

2025 Financials

OCC

**THE FOUNDATION
FOR SECURE
MARKETS®**

Statements of Financial Condition

DECEMBER 31 (IN THOUSANDS)	2025	2024
Assets		
Current Assets:		
Cash and cash equivalents NOTE 2	\$ 617,175	\$ 535,267
Accounts receivable	18,010	99,303
Exchange billing receivable NOTE 12	220,717	190,922
Due from participant exchanges NOTE 12	197	172
Other current assets	73,469	42,226
Total Current Assets	929,568	867,890
Property and equipment – net NOTE 2	459,690	413,503
Right-of-use asset - operating lease NOTE 11	52,025	59,236
Clearing fund deposits NOTES 6, 16	21,871,379	19,081,873
Other assets NOTES 10, 16	51,319	50,734
Deferred income taxes NOTE 13	39,071	80,062
Total Assets	\$ 23,403,052	\$ 20,553,298
Liabilities and Shareholders' Equity		
Current Liabilities:		
Accounts payable and other	\$ 68,432	\$ 84,032
SEC transaction fees payable NOTE 12	–	132,487
Exchange billing payable NOTE 12	220,717	190,922
Other accrued liabilities	75,174	76,074
Short term operating lease liability NOTE 11	11,278	10,643
Total Current Liabilities	375,601	494,158
Clearing fund deposits NOTES 6, 16	21,871,379	19,081,873
Other liabilities NOTES 14, 15	36,133	41,705
Long term operating lease liability NOTE 11	57,135	65,769
Total Liabilities	22,340,248	19,683,505
Shareholders' Equity: NOTE 7		
Common stock	500	500
Retained earnings	1,065,278	874,622
Accumulated other comprehensive loss NOTES 14, 15 (net of tax benefit of \$915 in 2025 and \$1,645 in 2024)	(2,974)	(5,329)
Total Shareholders' Equity	1,062,804	869,793
Total Liabilities and Shareholders' Equity	\$ 23,403,052	\$ 20,553,298

SEE NOTES TO THE FINANCIAL STATEMENTS

Statements of Income and Comprehensive Income

FOR THE YEARS ENDED DECEMBER 31 (IN THOUSANDS)	2025	2024	2023
Revenues			
Clearing fees NOTE 9	\$ 712,910	\$ 477,876	\$ 430,905
Data service fees	5,372	5,262	5,288
Exercise fees	8,895	7,304	7,082
Other	10,293	9,291	7,701
Total Revenues	737,470	499,733	450,976
Expenses			
Employee costs	263,201	248,552	226,463
Information technology	181,095	132,896	98,760
Professional fees and outside services	82,230	95,588	82,572
General and administrative	44,035	44,705	45,342
Rental, office and equipment	14,355	13,468	12,288
Depreciation and amortization	15,171	13,499	17,345
Loss on disposal, property and equipment	29,306	2,576	814
Total Expenses	629,393	551,284	483,584
Total Operating (Loss) Income	108,077	(51,551)	(32,608)
Non-Operating Income (Expense)			
Investment income NOTES 8, 10	70,843	72,815	68,440
Interest income NOTE 4	55,623	68,642	62,370
Fed pass-through interest income NOTE 6	720,933	789,882	586,419
Fed pass-through interest expense NOTE 6	(720,933)	(789,882)	(586,419)
Other non-operating expense	(1,128)	(761)	(39,389)
Total Non-Operating Income	125,338	140,696	91,421
Income Before Income Taxes	233,415	89,145	58,813
Provision for Income Taxes NOTE 13	42,759	18,909	7,788
Net Income	190,656	70,236	51,025
Other Comprehensive Income, Net of Tax			
Pension and postretirement benefit plan adjustments net of tax of \$731 in 2025, \$487 in 2024, and \$8,221 in 2023	2,355	1,507	24,666
Comprehensive Income	\$ 193,011	\$ 71,743	\$ 75,691

SEE NOTES TO THE FINANCIAL STATEMENTS

Statements of Shareholders' Equity

(IN THOUSANDS)	COMMON STOCK	ACCUMULATED OTHER COMPREHENSIVE LOSS	RETAINED EARNINGS	TOTAL
Balance - December 31, 2022	\$ 500	\$ (31,502)	\$ 753,361	\$ 722,359
Net income / loss			51,025	51,025
Amounts included in other comprehensive income, net of tax:				
Pension settlement charge NOTE 2		28,507		28,507
Changes in unamortized gain/(loss)		(2,525)		(2,525)
Changes in unamortized prior service (cost)		(1,316)		(1,316)
Subtotal		24,666		24,666
Balance - December 31, 2023	\$ 500	\$ (6,836)	\$ 804,386	\$ 798,050
Net income / loss			70,236	70,236
Amounts included in other comprehensive income, net of tax:				
Changes in unamortized gain/(loss)		2,833		2,833
Changes in unamortized prior service (cost)		(1,326)		(1,326)
Subtotal		1,507		1,507
Balance - December 31, 2024	\$ 500	\$ (5,329)	\$ 874,622	\$ 869,793
Net income / loss			190,656	190,656
Amounts included in other comprehensive income, net of tax:				
Changes in unamortized gain/(loss)		3,693		3,693
Changes in unamortized prior service (cost)		(1,338)		(1,338)
Subtotal		2,355		2,355
Balance - December 31, 2025	\$ 500	\$ (2,974)	\$ 1,065,278	\$ 1,062,804

SEE NOTES TO THE FINANCIAL STATEMENTS

Statements of Cash Flows

DECEMBER 31 (IN THOUSANDS)	2025	2024	2023
Cash Flows From / (Used In) Operating Activities			
Net income	\$ 190,656	\$ 70,236	\$ 51,025
Adjustments to reconcile net income to net cash flows (used in) / from operating activities:			
Unrealized losses (gains) on investments	(2,604)	(833)	(5,216)
Depreciation and amortization	15,171	13,499	17,345
Loss on disposal, property and equipment	29,306	2,576	814
Deferred income taxes	40,208	(16,951)	(39,222)
Pension settlement charge	—	—	38,010
Changes in assets and liabilities:			
Accounts receivable and other receivables	51,473	(38,993)	(5,114)
Other current assets	(23,456)	8,009	182
Restricted cash (clearing fund)	2,330,957	2,285,976	2,682,002
Right-of-use asset - operating lease	7,212	4,391	7,926
Other assets	2,326	3,995	1,755
Purchases of investments included in other assets	(536)	1,140	2,831
Sales of investments included in other assets	229	620	2,724
Accounts payable and other liabilities	(91,085)	125,301	(77,544)
Operating lease liability	(7,998)	(5,561)	(8,679)
Net Cash Flows From / (Used In) Operating Activities	2,541,859	2,453,405	2,668,839
Cash Flows (Used in) / From Investing Activities			
Capital expenditures	(106,778)	(107,845)	(128,024)
Net Cash Flows (Used In) Investing Activities	(106,778)	(107,845)	(128,024)
Cash Flows (Used In) / From Financing Activities			
Issuance of notes	—	1,000	—
Borrowings and repayments on revolving line of credit, net	—	—	—
Proceeds and payments from liquidity facility repurchase agreements, net	—	—	—
Payments for debt issuance costs	(22,216)	(22,488)	(22,606)
Net Cash Flows (Used In) Financing Activities	(22,216)	(21,488)	(22,606)
Net increase / (decrease) in cash, cash equivalents and restricted cash	2,412,865	2,324,072	2,518,209
Cash, cash equivalents and restricted cash, beginning of year	15,710,149	13,386,077	10,867,868
Cash, cash equivalents and restricted cash, end of year	\$18,123,014	\$15,710,149	\$13,386,077
Reconciliation of Cash, Cash Equivalents and Restricted Cash			
Cash and cash equivalents	617,175	535,267	497,171
Restricted cash (clearing fund)	17,505,839	15,174,882	12,888,906
Total	\$18,123,014	\$15,710,149	\$13,386,077
Noncash Investing Activities			
Accounts payable for capital expenditures	\$ 5,978	\$ 22,091	\$ 9,623
Supplemental disclosure of cash flow information:			
Cash paid for income taxes	\$ 34,298	\$ 37,336	\$ 64,879
Cash paid for interest	518	641	249

SEE NOTES TO THE FINANCIAL STATEMENTS

Notes to the Financial Statements

AS OF DECEMBER 31, 2025 AND 2024, AND FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

