Winter Business Update

January 17, 2024

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; success with clients; 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; positioning; organic growth; stockholder value; business and financial models; diversified revenue sources; market share; industry trends; competitive advantages; growth recipe; business momentum; opportunities; investments in our platform and client experience; key strategic initiatives to drive scale and efficiency, win-win monetization, client segmentation and ease; enhancing and expanding offers and solutions for clients and RIAs; Workplace participant experience; financial formula; run-rate expense savings and the costs to achieve them; client cash realignment, including activity, factors and trends; net interest margin; utilization of, impact from using, and repayment of, supplemental funding; capital; mathematical illustrations and related assumptions, including macro, business and client behavioral factors; estimated impact from sensitivities; financial outlooks, including revenue, expenses and profit margin; balance sheet management; capital formation and Adjusted Tier 1 Leverage Ratio; ROCA and EOCA; investment portfolio; reinvestment yields; long term growth and earnings potential; and capital return.

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; 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.

The information in this presentation speaks only as of January 17, 2024 (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 continues to guide the firm into its next chapter.

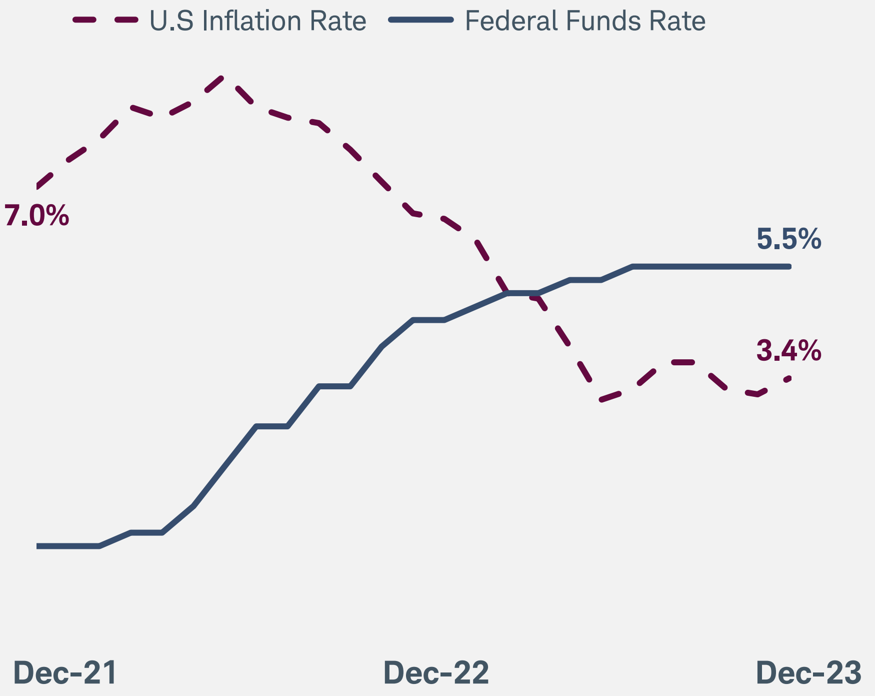
- As improving macroeconomic data helped markets shake-off the impact of the regional banking crisis to finish the year near record levels, investors remained engaged and turned to Schwab for help navigating this rapidly evolving environment

- We successfully converted ~90% of Ameritrade assets and accounts as our "no trade-offs" approach continued to resonate with new and existing clients

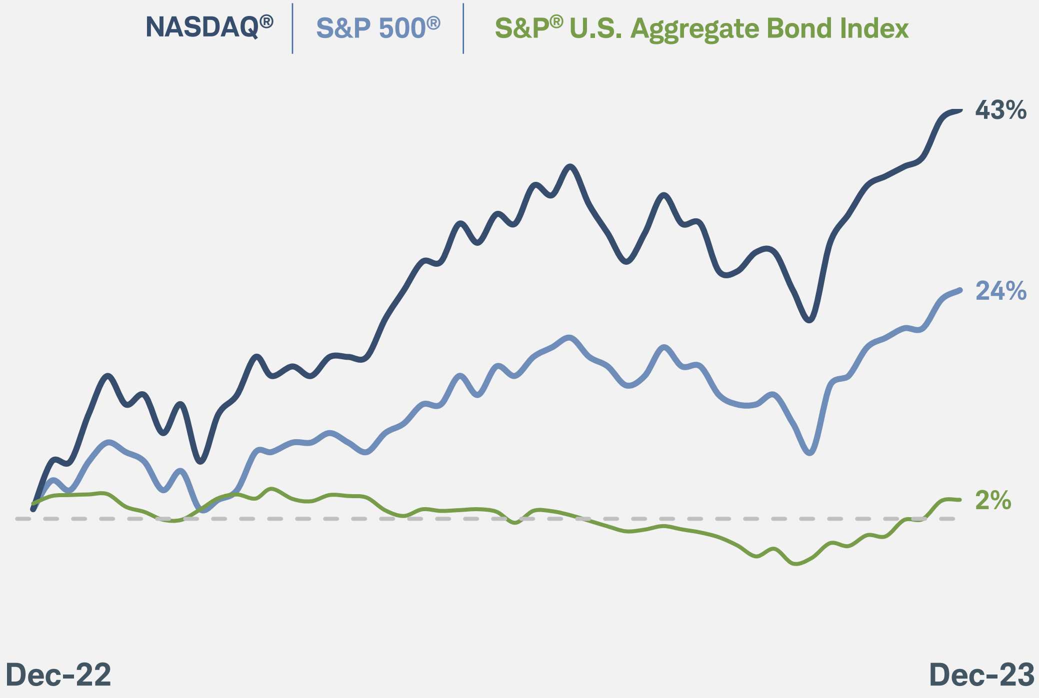
- Informed by key trends expected to keep shaping our industry, we delivered meaningful progress across our strategic initiatives in 2023 – while also identifying incremental investments intended to bolster Schwab's long-term organic growth and competitive positioning

Markets ended 2023 firmly in positive territory, even as the regional banking crisis and geopolitical turmoil created a bumpy road for investors.

Federal Funds Rate and U.S. Inflation Rate



Select 2023 Market Returns[1]



Note: U.S. = United States. U.S. Inflation Rate sourced via U.S. Bureau of Labor Statistics. Federal Funds rate sourced via FactSet. Nasdaq® = NASDAQ Composite Index. 1. 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.

Clients remained engaged through the uneven environment and sentiment rebounded significantly to close out the year.

FY 2023

1.2
Buy-sell ratio

5.4M
Daily Average Trades

+$33.0B
Net Advised Flows[1]

Schwab Trading Activity Index™ (STAX) [2]

Clients' investment exposure generally increased during 2023, however recent levels still rank as "moderately low" compared to historical averages

Note: FY = Full year. M = Million. B = Billion. 1. Net advised flows includes Schwab Wealth Advisory, ThomasPartners, Windhaven, Schwab Managed Products, Managed Account Select, USAA Managed Portfolios, Wasmer Shroeder Retail, Wasmer Schroeder Off Platform & Advisor Services, Schwab Advisor Network, Schwab Intelligent Portfolios, Schwab Personalized Indexing, and Ameritrade. May include flows into more than one product. 2. The STAX serves as a proxy to gauge Schwab clients' exposure to equity markets, generally ranging from 35 to 70. Over time, changes in this score serve as an indirect measure of sentiment, with a higher score indicating greater market exposure and a correlation to bullishness, and a lower score indicating lower market exposure associated with potential bearishness.

Investors continued to trust Schwab to help them reach their financial goals.

2023 Highlights

$306B

Core Net New Assets

3.8M

New Brokerage Accounts

Schwab Originated Accounts Only

$333B Core NNA

6.4% Organic Core NNA Growth Rate

Note: B = Billion. M = Million. 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.

Following the November cohort, we have now transitioned ~90% of Ameritrade clients to the combined platform.

Conversion to date, client attrition rates are tracking favorable to our expectations.

We have now migrated ~90% of Ameritrade clients to Schwab in the first 4 transition groups,...

Client Assets	**$1.6T+**
Client Accounts	**15M+**
Positions	**126M+**

...and we have supported converting clients at every step along the way.

500+
Unique client communications developed

8
Client experience sites launched

10X
Increase in technology capacity

The final cohort of Ameritrade clients is scheduled to transition in May 2024.

Note: M = Million. T = Trillion.

Our "no trade-offs" approach continues to resonate with new and existing clients.

