



## First Hawaiian, Inc.

March 13, 2020

Dear Stockholder:

On behalf of the Board of Directors and management of First Hawaiian, Inc., I am pleased to invite you to the 2020 Annual Meeting of Stockholders. The Annual Meeting will be held at The Bankers Club, 999 Bishop Street, 30th Floor, Honolulu, Hawaii 96813, on Wednesday, April 22, 2020 at 8:00 a.m., local time.

The attached Notice of Annual Meeting and Proxy Statement describe the formal business to be conducted at the Annual Meeting. Our Board of Directors and senior officers, as well as representatives from our independent registered public accounting firm, will be present to respond to questions from stockholders.

Your vote is important. Whether or not you plan to attend the meeting, please complete, sign, date and return the enclosed proxy card in the envelope provided or vote telephonically or electronically using the telephone and Internet voting procedures described on the proxy card at your earliest convenience.

Thank you for your continued support of First Hawaiian.

Sincerely,

*Robert S. Harrison*

Robert S. Harrison  
*Chairman, President and Chief Executive Officer*

# FIRST HAWAIIAN, INC.

## NOTICE OF 2020 ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD WEDNESDAY, APRIL 22, 2020

NOTICE HEREBY IS GIVEN that the 2020 Annual Meeting of Stockholders of First Hawaiian, Inc. (the “Company”) will be held at The Bankers Club, 999 Bishop Street, 30th Floor, Honolulu, Hawaii 96813, on Wednesday, April 22, 2020, at 8:00 a.m., local time, for the purpose of considering and voting upon:

1. The election to our Board of Directors of the seven directors named in the attached Proxy Statement to serve until the 2021 Annual Meeting of Stockholders;
2. The ratification of the appointment of Deloitte & Touche LLP to serve as the independent registered public accounting firm for the fiscal year ending December 31, 2020;
3. An advisory vote on the compensation of our named executive officers as disclosed in the attached Proxy Statement; and
4. Such other business as properly may come before the Annual Meeting or any adjournments or postponements thereof. The Board of Directors is not aware of any other business to be presented to a vote of the stockholders at the Annual Meeting.

The Board of Directors has fixed the close of business on February 28, 2020, as the record date for determining the stockholders entitled to notice of, and to vote at, the Annual Meeting and any adjournments or postponements thereof.

A list of stockholders entitled to vote at the 2020 Annual Meeting will be available for inspection upon request of any stockholder for a purpose germane to the meeting at our principal executive offices at 999 Bishop Street, 29th Floor, Honolulu, Hawaii 96813 during the ten days prior to the meeting, during ordinary business hours, and at The Bankers Club, 999 Bishop Street, 30th Floor, Honolulu, Hawaii 96813 during the meeting.

If you hold your shares of common stock through a broker or nominee and you plan to attend the 2020 Annual Meeting, you will need to bring either a copy of the voting instruction card provided by your broker or nominee or a copy of a brokerage statement showing your ownership as of February 28, 2020.

**WHETHER OR NOT YOU EXPECT TO ATTEND THE ANNUAL MEETING, PLEASE  
SUBMIT YOUR PROXY WITH YOUR VOTING INSTRUCTIONS. YOU MAY VOTE BY  
TELEPHONE OR INTERNET (BY FOLLOWING THE INSTRUCTIONS ON THE PROXY CARD)  
OR BY MAIL.**

By order of the Board of Directors,

*Joel E. Rappoport*

Joel E. Rappoport  
*Executive Vice President, General Counsel and  
Secretary*

Honolulu, Hawaii  
March 13, 2020

**Important Notice Regarding the Availability of Proxy Materials for our Annual Meeting to be held on April 22, 2020. Our Proxy Statement, our 2019 Annual Report to Stockholders and our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 are available on our website at [www.fhb.com](http://www.fhb.com).** By March 13, 2020, we will have sent to certain of our stockholders a Notice of Availability of Proxy Materials (“Notice”). The Notice includes instructions on how to access our Proxy Statement, our 2019 Annual Report to Stockholders and our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and vote online. Stockholders who do not receive the Notice will continue to receive either a paper or an electronic copy of our proxy materials, which will be sent on or about March 18, 2020. For more information, see “*Frequently Asked Questions*.”

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This Proxy Statement includes forward-looking statements. These statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions, estimates and uncertainties that are difficult to predict. For a discussion of some of the risks and important factors that could affect the Company's future results and financial condition, see "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019.

**FIRST HAWAIIAN, INC.**  
**999 Bishop Street, 29th Floor**  
**Honolulu, Hawaii 96813**

**PROXY STATEMENT**  
**FOR THE 2020 ANNUAL MEETING OF STOCKHOLDERS**  
**TO BE HELD WEDNESDAY, APRIL 22, 2020**

These proxy materials are furnished in connection with the solicitation by the board of directors (the “Board” or our “Board”) of First Hawaiian, Inc. (“First Hawaiian” or the “Company”), a Delaware corporation, of proxies to be voted at the 2020 Annual Meeting of Stockholders of the Company and at any adjournment of such meeting (the “Annual Meeting”). This proxy statement (this “Proxy Statement”), together with the Notice of Annual Meeting and proxy card, is first being mailed to stockholders on or about March 13, 2020.

**The Company**

The Company completed the initial public offering (the “IPO”) of shares of its common stock, par value \$0.01 per share (our “common stock”), in August 2016 and is a publicly traded bank holding company with its shares listed on the NASDAQ Global Select Market (“NASDAQ”) under the ticker symbol “FHB.” The Company owns 100% of the outstanding common stock of First Hawaiian Bank (“FHB” or the “Bank”).

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE 2020 ANNUAL MEETING OF STOCKHOLDERS**

We are pleased to provide access to our proxy materials on the Internet. By using the SEC’s Notice and Access Rule, most of our stockholders will receive only a notice containing instructions on how to access the proxy materials over the Internet and vote online. This offers a convenient way for stockholders to review the materials. The notice is not a proxy card and cannot be used to vote.

If you receive the notice but would like to receive paper copies of the proxy materials, please follow the instructions in the notice or on the website referred to on the notice. If you have received your proxy materials electronically and would like to receive a paper copy of the materials, you may, at any time, email [info@astfinancial.com](mailto:info@astfinancial.com), call 888-Proxy-NA (888-776-9962) (or, for international calls, 718-921-8562), or write to: First Hawaiian, Inc., Corporate Secretary, 999 Bishop Street, Honolulu, Hawaii 96813.

**Certain Defined Terms**

When used in this Proxy Statement, the terms “First Hawaiian,” “FHI,” “we,” “our,” “us” and the “Company” refer to First Hawaiian, Inc., a Delaware corporation, and its consolidated subsidiaries, which include only First Hawaiian Bank and its subsidiaries, and the term “fiscal year” refers to our fiscal year, which is based on a 12-month period ending December 31 of each year (e.g., fiscal year 2019 refers to the 12-month period ended December 31, 2019).

## PERFORMANCE AND GOVERNANCE HIGHLIGHTS

*We encourage you to read the following Performance and Governance Highlights as background to this Proxy Statement.*

### Business Performance

- Strong operating performance in 2019 is reflected by improvements across a number of key operating metrics:
  - Net income was up 7.6% year-over-year and core net income\* improved by 1.8% year-over-year
  - Year-over-year improvement in return on average total assets of 9 basis points from 1.31% to 1.40% and return on average tangible assets\* of 10 basis points from 1.37% to 1.47%
  - Return on average total stockholders' equity improved by 14 basis points from 10.76% to 10.90%, while return on average tangible stockholders' equity\* declined from 18.08% in 2018 to 17.62% in 2019
  - We maintained expense discipline and held our efficiency ratio below 50% while investing for future growth and in new technology
- Ranked 18th in the nation on the 2020 Forbes® list of America's top banks
- In FY2019, BNP Paribas sold its remaining shares of our stock, completing our transition to a fully independent company

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\* Represents a non-GAAP measure. Please see Appendix A for an explanation and reconciliation.

### Capital Highlights

In 2019, FHI continued to return significant levels of capital to its stockholders.

- Repurchased approximately 5.1 million shares of common stock (\$137 million in aggregate) through its share repurchase program
- Dividend payments of \$138.2 million
- In January 2020, announced a share repurchase program for \$80 million of common stock during 2020\*\*

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\*\* The timing and amount of share repurchases are influenced by various internal and external factors.

## Corporate Governance Highlights

Effective Board Structure and Composition	Accountable to Stockholders
Strong independent Board	Annual election of Directors
Diverse, skilled and engaged Board	Majority voting standard for Director elections
Independent Lead Director	One class of stock
Robust annual Board and Committee performance reviews	No supermajority voting requirements in Certificate of Incorporation or Bylaws
Executive sessions of independent directors held at Board and committee levels	No shareholder rights plan Proxy access
Annual review of director skill sets and experience	Annual say-on-pay advisory vote Policy against pledging company stock

Additional Governance Features
Code of Business Conduct and Ethics
Stock ownership requirements for senior management and Directors
Robust compensation clawback policy
Effective whistleblower policy
Environmental, Social and Governance Report posted on website and updated annually

### Active and Responsive Stockholder Engagement

As a public company, we engaged actively with our stockholders through our annual stockholder outreach program and remained committed to robust stockholder engagement.

- In 2019, we contacted stockholders owning more than half of FHI's outstanding common stock to seek their input on governance and compensation matters
- Among other things, through these efforts, members of senior management engaged with various stockholders and have remained informed on corporate governance and compensation developments
- The Board implemented majority voting in time for this upcoming Annual Meeting, consistent with feedback from stockholders

Stockholders have viewed our outreach strategy favorably and we will continue to reach out on an annual basis.

## Executive Compensation Linked to Performance

The following table summarizes the notable features of our 2019 executive compensation program, which were designed to align with “best practice” compensation governance.

Promote Good Pay Practices	Avoid Bad Pay Practices
✓ We align pay and performance by delivering a substantial portion of compensation in the form of variable, performance-based awards	✓ We don't permit pledging or hedging of shares by employees or directors of the Company
✓ We grant 50% of long-term incentives in the form of performance-based awards	✓ We don't gross-up severance payments or benefits for excise tax
✓ We maintain stock ownership guidelines for our executives and non-employee directors	✓ We don't pay dividends on unearned performance share units or performance shares
✓ We require “double trigger” vesting for change-in-control payments	✓ We don't allow for repricing of stock options without stockholder approval
✓ We have a broad clawback policy that applies to cash and equity compensation	✓ We do not have an automatic share replenishment (evergreen) provision in any share-based plans

## Corporate Social Responsibility

- Strong record of sustainability, community engagement, cultural diversity and education and training
- Our Environmental, Social and Governance Report details our environmental, social and governance achievements and is updated annually
- During 2019, First Hawaiian Bank, its Foundation and 99% of its employees contributed approximately \$4.25 million to more than 400 charities in the areas of education and financial literacy, health and human services and arts and culture
- In 2019, First Hawaiian Bank employees volunteered over 8,200 community service hours to assist non-profit organizations

## FREQUENTLY ASKED QUESTIONS

### **Why am I receiving these materials?**

We are providing these proxy materials to you in connection with the solicitation, by the Board of Directors of First Hawaiian, Inc., of proxies to be voted at the Annual Meeting. You are receiving this Proxy Statement because you were a First Hawaiian, Inc. stockholder as of the close of business on February 28, 2020, the record date for the Annual Meeting. This Proxy Statement provides notice of the Annual Meeting, describes the proposals presented for stockholder action and includes information required to be disclosed to stockholders.

### **When and where is the Annual Meeting?**

The Annual Meeting will be held on Wednesday, April 22, 2020 at 8:00 a.m., local time, at The Bankers Club, 999 Bishop Street, 30<sup>th</sup> Floor, Honolulu, Hawaii 96813. For directions to the Annual Meeting of Stockholders, please call our Investor Relations department at (808) 525 – 8816.

### **What matters will be submitted to stockholders at the Annual Meeting?**

At the Annual Meeting, you will be asked to vote on each of the following matters:

- Proposal 1:* To elect the seven nominees named in this Proxy Statement to the Board of Directors;
- Proposal 2:* To ratify the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for fiscal year 2020; and
- Proposal 3:* To adopt an advisory (non-binding) resolution to approve the compensation of our named executive officers ("NEOs") as disclosed in this Proxy Statement.

### **Who may vote at the Annual Meeting?**

Only record holders of our common stock as of the close of business on February 28, 2020 (the "Record Date"), will be entitled to vote at the Annual Meeting. On the Record Date, the Company had outstanding 130,350,725 shares of common stock. Each outstanding share of common stock entitles the holder to one vote on each matter to be voted upon at the Annual Meeting.



**How are votes counted and what is the required vote for each proposal?**

<b>Proposal</b>	<b>Vote Required</b>	<b>Effect of Abstentions</b>	<b>Broker Discretionary Voting Allowed</b>	<b>Effect of Broker Non-Votes</b>
<b>Election of Directors</b>	Majority of the votes cast FOR or AGAINST (for each director nominee)	No effect – not counted as a “vote cast”	No	No effect
<b>Ratification of the Appointment of Deloitte &amp; Touche LLP</b>	Majority of the shares present in person or represented by proxy	Treated as a vote AGAINST the proposal	Yes	Not applicable
<b>Advisory Approval of the Compensation of Our Named Executive Officers</b>	Majority of the shares present in person or represented by proxy	Treated as a vote AGAINST the proposal	No	No effect

As of February 28, 2020, the Record Date, there were 130,350,725 shares of our common stock outstanding, each of which entitles the holder to one vote for each matter to be voted upon at our Annual Meeting.

Shares of capital stock of the Company (i) belonging to the Company or (ii) held by another corporation if the Company owns, directly or indirectly, a sufficient number of shares entitled to elect a majority of the directors of such other corporation, are not counted in determining the total number of outstanding shares and will not be voted. Notwithstanding the foregoing, shares held by the Company in a fiduciary capacity are counted in determining the total number of outstanding shares at any given time and may be voted.

*Proposal 1: Election of Directors*

The affirmative vote of a majority of the votes cast is required for the election of directors in an uncontested election, such as the election of directors at the 2020 Annual Meeting. This means that the number of votes cast “FOR” a director nominee must exceed the number of votes cast “AGAINST” that nominee. Abstentions and broker non-votes are not counted as votes “for” or “against” a director nominee. Any nominee who does not receive a majority of votes cast “for” his or her election would be required to tender his or her resignation promptly following the failure to receive the required vote. Within 90 days of the certification of the shareholder vote, the Corporate Governance and Nominating Committee would then be required to make a recommendation to the Board as to whether the Board should accept the resignation, and the Board would be required to decide whether to accept the resignation and disclose its decision-making process. In a contested election, the required vote would be a plurality of votes cast. Full details of this policy are set forth in our Corporate Governance Guidelines, which can be found on the investor relations tab of our website located at <http://www.fhb.com>.

*Proposal 2: Ratification of the Appointment of Deloitte & Touche LLP*

The affirmative vote of a majority of the shares present in person or represented by proxy and entitled to vote on Proposal 2 is required for the ratification of the appointment of our independent registered public accounting firm. Abstentions will have the effect of voting against this proposal.

*Proposal 3: Advisory Vote on the Compensation of Our Named Executive Officers*

The affirmative vote of a majority of the shares present in person or represented by proxy and entitled to vote on Proposal 3 is required for the approval, on an advisory basis, of the compensation of our named executive officers as disclosed in this Proxy Statement. The results of the vote on the proposal are not binding on the Board of Directors. Abstentions will have the effect of voting against this proposal. Broker non-votes will have no effect on the outcome of this proposal.

**What are the Board’s recommendations as to how I should vote on each proposal?**

The Board recommends a vote:

- “**FOR**” the election of each of the seven director nominees named in this Proxy Statement;
- “**FOR**” the ratification of the appointment of Deloitte & Touche LLP as the Company’s independent registered public accounting firm for fiscal year 2020; and
- “**FOR**” the resolution approving the compensation of the Company’s named executive officers as disclosed in this Proxy Statement.

**How do I submit my vote?**

If you are a stockholder of record, you can vote by:

- attending the Annual Meeting and voting by ballot;
- signing, dating and mailing in your proxy card;
- using your telephone, according to the instructions on your proxy card; or
- visiting <http://www.voteproxy.com> and then following the instructions on the screen.

**What do I do if I hold my shares through a broker, bank or other nominee?**

If you hold your shares through a broker, bank or other nominee, that institution will instruct you as to how your shares may be voted by proxy, including whether telephone or Internet voting options are available.

