



# S&T Bancorp Inc.

Second Quarter 2024

**Christopher J. McComish**

*Chief Executive Officer*

**Mark Kochvar**

*Chief Financial Officer*



## Forward Looking Statements and Risk Factors

This information contains or incorporates statements that we believe are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally relate to our financial condition, results of operations, plans, objectives, outlook for earnings, revenues, expenses, capital and liquidity levels and ratios, asset levels, asset quality, financial position and other matters regarding or affecting S&T and its future business and operations. Forward-looking statements are typically identified by words or phrases such as “will likely result,” “expect,” “anticipate,” “estimate,” “forecast,” “project,” “intend,” “believe,” “assume,” “strategy,” “trend,” “plan,” “outlook,” “outcome,” “continue,” “remain,” “potential,” “opportunity,” “comfortable,” “current,” “position,” “maintain,” “sustain,” “seek,” “achieve” and variations of such words and similar expressions, or future or conditional verbs such as will, would, should, could or may. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. The matters discussed in these forward-looking statements are subject to various risks, uncertainties and other factors that could cause actual results and trends to differ materially from those made, projected or implied in or by the forward-looking statements depending on a variety of uncertainties or other factors including, but not limited to: credit losses and the credit risk of our commercial and consumer loan products; changes in the level of charge-offs and changes in estimates of the adequacy of the allowance for credit losses, or ACL; cyber-security concerns; rapid technological developments and changes; operational risks or risk management failures by us or critical third parties, including fraud risk; our ability to manage our reputational risks; sensitivity to the interest rate environment, a rapid increase in interest rates or a change in the shape of the yield curve; a change in spreads on interest-earning assets and interest-bearing liabilities; any remaining uncertainties with the transition from LIBOR as a reference rate; regulatory supervision and oversight, including changes in regulatory capital requirements and our ability to address those requirements; unanticipated changes in our liquidity position; unanticipated changes in regulatory and governmental policies impacting interest rates and financial markets; changes in accounting policies, practices or guidance; legislation affecting the financial services industry as a whole, and S&T, in particular; developments affecting the industry and the soundness of financial institutions and further disruption to the economy and U.S. banking system; the outcome of pending and future litigation and governmental proceedings; increasing price and product/service competition; the ability to continue to introduce competitive new products and services on a timely, cost-effective basis; managing our internal growth and acquisitions; the possibility that the anticipated benefits from acquisitions cannot be fully realized in a timely manner or at all, or that integrating the acquired operations will be more difficult, disruptive or costly than anticipated; containing costs and expenses; reliance on significant customer relationships; an interruption or cessation of an important service by a third-party provider; our ability to attract and retain talented executives and employees; general economic or business conditions, including the strength of regional economic conditions in our market area; ESG practices and disclosures, including climate change, hiring practices, the diversity of the work force, and racial and social justice issues; deterioration of the housing market and reduced demand for mortgages; deterioration in the overall macroeconomic conditions or the state of the banking industry that could warrant further analysis of the carrying value of goodwill and could result in an adjustment to its carrying value resulting in a non-cash charge to net income; the stability of our core deposit base and access to contingency funding; re-emergence of turbulence in significant portions of the global financial and real estate markets that could impact our performance, both directly, by affecting our revenues and the value of our assets and liabilities, and indirectly, by affecting the economy generally and access to capital in the amounts, at the times and on the terms required to support our future businesses and geopolitical tensions and conflicts between nations.

Many of these factors, as well as other factors, are described in our Annual Report on Form 10-K for the year ended December 31, 2023, including Part I, Item 1A-“Risk Factors” and any of our subsequent filings with the SEC. Forward-looking statements are based on beliefs and assumptions using information available at the time the statements are made. We caution you not to unduly rely on forward-looking statements because the assumptions, beliefs, expectations and projections about future events may, and often do, differ materially from actual results. Any forward-looking statement speaks only as to the date on which it is made, and we undertake no obligation to update any forward-looking statement to reflect developments occurring after the statement is made.

## Non-GAAP Financial Measures

In addition to the traditional measures presented in accordance with Generally Accepted Accounting Principles (GAAP), S&T management uses and this presentation contains or references certain non-GAAP financial measures, such as net interest income on a fully taxable equivalent basis. S&T believes these non-GAAP financial measures provide information useful to investors in understanding our underlying business, operational performance and performance trends which facilitate comparisons with the performance of others in the financial services industry. Although S&T believes that these non-GAAP financial measures enhance investors’ understanding of S&T’s business and performance, these non-GAAP financial measures should not be considered an alternative to GAAP or considered to be more important than financial results determined in accordance with GAAP, nor are they necessarily comparable with non-GAAP measures which may be presented by other companies. The non-GAAP financial measures contained within this presentation should be read in conjunction with the audited financial statements and analysis as presented in the Annual Report on Form 10-K as well as the unaudited financial statements and analyses as presented in the respective Quarterly Reports in Exhibit 99.1 of Form 8-K for S&T Bancorp, Inc. and subsidiaries.

# Corporate Profile

- **\$9.6** billion in assets
- **\$7.7** billion in deposits
- **\$7.7** billion in loans
- **\$1.3** billion market cap
- Stock symbol: **STBA**

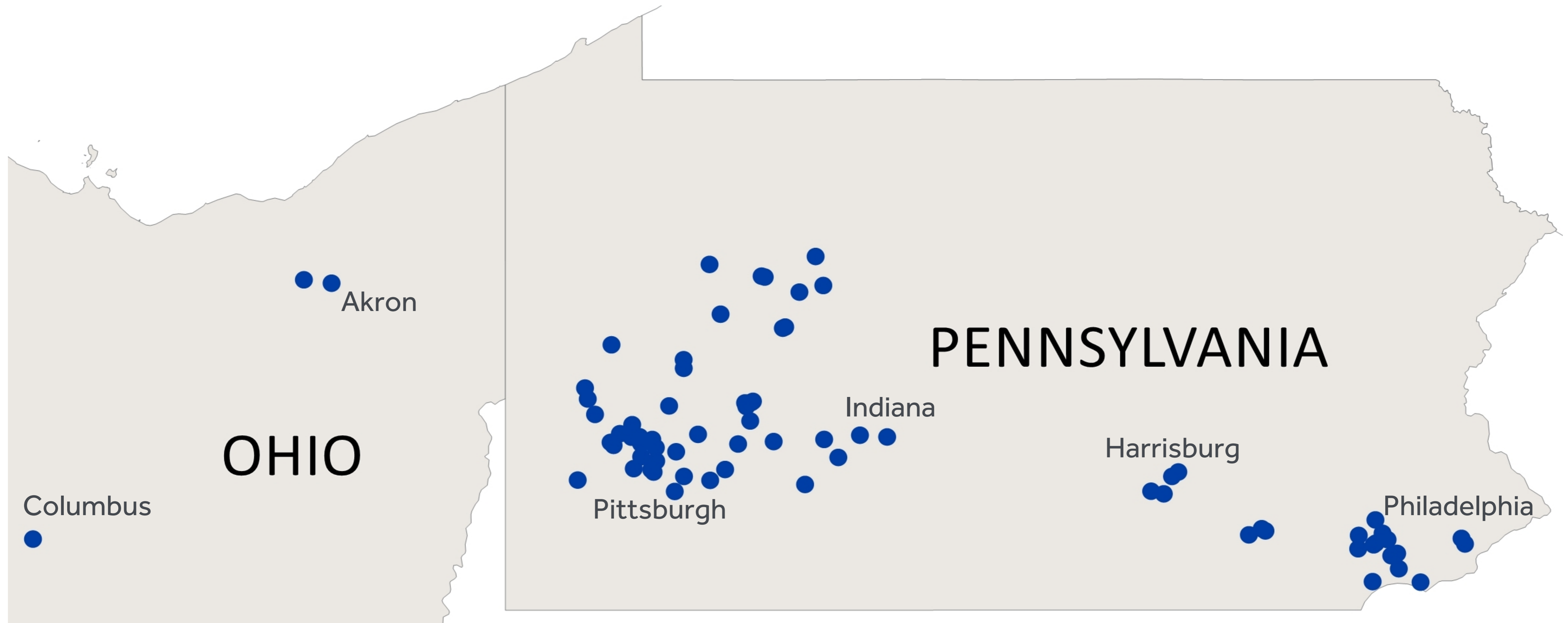


# Geographic Footprint

Serving more than 230,000 customers in Pennsylvania and Ohio

Footprint comprises 9.6 million people and 215,000 businesses

Over 1,200 team members providing award-winning customer satisfaction at 71 locations



# Awards



## Forbes America's Best Banks

S&T was named on the Forbes 2024 America's Best Banks list. This annual ranking is based on metrics measuring growth, credit quality and profitability, as well as stock performance.



## Forbes America's Best Midsize Employers

S&T was honored as one of America's Best Midsize Employers by Forbes and Statista in 2023 and 2024. This annual ranking is based on a survey of more than 170,000 U.S.-based workers at American companies that were asked to rate their employer.



## Financial Services Industry Top Workplaces 2024

S&T was recognized as a top workplace in the United States issued by Energage. This award is based solely on employee feedback.



# Strategic Path Forward

“Our Shared Future”

## VALUES

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

OUR SHARED FUTURE



## PURPOSE

Building our future together  
through people-forward banking

## DRIVERS

Deposit franchise  
Core profitability  
Asset quality  
Talent & engagement

# Delivering long-term, sustainable financial performance

(Measured by top quartile Price/TBV and Total Shareholder Return)

Unwavering focus on key **Drivers** of business performance and profitable growth

## DEPOSIT FRANCHISE

- 🎯 Loan/Deposit Ratio, Cost of Deposits
- Treasury Management distribution and product capabilities
- Customer relationship management and sales effectiveness
- Product optimization
- Digital experience evolution

## ASSET QUALITY

- 🎯 NCO/Loans, NPA/Loans & OREO
- Portfolio segmentation and concentration strategy
- Credit risk management practices
- Process & technology enhancements
- Specialized regional credit officer model



## TALENT & ENGAGEMENT

- 🎯 Engagement, Retention
- “Our Shared Future” culture and mindset
- Talent acquisition and retention
- Diversity, Equity & Inclusion
- Workday Human Resources management system

## CORE PROFITABILITY

- 🎯 PPNR/Avg Assets, NIM
- NIM management
- Balance efficiency and infrastructure investments
- Centralized Data & Analytics to bolster strategic decision-making
- Small Business distribution expansion

# Positioned for Growth

We have been making meaningful and scalable investments in technology and people to prepare for future growth.

## FINANCIAL STRENGTH



- Strong capital levels to support both organic and inorganic growth
- Durbin Amendment impact approximately \$7 million (2% of total revenue)
- Solid financial performance

## TALENT



- Augmented legacy S&T leadership with team members having larger bank experience
  - Senior Leadership Team - 7 of 16 have prior experience at \$25 billion + banks
  - Risk Management Team - 6 of 12 in leadership roles have prior experience at \$25 billion + banks

## REGULATORY COMPLIANCE



- Enhanced governance structure
- Integrated, Enterprise Risk Management Program
- Strengthened Credit Administration practices
- Advanced Consumer Compliance Infrastructure



# Second Quarter Overview

## HIGHLIGHTS

- Solid earnings and return metrics
- NIM increased one basis point to 3.85%
- Strong customer deposit growth
- Healthy ACL level with manageable NPAs
- Forbes 2024 America's Best Banks

