

Schwab Fundamental Emerging Markets Large Company Index Fund

Investment objective

The Fund seeks investment results that correspond generally (before fees and expenses) to the total return of the Russell RAFI™ Emerging Markets Large Company Index.

Fund highlights

- Simple access to the largest emerging markets companies based on fundamental measures
- A straightforward, low-cost fund with no investment minimum
- Offers contrarian investing and disciplined rebalancing through a systematic process based on indexes with established track records
- Offers the potential for value and yield factor exposure
- Provides a complement to market-cap indexing and active management

Fund details

Total net assets	\$731,814,032
Inception date	01/31/08
Expense ratio¹	0.39%
Ticker symbol	SFENX
Number of securities	335
Distribution frequency	Annual
CUSIP	808509343
Index name	Russell RAFI™ Emerging Markets Large Company Index (Net)
Portfolio turnover rate (1-year trailing)	36.06%
Minimum initial investment	None
Minimum balance	None
Loads/12b-1 fees	None

Morningstar Rating™ and Style Box²

Fund Category:
Diversified Emerging Mkts

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



Source: Morningstar, Inc. As of 03/31/21 the total number of Diversified Emerging Mkts funds for the Overall, three-, five- and ten-year periods were 697, 697, 596, and 292, 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.

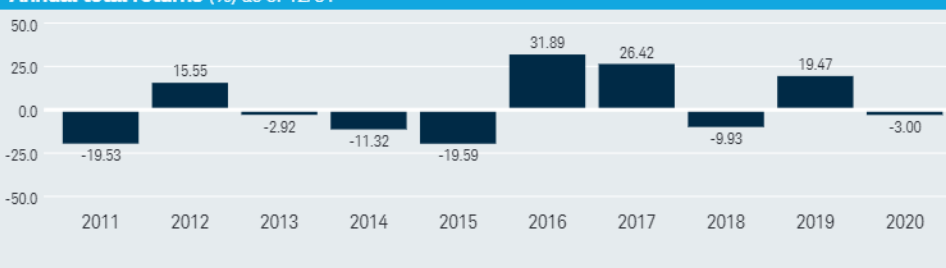
Quartile rankings within Morningstar category³



Performance (%) as of 3/31/21

Fund	Cumulative		Annualized				
	3 Months	Year to Date	1 Year	3 Years	5 Years	10 Years	Since Inception⁴
Russell RAFI™ Emerging Markets Large Company Index (Net)³	8.17	8.17	52.01	2.52	10.78	1.68	2.65
Russell RAFI™ Emerging Markets Large Company Fair Value Index (Net)³, ⁵	8.12	8.12	52.00	3.40	11.36	–	–
Fundamental Emerging Markets Large Company Spliced Index³	4.26	4.26	52.12	2.92	11.31	–	–
MSCI Emerging Markets Index (Net)³	8.12	8.12	52.00	3.40	11.36	2.57	3.90
Category Average³	2.29	2.29	58.39	6.48	12.07	3.65	3.87
	3.14	3.14	62.38	6.09	11.52	3.82	–

Annual total returns (%) 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.schwabfunds.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.

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

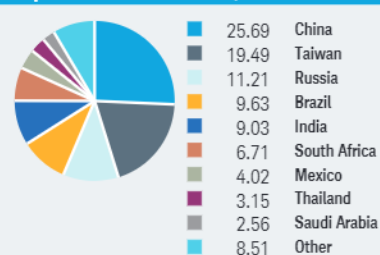
	Fund	Russell RAFI™ Emerging Markets Large Company Index (Net)	MSCI Emerging Markets Index (Net)
Sharpe ratio	0.05	0.09	0.26
Standard deviation	21.23%	20.91%	19.16%
Beta v. Benchmark	1.02	1.01	1.00
R-squared	85.12%	86.01%	100.00%

Source: Zephyr StyleADVISOR as of 03/31/21. Fund and Russell RAFI Index calculations use MSCI Emerging Markets Index (Net) as the comparative index.

