



## Holo I Mua

MOVING FORWARD TOGETHER

## Contents

1	Chairman's Message
3	2014 Financial Summary
4	Year in Review
8	Client Profiles
16	Pulling Together to Strengthen Communities
18	Empowering Employees for Success
20	2014 Financial Report
23	Map of Locations
24	Managing Committee and Board of Directors
27	Bank of Hawaii Locations
28	Shareholder Information

## Holo I Mua: Moving Forward Together

Bank of Hawaii's "Reach Your Dreams" commercial began airing in 2014, and features a community of highly respected canoe builders and esteemed paddlers. Similar to the teamwork required in constructing a canoe, Bank of Hawaii's commitment to collaboration is stronger than ever. Bank of Hawaii employees work together to provide personalized tools and services for clients, bringing them one step closer to reaching their financial goals.

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### Dear Fellow Shareholders,

Bank of Hawaii performed well again in 2014. We concluded the year in sound financial shape. We remain well capitalized and well positioned for 2015. We continue our strategic approach to managing your company with a focus on building shareholder value over time by leveraging our unique market knowledge and brand strength along with sound risk and capital management and prudent expense control. Hawaii and the West Pacific remain our core markets.

Net income for the full year of 2014 was \$163 million compared to \$150.5 million the prior year, an increase of 8.3 percent. Diluted earnings per share for the full year of 2014 were up 9.2 percent to \$3.69 from \$3.38 in 2013. Our balance sheet continued to strengthen with solid growth in loans, up 13.2 percent to \$6.9 billion from the prior year. Deposits were up 6 percent to \$12.6 billion year over year. Credit quality remained solid and we saw all key metrics moving in the right direction throughout the year. Capital ratios place us in the top quartile among peer banks. Our equity valuation, as measured by price-to-book value, also remained in the top quartile throughout the year. Expenses for the full year were down \$4.1 million, or 1.2 percent, to \$326.9 million from \$331.0 million in 2013.

Significant to this performance is it was accomplished amidst a stagnant interest rate environment. We returned significant capital to shareholders through our share repurchase program while still managing to grow capital

and maintain our annual dividend of \$1.80 per share. Since the start of the share repurchase program in July 2001 through the end of 2014, we have repurchased 52.0 million shares and returned more than \$1.9 billion to shareholders at an average cost of \$36.96 per share. Remaining buyback authority stands at \$73.2 million as of Dec. 31, 2014.

### Economy

In 2014, we were fortunate to benefit from a relatively strong economy in the islands. Hawaii's unemployment rate of 4 percent is among the lowest in the nation. Tourism set another record year in 2014. Visitor arrivals increased 1.3 percent to nearly 8.3 million and total visitor expenditures grew 2.3 percent to \$14.7 billion. This on top of several very strong years of growth in the industry.

Hawaii's housing market continued to perform well with the median price of a single-family home on Oahu topping \$700,000. Housing inventory remains tight on Oahu with single-family homes on the market for an average of 23 days at end of 2014 and condominiums on the market an average of 22 days. Construction activity, which had gotten off to a slightly slower start than anticipated a couple years ago, is now accelerating with numerous major residential condominium projects underway and more in the pipeline in Oahu's urban core. Honolulu's rail transit project, currently estimated at roughly \$6 billion and the largest public works project in the state's history, is progressing with an anticipated completion date in 2019.

The strength of the economy was clearly reflected in our lending activity. We experienced broad-based growth in commercial and consumer lending. Commercial lending was up 11.9 percent to \$2.83 billion compared to \$2.53 billion at the end of 2013. Consumer loans increased 14.1 percent to \$4.07 billion from \$3.57 billion at the end of 2013.

Barring unforeseen geopolitical factors, we'd expect Hawaii's economy to continue its steady course. However, we will keep an eye on the broader global economy for

developments in Europe, Asia and other regions that could have a potential impact on our local economy.

Our strong performance reflects the dedicated efforts of our 2,200 employees and the quality of our customers. We were honored to once again be recognized nationally for our exceptional performance. *Forbes* magazine ranked us the No. 2 top performing large bank in the country. This is the sixth year in a row that *Forbes* has ranked Bank of Hawaii among the top five and we are the only bank in the country to be ranked in the top five for all six years that *Forbes* has conducted this ranking. In addition, Bank of Hawaii is rated Aa3 by Moody's Investor Services, making it one of the highest-rated financial institutions globally and nationally (rating as of Sept. 2014).

### Consistent Strategy

We continue to stay the course in regard to our strategic plan, which has served us well. Our 2014–2016 strategic plan contains many of the same core initiatives that make up the strategic foundation of our prior plan. Important will be deepening customer relationships, increasing efficiency, supporting and engaging our employees, leveraging our brand strength and continuing to actively manage risk and capital. The outcome of our success will largely depend on our ability to ensure all these elements are achieved in harmonious fashion. All elements are important.

Unique to the 2014–2016 plan will be expanded emphasis on ensuring we have the optimal customer delivery channels for today's environment, on fine-tuning our products and services to the unique needs of our customers and on leveraging technology to improve customer experience and approval.

### Customer-Centric Focus

Founded in 1897, we have a deep history in the markets we serve, and today have banking relationships with more than 50 percent of Hawaii households. As a community bank, we believe banking should not be complicated. Our job is to help customers understand the products and services in which they have an

## CHAIRMAN'S MESSAGE

interest, helping ensure the choices are right for them.

The words “fast-paced” and “innovative” have not traditionally come to mind when describing the banking industry, but that’s changing. Customers already recognize and appreciate our extensive branch and ATM network, and we complement that accessibility with a 24/7 call center and advanced mobile capability. We continue to see customers conduct more of their business online and adopt new mobile technologies.

By embracing a customer-centric approach and using the knowledge learned from conversations with customers, we can provide the appropriate products and levels of service tailored to their individual situations and stages in life. Some customers have basic banking needs while others—consumers and businesses—have more complex requirements. As highlighted in the theme of this year’s annual report, our commitment to building strong, long-lasting, trusted relationships with our valued customers allows us to help them navigate toward a successful and secure financial future.

### Employees

We must continually ensure we not only attract the best employees but also retain them. We place heavy emphasis on employee development and training at all levels across the organization. Developing talent is the cornerstone to executing our plans for the future. A wide breadth of in-house training opportunities is available for all levels of employees. Also provided are specific courses involving leadership development and succession planning along with newly introduced courses on employee engagement and productivity.

We were proud to be named among the top 10 best large companies to work for in *Hawaii Business* magazine’s “Best Places To Work” annual survey. According to the survey, Bank of Hawaii was also ranked the No. 1 “Healthiest Company” and No. 3 for “Most Family-Friendly.”

In January 2014, we launched our Bank of Hawaii Foundation Scholarship

Fund for employees’ children and grandchildren. In this inaugural year, we were proud to provide 26 scholarships worth \$91,000 to colleges across the country. We look forward to expanding the program in the years to come.

### Community

Our roots in the community run deep. Not just a company mantra, but an embedded value, we believe in investing in our local communities—both with time and funding. Along with being the state’s largest independent financial institution comes not only an obligation but also an opportunity to make a positive difference. Healthy banks need healthy communities and vice versa. I’m very proud of our “Bankoh Blue Crew,” a dedicated team of employee volunteers who are in the community every week helping out a diverse group of nonprofit organizations accomplish their missions.

In 2014, employee volunteers participated in 109 community-based events—more than two per week—investing 6,712 hours of their time. Employees are encouraged to also serve on boards of community organizations and lend their expertise to help guide these groups and offer their leadership skills and professional experience. You can read more about community activities later in this report.

We were honored to once again be the top residential lender in the state in both number of loans and dollar amount. We were also proud to be recognized as the SBA Hawaii top lender for Category 1 (large banks) and Hawaii’s Military Bank of the Year by the U.S. Department of the Navy. Additionally, we continue to maintain our Community Reinvestment Act “Outstanding” rating from the Federal Reserve. And, we were proud to receive for the first time the Community Commitment Award from the American Bankers Association.

### Aloha and Mahalo to Dave Heenan

I want to wish a fond aloha to director Dave Heenan, who retires from our board at our 2015 annual shareholders meeting. Dave served our organization well for more than 30 years as a member of the board. He also served

the past 14 years as chair of our Human Resources and Compensation Committee. His keen intellect and razor sharp wit will certainly be missed, but absolutely not forgotten. Mahalo Dave and Nery for a job well done.