Value
Deliver industry-leading value to all of our clients

Service
Provide exceptional service to investors and advisors

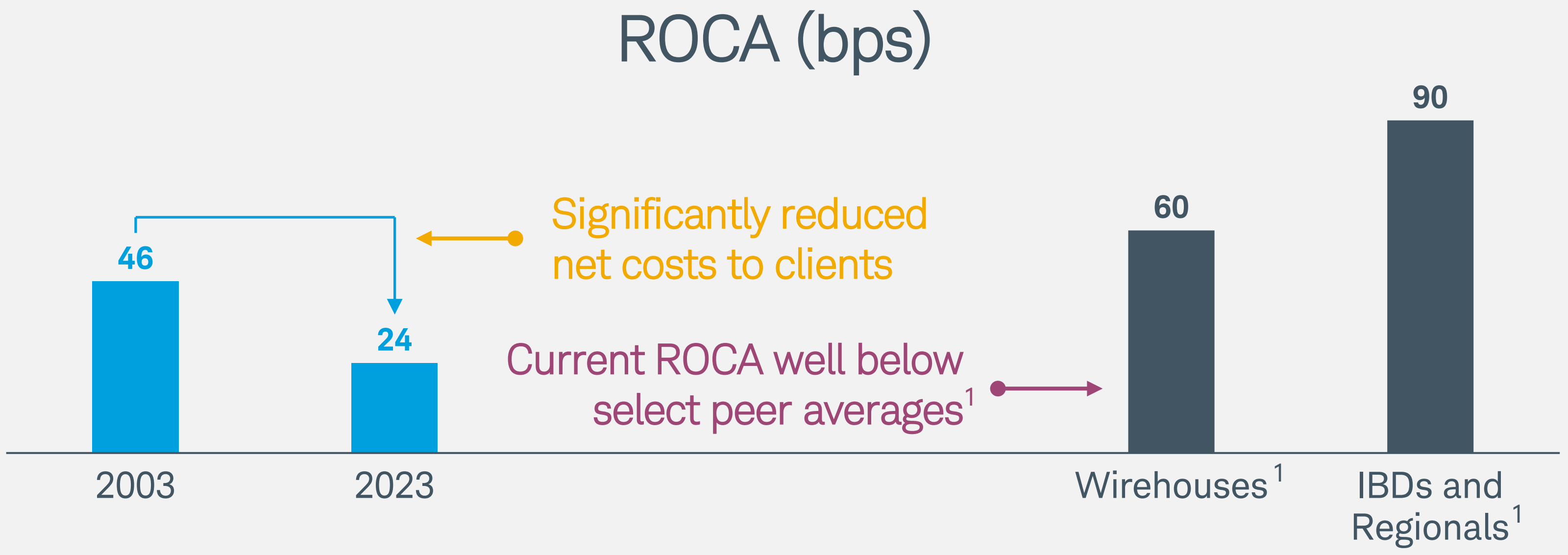
Transparency
Ensure transparency across every client interaction

Trust
Build trust by treating clients the way we would like to be treated

Our “no trade-offs” approach continues to resonate with new and existing clients.

Value

Deliver industry-leading value to all of our clients



Note: ROCA = Revenue on client assets. Bps = Basis points. IBDs = Independent broker-dealers. 1. Last twelve months as of 9/30/23. Based on reported figures for select publicly traded peers. Wirehouse peer group includes wealth management figures for Morgan Stanley, J.P. Morgan, Bank of America, and Wells Fargo. IBDs and Regionals peer group includes LPL Financial, Ameriprise, and Raymond James.

Our “no trade-offs” approach continues to resonate with new and existing clients.

Service

Provide exceptional service to investors and advisors

66

Client Promoter Score
Investor Services
4Q23

~30 seconds

Average Speed to Answer
FY23

55+ hours

Training Time per Service Professional
Advisor Services
FY23

Note: Q = Quarter. FY = Full Year.

Our “no trade-offs” approach continues to resonate with new and existing clients.

Transparency

Ensure transparency across every client interaction

>20K

Third-party fund products offered on the platform

Growing suite of digital capabilities

Security and Satisfaction Guarantee

Note: K = Thousand.

Our “no trade-offs” approach continues to resonate with new and existing clients.

Trust

Build trust by treating clients the way we would like to be treated

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

Awarded by J.D. Power[1]

Named Most Trusted Financial Companies Bank

Awarded by Investor’s Business Daily®[2]

Note: 1. 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. 2. 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.

Our client-centric strategy continues to be influenced by a range of key industry trends.

Broad Trends

- Relationships matter
- New "normal" for trading activity
- Strong growth of self-directed and RIA managed investors
- Low-cost beta products
- Brand alone isn't enough

Client Views

- Ease of doing business
- Best-in-class service
- Personalized investing
- Role of trading
- Omni-channel experience
- Financial planning
- Financial wellness

Competitive Landscape

- Scale
- Breadth of platform
- Lending
- Continued rapid growth of RIAs
- People + technology
- Value-oriented advice

Note: RIA = Registered Investment Advisor.

During 2023 we meaningfully advanced our strategic initiatives – keeping us positioned to meet investors' evolving needs.

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.

During 2023 we meaningfully advanced our strategic initiatives – keeping us positioned to meet investors' evolving needs.

Scale & Efficiency

Win-Win Monetization

Client Segmentation

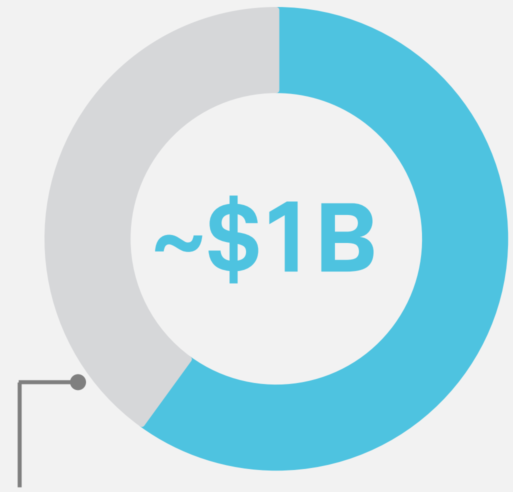
Further advanced the **largest conversion** in industry history

15M+
Client Accounts

7K+
RIA Firms

$1.6T+
Client Assets

Captured **slightly >50% of the $1B total expense savings** opportunity



Remaining Ameritrade run-rate expense synergies to be realized before year-end

Note: M = Million. B= Billion. T = Trillion. K = Thousand. RIA = Registered Investment Advisor.

During 2023 we meaningfully advanced our strategic initiatives – keeping us positioned to meet investors' evolving needs.

- Scale & Efficiency
- **Win-Win Monetization**
- Client Segmentation

Supported **strong net flows** into **Managed Investing** solutions

+29%

2023 vs. 2022
Net Advised Flows[1]

Schwab Wealth Advisory™	**+53%**
Wasmer Schroeder™	**+90%**

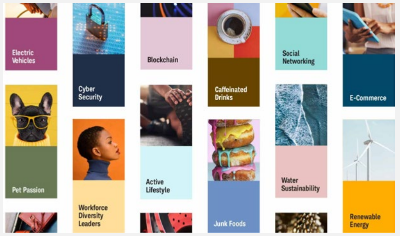
Enhanced digital capabilities for RIAs

Pledged Asset Line®

Speed.
Ease.
Transparency.

Created more **personalized investing experiences**

Schwab Personalized Indexing®



Schwab Investing Themes™

Note: RIA = Registered Investment Advisor. 1. Net advised flows includes Schwab Wealth Advisory, ThomasPartners, Windhaven, Schwab Managed Products, Managed Account Select, USAA Managed Portfolios, Wasmer Shroeder Retail, Wasmer Schroeder Off Platform & Advisor Services, Schwab Advisor Network, Schwab Intelligent Portfolios, Schwab Personalized Indexing, and Ameritrade. May include flows into more than one product.

During 2023 we meaningfully advanced our strategic initiatives – keeping us positioned to meet investors' evolving needs.

- Scale & Efficiency
- Win-Win Monetization
- **Client Segmentation**

Announced **specialized service models** for U/HNW	Launched **enhanced trading experience**	Further **integrated offers and solutions** for RIAs
Schwab Private Client Services™ *HNW ($1M-$10M)* & **Schwab Private Wealth Services™** *UHNW ($10M+)*	Schwab Trading Powered by Ameritrade	thinkpipes iRebal FWA THE FAMILY WEALTH ALLIANCE WE CONNECT YOU℠

Note: M = Million. RIA = Registered Investment Advisor. HNW = High Net Worth. UHNW = Ultra High Net Worth. U/HNW = High Net Worth and Ultra High Net Worth.

Looking forward to 2024 and beyond, we plan to continue investing in our modern wealth platform…

Scale & Efficiency	Win-Win Monetization	Client Segmentation	Ease *NEW*
Final Ameritrade client transition group	Enhanced wealth and advice offerings	Differentiated client experiences	Intuitive cross-channel client experiences
Remaining expense synergies	Lending capabilities	Enhanced service models	Enhanced service rep tools
Artificial intelligence	Personalized investing solutions	Specialized capabilities	Digital client workflows
Automation and systems modernization	Further expand breadth and depth of product offerings	Trading platforms	Access when and where clients need it
	Workplace businesses	Tailored education	

…to help power our long-term organic growth recipe.

3-5%
NNA Growth from **Existing Clients**

\+

2-3%
NNA Growth from **New Clients**

\+

Strategic Focus Areas

- **Scale & Efficiency**
- **Win-Win Monetization**
- **Client Segmentation**
- **Ease**

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

Note: NNA = Net new assets.

While the final conversion is set for May 2024, all clients are already benefitting from the combined platform.

