

Schwab Treasury Inflation Protected Securities Index Fund

Investment objective

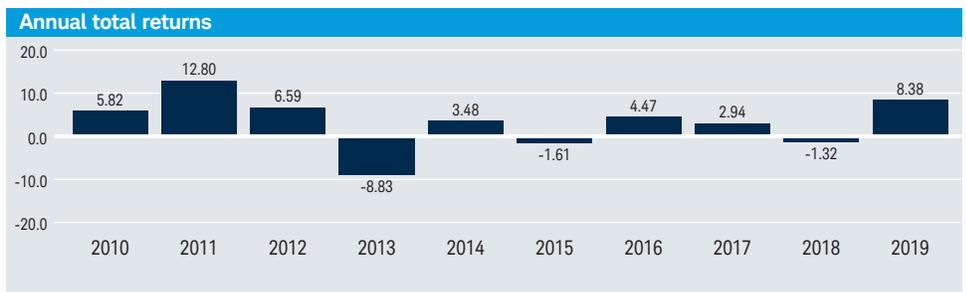
The Fund's goal is to track as closely as possible, before fees and expenses, the price and yield performance of the Bloomberg Barclays US Treasury Inflation-Linked Bond Index (Series-L).

Fund highlights

- A straightforward, low-cost fund with no investment minimum
- The Fund can serve as part of the core of a diversified portfolio
- Simple access to the U.S. Treasury Inflation Protected Securities (TIPS) market
- Invests in the overall U.S. TIPS market

Fund details	
Total net assets	\$1,233,992,415
Inception date	03/31/06
Expense ratio ¹	0.05%
Ticker symbol	SWRSX
Number of securities	42
Distribution frequency	Quarterly
CUSIP	808517817
Index name	Bloomberg Barclays US Treasury Inflation-Linked Bond Index (Series-L)
Portfolio turnover rate	31.27%
Minimum initial investment	None
Minimum balance	None
Loads/12b-1 fees	None

Performance (%) as of 6/30/20	Cumulative		Annualized				
	Year to Date	3 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
Fund ⁴	5.95	4.19	8.17	4.99	3.64	3.29	3.98
Bloomberg Barclays US Treasury Inflation-Linked Bond Index (Series-L) ³	6.01	4.24	8.28	5.05	3.75	3.52	4.37
Category Average ³	4.70	4.88	6.78	4.27	3.09	2.90	-



Performance data quoted represents past performance and is no guarantee of future results. 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.

On August 10, 2009, the Investor Share class and Select Share class were combined into a single class of shares of the Fund, and the Fund no longer offers multiple classes of shares. The performance history of the Fund is that of the Fund's former Select Shares. Accordingly, the past performance information of the Fund's former Select Shares is shown prior to August 10, 2009.

Prior to April 1, 2013, the Fund operated under a different investment objective and different investment strategies.

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.

Yields as of 6/30/20	
30-day SEC yield	-7.01%
Distribution yield	1.45%
Average yield to maturity	0.47%

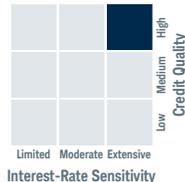
The Fund's yield is adjusted monthly based on changes in the rate of inflation and these changes can cause the yield to vary substantially from month to month. Exceptionally low yield is attributable to the fall in inflation rate and might not be repeated. **30-day SEC yield** is the net investment income earned by a fund over a 30-day period and is expressed as an annual percentage rate based on the fund's share price. It is calculated by dividing the net investment income per share for the 30 days ended on the date of calculation by the maximum offering price per share on that date. **Distribution Yield** sums the trailing 12-month's income distributions from a fund and divides by the last month's ending Net Asset Value (NAV), excluding any capital gains distributed. **Average Yield to Maturity** is the internal rate of return of the security based on the given market price. It is the single discount rate that equates a security price (inclusive of accrued interest) with its projected cash flows. "Average" refers to the fact that yield to maturity is calculated at the holdings level and then a weighted average is used to get to the fund level yield to maturity. Average Yield to Maturity is gross of expenses and would be lower if expenses were taken into account.