**What constitutes a quorum?**

The Annual Meeting will be held only if a quorum is present. A quorum will be present if the holders of a majority of the shares of common stock outstanding on the Record Date and entitled to vote on a matter at the Annual Meeting are represented, in person or by proxy, at the Annual Meeting. Shares represented by properly completed proxy cards either marked “abstain” or “withhold,” or returned without voting instructions, are counted as present and entitled to vote for the purpose of

determining whether a quorum is present at the Annual Meeting. If shares are held by brokers who are prohibited from exercising discretionary authority for beneficial owners who have not given voting instructions (“broker non-votes”), those shares will be counted as represented at the Annual Meeting for the purpose of determining whether a quorum is present at the Annual Meeting.

**How do I attend the Annual Meeting and vote in person, and what do I need to bring?**

All stockholders who attend the Annual Meeting in person will be asked to check in at the registration desk prior to admittance to the meeting. Stockholders who own Company stock through a broker, or other nominee, will need to bring either a copy of the voting instruction card provided by the stockholder’s broker or nominee or a copy of his or her brokerage statement as proof of ownership, along with photo identification. No cameras or recording equipment will be permitted in the Annual Meeting, and all cell phones must be turned off. If you hold your shares through a broker, bank or other nominee and would like to vote in person at the Annual Meeting, you will need to ask the holder for a legal proxy. You will need to bring the legal proxy with you to the Annual Meeting and turn it in with a signed ballot that will be provided to you at the Annual Meeting.

**Can I change or revoke my vote after I return my proxy card?**

Yes. If you are a stockholder of record, you may change your vote by:

- voting in person by ballot at the Annual Meeting;
- returning a later-dated proxy card;
- entering a new vote by telephone or on the Internet; or
- delivering written notice of revocation to the Company’s Secretary by mail at 999 Bishop Street, 29th Floor, Honolulu, Hawaii 96813.

**Who will count the votes?**

A representative of our Transfer Agent, American Stock Transfer & Trust Company, LLC, will act as inspector of election at the Annual Meeting and will count the votes.

**Will my vote be kept confidential?**

Yes. As a matter of policy, stockholder proxies, ballots and tabulations that identify individual stockholders are kept secret and are available only to the Company and its inspectors, who are required to acknowledge their obligation to keep your votes confidential.

**Who pays to prepare, mail and solicit the proxies?**

The Company pays all of the costs of preparing, mailing and soliciting proxies in connection with this Proxy Statement. In addition to soliciting proxies through the mail by means of this Proxy Statement, we may solicit proxies through our directors, officers and employees in person and by telephone, facsimile or email. The Company asks brokers, banks, voting trustees and other nominees and fiduciaries to forward proxy materials to the beneficial owners and to obtain authority to execute proxies. The Company will reimburse the brokers, banks, voting trustees and other nominees and fiduciaries upon request. In addition to solicitation by mail, telephone, facsimile, email or personal contact by its directors, officers and employees, the Company has retained the services of

D. F. King & Co., Inc., 48 Wall Street, New York, NY 10005 to solicit proxies for a fee of \$8,500, plus expenses.

**How will my shares be voted if I sign, date and return my proxy card?**

If you sign, date and return your proxy card and indicate how you would like your shares voted, your shares will be voted as you have instructed. If you sign, date and return your proxy card but do not indicate how you would like your shares voted, your proxy will be voted:

- “**FOR**” the election of each of the seven director nominees named in this Proxy Statement;
- “**FOR**” the ratification of the appointment of Deloitte & Touche LLP as the Company’s independent registered public accounting firm for fiscal year 2020; and
- “**FOR**” the resolution approving the compensation of the Company’s named executive officers as disclosed in this Proxy Statement.

With respect to any other business that may properly come before the Annual Meeting that is submitted to a vote of the stockholders, including whether or not to adjourn the Annual Meeting, your shares will be voted in accordance with the best judgment of the persons voting the proxies.

**How will broker non-votes be treated?**

A broker non-vote occurs when a broker who holds its customer’s shares in street name submits proxies for such shares but indicates that it does not have authority to vote on a particular matter. Generally, this occurs when brokers have not received any instructions from their customers. In these cases, the brokers, as the holders of record, are permitted to vote on “routine” matters only, but not on other matters. Shares for which brokers have not received instructions from their customers will only be permitted to vote on the following proposal:

- The ratification of the appointment of Deloitte & Touche LLP as the Company’s independent registered public accounting firm for fiscal year 2020.

Shares for which brokers have not received instructions from their customers will not be permitted to vote on the following proposals:

- To elect the seven director nominees named in this Proxy Statement.
- To approve, on advisory basis, the compensation of our named executive officers as disclosed in this Proxy Statement.

**What if other matters come up during the Annual Meeting?**

If any matters other than those referred to in the Notice of Annual Meeting properly come before the Annual Meeting, the individuals named in the accompanying proxy card will vote the proxies held by them in accordance with their best judgment. First Hawaiian is not aware of any business other than the items referred to in the Notice of Annual Meeting that will be considered at the Annual Meeting.

**Your vote is important.**

Because many stockholders cannot personally attend the Annual Meeting, it is necessary that a large number be represented by proxy in order to satisfy that a quorum be present to conduct business at the Annual Meeting. Whether or not you plan to attend the meeting in person, prompt voting will be appreciated. Stockholders of record can vote their shares via the Internet or by using a toll-free telephone number. Instructions for using these convenient services are provided on the proxy card. Of course, you may still vote your shares on the proxy card. To do so, we ask that you complete, sign, date and return the enclosed proxy card promptly in the postage-paid envelope.

**Important Notice Regarding the Availability of Proxy Materials  
for the Annual Meeting of Stockholders to Be Held on Wednesday, April 22, 2020:  
This Proxy Statement, Our 2019 Annual Report to Stockholders and Our Annual Report on  
Form 10-K for the Year Ended December 31, 2019 Are Available Free of Charge at:  
<http://proxy.fhb.com>.**

## PROPOSAL NO. 1—ELECTION OF DIRECTORS

### Board of Directors

Our Board currently has seven members, consisting of our Chief Executive Officer (who also serves as chairman of the Board) and six other directors who are “independent” under the listing standards of NASDAQ. The terms of office of all seven directors expire at the Annual Meeting.

Our Amended and Restated Bylaws (the “Bylaws”) provide that the Board will consist of no less than five directors. Pursuant to our Amended and Restated Certificate of Incorporation (the “Certificate of Incorporation”), the number of directors constituting our Board will be fixed from time to time by resolution of the Board.

At the Annual Meeting, you will be asked to elect seven individuals to serve on the Board. The Board has nominated all seven current members of the Board for re-election as directors at the Annual Meeting, each to serve for a one-year term expiring at the next annual meeting of stockholders in 2021. Each director will hold office until his or her successor has been elected and qualified or until the director’s earlier resignation or removal.

All of our directors are elected annually by the affirmative vote of a majority of votes cast.

- A director who fails to receive a majority of FOR votes will be required to tender his or her resignation to our Board.
- Our Corporate Governance and Nominating Committee will then assess whether there is a significant reason for the director to remain on our Board and will make a recommendation to our Board regarding the resignation.

For detailed information on the vote required for the election of directors and the choices available for casting your vote, please see “*Frequently Asked Questions.*”

### Nominees for Election as Directors at the 2020 Annual Meeting

The Corporate Governance and Nominating Committee of the Board seeks candidates for nomination to the Board who are qualified to be directors consistent with the Company’s corporate governance guidelines, as described below under the section entitled “*Board of Directors, Committees and Governance—Corporate Governance Guidelines and Code of Conduct and Ethics.*” In evaluating the suitability of individuals for Board membership, the Corporate Governance and Nominating Committee considers many factors. Those factors include: whether the individual meets various independence requirements; the individual’s general understanding of the varied disciplines relevant to the success of a publicly traded company in today’s business environment; understanding of the Company’s business and markets; professional expertise and educational background; and other factors that promote diversity of views and experience. The Corporate Governance and Nominating Committee evaluates each individual in the context of the Board as a whole, with the objective of recruiting and recommending a slate of directors that can best perpetuate the Company’s success and represent stockholder interests through the exercise of sound judgment, based on its diversity of experience. In determining whether to recommend a director for re-nomination, the Corporate Governance and Nominating Committee also considers the director’s attendance at, participation in and contributions to Board and committee activities.

The following table sets forth certain information regarding the director nominees standing for re-election at the Annual Meeting. Additional biographical information on each of the nominees is included below under the section entitled “*Directors and Executive Officers.*”

Director Name	Age	Director Since	Principal Occupation
Robert S. Harrison	59	2016	Chairman of the Board, President and Chief Executive Officer of First Hawaiian
Matthew J. Cox*	58	2016	Chairman of the Board and Chief Executive Officer of Matson, Inc.
W. Allen Doane*	72	2016	Retired Chairman and Chief Executive Officer of Alexander & Baldwin, Inc.
Faye W. Kurren*	69	2018	Retired President and Chief Executive Officer of Hawaii Dental Service
Allen B. Uyeda*	70	2016	Retired Chief Executive Officer of First Insurance Company of Hawaii
Jenai S. Wall*	61	2018	Chairman and Chief Executive Officer of Foodland Super Market, Ltd.
C. Scott Wo*	54	2018	Owner/Executive of C.S. Wo & Sons, Ltd., Partner/Manager of Kunia Country Farms and an Adjunct Professor of Management at Columbia Business School in New York City

\* “Independent” under NASDAQ listing standards.

In considering the nominees’ individual experience, qualifications, attributes, skills and past Board participation, the Corporate Governance and Nominating Committee and the Board have concluded that when considered all together, the appropriate experience, qualifications, attributes, skills and participation are represented for the Board as a whole and for each of the Board’s committees. There are no family relationships among any directors and executive officers. Each nominee has indicated a willingness to serve, and the Board has no reason to believe that any of the nominees will not be available for election. However, if any of the nominees is not available for election, proxies may be voted for the election of other persons selected by the Board. Proxies cannot, however, be voted for a greater number of persons than the number of nominees named. Stockholders of the Company have no cumulative voting rights with respect to the election of directors.

#### **Required Vote**

With regard to the election of the director nominees, votes may be cast in favor or against. A majority of the votes cast is required for the election of directors in an uncontested election (which is the case for the election of directors at the 2020 Annual Meeting). A majority of the votes cast means that the number of votes cast “FOR” a director nominee must exceed the number of votes cast “AGAINST” that nominee.

**THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE “FOR” THE ELECTION OF EACH OF THE NOMINEES FOR DIRECTOR NAMED ABOVE.**

## DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth information regarding each of our directors and executive officers.

Name	Age	Position
Robert S. Harrison	59	Chairman of the Board, President and Chief Executive Officer
Matthew J. Cox	58	Director
W. Allen Doane	72	Director
Faye W. Kurren	69	Director
Allen B. Uyeda	70	Director
Jenai S. Wall	61	Director
C. Scott Wo	54	Director
Alan H. Arizumi	60	Vice Chairman of Wealth Management Group
Ravi Mallela	50	Executive Vice President and Chief Financial Officer
Lance A. Mizumoto	61	Vice Chairman and Chief Lending Officer
Mitchell E. Nishimoto	56	Vice Chairman and Head of Retail Banking Group
Ralph M. Mesick	60	Vice Chairman and Chief Risk Officer

A brief biography of each person who serves as a director or executive officer of First Hawaiian is set forth below:

*Robert S. Harrison*, the Chairman, President and Chief Executive Officer of First Hawaiian, has been the Chief Executive Officer of First Hawaiian Bank since January 2012 and the Chairman of the Bank's board of directors since May 2014, and was reappointed President in August 2019. Mr. Harrison served as the Chief Operating Officer of First Hawaiian Bank from December 2009 to January 2012 and as its President from December 2009 to June 2015. He was named Vice Chairman of First Hawaiian Bank in 2007 and served as the Bank's Chief Risk Officer from 2006 to 2009. Mr. Harrison joined First Hawaiian Bank's Retail Banking group in 1996 and has over 30 years of experience in the financial services industry in Hawaii and on the U.S. mainland. Prior to the Reorganization Transactions (described elsewhere in this Proxy Statement), Mr. Harrison served as Vice Chairman of BancWest Corporation ("BancWest"). Following the completion of the Reorganization Transactions, Mr. Harrison continued to serve as Vice Chairman of BancWest until 2019. Mr. Harrison serves on the board of Alexander & Baldwin, Inc., a Hawaii publicly traded company with interests in, among other things, commercial real estate and real estate development, and on the board of Pacific Guardian Life Insurance Company, the largest domestic life and disability insurer in Hawaii. He also serves as the Chairman of the Hawaii Medical Service Association. He is a member of the boards of the Hawaii Community Foundation, Hawaii Bankers Association, Hawaii Business Roundtable and Maryknoll Foundation. Mr. Harrison holds a bachelor's degree in applied mathematics from the University of California, Los Angeles and an M.B.A. from Cornell University.

Mr. Harrison's qualifications to serve on the Board include his operating, management and leadership experience as First Hawaiian Bank's Chairman, President and Chief Executive Officer, as well as his prior experience as First Hawaiian Bank's Chief Operating Officer and as its Chief Risk Officer. Mr. Harrison has extensive knowledge of, and has made significant contributions to, the growth of First Hawaiian and First Hawaiian Bank. Mr. Harrison also brings to First Hawaiian's Board his expertise in the financial services industry generally and in Hawaii in particular.



*Matthew J. Cox*, a member of the Board and the chair of the Compensation Committee of First Hawaiian, has served on the First Hawaiian Bank board of directors since 2014 and the Risk Committee from 2014 to March 2016. He has served as the Chairman of the Board of Matson, Inc., a public company and leading carrier for ocean transportation services in the Pacific, since April 2017, and as the Chief Executive Officer of Matson, Inc. since June 2012, having previously served as President, Chief Operating Officer and Chief Financial Officer. Mr. Cox brings to the Board of First Hawaiian extensive experience in supervising and performing company financial functions. Prior to joining Matson, Inc. in 2001, he served as Chief Operating Officer and Chief Financial Officer for Distribution Dynamics, Inc., a provider of outsourced logistics, inventory management and integrated information services. Mr. Cox also previously held executive and financial positions with American President Lines, Ltd., a global transportation and logistics company. Mr. Cox serves on the advisory boards of Catholic Charities of Hawaii and the University of Hawaii Shidler College of Business and, from 2008 to 2012, he served on the board of the Pacific Maritime Association. Mr. Cox holds a bachelor's degree in accounting and finance from the University of California, Berkeley.

As the current Chairman of the Board and Chief Executive Officer of a leading trans-Pacific shipping firm, Mr. Cox offers a wealth of management experience, business understanding and knowledge of the local business community. Additionally, Mr. Cox's experience as the chief executive officer of a publicly traded company has given him front-line exposure to many matters relevant to First Hawaiian.

*W. Allen Doane*, a member of the Board, the chair of the Audit Committee and a member of the Corporate Governance and Nominating Committee of First Hawaiian, has served on the board of First Hawaiian Bank since 1999 and the board of BancWest from 2004 to 2006 and from 2012 through January 2019, and he has been the chairman of the First Hawaiian Bank audit committee since 2012. As the retired Chairman and Chief Executive Officer of Alexander & Baldwin, Inc., a Hawaii public company with interests in, among other things, commercial real estate and real estate development, Mr. Doane brings to the First Hawaiian Board broad-based knowledge about Hawaii and its business environment, as well as extensive financial and managerial experience. Mr. Doane served as Chief Executive Officer of Alexander & Baldwin, Inc. from 1998 until his retirement in 2010. Prior to joining Alexander & Baldwin, Inc. in 1991, Mr. Doane served as Chief Operating Officer of Shidler Group, a real estate investment organization. He also held executive positions at IU International Corporation, a Philadelphia-based public company, and C. Brewer & Co., Ltd., one of Hawaii's oldest operating companies, which has since been dissolved. He currently serves on the board and audit committee of Alexander & Baldwin, Inc. and on the board and audit committee of Pacific Guardian Life Insurance Company, the largest domestic life and disability insurer in Hawaii. Mr. Doane holds a bachelor's degree from Brigham Young University and an M.B.A. from Harvard Business School.

Mr. Doane's experience leading a large, publicly traded, diversified company focused on ocean transportation and real estate, combined with his experience at First Hawaiian, brings valuable insight to the Board in overseeing a wide range of banking, audit and financial matters.

