

# RBC Capital Markets Financial Institutions Conference

March 8, 2022

The PNC Financial Services Group



# Cautionary Statement Regarding Forward-Looking Financial Information



This 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.

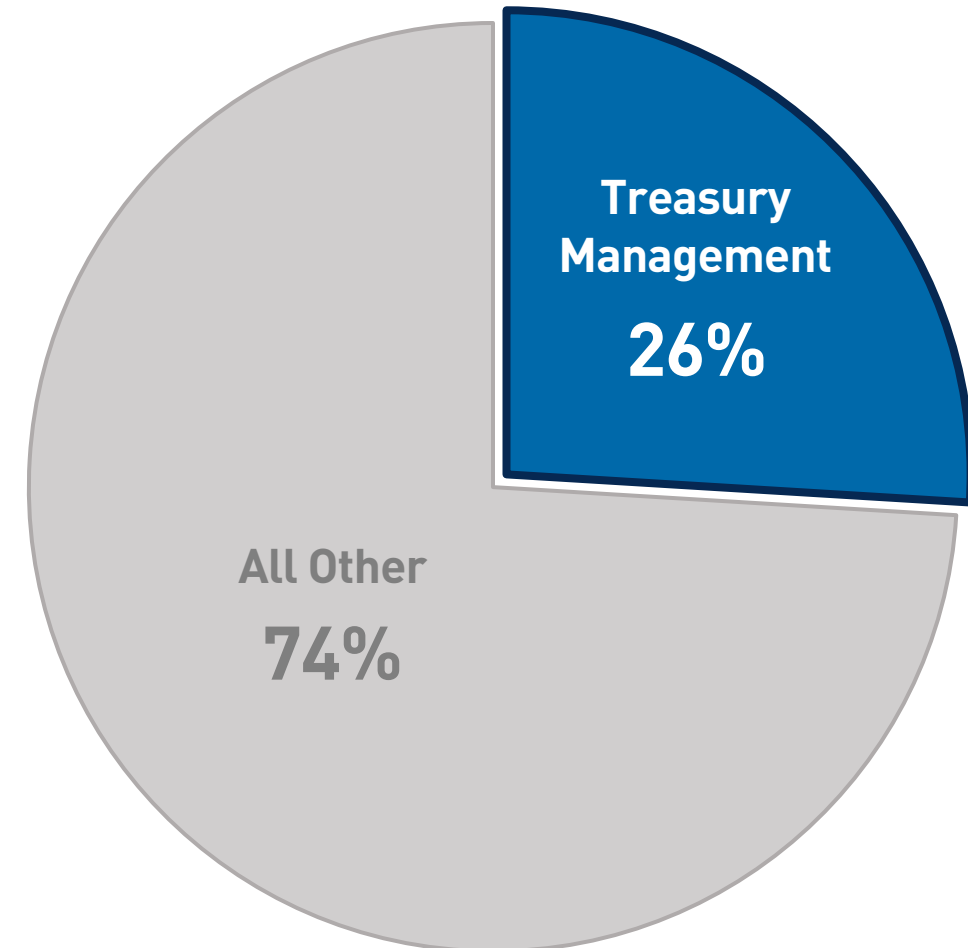
The presentation contains forward-looking statements regarding our outlook for financial performance, such as earnings, revenues, expenses, tax rates, capital and liquidity levels and ratios, asset levels, asset quality, financial position, and other matters regarding or affecting PNC and its future business and operations. 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 2021 Form 10-K and in 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.

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.

