

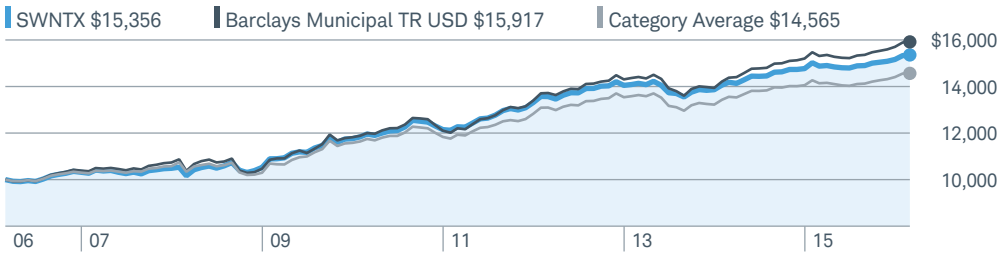
Schwab Tax-Free Bond Fund™

SWNTX

Growth of a Hypothetical \$10,000 Investment

This fund has multiple managers, view SWNTX quote page for complete information.

as of 02/29/2016



This graph represents the growth of a hypothetical investment of \$10,000. It assumes reinvestment of dividends and capital gains, and does not reflect sales loads, redemption fees or the effects of taxes on any capital gains and/or distributions.

Category: Muni National Interm

Morningstar Category: Muni national intermediate funds invest in municipal bonds. Such bonds are issued by various state and local governments to fund public projects and are free from federal taxes. To lower risk, these funds spread their assets across many states and sectors. They tend to keep their durations in a range from 4.5 to seven years, so they are less sensitive to interest-rate changes than long-duration offerings.

Performance Returns 1,2

as of 02/29/2016

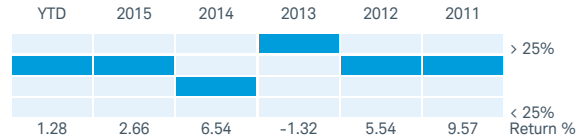
This section contrasts SWNTX to its benchmarks

	Cumulative Returns %			Annualized Returns %			
	YTD	3 Mo	1 Yr	5 Yr	10 Yr	Since Inception	
Schwab Tax-Free Bond Fund™	+1.28	+1.80	+3.23	+4.59	+4.38	+5.16	10%
Category Average	+0.12	+0.74	+1.98	+4.46	+3.81	--	0
Barclays Municipal TR USD	+1.35	+2.06	+3.95	+5.45	+4.76	--	

Rank Within Category For Annual Total Return %

as of 02/29/2016

Rank within Category compares this fund's total annual return to that of other funds in the same category, and its figures are not adjusted for load, sales charge, or taxes.



Fund Comparison 1,2

This section compares the fund to its benchmark and alternatives from our Mutual Fund OneSource Select List.

Fund Name Inception	Ticker	Exp Ratio	1 Year	3 Year	5 Year	10 Year	Since Incep.
Schwab Tax-Free Bond Fund™ (09/92)	SWNTX	0.49	3.23	2.80	4.59	4.38	5.16
Category Average	-	0.82	1.98	2.22	4.46	3.81	-
Barclays Municipal TR USD	-	-	3.95	3.37	5.45	4.76	-

1 Numbers are adjusted for possible sales charges, and assume reinvestment of dividends and capital gains over each time period.
2 Index figures do not reflect deductions for fees or expenses

Past performance does not guarantee future performance. Investment value will fluctuate, and shares, when redeemed, may be worth more or less than original cost. If an expense waiver was in place during the period, the net expense ratio was used to calculate fund performance. Please visit <http://www.Schwab.com> for more recent month-end performance information.

Investors should consider carefully information contained in the prospectus, including investment objectives, risks, charges, fees and expenses. You can request a prospectus by calling 1-800-435-4000. Please read the prospectus carefully before investing.

Schwab Mutual Fund Report Card™

Report generated on 03/15/2016

SELECT
LIST

Schwab Mutual Fund
OneSource Select List®

FUND PROFILE

as of 02/29/2016

Available at Schwab	Yes
Inception Date	09/11/1992
Status	Open
Category	Muni National Interm
Index Fund	No
Fund Company	Schwab Funds
Portfolio Turnover	92%

MORNINGSTAR RATING

as of 02/29/2016

Overall Rating Out of 299 Funds



3 Year Rating Out of 299 Funds



5 Year Rating Out of 249 Funds



10 Year Rating Out of 172 Funds



Historical Return Low High

Historical Risk Low High

The ratings reflect historical risk-adjusted performance and the overall Morningstar Rating™ is derived from a weighted average of the performance figures associated with fund's 3, 5 and 10 year rating metrics.