*Faye Watanabe Kurren*, a member of the Board and the Audit and Corporate Governance and Nominating Committees of First Hawaiian, has served on the First Hawaiian Bank board of directors since 2005. She also serves on the Senior Trust Committee of the board of directors of the Bank. From 2003 until her retirement in November 2014, Ms. Kurren served as the President and Chief Executive Officer of Hawaii Dental Service, a Honolulu, Hawaii-based dental insurance company with the largest network of participating dentists in Hawaii. Prior to that, Ms. Kurren served as the President of Tesoro Hawaii, LLC, a former subsidiary of Marathon Petroleum (f/k/a Tesoro Corporation and Andeavor), from 1998 to 2003. She serves on the board of Helping Hands Hawaii and is an advisory director of First Insurance Company of Hawaii. She served as the past Chairperson of the Hawaii State

Commission on the Status of Women, the University of Hawaii Foundation and the Hawaii State Chapter of the American Red Cross. Ms. Kurren holds a law degree from the University of Hawaii, a Masters of Arts in Sociology from the University of Chicago and a Bachelor of Arts in Sociology from Stanford University.

Ms. Kurren's experience as the president and chief executive officer of a major, local healthcare insurance company provides her with extensive experience in an important local industry and provides the Board with expertise in management and corporate governance matters. In addition, having served as the president of the subsidiary of a publicly traded company, Ms. Kurren possesses financial skills that qualify her as one of three audit committee financial experts serving on the Audit Committee.

*Allen B. Uyeda*, the lead independent director and a member of the Compensation Committee and the chair of the Corporate Governance and Nominating Committee and the Risk Committee of First Hawaiian, has served on the board of directors and risk committee of First Hawaiian Bank since 2001 and 2012, respectively, and the board and risk committee of BancWest from 2012 through January 2019, and he has been the chairman of the First Hawaiian Bank risk committee since 2012. Mr. Uyeda brings to the First Hawaiian Board extensive knowledge of Hawaii and experience in supervising and performing company financial functions. From 1995 to 2014, he was Chief Executive Officer of First Insurance Company of Hawaii, a Honolulu-based property and casualty insurance company that, during the course of Mr. Uyeda's leadership, became a subsidiary of Tokio Marine Holdings, Inc., a multinational insurance holding company listed on the Tokyo Stock Exchange. Previously, Mr. Uyeda served as Vice President and Chief Financial Officer of the Agency and Brokerage Group of Continental Insurance Company, prior to its acquisition by CNA Financial Corporation, a public unified holding company for insurance entities. Mr. Uyeda also has several years of management, financial analyst and project engineering experience with International Paper, a public company with interests in paper-based packaging, paper and pulp industries, and Johnson Controls, Inc., a public company that provides batteries and builds efficiency services. He serves on the boards of The Queen's Health Systems and The Queen's Medical Center and is a Special Advisor to the Oahu Economic Development Board. Mr. Uyeda holds a bachelor's degree in electrical engineering from Princeton University and an M.B.A. from the Wharton School at the University of Pennsylvania.

Mr. Uyeda's experience serving as chief executive officer of a major local insurance company, combined with his risk management and leadership skills, knowledge of our market and sensitivity to the economy, bring valuable insight and critical skills to our Board.

*Jenai S. Wall*, a member of the Board and the Compensation and Risk Committees of First Hawaiian, has served on the First Hawaiian Bank board of directors since 1995. Ms. Wall has been Chairman and Chief Executive Officer of Foodland Super Market, Ltd. since 1998 and serves as Chief Executive Officer of the other entities that comprise the Sullivan Family of Companies, including Food Pantry, Ltd., Kalama Beach Corporation, Pacific Warehouse, Inc., and The Coffee Bean and Tea Leaf Hawaii. Ms. Wall has served on the board of First Hawaiian, Inc. since August 1, 2018. She serves as a director of Matson, Inc., a public company, and served as a director of Alexander & Baldwin, Inc., a public company, from April 2015 to April 2019. She also serves as Chair of The Queen's Health Systems Board of Trustees and serves on the boards of Servco Pacific, Inc. and 'Iolani School. She earned her bachelor's degree in Mathematics from Wellesley College and master's degree in Business Administration from Columbia University.

Ms. Wall's over 20 years' experience as chief executive officer of Hawaii's largest locally owned supermarket chain and her years of service as a director of a publicly traded real estate company, as

well as her substantial involvement on the boards of directors of several prominent Hawaii charitable organizations, have provided her with a wealth of experience in management, business and finance.

*C. Scott Wo*, a member of the Board and both the Audit and Risk Committees, is an Owner of C.S. Wo & Sons, Ltd., his family's home furnishings enterprise founded in 1909, a Partner/Manager of Kunia Country Farms, one of the largest aquaponics farms in the State of Hawaii, and an Adjunct Professor of Management at Columbia Business School in New York City. He currently serves as Investment Committee Chair for the University of Hawaii Foundation, Finance Committee Chair for The Queen's Health System, Finance Committee Chair for the Takitani Foundation and on the advisory board of the American Red Cross Hawaii State Chapter. Dr. Wo holds a Bachelor of Science in Economics from the Wharton School at the University of Pennsylvania, an M.B.A. from the Columbia Business School at Columbia University and a Ph.D. in Finance from the Anderson School at UCLA.

Mr. Wo brings entrepreneurial and business-building skills and experience to First Hawaiian through his experience as an owner of a large local furniture business. In addition, through his education and experience as an Adjunct Professor of Management at Columbia Business School, Mr. Wo has developed outstanding business, finance and accounting skills that he brings to his service on the Audit and Risk Committees.

*Alan H. Arizumi*, the Vice Chairman of Wealth Management of both First Hawaiian and First Hawaiian Bank, oversees all areas of the Wealth Management Group, which includes Personal Trust, Private Banking, Wealth Advisory, Institutional Advisory Services, Investment Services, Wealth Management Service Center, Trust Compliance and Bishop Street Capital Management Corporation. At the Bank level, he has overseen the Wealth Management Group since 2013. From 2014 to 2017, he also concurrently oversaw the Consumer Banking Group. Previously, Mr. Arizumi was Executive Vice President of the Bank's Business, Dealer and Card Services Group from 2010 to 2013 and Executive Vice President and Chief Risk Officer of the Bank's Risk Management Group from 2009 to 2010. From 2013 to 2017, he served as the Chairman and Chief Executive Officer of Bishop Street Capital Management Corporation, a subsidiary of the Bank. He also serves on the local boards of Hawaii Community Foundation, Hawaii Youth Symphony, Kuakini Medical Center, Kuakini Health System, McKinley High School Foundation and KCAA Preschools of Hawaii, and he is a special advisor to the Oahu Economic Development Board. Mr. Arizumi holds a bachelor's degree in business administration from the University of Hawaii and is a graduate of the Pacific Coast Banking School.

*Ravi Mallela*, the Executive Vice President and Chief Financial Officer of First Hawaiian and First Hawaiian Bank, has served in those capacities since September 2018. Prior to joining First Hawaiian, Mr. Mallela served as Senior Vice President, Head of Finance and Treasury of First Republic Bank, San Francisco, California, since 2013, where he ran the financial planning, treasury and credit risk modeling teams and was responsible for the strategic planning and forecasting process, liquidity and capital management, asset and liability management and stress testing programs. Previously, Mr. Mallela served as Managing Director, Corporate Finance for the Bank of Montreal from 2012 to 2013, where he managed the stress testing and capital management programs for their U.S. banking subsidiary. From 2004 to 2012, Mr. Mallela worked at Wells Fargo Bank in the Treasury group. Mr. Mallela serves on the board of the Blood Bank of Hawaii and is an advisory board member for the Masters in Finance Program at St. Mary's College of California. Mr. Mallela has an MBA from the University of California at Los Angeles and a Bachelor of Science from the University of San Francisco, and he completed the Stanford Executive Program.

*Lance A. Mizumoto*, the Vice Chairman and Chief Lending Officer of First Hawaiian and First Hawaiian Bank, rejoined the Bank in January 2017. He was named Chief Lending Officer, Commercial Banking Group, in July 2017 and was appointed to his current position in January 2019. He oversees

all areas of the Commercial Banking Group, including Corporate Banking Division, Commercial Real Estate Division and Trade Finance Department. Prior to joining First Hawaiian Bank in 2017, Mr. Mizumoto held a number of management positions at Central Pacific Bank, serving as Vice Chairman, Chief Operating Officer and Chief Risk Officer from September to November 2016, President and Chief Banking Officer from June 2014 to August 2016, Executive Vice President of the Commercial Markets Group from July 2010 to June 2014 and Executive Vice President and Commercial Banking Division Manager from November 2005 to June 2010. Mr. Mizumoto also worked for First Hawaiian Bank in various management roles from 1996 to 2005. He currently serves as a Regent on the Chaminade University Board of Regents and on the board of the Arthritis Foundation of Hawaii. Mr. Mizumoto holds a bachelor's degree in marketing and management from the University of Hawaii at Manoa and an M.B.A. from Chaminade University.

*Mitchell E. Nishimoto*, the Vice Chairman and Head of the Retail Banking Group of First Hawaiian, has served in that position since January 2019. He previously served as Executive Vice President and Manager of the Retail Banking Group of First Hawaiian from 2016 until his promotion to his current position. He is responsible for First Hawaiian Bank's 58 branch network in Hawaii, Guam and Saipan. Mr. Nishimoto started his career with First Hawaiian Bank in 1986 as a Management Trainee. He managed branches throughout Maui County from 1988 to 2011, advancing to the position of Senior Vice President and Maui Region Manager from 2006 to 2011. Mr. Nishimoto was Senior Vice President and Kapiolani Region Manager from 2011 to 2014 and Executive Vice President and Chief Risk Officer from 2014 to 2016. He is on the boards of directors of Adventist Health Castle, the Honolulu Firefighters Foundation and the Japan-America Society of Hawaii. Mr. Nishimoto is also a member of the U.S.-Japan Council, the Chamber of Commerce Hawaii and the Honolulu Japanese Chamber of Commerce. He holds a bachelor's degree in finance from the University of Southern California and is a graduate of the Pacific Coast Banking School.

*Ralph M. Mesick*, the Vice Chairman and Chief Risk Officer of First Hawaiian and First Hawaiian Bank, is responsible for the design, implementation and oversight of the Company's risk management strategy and framework. Mr. Mesick previously served as Executive Vice President and Manager of the Bank's Commercial Real Estate Division. Prior to joining the Bank in 2012, he spent over 25 years at Bank of Hawaii, where he was Executive Vice President and managed various business lines and functions. In addition to his over 30 years of experience in the banking industry, Mr. Mesick is active in the community and also serves as a member of the board of directors for the Board of Regents at Chaminade University, the Hawaii Community Reinvestment Corporation, Saint Francis Healthcare Systems, Kapiolani Health Foundation, HomeAid Hawaii and the Diocese of Honolulu Financial Council. He earned an MBA with a concentration in Banking, Finance and Investments from the University of Wisconsin-Madison, graduating Beta Gamma Sigma, and a Bachelor of Business Administration from the University of Hawaii at Manoa and completed the Advanced Risk Management Program at the Wharton School at the University of Pennsylvania.

## BOARD OF DIRECTORS, COMMITTEES AND GOVERNANCE

### Overview

Our Board provides oversight with respect to our overall performance, strategic direction and key corporate policies. It approves major initiatives, advises on key financial and business objectives, and monitors progress with respect to these matters. Members of the Board are kept informed of our business by various reports and documents provided to them on a regular basis, including operating and financial reports and audit reports made at Board and committee meetings by our Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Chief Risk Officer and other officers. The Board has four standing committees, the principal responsibilities of which are described below under the section entitled “—*Committees of Our Board of Directors.*” Additionally, the directors meet in regularly scheduled executive sessions, without First Hawaiian management (generally other than Mr. Harrison) present, at each regularly scheduled meeting of the Board. An executive session may not occur for a special meeting of the Board called for a specific purpose.

### Meetings

The Board met eight times in 2019. Each member of the Board attended more than 75% of the total number of meetings of the Board and the committees on which he or she served. We strongly encourage, but do not require, the members of our Board to attend annual meetings of our stockholders. All seven members of the Board attended our 2019 annual meeting of stockholders.

### Director Independence

Our common stock is listed on NASDAQ and, as a result, we are subject to the corporate governance listing standards of the exchange. The NASDAQ corporate governance standards generally require a majority of independent directors on the board of directors and fully independent audit, nominating and compensation committees.

Our Board consists of seven directors, six of whom are independent. A director is independent if the Board affirmatively determines that he or she satisfies the independence standards set forth in the applicable rules of NASDAQ, has no material relationship with the Company that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and is independent within the meaning of Rule 10A-3 of the Exchange Act of 1934, as amended (the “Exchange Act”). The Board has reviewed the independence of our current non-employee directors and has determined that each of Matthew J. Cox, W. Allen Doane, Faye W. Kurren, Allen B. Uyeda, Jenai S. Wall and C. Scott Wo is an independent director. In determining the independence of its directors, the Board considered transactions, relationships and arrangements between the Company and its directors, the details of which are not required to be disclosed in this Proxy Statement pursuant to Item 404(a) of Regulation S-K. In addition, in determining the independence of its directors, the Board considered that certain businesses in which Ms. Wall and her spouse have a material interest, particularly Foodland Super Market, Ltd., as well as certain businesses in which Mr. Wo has a material interest, specifically C.S. Wo & Sons, Ltd. and Kunia Country Farms, have loans that were made by the Bank in the ordinary course of business, on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable loans with persons not related to the lender, and that did not involve more than the normal risk of collectability or present other unfavorable features.

## **Board Leadership Structure and Qualifications**

We believe that our directors should have the highest professional and personal ethics and values, consistent with our long-standing values and standards. They should have broad experience at the policy-making level in business, government or banking. They should be committed to enhancing stockholder value and should have sufficient time to carry out their duties and to provide insight and practical wisdom based on experience. Their service on boards of other companies should be limited to a number that permits them, given their individual circumstances, to perform responsibly all director duties. Each director must represent the interests of all stockholders. When considering potential director candidates, our Board also considers the candidate's character, judgment, diversity, including racial and gender diversity, as well as other forms of diversity, skills, including financial literacy, and experience in the context of our needs and those of the Board.

The corporate governance guidelines of our Board provide that the Board may, in its sole discretion, designate one of the independent directors as its lead director to preside over meetings of the Board held in the absence of any director who is also an executive officer and to have such additional responsibilities and authority as the Board may direct from time to time.

Currently, Robert Harrison serves as our Chief Executive Officer and President and as the Chairman of our Board, and Allen B. Uyeda has been designated to serve as the lead independent director of our Board.

Our Chief Executive Officer is generally in charge of our business affairs, subject to the overall direction and supervision of the Board and its committees, and is the only member of our management team that serves on the Board. Our Board believes that combining the roles of Chairman of the Board and Chief Executive Officer and appointing a lead independent director is the most effective board leadership structure for us and that it provides an effective balance of strong leadership and independent oversight. Having one individual serve as both Chief Executive Officer and Chairman contributes to and enhances the Board's efficiency and effectiveness, as the Chief Executive Officer is generally in the best position to inform our independent directors about our operations, the competitive market and other challenges facing our business. Our Board believes that the Chief Executive Officer is in the best position to most effectively serve as the Chairman of the Board for many reasons as he is closest to many facets of our business and has frequent contact with our customers, regulators and other stakeholders in our business. The Board believes that combining roles of Chief Executive Officer and Chairman of the Board also promotes timely communication between management and the Board on critical matters, including strategy, business results and risks because of Mr. Harrison's direct involvement in the strategic and day-to-day management of our business.

## **Board Oversight of Risk Management**

Our Board believes that effective risk management and control processes are critical to our safety and soundness, our ability to predict and manage the challenges that we face and, ultimately, our long-term corporate success. Our Board, both directly and through its committees, is responsible for overseeing our risk management processes, with each of the committees of our Board assuming a different and important role in overseeing the management of the risks we face.

The Risk Committee of our Board oversees our enterprise-wide risk management framework, which establishes our overall risk appetite and risk management strategy and enables our management to understand, manage and report on the risks we face. Our Risk Committee also reviews and oversees policies and practices established by management to identify, assess, measure and manage key risks we face, including the risk appetite metrics developed by management and approved by our Board.

Furthermore, the Risk Committee reviews and receives regular briefings concerning the Company's information security and technology risks (including cybersecurity), including discussions of the Company's information security and cybersecurity risk management programs. The Audit Committee of our Board is responsible for overseeing risks associated with financial matters (particularly financial reporting, accounting practices and policies, disclosure controls and procedures and internal control over financial reporting), the Company's compliance with legal and regulatory requirements and the performance of the Company's internal audit function. The Compensation Committee has primary responsibility for risks and exposures associated with our compensation policies, plans and practices regarding both executive compensation and the compensation structure generally. In particular, our Compensation Committee, in conjunction with our Chief Executive Officer and Chief Risk Officer and other members of our management as appropriate, reviews our incentive compensation arrangements to ensure these programs are consistent with applicable laws and regulations, including safety and soundness requirements, and do not encourage imprudent or excessive risk-taking by our employees. The Corporate Governance and Nominating Committee oversees risks associated with the independence of our Board.

