Winter Business Update

January 28, 2022

CORPORATION

Introduction

Rich Fowler

Managing Director, Head of Investor Relations

Presenters

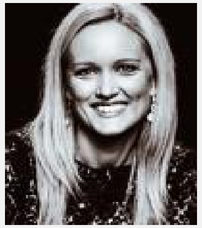
Walt Bettinger
Chief Executive Officer

Rick Wurster
President

Neesha Hathi
Managing Director,
Chief Digital Officer

Jonathan Craig
Managing Director, Head of
Investor Services and Marketing

Stacy Hammond
Managing Director, Acquisition
and Enterprise Marketing



Lorraine Gavican Kerr
Managing Director, Trading
and Education

Bernie Clark
Managing Director,
Head of Advisor Services

Joe Martinetto
Managing Director,
Chief Operating Officer

Peter Crawford
Managing Director,
Chief Financial Officer

Agenda

1	**Walt Bettinger**, Strategic Update
2	**Rick Wurster**, Opportunities on the Horizon
3	**Neesha Hathi**, Digital Services Update

Combined Q&A following Opportunities on the Horizon

10 Minute Break at 9:25 a.m.

4	**Jonathan Craig**, Retail Investor Update
5	**Stacy Hammond**, Retail Client Acquisition
6	**Lorraine Gavican Kerr**, Investor and Trader Education
7	**Bernie Clark**, Advisor Services Update

Combined Q&A following Investor and Trader Education

15 Minute Break at 11:00 a.m.

8	**Joe Martinetto**, Ameritrade Integration and Scale
9	**Peter Crawford**, Financial Review and 2022 Outlook

*All time are PST

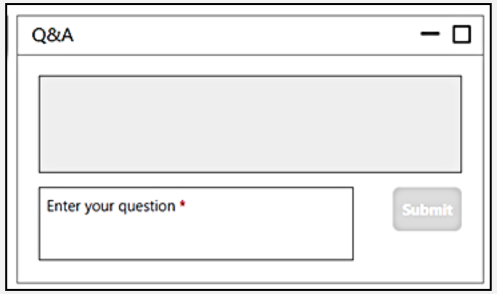
Question and Answer Segments

Q&A Reminders

- Please plan to **submit all questions via the console** located on the upper right-hand side of your webcast screen

- Questions can be submitted **during each speaker's prepared remarks** as well as **during the live Q&A sessions**

- For any additional questions, please email the Schwab Investor Relations team: InvestorRelations.SFO@schwab.com



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Forward Looking Statements

This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements include statements that refer to expectations, projections or other characterizations of future events or circumstances and are identified by words such as “believe,” “expect,” “will,” “may,” “should,” “could,” “continue,” “growth,” “remain,” “drive,” “sustain,” “enhance,” “estimate,” “potential,” “on track,” “deliver,” “build,” “progress,” “maintain,” “anticipate,” “lead,” “consistent,” “advance,” “position,” “investment,” “assumptions,” “trajectory,” “increase,” “enable,” “bolster,” “align,” “upside,” “expand,” “launch,” “optimize,” “improve,” “commitment,” “evolve,” “accelerate,” “target,” “outlook,” “scenario,” “aim,” and other similar expressions.

These forward-looking statements relate to: the company’s business momentum; key initiatives to add scale and efficiency, win-win monetization, and client segmentation; strategy and approach; opportunities; enhancing and expanding offerings and solutions for clients and RIAs, including the launch of personalized investing solutions; investments in people, technology, and platforms to fuel and support growth, serve clients, and drive scale and efficiency; stockholder value; the integration of Ameritrade, including current expectations regarding the timing and amount of expense and revenue synergies, the timing of client conversion, and the amount of the integration budget; positioning; growth in the client base, client accounts, and assets; market share; disruptive actions; digital transformation; lending solutions; competitive advantages; growth in revenues, earnings, and profits; RIA growth; migration of BDA balances; business model; Tier 1 Leverage Ratio operating objective; 2022 outlook, including underlying assumptions and 2022 financial scenario; capital expenditures; balance sheet, capital, and liquidity management; net interest margin; expense growth; transaction-related adjustments; balancing investing for the future and near-term results; and estimated revenue impact from revenue sensitivities.

These forward-looking statements, which reflect management’s beliefs, objectives, and expectations as of today, are estimates based on the best judgment of the company’s senior management. Achievement of the expressed beliefs, expectations, and objectives is subject to risks and uncertainties that could cause actual results to differ materially from those beliefs, expectations, or objectives. Important factors that may cause such differences are discussed in the company’s filings with the Securities and Exchange Commission, including the Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Other important factors include the company’s ability to develop and launch new and enhanced products, services, and capabilities, as well as enhance its infrastructure, in a timely and successful manner; client use of the company’s advisory and lending solutions and other products and services; the company’s ability to support client activity levels and attract and retain talent; the risk that expected revenue and expense synergies and other benefits from the Ameritrade acquisition may not be fully realized or may take longer to realize than expected, and that integration expense may be higher than expected; the migration of bank deposit account balances; general market conditions, including equity valuations, trading activity, the level of interest rates - which can impact money market fund fee waivers - and credit spreads; market volatility; the company’s ability to attract and retain clients and RIAs and grow those relationships and associated client assets; competitive pressures on pricing; client cash allocations; client sensitivity to rates; the level of client assets, including cash balances; the company’s ability to monetize client assets; capital and liquidity needs and management; the company’s ability to manage expenses; daily average trades; securities lending; margin balances; capital expenditures; integration-related and other technology projects; prepayment speeds for mortgage-backed securities; balance sheet positioning relative to changes in interest rates; loan growth; interest earning asset mix and growth; compensation; the scope and duration of the COVID-19 pandemic and actions taken by governmental authorities to contain the spread of the virus and the economic impact; regulatory guidance; the effect of adverse developments in litigation or regulatory matters and the extent of any charges associated with such matters; and any adverse impact of financial reform legislation and related regulations. The information in this presentation speaks only as of January 28, 2022 (or such earlier date as may be specified herein). The company makes no commitment to update any of this information.

Winter Business Update

CORPORATION

Strategic Update

Walt Bettinger

Chief Executive Officer

We believe Schwab's singular focus on individual investors and the firms that serve them sets us apart.

- The combination of a relatively favorable macroeconomic environment with our "Through Clients' Eyes" strategy powered remarkable growth in 2021 as investors engaged with Schwab across our broad array of solutions and services.

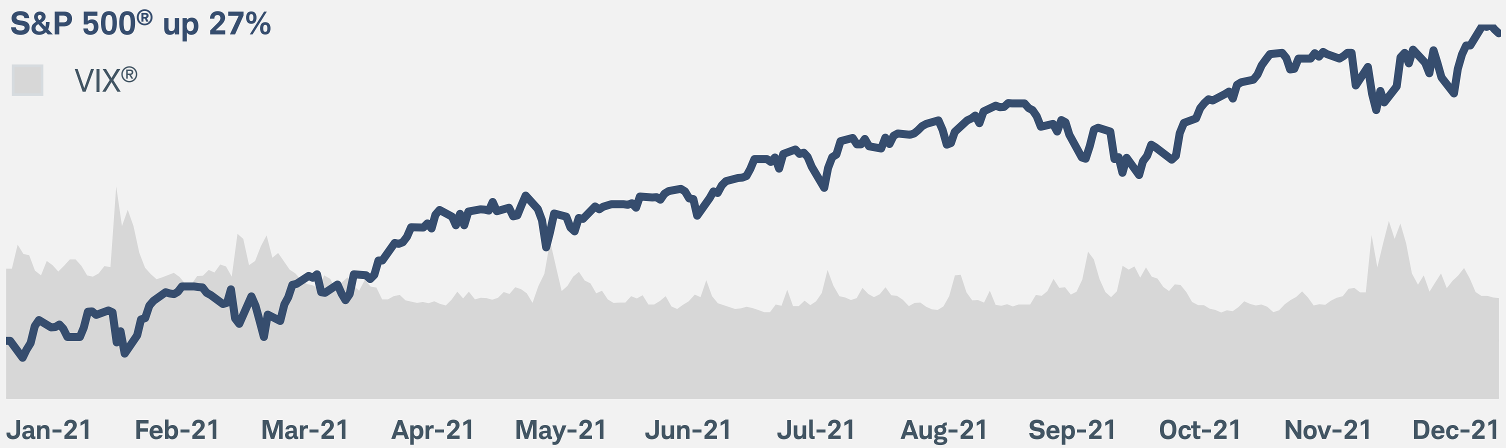
- We converted this robust business momentum into record financial results, while concurrently advancing key strategic initiatives around scale and efficiency, win-win monetization, and segmentation.

- Our "no trade-offs" approach continues to resonate in the marketplace, which helps bolster our confidence in the growth opportunities still on the horizon.

While bumpy at times, the 2021 environment was broadly improving, as both equity markets and rates pushed higher.

Equity markets delivered strong returns in 2021, even as investor sentiment turned increasingly mixed later in the year.

Select Index Returns Since December 2020 (%)



Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
7%	16%	24%	29%	13%	20%	9%	5%	(7%)	6%	7%	(6%)

AAII® Bull-Bear Spread Sentiment Survey[1]

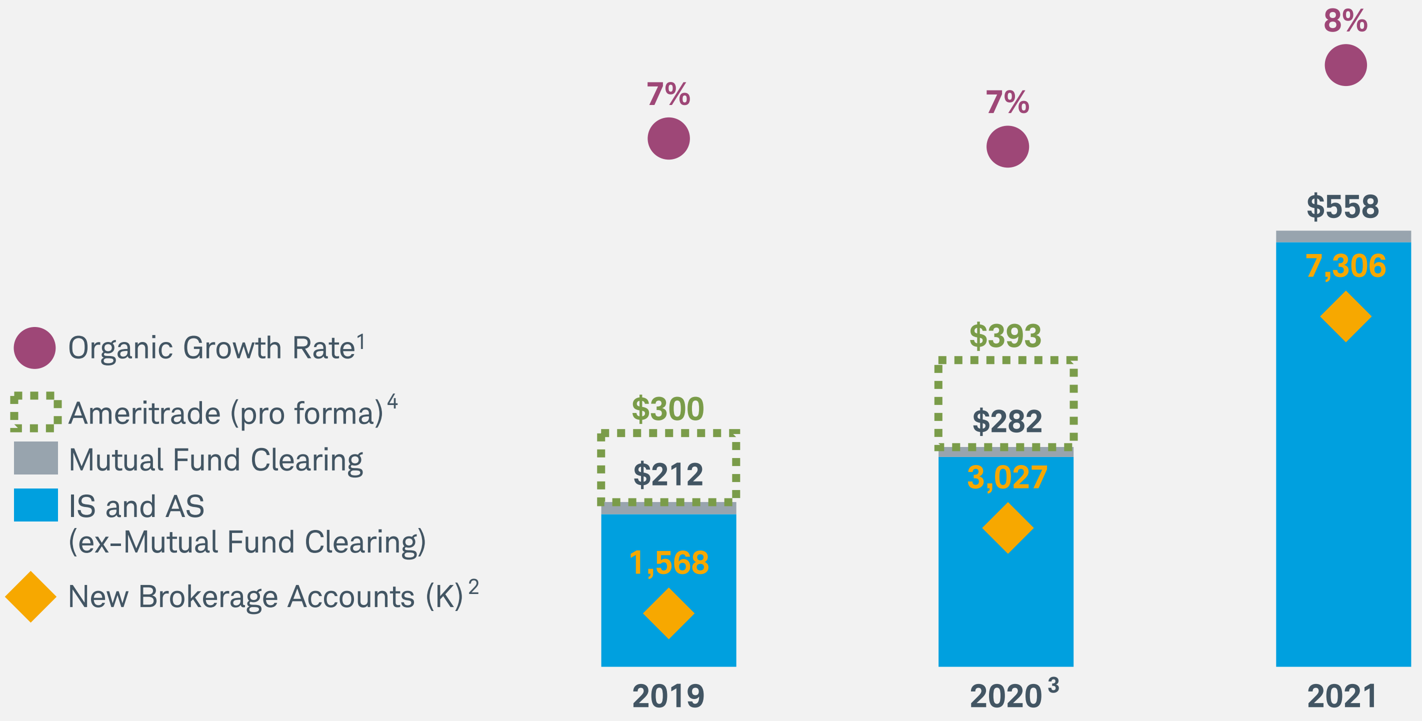
While longer-term rates followed the recovery higher, recent concerns about growth flattened the rate curve.

	Change	Level
Fed Funds	No change	0.00%–0.25%
5-year UST	+90 bps	1.26%
10-year UST	+59 bps	1.52%

Note: 1. AAII® represents American Association of Individual Investors; Bull-Bear Spread is calculated as % of surveyed investors with a positive outlook on the stock market over the next six months versus % of surveyed investors with a more negative outlook (excludes investors with a neutral outlook).

Against this backdrop, we grew at a record pace,...

Core Net New Assets ($B) and Annualized Organic Growth Rate (%)



	2019	2020[3]	2021
Total client assets ($T)	**$4.0**	**$6.7**	**$8.1**
Active brokerage accounts (M)	**12.3**	**29.6**	**33.2**

Key Takeaways

Gathered **$650B+ in core assets** since Ameritrade closing[3]

2021 core NNA **greater than reported full-year 2018 and 2019 combined**

Up ~42% vs. pro forma combined 2020[4]

Five consecutive quarters of 1M+ gross new account openings

Note: K = Thousands. M = Millions. B = Billions. Core net new assets = net new assets before significant one-time flows, such as acquisitions/divestitures or extraordinary flows (generally greater than $10 billion) relating to a specific client. These flows may span multiple reporting periods. 1. Organic growth rate shown on an annualized basis. 2. 2020 gross new brokerage accounts exclude 1.1 million accounts and 14.5 million accounts directly acquired as part of the USAA and Ameritrade transactions, respectively. 3. Full-year reported results only include Ameritrade from the transaction closing on October 6, 2020 forward. 4. Pro forma combined includes both Schwab and Ameritrade.

...while supporting robust client activity and engagement.

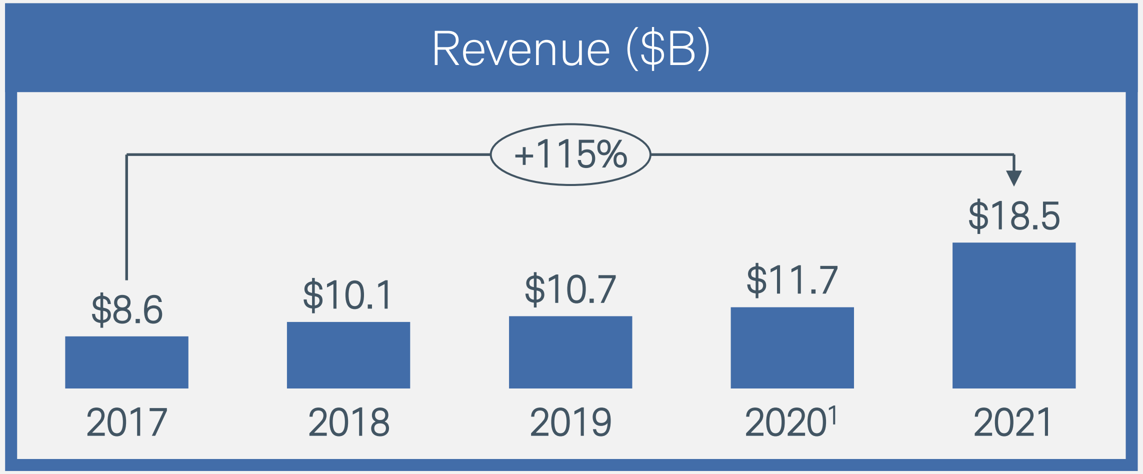
6.5M+ DATs during 2021, up ~25%[1]

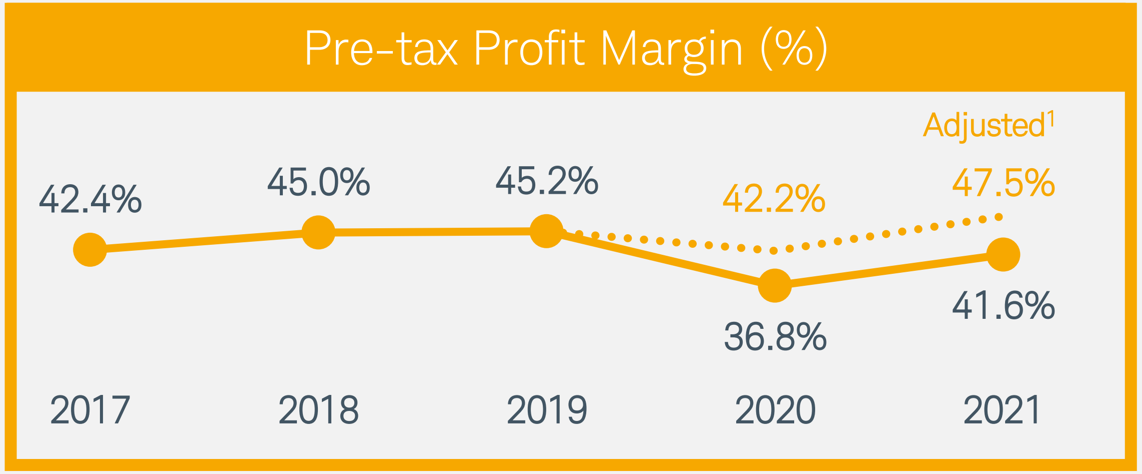
200%+ increase of net flows into Schwab fund products and managed solutions[3]

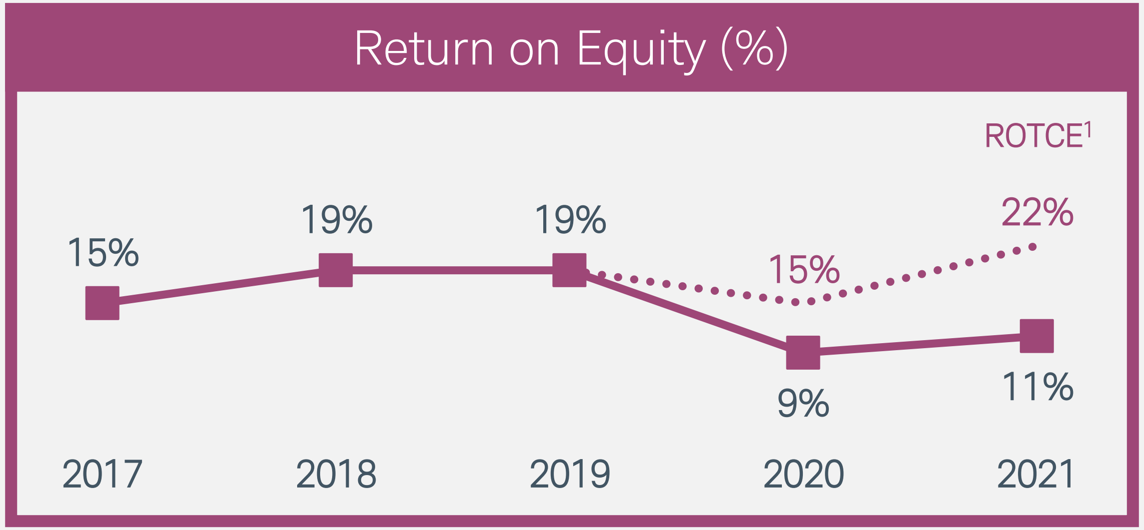
~30% increase across call and digital interactions[2]

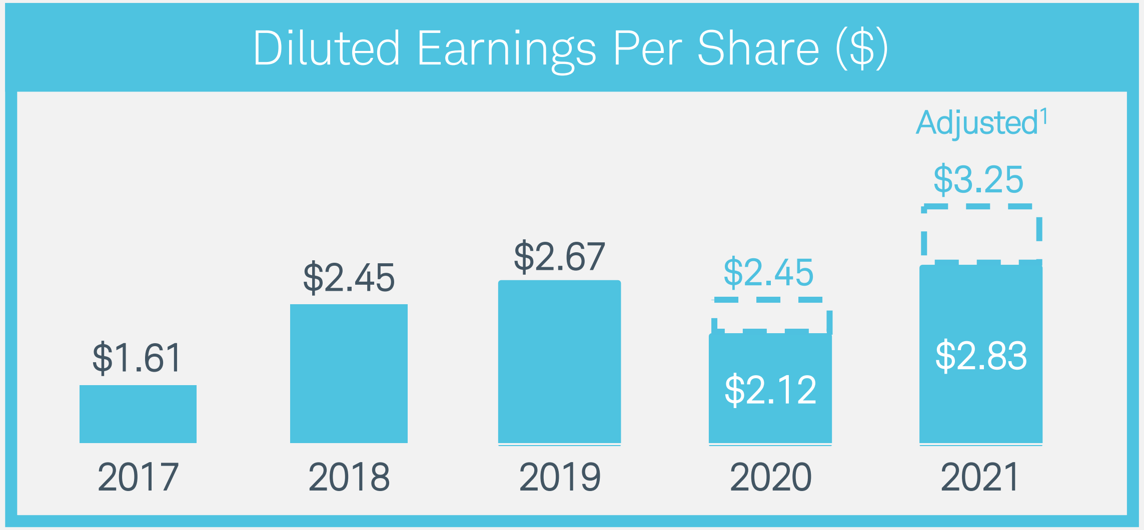
Note: DAT = Daily average trades. M = Millions. B = Billions. 1. Year-over-year DAT growth shown on a pro forma combined basis. 2. Digital interactions include total web and mobile logins across both the Schwab and Ameritrade platforms. 2. Schwab products and managed solutions includes proprietary mutual funds, exchange-traded funds, collective investment trusts, and discretionary advisory solutions (e.g., Schwab Intelligent Portfolios, Wasmer Schroeder, etc.); however, this figure excludes money market funds.

We delivered record financial results[1],...









Note: ROTCE = Return on tangible common equity. 1. Full-year 2020 results include Ameritrade from October 6, 2020 forward; adjusted measures, including ROTCE, exclude acquisition and integration-related costs as well as the amortization of acquired intangible assets, consistent with the non-GAAP adjustments discussed on slide 129. Further details on non-GAAP financial measures and a reconciliation of such measures to report results are included on slides 129–133 of this presentation as well as within our 4Q21 Earnings Release.

...while investing in our employees...

Our client-first approach, collaborative culture, and attention to employee needs...

...continues to make Schwab a destination of choice for talent.

135%+

funding for corporate bonus plan following a record 2021

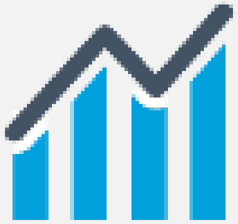
Implementing a new Workplace Flexibility Program

Select 3rd Party Recognition

- Forbes 2021 America's Best Large Employers (Powered by Statista)
- Fortune World's Most Admired Companies 2021
- U.S. Veterans Magazine Best of the Best 2021
- Human Rights Campaign Foundation 2021 Best Places to Work for LGBTQ Equality – 100% Corporate Equality Index
- Forbes 2021 The Best Employers for New Grads (Powered by Statista)
- Careers & the disABLED Readers' Choice A Top 50 Employer 2021

...and further advancing our key strategic initiatives.

Scale & Efficiency



Win-Win Monetization

Client Segmentation

Further **enhancing our offer** to clients positions us to keep **building long-term stockholder value**

...and further advancing our key strategic initiatives.

