Fall Business Update

October 21, 2021

CORPORATION

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,” “outcome,” “build,” “progress,” “maintain,” “anticipate,” “lead,” “consistent,” “minimize,” “ensure,” “advance,” “position,” “investment,” “assumptions,” “illustrative,” “trajectory,” “increase,” “enable,” and other similar expressions.

These forward-looking statements relate to: the company’s growth in the client base, client accounts, and assets; strategy; business momentum; client engagement and activity levels; client utilization of lending solutions; investments in people, technology, and platforms to fuel and support growth, serve clients, and drive scale and efficiency; key strategic initiatives to add scale and efficiency, win-win monetization, and client segmentation; competitive advantages; approach to order routing; the integration of TD Ameritrade, including current expectations regarding the timing and amount of cost savings and revenue synergies, and the timing of client conversion; positioning; stockholder value; disruptive actions; growth in revenues, earnings, and profits; market share; capital and liquidity management; balancing near-term results and ongoing investment; Tier 1 Leverage Ratio operating objective; 2021 financial performance, including underlying assumptions, investor behavioral drivers, and range of financial outcomes; balance sheet growth; net interest margin; expense growth; client allocations to cash; 2022 planning factors for revenue, expenses, and capital; 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 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; 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; market volatility; the risk that expected revenue and expense synergies and other benefits from the TD Ameritrade acquisition may not be fully realized or may take longer to realize than expected, and that integration expense may be higher than expected; 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; the migration of bank deposit account balances; daily average trades; margin balances; balance sheet cash; prepayment speeds for mortgage-backed securities; investment yields; interest earning asset mix and growth; securities lending; integration-related and other technology projects; 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 **October 21, 2021** (or such earlier date as may be specified herein). The company makes no commitment to update any of this information.

Walt Bettinger

Chief Executive Officer

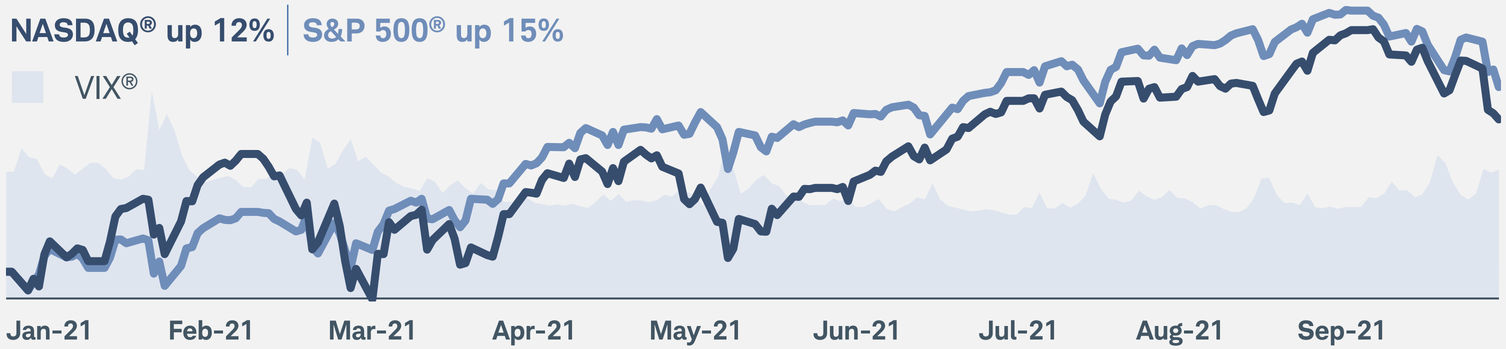
Schwab's approach to modern wealth management continues to resonate with investors.

- Business momentum has persisted against a shifting macroeconomic landscape, with contributions from a broad swath of clients across both Schwab's Retail and Advisor Services businesses
- Engagement remains strong as clients take advantage of the breadth of products and services available on our platform, including attractive lending solutions
- We believe it is imperative to continue investing in our people and technology to help advance our key strategic initiatives – thus helping to bolster the firm's competitive advantages as we seek to serve a growing number of individual investors and independent advisors

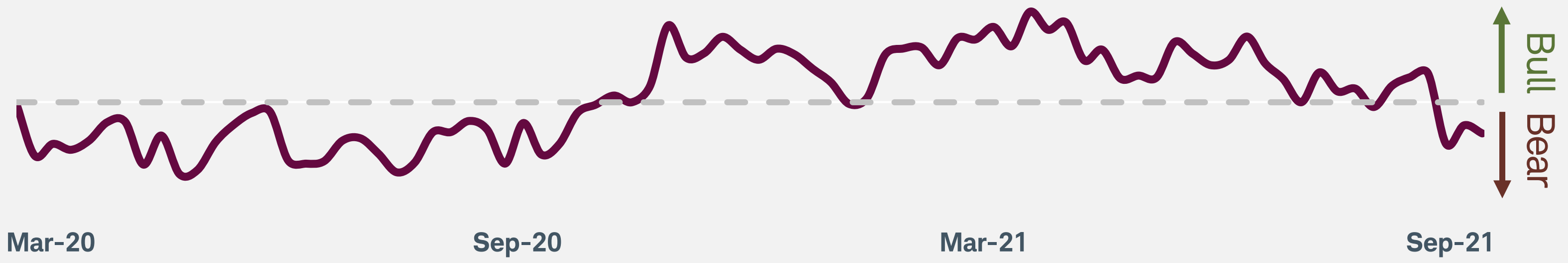
While the macroeconomic environment during the quarter proved uneven,...

While equity markets pushed to new highs intra-quarter, momentum was disrupted by September uncertainties, causing indices to finish flat-to-down sequentially.

Select Index Returns Since December 2020 (%)



AAII® Bull-Bear Spread Sentiment Survey[1]

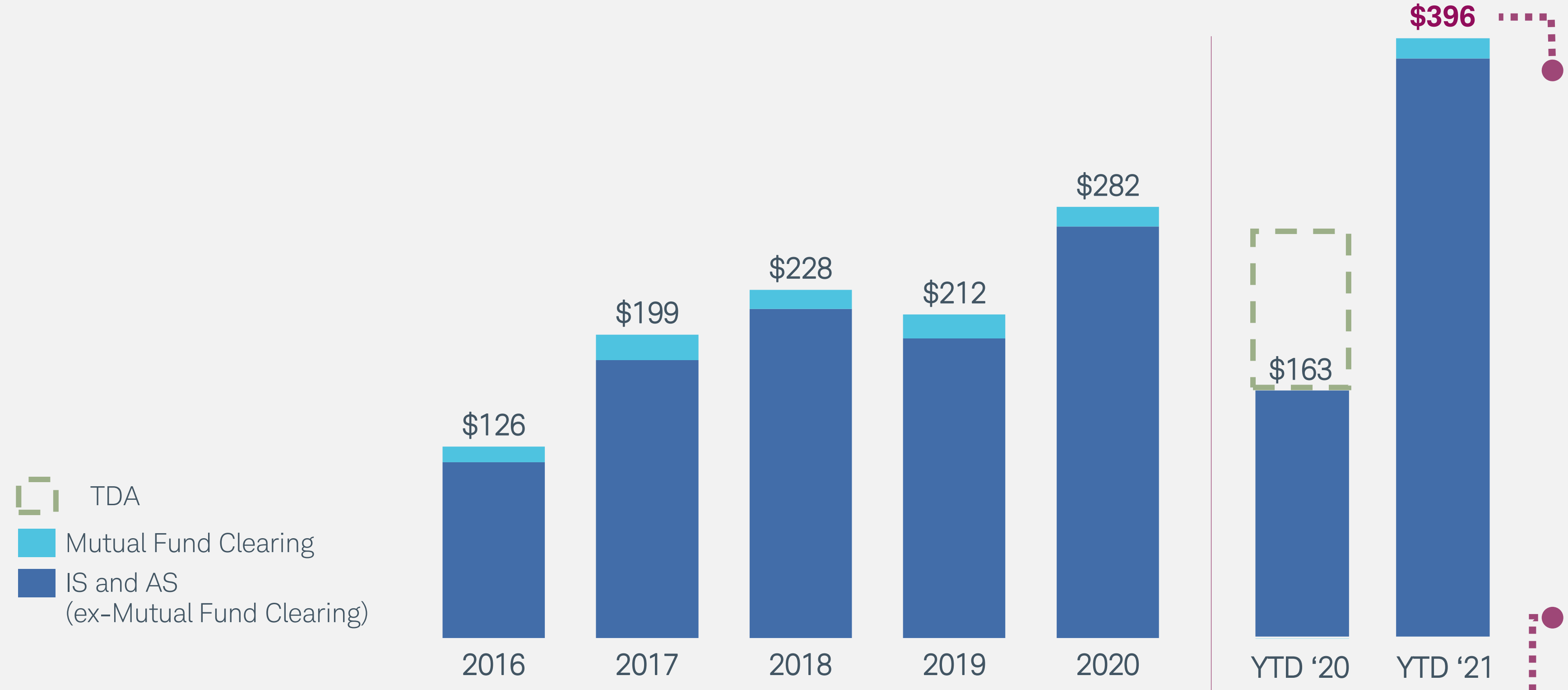


All of which weighed on investor sentiment – with the AAII® survey reaching its most bearish level during the past 12 months.

