

Schwab Fundamental International Large Company Index ETF

Investment objective

The Fund's goal is to track as closely as possible, before fees and expenses, the total return of the Russell RAFI™ Developed ex US Large Company Index.

Fund highlights

- Simple access to the largest developed international companies based on fundamental measures
- A straightforward, low-cost fund offering potential tax-efficiency
- Offers contrarian investing and disciplined rebalancing through a systematic process based on an index with an established track record
- Offers the potential for value and yield factor exposure
- The Fund can serve as part of the core or complement to market-cap indexing and active management in a diversified portfolio

Fund details

Total net assets	\$9,605,138,124
Inception date	08/15/13
Expense ratio ¹	0.25%
Ticker symbol	FNDF
Number of securities	927
Distribution frequency	Semi-annual
CUSIP	808524755
Index Bloomberg ticker	RUFDXLNU
Index name	Russell RAFI™ Developed ex US Large Company Index (Net)
Portfolio turnover rate (1-year trailing)	14.49%
Exchange	NYSE Arca

Morningstar Rating™ and Style Box²

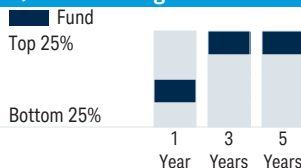
Fund Category:
Foreign Large Value

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



Source: Morningstar, Inc. As of 03/31/23, the Morningstar Rating for the total number of Foreign Large Value funds for the three-, five- and ten-year periods were 62/331, 38/307, and N/A/191 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.

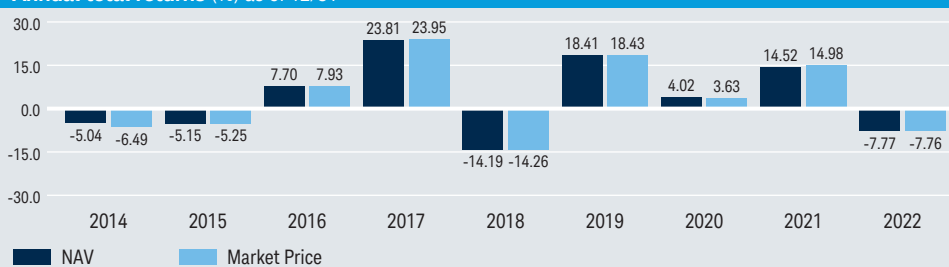
Quartile rankings within Morningstar category³



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 03/31/23, the quartile ranking of Foreign Large Value funds for the one-, three-, five- and ten-year periods were 217/365, 62/331, 38/307, and N/A/191, respectively.

Performance (%) as of 3/31/23	Cumulative		Annualized			
	3 Months	Year to Date	1 Year	3 Years	5 Years	Since Inception
Fund (NAV Returns)	7.46	7.46	-0.70	17.49	4.19	4.92
Fund (Market Price Returns)	7.57	7.57	0.05	17.59	4.01	4.92
Russell RAFI™ Developed ex US Large Company Index (Net) ³	7.41	7.41	-0.63	17.58	4.20	5.03
MSCI EAFE® Index (Net) ³	8.47	8.47	-1.38	12.99	3.52	4.41
Category Average ³	7.33	7.33	-0.33	14.87	2.41	—

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. Shares of ETFs are bought and sold at market price, which may be higher or lower than the net asset value (NAV). Brokerage commissions will reduce returns. 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.

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 returns are based upon the Official Closing Price of the primary listing exchange (generally, 4:00 p.m. Eastern time) and may not represent the returns you would receive if shares were traded at other times. **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.

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.

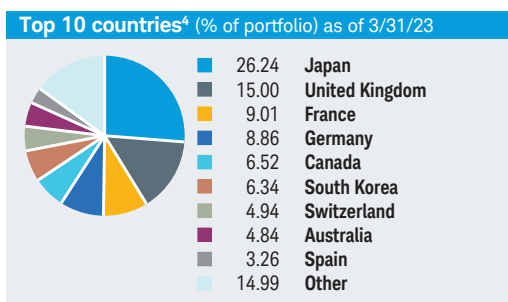
Statistical Information (3 YR) as of 3/31/23

	Fund	Russell RAFI™ Developed ex US Large Company Index (Net)	MSCI EAFE® Index (Net)
Sharpe ratio	0.87	0.88	0.66
Standard deviation	19.01%	18.98%	18.16%
Beta v. Benchmark	1.01	1.01	1.00
R-squared	92.45%	92.52%	100.00%

