Summer Business Update

July 21, 2026

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," "anticipate," "assume," "will," "continue," "seek," "increase," "drive," "enhance," "expand," "positioned," "sustain," "enable," and other similar expressions.

These forward-looking statements relate to the company's strategy; momentum and competitive position; growth; innovation; client relationships and engagement; opportunities; platform, managed investing, lending products and alternative and private investments; spot crypto offer; artificial intelligence capabilities; scale and efficiency; diversified earnings and business model; earnings growth through the cycle; financial durability, scenarios, assumptions, expectations and sensitivities; seasonality; financial and expense management; non-GAAP adjustments; balance sheet management and composition; capital ratios; capital management framework; and capital return.

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 (Financial Reports & Presentations | Charles Schwab) and on the Securities and Exchange Commission's website (www.sec.gov). These include: the company's ability to attract and retain retail and advisor clients and grow those relationships and associated client assets; investor engagement and interest in the company's products and services; the company's ability to develop and enable new technology, including artificial intelligence and blockchain technology; the company's ability to support client activity levels and platform preferences; the company's ability to capture greater market share; general economic and market conditions, including interest rates, equity valuations and volatility; balance sheet positioning relative to changes in interest rates; capital and liquidity needs and management; the company's ability to manage expenses; adverse developments in litigation or regulatory matters and any charges associated with such matters; and any developments in legislation, regulation or regulatory guidance relevant to our business.

The information in this presentation speaks only as of July 21, 2026 (or such earlier date as may be specified herein). The company makes no commitment to update any forward-looking statements.

Rick Wurster

President and Chief Executive Officer

Michael Verdeschi

Managing Director, Chief Financial Officer

Key Takeaways

Schwab is **leading today & uniquely positioned to win tomorrow** as a convergence of forces reshapes our industry.

1. Our **"Through Clients' Eyes" strategy** continues to fuel strong momentum as we delivered **record 2Q results**

2. Schwab is the trusted industry leader with an **unmatched value proposition** – uniquely positioning us at the **center of the investing ecosystem**

3. We are **tackling our growth opportunities head-on** with a **clear strategy** & **rapid pace of client-focused innovation**

4. Our diversified financial model supports **durable earnings growth** across market cycles

Note: Q = Quarter.

Our "Through Clients' Eyes" strategy continues to drive **record results & growth across all fronts.**

2Q26 vs. 2Q25

Client	$120B +49% Core Net New Assets	1.4M +26% New Brokerage Accounts
Solutions	+53% Managed Investing Net Flows	$67B +33% Bank Lending[1] (EOP)
Financial	$7.1B +21% Total Net Revenues	$1.62 +42% Adjusted[2] EPS *GAAP EPS $1.54 +43%*

Note: Q = Quarter. B = Billion. M = Million. EOP = End of period. EPS = Earnings per share. GAAP = Generally accepted accounting principles. 1. Net consolidated loan balances. 2. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 36–40 of this presentation.

We have **continued to innovate** to strengthen our **platform advantage**,…

1H26 Select Highlights

Service & Experience	Products & Solutions	Acquisitions & Partnerships
Expanded Branch Footprint	Schwab Crypto™	M&A
Financial Consultant & Wealth Advisor Coverage	24 / 7 Crypto Futures	Forge
AI-Driven Marketing, Rep Support, & Client Experience	SWA Enhancements	Investments
Integrated Digital Workplace Experience	Fractional Trading	wealth.com
	Schwab Teen Investor™ Account	PAXOS
	IPO Experience	
	Structured Asset Line	
	Advisor UHNW Services	

Note: H = Half. AI = Artificial intelligence. SWA = Schwab Wealth Advisory™. IPO = Initial public offering. M&A = Mergers & acquisitions. UHNW = Ultra high net worth. Rep = Representative.

...as clients & third-parties **recognized these efforts.**

Client Promoter Scores

+9 pts	+10 pts
Investor Services	Advisor Services
2Q26 vs. 2Q25	1H26 vs. 1H25

Best Investing Platform, 4 years in a row

Awarded by U.S. News[1]

Schwab was awarded by Forbes, World's Best Banks 2026[2]

Note: Pts = Points. Q = Quarter. H = Half. 1. U.S. News & World Report's Best Investing Platforms awards were given on April 16, 2026. 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. Forbes World's Best Banks 2026 was given on April 8, 2026, and expires on April 28, 2027. The criteria, evaluation, and ranking were determined by Forbes, partnered with Statista. https://www.forbes.com/lists/worlds-best-banks/ for more information. Schwab paid a licensing fee to Forbes for use of the award and logos.

Schwab remains the **trusted platform of choice** for investors & RIAs.

Ranked #1

$13.1T	$5.7T	11.9M
Total Client Assets	in RIA Custodial Assets	Daily Average Trades

Note: RIA = Registered investment advisor. T = Trillion. M = Million. Q = Quarter. Schwab figures as of 2Q26. Rankings based on publicly traded peer data as of 1Q26.

There is a convergence of forces **reshaping our industry**,…

The next generations of investors

Emerging asset classes & products

The power of artificial intelligence

The bull market for convenience

...at a time when **investing is playing an increasingly central role** in individual's financial lives.

62%

of U.S. adults own stock – highest level since 2007[1]

More people invest

~2x

Increase in holdings of equities & mutual funds in last decade[2]

More wealth is tied to markets

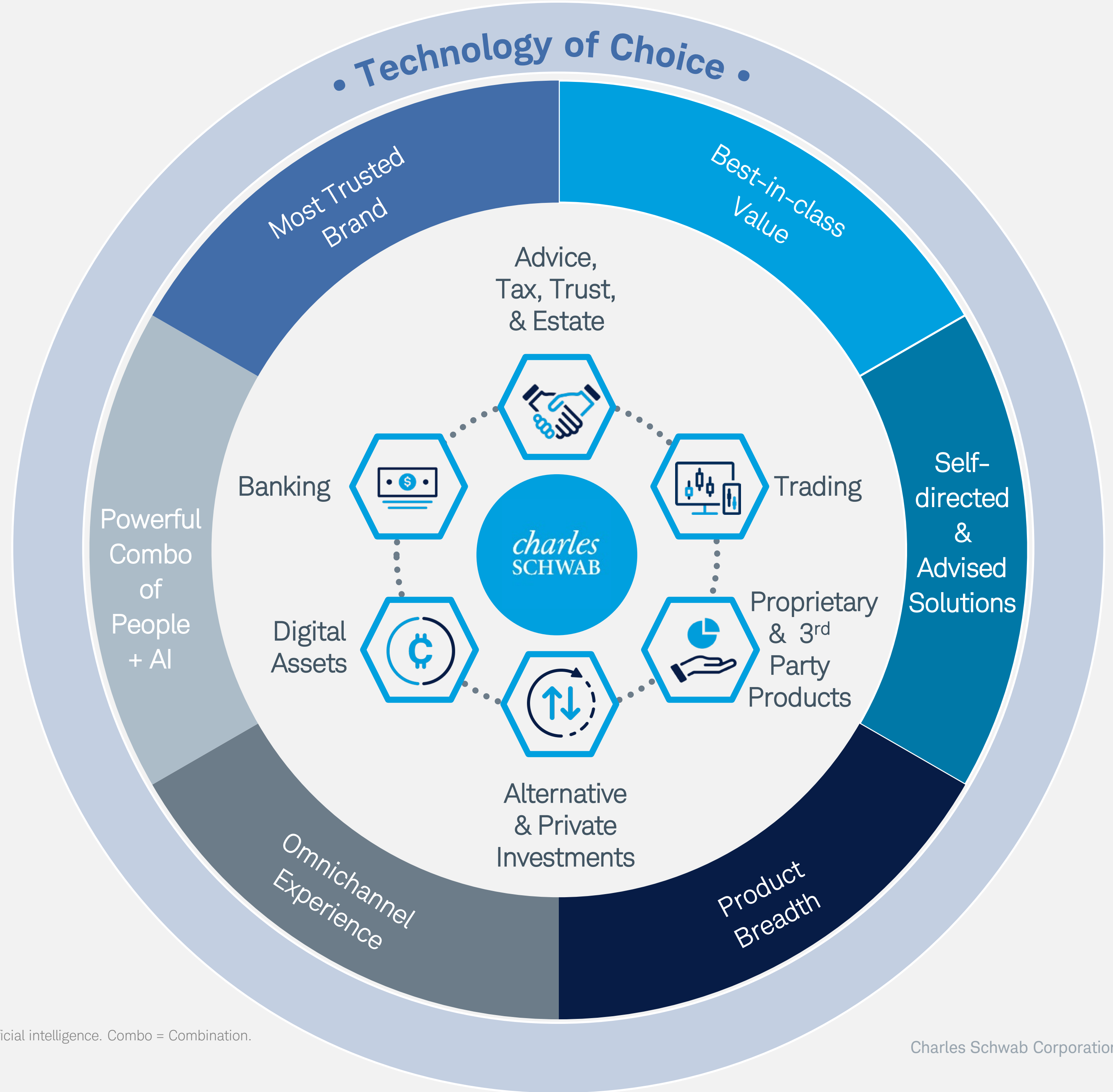
61%

Affluent clients that prefer to consolidate wealth & banking relationships[3]

Investors increasingly want to consolidate their financial lives

Note: 1. As of year-end 2024. Source: Gallup, U.S. stock ownership, annual trends. 2. Source: Board of Governors of the Federal Reserve System. 3. Source: McKinsey Global Wealth and Asset Management Practice. Affluent clients 25-44 years old.

