UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

July 18, 2023
Date of Report (Date of earliest event reported)

THE PNC FINANCIAL SERVICES GROUP, INC.
(Exact name of registrant as specified in its charter)

Commission File Number 001-09718

Pennsylvania	**25-1435979**
(State or other jurisdiction of incorporation)	**(I.R.S. Employer Identification No.)**

The Tower at PNC Plaza
300 Fifth Avenue
Pittsburgh, Pennsylvania 15222-2401
(Address of principal executive offices, including zip code)

(888) 762-2265
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value $5.00	PNC	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01 Other Events

On July 18, 2023, The PNC Financial Services Group, Inc. (the "Corporation") held a conference call for investors regarding the Corporation's earnings and business results for the second quarter of 2023. The Corporation provided electronic presentation slides on its website used in connection with the related investor conference call. Copies of the electronic presentation slides are included in this Report as Exhibit 99.1 and are furnished herewith.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Number	Description	Method of Filing
99.1	Electronic presentation slides for earning release conference call	Furnished herewith
104	The cover page of this Current Report on Form 8-K, formatted in Inline XBRL.	

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE PNC FINANCIAL SERVICES GROUP, INC.
(Registrant)

Date: July 18, 2023

By: /s/ Gregory H. Kozich
Gregory H. Kozich
Senior Vice President and Controller

Exhibit 99.1

Second Quarter 2023

Earnings Conference Call

July 18, 2023

The PNC Financial Services Group

PNC

Cautionary Statement 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 and other factors in our 2022 Form 10-K, our first quarter 2023 Form 10-Q, and our other 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. Non-GAAP financial information includes adjusted financial metrics such as tangible book value per common share, pretax, pre-provision earnings, net interest margin, common equity tier 1 ratio (including AOCI), and tangible common equity ratio. 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 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. We include web addresses here as inactive textual references only. Information on these websites is not part of this presentation.

Delivered Solid Second Quarter 2023 Results

- Continued to execute on our strategic priorities
- Grew consumer households and commercial relationships
- Increased capital position
- Well-controlled expenses
- Maintained strong credit quality
- Improved Stress Capital Buffer to regulatory floor of 2.5% beginning in the fourth quarter of 2023
- Increased quarterly dividend by $0.05 to $1.55, reflecting continued strong capital and liquidity levels

Net Income
$1.5 billion

Diluted Earnings Per Share
$3.36

Net Charge-Off Ratio
0.24%

Basel III CET 1 Capital Ratio
9.5%

CET 1 Capital Ratio, Including AOCI (non-GAAP)
7.7%

Tangible Common Equity Ratio (non-GAAP)
5.7%

– Net Charge-Off Ratio represents annualized net charge-offs (NCOs) to average loans for the three months ended.
– Basel III common equity Tier (CET) 1 capital ratio – 6/30/23 ratio is estimated. Details of the calculation are in the capital ratios table in the financial highlights section of the earnings release.
– AOCI represents accumulated other comprehensive income.
– CET 1 Ratio, Including AOCI (non-GAAP) – See Reconciliation in Appendix. The ratio is estimated as of 6/30/23.
– Tangible common equity ratio (non-GAAP) – See Reconciliation in Appendix.

