Funds, Schwab Investments, Schwab Capital Trust, Schwab Annuity Portfolios, Schwab Strategic Trust and Laudus Trust since 2022)	Retired. Director, President and Chief Executive Officer (Dec. 2016 – Sept. 2019), Principal Funds (investment management).	105	Director (2016 – 2019), Principal Funds, Inc.
Robert W. Burns 1959 Trustee (Trustee of Schwab Strategic Trust since 2009; The Charles Schwab Family of Funds, Schwab Investments, Schwab Capital Trust, Schwab Annuity Portfolios and Laudus Trust since 2016)	Retired/Private Investor.	105	None
Nancy F. Heller 1956 Trustee (Trustee of The Charles Schwab Family of Funds, Schwab Investments, Schwab Capital Trust, Schwab Annuity Portfolios, Schwab Strategic Trust and Laudus Trust since 2018)	Retired.	105	None
David L. Mahoney 1954 Trustee (Trustee of The Charles Schwab Family of Funds, Schwab Investments, Schwab Capital Trust, Schwab Annuity Portfolios and Laudus Trust since 2011; Schwab Strategic Trust since 2016)	Private Investor.	105	Director (2004 – present), Corcept Therapeutics Incorporated Director (2009 – 2021), Adamas Pharmaceuticals, Inc. Director (2003 – 2019), Symantec Corporation
Jane P. Moncreiff 1961 Trustee (Trustee of The Charles Schwab Family of Funds, Schwab Investments, Schwab Capital Trust, Schwab Annuity Portfolios, Schwab Strategic Trust and Laudus Trust since 2019)	Consultant (2018 – present), Fulham Advisers LLC (management consulting); Chief Investment Officer (2009 – 2017), CareGroup Healthcare System, Inc. (healthcare).	105	None

INDEPENDENT TRUSTEES (CONTINUED)

NAME, YEAR OF BIRTH, AND POSITION(S) WITH THE TRUST (TERMS OF OFFICE, AND LENGTH OF TIME SERVED ¹)	PRINCIPAL OCCUPATIONS DURING THE PAST FIVE YEARS	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY THE TRUSTEE	OTHER DIRECTORSHIPS
Kimberly S. Patmore 1956 Trustee			



Schwab VIT Growth Portfolio

INTERESTED TRUSTEES

NAME, YEAR OF BIRTH, AND POSITION(S) WITH THE TRUST (TERMS OF OFFICE, AND LENGTH OF TIME SERVED ¹)	PRINCIPAL OCCUPATIONS DURING THE PAST FIVE YEARS	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY THE TRUSTEE	OTHER DIRECTORSHIPS
Walter W. Bettinger II² 1960 Chairman and Trustee (Trustee of The Charles Schwab Family of Funds, Schwab Investments, Schwab Capital Trust and Schwab Annuity Portfolios since 2008; Schwab Strategic Trust since 2009; Laudus Trust since 2010)	Co-Chairman of the Board (July 2022 – present), Director and Chief Executive Officer (Oct. 2008 – present) and President (Feb. 2007 – Oct. 2021), The Charles Schwab Corporation; President and Chief Executive Officer (Oct. 2008 – Oct. 2021) and Director (May 2008 – Oct. 2021), Charles Schwab & Co., Inc.; Director (Apr. 2006 – present), Charles Schwab Bank, SSB; Director (Nov. 2017 – present), Charles Schwab Premier Bank, SSB; Director (July 2019 – present), Charles Schwab Trust Bank; Director (May 2008 – present), Chief Executive Officer (Aug. 2017 – present) and President (Aug. 2017 – Nov. 2021), Schwab Holdings, Inc.; Director (Oct. 2020 – present), TD Ameritrade Holding Corporation; Director (July 2016 – Oct. 2021), Charles Schwab Investment Management, Inc.	105	Director (2008 – present), The Charles Schwab Corporation
Richard A. Wurster² 1973 Trustee (Trustee of The Charles Schwab Family of Funds, Schwab Investments, Schwab Capital Trust, Schwab Annuity Portfolios, Schwab Strategic Trust and Laudus Trust since 2022)	President (Oct. 2021 – present) and Executive Vice President – Schwab Asset Management Solutions (Apr. 2019 – Oct. 2021), The Charles Schwab Corporation; President, Director (Oct. 2021 – present), Executive Vice President – Schwab Asset Management Solutions (July 2019 – Oct. 2021) and Senior Vice President – Advisory (May 2016 – July 2019), Charles Schwab & Co., Inc.; President (Nov. 2021 – present), Schwab Holdings, Inc.; Director (Oct. 2021 – present) and Chief Executive Officer (Nov. 2019 – Jan. 2022), Charles Schwab Investment Management, Inc.; Director, Chief Executive Officer and President (Mar. 2018 – Oct. 2022), Charles Schwab Investment Advisory, Inc.; Chief Executive Officer (July 2016 – Apr. 2018) and President (Mar. 2017 – Apr. 2018), ThomasPartners, Inc.; Chief Executive Officer (July 2016 – Apr. 2018), Windhaven Investment Management, Inc.	105	None