Leading wealth management platform

34.8M
Accounts

$8.5T
Assets

5.4M
Daily Average Trades

Ameritrade

95%
Ameritrade FCs who placed clients in a Wealth Solution

~10%
Ameritrade Retail investor assets in a Wealth Solution

charles SCHWAB

80K
thinkorswim® accounts created by clients since mid-October 2023

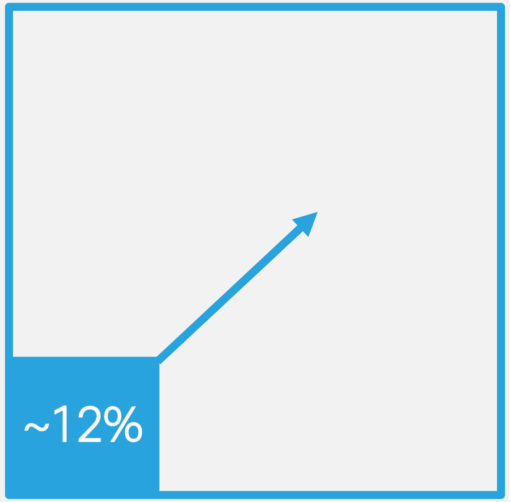
~20%
NTF Retail clients initiated thinkorswim® access

Note: M = Million. T = Trillion. FC = Financial consultant. NTF = New-to-firm.

Our combination of healthy organic growth, client-centric strategy, and evolving capabilities keep us well positioned to pursue the tremendous opportunities still in front of us.

Grow to serve an increasing number of individual investors and the advisors who serve them

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



Market share estimate[2]

Realize incremental upside from our combination with Ameritrade

$500B+

Ameritrade share of wallet NNA opportunity[3]

Harness the strength of our modern wealth platform to unlock long-term benefits for clients and stockholders

$3.5–4.0B+

Wealth management and bank lending revenue opportunity[4]

Note: U.S. = United States. B = Billion. T = Trillion. 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 December 31, 2023. 3. Represents bringing Ameritrade client share of wallet to parity with Schwab client share of wallet. 4. Represents incremental revenue from (a) increased bank lending utilization to an industry benchmark of 3.5% of client assets and (b) increased adoption of fee-based advice solutions.

Schwab's "Through Clients' Eyes" strategy continues to guide the firm into its next chapter.

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- We successfully converted ~90% of Ameritrade assets and accounts as our "no trade-offs" approach continued to resonate with new and existing clients

- Informed by key trends expected to keep shaping our industry, we delivered meaningful progress across our strategic initiatives in 2023 – while also identifying incremental investments intended to bolster Schwab's long-term organic growth and competitive positioning

Financial Review & 2024 Outlook

Peter Crawford

Managing Director, Chief Financial Officer

We anticipate 2024 to serve as a transition year financially, positioning us for differentiated growth over time.

- **Diversified model** enables us to produce solid results and **strong profitability** through a range of environments
- While the environment is uncertain heading into 2024, **temporary headwinds continue to subside**:
  - Client cash **realignment activity has further decelerated** from peak levels
  - Anticipate **meaningful NIM expansion** over the next two years as we continue to pay down supplemental funding
  - Our **capital position will continue to strengthen and build** each quarter
- Over the next year and beyond, **we expect our time-tested financial formula to reassert itself**

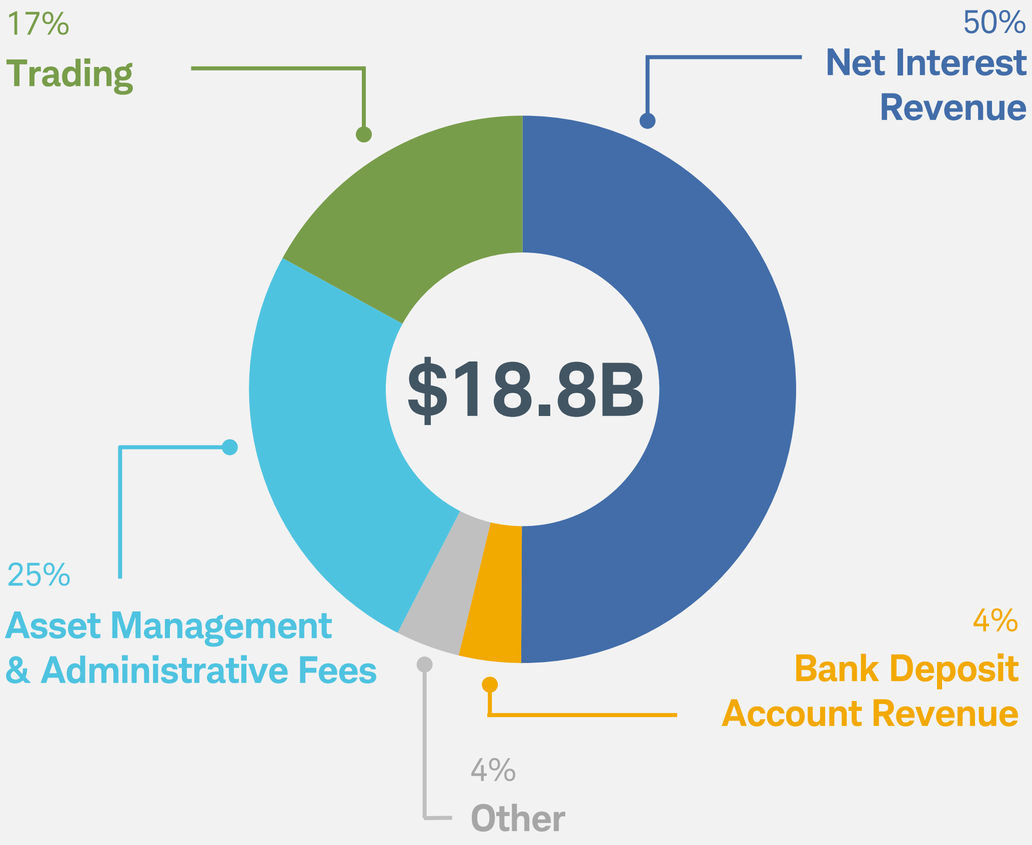
Financial Priorities	Continued business growth through our client-first strategy	Long-term revenue growth through multiple sources	Expense discipline enabling sustainable performance

Note: NIM = Net interest margin.

Our expanding client base, diversified revenue sources, and ongoing expense discipline produced solid financial results.

FY 2023

Net Revenue



Expenses

$12.5B

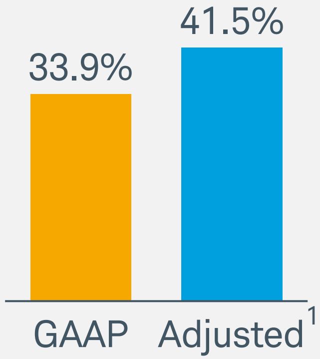
GAAP

$11.0B

Adjusted[1]

- Captured **~80% of pre-committed Ameritrade run-rate cost synergies** by year-end
- GAAP expenses included **$495 million in one-time restructuring charges related to incremental expense savings**

Pre-tax Profit Margin



11 Consecutive years of **GAAP pre-tax margins exceeding 30%**

5 Consecutive years of **adjusted pre-tax margins exceeding 40%**

Note: 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 49-52 of this presentation.

During 2023 we prioritized balance sheet flexibility.

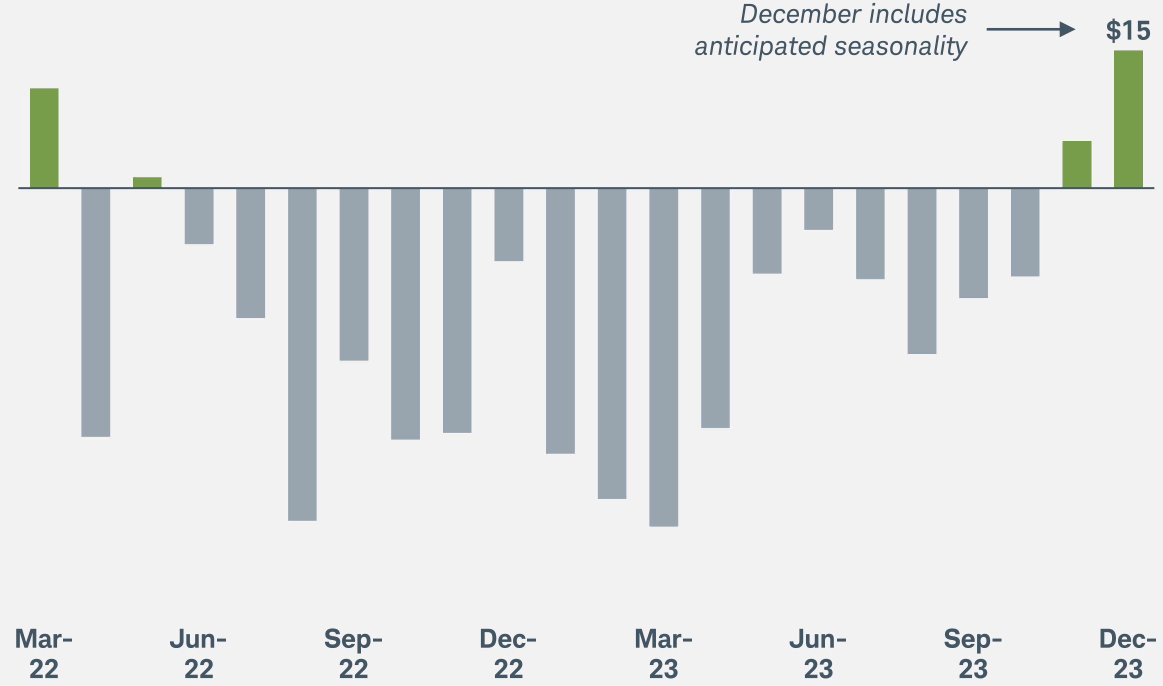
($M, EOP)	4Q22	4Q23
Total Assets	$551,772	$493,178
Bank Deposits	$366,724	$289,953
Payables to Brokerage Clients	$97,438	$84,786
Stockholders' Equity	$36,608	$40,958
Temporary Supplemental Funding[1]	$22,849	$79,600
Parent Liquidity	$12,912	$13,305
Consolidated Tier 1 Leverage Ratio*	7.2%	8.5%
CSB Adjusted Tier 1 Leverage Ratio[2]*	2.2%	5.4%

- **Total assets contracted by $59B** versus the prior year, due to client cash allocation decisions and the resulting smaller investment portfolio
- Client cash held on the balance sheet **declined by $135B** from the end of 2022
- **Supplemental funding[1] levels have declined 18%** from the May 2023 peak of ~$97B to end the year at ~$80B
- **Stockholders' equity increased ~12%** versus 4Q22, driven by strong organic capital formation and ongoing accretion of unrealized marks
- Issued **$6.2B of long-term debt** during the year ahead of upcoming maturities and to provide additional liquidity during the larger Ameritrade conversion weekends
- Year-end **consolidated Tier 1 Leverage Ratio*** was 8.5%, which is well above current minimums

Note: M = Million. B = Billion. EOP = End of period. Q = Quarter. CD = Certificate of Deposit. *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 10.1% as of December 31, 2023. Further detail on non-GAAP financial measures and a reconciliation of such measures to reported results are included on slides 49–52 of this presentation.

