



# Second Quarter 2024

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**Earnings Conference Call**

**July 16, 2024**



# Cautionary Statement

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## Regarding Forward-Looking and non-GAAP Financial Information

Our earnings conference call presentation is not intended as a full business or financial review and should be viewed in the context of all of the information made available by PNC in its SEC filings and on our corporate website.

The presentation contains forward-looking statements regarding our outlook for financial performance, such as earnings, revenues, expenses, tax rates, capital and liquidity levels and ratios, asset levels, asset quality, financial position, and other matters regarding or affecting PNC and its future business and operations, including sustainability strategy. Forward-looking statements are necessarily subject to numerous assumptions, risks and uncertainties, which change over time. The forward-looking statements in this presentation are qualified by the factors affecting forward-looking statements identified in the more detailed Cautionary Statement included in the Appendix. We provide greater detail regarding these as well as other factors in our 2023 Form 10-K, our first quarter 2024 Form 10-Q, and our subsequent SEC filings. Our forward-looking statements may also be subject to risks and uncertainties including those we may discuss in this presentation or in our SEC filings. Future events or circumstances may change our outlook and may also affect the nature of the assumptions, risks and uncertainties to which our forward-looking statements are subject. Forward-looking statements in this presentation speak only as of the date of this presentation. We do not assume any duty and do not undertake any obligation to update those statements. Actual results or future events could differ, possibly materially, from those anticipated in forward-looking statements, as well as from historical performance. As a result, we caution against placing undue reliance on any forward-looking statements.

We include non-GAAP financial information in this presentation. Reconciliations for such financial information may be found in our presentation, in these slides, including the Appendix, in other materials on our corporate website, and in our SEC filings. This information supplements our results as reported in accordance with GAAP and should not be viewed in isolation from, or as a substitute for, our GAAP results. We believe that this information and the related reconciliations may be useful to investors, analysts, regulators and others to help understand and evaluate our financial results, and with respect to adjusted metrics, because we believe they better reflect the ongoing financial results and trends of our businesses and increase comparability of period-to-period results. We may also use annualized, pro forma, estimated or third party numbers for illustrative or comparative purposes only. These may not reflect actual results.

References to our corporate website are to [www.pnc.com](http://www.pnc.com) under “About Us - Investor Relations.” Our SEC filings are available both on our corporate website and on the SEC’s website at [www.sec.gov](http://www.sec.gov). We include web addresses here as inactive textual references only. Information on these websites is not part of this presentation.

# Delivered Solid Second Quarter 2024 Results

- Grew net interest income and net interest margin
- Strong expense control; Generated positive operating leverage
- Recorded Visa gain, largely offset by other significant items in 2Q24
- Maintained relatively stable credit quality; CRE adequately reserved
- Increased capital position
- Maintained Stress Capital Buffer at regulatory minimum of 2.5%
- Start-to-trough CET1 ratio depletion of 1.6%, best in our peer group
- Increased quarterly dividend by \$0.05 to \$1.60 on July 2<sup>nd</sup>, reflecting our continued financial strength

**\$1.5 billion**

Net Income

**\$3.39**

Diluted Earnings per Share (EPS)

**+3 bps**

Net Interest Margin

**1.67%**

Allowance for Credit Losses to Total Loans

**10.2%**

Basel III CET1 Capital Ratio



– Basel III common equity Tier (CET) 1 capital ratio – 6/30/24 ratio as used in this presentation is estimated. Details of the calculation are in the financial highlights section of the earnings release.

# Avg. Loans Stable; Increased Securities and Grew Capital

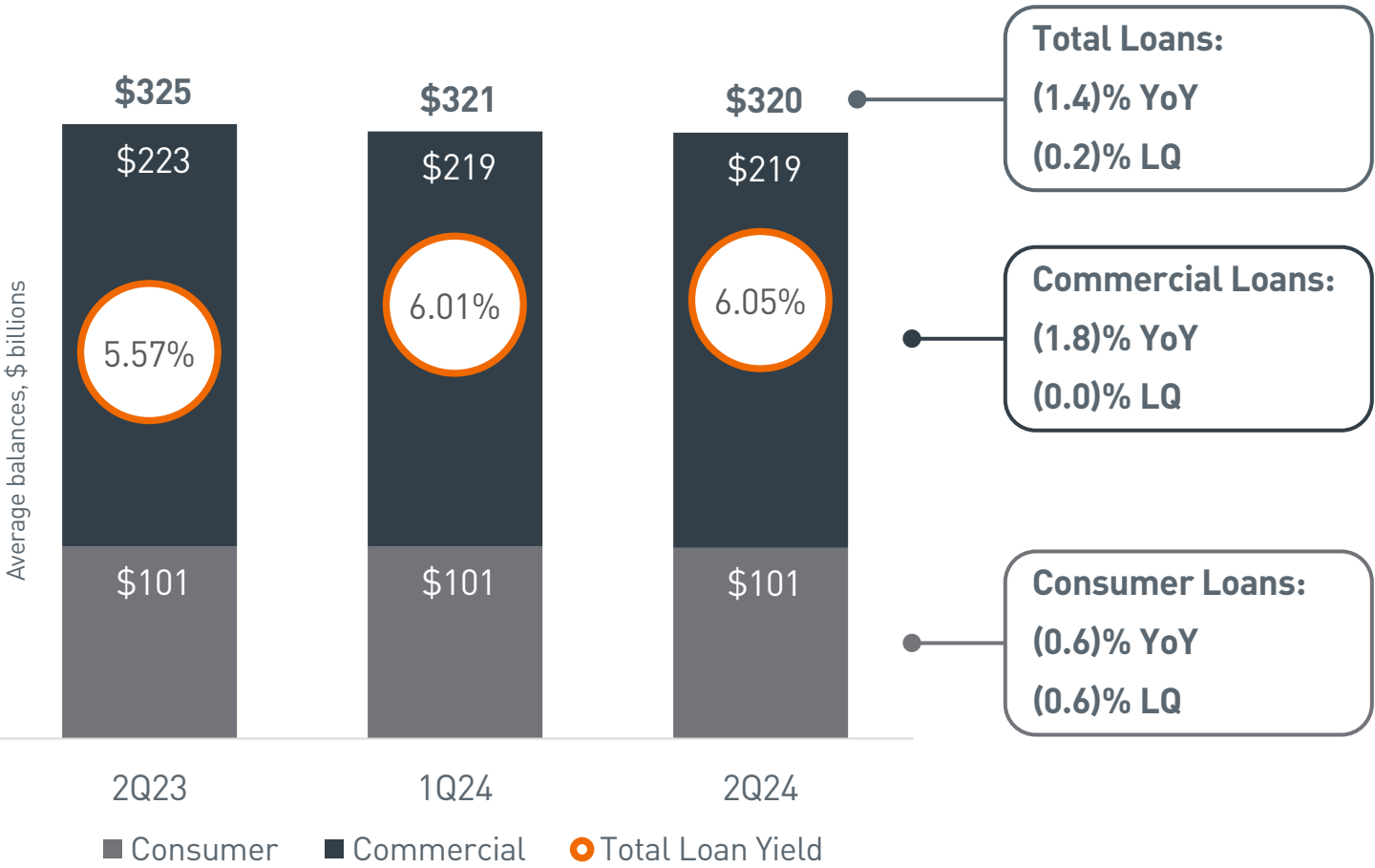
		2Q24 vs. 1Q24		2Q24 vs. 2Q23	
<i>Average balances, \$ billions</i>	2Q24	\$ Change	% Change	\$ Change	% Change
Total loans	\$319.9	\$(0.7)	–	\$(4.6)	(1)%
Investment securities	\$141.3	\$5.9	4%	\$0.3	–
Federal Reserve Bank (FRB) balances	\$40.7	\$(7.1)	(15)%	\$10.1	33%
Deposits	\$417.2	\$(2.9)	(1)%	\$(8.5)	(2)%
Borrowed funds	\$77.5	\$1.9	2%	\$11.8	18%
Common shareholders' equity	\$44.9	\$0.5	1%	\$3.2	8%
<i>Period end</i>	2Q24	1Q24	2Q24 vs. 1Q24	2Q23	2Q24 vs. 2Q23
Basel III CET1 capital ratio	10.2%	10.1%	10bps	9.5%	70bps
AOCI (\$ billions)	\$(7.4)	\$(8.0)	\$0.6	\$(9.5)	\$2.1
Tangible book value per common share (TBV) (non-GAAP)	\$89.12	\$85.70	4%	\$77.80	15%



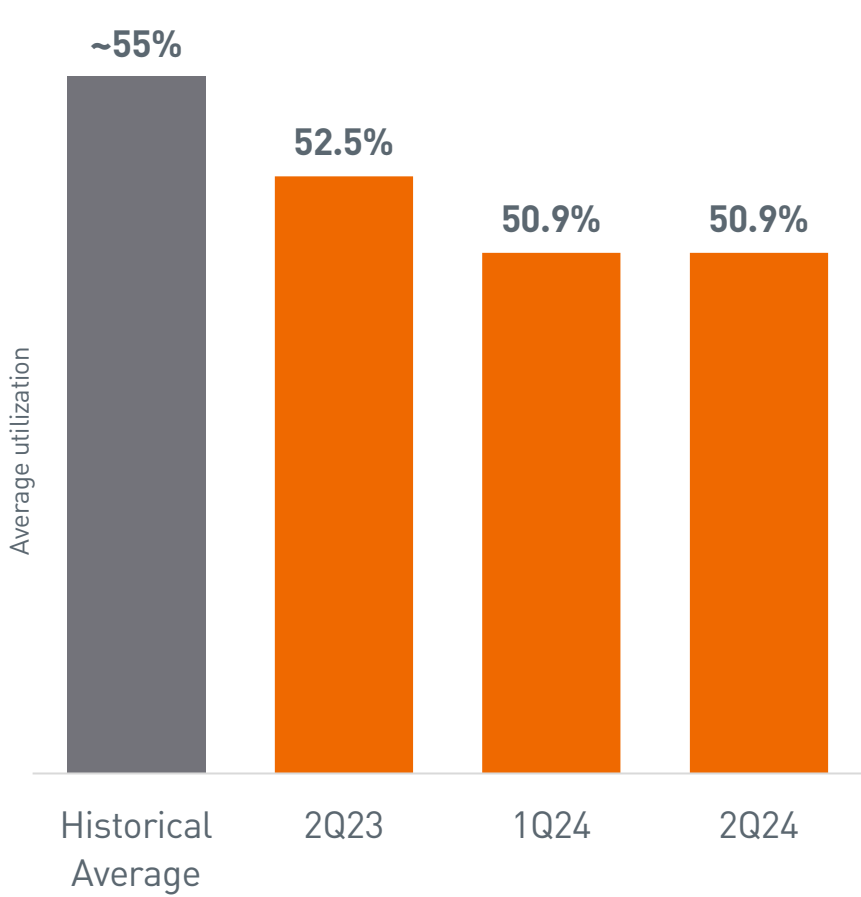
– AOCI represents accumulated other comprehensive income (loss).  
– Tangible book value per common share (non-GAAP) – See Reconciliation in the Appendix.