### Holo I Mua—Moving Forward Together

For more than a century, our customers have trusted and depended on Bank of Hawaii for their banking needs. It is a trust that we value and take seriously. Looking ahead, we are excited about the future. We have an exceptionally strong leadership team and highly dedicated and talented employees.

I’d like to welcome new board member Victor Nichols, who will also serve on the board’s Audit and Risk Committee. He most recently served as Chief Executive Officer of North America and President of Global Consumer Services for Experian, the leading global information services company providing data and analytical tools to clients around the world. Victor’s professional background and expertise in strategic planning and information technology will bring valuable perspective to our board and his global experience is well suited for the rapidly growing role of technology in the financial services industry.

I’d like to thank our entire board of directors for their ongoing support, guidance and involvement. I also want to thank our shareholders for their confidence and trust in Bank of Hawaii. We are proud of our results and the team that helped make us the successful organization we are today. We look forward to 2015 and “moving forward together.”

With aloha,



Peter S. Ho  
Chairman, President,  
and Chief Executive Officer  
Bank of Hawaii Corporation  
and Bank of Hawaii

## 2014 Financial Summary

Bank of Hawaii Corporation and Subsidiaries (dollars in thousands, except per-share amounts)

FOR THE YEAR ENDED DECEMBER 31

	2014	2013
<b>Earnings Highlights and Performance Ratios</b>		
Net Income	\$ 163,042	\$ 150,502
Basic Earnings Per Share	3.71	3.39
Diluted Earnings Per Share	3.69	3.38
Dividends Declared Per Share	1.80	1.80
Net Income to Average Total Assets (ROA)	1.14 %	1.10 %
Net Income to Average Shareholders' Equity (ROE)	15.50 %	14.78 %
Net Interest Margin <sup>1</sup>	2.85 %	2.81 %
Efficiency Ratio <sup>2</sup>	58.41 %	60.71 %
Market Price Per Share of Common Stock:		
Closing	\$ 59.31	\$ 59.14
High	61.73	59.92
Low	52.70	44.88

AS OF DECEMBER 31

### Statement of Condition Highlights and Performance Ratios

Loans and Leases	\$ 6,897,589	\$ 6,095,387
Total Assets	14,787,208	14,084,280
Total Deposits	12,633,089	11,914,656
Long-Term Debt	173,912	174,706
Total Shareholders' Equity	1,055,086	1,011,976
Book Value Per Common Share	\$ 24.13	\$ 22.75
Allowance to Loans and Leases Outstanding	1.58 %	1.89 %
Full-Time Equivalent Employees	2,161	2,196
Branches	74	74

FOR THE QUARTER ENDED DECEMBER 31

### Earnings Highlights and Performance Ratios

Net Income	\$ 41,191	\$ 39,055
Basic Earnings Per Share	0.95	0.88
Diluted Earnings Per Share	0.94	0.88
Net Income to Average Total Assets (ROA)	1.12 %	1.12 %
Net Income to Average Shareholders' Equity (ROE)	15.39 %	15.36 %
Net Interest Margin <sup>1</sup>	2.84 %	2.85 %
Efficiency Ratio <sup>2</sup>	57.03 %	59.99 %

<sup>1</sup> Net interest margin is defined as net interest income, on a taxable-equivalent basis, as a percentage of average earning assets.

<sup>2</sup> Efficiency ratio is defined as noninterest expense divided by total revenue (net interest income and total noninterest income).

YEAR IN REVIEW

## Navigating Toward Success Together

*For more than five generations Bank of Hawaii has been providing trusted expertise to help thousands of families navigate their own financial waters, to help them succeed in reaching their individual dreams and goals.*

At Bank of Hawaii, we chart our course by looking ahead to keep pace with emerging trends while we work together to create lifelong relationships and long-term growth and success for all of our shareholders, customers, fellow employees and community. A shared commitment to excellence is what drives our dedicated employees from all areas of our company. They are proud to work for an industry leader, and to collaborate across the company.

One measure of our ongoing success is our legacy of accomplishments. Bank of Hawaii continues to be recognized globally, nationally and locally for our commitment to excellence. Here are some of the accolades received in 2014:

- Top Five Performing Banks, sixth consecutive year by *Forbes* magazine
- Hawaii SBA Lender of the Year – Category 1 and SBA Veteran Lender of the Year
- Corporate Social Responsibility Leadership Award, fourth consecutive year by Financial Services Roundtable
- Military Bank of the Year, by U.S. Department of the Navy
- Best Bank and Best Mortgage Company, by *Honolulu Star-Advertiser* readers
- Best Bank, by *Honolulu* magazine readers

## PROVIDING AN EXCEPTIONAL CUSTOMER EXPERIENCE

In an evolving banking industry, Bank of Hawaii remains community-based and focused on relationships. We work hard to be accessible and to deliver outstanding service online, on the phone and mobile devices, at our ATMs and in our branches and in-store branches. Many of our customers know our banking representatives by their first names, and we know them by theirs.



### Online and Mobile Banking

More and more people are utilizing personal technology for banking at their convenience. Our mobile banking experience offers customers an easy way to conduct secure transactions, such as viewing accounts, paying bills and transferring funds. The use of mobile check deposit capabilities, introduced in August 2013, grew steadily in 2014.

This year, the bank launched mobile banking apps for both the Android tablet and the Kindle Fire HD, making it easier to bank on the go. The apps feature layouts optimized for a tablet screen, monthly cash flow charts, dashboard displays of all accounts plus detail screens for individual transactions, and the ability to deposit checks using a device's camera.

### Credit Cards

In partnership with Hawaiian Airlines and Barclays, we relaunched our Hawaiian Airlines credit cards for consumers and businesses in 2014. The Hawaiian Airlines Bank of Hawaii World Elite and Business MasterCards offer special benefits designed to appeal to travelers, such as bonus HawaiianMiles, the absence of foreign

transaction fees and an EMV chip that offers additional security against potential fraud while authenticating credit transactions. This is the first chip card offered by a Hawaii bank.

In November 2014, we began offering access to Apple Pay with our Hawaiian Airlines Bank of Hawaii World Elite MasterCard. It is the latest technology for mobile payments, a safe, secure and private way to pay with a simple touch on an iPhone 6 or iPhone 6 Plus. We are currently looking into offering Apple Pay for our debit and other credit cards.

Our popular Bank of Hawaii Visa Signature and American Express MyBankoh Rewards Credit Cards feature a unique and flexible rewards program. In 2014, the number of cardholders grew by 67 percent.

In 2014, Bank of Hawaii became the first financial institution in Hawaii, and one of the first in the nation, to offer free FICO scores via a special customer service website, which provides service for all our consumer credit cards.

### Social Media

To work together effectively, we need to stay in touch. Bank of Hawaii continues to have the largest social media presence of any local bank, with followers on Facebook, Twitter, Instagram, LinkedIn, Google+ and YouTube. Our social media activities continue to expand, and the growing number of fans who "like" and share our messages via these channels demonstrate their relevance and value to customers and the general public. In addition to providing information on our products and services, we also use the platforms to respond to customer questions,



Hawaiian Airlines Bank of Hawaii World Elite MasterCard, plus the Bank of Hawaii MyBankoh Rewards Credit Cards: American Express and Visa Signature.

share the latest Bankoh job opportunities and highlight our community service activities and corporate partnerships. This year, we also introduced SimpliSavvy, a free mobile game that garnered local and national attention while demonstrating the flexibility of our MyBankoh Rewards credit card program.

Our dedication to the growing social space, as well as creative content like SimpliSavvy, helped name Bank of Hawaii as one of the Top 50 Community Bank Leaders in social media by the Independent Community Bankers of America (ICBA) in 2014. The ranking was based on fans/followers, engagement, content and frequency of posts. Bank of Hawaii was the only Hawaii-based bank to be named from 6,500 eligible banks across the nation.

### Branches, In-Store Branches and Banking Centers

While increasing numbers of customers choose to do their banking online or via mobile devices, many continue to appreciate the opportunity to do their banking in person. Our extensive branch network is an important channel for deepening customer relationships by helping them find solutions to more complex financial needs.

Our in-store branches, which offer banking services seven days a week, where customers shop, are extremely popular. Some of our traditional branches serve as banking centers, where specialists in Mortgage Banking, Investment Services, Personal Banking and Business Banking are available to provide these specific financial services. These banking centers are located in branches that serve major metropolitan markets.