Cash realignment activity slowed substantially during 2H23 and we observed a seasonal build in transactional cash in December.

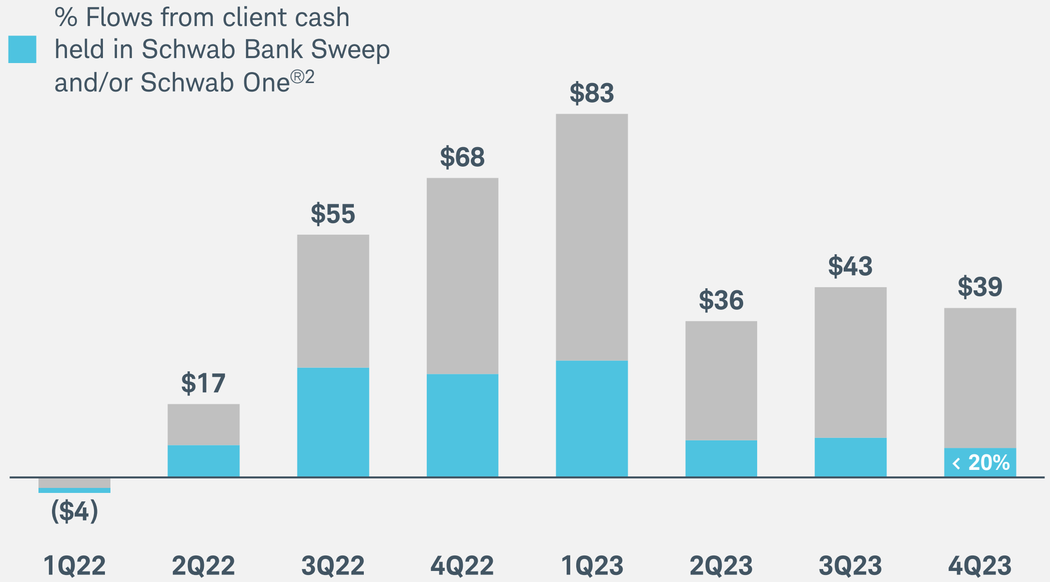
Monthly Change in Transactional Sweep Cash[1] ($B)



Case Study

Net Proprietary PMMF Flows by Quarter ($B)

1Q22 through 4Q23



Transactional cash levels will be influenced by the firm's growth, client asset allocations, and typical seasonal trends.

Note: Q = Quarter. H = Half. B = Billion. PMMF = Purchased money market fund. 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. Represents net PMMF flows that originate from client cash in Schwab Bank Sweep and/or Schwab One®. Excludes Ameritrade accounts that have been converted to the Schwab platform.

As we begin 2024, there remains much uncertainty.

Trajectory of Interest Rates

Investor Sentiment

Client Engagement

Client Asset Allocation

The path of transactional sweep cash will be influenced by several factors.

- Existing Client Behavior
- New Client Growth
- Seasonality

The path of transactional sweep cash will be influenced by several factors.

Existing Client Behavior	New Client Growth	Seasonality

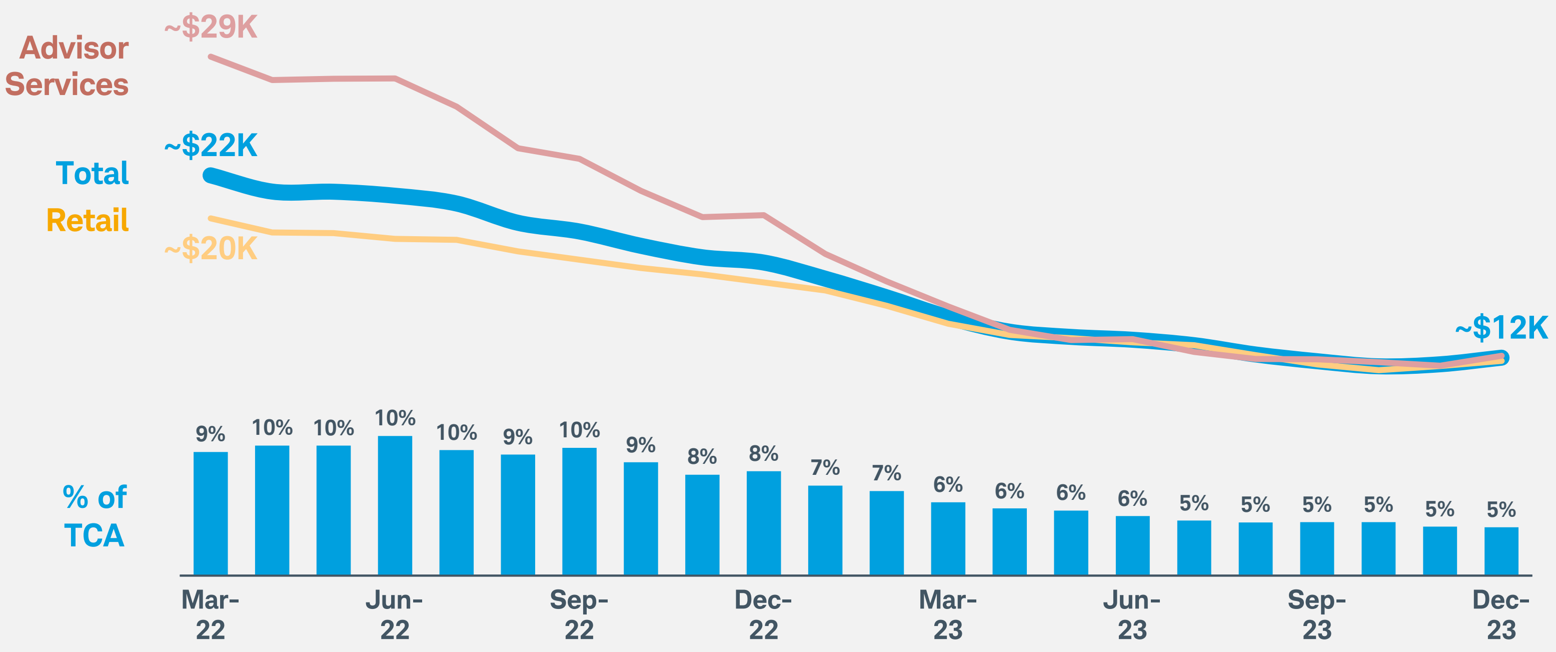
December 2023

% of PMMF purchases funded by client balance sheet cash — **<20%**

Number of first-time realignment events[1] — **-61%** vs. peak (March 2023)

Size of average realignment event — **-79%** vs. peak (April 2022)

Transactional Sweep Cash per Account ($K) and as a % Total Client Assets[2]



Note: K = Thousand. TCA = Total client assets. PMMF = Purchased money market fund. 1. 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 December 31, 2023. Excludes Ameritrade accounts that have been converted to the Schwab platform.
2. 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.

The path of transactional sweep cash will be influenced by several factors.

