Fall Business Update

October 16, 2023

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 “believe,” “expect,” “will,” “may,” “should,” “could,” “continue,” “growth,” “remain,” “sustain,” “enhance,” “estimate,” “potential,” “anticipate,” “lead,” “advance,” “ongoing,” “illustrative,” “opportunity,” “expand,” “drive,” “deliver,” “bolster,” “position,” “trajectory,” “target,” “assumption,” “scenario,” “enable,” “capture,” “accelerate,” “temporary,” “build,” “seek,” “in-line,” “outlook,” and other similar expressions.

These forward-looking statements relate to: the company’s strategy and approach; positioning; growth in the client base, client accounts, and assets; the integration of Ameritrade, including current expectations regarding the timing of remaining client transitions, deal-related attrition, and the amount and timing of expense and revenue synergies; growth in revenues, earnings, and profits; investments in people, technology, and platforms to fuel and support growth, serve clients and advisors, and drive scale and efficiency; business and financial models; competitive advantages; market share; growth recipe; business momentum; key strategic initiatives to add scale and efficiency, win-win monetization, and client segmentation; enhancing and expanding offers and solutions for clients and RIAs; Workplace participant experience; run-rate expense savings and the costs to achieve them; expense growth; stockholder value; opportunities; client cash realignment, including activity and trends; net interest margin; utilization of, impact from using, and repayment of, supplemental funding; capital; long-term investment thesis; balance sheet management; 2023 and 2024 financial outlooks, including revenue and expenses; Adjusted Tier 1 Leverage Ratio; EOCA; investment portfolio; capital return; 2023 financial scenario assumptions, including macro and business factors; estimated impact from revenue sensitivities; and reinvestment yields.

These forward-looking statements, which reflect management’s beliefs, expectations, and objectives 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 the level of interest rates and equity valuations; the company’s ability to attract and retain clients and RIAs and grow those relationships and associated client assets; 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 Ameritrade client transitions may not be completed when expected or not result in a positive client experience, asset attrition from clients originating at Ameritrade may be higher than expected, expense and revenue 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; client cash allocation decisions; competitive pressures on pricing; client sensitivity to rates; the level of client assets, including cash balances; the company’s ability to monetize client assets; the level and mix of client trading activity; market volatility; capital and liquidity needs and management; the company’s ability to manage expenses; the company’s ability to timely and successfully streamline its operating model and reduce its real estate footprint and the costs incurred in connection with such actions; integration-related and other technology projects; compensation; balance sheet positioning relative to changes in interest rates; loan growth; pace of paying down supplemental funding; interest earning asset mix and growth; securities lending; daily average trades; margin balances; capital expenditures; 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 from new or changed legislation, regulation or regulatory expectations, including the timing of the FDIC’s enactment of a final rule relating to a special assessment and the company’s recognition of the full amount of the special assessment in earnings upon such enactment.

The information in this presentation speaks only as of October 16, 2023 (or such earlier date as may be specified herein). The company makes no commitment to update any of this information.

Strategic Update

Walt Bettinger

Co-Chairman of the Board and Chief Executive Officer

Rick Wurster

President

Schwab's "Through Clients' Eyes" strategy and long-term orientation position us for success through the cycle.

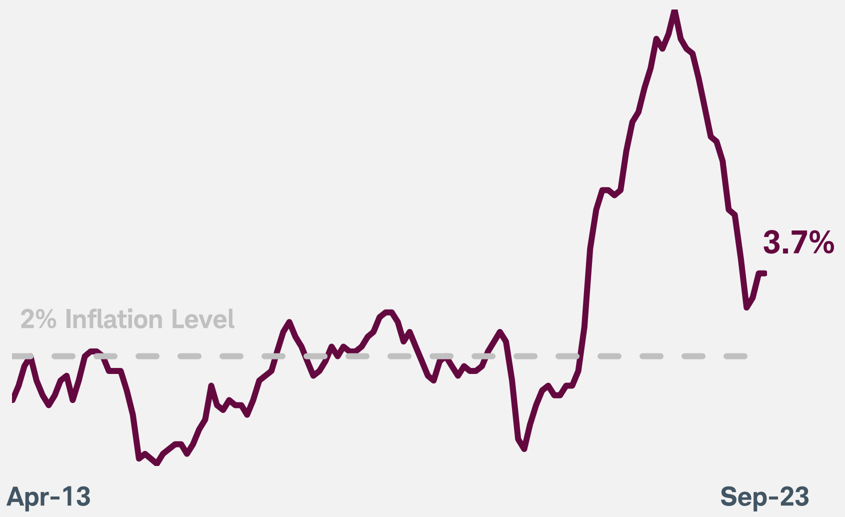
- Our "no trade-offs" approach of combining leading value, service, transparency, and trust continues to resonate with investors as we help them navigate a shifting environment

- As we move confidently into the final phases of the historic Ameritrade client conversion, our long-term growth potential remains robust

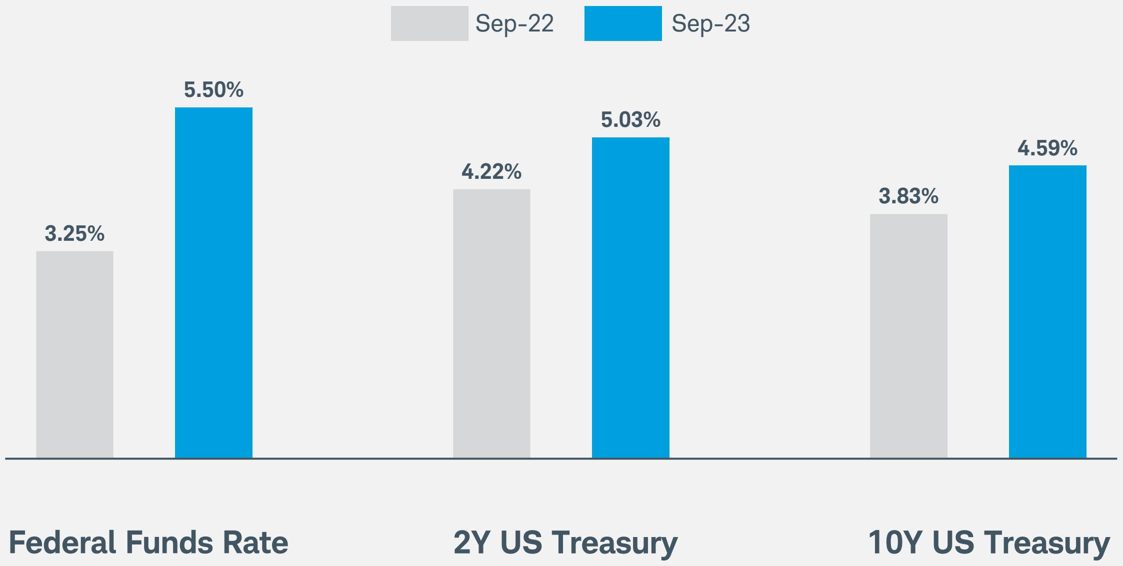
- Ongoing investment in Schwab's modern wealth management experience helps bolster our competitive positioning and enables us to meet the evolving needs of individual investors and the advisors who serve them

While tighter monetary policy has lowered inflation, the pace and level of rate increases has negatively impacted the financial markets.

U.S. Inflation Rate



U.S. Treasury Rates

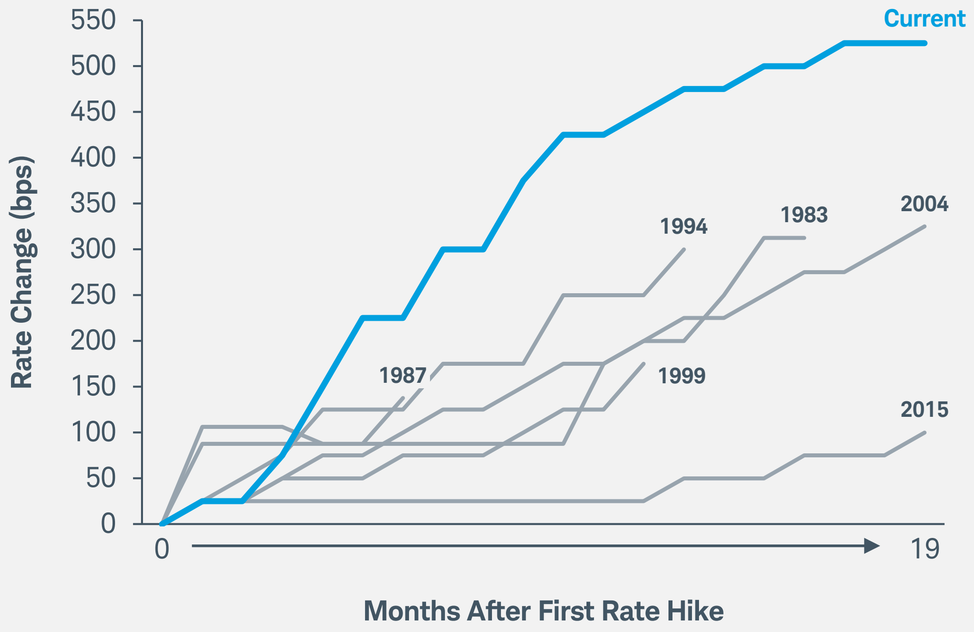


Longest yield curve inversion in four decades.