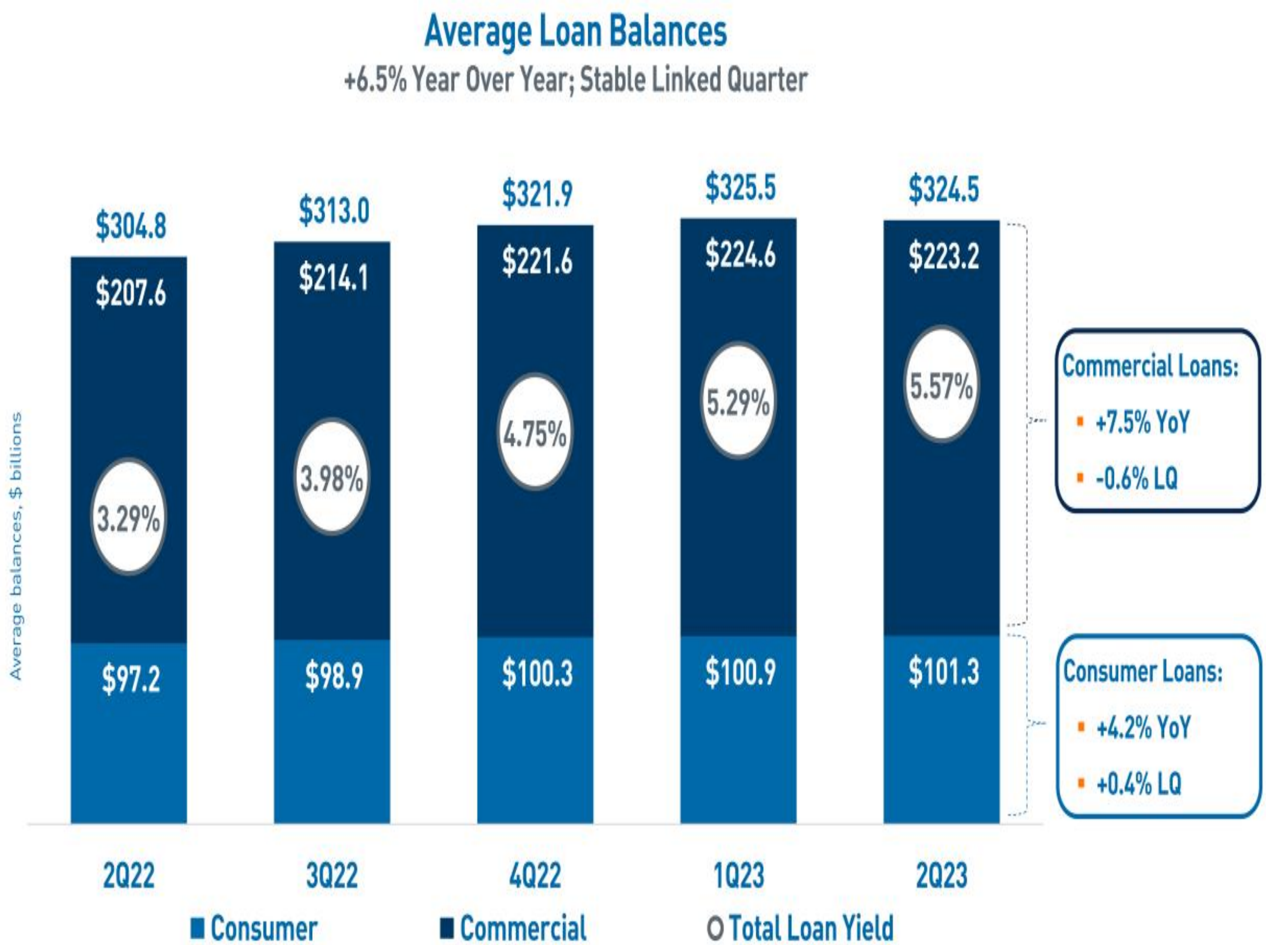
Balance Sheet: **Well-Positioned Balance Sheet**

Average balances, $ billions	2Q23	2Q23 vs. 1Q23 $ Change	2Q23 vs. 1Q23 % Change	2Q23 vs. 2Q22 $ Change	2Q23 vs. 2Q22 % Change
Total loans	**$324.5**	($1.0)	--	$19.7	6%
Investment securities	**$141.0**	($2.4)	(2)%	$6.3	5%
Federal Reserve Bank (FRB) balances	**$30.6**	($2.9)	(9)%	($8.7)	(22)%
Deposits	**$425.7**	($10.5)	(2)%	($20.8)	(5)%
Borrowed funds	**$65.7**	$2.7	4%	$30.0	84%
Common shareholders' equity	**$41.7**	$1.2	3%	($0.1)	--

Period End	2Q23	1Q23	2Q23 vs. 1Q23	2Q22	2Q23 vs. 2Q22
Basel III CET1 capital ratio	**9.5%**	9.2%	30 bps	9.6%	(10) bps
AOCI *($ in billions)*	**($9.5)**	($9.1)	(4)%	($8.4)	(13)%
Tangible book value per common share *(non-GAAP)*	**$77.80**	$76.90	1%	$74.39	5%
Return on average common equity	**13.01%**	16.11%	(310) bps	13.52%	(51) bps

– Tangible book value per common share (non-GAAP) – See reconciliation in Appendix.

