Summer Business Update

July 18, 2025

charles SCHWAB 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 “expect,” “will,” “anticipate,” “continue,” “remain,” “committed,” “seek,” “grow,” “accelerate,” “increase,” “further,” “ongoing,” “consistent,” “confident,” “positioned,” “poised,” “priority,” “outlook,” and other similar expressions.

These forward-looking statements relate to the company’s strategy and approach; value proposition; momentum and competitive position; business fundamentals; client relationships; client engagement; wealth solutions; growth in client accounts and assets; scale and efficiency; balanced approach to investing; revenue diversification; financial model; profitable growth across a range of environments; financial scenarios, assumptions and sensitivities; net interest margin; Bank Supplemental Funding; higher-cost bank funding; revenue, expenses and earnings expansion; non-GAAP adjustments; long term growth and financial results; balance sheet management; capital management framework; efficient utilization of capital and liquidity; and capital return.

These forward-looking statements reflect management’s beliefs, expectations and objectives as of today and are subject to risks and uncertainties that could cause actual results to differ materially. Important factors that may cause such differences are discussed in the company’s Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, which have been filed with the Securities and Exchange Commission and are available on the company’s website (https://www.aboutschwab.com/financial-reports) and on the Securities and Exchange Commission’s website (www.sec.gov). These include: the company’s ability to attract and retain clients and RIAs and grow those relationships and associated client assets; investor engagement and interest in the company’s products and services; the company’s ability to monetize client assets; competitive pressures on pricing; the company’s ability to support client activity levels; the level and mix of client trading activity; general economic and market conditions, including interest rates, equity valuations and volatility; client asset levels and cash balances; client sensitivity to interest rates; funding costs; balance sheet positioning relative to changes in interest rates; interest earning asset mix and growth; margin balances; loan growth; capital and liquidity needs and management; the migration of bank deposit account balances; the company’s ability to manage expenses; capital expenditures; adverse developments in litigation or regulatory matters and any charges associated with such matters; and any developments in legislation, regulation or regulatory guidance.

The information in this presentation speaks only as of July 18, 2025 (or such earlier date as may be specified herein). The company makes no commitment to update any forward-looking statements.

Strategic Update

Rick Wurster

President and Chief Executive Officer

Key Takeaways

2Q25

Sustained momentum powering growth on all fronts

- Attracted **$80.3B of core NNA, bringing YTD total to $218.0B** – up 39% versus prior year
- **Opened 1.1M new brokerage accounts**, helping total client accounts reach 45.2M
- Deepened relationships with clients as they took advantage of our **integrated modern wealth experience**, including advice, lending, trading, and asset management
- **Supported robust client engagement**, including 7.6M DATs and $83.4B in margin balances
- Powered by our diversified model, drove **year-over-year revenue growth of 25%**
- Delivered **record 2Q25 GAAP EPS of $1.08 – $1.14 adjusted**[1]
- **Returned excess capital in multiple forms**, including opportunistic common share repurchases

2025

Continuing to play offense

- **Making key investments** to support client, solutions, and financial growth
- Continue to anticipate strong **revenue and earnings expansion**
- Our strong capital generation keeps us poised for **additional return of excess capital** over the remainder of 2025

Long-term

Profitable growth through-the-cycle

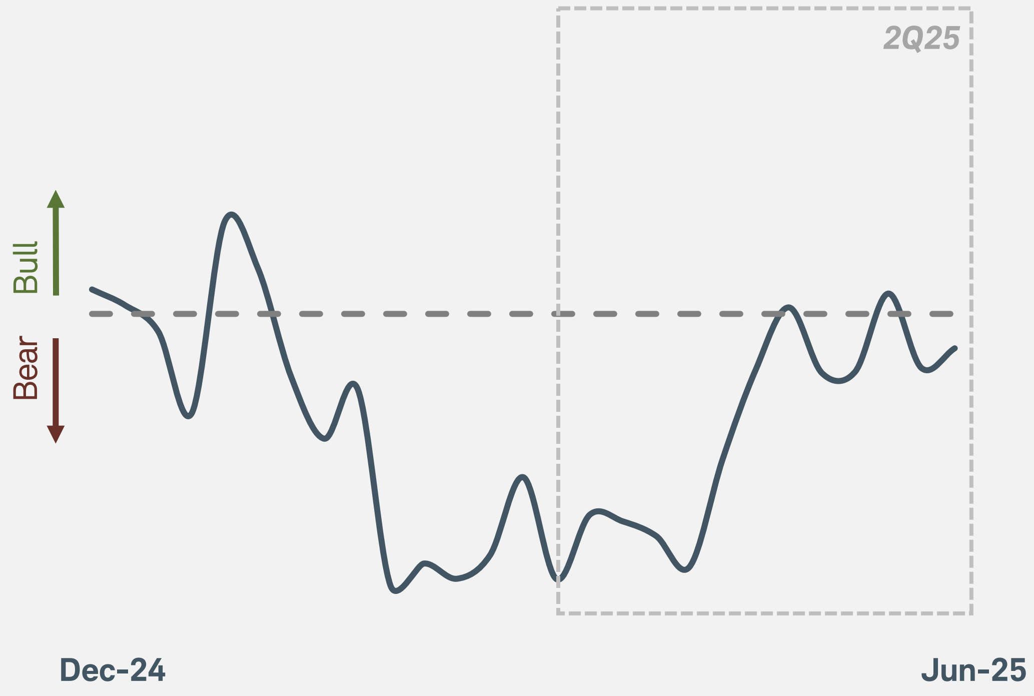
- Our future is bright – our **"Through Clients' Eyes" strategy** drives continued **innovation around client solutions, capabilities, and experiences** which support the further **acceleration of long-term growth**

Note: Q = Quarter. M = Million. B = Billion. YTD = Year-to-date. DATs = Daily average trades. EPS= Earnings per share. GAAP = Generally accepted accounting principles. Core NNA = Net new assets before significant one-time flows, such as acquisitions/divestitures or extraordinary flows (generally greater than $25 billion) relating to a specific client, and activity from off-platform Schwab Bank Certificates of Deposit. These flows may span multiple reporting periods.1. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 40-44 of this presentation.

Investors remained engaged as markets and sentiment rebounded during the second quarter…

Macroeconomic Environment[1]

AAII® Bull-Bear Spread Sentiment Survey[2]



Note: Q = Quarter. Nasdaq® = NASDAQ Composite Index. 1. Metrics are reflected as of June 30, 2025. Index returns sourced via FactSet. The "S&P 500® Index" is a product of S&P Dow Jones Indices LLC or its affiliates ("SPDJI"),and has been licensed for use by Charles Schwab & Co., Inc. 2. AAII® Bull-Bear Spread Sentiment Survey 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).

…and our "Through Clients' Eyes" strategy continued to power growth across all fronts.

Client

Solutions

Financial

Our unrelenting focus on serving clients helped drive solid organic growth through a shifting environment.