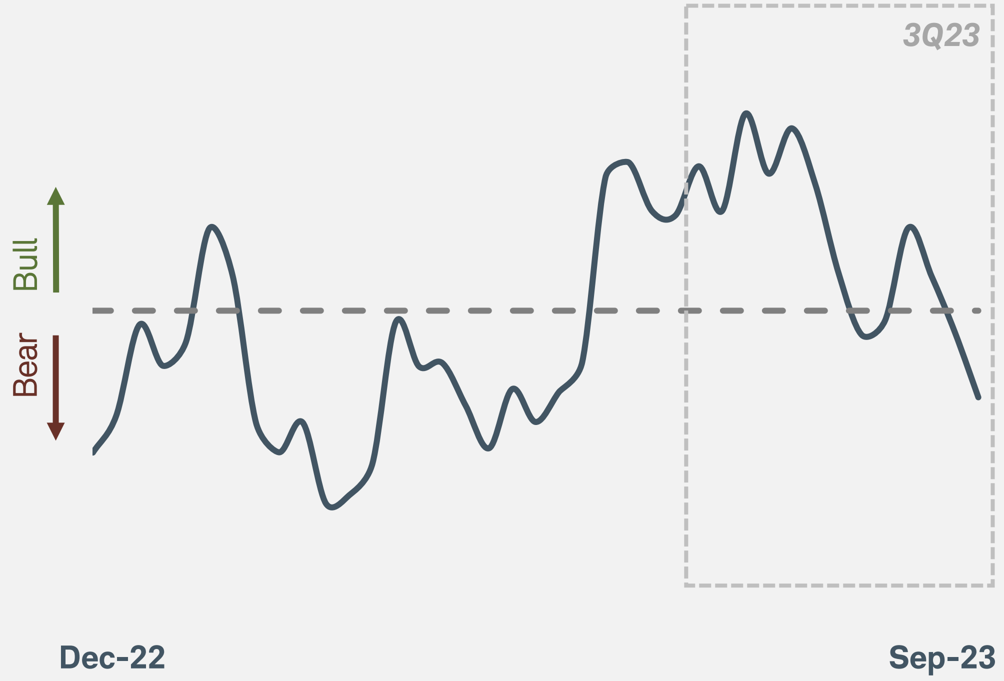
Note: U.S. = United States. Y = Year. U.S. Inflation Rate sourced via U.S. Bureau of Labor Statistics. Fed Funds rate sourced via FactSet. 2-year and 10-year U.S. Treasury yields sourced via U.S. Department of Treasury.

This historic pace of rate hikes has also dramatically impacted investor sentiment,...

Federal Funds Rate Hikes



AAII® Bull-Bear Spread Sentiment Survey[1]

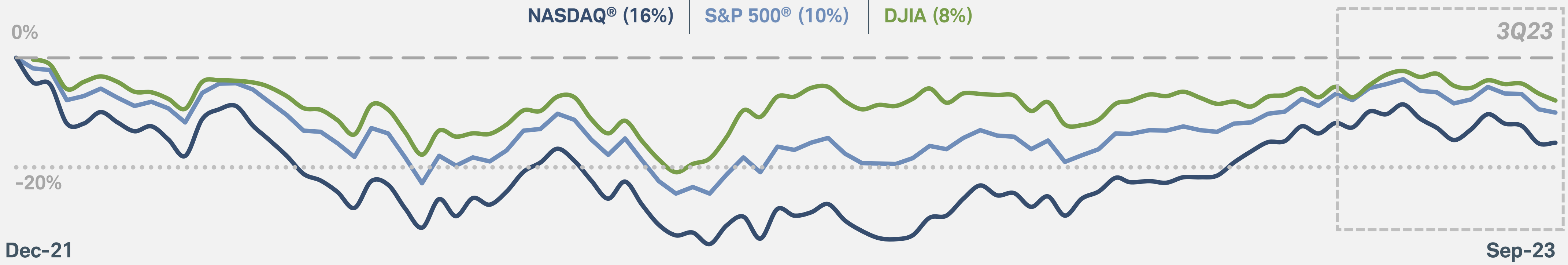


Note: Bps = Basis points. Q = Quarter. Fed Funds rate sourced via FactSet. 1. AAII® Bull-Bear Spread Sentiment Survey represents American Association of Individual Investors; Bull-Bear Spread is calculated as % of surveyed investors with a positive outlook on the stock market over the next six months versus % of surveyed investors with a more negative outlook (excludes investors with a neutral outlook).

…weighing on equity and bond market valuations.

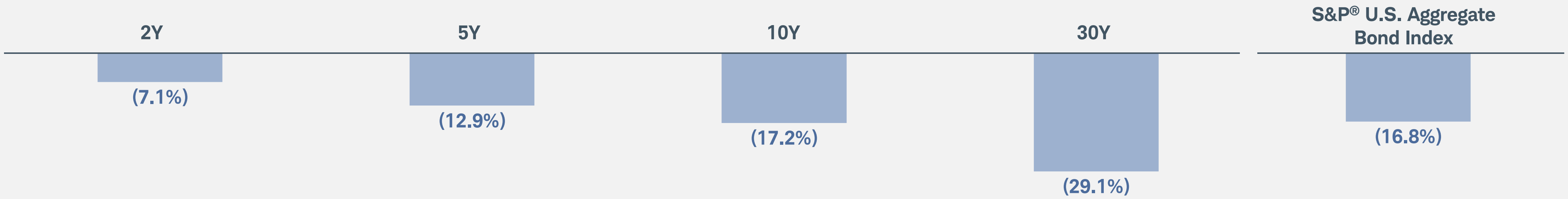
Equity Markets[1]

Sep-2023 vs. Dec-2021



Bond Markets[2]

Sep-2023 vs. Dec-2021



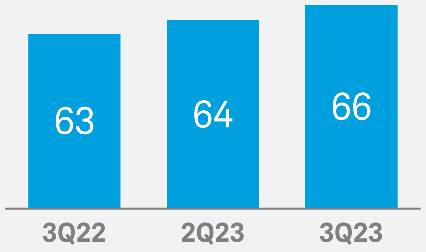
The equity sell-off, plus the impact of higher rates on bond values, pressured investor portfolios from all sides.

Note: Q = Quarter. U.S. = United States. Nasdaq® = NASDAQ Composite Index. Y = Year. 1. Index returns sourced via FactSet. 2. Continuous U.S. Treasury prices and S&P® U.S. Aggregate Bond Index 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.

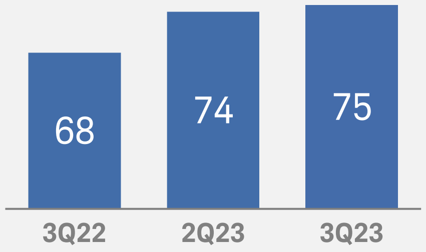
Although Schwab's stock price has suffered along with investors, clients and prospects continue to view Schwab as a trusted partner.

Client Promoter Scores

Investor Services



Schwab Wealth Advisory



Named Most Trusted Financial Companies Bank

Awarded by Investor's Business Daily®[1]

Ranked #1 in Investor Satisfaction with Full-Service Wealth Management Firms by J.D. Power 2023

Awarded by J.D. Power[2]

Note: Q = Quarter. 1. The IBD Most Trusted Bank award was given on September 25, 2023, and expires December 31, 2024. The criteria, evaluation, and ranking were determined by Investor's Business Daily. https://www.investors.com/news/most-trusted-financial-companies-top-25-list-2022. Schwab paid a licensing fee to York Graphic Services, LLC. for the use of the award and logos. 2. Charles Schwab received the highest score in the J.D. Power 2023 U.S. Full-Service Investor Satisfaction Study, which measures investor satisfaction with full-service investment firms. Visit jdpower.com/awards for more details. The J.D. Power 2023 U.S. Full-Service Investor Satisfaction Study is independently conducted, and the participating firms do not pay to participate. Use of study results in promotional materials is subject to a license fee.

Our long-term asset gathering model remains firmly intact, even with the expected attrition from the Ameritrade conversion,...

2023 YTD Highlights

$230B

Core Net New Assets

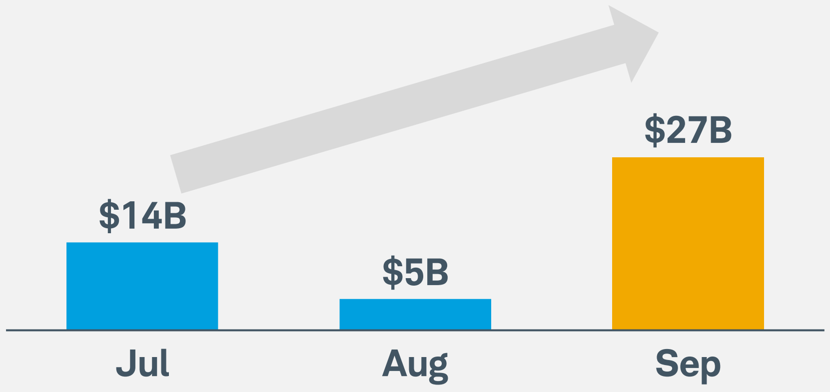
2.9M

New Brokerage Accounts

3Q23 Highlights

$46B

Core Net New Assets



Firm-wide asset gathering re-accelerated in September.

Note: M = Million. B = Billion. YTD = Year-to-date. Q = Quarter. Core NNA = 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, and activity from off-platform Schwab Bank Retail CDs. These flows may span multiple reporting periods.

...including robust net inflows from accounts originated at Schwab.

YTD Asset Gathering: Schwab Originated Accounts Only

$248B	+12%	6.3%
Core NNA	Y/Y Core NNA Growth	Organic Core NNA Growth Rate[1]

Note: YTD = Year-to-date. B = Billion. Y/Y = Year-over-year. Core NNA = 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, and activity from off-platform Schwab Bank Retail CDs. These flows may span multiple reporting periods.

We set out to build the future of modern wealth management by combining the best of both firms.

2019	Deal announced
2020	Deal closed
2022	Pre-conversion
2023	Client conversion begins
1H24	Client conversion completed

	Ameritrade at announcement
Total Client Assets	$1.3T
Client Accounts	12.0M
Daily Average Trades	1.3M

Note: T = Trillion. M = Million. H = Half.

We set out to build the future of modern wealth management by combining the best of both firms.

- **2019** Deal announced
- **2020** Deal closed
- **2022** **Pre-conversion**
- **2023** Client conversion begins
- **1H24** Client conversion completed

	Ameritrade at announcement	*Ameritrade Dec 2022*	*Approximate Improvements*
Total Client Assets	$1.3T	$1.8T	+35%
Client Accounts	12.0M	16.6M	+35%
Daily Average Trades	1.3M	3.6M	+175%

Note: T = Trillion. M = Million. H = Half.

Our unwavering focus on service has been critical to the success of the largest account conversion in industry history.

2019	Deal announced
2020	Deal closed
2022	Pre-conversion
2023	**Client conversion begins**
1H24	Client conversion completed

We have now migrated ~80% of Ameritrade clients to Schwab in the first 3 transition groups,...

$1.5T+
Client Assets

13M+
Client Accounts

7K+
RIA Firms

... while maintaining our leading client experience.

<1 minute
Avg. Speed to Answer During Conversion

<45
Escalations per Million Accounts Transitioned

The conversion has been completed for the vast majority of Ameritrade clients, including all RIAs.

Note: T = Trillion. M = Million. K = Thousand. H = Half. Avg. = Average. RIA = Registered Investment Advisor.