As investors consolidate their financial lives, **Schwab remains uniquely at the center of the investing ecosystem.**



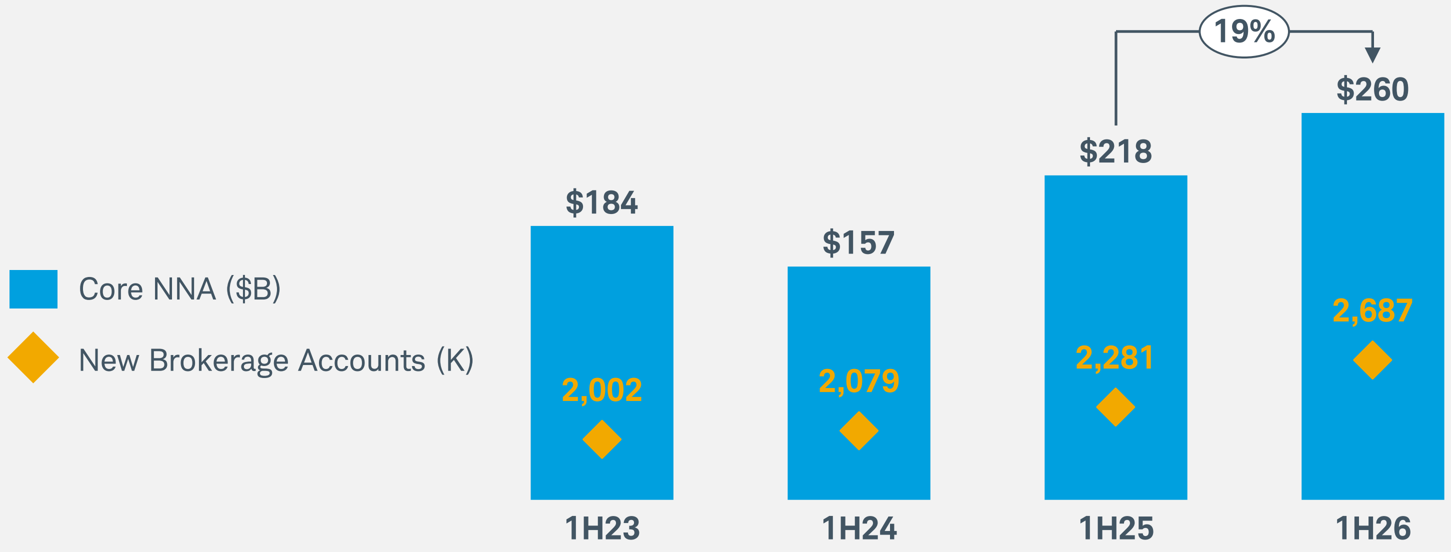
Note: AI = Artificial intelligence. Combo = Combination.

As we look to the future, we are **tackling our growth opportunities head-on** with a **clear strategy** & rapid pace of **client-focused innovation**.

Serve a Growing Number of Clients

across a diverse spectrum of individual investors & RIAs

Core Net New Assets and New Brokerage Accounts



	1H23	1H24	1H25	1H26
Total client assets ($T)	**$8.0**	**$9.4**	**$10.8**	**$13.1**
Total client accounts[1] (M)	**41.2**	**42.9**	**45.2**	**48.0**

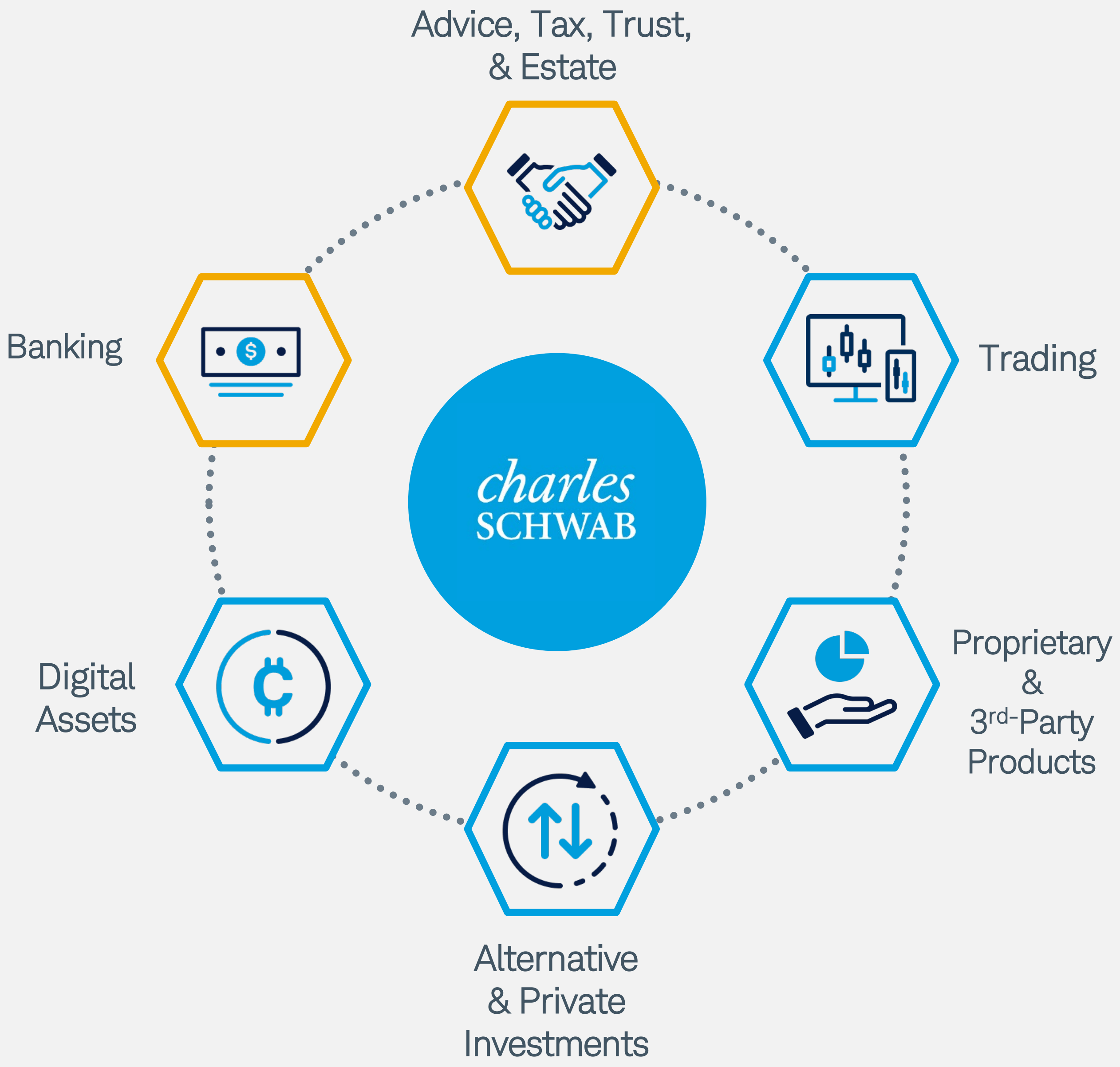
Ongoing Investments

- Financial Consultants & Wealth Advisors
- Marketing & Advertising
- RIA Support
- Workplace Extension

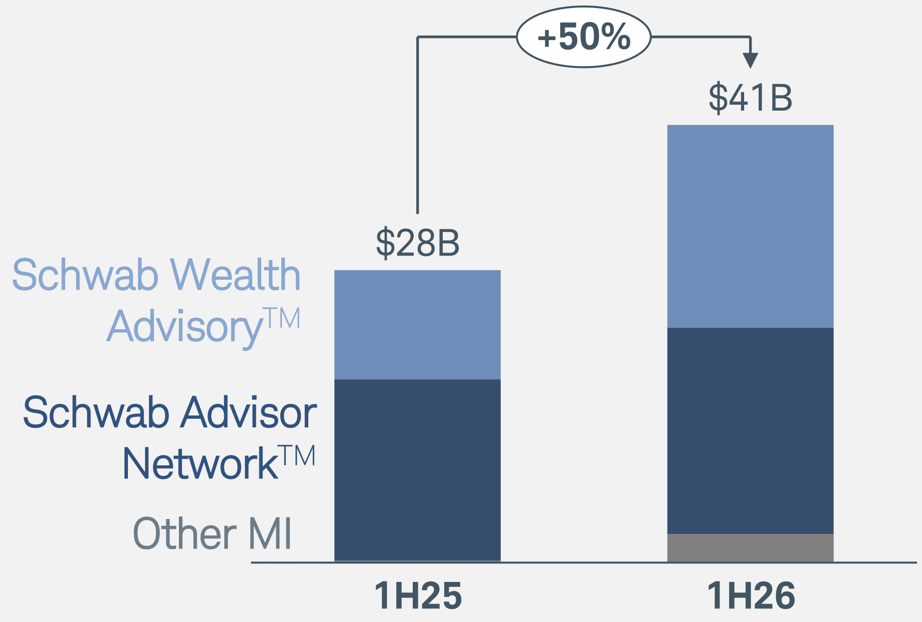
Note: H = Half. K = Thousand. M = Million. B = Billion. T= Trillion. NNA = Net new assets. RIA = Registered investment advisor. Core net new assets = net new assets before significant one-time flows, such as acquisitions/divestitures or extraordinary flows (generally greater than $25 billion; $10 billion in prior periods) relating to a specific client, and activity from off-platform Schwab Bank Retail CDs. These flows may span multiple reporting periods. 1. Includes active brokerage, banking, and workplace plan participant accounts.