Client

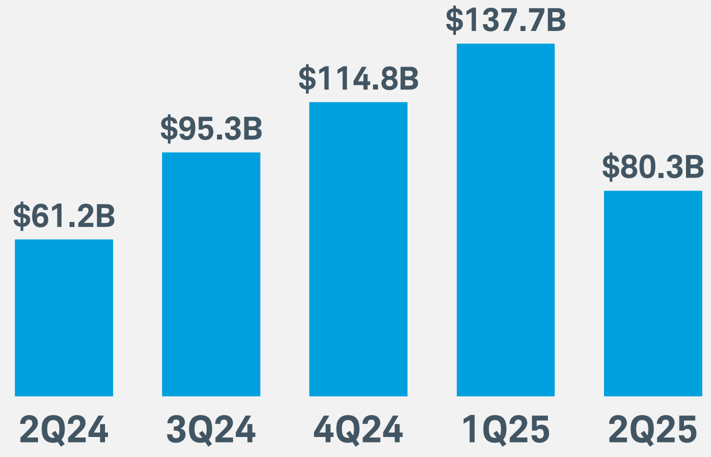
Solutions

Financial

Core Net New Assets

+31% $80.3B

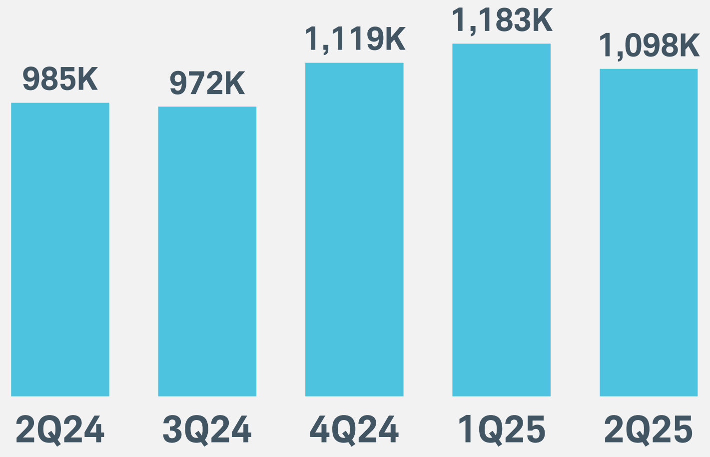
2Q25 vs. 2Q24



New Brokerage Accounts

+11% 1.1M

2Q25 vs. 2Q24



Note: K = Thousand. M = Million. B = Billion. Q = Quarter. Core NNA = Net new assets before significant one-time inflows or outflows, such as acquisitions/divestitures or extraordinary flows (generally greater than $25 billion beginning in 2025; $10 billion in prior periods) relating to a specific client, and activity from off-platform Schwab Bank Retail CDs. These flows may span multiple reporting periods.

Business momentum persisted across our wide array of wealth, lending, and trading solutions,...

Client

Solutions

Financial

Managed Investing Net Flows	Bank Lending (EOP)	Daily Average Trades
+37%	+19%	+38%
2Q25 vs. 2Q24	2Q25 vs. 2Q24	2Q25 vs. 2Q24

Note: Q = Quarter. EOP = End of period.

...helping produce record financial results through the first half of 2025.

Client

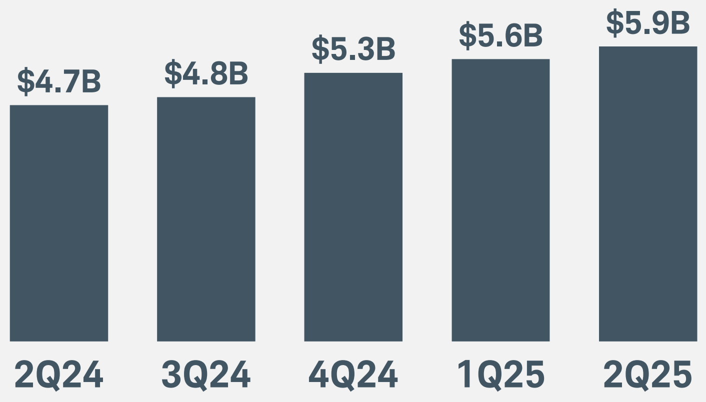
Solutions

Financial

Total Net Revenues

+25% $5.9B

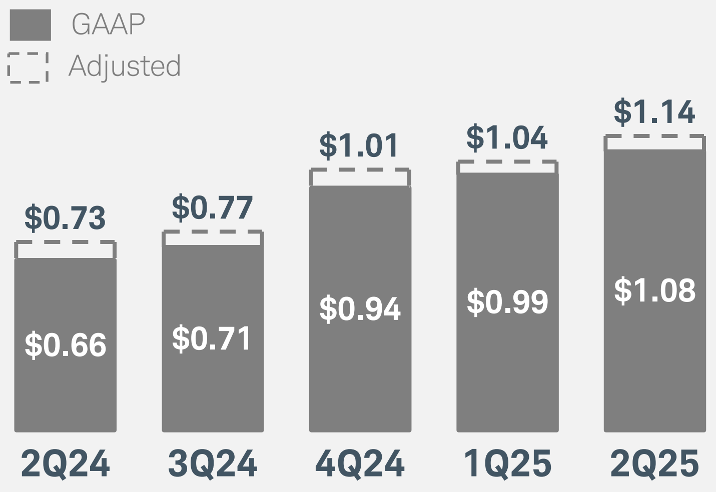
2Q25 vs. 2Q24



Adjusted[1] Earnings per Share

+56% $1.14

2Q25 vs. 2Q24



Note: B = Billion. Q = Quarter. GAAP = Generally accepted accounting principles. 1. Further details on non-GAAP financial measures and a reconciliation of such measures to report results are included on slides 40-44 of this presentation.

We remain confident in our ability to continue driving growth across a range of environments.

1 | Strong Competitive Positioning

2 | Healthy Business Fundamentals

3 | Growing & Diverse Client Base

4 | Investments in Strategic Initiatives

Our industry-leading value proposition continues to earn us third-party recognition.

1 **Strong Competitive Positioning** | 2 Healthy Business Fundamentals | 3 Growing and Diverse Client Base | 4 Investments in Strategic Initiatives

#1 in Total Client Assets for Publicly Reported Peers

#1 in RIA Custodial Assets

#1 in Daily Average Trades

Schwab was named the
2025 Best Investing Platform
by U.S. News & World Report[1]

#1 in Direct Bank Customer Satisfaction for Checking Accounts 7 years in a row and Savings Accounts
Awarded by J.D. Power[2]

Note: 1. U.S. News & World Report's Best Investing Platforms award was given on 04/23/2025. The criteria, evaluation, and ranking were determined by U.S. News & World Report. See https://money.usnews.com/investing/best-brokers/methodology for more information. Schwab paid a licensing fee to U.S. News & World Report for use of the award and logos. 2. Charles Schwab Bank received the highest score in the checking and savings segment of the J.D. Power 2025 U.S. Direct Banking Satisfaction Study, which measures overall satisfaction with direct branchless banks. Visit jdpower.com/awards for more details. The J.D. Power 2025 U.S. Direct Banking Satisfaction Study is independently conducted, and the participating firms. Newsweek America's Best Customer Service 2025 was given on October 30, 2024, and expires November 1, 2025. The criteria, evaluation, and ranking were determined by Newsweek, partnered with Statista. See https://d.newsweek.com/en/file/473784/newsweek-americas-best-customer-service-2025-methodology.pdf for more information. Schwab paid a licensing fee to Newsweek for use of the award and logos.
do not pay to participate. Use of study results in promotional materials is subject to a license fee.

Clients are taking advantage of our broad array of capabilities.

