

S&T BANCORP INC
Form DEF 14A
April 05, 2019
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No. ____)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under Rule 14a-12

S&T Bancorp, Inc.

(Name of registrant as specified in its charter)

(Name of person(s) filing proxy statement, if other than the registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the

Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

To our shareholders:

In 2018, S&T Bancorp, Inc. reached another year of record performance, with net income of \$105.3 million - surpassing the \$100 million mark for the first time - along with record total assets of \$7.3 billion, and a dividend increase of nearly 21% compared with last year.

We accomplished these breakthrough results while deepening our presence across the five primary geographic markets, managing our risk effectively, and relying on the dedication of our employees as they identify, nurture, and expand relationships with customers.

2018 Financials

Financial highlights from 2018 include:

Net income was a record \$105.3 million, or \$3.01 per diluted share, for the year ended December 31, 2018, compared with net income of \$73.0 million, or \$2.09 per diluted share, for 2017.

Return on assets (ROA) was 1.50%, return on equity (ROE) was 11.60% and return on tangible average equity (ROTE) (non-GAAP) was 17.14%.*

Net interest income increased \$8.7 million, or 3.9%, compared to the prior year, and net interest margin (FTE) (non-GAAP) increased 8 basis points to 3.64%, compared to 3.56% in 2017.*

Expenses were well controlled with an improved efficiency ratio of 50.60% compared to 51.77% in 2017.

Full year 2018 dividends declared increased 20.7% to \$0.99, compared to \$0.82 in 2017.

* Reconciliations of the non-GAAP measures discussed above to the most directly comparable GAAP measures are provided in Appendix A of the 2019 Proxy Statement.

By virtually all measures, 2018 represented another year of continued high-level performance. Our ROA and ROTE both maintained a history of being above those at our peer banks. Total shareholder return continued to outperform that of our peers in 2018 and also over the last three and five years.

2018 Highlights

Our product set, the markets in which we operate, and the great team we have in place once more combined to generate the positive results achieved in 2018.

In our major lines of business:

2018 proved to be another impressive year for Commercial banking. Comprised of corporate lending, treasury management, and business banking, loans in Commercial banking totaled \$4.7 billion.

In Consumer banking, consisting of mortgage lending, consumer lending and depository services, we achieved average deposits of \$96 million per branch, again surpassing our peer group average.

Our Wealth Management group has \$1.8 billion in assets under administration, generating \$10.1 million in annual revenue from brokerage and trust services, along with registered investment advisor services for institutional accounts.

David G. Antolik has been named President of S&T and S&T Bank, with a primary role of managing the ongoing strength of our lines of business as we move our organization to the next level of sales and customer service by increasing the focus on our five regional markets: Western Pennsylvania, Central Pennsylvania, Northeast Ohio, Central Ohio, and Upstate New York. We also appointed market presidents in each of these regional markets, who will have the responsibility of coordinating and carrying out this new strategy moving forward.

We believe moving to a market-based growth strategy will generate strong revenues across our footprint. We expect this to provide a deeper, clearer picture of why and how our results are achieved, so that we can continue to capitalize on opportunities quickly and effectively. This represents the next logical step in our overall business approach of being the right size - big enough to compete and win, while remaining small enough to engage each customer on a one-to-one basis.

What's more, each of our markets has earned the opportunity to grow. Our market presidents have extensive market knowledge and can identify prime areas of potential expansion. Full-service banking locations in Columbus and Cuyahoga Falls, Ohio, opening in 2019, are the most recent examples of S&T capitalizing on market opportunities. We realize that "one-size-fits-all" cannot adequately serve our needs into the future, so we're moving aggressively to position our bank for sustainable growth and profitability.

As a true community bank, our involvement in support of the neighborhoods where we do business made positive impacts again in 2018. Our employees systemwide logged more than 5,500 volunteer hours working with regional non-profits and other organizations. Donations of more than \$55,000 were raised on "Jeans Days," where employees nominate charities to benefit from the funds raised in exchange for casual dress days at work. The United Way campaign generated \$91,000 in support from S&T employees. And in our home base of Indiana, Pennsylvania, our team raised \$30,000 to support the "Power Packs" program to combat childhood hunger.

Following last year's retirement of Board Chairperson Charles G. Urtin, our Board of Directors appointed Christine J. Toretta as Chairperson. Christine becomes the first female Board Chairperson in S&T history, after serving as Vice Chairperson since 2013, and as a director since 1984. We have been fortunate to have someone with her extensive and highly successful business acumen on our Board, and are honored to work with her now as Chairperson. Christine is president of Palladio, LLC, and a former chairperson and chief executive officer of S.W. Jack Drilling Co., the largest privately held land-based

drilling company in the United States at that time. She has been a director of the Pittsburgh Federal Reserve Bank, and currently serves on the boards of EQT Corporation, The Kiski School, and the International Medical Corps. She also recently received special honors having earned the Global Athena Award for female leadership.