In 2014, the bank announced plans to build a new banking center in Kahului on Maui, which is expected to be completed in the first half of this year. Construction on the new 13,500-square-foot branch began last year, and will be among the five largest branches in our network. The Kahului Banking Center will feature state-of-the-art technology, including biometric authentication to access safe deposit boxes, adding a secured layer of protection for customers. The new banking center will also feature envelope-free deposits at its ATMs.



A rendering of Bank of Hawaii's Kahului Banking Center on Maui, scheduled for completion this year.

### **Mortgage Lending**

For the second consecutive year, Bank of Hawaii was named the No. 1 residential lending market share leader in Hawaii. Our team executed the highest dollar amount loaned in the state and the greatest number of loans. What this means is that the bank helped thousands of families pursue homeownership, home improvement, purchase a new home or improve their budgets by refinancing.

Purchasing or refinancing a home is complicated. Bank of Hawaii does more than find the right financing; we do our best to ensure that the mortgage experience is a good one. Our loan officers offer regular seminars for first-time homebuyers, and educate people through the prequalification process so that they better understand their financing before they start shopping. This information is now available on our boh.com website.

We also offer specialized financing options, such as government loans, home equity credit lines, construction loans and customized programs for Native Hawaiians.

### **COMPREHENSIVE WEALTH MANAGEMENT SERVICES**

At Bank of Hawaii we take a customer-focused, relationship-based approach to helping clients grow, manage and protect their wealth. Our experienced wealth advisors incorporate a process we call "navigation" to help clients achieve their financial goals. With a philosophy based on trust, expertise and client experience, we provide clients a single point of contact to help simplify their financial lives. We strive to reduce uncertainty and create a personalized financial strategy designed to identify and assess each customers' unique financial needs and requirements.

Through Bankoh Advisors, clients receive the highest quality service from our brokerage team of experts to change jobs, prepare for a comfortable retirement or leave a legacy. Our team of Financial Advisors is dedicated to simplifying the complexity in navigating financial decisions that affect generations, and offers specialized products and services through strategic partnerships with well-established investment firms.

In addition, Bank of Hawaii's trust services bring a high level of knowledge to clients to ensure that hard-earned success is preserved, protected and transferred in a way that supports the people and institutions our clients care about. Our dedicated staff specializes in areas, such as advanced planning, personalized tax-managed investment solutions, real estate management, closely held businesses and tax services. As the largest provider of trust, investment and estate administrative services in Hawaii and with more than 100 years in the business, Bank of Hawaii's capable trust and estate administration team includes specialists who tailor strategies to each special circumstance, which may include addressing probate, minimizing or eliminating estate taxes or providing owner succession planning for

businesses. With our clients' priorities as a guide, we create sophisticated wealth transfer strategies that allow them to maintain a current lifestyle while providing for their loved ones and giving back to the community.

As well as offering a full spectrum of investment solutions, and with more than \$6 billion of assets under management, Bank of Hawaii is also the largest manager of Hawaii municipal bonds in the state. With over \$1 billion in Hawaii municipal bond assets under management, we are able to leverage our market-leading position to offer our clients access and preferred pricing to Hawaii municipal bonds that provide tax-exempt income.

It takes tremendous skills to help our customers pursue a lifetime of financial success. Bank of Hawaii invests in ongoing training and certification for our wealth management staff, who hold a wide range of designations that are most respected and recognized by the financial industry. With certifications in the fields of accounting, finance, tax and trust, our wealth management staff offer mastery of their field and credibility to each of their clients.

Another benefit offered to our wealth management clients is access to exclusive events and seminars. In addition to financial services, Bank of Hawaii offers clients the opportunity to stay connected, keep informed and make confident financial decisions on a broad range of topics, including economic trends, investment markets, retirement and real estate investing.

### **HELPING BUSINESSES—ALL SIZES—SUCCEED**

Whether our clients own small businesses, international businesses or large corporations, Bank of Hawaii has the expertise, talent and resources to meet their strategic objectives and satisfy all of their financial needs.



801 South Street in Kakaako, scheduled for completion in 2015.

### Commercial/Corporate Banking

Our team of commercial and corporate bankers continues to build and support long-term relationships with Hawaii's mid-size companies and large corporations. Our bankers are among Hawaii's most experienced financial services teams, providing both simple and complex financing and treasury management solutions to fit every situation, from maintaining day-to-day operations to looking for funding to pursue plans for growth.

Bank of Hawaii is committed to supporting Hawaii's commercial real estate market, and is well equipped to customize financing solutions for a variety of property types. The bank helps developers navigate the complexity of funding programs and tax credits while also strengthening the Hawaii community by supporting projects for low- or moderate-income households as well as workforce housing.

A strong construction market in 2014 led to a 38 percent increase in commercial real estate lending activity for the bank. Among the projects were 801 South Street, Hale Mohalu II, The Collection and Kapolei Lofts. Bank of Hawaii served as lead lender for Hale

Mohalu II, located in Pearl City, Oahu, and 801 South Street, which was the first major workforce housing development to come to the Kakaako area. The bank assisted in financing Phase I of 801 South Street in 2013, and the 635-unit building is scheduled for completion in 2015. Construction began on Phase II in late 2014, which will result in an additional 410 units. To date, Hale Mohalu Family Apartments has increased that neighborhood's affordable housing inventory by 332 units.

As part of its commitment to support the community, Bank of Hawaii was proud to partner with Kina'ole Capital and Patagonia in 2014 to make solar energy more accessible to Hawaii residents. The bank contributed to the \$27 million Kina'ole Hawaii Solar Fund, which provides residents and businesses low-cost solar energy, enabling customers to save on their electric bill by purchasing solar energy directly from Kina'ole Capital. Bank of Hawaii is the only local lender that has put together a broad-based consumer fund of this scale for residential solar energy.

Bank of Hawaii is a leader in the captive insurance market, overseeing nearly \$1 billion in assets and deposits of captives, statewide. We provide a full range of banking and investment products to over 80 diverse captive clients, with more than 40 percent of the market share, whose businesses includes healthcare, energy, retail and construction, across the U.S. and Asia.

Entrepreneurs and small businesses play key roles in the continued growth and recovery of Hawaii's economy. Bank of Hawaii has served small businesses and their owners since 1897, so we know how to provide for their unique financial needs. From providing loans to growing a business, setting up acceptance of credit and debit card payments, managing employee payroll services, or creating a retirement plan for business owners and their employees, we have the expertise to

help businesses succeed through every stage of growth.

Bank of Hawaii was honored with the 2014 U.S. Small Business Administration's Lender of the Year Award for Category 1, which includes financial institutions with assets in excess of \$9 billion. The bank provided 55 loans totaling \$5.7 million in Hawaii, Guam and the Northern Mariana Islands. We are proud to have received this prestigious award for 10 out of the past 12 years. Bank of Hawaii also received the SBA Veteran Lender of the Year Award for providing the most loans to veterans.

### International Banking

Our International Banking team serves clients from Asian countries such as China, Japan and Korea who have financial interests in Hawaii and the Pacific. In addition to banking products and services that are specially tailored to our international clientele, we also play a key role in connecting business leaders in Asia with their counterparts in a broad cross-section of Hawaii's business community.

In 2014, we were proud to host a number of receptions for delegations from China, including two groups from the Tsinghua CEO Club seeking opportunities to invest in Hawaii in fields such as education, clean energy, senior care and real estate development. The 5,000 members of this club are executives of medium- to large-size companies in a wide range of industries. We also hosted upper management executives from the GreenTree Inns Hotel Management Group of Shanghai. GreenTree owns and operates more than 1,700 inns and hotels in China and the continental U.S.

*On the following pages, several customers share their experiences in working with our dedicated teams who provide the highest quality financial services customized to meet their needs.*

## The Watumull Family

*Watumull Brothers, Watumull Properties Corp., American T-Shirt Company and Happy Shirts*

**Gulab Watumull:** My father, Jhamandas Watumull, started our business as an import shop on Fort Street in downtown Honolulu in 1914. We've just celebrated 100 years of our family business in Hawaii, and Bank of Hawaii has always been an important banking partner.

When I came to Hawaii in 1948, my intention was to continue my education. Because U.S. laws at the time barred foreign students in technical colleges, I joined the family business. We grew the chain of retail stores and became the largest purveyor of Hawaiian family wear in the state. We were one of the original tenants at Ala Moana Center.

It wasn't until the 1980s that we started borrowing money as part of a change in our business to focus on real estate.