NOTE 1. NATURE OF OPERATIONS

The Options Clearing Corporation (“OCC” or “the Corporation”) is a central counterparty (“CCP”) and the world’s largest equity derivatives clearing organization. Founded in 1973, OCC operates under the jurisdiction of the Securities and Exchange Commission (“SEC”) as a Registered Clearing Agency, the Commodity Futures Trading Commission (“CFTC”) as a Derivatives Clearing Organization, and under prudential regulation by the Board of Governors of the Federal Reserve System (the “Federal Reserve”) as a systemically important financial market utility (“SIFMU”). OCC provides CCP clearing and settlement services to 20 exchanges and trading platforms for options, financial futures and securities lending transactions. OCC clears contracts based on several types of underlying interests, including equity interests; stock, commodity and other indexes; foreign currencies; interest rate composites and debt securities. OCC is headquartered in Chicago, Illinois and has offices in Texas and Washington D.C.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION AND USE OF ESTIMATES

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“US GAAP”). The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Management makes various estimates that impact the reported financial amounts, including the collectability of receivables, capitalization and impairment of internally developed software costs, the realization of deferred

taxes, unrecognized tax benefits, valuation of investments held at fair value, pension benefit obligations, and postretirement benefits other than pensions. Although these estimates and assumptions are based on the best available information, actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS Management defines cash and cash equivalents to include cash from banks and highly liquid investments. OCC considers all highly liquid investments with an initial maturity of three months or less from the date of purchase to be cash equivalents. In 2025 and 2024, cash equivalents are comprised of investments in reverse repurchase agreements with major banks and broker dealers, which mature on the next business day. Under these agreements, OCC purchases United States of America (“U.S.”) Treasury securities and the counterparties agree to repurchase the instruments the following business day at a set price, plus interest. During the term of the agreements, the underlying securities are transferred through the Fedwire Securities Service (“Fedwire”), delivery vs. payment, to a custodial account maintained by the transacting bank for the benefit of OCC. The reverse repurchase agreements are secured with collateral that has a market value greater than or equal to 102% of the cash invested at the time the trade is placed. At December 31, 2025 and 2024, the carrying value of OCC’s cash equivalents approximates fair value due to the short maturities of these investments.

PROPERTY AND EQUIPMENT Property and equipment are stated at historical cost, less accumulated depreciation and amortization. Depreciation is computed using straight-line and accelerated methods based on estimated useful lives that range from five to thirty-nine and one half years. Leasehold improvements are amortized over the shorter of the remaining term of the lease or the useful life of the asset. When equipment is sold or otherwise disposed of, the Corporation removes the original cost and related accumulated depreciation from its accounts. Any resulting gain or loss is then recognized as gain or loss on disposal, property and equipment on the Statements of Income and

Comprehensive Income. Property and equipment are reviewed for impairment whenever events or changes in circumstances suggest the carrying amount may not be recoverable.

OCC capitalizes direct and incremental costs, both internal and external, related to software developed or acquired for internal use in accordance with US GAAP. The Corporation capitalizes software costs that are expected to result in long-term operational benefits, such as replacement systems or new applications resulting in significantly increased efficiencies or functionality. All other internal-use software project costs are expensed as incurred. Software, which includes capitalized labor, is amortized on a straight-line basis over its useful life, typically five years. In 2025, OCC capitalized software development costs of \$80.1 million, including \$33.0 million of internal labor costs. In 2024, OCC capitalized software development costs of \$106.1 million, including \$52.5 million of internal labor costs. In 2023, OCC capitalized software development costs of \$109.1 million, including \$37.3 million of internal labor costs. Amortization expense related to computer software was \$0.5 million, \$0.7 million, and \$0.9 million for 2025, 2024, and 2023, respectively.

Property and equipment consisted of the following:

AS OF DECEMBER 31, (IN THOUSANDS)	2025	2024
Leasehold improvements	\$ 35,239	\$ 30,783
Equipment, furniture and other	74,572	75,171
Software	526,740	477,418
Hardware leased	4,145	4,145
Software leased	6,295	6,295
Total property and equipment	646,991	593,812
Accumulated depreciation and amortization	(187,301)	(180,309)
Property and equipment - net	\$ 459,690	\$ 413,503

IMPAIRMENT OF LONG-LIVED ASSETS OCC reviews its long lived assets for possible impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. If this review indicates that the carrying amount of a long-lived asset is not

recoverable, the carrying amount is reduced to the fair value. In 2025, OCC determined that certain software assets were impaired, and the impairment charge recorded in the financial statements as of December 31, 2025 was \$29.3M, which is included in Loss on disposal, property and equipment on the Statements of Income and Comprehensive Income. In 2024, OCC determined that certain software assets were impaired, and the impairment charge recorded in the financial statements as of December 31, 2024 was \$2.6M. There were no impairment charges in 2023.

INCOME TAXES The Corporation files U.S. federal income tax returns and state income tax returns in various states. OCC accounts for income taxes under the asset and liability method. Under this method, deferred tax assets and liabilities are recorded based on the differences between the financial accounting and tax bases of assets and liabilities. Deferred tax assets and liabilities are recorded based on the currently enacted tax rate expected to apply to taxable income in the year in which the deferred tax asset or liability is expected to be settled or realized. OCC may record uncertain tax positions and the related interest and penalties based on management's assessment of whether a tax benefit is more likely than not to be sustained upon examination by the tax authorities. Uncertain tax positions are classified as current only when OCC expects to pay in the next twelve months. Income taxes are discussed in more detail in Note 13.

INVESTMENTS OCC designates all of its investments as trading securities in accordance with US GAAP and are recorded at fair value in Other assets in the Statements of Financial Condition.

REVENUE RECOGNITION Revenue is recognized as services are rendered and performance obligations are satisfied. OCC's revenues primarily consist of clearing fee revenues, which include per contract charges for clearing services, which are billed on a monthly basis and recorded as a receivable. Amounts due are paid within five business days after month-end. Data service fees are charged monthly based on a tiered fee structure. Services provided may

include access to OCC's proprietary clearing system and proprietary website, as well as receipt of files or report bundles. Exercise fees are charged for each contract exercised and are also billed on a monthly basis. No estimates are used for recording the above fees as they are based on a published fee schedule or agreement. Investment and interest income is recorded on an accrual basis when earned.

PENSION PLAN In July 2023, OCC entered into an annuity purchase agreement to transfer approximately \$89.7 million of the Pension Plan's obligations and administration for approximately 223 retirees and beneficiaries on and after September 1, 2023, with no changes to the gross amount or timing of monthly benefit payments. This transaction closed in the third quarter of 2023 and was funded by the assets of the Pension Plan. OCC recorded a one-time, non-cash settlement charge of approximately \$38 million (\$28.5 million net of tax) to pension expense, primarily related to the accelerated recognition of accumulated actuarial losses of the Pension Plan. The settlement charge is part of Other non-operating expense on OCC's Statement of Income and Comprehensive Income. Refer to Note 14 for additional information.

NEW ACCOUNTING PRONOUNCEMENTS On September 18, 2025, the Financial Accounting Standards Board ("FASB") issued an Accounting Standards Update ("ASU") to amend certain aspects of the accounting for software costs under ASC 350-40. The ASU removes all references to "development stages" from ASC 350-40 and amends the threshold for the capitalization of costs. Under the issued ASU, OCC would be required to separately present cash outflows for costs capitalized in accordance with ASC 350-40 as an investing activity in the statement of cash flows. The ASU's amendments are effective for OCC for annual reporting periods beginning after December 15, 2027. OCC is currently evaluating the effect this ASU will have on its financial condition and results of operations.

In December 2023, FASB issued ASU No. 2023-09, *Improvements to Income Tax Disclosures*. This ASU requires an entity to report the amount of income taxes paid disaggregated by federal, state, and foreign taxes as well as

the amount of income taxes paid disaggregated by individual jurisdictions in which income taxes paid is equal to or greater than five percent of total income taxes paid. The new standard is effective for OCC for annual periods beginning after December 15, 2025. The adoption of the standard will expand certain footnote disclosures but will not be expected to have significant impact on OCC's Financial Statements.

NOTE 3. GUARANTEES

OCC performs a guarantee function that ensures the financial integrity of the markets in which it clears contracts. In its role as guarantor and central counterparty, OCC ensures that the obligations of the contracts it clears are fulfilled. Through a novation process, OCC becomes the buyer for every seller and the seller for every buyer, protecting clearing members from counterparty risk and allowing the settlement of trades in the event of a clearing member default.