Note: NASDAQ® = NASDAQ Composite index. 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).

...Schwab's organic growth remained robust,...

Core Net New Assets ($B)



	2016	2017	2018	2019	2020	YTD '20	YTD '21
Organic Growth Rate[1] (%)	5%	7%	7%	7%	7%	5%	8%
New Brokerage Accounts[2] (K)	1,093	1,441	1,576	1,568	3,027	2,853	5,988

Core Net New Assets

Record YTD asset gathering

Core NNA already surpassed all prior full-year results[3]

Up ~48% vs. pro forma combined YTD 2020[4]

New brokerage accounts

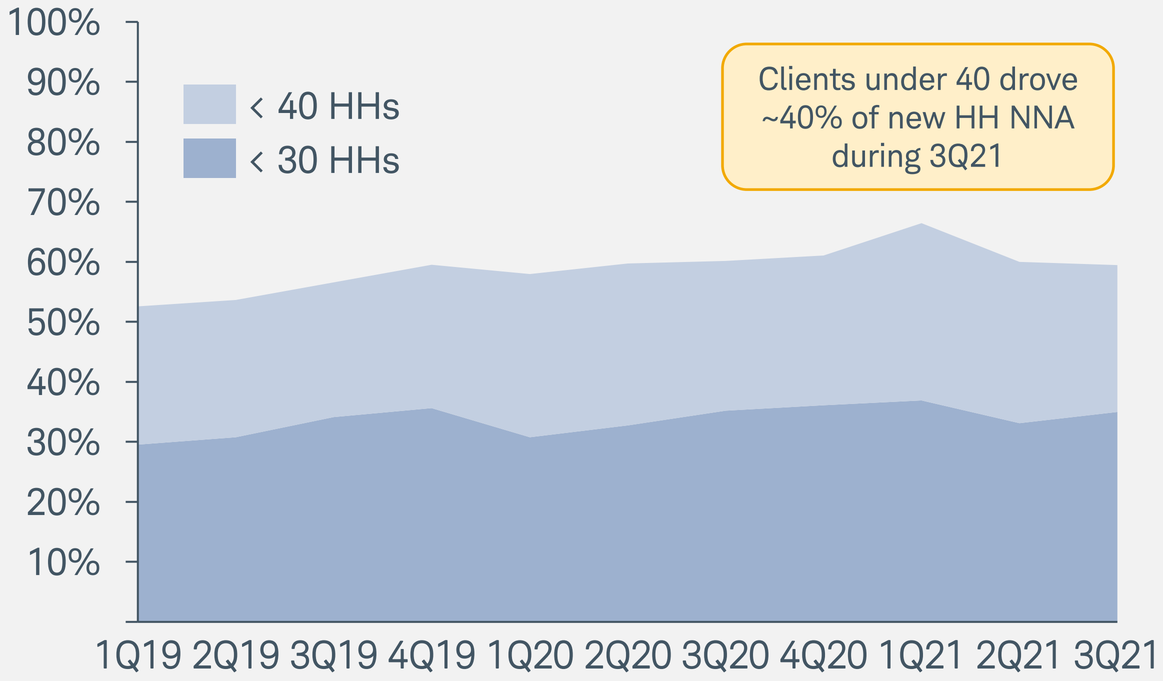
Four consecutive quarters of 1M+ new accounts

Note: TDA = TD Ameritrade. K = Thousands. M = Millions. B = Billions. YTD = Year-to-date; all YTD data as of September 30. 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 TD Ameritrade transactions, respectively. 3. Full-year results only include TD Ameritrade from October 6, 2020 forward. 4. Pro forma combined includes both Schwab and TDA.

...helped by continued momentum with younger retail investors and smaller RIAs.

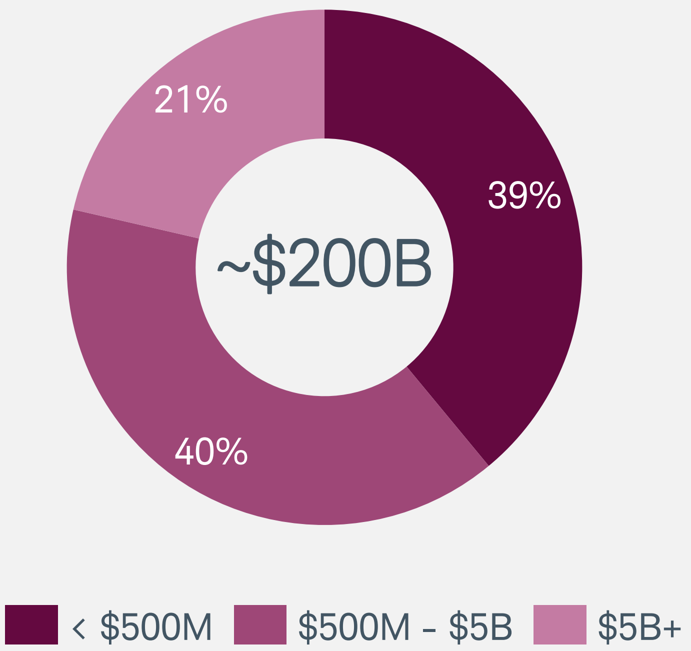
Households under 40 accounted for ~ 60% of total new retail HHs on a YTD basis,...

New Retail HH Mix (%), 1Q19 – 3Q21



...while RIAs of all sizes continue to trust Schwab to custody their clients' assets.

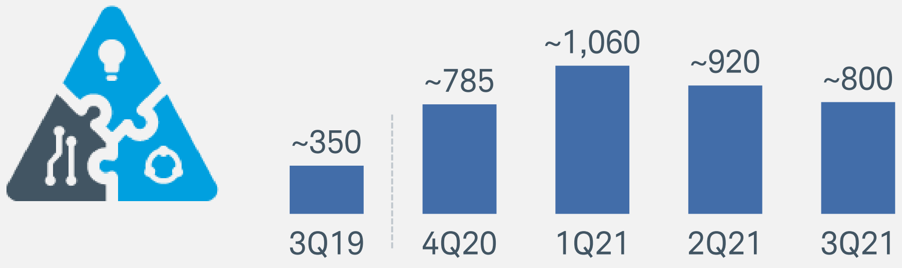
ASI NNA by Size, YTD 2021[1]



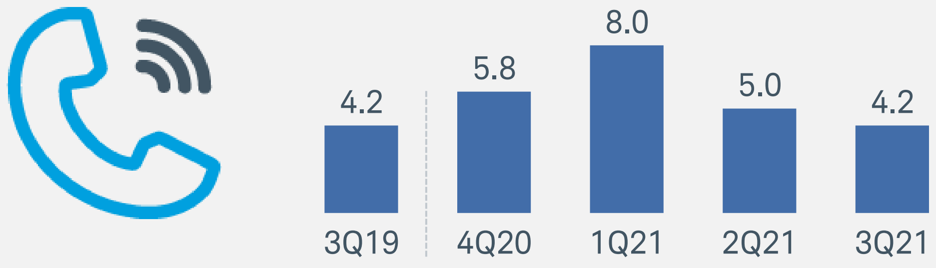
Note: RIA = Registered Independent Advisor. HHs = Households. ASI = Advisor Services Institutional. YTD = Year-to-date. NNA = Net new assets. All data presented on a pro forma combined company basis. 1. YTD metrics as of September 30, 2021.

While broader activity levels have generally stabilized, clients remain engaged,...