Scale & Efficiency

Expense Synergy Capture	**~50%** *of $1.8–2.0B target*
Adjusted EOCA[1]	**~13 bps**

Win-Win Monetization

Client Segmentation

Further **enhancing our offer** to clients positions us to keep **building long-term stockholder value**

Note: EOCA = Expenses over total client assets. Bps = Basis points. T = Trillions. 1. Adjusted EOCA equals adjusted total expenses of $9,724M divided by average total clients of $7.5T; metric presented on a full-year 2021 basis; adjusted total expenses exclude acquisition and integration-related costs as well as amortization of acquired intangible assets, consistent with the non-GAAP adjustments discussed on slide 129. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 129–133 of this presentation as well as within our 4Q21 Earnings Release.

...and further advancing our key strategic initiatives.

Scale & Efficiency

Win–Win Monetization

Proprietary SAMS Inflows[1] — **$50B+** *during 2021*

+45% *during 2020* — Growth in bank loans to $35B[2]

New **strategic relationship** — T.Rowe Price

Client Segmentation

Further **enhancing our offer** to clients positions us to keep **building long-term stockholder value**

Note: SAMS = Schwab Asset Management Solutions. 1. Represents net flows into proprietary asset management products, excluding money funds. 2. Bank loans include mortgages, home equity lines of credit, and pledged asset lines.

...and further advancing our key strategic initiatives.

Scale & Efficiency

Win-Win Monetization

Client Segmentation

2x Growth in Schwab HNW net new assets[1]

~60%+ of new HHs were < 40

Launched Schwab Ariel ESG ETF

Further **enhancing our offer** to clients positions us to keep **building long-term stockholder value**

Note: ETF = Exchange-traded fund. HNW = High-net worth. HH = Households. 1. High-net worth defined as clients with over $1 million in assets.

Our “no trade-offs” approach continues to resonate in the marketplace,...

Value

Deliver industry-leading value to our clients

Service

Deliver world-class service to investors and advisors

Transparency

Ensure every client interaction is clear, simple, and easy

Trust

Treat clients the way we would like to be treated

...helping us garner industry recognition,...

A Top Trusted Broker - 2021
Awarded by Investor's Business Daily

One of the Best Online Brokers - 2021
Awarded by Investor's Business Daily

#1 in Customer Satisfaction for Direct Retail Banking
Awarded by J.D. Power

#1 in Digital Satisfaction for Retirement Plan Participant Providers
Awarded by J.D. Power

2021 Best Advisor for Portfolio Options
Awarded by Nerdwallet

2022 Best Online Broker
Awarded by Investopedia

Note: For J.D. Power 2021 award information, visit jdpower.com/awards. From Investor's Business Daily, January 25, 2021, ©2021 Investor's Business Daily, Inc. All rights reserved. Used by permission and protected by the Copyright Laws of the United States. The printing, copying, redistribution or retransmission of this Content without express written permission is prohibited. For NerdWallet ©2017-2022 and TM, NerdWallet, Inc. All Rights Reserved.

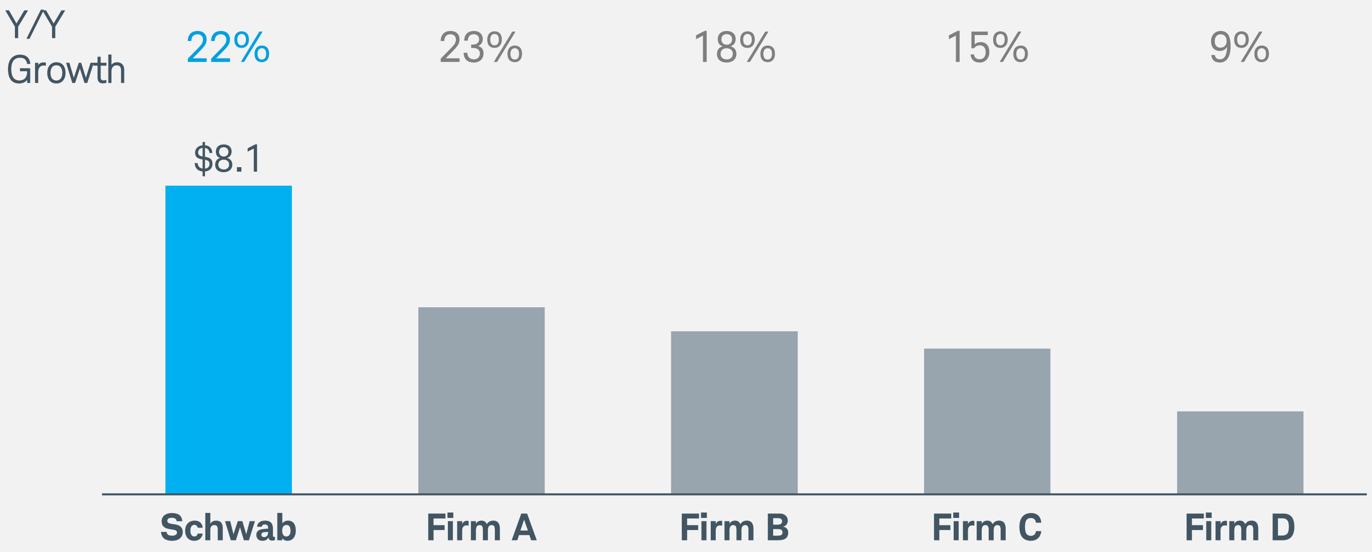
...sustain competitive strength,...

Total Company TOA Ratio

~1.6x

Total Client Assets ($T)[1]

As of December 31, 2021



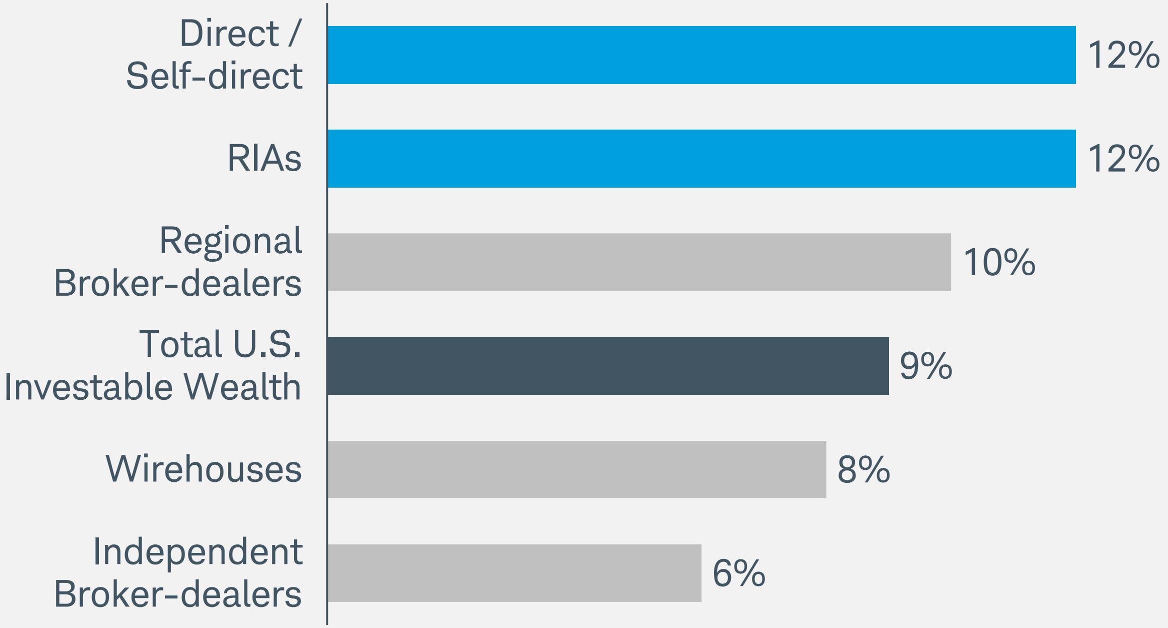
Our strong competitive positioning helps to bolster scale and drive strong asset growth

Note: TOA = Transfer of accounts. T = Trillions. 1. Competitor data based on publicly available reports for applicable wealth management segments.

...and remain well-positioned to capture the opportunities still in front of us.

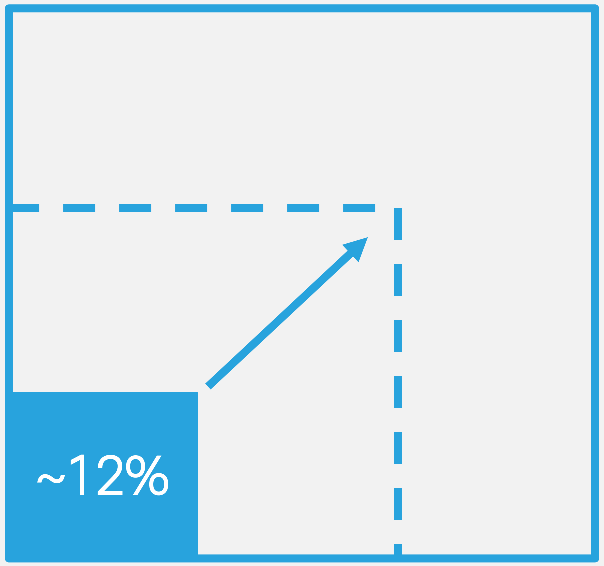
By design, we are aligned with the two fastest growing segments of the U.S. retail market,...

U.S. Retail Investable Wealth CAGR, 2016-2020 (%)[1]



...which helps bolster our belief in the potential upside still on the horizon.

U.S. Retail Market: ~$70T[2]



Current market share estimate[3]

Note: CAGR = Compound average growth rate. 1. Sourced via Cerulli, ICI, company filings, investor presentations, and other third-party databases. 2. Total U.S. Retail Market based on Schwab estimates from Federal Reserve Flow of Funds report. 3. Current market share estimate based on total client assets as of December 31, 2021.

We believe Schwab's singular focus on individual investors and the firms that serve them sets us apart.

- The combination of a relatively favorable macroeconomic environment with our "Through Clients' Eyes" strategy powered remarkable growth in 2021 as investors engaged with Schwab across our broad array of solutions and services.

- We converted this robust business momentum into record financial results, while concurrently advancing key strategic initiatives around scale and efficiency, win-win monetization, and segmentation.

- Our "no trade-offs" approach continues to resonate in the marketplace, which helps bolster our confidence in the growth opportunities still on the horizon.

Winter Business Update

CORPORATION

Opportunities on the Horizon

Rick Wurster

President

Looking to the future, we plan to build upon our momentum from 2021.

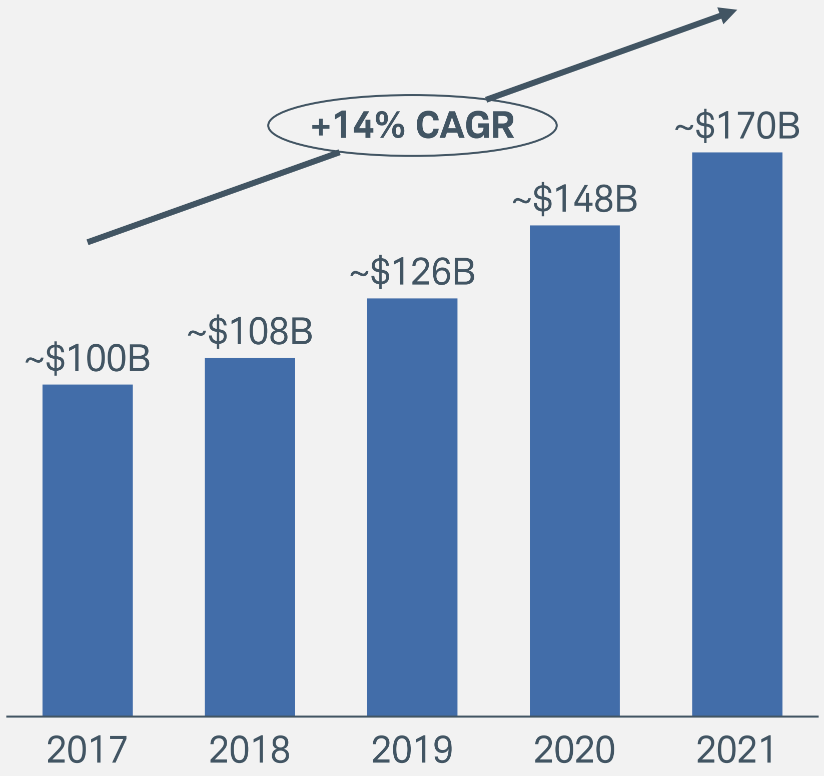
- Our core “Through Clients’ Eyes” strategy is winning in the market, and we are well-positioned as a leader in our industry
- From this position of strength, opportunities abound for us to grow our company over the long-term and challenge the status quo on behalf of investors
- These opportunities should allow us to serve more clients, deepen our relationships with them, provide increased value to our clients and stockholders, and continue the virtuous cycle

Going forward, Schwab is well-positioned to capitalize on key opportunities across our strategic focus areas.

Scale & Efficiency	Win-Win Monetization	Client Segmentation
Advance integration efforts	Deliver a continuum of wealth management experiences	Meet the evolving needs of our higher net worth clients
Continue to make it easier for clients to 'do business' with us	Grow our asset management offerings	Build on our strengths in key client segments (e.g., traders)
Enhance our operating model to support future growth	Expand lending activity and capabilities	Provide tailored solutions and experiences for RIAs

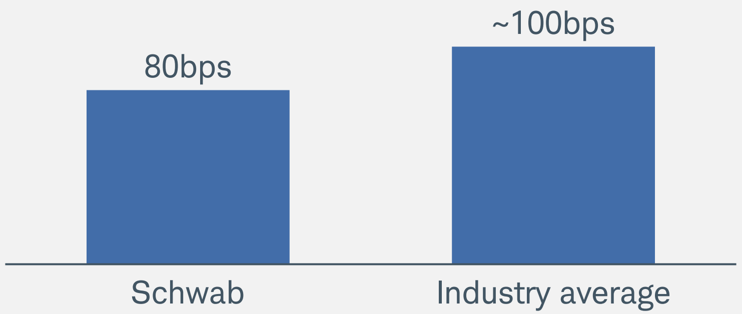
We have built a strong wealth management business and still see upside ahead.

Schwab Private Client™ has been a successful part of our strategy to meet our clients' wealth management needs[1]...

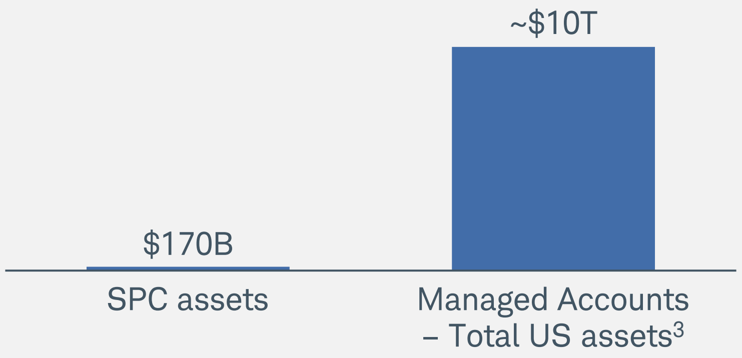


... and represents a meaningful opportunity for business growth, with a client-centric offering that can take share in a large market

Our pricing[2] is highly competitive ...



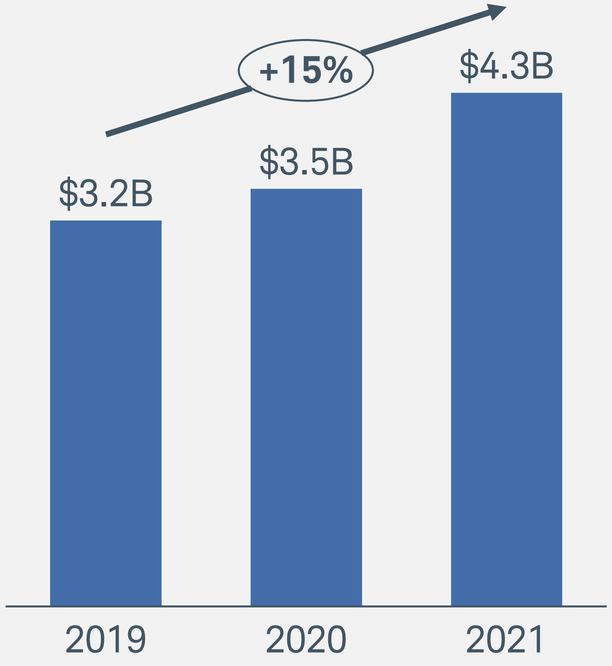
... and we have a small share of a large, fast-growing market.



Note: SPC = Schwab Private Client. 1. Dedicated to HNW clients with $1M+ enrollment minimum. 2. The annual fee for SPC starts at 0.80% of assets and decreases at higher asset levels. Industry average based on Cerulli. 3. Managed account assets estimated based on Cerulli.

Our approach to asset management aligns us with the client, while supporting future growth.

Revenue from Asset Management and Administration Fees (AMAF) is a key growth driver for the company



As % of total company revenue	*30%*	*30%*	*23%*

A set of principles guides our decisions in asset management

- Maintain “Through Clients’ Eyes” strategy
- Compete directly in areas where we have strength and expertise
- Leverage third-party expertise for complementary capabilities
- Be one of the leaders in personalized investing

Key examples of our strategy in action:

charles SCHWAB + T.RowePrice

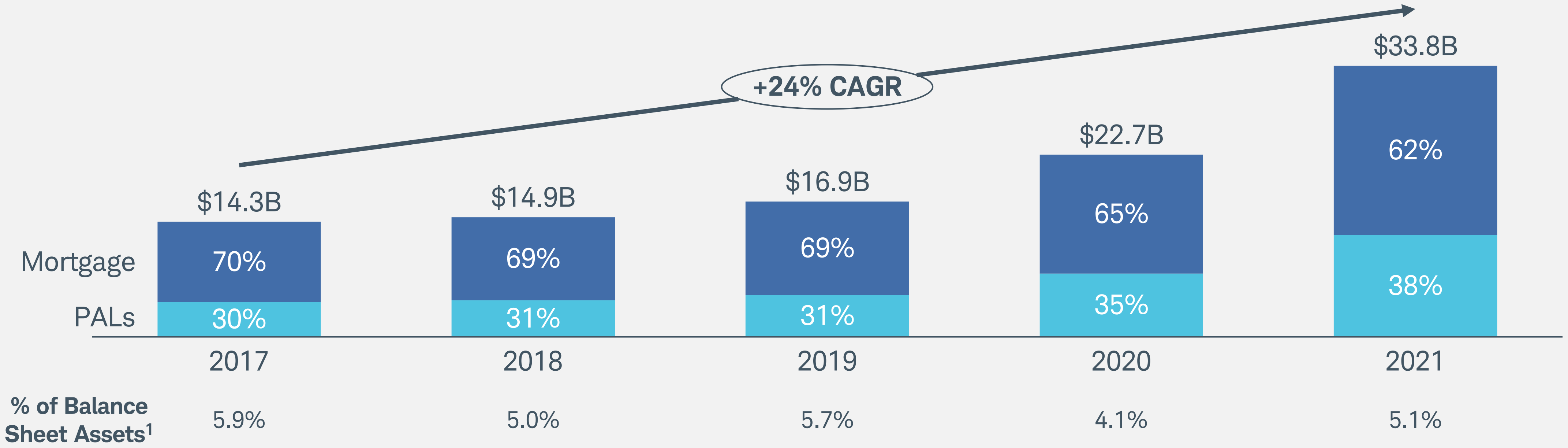
- Relationship with an industry-leading active manager
- Enhanced client experience
- Potential for revenue upside

Personalized Investing

- Direct Indexing to launch in 2022 to retail investors and advisors

Bank lending represents a key client need that provides a 'win-win' growth opportunity for Schwab.

Schwab's Pledged Asset Line® (PAL) and mortgage lending balances have **grown quickly...**



...and we have an **opportunity to expand our lending capabilities and offerings** to better serve our clients.

Note: 1. Represents year-end balance sheet assets; reflects combined Schwab and Ameritrade figures from October 6, 2020 onwards.

We are leveraging broader investments we have made to serve U/HNW clients,...

Retail Client Assets by Wealth Segment

Wealth Segment	Client Assets[1]	Asset CAGR[2] (2017-2021)
UHNW ($10M+)	~$860B	+29%
HNW ($1M-$10M)	~$1,800B	+16%
Mass Affluent ($250K - $1M)	~$650B	+9%
Core (<$250K)	~$340B	+11%

The HNW and UHNW client segments represent the largest and fastest growing segments at Schwab...

~70%

Of total retail client assets[1]

~20%

Combined growth rate[2] since 2017

...and we are investing to make our offering for these segments even more competitive.

Note: Totals may not sum due to rounding. HNW = High-net worth. UHNW = Ultra high-net worth. 1. Reflects combined Schwab and Ameritrade figures from October 6, 2020 onwards. 2. Compound Annual Growth Rate; based on legacy Schwab retail clients only.

...while investing in our strengths in serving a diverse and growing client base.

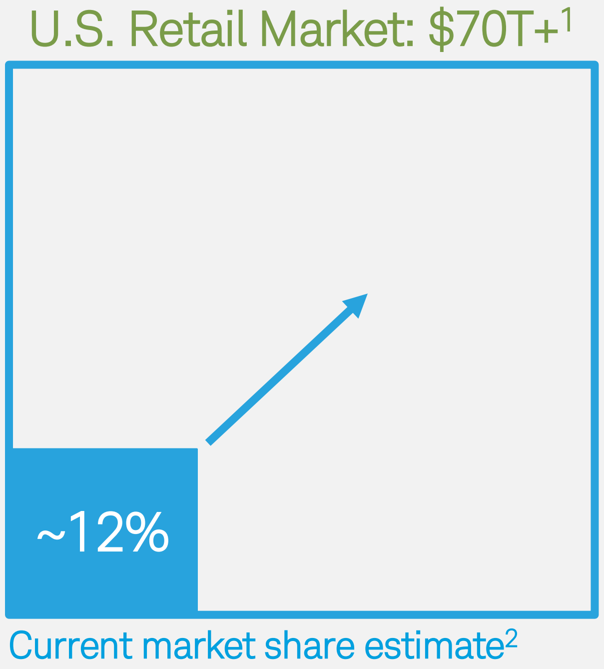
Segment	Opportunity	Schwab Investments
Younger Investors	**36%** of Schwab's clients are <45, and the percentage is growing	Introduced **Schwab Stock Slices** in 2020 and **Schwab Starter Kit** in 2021
ESG Investors	**>50%** of managed assets in the US will meet ESG requirements by 2025[1] ... ... and **~75%** of investors under 40 are interested in sustainable investing[2]	Launched **Wasmer Positive Income Solutions** and **Schwab Ariel ESG ETF** in November 2021 Launching **thematic investing and direct indexing** solutions in 2022
Active Traders	**5.5M** Schwab DATs in Q3 2021 **~3.7M** Competitor 1 **~3.4M** Competitor 2 **~2.4M** Competitor 3 **~1.0M** Competitor 4	Investing in **thinkorswim** as the go-forward **active trading platform**

Note: DAT = Daily average trades. 1. Deloitte Report 'Advancing Environmental, Social, and Governance Investing'. 2. Cerulli report on ESG investing for retail clients.

As we push initiatives forward, we will continue to rely on our "Through Clients' Eyes" strategy.

