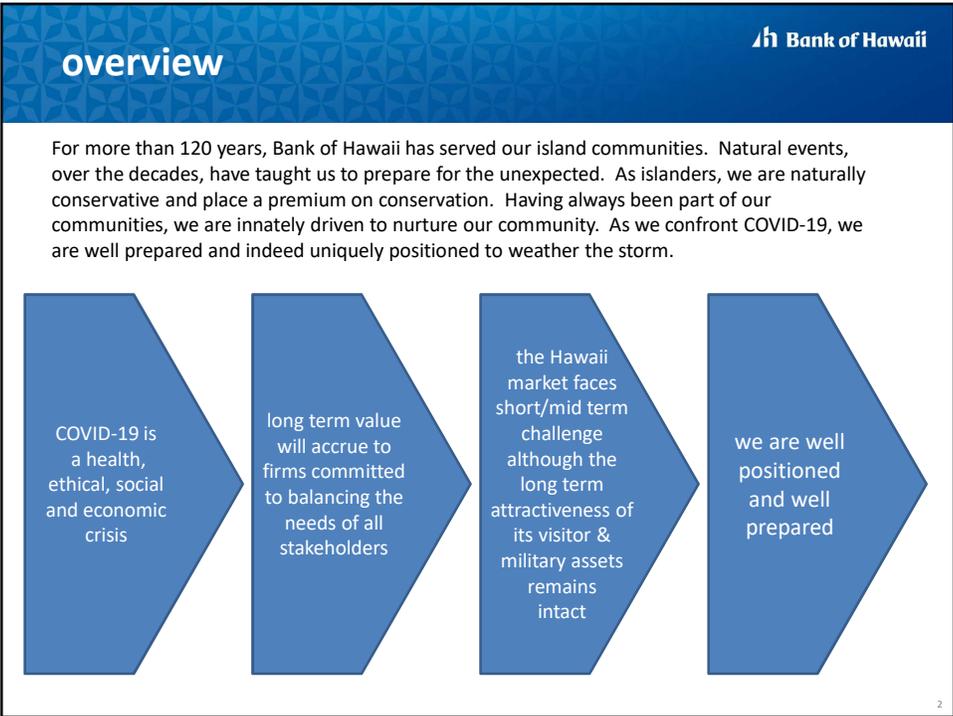


Bank of Hawaii Corporation
COVID-19 supplement

April 2020

 **Bank of Hawaii**



overview 

For more than 120 years, Bank of Hawaii has served our island communities. Natural events, over the decades, have taught us to prepare for the unexpected. As islanders, we are naturally conservative and place a premium on conservation. Having always been part of our communities, we are innately driven to nurture our community. As we confront COVID-19, we are well prepared and indeed uniquely positioned to weather the storm.

COVID-19 is a health, ethical, social and economic crisis

long term value will accrue to firms committed to balancing the needs of all stakeholders

the Hawaii market faces short/mid term challenge although the long term attractiveness of its visitor & military assets remains intact

we are well positioned and well prepared

2

COVID-19 strategic implementation plan objectives



- the health and safety of our employees are paramount. we are committed to providing a safe working environment
- we are committed to providing for the essential financial needs of our customers and our community
- we recognize certain customers provide essential service for our community. we will prioritize their banking needs accordingly

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operations



- branch structure reduced from 68 branches to 31 branches – coverage in all markets
- 1,300 person corporate headquarters - tower reduced to 250 personnel effective week prior to shelter in place order
- redundant teams and location sites created for certain operational functions
- ~60% of workforce working from home. all equipped with laptop, VPN and mobile token capabilities

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employee support / workplace considerations Bank of Hawaii

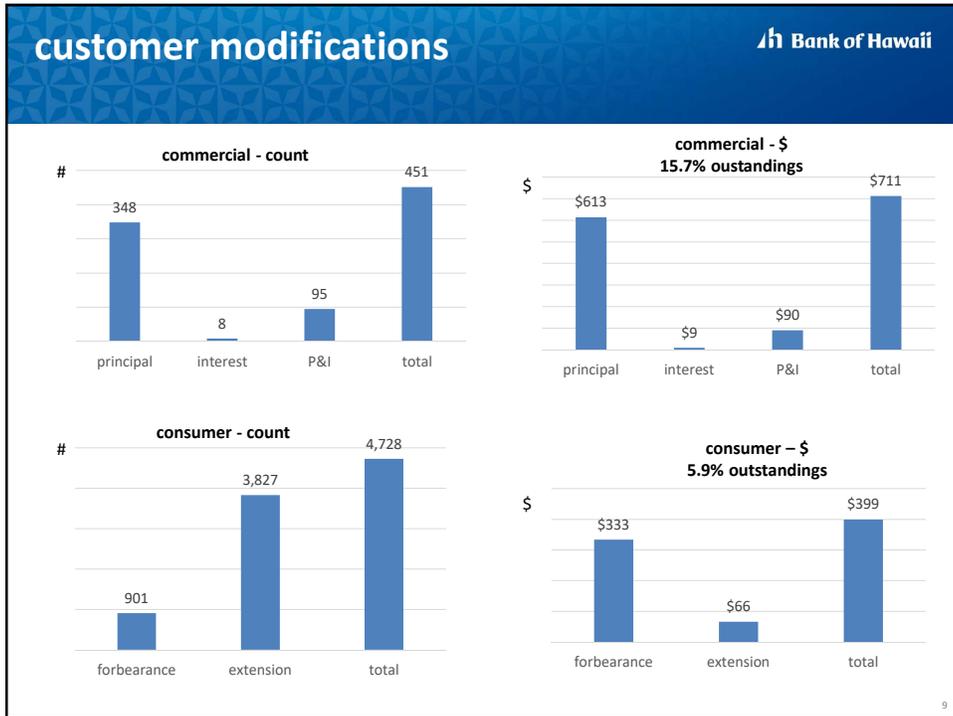
- onsite employees receive \$500/mos. stipend FT, \$250/mos. PT
- all COVID-19 incidents managed in conjunction with medical and industrial cleaning advisory groups
- web based employee morale/engagement tool deployed
- onsite employees afforded surplus sick leave as needed
- executive team participates in twice daily video conference. frequent engagement with downline reports

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customer Bank of Hawaii

- committed to providing full service banking capabilities via revised physical layout, work-from-home workforce and digital capabilities
- payment relief provided to both consumer and commercial customers
- processed over 2,100 PPP loans totaling in excess of \$525 million
- electronically distributed 65,000 stimulus payments totaling \$112 million
- committed to exploring emerging loan products

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- ### community support
-  Bank of Hawaii
- \$3 million donation from Bank of Hawaii Foundation to Hawaii Community Foundation to support Hawaii COVID-19 support activities. proceeds focused on protecting frontline health professionals, nourishing the community and revitalization
 - donated 1,200 PPE items to the two largest healthcare providers in the state plus \$100,000 in financial support for further PPE investment
 - waived ATM fees on all BOH ATM's through June 2020
 - provided line staff with broader authority to waive account level fees
- 10

Bank of Hawaii

economic impact

- unprecedented modern economic event
- obvious and substantial impact to Hawaii and West Pacific markets
- federal stimulus – both monetary and fiscal critical and meaningful
- quality health outcome and recovery key to Hawaii market re-emergence

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Bank of Hawaii

diversified Hawaii economy

jobs by industry

Industry	Percentage
Leisure and Hospitality	19%
Government and Defense	19%
Trade, Transportation and Utilities	19%
Education and Health Services	13%
Professional Services	12%
Natural Resources, Mining and Construction	8%
Finance, Insurance and Information	8%
Real Estate and Rentals	2%