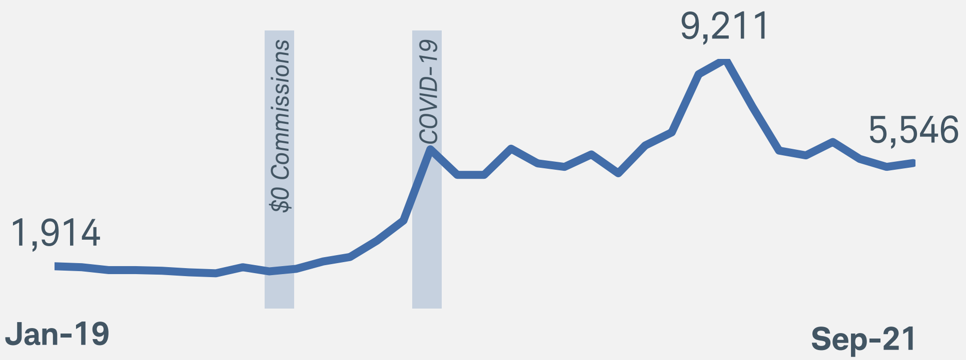
Total Digital Interactions (M)[1, 2]



Retail Inbound Calls (M)[1, 3]



Monthly Daily Average Trades (K)[1]

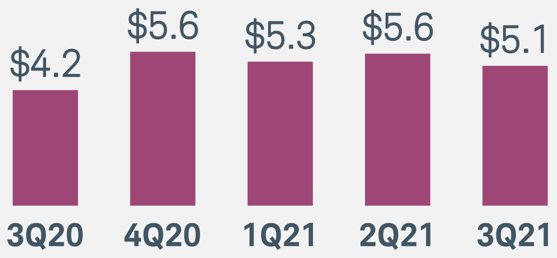


Note: K = Thousands. M = Millions. 1. Digital interactions, inbound calls, and daily average trades are shown on a pro forma combined company basis. 2. Digital interactions include total web and mobile logins across both the Schwab and TDA platforms. 3. Represents "offered" client call volume across brokerage and banking during a given period.

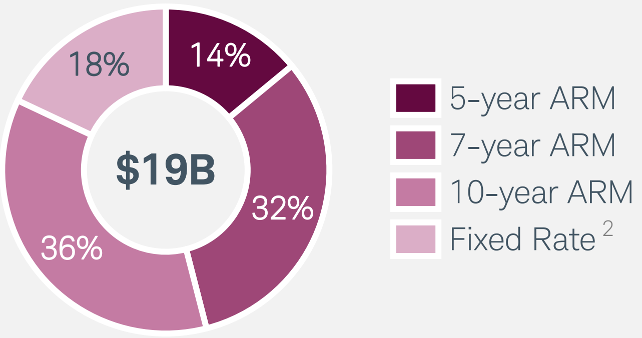
…and are increasing their utilization of our direct lending solutions.

Mortgage Loans

Origination Volumes ($B)[1]



Mortgage Loan Mix (%)



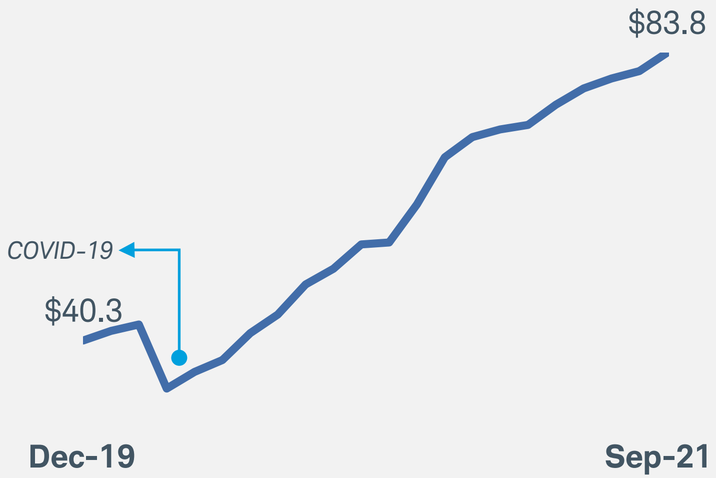
Pledged Asset Line®

Active Lines

24K+

PAL Balances, EOP ($B)

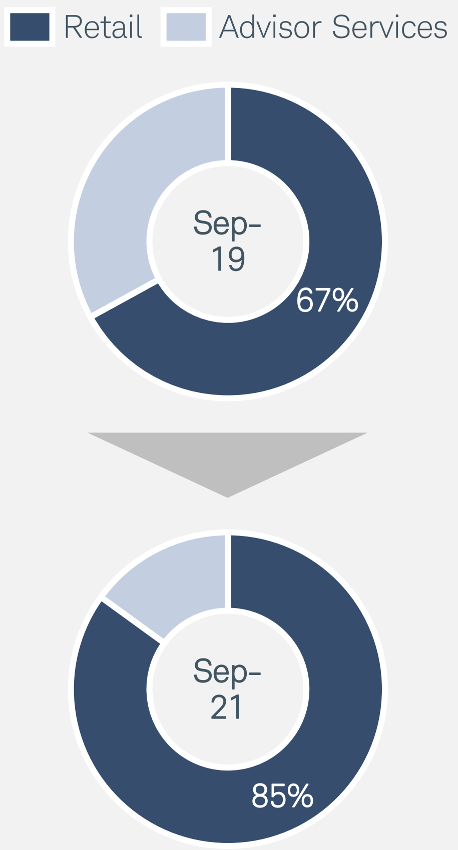
Margin Lending ($B)[3]



Note: PAL = Pledged Asset Line®. EOP = End-of-period. ARM = Adjustable-rate mortgage. 1. Includes all loans originated by Rocket Mortgage for Schwab clients. 2. Fixed rate mortgages includes both 15-year and 30-year products. 3. Margin Lending data presented on a pro forma combined company basis.

Our trading capabilities are important to both younger/newer investors, as well as established clients,...

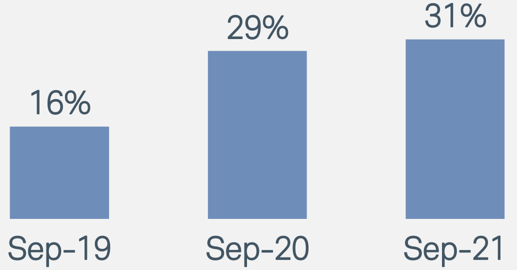
YTD DATs by Client Segment[1]



Select Retail Trading Trends

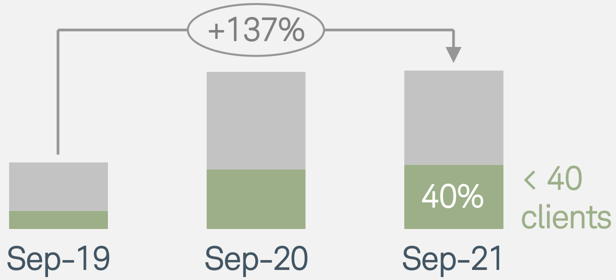
YTD DATs by Clients < 40 (%)[1]

YTD through September 30

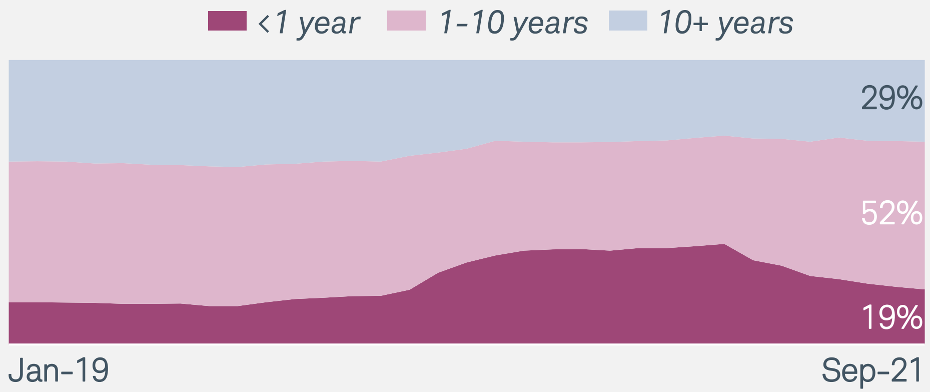


Growth in TDA Education Users

YTD through September 30



Monthly DATs by Account Tenure[1]



Note: DATs = Daily average trades. YTD = Year-to-date. TDA = TD Ameritrade. 1. DATs and other trading-related data shown on a pro forma combined company basis. 2. Growth of unique users shown on a YTD basis ending September 30, 2021.

