



# GREEN BOND IMPACT REPORT



At PNC, we know that being good environmental stewards is essential to supporting a high quality of life for our shareholders, employees, customers and communities.

## PURSUING ENVIRONMENTAL SUSTAINABILITY

PNC's Climate Action Strategy is designed to set us on a pathway to assist customers as they transition to a low-carbon economy. Our approach is iterative and flexible, allowing for necessary changes in response to regulatory, government policy and technological developments.

In early 2023, PNC increased our commitment to mobilize environmental finance from \$20 billion to \$30 billion. This commitment focuses on green real estate, renewable energy, clean transportation, green loans and bonds, and environmentally linked loans and bonds. The enhanced environmental finance commitment maintains the same five-year time frame, through 2025.



### PNC'S CLIMATE ACTION STRATEGY UPDATE

In early 2022, we formalized PNC's Climate Action Strategy, designed to set us on a pathway to finance the transition to a low-carbon economy. Our approach will be continuous and flexible, allowing for necessary changes in response to regulatory, political and technological developments. The strategy is focused on FIVE SPECIFIC AREAS.



#### Employee Engagement

PNC's planned Climate Transition Advocates initiative will enable employees to have climate transition-related conversations with clients.

#### Long-Term Collaboration

PNC is an engaged and active participant in relevant working groups, coalitions and partnerships focused on climate transition.



#### Supporting Customer Transition Plans

PNC is committed to providing the financing and advice our clients need to create and execute on their own climate transition plans.

#### Executing on Operational Sustainability

PNC is committed to continually setting and achieving ambitious carbon emissions, energy use, water use and renewable electricity goals.

#### Portfolio Alignment Over Time

PNC believes that we have a duty to manage risks to our business in ways that ensure continued value for our shareholders, high quality of life for our employees and communities, and continued success and growth for our clients.





# OVERVIEW

In January 2023, PNC issued our second green bond for \$1.25 billion. The net proceeds were used to finance or refinance eligible green projects that, in accordance with the Green Bond Eligibility Criteria set forth in [PNC’s Sustainable Financing Bond Framework](#), promote a transition to a low-carbon economy and offer sustainability benefits across up to four categories aligned with the United Nations Sustainable Development Goals (SDG), including renewable energy, energy efficiency, green buildings and clean transportation. This document details how the net proceeds of this green bond have been allocated.

PNC issued its inaugural green bond in 2019 and its first social bond in 2021.



GREEN BOND SUMMARY	
ISSUER	The PNC Financial Services Group, Inc.
PRINCIPAL AMOUNT	\$1,250,000,000
INTEREST RATE	4.758%
NET PROCEEDS	\$1,249,861,663
ISSUE DATE	January 24, 2023
MATURITY DATE	January 26, 2027
LOOK BACK PERIOD	36 Months Prior to Issuance
CUSIP	693475BL8



## RENEWABLE ENERGY

The total proceeds allocated to projects in the renewable energy category were **\$1,242,364,288** representing a combined total generation capacity of 2,609 megawatts (MW).

