

## Schwab Fundamental International Large Company Index ETF

FNDF

As of March 31, 2015

## FUND DESCRIPTION

The Schwab Fundamental International Large Company Index ETF seeks to track as closely as possible, before fees and expenses, the total return of the Russell Fundamental Developed ex-U.S. Large Company Index.

## INDEX DESCRIPTION

The Russell Fundamental Developed ex-U.S. Large Company Index ("Index") selects, ranks, and weights securities by fundamental measures of company size – adjusted sales, retained operating cash flow, and dividends plus buybacks – rather than market capitalization. The weights of the companies included in the Index are determined annually and are implemented using a partial quarterly reconstitution methodology in which the Index is split into four equal segments and each segment is rebalanced on a rolling quarterly basis. The Index is compiled and calculated by Russell Investments in conjunction with Research Affiliates LLC, and the method of calculating the components of the Index is subject to change.

## FUND DETAILS

Inception Date	08/15/13
Expense Ratio <sup>1</sup>	0.32%
Ticker	FNDF
Intra-Day Indicative Value	FNDF.IV
Index Bloomberg Ticker	RUFDXULU
CUSIP	808524755
Exchange	NYSE Arca
Distribution Frequency	Annually
Marginable at Schwab	Yes
Total Net Assets	\$376,693,952

## KEY FEATURES AND BENEFITS

Low Cost
No Investment Minimum
Low Turnover
Trading Flexibility
Potential Tax Efficiency
Transparency

## PORTFOLIO MANAGERS

<b>Agnes Hong, CFA</b> Vice President, Head of Passive Equity Strategies
<b>Chuck Craig, CFA</b> Managing Director, Senior Portfolio Manager
<b>Jane Qin,</b> Portfolio Manager

## PERFORMANCE

As of 03/31/15

**Schwab Fundamental International Large Company Index ETF**  
(Market Price Returns)

**Schwab Fundamental International Large Company Index ETF**  
(NAV Returns)

**Russell Fundamental Developed ex-US Large Company Index**

	Cumulative		Annualized	
	Year to Date	3 Months	1 Year	Since Inception
Schwab Fundamental International Large Company Index ETF (Market Price Returns)	3.62%	3.62%	-4.88%	4.94%
Schwab Fundamental International Large Company Index ETF (NAV Returns)	3.11%	3.11%	-4.35%	4.78%
Russell Fundamental Developed ex-US Large Company Index	3.19%	3.19%	-4.07%	5.15%

**The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance figures assume dividends and distributions were reinvested. Performance data current to the most recent month end may be obtained by visiting CSIMFunds.com.**

Since ETFs are baskets of securities that trade on a stock exchange, ETF performance must be shown based on both a Market Price and a Net Asset Value (NAV) basis.

**Market Price** is the price at which investors buy and sell ETF shares in the stock market. ETF Market Price determines investor returns. An ETF's Market Price may be higher or lower than the NAV at any given point in time.

Market price returns are based upon the midpoint of the bid/ask spread at 4:00 PM Eastern time (when NAV is normally determined for most ETFs), and do not represent the returns you would receive if you traded shares at other times. Shares are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns.

**NAV (Net Asset Value)** is a per share valuation of the securities in an ETF officially calculated once per day. NAV price performance is primarily used to evaluate the fund and its managers and may not reflect the actual return for the investor.

## FUND CHARACTERISTICS

Number of Securities <sup>2</sup>	812
Wtd. Avg. Market Capitalization (in millions)	56,773
Portfolio Turnover (Since Inception) <sup>2</sup>	12.93%
Price-to-Earnings	25.61
Price-to-Book	1.48
Beta vs. S&P 500 <sup>3</sup>	0.97