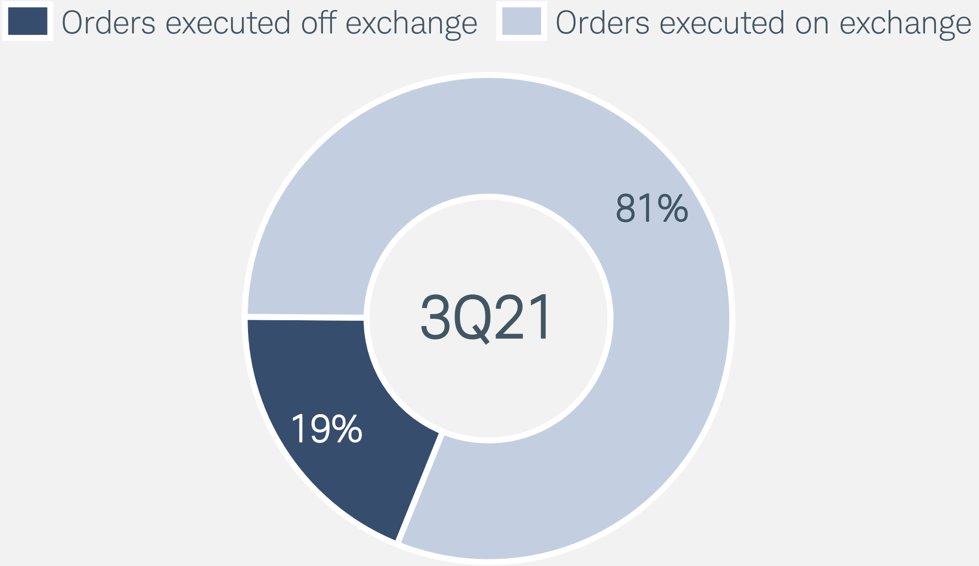
...and we believe our approach to order routing supports our overall value proposition.

Schwab establishes order flow rates ahead of time, therefore our third-party providers **compete on execution quality**

In seeking best execution, we evaluate numerous factors, including:

- Execution price, speed, and accuracy
- Market depth, liquidity, and order size
- Automatic execution guarantees
- Service levels and cost to execute

Percentage of Revenue by Execution Venue[1]



95%
Average percentage of orders improved[2]

$6.50
Average price improvement for every $1 of order flow revenue[2]

0.06 secs
Average execution speed[2]

~5x
Liquidity Multiple[2, 3]

Note: YTD = Year-to-date. OTC = Over-the-counter. NBBO = National Best Bid and Offer. Secs = Seconds. 1. "On" exchange execution includes all options activity and non-marketable listed equities routed directly or indirectly to exchanges, while "off" exchange execution includes marketable listed equities and OTC equities. 2. Select execution stats shown on a YTD basis for all marketable equity NMS orders through September 30, 2021. 3. Average size of order execution at or better than the NBBO at the time of order routing, divided by average quoted size. Includes orders with a size greater than the available shares displayed at the NBBO at the time of order routing.

Our dedicated employees are critical to our success,...

We continue to invest in building and maintaining a dynamic organization...

- Grew our retail service employee base by ~7% year-over-year
- Implemented a special 5% pay increase for nearly all of our 30K+ employees[1]
- Introduced a hybrid workplace program designed to provide flexibility

...because we know Schwab's committed and talented employees drive our interconnected culture.

Forbes 2021 AMERICA'S BEST LARGE EMPLOYERS POWERED BY STATISTA

FORTUNE WORLD'S MOST ADMIRED COMPANIES 2021

Forbes 2021 THE BEST EMPLOYERS FOR NEW GRADS POWERED BY STATISTA

Note: From FORTUNE. FORTUNE and FORTUNE Media IP Limited are not affiliated with, and do not endorse products or services of Charles Schwab & Co., Inc. 1. Special 5% pay increase excludes Executive Council and colleagues participating in production plans.

…helping to advance key strategic initiatives, including the TD Ameritrade integration.

Scale & Efficiency

Win–Win Monetization

Client Segmentation

- One year post-close, our TD Ameritrade integration is on-track:
  - ✓ Achieved approximately 40% of anticipated cost savings
  - ✓ Transferred ~$10B of bank deposit account balances
  - ✓ Initiated certain early revenue synergies
- We will continue the planned platform build-out during year two of the integration in advance of client conversion in 2023

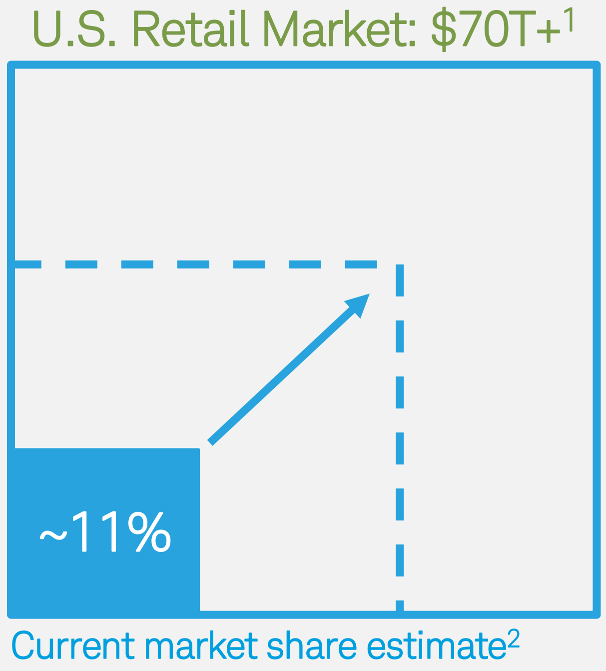
TD Ameritrade

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

We believe these actions bolster our competitive positioning in the marketplace.

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 Market based on Schwab estimates from Federal Reserve Flow of Funds as of June 30, 2021. 2. Current market share estimate based on total client assets as of September 30, 2021.

Our modern approach to wealth management continues to resonate with investors.

- Business momentum has persisted against a shifting macroeconomic landscape, with contributions from a broad swath of clients across both Schwab's Retail and Advisor Services businesses

- Engagement remains strong as clients take advantage of the breadth of products and services available on our platform, including attractive lending solutions

- We believe it is imperative to continue investing in our people and technology to help advance our key strategic initiatives – thus helping to bolster the firm's competitive advantages as we seek to serve a growing number of individual investors and independent advisors

Peter Crawford

Chief Financial Officer

Our client-centric strategy powered another quarter of strong financial results.

- The combination of sustained business momentum and our diversified model enabled sequential revenue growth despite slightly softer trading volumes and flat rates
- Our thoughtful approach to balance sheet management prioritizes supporting growth, minimizing unnecessary risk exposure, and ensuring appropriate liquidity across a range of environments
- As always, we will continue to balance near-term results with ongoing investment to support long-term stockholder value

Today we'll discuss:

3Q21 Results

YTD Performance

FY21 Perspectives

During 3Q21, our robust business momentum persisted through an uneven environment,...

3Q21 vs. 2Q21

Equity Markets (S&P 500®)
4,308 ↔ 0%

Trades per Day
5.5M ↓ 8%

Average 5-year Treasury Yield[1]
0.80% ↓ 4 bps

Client Margin Balances
$83.8B ↑ 5%

YTD 2021

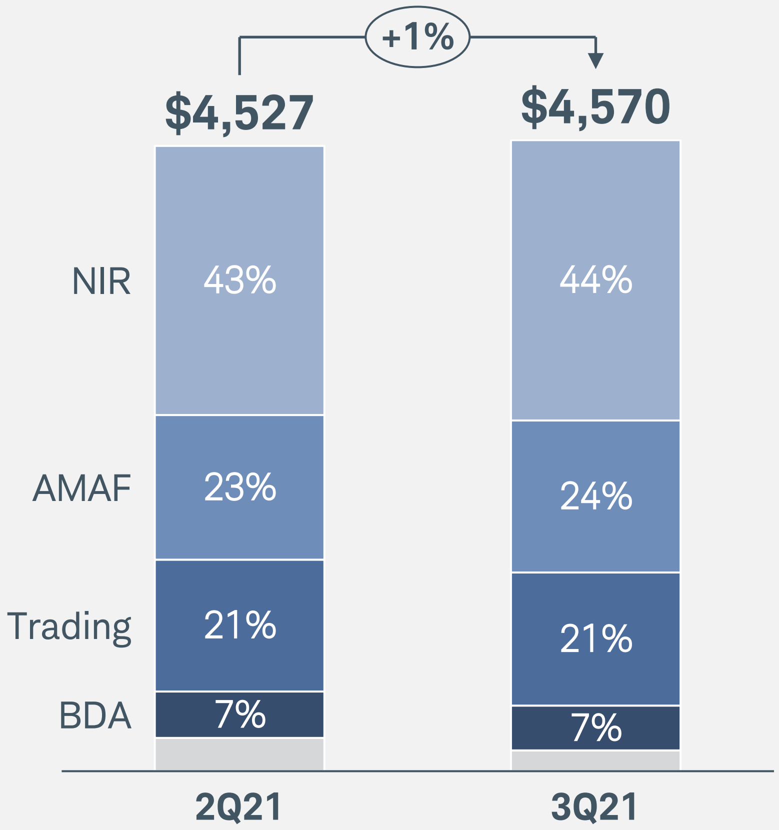
Core NNA ($B)
$396.0

New Brokerage Accounts (M)
6.0

Note: YTD = Year-to-date. NNA = Net new assets. Bps = Basis points. 1. 5-year Treasury Yield represents the daily average for 3Q21 and 2Q21, respectively.