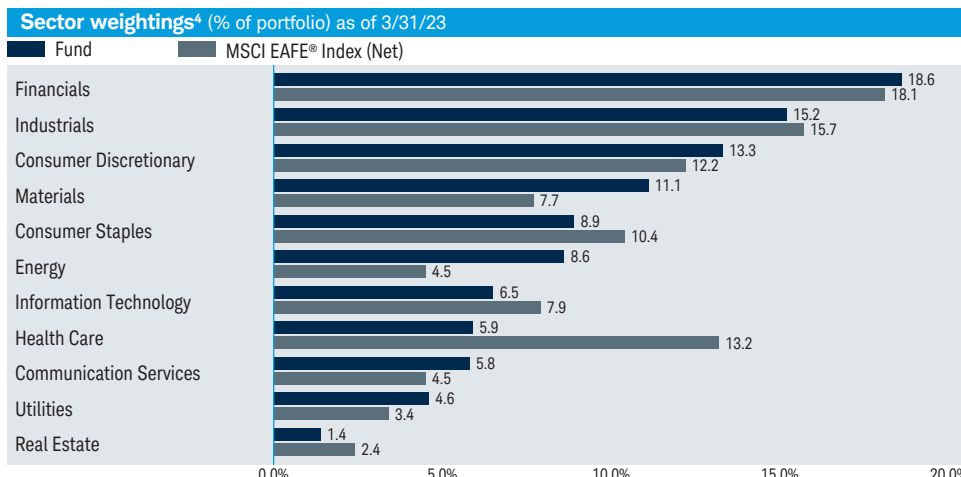
Source: Zephyr StyleADVISOR as of 03/31/23. Fund and Russell RAFI Index calculations use MSCI EAFE® Index (Net) as the comparative index.

Investors should consider carefully information contained in a 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. Please read the prospectus carefully before investing.

Top 10 holdings ^{4, 5} (% of portfolio) as of 3/31/23	
Shell Plc	2.38
Samsung Electronics Co., Ltd.	1.98
Toyota Motor Corp.	1.34
BP p.l.c.	1.31
TotalEnergies SE	1.26
Nestle S.A.	0.98
Banco Santander, S.A.	0.89
BHP Group Ltd	0.83
Honda Motor Co., Ltd.	0.82
HSBC Holdings Plc	0.77
TOTAL	12.56



Portfolio characteristics ⁴ as of 3/31/23		
	Fund	MSCI EAFE [®] Index (Net)
Wtd. avg. market capitalization (in millions)	\$64,568	\$84,202
Price-to-earnings ratio	9.69	13.77
Price-to-book ratio	1.09	1.69
Price-to-cash-flow ratio	4.14	6.64
Return on equity	13.70%	17.50%
5-year earnings growth	7.63%	8.47%



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.schwabassetmanagement.com.

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

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.

¹ As stated in the prospectus. This figure may differ from that presented in the Fund's shareholder report.

² 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.

³ Source: Morningstar, Inc. as of 03/31/23.

⁴ Data provided by FactSet as of 03/31/23.

⁵ 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.

Unlike mutual funds, shares of ETFs are not individually redeemable with the ETF.

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

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

The Schwab Fundamental International Large Company Index ETF is not in any way sponsored, endorsed, sold or promoted by Frank Russell Company (Russell), by the London Stock Exchange Group companies (LSEG), or by Research Affiliates LLC (RA) (collectively the Licensor Parties), and none of the Licensor Parties make any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the Russell RAFI[™] Developed ex US Large Company Index (the Index) or otherwise. The Index is compiled and calculated by Russell in conjunction with RA. None of the Licensor Parties shall be liable (whether in negligence or otherwise) to any person for any error in the Index and none of the Licensor Parties shall be under any obligation to advise any person of any error therein. "Russell[®]" is a trademark of Russell. The trade names "Research Affiliates[®]", "Fundamental Index[®]" and "RAFI[®]" are registered trademarks of RA. Charles Schwab Investment Management, Inc. has obtained full license from Russell to use the Index. For full disclaimer please see the fund's statement of additional information.

Schwab Asset Management[™] is the dba name for Charles Schwab Investment Management, Inc., the investment adviser for Schwab ETFs. Schwab ETFs are distributed by SEI Investments Distribution Co. (SIDCO). Schwab Asset Management is a separate but affiliated company and subsidiary of The Charles Schwab Corporation, and is not affiliated with SIDCO.

© 2023 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

Not FDIC Insured • No Bank Guarantee • May Lose Value

©2023 Charles Schwab Investment Management, Inc. All rights reserved. SLS88575-30 (SEI 3649569.2 0722-2SHB) (04/23)