## C&IB 2021 Overview

Revenue	\$8.4 bn
Noninterest income	\$3.8 bn
Average loans	\$164.8 bn
Average deposits	\$151.3 bn
Primary clients	> 17,000
Offices	> 90
Employees	~9,000

## C&IB 2021 Total Revenue



# PNC Treasury Management



## Well-Positioned for Continued Growth and Profitability

### Large and Profitable

- Top 5 treasury management provider in the industry; over \$2 billion in revenue
- Capital light business with strong incremental margins
- Stable portfolio with proven pricing power

### Innovating and Investing

- Utilizing technology to address shifting market dynamics and preferences
- Investing continually to modernize platforms and enhance offerings
- Building, partnering and acquiring solutions that solve customers' biggest issues

### Significant Growth Opportunity

- Entering under-penetrated BBVA USA geographies and new market expansion territories with best in class offering
- Driving revenue growth by leveraging value-added relationship-based model; legacy PNC +13% YoY in '21
- Leading adoption of modern payment solutions – COVID-19 accelerated momentum

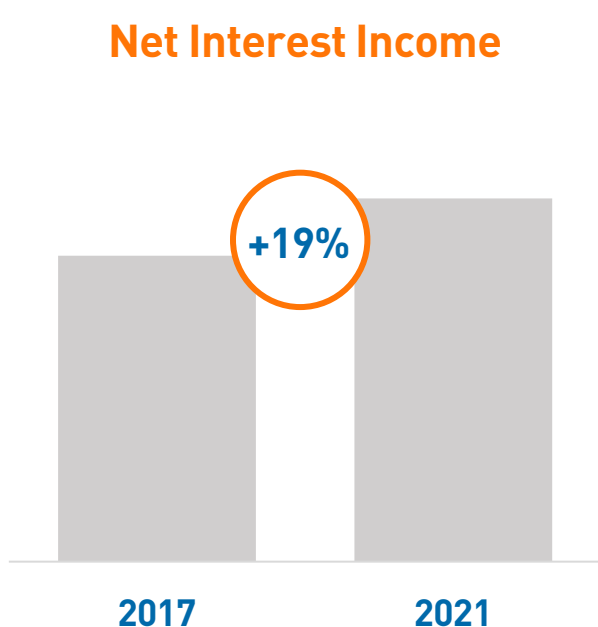
# Large and Profitable Business with National Presence



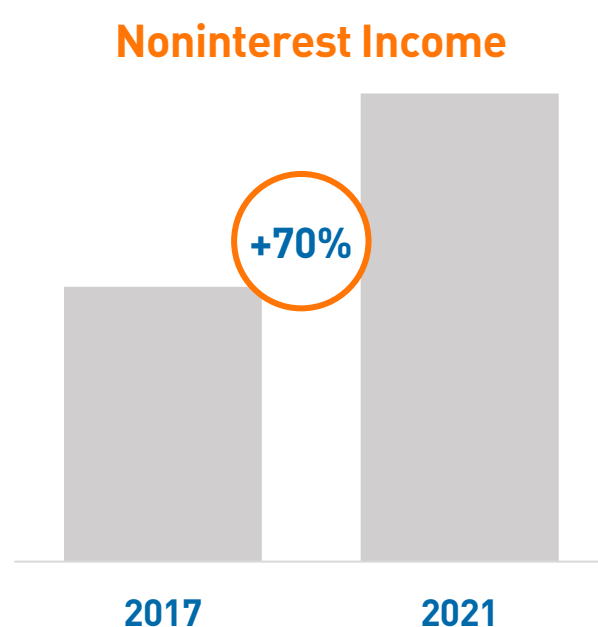
- Provide critical, value added solutions across the spectrum, from small business to large corporations
- Solution set offers a full platform for end-to-end optimization throughout the working capital lifecycle
- Deliver integrated technology, operations, and client care at scale