Our senior management is responsible for implementing and reporting to our Board regarding our risk management processes, including by assessing and managing the risks we face, including strategic, operational, regulatory, investment and execution risks, on a day-to-day basis. Our senior management is also responsible for creating and recommending to our Board for approval appropriate risk appetite metrics reflecting the aggregate levels and types of risk we are willing to accept in connection with the operation of our business and pursuit of our business objectives.

The role of our Board in our risk oversight is consistent with our leadership structure, with our Chief Executive Officer and the other members of senior management having responsibility for assessing and managing our risk exposure, and our Board and its committees providing oversight in connection with those efforts. We believe this division of risk management responsibilities presents a consistent, systemic and effective approach for identifying, managing and mitigating risks throughout our operations.

### **Committees of Our Board of Directors**

The standing committees of our Board consist of an audit committee, a corporate governance and nominating committee, a compensation committee and a risk committee. The responsibilities of these committees are described below. Our Board may also establish various other committees to assist

it in its responsibilities. The following table summarizes the current membership of the Board and each of its committees:

Director Name	Audit Committee	Corporate Governance & Nominating Committee	Compensation Committee	Risk Committee
Matthew J. Cox*			Chair	
W. Allen Doane*	Chair	Member		
Robert S. Harrison				
Faye W. Kurren*	Member	Member		
Allen B. Uyeda*		Chair	Member	Chair
Jenai S. Wall*			Member	Member
C. Scott Wo*	Member			Member

\* “Independent” under NASDAQ listing standards.

*Audit Committee.* The Audit Committee assists the Board in fulfilling its responsibilities for general oversight of the integrity of our financial statements and regulatory reporting, our compliance with legal and regulatory requirements, our independent auditors’ qualifications and independence and the performance of our internal audit function and independent auditors. Among other things, the Audit Committee:

- appoints, oversees and determines the compensation of our independent auditors;
- reviews and discusses our financial statements and the scope of our annual audit to be conducted by our independent auditors and approves all audit fees;
- reviews and discusses our financial reporting activities, including our annual report, and the accounting standards and principles followed in connection with those activities;
- pre-approves audit and non-audit services provided by our independent auditors;
- meets with management and our independent auditors to review and discuss our financial statements and financial disclosure;
- establishes and oversees procedures for the treatment of complaints regarding accounting and auditing matters;
- reviews the scope and staffing of our internal audit function and our disclosure and internal controls; and
- monitors our legal, ethical and regulatory compliance.

Pursuant to the Audit Committee’s charter, the Audit Committee must consist of at least three members, all of whom are required to be “independent” under the listing standards of NASDAQ and meet the requirements of Rule 10A-3 of the Exchange Act. The Audit Committee also must include at least one “audit committee financial expert.” Currently, our Audit Committee members are W. Allen Doane (chair), Faye W. Kurren and C. Scott Wo, each of whom has been determined by the Board to



be “independent” under the listing standards of NASDAQ and to meet the requirements of Rule 10A-3 of the Exchange Act, and all of whom serve as “audit committee financial experts.”

The Audit Committee has adopted a written charter that specifies the scope of its rights and responsibilities, including those listed above. The charter is available on our website at [www.fhb.com](http://www.fhb.com) under the Investor Relations tab. The Audit Committee met five times in 2019.

*Compensation Committee.* The Compensation Committee is responsible for discharging the responsibilities of our Board relating to compensation of our executives and directors. Among other things, the Compensation Committee:

- reviews and approves our compensation programs and incentive plans, including those for our executive officers;
- reviews our overall compensation philosophy;
- prepares our Compensation Committee report, reviews and discusses with management our compensation discussion and analysis and recommends its inclusion in our annual proxy statement or report;
- reviews and approves director compensation and recommends to the Board any changes thereto;
- reviews and approves corporate goals and objectives relevant to the compensation of our Chief Executive Officer; and
- oversees, in consultation with management, regulatory compliance with respect to compensation matters.

Pursuant to the Compensation Committee’s charter and NASDAQ rules, the Compensation Committee must consist of at least two members and, except under exceptional and limited circumstances, must consist solely of independent directors. Currently, our Compensation Committee members are Matthew J. Cox (Chair), Allen B. Uyeda and Jenai S. Wall, each of whom has been determined by the Board to be “independent” under the listing standards of NASDAQ.

The Compensation Committee has adopted a written charter that specifies the scope of its rights and responsibilities, including those listed above. The charter is available on our website at [www.fhb.com](http://www.fhb.com) under the Investor Relations tab. The Compensation Committee met seven times in 2019. As of the date of this Proxy Statement, the Compensation Committee has met three times in 2020 to make certain determinations with respect to 2019 compensation.

For 2019, the Compensation Committee retained the services of Pay Governance LLC as an independent outside compensation consultant (“Pay Governance”) to perform a competitive assessment of First Hawaiian’s executive and director compensation programs, as well as to provide guidance on the changing regulatory environment governing executive compensation. Pay Governance provides the Company with annual executive and director assessments that include, but are not limited to, an assessment of First Hawaiian’s financial performance relative to its peers, an assessment of First Hawaiian’s compensation program compared to its peers, recommendations for total cash compensation (base salary and cash incentives), a review of equity compensation, assessment of perquisites, retirement benefits and bonuses for NEOs, and a review of Board and committee compensation. The annual executive and director compensation assessments provide Pay Governance with a broad array of

information from which to assess the effectiveness of its compensation programs and serve as a foundation for compensation decisions.

In addition to providing annual assessments, Pay Governance advises the Compensation Committee on best practices in light of the changes in bank regulations applicable to the Company or the Bank, assists in developing a relevant peer group for use in the executive and director market assessments and provides guidance to the Compensation Committee regarding the design of compensation arrangements that reflect First Hawaiian's compensation philosophy.

Pay Governance attends the Compensation Committee meetings upon request to review compensation data and participate in general discussions on compensation and benefits for the NEOs and Board members. While the Compensation Committee considers input from Pay Governance when making compensation decisions, the Compensation Committee's final decisions reflect many factors and considerations.

The Compensation Committee regularly reviews the services provided by Pay Governance and believes that Pay Governance is independent in providing executive compensation consulting services. For more information about the role of Pay Governance as an independent outside compensation consultant, see "*Compensation Discussion and Analysis—Role of the Compensation Consultant and Independence.*"

Our Chief Executive Officer, in conjunction with members of the Compensation Committee and the Human Resources Division, develops recommendations regarding the appropriate mix and level of compensation for our NEOs (other than himself). The recommendations consider the objectives of our compensation philosophy and the range of compensation programs authorized by the Compensation Committee. The Chief Executive Officer meets with the Compensation Committee to discuss the compensation recommendations for the other NEOs. Our Chief Executive Officer does not participate in Compensation Committee discussions relating to his compensation.

*Corporate Governance and Nominating Committee.* The Corporate Governance and Nominating Committee is responsible for ensuring an effective and efficient system of corporate governance for First Hawaiian by clarifying the roles of our Board and its committees; identifying, evaluating and recommending to our Board candidates for directorships; and reviewing and making recommendations with respect to the size and composition of our Board. In addition, the Corporate Governance and Nominating Committee is responsible for reviewing and overseeing our corporate governance guidelines and for making recommendations to our Board concerning governance matters. Among other things, the Corporate Governance and Nominating Committee:

- identifies individuals qualified to be directors consistent with our corporate governance guidelines and evaluates and recommends director nominees for approval by our Board;
- reviews Board committee assignments and makes recommendations to our Board concerning the structure and membership of Board committees;
- annually reviews our corporate governance guidelines and recommends any changes to our Board; and
- assists management with the preparation of the disclosure in our annual proxy statement regarding director independence and the operations of the Corporate Governance and Nominating Committee.

Pursuant to the Corporate Governance and Nominating Committee's charter, the Corporate Governance and Nominating Committee must consist of at least three members, all of whom are independent under NASDAQ rules. Currently, our Corporate Governance and Nominating Committee members are Allen B. Uyeda (chair), W. Allen Doane and Faye W. Kurren, each of whom has been determined by the Board to be "independent" under the listing standards of NASDAQ.

The Corporate Governance and Nominating Committee has adopted a written charter that specifies the scope of its rights and responsibilities, including those listed above. The charter is available on our website at [www.fhb.com](http://www.fhb.com) under the Investor Relations tab. The Corporate Governance and Nominating Committee met four times in 2019.

*Risk Committee.* The Risk Committee assists the Board in fulfilling its responsibilities for oversight of our enterprise-wide risk management framework, including reviewing our overall risk appetite, risk management strategy, and policies and practices established by our management to identify and manage risks we face. Among other things, the Risk Committee:

- reviews and approves our risk management framework, including a clearly articulated risk appetite statement;
- oversees significant credit policies and reviews and approves major changes to them;
- oversees significant policies and practices governing the management of market risk;
- annually approves the acceptable level of liquidity risk that we may assume in connection with our operating strategies;
- reviews consolidated reports on operational risk, including, to the extent available, key risk indicators;
- provides oversight responsibility and accountability for capital planning and oversee and approves significant capital policies;
- reviews and approves the policies and procedures of the stress testing processes; and
- evaluates and discusses summary information about stress test results to ensure that the stress tests are consistent with our risk appetite and overall business strategy.

Pursuant to the Risk Committee's charter, the Risk Committee must consist of at least three members, a majority of whom must not currently be employees at the Company or the Bank. Currently, our Risk Committee members are Allen B. Uyeda (chair), Jenai S. Wall and C. Scott Wo.

The Risk Committee has adopted a written charter that specifies the scope of its rights and responsibilities, including those listed above. The charter is available on our website at [www.fhb.com](http://www.fhb.com) under the Investor Relations tab. The Risk Committee met four times in 2019.

### **Compensation Committee Interlocks and Insider Participation**

No member of our Compensation Committee is or has been one of our officers or employees, and none will have any relationships with us of the type that is required to be disclosed under Item 404 of Regulation S-K. None of our executive officers serves or has served as a member of the Board,

Compensation Committee or other Board committee performing equivalent functions of any entity that has one or more executive officers serving as one of our directors or on our Compensation Committee.

### **Corporate Governance Guidelines and Code of Conduct and Ethics**

Our Board has adopted corporate governance guidelines, which are accessible through our principal corporate website at [www.fhb.com](http://www.fhb.com) under the Investor Relations tab, that set forth a framework within which our Board, assisted by Board committees, will direct the Company's affairs. These guidelines address, among other things, the composition and functions of our Board, director independence, compensation of directors, management succession and review, Board committees and selection of new directors, including detailed procedures to be followed in the event that one or more directors do not receive a majority of the votes cast "for" his or her election at the Annual Meeting.

Our Board has adopted a code of conduct and ethics applicable to our directors, officers and employees. A copy of that code is available on our principal corporate website at [www.fhb.com](http://www.fhb.com) under the Investor Relations tab. We expect that any amendments to the code, or any waivers of its requirements, will be disclosed on our principal corporate website at [www.fhb.com](http://www.fhb.com) as required by applicable law or listing requirements.

### **Stockholder Communications with the Board of Directors**

Stockholders and any interested parties may communicate with the Board by sending correspondence addressed to the Board or one or more specific directors at the following address: First Hawaiian, Inc., c/o the Secretary, 999 Bishop Street, 29th Floor, Honolulu, Hawaii 96813. All communications will be submitted by the Company's Secretary to the relevant director or directors as addressed.

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS,  
DIRECTORS AND MANAGEMENT**

The following table sets forth information, based on data provided to us or filed with the Securities and Exchange Commission (the “SEC”), with respect to beneficial ownership of shares of our common stock as of February 28, 2020 for (i) all persons known by us to own beneficially more than 5% of our outstanding common stock, (ii) each of our NEOs, (iii) each of our directors and (iv) all of our directors and executive officers as a group. Beneficial ownership is determined in accordance with the rules of the SEC. These rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to such securities. Except as otherwise indicated, all persons listed below have sole voting and investment power with respect to the shares beneficially owned by them, subject to applicable community property laws. Except as otherwise indicated, the address for each stockholder listed below is c/o First Hawaiian, Inc., 999 Bishop Street, Honolulu, Hawaii 96813.

Name and Address of Beneficial Owner	Number of Shares Beneficially Owned <sup>(1)</sup>	Percent of Class
<b>Greater than 5% Stockholders</b>		
The Vanguard Group 100 Vanguard Blvd. Malvern, Pennsylvania 19355 . . . . .	12,611,192 <sup>(2)</sup>	9.6%
FMR LLC 245 Summer Street Boston, Massachusetts 02210 . . . . .	8,562,468 <sup>(3)</sup>	6.5
American Century Investment Management, Inc. American Century Companies, Inc. Stowers Institute for Medical Research 4500 Main Street, 9th Floor Kansas City, Missouri 64111 . . . . .	8,094,311 <sup>(4)</sup>	6.2
BlackRock, Inc. 55 East 52nd Street New York NY 10055 . . . . .	6,677,910 <sup>(5)</sup>	5.1
<b>Directors and Named Executive Officers</b>		
Robert S. Harrison . . . . .	339,289 <sup>(6)</sup>	*
Matthew J. Cox . . . . .	11,132 <sup>(7)</sup>	*
W. Allen Doane . . . . .	46,132 <sup>(7)</sup>	*
Faye W. Kurren . . . . .	6,417 <sup>(7)</sup>	*
Allen B. Uyeda . . . . .	10,132 <sup>(7)</sup>	*
Jenai S. Wall . . . . .	2,917 <sup>(7)</sup>	*
C. Scott Wo . . . . .	51,189 <sup>(7)</sup>	*
Alan H. Arizumi . . . . .	56,410 <sup>(8)</sup>	*
Ravi Mallela . . . . .	83,629 <sup>(9)</sup>	*
Ralph Mesick . . . . .	61,021 <sup>(10)</sup>	*
Lance A. Mizumoto . . . . .	38,841 <sup>(11)</sup>	*
Eric K. Yeaman . . . . .	54,000 <sup>(12)</sup>	*
Directors and executive officers as a group (12 persons) . . . . .	748,177 <sup>(13)</sup>	*

\* Less than 1%.

- (1) Based on 130,350,725 shares of First Hawaiian common stock outstanding as of February 28, 2020.
- (2) Based solely upon information contained in the Amendment No. 1 to Schedule 13G filed by The Vanguard Group with the SEC on February 12, 2020, wherein The Vanguard Group reported sole voting power as to 68,852 shares of common stock, shared voting power as to 19,777 shares of common stock, sole dispositive

power as to 12,541,242 shares of common stock and shared dispositive power as to 69,950 shares of common stock.

