

News Release



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CORPORATION

SCHWAB REPORTS MONTHLY ACTIVITY HIGHLIGHTS

WESTLAKE, Texas, February 14, 2023 – The Charles Schwab Corporation released its Monthly Activity Report today. Company highlights for the month of January 2023 include:

- Core net new assets brought to the company by new and existing clients totaled \$36.1 billion. Net new assets excluding mutual fund clearing totaled \$34.8 billion.
- Total client assets were \$7.48 trillion as of month-end January, down 4% from January 2022 and up 6% compared to December 2022.
- Client cash as a percentage of assets was 11.6% as of month-end January, compared with 11.3% in January 2022 and 12.3% in December 2022.

Commentary from the CFO

CFO Peter Crawford commented, “Our strong business momentum carried over into the new year as we gathered a record \$36.1 billion in core net new assets during January, an annualized growth rate of 6%. Investor engagement and sentiment improved from year-end levels as equity markets rebounded – with the S&P 500® index notching its best start in four years. Given the strong performance of the markets during the month, in conjunction with normal seasonal patterns, clients increased allocations to equity and fixed income securities to start the year. Over the remainder of 2023, Schwab’s diversified financial model keeps us well-positioned to convert our continued success with clients into earnings growth and meaningful capital return.”

Forward-Looking Statements

This press release contains forward-looking statements relating to Schwab’s business momentum and client success; positioning; earnings growth; and returning capital to stockholders. These forward-looking statements reflect management’s expectations as of the date hereof. Achievement of these expectations and objectives is subject to risks and uncertainties that could cause actual results to differ materially from the expressed expectations.

Important factors that may cause such differences include, but are not limited to, the company’s ability to attract and retain clients and independent investment advisors and grow those relationships and client assets; develop and launch new and enhanced products, services, and capabilities, as well as enhance its infrastructure and capacity, in a timely and successful manner; hire and retain talent; support client activity levels; successfully implement integration strategies and plans; monetize client assets; and manage expenses. Other important factors include client use of the company’s advisory solutions and other products and services; general market conditions, including equity valuations and the level of interest rates; the level and mix of client trading activity; market volatility; margin loan balances; securities lending; competitive pressures on pricing; client cash sorting; client sensitivity to rates; level of client assets, including cash balances; capital and liquidity needs and management; balance sheet positioning relative to changes in

interest rates; interest earning asset mix and growth; the migration of bank deposit account balances; and other factors set forth in the company's most recent reports on Form 10-K and Form 10-Q.

About Charles Schwab

The Charles Schwab Corporation (NYSE: SCHW) is a leading provider of financial services, with 33.9 million active brokerage accounts, 2.4 million corporate retirement plan participants, 1.7 million banking accounts, and \$7.48 trillion in client assets as of January 31, 2023. Through its operating subsidiaries, the company provides a full range of wealth management, securities brokerage, banking, asset management, custody, and financial advisory services to individual investors and independent investment advisors. Its broker-dealer subsidiaries, Charles Schwab & Co., Inc., TD Ameritrade, Inc., and TD Ameritrade Clearing, Inc., (members SIPC, <https://www.sipc.org>), and their affiliates offer a complete range of investment services and products including an extensive selection of mutual funds; financial planning and investment advice; retirement plan and equity compensation plan services; referrals to independent, fee-based investment advisors; and custodial, operational and trading support for independent, fee-based investment advisors through Schwab Advisor Services. Its primary banking subsidiary, Charles Schwab Bank, SSB (member FDIC and an Equal Housing Lender), provides banking and lending services and products. More information is available at <https://www.aboutschwab.com>.

TD Ameritrade, Inc. and TD Ameritrade Clearing, Inc. are separate but affiliated companies and subsidiaries of TD Ameritrade Holding Corporation. TD Ameritrade Holding Corporation is a wholly owned subsidiary of The Charles Schwab Corporation. TD Ameritrade is a trademark jointly owned by TD Ameritrade IP Company, Inc. and The Toronto-Dominion Bank.

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The Charles Schwab Corporation Monthly Activity Report For January 2023