We also express our thanks and appreciation to Director David L. Krieger, a former S&T Bank chief lending officer, as he retires from our Board where he has served since 2007. As a longtime employee prior to joining the board, his perspective and input have been very valuable over the years, and will be missed.

Some outside recognition came our way this year. Forbes Magazine named S&T Bank as one of its 2018 “Best-In-State Banks,” while the Pittsburgh Post-Gazette cited us as among its “Best Place to Work” listings in Western Pennsylvania. The Indiana County Commissioners honored us by naming S&T Bank “Employer of the Year,” as well.

While all of those accolades certainly are welcome, the true reward comes in realizing that our team of employees across five markets serves our customers in an exceptional manner, with you - our valued shareholders - ultimately benefitting. That is why we’re here. That is why we do what we do. And that is why we pledge to keep innovating to sustain and profitably grow this organization well into the future.

Thank you for your continued belief and support.

Sincerely,
Todd D. Brice
Chief Executive Officer

S&T Bancorp, Inc.
800 Philadelphia Street
Indiana, Pennsylvania 15701

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

May 20, 2019

To the Shareholders of
S&T Bancorp, Inc.:

Notice is hereby given that the Annual Meeting of Shareholders of S&T Bancorp, Inc. ("S&T") will be held on May 20, 2019, at 10:00 a.m. Eastern Time, at the S&T Support Center, located at Indiana West Plaza, 2416 Philadelphia Street, Indiana, Pennsylvania 15701, for the purpose of considering and voting on the following matters:

1. To elect 13 directors to serve a one-year term until the next annual meeting of shareholders and until their respective successors are elected and qualified;
2. To ratify the selection of Ernst & Young LLP as S&T's independent registered public accounting firm for the fiscal year 2019;
3. To approve, on a non-binding advisory basis, the compensation of S&T's named executive officers; and
4. To transact such other business as may properly come before the meeting or any adjournment thereof.

Only shareholders of record at the close of business on March 15, 2019 are entitled to notice of and to vote at such meeting or any adjournment thereof.

If you are unable to attend the Annual Meeting in person, you may attend it via the Internet by going to www.virtualshareholdermeeting.com/STBA19. To participate in the virtual Annual Meeting, you will need the 16-digit control number included on your Notice, on your proxy card or on the instructions that accompanied your proxy materials.

By Order of the Board of Directors,

Ernest J. Draganza
Secretary
Indiana, Pennsylvania
April 5, 2019

IMPORTANT

YOUR VOTE IS IMPORTANT, AND WE APPRECIATE YOU TAKING THE TIME TO VOTE PROMPTLY. IF YOU RECEIVED THE PROXY MATERIALS BY MAIL, PLEASE MARK, SIGN, DATE AND RETURN THE ENCLOSED PROXY AS SOON AS POSSIBLE IN THE ENCLOSED ENVELOPE. NO POSTAGE IS REQUIRED FOR MAILING IN THE UNITED STATES.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE ELECTION AS DIRECTORS OF ALL OF THE NOMINEES NAMED IN THIS PROXY STATEMENT, FOR THE RATIFICATION OF THE SELECTION OF ERNST & YOUNG LLP AS S&T'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL YEAR 2019 AND FOR THE APPROVAL OF THE COMPENSATION OF S&T'S NAMED EXECUTIVE OFFICERS.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF
PROXY MATERIALS FOR THE 2019 ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON MAY 20, 2019: OUR PROXY STATEMENT, 2018 ANNUAL REPORT AND NOTICE OF
ANNUAL MEETING OF SHAREHOLDERS ARE AVAILABLE AT WWW.PROXYVOTE.COM**

We are taking advantage of a rule of the Securities and Exchange Commission (the “SEC”) which allows companies to make proxy materials available on a public website rather than in paper form. This rule allows a company to send some or all of its shareholders a Notice of Internet Availability of Proxy Materials (“Notice”) in place of the complete proxy package. For our 2019 Annual Meeting, to save significant printing and mailing expenses, S&T mailed a Notice to certain shareholders who had not previously elected to receive their proxy materials through the mail, to inform them of the electronic availability of the proxy materials 40 days in advance of the Annual Meeting.

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S&T BANCORP, INC.
PROXY STATEMENT FOR
ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD MAY 20, 2019
INTRODUCTION

This Proxy Statement is being furnished to shareholders of S&T Bancorp, Inc. (“S&T”) in connection with the solicitation of proxies by the Board of Directors of S&T (the “S&T Board” or “Board”) for use at the Annual Meeting of Shareholders, and any adjournments thereof, to be held at the time and place set forth in the accompanying notice (“Annual Meeting”). We are first sending the Notice of Internet Availability of Proxy Materials (the “Notice”), or this Proxy Statement, S&T’s 2018 Annual Report and proxy card to shareholders on or about April 5, 2019.

