

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

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 §240.14a-12

Sterling 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 paid previously with preliminary materials
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Sterling Bancorp, Inc.

To Our Shareholders:

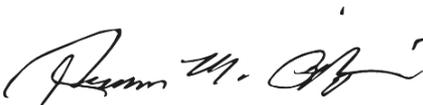
You are cordially invited to attend the 2023 annual meeting of shareholders (the “Annual Meeting”) of Sterling Bancorp, Inc. (“Sterling”), which will be held virtually on Wednesday, May 17, 2023, at 1:00 p.m., Eastern Time. There is no physical location for the Annual Meeting.

The attached Notice of Annual Meeting and the attached Proxy Statement describe the business to be transacted at the Annual Meeting. Directors and officers of Sterling, as well as a representative of Crowe LLP, the accounting firm appointed by the Audit Committee of the Board of Directors to be Sterling’s independent registered public accounting firm for the fiscal year ending December 31, 2023, will be present at the Annual Meeting to respond to appropriate questions.

Please complete, sign, date and return the accompanying proxy card promptly or, if you prefer, vote by using the telephone or Internet, whether or not you plan to attend the Annual Meeting. Your vote is important regardless of the number of shares you own. Voting by proxy will not prevent you from voting in person at the Annual Meeting, but it will assure that your vote is counted if you are unable to attend the meeting. To attend the Annual Meeting virtually, you will need to have your 16-digit control number that is included on your proxy card.

On behalf of the Board of Directors and the employees of Sterling, we thank you for your continued support and hope that you can attend the Annual Meeting.

Sincerely,



Thomas M. O'Brien
Chairman, President and Chief Executive Officer

Sterling Bancorp, Inc.

One Towne Square, Suite 1900
Southfield, Michigan 48076

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Be Held May 17, 2023

NOTICE IS HEREBY GIVEN that the 2023 annual meeting of shareholders (the “*Annual Meeting*”) of Sterling Bancorp, Inc., a Michigan corporation (the “*Company*”), will be held virtually on Wednesday, May 17, 2023, at www.virtualshareholdermeeting.com/SBT2023, at 1:00 p.m., Eastern Time. There is no physical location for the Annual Meeting. To attend the Annual Meeting virtually, you will need to have your 16-digit control number that is included on your proxy card. You will not be able to physically attend the meeting in person. The agenda for the Annual Meeting is as follows:

1. To elect as directors the nominees named in the accompanying proxy statement;
2. To approve the compensation of our named executive officers for 2022 (an advisory, non-binding “Say on Pay” vote);
3. To ratify the appointment of Crowe LLP as the Company’s independent registered public accounting firm for the year ending December 31, 2023;
4. To transact such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof, all in accordance with the accompanying proxy statement.

The Board of Directors of the Company (the “*Board of Directors*”) recommends a vote **FOR** each of the director nominees named in the accompanying proxy statement, **FOR** the advisory, non-binding approval of the compensation of our named executive officers for 2022, and **FOR** the ratification of the appointment of Crowe LLP.

The Board of Directors has fixed March 23, 2023, as the record date for the determination of shareholders entitled to notice of and to vote at the Annual Meeting or any adjournment or postponement of the Annual Meeting. We are pleased to utilize the virtual shareholder meeting technology to provide ready access and cost savings for our shareholders and the Company. The virtual meeting format allows attendance from any location in the world.

We call your attention to the proxy statement accompanying this notice for a more complete statement regarding the matters to be acted upon at the Annual Meeting. Please read it carefully.

If you have questions or comments, please direct them to Sterling Bancorp, Inc., One Towne Square, Suite 1900, Southfield, MI 48076, Attention: Chief Legal Officer and Corporate Secretary.

By order of the Board of Directors



Elizabeth M. Keogh

Chief Legal Officer and Corporate Secretary

Your vote is important. You may vote your shares electronically via the Internet, by using the telephone or, if you prefer the paper copy, please date and sign the accompanying proxy card, indicate your choice with respect to the matters to be voted upon and return it promptly in the accompanying envelope. Note that if your stock is held in more than one name, all owners must sign the proxy card.

Dated: April 6, 2023

Sterling

Bancorp, Inc.

One Towne Square, Suite 1900
Southfield, Michigan 48076

**STERLING BANCORP, INC.
2023 PROXY STATEMENT
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PROXY STATEMENT

GENERAL INFORMATION

This proxy statement and the accompanying proxy card are furnished in connection with the solicitation of proxies by the Board of Directors (the “**Board of Directors**” or “**Board**”) of Sterling Bancorp, Inc., a Michigan corporation (the “**Company**”), to be voted at the 2023 annual meeting of shareholders of the Company (the “**Annual Meeting**”) to be held virtually on Wednesday, May 17, 2023, at www.virtualshareholdermeeting.com/SBT2023, at 1:00 p.m., Eastern Time, for the purposes set forth in this proxy statement.

The Board of Directors has fixed the close of business on March 23, 2023 (the “**Record Date**”), as the record date for the determination of shareholders entitled to notice of and to vote at the Annual Meeting and any adjournment or postponement of the Annual Meeting. This proxy statement is being mailed on or about April 6, 2023, to all holders of record of common stock of the Company as of the close of business on the Record Date. This proxy statement and our 2022 annual report (the “**2022 Annual Report**”) are also available electronically at investors.sterlingbank.com. As of the Record Date, there were 50,458,604 shares of common stock issued and outstanding and entitled to vote. Each share of common stock is entitled to one (1) vote on each matter properly brought before the Annual Meeting.

If the accompanying proxy card is properly executed and returned to the Company, the shares represented by the proxy card will be voted on each matter that properly arises at the Annual Meeting and any adjournment or postponement of the Annual Meeting. ***Every properly executed proxy card that is received by the Company prior to the closing of the polls at the Annual Meeting will be voted in accordance with the instructions contained therein unless otherwise revoked. Properly executed but unmarked proxy cards received by the Company prior to the closing of the polls at the Annual Meeting, unless otherwise revoked, will be voted FOR each of the director nominees named in this proxy statement, FOR the advisory, non-binding approval of the compensation of our named executive officers for 2022, and FOR the ratification of the appointment of Crowe LLP.*** If any other business should properly come before the meeting, all properly executed proxies will be voted on such other matters as directed by the Board.

A proxy may be revoked before it is voted at the Annual Meeting by notifying the Chief Legal Officer and Corporate Secretary of the Company in writing or at the Annual Meeting prior to the closing of the polls, by submitting a duly executed proxy (including a proxy given over the Internet or by telephone) bearing a later date or by attending the Annual Meeting and voting electronically. All shareholders are encouraged to date and sign the accompanying proxy card, indicate a choice with respect to the matters to be voted upon and return it to the Company.

You will be able to attend the Annual Meeting, vote and submit your questions in advance of and in real-time during the meeting via a live audio webcast by visiting www.virtualshareholdermeeting.com/SBT2023. To participate in the meeting, you must have your 16-digit control number that is shown on your proxy card. If you access the meeting but do not enter your control number, you will be able to listen to the proceedings, but you will not be able to vote or otherwise participate. You should log on to the meeting site at least fifteen minutes prior to the start of the Annual Meeting to provide time to register and download the required software, if needed. We anticipate holding a question-and-answer session following the formal business portion of the meeting, during which shareholders may submit questions to us through the voting site. You will not be able to physically attend the Annual Meeting in person.

Voting via the Internet, Telephone or by Mail

Registered Holders

If you are a “registered holder” (meaning your shares are registered in your name with our transfer agent, Computershare), you may vote either electronically at the virtual Annual Meeting using your 16-digit control number (included on your proxy card) or by proxy. If you decide to vote by proxy, you may vote via the Internet, by using the telephone or by mail and your shares will be voted at the Annual Meeting in the manner you direct. For those shareholders who wish to vote by mail, such shareholders can complete, sign and return the accompanying proxy card in the prepaid and addressed envelope that accompanied the proxy materials. Internet and telephone voting for shareholders of record will close at 11:59 p.m., Eastern Time, on May 16, 2023. Further instructions for voting via the Internet and telephone are set forth on the accompanying proxy card. Registered holders will be entitled to one (1) vote for each share held of record as of the record date for all matters.

Beneficial Holders

If you are a beneficial owner of shares held in “street name,” you may vote electronically at the Annual Meeting using the 16-digit control number included on your proxy card. Alternatively, you may provide instructions to the nominee that holds your shares to vote by completing, signing and returning the voting instruction form that the nominee provides to you, by using telephone or Internet voting arrangements described on the voting instruction form or other materials that the nominee provides to you or by following any other procedures that the nominee communicates to you.

Quorum, Required Vote, and Related Matters

Quorum. A quorum is present if the number of shares entitled to cast a majority of the votes on a proposal is represented at the Annual Meeting by proxy or in person (by electronic participation). Abstentions and broker non-votes will be counted as present only for the purpose of determining whether a quorum is present.

“Street Name” Accounts. If you hold shares in “street name” with a broker, bank or other custodian, you will receive voting instructions from the holder of record of your shares. In some cases, a broker may be able to vote your shares even if you provide no instructions. However, certain regulations prohibit your broker, bank or other nominee from voting uninstructed shares on a discretionary basis for Proposal Nos. 1 and 2 at the Annual Meeting. Shares for which a broker does not have the authority to vote are recorded as “broker non-votes” and are not counted in the vote by shareholders. Thus, if you hold your shares in street name and you do not instruct your broker on how to vote at the Annual Meeting, votes may not be cast on your behalf for Proposal Nos. 1 and 2.

Proposal No. 1 – Election of Directors. Directors are elected by a plurality of the votes cast by the shares entitled to vote. For this purpose, a “plurality” means that the individuals receiving the largest number of votes are elected as directors. You may vote in favor of the nominees specified on the accompanying proxy card or may withhold your vote as to one or more of such nominees. Shares withheld or not otherwise voted in the election of directors (because of abstention, broker non-vote or otherwise) will have no effect on the election of directors.

Proposal No. 2 – Advisory, Non-Binding Vote to Approve the Compensation of our Named Executive Officers for 2022. The affirmative vote of a majority of the votes cast by the holders of shares entitled to vote will be considered our shareholders’ approval of the advisory, non-binding resolution approving the compensation of our named executive officers for 2022. Shares withheld or not otherwise voted with respect to this proposal (because of abstention, broker non-vote or otherwise) will not be counted as votes cast and will have no effect on the vote on this proposal.

Proposal No. 3 – Ratification of the Appointment of the Company’s Independent Registered Public Accounting Firm. The affirmative vote of a majority of the votes cast by the holders of shares entitled to vote is required for ratification of the appointment of Crowe LLP as our independent registered public accounting firm for 2023. Shares withheld or otherwise not voted with respect to this proposal (because of abstention, broker non-vote or otherwise) will not be counted as votes cast and will have no effect on the vote on this proposal.

Although the vote on Proposal No. 2 is not binding on the Company, the Executive Compensation Committee of the Board of Directors (the “**Compensation Committee**”) will take your vote on this proposal into consideration when determining the compensation of our named executive officers. Although the vote on Proposal No. 3 is not binding on the Company, the Audit Committee of the Board of Directors will take your vote on this proposal into consideration when selecting our independent registered public accounting firm in the future.

PROPOSAL NO. 1: ELECTION OF DIRECTORS

The following nine (9) directors have been nominated for election to the Board of Directors at the Annual Meeting, each to hold office for a term expiring at the next annual meeting of shareholders and until his or her successor is duly elected and qualified or his or her earlier resignation or removal:

Thomas M. O'Brien	Peggy Daitch	Tracey Dedrick
Michael Donahue	Steven E. Gallotta	Denny Kim
Eboh Okorie	Benjamin Wineman	Lyle Wolberg

Unless otherwise directed, the persons named as proxies in the accompanying proxy card will vote for the election of the foregoing nominees. All nominees are currently directors of the Company. In the event that any of the nominees becomes unavailable, which is not anticipated, the Board of Directors, in its discretion, may designate substitute nominees, in which event all properly executed proxies will be voted for such substitute nominees. Proxies cannot be voted for a greater number of directors than the number of nominees named.

OUR BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF THE DIRECTOR NOMINEES

Information about Directors and Nominees

The Company believes that the Board of Directors as a whole should encompass a range of talent, skill, diversity and expertise that enables the Board of Directors to provide sound guidance with respect to the Company's operations and interests. The following information has been furnished to the Company by the respective directors. Each of them has been engaged in the occupations stated below during the periods indicated, or if no period is indicated, for more than five (5) years.

Nominees Standing for Election

Thomas M. O'Brien, Chairman, President and Chief Executive Officer. Mr. O'Brien has served as Chairman, President and Chief Executive Officer of the Company and Sterling Bank and Trust, F.S.B. (the "**Bank**") since June 2020. Prior to his appointment, Mr. O'Brien provided consulting services to the Bank beginning in March 2020. Mr. O'Brien is an accomplished leader in the financial services industry with over 45 years of industry experience. Prior to joining Sterling, he served as Vice Chairman of New York City-based Emigrant Bancorp, Inc. and Emigrant Bank from October 2018 to March 2020. Mr. O'Brien served as president, chief executive officer and on the boards of Sun Bancorp, Inc. and Sun National Bank from April 2014 to February 2018. Mr. O'Brien previously served on the boards of BankUnited, Inc. and BankUnited, NA from May 2012 to April 2014. Prior to that, Mr. O'Brien served as president, chief executive officer and a director of State Bank of Long Island and State Bancorp, Inc. from November 2006 to January 2012. From 2000 to 2006, Mr. O'Brien was president and chief executive officer of Atlantic Bank of New York and, following the acquisition of Atlantic Bank of New York by New York Commercial Bank, continued to serve as president and chief executive officer during the post-closing transition. From 1996 to 2000, Mr. O'Brien was vice chairman and a board member of North Fork Bank and North Fork Bancorporation, Inc. Mr. O'Brien began his career at North Side Savings Bank in 1977, where he worked until 1996, becoming chairman, president and chief executive officer in 1985. Mr. O'Brien served as a director of the Federal Home Loan Bank (the "**FHLB**") of New York from 2008 to 2012 and served as chairman of the New York Bankers Association in 2007. Mr. O'Brien is currently trustee and chairman of the board of Prudential Insurance Company of America \$200 Billion Annuity Fund Complex, and vice-chairman of the board and chairman of the finance committee of ArchCare and Catholic Healthcare Foundation for the Archdiocese of New York. Mr. O'Brien received a B.A. in Political Science from Niagara University in 1972 and an M.B.A. from Iona University in 1982.

Our Board of Directors believes that Mr. O'Brien should serve as a director because of his extensive management experience in the banking industry.

Peggy Daitch, Director. Ms. Daitch has served as a member of our Board of Directors since December 2019. Ms. Daitch brings over 40 years of experience as a highly respected and recognized advertising and marketing

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executive, innovative thinker and community leader. After leaving General Motors' largest advertising agency (D'Arcy Masius Benton & Bowles) as a Vice President, she spent the majority of her career with Condé Nast (1987–2008), where she was a Vice President and the leader of Detroit's Condé Nast office representing, at its peak, 29 of America's most celebrated magazine titles and websites including Vogue, Vanity Fair, The New Yorker, Golf Digest, Architectural Digest, Wired, Bon Appetit, epicurious.com and wired.com. She has also represented titles from Hearst Corporation, National Geographic and other leading media companies. After retiring from advertising in 2016, Ms. Daitch pivoted to a new role at Strategic Philanthropy, Ltd., stewarding the 20-year philanthropic advisory firm's growth in Michigan where she was a consultant. Immediately prior to this position, Ms. Daitch served as a Partner of Aperture Media Group from 2010 to 2016. Ms. Daitch was the first woman to be president of the Adcraft Club of Detroit, the world's largest advertising club. She has been honored with The Advertising Woman of the Year Award and has been inducted into the Adcraft Hall of Fame. She serves on the Board of Governors of Cranbrook Academy of Art and Museum where she is a member of the Executive Committee. She is a past president of Hebrew Free Loan of Metropolitan Detroit and has held board positions with the Jewish Federation of Metropolitan Detroit, Franklin Hills Country Club, the Detroit Institute of Arts Founders Junior Council, the Michigan Arts Foundation, CATCH, Jewish Ensemble Theater and others. Ms. Daitch is a graduate of the University of Michigan.

Our Board of Directors believes that Ms. Daitch should serve as a director because of her experience as an executive and her highly respected reputation as an innovative thinker and leader.

Tracey Dedrick, Director. Ms. Dedrick has served as a member of our Board of Directors since 2020. Ms. Dedrick brings over 40 years of experience in the financial services industry to the Board. She is a former Executive Vice President and Head of Enterprise Risk Management for Santander Holdings U.S., where she was responsible for enterprise risk, operational risk and market risk for the Americas from September 2016 until her retirement in 2017. Prior to that role, Ms. Dedrick was Executive Vice President and Chief Risk Officer at Hudson City Bancorp from July 2011 until November 2015 and served with its successor, M&T Bank, from November 2015 to February 2016. From January 2010 to February 2011, Ms. Dedrick served as the Treasurer of PineBridge Investments, an asset management company with \$83 billion in assets under management. Prior to this, Ms. Dedrick was employed by MetLife, the largest insurance provider in the United States, where she served as Vice President and Assistant Treasurer from June 2001 until July 2004, Vice President and Head of Investor Relations from July 2004 until July 2007 and then served as the Senior Vice President and Head of Market Risk from July 2007 until September 2009. Ms. Dedrick currently serves on the board of directors of First BanCorp., where she is also the Chair of First Bancorp.'s Risk Committee. Additionally, Ms. Dedrick currently serves as the Chair and a board member of the Information Systems Audit and Control Association ("ISACA"). As a board member of ISACA, Ms. Dedrick is a member of ISACA's Risk and Technology Committee and Compensation Committee as well as the Chair of its Executive Committee. Ms. Dedrick previously served as a board member of Fieldpoint Private, a private wealth management firm. Ms. Dedrick obtained her Bachelor of Arts in Economics from the University of Minnesota—Twin Cities.

Our Board of Directors believes that Ms. Dedrick should serve as a director because of her relevant experience in the financial services industry, particularly in enterprise risk management and treasury functions.

Michael Donahue, Director. Mr. Donahue has served as a member of our Board of Directors since 2022. Mr. Donahue brings to the Board of Directors a wealth of legal and banking experience in the financial services industry. Mr. Donahue is a former Global Head of Securitization for BNP Paribas, arranging short- and long-term financing, both on and off balance sheet, for corporate and bank clients through the commercial paper and debt capital markets with teams based in New York, London, Paris, Milan, and Tokyo. Prior to joining BNP Paribas, Mr. Donahue was a Senior Managing Director for Merrill Lynch in London where he co-head the group charged with executing all transactions involving structured debt and collateralized loan/bond/debt obligations. Before that, Mr. Donahue was a Director and Deputy Head of Deutsche Bank AG's European Securitization Group, a practice he co-founded and helped grow into the leading securitization group in Europe with an emphasis on regulatory capital relief. Before joining Deutsche Bank, Mr. Donahue was an associate in Lehman Brothers' Mortgage Finance Group. Mr. Donahue began his Wall Street career as an associate attorney in the capital markets practice at the law firm of Cadwalader, Wickersham and Taft. Since leaving BNP Paribas in 2005, Mr. Donahue has focused on his personal investments including most recently the growing of a portfolio of renovated single-family homes for rent subsidized tenants in Chicago. Mr. Donahue has a B.S. in business management from the University of Maryland and a J.D. from Cornell Law School and is admitted to the New York Bar.