...enabling sequential top-line growth of 1%.

Total Net Revenues ($M)



3Q21 vs. 2Q21

Net Interest Revenue (NIR)

4%

- Average interest earning assets up 4.5%
- Margin rates contracted due to mix
- Securities lending environment moderated during the quarter

Asset Management and Administration Fees (AMAF)

5%

- Equity markets expanded for much of the quarter, helping push balances in proprietary and third-party fund products higher
- MMF waivers stabilized

Trading

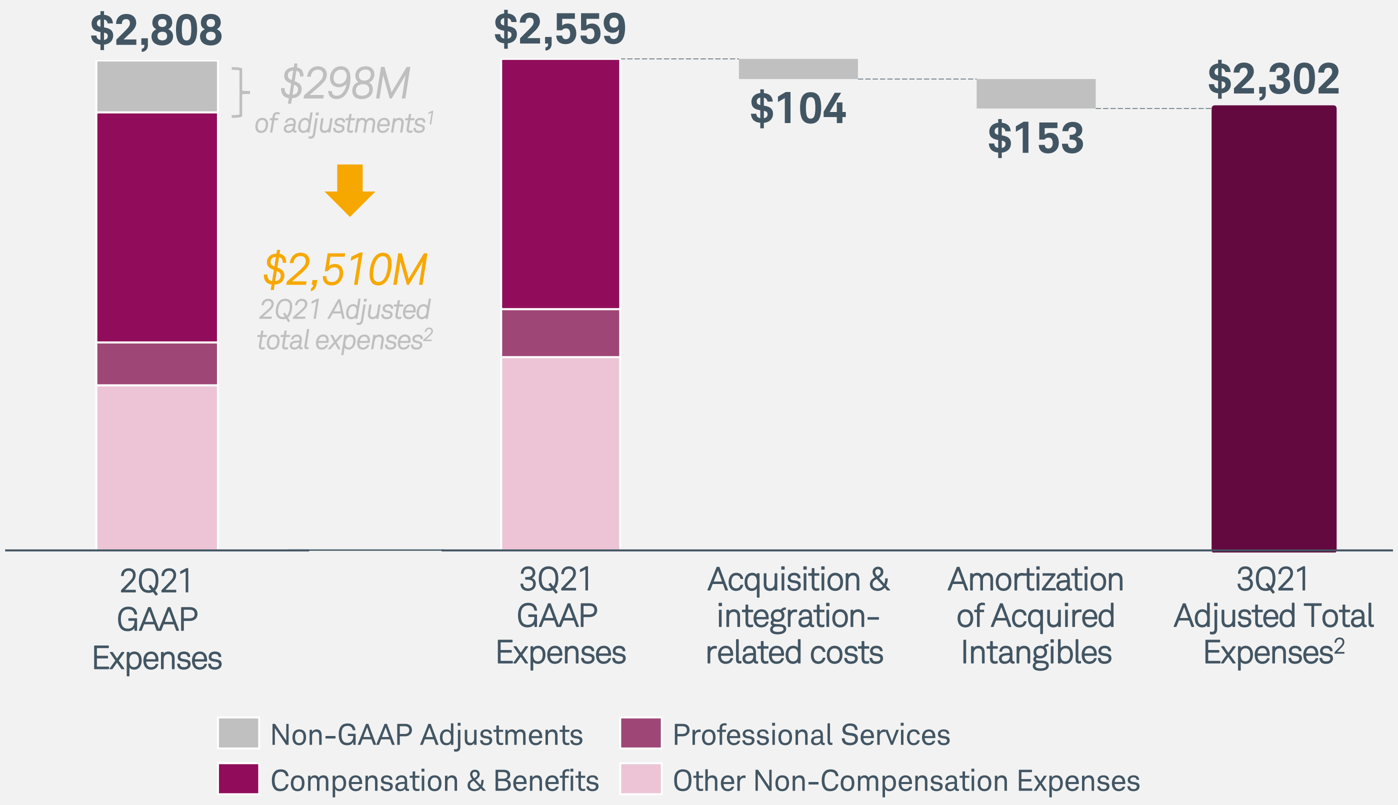
1%

- DATs declined 8% versus the prior quarter
- Further pull back in volume was offset by an 8% increase in revenue per trade due to higher derivatives mix

Note: NIM = Net interest margin. DATs = Daily average trades. MMF = Money market mutual fund.

Attentive expense management helped keep costs in-line,...

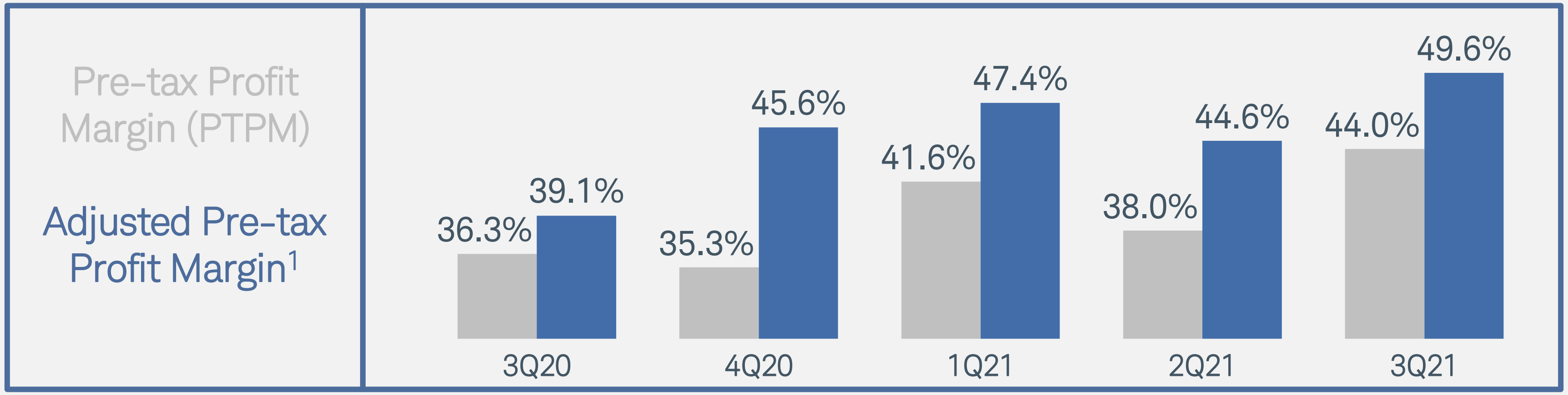
Composition of 3Q21 Expenses ($M)



- Adjusted total expenses down 8% vs. 2Q21
  - Compensation and benefits costs remained flat sequentially – tracking in-line with trends in our labor equivalents
  - Depreciation and amortization increased slightly quarter-over-quarter as we continue to invest in our technology platform
  - Other expenses declined substantially versus the prior quarter due to the non-recurring nature of the regulatory charge

Note: 1. $298M of non-GAAP adjustments includes $144M in acquisition and integration-related costs as well as $154M in 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 34. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 34–38 of this presentation.

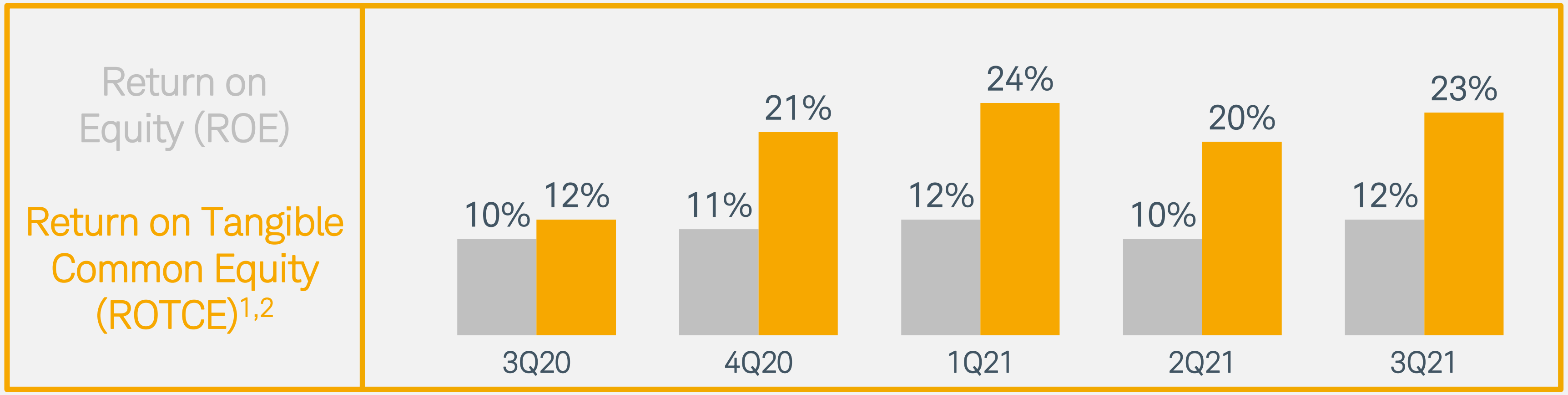
…which enhanced our profitability and return on capital for the quarter.