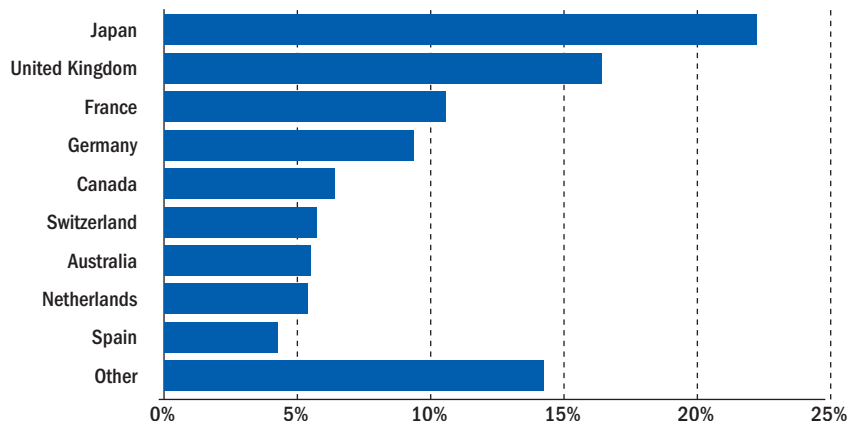
**Price-to-Earnings Ratio (P/E)** is the price of a stock divided by its historical earnings per share. A portfolio's P/E is the weighted average of the P/E of all stocks in the portfolio.

**Price-to-Book Ratio (P/B)** is the market price of a company's stock compared with its most recently reported "book value". A portfolio's P/B is the weighted average of the P/B of all stocks in the portfolio.

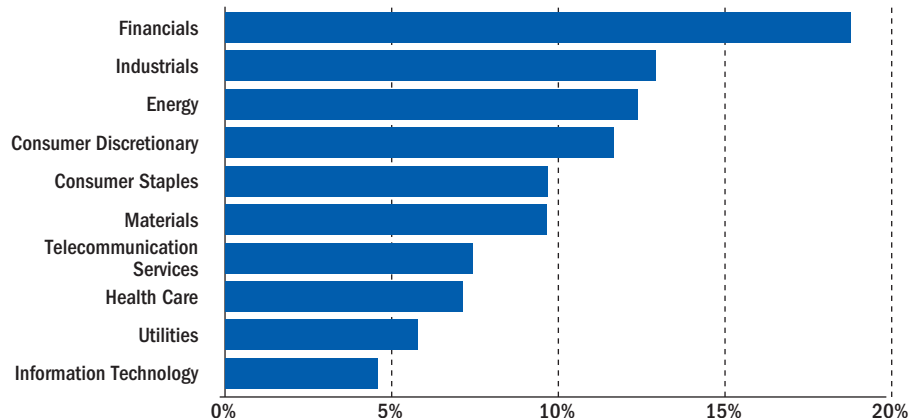
## TOP 10 HOLDINGS<sup>2,4</sup> % of Net Assets

BP plc	2.2%
Royal Dutch Shell plc, A Shares	1.9%
Total S.A.	1.6%
Royal Dutch Shell plc, B Shares	1.2%
HSBC Holdings plc	1.2%
Banco Santander S.A.	1.1%
Nestle S.A. - Reg'd	1.1%
Telefonica S.A.	1.1%
Toyota Motor Corp.	1.0%
Novartis AG - Reg'd	1.0%
<b>TOTAL</b>	<b>13.4%</b>

## Holdings by Country<sup>2</sup>



## Sector Weightings<sup>5</sup>



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**Investors should consider carefully information contained in the prospectus, including investment objectives, risks, charges and expenses. You can obtain a prospectus by visiting [CSIMFunds.com/SchwabETFs\\_Prospectus](http://CSIMFunds.com/SchwabETFs_Prospectus) or calling 1-800-435-4000. Please read the prospectus carefully before investing.**

Data provided by FactSet, as of 03/31/15, unless otherwise noted.

<sup>1</sup>As stated in the prospectus.

<sup>2</sup>Data provided by State Street Corporation, as of 03/31/15.

<sup>3</sup>Data provided by Zephyr, as of 03/31/15.

<sup>4</sup>This is not a recommendation of any security by the investment adviser. Portfolio holdings are subject to change.

<sup>5</sup>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.

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

Index returns are for illustrative purposes only and do not represent actual fund performance. Index returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index.

Unlike mutual funds, shares of ETFs are not individually redeemable directly with the ETF. In addition to the normal risks associated with investing, international investing may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles, or from economic or political instability in other nations. Diversification does not eliminate the risk of market loss.

The information provided is not intended to be investment or tax advice.

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