

Corporate Social Responsibility Report



AMERICAN
Savings Bank

2021



A Message From Our President and CEO



Aloha,

As I reflect on the last year and a half, I am extremely proud of the way American Savings Bank teammates stepped up to tackle the challenges presented by the pandemic while navigating the numerous other issues that transpired. It's never been clearer that everything we do at ASB stems from the deep care we feel for our customers, community and each other. Even as our team members were confronted with their own pandemic-related struggles and uncertainties about the future, we remained committed to taking care of others.

Guided by our values of collaboration, inclusivity and trustworthiness, our 1,100 teammates came together and, through acts big and small, confronted issues from COVID-19 to racial equity that emerged throughout the country. Although many of us were physically separated, we remained unified and delivered on our promise to make our customers' dreams possible, make banking easy, deliver high performance, create a great place to work and bring real impact to our community.

When Hawai'i's economy came to a screeching halt, jeopardizing the survival of many businesses, we adjusted our priorities, operations and focus to support our customers – some needed a life jacket and others looked to us for help charting the path forward in a post-pandemic world. We worked tirelessly to secure \$540 million in Paycheck Protection Program funding for 6,200 local businesses and helped preserve nearly 60,000 jobs. We partnered with customers on financial hardship solutions and helped businesses adapt to a new reality.

We showed the same care for our teammates by keeping our workplaces safe, offering interest-free Mālama Loans, providing free meals, offering flexible schedules, providing health and wellness resources and taking the time to recognize and celebrate our successes along the way.

We also donated our time, energy and financial support to assist local organizations providing critical resources to our state. From distributing PPE to delivering meals to kūpuna and assisting with outreach to vulnerable communities, our team rallied to support our community and, as a result, we will all emerge stronger.

ASB has been serving the people of Hawai'i since 1925 and while we are proud to share our progress through the stories in this report, we are also committed to doing more because we care.

Mahalo,

Ann Teranishi
President & CEO

2019-2021
Highlights

WE ARE ASB

Page 3



Focused on Making
Baking Easier and More
Accessible



Speak Up Culture



Board Members and
Executives are Mostly
Minorities

OUR HAWAII

Page 23



Helping People of All
Income Levels Save



Nationally-Recognized
Financial Literacy
Efforts



\$540MM in PPP Relief
for Local Businesses



\$700K+ in Nonprofit
Donations and 20K+ in
Volunteer Hours

OUR TEAMMATES

Page 44



Award-Winning
Workplace



Wellness and Professional
Development Programs



16 Weeks of Paid
Parental Leave



67% Female and 88%
Minority Workforce

OUR ENVIRONMENT

Page 60



Loans to Support
Decarbonization Efforts



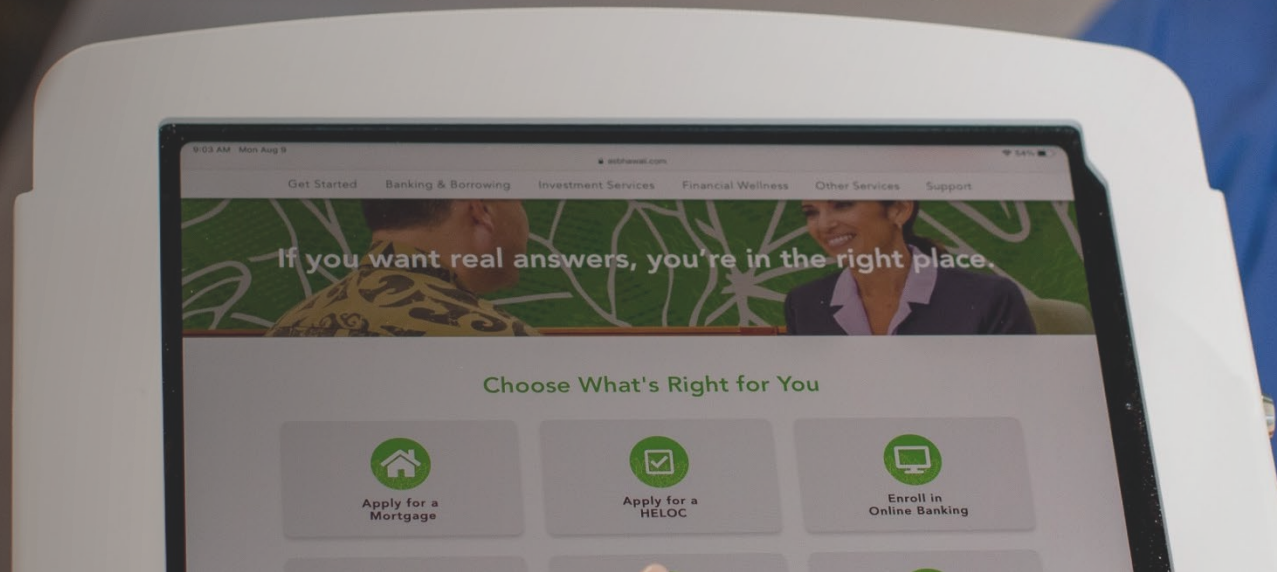
Green Benefits for
Teammates



Sustainable Features at
Campus and Newer
Branches

WE ARE ASB

We Are a Great Bank
Making People's Dreams
Possible



Who We Are

At American Savings Bank, we are proud of our 1,100-member-strong ASB Dream Team, which has consistently supported our customers and the Hawai'i community, especially during times of hardship.



Members of ASB's Management Committee delivered a "Golden Turkey" to a teammate at the Great Turkey Drive-thru in November 2020. In all, 19 lucky teammates received a Golden Turkey, which came with a bonus \$200 gift card.

Last year, with the onset of the COVID-19 pandemic, our teammates contributed more than 23,000 volunteer hours to local nonprofits and community causes and more than \$200,000 to five partner organizations with a 95% participation rate. These efforts were recently recognized by *PEOPLE* Magazine, which named ASB as one of the 100 Companies That Care.

We believe it's important for us to be good stewards of the Hawai'i community, including its wonderful people and the precious environment. This means, among other things, helping families

during times of need, creating greater opportunities, improving access to financial services and taking care of our land, air and oceans by implementing sustainable practices.

While 95% of our Dream Team said that they feel good about the ways that ASB contributes to the community, we recognize that there is always more that can be done, and we are constantly thinking of ways to better serve our customers and the community. We are not afraid to put in the work to fulfill our vision of being a great bank making people's dreams possible.

► Who We Are



ROOTED IN HAWAII

We began our story more than 95 years ago as the Honolulu office of American Building & Loan Co.

In 1942, our predecessor changed its name to American Savings & Loan Association.

In 1987, we received our own federal savings bank charter. Today, we are one of the largest financial institutions in Hawaii.

Solutions for Every Customer at Every Stage of Life

Since 1925, ASB has been serving Hawai'i's businesses and communities. Today, we have more than 1,100 teammates statewide, 39 branches and more than 100 ATMs. We offer a full range of financial products and services to fit our customers' diverse needs:

- **Deposit accounts.** We have a number of savings options for customers to help them put aside money for their future plans. Customers can enjoy our Kalo Essentials Checking account with no monthly service fees or balance requirements. In July 2020, we introduced contactless debit cards, which saves time at the checkout line. We also offer a number of deposit solutions for our business customers.
- **Consumer credit cards.** In September 2021, we rolled out our new credit cards through Elan Financial Services. Consumers with little to no credit history or poor credit can build their credit with our Visa Secured Credit Card.
- **Home loans.** Purchasing a home is one of the biggest financial investments people make and we're here to help with a variety of programs for eligible borrowers. To apply or pre-qualify for a home mortgage, customers can simply contact one of our helpful loan officers or submit an online application in minutes.
- **Consumer loans.** In addition to home mortgages, we help our customers consolidate debt and realize their dreams through our competitive consumer loans and lines of credit, including home equity lines of credit and clean energy loans.
- **Business loans and services.** Our friendly, experienced and knowledgeable business bankers work closely with entrepreneurs and business owners to help them get to the next level. We provide personalized financing options, as well as cash management and merchant services, for businesses of all sizes.
- **Investment services.** Our American Savings Investment Services team helps customers meet their financial goals through careful planning and sound investing. Whether our customers wish to save for education, retirement or plan for the unexpected, our financial consultants are here to help. American Savings Investment Services offers securities and insurance products through Cetera Investment Services LLC and its advisory services through Cetera Investment Advisers LLC. Cetera is not affiliated with ASB.



A BANK FOR EVERYONE

At ASB, everyone has a banker to help them achieve their financial dreams.

► Who We Are



Teammates at our newest branch provide excellent customer service to the Kalihi community.



We Make Banking Easy

At ASB, we are committed to making banking easy for our customers. All of our locations, communications and our many different banking solutions and options are designed to provide ease, convenience and the best possible experience for our individual and business customers.

Our team welcomes and regularly solicits feedback from customers through surveys, focus groups and one-on-one conversations to better understand their banking needs and learn what we can do to improve their experience.

CONVENIENT BRANCHES

Our teammates are friendly, helpful, knowledgeable and, well, awesome, so it's no wonder that many of our customers enjoy visiting us. Currently, we have 39 branches across the Hawaiian Islands – 26 on O'ahu, six on Maui, four on Hawai'i Island, two on Kaua'i and one on Moloka'i.

In 2020, we opened the doors to our newest branch in Kalihi. The branch features a contemporary design with high ceilings, ASB's signature Kalo Wall created by renowned Hawai'i design company Sig Zane Designs and View Smart Windows, which is designed to

adjust the tint to control glare and heat throughout the day to create a more comfortable environment for customers and teammates. Similar to many of our locations, customers at our Kalihi Branch can meet with a personal banker, loan officer, business banker and financial advisor to discuss their financial needs.

We understand that our customers are busy and working hard. That's why many of our branches are open for extended hours in the evenings, on weekends and on holidays, making it easier for busy customers to manage their banking needs. Several branches also have drive-through teller windows for customers on the go.

► Who We Are



EVERYONE'S A BANKER AT ASB!

While not all ASB teammates directly assist with customer transactions, each one of us knows that we can impact the customer experience.

ANYTIME, ANYWHERE BANKING

The pandemic has certainly shifted the way our customers prefer to manage their finances and make banking transactions. But, even before the pandemic, we saw an increasing number of customers using our online and mobile banking tools. Today, more than 50% of our customers' transactions occur over one of our digital platforms.

We are committed to providing our customers the ability to bank with us anytime, anywhere. This means not only investing more in our technology and expanding our online services, but also changing the way we work. We're focused on training all of our teammates, even those who've traditionally been behind the scenes servicing accounts and supporting our operations, to deliver an excellent experience to our customers.



Valerie Wada
Branch Manager, Kaimuki

Valerie Wada and her team at the Kaimuki Branch are spreading the word about the convenience of ASB's online and mobile banking tools. She helps customers enroll in online banking, walks them through setting up e-statements and text alerts and educates them on protecting their accounts. She says, "What makes me most happy is when we assist a customer with one of our digital channels and their reaction is, 'That's it? That was so easy!'"



The percentage of customers who solely performed transactions in branches decreased from 26% in June 2019 to 19% in June 2021.



The percentage of customers who relied solely upon ATM and online channels increased from 13% in June 2019 to 23% in June 2021.

► Who We Are



“As more customers take advantage of our online and mobile banking solutions, we knew we needed to adapt and continue making banking easy no matter when or how customers choose to interact with us. Our new Digital Centers offer the best of both worlds – the ease and convenience of digital banking technology and the expertise of our warm and friendly bankers, who are available to assist on-site or virtually to help make our customers’ dreams possible.”

Ann Teranishi

President & Chief Executive Officer

Digital Centers

In addition to our branches, we opened four ASB Digital Centers (three on O’ahu and one on Kaua’i) this summer, introducing customers to an innovative and convenient way to bank. At the digital centers, customers can perform their cash transactions, including deposits, withdrawals, balance inquiries and more at the full-service ATMs. They can also talk in-person to an experienced banker for assistance with their unique financial needs and goals, visit the Digital Bar for guided demonstrations of ASB’s robust online and mobile banking solutions, or connect virtually to other bankers via an on-site conference room for additional support and services.

Those who are new to online and mobile banking can receive one-on-one guided support from on-site bankers. Customers can also learn to securely open an account, apply for a mortgage, deposit checks and take a financial checkup, among other services.

► Who We Are

ATMs

We recently updated our entire fleet of ATMs across Hawai'i to new multi-functional, multi-denomination ATMs. These new ATMs allow customers to complete their cash transactions, including envelope-less cash and check deposits, withdrawals, balance inquiries and more at their convenience, without having to visit a branch during bank hours. Customers can also elect to receive receipts by paper, text or email.