Adjusted PTPM

500 bps

vs. 2Q21



ROTCE

300 bps

vs. 2Q21

Note: ROE = Return on Common Equity. 1. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 34–38 of this presentation. 2. Due to the timing of the TDA acquisition closing on October 6, 2020, the full quarterly impact of the purchase accounting adjustments were not reflected in the 4Q20 ROTCE measure.

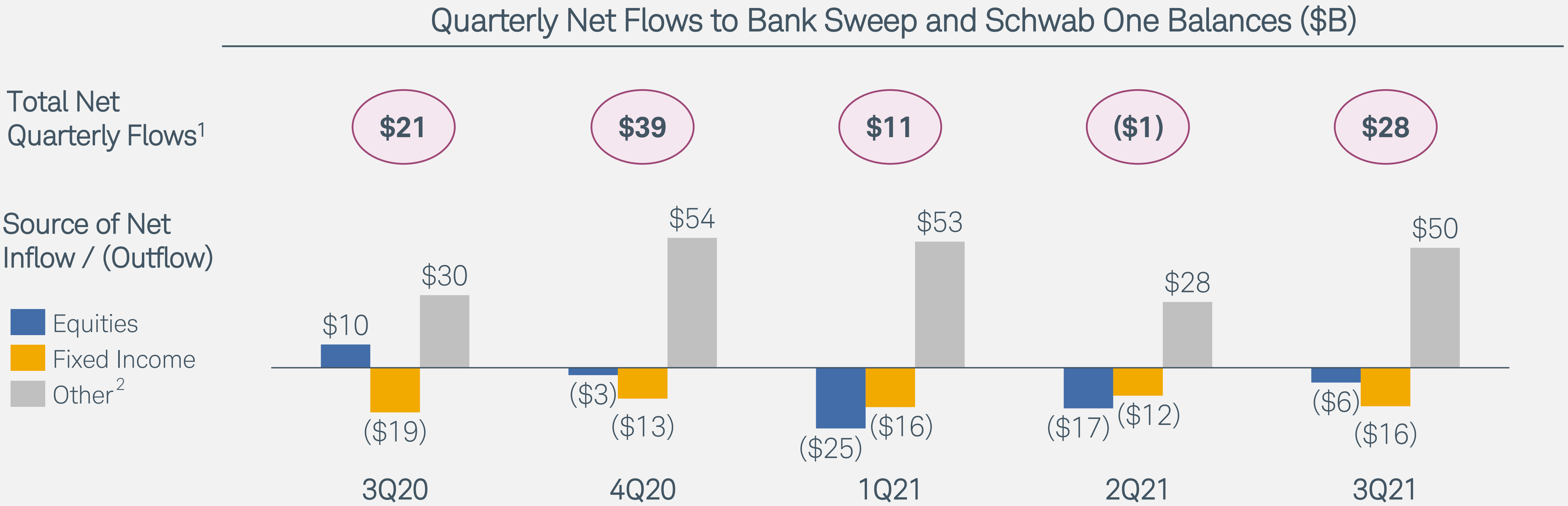
Total balance sheet assets eclipsed $600 billion, up 6% versus 2Q.

($M, EOP)	3Q20	2Q21	3Q21*
Total Assets	$419,355	$574,532	$607,548
Receivables from Brokerage Clients	$25,441	$82,245	$86,553
Bank Deposits	$320,717	$368,638	$395,275
Payables to Brokerage Clients	$52,006	$105,012	$113,052
Long-term Debt	$7,836	$18,708	$19,530
Stockholders' Equity	$31,331	$57,450	$57,442
Parent Liquidity	$6,139	$10,556	$10,101
Tier 1 Leverage Ratio	5.7%	6.4%	6.3%

- 3Q21 balance sheet expansion was driven by growth in bank deposits and payables to brokerage clients
- Deposits increased 7% quarter-over-quarter due to a combination of sustained strength in asset gathering and client allocation decisions
- Long-term debt was up versus 2Q as we issued $850 million in new 10-year fixed rate senior notes with a coupon rate of 1.95%
- During the quarter, we also completed a tender offer to exchange nearly $2 billion of TDA debt for an equal amount of equivalent CSC debt
- Stockholders' Equity stayed flat sequentially as unrealized mark-to-market losses on securities within AOCI offset an increase in retained earnings
- Tier 1 Leverage Ratio remained well above regulatory minimums at 6.3%, but still below our long-term operating objective of 6.75% – 7.00%

Note: TDA = TD Ameritrade Holding Corporation. CSC = The Charles Schwab Corporation. AOCI = Accumulated Other Comprehensive Income. Results include TDA 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.

Emerging bearish sentiment influenced client net equity purchase activity, which helped cash build during Q3.



	3Q20	4Q20	1Q21	2Q21	3Q21
Client Cash as % Total Client Assets[3]	12.8%	12.3%	11.5%	10.5%	10.8%

Note: BDA = Bank deposit account balances. 1. Net quarterly flows reflect changes in brokerage accounts and any applicable BDA-related migrations; totals may not tie to underlying components due to rounding. 2. "Other Flows" includes net new asset flows, dividends and interest as well as net movements of balance sheet client deposits to other alternatives, including Purchased Money Market Funds (PMMFs), Certificates of Deposit (CDs), other income-oriented investments, and any applicable BDA-related migrations. 3. Cash includes all bank and broker-dealer deposits and non-interest-bearing credits, BDA balances, plus sweep and purchased money market funds. As of October 6, 2020, all cash and assets in TDA accounts are included in the cash % assets figures.

Select macro drivers have tracked ahead of our underlying assumptions,...

	Feb-21 Underlying Assumptions[1]	YTD 2021 Actual Results[2]	Impact
Market	S&P appreciates 6.5% on an annualized basis	S&P up 15% since end of 2020	✚
Rates	January forward curve with an avg. 5-year UST yield of ~60 bps	Average 5-year UST yield of ~75 bps through 3Q21	✚
Securities Lending	~$160 million per quarter	~$180 million per quarter	✚
BDA	Initial migrations to begin on June 30, 2021	Migrated $10 billion starting in early July 2021	✚

Note: Avg. = Average. UST = U.S. Treasury. YTD = Year-to-date. 1. As presented during Winter Business Update on February 2, 2021. 2. YTD results as of September 30, 2021.

…while trading activity, margin loans, and balance sheet cash have shown persistent strength,…

Select Behavioral Drivers (vs. 4Q20 EOP)

Illustrative Inputs	DATs	Margin Balances	SCHW B/S Cash[1]
1	+20%	+10%	+10%
2	Flat	Flat	Flat
3	-20%	-10%	-10%

