

Northwest Bancshares, Inc.
Form DEF 14A
March 05, 2013

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 (Amendment No.)

Filed by the Registrant X

Filed by a Party other than the Registrant O

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 Pursuant to §240.14a-12

NORTHWEST BANCSHARES, INC.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
 - (2) Aggregate number of securities to which transaction applies:
 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
 - (4) Proposed maximum aggregate value of transaction:
 - (5) Total fee paid:
- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - (1) Amount Previously Paid:
 - (2) Form, Schedule or Registration Statement No.:
 - (3) Filing Party:
 - (4) Date Filed:

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March 5, 2013

Dear Stockholder:

We cordially invite you to attend the 2013 Annual Meeting of Stockholders of Northwest Bancshares, Inc., the parent company of Northwest Savings Bank. The Annual Meeting will be held at The Struthers Library Theatre, located at 302 W. Third Avenue, Warren, Pennsylvania, at 11:00 a.m. (Pennsylvania time) on April 17, 2013.

The enclosed Notice of Annual Meeting and Proxy Statement describe the formal business to be transacted. During the Annual Meeting we will also report on the operations of Northwest Bancshares, Inc. Our directors and officers, as well as a representative of our independent registered public accounting firm, will be present to respond to any questions that stockholders may have.

The business to be conducted at the Annual Meeting includes the election of five directors, the ratification of the appointment of KPMG LLP as the independent registered public accounting firm for the year ending December 31, 2013 and the consideration of an advisory, non-binding resolution to approve the executive compensation described in the Proxy Statement.

Our Board of Directors has determined that the matters to be considered at the Annual Meeting are in the best interests of Northwest Bancshares, Inc. and its stockholders. For the reasons set forth in the Proxy Statement, the Board of Directors unanimously recommends a vote **FOR** each matter to be considered.

On March 8, 2013, under rules established by the Securities and Exchange Commission, we sent the majority of those stockholders who are eligible to vote at the Annual Meeting a notice that explains how to access their proxy materials, including our 2012 Annual Report, online, rather than in traditional printed form. The notice also explains the simple steps our eligible stockholders can follow in order to vote their shares online or by telephone. If you are among the stockholders who received the notice explaining this process and would prefer to receive your proxy materials in the traditional hard copy format, the notice also explains how to arrange to have the printed materials sent to you in the mail. If you are among those who received their proxy materials in printed form, rather than the notice, please note that you may still access these materials and vote your shares online by going to the following website: www.proxyvote.com.

Please take a moment now to cast your vote via the Internet or by telephone as described on the enclosed proxy card, or alternatively, complete, sign, date and return the proxy card in the postage-paid envelope provided. Voting in advance of the Annual Meeting will not prevent you from voting in person, but will assure that your vote is counted if you are unable to attend the Annual Meeting.

Sincerely,

/s/ William J. Wagner
William J. Wagner
Chairman of the Board,
President and Chief Executive Officer

NORTHWEST BANCSHARES, INC.

100 Liberty Street

Warren, Pennsylvania 16365-2353

(814) 726-2140

NOTICE OF

2013 ANNUAL MEETING OF STOCKHOLDERS

To Be Held On April 17, 2013

Notice is hereby given that the 2013 Annual Meeting of Stockholders of Northwest Bancshares, Inc. will be held at The Struthers Library Theatre, 302 W. Third Avenue, Warren, Pennsylvania, on April 17, 2013 at 11:00 a.m., Pennsylvania time.

A Proxy Card and a Proxy Statement for the Annual Meeting are enclosed.

The Annual Meeting is for the purpose of considering and acting upon:

1. The election of five directors;
2. The ratification of the appointment of KPMG LLP as the independent registered public accounting firm for the year ending December 31, 2013;
3. An advisory, non-binding resolution to approve the executive compensation described in the Proxy Statement; and

such other matters as may properly come before the Annual Meeting, or any adjournments thereof. The Board of Directors is not aware of any other business to come before the Annual Meeting.

Any action may be taken on the foregoing proposals at the Annual Meeting on the date specified above, or on any date or dates to which the Annual Meeting may be adjourned. Stockholders of record at the close of business on February 26, 2013, are the stockholders entitled to vote at the Annual Meeting, and any adjournments thereof.

EVEN IF YOU DO NOT PLAN TO ATTEND THE ANNUAL MEETING, YOU MAY CHOOSE TO VOTE YOUR SHARES USING THE INTERNET OR TELEPHONE VOTING OPTIONS EXPLAINED ON YOUR PROXY CARD OR BY SIGNING, DATING AND

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RETURNING THE ENCLOSED PROXY CARD WITHOUT DELAY IN THE ENCLOSED POSTAGE-PAID ENVELOPE. ANY PROXY THAT YOU GIVE MAY BE REVOKED AT ANY TIME BEFORE IT IS EXERCISED. YOU MAY REVOKE A PROXY BY FILING WITH THE SECRETARY OF NORTHWEST BANCSHARES, INC. A WRITTEN REVOCATION OR A DULY EXECUTED PROXY BEARING A LATER DATE. IF YOU ATTEND THE ANNUAL MEETING YOU MAY REVOKE YOUR PROXY AND VOTE PERSONALLY ON EACH MATTER BROUGHT BEFORE THE MEETING. HOWEVER, IF YOUR SHARES ARE NOT REGISTERED IN YOUR NAME, YOU WILL NEED ADDITIONAL DOCUMENTATION FROM YOUR RECORD HOLDER TO VOTE PERSONALLY AT THE ANNUAL MEETING.

By Order of the Board of Directors

/s/ Gregory C. LaRocca

Gregory C. LaRocca

Executive Vice President and Corporate Secretary

Warren, Pennsylvania

March 5, 2013

Proxy Statement

NORTHWEST BANCSHARES, INC.

100 Liberty Street

Warren, Pennsylvania 16365-2353

(814) 726-2140

2013 ANNUAL MEETING OF STOCKHOLDERS

April 17, 2013

This Proxy Statement is furnished in connection with the solicitation of proxies on behalf of the Board of Directors of Northwest Bancshares, Inc. to be used at the 2013 Annual Meeting of Stockholders of Northwest Bancshares, Inc., which will be held at The Struthers Library Theatre, 302 W. Third Avenue, Warren, Pennsylvania, on April 17, 2013, at 11:00 a.m., Pennsylvania time, and all adjournments of the annual meeting. The accompanying Notice of Annual Meeting of Stockholders and this Proxy Statement are first being mailed to stockholders on or about March 8, 2013.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Holders of record of our shares of common stock, par value \$0.01 per share, as of the close of business on February 26, 2013 are entitled to one vote for each share then held. As of February 26, 2013, there were 93,717,811 shares of common stock issued and outstanding. The presence in person or by proxy of a majority of the outstanding shares of common stock entitled to vote is necessary to constitute a quorum at the annual meeting. Abstentions and broker non-votes will be counted for purposes of determining that a quorum is present.

As to the election of directors, the Proxy Card being provided by the Board of Directors enables a stockholder to vote FOR ALL NOMINEES proposed by the Board, to WITHHOLD AUTHORITY FOR ALL NOMINEES or to vote FOR ALL EXCEPT one or more of the nominees being proposed. Directors are elected by a plurality of votes cast, without regard to either broker non-votes, or proxies as to which the authority to vote for the nominees being proposed is withheld.

As to the ratification of KPMG LLP as our independent registered public accounting firm, by checking the appropriate box, a stockholder may: (i) vote FOR the ratification; (ii) vote AGAINST the ratification; or (iii) ABSTAIN from voting on such ratification. The affirmative vote of a majority of the votes cast at the annual meeting, without regard to either broker non-votes, or shares as to which the ABSTAIN box has been selected on the proxy card, is required for the approval of this matter.

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As to the advisory, non-binding resolution to approve our executive compensation as described in this Proxy Statement, a stockholder may: (i) vote FOR the resolution; (ii) vote AGAINST the resolution; or (iii) ABSTAIN from voting on the resolution. The affirmative vote of a majority of the votes cast at the annual meeting, without regard to either broker non-votes, or shares as to which the ABSTAIN box has been selected on the proxy card, is required for the approval of this non-binding resolution. While this vote is required by law, it will neither be binding on Northwest Bancshares, Inc. or the Board of Directors, nor will it create or imply any change in the fiduciary duties of, or impose any additional fiduciary duty on Northwest Bancshares, Inc. or the Board of Directors.

As provided in Section D of Article 5 of our Articles of Incorporation, record holders of shares owned, directly or indirectly, by a person who beneficially owns in excess of 10% of the outstanding shares of our common stock are not entitled to vote any shares held in excess of this 10% limit. Subject to certain exceptions, a person is deemed to beneficially own shares owned by an affiliate of, as well as by persons acting in concert with, such person. The Board of Directors of Northwest Bancshares, Inc. is authorized to construe and apply the provisions of Section D of Article 5 of the Articles of Incorporation, and to make all determinations it deems necessary or desirable to implement them, including determining the number of shares beneficially owned by any person and whether a person is an affiliate of or has an arrangement or agreement with another person, and to demand certain information from any person who is reasonably believed to beneficially own stock in excess of the 10% limit and

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reimbursement for all expenses incurred by Northwest Bancshares, Inc. in connection with an investigation conducted by the Board of Directors pursuant to the provisions of Article 5, Section D of the Articles of Incorporation.

If you have selected a broker or other intermediary to hold your common stock rather than having them directly registered with our transfer agent, American Stock Transfer & Trust Company, you will receive instructions directly from your broker or other intermediary in order to vote your shares. Your brokerage firm may also provide the ability to vote your proxy by telephone or online. Please be advised that if you choose to not vote your proxy, your brokerage firm has the authority under applicable stock market rules to vote your shares FOR or AGAINST routine matters. The ratification of the appointment of the independent registered public accounting firm is deemed to be a routine matter. Accordingly, we urge you to vote by following the instructions provided by your broker, bank, or other intermediary.

We are taking advantage of Securities and Exchange Commission rules that allow companies to furnish proxy materials to stockholders via the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials (the Notice) to our stockholders of record and beneficial owners, unless they have directed us to provide the materials in a different manner or hold shares of our common stock through our stock-based benefit plans. The Notice provides instructions on how to access and review all of the important information contained in the Company's Proxy Statement and Annual Report to Stockholders, as well as how to cast a vote, over the Internet or by telephone. Stockholders who receive the Notice and who would still like to receive a printed copy of the proxy materials can find instructions for requesting these materials included in the Notice. We plan to mail the Notice to stockholders by March 8, 2013.