Deal-related attrition has tracked measurably better than initial estimates and converted clients have remained engaged.

- 2019 – Deal announced
- 2020 – Deal closed
- 2022 – Pre-conversion
- 2023 – Client conversion begins
- 1H24 – Client conversion completed

	Retail Highlights	Advisor Highlights
Overall attrition tracking below initial expectations	▪ Concentrated around conversion weekends ▪ September group is tracking in-line or better than previous groups	▪ Majority prior to September; has subsided after the peak leading up to the conversion ▪ Includes proactive Schwab initiated resignations
Strong post-conversion engagement	▪ Clients who converted during the February and May groups are now adding net new assets to the platform	▪ Of converted RIAs, 75% have placed trades on SAC.com and ~1/3 have opened new accounts on Schwab platforms[1]

Note: H = Half. Q = Quarter. RIA = Registered Investment Advisor. Incl. = Includes. 1. Represents converted RIAs without a pre-existing custodial relationship with Schwab.

Following the conversion in 1H24, all clients will benefit from the power of our combined firm.

- **2019** Deal announced
- **2020** Deal closed
- **2022** Pre-conversion
- **2023** Client conversion begins
- **1H24** Client conversion completed

We will move remaining clients in the final two transition groups.

November

Cohort comprised of additional **Retail relationships** and **moderately active traders**

1H24

Final cohort of remaining clients consisting primarily of **active traders**

Our combined firm brings together the best of advice, trading, and relationships in one place.

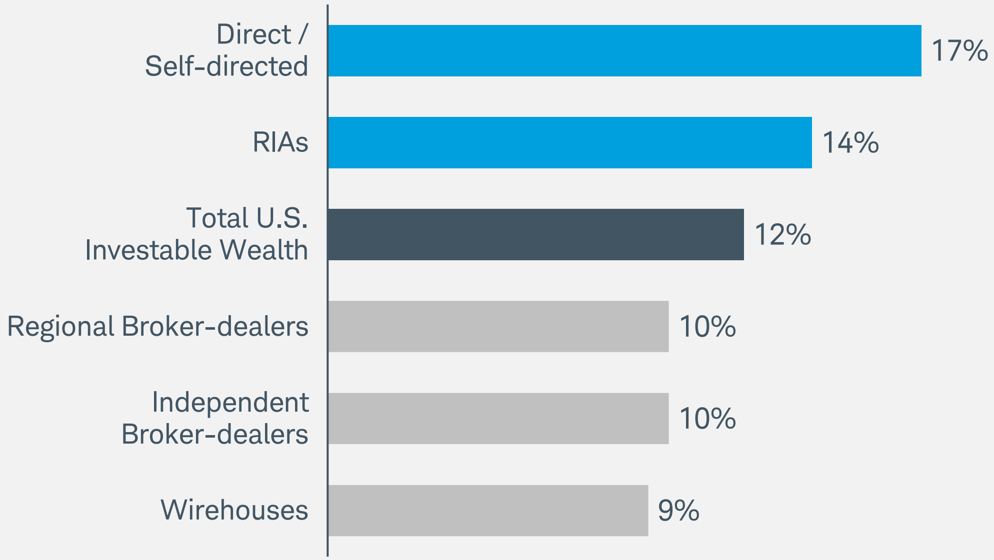
Schwab		Ameritrade
Top ranked suite of advice solutions with strong track-record of engaging clients with advice	+	**Best-in-class trader platforms** with proven track-record of attracting and supporting traders
Leading customer service and **strength in building client relationships**	+	**Extensive live and digital content** designed to complement strong trader service experience
Heritage of disruption around delivering client value at scale	+	Rich history of **product and digital innovations**

Note: H = Half.

Our "no trade-offs" approach and competitive advantages position us to serve more investors in a growing marketplace.

Our intentional alignment to the two fastest growing segments of the U.S. wealth market,...

U.S. Retail Investable Wealth CAGR, 2016 - 2021[3]

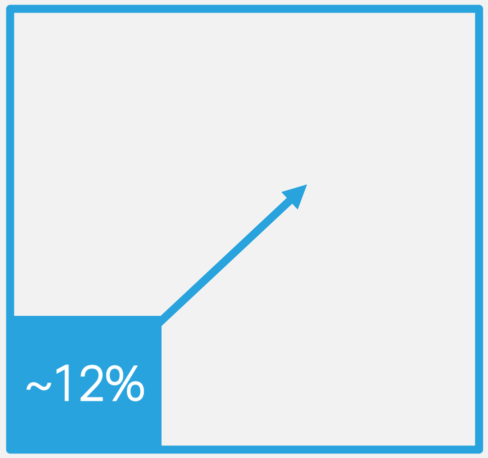


...and our combination of competitive advantages....

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

...keep us well-positioned to capture meaningful growth for years to come.

U.S. Retail Market: $65T+[1]



Market share estimate[2]

Note: RIA = Registered Investment Advisor. U.S. = United States. T = Trillion. CAGR = Compound annual growth rate. 1. Total U.S. Retail Investable Wealth based on Schwab estimates from Federal Reserve Flow of Funds report. 2. Schwab market share estimate based on total client assets as of September 30, 2023. 3. Source Cerulli and internal Schwab projections.

Schwab's growth recipe powers our long-term business momentum and success in the marketplace.

3-5%
NNA Growth from
Existing Clients

+

2-3%
NNA Growth from
New Clients

+

Strategic Focus Areas

Scale & Efficiency

Win-Win Monetization

Client Segmentation

5-7%
Annualized **NNA growth rate**

Note: NNA = Net new assets.

We are well-positioned to continue winning with existing clients...

We believe our "Through Clients' Eyes" strategy resonates with existing clients...

- Deliver industry-leading **value** to all of our clients
- Provide exceptional **service** to investors and advisors
- Ensure **transparency** across every client interaction
- Build **trust** by treating clients the way we would like to be treated

...and drives our ability to deepen relationships and capture greater share of wallet.

YTD 2023

$51.2B

Retail NNA from Existing Clients

$43.4B

Advisor NNA from Existing Clients

Note: B = Billion. YTD = Year-to-date. NNA = Net new assets.

...and attracting new investors to Schwab.

Our diversified acquisition model helps us win new clients in the marketplace,...

Leverage **strong personal relationships** created via our branch network and RIA service model

Deliver an exceptional client experience & get **trusted referrals from our clients**

Deploy **data-driven marketing** against clear design targets

Invest in **complementary acquisition channels** such as **Workplace**

...enabling us to serve more individual investors and the advisors who serve them.

YTD 2023

744K

NTF Retail households

~60%

NTF Retail households <40 years

238

# of Advisor-in-Transition teams

Note: K = Thousand. RIA = Registered Investment Advisor. YTD = Year-to-date. NTF = New-to-firm.

Continuing to advance our three key strategic initiatives will help accelerate our growth.

Scale & Efficiency

- Advance integration efforts
- Continue to make it easier for clients to 'do business' with us
- Enhance our operating model to support future growth

Win–Win Monetization

- Deliver a continuum of wealth and asset management offerings
- Expand lending activity and capabilities
- Bolster Workplace participant experience to drive growth

Client Segmentation

- Meet the evolving needs of our higher net worth clients
- Build on our strengths in key client segments (e.g., traders)
- Provide tailored solutions and experiences for RIAs of all sizes

Note: RIA = Registered Investment Advisor.

We are taking steps to enhance our flexibility and efficiency, helping to bolster our long-term profitable growth profile.

$1B+

Annual run-rate expense savings

$500M
Remaining Ameritrade expense synergies

Realization Timing:
2H 2024

+

$500M
Operational design & real estate-related savings

Realization Timing:
End of 2023

$400M to $500M
Non-GAAP restructuring costs[1] recognized starting in 3Q23

Streamline operating model including position eliminations predominantly in non-client-facing areas

Reduce overall real estate footprint, including closing or downsizing certain corporate offices

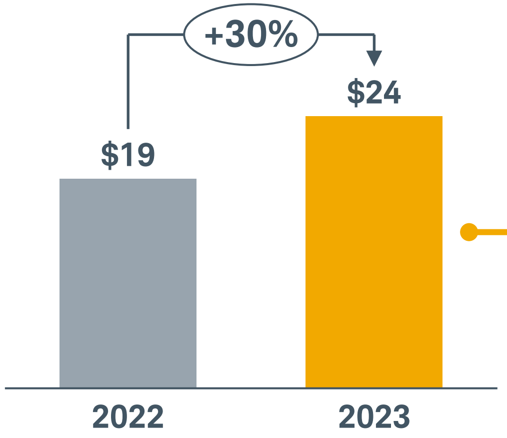
We expect 2024 year-over-year expense growth to be flat to slightly negative.

Note: B = Billion. M = Million. Q = Quarter. H = Half. 1. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 46-51 of this presentation.

Schwab's modern wealth management experience is resonating with investors.

Deliver a continuum of wealth and asset management offerings

YTD Net Advised Flows ($B)



YTD 2023 vs. 2022

Schwab Wealth Advisory™	+59%
Schwab Advisor Network®	+4%
Wasmer Schroeder™	+129%
Schwab Personalized Indexing®	+251%

Expand lending activity and capabilities

Pledged Asset Line ®
Digital Onboarding for RIAs

Speed. Ease. Transparency.