**JD Watumull:** My father's investments in Hawaii real estate gave the company a new direction. Today, we still do our cash management through Bank of Hawaii in addition to more complex services, such as lines of credit to handle our real estate asset purchases. New mobile deposit technology has been very helpful.

I've always heard that Hawaii is capital restrained, but I've never experienced that. Because of our relationship with Bank of Hawaii, it's never been an issue for us. If they can't handle the facility, they will partner with other lenders to help us get a deal done.

**Gulab:** I've built relationships with many of Bank of Hawaii's leaders through the years. Now I'm semi-retired, and it's my son JD's turn to handle the banking affairs.

**JD:** We value the relationships we have at the bank for their expertise. They can give you an answer quickly and are very responsive to our needs. Bank of Hawaii is a good sounding board and provides insight into the broader business environment.

Our long-time banker is Wayne Hamano; he was my first banker and has been our guide and advisor for years. It's reassuring to have such a long-time relationship, as he understands our business goals and the family.

Carole Lau is our current banking officer, and she is very knowledgeable and dedicated. With our fast-paced business, if we need something done yesterday, she'll get it done yesterday!

The Watumull Family has supported education and culture and the arts in Hawaii for decades. Another reason we appreciate doing business with Bank of Hawaii is that they share with us the same corporate value of taking care of the community.

**Gulab:** Our relationship isn't just about the business. In 1959, I was approved for my very first home mortgage with Bank of Hawaii. The terms were for an eight-year loan for the entire amount. When that loan expired, they simply had me come in and renew the loan. And now my grandson, Jared, the fourth generation in our business, got his first home mortgage through Bank of Hawaii.

We have a very good relationship with Bank of Hawaii, and I'm glad they will continue to be there for the business and for new generations of Watumulls.

Three generations of Watumulls at the Jhamandas Watumull Gallery of Indian Art at the Honolulu Museum of Art. Seated: Chairman Gulab Watumull and his wife, Indru; standing, from left: President JD Watumull, Happy Shirts COO Vik Watumull, Watumull Properties Corp. Vice President Jared Watumull and American T-Shirt Co. COO Jojo Watumull.



## Kyle Day and Frank Barros

**Kyle Day:** I'd like to thank the bank for being there, for helping me take care of my dad, Frank Barros. Our personal banking services give me peace of mind as I manage his care from 5,000 miles away in Texas.

My relationship began with Bank of Hawaii as a child, so it just means home to me. My dad's had a great relationship with the bank for a lot longer. He worked for the bank providing security in downtown Honolulu for 15 years. It was his life. Now Dad is 97 years old, and visiting the Kahala Branch with his caretaker to cash a check has become a regular outing for him. He knows the people at the branch, and they are very nice to him.

If you have a good relationship with a personal banker, it makes all the difference. With Bank of Hawaii, my dad and I go directly to Summerset Lovett, who knows us and understands our situation. She delivers very special customer service. If I have any questions about Dad's account, I can just give her a call.

Just recently, my father got nervous about his checking account. So Summerset picked him up, took him out to lunch and talked things over to help alleviate his anxiety. When someone goes to all that trouble to reassure him and make him feel comfortable, that's special.

Even from Texas, it's convenient to do my banking at Bank of Hawaii. I access my account online, so with the time difference, I can do my banking even when the bank is closed. I also use mobile banking so I can pay Dad's caregivers easily in Hawaii.

Last year, I helped my father move out of the house he had lived in for 50 years, into assisted living. We remodeled the house and then sold it. When the bank needed more papers to help with the sale, I was here in Texas. So Summerset drove to the house, and under my directions found the final documents she needed to process the sale.

Dad made a nice profit from selling his house. When I asked him what he wanted to do with the money, he said, "I want to put everything with Bank of Hawaii; I trust them." And everything is there; all our investments are in Hawaii. Kyle Kagimoto was wonderful in helping to set up the investments.

From all these experiences in caring for my dad, I've learned so much about the importance of financial planning for when we get older. I can't say enough good things about Bank of Hawaii's help in so many ways.

Kyle Day, with her father, Frank Barros, retired HPD police officer and retired Bank of Hawaii corporate security officer.



## Cully Judd and Carol Silva

### *The Solaray Corporation*

**Cully Judd:** I've been a client of Bank of Hawaii for over 50 years—I opened my first checking account there before I went to college. We've always stayed with Bank of Hawaii for all of our banking needs.

No one (including me) thought that my solar business would become as large as it has. When I started, I had no employees. Now it's the oldest solar energy company in the U.S. under the same management. The bank was there for us through 40-plus years, even the lean years when federal tax credits expired.

I look for speed and flexibility in banking. I like being able to pick up the phone and make a funds transfer without having to come in and meet with someone at the bank. I appreciate the evolution of trust over the years.

**Carol Silva:** What I look for in a banker is someone who recognizes me as Cully's proxy—I do almost all the financial management. I need to take care of things when Cully is out of town or unavailable. So developing a relationship and working with the same banker is important in understanding our business and our banking needs.

Beth Fong was Cully's mother's trust officer. As Cully's mother got older, and more frail, Beth worked with our daughters' trust and other matters. If I needed to get something resolved, I could call Beth for assistance. And now Beth has been helping our private banker, Mike Chisick, get to know us better.

We love our commercial banker Miki Ikeda. She's very responsive even when she's out of town. Cully will call her for information, and she'll get an answer for him right away.

**Cully:** You know who's great too, is Verna Felipe. She is sharp!

**Carol:** The backup people—that's one of the things about Bankoh that I love. All of the important people that you deal with at the bank have super staff. They know your name and provide great service, although they never see you. It says wonderful things about the way Bankoh trains its people.

**Cully:** With a lot of help from Bank of Hawaii, and two other major banks, in 2014 we transferred ownership of The Solaray Corporation to the employees. They are now the owners. This was the biggest ESOP (employee stock ownership plan) conversion in Hawaii for the year. It was an extremely complex deal, and Bank of Hawaii was an integral player.

Everybody wins with the ESOP. The company goes into a tax-advantaged status, can pay down its loans and be more competitive. The employees have the ownership that they never would have.

**Carol:** Cully built the company to make Hawaii a better place to live through solar energy. Now the business can continue this vision in the hands of the people who helped build it.

**Cully:** Now that the ESOP is finalized, I'm getting some positive pressure from the bank's investment team to make financial plans for the future. I appreciate their counsel.

**Carol:** That's the thing about staying with the bank you start with. As you grow, and grow older, you have a valuable relationship. We were born and raised here. Why would you bank anywhere else?

Among the solar panels at The Solaray Corporation warehouse: **Cully Judd**, The Solaray Corporation founder, with his life partner, **Carol Silva**, The Solaray Corporation corporate treasurer.



## Kimberly Koide Iwao and Regan Iwao

**Kimberly Koide Iwao:** I've been a Bank of Hawaii customer for over 20 years—as long as I can remember. I opened my first savings account at the supermarket branch in Kahala Mall with my mom and dad. My dad, Tom Koide, was a loyal Bank of Hawaii employee who led the Hawaii Branch Division for many years, and there really wasn't a question about where to bank.

**Regan Iwao:** I've also been a client for years and years. My parents had their mortgage at Bank of Hawaii, and their accounts there. I generally defer to Kim to handle most of the family banking, and as a good son-in-law I'm glad to continue the Bank of Hawaii tradition.

**Kim:** For me it's really important to bank here in the Islands, to be able to talk with someone face-to-face.

I also appreciate Bank of Hawaii's convenience and the great customer service. I've probably used every single banking service—supermarket branches, online, ATMs. Even over the phone. I really appreciate the mobile banking app. It offers me time savings, allowing me to do my banking where and when it's convenient for me. I can even deposit checks by taking a photo with my phone—I don't need to go in to make a deposit. Regan and I are both attorneys, plus we have a toddler, and our schedules are very busy. So it's really helpful and convenient to snap a photo of a check and deposit it that way.

For me, Bank of Hawaii stands for excellence and stability. It has been ranked the best bank—not only in Hawaii, but nationally—for the past five years.

I also see it as a place for building important relationships and connections. When I was growing up people knew me as Tom Koide's daughter, and everyone felt like family. I felt very included in the Bank of Hawaii *'ohana*.

Kevin Sakamoto has been a tremendous help for me. He's a great networker, and he's my go-to banker. Anytime I need help with a loan or our mortgage, he's got answers.

