The Charles Schwab Corporation Net Stable Funding Ratio Disclosure Report

For the quarters ended March 31, 2026, and June 30, 2026

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I. About The Charles Schwab Corporation

The Charles Schwab Corporation (CSC) is a savings and loan holding company, headquartered in Westlake, Texas. CSC engages, through its subsidiaries (collectively referred to as Schwab or the Company), in wealth management, securities brokerage, banking, asset management, custody, and financial advisory services. CSC is regulated, supervised, and examined by the Board of Governors of the Federal Reserve System (Federal Reserve).

II. Net Stable Funding Ratio

The Net Stable Funding Ratio (NSFR) rule is a quantitative liquidity metric and requirement that measures the long-term funding stability of a covered institution. The rule intends to limit overreliance on short-term wholesale funding, encourage better assessment of funding risk across all on- and off-balance-sheet items, and promotes funding stability. The NSFR requirements in the rule are consistent with the requirements established by the Basel Committee on Banking Supervision.

Under the NSFR rule, Schwab is required to maintain Available Stable Funding (ASF) in an amount equal to 100% of its Required Stable Funding (RSF) on an ongoing, daily basis. ASF is calculated by evaluating the stability of an organization's funding sources, and RSF is calculated by evaluating the characteristics of an organization's assets, derivatives, and off-balance-sheet exposures as prescribed in the rule.

Average Weighted Amount (In Millions)	**Quarter Ended June 30, 2026**	**Quarter Ended March 31, 2026**
ASF[1]	206,080	204,379
RSF	174,159	168,015
NSFR	118.33%	121.64%

(1) Excludes excess ASF at bank subsidiaries that are not transferable to non-bank affiliates.

The Company's average NSFR was 121.64% during the first quarter of 2026 and 118.33% in the second quarter of 2026. The decrease was primarily driven by growth in margin loans. Schwab's NSFR fluctuates period over period as a result of its liquidity profile, market conditions, client behavior, legal or regulatory developments, liquidity risk management limits, or other factors in the markets in which it operates.

Although not subject to a separate public disclosure requirement, Schwab's depository institution subsidiaries are subject to NSFR requirements, and were in compliance with their respective NSFR requirements during the periods presented.

III. NSFR Quantitative Disclosures

In the following tables, the figures reported in the "Average Weighted Amount" column reflect the prescribed, industry-wide assumptions and factors defined by the NSFR rule to determine a Covered Company's ASF and RSF. The figures reported in the "Average Unweighted Amount" column reflect gross values prior to the application of prescribed factors and are not included in the calculation used to determine the Company's compliance with NSFR requirements.

A. Q2 2026

Quarter ended June 30, 2026 In millions of U.S. dollars.		Average Unweighted Amount [2]					Average Weighted Amount [2]
		Open Maturity	< 6 months	6 months to < 1 year	≥ 1 year	Perpetual	
ASF ITEM							
1	Capital and securities:	-	7,128	3,575	15,600	49,185	66,572
2	NSFR regulatory capital elements	-	-	-	-	49,185	49,185
3	Other capital elements and securities	-	7,128	3,575	15,600	-	17,387
4	Retail funding:	295,532	1,811	-	-	-	225,959
5	Stable deposits	7,788	-	-	-	-	7,399
6	Less stable deposits	5,085	-	-	-	-	4,576
7	Sweep deposits, brokered reciprocal deposits, and brokered deposits	186,696	1,811	-	-	-	166,002
8	Other retail funding	95,962	-	-	-	-	47,981
9	Wholesale funding:	71,573	37,917	-	-	-	34,138
10	Operational deposits	-	-	-	-	-	-
11	Other wholesale funding	71,573	37,917	-	-	-	34,138
	Other liabilities:						
12	NSFR derivatives liability amount					430	
13	Total derivatives liability amount					449	
14	All other liabilities not included in the above categories	10,126	59	-	243	-	-
15	**TOTAL ASF[1]**						206,080
RSF ITEM							
16	Total high-quality liquid assets (HQLA)	14,967	24,881	1,893	172,069	-	21,510
17	Level 1 liquid assets	14,967	22,321	1,304	31,817	-	-
18	Level 2A liquid assets	-	2,560	589	140,252	-	21,510
19	Level 2B liquid assets	-	-	-	-	-	-
20	Zero percent RSF assets that are not level 1 liquid assets or loans to financial sector entities or their consolidated subsidiaries	42	-	-	-	-	-
21	Operational deposits placed at financial sector entities or their consolidated subsidiaries	356	-	-	-	-	178
22	Loans and securities:	161,478	33,889	302	43,201	-	110,470
23	Loans to financial sector entities secured by level 1 liquid assets	-	20,639	-	-	-	-
24	Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities	16,358	12,080	-	410	-	4,676
25	Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties	144,297	2	1	3	-	72,152
26	Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR part 217)	123,999	2	1	1	-	62,001
27	Retail mortgages	-	-	-	32,148	-	23,164
28	Of which: With a risk weight of no greater than 50 percent under Regulation Q (12 CFR part 217)	-	-	-	20,812	-	13,528
29	Securities that do not qualify as HQLA	823	1,168	301	10,640	-	10,478
	Other assets:						
30	Commodities					-	-
31	Assets provided as initial margin for derivative transactions and contributions to CCPs' mutualized loss-sharing arrangements					704	598
32	NSFR derivatives asset amount					-	-
33	Total derivatives asset amount					19	
34	RSF for potential derivatives portfolio valuation changes					471	24
35	All other assets not included in the above categories, including nonperforming assets	39,639	-	50	1,545	-	41,208
36	Undrawn commitments					3,421	171
37	**TOTAL RSF prior to application of required stable funding adjustment percentage**						174,159
38	**Required stable funding adjustment percentage**						100%
39	**TOTAL adjusted RSF**						174,159
40	**NET STABLE FUNDING RATIO**						118.33%