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Our Board of Directors believes that Mr. Donahue should serve as a director because of his extensive experience in the financial and banking industries.

Steven E. Gallotta, Director. Mr. Gallotta has served as a member of our Board of Directors since 2020. Mr. Gallotta brings over 35 years of financial reporting and assurance experience in the financial services industry to the Board of Directors. Mr. Gallotta spent the majority of his career at KPMG, from 1975 until his mandatory retirement from the firm in 2013. He became an audit partner in the New York Financial Services Practice of KPMG in 1986, serving all types of financial institutions, including depository institutions. During this time, Mr. Gallotta also served as an Advisory partner in KPMG's Office of General Counsel. Since 2016, Mr. Gallotta has served on the board of directors of St. Patrick's Home for the Aged and Infirm, a non-compensated role, in the Bronx, New York. Mr. Gallotta has been a certified public accountant licensed in New York since 1979. He obtained his Bachelor of Business Administration from Iona University.

Our Board of Directors believes that Mr. Gallotta should serve as a director because of his extensive experience in the business and financial world, as well as his particular expertise in U.S. Securities and Exchange Commission (the "SEC") matters and accounting and management issues.

Denny Kim, Director. Mr. Kim has served as a member of our Board of Directors since 2020. Mr. Kim brings over 15 years of financial experience to the Board of Directors. Mr. Kim is the Chief Executive Officer and member of the board of directors of Whale Point Acquisition Corp. and Founder of Whale Point Capital LLC, a private investment firm focused exclusively on the financial services & FinTech industries since 2022. Mr. Kim is also Managing Principal of 7911 Partners, a private investment and advisory firm he founded in 2019. Previously, Mr. Kim was a senior investment professional and Investment Committee Member at WL Ross & Co., a private equity firm founded by former U.S. Commerce Secretary Wilbur L. Ross, where he specialized in financial services investments from 2010-2018. Prior to WL Ross & Co., Mr. Kim worked at J.C. Flowers & Co., a private equity firm dedicated to investing globally in the financial services industry. Mr. Kim began his career at Credit Suisse First Boston's Investment Banking Division, where he advised on mergers, acquisitions and capital raising initiatives for financial institutions. Mr. Kim previously served as a member of the board of directors of Talmer Bancorp, Inc., a board observer at Sun Bancorp, Inc. and Advisor at Gemspring Capital. Mr. Kim earned a Bachelor of Arts degree from Northwestern University and an MBA from Tuck School of Business at Dartmouth.

Our Board of Directors believes that Mr. Kim should serve as a director because of his extensive experience in the business world, as well as his particular expertise in advisory and investment services.

Eboh Okorie, Director. Mr. Okorie has served as a member of our Board of Directors since 2022. Mr. Okorie brings over 30 years of experience in the financial services industry to the Board. Mr. Okorie serves as President and CEO of Windy Hill Capital, a financial consulting firm providing expertise in the areas of financial and banking regulatory compliance, risk management, and financial instrument analysis. Mr. Okorie has also served as commissioner of town planning and infrastructural Development in Abia State, Nigeria. He also served as a Commissioner for Lands and Survey also in Abia State, Nigeria from 2013 to 2015. Mr. Okorie was a member of the board/governing council of the Nigerian Investment Promotion Commission ("NIPC") in Abuja, Nigeria from 2013 to 2016. The NIPC is responsible for promoting and coordinating investment, including foreign direct investments in the Nigerian economy. Prior to these roles, Mr. Okorie served as Vice President and director of compliance risk at Atlantic Bank of New York from 2001 to 2007 and as Vice President and director of compliance at North Side Savings Bank from 1994 to 1996. Mr. Okorie also has experience as Senior Examiner/Regulator for the Federal Reserve Bank, the Office of Thrift Supervision, and the Federal Home Loan Bank of New York and Topeka, Kansas. Mr. Okorie has a B.A. and M.B.A. from the University of Kansas.

Our Board of Directors believes that Mr. Okorie should serve as a director because of his extensive experience in bank regulatory compliance.

Benjamin J. Wineman, Director. Mr. Wineman has served as a member of our Board of Directors since 2013. Mr. Wineman has 24 years of extensive commercial real estate and financial experience. Currently, Mr. Wineman is a Principal and Managing Broker at Mid-America Real Estate Corporation, where he has worked since July 2001. Mid-America is a privately held retail real estate services firm based in Chicago with offices in Detroit, Milwaukee, and Minneapolis. Mr. Wineman co-leads Mid-America's Retail Investment Sales Group, focusing specifically on the disposition of shopping centers and retail properties throughout the greater Midwest region for institutional, REIT, and private owners. Prior to employment with Mid-America, Mr. Wineman worked at LaSalle Investment Management as a Financial Analyst in the Private Equity Acquisitions Group, where he was responsible for the

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valuation, due diligence, and closing of commercial real estate transactions on behalf of its institutional pension fund clients from 1998 to 2001. Within the International Council of Shopping Centers, he is a member of the Illinois State Committee and the Government Relations National Economic Policy Sub-Committee. Within the community, Mr. Wineman is a member of the Executive Committee of the Harold E. Eisenberg Foundation and is a sustaining member of the Ravinia Festival Associates Board (having served as board President from 2017-2019). Mr. Wineman graduated from DePauw University in 1998 with a Bachelor of Arts Degree.

Our Board of Directors believes that Mr. Wineman should serve as a director because of his extensive commercial real estate and financial experience.

Lyle Wolberg, Director. Mr. Wolberg has served as a member of our Board of Directors since 2017. He is one of the founding partners of Telemus Capital Partners, a financial advisory firm he co-founded in 2005. Mr. Wolberg was a former Financial Advisor at Merrill Lynch from 1994 to 1997 and Senior Vice President-Investments at UBS Financial Services from 1999 to 2005. Mr. Wolberg has more than 20 years of industry experience across all facets of financial wealth planning and investment management. He is a certified financial planner. He serves on the boards of The Children’s Foundation and First Tee of Greater Detroit, and is Past President and Co-Founder of the Berkley Educational Foundation. Mr. Wolberg has a B.B.A. in finance from the University of Michigan.

Our Board of Directors believes that Mr. Wolberg should serve as a director because of his extensive experience in the financial and wealth management industries.

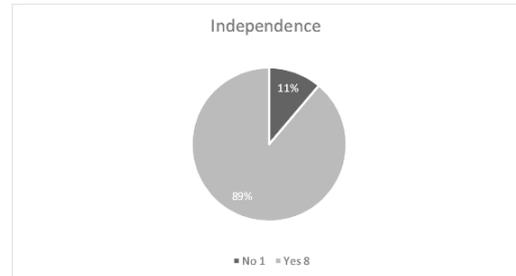
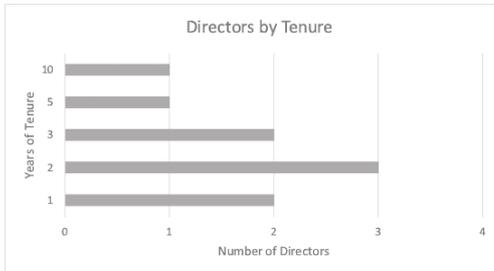
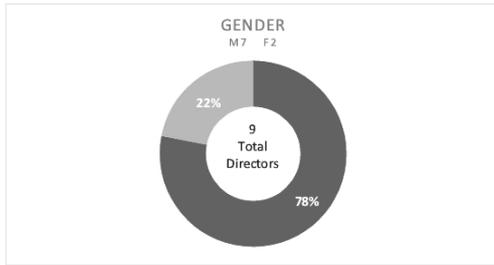
Board Diversity

The following table sets forth the diversity of our Board of Directors as of April 6, 2023:

Board Diversity Matrix (as of April 6, 2023)				
Total Number of Directors	9			
	Female	Male	Non-Binary	Did Not Disclose Gender
Part I: Gender Identity				
Directors	2	7	—	—
Part II: Demographic Background				
African American or Black	—	1	—	—
Alaskan Native or Native American	—	—	—	—
Asian	—	1	—	—
Hispanic or Latinx	—	—	—	—
Native Hawaiian or Pacific Islander	—	1	—	—
White	2	5	—	—
Two or More Races or Ethnicities	—	1	—	—
LGBTQ+	—	—	—	—
Did Not Disclose Demographic Background	—			

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In addition to gender and demographic diversity, we also recognize the value of other diverse attributes that directors may bring to our Board, including veterans of the U.S. Military. We are proud to report that one of our directors is a military veteran.



Legal Proceedings

Previously, the Bank was under formal investigation by the Office of the Comptroller of the Currency (the “OCC”) relating primarily to certain aspects of its Bank Secrecy Act/Anti-Money Laundering (“BSA/AML”) compliance program as well as the Bank’s credit administration, including its Advantage Loan Program. The Bank was also subject to a publicly available formal agreement with the OCC (the “OCC Agreement”), relating primarily to certain aspects of the Bank’s BSA/AML compliance program and credit administration. The OCC Agreement was entered into in June of 2019, and Mr. Wineman and Mr. Wolberg, acting as directors at that time, signed the OCC Agreement in such capacity. In September, 2022, the Company entered into a Consent Order with the OCC, resolving the OCC’s investigation, which represented a full and final settlement of the OCC investigation with respect to the Bank. Pursuant to that Consent Order, the Bank paid a civil money penalty of \$6.0 million. The OCC also notified the Bank that the OCC Agreement was terminated.

The Bank has received grand jury subpoenas from the Department of Justice (the “DOJ”) beginning in 2020 requesting the production of documents and information in connection with an investigation focused on the Bank’s Advantage Loan Program and related issues, including residential lending practices and public disclosures about that program contained in the Company’s filings with the SEC. On March 15, 2023, the Company, entered into the Plea Agreement with the DOJ, resolving the DOJ’s investigation. Under the Plea Agreement, the Company has agreed to plead guilty to one count of securities fraud primarily relating to disclosures with respect to the Advantage Loan Program contained in the Company’s 2017 IPO Registration Statement and its immediately following Annual Reports on Form 10-K filed in March 2018 and March 2019; pay \$27.2 million in restitution for the benefit of non-insider victim shareholders; further enhance its compliance program and internal controls with respect to securities law compliance; and provide periodic reports to the DOJ with respect to compliance matters. No criminal fine was imposed. The Company’s obligations under the Plea Agreement are generally effective for three years. This resolution releases the Company, as well as the Bank, from further prosecution for securities fraud and underlying mortgage fraud in the Advantage Loan Program. The Plea Agreement remains subject to final court approval.

The Company remains under a formal investigation initiated by the SEC in the first quarter of 2021. This investigation appears to be focused on accounting, financial reporting and disclosure matters, as well as the

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Company’s internal controls, related to the Advantage Loan Program. The Bank and the Company are fully cooperating with the SEC investigation. Although the Company and the Bank continue to remain under investigation by the SEC, the Company currently believes that the SEC investigation will not result in an enforcement action against the Company.

On October 7, 2022, the Company and the Bank commenced an action against the Bank’s founder and controlling shareholder, and other nominal defendants, in the United States District Court for the Eastern District of Michigan styled Sterling Bank and Trust, F.S.B. and Sterling Bancorp, Inc. vs. Scott Seligman, et al., No. 2:22-cv-12398-SFC-DRG (E.D. Mich.). The complaint alleges that Mr. Seligman breached his fiduciary duties to the Company and the Bank by, among other actions and inactions, using his controlling position to develop and direct the Bank’s now-discontinued Advantage Loan Program to advance his own interests and unjustly enrich himself at the expense of the Company, the Bank and the Company’s minority shareholders. The complaint seeks to recover compensatory and other damages, disgorgement of certain monies and injunctive relief. On January 30, 2023, Mr. Seligman and the nominal defendants moved to dismiss the case, and the Company and the Bank filed their opposition motions on March 13, 2023. There is no assurance that we will be successful in any final adjudication of this case, that any remedy would be adequate in the event we are successful in the adjudication or that we would achieve an acceptable settlement.

Board of Directors Meetings

All directors are expected to attend all meetings of the Board of Directors and of the Board of Directors committees on which they serve. All directors currently serving on the Board of Directors also serve on the board of directors of the Bank. The board of directors of the Bank met ten (10) times in 2022. The Board of Directors met six (6) times in 2022. All incumbent directors attended more than seventy-five percent (75%) of the aggregate number of all meetings of the Board of Directors and the committees of the Board of Directors on which he or she served during 2022. The Company’s independent directors periodically meet in executive session without management present.

Board of Directors Committee Membership

Current membership of the standing committees of the Board of Directors are shown in the table below.

Name	Age	Position(s) With the Company	Nominating & Corporate Governance	Executive Compensation	Audit	Risk	Ethics & Compliance
Mr. O’Brien	72	Chairman, President and Chief Executive Officer					
Ms. Daitch	76	Director	Member	Member			Chairperson
Ms. Dedrick	66	Lead Independent Director	Chairperson			Chairperson	Member
Mr. Donahue	61	Director		Member	Member		
Mr. Gallotta	69	Director			Chairperson	Member	
Mr. Kim	43	Director	Member	Member		Member	Member
Mr. Okorie	70	Director				Member	Member
Mr. Wineman	47	Director			Member		
Mr. Wolberg	53	Director		Chairperson			

Audit Committee

The Audit Committee assists the Board of Directors in fulfilling its responsibilities for general oversight of the integrity of our financial statements, compliance with legal and regulatory requirements, the independent auditors’ qualifications and independence, and the performance of our internal audit function and independent auditors. Among other things, the Audit Committee:

- appoints, evaluates and determines the compensation of our independent auditors;
- meets with our independent auditors and management to review the scope of each annual audit and audit procedures to be utilized;

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- reviews and discusses with the Chief Financial Officer, the Controller and other appropriate members of management and the independent auditors the Company's consolidated annual audited financial statements and related notes;
- reviews with management annual and quarterly earnings press releases and related Current Report on Form 8-K filed to report material non-public information regarding the Company's results of operations or financial condition for each annual or quarterly fiscal period;
- investigates and, if necessary, retains outside experts with respect to any complaints or concerns regarding accounting, internal accounting controls or auditing matters that are brought to the attention of the Audit Committee;
- reviews and approves all transactions between the Company and related persons which are required to be reported under applicable SEC regulations and any other potential conflict of interest situations on an ongoing basis, and develops policies and procedures for the Audit Committee's approval of related party transactions; and
- evaluates the Audit Committee's and individual members' performance and effectiveness.

The Audit Committee works closely with management as well as our independent auditors. The Audit Committee has the authority to obtain advice and assistance from and receive appropriate funding to engage outside legal, accounting or other advisors as the Audit Committee deems necessary to carry out its duties.

The Audit Committee is composed solely of members who satisfy the applicable independence and other requirements of the SEC and the Nasdaq Capital Market ("*Nasdaq*") for audit committees. Steven E. Gallotta serves as the Company's "audit committee financial expert" as such term is defined in applicable SEC regulations.

The Audit Committee has adopted a written charter that, among other things, specifies the scope of its rights and responsibilities. The charter is available on the Company's website at investors.sterlingbank.com/corporate-governance/governance-overview. The Audit Committee held nine (9) meetings in 2022.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee (the "***Nominating Committee***") is responsible for making recommendations to our Board of Directors regarding candidates for directorships and the size and composition of our Board of Directors. In addition, the Nominating Committee is responsible for overseeing our corporate governance guidelines and reporting and making recommendations to our Board of Directors concerning governance matters. Among other things, the Nominating Committee:

- develops and recommends to the Board of Directors criteria for the selection of candidates for election as directors;
- when required or advisable, leads the search for individuals qualified to serve on the Board of Directors, including appropriate consideration of candidates recommended by shareholders, management and directors;
- is responsible for a succession plan for, and when required, the search and recruiting of a Chief Executive Officer;
- recommends to the Board of Directors a slate of persons to be considered as nominees of the Board of Directors for election to the Board of Directors and for whom the Board of Directors will solicit proxies;
- periodically reviews and makes recommendations to the Board of Directors on the Board of Director policies and practices relating to corporate governance, independence of directors, stock ownership of directors, attendance, conflicts of interest, ethics, and business conduct; and
- determines, reviews and oversees policies and procedures to facilitate and review shareholder communications to the Board of Directors.

When evaluating nominees for director, the Nominating Committee considers the skills a nominee could offer the Company, as well as business experience, how the nominee fits into the Company's core values, professional and personal integrity, policy-making experience and strategic planning skills, among other traits. Pursuant to the Company's Corporate Governance Guidelines, the Nominating Committee will give appropriate consideration of

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candidates recommended by shareholders and the procedure for shareholder nominations is set forth in the Company's Bylaws and described under "Shareholder Proposals for the 2024 Annual Meeting—Deadline for Shareholder Proposals and Director Nominations to be Brought Before the 2024 Annual Meeting."

The Nominating Committee has adopted a written charter that, among other things, specifies the scope of its rights and responsibilities. The charter is available on the Company's website at investors.sterlingbank.com/corporate-governance/governance-overview. The Nominating Committee held four (4) meetings in 2022. We have determined that all members of our Nominating Committee are considered "independent" under applicable SEC and Nasdaq listing rules.

Executive Compensation Committee

The Executive Compensation Committee (the "Compensation Committee") is responsible for discharging the Board of Directors' responsibilities relating to compensation of the executives and directors. Among other things, the Compensation Committee:

- reviews and approves (or, if deemed appropriate, makes recommendations to the Board of Directors regarding) corporate performance goals and objectives which are relevant to the compensation of the Company's executive officers and applicable employees;
- evaluates and approves (or, if deemed appropriate, makes recommendations to the Board of Directors regarding) the Company's compensation plans, programs and policies, as well as the modification or termination of existing plans and programs;
- reviews the Company's compensation policies and practices for all employees regarding whether any risks arising from the Company's compensation practices, policies and programs are reasonably likely to have a material adverse effect on the Company; and
- reviews and oversees, in conjunction with the Nominating Committee, succession planning for the Chief Executive Officer and other key management of the Company.

The Compensation Committee has adopted a written charter that, among other things, specifies the scope of its rights and responsibilities. The charter is available on the Company's website at investors.sterlingbank.com/corporate-governance/governance-overview. The Compensation Committee held four (4) meetings in 2022. We have determined that all members of our Compensation Committee are considered "independent" under applicable SEC and Nasdaq listing rules. For additional information of the role of the Compensation Committee and its decisions with respect to 2022 executive compensation, see "Compensation Discussion and Analysis."

Risk Committee

The Risk Committee is responsible for assisting the Board of Directors in fulfilling its oversight responsibilities with regards to the overall risk management programs of the Company. Among other things, the Risk Committee assists the Board of Directors with regards to the Company's risk management programs as follows:

- evaluates the Company's strategic plan as to the nature and magnitude of potential risk exposures;
- provides an open and ongoing communication forum between management, third parties, and the Board of Directors to discuss risks and risk management;
- oversees the risk management practices of the Company in relation to the identification, measurement, monitoring, controlling, and reporting of the Company's principal business risks as defined within the Company's enterprise risk management framework;
- serves as the primary oversight committee for specified risk areas, to include strategic, operational, and regulatory risks; and
- provides secondary oversight for risk areas allocated to other Board of Directors committees such as credit, financial, and reputational risks, including intersections with the Company's strategic plan and objectives.

The Risk Committee has adopted a written charter that, among other things, specifies the scope of its rights and responsibilities. The charter is available on the Company's website at investors.sterlingbank.com/corporate-governance/governance-overview. The Risk Committee held four (4) meetings in 2022.

