



# 2023

**Supporting our Communities**  
Corporate Responsibility Report

**S&T Bank**



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# A Message From Chris McComish



Our **people-forward purpose** has been at the core of our success for more than 120 years. We built upon our purpose by introducing **Our Shared Future™** – a strategic framework to define our values and drivers for profitable growth and create a roadmap that guides our proactive steps to deliver long-term, sustainable financial performance. We saw our environmental, social and governance efforts blossom in 2023 to support that strategic framework. Every day, we go above and beyond by helping customers meet their financial goals, while simultaneously championing impactful philanthropic and environmental initiatives that strengthen our communities.

Our actions are guided by humility and empathy and a sincere desire to uplift each other. To provide an overview of how we are living our values and strengthening our communities, we have summarized our 2023 achievements into four categories – social, governance, environment and employees.

**Social:** *Giving back is central to who we are*

At S&T, giving back to the community is multifaceted and includes our investment in people, programs, financial solutions, and donations of time and resources. We assisted approximately 800 organizations by contributing more than 20,000 volunteer hours and donating more

than \$400,000 in 2023. We also continue to expand our Community Reinvestment Act (CRA) efforts as well as our community development loans and investments. In addition, we make home ownership more affordable to all by providing loans and financial education services to our customers and communities.

**Governance:** *Guiding and managing responsibly*

Our board of directors plays a critical role in setting high standards for performance, ensuring sound risk management and compliance practices, and overseeing executive compensation. Ten of our 12 current board members are independent directors under the NASDAQ stock market listing rules. Two members of the board are female and two members are ethnically diverse. Our chairperson is a woman.

**Environment:** *Leaving the world around us better than we found it*

We strive to conduct our operations in an environmentally responsible manner. We minimize our energy consumption and pursue environmentally conscious operating strategies whenever possible, as it also reduces our costs. For example, we continue to invest in technologies to digitize our processes and reduce the amount of paper waste that is generated by our operations.

**Our Employees:** *Valuing every voice and making people our purpose*

We strive to conduct our operations in an environmentally responsible manner. We minimize our energy consumption and pursue environmentally conscious operating strategies whenever possible, as it also reduces our costs. For example, we continue to invest in technologies to digitize our processes and reduce the amount of paper waste that is generated by our operations.

As we reflect on these achievements for 2023, we are grateful for the contributions of the more than 1,200 dedicated S&T employees who have a passion for serving their communities. Our commitment to people-forward banking guides us as we deepen our connections to the people and businesses we support. We invite you to join us as we continue on our journey to build a shared, strong future for all.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris McComish". The signature is fluid and cursive, written in a professional style.

**Chris McComish**  
Chief Executive Officer

# OUR SHARED FUTURE



## Our Shared Future

We believe that all banking should be personal. We cultivate relationships rooted in trust, strengthened by going above and beyond and renewed with every interaction. We move banking forward, building better lives together by putting people first.

### Purpose:

Building our future together through people-forward banking.

### Values:

- Make people our purpose
- Do the right thing
- Go above and beyond
- Value every voice
- Win as one team

### Drivers:

- Deposit franchise
- Core profitability
- Asset quality
- Talent and engagement



Pictured above: S&T Bank team members volunteered to help organize supplies and donations at the Hilliard Food Pantry in Hilliard, Ohio.



## Social

A key tenet of people-forward banking is contributing our time, talents and resources to ensure that our communities thrive. We deliver a variety of financial products, services, targeted programs and activities that support the advancement of individual consumers, families, small and large business endeavors, government, nonprofit and for-profit agencies and organizations. In 2023, S&T contributed to our communities through donations from our charitable foundation and through participation in federal and state tax credits for low-income housing, educational and community improvement initiatives. Our employees volunteered time and contributed money through payroll deductions

and corporate contributions to various nonprofits that support community services, healthcare, education and sustainable environmental efforts, such as beautification projects and waterway clean-up, as well as those that fight homelessness and food insecurity.

### Volunteer efforts

Supporting our communities is at the heart of our values at S&T. In 2023, we continued encouraging employees to volunteer in our communities. For the second year, our employees were offered up to 16 hours of paid, annual volunteer hours to support their communities and local organizations. Additionally, S&T team members volunteered at libraries,

acted as mentors, contributed to blood drives, packed and distributed food, served meals to those in need, coached youth sports and supported various fundraising activities. We helped local schools, churches and community organizations. We also provided love and care to our four-legged friends through adoption activities and animal care services.

In 2023, S&T employees volunteered through **6,810** service activities, at **794** organizations, totalling **20,337** community service hours.

Throughout 2023 and across the Bank's footprint, team members provided **1,152** hours of financial education to **26** organizations, through **60** different events. **682** of those hours were completed in partnership with Junior Achievement (JA) and their JA in a Day and JA BizTown programs.

