CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This presentation made by Hawaiian Electric Industries, Inc. (HEI) and Hawaiian Electric Company, Inc. (Hawaiian Electric) and their subsidiaries contain "forward-looking statements," which include statements that are predictive in nature, depend upon or refer to future events or conditions and usually include words such as "will," "expects," "anticipates," "intends," "plans," "believes," "predicts," "estimates" or similar expressions. In addition, any statements concerning future financial performance, ongoing business strategies or prospects or possible future actions are also forward-looking statements. Forward-looking statements are based on current expectations and projections about future events and are subject to risks, uncertainties and the accuracy of assumptions concerning HEI and its subsidiaries (collectively, the Company), the performance of the industries in which they do business and economic, political and market factors, among other things. These forward-looking statements are not guarantees of future performance and actual results and financial condition may differ materially from those indicated in the forward-looking statements.

Risks, uncertainties and other important factors that could cause actual results to differ materially from those described in forward-looking statements and from historical results include, but are not limited to, the following:

- international, national and local economic and political conditions—including the state of the Hawaii tourism, defense and construction industries; the strength or weakness of the Hawaii and continental U.S. real estate markets (including the fair value and/or the actual performance of collateral underlying loans held by ASB, which could result in higher loan loss provisions and write-offs); decisions concerning the extent of the presence of the federal government and military in Hawaii; the implications and potential impacts of future Federal government shutdowns, including the impact to our customers to pay their electric bills and/or bank loans and the impact on the state of Hawaii economy; the implications and potential impacts of U.S. and foreign capital and credit market conditions and federal, state and international responses to those conditions; the potential impacts of global and local developments (including global economic conditions and uncertainties, unrest, terrorist acts, wars, conflicts, political protests, deadly virus epidemic or other crisis); the effects of changes that have or may occur in U.S. policy, such as with respect to immigration and trade; and pandemics;
- the extent of the impact of the COVID-19 pandemic, including the duration, spread, severity and any recurrence of the COVID-19 pandemic, the duration and scope of related government orders and restrictions, the impact on our employees, customers and suppliers, and the impact of the COVID-19 pandemic on the overall demand for the Company's goods and services, all of which could be affected by the pace of distribution, administration, and efficacy of COVID-19 vaccines over the short- and long-term, as well as the proportion of the population vaccinated;
- ability to adequately address risks and capitalize on opportunities related to our ESG priority areas, which currently include decarbonization, economic health and affordability, reliability and resilience, secure digitalization, diversity, equity and inclusion, employee engagement, and climate-related risks and opportunities;
- citizen activism, including civil unrest, especially in times of severe economic depression and social divisiveness, which could negatively impact customers and employees, impair the ability of the Company and the Utilities to operate and maintain its facilities in an effective and safe manner, and citizen activism and stakeholder activism could delay the construction, increase project costs or preclude the completion, of third-party or Utility projects that are required to meet electricity demand, reliability objectives and renewable portfolio standards (RPS) goals;
- the effects of future actions or inaction of the U.S. government or related agencies, including those related to the U.S. debt ceiling or budget funding, monetary policy, trade policy and tariffs, energy and environmental policy, and other policy and regulatory changes advanced or proposed by President Biden and his administration;
- weather, natural disasters (e.g., hurricanes, earthquakes, tsunamis, lightning strikes, lava flows and the increasing effects of climate change, such as more severe storms, flooding, droughts, heat waves, and rising sea levels) and wildfires, including their impact on the resilience and reliability of the Company's and Utilities' operations and the economy;
- the timing, speed and extent of changes in interest rates and the shape of the yield curve, which could result in lower portfolio yields and net interest margin;
- the ability of the Company and the Utilities to access the credit and capital markets (e.g., to obtain commercial paper and other short-term and long-term debt financing, including lines of credit, and, in the case of HEI, to issue common stock) under volatile and challenging market conditions, and the cost of such financings, if available;
- the risks inherent in changes in the value of the Company's pension and other retirement plan assets and ASB's securities available for sale, and the risks inherent in changes in the value of the Company's pension liabilities, including changes driven by interest rates;
- changes in laws, regulations (including tax regulations), market conditions, interest rates and other factors that result in changes in assumptions used to calculate retirement benefits costs and funding requirements;
- the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) and of the rules and regulations that the Dodd-Frank Act requires to be promulgated, as amended by the Economic Growth, Regulatory Relief and Consumer Protection Act;
- increasing competition in the banking industry (e.g., increased price competition for deposits, or an outflow of deposits to alternative investments, which may have an adverse impact on ASB's cost of funds);

- the potential delay by the Public Utilities Commission of the State of Hawaii (PUC) in considering (and potential disapproval of actual or proposed) renewable energy proposals and related costs; reliance by the Utilities on outside parties such as the state, independent power producers (IPPs) and developers; and uncertainties surrounding technologies, solar power, wind power, biofuels, environmental assessments required to meet RPS goals; the impacts of implementation of the renewable energy proposals on future costs of electricity and potential penalties imposed by the PUC for delays in the commercial operations of renewable energy projects;
- the ability of the Utilities to develop, implement and recover the costs of implementing the Utilities' action plans included in their updated Power Supply Improvement Plans, Demand Response Portfolio Plan, Distributed Generation Interconnection Plan, Grid Modernization Plans, and business model changes, which have been and are continuing to be developed and updated in response to the orders issued by the PUC, the PUC's April 2014 statement of its inclinations on the future of Hawaii's electric utilities and the vision, business strategies and regulatory policy changes required to align the Utilities' business model with customer interests and the state's public policy goals, and subsequent orders of the PUC;
- capacity and supply constraints or difficulties, especially if generating units (utility-owned or IPP-owned) fail or measures such as demand-side management, distributed generation, combined heat and power or other firm capacity supply-side resources fall short of achieving their forecasted benefits or are otherwise insufficient to reduce or meet peak demand;
- fuel oil price changes, delivery of adequate fuel by suppliers and the continued availability to the electric utilities of their energy cost recovery clauses (ECRCs);
- the continued availability to the electric utilities or modifications of other cost recovery mechanisms, including the purchased power adjustment clauses (PPACs), rate adjustment mechanisms (RAMs) and pension and postretirement benefits other than pensions (OPEB) tracking mechanisms, and the continued decoupling of revenues from sales to mitigate the effects of declining kilowatthour sales;
- the ability of the Utilities to recover increasing costs and earn a reasonable return on capital investments not covered by RAMs;
- the ability of the Utilities to achieve performance incentive goals currently in place;
- the impact from the PUC's implementation of performance-based ratemaking for the Utilities pursuant to Act 005, Session Laws 2018, including the potential addition of new performance incentive mechanisms (PIMs), third-party proposals adopted by the PUC in its implementation of performance-based regulation (PBR), and the implications of not achieving performance incentive goals;
- the impact of fuel price levels and volatility on customer satisfaction and political and regulatory support for the Utilities;
- the risks associated with increasing reliance on renewable energy, including the availability and cost of non-fossil fuel supplies for renewable energy generation and the operational impacts of adding intermittent sources of renewable energy to the electric grid;
- the growing risk that energy production from renewable generating resources may be curtailed and the interconnection of additional resources will be constrained as more generating resources are added to the Utilities' electric systems and as customers reduce their energy usage;
- the ability of IPPs to deliver the firm capacity anticipated in their power purchase agreements (PPAs);
- the potential that, as IPP contracts near the end of their terms, there may be less economic incentive for the IPPs to make investments in their units to ensure the availability of their units;
- the ability of the Utilities to negotiate, periodically, favorable agreements for significant resources such as fuel supply contracts and collective bargaining agreements and avoid or mitigate labor disputes and work stoppages;
- new technological developments that could affect the operations and prospects of the Utilities and ASB or their competitors such as the commercial development of energy storage and microgrids and banking through alternative channels;
- cybersecurity risks and the potential for cyber incidents, including potential incidents at HEI, its third-party vendors, and its subsidiaries (including at ASB branches and electric utility plants) and incidents at data processing centers used, to the extent not prevented by intrusion detection and prevention systems, anti-virus software, firewalls and other general IT controls;
- failure to achieve remaining cost savings commitment related to the Enterprise Resource Planning/Enterprise Asset Management (ERP/EAM) project-related benefits and the management audit committed savings of $33 million over the 2021 to 2025 multi-year rate period (MRP);
- federal, state, county and international governmental and regulatory actions, such as existing, new and changes in laws, rules and regulations applicable to HEI, the Utilities and ASB (including changes in taxation and tax rates, increases in capital requirements, regulatory policy changes, environmental laws and regulations (including resulting compliance costs and risks of fines and penalties and/or liabilities), the regulation of greenhouse gas emissions, governmental fees and assessments (such as Federal Deposit Insurance Corporation assessments), and potential carbon "cap and trade" legislation that may fundamentally alter costs to produce electricity and accelerate the move to renewable generation);
- developments in laws, regulations and policies governing protections for historic, archaeological and cultural sites, and plant and animal species and habitats, as well as developments in the implementation and enforcement of such laws, regulations and policies;
- discovery of conditions that may be attributable to historical chemical releases, including any necessary investigation and remediation, and any associated enforcement, litigation or regulatory oversight;

- decisions by the PUC in rate cases and other proceedings (including the risks of delays in the timing of decisions, adverse changes in final decisions from interim decisions and the disallowance of project costs as a result of adverse regulatory audit reports or otherwise);
- decisions by the PUC and by other agencies and courts on land use, environmental and other permitting issues (such as required corrective actions, restrictions and penalties that may arise, such as with respect to environmental conditions or RPS);
- potential enforcement actions by the Office of the Comptroller of the Currency (OCC), the Federal Reserve Board (FRB), the Federal Deposit Insurance Corporation (FDIC) and/or other governmental authorities (such as consent orders, required corrective actions, restrictions and penalties that may arise, for example, with respect to compliance deficiencies under existing or new banking and consumer protection laws and regulations or with respect to capital adequacy);
- the risks associated with the geographic concentration of HEI's businesses and ASB's loans, ASB's concentration in a single product type (i.e., first mortgages) and ASB's significant credit relationships (i.e., concentrations of large loans and/or credit lines with certain customers);
- changes in accounting principles applicable to HEI and its subsidiaries, including the adoption of new U.S. accounting standards, the potential discontinuance of regulatory accounting related to PBR or other regulatory changes, the effects of potentially required consolidation of variable interest entities (VIEs), or required finance lease or on-balance-sheet operating lease accounting for PPAs with IPPs;
- downgrades by securities rating agencies in their ratings of the securities of HEI and Hawaiian Electric and their impact on results of financing efforts;
- faster than expected loan prepayments that can cause an acceleration of the amortization of premiums on loans and investments and the impairment of mortgage-servicing assets of ASB;
- changes in ASB's loan portfolio credit profile and asset quality and/or mix, which may increase or decrease the required level of provision for credit losses, allowance for credit losses (ACL) and charge-offs;
- changes in ASB's deposit cost or mix which may have an adverse impact on ASB's cost of funds;
- unanticipated changes from the expected discontinuance of LIBOR and the transition to an alternative reference rate, which may include adverse impacts to the Company's cost of capital, loan portfolio and interest income on loans;
- the final outcome of tax positions taken by HEI and its subsidiaries;
- the risks of suffering losses and incurring liabilities that are uninsured (e.g., damages to the Utilities' transmission and distribution system and losses from business interruption) or underinsured (e.g., losses not covered as a result of insurance deductibles or other exclusions or exceeding policy limits), and the risks associated with the operation of transmission and distribution assets and power generation facilities, including public and employee safety issues, and assets causing or contributing to wildfires;
- the ability of the Company's non-regulated subsidiary, Pacific Current, LLC (Pacific Current), to achieve its performance and growth objectives, which in turn could affect its ability to service its non-recourse debt;
- the Company's reliance on third parties and the risk of their non-performance, which has increased due to the impact from the COVID-19 pandemic; and
- other risks or uncertainties described elsewhere in this report and in other reports (e.g., "Item 1A. Risk Factors" in the Company's Annual Report on Form 10-K) previously and subsequently filed by HEI and/or Hawaiian Electric with the Securities and Exchange Commission.

Forward-looking statements speak only as of the date of the presentation or filing in which they are made. Except to the extent required by the federal securities laws, HEI, Hawaiian Electric, ASB, Pacific Current and their subsidiaries undertake no obligation to publicly update or revise any forward-looking statements, whether written or oral and whether as a result of new information, future events or otherwise.

Hawaiian Electric Industries, Inc.

1st Quarter 2021 Financial Results & Outlook

May 7, 2021

HEI

Catalyst for a better Hawai'i



Strong consolidated results

1Q21 selected key drivers

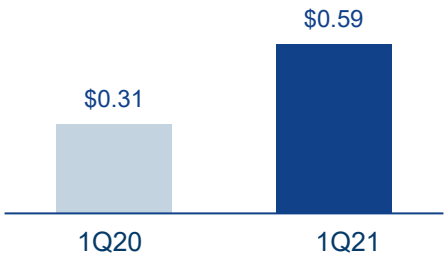
Utility

- Cost efficiencies
  - Savings to be delivered to customers beginning in June

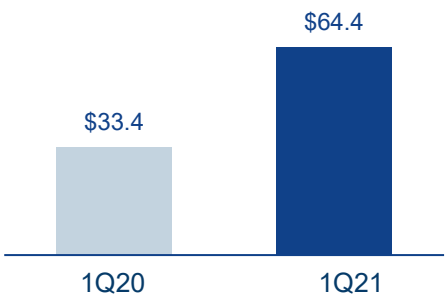
Bank

- Release of provision
  - Elevated credit risk environment moderating as economy begins to improve

QTD EPS (GAAP)

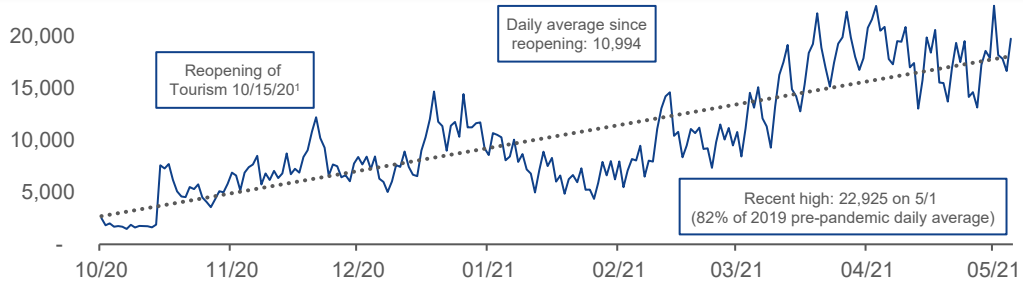


Net Income (GAAP)
($ in millions)



Hawaii economy on path to recovery

Tourism



Unemployment

- Mar. 2021 – Hawaii: 9.0%; U.S.: 6.0%
- Hawaii unemployment peaked Apr. 2020 at 23.8%
- 2021 UHERO unemployment forecast: 7.1%

Real Estate (Oahu)

	Median price Mar. 2021	Mar. 2021 vs Mar. 2020	Sales volume Mar. 2021 vs Mar. 2020
Oahu Single family homes	$950,000	17.3%	19.1%
Oahu Condominiums	$451,000	3.7%	52.7%

Real State GDP

2019A	2020E	2021E	2022E
1.2%	-7.5%	3.7%	3.1%

COVID-19[2]

- Statewide 7-day average:
  - Daily new cases **94**
  - Positivity rate **1.7%; 4.5%** nationwide
- **~40%** of state population fully vaccinated; **~51%** with at least 1 dose

Sources: University of Hawaii Economic Research Organization (UHERO), U.S. Bureau of Labor Statistics, State of Hawaii Dept. of Business, Economic Development and Tourism, Dept. of Labor and Industrial Relations, Title Guaranty Hawaii.