- (3) Based solely upon information contained in the Amendment No. 1 to Schedule 13G filed by FMR LLC with the SEC on February 7, 2020, wherein FMR LLC reported sole voting power as to 510,040 shares of common stock and sole dispositive power as to 8,562,468 shares of common stock.
- (4) Based solely upon information contained in the Amendment No. 1 to Schedule 13G filed by American Century Investment Management, Inc., American Century Companies, Inc. and Stowers Institute for Medical Research (collectively, the “American Century Entities”) with the SEC on February 11, 2020, wherein each of the American Century Entities reported sole voting power as to 7,872,105 shares of common stock and sole dispositive power as to 8,094,311 shares of common stock.
- (5) Based solely upon information contained in the Schedule 13G filed by BlackRock, Inc. with the SEC on February 7, 2020, wherein BlackRock, Inc. reported sole voting power as to 6,180,007 shares of common stock and sole dispositive power as to 6,677,910 shares of common stock.
- (6) Excludes 25,413 shares of common stock underlying performance share units that were granted under the First Hawaiian, Inc. Long Term Incentive Plan (the “LTIP”), which are subject to vesting. For a discussion of these awards, see “*Compensation Discussion and Analysis—Long-Term Incentive Plan*” and “*Executive Compensation—Summary Compensation Table—Long-Term Incentive Plan Awards.*”
- (7) Excludes 2,653 shares of common stock awarded to each of Directors Cox, Doane, Kurren, Uyeda, Wall and Wo, which shares underlie restricted stock units that will vest on the earlier of (a) July 24, 2020 and (b) a change in control of First Hawaiian, Inc., subject to continued service on the Board through the vesting date, and will settle in shares of common stock on a one-for-one basis within 30 days of vesting. For a discussion of these awards, see “*Director Compensation—Narrative Disclosure to 2019 First Hawaiian Director Compensation Table.*”
- (8) Excludes 9,647 shares of common stock underlying performance share units that were granted under the LTIP, which are subject to vesting. For a discussion of these awards, see “*Compensation Discussion and Analysis—Long-Term Incentive Plan*” and “*Executive Compensation—Summary Compensation Table—Long-Term Incentive Plan Awards.*” Includes 1,001 shares of common stock owned by Mr. Arizumi’s wife and 598 shares of common stock deemed to be beneficially owned by Mr. Arizumi’s wife in connection with vested performance share unit awards for the 2017-2019 LTIP performance cycle that will settle in shares of common stock within 60 days of February 28, 2020. Amount shown excludes 1,305 shares of common stock underlying performance share units that were granted to Mr. Arizumi’s wife under the LTIP, which shares are subject to vesting. Mr. Arizumi disclaims beneficial ownership of shares beneficially owned or deemed to be beneficially owned by his wife.
- (9) Excludes 22,864 shares of common stock underlying unvested restricted share units granted in connection with the commencement of Mr. Mallela’s employment and 29,871 shares of common stock underlying performance share units that were granted under the LTIP, which are each subject to vesting. For a discussion of these awards, see “*Compensation Discussion and Analysis—Long-Term Incentive Plan*” and “*Executive Compensation—Summary Compensation Table—Long-Term Incentive Plan Awards.*”
- (10) Excludes 4,637 shares of common stock underlying performance share units that were granted under the LTIP, which are subject to vesting. For a discussion of these awards, see “*Compensation Discussion and Analysis—Long-Term Incentive Plan*” and “*Executive Compensation—Summary Compensation Table—Long-Term Incentive Plan Awards.*”
- (11) Excludes 7,503 shares of common stock underlying performance share units that were granted under the LTIP, which are each subject to vesting. For a discussion of these awards, see “*Compensation Discussion and Analysis—Long-Term Incentive Plan*” and “*Executive Compensation—Summary Compensation Table—Long-Term Incentive Plan Awards.*”
- (12) Mr. Yeaman resigned from his positions as President and Chief Operating Officer of the Company in August 2019. Mr. Yeaman’s address is 733 Bishop Street, Makai Tower, Suite 2550, Honolulu, HI 96813.
- (13) Includes 32,520, 4,783, 1,814, 2,339 and 43,976 shares of common stock deemed to be beneficially owned by Messrs. Harrison, Arizumi, Mesick and Mizumoto (and by all directors and executive officers as a group),

respectively, in connection with vested performance share unit awards for the 2017-2019 LTIP performance cycle that will settle in shares of common stock within 60 days of February 28, 2020. For Messrs. Harrison, Arizumi, Mallela, Mesick and Mizumoto (and for all directors and executive officers as a group), the amounts shown include 36,982, 4,711, 12,389, 3,698, 5,547 and 67,487 unvested restricted shares, respectively, awarded on April 24, 2019, all of which restricted shares are subject to forfeiture. Of such amounts, 12,327, 1,569, 4,129, 1,232, 1,849 and 22,492 restricted shares will vest for Messrs. Harrison, Arizumi, Mallela, Mesick and Mizumoto and for all directors and executive officers as a group, respectively, within 60 days following February 28, 2020, subject to continued employment through the vesting date. For Mr. Arizumi (and all directors and executive officers as a group), such amounts include 551 restricted shares deemed to be beneficially owned by Mr. Arizumi's wife, of which amount 183 restricted shares will vest within 60 days following February 28, 2020. For Messrs. Harrison, Arizumi, Mallela, Mesick and Mizumoto (and for all directors and executive officers as a group), the amounts shown include 38,520, 5,940, 12,904, 9,630, 6,259 and 77,682 unvested restricted shares, respectively, awarded on February 26, 2020, all of which restricted shares will be issued, subject to forfeiture, within 60 days following February 28, 2020. For Mr. Arizumi (and for all directors and executive officers as a group), such amounts include 644 restricted shares deemed to be beneficially owned by Mr. Arizumi's wife. Mr. Arizumi disclaims beneficial ownership of shares beneficially owned or deemed to be beneficially owned by his wife. For Messrs. Harrison, Arizumi, Mallela, Mesick and Mizumoto (and for all directors and executive officers as a group), the amounts shown also include 73,964, 9,424 (including 1,102 shares for Mr. Arizumi's wife), 24,778, 7,396, 11,094 and 134,978 performance shares, respectively, awarded on April 24, 2019, all of which performance shares are subject to forfeiture. For Messrs. Harrison, Arizumi, Mallela, Mesick and Mizumoto (and for all directors and executive officers as a group), the amounts shown also include 77,042, 11,882 (including 1,288 shares for Mr. Arizumi's wife), 25,808, 19,260, 12,520 and 155,372 performance shares, respectively, awarded on February 26, 2020, all of which performance shares will be issued, subject to forfeiture, within 60 days following February 28, 2020. The named individuals have voting power but not dispositive power with respect to all unvested restricted shares and performance shares.

## COMPENSATION DISCUSSION AND ANALYSIS

<b>Executive Summary</b>
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### Business Performance

The highlights of our performance in 2019, which provide context for our compensation program, include:

<i>Net Income</i>	<i>Core Net Income*</i>	<i>Return on Average Total Stockholders' Equity</i>	<i>Core Return on Average Tangible Stockholders' Equity*</i>
<b>\$284.4 million</b>	<b>\$291.8 million*</b>	<b>10.90%</b>	<b>18.08%*</b>
Increased 7.6%	Increased 1.8%	Increased by 14 basis points	Decreased by 153 basis points
<i>Loan and Lease Growth</i>	<i>Efficiency Ratio / Core Efficiency Ratio*</i>	<i>Tier 1 Capital</i>	<i>Net Charge-Offs to Average Total Loans and Leases</i>
<b>1.04%</b>	<b>48.36%   47.55%*</b>	<b>11.88%</b>	<b>0.19%</b>
Maintained steady growth, excluding sale of \$409 million of SNC's	Maintained expense discipline	Excess of well-capitalized	Exceptional credit quality

\* Represents a non-GAAP measure. Please see Appendix A for an explanation and reconciliation.

### 2019 Compensation Highlights

The Compensation Committee has primary responsibility over the compensation program for our executive officers, including our NEOs. As part of this responsibility, the Compensation Committee oversees the design and execution of the components of the program to ensure each component effectively attracts and retains our leadership talent and aligns rewards with performance. In particular, the Compensation Committee has implemented a compensation program that:

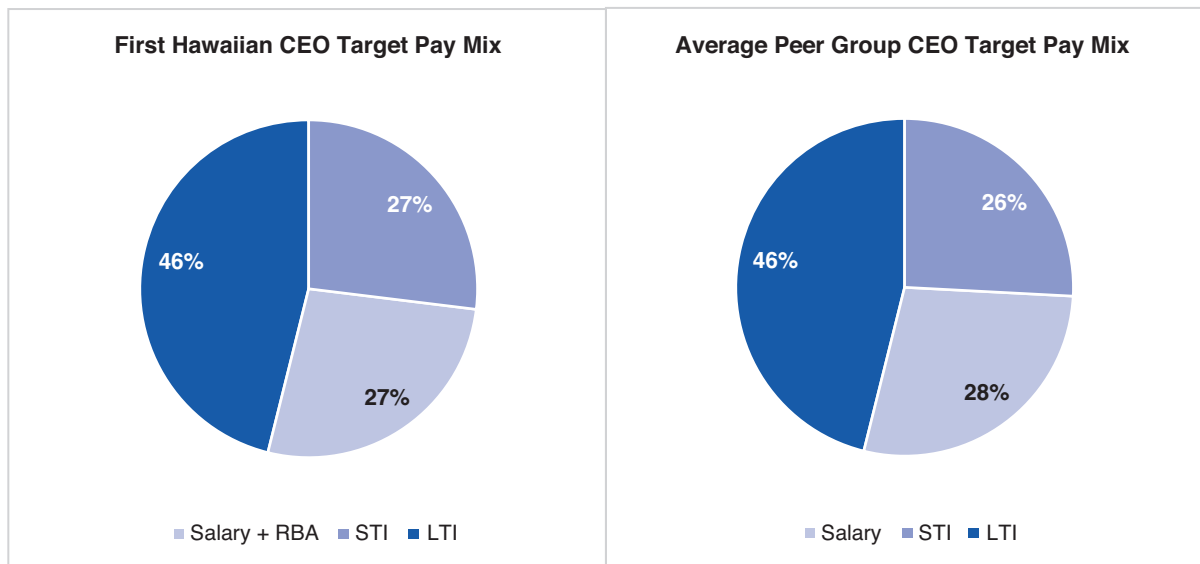
- **Focuses on Performance:** sets appropriate, yet challenging, performance goals for the incentive plans and implements plans that motivate leadership to achieve consistent, long-term performance;
- **Manages Risk:** ensures that incentive plans do not encourage excessive risk-taking; and
- **Provides Balance:** includes incentive plan components that are quantitative and linked to stockholder return or financial results, but are balanced by key performance objectives qualitatively evaluated by the Compensation Committee.



The Compensation Committee evaluates the performance of, and recommends compensation actions for, all of our NEOs, including our Chairman and Chief Executive Officer, which actions are reviewed and approved by our Board. Our compensation framework is focused on performance-based compensation and emphasizes long-term performance.

	Elements of 2019 Compensation			
	Base Salary	Annual Bonus Plan	Restricted Shares	Performance Shares
Form of Compensation	Fixed Cash	Variable Cash	Fixed Equity	Variable Equity
Measurement/Vesting Period	Ongoing	Annual Performance	Vest Ratably over Three Years	Cliff Vest After Three Year Performance Period
Key Performance Metrics	N/A	<ul style="list-style-type: none"> <li>• 50% Core Net Income (Absolute)</li> <li>• 20% Efficiency Ratio (Relative)</li> <li>• 30% Individual Performance</li> </ul>	Value is dependent on share price performance	<ul style="list-style-type: none"> <li>• 70% ROATE (Relative)</li> <li>• 30% ROATA (Relative)</li> <li>• +/-25% Relative Total Shareholder Return (“TSR”) Modifier</li> </ul>

The framework for the compensation of our Chief Executive Officer (“CEO”) is based on a strong alignment with stockholder interests and a consistency with market practices. For 2019, First Hawaiian’s CEO pay mix was aligned with the average pay mix across the peer group:



<b>Fixed Pay</b> <ul style="list-style-type: none"> <li>• Salary</li> <li>• Role-Based Allowance (RBA)</li> </ul>	<b>Performance-Based Pay</b> <ul style="list-style-type: none"> <li>• Annual Bonus (STI)</li> <li>• Performance shares and restricted shares (LTI)</li> </ul>
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## Compensation Governance in 2019

The following table summarizes the notable features of our 2019 executive compensation program, which were designed to align with “best practice” compensation governance.

Promote Good Pay Practices	Avoid Bad Pay Practices
✓ We align pay and performance by delivering a substantial portion of compensation in the form of variable, performance-based awards	✓ We don't permit pledging or hedging of shares by employees or directors of the Company
✓ We grant 50% of long-term incentives in the form of performance-based awards	✓ We don't gross-up severance payments or benefits for excise tax
✓ We maintain stock ownership guidelines for our executives and non-employee directors	✓ We don't pay dividends on unearned performance share units or performance shares
✓ We require “double trigger” vesting for change-in-control payments	✓ We don't allow for repricing of stock options without stockholder approval
✓ We have a broad clawback policy that applies to cash and equity compensation	✓ We do not have an automatic share replenishment (evergreen) provision in any share-based plans

## Key Changes to Our Compensation Program in 2019

The Compensation Committee approved changes for 2019 to improve the alignment of our program with our business objectives, strong corporate governance principles and prevailing market practice. As of August 1, 2018, we ceased being subject to the applicable European remuneration rules (see “—Key Components of Compensation—CRD IV Compensation Requirements” below), and certain

changes for 2019 were related to the transition away from a pay program that was subject to CRD IV remuneration guidelines.

Changes for 2019	What We Did
<b>Expanded Clawback Policy</b>	<ul style="list-style-type: none"> <li>Implemented a broad clawback policy that includes triggers for financial restatement, incorrect calculation of incentives, operating outside risk structure and ethical misconduct</li> </ul>
<b>Enhanced Stock Ownership Guidelines</b>	<ul style="list-style-type: none"> <li>Enhanced stock ownership guidelines as a multiple of salary for our CEO (5x) and other senior officers (2x)</li> </ul>
<b>Froze Supplemental Executive Retirement Plan</b>	<ul style="list-style-type: none"> <li>Froze our Supplemental Executive Retirement Plan (“SERP”) effective July 1, 2019</li> </ul>
<b>Eliminated Tax Reimbursements</b>	<ul style="list-style-type: none"> <li>Eliminated reimbursements for taxes on SERP accrual and company-paid premiums on life insurance effective July 1, 2019</li> </ul>
<b>Granted Restricted Shares and Performance Shares</b>	<ul style="list-style-type: none"> <li>Implemented a long-term incentive mix of 50% time-based restricted shares and 50% performance shares</li> <li>Added restricted shares to better align with the peer group practices and balance reward elements with the intent to mitigate risk</li> </ul>
<b>Added Relative Efficiency Ratio as a Metric in the Annual Bonus Plan</b>	<ul style="list-style-type: none"> <li>Introduced Efficiency Ratio as a metric with a 20% weighting and performance measured relative to FHI peers to promote a competitive cost structure and effective returns on capital expenditures, which are critical to high performance</li> </ul>
<b>Changed Performance Metrics for the LTIP</b>	<ul style="list-style-type: none"> <li>Implemented the following metrics for the 2019-2021 performance period: Return on Average Tangible Equity (“ROATE”) vs. Peers (70% weight) and Return on Average Tangible Assets (“ROATA”) vs. Peers (30% weight)</li> <li>Introduced a Relative TSR modifier vs. the KBW Index with a potential range of +/- 25%, with no upward adjustment permitted if FHI’s absolute TSR is negative over the 3-year performance period</li> </ul>

## 2019 “Say-on-Pay” Results

In connection with our ongoing stockholder engagement efforts, we continue to seek ways to maintain a compensation program that is responsive to both stockholder priorities and concerns and our business objectives.

At our 2019 Annual Meeting of Stockholders, as required by the Exchange Act, our stockholders were presented an opportunity to vote on an advisory basis with respect to the compensation of our named executive officers. At this meeting, our “say-on-pay” proposal for our 2018 compensation program received the support of 83.5% of shares present in person or represented by proxy and entitled to vote. The result of the vote was one of the factors that the Compensation Committee considered when determining changes to our compensation program in 2019, which are discussed above.

## Discussion and Analysis of 2019 Compensation

### Introduction: 2019 Named Executive Officers

This Compensation Discussion and Analysis (“CD&A”) describes the material elements of compensation for each of our executive officers who are included in the Summary Compensation Table of this Proxy Statement, who we collectively refer to as our “named executive officers” or “NEOs.” The NEOs who are identified in the chart below were our principal executive officer, our principal financial officer, our three other most highly compensated persons serving as executive officers as of December 31, 2019 and our former president and chief operating officer.

Name	Title	Recent Employment History
<b>Robert S. Harrison</b>	Chairman, President and Chief Executive Officer	Robert Harrison has been our Chief Executive Officer since January 2012, was named Chairman of First Hawaiian Bank in May 2014 and was reappointed as President in August 2019.
<b>Ravi Mallela</b>	Executive Vice President and Chief Financial Officer, Finance Group	Ravi Mallela joined First Hawaiian Bank on September 6, 2018 as Executive Vice President, Chief Financial Officer and Treasurer and serves as a member of the Bank’s Senior Management Committee. He surrendered the Treasurer title in January 2019.
<b>Alan H. Arizumi</b>	Vice Chairman, Wealth Management Group	Alan Arizumi was appointed Vice Chairman of Wealth Management and Consumer Banking in 2014 and has served on the Bank’s Senior Management Committee since December 2009.
<b>Lance A. Mizumoto</b>	Vice Chairman and Chief Lending Officer, Commercial Banking Group	Lance Mizumoto was named Vice Chairman and Chief Lending Officer, Commercial Banking Group effective January 2019. Previously, Mr. Mizumoto served as Executive Vice President and Commercial Real Estate Division Manager commencing in January 2017 upon rejoining First Hawaiian Bank. Mr. Mizumoto also serves as a member of the Bank’s Senior Management Committee.
<b>Ralph M. Mesick</b>	Vice Chairman and Chief Risk Officer	Ralph Mesick was appointed Vice Chairman and Chief Risk Officer in July 2016 and serves as a member of the Bank’s Senior Management Committee.
<b>Eric K. Yeaman</b>	Former President and Chief Operating Officer	Eric Yeaman joined First Hawaiian Bank as President and Chief Operating Officer in June 2015 and served as a member of the Bank’s Senior Management Committee until his resignation effective August 12, 2019.

