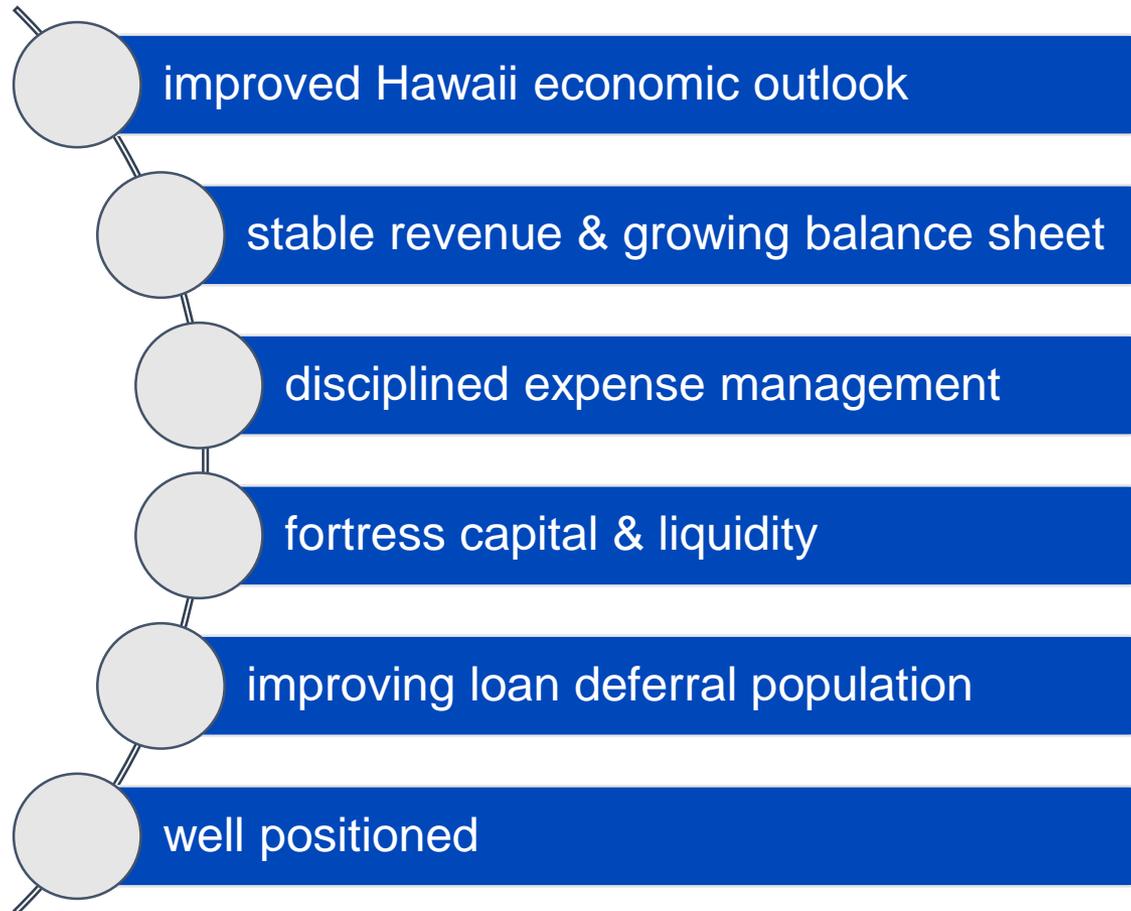


Bank of Hawaii Corporation  
**first quarter 2021**  
**financial report**

April 26, 2021

## forward-looking statements

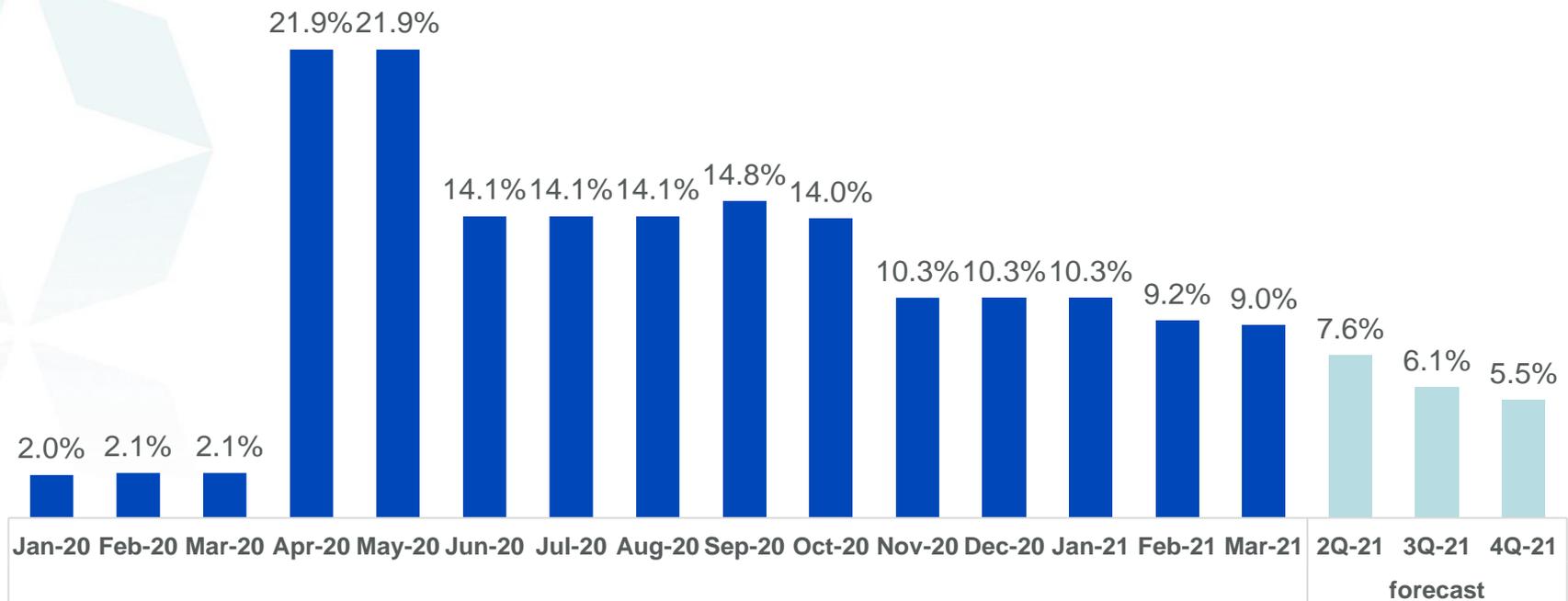
*this presentation, and other statements made by the Company in connection with it, may contain forward-looking statements concerning, among other things, forecasts of our financial results and condition, expectations for our operations and business prospects, and our assumptions used in those forecasts and expectations. we have not committed to update forward-looking statements to reflect later events or circumstances.*



# unemployment

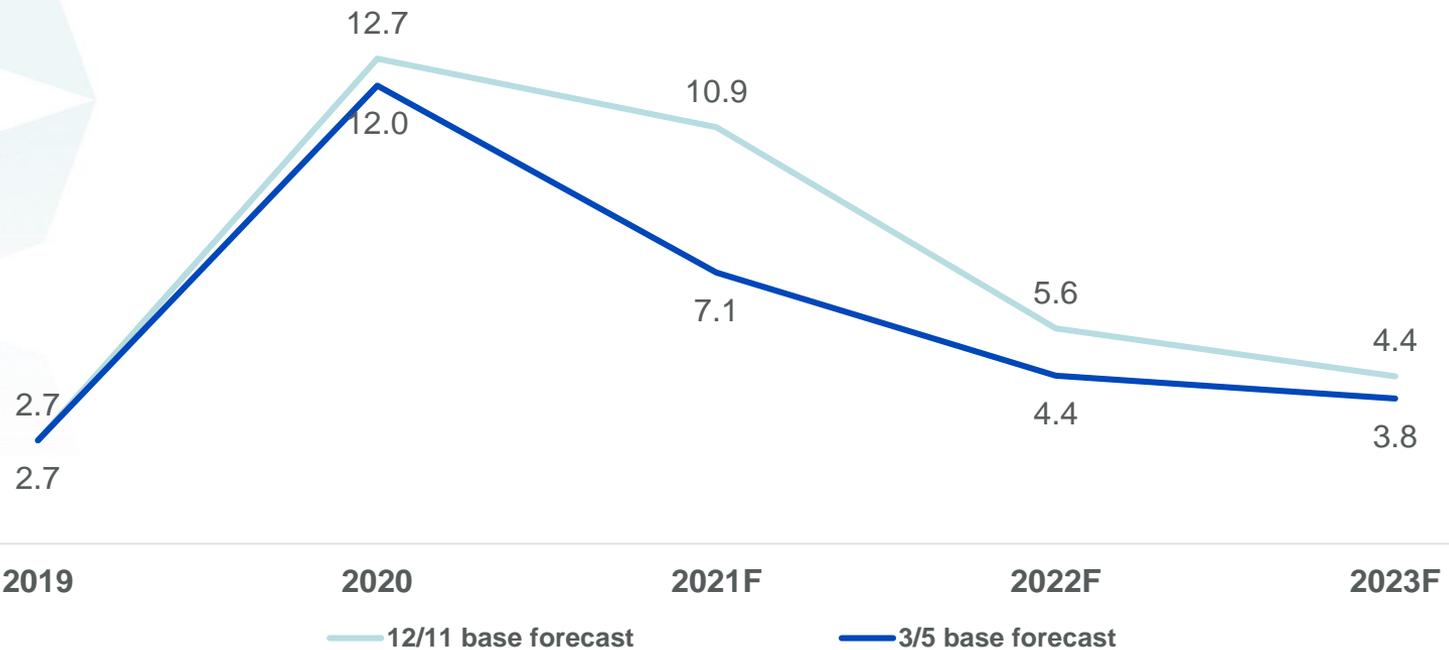
*experience & forecast*

## Hawaii unemployment rate



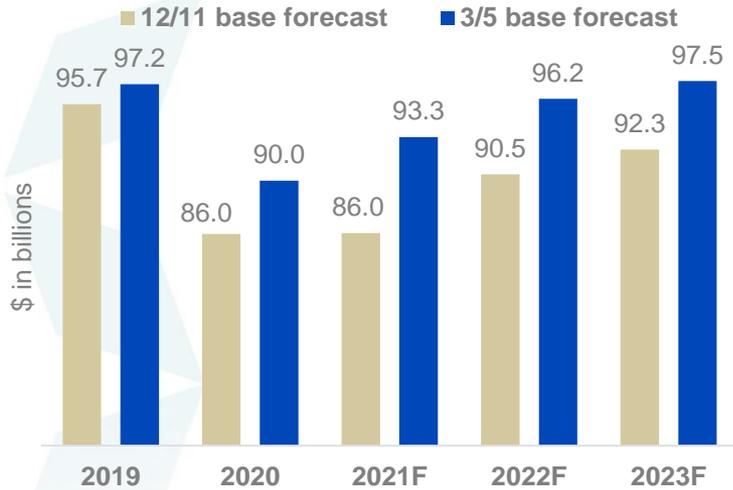
# economic forecast

## Hawaii unemployment rate

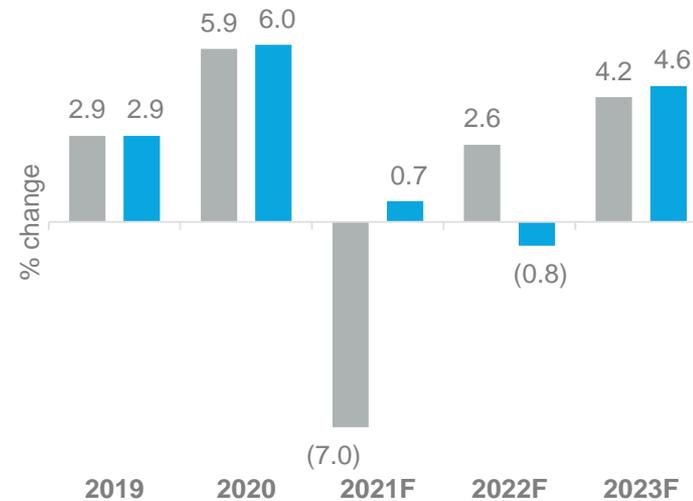
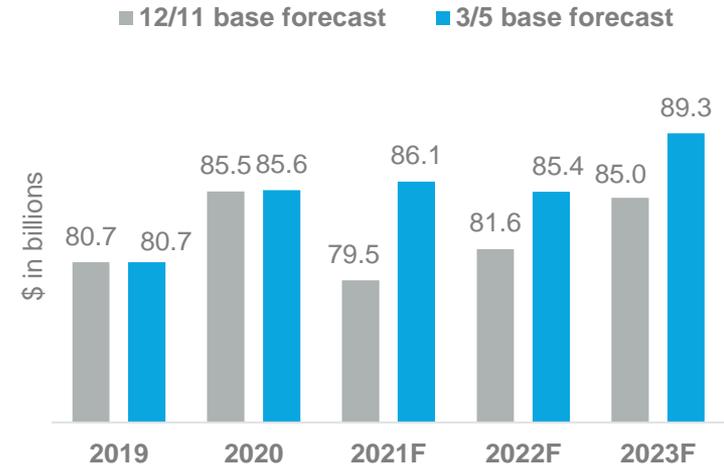