Balance Sheet: **Large and Diversified Lending Franchise**

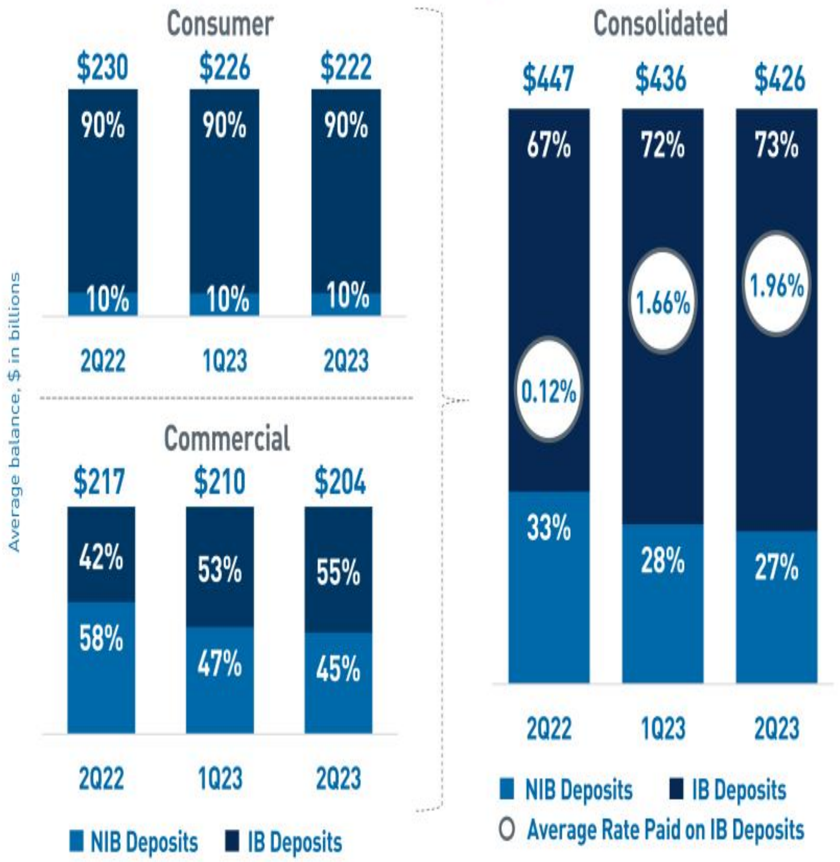


– YoY represents change in average balances year over year and LQ represents change in average balances linked quarter.

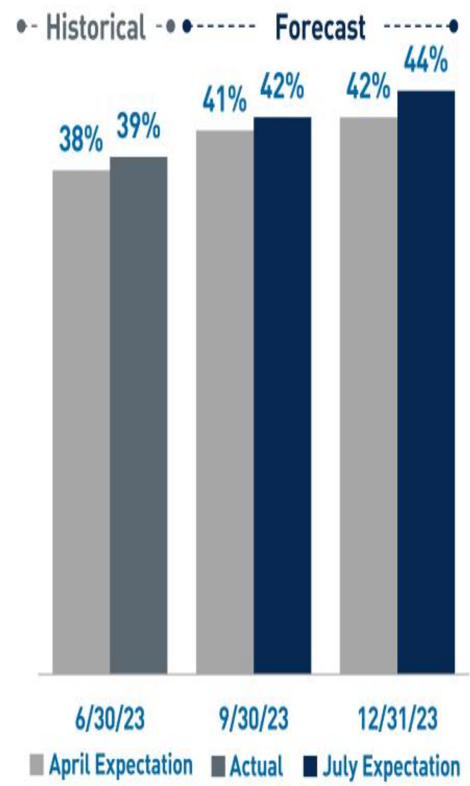
Balance Sheet: **Strong Deposit Mix**

PNC

PNC's Deposit Mix Shift Driven by Commercial Deposits



Forecasted Cumulative Deposit Beta



– IB Deposits represent interest-bearing deposits and NIB Deposits represent noninterest-bearing deposits.
– Cumulative deposit beta is calculated as the increase in the rate paid on interest bearing deposits (excluding time deposits) at each period presented divided by the incremental increase in the Federal Reserve rate since February 2022.

Balance Sheet: **High-Quality, Short-Duration Securities and Swaps**

PNC

Average Securities

Duration of 4.2 Years

Notional Receive-Fixed Swaps

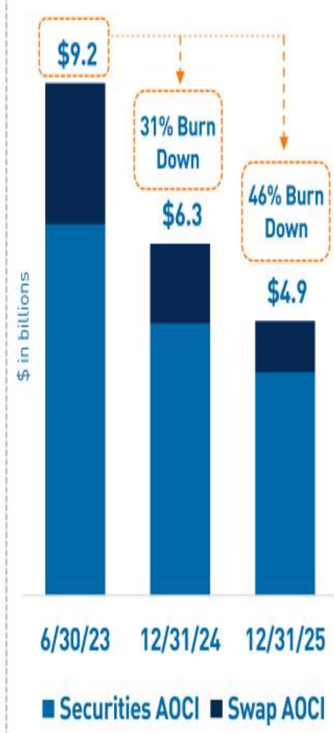
Duration of 2.3 Years

Cumulative Projected Runoff

38% Through 2025

Projected AOCI Accretion

46% Through 2025



- Cumulative projected runoff calculated along market implied forward interest rates as of 6/30/23, and captures scheduled principal payments, contractual maturities, and projected prepayments using internally validated models / assumptions. This represents our portfolio as of 6/30/23 and does not reflect future changes in composition of the securities portfolio.
- AOCI of $9.2 billion in the chart represents AOCI related to ASC 320 Investments – Debt Securities and ASC 815 Derivatives and Hedging, but excludes approximately $300 million of AOCI related to ASC 715 Compensation – Retirement Benefits and ASC 830 Foreign Currency Matters.

