

Schwab Fundamental International Equity ETF

Investment objective

(Formerly named Schwab Fundamental International Large Company Index ETF)

The fund's goal is to track as closely as possible, before fees and expenses, the total return of an index that measures the performance of large non-U.S. developed market companies based on their fundamental size and weight.

Fund highlights

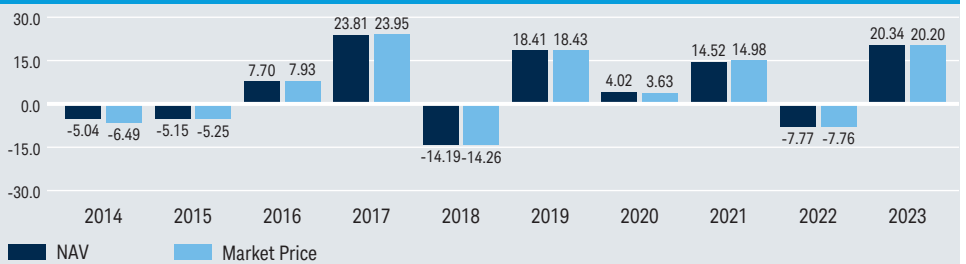
- A straightforward, low-cost fund offering potential tax-efficiency
- Offers contrarian investing and disciplined rebalancing through a systematic process
- Offers the potential for value and yield factor exposure
- The Fund can serve as part of the core or complement to market-cap indexing and active management in a diversified portfolio

Fund details

Total net assets	\$13,043,551,080
Inception date	08/15/13
Total Expense Ratio ¹	0.25%
Ticker symbol	FNDF
Number of securities	959
Distribution frequency	Semi-annual
CUSIP	808524755
Index Bloomberg ticker	RAHLXULN
Index name	RAFI Fundamental High Liquidity Developed ex US Large Index (Net)
Portfolio turnover rate (1-year trailing)	11.20%
Exchange	NYSE Arca

Performance (%) as of 6/30/24	Cumulative		Annualized				
	3 Months	Year to Date	1 Year	3 Years	5 Years	10 Years	Since Inception ⁴
Fund (NAV Returns)	-0.79	4.29	12.29	5.23	7.97	4.63	5.84
Fund (Market Price Returns)	-0.73	4.80	12.09	5.26	8.05	4.60	5.87
RAFI Fundamental High Liquidity Developed ex US Large Index (Net) ^{3,5}	-1.06	-	-	-	-	-	-
Russell RAFI™ Developed ex US Large Company Index (Net) ³	-1.07	4.23	12.34	5.26	8.01	4.69	5.93
Fundamental Developed ex US Large Spliced Index ³	-1.07	4.23	12.34	5.26	8.01	4.69	5.93
MSCI EAFE® Index (Net) ³	-0.42	5.34	11.54	2.89	6.46	4.33	5.22
Category Average ³	0.04	4.03	10.87	3.65	6.13	3.25	-

Annual total returns (%) as of 12/31



Morningstar Rating™ and Style Box²

Fund Category: Foreign Large Value

Rating

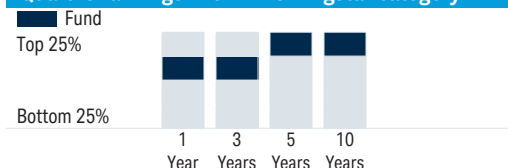
Overall	★★★★
Three-Year	★★★★
Five-Year	★★★★
Ten-Year	★★★★

Investment Style: VALUE, BLEND, GROWTH

Size: SMALL, MID, LARGE

Source: Morningstar, Inc. As of 06/30/24, the Morningstar Rating for the total number of Foreign Large Value funds for the three-, five- and ten-year periods were 98/330, 62/302, and 23/197 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 06/30/24, the quartile ranking of Foreign Large Value funds for the one-, three-, five- and ten-year periods were 127/356, 98/330, 62/302, and 23/197, respectively.

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 not individually redeemable directly with the ETF. 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.

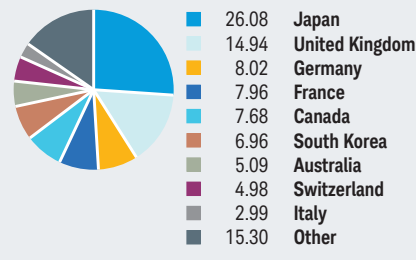
The first index listed for the fund is the fund's primary benchmark, as shown in the prospectus. Additional indices shown are provided for comparative purposes.

Investors should consider carefully information contained in the 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 it carefully before investing.