Proposals generated in **real-time**

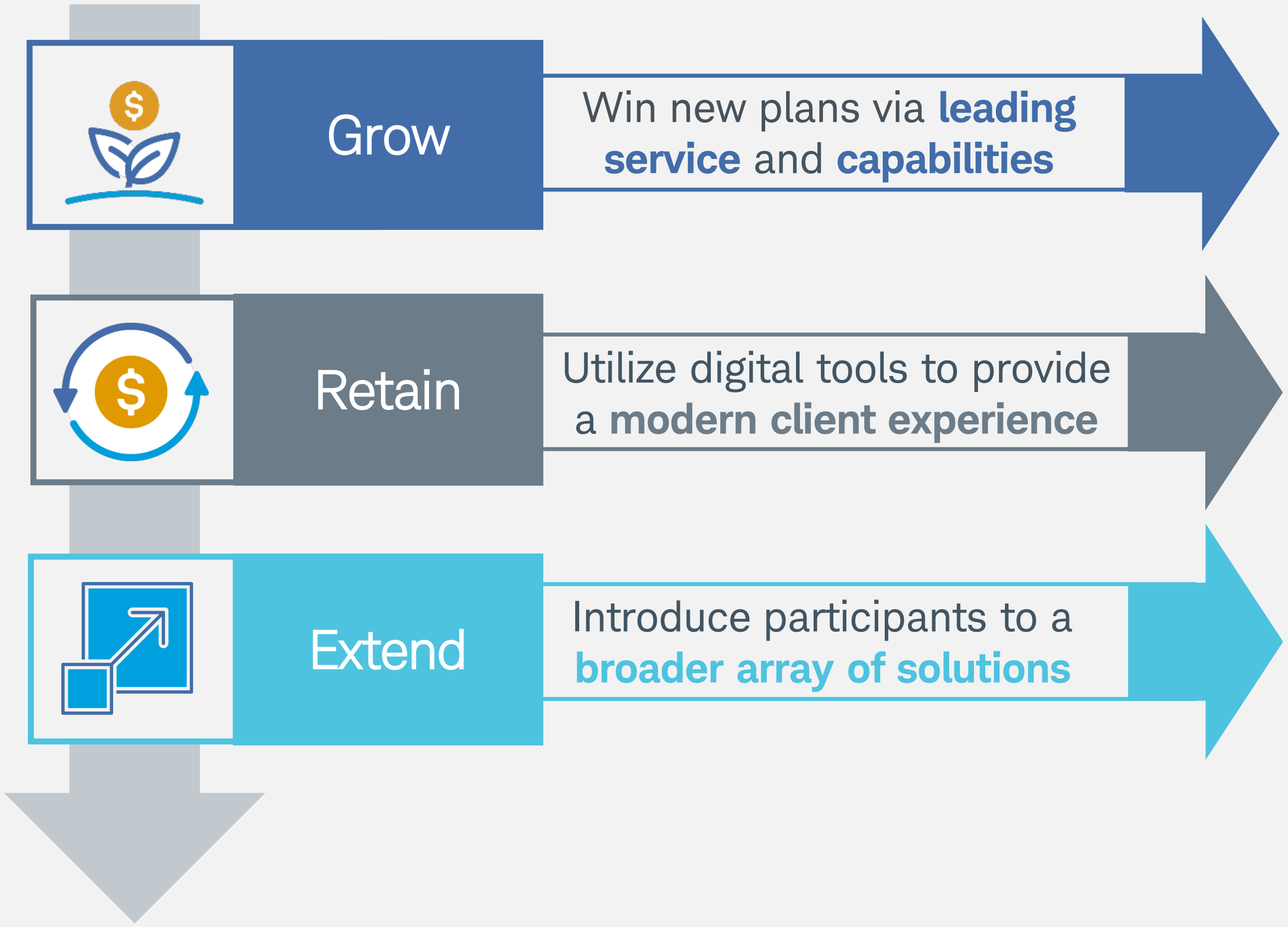
Digital applications initiated via SAC.com can be **completed in under 5 minutes**

Reduced cycle times with accounts being funded in under a week

Further enhancements to our solutions position us to drive incremental utilization.

Note: B = Billion. YTD = Year-to-date. RIA = Registered Investment Advisor.

Workplace is a complementary acquisition channel that introduces 5 million participants to the broader suite of products and solutions available at Schwab.



1 in 3[1] new-to-firm households at Schwab are **originated through our Workplace business**

50%[1] of eligible **rollover retirement assets are retained**

Stock Plan contributes ~**10%[1] to Retail NNA**

Nearly 20%[1] of Workplace households **utilize additional Schwab products and solutions**

Note: NNA = Net new assets. 1. Across Retirement Plan Services and Stock Plan Services.

Our enhanced trading experience further empowers self-directed investors by combining the best of Schwab and Ameritrade.

Traders are a highly engaged client segment compared to other Retail clients,...

6.5X Avg. HH NNA[1]

3.8X Avg. HH Assets[1]

2.8X ROCA[1]

...and we continue to invest to provide them with the world-class trading experience they expect.

charles SCHWAB + TD Ameritrade

Award-winning trading platforms
- thinkorswim® (desktop/mobile/web)
- Schwab.com
- Schwab Mobile

Tailored education
- Always expanding trading education library
- Schwab Network
- Courses, learning paths, coaching webcasts, & live events

Specialized service and support
- Trading support available 24/7
- Strategy Gut Check®, platform walkthroughs, and paper trading

Schwab Trading
Powered by **Ameritrade**

Note: Avg. = Average. HH = Household. NNA = Net New Assets. ROCA = Revenue on Client Assets. 1. Statistics shown versus retail HHs ex-trader as of September 30, 2023.

Our relentless focus on serving investors' needs creates a clear path to continued organic growth– positioning us to deliver long-term value to clients and stockholders.

5-7%

Annualized core NNA growth rate

$500B+

Ameritrade share of wallet NNA opportunity[1]

$3.5-4.0B+

Wealth management and bank lending revenue opportunity[2]

Note: NNA = Net new assets. B = Billion.1. Represents increasing the percentage of Ameritrade clients' assets held at Schwab vs the clients' total investable assets. 2. Wealth management revenue opportunity represents (a) incremental revenue from bank lending, assuming loans reach an industry benchmark of 3.5% of client assets (~$250B), and considering only the revenue incremental to investing an equivalent amount into our securities portfolio instead of bank lending at current rates; actual spreads can evolve based on a range of factors and (b) revenue based on fee-based advice solution revenue yield.

Schwab's "Through Clients' Eyes" strategy and long-term orientation position us for success through the cycle.

- Our "no trade-offs" approach of combining leading value, service, transparency, and trust continues to resonate with investors as we help them navigate a shifting environment

- As we move confidently into the final phases of the historic Ameritrade client conversion, our long-term growth potential remains robust

- Ongoing investment in Schwab's modern wealth management experience helps bolster our competitive positioning and enables us to meet the evolving needs of individual investors and the advisors who serve them

Financial Perspectives

Peter Crawford

Managing Director, Chief Financial Officer

Schwab remains poised to deliver differentiated growth "through the cycle."

- **Diversified model** enables us to deliver solid results and **strong profitability** through a range of environments
- Temporary **headwinds are subsiding**:
  - Client cash **realignment activity has decelerated** significantly from peak levels
  - Expect **meaningful NIM expansion** as we pay down supplemental borrowings
- **Capital levels continue to build**
- Our **long-term investment thesis is intact** as we seek to drive stockholder value over time

Our priorities remain unchanged:

Continued business growth through our client-first strategy

Long-term revenue growth through multiple sources

Rigorous expense management enabling sustainable performance

Note: NIM = Net interest margin.

Sustained business momentum and continued expense discipline helped to deliver solid pre-tax profit margins in Q3.

3Q23 vs. 2Q23

Markets

Impact

	Impact
Trajectory of interest rates	+ / –
Equity market performance	–

Clients

	Impact
Investor sentiment	+ / –
Trading activity levels	–

3Q23

Net Revenue

$4.6B

Expenses

$3.2B
GAAP

$2.7B
Adjusted[1]

Pre-tax Profit Margin

30.0%
GAAP

41.3%
Adjusted[1]

Earnings Per Share

$0.56
GAAP

$0.77
Adjusted[1]

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 46-51 of this presentation.

We continue to manage our balance sheet with an emphasis on liquidity and flexibility.

($M, EOP)	2Q23	3Q23
Total Assets	$511,505	$475,204
Bank Deposits	$304,414	$284,408
Payables to Brokerage Clients	$84,795	$72,818
Stockholders' Equity	$37,147	$37,784
Temporary Supplemental Funding[1]	$90,199	$83,734
Parent Liquidity	$8,961	$11,654
Consolidated Tier 1 Leverage Ratio*	7.5%	8.2%
CSB Adjusted Tier 1 Leverage Ratio[2*]	4.0%	4.4%

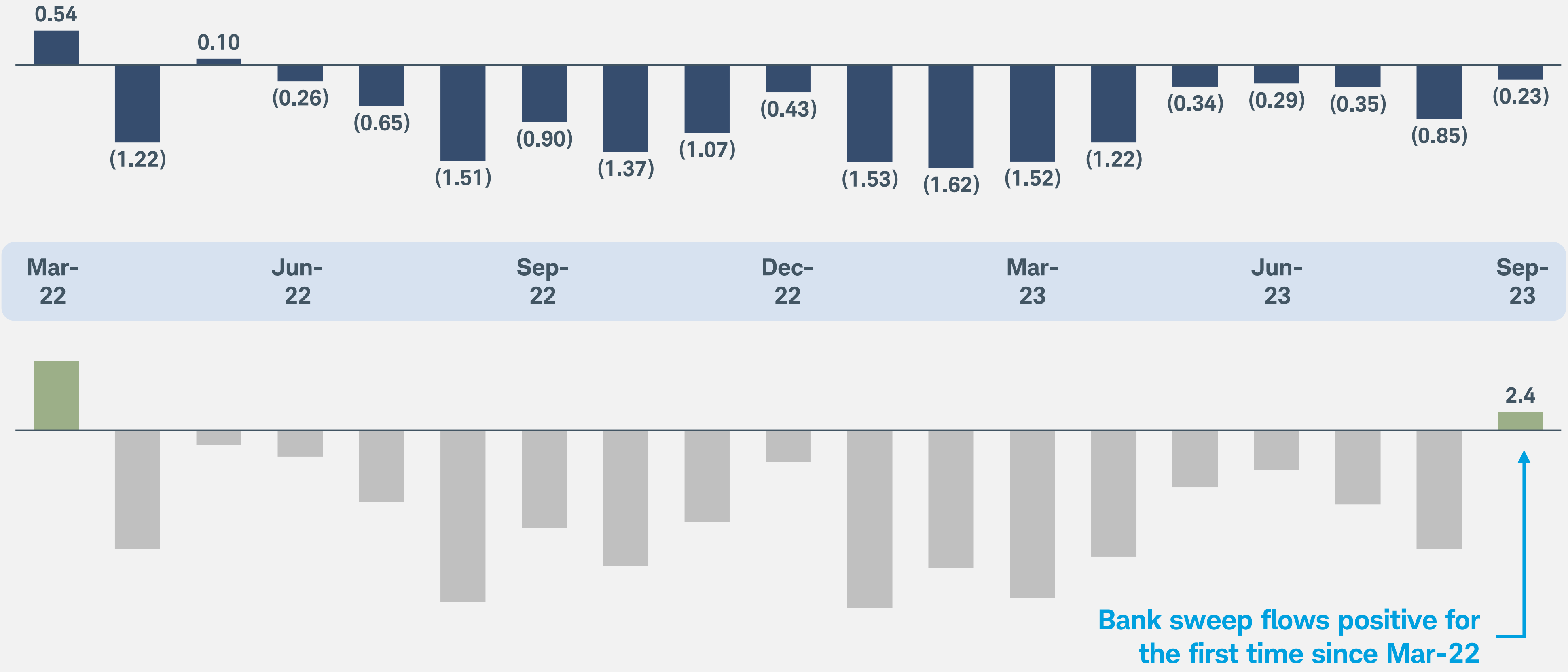
- **Total assets declined by 7% sequentially**, as lower cash balances and a smaller investment portfolio more than offset an increase in margin debits
- While **client cash realignment activity continued to decelerate**, bank deposits ended $20 billion lower than the prior quarter
- Net outstanding **supplemental funding**[1] **declined by over $6B** quarter-over-quarter
- **Stockholders' equity increased by 2% versus 2Q23**, as organic capital formation and ongoing accretion of unrealized marks outweighed the impact of higher long-term rates on AOCI
- Issued **$2.4 billion of long-term debt during the quarter** to support the business
- Consolidated **Tier 1 Leverage Ratio*** for 3Q was 8.2%, which is well above current minimums

