

# PNC's Financial Strength

March 2023



# PNC's Financial Strength

## Overview



- Founded in 1875, PNC has a long track record of strong, through the cycle performance
  - Research analyst Mike Mayo recently referred to PNC as the “Bank of Steel”
- PNC does not have any direct exposure to Silicon Valley Bank or Signature Bank and less than \$1mm of market-related exposure to Silicon Valley Bank.
- PNC is the sixth largest US bank by deposits, with \$436bn deposits as of 12/31/22; two-thirds comes from Retail customers and one-third comes from corporate customers.
- PNC maintains a strong core deposit franchise supported by more than 2,500 retail branches across our coast-to-coast franchise. In comparison, SVB had 21 branches heavily concentrated in two MSAs in California.
- PNC has been subject to the annual Federal Reserve stress test since its inception in 2013 and has passed every year. Neither Silicon Valley Bank nor Signature has ever been subject to the stress tests.
- In addition, PNC is subject to and has always been in compliance with the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). SVB and Signature have never been subject to the LCR and NSFR. Today, both ratios for PNC are well in excess of regulatory required levels.
- Our deposit base remains extremely granular, with an average account balance of \$21k, versus SVB at \$1.2mm and Signature at \$508k.
- PNC's liquidity position remains very strong. At 12/31/22 we maintained \$27 billion at the Federal Reserve and almost \$70 billion of unused borrowing capacity at the FHLB and the Federal Reserve Bank system.
- PNC has consistently maintained a strong capital position with capital levels significantly higher than the regulatory requirements for being considered well-capitalized.
- PNC maintains strong credit ratings across the three major credit rating agencies (S&P, Moody's and Fitch)

*Note: Mike Mayo quote per March 2023 Wells Fargo Equity Research report.*

# PNC is a Pillar of Strength in Times of Uncertainty

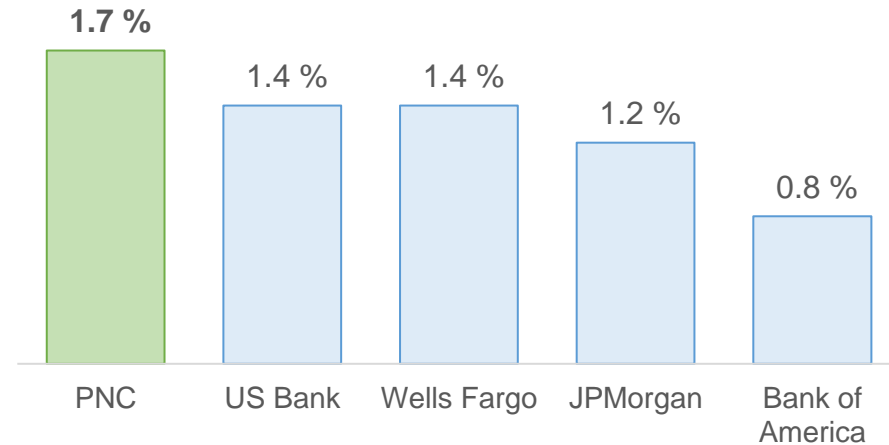
Supporting Mainstreet through Cycles for 170 years



## Top U.S. Banks

Rank	Bank	Assets \$bn	Market Cap \$bn <sup>1</sup>
1	JPMorgan Chase	3,666	394
2	Bank of America	3,051	242
3	Citigroup	2,417	94
4	Wells Fargo	1,881	157
5	U.S. Bancorp	675	62
<b>6</b>	<b>PNC</b>	<b>557</b>	<b>55</b>

## Regulatory Capital in Excess of Requirements



## Credit Ratings

### The PNC Financial Services Group

	Moody's	S&P	Fitch
Senior Debt	A3	A-	A
Subordinated Debt	A3	BBB+	A-
Preferred Stock	Baa2	BBB-	BBB