# economic forecast

## real GDP



## personal income



# Hawaii real estate market

Oahu market indicators – 2021 vs 2020

## single family homes

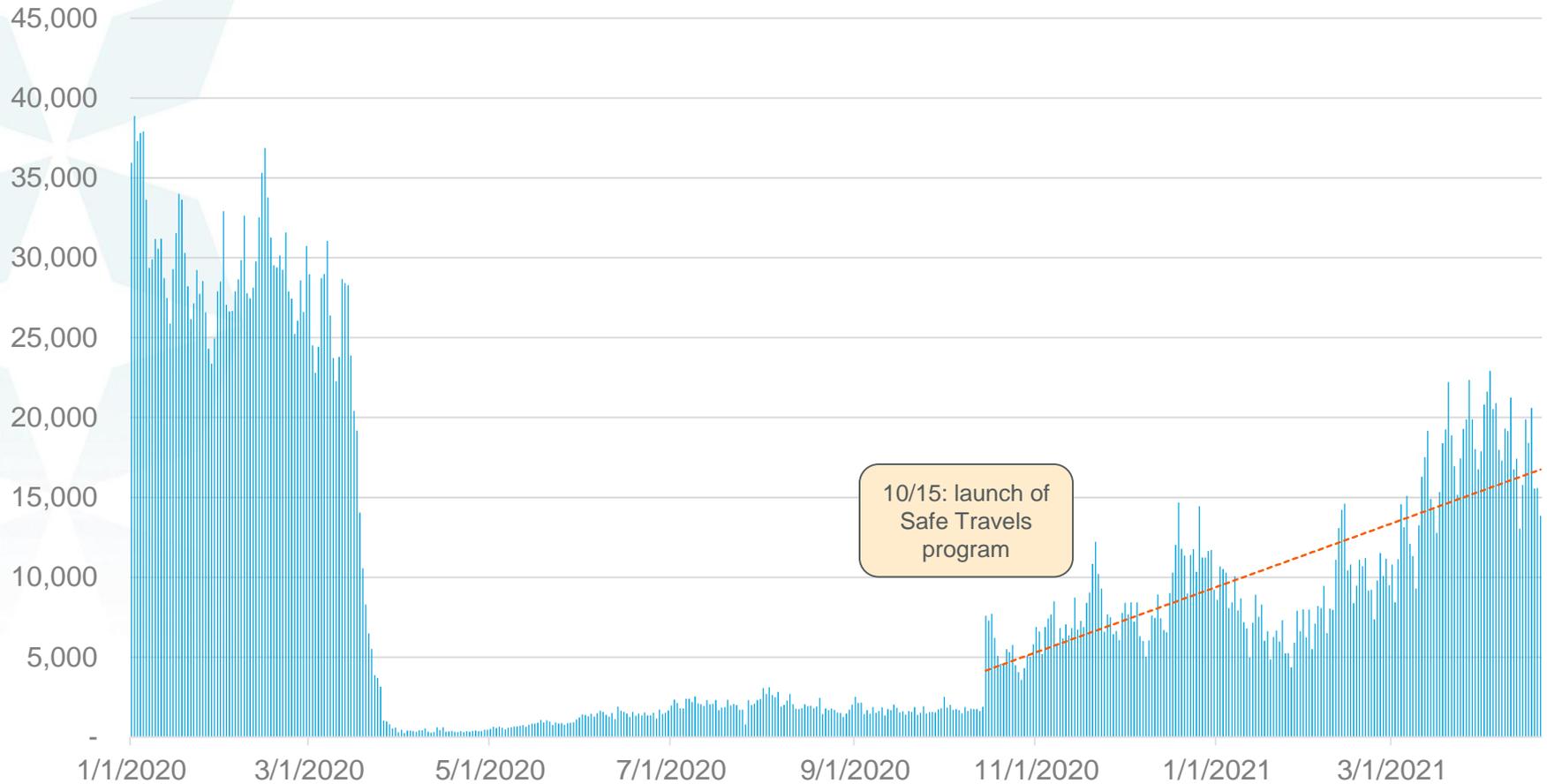
	<u>2021 YTD</u>	<u>2020 YTD</u>	<u>%</u>	<u>mar 2021</u>	<u>mar 2020</u>	<u>%</u>
closed sales	912	815	11.9%	361	303	19.1%
median sales price (000s)	\$915	\$780	17.3%	\$950	\$810	17.3%
median days on market	9	26	-65.4%	9	15	-40.0%
months of inventory	-	-	-	1.3	2.6	-50.0%

## condominiums

	<u>2021 YTD</u>	<u>2020 YTD</u>	<u>%</u>	<u>mar 2021</u>	<u>mar 2020</u>	<u>%</u>
closed sales	1,464	1,105	32.5%	626	410	52.7%
median sales price (000s)	\$455	\$430	5.8%	\$451	\$435	3.7%
median days on market	17	31	-45.2%	14	23	-39.1%
months of inventory	-	-	-	2.9	3.6	-19.4%

# daily arrivals

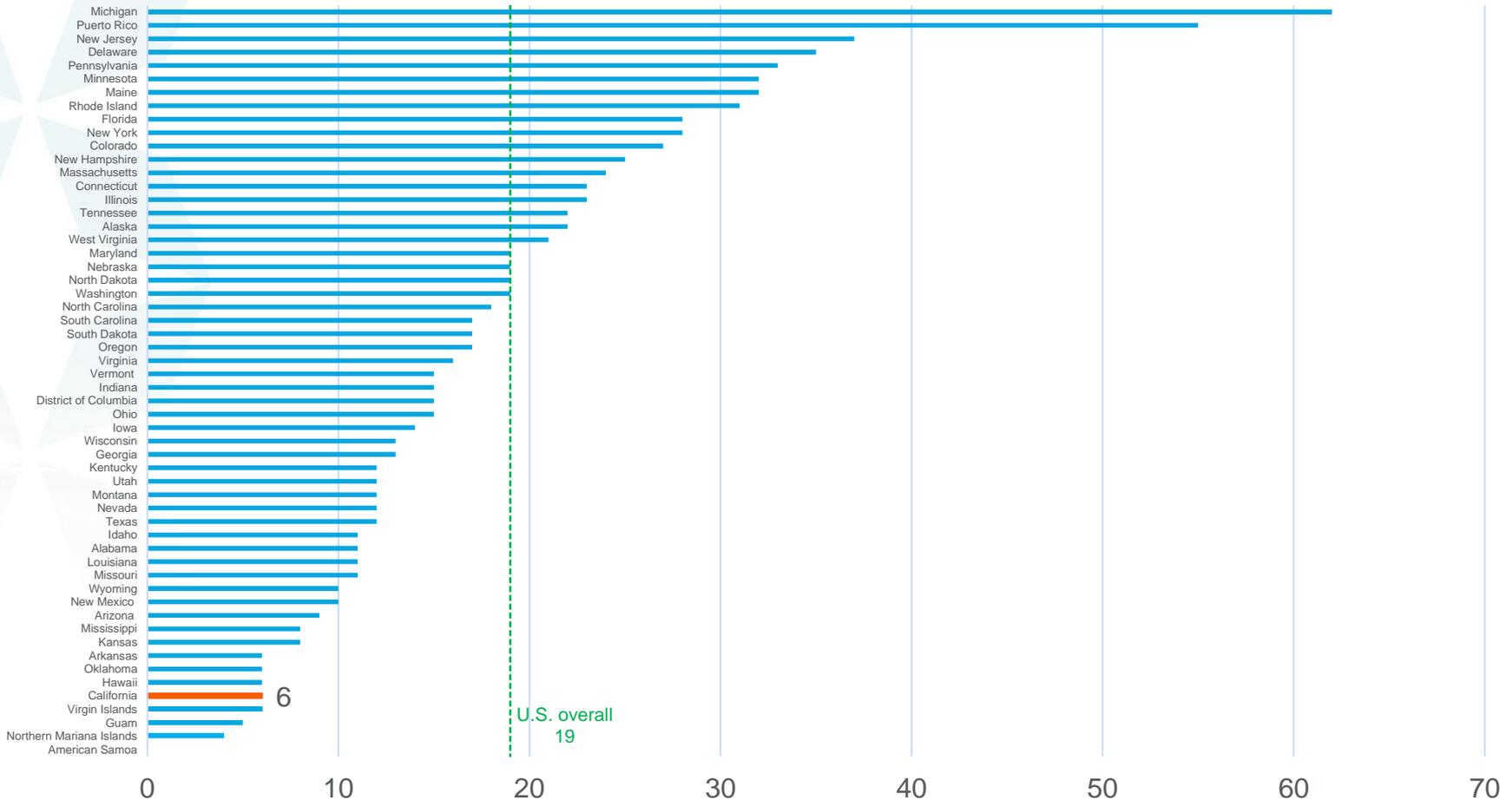
*total passenger count\**



\*source: Department of Business, Economic Development, and Tourism, excluding from Canada