[1] Amounts reported may not equal the calculation of those amounts reported in rows 1-14 as it excludes excess ASF at bank subsidiaries that are not transferable to non-bank affiliates subject to § 249.109 Rules for consolidation.
[2] Figures may not sum due to rounding.

B. Q1 2026

	Quarter ended March 31, 2026 In millions of U.S. dollars.	Average Unweighted Amount [2]					Average Weighted Amount [2]
		Open Maturity	< 6 months	6 months to < 1 year	≥ 1 year	Perpetual	
ASF ITEM							
1	Capital and securities:	-	5,925	1,499	17,179	49,284	67,212
2	NSFR regulatory capital elements	-	-	-	-	49,284	49,284
3	Other capital elements and securities	-	5,925	1,499	17,179	-	17,929
4	Retail funding:	286,183	2,323	-	-	-	219,592
5	Stable deposits	7,563	-	-	-	-	7,185
6	Less stable deposits	5,203	-	-	-	-	4,682
7	Sweep deposits, brokered reciprocal deposits, and brokered deposits	182,477	2,323	-	-	-	162,255
8	Other retail funding	90,940	-	-	-	-	45,470
9	Wholesale funding:	86,030	18,613	-	-	-	34,684
10	Operational deposits	-	-	-	-	-	-
11	Other wholesale funding	86,030	18,613	-	-	-	34,684
	Other liabilities:						
12	NSFR derivatives liability amount					54	
13	Total derivatives liability amount					63	
14	All other liabilities not included in the above categories	9,268	16	-	81	-	-
15	**TOTAL ASF**[1]						204,379
RSF ITEM							
16	Total high-quality liquid assets (HQLA)	16,857	24,141	3,817	176,082	-	22,035
17	Level 1 liquid assets	16,857	23,526	2,698	30,919	-	-
18	Level 2A liquid assets	-	615	1,119	145,163	-	22,035
19	Level 2B liquid assets	-	-	-	-	-	-
20	Zero percent RSF assets that are not level 1 liquid assets or loans to financial sector entities or their consolidated subsidiaries	46	-	-	-	-	-
21	Operational deposits placed at financial sector entities or their consolidated subsidiaries	375	-	-	-	-	188
22	Loans and securities:	141,541	33,570	576	40,307	-	104,806
23	Loans to financial sector entities secured by level 1 liquid assets	-	21,635	-	-	-	-
24	Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities	7,979	11,587	-	443	-	3,378
25	Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties	132,702	2	-	3	-	66,354
26	Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR part 217)	-	-	-	3	-	2
27	Retail mortgages	-	-	-	31,029	-	26,374
28	Of which: With a risk weight of no greater than 50 percent under Regulation Q (12 CFR part 217)	-	-	-	-	-	-
29	Securities that do not qualify as HQLA	860	347	576	8,832	-	8,700
	Other assets:						
30	Commodities					-	
31	Assets provided as initial margin for derivative transactions and contributions to CCPs' mutualized loss-sharing arrangements					492	418
32	NSFR derivatives asset amount					44	44
33	Total derivatives asset amount					53	
34	RSF for potential derivatives portfolio valuation changes					112	6
35	All other assets not included in the above categories, including nonperforming assets	38,725	-	4	1,634	-	40,361
36	Undrawn commitments					3,141	157
37	**TOTAL RSF prior to application of required stable funding adjustment percentage**						168,015
38	**Required stable funding adjustment percentage**						100%
39	**TOTAL adjusted RSF**						168,015
40	**NET STABLE FUNDING RATIO**						121.64%