Illustrative Inputs – YTD Results vs. 4Q20 Annualized

DATs	Margin Balances[2]	SCHW B/S Cash
6,644K	$83.8B	$494B
+15%	+38%	+8%

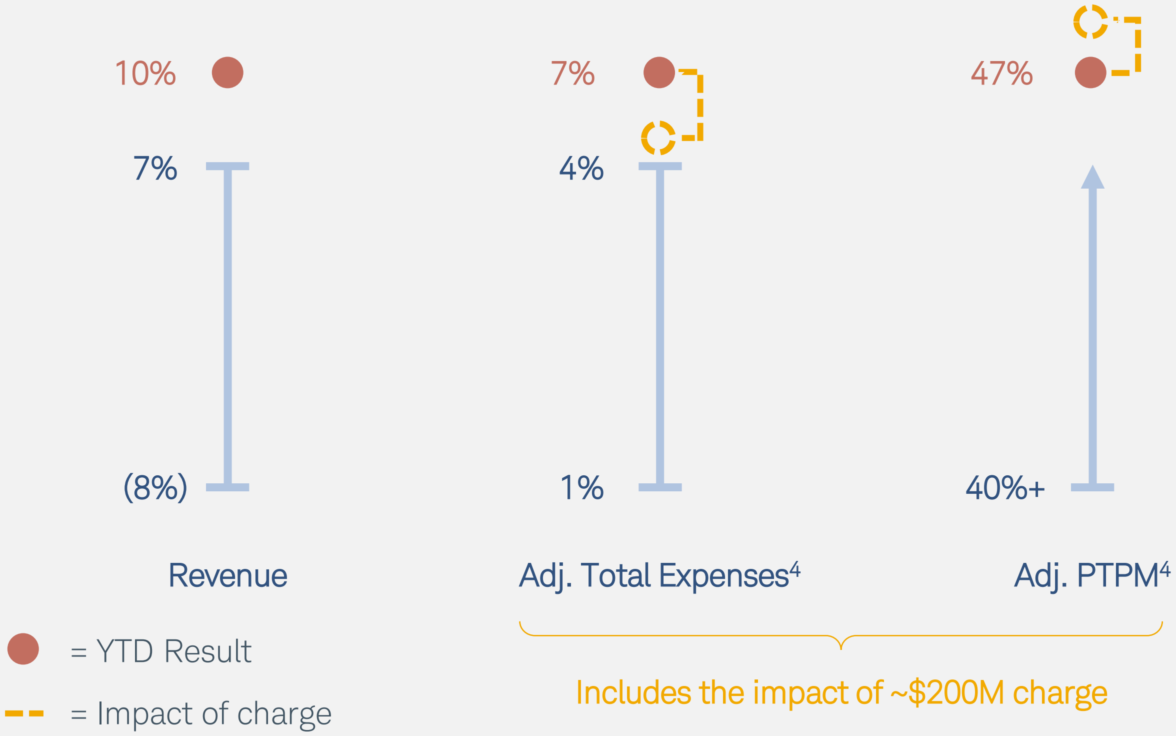
Note: DATs = Daily average trades. B/S = Balance sheet. EOP = end-of-period. K = Thousands. B = Billions. YTD = Year-to-date. 1. Schwab balance sheet cash represents existing bank deposits and payables to brokerage clients – excludes any BDA balance migrations. 2. Based on EOP margin balances.

...helping us deliver financial performance beyond the mathematical illustrations we shared in early 2021[1].

Select Behavioral Drivers
(vs. 4Q20 EOP)

Illustrative Inputs	DATs	Margin Balances	SCHW B/S Cash[2]
1	+20%	+10%	+10%
2	Flat	Flat	Flat
3	-20%	-10%	-10%

Financial Outcomes – YTD Results vs. 4Q20[3]



Note: DATs = Daily average trades. B/S = Balance sheet. EOP = end-of-period. K = Thousands. M = Millions. B = Billions. Adj. = Adjusted. YTD = Year=to-date. 1. Illustrative financial outcomes shared as part of the Winter Business Update on February 2, 2021. 2. Schwab balance sheet cash represents existing bank deposits and payables to brokerage clients – excludes any BDA balance migrations 3. Both YTD 2021 and 4Q20 results annualized for comparison purposes. 4. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 34–38 of this presentation.

Looking out to the end of 2021…

	Range of FY 2021 Outcomes	Key 4Q Assumptions
Revenue	+ 9.5 – 10.5% *vs. 4Q20 Annualized*	▪ Modest sequential balance sheet expansion ▪ NIM in the mid-140 bps ▪ Our standard 6.5% annualized market appreciation – brings full-year S&P 500® returns to the upper "teens" ▪ DATs remain in-line with 3Q21 levels
Adjusted Total Expenses[1]	+ 6.0 – 7.0% *vs. 4Q20 Annualized*	▪ Includes impact of recently announced special 5% pay raise ▪ Continue net hiring to support persistent business growth and TDA integration efforts ▪ Non-compensation expense is essentially flat
Adjusted Pre-tax Profit Margin[1]	46%+	
Capital	▪ Anticipate full year 2021 balance sheet growth to be 13–15% versus December 2020 level, based on continued strong business momentum and relatively stable client allocations to cash	

Note: FY = Full year. NIM = Net interest margin. Bps = basis points. DAT = Daily average trades. TDA = TD Ameritrade. 1. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 34–38 of this presentation.

...and beginning to prepare for 2022.

Revenue

- We are in the early stages of crafting our 2022 financial plan and will continue to develop the revenue outlook based on the evolution of certain factors, including:
  - Client engagement and activity levels
  - Interest rate expectations
  - Market levels

Expenses

- Expense planning is also in progress, with key priorities expected to influence the coming year:
  - Supporting ongoing business growth and momentum
  - Progressing the TD Ameritrade integration ahead of the planned 2023 conversion
  - Investing in our people and platforms to ensure capacity to serve the combined client base
  - Advancing our strategic initiatives of scale, win-win monetization, and segmentation
- Continue to position Schwab for a lower long-run expense trajectory following integration
- Focus will remain on adjusted total expenses given the contribution of acquisition and integration-related costs as well as amortization of acquired intangibles

Capital

- Our approach to capital management remains consistent:
  - Support ongoing business growth
  - Progress back towards our long-term operating objective of 6.75% – 7.00% Tier 1 Leverage

Our client-centric strategy powered another quarter of strong financial results.

- The combination of sustained business momentum and our diversified model enabled sequential revenue growth despite slightly softer trading volumes and flat rates

- Our thoughtful approach to balance sheet management prioritizes supporting growth, minimizing unnecessary risk exposure, and ensuring appropriate liquidity across a range of environments

- As always, we will continue to balance near-term results with ongoing investment to support long-term stockholder value

Our priorities remain unchanged:

Continued business growth through our client-first strategy

Long-term revenue growth through multiple sources

Thoughtful expense discipline enabling sustainable performance

Q&A

Appendix

Revenue Sensitivities

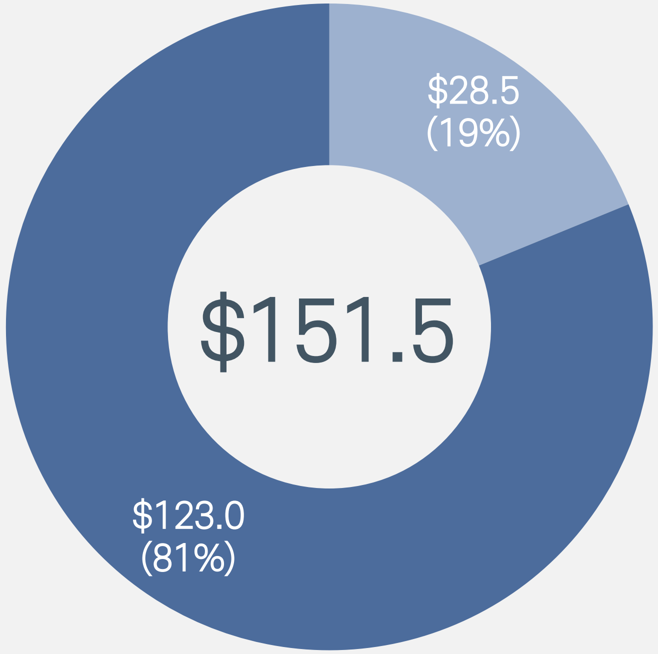
Target Fed Funds Rate + 25 bps	~$750M – $950M
5-Year Treasury +/- 10 bps	~$75M
Bank Sweep Balances +/- $1B	~$10M
S&P 500® +/- 1%	~$25M
Daily Average Trades +/- 100K	~$70M
Margin Balances +/- $1B	~$30M

Note: For the Fed Funds and Treasury sensitivities, assumes static interest-earning asset balances as of September 30, 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

Bank Deposit Account Summary (as of September 30, 2021)

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

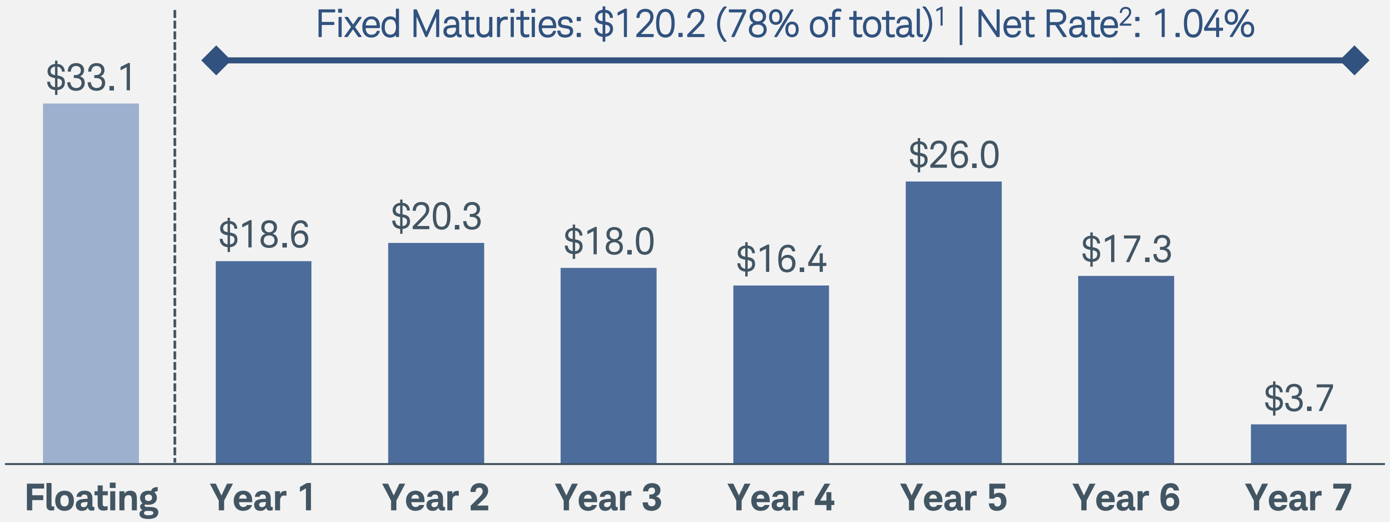


	Net Rate	3Q21 Revenue
Floating	(0.04%)	($3M)
Fixed	1.04%	$326M

Floating Fixed

BDA Balances by Maturity, EOP ($B)