Income Statement: **Solid Results**

PNC

	Three Months Ended			Six Months Ended	
		% Chg. 2Q23 vs.			% Chg.
$ in millions	2Q23	1Q23	2Q22	1H23	1H23 vs. 1H22
Net interest income	**$3,510**	(2)%	15%	**$7,095**	21%
Noninterest income	**1,783**	(12)%	(14)%	**3,801**	(4)%
Total revenue	**5,293**	(6)%	3%	**10,896**	11%
Noninterest expense	**3,372**	2%	4%	**6,693**	4%
Pretax, pre-provision earnings *(non-GAAP)*	**$1,921**	(16)%	3%	**$4,203**	24%
Provision for credit losses	**$146**	n/m	n/m	**$381**	n/m
Income taxes	**$275**	(22)%	(19)%	**$628**	(2)%
Net income	**$1,500**	(11)%	--	**$3,194**	9%

	2Q23	1Q23	2Q22	1H23	1H22
Noninterest income to total revenue	**34%**	36%	40%	**35%**	40%
Net interest margin *(non-GAAP)*	**2.79%**	2.84%	2.50%	**2.81%**	2.39%
Diluted EPS	**$3.36**	$3.98	$3.39	**$7.34**	$6.61

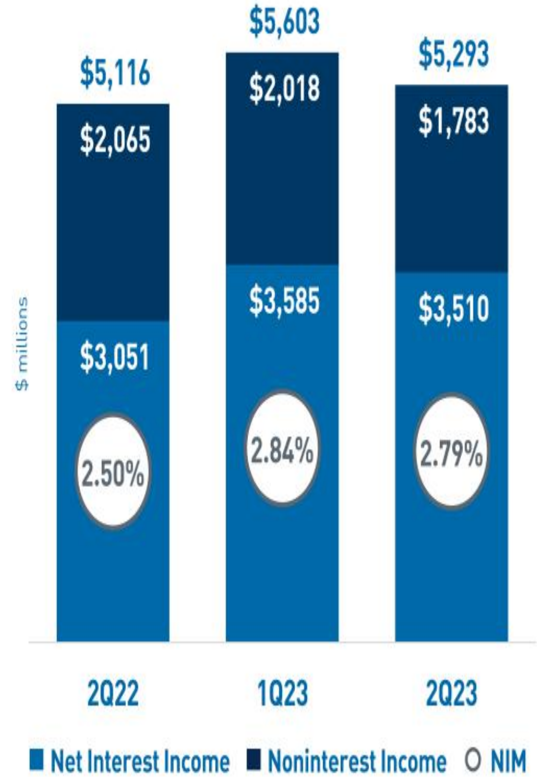
– Pretax, pre-provision earnings (non-GAAP) – See Reconciliation in Appendix.
– Net interest margin is calculated using taxable-equivalent net interest income, a non-GAAP measure, a reconciliation of which is provided in the Appendix.

Income Statement: **Broad Based Revenue Businesses**

PNC

Total Revenue

3% YoY Growth; 6% LQ Decline



Details of Revenue

$ millions	2Q23	2Q23 vs. 1Q23	2Q23 vs. 2Q22
Net interest income	**$3,510**	($75)	$459
Asset management and brokerage	**348**	(8)	(17)
Capital markets and Advisory	**213**	(49)	(196)
Card and cash management	**697**	38	26
Lending and deposit services	**298**	(8)	16
Residential and commercial mortgage	**98**	(79)	(63)
Fee income	**1,654**	(106)	(234)
Other noninterest income	**129**	(129)	(48)
Noninterest income	**1,783**	(235)	(282)
Total Revenue	**$5,293**	($310)	$177

Includes $83 million of negative Visa derivative fair value adjustments

Includes ($58) million decline in mortgage servicing rights valuation, net of economic hedge

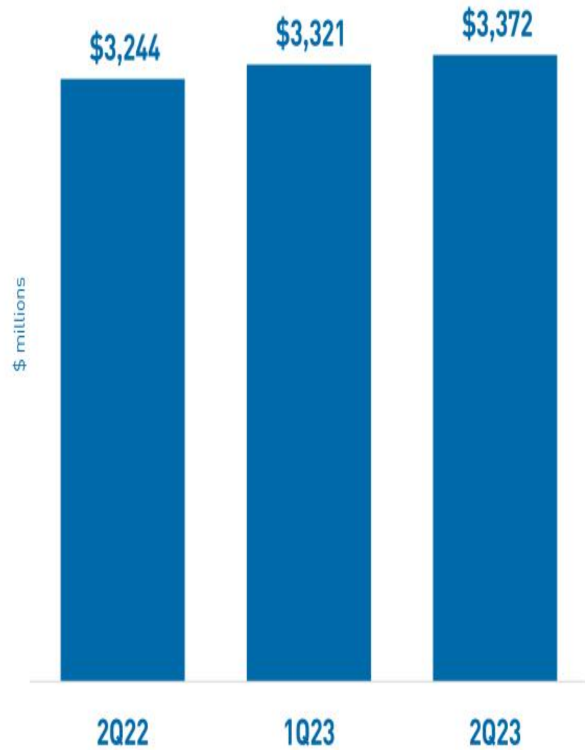
– NIM represents Net interest margin.