**114** team members provided leadership support to **139** organizations giving their time and talents to provide **2,319** board service hours in 2023.

Colleagues shared their financial expertise and skills as board members of community service organizations like Hoffman Homes for Youth in Littlestown, Pennsylvania, Indiana County Community Action Program (ICCAP) and YMCA of Indiana County, both in Indiana, Pennsylvania and

Chester County Chamber of Business & Industry; as well as small business growth and economic development through organizations like Lancaster City Alliance, Pennsylvania Downtown Center, The Economic Growth Connection of Westmoreland, Plum Borough Chamber of Commerce and DuBois Area Chamber of Commerce; financial education through partnership with Chester County Futures, Junior Achievement of North Central Ohio and Western Pennsylvania and Penn Highlands Community College regional campuses; organizations such as the Indiana Regional Medical Center Auxiliary and UPMC Altoona Foundation, that support the health and well-being of our communities; PLAN of PA in Wayne, Pennsylvania, providing supportive services and job skill training for individuals with differing abilities; and volunteer legal service through the JASON Project (Judicial Assistance Serving Our Neighborhood) in Pittsburgh.

**\$162,000**

was collected and donated through the Bank-wide employee-sponsored **United Way** Campaign and Bank support of individual United Way chapters, programs and events.

**\$9,564**

was donated to the **American Cancer Society's Relay for Life** programs through employee sponsored teams.

**\$30,563**

was raised in support of **Alex's Lemonade Stand Foundation**.

**\$49,000**

was raised through employee sponsored **jeans day events** to be donated to charities across the S&T Bank footprint.

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**& giving back is** central  
to **who we are.**

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## Charitable giving

**\$297,000**

donated through the S&T Bank Charitable Foundation.

**\$87,744**

additionally provided as community development charitable support to **35** organizations.



### Community development investments

S&T supported underserved communities and underrepresented populations by investing in Low Income Housing Tax Credit (LIHTC) projects, Keystone Innovation Zone Tax Credits (KIZ), Education Improvement Tax Credits (EITC) and Neighborhood Assistance Program Tax Credits (NAP). These investments supported affordable housing, economic development, education programs, revitalization and stabilization of underserved areas and helped combat food insecurity.

### Community development loans

S&T's commitment to helping underserved low-to-moderate income communities continued through our financial support of organizations that develop affordable housing and advance economic development for communities in need. S&T also provided **\$52.5 million** in community development loans across our footprint. These loans supported affordable housing, economic development needs and served to revitalize or stabilize underserved areas. These funds supported both the creation and

retention of **124** affordable housing units. S&T also funded a loan that resulted in stabilizing the tenant base with long-term leases, thereby ensuring that vital medical services can be maintained in a moderate-income area. As part of a larger project, the Bank funded a portion of the money needed to renovate a local YMCA facility, thereby allowing the facility to continue to provide much needed community services, maintain jobs and support the overall health of the community.



**\$50,000**

in neighborhood stabilization through NAP.



**\$500,000**

to scholarship and educational improvement organizations through EITC.



**\$534,000**

in KIZ to promote entrepreneurial activity and economic growth.



### Homeownership loan products

S&T provides loan products that meet our customers where they are in the home-buying process. The Bank participated in several loan programs to help our customers make the dream of homeownership a reality. We are dedicated to supporting affordable housing in our communities. In 2023, we assisted **286 customers** with loans through the following programs:

In April 2023, S&T launched a new 30-year fixed rate product designed to increase lending in traditionally underserved populations and communities; this new **Home Ownership Program** provides flexible underwriting and makes homeownership more affordable. The program provides financing to borrowers with less than or equal to 80% of the Federal Financial Institutions Examination Council (FFIEC) Estimated MSA/MD Median Family Income, to purchase a one-unit, single-family, owner-occupied primary residence. The program's flexible underwriting standards include: higher maximum loan-to-value (LTV) ratios and maximum cumulative loan-to-value (CLTV) ratios. It can be paired with approved down payment assistance programs and Private Mortgage Insurance (PMI) is not required. S&T also offered a lender credit to assist low-to-moderate-income borrowers with closing costs, not including

down payment, a reduced document preparation fee and a minimum borrower contribution of \$500. Through the end of 2023, S&T funded **88 loans** under the new Home Ownership Program.

S&T Bank is a participating lender in FHLBank Pittsburgh's **First Front Door** grant program. Through this partnership, S&T helps eligible first-time home buyers access an effective down payment and closing cost assistance grant program. FHLBank Pittsburgh members like S&T provide first mortgage financing while First Front Door matches \$3 for every \$1 that borrowers contribute to down payment and closing costs, up to \$5,000.

