

2019

Environmental Social and Governance Report



First Hawaiian, Inc.

FHB.COM



Letter From the Chairman, President and CEO

To Our First Hawaiian Stakeholders,

Sustainability and stewardship have always been core governing principles that have enabled First Hawaiian Bank to become Hawai'i's top-rated bank serving our island communities for the past 161 years, and counting. As a community bank with deep roots, we recognize that our success is achieved when our customers and our communities are thriving. This is why we remain committed to investing in initiatives that foster responsible economic growth and sound governance while contributing to the economic health and well-being of the communities we serve.

We have prioritized sustainability at all levels of the organization to achieve operational efficiencies and to be sensitive to our company's environmental impact. From energy efficiency and zero-plastic waste initiatives to Community Care and Kōkua Mai — our employee volunteer and giving programs — our focus on people and place continues to be our strongest asset. In 2019, First Hawaiian Bank, its foundation and employees made a significant contribution of \$4.25 million to over 400 charities in the areas of education and financial literacy, health and human services and arts and culture. We created an initiative to eliminate 995,440 single-use plastics within our organization, implemented paper recycling in all facilities and installed 4,500 Energy Star monitors as part of our PC Refresh initiative.

We have also created an inclusive and healthy work environment for all of our 2,000-plus employees that fosters collaboration, efficiency and supports our relationship banking strategy. Our award-winning talent development program includes 150 professional development courses delivered through a flexible online learning center as well as 10 different leadership development programs that equip our teams with the skills to succeed in a cross-functional organizational structure.

By leveraging technology to develop environmentally sustainable products that deliver enhanced customer experiences, we continue to build strong relationships with our customers by placing them at the center of everything that we do. Our mobile banking platforms are a testament to this multi-faceted approach. Every time you make a mobile deposit, you are reducing fossil fuel consumption and emissions, saving paper and diverting waste from our landfills. It is the sum of these small, yet important actions that truly allows us to serve you better and achieve our economic, environmental and socially conscious goals.

It is our collective positive impact on the people, businesses and communities we serve that truly defines our success as a corporation. Every day we work to improve the financial health of our customers, allowing them to achieve their life's milestones. We appreciate their trust and will continue to seek out opportunities that will strengthen our commitment to sustainability and our investment in social activities and governance practices for the benefit all of our constituents. We all have an impact on our fragile island environments, and we hope you will join us in our efforts to preserve and protect our precious natural resources.

Robert S. Harrison
Chairman, President and Chief Executive Officer

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161 Years of Sustainability Through “The First Hawaiian Way”

Sustainability and commitment to our community have been a part of First Hawaiian from the very start. Founded in 1858 by American businessman Charles Reed Bishop and his business partner William Aldrich, under the name Bishop & Co., we are the first bank in Hawai‘i’s history. On its first day, the bank took in deposits totaling a mere \$4,784.25 and started its humble journey to becoming a key steward of Hawai‘i’s communities.

As Hawai‘i grew from a small whaling community — from the introduction of sugar and pineapple in the late 1880s to the boom in tourism fueled by 50th statehood and the jet age in the 1960s — the bank has successfully operated through each era by acting as a stable engine of sustainable economic growth.

In 1969, we took on the name First Hawaiian Bank, cementing our reputation as the community leader in innovative banking and customer service. We became known as the bank that says “Yes!” The company continued to grow and thrive through the 1970s, expanding our footprint to Guam and Saipan.

In the late 1990s, the company merged with California-based Bank of the West to become a wholly owned subsidiary of parent company BNP Paribas. Under private ownership, the company’s performance continued its upward trajectory through maintaining its independent brand and positioning within the market. In 2016, BNP Paribas held an initial public offering of First Hawaiian common stock. After five more public offerings, BNP Paribas fully exited its ownership in First Hawaiian in early 2019, making First Hawaiian (NASDAQ: FHB), an independent company once again.

Today, First Hawaiian Bank is recognized as one of the top community banks in the country. It is the largest, most profitable bank in the state of Hawai‘i and the second oldest U.S. bank west of the Rockies. We are the leading lender to small businesses in Hawai‘i, offer an award-winning employee development program and have been recognized as one of the Best Places to Work in Hawai‘i.