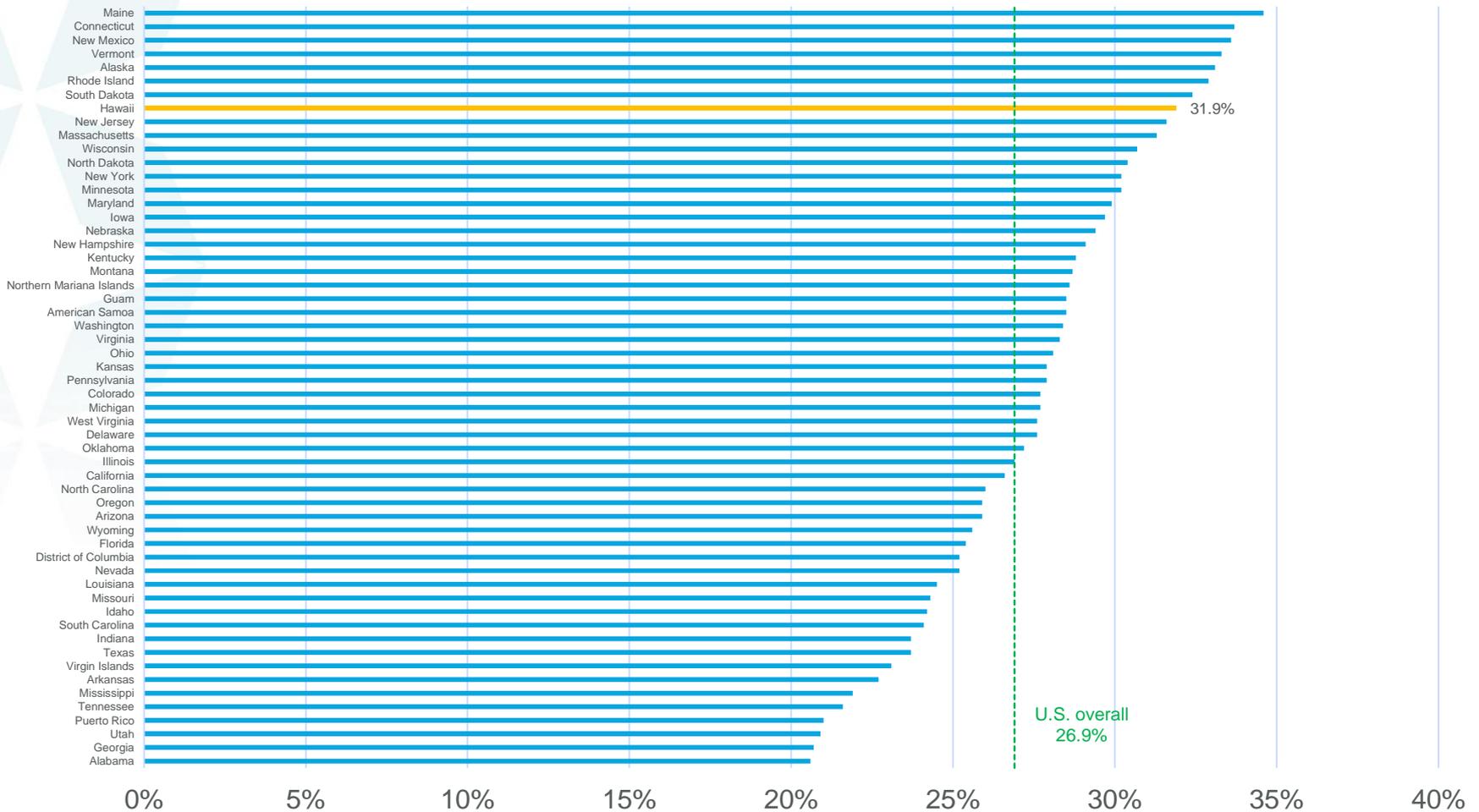
# COVID-19 cases

## 7 day rolling average of daily new cases per 100,000



# COVID-19 vaccinations

## percent of population that has complete vaccination



source: Washington Post as of 4/22/21, percents are calculated for population age 16 and older

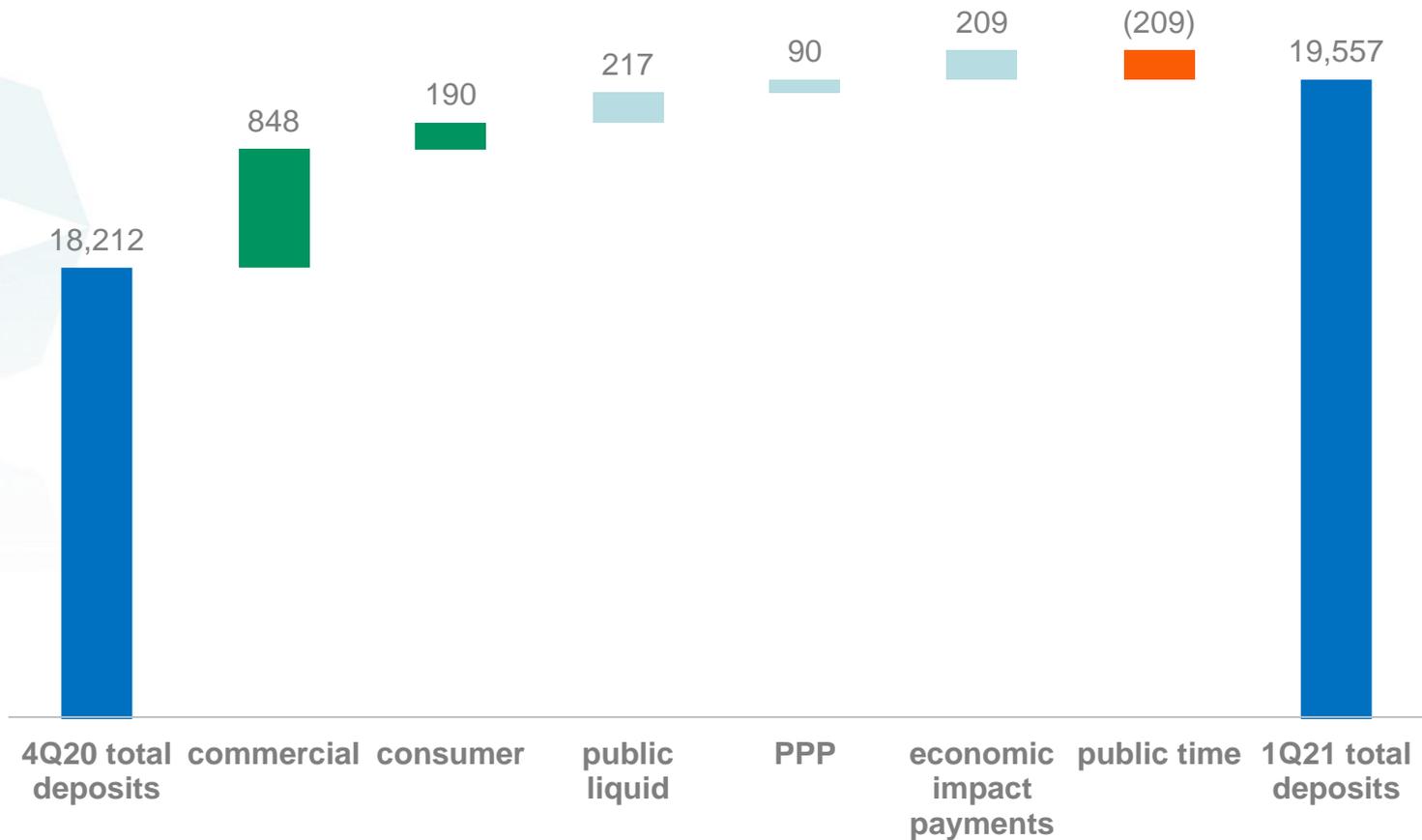


# Q1 financial update

# 1Q deposit growth

\$ in millions

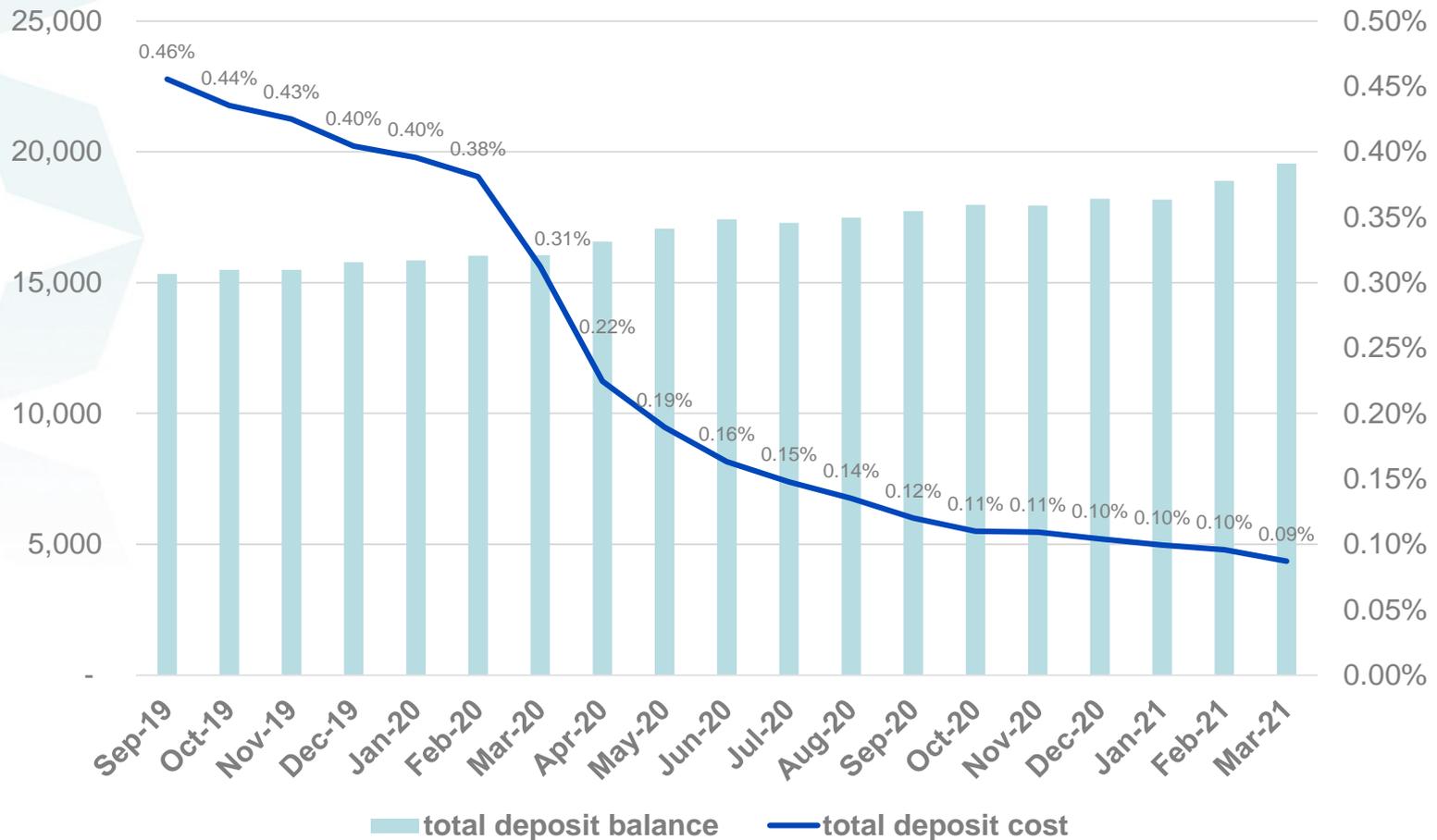
**\$1.3 B of growth primarily driven by core customers**



# growing low cost deposits

\$ in millions

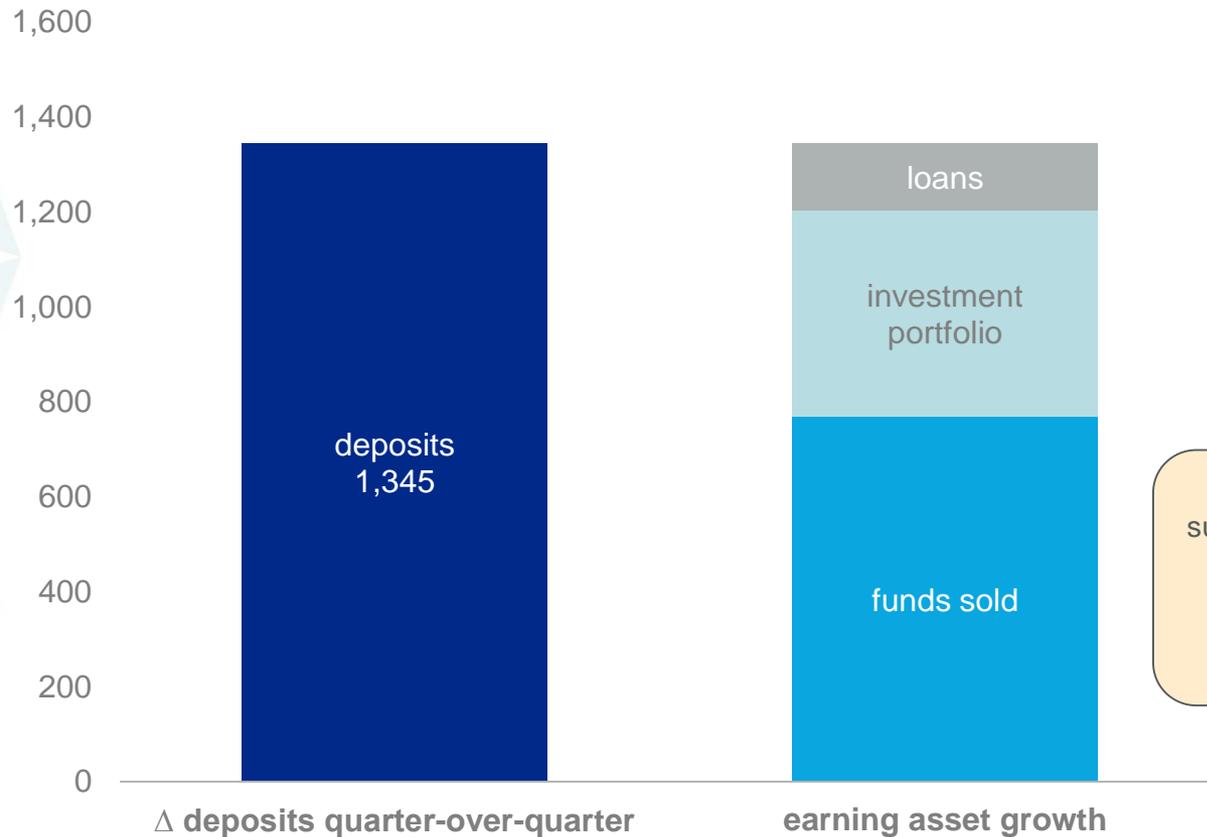
continuing to build very low cost funding to mitigate impact of higher rates