Ethics and Compliance Committee

The Ethics and Compliance Committee is a standing committee responsible for assisting the Board of Directors in fulfilling its oversight responsibilities regarding the ethics and compliance program of the Company. The Ethics and Compliance Committee assists as follows:

- promotes ethical and compliance accountability throughout each level of the Company;
- provides an open and ongoing communication forum between management, third parties, and the Board of Directors to discuss potential ethical issues and/or emerging trends in ethics; and
- oversees the implementation and ongoing effectiveness of an ethics and compliance culture through all levels of the Company's operations in conjunction with the various other Board committees and management.

The Ethics and Compliance Committee has adopted a written charter that, among other things, specifies the scope of its rights and responsibilities. The charter is available on the Company's website at investors.sterlingbank.com/corporate-governance/governance-overview. The Ethics and Compliance Committee held two (2) meetings in 2022.

CORPORATE GOVERNANCE

Board of Directors Leadership Structure

Prior to the independent directors' approval of the Corporate Governance Guidelines in April 2022, the Board of Directors did not have a policy regarding the separation of the roles of Chief Executive Officer and Chairperson of the Board of Directors, as the Board believed it was in the best interests of the Company to make that determination based on the then-current position and direction of the Company and membership of the Board of Directors. The Board believed that having the Chief Executive Officer also fulfill the role of Chairperson of the Board was the most effective and efficient structure given the extraordinary legal and regulatory challenges facing the Company. As the Board has added five (5) new independent directors over the past several years and continues to make substantial progress in managing its legal and regulatory challenges, the Board believes it is in the best interests of the Company to designate a lead independent director when the Chairperson is not an independent director. Under the Company's Corporate Governance Guidelines, if the Chairperson of the Board is not an independent director, the independent directors will annually select one (1) independent director to serve as the lead independent director (the "***Lead Independent Director***"), who will act as the liaison between the independent directors and management and between the independent directors and outside advisors, including legal counsel. The independent members of the Board of Directors have selected Tracey Dedrick to serve as the Lead Independent Director. The Lead Independent Director has the following roles:

- presiding at all meetings of the Board where the chairperson is not present and calling meetings of the independent directors, including executive sessions of the independent directors;
- providing Board leadership where the Company's CEO is also the chairperson and such role is or is perceived to be in a conflict of interest with the Company;
- reviewing and approving Board meeting agendas and schedules for each Board meeting;
- advising the CEO of the information needs of the Board and approving information sent to the Board;
- chairing the quarterly executive sessions of the independent directors;
- meeting with the CEO and chairperson to discuss any matters arising from the executive session and reporting the independent directors' actions and recommendations to the Board; and
- serving as interim chairperson if the chairperson is unable to continue to serve in such role.

Corporate Governance Enhancements

In January, 2022, the Company entered into an agreement in the form of a definitive stipulation of settlement (the "***Settlement***"), of which the court granted final approval on September, 2022, to settle the demand for a derivative action brought by a purported shareholder of the Company. The Company made a number of substantial corporate governance enhancements (the "***Corporate Governance Enhancements***") during the course of 2021 and 2022, some of which were pursuant to the Settlement and many of which were either completed prior to receipt of the shareholder demand or during the time the Settlement was negotiated. Many of the Corporate Governance Enhancements, regardless of when implemented, were incorporated into the enhancements required pursuant to the Settlement, which has been posted to our website at investors.sterlingbank.com/corporate-governance/governance-overview. The Corporate Governance Enhancements include, among other things:

- eliminating the staggered terms of office of the Board of Directors, as provided in the Articles Amendment;
- establishing a new Risk Committee and Ethics and Compliance Committee;
- updating the Board of Directors' committee charters;
- establishing the position of Lead Independent Director;
- formalizing the roles of Chief Risk Officer and Chief Compliance Officer;
- adopting Corporate Governance Guidelines; and
- updating various Company policies and procedures, including our Code of Business Conduct and Ethics, and Whistleblower Policy.

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As required under the Corporate Governance Enhancements, our Board of Directors also created a management-level Disclosure Committee. The Disclosure Committee assists the Company's Chief Executive Officer and Chief Financial Officer in fulfilling their responsibility to oversee the accuracy, completeness, and timeliness of the public disclosure made by the Company.

The Company has enhanced its training and compliance program, which is being implemented and supervised by the Company's Chief Risk Officer and Chief Compliance Officer. Training is mandatory for all directors, officers and employees, and includes function-specific coverage of applicable banking laws and regulations, standard operating procedures, and compliance, as well as standards of business conduct, whistleblower policy, insider trading policies, and manuals or policies concerning legal or ethical standards of conduct to be observed in connection with work performed for the Company.

Corporate Compliance Program

On March 15, 2023, the Company entered into a Plea Agreement with the DOJ, resolving the DOJ's investigation. Under the Plea Agreement, the Company has agreed to, among other things, provide periodic reports to the DOJ with respect to compliance matters. For the period ending three years from the date of the Plea Agreement, the Company is required to review, test, and update its compliance program and internal controls, policies, and procedures described in the Plea Agreement and report back to the DOJ periodically. A number of the updates to the Company's corporate compliance program correspond to and have already been implemented through the implementation of the Corporate Governance Enhancements noted above. The corporate compliance program includes, among other things:

- ensuring that the Company's directors and senior management provide strong, explicit, and visible support and commitment to the Company's corporate policy against violations of the Securities Laws, its compliance policies, and its Code of Conduct;
- developing and promulgating a clearly articulated and visible corporate policy against violations of the Securities Laws, memorialized in a written compliance policy or policies;
- ensuring that the Company has a system of financial and accounting procedures, including a system of internal controls, reasonably designed to ensure the maintenance of fair and accurate books, records, and accounts;
- reviewing the Company's compliance policies and procedures regarding the Securities Laws no less than annually and updating them as appropriate to ensure their continued effectiveness, taking into account relevant developments in the field and evolving industry standards;
- implementing mechanisms designed to ensure that the Company's Code of Conduct and compliance policies and procedures regarding the Securities Laws are effectively communicated to all directors, officers, employees, and, where necessary and appropriate, agents and business partners;
- instituting appropriate disciplinary procedures to address, among other things, violations of the Securities Laws and the Company's Code of Conduct and compliance policies and procedures regarding the Securities Laws by the Company's directors, officers, and employees;
- developing and implementing policies and procedures for mergers and acquisitions requiring that the Company conduct appropriate risk-based due diligence on potential new business entities, including appropriate due diligence regarding the Securities Laws by legal, accounting, and compliance personnel; and
- conducting periodic reviews and testing of its Code of Conduct and compliance policies and procedures regarding the Securities Laws designed to evaluate and improve their effectiveness in preventing and detecting violations of the Securities Laws and the Company's Code of Conduct and compliance policies and procedures regarding the Securities Laws, taking into account relevant developments in the field and evolving industry standards.

Family Relationships

There are no family relationships among our directors or executive officers.

Communication with Directors; Attendance at Annual Meetings

The Board of Directors invites shareholders to send written communications to the Board of Directors or any director by mail, c/o Chief Legal Officer and Corporate Secretary, Sterling Bancorp, Inc., One Towne Square, Suite 1900, Southfield, Michigan 48076. All communications will be compiled by the Company's Chief Legal Officer and submitted to the Board of Directors or the individual director(s) on a regular basis unless such communications are considered, in the reasonable judgment of the Chief Legal Officer, to be improper for submission to the intended recipient(s). Examples of shareholder communications that would be considered improper for submission include, without limitation, customer complaints, solicitations, communications that do not relate directly or indirectly to the Company's business or communications that relate to improper or irrelevant topics.

All directors are expected to attend annual meetings of shareholders in person or via teleconference, except in cases of extraordinary circumstances. The Company anticipates that all directors will attend the Annual Meeting.

Code of Business Conduct and Ethics

Our Board of Directors adopted a Code of Business Conduct and Ethics (the "***Code of Conduct***"), which applies to all of our directors, officers and employees. The Ethics and Compliance Committee, with the assistance of the Nominating Committee, is responsible for monitoring compliance with the Code of Conduct, and reports to the Board. The Code of Conduct is available on the Company's website at investors.sterlingbank.com/corporate-governance/governance-overview.

Clawback Policy

The Company adopted policies (together, the "***Clawback Policy***"), which generally provide that the Board of Directors may require current and former officers subject to the reporting requirements of Section 16 of the Exchange Act and other employees eligible to receive incentive compensation (the "***Covered Persons***") to reimburse or forfeit excess incentive compensation, including equity awards, received by the Covered Person during the three (3) fiscal years preceding the restatement of the Company's financial statements in the event that the Company issues such a restatement due to material noncompliance with securities laws, regardless of whether such Covered Person engaged in misconduct or was responsible for or contributed to the circumstances requiring the restatement. In addition, if the Board of Directors determines a Covered Person engaged in acts or omissions which involved intentional misconduct, intentional violations of the Company's written policies or applicable legal or regulatory requirements or fraud, and which contributed to the circumstances requiring the restatement, the Board of Directors may require the Covered Person to forfeit all of the Covered Person's incentive compensation received during the three (3) fiscal years preceding the restatement and to reimburse the Company for costs incurred in connection with the restatement. The Clawback Policy also provides that in the event a Covered Person engages in certain detrimental conduct that, in the discretion of the Board of Directors, is likely to cause or has caused material financial, operational or reputational harm to the Company, the Board of Directors may require reimbursement or forfeiture of all of the Covered Person's incentive compensation received from and after the date on which such conduct occurred. The Board of Directors has discretion to determine the method for recouping any incentive compensation under the Clawback Policy.

Whistleblower Policy

Our Board of Directors adopted a revised Whistleblower Policy in 2021 that is intended to enable employees, customers, vendors, independent contractors, agents, or any other interested party to promptly report good faith complaints or concerns regarding potential or actual violations of applicable laws, regulations or the Company's policies, including violations of our Code of Conduct. Our senior management, Board of Directors and employees have participated in whistleblower training presentations in connection with our Corporate Governance Enhancements and revised Whistleblower Policy. Our Audit Committee and Ethics and Compliance Committee has oversight over the receipt, retention and treatment of concerns or complaints received by the Company regarding accounting, internal accounting controls, auditing matters, or unethical or illegal behavior. A committee comprised of the Company's General Counsel, the Chief Risk Officer and the Chief Compliance Officer is responsible for ensuring all whistleblower complaints are appropriately handled. In connection with the Corporate Governance Enhancements, the Board made certain revisions to the Whistleblower Policy, including by adding additional reporting mechanisms and further elaborating on the Company's prohibition against retaliation against whistleblowers. The Whistleblower Policy is available on the Company's website at investors.sterlingbank.com/corporate-governance/governance-overview.

Insider Trading Policy and Anti-Hedging Policy

We have adopted an Insider Trading Policy that sets forth restrictions on trading in our securities and on providing any material nonpublic information relating to the Company. This policy is applicable to our directors, officers and employees, as well as any other person having access to material nonpublic information of the Company. This policy also applies to the foregoing persons' family members or others who reside with them, and any other persons or entities whose securities transactions are directed by the foregoing persons or subject to their influence or control. This policy was adopted to promote compliance with federal securities laws and applicable Nasdaq requirements. Our Insider Trading Policy allows for purchases or sales of Company securities made in compliance with a written plan that meets the requirements of Rule 10b5-1 of the Exchange Act, and sets forth the applicable trading window periods where directors and designated employees are able to trade in the Company's securities. Our Insider Trading Policy prohibits all of our directors, officers and employees, as well as any other person having access to material nonpublic information, from entering into certain forms of hedging or monetization transactions that allow such person to lock in much of the value of his or her stock holdings in exchange for all or part of the potential upside appreciation of the Company's stock, such as zero-cost collars and forward sale contracts. Such transactions allow such person to continue to own the Company's stock without the full risks and rewards of ownership, which may cause such person to no longer have the same objectives as the Company or other shareholders. Similarly, our Insider Trading Policy prohibits short sales, standing orders and transactions in publicly traded options. Additionally, a director, officer or employee desiring to hold Company securities in a margin account or pledge Company securities as collateral for a loan must notify the Company's Chief Legal Officer prior to taking such action because a margin sale or foreclosure sale may occur at a time when such person, a pledgor, is aware of nonpublic information or otherwise not permitted to trade in the Company's stock. Finally, our Insider Trading Policy prohibits the use of derivative securities to separate any financial interest in our Company's securities from related voting rights and any transaction in the Company's securities where a reasonable investor would conclude that such transaction is for short-term gain or speculative.

Board of Directors' Role in Risk Oversight

Our Board of Directors adopts and oversees the implementation of our company-wide risk management framework, which establishes our overall risk appetite and risk management strategy. Risk management refers generally to the activities by which we identify, measure, monitor, evaluate and manage the risks we face in the course of our banking activities. Our enterprise risk management framework seeks to achieve an appropriate balance between risk and return, which is critical to optimizing shareholder value. We have established processes and procedures intended to identify, measure, monitor, report and analyze the types of risk to which we are subject, including compliance, regulatory, liquidity, interest rate, credit, operational, cyber/technological, legal, strategic, financial and reputational risk exposures. However, as with any risk management framework, there are inherent limitations to our risk management strategies as there may exist, or develop in the future, risks that we may not have appropriately anticipated or identified.

Compliance. Our Board of Directors and management team are striving to create a risk-conscious culture that is focused on addressing compliance issues. In 2021, the Board of Directors created a new Risk Committee. See "Proposal No. 1: Election of Directors—Risk Committee" above, for more information on the role and responsibility of the Risk Committee. We hired a Chief Risk Officer in February 2020 to create, implement, improve and administer the risk management programs for the Company. The Chief Risk Officer is responsible for the Company's risk governance, further developing and maintaining a risk aware culture and implementing risk decision-making into day-to-day operations. The Chief Risk Officer reports directly to the Risk Committee and to the Company's Chief Executive Officer. In 2021, the Board of Directors also created a new Ethics and Compliance Committee. See "Proposal No. 1: Election of Directors—Ethics and Compliance Committee" above, for more information on the role and responsibility of the Ethics and Compliance Committee. Through the creation of the Risk Committee and Ethics and Compliance Committee, we are focused on, and continually invest in, our risk management and control environment. Our business teams, supported by our risk, compliance, legal, finance and internal audit functions, work together to identify and manage risks applicable to our business, as well as to enhance our control environment.

Culture. Our Board of Directors and its committees play a key role in oversight of our culture, setting the "tone at the top" and holding management accountable for its maintenance of high ethical standards and effective policies and practices. The Company's core values include community, service, integrity and employees working together. We embrace diversity and inclusion, which we believe fosters creativity, innovation and thought leadership through new ideas and perspectives.

Governance and Social Highlights

We are committed to strong corporate governance and social responsibility. We believe this commitment is essential to the long term success of the Company. The bullet points below highlight the ways we invest in corporate governance and social responsibility. All data and statistics are as of December 31, 2022.

Diversity and Inclusion

- 2 out of 9 directors are female
- 1 director is a person of color
- 1 director is Asian
- 1 director is a US Army veteran
- 56% of SVPs and above are female
- 56% of employees are female
- 64% of employees identified within an ethnically diverse group
- 49% of assistant vice presidents or higher level position are female
- 56% of assistant vice presidents or higher level position identified within an ethnically diverse group

Board Governance

- Lead Independent Director
- 89% of the Board is independent
- Committees comprised of independent directors
- Non-classified Board (annual election of directors)

Community Impact

- Invested \$1 Million in a Community Development Financial Institution (“CDFI”) to increase the supply of affordable housing rentals for individuals and families earning 60% or less of the area median income which allows low income individuals to live, work and raise their families in communities throughout California, creating a more economically diverse and stable economy.
- Invested in four Minority Depository Institutions (“MDI”) totaling \$929,000. MDIs serve a vital role of promoting the economic viability of minority and under-served communities.
- Approximately 50 employees volunteered close to 600 hours conducting financial literacy seminars, technical assistance to small businesses, first time homebuyer classes, elder abuse seminars and distribution and packing of foods.
- Eight of our employees serve as directors on the board of nonprofits and CDFIs. Most of these nonprofits and CDFIs support, affordable housing, permanent housing, access to capital for minority owned business, technical assistance for small businesses, workforce and economic development services to diverse communities and affordable healthcare to low-income individuals and families.

Business Conduct

- Code of Business Conduct and Ethics
- Whistleblower hotline for anonymous reporting of violations
- Corporate Governance Guidelines

Work Environment

- We are committed to providing a workplace that is free of harassment and discrimination by taking proactive measures and providing all employees with non-discrimination and sexual harassment prevention training on an annual basis.
- We continue to support and provide diversity training to all employees to increase cultural competency and collaboration.
- We continue to offer over 600 technical and professional development courses and educational reimbursement for approved external training opportunities.

EXECUTIVE OFFICERS

The executive officers of the Company serve at the pleasure of the Board of Directors. In addition to Mr. O'Brien, set forth below are the current executive officers of the Company and a brief explanation of their principal employment during at least the last five (5) years.

Karen Knott, Executive Vice President and Chief Financial Officer, age 49. Ms. Knott has served as the Company's Chief Financial Officer since October 1, 2021. She has over 20 years of experience in financial operations and accounting roles with financial institutions. Previously, Ms. Knott served as the Company's Senior Vice President and Controller since March, 2021 and as Assistant Vice President and Controller of the Bank since 2015. She has served in a variety of other financial roles, including Divisional Controller for Commercial Lending and Staff Accountant, since first joining the Bank in 1998. Before joining the Bank, Ms. Knott began her career in customer service and finance positions at Credit Union ONE and CommonPoint Mortgage Co. Ms. Knott received her Bachelor of Business Administration from Grand Valley State University.

Elizabeth M. Keogh, Chief Legal Officer and Corporate Secretary, age 66. Ms. Keogh has served as the Company's Chief Legal Officer since October 2022 and was appointed Corporate Secretary in March 2023. Ms. Keogh has over 30 years' experience as a practicing attorney with expertise in banking, securities and corporate law and regulation, among other areas. Prior to joining Sterling as an employee, Ms. Keogh was a consultant to the Company from 2020 to 2022 focusing on proxy statement disclosure and other SEC reporting requirements. Since 2009, Ms. Keogh has worked as a self-employed legal consultant and has provided consulting services in respect of numerous transactional, corporate governance and regulatory compliance matters to a variety of financial institutions, including the Company. Prior to establishing her own consulting practice, Ms. Keogh was a corporate attorney for 15 years with the law firms of Thacher Proffitt & Wood and Sonnenschein Nath & Rosenthal, prior to its merger with Denton Wilde Sapte LLP. Ms. Keogh earned a law degree from New York University School of Law and a Bachelor of Arts degree from Fairfield University.

Colleen Kimmel, Executive Vice President and General Counsel, age 42. Ms. Kimmel has served as the Bank's General Counsel since 2016. Ms. Kimmel joined the Bank as corporate counsel in 2012. Ms. Kimmel previously served as the Company's General Counsel from 2016 to October 2022 and as the Company's Corporate Secretary from 2016 until March 2023. Prior to joining the Bank, Ms. Kimmel worked as corporate counsel at First Place Bank from May 2011 to December 2012 and as in-house counsel in the real estate division at Sprint Nextel from August 2010 to 2011. Ms. Kimmel received her bachelor's degree from Michigan State University and juris doctor from Michigan State University College of Law.

Christine Meredith, Executive Vice President and Chief Risk Officer, age 49. Ms. Meredith has served as the Bank's Chief Risk Officer since 2020. Prior to joining the Bank, Ms. Meredith served in various risk management and regulatory compliance roles, including SVP & Director, Enterprise Risk Management with Columbia Bank from December 2010 to January 2020. Before joining Columbia Bank, Ms. Meredith held various roles working with the Federal Deposit Insurance Corporation from 2009 to 2010, Washington Mutual from 2003 to 2009, and Union Bank of California in 2003. Ms. Meredith received her bachelor's degree from Georgetown University.