[1] Amounts reported may not equal the calculation of those amounts reported in rows 1-14 as it excludes excess ASF at bank subsidiaries that are not transferable to non-bank affiliates subject to § 249.109 Rules for consolidation.
[2] Figures may not sum due to rounding.

IV. Components and Drivers of the Net Stable Funding Ratio

A. Available Stable Funding

The Company's total ASF was concentrated in retail funding which includes sweep deposits and brokered deposits from retail customers. These accounted for 50% and 51% of the Company's weighted ASF[3] for the first and second quarters of 2026. The Company's ASF also includes other unsecured funding from retail customers at Schwab's broker-dealer and banking subsidiaries such as free credits, customer shorts, long term senior notes, Federal Home Loan Bank (FHLB) borrowings and regulatory capital. Together these accounted for 32% and 31% of the Company's weighted ASF[3] for the first and second quarters of 2026.

ASF that is held at the banking subsidiaries in excess of the subsidiaries' total RSF, and are not transferable to non-bank affiliates, are excluded by rule from the Company's ASF.

B. Required Stable Funding

The Company's total RSF includes loans to retail customers or counterparties, which is concentrated in Schwab's broker-dealer business representing customer margin loans. These accounted for 39% and 41% of the Company's weighted RSF for the first and second quarters of 2026.

In addition, the Company's RSF included loans to retail customers or counterparties at banking subsidiaries, level 2A assets, non HQLA and other assets. Together these account for 58% and 55% of the Company's RSF for the first and second quarters of 2026.

V. Funding Sources

A. Primary Sources

Schwab's primary source of funds is cash generated by client activity which includes bank deposits and cash balances in client brokerage accounts. These funds are used to purchase investment securities and extend loans to clients. Other sources of funds may include cash flows from operations, maturities and sales of investment securities, repayments on loans, securities lending of assets held in client brokerage accounts, FHLB borrowings, borrowings under repurchase agreements with external financial institutions and Fixed Income Clearing Corporation (FICC), issuance of CDs and cash provided by other external financing including securities issuances by CSC in the capital markets.

To meet daily funding needs, we maintain liquidity in the form of overnight cash deposits and short-term investments. For unanticipated liquidity needs, we also maintain a buffer of highly liquid investments, including U.S. Treasury securities.

B. Supplemental Sources

As a participant in the financial services industry, Schwab relies on access to external financing in the normal course of business. Schwab's use of external debt facilities may arise from timing differences between cash flow requirements, such as client cash outflows, cash flows from operations, payments on interest-earning assets, movements of cash to meet regulatory brokerage client cash segregation requirements, and general corporate purposes. We maintain policies and procedures necessary to access funding, and test borrowing procedures on a periodic basis.

[3] Weighted ASF is prior to the exclusion of the non-transferable subsidiary excess stable funding.

The Company has a commercial paper program as well as a universal automatic shelf registration statement on file with the SEC which enables it to issue debt, equity, and other securities. In addition to this, CSC maintains a standing bilateral repurchase agreement with external banks.

The Company's banking subsidiaries have access to external financial institutions and FICC through repurchase agreements collateralized by investment securities and secured borrowing facilities with the FHLB. Amounts available under secured credit facilities with the FHLB are dependent on the value of our First Mortgages, home equity lines of credit (HELOCs), and the fair value of certain of our investment securities that are pledged as collateral.

The banking subsidiaries also have access to short-term secured funding through the Federal Reserve Discount Window and are counterparties to the Standing Repo Facility with the Federal Reserve Bank of New York. In the first and second quarters of 2026, Retail Brokered Certificates of Deposit were used as a supplemental funding source.

The broker dealer subsidiary maintains uncommitted, unsecured, and secured bank credit lines with a group of banks as a source of short-term liquidity. At the end of the first quarter of 2026, our broker-dealer subsidiary received authorization from its Board of Directors to issue commercial paper and utilized the program during the second quarter of 2026 to support funding activities.