### EARNINGS

EPS  
\$0.89

Net Income  
\$34.4 million

### RETURN METRICS

ROA  
1.45%

ROE  
10.61%

NIM\*  
3.85%

ROTE\*  
15.01%

PPNR\*  
1.82%

Efficiency  
Ratio\*  
54.94%

### BALANCE SHEET

Loan growth  
\$57.5 million  
3.02% *(annualized)*

Deposit growth  
\$80.0 million  
4.23% *(annualized)*

### ASSET QUALITY

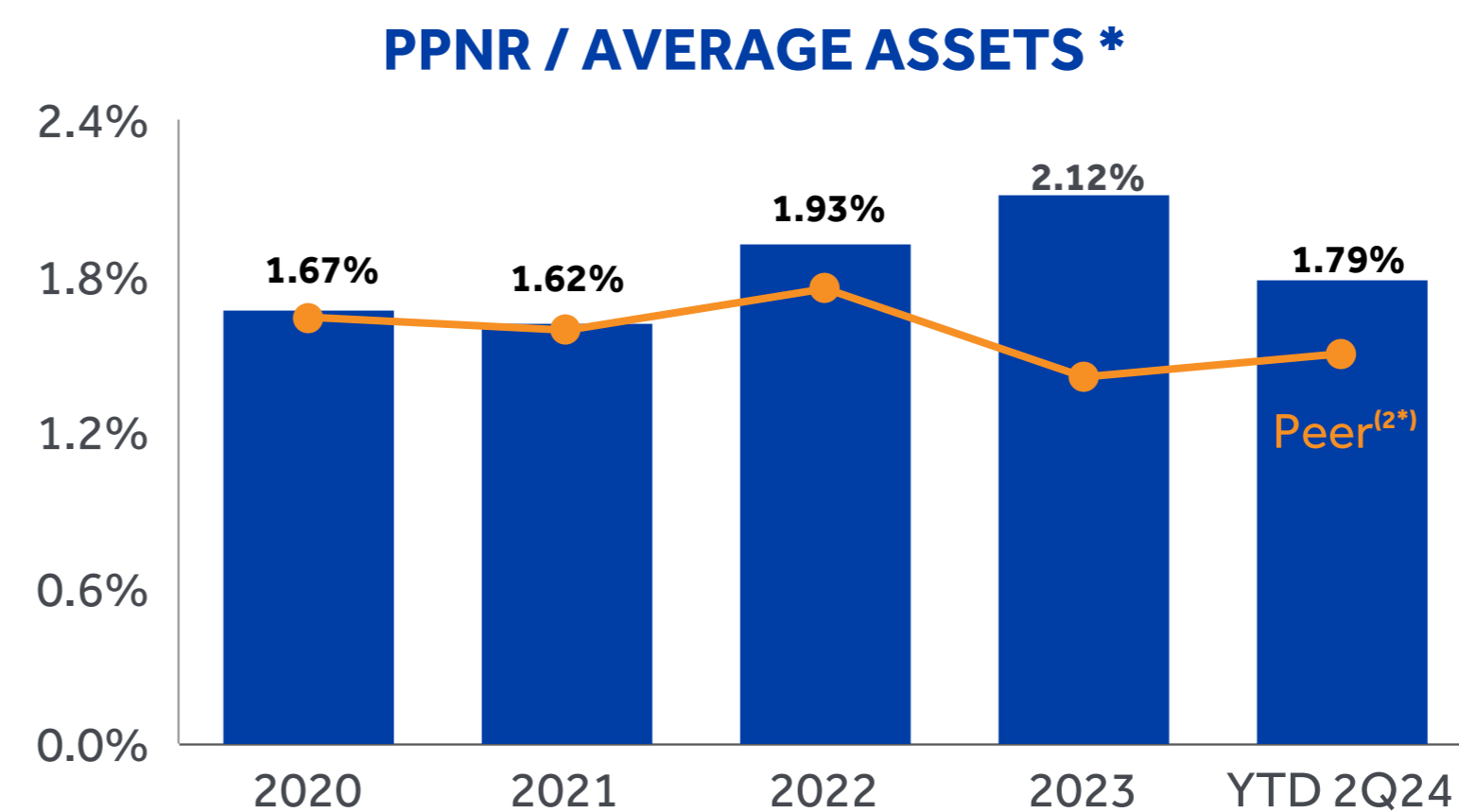
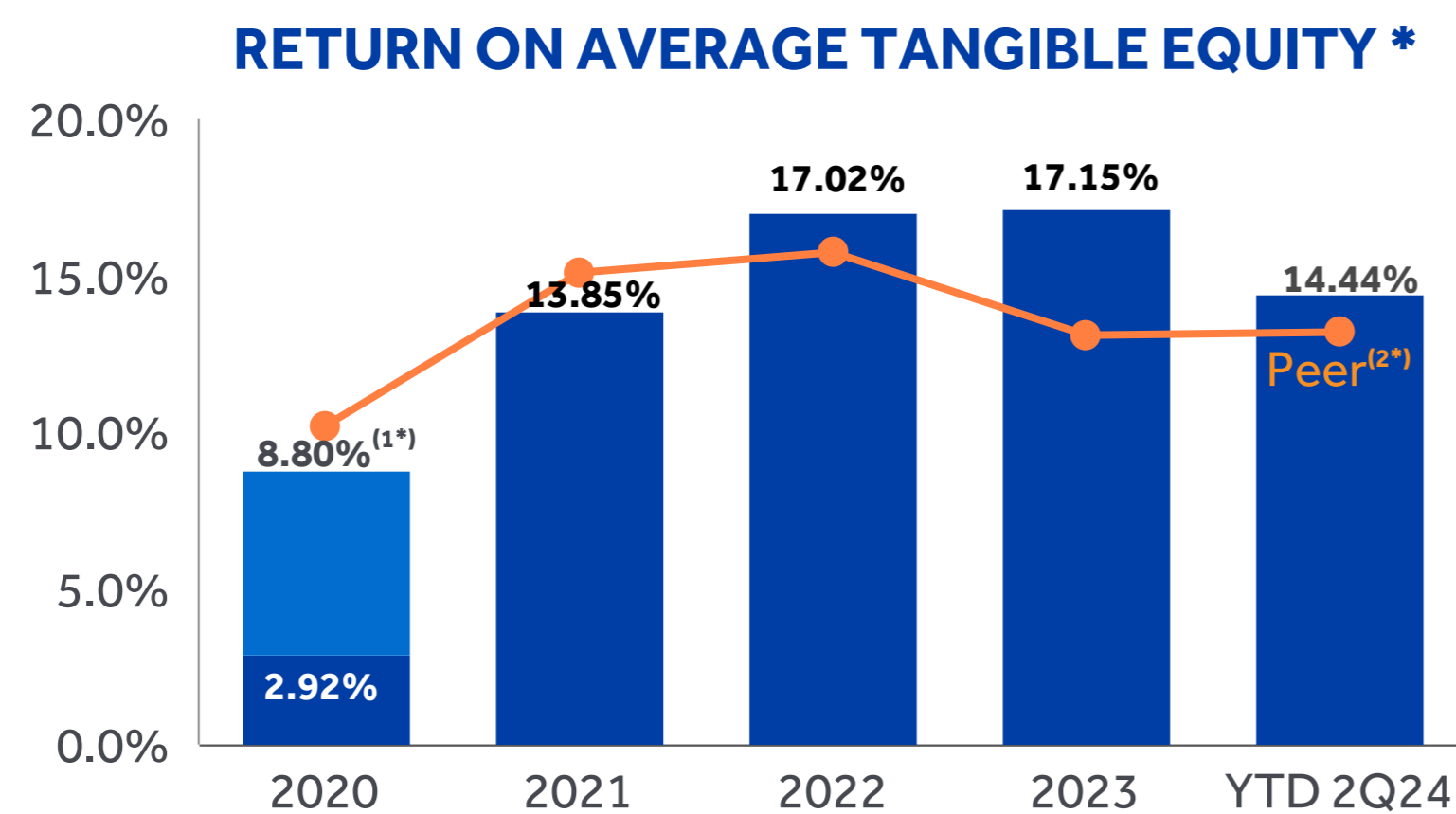
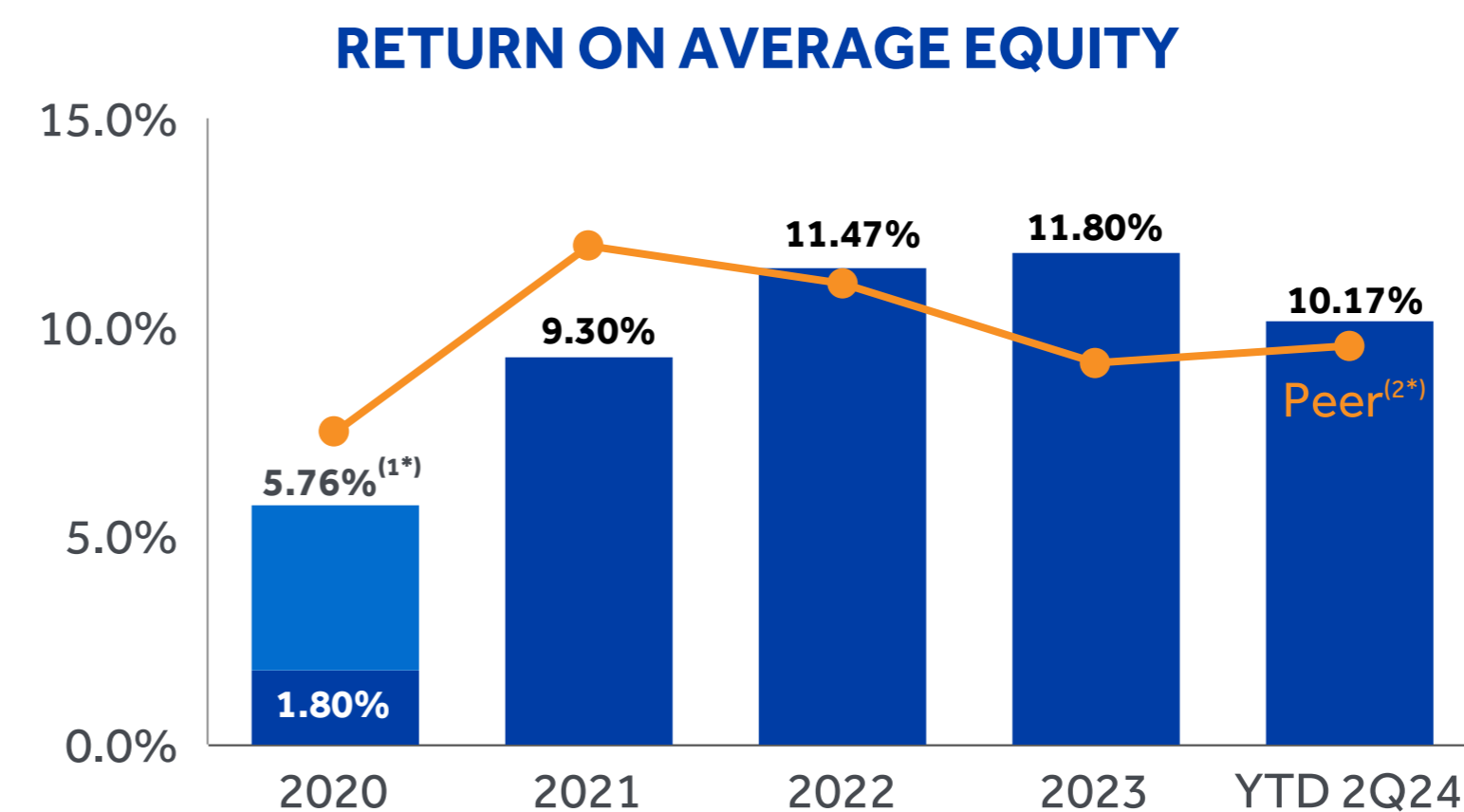
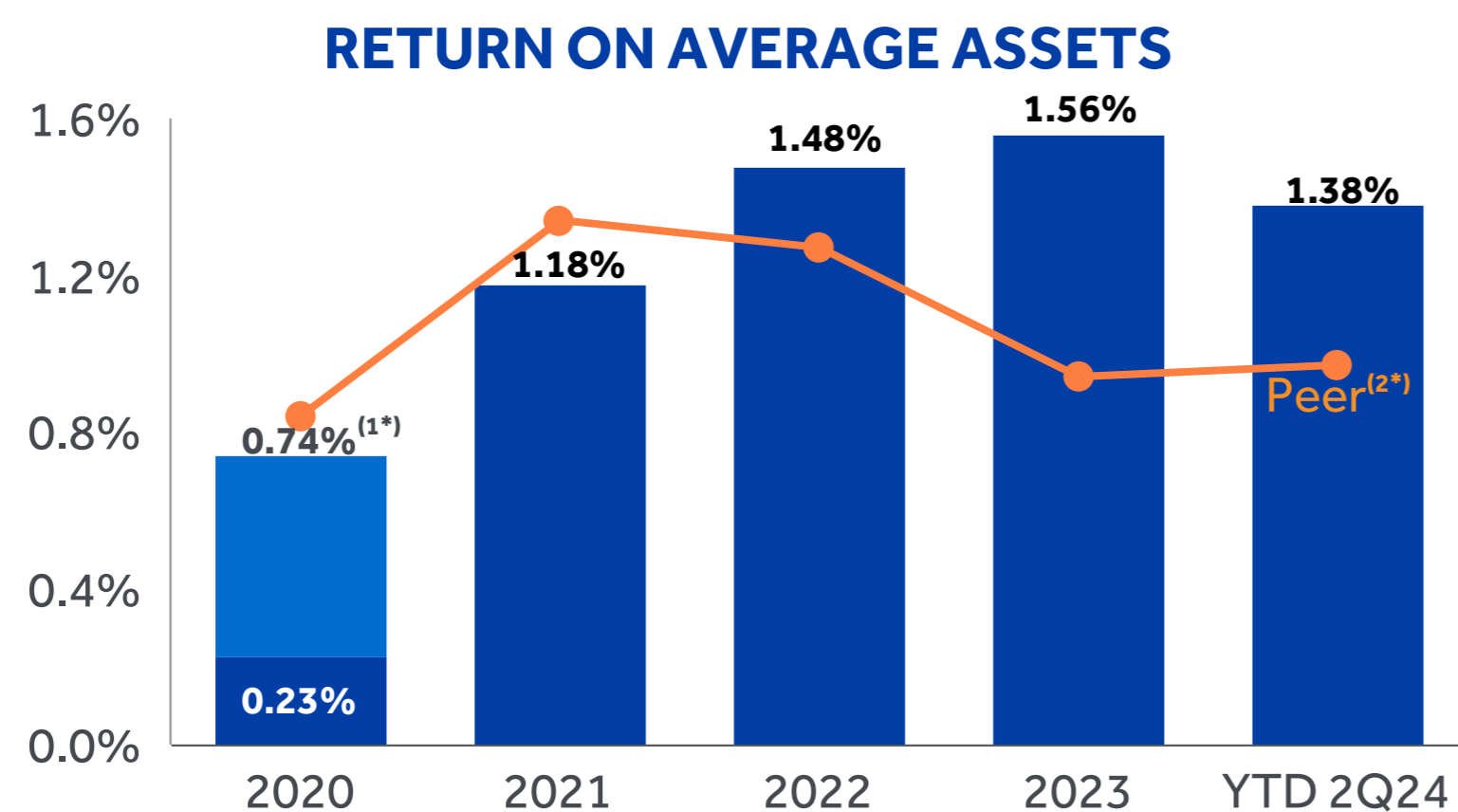
ACL  
1.38%

NCO  
(0.02)%

NPA  
0.45%

*\*Refer to appendix for reconciliation of non-GAAP financial measures*

# Performance



<sup>(1)</sup>This is a non-GAAP number that adjusts for a pre-tax loss of \$58.7 million resulting from customer fraud related to a check kiting scheme in Q2 2020.

<sup>(2)</sup>Median of proxy peer group. Peer data from S&P Global Market Intelligence.

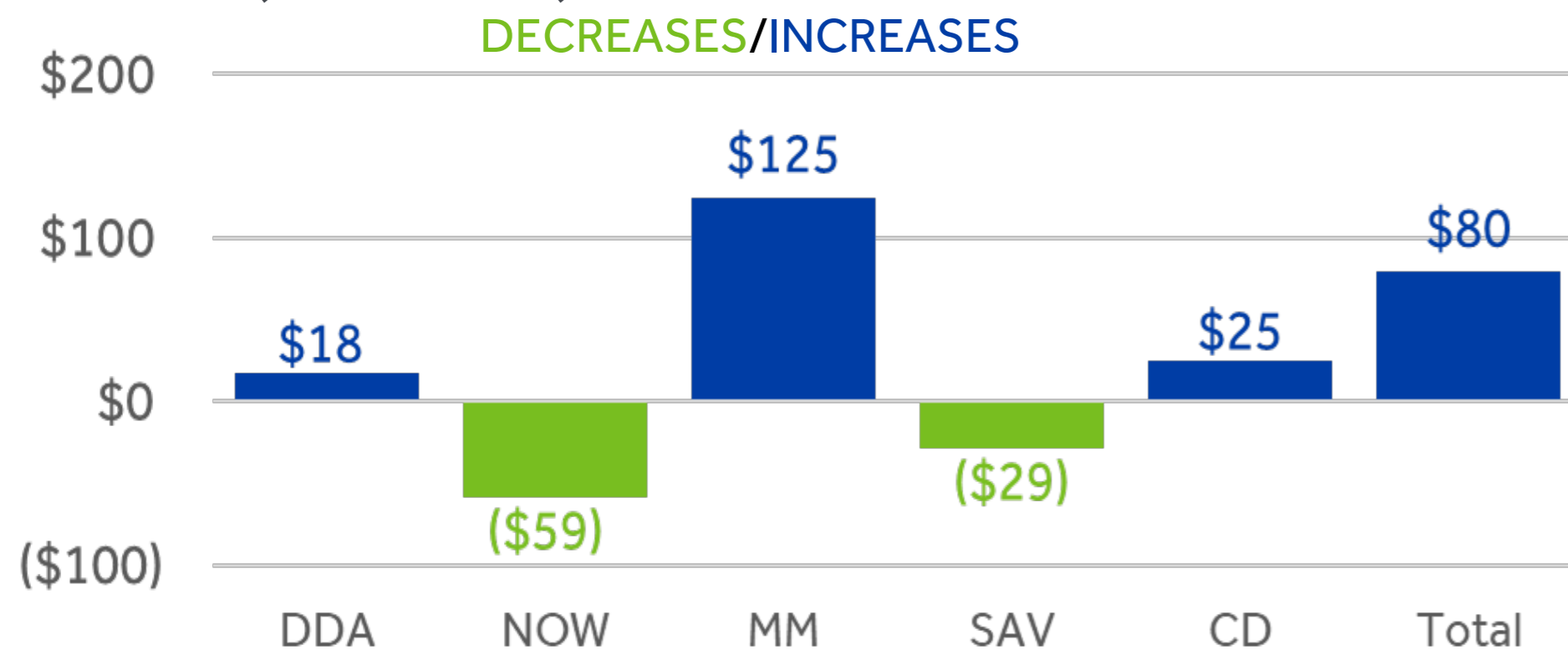
<sup>(\*)</sup>Refer to appendix for reconciliation of non-GAAP financial measures.