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion & Analysis (“*CD&A*”) sets forth the Company’s executive compensation philosophy, practices and decisions for the fiscal year 2022 for its named executive officers (“*NEOs*”) listed below and included in the Summary Compensation Table.

<u>Name</u>	<u>Title Held with the Company During 2022</u>
Thomas M. O’Brien	Chairman, President and Chief Executive Officer
Karen Knott	Executive Vice President, Chief Financial Officer and Treasurer
Elizabeth M. Keogh ¹	Chief Legal Officer
Colleen Kimmel	Executive Vice President, General Counsel and Corporate Secretary
Christine Meredith	Executive Vice President and Chief Risk Officer

¹ Ms. Keogh was appointed Corporate Secretary on March 10, 2023.

In addition to the CD&A, the compensation and benefits provided to our NEOs in 2022 are set forth below in the Summary Compensation Table and other tables that follow this CD&A, as well as in the footnotes and narrative material that accompany those tables.

Executive Summary

In 2022, we made significant and meaningful progress in our continued goal to remediate the multiple challenges facing us. Our principal focus was continuing to manage our outstanding compliance and regulatory issues, government investigations and third-party litigation as well as developing a strong culture of compliance and re-establishing strong credit metrics for potential new lending initiatives.

Some noteworthy milestones involved our work to resolve two major regulatory investigations. During 2022, we entered into a Consent Order with the OCC that resolved the OCC’s investigation, and the OCC terminated the OCC Agreement, which marked the completion of certain remediation requirements. Pursuant to that Consent Order, the Bank paid a civil money penalty of \$6.0 million. In addition on March 15, 2023, the Company entered into a Plea Agreement with the DOJ. Under the Plea Agreement, the Company has agreed to plead guilty to one count of securities fraud primarily relating to disclosures with respect to the Advantage Loan Program contained in the Company’s 2017 IPO Registration Statement and its immediately following Annual Reports on Form 10-K filed in March 2018 and March 2019; pay \$27.2 million in restitution for the benefit of non-insider victim shareholders; further enhance its compliance program and internal controls with respect to securities law compliance; and provide periodic reports to the DOJ with respect to compliance matters. This resolution releases the Company, as well as the Bank, from further prosecution for securities fraud and underlying mortgage fraud in the Advantage Loan Program. While the SEC investigation that is focused on the Bank’s former residential lending practices and the related disclosures of that program in the Company’s securities law filings remains ongoing, the Company currently believes that the SEC’s investigation will not result in an enforcement action against the Company. The Company continues to cooperate with such investigation.

Also in September 2022, the court approved the Company’s settlement of the shareholder demand for a derivative action. The settlement agreement provided for certain corporate governance reforms and the payment of legal fees for shareholders’ counsel which were fully funded by insurance proceeds, but no other monetary payments. The other, perhaps more important benefit, was to regain the costs in time and energy that were lost in dealing with such action.

The Company continued to resolve problem loans during 2022. We sold substantially all of our commercial real estate loans held for sale (which primarily consisted of classified or criticized loans secured by single-room occupancy hotels for cash proceeds of \$49.6 million in the first quarter of 2022 and completed another sale of higher risk commercial real estate loans for net cash proceeds of \$17.8 million in the third quarter of 2022.

While our total assets decreased during 2022, our net interest margin increased during the same period. The prevailing rising interest rate and inflationary environment did not adversely affect our credit metrics (including our allowance for loan losses) in 2022, though we continue to monitor any such developments. We also continued to experience significant repayments in excess of our loan originations contributing to our excess liquidity. For 2023, we remain focused on our efforts to de-risk our balance sheet, including maintaining our focus on credit quality, and exploring alternative sources of loan production and purchasing additional loan pools.

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Our improved credit metrics during 2022 include a decrease in our nonperforming assets from \$83.3 million at December 31, 2021 to \$38.3 million at December 31, 2022, including a decrease in our nonperforming loans held for investment from \$62.6 million at December 31, 2021 to \$33.7 million at December 31, 2022 and a decrease in our nonaccrual loans held for sale from \$18.0 million at December 31, 2021 to \$2.0 million at December 31, 2022. Further, we recorded a recovery of loan losses of \$(9.9) million for 2022 compared to a recovery of loan losses of \$(8.3) million for 2021. Our allowance for loan losses also decreased from \$56.5 million at December 31, 2021 to \$45.5 million at December 31, 2022.

All the above accomplishments are reflective of the significant efforts of the management team led by Mr. O'Brien with the full support of the Board. Mr. O'Brien has been with the Company for almost three (3) years and together with the Board has sought to restore the Company's financial and regulatory standing, reduce high expenses related to the completion of the aforementioned major projects and continue to cooperate with, and eventually bring to a conclusion, the various government investigations.

Accomplishments and Challenges for 2022 and First Quarter 2023

Accomplishments

- Termination of the OCC Agreement
- Resolution of the OCC investigation
- Resolution of the DOJ investigation
- Settled the shareholder derivative suit
- Exceeded all applicable regulatory capital requirements
 - The Company's Tier 1 capital to adjusted tangible assets at 2022 year-end was 13.5%.
- Reduced criticized and classified loans during 2022 by 50%
- Significantly improved asset quality

Challenges

- Continue significant cooperation efforts with ongoing government investigations
- Manage costs and requirements of ongoing compliance efforts including securities law compliance and reporting requirements of the Plea Agreement with the DOJ
- Manage reimbursement of third party costs associated with government investigations
- Continue to reduce the volume of classified loans
- Identify, prepare for and launch new loan products
- Find a replacement service provider for the service provider to whom we outsourced our residential loan origination function in 2022 who exited the business later in 2022
- Maintain and improve customer confidence in the face of recent bank failures and deposit flight from the banking system

Executive Compensation Philosophy

The goals of the executive compensation program are to enable the Company to attract, develop and retain an executive team capable of maximizing the Company's performance for the benefit of its shareholders and to promote increases in long-term shareholder value by aligning the financial interests of the NEOs and other members of executive management with the Company and its shareholders. It strives to provide employees with incentives that appropriately balance risk and reward, to be compatible with effective controls and risk management and to be supported by strong corporate governance, including active and effective oversight by the Board of Directors and the Compensation Committee. For 2022, the Compensation Committee once again recognized the significant time and effort required by the executive officers and others to respond to the governmental inquiries and investigations while continuing to work to resolve the Company's outstanding compliance issues, re-establish strong credit metrics, diversify the Company's overall loan production, exit unproductive or ancillary businesses, resolve problem loans and manage the Company's excess liquidity.

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Pay Mix. Our compensation program for executive officers in 2022 (other than with respect to Mr. O'Brien) consisted of three (3) primary components: (i) base salary; (ii) cash-based annual bonuses; and (iii) equity-based long-term incentive awards. We also offer retirement and other benefits. This is designed to reward executive officers consistent with the goals in the immediately preceding paragraph.

Mr. O'Brien's Compensation. Mr. O'Brien's compensation is as set forth in his employment agreement, first entered into when he was hired by the Company in 2020, including a fixed annual salary which has not increased. See "Executive Compensation—Employment Arrangements—Thomas M. O'Brien" below. The Compensation Committee can recommend to the Board that Mr. O'Brien receive cash and/or equity-based incentive awards. Mr. O'Brien was not awarded any incentive compensation awards in 2022. The Committee did not revisit granting Mr. O'Brien a time based restrictive stock award in 2022 since Mr. O'Brien had refused such an award in the prior year due to the ongoing government investigations and circumstances leading to such refusal had not changed at the time such awards were granted to the other NEOs. In addition, Mr. O'Brien waived his right to payment for his accrued vacation time through December 31, 2022, valued at \$404,000. The Compensation Committee has taken note of the fact that Mr. O'Brien invested \$1.5 million in the purchase of common stock from the Company in 2021, pursuant to the terms of his employment agreement and related stock purchase agreement, thus creating a financial alignment with other shareholders.

Executive Compensation Process

Role of Compensation Committee. The Compensation Committee is ultimately responsible for all compensation decisions for the NEOs after considering input from management and reviewing peer group compensation. The Compensation Committee, among other things, oversees the Company's incentive compensation and equity-based plans and policies and fulfills other responsibilities delegated to the Committee by the Board of Directors.

The Compensation Committee has the authority to select, retain and obtain the advice of a compensation consultant, as necessary, to assist with the execution of its duties and responsibilities set forth in the Compensation Committee Charter. The Compensation Committee did not retain a compensation consultant in 2022.

Role of CEO in Compensation Decisions. The CEO does not attend portions of the Compensation Committee and Board meetings during which his performance is being evaluated and his compensation determined. The CEO does provide recommendations to the Compensation Committee and Board as to the other NEOs' compensation based on his evaluation of each NEO's performance and of each NEO's respective contributions to the remediation of the Company's and Bank's outstanding legal and regulatory issues, and his understanding of the compensation of NEOs at similarly sized peer banks.

Key elements of compensation

Base Salary. The Company seeks to pay a competitive base salary at levels that reflect each executive's position, individual performance, experience and expertise. Such base salaries are reviewed annually by the Compensation Committee in comparison to the peer group and adjusted as appropriate, with no guarantee of annual increases. Other than with respect to the current CEO, base salaries had historically been lower at the Company as compared to those in its peer group and had been targeted to be near the 25th percentile of its peer group. In order to attract and retain qualified executive management, the Compensation Committee, in 2020 and 2021, increased salaries in order to be closer to the 50th percentile of its peer group. In 2022, the Compensation Committee continued to make modest adjustments to base salary, reflected below, consistent with this viewpoint.

Name	2021 Base Salary Rate	2022 Base Salary Rate	% Increase
Thomas M. O'Brien	\$3,000,000	\$3,000,000	0%
Karen Knott	\$ 250,000	\$ 300,000	20%
Elizabeth M. Keogh	N/A	\$ 325,000	N/A
Colleen Kimmel	\$ 270,000	\$ 280,000	3.7%
Christine Meredith	\$ 270,000	\$ 290,000	7.4%

Mr. O'Brien's base salary was as set forth in his employment agreement and remained unchanged at \$3,000,000 for 2022. See "Executive Compensation—Employment Arrangements—Thomas M. O'Brien" below. Ms. Knott received an increase in annual base salary in 2022 to \$300,000, effective May 22, 2022 which was designed to bring her compensation closer to being in line with that of CFOs at financial institutions in its peer group and in recognition

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of her role as CFO and of the additional responsibilities that come with that role. Ms. Meredith received an increase in base salary for 2022 to \$290,000, and Ms. Kimmel received an increase in annual base salary for 2022 to \$280,000, both effective May 22, 2022. Ms. Keogh's base salary of \$325,000 was set forth in her offer letter and was a product of arm's-length negotiation in her recruitment.

Annual Cash Incentive Compensation

In May 2022, Ms. Meredith and Ms. Knott each received a discretionary cash bonus of \$70,000 and Ms. Kimmel received a discretionary cash bonus of \$60,000. Neither Mr. O'Brien nor Ms. Keogh received a cash bonus in 2022. The cash bonuses granted to the NEOs in 2022 reflect the Committee's decision to reward the continued efforts of the management team to remediate the numerous problems facing the Company.

Equity grants

Long-term incentive grants for executive officers serve to promote the interests of the Company by providing such executives with additional incentives to remain with the Company, to increase their effort to make the Company more successful and to reward such executives by providing an opportunity to acquire shares of common stock on favorable terms and to attract and retain the best available personnel. Such equity awards serve to align the interests of the executive officers with that of shareholders. Under the 2020 Omnibus Equity Incentive Plan, the Company can award a variety of equity awards, including stock options and restricted stock. The Company believes these grants support its business objectives and, as to restricted stock awards, are an effective retention vehicle with limited downside risk. The Compensation Committee discussed equity awards for executive management at the beginning of the fiscal year and in making its decisions reviewed the condition of the Bank, the competitive landscape of the Company and the institutional knowledge of executive management. The goal was to grant awards that would properly compensate the NEOs for their efforts in difficult conditions while also serving as a retention tool. The value of restricted stock awards for the NEOs (other than Mr. O'Brien) was \$100,000 which was substantially the same the prior year which reflects the Compensation Committee's decision to continue to rely more heavily on stock awards in the total compensation package for executive officers. Mr. O'Brien did not receive any equity awards in 2022, but owns 300,000 shares which he purchased in 2021 directly from the Company which serves to align his interests with that of the shareholders. The table below sets forth the restricted stock awards for the NEOs for 2022. The restricted stock awards to the NEOs vest ratably over three (3) years (one-third (1/3) per year) after the date of grant. No option awards were granted to the NEOs in 2022.

2022 Long Term Incentive Grants

Name	Options	RSAs	Grant Date	Number of Options	Grant Value of options	Number of RSAs	Grant Value of RSAs
O'Brien	—	—	—	—	—	—	—
Knott	0%	100%	—	—	—	14,926	\$100,004
Keogh	—	—	—	—	—	—	—
Kimmel	0%	100%	—	—	—	14,926	\$100,004
Meredith	0%	100%	—	—	—	14,926	\$100,004

Payments Upon Termination of Service or Change of Control.

Severance Agreements. Pursuant to the terms of a Change of Control Agreement between the Bank and Ms. Meredith, Ms. Meredith may be entitled to certain payments in the event of a change of control of the Bank. See "Executive Compensation—Potential Payments Upon Termination or Change in Control" and "Executive Compensation—Employment Arrangements—Christine Meredith" below.

The Bank has a nondiscriminatory severance payment plan (the "**Severance Plan**") applicable to all employees, including the NEOs, that provides for payment of severance benefits upon the occurrence of certain involuntary termination events. Under the Severance Plan, Mr. O'Brien, Ms. Keogh, Ms. Kimmel and Ms. Knott would be entitled to payments thereunder upon the occurrence of certain involuntary termination events. These payments would be on the same terms and conditions as for all other eligible employees. Ms. Meredith would be entitled to similar benefits but for the operation of her Change of Control Agreement. See "Executive Compensation—Potential Payments Upon Termination or Change in Control" and "Executive Compensation—Employment Arrangements—Severance Plan" below.

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Mr. O'Brien is not a party to a change of control or severance agreement with the Bank, but the terms of his employment agreement provide that the parties will negotiate in good faith for a severance and change of control agreement to be entered into after first receiving approval under the FDIC's "golden parachute" rules. See "Executive Compensation—Employment Arrangements—Thomas M. O'Brien" below. Prior to approval of a change of control agreement between the Bank and Mr. O'Brien, Mr. O'Brien would be entitled to payments under the Severance Plan.

Perquisites. Mr. O'Brien received a travel reimbursement of \$4,922, a car allowance of \$6,319 and an apartment allowance of \$19,166 for 2022, all in accordance with the terms of his employment agreement. Ms. Keogh received a travel reimbursement of \$6,434 for 2022, in accordance with the terms of her offer letter.

Other Compensation. In addition to the compensation components listed above, the NEOs are eligible to participate in the Company's broad-based employee plans such as medical, dental, vision, disability and the 401(k) plan with a Company matching contribution, which is described in more detail in "Executive Compensation—Defined Contribution Retirement Plan" below. Each NEO was eligible to participate in the Company's employee term life insurance policy during the 2022 fiscal year at no cost to the employee with such death benefit equal to two times current annual base salary, up to a maximum death benefit of \$500,000. NEOs may also purchase additional life insurance for themselves and their spouse and dependents (up to a maximum death benefit of \$500,000 for themselves) on the same terms and conditions as other employees.

Clawback Policy

Effective as of September 9, 2020, the Board of Directors adopted the Clawback Policy, which provides for the recoupment of certain cash and equity incentive compensation from executive officers in the event of an accounting restatement and/or detrimental conduct. See "Corporate Governance—Clawback Policy" above.

Risk Assessment

The charter for the Compensation Committee provides that it is responsible for reviewing the Company's compensation policies and practices for all employees regarding whether any risks arising from the Company's compensation practices, policies and programs are reasonably likely to have a material adverse effect on the Company. Day-to-day risk management is the responsibility of management. With respect to executive management, the Compensation Committee designed the incentive compensation program for executives to include multiple performance measures with Compensation Committee discretion rather than a purely formulaic approach based on a single performance metric so as to not encourage its executive officers to take unnecessary or excessive risks that threaten the value of the Company. Such plans do not encourage behavior focused on short-term results to the detriment of long-term value creation. Therefore, the Compensation Committee believes that its compensation policies and practices for its executive officers do not encourage unnecessary risk taking that is reasonably likely to have a material adverse effect on the Company.

In March 2021, the Compensation Committee implemented a compensation program for both residential and commercial loan officers to mitigate risks identified in the internal review of the Advantage Loan Program. Residential loan officers were previously rewarded solely for production volume. Under the revised program, loan officers received a base salary, and a commission determined by performance scorecard points based on weighted factors related to the quality of loans closed each month, which included customer service, compliance and loan efficiency metrics, with a loan production component. Commissions for residential loan officers were calculated monthly. In the second quarter of 2022, the Company outsourced its residential loan origination function to a third-party service provider, which, later in 2022, advised the Company of its intent to cease conducting business. The Company is in the process of finding a new mortgage fulfillment provider.

Compensation for the commercial lending staff is comprised of salary with an annual variable compensation component. Variable compensation for commercial loan officers will not exceed a certain percentage of a loan officer's base salary and is discretionary based on a variety of weighted criteria, including portfolio management, loan production, and corporate compliance. The Compensation Committee is confident that the changes implemented have mitigated the potential for unnecessary risk-taking since their implementation and will continue to do so going forward.

In the third quarter of 2022, the Compensation Committee reviewed the Incentive Compensation Guide Summary which includes information on the various incentive programs offered by the Company. The Compensation

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Committee was informed that there were no major changes to the programs from the prior year. Also, in the third quarter of 2022, an incentive compensation risk assessment was conducted by the Company's Enterprise Risk Management department. The assessment concluded that management has adequately demonstrated its ability to mitigate inherent risks within the incentive compensation plans that it offers employees and the incentive compensation program as a whole. The Compensation Committee approved the Incentive Compensation Risk Assessment at its November 2022 meeting.

In March 2023, the Compensation Committee approved the 2023 Retail Banking Incentive Program which provides quarterly incentives for surpassing monthly goals for deposit products. All retail staff are eligible to participate in the program. The goal of the program is to create a relationship with the customer whereby Sterling is a primary bank of the customer. Any bonuses earned will be reduced by forced balancing errors and other significant audit findings when there is qualified payout. The Enterprise Risk Management department performed a risk review of the program and found the risk to be acceptable.

Shareholder Advisory Vote

At our 2022 annual meeting, approximately eighty-five percent (85%) of our shareholders approved our say-on-pay resolution as to executive compensation disclosed in last year's proxy statement. The Company believes such vote to be a positive endorsement of its current pay practices and is evidence that its compensation policies have been in the best interest of shareholders. Also at our 2021 annual meeting, over ninety-nine percent (99%) of our shareholders agreed with the Company that a say-on-pay vote should occur every year. The Company plans to continue to propose a shareholder advisory vote on executive compensation each year.

Compensation Committee Report

The Compensation Committee has reviewed and discussed the CD&A required by Item 402(b) of Regulation S-K with management. Based on the review and discussions, the Compensation Committee recommended to the Board of Directors that the CD&A be included in the Company's Proxy Statement on Schedule 14A for the Annual Meeting.

Compensation Committee of Sterling Bancorp, Inc.