Jill Higa is a close family friend, and a personal mentor. I've always seen her as a role model, especially for community service and career aspirations. She's made an impact in decisions I've made in my life; she's inspiring.

**Regan:** The bank is the manager of our 401(k), and we trust them to manage it carefully while we watch it grow for our family's future.

**Kim:** I appreciate the convenience and customer service, and all the relationships I've built at Bank of Hawaii over the years.

**Regan:** We'll be continuing the banking tradition with Jacie, our little girl, when she gets a little older.

The Iwao family: **Regan Iwao**, partner at Goodwill, Anderson, Quinn & Stifel, with daughter **Jacie**, and wife **Kimberly Koide Iwao**, associate corporate counsel and director of legal and regulatory affairs at ProService Hawaii, and their dogs, **Precious** and **Sera**.



## Pulling Together to Strengthen Communities

*Bank of Hawaii employees invest in the community by donating their time and connecting with those in need across the state and the Pacific Islands.*

It takes all of us working together to create changes that benefit the most vulnerable in the communities we serve. Our commitment to community service is at the heart of our *'ohana*, and is reflected in our ongoing partnerships with dedicated not-for-profits. In total this year, Bank of Hawaii, its foundation and bank employees donated approximately \$3 million to more than 400 community organizations. Employees and retirees alone contributed more than \$740,000, which includes funds raised through the Live Kōkua Giving Campaign and the Live Kōkua Community Walk.

### **Serving the Community**

Our commitment to creating positive change includes more than fundraising. Each year, employees and their families contribute time and expertise to hundreds of organizations and community projects. This year, we contributed more than 6,700 hours of personal time to 109 community service projects as part of the Live Kōkua Volunteer Program. Whether it's cleaning a school, staffing a book swap or pulling weeds to restore the productivity of a wetland *lo'i* (taro field), our *'ohana* is always ready to help out.

### **Investing in Future Generations**

Our employees enjoy collaborating on special projects, especially those that give families and individuals the tools to improve their lives through financial education. In 2014, employees across the company went into nearby schools to reach 3,300 elementary students with lessons about the importance of savings, and 2,000 teens with lessons about the prudent use of credit and how to protect their identity when using social media.

### **Award-Winning Performance**

Bank of Hawaii was one of nine banks in the country, and the only one in Hawaii, to be selected by the Federal Deposit Insurance Corp. for an innovative pilot youth savings program for 400 10th-graders on Oahu. The program reinforces practical financial skills as part of the school curriculum, and links it with special youth savings accounts for the students.

Our ongoing volunteerism, community service and financial education was recognized with two national awards this year. The American Bankers Association awarded the 2014 ABA Community Commitment Award for helping youth successfully transition from foster care to adulthood with our matched savings accounts. The other award was the Corporate Social Responsibility Leadership Award, presented to the bank from the Financial Services Roundtable for the fourth year in a row.

Our employees on 10 islands across the Pacific continue to remain deeply involved in helping to improve the communities where we live and work.

(Opposite page) **1:** For the 8th annual Bank of Hawaii Live Kōkua Community Walk, employees selected the walk's beneficiaries, and then raised a total of \$114,556, which was equally divided among the American Diabetes Association-Hawaii Chapter, Big Brothers Big Sisters Hawaii, Helping Hands Hawaii and Make-A-Wish Hawaii. **2:** In October, 153 bank employees joined Aiea High School students and faculty, and members of the Hickam Non-Commissioned Officers Academy to spruce up the campus by painting, gardening, mopping and much more. **3: Danny Kim** teaches the value of money and the importance of saving to two first-grade students at Lanakila Elementary. In April, our "Teach Children to Save" initiative reached 3,300 students through the commitment of 240 bankers across the state, and on American Samoa, Guam, Saipan and Palau. **4: Lisa Y. Goo, Momi Akimseu and Julia Ishado** were just some of our Bankoh Blue Crew volunteers who were knee-deep in a community workday that had them pulling invasive weeds, planting vegetables and digging irrigation channels. This work supported Kāko'o 'Ōiwi, a nonprofit restoring agricultural productivity to 405 acres within the wetlands of He'eia, Oahu.



1



2



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4

## Empowering Employees for Success

*Bank of Hawaii is committed to providing resources to enhance our employees' talents, knowledge and experiences for a brighter future.*

A company is only as strong as its people. And we couldn't be more proud of ours. Bank of Hawaii employees are some of the best and brightest in the financial industry; they are the foundation of our success as we continue to move forward together.

We strive to attract, develop and retain talented, dedicated and caring people, people who can partner across the company to do their utmost for Bank of Hawaii, our customers and the community. Because some of our best employees come to the bank through referrals from other employees, in 2014 we updated our talent referral program to leverage additional social media channels. Now, employees can more easily share BOH job openings with their networks of family, friends and business associates and refer top talent to be part of the Bankoh *'ohana*.

In addition to our competitive benefits, which include a great retirement plan, we continue to invest in employee development, engagement and well-being through our diverse "Grow. Connect. Thrive." employee programs. These programs feature a robust curriculum of professional and leadership development classes, plus health education and activities to promote a healthy lifestyle. This includes free gym access at our three Oahu fitness centers (which offers a free session with a personal trainer), and subsidized fitness and wellness classes. Deeply discounted boot camp, yoga, Zumba, BoxFit and core strengthening sessions are also popular.

Employee fitness is also promoted through special team activities such as the Summer Slimdown, a 12-week campaign that promotes healthy eating and exercise habits. In its second year, 225 participating employees lost a total of 1,691 pounds — that's 85 big bags of rice!

Friendly competition is a fun tradition that engages everyone at Bankoh. This includes our annual Bank of Hawaii Genius Bowl, a team contest that tests competitors' knowledge of our many products and services for consumers and businesses. Anticipation builds during the eight weeks of tournament rounds, and the final four teams have big turnouts of their fellow employees cheering them on during the live playoffs. This was the third year of the Bowl, which included 637 competitors — the largest number ever.

In 2014, Bank of Hawaii was recognized as one of the "Best Places to Work." In addition to ranking among Hawaii's top 10 large companies who received this distinction, Bank of Hawaii was proud to also be ranked No. 1 in the "Healthiest Companies" and No. 3 in the "Most Family-Friendly" categories.

Because we understand the importance of investing for the future, Bank of Hawaii Foundation (BOHF) established a new program this year. The BOHF Scholarship was established to help bridge the gap of higher education costs for college-bound children and grandchildren of Bank of Hawaii employees. The scholarship is administered by the Hawaii Community Foundation, and in July, the first 26 recipients were announced for this inaugural year.

Recognizing and rewarding exceptional individuals and teams is an important part of the Bankoh culture, and through our Step Up To Excellence program, employees are invited to highlight exceptional contributions of their colleagues. Nominations are submitted each quarter, and awardees are celebrated by their coworkers and presented with valuable options and the opportunity to arrange paid time off from work. More than 80 awards have been presented since the program started in 2003.

Our dedicated employees are the key to our success. By placing an emphasis on our employees' professional development, personal growth and general well-being, they are better equipped to provide unparalleled service to our customers for their journey ahead.



