

2016 Capital Gains and Income Distributions

To assist shareholders and financial professionals with year-end tax planning, PNC Funds announces capital gains and income distributions.

CAPITAL GAINS

| Fund Name | Short-Term Gains (per share) | Long-Term Gains (per share) | Total Capital Gains (per share) |
|--|---------------------------------|--------------------------------|------------------------------------|
| Balanced Allocation Fund ¹ | \$0 | \$0.08223 | \$0.08223 |
| Bond Fund | \$0 | \$0.07317 | \$0.07317 |
| Intermediate Bond Fund | \$0.15720 | \$0 | \$0.15720 |
| Intermediate Tax Exempt Bond Fund | \$0 | \$0.06890 | \$0.06890 |
| International Growth Fund ¹ | \$0.02262 | \$0 | \$0.02262 |
| Limited Maturity Bond Fund | \$0 | \$0.00490 | \$0.00490 |
| Maryland Tax Exempt Bond Fund | \$0 | \$0.15894 | \$0.15894 |
| Mid Cap Index Fund ² | \$0.00562 | \$0.01552 | \$0.02114 |
| Ohio Intermediate Tax Exempt Bond Fund | \$0 | \$0.21746 | \$0.21746 |
| Small Cap Index Fund ² | \$0.07250 | \$1.60518 | \$1.67768 |
| S&P 500 Index Fund | \$0 | \$0.62505 | \$0.62505 |
| Tax Exempt Limited Maturity Bond Fund | \$0 | \$0.00100 | \$0.00100 |

CAPITAL GAINS AND INCOME DISTRIBUTION SCHEDULE FOR PNC FUNDS, EXCLUDING PNC TARGET DATE FUNDS

Record date: 12/16/2016

¹Record date: 11/29/2016

Ex-date: 12/19/2016

Ex-date: 11/30/2016

Payable date: 12/20/2016

Payable date: 12/01/2016

Capital gains are not taxable if shares are held in tax-advantaged accounts such as IRAs.

INCOME

| Fund Name | Share Classes | Total Income Distributed per Share |
|---|----------------------|---|
| Balanced Allocation Fund^{1,4} | I Shares | \$0.03716 |
| | A Shares | \$0.02845 |
| | C Shares | \$0.00698 |
| | T Shares | \$0.02596 |
| International Equity Fund | I Shares | \$0.17850 |
| | A Shares | \$0.13749 |
| | C Shares | \$0.00287 |
| International Growth Fund¹ | I Shares | \$0.08410 |
| | A Shares | \$0.07449 |
| Large Cap Growth Fund³ | I Shares | \$0.22432 |
| | A Shares | \$0.15470 |
| Mid Cap Index Fund² | I Shares | \$0.14236 |
| | R4 Shares | \$0.12066 |
| Multi-Factor Small Cap Core Fund | I Shares | \$0.12827 |
| | A Shares | \$0.07306 |
| | C Shares | \$0.12827 |
| Multi-Factor Small Cap Value Fund | I Shares | \$0.55948 |
| | A Shares | \$0.50269 |
| | C Shares | \$0.38413 |
| Small Cap Index Fund² | I Shares | \$0.34678 |
| | R4 Shares | \$0.33193 |
| S&P 500 Index Fund⁴ | I Shares | \$0.09090 |
| | A Shares | \$0.08073 |
| | C Shares | \$0.04992 |
| | R4 Shares | \$0.08447 |
| | R5 Shares | \$0.08855 |

² As of December 31, 2016, PNC Mid Cap Index Fund and PNC Small Cap Index Fund were liquidated.

³ On March 31, 2017, PNC Large Cap Growth Fund became PNC Multi-Factor Large Cap Growth Fund. The Funds' strategies and risks changed as the Funds will now pursue a multi-factor approach.

⁴ Represent dividend payments for fourth quarter 2016 only.

Questions:

- Call Shareholder Services at 800-622-FUND (3863)
- Consult your tax advisor
- Visit the Performance section or the Investor Education section at pncfunds.com

Please consult with a tax advisor before making any tax-related investment decisions.

You should consider the investment objectives, risk, charges, and expenses of PNC Funds carefully before investing. A prospectus or summary prospectus with this and other information may be obtained at 800-622-FUND (3863) or pncfunds.com. Please read the prospectus carefully before investing.

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