# Loans Impacted by Low Utilization

## Consolidated Loan Balances



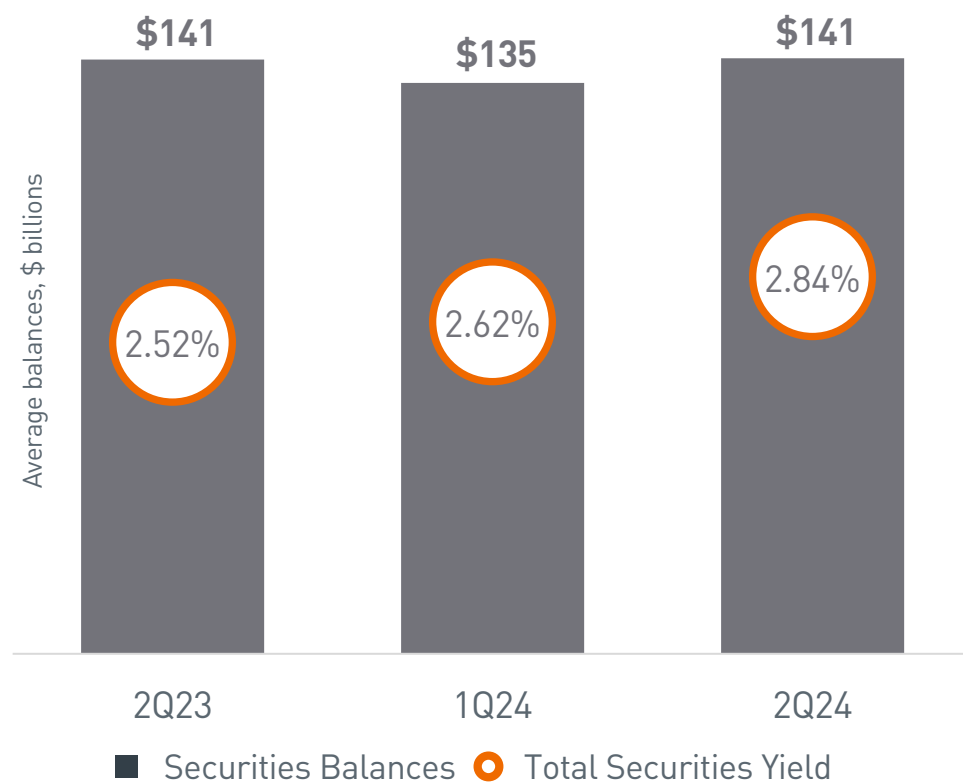
## C&IB Utilization Remains Low



# High-Quality, Short Duration Security and Swap Portfolios

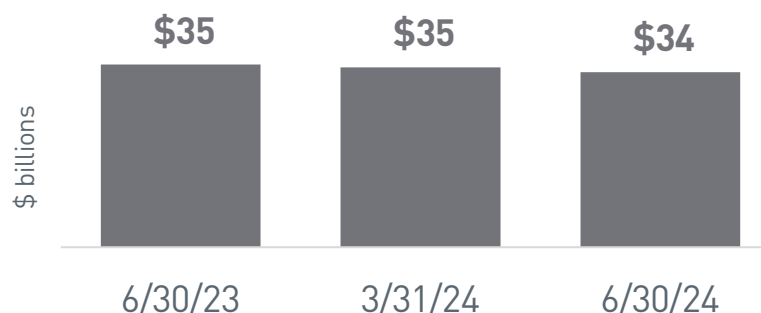
## Grew Average Securities Balances

Duration of 3.5 years



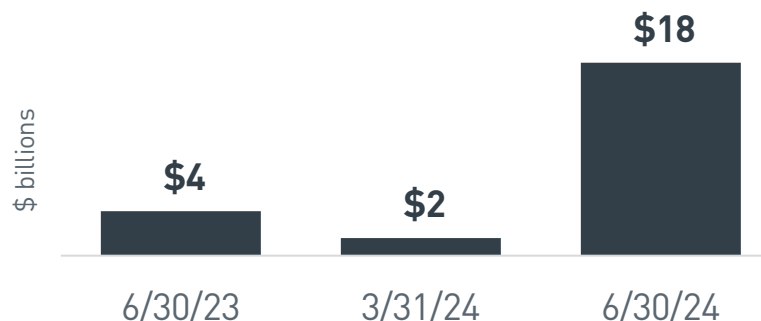
## Active Swap Balances

Receive fixed rate of 2.50% as of 6/30/24



## Forward Starting Swap Balances

Receive fixed rate of 4.31% as of 6/30/24



## Swap Portfolio

- In 2Q24, PNC entered into forward starting swaps that closely match active swap maturities through 2025
- The forward starting swaps lock in market rates
- Swap portfolio as of 6/30/24, including forward starters:
  - Duration of 2.2 years
  - 3.13% weighted average receive fixed rate

# Repositioned \$3.8 billion of Low Yielding Securities

## Repositioned a Portion of the Available for Sale Portfolio

## Impact to Net Interest Income

### Securities Sold

- \$3.8 billion of market value
- Weighted average yield of ~1.5%
- Resulted in \$497 million loss

**\$10 million**  
2Q 2024

**~\$70 million**  
2H 2024

### Securities Purchased

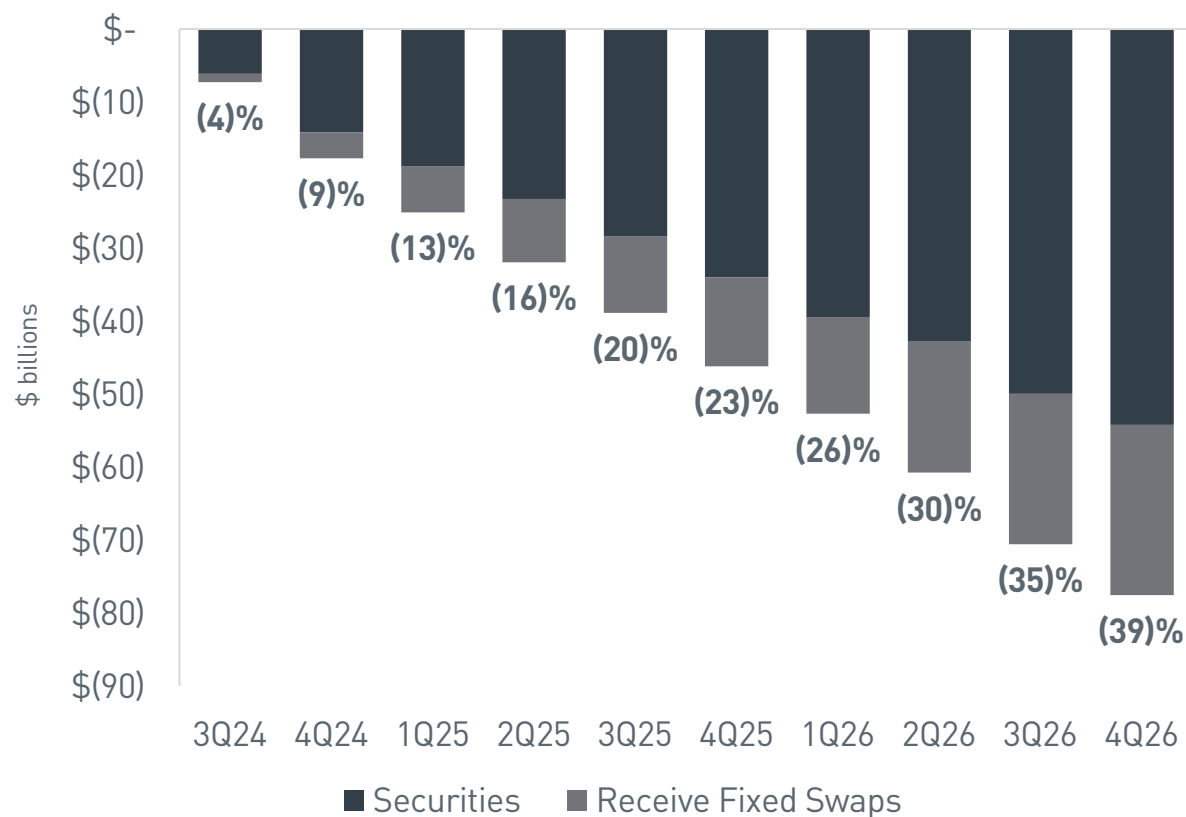
- \$3.8 billion of market value
- Weighted average yield of ~5.5%
- Earn-back period < 4 years