1 Pre-travel testing program implemented 10/15/20.

2 As of 5/6/21. Sources: Center for Disease Control, State of Hawaii Dept. of Health, Johns Hopkins University.

Hawaiian Electric: Focused on cost reductions to benefit customers and transition to PBR

Benefits to customers

- **Cost efficiency** a crucial element of PBR
- Building up savings to deliver on management audit commitment and customer dividend
  - Savings to be delivered to customers starting June 1

Collaboration

- **Utility** and **stakeholders** all learning to work within the new PBR framework
  - Designed to align interests as we increase renewable resources and decarbonize broader economy
  - Collaborating to achieve **affordable**, **reliable**, **resilient** and **equitable** solutions

Incentivized to achieve

- New PIMs being finalized, as well as scorecards and metrics on which utility will report
  - PUC decision on PIMs pending

Hawaiian Electric: Multi-pronged approach to decarbonization

Reaching our goals must be a collaborative, equitable process



- Implementing Stages 1 and 2 of **largest renewable energy and storage procurement in Hawaii's history**
  - Actively collaborating with IPPs, government agencies and stakeholders to overcome challenges to move projects to completion

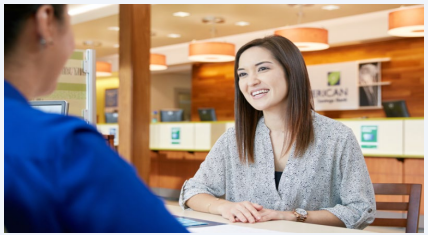


- **Acceleration of DERs and demand response**
  - Filed acceleration recommendations May 3
  - Advancing programs to benefit all customers in fair and equitable manner: community solar, rooftop rentals, aggregating grid services from customer DERs

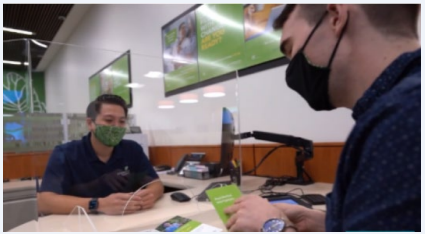


- **Grid modernization** is key to facilitating faster deployment and effective use of demand response and DERs
  - March PUC approval of "opt out" approach in targeted areas means we can deploy advanced meters more quickly

Bank:
Performing well in a challenging environment



- **Competitive performance** in a strong mortgage market
- In Q1 deployed additional $150 million in ASB CARES (PPP) loans in round 2



- Record deposit growth continues to outpace lending opportunities
  - Balanced portfolio management to **optimize fee income and loan portfolio growth** in low interest rate environment
  - While NIM pressured, **record low cost of funds and balance sheet growth** help grow net interest income within expectations



- Modest release of reserves for credit losses reflects **conservative approach** to Hawaii economic recovery
- **Cost control** remains key focus, even as we invest in Anytime, Anywhere Banking transition
- Improved profitability allows for growth of dividend to HEI

Transition to Anytime, Anywhere Banking

Accelerating digital transformation to meet customers where they are

Customers adopting digital options at accelerated pace – with high levels of satisfaction

Learn

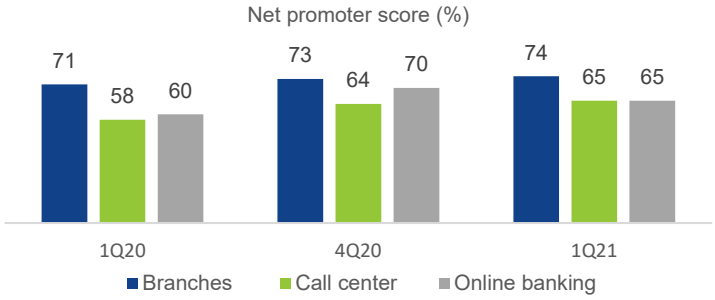
- Launched new website as largest digital branch
- Enhanced online financial wellness content
- Introducing new digital centers

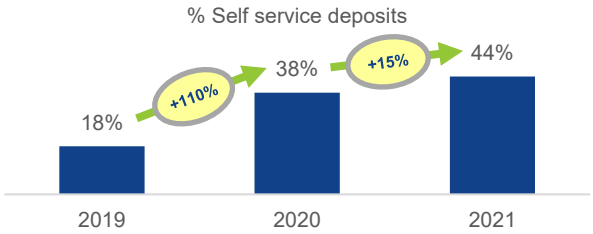
Apply/Open

- Built end-to-end online deposit account opening process
- Expanded origination with digital application for mortgage/refis
- Enhanced online scheduling tool

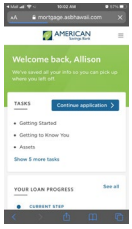
Transact/Service

- Executed re-fleet of entire ATM network with latest technology
- Enhanced mobile



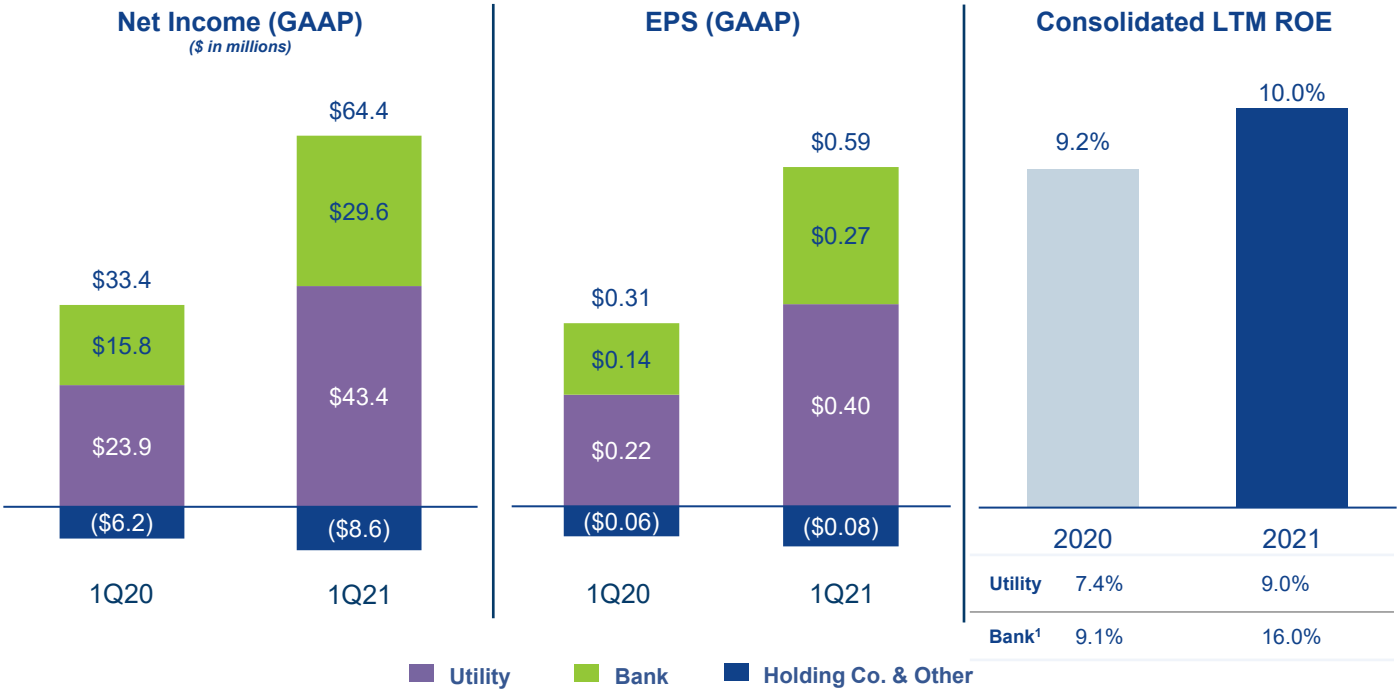






1 No data available for 2Q20 as surveys were temporarily suspended due to the COVID-19 pandemic.

1Q21 financial performance



Note: Columns may not foot due to rounding.

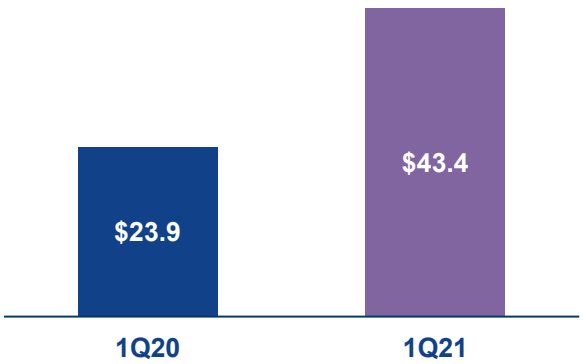
1 Bank ROE is 1Q annualized (not last twelve months) and is based on daily weighted average common equity.

1Q21 utility financial highlights

($ in millions)

- ✓ Improved O&M expense management, including:
  - Lower staffing and increased efficiencies
  - Timing-related items
  - Higher costs in 1Q20
- ✓ Higher revenues from RAM and timing

UTILITY NET INCOME



KEY UTILITY EARNINGS DRIVERS, AFTER-TAX FAV/(UNFAV)

	1Q21 vs 1Q20
Operations and maintenance expense[1]	10
Higher RAM revenue	5
RAM revenue due to timing change in target revenue recognition methodology	4
Lower ERP benefits to be passed on to customers	1
Reset of pension non-service costs included in rates as part of HECO final rate case decision	1
Depreciation	(1)

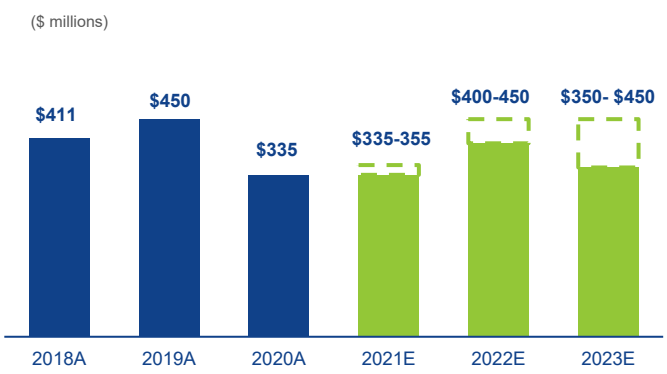
1 Includes pension related expenses.

Utility outlook and drivers

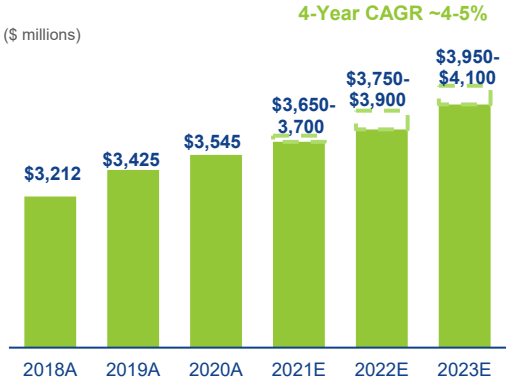
PIMs	• No meaningful contribution from existing PIMs in 2021 • Awaiting PUC final guidance on PBR PIMs
COVID-19 expense deferral	• ~$22M of COVID-related costs deferred as of quarter-end – PUC has approved deferral through June 30; utility filing request for approval to continue deferring costs thereafter – Will file for recovery at later date once actual costs known
Timing of overhauls	• Overhaul timing has shifted overhaul expense recognition later in year
Customer cost savings	• Utility focused on achieving $6.6 million in annual savings per the accelerated Management Audit commitment – On track to achieve requisite savings, with benefits to be returned to customers beginning June 1 through Annual Revenue Adjustment (ARA)

Renewables, reliability and resilience drive capital investment

CAPITAL EXPENDITURES FORECAST



RATE BASE FORECAST



Key Capex Projects [1]	Actual 2020	Forecast 2021	Forecast 2022	Forecast 2023	Recovery Mechanism
Grid Modernization Phase I	$11	$17	$16	$15	MPIR
Grid Modernization Phase II			$9	$26	EPRM
Army Privatization			$21	$4	Contractual (on and of)
Maui and Hawaii Island BESS Projects		$7	$54	$16	EPRM
Waena Switchyard / Kahului Synchronous Condensers		$3	$24	$4	EPRM
Major Projects		~$7	~$16	~$6	EPRM
Baseline Projects	$324	~$300-$320	~$300-$320	~$300-$320	ARA

Investments drive average base earnings growth of 4-5% from 2022 as base year (excludes potential PIM rewards)

- Every dollar spent has identified recovery mechanism
- Baseline projects recovered through ARA
- EPRM and REIP provide above-ARA recovery for approved capital and O&M projects

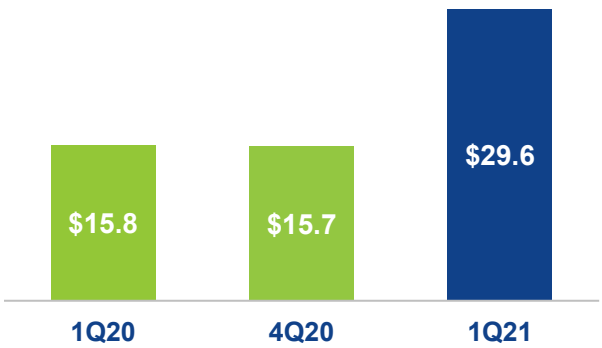
Note: Capital expenditure figures are net of contributions in aid of construction (CIAC).
1 Key projects listed may not sum to capex range shown on bar chart.

1Q21 bank financial highlights

($ in millions)

- ✓ Release of reserves for credit losses
  - Credit upgrades in commercial portfolio
  - Reduced exposure to riskier consumer loans
  - Improved Hawaii economic environment
- ✓ Record low cost of funds

BANK NET INCOME



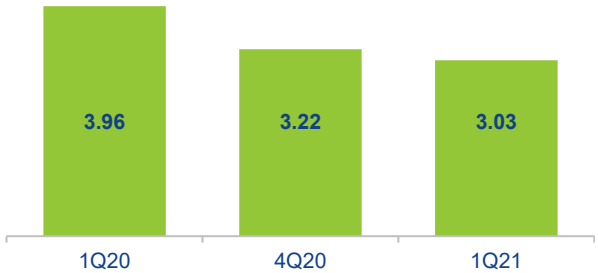
KEY BANK EARNINGS DRIVERS, AFTER-TAX FAV/(UNFAV)

	1Q21 vs 4Q20[1]	1Q21 vs 1Q20[1]
Net interest income	(1)	(3)
Provision for credit losses	14	14
Noninterest income	(1)	4
Noninterest expense	1	(1)

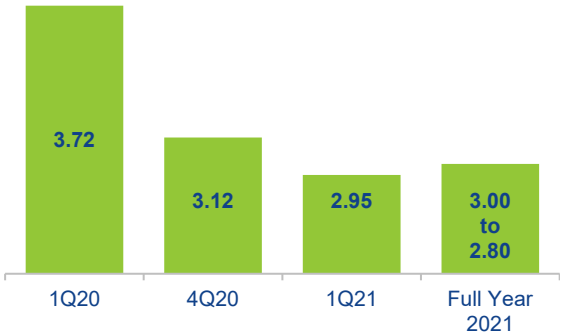
1 Listed variance items do not total to 4Q20 and 1Q20 net income difference due to rounding.