We accomplished all this by conducting business “The First Hawaiian Way,” a holistic approach towards business sustainability, informed by our history of growing and thriving in isolated island markets. We take a global view of the relationship between the health of the company, our people, our customers and the communities we serve. We look at each market as an ecosystem and create programs that spur the necessary short-term actions to drive profitability, while also enhancing our ability to maximize long-term growth to perpetuate profitability over generations — a way of doing business that we have successfully executed for more than 161 years.

Our Pillars of Sustainability

- Promoting healthy profitability through **Values-Based Governance**
- Protecting the company and its stakeholders through **Responsible Risk Management**
- Growing our capacity by **Investing in Company Culture**
- Accepting our responsibility as an organization to improve our **Environmental Impact**
- Increasing the potential of our communities by investing in programs that maximize **Social Impact**

First Hawaiian Center



Section Topics

- Board Governance Structure
- The Role of Our Board of Directors
- Board Oversight Through Committees
- Senior Management Leadership

Values-Based Corporate Governance

As a community-minded bank, our approach to governance is guided by our dedication to our company’s core values and our commitment to corporate sustainability. “The First Hawaiian Way” defines our organizational culture, values and commitment to our customers, our stockholders, our employees and the communities where we do business. Our commitment to corporate sustainability is deeply rooted in the core values of Caring, Character and Collaboration that guide every decision our leaders and governing bodies make.

Board Governance Structure

Sound corporate governance under the oversight of a strong, knowledgeable and engaged board of directors and senior management leadership is essential for our company’s long-term success. Our board and senior management provide oversight through the development of effective policies for risk appetite, ethical business standards and long-term strategy for sustainability.

Adherence to our corporate policies creates an environment where employees act with integrity, honesty and fairness. It is through our consistent ethical behavior that we are able to build trust with our stakeholders. A key part of our governance structure is a strong compliance program that features:

- Culture of compliance and tone at the top
- Strong policies, procedures and controls
- Compliance training program
- Centralized complaint monitoring
- Quality assurance monitoring and testing program
- Regular senior management and board reporting
- Regulatory tracking and monitoring
- Independent audits by our internal Audit Division

3Cs Core Values



CARING

- We value relationships over transactions.
- We treat people with dignity and respect.
- We serve each other, our customers and our community.



CHARACTER

- We act with integrity.
- We take responsibility for our actions.
- We are not afraid to take risks and learn from our mistakes.



COLLABORATION

- We achieve our best results when we work together.
- We value others’ viewpoints and draw strength from diversity.
- We share credit when things go well and accept responsibility when things don’t go well.



First Hawaiian Bank Senior Management Committee

The Role of Our Board of Directors

Our board of directors is responsible for protecting the reputation of the company by providing oversight of management’s performance through the monitoring of strategy and execution, nominating directors, selecting the chairman and chief executive officer, setting senior management compensation and overseeing the code of conduct and internal controls.

In nominating directors, the board has sought directors with a diversity of views and experience. The current board of directors is comprised of seven members, including the chief executive officer. The independent directors are all prominent members of the local community with diverse experience leading organizations or serving on boards of publicly traded corporations with significant involvement in civic and charitable organizations.

Board Oversight Through Committees

The board of directors exercises its oversight function through regular meetings of the board, as well as special meetings as needed. The members of the board serve on committees to oversee and manage critical areas including the Audit Committee, Compensation Committee, Corporate Governance and Nominating Committee and Risk Committee.

Senior Management Leadership

Our senior management team is comprised of 10 executive leadership members from across the company including the chairman, president and chief executive officer, the chief financial officer, chief risk officer, chief lending officer, chief compliance officer, and general counsel.

Our senior management team develops the strategic plan, oversees its execution, ensures that all business units adhere to effective risk controls and ensures a positive work environment for all employees. Each year, senior management communicates the bank’s strategic plan initiatives to employees at a series of annual presentations in Hawai’i, Guam and Saipan to help promote full engagement at all levels of the organization.

Section Topics

- Promoting Effective Internal Controls
- A Code and Culture of Conduct
- Transparency Through Proactive Stockholder Communications
- Data Security and Protection

Responsible Risk Management

First Hawaiian Bank’s ultimate purpose is to improve the financial lives of our customers and increase shareholder value. As part of delivering on that purpose responsibly today and into the future, we understand the importance of managing risk effectively through ethical business practices to enable responsible, sustainable growth. We accomplish this by promoting effective internal controls, our code of conduct, stockholder communication transparency and strong data protection practices.

Promoting Effective Internal Controls

It is a critical priority of management and the board that First Hawaiian operate under a strong system of internal controls. Our control environment reflects our corporate culture, which is set by the “tone at the top,” the behavior modeled and communicated by our CEO.

