



## **Net Stable Funding Ratio**

For the quarterly periods ended  
September 30, 2025 and December 31, 2025

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## INTRODUCTION

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### Overview

Capital One Financial Corporation, a Delaware corporation established in 1994 and headquartered in McLean, Virginia, is a diversified financial services holding company with banking and non-banking subsidiaries. Capital One Financial Corporation and its subsidiaries (the “Company” or “Capital One”) operate as a global payments provider and diversified financial institution, delivering a broad array of financial products and services to consumers, small businesses and commercial clients through digital channels, branch locations, cafés and other distribution channels.

As of December 31, 2025, Capital One Financial Corporation’s principal operating subsidiary was Capital One, National Association (“CONA” or the “Bank”). On May 18, 2025 (the “Closing Date”), Discover Financial Services (“Discover”) merged into Capital One and Discover Bank merged into CONA. See “Part II—Item 8. Financial Statements and Supplementary Data—Note 2—Business Combinations and Discontinued Operations” in our Annual Report on Form 10-K for the year ended December 31, 2025 (the “2025 Form 10-K”) for additional information. The Company is hereafter collectively referred to as “we,” “us” or “our.”

### Regulatory Framework

The Company and the Bank are subject to the Net Stable Funding Ratio (“NSFR”) standard as implemented by the Board of Governors of the Federal Reserve System (“Federal Reserve”), the Office of the Comptroller of the Currency (“OCC”) and the Federal Deposit Insurance Corporation (“FDIC”) (collectively, the “Federal Banking Agencies”) in the United States, respectively (“NSFR Rule”). The NSFR Rule requires both the Company and the Bank to maintain an amount of available stable funding (“ASF”), which is a weighted measure of a company’s funding sources over a one-year time horizon, calculated by applying standardized weightings to equity and liabilities based on their expected stability, that is no less than a specified percentage of its required stable funding (“RSF”), which is calculated by applying standardized weightings to assets, derivatives exposures and certain other items based on their liquidity characteristics:

$$\frac{\text{Available Stable Funding}}{\text{Required Stable Funding}} \geq 100\%$$

The NSFR Rule requires semi-annual public disclosure every second and fourth calendar quarter of quantitative information about a covered institution’s NSFR calculation and a qualitative discussion of its NSFR for the two preceding calendar quarters. The Company and the Bank are both required to maintain an NSFR of 100% on an ongoing basis. Additionally, the Company is required to disclose the quarterly average of its NSFR on a semi-annual basis. For each of the three months ended September 30, 2025 and December 31, 2025, the Company and the Bank exceeded the NSFR requirement.

As a bank holding company with total consolidated assets of at least \$250 billion but less than \$700 billion and not exceeding any of the applicable risk-based thresholds, the Company is a Category III institution under the NSFR Rule. As such, the Company and the Bank are required to maintain ASF in an amount at least equal to 85% of its RSF. Although the Bank may maintain more ASF than it needs to meet its NSFR requirements, the NSFR Rule restricts the amount of such excess ASF held at the Bank (referred to as “excess ASF”) that can be included in the Company’s Total ASF amount. We typically manage the Bank’s NSFR to levels well above 100% resulting in additional excess ASF as the Bank’s RSF is reduced by the adjustment percentage of 85%.

For additional information about the liquidity guidelines we are subject to, see “Part I—Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”)—Liquidity Risk Profile” in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2025 (the “Q3 2025 Form 10-Q”) and “Part I—Item 1. Business—Supervision and Regulation” and “Part II—Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”)—Liquidity Risk Profile” in our 2025 Form 10-K.

## **Basis of Preparation**

This report contains our NSFR disclosures for the two preceding calendar quarterly periods ended September 30, 2025 and December 31, 2025, and has been prepared in accordance with regulatory guidance prescribed by the NSFR Rule. It should be read in conjunction with our Q3 2025 Form 10-Q, 2025 Form 10-K and Liquidity Coverage Ratio (“LCR”) disclosures for the quarters ended September 30, 2025 and December 31, 2025.