At the Annual Meeting, shareholders of S&T will be asked (i) to elect 13 directors of S&T to serve a one-year term, (ii) to approve the ratification of the selection of Ernst & Young LLP as S&T’s independent registered public accounting firm for the fiscal year 2019, and (iii) to approve, on a non-binding advisory basis, the compensation of S&T’s named executive officers.

All shareholders are urged to read this Proxy Statement carefully and in its entirety.

MEETING INFORMATION

Date, Time and Place

The Annual Meeting will be held on May 20, 2019, at 10:00 a.m. Eastern Time at the S&T Support Center, located at Indiana West Plaza, 2416 Philadelphia Street, Indiana, Pennsylvania 15701. The Annual Meeting will also be hosted virtually via the Internet. See “Attending the Meeting; Virtual Meeting” below.

Record Date, Voting Rights and Required Vote

The securities that can be voted at the Annual Meeting consist of shares of common stock of S&T, par value \$2.50 per share (“Common Stock”), with each share entitling its owner to one vote on each matter to be voted on at the Annual Meeting. There are no cumulative voting rights with respect to the Common Stock. Only holders of the Common Stock at the close of business on March 15, 2019 (the “Record Date”) are entitled to notice of and to vote at the Annual Meeting. There were 2,630 record holders of the Common Stock and 34,578,737 shares of Common Stock outstanding as of the Record Date.

A quorum is required for the transaction of business at the Annual Meeting. A “quorum” is the presence at the meeting, in person or represented by proxy, of the holders of the majority of the outstanding shares of Common Stock entitled to vote at the meeting. Abstentions are counted for purposes of determining the presence or the absence of a quorum, but are not considered a vote cast under Pennsylvania law. Abstentions will not affect the outcome of a vote on a particular matter. Broker non-votes are counted to determine if a quorum is present, but are not considered a vote cast under Pennsylvania law. Broker non-votes will not affect the outcome of a vote on a particular matter. Generally, broker non-votes occur on a matter when a bank, broker or other nominee is not permitted to vote on that matter without instructions from the beneficial owner and such instructions are not given. Banks, brokers and other nominees have discretionary authority to vote shares in the absence of instructions on matters considered “routine,” such as the ratification of the appointment of the independent registered public accounting firm. They do not have discretionary authority to vote shares in the absence of instructions on “non-routine” matters, such as the election of directors, and the advisory vote on the approval of compensation of S&T’s named executive officers.

The director nominees will be elected by a plurality of the votes cast at the Annual Meeting, which means that the 13 nominees receiving the most votes will be elected. A withheld vote on any nominee will not affect the voting results. Under S&T’s voting standard policy adopted by the S&T Board, which is included in S&T’s Corporate Governance Guidelines, if a director nominee in an uncontested election at the Annual Meeting receives a greater number of “withheld” votes from his or her election than votes “for” such election, such director must submit his or her resignation to the Board promptly following the certification of election results. The resignation will first be considered by the members of the Nominating and Corporate Governance Committee (the “Nominating Committee”) within 60 days following certification of the shareholder vote. The Nominating Committee will recommend to the S&T Board whether to accept or reject the resignation after considering all factors

deemed relevant by the Nominating Committee. The S&T Board shall act on the Nominating Committee's recommendation within 90 days following certification of the shareholder vote. If a director's resignation is accepted by the Board, the Board either may fill the resulting vacancy or may decrease the size of the Board pursuant to S&T's By-laws, as amended and restated (the "By-laws").

The ratification of the selection of Ernst & Young LLP as S&T's independent registered public accounting firm for fiscal year 2019 and the approval, on a non-binding advisory basis, of the compensation of S&T's named executive officers require the affirmative vote of a majority of the votes cast at the Annual Meeting to be approved.

Voting and Revocation of Proxies

Shareholder of Record. If you are a shareholder of record and you received the Notice, you may vote by accessing the secure Internet website registration page identified on the Notice and following the instructions. You may also vote in person at the Annual Meeting or electronically if attending the virtual meeting.

If you are a shareholder of record and you received a printed copy of the proxy materials, you may vote by proxy by telephone, using the Internet or by mail, as further described below.

By Telephone.

Call the toll-free telephone number on the enclosed proxy card (1-800-690-6903) and follow the recorded instructions.

By Internet.

Access the secure Internet website registration page on the enclosed proxy card and follow the instructions.

By Mail. Sign, date and return your proxy card in the postage-paid envelope provided.

If you vote by proxy via telephone or the Internet, you do not need to mail your proxy card. The individuals named as proxies on your proxy card will vote your shares of Common Stock at the Annual Meeting as instructed by the latest dated proxy received from you, whether submitted via the Internet, telephone or mail. If you sign your proxy card but do not specify how you want your shares voted on any matter, you will be deemed to have directed the proxies to vote your shares as recommended by the S&T Board.

Beneficial Owners. If your shares of Common Stock are held in a stock brokerage account by a bank, broker or other nominee, you are considered the beneficial owner of shares held in street name and these proxy materials are being forwarded to you by your bank, broker or other nominee that is considered the shareholder of record of those shares.