Management designs and the board oversees our system of internal controls. Each business unit is responsible for identifying the risks associated with its business activities and for developing policies under which it will operate. There is appropriate, comprehensive training throughout the enterprise on these policies, as well as critical legal and regulatory requirements, and our policies are reviewed by the board of directors and updated generally on an annual basis. An enterprise-wide risk assessment is conducted annually and presented to the Risk Committee of the board. Enterprise risk metrics are implemented and adjusted based on the results of this risk assessment and presented to the Risk Committee quarterly.

The Audit Committee has adopted an Integrity Hotline Policy, sometimes referred to as a “whistleblower policy,” which allows directors, officers and employees to report complaints anonymously and confidentially through a third-party managed hotline or online, regarding accounting, internal accounting controls or auditing matters. In addition, the Audit Committee oversees a robust internal audit function that ensures that bank personnel are operating within our policies and control framework. Moreover, we are regularly examined by, and responsible to, our regulators, including the Federal Deposit Insurance Corporation, the Hawaii Division of Financial Institutions, the Board of Governors of the Federal Reserve System, the Consumer Financial Protection Bureau and the Securities Exchange Commission among others.

Besides these protections, our board’s Compensation Committee has implemented controls to ensure that our compensation structure incentivizes appropriate behavior, including compliance with our system of internal controls. In connection with our annual employee evaluation, all employees, including the CEO, are evaluated for their success in meeting our audit, compliance and risk standards. In addition, compensation is structured to avoid excessive risk taking and the Compensation Committee annually reviews incentive programs with this goal in mind. The Compensation Committee also has instituted a Clawback Policy pursuant to which improperly earned incentive compensation would be returned to the company.



A Code and Culture of Conduct

We have taken steps to ensure that management and employees are operating within our approved policies and control framework. We have a code of conduct available on our employee intranet that sets forth standards our officers, employees and directors are required to meet as they conduct the bank’s business. The code is fundamental to the success of the company. It promotes honest and ethical conduct including fair dealing and the ethical handling of conflicts of interest, full, fair, accurate, timely and understandable disclosure, compliance with applicable laws, rules and regulations, the protection of the company’s legitimate business interests including corporate opportunities, assets and confidential information and the deterrence of wrongdoing.

The code of conduct is part of the culture at First Hawaiian Bank and is promoted across divisions and functional areas. Officers, employees and directors must certify annually that they have read and will abide by our code of conduct.

Transparency Through Proactive Stockholder Communications

A critical part of our governance program is frequent and effective communication with our stockholders. We proactively communicate with all our stockholders in a variety of ways. We issue press releases as material events occur and we file publicly available reports with the Securities and Exchange Commission. Our quarterly earnings calls are open to the public and in connection with our annual meeting of stockholders we mail an annual report and a proxy statement to our stockholders. This year we reached out to over half of our largest stockholders to solicit their views with respect to our governance and our most senior executives regularly participate in investor conferences.

We also provide a means by which stockholders and any other interested parties may communicate with the board. Any such party may send correspondence addressed to the board or one or more specific directors at the following address: First Hawaiian, Inc., c/o the Secretary, 999 Bishop Street, 29th Floor, Honolulu, Hawaii 96813. All communications are submitted by the secretary to the relevant director or directors as addressed.

We have also taken actions to improve stockholder democracy. With stockholder approval, we amended our Certificate of

Incorporation to eliminate certain supermajority voting requirements. In addition, the board of directors amended our bylaws to include a “proxy access” provision. To further enhance stockholder rights, we implemented a majority voting standard for the election of directors in uncontested elections. Under this new voting standard, any nominee who does not receive a majority of votes cast “for” his or her election would be required to tender his or her resignation promptly.

Data Security and Protection

Safeguarding the confidentiality and integrity of our customers’ information is accomplished through an information security governance program that includes a “defense in depth” security approach. This approach leverages multiple levels of cybersecurity tools and controls, rigorous systems testing, special training for IT staff and a security awareness program for all employees.

In 2018, we developed a multi-year strategic plan for cybersecurity improvements and have adopted the NIST Cybersecurity Framework as our governance framework and maturity assessment tool. In order to continuously mature our security program and improve our security posture, we assess our program, implement new controls and report this information to management and the board.

