

# CHARTER

## Human Resources & Compensation Committee

*(BOHC & BOH Board Committee)*

April 28, 2023

### **PURPOSE**

The HR & Compensation Committee (the “Committee”) is established pursuant to the By-Laws of the Bank of Hawai‘i Corporation (the “Corporation”) to assist the Corporation’s Board of Directors (the “Board”) in fulfilling its oversight responsibilities related to the Corporation’s management of human capital and strategic talent planning and development, executive compensation plans, incentive compensation and equity-based plans, and programs that may impact employee engagement, diversity and inclusion, and corporate culture.

### **ORGANIZATION**

**Membership:** The Committee shall be comprised of at least three directors, including the Lead Independent Director, appointed by the Board annually to one-year terms, and the Board may make additional appointments by resolution passed by a majority of the whole Board. All members of the Committee shall be independent directors as defined by the NYSE listing standards or other applicable laws and regulations, and pursuant to the Board’s Corporate Governance Guidelines. The Board shall appoint one of the members of the Committee to serve as Chair. The Board shall have the authority to replace or remove Committee members. At the request of the Committee, members of management may attend meetings of the Committee. The Committee is authorized to adopt its own rules of procedure not inconsistent with any provision of this Charter and the articles and By-Laws of the Corporation.

**Meetings and Quorum:** The Committee shall meet at least four times a year and, as the need should arise, upon request of the Chair of the Committee or any two other members of the Committee. A majority of the members of the Committee shall constitute a quorum. Notice of meetings shall be provided by the Secretary, but lack of notice shall not invalidate the proceeding of any meeting at which a quorum was present. The meeting venues may include in-person, telephonic or such other modes as determined by the Chair to be appropriate.

**Subcommittee and Delegation:** The Committee may appoint its own subcommittees and delegate any of its responsibilities that do not, under applicable law, rules, regulations or stock exchange listing standards, require approval of the Committee as a whole to a

subcommittee comprised of one or more independent members of the Board. Each subcommittee shall report its actions at the next practicable meeting of the Committee. Additionally, the Committee may delegate any of its responsibilities (that do not require approval of the Committee as a whole) to the Chief Executive Officer, provided that the responsibilities are with respect to matters affecting employees other than the Chief Executive Officer.

Advisors: The Committee has the power, in its sole discretion, to obtain advice and assistance from, and to retain at the Corporation's expense, such independent or outside legal counsel, accounting or other advisors and experts as it determines necessary or appropriate to carry out its duties, and in connection therewith to receive appropriate funding, determined by the Committee, from the Corporation.

The Committee has the sole authority to select, retain, obtain advice from, and terminate a compensation consultant as necessary to assist with the execution of its duties and responsibilities as set forth in this Charter. The Committee shall set the compensation and other retention terms, and oversee the work of the compensation consultant.

Recordkeeping and Reports: The Committee shall have a Secretary who shall keep minutes of the Committee meetings. The Secretary need not be a member of the Committee. Minutes of Committee meetings shall be made available for approval at the next practicable meeting of the Committee. Minutes or a report of Committee actions shall be provided to the full Board at the next practicable meeting of the Board.

Annual Review of Charter and Committee Evaluation: The Committee shall review and reassess the adequacy of this Charter annually and recommend to the Board any proposed changes to this Charter, and annually review the Committee's own performance. The Committee shall provide its members with annual continuing education opportunities relating to human capital management, compensation, and other areas relevant to the Committee.

## **RESPONSIBILITIES**

The Committee shall be subject to oversight by the Board, shall exercise all authority necessary to enable it to fulfill its responsibilities and shall, to the extent it deems necessary or appropriate, perform the duties and responsibilities set forth below:

- (a) Review and approve compensation policies and plans that balance risk and financial results in a manner that does not encourage inappropriate conduct by employees, does not encourage employees to take excessive risks, and does not encourage risk taking beyond the Corporation's ability to identify and manage risk. The Committee shall meet annually, or more frequently if required, with the Audit and Risk Committee of the Board to ensure that the Corporation's compensation policies and plans are in conformance with the Bank's overall risk appetite;

- (b) Review and approve the compensation philosophy of the Corporation and its application to subsidiaries and affiliates as deemed appropriate by the Committee;
- (c) Review and approve corporate goals and objectives relevant to CEO compensation, evaluate the performance of the CEO in light of those goals and objectives, discuss the results of the evaluation with the Board's independent directors, and determine the CEO's compensation level based on the results of the evaluation. In determining the CEO's long-term compensation, the Committee shall consider, among other factors, the Corporation's performance, relative shareholder return, the competitive marketplace, and the awards given to the CEO in past years;
- (d) Review and approve, or make recommendations to the full Board, if applicable, the compensation of the Corporation's Executive Officers;
- (e) Review and assess director compensation and make such recommendations it deems appropriate to the Board for its approval, and establish policies and principles for director compensation, considering current practices regarding director compensation in other organizations, and make recommendations to the Board regarding director compensation for the Board's concurrence;
- (f) If applicable, delegate to management the authority to approve the compensation for employees below the Executive Officer level, including equity grants, such as restricted stock, stock options and other forms of equity compensation within specified grant guidelines approved by the Committee;
- (g) Review and approve the Corporation's long-term and short-term incentive compensation plans, equity-based plans, and deferred compensation programs;

Review and approve participation of Executive Officers in incentive plans;

Recommend to the full Board or, where appropriate, approve the adoption of the Corporation's incentive stock plans and other incentive plans, approve grants of awards under such plans to employees and non-employees, approve such amendments or revisions to such incentive plans, and to take such other actions relating to the plans as deemed appropriate by the Committee;

Review incentive plans, budgets, and consolidated incentive plan payouts relative to the financial contribution and related risks of the business unit;

- (h) Determine the existence of any conflicts of interest and annually assess the independence of any compensation consultants. Pursuant to Section 10C of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and other applicable laws and regulations, the Committee shall consider the following factors in determining the independence of any compensation consultant to be retained by the Committee and whether a conflict of interest exists:

- The provision of other services to the Company by the firm employing the adviser;
  - The amount of fees received from the Company by the firm that employs the adviser, as a percentage of the firm's total revenues;
  - The policies or procedures of the firm employing the adviser that are designed to prevent conflicts of interest;
  - Any business or personal relationship of the adviser with a member of the Committee;
  - Any stock of the Company owned by the adviser; and
  - Any business or personal relationships between the executive officers of the Company and the adviser or the firm employing the adviser;
- (i) Review the organizational and leadership development and training programs for employees and review succession planning for Executive Officers;
- (j) Produce a Committee report as required by the SEC to be included in the Corporation's annual proxy statement, and review and discuss with management the Corporation's disclosures under the "Compensation Discussion and Analysis ("CD&A"), and based on such review and discussion, make recommendations to the Board as to whether the CD&A should be included in the Corporation's annual report and annual proxy statement;
- (k) Engage with shareholders and shareholder proxy advisory firms concerning human capital management and compensation related matters;
- (l) Review and recommend to the Board for approval the frequency with which the Company will conduct Say on Pay Votes, taking into account the results of the most recent stockholder advisory vote on frequency of Say on Pay Votes required by Section 14A of the Exchange Act, and review and approve the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company's proxy statement; and
- (m) Oversee the Corporation's management of human capital and strategic talent planning and development, and programs that may impact employee engagement, diversity, equity and inclusion, and corporate culture. This oversight may include but is not limited to focus areas related to people and culture risk, workplace & employee experience, and employment trends & landscape.