

# PNC Funds Profile

December 31, 2017

## PNC Funds Fast Facts

Founded  
**1986**

Headquarters  
**BALTIMORE, MD**

Investment adviser  
**PNC CAPITAL ADVISORS, LLC**

Manages  
**MORE THAN \$50.3 BILLION IN ASSETS**  
for individuals and institutions

**OVER \$16.3 BILLION REPRESENTED**  
by PNC Funds' family of 24 mutual funds

## Investment Management Overview

### INDEPENDENT INVESTMENT TEAMS

- World-class teams of investment professionals focus on carefully selected investment strategies.
- Each investment team operates independently according to a disciplined process.
- Each team has a full complement of portfolio management and analytical resources.

### CENTRALIZED OVERSIGHT AND RISK MANAGEMENT

- Each team operates independently within an organization that strongly emphasizes accountability.
- Each investment strategy is monitored on an ongoing basis – on portfolio characteristics, adherence to style, and benchmark.
- Conduct attribution analysis to understand how excess returns are generated.

### DEPTH OF RESEARCH

- Each investment team has experienced research capabilities specific to its investment strategy.
- Sharing company-specific research across teams and disciplines is encouraged and enabled.
- A centralized quantitative research group supports team research capabilities with customized research.

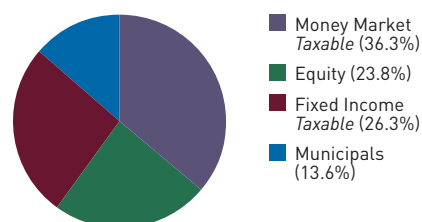
### INVESTMENT EXPERIENCE

- Number of investment professionals: 62
- Compensation: Based on their ability to outperform benchmark while remaining true to characteristics of their style

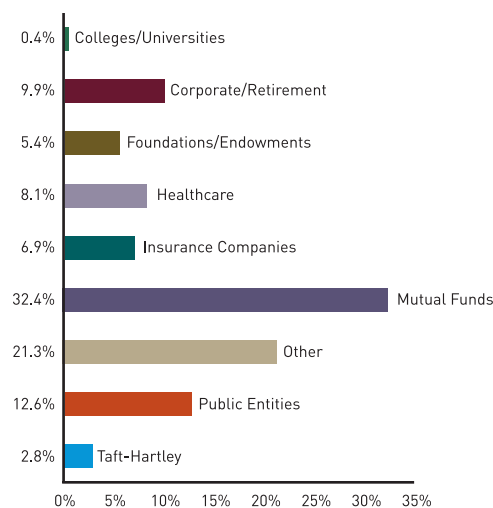
## PNC Capital Advisors

Assets Under Management as of 12/31/17

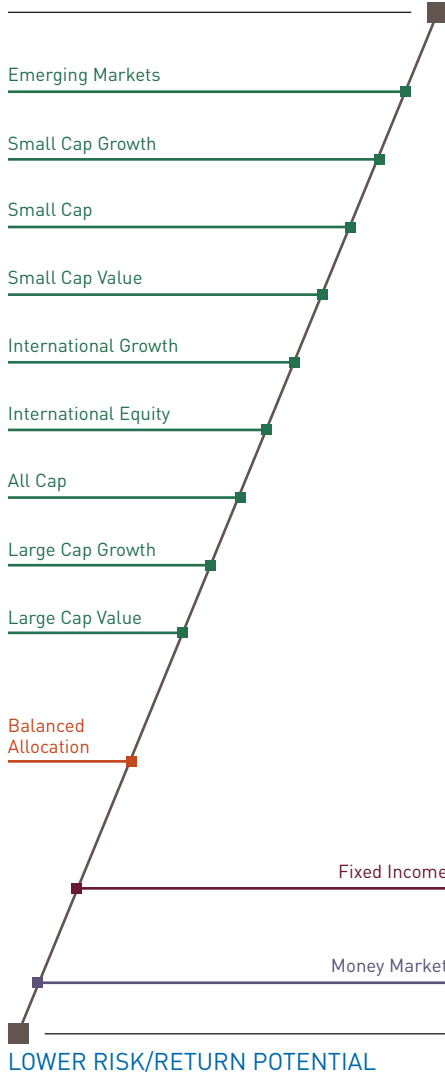
### BY ASSET CLASS



### BY CLIENT CLASSIFICATION



HIGHER RISK/RETURN POTENTIAL



**EQUITY**

- PNC Emerging Market Equity Fund<sup>2,3,4,7,8,12</sup>
- PNC International Equity Fund<sup>2,3,4,7,8</sup>
- PNC International Growth Fund<sup>2,3,4,7,8</sup>
- PNC Multi-Factor All Cap Fund<sup>3,7,8,11</sup>
- PNC Multi-Factor Large Cap Growth Fund<sup>3,7,11</sup>
- PNC Multi-Factor Large Cap Value Fund<sup>8,11</sup>
- PNC Multi-Factor Small Cap Core Fund<sup>2,3,7,8</sup>
- PNC Multi-Factor Small Cap Growth Fund<sup>2,3,7</sup>
- PNC Multi-Factor Small Cap Value Fund<sup>2,3,8</sup>
- PNC Small Cap Fund<sup>2,3,7,8,10</sup>