# Balance Sheet

- Loan growth of \$57.5 million (3.02% annualized)
- Strong customer deposit growth of \$155.1 million (8.63% annualized); brokered CDs declined \$75.0 million
- DDA growth of \$17.7 million
- Reduction in borrowings of \$10.1 million

## 2Q24 vs 1Q24 DEPOSIT CHANGES



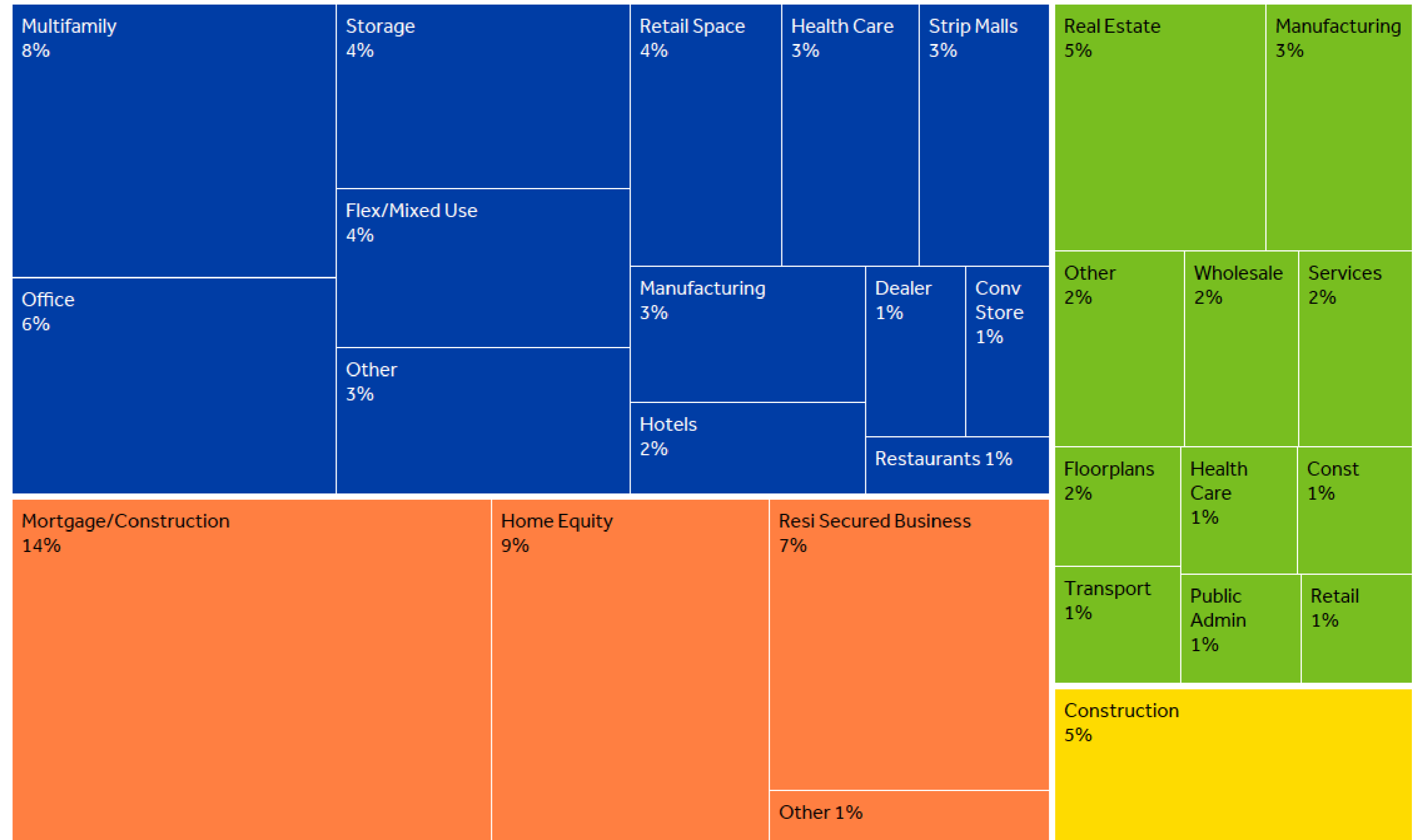
## 2Q24 vs 1Q24:

	(\$50)	\$0	\$50	\$100	2Q24	1Q24	Var
Cash & Int Bear Bal					\$ 246	\$ 207	\$ 39
Securities					978	971	7
Loans					7,714	7,656	58
Deposits					7,680	7,600	80
Borrowings					364	374	(10)

# Loan Mix

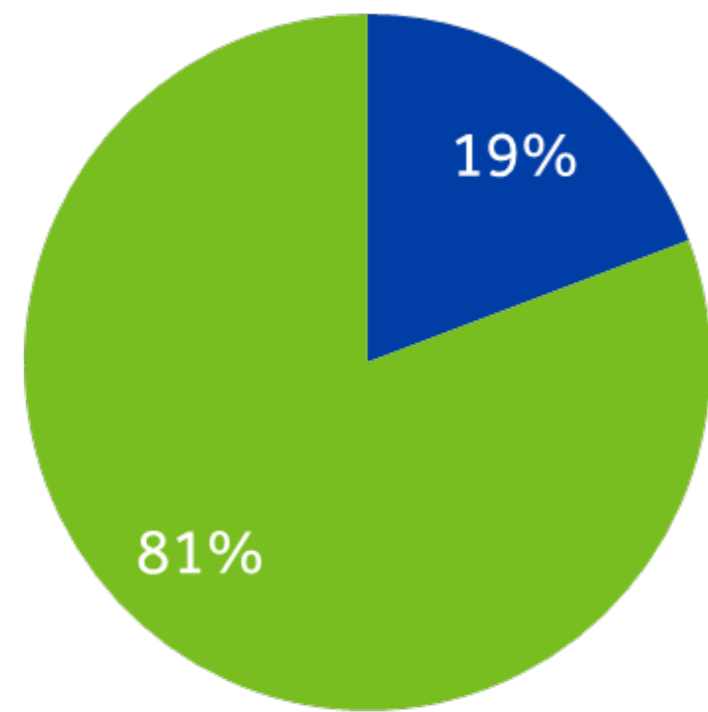
Our loan portfolio is well-diversified:

	Amount	% of Total
CRE	\$3,348	43%
Consumer	2,375	31%
C&I	1,611	21%
Construction	380	5%
<b>Total</b>	<b>\$7,714</b>	<b>100%</b>



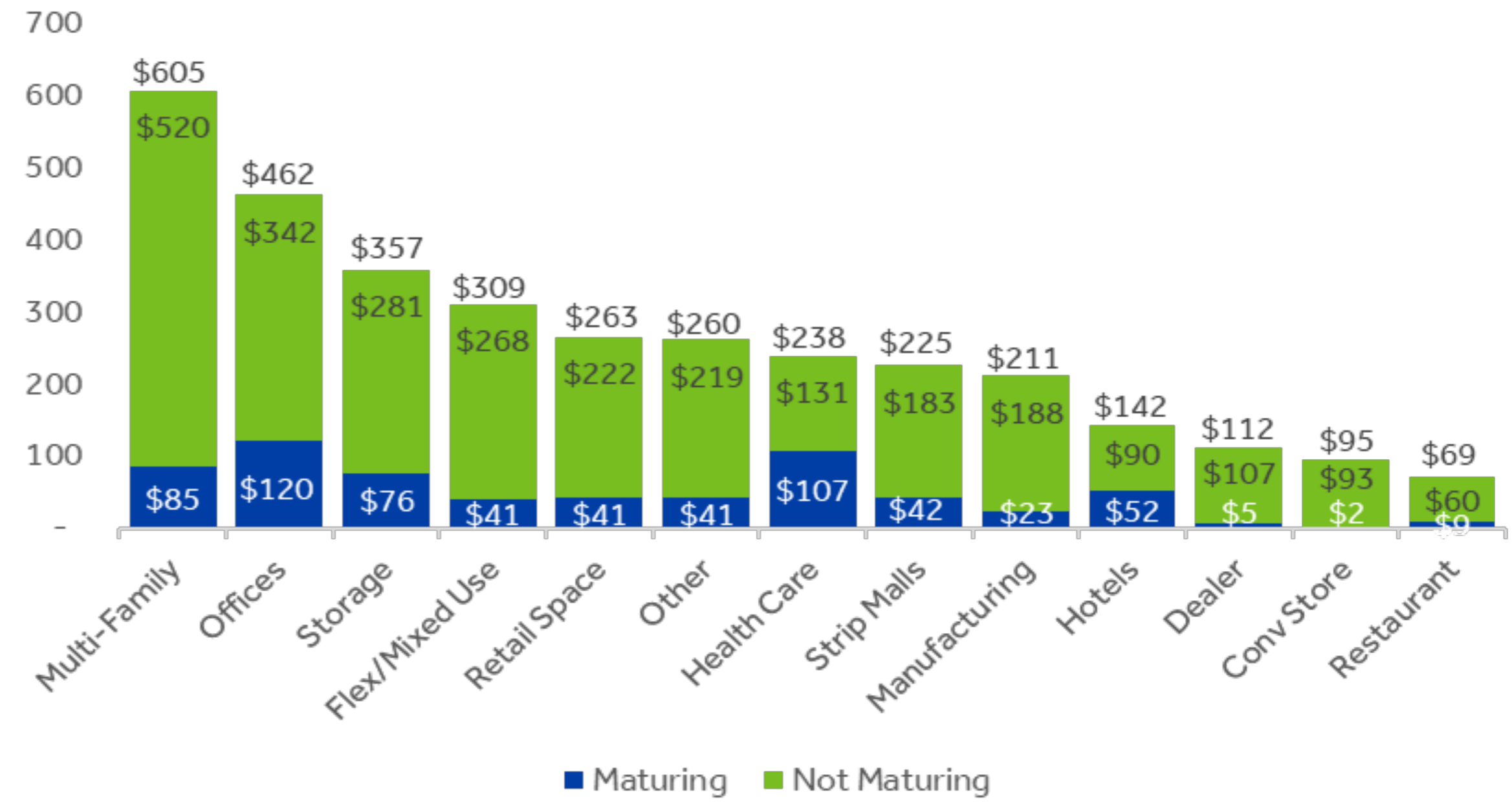
# CRE Maturities

in next 24 months



**Only 19% of our CRE loans mature in the next 24 months**

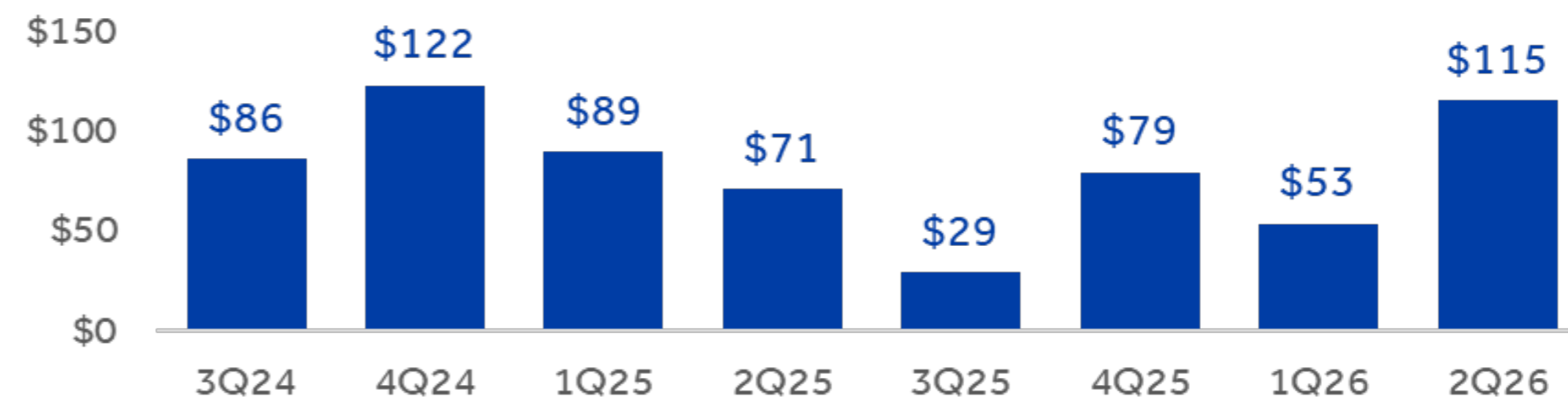
## CRE MATURITIES BY INDUSTRY:



## CRE MATURITIES BY SIZE:

Size	Total	#	Avg Size
10mm+	\$114.7	7	\$16.4
5mm-10mm	250.4	35	7.2
1mm-5mm	222.3	97	2.3
Under 1mm	56.4	227	0.2
<b>Total</b>	<b>\$643.8</b>	<b>366</b>	<b>\$1.8</b>

## CRE MATURITIES BY QUARTER:



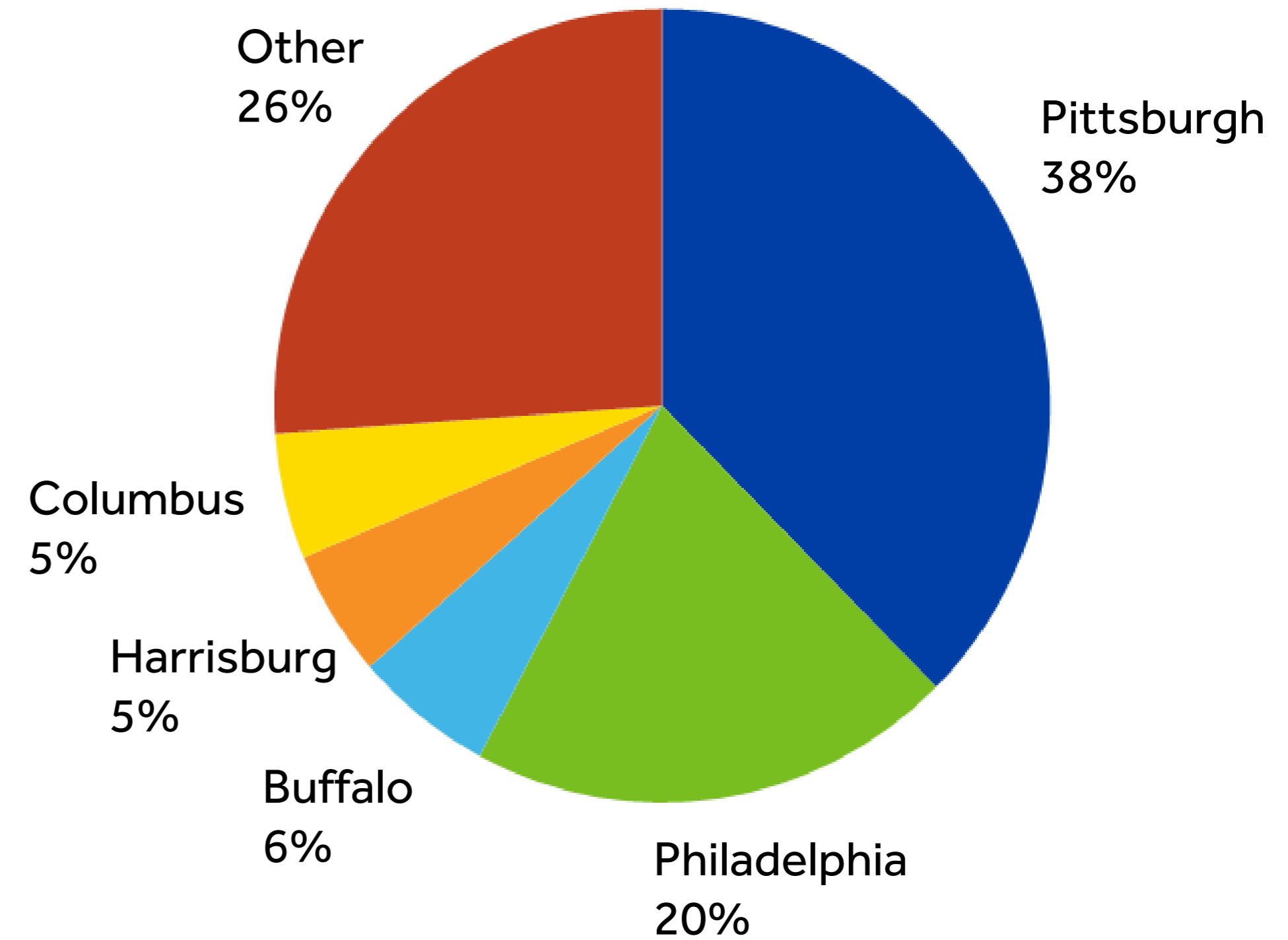
# Office CRE

- Office represents 6% of total loans
- Granular portfolio with average loan size of \$1.1 million
- 90% of our office portfolio is in-market (PA and contiguous states)
- 90% non-central business district (CBD)
- Criticized of \$16.0 million and classified of \$2.1 million; only \$0.4 million of NPLs

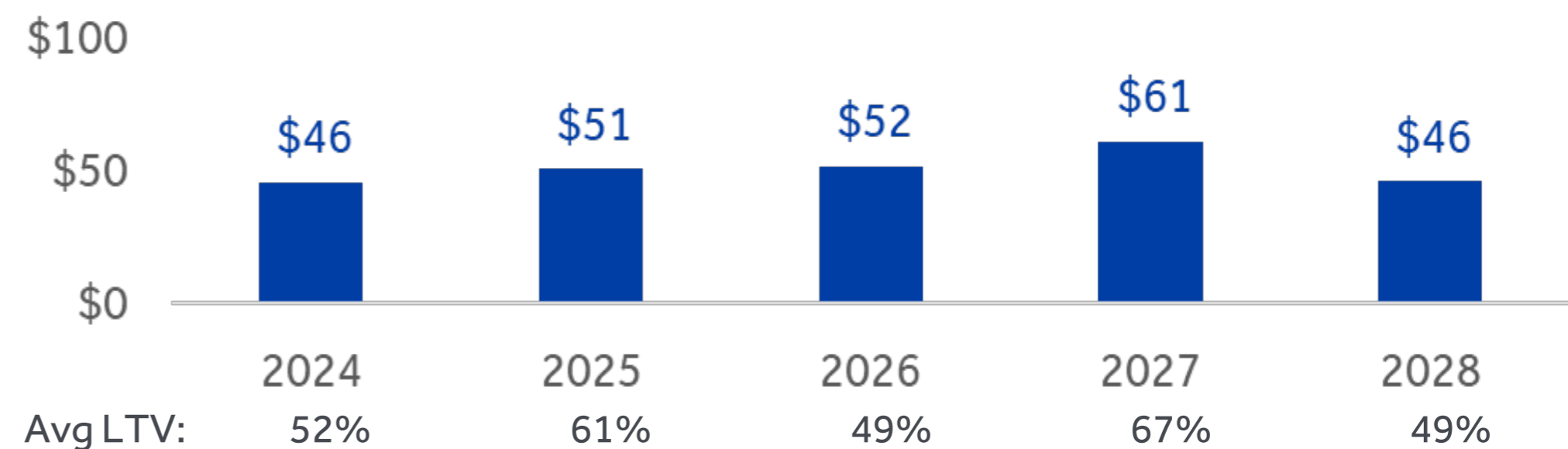
## OFFICE LOANS BY SIZE:

Size	Total	#	Avg Size	Avg LTV
10mm+	\$46.9	4	\$11.7	68 %
5mm-10mm	157.2	23	6.8	55 %
1mm-5mm	172.1	76	2.3	57 %
Under 1mm	86.2	335	0.3	48 %
<b>Total</b>	<b>\$462.4</b>	<b>438</b>	<b>\$1.1</b>	<b>56 %</b>

## OFFICE CRE BY MSA:



## OFFICE LOAN MATURITIES BY YEAR:



Dollars in millions

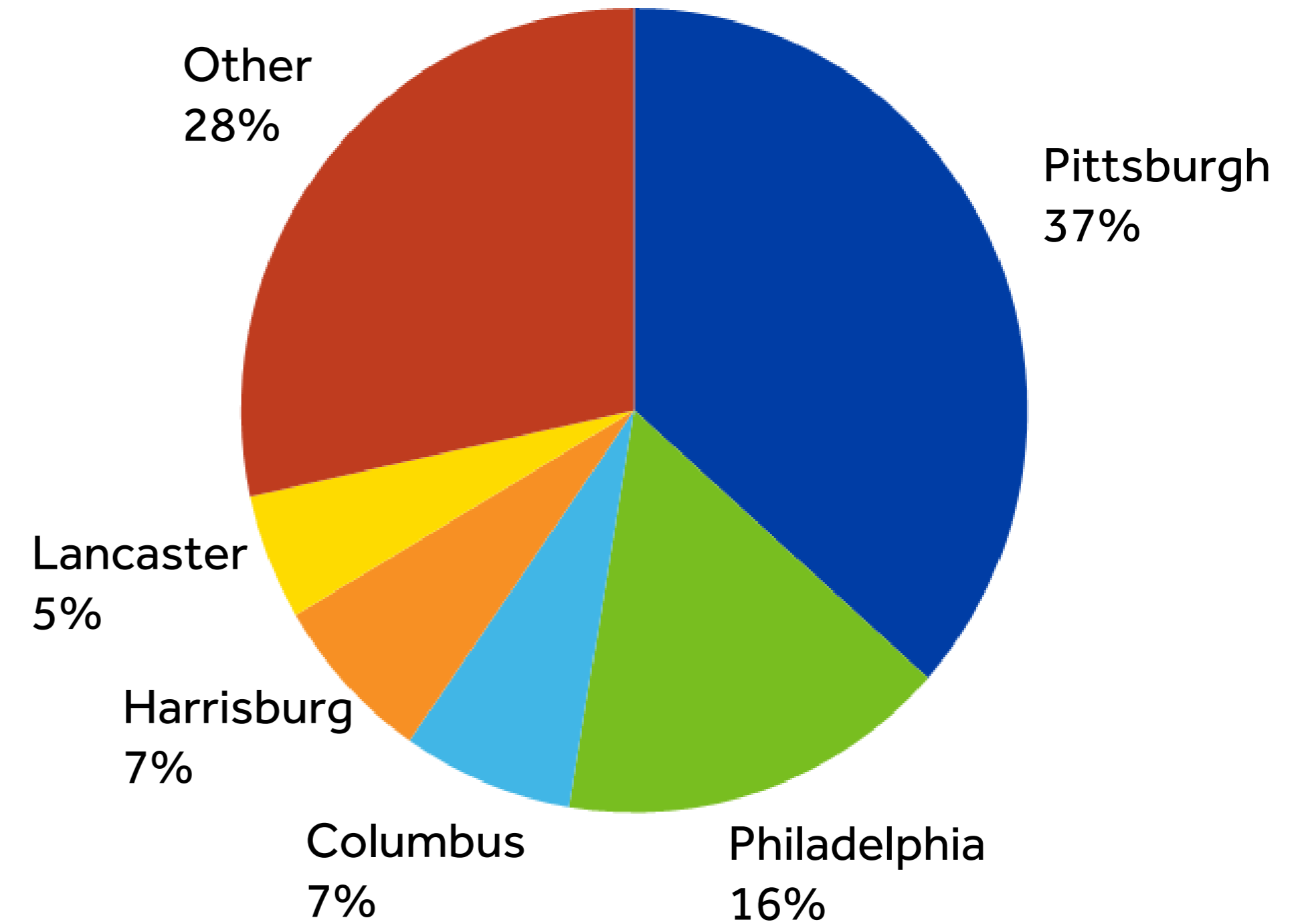
# Multifamily - CRE

- Multifamily represents 8% of total loans
- Granular portfolio with average loan size of \$1.0 million
- 95% of our multifamily portfolio is in-market (PA and contiguous states)
- No criticized loans; \$6.9 million of classified; no NPLs
- Additional multifamily construction exposure of \$229.0 million, including \$130.7 million outstanding and \$98.3 million of construction commitments

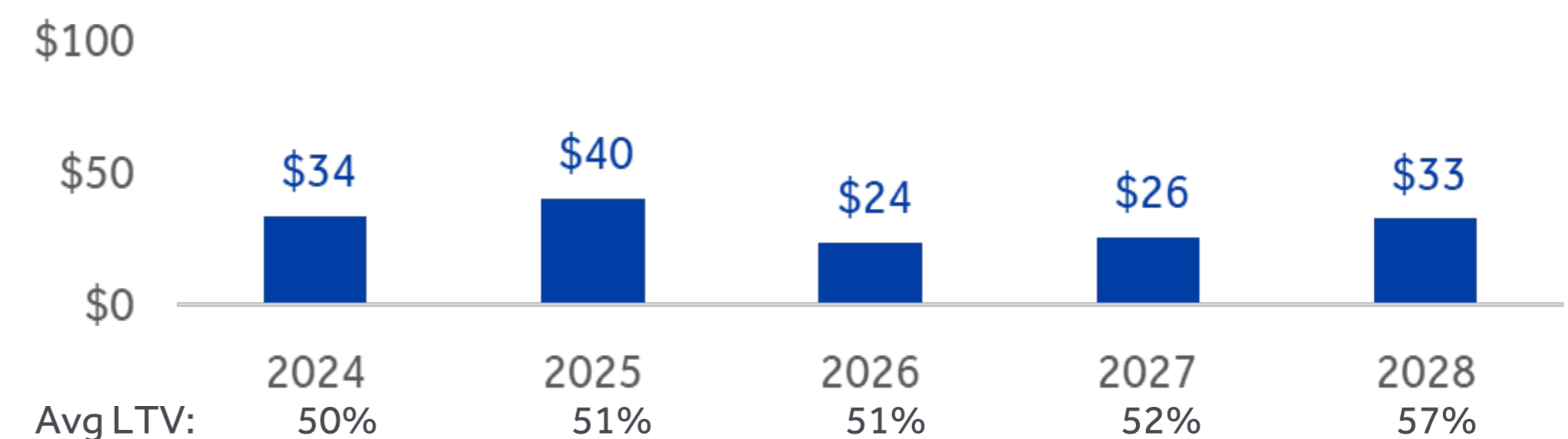
## MULTIFAMILY LOANS BY SIZE:

Size	Total	#	Avg Size	Avg LTV
10mm+	\$142.1	10	\$14.2	65 %
5mm-10mm	157.7	22	7.2	55 %
1mm-5mm	168.6	82	2.1	53 %
Under 1mm	137.0	475	0.3	58 %
<b>Total</b>	<b>\$605.4</b>	<b>589</b>	<b>\$1.0</b>	<b>58 %</b>

## MULTIFAMILY CRE BY MSA:



## MULTIFAMILY LOAN MATURITIES BY YEAR:

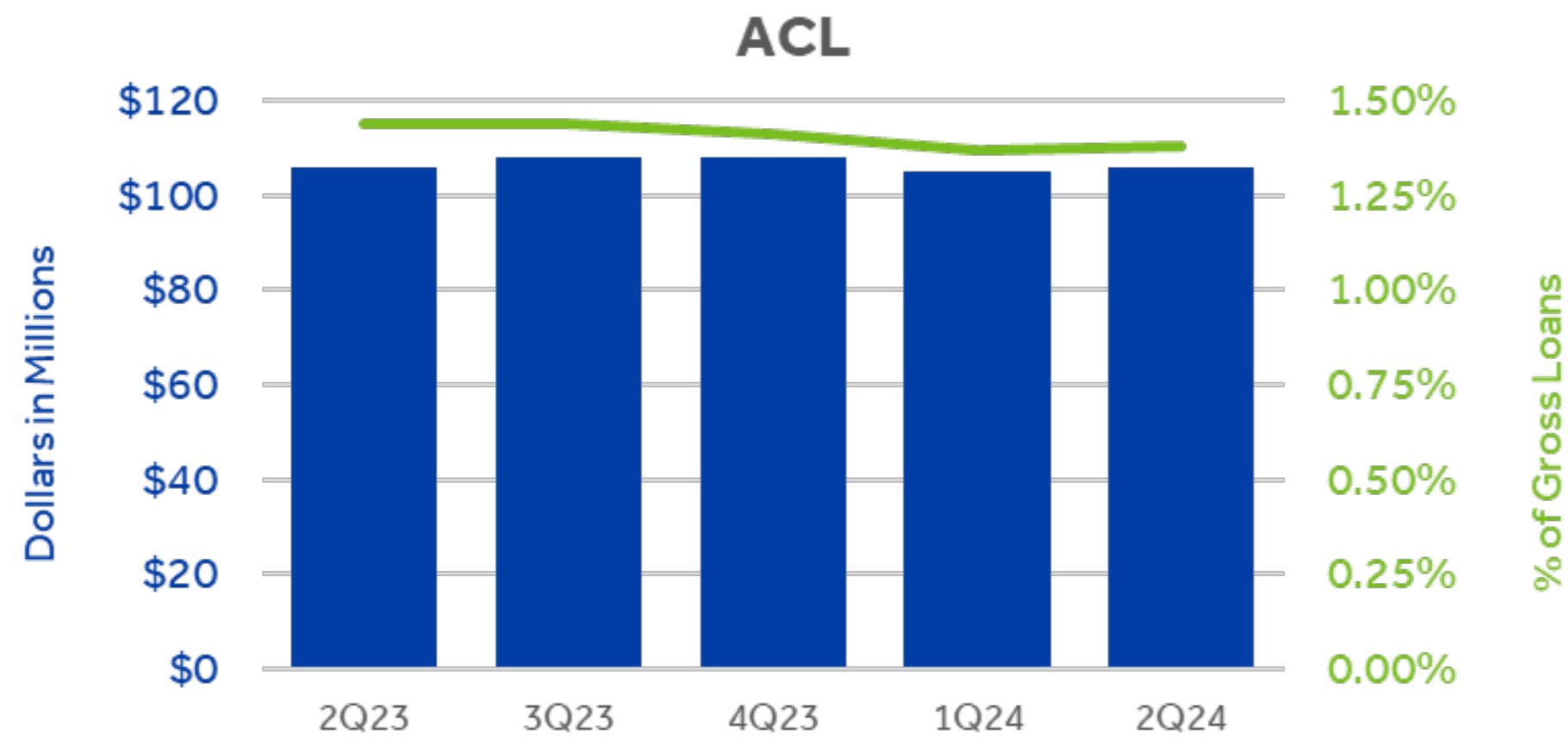


Dollars in millions

# Asset Quality

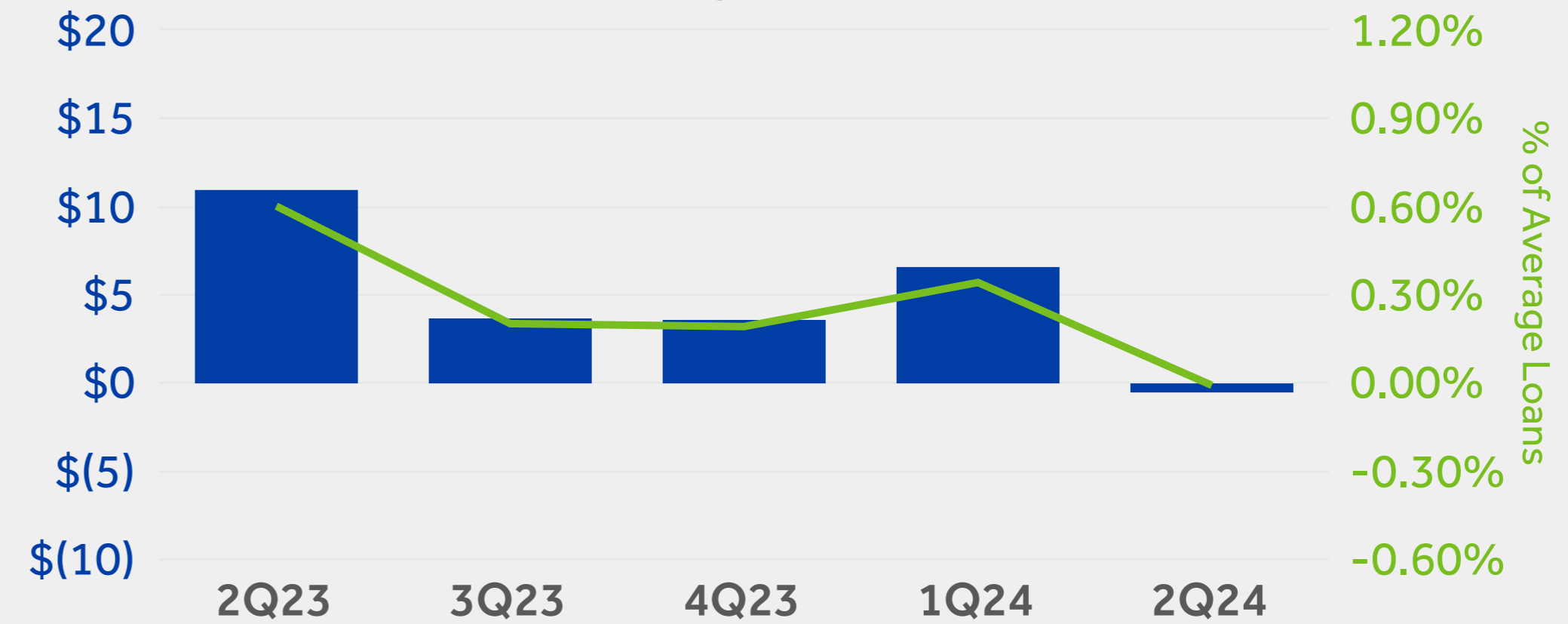
- ACL of 1.38% of total loans compared to 1.37% as of March 31, 2024
- Net loan recoveries of (\$0.4) million, or (0.02)% of average loans (annualized)
- NPAs are manageable at 0.45% of total loans plus OREO