Low funding costs and PPP fees soften impact of low rate environment and record deposits

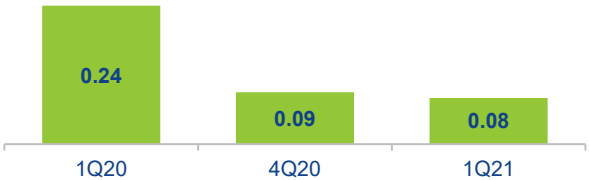
YIELD ON EARNING ASSETS (%)



NET INTEREST MARGIN (%)



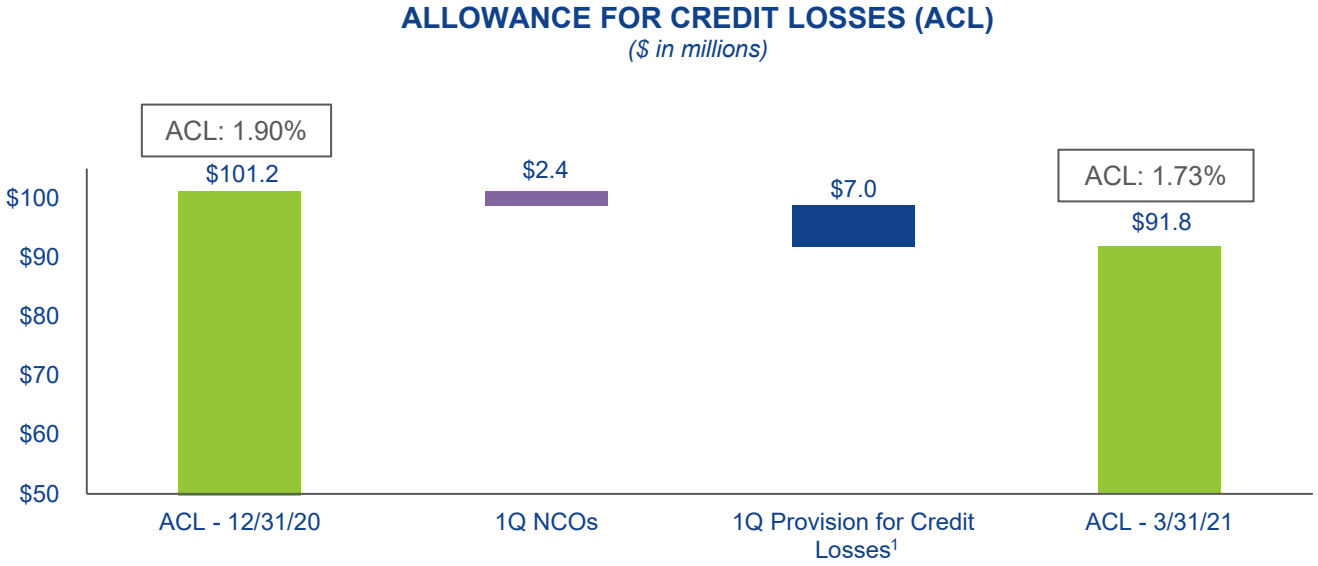
COST OF FUNDS (%)



	Actual	PPP	Ex. PPP
4Q20 Reported NIM	**3.12%**	**4.62**	**3.05**
Impact of higher customer deposits	(0.08)	--	(0.08)
Impact of earning asset mix	(0.03)	--	(0.03)
Lower rate environment	(0.09)	--	(0.09)
PPP fees	0.01	0.16	--
Decrease in funding costs	0.02	--	0.02
1Q21 Reported NIM	**2.95%**	**4.78%**	**2.87%**

Note: Columns may not foot due to rounding.

Provision release reflects positive portfolio dynamics in moderating credit risk environment



	4Q20	1Q21
Beginning ACL balance	$91.5	$101.2
Quarterly provision[1]	$14.6	($7.0)
Less: quarterly NCOs	($4.9)	($2.4)
ACL balance at quarter end	$101.2	$91.8

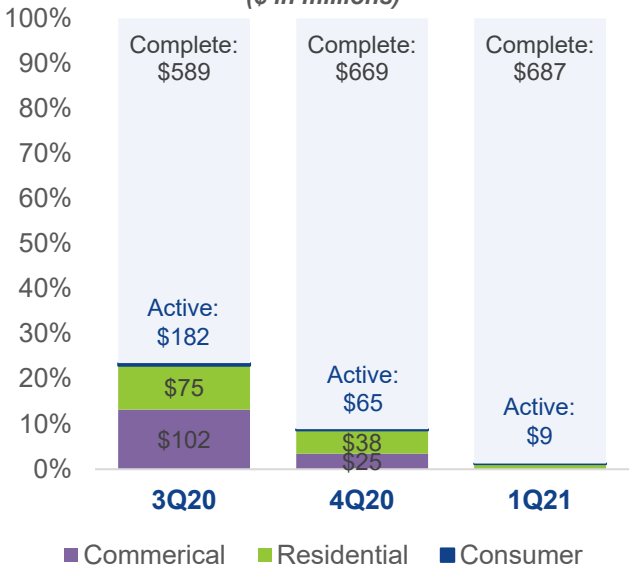
1 Excludes provision for unfunded loan commitments; reserve for unfunded loan commitments is classified in other liabilities on balance sheet and excluded from ACL.

Loan deferrals: Declining deferments with low delinquencies

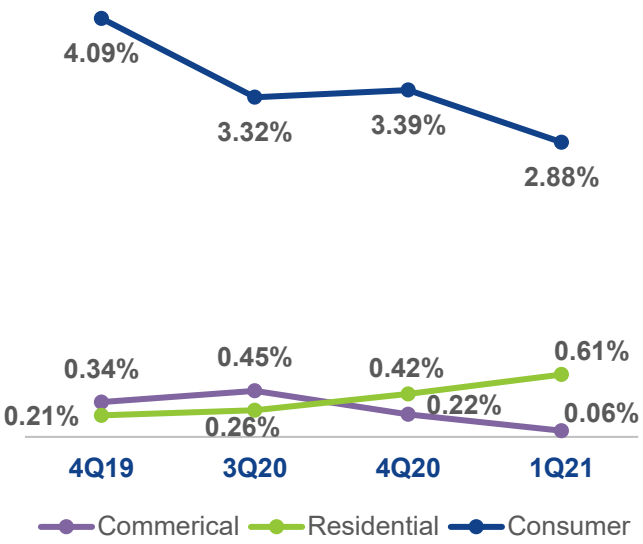
- Nearly all deferred loans have returned to scheduled payments; loans on active deferral = 0.2% of total loan portfolio
- Declining delinquencies in higher risk commercial and consumer portfolios

Deferment Status

($ in millions)

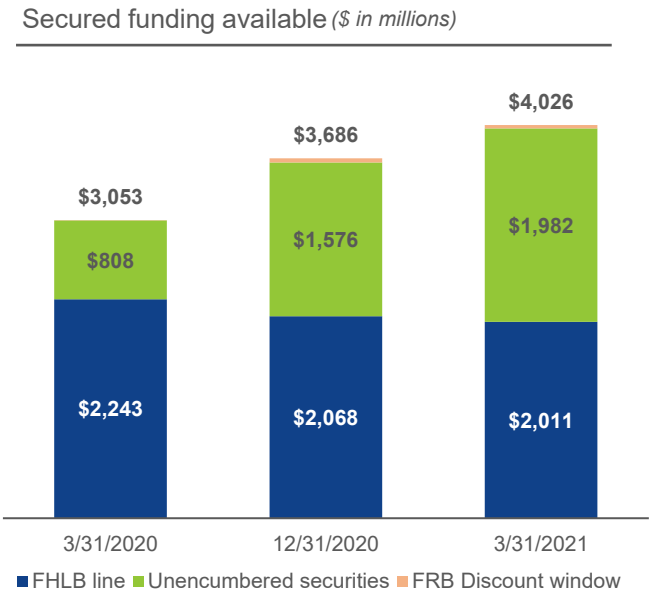


Delinquency Status



Bank liquidity and capital remain strong

Access to large amounts of secured funding



ASB has over $280M of excess equity above the "well capitalized" level

Capital Ratio	Tier 1 leverage
As of 3/31/21	8.33%
"Well capitalized"	5.00%
Minimum requirements	4.00%

HEI financing outlook 2021
(as of May 7, 2021)

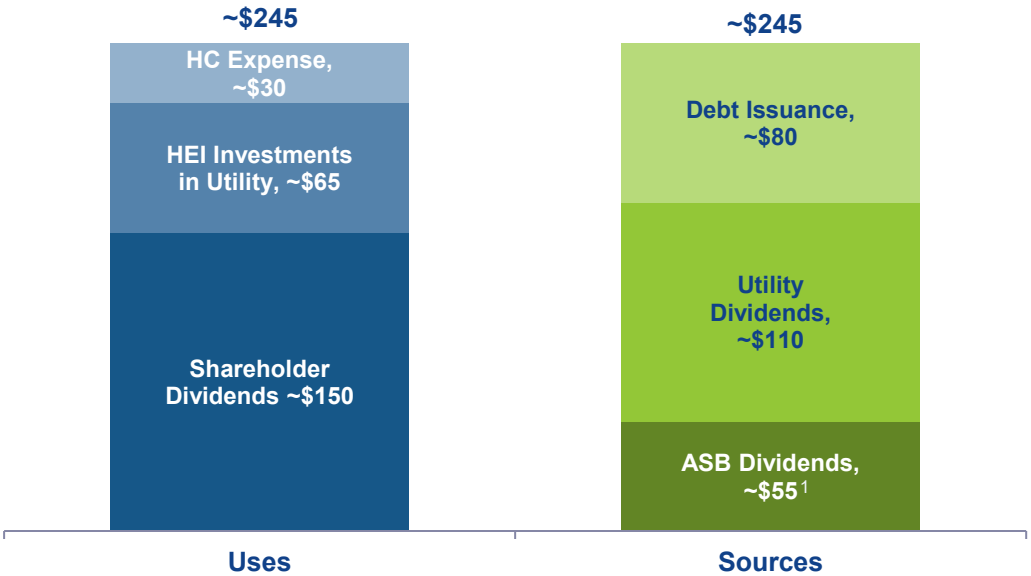
Both bank and utility remain net cash flow providers to holding company; Bank dividend increasing

No external equity required in 2021

Balance sheet remains investment grade

Utility credit rating upgraded by S&P and Moody's

2021 HOLDING COMPANY SOURCES & USES OF CAPITAL
($ in millions)



Note: Numbers in chart are rounded to nearest multiple of 5 million.
1 Midpoint of $50-60 million range shown on following slide.

HEI 2021 revised EPS guidance

(as of May 7, 2021)

HEI EPS: $1.90 - $2.05 PER SHARE

[Previous: $1.75 - $1.95]

UTILITY EPS: $1.53 - $1.61 (Reaffirmed)

KEY ASSUMPTIONS:

- With limited exception, PBR changes effective Jun. 1, 2021
- Existing cost trackers remain in place
- Full recovery of COVID19-related expenses
- Capex of $335 to $355 million
- Conservative initial implementation of new PIMs and no meaningful PIMs contribution
- O&M excluding pension[1] down ~1%
  - Assumes accelerated achievement of management audit savings
- Equity capitalization at approved rate case levels

BANK REVISED EPS: $0.67 - $0.74 [Previous: $0.52 - $0.62]

KEY ASSUMPTIONS:

	Revised guidance	Previous
NIM (%)	**~2.80 to 3.00**	~2.90 to 3.15
Provision expense *(millions)*	**$0 to $10**	$17 to $25
ROA (%)	**>0.85**	>0.70
Dividends to HEI *(millions)*	**$50 to $60**	$35 to $40

- Flat to low single digit earning asset growth
- Noninterest expense flat to down

No new equity issuances in 2021

Targeting consistent dividend growth in line with earnings growth

Note: Holding company and other net loss estimated at $0.28 - $0.30.

1 Also excludes O&M expenses covered by surcharges or by third parties that are neutral to net income.

Reference the cautionary note regarding forward-looking statements (FLS) accompanying this presentation which provides additional information on important factors that could cause results to differ. The company undertakes no obligation to publicly update or revise FLS, including EPS guidance, whether as a result of new information, future events, or otherwise. See also the FLS and risk factors in HEI's SEC form 10-K for the year ended December 31, 2020 and HEI's other periodic reports.

ESG is in our DNA

Strength of our companies is inextricably linked to the health of our environment, economy and communities

Embedded in Core Strategies

Hawaiian Electric	Focused on achieving state's climate goals in a way that is safe, reliable, resilient, equitable and affordable
AMERICAN Savings Bank	Investing in Hawaii's economic growth; fostering innovation and entrepreneurship to diversify and expand state economy; advancing affordability and financial fitness
PACIFIC CURRENT	Advancing Hawaii's sustainability goals through investment in clean energy, water, wastewater and agriculture

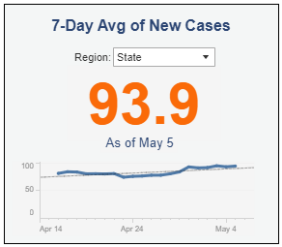
Deepening ESG Integration

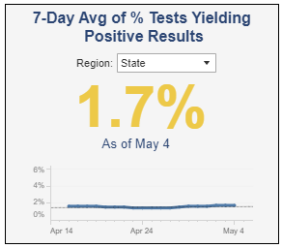
Integrating ESG even further into our governance, strategy, risk management and financing

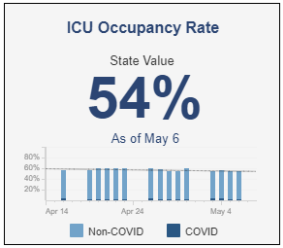
- ✓ Published second ESG report on April 2021
  - Included ESG priorities assessment, first TCFD-aligned disclosures and continued SASB-aligned disclosures
- ✓ Deepening ESG integration into business, processes and governance
- ✓ Focused on ESG topics that drive long-term value creation

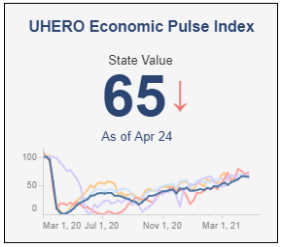
Appendix

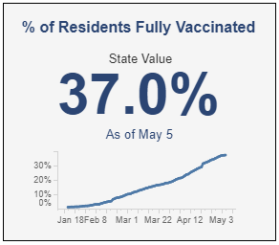
Hawaii COVID case update

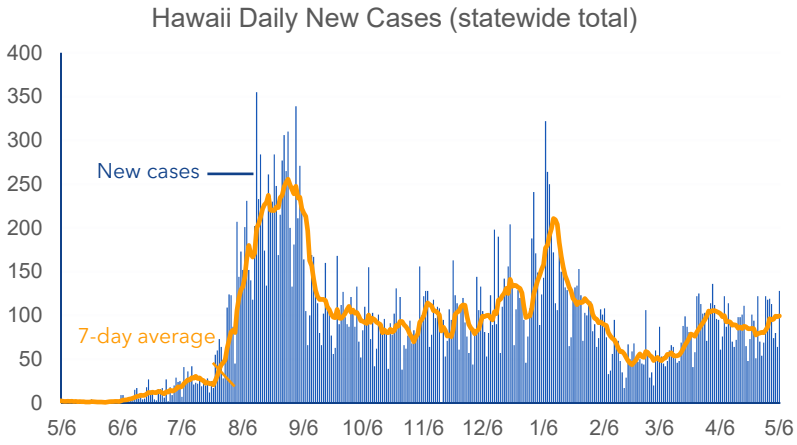




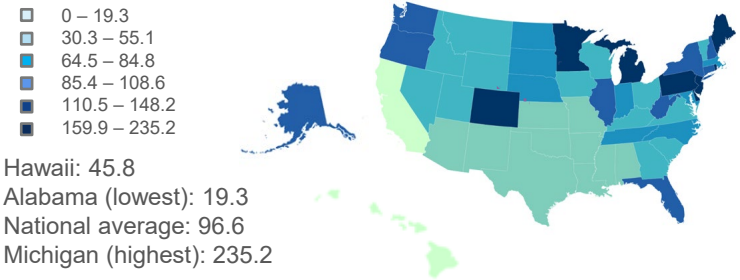








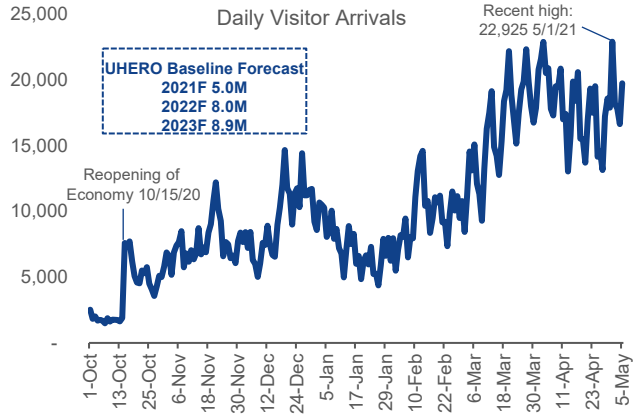
Average daily case rate in last 7 days, per 100K residents
(as of 5/6/21)