Deepen Existing Client Relationships

& help them conduct more of their financial lives at Schwab



Managed Investing Net Flows



87 pts

SWA Client Promoter Score[1]

Ongoing Investments

- Expanded FC & WA Coverage
- Discretionary Portfolios
- Digital Enhancements
- AI-enabled Workflows & Capabilities

Our Opportunity Pathway

~2%

Schwab Share of $37T Advice Market[2]

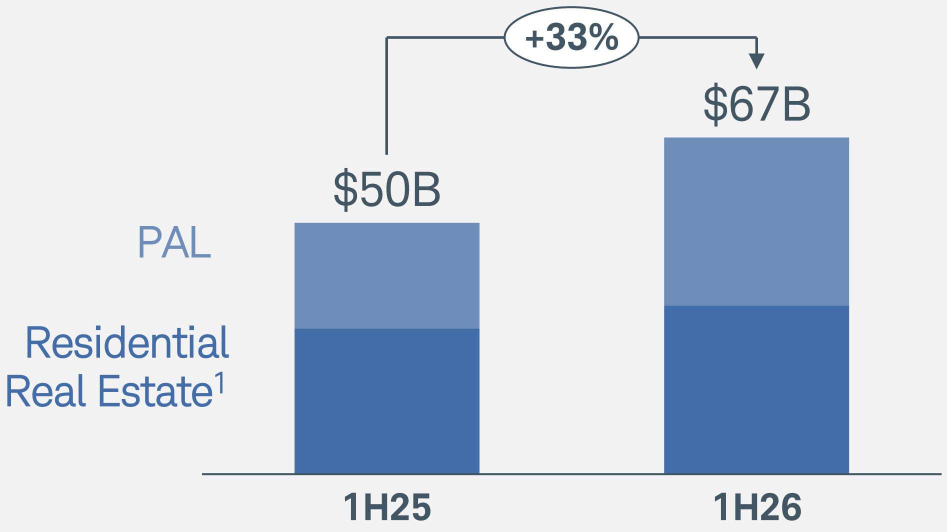
Schwab Advice Adoption vs. Willingness to Pay

~3x

SWA ROCA vs. Retail HH[3]

Note: T = Trillion. B = Billion. K = Thousand. H = Half. Pts = Points. FC = Financial consultant. WA = Wealth advisor. MI = Managed investing. AI = Artificial intelligence. ROCA = Revenue on client assets. HH = Household. WTP = Willingness to pay. SWA = Schwab Wealth Advisory™. Q = Quarter. 1. Data presented as of 2Q26. 2. Data presented as of end of year 2024. Source: The State of U.S. Retail & Institutional Asset Management 2025, Cerulli. 3. Represents ROCA for 1Q26. vs retail investor households with >$500K in investable assets with Schwab, excluding Trader.

Bank Lending Balances
EOP



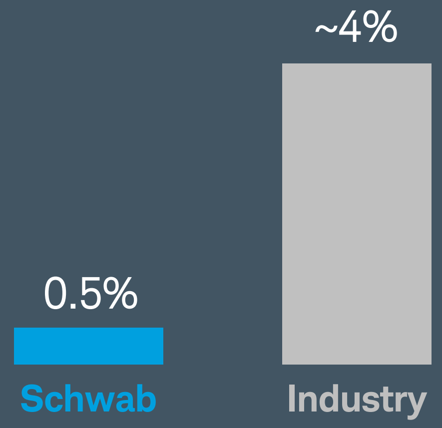
85 pts
PAL Client Promoter Score[2]

Ongoing Investments

- Expanded Pledged Asset Line™ Eligibility
- Structured Asset Line
- New UHNW Mortgage Experience
- Self-directed Personal Trust

Our Opportunity Pathway

Lending Penetration[3]



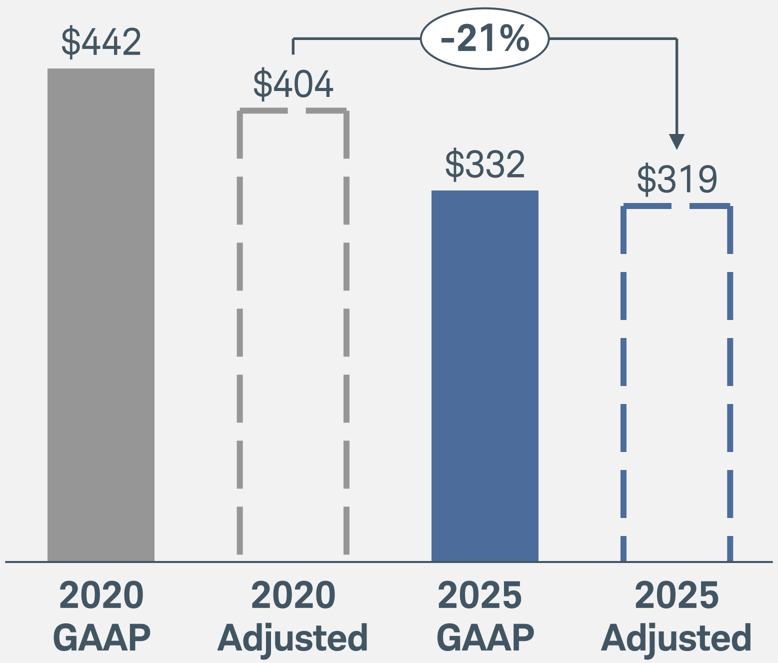
>100 bp
Pledged Asset Line™ Avg. Spread to Securities

Note: EOP = End of period. Pts = Points. Bp = Basis point. Avg = Average. PAL = Pledged Asset Line™. Q = Quarter. H = Half. B = Billion. UHNW = Ultra high net worth. CRA = Community Reinvestment Act. 1. Includes net balances for first lien residential real estate mortgage loans, home equity lines of credit, and other CRA-related loans. 2. Data presented as of 2Q26. 3. Total Schwab bank loan penetration as a percentage of total client assets as of 12/31/2025. Industry average of 4% represents blended average of bank loans as a percentage of total client assets for wealth segments of select peers as of 12/31/2025.

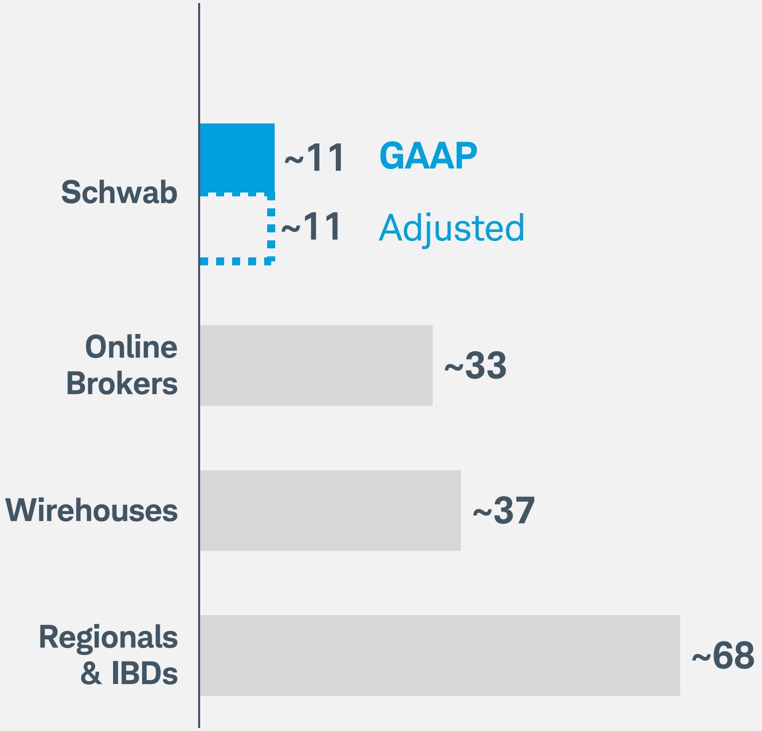
Enhance Scale & Efficiency

to make it easier for clients to work with us while keeping costs low & reinvesting in new capabilities

Schwab Cost Per Account[1]



Expense on Client Assets[2] (bps)



Ongoing Investments

- Artificial Intelligence
- Global Capabilities Center
- Efficiency & Transformation Initiatives

Note: Bp = Basis point. IBD = Independent broker dealer. GAAP = Generally accepted accounting principles. 1. GAAP cost per client account is calculated by dividing total expenses excluding interest by average active brokerage accounts. Adjusted cost per client account is calculated by dividing adjusted total expenses (non-GAAP) by average active brokerage accounts. Further details on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 36-40 of this presentation. 2. Data presented as last twelve months of publicly reported data & represents expenses from respective wealth management segments of all companies, if applicable. Schwab is represented on a total company basis. Wirehouse segment includes Morgan Stanley, JP Morgan, Bank of America, & Wells Fargo. Regional & IBD segment includes Ameriprise, LPL Financial, & Raymond James. Online Broker segment includes Interactive Brokers & Robinhood. Adjusted expense on client assets is calculated by dividing adjusted total expenses (non-GAAP) by client assets.