OCC does not assume any guarantor role unless it has a precisely equal and offsetting claim against a clearing member. OCC's obligations under the guarantee would arise if a clearing member were unable to meet its obligations to OCC. Margin deposits, collateral in lieu of margin deposits, and clearing fund deposits are required to collateralize clearing members' obligations and support OCC's guarantee.

As of December 31, 2025, and 2024, the amount of margin required by OCC to support its guarantee was \$152.5 billion and \$124.8 billion, respectively, which represents the aggregate market value of outstanding positions plus an additional amount to cover adverse price movements. Margin deposits and clearing fund deposits are discussed in Notes 5 and 6, respectively.

As OCC only assumes the guarantor role if it has an equal and offsetting claim, the fair value of the open interest of options and futures contracts and securities lending positions cleared and settled by OCC is not included in the Statements of Financial Condition. There were no events of default during the years ending 2025, 2024, or 2023 for which a liability or loss should be recognized in accordance with GAAP.

NOTE 4. OFF-BALANCE SHEET RISK AND CONCENTRATION OF CREDIT RISK

Credit risk represents the potential for loss due to the deterioration in credit quality or default of a counterparty or an issuer of securities or other instruments. OCC's exposure to credit risk comes from its clearing and settlement operations and from financial assets, which consist primarily of cash and cash equivalents, accounts receivable, and margin and clearing fund deposits.

CASH AND CASH EQUIVALENTS OCC maintains cash and cash equivalents with various financial institutions. When Clearing Members provide margin and clearing fund deposits in the form of cash, OCC may invest the cash deposits in overnight reverse repurchase agreements.

OCC generates interest from margin, clearing fund, and OCC working cash deposits held in various commercial banks or margin cash deposits at the Federal Reserve Bank. Interest earned on clearing fund deposits held at the Federal Reserve Bank is passed through to the clearing members on a proportional basis. Interest income retained by OCC totaled \$55.6 million, \$68.6 million, and \$62.4 million for the years ended December 31, 2025, 2024, and 2023, and is recorded within Interest income under Non-Operating Income (Expense) in the Statements of Income and Comprehensive Income.

OCC bears credit risk related to overnight reverse repurchase agreements to the extent that cash advanced to the counterparty exceeds the value of collateral received. These securities have minimal credit risk due to the low probability of U.S. government default and their highly liquid and short-term nature. Additionally, OCC requires 102% in market value of collateral received compared to the cash provided to the counterparties.

OCC is also exposed to risk related to the potential inability to access liquidity in financial institutions where it holds cash and cash equivalents. The financial institutions are in different geographical locations and OCC monitors their financial condition on an ongoing basis to identify any significant changes.

ACCOUNTS RECEIVABLE Credit risk related to accounts receivable includes the risk of nonpayment by the counterparty. OCC's credit risk is diversified due to the large number of Clearing Members composing OCC's customer base. OCC also conducts ongoing evaluations of the institutions with which it does business.

CLEARING MEMBERS, MARGIN AND CLEARING FUND OCC bears counterparty credit risk in the event that Clearing Members fail to meet their obligations to OCC.

OCC reduces its exposure through a risk management program that strives to achieve a prudent balance between market integrity and liquidity. This program of safeguards, which provides support to OCC's guarantee, consists of rigorous initial and ongoing financial responsibility standards for membership, margin deposits and clearing fund deposits. OCC maintains liquidity facilities to support potential liquidity needs in the event of a Clearing Member default and a line of credit to finance working capital needs and for general corporate purposes, as described in Note 11.

If a Clearing Member does not meet its settlement obligation to OCC or is declared in default, OCC may utilize the defaulting member's margin and clearing fund deposits to cover any losses resulting from the default. If those resources are exhausted, OCC would then apply its own prefunded resources per the Capital Management Policy. If further funds are required, OCC would utilize the unvested balances deposited on and after January 1, 2020 in respect of the Executive Deferred Compensation Plan and the respective clearing fund deposits of all Clearing Members on a pro-rata basis.

The collateral posted by Clearing Members is also subject to market and credit risk, as there is a risk of price fluctuations and nonperformance by the counterparty, which could result in a material loss. To mitigate this risk, OCC only allows collateral deposits at approved OCC banks or securities depositories, which OCC monitors on an ongoing basis.

NOTE 5. MARGIN DEPOSITS

OCC’s rules require each Clearing Member representing the seller of an option to collateralize its contract obligations by either depositing the underlying security (“specific deposits”), other securities in lieu of margin deposits or by maintaining specified margin deposits. Margin deposits are also required for futures, futures options and stock loan/borrow positions. Securities in lieu of margin and margin deposits may include cash, bank letters of credit, U.S. and Canadian Government securities, or other acceptable margin securities (“valued securities”), which may consist of common stocks, exchange-traded funds (“ETFs”), and exchange-traded notes (“ETNs”). OCC discontinued accepting U.S. Government sponsored enterprise debt securities (“GSE debt securities”) and bank letters of credit in December 2024 and March 2025, respectively.

The margin deposits of each clearing member are available to meet the financial obligations of that specific clearing member to OCC. The market value of all obligations is determined on a daily basis and OCC may issue intra-day margin calls for additional margin deposits, if necessary. Margin deposits must meet specified requirements, as provided for in OCC’s rules, and all margin deposits are held at approved securities depositories or banks.

Since OCC does not take legal ownership of margin deposits or securities deposited in lieu of margin deposits, the below assets are not reflected in the Statements of Financial Condition. However, OCC has rights to these assets in the event of a clearing member default. At December 31, 2025 and 2024, margin deposits exceeded OCC’s required margin.

The fair values of securities in lieu of margin deposits and margin deposits at December 31, 2025 and 2024 were as follows (foreign securities are converted to U.S. dollars using the year-end exchange rate):

AS OF DECEMBER 31, (IN THOUSANDS)	2025	2024
Valued securities	\$ 225,148,446	\$ 178,298,996
Specific deposits	94,995,196	63,713,318
Government securities	17,728,643	14,687,983
Cash and cash equivalents	2,695,328	2,979,545
Bank letters of credit	–	25,000
Total	\$ 340,567,613	\$ 259,704,842

VALUED SECURITIES Valued securities consist of common stock (including fund shares, as defined in OCC’s Rules and By-Laws) and are traded on U.S. securities exchanges and are principally valued using the composite closing price. Valued securities are included in margin calculations and the value assigned to this collateral is based on OCC’s margin methodology, rather than traditional haircuts. As a result, the margin calculations reflect the scope for price movements to exacerbate or mitigate losses on the cleared products in the account.

SPECIFIC DEPOSITS OCC also accepts specific deposits, which are pledges of underlying stock to OCC that cover a specified short equity call option series. Specific deposits are collateral deposited in lieu of margin and remove the covered short position from the clearing member’s daily margin requirement. Specific deposits are also generally traded on U.S. securities exchanges and are generally valued using the composite closing price.

GOVERNMENT SECURITIES For margin requirements, clearing members may deposit U.S. and Canadian Government securities. Coupon interest and maturity payments on delivered Government securities are initially paid to OCC and then credited to clearing members. For margin requirements, OCC haircuts the market value of U.S. and Canadian Government securities to provide a cushion against adverse price fluctuations. The haircuts for Government securities are based on a maturity schedule and as of December 31, 2025, the haircuts ranged from 1% to 18%. The haircuts are published on

OCC's website. An additional haircut of 3% is applied to Canadian Government securities. Government securities are valued on the basis of evaluated prices provided by independent pricing services.

CASH AND CASH EQUIVALENTS Cash and cash equivalents held as margin deposits may be invested, and any interest or gain received, or loss incurred is included under Non-Operating Income (Expense) in the Statements of Income and Comprehensive Income.

BANK LETTERS OF CREDIT Bank letters of credit are still reflected under OCC's Rules, but OCC has discontinued accepting them effective March 2025. Bank letters of credit are required to be irrevocable and may only be issued by banks or trust companies approved by OCC. OCC maintains concentration limits for bank letters of credit as described in OCC's Rules. Letters of credit are valued at their face value amounts.

ESCROW DEPOSITS OCC has an Escrow Deposit Program ("Program") that allows a customer of a clearing member to deposit cash and/or fully paid for securities (including common stock and fund shares in addition to U.S. Government Securities), held at OCC approved escrow banks, as supporting collateral to cover short positions in call and put index options and equity put options. Collateral consisting of securities must be pledged to OCC by the escrow banks via the Depository Trust Company. Cash escrow deposits are held at approved escrow banks and are governed by tri-party account agreements between OCC, the escrow bank, and the customer. Both the security and cash escrow deposits are viewable in OCC's collateral system by OCC, clearing members and escrow banks.