## ACL Trend:

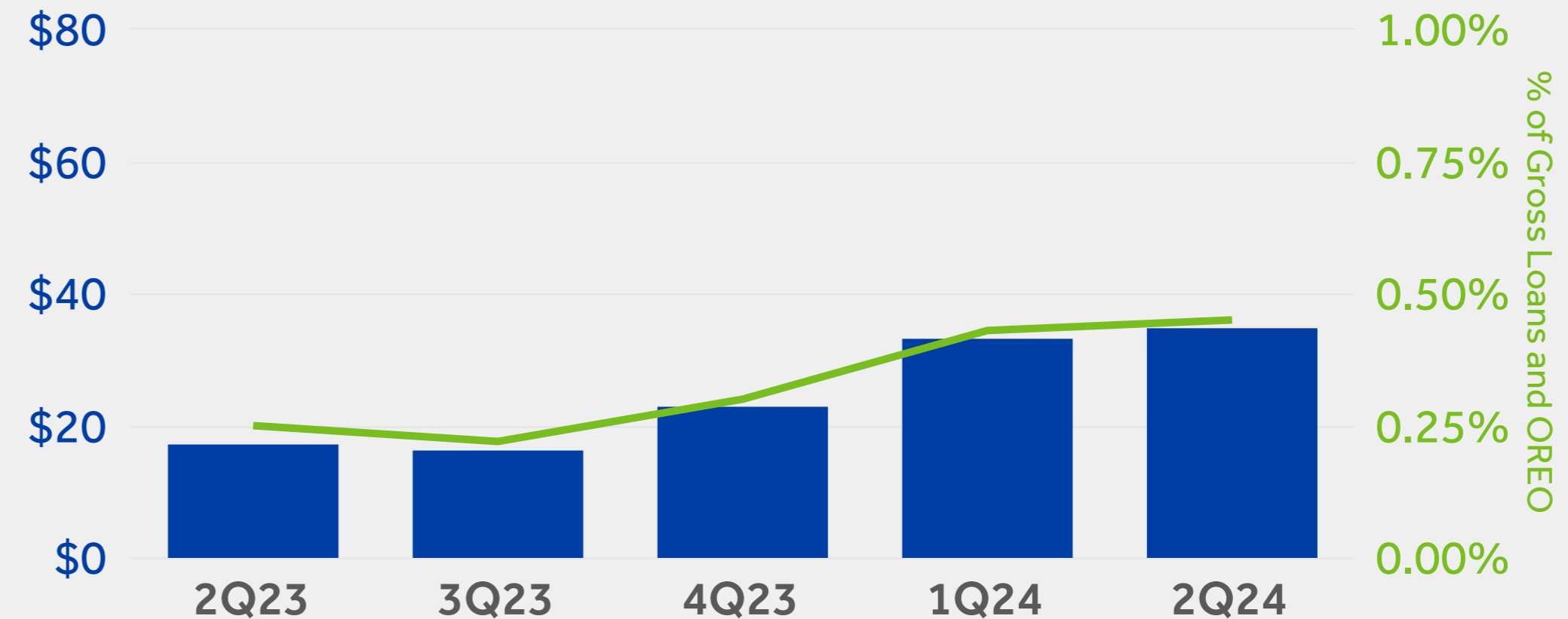


## ASSET QUALITY TRENDS

### Net Loan Charge-Offs/(Recoveries)



### Nonperforming Assets



Dollars in millions

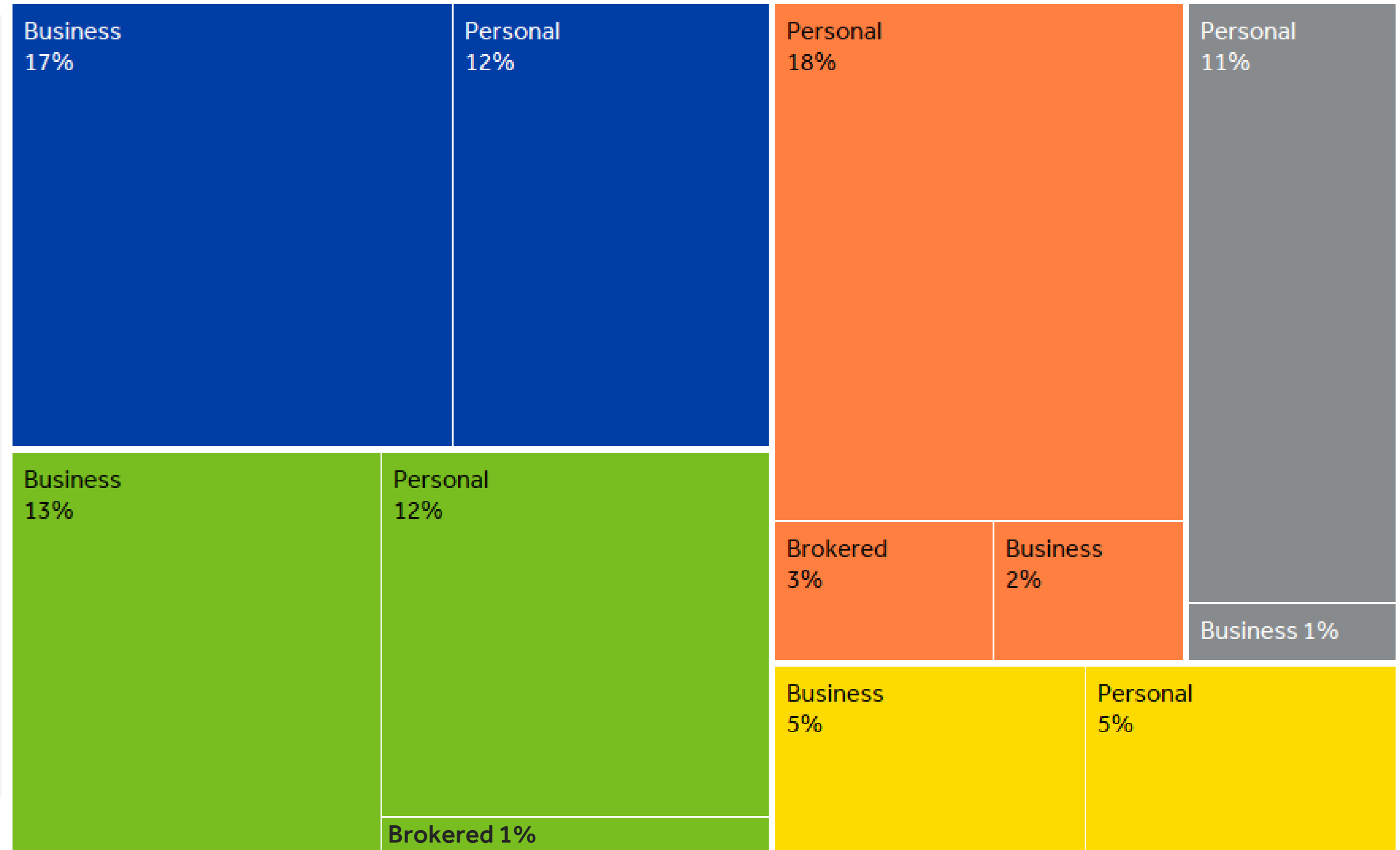


# Deposit Mix

We have a strong, well-diversified deposit base of 230,000 customers:

	Amount	% of Total
DDA	\$2,207	29%
MM	2,008	26%
CDs	1,769	23%
Savings	907	12%
Int Bear DDA	789	10%
<b>Total</b>	<b>\$7,680</b>	<b>100%</b>

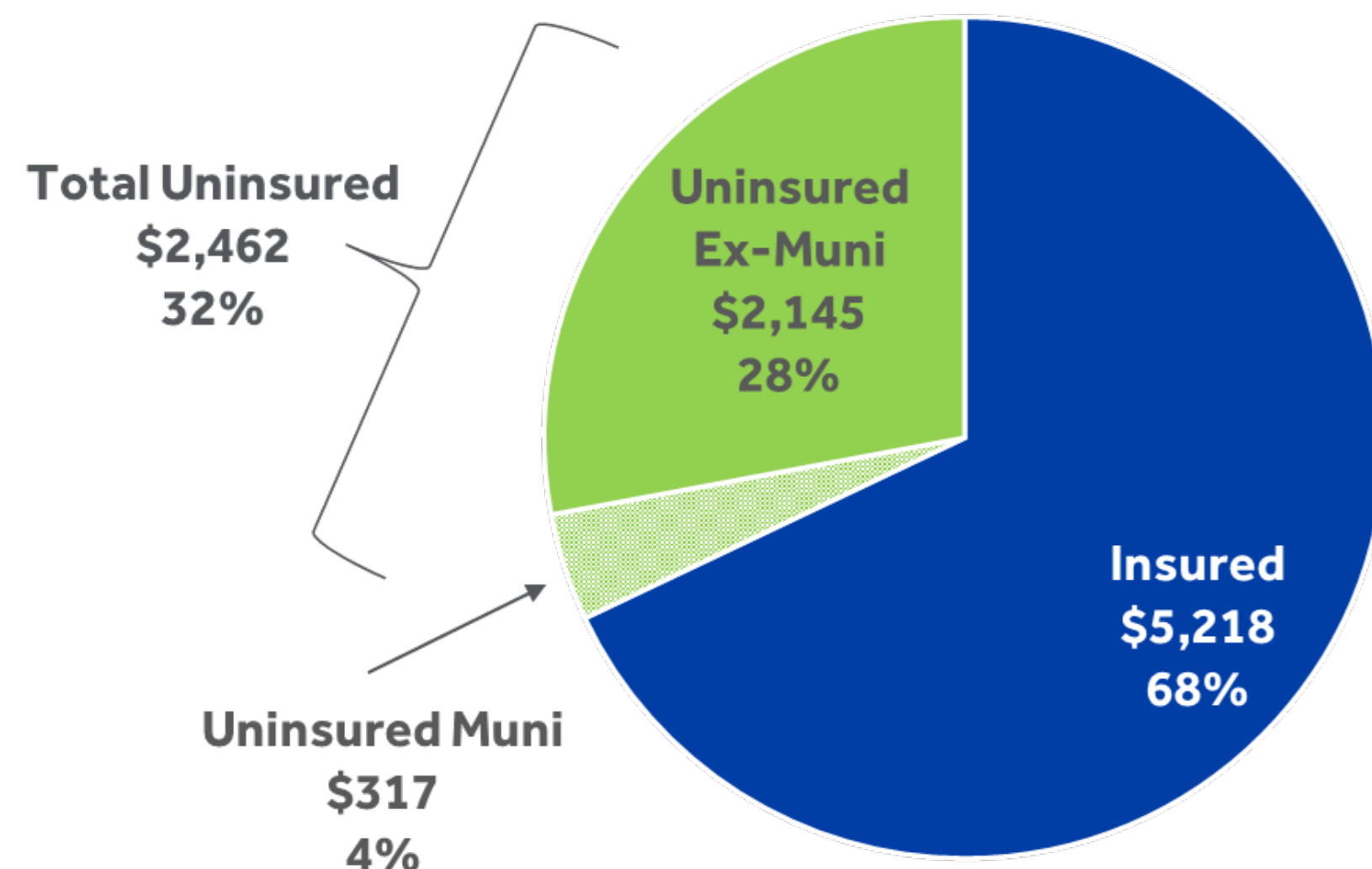
	Amount	% of Total	Average Account Size (in \$000)	Average Age (in years)
Personal	\$4,482	58%	\$17	11
Business	2,897	38%	72	10
Brokered	301	4%	—	—
<b>Total</b>	<b>\$7,680</b>	<b>100%</b>	<b>\$26</b>	<b>11</b>



# Funding Capacity

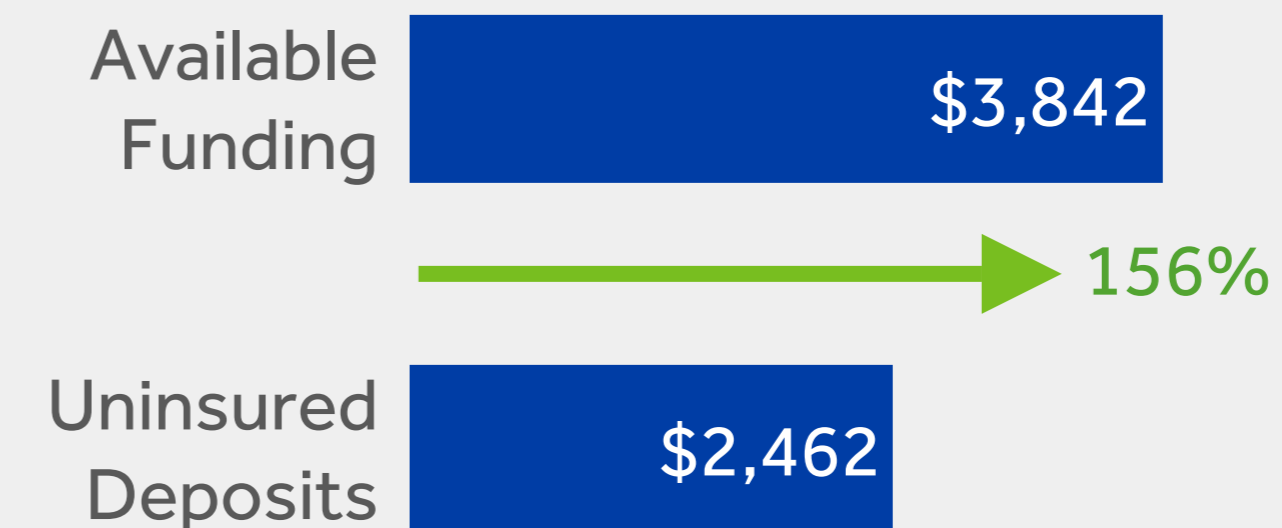
- Strong liquidity position with well-diversified deposit base
- Significant funding availability through FHLB and Federal Reserve
- Insured and collateralized deposits comprise 72% of total deposits
- Funding availability meets liquidity needs in both normal and stress environments

## INSURED/UNINSURED DEPOSITS



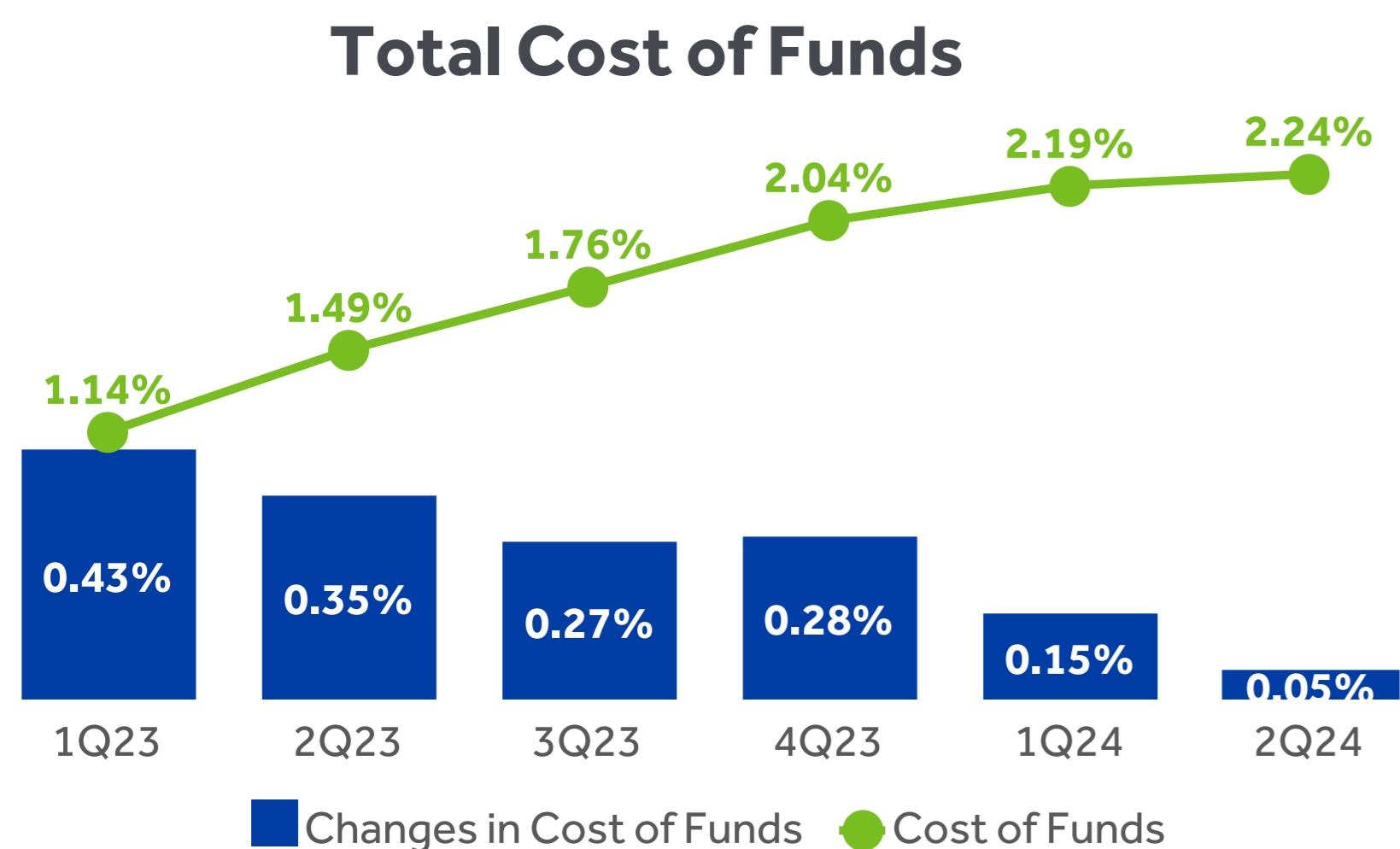
## FUNDING SOURCES

	Capacity	Used	Available
FHLB	\$3,357	\$246	\$3,111
Federal Reserve Window	731	—	731
Federal Reserve BTFP	200	200	—
<b>Total Funding Sources</b>	<b>\$4,288</b>	<b>\$446</b>	<b>\$3,842</b>