Persons and groups who beneficially own in excess of 5% of our shares of common stock are required to file certain reports with the Securities and Exchange Commission regarding such ownership pursuant to the Securities Exchange Act of 1934. The following table sets forth, as of February 26, 2013, the shares of our common stock beneficially owned by each person known to us who was the beneficial owner of more than 5% of the outstanding shares of our common stock.

| Name and Address of Beneficial Owners | Amount of Shares Owned and Nature of Beneficial Ownership (1) | Percent of Shares of Common Stock Outstanding |
|---|---|--|
| Black Rock, Inc. (2) 40 East 52nd Street New York, NY 10022 | 7,642,903 | 8.2% |
| The Vanguard Group, Inc. (3) 100 Vanguard Boulevard Malvern, PA 19355 | 5,697,778 | 6.1% |
| Wellington Management Company, LLP (4) 280 Congress Street Boston, MA 02210 | 5,100,504 | 5.4% |
| Capital World Investors (5) 333 South Hope Street Los Angeles, CA 90071 | 4,850,000 | 5.2% |

(1) In accordance with Rule 13d-3 under the Securities Exchange Act of 1934, a person is deemed to be the beneficial owner for purposes of this table, of any shares of common stock if he has shared voting or investment power with respect to such security, or has a right to acquire beneficial ownership at any time within 60 days from the date as of which beneficial ownership is being determined. As used herein, voting power is the power to vote or direct the voting of shares and investment power is the power to dispose or direct the disposition of shares, and includes all shares held directly as well as by spouses and minor children, in trust and other indirect ownership, over which shares the named

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individuals effectively exercise sole or shared voting or investment power.

- (2) As disclosed in Amendment 1 to Schedule 13G, as filed with the Securities and Exchange Commission on February 8, 2013.
- (3) As disclosed in Amendment 1 to Schedule 13G, as filed with the Securities and Exchange Commission on February 11, 2013.
- (4) As disclosed in a Schedule 13G, as filed with the Securities and Exchange Commission on February 14, 2013.
- (5) As disclosed in Amendment 3 to Schedule 13G, as filed with the Securities and Exchange Commission on February 13, 2013.

REVOCATION OF PROXIES

Stockholders who execute proxies in the form solicited hereby retain the right to revoke them in the manner described below. Unless so revoked, the shares represented by such proxies will be voted at the annual meeting and all adjournments thereof. Proxies solicited on behalf of our Board of Directors will be voted in accordance with the directions given thereon. **You may vote by Internet or telephone as described on your Proxy Card. You may also vote by signing and returning your Proxy Card to Northwest Bancshares, Inc. Proxies we receive that are signed, but contain no instructions for voting, will be voted FOR the proposals set forth in this Proxy Statement for consideration at the annual meeting.**

Proxies may be revoked by sending written notice of revocation to the Secretary of Northwest Bancshares, Inc., Gregory C. LaRocca, at the address shown above, or by returning a duly executed proxy bearing a later date by mail, or voting on a later date by Internet or telephone, as described on your Proxy Card. The presence at the annual meeting of any stockholder who had given a proxy shall not revoke such proxy unless the stockholder delivers his or her ballot in person at the annual meeting or delivers a written revocation to the Secretary prior to the voting of such proxy.

PROPOSAL 1 ELECTION OF DIRECTORS

Our Board of Directors currently consists of ten members, and will consist of 12 members following the completion of the annual meeting. Our bylaws provide that directors are divided into three classes, as nearly equal in number as reasonably possible, such that approximately one-third of the directors are to be elected annually. Our directors are generally elected to serve for a three-year period, or a shorter period if the director is elected to fill a vacancy, and until their respective successors shall have been elected and shall qualify. Five directors will be elected at the annual meeting and will serve until their successors have been elected and qualified. The Nominating Committee has nominated Richard E. McDowell, Joseph F. Long, John P. Meegan and Timothy B. Fannin to serve as directors for three-year terms, and William F. McKnight to serve as a director for a one-year term. Each of Messrs McDowell, Long and Meegan is currently a member of the Board of Directors. Mr. Fannin has served on the Clearfield, Pennsylvania Advisory Board of Northwest Savings since 1998 and Mr. McKnight has served on the Meadville, Pennsylvania Advisory Board of Northwest Savings Bank since 2002. Both Messrs. Fannin and McKnight were recommended to the Nominating Committee for consideration by our President and Chief Executive Officer.

The table below sets forth certain information regarding our nominees and the composition of our Board of Directors as of February 26, 2013 (with age information as of December 31, 2012), including the terms of office of Board members. It is intended that the proxies solicited on behalf of the Board of Directors (other than proxies in which the vote is withheld as to a nominee) will be voted at the annual meeting for the election of the nominees identified below. If one or more nominees is unable to serve, the shares represented by all such proxies will be voted for the election of such substitute or substitutes as the Nominating Committee may recommend. At this time, the Board of Directors knows of no reason why the nominees might be unable to serve, if elected. Except as indicated herein, there are no arrangements or understandings between the nominees and any other person pursuant to which such nominees were selected.

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| Name (1) | Age | Positions Held in Northwest Bancshares, Inc. | Director Since (2) | Current Term to Expire | Shares of Common Stock Beneficially Owned (3) | Percent of Class |
|--|-----|---|--------------------|------------------------|---|------------------|
| NOMINEES | | | | | | |
| Richard E. McDowell | 69 | Director | 1972 | 2013 | 208,943(4) | * |
| Joseph F. Long | 70 | Director | 2001 | 2013 | 131,002(5) | * |
| John P. Meegan | 53 | Director | 2010 | 2013 | 51,457(6) | * |
| Timothy B. Fannin | 59 | None | N/A | N/A | 1,441 | |
| William F. McKnight | 61 | None | N/A | N/A | 10,078 | |
| DIRECTORS CONTINUING IN OFFICE | | | | | | |
| William J. Wagner | 59 | Chairman of the Board, President and Chief Executive Officer | 1994 | 2014 | 753,406(7) | * |
| A. Paul King | 69 | Director | 2001 | 2014 | 131,874(8) | * |
| Sonia M. Probst | 54 | Director | 2011 | 2014 | 25,030(9) | * |
| Richard L. Carr | 71 | Director | 1982 | 2015 | 157,061(10) | * |
| John M. Bauer | 71 | Director | 1999 | 2015 | 110,118(11) | * |
| Philip M. Tredway | 64 | Director | 2007 | 2015 | 53,620(12) | * |
| Deborah J. Chadsey | 55 | Director | 2012 | 2015 | 3,800(13) | * |
| EXECUTIVE OFFICERS WHO ARE NOT DIRECTORS | | | | | | |
| Gregory C. LaRocca | 62 | Executive Vice President and Corporate Secretary | N/A | N/A | 418,874(14) | * |
| William W. Harvey, Jr. | 46 | Executive Vice President- Finance and Chief Financial Officer | N/A | N/A | 219,544(15) | * |
| Steven G. Fisher | 55 | Executive Vice President-Banking Services | N/A | N/A | 329,763(16) | * |
| Timothy A. Huber | 55 | Executive Vice President-Chief Lending Officer | N/A | N/A | 415,852(17) | * |
| All directors, nominees and executive officers as a group (16 persons) | | | | | 3,021,863(18) | 3.2% |

* Less than 1%.

(1) The mailing address for each person listed is 100 Liberty Street, Warren, Pennsylvania 16365-2353.

(2) Reflects initial appointment to the Board of Directors of Northwest Savings Bank for directors elected prior to 1998.

(3) See definition of beneficial ownership in the table in Voting Securities and Principal Holders Thereof.

(4) Includes options to purchase 41,223 shares of common stock, which are exercisable within 60 days of the date as of which beneficial ownership is being determined.

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- (5) Includes options to purchase 41,223 shares of common stock, which are exercisable within 60 days of the date as of which beneficial ownership is being determined.
- (6) Includes options to purchase 11,007 shares of common stock, which are exercisable within 60 days of the date as of which beneficial ownership is being determined.
- (7) Includes options to purchase 195,400 shares of common stock, which are exercisable within 60 days of the date as of which beneficial ownership is being determined.
- (8) Includes options to purchase 41,223 shares of common stock, which are exercisable within 60 days of the date as of which beneficial ownership is being determined.
- (9) Includes options to purchase 8,435 shares of common stock, which are exercisable within 60 days of the date as of which beneficial ownership is being determined.
- (10) Includes options to purchase 41,223 shares of common stock, which are exercisable within 60 days of the date as of which beneficial ownership is being determined.
- (11) Includes options to purchase 41,223 shares of common stock, which are exercisable within 60 days of the date as of which beneficial ownership is being determined.
- (12) Includes options to purchase 23,223 shares of common stock, which are exercisable within 60 days of the date as of which beneficial ownership is being determined.
- (13) Includes options to purchase 720 shares of common stock, which are exercisable within 60 days of the date as of which beneficial ownership is being determined.
- (14) Includes options to purchase 104,801 shares of common stock, which are exercisable within 60 days of the date as of which beneficial ownership is being determined.
- (15) Includes options to purchase 107,410 shares of common stock, which are exercisable within 60 days of the date as of which beneficial ownership is being determined.
- (16) Includes options to purchase 95,118 shares of common stock, which are exercisable within 60 days of the date as of which beneficial ownership is being determined.
- (17) Includes options to purchase 93,665 shares of common stock, which are exercisable within 60 days of the date as of which beneficial ownership is being determined.
- (18) Includes options to purchase 850,699 shares of common stock, which are exercisable within 60 days of the date as of which beneficial ownership is being determined.

Directors and Nominees

The biographies of each of the nominees and continuing board members below contains information regarding the person's business experience and the experiences, qualifications, attributes or skills that caused the Nominating Committee and the Board of Directors to determine that the person should serve as a director. The principal occupation during the past five years of each of our directors and nominees is set forth below. All directors have held their present positions for five years unless otherwise stated. Each existing director is also a director of Northwest Savings Bank.

William J. Wagner was named President and Chief Executive Officer of Northwest Savings Bank in August 1998, President and Chief Executive Officer of Northwest Bancshares, Inc. in June 2001 and Chairman of the Board of Northwest Savings Bank and Northwest Bancshares, Inc. in July 2003. Mr. Wagner was the Chief Financial Officer of Northwest Savings Bank since joining the bank in 1984 and was named Chief Operating Officer in 1996. Mr. Wagner was appointed Executive Vice President in 1992 and was elected to the Board of Directors in 1994. He serves on the Board of the Warren County Chamber of Business and Industry and the Board of the University of Pittsburgh at Bradford. Mr. Wagner is a certified public accountant and holds a BS degree in accounting from Indiana University of Pennsylvania. Mr. Wagner has deep and extensive knowledge of our market area, accounting matters and banking matters, making him uniquely qualified to be our Chairman of the Board and Chief Executive Officer.