1 Strong Competitive Positioning | 2 Healthy Business Fundamentals | 3 Growing and Diverse Client Base | 4 Investments in Strategic Initiatives

1H25 vs. 1H24

Total Client Interactions[1]

1.0B

↑ 17%

Margin Loans (EOP)

$83.4B

↑ 16%

Pledged Asset Line® Balances (EOP)

$21.0B

↑ 41%

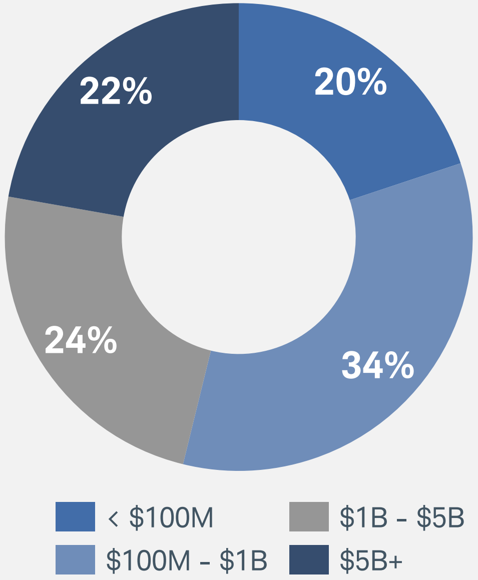
Note: H = Half. B = Billion. EOP = End of period. 1. Total client interactions includes branch conversations, inbound calls, chats, emails, and logins across Schwab web and mobile platforms.

Schwab continues to attract a diverse spectrum of individual investors and RIAs.

1 Strong Competitive Positioning | 2 Healthy Business Fundamentals | **3 Growing and Diverse Client Base** | 4 Investments in Strategic Initiatives

1H25

NNA by Advisor Size[1]



New-to-Firm Retail Households

+606K

+18% vs. 1H24

Age of New-to-Firm Retail Households

>55% Under 40

>30% Under 30

Note: K = Thousand. M = Million. B = Billion. H = Half. RIA = Registered investment advisor. NNA = Net new assets. HH = Households. 1. Represents Advisor Services Institutional net new assets in 2025. Advisors categorized by assets held at Schwab at the beginning of 2025. Certain totals may not sum due to rounding.

We remain committed to innovating our solutions, capabilities, and experiences as clients' needs evolve.

1 Strong Competitive Positioning

2 Healthy Business Fundamentals

3 Growing and Diverse Client Base

4 Investments in Strategic Initiatives

Drive **growth**, deepening relationships with investors & RIAs

Create value with **scale & efficiency**

Deliver the **brilliant basics** for dependability & ease

Invest in our **people**

Note: RIA = Registered investment advisor.

We remain committed to innovating our solutions, capabilities, and experiences as clients' needs evolve.

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Our “Through Clients’ Eyes” strategy helped sustain strong year-to-date momentum, keeping us positioned to drive long-term growth across all fronts.

2Q25

Sustained momentum powering growth on all fronts

2025

Continuing to play offense

Long-term

Profitable growth through-the-cycle

Note: Q = Quarter.

Financial Perspectives

Michael Verdeschi

Managing Director, Chief Financial Officer

Our consistent focus on clients and disciplined approach enables Schwab to drive profitable growth through-the-cycle.

2Q25

Sustained momentum powering growth on all fronts

- **Delivered strong growth** across client, solutions, and financial measures
- **Grew 2Q25 revenue by 25%** year-over-year
- Expanded 2Q25 **pre-tax profit margin to 47.9% – 50.1% adjusted**[1]
- Increased 2Q25 GAAP **earnings per share by 64%, 56% adjusted**[1], versus 2Q24
- **Reduced Bank Supplemental Funding[2] by ~$10 billion** from 1Q25 to ~$28 billion
- Redeemed preferred stock and **continued opportunistic stock repurchases**

2025

Continuing to play offense

- Well-positioned for **financial growth across a range of potential environments**
- Anticipate **meaningful NIM expansion** as we further **reduce high-cost bank borrowings**
- Maintain a balanced approach to expense management – **supporting growth and efficiency**
- Strong capital generation supports **additional return of excess capital** during 2025

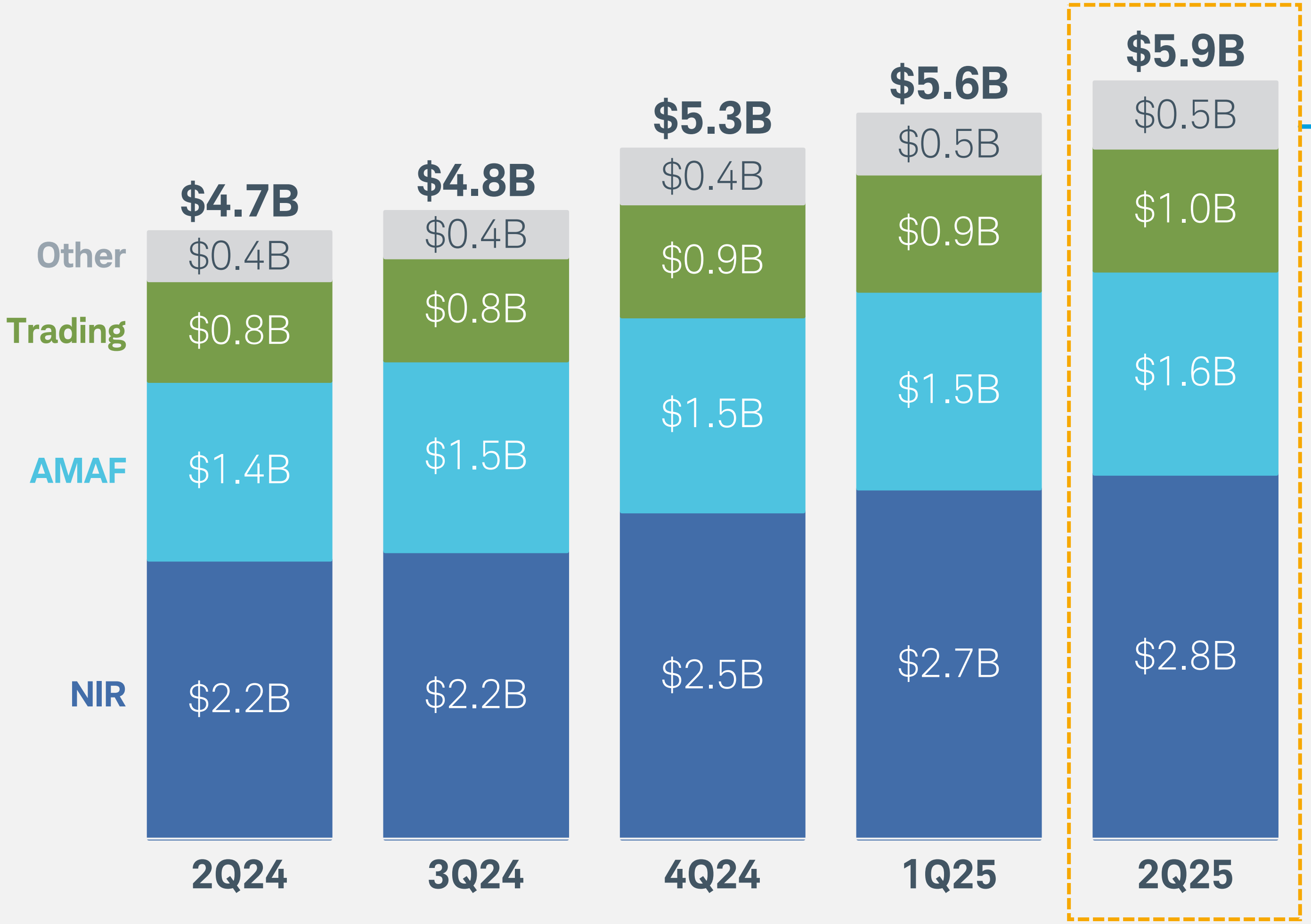
Long-term

Profitable growth through-the-cycle

- Continue to make sustained investments and evolve our offerings to support our clients – **helping to further diversify revenue and bolster the durability of our long-term financial results**

Note: Q = Quarter. NIM = Net interest margin. GAAP = Generally accepted accounting principles. 1. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 40-44 of this presentation. 2. Bank Supplemental Funding includes repurchase agreements at the banks, Schwab Bank Certificates of Deposit, and Federal Home Loan Bank balances.