### Compensation Philosophy

We strive to achieve the following objectives through our compensation framework:

- Attract and retain highly qualified and experienced executives;
- Provide competitive total compensation opportunities, including benefits and perquisites;

- Motivate our executives to achieve consistent and long-term performance by linking elements of pay to challenging Company performance goals;
- Link compensation goals to the interests of stockholders;
- Avoid compensation programs that encourage excessive risk-taking;
- Recognize and reward outstanding Company and individual performance;
- Ensure our stockholders clearly understand our rewards program; and
- Respect applicable U.S. regulatory requirements.

<p><b>Compensation Governance Process</b></p>
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**Role of the Compensation Committee**

The Compensation Committee is responsible for discharging the responsibilities of our Board relating to compensation of our executives and directors and recommends compensation levels for executives and directors to the Board for approval. Among other things, the Compensation Committee:

- Reviews and approves our compensation programs, awards and other compensation structures for all executive officers, including for our NEOs;
- Reviews and approves our overall compensation philosophy;
- Reviews and approves the forms and amounts of compensation under our non-employee director compensation program and recommends to the Board any changes thereto;
- Reviews and approves corporate goals and objectives relevant to the compensation of our CEO;
- Reviews and discusses with the CEO and reports to the Board plans for executive officer development and corporate succession plans for the CEO and other executive officers; and
- Oversees, in consultation with management, regulatory compliance with respect to compensation matters.

With respect to compensation for the CEO, the Compensation Committee annually reviews and approves the corporate goals relevant to the CEO's incentive compensation and additional individual performance goals. The Compensation Committee is responsible for approving the achievement of the incentive plan goals. In addition, the Compensation Committee considers the results of the CEO's performance evaluation conducted by the Board and makes recommendations to the Board regarding the CEO's compensation based on that evaluation. The Compensation Committee considers compensation market data from the compensation peer group when determining the types and amounts of compensation for the CEO. The Board is responsible for approving the CEO's compensation structure and amounts. Similar procedures are followed in determining the compensation for the rest of the NEOs, but the Compensation Committee takes into consideration recommendations made by Mr. Harrison in setting the compensation for NEOs other than Mr. Harrison.

## **Role of the Chairman and Chief Executive Officer**

Our Chief Executive Officer develops recommendations regarding the appropriate level of compensation for our other NEOs and presents them to the Compensation Committee for recommendation to the full Board. He does not review or recommend compensation for himself. When making such recommendations, our Chief Executive Officer considers the objectives of our compensation philosophy, competitive market data and the range of compensation programs authorized by the Compensation Committee.

## **Role of the Compensation Consultant and Independence**

In 2019, the Compensation Committee again retained the services of Pay Governance LLC (“Pay Governance”) as a compensation consultant to provide independent counsel and advice on compensation matters. Pay Governance provided the following services to the Compensation Committee in 2019:

- Reviewed and recommended changes to the benchmarking approach, including the custom industry peer group;
- Conducted a competitive market assessment of First Hawaiian’s executive compensation levels and structure;
- Advised on the design and structure of the incentive compensation programs for executives, including with respect to total cash compensation, equity compensation, assessment of perquisites, retirement benefits and bonuses for NEOs;
- Provided updates on trends and best practices in banking industry compensation;
- Administered the CEO’s performance assessment process for the Board;
- Assisted in the development of an expanded clawback policy;
- Supported drafting the CD&A for the annual proxy statement;
- Provided other ad hoc advice with respect to requests related to executive compensation market data and practices; and
- Conducted a competitive market assessment of First Hawaiian’s director compensation programs.

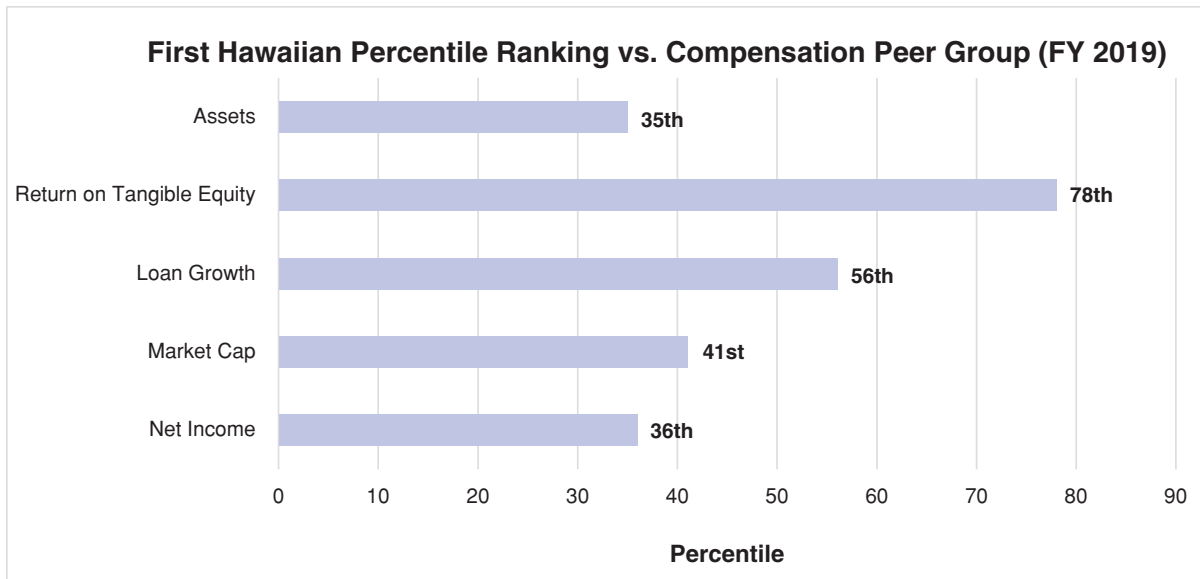
Pay Governance attends Compensation Committee meetings upon request to review their reports and participates in general discussions with members of management on compensation and benefits matters for the NEOs and Board members. While the Compensation Committee considers input from Pay Governance when making compensation decisions, the Compensation Committee’s final decisions reflect many factors and considerations.

The Compensation Committee has also considered and assessed all relevant factors, including, but not limited to, those set forth in Rule 10C-1(b)(4)(i) through (vi) under the Exchange Act, that could give rise to a potential conflict of interest with respect to Pay Governance and other advisors that provide advice on compensation matters. Based on this review, the Compensation Committee did not find that any conflicts of interest exist with respect to the work performed by Pay Governance or other advisors that would prevent such advisors from serving as independent consultants to the Compensation Committee.

## Benchmarking Compensation

Competitive market data serves as a reference point in evaluating our executive compensation levels and practices. We use this data to understand how similarly situated companies in our industry deliver pay. However, we do not set the compensation of our executives to specifically target a precise percentile or range of compensation in the market. Rather, the market data is evaluated in conjunction with other factors, such as internal equity considerations and individual performance, in setting target compensation levels for our NEOs.

The Compensation Committee performed a review of the compensation peer group in November 2018 for purposes of setting compensation for 2019. The Compensation Committee approved the revised peer group after comparing First Hawaiian's positioning against the rest of the group with respect to specific financial metrics, as shown in the following graph:



Banner Corporation, Columbia Banking System and SVB Financial were added to the peer group due to their comparable asset size, performance and business focus. Central Pacific Financial, CVB Financial and Signature Bank were removed from the peer group due to differences in size and business focus, while MB Financial was removed from the peer group as a result of its acquisition by

Fifth Third Bank. The resulting peer group used for benchmarking compensation for 2019 consisted of the companies set forth in the table below.

<b>Compensation Peer Group</b>	
Bank of Hawaii Corporation	Prosperity Bancshares, Inc.
BankUnited, Inc.	Synovus Financial Corp.
Banner Corporation	SVB Financial
Cathay General Bancorp	Texas Capital Bancshares
Columbia Banking System	Trustmark Corporation
Commerce Bancshares, Inc.	UMB Financial
East West Bancorp, Inc.	Umpqua Holdings Corporation
F.N.B. Corporation	United Bankshares, Inc.
Great Western Bancorp, Inc.	Webster Financial Corporation
International Bancshares Corporation	Western Alliance Bancorporation
PacWest Bancorp	Wintrust Financial Corporation

In addition to data from the custom peer group, the Compensation Committee also reviews data from proprietary industry survey sources to gain a broader perspective on pay levels and practices for specific positions, particularly positions below the NEO level.



<b>Key Components of Compensation</b>
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## 2019 Compensation Program

	<b>Components</b>	<b>Purpose</b>
<b>Short-Term Cash Compensation</b>	<ul style="list-style-type: none"> <li>• Base Salary</li> <li>• Role-Based Allowance (for our CEO)</li> </ul>	<ul style="list-style-type: none"> <li>• Fixed components of cash compensation</li> <li>• Reflects executive responsibilities, experience and skills</li> <li>• Designed to be competitive compared to companies with which we compete for executive talent</li> <li>• Role-based allowance was designed to comply with CRD IV and will be discontinued in 2020</li> </ul>
	Annual Bonus Plan	<ul style="list-style-type: none"> <li>• Reward NEOs for contributions to the achievement of core net income goals, which are measured against the business plan, efficiency ratio, which is measured relative to peers and individual performance which is measured both quantitatively and qualitatively</li> <li>• Designed to align executive goals with those of stockholders, as determined by the Compensation Committee</li> </ul>
<b>Long-Term Equity Compensation</b>	Performance Shares	<ul style="list-style-type: none"> <li>• Rewards NEOs for achievement of performance goals: 70% relative ROATE vs. compensation peers and 30% relative ROATA vs. compensation peers</li> <li>• Subject to a relative TSR modifier of +/-25% vs. KBW Regional Bank Index</li> <li>• Cliff vests after three-year performance period</li> <li>• Can be earned between 0-200% of target</li> <li>• Reflects long-term quantitative goals intended to incentivize long-term performance and align interests with those of stockholders</li> <li>• Represents 50% of long-term equity value</li> </ul>
	Restricted Shares	<ul style="list-style-type: none"> <li>• Vests ratably over three years</li> <li>• Reinforces retention and balances risk</li> <li>• Represents 50% of long-term equity value</li> </ul>

### CRD IV Compensation Requirements

As of August 1, 2018, BNP Paribas, a banking organization headquartered in France (“BNPP”), ceased consolidating the Company’s financial statements with the BNPP consolidated financial statements under International Financial Reporting Standards. As a result, from that date, the Company has not been included within the scope of BNPP’s capital requirements for purposes of

Directive 2013/36/EU (“CRD IV”) promulgated by the European Parliament and Council of the European Union. Prior to that date, we were subject to the compensation standards of CRD IV. As a result, the compensation to our material risk takers, including each of our NEOs, had been subject to CRD IV. Certain legacy practices that were influenced by the BNPP arrangement and CRD IV requirements still persist through 2019 (e.g., CEO’s role-based allowance) but will be discontinued in 2020.

### **Base Salary and Role Based Allowance**

Base salaries for our NEOs are reviewed annually by our Compensation Committee following the completion of our fiscal year end. Occasionally, based on circumstances, we may make adjustments to base salaries during the year in response to significant changes in an executive’s responsibilities or events that would impact the long-term retention of a key executive. Salaries are established at levels commensurate with each executive’s role and responsibilities, experience level, performance and relevant market data for similar roles.

After reviewing all relevant items, the Compensation Committee approved base salaries for 2019, effective March 2019, of \$950,000, \$450,000, \$490,000, \$425,000, \$400,000 and \$795,000 for Messrs. Harrison, Mallela, Arizumi, Mizumoto, Mesick and Yeaman, respectively. In the case of each of Messrs. Harrison, Arizumi, Mizumoto, Mesick and Yeaman, such amount represented a 1.6% increase, 2.1% increase, 1.2% increase, 11.1% increase and 1.3% increase, respectively, from his 2018 salary, while the salary for Mr. Mallela remained unchanged from its 2018 level. In December 2019, Mr. Mesick’s salary was adjusted to \$425,000, which represented a 6.25% increase. Messrs. Mallela and Mizumoto became NEOs in 2018, and therefore, their compensation is reported beginning in 2018, and 2017 compensation is not reported for those individuals. Mr. Mesick became an NEO in 2019, and therefore, his compensation is reported beginning in 2019, and his 2018 and 2017 compensation is not reported.

In accordance with the requirements of CRD IV, as discussed under “—Key Components of Compensation—CRD IV Compensation Requirements” above, our Board approved a role-based allowance for Mr. Harrison commensurate with his duties and responsibilities as the chief executive officer of a publicly traded company. The allowance is in an annual amount of \$190,000 payable on January 1 of each year through 2024. In the event Mr. Harrison is either terminated without cause or resigns for good reason (as each term is defined in the employment agreement previously entered into with Mr. Harrison, effective January 1, 2012) the role-based allowance for the year of termination will accelerate, and our Compensation Committee retains discretion to accelerate unpaid amounts now that First Hawaiian is no longer consolidated with BNPP. Mr. Harrison and the Compensation Committee agreed to discontinue the role-based allowance following the 2019 payment, since the Company is no longer required to comply with CRD IV.

### **Annual Bonus Plan**

We make annual bonus awards under the First Hawaiian, Inc. Bonus Plan (the “Bonus Plan”). For 2019, the following target annual bonus opportunities, as a percentage of base salary (excluding role-based allowance for our CEO) and dollar amount, respectively, were established for our NEOs in the first quarter of 2019: 100% or \$950,000 for Mr. Harrison; 75% or \$337,500 for Mr. Mallela; 65% or

\$318,500 for Mr. Arizumi; 60% or \$255,000 for Mr. Mizumoto; 50% or \$212,500 for Mr. Mesick and 90% or \$715,500 for Mr. Yeaman.

Annual bonus awards are based on achievement of both Company and individual performance goals generally established during the first quarter of each year, but our Board or Compensation Committee retains discretion to determine the final award amount for each NEO. For 2019 annual bonus awards, the Compensation Committee established the following Company financial performance targets and individual performance goals, as further described below:



(1) Represents a non-GAAP measure. Please see Appendix A for further explanation and a reconciliation.

The Compensation Committee chose Core Net Income to determine 50% of the annual bonus to incentivize management to take actions that would enhance core financial performance, rather than actions that would generate one-time, unrepeatable income realization. Target and ranges of Core Net

Income as shown in the table below were approved by the Compensation Committee in the first quarter of 2019 through our rigorous financial planning process.

Performance Level	Core Net Income (\$)	Core Net Income Payout Factor as % of Target Award <sup>(1)</sup>
Maximum (105% of Target)	\$ 308,122,500	150%
Target	293,450,000	100%
Threshold (95% of Target)	278,777,500	50%
Below Threshold . . . . .	278,777,500	0%

(1) Payouts for results within the stated performance levels are interpolated on a straight-line basis.

For 2019, the Compensation Committee chose to introduce a secondary financial metric to the annual bonus plan. In order to emphasize the importance of ensuring a competitive cost structure and effective returns on capital expenditures the Compensation Committee added a measure of performance on efficiency ratio relative to the compensation peer group to determine 20% of the annual bonus. The following performance schedule applies to awards:

Relative Efficiency Ratio vs. Compensation Peer Group	
Performance	% of Target Award <sup>(1)</sup>
75th Percentile	150%
Median	100%
30th Percentile	50%
< 30th Percentile	0%

(1) Payouts for results within the stated performance levels are interpolated on a straight-line basis.

For 2019, performance against the Company’s financial performance metrics were as follows:

- **Core Net Income:** results achieved were \$291.8 million, or 99.4% of target performance. This resulted in a payout factor of 94.33% for the Core Net Income component.
- **Relative Efficiency Ratio:** efficiency ratio was 48.73% which ranked at the 68<sup>th</sup> percentile of the compensation peer group. This resulted in a payout factor of 136.00% for the Relative Efficiency Ratio component.

Our NEOs are evaluated on their individual performance for the year in six areas key to our business: execution on strategic priorities; strategic planning and leadership; financial management; stockholder/investor relations; regulatory relations; and talent management and organization effectiveness.

The Chief Executive Officer evaluates the performance of each of his direct reports (including each of Messrs. Mallela, Arizumi, Mesick, Mizumoto and, formerly, Mr. Yeaman) and makes a recommendation on the individual payout factor to the Compensation Committee. For the CEO, the Compensation Committee reviews the results of an independent individual performance assessment conducted by Pay Governance on behalf of the Board. The individual performance assessment solicits feedback from each director regarding the CEO’s performance within the six performance categories

detailed above, as well as an overall qualitative performance assessment which may cover areas outside of the six categories.