Note: M = Million. Q = Quarter. EOP = End-of-period. B = Billion. AOCI = Accumulated other comprehensive income. *Preliminary. CSB = Charles Schwab Bank, SSB. 1. Supplemental funding includes repurchase agreements, Schwab Retail Certificates of Deposit, and Federal Home Loan Bank balances. 2. Preliminary CSB Tier 1 Leverage Ratio equals 9.6% as of September 30, 2023. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 46-51 of this presentation.

Client cash realignment activity decelerated to its slowest pace since the beginning of the current rate cycle.

Average Daily Pace of Net Cash Realignment[1]
($B per Business Day)

Monthly Change in Bank Sweep Deposits
($B)



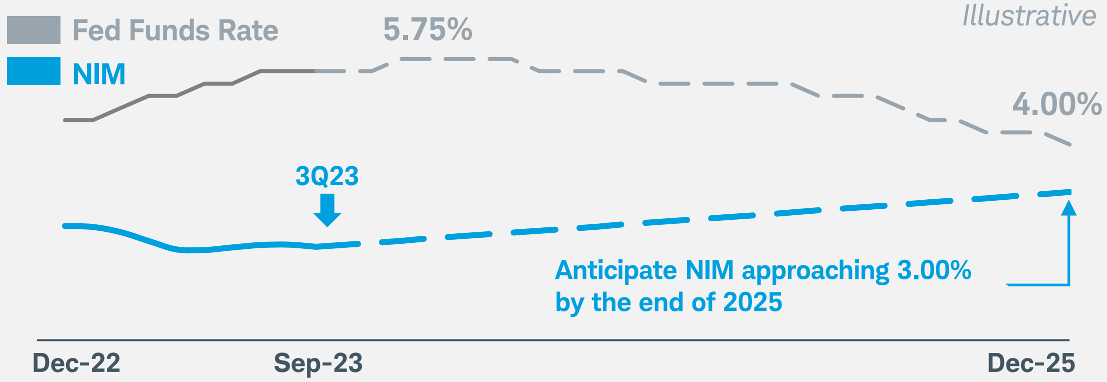
Month-to-date, the October pace is tracking in-line with September.

Note: B = Billion. 1. Includes Bank Sweep deposits, Bank Deposit Account balances, Ameritrade Client Credits and Schwab One®.

As temporary headwinds continue to subside,...

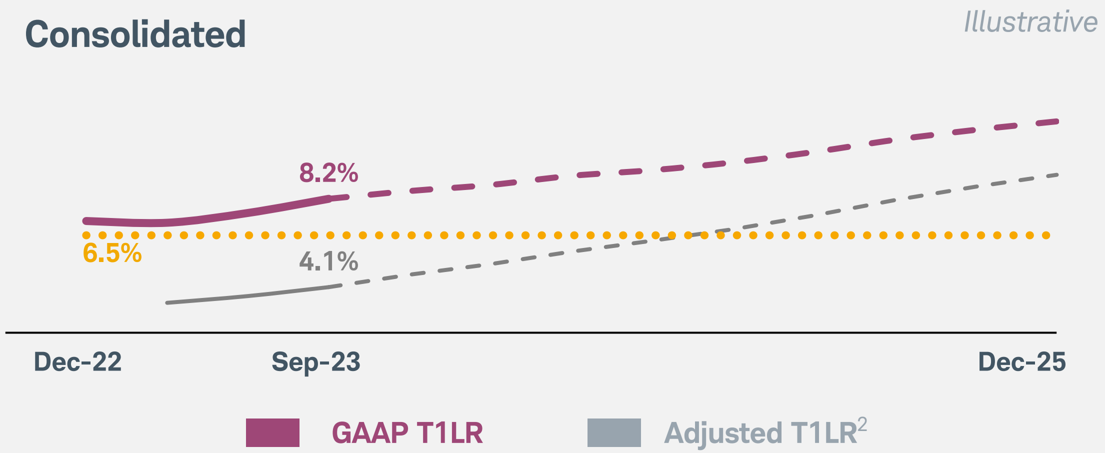
Temporary Supplemental Funding Balances[1]

Long-Term NIM vs. Fed Dot Plot[3]

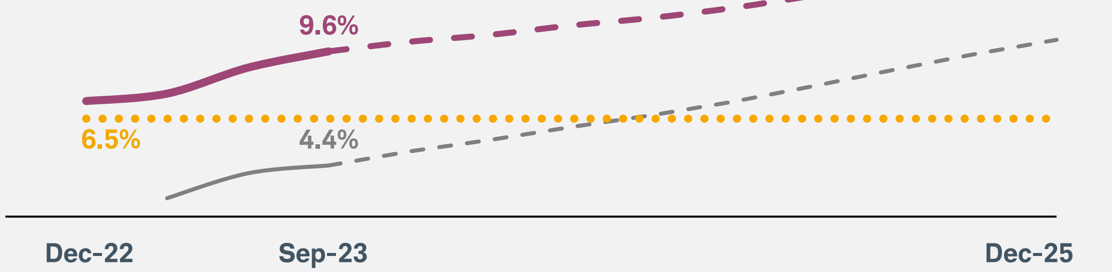


Tier 1 Leverage Ratio

Consolidated



Charles Schwab Bank



Note: Fed = Federal Reserve. Q = Quarter. NIM = Net interest margin. T1LR = Tier 1 Leverage Ratio. Bps = Basis points. FDIC = Federal Deposit Insurance Corporation. 1. Supplemental funding includes repurchase agreements, Schwab Retail Certificates of Deposit, and Federal Home Loan Bank balances. 2. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 46-51 of this presentation. 3. Fed Dot Plot data sourced via Federal Research Economic Data as of 9/20/2023.

…Schwab is well-positioned heading into 2024 and beyond.

4Q23 / FY 2023

- When utilizing the recent September Fed Dot Plot and factoring in recent market dynamics, **full-year 2023 revenue is expected to decline by 8%–9%** versus the prior year
- Inclusive of the costs related to our previously announced restructuring, full-year GAAP expenses are expected to grow ~9%
  - On an adjusted[1] basis, we **anticipate around 6% expense growth** for 2023
  - We expect the **one-time FDIC special assessment to impact both GAAP and adjusted expenses by $160 million in 4Q23** – the equivalent of ~150 bps of year-over-year growth

FY 2024 and Beyond

- Our **2024 revenue outlook will be shaped by a range factors**, including the path of interest rates, pace of supplemental funding pay down, market sentiment, and client engagement levels
- The continued **prioritization of paying down supplemental borrowings** versus reinvesting cash flows back into the investment portfolio will influence the trajectory of our balance sheet
- We still **expect 2024 expense growth to be flat or slightly negative versus 2023** as we capture the remaining Ameritrade synergies as well as the additional $500 million of identified cost savings
- Earnings-driven capital formation, along with the ongoing accretion of unrealized marks back into equity, will help push consolidated **Adjusted Tier 1 Leverage above 6.5% by the end of 2024**[1]

Note: Fed = Federal Reserve. Q = Quarter. FY = Full-year. Bps = Basis points. FDIC = Federal Deposit Insurance Corporation. 1. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 46-51 of this presentation.

The long-term investment thesis for Schwab remains intact, with momentum building for today and tomorrow.

Long-term Investment Thesis		Near-Term	Longer-Term
Premier Asset Gatherer	*High single to low double-digit total client asset growth*	▪ Aligned with fastest growing wealth segments ▪ Persistent growth throughout integration	▪ Strong Client Promoter Scores ▪ Diversified client acquisition model
Diversified Revenue Model	*Growth in-line with (or potentially faster) than asset growth*	▪ Continued deceleration of realignment activity ▪ Reduced supplemental borrowings	▪ Growing appetite for help and advice ▪ NIM expansion
Disciplined Expense Management	*Leverage scale and efficiency to drive down expense on client assets*	▪ Flat expense trajectory into 2024 ▪ Drive down EOCA via scale and efficiency	▪ Capture full incremental $1B in cost saves ▪ Additional efficiency opportunities over time
Efficient Utilization of Capital	*Thoughtful capital management*	▪ Increased capital levels ▪ Attractive returns on invested capital	▪ Growth plus opportunistic capital return over time

Our "Through Clients' Eyes" strategy positions us to attract, serve and deepen relationships with more investors – resulting in enhanced long-term value for both clients and stockholders.

Note: B = Billion. EOCA = Expense on client assets. NIM = Net interest margin.

Fall Business Update

October 16, 2023

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Appendix

Appendix

Underlying 2023 Scenario Assumptions (as of September 30, 2023)

Macro Factors	
Short Rates	*September 2023 Fed Dot Plot* *Fed Funds finishes FY 2023 at 5.75%*
Long Rates	*Avg. 5-year UST for 2023 of ~4.10%*
S&P 500®	*Full-year appreciation of 12% – 14%*

Business Factors	
DATs	*5.4M for full-year 2023*
Bal. Sheet Positioning	*Margin debits finish the year essentially flat with 3Q23 level; investment strategy continues to prioritize flexibility / liquidity*
Bal. Sheet Decline	*December 2023 average IEA shrink by mid-teens percentage points relative to December 2022 levels*
Capex	*Running at 3%-4% of total revenues*

Note: FY = Full year. Q = Quarter. M = Million. EOP = End-of-period. Avg. = Average. UST = U.S. Treasury. Fed = Federal Reserve. DAT = Daily average trades. Capex = Capital expenditures. Bal. sheet = Balance sheet. YE = Year-end. IEA = Interest-earning assets. Fed Dot Plot data sourced via Federal Research Economic Data as of 9/20/2023.