AI continues to amplify our advantage, creating more **personalized** client experiences & **greater productivity** at scale.

Powerful Combination of People + AI

Client Experiences & Capabilities

- Personalized Insights v1.0
- Schwab Assistant v1.0
- Wealth.com

Supercharging Our People & Processes

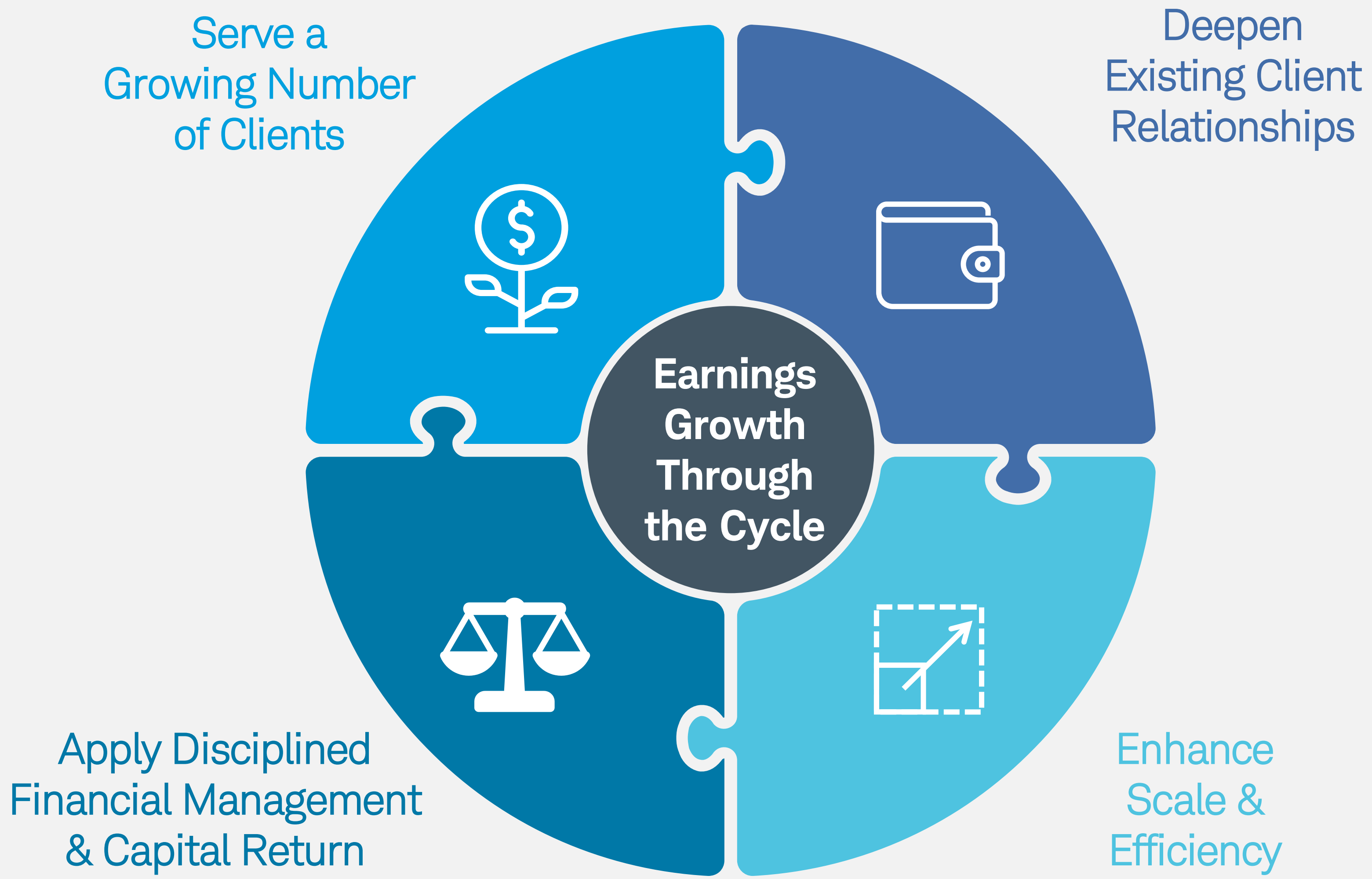
- AI-Assisted Servicing
- AI-Powered Developer Tools
- Workflow Automation

86% Client Easy Score[1]

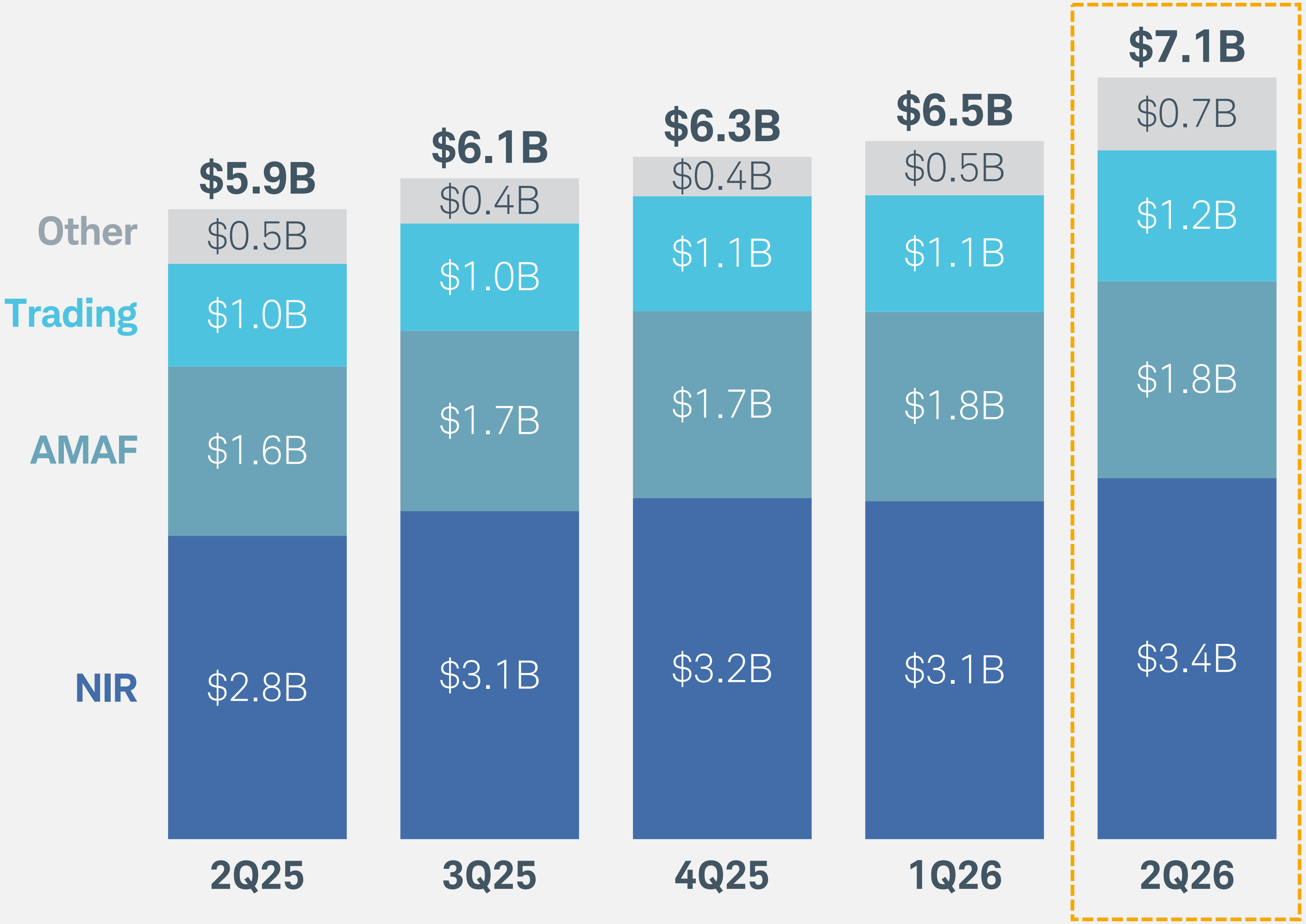
15-20% Increase in Developer Productivity

Note: AI = Artificial intelligence. V = Version. 1. Results as of second quarter 2026 for retail. Easy Score represents a client's real-time rating of how easy it was to complete a specific task or transaction with the firm.