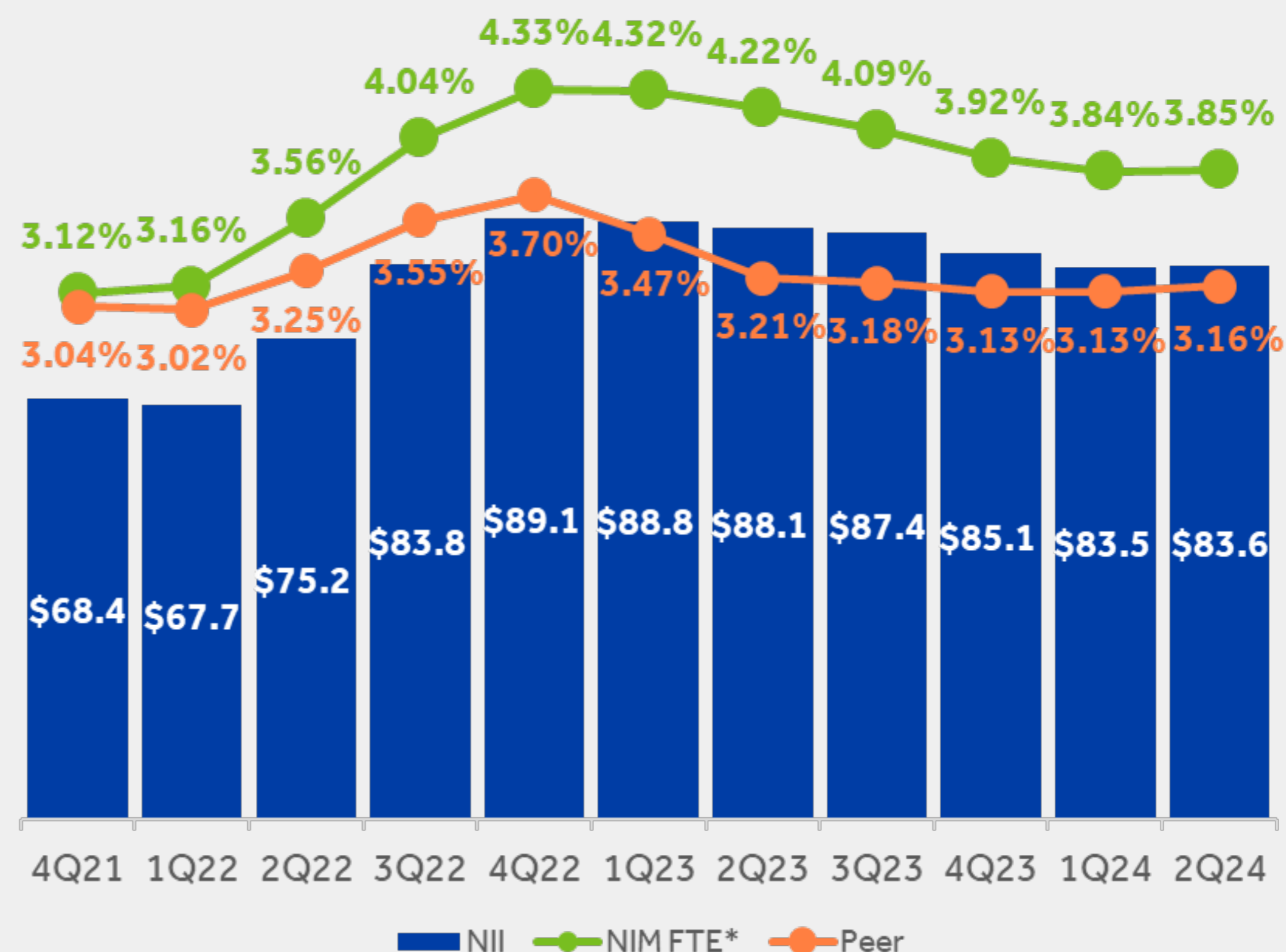


# Net Interest Income

- Net interest income increased \$0.1 million
- NIM increased 1 basis point to 3.85% and remains well above pre-rate cycle level
- Cost of funds increases are declining as deposit mix shift moderates and higher cost brokered deposits and borrowings are reduced



## CURRENT RATE CYCLE

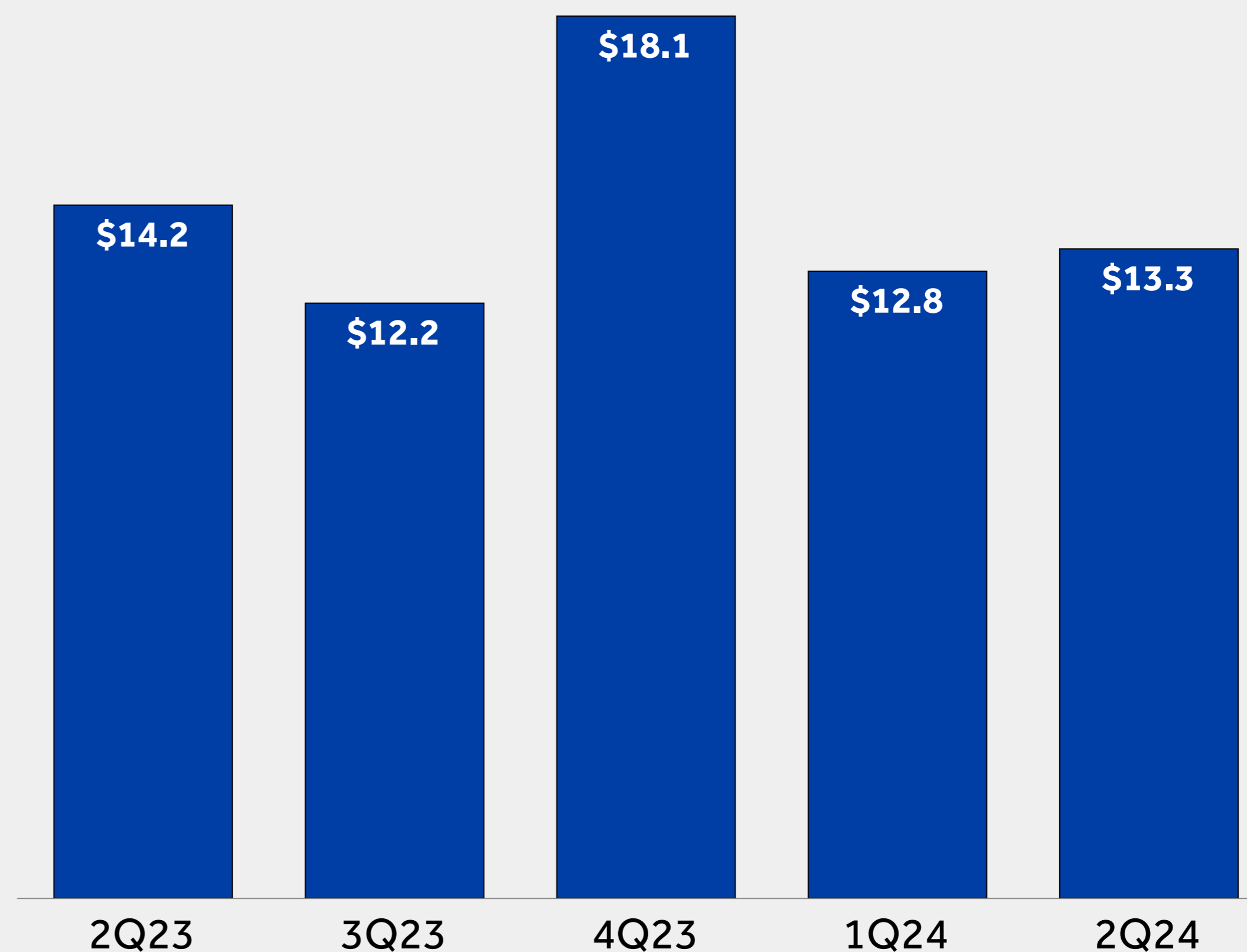


Dollars in millions; \*Refer to appendix for reconciliation of non-GAAP financial measures

# Noninterest Income

- Debit and credit card increase due to seasonality
- Increase in Other related to a \$3.2 million gain on Visa Class B-1 conversion
- Security Loss of \$3.2 million related to repositioning of bond portfolio

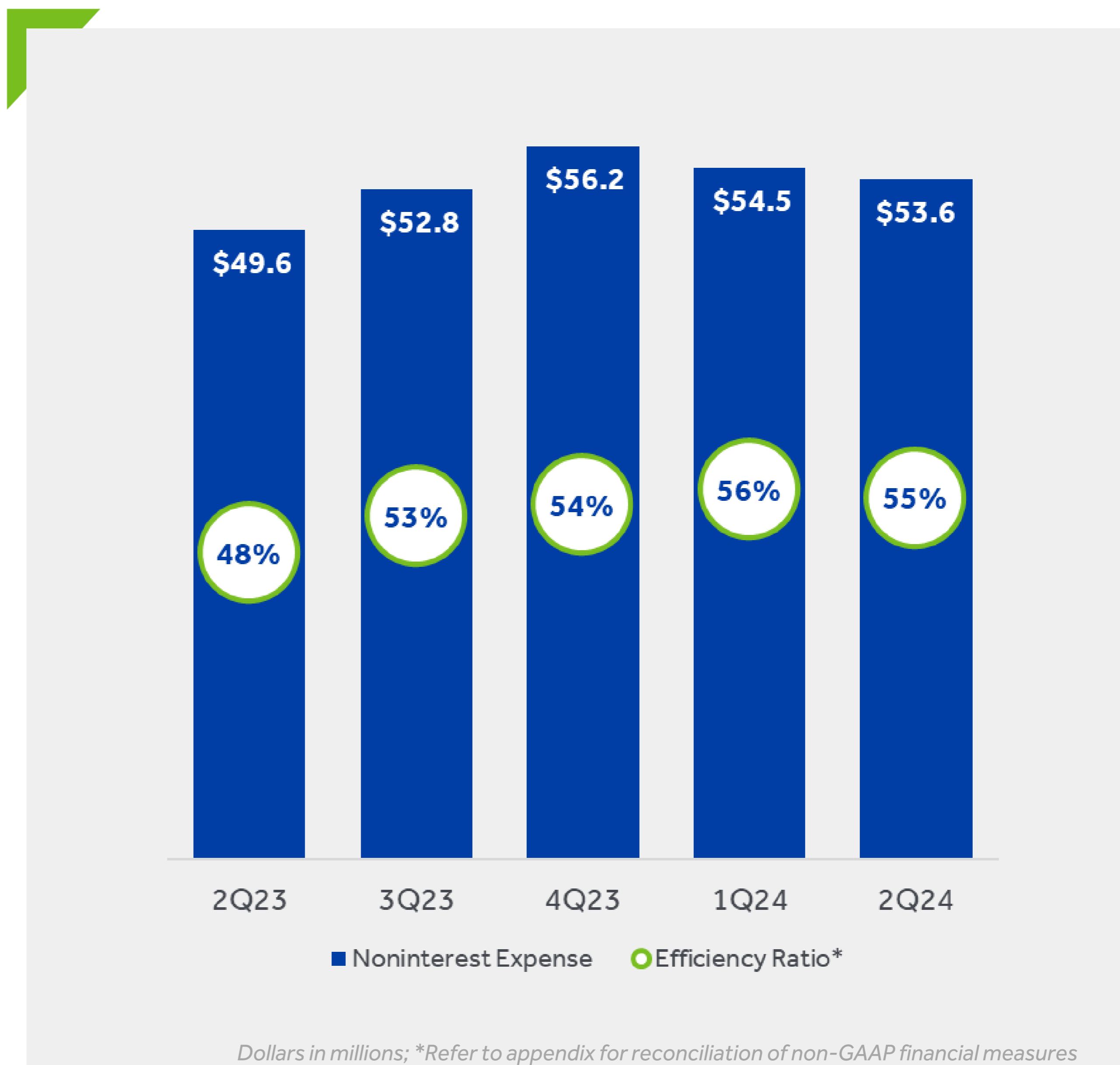
	<b>2Q24</b>	<b>2Q24 vs 1Q24</b>	<b>2Q24 vs 2Q23</b>
Debit and Credit Card	\$4.7	\$0.5	\$—
Service Charges	4.1	0.2	0.2
Wealth	3.0	—	(0.2)
Mortgage	0.3	—	—
Security Loss	(3.2)	(3.2)	(3.2)
Other	<u>4.4</u>	<u>3.0</u>	<u>2.3</u>
Noninterest Income	\$13.3	\$0.5	(\$0.9)



# Noninterest Expense

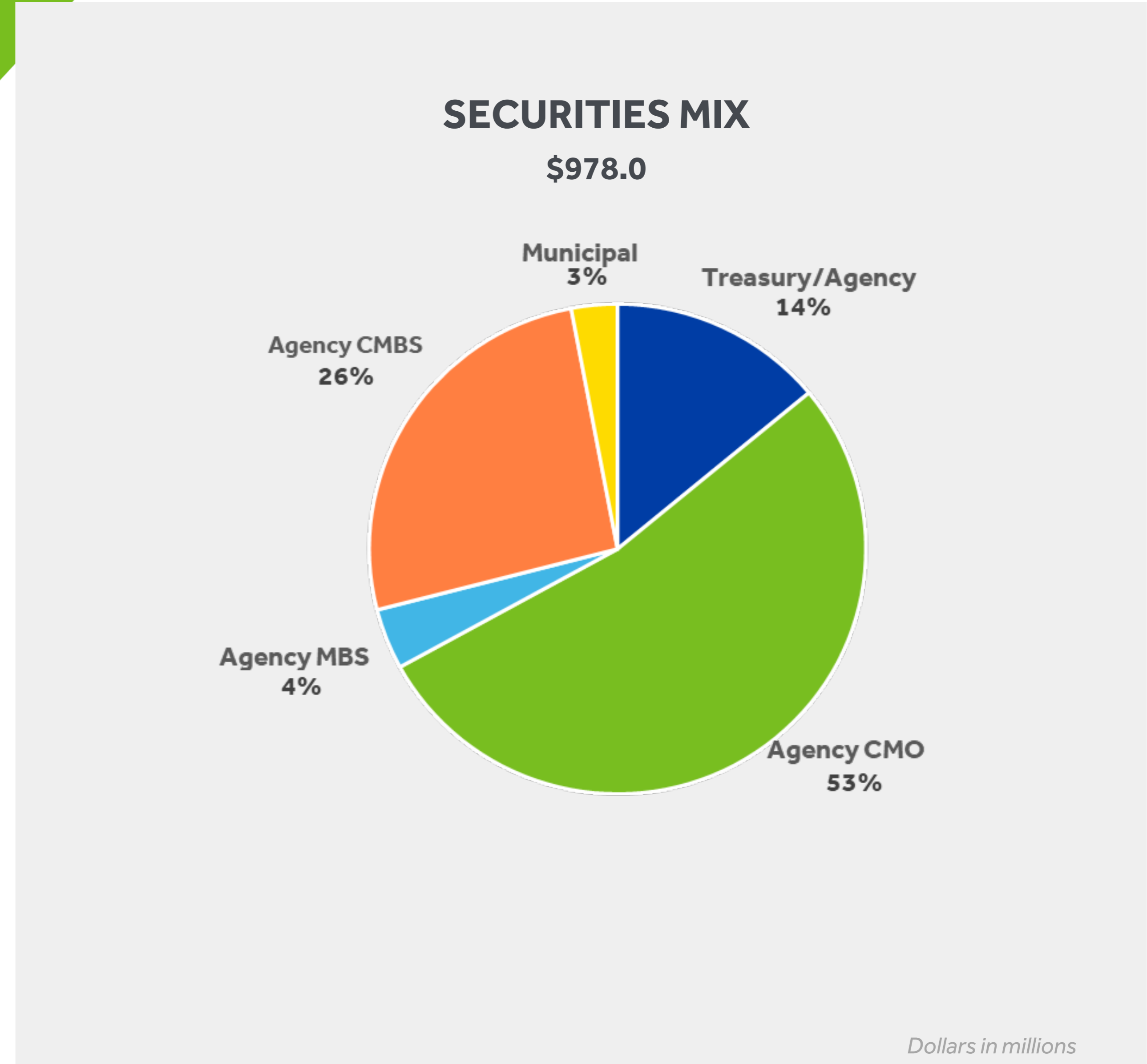
- Overall expenses declined by \$0.9 million mainly due to timing
- Salaries & benefits higher primarily due to medical costs