An escrow deposit is considered a deposit in lieu of margin, therefore, the covered short position is not subject to margining by OCC. OCC has specified collateral restrictions for escrow deposits. Escrow deposits for a short position in an equity or an index put option can consist of cash and U.S. Government securities in any combination. Escrow deposits related to a short position in

an index call option can consist of cash, U.S. Government securities and common stocks (including fund shares) in any combination, that are listed on a national securities exchange.

As of December 31, 2025 and 2024, deposits were held for 608,000 and 370,000 short equity and index options contracts in the Escrow Deposit Program, respectively, and the fair value of the underlying securities (times the unit of trading or the multiplier, as appropriate) was approximately \$52.6 billion and \$37.7 billion.

CROSS-MARGIN ARRANGEMENTS OCC also maintains a cross-margining arrangement with a U.S. derivatives clearing organization. Under the terms of that arrangement, an OCC clearing member that is or has an affiliate that is also a clearing member of the derivatives clearing organization, may maintain cross-margin accounts. Within these cross-margin accounts, the clearing members' positions in OCC-cleared options are combined with positions of the clearing member (or its affiliate) in futures contracts and/or options on futures contracts cleared at the derivatives clearing organization for purposes of calculating margin requirements and daily net settlements.

Margin deposits on the combined positions are held jointly by OCC and the derivatives clearing organization and are available (together with any proceeds of the options and futures positions themselves) to meet financial obligations of the clearing members to OCC and the derivatives clearing organization. In the event that either OCC or the derivatives clearing organization suffers a loss in liquidating positions in a cross-margin account, the loss is to be shared between OCC and the derivatives clearing organization. Margin deposits for these cross-margin accounts may be in the form of cash, U.S. Government securities, or bank letters of credit, and are reflected in the margin deposit table. Margin deposits subject to cross-margin agreements were \$1,518.1 million and \$1,860.4 million at December 31, 2025 and 2024, respectively.

NOTE 6. CLEARING FUND DEPOSITS

OCC calculates the required fund based upon a methodology intended to simulate potential losses in the event of a simultaneous default of its two largest clearing member groups. The clearing fund size is established at an amount to be sufficient to protect OCC from loss under simulated default scenarios. A clearing member's contribution is the sum of \$500,000 and a separate amount equal to the weighted average of the clearing member's proportionate shares of total risk, open interest and volume, in all accounts of the clearing member. As of December 31, 2025, and 2024, the weightings were: total risk 70%, open interest 15% and volume 15%.

The clearing fund mutualizes the risk of default among all clearing members. The entire clearing fund is available to cover potential losses in the event that the margin deposits and the clearing fund deposits of a defaulting clearing member are inadequate or not immediately available to fulfill that clearing member's outstanding financial obligations. In the event of a default, OCC is generally required to liquidate the defaulting clearing member's open positions. To the extent that the positions remain open, OCC is required to assume the defaulting clearing member's obligations related to the open positions. The clearing fund is available to cover the cost of liquidating a defaulting clearing member's open positions or performing OCC's obligations with respect to positions not yet liquidated.

Clearing fund deposits must be in the form of cash or U.S. and Canadian Government securities, as the clearing fund is intended to provide OCC with a highly liquid pool of assets. OCC discounts the fair value of U.S. and Canadian Government securities on a daily basis to provide a cushion against adverse price fluctuations. Cash held as clearing fund deposits may be held at an approved commercial or central bank, and any interest or gain received, or loss incurred on invested funds is recorded in the Statements of Income and Comprehensive Income under Non-Operating Income (Expense) as Interest income.

OCC has an approved account at the Federal Reserve Bank of Chicago. As of December 31, 2025 and 2024, the balance held at the Federal Reserve Bank of Chicago totaled \$17.4 billion and \$15.2 billion, respectively. Interest earned is recorded as Fed pass-through interest income under Non-Operating Income (Expense) in the Statements of Income and Comprehensive Income. Clearing members are required to maintain a minimum cash requirement in the Clearing Fund. As of December 31, 2025 the aggregate amount required was \$10 billion. The majority of cash resides in an account at the Federal Reserve Bank of Chicago. Interest earned on those funds is passed through to the clearing members on a proportional basis and shown on the Statement of Income and Comprehensive Income under Non-Operating Income (Expense) as Fed pass-through interest expense. OCC charges a cash management fee of 5 basis points monthly.

The U.S. Government securities included in the clearing fund are valued using inputs from pricing services that include interest accruing on the next coupon payment. Canadian Government securities are pledged, rather than delivered to OCC. Clearing members maintain control of the interest payment for Canadian Government securities and, therefore, the accrued interest is not included in the fair value for these securities.

The fair value of the clearing fund is included in the Statements of Financial Condition as Clearing fund deposits. The collateral types and their fair values at December 31, 2025 and 2024 are as follows (Canadian Government securities are converted to U.S. dollars using the year-end exchange rate):

AS OF DECEMBER 31, (IN THOUSANDS)	2025	2024
Cash and cash equivalents	\$ 17,505,839	\$ 15,174,882
U.S. Government securities	4,104,460	3,712,273
Canadian Government securities	261,080	194,718
Total	\$ 21,871,379	\$ 19,081,873

NOTE 7. SHAREHOLDERS' EQUITY

OCC has Class A and Class B common stock, each with a \$10 par value, 60,000 shares authorized, and 25,000 shares issued at December 31, 2025 and 2024.

The Class B common stock is issuable in twelve series of 5,000 shares each. Shares of Class A and Class B common stock may be issued and sold only in units, with each unit consisting of one share of Class A common stock and one share of Class B common stock.

In the event of liquidation of OCC, holders of Class A common stock and Class B common stock would first be paid the par value of their shares. Next, each holder of Class B common stock would receive a distribution of \$1 million. Subsequently, an amount equal to OCC's shareholders' equity at December 31, 1998 of \$22.9 million minus the distributions described above, would be distributed pro rata to those holders who acquired their Class B common stock before December 31, 1998. Finally, any remaining shareholders' equity would be distributed equally to all holders of Class B common stock.

The By-Laws of OCC provide that any national securities exchange or national securities association, which meets specific requirements, may qualify for participation in OCC. Until 2002, exchanges qualified for participation by purchasing 5,000 shares of Class A common stock and 5,000 shares of Class B common stock. The purchase price for these shares was the aggregate book value of a comparable number of shares at the end of the preceding calendar month, but not more than \$1 million. In 2002, OCC amended its By-Laws to provide that securities exchanges would qualify for participation in OCC by purchasing a \$1 million interest bearing promissory note. Five of OCC's participant exchanges were shareholders as of December 31, 2025 and 2024. Thirteen participant exchanges were noteholders as of December 31, 2025 and 2024. These interest-bearing notes are recorded in Accounts payable and other in the Statements of Financial Condition and were \$13.0 million at December 31, 2025 and at December 31, 2024.

OCC is a party to a Stockholders Agreement with its stockholders. The Stockholders Agreement provides that the Governance and Nominating Committee of the Board of Directors ("Governance and Nominating Committee") nominates individuals for election as member directors and public directors, and each stockholder appoints the members of the Governance and Nominating Committee as its proxy for purposes of voting its shares for the election of member directors, the management director, and public director(s). The Stockholder's Agreement provides that, under certain circumstances, OCC may purchase all of the shares of Class A and Class B common stock owned by any stockholder; however, the obligation to pay the purchase price will be subordinated to OCC's obligations to creditors, and the purchase price cannot be paid if the payment would reduce capital and surplus below \$1 million. The purchase price is the lesser of (i) the aggregate book value of the shares, or (ii) the original purchase price paid, less \$240,000, \$180,000, \$120,000, \$60,000 or zero after the second, third, fourth, fifth or sixth year, respectively, from the date of purchase of such shares.

OCC is also party to a Noteholders Agreement with the noteholders. The Noteholders Agreement provides OCC with the right to purchase all notes owned by any noteholder under certain circumstances; however, the obligation to pay the purchase price will be subordinated to OCC's obligations to creditors except that such obligation will not be subordinate to OCC's obligation to pay the purchase price to any other noteholder or any shareholder under the Stockholders Agreement. If OCC exercises these purchase rights, the purchase price for the two years following the date of OCC's execution is the original aggregate principal amount of the notes plus any accrued and unpaid interest reduced by \$300,000. Thereafter, the purchase price is the original aggregate principal amount of the notes plus any accrued and unpaid interest, less \$240,000, \$180,000, \$120,000, \$60,000 or zero after the second, third, fourth, fifth or sixth year, respectively, from the date the note was executed.