Existing Client Behavior	**New Client Growth**	Seasonality

Volume of new account formation and **average account funding** size

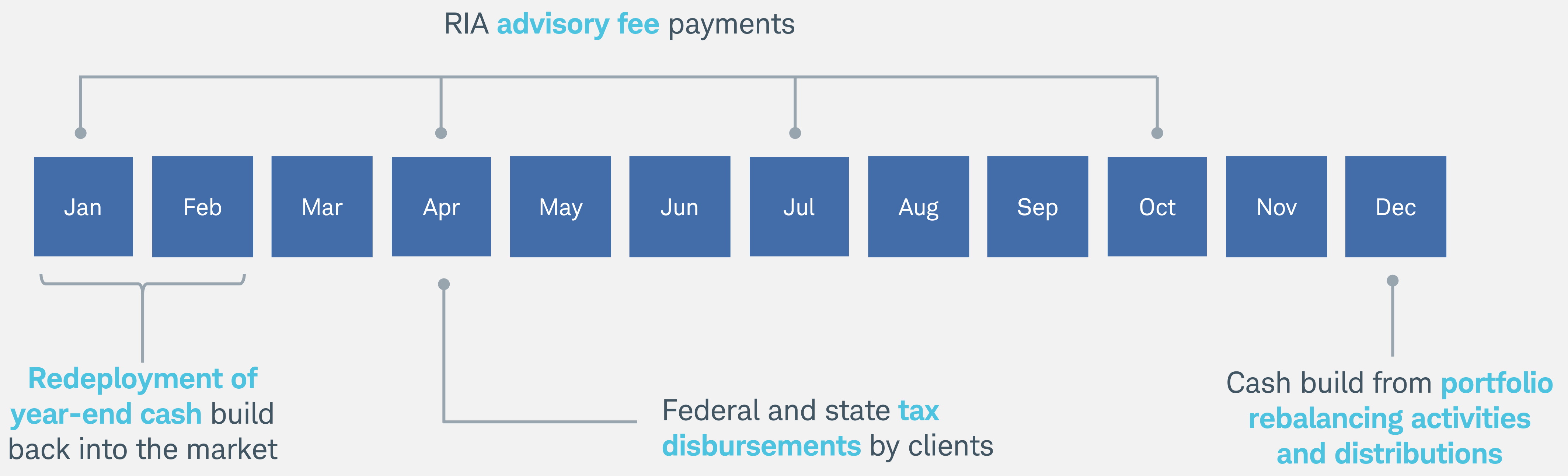
Investor sentiment, driven by external forces (macroeconomic & market)

Transactional sweep cash allocation level

This remains the biggest unknown in terms of the 2024 cash story

The path of transactional sweep cash will be influenced by several factors.

Existing Client Behavior | New Client Growth | **Seasonality**[1]



Note: RIA = Registered Investment Advisor. 1. Represent typical historical observations. Please note that actual transactional sweep cash trends going forward could differ.

Client cash allocations and investor engagement will help shape our financial outlook.

Select Behavioral Drivers

Illustrative Inputs (vs. FY 2023)	DATs (FY 2023)	Transactional Sweep Cash (EOP)[1]
1	+5%	+5%
2	Flat	Flat
3	-5%	-10%

Illustrative Financial Outcomes[3]

Illustrative Growth (vs. FY 2023)	Revenue	Adjusted Total Expenses	Adjusted PTPM
1	5%–6%	Approx. Flat	45% to 38%
2	1%–2%		
3	(6%)–(5%)		

Key Assumptions S&P 500®: + 6.5% *(from 12/31/23 close)* | Rates[2]: 3 Fed Fund cuts *(Upper bound finishes FY24 @ 4.75%)*

Implies $0.80 to $0.90 of adj. quarterly earnings[3, 4] power exiting 2024 – with meaningful sequential growth throughout 2025

Note: FY = Full year. Bp = Basis points. DATs = Daily average trades. B/S = Balance sheet. EOP = end-of-period. PTPM = Pre-tax profit margin. 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. Based on year-end Transactional Sweep Cash of $417.4 billion; includes bank sweep deposits and broker-dealer cash balances, 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. Federal Reserve Dot Plot data as of 12/13/23. 3. Illustrative revenue and expense growth rates relative to full-year 2023. Further details on non-GAAP financial measures are included on slides 49–52 of this presentation. 4. Quarterly non-GAAP adjustments estimated to range between approximately $150 to $200 million pre-tax during 2024.

While we expect to hold expenses roughly flat in 2024, we are still investing to support long-term growth and enhanced efficiency.

Investments

Growth

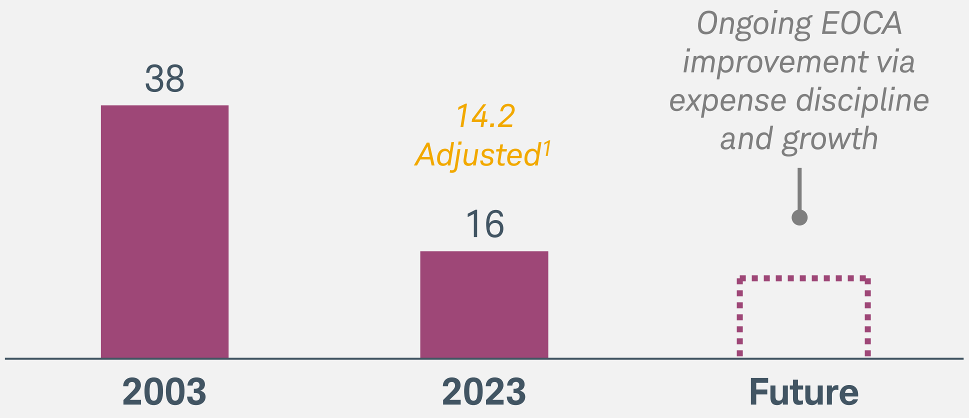
- Wealth Solutions
- Workplace Businesses
- Enhanced Lending Capabilities

Scale

- Technology
- Automation & Streamlining

A balanced approach to expense management over time has **significantly lowered our cost to serve**.

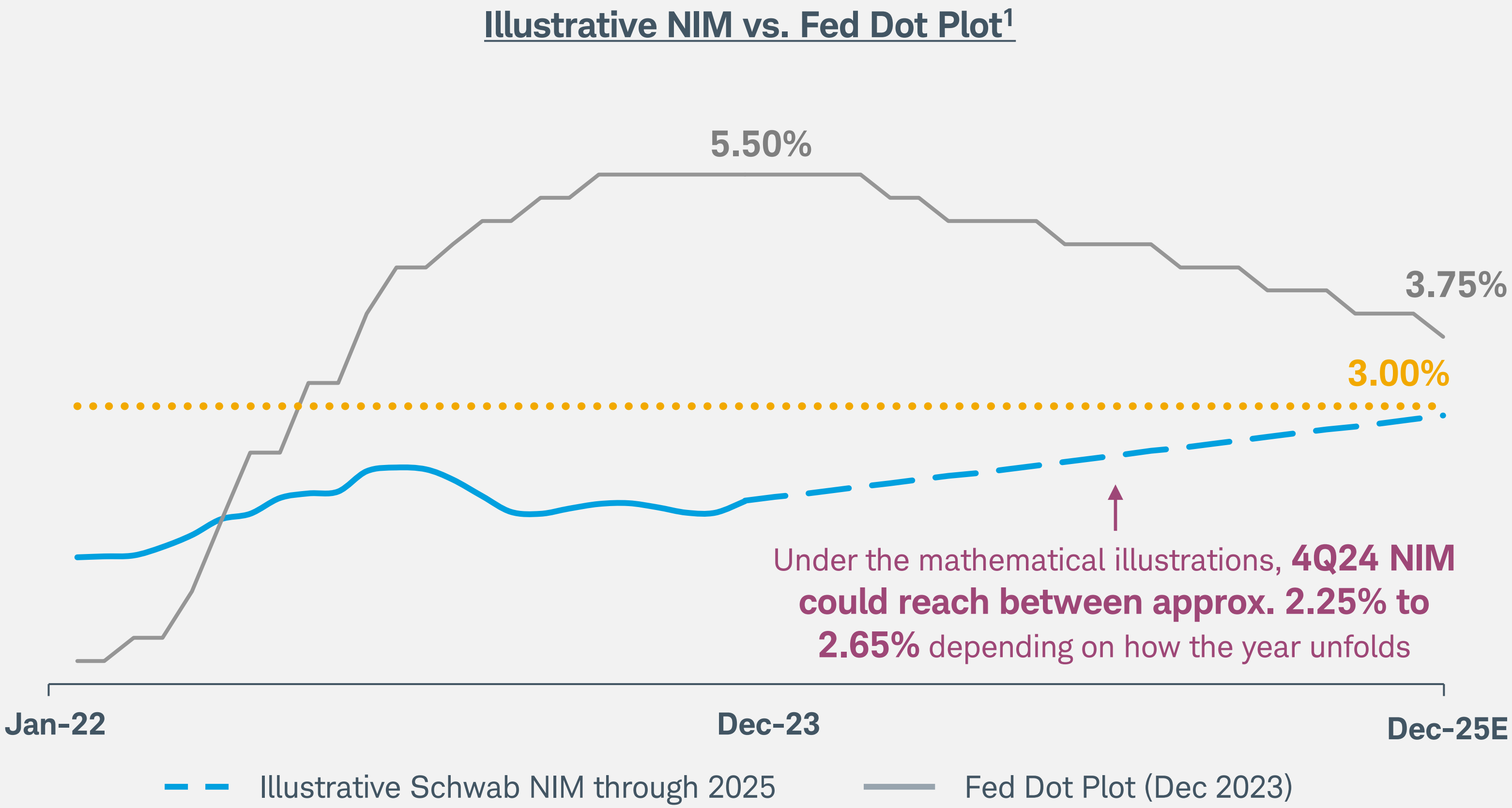
EOCA (bps)



We will continue to seek to further bend the cost curve while supporting long-term growth of the business.

Note: EOCA = Expense on client assets. Bps = Basis points. 1. Adjusted EOCA calculated as total adjusted expenses divided by average total client assets in a given period. Further details on non-GAAP financial measures are included on slides 49-52 of this presentation.