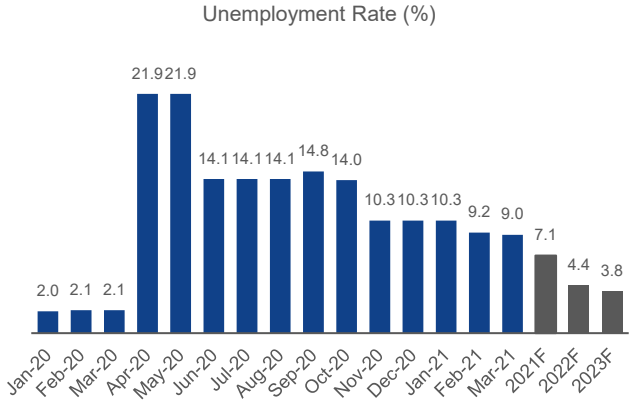


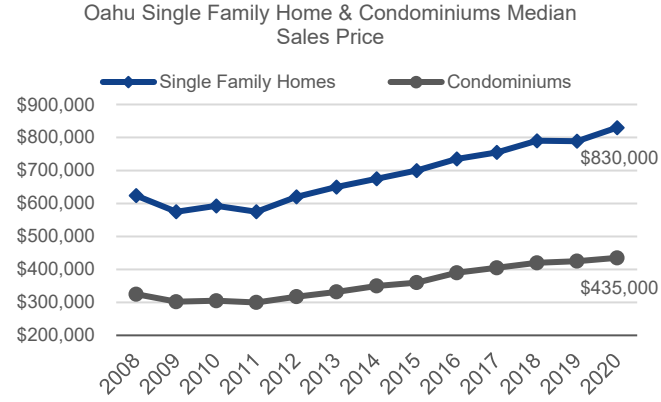
Hawaii: 45.8
Alabama (lowest): 19.3
National average: 96.6
Michigan (highest): 235.2

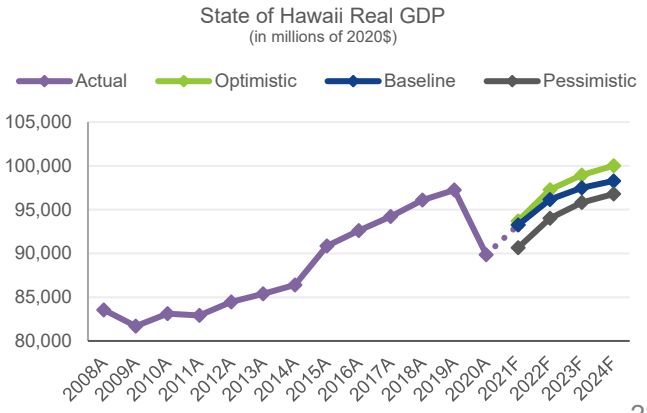
Sources: Centers for Disease Control and Prevention, CovidPau.org, Honolulu Star Advertiser

Hawaii on a path to recovery









Sources: Department of Business, Economic Development and Tourism, University of Hawaii Economic Research Organization, U.S. Bureau of Labor Statistics and the State of Hawaii Department of Labor and Industrial Relations, Title Guaranty Hawaii.

Hawaii economic forecast

- UHERO forecast (base case) sees travel and tourism picking up in the second quarter of 2021, recovering more than half of pandemic losses by July
- Domestic arrivals expected to see strong recovery in 2021, reaching ~70% of pre-pandemic level by late summer
- Visitor spending expected to recover nearly 70% of pandemic losses by year end

Hawaii Economic Research Organization (UHERO) forecast

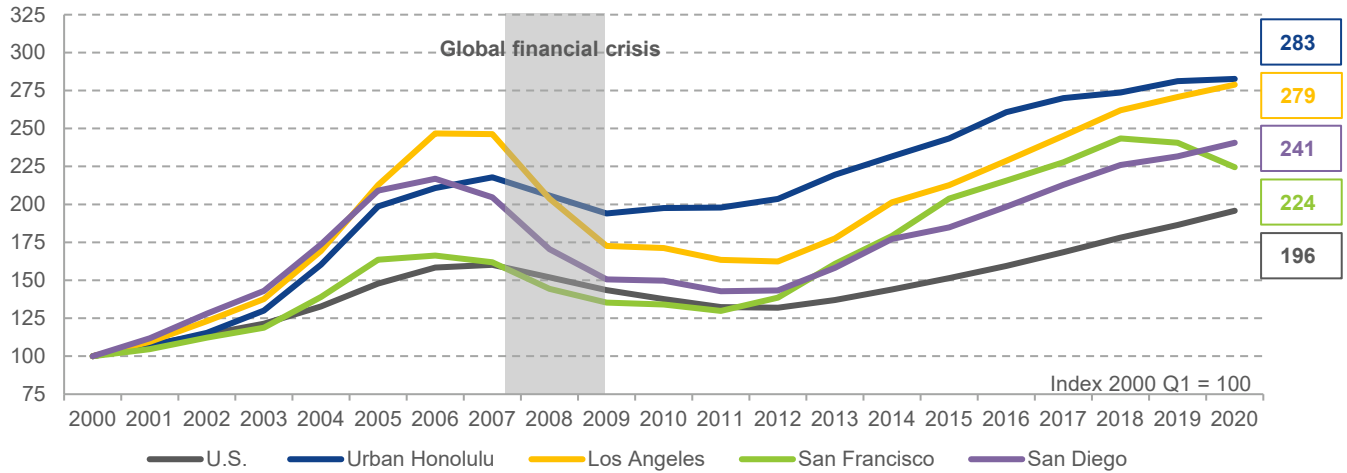
	2020	2021			2022			2023		
Scenario	**Actual**	Pessimistic	**Base**	Optimistic	Pessimistic	**Base**	Optimistic	Pessimistic	**Base**	Optimistic
Real GDP (millions 2020$)	**89,996**	90,654	**93,251**	93,715	94,014	**96,158**	97,280	95,823	**97,492**	98,960
YoY % change	**-7.5**	0.8	**3.7**	4.1	3.7	**3.1**	3.8	1.9	**1.4**	1.7
Total visitor arrivals by air (thousands)	**2,738**	3,355	**4,978**	5,746	7,205	**8,005**	8,519	8,674	**8,870**	9,226
YoY % change	**-73.6**	22.5	**81.8**	109.8	114.8	**60.8**	48.3	20.4	**10.7**	8.3
Real personal income (millions 2020$)	**85,566**	82,635	**84,658**	85,957	80,227	**82,008**	83,569	82,538	**83,587**	85,085
YoY % change	**4.3**	-3.4	**-1.1**	0.4	-2.9	**-3.1**	-2.8	2.9	**1.9**	1.8
Unemployment rate (%)	**12.0**	9.8	**7.1**	5.9	5.5	**4.4**	3.6	4.3	**3.8**	3.2

Source: UHERO, *More Substantial Recovery is in Sight*, 3/5/21.

Hawaii's resilient real estate values

Demonstrates lower risk of bank portfolio

Honolulu single family home prices declined less and rebounded faster in last recession



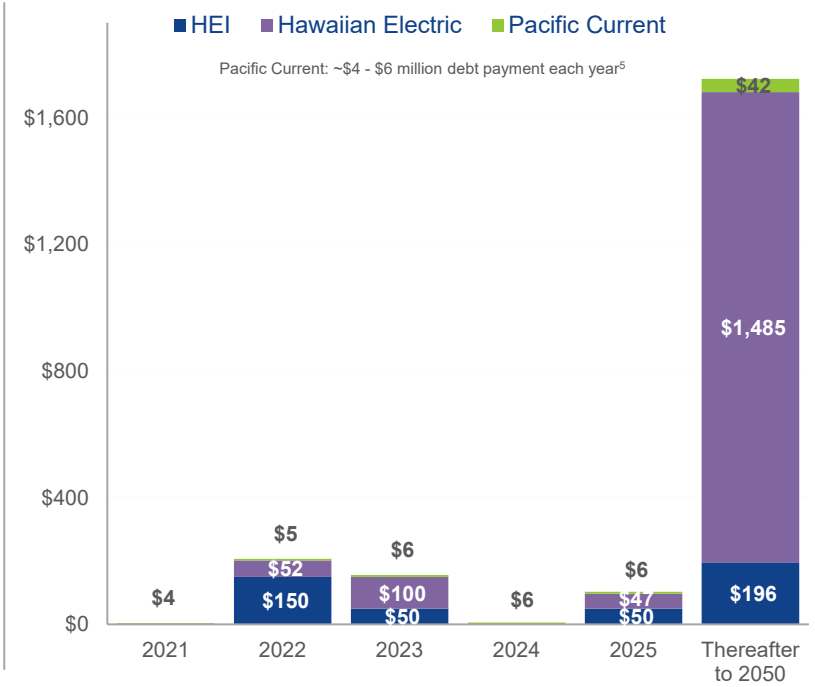
	Peak yr	High	Low yr	Low	Change (%)	Duration (yrs)
Honolulu	2007	218	2010	194	-11.0	~3
Los Angeles	2006	247	2012	161	-34.8	~6
San Francisco	2006	166	2011	130	-21.7	~5
San Diego	2005	216	2011	141	-34.7	~6
U.S.	2007	157	2011	130	-17.2	~4

Source: Federal Reserve Bank of St. Louis All-Transactions House Price Index.
Note: Data through 1Q20 and reflects most recently reported data as of 5/3/21.

Debt maturities[1] & credit ratings

($ in millions)

Credit Ratings	HEI	Hawaiian Electric
Moody's[2]	Unrated/Stable/P-2	Baa1/Stable/P-2
S&P[3]	BBB-/Stable/A-3	BBB/Stable/A-2
Fitch[4]	BBB/Stable/F3	BBB+/Stable/F2

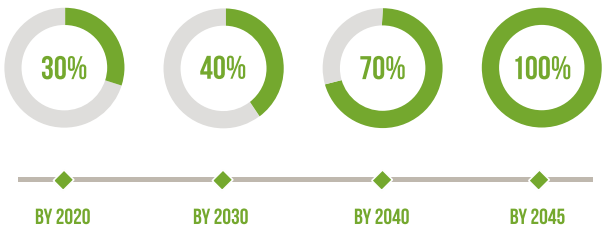


Note: Debt balances do not reflect debt expenses of ~$10 million.

1 Debt maturities data as of 3/31/21.
2 Source for ratings: Apr. 2021 (HEI and Hawaiian Electric) Moody's report.
3 Source for ratings: Mar. 2021 (HEI and Hawaiian Electric) S&P report.
4 Source for ratings: Aug. 2020 (HEI & Hawaiian Electric) Fitch report.
5 Excludes construction debt related to Pacific Current's Mauo project.

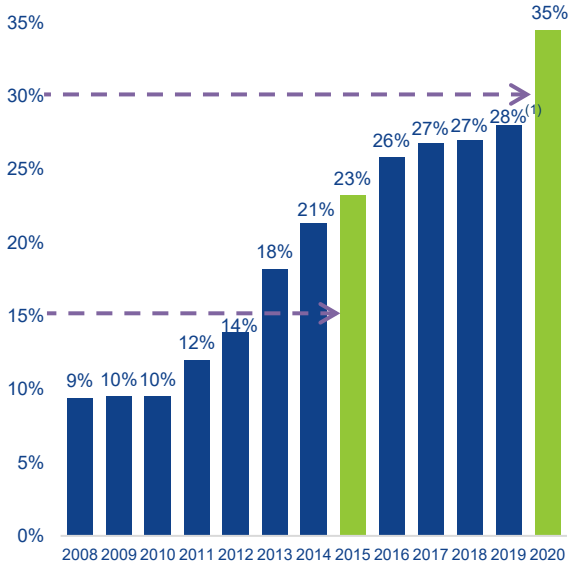
Committed to ambitious climate goals

Hawaii's goals of 100% RPS and carbon neutrality by 2045 are among most ambitious in the nation



Exceeded 2020 RPS milestone of 30%

2020 RPS = 34.5%



1 2018 and 2019 RPS achievement impacted by outage of Hawaii Island's geothermal resource, third-party owned Puna Geothermal Venture (PGV), beginning in May 2018 due to Kilauea volcanic eruption. 2018 and 2019 RPS achievement would have been 29% and more than 31%, respectively, had PGV produced at same level as 2017.