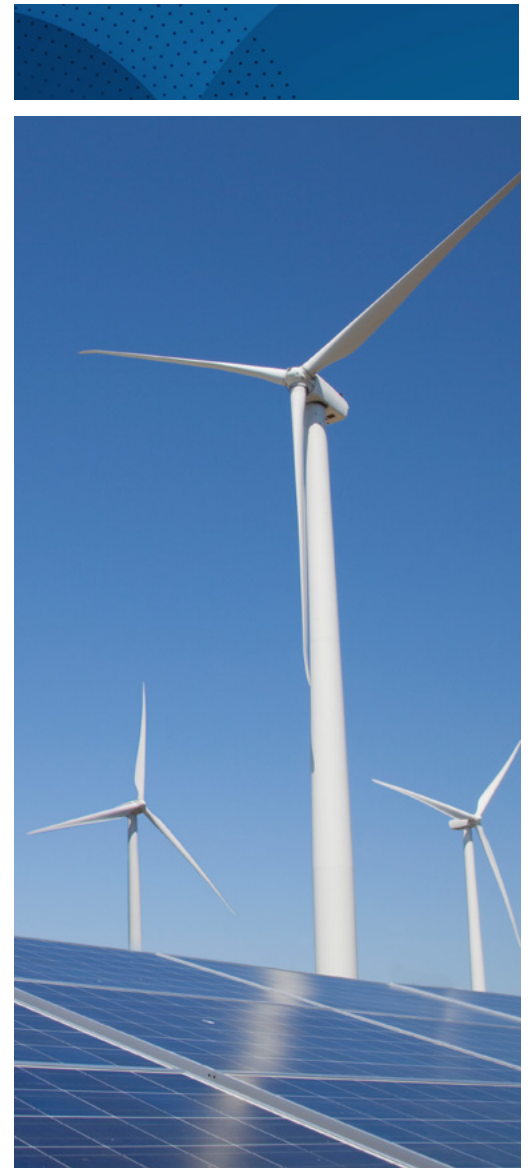
### PROJECT HIGHLIGHTS



#### Project: Slate

PNC participated as sole tax equity investor providing \$240 million of tax equity through a partnership flip structure to finance the Slate solar and storage project located in Kings County, California. The project was developed and completed by MN8 Energy LLC, formerly known as Goldman Sachs Renewable Power LLC. The 300 MWac solar plus 140 MW / 561 MW-hour storage project has Power Purchase Agreements (PPAs) in place with five different offtakers, including Silicon Valley Clean Energy (SVCE), Monterey Bay Community Power (MBCP), Power and Water Resources Pooling Authority, San Francisco Bay Area Rapid Transit Group and Stanford University. This transaction represented one of PNC’s largest tax equity investments to date.

#### Project: Antex 1B

PNC provided \$14 million of tax equity to finance the 17 MWac solar project located in Lancaster, California. The project was developed by AES Clean Energy and went into service in late 2022. The offtaker for the project is a joint powers authority (JPA) established by a consortium of locally owned electric utilities.



UN SDG ALIGNMENT	CATEGORY OF ELIGIBLE GREEN PROJECTS	GENERAL DESCRIPTION	ELIGIBLE GREEN PROJECTS
 	Renewable Energy	Investments that support the generation and production of renewable energy	Construction of new solar and wind energy facilities Maintenance of solar and wind facilities



# ALLOCATION OF BOND PROCEEDS AND IMPACT

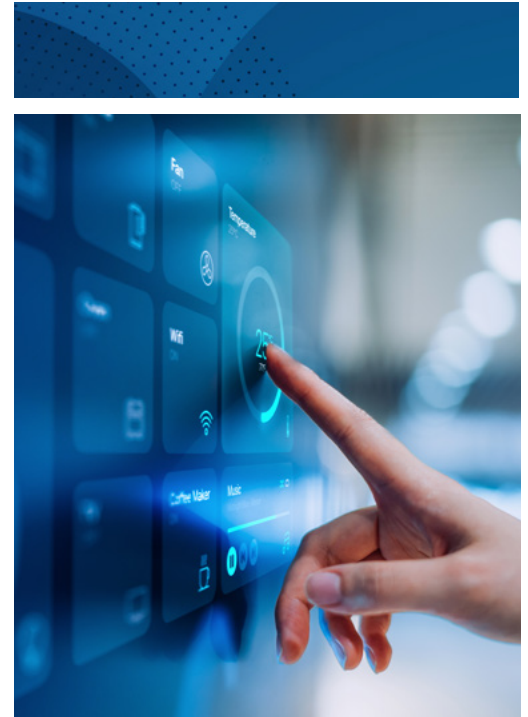
SUMMARY OF RENEWABLE ENERGY PROJECTS				
PROJECT # / PARTNERSHIP NAME	CLOSING YEAR	RENEWABLE ENERGY CATEGORY	GENERATION CAPACITY (MW)	INVESTMENT AMOUNT
Slate	2022	Solar and Storage	440	\$240,000,000
Antex 1B	2022	Solar	17	\$14,130,722
Project #3	2020	Solar	13	\$24,133,372
Project #4	2020	Solar	15	\$10,601,522
Project #5	2020	Solar	50	\$30,484,322
Project #6	2021	Solar and Battery Storage	456	\$262,600,557
Project #7	2021	Solar and Wind	85	\$85,033,270
Project #8	2021	Solar and Storage	23	\$14,197,730
Project #9	2021	Solar	100	\$52,784,428
Project #10	2021	Solar	37	\$23,102,487
Project #11	2021	Solar	150	\$118,130,500
Project #12	2021	Solar and Battery Storage	100	\$82,647,854
Project #13	2021	Solar	300	\$ 83,845,000
Project #14	2021	Solar	20	\$12,872,393
Project #15	2022	Solar	79	\$16,500,000
Project #16	2022	Solar	80	\$35,221,307
Project #17	2022	Solar	80	\$4,448,757
Project #18	2022	Solar	100	\$22,681,775
Project #19	2022	Solar	100	\$5,726,673
Project #20	2023	Solar	163	\$65,206,361
Project #21	2023	Solar and Storage	21	\$29,399,810
Project #22	2023	Solar	180	\$8,615,448
<b>Total</b>			<b>2,609</b>	<b>\$1,242,364,288</b>