Lyle Wolberg, Chairman

Peggy Daitch

Michael Donahue

Denny Kim

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth information regarding the compensation paid or awarded to, or earned by, each of our NEOs for our fiscal years ended December 31, 2022, 2021 and 2020.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$) ⁽¹⁾	Option Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)	All other Compensation (\$) ⁽³⁾⁽⁴⁾	Total (\$)
Thomas M. O'Brien, Chief Executive Officer ⁽⁵⁾	2022	3,000,000	—	—	—	—	—	48,707	3,048,707
	2021	3,000,000	—	—	—	—	—	46,531	3,046,531
	2020	1,650,000	—	—	354,000	—	—	36,219	2,040,219
Karen Knott, Chief Financial Officer ⁽⁶⁾	2022	280,770	70,000	100,004	—	—	—	18,300	469,074
	2021	194,566	45,000	39,999	—	—	—	15,061	294,626
Colleen Kimmel, Executive Vice President, General Counsel and Corporate Secretary	2022	276,154	60,000	100,004	—	—	—	18,300	454,458
	2021	264,815	35,000	100,001	—	—	—	17,400	417,216
	2020	235,576	45,000	63,902	—	—	—	7,067	351,747
Christine Meredith, Executive Vice President and Chief Risk Officer ⁽⁷⁾	2022	282,308	70,000	100,004	—	—	—	16,415	468,727
	2021	259,627	60,000	100,001	—	—	—	17,400	437,028
	2020	221,154	70,000	49,153	—	—	—	5,481	345,788
Elizabeth M. Keogh, Chief Legal Officer ⁽⁸⁾	2022	62,813	—	—	—	—	—	8,684	71,497

- (1) Represents the grant date fair value calculated based on the closing price of the Company's common stock on the grant date, reduced by the dividends per share expected to be paid during the period the shares are not vested. For more information concerning the assumptions used for these calculations, see Note 11 to our consolidated financial statements included in "Item 8. Financial Statements and Supplementary Data" in our 2022 Annual Report.
- (2) Represents the grant-date fair value of option awards calculated in accordance with FASB Accounting Standards Codification Topic 718. The Company uses the Black-Scholes option pricing model to determine the grant-date fair value of the stock options on the date of grant. For more information concerning the assumptions used for these calculations, see Note 11 to our consolidated financial statements included in "Item 8. Financial Statements and Supplementary Data" in our 2022 Annual Report.
- (3) The NEOs are eligible to participate in certain group life, health and disability insurance plans not disclosed in the Summary Compensation Table that are generally available to salaried employees and do not discriminate in scope, terms and operation.

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(4) The table below summarizes all other compensation for our NEOs for fiscal years 2020, 2021 and 2022:

All Other Compensation (\$)			
Officer	2020	2021	2022
Thomas M. O'Brien			
Automobile Allowance	3,686	6,319	6,319
Employer Contributions to Defined Contribution Plan (Paid in Stock of the Company for 2021 and 2022)	8,550	17,400	18,300
Travel Reimbursement	8,059	3,646	4,922
Apartment Allowance	7,986	19,166	19,166
Hotel Reimbursement	<u>7,938</u>	<u>—</u>	<u>—</u>
Subtotal	36,219	46,531	48,707
Karen Knott			
Employer Contributions to Defined Contribution Plan (Paid in Stock of the Company for 2021 and 2022)	<u>—</u>	<u>15,061</u>	<u>18,300</u>
Subtotal	—	15,061	18,300
Colleen Kimmel			
Employer Contributions to Defined Contribution Plan (Paid in Stock of the Company for 2021 and 2022)	<u>7,067</u>	<u>17,400</u>	<u>18,300</u>
Subtotal	7,067	17,400	18,300
Christine Meredith			
Employer Contributions to Defined Contribution Plan (Paid in Stock of the Company for 2021 and 2022)	<u>5,481</u>	<u>17,400</u>	<u>16,415</u>
Subtotal	5,481	17,400	16,415
Elizabeth M. Keogh			
Employer Contributions to Defined Contribution Plan (Paid in Stock of the Company for 2022)	<u>—</u>	<u>—</u>	<u>2,250</u>
Travel Allowance	<u>—</u>	<u>—</u>	<u>6,434</u>
Subtotal	—	—	8,684
Total	<u>48,767</u>	<u>96,392</u>	<u>110,406</u>

- (5) Mr. O'Brien became an employee, and was appointed to the positions of Chairman, President and Chief Executive Officer of the Company, effective June 3, 2020.
- (6) Ms. Knott was appointed CFO effective October 1, 2021.
- (7) Ms. Meredith became an employee, and was appointed as Chief Risk Officer, with a starting date of February 3, 2020. Ms. Meredith entered into an offer letter providing for a salary of \$250,000 and a target annual bonus of 20% of base salary. Ms. Meredith received a one-time signing bonus of \$70,000.
- (8) Ms. Keogh became an employee and was appointed to the position of Chief Legal Officer of Sterling Bancorp, Inc. on October 24, 2022. Ms. Keogh entered into an offer letter providing for a salary of \$325,000 and a target discretionary bonus of 23% of base salary. Ms. Keogh is also entitled to an annual travel allowance of \$25,000 paid monthly based on receipt of reasonable travel expenses.

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Grants of Plan-Based Awards in 2022

The following table provides information about plan-based awards granted to the named executive officers in 2022:

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Shares Underlying Options (#)	Exercise or base price of option awards (\$/Sh)	Grant Date Fair Value of Stock and Option Awards (\$)
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)				
Thomas M. O'Brien	—	—	—	—	—	—	—	—	—	—	—
Karen Knott⁽¹⁾	05/17/2022	—	—	—	—	—	—	14,926	—	—	100,004
Colleen Kimmel⁽¹⁾	05/17/2022	—	—	—	—	—	—	14,926	—	—	100,004
Christine Meredith⁽¹⁾	05/17/2022	—	—	—	—	—	—	14,926	—	—	100,004
Elizabeth M. Keogh	—	—	—	—	—	—	—	—	—	—	—

(1) These awards were granted under the 2020 Omnibus Equity Incentive Plan and vest ratably over three (3) years (one-third (1/3) per year) and have a maximum term of ten (10) years.

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Outstanding Equity Awards at 2022 Fiscal Year-End

The following table provides information on the holdings of equity awards by our named executive officers as of December 31, 2022.

Name	Option awards					Stock awards			
	Number of securities underlying unexercised options exercisable (#)	Number of securities underlying unexercised options unexercisable (#)	Equity incentive plan awards: number of securities underlying unexercised unearned options (#)	Option exercise price (\$)	Option expiration date	Number of shares or units of stock that have not vested (#)	Market value of shares of stock that have not vested (\$)(6)	Equity incentive plan awards: number of unearned shares, units or other rights that have not vested (#)	Equity incentive plan awards: market or payout value of unearned shares, units or other rights that have not vested (\$)
Thomas M. O'Brien(1)	300,000	—	—	4.00	6/5/2030	—	—	—	—
Karen Knott(2)(3)(4)(5)(6)(7)(8)(9)	2,000	—	—	13.73	3/21/2028	1,482	9,025	—	—
	1,947	1,947	—	10.12	3/1/2029	1,760	10,718	—	—
	4,629	2,315	—	7.10	3/2/2030	5,328	32,448	—	—
	—	—	—	—	—	14,926	90,899	—	—
Colleen Kimmel(2)(3)(5)(6)(8)(9)	3,150	—	—	13.73	3/21/2028	2,470	15,042	—	—
	—	—	—	—	—	3,051	18,581	—	—
	—	—	—	—	—	13,320	81,119	—	—
	—	—	—	—	—	14,926	90,899	—	—
Christine Meredith(6)(8)(9)	—	—	—	—	—	2,347	14,293	—	—
	—	—	—	—	—	13,320	81,119	—	—
	—	—	—	—	—	14,926	90,899	—	—
Elizabeth M. Keogh	—	—	—	—	—	—	—	—	

- (1) On June 6, 2020, Mr. O'Brien received a grant of 300,000 stock options, which vested in installments of one-third (1/3) of the award on January 1, 2021, one-third (1/3) on the first anniversary of the grant date and one-third (1/3) on January 1, 2022.
- (2) On March 21, 2018, Ms. Knott and Ms. Kimmel received grants of 2,000 and 3,150 stock options, respectively, which vested in installments of fifty percent (50%) in each of the third (3rd) and fourth (4th) anniversary of the grant date.
- (3) On March 1, 2019, Ms. Knott and Ms. Kimmel received grants of 2,964 and 4,941 restricted stock awards, respectively, which vest in installments of fifty percent (50%) in each of the third (3rd) and fourth (4th) anniversary of the grant date. The grant date fair value is computed in accordance with FASB ASC Topic 718.
- (4) On March 1, 2019, Ms. Knott received a grant of 3,894 stock options, which vest in installments of fifty percent (50%) in each of the third (3rd) and fourth (4th) anniversary of the grant date.
- (5) Based on the closing price of the Company's common stock on the Nasdaq on December 30, 2022, which was \$6.09.
- (6) On March 2, 2020, Ms. Knott, Ms. Kimmel and Ms. Meredith received grants of 5,282, 9,155 and 7,042 restricted stock awards, respectively, which vest ratably over three (3) years on each of the first (1st), second (2nd) and third (3rd) anniversary of the grant date.
- (7) On March 2, 2020, Ms. Knott received a grant of 6,944 stock options, which vest ratably over three (3) years on each of the first (1st), second (2nd) and third (3rd) anniversary of the grant date.
- (8) On April 23, 2021, Ms. Kimmel and Ms. Meredith received grants of 19,881 restricted stock awards, and Ms. Knott received a grant of 7,952 restricted stock awards, which vest ratably over three (3) years on the first (1st), second (2nd) and third (3rd) anniversary of the grant date.
- (9) On May 17, 2022, Ms. Knott, Ms. Kimmel and Ms. Meredith received grants of 14,926 restricted stock awards, which vest ratably over three (3) years on the first (1st), second (2nd) and third (3rd) anniversary of the grant date.

No options were exercised by named executive officers in 2022. Shares of restricted stock held by named executive officers were vested in 2022 as follows: an aggregate of 13,184 shares of restricted stock held by Ms. Kimmel vested, an aggregate of 6,554 shares of restricted stock held by Ms. Knott vested and an aggregate of 8,908 shares of restricted stock held by Ms. Meredith vested.

Employment Arrangements

Thomas M. O'Brien

The Company entered into an employment agreement with Thomas M. O'Brien dated as of June 1, 2020 (the "***O'Brien Employment Agreement***"). The O'Brien Employment Agreement provides that Mr. O'Brien's initial base salary will be \$3,000,000 per year. The Board of Directors was required under the O'Brien Employment Agreement to take all actions necessary to appoint Mr. O'Brien as a director of the Company and the Bank, and to the executive committee, if any, of each of the boards of directors of the Company and the Bank, and to nominate him for election by the Company's shareholders as a member of the Board of Directors.

As an inducement to Mr. O'Brien accepting employment with the Company, pursuant to the O'Brien Employment Agreement, on June 5, 2020 Mr. O'Brien was granted a stock option to purchase 300,000 shares of the Company's common stock ("***Common Stock***"; and such option, the "***Option***") with an exercise price per share of \$4.00, which is equal to the average of the high and the low sales prices of the Common Stock underlying the Option on the date of grant. The Option has a term of ten (10) years unless terminated earlier under the terms of the option agreement. The Option vested as to one-third (1/3) on January 1, 2021 and vested as to one-third (1/3) on June 5, 2021, which is the first anniversary of the date of grant, and vested as to one-third (1/3) on January 1, 2022. In the event of termination of employment other than termination for "cause" (as defined in the O'Brien Employment Agreement), if the Option is exercisable at the time of such termination of employment, it will remain exercisable for three (3) years following termination, provided that Mr. O'Brien remains in compliance with certain terms contained in the O'Brien Employment Agreement. The award was granted pursuant to an option award and is not subject to the Company's 2017 Omnibus Equity Incentive Plan.

Pursuant to the O'Brien Employment Agreement, Mr. O'Brien received a temporary housing allowance and relocation assistance (which included reimbursement of moving expenses), the payment of a rental allowance on the rental of an apartment and a weekly travel allowance (for travel expenses to Mr. O'Brien's residence). Mr. O'Brien is also entitled to participate in any employee benefits, fringe benefits, perquisites and business expense reimbursements that the Company or the Bank offers to full-time employees or other members of executive management other than through or related to bank-owned life insurance arrangements. Under the O'Brien Employment Agreement, Mr. O'Brien is also eligible to receive annual equity awards at the discretion of the Company's Compensation Committee.

The O'Brien Employment Agreement also contains customary non-solicitation, non-competition and non-disclosure provisions.

Concurrent with entering into his Employment Agreement, Mr. O'Brien also entered into a stock purchase agreement with the Company (the "***Stock Purchase Agreement***"), pursuant to which Mr. O'Brien agreed to purchase 300,000 shares of Common Stock directly from the Company with his own funds within twelve (12) months from the date of commencement of his employment. The Stock Purchase Agreement provides that the shares to be purchased will not initially be registered under the Securities Act of 1933, as amended but that Mr. O'Brien will receive customary "piggy-back" registration rights that provide for Mr. O'Brien to add the shares he purchases to future registrations of securities by the Company. In May 2021, Mr. O'Brien purchased from the Company 300,000 unregistered shares of common stock pursuant to the terms of the Stock Purchase Agreement for cash consideration of \$1,350,000 or \$4.50 per share, the fair market value on the date of sale.

Christine Meredith

Christine Meredith was hired by the Bank in the role of Chief Risk Officer effective February 3, 2020. Ms. Meredith entered into an offer letter providing for a base salary of \$250,000 per year and a target annual bonus of 20% of base salary. Ms. Meredith received a one-time signing bonus of \$70,000. Ms. Meredith also was granted restricted stock in connection with her hiring. The offer letter provided that in the event of a change in control that included the loss of Ms. Meredith's job, the Bank would pay twelve (12) months of Ms. Meredith's base salary; however, the Meredith Change of Control Agreement (as defined below) superseded these provisions. The offer letter also provided for full vesting of equity awards on a change of control and, under the terms of the 2017 Omnibus Equity Incentive Plan and the 2020 Omnibus Equity Incentive Plan, all grants of restricted stock would be vested upon a change of control as defined in those plans.

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Ms. Meredith entered into a change of control agreement with the Company (the “*Meredith Change of Control Agreement*”) on March 10, 2021. The Meredith Change of Control Agreement will remain in effect until the third anniversary of the date of the Meredith Change of Control Agreement or, if earlier, the first anniversary of a change of control (as defined below).

Under the Meredith Change of Control Agreement, if the Bank or the Company terminates Ms. Meredith’s employment at any time prior to the occurrence of a pending change of control (as defined in the Meredith Change of Control Agreement) for any reason or for no reason, or if Ms. Meredith’s employment terminates due to death, the Bank will pay Ms. Meredith or her estate earned but unpaid compensation and benefits due under the terms of benefit plans and programs and compensation plans and programs (including bonuses), if any (the “*Standard Entitlements*”). If Ms. Meredith’s employment is terminated at any time for cause (as defined in the Meredith Change of Control Agreement) or if Ms. Meredith resigns without good reason (as defined in the Meredith Change of Control Agreement), the Bank will pay her the Standard Entitlements.

If Ms. Meredith’s employment is terminated without cause or if Ms. Meredith resigns for good reason (as defined in and provided for in the Meredith Change of Control Agreement) after a change of control or a pending change of control, the Bank will pay Ms. Meredith the Standard Entitlements, and, if the termination of employment occurs not later than one (1) year after the change of control, the Company will pay an amount equal to twelve (12) months of base salary paid in a lump sum on the 60th day after termination of employment, subject to a release of claims becoming effective. Currently, Ms. Meredith’s annual base salary is \$290,000.

If Ms. Meredith’s employment is terminated due to disability (as defined in the Meredith Change of Control Agreement) after a change of control or a pending change of control, the Bank will pay to Ms. Meredith the Standard Entitlements, and the Company will pay base salary continuation at the annual rate in effect immediately prior to the termination of her employment during a period ending on the earliest of (i) one hundred eighty (180) days after the date of termination of her employment; (ii) the date on which long-term disability insurance benefits are first payable to her under any long-term disability insurance plan covering employees of the Bank; and (iii) the date of her death.

The Meredith Change of Control Agreement also contains customary non-solicitation, non-competition and non-disclosure provisions. Payments under the Meredith Change of Control Agreement are subject to restrictions of specified applicable banking regulatory requirements, as well as to the Company’s Clawback Policy and any other applicable recoupment law or policy.

A “pending change of control” is defined as the signing of a definitive agreement for a transaction which, if consummated, would result in a Change of Control; or the commencement of a tender offer which, if successful, would result in a Change of Control and, in the event that such transaction or tender offer which constituted a pending change of control is terminated before a Change of Control occurs, the pending change of control will be treated as if it had not occurred following such termination.

Equity Incentive Plans

The Company has adopted two equity incentive plans, the Sterling Bancorp, Inc. 2017 Omnibus Equity Incentive Plan (the “*2017 Omnibus Plan*”) and the Sterling Bancorp, Inc. 2020 Omnibus Equity Incentive Plan (the “*2020 Omnibus Plan*”, and together with the 2017 Omnibus Plan, the Equity Incentive Plans).

The Equity Incentive Plans provide for grants of stock options, restricted stock, stock appreciation rights and performance awards. The Equity Incentive Plans are administered by the Compensation Committee. The terms and conditions of each award made under the Equity Incentive Plans, including vesting requirements, are set forth consistent with the Equity Incentive Plans in a written agreement with the grantee. Eligible directors, officers and consultants are eligible for grants under the Equity Incentive Plans. In connection with a change of control, as defined in each applicable Equity Incentive Plan, the Compensation Committee may accelerate vesting of stock options made under the applicable Equity Incentive Plan and restricted stock awards will become fully vested.

The purpose of the Equity Incentive Plans is to align the interests of the Company’s executive officers with those of its shareholders and serves to promote the interests of the Company by providing such equity incentives to attract and retain employees, officers and directors. 4,237,100 shares of our common stock were authorized for issuance under the 2017 Omnibus Plan, subject to adjustment in the event of any stock split, reverse stock split, stock dividend,

recapitalization, combination of shares, exchange of shares or other change affecting the outstanding common stock as a class without the Company's receipt of consideration. Following the approval of the 2020 Omnibus Plan, the Company has not and will not issue further awards under the 2017 Omnibus Plan (other than to satisfy awards existing as of the date of shareholder approval).

The Company adopted the 2020 Omnibus Plan in 2020 which was approved by shareholders at the 2020 annual meeting. The reason for the adoption of the 2020 Omnibus Plan was that the Board determined that it was appropriate for future equity awards to be made under a plan reflecting certain changes from the 2017 Omnibus Plan that reflect current market norms and corporate governance standards for equity plans. 3,979,661 shares of our common stock were authorized for issuance under the 2020 Omnibus Plan, subject to adjustment in the event of any stock split, reverse stock split, stock dividend, recapitalization, combination of shares, exchange of shares or other change affecting the outstanding common stock as a class without the Company's receipt of consideration, of which 3,435,696 shares remain available for issuance and use as of March 23, 2023.

In addition, all awards granted under the 2020 Omnibus Plan are subject to the Sterling Bancorp, Inc. Clawback Policy and any other recoupment policy adopted by the Company and any recoupment requirement imposed under applicable laws.