### PNC Bank N.A.

	Moody's	S&P	Fitch
Senior Debt	A2	A	A+
Subordinated Debt	A3	A-	A
Long-Term Deposits	Aa3	A	AA-
Short-Term Deposits	P-1	A-1	F1+

## PNC Value Proposition & Capabilities

- #1 Middle Market Investment Bank
- #1 IPO Advisor
- #1 in Payments & Treasury Automation
- Accelerated Account Opening
- Industry-Leading Credit Quality<sup>2</sup>
- National & Global Reach

Note: Credit and capital metrics are as of 12/31/2022; Excludes asset managers and investment banks. Stressed capital ratios are as of 2022 Federal Reserve stress test results.

<sup>1</sup> As of 3/13/2023

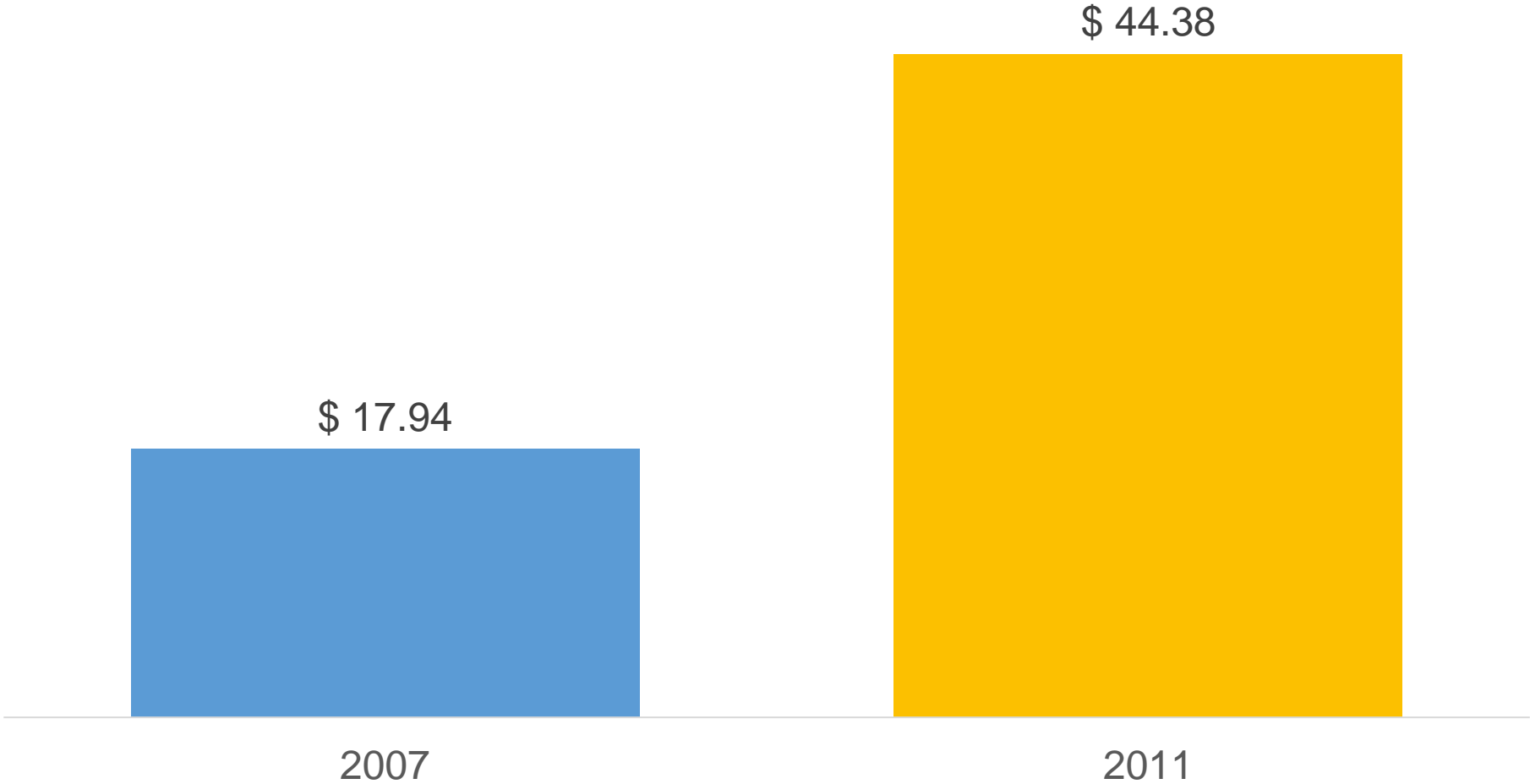
<sup>2</sup> 10-year credit losses at 1/3<sup>rd</sup> of peers