As the beneficial owner, you have the right to direct your bank, broker or other nominee on how to vote your shares of Common Stock via the Internet or by telephone, if the bank, broker or other nominee offers these options, or by completing, signing, dating and returning a voting instruction form. Your bank, broker, or other nominee will send you instructions on how to submit your voting instructions for your shares of Common Stock. If you wish to vote in person at the Annual Meeting, you must obtain a signed proxy from your bank, broker or other nominee who holds the shares on your behalf in order to cast your vote.

If you properly complete, sign, date and return the voting instruction form, your shares of Common Stock will be voted as you specify. If you are a beneficial owner and you do not provide voting instructions to your bank, broker or other nominee holding shares of Common Stock for you, your shares of Common Stock will not be voted with respect to any proposal for which the shareholder of record does not have discretionary authority to vote.

Except for procedural matters incident to the conduct of the Annual Meeting, S&T does not know of any matters other than those described in the Notice of Annual Meeting of Shareholders that are to come before the Annual Meeting. If any other matters are properly brought before the Annual Meeting, the persons named in the proxy will vote the shares represented by the proxies in their discretion on such matters as recommended by a majority of the S&T Board.

Revocation of Proxies. The presence of a shareholder at the Annual Meeting will not automatically revoke such shareholder's proxy. However, a shareholder may revoke a proxy at any time prior to its exercise by filing with the Secretary of S&T a written notice of revocation, by delivering to S&T a duly executed proxy bearing a later date or by attending the Annual Meeting and

voting in person or electronically in the virtual meeting.

Attending the Meeting; Virtual Meeting

Subject to space availability, all shareholders as of the record date, or their duly appointed proxies, may attend the Annual Meeting in person. Because seating is limited, admission to the meeting will be on a first come, first served basis. Registration will begin at 9:30 a.m. Eastern Time. If you plan to attend the Annual Meeting in person, please bring a valid government-issued photo identification, such as a driver's license or passport. Please also note that if you hold your shares in "street name" (that is, through a bank, broker or other nominee), a copy of a brokerage statement reflecting your stock ownership as of the record date must be provided during check-in at the registration desk at the Annual Meeting. Cameras, recording devices and other electronic devices will not be permitted at the Annual Meeting.

If you wish to attend the Annual Meeting live online, you can do so by visiting www.virtualshareholdermeeting.com/STBA19. To participate in the virtual Annual Meeting, you will need the 16-digit control number included on your Notice, on your proxy card or on the instructions that accompanied your proxy materials.

Solicitation of Proxies

The cost of soliciting proxies will be borne by S&T. S&T has engaged D.F. King & Co., Inc. to help solicit proxies for the Annual Meeting, and will pay D.F. King & Co., Inc. \$8,000, plus its out-of-pocket expenses, for the solicitation of proxies. In addition to the solicitation of proxies by mail, S&T may also solicit proxies personally, by telephone or by electronic means, through its directors, officers and regular employees. None of these directors, officers or employees will receive any additional or special compensation for soliciting proxies. S&T also will request persons, firms and corporations holding shares of Common Stock in their names or in the name of their nominees, which are beneficially owned by others, to send proxy materials to and obtain proxies from the beneficial owners and will reimburse the holders for their reasonable expenses in so doing.

Internet Availability of Proxy Materials

S&T's Proxy Statement for the Annual Meeting and S&T's 2018 Annual Report are available at www.proxyvote.com. You will enter your 16-digit control number included on your Notice, on your proxy card or on the instructions that accompanied your proxy materials to access these materials.

Householding

The SEC has adopted rules that permit companies and intermediaries (e.g., brokers) to satisfy the delivery requirements for Notices or proxy statements and annual reports with respect to two or more shareholders sharing the same address by delivering a single Notice or proxy statement and annual report addressed to those shareholders. This process is commonly referred to as "householding."

S&T has implemented "householding" in an effort to reduce the number of duplicate mailings to the same address. This process benefits both shareholders and S&T, because it eliminates unnecessary mailings delivered to your home and helps to reduce S&T's expenses. "Householding" is not being used, however, if S&T has received contrary instructions from one or more of the shareholders sharing an address. If your household has received only one Notice or one annual report and proxy statement package, S&T will deliver promptly a separate copy of the Notice or annual report and proxy statement package to any shareholder who contacts S&T by calling the toll-free number, 1-800-325-2265, or by mail to the attention of the Secretary of S&T at 800 Philadelphia Street, Indiana, Pennsylvania 15701. You can also notify S&T that you would like to receive separate copies of the Notice or S&T's annual report and proxy statement package in the future by calling or mailing S&T, as instructed above. If your household has received multiple copies of the Notice or S&T's annual report and proxy statement package, you can request the delivery of single copies in the future by calling or mailing S&T, as instructed above, or your broker, if you hold the shares in "street name."