S&T supports workforce housing through its **Community Champions** loan program. This specialized mortgage product includes low down payment options, expanded loan-to-value ratios, no mortgage insurance requirements and discounted origination fees. The Community Champions Loan Program offers financing for public or private chartered school teachers, registered nurses, emergency medical technicians (EMTs), employees of a police force and paid firefighters.

Through our **Professional Mortgages** loan program, we offer mortgage loans with low down payment options, expanded loan-to-value ratios and

no mortgage insurance requirements to medical doctors, attorneys and doctorate degree holders.

The **Home4 Good** program helps those who are homeless or at risk of homelessness by channeling dollars to local service organizations that know how to help. Funding is offered annually by FHLBank Pittsburgh and several other state housing agencies. This funding would not be possible without partners like S&T Bank. S&T continues to participate in the Home4 Good program in support of combating homelessness and housing insecurity for those most in need.

Helping individuals and families overcome financial hurdles to home ownership is at the heart of our value of doing the right thing. In addition to the products mentioned above, S&T is proud to offer **HomeReady Loans** as part of our suite of mortgage loan products available to our customers. HomeReady Loans are a Fannie Mae product designed to serve creditworthy, low- and moderate-income borrowers. Benefits to the borrower include, but are not limited to, low down payment requirements of 3%, an allowance to include income from all earners in a household and a loan-to-value up to 97%. This flexible financing product can be used for both purchases and the refinancing of existing properties.



Pictured above: The Best Slice of Indiana, a pizza tasting event to benefit ICCAP, held Saturday, September 16, 2023.

### Customer relations/ community needs

S&T Bank offers several programs to award scholarships, internships and student work programs.

S&T offers a competitive scholarship program available for college and vocational schools in the U.S. to students who have an S&T Smart Start Banking account. Smart Start Banking is S&T Bank's student checking account for teenagers/young adults, ages 14-24. In 2023, **five \$2,500 scholarships** were awarded.

S&T also officially launched the S&T Bank Equity in Education Scholarship. This scholarship is designed to assist with the educational financial needs of minority (Black/African American, Hispanic American, Native American, or Asian/Pacific Islander) high school seniors and undergraduate college students as they pursue their post-secondary education in a business or financial services area of education. The individuals selected for the scholarship awards are also afforded an opportunity to apply for internships at S&T Bank. This diversifies the current and future talent pool in the financial services industry. It is our goal and priority to strengthen and diversify our workforce at S&T Bank. The S&T Bank

Equity in Education Scholarship is in addition to our Employees' Children Scholarship program and the Smart Start Student Scholarship program. These scholarships provide another opportunity for us to demonstrate our commitment to diversity, equity and inclusion, as well as our commitment to making people our purpose.

Educating customers is a way that we bring people-forward banking to life at S&T and build long-standing trust with all our stakeholders. We recognize that customer needs and expectations evolve and our role includes providing guidance, financial education and transparent communication regarding account level details.

S&T Bank partnered with WDVE and iHeart Radio to donate \$100 for every Smart Start Banking account opened in August (up to **\$20,000**) to Children's Hospital of Pittsburgh. It is our belief that if we capture student accounts at this young age, we can help them gain financial literacy skills and develop meaningful relationships with these customers that will last a lifetime.

Continuing to go above and beyond, S&T Bank pledged **\$500,000** to the Indiana Healthcare Foundation, aiding in the construction of a new Behavioral

Health Building. The 31,000 square-foot facility is being built to meet the health care needs in the community surrounding both behavioral and mental health.

Indiana County Community Action Program (ICCAP) is a nonprofit organization whose mission is to serve as the community agency to mobilize services and resources needed to empower individuals to progress toward self-sufficiency. They help support local families who are struggling financially. S&T rallied around the cause and planned The Best Slice of Indiana, a pizza-tasting event, to raise funds. This was a re-launch of an event hosted by the Bank several years ago to once again partner with a local nonprofit in need of boosting fundraising in an effort to fill the needs of the community. Emerging Leaders, the Bank's newest leadership development program group, was tasked with this project to encourage community partnership by doing the right thing for the community and was a true demonstration of winning as one team. Through basket raffles, ticket sales and sponsorships, the event raised over **\$34,000** for ICCAP.



Pictured above: S&T Bank team members volunteered at a Junior Achievement of Western Pennsylvania BizTown event in Bridgeville, PA.

### Financial education

Education is a key building block to financial independence and advancement. Early education can lead to enhanced savings, achieving financial goals and a healthy relationship with money. We support financial education through partnerships with Junior Achievement, local school districts, colleges and universities. S&T employees provided **1,152** hours of financial education to **26** organizations throughout 2023.

- In partnership with five Junior Achievement organizations, **121** colleagues provided **682** financial education hours through **17** events.

- **Six** S&T team members collaborated with Junior Achievement and Volunteers of America (VOA) Western Pennsylvania to provide **22** hours of financial education to students participating in the after-school program at VOAPA offices in Sharpsburg, Pennsylvania.