GDP by Industry

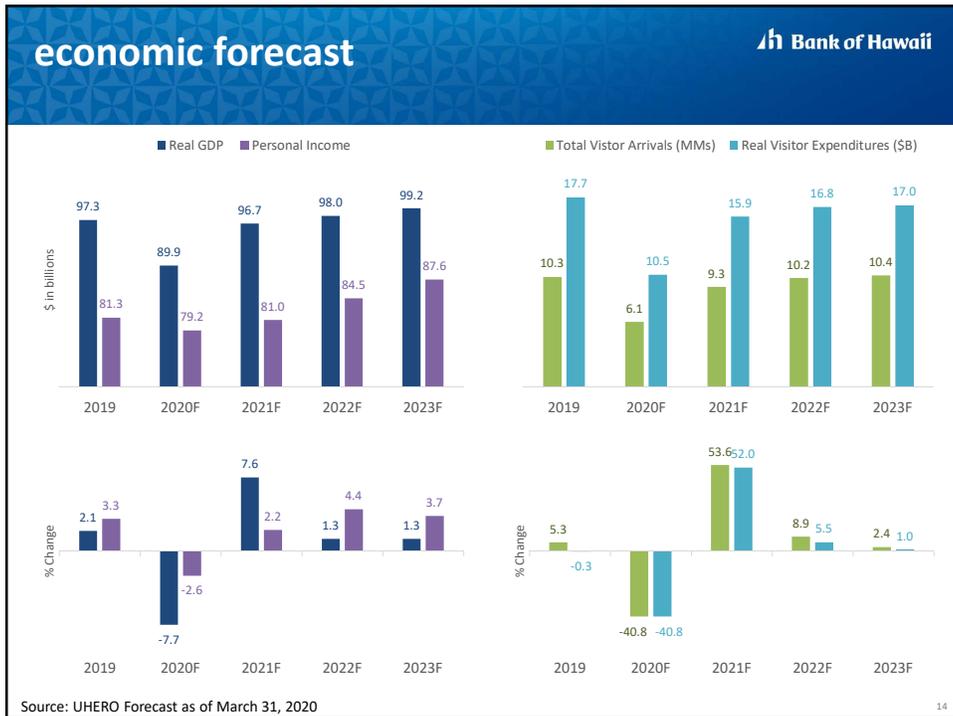
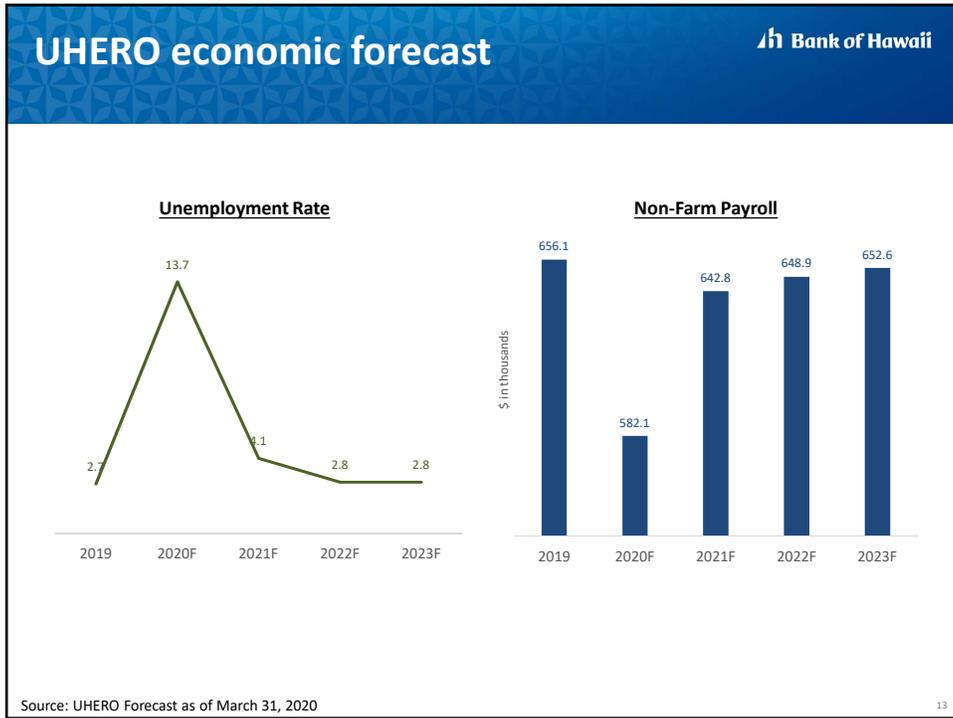
Industry	Percentage
Real Estate and Rentals	20%
Government and Defense	20%
Trade, Transportation and Utilities	19%
Professional Services	11%
Leisure and Hospitality	10%
Education and Health Services	8%
Natural Resources, Mining and...	6%
Finance, Insurance and Information	6%

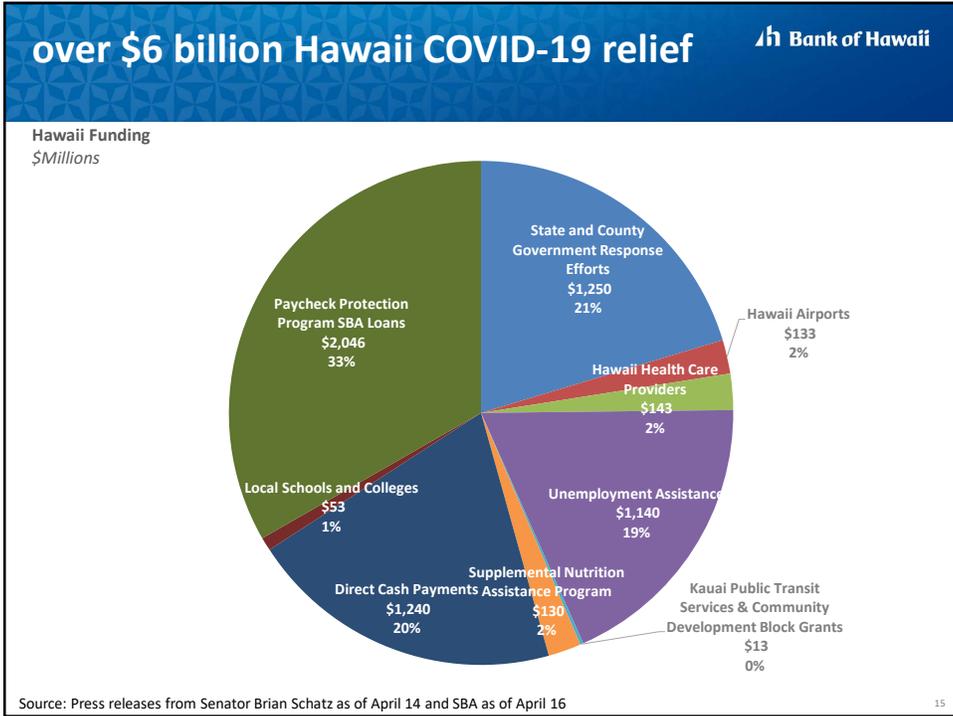
Personal Income by Industry

Industry	Percentage
Government and Defense Spending	29%
Trade, Transportation and Utilities	16%
Professional Services	16%
Education and Health Services	12%
Leisure and Hospitality	11%
Natural Resources, Mining and...	8%
Finance, Insurance and Information	5%
Real Estate and Rentals	3%

Source: UHERO, 2019 data

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BOH well positioned Bank of Hawaii

COVID-19

- unprecedented
- substantial economic impact
- likely prolonged return to pre COVID-19 levels
- Hawaii visitor industry reliant on normalized social distancing

Bank of Hawaii

- seasoned management team
- exceptional liquidity
- conservative loan portfolio
- preeminent market position
- strong capital levels

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exceptional liquidity Bank of Hawaii

- high quality, liquid investment portfolio
- exceptional core deposit base
- flexible loan to deposit ratio
- low cost funding base