NOTE 8. REVERSE REPURCHASE AGREEMENTS

Reverse repurchase agreements outstanding, including amounts in cash and cash equivalents and margin deposits, had a daily average of \$1.6 billion and \$1.4 billion during 2025 and 2024, respectively. The maximum amount outstanding was \$4.7 billion during 2025 and \$2.9 billion during 2024. Amounts outstanding and included in Cash and cash equivalents in the Statements of Financial Condition at December 31, 2025 and 2024 were \$590 million and \$520 million, respectively. Margin deposits had amounts outstanding at December 31, 2025 and 2024 of \$0.8 billion and \$1.2 billion, respectively. Interest income earned on these reverse repurchase agreements totaled \$66.8 million, \$71.0 million, and \$64.6 million for the years ended December 31, 2025, 2024 and 2023, respectively. This interest income is recorded within Investment income under Non-Operating Income (Expense) in the Statements of Income and Comprehensive Income.

NOTE 9. CLEARING FEES

OCC’s Board of Directors (“Board”) sets clearing fees to cover OCC’s operating expenses plus an additional amount set by the Board in accordance with the Capital Management Policy (Note 18). The Capital Management Policy provides that, if OCC’s Equity is above 110% of its target capital level and other approved capital needs, the Board may approve tools to reduce the cost of clearing, including by issuing refunds or instituting fee holidays. On January 1, 2025, the clearing fee increased to \$0.025 per contract and removed the maximum per trade fee of \$55. On December 1, 2025, OCC implemented a clearing fee holiday and charged \$0 for executed options and futures trades through December 31, 2025. There were no changes to clearing fees, nor were any refunds approved to be paid to clearing member firms for the years ended December 31, 2024 and 2023.

NOTE 10. OTHER ASSETS

Other assets, which include investments for the supplemental executive retirement plan (“SERP”) and the deferred compensation plan, consisted of the following:

AS OF DECEMBER 31, (IN THOUSANDS)	2025	2024
SERP NOTE 14	\$ 19,302	\$ 19,716
Executive deferred compensation plan NOTE 11	17,202	13,979
Other assets	14,815	17,038
Total other assets	\$ 51,319	\$ 50,733

SERP investments are recorded at fair value and changes in fair value are recorded as Investment income under Non-Operating Income (Expense) in the Statements of Income and Comprehensive Income. The amount recorded as Investment income for SERP investments for the years ended December 31, 2025, 2024, and 2023 was \$1.5 million, \$0.2 million, and \$1.7 million, respectively.

Investments held in the executive deferred compensation plan are recorded at fair value and changes in fair value are recorded as Investment income under Non-Operating Income (Expense) in the Statements of Income and Comprehensive Income. The amount recorded in Investment income and employee costs for the executive deferred compensation plan investments for the years ended December 31, 2025, 2024 and 2023 was \$2.3 million, \$1.4 million, and \$1.7 million, respectively.

NOTE 11. COMMITMENTS

LEASES AND INSTALLMENT OBLIGATIONS In 2024, OCC entered into two agreements to finance the purchase of equipment for the data centers with final payments due in 2026. Short term and long term obligations are included in Other accrued liabilities and Other liabilities, respectively.

OCC determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use assets and operating lease liabilities in the Statement of Financial Condition. Right-of-use assets represent the Company’s right to use an underlying asset

for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Operating lease right-of-use assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. In determining the present value of lease payments, OCC uses its incremental borrowing rate based on the information available at the lease commencement date. The operating lease right-of-use assets are reduced by any lease incentives received. Leases with an initial term of 12 months or less are not recorded on the Statements of Financial Condition. Lease expense is recognized on a straight-line basis over the expected lease term.

The Company's lease arrangements consist primarily of agreements to lease corporate office space. The initial terms of the leases range from two to twelve years. Most leases have options to extend or renew the lease. As any extension or renewal is at the sole discretion of OCC and is not certain as of the years ended December 31, 2025 and 2024, the extension or renewal options are not included in the calculation of the right-of-use asset or lease liability. The Company's lease agreements do not contain material residual value guarantees, restrictions, or covenants. Some of the Company's operating lease agreements include variable payments that are passed through by the landlord, such as insurance, taxes, and common area maintenance, payments based on the usage of the asset, and rental payments adjusted periodically for inflation. Pass-through charges, payments due to changes in usage of the asset, and payments due to changes in indexation are included within variable lease expense. For the operating leases, the Company has elected the practical expedient permitted under Topic 842 to combine lease and non-lease components.

As a result, non-lease components, such as common area maintenance charges, are accounted for as a single lease element. The components of lease expense for the years ended December 31, 2025 and 2024 included in General and administrative and Rental, office and equipment in the

accompanying Statement of Income and Comprehensive Income were as follows (in thousands):

AS OF DECEMBER 31, (IN THOUSANDS)	2025	2024
Finance lease cost:		
Amortization of finance lease assets	-	744
Interest on finance lease liabilities	-	14
Operating lease cost	13,503	12,254
Variable lease cost	2,118	2,408
Total lease cost	\$ 15,621	\$ 15,420

Supplemental cash flow information related to leases for the years ended December 31, 2025 and 2024 was as follows (in thousands):

AS OF DECEMBER 31, (IN THOUSANDS)	2025	2024
Operating cash flows payments for operating leases	\$ 15,621	\$ 14,662
Operating cash flows payments for finance leases – interest	-	14
Operating cash flows payments for finance leases – principal	-	744
Operating noncash lease expense related to right-of-use asset obtained during the year	2,386	4,615

Supplemental statement of financial position information related to leases for the years ended December 31, 2025 and 2024 was as follows:

AS OF DECEMBER 31,	2025	2024
Weighted average remaining lease term:		
Operating leases	6.5 years	7.3 years
Finance leases	-	-
Weighted average discount rate:		
Operating leases	2.62%	2.62%
Finance leases	-	3.47%

Future minimum aggregate rental payments under operating and finance leases having initial or remaining noncancelable lease terms in excess of one year as of December 31, 2025 are as follows (in thousands):

(IN THOUSANDS)	OPERATING LEASES
2026	12,812
2027	10,434
2028	10,594
2029	10,872
2030	9,315
Thereafter	19,995
Total minimum lease payments	\$ 74,022
Amount representing interest	(5,609)
Present value of minimum payments	\$ 68,413

EMPLOYEE COSTS Effective January 1, 2006, OCC implemented the Executive Deferred Compensation Plan ("Plan") for senior officers. At December 31, 2025 and 2024, the Plan was funded in the amount of \$5.2 million and \$5.0 million, respectively. All contributions will vest and become payable on the third anniversary. The Plan investments, consisting primarily of mutual funds, are designated as trading assets under applicable accounting guidance.

LINES OF CREDIT In 2025, OCC maintained seven committed liquidity facilities totaling \$4.5 billion in aggregate commitments, available to enable OCC to meet clearing member default or suspension obligations or to cover certain other bankruptcy losses. One liquidity facility was a syndicated, committed, line of credit with major domestic and foreign banks in the amount of \$2.5 billion at December 31, 2025. The remaining six committed liquidity facilities totaled \$2.0 billion and consisted of five non-bank committed repurchase agreement facilities and one bank committed repurchase facility. Under the committed repurchase facilities, OCC can sell U.S. Government securities with an agreement to repurchase those securities within thirty days.

In 2024, OCC maintained six committed liquidity facilities totaling \$4.5 billion in aggregate commitments available to enable OCC to meet clearing member default or suspension obligations or to cover certain other bankruptcy losses. OCC maintained a similar \$2.5 billion, committed line of credit at December 31, 2024. The remaining committed liquidity facilities totaled \$2.0 billion and consisted of five non-bank committed repurchase facilities.

In 2025, OCC maintained a committed, line of credit with BMO Harris Bank N.A. in the amount of \$75 million to finance working capital needs and for general corporate purposes. OCC maintained a similar \$75 million, committed line of credit at December 31, 2024.

No amounts were outstanding as of December 31, 2025 or 2024 under any of these facilities.