The combination of our competitive advantages and Virtuous Cycle, along with our 'Through Clients' Eyes' strategy,...

...should enable us to continue attracting more retail investors and independent advisors.



Note: 1. Total U.S. Retail Investable Assets based on Schwab estimates from Federal Reserve Flow of Funds. 2. Market share estimate based on total client assets as of December 31, 2021

Q&A

Winter Business Update

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Digital Services Update

Neesha Hathi

Managing Director, Chief Digital Officer

Over the past few years, we have significantly advanced our digital transformation, while also enhancing the digital experience for our clients...

...by introducing hundreds of capabilities that drive operating **efficiency, scale** and **differentiation** in the marketplace.

3.6B Retail digital logins +33% YoY

64% of clients with advisors enrolled in online access +4% YoY

90% of retail accounts opened digitally

Half of accounts opened digitally with advisors (Q4 '21)

1M+

Transactional calls saved from retail self-service enhancements +75% YoY

8.7M

Mobile Active Users[1] +36% YoY

62K

Personalized digital financial plans completed

$1.1B

Purchased through Schwab Stock Slices™

Launch of Schwab Starter Kit™

$11.9B

Net Asset flows into Schwab Intelligent Portfolios® and Schwab Intelligent Portfolios Premium™

+164% YoY

95%

Client Easy Score across key retail digital experiences[2]

Note: Metrics are YTD through December 2021 unless otherwise noted. 1. Active Digital Clients defined as Clients who logged into the platform in that given year. 2. This percentage represents the number of clients who rated the ease of a digital experience (i.e., account open, RMD, move money).

Emerging consumer trends provide more opportunities for us to leverage digital to innovate, deepen relationships and drive scale

Shift in Client Demographics

First-Time Investors
15% of current U.S. investors began investing in 2020.[1]

Women
$30T expected to be controlled by women by 2030. [2]

Gen X & Millennials
$68T expected to transfer Gen X & Millennials over next 25 years.[3]

Change in consumer Values & Preferences

Desire to Invest in Values
47% Gen Y investors want access to Socially Responsible Investing. (34% Gen X; 24% Boomer) [4]

Adoption of Digital Currencies
21% of Schwab clients have invested in crypto over the past 3 months. [5]

Expect Transparency
Consumers score tech companies 18 points higher on trust than financial services firms. [6]

Intersection of Banking & Wealth Mgmt.

Preference to Consolidate
49% of high net worth clients would prefer a single financial institution to serve most of their financial needs…

Opportunity to Simplify
… yet, only 33% go to one financial institution for most of their needs. [7]

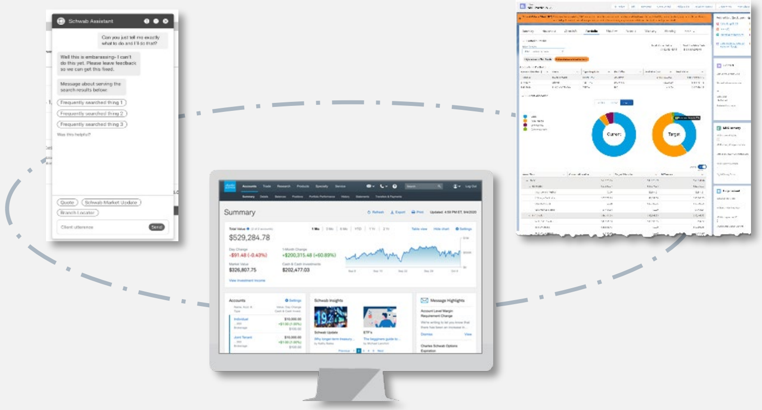
Desire for Personalization
48% of retail investors would be willing to pay more for personalized financial products and services. [8]

Note: 1. Charles Schwab, The Rise of the Investor Generation, 2021. 2. McKinsey, Women as the Next Wave of Growth in US Wealth Management, July 2020. 3. William Blair, A New Era of Investing, June 2020. 4. Investment Trends, United States Online Investing Report, July 2021. 5. Schwab Q4-21 Client Sentiment Tracker. 7. Edelman Trust Barometer 2022. 7. CAPCO, US Wealth Management Trends for 2021. 8. Earning Investors' Trust, CFA Institute, 2020.

Digital will continue to drive efficiencies and scale, while enabling new opportunities to deepen relationships across the clients we serve

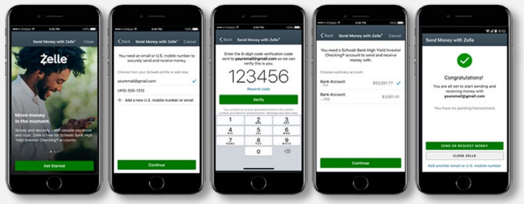
Scale & Efficiency

- Advance **Ameritrade integration** efforts
- Continue to **enhance self-serve** for both investors and advisors while digitizing front to back
- Augment and scale our human talent through **omni-channel digital integration**



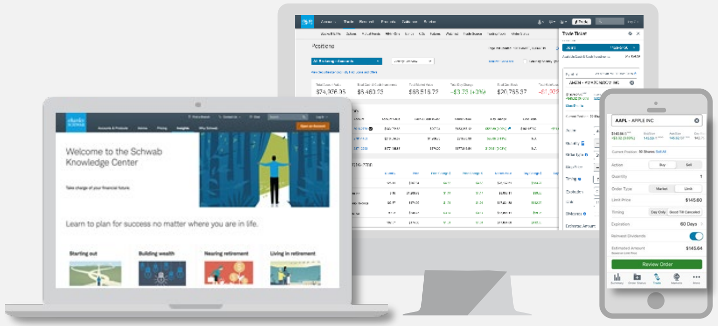
Win-Win Monetization

- Deliver a continuum of **wealth management experiences** for retail investors and capabilities to support growth of RIA firms
- Enhance and integrate **banking** and **lending** experiences
- Launch **personalized** investing solutions



Client Segmentation

- Advance capabilities to empower **self-directed traders** and **investors**
- Provide **tailored solutions to RIAs** at each stage of maturity
- Leverage **digital and data** to provide differentiated experiences (e.g. beginning investors, retirees, etc.)



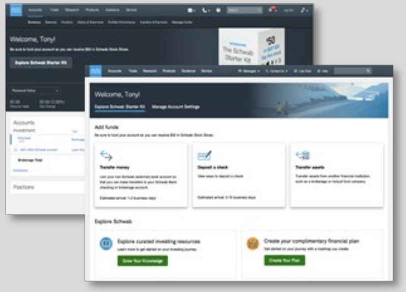
Note: RIAs = Registered Investment Advisors.

Spotlight: Select Initiatives

To serve: **Retail investors** | **Ameritrade clients** | **RIA firms**

Advance Ameritrade integration
to enhance the client experience across a range of client needs:

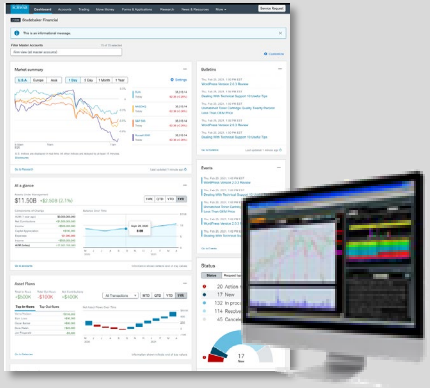
- **Personalized** onboarding and welcome experience
- **Modernized trader** experience on Schwab.com and mobile
- Enhanced features and scale to optimize clients' **channel of choice**



To serve: **RIA firms**

Provide tailored solutions to RIAs
to serve them better than any other custodian in the industry:

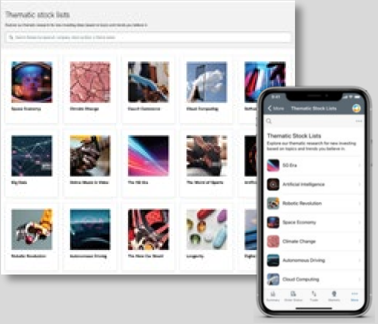
- **Digital onboarding** and account management
- **iRebal®** and **thinkpipes** integration
- Third-party **integration ecosystem**
- **Modernized** custodial platform



To serve: **Self-directed investors** | **Values-oriented investors**

Launch thematic investing solutions
to help clients invest more easily in the ideas they believe in:

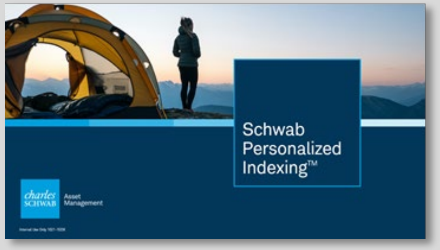
- Access to new **investing ideas**
- **Proprietary, AI-powered research** to discover companies with exposure to investing trends
- Streamlined, yet **customizable** fractional share trading



To serve: **High net worth** | **RIA firms**

Launch direct indexing solutions
to provide tax-efficient diversification based on a client's individual needs:

- **Personalize** investment holdings
- Transparency through **direct stock ownership**
- Tax management
- **Professionally** managed accounts



Appendix

Additional Disclosures

These forward-looking statements, which reflect management's beliefs, objectives, and expectations as of today, are estimates based on the best judgment of the company's senior management. Achievement of the expressed beliefs, expectations, and objectives is subject to risks and uncertainties that could cause actual results to differ materially from those beliefs, expectations, or objectives.

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Q&A

Winter Business Update

CORPORATION

BREAK

Retail Investor Update

Jonathan Craig

Managing Director, Head of Investor Services and Marketing

The Retail business has achieved significant size and scale and serves a broad set of clients

Schwab Retail At A Glance[1]

$3.8T in Client Assets | **24.7M+** Active Brokerage Accounts | **$191.8B** in 2021 Core Net New Assets

We offer an extensive set of capabilities to all our clients...

Full suite of advisory and trading solutions	*Asset management and Financial Planning*	*Banking*	*Omni-channel service*	*Great value and relationship pricing*	*Investor education and insights*

Complemented by segmented solutions for each...

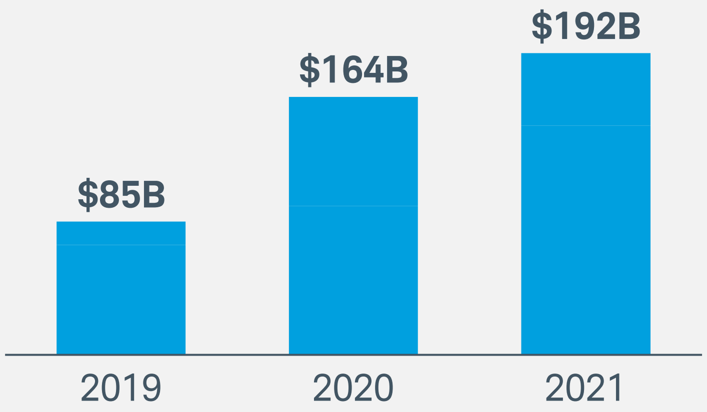
Select examples

New Investors	Mass Affluent	Trader	High Net Worth
▪ No account **fees / minimums** ▪ **Fractional** trading ▪ **Starter Kit**	▪ Comprehensive **investment and management** solutions ▪ Access to a **dedicated relationship** ▪ **Automated investing and subscription-**based planning	▪ Award-winning web, mobile and desktop **trading platforms** ▪ Trading **specialists and education** ▪ **Futures, Forex, Derivatives**	▪ Specialized **relationship models** ▪ Comprehensive **wealth management and wealth strategists** ▪ Preferential **pricing and products**

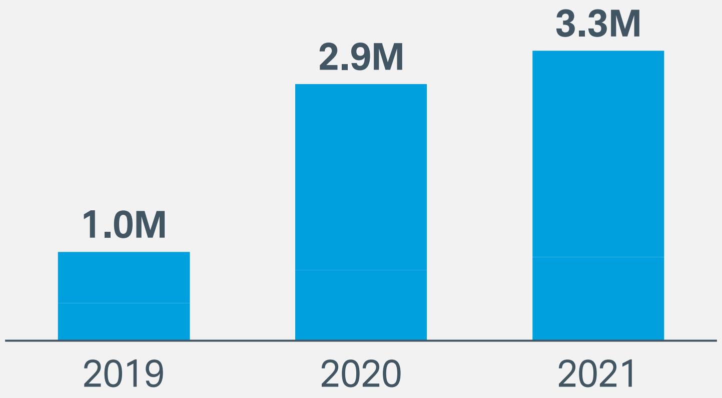
Note: 1. Metrics represent Schwab and Ameritrade combined

In 2021, we saw incredible engagement and continued to be recognized as an industry leader.

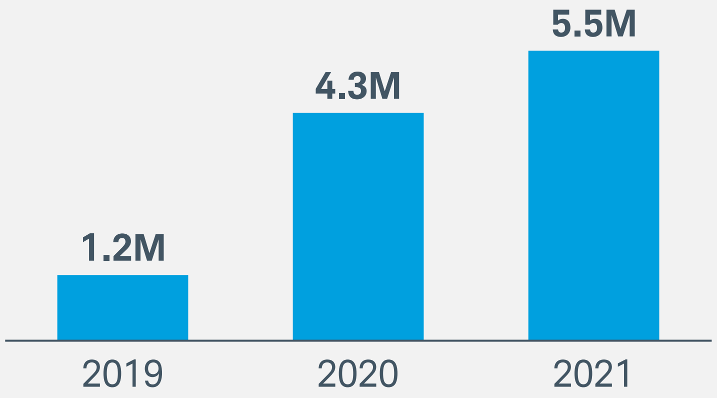
Net New Assets[1]



New To Firm Retail[1] HHs



Daily Average Trades[1]



CAGR: ***+50%*** ***+81%*** ***+110%***

We also continued to receive recognition from our clients and across the industry[2]

***#1** in **Customer Satisfaction** for **Direct Retail Banking**, 3 years in a row*

INVESTOR'S BUSINESS DAILY 2021 BEST ONLINE BROKERS

***Best Online Brokers** for 2021 (Schwab)*

StockBrokers.com 2021 ANNUAL REVIEW BEST IN CLASS Overall

***#1 Overall Broker** (Ameritrade)*
***#3 Overall Broker** (Schwab)*

Note: HH= Household. 1. Metrics represent Schwab and Ameritrade pro forma combined. 2. Please refer to Appendix for all disclosures.

In addition to managing robust growth, we made significant enhancements to our Retail offer.

We made meaningful enhancements to the Schwab offer…

Expanded our dedicated relationship models

- Hired 300+[1] financial consultants
- Launched mass affluent model
- Assigned additional ~100K HHs to dedicated relationships

Enhanced our banking and lending offer

- Enhanced Investor Advantage Pricing tier
- Launched Senior Banker role for HNW clientele

Augmented our spectrum of managed solutions

- Invested in Schwab Private Client
- Integrated our RIA referral programs
- Launched Wasmer Schroeder
- Enhanced planning capabilities

Invested in key service and digital experiences

- Hired 2,800+ service LEs across Schwab / Ameritrade teams
- Redesigned critical web and mobile experiences
- Generated $10M+ in efficiency gains via service transformation

Invested in capabilities for newer investors

- Launched "Schwab Starter Kit"

And maintained the strength of the Ameritrade Offer

Introduced our **'Satisfaction Guarantee'** to Ameritrade clients

Reduced **Mutual Fund transaction pricing** and eliminated **certain fees**

Near 100% of HNW clients now have a Financial Consultant

Developed program **for Ameritrade FCs to introduce Schwab solutions** for early engagement opportunities

Improved service by **reducing Average Speed to Answer by 38%**

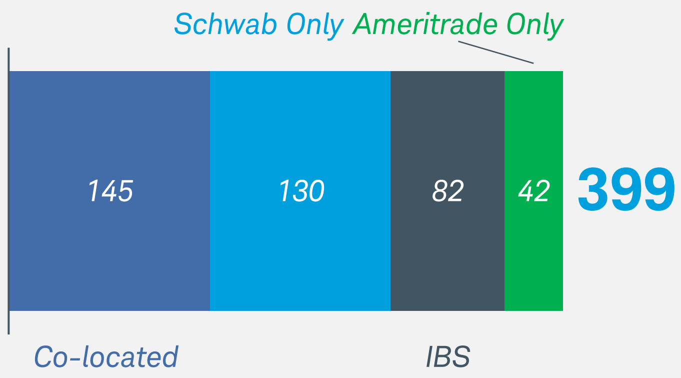
Extended Schwab commitment to **match competitive cash offers** for Ameritrade clients

Note: HNW = High-net worth. FC = Financial Consultant. 1. Broken out across Local, National, Active Trader and Financial Solutions Branch FCs, as well as UHNW Wealth Consultant roles.

We also made significant progress toward integrating the businesses.

We integrated the domestic branch network and **closed over 200 branches…**

Branch Network footprint after closures, Dec. 2021 (#)



Re-opened all 399[1] locations in Q2 '21 across Schwab / Ameritrade Branch footprint, and **preserved local relationship for 95% of $1M+ clients**

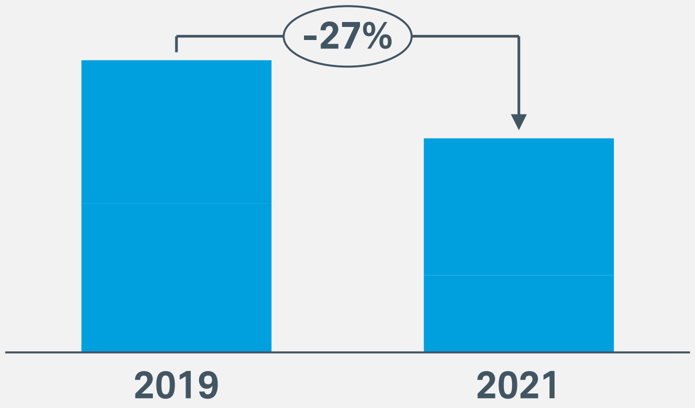
…Fully integrated **Sales and Service teams** under a single leadership team

Harmonized Financial Consultant (FC) compensation plans and roles across legacy Schwab / Ameritrade teams

Combined service teams to form a **"best-of-breed" support organization** based on integrating legacy best practices

…And have already achieved significant **marketing synergies**

Marketing budget



Reduced marketing spend by ~27% and fully integrated teams, while driving **81% increase in NTF Retail HHs**

Note: IBS = Independent Branch Services. NTF = New-to-firm. 1. Branches may temporarily return to appointment only status in 2022 due to staffing.

In 2022, we will continue to deliver on priorities of segmentation, win-win monetization, and scale.

We will deliver on these corporate priorities
through a wide range of retail initiatives, of which five key initiatives are highlighted below

1. Expand and invest in our **segmented relationship models**

2. **Deepen relationships** with continued focus on, and enhancements to, our **Managed Investing solutions**

3. Significantly enhance our **lending offer**

4. **Begin making Schwab products available to Ameritrade clients** ahead of full integration

5. Continue to **invest in our Trading platform** and extend our competitive advantage

1

Expand and invest in our segmented relationship models

Dedicated relationships in the Schwab model work

3.4X greater **NNA**[1] per household (HH)
(assigned vs. unassigned)[3,4]

2.9X improvement in **TOA**[1] **Ratio**
(assigned vs. unassigned)[3]

2.4X improvement in **Attrition Rate**[1,2]
(assigned vs. unassigned)[3,4]

We will continue to invest in segmented dedicated relationships to meet the unique needs of our clients

Mass Affluent

- **Centralized Financial Consultant** (FC) model

UHNW

- **Local FC** or **centralized Wealth Consultant**

Affluent / HNW

- **Local / centralized FC** depending on geography

Active Trader

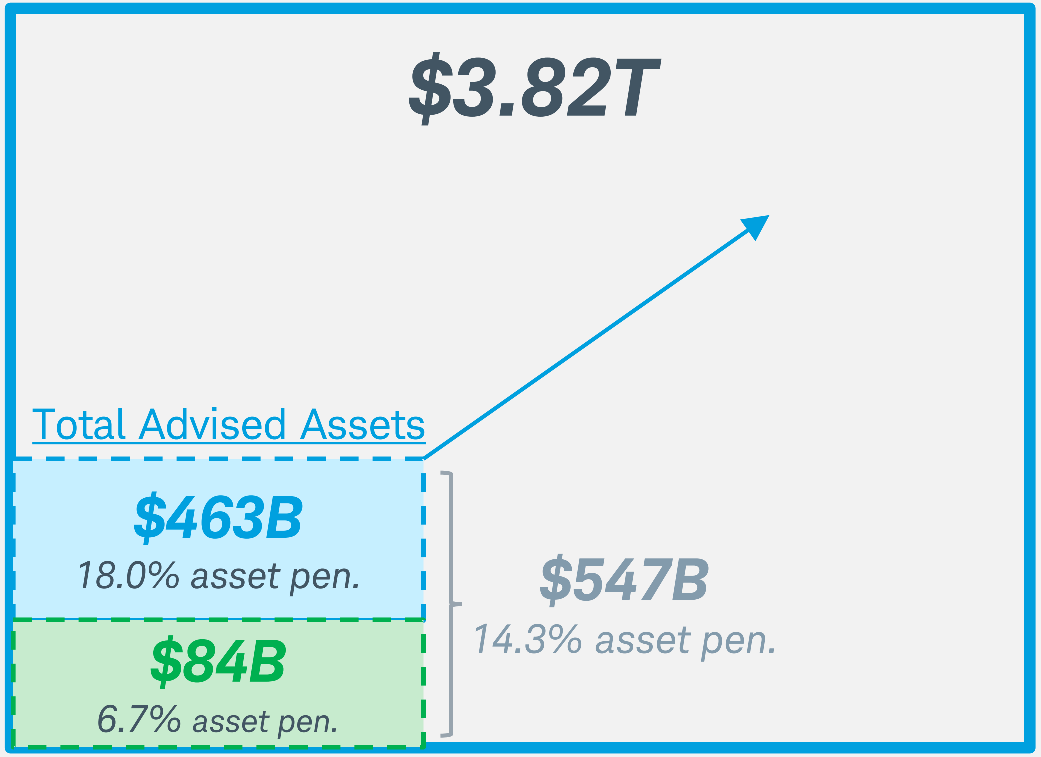
- **FC** model supporting **Active Trader** clients

Note: TOA = Transfer of accounts. xFDIC = Excluding fees, dividends, interest, and commissions. 1. As of trailing twelve months May 2021; shown xFDIC. 2. HH attrition = Attrited HHs divided by total # of active HHs; attrited HHs defined as HH whose balance at the end of a month is below 12-month high by at least 90%, excludes HHs with <1 year tenure and <$5K balance. 3. Schwab only; among Retail HHs qualified for relationships ($250K+). Unassigned category includes Unassigned HHs and Marketing HHs. 4.Only non-new to retail HHs considered.