## Strong Growth

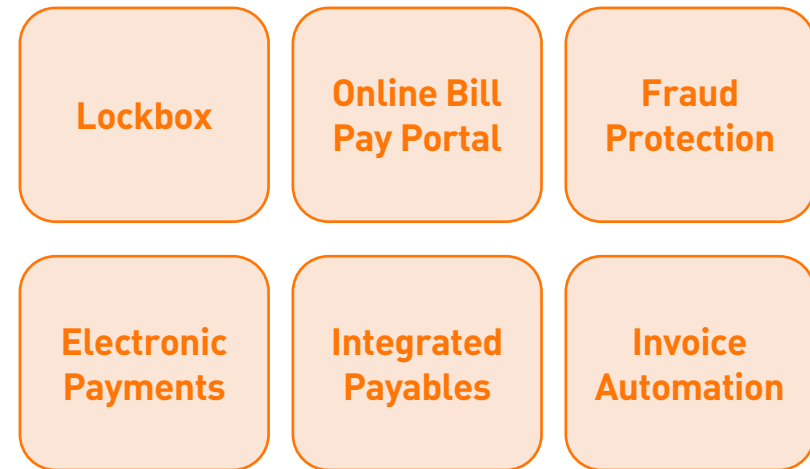
### Net Interest Income



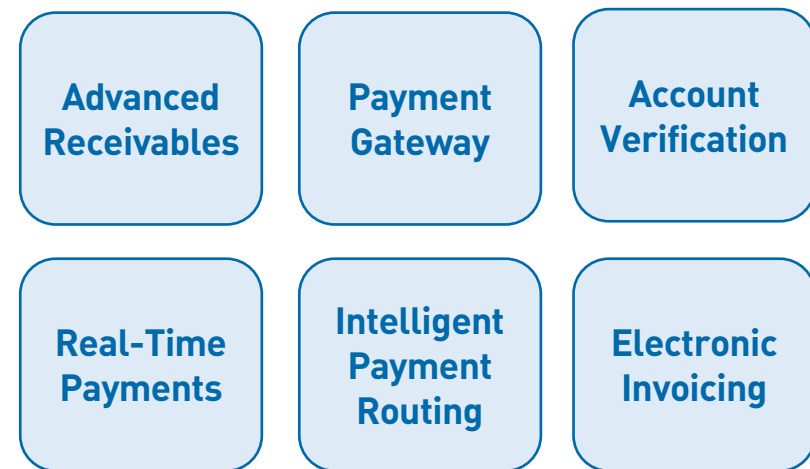
### Noninterest Income



## Traditional Products: Industry Leader



## Expanded Value Chain: Industry Innovator

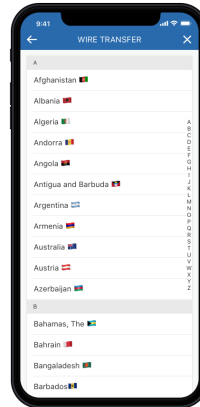


# Building, Buying, and Partnering to Disrupt Like a FinTech



## BBVA USA Global Transfer

- Incorporated BBVA USA's global transfer service into PNC's mobile platform
- Over 50 million transactions in 2021
- Significant opportunity in Legacy PNC customer base
- Creating an international payment "factory"
- Thousands of PNC customers previously used third-party services



## Tempus Payment Gateway

- Tempus has allowed us to embed our gateway solution into our clients' core – becoming a conduit to our clients' clients



## EarnedIt On-Demand Pay

### Fast and Easy to Use

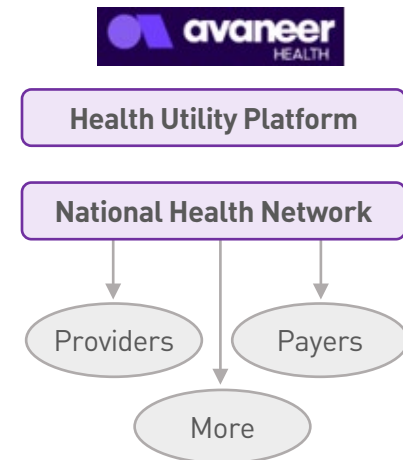
- Employee pay is available in minutes or next day
- Employees can better manage finances; bank / card agnostic