NOTE 12. RELATED PARTY TRANSACTIONS AND OTHER MARKET AGREEMENTS

OCC bills and collects transaction and regulatory fees on behalf of certain exchanges for which it provides clearing and settlement services. Fees billed and uncollected by OCC, and not remitted to the exchanges, at December 31, 2025 and 2024 were \$220.7 million and \$190.9 million, respectively, and are included in the Statements of Financial Condition as Exchange billing receivable and Exchange billing payable. In addition, OCC bills and collects Section 31 transaction fees on behalf of certain exchanges that are remitted to the SEC. In May 2025, the SEC reduced the Section 31 fee rate to \$0. At December 31, 2025 and 2024, the Section 31 fees yet to be collected from clearing members was \$0 million and \$41 million, respectively, and included in the Statements of Financial Condition under Accounts receivable. The Section 31 fees already received, but not yet remitted to the SEC, are included in SEC transaction fees payable.

OCC is also a party to an Amended and Restated Participant Exchange Agreement dealing with the business relationship between and among OCC and each participant options exchange. OCC is also a party to clearing and settlement services agreements for certain futures contracts with Cboe Futures Exchange, LLC which is a designated contract market registered with the CFTC.

OCC entered into a Software Development and License Agreement with Nasdaq Technology AB and Cinnober Financial Technology Aktiebolag. Each of these entities are wholly-owned subsidiaries of Nasdaq, Inc., which is the ultimate parent of Nasdaq International Securities Exchange, LLC and Nasdaq OMX PHLX, LLC, two of OCC's five stockholder owner exchanges.

OCC has entered into a variety of market data licenses agreements with certain exchanges and related parties of each exchange. These agreements are used for a variety of financial risk management activities including calculation of options settlement price.

NOTE 13. INCOME TAXES

The provision for income taxes is reconciled to the amount determined by applying the statutory federal income tax rate to income before taxes as follows:

YEARS ENDED DECEMBER 31, (IN THOUSANDS)	2025	2024	2023
Federal income tax			
at the statutory rate	\$ 49,121	\$ 18,720	\$ 12,362
Permanent tax differences	308	281	305
State income tax effect	2,786	3,041	2,327
Federal R&D Credit	(11,010)	(3,657)	(8,473)
Uncertain tax position	1,538	527	1,286
Other	16	(3)	2,553
Provision for income taxes	\$ 42,759	\$ 18,909	\$ 7,788

The components of OCC's income tax provision (benefit) for the years ended December 31, 2025, 2024, and 2023 are as follows (in thousands):

	2025	2024	2023
Current income tax (benefit)			
Federal	\$ 2,063	\$ 30,731	\$ 33,033
State and local	487	5,129	13,978
Deferred income tax			
Federal	37,809	(15,881)	(30,432)
State and local	2,400	(1,070)	(8,791)
Provision for income taxes	\$ 42,759	\$ 18,909	\$ 7,788

Uncertain income tax positions are recognized based on a "more likely than not" threshold. Penalties and interest are recognized in the Provision for Income Taxes in the Statements of Income and Comprehensive Income. The balance of unrecognized tax benefits as of December 31, 2025 was \$10.95 million (\$9.83 million net of the federal benefit of state matters), which if recognized would favorably affect the effective tax rate in any future periods. The balance of unrecognized tax benefits as of December 31, 2024 was \$8.56 million (\$7.81 million net of the federal benefit of state matters). The Company does not believe it is reasonably possible that, within the next twelve months, unrecognized domestic tax benefits will change by a significant amount. As of December 31, 2025, \$0.3 million for interest and penalties has been recognized.

OCC is subject to U.S. federal income tax, as well as income tax in various state and local jurisdictions. Currently, federal tax returns for the years 2016–2017, 2019–2024, and various state returns for the years 2018–2024 remain open. Some of these returns are currently under audit.

Amounts reported in the financial statements and the tax basis of assets and liabilities result in temporary differences. The net deferred tax asset consists of the following:

AS OF DECEMBER 31, (IN THOUSANDS)	2025	2024
Compensation, employee benefits and prepaid expenses	\$ 19,972	\$ 19,776
Accelerated depreciation and amortization	(2,456)	51,151
ROU asset	(12,319)	(14,471)
Lease liability	16,200	18,667
Pension, postretirement and deferred compensation	921	1,704
Tax credit carryforwards	6,829	897
Other items	9,924	2,338
Total	\$ 39,071	\$ 80,062

In accordance with Rev. Proc. 2023–8 and the Tax Cuts and Jobs Act (TCJA) of 2017, the Company elected to capitalize specified R&E expenditures under I.R.C. Section 174.

Rev. Proc. 2023-8 allowed taxpayers to make an automatic accounting method change to comply with the TCJA amendments that became effective in tax year 2022. This Section 174 capitalization and amortization resulted in a deferred tax asset of \$68.0 million in 2025 and \$60.2 million in 2024 which is included within the Accelerated depreciation and amortization line in the Deferred Tax Asset table.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted into law. The OBBBA includes significant provisions, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act and the restoration of favorable tax treatment for certain business provisions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others being phased in through 2027. The impact of the OBBBA has been reflected in the Company's 2025 tax provision where applicable. The Company continues to assess the future impact of provisions that become effective after 2025, particularly as it relates to potential modifications to Section 174 research and experimentation capitalization requirements and the Company's \$68.0 million deferred tax asset from capitalized R&E expenditures.

NOTE 14. RETIREMENT PLANS

OCC has a trustee, noncontributory, qualified retirement plan ("Retirement Plan") covering employees who meet specified age and service requirements. OCC also has a SERP that includes a benefit replacement plan. Retirement benefits under the Retirement Plan are primarily a function of both years of service and levels of compensation. Retirement Plan and SERP collectively referred as "Pension Plans."

On January 1, 2002, OCC amended and restated its Retirement Plan and established a defined contribution plan for new employees effective March 7, 2002. Certain employees were frozen in the Retirement Plan and were no longer eligible to earn future benefit service after December 31, 2002.

Additionally, effective December 31, 2014, the Board approved an amendment to freeze benefit accruals under the Retirement Plan. OCC's funding policies are to

contribute amounts determined on an actuarial basis and provide the Retirement Plan with assets sufficient to meet the benefit obligation of the plans, subject to the minimum funding requirements of U.S. employee benefit and tax laws.

Over the past several years, OCC has taken actions to reduce the risk profile of its Pension Plans and volatility of its pension obligations. As described in Note 2, in July 2023, the Pension Plan irrevocably transferred approximately \$89.7 million of Pension Plan obligations and related plan assets via an annuity purchase, thereby reducing the Company's pension obligations and assets by the same amount. This transaction further reduced the risk profile of the Company's retirement plans by eliminating the potential for future cash contributions to fund benefits for the participants subject to the transaction.

Net periodic benefit cost of the plans consisted of the following:

YEARS ENDED DECEMBER 31, (IN THOUSANDS)	2025	2024	2023
Interest cost	\$ 2,168	\$ 2,189	\$ 4,622
Expected return on assets	(998)	(823)	(3,294)
Amortization:			
Actuarial loss	347	540	1,142
Net periodic benefit cost	\$ 1,517	\$ 1,906	\$ 2,470

Other changes in plan assets and benefit obligations recognized in other comprehensive income include:

YEARS ENDED DECEMBER 31, (IN THOUSANDS)	2025	2024	2023
Amortization of net actuarial (loss)	\$ (347)	\$ (540)	\$ (1,142)
Net actuarial (gain) / loss for the period	(3,683)	(2,504)	5,394
Total recognized in other comprehensive income	(4,030)	(3,044)	4,252
Total recognized in net benefit cost and other comprehensive income	\$ (2,513)	\$ (1,138)	\$ 6,722

Financials

The plans' benefit obligation, plan assets and funded statuses are as follows:

AS OF DECEMBER 31, (IN THOUSANDS)	2025	2024
Change in benefit obligation:		
Benefit obligation		
at beginning of year	\$ 41,987	\$ 45,100
Interest cost	2,168	2,189
Actuarial (gain) / loss	(3,456)	(3,053)
Gross benefits paid	(2,085)	(2,249)
Settlements	-	-
Benefit obligation		
at end of year	\$ 38,614	\$ 41,987
Change in plan assets:		
Fair value of plan assets		
at beginning of year	\$ 16,424	\$ 16,229
Actual return on plan assets	1,225	274
Employer contributions	4,624	2,170
Gross benefits paid	(2,085)	(2,249)
Settlements	-	-
Fair value of plan assets		
at end of year	\$ 20,188	\$ 16,424
Funded status end of year:		
Fair value on plan assets	\$ 20,188	\$ 16,424
Benefit obligation	(38,614)	(41,987)
Funded status	\$ (18,426)	\$ (25,563)
Amounts recognized in the statements of financial condition:		
Noncurrent asset	\$ 525	-
Current liability	(1,821)	(2,094)
Noncurrent liability	(17,130)	(23,469)
Total	\$ (18,426)	\$ (25,563)
Amounts recognized in accumulated other comprehensive loss consist of:		
Net actuarial loss	\$ 10,258	\$ 14,288
Net amount recognized	\$ 10,258	\$ 14,288

The funded status at December 31, 2025 and 2024 consists of \$0.5 million and \$(4.6 million) for the Retirement Plan and \$(19.0 million) and \$(21.0 million) for the SERP, respectively.