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conservative investment portfolio Bank of Hawaii

securities portfolio as of March 31, 2020

our investment securities portfolio consists of high-quality securities

Sector

Sector	Percentage
Government/ Agency	94%
Muni	2%
Corp	4%
A	4%

Moody's Rating

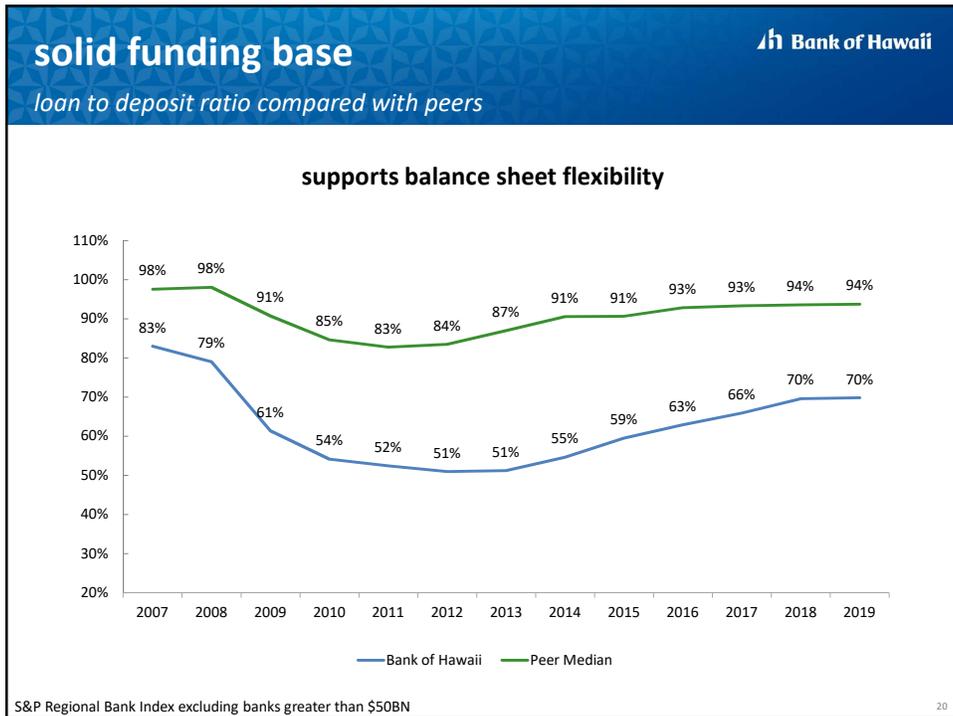
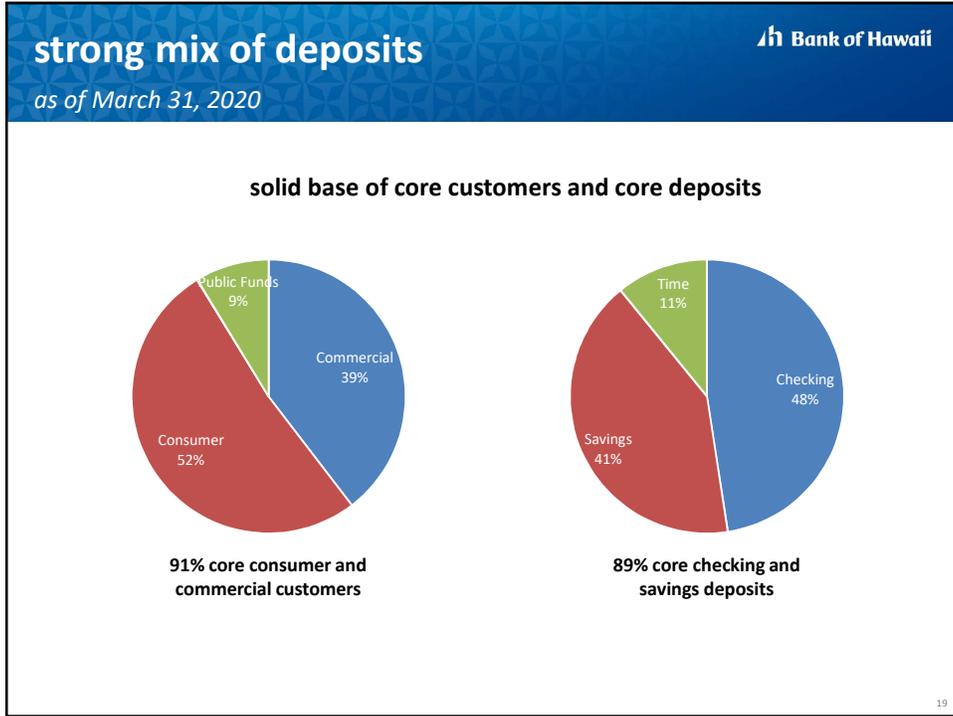
Moody's Rating	Percentage
Aaa	94%
Aa	2%
A	4%
A-	4%

Cash Flow

Cash Flow	Percentage
Monthly Payments	90%
Bullets	10%

- **94% Aaa-rated, 100% A-rated or higher**
- **Highly Liquid and Pledgeable**
- **Secure and Reliable Cash Flows**

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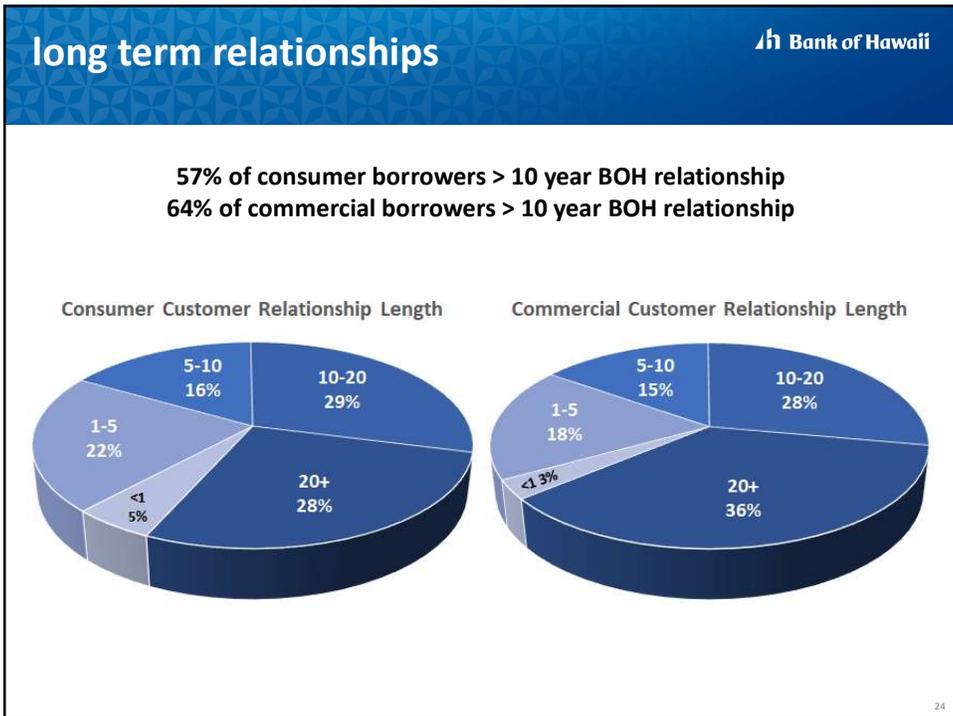
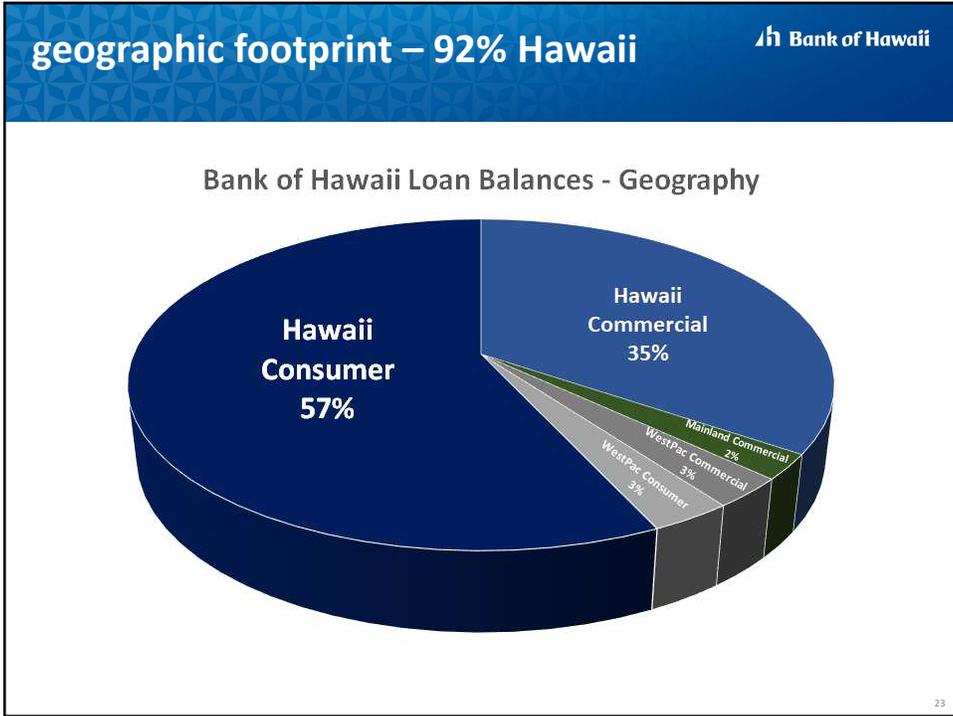