**1:** The Bank of Hawaii Foundation's inaugural scholarship recipients included 26 children of bank employees. Seated, from left: **Natalie Hajnelian**, **Kelsie Park**, **Mary Elizabeth Pascual**, **Melanie Tomita-Cadavona**, **Cassie Dizon**, **Eun-hae Whang**, **Jennifer Takahashi**, **Kathy Takahashi**, **Tori Teramae** and **Keri Teramae**. Standing, from left: **Amy Yagi**, **Kylie Nishino**, **Micah Miyasato**, **Nicholas Young**, **William Young**, **Brittany Wheatman**, **Dylan Matsuda**, **Deja Ceruti**, **Ken Takahashi**, **Emma Ayau**, **Chanelle Maldonado** and **Tyler Nishino**. *Not pictured: Lauren Furushima, Daphne Pe'a, Nicole Wheatman and Abcde Zoller.* **2:** Winners of the 3rd annual Bank of Hawaii Genius Bowl in 2014 were members of the Pearlridge Banking Center. From left: **Susan Marciel**, **Lori Lopez**, **Natalie Phillips** and **Mina Escano**. **3:** In September, Bank of Hawaii senior leadership recognized winners of the 2nd annual Summer Slimdown Challenge at an awards luncheon. Seated, from left: Sr. Executive Vice President and Mortgage Banking Manager **Jim Polk**, EVP and Director of Human Resources **Jean Hamakawa**, Individual Grand Prize Winner **Kevin Floyd**, Chairman, President and CEO **Peter Ho** and Vice Chair **Mark Rossi**. Standing, from left: EVP and Direct Lending Manager **Ed Kim**; Team Grand Prize Winners **Phillip Mendel**, **Gregg Tokunaga**, **Nanako McShane**, **Hiroko Stroble**, **Steven Yeung**; and SVP and Dealer Indirect Lending Manager **James Moniz**. *Missing: Clarissa Kerr.* **4:** In April 2014, eight employees were honored as the 2013 Bank of Hawaii Step Up To Excellence awardees for demonstrating the ideals of Bank of Hawaii's vision and core values. Seated, from left: **Kuka Faleafine** of Mapunapuna Branch, **Ashley Wilson** of Commercial Banking, **Joanne Lopes** of Commercial Banking and **Lyn Sakamoto** of Trust Services Group Administration. Standing, from left: **Frank Scarpinito** of Main Banking Center, **Roger Toledo** of Credit Portfolio Reporting and Analysis, **Bob Gilfoy** of Merchant Services and **Jason Mukaida** of Private Wealth Administrative. **5:** Bank of Hawaii's Summer Slam is one of the bank's annual employee engagement traditions. In July, employees enjoyed free lunch from local food trucks at our three Oahu locations, and a basketball final four free-throw competition in downtown Honolulu. **Steven Nakahara** takes a shot, with his "Moneyballers" teammates **Jason L. Smith** and **Justin Wong** looking on.

**Consolidated Statements of Income**

Bank of Hawaii Corporation and Subsidiaries (dollars in thousands, except per-share amounts)

FOR THE YEAR ENDED DECEMBER 31

	2014	2013
<b>Interest Income</b>		
Interest and Fees on Loans and Leases	\$ 267,407	\$ 253,276
Income on Investment Securities		
Available-for-Sale	42,475	53,570
Held-to-Maturity	105,860	90,062
Deposits	9	10
Funds Sold	673	415
Other	1,209	1,172
Total Interest Income	<u>417,633</u>	<u>398,505</u>
<b>Interest Expense</b>		
Deposits	9,534	10,143
Securities Sold Under Agreements to Repurchase	25,905	26,837
Funds Purchased	13	44
Short-Term Borrowings	-	2
Long-Term Debt	2,525	2,572
Total Interest Expense	<u>37,977</u>	<u>39,598</u>
Net Interest Income	379,656	358,907
Provision for Credit Losses	(4,864)	-
Net Interest Income After Provision for Credit Losses	<u>384,520</u>	<u>358,907</u>
<b>Noninterest Income</b>		
Trust and Asset Management	47,798	47,932
Mortgage Banking	7,571	19,186
Service Charges on Deposit Accounts	35,669	37,124
Fees, Exchange, and Other Service Charges	53,401	50,469
Investment Securities Gains, Net	8,063	-
Annuity and Insurance	8,065	9,190
Bank-Owned Life Insurance	6,639	5,892
Other	12,811	16,430
Total Noninterest Income	<u>180,017</u>	<u>186,223</u>
<b>Noninterest Expense</b>		
Salaries and Benefits	183,028	184,211
Net Occupancy	37,296	38,745
Net Equipment	18,479	18,366
Data Processing	14,979	13,840
Professional Fees	9,794	9,405
FDIC Insurance	7,936	7,765
Other	55,387	58,637
Total Noninterest Expense	<u>326,899</u>	<u>330,969</u>
Income Before Provision for Income Taxes	237,638	214,161
Provision for Income Taxes	74,596	63,659
<b>Net Income</b>	<u>\$ 163,042</u>	<u>\$ 150,502</u>
Basic Earnings Per Share	\$ 3.71	\$ 3.39
Diluted Earnings Per Share	\$ 3.69	\$ 3.38
Dividends Declared Per Share	\$ 1.80	\$ 1.80
Basic Weighted Average Shares	43,899,208	44,380,948
Diluted Weighted Average Shares	44,125,456	44,572,725

Refer to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2014 for the Consolidated Financial Statements, including Report of Independent Registered Public Accounting Firm, thereon.

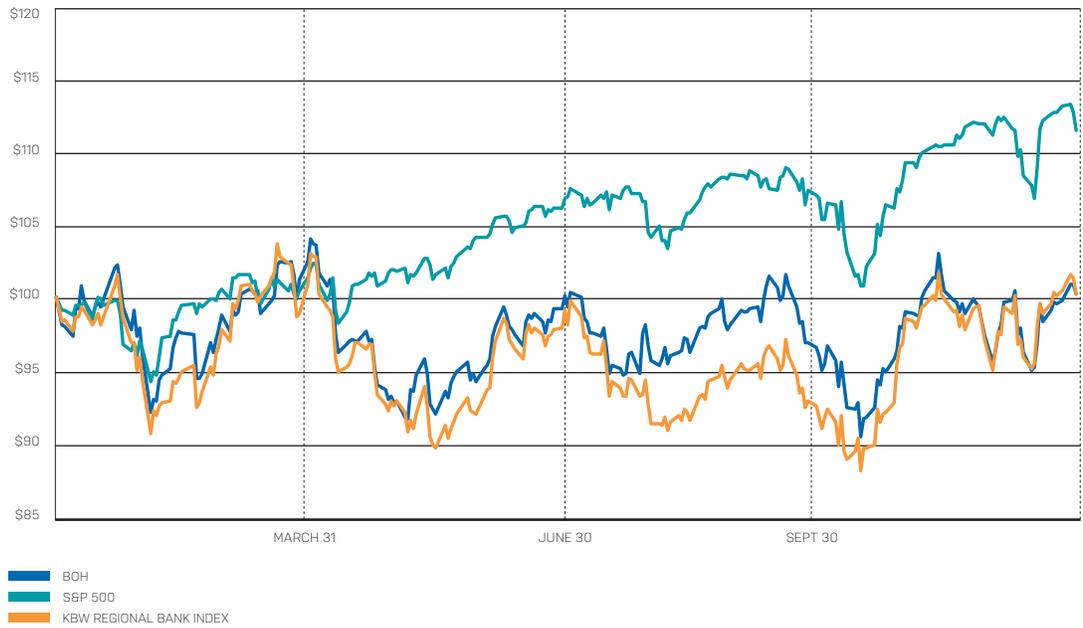
## Consolidated Statements of Condition

Bank of Hawaii Corporation and Subsidiaries (dollars in thousands)