Income Statement: **Well-Controlled Expenses**

PNC

Noninterest Expense

Focused on Controlling Expenses



Details of Expenses

$ millions	2Q23	2Q23 vs. 1Q23 $	2Q23 vs. 1Q23 %	2Q23 vs. 2Q22 $	2Q23 vs. 2Q22 %
Personnel	**$1,846**	$20	1%	$67	4%
Occupancy	**244**	(7)	(3)%	(2)	(1)%
Equipment	**349**	(1)	--	(2)	(1)%
Marketing	**109**	35	47%	14	15%
Other	**824**	4	--	51	7%
Noninterest Expense	**$3,372**	$51	2%	$128	4%

Credit: **Strong Credit Quality Performance**

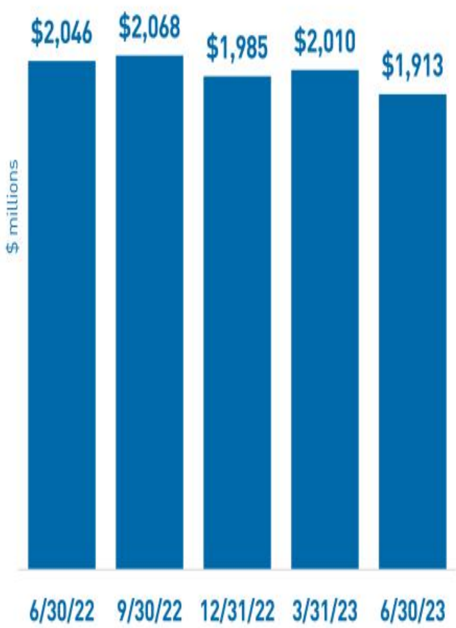
PNC

Credit Quality Metrics

	2Q22	3Q22	4Q22	1Q23	2Q23
NPLs / Total Loans *(Period End)*	0.66%	0.66%	0.61%	0.62%	**0.59%**
Delinquencies / Total Loans *(Period End)*	0.49%	0.52%	0.46%	0.41%	**0.38%**
NCOs / Average Loans	0.11%	0.15%	0.28%	0.24%	**0.24%**
Allowance for Credit Losses to Total Loans	1.65%	1.67%	1.67%	1.66%	**1.68%**

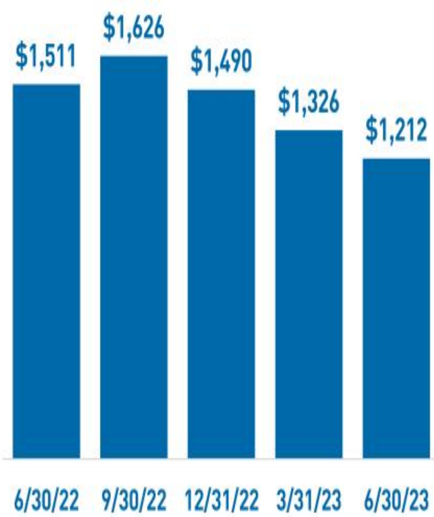
Nonperforming Loans (NPLs)

7% YoY Decline; 5% LQ Decline



Delinquencies

20% YoY Decline; 9% LQ Decline



Net Charge-Offs (NCOs)

- NCOs / Average Loans represent annualized net 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.
- YoY represents year over year and LQ represents linked quarter.

Outlook: Third Quarter 2023 Compared to Second Quarter 2023

($ millions; except loans, $ billions)	2Q23	3Q23 Guidance
Average loans	$324.5	Down ~1%
Net interest income	$3,510	Down 3% - 4%
Noninterest income	$1,783	Up 10% - 11%
Revenue	$5,293	Up ~1%
Noninterest expense	$3,372	Stable
Net charge-offs	$194	$200 - $250

- 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, noninterest income, revenue, and noninterest expense outlooks represent estimated percentage change for third quarter 2023 compared to the respective second quarter 2023 figure presented in the table above.
- The third quarter 2023 guidance ranges for noninterest income and revenue exclude net securities gains and activities related to Visa Class B common shares.
- The third quarter 2023 noninterest expense guidance excludes the FDIC special assessment related to recovering the cost of the closures of Silicon Valley Bank and Signature Bank.