For 2019, each NEO's performance was assessed in the first quarter of 2020. This assessment considers the totality of the NEO's performance rather than assigning weightings to each of the six individual performance factor categories. The Compensation Committee took the following into account when considering individual performance for 2019:

Mr. Harrison achieved solid performance executing on achievement of key strategic priorities and strategic planning and leadership, financial management, organizational effectiveness, regulatory, stockholder and investor relations and financial management. Key results achieved by Mr. Harrison include increasing core net income by 1.8% to \$291.8 million, achieving return on tangible equity of 17.62%, return on tangible assets of 1.47% and maintaining expense control with a 48.36% efficiency ratio. In addition, Mr. Harrison completed the separation from BNPP that included the sale of BNPP's final 24.86 million shares to the public in early 2019.

Mr. Arizumi serves as Vice Chairman, Wealth Management Group. The Compensation Committee noted Mr. Arizumi's strong performance by increasing assets under administration by 11% and continued growth in the private banking segment. The Compensation Committee also discussed Mr. Arizumi's leadership in optimizing targeted customer segments and executing on the team's operational reorganization strategy including repositioning roles and responsibilities.

Mr. Mallela serves as the Company's Executive Vice President and Chief Financial Officer. The Compensation Committee noted his disciplined financial management during a challenging rate environment. This included continuing to optimize the Company's balance sheet and achievement of key financial performance metrics. The Compensation Committee also noted other key accomplishments including his leadership in completing the Company's strategic plan, leading his team through transformational organizational changes including streamlining the investment securities operations in addition to leading the annual budget process.

Mr. Mesick serves as the Company's Vice Chairman and Chief Risk Officer. The Compensation Committee discussed Mr. Mesick's significant contributions in the areas of continuing to build out the Company's integrated risk management system and expansion of its data management strategy. The Compensation Committee also noted Mr. Mesick's disciplined oversight of the Company's corporate insurance programs and successful completion of the Risk Group's strategic plan initiatives.

Mr. Mizumoto serves as the Company's Vice Chairman and Chief Lending Officer. The Compensation Committee discussed Mr. Mizumoto's strong performance resulting in commercial loan portfolio growth of 6.1% year over year through targeted opportunities and continued strength in relationship management. In addition, the Compensation Committee noted Mr. Mizumoto's leadership achievements including execution of its succession planning objectives.

Mr. Yeaman resigned from his positions with First Hawaiian effective August 12, 2019, and, accordingly, was not eligible for a bonus for 2019.

After incorporating results of the Company financial performance and individual performance, the following payouts were approved for 2019 performance:

Named Executive Officer	2019 Annual Bonus
Robert S. Harrison . . . . .	\$1,034,170
Ravi Mallela . . . . .	\$372,475
Alan H. Arizumi . . . . .	\$376,986
Lance A. Mizumoto . . . . .	\$301,826
Ralph M. Mesick . . . . .	\$234,521
Eric K. Yeaman . . . . .	—

<b>Long-Term Incentive Plan</b>
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Our Board amended and restated the First Hawaiian Bank Long-Term Incentive Plan effective August 9, 2016, which was assumed by First Hawaiian and retitled the First Hawaiian, Inc. Long-Term Incentive Plan (the “LTIP”). The Compensation Committee sets performance goals under the LTIP for overlapping three-year performance periods. In 2019, the Compensation Committee decided to grant LTIP awards in the form of performance shares and restricted shares, rather than 100% in the form of performance share units, which had been the form of LTIP award utilized since First Hawaiian assumed the LTIP.

The performance share award for the 2019-2021 LTIP cycle (the “2019-2021 LTIP Award”) provides for cliff vesting following the end of a three-year performance period, and can be earned between 0-200% of target based on performance. Performance is measured on a relative basis using two core return metrics and a modifier as follows:

- 70% Return on Average Tangible Equity (ROATE) vs. Compensation Peer Group
- 30% Return on Average Tangible Assets (ROATA) vs. Compensation Peer Group
- +/-25% TSR vs. KBW Regional Bank Index

Using the weightings presented above, ROATE, ROATA and TSR will be measured using the same performance schedule with the following associated payout factors:

ROATE <sup>(1)</sup> and ROATA <sup>(2)</sup> vs. Compensation Peer Group	
Performance	% of Target Award <sup>(3)</sup>
75th Percentile	200%
Median	100%
30th Percentile	50%
< 30th Percentile	0%

(1) ROATE is defined as the ratio of core net income to average tangible stockholders’ equity.

(2) ROATA is defined as the ratio of net income to average total tangible assets.

(3) Payouts for results within the stated performance levels are interpolated on a straight-line basis.

TSR vs. KBW Regional Bank Index	
Performance	Modifier <sup>(1)</sup>
75th Percentile or higher	125%
Median	100%
30th Percentile or lower	75%

(1) Payouts for results within the stated performance levels are interpolated on a straight-line basis.

If the resulting payout factor based on performance against the ROATE and ROATA metrics and the TSR modifier exceeds 200% of target, the payout will be reduced to 200% of target. Additionally, if First Hawaiian’s absolute TSR over the 3-year performance period is negative, the TSR modifier will not exceed 100%, which means that there can be no upward adjustment. TSR will be calculated assuming the reinvestment of dividends and using a 30-day trading average to establish starting and ending share prices.

The Compensation Committee believes this approach appropriately measures long-term performance in a way that is well aligned with the interests of stockholders and provides balance between financial results and relative TSR.

Additionally, for 2019, the Compensation Committee approved grants of restricted shares under the First Hawaiian, Inc. 2016 Omnibus Incentive Compensation Plan (the “Omnibus Plan”) that vest in equal annual installments over a 3-year period.

The following awards were granted in 2019 to the NEOs:

Named Executive Officer	Number of Performance Shares	Number of Restricted Shares	Total Grant Date Fair Value (\$) <sup>(1)</sup>
Robert S. Harrison . . . . .	36,982	36,982	\$ 1,999,987
Ravi Mallela . . . . .	12,389	12,389	669,997
Alan H. Arizumi . . . . .	4,161	4,160	225,000
Lance A. Mizumoto . . . . .	5,547	5,547	299,982
Ralph Mesick . . . . .	3,698	3,698	199,988
Eric K. Yeaman . . . . .	11,095	11,094	599,991

(1) The amounts in this column represent the grant date fair value, as determined in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 718.

<b>Employment Agreements and Offer Letters</b>
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**Employment Agreement with Mr. Harrison**

We previously entered into an employment agreement with Mr. Harrison, which became effective on January 1, 2012. The agreement was for an initial term of two years with automatic one-year extensions at the end of each year unless notice of termination is provided. During the initial term of the agreement, Mr. Harrison served as President and Chief Executive Officer, reporting to the board of directors of First Hawaiian Bank and the Chief Executive Officer of BancWest. Mr. Harrison

has since been named Chairman and he continues to serve as Chief Executive Officer of First Hawaiian. Material terms of the employment agreement include: an annual base salary of \$650,000 (which has since been increased to \$950,000 for 2019); participation in the Bonus Plan with an annual target bonus of 80% of his annual base salary (which has since been increased to 100% for 2019) with an earn-out range of 0% to 200% of the target (which has since been changed to an earn-out range of 0% to 150% of the target for 2019); and participation in the LTIP, with a target award equal to 50% of his annual base salary (which has since been increased to 210% for 2019) with an earn-out range of 0% to 200% of the target.

Mr. Harrison's employment agreement also includes severance benefits, which have since been replaced by his participation in the Executive Change-in-Control Retention Plan of First Hawaiian Bank (the "Executive CIC Plan") as described under "*Executive Compensation—Potential Payments upon Termination or Change in Control—Executive Change-in-Control Retention Plan of First Hawaiian Bank*" below.

The employment agreement also contains (i) a confidentiality provision that applies during the term of employment and for one year following any termination of employment, (ii) a non-competition provision that applies during the term of employment and for one year following any termination of employment that results in severance benefits and (iii) an employee non-solicit provision that applies during the term of employment and for one year following any termination of employment.

#### **Offer Letter with Mr. Mallela**

On July 25, 2018, we entered into an offer letter with Mr. Mallela. Pursuant to the letter agreement, Mr. Mallela is an "at will" employee and serves as Executive Vice President, Chief Financial Officer and Treasurer of the Company and the Bank. Material terms of the offer letter include: an annual base salary of \$450,000; a one-time sign-on cash award of \$150,000, which was subject to repayment should Mr. Mallela have resigned prior to the one-year anniversary of his start date, participation in the Bonus Plan with an annual bonus equal to 75% of Mr. Mallela's annual base salary for 2018 and an annual target bonus of 75% of Mr. Mallela's annual base salary beginning in 2019; participation in the LTIP, including an award of performance share units valued at \$668,834 for the 2018-2020 performance period; an award of Company restricted share units valued at \$991,472 subject to a three-year vesting schedule, in consideration for equity awards that Mr. Mallela forfeited in connection with his departure from his previous employer; participation in the Executive CIC Plan; an auto allowance of \$7,200 per year; and relocation benefits (up to a maximum of \$30,000) which will be grossed up in 2019, subject to repayment of 100% (up to a maximum of \$30,000), 75% (up to a maximum of \$22,500) or 50% (up to a maximum of \$15,000) of these relocation benefits if he resigns within one year, two years or three years of his hire date, respectively.

#### **Offer Letter with Mr. Yeaman**

We previously entered into an offer letter with Mr. Yeaman, which became effective on June 15, 2015. Pursuant to the letter agreement, Mr. Yeaman was an "at will" employee and served as President and Chief Operating Officer of First Hawaiian Bank. Mr. Yeaman was then named President and Chief Operating Officer of First Hawaiian, and was appointed Interim Chief Financial Officer of First Hawaiian effective January 31, 2018 through September 6, 2018. Mr. Yeaman resigned from all of his positions with First Hawaiian and the Bank effective August 12, 2019. Material terms of the offer letter include: an annual base salary of \$725,000 (which was increased to \$795,000 for 2019), subject to periodic review; participation in the Incentive Plan for Key Employees (and now the Bonus Plan) with an annual target bonus of 90% of Mr. Yeaman's annual base salary; participation in the LTIP with a target award equal to 75% of Mr. Yeaman's annual base salary; participation in the BNPP International



Sustainability and Incentive Scheme (the “BNPP ISIS”) with a target value of \$110,000, which participation (with respect to new awards) ended as of the date of our IPO; participation in the Executive CIC Plan; and an auto allowance of \$7,200 per year and certain membership fees. In addition, Mr. Yeaman was granted a transition award opportunity of \$710,000 to replace the loss of unvested compensation under deferred compensation arrangements at a prior employer, which comprised 50% in fixed cash and 50% in a cash incentive award, the value of which is tied to the price of BNPP stock. The transition award was paid out entirely in cash in two installments, on March 31, 2016 and on March 31, 2017, and resulted in a payment of \$307,682 for 2016 and \$348,852 for 2017.

#### **Payments to Mr. Yeaman in Connection with Termination of Employment**

Effective August 12, 2019, Mr. Yeaman resigned from his positions with the Company and the Bank and ceased serving as a director on the board of directors of the Bank. Upon his resignation, Mr. Yeaman experienced a qualifying termination under the Executive CIC Plan and thus was entitled to payments and benefits thereunder in an amount of \$1,512,370 to be paid on March 2, 2020, a subsidy toward the premium costs of continued coverage under First Hawaiian’s health and medical plans for up to 24 months and reimbursement of reasonable expenses incurred for outplacement up to a maximum of \$20,000. Mr. Yeaman also executed a supplemental participation agreement pursuant to which he agreed to be bound by non-competition and non-solicitation of employees and customers covenants for one year following termination of employment. If Mr. Yeaman complies with such restrictive covenants until August 12, 2020, he will be entitled to an additional payment of \$1,496,227 under the Executive CIC Plan, which will be payable on September 30, 2020. Since Mr. Yeaman’s resignation was not a qualifying termination for purposes of the LTIP and the Omnibus Plan, Mr. Yeaman forfeited all of his outstanding unvested equity awards upon his resignation.

<b>Other Benefits and Retirement Plans</b>
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#### **First Hawaiian, Inc. 401(k) Savings Plan**

Effective January 6, 2017, we adopted the First Hawaiian, Inc. 401(k) Savings Plan (the “401(k) Plan”), a tax-qualified defined contribution savings plan for all eligible employees of First Hawaiian, including each of our NEOs. Under the 401(k) Plan, eligible employees may contribute up to 75% of their pay (subject to Internal Revenue Service (“IRS”) limitations) to the 401(k) Plan commencing upon their date of hire. Contributions are withheld by payroll deductions on a pre-tax basis. After participants have completed one year and 1,000 hours of service, First Hawaiian will match 100% of the first 5% of the pay that an employee contributes on a pre-tax basis to the 401(k) Plan up to the IRS allowable maximum. Participants are 100% vested in the employer matching contributions. Messrs. Harrison, Mallela (as of October 1, 2019), Arizumi, Mizumoto and Mesick are eligible for such First Hawaiian matching contributions, and Mr. Yeaman was eligible for such matching contributions prior to his resignation.

#### **First Hawaiian, Inc. Future Plan**

Effective May 16, 2016, we adopted the First Hawaiian, Inc. Future Plan, (the “Future Plan”). The Future Plan is a money purchase plan that is designed to help eligible employees build long-term savings through First Hawaiian contributions toward retirement. Under the Future Plan, First Hawaiian contributes an amount equal to 2.5% of an eligible employee’s base salary and any incentive compensation payments, excluding LTIP awards, subject to applicable IRS limits. Employees may direct how contributions will be invested. Contributions are made each calendar quarter to a Future Plan

account that is held in the name of each participant. Employees vest ratably in the plan, over five years of service with First Hawaiian, or upon death, disability (as defined in the Future Plan) or attainment of age 65. Messrs. Harrison, Mallela, Arizumi, Mizumoto and Mesick participate in the Future Plan, and Mr. Yeaman participated in the Future Plan prior to his resignation.

### **Other Retirement and Deferred Compensation Arrangements**

In connection with the IPO, we adopted the First Hawaiian, Inc. Deferred Compensation Plan (2016 Restatement) (the “First Hawaiian, Inc. DCP”) effective December 13, 2016 for First Hawaiian participants. We also maintain the First Hawaiian Bank Deferred Compensation Plan (the “First Hawaiian Bank DCP”) and the First Hawaiian, Inc. Supplemental Executive Retirement Plan (the “SERP”). On March 11, 2019, the Board approved an amendment to the SERP to freeze the SERP effective July 1, 2019.

Under the First Hawaiian, Inc. DCP, the Compensation Committee of our Board may designate employees for retirement contributions and participants may defer portions of their base salary or cash-based incentive award. Messrs. Harrison, Mallela, Arizumi and Mizumoto participate in the First Hawaiian, Inc. DCP, but Mr. Arizumi is the only NEO that received a retirement contribution under the First Hawaiian, Inc. DCP for 2019. Under the First Hawaiian Bank DCP, participating employees may defer a portion of their base salary, commission, or incentive compensation. Under the First Hawaiian Bank DCP, the Compensation Committee may also, in its discretion, designate employees on whose behalf First Hawaiian Bank may make executive retirement contributions. For 2019, Messrs. Harrison, Mallela, Mizumoto, Mesick and Yeaman received an executive retirement contribution under the First Hawaiian Bank DCP equal to 7.5% of base salary and any incentive compensation payments, excluding LTIP awards; provided that the contribution for Mr. Harrison was prorated to reflect that he was only eligible to receive executive retirement contributions under the First Hawaiian Bank DCP commencing as of July 1, 2019 (upon the freezing of the SERP). Such retirement contributions vest over five years of service with First Hawaiian Bank with automatic vesting upon attainment of age 65, disability or death prior to termination of employment. Executive retirement contributions are paid in either a lump sum or annual installments, as elected by the executive.

Effective July 1, 2019, the SERP was frozen and all accruals of benefits, including service accruals, ceased. The SERP is a non-qualified plan under which participating executives generally receive a benefit equal to a percentage of the average annual rate of compensation earned during the 60 consecutive calendar months out of the last 120 calendar months of employment or, following the SERP freeze date, ending prior to July 1, 2019, that results in the highest average, subject to reduction in the case of early retirement. Mr. Harrison is the only NEO that participates in the SERP, which is frozen to new participants, and receives a benefit equal to a percentage of the highest consecutive 12 months of compensation earned during his 60 months of service prior to July 1, 2019, subject to reduction in the case of early retirement. The target percentage is 60% multiplied by a fraction based on credited years of service as of July 1, 2019 under the SERP. The benefit is also reduced by company contributions to benefits received pursuant to other retirement plans, including, among others, the 401(k) Plan, the Future Plan, and 50% of an executive’s monthly primary social security benefit, determined as if the executive was age 65. SERP participants may elect to receive benefits in a monthly annuity, monthly installments or a lump sum, subject to certain restrictions.