Robust client engagement and the continued reduction in high-cost borrowings drove 2Q revenue growth of 25% vs 2Q24.

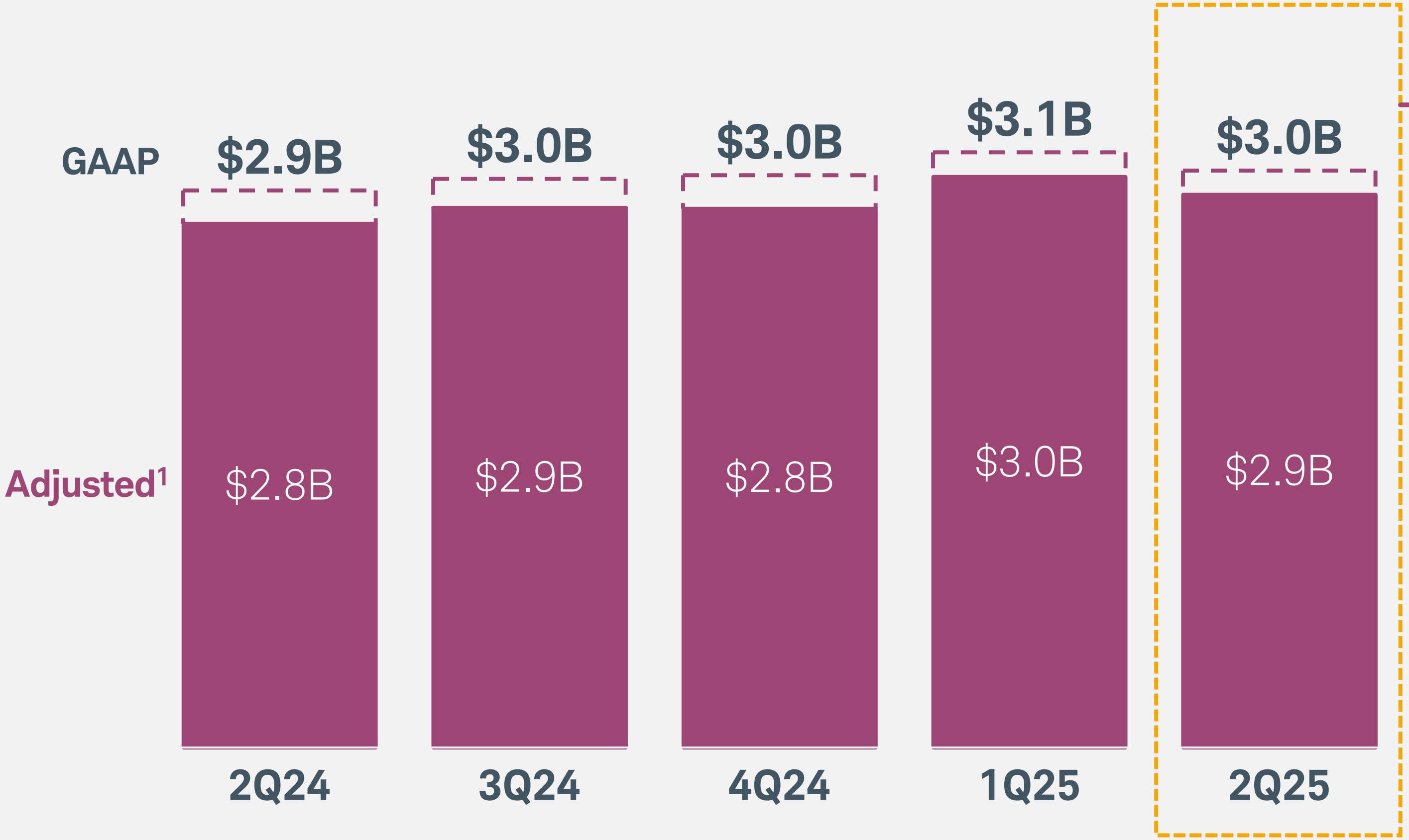


2Q25 vs. 2Q24

- NIR grew 31%, reflecting reduced Bank Supplemental Funding[1] levels and a rebound in securities lending activity
- AMAF grew by 14%, driven by organic growth, higher equity markets, and sustained product utilization
- Trading revenue increased 23% due to substantially higher trading volumes

Note: Certain totals may not sum due to rounding. Q = Quarter. B = Billion. NIR = Net Interest Revenue. AMAF = Asset management and administration fees. Other includes Bank Deposit Account and Other Revenue line items. 1. Bank Supplemental Funding includes repurchase agreements at the banks, Schwab Bank Certificates of Deposit (CDs), and Federal Home Loan Bank balances.

Quarterly expense trends reflect our balanced approach to investing for growth while driving incremental efficiency.



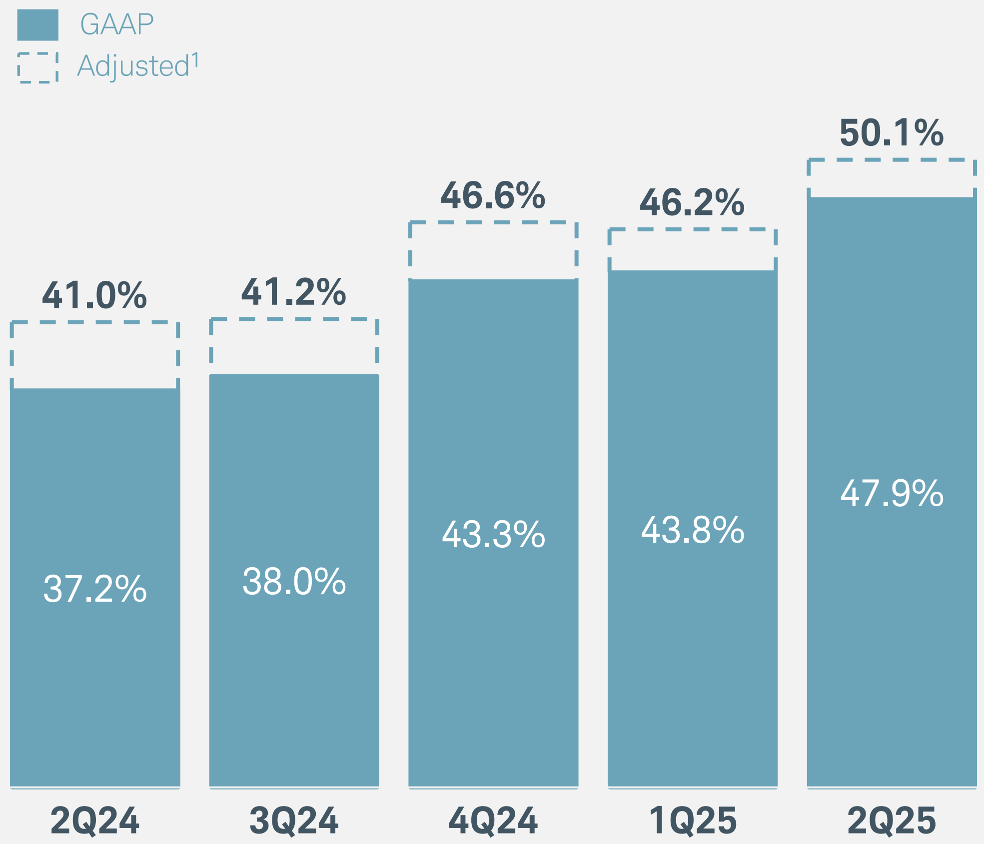
2Q25 vs. 2Q24

- GAAP expenses up 4%
- Adjusted[1] expenses up 5% reflecting continued investments in our strategic initiatives as well as an increase in volume-related costs as we support robust client engagement
- 2Q25 expenses also include the impact of Sec 31 fee reduction[1] to zero in mid-May