Appendix

Select Annualized Revenue Sensitivities (as of September 30, 2023)

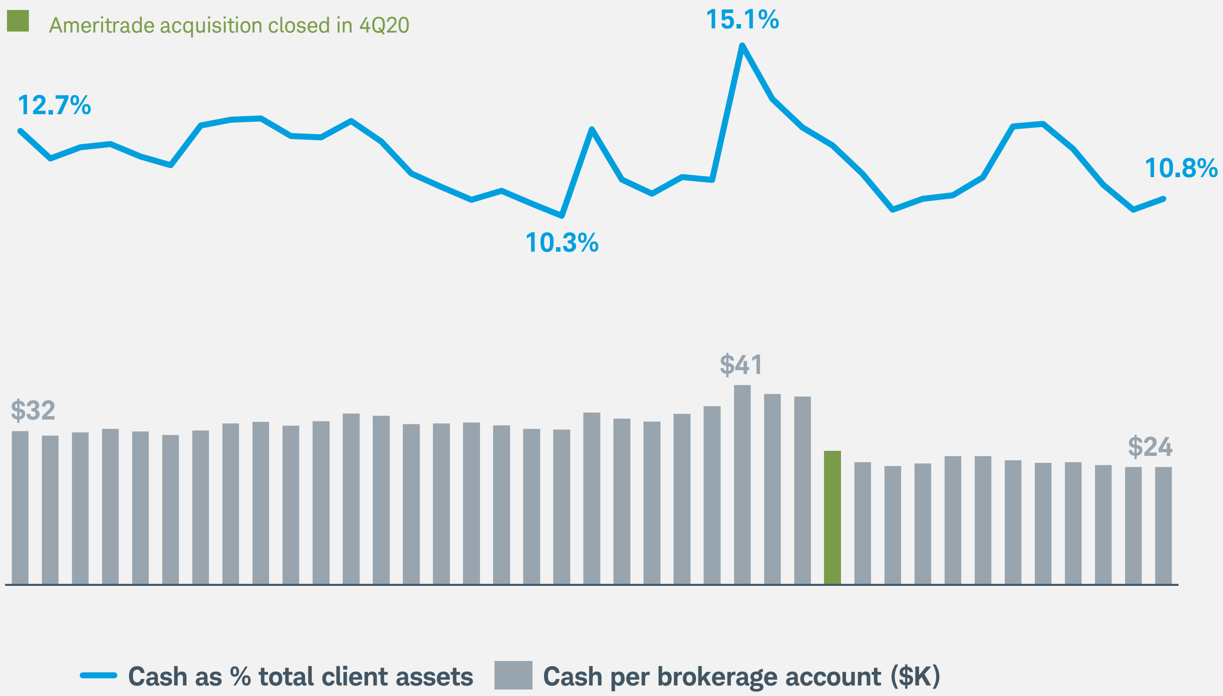
Target Fed Funds Rate +/- 25 bps	~$175M – $375M
5-Year Treasury +/- 10 bps	~$70M
Bank Sweep Balances +/- $1B	~$50M
S&P 500® +/- 1%	~$25M
Daily Average Trades +/- 100K	~$60M
Margin Balances +/- $1B	~$80M

Note: Bps = Basis points. B = Billion. M = Million. K = Thousand. FHLB = Federal Home Loan Bank. For the Fed Funds and Treasury sensitivities, assumes static interest-earning asset balances as of September 30, 2023 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; for purposes of the analysis, the deposit beta is assumed to be 20%. Every +/- $5 billion change in FHLB or Schwab Retail CD borrowings per quarter equals ~1.5 basis point of NIM drag/boost, respectively.

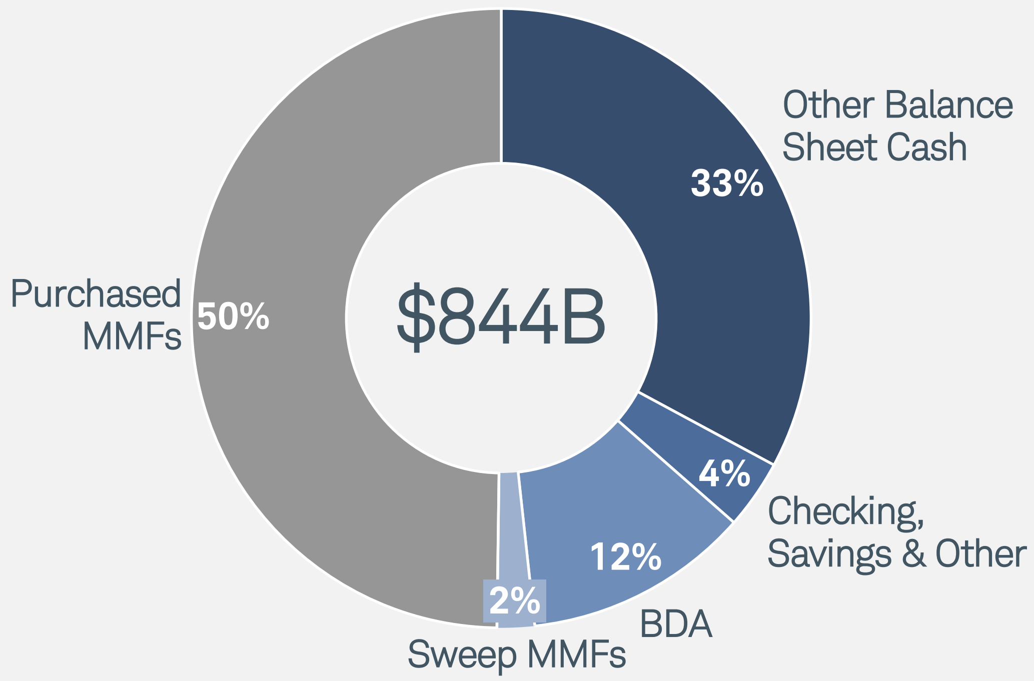
Appendix

Historical Client Cash Trends (as of September 30, 2023)

Select Client Cash Metrics, 1Q14 – 3Q23 ($K, %)[1]



Total Client Cash Mix, 3Q23 (%)[1, 2, 3]

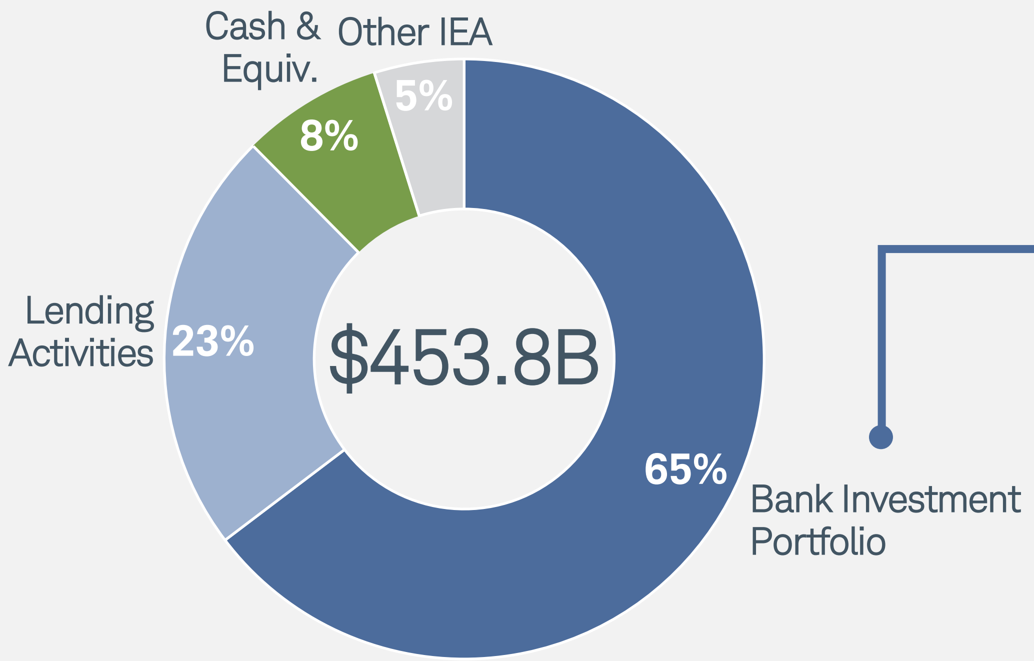


Note: K = Thousand. B = Billion. Q = Quarter. MMF = Money market fund. BDA = Bank deposit account. 1. Beginning July 2023, client cash metrics exclude brokered CDs issued by Charles Schwab Bank. Prior periods have been recast to reflect this change. 2. Other Balance Sheet Cash includes bank sweep deposits and Schwab One® balances. 3. Total may not sum to 100% due to rounding.