Outlook: **Full Year 2023 Compared to Full Year 2022**

($ millions; except loans, $ billions)	2022	2023 Guidance Previous	2023 Guidance Current	
Period-end loans *(as of 12/31/22)*	$326.0	Up 1% - 3%	Stable	
Average loans	$307.7	Up 5% - 7%	Up 5% - 6%	
Net interest income	$13,014	Up 6% - 8%	Up 5% - 6%	Expectations for slightly higher deposit costs and modestly lower loan growth
Noninterest income	$8,106	Stable	Down 2% - 4%	Softer 2Q23 capital markets and $127 million Visa related charges in 1H23
Revenue	$21,120	Up 4% - 5%	Up 2% - 2.5%	
Noninterest expense	$13,170	Up 2% - 3%	Up ~2%	Focus on expense management
Effective tax rate	18.2%	~18%	~18%	

- Refer to Cautionary Statement in the Appendix, including economic and other assumptions. Does not take into account impact of potential legal and regulatory contingencies.
- Period-end loans, average loans, net interest income, noninterest income, revenue, and noninterest expense outlooks represent estimated percentage change for full year 2023 compared to the respective full year 2022 figure presented in the table above.
- Previous guidance refers to the full year 2023 guidance given on the 1Q23 earnings call and 10-Q filed on May 2, 2023.
- The full year 2023 guidance ranges for revenue and noninterest exclude net securities gains and activities related to Visa Class B common shares for the third and fourth quarters of 2023.
- The full year 2023 noninterest expense guidance excludes the FDIC special assessment related to recovering the cost of the closures of Silicon Valley Bank and Signature Bank.

Appendix: Cautionary Statement 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,
  - A continuation of recent turmoil in the banking industry, responsive measures to mitigate and manage it and related supervisory and regulatory actions and costs,
  - Impacts of changes in federal, state and local governmental policy, including on the regulatory landscape, capital markets, taxes, infrastructure spending and social programs,
  - PNC's ability to attract, recruit and retain skilled employees, and
  - Commodity price volatility.

Appendix: Cautionary Statement 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 and do not take into account potential legal and regulatory contingencies. These statements are based on our views that:
  - The economy continues to expand in the first half of 2023, but economic growth is slowing in response to the ongoing Federal Reserve monetary policy tightening to slow inflation. This has led to large increases in both short- and long-term interest rates. With much higher mortgage rates, the housing market is already in contraction, with steep drops in existing home sales and single-family housing starts, and a modest decline in house prices. Other sectors where interest rates play an outsized role, such as business investment and consumer spending on durable goods, will contract over 2023.
  - PNC's baseline outlook is for a mild recession starting in late 2023 or early 2024, with a small contraction in real GDP of less than 1%, lasting into mid-2024. The unemployment rate will increase in the second half of this year, ending 2023 at above 4%, and then peak slightly above 5% in early 2025. Inflation will slow with weaker demand, moving back to the Federal Reserve's 2% objective by this time next year.
  - PNC expects one additional 25 basis point increase to the federal funds rate this summer, with the federal funds rate remaining between 5.25% and 5.50% through March 2024, when PNC expects federal funds rate cuts in response to the recession contemplated by our outlook.
- PNC's ability to take certain capital actions, including returning capital to shareholders, is subject to PNC meeting or exceeding 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, the company'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:

Appendix: **Cautionary Statement Regarding Forward-Looking Information**

  - 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.
- 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 2022 Form 10-K and in our first quarter 2023 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 other 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 and on our corporate website at 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: **Granular Deposit Base**

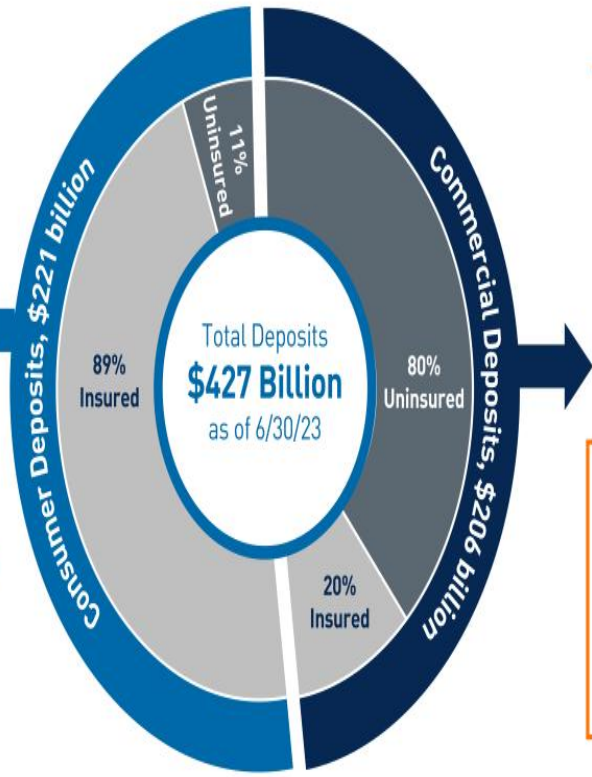
Consumer Deposits
$221 billion at 6/30/23