Defined Contribution Retirement Plan

The Bank maintains a defined contribution retirement plan, the Sterling Bank & Trust 401(k) Profit Sharing and Trust (the "**401(k) Plan**"). The 401(k) Plan allows for annual employee pre-tax deferrals or Roth 401(k) contributions and an employer matching contribution up to the lesser of 100% of eligible compensation or the maximum employee deferral permitted under the Internal Revenue Code (in 2022, this was \$20,500 and an additional "catch-up" amount of \$6,500 for employees over age 50). Under the terms of the 401(k) Plan as in effect in 2020, the Bank made matching contributions in an amount equal to 100% of the lesser of the first 3% of the amount the employee contributed or deferred or 3% of the employee's base salary during such quarter. The Bank amended the 401(k) Plan effective as of January 1, 2021 to, among other things, increase the employer matching contributions to 100% of the amount contributed or deferred by the participant up to 6%, which will be immediately vested. In addition, beginning with employee matching contributions with respect to the 2021 plan year, the employer matching contributions under the 401(k) Plan are made in the form of stock of the Company to be held in a unitized stock fund. 401(k) Plan participants may direct that their accounts be moved from the company stock unitized stock fund into other investment options. Pursuant to previously existing instructions, the independent third party administrator of the company stock unitized stock fund has arranged for the sale of Company shares on the open market from the fund to provide additional liquidity for participants accounts to be directed into other investments under the plan. Neither the Company nor any committee, officer or employee of the Company has any input into the decisions of the independent third party administrator, and the administrator has sole discretion, regarding the timing and amount of shares to be sold, with respect to all such sale decisions.

Severance Plan

On December 17, 2020, the Bank's board of directors adopted the Severance Plan, which received regulatory approval on July 9, 2021. Participation in the Severance Plan is generally available to full-time and part-time employees of the Company who have completed a year of service with the Company, the Bank and their subsidiaries and who do not have individual severance arrangements. The Severance Plan provides for a lump sum payment of severance benefits upon the occurrence of certain involuntary termination events. Absent a change in control (as defined in the Severance Plan), the amount of the severance payment is equal to the product of: (i) the employee's years of service through the severance date and (ii) one (1) week's base compensation. In the event of a change in control, the amount of the severance payment is equal to the product of: (i) the employee's years of service through the severance date, and (ii) two (2) weeks' base compensation. The minimum payment under the Severance Plan is equal to not less than four (4) weeks' base compensation, and the maximum payment under the Severance Plan is equal to not more than twenty-six (26) weeks' base compensation, unless an employee's qualification for the payment is due to a change in control, in which case the maximum payment made to the employee shall not exceed fifty-two (52) weeks' base compensation. Eligible employees who elect to receive continuation health care coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 under the Bank's group health care plan will only be required to pay active employee rates for six (6) months, and employees will be compensated for outplacement services for six (6) months. Mr. O'Brien, Ms. Knott, Ms. Keogh and Ms. Kimmel would be entitled to payments thereunder upon the occurrence of certain involuntary termination events. These payments would be on the same terms and conditions as for all other eligible employees. Ms. Meredith would not be entitled to payments as a result of her Change of Control Agreement.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

Potential payments upon a termination or change in control as of December 31, 2022 for the named executive officers are set forth in the Change in Control and Severance Payments Table below.

The amounts of these payments as of December 31, 2022 for Mr. O'Brien, Ms. Knott, Ms. Kimmel, Ms. Meredith and Ms. Keogh are set forth in the Severance Payments Table.

In addition, restricted stock awards become fully vested in the event of a change of control and the Compensation Committee has the discretion to accelerate unvested stock options in the event of a change of control. As of December 31, 2022, the acceleration of the restricted stock awards would have resulted in payments in aggregate values of: \$205,251 to Ms. Kimmel; \$142,931 to Ms. Knott and \$185,909 to Ms. Meredith, respectively, in each case, based on the closing price of our common stock as of December 30, 2022 of \$6.09. No value would be realized with respect to the options held by Ms. Kimmel or Ms. Knott as the exercise price of their unvested options exceeded the closing price of our common stock as of such date. The acceleration of the stock options held by Mr. O'Brien would have resulted in payments with an aggregate value of \$627,000 under the terms described below. Mr. O'Brien has not been granted any restricted stock awards.

Mr. O'Brien may be entitled to payments under his stock option grant as described in "Executive Compensation—Employment Arrangements—Thomas M O'Brien." In the event of termination of employment other than termination for "cause" (as defined in the O'Brien Employment Agreement), if the Option is exercisable at the time of such termination of employment, it will remain exercisable for three (3) years following termination, provided that Mr. O'Brien remains in compliance with certain terms contained in the O'Brien Employment Agreement.

Ms. Meredith may be entitled to payments under the Change of Control Agreement as described in "Executive Compensation—Employment Arrangements—Christine Meredith." If Ms. Meredith's employment is terminated without cause or if Ms. Meredith resigns for good reason (as defined in and provided for in the Change of Control Agreement) after a change of control or a pending change of control, and the termination of employment occurs not later than one (1) year after the change of control, the Company will pay an amount equal to twelve (12) months of base salary paid in a lump sum on the sixtieth (60th) day after termination of employment, subject to a release of claims becoming effective. Currently, Ms. Meredith's annual base salary is \$290,000. If Ms. Meredith's employment is terminated due to disability (as defined in the Change of Control Agreement) after a change of control or a pending change of control, the Company will pay base salary continuation at the annual rate in effect immediately prior to the termination of her employment during a period ending on the earliest of (i) one hundred eighty (180) days after the date of termination of her employment; (ii) the date on which long-term disability insurance benefits are first payable to her under any long-term disability insurance plan covering employees of the Bank; and (iii) the date of her death.

CHANGE IN CONTROL AND SEVERANCE PAYMENTS AS OF DECEMBER 31, 2022⁽¹⁾

	Thomas M. O'Brien	Karen Knott	Christine Meredith ⁽²⁾	Colleen Kimmel	Elizabeth M. Keogh
Termination without Cause - No Change of Control					
Salary Continuation	—	—	—	—	—
Benefits Continuation	—	—	—	—	—
Total	—	—	—	—	—
Disability⁽³⁾					
Salary Continuation	—	—	\$143,014	—	—
Benefits Continuation	—	—	—	—	—
Restricted Stock Award Vesting ⁽⁴⁾	—	\$142,931	\$185,909	\$205,251	—
Stock Option Vesting ⁽⁵⁾	\$627,000	—	—	—	—
Total	\$627,000	\$142,931	\$328,923	\$205,251	—
Death⁽⁶⁾					
Salary Continuation	—	—	—	—	—
Benefits Continuation	—	—	—	—	—
Restricted Stock Award Vesting ⁽⁷⁾	—	\$142,931	\$185,909	\$205,251	—
Stock Option Vesting ⁽⁸⁾	\$627,000	—	—	—	—
Total	\$627,000	\$142,931	\$185,909	\$205,251	—
Change of Control - No Termination of Employment					
Salary Continuation	—	—	—	—	—
Benefits Continuation	—	—	—	—	—
Restricted Stock Award Vesting ⁽⁹⁾	—	\$142,931	\$185,909	\$205,251	—
Stock Option Vesting ⁽¹⁰⁾	\$627,000	—	—	—	—
Total	\$627,000	\$142,931	\$185,909	\$205,251	—
Change of Control - Termination of Employment without Cause					
Salary Continuation	—	—	\$290,000	—	—
Benefits Continuation	—	—	—	—	—
Restricted Stock Award Vesting ⁽¹¹⁾	—	\$142,931	\$185,909	\$205,251	—
Stock Option Vesting ⁽¹²⁾	\$627,000	—	—	—	—
Total	\$627,000	\$142,931	\$475,909	\$205,251	—

- (1) Payments, if any, under the Severance Plan, are not disclosed in this table, because it does not discriminate, in scope, terms or operation, in favor of executive officers and is available generally to all salaried employees who have completed a year of service with the Company.
- (2) The payments for Ms. Meredith are subject to the Change of Control Agreement described in “Executive Compensation—Potential Payments Upon Termination or Change in Control” above and, with respect to vesting of equity, the applicable equity plan rules. Payments upon Ms. Meredith’s disability are only made if the disability is subsequent to a change of control or pending change of control.
- (3) The Company maintains a disability plan which is generally available to all employees, and any payments or benefits under this plan are not disclosed in this table.
- (4) Restricted stock fully vests in the event of a termination of employment by reason of disability.
- (5) Options fully vest in the event an optionee becomes disabled while employed. As of December 31, 2022, other than for the stock option granted to Mr. O’Brien, the exercise price of each option exceeded the closing price of our common stock as of December 30, 2022 of \$6.09.
- (6) The Company maintains a life insurance plan that is generally available to all employees, and any payments under this plan are not disclosed in this table.
- (7) Restricted stock fully vests in the event of a termination of employment by reason of death.
- (8) Options fully vest in the event an optionee dies while employed.
- (9) Restricted stock fully vests on the date of a change of control.
- (10) The Compensation Committee has the discretion to provide that options are 100% vested on the date of a change of control.
- (11) Restricted stock fully vests on the date of a change of control.
- (12) The Compensation Committee has the discretion to provide that options are 100% vested on the date of a change of control.

Compensation Committee Interlocks and Insider Participation

None of our executive officers currently serves, or in the past year has served, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our Board of Directors or Compensation Committee.

PAY VERSUS PERFORMANCE

In August 2022, the SEC adopted final rules to require companies to disclose information about the relationship between executive compensation actually paid and certain financial performance of the company. The information below is provided pursuant to Item 402(v) of SEC Regulation S-K with respect to “smaller reporting companies” as that term is defined at Item 10(f)(1) of SEC Regulation S-K.

(a) Year	(b) Summary Compensation Table Total for PEO (\$) ⁽¹⁾	(c) Compensation Actually Paid to PEO (\$) ⁽²⁾	(d) Average Summary Compensation Table Total for Non-PEO Named Executive Officers (\$) ⁽³⁾	(e) Average Compensation Actually Paid to Non-PEO Named Executive Officers (\$) ⁽⁴⁾	(f) Value of Initial Fixed \$100 Investment Based on Total Shareholder Return (\$) ⁽⁵⁾	(g) Net Income (S) ⁽⁶⁾
2022	3,048,707	3,048,707	365,939	304,610	134.14	(14,194,000)
2021	3,046,531	3,165,531	400,137	306,680	126.65	23,390,000

- (1) The dollar amounts reported in column (b) are the amounts of total compensation reported for Mr. O’Brien (Chief Executive Officer) for each corresponding year in the “Total” column of the Summary Compensation Table. See “Executive Compensation—Summary Compensation Table.”
- (2) The dollar amounts reported in column (c) represent the amount of “compensation actually paid” to Mr. O’Brien as computed in accordance with Item 402(v)(2)(iii) of SEC Regulation S-K, which prescribes certain specified additions to and subtractions from the amount shown in column (b). In accordance with the requirements of Item 402(v)(2)(iii) of Regulation S-K, the following adjustments were made to Mr. O’Brien’s total compensation for each year to determine the compensation actually paid:
 - For 2021, we added \$121,000 reflecting the change in the fair value during 2021 of options awarded in 2020 that were outstanding and unvested at year end; and
 - For 2021, we subtracted \$2,000 reflecting the change as of the vesting date (from the prior year end) in the fair value of awards granted in 2020 which vested during 2021.
- (3) The dollar amounts reported in column (d) represent the average of the amounts reported for the Company’s named executive officers as a group (excluding Mr. O’Brien) in the “Total” column of the Summary Compensation Table in each applicable year. The names of each of the named executive officers (excluding Mr. O’Brien) included for purposes of calculating the average amounts in each applicable year are as follows: (a) for 2022, Ms. Keogh (who became an employee on October 24, 2022), Ms. Kimmel, Ms. Knott and Ms. Meredith and (b) for 2021, Ms. Meredith, Ms. Kimmel, Ms. Knott and Stephen Huber (who separated from service with the Company effective October 1, 2021).
- (4) The dollar amounts reported in column (e) represent the average amount of “compensation actually paid” to the named executive officers as a group (excluding Mr. O’Brien) as computed in accordance with Item 402(v)(2)(iii) of Regulation S-K which prescribes certain specified additions to and subtractions from the amount shown in column (d). In accordance with the requirements of Item 402(v) of Regulation S-K, the following adjustments were made to average total compensation for the named executive officers as a group (excluding Mr. O’Brien) for each year to determine the compensation actually paid, using the same methodology described in Note 2 above:
 - For 2022:
 - we subtracted \$75,003 reflecting the average for the named executive officers as a group (excluding Mr. O’Brien) of awards of restricted stock during 2022 as disclosed in the column “stock awards” of the Summary and Compensation Table;
 - we added \$7,468 reflecting the average for the named executive officers as a group (excluding Mr. O’Brien) of the change in the fair value during 2022 of restricted stock awarded in prior years that was outstanding and unvested at the end of fiscal 2022; and
 - we added \$6,206 reflecting the average for the named executive officers as a group (excluding Mr. O’Brien) in the change as of the vesting date (from the prior year end) in the fair value of awards granted in prior years which vested during 2022.
 - For 2021:
 - we subtracted \$85,001 reflecting the average for the named executive officers as a group (excluding Mr. O’Brien) of awards of restricted stock in 2021 as disclosed in the column “stock awards” of the Summary and Compensation Table (and the Summary Compensation Table for the 2022 proxy statement);
 - we added \$21,697 reflecting the average for the named executive officers as a group (excluding Mr. O’Brien) of the change in the fair value during 2021 of restricted stock awarded in prior years that was outstanding and unvested at the end of fiscal 2021;
 - we added \$2,763 reflecting the average for the named executive officers as a group (excluding Mr. O’Brien) in the change as of the vesting date (from the prior year end) in the fair value of awards granted in prior years which vested during 2022; and
 - we subtracted \$32,916 reflecting the average for the named executive officers as a group (excluding Mr. O’Brien) of awards granted in prior fiscal years for which there was a failure to meet the applicable vesting conditions during 2021.
- (5) Total Shareholder Return is determined based on the value of an initial fixed investment in the Company’s common stock of \$100 on December 31, 2020 and calculated in accordance with Item 201(e) of SEC Regulation S-K.
- (6) The dollar amounts reported in column (g) represent the amount of net income reflected in our consolidated audited financial statements for the applicable year.

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Analysis of the Information Presented in the Pay Versus Performance Table

The Compensation Committee of the Board of Directors of the Company does not have a policy or practice regarding evaluating Total Shareholder Return as part of its determination of compensation decisions for the named executive officers. The factors discussed in the “Compensation Discussion and Analysis” section of this proxy statement and the efforts by the Company’s executive officers would be expected to impact the Company’s Total Shareholder Return, and the holding of equity by the Company’s executive officers would be expected to align their interests with those of the Company’s shareholders. As noted in the “Compensation Discussion and Analysis” section of this proxy statement, the Compensation Committee takes various factors into account in determining the competitiveness of its executive compensation. Over the past two fiscal years the Compensation Committee has recognized the significant time and effort required by the executive officers and others to respond to the governmental inquiries and investigations while continuing to work to resolve the Company’s outstanding compliance issues, re-establish strong credit metrics, diversify the Company’s overall loan production, exit unproductive or ancillary businesses, resolve problem loans and manage the Company’s excess liquidity. As a result of the significant expense incurred in responding to the government investigations, and the cost of the resolutions of the OCC investigation and the DOJ investigation, the Company incurred a significant loss in 2022, so a comparison of executive compensation to Total Shareholder Return over the recent two-year period would not be meaningful. In addition, as stated in that section, in order to attract and retain qualified executive management, the Compensation Committee, in 2021 (and in 2020), increased salaries of named executive officers (other than Mr. O’Brien) in order to be closer to the 50th percentile of its peer group. Awards of restricted stock in 2021 and 2022 to named executive officers (other than Mr. O’Brien) serve to align the interests of the executive officers with that of shareholders.

Mr. O’Brien’s salary was set in his employment agreement when he was hired in 2020 and has not been increased. As noted in the “Compensation Discussion and Analysis” section of this proxy statement, the Compensation Committee has taken note of the fact that Mr. O’Brien invested \$1.5 million in the purchase of common stock from the Company in 2021, pursuant to the terms of his employment agreement and related stock purchase agreement, thus creating a financial alignment with other shareholders.

All information provided above under the “Pay Versus Performance Information” heading will not be deemed to be incorporated by reference in any filing of our company under the Securities Act of 1933, as amended, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

Chief Executive Officer Pay Ratio

The Company’s chief executive officer to median employee pay ratio was calculated in accordance with SEC requirements. However, due to the flexibility afforded by Item 402(u) of Regulation S-K in calculating the pay ratio, the ratio presented herein is a reasonable estimate and may not be comparable to the pay ratio presented by other companies.

The Company identified the median employee by examining 2022 total compensation for all employees of the Company excluding the Chief Executive Officer.

The employee population used to identify the Company’s median employee included all employees of the Company, whether employed on a full-time, part-time or seasonal basis, as of December 31, 2022. The compensation measure described above was consistently applied to this entire employee population. The Company did not make any assumptions, adjustments or estimates with respect to the employee population or the compensation measure, but it did annualize the compensation for any employees that were not employed by the Company for all of 2022.

After identifying the median employee based on the compensation measure described above, the Company calculated annual total compensation for the median employee using the same methodology used for our named executive officers as set forth in the “Summary Compensation Table” herein. The median employee was identified as of November 30, 2022, and the chief executive officer to median employee pay ratio was calculated with respect to the annualized compensation for Mr. O’Brien, who was the chief executive officer at that date. As illustrated in the table below, in 2022, the Company’s Chief Executive Officer’s annual total compensation was 37.64 times that of the Company’s median employee.

	Chief Executive Officer	Median Employee
2022 Annual Total Compensation	\$3,048,707	\$81,003
Total Annual Compensation Pay Ratio	37.64	1

DIRECTOR COMPENSATION

2022 Director Compensation Table

The table below sets forth the compensation of each non-employee director in 2022.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$) ⁽¹⁾	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in pension value and nonqualified deferred compensation earnings	All other compensation (\$)	Total (\$)
Peggy Daitch	104,000	43,125	—	—	—	—	147,125
Tracey Dedrick	112,833	43,125	—	—	—	—	155,958
Michael Donahue	59,500	—	—	—	—	—	59,500
Steven E. Gallotta	114,500	43,125	—	—	—	—	157,625
Denny Kim	162,833	43,125	—	—	—	—	205,958
Eboh Duke Okorie	58,500	—	—	—	—	—	58,500
Benjamin Wineman	113,667	43,125	—	—	—	—	156,792
Lyle Wolberg	111,000	43,125	—	—	—	—	154,125
Total	836,833	258,750	—	—	—	—	1,095,583

(1) Represents the grant date fair value of restricted stock awards calculated based on the closing price of the Company's common stock on the grant date, reduced by the dividends per share expected to be paid during the period the shares are not vested.

Director Fees

Board of Directors members receive a quarterly retainer of \$7,500. For each standing committee of the Board of Directors, committee chairs receive \$5,000 quarterly, and committee members receive \$3,000 quarterly. Fees for special and temporary committee assignments are as follows: \$7,500 quarterly for the Demand Review Committee (disbanded on September 29, 2022), \$7,500 quarterly for the Independent Director Review Committee and \$5,000 quarterly for the Compliance Committee (disbanded on September 27, 2022).

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

In addition to the compensation arrangements with directors and executive officers described herein, the following is a description of transactions in 2022 to which we have been a party, in which the amount involved exceeded \$120,000 and in which any of our directors, executive officers or beneficial holders of more than five percent (5%) of our capital stock, or their immediate family members or entities affiliated with them, had or will have a direct or indirect material interest.