# strong liquidity

\$ in millions

deposit growth conservatively allocated into balanced mix of asset classes



large increase in cash supports liquidity, provides funding for loan and investment growth, and can be deployed to support NII and NIM

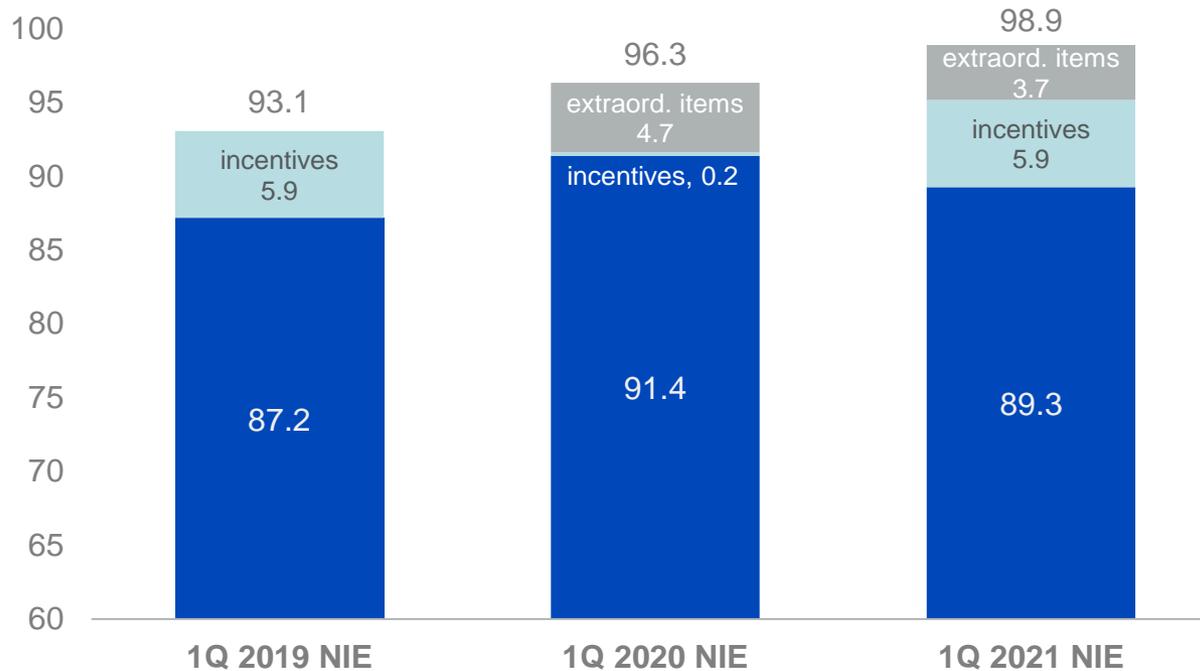
# financial summary

*\$ in millions, except per share amounts*

	<u>1Q 2021</u>	<u>4Q 2020</u>	<u>1Q 2020</u>	<u>Δ 4Q 2020</u>	<u>Δ 1Q 2020</u>
net interest income	\$ 120.6	\$ 119.5	\$ 126.0	\$ 1.1	\$ (5.4)
noninterest income	43.0	45.3	46.1	(2.3)	(3.2)
<b>total revenue</b>	<b>163.5</b>	<b>164.8</b>	<b>172.1</b>	<b>(1.2)</b>	<b>(8.6)</b>
noninterest expense	98.9	98.7	96.3	0.2	2.6
<b>operating income</b>	<b>64.7</b>	<b>66.1</b>	<b>75.8</b>	<b>(1.4)</b>	<b>(11.2)</b>
credit provision	(14.3)	15.2	33.6	(29.5)	(47.9)
income taxes	19.0	8.6	7.5	10.4	11.6
<b>net income</b>	<b>\$ 59.9</b>	<b>\$ 42.3</b>	<b>\$ 34.7</b>	<b>\$ 17.6</b>	<b>\$ 25.2</b>
<b>diluted EPS</b>	<b>\$ 1.50</b>	<b>\$ 1.06</b>	<b>\$ 0.87</b>	<b>\$ 0.44</b>	<b>\$ 0.63</b>
<b><u>end of period balances</u></b>					
investment portfolio	\$ 7,489	\$ 7,054	\$ 5,685	6.2 %	31.7 %
loans and leases	12,141	11,940	11,353	1.7	6.9
total deposits	19,557	18,212	16,055	7.4	21.8
shareholders' equity	1,360	1,375	1,328	(1.0)	2.4

# controlled expenses

\$ in millions



2019 – 2021 CAGR of expenses of 1.1% adjusting for extraordinary items

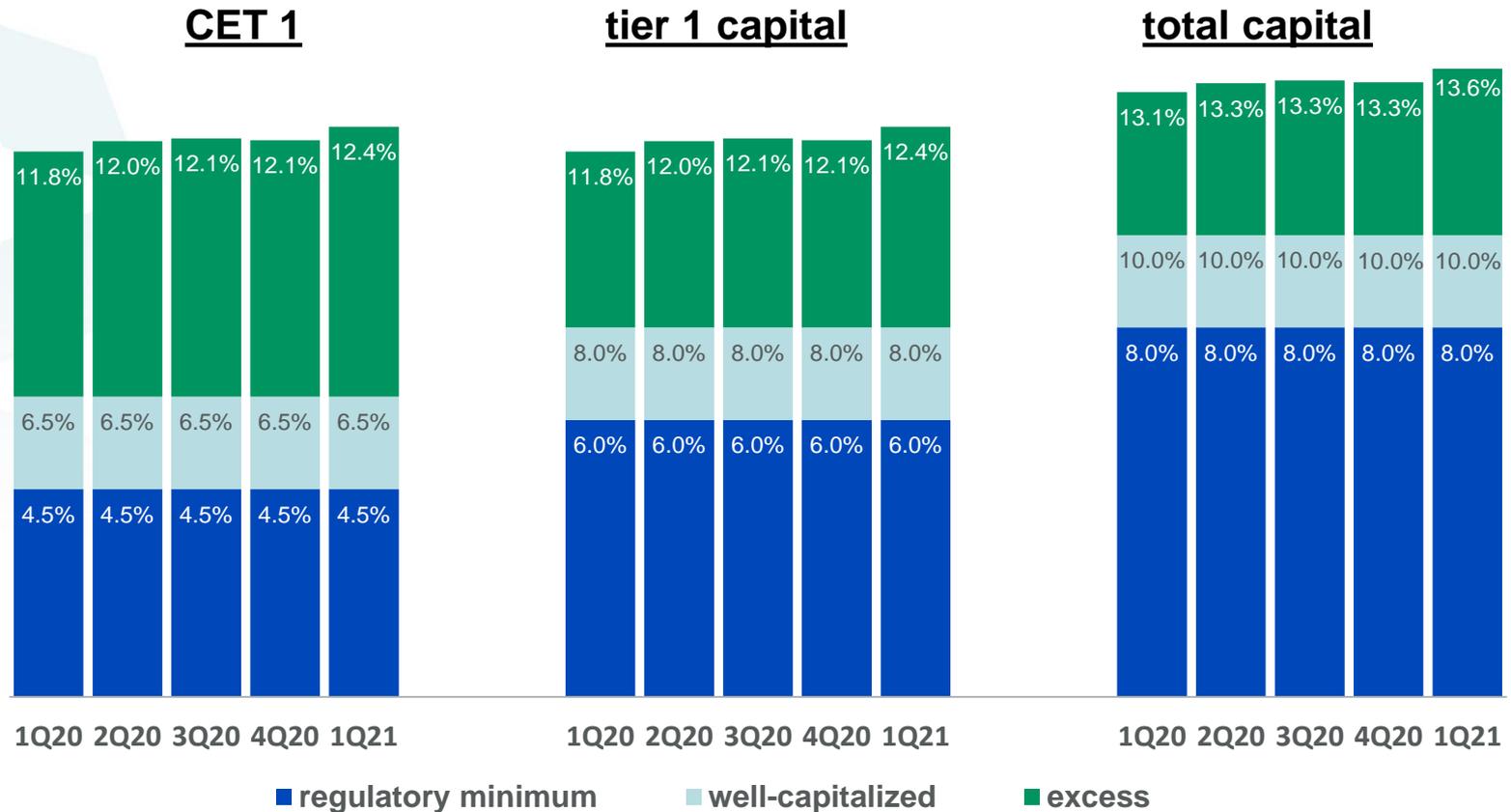
incentive compensation reduced in 2020 to support reserve provisioning and restored to normal levels for 2021  
 1Q 2020 extraordinary items include \$4.7 million of separation expense  
 1Q 2021 extraordinary items include \$1.9 million contactless card rollout and \$1.8 million of separation expense related to VSIP

# performance metrics

	<u>1Q 2021</u>		<u>4Q 2020</u>		<u>1Q 2020</u>		<u>Δ 4Q 2020</u>		<u>Δ 1Q 2020</u>	
<b>return on assets</b>	1.15	%	0.83	%	0.77	%	0.32	%	0.38	%
<b>return on equity</b>	17.65		12.26		10.64		5.39		7.01	
<b>net interest margin</b>	2.43		2.48		2.96		(0.05)		(0.53)	
<b>efficiency ratio</b>	60.45		59.88		55.96		0.57		4.49	
<b>CET1 / tier 1 capital ratio</b>	12.35	%	12.06	%	11.81	%	0.29	%	0.54	%
<b>tier 1 leverage ratio</b>	6.61		6.71		7.12		(0.10)		(0.51)	

# fortress capital position

strong risk-based capital, well in excess of required minimums



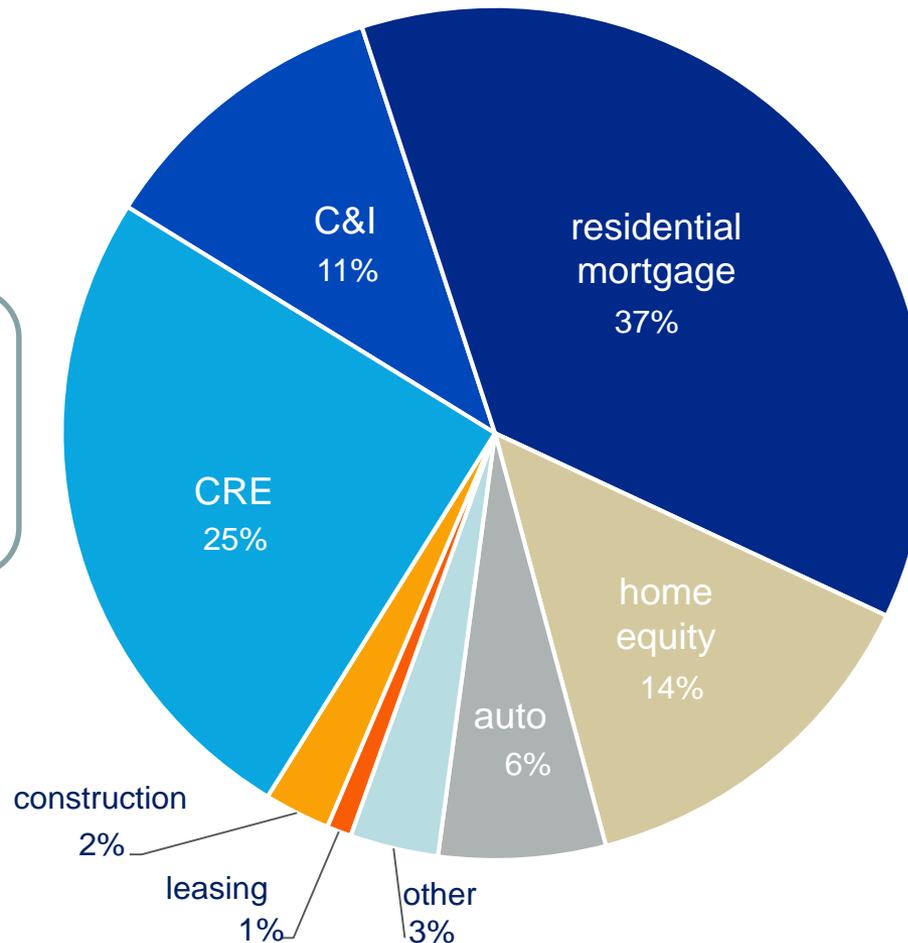


# 1Q credit update

# loan portfolio

excluding PPP

**78% of portfolio secured with quality real estate  
with combined weighted average loan to value of 56%**



40% commercial  
70% real estate secured  
wtd avg LTV 56%  
63% w/ BOH ≥ 10 yrs  
avg balance \$0.5 MM