Deepen relationships with continued focus on our Managed Investing solutions

Advised solutions utilization represents a significant opportunity to deepen relationships with clients…

Total Retail Assets



…as we continue to invest in advice, as well as launch thematic investing and direct indexing solutions

Continued investments in Advised solutions

- *Investment to* ***expand Schwab Private Client capacity***
- *Continued* ***optimization of combined referral network***
- *Investments in* ***Schwab Intelligent Portfolios, and other offers***

Launch new capabilities with increased emphasis on Personalization

2022 expected product launches:

- ***Thematic***
- ***Direct Indexing***

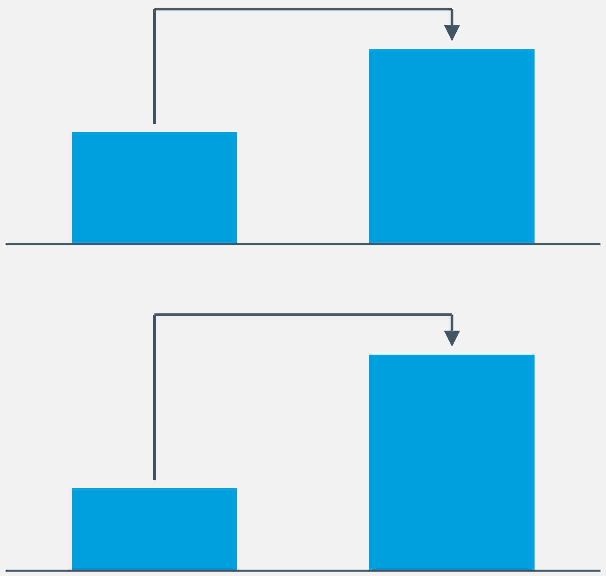
Note: 1. Schwab Advised Assets. 2. Ameritrade Advised Assets

3

Significantly enhance our lending offer

We have seen strong growth in Retail lending over the last two years… | **…driven by increased penetration among HNW/UHNW** | **Planned enhancements to our lending offer will look to extend our growth into 2022 and beyond**

	EOP Q4 '19[1]	EOP Q4 '21[1]	Avg. Annual Balance Increase	
Mortgages			UHNW[2]	103%
			HNW[2]	44%
Pledged Asset Line (PAL)			UHNW[2]	169%
			HNW[2]	95%



- Increase staff across **bank operations and service teams**
- **Rapid Answer Process** to expedite inquiry responses to high value lending clients
- More **tailored approach** to our **HNW lending solutions**
- Launched **Senior Lending Team** to escalate issues and accelerate loan processing

Note: HNW = High-net worth. UHNW = Ultra high-net worth. EOP = End of period. 1. Schwab Investor Services only.

4

Begin making Schwab products available to Ameritrade clients ahead of full integration

Dual registration of Ameritrade Financial Consultants will help unlock meaningful monetization and scale benefits

Dual Registration

*Dual Registration helps pulls forward Schwab's value proposition prior to integration **by permitting Ameritrade Financial Consultants to offer Schwab solutions** and **service assets** that remain at Ameritrade*

*Plan is for **Ameritrade Branch associates** to be **dually registered[1] by Feb'22***

We expect to realize key benefits across:

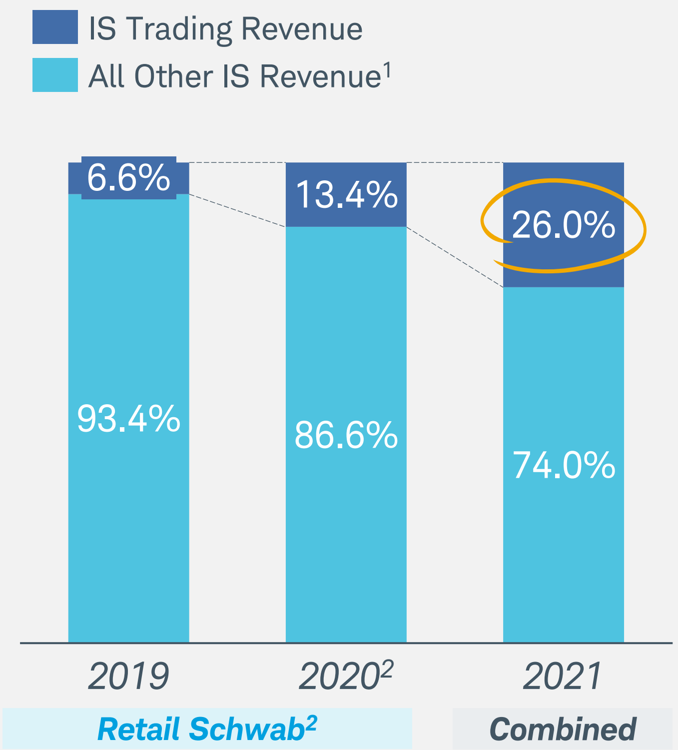
Employee Experience	Client Experience	Schwab Overall
Improves **satisfaction** via earlier immersion in Schwab solutions	Allows **clients to retain their existing relationships with their Ameritrade Financial Consultant**	Pulls **forward Schwab's value proposition** and helps **deepen client relationships**
Provides FCs with **broad advice offering to talk to clients imminently**	Enables clients to **leverage Schwab products prior** to full conversion	Creates **engagement opportunities ahead** of integration
Reduces friction during time of conversion	Eases **transition for clients** who have accounts at both firms	

Note: 1. Nevada and North Carolina do not allow dual registration.

5

Continue to invest in our Trader platform and extend our competitive advantage

Given the increased importance of Trading to Schwab...



...we prioritized key Trader initiatives in 2021...

Consolidated Schwab / Ameritrade futures business under Charles Schwab Futures & Forex LLC

Completed alignment of futures & OTC pricing across both trading platforms

Launched IPO access product to enhance client experience and engagement

...and will continue to make further investments in 2022.

Continue to **enhance thinkorswim suite** via new features and improved platform performance

Continue to **expand Education offering** to enable greater information access and Trader empowerment

Continue to **integrate TOS platform into Schwab environment** and build **enhanced trading capabilities** on Schwab.com and Schwab Mobile

Note: IS = Investor Services. OTC = Over-the-counter. TOS = thinkorswim. 1. Includes Net Interest Income, Asset Management and Admin Fees, Bank Deposit Account fees, and Other Revenue. 2. 2020 data includes combined Ameritrade & Schwab from October 6, 2020 onwards.

In closing…

The retail business has **achieved size and scale,** and continues to be recognized as an **industry leader**

In 2021 we delivered **record growth**, and will continue to build on that via **investing in scale, win-win monetization, and segmentation during 2022**

We are well **underway towards delivering synergies** and **integrating into one Retail brand** with unmatched focus on individual investors

Appendix

Additional Disclosures

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Winter Business Update

CORPORATION

Retail Client Acquisition

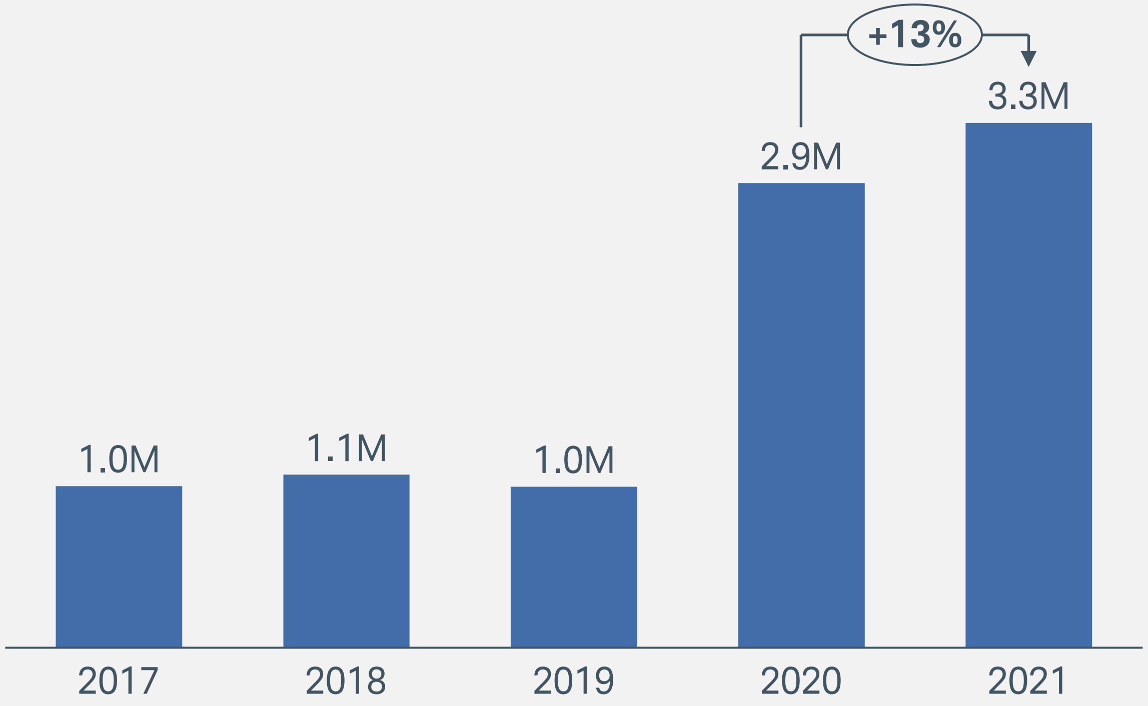
Stacy Hammond

Managing Director, Acquisition and Enterprise Marketing

We have delivered sustained growth, acquiring a record number of new retail clients in 2021.

New client growth increased 3.2x in the past five years

Schwab + **Ameritrade** *NTF Retail HH per year*



With different trends across Schwab and Ameritrade

charles SCHWAB — Growth across a wide range of external environments

TD Ameritrade — Outsized growth in periods of volatility

This record-breaking success has been driven by:

- Focused acquisition strategy in four pillars: referrals, sales, WFS, marketing
- Analytics, marketing technology and targeted media spend
- Market tailwinds over the past two years

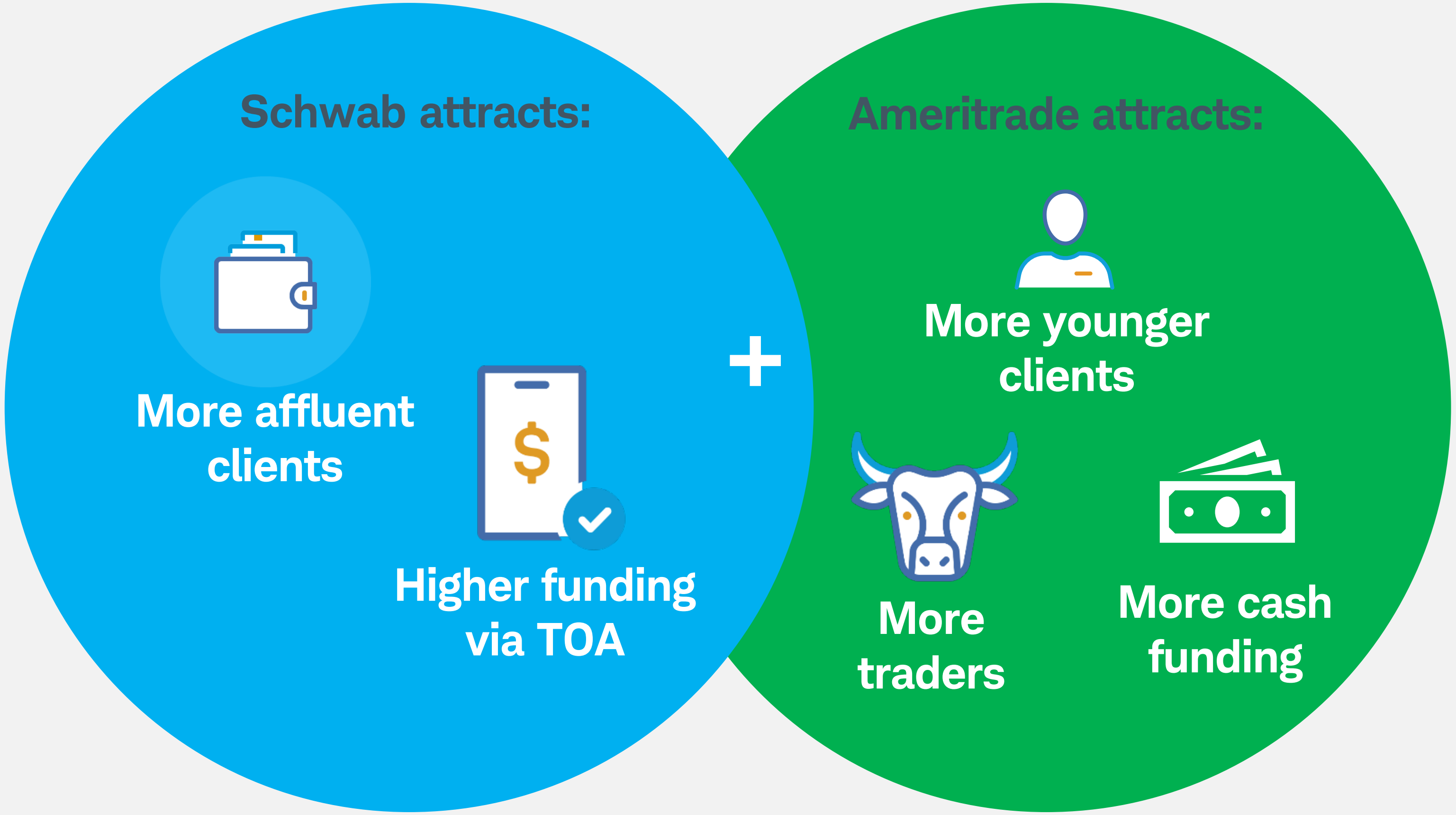
Note: M = Millions. NTF Retail = New-to-Firm Retail. HH = Household. WFS = Workplace Financial Services.

Even with record volumes, the profile of new clients we are acquiring continues to be very attractive.

The complementary nature of our businesses is creating a broader new client profile[1]

1/3rd of new clients are affluent

~50% of new assets come from other firms



>60% of new clients are under 40

~70% of new assets come via cash

~50% of total new client base were traders

Note: TOA = Transfer of Assets. 1. 3-year average (2019-2021).

The results are being driven by our diversified acquisition model, which only got stronger with Ameritrade.

Marketing

Increasingly efficient marketing deployed across our target audiences

- **Clear design targets**
- **Industry-leading creative**
- **Measurement and analytics**

Sales

Live channels are optimized to engage high-value clients and drive conversion

- **Company-managed branches**
- **Independent Branch Network**
- **Prospect Conversion Organization Phone Teams**

Workplace Financial Services

Engaging corporate participants to take the next action and serve as feeder to Retail

- **Stock plan services**
- **Retirement plan services**

Referral

Deliver an exceptional client experience and in turn, get trusted recommendations from our clients.

- **Organic client referrals**
- **USAA referral program**

+

Our value proposition is even stronger with the addition of Ameritrade's trading platform, robust educational content, and exceptional client experience.

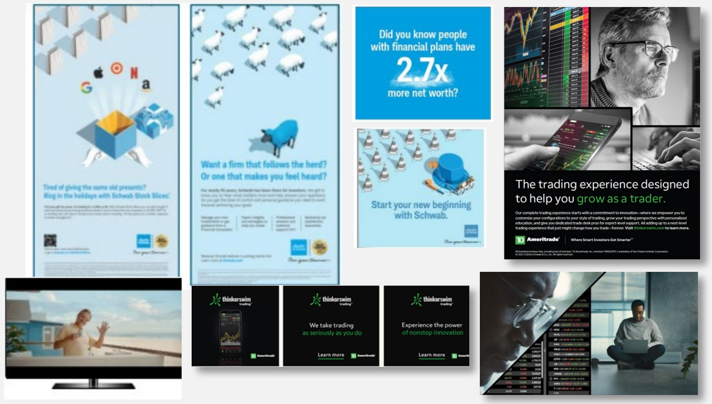
Our disciplined approach to marketing will continue to attract a broad and diverse client base.

We connect messages to audiences to deliver our value proposition…

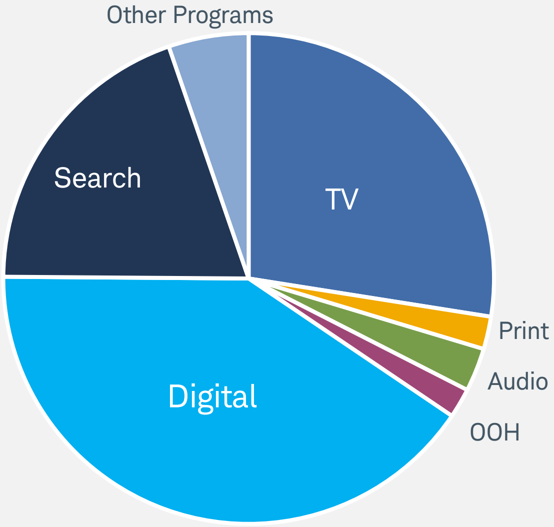
AFFLUENT

ACTIVE TRADERS

EMERGING AFFLUENT



… and we use econometric modeling to efficiently allocate media[1]…



…and continuously measure and optimize for maximum impact.

- Significant savings in digital media and paid search
- Ongoing experimental design tests

Note: 1. Represents combined media spend across Schwab + Ameritrade brands in 2021.

COVID-19 accelerated changes in consumer behavior, and our marketing is responding to meet them where they are.

Consumers are shifting from traditional to digital media consumption

- More people have "cut the cord" – two-thirds of US HHs have added streaming service since March '20
- As commutes changed, audiences migrated from radio to audio services (e.g., Spotify) and podcast listening
- With increased digital media consumption, print newspapers declined
- And time spent on social media platforms increased 33% in 2020

We are meeting consumers' media habits with a refresh in marketing mix:

Linear TV spend	↓
Streaming TV spend	↑
Podcast spending	↑
Newspaper spend	↓
Outdoor campaign	↑
Gaming category trial	↑

In summary

We have efficiently **delivered sustained growth** with an attractive client profile

The addition of Ameritrade complements our acquisition strategy

And we continue to optimize our acquisition levers to unlock future growth

Winter Business Update

CORPORATION

Investor and Trader Education

Lorraine Gavican Kerr

Managing Director, Trading and Education

Education plays a key role in empowering Investors and Traders across the client lifecycle.

Acquisition

Education is a core part of our overall value proposition, especially for self-directed investors and traders

Onboarding

We support and nurture clients as they interact with our products, services, and platforms

Retention

As investors engage in life-long learning, we remain a credible source of information and help tenured clients use Education

Engagement

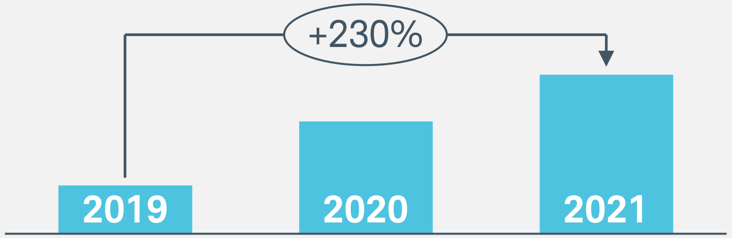
Education is embedded into the client experience (tax time, retirement, new platform/feature launches, new products, etc.), making users more active, engaged, and connected

We saw record engagement in 2021 as investors turned to us to navigate unusual market conditions.

Education usage grew along with market activity

New investors taking control of their financial futures turned to us in record numbers for help building confidence and understanding market-moving events

Total Ameritrade Education Views



Schwab Insights & Ideas Engagement

24M engagements across all channels in 2021

We continued to meet investors where they are

We engaged new and existing investors at their point of need, focusing on digital-first interactions that anticipate their interests

- An interactive experience that is consistent across channels
- Public channels like YouTube and other websites with SEO focus
  18M+ YouTube views (+45% YoY), with a record 2.9M view in February[1]
- Amplification of Education content through social media
  5.3M views through Twitter, Facebook, and LinkedIn[1]

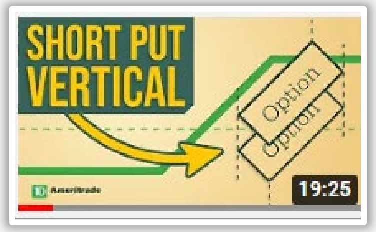
New Trader content was our most popular in 2021

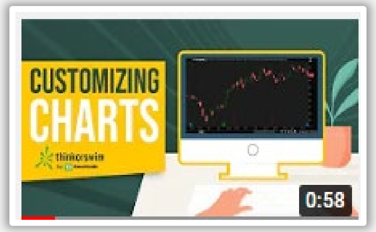
We also saw record demand for online coaching (+50% YoY[1]), with particular interest in Getting Started With Stocks and Options

Note: SEO = Search engine optimization. 1. Represents Ameritrade-only data.

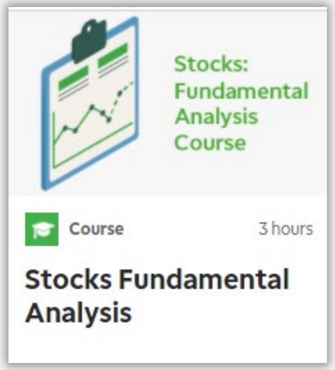
Investors, in particular **Traders, seek out Education** to support diverse needs.

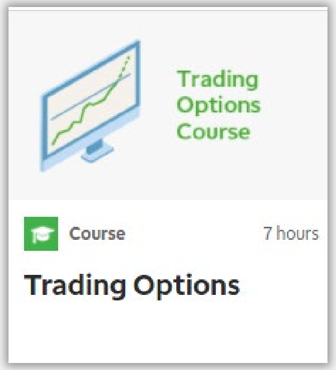
Navigating trading platforms and strategies





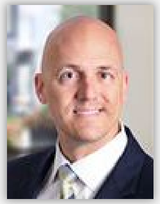
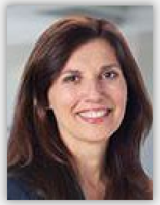
Understanding products



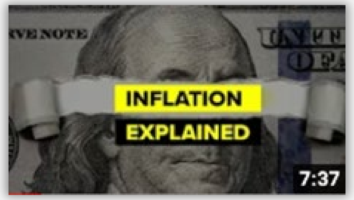


Reacting to market events




Market updates, insights, and live news coverage from our experts



We provide a digital client experience supplemented by live coaching...

A personalized, interactive client experience tracking progress and recommending new content...

Broad curriculum for different goals, and experience levels

Goal-based learning, with curated learning paths and progress tracking

Across **multiple modalities** to suit different learning styles and preferences

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...paired with online coaching

Learn over the shoulder of an expert about a wide variety of topics like investing strategies, implementing trading plans, managing positions, and platform demonstrations

One-to-many **coaching**

Schwab Live Daily

Live and on-demand **webcasts**

...and real-time market insights for Traders through TD Ameritrade Network.[1]

Market commentary, analysis, and insights from industry professionals, **helping investors react to real market conditions**

Available across **multiple channels** for ease of consumption

Guides investors through **live market news every day**

Features CEOs, CFOs and industry leaders providing valuable perspective

25M views in 2021

1. TD Ameritrade Media Productions Company and TD Ameritrade, Inc. are separate but affiliated subsidiaries of TD Ameritrade Holding Corporation. TD Ameritrade Holding Corporation is a wholly owned subsidiary of The Charles Schwab Corporation. TD Ameritrade Media Productions Company is not a financial adviser, registered investment advisor, or broker-dealer.

Clients benefit from Education in many ways.

Education users are...

More Engaged

More Satisfied

More Connected

We will continue to evolve the education experience to engage investors on a greater scale across the combined firm.

In 2022, we will....