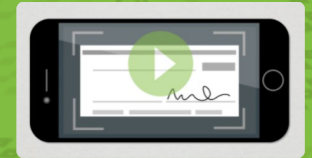
Online Banking

With our online banking options and ASB Mobile App, customers have the ability to manage their ASB accounts and perform transactions at home, work or on the go. These tools truly give customers the flexibility to do their banking anytime, anywhere. Below is a list of available services:

- **Manage Accounts:** Customers can keep an eye on their balances, transfers and payments in real-time without having to wait for a monthly statement.
- **Make Transfers:** By using our Online Transfers feature, customers can move money between their accounts with just a few easy clicks.
- **Deposit Checks:** The ASB Mobile App makes it easy for customers to deposit checks directly into their ASB accounts. Customers can simply sign their check then follow the prompts to take a picture of the front and back. It's that easy!

- **Pay Bills:** Bill Pay is one of the most convenient features of online banking. Customers can schedule a recurring bill payment or make a one-time bill payment in just a few clicks.
- **Get Account Alerts:** Customers can stay up to date with their accounts by signing up for mobile, text and email alerts. They can customize their alerts for security updates, transaction information, account updates and account history alerts. These alerts allow customers to know right away about any account activity.
- **Make an Appointment:** Customers can schedule a meeting with one of our friendly and knowledgeable bankers from the comfort of their home, office or even the beach.

As more customers shift to online and mobile banking, our focus remains on making banking easy for them no matter how or when they choose to interact with us. That means we are constantly seeking ways to improve our processes, technology and digital offerings.



ASB ONLINE BANKING LEARNING HUB

Customers can learn step-by-step how to perform most online banking functions through tutorial videos at asbhawaii.com.

► Who We Are



In 2020, we unveiled our new Online Mortgage Application, which makes it easy and convenient for customers to submit a home mortgage application – anytime, anywhere. Through the online application, customers can upload documents from their desktop or by taking a picture on their phone. The entire process can take less than 20 minutes and can be used to finance a dream home or refinance an existing mortgage.

In 2021, we also launched our Online Account Opening feature. This new, secure function on asbhawaii.com and within our ASB Mobile App allows both new and existing customers to open a personal checking account, savings account or Certificate of Deposit (CD) in just a few simple steps without having to visit a branch. Customers can open more than one account at a time in a matter of minutes.

For assistance, call:

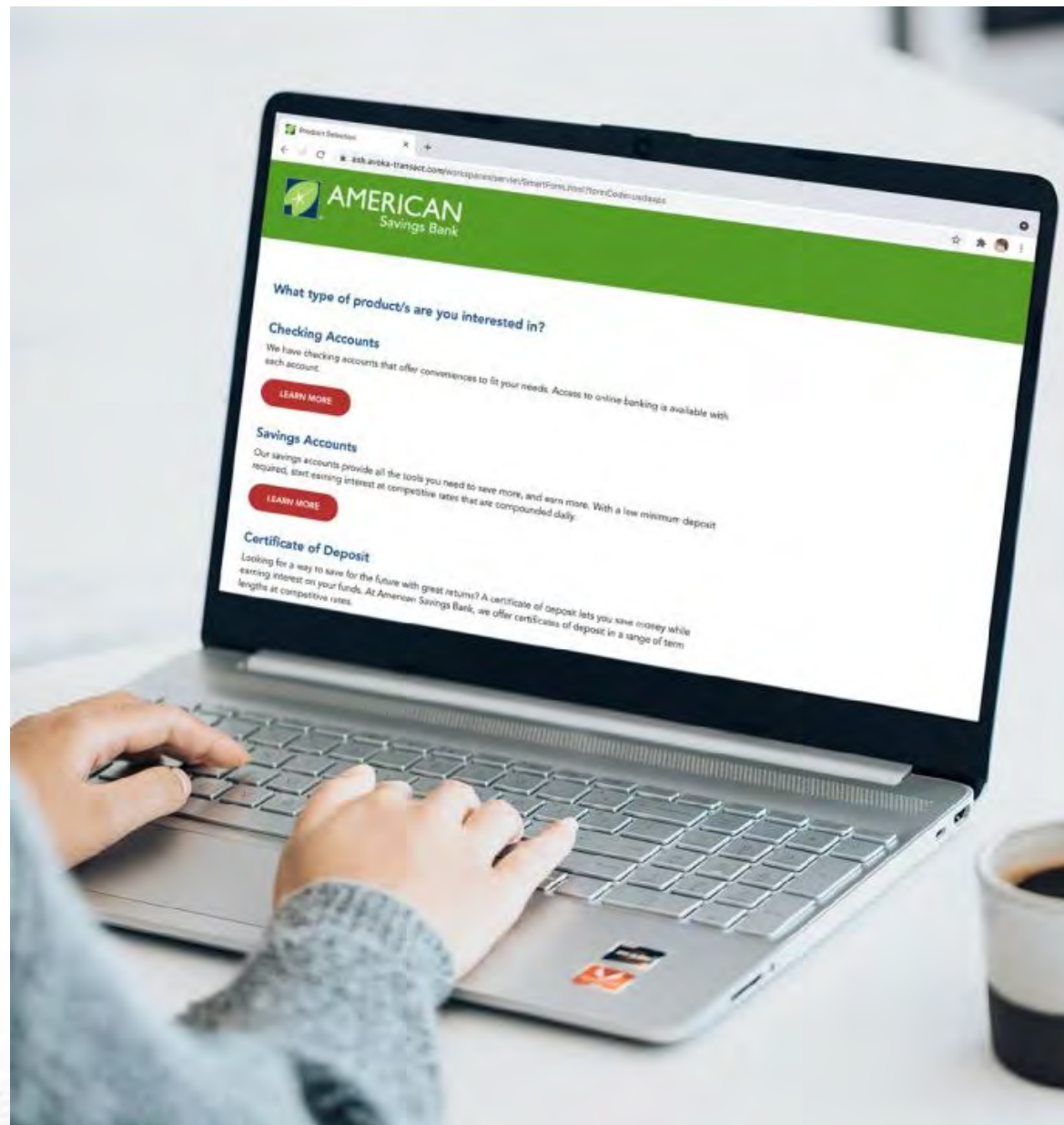
(808) 627-6900
Toll-free: (800) 272-2566

TTY Service for Hearing
Impaired

(808) 627-6770
Toll-free: (800) 871-4357

Customer Banking Center

For customers who prefer to speak over the phone with someone about their accounts or have questions about online banking, our Customer Banking Center teammates are available to help on weekdays from 8:00 a.m. to 7:00 p.m. and on Saturdays and Sundays from 9:00 a.m. to 3:00 p.m.



SERVING OUR CUSTOMERS REMOTELY

Customers who visit our digital centers can receive support remotely from our Customer Solutions Bankers.

► Who We Are



COMMUNITY-MINDED WORKPLACE

In designing our Campus, we sought to create a space that welcomes and celebrates our community. Nonprofit and Kahiau partners may book our Ho'okipa Community Room and first-floor meeting rooms. Also, our Lo'i Gallery showcases local artists by providing them a place to share their talents with the community. A portion of all sales benefits local nonprofits.



Where We Work

In April 2019, we welcomed nearly 650 teammates to the ASB Campus – the first new major office building to be constructed in downtown Honolulu in nearly 25 years. Our 11-story, 373,000-square-foot Campus is located in the Kalihi-Pālana neighborhood, directly across from 'A'ala Park. By bringing together all of our teammates who don't work at a branch under the same roof, we are able to improve collaboration and efficiency, make quicker decisions and make banking easier for customers. Not

to mention, it also allows us to focus more on the things teammates say they love about working at ASB – face-to-face collaboration and training, building stronger relationships, in-person celebrations and fun! The ASB Campus is one of the most modern and dynamic worksites in the state.

In 2020, our Campus received Hawai'i's first-ever WELL Health-Safety Rating – a designation given to businesses that have established operational policies, safety and maintenance protocols, emergency plans and employee engagement strategies to keep people

safe and healthy. The rating is administered through the International WELL Building Institute and is informed by guidance on the spread of COVID-19 and other respiratory infections from the World Health Organization, U.S. Centers for Disease Control and Prevention, global disease control and prevention centers and emergency management agencies. (See more on pages 52-53.)



Learn more about the evidence-based WELL Health-Safety Rating at wellcertified.com.

► Who We Are



REWARDING OUR TEAMMATES WITH DELICIOUS LUNCHES

During the early months of the pandemic, we served tens of thousands of complimentary meals to our teammates as a thank you for serving as financial “first responders.”

As part of state and county restrictions during the pandemic, about one-third of our team members, whose jobs did not require them to be at an ASB location, transitioned to remote work. For teammates who continued to work at a branch or ASB location, we made an effort to make them feel extra special.

In order to keep teammates informed and reduce concerns, we ramped up communications with weekly emails from our CEO, provided manager information and guides, created a weekly wellness email and offered training on our workplace safety protocols. We also relied heavily on videoconferencing technology and other digital communication channels to maintain collaboration and connection. (See page 46 for more.)



Mahea Alcon
Manager, Branch Help Desk

When many support teammates were asked to work remotely, Mahea Alcon and her Branch Help Desk team continued to work at Campus, assisting our tellers and bankers in answering customer questions. Mahea says that being at Campus allows for greater collaboration and training for her team – all while staying safe during the pandemic. “It’s been nice and quiet and has given us time, space and opportunity to get a lot of work done.” She has noticed increased efforts to keep workspaces clean and sanitized and appreciates the flexibility to spread out and work where she feels most comfortable.

Our Values and Principles

What we do is just as important as how we do it. At American Savings Bank, we hold ourselves to high standards and are constantly working toward excellence – for our customers, teammates, community and shareholders.



We are all paddling hard in the same direction to live our vision of being a great bank making people's dreams possible.

Our Core Expectations

We expect each of our teammates to live the "ASB Way" and demonstrate the values and expectations that unite us and set us apart from other companies, including:

- Relentlessly pursue an excellent customer experience
- Get stuff done the right way
- Embrace change and drive innovation with a sense of urgency
- Speak up, collaborate and break down silos
- Take ownership of your learning and self-development

► Our Values and Principles

Our vision and core expectations aren't just words we use to dress up our office walls. Our teammates begin their ASB journey spending two days learning about who we are, why we do what we do, and how we get stuff done the right way for our customers, community and each other. Every single ASB teammate is evaluated throughout the year on his/her ability to demonstrate our vision and core expectations.

Building Trust

As a financial institution, we're entrusted with safeguarding our customers' hard-earned money and cherished belongings. We also are committed to creating a healthy and respectful workplace for our 1,100 teammates across the state. This means that we take ownership of our actions and do not blame others when things go wrong. We believe that accountability, along with clear and transparent communications and our efforts to break down silos and strengthen relationships across ASB, are vital to building trust and delivering for our customers.

It All Begins with Strong Leadership

We expect that all of our leaders work to advance ASB's vision. Although our Board of Directors and executive leadership team are responsible for providing the strategic direction and oversight for ASB, each of our managers and teammates plays an integral role in achieving our goals.

At ASB, we believe that strong leadership requires setting goals for our teams, holding ourselves and each other accountable for high performance, providing and demanding feedback, driving change, communicating with candor, insisting on honest dialogue and dissent and investing in the development and engagement of our teams. Additionally, our leaders are expected to serve as role models for other teammates.

To develop strong leaders, we make it a priority to provide the necessary support and resources to our teammates for personal and professional growth.



Mike Minogue
Manager, Business Credit



Mike Minogue was recognized by Pacific Business News as a 2021 40 Under 40 Honoree. Mike played an instrumental role in ASB's Paycheck Protection Program efforts.

► Our Values and Principles



Jamie Cheng was selected to Pacific Business News' 2021 Women Who Mean Business, a prestigious list of Hawai'i's most influential women.

She follows a long list of ASB teammates recognized for the honor, including Alexina Chai (2020), Natalie Taniguchi (2019), Ann Teranishi (2018), Dani Aiu (2017), and Beth Whitehead (2013).

In 2021, Jamie also was named in Hawaii Business magazine's "20 for the Next 20" list.



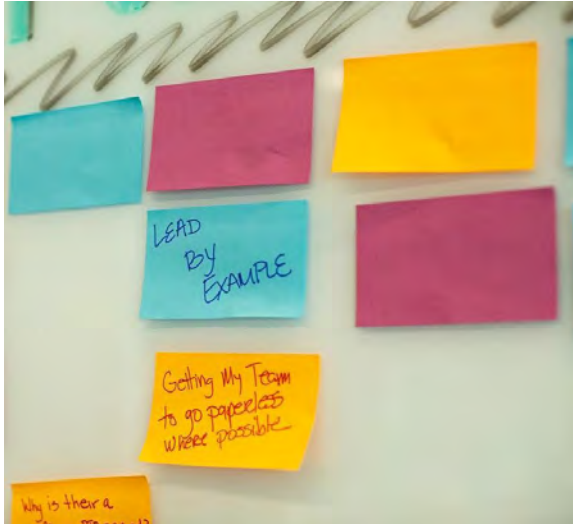
Jamie Cheng
Director, Bank Operations

Transitioning to a new position is never easy, but for Jamie Cheng, she's made several huge leaps during her 10-year career at ASB. Jamie embodies what it means to be an ASB leader – someone who is not afraid to take on new responsibilities, ask questions, challenge the status quo and implement bank-wide changes.