If you received more than one Notice or proxy card, it means that your shares are registered in more than one name (e.g., trust, custodial accounts, joint tenancy) or in multiple accounts. Please make sure that you vote all of your shares by following the directions on each Notice or on each proxy card that you received.

For our 2020 annual meeting, you can help us save significant printing and mailing expenses by consenting to access our proxy materials electronically via the Internet. If you hold your shares in your own name (instead of “street name” through a bank, broker or other nominee), you can choose this option by following the prompts for consenting to electronic access, if voting by telephone, or by following the instructions at the Internet voting website at www.proxyvote.com, which has been established for you to vote your shares for the 2019 Annual Meeting. If you choose to receive your proxy materials electronically, then prior to next year’s annual meeting, you will receive notification when the proxy materials are available for on-line review via the Internet, as well as the instructions for voting electronically via the Internet. Your choice for electronic distribution will remain in effect until you revoke it by sending a written request to S&T by mail to the attention of the Secretary of S&T at 800 Philadelphia Street, Indiana, Pennsylvania 15701. If you hold your shares in “street name” through a bank, broker or other nominee, you should follow the instructions provided by that entity if you wish to access our proxy materials electronically via the Internet.

BENEFICIAL OWNERS OF S&T COMMON STOCK

Under Section 13(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), a beneficial owner of a security is any person who directly or indirectly has or shares voting power or investment power over such security. Such beneficial owner under this definition need not enjoy the economic benefit of such securities. The following are the only shareholders known to S&T to be deemed to be a beneficial owner of 5% or more of Common Stock as of March 15, 2019, when 34,578,737 shares of Common Stock were outstanding. S&T has relied solely on information provided in the public filings made by the holders below:

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Common Stock	BlackRock, Inc. 55 East 52nd Street New York, NY 10055	5,146,026	(1) 14.88 %
Common Stock	The Vanguard Group, Inc. 100 Vanguard Blvd. Malvern, PA 19355	3,579,747	(2) 10.35 %
Common Stock	Dimensional Fund Advisors LP Building One 6300 Bee Cave Road Austin, TX 78746	1,879,087	(3) 5.43 %

(1) According to its Schedule 13G/A filed with the SEC on January 31, 2019, BlackRock, Inc. has sole dispositive power over 5,146,026 shares and sole voting power over 5,058,913 shares. The interest of iShares Core S&P Small-Cap ETF represents more than 5% of the outstanding shares of Common Stock. In addition, BlackRock Fund Advisors beneficially owns at least 5% of the outstanding Common Stock. The percentage of ownership is calculated based on the information provided on the Schedule 13G/A, as updated for shares outstanding as of March 15, 2019.

(2) According to its Schedule 13G/A filed with the SEC on February 13, 2019, The Vanguard Group has sole dispositive power over 3,542,851 shares, shared dispositive power over 36,896 shares, sole voting power over 34,984 shares and shared voting power over 6,406 shares. The percentage of ownership is calculated based on the information provided on the Schedule 13G/A, as updated for shares outstanding as of March 15, 2019.

(3) According to its Schedule 13G/A filed with the SEC on February 8, 2019, Dimensional Fund Advisors LP has sole dispositive power over 1,879,087 shares and sole voting power over 1,791,760 shares. Dimensional Fund Advisors LP, a registered investment advisor, furnishes investment advice to four registered investment companies and serves as investment manager or sub-advisor to certain other commingled funds, group trusts and separate accounts (collectively, the “Dimensional Funds”). All listed shares are owned by the Dimensional Funds. In its role as investment advisor, sub-advisor and/or manager, Dimensional Fund Advisors LP or its subsidiaries may possess voting and/or investment power over the shares that are owned by the Dimensional Funds, and may be deemed to be the beneficial owner of the shares held by the Dimensional Funds. The percentage of ownership is calculated based on the information provided on the Schedule 13G/A, as updated for shares outstanding as of March 15, 2019.

BENEFICIAL OWNERSHIP OF S&T COMMON STOCK BY DIRECTORS AND OFFICERS

The following table sets forth, as of March 15, 2019, the amount and percentage of Common Stock beneficially owned by each director, each nominee for director and each of the Named Executive Officers ("NEOs") (as defined below) of S&T, as well as the directors and executive officers of S&T as a group. Unless otherwise indicated, all persons listed below have sole voting and investment power over all shares of Common Stock. The business address of each of S&T's directors and officers is 800 Philadelphia Street, Indiana, Pennsylvania 15701.