Path to a 100% renewable, carbon neutral future

Leading a community-wide transformation

✓ **Aggressively procuring renewable energy & storage**	• Advancing Hawaii's largest-ever renewable energy and storage procurements • Helping enable end of coal in Hawaii in 2022, additional fossil plant retirement planned for 2024
✓ **Growing distributed energy resources (DER)**	• Core to achieving our goals • Integrating nation's highest percentage of rooftop solar and seeking to add more • Broadening access with community-based renewable energy
✓ **Accelerating electrification of transportation (EoT)**	• Advancing plans outlined in EoT Strategic Roadmap • Proposed make-ready infrastructure eBus and commercial pilots, continuing public charging deployment, evolving EV rate design
✓ **Modernizing our grid**	• Implementing Grid Modernization Strategy to integrate more renewables and DER, provide customer options and enhance reliability and resilience
✓ **Evolving our regulatory framework**	• Performance-based regulation (PBR) intended to facilitate energy transition, align regulatory framework with customer interests and policy goals • Phase 2 PBR D&O issued 12/23/20
✓ **Long-range planning for clean, resilient, reliable energy**	• Engaging stakeholders in Integrated Grid Planning, combining planning and procurement for generation and T&D • Resilience a key focus

Aggressively pursuing clean energy additions

- **Procurements underway to increase future RPS achievement**
  - Procurements significant given system peak load:

    Oahu: ~1200 MW, Hawaii Island: ~200 MW, Maui County: ~200 MW

Stage 2 RFP	– Filed 10 PPAs for solar and storage and 2 self-build storage applications ▪ PUC has approved 5 PPAs from Dec. 2020 to April 2021 – Potential to add 382 MW of solar and ~2GWh of storage by end 2023
Stage 1 RFP	– 8th solar-plus-storage PPA approved Oct. 2020 – Stage 1 PPAs have potential to add ~275 MW of solar and ~1 GWh of storage
CBRE	– Filed revised draft tariffs and draft RFPs for over 235 MW of renewables, with options for LMI customers; Utility able to develop projects, recruit subscribers
PGV	– Resumed delivering power to grid under existing PPA – PUC suspended docket for approval of amended and restated PPA pending supplemental environmental review; company has filed a motion for reconsideration and clarification
Fossil retirements	– PPA with 180 MW coal plant expires Sept. 2022 – 37.6 MW Kahului oil-fired plant planned for retirement in 2024 – Honolulu Power Plant deactivated Jan. 2014

Encouraging rooftop PV, customer-sited resources

Providing programs and infrastructure to integrate and incentivize DER

Nation's highest penetration of rooftop solar

- 20% of all residential customers
- 36% of Oahu single family homes

Distributed energy resources (DER) are a key element of our plan for achieving 100% RPS

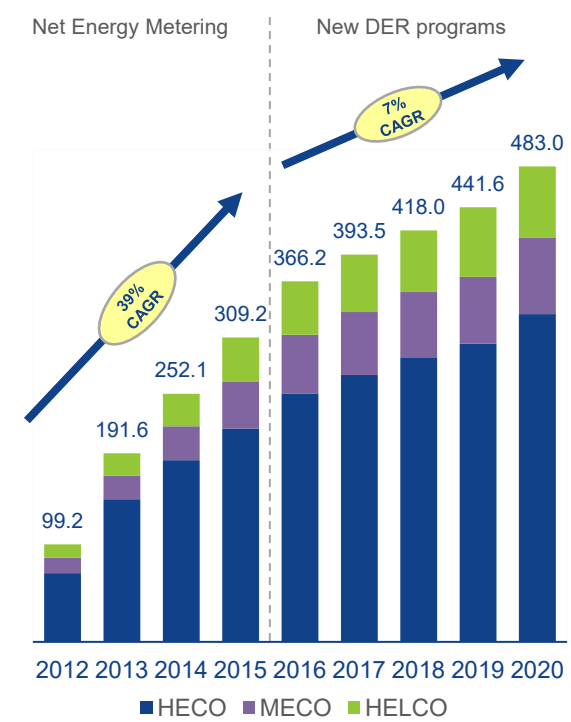
- Requires significant investment to modernize the grid to ensure reliability
- Equity a key consideration in program design

National leader and innovator in integrating high levels of residential rooftop solar

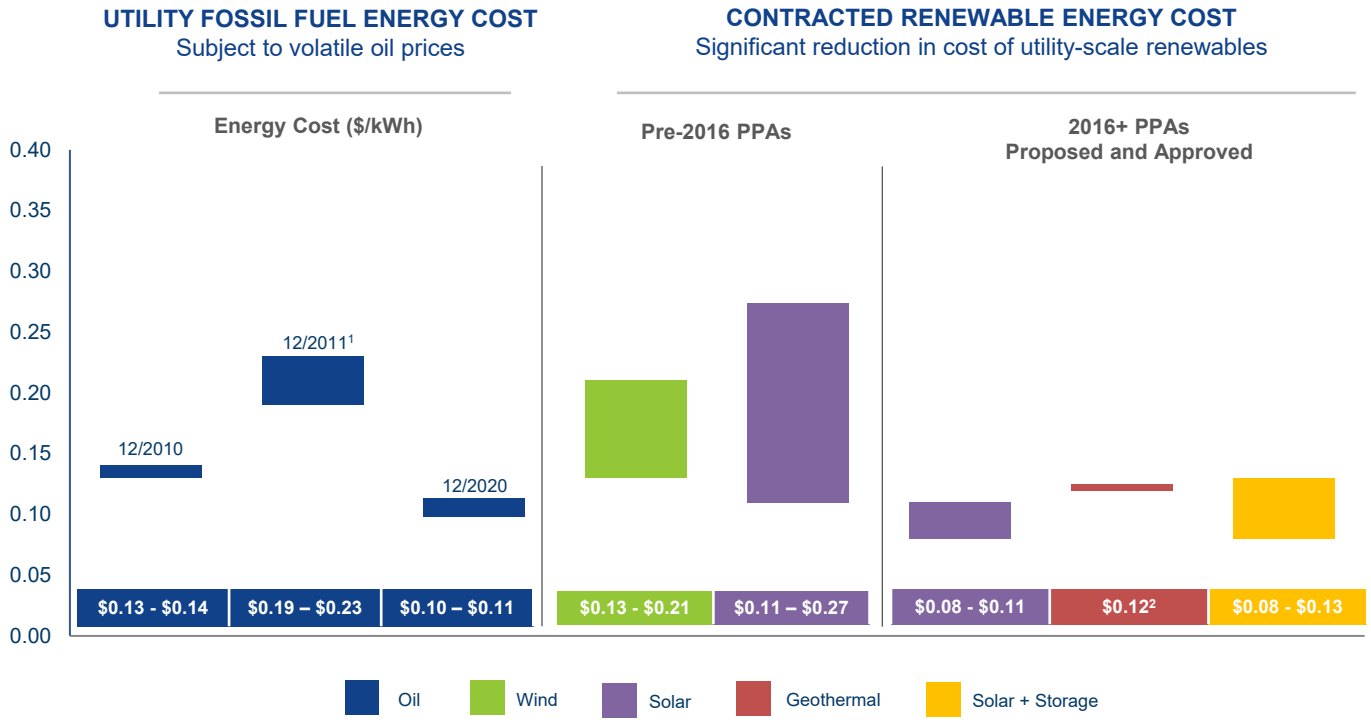
- Managing grid to ensure reliability with high levels of variable, intermittent distributed sources
- Using innovative inverter technologies and smart meters to manage distributed resources
- Expertise routinely sought by other utilities

Cumulative residential PV installations

(in megawatts)



Renewable energy key to affordability, bill stability



1 The 2011 fuel oil increase was largely driven by the nuclear disaster of the Fukushima power plant in March 2011 which increased the price of oil in Hawaii as our fuel oil purchases are largely driven by the Asia Pacific market.
2 Assumes dispatch at same level as in 2017. Pricing based on amended and restated PPA, which is pending PUC approval.

2021 reflects PBR transition

- Earnings opportunities increase as PBR mechanisms fully implemented, utility achieves accelerated customer savings commitment, projects are approved under EPRM and new pilot program, and RPS-A PIM potential grows with addition of Stage 1 & 2 RFP projects
- In Final PBR D&O, Commission stated: "….while the Phase 1 Staff Proposal had indicated a potential PIM Portfolio of approximately 150-200 basis points…the value of the initial portfolio approved in this D&O is more conservative, to provide 'room' to accommodate future PIMs and/or SSMs that may be developed in the Post-D&O Working Group and/or in other proceedings."

2020	• Dec. 23	PUC Phase 2 PBR D&O
2021	• Jan. 1	Elements of PBR effective: – EPRM (broadened to include both capital and O&M investment) – RPS-A, grid services and interconnection PIMs
	• Jan. 15	PUC decision clarifying management audit savings delivery
	• Jan – May	Working group to develop detailed tariffs, finalize scorecards, reporting metrics
	• Jun. 1	Additional PBR elements and tariffs effective, including: – ARA – AMI utilization and LMI energy efficiency PIMs – Pilot project approval process – Symmetrical earnings sharing – Scorecards, reporting metrics
2022	• Jan. 1	Former RAM lag eliminated with ARA accrual
2024		Comprehensive review of PBR framework

Ongoing

- *Evaluation and development of additional PIMs*
- *Review of PBR framework*

New PBR framework

Most components effective June 1, 2021

Pre-PBR mechanisms	*Change under PBR*
3-year rate plan	**5-year rate plan**
Revenue adjustment mechanism (RAM)	**Annual revenue adjustment (ARA)** Accounts for inflation, productivity improvements (set at zero), material events outside utility control, customer dividend
Major project interim recovery (MPIR)	**Exceptional Project Recovery Mechanism (EPRM)** Continues to provide recovery for extraordinary projects; expanded to cover O&M expenses projects and programs (not just capex). Provides for pro-rated full project cost recovery first year project in service
Existing cost trackers	**Remain in place** Includes purchased power adjustment clause; energy cost recovery clause; renewable energy infrastructure, demand side management, demand response recovery surcharges, pension trackers
Performance incentive mechanisms (PIMs)	**Additional PIMs added** New PIMs designed to drive progress on priority outcomes in addition to previous PIMs
Earnings sharing above allowed ROE	**Symmetrical earnings sharing mechanism** No earnings sharing within +/-300bps deadband of allowed ROE of 9.5%; 50-50 sharing within +/-150bps outside of deadband, 90-10 sharing thereafter
Decoupling	**Remains in place**

Annual revenue adjustment mechanism formula

Annual target revenues now set with ARA during 5-year MRP

Annual revenue adjustment formula:

i-factor **−** ***x-factor*** **+** ***z-factor*** **−** ***customer dividend***

Accounts for annual inflation

- Measured by Gross Domestic Product Price Index (GDPPI)

Productivity factor

- Initially set at 0%

Ex post **opportunity to recover costs for exogenous events**

- Review and approval determined on case-by-case basis

Two components:

(i) 0.22% adjustment

~$2.1M in annual revenues beginning 2021[1] and compounds over time

+

(ii) management audit savings commitment made in Hawaiian Electric 2020 rate case, approved by PUC at $6.6 million annually

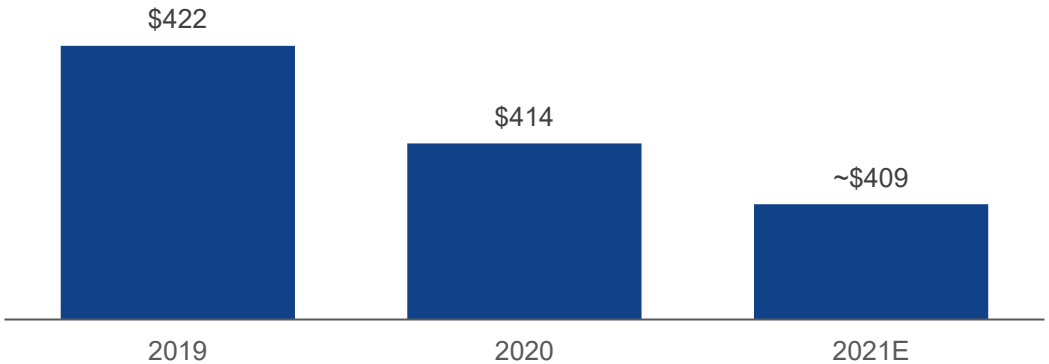
1 Year one (2021) $2.1M based on 2020 target revenues.

Efficiency remains a core focus

- **Accelerated delivery of management audit savings in 2021**
- **Ongoing efficiencies needed under ARA**
  - Focus on keeping O&M growth below inflation and offsetting costs that rise faster than inflation (i.e., audit fees, insurance premiums, healthcare benefits)
- **Utility cost savings plan:**
  - Reduced overtime through improved scheduling, coordination
  - Managed reductions in workforce (3% reduction in 2020; first year in 3-year plan)
  - Process improvements
  - Strategic sourcing
  - Reduction of office footprint

O&M excluding pension, 2019 – 2021E

($ millions)

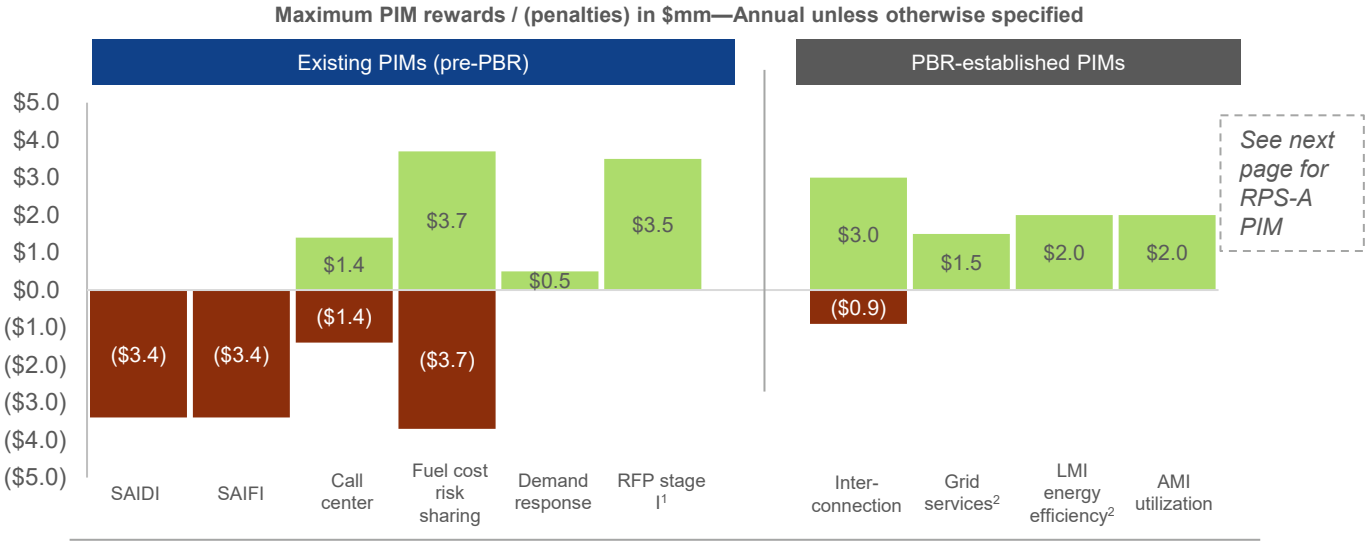


New performance incentive (PIMs) and shared savings mechanisms (SSMs) create additional earnings opportunities

	Summary	Upside / downside
Interconnection approval PIM	Rewards and penalties based on utility ability to reduce approval time to interconnect DER systems <100 kW	+$3M / -$0.9M annually
Grid services procurement PIM	Rewards (no penalties) to incentivize acquisition of grid services from DER through 2022; thereafter to be replaced by to-be-developed Grid Services Utilization PIM	+$1.5M over 2 years
LMI[1] energy efficiency PIM	Rewards (no penalties) for collaborating with Hawaii Energy to deliver savings to LMI customers and increase participation in Hawaii Energy programs	+$2M over 2 years
RPS-A PIM	Rewards (penalties already exist in RPS statute) for accelerating RPS achievement targets, measured as renewable generation divided by total generation	$20, $15 and $10/MWh in 2021, 2022 and 2023-25, respectively
AMI utilization PIM	Details to be finalized in post-D&O working group. Intended to incentivize acceleration of enabled advanced meter deployment. Commission envisions PIM to be upside only	Max annual award of $2M being considered
NWA SSM	Will allow utility to share in 20-30% of savings from utilization of non-wires alternatives	To be determined
Renewable procurement SSM	Commission will continue to provide renewable energy procurement rewards (similar to previous RFP PIMs). May be available for utility self-build projects	To be determined

1 Low- to moderate-income.

Performance incentive mechanisms (PIMs) incentivize performance on key outcomes



PIMs and SSMs under development

- **Additional PIMs to be developed, including in other dockets, with potential target of 150-200 bps upside[3]**
- **Non-wires alternative shared savings mechanism (SSM):** Will allow utility to share in 20-30% of savings from utilization of non-wires alternatives
- **Renewable procurement SSM**: Commission will continue to provide renewable energy procurement rewards (similar to previous RFP PIMs). May be available for utility self-build projects

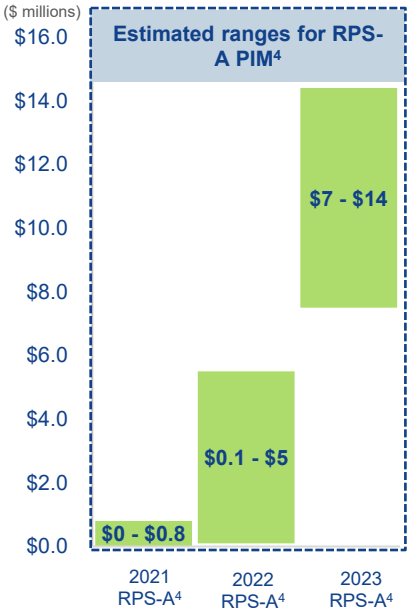
1 RFP Stage 1 shared savings expansion of additional $3M not reflected above, as additional projects were proposed under RFP Stage 2 rather than as part of Stage 1. Original RFP Stage 2 shared savings potential of $10M did not materialize due to market pricing higher than benchmark.
2 Amount shown is amount that can be earned over two years.
3 As stated in PUC's PBR D&O, PUC set initial new PIMs at "conservative" level relative to Phase 1 Staff Proposal's 150-250 bps potential PIM portfolio to provide "room" for future PIMs and/or SSMs to be developed.