	2Q24	2Q24 vs 1Q24	2Q24 vs 2Q23
Salaries & Benefits	\$30.4	\$0.9	\$5.0
Data Processing	4.2	(0.7)	—
Occupancy	3.6	(0.2)	(0.1)
FF&E	3.4	(0.1)	0.2
Other Taxes	1.4	(0.4)	0.1
Marketing	1.4	(0.6)	—
Professional Services	1.4	(0.3)	(0.6)
FDIC	1.1	—	—
Other	6.7	0.5	(0.6)
<b>Noninterest Expense</b>	<b>\$53.6</b>	<b>(\$0.9)</b>	<b>\$4.0</b>



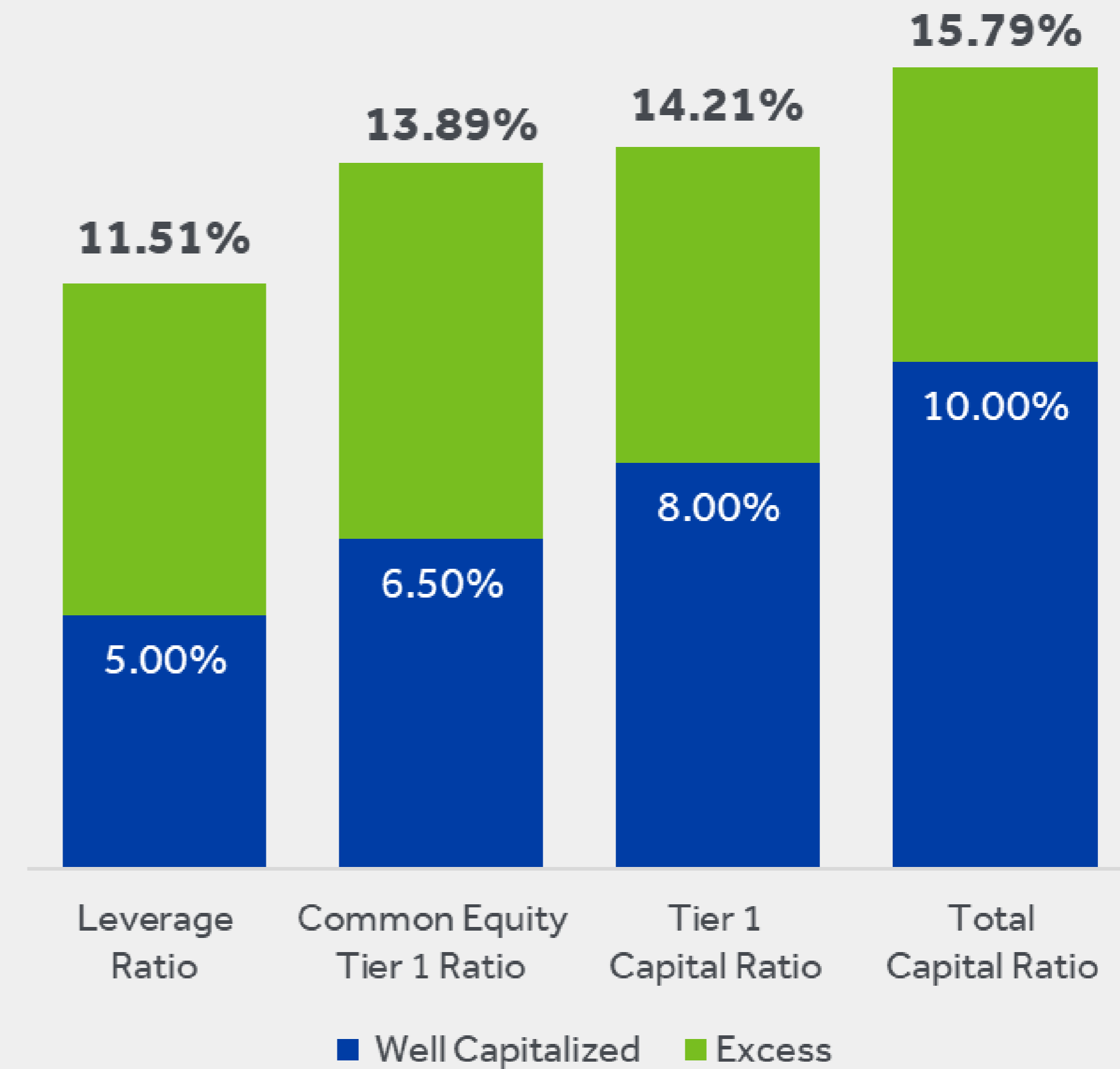
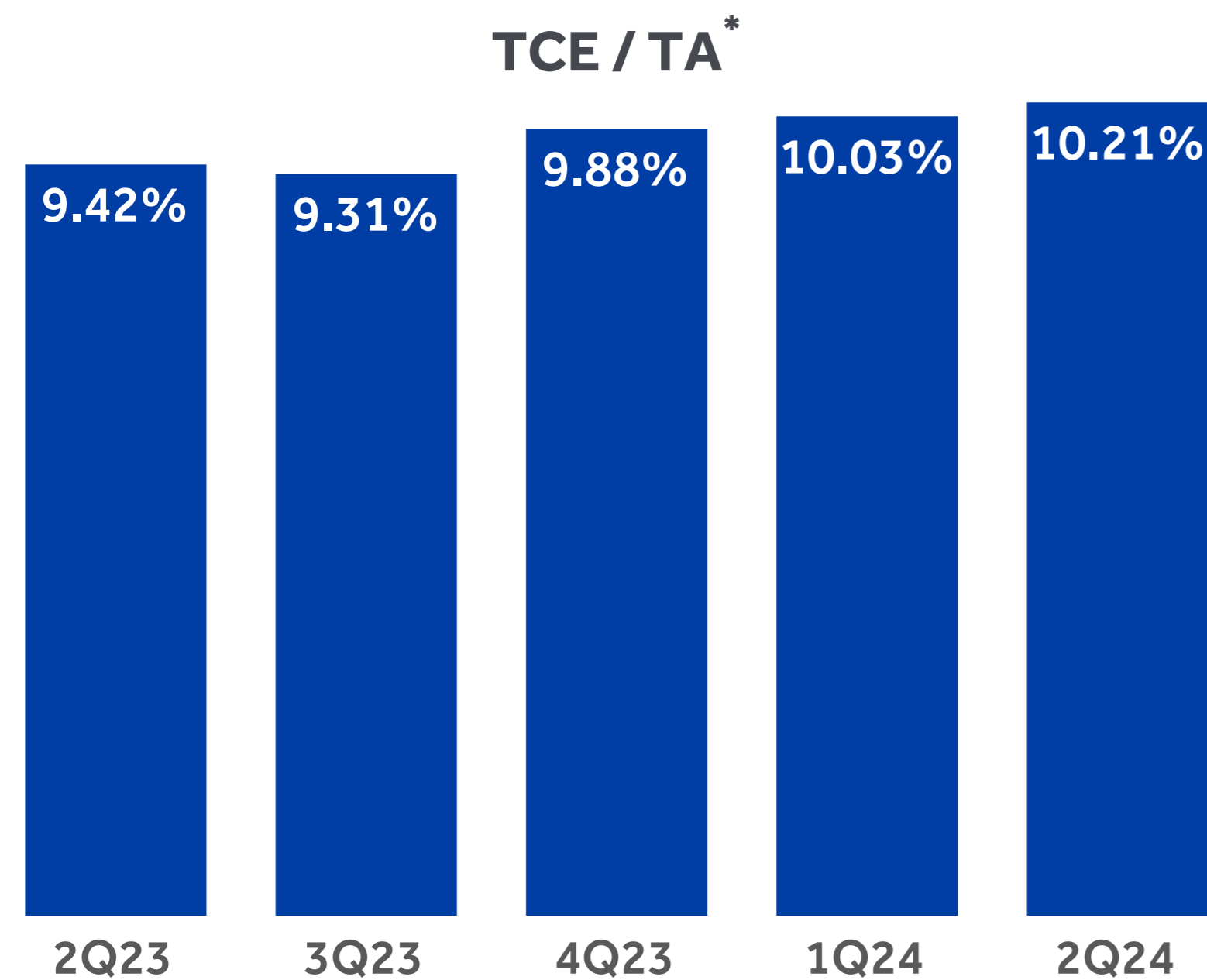
# Securities

- Securities portfolio is only 10% of total assets
- 100% of securities portfolio is classified as available for sale
- Average duration of 3.7 years at 2Q24 unchanged from 3.7 years in 4Q21
- AOCI of \$84.6 million related to securities portfolio, if realized, would decrease CET1 ratio by 113 basis points from 13.89% to 12.76%



# Capital

- We have strong capital levels and are well positioned for growth
- TCE / TA improvement due to solid earnings



Dollars in millions; \*Refer to appendix for reconciliation of non-GAAP financial measures

# Financial Data

<b>Income Statement</b>	<b>2Q24</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>
Dollars in thousands, except for share data	<b>YTD</b>					<b>Excludes Fraud<sup>(1)</sup></b>
Net Interest Income	\$167,071	\$349,410	\$315,783	\$276,112	\$279,388	
Noninterest Income	26,135	57,620	58,259	64,696	59,746	
<b>Total Revenue</b>	<b>193,206</b>	<b>407,030</b>	<b>374,042</b>	<b>340,808</b>	<b>339,134</b>	
Noninterest Expense	108,128	210,334	196,746	188,925	184,329	
Merger Expenses	—	—	—	—	2,342	
Provision for Credit Losses	3,049	17,892	8,366	16,215	131,424	72,753
<b>Net Income Before Taxes</b>	<b>82,029</b>	<b>178,804</b>	<b>168,930</b>	<b>135,668</b>	<b>21,039</b>	<b>79,710</b>
Taxes	16,419	34,023	33,410	25,325	(1)	12,320
<b>Net Income</b>	<b>\$65,610</b>	<b>\$144,781</b>	<b>\$135,520</b>	<b>\$110,343</b>	<b>\$21,040</b>	<b>\$67,390</b>
Diluted Earnings per Share	\$1.70	\$3.74	\$3.46	\$2.81	\$0.53	\$1.72

<sup>(1)</sup>These are non-GAAP numbers that adjusted for a pre-tax loss of \$58.7 million resulting from customer fraud related to a check kiting scheme in Q2 2020. Refer to appendix for reconciliation of non-GAAP financial measures.



# Financial Data

## Balance Sheet

2Q24

2023

2022

2021

2020

Dollars in thousands

Total Securities	\$977,958	\$970,391	\$1,002,778	\$910,793	\$773,693
Interest-Bearing Deposits	172,549	160,802	138,149	857,192	158,903
Total Net Loans	7,607,608	7,545,528	7,082,645	6,902,936	7,126,776
Other Assets	877,347	874,805	886,995	817,608	908,525
<b>Total Assets</b>	<b>\$9,635,462</b>	<b>\$9,551,526</b>	<b>\$9,110,567</b>	<b>\$9,488,529</b>	<b>\$8,967,897</b>
Total Deposits	\$7,680,336	\$7,521,769	\$7,219,970	\$7,996,524	\$7,420,538
Total Borrowed Funds	363,422	503,635	439,194	161,314	227,927
Other Liabilities	270,261	242,677	266,744	124,237	164,721
Equity	1,321,443	1,283,445	1,184,659	1,206,454	1,154,711
<b>Total Liabilities &amp; Equity</b>	<b>\$9,635,462</b>	<b>\$9,551,526</b>	<b>\$9,110,567</b>	<b>\$9,488,529</b>	<b>\$8,967,897</b>

# Financial Data

<b>Net Interest Margin</b>	<b>2Q24</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Securities - FTE <sup>(1)</sup>	2.87%	2.61%	2.25%	2.18%	2.49%
Loans - FTE <sup>(1)</sup>	6.27%	6.04%	4.50%	3.84%	4.09%
<b>Total Interest-earning Assets - FTE<sup>(1)</sup></b>	<b>5.89%</b>	<b>5.64%</b>	<b>4.06%</b>	<b>3.37%</b>	<b>3.87%</b>
Interest-bearing Deposits	2.85%	1.92%	0.40%	0.20%	0.66%
Borrowings	5.54%	5.59%	3.01%	1.49%	1.56%
<b>Total Costing Liabilities</b>	<b>3.06%</b>	<b>2.34%</b>	<b>0.49%</b>	<b>0.24%</b>	<b>0.72%</b>
<b>Net Interest Margin (FTE)<sup>(1)</sup></b>	<b>3.84%</b>	<b>4.13%</b>	<b>3.76%</b>	<b>3.22%</b>	<b>3.38%</b>



# Financial Data

<b>Loan Portfolio</b>	<b>2Q24</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Dollars in thousands					
Commercial Real Estate	\$3,347,699	\$3,357,603	\$3,128,187	\$3,236,653	\$3,244,974
Commercial and Industrial	1,611,183	1,642,106	1,718,976	1,728,969	1,954,453
Commercial Construction	380,128	363,284	399,371	440,962	474,280
<b>Total Commercial</b>	<b>5,339,010</b>	<b>5,362,993</b>	<b>5,246,534</b>	<b>5,406,584</b>	<b>5,673,707</b>
Residential Mortgage	1,562,026	1,461,097	1,116,528	899,956	918,398
Home Equity	642,225	650,666	652,066	564,219	535,165
Installment and Other Consumer	102,660	114,897	124,896	107,928	80,915
Consumer Construction	67,649	63,688	43,945	21,303	17,675
<b>Total Consumer</b>	<b>2,374,560</b>	<b>2,290,348</b>	<b>1,937,435</b>	<b>1,593,406</b>	<b>1,552,153</b>
<b>Total Portfolio Loans</b>	<b>7,713,570</b>	<b>7,653,341</b>	<b>7,183,969</b>	<b>6,999,990</b>	<b>7,225,860</b>
Loans Held for Sale	188	153	16	1,522	18,528
<b>Total Loans</b>	<b>\$7,713,758</b>	<b>\$7,653,494</b>	<b>\$7,183,985</b>	<b>\$7,001,512</b>	<b>\$7,244,388</b>

# Financial Data

## Asset Quality

2Q24

2023

2022

2021

2020

Dollars in thousands

Total Nonaccrual Loans	\$34,857	\$22,946	\$19,052	\$66,291	\$146,774
Nonaccrual Loans/Total Loans	0.45%	0.30%	0.27%	0.95%	2.03%
Nonperforming Assets/Total Loans + OREO	0.45%	0.30%	0.31%	1.13%	2.06%
YTD Net Charge-offs/Average Loans <sup>(1)</sup>	0.16%	0.18%	0.04%	0.49%	1.40%
Allowance for Credit Losses/Total Portfolio Loans	1.38%	1.41%	1.41%	1.41%	1.63%
Allowance for Credit Losses/Nonaccrual Loans	305%	471%	532%	149%	80%

<sup>(1)</sup> 2Q24 YTD annualized

# Financial Data

Capital	2Q24	2023	2022	2021	2020
Tier 1 Leverage	11.51%	11.21%	11.06%	9.74%	9.43%
Common Equity Tier 1 – Risk-Based Capital	13.89%	13.37%	12.81%	12.03%	11.33%
Tier 1 – Risk-Based Capital	14.21%	13.69%	13.21%	12.43%	11.74%
Total – Risk-Based Capital	15.79%	15.27%	14.73%	13.79%	13.44%
Tangible Common Equity/Tangible Assets <sup>(1)</sup>	10.21%	9.88%	9.24%	9.08%	9.02%

<sup>(1)</sup> Refer to appendix for reconciliation of non-GAAP financial measures



# Appendix *Definitions of GAAP to Non-GAAP Financial Measures*

2Q24

## Return on Average Tangible Shareholders' Equity (ROTE) (non-GAAP)

Net income (annualized)	\$138,239
Plus: amortization of intangibles (annualized), net of tax	921
Net income before amortization of intangibles (annualized)	\$139,160
Average total shareholders' equity	\$1,303,270
Less: average goodwill and other intangible assets, net of deferred tax liability	(376,285)
Average tangible equity (non-GAAP)	\$926,985
Return on average tangible shareholders' equity (non-GAAP)	15.01 %

*Return on average tangible shareholders' equity is a key profitability metric used by management to measure financial performance.*

## Pre-provision Net Revenue (PPNR)/Average Assets (non-GAAP)

Income before taxes	\$42,869
Plus: Provision for credit losses	422
Total	\$43,291
Total (annualized) (non-GAAP)	\$174,115
Average assets	\$9,560,450
PPNR/Average Assets (non-GAAP)	1.82 %

*Pre-provision net revenue to average assets is income before taxes adjusted to exclude provision for credit losses. We believe this to be a preferred industry measurement to help evaluate our ability to fund credit losses or build capital.*

# Appendix *Definitions of GAAP to Non-GAAP Financial Measures*

	2Q24	1Q24	4Q23	3Q23	2Q23	1Q23	4Q22	3Q22	2Q22	1Q22	4Q21
<b>Tangible Common Equity (TCE)/Tangible Assets (non-GAAP)</b>											
Total shareholders' equity	\$1,321,443	\$1,295,074	\$1,283,445	\$1,223,532	\$1,212,853						
Less: goodwill and other intangible assets, net of deferred tax liability	(376,154)	(376,396)	(376,631)	(376,883)	(377,144)						
Tangible common equity (non-GAAP)	\$945,289	\$918,678	\$906,814	\$846,649	\$835,709						
Total assets	\$9,635,462	\$9,539,103	\$9,551,526	\$9,466,077	\$9,252,922						
Less: goodwill and other intangible assets, net of deferred tax liability	(376,154)	(376,396)	(376,631)	(376,883)	(377,144)						
Tangible assets (non-GAAP)	\$9,259,308	\$9,162,707	\$9,174,895	\$9,089,194	\$8,875,778						
Tangible common equity to tangible assets (non-GAAP)	10.21 %	10.03 %	9.88 %	9.31 %	9.42 %						

Tangible common equity to tangible assets is a preferred industry measurement to evaluate capital adequacy.