# PNC's Financial Strength

Strong Foundation; 2.5x TBV Growth During Great Financial Crisis

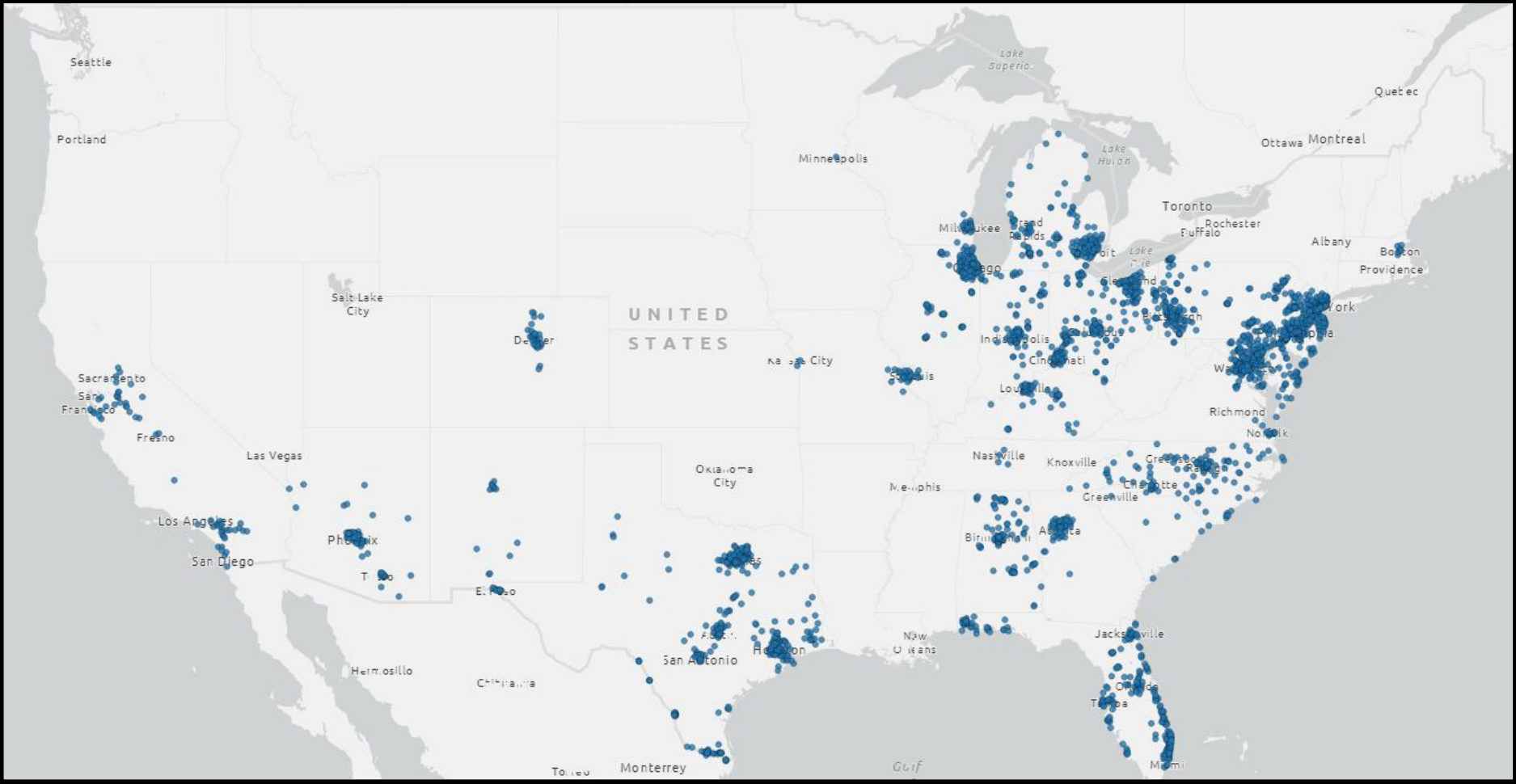


## Tangible Book Value per Share



# PNC's