RPS-A PIM rewards accelerated renewable energy growth

RPS-A PIM potential grows as Stage 1 & Stage 2 RFP projects come online

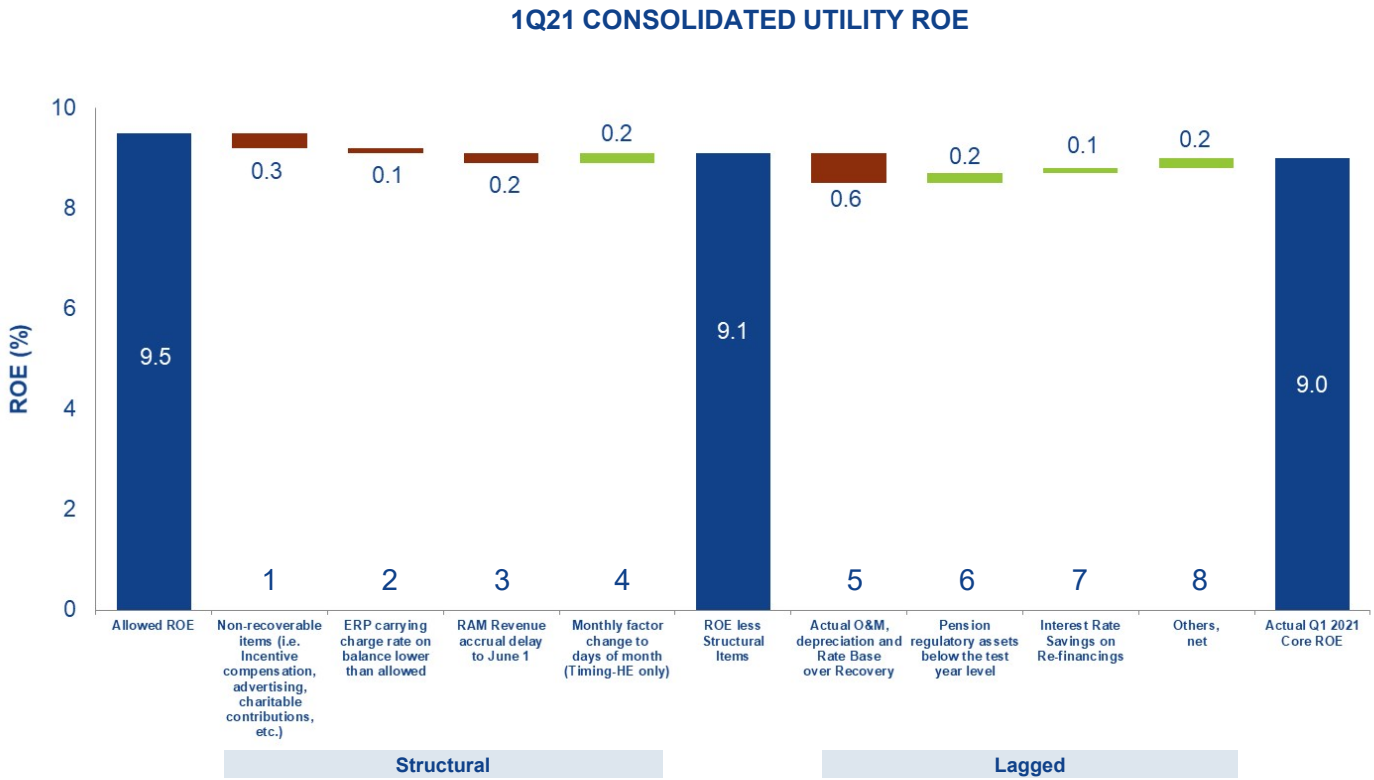
- Projects filed or pending filing have potential to add ~657 MW of solar and ~3 GWh of storage by ~2023

Statutory RPS[1]	PBR RPS-A[3]
Measured as % of sales represented by renewable energy 30% (2020) → 40% (2030) → 70% (2040) → 100% (2045)	Annual targets interpolated between statutory RPS milestone dates and % • 31% in 2021, 32% in 2022, ..., 39% in 2029 • 40% in 2030, 43% in 2031, …, 67% in 2039 • Etc.
RPS = (Grid Scale RE + Customer Sited RE) / Utility Sales	RPS-A = (Grid Scale RE + Customer Sited RE) / (Total Net Generation + Customer RE)
Penalty for underperformance: $20/MWh penalty for every MWh deficient under RPS milestone[2]	Rewards for outperformance: 2021-22: $20/MWh 2023: $15/MWh 2024+: $10/MWh



1 Legislative mandate under HRS §269-92.
2 Penalty may be reduced at PUC discretion.
3 PIM established in Order No. 37507 of PBR Docket.
4 RPS-A PIM ranges shown are approximations based on current assumptions on renewables project commercial operation dates and total generation and may change as project completion timelines shift.

Utility LTM ROE



Hawaiian Electric: Current authorized rates

	Hawaiian Electric (Oahu)	Hawaii Electric Light (Hawaii Island)	Maui Electric (Maui County)
Return on Average Common Equity	9.50%	9.50%	9.50%
Common Equity Capitalization	57.15%	56.83%	57.02%
Average Rate Base	$1,993 million	$534 million	$454 million
Date Authorized	10/22/20	7/28/20	5/16/19

Status of key open dockets

Subject and description	Docket #	Latest development	Next milestone
Performance-based regulation Proceeding to evolve regulatory framework to better align with customer interests and state clean energy policy	2018-0088	PUC issued Phase 2 D&O Dec. 23, 2020 and Order granting the Companies' Motion for Partial Clarification and/or Reconsideration on Jan. 15, 2021. Filed updated proposal addressing Prioritized PIMs on Mar. 16 and Apr. 9.	Final PBR and annual decoupling tariffs go into effect Jun. 1. PUC order on Prioritized PIMs pending. Tariffs for Prioritized PIMs due in May and expected to take effect Jun. 1.
Stage 2 RFP Sought up to ~900 MW of new renewables and over 500 GWh of storage, as well as grid services	2017-0352	PUC approved five renewable and storage contracts from Dec. 2020 to Apr. 2021. PUC requested that Company proceed with development of a Stage 3 RFP for Hawaii Island. (See KES ESPPA update below.)	Companies to complete PUC proceedings for projects pending approval and complete Interconnection Requirements Studies for all projects. Draft Stage 3 RFP to be filed Oct. 15.
Interconnection Review status and interconnection progress of renewable projects, AES Plant, Kahului Power Plant, and other fossil fuel power plant transition plans, as needed	2021-0024	On Apr. 27, PUC issued an Order directing Companies to record regulatory liability for costs to customers resulting from delays in commercial operations of approved Stage 1, Stage 2, and CBRE Phase 1 Projects.	File Motion for Reconsideration and/or Clarification by May 7.
Kapolei Energy Storage (KES) ESPPA Request approval of an ESPPA relating to the 185 MW storage project in Kapolei	2020-0136	On Apr. 30, PUC issued D&O approving, with conditions, the ESPPA for a 185 MW battery energy storage system.	File Motion for Reconsideration and/or Clarification by May 10.
Integrated Grid Planning (IGP) Next phase of long-range planning, combining planning and procurement of traditional and non-traditional resources	2018-0165	PUC guidance provided on proposed forecasts, inputs and assumption in Apr.	Updated IGP inputs and assumptions to be filed 3Q21.
Grid Modernization Plans for implementing new technologies to increase utilization of DER while improving grid reliability and resiliency	2017-0226; 2018-0141; 2019-0327	PUC order reopened Dkt 2019-0327 to address ADMS and field device application, parties filed new proposed procedural schedule on May 5.	Pending procedural order.
Electrification of Transportation Establishes EV-J and EV-P Charging Service to support the development of EV technology	2018-0135 2020-0152	Consumer Advocate filed statement of position and Companies filed reply.	Pending PUC decision.
Community Based Renewable Energy Phase 2 program capacity expanded to 235 MW	2015-0389	Filed updated final tariffs, RFP and model contracts for LMI subscribers, Tranche 1, and Molokai and Lanai in Mar.	PUC order on Mar. 2021 filing pending.
E-Bus and Commercial make-ready infrastructure Support make-ready infrastructure, enable and accelerate electrification of bus fleets	2020-0098 2020-0202	Company filed responses to IRs in E-Bus make-ready and Charge Ready Hawaii proceedings.	E-Bus make-ready pilot ready for decision making. Consumer Advocate to file statement of position in Charge Ready Hawaii Pilot docket.
COVID-19 Deferral Accounting Treatment Request to defer costs associated with COVID-19 pandemic	2020-0069	PUC approved extension of deferral period through Jun. 30. PUC closed docket on Apr. 26, 2021.	File request to reopen docket and extend deferral period beyond Jun. 30. Cost recovery request to be filed separately.
COVID-19 Extending Suspension of Termination or Disconnection of Regulated Utility Service and Establishing Reporting Requirements Extends disconnection of services	2020-0209	PUC extended suspension of service disconnection due to non-payment through May 31.	Ongoing quarterly and monthly reporting.
DER Policies Investigates Distributed Energy Resources (DER) as they relate to the Hawaiian Electric Companies	2019-0323	Final Advanced Rate Design proposal filed in Mar. Company included proposal for emergency demand response in final Program Track proposal filed on May 3.	Meeting with PUC and Parties to discuss final proposals and other DER matters May 12.

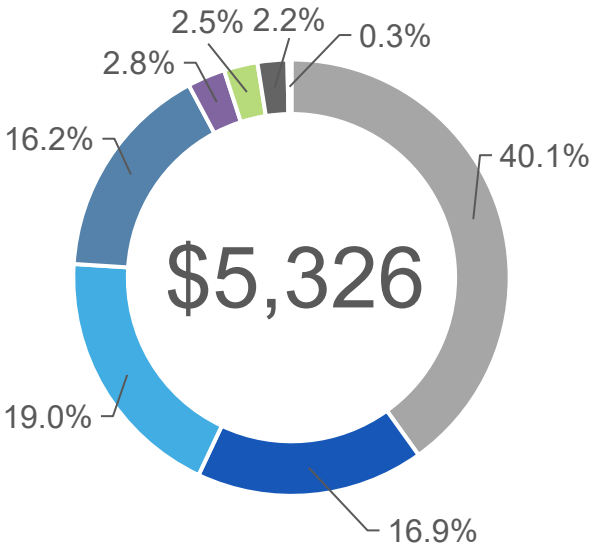
Fossil fuel cost risk sharing

- Symmetrical mechanism
- Variations in fossil fuel price above or below baseline shared 98% customers / 2% utility
- Applies to utility fossil fuel generation (not IPP generation or non-fossil fuels), includes fuel efficiency impacts
- Baseline price: January fuel prices for each fossil fuel type

	Hawaiian Electric (Oahu)	Hawaii Electric Light (Hawaii Island)	Maui Electric (Maui County)
Annual upside / downside cap	$2.5 million	$600,000	$633,000
January 2021 fuel price ($ per bbl)			
LSFO	$55.59		
IFO		$55.48	$55.48
Diesel		$63.96	$59.87
Date Authorized	10/22/20	7/28/20	5/16/19

Bank loan portfolio: Conservative profile, concentrated in real estate-secured

($ in millions)



Loan portfolio characteristics

- ✓ ~78% of portfolio secured by real estate (85% excl. PPP)
- ✓ C&I represent ~16% of total loans (9% excl. PPP)
- ✓ Personal unsecured loans represent ~3% of loans
- ✓ As of 3/31/21, 0.2% of portfolio on active deferral

$ in millions	March 31, 2021	% of total loans
Residential Mortgage	2,138	40.1%
Home Equity	901	16.9%
Commercial Real Estate	1,013	19.0%
Commercial Construction	115	2.2%
Real Estate Secured	**4,167**	**78.2%**
Commercial & Industrial	860	16.2%
National Syndications	150	2.8%
Total Commercial	**1,010**	**19.0%**
Personal Unsecured Loans	135	2.5%
Other Consumer	14	0.3%
Total Consumer	**149**	**2.8%**
Total Loans	5,326	

Bank real estate secured portfolio characteristics: Conservative profile w/ low LTVs

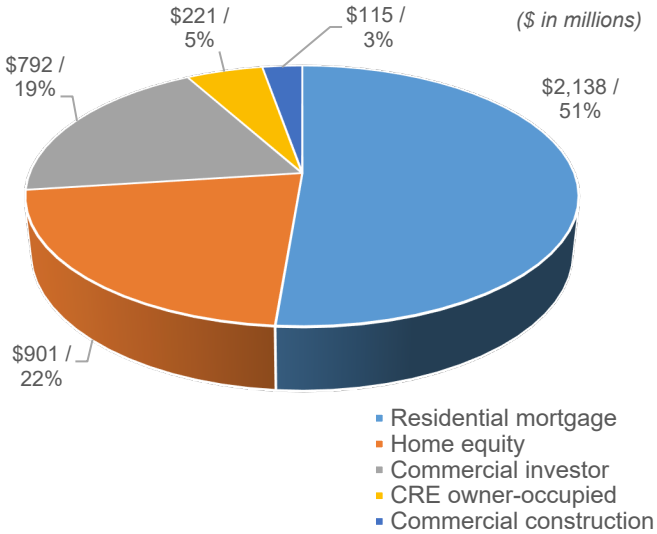
As of 3/31/21

Commercial real estate

- ✓ Represents 21% of overall loan portfolio
- ✓ $792M CRE investor & $221M CRE owner occupied
- ✓ Wtd avg LTV: 59.1%
- ✓ 97% of CRE portfolio is located in Hawaii

Home equity

- ✓ Represents 17% of overall loan portfolio
- ✓ Wtd. avg FICO Score: 760
- ✓ Wtd avg LTV: 49%
- ✓ % in 1st lien position: 57% / $518M
- ✓ % in 2nd lien position: 43% / $383M
- ✓ Number of loans: ~19,100