John M. Bauer is co-founder and partner of Contact Technologies, Inc., an electrical component manufacturer in St. Marys, Pennsylvania, where he also served as President from 1999 through 2008. In 2008 he assumed the role of Co-Chairman of the company. Prior to starting his own business, Mr. Bauer served as the Director of Finance for the Stackpole Corporation, where he oversaw the corporate finance and accounting areas. He holds a BBA degree in accounting from St. Bonaventure University. Mr. Bauer's experience as a business owner provides a unique perspective to the Board of Directors and his professional appointments enhance the Board of Directors' oversight of financial reporting and disclosure issues.

Richard L. Carr served as Superintendent of the Titusville Area School District, Titusville, Pennsylvania from 1986 until his retirement in 1996. As superintendent, he had responsibility for the management of the financial, facilities, staffing and educational operations of the District. Mr. Carr is a Board member and former Chairman of the Titusville Area Medical Center. He holds BS and M.Ed. degrees from McNeese University and a Superintendent's Certificate from Penn State University. Mr. Carr was appointed Lead Director of Northwest Bancshares, Inc. in 2003. Mr. Carr's experience overseeing a large corporate entity provides the Board of Directors with an important perspective on financial management, human resources and corporate governance.

Deborah J. Chadsey is an attorney who has practiced law for over 25 years. She is currently a partner in the Buffalo, New York law firm Kavinoky Cook LLP. Prior to joining Kavinoky Cook LLP, Ms. Chadsey practiced law with Lippes, Silverstein and Phillips, Lytle, both also in Buffalo, New York. She has been on the Northwest Savings Bank Board of Directors since December 2011. In addition, she sits on the Board of Directors for the Western New York Land Conservancy and Kensington-Bailey Neighborhood Housing Services/Gloria Parks Community Center. Ms. Chadsey graduated from Columbia University Law School in New York, New York where she was a Harlen Fiske Stone Scholar and is licensed to practice law in Pennsylvania, New York, and multiple federal district, bankruptcy and appellate courts. Ms. Chadsey brings to the Board specialization and experience in environmental and municipal law as well as commercial finance, land use and contract law.

Timothy B. Fannin is a partner in the firm Catalano, Case, Catalano & Fannin, Certified Public Accountants headquartered in Clearfield, Pennsylvania where he has worked since 1986. Mr. Fannin is a U.S. Army Veteran and graduated from the University of Pittsburgh with a BS in Business/Public Administration and holds a MBA from Clarion University of Pennsylvania. He holds the designations of Certified Public Accountant in the State of Pennsylvania, Certified Valuation Analyst, and is Certified in Financial Forensics. In addition, he was an adjunct Professor of Accounting and Finance at Pennsylvania State University from 2007 to 2009. He has been an Advisory Board Member of

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Northwest Savings Bank since 1998. Mr. Fannin's public accounting background and professional designations will assist the Board in its oversight of the audit, tax, financial reporting and risk management areas.

Dr. A. Paul King recently retired from Oral Surgery of Erie, Erie, Pennsylvania, where he had been President since 1999, and was Vice President from 1974 through 1999. He was previously a Director of The Heritage Trust Company, which was acquired by Northwest Savings Bank in 2000. Dr. King served as President of both the Erie County Dental Association and the Western Pennsylvania Society of Oral Surgeons. He is a U.S. Army Veteran and received his BA degree from Washington and Jefferson College, and his Medical degree from the University of Pittsburgh. Dr. King's knowledge of running a small business and the Erie, Pennsylvania business environment provide an important perspective to the Board of Directors.

Joseph F. Long has served as President/Treasurer of the Passavant Hospital Foundation in Pittsburgh, Pennsylvania since January 2000. He is a member of the Finance Committee for the Foundation and Passavant Hospital. He is also a member of the Audit Committee of the University of Pittsburgh Medical Center which consists of 20 Hospitals. Mr. Long is a certified public accountant, holds a BS degree in Accounting from Duquesne University and retired as a partner of KPMG LLP in January 2000. During Mr. Long's 36 years at KPMG LLP he held positions including Regional Partner in charge of thrift practice for the third Federal Home Loan Bank District and partner in charge of financial service assurance based consulting services for KPMG LLP's mid-Atlantic area. He was also a member of the KPMG LLP firm-wide Audit Committee. Mr. Long's career in public accounting benefits the Board of Directors in its oversight of financial reporting and disclosure issues.

William F. McKnight has been the controller for Interstate Chemical Company, Inc. in Hermitage, Pennsylvania since 2006. Prior to joining Interstate Chemical Company, Inc. he was a partner with the CPA firm McGill, Power, Bell & Associates where he specialized in tax planning and advising. Mr. McKnight holds a Bachelor of Science in Business Management from Drake University and is a Certified Public Accountant. He has been a member of Northwest Savings Bank's Meadville Advisory Board since September 2002. Mr. McKnight's industry experience and background in tax and public accounting will assist the Board in its oversight of the audit, tax, financial reporting and risk management areas.

John P. Meegan is Executive Vice President and Chief Operating Officer of Hefren-Tillotson, Inc., a Pittsburgh-based investment management firm. Prior to joining Hefren-Tillotson he held various senior level positions with both regional and national brokerage firms. Mr. Meegan previously served as a director of Prestige Bank, which was acquired by Northwest Savings Bank in 2002. He served on Northwest Savings Bank's Southwest Region Advisory Board since that time, and in October 2009 he was elected to the Northwest Savings Bank Board of Directors. Mr. Meegan is a certified public accountant, and holds a degree in Economics from Amherst College and an MBA from New York University. He also serves as Chairman of the Financial Responsibility and Uniform Practice Committees for FINRA. Mr. Meegan's extensive knowledge of investment management matters enhances the oversight of our trust and investment activities, and his work with FINRA broadens the Board of Directors' knowledge of the capital markets.

Dr. Richard E. McDowell is President Emeritus of the University of Pittsburgh at Bradford, Bradford, Pennsylvania. He served as President of the University from 1973 until August 2002 and during his tenure he had overall responsibility for the fiscal, academic, funding and facility management of the University's Bradford Campus. As a member of the University of Pittsburgh's administration, he served on numerous task forces and committees, and in a variety of University-wide capacities, including the Council of Deans. He is currently an Associate Professor who teaches courses in the departments of biology, management/entrepreneurship, and public relations. Dr. McDowell holds a BS degree from High Point University and MS and PhD. degrees from St. Louis University. Dr. McDowell brings expertise in business management, corporate governance and public relations matters.

Sonia M. Probst is the retired Chief Executive Officer of the Rouse Estate in Youngsville Pennsylvania, where she was employed for 28 years. The Rouse Estate is a campus of skilled nursing, assisted living and child day care facilities serving western Pennsylvania. In this highly regulated healthcare environment, she served as Compliance Officer and developed and oversaw the Compliance Program. In addition, she was responsible for: strategic planning; development; revenue growth; compensation and benefit structures; financial and regulatory audits; and investment management of pension, 403(b) and depreciation funds. Ms. Probst earned a BA from Lebanon Valley College and an MSW from West Virginia University. She has served as a Director of Northwest Savings Bank since May 2010. She also serves on the Warren County Chamber of Business and Industry Board of

Directors and the Steering Committee for Leadership Warren County. Ms. Probst brings to the Board firsthand experience in managing compliance, finance and operations in a diverse, highly regulated, multiple service organization.

Philip M. Tredway has been President and Chief Executive Officer of Erie Molded Plastics, Inc., Erie, Pennsylvania since 1982. His responsibilities include management and financial reporting for the company. He was recently appointed to the Pittsburgh Region Advisory Board of the Federal Reserve Bank of Cleveland. He is also a past Chairman and Board member of the Manufacturers and Business Association of Erie, Pennsylvania and past Board member and Treasurer of the Erie Community Foundation. He holds both BA and MBA degrees in Finance from Lehigh University. Mr. Tredway has extensive knowledge of financial reporting issues and his term on the Federal Reserve Bank of Cleveland advisory board provides insight into regional economic conditions, the banking industry, and the regulatory environment.

Executive Officers who are not Directors

The principal occupation during the past five years of each of our executive officers, other than Mr. Wagner, is set forth below. All executive officers have held their present positions for five years unless otherwise stated.

Gregory C. LaRocca was employed by Northwest Savings Bank beginning in 1992, and currently serves as Executive Vice President and Corporate Secretary for Northwest Savings Bank and Northwest Bancshares, Inc. and as manager of the Investment and Trust Services Group. Mr. LaRocca was previously Chief Executive Officer of American Federal Savings, which was acquired by Northwest Savings Bank in March 1992. He holds BA and MBA degrees from Gannon University.

William W. Harvey, Jr. has been employed by Northwest Savings Bank since 1996 and currently serves as Executive Vice President, Finance and Chief Financial Officer for Northwest Savings Bank and Northwest Bancshares, Inc. Prior to joining Northwest, Mr. Harvey served as a senior auditor and tax specialist for KPMG LLP in Pittsburgh, Pennsylvania. Mr. Harvey is a certified public accountant and holds a BS degree in accounting from Indiana University of Pennsylvania.

Steven G. Fisher has been employed by Northwest Savings Bank since 1983, most recently as Executive Vice President of the Banking Services Group. He was formerly Senior Vice President of Operations of Northwest Savings Bank. Mr. Fisher holds a BS degree from West Virginia Wesleyan College and is a graduate of the Graduate School of Banking at the University of Wisconsin-Madison.

Timothy A. Huber has been employed by Northwest Savings Bank since 1985, most recently as Executive Vice President and Chief Lending Officer. He was formerly Senior Vice President of the Commercial Lending Division of Northwest Savings Bank. Prior to joining Northwest, Mr. Huber was an examiner with the Office of the Comptroller of the Currency. Mr. Huber holds a BA degree from West Virginia Wesleyan College and an MBA from Penn State University.

Board Independence

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The Board of Directors has determined that Directors Bauer, Carr, Chadsey, King, Long, McDowell, Meegan, Probst and Tredway are, and nominees Fannin and McKnight will be, independent within the meaning of the Nasdaq corporate governance listing standards. Mr. Wagner is not independent by virtue of being an employee of Northwest Savings Bank. In addition, the Board of Directors has appointed Mr. Carr as Lead Director. In this capacity, Mr. Carr chairs the meetings of the independent directors and other meetings of the Board when the Chairman is excused or absent. Mr. Carr also acts as liaison between the Chairman and the independent directors.

In determining the independence of the directors and the nominees listed above, the Board of Directors reviewed the following transactions, none of which are required to be reported under Transactions With Certain Related Persons, below. Directors Carr and McDowell each have a Northwest Savings Bank credit card. Directors Carr, King and McDowell have a home equity line of credit with Northwest Savings Bank. Director Bauer has a

credit card with Northwest Savings Bank and Contact Technologies, Inc., where he is currently Co-Chairman, has a commercial line of credit. Director Chadsey has a residential mortgage loan and a home equity line of credit with Northwest Savings Bank and Kavinoky Cook, LLP, where she is a law partner, has a commercial line of credit. Kavinoky Cook, LLP also received legal fees from Northwest Savings Bank, directly and indirectly, during the year ended December 31, 2012. Additional loans (including mortgage loans, lines of credit, credit cards and automobile loans) have been made to related persons of Directors Bauer, Carr, Chadsey, King, Long, McDowell and Tredway.