### Convenient For Everyone

- No cost to employers; no impact to cash flows or daily payroll
- 56% of millennials and 50% of Gen-Z employees are already using or very interested in on-demand pay

## Avaneer Health

- Founded in 2020 with a consortium of healthcare industry leaders to create blockchain-enabled solutions to enhance interoperability across the participants
- Network represents 80 million patients and 14 million annual visits
- Presents a significant opportunity to enhance patient experiences and administrative efficiency



## Helping Clients Manage Businesses Better and Providing Next Generation Solutions

**Leading with innovative solutions...**

**249%**

*Year-over-year increase in clients using Real-Time Payments*

**391%**

*Year-over-year increase in use of account verifications*

**Embedding with our clients...**

**133%**

*Year-over-year increase in clients integrated with our products via API*

**880%**

*Year-over-year increase in API calls*

**Simplifying and digitizing experiences...**

**83%**

*Year-over-year increase in clients using platform integrations*

**+80%**

*Faster onboarding timeline when process is executed digitally*

# Significant Growth Opportunity in Expanded Markets



## Middle Market Banking Awards

### Categories



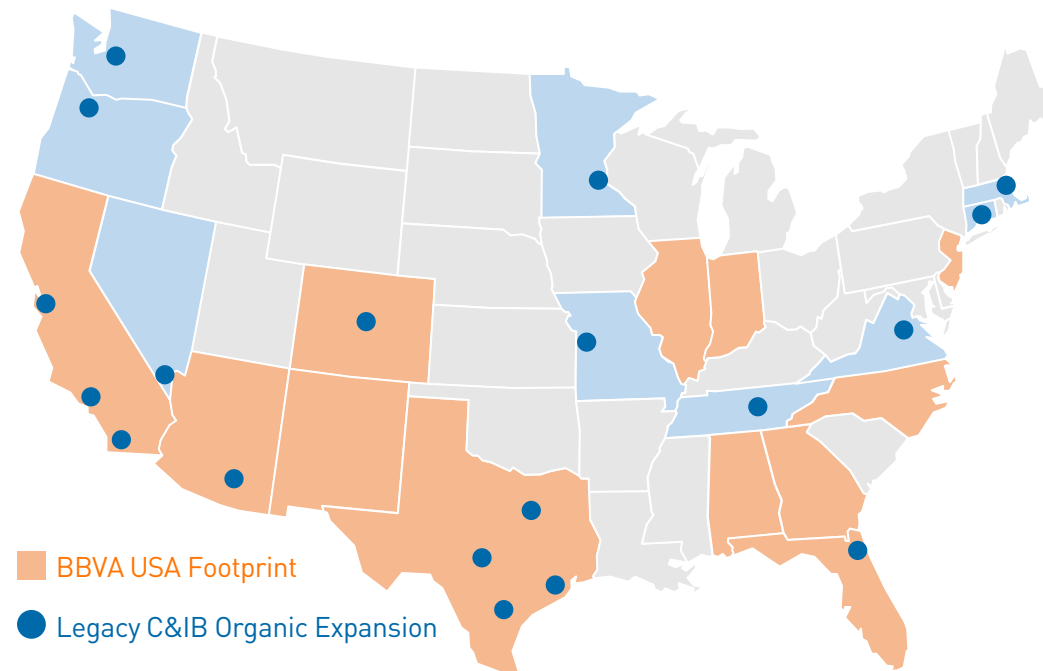
### Awards Received

- ✓ Greenwich Share Leader
- ✓ Best Brand - Trust
- ✓ Overall Satisfaction with RM
- ✓ Cash Management: Overall Digital Experience
- ✓ Cash Management: Digital Product Capabilities
- ✓ Cash Management: Innovation in Products and Services
- ✓ Cash Management: Making Commercial Payments Easier
- ✓ Likelihood to Recommend - Midwest

## Opportunity For Accelerated Growth

- Delivering leading products and service to new clients across the country
- Treasury management customer penetration was just 68% at BBVA USA versus over 85% for PNC

### Expanded Geography





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



This presentation includes “snapshot” information about PNC used by way of illustration and is not intended as a full business or financial review. It should not be viewed in isolation but rather in the context of all of the information made available by PNC in its SEC filings.