Jamie began her ASB journey as an Associate Counsel in the Legal Department and now oversees many of ASB's most critical operational processes as the Director of Bank Operations. During the pandemic, she also played a pivotal role in ASB's Paycheck Protection Program efforts, which funded more than \$540 million in PPP loans for more than 6,200 local businesses, representing an estimated 60,000 local jobs.

Recognizing Jamie's high performance and potential, ASB supported Jamie's development by selecting her to participate in the second cohort of ASB's Leadership Academy and the three-year Pacific Coast Banking School program.

► Our Values and Principles



Code of Conduct

Our Code of Conduct is a guide to ethical decision making that ensures our teammates deliver on our promise to always do the right thing. Each teammate has a duty to understand and live by our Code and to meet our high standard of ethics. The Code applies to all teammates, including officers, part-time, contract and temporary employees, as well as vendors, suppliers and independent contractors.

The Code is a statement of the fundamental principles and key policies that govern our conduct. It is not intended to cover every applicable law or provide answers to every question that might arise. Our teammates are expected to always exercise good judgment. In many instances, the policies referenced in the Code go beyond the requirements of the law.

Compliance with Laws and Regulations

All teammates are expected to comply with all laws and regulations, including fair dealing, antitrust and anti-tying laws intended to provide customers with a variety of products and services at competitive prices. In addition, ASB demands ethical business practices and does not engage in agreements that restrict trade or competition, such as price fixing, bid rigging, bribery, corruption or similar unfair practices.

Teammates are expected to undergo regular in-person and computer-based training on relevant laws and regulations, the Code of Conduct and Respect in the Workplace.

ASB has a number of departments responsible for ensuring that the bank complies with all laws and regulations. These include the Legal, Bank Regulatory Compliance, Enterprise Risk and Internal Audit teams. In addition, the Audit Committee of ASB's Board of Directors assists with overseeing ASB's compliance with legal and regulatory requirements.



"Customers and the community trust that each and every day we conduct business only with their best interest in mind, and that our culture here at ASB is built on ethical business practices at its highest. That is why we expect all of our teammates to always do things the right way."

Natalie Taniguchi
EVP, Enterprise Risk & Regulatory Relations

Speaking Up

Our teammates are the eyes and ears of ASB, and we rely on them to speak up whenever they have a question or concern regarding the Code of Conduct or suggestions for improving our operational efficiency, product offerings, customer experience, teammate experience or community service. Their honest feedback is essential to delivering our vision of being a great bank making people's dreams possible and getting stuff done the right way.

Feedback and speaking up is so important to us that we've created a variety of ways for teammates to share their thoughts. All managers hold regular team huddles and we host quarterly Talk Story sessions, led by our leadership team, in which teammates learn about key business updates and initiatives and are encouraged to ask questions. We also have three digital "Idea Banks" for teammates to provide suggestions on how to improve the teammate and customer experience. Leaders at ASB review the comments, respond to questions and work cross-functionally to implement many of the suggestions.

Speaking up is a critical component of living the "ASB Way" – so much so that we evaluate our teammates' effectiveness in speaking up during their annual performance reviews. We also regularly provide our teammates training on giving and receiving feedback and reporting concerns.

As a result of our efforts to encourage feedback, we are pleased to have seen a rise in the number of teammates speaking up about issues that concern them and suggesting improvements to our business. This feedback allows us to address issues in a timely fashion, provide better solutions for our customers and enhance the teammate experience.

Reporting Suspected Violations of the Code of Conduct

Teammates who wish to report violations of ASB's Code of Conduct may notify their manager, Human Resources or anyone in the Legal Department. They may also submit their concerns to EthicsPoint through its hotline or online

reporting platform. EthicsPoint, a third-party reporting administrator operated by NAVEX Global, allows teammates to make reports anonymously and provides the content of the report to the appropriate individuals within the company to investigate. Teammates who make an EthicsPoint report also have the opportunity to answer questions anonymously and track the progress of their report through EthicsPoint's website.

Protecting Those Who Speak Up

For those who fear the possibility of retaliation, speaking up is not always easy. At ASB, we do not tolerate retaliation of any kind, including against those who report suspected illegal conduct or Code of Conduct violations.

► Our Values and Principles

In her 15 years at ASB, Tammy Freedman has trained thousands of teammates on the importance of giving and receiving feedback.

Through teaching classes such as “The Need for Feed(back),” “Committing to Candor,” and “Difficult Conversations” and speaking with teammates one-on-one in her role as Organizational Development Advisor, Tammy says she has noticed significant changes in individuals and in ASB’s culture.

“There is still work to be done, but I do feel that we are moving the needle on having a true ‘speak up’ culture,” said Tammy. “Over the past several years, I feel like people are gaining confidence in speaking up. I see this in meetings, classes, and through informal and formal feedback that we receive.”

The feedback classes that Tammy teaches are just part of the effort at ASB to get teammates to “speak up, collaborate, and break down silos” – one of the five ASB Core Expectations.

“Speaking up is not only a culturally important concept for us, but it’s also part of performance review ratings. It is not just encouraged; it’s expected. It permeates our communications and teammate messaging.”

Tammy understands that giving and receiving feedback is not always easy. She provides teammates tips for making difficult conversations easier and promotes the power of collaboration.

“Through collaboration and the sharing of ideas, we ultimately will win. When you feel that your voice matters and that what you have to say is important to others and to the organization at large, you feel inspired to contribute, to challenge the status quo, to innovate, and to dream of possibilities. That’s a powerful thing for an organization.”

Tammy always smiles when teammates recount, years later, something they learned in one of her feedback classes or share how the lessons positively impacted their lives.




Tammy Freedman
Organizational Development Advisor

Our Leadership

Our directors and Management Committee are a diverse group of leaders who oversee ASB's financial and business strategies, major corporate actions and manage enterprise risk. They are responsible for leading their teams and ensuring everyone does their part to make banking easy for customers, deliver high performance, create a great place to work and bring real impact to our community.



► Our Leadership



For more information on HEI and ASB’s corporate social responsibility efforts, please review HEI’s Environmental Social Governance Report at hei.com.

Corporate Governance

American Savings Bank is a federally chartered savings bank. It is held by ASB Hawaii, Inc., a subsidiary of Hawaiian Electric Industries, Inc. (HEI), a publicly traded company. To learn more about HEI and its other subsidiaries, please review HEI’s latest Annual Report (10-K).

The Board of Directors of HEI has adopted Corporate Governance Guidelines to provide a corporate governance framework in which the Board oversees the business and affairs of HEI and its subsidiaries, including ASB. These guidelines are intended to reflect the Board’s commitment to ensuring transparency, integrity and effectiveness of policy and decision making both at the Board and management level. The Board’s primary objective is to maximize long-term shareholder value and ensure the vitality of the Company for its owners, customers, employees and others who depend on the Company.

Board Structure

The ASB Board of Directors provides oversight of ASB’s Chief Executive Officer and the executive management team. The Board has four standing committees: Audit, Nominating and Corporate Governance, Compensation and Executive. Each standing committee has a written charter that has been approved by the Board.

Executive Team

ASB is led by its president & CEO, Ann Teranishi, and nine executive vice presidents. These 10 executives serve on ASB’s Management Committee, which oversees the strategic plan, as well as the day-to-day operations of the bank and its teammates. The Management Committee is responsible for ensuring ASB delivers its vision.



Diversity in Leadership

As of September 2021, 60% of the ASB Board is female and 60% are non-white. Additionally, 40% of the Management Committee is female and 80% are non-white.

	Female	Non-White
Board of Directors	3	3
	60%	60%
Management Committee	4	8
	40%	80%

Detailed information on the HEI and ASB Boards of Directors can be accessed at <http://www.hei.com/govdocs>.

► Our Leadership



Members of our Treasury team, who assess various types of risk, volunteered at Kupu 'Aina Farms in 2021 to plant kalo and banana.



Managing Risk

On an ongoing basis, we evaluate and address issues and activities that may pose potential risks to ASB, our teammates, customers, stakeholders and the community at large. This includes taking precautionary actions to anticipate, identify and avoid risks related to our services.

The Risk Committee of ASB's Board of Directors assists with governance of ASB's enterprise risk management program and provides a forum for

detailed discussion and analysis of key issues and decisions designed to identify the significant risks potentially affecting ASB and to manage these risks. The enterprise risk management program focuses on various risk categories, including:

- Credit (for loan and investment portfolios)
- Market (environmental, interest rate sensitivity, liquidity)
- Operations (including regulatory compliance, reporting, legal, and insurance)
- Strategic
- Reputational

Environmental, Social and Governance Core Team

Our Environmental, Social and Governance (ESG) efforts and reporting are overseen by two of our EVPs – the Chief Marketing & Product Officer and the Chief Credit Officer. The ESG core team is comprised of teammates from other divisions of ASB, including the Legal, Enterprise Risk and Finance departments. The ESG core team keeps abreast of industry efforts pertaining to decarbonization, economic health and affordability, secure digitalization, diversity and inclusion, employee engagement and other ESG topics, proposes changes to operations and product offerings and assists in our ESG reporting efforts.



"ASB has for decades focused on long-term growth and the health and success of the communities we serve in Hawai'i. We established an ESG Core Team to build on this history and accelerate and deepen our impact in Hawai'i, especially to help drive a faster recovery and a thriving adaptable community."

John Ward
EVP, Chief Marketing & Product Officer

Our Vendors

Our values and principles guide our partnerships with vendors and everyone we work with. We expect our vendors to conduct their businesses responsibly and with the same high standards that we do.



As part of ASB's efforts to promote a responsible supply chain, our Enterprise Risk and Legal teams are accountable for contracting with vendors for products and services for use by ASB and its customers. In doing so, ASB conducts due diligence and ongoing monitoring of vendors to help identify and prevent potential risks, including financial viability and operational risks.

In addition, we require that our vendors comply with all applicable laws, rules and regulations, including labor and employment laws. ASB also expects its vendors to conduct operations in accordance with ASB's Supplier Code of Ethics.

OUR HAWAI'I

We Bring Real Impact to
Our Community



Promoting Financial Inclusion

Living in paradise comes at a steep price. In 2021, Hawai'i once again took the top spot as the least affordable place to live in the United States due to its high cost of living and housing prices. This comes as no surprise to Hawai'i families – two thirds of which are struggling financially, according to a 2020, pre-pandemic study by the Hawai'i Community Foundation and the Financial Health Network.



At American Savings Bank, we seek to bring real impact to our community and make banking easy for all customers. We strive to ensure that families and small businesses in Hawai'i have access to banking and financial services. This begins with providing financial education to assist low-income, under-served and disadvantaged populations with managing their money and growing their wealth. Studies show that the absence of financial knowledge is a key determinant of wealth inequality. That is why we have increased our efforts to educate people on banking and finances.

We regularly review the locations of our branches and digital centers to make sure we are conveniently located to serve our customers. In 2020, we surveyed our customers asking whether ASB has

convenient branch hours and locations and they gave us an average score of 8.65 (out of 10.00).

We are adding ways that people can access banking and financial services by investing in our technology, upgrading our entire fleet of ATMs and further developing our online and mobile banking tools. In fact, in 2012, we were the first bank in Hawai'i to offer remote check deposit! This shift to online and mobile banking solutions, in conjunction with our Customer Banking Center, which provides over-the-phone assistance and support for customers, allows customers to bank with us anytime, anywhere.

Along with expanding access to our products and services, we also know how much customers value ease and simplicity and we keep that at the center of everything we do. When asked whether our online and mobile banking tools are easy to use, our customers gave us an average score of 8.78.

As we plan for the future and adapt to our customers' needs, we remain committed to improving access to financial services for all Hawai'i residents.



Natalie Taniguchi, EVP, Enterprise Risk & Regulatory Relations, and Ann Teranishi, President & CEO, hosted an online finance session in January 2021 for the Girl Scouts of Hawai'i's Cookie University.

► Promoting Financial Inclusion



Branch Manager Laura Gatchalian welcomes customers to ASB's newest branch, located in the heart of Kalihi.



Helping Low and Moderate-Income Families

ASB fully embraces the Community Reinvestment Act (CRA). The CRA is a federal law that encourages financial institutions to help meet the credit needs of the communities in which we operate, including low- and moderate-income neighborhoods, consistent with safe and sound operations. The law also prohibits "redlining," which is the practice of denying or increasing the cost of banking to residents of racially defined neighborhoods.

ASB offers solutions that benefit low- and moderate-income families. For instance, we participate in the Fannie Mae HomeReady and Freddie Mac Home Possible programs, which help make homeownership a possibility for credit-qualified low- and moderate-income families. Low-income families seeking to live in rural communities, which includes West Oahu and most areas on the neighbor islands, may qualify for a USDA Rural Development loan.