OFFICERS OF THE TRUST

NAME, YEAR OF BIRTH, AND POSITION(S) WITH THE TRUST (TERMS OF OFFICE, AND LENGTH OF TIME SERVED ³)	PRINCIPAL OCCUPATIONS DURING THE PAST FIVE YEARS
Jonathan de St. Paer 1973 President and Chief Executive Officer (Officer of The Charles Schwab Family of Funds, Schwab Investments, Schwab Capital Trust, Schwab Annuity Portfolios, Schwab Strategic Trust and Laudus Trust since 2018)	Director (Apr. 2019 – present), President (Oct. 2018 – present), Chief Operating Officer (Jan. 2021 – present), and Chief Executive Officer (Apr. 2019 – Nov. 2019), Charles Schwab Investment Management, Inc.; Senior Vice President (June 2020 – Mar. 2022) and Chief Operating Officer (Jan. 2021 – Mar. 2022), Charles Schwab Investment Advisory, Inc.; Chief Executive Officer (Apr. 2019 – present), President (Nov. 2018 – present) and Trustee (Apr. 2019 – Dec. 2020), Schwab Funds, Laudus Trust and Schwab ETFs; Managing Director (May 2022 – present), Senior Vice President (Apr. 2019 – May 2022) and Senior Vice President – Strategy and Product Development (CSIM) (Jan. 2014 – Mar. 2019), Charles Schwab & Co., Inc.
Mark Fischer 1970 Chief Operating Officer (Officer of The Charles Schwab Family of Funds, Schwab Investments, Schwab Capital Trust, Schwab Annuity Portfolios, Schwab Strategic Trust and Laudus Trust since 2013)	Chief Operating Officer (Dec. 2020 – present) and Treasurer and Chief Financial Officer (Jan. 2016 – Dec. 2022), Schwab Funds, Laudus Trust and Schwab ETFs; Chief Financial Officer (Mar. 2020 – present) and Vice President (Oct. 2013 – present), Charles Schwab Investment Management, Inc.
Dana Smith 1965 Treasurer and Chief Financial Officer (Officer of The Charles Schwab Family of Funds, Schwab Investments, Schwab Capital Trust, Schwab Annuity Portfolios, Schwab Strategic Trust and Laudus Trust since 2023)	Treasurer and Chief Financial Officer (Jan. 2023 – present) and Assistant Treasurer (Dec. 2015 – Dec. 2022), Schwab Funds, Laudus Trust and Schwab ETFs; Vice President (Mar. 2022 – present) and Director (Oct. 2015 – Mar. 2022), Charles Schwab Investment Management, Inc.