Our Bank supports our customers' needs to save for college, plan for homeownership, prepare for retirement and be ready to achieve any financial goal. S&T's commitment to financial education includes online resources at [stbank.com/learn](https://stbank.com/learn). These resources include budgeting insights, account management tools, first-time homebuyer tips, credit score basics and much more.

S&T is one of several hundred banks across the country to offer a certified BankOn account. BankOn accounts are designed to help individuals move away from expensive alternative financial services like check cashers and payday lenders and move toward a safe, low-cost account that meets their needs.

Our **Easy Banking** allows individuals to transition into a safe and reliable account with a \$25 initial deposit, no minimum monthly balance, low monthly maintenance fee, no overdraft fees, no paper statement fees, access to ATMs and free online and mobile banking and Bill Pay.



# Governance

## Board of Directors

The board of directors of S&T Bancorp Inc. sets high standards for S&T's employees, officers and directors. Implicit in this philosophy is the importance of sound corporate governance. It is the duty of the board of directors to serve as a prudent fiduciary for shareholders and to oversee the management of the company's business. The Bank's governance approach fosters a commitment to following best practices and an effective risk management process to serve the interests of S&T, our customers, employees, partners and shareholders. The board has adopted corporate governance guidelines, which address items such as the qualifications and responsibilities of our directors and director candidates, corporate governance policies and standards that reflect S&T's commitment to its governance practices. The guidelines and applicable policies are reviewed and approved by the board annually. The guidelines are available at <https://stbancorp.com/governance/governance-documents/default.aspx>.

The board is currently comprised of 12 members, 10 (83%) of which are independent directors under the NASDAQ Stock Market (NASDAQ) listing rules and two of which are non-independent directors, as they are executive officers.\* Two members of the board are female and two members of the board are ethnically diverse. The chairperson of the board is female. These independent and diverse directors bring a wealth of knowledge and business, governance and risk experience to S&T. For additional information about our directors' experience and qualifications, visit <https://stbancorp.com/financials/annual-reports-and-proxies/default.aspx> to view our proxy statement.

The board currently has six standing committees: audit, compensation and benefits, credit risk, executive, nominating and corporate governance (NCGC), and risk. All members of the audit and compensation and benefit committees meet the independence standards required by the Securities and Exchange Commission (SEC) and NASDAQ. All members of the NCGC meet the independence criteria required by NASDAQ listing standards. While the members of the remaining committees are not required to be independent under the NASDAQ listing standards, each member of a committee is independent, other than with respect to S&T's CEO, who is a member of the executive committee. Additionally, per the risk committee charter, the chairperson of the risk committee must satisfy the independence requirements established by the SEC, NASDAQ and any other governmental or regulatory body with authority over S&T. The risk committee chair meets this requirement. All committees are chaired by independent directors, two of whom are female. The board delegates to each committee the authority of the board concerning specified subject matters appropriate to that committee. Each of these committees has a written charter that is reviewed and approved by the board annually. A copy of each charter is available in the corporate governance section on <https://stbancorp.com/governance/governance-documents/default.aspx>.

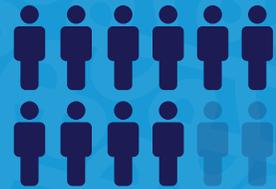
## Board Tenure



**11.7 years**

average board tenure

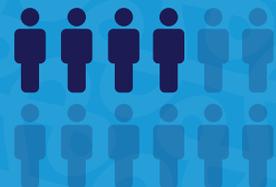
## Board Independence



**10 of 12**

independent board members

## Board Diversity



**4/33%**

gender or ethnically diverse board members

\*Steven J. Weingarten intends to retire from the board upon the expiration of his term in May 2024.

# Board Committees

## Audit

The audit committee oversees the integrity of our financial statements, the performance of our internal audit function and independent registered public accounting firm and the independent registered public accounting firm's qualifications and independence.

**4** independent committee members

**100%** of committee members are independent

## Compensation and Benefits

The compensation and benefits committee oversees our compensation strategies, goals and purposes, ensuring that the executive compensation strategy supports organizational objectives and shareholder interests and does not encourage excessive risk-taking.

**5** independent committee members

**100%** of committee members are independent

## Credit Risk

The credit risk committee oversees the review of credit administration risk management practices and reporting and the performance of the credit risk review function.

**4** independent committee members

**100%** of committee members are independent

## Nominating

The nominating and corporate governance committee oversees our nominating and corporate governance practices, including the qualifications and independence of board members and board committee members and the function of the board and its committees.

**4** independent committee members

**100%** of committee members are independent

## Risk

The risk committee oversees our risk management activities and the effectiveness of our enterprise-wide risk management framework and monitors our compliance risk with respect to regulatory and legal matters.