Invest in infrastructure to **scale and improve the offering** for our combined client base

Bring the best content from both brands to support clients across all segments

Use Education to **ease client transitions through and beyond account conversion**

Be there for investors when and how they need us

Q&A

Winter Business Update

CORPORATION

Advisor Services Update

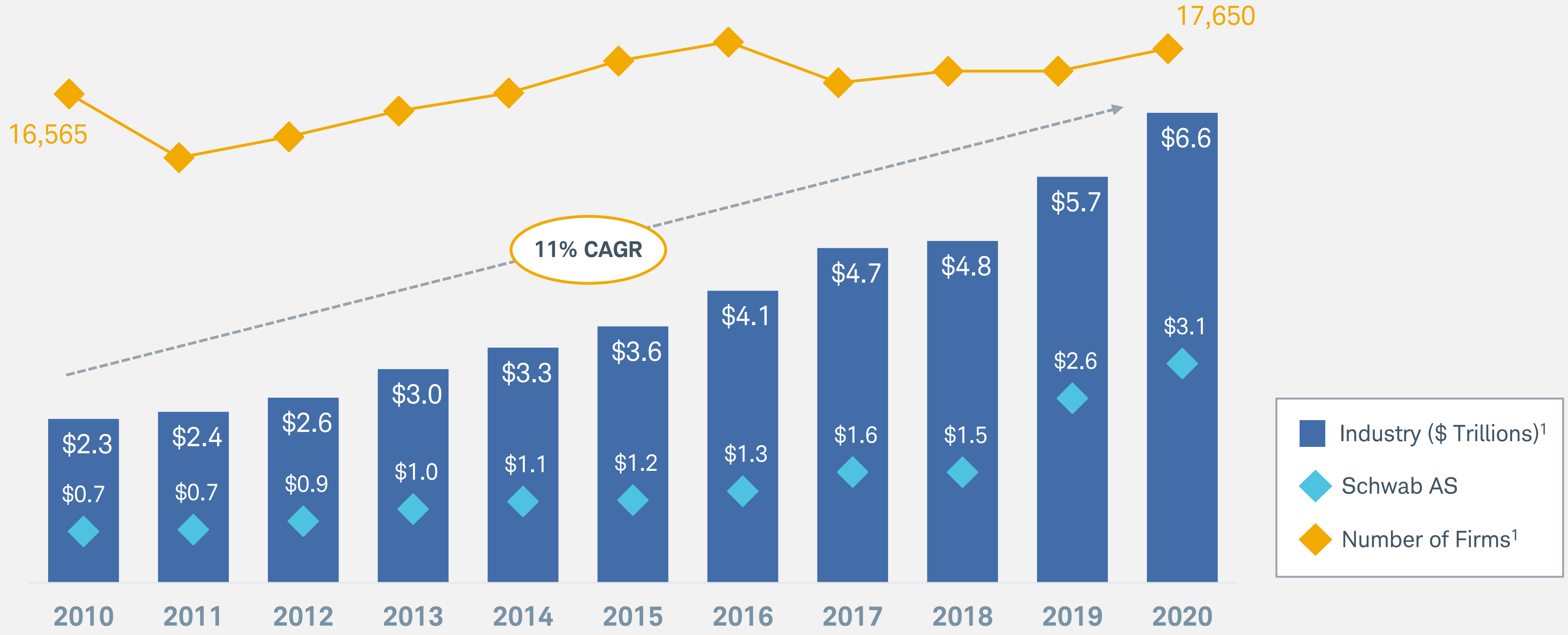
Bernie Clark

Managing Director, Head of Advisor Services

Our commitment to serve clients of all sizes helps keep us well-positioned in any environment.

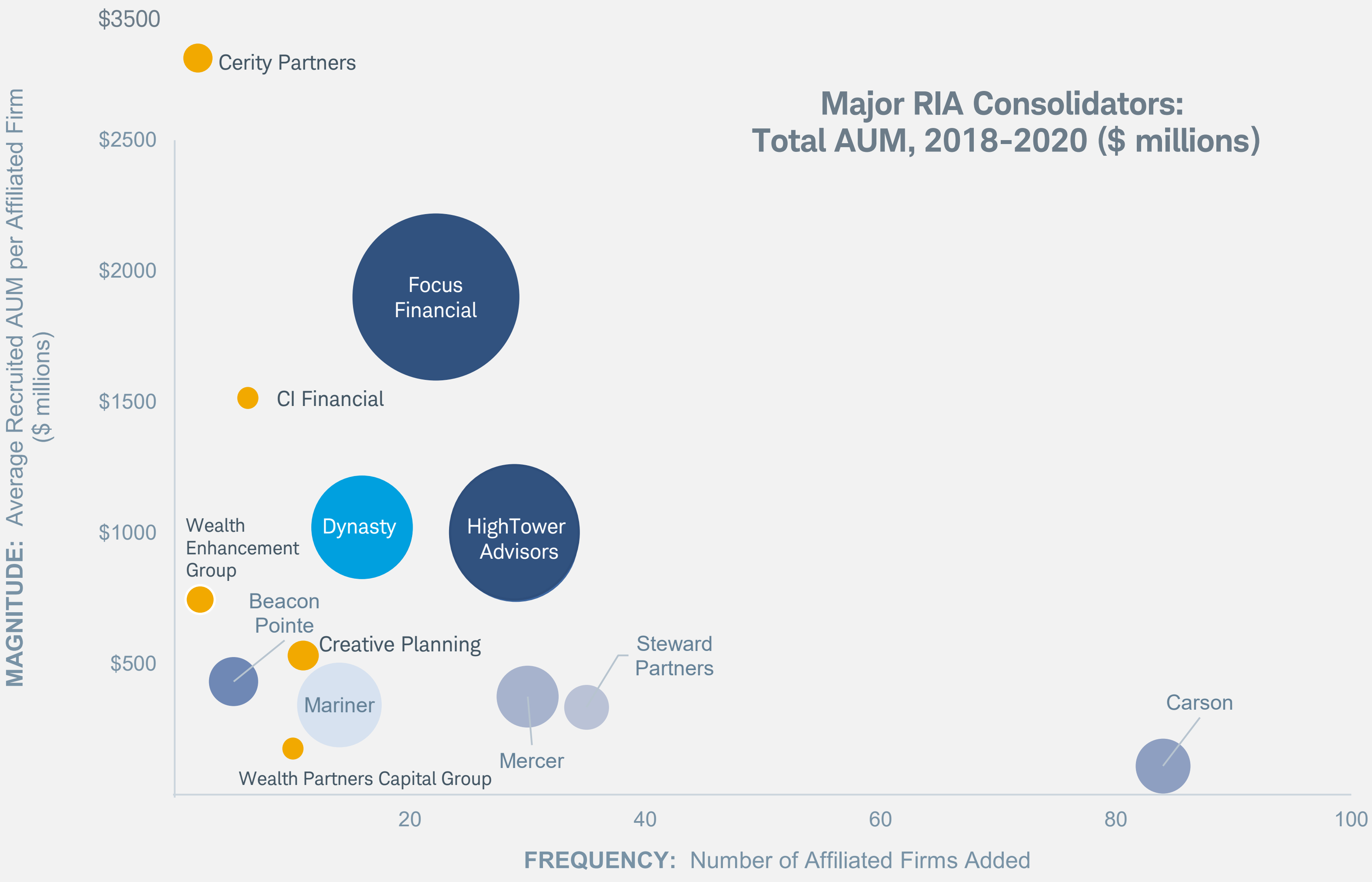
- Independent Registered Investment Advisors (RIAs) continue to represent a rapidly growing and increasingly sophisticated profession within financial services.
- Schwab Advisor Services has experienced significant growth and is well positioned for future success.
- Advisor Services will continue to focus on building the platform of the future, while delivering on promises to our clients.

The RIA industry is thriving, and assets managed by independent advisors have tripled in the last decade.



Source: The Cerulli Report, U.S. RIA Marketplace 2021. 1. Includes both independent and hybrid RIAs. 2019 Data is pro forma combined end of period results for Schwab Advisor Services and Ameritrade Institutional.

M&A activity across both established and emerging consolidators continues to grow at a record pace.



Platform Providers

Allow RIAs to "rent" an end-to-end operating and support platform, and do not take an equity stake

Financial Acquirers

Systematically acquire RIAs to aggregate individual firms in a fragmented market and realize financial gains through a liquidity event or cash flow distributions

Strategic Acquirers

Large RIAs that systematically acquire advisory firms to grow market share, enter new geographic regions, and achieve other growth-oriented strategic objectives

Emerging Consolidators

Have demonstrated recent pattern of consolidation, but have yet to reach substantial scale

Source: The Cerulli Report, U.S. RIA Marketplace 2021. M&A = Mergers and Acquisitions.

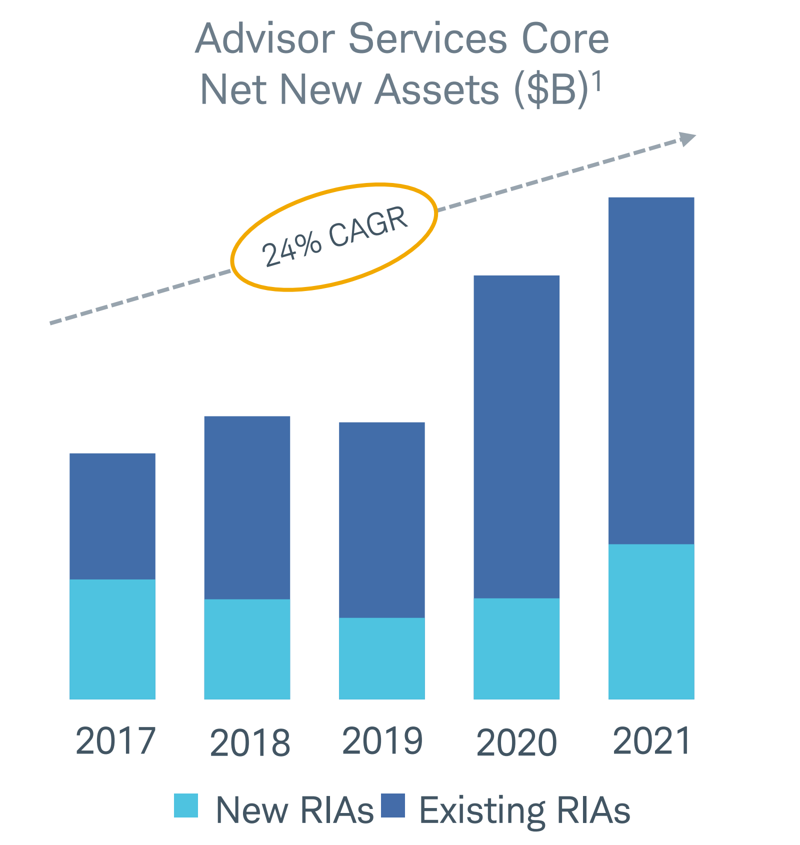
The needs of end-clients are changing, and this is driving advisor behavior.

Firms are investing aggressively to accelerate growth, enhance scale, and expand technology offerings.

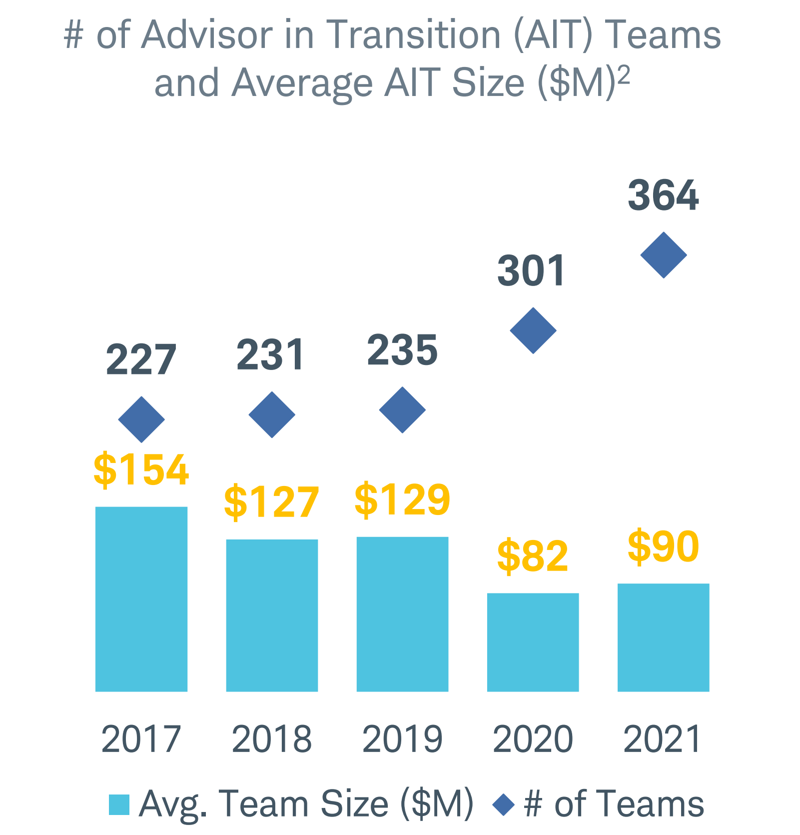
Advisors understand they need to provide value beyond investment management,...

...and augment their trusted relationship with always-on digital experiences across the client lifecycle.

In 2021, Advisor Services attracted over $315B in net new assets.

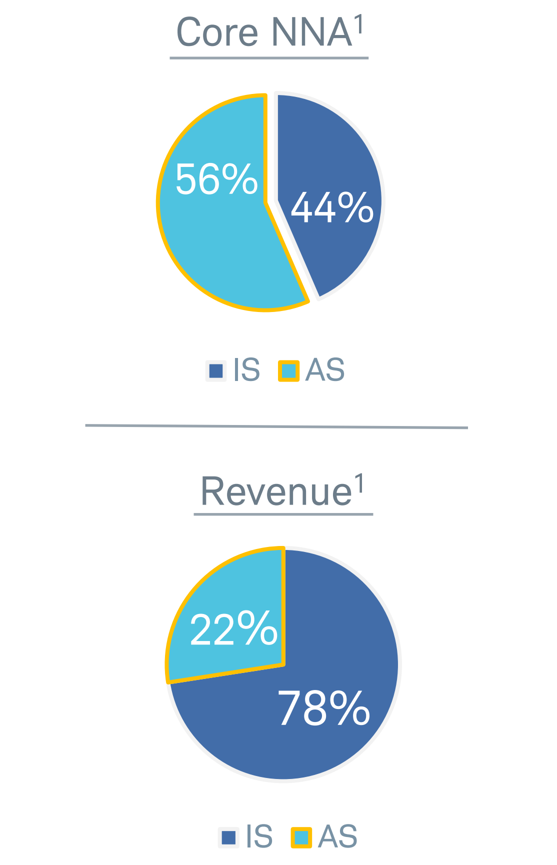


Inflows from new and existing RIAs were robust despite uneven environment in 2020-2021



A record high number of AIT teams turned independent with Schwab

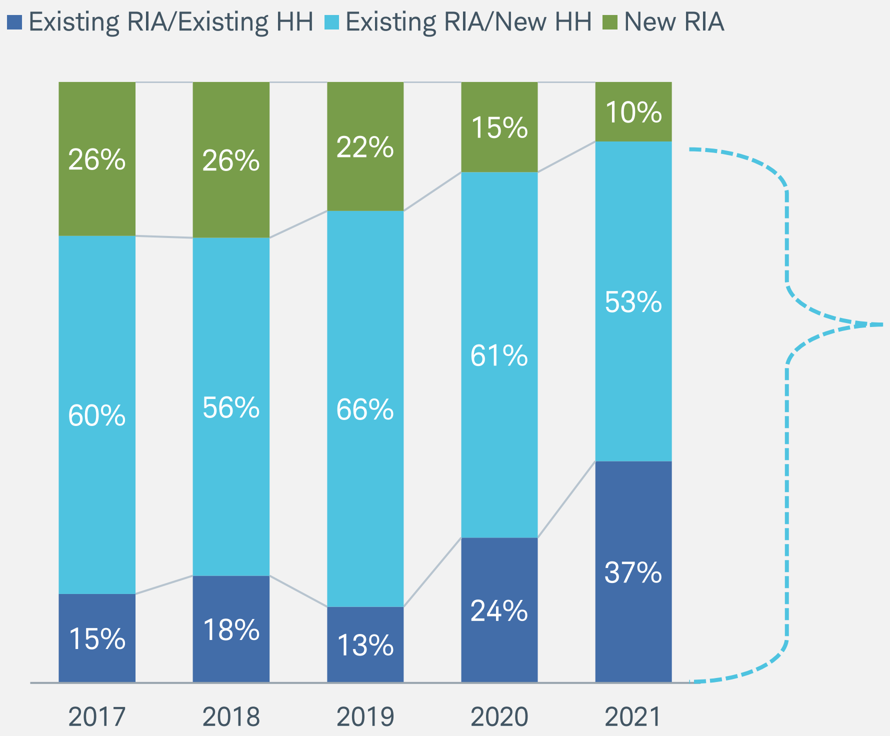
Advisor Services continues to drive results for Schwab



Note: 1. Reflects Schwab AS and Ameritrade Institutional from October 6, 2020 forward. Core NNA excludes significant one-time flows such as acquisitions or extraordinary relating to a specific client (generally greater than $10B). 2. AIT includes results from Schwab AS platform only.

Existing RIA relationships are driving organic growth across all RIA segments.

Advisor Services Net New Assets (NNA)*



NNA production mix has shifted towards existing clients

Existing RIA relationships contributed 90% of AS' NNA
in 2021, up from 74% in 2017

Advisors joining existing RIAs in 2021 increased 3X
from pre-COVID levels

AUM growth is seen across all RIA segments**

Firm Size	% firms > 5% Organic Growth(1)	Organic Growth(1)
$0 - 50M	47%	19%
$50M - $100M	53%	13%
$100M - $300M	55%	10%
$300M - $1B	57%	11%
$1B+	59%	7%

Note: *Historical periods shown on a pro forma combined basis. 1. Data represents growth rate of RIAs on the legacy Schwab platform in form of full year 2021 NNA / Beginning period asset base from 12/31/2020. Excludes firms with starting balance <$1M. Growth rates exclude market appreciation in 2021. Existing RIA/New HH includes breakaways and RIAs new to Schwab but joining into an existing RIA firm/organization with an established Schwab custody relationship.
**Represents Schwab Blue platform growth.

Our focus is intentional and delivering on our promises to clients is at the root of everything we accomplished in 2021.

Build the combined firm of the future	▪ Harmonized teams ▪ Launched Digital Onboarding ▪ Launched iRebal Modern ▪ Support 180 Application Program Interface (API) integration partners
Deliver on our promises to clients	▪ Embarked on a Service Vision Evolution leveraging people and technology to serve clients of all sizes ▪ Delivered operational leverage to help advisors compete in a competitive marketplace ▪ Maintained commitment to no custodial fee ▪ Launched Diversity, Equity, and Inclusion Advocacy Board

All achieved in the context of a challenging and dynamic external environment

Our 2022 strategic operating plan supports our priorities and the continued growth of this business.

- Continue to prepare for Ameritrade conversion
- Further evolve our service and relationship model
- Accelerate utilization & optimization of digital tools & platforms
- Amplify our rich culture & retain talent
- Modernize lending solutions & monetize asset management relationships

Our commitment to serve clients of all sizes helps keep us well-positioned in any environment.

Q&A

Winter Business Update

CORPORATION

BREAK

Ameritrade Integration and Scale

Joe Martinetto

Managing Director, Chief Operating Officer

We are about halfway through integration efforts and remain on track to transition clients and advisors in 2023.

Year 1 Accomplishments

- Combined Schwab and Ameritrade operating model
- Integrated teams with minimal disruption to the business
- Rationalized functions and locations (branch and corporate)
- Harmonized select pricing, policies, and product offerings
- Initiated scale and technology integration efforts
- Exceeded first-year synergy goals

Prepare for client & advisor transitions

Getting technology ready:

- Complete scale and technology integration efforts
- Continue client experience enhancements

Getting the organization ready:

- Prepare teams to support clients and advisors through transitions

Transition clients & advisors to Schwab

- Migrate accounts and assets to Schwab
- Onboard clients and advisors
- Provide a fully-integrated suite of products, platforms and services to clients and advisors

Wind down & streamline

- Decommission legacy technology
- Realize run-rate expense synergy goals

We are on target to deliver our integration work within our committed $2.0-2.2B budget

We remain confident in our ability to achieve $1.8B to $2.0B in run-rate expense synergies.

We have achieved ~50% of our run-rate expense synergies as of Q4 2021

Rationalization of ~215 **Schwab & Ameritrade branches**

Team consolidations & efficiencies

Reduced **Ameritrade marketing spend**

We are on track to hit our full run-rate expense synergy target in 2024

Client & advisor transitions will enable most remaining synergies, including:

- **Decommissioning** of legacy systems and data centers post-client/advisor transition
- Further streamlining of **third-party expenditures**
- Continued ramp-down of **Ameritrade marketing spend**
- Continued **team consolidations** and **efficiencies**

We continue to track towards our run-rate revenue synergy projection of $2.5B to $2.8B.

We realized over $160M of revenue synergies in 2021, primarily driven by:

Bank Deposit Account (BDA) balances

Order routing and **pricing harmonization**

Securities lending offerings

Strong **client retention and engagement**

Our outlook for revenue synergies remains strong

We are on track to continue migrating additional BDA balances – largest anticipated synergy recognized over next 9 years

High interest amongst Ameritrade clients in Schwab offerings (e.g., wealth management and lending) may lead to additional revenue opportunities as clients transition to Schwab

We continue to enhance technology scalability to support integration and long-term growth.

Areas of Major Progress	Long-term Implications to Schwab
Deployed **over 60% of target applications** to a modern, geographically separated Data Center	Support continued growth while improving our resiliency posture
On track with scaling systems to support a **40%+** increase in combined daily trade volume[1] before client and advisor transitions	Comfortably handle client volumes stemming from market volatility and anticipated growth
On track to deliver **thinkorswim, thinkpipes,** and **iRebal®** in the Schwab environment before client and advisor transitions	Improve the client and advisor experience through capabilities supported by award-winning platforms

1. Compared to combined firm (Legacy Schwab and Ameritrade) peak volume experienced in 2021.

Q&A

Winter Business Update

CORPORATION

Financial Review and 2022 Outlook

Peter Crawford

Managing Director, Chief Financial Officer

We delivered remarkable 2021 financial results while navigating a shifting landscape.