We continue to see a path to NIM approaching 3.00% before the end of 2025…



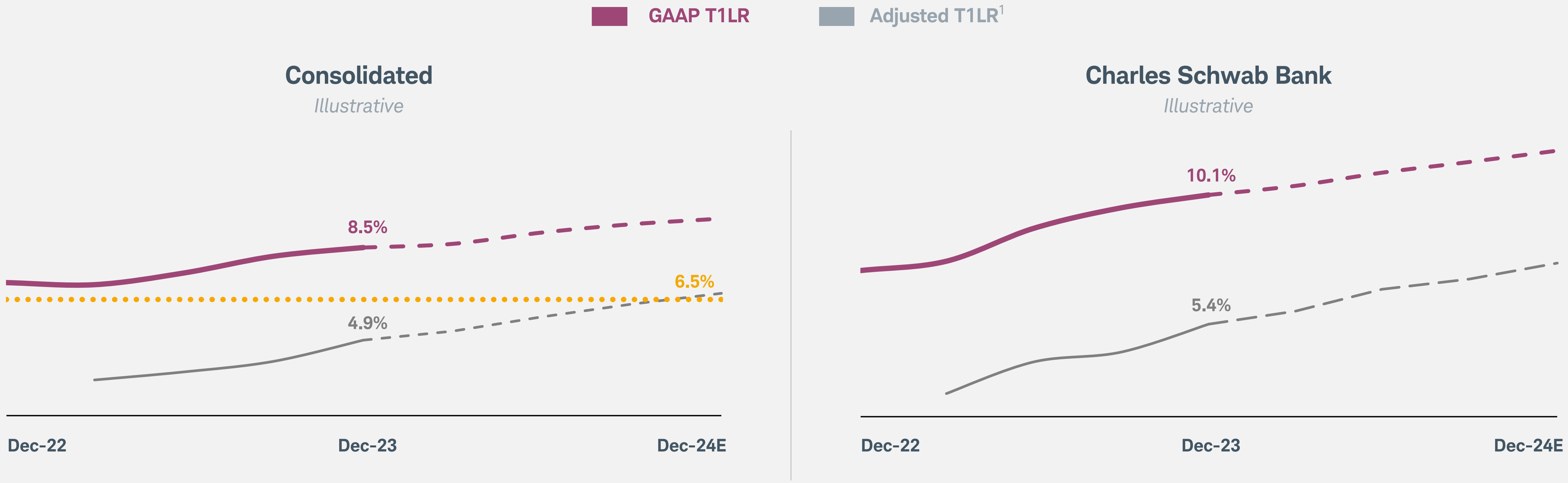
Select Assumptions

- December 2023 Fed Dot Plot
- Cash realignment continues to decelerate in 2024 and we pay down supplemental borrowing
- Following the pay down, longer-term NIM accretion will be further supported by reinvestment of fixed-rate book (currently yielding ~1.60 – 1.70%)

Note: Q = Quarter. H = Half. NIM = Net interest margin. E = Estimated. 1. Fed Dot Plot data sourced via Federal Research Economic Data as of 12/13/23.

...while our resilient business model helps power strong organic capital formation.

Tier 1 Leverage Ratio



We continue to see a path to consolidated Adjusted Tier 1 Leverage reaching above 6.5% before the end of 2024.

Note: T1LR = Tier 1 Leverage Ratio. E = Estimated. 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 49–52 of this presentation.

As we transition through 2024, advancing key initiatives and growth in transactional sweep cash will help build our momentum,...

Completion of the **Ameritrade integration**

+

Sustained investment in our platform and client experience

+

Resumption of **transactional sweep cash growth**

Return of sequential revenue growth **fueling momentum into 2025 and beyond**

...keeping us on a path back towards our long-term growth and earnings potential.

Premier Asset Gatherer

Sustainable **long-term organic growth** via "Through Clients' Eyes" strategy and **strong positioning within the fastest growing U.S. wealth segments**

5-7%
Annualized NNA growth rate

'Through the Cycle' Earnings Power

Diversified revenue model and rigorous expense discipline enables strong long-term earnings potential

50%+
Pre-tax Profit Margin

Opportunistic Capital Return

Bolster organic returns by returning excess capital to stockholders via **dividends *plus* opportunistic stock repurchases**

20-30% Dividend payout ratio
+ buybacks

Note: U.S. = United States. NNA = Net new assets.

Winter Business Update

January 17, 2024

CORPORATION

Appendix

Appendix

Select Annualized Sensitivities (as of December 31, 2023)

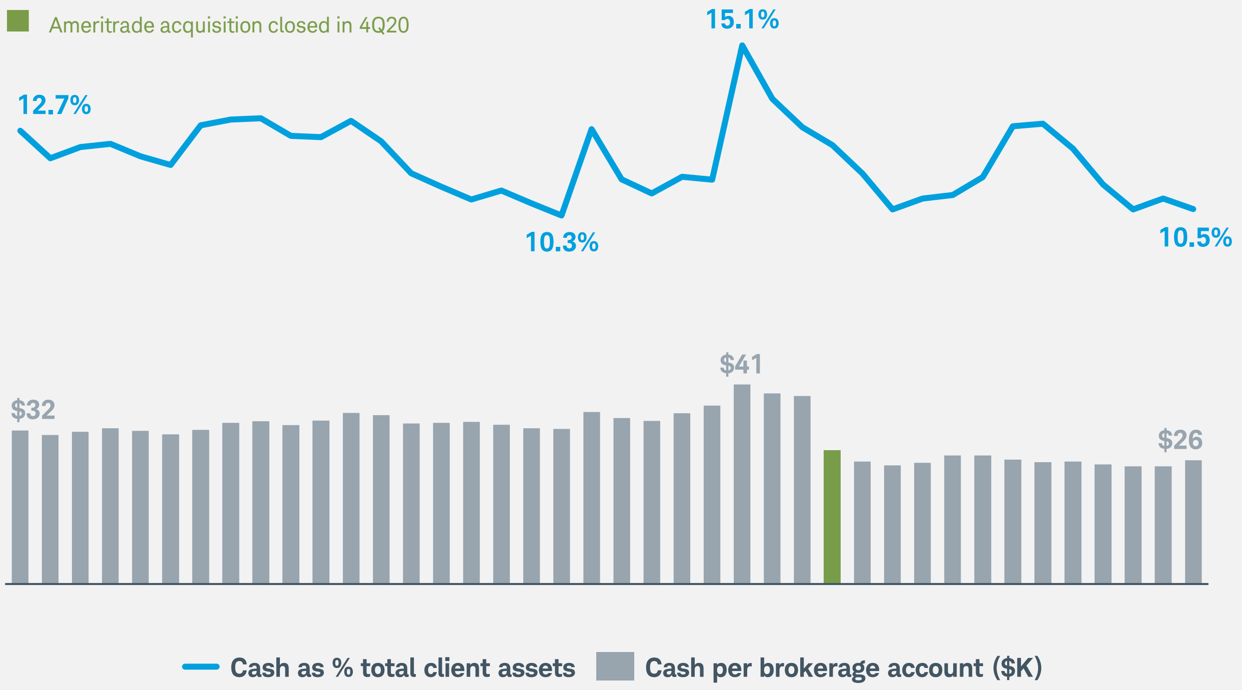
Target Fed Funds Rate +/- 25 bps	~$175M – $375M
Supplemental Funding Balances +/- $5B	~5 – 6 bps NIM
Bank Sweep Balances +/- $1B	~$50M
BDA Balances +/- $1B	~$45M
S&P 500® +/- 1%	~$25M
Daily Average Trades +/- 100K	~$60M
Margin Balances +/- $1B	~$80M
5-Year Treasury +/- 10 bps	~$70M

Note: Bps = Basis points. B = Billion. M = Million. K = Thousand. For the Fed Funds and Treasury sensitivities, assumes static interest-earning asset balances as of December 31, 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 25%.

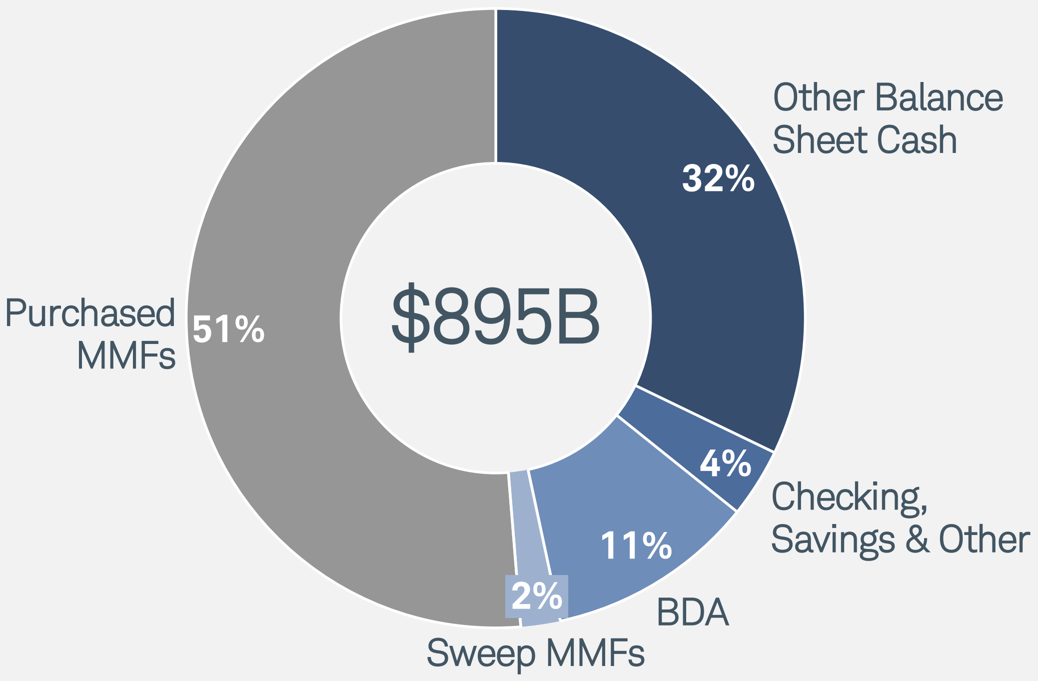
Appendix

Historical Client Cash Trends (as of December 31, 2023)