Appendix

Average Interest-earning Assets & Bank Investment Portfolio (as of September 30, 2023)

3Q23 Avg. Interest-earning Assets (%)[1, 2]



Bank Investment Portfolio Spotlight

Fixed vs. Floating

94% Fixed / 6% Floating

Securities Mix[3]

Agency RMBS	Agency CMBS	Other
59%	24%	17%

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

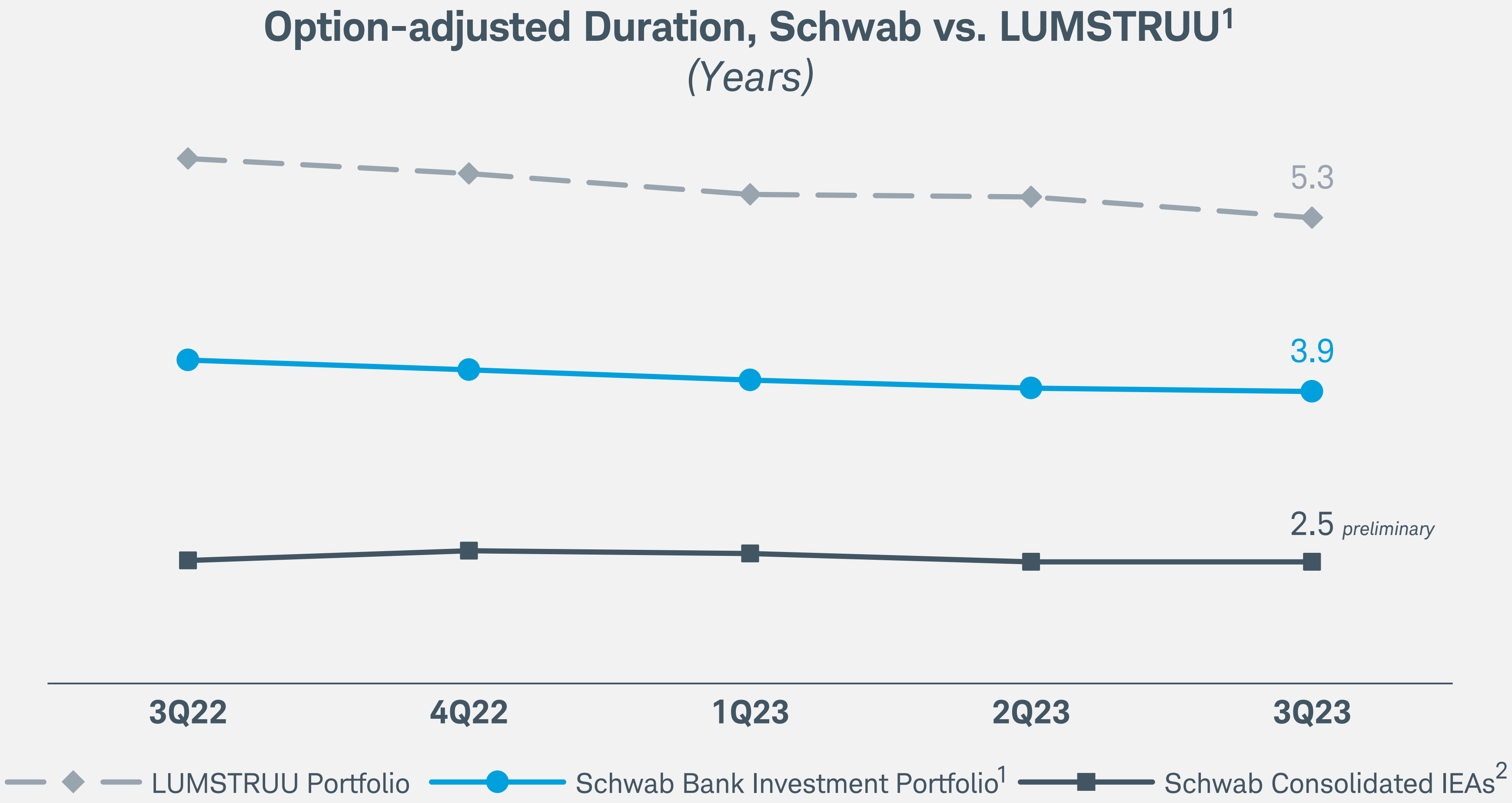
Duration Analysis[4]

~3.9 Portfolio Duration (Years)

Rate Shock (bps)	SCHW	LUMSTRUU[5]
+100	-0.10 yrs.	-0.15 yrs.
-100	0.12 yrs.	0.08 yrs.

Note: Q = Quarter. B = Billion. Bps = Basis points. Avg. = Average. Yrs. = Years. 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 and rate shock analysis are presented on an option-adjusted basis, including the impact of hedging activity, as of September 30, 2023. 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
Duration Profiles



Note: Q = Quarter. IEA = Interest earning assets. 1. Schwab Securities Portfolio duration represents hedged duration beginning March 31, 2023. 2. The preliminary quarter-end consolidated asset duration is calculated using EOP figures as of September 30, 2023 and includes any impact from hedging activity.

Appendix

Reinvestment Opportunities (as of September 30, 2023)

Illustrative

Potential Reinvestment Opportunities

		Cash & Equivalents	U.S. Treasuries	MBS Securities	Other IG Securities
Security					
Yield	Current	~5.40%	~5.37%	~5.90%	~5.97 %
Yield	1-yr Fwd[1]	~4.90 %	~4.55 %	~5.76%	~5.15%
Duration[2]		< 1 month	~ 1-1.5 years	~ 4-5 years	~ 1-1.5 years

Selection Criteria

- Shorter duration
- Front-loaded cash flows
- Lower convexity
- Risk appropriate credit exposure
- Investment grade

Potential Blended Reinvestment Yield

Floating: SOFR +80

Fixed: 5.30%–6.00%

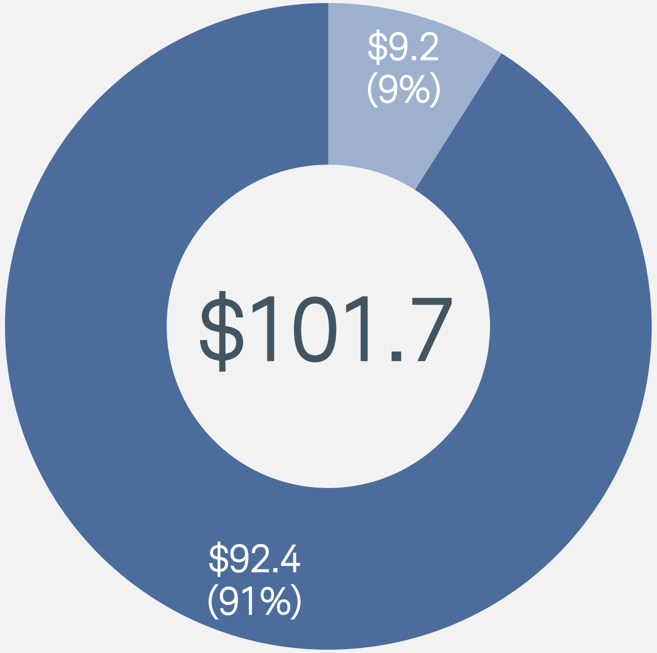
We continue to prioritize **flexibility and liquidity to accommodate remaining client cash realignment** decisions

Note: Fwd = Forward. U.S. = United States. Yr = Year. MBS = Mortgage-backed security. IG = Investment grade. SOFR = Secured Overnight Financing Rate. 1. Illustrative future yields based on current market expectations as of mid-September 2023. 2. Illustrative durations shown on an option-adjusted basis.

Appendix

Bank Deposit Account Summary (as of September 30, 2023)

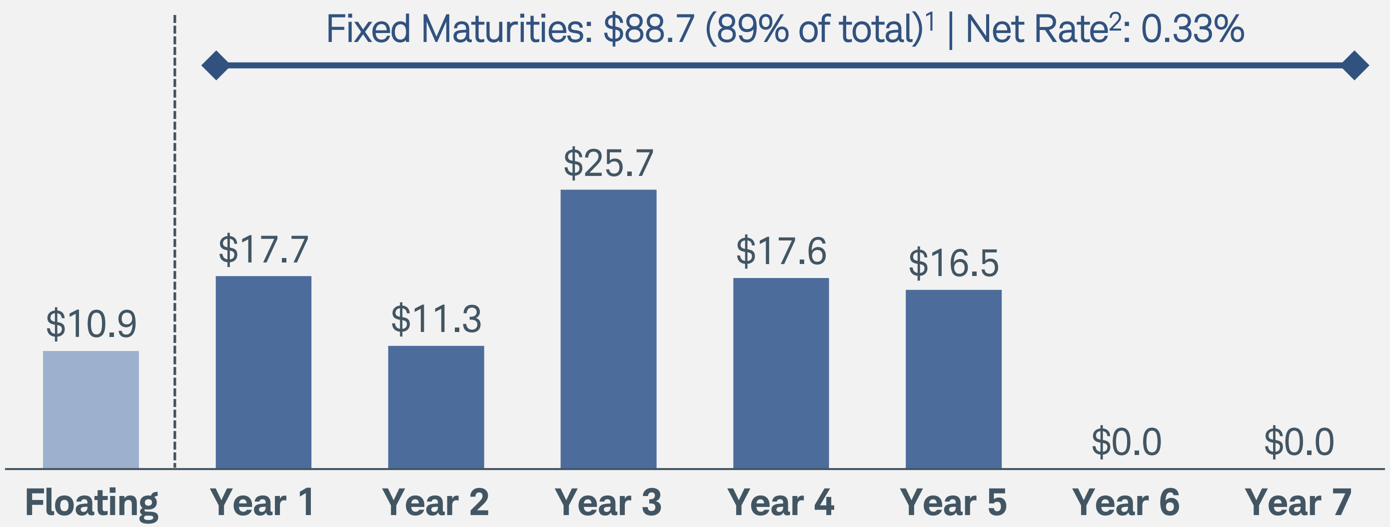
Mix of Average BDA Balances ($B,%)[1]



	Net Rate	3Q23 Revenue
Floating	4.65%	$111M
Fixed	0.42%	$94M

BDA Balances by Maturity, EOP ($B)

Total Balance: $99.5	Net Rate[2]: 0.81%	Annual Revenue[3]: $815.8M



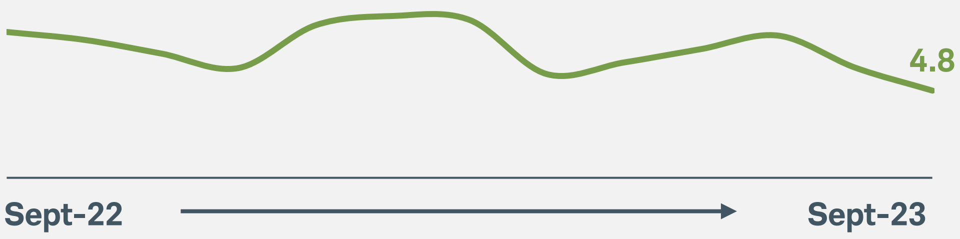
	Floating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Net Rate[2]	4.68%	1.15%	0.44%	(0.35%)	(0.20%)	1.01%	(0.65%)	(0.65%)
Annual Revenue[3]	$515M	$207M	$51M	($90M)	($35M)	$168M	$0M	$0M

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 September 30, 2023; includes all related fees and client pay rates as of September 30, 2023. 3. Revenue figures presented on an annualized run-rate basis per the amended 2023 Insured Deposit Agreement (IDA) arrangement.