- **Unlocking our potential** – the ability to generate record results in an improved, yet still suboptimal, environment demonstrates the strength of our all-weather business model
- **Accelerating into the turn** – although uncertainties will undoubtedly persist during 2022, we will focus on advancing our integration work as well as evolving our offerings to continue meeting clients' needs
- **Pressing our advantage** – we believe these efforts will support ongoing business momentum and help keep us well-positioned into the future

Today's Agenda

2021 Results

2022 Outlook & Considerations

Longer-term Perspective

Against a generally supportive macroeconomic backdrop, our robust business momentum…

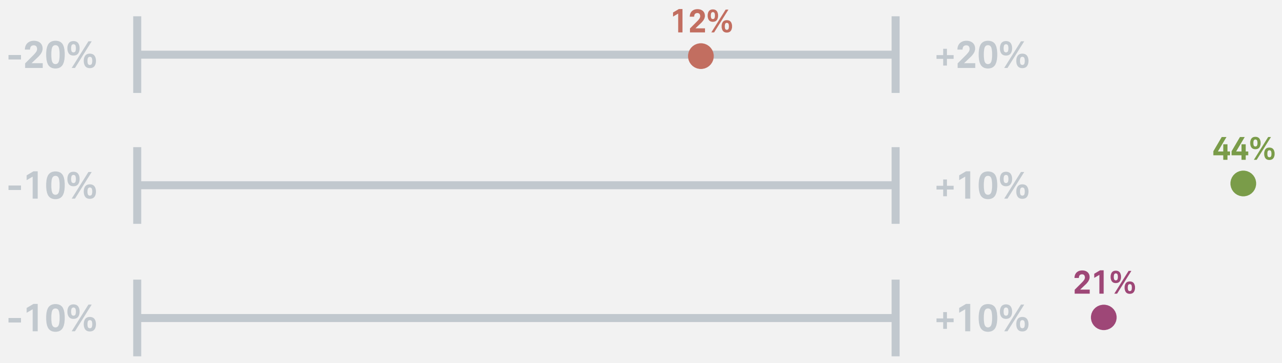
		February 2021 Outlook[1]	2021 Actual Results
Underlying Assumptions	Market	S&P appreciates 6.5% on an annualized basis	S&P up 27% since end of 2020
	Rates	January forward curve with an avg. 5-year UST yield of ~60 bps	Average 5-year UST yield of ~86 bps
	Securities Lending	~$160 million per quarter	~$175 million per quarter
	BDA	Initial migrations to begin on June 30, 2021	Migrated ~$10 billion starting in early July 2021

Illustration Ranges[2]

DATs

Margin Balances

SCHW B/S Cash[3]

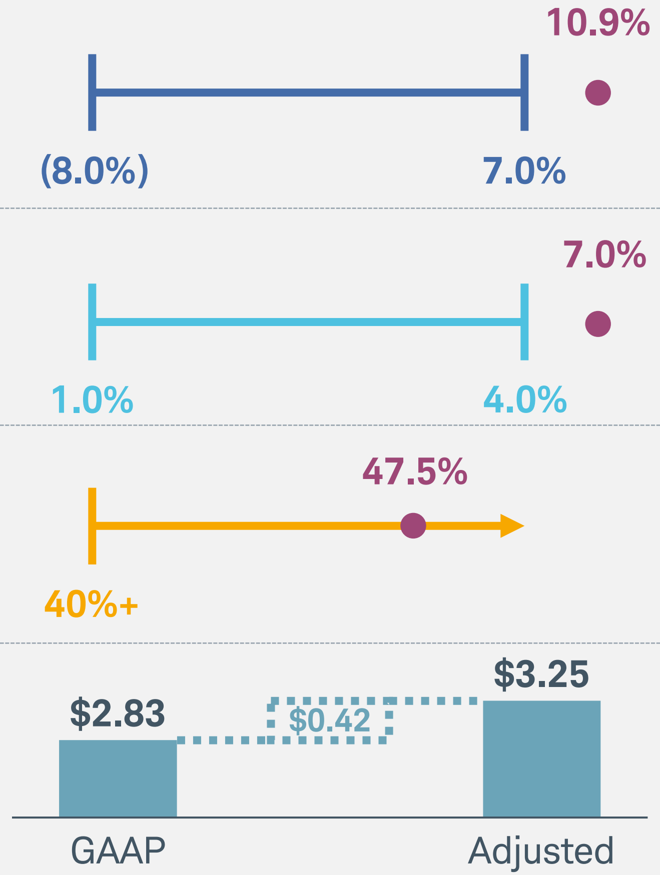


Note: Avg. = Average. UST = U.S. Treasury. DAT = Daily average trades. B/S = Balance sheet. BDA = Bank deposit account. 1. As presented during Winter Business Update on February 2, 2021. 2. Span of growth for DATs based on 4Q20 average for the quarter of 5,796 million; margin balance and balance sheet cash ranges are relative to end-of-period levels of $61 billion and $462 billion, respectively, as of December 31, 2020 – excludes impact of ~$10 billion in BDA balance migrations occurring during 2021. 3. Schwab balance sheet cash represents existing bank deposits and payables to brokerage clients as of December 31, 2020.

...enabled us to exceed our initial financial illustrations[1].

● = FY21 result vs 4Q20 annualized

	Full Year 2021 Results[2]	Select Commentary
Revenue Growth[2]		▪ Robust client activity across trading and margin lending ▪ Persistent equity market strength ▪ Overall healthy business momentum and asset gathering
Adjusted Total Expenses[2, 3]		▪ ~$200 million regulatory charge; higher volume-related costs due to client engagement; bonus funding in excess of 135% ▪ Captured ~50% of Ameritrade run-rate cost saves by year-end
Adjusted Pre-tax Profit Margin[3]		▪ Excludes the pre-tax impact of acquisition and integration-related and amortization of acquired intangibles ▪ Combination of all-weather business model and easing macro headwinds helped produce a record full-year adjusted margin
Earnings per Share[3]		▪ Increased preferred equity by a net $2.3 billion to support growth



Note: IEA = Interest-earning assets. 1. Based on initial full-year 2021 mathematical illustrations presented at the Winter Business Update on February 2, 2021. 2. Full-year revenue and adjusted total expense growth relative to 4Q20 annualized figures of $16.7 billion and $9.1 billion, respectively. 3. 2021 adjusted total expenses equaled $9,724M, which excludes $468M in acquisition and integration-related costs as well as $615M in amortization of acquired intangible assets, consistent with the non-GAAP adjustments discussed on slide 129. Further details on non-GAAP financial measures and a reconciliation of such measures to report results are included on slides 129–133 of this presentation as well as within our 4Q21 Earnings Release.

Strong asset gathering supported 22% balance sheet growth in 2021.

($M, EOP)	4Q20	4Q21*
Total Assets	$549,009	$667,270
Receivables from Brokerage Clients	$64,440	$90,565
Bank Deposits	$358,022	$443,778
Payables to Brokerage Clients	$104,201	$125,671
Long-term Debt	$13,632	$18,914
Stockholders' Equity	$56,060	$56,261
Parent Liquidity	$9,666	$11,057
Tier 1 Leverage Ratio[1]	6.3%	6.2%

- Outsized balance sheet growth due to record asset gathering, along with client asset allocation decisions and approximately $10 billion in BDA balance transfers
- Margin loans grew by over 40%, powered by broad-based utilization throughout the year
- Total borrowings increased by a net $10 billion, split equally between short- and long-term debt
- Increased preferred equity by ~$2 billion during the year to support continued growth
- Stockholders' Equity remained essentially flat versus 4Q20, as increases in preferred stock and retained earnings were offset by the impact of higher long-end rates on AFS securities
- Our Tier 1 Leverage Ratio finished the year substantially above regulatory minimums, while supporting continued asset growth

Note: AFS = Available-for-sale. Results include Ameritrade from October 6, 2020 forward. Parent Liquidity equals Parent Working Capital plus Level 1 Securities (at fair market value) as defined by the Liquidity Coverage Ratio rule. Tier 1 Leverage Ratio is based on Tier 1 Capital, which is End of Period Capital (Stockholders' Equity less AOCI and other regulatory adjustments), divided by Average Total Consolidated Assets. * Preliminary. 1. Tier 1 Leverage Ratio long-term operating objective of 6.75% - 7.00%.

Looking ahead to 2022, there are plenty of questions across external forces and client choices.

Macroeconomic	Market	Clients
Covid-19 recovery	Equity market resiliency	Trading activity levels
Trajectory of interest rates	Investor sentiment	Risk appetite and leverage
Inflationary trends	Range of Volatility	Allocation decisions

The evolution of the environment and client behavior will shape our 2022 outlook.

These underlying assumptions…

Macro Factors

Short Rates	Long Rates	S&P 500®	VIX®
3	~1.65%	+6.5%	~20
Fed Fund Increases starting in March[1]	*Avg. 5-year UST for full-year 2022*[1]	*vs. 12/31/21 close*	*Avg. annual level for full-year 2022*[2]

Business Factors

DATs	Securities Lending	B/S Growth	Capex
6.1M	~$150M	+3%	4-5%
In-line with 4Q21	*Quarterly run-rate*[3]	*vs. 12/31/21*	*of revenue*

Note: Avg. = Average. UST = U.S. Treasury. DATs = Daily average trades. B/S = Balance sheet. Capex = Capital expenditures. 1. Short and long rate underlying assumptions in-line with the forward curve as of January 7, 2022. 2. Estimated annual volatility level is in-line with the 2H21 average. 3. Securities lending quarterly run-rate estimate is generally in-line with 4Q21.

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These underlying assumptions…

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Business Factors

DATs	Securities Lending	B/S Growth	Capex
6.1M	~$150M	+3%	4–5%
In-line with 4Q21	*Quarterly run-rate[3]*	*vs. 12/31/21*	*of revenue*

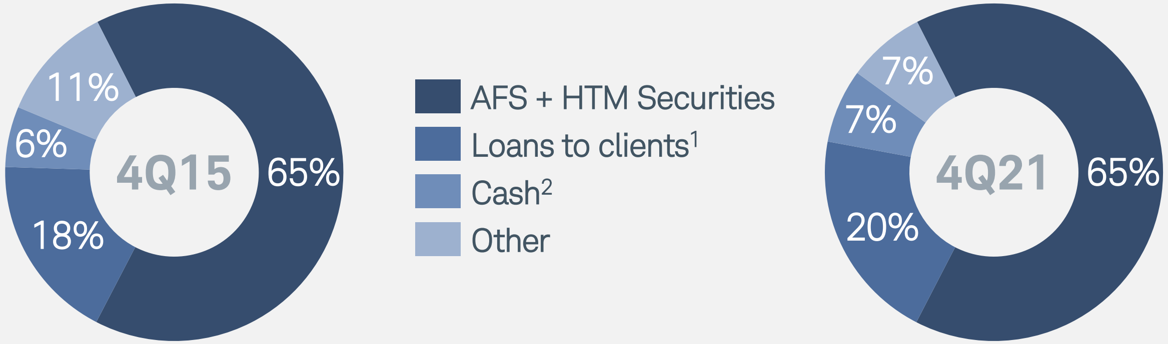
…help shape our 2022 Financial Scenario.

9–10%	6–7%	48%+
Revenue	Adjusted Total Expenses[4]	Adjusted Pre-Tax Profit Margin[4]

Note: Avg. = Average. UST = U.S. Treasury. DATs = Daily average trades. B/S = Balance sheet. Capex = Capital expenditures. 1. Short and long rate underlying assumptions in-line with the forward curve as of January 7, 2022. 2. Estimated annual volatility level is in-line with the 2H21 average. 3. Securities lending quarterly run-rate estimate is generally in-line with 4Q21. 4. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 129–133 of this presentation.

Schwab remains positioned to benefit from higher rates in 2022 and beyond.

While our posture heading into a potentially higher-rate environment is somewhat different than past tightening cycles,…



- AIEA: ~40% fixed / ~60% floating
- Portfolio duration: ~2.5 years
- $100B+ SMMF migration on the horizon

- AIEA: ~60% fixed / ~40% floating
- Portfolio duration: ~4.4 years
- Extended timeline for BDA migrations

…the key considerations remain the same.

- Clients' cash allocation decisions
- Deposit betas
- Loan growth
- Liquidity to support client activity

Consistent with our historical approach, we will continue to seek reasonable investment returns – while maintaining balance sheet flexibility to support long-term business growth

Note: Percentages may not sum to 100% due to rounding. AFS = Available-for-sale. HTM = Held-to-maturity. AIEA = Average interest-earning asset. SMMF = Sweep money market mutual fund. BDA = Bank deposit account. 1. Loans to clients includes bank loans as well as margin loans extended by both the CS&Co and TD Ameritrade broker-dealers. 2. Cash includes bank portfolio and parent cash as well as working capital.

Focusing on net interest revenue, we are mindful of several important trends.

Balance Sheet Positioning

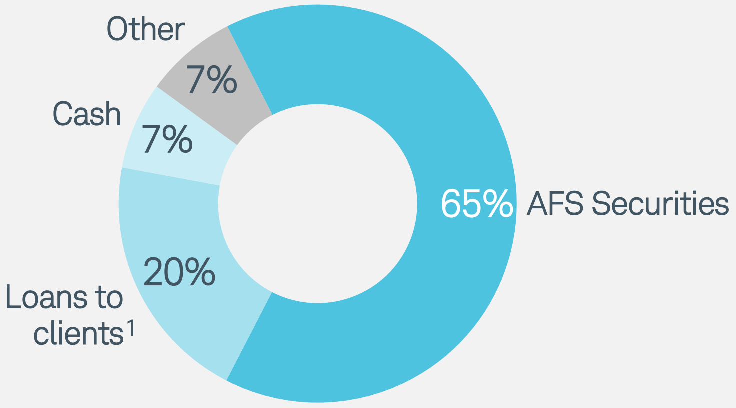
Loan Growth and Interest-earning Asset Mix

Securities Lending

The actual trajectory of interest rate hikes will influence our approach to balance sheet management.

Balance Sheet Positioning

4Q21 Average Interest-earning Asset Mix (%)



~60% Fixed / ~40% Floating

Bank Investment Portfolio

4.4	~90%	85%+
Portfolio Duration (Years)	Fixed Rate Allocation	Agency-backed MBS/CMBS Securities

Our investment strategy will evolve with changing rates to maintain appropriate ALM positioning

Duration

Liquidity

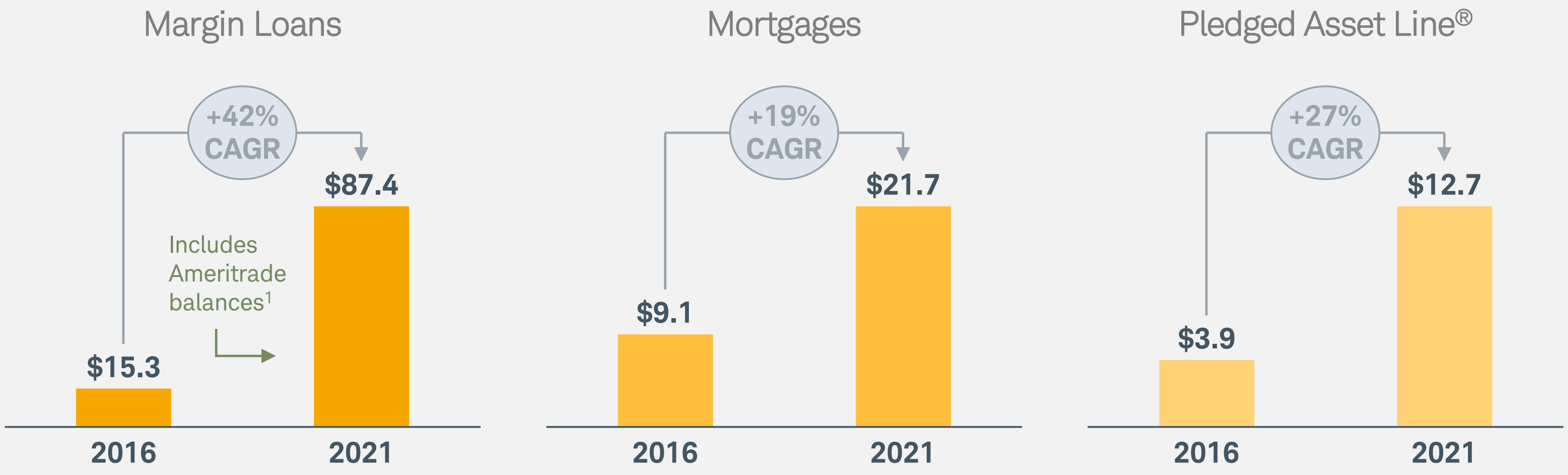
Fixed vs. Floating

Note: Percentages may not sum to 100% due to rounding. AIEA = Average Interest-earning assets. AFS = Available-for-sale. ALM = Asset-liability management. MBS = Mortgage-backed security. CMBS = Commercial Mortgage-backed security. 1. Loans to clients includes bank loans as well as margin loan extended by both the CS&Co and TD Ameritrade broker-dealers. 2. Cash includes bank portfolio and parent cash as well as working capital.

Client demand for our lending solutions diversifies our asset mix and supports stronger net interest margin.

Loan Growth and Interest-Earning Asset Mix

Growth in Lending Solutions, 2016 vs. 2021 ($B, %)

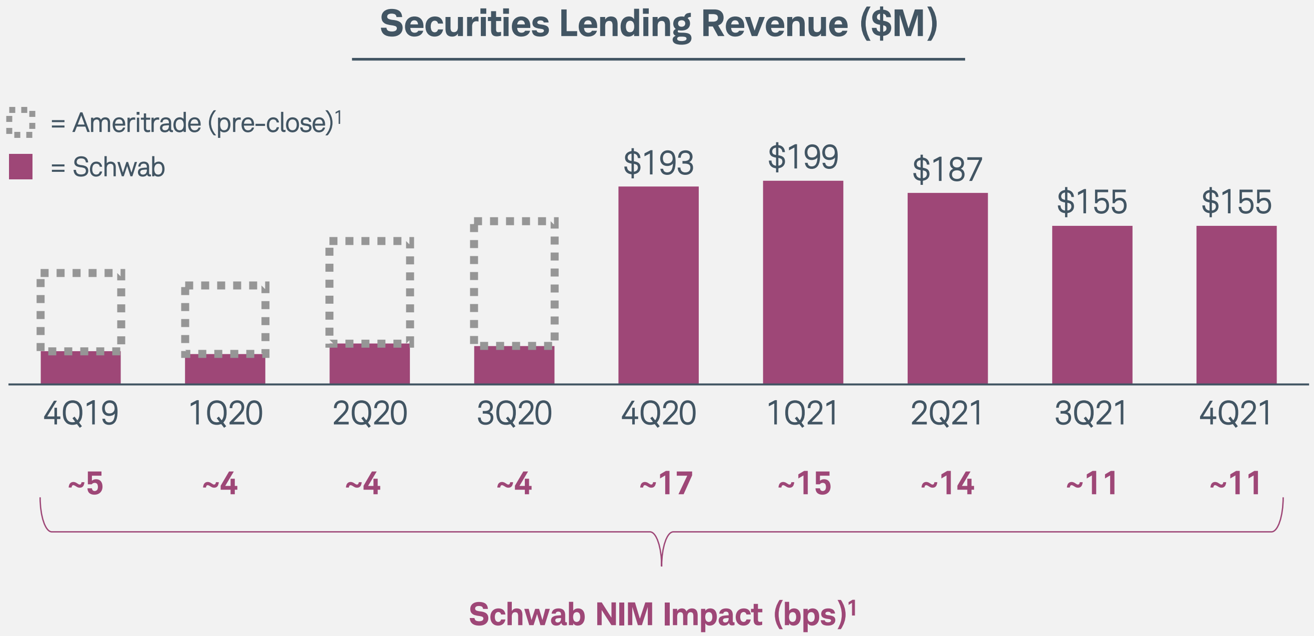


Our 2022 financial outlook assumes client loan balances continue to represent ~20% of our interest-earning asset base

Note: AIEA = Average Interest-earning assets. PAL = Pledged asset line. 1. Includes impact of Ameritrade margin balances from October 6, 2020 forward.

Securities lending activity remains subject to external supply-demand dynamics.

Securities Lending



- Although 2H21 revenue levels came in from recent highs, we anticipate this activity will remain a significant contributor to our net interest revenue story
- We'll stay focused on leveraging our industry-leading hard-to-borrow (HTB) box
- Select drivers: volatility, client engagement, HTB inventory

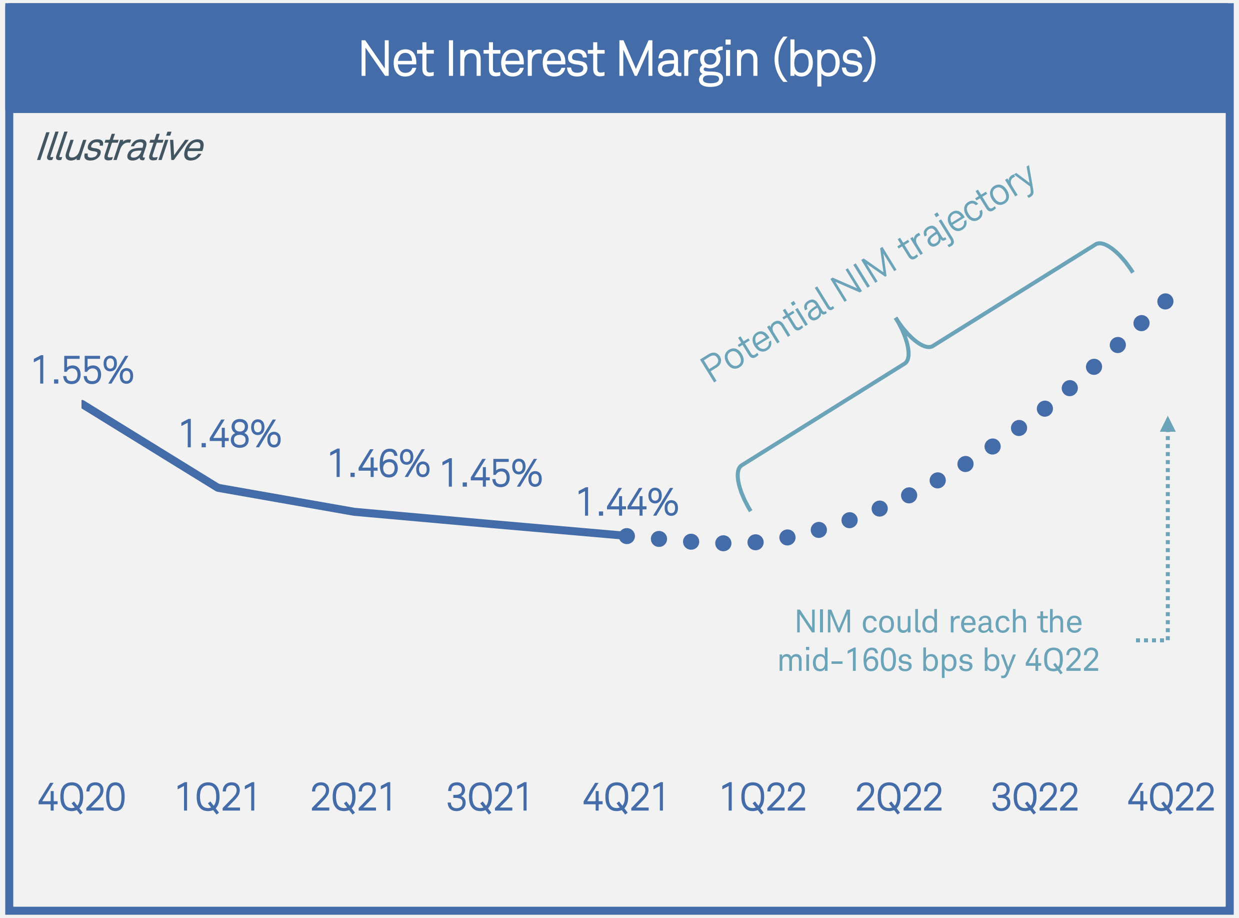
Note: NIM = Net interest margin. 1. For the periods of 4Q19 through 3Q20, NIM impact represents Schwab only; 4Q20 net securities lending revenue of $193M includes consolidated results of Schwab + Ameritrade from October 6, 2020 forward.

Our 2022 scenario suggests a potential full-year NIM in the low–150s bps.