Name	Shares of Common Stock Beneficially Owned (1)	Percent Owned
David G. Antolik	34,595	*
Todd D. Brice	104,192	*
Christina A. Cassotis	2,993	*
Michael J. Donnelly	30,072	*
James T. Gibson	214,327	*
Jeffrey D. Grube	29,253	*
Jerry D. Hostetter	10,973	*
Frank W. Jones	24,387	*
Robert E. Kane	4,810	*
Mark Kochvar	59,097	*
David L. Krieger	19,041	*
James C. Miller	57,708	*
Frank J. Palermo, Jr.	18,729	*
David P. Ruddock	29,482	*
Thomas J. Sposito II	27,804	*
Christine J. Toretta	26,016	*
Steven J. Weingarten	82,502	*
All current directors and executive officers as a group (22 persons)	864,599	2.50 %

(1) May include shares held by spouse, other family members, as trustee or through a corporation. Mr. Brice disclaims beneficial ownership of 1,475 shares that are directly owned by his spouse and 2,177 shares that are directly owned by his daughter. Mr. Brice has neither voting nor investment power over these disclaimed shares. Mr. Miller disclaims beneficial ownership of 17,760 shares that are directly owned by his spouse. Mr. Miller has neither voting nor investment power over these disclaimed shares. Includes shares of unvested restricted stock, as to which the holder has voting power but no investment power, as follows: Mr. Antolik, 10,552 shares; Mr. Brice, 21,826 shares; Ms. Cassotis, 772 shares; Mr. Donnelly, 772 shares; Mr. Gibson, 772 shares; Mr. Grube, 772 shares; Mr. Hostetter, 772 shares; Mr. Jones, 772 shares; Mr. Kane, 772 shares; Mr. Kochvar, 9,532 shares; Mr. Krieger, 772 shares; Mr. Miller, 772 shares; Mr. Palermo, 772 shares; Mr. Ruddock, 8,984 shares; Mr. Sposito, 8,944 shares; and Ms. Toretta, 772 shares.

* Less than 1% of the outstanding Common Stock.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires S&T's directors and executive officers, and persons who own more than 10% of Common Stock, to report to the SEC certain of their transactions with respect to S&T's Common Stock. The SEC reporting rules require that changes in beneficial ownership generally be reported on Form 4 within two business days after the date on which the change occurs. A Form 3 to report stock holdings in S&T must be filed within ten days of when a director, executive officer or person who owns more than 10% of S&T's stock becomes subject to Section 16(a) of the Exchange Act.

Officers, directors and greater than 10% shareholders are required by SEC regulation to furnish us with copies of all Section 16(a) forms they file. To our knowledge, based solely on a review of the copies of such reports furnished to us and written representations that no other reports were required, during the fiscal year ended December 31, 2018, all

Section 16(a) filing requirements applicable to our executive officers, directors and greater than 10% beneficial owners were filed in a timely manner, except for the reports that follow: Forms 4 reporting the forfeiture of shares for payment of taxes on vesting on March 16, 2018 and the forfeiture of 60 percent of performance shares from the 2015 Long-Term Incentive Plan were filed late for David G. Antolik, Todd D. Brice, Ernest J. Draganza, Patrick J. Haberfield, David P. Ruddock and Rebecca A Stapleton, with each person filing one late Form 4 reporting two transactions. Forms 4 reporting for forfeiture of 60 percent of performance shares from the 2015 Long-Term Incentive Plan were filed late for Mark Kochvar and Melanie Lazzari, with each filing one late Form 4 reporting one transaction. The late filings were inadvertent.

PROPOSAL 1—ELECTION OF DIRECTORS

General

The By-laws of S&T provide that the number of directors constituting the S&T Board will consist of not less than nine (9) nor more than 17, with the exact number to be fixed and determined from time to time by resolution of a majority of the S&T Board. There are currently 14 directors comprising the S&T Board. The number of directors, however, will be reduced by the S&T Board to 13 effective as of the date of the Annual Meeting. The S&T Board has nominated the 13 persons named below for election at the Annual Meeting, all of which are incumbent directors up for re-election, including our newest director Mr. David G. Antolik, who joined the Board on January 28, 2019. Director David L. Krieger will retire effective as of the date of the Annual Meeting. Proxies cannot be voted for a greater number of persons than the number of nominees named in this Proxy Statement.

The nominees were each recommended by our Nominating and Corporate Governance Committee (the “Nominating Committee”) to the S&T Board. Directors are elected annually and each director nominee elected at the Annual Meeting will serve for a term expiring at the 2020 S&T annual meeting of shareholders, until his or her successor has been elected and qualified, or until his or her earlier death, resignation, removal or disqualification. All of the nominees have indicated their willingness to serve, if elected, but if any should be unable to serve or unwilling to serve for good cause, proxies may be voted for a substitute nominee designated by the S&T Board. There are no family relationships between or among any of our directors, executive officers or persons nominated or chosen to become a director or executive officer. Unless otherwise instructed, the proxy holders will vote the proxies received by them for the nominees named below.