Large Customer Base
~20 million
Consumer Accounts

Granular Deposit Base
~$11,100
Average Account Balance

Across our Coast-to-Coast Franchise
2,361
Branches

Composition of Deposit Portfolio
54% of Total Deposits are Insured



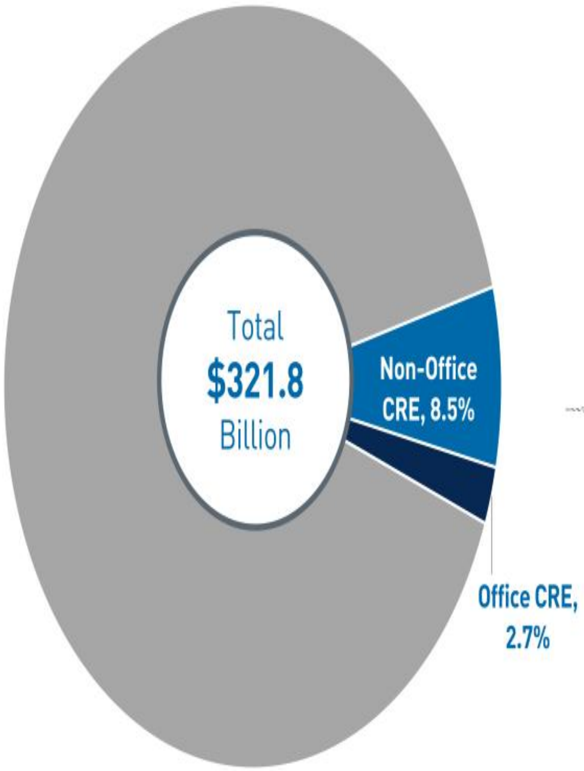
Commercial Deposits
$206 billion at 6/30/23

As of 6/30/23	
Operating & Relationship Accounts:	
Relationship Accounts	71%
TM Compensating Balances	19%
Midland Escrow Accounts	5%
Total Operating & Relationship Accounts	**95%**
Deposit Only Accounts	**5%**
Total # of Accounts	**1.4 million**

– Relationship Accounts represent commercial deposit customers with at least one additional PNC product (e.g. Lending, Treasury Management, Capital Markets, Merchant Services, etc.).
– TM Compensating Balances represent treasury management accounts that maintain balances that are used to offset treasury management fees.

Appendix: **Office Represents 2.7% of Total Loans**

Total Loans
as of 6/30/23



PNC's Commercial Real Estate (CRE) Portfolio

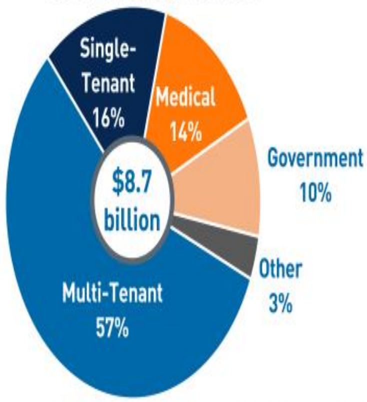
$ billions	6/30/23	% of Total Loans
Multifamily	$14.8	4.6%
Office	**8.7**	**2.7%**
Industrial / Warehouse	3.9	1.2%
Retail	2.8	0.9%
Seniors Housing	1.8	0.6%
Hotel / Motel	1.8	0.6%
Mixed Use	0.3	0.1%
Other	1.8	0.6%
Total	**$35.9**	**11.2%**

– Totals may not sum due to rounding.

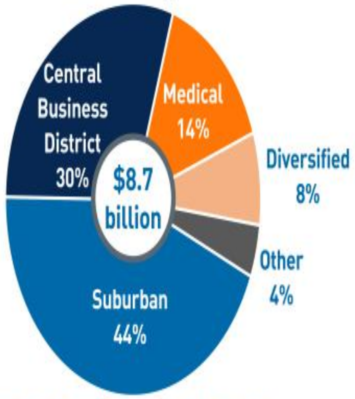
Appendix: Office CRE Portfolio

Office Portfolio

Tenant Classification



Market Type



Geographic Diversification

By Metropolitan Statistical Area

$ billions	6/30/23
Washington-Arlington-Alexandria	$1.2
Los Angeles-Long Beach-Anaheim	1.1
Dallas-Fort Worth-Arlington	0.5
San Francisco-Oakland-Berkeley	0.4
Baltimore-Columbia-Towson	0.3
San Diego-Chula Vista-Carlsbad	0.3
Chicago-Naperville-Elgin	0.3
Philadelphia-Camden-Wilmington	0.3
Boston-Cambridge-Newton	0.3
Houston-The Woodlands-Sugar Land	0.2
Other	3.8
Total	**$8.7**

Key Office Portfolio Metrics

Conservative Underwriting Methodology

$ in millions	6/30/23	3/31/23
Total Loans	**$8.7**	$8.9
Avg. Loan Commitment	**$35**	$35
Reserves / Loans	**7.4%**	7.1%
NCOs / Average Loans	**1.4%**	0.5%
Delinquencies / Loans	**0.0%**	0.2%
NPL / Loans	**3.3%**	3.5%
Criticized Loans / Loans	**22.5%**	20.0%

- Average Loan Commitment for PNC Real Estate
- NCOs / Average loans represents net charge-offs to average loans for the last twelve month period
- NPL represents Nonperforming Loans