Board Leadership Structure and Oversight

The Board of Directors currently combines the role of Chairman of the Board with the role of Chief Executive Officer, coupled with a lead director position to further strengthen the governance structure. The Board believes this provides us an efficient and effective leadership model. Combining the Chairman and Chief Executive Officer roles fosters clear accountability, effective decision-making, and alignment on corporate strategy. To assure effective independent oversight, the board has adopted a number of governance practices, including:

- a strong, independent, clearly-defined lead director role;
- periodic meetings of the independent directors; and
- annual performance evaluations of the Chairman and Chief Executive Officer by the independent directors.

The board recognizes that, depending on the circumstances, other leadership models, such as a separate independent chairman of the board, might be appropriate. Accordingly, the board periodically reviews its leadership structure.

A key responsibility of the Chief Executive Officer and the board is ensuring that an effective process is in place to provide continuity of leadership over the long term at all levels in our company. Each year, succession planning reviews are held at every significant organizational level of our company, culminating in a full review of senior leadership talent by the independent directors. During this review, the Chief Executive Officer and the independent directors discuss future candidates for senior leadership positions, succession timing for those positions, and development plans for the highest-quality candidates. This process ensures continuity of leadership over the long term, and it forms the basis on which we make ongoing leadership assignments. It is a key success factor in managing the long-term planning and investment lead times of our business.

In addition, the Chief Executive Officer maintains in place at all times, and reviews with the independent directors, a confidential plan for the timely and efficient transfer of his or her responsibilities in the event of an emergency or his or her sudden incapacitation or departure.

The Board of Directors is actively involved in oversight of risks that could affect Northwest Bancshares, Inc. This oversight is conducted primarily through committees of the Board of Directors, but the full Board of Directors has retained responsibility for general oversight of risks. The Board has designated a Risk Management Committee, consisting of all independent directors, to meet quarterly for the specific purpose of

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evaluating our exposure to all risks specifically identified in banking regulations: credit, interest rate, strategic/capital, market price, liquidity, operational, business resumption, compliance/legal/regulatory, foreign exchange and reputation. The Risk Management Committee reports are prepared and presented by our Chief Risk Officer. The Board of Directors also satisfies this responsibility through reports to the Board of Directors by the committee chair of all board committees regarding the committees' considerations and actions, through review of minutes of committee meetings and through regular reports directly from officers responsible for oversight of particular risks within Northwest Bancshares, Inc. Risks relating to the direct operations of Northwest Savings Bank are further overseen by the Board of Directors of Northwest Savings Bank, which generally consists of the same individuals who serve on the Board of Directors of Northwest Bancshares, Inc. The Board of Directors of Northwest Savings Bank also has additional committees that conduct risk oversight, and such committees typically meet jointly with the committees of Northwest Bancshares, Inc. All committees are responsible for the establishment of policies that guide

management and staff in the day-to-day operation of Northwest Bancshares, Inc. and Northwest Savings Bank such as lending, risk management, asset/liability management, investment management and others.

Meetings and Committees of the Board of Directors

The business of Northwest Bancshares, Inc. is conducted at regular and special meetings of the full Board and its standing committees. In addition, our independent directors meet in executive sessions. The standing committees consist of the Executive, Audit, Compensation, Compliance, Nominating, Risk Management, Governance and Trust Committees. Mr. Wagner, our Chairman of the Board, President and Chief Executive Officer, is a member of the Executive and Trust Committees. During the year ended December 31, 2012, the Board of Directors of Northwest Bancshares, Inc. met at 12 regular meetings and one special meeting. No member of the Board or any committee thereof attended fewer than 75% of the aggregate of: (i) the total number of meetings of the Board of Directors (held during the period for which he or she has been a director); and (ii) the total number of meetings held by all committees of the Board on which he or she served (during the periods that he or she served).

The following table sets forth the members of our Compensation, Audit and Nominating Committees.

| Director | Compensation Committee | Audit Committee | Nominating Committee |
|---------------------|------------------------|-----------------|----------------------|
| John M. Bauer | X | X* | X |
| Richard L. Carr | X* | X | X* |
| Deborah J. Chadsey | | | |
| A. Paul King | X | X | X |
| Joseph F. Long | X | X | |
| Richard E. McDowell | X | X | |
| John P. Meegan | X | X | |
| Sonia M. Probst | X | X | X |
| Philip M. Tredway | X | X | X |

* Denotes Chairperson.

The duties and responsibilities of the Compensation, Audit and Nominating Committees are as follows.

Compensation Committee. The Compensation Committee is generally composed of independent, non-employee directors who are not eligible to participate in management compensation programs. Such committee members also must not receive, directly or indirectly, fees in excess of \$10,000 per year from us other than fees for service as a director. The Compensation Committee meets at least quarterly, or more frequently if necessary. Our Governance Committee has adopted a written charter for the Compensation Committee, which is available on our website at <http://www.northwestsavingsbank.com>. The Compensation Committee of Northwest Bancshares, Inc. met four times during the year ended December 31, 2012. The purpose of the Compensation Committee is to, among other things, evaluate:

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- the compensation of the executive officers, other senior officers and employees, including oversight of base salary, cash incentive compensation, equity-based awards and other benefits and perquisites; and
- the performance of the Chief Executive Officer on an annual basis and approve the base salary, cash incentive bonus, equity-based incentive awards and other compensation of the Chief Executive Officer.

In furtherance of these objectives, the Compensation Committee is responsible, among others, for:

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- approving the corporate compensation philosophy, including overseeing and monitoring the executive compensation policies, plans and programs for such officers to ensure that they are consistent with the compensation philosophy and the long-term interests of our stockholders;
- reviewing and, if appropriate, amending and approving management's recommendations for compensation issues such as salary ranges, annual merit increases, annual bonuses and long-term incentive plans, including equity-based compensation programs such as stock options and restricted stock awards;
- annually reviewing the Chief Executive Officer's evaluation of the performance of the senior executives who report directly to the Chief Executive Officer in connection with its overall review of executive compensation;
- evaluating, reviewing and approving the execution of management contracts and severance agreements for senior executives and reviewing the annual renewal of such contracts;
- reviewing and approving all employee benefit plans, including retirement plans and health insurance;
- at least annually, in consultation with the Chief Executive Officer, reviewing succession planning and management development activities and strategies regarding the Chief Executive Officer and other members of senior management;
- annually issuing the Compensation Committee Report, which is included in our annual proxy statement; and
- annually reviewing Management's Annual Risk Review Analysis of our compensation practices.

The Compensation Committee has available to it the resources and authority necessary to properly discharge its duties and responsibilities, including the authority to retain counsel and other experts or consultants. The Compensation Committee, in performing these duties and responsibilities with respect to director and executive officer compensation, relies on the assistance of professionals within our Human Resources Department. Although the Human Resources Department utilizes survey information provided by compensation consultants in recommending compensation levels, the Compensation Committee does not directly utilize compensation consultants in determining director or executive officer compensation.

Audit Committee. Each member of the Audit Committee is independent as defined in the Nasdaq corporate governance listing standards and under Securities and Exchange Commission Rule 10A-3. The Board of Directors has determined that each of Messrs. Bauer, Long and Meegan qualifies as an audit committee financial expert as that term is used in the rules and regulations of the Securities and Exchange Commission. Information with respect to the experience of Messrs. Bauer, Long and Meegan is included in Directors. Our Governance Committee has adopted a written charter for the Audit Committee, which is available on our website at <http://www.northwestsavingsbank.com>. The Audit

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Committee of Northwest Bancshares, Inc. met five times during the year ended December 31, 2012.

The duties and responsibilities of the Audit Committee include, among other things:

- retaining, overseeing and evaluating an independent registered public accounting firm to audit our annual financial statements;
- overseeing our external financial reporting processes;
- approving all engagements for audit and non-audit services by the independent registered public accounting firm;

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- reviewing the audited financial statements with management and the independent registered public accounting firm;
- considering whether certain relationships with the independent registered public accounting firm and services not related to the annual audit and quarterly reviews is consistent with maintaining the independent registered public accounting firm's independence;
- overseeing the activities of the internal audit staff and reviewing management's administration of the system of internal accounting controls;
- engaging a third-party provider of internal audit services and determining that the provider has adequate expertise to fulfill its duties; and
- conducting an annual performance evaluation of the Committee and annually reviewing the adequacy of its charter.

Nominating Committee. The Nominating Committee Charter provides that the Nominating Committee will consist of all independent directors not subject to reelection at the next annual meeting of stockholders. Each member of the Nominating Committee is considered independent as defined in the Nasdaq corporate governance listing standards. Such committee members also must not receive, directly or indirectly, fees in excess of \$10,000 per year from us other than fees for service as a director. Our Governance Committee has adopted a written charter for the Nominating Committee, which is available on our website at <http://www.northwestsavingsbank.com>. The Nominating Committee of Northwest Bancshares, Inc. met once during the year ended December 31, 2012.

The functions of the Nominating Committee include the following:

- leading the search for individuals qualified to become members of the Board and selecting director nominees to be presented for stockholder approval;
- developing and recommending to the Board of Directors other specific criteria for the selection of individuals to be considered for election or re-election to the Board of Directors;
- adopting procedures for the submission of recommendations by stockholders for nominees for the Board of Directors;
and

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- conducting an annual performance evaluation of the Committee and annually reviewing the adequacy of its charter and recommending any proposed changes to the Board of Directors.

The Nominating Committee identifies nominees by first evaluating the current members of the Board of Directors willing to continue in service. Current members of the Board with skills and experience that are relevant to our business and who are willing to continue in service are first considered for re-nomination, balancing the value of continuity of service by existing members of the Board with that of obtaining a new perspective. In addition, the Committee is authorized by its charter to engage a third party to assist in the identification of director nominees, if it chooses to do so. The Nominating Committee would seek to identify a candidate who, at a minimum, satisfies the following criteria:

- the highest personal and professional ethics and integrity and whose values are compatible with our values;
- experience and achievements that have given them the ability to exercise and develop good business judgment;
- a willingness to devote the necessary time to the work of the Board and its committees, which includes being available for Board and committee meetings;

- a familiarity with the communities in which we operate and/or is actively engaged in community activities;
- involvement in other activities or interests that do not create a conflict with their responsibilities to Northwest Bancshares, Inc. and its stockholders; and
- the capacity and desire to represent the balanced, best interests of our stockholders as a group, and not primarily a special interest group or constituency.