We remain well positioned to drive **diversified & durable earnings growth** through the cycle.



2Q26 revenue increased 21% year-over-year to a quarterly record,...

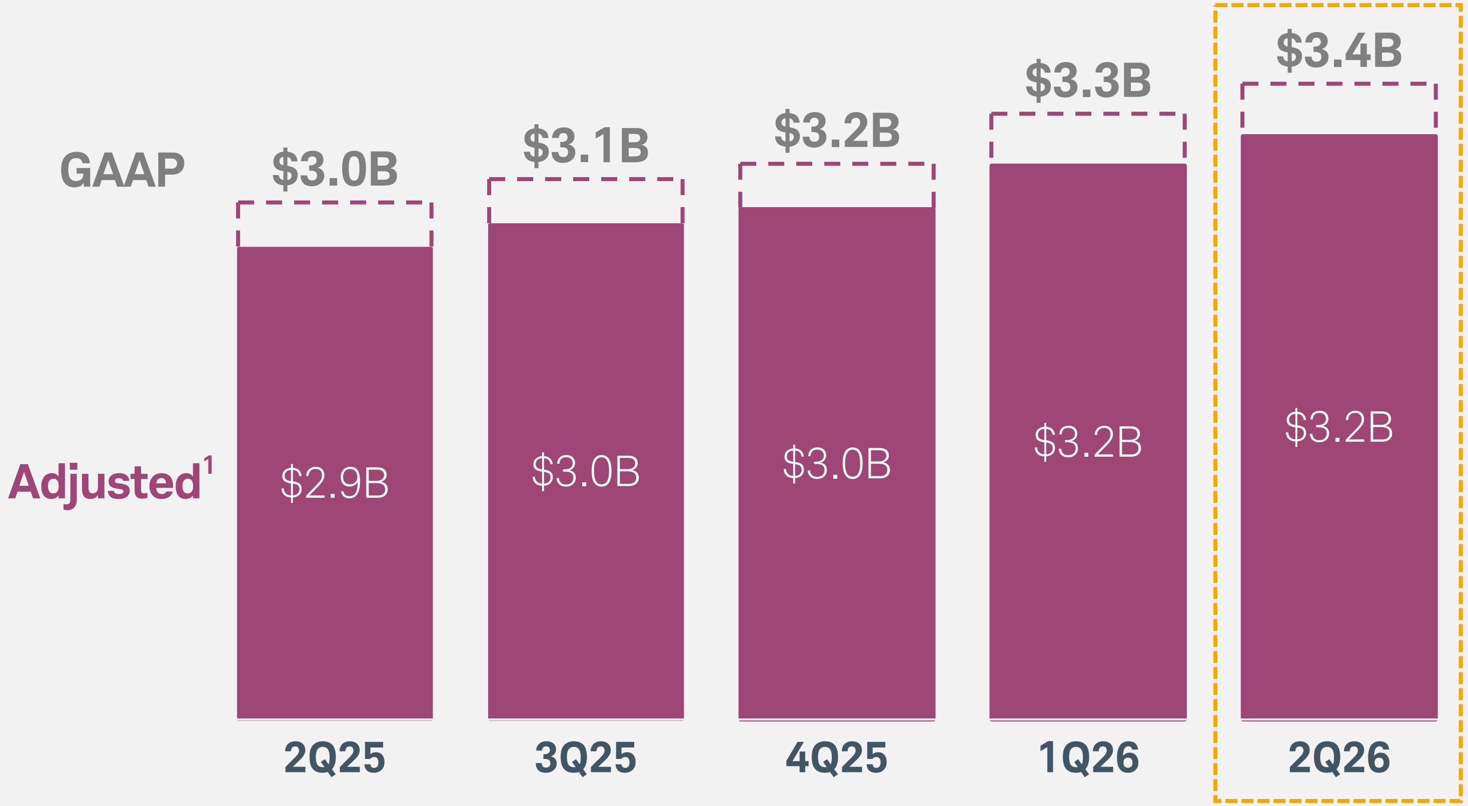


2Q26 vs. 2Q25

- **NIR increased 19%,** reflecting higher lending balances, lower wholesale bank borrowing levels, & growth in long/short strategies
- **AMAF grew 16%**, driven by equity market appreciation, organic growth, & Managed Investing net inflows
- **Trading revenue grew 28%**, due to record client 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 fees and Other Revenue line items.

…as we efficiently supported robust client engagement across the Schwab platform.



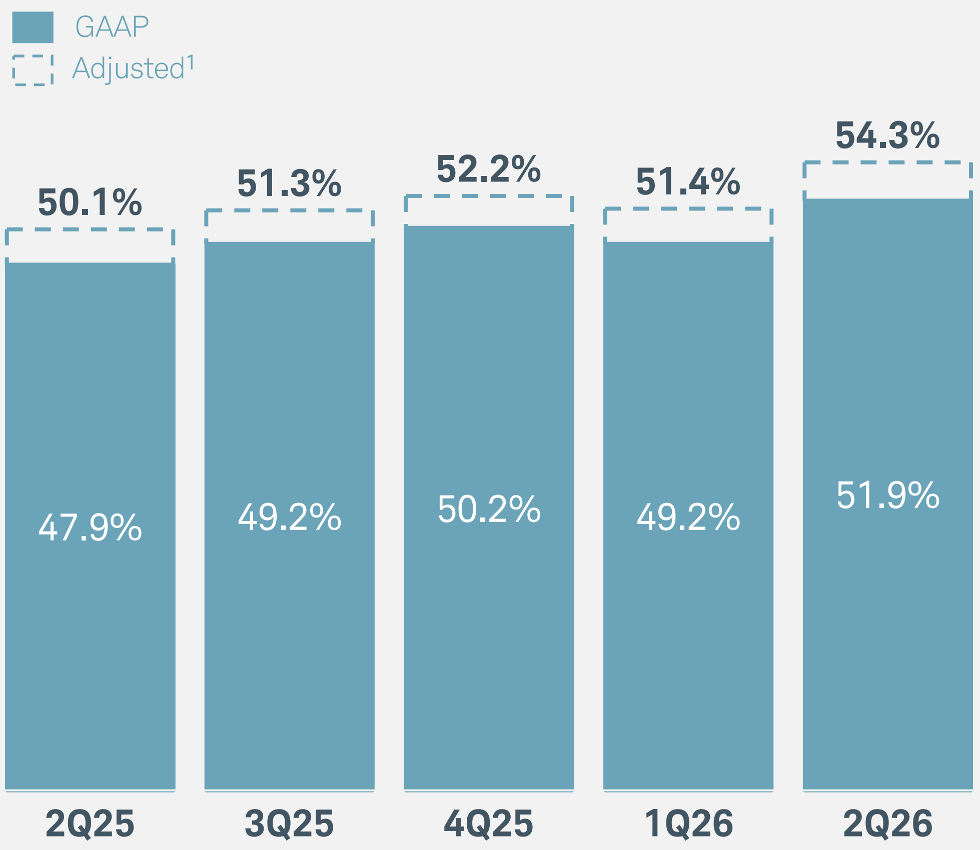
2Q26 vs. 2Q25

- **GAAP expenses up 12%,** reflecting strong client engagement and higher volumes
- **Adjusted[1] expenses rose 11%**

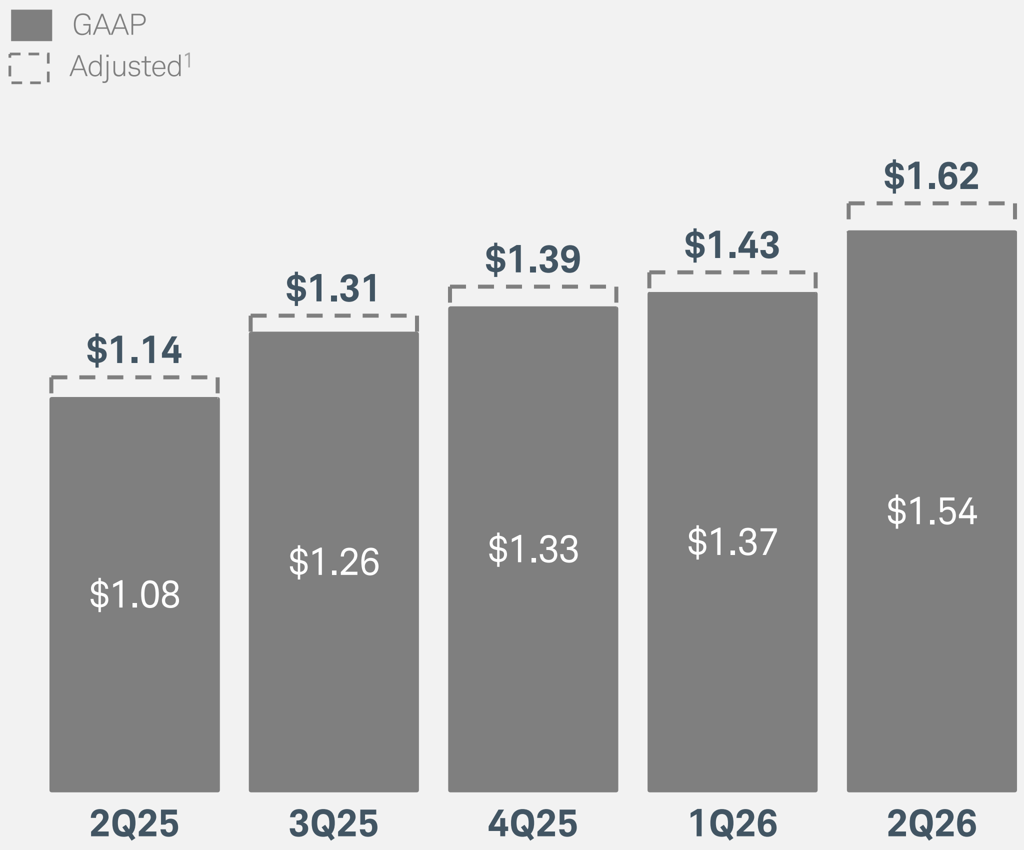
Note: Q = Quarter. B = Billion. GAAP = Generally accepted accounting principles. 1. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 36-40 of this presentation.