**6** independent committee members

**100%** of committee members are independent

## Executive

The executive committee's primary purpose is to exercise the authority to act on behalf of the board between meetings of the board, if, and as necessary and permitted.

**6** independent committee members

**1** non-independent committee member

**86%** of committee members are independent



**Christine J. Toretta\***

**Age:** 67  
Independent  
Director Since 1984  
**Board Committees:**  
• Risk  
• Executive (Chair)  
**Principal Occupation:**  
President, Palladio, LLC



**Peter R. Barsz\*\***

**Age:** 67  
Independent  
Director Since 2019  
**Board Committees:**  
• Audit  
• Comp. & Benefits  
• NCG  
**Principal Occupation:**  
Certified Public Accountant and Partner, Barsz Gowie Amon & Fultz, LLC



**Jeffrey D. Grube**

**Age:** 70  
Independent  
Director Since 1997  
**Board Committees:**  
• Audit  
• Comp. & Benefits  
• Credit Risk (Chair)  
• Risk  
• Executive  
**Principal Occupation:**  
Retired President, B.F.G. Manufacturing Service, Inc.



**Frank J. Palermo\*\***

**Age:** 71  
Independent  
Director Since 2013  
**Board Committees:**  
• Audit (Chair)  
• NCG  
• Risk  
• Executive  
**Principal Occupation:**  
Certified Public Accountant and managing shareholder, Palermo/Kissinger & Associates, P.C.



**Lewis W. Adkins, Jr.**

**Age:** 60  
Independent  
Director Since 2019  
**Board Committees:**  
• NCG  
• Credit Risk  
**Principal Occupation:**  
Shareholder and Shareholder-in-Charge of Development and Practice Integration - Roetzel & Andress, LPA



**Christina A. Cassotis**

**Age:** 59  
Independent  
Director Since 2017  
**Board Committees:**  
• Audit  
• Comp. & Benefits (Chair)  
• Risk  
• Executive  
**Principal Occupation:**  
CEO, Allegheny County Airport Authority



**William J. Hieb**

**Age:** 67  
Independent  
Director Since 2019  
**Board Committees:**  
• Credit Risk  
• Risk (Chair)  
• Executive  
**Principal Occupation:**  
Former President and CEO, DNB



**Bhaskar Ramachandran**

**Age:** 50  
Independent  
Director Since 2024  
**Principal Occupation:**  
Global Vice President and Chief Information Officer of PPG Industries Inc.



**Steven J. Weingarten**

**Age:** 65  
Independent  
Director Since 2015  
**Board Committees:**  
• Comp. & Benefits  
• NCG (Chair)  
• Risk  
• Executive  
**Principal Occupation:**  
Retired attorney, McNees Wallace & Nurick, LLC



**David G. Antolik**

**Age:** 57  
Non-Independent  
Director Since 2019  
**Board Committees:**  
NA  
**Principal Occupation:**  
President, S&T Bank



**Michael J. Donnelly**

**Age:** 66  
Independent  
Director Since 2001  
**Board Committees:**  
• Comp. & Benefits  
• Credit Risk  
**Principal Occupation:**  
President, Indiana Printing and Publishing Company Inc.



**Christopher J. McComish**

**Age:** 59  
Non-Independent  
Director Since 2021  
**Board Committees:**  
• Executive  
**Principal Occupation:**  
CEO, S&T Bank

\*Chairperson of the Board | \*\*Audit Committee Financial Expert

<b>S&amp;T Bancorp Board Governance Summary</b>	
Total number of directors	12
Independent directors	10
Independent chairperson	Yes
Number of female directors	2
Number of ethnically diverse directors	2
Average age of directors	63
Mandatory retirement age	72
Meetings of the board in 2023	7
Meetings of the independent directors in 2023	3
S&T common stock ownership requirement	Yes
Average tenure	11.7 years
Term in service	1 year
Plurality plus resignation in uncontested director elections	Yes
Audit committee meets with independent auditor in executive session	Yes
Annual board, committee and director evaluations	Yes
Continuing education program	Yes
Anti-hedging policy	Yes
Clawback policy	Yes
Whistleblower policy	Yes

### Corporate governance updates

Among our corporate governance updates in 2023, succession plans for senior executive management were enhanced, and adjustments to the oversight responsibilities for executive succession plans were made to the chief executive officer succession policy in alignment with the compensation and benefits committee charter. Additionally, all committee charters were updated to further clarify the reporting that each committee receives, including the frequency of such reporting.

### Advisory boards

Our commitment to our local communities and understanding the needs of the various markets we serve is at the heart of our purpose at S&T. Advisory boards help us do just that. The mission of S&T Bank's advisory boards is to bring business and community leaders together to provide insight into industry trends

and banking experiences as well as advice regarding products/services, business development and recruitment. It's a partnership between the Bank and the communities that we serve. Members offer informed suggestions and opinions regarding S&T's products and services in the market, an understanding of the local economy and insight into the competitive landscape.