The Board seeks independent directors who represent a mix of backgrounds and experiences that will enhance the quality of the Board's deliberations and decisions. The board is particularly interested in maintaining a mix that includes active or retired business professionals and senior executives, particularly those with experience in management, operations, finance, accounting, banking, risk management, compliance, or marketing and sales. As part of its periodic self-assessment process, the Board discusses the diversity of specific skills and characteristics necessary for the optimal functioning of the Board in its oversight of Northwest Bancshares, Inc. over both the short- and longer term. The Nominating Committee then gives consideration to these specific skill areas or experiences when considering candidates for nomination. Specific qualities or experiences could include matters such as experience in our industry, financial or technological expertise, leadership experience and relevant geographical experience. The effectiveness of the Board's diverse mix of skills and experiences is considered as part of each Board self-assessment.

In addition to meeting these qualifications, a person is not qualified to serve as a director if he or she: (1) is under indictment for, or has ever been convicted of, a criminal offense involving dishonesty or breach of trust and the penalty for such offense could be imprisonment for more than one year; (2) is a person against whom a banking agency has, within the past ten years, issued a cease and desist order for conduct involving dishonesty or breach of trust and that order is final and not subject to appeal; or (3) has been found either by a regulatory agency whose decision is final and not subject to appeal or by a court to have (i) breached a fiduciary duty involving personal profit or (ii) committed a willful violation of any law, rule or regulation governing banking, securities, commodities or insurance, or any final cease and desist order issued by a banking, securities, commodities or insurance regulatory agency.

The Nominating Committee will also take into account whether a candidate satisfies the criteria for independence under the Nasdaq corporate governance listing standards.

Procedures for the Recommendation of Director Nominees by Stockholders. The Nominating Committee has adopted procedures for the submission of recommendations for director nominees by stockholders. There have been no material changes to these procedures since they were previously disclosed in Northwest Bancshares, Inc.'s proxy statement for the 2012 Annual Meeting of Stockholders. If a determination is made that an additional candidate is needed for the Board of Directors, the Nominating Committee will consider candidates submitted by our stockholders. Stockholders can submit the names of qualified candidates for Director by writing to us at 100 Liberty Street, P.O. Box 128, Warren, Pennsylvania 16365, Attention: Corporate Secretary. The Corporate Secretary must receive a submission not less than 180 days prior to the anniversary date of our proxy materials for the preceding year's annual meeting, which, for the 2014 Annual Meeting of Stockholders, is no later than September 6, 2013.

The submission must include the following information:

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- a statement that the writer is a stockholder and is proposing a candidate for consideration by the Committee;
- the name and address of the stockholder as they appear on our books, and number of shares of our common stock that are owned beneficially by such stockholder (if the stockholder is not a holder of record, appropriate evidence of the stockholder's ownership will be required);

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- the name, address and contact information for the candidate, and the number of shares of our common stock that are owned by the candidate (if the candidate is not a holder of record, appropriate evidence of the stockholder's ownership should be provided);
- a statement of the candidate's business and educational experience;
- such other information regarding the candidate as would be required to be included in the proxy statement pursuant to Securities and Exchange Commission Regulation 14A;
- a statement detailing any relationship between the candidate and any customer, supplier or competitor of Northwest Bancshares, Inc. or its affiliates;
- detailed information about any relationship or understanding between the proposing stockholder and the candidate;
- a statement of the candidate that the candidate is willing to be considered and willing to serve as a director if nominated and elected; and
- A statement that the candidate is not: (1) under indictment for, or has ever been convicted of, a criminal offense involving dishonesty or breach of trust and the penalty for such offense could be imprisonment for more than one year; (2) a person against whom a banking agency has, within the past ten years, issued a cease and desist order for conduct involving dishonesty or breach of trust that order is final and not subject to appeal; or (3) a person who has been found either by a regulatory agency whose decision is final and not subject to appeal or by a court to have (i) breached a fiduciary duty involving personal profit or (ii) committed a willful violation of any law, rule or regulation governing banking, securities, commodities or insurance, or any final cease and desist order issued by a banking, securities, commodities or insurance regulatory agency.

A nomination submitted by a stockholder for presentation by the stockholder at an annual meeting of stockholders must comply with the procedural and informational requirements described in our Bylaws.

Stockholder Communications with the Board. A stockholder of Northwest Bancshares, Inc. who wants to communicate with the Board of Directors or with any individual director can write to: Board of Directors, Northwest Bancshares, Inc., 100 Liberty Street, P.O. Box 128, Warren, Pennsylvania 16365, Attention: Corporate Secretary. The letter should indicate that the author is a stockholder of Northwest Bancshares, Inc. and, if shares are not held of record, should include appropriate evidence of stock ownership. Depending on the subject matter, the Corporate Secretary will:

- forward the communication to the director or directors to whom it is addressed; or

- attempt to handle the inquiry directly, or forward the communication for response by another employee of Northwest Bancshares, Inc. For example, a request for information about us on a stock-related matter may be forwarded to our stockholder relations officer; or
- not forward the communication if it is primarily commercial in nature or relates to an improper or irrelevant topic.

The Corporate Secretary will prepare a general summary of those communications that were not forwarded and provide a summary of activity to the Board of Directors each quarter.

Attendance at Annual Meetings of Stockholders

Although we do not have a formal written policy regarding director attendance at annual meetings of stockholders, it is expected that directors will attend these meetings absent unavoidable scheduling conflicts. All of

Northwest Bancshares, Inc.'s then-current directors attended the prior year's annual meeting of stockholders of Northwest Bancshares, Inc.

Code of Ethics

We have adopted a Code of Ethics that is applicable to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer, or persons performing similar functions. The Code of Ethics is available on our website at <http://www.northwestsavingsbank.com>. Amendments to and waivers from the Code of Ethics with respect to directors and executive officers will also be disclosed on our website.

Code of Conduct

We have adopted a Code of Conduct that is applicable to all employees. Each year, employees receive training with respect to the expectations specified in the Code of Conduct, and acknowledge that they understand their responsibilities and will comply with all aspects of the Code of Conduct.

Audit Committee Report

The Audit Committee has issued a report that states as follows:

- we have reviewed and discussed with management and the independent registered public accounting firm our audited consolidated financial statements for the year ended December 31, 2012;
- we have discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 61, as amended; and
- we have received the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent registered public accounting firm's communications with the Audit Committee concerning independence, and have discussed with the independent registered public accounting firm their independence.

Based on the review and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements be included in our Annual Report on Form 10-K for the year ended December 31, 2012 for filing with the Securities and Exchange Commission.

This report has been provided by the Audit Committee, which consists of Directors Bauer (Chairman), Carr, King, Long, McDowell, Meegan, Probst and Tredway.

Section 16(a) Beneficial Ownership Reporting Compliance

Our common stock is registered pursuant to Section 12(b) of the Securities Exchange Act of 1934. The officers and directors of Northwest Bancshares, Inc. and beneficial owners of greater than 10% of our shares of common stock (10% beneficial owners) are required to file reports on Forms 3, 4 and 5 with the Securities and Exchange Commission disclosing beneficial ownership and changes in beneficial ownership. Securities and Exchange Commission rules require disclosure in our Proxy Statement and Annual Report on Form 10-K of the failure of an officer, director or 10% beneficial owner of the shares of common stock to file a Form 3, 4 or 5 on a timely basis. Based on our review of such ownership reports, we believe that no officer, director or 10% beneficial owner of Northwest Bancshares, Inc. failed to file such ownership reports on a timely basis for the year ended December 31, 2012.

Compensation Committee Interlocks and Insider Participation

Our Compensation Committee determines the salaries to be paid each year to the Chief Executive Officer and those executive officers who report directly to the Chief Executive Officer. The Compensation Committee consists of Directors Carr, who serves as Chairman, Bauer, King, Long, McDowell, Meegan, Probst and Tredway. None of these individuals was an officer or employee of Northwest Bancshares, Inc. during the year ended December 31, 2012, or is a former officer of Northwest Bancshares, Inc. None of the members of the Compensation Committee had any relationship requiring disclosure under Transactions with Certain Related Persons.

During the year ended December 31, 2012, (i) no executive officer of Northwest Bancshares, Inc. served as a member of the compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the entire board of directors) of another entity, one of whose executive officers served on the Compensation Committee of Northwest Bancshares, Inc.; (ii) no executive officer of Northwest Bancshares, Inc. served as a director of another entity, one of whose executive officers served on the Compensation Committee of Northwest Bancshares, Inc.; and (iii) no executive officer of Northwest Bancshares, Inc. served as a member of the compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the entire board of directors) of another entity, one of whose executive officers served as a director of Northwest Bancshares, Inc.

Compensation Committee Report

The Compensation Committee has issued a report that states that it has reviewed and discussed the section entitled Compensation Discussion and Analysis with management. Based on this review and discussion, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in our Proxy Statement.

This report has been provided by the Compensation Committee, which consists of Directors Carr (Chairman), Bauer, King, Long, McDowell, Meegan, Probst and Tredway.

Compensation Discussion and Analysis

Executive Summary. As discussed in greater detail below, our compensation program is specifically designed to provide executives with competitive compensation packages that include elements of both reward and retention. The Compensation Committee routinely reviews our compensation practices to remain market competitive and to ensure that these practices are aligned with our compensation philosophy, regulatory requirements and evolving best practices. Key highlights of our program include:

- All members of the Compensation Committee and all of the Committee's compensation advisers are independent, which ensures that all aspects of the compensation decision-making process is free from conflicts of interest;

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- We have adopted a clawback policy for bonuses paid to Named Executive Officers under our Management Bonus Plan, which mitigates risk-taking behavior;
- The Compensation Committee has reviewed all incentive compensation programs with respect to risk-taking behavior, which ensures that the safety and soundness of Northwest Bancshares, Inc. is paramount to all compensation incentives;
- A meaningful portion of our named executive officers' compensation is in the form of short and long-term performance-based pay, which reinforces our pay-for-performance philosophy;
- Compensation packages for named executive officers include an appropriate mix of fixed and variable pay, which provides executives with both reward and retention incentives;

- None of our employment or change in control agreements provide benefits upon a single-trigger; and
- We have limited perquisites.

Compensation Philosophy. The Compensation Committee has the responsibility for establishing, implementing and monitoring adherence with our overall employee compensation philosophy. The Compensation Committee's goal is to ensure that the total compensation paid to all employees, including executive officers, is fair, reasonable and competitive. In this regard, the Compensation Committee has adopted a framework for our compensation program that is intended to:

- provide a total compensation program that is aligned with the interests of our stockholders;
- attract and retain talent needed to successfully perform in a competitive market;
- assist in balancing the competing needs of external competitiveness, internal consistency, organizational economics, management flexibility, ease of understanding and simplicity of administration;
- ensure all employees (including executive officers) receive rewards based on performance and value added to the organization in an environment built on shared leadership; and
- use long-term equity programs to motivate and reward performance that increases our market value over time, align senior management interests with the organization's strategic business objectives and provide a retention incentive.