Select Client Cash Metrics, 1Q14 – 4Q23 ($K, %)[1]



Total Client Cash Mix, 4Q23 (%)[1, 2, 3]

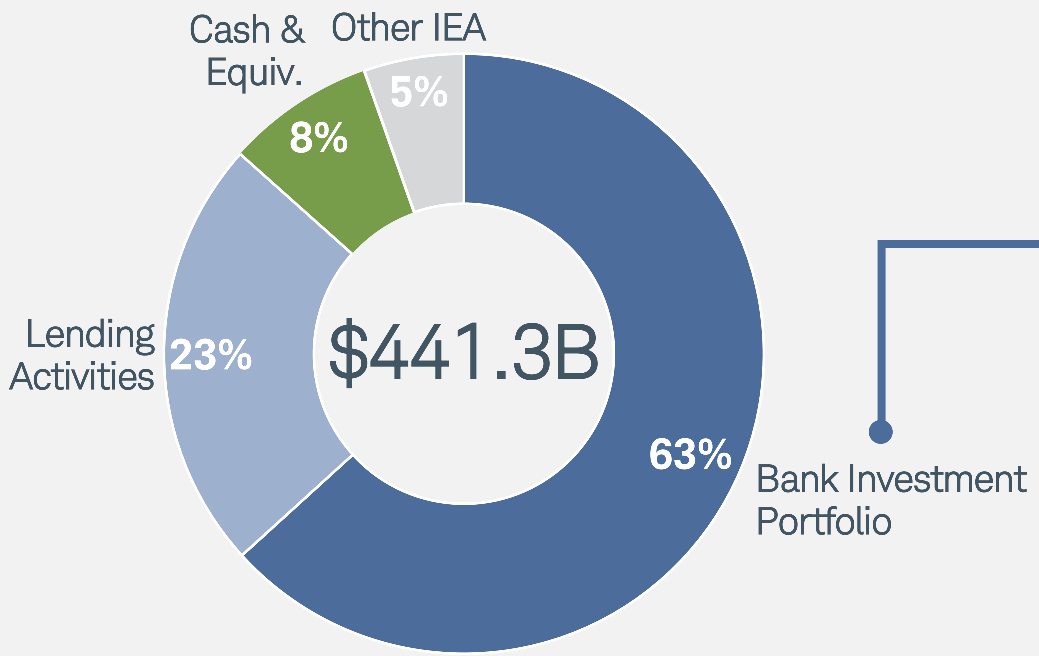


Note: K = Thousand. B = Billion. Q = Quarter. MMF = Money market fund. BDA = Bank deposit account. 1. Beginning July 2023, client cash metrics exclude brokered CDs issued by Charles Schwab Bank. Prior periods have been recast to reflect this change. 2. Other Balance Sheet Cash includes bank sweep deposits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

Appendix

Average Interest-earning Assets & Bank Investment Portfolio (as of December 31, 2023)

4Q23 Avg. Interest-earning Assets (%)[1, 2]



Bank Investment Portfolio Spotlight

Fixed vs. Floating

95% Fixed / 5% Floating

Securities Mix[3]

Agency RMBS	Agency CMBS	Other
59%	25%	16%

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

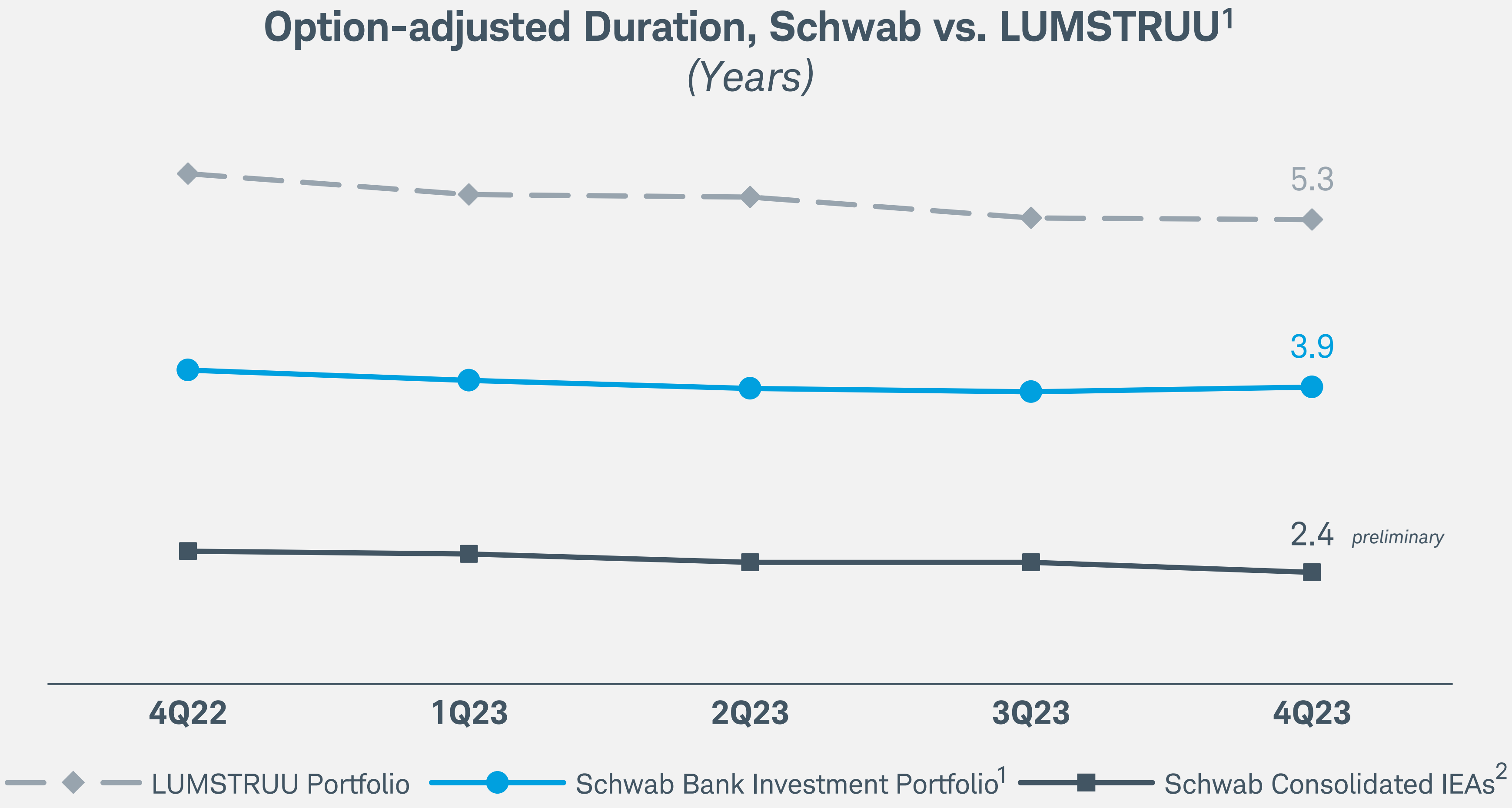
Duration Analysis[4]

~3.9 Portfolio Duration (Years)

Rate Shock (bps)	SCHW	LUMSTRUU[5]
+100	-0.11 yrs.	-0.04 yrs.
-100	0.10 yrs.	-0.07 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 December 31, 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 December 31, 2023 and includes any impact from hedging activity.

Appendix

Reinvestment Opportunities (as of December 31, 2023)

Illustrative

Potential Reinvestment Opportunities

		Cash & Equivalents	U.S. Treasuries	MBS Securities	Other IG Securities
	Security				
Yield	Current	~5.40%	~4.82%	~4.90%	~5.31 %
Yield	1-yr Fwd[1]	~4.00 %	~3.88 %	~4.72%	~4.37%
	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 +70

Fixed: 4.80%–5.30%

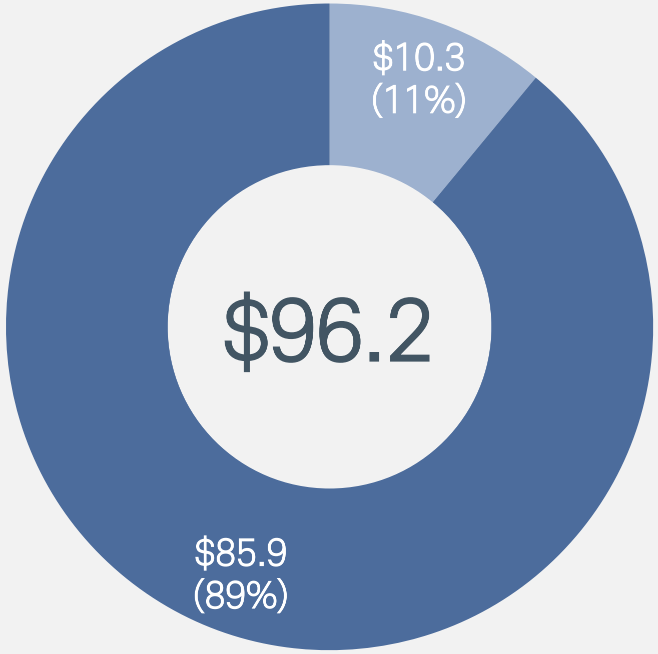
We continue to prioritize **flexibility and liquidity to accommodate remaining client cash realignment** decisions

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 January 8, 2024. 2. Illustrative durations shown on an option-adjusted basis.