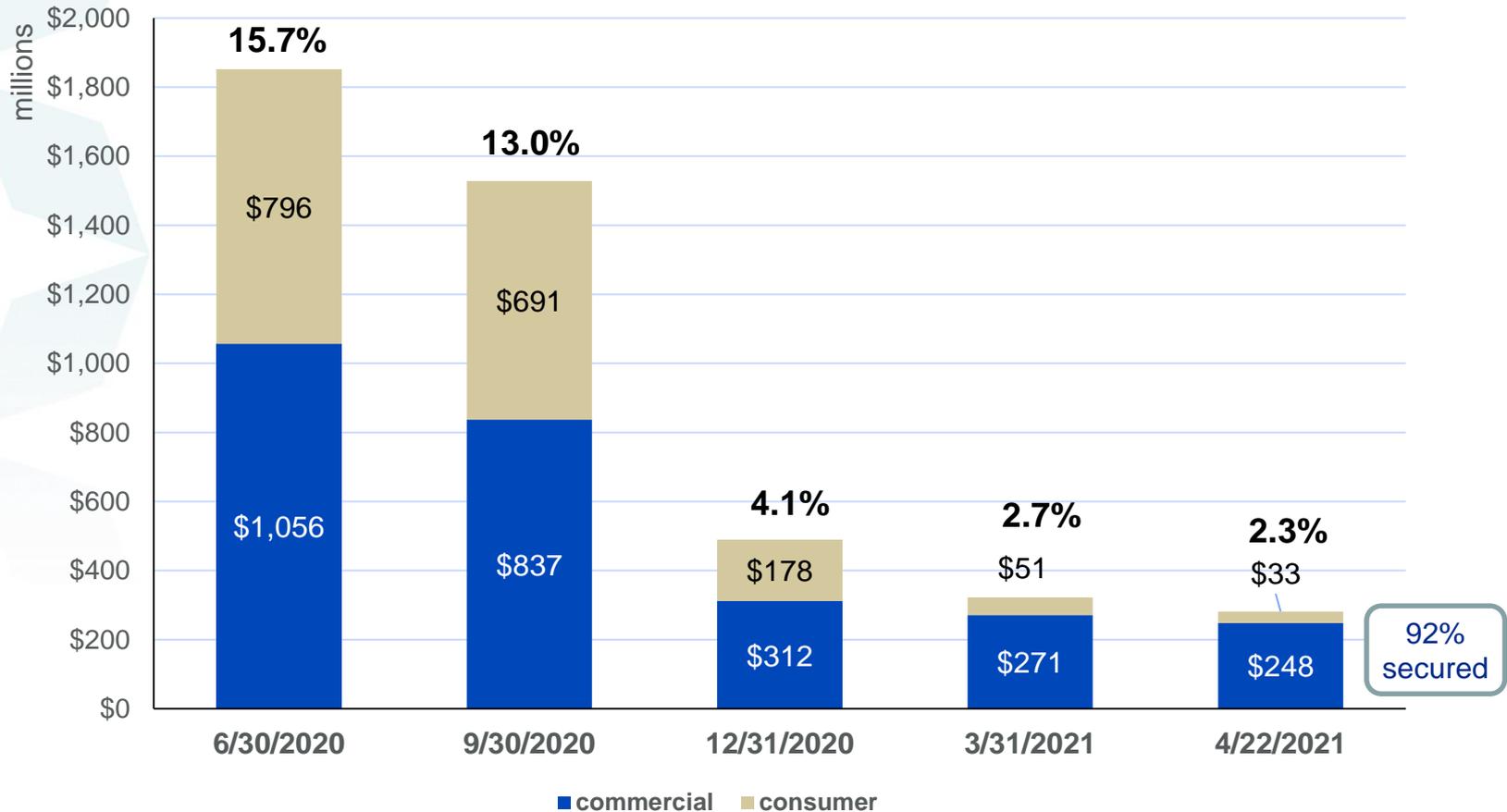
60% consumer  
84% real estate secured  
wtd avg LTV 56%  
56% w/ BOH ≥ 10 yrs