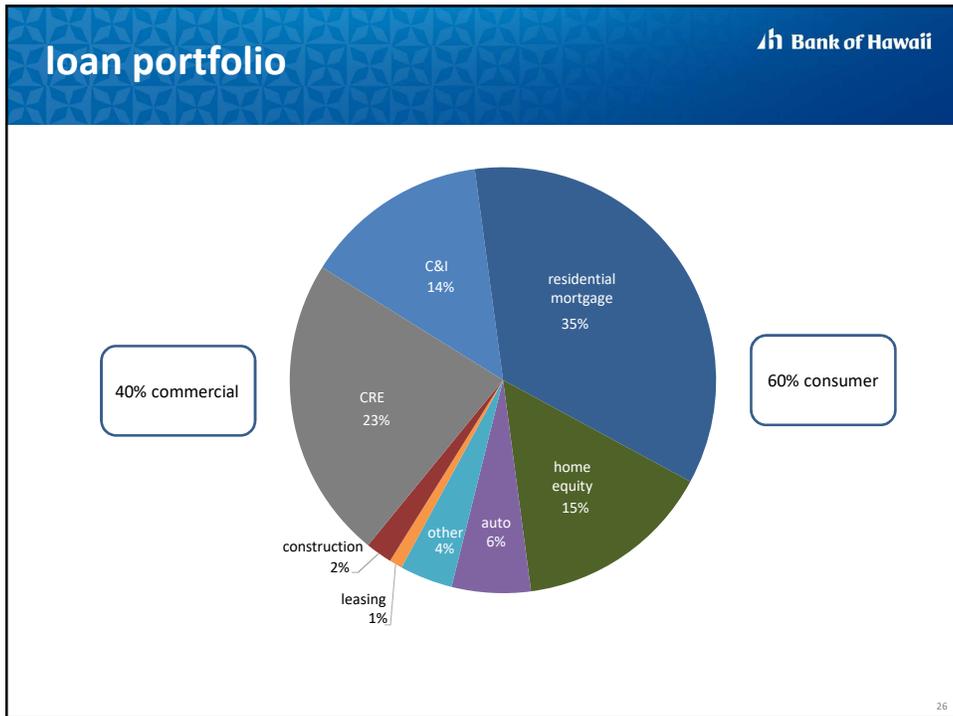
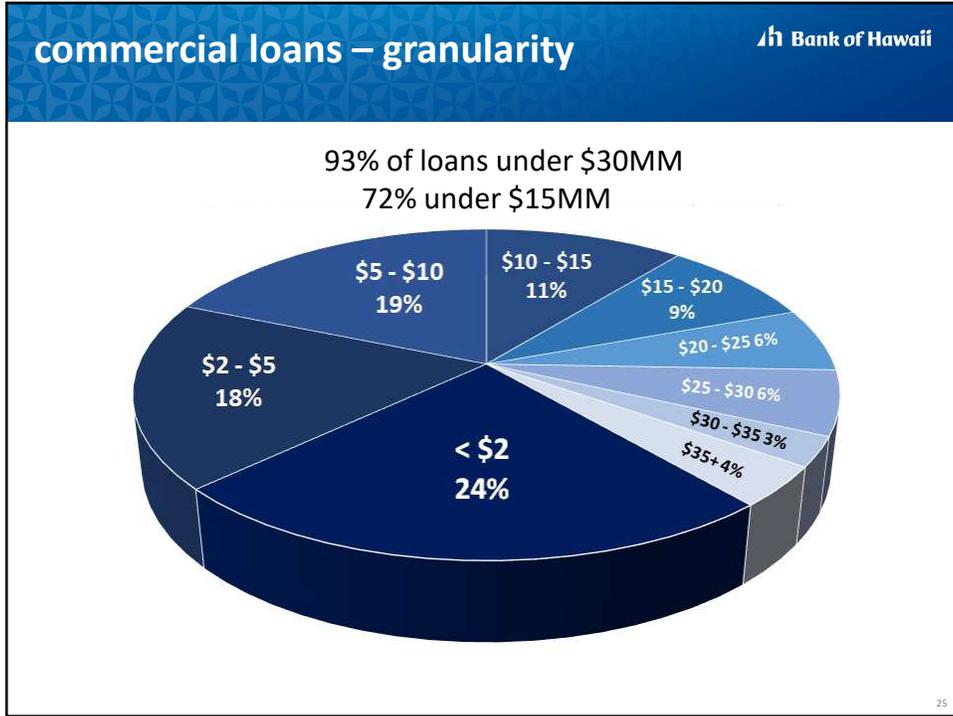
conservative underwriting & portfolio construction Bank of Hawaii

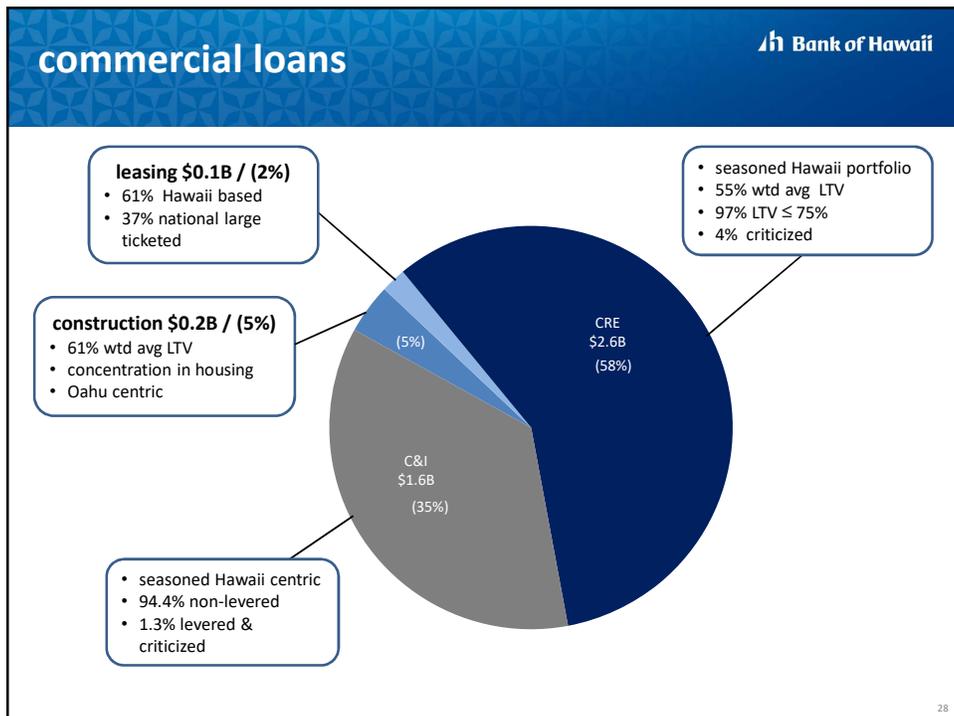
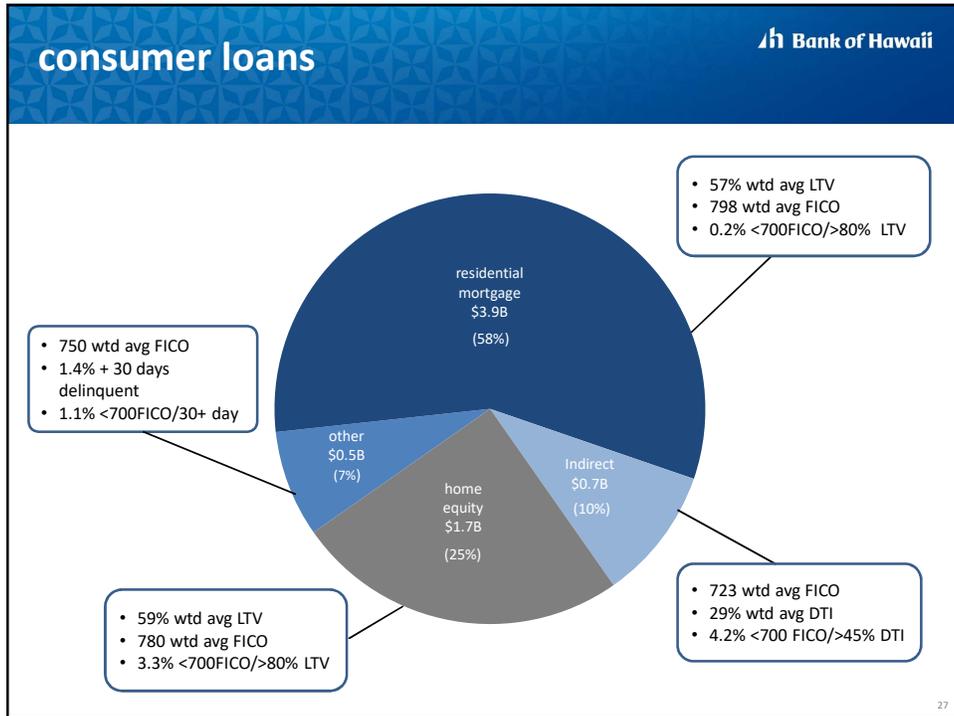
we lend in markets we understand, to people we know, in communities we trust