**~\$140 million**  
FY 2025

# Short Duration Driving Meaningful AOCI Accretion

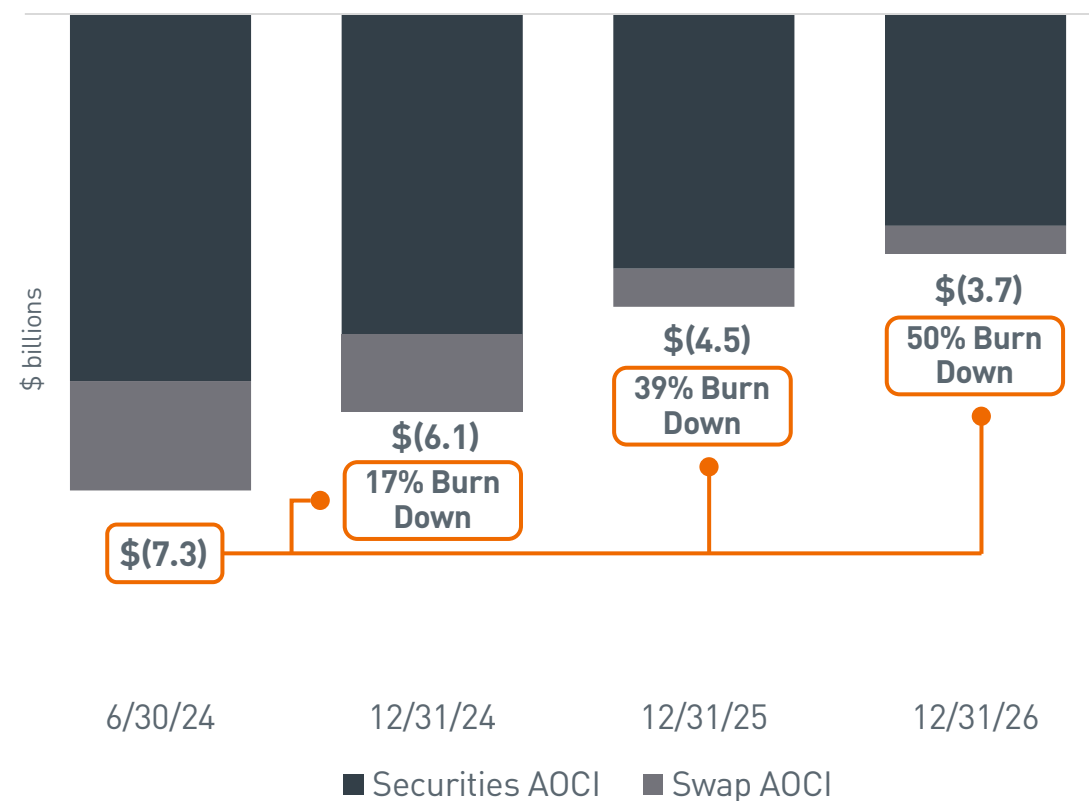
## Cumulative Projected Runoff

39% of securities and swap portfolio maturing through 2026



## Projected AOCI Accretion

50% of AOCI to accrete back through 2026

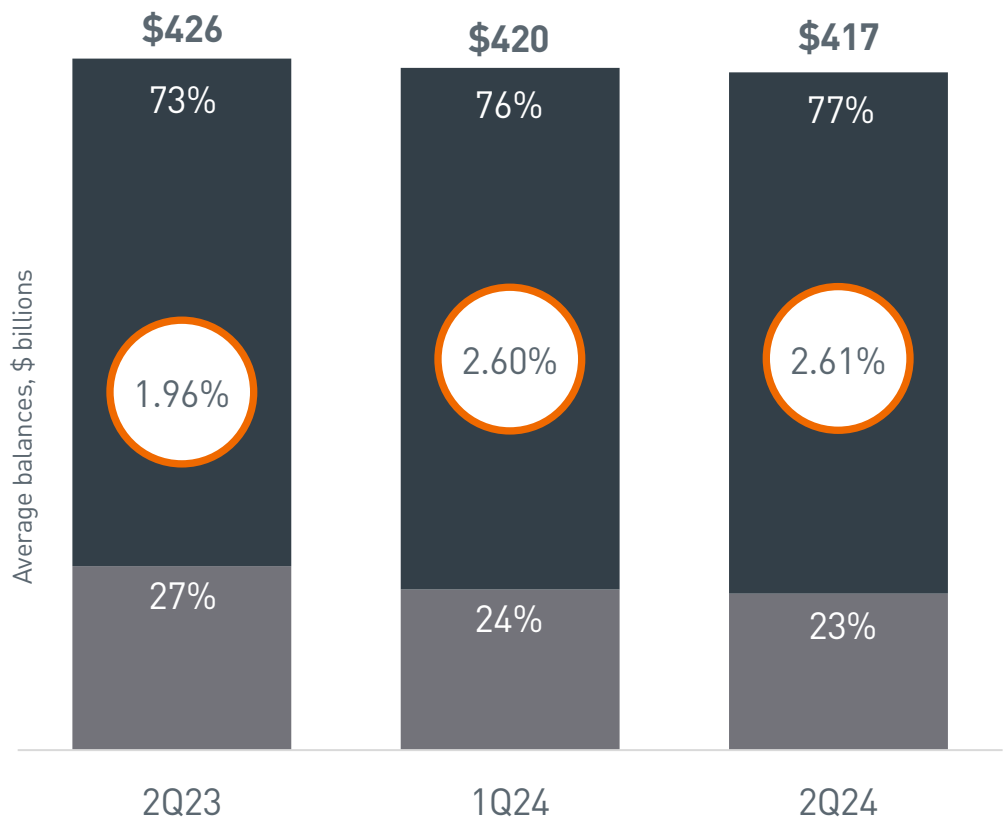


- Cumulative projected runoff and AOCI accretion are calculated along market implied forward interest rates as of 6/30/24, and captures scheduled principal payments, contractual maturities, and projected prepayments using internally validated models / assumptions. This represents our portfolio as of 6/30/24 and does not reflect future changes in composition of the securities portfolio.
- AOCI of negative \$7.3 billion in the chart represents AOCI related to ASC 320 Investments – Debt Securities and ASC 815 Derivatives and Hedging but excludes negative \$173 million of AOCI related to ASC 715 Compensation – Retirement Benefits and ASC 830 Foreign Currency Matters.



# Strong Deposit Base with Stabilizing Trends

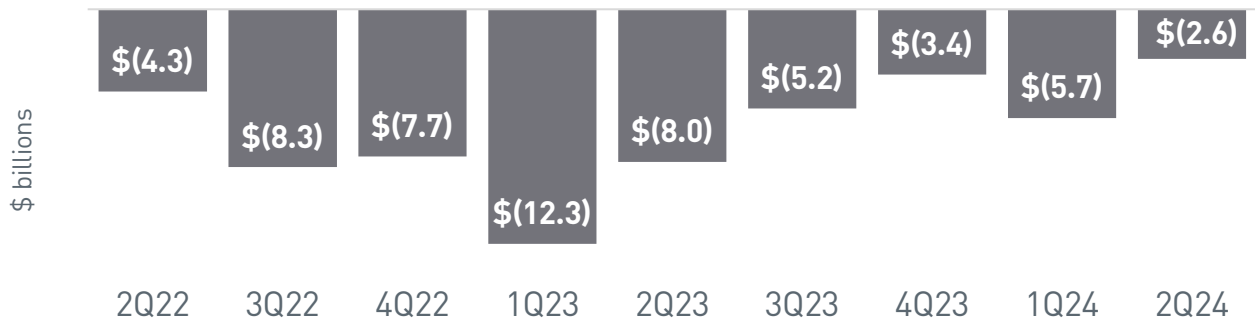
## Consolidated Deposit Balances



■ NIB Deposits ■ IB Deposits ○ Average Rate Paid on IB Deposits

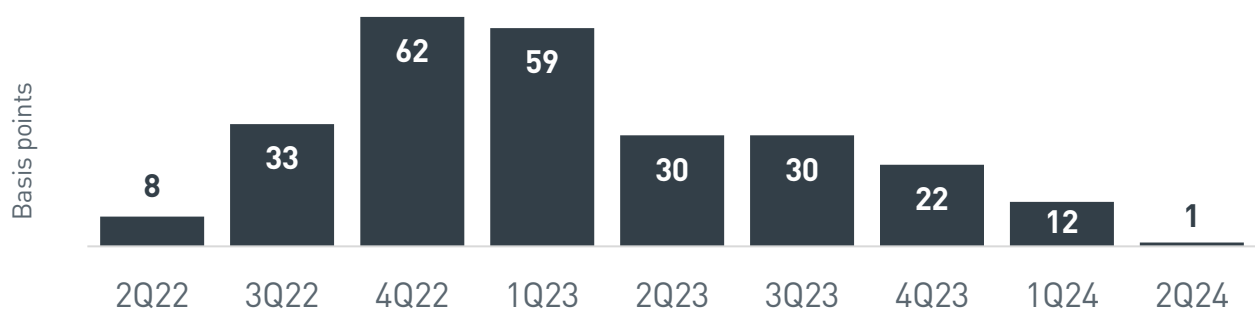
## Slowing Pace of Decline in NIB Balances

LQ change in average NIB deposit balances



## IB Deposit Rate Paid Stabilizing

LQ increase in rate paid on IB deposits



— IB Deposits represent interest-bearing deposits, and NIB Deposits represent noninterest-bearing deposits.  
— LQ represents linked quarter.