Morningstar Rating™ and Style Box²

Fund Category:
Inflation-Protected Bond

Rating

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



Source: Morningstar, Inc. As of 06/30/20 the total number of Inflation-Protected Bond funds for the Overall, three-, five- and ten-year periods were 196, 196, 170, and 115, 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 10-year Morningstar Rating metrics.

Quartile rankings within Morningstar category³



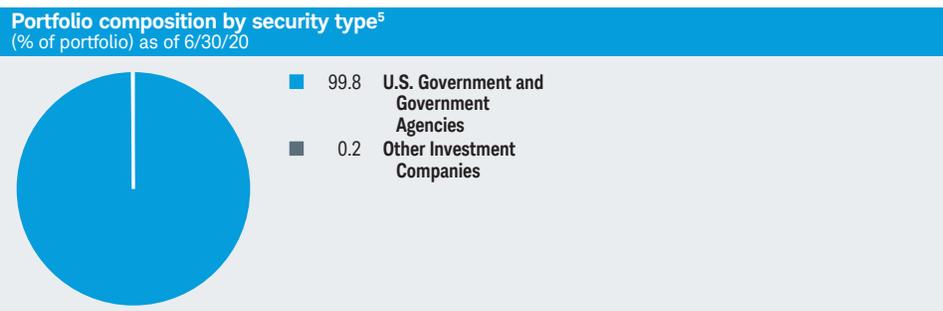
Investors should consider carefully information contained in the Fund's prospectus, or if available, the summary prospectus, including investment objectives, risks, charges and expenses. You can view and download a prospectus by visiting www.schwabfunds.com/schwabfunds_prospectus. Please read the prospectus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

Portfolio characteristics as of 6/30/20	
Weighted average maturity	8.2 years
Weighted average coupon	0.70%
Weighted average duration	7.7 years

Top 10 holdings ⁵ (% of portfolio) as of 6/30/20	
U.S. Treasury Inflation Protected Securities, 0.375%, 7/15/2023	3.76
U.S. Treasury Inflation Protected Securities, 0.125%, 1/15/2023	3.73
U.S. Treasury Inflation Protected Securities, 0.625%, 1/15/2024	3.68
U.S. Treasury Inflation Protected Securities, 0.125%, 7/15/2024	3.58
U.S. Treasury Inflation Protected Securities, 0.25%, 1/15/2025	3.50
U.S. Treasury Inflation Protected Securities, 0.125%, 4/15/2022	3.47
U.S. Treasury Inflation Protected Securities, 0.125%, 1/15/2022	3.44
U.S. Treasury Inflation Protected Securities, 0.125%, 7/15/2022	3.40
U.S. Treasury Inflation Protected Securities, 0.375%, 7/15/2025	3.33
U.S. Treasury Inflation Protected Securities, 0.125%, 1/15/2030	3.26
TOTAL	35.15

Portfolio composition by credit rating ⁵ (% of portfolio) as of 6/30/20	
AAA	100.00

Bloomberg Barclays Index Rating: Based on the middle rating of Moody's, S&P and Fitch; when a rating from only two agencies is available, the lower is used; when only one agency rates a bond, that rating is used. In cases where explicit bond level ratings may not be available, other sources may be used to classify securities by credit quality. **Source: Bloomberg Index Service Ltd.**



Other Investment Companies represents the Fund's position in money market mutual funds registered under the Investment Company Act of 1940 and may include cash pending settlement.



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. Fixed income securities are subject to increased loss of principal during periods of rising interest rates. TIPS generally have lower yield than conventional fixed rate bonds and will likely decline in price during periods of deflation, which could result in losses.

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 06/30/20.

⁴ Fund performance does not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

⁵ % of portfolio is based on the market value of the Fund's total assets. Portfolio holdings and composition are as of the date shown and may not represent current or future holdings and are not a recommendation of individual securities.

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