### Compliance and risk management

S&T has an Enterprise Risk Management (ERM) program in place to identify, assess, measure, monitor, report and mitigate risk across our organization. While we recognize that risk is an inevitable part of doing business, we need to determine how much risk we are willing to bear. We make decisions within the context of our risk-appetite statement and purpose to achieve our long-term strategic goals.

The board's risk committee is responsible for overseeing S&T's risk management activities and the effectiveness of its ERM framework including, among other things, the identification, assessment, measurement, monitoring and management of S&T's major risk categories. The risk committee considers current risks, emerging risks and future threats. Both our risk committee and our board oversee the management of our risk-appetite statement to optimize long-term shareholder value while supporting our employees, customers and communities.

Our Enterprise Risk Management Committee (ERMC) is comprised of our executive leadership team, and is responsible for monitoring risk exposures of the enterprise and promoting risk management practices throughout S&T. Our ERM framework is overseen by our chief risk officer, who reports directly to the CEO, but has direct access to the risk committee, without impediment. You can find a description of the principal risks overseen by board committees in our proxy statement. In addition, management has established internal committees or working groups that provide oversight for various elements of our business that contribute to our risk management activities for the following:

- Asset/liability management
- Business continuity
- Compliance
- CRA
- Data governance
- Disclosure control
- Enterprise risk management
- Financial intelligence
- Information security
- Sarbanes-Oxley (SOX)

S&T maintains a strong ethical framework to prevent internal fraud and employee misconduct. We continuously invest in training, education and new technologies, designed to integrate processes, personnel and technology to protect our customers' information and finances, our employees and our organizational systems, assets and data. We efficiently and effectively identify areas susceptible to



unauthorized access to customer information, money laundering, fraud, identity theft and other criminal activity. S&T personnel will promptly respond to and investigate a security or fraud incident to help protect S&T and our customers from financial loss or harm.

#### **Data privacy and cybersecurity**

The S&T information security program uses a defense in-depth strategy that leverages multiple security measures to protect the Bank's assets, maintain data privacy and prevent cyber incidents from occurring. The information security program is a part of the overall ERM Program. The Board's risk committee oversees risk from cybersecurity threats as a part of its oversight of the ERM Program. The risk committee regularly reviews reports from, and has discussions with, S&T's chief risk officer, chief operating officer, chief security officer, chief information and technology officer, and director of operational risk management regarding cybersecurity risks, the threat landscape, updates on incidents, and reports on our investments in cybersecurity risk mitigation and governance. S&T employees are required to undergo annual information security awareness training, which includes information regarding evolving threats, such as phishing, malware and social engineering testing. S&T uses staff and independent third parties to conduct annual penetration testing

and IT security health assessments.

#### **Third-party risk management**

S&T's enterprise risk management practices extend to our supply chain. The risk committee oversees our third-party risk management program, which is designed to identify, manage and minimize third-party risk through a centralized approach aligned with regulatory guidance and industry best practices. We manage the program to optimize Bank performance and enhance customer experience.

#### **Executive compensation**

S&T's governance over goal setting, including the establishment of targets and rewards and monitoring performance results, mitigates excessive risk-taking that could harm our value or reward poor judgment by our executives. We believe that several features of our compensation policies and programs reflect sound risk management practices. Annually, we work with an external industry compensation expert to review our total compensation, including base and incentive plans. We work to have a forward-thinking, industry-aligned and highly regarded approach that will allow us to retain and attract the best talent levels. In 2023, this included basing annual incentive awards on the achievement of a predetermined earnings per share (EPS) goal (an audited number), pre-

provision net revenue (PPNR) and asset quality. Long-term incentive awards are in the form of restricted stock units that have both relative performance and time-based features. These awards are subject to a three-year vesting period that serves the additional purposes of encouraging senior management to make decisions that promote long-term growth, promote retention of senior management, encourage senior management to meet stock ownership guidelines and recognize performance. All awards granted under the 2023 incentive plans were subject to compensation committee review and approval. The incentive plan for senior management, as described in the compensation discussion and analysis section of the proxy statement, contains a minimum gateway requirement and a shareholder protection feature, which provides a guarantee that awards will not be made unless S&T achieves a return on average equity of at least 5% and maintains well-capitalized capital ratio requirements, as established by applicable regulatory authorities. S&T believes that compensation with base salary and short- and long-term compensation target opportunities does not encourage excessive risk-taking.



Pictured above: S&T Bank team members assisted with various maintenance projects at Laurelville Retreat in Mount Pleasant, Pennsylvania, during the United Way's Day of Caring.