# Visa Gain Largely Offset by Other Significant Items in 2Q24

\$ millions	2024 Reported	Impact of 2024 Visa Gain and Other Significant Items				Net Impact of Sig. Items
		Visa Gain	Securities Sale	Visa Derivative	Foundation Contribution	
Net interest income	\$3,302					
Fee income	1,777					
Other noninterest income	332	754	(497)	(116)		141
Total revenue	\$5,411					
Noninterest expense	3,357				120	120
Pretax, pre-provision earnings (non-GAAP)	\$2,054	\$754	\$(497)	\$(116)	\$(120)	\$21
Provision for credit losses	235					
Income taxes (benefit)	342	140	(104)	(24)	(25)	(14)
Net income	\$1,477	\$614	\$(393)	\$(91)	\$(95)	\$35
<b>Diluted EPS</b>	<b>\$3.39</b>	<b>\$1.53</b>	<b>\$(0.98)</b>	<b>\$(0.23)</b>	<b>\$(0.24)</b>	<b>\$0.09</b>



- Tax impact of Visa Gain reflects tax benefit of shares donated to the PNC Foundation.
- Totals may not sum due to rounding.
- Pretax, pre-provision earnings (non-GAAP) – See Reconciliation in Appendix.

# Income Statement

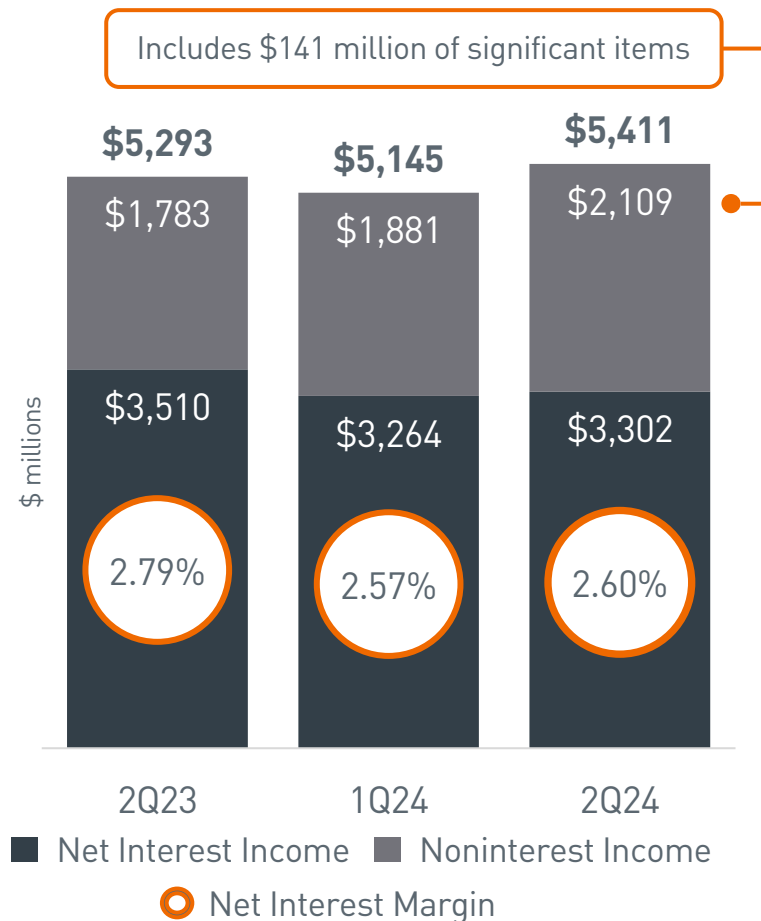
\$ millions	2024	2Q24 vs. 1Q24		2Q24 vs. 2Q23	
		\$	%	\$	%
Net interest income	\$3,302	\$38	1%	\$(208)	(6)%
Noninterest income	Includes \$141 million of significant items 2,109	228	12%	326	18%
Total revenue	\$5,411	\$266	5%	\$118	2%
Noninterest expense	Includes \$120 million foundation contribution expense 3,357	23	1%	(15)	–
Pretax, pre-provision earnings (non-GAAP)	\$2,054	\$243	13%	\$133	7%
Provision for credit losses	235	80	52%	89	61%
Income taxes	342	30	10%	67	24%
Net income	\$1,477	\$133	10%	\$(23)	(2)%
Diluted EPS	\$3.39	\$0.29	9%	\$0.03	1%
Key metrics	2Q24	1Q24	2Q23		
Noninterest income to total revenue	39%	37%	34%		
Net interest margin (non-GAAP)	2.60%	2.57%	2.79%		



- Pretax, pre-provision earnings (non-GAAP) – See Reconciliation in Appendix.
- Net interest margin is calculated using taxable-equivalent net interest income, a non-GAAP measure, see Reconciliation in the Appendix.
- Note: 1Q24 noninterest expense includes \$130 million FDIC Special Assessment.

# Revenue Increased; NII and NIM Inflected

## Total Revenue +5% vs. 1Q24



## Details of Noninterest Income

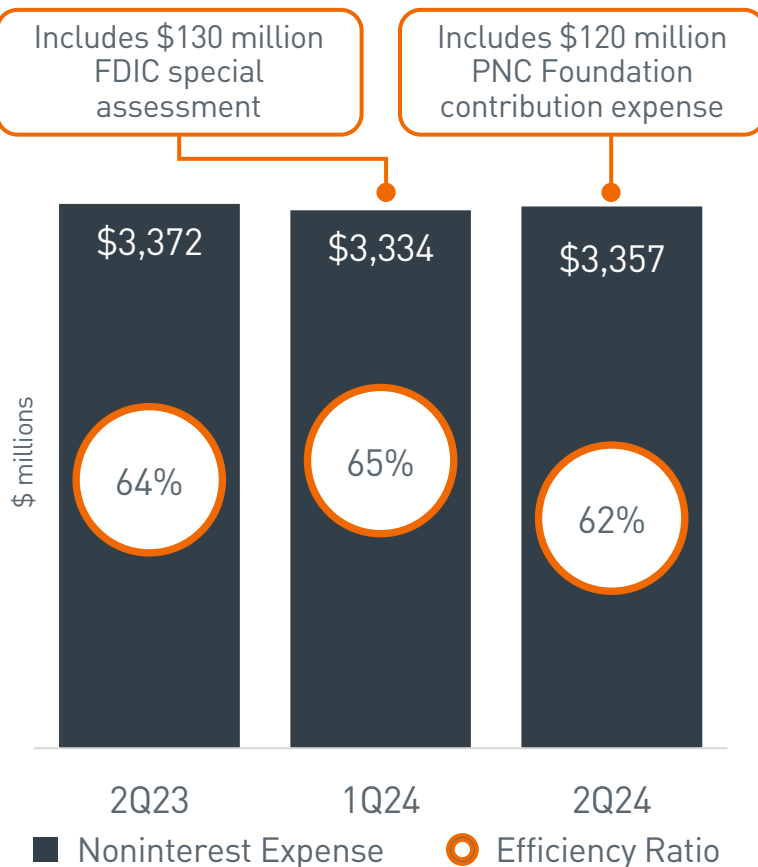
\$ millions	2Q24	2Q24 vs. 1Q24		2Q24 vs. 2Q23	
		\$	%	\$	%
Asset management and brokerage	\$364	–	–	\$16	5%
Capital markets and advisory	272	13	5%	59	28%
Card and cash management	706	35	5%	9	1%
Lending and deposit services	304	(1)	–	6	2%
Residential and commercial mortgage	131	(16)	(11)%	33	34%
Fee income	\$1,777	\$31	2%	\$123	7%
Other noninterest income	332	197	146%	203	157%
Noninterest income	\$2,109	\$228	12%	\$326	18%



- Significant items represents the pretax net impact of the Visa Gain of \$754 million, securities losses of (\$497) million, and Visa derivative of (\$116) million.
- NII represents net interest income. NIM represents net interest margin.

# Well Controlled Noninterest Expense

## Noninterest Expense

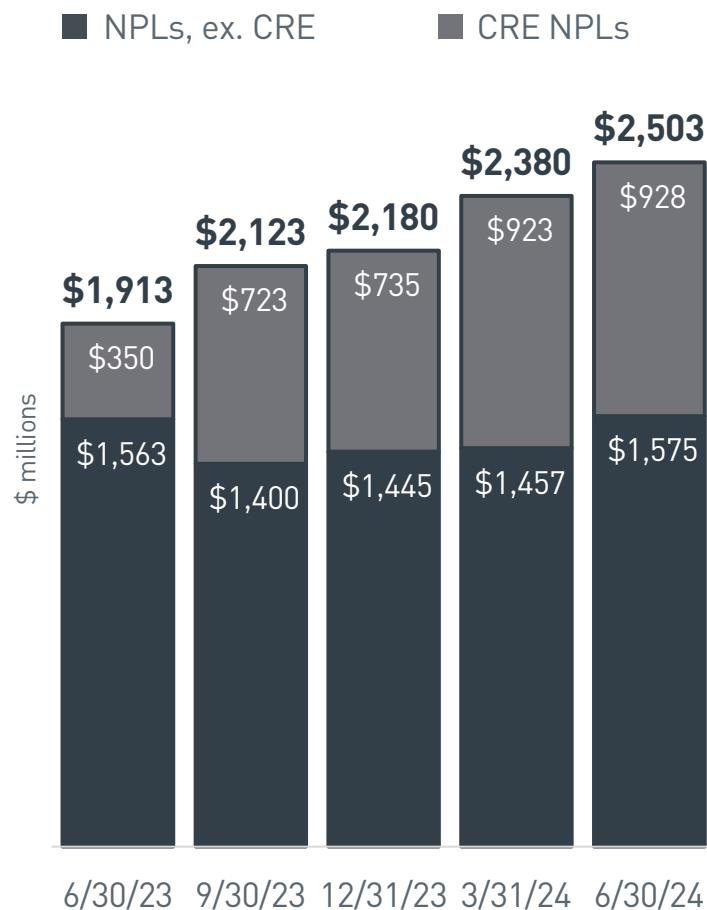


## Details of Noninterest Expense

\$ millions	2Q24	2Q24 vs. 1Q24		2Q24 vs. 2Q23	
		\$	%	\$	%
Personnel	\$1,782	\$(12)	(1)%	\$(64)	(3)%
Occupancy	236	(8)	(3)%	(8)	(3)%
Equipment	356	15	4%	7	2%
Marketing	93	29	45%	(16)	(15)%
Other	890	(1)	–	66	8%
Total noninterest expense	\$3,357	\$23	1%	\$(15)	–