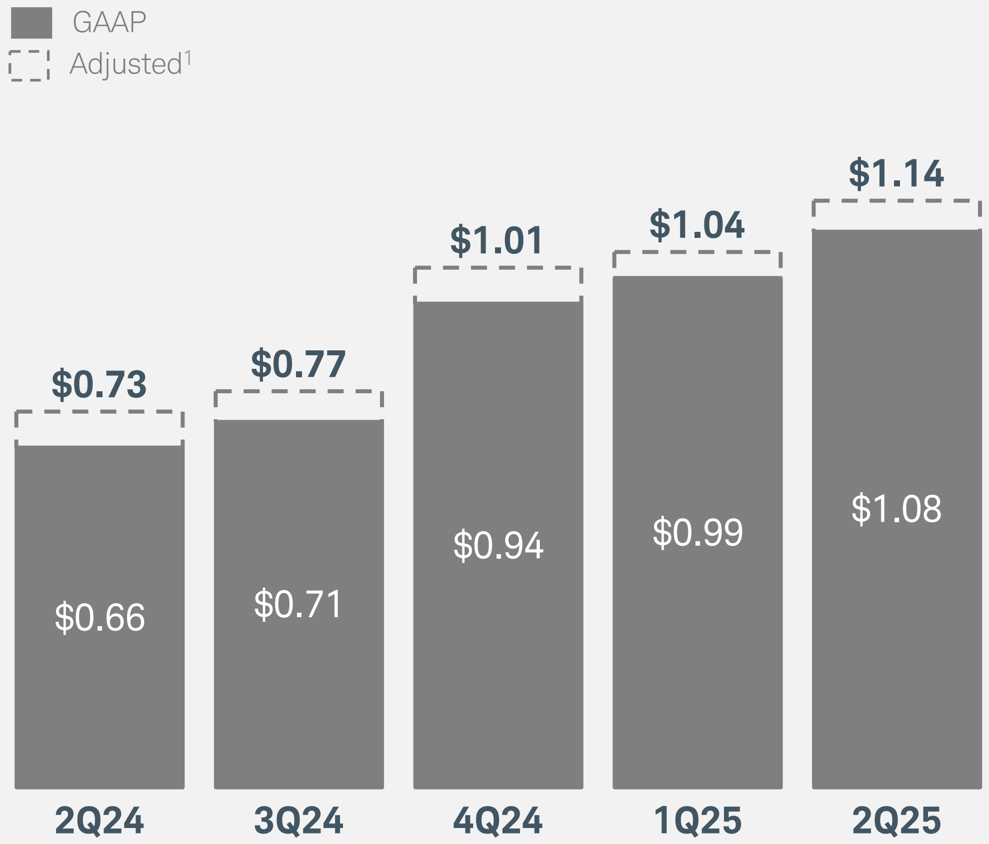
Note: Q = Quarter. B = Billion. GAAP = Generally accepted accounting principles. 1. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 40-44 of this presentation. 1. A corresponding impact from this fee reduction is also reflected in 2Q25 Other Revenue.

Schwab's adjusted[1] pre-tax profit margin expanded to over 50% and adjusted[1] EPS reached a record $1.14 in 2Q25.

Pre-tax Profit Margin



Earnings per Share



Note: Q = Quarter. EPS = Earnings per share. GAAP = Generally accepted accounting principles. 1. Further details on non-GAAP financial measures and a reconciliation of such measures to report results are included on slides 40-44 of this presentation.

2Q25 Balance Sheet Highlights

Balance Sheet Principles

Support our clients' evolving needs

Maintain a foundation of safety and soundness

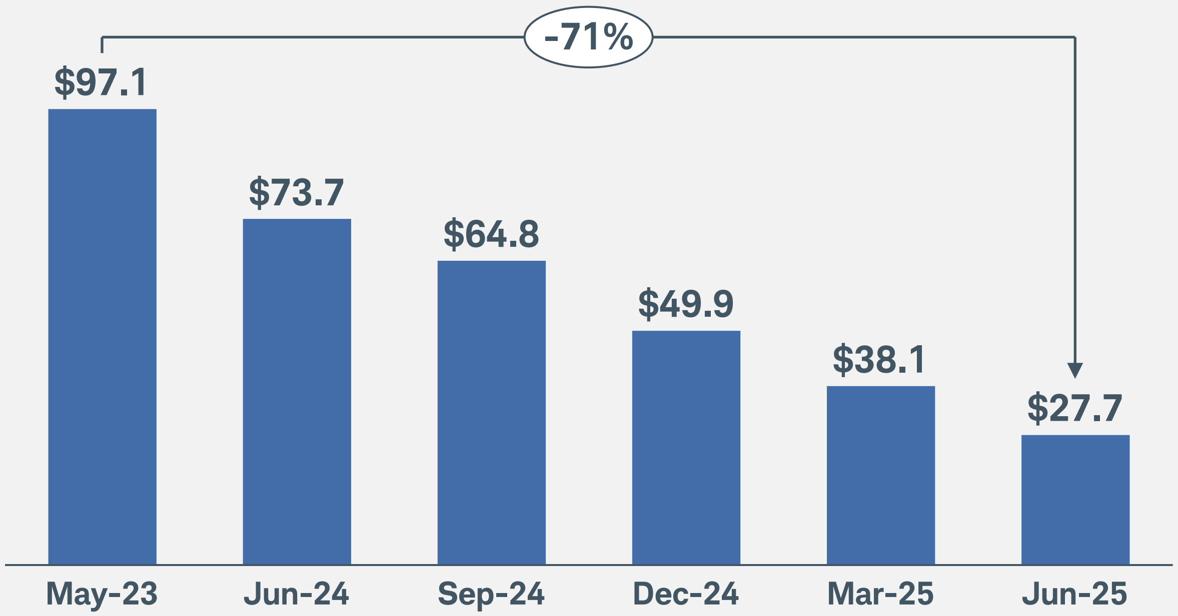
Drive financial outcomes through-the-cycle

- **Supported Client-Driven Growth**
  - Client margin balances declined to finish the quarter at $83.4 billion, or down slightly from year-end 2024
  - Bank loans to clients increased 12% versus year-end 2024
- **Sweep Cash Net Flows**
  - Transactional sweep cash[1] increased by $4.3 billion from the March month-end level to finish the quarter at $412.1 billion – reflecting anticipated tax seasonality as well as client net equity selling
- **Reduced Bank Supplemental Funding[2]**
  - Outstanding higher-cost funding at the banks declined by $10.4 billion to end the quarter at $27.7 billion
- **Capital Return**
  - Redeemed entire Series G preferred stock outstanding of ~$2.5 billion
  - Repurchased 3.9 million shares of our common stock for $351 million

Note: Q = Quarter. 1. Transactional sweep cash includes bank sweep deposits and broker-dealer cash balances, other client cash held on the balance sheet (bank checking and savings deposits as well as broker-dealer non-interest-bearing credits), and Bank Deposit Account balances; excludes proprietary and third-party CDs. 2. Bank Supplemental Funding includes repurchase agreements at the banks, Schwab Bank Certificates of Deposit, and Federal Home Loan Bank balances.