Schwab's diversified model and leading scale combined to deliver record adjusted[1] earnings per share of $1.62.

Pre-tax Profit Margin (%)



Earnings per Share ($)



Note: Q = Quarter. 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 36-40 of this presentation.

2Q26 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[1] grew to $165.1 billion as of June 30, up 47% from year-end 2025
    - Long/short related margin increased by $20.8 billion during 2Q26 to $42.1 billion
  - Demand for our PAL solution continued, as bank loan balances increased 16% versus 4Q25 to $67.0 billion at quarter-end
- **Sweep Cash Net Flows**
  - Reflecting continued client demand for long/short strategies, tax seasonality, and strong organic growth, transactional sweep cash[2] increased by $24.2 billion during 2Q26 to finish at $485.7 billion
- **Capital Return**
  - Repurchased 11.2 million shares of common stock for $1.0 billion
  - Redeemed Series I preferred stock for $2.1 billion and issued $1.5 billion Series L preferred stock

Note: Q = Quarter. PAL = Pledged Asset Line™. CD = Certificate of deposit. 1. Client margin loan balances include $42.1 billion related to certain long/short strategies as of June 30, 2026. 2. Transactional sweep cash includes bank sweep deposits, broker-dealer cash balances, other client cash held on the balance sheet (bank checking and savings deposits, $43.7 billion of short credits related to certain client long/short strategies, and broker-dealer non-interest-bearing credits), and Bank Deposit Account balances; excludes proprietary and third-party CDs.

Our capital ratios remained strong while supporting growth and opportunistic capital return.

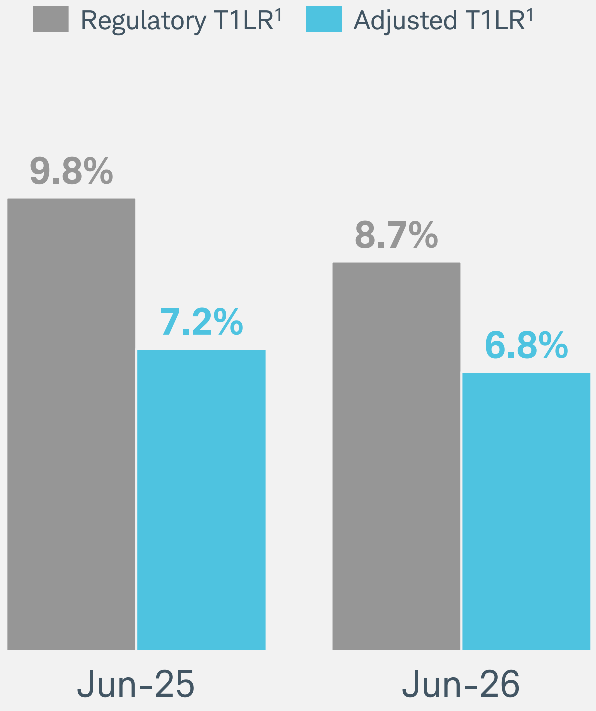
Capital Management Framework

Support ongoing business growth

Common dividend payout range

Seek opportunistic return of capital

Consolidated Tier 1 Leverage Ratio



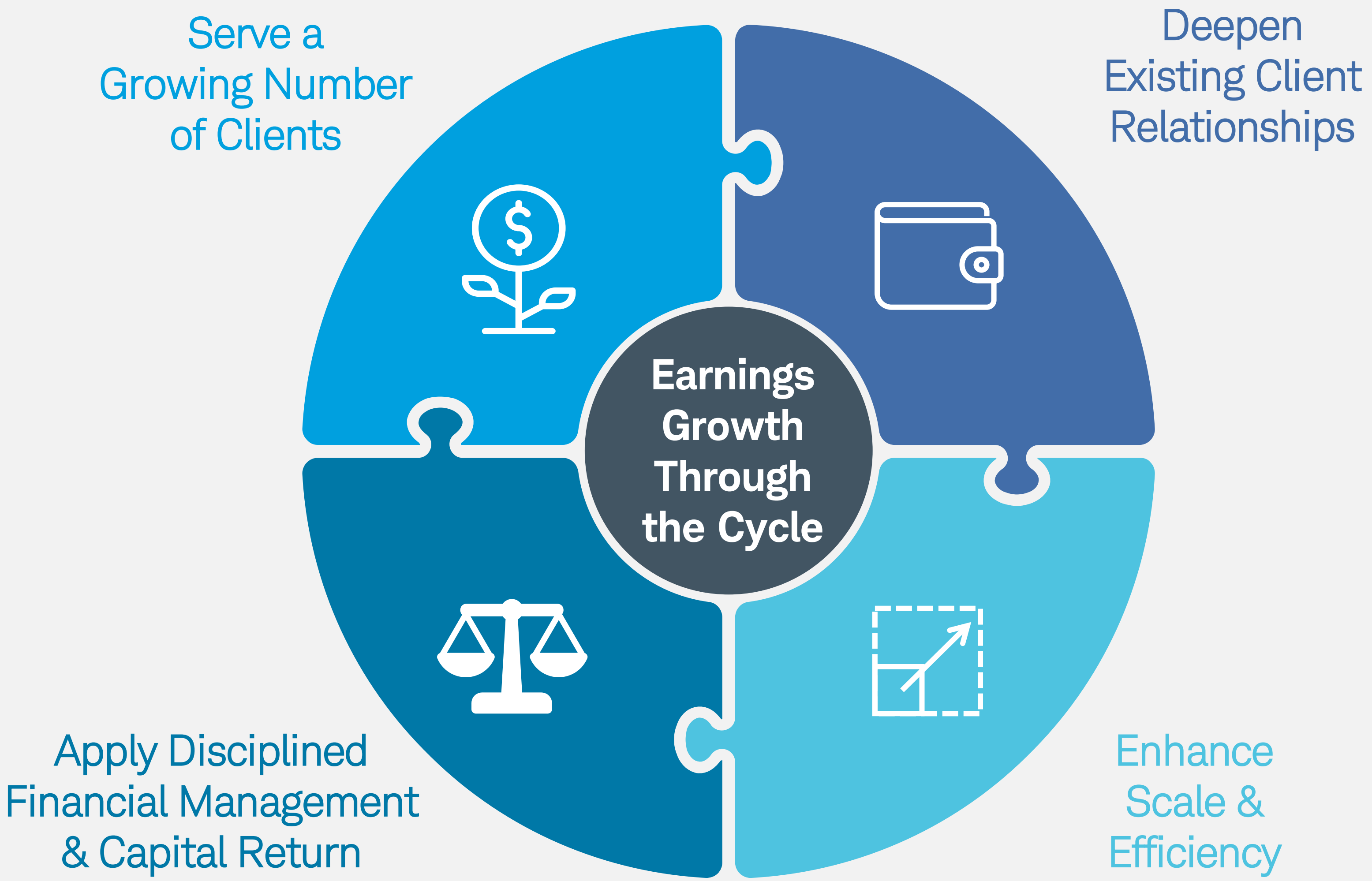
2Q26 Capital Actions

$1.0B
Common stock repurchased

~$0.6B
Net preferred redemption[2]

Note: T1LR = Tier 1 leverage ratio. B = Billion. Q = Quarter. 1. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 36-40 of this presentation. June 30, 2026, ratios are preliminary. 2. Series I was redeemed on June 1, 2026; Series L was issued on April 22, 2026.

We remain well positioned to drive **diversified & durable earnings growth** through the cycle.



As we enter the second half of the year, a range of factors will continue to inform our 2026 financial outlook.