## **Forward-Looking Statements**

Certain statements in this disclosure are forward-looking statements, which involve a number of risks and uncertainties. Forward-looking statements often use words such as “will,” “anticipate,” “target,” “expect,” “think,” “estimate,” “intend,” “plan,” “goal,” “believe,” “forecast,” “outlook” or other words of similar meaning. We caution readers that any forward-looking information is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking information due to a number of factors, including those listed from time to time in reports that we file with the Securities and Exchange Commission (“SEC”), including, but not limited to the Q3 2025 Form 10-Q and 2025 Form 10-K. Any forward-looking statements made by us or on our behalf speak only as of the date they are made or as of the date indicated, and we do not undertake any obligation to update forward-looking statements as a result of new information, future events or otherwise.

## **Liquidity Risk Management**

Our risk appetite defines the Board of Directors’ tolerance for certain risk outcomes at an enterprise level and enables senior management to manage and report within these boundaries. The Board of Directors approves a Risk Appetite Statement for the enterprise to set forth the high-level principles that govern risk taking at the Company.

Liquidity risk is the risk that we will not be able to meet our future financial obligations as they come due or invest in future asset growth because of an inability to obtain funds at a reasonable price within a reasonable time.

We manage liquidity risk by applying our Liquidity Adequacy Framework (the “Liquidity Framework”). The Liquidity Framework uses internal and regulatory stress testing and the evaluation of other balance sheet metrics to confirm that we maintain a fortified balance sheet that is resilient to uncertainties that may arise as a consequence of systemic, idiosyncratic, or combined liquidity events.

We recognize that liquidity risk is embedded within our day-to-day and strategic decisions. Liquidity is essential for banks to meet customer withdrawals, account for balance sheet changes, and provide funding for growth. We have acquired and built deposit gathering businesses and actively monitor our funding concentration. We manage our liquidity risk, which is driven by both internal and external factors, centrally and establish quantitative risk limits to continually assess our liquidity adequacy.

The Chief Credit and Financial Risk Officer, in conjunction with the Head of Liquidity, Market and Capital Risk Oversight, is responsible for the establishment of liquidity risk management policies and standards for governance and monitoring of liquidity risk at a corporate level. We assess liquidity strength by evaluating several different balance sheet metrics under severe stress scenarios to ensure we can withstand significant funding degradation. Results are reported to the Asset Liability Committee monthly and to the Risk Committee no less than quarterly. We also continuously monitor market and economic conditions to evaluate emerging stress conditions and to develop appropriate action plans in accordance with our Contingency Funding Plan (“CFP”) and our Recovery Plan.

We manage our funding and liquidity risk in an integrated manner in support of the current and future cash flow needs of our business. We maintain a stockpile of liquidity reserves including cash and cash equivalents, investment securities, and Federal Home Loan Bank (“FHLB”) borrowing capacity secured by loans. Our funding sources include deposits, senior and subordinated notes, securitized debt obligations, federal funds purchased, securities loaned or sold under agreements to repurchase and FHLB advances secured by certain portions of our loan and securities portfolios. Insured deposits in our Consumer Banking business represent our primary funding source, as they are a relatively stable and a lower cost source of funding.

For additional information on our risk framework and structure and organization of the Liquidity Risk Management function, see “Part I—Item 2. MD&A—Risk Management” in our Q3 2025 Form 10-Q and “Part II—Item 7. MD&A—Risk Management” in our 2025 Form 10-K.

### Net Stable Funding Ratio

The NSFR Rule measures the amount of ASF relative to the amount of RSF. The ASF is defined as the portion of capital and liabilities expected to be reliable over the time horizon of one year. RSF is a function of the liquidity characteristics and residual maturities of various assets and off-balance sheet exposures. The NSFR Rule requires the Company to hold enough stable funding that equals or exceeds 100% of the Company’s long-term assets over a one-year time horizon on an ongoing basis.