Higher-cost bank funding[1] is down 27% sequentially.

Bank Supplemental Funding Balances[1] ($B)



Factors Influencing Paydown

1. Securities Portfolio Cash Flows (Principal & Interest)
2. Macroeconomic Environment
3. Seasonality
4. Client Engagement & Allocations
5. Maturity Profile of Borrowings
6. Net Asset Gathering Levels

While the pace of pay down will be influenced by a range of factors, reducing higher-cost bank funding remains a priority.

Note: B = Billion. 1. Bank Supplemental Funding includes repurchase agreements at the banks, Schwab Bank Certificates of Deposit (CDs), and Federal Home Loan Bank balances.

Our capital ratios remain robust and the firm has returned meaningful excess capital to stockholders year-to-date.

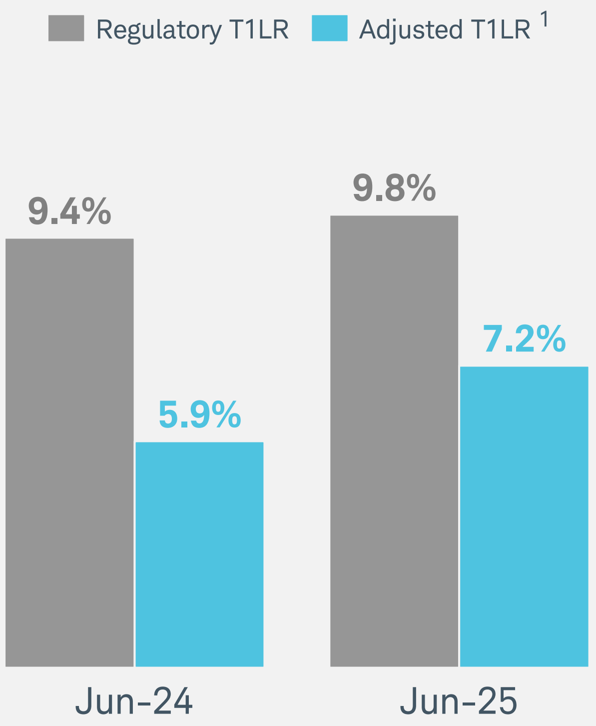
Capital Management Framework

Support ongoing business growth

Common dividend payout range

Seek opportunistic return of excess capital

Consolidated Tier 1 Leverage Ratio



1H25 Capital Actions

+8% Common stock dividend increase

~$1.8B Common stock repurchased

$2.5B Series G Preferred Redemption[2]

Note: T1LR = Tier 1 Leverage Ratio. B = Billion. H = Half. 1. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 40-44 of this presentation. June 30, 2025 ratios are preliminary. 2. Preferred Redemptions include Series G which was redeemed on June 2, 2025.

As we enter the second half of 2025, our financial outlook continues to be influenced by interest rates, market levels and investor behavior.

Winter Business Update

Interest Rates	Forward curve as of January 17, 2025 Fed Funds[1] finishes 2025 at 4.25%
Equity Markets	S&P 500 appreciates 6.5% from year-end 2024 level
Client Activity	FY25 DATs and mix generally in-line with 4Q24 4Q24 average DATs of 6.3M

Note: Q = Quarter. FY = Full year. M = Million. DAT = Daily average trades. 1. Upper-bound. The "S&P 500® Index" is a product of S&P Dow Jones Indices LLC or its affiliates ("SPDJI"), and has been licensed for use by Charles Schwab & Co., Inc.

As we enter the second half of 2025, our financial outlook continues to be influenced by interest rates, market levels and investor behavior.

	Winter Business Update	Summer Business Update
Interest Rates	Forward curve as of January 17, 2025 Fed Funds[1] finishes 2025 at 4.25%	Forward curve as of July 17, 2025 Fed Funds[1] finishes 2025 at 4.00%
Equity Markets	S&P 500 appreciates 6.5% from year-end 2024 level	S&P 500 appreciates ~9% from year-end 2024 level
Client Activity	FY25 DATs and mix generally in-line with 4Q24 4Q24 average DATs of 6.3M	FY25 DATs of ~7.2M Reflects pullback from 1H25 level

Note: Q = Quarter. H = Half. FY = Full year. M = Million. DAT = Daily average trades. 1. Upper-bound. The "S&P 500® Index" is a product of S&P Dow Jones Indices LLC or its affiliates ("SPDJI"), and has been licensed for use by Charles Schwab & Co., Inc.

Our updated 2025 financial scenario reflects our sustained momentum through the first half of the year.

Revenue

Anticipate full-year revenue to increase by 18.5% to 19.5% versus the prior year as clients continue to utilize our broad array of services and solutions

- Further reduction of Bank Supplemental Funding[1] supports full-year NIM expansion into the 2.65% to 2.75% range – with 4Q25 NIM well into the 280s basis points range
- FY25 average interest-earning assets down slightly versus full-year 2024 average

Expenses

Expect full-year adjusted expenses[2] to grow by 4.75% to 5.25% versus 2024

- Continue to prioritize growth and scale investments to deliver value through-the-cycle for all stakeholders – clients, stockholders, and employees
- Incorporates changes to Sec 31 fees as well as client engagement and volume considerations

Pre-tax Profit Margin

Implies full-year adjusted pre-tax margin[2] in the very high 40% zone

Note: NIM = Net interest margin. Q = Quarter. FY = Full year. PTPM = Pre-tax profit margin. GAAP = Generally accepted accounting principles. Other select assumptions include a 23.5% full-year tax rate. 1. Bank Supplemental Funding includes repurchase agreements at the banks, Schwab Bank Certificates of Deposit (CDs), and Federal Home Loan Bank balances. 2. Non-GAAP adjustments expected to be approximately $130 million pre-tax per quarter during 2025. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 40-44 of this presentation.

Select Annualized Revenue Sensitivities

As of June 30, 2025

Target Fed Funds Rate +/- 25 bps[1]	~$250M – $300M
BDA	~$40M +/- $1B of Balances; ~$45M +/- 25 bps in Fed Funds
Bank Sweep Balances +/- $1B	~$45M
S&P 500® +/- 1%	~$30M
Daily Average Trades +/- 100K	~$50M
Margin Balances +/- $1B	~$25M

Note: Bps = Basis points. K = Thousand. B = Billion. M = Million. BDA = Bank deposit account. 1. Fed Funds sensitivities assumes static interest-earning assets as of June 30, 2025; other considerations include mix and duration of the bank investment portfolio, movements across the yield curve, and how quickly the fixed portfolio reprices; the sensitivity also factors in the impact of any active hedging activity and assumes a deposit beta of 0%. The "S&P 500® Index" is a product of S&P Dow Jones Indices LLC or its affiliates ("SPDJI"), and has been licensed for use by Charles Schwab & Co., Inc.

Our long-term diversified financial model remains intact.

Sustainable organic growth plus increasing engagement with our wealth solutions

Further revenue diversification as we deepen client relationships by serving their evolving needs

Balance sustained investment to support growth while enhancing scale

Efficient utilization of capital and liquidity

Our consistent focus on clients and disciplined approach enables Schwab to drive profitable growth through-the-cycle.