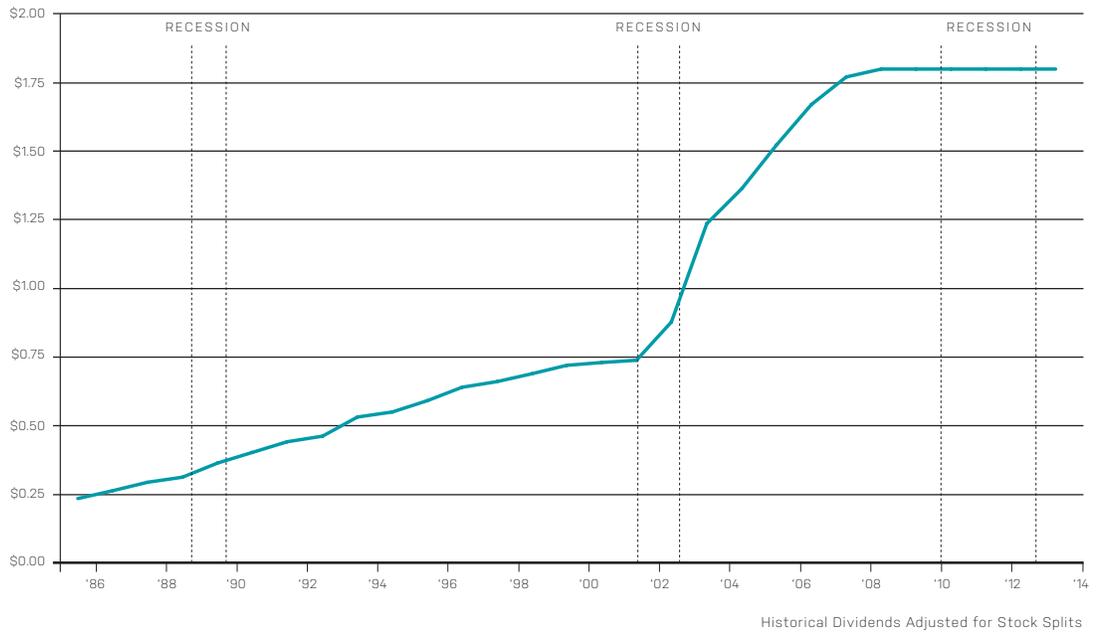
AS OF DECEMBER 31	2014	2013
<b>Assets</b>		
Interest-Bearing Deposits in Other Banks	\$ 2,873	\$ 3,617
Funds Sold	360,577	271,414
Investment Securities		
Available-for-Sale	2,289,190	2,243,697
Held-to-Maturity (Fair Value of \$4,504,495 and \$4,697,587)	4,466,679	4,744,519
Loans Held for Sale	5,136	6,435
Loans and Leases	6,897,589	6,095,387
Allowance for Loan and Lease Losses	<u>(108,688)</u>	<u>(115,454)</u>
Net Loans and Leases	<u>6,788,901</u>	<u>5,979,933</u>
Total Earning Assets	<u>13,913,356</u>	<u>13,249,615</u>
Cash and Due from Banks	172,126	188,715
Premises and Equipment, Net	109,854	108,636
Accrued Interest Receivable	44,654	43,930
Foreclosed Real Estate	2,311	3,205
Mortgage Servicing Rights	24,695	28,123
Goodwill	31,517	31,517
Bank-Owned Life Insurance	262,807	223,246
Other Assets	<u>225,888</u>	<u>207,293</u>
Total Assets	<u>\$ 14,787,208</u>	<u>\$ 14,084,280</u>
<b>Liabilities</b>		
Deposits		
Noninterest-Bearing Demand	\$ 3,832,943	\$ 3,681,128
Interest-Bearing Demand	2,559,570	2,355,608
Savings	4,806,575	4,560,150
Time	<u>1,434,001</u>	<u>1,317,770</u>
Total Deposits	<u>12,633,089</u>	<u>11,914,656</u>
Funds Purchased	8,459	9,982
Securities Sold Under Agreements to Repurchase	688,601	770,049
Long-Term Debt	173,912	174,706
Retirement Benefits Payable	55,477	34,965
Accrued Interest Payable	5,148	4,871
Taxes Payable and Deferred Taxes	27,777	34,907
Other Liabilities	<u>139,659</u>	<u>128,168</u>
Total Liabilities	13,732,122	13,072,304
<b>Shareholders' Equity</b>		
Common Stock (\$.01 par value; authorized 500,000,000 shares; issued / outstanding: December 31, 2014 - 57,634,755 / 43,724,208; and December 31, 2013 - 57,480,846 / 44,490,385)	574	572
Capital Surplus	531,932	522,505
Accumulated Other Comprehensive Loss	(26,686)	(31,823)
Retained Earnings	1,234,801	1,151,754
Treasury Stock, at Cost (Shares: December 31, 2014 - 13,910,547; and December 31, 2013 - 12,990,461)	<u>(685,535)</u>	<u>(631,032)</u>
Total Shareholders' Equity	<u>1,055,086</u>	<u>1,011,976</u>
Total Liabilities and Shareholders' Equity	<u>\$ 14,787,208</u>	<u>\$ 14,084,280</u>

Refer to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2014 for the Consolidated Financial Statements, including Report of Independent Registered Public Accounting Firm, thereon.

2014 RELATIVE PRICE PERFORMANCE



UNBROKEN HISTORY OF DIVIDENDS



BANK OF HAWAII LOCATIONS



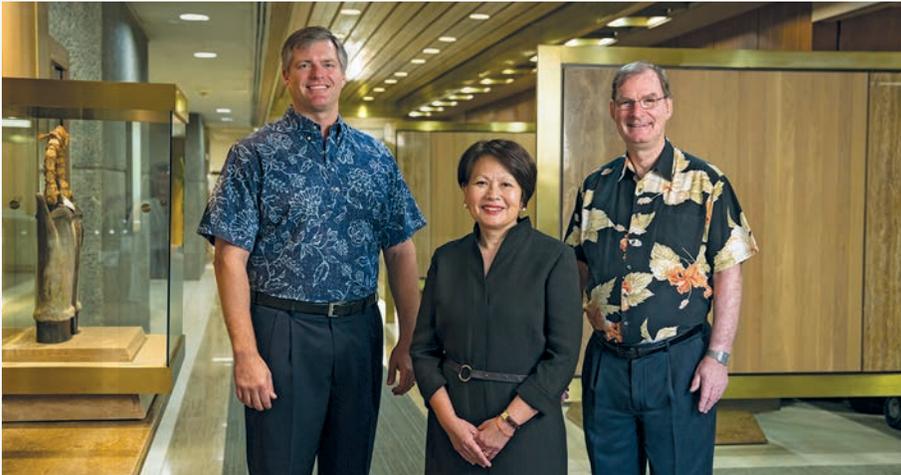
Map not shown to scale

## Managing Committee

Bank of Hawaii Corporation / Bank of Hawaii (As of December 31, 2014)



From left: Mark A. Rossi, Mary E. Sellers, Peter S. Ho and Kent T. Lucien



From left: James C. Polk, Donna A. Tanoue and Derek J. Norris

**Peter S. Ho**  
Chairman, President and  
Chief Executive Officer

**Peter M. Biggs**  
Vice Chairman and Chief Retail Officer

**Sharon M. Crofts**  
Vice Chairman  
Operations, Technology and Facilities

**Wayne Y. Hamano**  
Vice Chairman and  
Chief Commercial Officer

**Alton T. Kuioka**  
Vice Chairman of Board of Directors  
of Bank of Hawaii

**Kent T. Lucien**  
Vice Chairman and  
Chief Financial Officer

**Mark A. Rossi**  
Vice Chairman  
Chief Administrative Officer,  
General Counsel & Corporate Secretary



From left: Wayne Y. Hamano, Peter M. Biggs, Jill F.S. Higa and Vincent E. Barfield



From left: Dean Y. Shigemura, Sharon M. Crofts and Alton T. Kuioka

**Mary E. Sellers**  
Vice Chairman and Chief Risk Officer

**Derek J. Norris**  
Vice Chairman  
Residential and Consumer Lending Group  
Manager

**Donna A. Tanoue**  
Vice Chairman  
Client and Community Relations

**Vincent E. Barfield**  
Senior Executive Vice President  
Trust Services Group

**Jill F. S. Higa**  
Senior Executive Vice President  
Private Banking Group

**James C. Polk**  
Senior Executive Vice President  
Mortgage Banking

**Dean Y. Shigemura**  
Senior Executive Vice President  
and Controller

## Board of Directors

Bank of Hawaii Corporation / Bank of Hawaii (As of December 31, 2014)



**S. Haunani Apoliona\***  
Trustee  
Office of Hawaiian Affairs

**Mary G. F. Bitterman\***  
President and Director  
The Bernard Osher  
Foundation

**Mark A. Burak\***  
Retired Executive  
Vice President  
Bank of America

**Michael J. Chun\***  
Retired President and  
Headmaster  
Kamehameha Schools-  
Kapalama

**Clinton R. Churchill\***  
Trustee  
The Estate of  
James Campbell

**David A. Heenan\***  
Trustee  
The Estate of  
James Campbell

**Peter S. Ho\***  
Chairman,  
President and  
Chief Executive Officer  
Bank of Hawaii  
Corporation and  
Bank of Hawaii

**Robert A. Huret\***  
Managing Member  
FTV Management  
Company, LP

**Alton T. Kuioka**  
Vice Chairman  
Client Relations  
Bank of Hawaii

**Kent T. Lucien\***  
Vice Chairman and  
Chief Financial Officer  
Bank of Hawaii  
Corporation and  
Bank of Hawaii

**Victor K. Nichols\***  
Former CEO of  
North America and  
President of Global  
Consumer Services  
Experian

**Martin A. Stein\***  
Partner  
RSA Ventures

**Donald M. Takaki\***  
Chairman and CEO  
HawkTree International Inc.

**Barbara J. Tanabe\***  
Owner and Partner  
Ho'akea Communications LLC

**Donna A. Tanoue**  
Vice Chairman  
Client and Community  
Relations  
Bank of Hawaii

**Raymond P. Vara\***  
President and  
Chief Executive Officer  
Hawai'i Pacific Health

**Robert W. Wo\***  
Owner and Director  
C.S. Wo & Sons, Ltd.

\*Bank of Hawaii Corporation Board of Directors

**Facts: Hawaii, Guam, Saipan, Palau and American Samoa****HAWAII**

Hawaii business establishments in 2013: 98 percent have fewer than 100 employees, 95 percent have fewer than 50 employees, and 56.5 percent have fewer than five employees.<sup>1</sup>

Hawaii gross domestic product in 2013: \$75.2 billion (in current dollars)<sup>2</sup>

- Government: 22.4% (federal civilian and military, and state and local)
- Real estate, Rental and Leasing: 19.8%
- Accommodation and Food services: 8.0%
- Retail trade: 6.8%
- Health care and Social assistance: 6.3%
- Construction: 5.5%
- Transportation and Warehousing: 4.4%
- Professional and Technical services: 4.2%
- Finance and insurance: 3.0%

*Tourism's direct and indirect impact on Hawaii gross domestic product (in current dollars) in 2013: 16.7%*<sup>3</sup>

*State of Hawaii resident population as of July 1, 2014: 1,419,561*<sup>4</sup>

**GUAM**

- U.S. Territory
- Capital: Hagatna (Agana)
- Resident population: July 2014 estimate 161,001<sup>5</sup>
- Main industries: U.S. military and tourism.