ASB is also a participating lender in the Mortgage Credit Certificate Program, which reduces the amount of federal

taxes that low- and moderate-income borrowers pay, thereby freeing up their income for mortgage qualification purposes. Additionally, we participate in programs that help provide down payment or closing cost assistance to qualified first-time homebuyers (Federal Home Loan Bank of Des Moines's Home\$tart program) and teachers (Landed).

In 2019, ASB received a "Satisfactory" CRA rating from the Office of the Comptroller of the Currency (OCC). The OCC recognized ASB's "excellent responsiveness to the credit needs" of Hawai'i residents and commented that the bank's service delivery systems were "readily" or "reasonably accessible" to people of "different income levels."

For families that want to save their hard earned money, we offer a Kalo Essentials checking account, which does not have a monthly service fee or minimum balance requirement. For keiki (children), we also offer a free Moneyhune Savings account with no minimum monthly balance.

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ASB also offers Individual Development Accounts (IDA) through nonprofit partners. With IDAs, account holders deposit money into their accounts, and the nonprofit partner matches the funds. This wealth-building tool helps low- and moderate-income people achieve their goals by providing funds for things such as a college education, starting a small business or saving toward homeownership.

We are working closely with Partners in Development Foundation (PIDF) to create KA'A (Keiki Assets Accounts). The program is designed to help families in PIDF's family education programs start saving for their children's education. With each dollar saved, PIDF will make a matching contribution. Families participating in the KA'A program will also sharpen their knowledge on managing money, building savings, protecting income and other financial topics. The KA'A project will create a "more enduring impact" for low-income Native Hawaiian families, said Shawn Kana'iaupuni, PIDF President & CEO.



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Ensuring Fairness and Equal Opportunities

We comply with the Fair Housing Act and Equal Credit Opportunity Act, which prohibit discrimination in residential real estate and credit transactions based on certain protected classes, such as race, color, national origin, religion, sex and marital or familial status.

We also comply with fair lending laws. To prevent discriminatory lending practices, we regularly review our application requirements, sales practices, policies and marketing material to ensure that they do not disadvantage any protected classes. Further, we periodically review lending data to identify any policies or practices that result in a disparate impact to a protected class.

In 2019, the OCC reviewed ASB's lending practices and did not find any discriminatory or illegal credit practices.

Empowering the Community with Financial Literacy

We're committed to helping our customers and the community improve their financial literacy.

At ASB, everyone has a banker – no matter how big or small their dreams are. New and existing customers can schedule a one-on-one meeting with a banker through our website, branch, or Customer Banking Center. Our bankers are here to help customers make the best financial decisions possible to reach their goals.

Additionally, we offer a free, online Financial Checkup, which provides users a real-time assessment of their financial wellness and recommendations that will help them learn more about improving their situation. We recently revamped our Financial Checkup to provide more insight on topics such as moving out on your own, buying a home, having a baby, paying for keiki's education and saving for retirement. People can also access our free and helpful financial calculators,

budgeting tools and read through helpful articles with financial tips and information.

In 2021, we launched the ASB Financial Education program – a free, comprehensive online resource center available on asbhawaii.com. Users can select from several different playlists, featuring a series of five-minute trainings designed to provide helpful and practical tips and information on topics such as debt management, budgeting, credit scores and much more. In fact, since we launched this program, 9,300 users have engaged with the educational course content and spent an average of 13 minutes within the program. After completing the course, customers learn about potential next steps and can make an appointment to meet with one of our knowledgeable bankers.

In addition to the online, self-service tools and content, our knowledgeable teammates regularly hold seminars on financial topics, such as purchasing a home, saving and investing, managing credit, planning for retirement, insuring against losses and preventing fraud. Our



HELPING KŪPUNA AVOID SCAMS

Barbara Isobe, Fraud Manager, frequently speaks to vulnerable populations about how to avoid financial fraud and scams. In December 2020, she made a presentation for The Kūpuna Network, a virtual resource center for seniors in Hawai'i.

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Our financial education efforts received an “Honorable Mention” recognition by the American Bankers Association Foundation in 2020.



Reid Chung
Director, Bank Training

Reid Chung is a financial literacy champ. He is committed to teaching the youth in Hawai'i the basics of financial responsibility and how to save and invest for the future. “Growing up, I never was taught how to build wealth,” he said. “Early in my life, I would spend the money I earned and not do a great job saving it.” Reid wants others to learn from his mistakes. While at ASB, he has worked one-on-one with fellow teammates and small business owners and has taught courses in high schools and at ASB on the importance of budgeting, saving and maintaining good credit. Most recently, Reid led a “train the trainer” class, in which he created financial literacy material for high school students and prepared ASB teammates for leading their own financial literacy classes.

teammates also speak about personal financial responsibility and entrepreneurship in schools and youth organizations, such as Junior Achievement, Girl Scouts of Hawai'i and Kupu. This effort continued throughout the pandemic, with our teammates leveraging video conferencing technology to expand our financial literacy reach.

We partner with 41 public and private schools across the state through our Bank for Education program. The schools within our Bank for Education 'Ohana have special access to financial literacy education, grant awards and volunteer projects. Half of the schools have signed up for free training on topics such as Understanding Money, Entrepreneurship and Smart Money Skills for Teens.

Through our participation in the Internal Revenue Service's Volunteer Income Tax Assistance program and partnership with Goodwill Hawaii, we assist low- and moderate-income individuals and families complete their income tax returns free of charge.

Developing Our Local Communities

As a proud member of the community, we believe it is important to do what is pono (the right thing), to lift up others around us and to collaborate with stakeholders to better this place we call home. Community is at the core of everything we do.



Jumpstarting the Economy

The COVID-19 pandemic has impacted many families and businesses. During the peak of the pandemic, tourism, our state's primary economic driver, came to a screeching halt and many companies struggled to keep their employees paid and doors open. Unfortunately, many were forced to close and reevaluate their business model. In September 2020, 60% of Hawai'i businesses reported that they closed at some point during the pandemic and Hawai'i had the highest unemployment rate in the country.

At ASB, we did everything we could to ensure all our teammates remained employed and were fortunate to avoid layoffs or furloughs, although many other companies were not as lucky.

We also turned the economic challenges caused by the pandemic into opportunities to support our teammates, customers and community in a variety of meaningful ways. We purchased tens of thousands of meals for teammates, worth more than \$685,000. Not only did our teammates enjoy the meals, but the purchases helped support more than 100 local restaurants.



ASB CREATES STRONG COMMUNITIES

ASB and Kupu won the Federal Home Loan Bank of Des Moines's 2021 Strong Communities Award for their work and commitment to enhance economic development and strengthen the community during the COVID-19 pandemic.

► Developing Our Local Communities

Moving Hawai'i Forward

We collaborated with government, industry groups and other businesses on a number of projects and campaigns to boost the local economy and help people get back to work.



In August 2020, we teamed up with the Chamber of Commerce Hawaii to promote the "Hawaii Is Hiring" initiative, an online website for job seekers to apply for employment opportunities, discover resources and training to improve skillsets or build new ones.



In October 2020, we partnered with the Hawai'i Lodging & Tourism Association, Chamber of Commerce Hawaii, Hawai'i Agricultural Foundation, Hawaiian Airlines and other local businesses and organizations to launch the Mākaūkau Hawai'i campaign. The campaign focused on getting Hawai'i ready to welcome visitors back to our islands by ensuring a safe, clean and healthy environment for visitors, workers and the community through standardized protocols and guidelines.

In October 2020, we were proud to play a key role in introducing the Hawai'i Restaurant Card, a prepaid debit card created to provide financial assistance to unemployed residents while also injecting some much-needed dollars into the local economy. Cardholders could use the card at local eateries around the state, which, in turn, benefited many other businesses and industries, from local farmers to distributors.

ASB was proud to serve as the primary liaison between the state government and our banking partner FiServ, which handled the production and distribution of the Hawai'i Restaurant Cards to 148,000 unemployed workers. The program was such a huge success that ASB helped expand it to allow Hawai'i companies to purchase Restaurant Cards as corporate gifts for their deserving employees and partners.



► Developing Our Local Communities

Supporting Small Businesses

Small businesses are the lifeblood of our economy and many were hit hard by the negative impacts of the pandemic.

Our knowledgeable Business Relationship Managers saw this as an even greater opportunity to work closely with small businesses to understand their immediate needs, challenges and future plans. Our bankers recognize that there is no “one-size-fits-all” approach and have continued making regular “Mālama Calls” to check in with customers and offer support and personalized solutions.



Cecilia Fong, Community Advancement Manager, Gabe Lee, EVP of Commercial Markets, and Michelle Bartell, Director of Community Advancement, pick up food from Restaurant XO to deliver to a shelter.



ASB Cares

One of the most significant and rewarding ways our ASB teammates contributed during the pandemic was by helping thousands of local companies struggling to pay their employees and make ends meet. In March 2020, we established a loan payment deferment program for our commercial borrowers. Business customers were able to request up to two 90-day deferments, which provided some breathing room as they took care of their own customers and workers and purchased protective equipment.

When Congress established the Paycheck Protection Program (PPP) in March 2020 through the CARES Act, ASB teammates from all across the bank rallied and created a 24-hour operation to secure as many federal dollars as possible for Hawai'i companies before funding ran out. From setting up loan application processes to verifying documents, our team members went above and beyond to support local companies during a very difficult time. In 2020, ASB originated \$370 million in PPP loans for about 4,100

small businesses, employing more than 40,000 people.

In March 2021, when Congress passed further legislation allowing companies that met certain qualifications to apply for a second PPP loan, we again pulled together a team and hired additional help to process PPP applications. In 2021, we originated more than \$170 million in PPP loans for more than 2,000 businesses.

We are currently helping our PPP customers navigate the loan forgiveness process. As long as the loan proceeds are used on payroll costs, mortgage interest payments, rent payments, utilities, operations expenditures, property damage costs, supplier costs and worker protection expenditures, and the borrower meets all program requirements, the loan may be forgiven by the U.S. Small Business Administration.

► Developing Our Local Communities

Small Business Spotlights

@asbhawaii



► Developing Our Local Communities



Kathy Linn, a STEM teacher at Highlands Intermediate School, has participated in every KeikiCo Contest since the program's inception. "Our school is grateful to partner with ASB to give real world learning experiences for our students," said Kathy. "The KeikiCo contest really fits into our STEM curriculum. Our students spend many hours outside of class time working on polishing their business plans. It's not just another assignment but something that students are excited to work on."

Fostering Entrepreneurship

We are passionate about supporting our local entrepreneurs and the innovation and accelerator community in Hawai'i. We are proud supporters of Mana Up, a 12-week accelerator program for consumer package goods companies with a Hawai'i influence, and Elemental Excelerator, a nonprofit created in collaboration with Emerson Collective, an investment and philanthropic platform. We have also been longtime supporters of the Pacific Asian Center for Entrepreneurship at the University of Hawai'i at Mānoa, Shidler College of Business and the Hogan Entrepreneurial Program at Chaminade University of Honolulu.

We recognize that innovation and entrepreneurship begin from the earliest days in the classroom. In 2015, ASB created its own business plan competition for youth called the KeikiCo Contest. KeikiCo challenges students in grades 3 to 12 to come up with their brightest business ideas for a chance to win substantial monetary awards for their

school. Students submit a written business plan and a two-minute video pitch. To guide students through the process, ASB developed a written curriculum and a series of "how-to" videos. Branch teammates are paired with schools to provide guidance throughout the 10-week program.

Schools that earn first or second place in KeikiCo receive priority consideration for grants, scholarships, ASB Seeds of Service projects and other opportunities. In 2018, students from Mililani Waena Elementary School, which placed first in the KeikiCo competition, were able to meet Olympic gold medalists Joe Polo and Tyler George during the 2018 Annual Hawai'i Curling Club Charity Classic. Also, in 2020, Kanoelani Middle School received a visit from R. Shane Kimbrough, a NASA Astronaut.

In addition to KeikiCo, ASB supports other K-12 financial literacy efforts, such as Lemonade Alley, the Hawai'i Agricultural Foundation's Young Entrepreneurship Program and Kupu's Hawai'i Youth Sustainability Challenge, programs that teach children about entrepreneurship.



KEIKICO

In December 2019, ASB awarded a total of \$190,000 to 14 schools.

As a result of the overwhelmingly positive feedback that we've received from teachers, we decided to host the KeikiCo Contest every year, beginning in 2021.

► Developing Our Local Communities

Investing in Affordable Housing

With the skyrocketing price of homes, we know that it's getting harder for families to live in Hawai'i. In August 2021, the median price of a home on O'ahu hit a record \$1.05 million – that's 25.1% higher than the year before!