Balance Sheet Positioning

Loan Growth and Interest-Earning Asset Mix

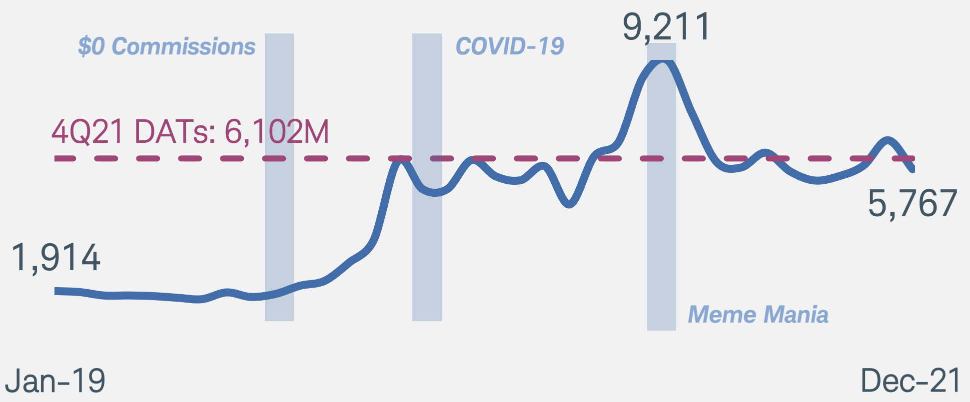
Securities Lending



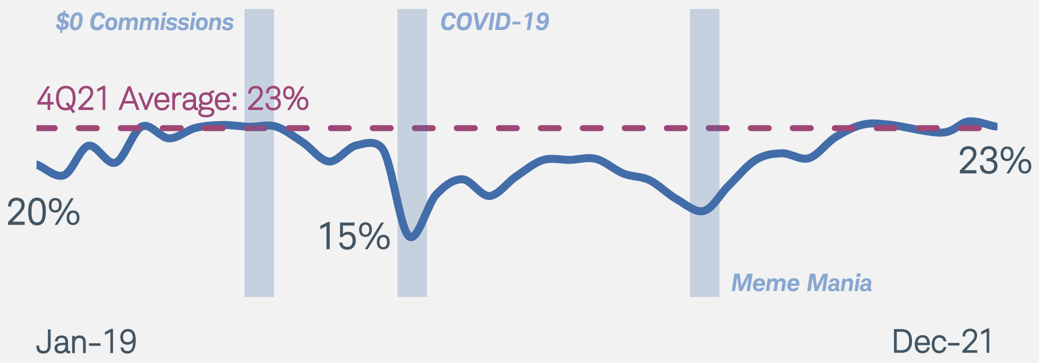
Note: NIM = Net interest Margin. Bps = Basis points.

Our scenario assumes trading activity persists at late 2021 levels throughout the coming year.

Monthly Daily Average Trades (K)[1]

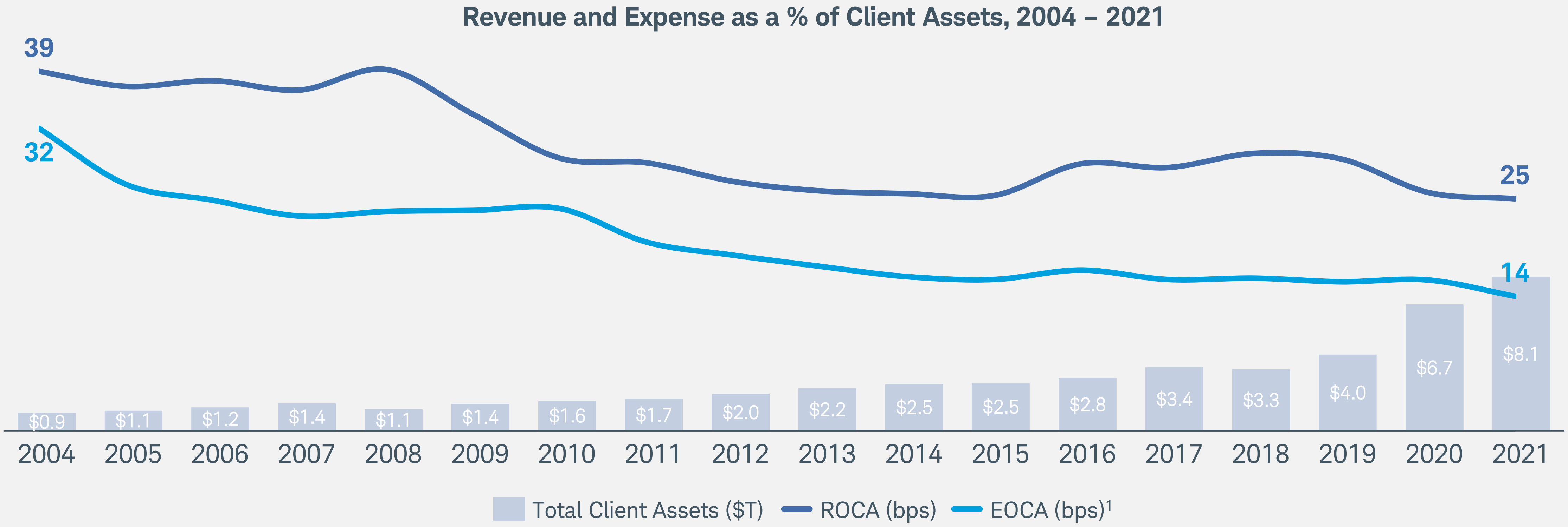


Derivatives as % of Daily Average Trades[1]



Note: DATs = Daily average trades. 1. DATs and other trading-related data shown on a pro forma combined company basis.

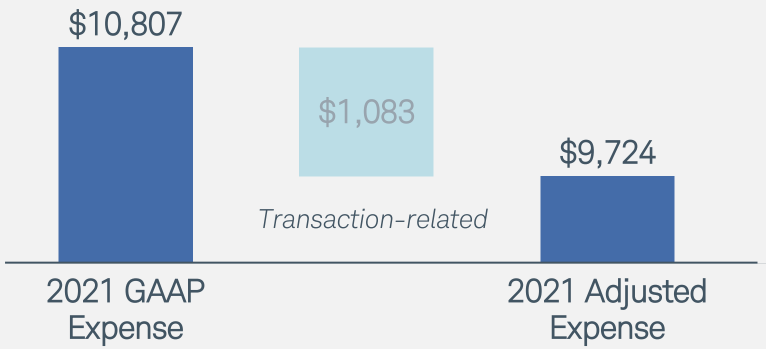
Turning to expense management, we expect to remain on the "Schwab path."



Throughout our history we have exercised discipline in knowing when to "flex" and when to push forward.

Note: Bps = basis points. ROCA = Revenue on client assets. EOCA = Expenses on client assets. 1. EOCA shown on a GAAP basis.

2022 expenses will be focused on supporting growth, advancing key initiatives, and further investing in talent.



Estimated 2022 Adjusted Total Expense Growth ($M, %)[1, 2]

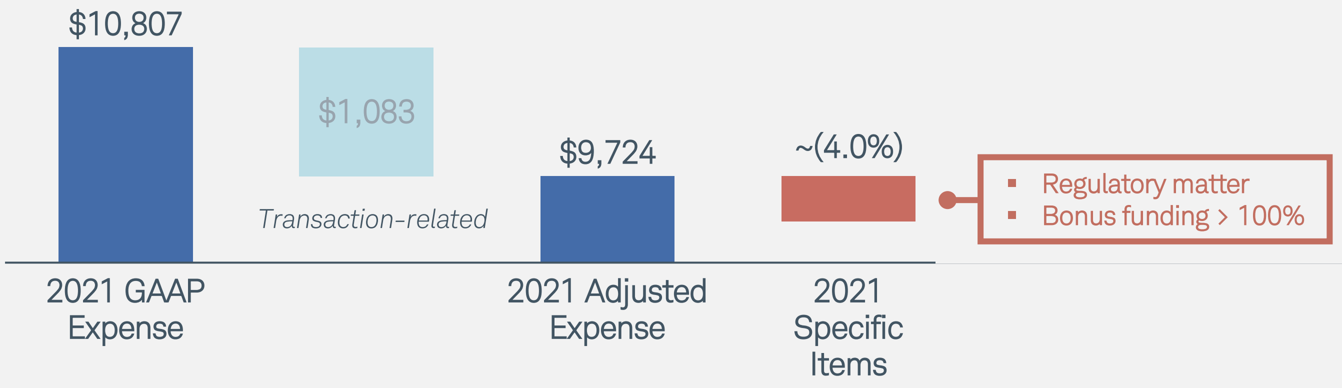
% growth vs. FY21 adjusted total expenses

Note: Adj. = Adjusted. 1. Transaction–related expenses include acquisition and integration-related expenses as well as amortization of acquired intangibles. 2. Adjusted total expenses exclude acquisition and integration-related costs as well as amortization of acquired intangible assets, consistent with the non-GAAP adjustments discussed on slide 129. Further details on non-GAAP financial measures and a reconciliation of such measures to report results are included on slides 129–133 of this presentation as well as within our 4Q21 Earnings Release.

2022 expenses will be focused on supporting growth, advancing key initiatives, and further investing in talent.

Estimated 2022 Adjusted Total Expense Growth ($M, %)[1, 2]

% growth vs. FY21 adjusted total expenses

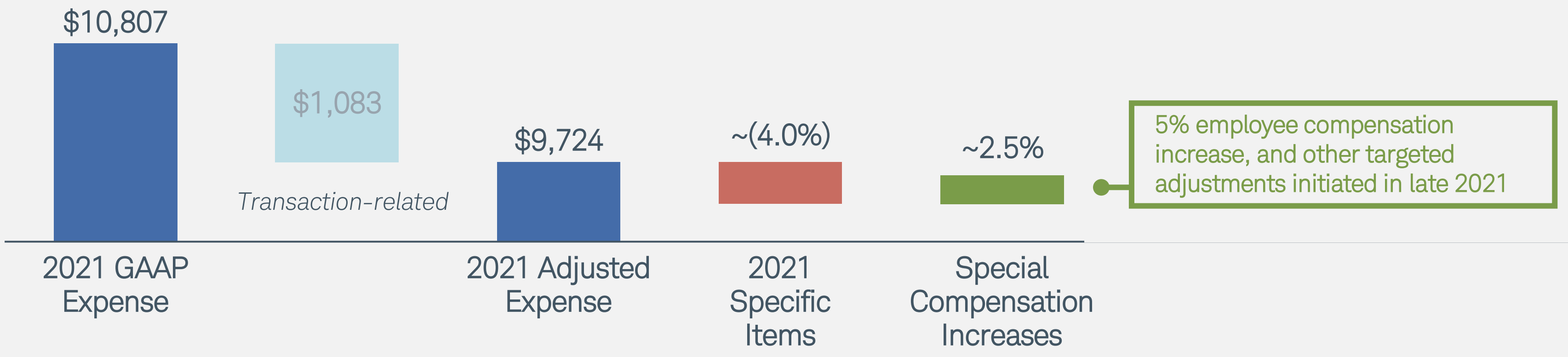


Note: Adj. = Adjusted. 1. Transaction–related expenses include acquisition and integration-related expenses as well as amortization of acquired intangibles. 2. Adjusted total expenses exclude acquisition and integration-related costs as well as amortization of acquired intangible assets, consistent with the non-GAAP adjustments discussed on slide 129. Further details on non-GAAP financial measures and a reconciliation of such measures to report results are included on slides 129–133 of this presentation as well as within our 4Q21 Earnings Release.

2022 expenses will be focused on supporting growth, advancing key initiatives, and further investing in talent.

Estimated 2022 Adjusted Total Expense Growth ($M, %)[1, 2]

% growth vs. FY21 adjusted total expenses



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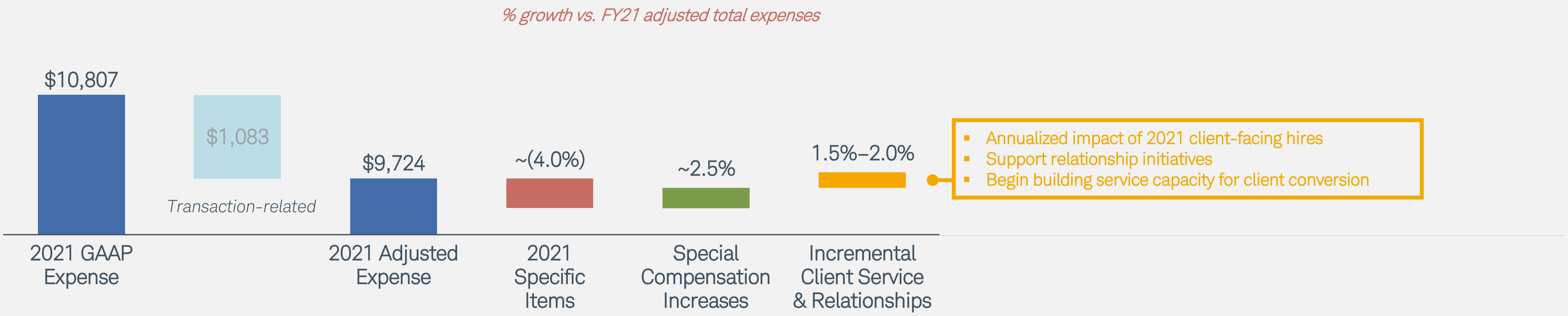

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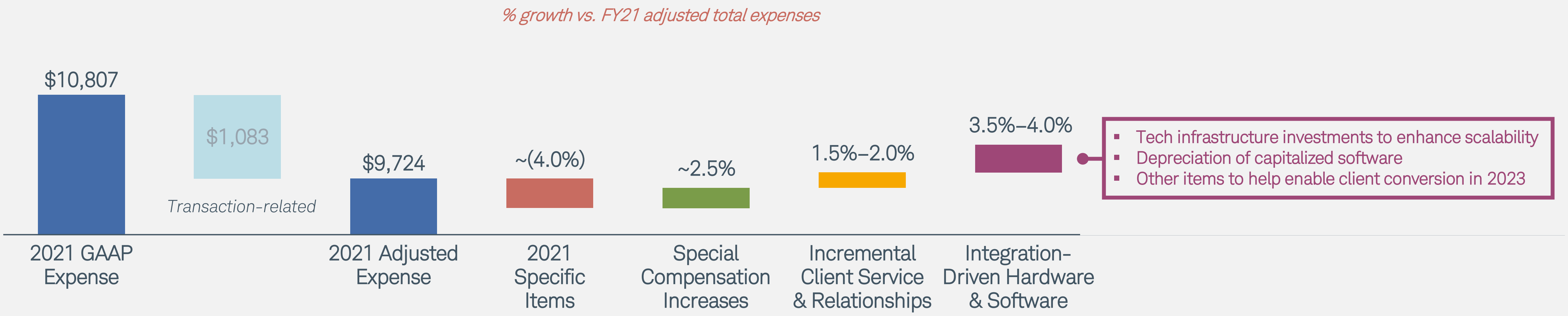

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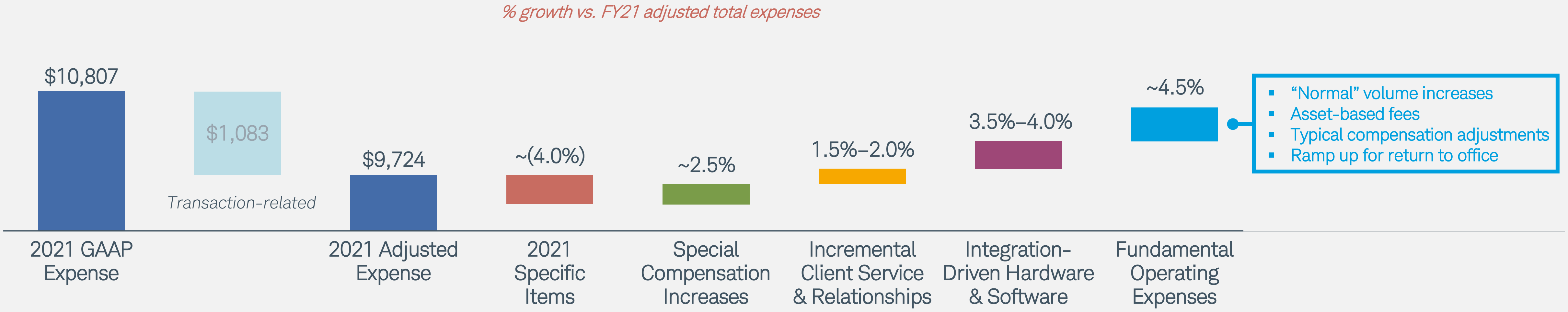

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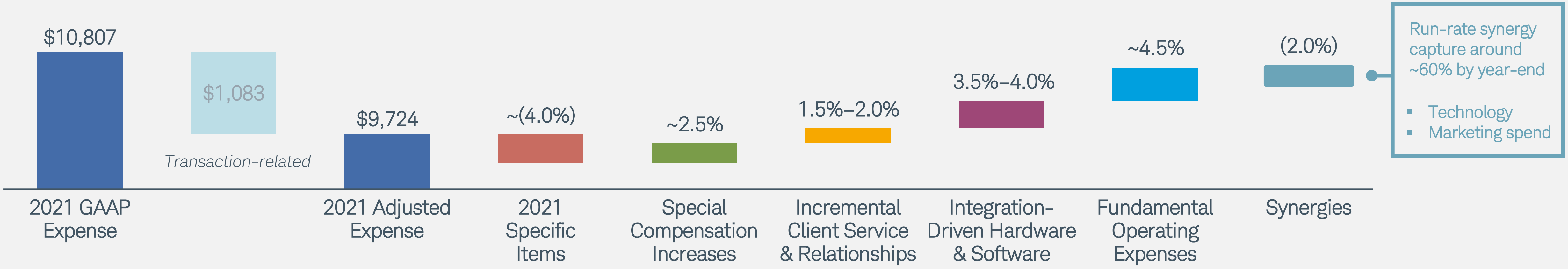
% growth vs. FY21 adjusted total expenses



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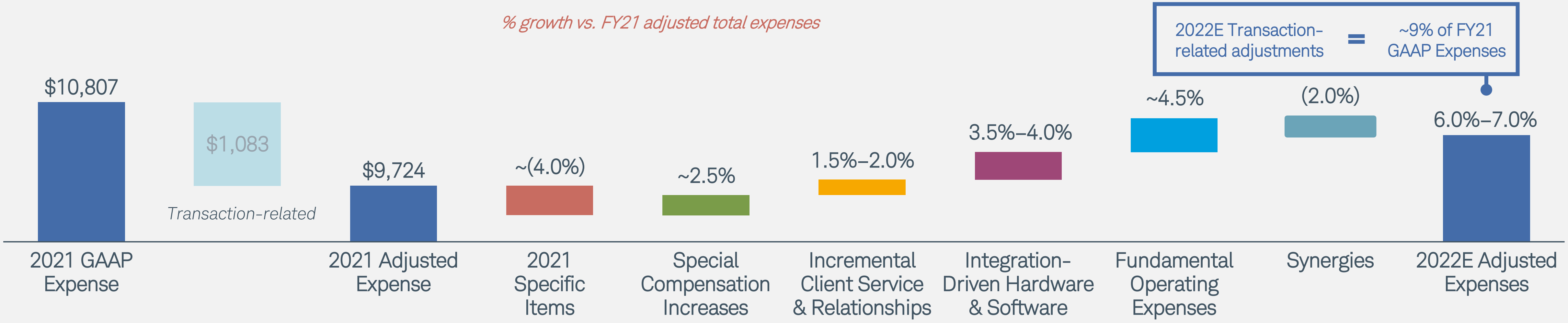
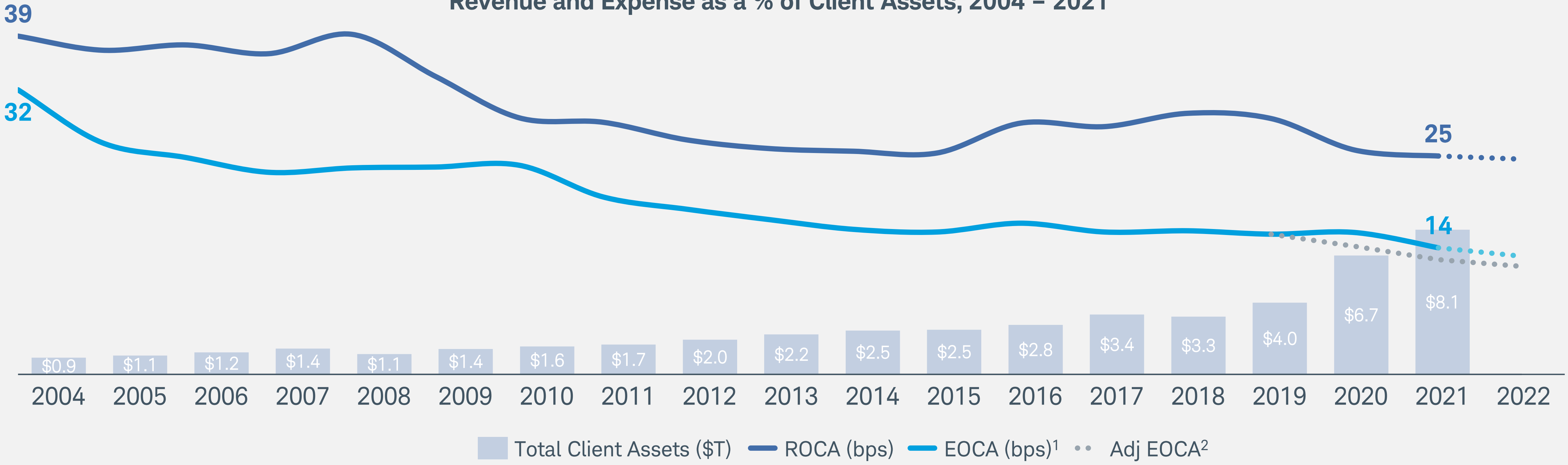


Investments in scale and efficiency help support improving EOCA

Note: Adj. = Adjusted. 1. Transaction–related expenses include acquisition and integration-related expenses as well as amortization of acquired intangibles. 2. Adjusted total expenses exclude acquisition and integration-related costs as well as amortization of acquired intangible assets, consistent with the non-GAAP adjustments discussed on slide 129. Further details on non-GAAP financial measures and a reconciliation of such measures to report results are included on slides 129–133 of this presentation as well as within our 4Q21 Earnings Release.

Thoughtful expense management is the linchpin to our ongoing balancing act between investing for the future and delivering near-term results.