Every employee is responsible for protecting and securing data. Internal protection programs include access management, vulnerability management, incident response, business continuity planning, malware defense, email and web filtering, intrusion detection, testing and training programs for employees.

The FHB Incidence Response Team is responsible for coordinating our response to emerging cybersecurity situations like Distributed Denial of Service (DDOS) attacks, phishing or third-party breaches. We conduct cybersecurity exercises annually to improve our response readiness in the event of a cyber intrusion or disruption of our services. These exercises help ensure that our staff, including executive management, understands their roles and responsibilities and are prepared to act should a significant incident occur.

First Hawaiian Bank is dedicated to meeting the ever-increasing customer desire for services through our digital and mobile platforms. This demand requires industry leading security safeguards that protect our customers’ information and a program of continuous security monitoring and reporting.

Section Topics

- Talent and Career Development
- Award-Winning Leadership Development
- Community Stewardship
- Employee Volunteerism

GOVERNANCE

Core Values

Caring, Character and Collaboration

2,119 employees

714 Men (34%) | 1,405 Women (66%)

34% management positions

54% women officers | 46% men officers

TALENT DEVELOPMENT

- Award-winning talent development program open to all employees
- Over 100 professional development courses offered through Online Learning Center
- 10 Leadership Development programs

Each year, employees can also apply for up to

\$3,000

of tuition reimbursement for continued education.

Investing in Our Employees and Supporting Our Communities

Our success as a company is a direct result of the character and talent of our employees. An essential part of our mission is to care for our employees like family. It is only with their dedication and commitment that we can serve our customers, generate long-term value for our shareholders and make lasting contributions to our communities. In our highly competitive market for talent, our ability to recruit, develop, retain and reward a talented and diverse workforce is critical to our long-term business sustainability.

We have been voted one of the “Best Places to Work” in Hawai‘i for the past nine consecutive years by our employees who enjoy being a valued part of our team working toward shared goals. We believe that people join and remain at our organization because we offer a compelling mission and vision, career development opportunities and a differentiating work culture that embodies our core values of caring, character and collaboration.

Talent and Career Development

The driving goal of our human capital strategy is to develop and retain a high-performing, diverse workforce for today and for the future. We’ve made substantial investments in tools and training programs to help employees build their knowledge, and skills. Our training consists of targeted, high-impact programs that promote growth in core competency areas, encourage networking, provide role models and address relevant issues to support career advancement.

Our ability to develop employees based on business requirements, to create opportunities for collaboration and to enable our workforce with better analytics are all benefits of a strategic talent development program that helps to drive innovation and business success. Creating highly skilled internal talent pools helps our company achieve today’s objectives while building bench strength for succession pipelines and preparing our leaders to take on evolving challenges in the years ahead.

We offer development opportunities to our 2,200 employees through an e-learning platform, which offers over 150 classes in categories such as communications, customer service, sales, leadership, teamwork, time management, Microsoft® Office and banking-related topics. In addition, we offer technical training such as Teller School to provide hands-on instruction and skill building.

For all frontline bankers in retail banking, business banking and private banking, we also invested in a formal training program in 2018. Through this new training management process, we improved our current relationship banking strategy and built on our culture of caring for our clients. Our team members have a better understanding of our clients’ needs and now have better tools to provide more targeted financial solutions to fulfill those needs.

Each year, employees can also apply for up to \$3,000 of tuition reimbursement for continued education. Many also take advantage of conferences, forums, workshops, webinars and specialized courses. Additionally, employees have the opportunity to attend prestigious graduate banking schools to learn strategies and tactics to tackle the most pressing banking issues. First Hawaiian Bank has proudly sponsored over 100 premier banking school graduates.

Award-Winning Leadership Development

At First Hawaiian, leadership development is about learning from the past, maximizing the present and preparing well for our future. We believe that leadership excellence creates an environment for our employees to do their best work, provides a stellar experience for our customers and enables us to accomplish our business results. Developing our talent is not an endgame, but rather a cyclical process that continuously evolves to meet the needs of our company.

We prioritize continuous learning through a comprehensive leadership development strategy to increase employee engagement, improve efficiencies and enhance productivity in our workplace. To develop leaders from the inside out and to ensure leadership continuity, we created an Emerging Leaders Program for individuals up to assistant vice president who are interested in supervisory roles and an Advanced Leaders Program for vice presidents and senior vice presidents.

