



# GREEN BOND IMPACT REPORT



The PNC Financial Services Group, Inc. and PNC Bank NA recognize that environmental issues, including those posed by climate change, are impacting our employees, communities, customers and shareholders. We also acknowledge that transitioning to a low-carbon economy presents its own risks and opportunities, and are committed to balancing financial priorities, responsible risk management and environmental considerations in ways that benefit all of our stakeholders.

In November 2019, we issued our inaugural \$650 million green bond. This green bond issuance was a natural progression of our efforts to advance the transition to a low-carbon economy while supporting the company’s existing green initiatives, and those of our customers.

We support our customers’ green initiatives by providing financing and underwriting debt in the following focus areas: air quality, brownfield remediation, energy efficiency, green building, renewable energy, sustainable transportation, waste management and pollution control, and water quality and conservation. This green bond addresses projects in a subset of those areas.

As outlined in the Green Bond Principles, this document is the follow-up on our commitment to report how the proceeds of this green bond have been allocated according to the eligible project categories outlined in our Green Bond Framework and the prospectus supplement. PNC’s Green Bond Framework can be accessed at [www.pnc.com/csr](http://www.pnc.com/csr).

## INAUGURAL GREEN BOND SUMMARY

### ISSUER

The PNC Financial Services Group, Inc.

### PRINCIPAL AMOUNT

**\$650,000,000**

### INTEREST RATE

**2.20% ANNUALLY**

### ISSUE DATE

November 1, 2019

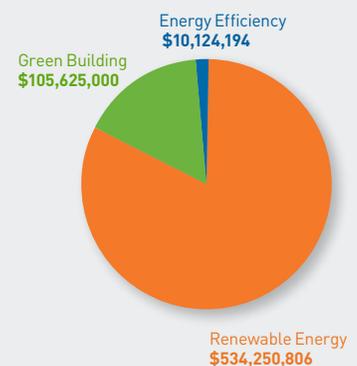
### MATURITY DATE

NOVEMBER 1, 2024

### LOOK-BACK PERIOD

**36 MONTHS**  
PRIOR TO ISSUANCE

## ALLOCATION SUMMARY





## GREEN BUILDINGS

Aligned with Sustainable Development Goal #11, Sustainable Cities and Communities, investments in new and refurbished buildings that achieve a LEED Gold or LEED Platinum certification are eligible under the green bond. A total of \$105.6 million was allocated to one LEED Platinum project representing 750,000 square feet, and one LEED Gold project representing 1 million square feet, of green building space.

### PROJECT HIGHLIGHT: DOMINION ENERGY SERVICES, INC.

PNC invested \$45.6 million in a synthetic lease for Dominion Energy’s new downtown flagship building in Richmond, Virginia. The state-of-the-art building consists of nearly 1 million square feet and houses 1,200 Dominion Energy employees. The building is LEED Gold certified and integrates a range of sustainability strategies including a high-performance exterior enclosure, energy-efficient mechanical/electrical systems, and an exterior landscaped terrace that captures and utilizes rainwater. The project is designed to promote new ways of working and to enhance productivity and efficiencies that will redound to the benefit of Dominion employees and customers.



#### SUMMARY OF GREEN BUILDING PROJECTS

PROJECT # / PARTNERSHIP NAME	CLOSING DATE	LEED CERTIFICATION LEVEL	SQ. FT. OF LEED SPACE	INVESTMENT AMOUNT
Dominion Energy Services, Inc.	2018	Gold	1,000,000	\$45,625,000
Project 2	2018	Platinum	750,000	\$60,000,000
<b>Total</b>				<b>\$105,625,000</b>



## RENEWABLE ENERGY

The total proceeds allocated to projects in the renewable energy category was \$534.2 million representing a combined total generation capacity of 1,668.82 megawatts. All renewable projects listed generate energy from solar installations. Aligned with SDG 7, investments that support the generation and production of renewable energy through the construction of new solar and wind energy facilities, and the maintenance of solar and wind facilities are included in this use of proceed category.



### PROJECT HIGHLIGHT: sPOWER

This project is a \$69.2 million tax equity investment in a partnership to finance two solar photovoltaic projects totaling 156.96 MWdc located in Lancaster, California and developed by sPower. 100% of the electricity produced by the solar facilities will be purchased under separate long-term Power Purchase Agreements. The projects reached commercial operation in December 2019. sPower, a leading independent power producer headquartered in Salt Lake City, Utah, holds the sponsor equity interest in the partnership.

### SUMMARY OF RENEWABLE ENERGY PROJECTS

PROJECT # / PARTNERSHIP NAME	CLOSING YEAR	RENEWABLE ENERGY CATEGORY	GENERATION CAPACITY (MW)	INVESTMENT AMOUNT
sPower	2019	Solar	156	\$69,181,342
Project 2	2017	Solar	76	\$67,150,224
Project 3	2019	Solar	275	\$65,269,367
Project 4	2016	Solar	107	\$65,000,000
Project 5	2018	Solar	96	\$58,921,511
Project 6	2019	Solar	76	\$56,650,916
Project 7	2017	Solar	72	\$52,674,867
Project 8	2017	Solar	183	\$47,873,372
Project 9	2016	Solar	44	\$45,134,239
Project 10*	2016	Solar	580	\$6,394,967
<b>Total</b>				<b>\$534,250,806</b>

\*The investment amount shown is a partial total, while the generation capacity shown is the full amount.



## ENERGY EFFICIENCY

Aligned with SDG 7 and falling into this use of proceeds category are those investments that support reductions in energy consumption. Lighting improvements within PNC’s owned and operated real estate that result in a 25% or more energy efficiency improvement are included. Total allocations to these lighting projects were \$10.1 million for the years 2017 and 2018. The efficiency gains resulting from these projects are estimated to have reduced PNC’s carbon emissions by 8,236 MT. These figures exclude lighting projects that were bundled with HVAC improvements, and other smart thermostat and building technologies, even when efficiencies of 25% were reached.



### SUMMARY OF ENERGY EFFICIENCY PROJECTS

PROJECT # / PARTNERSHIP NAME	PROJECT YEAR	NUMBER OF PROJECTS	EMISSIONS REDUCTION MT CO2E	INVESTMENT AMOUNT
PNC Realty Services	2017	165	5,287	\$7,681,664
PNC Realty Services	2018	92	2,948	\$2,442,530
<b>Total</b>				<b>\$10,124,194</b>

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

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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 or J.P. Morgan Securities LLC at 1-212-843-4533.