## Efficiency Ratio (non-GAAP)

Noninterest expense	\$53,608	\$54,520	\$56,203	\$52,799	\$49,633						
Net interest income	\$83,594	\$83,477	\$85,109	\$87,387	\$88,123						
Plus: taxable equivalent adjustment	682	692	683	674	639						
Net interest income (FTE) (non-GAAP)	84,276	84,169	85,792	88,061	88,762						
Noninterest income	13,305	12,830	18,061	12,178	14,191						
Less: net gains on sale of securities	3,150	(3)	—	—	—						
Less: Visa Class B-1 exchange	(3,156)	—	—	—	—						
Net interest income (FTE) (non-GAAP) plus noninterest income	\$97,575	\$96,999	\$103,853	\$100,239	\$102,953						
Efficiency ratio (non-GAAP)	54.94 %	56.21 %	54.12 %	52.67 %	48.21 %						

The efficiency ratio is noninterest expense divided by noninterest income plus net interest income, on an FTE basis (non-GAAP), which ensures comparability of net interest income arising from both taxable and tax-exempt sources and is consistent with industry practice.

## Net Interest Margin Rate (NIM) (FTE) (non-GAAP)

Interest income and dividend income	\$128,765	\$127,754	\$126,706	\$122,959	\$117,333	\$110,903	\$103,208	\$89,835	\$77,599	\$70,109	\$71,135
Less: interest expense	(45,171)	(44,277)	(41,597)	(35,572)	(29,210)	(22,112)	(14,150)	(6,037)	(2,405)	(2,376)	(2,697)
Net interest income	83,594	83,477	85,109	87,387	88,123	88,791	89,058	83,798	75,194	67,733	68,438
Plus: taxable equivalent adjustment	682	692	683	674	639	555	532	521	506	493	510
Net interest income (FTE) (non-GAAP)	\$84,276	\$84,169	\$85,792	\$88,061	\$88,762	\$89,346	\$89,590	\$84,319	\$75,700	\$68,226	\$68,948
Net interest income (FTE) (annualized)	\$338,956	\$338,526	\$340,370	\$349,373	\$356,022	\$362,348	\$355,438	\$334,526	\$303,633	\$276,694	\$273,537
Average interest-earning assets	\$8,803,898	\$8,801,163	\$8,704,727	\$8,561,578	\$8,436,490	\$8,372,193	\$8,220,689	\$8,287,889	\$8,535,384	\$8,747,398	\$8,768,329
Net interest margin (FTE) (non-GAAP)	3.85 %	3.84 %	3.92 %	4.09 %	4.22 %	4.32 %	4.33 %	4.04 %	3.56 %	3.16 %	3.12 %

The interest income on interest-earning assets, net interest income and net interest margin are presented on an FTE basis (non-GAAP). The FTE basis (non-GAAP) adjusts for the tax benefit of income on certain tax-exempt loans and securities and the dividend-received deduction for equity securities using the federal statutory tax rate of 21 percent for each period. We believe this to be the preferred industry measurement of net interest income that provides a relevant comparison between taxable and non-taxable sources of interest income.

# Appendix *Definitions of GAAP to Non-GAAP Financial Measures*

	<b>2020</b>
	<b>Excludes Fraud</b>
<b>Net Income Excluding Nonrecurring items</b>	
Net income	\$21,040
Nonrecurring items	58,671
Tax effect of nonrecurring items	(12,321)
Adjusted net income (non-GAAP)	<u>\$67,390</u>
<b>Diluted Earnings Per Share</b>	
Adjusted net income (non-GAAP)	\$67,390
Average shares outstanding - diluted	39,073
Diluted earnings per share (non-GAAP)	\$1.72
<b>Return on Average Assets (ROA) (non-GAAP)</b>	
Adjusted net income (non-GAAP)	\$67,390
Average total assets	9,152,747
Return on average assets (non-GAAP)	0.74 %
<b>Return on Average Shareholders' Equity (ROE) (non-GAAP)</b>	
Adjusted net income (non-GAAP)	\$67,390
Average total shareholders' equity	1,169,489
Return on average shareholders' equity (non-GAAP)	5.76 %





# Appendix *Definitions of GAAP to Non-GAAP Financial Measures*

	2Q24	2023	2022	2021	2020	2020
	YTD					Excludes Fraud
<b>Return on Average Tangible Shareholders' Equity (ROTE) (non-GAAP)</b>						
Net income <sup>(1)</sup>	\$131,941	\$144,781	\$135,520	\$110,343	\$21,040	\$21,040
Nonrecurring items	—	—	—	—	—	58,671
Tax effect of nonrecurring items	—	—	—	—	—	(12,321)
Adjusted net income (non-GAAP) <sup>(1)</sup>	\$131,941	\$144,781	\$135,520	\$110,343	\$21,040	\$67,390
Adjusted net income (non-GAAP) <sup>(1)</sup>	\$131,941	\$144,781	\$135,520	\$110,343	\$21,040	\$67,390
Plus: amortization of intangibles, net of tax <sup>(1)</sup>	932	1,042	1,199	1,400	2,001	2,001
Net income before amortization of intangibles <sup>(1)</sup>	\$132,873	\$145,823	\$136,719	\$111,743	\$23,041	\$69,391
Average total shareholders' equity	\$1,296,892	\$1,227,332	\$1,181,788	\$1,186,161	\$1,169,489	\$1,169,489
Less: average goodwill and other intangible assets, net of deferred tax liability	(376,402)	(377,157)	(378,303)	(379,612)	(380,846)	(380,846)
Average tangible equity (non-GAAP)	\$920,490	\$850,175	\$803,485	\$806,549	\$788,643	\$788,643
Return on average tangible shareholders' equity (non-GAAP) <sup>(1)</sup>	14.44 %	17.15 %	17.02 %	13.85 %	2.92 %	8.80 %

Return on average tangible shareholders' equity is a key profitability metric used by management to measure financial performance.

## **Net Interest Margin Rate (NIM) (FTE) (Non-GAAP)**

Interest income and dividend income	\$256,519	\$477,901	\$340,751	\$289,262	\$320,464
Less: interest expense	(89,448)	(128,491)	(24,968)	(13,150)	(41,076)
Net interest income per consolidated statements of net income	167,071	349,410	315,783	276,112	279,388
Plus: taxable equivalent adjustment	1,375	2,550	2,052	2,316	3,202
Net interest income (FTE) (non-GAAP)	\$168,446	\$351,960	\$317,835	\$278,428	\$282,590
Average interest-earning assets	\$8,802,531	\$8,519,775	\$8,445,958	\$8,649,372	\$8,372,894
Net Interest Margin <sup>(1)</sup>	3.81 %	4.10 %	3.74 %	3.19 %	3.34 %
Adjustment to FTE basis <sup>(1)</sup>	0.03 %	0.03 %	0.02 %	0.03 %	0.04 %
Net Interest Margin (FTE) (non-GAAP) <sup>(1)</sup>	3.84 %	4.13 %	3.76 %	3.22 %	3.38 %

The interest income on interest-earning assets, net interest income and net interest margin are presented on an FTE basis (non-GAAP). The FTE basis (non-GAAP) adjusts for the tax benefit of income on certain tax-exempt loans and securities and the dividend-received deduction for equity securities using the federal statutory tax rate of 21 percent for each period. We believe this to be the preferred industry measurement of net interest income that provides a relevant comparison between taxable and non-taxable sources of interest income.

<sup>(1)</sup> 2Q24 YTD annualized

# Appendix *Definitions of GAAP to Non-GAAP Financial Measures*

	2Q24 YTD	2023	2022	2021	2020	2020 Excludes Fraud
<b>PPNR/Average Assets (Non-GAAP)</b>						
Income before taxes	\$82,029	\$178,804	\$168,930	\$135,668	\$21,039	
Plus: provision for credit losses	3,049	17,892	8,366	16,215	131,424	
Total adjusted income before taxes (non-GAAP)	\$85,078	\$196,696	\$177,296	\$151,883	\$152,463	
Total adjusted income before taxes (annualized) (non-GAAP)	\$171,091	\$196,696	\$177,296	\$151,883	\$152,463	
Average assets	\$9,549,678	\$9,276,256	\$9,167,038	\$9,375,850	\$9,152,747	
PPNR/Average Assets (non-GAAP) <sup>(1)</sup>	1.79 %	2.12 %	1.93 %	1.62 %	1.67 %	
<i>Pre-provision net revenue to average assets is income before taxes adjusted to exclude provision for credit losses. We believe this to be a preferred industry measurement to help evaluate our ability to fund credit losses or build capital.</i>						
<b>Tangible Common Equity (TCE)/Tangible Assets (non-GAAP)</b>						
Total shareholders' equity	\$1,321,443	\$1,283,445	\$1,184,659	\$1,206,454	\$1,154,711	
Less: goodwill and other intangible assets, net of deferred tax liability	(376,154)	(376,631)	(377,673)	(378,871)	(380,278)	
Tangible common equity (non-GAAP)	\$945,289	\$906,814	\$806,986	\$827,583	\$774,433	
Total assets	\$9,635,462	\$9,551,526	\$9,110,567	\$9,488,529	\$8,967,897	
Less: goodwill and other intangible assets, net of deferred tax liability	(376,154)	(376,631)	(377,673)	(378,871)	(380,278)	
Tangible assets (non-GAAP)	\$9,259,308	\$9,174,895	\$8,732,894	\$9,109,658	\$8,587,619	
Tangible common equity to tangible assets (non-GAAP)	10.21 %	9.88 %	9.24 %	9.08 %	9.02 %	
<i>Tangible common equity to tangible assets is a preferred industry measurement to evaluate capital adequacy.</i>						
<b>Provision for credit losses</b>						
Provision					\$131,424	\$131,424
Less: customer fraud					—	(58,671)
Adjusted provision for credit losses					\$131,424	\$72,753
<b>YTD Net loan charge-offs/YTD Average loans</b>						
Net charge-offs					\$103,379	\$103,379
Less: customer fraud					—	(58,671)
Adjusted net charge-offs					\$103,379	\$44,708
Total average YTD loans					\$7,410,462	\$7,410,462
Adjusted net loan charge-offs/YTD Average loans					1.40 %	0.60 %

<sup>(1)</sup> 2Q24 YTD annualized



# Appendix *Definitions of GAAP to Non-GAAP Financial Measures*

	2Q24	2023	2022	2021	2020
	<b>YTD</b>				
<b>Interest and Dividend Income</b>					
Interest-bearing deposits with banks	\$4,018	\$7,344	\$2,952	\$973	\$515
Securities	13,744	25,207	22,449	17,432	18,060
Loans	237,952	442,675	314,774	270,460	300,960
Other earning assets	805	2,675	576	397	929
Total Interest and Dividend Income	<u>\$256,519</u>	<u>\$477,901</u>	<u>\$340,751</u>	<u>\$289,262</u>	<u>\$320,464</u>
<b>NIM - Securities (FTE) (Non-GAAP)</b>					
Interest income	\$13,744	\$25,207	\$22,449	\$17,432	\$18,060
Plus: taxable equivalent adjustment	102	238	431	703	951
Interest income (FTE) (non-GAAP)	<u>\$13,846</u>	<u>\$25,445</u>	<u>\$22,880</u>	<u>\$18,135</u>	<u>\$19,011</u>
Average interest-earning assets	\$964,128	\$976,095	\$1,017,471	\$832,304	\$764,311
Net Interest Margin <sup>(1)</sup>	2.85 %	2.58 %	2.21 %	2.09 %	2.36 %
Adjustment to FTE basis <sup>(1)</sup>	0.02 %	0.03 %	0.04 %	0.09 %	0.13 %
Net Interest Margin (FTE) (non-GAAP) <sup>(1)</sup>	<u>2.87 %</u>	<u>2.61 %</u>	<u>2.25 %</u>	<u>2.18 %</u>	<u>2.49 %</u>
<b>NIM - Loans (FTE) (Non-GAAP)</b>					
Interest income	\$237,952	\$442,675	\$314,774	\$270,460	\$300,960
Plus: taxable equivalent adjustment	1,273	2,312	1,621	1,613	2,251
Interest income (FTE) (non-GAAP)	<u>\$239,225</u>	<u>\$444,987</u>	<u>\$316,395</u>	<u>\$272,073</u>	<u>\$303,211</u>
Average interest-earning assets	\$7,671,613	\$7,363,738	\$7,037,471	\$7,084,649	\$7,410,462
Net Interest Margin <sup>(1)</sup>	6.24 %	6.01 %	4.47 %	3.82 %	4.06 %
Adjustment to FTE basis <sup>(1)</sup>	0.03 %	0.03 %	0.03 %	0.02 %	0.03 %
Net Interest Margin (FTE) (non-GAAP) <sup>(1)</sup>	<u>6.27 %</u>	<u>6.04 %</u>	<u>4.50 %</u>	<u>3.84 %</u>	<u>4.09 %</u>
<b>NIM - Total Interest-earning Assets (FTE) (Non-GAAP)</b>					
Average interest-earning assets	\$8,802,531	\$8,519,775	\$8,445,958	\$8,649,372	\$8,372,894
Net Interest Margin <sup>(1)</sup>	5.86 %	5.61 %	4.03 %	3.34 %	3.83 %
Adjustment to FTE basis <sup>(1)</sup>	0.03 %	0.03 %	0.03 %	0.03 %	0.04 %
Net Interest Margin (FTE) (non-GAAP) <sup>(1)</sup>	<u>5.89 %</u>	<u>5.64 %</u>	<u>4.06 %</u>	<u>3.37 %</u>	<u>3.87 %</u>

The FTE basis (non-GAAP) adjusts for the tax benefit of income on certain tax-exempt loans and securities using the federal statutory rate of 21 percent for each period. We believe this to be the preferred industry measurement of net interest income that provides a relevant comparison between taxable and non-taxable sources of interest income.

<sup>(1)</sup> 2Q24 YTD annualized





# S&T Bancorp Inc.

Second Quarter 2024

**Christopher J. McComish**

*Chief Executive Officer*

**Mark Kochvar**

*Chief Financial Officer*