Top 10 holdings^{6,7} (% of portfolio) as of 6/30/24

Shell Plc	2.54
Samsung Electronics Co., Ltd.	2.17
Toyota Motor Corp.	1.48
TotalEnergies SE	1.33
BP p.l.c.	1.00
Glencore plc	0.90
Roche Holding Ltd Dividend Right Cert.	0.88
Nestle S.A.	0.82
BHP Group Ltd	0.82
HSBC Holdings Plc	0.76
TOTAL	12.70

Top 10 countries⁶ (% of portfolio) as of 6/30/24



Statistical Information (3 YR) as of 6/30/24

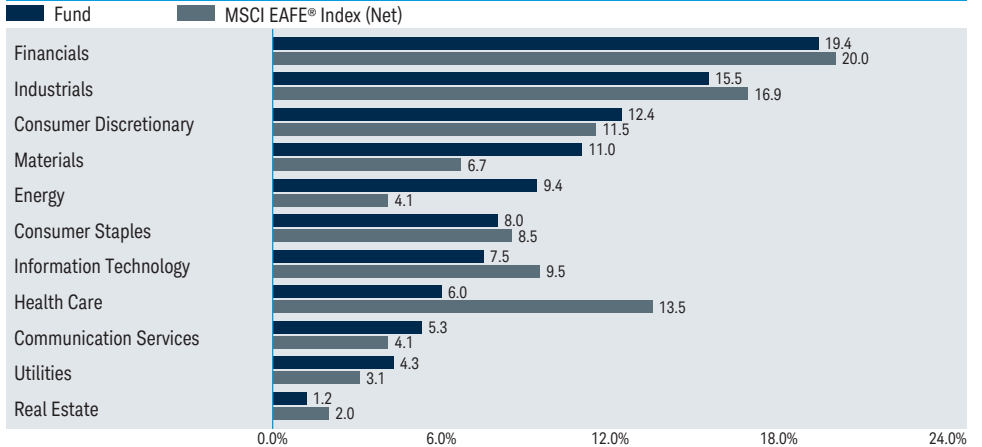
	Fund	Fundamental Developed ex US Large Spliced Index	MSCI EAFE [®] Index (Net)
Sharpe ratio	0.12	0.13	-0.02
Standard deviation	16.49%	16.52%	16.94%
Beta v. Benchmark	0.94	0.94	1.00
R-squared	92.76%	92.75%	100.00%

Source: Zephyr StyleADVISOR as of 06/30/24. The Fund uses MSCI EAFE[®] Index (Net) as the comparative index.

Portfolio characteristics⁶ as of 6/30/24

	Fund	MSCI EAFE [®] Index (Net)
Wtd. avg. market capitalization (in millions)	\$75,040	\$104,708
Price-to-earnings ratio	12.31	15.96
Price-to-book ratio	1.19	1.87
Price-to-cash-flow ratio	5.56	9.03
Return on equity	12.39%	18.88%
5-year earnings growth	10.78%	11.84%

Sector weightings⁶ (% of portfolio) as of 6/30/24



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.

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

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

Large-cap companies are generally more mature and the securities issued by these companies may not be able to reach the same levels of growth as the securities issued by small- or mid-cap companies. 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.

Effective June 21, 2024, the Schwab Fundamental International Large Company Index ETF was renamed to Schwab Fundamental International Equity ETF, and the benchmark index was changed from the Russell RAFI Developed ex US Large Company Index (Net) to the RAFI Fundamental High Liquidity Developed ex US Large Index (Net).

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 06/30/24.

⁴ Since-inception performance of the indexes—with the exception of the RAFI Fundamental High Liquidity Developed ex US Large Index (Net)—is based on the inception date of the Fund.

⁵ The inception date of the index is 1/31/24. The fund began tracking the index after the close of business on 6/21/24.

⁶ Data provided by FactSet as of 06/30/24.

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.

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.

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Fundamental Developed ex US Large Spliced Index: An internally calculated index comprised of the FTSE RAFI Developed ex-US 1000 Index from April 2, 2007 until the close of business on October 18, 2012, the Russell RAFI Developed ex US Large Company Index (Net) from October 19, 2012 until the close of business on June 21, 2024, and the RAFI Fundamental High Liquidity Developed ex US Large Index (Net) from June 22, 2024 forward. The FTSE RAFI Developed ex-US 1000 Index is composed of the largest 1,000 listed companies incorporated outside the United States, ranked by four fundamental financial measures of size, sales, cash flows, book value and dividends. The index is rebalanced and reconstituted annually. The Russell RAFI Developed ex US Large Company Index (Net) ranks developed ex US companies in the FTSE Global Total Cap Index by fundamental measures of size and tracks the performance of those companies whose fundamental scores are in the top 87.5%. The index uses a partial quarterly reconstitution methodology in which the index is split into four equal segments at the annual reconstitution and each segment is then rebalanced on a rolling quarterly basis. The Net series reduces index performance by adjusting for local taxes. Selecting the developed ex US companies in the FTSE Global Total Cap Index measures the performance of the largest investable securities in developed countries globally, excluding companies assigned to the United States. The performance of the spliced index for each fund is calculated from the fund's inception date. 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.

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