Financial Strength

## Strong Coast to Coast Retail Franchise



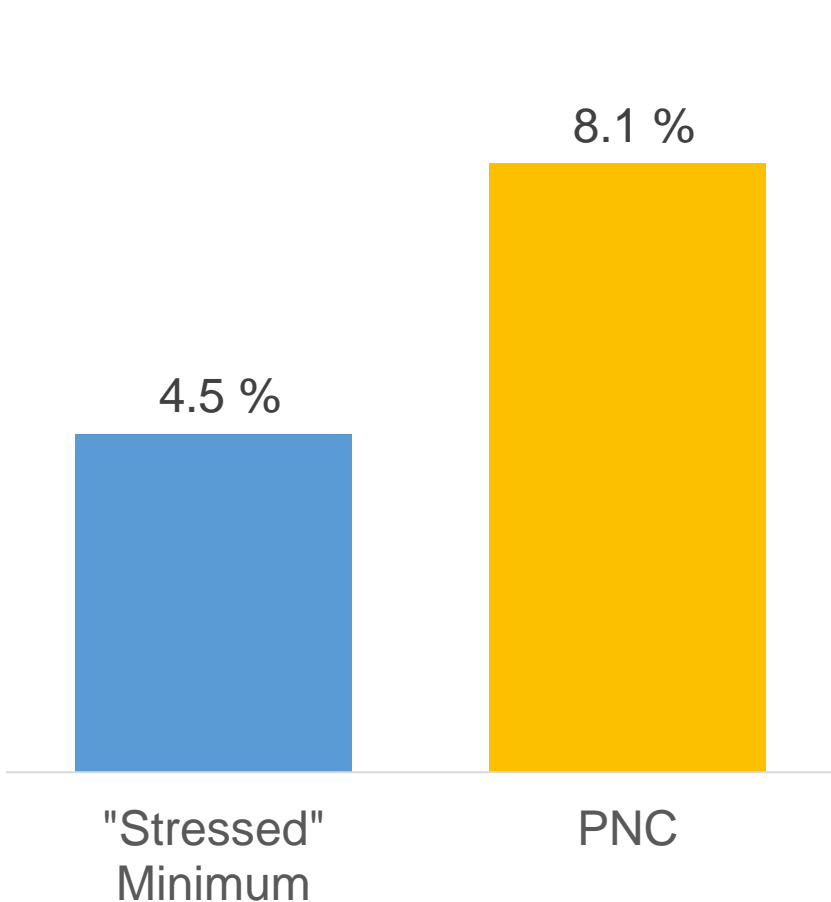
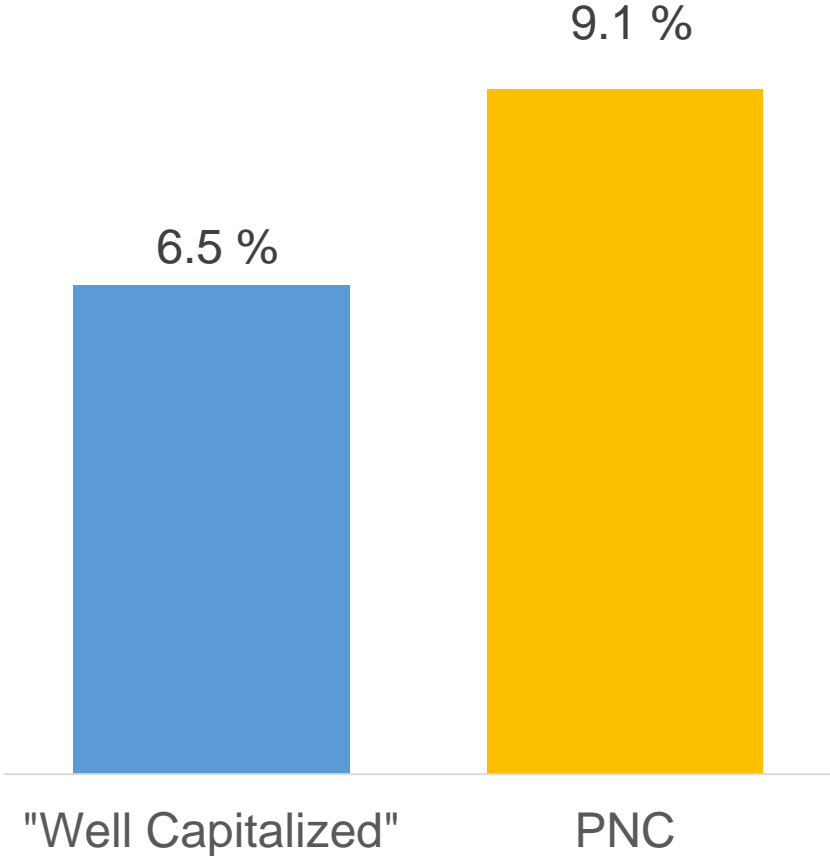
# PNC's Financial Strength