Appendix

Bank Deposit Account Summary (as of December 31, 2023)

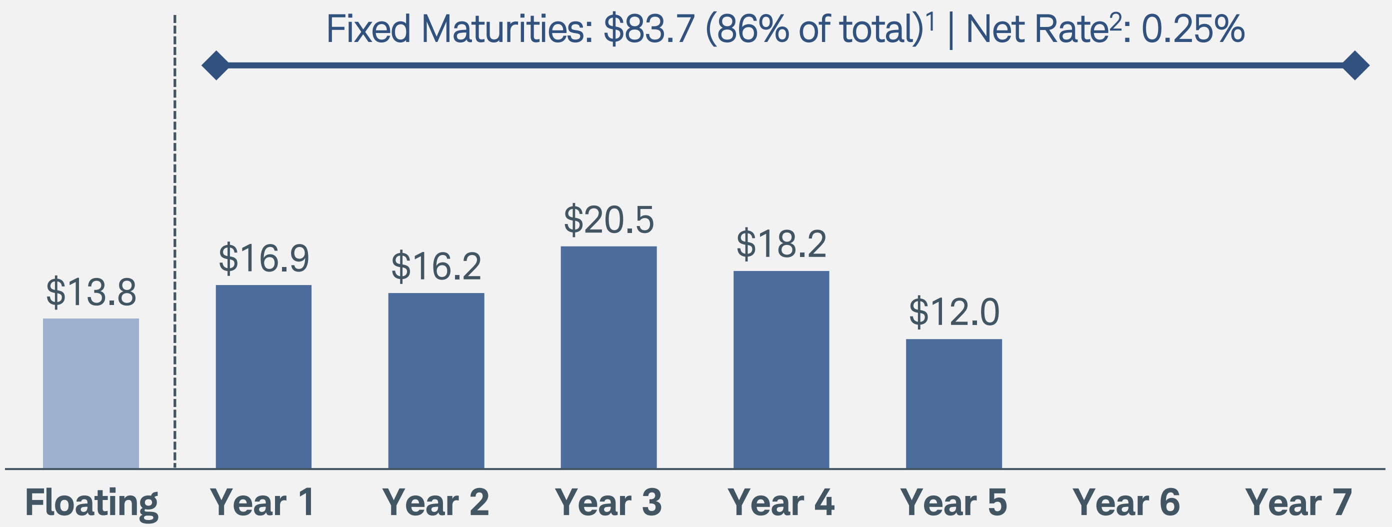
Mix of Average BDA Balances ($B,%)[1]



	Net Rate	4Q23 Revenue
Floating	4.63%	$122M
Fixed	0.26%	$52M

BDA Balances by Maturity, EOP ($B)

Total Balance: $97.5	Net Rate[2]: 0.88%	Annual Revenue[3]: $865.3M



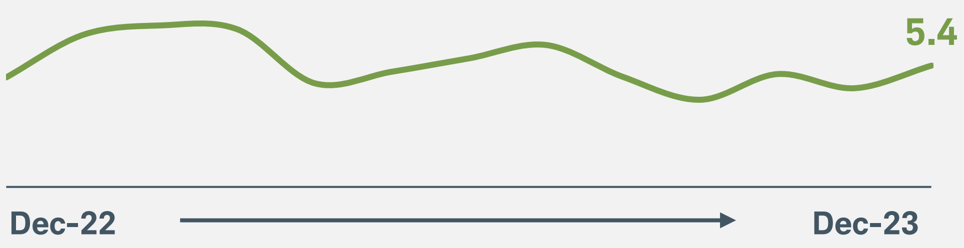
	Floating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Net Rate[2]	4.65%	1.11%	(0.20)%	(0.36%)	(0.11%)	1.27%	--	--
Annual Revenue[3]	$651M	$190M	$(33)M	($75M)	($21M)	$154M	--	--

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 December 31, 2023; includes all related fees and client pay rates as of December 31, 2023. 3. Revenue figures presented on an annualized run-rate basis per the amended 2023 Insured Deposit Agreement (IDA) arrangement.

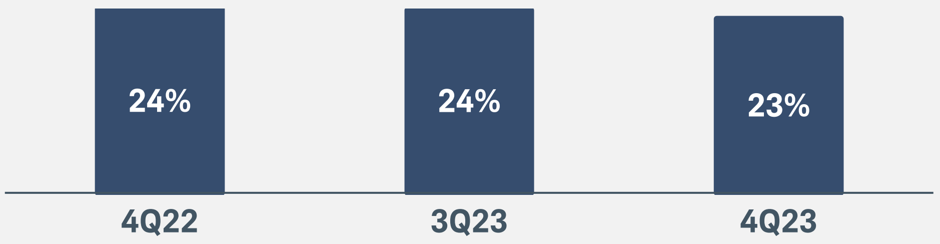
Appendix

Select Trading Information (as of December 31, 2023)

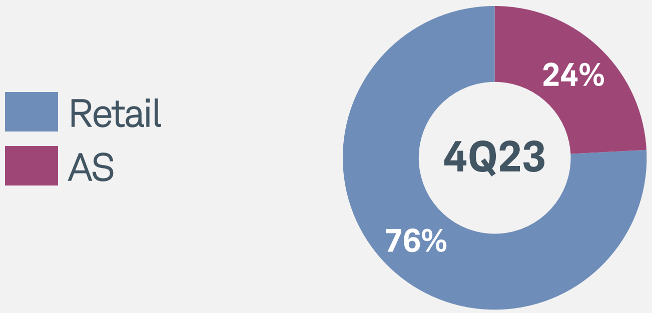
Monthly DATs (M)



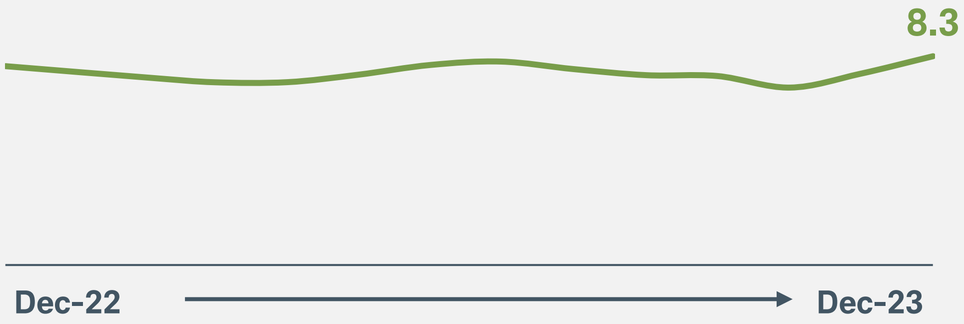
Derivatives as % of Trades



Quarterly DAT Mix (%)



Monthly Average Contracts per Option Trade



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

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 September 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

	Twelve Months Ended, December 31, 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)	$ 12,459	$ 5,067	$ 11,374	$ 7,183
Acquisition and integration-related costs (1)	(401)	401	(392)	392
Amortization of acquired intangible assets	(534)	534	(596)	596
Restructuring costs (2)	(495)	495	–	–
Income tax effects (3)	N/A	(338)	N/A	(237)
Adjusted total expenses (Non-GAAP), Adjusted net income (Non-GAAP)	$ 11,029	$ 6,159	$ 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. Primarily 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

	Twelve Months Ended, December 31, 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)	$ 6,378	33.9%
Acquisition and integration-related costs	401	2.1%
Amortization of acquired intangible assets	534	2.9%
Restructuring costs	495	2.6%
Adjusted income before taxes on income (Non-GAAP), Adjusted pre-tax profit margin (Non-GAAP)	$ 7,808	41.5%

Appendix

Non-GAAP Reconciliation: Adjusted Tier 1 Leverage Ratio

(In millions, except ratios and per share amounts)	Three Months Ended, December 31, 2023		Three Months Ended, December 31, 2022	
	CSC	CSB	CSC	CSB
Tier 1 Leverage Ratio (GAAP)	8.5%	10.1%	7.2%	7.3%
Tier 1 Capital	$ 40,602	$ 31,777	$ 40,296	$ 27,296
Plus: AOCI adjustment	(18,131)	(15,746)	(22,620)	(19,680)
Adjusted Tier 1 Capital	22,471	16,031	17,676	7,616
Average assets with regulatory adjustments	476,069	315,851	562,803	372,802
Plus: AOCI adjustment	(19,514)	(17,194)	(24,530)	(21,240)
Adjusted average assets with regulatory adjustments	$ 456,555	$ 298,657	$ 538,273	$ 351,562
Adjusted Tier 1 Leverage Ratio (non-GAAP)	4.9%	5.4%	3.3%	2.2%

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

Winter Business Update

January 17, 2024

charles SCHWAB CORPORATION