## Environment

At S&T, doing the right thing is at the heart of our values. With that in mind, our objective is to reduce any potential harm to the environment and ensure our business is conducted in an environmentally responsible manner.

In our operations, with advice and oversight of S&T's Board of Directors, we minimize our consumption of energy and use environmentally conscious operating strategies wherever possible. This is not only good for the environment, but also reduces our costs. Management has made and continues to make significant operating and capital expenditures in various technologies, including cloud-based solutions; comprehensive end-to-end loan origination systems that employ automated workflow and digital document management; consumer and business online banking and mobile solutions for account opening, statements, Bill Pay, loan applications, and deposits; and eWorkflow integrated solutions, to streamline document flow and retention efforts.

### Cyber security

In October 2023, with the help of S&T's financial intelligence group, consumer banking, information technology and information security, the Bank

sponsored the third annual Identity Theft Shredding Event. There were events at seven locations and all events were open to the public to assist our customers, employees and community members in protecting their identity by shredding their hard drives. 1,605 pounds of hard drives and data devices were collected and destroyed.

### Reducing waste

The water bottling process releases 2.5 million tons of carbon dioxide into the atmosphere annually.\*\* Disposable water bottle waste washes into the ocean and kills 1.1 million marine creatures each year.\*\* Following up on the momentum gained through the distribution of a reusable, commemorative 120-year anniversary cup that was made of recycled materials, S&T Bank went a step further and removed bottled water from our internal supply ordering, effective May 1, 2023.

### Reuse of furniture

S&T donated several pieces of unused office furniture to the Chester County Intermediate Unit (CCIU). The furniture was used to outfit program spaces at a new CCIU campus located in West Grove, Pennsylvania. The program at this campus serves close to 200

students, many with significant special needs. Not only did this reuse of furniture benefit the organization and its students, it kept several hundred pounds of waste out of area landfills.

### Recycling plastic

Our world generates hundreds of millions of tons of plastic waste each year, with the U.S. being one of the leading producers. In 2023, S&T implemented a new program to collect plastic waste in our corporate buildings. Plastic waste collected includes items such as plastic grocery bags, bread bags, plastic wrap, cereal bags and bubble wrap. S&T collects, bundles and delivers all plastic to Giant Eagle, a participating retailer of the NexTrex Recycling Challenge. NexTrex then transforms this into durable and environmentally friendly park benches. S&T plans to have these park benches donated to various communities throughout the Bank's geographical footprint. This is our collective way to build our future together and remove plastic waste from our communities. The goal is to see a positive return and expand to other regions.

\*\* Source: <https://www.digester.ca/the-negative-environmental-impact-of-bottled-water/>



# Employees

S&T hires and retains talented people who are based in our communities. We primarily employ full-time positions, with less than 10% of employees being part-time or temporary. The Bank offers employees health care, dental, vision and term life insurance benefits, as well as participation in the qualified defined contribution plan.

## Diversity, equity and inclusion (DE&I)

The S&T Bank mindset is to encourage, develop and inspire all employees to achieve their best, motivated by their own personal development. Our commitment is to a diverse, equitable and inclusive workplace where everyone uses their knowledge, skills, abilities and unique interests to help each other find success and drive positive results. The compensation and benefits committee of the S&T Board annually measures the success of DE&I initiatives by reviewing our strategies and statistics from the S&T Human Capital Management System. S&T Bank's vice president, business development and diversity relationship officer, along with other team members, work to execute our DE&I strategy in our communities through our consumer bank to conduct business development and to build relationships with minorities and minority-owned organizations.

S&T Bank is committed to promoting diverse perspectives and embracing differences in an environment that invites discussion and promotes respect. In 2023, S&T hosted eight DE&I webinars on various topics such as mental health, black history, generational awareness and invisible disabilities.

In 2023, S&T Bank hosted its inaugural Women In Banking conference, which focused on internal networking of women in banking, while fostering relationships and inspiring women to reach their career goals and aspirations.

## Employee resource groups (ERGs)

S&T Bank Employee Resource Groups (ERGs) are affinity or networking groups that serve to develop and empower employees who may share a common interest and/or purpose. ERGs are open to all employees. We had previously established four ERGs. In 2023, we strategically added community service to the goals of all groups and, as a result, collapsed the Community Cares Team ERG. Four new ERGs launched in 2023, in addition to the existing **Embracing Abilities, Leadership** and **Stars and Stripes ERGs**. The new ERGs include:

- **The Caregivers Employee Network ERG** is building a community to offer support, share resources and experiences with other employees who are also balancing a career with caregiving responsibilities. This can be care for children, aging parents and incapacitated loved ones. Additionally, this ERG works to identify suggestions and influence policies and practices at S&T so that the Bank continues to be an employer of choice for caregivers.
- **The Women Bankers Employee Network's** mission is to establish a space where employees can share, network and foster relationships that inspire women to reach their goals and aspirations. The group is comprised of both female and male allies who offer professional development, leadership opportunities, education and guidance for career advancement at S&T Bank.
- **The Black and Brown ERG** exists to create a safe space for the inclusion and development of black and brown team members at S&T Bank through networking, education, advancement and talent development (NEAT). It provides an opportunity for employees to share, understand and foster

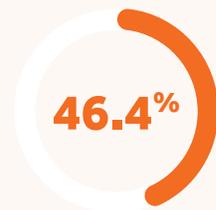
awareness of challenges within the black and brown communities represented in the S&T workforce.