Strong Capital



## Actual 2022 Common Equity Tier One Ratio

## Federal Reserve "Stressed" 2022 Common Equity Tier One Ratio



# Top 10 U.S. Banks by Assets

(\$ in billions)



Rank	Bank	Assets
1	JPMorgan Chase	\$ 3,666
2	Bank of America	\$ 3,051
3	Citigroup	\$ 2,417
4	Wells Fargo	\$ 1,881
5	U.S. Bancorp	\$ 675
<b>6</b>	<b>PNC</b>	<b>\$ 557</b>
7	Truist	\$ 555
8	Capital One	\$ 455
9	Citizens Financial Group	\$ 227
10	M&T Bank	\$ 201

Note: As of 4Q22. Excludes investment banks (i.e., Goldman Sachs, Morgan Stanley) and International Banks.

# PNC's Financial Strength

Strong & Large Deposit Base (\$ in billions)



Rank	Bank	Deposits
1	JPMorgan Chase	\$ 2,340
2	Bank of America	\$ 1,930
3	Wells Fargo	\$ 1,384
4	Citigroup	\$ 1,366
5	U.S. Bancorp	\$ 525
<b>6</b>	<b>PNC</b>	<b>\$ 436</b>
7	Truist	\$ 413
8	Capital One	\$ 333
9	Citizens Financial Group	\$ 181
10	M&T Bank	\$ 164

Note: As of 4Q22. Excludes investment banks (i.e., Goldman Sachs, Morgan Stanley) and International Banks.