At least four times a year, the Compensation Committee meets to review various aspects of our programs with the assistance of our Chief Human Resources Officer. These reviews are intended to assure:

- the framework for executive officer compensation supports our business strategy and corporate compensation philosophy;
- the overall compensation package, including the mix of base salary, annual cash bonuses, equity awards and benefits is competitive; and

- the overall program is aligned with stockholders' interests.

Senior management cash compensation is calculated from competitive peer group information to determine base salary and annual cash bonus levels. Cash compensation levels for all positions are established with a goal that the total cash compensation paid for a position will approximate the market median (50th percentile) for fully qualified and experienced employees. See Market Comparisons. Market cash compensation is developed using national and/or regional financial industry data for executives and other management employees, and national, as well as regional and/or local pay practices for other employees. Based on the work location, a salary differential may be used if dictated by the local market.

Compensation Program. Compensation paid to our executive officers for 2012 consisted of performance-based salary, annual cash bonuses, stock option awards and restricted stock awards. An annual cash bonus may be paid to management personnel and is directly related to our performance, with consideration given to our return on average equity, return on average tangible equity, return on average assets, growth in earnings per share, retail deposit growth as well as the performance of the individual employee. In addition, with the Compensation Committee's approval, employees, including executive officers, can receive a discretionary holiday bonus ranging from 2% of base compensation for employees with three or more months of service to 5% of base compensation for those with five or more years of service. Additionally, stock benefit awards are granted to motivate and reward individual performance that increases the long-term value of our franchise and provide a retention incentive for key employees. Approximately 270, or 12%, of our employees receive these stock benefit awards. Executive officers

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participate in the same employee benefit programs generally available to all employees. In addition, the executive officers participate in a senior management life insurance plan and Messrs. Wagner, Harvey, LaRocca and Fisher participate in a supplemental retirement plan.

Please refer to the Summary Compensation Table for compensation information regarding these benefits for 2012. These benefits are aligned with our objective to attract and retain highly qualified management talent for the benefit of all of our stockholders and are considered by the Compensation Committee to be reasonable when compared to industry averages.

Market Comparisons. In determining Named Executive Officer compensation, we use market information which is supported by survey data from Towers Watson, as well as a peer group. We establish compensation targets for all of our employees so that their total cash compensation opportunity would approximate the market median (50th percentile) for fully qualified and experienced employees. For the year ended December 31, 2012, we used financial services survey data from Tower Watson, a nationally recognized compensation consulting firm, in reviewing compensation for all employees, including executive officers. Three additional surveys, prepared by nationally recognized firms Compdata, Crowe Horwath and IOMA, were used to corroborate the findings from the Towers Watson survey, but were not used to provide benchmarks with respect to Named Executive Officer compensation.

Towers Watson, a nationally recognized compensation consulting firm, was utilized by Northwest Bancshares, Inc. based on their comprehensive set of reports within the financial services industry. Towers Watson provides complete compensation coverage for each job position in the financial services industry by extensive analysis of salaries, incentive eligible positions, incentive amounts with regard to base salaries, and total cash compensation. In addition, analysis by company size and geographic location is performed and categorized by jobs based on levels of responsibility and experience.

The Towers Watson survey data is based on the following group of companies primarily in the financial services industry. We do not select the companies used by Towers Watson. Instead, these are the companies that respond to Towers Watson as part of their survey.

| | | |
|---|---|----------------------------------|
| AAA Insurance Exchange Northern California, Utah & Nevada | Farm Credit Foundations | Nordstrom |
| AAA Northern California, Nevada & Utah | Farmers Group | Northern Trust |
| ACE Limited | Federal Home Loan Bank of Atlanta | Northwest Bancshares, Inc. |
| Acuity | Federal Home Loan Bank of San Francisco | Northwestern Mutual |
| Aetna | Federal Reserve Bank of Atlanta | NRUCFC |
| AEGIS Insurance Services | Federal Reserve Bank of Cleveland | Ohio National Financial Services |
| AFLAC | Federal Reserve Bank of Dallas | Old Second National Bank |
| AIG | Federal Reserve Bank of Kansas City | One America Financial Partners |
| Allianz | Federal Reserve Bank of Minneapolis | OneBeacon Insurance |
| Allstate | Federal Reserve Bank of San Francisco | Pacific Life |
| Ally Financial | Federal Reserve Bank of St. Louis | Penn Mutual Life |
| America First Credit Union | Fidelity Investments | People's Bank |
| American Century Services | Fifth Third Bancorp | PHH Arval |
| American Express | FINRA | Phoenix Companies |
| American Family Insurance | First Citizens Bank | PlainsCapital |
| AMERIGROUP | First Commonwealth Financial | Platts |
| AmeriHealth Mercy Family of Companies | First Horizon National | Plymouth Rock Assurance |
| Ameriprise Financial | First Midwest Bancorp | PMA Companies |
| Ameritas Life | First National Bank in Sioux Falls | PMI Group |
| Ameritrade | First National Bank of Nebraska | Popular |
| Anchor Bank N.A. | First Niagra Financial Group | Portfolio Recovery Associates |

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Arthur J Gallagher & Company
Associated Banc-Corp
Atradius
Auto Club Group
Aviva
AXA Group
Bank of America
Bank of Blue Valley
Bank of Montreal
Bank of Tampa

First PREMIER Bank/PREMIER Bankcard
Franklin Resources
Freddie Mac
FTSE
Fulton Financial
Gazprom Marketing & Trading
Genworth Financial
Great American Insurance
Great-West Life Annuity
Guardian Life

Premera Blue Cross
Presidential Life
Principal Financial Group
PrivateBancorp
Progressive
Protective Life
Provident Bank
Prudential Financial
QTI Human Resources
Rabobank

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|---|--|-----------------------------------|
| Bank of the West | Hancock Holding | Regions Financial |
| Bankers Bank | Harley-Davision Financial Services | Risk Management Solutions |
| BB&T | Hartford Financial Services | RLI |
| BBVA | H. D. Vest Financial Services | Rockland Trust Company |
| BlueCross BlueShield of Florida | Health Net | Royal Bank of Canada |
| BlueCross BlueShield of Louisiana | Highmark | Sage Software |
| BlueCross BlueShield of Massachusetts | Horizon BlueCross BlueShield of New Jersey | Sandy Spring Bank |
| BlueCross BlueShield of Rhode Island | Humana | SBLI of Massachusetts |
| Blue Shield of California | Huntington Bancshares | Securian Financial Group |
| BMO Harris Bank | Iberia Bank | Security National Bank |
| Boeing Employees Credit Union | Independence Blue Cross | Siemens AG |
| BOK Financial | ING | SLM |
| Brandywine Trust Company | Inland Bancorp | Sovereign Bancorp |
| Bremer Financial | INTRUST Bank NA | Springleaf Financial Services |
| Capital City Bank Group | Irvin | Star Financial Bank |
| Capital One Financial | Jackson National Life | State Compensation Insurance Fund |
| CapStar Bank | Janus Capital Group | State Farm Insurance |
| Caterpillar Financial Services | John Hancock | State Street |
| Centene | Johnson Financial Group | Sun Life Financial |
| Charles Schwab | KeyCorp | SunTrust Banks |
| Chicago Mercantile Exchange | Kroger | Susquehanna Bancshares, Inc. |
| Chubb | Landesbank Baden-Wurtemberg (LBBW) | SVB Financial |
| CIGNA | Liberty Bank | Synovus Financial Corporation |
| Citi North American Operations & Technology | Liberty Mutual | TD Bank Financial Group |
| Citizens Property Insurance | Lincoln Financial | Think Mutual Bank |
| Citizens Republic Bank | Loews | TIAA-CREF |
| City National Bank | Loyalty Partner Group | Torus Insurance |
| City National Bank of West Virginia | LPL Financial | Tower Federal Credit Union |
| CLS | MAPFRE U.S.A. | Transamerica |
| CAN | MARKEL | Travelers |
| CNO Financial | Marquette Financial Companies | Tri Counties Bank |
| Comerica | Marsh & McLennan | Trivent Financial of Lutherans |
| Consumer Financial Protection Bureau | Massachusetts Mutual | U.S. Bancorp |
| Credit Suisse | MasterCard | UBS |
| Cullen Frost Bankers | Mauch Chunk Trust Company | Union Bank N.A. |
| CUNA Mutual | MB Financial | United Bankshares |
| DBS Bank Los Angeles Agency | Mechanics Bank | UnitedHealth |
| De Lage Landen | Mercedes-Benz Financial Services | University FCU |
| DePfa-Bank | Mercury Insurance | Unum Group |
| East West Bank | MetLife | USAA |
| Eastern Bank | MoneyGram International | Utica National Insurance |
| eBay | Moody s Corporation | Visa |
| Edward Jones | Mortgage Guaranty Insurance | W.J. Bradley Mortgage Capital |
| Employers Mutual Casualty Company | Munich Re Group | Webster Bank |
| Equifax | Mutual of Omaha | Wellpoint |
| Equity Office Properties | NASDAQ | Wells Fargo |
| Erie Insurance | National Bank of Abu Dhabi | Western Union |
| ESL Federal Credit Union | Nationwide | Willis North America |
| EverBank | Navy Federal Credit Union | WSFS Bank |
| Fannie Mae | NCCI Holdings | Zion s Bancorporation |
| Farm Credit Bank of Texas | New York Life | |

We also used the following peer group in determining market compensation for our executive officers:

First Commonwealth Financial Corporation

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F.N.B. Corporation

Fulton Financial Corporation

National Penn Bancshares, Inc.

S&T Bancorp, Inc.

Susquehanna Bancshares, Inc.

Community Bank Systems, Inc.

The peer group of institutions was selected due to the entities being of like size and operating in similar markets to Northwest Bancshares, Inc.

Base Salary. All employees receive base salaries determined by the responsibilities, skills, performance, growth and relative experience related to their respective positions. Another factor considered in base salary determination is our competitiveness of total compensation within our markets. It is our goal for fully qualified and experienced employees' total cash compensation to reach the market median (50th percentile) for their position. Specifically, base salaries range between 80% and 120% of the established midpoint (market median) of a salary range. Base salaries above target (midpoint of the salary range) will be limited to those whose performance is distinguished or commendable, which are the top two of four performance categories (distinguished, commendable, good and needs improvement). Employees are eligible for consideration of increases to their base salary as a result of individual performance and salary adjustments for significant changes in their duties and responsibilities. Base salaries are adjusted using a merit increase system and a performance evaluation process that consists of general rating factors. Merit increases are based on the employee's overall performance rating by considering their salary relative to the midpoint, the time interval since the last increase and any added responsibilities since the last salary increase. The Compensation Committee of the Board of Directors reviews and approves any salary increases for executive officers.