note: excludes \$745 MM in PPP loan balances

# customer relief update

85% decline from June 30, 2020

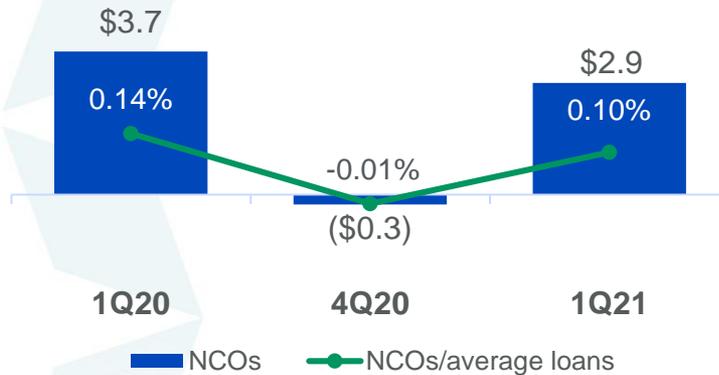
## deferrals and extension timeline



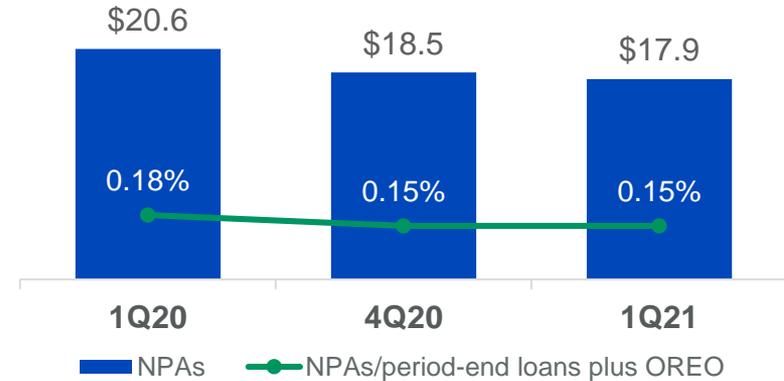
# credit quality

\$ in millions

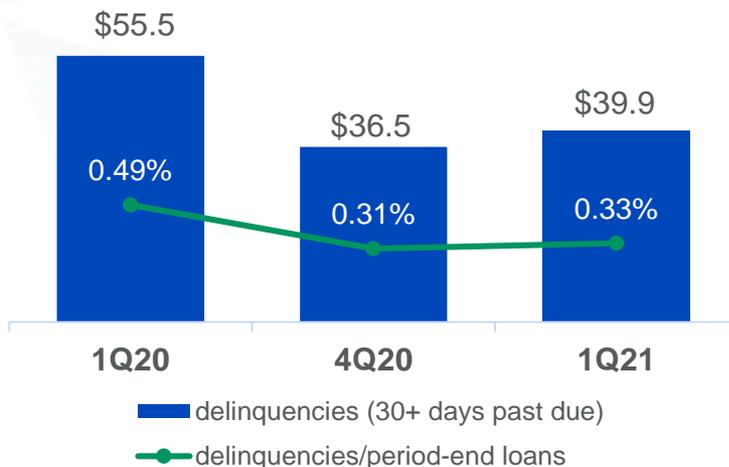
## net charge-offs



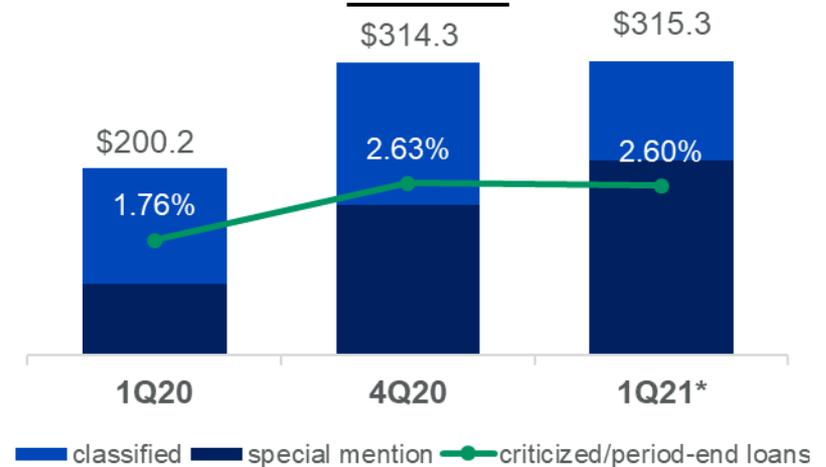
## nonperforming assets



## delinquencies



## criticized

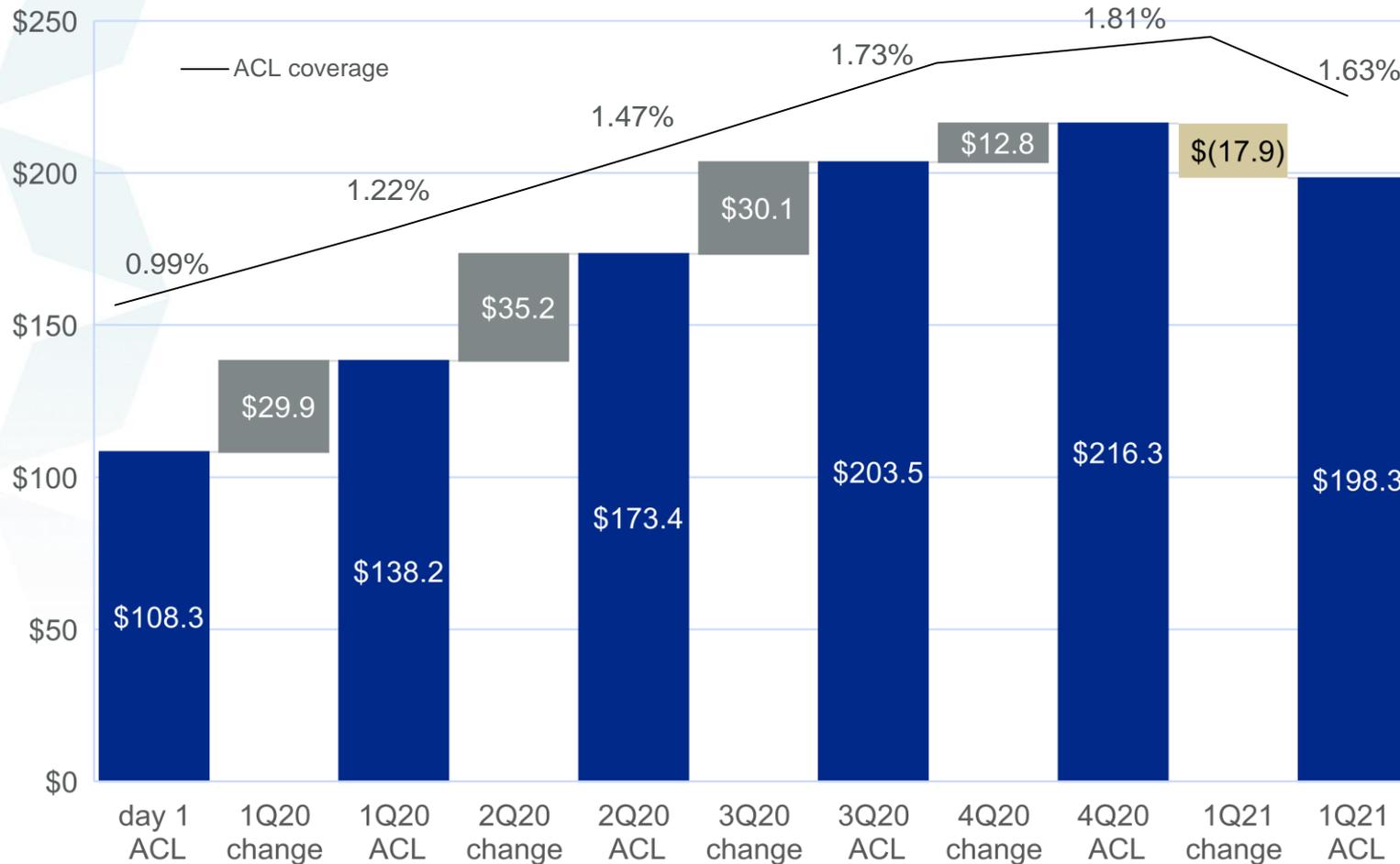


\* 56% of total criticized in CRE with 58% wtd avg LTV

# reserve trend

\$ in millions

## allowance for credit losses

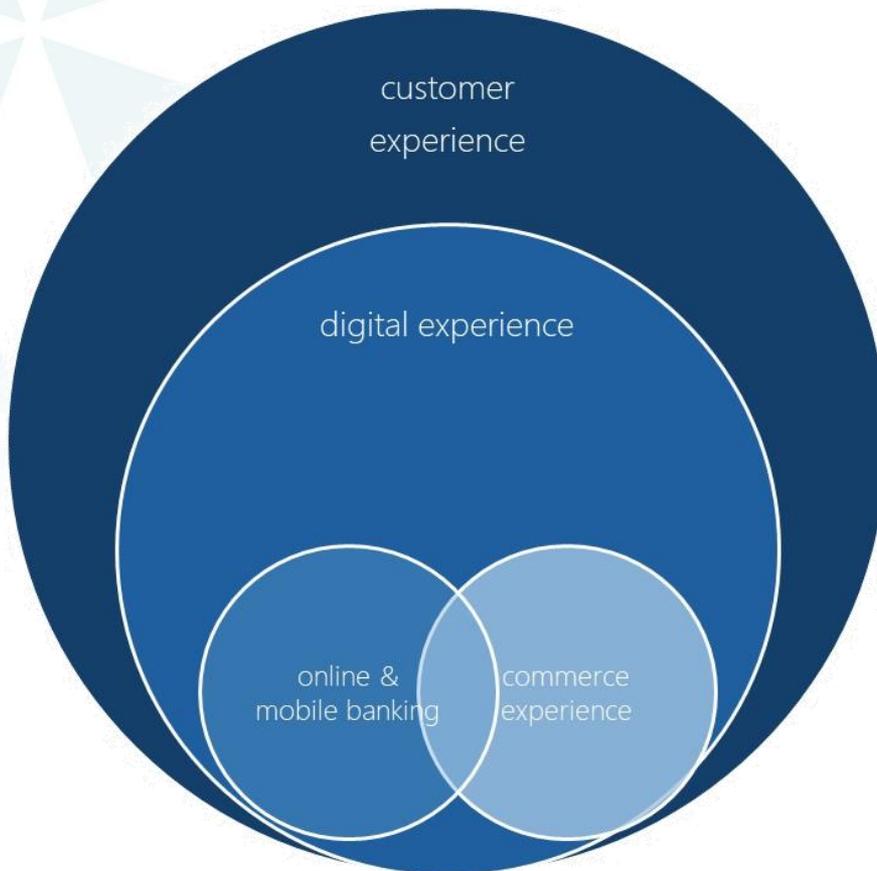




# other highlights

# furthering our digital future

creating the always open, ubiquitous branch of the future  
accessible at your fingertips



## Digital One investment

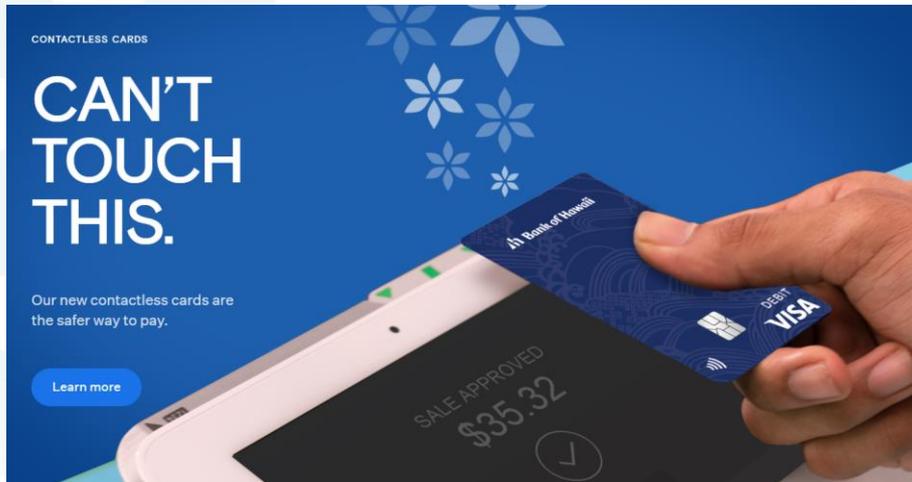
- new digital options and services
- highly intuitive and functionally rich experiences
- low-code implementation to accelerate speed to market
- highly scalable and configurable platform that will grow with the bank's need over time

## SimpliFi by Bank of Hawaii

- make the ways people access, engage, and manage money really, truly simple
- empower customers with tools and information to make better financial choices
- provide simple self-service tools and access to local experts to prosper

# supporting our customers

## contactless cards



## live chat

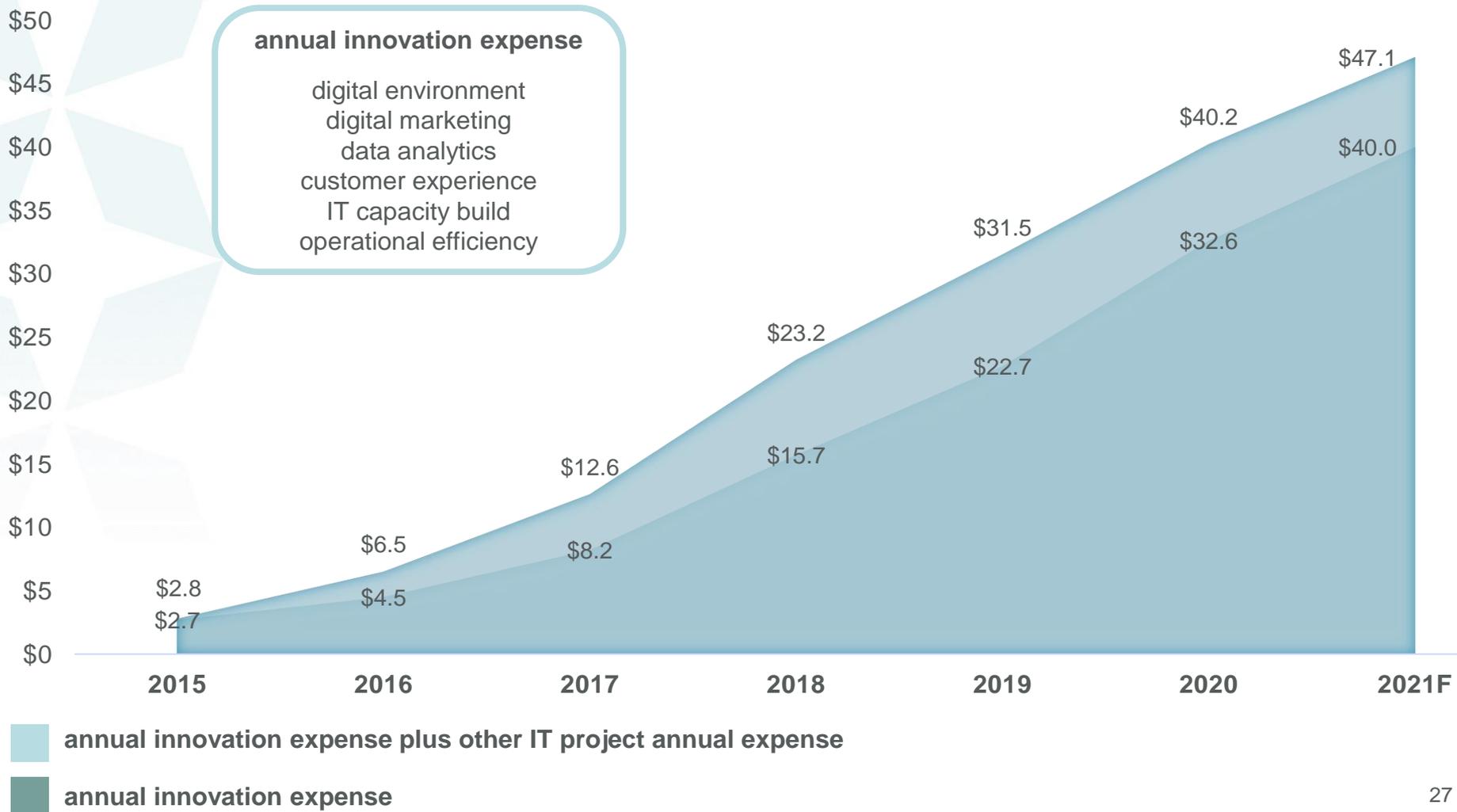
# Introducing Live Chat

It's easy to use! Just:

- Log into the mobile app
- Tap "More"
- Tap "Chat"

# commitment to future growth

\$ in millions



# Q & A

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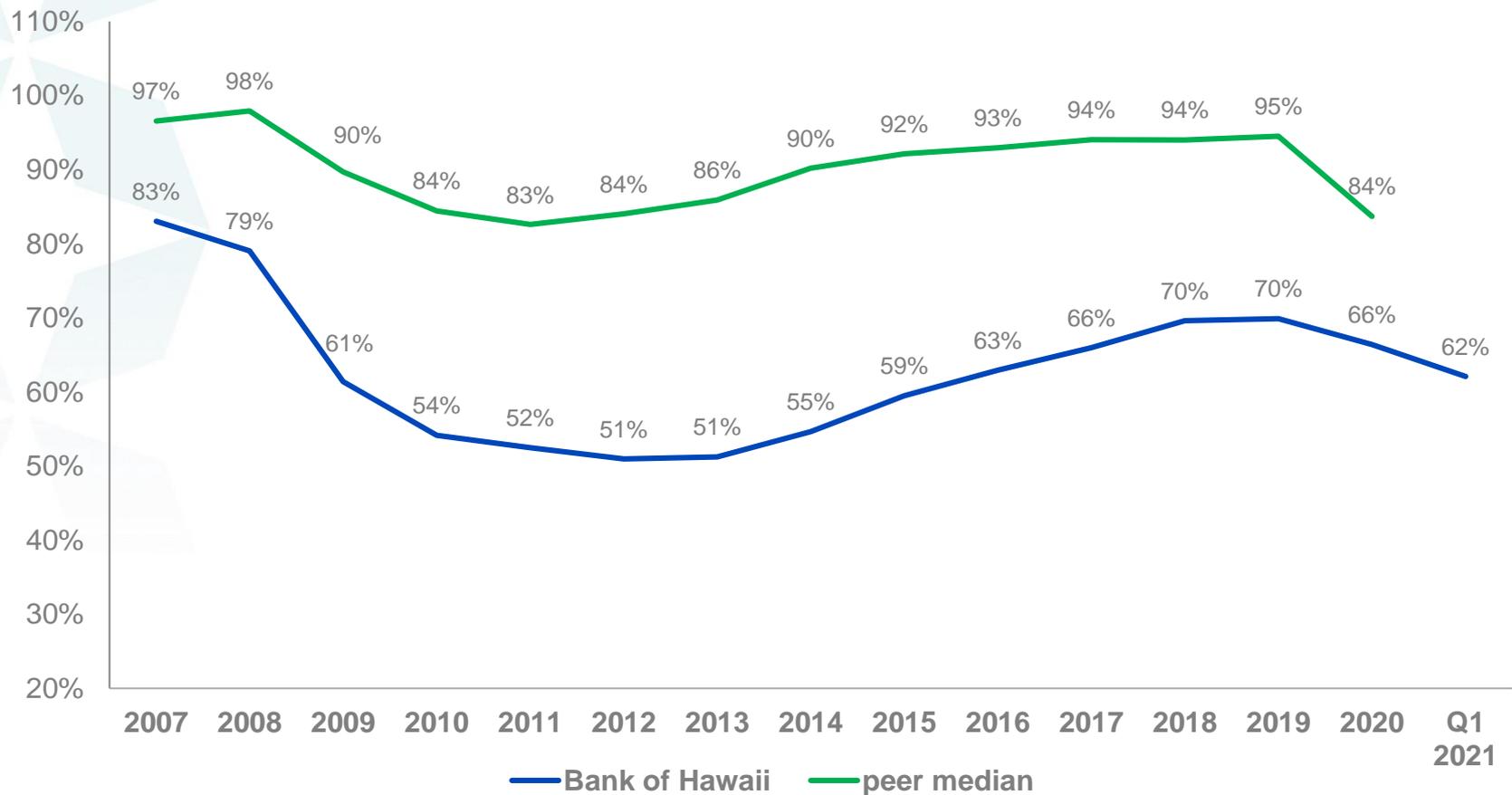