QUARTERLY AVERAGE ANNUAL TOTAL RETURN

as of 12/31/2015

1 Year	2.66%
5 Years	4.53%
10 Years	4.33%
Since Inception	5.14%

Numbers are adjusted for possible sales charges, and assume reinvestment of dividends & capital gains over each time period.

EXPENSES

Gross Expense Ratio (before waivers)	0.57%
Net Expense Ratio (after waivers)	0.49%
Category Average Expense Ratio	0.82%
12b-1 Fees	None
Max Front Load	None
Max Back Load	None
Redemption Fee	0%

A net expense ratio lower than the gross expense ratio may reflect a cap on or contractual waiver of fund expense. Please read the fund prospectus for details on limits or expiration dates for any such waivers.



Schwab Tax-Free Bond Fund™

SWNTX

Top Ten Holdings

as of 12/31/2015



Top 10 Holdings in SWNTX	8.74%
Category Average	21.87%

Top 10 holdings are 8.74% of the total portfolio assets. The category average percent of Portfolio in top 10 holdings is 21.87%

Symbol	Company Name	Industry	Percent of Assets
--	New York N Y City Transitio...	--	0.98%
--	Tobacco Settlement Fing Cor...	--	0.98%
--	Nevada Sys Higher Ed Univs ...	--	0.91%
--	North Carolina Med Care Com...	--	0.89%
--	Kane Mc Henry Cook & De Kal...	--	0.88%
--	Mississippi Dev Bk Spl Obl ...	--	0.87%
--	Chicago Ill O Hare Intl Arp...	--	0.85%
--	Miami-Dade Cnty Fla Aviatio...	--	0.83%
--	Massachusetts Bay Transn Au...	--	0.78%
--	San Diego Calif Uni Sch Dis...	--	0.77%

Fund holdings subject to change and not a recommendation to transact in any security.

Schwab Mutual Fund Report Card™

Report generated on 03/15/2016

SELECT LIST

Schwab Mutual Fund OneSource Select List®

CREDIT WEIGHTINGS



Rating AAA	12.54%
Rating AA	39.13%
Rating A	31.87%
Rating BBB	14.17%
Rating BB	0.94%
Not Rated	1.34%

ASSET BREAKDOWN

as of 12/31/2015

	% Long	% Short	% Net
Domestic Bond	96.06	0.0	96.06
Cash Investments	3.94	0.0	3.94



Important Information Regarding This Report

This Mutual Fund Report Card is informational in nature and is not a recommendation or solicitation for any person to buy, sell or hold any particular security; nor is it intended to address any individual's investment objectives, financial situation or personal circumstances. We recommend that investors define their goals, risk tolerance, time horizon and investment objectives in addition to researching possible investment choices.

Target date funds are built for investors who expect to start gradual withdrawals of fund assets on the target date, to begin covering expenses in retirement. **The values of the funds will fluctuate up to and after the target dates. There is no guarantee the funds will provide adequate income at or through retirement.**

Fixed income securities are subject to increased loss of principal during periods of rising interest rates. Lower rated securities are subject to greater credit risk, default risk, and liquidity risk.

International investing involves special risks such as currency fluctuation and political instability. Investing in emerging markets may accentuate these risks. Small cap funds are subject to greater volatility than those in other asset categories. Due to the limited focus of sector funds, they may experience greater volatility than funds with a broader investment strategy.

Sector weightings for fund portfolios are determined using the Global Industry Classification Standard (GICS). GICS was developed by and is the exclusive property of Morgan Stanley Capital International Inc. and Standard & Poor's. GICS is a service mark of MSCI and S&P and has been licensed for use by Charles Schwab & Co., Inc.

Data and rankings provided by Morningstar. Morningstar proprietary ratings reflect historical risk-adjusted performance as of 02/29/16. These ratings are subject to change every month. For each fund with at least a three-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 one 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. The overall Morningstar Rating is a weighted average of the funds' three-, five-, and 10-year (if applicable) Morningstar rating metrics. To contact Morningstar, Inc. call 1-800-735-0700.

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