The market median for our named executive officers' base salaries for the year ended December 31, 2012, and their actual base salaries, were as follows:

| Executive Officer | Market Median | Actual Base Salary |
|------------------------|---------------|--------------------|
| William J. Wagner | \$ 699,000 | \$ 577,775 |
| William W. Harvey, Jr. | \$ 326,100 | \$ 269,550 |
| Gregory C. LaRocca | \$ 269,500 | \$ 259,600 |
| Steven G. Fisher | \$ 326,100 | \$ 269,550 |
| Timothy A. Huber | \$ 269,500 | \$ 222,775 |

Increases in base salaries for our named executive officers were based upon their position within their salary range and receiving the following performance ratings: Mr. Wagner - distinguished; Mr. Harvey - distinguished; Mr. LaRocca - distinguished; Mr. Fisher - distinguished; and Mr. Huber - distinguished.

Annual Cash Incentive. We provide performance-based cash incentive awards to over 480 eligible management personnel, including executive officers, under the Management Bonus Plan. Cash incentives are used to motivate and reward achievement of corporate and individual performance objectives, while allowing for control of discretionary compensation expenses. Funding for the Management Bonus Plan is based on an assessment of our actual performance relative to the Compensation Committee's pre-established financial performance levels based on a combination of financial factors. For the year ended December 31, 2012, these factors were: return on average assets, return on average equity, return on average tangible equity, growth in earnings per share and retail deposit growth. After the conclusion of the fiscal year, the Chief Executive Officer may suggest that the Compensation Committee consider additional adjustments to discretionary cash incentive awards that fall in line with the long-term advancement of our strategic initiatives. Furthermore, in a business environment where people make the difference, we may consider industry trends for recruitment and retention in determining the level of cash incentives for our professional personnel.

The Management Bonus Plan sets forth five levels of corporate performance targets, with the lowest level (Level 1) resulting in cash incentive payments to the Named Executive Officers in amounts ranging from no bonus to 10% of base salary, and the highest level (Level 5) resulting in cash incentive payments up to 30% of base salary. The performance targets for Levels 1, 3 and 5, which could result in maximum cash incentive payments of 10%, 20% and 30% of base salary, respectively, are as follows:

| Bonus Level Under Management Bonus Plan | | |
|---|------------------------------------|------------------------------------|
| Level 1 (10% of Base Salary) | Level 3 (20% of Base Salary) | Level 5 (30% of Base Salary) |

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Performance Measure

| | | | |
|---|----------------|------------------|---------------------|
| Return on Average Assets | 0.70% to 0.79% | 0.90% to 0.99% | Greater than 1.09% |
| Return on Average Equity | 5.00% to 6.99% | 9.00% to 9.99% | Greater than 10.99% |
| Return on Average Tangible Equity | 6.00% to 7.99% | 10.00% to 11.99% | Greater than 12.99% |
| Percentage Growth in Earnings Per Share | 8.00% to 8.99% | 10.00% to 10.99% | Greater than 11.99% |
| Retail Deposit Growth | 1.00% to 1.99% | 3.00% to 3.99% | Greater than 4.99% |

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The target level for bonuses for our named executive officers for the year ended December 31, 2012 (level 3 in the table, above), and their actual bonuses, were as follows:

| Executive Officer | Target Bonus (Level 3) | Actual Bonus (Level 1) |
|------------------------|------------------------|------------------------|
| William J. Wagner | \$ 115,600 | \$ 57,800 |
| William W. Harvey, Jr. | \$ 53,900 | \$ 27,000 |
| Gregory C. LaRocca | \$ 51,900 | \$ 26,000 |
| Steven G. Fisher | \$ 53,900 | \$ 27,000 |
| Timothy A. Huber | \$ 44,600 | \$ 22,300 |

The Compensation Committee has discretion under the Management Bonus Plan to make adjustments to the overall performance level achieved to include or exclude the effect of extraordinary, unusual or non-recurring items, changes in tax or accounting rules or the effect of mergers or acquisitions. For the year ended December 31, 2012, no adjustments were made to the results of the performance measures.

For 2012, operating results (actual results and adjusted for the above-noted items) were as follows:

| Performance Measure | Actual Result | Level | Adjusted Result | Level |
|---|---------------|-------|-----------------|-------|
| Return on Average Assets | 0.79% | 1 | 0.79% | 1 |
| Return on Average Equity | 5.48% | 1 | 5.48% | 1 |
| Return on Average Tangible Equity | 6.45% | 1 | 6.45% | 1 |
| Percentage Growth in Earnings Per Share | 6.25% | | 6.25% | |
| Retail Deposit Growth | 10.96% | 5 | 10.96% | 5 |

Based on the performance measurements reviewed, without assigning any specific weightings to any one factor, and taking into consideration other factors not reflected in these measurements, such as the JD Power award received for customer service, the Forbes.com award as one of America's 100 most trustworthy companies and the lifting of the consent order by the FDIC, the Compensation Committee determined, on a discretionary basis, that the management bonus should be paid at Level 1 (maximum of 10% of base salary) for all named executive officers.

As a condition to receiving an annual performance-based cash incentive award, our executive officers agree that any award is subject to recovery by us if the executive's actions during that fiscal year that resulted in payment of the award are deemed by the Board of Directors to be illegal, unsafe or unsound or resulted in an elevated risk profile beyond the tolerances established by the Board of Directors.

Long-Term Stock-Based Compensation. The purpose of our 2008 Stock Option Plan and 2011 Equity Incentive Plan is to advance the interests of Northwest Bancshares, Inc. and its stockholders by providing management and outside directors, upon whose judgment, initiative and efforts the success of our business largely depends, with an additional incentive to perform in a superior manner. The plans were designed to reward seniority as well as longevity and to attract and retain people of experience and ability.

Each of our stock benefit plans was approved by stockholders. The intention of the Compensation Committee with respect to the 2008 Stock Option Plan and 2011 Equity Incentive Plan is to distribute a total of approximately 8,800,000 stock options (split-adjusted) and approximately 2,800,000 shares of restricted stock to key employees and directors, with all grants based upon the level of responsibility of those eligible. The Compensation Committee determines which executives will receive stock awards as well as type, size and restrictions on the awards. There are

no further stock options available for award under the 2008 plan.

In 2012, 573,373 stock options and 263,377 shares of restricted stock were granted under the 2011 plan. These awards vest over ten years. The distribution from the 2011 plan represented approximately 17% of the available restricted stock awards. Under the 2011 plan, 5,630,832 stock options and 1,268,907 shares of restricted stock remain available for grant. It is the intention of the Compensation Committee that, under the 2011 plan, the total restricted stock awards be distributed over a minimum of five years and the total stock option awards be distributed over a minimum of eight years.

Grants of stock awards to an individual are based primarily on the individual's level of responsibility and their performance. Individual performance is evaluated using certain general elements applicable to all employees,

including problem solving, communication, leadership and teamwork, as well as job specific elements. Job specific elements for measuring the individual performance of our Named Executive Officers include the individual's contributions to our operations and performance in the following areas: Mr. Wagner - strategic and operational considerations and profitability; Mr. LaRocca - strategic and administrative considerations, trust and financial services performance and profitability; Mr. Fisher - strategic, tactical and administrative considerations and profitability; Mr. Harvey - strategic, financial records/reporting and administrative considerations, profitability and facilities and Mr. Huber - strategic and administrative considerations, retail and commercial lending performance, profitability and soundness. These performance measures are not quantitative or otherwise measurable targets. Rather, stock award grants are based on the named executive officer's overall performance, which factors in how the officer performed in their areas of responsibility. The same rating system that is used for base salary increases is used to determine grants of stock awards. For the year ended December 31, 2012, each Named Executive Officer was granted awards under our 2011 Equity Incentive Plan based upon their distinguished individual performance ratings.

During the year ended December 31, 2012, under the 2011 Equity Incentive Plan, the Compensation Committee granted stock options and shares of restricted stock to employees, with different amounts given for different levels of responsibility within our organization and different performance ratings, based upon the employee's most recent performance review. However, the amounts of stock options and shares of restricted stock that could be received were not determined prior to the beginning of the applicable performance evaluation period. The Chief Executive Officer was awarded 24,000 stock options and 11,250 restricted shares as a result of a distinguished performance rating. Similarly, Mr. Harvey and Mr. Fisher were each awarded 14,400 stock options and 6,750 restricted shares as a result of distinguished performance ratings, and Mr. LaRocca and Mr. Huber were each awarded 12,480 stock options and 5,850 restricted shares as a result of distinguished performance ratings. The Compensation Committee would have granted to the Named Executive Officers 50% fewer awards for a commendable rating and no awards had any of these individuals received lower performance ratings.

Employment Agreements. We have entered into employment agreements with certain executive officers, including each of our Named Executive Officers. These agreements are designed to give us the ability to retain the services of the designated executives while reducing, to the extent possible, unnecessary disruptions to our operations. The agreements are for a three-year period, are reviewed for renewal annually by the Compensation Committee and provide for salary and bonus payments as well as additional post-employment benefits, primarily health benefits, under certain conditions, as defined in the employment agreements. The employment agreements were negotiated directly with and recommended for approval by, the Compensation Committee. The Compensation Committee believes such agreements are common and necessary to retain executive talent. For a discussion of these agreements and the payments that would be received by the Named Executive Officers under certain scenarios with respect to these agreements, see Employment Agreements.

Retirement Plans. All of our employees, including our Named Executive Officers, are eligible to participate in our tax-qualified defined benefit plan, which is intended to provide an annual retirement benefit. See Defined Benefit Plan. We have also adopted a non-qualified supplemental executive retirement plan for the benefit of those individuals whose benefits under the defined benefit plan are limited by restrictions contained in the Internal Revenue Code. See Supplemental Executive Retirement Plan. All of our employees who have attained age 21 are eligible to participate in our 401(k) plan. However, one year of service and a 1,000 hour eligibility requirement must be met before becoming eligible for the company match, which is made in Northwest Bancshares, Inc. stock. Employees may elect to diversify employer contributed matching funds in other investment options. We provide matching contributions equal to 50% of an eligible employee's (an employee with one year of continuous service) 401(k) plan contributions, up to 3% of the employee's eligible compensation. All of our employees who have attained age 21 and have completed 12 months of service during which they have worked at least 1,000 hours are also eligible to participate in our Employee Stock Ownership Plan (ESOP). Allocations under the ESOP are based upon an employee's salary in relation to the salary of all other qualified employees.