# appendix

# funding opportunities

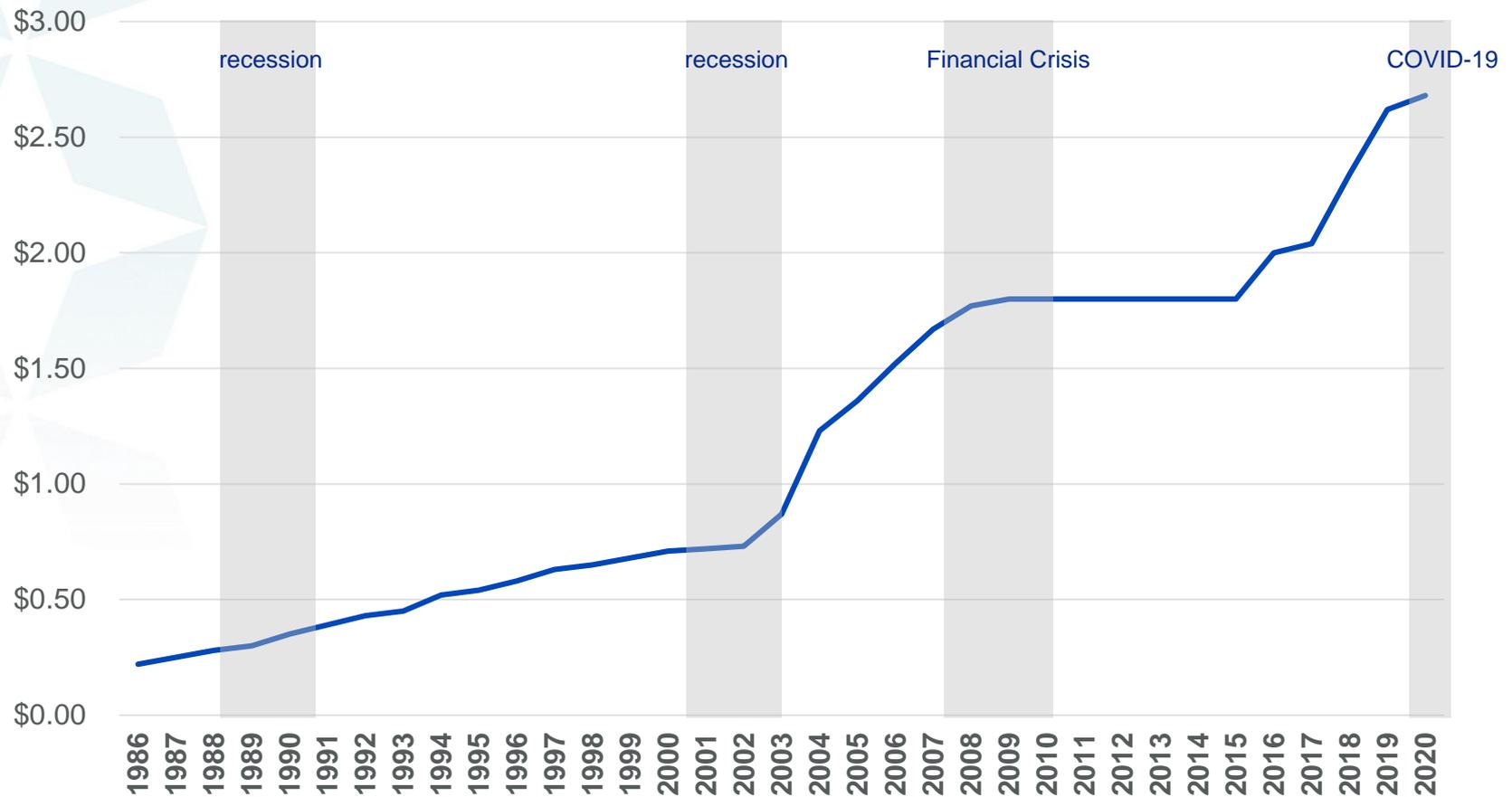
loan to deposit ratio compared with peers

## strong liquidity to fund continued growth



— Bank of Hawaii — peer median

# unbroken history of dividends

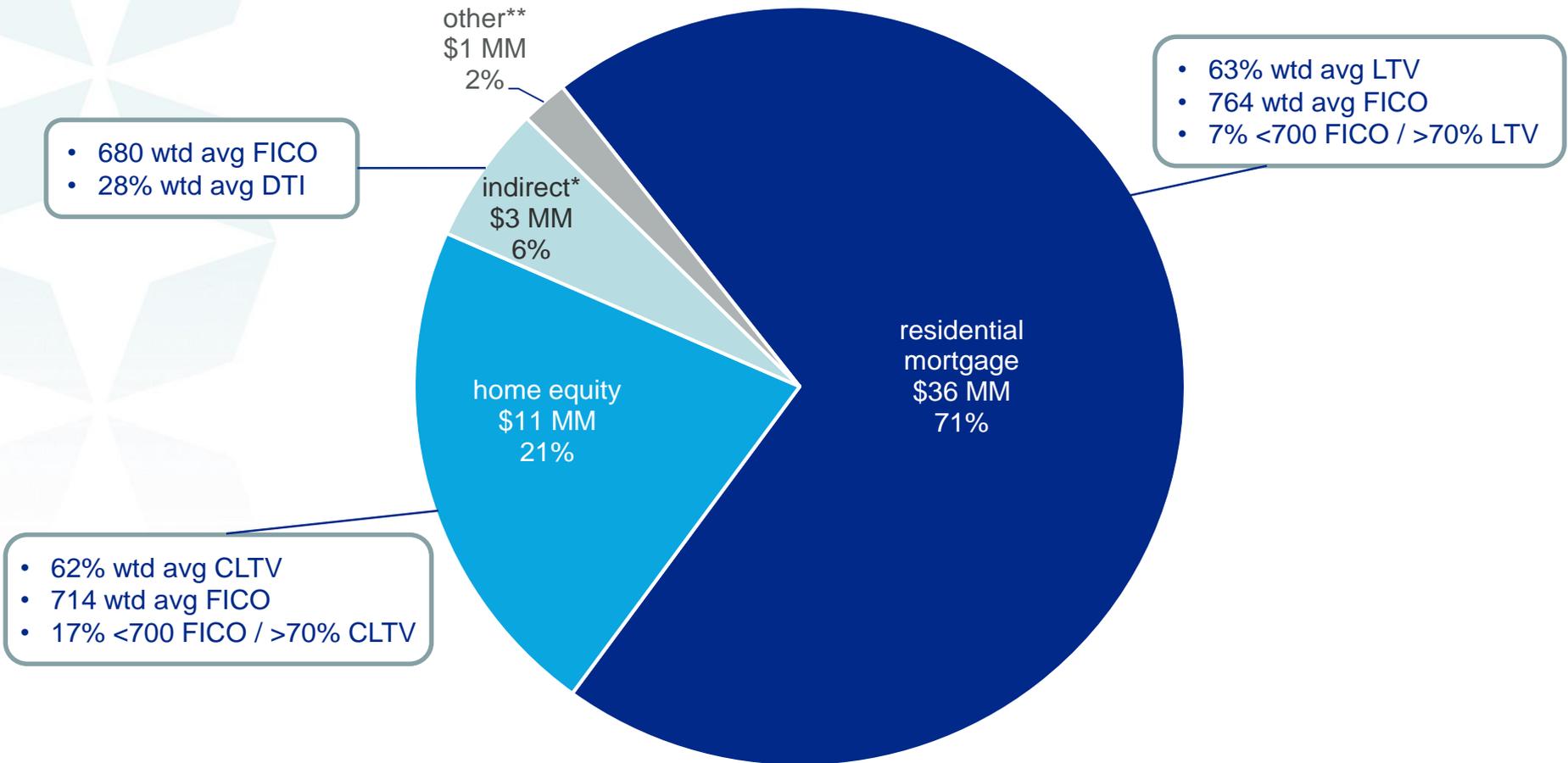


note: historical dividends adjusted for stock splits.

# consumer relief

\$51 million (0.4%)

92% secured with 63% weighted average LTV as of 3/31/21



\* indirect excludes recourse loans (\$0.3MM)

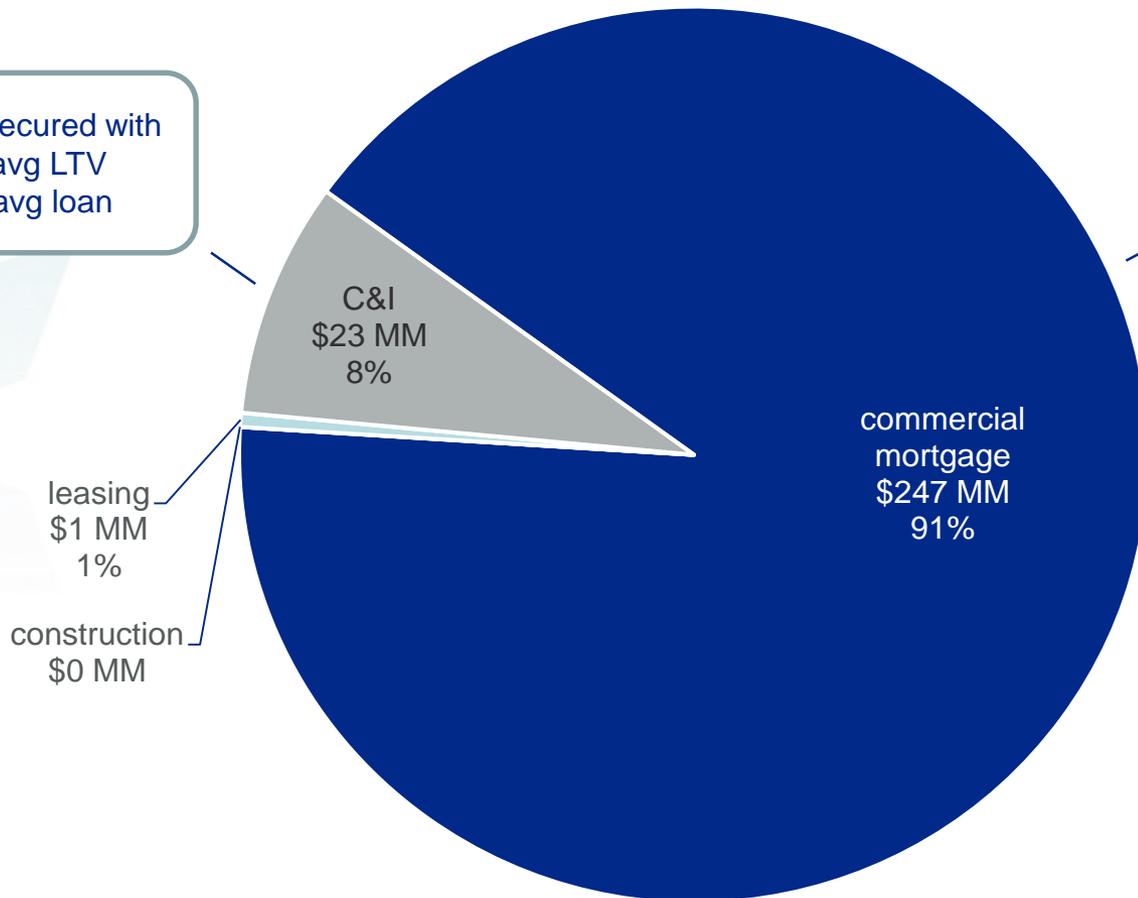
\*\*other includes direct installment loans and auto lease. origination FICO used for auto lease.