Appendix: **Non-GAAP to GAAP Reconciliation**

Return On Average Tangible Common Equity (non-GAAP)

$ millions	For the three months ended June 30, 2023	Mar. 31, 2023	June 30, 2022
Return on average common shareholders' equity	13.01%	16.11%	13.52%
Average common shareholders' equity	$41,747	$40,462	$41,809
Average goodwill and other intangible assets	(11,368)	(11,390)	(11,372)
Average deferred tax liabilities on goodwill and other intangible assets	258	261	268
Average tangible common equity	$30,637	$29,333	$30,705
Net income attributable to common shareholders	$1,354	$1,607	$1,409
Net income attributable to common shareholders, if annualized	$5,431	$6,518	$5,651
Return on average tangible common equity (non-GAAP)	**17.73%**	**22.22%**	**18.40%**

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: Non-GAAP to GAAP Reconciliation

Pretax, Pre-Provision Earnings (non-GAAP)

	For the three months ended			For the six months ended
$ millions	June 30, 2023	Mar. 31, 2023	June 30, 2022	June 30, 2023
Net interest income	$3,510	$3,585	$3,051	$7,095
Noninterest income	1,783	2,018	2,065	3,801
Total Revenue	$5,293	$5,603	$5,116	$10,896
Noninterest expense	3,372	3,321	3,244	6,693
Pretax, pre-provision earnings	**$1,921**	**$2,282**	**$1,872**	**$4,203**

We believe that pretax, pre-provision earnings is a useful tool to help evaluate the ability to provide for credit costs through operations and provides an additional basis to compare results between periods by isolating the impact of provision for (recapture of) credit losses, which can vary significantly between periods.

Appendix: **Non-GAAP to GAAP Reconciliation**

PNC

Taxable-Equivalent Net Interest Income (non-GAAP)

	For the three months ended			For the six months ended
$ millions	June 30, 2023	Mar. 31, 2023	June 30, 2022	June 30, 2023
Net interest income	$3,510	$3,585	$3,051	$7,095
Taxable-equivalent adjustments	37	38	25	75
Net interest income - fully taxable-equivalent (non-GAAP)	**$3,547**	**$3,623**	**$3,076**	**$7,170**

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 and 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)

	For the three months ended		
$ millions, except per share data	June 30, 2023	Mar. 31, 2023	June 30, 2022
Book value per common share	$105.67	$104.76	$101.39
Tangible book value per common share			
Common shareholders' equity	$42,083	$41,809	$41,648
Goodwill and other intangible assets	(11,357)	(11,378)	(11,360)
Deferred tax liabilities on goodwill and other intangible assets	256	260	267
Tangible common shareholders' equity	$30,982	$30,691	$30,555
Period-end common shares outstanding *(in millions)*	398	399	411
Tangible book value per common share (non-GAAP)	**$77.80**	**$76.90**	**$74.39**

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**

Common Equity Tier 1 Ratio, including AOCI (non-GAAP)

June 30, 2023 (estimated), $ in millions	Common Equity Tier 1 Capital
Common stock, related surplus and retained earnings, net of treasury stock	$52,091
Goodwill and disallowed intangibles, net of deferred tax liabilities	(11,101)
All other adjustments	(89)
Common equity Tier 1 Capital	$40,901
AOCI adjustments	(7,337)
Common equity Tier 1 capital, including AOCI	**$33,564**

June 30, 2023 (estimated), $ in millions	Risk-weighted assets
Risk-weighted assets, standardized approach	$430,118
AOCI adjustments	4,170
Risk-weighted assets, including AOCI	$434,288

Common equity Tier 1 ratio	**9.5%**
Common equity Tier 1 ratio, including AOCI (non-GAAP)	**7.7%**

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.

Appendix: **Non-GAAP to GAAP Reconciliation**

Tangible Common Equity Ratio (non-GAAP)

$ millions	For the three months ended June 30, 2023
Tangible common shareholders' equity	
Common shareholders' equity	$42,083
Goodwill and other intangible assets	(11,357)
Deferred tax liabilities on goodwill and other intangible assets	256
Tangible common shareholders' equity	$30,982
Tangible assets	
Total assets	$558,207
Goodwill and other intangible assets	(11,357)
Deferred tax liabilities on goodwill and other intangible assets	256
Tangible assets	$557,106
Tangible common equity ratio (non-GAAP)	**5.7%**

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: **Expectations for Preferred Dividends**

Preferred Dividends

	For the three months ended				For the year ended
$ millions	Mar. 31, 2023	June 30, 2023	Sept. 30, 2023	Dec. 31, 2023	Dec. 31, 2023
Preferred Dividends	**$68**	**$127**	**$104**	**$117**	**$416**

The above represents our current estimate for preferred dividends in 2023 for currently outstanding series. This estimate is based on the forward curve as of July 10, 2023 and assumes that current preferred stock remains outstanding.