Total Balance: $153.3B	Net Rate[2]: 0.79%	Annual Revenue[3]: $1,235M



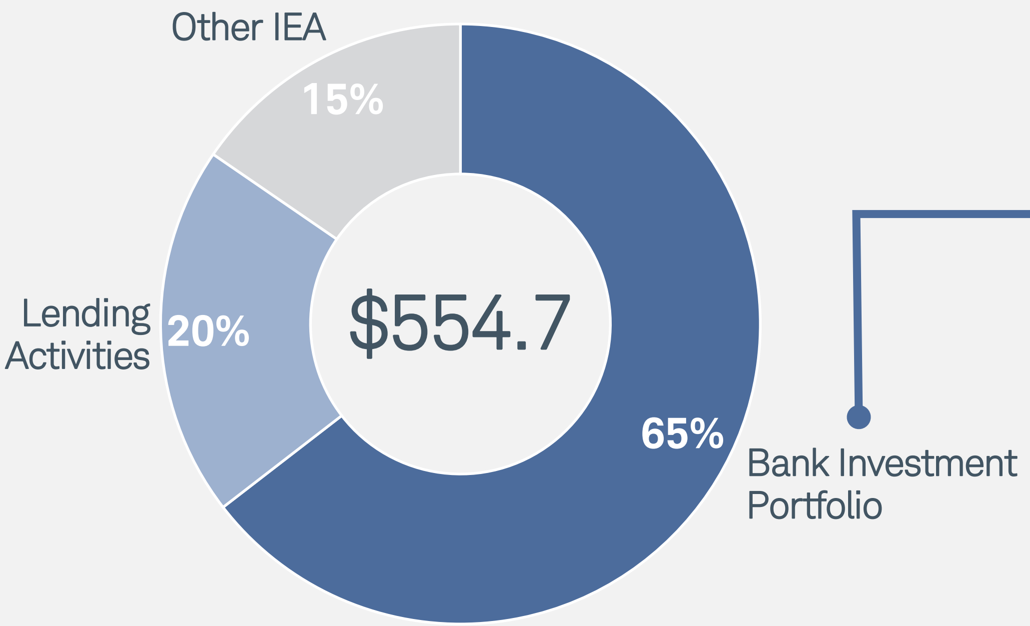
	Floating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Net Rate[2]	(0.08%)	1.66%	1.76%	1.64%	1.16%	0.12%	0.23%	0.56%
Annual Revenue[3]	($28M)	$313M	$363M	$300M	$193M	$31M	$41M	$21M

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 October 2021 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 September 30, 2021)

3Q21 Avg. Interest-earning Assets[1, 2]

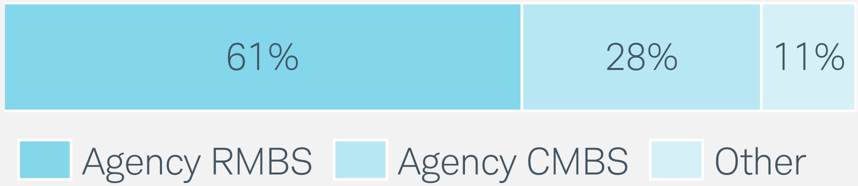


Bank Investment Portfolio Spotlight

Fixed vs. Floating

89% Fixed / 11% Floating

Securities Mix[3]



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

Duration Analysis[4]

~4.4
Portfolio Duration (Years)

Rate Shock (bps)	SCHW	LUMSTRUU[5]
+100	+0.38 yrs.	+1.09 yrs.
-100	-0.36 yrs.	-1.32 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 September 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

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.

Beginning in 2021, 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

(In millions, except ratios and per share amounts)	Three Months Ended, September 30, 2021 Total Expenses Excluding Interest	September 30, 2021 Net Income	June 30, 2021 Total Expenses Excluding Interest	June 30, 2021 Net Income	September 30, 2020 Total Expenses Excluding Interest	September 30, 2020 Net Income	June 30, 2020 Total Expenses Excluding Interest	June 30, 2020 Net Income
Total expenses excluding interest (GAAP), Net income (GAAP)	$ 2,559	$ 1,526	$ 2,808	$ 1,265	$ 1,559	$ 698	$ 1,562	$ 671
Acquisition and integration-related costs (1)	(104)	104	(144)	144	(42)	42	(81)	81
Amortization of acquired intangible assets	(153)	153	(154)	154	(25)	25	(12)	12
Income tax effects (2)	N/A	(61)	N/A	(80)	N/A	(16)	N/A	(22)
Adjusted total expenses (Non-GAAP), Adjusted net income (Non-GAAP)	$ 2,302	$ 1,722	$ 2,510	$ 1,483	$ 1,492	$ 749	$ 1,469	$ 742

Note: N/A = Not applicable. 1. Acquisition and integration-related expenses are primarily included in compensation and benefits, professional services, occupancy and equipment, 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,									
	September 30, 2021		June 30, 2021		March 31, 2021		December 31, 2020		September 30, 2020	
(In millions, except ratios and per share amounts)	Amount	% of Total Net Revenues	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)	$ 2,011	44.0%	$ 1,719	38.0%	$ 1,960	41.6%	$ 1,476	35.3%	$ 889	36.3%
Acquisition and integration-related costs	104	2.3%	144	3.2%	119	2.5%	282	6.8%	42	1.7%
Amortization of acquired intangible assets	153	3.3%	154	3.4%	154	3.3%	147	3.5%	25	1.1%
Adjusted income before taxes on income (Non-GAAP), Adjusted pre-tax profit margin (Non-GAAP)	$ 2,268	49.6%	$ 2,017	44.6%	$ 2,233	47.4%	$ 1,905	45.6%	$ 956	39.1%

Appendix

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

	Three Months Ended,									
	September 30, 2021		June 30, 2021		March 31, 2021		December 31, 2020		September 30, 2020	
(In millions, except ratios and per share amounts)	Amount	Diluted EPS	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)	$ 1,406	$ .74	$ 1,117	$ .59	$ 1,388	$ .73	$ 1,050	$ .57	$ 615	$ .48
Acquisition and integration-related costs	104	.05	144	.08	119	.06	282	.15	42	.03
Amortization of acquired intangible assets	153	.08	154	.08	154	.08	147	.08	25	.02
Income tax effects	(61)	(.03)	(80)	(.05)	(67)	(.03)	(105)	(.06)	(16)	(.02)
Adjusted net income available to common stockholders (Non-GAAP), Adjusted diluted EPS (Non-GAAP)	$ 1,602	$ .84	$ 1,335	$ .70	$ 1,594	$ .84	$ 1,374	$ .74	$ 666	$ .51

Appendix

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

(In millions, except ratios and per share amounts)	Three Months Ended, September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020
Return on average common stockholders' equity (GAAP)	12%	10%	12%	11%	10%
Average common stockholders' equity	$ 47,492	$ 46,276	$ 46,691	$ 37,198	$ 25,810
Less: Average goodwill	(11,952)	(11,952)	(11,952)	(6,845)	(1,735)
Less: Average acquired intangible assets – net	(9,609)	(9,762)	(9,915)	(5,624)	(1,268)
Plus: Average deferred tax liabilities related to goodwill and acquired intangible assets – net	1,895	1,907	1,935	1,005	67
Average tangible common equity	$ 27,826	$ 26,469	$ 26,759	$ 25,734	$ 22,874
Adjusted net income available to common stockholders[1]	$ 1,602	$ 1,335	$ 1,594	$ 1,374	$ 666
Return on tangible common equity (Non-GAAP)	23%	20%	24%	21%	12%

Note: 1. See table on slide 37 for the reconciliation of net income available to common stockholders to adjusted net income available to common stockholders (non-GAAP).

Fall Business Update

October 21, 2021

CORPORATION