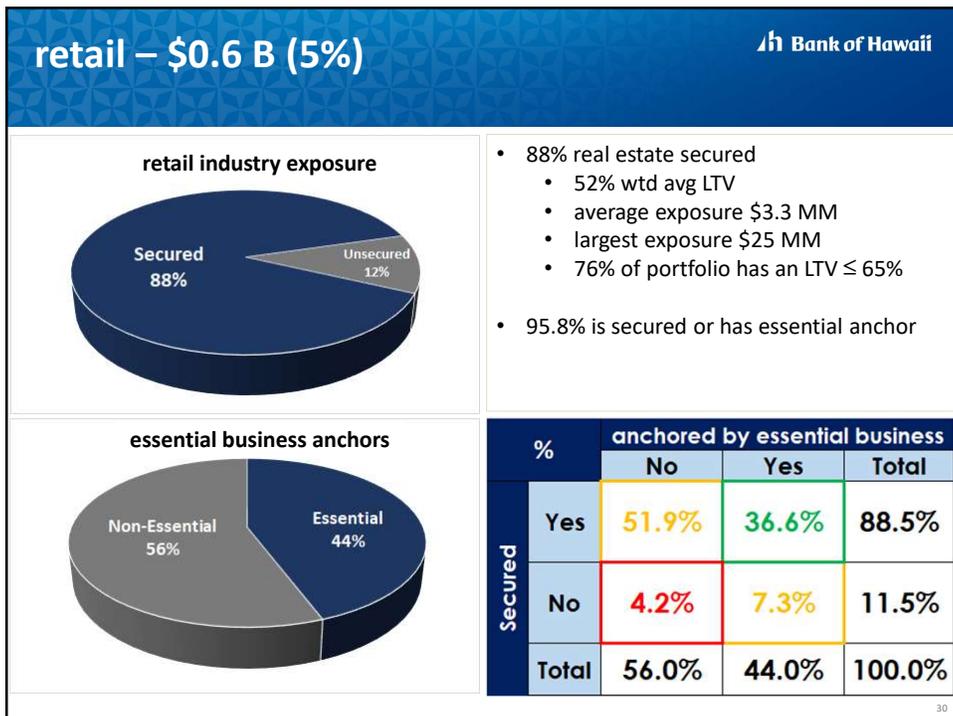
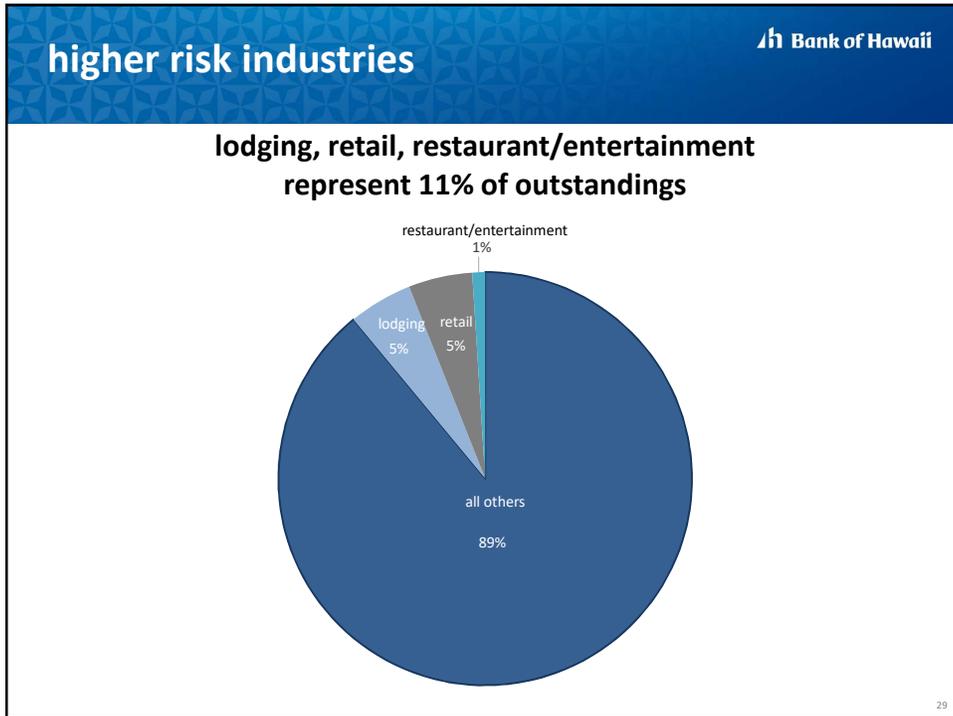
- diversified loan portfolio by category
- disciplined approach to exposure limits
- 73% of overall portfolio secured by quality real estate with combined wtd avg LTV of 57%
- higher risk categories well mitigated