Table 1 provides a summary of our average weighted daily NSFR for the quarterly periods ended September 30, 2025 and December 31, 2025.

**Table 1: Net Stable Funding Ratio**

<i>(Dollars in millions)</i>	Three Months Ended September 30, 2025	Three Months Ended December 31, 2025
	Average Weighted <sup>(1)</sup>	Average Weighted <sup>(1)</sup>
Total ASF <sup>(2)</sup>	\$ 525,584	\$ 529,257
Total adjusted RSF amount <sup>(3)</sup>	387,010	387,801
NSFR	136 %	136 %

<sup>(1)</sup> Represents the average weighted amount after applying regulatory prescribed ASF and RSF factors.

<sup>(2)</sup> Excludes excess ASF maintained at the Bank.

<sup>(3)</sup> Total RSF reduced to 85%.

The Company’s average NSFR was driven by:

- ASF, which primarily consists of retail and wholesale funding and regulatory capital elements; and
- RSF, which primarily consists of retail and wholesale lending transactions.

The Company’s average NSFR remained flat at 136% from the third quarter of 2025 to the fourth quarter of 2025. Our NSFR may fluctuate period over period as a result of ongoing business activity. We provide additional information on our components of ASF and RSF as discussed in more detail within this report below.

## **Funding Sources**

The Company's primary funding source comes from insured deposits from our Consumer Banking business, as they are a relatively stable and lower cost source of funding. The Company also sources deposits from other customers and counterparties, which primarily consist of commercial deposits. Under the NSFR Rule, these other deposits are generally classified as either operational or non-operational. Finally, the Company sources deposits through the mediation or assistance of deposit brokers. These deposits are segmented and assigned outflows according to the type of account, whether deposit insurance is in place and the maturity date of the deposit agreement.

A significant portion of our Consumer Banking business deposits are fully FDIC-insured and are considered to be stable under the NSFR Rule. Under the NSFR Rule, the Company is required to categorize the full amount of any deposit that is above the FDIC limit as uninsured, even though the portion of that deposit that is within the FDIC limit would be insured. Under the NSFR treatment, uninsured deposits will be higher than the level presented in our SEC filings. Our Q3 2025 Form 10-Q and 2025 Form 10-K provide estimates of the uninsured deposit amounts, which exclude the portions of deposits that are within the FDIC limit and are based on methodologies and assumptions used for our "Consolidated Reports of Condition and Income" (FFIEC 031) filed with the Federal Banking Agencies, adjusted to primarily exclude intercompany balances and cash collateral received on certain derivative contracts which are not presented within deposits on our consolidated balance sheet. Our uninsured deposit amounts disclosed in our Q3 2025 Form 10-Q and 2025 Form 10-K were \$71.3 billion and \$71.9 billion, respectively, which are lower than the uninsured deposit amounts for NSFR purposes as of September 30, 2025 and December 31, 2025 due to the treatment described above.

In addition to deposits, the Company also raises funding through the issuance of senior and subordinated notes and securitized debt obligations, federal funds purchased, securities loaned or sold under agreements to repurchase and FHLB advances secured by certain portions of our loan and securities portfolios. A key objective in our use of these markets is to maintain access to a diversified mix of wholesale funding sources.

For additional information on our funding sources and uninsured deposit base, see "Part I—Item 2. MD&A—Consolidated Balance Sheets Analysis—Funding Sources" and "Part I—Item 2. MD&A—Liquidity Risk Profile—Funding" in our Q3 2025 Form 10-Q as well as "Part II—Item 7. MD&A—Consolidated Balance Sheets Analysis—Funding Sources" and "Part II—Item 7. MD&A—Liquidity Risk Profile—Funding" in our 2025 Form 10-K.