Policies and Procedures Regarding Related Party Transactions

Transactions by the Company or the Bank with related parties are subject to certain regulatory requirements and restrictions, including Sections 23A and 23B of the Federal Reserve Act and the Federal Reserve's Regulation W (which govern certain transactions by the Bank with its affiliates) and the Federal Reserve's Regulation O (which governs certain loans by the Bank to its insiders—i.e., executive officers, directors, principal shareholders and any related interest of such a person). The Bank's written Regulation O Policy was revised in November 2020 to prohibit the extension of credit to insiders. Prior to this amendment, the Company had extended mortgage loans to insiders on their primary residences. These loans were all made in the ordinary course of business on substantially the same terms, including interest rates and collateral, as those prevailing at the same time for comparable transactions with other customers and did not involve more than normal risk of collectability or present other unfavorable features.

Both the Company and the Bank have a written Affiliate Transactions Policy, which limits covered transactions with any single affiliate to less than 10%, and with all affiliates to less than 20%, of unimpaired capital and surplus. All covered transactions with affiliates must be made on terms and conditions that are consistent with safe and sound banking practices and are secured by a statutorily-defined amount of collateral. Neither the Company nor the Bank may purchase low-quality assets from an affiliate. Transactions between the Company or Bank and affiliates must be made on terms and under circumstances that are substantially the same, or at least as favorable to the Company or the Bank, respectively, as those prevailing at the time for comparable transactions with unaffiliated companies. No loans or extensions of credit may be made to an affiliate, unless the affiliate is engaged only in activities that a bank holding company may conduct.

We have adopted a written Related Persons Transactions Policy pursuant to which any person who currently is (or was since the beginning of the last fiscal year) an executive officer or a director (or director nominee) or the owner of more than five percent (5%) of our voting securities, including their immediate family members, and any entity employing any of the foregoing persons or in which any of the foregoing persons collectively have a direct or indirect interest of ten percent (10%) or greater or is a general partner, will not be permitted to enter into a related person transaction with us without the consent of our Audit Committee, another independent committee of our Board of Directors or the full Board of Directors. Any request for us to enter into a transaction with any of the foregoing parties in which the amount involved exceeds \$120,000 and in which the related party will have a direct or indirect material interest will be required to be presented to our Audit Committee for review, consideration and approval. All of our directors and executive officers are required to report to our Audit Committee any such related person transaction. In approving or rejecting the proposed transaction, our Audit Committee will review all relevant information available, including the terms of the transaction, and consider the following factors: whether the transaction was undertaken in the ordinary course of business, which party initiated such transaction, whether such transaction would be entered into on terms no less favorable to us than terms generally available to an unaffiliated third party, the purpose of the transaction and the potential benefits to us, the approximate dollar value involved (particularly as it relates to the related party), the related party's interest in the such transaction and any other information that would be material to investors. If we should discover related person transactions that have not been approved, our Audit Committee will be notified and will determine the appropriate action, including ratification, rescission or amendment of the transaction.

Related-Party Transactions

There were no related party transactions during the year ended December 31, 2022 required to be reported under Item 401(a) of Regulation S-K of the Exchange Act. However, during 2022 we terminated certain relationships reported in prior proxy statements as follows.

Lease Agreements

The Bank formerly leased office space from Transamerica Pyramid Properties, LLC in San Francisco under a lease agreement dated August 26, 2016. In turn, the Bank subleased 75% of that space to Pioneer Realty, a subsidiary of Seligman & Associates, at an annual base rent amount of \$439,006. The lease and sublease expired on March 31, 2022 and were not renewed. During the year ended December 31, 2022, Pioneer Realty paid the company a total of \$97,000.

Delinquent Section 16(a) Reports

Section 16(a) of the Exchange Act, requires our officers, directors and persons who own more than 10% of our common stock to file reports of ownership and changes in ownership with the SEC. These officers, directors and 10% stockholders are also required by SEC rules to furnish the Company with copies of all Section 16(a) reports they file. Based solely on a review of copies of Forms 3, 4 or 5 filed by the Company on behalf of its directors and officers or otherwise provided to the Company, the Company believes that during and with respect to the year ended December 31, 2022, there were four late Section 16(a) filings. Michael Donahue's initial statement of beneficial ownership on Form 3 was filed three days after the time period allowed due to delays in receipt of Mr. Donahue's EDGAR codes from the SEC. Forms 4 for Karen Knott, Christine Meredith and Colleen Kimmel representing the withholding of shares of common stock by the Company in satisfaction of tax withholding obligations in connection with the vesting of restricted stock previously granted were also filed late.

PROPOSAL NO. 2: ADVISORY, NON-BINDING VOTE TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS FOR 2022

This proposal provides our shareholders with an opportunity to approve, on an advisory, non-binding basis, the compensation of our named executive officers named in the “Summary Compensation Table” of this Proxy Statement, as such compensation is described in the Compensation Discussion and Analysis section, the compensation tables and the related disclosure contained in this Proxy Statement (a “Say on Pay” vote). The “Summary Compensation Table” provides a snapshot of the compensation paid or granted to our named executive officers for the fiscal year ending December 31, 2022.

The Say on Pay vote is an advisory, non-binding vote, which means that it will not bind the Company or our Board of Directors. We cannot predict what actions the Board of Directors will take, if any, in response to this vote. We believe that the complex interplay between performance, risk management, succession planning and compensation should not require material changes based solely on the results of a “for or against” vote. Due to its broad nature, the outcome of a Say on Pay vote does not convey nuanced information about the shareholders’ views regarding the compensation of individual executives, the different elements of our compensation program or the choices our Compensation Committee makes during a year. This does not mean that a Say on Pay vote is without value, however.

We believe that open lines of communication among the Board of Directors, executive management, and our shareholders serve as the foundation for good corporate governance and responsible stewardship. The Board of Directors recognizes the importance of aligning executive compensation with shareholder interests in light of the risks and economic conditions faced by the Company. This vote may assist us in our ongoing engagement and outreach efforts, as we continue to serve our core constituencies of shareholders, customers, employees and communities.

The Board of Directors believes that the compensation arrangements for its named executive officers are aligned with the Company’s long-term performance and with shareholders’ interests.

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS
THAT THE SHAREHOLDERS VOTE FOR THE FOLLOWING
ADVISORY RESOLUTION:**

“RESOLVED, that the Company’s shareholders approve, on an advisory, non-binding basis, the compensation paid to the Company’s named executive officers for the fiscal year ending December 31, 2022, as disclosed in this Proxy Statement pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion.”

PROPOSAL NO. 3: RATIFICATION OF THE APPOINTMENT OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee has selected Crowe LLP as independent auditors for the Company for the fiscal year ending December 31, 2023. The services provided to the Company and its subsidiaries by Crowe LLP for 2022 and 2021 are described below, under the caption “Independent Public Accountant Fees and Services.”

The affirmative vote of a majority of the votes cast by the holders of shares entitled to vote, with one (1) vote, in person or by written proxy, for each share entitled to vote, is required for ratification of the appointment of Crowe LLP as our independent registered public accounting firm for 2023. Shares withheld or otherwise not voted with respect to the ratification of the appointment of Crowe LLP (because of abstention, broker non-vote or otherwise) will not be counted as votes cast and will have no effect on the vote on such proposal.

Although the vote on Proposal No. 3 is not binding on the Company, the Audit Committee will take your vote on this proposal into consideration when selecting our independent registered public accounting firm in the future.

Independent Public Accountant Fees and Services

The following table summarizes fees billed for professional services rendered by Crowe LLP, the Company’s independent auditors for the years ended December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Audit fees⁽¹⁾	\$ 890,000	\$1,120,000
Audit-related fees⁽²⁾	88,964	18,016
Tax fees⁽³⁾	71,466	47,919
All other fees⁽⁴⁾	<u>340,620</u>	<u>338,760</u>
Total fees	<u>\$1,391,050</u>	<u>\$1,524,695</u>

(1) Consists of fees billed for professional services performed by Crowe LLP for its audit of the Company’s annual financial statements and services that are normally provided in connection with regulatory filings or engagements.

(2) 2022 audit-related fees primarily consists of services relating to the risk-rating of Advantage Loan Program loans for regulatory capital purposes.

(3) Tax fees are for the filing of federal and state tax returns.

(4) All other fees include advisory services.

The Audit Committee is required to review and pre-approve both audit and non-audit services to be provided by the independent auditor (other than with respect to *de minimis* exceptions permitted by the Sarbanes-Oxley Act of 2002). During 2022, all services provided by Crowe LLP were pre-approved by the Audit Committee. To the extent required by Nasdaq rules or any other applicable legal or regulatory requirements, approval of non-audit services must be disclosed to investors in periodic reports required by Section 13(a) of the Exchange Act. There was no change of the Company’s independent public accountants during 2022 or 2021.

Representatives of Crowe LLP will attend the Annual Meeting, will have the opportunity to make a statement, if they desire to do so, and will be available to answer appropriate questions from our shareholders.

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS
THAT THE SHAREHOLDERS VOTE FOR THIS PROPOSAL**

AUDIT COMMITTEE REPORT

The Audit Committee has reviewed and discussed the Company’s audited financial statements with management.

As described more fully in its charter, the purpose of the Audit Committee is to assist the Board of Directors in its general oversight of the Company’s financial reporting and internal control functions and the Audit Committee is directly responsible for the appointment, retention, compensation and oversight of the work of our independent registered public accounting firm, currently Crowe LLP, and our internal audit team. Crowe LLP is responsible for performing an independent audit of the Company’s consolidated financial statements and the effectiveness of the Company’s internal control over financial reporting in accordance with the standards of the Public Company Accounting Oversight Board (U.S.) (“*PCAOB*”) and for expressing their opinions thereon.

In 2022, among other matters, the Audit Committee:

- Reviewed and discussed with management and Crowe LLP the Company’s audited financial statements.
- Reviewed and discussed with management and Crowe LLP the matters required to be discussed by Statement of Auditing Standards No. 61, as amended, as adopted by the PCAOB in Rule 3200T.
- Received the written disclosures and the letter from Crowe LLP required by the applicable requirements of the PCAOB regarding Crowe LLP’s communications with the Audit Committee concerning independence, and discussed with Crowe LLP its independence with respect to the Company.

Based on the foregoing, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements of the Company be included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022, which was filed with the SEC on March 16, 2023.

The Audit Committee

Steven E. Gallotta
Benjamin Wineman
Michael Donahue

BENEFICIAL OWNERSHIP OF COMMON STOCK

The following table sets forth information as of March 23, 2023 regarding the beneficial ownership of our common stock by:

- each shareholder known by us to beneficially own more than five percent (5%) of our outstanding common stock;
- each of our directors and named executive officers; and
- all of our directors and executive officers as a group.

We have determined beneficial ownership in accordance with the rules of the SEC. These rules generally provide that a person is the beneficial owner of securities if such person has or shares the power to vote or direct the voting of securities, or to dispose or direct the disposition of securities, or has the right to acquire such powers within sixty (60) days. Except as disclosed in the footnotes to this table and subject to applicable community property laws, we believe that each person identified in the table has sole voting and investment power over all of the shares shown opposite such person's name.

Except as otherwise specified below, the address for each listed shareholder is: c/o Sterling Bancorp, Inc., One Towne Square, Suite 1900, Southfield, Michigan 48076.

Name and Address of Beneficial Owner	Common Stock Owned	
	Number of Shares	Percent ⁽¹⁾
5% Shareholders:		
K.I.S.S. Dynasty Trust No. 9 dated March 2, 2022 ⁽²⁾⁽³⁾ c/o The First National Bank in Sioux Falls 100 South Phillips Avenue, Sioux Falls, SD 57104	12,107,732	24.0%
Erwin A. Rubenstein ⁽³⁾ 255 East Brown Street, Suite 320, Birmingham, MI 48009	12,107,732	24.0%
J. Thomas MacFarlane ⁽³⁾ 255 East Brown Street, Suite 320, Birmingham, MI 48009	12,107,732	24.0
Michael Shawn ⁽⁴⁾ 7300 Biscayne Boulevard, Suite 200, Miami, FL 33138	8,981,041	17.8%
Harry S. Stern ⁽⁵⁾ 220 Montgomery Street, 15th Floor, San Francisco, CA 94104	8,101,536	16.1%
K.I.S.S. Dynasty Trust No. 5 ⁽⁴⁾ c/o The First National Bank in Sioux Falls 100 South Phillips Avenue, Sioux Falls, SD 57104	7,507,318	14.9%
Scott J. Seligman 1993 Long Term Irrevocable Dynasty Trust ⁽²⁾⁽⁵⁾ c/o The First National Bank in Sioux Falls 100 South Phillips Avenue, Sioux Falls, SD 57104	5,743,579	11.4%
Scott J. Seligman ⁽⁶⁾	3,641,401	7.2%
Directors:		
Peggy Daitch ⁽⁷⁾⁽⁸⁾⁽⁹⁾	8,289	*
Tracey Dedrick ⁽⁷⁾⁽⁸⁾⁽⁹⁾	7,425	*
Michael Donahue ⁽⁹⁾	—	*
Steven E. Gallotta ⁽⁷⁾⁽⁸⁾⁽⁹⁾	7,425	*
Denny Kim ⁽⁷⁾⁽⁸⁾⁽⁹⁾	7,425	*
Thomas M. O'Brien ⁽¹⁰⁾	601,740	1.2%
Eboh Okorie ⁽⁹⁾	—	*
Benjamin Wineman ⁽⁷⁾⁽⁸⁾⁽⁹⁾	24,525	*
Lyle Wolberg ⁽⁷⁾⁽⁸⁾⁽⁹⁾⁽¹¹⁾	14,996	*
Named Executive Officers (Non-Directors):		
Colleen Kimmel ⁽¹²⁾	22,264	*
Karen Knott ⁽¹³⁾	26,594	*
Christine Meredith ⁽¹⁴⁾	13,327	*
Elizabeth M. Keogh	—	*
All directors and executive officers as a group (13 persons total)⁽¹⁵⁾	737,679	1.5%

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* Less than 1%.

- (1) Based on 50,458,604 shares of Common Stock issued and outstanding as of March 23, 2023, plus the 315,988 shares of Common Stock which our directors and executive officers in the aggregate have the right to acquire within sixty (60) days of March 23, 2023.
- (2) Mr. Seligman disclaims beneficial ownership of the shares held by the trust except to the extent of his pecuniary interest, if any, therein.
- (3) Based on a Schedule 13G/A filed by Erwin Rubenstein, J. Thomas MacFarlane and the K.I.S.S. Dynasty Trust No. 9 dated March 2, 2022, on July 6, 2022, Mr. Rubenstein and Mr. MacFarlane, as co-trustees of the K.I.S.S. Dynasty Trust No. 9 dated March 2, 2022, had shared voting and dispositive power over 12,107,732 shares of Common Stock beneficially owned by the K.I.S.S. Dynasty Trust No. 9 dated March 2, 2022. Mr. Rubenstein and Mr. MacFarlane disclaim beneficial ownership of the shares owned by the K.I.S.S. Dynasty Trust No. 9 dated March 2, 2022.
- (4) Based on a Schedule 13D filed by Michael Shawn on September 4, 2020, effective August 19, 2020, Mr. Shawn was appointed as trustee of the K.I.S.S. Dynasty Trust No. 5 and the Sandra Seligman 1993 Long Term Irrevocable Trust, which hold 7,507,318 and 1,473,723 shares of Common Stock, respectively, and Mr. Shawn, in his capacity as trustee, now has sole voting and dispositive power over an aggregate of 8,981,041 shares of Common Stock. We have been advised by the trustee that there have been transfers of all shares of Common Stock held by the trust to entirely separate, but similarly situated, trusts, all under this same trustee.
- (5) Based on a Schedule 13G filed by Harry S. Stern on February 18, 2021, effective November 18, 2020, Mr. Stern was appointed as trustee of the Scott J. Seligman 1993 Long Term Irrevocable Dynasty Trust and the Scott J. Seligman 1993 Irrevocable Dynasty Trust, which hold 5,743,579 and 2,357,957 shares of Common Stock, respectively, and Mr. Stern, in his capacity as trustee, now has sole voting and dispositive power over an aggregate of 8,101,536 shares of Common Stock. Mr. Stern disclaims beneficial ownership of such shares of Common Stock.
- (6) Based on a Schedule 13G filed by the Scott J. Seligman Revocable Living Trust on March 2, 2021, consists of shares held by the trust, over which Scott J. Seligman, former vice president of the Company and founder of the Bank, holds sole voting and dispositive power.
- (7) For Ms. Daitch, Ms. Dedrick, Mr. Gallotta, Mr. Kim, Mr. Wineman and Mr. Wolberg, excludes 2,550 shares of an award of 7,500 shares of restricted stock made pursuant to the 2020 Omnibus Plan on January 1, 2021. These shares under such award have not yet vested, do not carry any voting or dividend rights until vested, but are considered issued and outstanding.
- (8) For Ms. Daitch, Ms. Dedrick, Mr. Gallotta, Mr. Kim, Mr. Wineman and Mr. Wolberg, excludes 5,025 shares of an award of 7,500 shares of restricted stock made pursuant to the 2020 Omnibus Plan on January 1, 2022. These awards have not yet vested, do not carry any voting or dividend rights until vested, but are considered issued and outstanding.
- (9) For Ms. Daitch, Ms. Dedrick, Mr. Donahue, Mr. Gallotta, Mr. Kim, Mr. Okorie, Mr. Wineman and Mr. Wolberg, excludes 7,500 shares of an award of restricted stock made pursuant to the 2020 Omnibus Plan on January 1, 2023. These awards have not yet vested, do not carry any voting or dividend rights until vested, but are considered issued and outstanding.
- (10) Mr. O'Brien holds an option to buy 300,000 shares of Common Stock with an expiration date of June 5, 2030, all of which are now vested. Mr. O'Brien also holds units in the Company's unitized stock fund in the Sterling Bank & Trust 401(k) Plan, consisting primarily of Common Stock and the remainder in cash or cash equivalents. An estimate of 1,740 shares of Common Stock are held in the unitized stock fund and attributed to Mr. O'Brien.
- (11) Mr. Wolberg's holdings include 4,479 shares of restricted stock awards, all of which have vested, and 1,000 shares of Common Stock that are held by the Lyle M. Wolberg Revocable Living Trust.
- (12) Ms. Kimmel holds 17,374 shares of restricted stock awards that have vested or will vest within sixty (60) days and 26,257 shares of restricted stock awards that have not vested, do not carry any voting or dividend rights until vested, but are considered issued and outstanding. Ms. Kimmel also holds an option to buy 3,150 shares of Common Stock with an expiration date of March 21, 2028. Ms. Kimmel also holds units in the Company's unitized stock fund in the Sterling Bank & Trust 401(k) Plan, consisting primarily of Common Stock and the remainder in cash or cash equivalents. An estimate of 1,740 shares of Common Stock are held in the unitized stock fund and attributed to Ms. Kimmel.
- (13) Ms. Knott holds 1,000 shares of Common Stock; 11,250 shares of restricted stock awards that have vested or will vest within sixty (60) days; and 17,013 shares of restricted stock awards that have not vested, do not carry any voting or dividend rights until vested, but are considered issued and outstanding. Ms. Knott also holds an option to buy 2,000 shares of Common Stock with an expiration date of March 21, 2028; an option to buy 3,894 shares of Common Stock with an expiration date of March 1, 2029; and an option to buy 6,444 shares of Common Stock with an expiration date of March 2, 2030. Ms. Knott also holds units in the Company's unitized stock fund in the Sterling Bank & Trust 401(k) Plan, consisting primarily of Common Stock and the remainder in cash or cash equivalents. An estimate of 1,506 shares of Common Stock are held in the unitized stock fund and attributed to Ms. Knott.
- (14) Ms. Meredith holds 11,587 shares of restricted stock awards that have vested or will vest within sixty (60) days and 25,552 shares of restricted stock awards that have not vested, do not carry any voting or dividend rights until vested, but are considered issued and outstanding. Ms. Meredith also holds units in the Company's unitized stock fund in the Sterling Bank & Trust 401(k) Plan, consisting primarily of Common Stock and the remainder in cash or cash equivalents. An estimate of 1,740 shares of Common Stock are held in the unitized stock fund and attributed to Ms. Meredith.
- (15) The directors and executive officers in the aggregate hold vested options to buy 315,988 shares of Common Stock. No additional options are scheduled to vest within sixty (60) days of March 23, 2023.