We also 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 PNC and its future business and operations 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 tariffs and other trade policies of the U.S. and its global trading partners,
  - The length and extent of the economic impacts of the COVID-19 pandemic,
  - Impacts of changes in federal, state and local governmental policy, including on the regulatory landscape, capital markets, taxes, infrastructure spending and social programs, 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 view that:
  - The U.S. economy is in an economic recovery, following a very severe but very short economic contraction in the first half of 2020 due to the COVID-19 pandemic and public health measures to contain it.
  - COVID-19 variants and supply chain difficulties were drags on economic growth in the second half of 2021. Growth picked up towards the end of 2021 as supply chains began to normalize and will remain solid in 2022. Employment in February 2022 was still down by more than 2 million from before the pandemic; PNC expects employment to return to its pre-pandemic level in mid-2022.
  - Compared to the spring of 2020 (when prices were falling), inflation accelerated in the second half of 2021 due to strong demand in specific segments and supply chain disruptions. Inflation remains high in early 2022 but should slow this year and next as reopening-related imbalances between supply and demand fade.
  - PNC expects the Federal Open Market Committee (FOMC) to gradually raise the federal funds rate starting in March 2022, to a range of 1.25% to 1.50% by the end of this year, and to a range of 2.25% to 2.50% by mid-2023.
  - With the Russian invasion of Ukraine, risks to growth are to the downside and to inflation are to the upside. If inflation slows less than expected, the FOMC could be forced to raise rates more aggressively than in the baseline forecast.
- 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.
- 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 management. These developments could include:
  - Changes to laws and regulations, including changes affecting oversight of the financial services industry, consumer protection, bank capital and liquidity standards, pension, bankruptcy and other industry aspects, and changes in accounting policies and principles.
  - Unfavorable resolution of legal proceedings or other claims and regulatory and other governmental investigations or other inquiries. These matters may result in monetary judgments or settlements or other remedies, including fines, penalties, restitution or alterations in our business practices, and in additional expenses and collateral costs, and may cause reputational harm to PNC.

# Appendix: Cautionary Statement Regarding Forward-Looking Information



- Results of the regulatory examination and supervision process, including our failure to satisfy requirements of agreements with governmental agencies.
- Impact on business and operating results of any 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 acquisition of BBVA USA Bancshares, Inc. presents us with risks and uncertainties related to the integration of the acquired business into PNC including:
  - The business of BBVA USA Bancshares, Inc., going forward may not perform as we project or in a manner consistent with historical performance. As a result, the anticipated benefits, including estimated cost savings, of the transaction may be significantly more difficult or take longer to achieve than expected or may not be achieved in their entirety as a result of unexpected factors or events, including those that are outside of our control.
  - The integration of BBVA USA Bancshares, Inc., including its U.S. banking subsidiary, BBVA USA, with that of PNC and PNC Bank may be more difficult to achieve than anticipated or have unanticipated adverse results. Our ability to integrate BBVA USA Bancshares, Inc., including its U.S. banking subsidiary, BBVA USA, successfully may be adversely affected by the fact that this transaction results in us entering several geographic markets where we did not previously have any meaningful presence.
- In addition to the BBVA USA Bancshares, Inc. transaction, 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, and the integration of the acquired businesses into PNC after closing.
- 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 natural and other disasters, pandemics, dislocations, terrorist activities, system failures, security breaches, cyberattacks or international hostilities through impacts on the economy and financial markets generally or on us or our counterparties specifically.

We provide greater detail regarding these as well as other factors in our 2021 Form 10-K, 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 presentation 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.