2Q25	2025	Long-term
Sustained momentum powering growth on all fronts	Continuing to play offense	Profitable growth through-the-cycle

Note: Q = Quarter.

Q&A

Summer Business Update

July 18, 2025

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Appendix

Appendix

Balance Sheet (as of June 30, 2025)

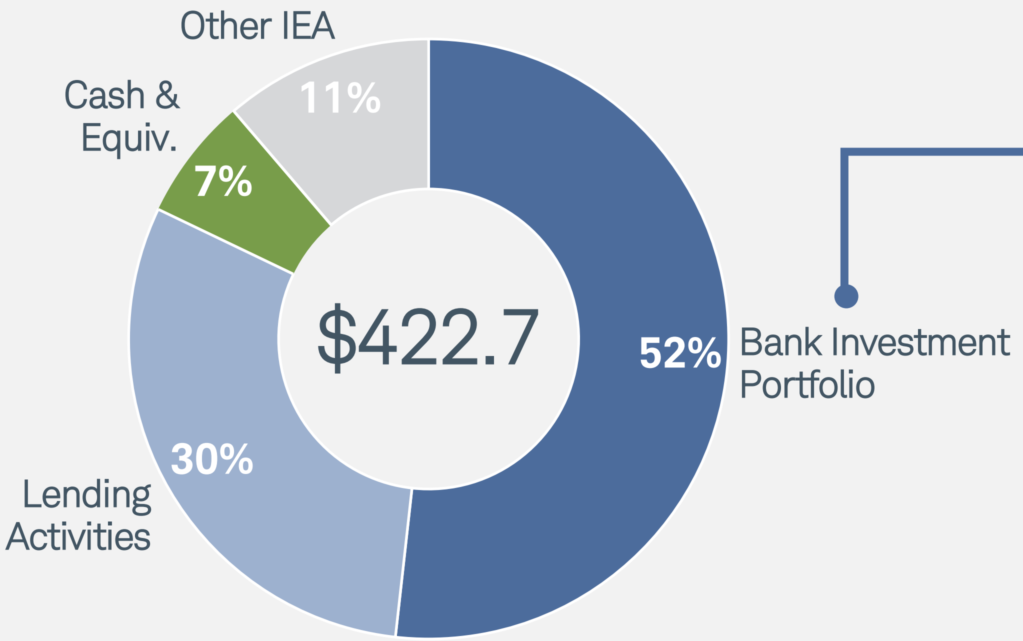
($M, EOP)	2Q24	3Q24	4Q24	1Q25	2Q25
Total Assets	$449,675	$466,055	$479,843	$462,903	$458,936
Bank Deposits	$252,420	$246,462	$259,121	$246,160	$233,058
Payables to Brokerage Clients	$79,966	$89,164	$101,559	$100,579	$109,355
Long-term Debt	$22,449	$22,442	$22,428	$21,471	$20,208
Stockholders' Equity	$43,953	$47,215	$48,375	$49,511	$49,451
Parent Liquidity	$12,877	$12,655	$12,518	$11,271	$11,581
Consolidated Tier 1 Leverage Ratio*	9.4%	9.7%	9.9%	9.9%	9.8%
Consolidated Adj. Tier 1 Leverage Ratio[1*]	5.9%	6.7%	6.8%	7.1%	7.2%

Note: M = Million. EOP = End of period. Q = Quarter. Adj = Adjusted. *Preliminary. 1. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 40-44 of this presentation.

Appendix

Average Interest-earning Assets & Bank Investment Portfolio (as of June 30, 2025)

2Q25 Avg. Interest-earning Assets ($B,%)[1, 2]



Bank Investment Portfolio Spotlight

Fixed vs. Floating

96% Fixed / 4% Floating

Securities Mix[3]

90%+ backed by U.S. government or agency

Duration Analysis[4]

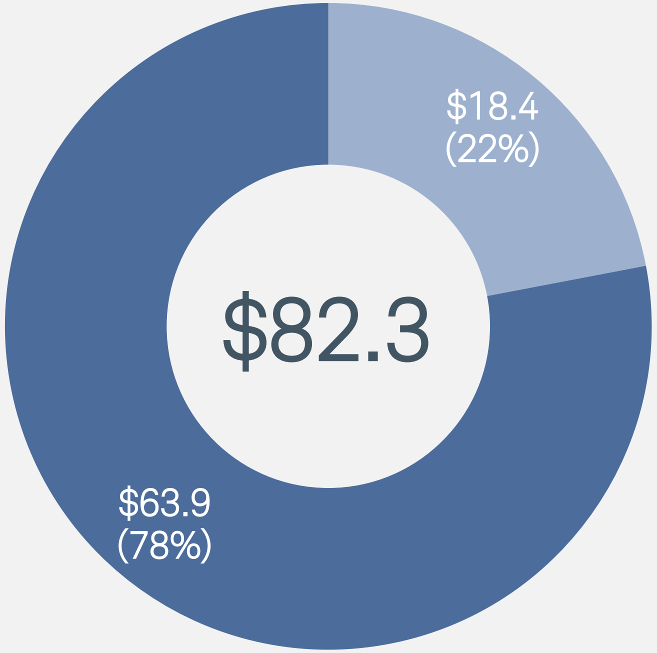
2.1	3.8
Consolidated IEAs Duration (Years) Preliminary	Bank Investment Portfolio Duration (Years)

Note: Q = Quarter. B = Billion. Bps = Basis points. Avg. = Average. IEA = Interest-earning assets. Cash & Equiv. = Cash and Equivalents. RMBS = Residential Mortgage-backed Security. CMBS = Commercial Mortgage-backed Security. U.S. = United States. 1. Bank Investment Portfolio includes available-for-sale and held-to-maturity securities within the consolidated bank investment portfolio but excludes cash investments; please note percentage may be rounded and therefore may not round to 100%. 2. Lending Activities is comprised of client margin debits and bank loans. 3. Total may not sum to 100% due to rounding. "Other" includes U.S. Treasuries, corporate debt, asset-backed securities, and other investment securities as appropriate. 4. Duration is represented on an option-adjusted basis, including the impact of hedging activity, as of June 30, 2025.

Appendix

Bank Deposit Account Summary (as of June 30, 2025)

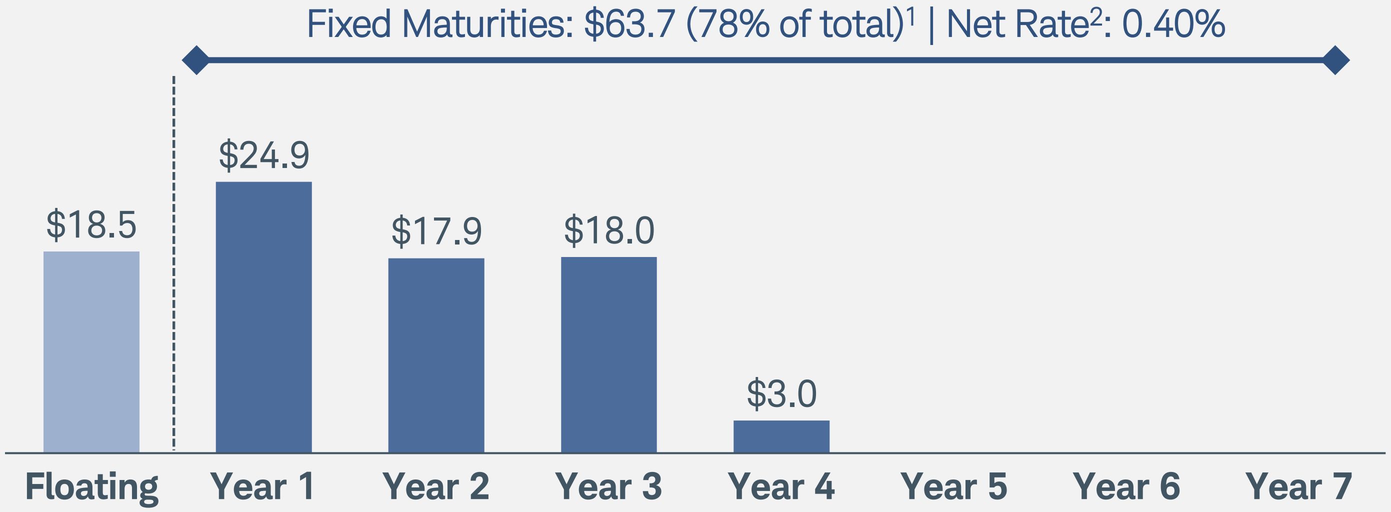
Mix of Average BDA Balances ($B,%)