SHAREHOLDER PROPOSALS FOR THE 2024 ANNUAL MEETING

Deadline for Shareholder Proposals to be Considered for Inclusion in the Company's Proxy Materials

To be considered for inclusion in the Company's proxy statement and form of proxy relating to the annual meeting of shareholders to be held in 2024, a shareholder proposal, including a recommendation of a director nominee, must be received by the Chief Legal Officer of the Company, One Towne Square, Suite 1900, Southfield, Michigan 48076 no later than December 8, 2023, pursuant to the proxy solicitation regulations of the SEC. Nothing in this paragraph shall be deemed to require the Company to include in its proxy statement and proxy card for such meeting any shareholder proposal that does not meet the requirements of the SEC then in effect. Any such proposal will be subject to 17 C.F.R. § 240.14a-8 of the rules and regulations promulgated by the SEC under the Exchange Act.

Deadline for Shareholder Proposals and Director Nominations to be Brought Before the 2024 Annual Meeting

In order to be considered at any meeting, a shareholder proposal, including for the nomination of directors, must (i) comply with the requirements in the Company's Articles of Incorporation and Bylaws as to form and content and (ii) must be received by the Company not less than one hundred twenty (120) days nor more than one hundred eighty (180) days prior to the anniversary date of the immediately preceding annual meeting of shareholders; provided, however, that in the event that the annual meeting is called for a date that is not within twenty (20) days before or after such anniversary date, such notice by the shareholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which such notice of the date of the annual meeting is mailed or transmitted electronically, or public disclosure of the date of the annual meeting is made, whichever first occurs. All shareholder proposals must comply with all requirements of Rule 14a-8 promulgated by the SEC under the Exchange Act.

OTHER MATTERS

The Board of Directors is not aware of any matter to be presented for action at the Annual Meeting, other than the matters set forth herein. If any other business should properly come before the meeting, all properly executed proxies received will be voted regarding the matter as directed by the Board.

The proxy solicitation is being made by the Company and the cost of soliciting proxies will be borne by the Company. If requested, the Company will reimburse banks, brokerage houses and other custodians, nominees and certain fiduciaries for their reasonable expenses incurred in mailing proxy materials to beneficial owners of the Company's common stock. In addition to solicitation by mail, officers and other employees of the Company and its subsidiaries may solicit proxies by telephone, facsimile or in person, without compensation other than their regular compensation.

The Company may elect to send a single copy of its 2022 Annual Report and this proxy statement to any household at which two or more shareholders reside, unless one of the shareholders at such address notifies the Company that he or she desires to receive individual copies. This "householding" practice reduces the Company's printing and postage costs. Shareholders may request to discontinue or re-start householding, or to request a separate copy of the 2022 Annual Report or this proxy statement, as follows:

- Shareholders owning common stock through a bank, broker or other holder of record should contact such record holder directly; and
- Shareholders of record should contact the Company at (248) 355-2400 or at Shareholder Relations, Sterling Bancorp, Inc., One Towne Square, Suite 1900, Southfield, MI 48076. The Company will promptly deliver such materials upon request.

Your cooperation in giving this matter your immediate attention and in voting your shares by proxy promptly will be appreciated.

THE COMPANY'S ANNUAL REPORT ON FORM 10-K FILED WITH THE SEC AND THE COMPANY'S PROXY STATEMENT ARE ALSO AVAILABLE AT [INVESTORS.STERLINGBANK.COM](https://investors.sterlingbank.com) AND WILL BE PROVIDED FREE TO SHAREHOLDERS UPON WRITTEN REQUEST. TO REQUEST A COPY, WRITE TO SHAREHOLDER RELATIONS DEPARTMENT, STERLING BANCORP, INC., ONE TOWNE SQUARE, SUITE 1900, SOUTHFIELD, MICHIGAN 48076.

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It is important that your proxy be submitted promptly in order to ensure your representation at the Annual Meeting. You may vote your shares electronically via the Internet, by using the telephone, or if you prefer the paper copy, you may submit your proxy by completing, signing and dating the proxy card as promptly as possible and returning it in the accompanying envelope (to which no postage need be affixed if mailed in the United States). Please refer to the section entitled “Voting via the Internet, Telephone or by Mail” on page 1 for a description of voting methods. If your shares are held by a bank, brokerage firm or other nominee that holds shares on your behalf and you have not given that nominee instructions on how to vote your shares, your nominee may be prohibited from voting uninstructed shares on a discretionary basis for Proposal Nos. 1 and 2 at the Annual Meeting. We strongly encourage you to vote or, if applicable, provide your nominee with instructions on how to vote your shares.

**LOCATION OF STERLING BANCORP 2023
ANNUAL MEETING OF SHAREHOLDERS**

Wednesday, May 17, 2023, at 1:00 p.m., Eastern Time
www.virtualshareholdermeeting.com/SBT2023



STERLING BANCORP, INC.
 ONE TOWNE SQUARE
 SUITE 1900
 SOUTHFIELD, MI 48076



SCAN TO
 VIEW MATERIALS & VOTE

VOTE BY INTERNET

Before The Meeting - Go to www.proxyvote.com or scan the QR Barcode above

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 p.m. Eastern Time on May 16, 2023. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

During The Meeting - Go to www.virtualshareholdermeeting.com/GBT2023

You may attend the meeting via the Internet and vote during the meeting. Have the information that is printed in the box marked by the arrow available and follow the instructions.

VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions up until 11:59 p.m. Eastern Time on May 16, 2023. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

V12717-P86341

KEEP THIS PORTION FOR YOUR RECORDS
 DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

STERLING BANCORP, INC.		For All	Withhold All	For All Except	To withhold authority to vote for any individual nominee(s), mark "For All Except" and write the number(s) of the nominee(s) on the line below.	
The Board of Directors recommends you vote FOR the following:		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
1. Election of Directors						
Nominees:						
01) Thomas M. O'Brien	06) Denny Kim					
02) Peggy Daitch	07) Eboh Okorie					
03) Tracey Dedrick	08) Benjamin Wineman					
04) Michael Donahue	09) Lyle Wolberg					
05) Steven E. Gallotta						
The Board of Directors recommends you vote FOR proposals 2 and 3:						
2. Advisory, non-binding vote to approve compensation of named executive officers for 2022.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
3. Ratification of the appointment of Crowe LLP as Sterling Bancorp, Inc.'s independent registered public accounting firm.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Please sign exactly as your name(s) appear(s) on this proxy card. If signing as attorney, executor, administrator, trustee or other fiduciary, please give your full title. Joint owners should each sign personally. If a corporation or partnership, please sign in full corporate or partnership name by an authorized officer.						
<input type="text"/>		<input type="text"/>		<input type="text"/>		<input type="text"/>
Signature [PLEASE SIGN WITHIN BOX]		Date		Signature (Joint Owners)		Date

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:
The Notice and Proxy Statement, Annual Report and Form 10-K are available at www.proxyvote.com.

V12718-P86341

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

**STERLING BANCORP, INC.
ANNUAL MEETING OF SHAREHOLDERS
MAY 17, 2023**

The undersigned shareholder(s) hereby appoint(s) Elizabeth M. Keogh and Janice Clark, or either of them, with full power of substitution, as proxies for the undersigned, and hereby authorize(s) them to represent and to vote, as directed on the reverse side of this ballot, all of the shares of common stock of Sterling Bancorp, Inc. that the shareholder(s) is/are entitled to vote at the Annual Meeting of Shareholders to be held at 1:00 p.m., Eastern Time on Wednesday, May 17, 2023, to be held online at www.virtualshareholdermeeting.com/SBT2023, and any adjournment or postponement thereof. The shareholder(s) revoke any proxy previously given to vote at such meeting.

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED AS DIRECTED HEREIN BY THE SHAREHOLDER(S). IF NO SUCH DIRECTIONS ARE MADE, THIS PROXY WILL BE VOTED FOR THE ELECTION OF THE DIRECTOR NOMINEES LISTED ON THE REVERSE SIDE AND FOR PROPOSALS 2 AND 3.

PLEASE MARK, SIGN, DATE AND RETURN THIS PROXY CARD PROMPTLY USING THE ENCLOSED REPLY ENVELOPE.

Continued and to be signed on reverse side



STERLING BANCORP, INC.
ONE TOWNE SQUARE
SUITE 1900
SOUTHFIELD, MI 48076



SCAN TO
VIEW MATERIALS & VOTE

INSTRUCTIONS BY INTERNET

Before The Meeting - Go to www.proxyvote.com or scan the QR Barcode above

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 p.m. Eastern Time on May 11, 2023. Have your voting instructions card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions up until 11:59 p.m. Eastern Time on May 11, 2023. Have your voting instructions card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign and date your voting instructions card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717 by May 11, 2023.

Go to www.virtualshareholdermeeting.com/SBT2023

You may attend the meeting via the Internet but not provide voting instructions at the meeting. Have the information that is printed in the box marked by the arrow available and follow the instructions.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

V12719-P86341

KEEP THIS PORTION FOR YOUR RECORDS
DETACH AND RETURN THIS PORTION ONLY

THIS CONFIDENTIAL VOTING INSTRUCTIONS CARD IS VALID ONLY WHEN SIGNED AND DATED.

<p>STERLING BANCORP, INC.</p> <p>The Board of Directors recommends you vote FOR the following:</p>		<p>For All</p> <p><input type="checkbox"/></p>	<p>Withhold All</p> <p><input type="checkbox"/></p>	<p>For All Except</p> <p><input type="checkbox"/></p>	<p>To withhold authority to vote for any individual nominee(s), mark "For All Except" and write the number(s) of the nominee(s) on the line below.</p> <p>_____</p>										
<p>1. Election of Directors</p> <p>Nominees:</p> <table border="0"> <tr> <td>01) Thomas M. O'Brien</td> <td>06) Denny Kim</td> </tr> <tr> <td>02) Peggy Daitch</td> <td>07) Eboh Okorie</td> </tr> <tr> <td>03) Tracey Dedrick</td> <td>08) Benjamin Wineman</td> </tr> <tr> <td>04) Michael Donahue</td> <td>09) Lyle Wolberg</td> </tr> <tr> <td>05) Steven E. Gallotta</td> <td></td> </tr> </table>		01) Thomas M. O'Brien	06) Denny Kim	02) Peggy Daitch	07) Eboh Okorie		03) Tracey Dedrick	08) Benjamin Wineman	04) Michael Donahue	09) Lyle Wolberg	05) Steven E. Gallotta				
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04) Michael Donahue	09) Lyle Wolberg														
05) Steven E. Gallotta															
<p>The Board of Directors recommends you vote FOR proposals 2 and 3:</p>															
2.	Advisory, non-binding vote to approve compensation of named executive officers for 2022.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>											
3.	Ratification of the appointment of Crowe LLP as Sterling Bancorp, Inc.'s independent registered public accounting firm.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>											
<p>The undersigned hereby instructs the Committee to vote in accordance with the voting instructions indicated above. Please sign exactly as your name(s) appear(s) on this voting instructions card. If signing as attorney, executor, administrator, trustee or other fiduciary, please give your full title. Joint owners should each sign personally.</p>															
<p>_____ Signature [PLEASE SIGN WITHIN BOX]</p>		<p>_____ Date</p>		<p>_____ Signature (Joint Owners)</p>		<p>_____ Date</p>									

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:
The Notice and Proxy Statement, Annual Report and Form 10-K are available at www.proxyvote.com.

V12720-P86341

**STERLING BANCORP, INC.
CONFIDENTIAL VOTING INSTRUCTIONS
SOLICITED BY THE STERLING BANK & TRUST 401(k) PLAN COMMITTEE
FOR THE STERLING BANK & TRUST 401 (k) PLAN**

The undersigned participant, former participant or designated beneficiary of a deceased former participant in the Sterling Bank & Trust 401(k) Plan ("401(k) Plan") hereby provides the following voting instructions, which instructions shall be taken into account by the Sterling Bank & Trust Company 401(k) Plan Committee (the "Committee") in voting the shares and fractional shares of common stock of Sterling Bancorp, Inc. that are held by Ascensus Trust Company, in its capacity as Trustee of the 401(k) Plan, as of March 23, 2023 at the Annual Meeting of Shareholders of the Company to be held on May 17, 2023 and at any adjournment or postponement thereof.

The directions, if any, given in this Confidential Voting Instructions card will be kept confidential from all directors, officers and employees of Sterling Bancorp, Inc. and Sterling Bank and Trust, FSB.

The undersigned participant, former participant or designated beneficiary of a deceased former participant in the 401(k) Plan hereby acknowledges receipt prior to the execution of this Confidential Voting Instructions card of a Voting Instructions Letter, a Notice of Annual Meeting of Sterling Bancorp, Inc., a Proxy Statement dated April 6, 2023 for the Annual Meeting to be held on May 17, 2023 and the 2022 Annual Report to Shareholders.

As to the proposals listed on the reverse side, which are more particularly described in the Proxy Statement dated April 6, 2023, the Committee will vote the common stock of Sterling Bancorp, Inc. held by the 401(k) Plan to reflect the voting instructions on this Confidential Voting Instructions card, in the manner described in the accompanying letter from the Committee dated April 6, 2023.

(Continued on reverse side. Please complete, sign and date on the reverse side and promptly return in the enclosed postage-paid envelope).



April 6, 2023

To: All Sterling Bank & Trust 401(k) Plan Participants with a Portion of their Account Balance Invested in the Unitized Company Stock Fund

Re: Annual Meeting of Shareholders to be held on May 17, 2023

Sterling Bank and Trust FSB, the ("Bank"), a wholly owned subsidiary of Sterling Bancorp, Inc. (the "Company") maintains the Sterling Bank & Trust 401(k) Plan (the "401(k) Plan"). A portion of the 401(k) Plan employer matching funds have been contributed in the form of common stock of the Company that is held in a unitized company stock fund (the "Unitized Company Stock Fund"), which holds the shares of the Company's common stock for the benefit of participants in the 401(k) Plan. Participants have certain voting rights at the Company's shareholder meetings if their account is invested in the Unitized Company Stock Fund on March 23, 2023, the "record date" for the Annual Meeting.

In connection with the Annual Meeting of Shareholders of the Company to be held on May 17, 2023, enclosed are the following documents:

- a) Confidential Voting Instruction card,
- b) Proxy Statement dated April 6, 2023, including a Notice of Annual Meeting of Shareholders,
- c) Annual Report and Form 10-K, and
- d) postage-paid return envelope we have provided addressed to Vote Processing, c/o Broadridge, 51 Mercedes Way, Englewood, NY 11717. Broadridge is the Confidential Voting Instruction tabulator for the 401(k) Plan, and will receive the instructions and tabulate them, and return the aggregate results to the Plan fiduciary.

Voting Instructions for Employer Stock Fund Shares

The Committee will vote at the Annual Meeting the shares of Sterling Bancorp, Inc (the "Shares") that were held in the Unitized Company Stock Fund under the 401(k) Plan as of the March 23, 2023 record date for the Annual Meeting (the "Unitized Company Stock Fund Shares") based on directions received from participants.

As a participant in the 401(k) Plan, you have the right to participate in directing how the shares held in the Unitized Company Stock Fund Shares will be voted, provided that a portion of your 401(k) Plan account was invested in the Unitized Company Stock Fund as of March 23, 2023

MEMBER
FDIC

One Towne Square • Suite 1900 • Southfield, Michigan 48076
(248) 355-2400 • Fax (248) 355-3915 • www.sterlingbank.com



(regardless of whether you subsequently elect to transfer funds out of the Unitized Company Stock Fund). March 23, 2023 is the record date for the Annual Meeting.

The number of Unitized Company Stock Fund Shares allocable to your 401(k) Plan account as of March 23, 2023 is shown on the enclosed Confidential Voting Instruction card.

You may submit your instructions using the enclosed Confidential Voting Instruction card, or via the Internet. To submit your instructions using the card, please mark the appropriate boxes on the card and sign, date and return it in the enclosed postage-paid return envelope. To submit your instructions via the Internet, please follow the instructions on the voting instructions card. If you submit voting instructions, but do not check the box for a particular proposal, this will be interpreted as an instruction to vote according to the recommendation of the Board of Directors for that particular proposal. For your voting instructions to be counted, Broadridge must receive your Confidential Voting Instruction card or Internet voting instructions no later than 11:59 P.M. Eastern Time on May 11, 2023. Broadridge will tabulate the instructions and provide a summary report of the aggregate results to the Committee.

In general, the Unitized Company Stock Fund Shares will be voted "FOR" and "AGAINST" (or in the case of electing directors, "FOR" and "WITHHOLD") each proposal listed on the Confidential Voting Instruction card in the same proportions as instructions to cast votes "FOR" and "AGAINST" (or in the case of electing directors, "FOR" and "WITHHOLD") each proposal are given by those individuals with the right to give voting directions on Unitized Company Stock Fund Shares. Instructions to "ABSTAIN" will not be taken into account for purposes of the direction or the vote of Unitized Company Stock Fund Shares. Each individual's instructions are weighted according to the value of the participant's interest in the Unitized Company Stock Fund as of March 23, 2023.

Confidentiality of Voting Instructions

The instructions of individual participants are to be kept confidential by Broadridge, who have been instructed not to disclose them to anyone at the Bank, Sterling Bancorp, Inc. or the Committee. The Committee will receive only an aggregate of all instructions in order to vote the shares as described above.

Unanticipated Proposals

It is possible, although very unlikely, that proposals other than those specified on the Confidential Voting Instruction card will be presented for shareholder action at the Annual Meeting of Shareholders. **If this should happen, Committee will be instructed to vote upon such matters in the Committee's discretion or to cause such matters to be voted upon in the discretion of the person or persons named in any proxies executed by the Committee.**

Deadline for Providing Voting Instructions

Your instruction is very important. You are encouraged to review the enclosed materials carefully and to submit your voting instructions, either via the Internet as described above, or by completing, signing and dating the enclosed Confidential Voting Instruction card, sealing the card in the enclosed envelope and returning it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Englewood, NY 11717. To participate in directing how the Unitized Company Stock Fund Shares will be voted at the Annual Meeting, your instructions must be received by Broadridge no later than 11:59 P.M. Eastern Time on May 11, 2023.

* * * * *

If you have any questions regarding your voting rights or the terms of the 401(k) Plan, please contact Mayra Castaneda, Total Rewards & HRIS Manager at mcastaneda@sterlingbank.com, or 510-834-3830 ext. 50203.

This memorandum is subject in its entirety to the information set forth in the enclosed Proxy Statement, which you are encouraged to read and study thoroughly.

Very truly yours,

The Sterling Bank & Trust 401(k) Plan Committee
for the Sterling Bank & Trust 401(k) Plan