Schwab VIT Growth Portfolio

OFFICERS OF THE TRUST (CONTINUED)

NAME, YEAR OF BIRTH, AND POSITION(S) WITH THE TRUST (TERMS OF OFFICE, AND LENGTH OF TIME SERVED ³)	PRINCIPAL OCCUPATIONS DURING THE PAST FIVE YEARS
<p>Omar Aguilar 1970 Vice President and Chief Investment Officer (Officer of The Charles Schwab Family of Funds, Schwab Investments, Schwab Capital Trust, Schwab Annuity Portfolios, Schwab Strategic Trust and Laudus Trust since 2011)</p>	<p>Chief Executive Officer (Jan. 2022 – present), Chief Investment Officer (Apr. 2011 – present) and Senior Vice President (Apr. 2011 – Dec. 2021), Charles Schwab Investment Management, Inc.; Director, Chief Executive Officer and President (Oct. 2022 – present), Charles Schwab Investment Advisory, Inc.; Vice President and Chief Investment Officer (June 2011 – present), Schwab Funds, Laudus Trust and Schwab ETFs.</p>
<p>Brett Wander 1961 Vice President and Chief Investment Officer (Officer of The Charles Schwab Family of Funds, Schwab Investments, Schwab Capital Trust, Schwab Annuity Portfolios, Schwab Strategic Trust and Laudus Trust since 2011)</p>	<p>Senior Vice President and Chief Investment Officer (Apr. 2011 – present), Charles Schwab Investment Management, Inc.; Vice President and Chief Investment Officer (June 2011 – present), Schwab Funds, Laudus Trust and Schwab ETFs.</p>
<p>William P. McMahon, Jr. 1972 Vice President and Chief Investment Officer (Officer of The Charles Schwab Family of Funds, Schwab Investments, Schwab Capital Trust, Schwab Annuity Portfolios, Schwab Strategic Trust and Laudus Trust since 2021)</p>	<p>Senior Vice President and Chief Investment Officer (Jan. 2020 – present), Charles Schwab Investment Management, Inc.; Vice President and Chief Investment Officer (June 2021 – present), Schwab Funds, Laudus Trust and Schwab ETFs; Senior Vice President and Chief Investment Officer – ThomasPartners Strategies (Apr. 2018 – Dec. 2019), Charles Schwab Investment Advisory, Inc.; Senior Vice President and Chief Investment Officer (May 2001 – Apr. 2018), ThomasPartners, Inc.</p>
<p>Catherine MacGregor 1964 Chief Legal Officer and Secretary, Schwab Funds and Schwab ETFs Chief Legal Officer, Vice President and Clerk, Laudus Trust (Officer of The Charles Schwab Family of Funds, Schwab Investments, Schwab Capital Trust, Schwab Annuity Portfolios and Laudus Trust since 2005; Schwab Strategic Trust since 2009)</p>	<p>Chief Legal Officer (Mar. 2022 – present) and Vice President (Sept. 2005 – present), Charles Schwab Investment Management, Inc.; Managing Director (May 2022 – present) and Vice President (July 2005 – May 2022), Charles Schwab & Co., Inc.; Vice President (Dec. 2005 – present) and Chief Legal Officer and Clerk (Mar. 2007 – present), Laudus Trust; Chief Legal Officer and Secretary (Oct. 2021 – present), Vice President (Nov. 2005 – Oct. 2021) and Assistant Secretary (June 2007 – Oct. 2021), Schwab Funds; Chief Legal Officer and Secretary (Oct. 2021 – present), Vice President and Assistant Secretary (Oct. 2009 – Oct. 2021), Schwab ETFs.</p>

¹ Each Trustee shall hold office until the election and qualification of his or her successor, or until he or she dies, resigns or is removed. The retirement policy requires that each independent trustee retire by December 31 of the year in which the Trustee turns 74 or the Trustee's twentieth year of service as an independent trustee on any trust in the Fund Complex, whichever occurs first.