# Credit Quality

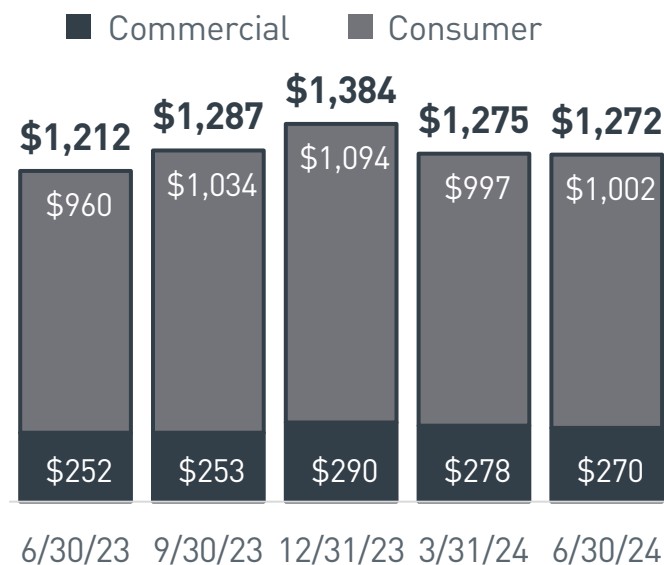
## Nonperforming Loans (NPLs)



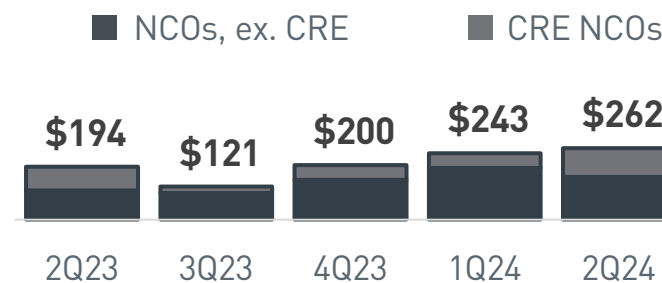
## Credit Quality Metrics

	2Q23	3Q23	4Q23	1Q24	2Q24
NPLs / Total Loans (Period end)	0.59%	0.67%	0.68%	0.74%	<b>0.78%</b>
Delinquencies / Total Loans (Period end)	0.38%	0.40%	0.43%	0.40%	<b>0.40%</b>
NCOs / Average Loans	0.24%	0.15%	0.24%	0.30%	<b>0.33%</b>
Allowance for Credit Losses to Total Loans	1.68%	1.70%	1.70%	1.68%	<b>1.67%</b>

## Delinquencies



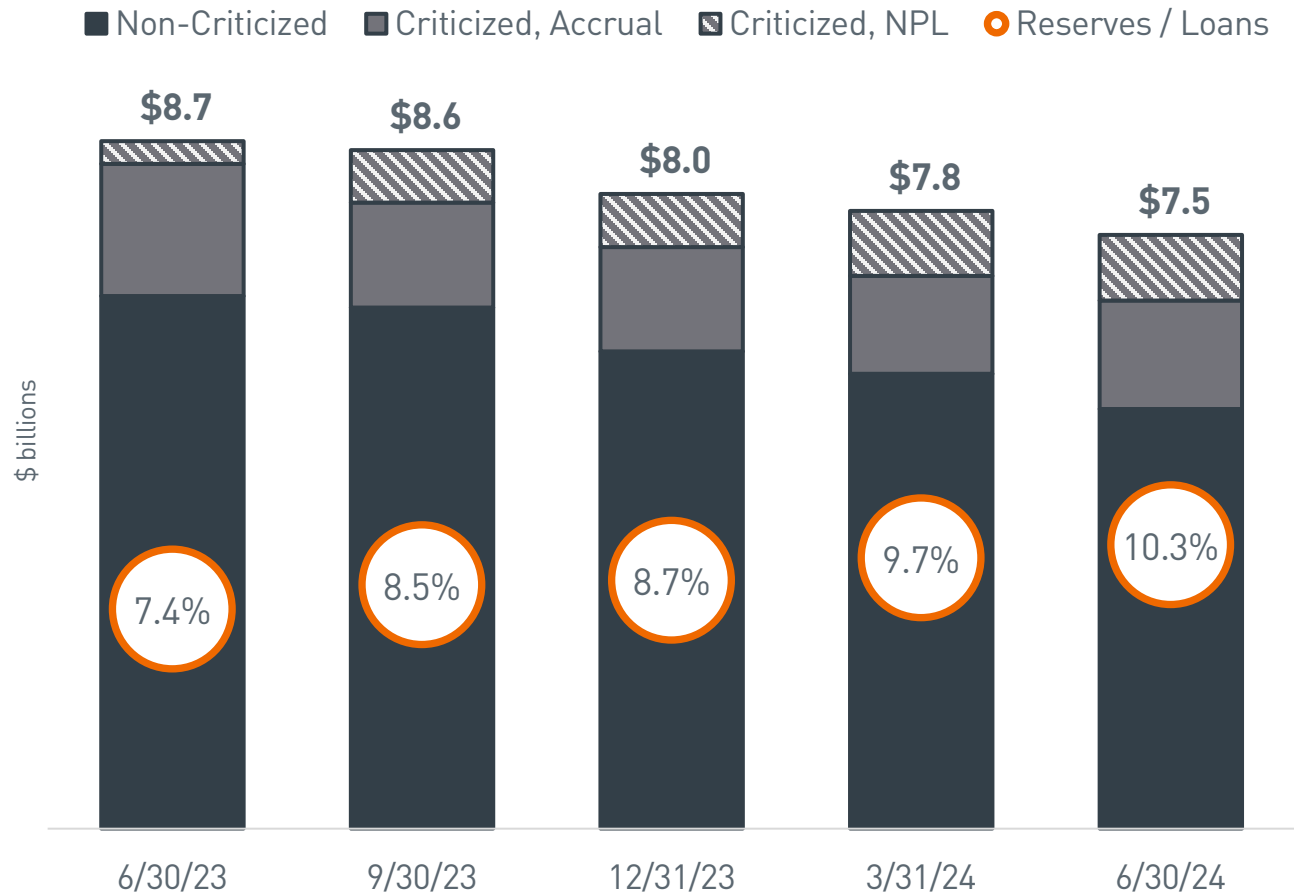
## Net Loan Charge-Offs (NCOs)



- NPLs, ex. CRE represent nonperforming loans excluding commercial real estate nonperforming loans. CRE NPLs represent commercial real estate nonperforming loans.
- NCOs / Average Loans represent annualized net loan charge-offs (NCOs) to average loans for the three months ended.
- Delinquencies represent accruing loans past due 30 days or more. Delinquencies to Total Loans represent delinquencies divided by period end loans.
- NCOs, ex. CRE represent NCOs excluding commercial real estate NCOs. CRE NCOs represent commercial real estate NCOs.

# Credit Quality – Office Commercial Real Estate (CRE)

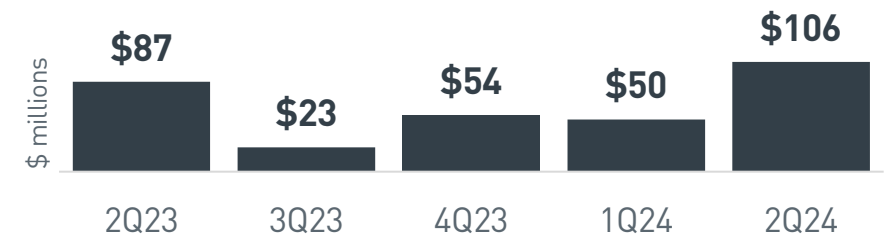
## Office CRE Loan Balances



## Office CRE Portfolio

As of 6/30/24	% Criticized	% NPL	% Reserved
Multi-Tenant	51.9%	19.7%	15.5%
Single Tenant	2.9%	0.5%	3.6%
Medical	0.4%	0.1%	4.2%
Government	0.0%	0.0%	3.0%
<b>Total Office CRE</b>	<b>29.3%</b>	<b>11.0%</b>	<b>10.3%</b>

## Office CRE Net Loan Charge-Offs



— NPL represents Nonperforming Loans.

— Criticized, Accrual loans represent loans that are designated as criticized, but still accruing. Criticized, NPL loans represent loans that are designated as criticized and nonperforming.