We also invested in live training workshops that included high performance leadership, accountability, collaboration, critical thinking, emotional intelligence, dialogue, change leadership, power of trust, innovation, generational differences and workplace civility. These programs give our workforce more confidence to create conducive environments for employees to contribute their best work while becoming the leaders that others want to follow.

As we continue to innovate and grow as a company, it is critical for our teams to adapt and forge new ways to collaborate. We are investing in enterprise-wide initiative that will better position our teams to be more agile, able to adopt new behaviors faster and achieve business outcomes.

In 2019 and for the second year in a row, First Hawaiian Bank was honored with the prestigious Association for Talent Development’s “ATD BEST” award for building talent enterprise-wide and strategically driving a talent development culture that delivers results. First Hawaiian placed 17th out of 142 entries across nine global countries — the first Hawai’i-based company in ATD’s 18-year history — in recognition of our innovative competency-based development programs designed specifically for our emerging, advanced and executive leaders. IBM, Haier, Hitachi, MGM, TELUS and Verizon were among the companies recognized.



In 2019 and for the second year in a row, First Hawaiian Bank was honored with the prestigious Association for Talent Development’s “ATD BEST” award for building talent enterprise-wide and strategically driving a talent development culture that delivers results.

Community Stewardship

First Hawaiian Bank has a long history of contributing to the communities in which we live and work. We aspire to be part of something bigger than ourselves and our employees take pride in our company’s mission-driven commitment to contribute to the well-being of our communities. For the third year in a row, 99% of all First Hawaiian Bank employees and more than 200 retirees contributed to our annual employee giving campaign, called Kōkua Mai. First Hawaiian Bank covers all administrative costs so that 100% of our employees’ and retirees’ donations go to their charities of choice. Since the program’s inception in 2007, employees and retirees have contributed more than \$8.6 million to charities in Hawai‘i, Guam and Saipan.

661

blood donations by 249 donors through sponsored blood drives

29

Community Care volunteer service activities

53%

(or 1,121 employees) participate in Community Care

99%

participation rate in Kōkua Mai, the bank’s employee giving campaign

Employees and retirees raised

\$815,000

for 32 charities in Hawai‘i, Guam and Saipan through Kōkua Mai

\$8.6 million

donated to charities since Kōkua Mai’s 2007 inception

8,291

Community Care volunteer hours

\$100,000

in scholarships to 53 children of First Hawaiian Bank employees

Employee Volunteerism

Working for the greater good is deeply ingrained in our culture. All year long our employees donate their time and talents through a wide variety of activities via our Community Care Program. In 2019, our employees volunteered thousands of hours serving on non-profit boards and participating in community service events sponsored by our bank.

Examples of activities include:

- Clearing of invasive seaweed and cutting back mangroves to restore and preserve an ancient Hawaiian fishpond that promotes sustainable fish cultivation.
- Working to preserve for future generations our island’s natural beauty by assisting with plant propagation and seed collection in a Hawai‘i Island forest.
- Collecting new school supplies to benefit children on the islands of O‘ahu and Maui — recycling these items reduces waste and avoids filling landfills.
- Packing and distributing care boxes to seniors in the community and making no-sew lap blankets for nursing home residents.

While our social contributions strengthen the economic well-being of our communities, these corporate volunteer programs also have a positive impact on employee engagement. Creating a workplace that allows employees to feel pride for the company they work for and the work they do helps both retention and recruitment. Being involved in charitable causes that are important to employees gives them a sense of purpose that leads to increased collaboration, productivity and higher workplace morale.

Restoration of He‘eia fishpond



Environmental Impact

First Hawaiian is committed to being a steward of the environment. We actively maintain energy efficient facilities, reduce waste, participate in sustainable practices and look for ways to minimize our impact wherever possible. Conservation and preservation of our state’s natural resources are an integral part of living and working in an island community. When it comes to climate change and environmental sustainability, we recognize that we are all in this together. Everyone must do his or her part to steward the environment.

Operating 58 branch locations spread out across O’ahu, Maui, Kaua’i, Lāna’i, and Hawai’i Island, as well as in the island communities of Guam and Saipan, we have the unique logistical challenge of doing business in communities where a majority of our food, building materials and consumer goods must be shipped to us from across the Pacific Ocean.

To reduce our waste and the amount of goods shipped, we are working towards eliminating single-use plastics from our cafeterias and encouraging employees to refill reusable water bottles. We also recycle paper in all of our facilities.