# commercial relief

\$271 million (2.2%)

**92% secured with 47% weighted average LTV as of 3/31/21**  
**90% continue to pay interest**

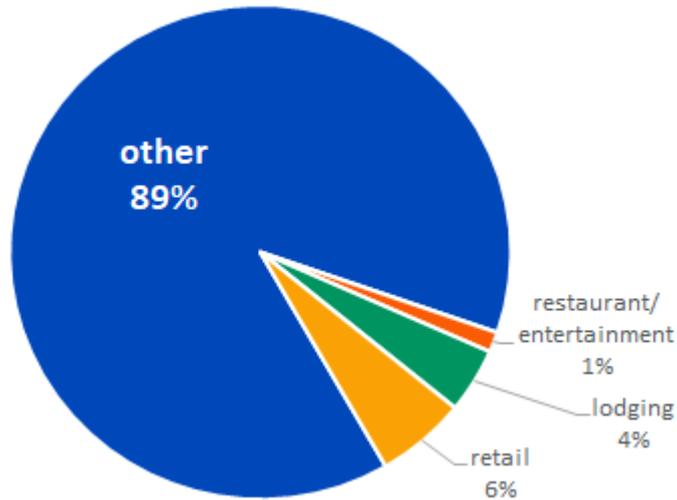
- \$1.7MM secured with 54% wtd avg LTV
- \$0.5 MM avg loan



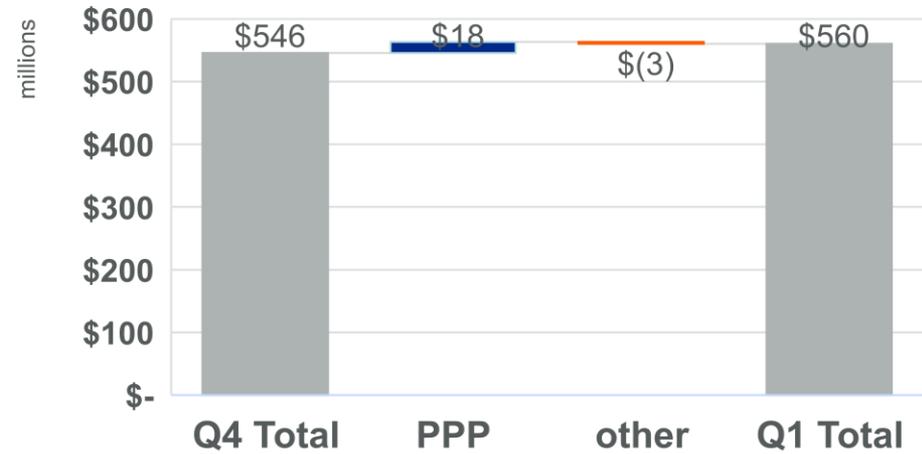
- 47% wtd avg LTV
- 81% ≤ 65% LTV
- \$4.2MM avg loan

# high risk industries

\$1,612 million (13%) / \$1,368 million (11%) excluding PPP



**lodging balance growth (Q1 v Q4)**



**retail balance growth (Q1 v Q4)**



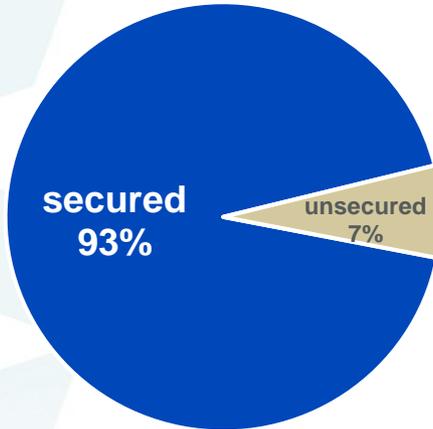
**restaurant/entertainment balance growth (Q1 v Q4)**



# retail

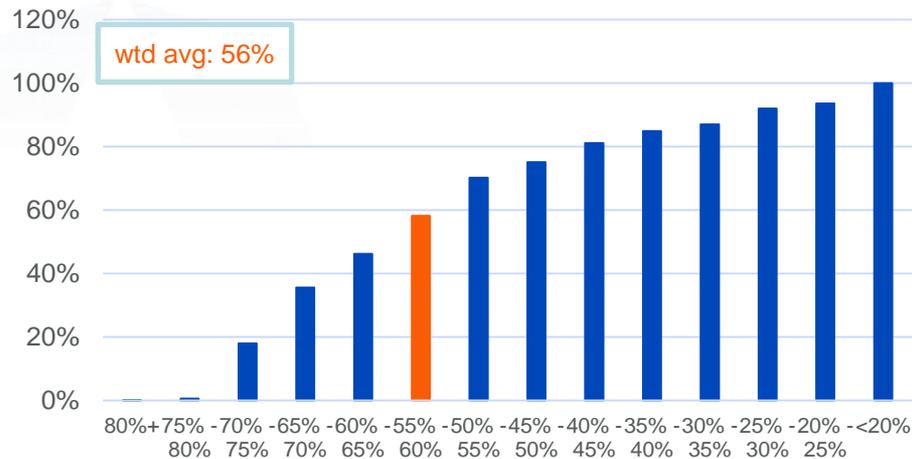
\$704 million (6%) – excluding PPP

## real estate secured



- 93% real estate secured
  - 56% wtd avg LTV
  - average exposure \$3.7 MM
  - largest exposure \$40 MM
  - 64% of portfolio has an LTV  $\leq$  65%
- 97.8% is secured or has essential anchor
- 0.0% unsecured and deferred
- 100% secured or paying interest

## secured LTV distribution

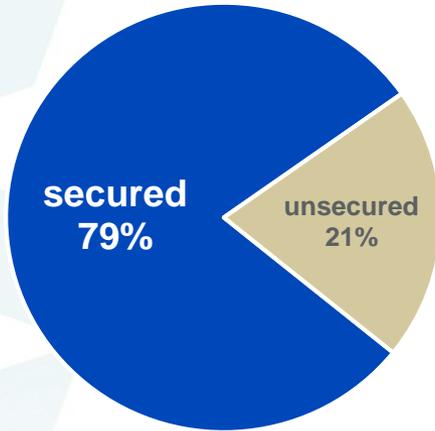


		deferred		
		yes	no	total
secured	yes	10.2%	82.9%	93.1%
	no	0.0%	6.9%	6.9%
	total	10.2%	89.8%	100.0%

# lodging

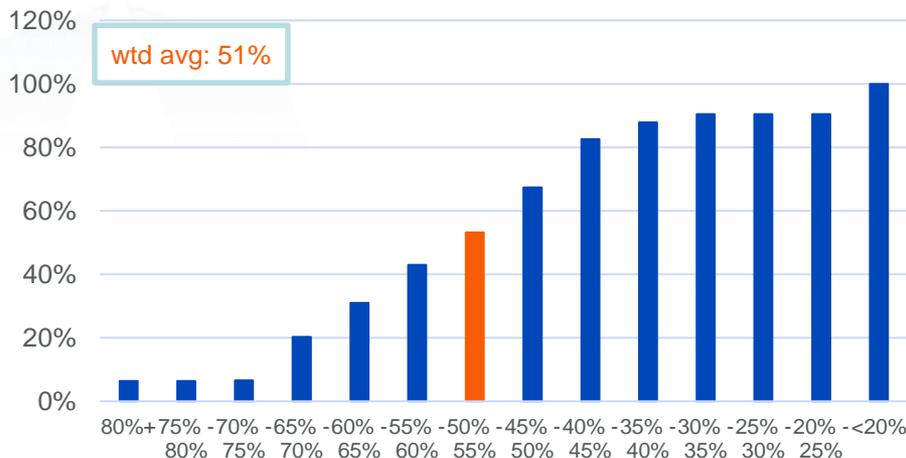
\$505 million (4%) – excluding PPP

## real estate secured



- 79% real estate secured
  - 51% wtd avg LTV
  - average exposure \$9.6 MM
  - largest exposure \$40 MM
  - 80% of portfolio has an LTV ≤ 65%
- 92% of unsecured outstandings to global hotel and timeshare brands
- 0.1% unsecured and deferred
- 99.9% secured or paying interest

## secured LTV distribution

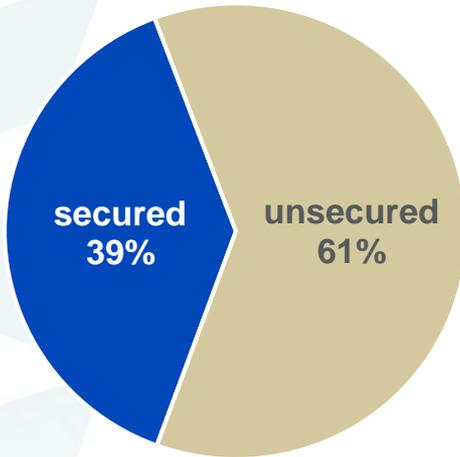


		deferred		
		yes	no	total
secured	yes	18.0%	61.4%	79.4%
	no	0.2%	20.4%	20.6%
	total	18.1%	81.9%	100.0%

# restaurant / entertainment

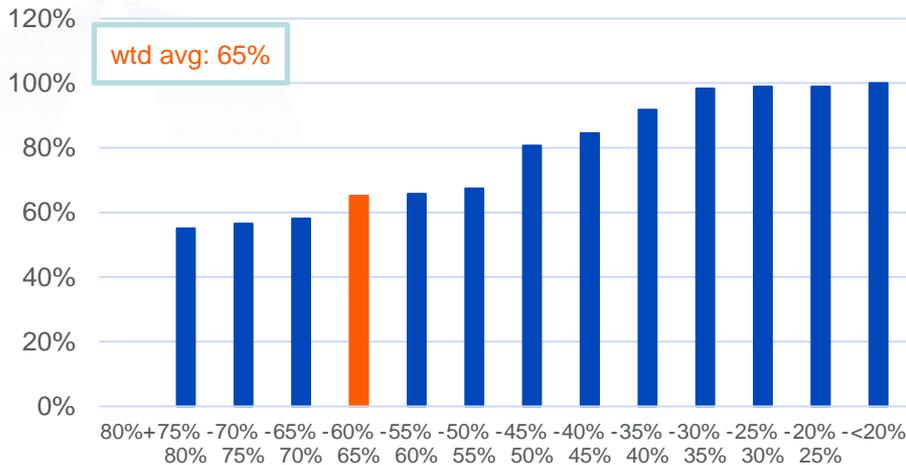
\$159 million (1%) – excluding PPP

## real estate secured



- 39% real estate secured
  - 65% wtd avg LTV
  - average exposure \$1.7 MM
  - largest exposure \$27.9 MM
  - 42% of portfolio has an LTV ≤ 65%
- \$7.3 MM unsecured and deferred
  - average exposure \$0.4 MM
- 99.9% secured or paying interest

## secured LTV distribution



		deferred		
		yes	no	total
secured	yes	2.9%	35.8%	38.7%
	no	4.6%	56.7%	61.3%
	total	7.5%	92.5%	100.0%