	2022												2023	Change	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Mo.	Yr.
Market Indices (at month end)															
Dow Jones Industrial Average [®]	35,132	33,893	34,678	32,977	32,990	30,775	32,845	31,510	28,726	32,733	34,590	33,147	34,086	3%	(3%)
Nasdaq Composite [®]	14,240	13,751	14,221	12,335	12,081	11,029	12,391	11,816	10,576	10,988	11,468	10,466	11,585	11%	(19%)
Standard & Poor's [®] 500	4,516	4,374	4,530	4,132	4,132	3,785	4,130	3,955	3,586	3,872	4,080	3,840	4,077	6%	(10%)
Client Assets (in billions of dollars)															
Beginning Client Assets	8,138.0	7,803.8	7,686.6	7,862.1	7,284.4	7,301.7	6,832.5	7,304.8	7,127.6	6,644.2	7,004.6	7,320.6	7,049.8		
Net New Assets ⁽¹⁾	33.6	40.6	46.3	(9.2)	32.8	19.8	31.5	43.3	39.8	42.0	33.1	53.3	36.1	(32%)	7%
Net Market (Losses) Gains	(367.8)	(157.8)	129.2	(568.5)	(15.5)	(489.0)	440.8	(220.5)	(523.2)	318.4	282.9	(324.1)	394.7		
Total Client Assets (at month end)	7,803.8	7,686.6	7,862.1	7,284.4	7,301.7	6,832.5	7,304.8	7,127.6	6,644.2	7,004.6	7,320.6	7,049.8	7,480.6	6%	(4%)
Core Net New Assets ⁽²⁾	33.6	40.6	46.3	(9.2)	32.8	40.6	31.5	43.3	39.8	42.0	33.1	53.3	36.1	(32%)	7%
Receiving Ongoing Advisory Services (at month end)															
Investor Services	541.9	533.7	538.9	509.3	513.0	483.8	514.8	499.2	466.6	487.3	514.0	499.8	524.6	5%	(3%)
Advisor Services ⁽³⁾	3,382.4	3,342.5	3,404.6	3,190.5	3,213.8	3,040.4	3,222.5	3,150.5	2,950.9	3,106.0	3,270.5	3,173.4	3,345.4	5%	(1%)
Client Accounts (at month end, in thousands)															
Active Brokerage Accounts ⁽⁴⁾	33,308	33,421	33,577	33,759	33,822	33,896	33,934	33,984	33,875	33,896	33,636	33,758	33,878	-	2%
Banking Accounts	1,628	1,641	1,641	1,652	1,658	1,669	1,680	1,690	1,696	1,706	1,705	1,716	1,729	1%	6%
Corporate Retirement Plan Participants	2,216	2,235	2,246	2,261	2,275	2,275	2,267	2,285	2,305	2,322	2,336	2,351	2,369	1%	7%
Client Activity															
New Brokerage Accounts (in thousands)	426	356	420	386	323	305	278	332	287	298	303	330	344	4%	(19%)
Client Cash as a Percentage of Client Assets ⁽⁵⁾	11.3%	11.5%	11.4%	11.9%	12.0%	12.8%	12.0%	12.1%	12.9%	12.2%	11.5%	12.3%	11.6%	(70) bp	30 bp
Derivative Trades as a Percentage of Total Trades	22.4%	24.0%	22.4%	21.9%	22.6%	22.3%	24.2%	23.3%	23.6%	24.1%	24.6%	23.2%	23.0%	(20) bp	60 bp
Selected Average Balances (in millions of dollars)															
Average Interest-Earning Assets ⁽⁶⁾	622,997	629,042	644,768	636,668	620,157	614,100	605,751	586,154	568,351	552,631	527,019	520,100	512,893	(1%)	(18%)
Average Margin Balances	86,737	84,354	81,526	83,762	78,841	74,577	72,177	72,855	73,224	69,188	66,011	64,759	60,211	(7%)	(31%)
Average Bank Deposit Account Balances ⁽⁷⁾	157,706	153,824	155,657	152,653	154,669	155,306	154,542	148,427	141,198	136,036	130,479	126,953	122,387	(4%)	(22%)
Mutual Fund and Exchange-Traded Fund															
Net Buys (Sells)^(8,9) (in millions of dollars)															
Equities	7,384	9,371	14,177	(786)	1,889	(1,586)	5,589	10,465	(2,662)	3,984	3,777	(1,837)	7,236		
Hybrid	(367)	(478)	(497)	(529)	(1,718)	(1,054)	(2,041)	(783)	(938)	(1,380)	(2,052)	(1,595)	(433)		
Bonds	1,804	(1,973)	(7,851)	(6,933)	(6,121)	(5,631)	729	(141)	(5,801)	(7,218)	(3,721)	(3,260)	5,646		
Net Buy (Sell) Activity (in millions of dollars)															
Mutual Funds ⁽⁶⁾	(4,961)	(6,318)	(11,888)	(16,657)	(20,761)	(16,258)	(8,674)	(7,117)	(15,200)	(18,473)	(17,143)	(21,851)	552		
Exchange-Traded Funds ⁽⁹⁾	13,782	13,238	17,717	8,409	14,811	7,987	12,951	16,658	5,799	13,859	15,147	15,159	11,897		
Money Market Funds	(1,984)	(1,086)	(1,344)	(3,430)	7,106	11,544	13,711	19,702	17,018	21,542	16,929	27,778	24,285		

Note: Certain supplemental details related to the information above can be found at: <https://www.aboutschwab.com/financial-reports>.

⁽¹⁾ June 2022 includes an outflow of \$20.8 billion from a mutual fund clearing services client.

⁽²⁾ Net new assets before significant one-time inflows or outflows, such as acquisitions/divestitures or extraordinary flows (generally greater than \$10 billion) relating to a specific client. These flows may span multiple reporting periods.

⁽³⁾ Excludes Retirement Business Services.

⁽⁴⁾ November 2022 includes the company-initiated closure of approximately 350 thousand low-balance accounts. September 2022 includes the company-initiated closure of approximately 152 thousand low-balance accounts.

⁽⁵⁾ Schwab One[®], certain cash equivalents, bank deposits, third-party bank deposit accounts, and money market fund balances as a percentage of total client assets.

⁽⁶⁾ Represents average total interest-earning assets on the company's balance sheet. November 2022 includes the impact of transferring certain investment securities from the available for sale category to the held-to-maturity category.

⁽⁷⁾ Represents average TD Ameritrade clients' uninvested cash sweep account balances held in deposit accounts at third-party financial institutions.

⁽⁸⁾ Represents the principal value of client mutual fund transactions handled by Schwab, including transactions in proprietary funds. Includes institutional funds available only to Investment Managers. Excludes money market fund transactions.

⁽⁹⁾ Represents the principal value of client ETF transactions handled by Schwab, including transactions in proprietary ETFs.