Energy Efficient Facilities

Hawai’i has the highest electricity rates in the nation. Fortunately, Hawai’i is at the forefront of alternative energy research in the areas of wind, wave, solar, and geothermal resources. First Hawaiian’s long-standing commitment to energy savings is driven by our energy conservation practices and cost reduction measures. Our bank’s headquarters, the tallest building in downtown Honolulu, was built over 22 years ago in 1996 to Energy Star standards.

At both our First Hawaiian headquarters and at a separate large operations facility, we have upgraded common area lighting systems to higher efficiency LED technology with motion sensors and installed 4,500 Energy Star computer monitors as part of our PC Refresh initiative. We are currently testing high efficiency window tint and replacing air conditioning equipment with new technology to increase cooling efficiency. In our branch network, we have integrated energy saving features including photovoltaic systems to harness solar energy. Increasing our use of renewable energy is carefully evaluated on a case-by-case basis to ensure we are able to balance energy usage while maximizing cost containment.

Transportation Alternatives

Supporting alternative transportation options is an important component of sustainability and one that First Hawaiian Bank has embraced for many years through its employee bus pass subsidy program and free bicycle parking facilities within the First Hawaiian Center. We also recently installed electric charging stations in the First Hawaiian Center parking garage and offer one hour of free charging to encourage electric vehicle use.

Section Topics

- Energy Efficient Facilities
- Transportation Alternatives

Eliminating single use plastics from

995,440 units

to zero in the bank’s cafeterias

First Hawaiian Bank provides a

**50% bus pass
subsidy**

for employees

Installation of

4,500 Energy Star

monitors as part of our
PC Refresh initiative

Paper recycling

in all facilities

Section Topics

- Investing in Our Community
- Increase Potential Through Education
- The Value of Financial Literacy
- Meeting Community Health and Well-Being Needs
- Connecting Communities Through Arts and Culture
- Building a Safety Net for Our Community
- Helping Small Businesses to Thrive
- Commitment to Community Development
- Strengthening the Community Through Homeownership

Social Impact

As the first bank to be established in the Hawaiian islands in 1858, First Hawaiian's success and longevity has been the result of our focused efforts on improving the financial health of our customers and contributing to the well-being of the communities we serve. In addition to a comprehensive suite of financial products and services designed to empower our customers for financial success, our philanthropic efforts, which include financial contributions, sponsorships and employee giving and volunteerism, also empower our communities to thrive.

Caring for the community is a 161-year tradition. It's a commitment to one of the bank's core values that all employees share. We believe that together we can make a significant difference in our community through financial contributions and volunteering our time, talents and resources to help individuals and families.

Investing in Our Community

First Hawaiian's approach to community giving involves investing in non-profit organizations to help them develop sustainable solutions that meet the needs of the communities we serve. Through these strategic investments and productive partnerships we believe we are making meaningful contributions that create vibrant communities.

The First Hawaiian Bank, its foundation and its employees contribute \$4.25 million annually to non-profit organizations in Hawai'i, Guam and Saipan. We are one of Hawai'i's largest corporate contributors to charity. We invest in programs and services that are dedicated to solving our community's challenges, extending opportunities for both our seniors and our youth and enriching lives throughout Hawai'i, Guam and Saipan. *Hawaii Business* magazine has recognized First Hawaiian Bank as the top corporate contributor to charities in Hawai'i for seven consecutive years.

The First Hawaiian Bank Foundation makes financial grants to over 100 non-profit organizations each year and focuses its philanthropic investments on non-profit partnerships that strengthen and develop communities through:

- Educational opportunities for our youth and financial literacy to build economic self-reliance.
- Improving community health and well-being.
- Supporting art and culture activities that connect people and communities together.

\$4.25 million
in donations

to over

400 charities

in the areas of:

- Education and Financial Literacy
- Health and Human Services
- Arts and Culture

Increase Potential Through Education

Supporting educational initiatives has always been a primary focus for the bank's foundation because we believe education is the key to economic independence and financial empowerment. A few of the programs we have supported are:

- **Teach For America** The First Hawaiian Bank Foundation was one of the original sponsors that introduced the Teach For America program to Hawai'i in 2006. With Hawai'i public school student performance traditionally trailing the rest of the country and the state's shortage of teachers, there was an urgent need to find a solution. Teach for America, in partnership with the Hawai'i State Department of Education and local companies, helps the

state place college graduates into the classrooms of underserved communities. This nation-wide program is a two-year commitment that matches college graduates considering teaching as a possible career path with schools needing teachers in low income areas on O'ahu and Hawai'i Island.