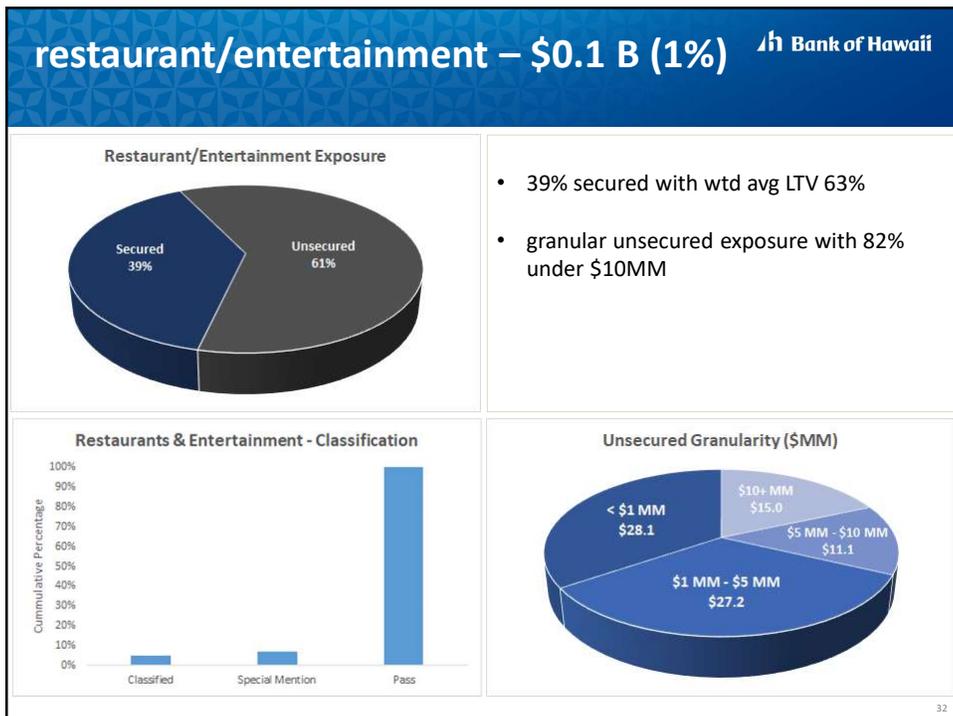
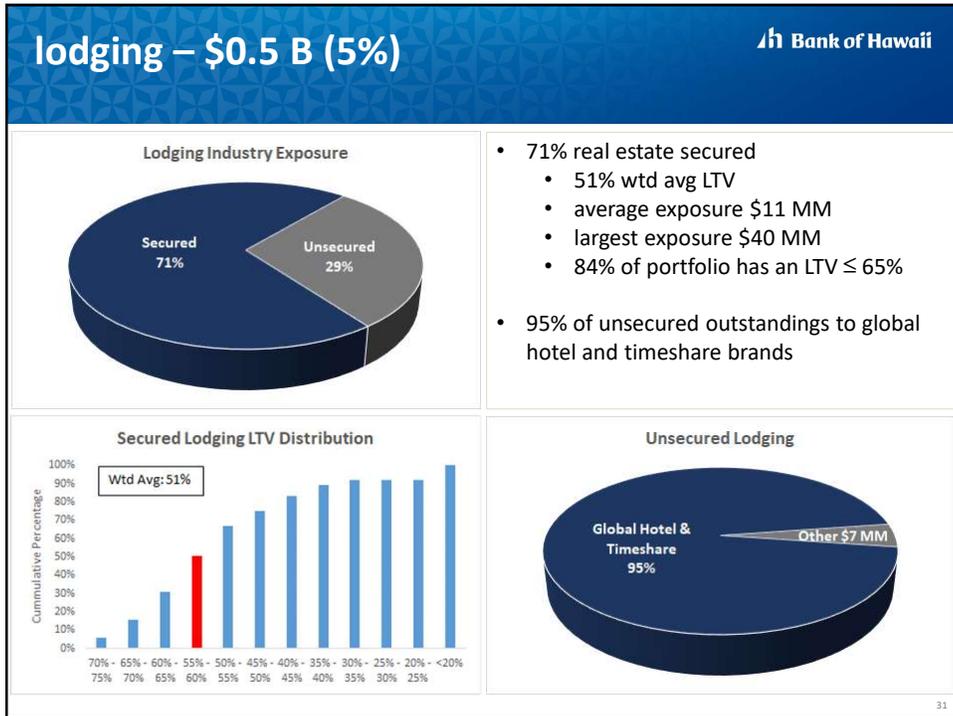
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strong capital levels Bank of Hawaii

- capital levels substantially above “well capitalized” minimums
- simple capital structure
- strong history of dividends

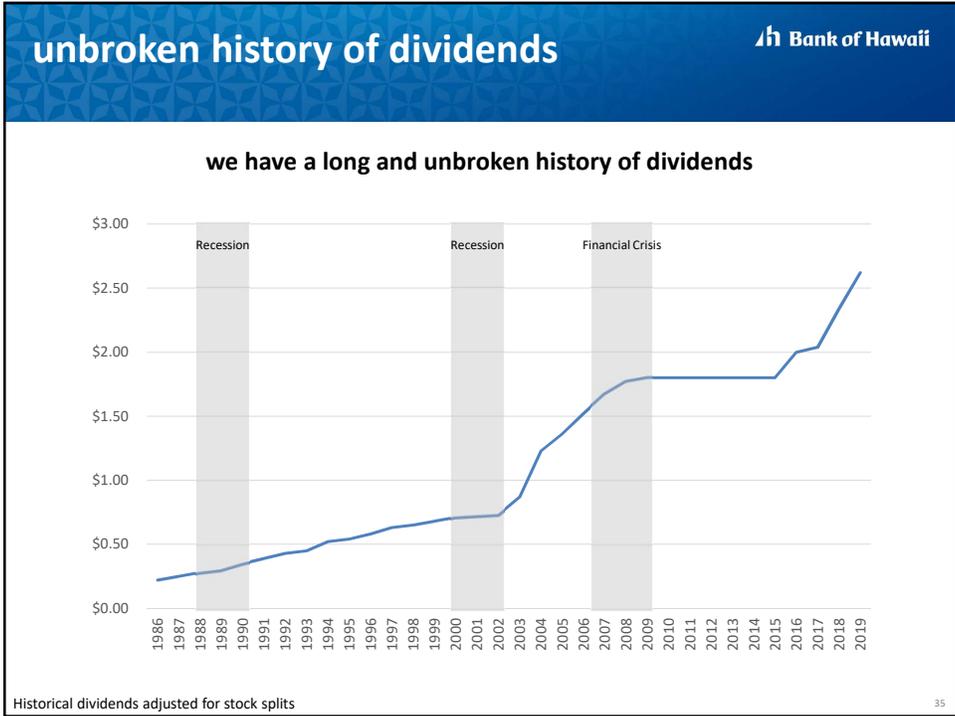
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strong capital position Bank of Hawaii
as of December 31, 2019

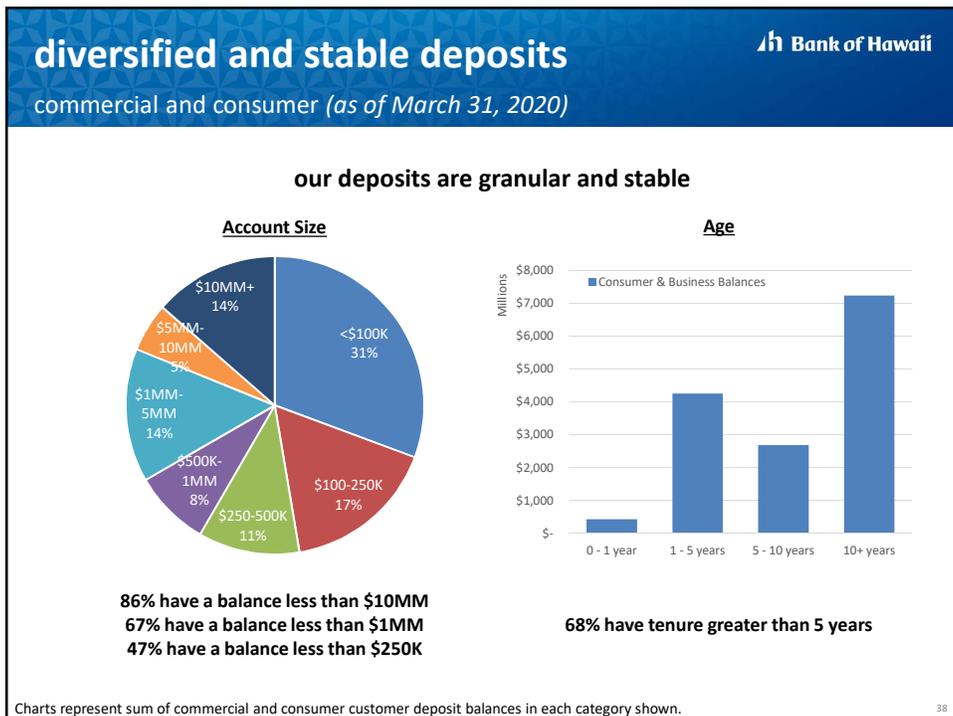
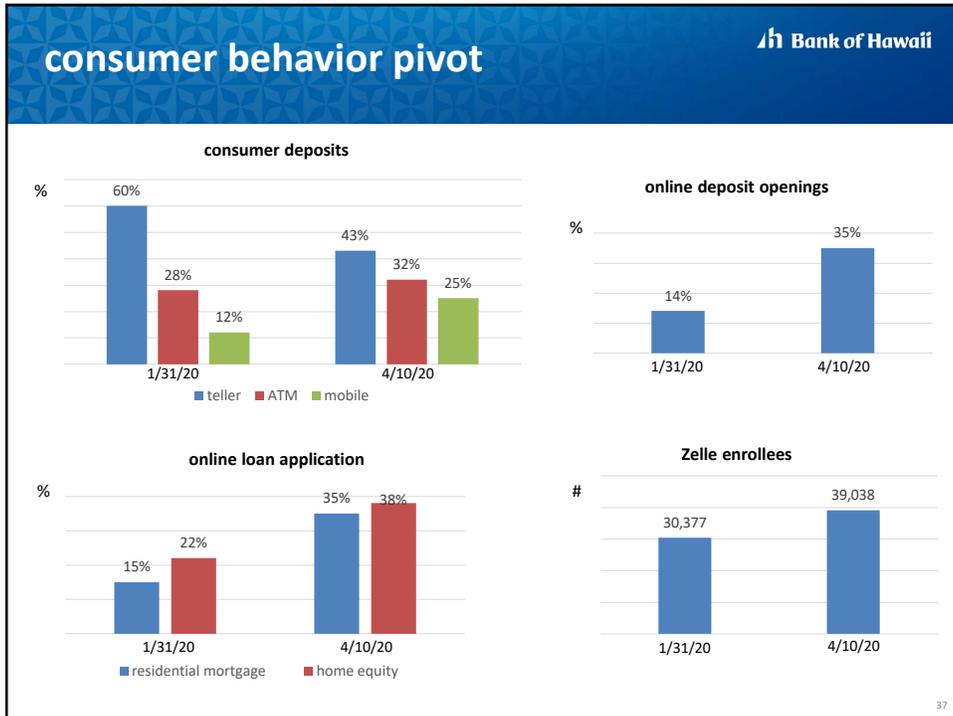
capital maintained at levels well in excess of required minimums and comparatively low risk assets