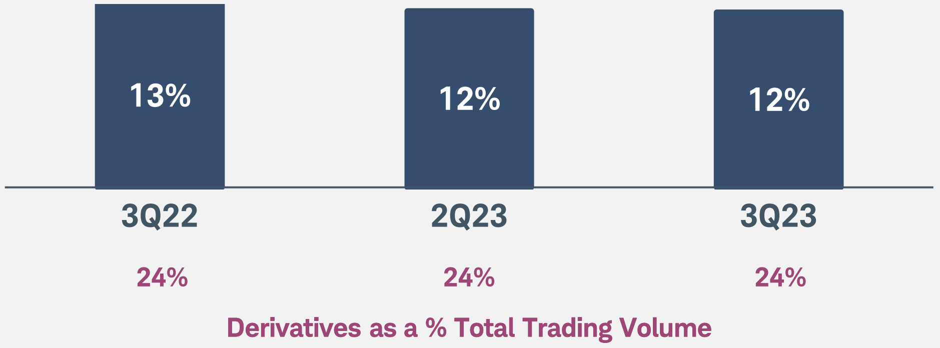
Appendix

Select Trading Information (as of September 30, 2023)

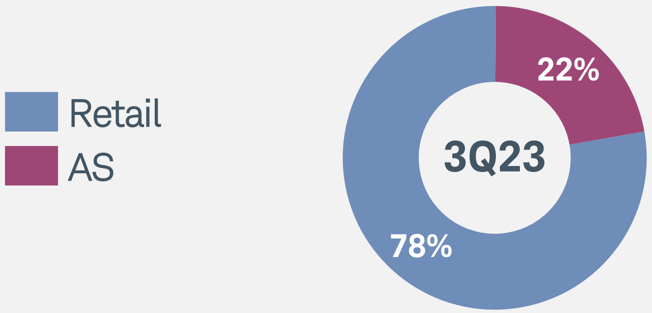
Monthly DATs (M)



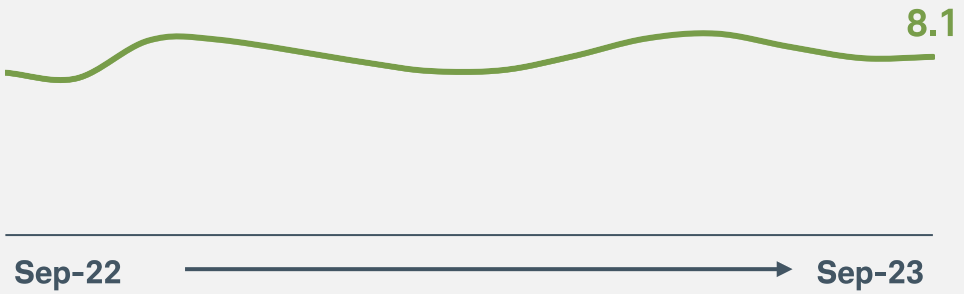
Futures as % Derivatives Trading



Quarterly DAT Mix (%)



Monthly Average Contracts per Option Trade

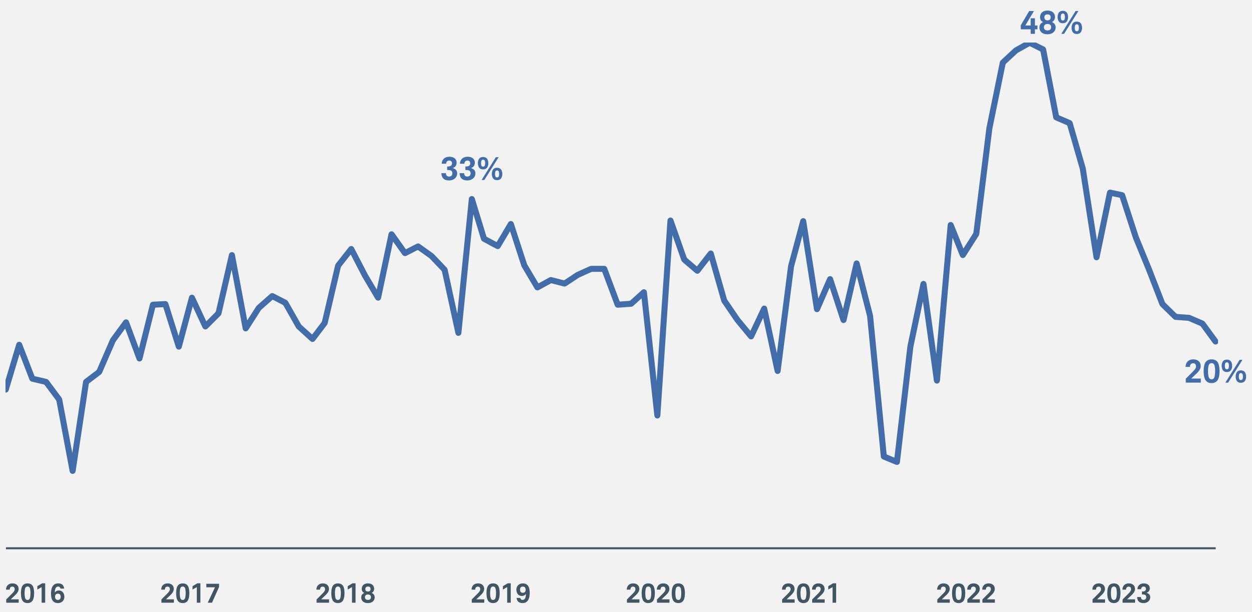


Note: Q = Quarter. M = Million. AS = Advisor Services. DAT = Daily average trades.

Appendix

Client Cash Realignment Support (as of September 30, 2023)

Percentage of PMMF Net Purchases Funded by Schwab Bank Sweep and Schwab One®[1]



Schwab Bank Sweep & Schwab One®

September 2023

Number of first-time realignment events[2]	**-57%** vs. peak (March '23)
Size of average realignment event[2]	**-76%** vs. peak (April '22)

Number and size of first-time realignment events have decreased further from 2Q23

Note: Q = Quarter. PMMF = Purchased Money Market Fund. 1. Represents the percentage of PMMFs that originate from Schwab Bank Sweep or Schwab One®. . Excludes Ameritrade accounts that have been converted to the Schwab platform. 2. A first-time realignment event is defined as a client's initial purchase of a PMMF, U.S. Treasury Bill, or Certificate of Deposit with less than 1 year to maturity using funds within Bank Sweep or Schwab One® between January 1, 2021 and September 30, 2023. Excludes Ameritrade accounts that have been converted to the Schwab platform.

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. Beginning in the third quarter of 2023, these adjustments also include restructuring costs, which the Company began incurring in connection with its previously announced plans to streamline its operations to prepare for post-integration of TD Ameritrade. See Part I – Item 1 – Note 10 of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2023 for additional information.

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, 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.

Appendix

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

	Three Months Ended, September 30, 2023		Twelve Months Ended, December 31, 2022	
(In millions, except ratios and per share amounts)	Total Expenses Excluding Interest	Net Income	Total Expenses Excluding Interest	Net Income
Total expenses excluding interest (GAAP), Net income (GAAP)	$ 3,223	$ 1,125	$ 11,374	$ 7,183
Acquisition and integration-related costs (1)	(106)	106	(392)	392
Amortization of acquired intangible assets	(135)	135	(596)	596
Restructuring costs (2)	(279)	279	N/A	N/A
Income tax effects (3)	N/A	(127)	N/A	(237)
Adjusted total expenses (Non-GAAP), Adjusted net income (Non-GAAP)	$ 2,703	$ 1,518	$ 10,386	$ 7,934

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.Primarilly consists of compensation and benefits. 3. 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, 2023	
(In millions, except ratios and per share amounts)	Amount	% of Total Net Revenues
Income before taxes on income (GAAP), Pre-tax profit margin (GAAP)	$ 1,383	30.0%
Acquisition and integration-related costs	106	2.3%
Amortization of acquired intangible assets	135	2.9%
Restructuring costs	279	6.1%
Adjusted income before taxes on income (Non-GAAP), Adjusted pre-tax profit margin (Non-GAAP)	$ 1,903	41.3%

Appendix

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

	Three Months Ended, September 30, 2023	
(In millions, except ratios and per share amounts)	Amount	Diluted EPS
Net income available to common stockholders (GAAP), Earnings per common share — diluted (GAAP)	$ 1,017	$ .56
Acquisition and integration-related costs	106	.06
Amortization of acquired intangible assets	135	.07
Restructuring costs	279	.15
Income tax effects	(127)	(.07)
Adjusted net income available to common stockholders (Non-GAAP), Adjusted diluted EPS (Non-GAAP)	$ 1,410	$ .77

Note: EPS = Earnings per share.

Appendix

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

(In millions, except ratios and per share amounts)		Three Months Ended, September 30, 2023
Return on average common stockholders' equity (GAAP)		14%
Average common stockholders' equity	$	28,274
Less: Average goodwill		(11,951)
Less: Average acquired intangible assets — net		(8,457)
Plus: Average deferred tax liabilities related to goodwill and acquired intangible assets — net		1,822
Average tangible common equity	$	9,688
Adjusted net income available to common stockholders[1]	$	1,410
Return on tangible common equity (Non-GAAP)		58%

Note: 1. See table on slide 49 for the reconciliation of net income available to common stockholders to adjusted net income available to common stockholders (non-GAAP).

Appendix

Non-GAAP Reconciliation: Adjusted Tier 1 Leverage Ratio

(In millions, except ratios and per share amounts)	Three Months Ended, September 30, 2023		Three Months Ended, June 30, 2023	
	CSC	CSB	CSC	CSB
Tier 1 Leverage Ratio (GAAP)	8.2%	9.6%	7.5%	8.9%
Tier 1 Capital	$ 39,971	$ 31,764	$ 39,190	$ 31,556
Plus: AOCI adjustment	(20,752)	(18,143)	(20,729)	(18,052)
Adjusted Tier 1 Capital	$ 19,219	$ 13,621	$ 18,461	$ 13,504
Average assets with regulatory adjustments	$ 488,627	$ 330,908	$ 520,602	$ 356,406
Plus: AOCI adjustment	(20,033)	(17,950)	(20,397)	(17,707)
Adjusted average assets with regulatory adjustments	$ 468,594	$ 312,958	$ 500,205	$ 338,699
Adjusted Tier 1 Leverage Ratio (non-GAAP)	4.1%	4.4%	3.7%	4.0%

Note: CSC = Charles Schwab Corporation. CSB = Charles Schwab Bank, SSB. AOCI = Accumulated other comprehensive income.

Fall Business Update

October 16, 2023

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