Gross benefits paid from the SERP were \$1.9 million and \$2.2 million for the years ended December 31, 2025 and 2024, respectively. Assets set aside for SERP are described in Note 10.

The accumulated benefit obligation for the Retirement Plan was \$19.7 million and \$21.0 million at December 31, 2025 and 2024, respectively.

The significant reasons for these changes in the Retirement Plan include the actual return on the fair value of plan assets since the prior measurement date was greater than the expected return on plan assets. The discount rate used to measure projected benefit obligation ("PBO") decreased for both the Retirement Plan and SERP compared to the prior year, which decreased the funded position in both plans.

The primary assumptions used to determine the accumulated benefit obligation and benefit costs are summarized below:

DECEMBER 31,	RETIREMENT PLAN		SERP	
	2025	2024	2025	2024
Accumulated benefit obligation:				
Discount rate	5.45%	5.70%	5.15%	5.55%
Benefit costs:				
Discount rate	5.70%	5.15%	5.55%	5.10%
Expected return on assets	5.70%	5.15%	N/A	N/A

The expected return on assets is derived using the plans' asset mix, historical returns by asset category and expectations for future capital market performance. Both the plans' investment policy and the expected long-term rate of return assumption are reviewed periodically. The plan's assets are allocated 100% in fixed income mutual fund investments.

In October 2021, the Society of Actuaries ("SOA") released an updated mortality improvement scale called MP-2021, which reflected one additional year of U.S. population mortality improvement data from the Social Security Administration ("SSA") and updated long-term improvement rates. The additional data shows a very small year-over-year increase in mortality. As new mortality tables and projection scales have been released by the SOA, OCC has reviewed the tables and adopted them as they were deemed the best estimate of anticipated future plan experience. The SOA released a 2022 mortality improvement update but did not publish a MP-2022 improvement scale. There were no changes to the mortality assumption for the years ended December 31, 2025 and 2024.

OCC's expected cash outlay for employer contributions for both plans in 2026 is \$4.6 million, and future expected cash outlays for benefit payments are as follows:

(IN THOUSANDS)

2026	\$ 2,467
2027	2,707
2028	2,869
2029	2,965
2030	3,028
2031-2035	14,922

In 2014, OCC adopted a liability-driven investment strategy, in which the return on investments held in the Retirement Plan aims to match the yield of the corporate bonds utilized in the calculation of the discount rate. As a result, the mix of investments was shifted to and remains 100% fixed income mutual funds.

Retirement plan assets, which are comprised of registered mutual funds, \$20.1 million and \$16.3 million, and money market funds, \$0.1 million and \$0.1 million at December 31, 2025 and 2024, respectively, are required to be reported and disclosed at fair value in the financial statements. See Note 16 for discussion about OCC's fair value policy. The shares of the underlying mutual funds are fair valued using quoted market prices in an active market, and therefore all

of the assets were considered Level 1 within the fair value hierarchy as of December 31, 2025 and 2024. There have been no changes in the valuation methodologies and there were no transfers between Levels 1 and 2 within the fair value hierarchy for the years ended December 31, 2025 and 2024.

OCC maintains a defined contribution plan ("401(k) plan") qualified under Internal Revenue Code Section 401(k) for eligible employees who elect to participate in the plan. Eligible employees may elect to have their salaries reduced by an amount that is subject to applicable IRS limitations. This amount is then paid into the plan by OCC on behalf of the employee.

Effective January 1, 2022, OCC made matching contributions to the participant's account equal to 50% of deferrals (excluding "catch-up" deposits) up to the first 12% of eligible compensation that is deferred. OCC's expenses for the matching contributions to the 401(k) plan for the years ended December 31, 2025, 2024 and 2023 were \$10.5 million, \$8.9 million, and \$7.8 million, respectively.

NOTE 15. POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

OCC has a postretirement welfare plan covering employees who meet specified age and service requirements. Retiree contributions to medical payments vary by age years of service and a retiree's medical plan coverage elections at retirement. The plan is a defined dollar benefit plan in which OCC's obligation is limited to a maximum amount per participant per year set by OCC at the time a participant retires.

During November 2014, the Board of Directors approved amendments to the postretirement welfare plan, including (1) eliminating the retiree life insurance coverage, (2) reducing the post-cap level amount, and (3) eliminating benefits for all participants retiring after December 31, 2014.

Financials

Net periodic benefit (income) cost consisted of the following:

YEARS ENDED DECEMBER 31, (IN THOUSANDS)	2025	2024	2023
Interest cost	\$ 225	\$ 227	\$ 247
Expected return on assets	(414)	(427)	(417)
Amortization:			
Prior service cost	(1,754)	(1,754)	(1,754)
Actuarial loss	782	809	833
Total net periodic benefit (income) cost	(1,161)	(1,145)	(1,091)
Net benefit (income) cost	\$ (1,161)	\$ (1,145)	\$ (1,091)

Other changes in plan assets and benefit obligations recognized in other comprehensive income include:

YEARS ENDED DECEMBER 31, (IN THOUSANDS)	2025	2024	2023
Amortization of net actuarial (loss)	\$ (782)	\$ (809)	\$ (833)
Amortization of net prior service credit	1,754	1,754	1,754
Net actuarial (gain) / loss for the period	(27)	104	(50)
Total recognized in other comprehensive income	945	1,049	871
Total recognized in net benefit cost and other comprehensive income	\$ (216)	\$ (96)	\$ (220)

Net actuarial losses of \$0.9 million recorded in accumulated other comprehensive loss are expected to be amortized as a component of net periodic benefit cost during 2026.

Plan assets, which are comprised of registered mutual funds, \$8.4 million and \$8.2 million, and money market funds, \$0.1 million and \$0.1 million at December 31, 2025 and 2024, respectively, are required to be reported and disclosed at fair value in the financial statements. See Note 16 for discussion about OCC's fair value policy. The shares of the underlying mutual funds are valued using quoted market prices in an active market, and therefore Level 1

within the fair value hierarchy as of December 31, 2025 and 2024. There have been no changes in the valuation methodologies and there were no transfers between Levels 1 and 2 within the fair value hierarchy for the years ended December 31, 2025 and 2024.

The primary investment objective for the plan is to maintain the plan's funded status. The plan's current target investment mix is 100% fixed income.

The actual asset allocation is as follows:

YEARS ENDED DECEMBER 31,	2025	2024
Fixed income funds	98%	98%
Domestic equity funds	2%	2%
Total	100%	100%

Financials

The plan's benefit obligation, plan assets and funded statuses are as follows:

YEARS ENDED DECEMBER 31, (IN THOUSANDS)	2025	2024
Change in benefit obligation:		
Benefit obligation		
at beginning of year	\$ 4,298	\$ 4,609
Interest cost	225	227
Actuarial loss / (gain)	105	(43)
Gross benefits paid	(453)	(495)
Benefit obligation		
at end of year	\$ 4,175	\$ 4,298
Change in plan assets:		
Fair value of plan assets		
at beginning of year	\$ 8,362	\$ 8,465
Actual return on plan assets	546	280
Employer contributions	108	112
Gross benefits paid	(453)	(495)
Fair value of plan assets		
at end of year	\$ 8,563	\$ 8,362
Funded status end of year:		
Fair value of plan assets	\$ 8,563	\$ 8,362
Benefit obligation	4,175	4,298
Funded status	\$ 4,388	\$ 4,064
Amounts recognized in the statements of financial condition:		
Noncurrent asset	\$ 4,388	\$ 4,064
Net amount recognized	\$ 4,388	\$ 4,064
Amounts recognized in accumulated other comprehensive loss consist of:		
Net actuarial loss	\$ 9,944	\$ 10,753
Net prior service (credit)	(16,313)	(18,067)
Net amount recognized	\$ (6,369)	\$ (7,314)

The significant reasons for these changes in the plan include the actual return on the fair value of plan assets since the prior measurement date was lower than expected, which reduced the funded status. The discount rate used to measure the Accumulated Postretirement Benefit Obligation ("APBO") increased compared to the prior year, which improved the funded position.