**FIXED INCOME**

- PNC Bond Fund<sup>1,3,4</sup>
- PNC Government Mortgage Fund<sup>1,3</sup>
- PNC Intermediate Bond Fund<sup>1,3,4</sup>
- PNC Limited Maturity Bond Fund<sup>1,3</sup>
- PNC Total Return Advantage Fund<sup>1,3,4,5</sup>
- PNC Ultra Short Bond Fund<sup>1,3</sup>
- PNC Intermediate Tax Exempt Bond Fund<sup>1,5,6</sup>
- PNC Maryland Tax Exempt Fund<sup>1,5,6</sup>
- PNC Ohio Intermediate Tax Exempt Bond Fund<sup>1,5,6</sup>
- PNC Tax Exempt Limited Maturity Fund<sup>1,5,6</sup>

**MONEY MARKET**

- PNC Government Money Market Fund<sup>9</sup>
- PNC Treasury Money Market Fund<sup>9</sup>

**MULTI-ASSET**

- PNC Balanced Allocation Fund<sup>1,2,3,4,5,7,8</sup>

LOWER RISK/RETURN POTENTIAL

- 1** Bond investments are subject to interest rate risk such that when interest rates rise, the prices of bonds and the value of bond fund shares can decrease and the investor can lose principal value. The Fund may be subject to prepayment risk, the risk that the principal of a fixed income security that is held by the Fund may be prepaid prior to maturity, potentially forcing the Fund to reinvest that money at a lower interest rate.
- 2** Investments in small- and mid-capitalization companies present greater risk of loss than investments in large companies, due to greater volatility and less liquidity.
- 3** International investments are subject to special risks not ordinarily associated with domestic investments, including currency fluctuations, economic and political change, and differing accounting standards that may adversely affect portfolio securities. These risks may be heightened in emerging markets.
- 4** Each fund may invest a portion of its assets in derivatives. Derivative instruments include options, futures, and options on futures. A small investment in derivatives could have a potentially large impact on the Fund's performance. The use of derivatives involves risks different from the risks associated with investing directly in the underlying assets. Derivatives can be volatile, illiquid, and difficult to value, and an imperfect correlation may exist between changes in the value of a derivative held by the Fund and the Fund's other investments.
- 5** High yield bond investing includes special risks. Investments in lower-rated and unrated debt securities are subject to a greater loss of principal and interest than investments in higher-rated securities. The values of mortgage-backed securities depend on the credit quality and adequacy of the underlying assets or collateral and may be highly volatile.
- 6** May be subject to the federal Alternative Minimum Tax (AMT). Intermediate Tax Exempt Bond Fund may also be subject to state and local taxes. Federal income tax rules will apply to any capital gains distributions.
- 7** Investments in growth companies can be more sensitive to the company's earnings and more volatile than the stock market in general.
- 8** Investments in value companies can continue to be undervalued for long periods of time and be more volatile than the stock market in general.
- 9** *You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time. The dividend yield paid by each Fund will vary with changes in short-term interest rates.*
- 10** Effective July 5, 2016, PNC Small Cap Fund is closed to new investors.
- 11** On March 31, 2017, PNC Large Cap Growth Fund became PNC Multi-Factor Large Cap Growth Fund. Also on this date, PNC Large Cap Value Fund became PNC Multi-Factor Large Cap Value Fund. The Funds' strategies and risks changed as the Funds will now pursue a multi-factor approach. On March 31, 2017, PNC Large Cap Core Fund became PNC Multi-Factor All Cap Fund. The Fund's strategy and risks changed as the Fund will now pursue a multi-factor approach and will no longer have a policy to invest 80% of its net assets plus any borrowings for investment purposes in equity securities issued by large-cap companies. Please see the prospectus for additional information.
- 12** Emerging Markets investments are subject to special risks because frontier markets are among the smallest, least mature and least liquid of the emerging markets, investments in frontier markets generally are subject to a greater risk of loss than investments in developed markets or traditional emerging markets. The Fund's investments in securities that are or become illiquid may reduce the returns of the Fund because it may be unable to sell the illiquid securities at an advantageous time or price.

Mutual funds involve risk, including possible loss of principal.

To Learn How PNC Funds Can Make A Difference For Your Investment Portfolio:

- CONSULT YOUR FINANCIAL ADVISOR
- VISIT PNCFUNDS.COM
- CALL 800-622-FUND (3863)

**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 it carefully before investing.**

**NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE**

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