## **Regulatory Capital**

The NSFR regulatory capital element is defined as our common equity Tier 1 ("CET1") capital, additional Tier 1 capital, and Tier 2 capital, prior to the application of capital adjustments or deductions.

Our NSFR regulatory capital element consists of common stock plus related surplus, net of treasury stock and unearned Employee Stock Ownership Plan ("ESOP"), retained earnings, accumulated other comprehensive income ("AOCI"), non-cumulative perpetual preferred stock, includable subordinated debt, minority interest and the includable allowance for credit losses.

The level and composition of our capital are determined by multiple factors, including our consolidated regulatory capital requirements and internal risk-based capital assessments such as internal stress testing and economic capital. The level and composition of our capital may also be influenced by rating agency guidelines, subsidiary capital requirements, business environment, conditions in the financial markets and assessments of potential future losses due to adverse changes in our business and market environments.

For additional information on capital management, see "Part I—Item 2. MD&A—Capital Management" in our Q3 2025 Form 10-Q and "Part II—Item 7. MD&A—Capital Management" in our 2025 Form 10-K.

## **Retail and Wholesale Lending**

Our loan portfolio is divided into three portfolio segments: Credit Card, Consumer Banking and Commercial Banking. Credit Card loans consist of domestic and international credit card loans. Consumer Banking loans consist of auto and retail banking

loans. Commercial Banking loans consist of commercial and multifamily real estate loans as well as commercial and industrial loans.

Under the NSFR Rule, RSF factors are assigned to these loan portfolios based on a combination of tenor, encumbrance, counterparty type, credit quality and market characteristics. Our credit card and auto securitization programs encumber our securitized retail card and auto loans, while our access to FHLB advances encumber both eligible commercial loans and securities, only when advances are drawn. Nonperforming loans, which are defined as any loan past due by more than 90 days or nonaccrual status, receive an RSF factor of 100%.

For further information regarding our loan portfolio, see “Part I—Item 1. Financial Statements—Note 4—Loans” in our Q3 2025 Form 10-Q and “Part II—Item 8. Financial Statements and Supplementary Data—Note 4—Loans” in our 2025 Form 10-K.

### **Derivative Usage**

We use derivatives to manage market risk exposures in accordance with market risk management policies and limits that are approved by our Board of Directors. The majority of the derivatives that we use to manage the Company’s market risk exposures are interest rate, commodity and foreign currency swaps. In addition, we may use other derivative instruments, including caps, floors, options, futures and forward contracts, to manage our market risks.

We offer interest rate, commodity, foreign currency derivatives and other contracts as an accommodation to our customers within our Commercial Banking business. We enter into these derivatives with our customers primarily to help them manage their interest rate risks, hedge their energy and other commodities exposures, and manage foreign currency fluctuations. We offset the substantial majority of the market risk exposure of our customer accommodation derivatives through derivative transactions with other counterparties.

For purposes of the NSFR Rule, we calculate the overall NSFR derivative asset amount or NSFR derivative liability amount by calculating the difference between the total derivative asset and liability amounts. If the total derivative asset amount exceeds the total derivative liability amount, we would have an NSFR derivatives asset amount with an RSF factor of 100%. If the total derivative liability amount exceeds the total derivative asset amount, we would have an NSFR derivatives liability amount with an ASF factor of 0%.

For additional information on derivative transactions, see “Part I—Item 1. Financial Statements—Note 10—Derivative Instruments and Hedging Activities” in our Q3 2025 Form 10-Q and “Part II—Item 8. Financial Statements and Supplementary Data—Note 10—Derivative Instruments and Hedging Activities” in our 2025 Form 10-K.

## NSFR Quantitative Disclosures

The following table provides the average values for our NSFR and related components calculated pursuant to the NSFR Rule for the quarterly period beginning July 1, 2025 and ending September 30, 2025.