	Net Rate	2Q25 Revenue
Floating	4.04%	$187M
Fixed	0.40%	$60M

BDA Balances by Maturity, EOP ($B)

Total Balance: $82.1	Net Rate[2]: 1.22%	Annual Revenue[3]: $1,013.7M



	Floating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Net Rate[2]	4.03%	0.01%	0.14%	0.85%	2.56%	--	--	--
Annual Revenue[3]	$756M	$2M	$25M	$154M	$77M	--	--	--

Note: Certain totals may not sum due to rounding. M = Million. B = Billion. Q = Quarter. 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 June 30, 2025; includes all related fees and client pay rates as of June 30, 2025. 3. Revenue figures presented on an annualized run-rate basis per the amended 2023 Insured Deposit Agreement (IDA) arrangement.

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, amortization of acquired intangible assets, and restructuring costs	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, restructuring costs, 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, amortization of acquired intangible assets, and restructuring costs 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. Costs related to acquisition and integration or restructuring fluctuate based on the timing of acquisitions, integration and restructuring 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.
Adjusted Tier 1 Leverage Ratio	Adjusted Tier 1 Leverage Ratio represents the Tier 1 Leverage Ratio as prescribed by bank regulatory guidance for the consolidated company and for Charles Schwab Bank, SSB (CSB), adjusted to reflect the inclusion of accumulated other comprehensive income (AOCI) in the ratio.	Inclusion of the impacts of AOCI in the Company's Tier 1 Leverage Ratio provides additional information regarding the Company's current capital position. We believe Adjusted Tier 1 Leverage Ratio may be useful to investors as a supplemental measure of the Company's capital levels.

The Company also uses adjusted diluted EPS and return on tangible common equity as components of performance criteria 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. Additionally, the Company uses adjusted Tier 1 Leverage Ratio in managing capital, including its use of the measure as its long-term operating objective.

Appendix

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

	Three Months Ended, June 30, 2025		Three Months Ended, March 31, 2025		Three Months Ended, December 31, 2024		Three Months Ended, September 30, 2024		Three Months Ended, June 30, 2024		Twelve Months Ended, December 31, 2024	
(In millions, except ratios and per share amounts)	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	Net Income	Total Expenses Excluding Interest	Net Income
Total expenses excluding interest (GAAP), Net income (GAAP)	$ 3,048	$ 2,126	$ 3,144	$ 1,909	$ 3,024	$ 1,840	$ 3,005	$ 1,408	$ 2,943	$ 1,332	$ 11,914	$ 5,942
Amortization of acquired intangible assets	(128)	128	(130)	130	(130)	130	(130)	130	(129)	129	(519)	519
Acquisition and integration-related costs	–	–	–	–	(20)	20	(23)	23	(36)	36	(117)	117
Restructuring costs	-	-	–	–	(27)	27	–	–	(10)	10	(9)	9
Income tax effects [1]	N/A	(32)	N/A	(31)	N/A	(43)	N/A	(36)	N/A	(42)	N/A	(154)
Adjusted total expenses (Non-GAAP), Adjusted net income (Non-GAAP)	$ 2,920	$ 2,222	$ 3,014	$ 2,008	$ 2,847	$ 1,974	$ 2,852	$ 1,525	$ 2,768	$ 1,465	$ 11,269	$ 6,433

Note: N/A = Not applicable. 1. The income tax effects of the non-GAAP adjustments are determined using an effective tax rate reflecting the exclusion of non-deductible acquisition costs and are used to present the acquisition and integration-related costs, amortization of acquired intangible assets, and restructuring costs on an after-tax basis.

Appendix

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

	Three Months Ended, June 30, 2025		Three Months Ended, March 31, 2025		Three Months Ended, December 31, 2024		Three Months Ended, September 30, 2024		Three Months Ended, June 30, 2024	
(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)	$ 2,803	47.9%	$ 2,455	43.8%	$ 2,305	43.3%	$ 1,842	38.0%	$ 1,747	37.2%
Amortization of acquired intangible assets	128	2.2%	130	2.4%	130	2.4%	130	2.7%	129	2.8%
Acquisition and integration-related costs	–	–	–	–	20	0.4%	23	0.5%	36	0.8%
Restructuring costs	–	–	–	–	27	0.5%	–	–	10	0.2%
Adjusted income before taxes on income (Non-GAAP), Adjusted pre-tax profit margin (Non-GAAP)	$ 2,931	50.1%	$ 2,585	46.2%	$ 2,482	46.6%	$ 1,995	41.2%	$ 1,922	41.0%

Appendix

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

	Three Months Ended, June 30, 2025		Three Months Ended, March 31, 2025		Three Months Ended, December 31, 2024		Three Months Ended, September 30, 2024		Three Months Ended, June 30, 2024	
(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)	$ 1,977	$ 1.08	$ 1,796	$ .99	$ 1,717	$ .94	$ 1,299	$ .71	$ 1,211	$ .66
Amortization of acquired intangible assets	128	.07	130	.07	130	.07	130	.07	129	.07
Acquisition and integration-related costs	–	–	–	–	20	.01	23	.01	36	.02
Restructuring costs	–	–	–	–	27	.01	–	–	10	.01
Income tax effects	(32)	(.01)	(31)	(.02)	(43)	(.02)	(36)	(.02)	(42)	(.03)
Adjusted net income available to common stockholders (Non-GAAP), Adjusted diluted EPS (Non-GAAP)	$ 2,073	$ 1.14	$ 1,895	$ 1.04	$ 1,851	$ 1.01	$ 1,416	$ .77	$ 1,344	$ .73

Note: EPS = Earnings per share.

Appendix

Non-GAAP Reconciliation: Consolidated Adjusted Tier 1 Leverage Ratio

(In millions, except ratios and per share amounts)	Three Months Ended, Preliminary June 30, 2025	Three Months Ended, June 30, 2024
Tier 1 Leverage Ratio (GAAP)	9.8%	9.4%
Tier 1 Capital	$ 44,267	$ 42,624
Plus: AOCI adjustment	(12,589)	(16,926)
Adjusted Tier 1 Capital	31,678	25,698
Average assets with regulatory adjustments	451,314	451,304
Plus: AOCI adjustment	(13,231)	(17,301)
Adjusted average assets with regulatory adjustments	$ 438,083	$ 434,003
Adjusted Tier 1 Leverage Ratio (non-GAAP)	7.2%	5.9%

Note: CSC = Charles Schwab Corporation. AOCI = Accumulated other comprehensive income.

Summer Business Update

July 18, 2025

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