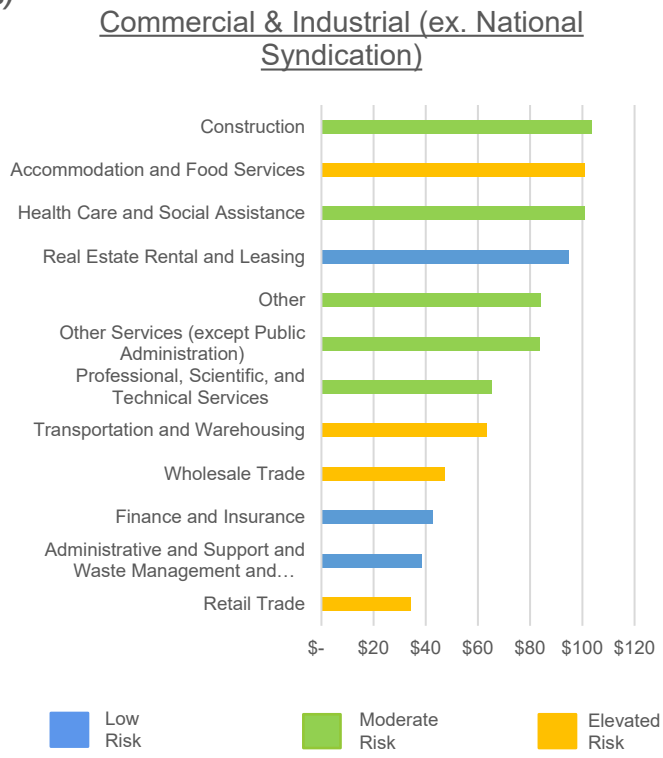


Residential mortgage

- ✓ Represents 40% of overall loan portfolio
- ✓ Wtd. avg FICO Score: 759
- ✓ LTV: 52%
- ✓ Avg loan size: ~$300,000
- ✓ Number of loans: ~7,200

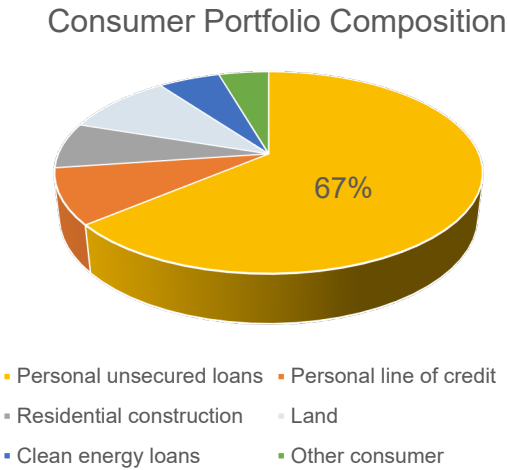
Bank commercial & industrial portfolio: Modest exposure to highly-impacted industries

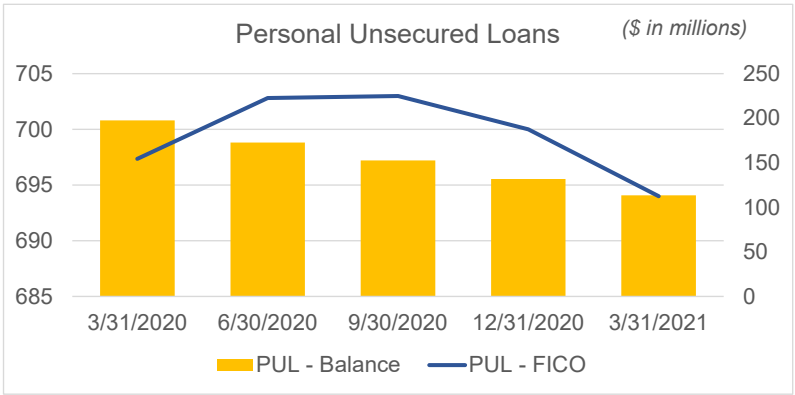
($ in millions)



- Commercial portfolio is well diversified with highest concentration to Construction of $104M or 12% of commercial & industrial portfolio (excluding national syndication portfolio)
- Accommodation and retail most heavily impacted by COVID-19
- As of 3/31/21, there were no active payment deferrals to C&I customers

Bank consumer loan portfolio characteristics

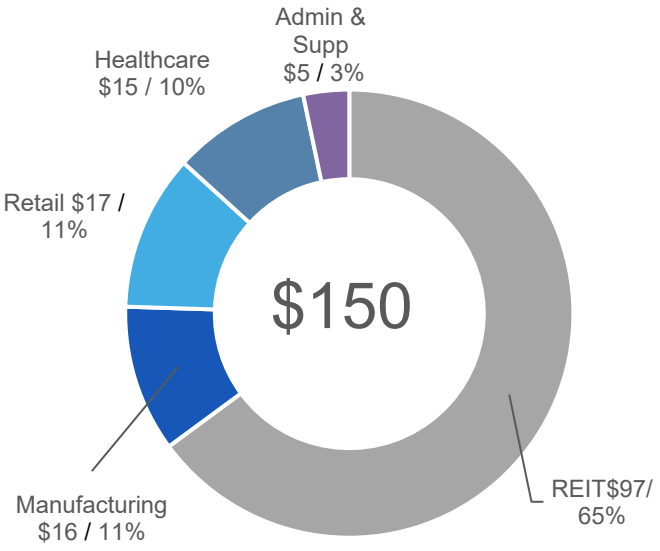


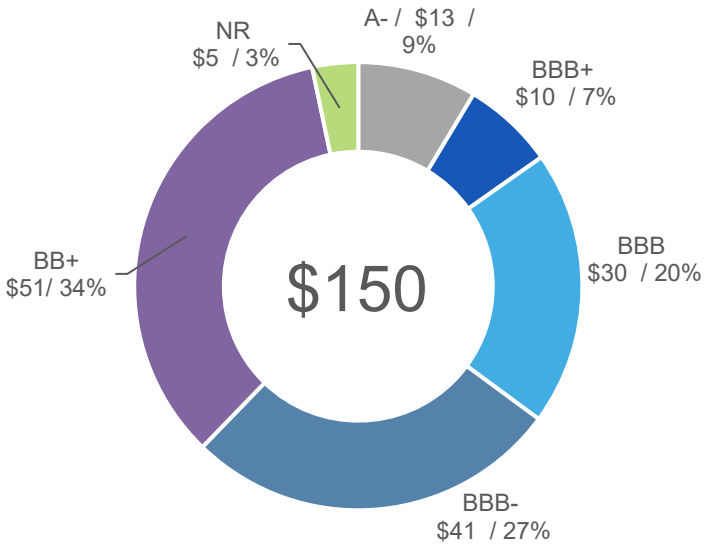


Personal unsecured loan risk characteristics

- ✓ 100% Hawaii originated loans
- ✓ Represents 91% of consumer loan portfolio
- ✓ Wtd avg. FICO score: 694
- ✓ Wtd avg. yield: 13.6%
- ✓ Annualized net charge-off 1Q21: 4.3%
- ✓ As of 3/31/21, granted payment deferrals of $29MM to ~3,700 personal unsecured customers

Bank national syndication risk characteristics





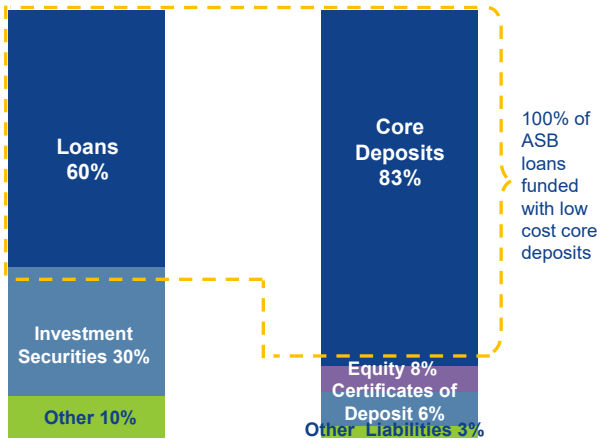
National syndication

- ✓ Represents ~3% of overall loan portfolio
- ✓ 63% or $94M rated investment grade by S&P
- ✓ 65% or $97M to real estate investment trusts
- ✓ 10% or $15M exposure to healthcare
- ✓ As of 3/31/21 ASB had not received any payment deferral requests on any national syndication loan

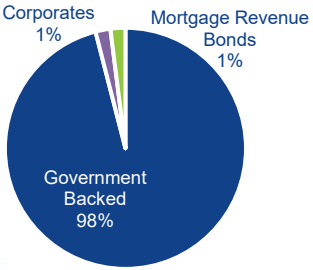
Quality bank balance sheet and loan portfolio

ASB[1]

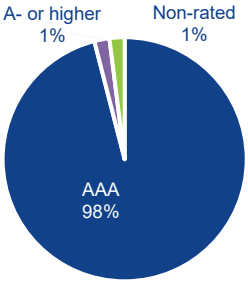
Average yield on earning assets	3.03%
Average cost of funds	0.08%
Return on avg. equity[2]	16.04%



Investment Portfolio Sectors



Investment Portfolio Ratings



PEER BANKS[3]

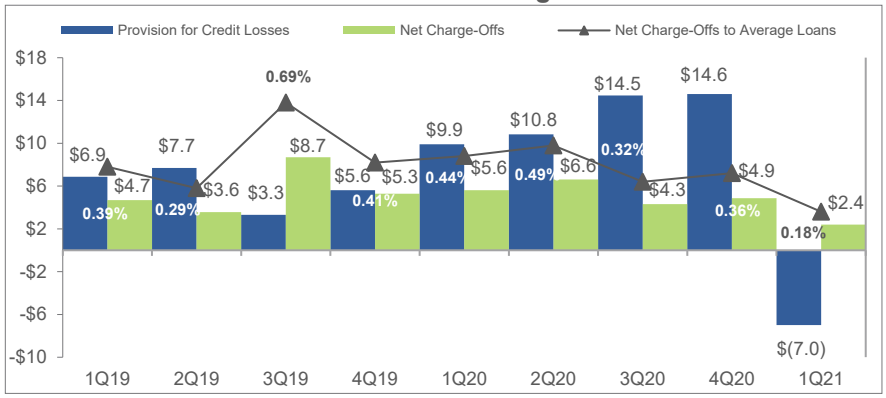
Loans	Investment Securities	Other	Core deposits	CD's	Other Liabilities	Equity	Median of avg. yield on earning assets	Median of avg. cost of funds	ROAE
70%	17%	13%	68%	13%	8%	11%	3.70%	0.42%	11.11%

Source for peer data: SNL Financial (based on data available as of 4/26/21).
Columns may not foot due to rounding.
1 For quarter ending 03/31/21.
2 Bank return on average equity calculated using weighted average daily common equity.
3 For quarter ending 12/31/20. Peer group based on publicly traded banks and thrifts between $4B and $9B in total assets.

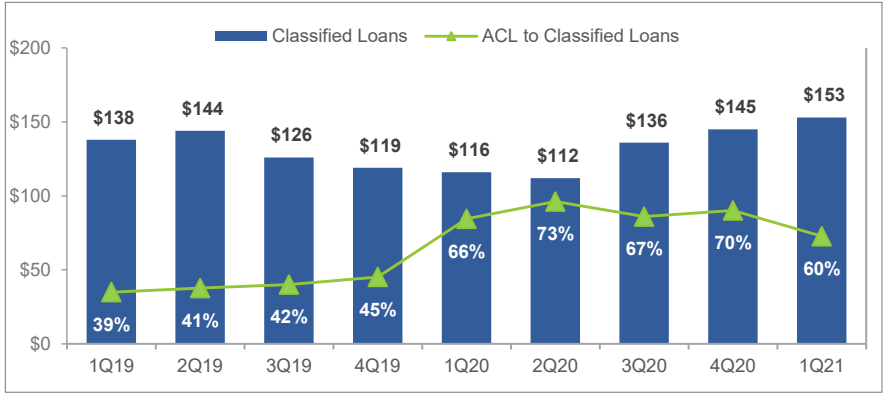
Net charge-offs & level of classified loans remain stable through COVID period

($ in millions)

Provision for Credit Losses[1] and Net Charge-Offs



ACL to Classified Loans



Stable Credit Trends

- Net charge-offs to average loans improved despite negative impacts of COVID; 0.18% in 2021 vs 0.40% for 2020 and 0.45% for 2019.
- Classified loans totaled $153 million. ACL to classified loans at 60% vs. 45% at YE 2019.
- Increase in coverage ratio reflects additional credit loss risk related to COVID. ACL increased from 1.4%[2] last year to 1.7% in 2021.

1 Excludes provision for unfunded loan commitments; reserve for unfunded loan commitments is classified in other liabilities on balance sheet and excluded from ACL.

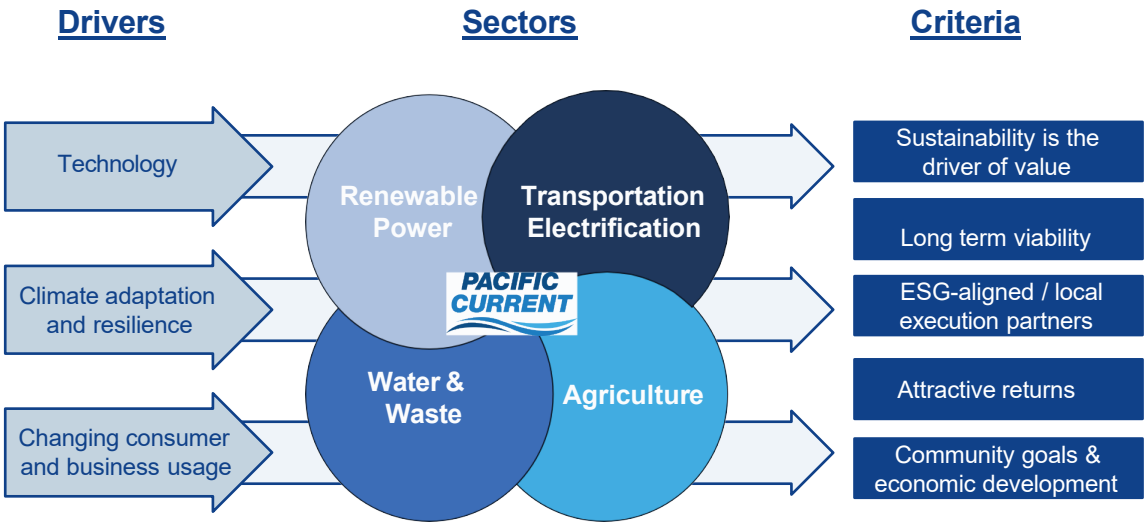
2 Includes $19.4 million CECL Day 1 adjustment.

2021 ASB peer group

Allegiance Bancshares, Inc.	ABTX	First Financial Bankshares, Inc.	FFIN	OFG Bancorp	OFG
Banc of California, Inc.	BANC	First Foundation Inc.	FFWM	Peoples Bancorp Inc.	PEBO
BancFirst Corporation	BANF	Financial Institutions, Inc.	FISI	Premier Financial Corp.	PFC
Bryn Mawr Bank Corporation	BMTC	The First of Long Island Corporation	FLIC	Peapack-Gladstone Financial Corporation	PGC
Brookline Bancorp, Inc.	BRKL	First Mid Bancshares, Inc.	FMBH	Park National Corporation	PRK
Byline Bancorp, Inc.	BY	German American Bancorp, Inc.	GABC	QCR Holdings, Inc.	QCRH
Camden National Corporation	CAC	Great Southern Bancorp, Inc.	GSBC	Republic Bancorp, Inc.	RBCA.A
Carter Bankshares, Inc.	CARE	Hanmi Financial Corporation	HAFC	Seacoast Banking Corporation of Florida	SBCF
Meta Financial Group, Inc.	CASH	Horizon Bancorp, Inc.	HBNC	Southside Bancshares, Inc.	SBSI
City Holding Company	CHCO	Heritage Financial Corporation	HFWA	1st Source Corporation	SRCE
Century Bancorp, Inc.	CNBK.A	HomeStreet, Inc.	HMST	S&T Bancorp, Inc.	STBA
ConnectOne Bancorp, Inc.	CNOB	HarborOne Bancorp, Inc.	HONE	The Bancorp, Inc.	TBBK
Central Pacific Financial Corp.	CPF	Kearny Financial Corp.	KRNY	Triumph Bancorp, Inc.	TBK
Community Trust Bancorp, Inc.	CTBI	Lakeland Bancorp, Inc.	LBAI	TriCo Bancshares	TCBK
Meridian Bancorp, Inc.	EBSB	Luther Burbank Corporation	LBC	Tompkins Financial Corporation	TMP
Enterprise Financial Services Corp	EFSC	Lakeland Financial Corporation	LKFN	TrustCo Bank Corp NY	TRST
Equity Bancshares, Inc.	EQBK	Live Oak Bancshares, Inc.	LOB	TriState Capital Holdings, Inc.	TSC
FB Financial Corporation	FBK	Merchants Bancorp	MBIN	Univest Financial Corporation	UVSP
The First Bancshares, Inc.	FBMS	MidWestOne Financial Group, Inc.	MOFG	Veritex Holdings, Inc.	VBTX
First Bancorp	FBNC	Midland States Bancorp, Inc.	MSBI	Westamerica Bancorporation	WABC
First Commonwealth Financial Corporation	FCF	National Bank Holdings Corporation	NBHC	Washington Trust Bancorp, Inc.	WASH
Flushing Financial Corporation	FFIC	Northfield Bancorp, Inc. (Staten Island, NY)	NFBK		

Note: Based on publicly traded banks, savings and thrifts in the U.S. that have total average assets between $4 billion and $9 billion for the years 2018-2020 (based upon data available in SNL as of April 16, 2021). Any institution whose business is not directly comparable with ASB or did not have data present for all 3 years was excluded. The peer group is updated annually and banks that no longer report as a separate entity (e.g. mergers, acquisitions, failed banks, etc.) are not included in the median calculations from the time of the transaction or failure.