We believe it is more important than ever to encourage, support and invest in affordable housing in Hawai'i. Currently, we have investments in over 20 low-income housing projects in Hawai'i, including:

- \$7.6 million in Koa'e Makana, a new construction development in Koloa, Kaua'i, with 134 rental units
- \$10.9 million in Pua Loke, a new construction development in Lihue, Kaua'i, with 15 one-bedroom units, 24 two-bedroom units and 15 three-bedroom units
- \$21.4 million in Halewai'olu Senior Residences, a new construction with 150 units in the heart of Downtown Honolulu

We are also a major supporter of the Hawai'i Community Foundation's House Maui Initiative, a program designed to help 300 families designated as Asset Limited, Income Constrained, Employed (ALICE) in Maui County obtain affordable housing.

In 2019, the OCC recognized ASB's "excellent level of qualified community development (CD) investments" on O'ahu, Kaua'i and Hawai'i Island.

The Halewai'olu Senior Residences project is just steps away from the ASB Campus. Members of our Corporate Real Estate Team began collaborating with the project's developer in 2018 and even participated in community discussions and testified at city council hearings in support of the project. Construction began in June 2021 and the project is scheduled to be completed by 2023.



"We're excited to support this long-awaited project that will provide much-needed affordable housing to hundreds of kūpuna in our neighborhood."

Dane Teruya
EVP & Chief Financial Officer

► Developing Our Local Communities



The area where the ASB Campus building now stands was previously known as Kali'u and was once home to lush lo'i kalo (taro patches), nourished by the Nu'uaniu Stream.

In the 1800s, the area began to urbanize with the founding of St. Louis College and the opening of several hotels and Asian theaters.

'A'ala Park opened in the 1900s, serving as a venue for baseball games, musical concerts and recreational activities.

Improving the Kalihi-Pālama and Chinatown Neighborhoods

In addition to investing in affordable housing projects near our ASB Campus headquarters, we are committed to improving the safety and quality of life for those living in the Kalihi-Pālama and Chinatown neighborhoods.

Over the years, we've organized many Seeds of Service beautification projects in the Chinatown Riverwalk area and brought together hundreds of teammates and community members to pick up trash and paint public facilities.

We've also partnered with the Trust for Public Land and other community stakeholders to revitalize 'A'ala Park, which is one of the few remaining stretches of green space in Honolulu's urban core. The park was once a popular gathering place for families, sports teams and kūpuna, and has deep historical, cultural, and economic significance in Honolulu. However, in recent years, trash, damaged facilities, drug use and unsafe

conditions have driven many residents to avoid the area.

We worked with the City & County of Honolulu to renovate the bathrooms, install security cameras, resurface the basketball court, replace the aging play structure and provide security to make 'A'ala Park safer and more accessible for residents of all ages. ASB also helped fund the community's first dog park, which was spearheaded by neighborhood residents.

In addition to the park upgrades and community cleanups, we've hosted a number of free community events in the park. In January 2020, we linked up with Hawaii Speed & Quickness to offer free youth sports clinics. Community members are also invited to join our teammates for free weekly fitness classes in the park.



After we closed our Liliha Branch, just a few blocks from our ASB Campus, in May 2021, we welcomed We Are Oceania (WAO), a nonprofit that serves and advocates for the Micronesian and Pacific Islander communities in Hawai'i, to use the space rent-free until March 2022. WAO converted the space into its Youth Empowerment Center, which offers college and career preparation, mentorship programs, study areas, meeting spaces, and resources for youth and families.

In addition to the space, ASB has donated more than \$33,000 to WAO in 2020-2021 and raised an extra \$100,000 for WAO in 2019.

“

For our team at WAO, this place came at the right time when we needed extra space because our team had grown due to the great needs during this pandemic. We also have a physical space to house our youth to give a sense of belonging, connection to their roots, while they are safe and empowered to be who they are.”

Josie Howard
CEO, We Are Oceania

“

The meaning of this space is hope. This is where we can support each other and are able to utilize our strengths. This means I matter, and it makes me proud and grateful and empowers me to do my best for my part.”

WAO participant

► Developing Our Local Communities

Charitable Giving

Each year, we help dozens of nonprofits and community organizations in Hawai'i through charitable giving.

There are many organizations doing tremendous work in our community. This has been increasingly important during the COVID-19 pandemic, as many individuals and families were faced with job losses, lack of child care and more, with some unable to make ends meet. Our strategy is to make the biggest impact by focusing our efforts on a few organizations with missions that support the following areas:

- Improving education, with an emphasis on financial literacy

- Strengthening families
- Promoting innovation and entrepreneurship
- Improving affordable housing inventory and access
- Revitalizing 'A'ala Park and the Chinatown and Kalihi-Pālama areas



	2019	2020	2021
Kahiau Giving Rate	95%	97%	95%
Kahiau Teammate Contribution	170,633	179,316	210,708
ASB Kahiau Match	100,000	150,000	150,000
Total Kahiau	270,633	329,316	360,708
Other ASB Donations	557,430	415,108	N/A

Every spring, we hold our Kahiau Giving Campaign – the only time of the year when we encourage teammates to make personal monetary donations to our nonprofit partners. The word “kahiau” in Hawaiian means “to give from the heart without expecting anything in return.” The funds raised from the campaign benefit our Kahiau campaign partners: Child & Family Service, Kapi’olani Health Foundation, Kupu, Partners in Development Foundation, and United Way chapters in Hawai’i (Aloha United Way, Friendly Isle United Fund, Hawai’i Island United Way, Kaua’i United Way, and Maui United Way). We are proud that in the past few years, we’ve had 95%+ employee participation.

During the pandemic, we designated our Kahiau contributions as “unrestricted,” meaning that the nonprofits were able to use the funds for any purpose, such as paying their workers, keeping facilities open and prioritizing services essential for families struggling due to job loss and other financial hardships. We have also made further significant contributions to organizations that help families in crisis and that distribute much needed food, supplies and personal protective equipment.



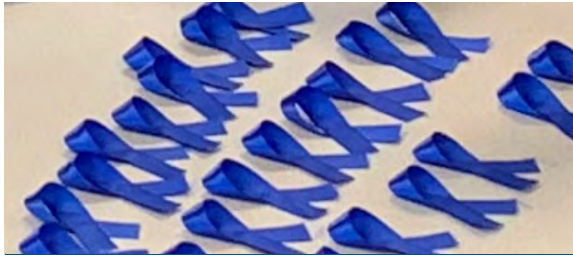
In July 2021, ASB made a \$100,000 donation to the Girl Scouts of Hawai’i’s STEM Center for Excellence at Camp Paumalu.

“This center will not only provide our young women with top-notch STEM education; it will also increase the number of high paying STEM jobs and expand related industries in Hawai’i for generations to come,” said Shari Chang, CEO of the Girl Scouts of Hawai’i.

► Developing Our Local Communities



Here are just some of the highlights from 2020 and 2021:



In January 2020, we collected funds at our branches statewide for the families of fallen Honolulu Police Officers Tiffany Enriquez and Kaulike Kalama. Our teammates rallied together and made 5,000 blue ribbons to distribute to donors in a matter of days.



We were proud to partner with the #HIGotVaccinated campaign to provide \$5,000 cash prizes to three lucky vaccinated Hawai'i residents.

Early in the pandemic, we teamed up with Kō Hana Distillers to manufacture hundreds of gallons of FDA-approved hand sanitizer, which benefited homeless shelters, local schools, nonprofit organizations and more. We also donated \$25,000 to Operation Masks to provide N95 respirator masks to hospitals throughout Hawai'i, especially in rural areas, and we partnered with Every1ne Hawaii to package 20,000 masks to distribute to our community.



In partnership with Child & Family Service, we handed out Lōkahi Kits, containing activity books, parenting and family resources, PPE supplies, produce boxes and hot meals, to over 400 families negatively impacted by COVID-19 in the Chinatown community. Members of our community were able to make a reservation for a Lōkahi Kit and drive through our Campus parking lot to pick it up.

► Developing Our Local Communities



Resulting from a customer's idea, we worked with KeikiDesk to donate 1,700 temporary desks made of heavy duty, water-resistant cardboard to three of our Bank for Education 'Ohana elementary schools: Ala Wai, Ke Kula Kaiapuni 'o Ānuenue and Kanoelani. These easy-to-assemble desks helped kids with distance learning during the pandemic.

Seeds of Service

We understand that it takes more than just writing checks to bring real impact to our community. It also requires our team members donating their time, "sweat equity," best ideas and leadership to worthy causes.



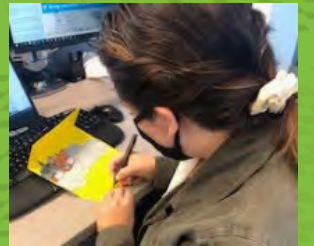
Every year, ASB teams up with the Hawai'i Bankers Association to collect canned goods and food items for families in need. Additionally, in 2020, ASB donated \$25,000 to local foodbanks to further support families most impacted by the effects of COVID-19.

Throughout the year, we encourage our teammates to organize or volunteer for Seeds of Service projects that benefit schools and nonprofit organizations around the state. These projects include teaching financial literacy courses, cultivating lo'i kalo (taro patch), picking up trash and microplastics on beaches, distributing food to families in need,

preparing students for job interviews and careers, and serving on nonprofit boards.

While many of our teammates find causes that they're passionate about, our Community Advancement team is always willing to connect teammates with worthy community partners. They also support branches and departments seeking to plan their own Seeds of Service projects.

In 2020 and 2021, with social distancing guidelines and stay-at-home restrictions in place, many teammates modified the way they give back, so we got creative! Rather than host large-scale projects, which in previous years would have drawn hundreds of team members, we worked in smaller groups on activities that were just as meaningful and leveraged video conferencing technology to connect directly with students and community members. In 2020, our teammates collectively logged more than 23,000 volunteer hours proving once again that we are ASB Strong!



KŪPUNA CARDS

Our Customer Banking Center team initiated a Seeds of Service project during the pandemic to create more than 2,000 cards and notes of encouragement for kūpuna across O'ahu.

Providing an Excellent Customer Experience

We relentlessly pursue an excellent customer experience and continuously look for ways to make banking easy for our customers.



Alan Fentriss
Director, Home Loans

Alan Fentriss knows just how important his work is for residential mortgage customers. "Buying a home can be a pretty traumatic process for a customer. As loan officers, we strive to deliver an excellent customer experience by providing personalized attention and plenty of guidance and we do our best to remain flexible to customers' needs." As the Director of Home Loans, he knows that the work is not for everyone. "It can be a pressure cooker career. However, seeing how happy our customers are at closing makes all the challenges worthwhile. I never get tired of helping people achieve their home ownership and financial dreams and I am delighted to share in their excitement."

► Providing an Excellent Customer Experience



Although not everyone has face-to-face customer interactions on a regular basis, we expect that all of our teammates – even those working in branch support roles – pursue an excellent customer experience. This involves listening to customers’ feedback, collaborating to make quick decisions, working diligently to provide solutions and resolve issues, and protecting our customers’ information and assets.

Keeping Our Customers Safe

With more customers choosing to do their banking over the phone, online or via our mobile app, we’ve been focusing a lot of energy on enhancing our digital banking solutions.

We rolled out our new full-service ATMs across the state, which accept cash and check deposits and provide multi-denominational currency. To provide a bit of relief for customers during the pandemic, we waived ATM withdrawal fees in April, May and June 2020.

For customers who prefer to bank at one of our convenient branches, we also made changes to our health and safety procedures, including enhanced daily cleaning and disinfecting, providing hand sanitizer and wipes, erecting Plexiglass barriers and requiring face coverings and social distancing. Additionally, we created a Kūpuna Hour – a dedicated hour of each day for seniors (ages 50 and up) and at-risk individuals.

Deferments

With many people in the community losing their jobs and uncertain about their financial future, we felt it was important to temporarily alleviate some of their financial stress. We offered customers experiencing financial hardship due to COVID-19 a three-month loan forbearance, deferment or extension. Our Collections and Recovery Services team worked around the clock to learn about customers’ unique situations and challenges and partnered with them on payment solutions that worked for everyone.



Jennifer Irvine
Loss Mitigation Specialist

During the pandemic, Jennifer Irvine has assisted numerous customers going through financial hardship. She is dedicated to providing customers a great experience by explaining their options in detail. One mortgage customer praised Jennifer’s work: “We have been customers for a long time and this experience validated the support we always get from ASB. Kudos to Jennifer for all of her help!”

► Providing an Excellent Customer Experience



Engaging Our Customers

During the pandemic, as more customers began conducting their banking transactions online or using our mobile app, our branch teammates wanted to ensure that customers were receiving the same personalized guidance and support they'd get if they were meeting with one of our bankers in-person. Teammates made thousands of Mālama calls to customers, just to check-in and offer support. It was a great way for us to connect with customers, get to know more about their financial situation and educate them on banking options that suit their personal needs.