- Hawai'i High School Auto Academy** The State Department of Education reduced the number of auto mechanic classes in public schools due to budget cuts at a time when the auto industry was in need of auto mechanics. First Hawaiian Bank partnered with Cutter Family Auto and Honolulu Community College to form the Automotive Academy to address this workforce issue. This six-week summer program for high school students provides hands-on training, internships and college credits for high school seniors interested in the auto industry. Successful Automotive Academy graduates have gone on to complete their degree and have been hired to be master mechanics.
- Culinary Arts Program** The bank operates two employee dining facilities and a private dining center. Every summer, Waipahu High School culinary arts students participate in a six-week mentorship and hands-on training program focused on serving, cooking, baking and menu development. This training program has made it possible for many students to continue their culinary education and to find jobs in the food industry.
- University of Hawai'i** First Hawaiian Bank continues to be a strong supporter of the state's flagship university. Our chairman, president and CEO is an active participant on the Shidler College of Business Advisory Council. The bank established two First Hawaiian Bank Endowment Funds for the distinguished professor of management and leadership, which supports the dean's position and the distinguished professorship in banking.

The Value of Financial Literacy

As a community bank, First Hawaiian believes it has an obligation to improve the financial well-being of the communities we serve. We do this through a number of community partnerships that focus on improving awareness and financial knowledge including:

- MyMoney Financial Literacy Program** First Hawaiian is committed to integrating financial literacy into school classrooms through the use of innovative technology. The MyMoney program is an online interactive financial education program for public high schools that primarily serves low- to moderate-income students.



First Hawaiian was the first Hawai'i bank to offer this program to schools at no cost. The program teaches high school students about budgeting, financing a college education and other basic financial education topics. Since the program's inception, there has been a dramatic increase in awareness and financial knowledge among the students completing the program.

- Adult Friends for Youth** The bank annually hosts the Adult Friends for Youth financial literacy workshop in which at-risk youth are invited to the bank's headquarters in downtown Honolulu to meet with bankers who teach them the basics of banking.
- Junior Achievement of Hawai'i and Guam** Junior Achievement is the world's largest organization dedicated to educating students about work readiness, entrepreneurship and financial literacy through experiential, hands-on programs. Bankers are paired up with students to provide coaching on the basics of starting a company including writing a business plan, product development, sales and marketing.
- Teach Children to Save** First Hawaiian participates in the national American Bankers Association annual Teach Children to Save program where bankers volunteer their time and provide financial education at low- to moderate-income schools that had 50% or more of their students receiving free or reduced cost lunches. Bankers present lesson plans to educate children on how saving money could give them a head start for a successful financial future.

Meeting Community Health and Well-Being Needs

Meeting the health and well-being needs of a community where individuals and families are able to thrive is essential for building strong and vibrant communities for all of us. The First Hawaiian Bank Foundation provides grants to area hospitals and non-profit agencies that address the health and human service needs of the residents and visitors in the community.

In addition to financial support, our employees volunteer their time assisting non-profit organizations whose missions are focused on health and well-being including American Heart Association, American Diabetes Association, Susan G. Komen, Hawaii Foodbank and Men's March Against Violence.

Connecting Communities Through Arts and Culture

Living in an island community with myriad ethnicities and cultures is one of the things that makes Hawai'i unique. Our foundation makes grants to non-profit organizations whose mission is to perpetuate the culture and arts.

- **The Honolulu Museum of Art** When people walk into the First Hawaiian Bank Main Banking Center in the heart of downtown Honolulu, they can do their banking transactions and then take a walk through an expansive revolving art exhibit curated by The Honolulu Museum of Art. The bank's headquarters was designed to accommodate this partnership with the museum to provide the community with access to free art exhibits year-round. A majority of the exhibits showcase the works of local artists, giving them gallery space to display different mediums including paintings and sculpture.

Men's March Against Violence



- **Youth Symphony** Youth Symphony is helping youth achieve their full potential through orchestral music. The foundation provides funding that makes it possible for children from underserved areas to participate.

Building a Safety Net for Our Community

When hurricanes, typhoons, flooding and volcanic eruptions occur, First Hawaiian's branch networks become community donation collection points, raising awareness and much needed funds to support relief and recovery efforts.