**AMERICAN SAMOA**

- U.S. Territory
- Capital: Pago Pago
- Resident population: July 2014 estimate 54,517<sup>5</sup>
- Main industries: tuna canneries and handicrafts.

**COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS**

- Commonwealth in political union with the U.S.
- Capital: Saipan
- Resident population: July 2014 estimate 51,483<sup>5</sup>
- Main industries: tourism, banking and construction.

**PALAU**

- Constitutional government in free association with the U.S.
- Capital: Melekeok
- Resident population: July 2014 estimate 21,186<sup>5</sup>
- Main industries: tourism, craft items and construction.

**Bank of Hawaii Branches and ATMs**

(As of December 31, 2014)

	Branches and In-Store Branches	ATMs
<b>State of Hawaii</b>	<b>67</b>	<b>410</b>
Island of Oahu	38	294
Island of Hawaii	11	48
Island of Maui	12	40
Island of Kauai	4	26
Island of Lanai	1	1
Island of Molokai	1	1
<b>West Pacific</b>	<b>6</b>	<b>42</b>
CNMI/Saipan	2	6
Guam	3	33
Palau	1	3
<b>American Samoa</b>	<b>1</b>	<b>7</b>
<b>Grand Total</b>	<b>74</b>	<b>459</b>

<sup>1</sup> Table 12.29, Hawaii DBEDT State of Hawaii Data Book 2013, pg 93, Employment and Payrolls in Hawaii: [https://www.hiwi.org/admin/gsipub/htmlarea/uploads/LFR\\_QCEW\\_ES2013.pdf](https://www.hiwi.org/admin/gsipub/htmlarea/uploads/LFR_QCEW_ES2013.pdf)

<sup>2</sup> Table 13.05, Hawaii DBEDT State of Hawaii Data Book 2013, <http://files.hawaii.gov/dbedt/economic/databook/2013-individual/13/130513.xls> from the U.S. Bureau of Economic Analysis, Gross Domestic Product by Industry 1963 to 2013: [www.bea.gov/regional/index.htm](http://www.bea.gov/regional/index.htm)

<sup>3</sup> Calculation based on Tables 13.05 and 7.32, Hawaii DBEDT State of Hawaii Data Book 2013, <http://files.hawaii.gov/dbedt/economic/databook/2013-individual/07/073213.xls> and <http://files.hawaii.gov/dbedt/economic/databook/2013-individual/13/130513.xls>

<sup>4</sup> Table 1.04, Hawaii DBEDT State of Hawaii Data Book 2014, [http://files.hawaii.gov/dbedt/census/popestimate/2014\\_state\\_pop\\_hi/NST-EST2014-01.xls](http://files.hawaii.gov/dbedt/census/popestimate/2014_state_pop_hi/NST-EST2014-01.xls)

<sup>5</sup> Central Intelligence Agency (CIA), The World Factbook (2014).

### Corporate Headquarters

Bank of Hawaii Corporation  
130 Merchant Street, Honolulu, Hawaii 96813

### Annual Meeting

The annual meeting of shareholders will be held on Friday, April 24, 2015 at 8:30 a.m. at the Bank of Hawaii Main Office, 5th Floor, 111 South King Street, Honolulu, Hawaii.

### Transfer Agent and Registrar

Computershare Investor Services, LLC  
250 Royall Street, Canton, MA 02021

### Common Stock Listing

NYSE: BOH

The common stock of Bank of Hawaii Corporation is traded on the New York Stock Exchange under the ticker symbol BOH and is quoted daily in leading financial publications as "Bank of Hawaii."

### Dividend Reinvestment & Stock Purchase Plan (DRP)

Bank of Hawaii Corporation's Dividend Reinvestment and Stock Purchase Plan (DRP) allows existing shareholders to purchase common shares of the company's stock by either reinvesting their stock dividends or by optional cash payments.

- Individuals must possess at least one share of the company's stock to participate in the DRP.
- Shares are purchased on the 10th business day of each month based on the average of five trading days ending on the day of purchase.
- Minimum payment for purchase of shares is \$25 and the maximum is \$5,000 per calendar quarter.
- There are no fees for purchasing shares or for the safekeeping of stock certificates. Fees are assessed on the sale of shares in the DRP.

### Inquiries

Shareholders with questions about stock transfer services, share holdings or dividend reinvestment may contact Computershare Investor Services, LLC at 1-888-660-5443 between 7:00 a.m. and 5:00 p.m. Central Standard Time.

### Investors and Analysts

#### Seeking Financial Information

Cindy Wyrick, Executive Vice President  
Investor Relations  
Phone: 1-808-694-8430

### For General Inquiries

Phone: 1-888-643-3888  
[www.boh.com](http://www.boh.com)

Detailed information about Bank of Hawaii Corporation's DRP can be found online at [www.boh.com](http://www.boh.com) or by calling Computershare Investor Services, LLC at 1-888-660-5443.

### Forward-Looking Statements

This report contains forward-looking statements concerning, among other things, the economic and business environment in our service area and elsewhere, credit quality and other financial and business matters in future periods. Our forward-looking statements are based on numerous assumptions, any of which could prove to be inaccurate and actual results may differ materially from those projected because of a variety of risks and uncertainties, including, but not limited to: 1) general economic conditions either nationally, internationally, or locally may be different than expected, and particularly, any event that negatively impacts the tourism industry in Hawaii; 2) unanticipated changes in the securities markets, public debt markets, and other capital markets in the U.S. and internationally; 3) the competitive pressure among financial services and products; 4) the impact of legislative and regulatory initiatives, particularly the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"); 5) changes in fiscal and monetary policies of the markets in which we operate; 6) the increased cost of maintaining or the Company's ability to maintain adequate liquidity and capital, based on the requirements adopted by the Basel Committee on Banking Supervision and U.S. regulators; 7) actual or alleged conduct which could harm our reputation; 8) changes in accounting standards; 9) changes in tax laws or regulations or the interpretation of such laws and regulations; 10) changes in our credit quality or risk profile that may increase or decrease the required level of our reserve for credit losses; 11) changes in market interest rates that may affect credit markets and our ability to maintain our net interest margin; 12) the impact of litigation and regulatory investigations of the Company, including costs, expenses, settlements, and judgments; 13) any failure in or breach of our operational systems, information systems or infrastructure, or those of our third party vendors and other service providers; 14) any interruption or breach of security of our information systems resulting in failures or disruptions in customer account management, general ledger processing, and loan or deposit systems; 15) changes to the amount and timing of proposed common stock repurchases; and 16) natural disasters, public unrest or adverse weather, public health, and other conditions impacting us and our customers' operations. For a detailed discussion of these and other risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements please refer to the risk factors discussed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014, and any subsequently filed reports with the U.S. Securities and Exchange Commission. Words such as "believes," "anticipates," "expects," "intends," "targeted," and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. We undertake no obligation to update forward-looking statements to reflect later events or circumstances.

*Bank of Hawaii Corporation is a regional financial services company serving businesses, consumers and governments in Hawaii, American Samoa and the West Pacific. Our subsidiary, Bank of Hawaii, was founded in 1897 and is the leading independent financial institution in Hawaii. For more information about Bank of Hawaii Corporation, visit our website, [www.boh.com](http://www.boh.com).*





BANK OF HAWAII CORPORATION

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