Set forth below is a brief description of the principal occupation and business experience of each of our nominees for director, as well as the summary of our views as to the qualifications of each nominee and continuing director to serve on the S&T Board. Our views are informed not only by the current and prior employment and educational background of our directors, but also by the S&T Board’s experience in working with their fellow directors. The S&T Board has had significant experience with the incumbent directors and has had the opportunity to assess the contributions that the directors have made to the S&T Board as well as their industry knowledge, judgment and leadership capabilities. The Nominating Committee continually assesses the tenure and diversity of the S&T Board and seeks opportunities, within the constraint of the size of the S&T Board, to include a mix of directors with S&T Board experience and with fresh perspectives. In the last six years, the Nominating Committee has had the opportunity to add seven (7) (over 50% of the 13 director nominees) new directors to the S&T Board to further diversify the S&T Board’s industry knowledge, judgment and leadership capabilities. Director Frank J. Palermo, Jr. was added to the S&T Board in 2013; Directors James T. Gibson, Jerry D. Hostetter and Steven J. Weingarten were added to the S&T Board through the acquisition of Integrity Bancshares, Inc. (“Integrity”) in 2015; Director Robert E. Kane was elected in 2017; Director Christina A. Cassotis was appointed to the S&T Board in June 2017; and Director David G. Antolik was appointed to the S&T Board in January 2019.

S&T seeks director candidates who will uphold the highest standards, are committed to S&T’s values, and who will be strong independent stewards of the long-term interests of shareholders. In selecting nominees, our Board looks for individuals with demonstrated experience and success in fields that are relevant to our business, strategy and operations, and who will contribute diverse viewpoints and perspectives.

In evaluating and selecting nominees to the Board, our Nominating Committee takes into account all factors and criteria it considers appropriate, including, but not limited to, the factors set forth in our Corporate Governance Guidelines. See the section “Director Qualifications and Nominations; Board Diversity” below for further information on our director selection process and criteria. In furtherance of the foregoing, the Board considers a wide range of attributes when selecting and recruiting candidates. All of our nominees possess integrity, judgment, strong work ethic, collaborative approach to engagement and oversight, inquisitive and objective perspective, and a willingness to appropriately challenge management. In addition, our nominees have executive experience and skills that are aligned with our business and strategy, including the following:

Board Skills

Core Skills and Qualifications

Banking and Financial Services Industry	Corporate Governance
Leadership (Strategy & Execution)	Compensation & Succession
Financial Expertise	Technological Innovation
Regulatory/Risk Management	Other Board Experience
Additional Relevant Experiences	
Business Development	Local Market
Mergers & Acquisitions	Cybersecurity
Capital Markets	Information Technology
Investor Relations & Engagement	Diversity

Director Nominees for Election at the 2019 Annual Meeting:

BACKGROUND:

David G. Antolik Mr. Antolik has been President of S&T and S&T Bank since January 2019 and Chief Lending Officer of S&T and S&T Bank since 2008. He previously served as Senior Executive Vice President of S&T and S&T Bank from 2008 until January 2019.

Age: 52 Mr. Antolik also serves as the vice chairman of the IUP Research Institute and is a member of the Indiana County Development Corporation Board.

Director

since: 2019 EXPERIENCE AND QUALIFICATIONS:

President and Chief Lending Officer With 30 years of banking experience, including 11 years of senior management experience at S&T, Mr. Antolik's strong leadership capabilities and in-depth industry experience in commercial lending and implementing strategic initiatives provides the S&T Board with expertise that will contribute to the strategic growth of S&T. As our President and Chief Lending Officer, Mr. Antolik will continue to lead S&T's commercial banking division and will be responsible for overseeing the market-based strategic initiatives in partnership with the market presidents. Additionally, Mr. Antolik will oversee the consumer banking division to support S&T's integrated line of business approach.

BACKGROUND:

Todd D. Brice
Age: 56
Director since: 2005

Mr. Brice has been the Chief Executive Officer of S&T and S&T Bank since 2008. He previously served as President of S&T and S&T Bank from 2004 to January 2019. Mr. Brice was formerly Chief Operating Officer of S&T and S&T Bank from 2004 until 2008 and Executive Vice President of Commercial Lending at S&T and S&T Bank from 2002 until 2004. He currently serves on the board of directors for the Greater Pittsburgh Chamber of Commerce. Mr. Brice previously served as a member of the boards of directors for the Pittsburgh Branch of the Federal Reserve Bank of Cleveland, Indiana Regional Medical Center and the Indiana County YMCA.

Chief Executive Officer
Committees:
-Executive

EXPERIENCE AND QUALIFICATIONS:

With 33 years of banking experience, including 17 years of senior management experience at S&T, Mr. Brice's deep industry knowledge and his expertise in our operations, commercial lending and corporate strategy provides the S&T Board with significant insight across a broad range of issues critical to our business. Mr. Brice is also an active member of the community. As our Chief Executive Officer, Mr. Brice provides unique insight to the S&T Board regarding our day-to-day operations, customer information, competitive intelligence, general trends in national and local banking and issues regarding our financial results.