We regularly seek customer feedback through surveys, comment forms and focus groups to ensure that we are best serving our customers and making banking easy for them. In our 2020 Brand Equity Survey, our primary bank customers gave us an average score of 8.80 (out of 10.00) when asked whether ASB has helpful employees. They also gave us an average score of 8.52 (out of 10.00) when asked whether they would be likely to recommend ASB to their family and friends.

Resolving Customer Complaints

In addition to surveys and focus groups, we invite customers to provide their feedback directly to branch or Customer Banking Center teammates. Teammates who receive complaints notify our Customer Experience team, which works to quickly address and resolve issues.

We also monitor ASB's social media webpages and other online comment boards, such as Yelp and Google Reviews, for customer feedback. Our Customer Experience and Communications teams frequently reach out directly to customers to better understand any negative experiences and address concerns.

On a quarterly basis, our leadership team and Customer Experience, Legal and Compliance teams review trends in customer feedback to identify any accessibility issues and to assess whether we should make any changes to our policies or procedures.

► Providing an Excellent Customer Experience

Protecting Our Customers' Privacy and Assets

We are proud to have earned the trust of our customers, who deposit their hard earned money, store their prized valuables or take out a loan with us. We do not take that trust for granted.

We believe that protecting customers starts with their very first interaction with us, usually through our print or digital advertisements, our website or a branch. We make every effort to ensure that our marketing and application materials are accurate, up-to-date and not misleading, and contain sufficient information to enable customers to make informed decisions about opening an account, taking out a loan, or making an investment with us. We know it's important to be open and honest with the solutions we provide to customers.

We provide customers copies of our privacy policy, as well as other disclosures, at account opening and periodically. Under our Code of Conduct, teammates may not access nonpublic customer information, unless the

information is necessary and for a business purpose. We do not sell customer data to anyone.

We train our tellers, personal bankers and operations teammates to spot counterfeit, forged or altered checks, as well as recognize the signs of identity theft and elder abuse.

Our Enterprise Risk and Fraud Departments monitor transactions to identify potential fraud and other unlawful activity. If we detect suspicious activity, our experienced fraud investigators will conduct a prompt investigation and provide any appropriate redress to the customer.

If customers detect any fraudulent or suspicious activity on their ASB accounts, they are encouraged to immediately contact our Customer Banking Center at (808) 627-6900 or toll-free (800) 272-2566.



Levi Carias, Director of Information Security, shared tips on HI Now Daily, a local morning TV show, about how people can avoid scams and phishing attempts during the pandemic. Levi taught viewers how to spot fraudulent COVID tracing efforts and fake government institutions giving away Economic Impact Payments.

Safeguarding Customer Information

Safeguarding our customers' confidential information is one of our top priorities. We devote significant resources to regularly maintain and update our systems and processes to protect the security of our computer systems, software, networks and other technology assets that store and access our customers' information.

ASB is keenly aware of the constant security threats that affect financial institutions. As we continue to expand online access and tools for customers, we will face increased threats of data loss due to cyber-attack.

► Providing an Excellent Customer Experience



FIGHTING FRAUD

As part of our commitment to make banking easy and safe for our customers, we joined the American Bankers Association's #BanksNeverAskThat campaign, which educates customers on scams. Our Fraud and Information Security teams also provide Quarterly Security Tips that are shared with customers to enhance their cybersecurity IQ.

To safeguard assets and customer accounts, ASB developed a robust information security program to monitor, detect and mitigate cyber-attacks. ASB has implemented administrative, physical and technical controls, including layers of firewalls and data security software, regular risk and security assessments, access control, monitoring, penetration testing, vendor engagement reviews and training.

The ASB Information Security Program is based, in part, on section 501(b) of the Gramm-Leach-Bliley Act, the associated Interagency Guidelines Establishing Standards for Safeguarding Customer Information, and guidance provided by the Federal Financial Institutions Examination Council, National Institute of Standards and Technology's Framework for Improving Critical Infrastructure Cyber Security (version 1.1), and the Center for Internet Security's 20 Critical Security Controls.

Phishing continues to be a primary method of attack for unauthorized access to systems and information. Our teammates receive regular training on how to protect information and avoid

social engineering attacks. Our Information Security team routinely tests our teammates' vigilance by sending out simulated phishing emails and attempts at phone-based social engineering.



INFORMATION SECURITY, FRAUD & PRIVACY HUB

Customers can access helpful resources and learn more about how we protect their accounts at www.asbhawaii.com/security-fraud-privacy.



OUR TEAMMATES

We Create a Great Place
to Work



#ASBStrong

Each of our 1,100 teammates is a valuable member of the ASB Dream Team. They work hard each day, helping customers at every major stage in their lives, from going to college, buying their first home, launching and growing their small business to planning for retirement. We're all here to serve our customers and the community.



Award-Winning Culture and Workplace

Our teammates are committed to making our customers' dreams possible and we're committed to doing the same for them. In addition to offering some of the best health and wellness benefits in the state, we provide growth and development opportunities and go above and beyond to create an excellent experience for our team members.

The hype is real! ASB has garnered numerous local and national awards for its unstuffy and teammate-focused culture. In 2021, we were named one of the "Best Places to Work" in Hawai'i by

Hawaii Business magazine for the 12th year in a row and were certified by Great Place to Work®, a global authority on workplace culture, employee experience and leadership. ASB was also honored as one of the 2020 and 2021 "Best Banks to Work For" by American Banker magazine.

In our Great Place to Work survey, we received some of the following positive feedback from teammates:

- 90% of teammates say ASB is a great place to work (compared to 59% at a typical U.S.-based company)
- 94% of teammates say that when you join ASB, you are made to feel welcome
- 94% of teammates feel they are treated fairly, regardless of their gender
- 95% of teammates feel good about the ways ASB contributes to the community

The best thing about our award-winning culture at ASB is that our teammates own and drive it.



► #ASBStrong



Seann Hartnell
Market Manager, Kaua'i

We provide quarterly virtual updates to branch teammates who are busy assisting customers and are unable to attend the "talk stories." The updates include information about ASB's financial performance and key developments around the bank. "It's a great way to get a better understanding of what we are working towards as a unified team," said Seann Hartnell. "My team enjoys the updates and appreciates they are made for all teammates and do not contain just technical jargon."

Improving the Workplace Through Two-Way Communication

Our teammates say that one of the best things about working at ASB is our open and transparent communication. But, at ASB, communication is a two-way street, and we expect and encourage everyone, from our leaders to new hires, to provide feedback, ask questions and take an active role in making us the best bank in the galaxy.

Every quarter, our Management Committee hosts a series of "talk stories" (town hall-style meetings) to share the bank's financial performance and operational priorities and challenges. Teammates are encouraged to ask questions and share key information from their respective areas. During the COVID-19 pandemic, we held these talk stories virtually so we could continue to stay connected.

Teammates who are uncomfortable proposing ideas or vocalizing their concerns in a group setting have many other opportunities to speak up. We

invite team members to call, email, have one-on-one huddles with their manager or post suggestions to our Idea Bank on our intranet. We value all feedback and appreciate it when our teammates care enough to inform us of our potential blind spots and contribute ideas on how we can improve our customer and teammate experience.

Feedback is so important to us that we also participate in five surveys each year. In our "Your Voice Matters" survey, we measure employee engagement and ask about ways we can improve our company. Our teammates' responses serve as our road map for how to enhance the employee experience.

From there, our Human Resources team meets individually with team managers to discuss their individual results and create an action plan to improve in specific areas. These goals are entered into our survey action planning system and revisited throughout the year. To keep engagement top of mind, managers hold team meetings to share team survey results and plans.

➤ #ASBStrong



Hiring and Recruiting Dream Makers

We are constantly looking for new people to join our ASB Dream Team and make banking easy for customers, deliver high performance, create a great place to work and bring real impact to our community.

Over the years, our Recruitment team has developed great connections in the community. Through our partnerships with Hawai'i high schools, colleges, professional networks and community organizations, we've recruited hundreds of new teammates in 2020 and 2021.

Although many companies are downsizing and are not looking to grow their workforce, our recruiting efforts have not slowed down. Our Human Resources team took advantage of video conferencing technology to meet and interview candidates and we've continued to participate in virtual job fairs. We even partnered with the Chamber of Commerce Hawaii to launch the "Hawai'i Is Hiring" website in 2020, which served as a hub for anyone looking for work.

As part of our hiring process, we assess candidates on their skills and experience, but it's equally important that their values align with our ASB culture. If the fit is right, we are willing to provide

training and will even consider candidates for other available positions if they don't quite meet the requirements of the job they applied for.

All new teammates, whether they are a fresh out of college or have decades of experience under their belt, begin their ASB journey by attending a two-day orientation, which covers how to live the "ASB Way." New teammates learn about our vision, goals, unique company culture and expectations. On their very first day, they also enjoy a casual lunch with members of our Management Committee, which is indicative of our open-door culture.



➤ #ASBStrong



Marcie Dela Cruz brought her six children, including quintuplets, to claim a turkey at the Great Turkey Drive-Thru. Marcie says, "American Savings Bank has really helped us adapt to the situation. They took care of teammates both physically and psychologically making sure that we're all okay during this time. ASB adapted to everyone's different needs for the pandemic and took care of all the families."

Showing Our Appreciation

Appreciation is part of our DNA and we put tremendous energy into making sure our teammates feel recognized and celebrated for their many contributions all year long. However, for one entire month each year, we go full-court press to say "mahalo" to our team for their hard work and accomplishments. Teammate Appreciation Month is a big deal and we celebrate with snacks, team-building activities and our Statewide Seeds of Service volunteer day.

The highlight of Teammate Appreciation Month is our annual Mahalo Party – a celebration for all 1,100 teammates that we host in Honolulu. We provide air and ground transportation for all our teammates living on the Neighbor Islands so that everyone can come together and celebrate. Our Mahalo Party typically consists of delicious food booths from top restaurants, icebreaker activities, prizes, photo booths, oversized lawn games, live music and, of course, a dance floor.

In 2020, since we weren't able to gather in-person due to the pandemic, many of our Teammate Appreciation Month festivities were designed with social distancing in mind. In November 2020, ASB hosted its first-ever Great Turkey Drive-thru and provided nearly 800 turkeys to all of our teammates on five islands. Our Management Committee got dressed up in fun turkey hats and costumes and helped distribute frozen turkeys for teammates to enjoy with their family on Thanksgiving. Leftover turkeys were donated to the Hawaii Foodbank on Kaua'i, Child & Family Service and Family Life Center on Maui, and Aloha Harvest on Oahu.



Natalie Taniguchi, EVP, Enterprise Risk & Regulatory Relations, served some ice cream during one of our semi-monthly celebrations. Teammates working at Campus celebrate birthdays and work anniversaries with sweet treats!

➤ #ASBStrong

**EVERY FRIDAY IS
PAYDAY AT ASB!**

Our weekly paycheck tradition began in 2009 at the request of one of our teammates through our online Idea Bank.

Paying a Fair Wage

We pride ourselves on offering competitive pay. To ensure that our teammates are fairly compensated, we annually review wages and conduct market comparisons to ensure our compensation is in line – if not better – than what other employers are offering.

We do our best to beat minimum and average pay rates. Our starting wage at ASB is significantly higher than Hawai'i's minimum wage of \$10.10/hour.

From April to June 2020, we also paid our frontline teammates a special wage premium as a way to show appreciation for their commitment and hard work to take care of our customers during the pandemic. Customer-facing teammates received an extra \$3 per hour and select operations and support teammates received an extra \$2 per hour.

Assisting Our Teammates Through Life's Ups and Downs

Every year, our Human Resources team reviews our health and wellness benefits to ensure we are providing coverage and options that teammates want and need. In 2020 and 2021, we created several new benefits and options to help teammates live their best life:

- **Mālama loan:** With so many families struggling to make ends meet during the pandemic, we created a short-term, no-interest loan available to any ASB teammate who has experienced a financial hardship due to COVID-19. From its inception in May 2020 to June 30, 2021, we have assisted 232 teammates.
- **Child care match:** The high cost of child care can be stressful for many families and we want to help ease that burden. For teammates who contribute to a Dependent Care Flexible Spending Account, ASB provides a match of \$2 for every \$1 they contribute, up to \$100 per month.

- **Wellness PTO:** Prevention is the best medicine and we reward teammates who proactively take care of their health. Full-time teammates receive 8 hours of PTO (4 hours for part-timers) for completing a preventive care screening such as a physical exam, wellness exam, colonoscopy, eye exam or teeth cleaning, among others, with proof of their visit.
- **Parental PTO:** The addition of a new child is a precious time for any family. This is why ASB provides 16 weeks of Parental PTO to teammates who are on an approved leave for the birth, adoption or foster of a child. Teammates who are in good standing may also be approved to work a reduced schedule of 20 hours per week with full pay for up to 4 weeks.