The bank also stands by its customers, providing relief options that help them get through unexpected hardships due to natural disasters or other emergencies. Our bankers provide customized solutions so that customers can get their lives back to normal as quickly as possible.

If a customer requires access to cash for emergency supplies or repairs to homes and vehicles, FHB offers quick access to cash through its loan assistance programs. We will also work with existing loan customers needing forbearance, fee waivers or extensions on their loans.

When the need arises, our employees are quick to volunteer their time and money to aid in recovery efforts. They collect toiletries, cosmetics, dental care products and clothes to assist with disaster relief efforts. In addition to other corporate donations made towards disaster relief efforts, the bank mobilizes its network of 58 branches to serve as convenient community donation collection points.

Helping Small Businesses to Thrive

Small businesses make up a majority of the businesses in Hawai'i and are the driving force behind economic growth and job creation in our community. As a community bank, our bankers help small businesses with the financial assistance they need to grow their companies.

For the third year in a row since 2017, the U.S. Small Business Administration Hawaii chapter awarded First Hawaiian its SBA Lender of the Year - Category 1 award. We also hosted Small Business Resource Days in our branches where small business owners conveniently received 30-minute confidential consultations on a diverse range of available resources.

Our bankers understand the challenges that small business owners face today. We offer customizable products and services to meet the specific needs of small business customers from business checking and credit cards to business loans, lines of credit and merchant services that make it easy for business owners to focus on growing their businesses.

Commitment to Community Development

First Hawaiian Bank is committed to financial inclusion by working to meet the credit and financial services needs of the entire community it services. The bank received a rating of “Outstanding” in its most recent evaluation by the Federal Deposit Insurance Corporation (FDIC) for its performance under the Community Reinvestment Act (CRA). This act encourages banks to support the borrowing needs of all of its communities, including low- and moderate-income areas, while maintaining consistent, safe and sound operation of the institution. This marked the ninth consecutive evaluation, dating back to 1995, in which First Hawaiian Bank had received an “Outstanding” rating.

First Hawaiian is a leader in providing community development services in Hawai‘i, Guam and Saipan and our activity continues to reflect our employees’ commitment to the communities in which we do business. In 2019, employees provided thousands of community service hours that further affordable housing, economic development and contribute to the revitalization and stabilization of low- or moderate-income areas.

Strengthening the Community Through Homeownership

With the growing need of affordable housing in our community, First Hawaiian Bank participates in various affordable housing activities.

- Hawaii Individual Development Account Program**
First Hawaiian Bank created this Individual Development Account Program which has evolved to help low- to moderate-income and/or low-wealth families within the Native Hawaiian community expand their financial knowledge, increase short- and long-term savings, improve credit scores over time, and obtain homeownership education with the eventual goal of homeownership. The Individual Development Account Programs provided matching funds for down payments on home purchases.
- Hawai‘i Homeownership Center Individual Development Account Program**
In 2019, First Hawaiian partnered with the Hawai‘i Homeownership Center (HHOC) to develop individual development accounts to encourage monthly savings by matched deposits from the HHOC. The program has evolved to help low- to moderate-income and low-wealth families within the Native Hawaiian community expand their financial knowledge, increase short- and long-term savings, improve credit scores and obtain home



ownership education with the goal of homeownership. Participants also receive matching funds for down payments on home purchases.

- Hawai‘i Homeownership Center Down Payment Assistance Loan Program (DPAL)**
This DPAL program resulted from a \$50,000 grant provided by First Hawaiian Bank to the Hawai‘i Homeownership Center in 2005 for the purpose of creating an affordable and flexible loan product for low- to moderate-income first-time home buyers while also creating a mortgage broker program to enhance Hawai‘i Homeownership Center’s self-sufficiency. Home buyer financial education and counseling from a HUD-approved counseling agency is required prior to closing.
- City and County of Honolulu Down Payment Loan (DPL)**
This DPL program is part of the City & County’s effort to promote homeownership and create stronger communities. The second mortgage down payment assistance loan program provides interest free loans to assist eligible borrowers to meet down payment requirements to qualify for a first mortgage loan.
- Landed Down Payment Support Program**
In June 2019, First Hawaiian began offering first mortgage loans in conjunction with down payment support offered by Landed, Inc., a non-profit organization that works with school employees to purchase a home. The Landed Down Payment Support Program provides up to \$120,000 to school employees buying a home in the community where they work.
- Participating Lender**
First Hawaiian Bank is a participating lender in various condominium projects with affordable housing units. 