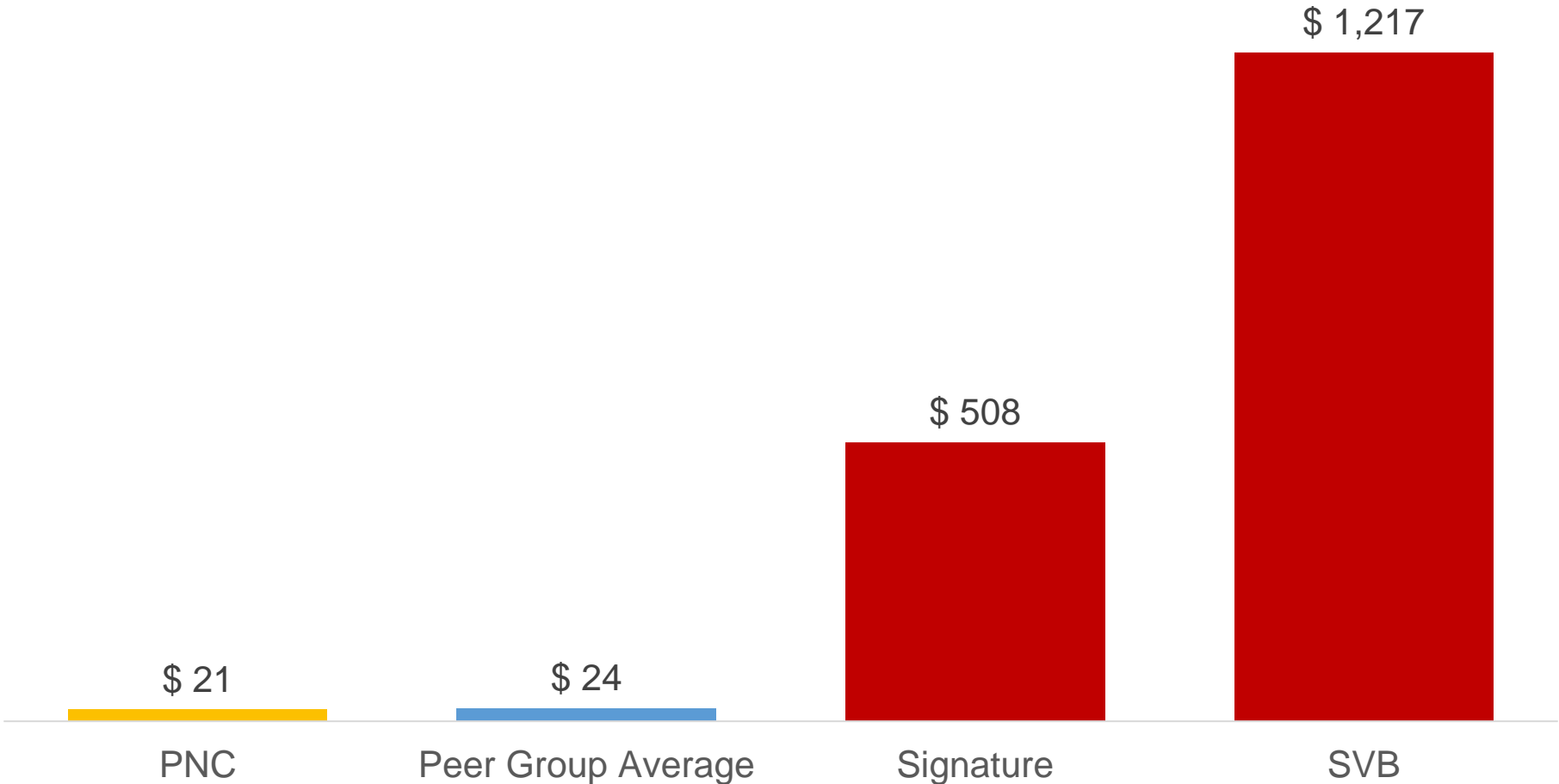


# PNC's Financial Strength

Strong & Granular Deposit Base



## Average Deposit Account Size as of 