# Third Quarter 2024 Compared to Second Quarter 2024

<i>\$ millions; except loans, \$ billions</i>	<b>2Q24</b>	<b>3Q24 Guidance</b>
<b>Average loans</b>	\$319.9	Stable
<b>Net interest income</b>	\$3,302	Up 1% – 2%
<b>Fee income</b>	\$1,777	Up 1% – 2%
<b>Other noninterest income</b>	\$332	\$150 – \$200
<b>Core noninterest expense (non-GAAP)</b>	\$3,237	Up 3% – 4%
<b>Net charge-offs</b>	\$262	\$250 – \$300

- Refer to Cautionary Statement in the Appendix, including economic and other assumptions. Does not take into account impact of potential legal and regulatory contingencies.
- Average loans, net interest income, fee income and core noninterest expense outlooks represent estimated percentage change for 3Q24 compared to the respective 2Q24 figures presented in the table above.
- The third quarter 2024 guidance range for other noninterest income does not forecast net securities gains or losses and activities related to Visa Class B common shares.
- Core noninterest expense (non-GAAP) – See Reconciliation in the Appendix. The 2Q24 Core noninterest expense excludes the pretax impact of the PNC Foundation contribution expense (\$120 million in 2Q24). Including the impact of non-core expenses, our GAAP noninterest expense guidance equates to down 1% to stable.





# Full Year 2024 Compared to Full Year 2023

<i>\$ millions; except loans, \$ billions</i>	2023	Current	
Average loans	\$323.5	Down less than 1%	
Net interest income	\$13,916	Down ~4%	
Noninterest income	\$7,574	Up 3% – 5%	<b>Excludes \$141 million of 2Q24 Significant Items:</b> <ul style="list-style-type: none"> <li>\$754 million Visa gain</li> <li>\$(497) million of securities losses</li> <li>\$(116) million Visa derivative fair value adjustment</li> </ul>
Total revenue	\$21,490	Down 1% – 2%	
Core noninterest expense (non-GAAP)	\$13,347	Down ~1%	<b>Excludes \$250 million of non-core expenses:</b> <ul style="list-style-type: none"> <li>\$130 million FDIC Special Assessment (1Q24)</li> <li>\$120 million PNC Foundation Contribution Expense (2Q24)</li> </ul>
Effective tax rate	16.2%	~18.5%	

- Refer to Cautionary Statement in the Appendix, including economic and other assumptions. Does not take into account impact of potential legal and regulatory contingencies.
- 2024 guidance ranges, except effective tax rate, represent the estimated percentage change for full year 2024 compared to the respective full year 2023 figures presented in the table above.
- 2024 guidance ranges for revenue and noninterest income do not forecast net securities gains or losses and activities related to Visa Class B common shares and exclude \$141 million of 2Q24 significant items. Including the impact of the 2Q24 significant items, our GAAP noninterest income guidance range equates to up 5% - 7% and our GAAP total revenue guidance range equates to stable to down 1%.
- Core noninterest expense (non-GAAP) – See Reconciliation in the Appendix. The 2023 Core noninterest expense excludes the pretax impact of the FDIC's special assessment (\$515 million in 4Q23), as well as the workforce reduction charges incurred in 4Q23 (\$150 million). The full year 2024 guidance range excludes \$250 million in non-core expenses. Including the impact of non-core expenses, our GAAP noninterest expense guidance equates to down ~4%.



# Appendix: Cautionary Statement

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## Regarding Forward-Looking Information

We make statements in this presentation, and we may from time to time make other statements, regarding our outlook for financial performance, such as earnings, revenues, expenses, tax rates, capital and liquidity levels and ratios, asset levels, asset quality, financial position, and other matters regarding or affecting us and our future business and operations, including our sustainability strategy, that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act. Forward-looking statements are typically identified by words such as “believe,” “plan,” “expect,” “anticipate,” “see,” “look,” “intend,” “outlook,” “project,” “forecast,” “estimate,” “goal,” “will,” “should” and other similar words and expressions.

Forward-looking statements are necessarily subject to numerous assumptions, risks and uncertainties, which change over time. Future events or circumstances may change our outlook and may also affect the nature of the assumptions, risks and uncertainties to which our forward-looking statements are subject. Forward-looking statements speak only as of the date made. We do not assume any duty and do not undertake any obligation to update forward-looking statements. Actual results or future events could differ, possibly materially, from those anticipated in forward-looking statements, as well as from historical performance. As a result, we caution against placing undue reliance on any forward-looking statements.

Our forward-looking statements are subject to the following principal risks and uncertainties.

- Our businesses, financial results and balance sheet values are affected by business and economic conditions, including:
  - Changes in interest rates and valuations in debt, equity and other financial markets,
  - Disruptions in the U.S. and global financial markets,
  - Actions by the Federal Reserve Board, U.S. Treasury and other government agencies, including those that impact money supply, market interest rates and inflation,
  - Changes in customer behavior due to changing business and economic conditions or legislative or regulatory initiatives,
  - Changes in customers', suppliers' and other counterparties' performance and creditworthiness,
  - Impacts of sanctions, tariffs and other trade policies of the U.S. and its global trading partners,
  - Impacts of changes in federal, state and local governmental policy, including on the regulatory landscape, capital markets, taxes, infrastructure spending and social programs,
  - Our ability to attract, recruit and retain skilled employees, and
  - Commodity price volatility.

# Appendix: Cautionary Statement

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## Regarding Forward-Looking Information

- Our forward-looking financial statements are subject to the risk that economic and financial market conditions will be substantially different than those we are currently expecting. These statements are based on our views that:
  - Job and income gains will continue to support consumer spending growth this year, but PNC's baseline forecast is for slower economic growth in 2024 as higher interest rates remain a drag on the economy.
  - Real GDP growth this year will be close to trend at around 2%, and the unemployment rate will increase modestly to somewhat above 4% by the end of 2024. Inflation will continue to slow as wage pressures abate, gradually moving back to the Federal Reserve's 2% long-term objective.
  - With slowing inflation PNC expects two federal funds rate cuts of 25 basis points each at the Federal Open Market Committee's September and December meetings, with the rate ending this year in a range between 4.75% and 5.00%. PNC expects multiple federal funds rate cuts in 2025 as inflation continues to ease.
- PNC's ability to take certain capital actions, including returning capital to shareholders, is subject to PNC meeting or exceeding minimum capital levels, including a stress capital buffer established by the Federal Reserve Board in connection with the Federal Reserve Board's Comprehensive Capital Analysis and Review (CCAR) process.
- PNC's regulatory capital ratios in the future will depend on, among other things, PNC's financial performance, the scope and terms of final capital regulations then in effect and management actions affecting the composition of PNC's balance sheet. In addition, PNC's ability to determine, evaluate and forecast regulatory capital ratios, and to take actions (such as capital distributions) based on actual or forecasted capital ratios, will be dependent at least in part on the development, validation and regulatory review of related models and the reliability of and risks resulting from extensive use of such models.
- Legal and regulatory developments could have an impact on our ability to operate our businesses, financial condition, results of operations, competitive position, reputation, or pursuit of attractive acquisition opportunities. Reputational impacts could affect matters such as business generation and retention, liquidity, funding, and ability to attract and retain employees. These developments could include:
  - Changes to laws and regulations, including changes affecting oversight of the financial services industry, changes in the enforcement and interpretation of such laws and regulations, and changes in accounting and reporting standards.
  - Unfavorable resolution of legal proceedings or other claims and regulatory and other governmental investigations or other inquiries resulting in monetary losses, costs, or alterations in our business practices, and potentially causing reputational harm to PNC.
  - Results of the regulatory examination and supervision process, including our failure to satisfy requirements of agreements with governmental agencies.
  - Costs associated with obtaining rights in intellectual property claimed by others and of adequacy of our intellectual property protection in general.

# Appendix: Cautionary Statement

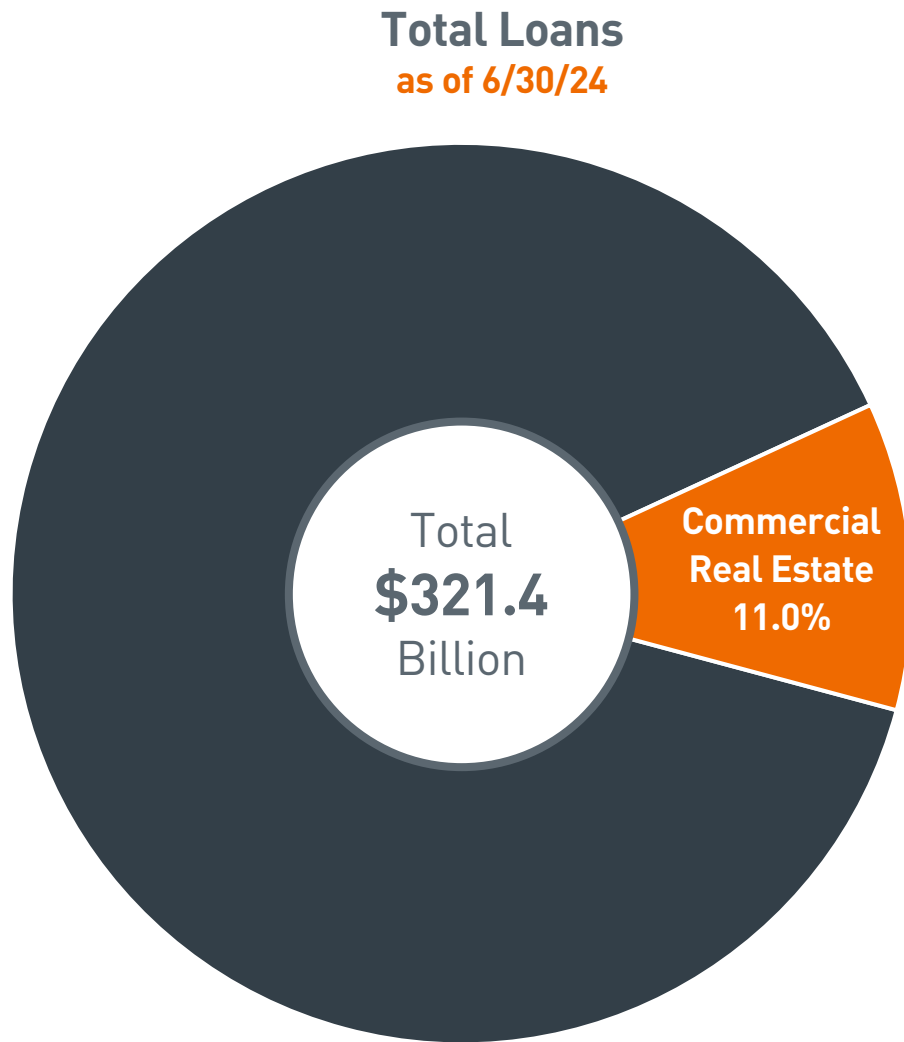
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## Regarding Forward-Looking Information

