The Charles Schwab Corporation
Net Stable Funding Ratio
Disclosure Report

For the quarters ended September 30, 2025, and December 31, 2025

Own your tomorrow

Table of Contents

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 December 31, 2025**	**Quarter Ended September 30, 2025**
ASF [(1)]	206,100	202,100
RSF	159,369	154,754
NSFR	129.32%	130.59%

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

The Company's average NSFR was 130.59% during the third quarter of 2025 and 129.32% in the fourth quarter of 2025 primarily due to an increase in RSF from customer margin loan growth at the broker-dealer subsidiary. This was partially offset by an increase in ASF driven by seasonal deposit growth. 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. Q4 2025

Quarter ended December 31, 2025 $ in millions		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:	-	3,290	2,223	17,096	49,339	67,547
2	NSFR regulatory capital elements	-	-	-	-	49,339	49,339
3	Other capital elements and securities	-	3,290	2,223	17,096	-	18,208
4	Retail funding:	283,342	5,381	-	-	-	216,537
5	Stable deposits	7,252	-	-	-	-	6,889
6	Less stable deposits	4,845	-	-	-	-	4,360
7	Sweep deposits, brokered reciprocal deposits, and brokered deposits	178,894	5,381	-	-	-	159,112
8	Other retail funding	92,352	-	-	-	-	46,176
9	Wholesale funding:	90,614	14,692	-	-	-	36,858
10	Operational deposits	-	-	-	-	-	-
11	Other wholesale funding	90,614	14,692	-	-	-	36,858
	Other liabilities:						
12	NSFR derivatives liability amount					16	
13	Total derivatives liability amount					27	
14	All other liabilities not included in the above categories	9,118	237	-	89	-	-
15	**TOTAL ASF[1]**						206,100
RSF ITEM							
16	Total high-quality liquid assets (HQLA)	18,507	25,297	4,394	178,813	-	22,714
17	Level 1 liquid assets	18,507	24,887	2,716	29,476	-	-
18	Level 2A liquid assets	-	409	1,678	149,337	-	22,714
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	47	-	-	-	-	-
21	Operational deposits placed at financial sector entities or their consolidated subsidiaries	183	-	-	-	-	91
22	Loans and securities:	136,364	29,212	842	39,263	-	101,709
23	Loans to financial sector entities secured by level 1 liquid assets	-	19,586	2	-	-	-
24	Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities	5,907	9,544	-	402	-	2,721
25	Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties	129,690	1	-	3	-	64,848
26	Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR part 217)	-	-	-	3	-	2
27	Retail mortgages	-	-	-	30,065	-	25,556
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	767	80	840	8,792	-	8,585
	Other assets:						
30	Commodities					-	-
31	Assets provided as initial margin for derivative transactions and contributions to CCPs' mutualized loss-sharing arrangements					315	268
32	NSFR derivatives asset amount					20	20
33	Total derivatives asset amount					31	
34	RSF for potential derivatives portfolio valuation changes					60	3
35	All other assets not included in the above categories, including nonperforming assets	32,699	-	-	1,716	-	34,415
36	Undrawn commitments					2,982	149
37	**TOTAL RSF prior to application of required stable funding adjustment percentage**						159,369
38	**Required stable funding adjustment percentage**						100%
39	**TOTAL adjusted RSF**						159,369
40	**NET STABLE FUNDING RATIO**						129.32%

[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. Q3 2025

	Quarter ended September 30, 2025 $ in millions	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:	-	1,776	3,098	16,664	49,615	67,828
2	NSFR regulatory capital elements	-	-	-	-	49,615	49,615
3	Other capital elements and securities	-	1,776	3,098	16,664	-	18,213
4	Retail funding:	264,487	11,886	-	-	-	201,668
5	Stable deposits	7,329	-	-	-	-	6,963
6	Less stable deposits	4,565	-	-	-	-	4,109
7	Sweep deposits, brokered reciprocal deposits, and brokered deposits	165,351	11,886	-	-	-	146,976
8	Other retail funding	87,242	-	-	-	-	43,621
9	Wholesale funding:	81,726	16,599	171	-	-	34,771
10	Operational deposits	-	-	-	-	-	-
11	Other wholesale funding	81,726	16,599	171	-	-	34,771
	Other liabilities:						
12	NSFR derivatives liability amount					82	
13	Total derivatives liability amount					98	
14	All other liabilities not included in the above categories	8,750	203	2	6	-	-
15	**TOTAL ASF**[1]						202,100
	RSF ITEM						
16	Total high-quality liquid assets (HQLA)	14,819	24,403	3,463	183,381	-	23,399
17	Level 1 liquid assets	14,819	24,198	2,021	29,036	-	-
18	Level 2A liquid assets	-	204	1,442	154,345	-	23,399
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	31	-	-	-	-	-
21	Operational deposits placed at financial sector entities or their consolidated subsidiaries	179	-	-	-	-	90
22	Loans and securities:	115,053	30,173	1,080	39,652	-	92,301
23	Loans to financial sector entities secured by level 1 liquid assets	-	21,585	-	-	-	-
24	Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities	3,521	8,136	2	407	-	2,157
25	Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties	110,799	1	-	3	-	55,402
26	Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR part 217)	-	-	-	3	-	2
27	Retail mortgages	-	-	-	29,182	-	24,805
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	733	451	1,078	10,059	-	9,937
	Other assets:						
30	Commodities					-	-
31	Assets provided as initial margin for derivative transactions and contributions to CCPs' mutualized loss-sharing arrangements					263	223
32	NSFR derivatives asset amount					-	-
33	Total derivatives asset amount					16	
34	RSF for potential derivatives portfolio valuation changes					108	5
35	All other assets not included in the above categories, including nonperforming assets	36,843	-	-	1,752	-	38,595
36	Undrawn commitments					2,820	141
37	**TOTAL RSF prior to application of required stable funding adjustment percentage**						154,754
38	**Required stable funding adjustment percentage**						100%
39	**TOTAL adjusted RSF**						154,754
40	**NET STABLE FUNDING RATIO**						130.59%

[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 primarily concentrated in retail funding which includes sweep deposits and brokered deposits from retail customers. These accounted for 48% and 50% of the Company's weighted ASF[3] in the third and fourth quarters of 2025. The Company's ASF also includes other unsecured funding from retail customers at Schwab's broker-dealer and banking subsidiaries such as free credits, long term senior notes, Federal Home Loan Bank (FHLB) borrowings and regulatory capital. Together these accounted for 34% of the Company's weighted ASF[3] in both the third and fourth quarters of 2025.

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 32% and 33% of the Company's weighted RSF in the third and fourth quarters of 2025.

In addition, 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 63% and 57% of the Company's RSF for the third and fourth quarters of 2025.

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.

The Company issues Brokered Certificates of Deposit as a source of funding.

The broker dealer subsidiary maintains uncommitted, unsecured, and secured bank credit lines with a group of banks as a source of short-term liquidity.