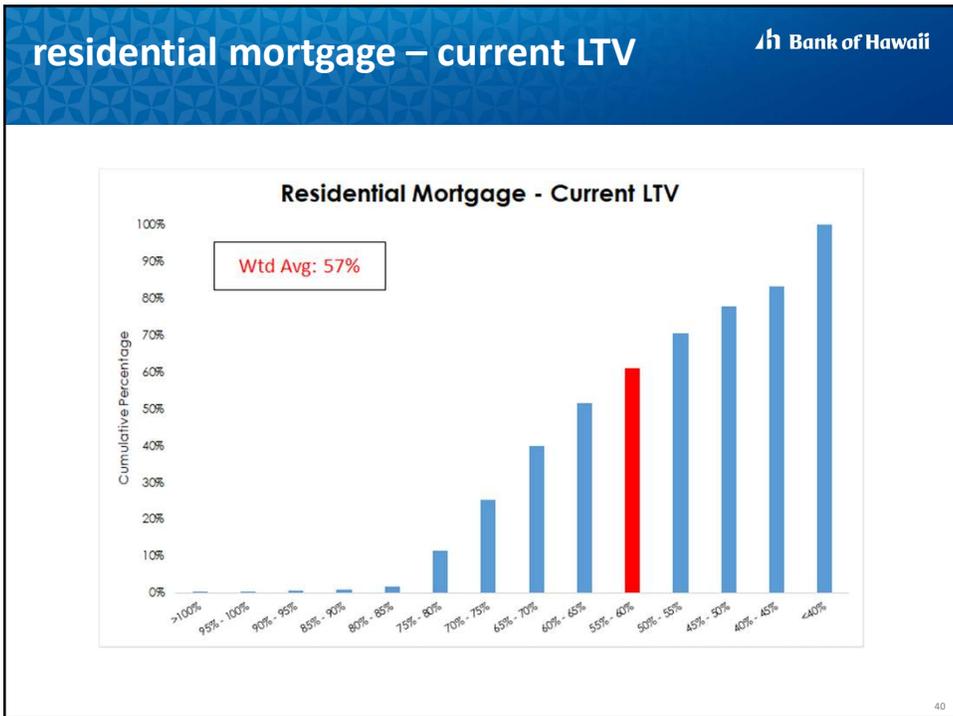
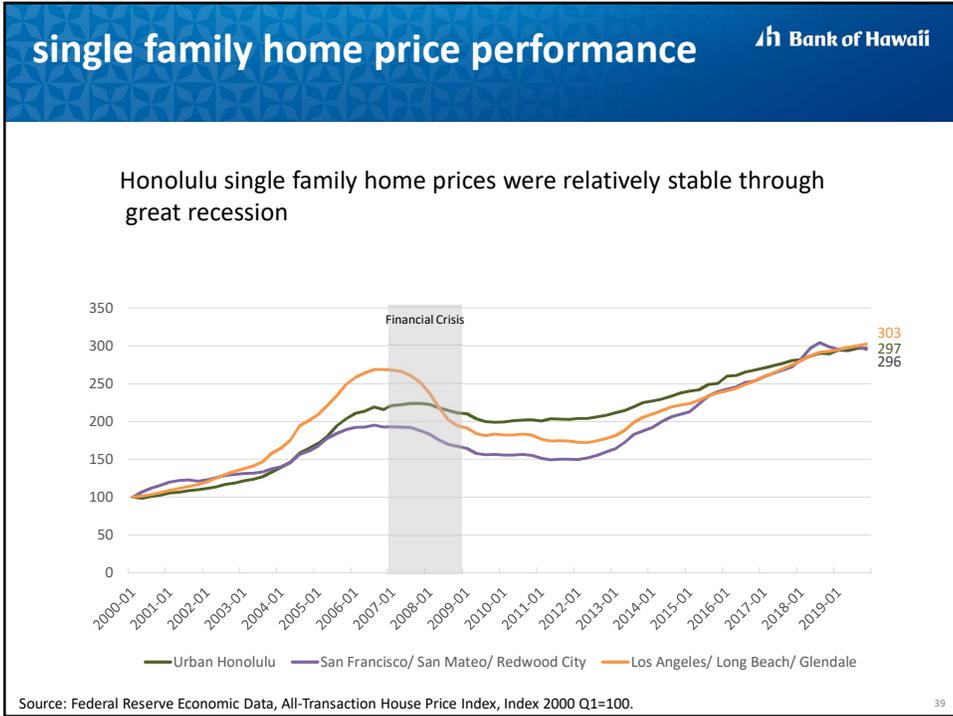
Metric	BOH	Regulatory Well-Cap Minimum
Common Equity Tier 1 Capital Ratio	12.18	6.50
Tier 1 Capital Ratio	12.18	8.00
Total Capital Ratio	13.28	10.00
RWA/Total Assets	58.5 %	78.4 %