² Mr. Bettinger and Mr. Wurster are Interested Trustees. Mr. Bettinger and Mr. Wurster are Interested Trustees because each owns stock of The Charles Schwab Corporation (CSC), the parent company of Charles Schwab Investment Management, Inc., the investment adviser for the trusts in the Fund Complex, and is an employee of Charles Schwab & Co., Inc. (Schwab), the principal underwriter for The Charles Schwab Family of Funds, Schwab Investments, Schwab Capital Trust, Schwab Annuity Portfolios and Laudus Trust.

³ The President, Treasurer and Secretary/Clerk hold office until their respective successors are chosen and qualified or until he or she sooner dies, resigns, is removed or becomes disqualified. Each of the other officers serves at the pleasure of the Board.

Glossary

Bloomberg US Aggregate Bond Index An index that is a broad-based benchmark measuring the performance of the U.S. investment grade,



Schwab VIT Growth Portfolio

Russell 2000 Index An index that measures the performance of the 2,000 smallest companies in the Russell 3000 Index. The Russell 3000 Index measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market.

S&P 500 Index An index that is designed to measure the performance of 500 leading publicly traded companies from a broad range of industries.

VIT Growth Composite Index A custom blended index developed by Schwab Asset Management based on a comparable portfolio asset allocation and calculated using the following portion allocations effective July 1, 2020: 14.0% Bloomberg US Aggregate Bond Index, 4.0% Bloomberg US Treasury Bills 1-3 Month Index, 6.0% Dow Jones Equity All REIT Capped Index, 35.0% Dow Jones U.S. Large-Cap Total Stock Market Index, 7.0% Dow Jones U.S. Small-Cap Total Stock Market Index, 8.0% FTSE All Emerging Index (Net), 21.0% FTSE Developed ex US Index (Net), 5.0% FTSE Developed Small Cap ex US Liquid Index (Net). From April 29, 2020 through June 30, 2020, the blended index was derived using the following allocations: 14.0% Bloomberg US Aggregate Bond Index, 4.0% Bloomberg US Treasury Bills 1-3 Month Index, 6.0% Dow Jones U.S. Select REIT Index, 35.0% Dow Jones U.S. Large-Cap Total Stock Market Index, 7.0% Dow Jones U.S. Small-Cap Total Stock Market Index, 8.0% FTSE All Emerging Index

(Net), 21.0% FTSE Developed ex US Index (Net), 5.0% FTSE Developed Small Cap ex US Liquid Index (Net). From June 8, 2016 through April 28, 2020, the blended index was derived using the following allocations: 12% Bloomberg US Aggregate Bond Index, 5% Bloomberg US Treasury Bills 1-3 Month Index, 1% Bloomberg US Treasury Inflation-Linked Bond Index (Series-L), 4% Bloomberg Commodity Index, 6% Dow Jones U.S. Select REIT Index, 29% Dow Jones U.S. Large-Cap Total Stock Market Index, 7% Dow Jones U.S. Small-Cap Total Stock Market Index, 8% FTSE All Emerging Index (Net), 21% FTSE Developed ex US Index (Net), 5% FTSE Developed Small Cap ex US Liquid Index (Net), and 2% Russell Microcap Index. Prior to June 8, 2016, the composite index was derived using the following allocations: 29% Dow Jones U.S. Large-Cap Total Stock Market Index, 7% Dow Jones U.S. Small-Cap Total Stock Market Index, 2% Russell Microcap Index, 21% FTSE Developed ex US Index (Net), 5% FTSE Developed Small Cap ex US Liquid Index (Net), 8% FTSE Emerging Index (Net), 6% Dow Jones U.S. Select REIT Index, 4% Dow Jones UBS Commodity Index, 1% Bloomberg US Treasury Inflation-Linked Bond Index (Series-L), 5% Bloomberg US Treasury 3-10 Year Index, 2% Bloomberg US Credit Index, 5% Bloomberg US Mortgage Backed Securities Index, and 5% Bloomberg US Treasury Bills 1-3 Month Index.

Notes

Notes

Notes