12/31/22 (\$k)

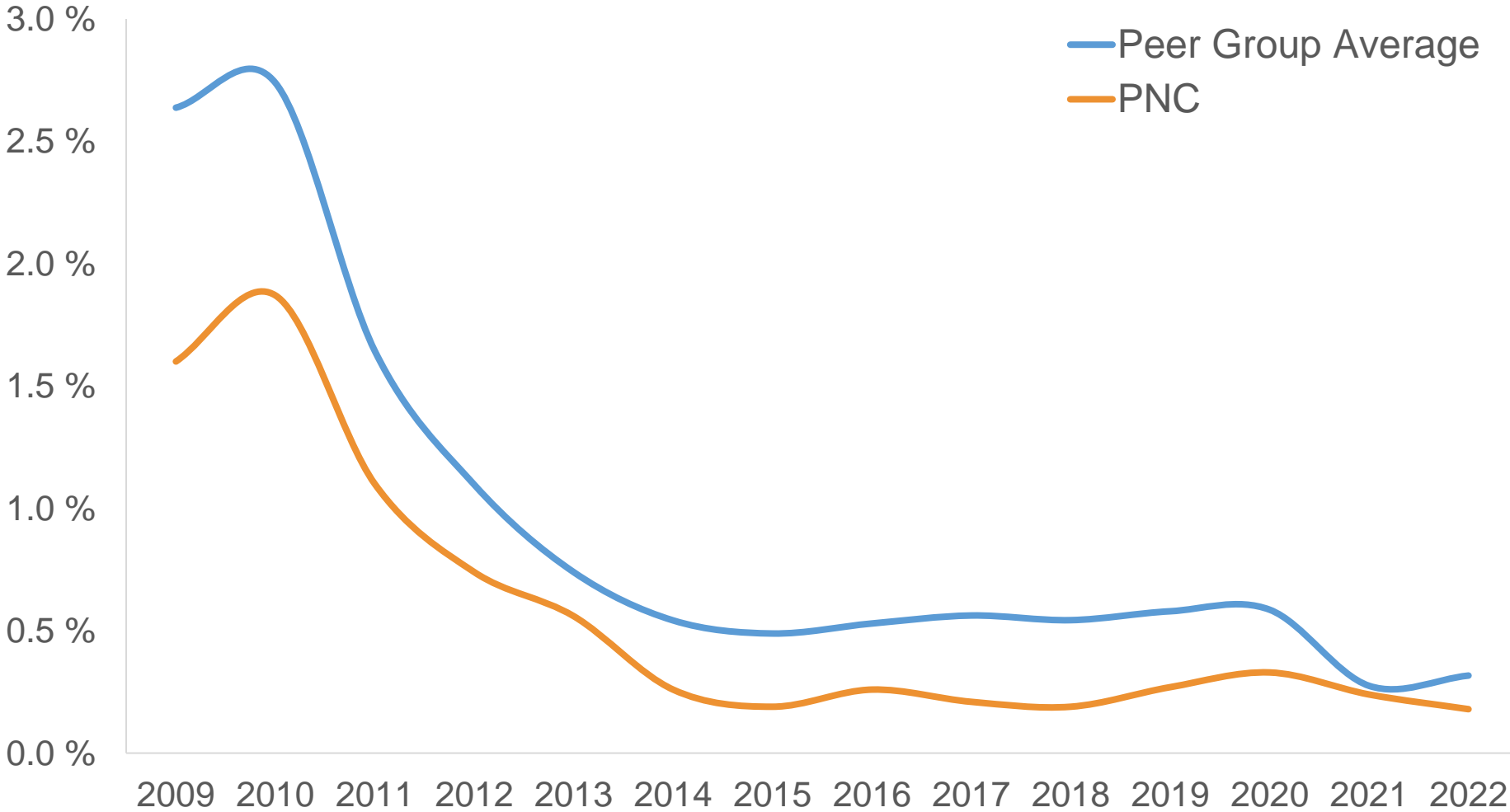


# PNC's Financial Strength

Strong Credit



## Full Year Net Charge Off Ratio