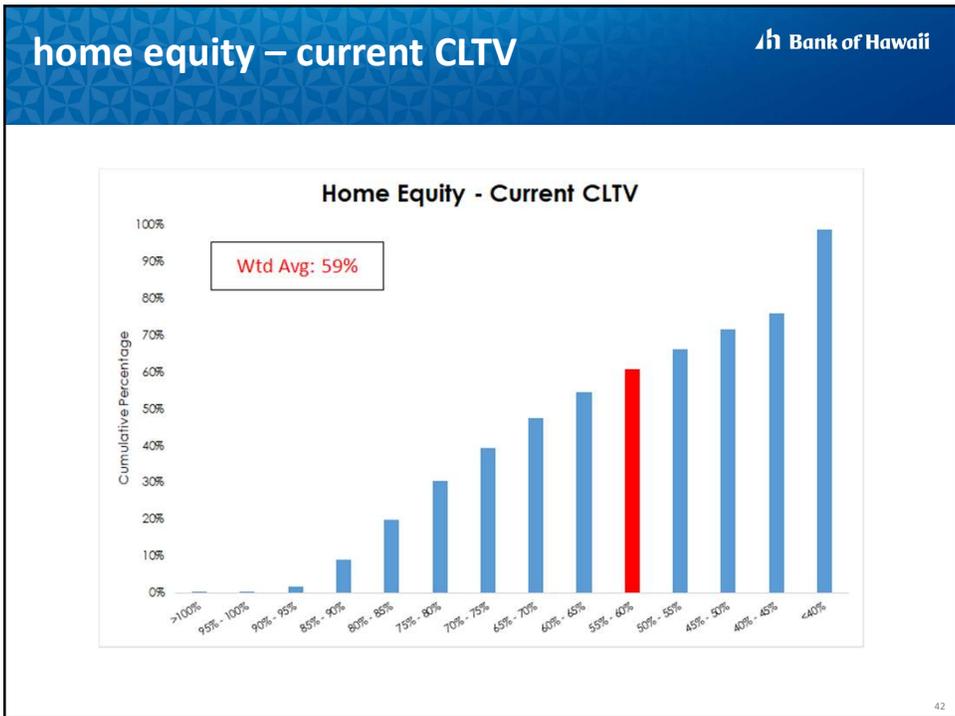
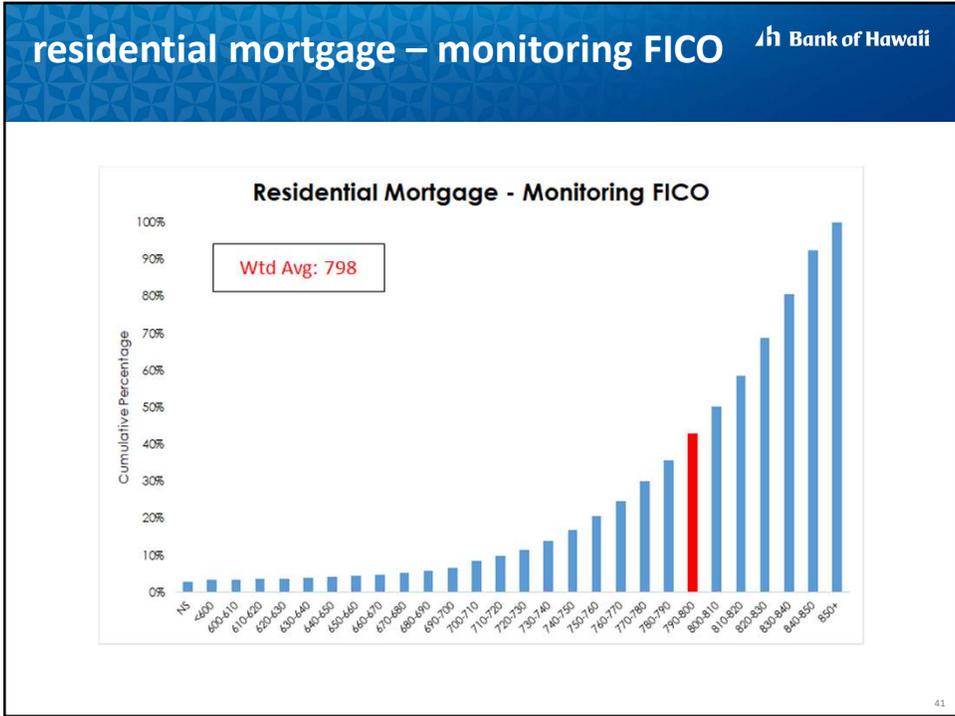
S&P Regional Bank Index excluding banks greater than \$50BN 34

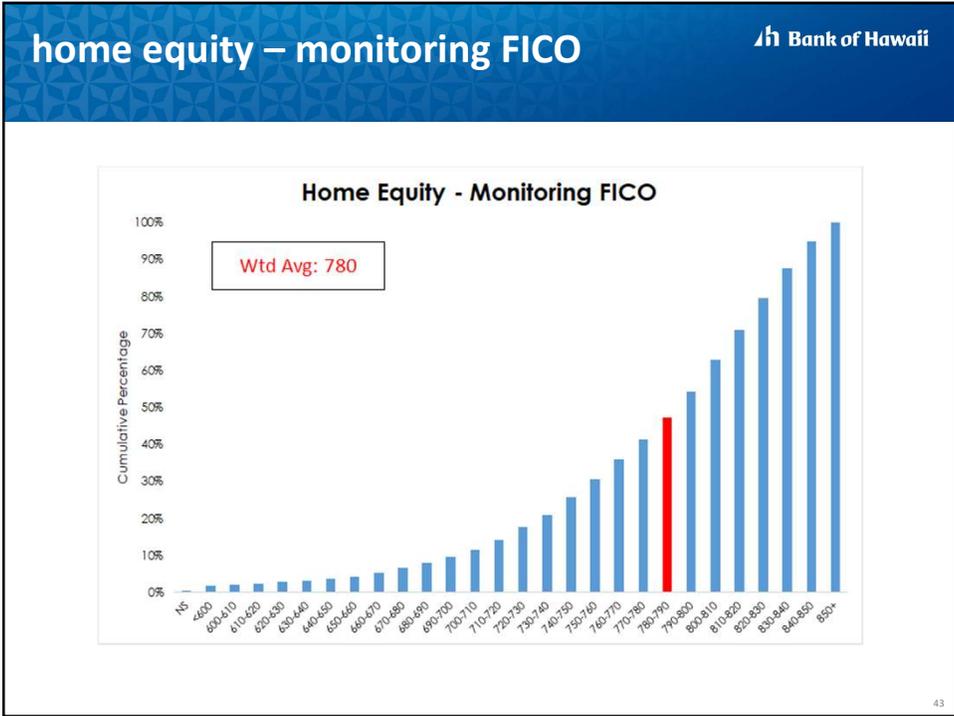


appendix

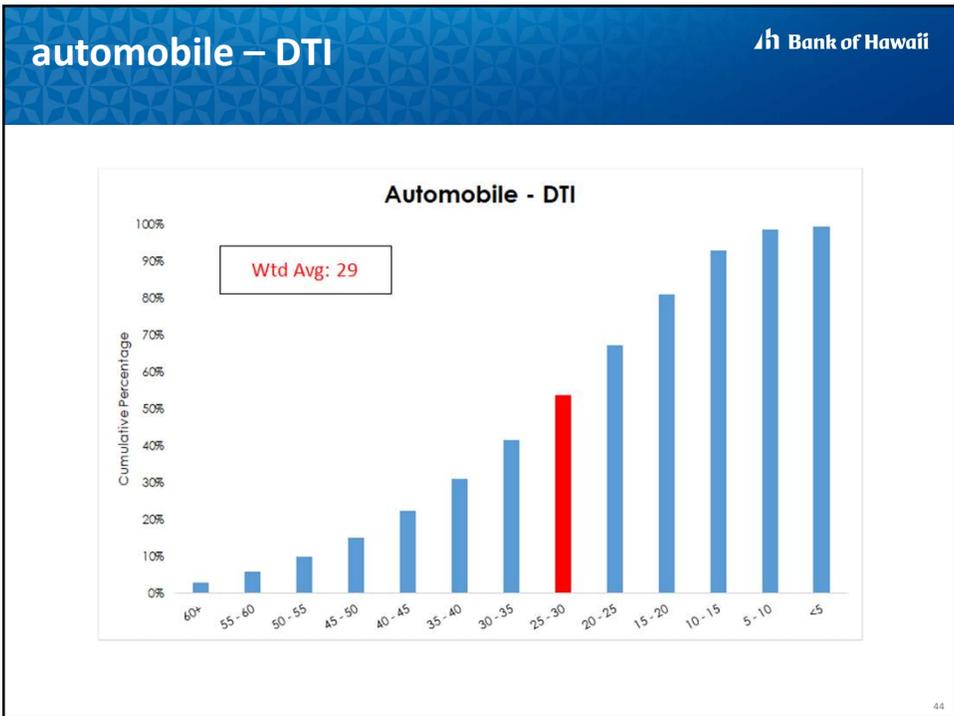








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