		Winter Business Update	2026 Investor Day
Macro	Interest Rates	*Fed Funds finishes 2026 at 3.25% (upper-bound)*	*Fed Funds finishes 2026 at 3.75% (upper-bound)*
	Equity Markets	6.5% appreciation *from 2025 EOY level*	~10% appreciation *from 2025 EOY level*
Business	Client Growth	~5% NNA growth	~5% NNA growth
	Client Engagement	FY26 DATs of ~7.4M	FY26 DATs of ~8.7M
Other	Stock Buybacks	Excluded from scenario	Post 1Q26 activity excluded from scenario
	Forge	Excluded from scenario	Included within scenario

Note: Q = Quarter. EOY = End of year. M = Million. FY = Full year. DAT = Daily average trades. NNA = Net new assets.

As we enter the second half of the year, a range of factors will continue to inform our 2026 financial outlook.

		Winter Business Update	2026 Investor Day	Summer Business Update[1]
Macro	Interest Rates	*Fed Funds finishes 2026 at 3.25% (upper-bound)*	*Fed Funds finishes 2026 at 3.75% (upper-bound)*	Forward Curve Expectations[2] *Fed Funds finishes 2026 at 4.00% (upper-bound)*
	Equity Markets	6.5% appreciation *from 2025 EOY level*	~10% appreciation *from 2025 EOY level*	~13% appreciation *from 2025 EOY level*
Business	Client Growth	~5% NNA growth	~5% NNA growth	~5% NNA growth
	Client Engagement	FY26 DATs of ~7.4M	FY26 DATs of ~8.7M	FY26 DATs of ~10.6M *Reflecting record YTD trading activity*
Other	Stock Buybacks	Excluded from scenario	Post 1Q26 activity excluded from scenario	Post 2Q26 activity excluded from scenario
	Forge	Excluded from scenario	Included within scenario	Included within scenario

Note: Q = Quarter. EOY = End of year. M = Million. FY = Full year. DAT = Daily average trades. YTD = Year-to-date. NNA = Net new assets. 1. As of June 30, 2026. 2. Forward curve expectations as of July 20, 2026.

Our updated 2026 financial scenario reflects sustained momentum and robust client engagement through 1H26.

Revenue

Anticipate revenue to increase by 17.5% to 18.5% versus the prior year as clients continue to utilize our expanding set of services and solutions

- Strong lending utilization supports full-year NIM expansion into the 3.00% to 3.10% range – with 4Q26 NIM in the 3.25% to 3.30% range
- FY26 average interest-earning assets expand modestly versus full-year 2025 average

Expenses

Expect adjusted expenses[1] to grow by 9.5% to 10.5% vs. 2025 driven by several factors

- Underlying expense growth remains in-line with our previously communicated January 2026 scenario
- Volume-related expenses add ~300 bps as we support strong business performance & trading activity
- Inclusion of Forge increases year-over-year growth by ~100 bps

Pre-tax Profit Margin

Implies full-year adjusted pre-tax margin[1] further into the low 50% range

Note: H = Half. Q = Quarter. NIM = Net interest margin. Bp = Basis point. FY = Full year. GAAP = Generally accepted accounting principles. 1. Reflects the impact of estimated transaction-related costs for the second half of 2026 approximately consistent with those incurred in the first half of 2026.Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 36-40 of this presentation.

Select Annualized Revenue Sensitivities

As of June 30, 2026

Net Interest Revenue	+/- 25 bps Target Fed Funds Rate[1]	~$250M – $300M
BDA	+/- $1B of Balances	~$35M
BDA	+/- 25 bps in Fed Funds	~$30M
Bank Sweep Balances	+/- $1B	~$35M
AMAF	S&P 500® +/- 1%	~$35M
Client Trading[2]	+/- 100K DATs	~$40M
Margin Balances[3]	+/- $1B	~$20M

Note: Bp = Basis point. K = Thousand. B = Billion. M = Million. AMAF = Asset management & administration fees. BDA = Bank deposit account. 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. 1. NIR sensitivities assume static interest-earning assets as of June 30, 2026; 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%. 2. Excludes Forge-related trading activity. 3. Excludes client margin loans related to certain long/short strategies.

Our financial formula is built for durability through the cycle.

Revenue	Sustainable organic growth Diverse monetization	High-single-digit to low-double-digit revenue growth
+ Expenses	Profitable growth Enhanced efficiency	Positive operating leverage
+ Balance Sheet & Capital	Increased durability Opportunistic capital return	Balance sheet management + capital return

= Mid-Teens EPS Growth

Note: EPS = Earnings per share.

Q&A

Appendix

Appendix

Balance Sheet (as of June 30, 2026)

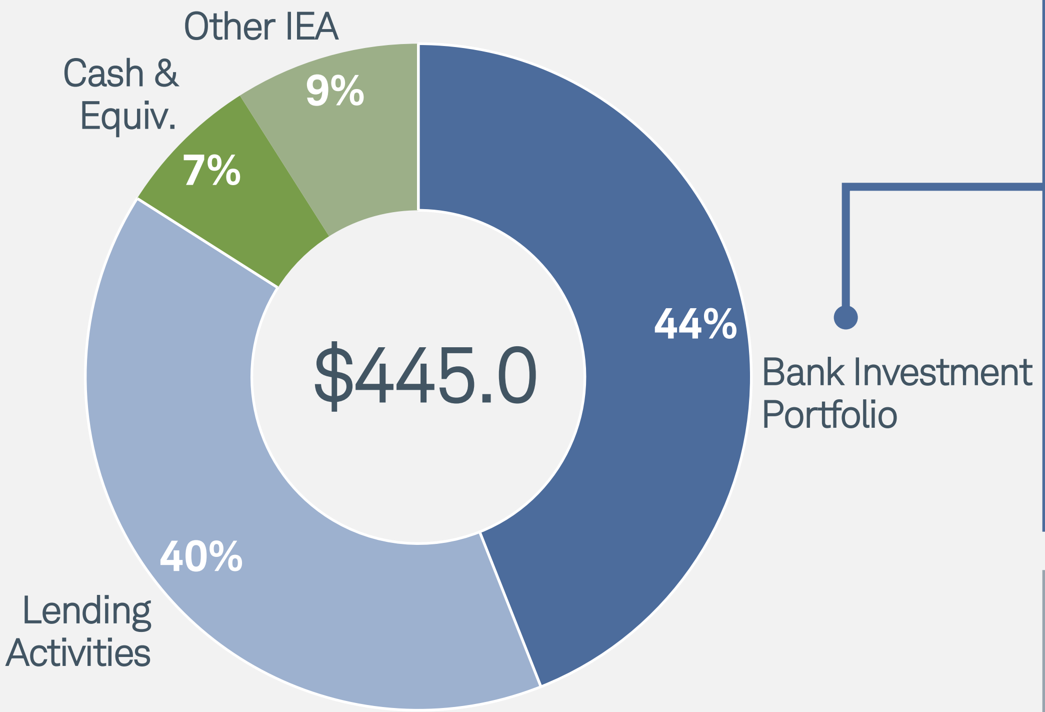
($M, EOP)	2Q25	3Q25	4Q25	1Q26	2Q26
Total Assets	$458,936	$465,255	$490,995	$493,319	$517,266
Bank Deposits	$233,058	$239,057	$255,747	$253,041	$249,682
Payables to Brokerage Clients	$109,355	$115,397	$116,341	$117,986	$123,968
Long-term Debt	$20,208	$20,199	$22,199	$20,486	$22,669
Stockholders' Equity	$49,451	$49,384	$49,425	$49,234	$50,147
Parent Liquidity	$11,581	$10,201	$14,872	$14,942	$11,936
Consolidated Tier 1 Leverage Ratio*	9.8%	9.7%	9.3%	8.9%	8.7%
Consolidated Adj. Tier 1 Leverage Ratio[1]*	7.2%	7.3%	7.1%	6.8%	6.8%

Note: M = Million. EOP = End of period. Q = Quarter. Adj = Adjusted. *2Q26 is preliminary. 1. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 36-40 of this presentation.

Appendix

Average Interest-earning Assets & Bank Investment Portfolio (as of June 30, 2026)

2Q26 Avg. Interest-earning Assets ($B,%)[1, 2]



Bank Investment Portfolio Spotlight

Fixed vs. Floating

96% Fixed / 4% Floating

Securities Mix[3]

93%+ backed by U.S. government or agency

Duration Analysis[4]

1.8
Consolidated IEAs Duration (Years)
Preliminary

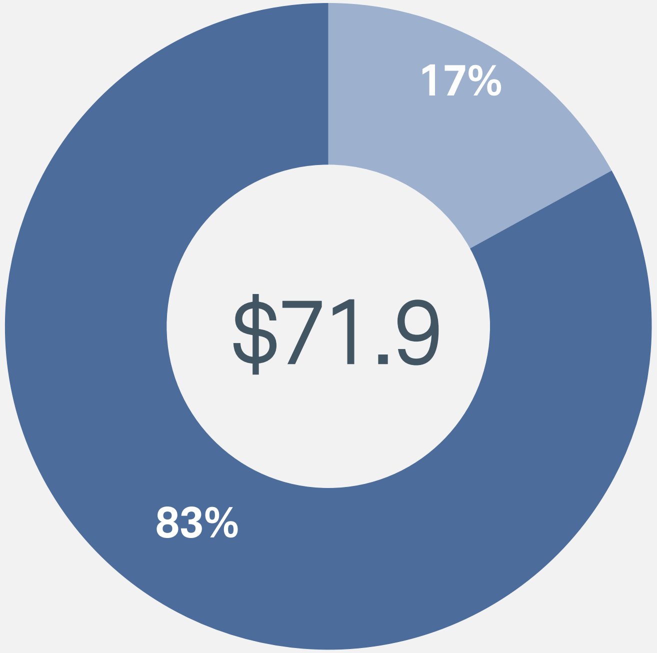
3.5
Bank Investment Portfolio Duration (Years)

Note: Q = Quarter. B = Billion. Avg. = Average. IEA = Interest-earning assets. Cash & Equiv. = Cash and equivalents. RMBS = Residential mortgage-backed security. CMBS = Commercial mortgage-backed security. 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 sum 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, 2026.