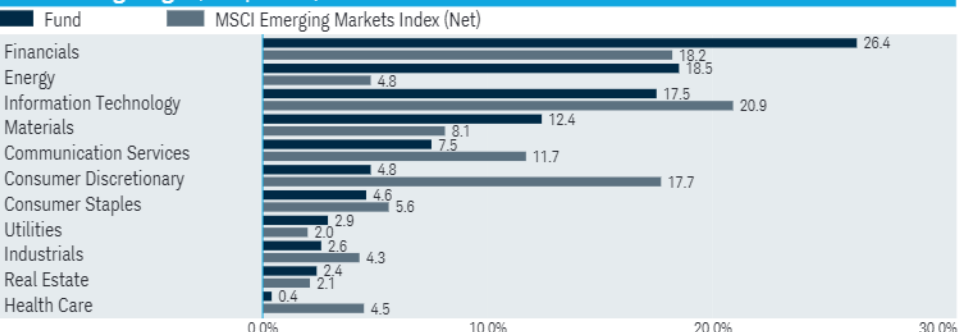
Investors should consider carefully information contained in the Fund's prospectus, or if available, the summary prospectus, including investment objectives, risks, charges and expenses. You can view and download a prospectus by visiting www.schwabfunds.com/schwabfunds_prospectus. Please read the prospectus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

Top 10 holdings^{6,7} (% of portfolio) as of 3/31/21

Taiwan Semiconductor Manufacturing Co., Ltd.	3.97
Hon Hai Precision Industry Co., Ltd.	3.45
China Construction Bank Corporation Class H	3.27
Gazprom PJSC	2.95
Oil company LUKOIL PJSC	2.62
Industrial and Commercial Bank of China Limited Class H	2.03
China Petroleum & Chemical Corporation Class H	1.66
Vale S.A.	1.61
Bank of China Limited Class H	1.35
Sasol Limited	1.29
TOTAL	24.20

Top 10 countries⁶ (% of portfolio) as of 3/31/21**Portfolio characteristics⁶ as of 3/31/21**

	Fund	MSCI Emerging Markets Index (Net)
Wtd. avg. market capitalization (in millions)	\$85,672	\$173,915
Price-to-earnings ratio	12.93	19.18
Price-to-book ratio	1.18	2.23
Price-to-cash-flow ratio	4.94	9.04
Return on equity	10.34%	14.06%
5-year earnings growth	4.02%	13.77%

Sector weightings⁶ (% of portfolio) as of 3/31/21

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.

Find out more today

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

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

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

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.

¹ As stated in the prospectus. These figures may differ from those presented in a fund's shareholder report.

² The Morningstar Rating[™] for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total return, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total return. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take into account the effects of sales charges and loads.

³ Source: Morningstar, Inc. as of 03/31/21.

⁴ Since-inception performance of the indexes—with the exception of the Russell RAFI[™] Emerging Markets Large Company Index (Net)—is based on the inception date of the Fund.

⁵ 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 (IDCo) Fair Value Information Service.

⁶ Data provided by FactSet as of 03/31/21.

⁷ 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.

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

The inception date of the index is 2/24/11. The fund began tracking the index on 10/19/12.

Fundamental Emerging Markets Large Company Spliced Index An internally calculated index comprised of the FTSE RAFI Emerging Index from inception of the Schwab Fundamental Emerging Markets Large Company Index Fund until the close of business on 10/18/12 and the Russell RAFI[™] Emerging Markets Large Company Index (Net) from 10/19/12 forward. The FTSE RAFI Emerging Index is designed to track the performance of the largest emerging market equities, selected based on the following four fundamental measures of firm size: book value, cash flow, sales and dividends. The equities with the highest fundamental strength are weighted according to their fundamental scores. The fundamentally weighted portfolio is rebalanced and reconstituted annually.

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