**Table 2: NSFR Quantitative Disclosure for the Quarter Ended September 30, 2025**

Quarter Ended 9/30/2025 In Millions of U.S. Dollars	Average Unweighted Amount					Average Weighted Amount
	Open Maturity	< 6 months	6 months to < 1 year	≥ 1 year	Perpetual	
<b>ASF ITEM</b>						
Capital and Securities:	\$ —	\$ 5,724	\$ 6,979	\$ 36,474	\$ 117,332	\$ 157,295
NSFR regulatory capital elements	—	—	—	3,072	117,332	120,404
Other capital elements and securities	—	5,724	6,979	33,402	—	36,891
Retail funding:	352,683	25,079	29,782	21,109	—	395,418
Stable deposits	256,087	15,656	18,902	6,128	—	281,935
Less stable deposits	91,958	6,797	8,405	2,639	—	98,819
Sweep deposits, brokered reciprocal deposits, and brokered deposits	4,314	2,626	2,475	12,342	—	14,502
Other retail funding	324	—	—	—	—	162
Wholesale funding:	37,221	1,747	29	547	—	16,983
Operational deposits	14,272	—	—	—	—	7,136
Other wholesale funding	22,949	1,747	29	547	—	9,847
Other liabilities:						
NSFR derivatives liability amount					95	
Total derivatives liability amount					990	
All other liabilities not included in above ASF categories of this table	224	25,414	—	—	—	—
<b>TOTAL ASF<sup>1</sup></b>						525,584
<b>RSF ITEM</b>						
Total high-quality liquid assets (HQLA)	49,032	2,898	1,424	81,614	570	8,767
Level 1 liquid assets	49,032	2,128	963	30,780	570	229
Level 2A liquid assets	—	770	461	50,834	—	8,538
Level 2B liquid assets	—	—	—	—	—	—
Zero percent RSF assets that are not level 1 liquid assets or loans to financial sector entities or their consolidated subsidiaries	—	3,917	—	—	805	—
Operational deposits placed at financial sector entities or their consolidated subsidiaries	3,140	—	—	—	—	1,864

Quarter Ended 9/30/2025 In Millions of U.S. Dollars (continued)	Average Unweighted Amount					Average Weighted Amount
	Open Maturity	< 6 months	6 months to < 1 year	≥ 1 year	Perpetual	
Loan and securities:	\$ —	\$ 45,135	\$ 41,448	\$ 358,395	\$ —	\$ 351,741
Loans to financial sector entities secured by Level 1 liquid assets	—	178	—	—	—	27
Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities	—	5,226	7,941	19,830	—	24,585
Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties	—	39,615	33,356	328,052	—	318,377
Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR part 217)	—	2,948	3,500	16,463	—	17,582
Retail mortgages	—	115	132	8,206	—	6,781
Of which: With a risk weight of no greater than 50 percent under Regulation Q (12 CFR part 217)	—	25	27	1,585	—	1,056
Securities that do not qualify as HQLA	—	1	19	2,307	—	1,971
Other Assets:						
Commodities					—	—
Assets provided as initial margin for derivative transactions and contributions to CCPs' mutualized loss-sharing arrangements					1,613	1,609
NSFR derivatives asset amount					13	13
Total derivatives asset amount					908	
RSF for potential derivatives portfolio valuation changes					2,311	116
All other assets not included in the above RSF categories of this table, including nonperforming assets	490	2,754	1,464	71,410	13,397	89,049
Undrawn commitments:					42,945	2,147
<b>TOTAL RSF prior to application of required stable funding adjustment percentage</b>						455,306
<b>Required stable funding adjustment percentage</b>						85 %
<b>TOTAL adjusted RSF</b>						\$ 387,010
<b>NET STABLE FUNDING RATIO</b>						136 %

<sup>(1)</sup> Excludes excess ASF maintained at the Bank.

The following table provides the average values for our NSFR and related components calculated pursuant to the NSFR Rule for the quarterly period beginning October 1, 2025 and ending December 31, 2025.