- Business and operating results are affected by our ability to identify and effectively manage risks inherent in our businesses, including, where appropriate, through effective use of systems and controls, third-party insurance, derivatives, and capital management techniques, and to meet evolving regulatory capital and liquidity standards.
- Our reputation and business and operating results may be affected by our ability to appropriately meet or address environmental, social or governance targets, goals, commitments or concerns that may arise.
- We grow our business in part through acquisitions and new strategic initiatives. Risks and uncertainties include those presented by the nature of the business acquired and strategic initiative, including in some cases those associated with our entry into new businesses or new geographic or other markets and risks resulting from our inexperience in those new areas, as well as risks and uncertainties related to the acquisition transactions themselves, regulatory issues, the integration of the acquired businesses into PNC after closing or any failure to execute strategic or operational plans.
- Competition can have an impact on customer acquisition, growth and retention and on credit spreads and product pricing, which can affect market share, deposits and revenues. Our ability to anticipate and respond to technological changes can also impact our ability to respond to customer needs and meet competitive demands.
- Business and operating results can also be affected by widespread manmade, natural and other disasters (including severe weather events), health emergencies, dislocations, geopolitical instabilities or events, terrorist activities, system failures or disruptions, security breaches, cyberattacks, international hostilities, or other extraordinary events beyond PNC's control through impacts on the economy and financial markets generally or on us or our counterparties, customers or third-party vendors and service providers specifically.

We provide greater detail regarding these as well as other factors in our 2023 Form 10-K and in our first quarter 2024 Form 10-Q, including in the Risk Factors and Risk Management sections and the Legal Proceedings and Commitments Notes of the Notes To Consolidated Financial Statements in those reports, and in our subsequent SEC filings. Our forward-looking statements may also be subject to other risks and uncertainties, including those we may discuss elsewhere in this news release or in our SEC filings, accessible on the SEC's website at [www.sec.gov](http://www.sec.gov) and on our corporate website at [www.pnc.com/secfilings](http://www.pnc.com/secfilings). We have included these web addresses as inactive textual references only. Information on these websites is not part of this document.

# Appendix: CRE Portfolio Represents 11% of Total Loans



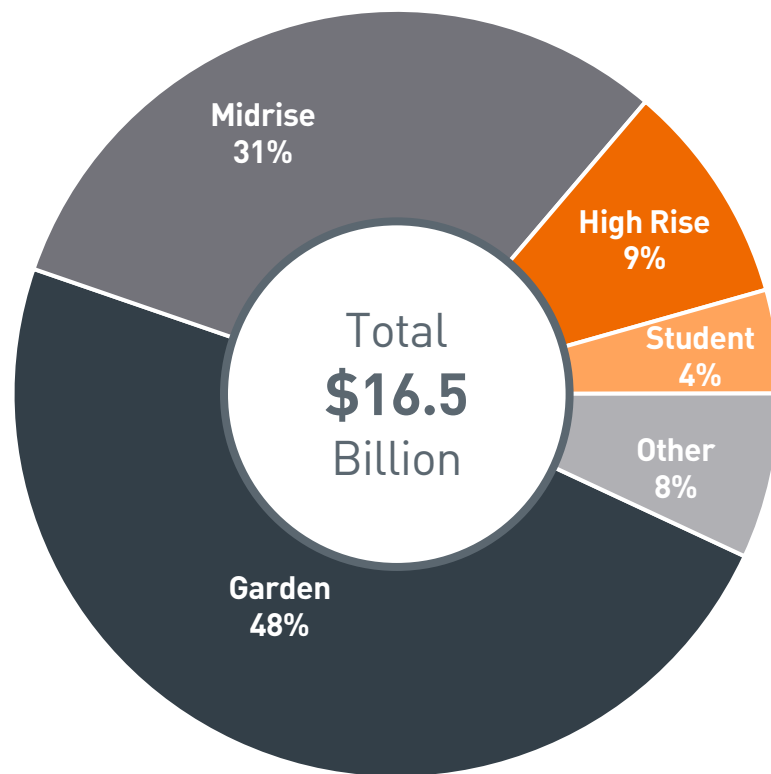
## PNC's Commercial Real Estate (CRE) Portfolio

<i>\$ billions</i>	<u>6/30/24</u>	<u>% of Total Loans</u>
<b>Multifamily</b>	<b>\$16.5</b>	<b>5.1%</b>
<b>Office</b>	<b>7.5</b>	<b>2.3%</b>
Industrial / Warehouse	4.1	1.3%
Retail	2.2	0.7%
Seniors Housing	1.9	0.6%
Hotel / Motel	1.7	0.5%
Mixed Use	0.4	0.1%
Other	1.2	0.4%
<b>Total</b>	<b>\$35.5</b>	<b>11.0%</b>

# Appendix: Multifamily CRE Portfolio

## CRE Multifamily Loans

as of 6/30/24



## Geographic Diversification

by Metropolitan Statistical Area

<i>\$ billions</i>	<u>6/30/24</u>
Miami, FL	\$1.2
Washington, DC	0.9
Phoenix, AZ	0.9
New York, NY	0.9
Dallas, TX	0.8
Houston, TX	0.7
Las Vegas, NV	0.7
Los Angeles, CA	0.6
San Diego, CA	0.5
Denver, CO	0.5
Other	8.9
<b>Total</b>	<b>\$16.5</b>

## Key Multifamily Portfolio Metrics:

Conservative Underwriting Methodology

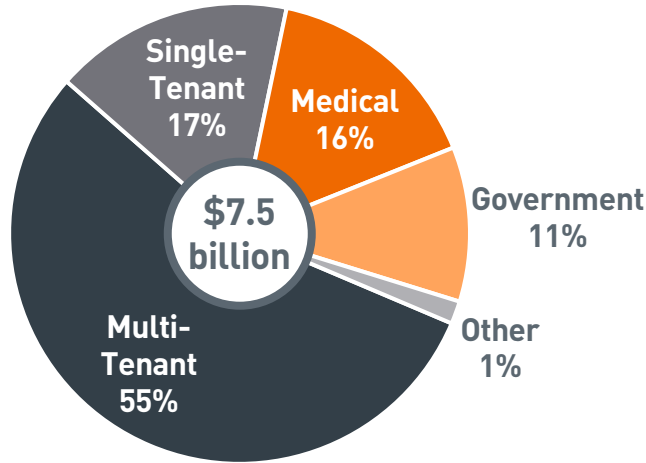
<i>\$ millions</i>	<u>6/30/24</u>	<u>3/31/24</u>
Total Loans (\$ billions)	\$16.5	\$16.1
Avg. Loan Commitment	\$30	\$30
Reserves / Loans	2.8%	2.8%
NCOs / Average Loans	0.0%	0.0%
Delinquencies / Loans	0.0%	0.0%
NPL / Loans	0.3%	0.3%
Criticized Loans / Loans	13.7%	14.1%



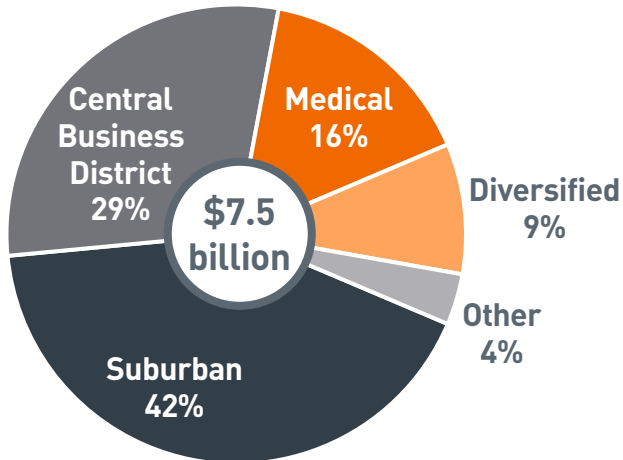
- Totals may not sum due to rounding.
- Average Loan Commitment for PNC Real Estate.
- NCOs / Average loans represents net loan charge-offs to average loans for the last twelve-month period.
- Delinquencies represent accruing loans past due 30 days or more.
- NPL represents Nonperforming Loans.

# Appendix: Office CRE Portfolio

## Tenant Classification



## Market Type



## Geographic Diversification

by Metropolitan Statistical Area

<i>\$ billions</i>	<u>6/30/24</u>
Washington, DC	\$1.0
Los Angeles, CA	1.0
Dallas, TX	0.5
San Francisco, CA	0.3
New York, NY	0.3
San Diego, CA	0.3
Chicago, IL	0.3
Baltimore, MD	0.3
Boston, MA	0.2
Austin, TX	0.2
Other	3.2
<b>Total</b>	<b>\$7.5</b>

## Key Office Portfolio Metrics:

Conservative Underwriting Methodology

<i>\$ millions</i>	<u>6/30/24</u>	<u>3/31/24</u>
Total Loans (\$ billions)	\$7.5	\$7.8
Avg. Loan Commitment	\$34	\$35
Reserves / Loans	10.3%	9.7%
NCOs / Average Loans	2.9%	2.6%
Delinquencies / Loans	0.1%	0.0%
NPL / Loans	11.0%	10.5%
Criticized Loans / Loans	29.3%	26.4%



- Totals may not sum due to rounding.
- Average Loan Commitment for PNC Real Estate.
- NCOs / Average loans represents net loan charge-offs to average loans for the last twelve-month period.
- Delinquencies represent accruing loans past due 30 days or more.
- NPL represents Nonperforming Loans.