In 2021, we also rewarded teammates who've been with us for more than 10 years by increasing their annual PTO days. Teammates who've worked at ASB for 20 years or more receive seven more PTO days per year than compared to 2020 – that's 35 days of PTO each year for teammates to use when and how they want!

➤ #ASBStrong

These new and expanded benefits are in addition to the robust offerings we already provide, including 'Ohana PTO (four additional weeks of PTO to care for yourself or a family member), Life and AD&D Insurance with a rate of 1.5x the teammate's salary, fully paid Long Term Disability and Long Term Care insurance, Business Travel Accident Insurance with 24-hour Identity Theft Assistance, a 529 College Savings Plan and discounted pet insurance. We also offer coverage for alternative care (acupuncture, chiropractic and massage therapy), a casual dress code, birthday holiday and weekly paydays.

Training and Developing Future Leaders

One of our core expectations is that teammates take ownership of their own learning and self-development. Our Learning & Development team provides many opportunities for our teammates to develop new skills, gain knowledge and experience and advance in their career.

In fact, our commitment to our teammates' growth and development is evidenced by an entire floor dedicated for training at our ASB Campus.

Teammates can attend sessions in one of six classrooms or perfect their customer service skills at our training branch.

LEADERSHIP ACADEMY

In 2015, we launched our ASB Leadership Academy, a year-long program designed to give high-performing, high-potential team members a deeper understanding of leadership, professional skills and banking. In 2021, we kicked off our sixth Leadership Academy cohort. This group of ASB leaders meets regularly (about once a month) to experience engaging coursework, teambuilding exercises, interactive executive sessions and group/individual assignments. Many of the program graduates have continued to advance in their career at ASB, taken on increased responsibilities, and two participants were even promoted to our Management Committee. Today, one of them is our President and CEO!



Phil Bacchus
Treasurer

As a leader at ASB, Phil Bacchus understands the importance of lifelong learning. In 2019, he applied and was selected for the fifth cohort of the ASB Leadership Academy. Aside from deepening friendships at the bank, he grew as an authentic leader and a decision maker. He says, "Leadership Academy has helped me to recognize my blind spots and to seek other perspectives in order to help make better decisions. I liked that I had meaningful time for self-reflection and self-assessment. The program has helped me plot out my future learning and career objectives, as well as areas for improvement."

➤ #ASBStrong



Members of the fourth cohort of Leadership Academy celebrate their commencement in October 2019



RISE

RISE is a new and intense five-month program designed to help managers flourish in their roles. Beginning in May 2021, 14 teammates were selected for the first cohort and will develop their leadership skills through in-person sessions, mentor circles and a 360-degree feedback process.

SHELF INDULGENCE BOOK CLUB

In 2021, we also launched a book club for interested teammates. Participants in the Shelf Indulgence Book Club meet a few times in small group settings to discuss themes and takeaways from a book on professional growth. The first book selected by our Learning & Development team was *5: Where Will You Be Five Years from Today?* by Kobi Yamada.

PROFESSIONAL DEVELOPMENT CLASSES

We offer numerous professional and leadership development classes over the course of the year, such as Feedback Jiu-Jitsu, Embracing Change and Thinking with Heart. These interactive classes are led by knowledgeable and skilled facilitators. During the pandemic, many of our offerings were adapted to virtual settings, allowing our teammates to continue their development, even when we aren't able to meet in person.

Managers also receive training on driving change within their teams and across the bank, increasing teammate engagement, managing performance and other leadership topics. During these sessions, managers experience multi-directional learning – in addition to the instruction they receive from the facilitator, participants have the opportunity to share their best practices and hold each other accountable.



FROM SEATTLE TO HONOLULU

Each year, we sponsor a group of teammates to attend the Pacific Coast Banking School, a three-year program connected to the University of Washington. This normally includes covering all travel and lodging expenses for our teammates to attend a two-week session in Seattle. However, in 2021, our teammates were unable to travel so we brought the Seattle experience to them by decorating the first floor of our ASB Campus, where participants attended classes virtually.

➤ #ASBStrong

Protecting Our Teammates

Our teammates' health and wellbeing are our top priority and throughout the COVID-19 pandemic, we enhanced our protocols to ensure everyone's safety.

Since banking is considered an essential business, ASB remained open to serve customers throughout the pandemic. We made every effort to keep all teammates working and employed and even when we temporarily closed some branches due to pandemic restrictions, we found other work around the bank so all teammates could continue contributing in meaningful ways.

In March 2020, anyone whose job did not require them to be on-site transitioned to remote work, which allowed those whose job required them to be on-site to spread out throughout our Campus workspaces and break areas.

Although we temporarily modified how we work, we are fortunate that our ASB Campus was designed with safety and teammate well-being in mind.



Jerry Acio, Campus Concierge, takes his temperature with a non-touch thermal scanner at the front desk of Campus.

➤ #ASBStrong

Some of the building's features include:

- 15-foot ceilings support increased air flow and circulation and allow for greater dilution of potential viral contaminants.
- Expansive floor plans with features such as broad aisles and walkways, 72-inch-wide desks and open collaboration areas, which allow for social distancing.
- Outdoor lanai areas provide convenient access to sunlight and fresh air.
- Air conditioning system that's designed to provide enhanced indoor air quality and continually recycles and circulates fresh outdoor air throughout Campus every 1 to 2 hours.
- Outside air is pre-conditioned and scrubbed of contaminants. Air flows through a catch-all MERV 13 (Minimum Efficiency Reporting Values) filter and past ultraviolet lights, which have been proven to eliminate 98% of

particles, including pollen, dust, mold, bacteria and viruses.

- Global Plasma Solutions system uses ionization to kill 99.4% of coronavirus and inactivates viral particles on surfaces within 30 minutes.

At our branches, we installed Plexiglass barriers at every teller window and desk, fans to circulate air and social distancing stickers on the ground.

We also enhanced our sanitization protocols bank-wide. Our custodial team cleans and sanitizes common spaces throughout the day. Additionally, all high-touch surfaces, including every workstation, are disinfected every evening with ultraviolet light lamps, which are proven to effectively reduce contaminants on surfaces. Disinfecting wipes and hand sanitizers are available at all of our locations for team members and customers.



➤ #ASBStrong



Roberta Murakami, Customer Call Center Representative, was one of the three ASB teammates to win a cash prize for getting the COVID-19 vaccine to protect herself and her family, friends, teammates and community. Dane Teruya, EVP & Chief Financial Officer, surprised Roberta with her prize while she was participating in a staged team meeting.



Our COVID-19 team, comprised of teammates from Human Resources, Learning & Development, Facilities, Communications and Legal, implemented additional safety protocols to ensure everyone's safety. All teammates, visitors and customers are required to wear a face mask and keep a safe distance from others at all of our locations. Teammates reporting to Campus or a branch are also required to check their temperature before entry and are not allowed to enter if they are feeling unwell.

As soon as vaccines became available in Hawai'i, we worked with the Hawaii Bankers' Association to ensure that our teammates were on the list of essential businesses eligible to receive early vaccinations. We launched a communications campaign, involving our ASB leaders, fun videos, statistics and infographics, to encourage teammates to get vaccinated. We also sweetened the deal by offering vaccinated teammates a chance to win one of three \$5,000 cash prizes. As of September 30, 2021, 94% of our team members are vaccinated or in the process of being vaccinated. The remaining 6% will undergo weekly testing.

➤ #ASBStrong

Encouraging Wellness

Wellness became even more important during the COVID-19 pandemic. Although we had to temporarily close our Campus fitness center and pause our in-person fitness classes, our teammates reminded us how resilient they are.

During the pandemic, we wanted to continue offering free fitness classes so we transitioned our yoga and high-intensity interval training to virtual classes. Teammates could exercise from the convenience and safety of their own living rooms and burn those pandemic pounds. In July, we returned to hosting our weekly fitness classes, which are open to the community, in 'A'ala Park.

To keep our teammates' health and wellness top of mind and ensure they felt supported, we sent Wellness Wednesday emails to our teammates. These weekly e-newsletters provide healthy information, tips and videos on COVID-related safety, physical and mental health, nutrition and financial literacy. Many of the tips come from our very own ASB teammates.

Those who remained working at our Campus could take advantage of our relaxation rooms, two large open-air lanai and arcade to relieve stress and take a break. The internal stairwell and large common areas, such as our breakroom, collaboration corners and coffee hui also provided additional work and collaboration spaces. Thanks to Wi-Fi throughout the Campus, teammates can choose to work anywhere in the building, including on the outdoor lanai.



Bradford Dang
Associate Counsel

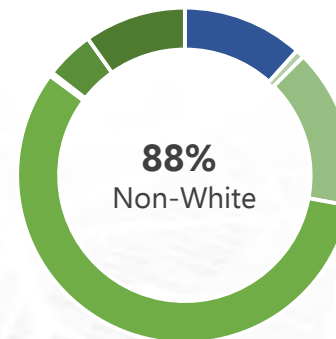
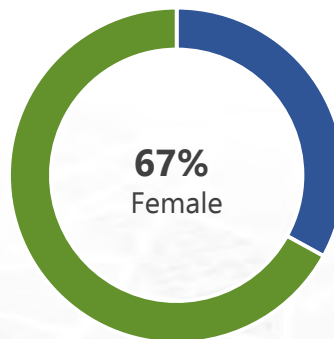
Employee Assistance Program

For teammates and their families who need support through life's challenges, we offer an employee assistance program, which provides counseling for marital, parental or financial challenges, and assistance for specific conditions such as substance abuse, smoking or gambling. All services are free and confidential.

When Bradford Dang is not breaking a sweat twice a week in High Intensity Interval Training classes, he's trying to persuade fellow teammates to join him for the next class. Brad started participating in the ASB-sponsored fitness classes around 10 years ago as a way to improve his cholesterol levels and has been a regular ever since. Even when the classes went virtual or when Brad is on vacation, he makes time to workout with his fellow teammates.

Cultivating Diversity and Inclusion

Our Dream Team is comprised of teammates from all walks of life. This diversity provides a wealth of experiences and perspectives, which better informs our decision-making. It also allows us to connect better with our customers, who are a diverse group themselves.



As of December 31, 2020

Best Workplaces™
for Diversity

Great Place To Work®

USA
2019

2019
BEST COMPANIES FOR
MULTI-CULTURAL WOMEN
WORKING MOTHER

ASB ranked No. 19 on the 2019 Best Workplaces for Diversity list by Great Place to Work and Fortune. ASB has also been recognized by Working Mother as one of the nation's Best Companies for Multi-Cultural Women (2019) and by Hawaii Business magazine as a Best Company for LGBTQ Equality (2021).

► Cultivating Diversity and Inclusion



We celebrated Honolulu Pride Month in 2021 in style at our ASB Campus!



Our Commitment to Diversity and Inclusion

We are committed to creating a great place to work and that means having a safe and respectful environment for everyone to work and thrive. We celebrate diversity in ideas, experiences, race, ethnicity, gender, age, disability, religion and sexual orientation. We do not tolerate racism, discrimination or harassment of any kind. Period.

All of our teammates are responsible for ensuring we have a diverse and inclusive work environment and holding each other accountable.

In 2021, we launched a 90-minute, interactive training called “Finding the ‘I’ in Diversity & Inclusion,” in which our teammates explore topics related to bias, microaggressions and non-inclusive behaviors and learn about our commitment to diversity and inclusion. We also expect our teammates to think about how their actions and inactions contribute to or harm our inclusive work environment.



“Embracing diversity and inclusion isn’t just something that should be on our list of priorities. It’s, simply put, the right thing to do both in our businesses and in our communities. I’ve seen firsthand the impacts of having a diverse workforce, which includes more innovation, higher engagement and stronger results.”

Beth Whitehead
EVP & Chief
Administrative Officer

► Cultivating Diversity and Inclusion

In addition to our in-house training, we have partnered with industry groups and nonprofit organizations, such as the Chamber of Commerce Hawaii, Association for Talent Development Hawai'i Chapter, Hawaii Employers Council, Hawai'i Alliance of Nonprofit Organizations, the Hawai'i Children's Action Network and American Bankers Association, to have candid discussions with community members on systemic racism and bias and promote diversity and inclusion in workplaces. We've invited our teammates to the sessions and debriefed on the discussions.

Affirmative Action

We take steps to be an inclusive workplace for all people, no matter their race, color, national origin, age or religion. We recognize that, due to historical inequalities and marginalization in society, some groups of people may not have the same access to jobs as others. As a company, we've committed to make extra efforts to recruit women, veterans and individuals with disabilities. In the past, our recruitment team has attended job fairs hosted on military bases, posted open positions on veteran-

focused job boards and worked with agencies such as Goodwill, Job Corps and Hawai'i Workforce Development Division, to attract veteran and disabled candidates. We also contract with JOBfindah to post our job openings on state job banks and diversity job boards, and distribute our job openings to various local diversity organizations.