Medicare-eligible retirees must purchase both Medicare supplement and prescription drug coverage in the individual marketplace, and OCC will reimburse both coverages up to the Medicare-eligible retirees' cap amount.

The primary assumptions used to determine the accumulated benefit obligation and benefit costs are summarized below:

YEARS ENDED DECEMBER 31,	2025	2024	2023
Accumulated benefit obligation:			
Discount rate	5.05%	5.50%	5.10%
Health care cost trend rate	5.75%	6.00%	6.25%
Ultimate rate	5.00%	5.00%	5.00%
Benefit costs:			
Discount rate	5.50%	5.10%	5.45%
Expected long-term rate of return	5.10%	5.20%	5.20%
Health care cost trend rate	6.00%	6.25%	6.50%
Ultimate rate	5.00%	5.00%	5.00%

A quarter percentage point decrease in the assumed health care cost trend rate for each year would not have a material effect on the accumulated postretirement benefit obligation or net periodic benefit cost.

In October 2021, the Society of Actuaries ("SOA") released an updated mortality improvement scale called MP-2021, which reflected one additional year of U.S. population mortality improvement data from the Social Security Administration ("SSA") and updated long-term improvement rates. The additional data shows a very small year-over-year increase in mortality. As new mortality tables and projection scales have been released by the SOA, OCC has reviewed the tables and adopted them as they were deemed the best estimate of anticipated future plan experience. The SOA released a 2022 mortality improvement update but did not publish a MP-2022 improvement scale. There were no changes to the mortality assumption for the years ended December 31, 2025 and 2024.

OCC's expected cash outflows for future benefit payments are as follows:

(IN THOUSANDS)	
2026	\$ 475
2027	448
2028	430
2029	412
2030	393
2031-2035	1,668

NOTE 16. FAIR VALUE MEASUREMENTS

OCC follows applicable accounting guidance for measuring all financial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring or nonrecurring basis.

Level 1 measurements consist of quoted prices inactive markets for identical assets or liabilities. Level 2 measurements include significant other observable inputs, such as quoted prices for similar assets or liabilities in active markets; identical assets or liabilities in inactive markets; observable inputs, such as interest rates and yield curves; and other market-corroborated inputs. Level 3 measurements include significant unobservable inputs, supported by little or no market activity.

OCC uses Level 1 and 2 measurements to determine fair value. Level 1 measurements consist of registered mutual funds that publish a daily Net Asset Value. Level 2 measurements include U.S. and Canadian Government securities, which are generally valued using inputs from pricing services and are not quoted on active markets. There were no transfers between Level 1 and Level 2 during 2025 or 2024.

The SERP and executive deferred compensation plan assets comprise the full amount within the money market funds and registered mutual funds disclosed in the following table.

Assets measured at fair value on a recurring basis are summarized below:

DECEMBER 31, 2025 (IN THOUSANDS)	TOTAL	LEVEL 1	LEVEL 2
U.S. Government securities	\$ 4,104,460	\$ —	\$ 4,104,460
Canadian Government securities	261,079	—	261,079
Other assets:			
Money Market funds	1,730	1,730	—
Registered mutual funds	36,264	36,264	—
Total	\$ 4,403,533	\$ 37,994	\$ 4,365,539

DECEMBER 31, 2024 (IN THOUSANDS)	TOTAL	LEVEL 1	LEVEL 2
U.S. Government securities	\$ 3,712,273	\$ —	\$ 3,712,273
Canadian Government securities	194,718	—	194,718
Other assets:			
Money Market funds	1,161	1,161	—
Registered mutual funds	33,926	33,926	—
Total	\$ 3,942,078	\$ 35,087	\$ 3,906,991

Reverse repurchase agreements are recorded at carrying value and as such, are not included in the table above. Reverse repurchase agreements are generally valued based on inputs with reasonable levels of price transparency and the carrying value approximates fair value due to the short maturities of the investments.

NOTE 17. CONTINGENCIES

In the normal course of business, OCC may be subject to various lawsuits, claims, and other proceedings. In addition, as a regulated entity, OCC is subject to examination by the SEC and CFTC. At December 31, 2025, there are no outstanding litigation or regulatory matters pending for OCC that would have a material adverse effect on the financial statements.

NOTE 18. CAPITAL MANAGEMENT POLICY

The Capital Management Policy provides the principles used to quantify, monitor, and manage OCC's Equity such that OCC maintains sufficient liquid net assets funded by equity, as required by SEC rule, to cover general business losses and to continue operations and services as a going concern if losses materialize under a range of scenarios. The Capital Management Policy also includes OCC's plan to replenish its capital in the event its liquid net assets funded by equity falls close to or below target capital levels.

TARGET CAPITAL REQUIREMENT OCC defines its Target Capital Requirement as the amount of liquid net assets funded by equity recommended by Management and approved by the Board to ensure compliance under both the SEC and CFTC rules and to keep such additional amount the Board may approve for capital expenditures. OCC sets the Target Capital Requirement at a level sufficient to maintain liquid net assets funded by equity at least equal to the greater of: (x) six months of OCC's current operating expenses; (y) the amount determined by the Board of Directors to be sufficient to ensure a recovery or orderly wind-down of critical operations and services; and (z) the amount determined by the Board to be sufficient for OCC to continue operations and services as a going concern if general business losses materialize.

SKIN-IN-THE-GAME OCC defines its Minimum Corporate Contribution as the minimum level of OCC funds maintained exclusively to cover credit losses or liquidity shortfalls arising from a member default (commonly referred to as "skin-in-the-game"). The amount is determined by the Board of Directors from time to time and would be used to cover such losses or liquidity shortfalls prior to charging the Clearing Fund deposits of non-defaulting members. OCC initially set its Minimum Corporate Contribution at a level such that the sum of the Minimum Corporate Contribution and the Executive Deferred Compensation Plan ("EDCP") Unvested Balance, as defined in OCC's Rules, is at least 25% of OCC's Target Capital Requirement. The EDCP Unvested Balance would be charged *pari passu* with the Clearing Fund deposits of non-defaulting members. In addition to the Minimum

Corporate Contribution and EDCP Unvested Balance, OCC would also contribute liquid net assets funded by equity in excess of 110% of the Target Capital Requirement available at the time of a clearing member default as skin-in-the-game prior to charging the Clearing Fund deposits of non-defaulting members.

LIQUID NET ASSETS FUNDED BY EQUITY OCC defines liquid net assets funded by equity to be the level of cash and cash equivalents, no greater than Equity, less any approved adjustments (e.g., agency-related liabilities such as Section 31 fees held by OCC and the Minimum Corporate Contribution).

Details of the Target Capital Requirement, Minimum Corporate Contribution and liquid net assets funded by equity as of December 31, 2025 and 2024 (in thousands) follow:

YEARS ENDED DECEMBER 31,	2025	2024
Target capital requirement	\$ 286,000	\$ 274,000
Minimum corporate contribution	62,000	61,000
Liquid net assets funded by equity	555,175	383,259
Excess liquid net assets funded by equity available as skin-in-the-game	269,175	109,259
EDCP unvested balance	15,788	11,864

NOTE 19. SUBSEQUENT EVENTS

OCC has evaluated events subsequent to December 31, 2025 to assess the need for potential recognition or disclosure. These events have been evaluated through February 20, 2026, the date of report issuance.

On January 1, 2026, the clearing fee was re-established to \$0.025 per contract following the expiration of the fee holiday implemented in December 2025.

LINES OF CREDIT OCC increased the commitment amount of two pension counterparties to their committed repurchase facilities by \$200 million each, effective January 14, 2026, replacing \$400 million commitment of another pension counterparty, which was terminated effective January 15, 2026. OCC also renewed a \$250 million tranche of the committed repurchase facility with one of its pension counterparties, effective on January 29, 2026.

Report of Independent Registered Public Accounting Firm

TO THE SHAREHOLDERS AND THE BOARD OF DIRECTORS OF THE OPTIONS CLEARING CORPORATION

OPINION ON THE FINANCIAL STATEMENTS

We have audited the accompanying statements of financial condition of The Options Clearing Corporation (the "Corporation") as of December 31, 2025 and 2024, the related statements of income and comprehensive income, shareholders' equity, and cash flows, for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

BASIS FOR OPINION

These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on the Corporation's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Corporation in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due

to error or fraud. The Corporation is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

CRITICAL AUDIT MATTER

Critical audit matters are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

Deloitte + Touche LLP

Chicago, Illinois
February 20, 2026

WE HAVE SERVED AS THE
CORPORATION'S AUDITOR SINCE 1972.