Tax and Accounting Implications. In consultation with our advisors, we evaluate the tax and accounting treatment of each of our compensation programs at the time of adoption and on an annual basis to ensure that we understand the financial impact of the program. Our analysis includes a detailed review of recently adopted and pending changes in tax and accounting requirements. As part of our review, we consider modifications and/or alternatives to existing programs to take advantage of favorable changes in the tax or accounting environment or to

avoid adverse consequences. To preserve maximum flexibility in the design and implementation of our compensation program, we have not adopted a formal policy that requires all compensation to be tax deductible. However, to the greatest extent possible, it is our intent to structure our compensation programs in a tax efficient manner.

Review of Risk Related to Compensation Policies and Procedures. The Compensation Committee of the Board of Directors is responsible for the oversight of employee compensation policies and procedures, including the determination of whether any material risk is imposed on Northwest Bancshares, Inc. from the annual cash incentive plan, long-term stock-based compensation plan and/or employment agreements. After reviewing the compensation policies and procedures, including the determination of whether any incentive programs encourage excessive risk taking by employees, the Compensation Committee has concluded such plans do not pose material risk to Northwest Bancshares, Inc.

Say-on-Pay. In accordance with the rules of the Securities and Exchange Commission, at our 2012 Annual Meeting of Stockholders, we held an advisory, non-binding vote to approve the compensation of our Named Executive Officers as described in the proxy statement (commonly referred to as a Say-on-Pay Vote), which vote received an overwhelming majority of the votes cast in favor of the proposal. At our 2011 annual meeting of stockholders, our stockholders recommended that we hold a Say-on-Pay Vote on an annual basis. Our Compensation Committee considered the recommendation of the stockholders at our 2012 Annual Meeting of Stockholders in reviewing executive compensation. In addition, we have determined to include the Say-on-Pay Vote in our proxy materials for each annual meeting of stockholders until the next vote on the frequency of the Say-on-Pay Vote, which will occur no later than our 2017 annual meeting of stockholders.

Executive Compensation

The following table sets forth for the three years ended December 31, 2012 certain information as to the total remuneration we paid to Mr. Wagner, who serves as President and Chief Executive Officer, Mr. Harvey, who serves as Chief Financial Officer, and the three most highly compensated executive officers of Northwest Bancshares, Inc. and Northwest Savings Bank other than Messrs. Wagner and Harvey (Named Executive Officers).

| Name and principal position | Year | Salary (\$) | Bonus (\$) | Stock awards (\$)(1) | Option awards (\$)(2) | Change in pension value and nonqualified deferred compensation earnings \$(3) | All other compensation \$(4) | Total (\$) |
|--|------|-------------|------------|-------------------------|--------------------------|--|------------------------------------|------------|
| William J. Wagner, Chairman of the Board, President and Chief Executive Officer | 2012 | 561,089 | 82,654 | 130,950 | 29,520 | 597,726 | 67,121 | 1,469,060 |
| | 2011 | 527,922 | 80,996 | 617,000 | 257,670 | 531,057 | 49,825 | 2,064,470 |
| | 2010 | 503,569 | 76,278 | | 37,050 | 268,080 | 35,152 | 920,129 |
| William W. Harvey, Jr. Executive Vice President-Finance and Chief Financial Officer | 2012 | 261,756 | 38,588 | 78,570 | 17,712 | 151,474 | 31,518 | 579,618 |
| | 2011 | 249,276 | 37,964 | 370,200 | 157,690 | 128,662 | 21,745 | 965,537 |
| | 2010 | 239,506 | 36,375 | | 25,350 | 56,168 | 15,477 | 372,876 |
| Gregory C. LaRocca, Executive Vice President and Corporate Secretary | 2012 | 255,677 | 37,984 | 68,094 | 15,350 | 276,688 | 37,599 | 691,392 |
| | 2011 | 248,050 | 37,603 | 320,840 | 140,010 | 236,498 | 28,610 | 1,011,611 |
| | 2010 | 239,506 | 36,375 | | 25,350 | 135,533 | 22,540 | 459,304 |
| Steven G. Fisher, Executive Vice President, Banking Services | 2012 | 261,756 | 38,588 | 78,570 | 17,712 | 296,667 | 36,093 | 729,386 |
| | 2011 | 249,276 | 37,964 | 370,200 | 157,690 | 244,786 | 25,890 | 1,085,806 |
| | 2010 | 239,506 | 36,375 | | 25,350 | 126,573 | 19,251 | 447,055 |
| Timothy A. Huber, Executive Vice President, Chief Lending Officer | 2012 | 216,341 | 31,817 | 68,094 | 15,350 | 218,203 | 31,058 | 580,863 |
| | 2011 | 209,092 | 31,425 | 320,840 | 140,010 | 216,000 | 22,061 | 939,428 |
| | 2010 | 184,216 | 28,111 | | 25,350 | 83,805 | 15,257 | 336,739 |

(footnotes on following page)

Amounts included in the Stock awards column for the years ended December 31, 2012 and 2011 represent grants under our 2011 Equity Incentive Plan. Amounts related to stock awards and option awards are reported in the table above pursuant to applicable Securities and Exchange Commission regulations that require that we report the full grant-date fair value of grants in the year in which such grants are made. Because grants vest (are earned) at a rate of 10% per year, the amounts actually vested and recognized as income on Form W-2 for Messrs. Wagner, Harvey, LaRocca, Fisher and Huber were \$13,095, \$7,857, \$6,809, \$7,857 and \$6,809, respectively, for the year ended December 31, 2012 and \$61,700, \$37,020, \$32,084, \$37,020 and \$32,084, respectively, for the year ended December 31, 2011. Amounts included in the Option awards column represent grants under our stock option plans. Stock option grants are not treated as taxable income in the year of grant, so for the years ended December 31, 2012 and 2011, the economic value of compensation related to the award of stock options as reported to the Internal Revenue Service on Form W-2 for income tax purposes was \$0. Increases in the amounts included in the Change in pension value and nonqualified deferred compensation earnings column reflect the change in the estimated present value of future benefits under our pension plans. Recent increases were significantly affected by decreases in market interest rates, as there have been no other recent changes in the method in which the pension benefit for our Named Executive Officers is calculated. Higher market interest rates would be expected to result in lower changes in pension value.

(footnotes from previous page)

(1) Reflects the aggregate grant date fair value of restricted stock awards granted during the applicable year. The assumptions used in the valuation of these awards for 2012, 2011 and 2010 are included in Notes 1(o) and 15(d) to our audited financial statements for the years ended December 31, 2012, 2011 and 2010 included in our Annual Report on Form 10-K for the year ended December 31, 2012, as filed with the Securities and Exchange Commission.

(2) Reflects the aggregate grant date fair value of option awards granted during the applicable year. The value is the amount recognized for financial statement reporting purposes in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718. The assumptions used in the valuation of these awards for 2012, 2011 and 2010 are included in Notes 1(o) and 15(e) to our audited financial statements for the years ended December 31, 2012, 2011 and 2010 included in our Annual Report on Form 10-K for the year ended December 31, 2012, respectively, as filed with the Securities and Exchange Commission.

(3) Reflects change in pension value only.

(4) The compensation represented by the amounts for 2012 set forth in the All Other Compensation column for the Named Executive Officers is detailed in the following table.

| Name | Company Contributions to Qualified Defined Contribution Plan \$(a) | Company Paid Life Insurance Premiums \$(b) | Restricted Stock Dividends \$(c) | Total All Other Compensation (\$) |
|------------------------|--|--|----------------------------------|-----------------------------------|
| William J. Wagner | 12,054 | 26,222 | 28,845 | 67,121 |
| William W. Harvey, Jr. | 12,054 | 2,157 | 17,307 | 31,518 |
| Gregory C. LaRocca | 12,054 | 10,546 | 14,999 | 37,599 |
| Steven G. Fisher | 12,054 | 6,732 | 17,307 | 36,093 |
| Timothy A. Huber | 10,431 | 5,628 | 14,999 | 31,058 |

(a) Reflects contributions to qualified defined contribution plans, both 401(k) and ESOP. Northwest Savings Bank makes matching contributions equal to 50% of the employee's 401(k) contributions, up to 3% of the employee's eligible compensation. For the year ended December 31, 2012, Northwest Bancshares, Inc. made a contribution of 126,280 shares of common stock (valued at \$1,533,039) to the ESOP. Mr. Wagner received an allocation of \$4,554; Mr. Harvey received an allocation of \$4,554; Mr. LaRocca received an allocation of \$4,554; Mr. Fisher received an allocation of \$4,554; and Mr. Huber received an allocation of \$3,941.

(b) Reflects excess premiums and/or payments for life insurance reported as taxable compensation on the Named Executive Officer's Form W-2.

(c) Reflects dividends on shares of unvested restricted common stock, which are reported as taxable compensation on the Named Executive Officer's Form W-2.

Amounts listed above in the Salary column are paid pursuant to employment agreements with the Named Executive Officers. See Employment Agreements. Amounts listed in the Bonus column reflect a discretionary holiday bonus approved by the Compensation Committee and distributed to all employees calculated on a five-year vesting schedule. Distribution ranges vary from 0% to 5% of base pay. Named Executive Officers received bonuses equal to 5% of base pay for the year ended December 31, 2012. Amounts listed in the Bonus column also reflect discretionary bonuses paid by the Compensation Committee under the Management Bonus Plan. See Compensation Discussion and Analysis Annual Cash Incentive. Amounts listed in the Change in pension value and nonqualified deferred compensation earnings column reflect the aggregate year-to-year change in the actuarial present value of the Named Executive Officer's accrued pension benefit under all

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qualified and non-qualified defined benefit plans based on the assumptions used for FASB ASC 715 at each measurement date. As such, the change reflects changes in value due to an increase or decrease in the FASB ASC 715 discount rate as well as changes due to the accrual of plan benefits.

Plan-Based Awards. The following table sets forth for the year ended December 31, 2012 certain information as to grants of plan-based awards for the Named Executive Officers.

GRANTS OF PLAN-BASED AWARDS FOR THE YEAR ENDED DECEMBER 31, 2012

| | | | | | | | | | |
|------------------------|--------------|--------|--------|--------|--------|--------|-------|-------|---------|
| | | | | | | | | | |
| William J. Wagner | May 23, 2012 | 12,000 | 24,000 | 24,000 | | 24,000 | 11.70 | 11.64 | 29,520 |
| | May 23, 2012 | 5,625 | 11,250 | 11,250 | 11,250 | | | 11.64 | 130,950 |
| William W. Harvey, Jr. | May 23, 2012 | 7,200 | 14,400 | 14,400 | | 14,400 | 11.70 | 11.64 | 17,712 |
| | May 23, 2012 | 3,375 | 6,750 | 6,750 | 6,750 | | | 11.64 | 78,570 |
| Gregory C. LaRocca | May 23, 2012 | 6,240 | 12,480 | 12,480 | | 12,480 | 11.70 | 11.64 | 15,350 |
| | May 23, 2012 | | | | | | | | |