Pacific Current provides non-regulated platform for sustainable infrastructure investment



Initial project cash flow funding Pacific Current growth

- **Focused on local partnerships and projects consistent with investment grade profile**
- **Long-term strategy, with modest earnings impact as we build Hawaii-based portfolio**
  - **Baseline plan anticipates building to ~$0.03-$0.05 EPS contribution over next 3-4 years**

60MW Hamakua Energy Plant, Hawaii Island

- Critical dispatchable generating resource as island transitions to 100% renewable energy by 2045
- Contracted cash flows and non-recourse financing support investment grade profile
- Accretive from outset, expected to continue over contract life
- ~20% of fuel supplied by locally produced biodiesel

Solar plus battery storage projects at 5 campuses in University of Hawaii system

- 3 campus systems completed; remaining 2 systems scheduled to come online over next few quarters
- Contracted cash flows and non-recourse financing support investment grade profile
- Investment-grade counterparties: University of Hawaii (off-taker); Johnson Controls (EPC contractor)

6MW Solar Facility on Kauai

- Built and proven project with no construction risk and contracted cash flows under 20-year PPA (12 years remaining)
- Non-recourse financing at attractive fixed rate
- Counterparty (offtaker): Kauai Island Utility Cooperative

Other renewable investments

- Smaller scale renewable energy projects support community's transition to a clean energy future
- EverCharge partnership focuses on charging infrastructure in multi-unit dwellings, seeks to further catalyze EV adoption
- Investments provide tax credits, optimizing HEI's tax bill

Cautionary note regarding forward looking statements

This presentation made by Hawaiian Electric Industries, Inc. (HEI) and Hawaiian Electric Company, Inc. (Hawaiian Electric) and their subsidiaries contain "forward-looking statements," which include statements that are predictive in nature, depend upon or refer to future events or conditions and usually include words such as "will," "expects," "anticipates," "intends," "plans," "believes," "predicts," "estimates" or similar expressions. In addition, any statements concerning future financial performance, ongoing business strategies or prospects or possible future actions are also forward-looking statements. Forward-looking statements are based on current expectations and projections about future events and are subject to risks, uncertainties and the accuracy of assumptions concerning HEI and its subsidiaries (collectively, the Company), the performance of the industries in which they do business and economic, political and market factors, among other things. These forward-looking statements are not guarantees of future performance and actual results and financial condition may differ materially from those indicated in the forward-looking statements.

Risks, uncertainties and other important factors that could cause actual results to differ materially from those described in forward-looking statements and from historical results include, but are not limited to, the following:

- international, national and local economic and political conditions—including the state of the Hawaii tourism, defense and construction industries; the strength or weakness of the Hawaii and continental U.S. real estate markets (including the fair value and/or the actual performance of collateral underlying loans held by ASB, which could result in higher loan loss provisions and write-offs); decisions concerning the extent of the presence of the federal government and military in Hawaii; the implications and potential impacts of future Federal government shutdowns, including the impact to our customers to pay their electric bills and/or bank loans and the impact on the state of Hawaii economy; the implications and potential impacts of U.S. and foreign capital and credit market conditions and federal, state and international responses to those conditions; the potential impacts of global and local developments (including global economic conditions and uncertainties, unrest, terrorist acts, wars, conflicts, political protests, deadly virus epidemic or other crisis); the effects of changes that have or may occur in U.S. policy, such as with respect to immigration and trade; and pandemics;
- the extent of the impact of the COVID-19 pandemic, including the duration, spread, severity and any recurrence of the COVID-19 pandemic, the duration and scope of related government orders and restrictions, the impact on our employees, customers and suppliers, and the impact of the COVID-19 pandemic on the overall demand for the Company's goods and services, all of which could be affected by the pace of distribution, administration, and efficacy of COVID-19 vaccines over the short- and long-term, as well as the proportion of the population vaccinated;
- ability to adequately address risks and capitalize on opportunities related to our ESG priority areas, which currently include decarbonization, economic health and affordability, reliability and resilience, secure digitalization, diversity, equity and inclusion, employee engagement, and climate-related risks and opportunities;
- citizen activism, including civil unrest, especially in times of severe economic depression and social divisiveness, which could negatively impact customers and employees, impair the ability of the Company and the Utilities to operate and maintain its facilities in an effective and safe manner, and citizen activism and stakeholder activism could delay the construction, increase project costs or preclude the completion, of third-party or Utility projects that are required to meet electricity demand, reliability objectives and renewable portfolio standards (RPS) goals;
- the effects of future actions or inaction of the U.S. government or related agencies, including those related to the U.S. debt ceiling or budget funding, monetary policy, trade policy and tariffs, energy and environmental policy, and other policy and regulatory changes advanced or proposed by President Biden and his administration;
- weather, natural disasters (e.g., hurricanes, earthquakes, tsunamis, lightning strikes, lava flows and the increasing effects of climate change, such as more severe storms, flooding, droughts, heat waves, and rising sea levels) and wildfires, including their impact on the resilience and reliability of the Company's and Utilities' operations and the economy;
- the timing, speed and extent of changes in interest rates and the shape of the yield curve, which could result in lower portfolio yields and net interest margin;
- the ability of the Company and the Utilities to access the credit and capital markets (e.g., to obtain commercial paper and other short-term and long-term debt financing, including lines of credit, and, in the case of HEI, to issue common stock) under volatile and challenging market conditions, and the cost of such financings, if available;
- the risks inherent in changes in the value of the Company's pension and other retirement plan assets and ASB's securities available for sale, and the risks inherent in changes in the value of the Company's pension liabilities, including changes driven by interest rates;
- changes in laws, regulations (including tax regulations), market conditions, interest rates and other factors that result in changes in assumptions used to calculate retirement benefits costs and funding requirements;
- the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) and of the rules and regulations that the Dodd-Frank Act requires to be promulgated, as amended by the Economic Growth, Regulatory Relief and Consumer Protection Act;
- increasing competition in the banking industry (e.g., increased price competition for deposits, or an outflow of deposits to alternative investments, which may have an adverse impact on ASB's cost of funds);

Cautionary note regarding forward looking statements

- the potential delay by the Public Utilities Commission of the State of Hawaii (PUC) in considering (and potential disapproval of actual or proposed) renewable energy proposals and related costs; reliance by the Utilities on outside parties such as the state, independent power producers (IPPs) and developers; and uncertainties surrounding technologies, solar power, wind power, biofuels, environmental assessments required to meet RPS goals; the impacts of implementation of the renewable energy proposals on future costs of electricity and potential penalties imposed by the PUC for delays in the commercial operations of renewable energy projects;
- the ability of the Utilities to develop, implement and recover the costs of implementing the Utilities' action plans included in their updated Power Supply Improvement Plans, Demand Response Portfolio Plan, Distributed Generation Interconnection Plan, Grid Modernization Plans, and business model changes, which have been and are continuing to be developed and updated in response to the orders issued by the PUC, the PUC's April 2014 statement of its inclinations on the future of Hawaii's electric utilities and the vision, business strategies and regulatory policy changes required to align the Utilities' business model with customer interests and the state's public policy goals, and subsequent orders of the PUC;
- capacity and supply constraints or difficulties, especially if generating units (utility-owned or IPP-owned) fail or measures such as demand-side management, distributed generation, combined heat and power or other firm capacity supply-side resources fall short of achieving their forecasted benefits or are otherwise insufficient to reduce or meet peak demand;
- fuel oil price changes, delivery of adequate fuel by suppliers and the continued availability to the electric utilities of their energy cost recovery clauses (ECRCs);
- the continued availability to the electric utilities or modifications of other cost recovery mechanisms, including the purchased power adjustment clauses (PPACs), rate adjustment mechanisms (RAMs) and pension and postretirement benefits other than pensions (OPEB) tracking mechanisms, and the continued decoupling of revenues from sales to mitigate the effects of declining kilowatthour sales;
- the ability of the Utilities to recover increasing costs and earn a reasonable return on capital investments not covered by RAMs;
- the ability of the Utilities to achieve performance incentive goals currently in place;
- the impact from the PUC's implementation of performance-based ratemaking for the Utilities pursuant to Act 005, Session Laws 2018, including the potential addition of new performance incentive mechanisms (PIMs), third-party proposals adopted by the PUC in its implementation of performance-based regulation (PBR), and the implications of not achieving performance incentive goals;
- the impact of fuel price levels and volatility on customer satisfaction and political and regulatory support for the Utilities;
- the risks associated with increasing reliance on renewable energy, including the availability and cost of non-fossil fuel supplies for renewable energy generation and the operational impacts of adding intermittent sources of renewable energy to the electric grid;
- the growing risk that energy production from renewable generating resources may be curtailed and the interconnection of additional resources will be constrained as more generating resources are added to the Utilities' electric systems and as customers reduce their energy usage;
- the ability of IPPs to deliver the firm capacity anticipated in their power purchase agreements (PPAs);
- the potential that, as IPP contracts near the end of their terms, there may be less economic incentive for the IPPs to make investments in their units to ensure the availability of their units;
- the ability of the Utilities to negotiate, periodically, favorable agreements for significant resources such as fuel supply contracts and collective bargaining agreements and avoid or mitigate labor disputes and work stoppages;
- new technological developments that could affect the operations and prospects of the Utilities and ASB or their competitors such as the commercial development of energy storage and microgrids and banking through alternative channels;
- cybersecurity risks and the potential for cyber incidents, including potential incidents at HEI, its third-party vendors, and its subsidiaries (including at ASB branches and electric utility plants) and incidents at data processing centers used, to the extent not prevented by intrusion detection and prevention systems, anti-virus software, firewalls and other general IT controls;
- failure to achieve remaining cost savings commitment related to the Enterprise Resource Planning/Enterprise Asset Management (ERP/EAM) project-related benefits and the management audit committed savings of $33 million over the 2021 to 2025 multi-year rate period (MRP);

Cautionary note regarding forward looking statements

- federal, state, county and international governmental and regulatory actions, such as existing, new and changes in laws, rules and regulations applicable to HEI, the Utilities and ASB (including changes in taxation and tax rates, increases in capital requirements, regulatory policy changes, environmental laws and regulations (including resulting compliance costs and risks of fines and penalties and/or liabilities), the regulation of greenhouse gas emissions, governmental fees and assessments (such as Federal Deposit Insurance Corporation assessments), and potential carbon “cap and trade” legislation that may fundamentally alter costs to produce electricity and accelerate the move to renewable generation);
- developments in laws, regulations and policies governing protections for historic, archaeological and cultural sites, and plant and animal species and habitats, as well as developments in the implementation and enforcement of such laws, regulations and policies;
- discovery of conditions that may be attributable to historical chemical releases, including any necessary investigation and remediation, and any associated enforcement, litigation or regulatory oversight;
- decisions by the PUC in rate cases and other proceedings (including the risks of delays in the timing of decisions, adverse changes in final decisions from interim decisions and the disallowance of project costs as a result of adverse regulatory audit reports or otherwise);
- decisions by the PUC and by other agencies and courts on land use, environmental and other permitting issues (such as required corrective actions, restrictions and penalties that may arise, such as with respect to environmental conditions or RPS);
- potential enforcement actions by the Office of the Comptroller of the Currency (OCC), the Federal Reserve Board (FRB), the Federal Deposit Insurance Corporation (FDIC) and/or other governmental authorities (such as consent orders, required corrective actions, restrictions and penalties that may arise, for example, with respect to compliance deficiencies under existing or new banking and consumer protection laws and regulations or with respect to capital adequacy);
- the risks associated with the geographic concentration of HEI’s businesses and ASB’s loans, ASB’s concentration in a single product type (i.e., first mortgages) and ASB’s significant credit relationships (i.e., concentrations of large loans and/or credit lines with certain customers);
- changes in accounting principles applicable to HEI and its subsidiaries, including the adoption of new U.S. accounting standards, the potential discontinuance of regulatory accounting related to PBR or other regulatory changes, the effects of potentially required consolidation of variable interest entities (VIEs), or required finance lease or on-balance-sheet operating lease accounting for PPAs with IPPs;
- downgrades by securities rating agencies in their ratings of the securities of HEI and Hawaiian Electric and their impact on results of financing efforts;
- faster than expected loan prepayments that can cause an acceleration of the amortization of premiums on loans and investments and the impairment of mortgage-servicing assets of ASB;
- changes in ASB’s loan portfolio credit profile and asset quality and/or mix, which may increase or decrease the required level of provision for credit losses, allowance for credit losses (ACL) and charge-offs;
- changes in ASB’s deposit cost or mix which may have an adverse impact on ASB’s cost of funds;
- unanticipated changes from the expected discontinuance of LIBOR and the transition to an alternative reference rate, which may include adverse impacts to the Company’s cost of capital, loan portfolio and interest income on loans;
- the final outcome of tax positions taken by HEI and its subsidiaries;
- the risks of suffering losses and incurring liabilities that are uninsured (e.g., damages to the Utilities’ transmission and distribution system and losses from business interruption) or underinsured (e.g., losses not covered as a result of insurance deductibles or other exclusions or exceeding policy limits), and the risks associated with the operation of transmission and distribution assets and power generation facilities, including public and employee safety issues, and assets causing or contributing to wildfires;
- the ability of the Company’s non-regulated subsidiary, Pacific Current, LLC (Pacific Current), to achieve its performance and growth objectives, which in turn could affect its ability to service its non-recourse debt;
- the Company’s reliance on third parties and the risk of their non-performance, which has increased due to the impact from the COVID-19 pandemic; and
- other risks or uncertainties described elsewhere in this report and in other reports (e.g., “Item 1A. Risk Factors” in the Company’s Annual Report on Form 10-K) previously and subsequently filed by HEI and/or Hawaiian Electric with the Securities and Exchange Commission.

Forward-looking statements speak only as of the date of the presentation or filing in which they are made. Except to the extent required by the federal securities laws, HEI, Hawaiian Electric, ASB, Pacific Current and their subsidiaries undertake no obligation to publicly update or revise any forward-looking statements, whether written or oral and whether as a result of new information, future events or otherwise.