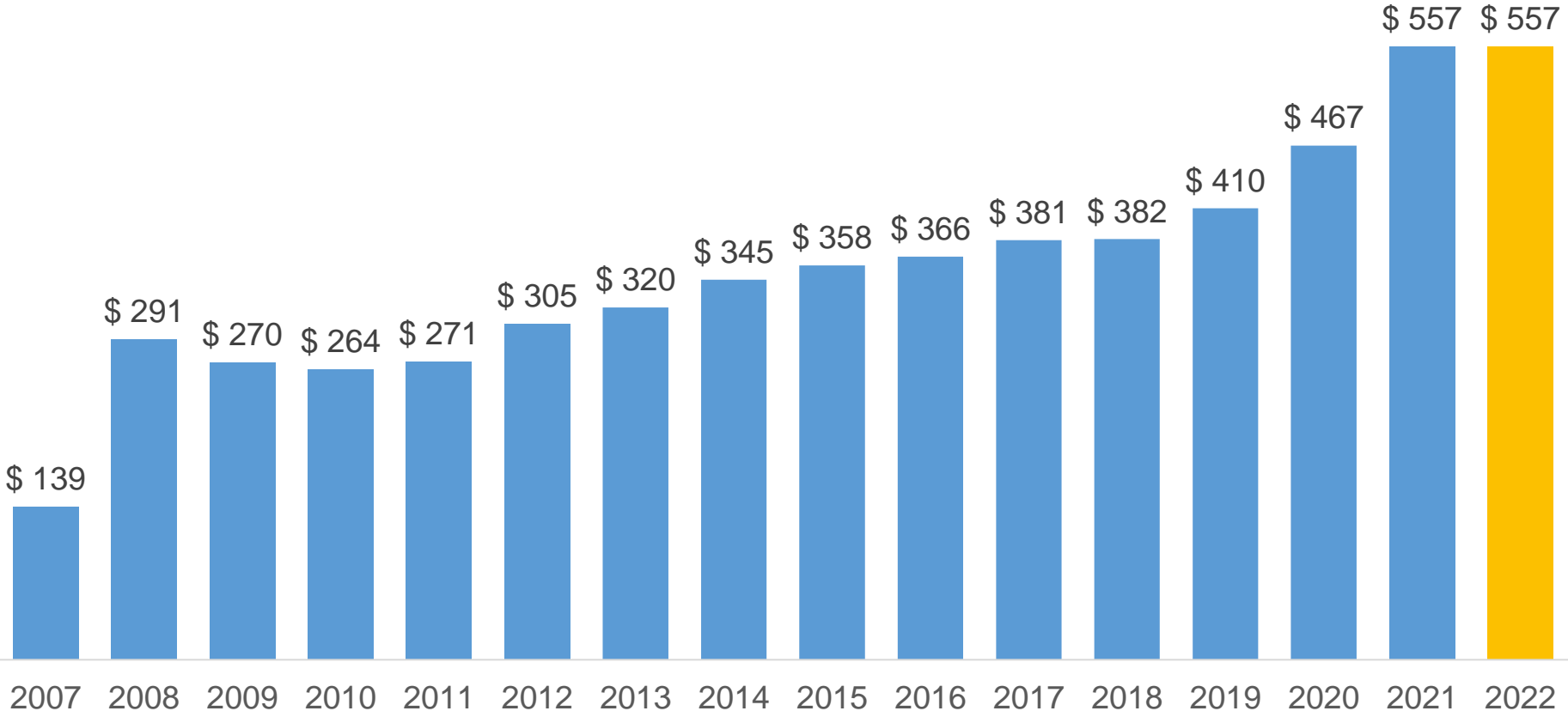


# PNC's Financial Strength

Strong Through-the-Cycle Growth



## Total Assets (\$bn)



National City



BBVA