BACKGROUND:

Christina A. Cassotis
Age: 54
Director since: 2017

Ms. Cassotis has been the chief executive officer of the Allegheny County Airport Authority, which operates Pittsburgh International Airport and Allegheny County Airport since January 2015. Prior to that, Ms. Cassotis joined SH&E, Inc. in 1999, a global commercial aviation consulting firm, where she advised airports worldwide on strategy, business and system planning. She went on to serve as managing officer for Airport Services for ICF-SH&E from 2007 to 2014, leading a global team of airport consultants. She also serves as a member of the board for Visit Pittsburgh and is a member of the International Aviation Women's Association. Ms. Cassotis also has served as a director of EQT Corporation since October 2018.

Committees:
-Audit
-Credit Risk

EXPERIENCE AND QUALIFICATIONS:

Ms. Cassotis has demonstrated that she is a strong, decisive, and strategic leader. Her ability in identifying the complex relationship between organizations and the competitive environments in which they operate has allowed her to position her business interests for the future while paying attention to immediate demands. She is an innovative leader who has successfully directed necessary change through organizations in order to drive growth and deliver value and qualifies her to serve on the S&T Board.

BACKGROUND:

Michael J.
Donnelly

Mr. Donnelly has been president of Indiana Printing and Publishing Company, Inc. since 1993. Mr. Donnelly has spent over 29 years working with the Indiana County Chamber of Commerce and the Indiana County Development Corporation in retaining and attracting many businesses in the Indiana, Pennsylvania area.

Age: 61

Director since:
2001

EXPERIENCE AND QUALIFICATIONS:

Committees:
-Credit Risk

Mr. Donnelly's deep experience in managing and operating a local business provides the S&T Board with valuable insight into the issues addressing our local corporate and consumer borrowers.

-Trust & Revenue Oversight

Mr. Donnelly's experience in developing appropriate compensation for the executives and senior management of his company qualifies him to serve on the S&T Board.

BACKGROUND:

James T. Gibson

Mr. Gibson served as chairman, president and chief executive officer of Integrity since its inception in June 2003 until it was acquired by S&T in March 2015, and served as president and chief executive officer of Integrity Bank, a role he also held since its inception in June 2003 until it was merged into S&T Bank in May 2015. Mr. Gibson continued in the role of chief executive officer of Integrity Bank and assisted the S&T Board with transition and integration issues following the acquisition of Integrity in 2015, and retired as an employee on December 31, 2015. Previously, Mr. Gibson served as president and chief executive officer of Commerce Bank/Harrisburg from 1988 to 2002.

Age: 63

Director since:
2015

Committees:
-Credit Risk

-Executive Oversight
(Chairperson)

EXPERIENCE AND QUALIFICATIONS:

Mr. Gibson's more than 37 years of banking experience and detailed knowledge about the development and operations of Integrity Bank qualify him to serve on the S&T Board.

BACKGROUND:

Jeffrey D. Grube

Mr. Grube since 1990 has served as president of B.F.G. Manufacturing Service, Inc., which provides large volume plating, painting and powder coating services with facilities in Pennsylvania and New York. Mr. Grube's career as an executive in the manufacturing industry includes financial and engineering experience. Mr. Grube also served as a director on the board of a privately held company that supplies compliance products for lending solutions.

Age: 65

Director since:
1997

EXPERIENCE AND QUALIFICATIONS:

Committees:
-Audit

-Compensation & Benefits
(Chairperson)
-Executive

Mr. Grube's extensive experience working with small and medium-sized businesses provides the S&T Board with valuable experience regarding potential borrowers and customers, customer relations, lending issues and credit risk. Mr. Grube's executive and board experience in the manufacturing sector and experience with financial institutions allow him to bring relevant insight regarding regulatory and financial compliance issues to the S&T Board.

Jerry D. Hostetter BACKGROUND:

Age: 57 Mr. Hostetter has served as a partner at Prestige Investment Group, a small private equity company, since its founding in 2012. Prior to that, Mr. Hostetter was the vice president of fund development and legislative affairs of Ephrata Community Hospital from 2008 through 2011.

Director since: 2015 Mr. Hostetter previously served on the board of Integrity from 2011 until it was acquired by S&T in March 2015.

Committees:

-Compensation & Benefits EXPERIENCE AND QUALIFICATIONS:

-Trust & Revenue Oversight Mr. Hostetter's experience in the Pennsylvania business community and knowledge gained from his service as a director of Integrity qualify him to serve on the S&T Board.

Frank W. Jones BACKGROUND:

Age: 73 In January 2015, Mr. Jones became of counsel with the law firm of Creenan & Baczkowski, PC in Murrysville, Pennsylvania. Prior to joining the law firm, Mr. Jones was practicing law independently in Allegheny County from 1970 to December 2014. Mr. Jones joined the S&T Board following the acquisition of People's Bank of Unity, a regional financial institution, where he served on the board of directors. Mr. Jones assisted the S&T Board with integration and strategic issues following the acquisition.

Director since: 1997

Committees:

-Audit
-Nominating & Corporate Governance