**Table 3: NSFR Quantitative Disclosure for the Quarter Ended December 31, 2025**

Quarter Ended 12/31/2025 In Millions of U.S. Dollars	Average Unweighted Amount					Average Weighted Amount
	Open Maturity	< 6 months	6 months to < 1 year	≥ 1 year	Perpetual	
<b>ASF ITEM</b>						
Capital and Securities:	\$ —	\$ 3,889	\$ 6,533	\$ 38,699	\$ 119,664	\$ 161,629
NSFR regulatory capital elements	—	—	—	2,940	119,664	122,604
Other capital elements and securities	—	3,889	6,533	35,759	—	39,025
Retail funding:	354,694	30,113	27,805	18,145	—	398,095
Stable deposits	257,902	19,636	16,678	5,467	—	284,699
Less stable deposits	92,591	8,951	7,332	2,429	—	100,173
Sweep deposits, brokered reciprocal deposits, and brokered deposits	3,873	1,526	3,795	10,249	—	13,059
Other retail funding	328	—	—	—	—	164
Wholesale funding:	38,606	2,300	405	553	—	17,970
Operational deposits	15,011	—	—	—	—	7,505
Other wholesale funding	23,595	2,300	405	553	—	10,465
Other liabilities:						
NSFR derivatives liability amount					26	
Total derivatives liability amount					961	
All other liabilities not included in above ASF categories of this table	187	26,380	—	—	—	—
<b>TOTAL ASF<sup>1</sup></b>						529,257
<b>RSF ITEM</b>						
Total high-quality liquid assets (HQLA)	51,811	2,981	1,097	83,893	640	9,423
Level 1 liquid assets	51,811	2,376	681	31,669	640	545
Level 2A liquid assets	—	605	416	52,224	—	8,878
Level 2B liquid assets	—	—	—	—	—	—
Zero percent RSF assets that are not level 1 liquid assets or loans to financial sector entities or their consolidated subsidiaries	—	3,300	—	—	771	—
Operational deposits placed at financial sector entities or their consolidated subsidiaries	3,389	—	—	—	—	1,803

Quarter Ended 12/31/2025 In Millions of U.S. Dollars (continued)	Average Unweighted Amount					Average Weighted Amount
	Open Maturity	< 6 months	6 months to < 1 year	≥ 1 year	Perpetual	
Loan and securities:	\$ —	\$ 47,586	\$ 42,231	\$ 358,050	\$ —	\$ 352,456
Loans to financial sector entities secured by Level 1 liquid assets	—	214	—	—	—	32
Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities	—	7,127	7,493	20,953	—	25,772
Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties	—	40,173	34,623	329,936	—	320,658
Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR part 217)	—	4,919	3,103	16,273	—	17,378
Retail mortgages	—	68	80	4,662	—	3,851
Of which: With a risk weight of no greater than 50 percent under Regulation Q (12 CFR part 217)	—	15	16	928	—	619
Securities that do not qualify as HQLA	—	4	35	2,499	—	2,143
Other Assets:						
Commodities					—	—
Assets provided as initial margin for derivative transactions and contributions to CCPs' mutualized loss-sharing arrangements					1,914	1,902
NSFR derivatives asset amount					60	60
Total derivatives asset amount					995	
RSF for potential derivatives portfolio valuation changes					1,889	94
All other assets not included in the above RSF categories of this table, including nonperforming assets	503	2,654	1,294	70,629	13,696	88,288
Undrawn commitments:					44,192	2,210
<b>TOTAL RSF prior to application of required stable funding adjustment percentage</b>						456,236
<b>Required stable funding adjustment percentage</b>						85 %
<b>TOTAL adjusted RSF</b>						\$ 387,801
<b>NET STABLE FUNDING RATIO</b>						136 %

(1) Excludes excess ASF maintained at the Bank.