# Appendix: Non-GAAP to GAAP Reconciliation

## Consolidated CET1 Ratio, including AOCI & Other Fully Phased-In Expanded Risk-Based Approach (ERBA) Impacts, Basel III Endgame Impacts (non-GAAP)

<i>June 30, 2024 (estimated); \$ billions</i>	<i>Common Equity Tier 1 Capital</i>	<i>June 30, 2024 (estimated); \$ billions</i>	<i>Risk Weighted Assets</i>
Common stock, related surplus and retained earnings, net of treasury stock	\$54.1	<b>Risk-weighted assets (RWA), standardized approach</b>	<b>\$423.3</b>
Goodwill and disallowed intangibles, net of deferred tax liabilities	(11.0)	Estimated Impacts to RWA from AOCI Adjustments	3.4
All other adjustments	(0.1)	<b>Risk-weighted assets, including AOCI</b>	<b>\$426.7</b>
<b>Common equity Tier 1 capital (as Reported)</b>	<b>\$43.0</b>	Additional Net Impacts to RWA from Basel III Endgame	15.8
Estimated AOCI Adjustments, Basel III Endgame	(5.9)	<b>Risk-weighted Assets, Fully Phased-In ERBA, Basel III Endgame</b>	<b>\$442.5</b>
<b>Common equity Tier 1 capital, including AOCI</b>	<b>\$37.1</b>		
Estimated Additional Impact from Threshold Deductions, Basel III Endgame	–		
<b>Common equity Tier 1 capital, Basel III Endgame</b>	<b>\$37.1</b>		
<b>Common equity Tier 1 ratio</b>	<b>10.2%</b>		
<b>Common equity Tier 1 ratio, including AOCI (non-GAAP)</b>	<b>8.7%</b>		
<b>Common equity Tier 1 ratio, fully phased-in ERBA, Basel III Endgame (non-GAAP)</b>	<b>8.4%</b>		

Note: Totals may not sum due to rounding. As permitted, PNC has elected to exclude AOCI related to both available for sale securities and pension and other post-retirement plans from CET1 capital. CET1 ratio, including AOCI, is a non-GAAP measure and is calculated based on common equity Tier 1 capital, inclusive of AOCI adjustments, divided by risk-weighted assets, inclusive of AOCI adjustments. AOCI adjustments include ASC 320 Investments – Debt Securities and ASC 815 Derivatives and Hedging, ASC 715 Compensation – Retirement Benefits, as well as changes related to deferred taxes. We believe this non-GAAP measure shows, among other things, the impact of adding back net unrealized gains and subtracting net unrealized losses on AFS / HTM securities and the subsequent impact to our CET1 ratio. CET1 ratio, Basel III Endgame, is a non-GAAP measure and is calculated based on common equity Tier 1 capital, inclusive of AOCI and additional Basel III Endgame adjustments, divided by risk-weighted assets, inclusive of AOCI and additional Basel III Endgame adjustments. Additional Basel III Endgame adjustments include MSR threshold deductions, as well as adjustments related to credit risk, operational risk, credit valuation adjustments, and market risk. We believe this non-GAAP measure shows, among other things, the full impact of the Basel III Endgame NPR and the subsequent impact to our CET1 ratio.



# Appendix: Non-GAAP to GAAP Reconciliation

## Core Noninterest Expense (non-GAAP)

\$ millions	For the three months ended		For the year ended
	June 30, 2024	Mar. 31, 2024	Dec. 31, 2023
Total noninterest expense	\$3,357	\$3,334	\$14,012
2Q24 PNC Foundation contribution expense	(120)		
Workforce reduction charge			(150)
FDIC special assessment		(130)	(515)
Non-core noninterest expense	\$(120)	\$(130)	\$(665)
<b>Core noninterest expense (non-GAAP)</b>	<b>\$3,237</b>	<b>\$3,204</b>	<b>\$13,347</b>



We believe this non-GAAP measure to be a useful tool for comparison of operating expenses incurred during the normal course of business. The exclusion of FDIC special assessment costs, workforce reduction charges and Visa shares donated to the PNC Foundation increases comparability across periods, demonstrates the impact of significant items and provides a useful measure for determining PNC's expenses that are core to our business operations and expected to recur over time.

# Appendix: Non-GAAP to GAAP Reconciliation

## Pretax, Pre-Provision Earnings (non-GAAP)

\$ millions	For the three months ended		
	June 30, 2024	Mar. 31, 2024	June 30, 2023
Total revenue	\$5,411	\$5,145	\$5,293
Total noninterest expense	3,357	3,334	3,372
<b>Pretax, pre-provision earnings (non-GAAP)</b>	<b>\$2,054</b>	<b>\$1,811</b>	<b>\$1,921</b>

# Appendix: Non-GAAP to GAAP Reconciliation

## Taxable-Equivalent Net Interest Income (non-GAAP)

\$ millions	For the three months ended		
	June 30, 2024	Mar. 31, 2024	June 30, 2023
Net interest income	\$3,302	\$3,264	\$3,510
Taxable-equivalent adjustments	34	34	37
<b>Net interest income - fully taxable-equivalent (non-GAAP)</b>	<b>\$3,336</b>	<b>\$3,298</b>	<b>\$3,547</b>



The interest income earned on certain earning assets is completely or partially exempt from federal income tax. As such, these tax-exempt instruments typically yield lower returns than taxable investments. To provide more meaningful comparisons of net interest income, we use interest income on a taxable-equivalent basis by increasing the interest income earned on tax-exempt assets to make it fully equivalent to interest income earned on taxable investments. This adjustment is not permitted under GAAP. Taxable-equivalent net interest income is only used for calculating net interest margin. Net interest income shown elsewhere in this presentation is GAAP net interest income.

# Appendix: Non-GAAP to GAAP Reconciliation

## Tangible Book Value per Common Share (non-GAAP)

\$ millions, except per share data	For the three months ended		
	June 30, 2024	Mar. 31, 2024	June 30, 2023
Book value per common share	\$116.70	\$113.30	\$105.67
Tangible book value per common share			
Common shareholders' equity	\$46,397	\$45,097	\$42,083
Goodwill and other intangible assets	(11,206)	(11,225)	(11,357)
Deferred tax liabilities on goodwill and other intangible assets	241	242	256
Tangible common shareholders' equity	\$35,432	\$34,114	\$30,982
Period end common shares outstanding <i>(in millions)</i>	398	398	398
<b>Tangible book value per common share (non-GAAP)</b>	<b>\$89.12</b>	<b>\$85.70</b>	<b>\$77.80</b>



Tangible book value per common share is a non-GAAP measure and is calculated based on tangible common shareholders' equity divided by period end common shares outstanding. We believe this non-GAAP measure serves as a useful tool to help evaluate the strength and discipline of a company's capital management strategies and as an additional, conservative measure of total company value.

# Appendix: Non-GAAP to GAAP Reconciliation

## Tangible Common Equity Ratio (non-GAAP)

\$ millions	For the three months ended		
	June 30, 2024	Mar. 31, 2024	June 30, 2023
Tangible common shareholders' equity			
Common shareholders' equity	\$46,397	\$45,097	\$42,083
Goodwill and other intangible assets	(11,206)	(11,225)	(11,357)
Deferred tax liabilities on goodwill and other intangible assets	241	242	256
Tangible common shareholders' equity	\$35,432	\$34,114	\$30,982
Tangible assets			
Total assets	\$556,519	\$566,162	\$558,207
Goodwill and other intangible assets	(11,206)	(11,225)	(11,357)
Deferred tax liabilities on goodwill and other intangible assets	241	242	256
Tangible assets	\$545,554	\$555,179	\$547,106
<b>Tangible common equity ratio (non-GAAP)</b>	<b>6.49%</b>	<b>6.14%</b>	<b>5.66%</b>



Tangible common equity ratio is a non-GAAP measure and is calculated based on tangible common shareholders' equity divided by tangible assets. We believe this non-GAAP measure to be a key financial metric in assessing capital adequacy.

# Appendix: Non-GAAP to GAAP Reconciliation

## Return On Average Tangible Common Equity (non-GAAP)

\$ millions	For the three months ended		
	June 30, 2024	Mar. 31, 2024	June 30, 2023
Return on average common shareholders' equity	12.16%	11.39%	13.01%
Average common shareholders' equity	\$44,916	\$44,421	\$41,747
Average goodwill and other intangible assets	(11,216)	(11,235)	(11,368)
Average deferred tax liabilities on goodwill and other intangible assets	242	243	258
Average tangible common equity	\$33,942	\$33,429	\$30,637
Net income attributable to common shareholders	\$1,362	\$1,247	\$1,354
Net income attributable to common shareholders, if annualized	\$5,463	\$5,058	\$5,431
<b>Return on average tangible common equity (non-GAAP)</b>	<b>16.10%</b>	<b>15.13%</b>	<b>17.73%</b>



Return on average tangible common equity is a non-GAAP financial measure and is calculated based on annualized net income attributable to common shareholders divided by tangible common equity. We believe that return on average tangible common equity is useful as a tool to help measure and assess a company's use of common equity.

# Appendix: Expectations for Preferred Dividends

## Preferred Dividends

\$ millions	For the three months ended				For the year ended
	Mar. 31, 2024	June 30, 2024	Sept. 30, 2024	Dec. 31, 2024	Dec. 31, 2024
Preferred dividends	\$82	\$95	\$82	\$94	\$352