## ENERGY EFFICIENCY


The total proceeds allocated to lighting projects were **\$7,497,375** for the years 2021, 2022 and partial 2023. These figures exclude lighting projects that were bundled with HVAC improvements, and other smart thermostat and building technologies.



### PROJECT HIGHLIGHTS

#### Project: PNC Firstside Building (multi-year project)

PNC's Firstside office building in Pittsburgh was the first structure in the nation to earn Silver LEED certification in the year 2000. PNC spent the last four years completing a full energy-efficient LED retrofit inside and outside the building. These enhancements have resulted in a noticeable reduction in energy consumption and improved cooling for building occupants during summer months, thanks to reduced heat gain from the lighting fixtures.

UN SDG ALIGNMENT	CATEGORY OF ELIGIBLE GREEN PROJECTS	GENERAL DESCRIPTION	ELIGIBLE GREEN PROJECTS
	Energy Efficiency	Investments that support a reduction in energy consumption	<p>Energy-efficient heating (excluding those powered by fossil fuels), ventilation, air conditioning, refrigeration, lighting and electrical equipment that result in at least 25% energy savings</p> <p>Projects that enable energy optimization and smart building technologies, including smart meters, load control systems, sensors or building information systems</p> <p>Businesses with at least 90% of revenue focused on the development and deployment of clean technologies resulting in greenhouse gas reduction or avoidance</p>

### SUMMARY OF ENERGY EFFICIENCY PROJECTS

PROJECT # / PARTNERSHIP NAME	CLOSING YEAR	NUMBER OF PROJECTS	INVESTMENT AMOUNT
PNC Realty Services	2021	68	\$3,842,909
PNC Realty Services	2022	41	\$1,886,358
PNC Realty Services	2023	28	\$1,768,108
<b>Total</b>		<b>137</b>	<b>\$7,497,375</b>

**Kristi Eberhardt**

PNC Head of Sustainable Finance  
[kristi.eberhardt@pnc.com](mailto:kristi.eberhardt@pnc.com)

**Lora Phillips**

PNC Director of Responsible  
Business Strategies  
[lora.phillips@pnc.com](mailto:lora.phillips@pnc.com)

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For questions about this report, please email [pncrbs@pnc.com](mailto:pncrbs@pnc.com).

For customer inquiries, please call 1-888-PNC-BANK.

For registered shareholder services, please call 800-843-2206.

For investor inquiries, please email [investor.relations@pnc.com](mailto:investor.relations@pnc.com).

For media inquiries, please call 412-762-4550 or email [media.relations@pnc.com](mailto:media.relations@pnc.com).

Copies of the prospectus supplement and the accompanying prospectus relating to this green bond may be obtained by calling PNC Capital Markets LLC at 1-855-881-0697. The information contained in this report is as of January 2024. Additional information about our corporate responsibility efforts, including important legal disclosures and information, is available on our [Corporate Responsibility website](#).

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