- **S&T Pride** works to assist the Bank in promoting a culture of inclusiveness that supports LGBTQ+ colleagues and their allies through education, provision of resources and the fostering of general awareness about the issues and needs of this community.

## Women in the Workforce at S&T



69.3% of the S&T workforce is women.



46.4% of VP and above roles are filled by women.



4 out of 9  
Section 16 executive officers are women.\*

\*Executive officer for purposes of Section 16 of the Securities Exchange Act of 1934.

## Training and development

Building our future together through people-forward banking can only be accomplished through a comprehensive, competitive training program across all departments and all job positions at S&T. The Bank considers this training plan and the values described earlier to be intentional ways to promote diversity and inclusion; professional development; and safety, health and wellness. The training plan also includes management and leadership development courses, including Stellar for supervisory skill development of new-to-Bank and new-to-position employees. Additionally, our Emerging Leaders program was developed and launched in 2023, to provide a next step of developmental training for up-and-coming leaders. This program will now bridge the development gap to the Unleashing Potential leadership program that began in 2018 and provides a comprehensive five-year leadership development course of industry-based concepts, professional development and senior management oversight. More information about our employee practices can be found in our human capital management disclosure in Item 1 in Form 10-K for the year ended December 31, 2023.



In 2023, our employees logged **78,531** training hours.

## Employee relations and programs

### Helping Hands program

Another way that S&T makes people our purpose is by offering a Helping Hands program that assists employees in difficult times. The program is fully funded by employees for employees. It allows employees to donate in two ways:

- 1. Monetary contributions**
- 2. Donating unused paid time off (PTO)**

Last year, employees went above and beyond by donating more PTO time than ever before to our Helping Hands fund. As a result, we donated gift cards, time off and expense reimbursement to many employees to assist with various unexpected costs.

## Brice Mentorship Program

S&T provides paid training to our employees and offers a mentoring opportunity, the Brice Mentorship Program, which was established in 2021 in honor of our now-retired CEO, Todd Brice. The program pairs newer employees with more seasoned professionals in an effort to foster their career and experiences in the business world. In 2023, we partnered 60 mentees with 60 mentors across our market footprint.

Many promotions and the career development of talented team members across the Bank's footprint have been attributed to the success of the program.

## Scholarships for employees' children

The Bank offers an annual scholarship program to the children of employees entering college as freshmen. Selected students receive a \$1,000 scholarship for college-related expenses.



Over 17 years, the Bank has invested more than **\$175,000** in scholarships.

## Years of service

Employees are recognized for their years of service with service awards, cash gifts and a breakfast. When eligible for retirement, a cash award is provided to the retiree based on their years of service.

## Peak performer award

Employees are also rewarded for their teamwork and extra efforts through the Bank's Peak Performer Award that spotlights an employee who is known to go above and beyond.

**Incredible Customer Experience awards (ICE)** acknowledge exceptional customer service when a customer sends a note, email or card to an employee. Additionally, kudos (money awarded for use in the company store) provide a way for peers to recognize extra effort internally.

For 30 years, the Bank has held an annual **All Employee Meeting (AEM)**, providing an opportunity for all employees to come together and hear about the goals and strategies for the coming year directly from the executive leadership. In 2023, the AEM was conducted in six regions across the Bank's footprint in a live road show format for all employees.

## Health and wellness programs

Employees have the opportunity to participate in financial health and wellness education with access to programs such as the Bright Plan financial literacy program and lunch and learns on budgeting, retirement planning, elder care planning and other financial topics.

Employees have the option to participate in the Bank's health and wellness program. S&T health plan participants receive a Bank contribution to their health savings account (which was increased in 2023 for certain grade levels), for meeting the wellness requirements. In 2023, the wellness requirements included a health risk assessment, a biometric screening, a flu shot and health education seminars. We also sponsor a monthly walking-at-work program that encourages our team members to get outside and stay active. Supporting the mental health and well-being of our employees is important, and through our Employee Assistance Program (EAP), employees are provided resources such as counseling. In 2023, S&T was pleased to offer paid parental leave to employees for the birth or adoption of a child. This enhancement allows the employee the time needed to care for and bond with their new family member.



**we make people  
our purpose.**