Self-Assessments

We comply with all federal and state laws on equal employment opportunity and regularly review our diversity metrics to ensure our work environment, job functions, actions, inactions, policies and procedures are attractive to underrepresented groups. But that's not the only reason we aim for a diverse workforce. We truly value the unique ideas that result from employing people from different backgrounds, experiences and walks of life.

We distribute our diversity metrics to our executives twice a year, with the expectation that they work with managers within their divisions to ensure alignment with our diversity and inclusion philosophy and initiatives. We

also work with hiring managers and have periodic discussions about their team's diversity to bring about the best outcomes.

Women's Network

The Women's Network brings ASB's female teammates together (although men are welcome, too) quarterly to discuss topics unique to women in the workplace. The group also provides leadership development and skills building, as well as networking opportunities. Recently, 70 ASB women got together over lunch to discuss how to be appropriately assertive and how to better support each other – two topics that were proposed by the group at a previous meeting. Participants learned about the "power of the pack," discussed examples of their own successes and struggles around being assertive, and committed to healthy, collaborative behaviors to drive positive change across ASB. The Women's Network also organizes and supports various community programs throughout the year, including Wāhine Build with Habitat for Humanity.

► Cultivating Diversity and Inclusion

Diversity Council

Our ASB Diversity Council meets every quarter to discuss how we, as an organization, can enhance diversity and inclusion in the workplace and develop ideas on how we can continue to ensure respect. This teammate-driven group has hosted a series of talk stories within ASB, designed to help celebrate and create better understanding of our communities. Recently, we added Juneteenth to our holiday schedule, a recommendation that came from our Diversity Council.



When ASB's Management Committee announced that it planned to create a Diversity Council to help guide decisions at the bank, Ty Yamamoto knew that he wanted to get involved.

"As an Asian-American, LGBT+ teammate, I wanted to participate in something where I knew I would be able to help push the bank forward, give others a voice, and help to perpetuate our company's core values," said Ty.

Ty, along with dozens of other ASB teammates, met and began sharing their personal experiences and thoughts about how unconscious bias impacts minority groups. The goal is to find solutions that ensure that all teammates feel heard and included.

"I am very passionate about diversity and inclusion and it is very rewarding to be at a company that holds these values so close to heart. I'm glad we are able to raise issues that might not be known within the company."

OUR ENVIRONMENT

Working Toward a
Sustainable Hawai'i



Curbing the Effects of Climate Change

At American Savings Bank, we share the concerns of many regarding the potential effects and human impacts of global climate change. We are always thinking of ways that we can help Hawai'i decarbonize.



While the timing, extent and ultimate effects cannot be determined with any certainty, experts agree that sea-level rise due to climate change could impact coastal and other low-lying areas, cause erosion of beaches, saltwater intrusion into aquifers and surface ecosystems, and higher water tables. Additionally, climate change could cause increased flooding and storm damage due to heavy rainfall.

The effects of climate change on the weather, sea levels and water availability and quality have the potential to adversely affect the overall health of the Hawai'i economy. Severe weather and natural disasters, such as hurricanes, earthquakes, tsunamis and lightning storms, which may become more severe or frequent as a result of global climate changes, could also cause damage to our physical facilities and the properties that secure our residential and commercial loans.

We all need to do our part to find a solution to climate change. We will continue to invest in green technologies at our facilities, rethink how we approach our work, consider ways we can change our practices to reduce our impact on the environment and continue to finance clean energy and other green projects in the community.

We must follow the lead of the first people to inhabit Hawai'i, who believed it was their kuleana (responsibility) to mālama ka 'āina (care for the land), which sustained life for everyone in the islands.



ASB Summer Interns prepare the fields for planting corn at the Partners In Development Foundation's Kupa 'Aina Farms.

Financing Green Causes

We see the direct and societal benefits of having our own clean energy system and we think it's important for our customers to have the same opportunity to save money on energy costs and reduce their impact on the environment.

In 2019 and 2020, we originated more than \$12.2 million in residential clean energy loans. These loans allowed homeowners to purchase and install their own photovoltaic systems, solar water heaters, solar air conditioning, and battery backup and storage. We work closely with local contractors to make financing easy for consumers. We offer financing for green causes such as electric transport, solar energy and storage, and energy farms providing everyone in our community from students, renters, homeowners, and businesses the ability to go green.

We also financed over \$65 million in commercial clean energy projects from 2010 to 2020, generating a total of 21.30 MW in renewable energy. From non-profits to large commercial real estate and apartment buildings, we are



equipped to help customers finance medium and large-scale clean energy improvements. The following are just a few examples:

- **GEMS:** By partnering with the Hawaii Green Energy Market Securitization Program, ASB is able to provide customized financing options for commercial clients interested in clean energy improvements. Our tailored loan structures allow customers the time and flexibility they need to repay their outstanding loan balance, which means more local businesses can take advantage of energy efficient opportunities like PV, HVAC, water heating, and more.
- **AOAO and Multi-Family:** We work with apartment associations and owners of multi-family dwellings to help bring energy efficiencies to buildings located across the islands. While most of our projects have centered around PV installations, we help condo associations finance other improvements such as energy efficient lighting, HVAC, building envelope and water heating projects.
- **Other:** Recent commercial financing includes clean energy loans for non-profit customers, schools and both leased and owned commercial properties where our customers operate their businesses.

► Curbing the Effects of Climate Change

We also have opportunities to participate in tax credit programs, such as New Markets Tax Credits (NMTC), to help fund renewable energy and other projects in disadvantaged communities. Through a Hawai'i-based community development entity formed in partnership with the Oahu Economic Development Board, we helped deploy over \$100 million in NMTCs and plan to apply for future allocations. These allocations help bring new investments, services and job creation to some of the most underserved, low-income communities in our state and include direct investment in renewable energy projects as part of our state's clean energy transition.

Assessing How We Interact with Weather-Related Disasters and Climate Change

We are well aware of the potential impact that climate change may have on coastal and low-lying areas and believe it's important to plan for extreme weather and sea level change. This means staying abreast of current

scientific forecasts and analyzing, for example, how the rising sea could affect our facilities and mortgaged properties.

All new residential and commercial real estate loans must undergo an environmental due diligence review as part of the underwriting process, which analyzes whether the property is located in a floodplain, sensitive ecological area or on contaminated land. Owners of commercial and residential properties located within the Special Flood Hazard Area, as designated by the Federal Emergency Management Agency, must obtain flood insurance through the National Flood Insurance Program as a condition of obtaining a property loan.

We are also currently working on a way to measure our carbon footprint. There are multiple existing algorithms to measure carbon emissions and these measurements are often complex. We will work with our parent company, Hawaiian Electric Industries, to determine how to best do this and we plan on reporting these measurements in future Environmental, Social and Governance reports.



We do our best to keep up to date on studies and forecasts pertaining to climate change. "With much of Hawai'i's economic activity occurring in or near coastal areas, we are particularly attuned to the risks introduced by rising sea levels and more severe weather events," said Steven Nakahara, EVP & Chief Credit Officer. "It is critical for us to prepare for these challenges."

Working More Sustainably

Our efforts to curb climate change begin at home. We strive to incorporate sustainable best practices and newer, more-efficient technologies into our operations and facilities.



Constructing a Sustainable Headquarters

In designing the ASB Campus, we wanted a building that was reflective of our commitment to our customers, our teammates and the community. We are proud that our Campus features some of the latest green technologies. We also saw the move as an opportunity to

analyze how we do business and what efforts we could implement to reduce our impact on the environment.

The building includes sustainable features, which reduce ASB's impact on the environment. These include photovoltaic panels, electric vehicle charging stations, self-tinting View Dynamic Glass, responsive LED lighting and reclaimed wood furniture.



A PERFECT SITE

Our Campus is located in O'ahu's urban core, which means that many of our teammates have relatively short commutes to work. Teammates can choose to ride the bus or bike to work, as the new Campus is located along major bus lines and within the Biki Bikeshare program area. In preparation for our move to Campus, ASB worked with Biki to set up more bike stations near our future home. Teammates who bike to Campus also have access to a safe bike storage and showers.

With those "green" teammates in mind, ASB also worked with the Hui Car Share program to station two cars at our Campus. Teammates who walk, bus or bike to work can use the Hui cars to run errands or drive to meetings.

The relatively short commutes for many of our teammates makes electric vehicle ownership a possibility. Teammates who drive electric vehicles have access to four charging stations in the Campus parking garage.

We believe that the thoughtful selection of the Campus site, coupled with our "Green Benefit" incentive (discussed below), will reduce vehicle-generated carbon emissions.

WATER CONSERVATION AND FILTRATION

We've designed our Campus building to reduce water consumption. In all of our restrooms and locker rooms, we installed efficient, low-flow water fixtures, which moderate water output.

Additionally, when designing the landscaping around the Campus building, ASB selected plants that are native to Hawai'i, including hala and kalo. Besides the cultural significance, native plants tend to consume less water as they have adapted to survive the local climate and conditions.

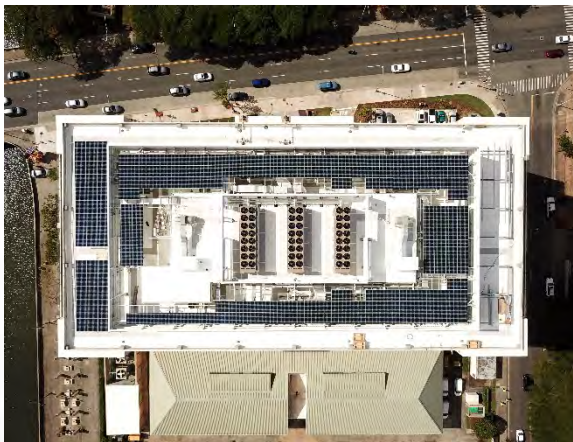
We also included an infiltration basin on our Campus grounds, which will reduce storm water runoff. This basin allows rainwater to permeate the Earth's natural infiltration layers, rather than washing water pollutants into storm drains and nearby canals.

► Working More Sustainably

ENERGY CONSERVATION

Our new Campus is a prime example of our commitment to reduce our reliance on non-renewable power sources. Our teammates work under 469 photovoltaic panels, which produce renewable energy. This will reduce our dependence on non-renewable power sources.

The Campus also features many energy-saving materials and fixtures. We are proud that the Campus is the first commercial office building in Hawai'i to completely use View Dynamic Glass – a glass that is designed to automatically adjust its tint to the intensity and position of the sun. This feature reduces glare and heat and helps keep the



internal air temperature cooler and more comfortable for our teammates.

In addition to the View Dynamic Glass, we designed our Campus to include exterior vertical fins, which block direct sunlight from entering the building. This feature also reduces glare and heat.

These design features allow us to control the intensity of natural light without resorting to sun shades or blinds. Our teammates can enjoy the outside views of the city and Honolulu Harbor. The natural sunlight that permeates our open office also reduces the need for interior lighting.

Another energy-efficient feature of our Campus are light sensors that automatically adjust the brightness of the lighting fixtures depending on the level of natural sunlight. Occupancy sensors also switch off the lights when no one is working in the area.

Additionally, the Campus is equipped with Energy Star appliances and the latest energy-saving lighting fixtures and air conditioning systems.



SUSTAINABLE MATERIALS

In designing the interior of our Campus, we selected furniture that is not only stylish, functional and ergonomic, but also environmentally friendly because of the use of recycled or regionally sourced materials.

We also worked with a local woodworker who turned fallen Monkeypod trees into benches, railings and conference room tables. The trees, which were once destined for the landfill, have been transformed into functional and beautiful furniture.



The central staircase at our ASB Campus allows teammates to hop between floors and are often the venue for impromptu collaboration.

ENCOURAGEMENT OF BETTER, GREEN HABITS

In preparation of the move to the Campus in 2019, our teammates discussed how and why we use paper. Together, with the help of our Campus Council, we committed to reducing the amount of paper we use. Today, we rely more on technology to decrease waste and manage our records retention processes.

We also introduced a formal recycling program at Campus. Teammates can dispose of their waste into convenient recycling bins on each floor. For confidential documents, we continue to use a vendor to destroy the documents, which are later recycled.

Additionally, we urge our teammates to bring a reusable bottle, which they can fill with filtered water at one of our water filling stations at Campus. We don't supply Styrofoam or paper products and we only use reusable coffee cups for our guests.

We also encourage our teammates to commute to work by carpool, mass transit, bike or other means. Teammates who participate in a carpool receive one free parking stall per group plus a monthly carpool stipend. Teammates who don't drive to work receive our Green Benefit, which can be used to cover any expenses for alternate transportation and rewards teammates for their commitment to the environment.

Upgrading Our Branches

In 2020 and 2021, we consolidated some branches, welcomed customers into our new Kalihi Branch and built digital centers.

Our recently constructed branches feature many of the same sustainable features found at the ASB Campus, including LED light fixtures and signage, View Dynamic Glass and low-flow water fixtures. We have also begun retrofitting our existing branches with sustainable features.