Revenue and Expense as a % of Client Assets, 2004 – 2021

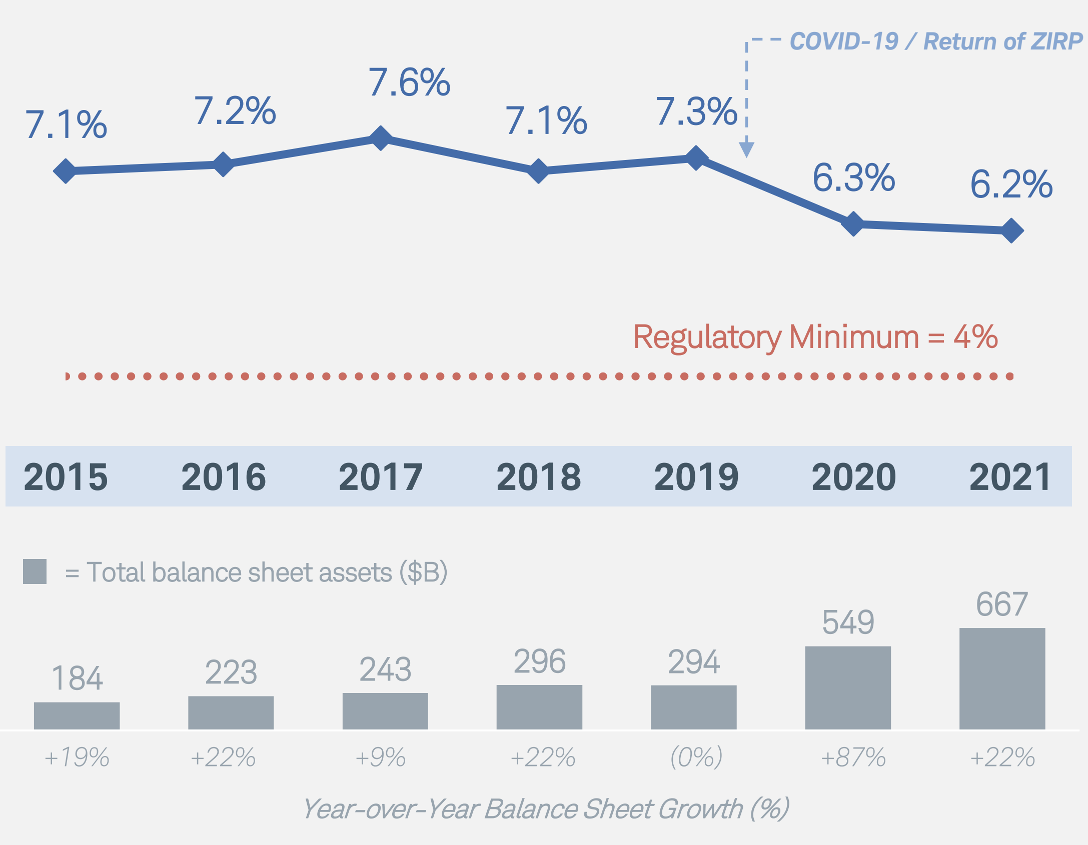


Throughout our history we have exercised discipline in knowing when to "flex" and when to push forward.

Note: Bps = basis points. ROCA = Revenue on client assets. EOCA = Expenses on client assets. Adj. = Adjusted. 1. EOCA shown on a GAAP basis. 2. Adjusted EOCA calculated as adjusted total expenses divided by average period total client assets. Adjusted total expenses exclude acquisition and integration-related costs as well as amortization of acquired intangible assets, consistent with the non-GAAP adjustments discussed on slide 129. Further details on non-GAAP financial measures and a reconciliation of such measures to report results are included on slides 129–133 of this presentation as well as within our 4Q21 Earnings Release.

Attentive capital and liquidity management maintains our flexibility to support long-term growth.

Consolidated Tier 1 Leverage Ratio, %



2021 Capital Management Highlights

- Supported balance sheet expansion of 22%
- Issued ~$2.3 billion of incremental preferred equity at attractive rates to support continued growth
- Maintained common dividend payout ratio of 20–30%, or $0.18 per share

2022 Capital Management Focus

- Reclassified ~30% of AFS securities to HTM in January
- Increased common dividend by $0.02 to $0.20 per share
- Supporting growth remains our top priority
- Enabling clients' asset allocation decisions
- Facilitating ongoing BDA balance migrations

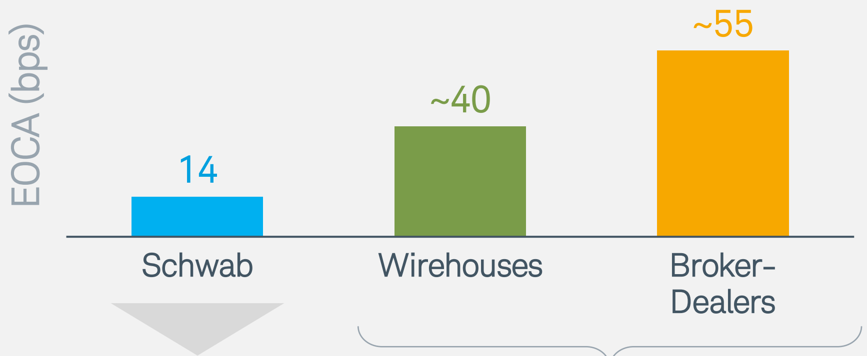
Note: ZIRP = Zero Interest Rate Policy. AFS = Available-for-sale. HTM = Held-to-maturity. BDA = Bank deposit account.

Our competitive advantages help us remain well-positioned in the market.

Schwab's Competitive Advantages

- Size and Scale
- Operating Efficiency
- Service Culture
- Operating Structure
- Brand and Corp. Reputation
- Willingness to Disrupt

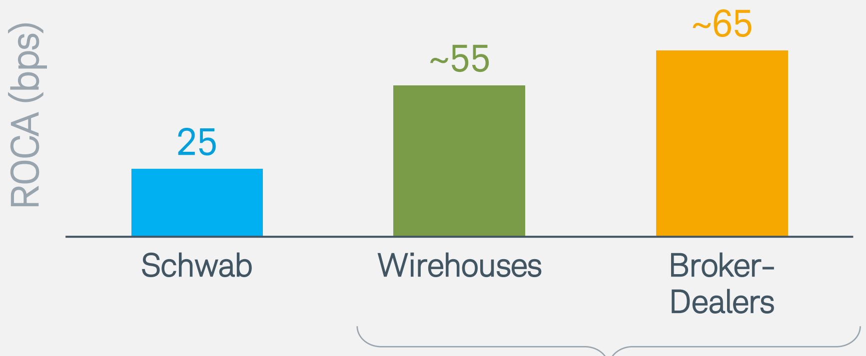
These advantages have bolstered our scale and lowered our relative cost to serve,...



Adjusted EOCA[4] = ~13 bps

Select public competitor composites[1, 2, 3]

...allowing us to deliver enhanced value to clients across our broad range of products and solutions.



Select public competitor composites[1, 2, 3]

Note: 1. EOCA and ROCA based on publicly reported figures for full-year 2021, except when stated. 2. Wirehouse composite includes the following segments: Morgan Stanley Wealth Management, Bank of America Global Wealth & Investment Management, JP Morgan Asset & Wealth Management, and Wells Fargo Wealth and Investment Management. Broker-Dealers: LPL Financial, Raymond James, and Stifel's Global Wealth Management segment. 3. Each composite is weighted by total client assets; LPL Financial based on annualized YTD results through September 30, 2021; LPL Financial revenues shown on a gross basis, with production payouts captured within expenses. 4. FY 2021 adjusted EOCA of 13 basis points calculated as adjusted total expenses divided by average period total client assets. Adjusted total expenses exclude acquisition and integration-related costs as well as amortization of acquired intangible assets, consistent with the non-GAAP adjustments discussed on slide 129. Further details on non-GAAP financial measures and a reconciliation of such measures to report results are included on slides 129–133 of this presentation as well as within our 4Q21 Earnings Release.

We are excited about the opportunities in front of us.

- Following our recent acquisitions, 2021 represented a great start to the next chapter in Schwab's journey
- We believe our relentless focus on clients, and ongoing investments in the platform, will help strengthen our competitive positioning
- Over the long-term, we aim to build stockholder value by driving scale across the business, investing in our clients and employees, and managing capital wisely

Our priorities remain unchanged:

Continued business growth through our client-first strategy

Long-term revenue growth through multiple sources

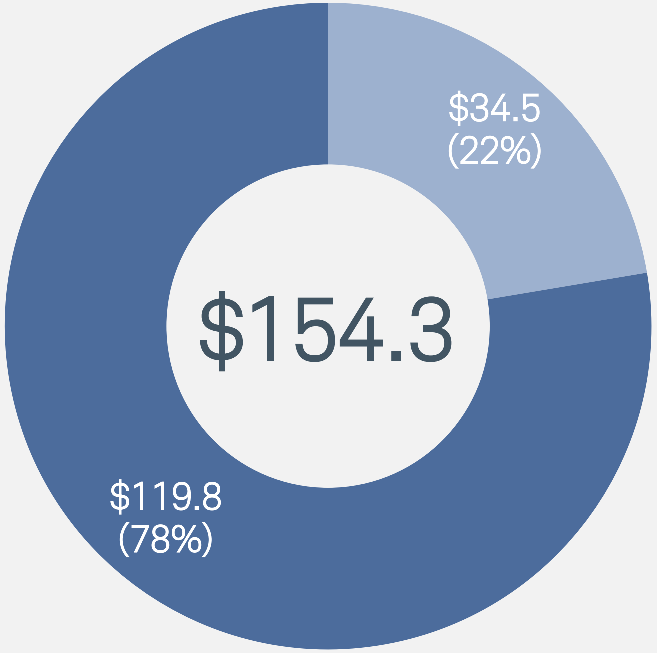
Thoughtful expense management enabling sustainable performance

Q&A

Appendix

Bank Deposit Account Summary (as of December 31, 2021)

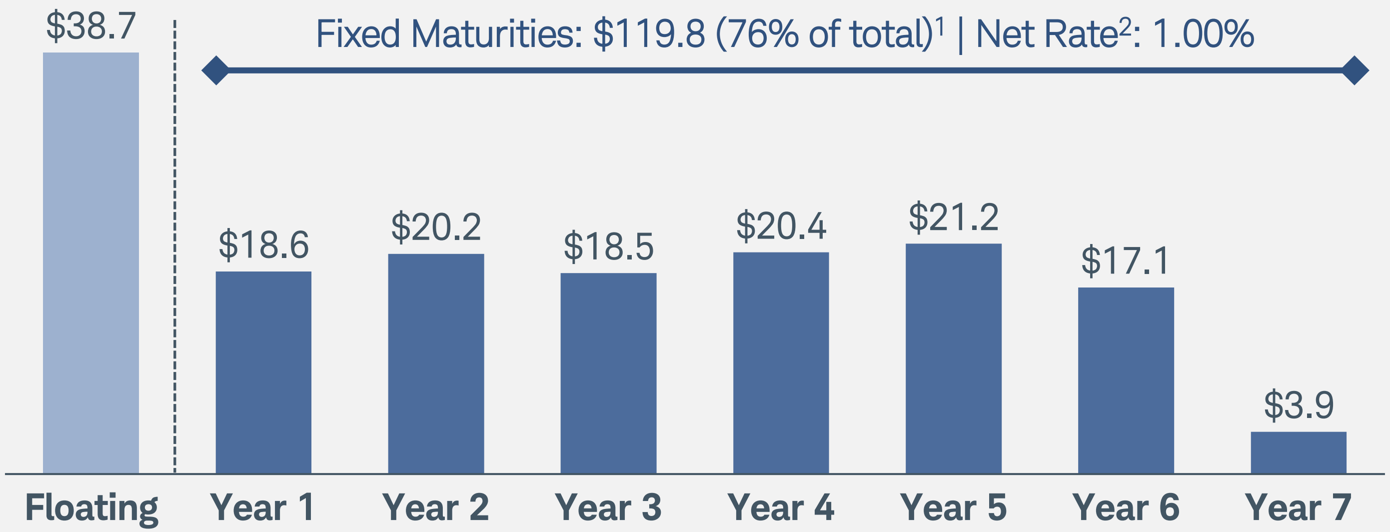
Mix of Average BDA Balances ($B,%)[1]



	Net Rate	4Q21 Revenue
Floating	(0.05%)	($5M)
Fixed	1.01%	$309M

BDA Balances by Maturity, EOP ($B)

Total Balance: $158.5B	Net Rate[2]: 0.73%	Annual Revenue[3]: $1,181M



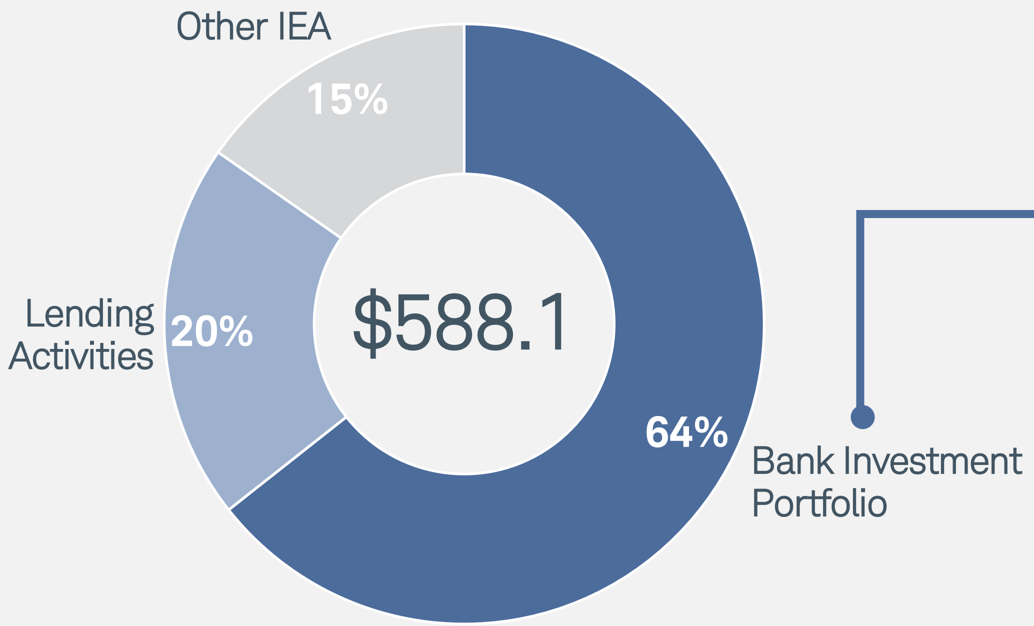
	Floating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Net Rate[2]	(0.08%)	1.66%	1.74%	1.61%	0.56%	0.13%	0.33%	1.00%
Annual Revenue[3]	($31M)	$313M	$357M	$301M	$116M	$29M	$57M	$39M

Note: Certain totals may not sum due to rounding. BDA = Bank Deposit Account. EOP = End-of-period. Net yields calculated on an actual/360 basis. 1. Balances maturing by remaining duration term (e.g., Year 1 maturities are balances rolling off the fixed-rate ladder over the next 12 months). 2. EOP net rate of maturities as of early January 2022 and includes all related fees and client pay rates. 3. Revenue figures presented on an annualized run-rate basis per the amended Insured Deposit Agreement (IDA) arrangement.

Appendix

Average Interest-earning Assets & Bank Investment Portfolio (as of December 31, 2021)

4Q21 Avg. Interest-earning Assets[1, 2]



Bank Investment Portfolio Spotlight

Fixed vs. Floating

90% Fixed / 10% Floating

Securities Mix[3]

Agency RMBS	Agency CMBS	Other
60%	27%	13%

85-90% backed by U.S. government or agency

Duration Analysis[4]

~4.4
Portfolio Duration (Years)

Rate Shock (bps)	SCHW	LUMSTRUU[5]
+100	+0.40 yrs.	+1.05 yrs.
-100	-0.39 yrs.	-1.46 yrs.

Note: Avg. = Average. IEA = Interest-earning assets. RMBS = Residential Mortgage-backed Security. CMBS = Commercial Mortgage-backed Security. 1. Bank Investment Portfolio includes available-for-sale held within the consolidated bank investment portfolio, but excludes cash investments; please note percentage may be rounded and therefor may not round to 100%. 2. Lending Activities comprises of client margin debits and bank loans. 3. Total may not sum to 100% due to rounding. "Other" includes U.S. Treasuries, corporate debt, ABS, and other investment securities as appropriate. 4. Rate shock analysis is presented on an option-adjusted basis as of December 2021. 5. LUMSTRUU is a Bloomberg Barclays index composed of investment grade pass-through MBS issued and/or guaranteed by a U.S. government agency.

Appendix

Select Revenue Sensitivities (as of December 31, 2021)

Sensitivity	Revenue Impact
Target Fed Funds Rate + 25 bps	~$800M – $1B
5-Year Treasury +/- 10 bps	~$80M
Bank Sweep Balances +/- $1B	~$15M
S&P 500® +/- 1%	~$25M
Daily Average Trades +/- 100K	~$65M
Margin Balances +/- $1B	~$30M

Note: For the Fed Funds and Treasury sensitivities, assumes static interest-earning asset balances as of December 31, 2021 and depends on the mix and duration of the bank investment portfolio, to the extent there is a parallel shift in the yield curve, how quickly the fixed portfolio reprices, and deposit betas.

Appendix
Non-GAAP Introduction

In addition to disclosing financial results in accordance with generally accepted accounting principles in the U.S. (GAAP), this presentation contains references to the non-GAAP financial measures described below. We believe these non-GAAP financial measures provide useful supplemental information about the financial performance of the Company, and facilitate meaningful comparison of Schwab's results in the current period to both historic and future results. These non-GAAP measures should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and may not be comparable to non-GAAP financial measures presented by other companies.

Schwab's use of non-GAAP measures is reflective of certain adjustments made to GAAP financial measures as described below.

Non-GAAP Adjustment or Measure	Definition	Usefulness to Investors and Uses by Management
Acquisition and integration-related costs and amortization of acquired intangible assets	Schwab adjusts certain GAAP financial measures to exclude the impact of acquisition and integration-related costs incurred as a result of the Company's acquisitions, amortization of acquired intangible assets, and, where applicable, the income tax effect of these expenses. Adjustments made to exclude amortization of acquired intangible assets are reflective of all acquired intangible assets, which were recorded as part of purchase accounting. These acquired intangible assets contribute to the Company's revenue generation. Amortization of acquired intangible assets will continue in future periods over their remaining useful lives.	We exclude acquisition and integration-related costs and amortization of acquired intangible assets for the purpose of calculating certain non-GAAP measures because we believe doing so provides additional transparency of Schwab's ongoing operations, and is useful in both evaluating the operating performance of the business and facilitating comparison of results with prior and future periods. Acquisition and integration-related costs fluctuate based on the timing of acquisitions and integration activities, thereby limiting comparability of results among periods, and are not representative of the costs of running the Company's ongoing business. Amortization of acquired intangible assets is excluded because management does not believe it is indicative of the Company's underlying operating performance.
Return on tangible common equity	Return on tangible common equity represents annualized adjusted net income available to common stockholders as a percentage of average tangible common equity. Tangible common equity represents common equity less goodwill, acquired intangible assets – net, and related deferred tax liabilities.	Acquisitions typically result in the recognition of significant amounts of goodwill and acquired intangible assets. We believe return on tangible common equity may be useful to investors as a supplemental measure to facilitate assessing capital efficiency and returns relative to the composition of Schwab's balance sheet.

The company also uses adjusted diluted EPS and return on tangible common equity as components of performance for employee bonus and certain executive management incentive compensation arrangements. The Compensation Committee of CSC's Board of Directors maintains discretion in evaluating performance against these criteria.

Appendix

Non-GAAP Reconciliation: Adjusted total expenses and Adjusted net income

	Three Months Ended December 31,				Twelve Months Ended December 31,			
	2021		2020		2021		2020	
	Total Expenses Excluding Interest	Net Income	Total Expenses Excluding Interest	Net Income	Total Expenses Excluding Interest	Net Income	Total Expenses Excluding Interest	Net Income
Total expenses excluding interest (GAAP), Net income (GAAP)	$ 2,685	$ 1,580	$ 2,700	$ 1,135	$ 10,807	$ 5,855	$ 7,391	$ 3,299
Acquisition and integration-related costs [1]	(101)	101	(282)	282	(468)	468	(442)	442
Amortization of acquired intangible assets	(154)	154	(147)	147	(615)	615	(190)	190
Income tax effects [2]	N/A	(60)	N/A	(105)	N/A	(268)	N/A	(154)
Adjusted total expenses (Non-GAAP), Adjusted net income (Non-GAAP)	$ 2,430	$ 1,775	$ 2,271	$ 1,459	$ 9,724	$ 6,670	$ 6,759	$ 3,777

Note: N/A = Not applicable. 1. Acquisition and integration-related expenses are primarily included in professional services, compensation and benefits, and other expense. 2. The income tax effect of the non-GAAP adjustments is determined using an effective tax rate reflecting the exclusion of non-deductible acquisition costs and is used to present the acquisition and integration-related costs and amortization of acquired intangible assets on an after-tax basis.

Appendix

Non-GAAP Reconciliation: Adjusted income before taxes on income and Adjusted pre-tax profit margin

	Three Months Ended December 31,				Twelve Months Ended December 31,			
	2021		2020		2021		2020	
	Amount	% of Total Net Revenues	Amount	% of Total Net Revenues	Amount	% of Total Net Revenues	Amount	% of Total Net Revenues
Income before taxes on income (GAAP), Pre-tax profit margin (GAAP)	$ 2,023	43.0%	$ 1,476	35.3%	$ 7,713	41.6%	$ 4,300	36.8%
Acquisition and integration-related costs	101	2.1%	282	6.8%	468	2.5%	442	3.8%
Amortization of acquired intangible assets	154	3.3%	147	3.5%	615	3.4%	190	1.6%
Adjusted income before taxes on income (Non-GAAP), Adjusted pre-tax profit margin (Non-GAAP)	$ 2,278	48.4%	$ 1,905	45.6%	$ 8,796	47.5%	$ 4,932	42.2%

Appendix

Non-GAAP Reconciliation: Adjusted net income to common stockholders and Adjusted diluted EPS

	Three Months Ended December 31,				Twelve Months Ended December 31,			
	2021		2020		2021		2020	
	Amount	Diluted EPS	Amount	Diluted EPS	Amount	Diluted EPS	Amount	Diluted EPS
Net income available to common stockholders (GAAP), Earnings per common share — diluted (GAAP)	$ 1,449	$ .76	$ 1,050	$ .57	$ 5,360	$ 2.83	$ 3,043	$ 2.12
Acquisition and integration-related costs	101	.05	282	.15	468	.25	442	.31
Amortization of acquired intangible assets	154	.08	147	.08	615	.32	190	.13
Income tax effects	(60)	(.03)	(105)	(.06)	(268)	(.15)	(154)	(.11)
Adjusted net income available to common stockholders (Non-GAAP), Adjusted diluted EPS (Non-GAAP)	$ 1,644	$ .86	$ 1,374	$ .74	$ 6,175	$ 3.25	$ 3,521	$ 2.45

Appendix

Non-GAAP Reconciliation: Return on average tangible common stockholders' equity

	Three Months Ended December 31, 2021	Three Months Ended December 31, 2020	Twelve Months Ended December 31, 2021	Twelve Months Ended December 31, 2020
Return on average common stockholders' equity (GAAP)	12%	11%	11%	9%
Average common stockholders' equity	$ 46,898	$ 37,198	$ 47,318	$ 33,640
Less: Average goodwill	(11,952)	(6,845)	(11,952)	(6,590)
Less: Average acquired intangible assets — net	(9,456)	(5,624)	(9,685)	(5,059)
Plus: Average deferred tax liabilities related to goodwill and acquired intangible assets — net	1,889	1,005	1,919	1,005
Average tangible common equity	$ 27,379	$ 25,734	$ 27,600	$ 22,996
Adjusted net income available to common stockholders[1]	$ 1,644	$ 1,374	$ 6,175	$ 3,521
Return on tangible common equity (Non-GAAP)	24%	21%	22%	15%

Note: 1. See table on slide 132 for the reconciliation of net income available to common stockholders to adjusted net income available to common stockholders (non-GAAP).

Winter Business Update

January 28, 2022

charles SCHWAB CORPORATION