Appendix

Bank Deposit Account Summary (as of June 30, 2026)

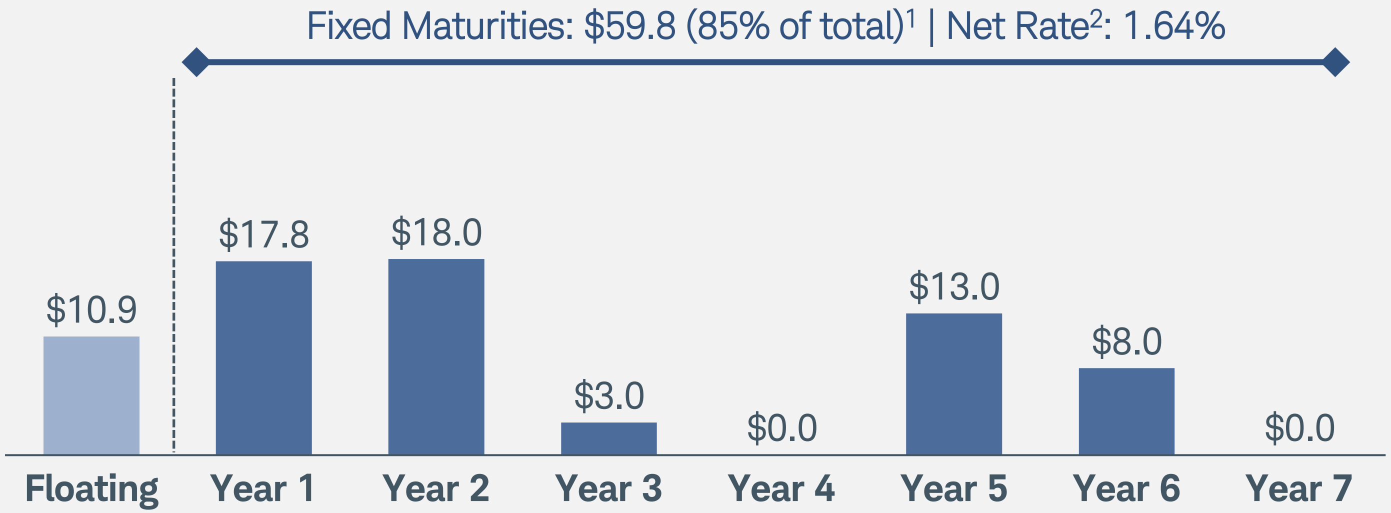
Mix of Average BDA Balances ($B,%)



	Net Rate	2Q26 Revenue
Floating	3.41%	$112M[4]
Fixed	1.51%	$221M

BDA Balances by Maturity, EOP ($B)

Total Balance: $70.6	Net Rate[2]: 1.91%	Annual Revenue[3]: $1,370M



	Floating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Net Rate[2]	3.41%	0.22%	0.92%	2.64%	--	3.22%	3.49%	--
Annual Revenue[3]	$376M	$39M	$168M	$79M	--	$425M	$283M	--

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, 2026; includes all related fees and client pay rates as of June 30, 2026. 3. Revenue figures presented on an annualized run-rate basis per the amended 2023 Insured Deposit Agreement (IDA) arrangement and net of breakage fees. 4. Revenue includes ~$4M related to Forge, all other balances and rates are IDA only.

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

(In millions, except ratios and per share amounts)	Three Months Ended, June 30, 2026		Three Months Ended, March 31, 2026		Three Months Ended, December 31, 2025		Three Months Ended, September 30, 2025		Three Months Ended, June 30, 2025		Twelve Months Ended, December 31, 2025		Twelve Months Ended, December 31, 2020	
	Total Expenses Excluding Interest	Net Income	Total Expenses Excluding Interest	Net Income	Total Expenses Excluding Interest	Net Income	Total Expenses Excluding Interest	Net Income	Total Expenses Excluding Interest	Net Income	Total Expenses Excluding Interest	Net Income	Total Expenses Excluding Interest	Net Income
Total expenses excluding interest (GAAP), Net income (GAAP)	$ 3,403	$ 2,800	$ 3,294	$ 2,479	$ 3,156	$ 2,459	$ 3,114	$ 2,358	$ 3,048	$ 2,126	$ 12,462	$ 8,852	$ 7,391	$ 3,299
Amortization of acquired intangible assets	(142)	142	(132)	132	(127)	127	(127)	127	(128)	128	(512)	512	(190)	190
Acquisition and integration-related costs	(28)	28	(11)	11	–	–	–	–	–	–	–	–	(442)	442
Income tax effects (1)	N/A	(40)	N/A	(34)	N/A	(30)	N/A	(29)	N/A	(32)	N/A	(122)	N/A	(154)
Adjusted total expenses (Non-GAAP), Adjusted net income (Non-GAAP)	$ 3,233	$ 2,930	$ 3,151	$ 2,588	$ 3,029	$ 2,556	$ 2,987	$ 2,456	$ 2,920	$ 2,222	$ 11,950	$ 9,242	$ 6,759	$ 3,777

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, 2026		Three Months Ended, March 31, 2026		Three Months Ended, December 31, 2025		Three Months Ended, September 30, 2025		Three Months Ended, June 30, 2025	
(In millions, except ratios)	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)	$ 3,669	51.9%	$ 3,188	49.2%	$ 3,180	50.2%	$ 3,021	49.2%	$ 2,803	47.9%
Amortization of acquired intangible assets	142	2.0%	132	2.0%	127	2.0%	127	2.1%	128	2.2%
Acquisition and integration-related costs	28	0.4%	11	0.2%	–	–	–	–	–	–
Adjusted income before taxes on income (Non-GAAP), Adjusted pre-tax profit margin (Non-GAAP)	$ 3,839	54.3%	$ 3,331	51.4%	$ 3,307	52.2%	$ 3,148	51.3%	$ 2,931	50.1%

Appendix

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

	Three Months Ended, June 30, 2026		Three Months Ended, March 31, 2026		Three Months Ended, December 31, 2025		Three Months Ended, September 30, 2025		Three Months Ended, June 30, 2025	
(In millions, 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)	$ 2,681	$ 1.54	$ 2,397	$ 1.37	$ 2,367	$ 1.33	$ 2,277	$ 1.26	$ 1,977	$ 1.08
Amortization of acquired intangible assets	142	.08	132	.07	127	.08	127	.07	128	.07
Acquisition and integration-related costs	28	.02	11	.01	–	–	–	–	–	–
Income tax effects	(40)	(.02)	(34)	(.02)	(30)	(.02)	(29)	(.02)	(32)	(.01)
Adjusted net income available to common stockholders (Non-GAAP), Adjusted diluted EPS (Non-GAAP)	$ 2,811	$ 1.62	$ 2,506	$ 1.43	$ 2,464	$ 1.39	$ 2,375	$ 1.31	$ 2,073	$ 1.14

Note: EPS = Earnings per share.

Appendix

Non-GAAP Reconciliation: Consolidated Adjusted Tier 1 Leverage Ratio

(In millions, except ratios)	Preliminary June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
Tier 1 Leverage Ratio (GAAP)	8.7%	8.9%	9.3%	9.7%	9.8%
Tier 1 Capital	$ 42,751	$ 41,894	$ 42,844	$ 43,491	$ 44,267
Plus: AOCI adjustment	(10,225)	(10,631)	(11,017)	(11,826)	(12,589)
Adjusted Tier 1 Capital	32,526	31,263	31,827	31,665	31,678
Average assets with regulatory adjustments	489,718	471,426	462,473	447,094	451,314
Plus: AOCI adjustment	(10,249)	(10,703)	(11,333)	(12,176)	(13,231)
Adjusted average assets with regulatory adjustments	$ 479,469	$ 460,723	$ 451,140	$ 434,918	$ 438,083
Adjusted Tier 1 Leverage Ratio (non-GAAP)	6.8%	6.8%	7.1%	7.3%	7.2%

Note: AOCI = Accumulated other comprehensive income.

Summer Business Update

July 21, 2026

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