Under each of the First Hawaiian, Inc. DCP and the SERP, within thirty days after a “change in control of the company,” any amounts credited to accounts of participants in each respective plan that have not previously been contributed to a trust are required to be contributed to a trust. Similarly, within thirty days after a “change in control of a bank subsidiary” any amounts credited to accounts of

participants in each respective plan who are employees of that bank subsidiary that have not previously been contributed to a trust are required to be contributed. “Change in control of the company,” as used in the First Hawaiian, Inc. DCP and the SERP, generally means, (i) any person other than BNPP, any affiliate of BNPP or a fiduciary holding shares under an employee benefit plan, becomes the beneficial owner of more than 50% of the combined voting power of First Hawaiian, Inc., (ii) a merger or consolidation of First Hawaiian, Inc., a result of which either (A) any person other than BNPP or an affiliate becomes the beneficial owner of more than 50% of the voting power of First Hawaiian, Inc. or (B) the shares of First Hawaiian, Inc. outstanding immediately prior to such transaction do not represent a majority of the voting power of all voting securities of such entity outstanding immediately after such transaction or (iii) the sale of all or substantially all of the assets of First Hawaiian, Inc. “Change in control of a bank subsidiary” generally means (i) any person other than BNPP, any affiliate of BNPP or a fiduciary holding shares under an employee benefit plan, becomes the beneficial owner of more than 50% of the combined voting power of either First Hawaiian Bank or Bank of the West, (ii) a merger or consolidation of either First Hawaiian Bank or Bank of the West, a result of which either (A) any person other than BNPP or an affiliate becomes the beneficial owner of more than 50% of the voting power of either First Hawaiian Bank or Bank of the West or (B) the shares of either First Hawaiian Bank or Bank of the West outstanding immediately prior to such transaction do not represent a majority of the voting power of all voting securities of such entity outstanding immediately after such transaction or (iii) the sale of all or substantially all of the assets of either First Hawaiian Bank or Bank of the West.

### **Insurance Plans**

Our NEOs participate in a variety of insurance plans, including a group variable universal life insurance policy, an individual disability insurance policy, a group life insurance plan and an executive life insurance plan. Company-paid premiums under those policies are disclosed in the Summary Compensation Table below.

<b>Compensation Risk Management and Governance Policies</b>
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### **Guidelines for Lending and Borrowing**

Employees may not personally lend to, or borrow from, other employees or customers. Employees may not borrow from a vendor or customer, except through the use of a customary retail charge account. Employees may borrow from another bank or financial institution, but they may not accept favored treatment that is not extended to other customers of the bank or financial institution as to interest rate, maturity, security, repayment terms or any other provisions. In addition, all directors and those executive officers designated by the Board must be familiar with and abide by Regulation O and its requirements regarding extensions of credit to insiders or to their related interests.

### **Stock Ownership Guidelines**

To ensure alignment of interests of our executives and non-employee directors with those of our stockholders, we adopted stock ownership guidelines. The guidelines were revised for senior management in February 2019, and covered persons have five years from the most recent amendment of the revised guidelines, *i.e.*, until early 2024 in the case of senior management, or the date the policy

or amendment becomes applicable to them, to attain the required ownership levels. The revised guidelines are as follows:

- CEO = 5x Base Salary
- Other Named Executive Officers = 2x Base Salary
- Non-Employee Directors = 3x Annual Cash Retainer

Shares that count toward satisfaction of the guidelines include: shares owned outright, deferred shares or deferred stock units, shares purchased through the Employee Stock Purchase Plan, shares held in retirement accounts, unvested restricted stock or restricted stock units and earned but unvested performance shares or performance share units.

All participants are currently within their five-year window for compliance with these guidelines.

### **Clawback Policy**

Following BNPP's sale of their ownership position in First Hawaiian, we adopted a new clawback policy, effective February 27, 2019, that covers all cash and equity incentive compensation. The policy provides for a three-year lookback and, subject to the Compensation Committee's discretion, First Hawaiian may recover all or part of certain awards that have been paid or will be paid due to financial restatement, inaccurate calculation of incentive compensation, individuals operating outside First Hawaiian's risk policies and employees committing ethical misconduct.

### **Prohibition on Share Pledging, Hedging and Short Selling**

The Company has established a policy applicable to our directors, officers and employees, as well as their immediate family members and household members, may not pledge Company stock as collateral for a loan. This includes the use of a traditional margin account with a broker dealer, unless the Company stock is treated as non-marginable by the broker dealer. In addition, those persons are prohibited from engaging in short-term or speculative transactions in Company stock, including hedging or monetization transactions, short sales with respect to our securities or through the use of financial instruments such as prepaid variable forwards, equity swaps, collars and exchange funds.

<b>Deductibility of Executive Compensation</b>
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When it reviews compensation matters, the Compensation Committee considers the anticipated tax and accounting treatment of various payments and benefits, but these considerations are not dispositive. Section 162(m) of the Internal Revenue Code generally limits the tax deductibility of compensation in excess of \$1 million per year paid by a public company to its "covered employees." In the case of a corporation that becomes publicly held prior to December 2019, including in connection with an initial public offering, transition relief from the application of Section 162(m) will apply to certain compensation provided pursuant to a plan or agreement that existed during the period in which it was not publicly held. Such transition relief is expected to apply to First Hawaiian until the first stockholder meeting after the close of the third calendar year following the IPO, *i.e.*, our 2020 annual meeting of stockholders, unless the applicable plan sooner expires or is materially modified.

Notwithstanding the foregoing, we reserve the right to pay amounts that are not deductible under Section 162(m) during any period when Section 162(m) is applicable to us.

Pursuant to tax legislation enacted in December 2017, for taxable years beginning after December 31, 2017, there is no longer an exception to the deductibility limit for qualifying “performance-based compensation” unless the compensation qualifies for transition relief applicable to certain arrangements in place as of November 2, 2017 (the scope of which remains uncertain) and the definition of “covered employees” has been expanded to include a company’s chief financial officer, in addition to the chief executive officer and three other most highly paid executive officers, plus any individual who has been a “covered employee” in any taxable year beginning after December 31, 2016.

<b>Compensation Committee Report</b>
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The Compensation Committee has reviewed the CD&A as required by Item 402(b) of Regulation S-K and discussed it with the Company’s management team. Based on such review and discussions with management, the Compensation Committee has recommended to the Board that the CD&A be included in this Proxy Statement.

**Submitted by the Compensation Committee of the Board of Directors**

Matthew J. Cox, Chairman

Jenai S. Wall

Allen B. Uyeda

**Assessing Risk in the Compensation Programs**

The Compensation Committee has evaluated our compensation policies and practices in place in 2019 and has concluded that none of the Company’s incentive plans were likely to motivate behavior that would result in a material adverse impact to the company. The potential risks identified through the process were determined to be effectively mitigated through established risk controls, leadership oversight, and the culture of proactive risk management.

The Company’s management engaged a third-party consulting firm to review the Company’s incentive plans for their potential to introduce problematic risk to the organization. The consulting firm undertook an in-depth review of incentive programs in 2018 and concluded that, overall, the Company’s incentive programs and plans currently were not likely to introduce problematic risk to the Bank. Further, the Company’s management engaged the same consulting firm to update the review for 2019 with a focus on new plans or changes to existing plans. The consulting firm reached the same conclusions as in 2018. Following a review of these findings, the Compensation Committee concluded that the Company’s incentive plans were well designed and are working effectively to motivate performance and mitigate risk.

## EXECUTIVE COMPENSATION

### Summary Compensation Table

The following table presents information with respect to our NEOs for the fiscal years ended December 31, 2017, 2018 and 2019.

Name and Principal Position	Year	Salary <sup>(2)</sup>	Bonus <sup>(3)</sup>	Stock Awards <sup>(6)</sup>	Non-Equity Incentive Plan Compensation <sup>(7)</sup>	Change in Pension Value and Nonqualified Deferred Compensation Earnings <sup>(8)</sup>	All Other Compensation <sup>(9)</sup>	Total
Robert S. Harrison Chairman, President and Chief Executive Officer	2019	\$ 1,137,500	\$ 1,034,170	\$ 1,999,987	\$ —	\$ 1,655,489	\$ 184,522	\$ 6,011,668 <sup>(10)</sup>
	2018	1,125,000	2,089,850	543,965	105,325	53,307	127,184	4,044,631
	2017	1,116,042	775,020	1,237,226	1,147,380	1,348,971	135,135	5,759,774
Ravi Mallela <sup>(1)</sup> EVP and Chief Financial Officer	2019	450,000	372,475	669,997	—	—	88,859	1,581,331
	2018	142,497	491,955 <sup>(4)</sup>	1,630,861	—	—	47,199	2,312,512
Alan H. Arizumi Vice Chairman, Wealth Management Group	2019	488,333	376,986	225,000	—	—	122,060	1,212,379
	2018	480,000	316,118	206,494	23,938	—	120,548	1,147,098
	2017	415,156	312,000	179,869	343,054	—	99,575	1,349,654
Lance A. Mizumoto <sup>(1)</sup> Vice Chairman and Chief Lending Officer, Commercial Banking Group	2019	424,172	301,826	299,982	—	—	99,009	1,124,989
	2018	420,030	191,508	160,602	—	—	97,084	869,224
Ralph M. Mesick <sup>(1)</sup> Vice Chairman and Chief Risk Officer, Risk Management Group	2019	395,417	234,521	199,988	—	—	80,010	909,936
Eric K. Yeaman <sup>(1)</sup> Former President and Chief Operating Officer	2019	503,425	—	599,991	—	—	1,694,010	2,797,426
	2018	780,727	715,402	562,502	47,875	—	164,116	2,270,622
	2017	759,196	1,034,369 <sup>(5)</sup>	544,372	1,051,612	—	163,586	3,553,135

- (1) Messrs. Mallela and Mizumoto were not NEOs in 2017. Mr. Mesick was not a NEO in 2017 or 2018. Mr. Yeaman resigned his positions with the Company and FHB effective August 12, 2019. Mr. Mallela was appointed Executive Vice President, Chief Financial Officer and Treasurer of the Company and the Bank effective September 7, 2018.
- (2) The amounts in this column for Mr. Harrison represent his salary and his annual role-based allowance of \$190,000.
- (3) The amounts in this column represent incentive cash awards earned under the Bonus Plan.
- (4) In addition to the cash award earned by Mr. Mallela under the Bonus Plan, the amount for 2018 includes a one-time sign-on cash award in the amount of \$150,000. See “*Compensation Discussion and Analysis—Employment Agreements and Offer Letters—Offer Letter with Mr. Mallela*” above.
- (5) Includes \$348,852 for fiscal year 2017, representing the portion of his transition award under his offer letter that was payable in 2017. See “*Compensation Discussion and Analysis—Employment Agreements and Offer Letters—Offer Letter with Mr. Yeaman*” above.
- (6) The amounts in this column for fiscal year 2019 represent the grant date fair value, as determined in accordance with FASB ASC Topic 718, of performance share awards granted pursuant to the 2019-2021 LTIP Awards and restricted share awards granted pursuant to the Omnibus Plan. The amounts in this column for fiscal year 2018 represent the grant date fair value, as determined in accordance with FASB ASC Topic 718, of performance share unit awards granted pursuant to the LTIP for the 2018-2020 cycle (the “2018-2020 LTIP Awards”). The amounts in this column for fiscal year 2017 represent the grant date fair value, as determined in accordance with FASB ASC Topic 718, of performance share unit awards granted pursuant to the LTIP for the 2017-2019 cycle (the “2017-2019 LTIP Awards”). For further information regarding grant date fair value calculations, see Note 21 to the Consolidated Financial Statements included in First Hawaiian’s Annual Report on Form 10-K for the fiscal year ended December 31, 2019. The 2019-2021 LTIP Awards are based on assumed performance achievement at 100%, which is the target level of performance share award amounts that may be earned. The amounts for the 2019-2021 LTIP Awards based on assumed performance achievement of 200%, the highest level of performance share award amounts that may be earned, are \$1,999,987, \$669,997, \$225,000, \$299,982, \$199,988 and \$599,991 for each of Messrs. Harrison, Mallela, Arizumi, Mizumoto, Mesick and Yeaman, respectively. Each of the 2018-2020 LTIP Awards and the 2017-2019 LTIP Awards are based on assumed performance achievement of 100%, which, in all cases, are the highest levels of performance share unit award amounts that may be earned. Mr. Yeaman forfeited all outstanding unvested equity awards in connection with the termination of his employment.
- (7) The amounts in this column for fiscal year 2018 represent cash-based awards granted under the BNPP Contingent Sustainable and International Scheme (the “BNPP CSIS”) for Messrs. Harrison, Arizumi and Yeaman with a performance period from 2016-2018. These amounts were incorrectly reported

based on target amounts last year and the corrected amounts, shown above as “Non-Equity Incentive Plan Compensation” for 2018, based on the amounts earned, compared to the amounts reported last year with respect to these awards are as follows: for Mr. Harrison, \$105,325 replaces \$137,500, for Mr. Arizumi \$23,938 replaces \$31,250 and for Mr. Yeaman \$47,875 replaces \$62,500. The amounts in this column for fiscal year 2017 represents the cash incentive awards earned under the LTIP for the 2015-2017 cycle (the “2015-2017 LTIP Awards”) and, for Messrs. Harrison and Arizumi, cash-based awards granted under the BNPP Group Sustainability and Incentive Scheme (the “BNPP GSIS”) in 2015 with a performance period from 2015-2017.

- (8) The amounts in this column reflect the actuarial increase in the present value of benefits under the SERP. Mr. Harrison is the only NEO who participates in the SERP, and none of our NEOs received above-market earnings on their non-qualified deferred compensation accounts. The SERP was frozen and all accruals of benefits, including service accruals, ceased effective July 1, 2019. Therefore, any subsequent changes in the actuarial present value of an NEO’s accumulated benefit under the SERP would likely be attributable, primarily, to variations in the discount rate or modifications to actuarial assumptions. See “*Compensation Discussion and Analysis—Other Benefits and Retirement Plans*” for more information.
- (9) The items comprising “All Other Compensation” for 2019 are:

Name	Perquisites and Other Personal Benefits <sup>(a)</sup>	Tax Reimbursements <sup>(b)</sup>	Contributions to Defined Contribution Plans <sup>(c)</sup>	Insurance Premiums <sup>(d)</sup>	Other	Total
Robert S. Harrison	\$ 39,950	\$ 76,837	\$ 56,625	\$ 11,110	\$ —	\$ 184,522
Ravi Mallela	12,623	5,791	63,272	7,173	—	88,859
Alan H. Arizumi	26,483	2,254	81,334	11,989	—	122,060
Lance A. Mizumoto	23,772	2,426	61,093	11,718	—	99,009
Ralph M. Mesick	13,689	2,022	55,364	8,936	—	80,010
Eric K. Yeaman	16,389	1,041	111,112	1,946	1,512,370 <sup>(e)</sup>	1,642,858

- (a) “Perquisites and Other Personal Benefits” include: for Mr. Harrison, company provided parking, automobile allowance and related expenses, club dues and fees, meals and spousal travel expenses; for Mr. Mallela, company provided parking, automobile allowance and related expenses, meals and executive physical fee; for Messrs. Arizumi and Yeaman, company provided parking, automobile allowance and related expenses, club dues and fees and meals; for Mr. Mizumoto, company provided parking, automobile allowance and related expenses, club dues and fees, meals and executive physical fee; and for Mr. Mesick, company provided parking, automobile allowance and related expenses and meals.
- (b) Reflects the reimbursement of taxes in 2019 payable by Mr. Harrison in respect of his 2019 SERP accrual (\$74,815) and group variable universal life insurance policy (\$2,022); by Mr. Mallela in respect of his group variable universal life insurance policy (\$869) and relocation benefits (\$4,922); by Mr. Arizumi in respect of his group variable life insurance policy (\$2,254); by Mr. Mizumoto in respect of his group variable universal life insurance policy (\$2,426); by Mr. Mesick in respect of his group variable universal life insurance policy (\$2,022); and by Mr. Yeaman in respect of his group variable universal life insurance policy (\$1,041). Tax reimbursements on SERP accruals and company paid premiums on life insurance were discontinued as of July 1, 2019 and eliminated from our compensation program.
- (c) Reflects Company contributions for Mr. Harrison under the 401(k) Plan (\$14,000), the Future Plan (\$7,000) and the First Hawaiian Bank DCP (\$35,625); for Mr. Mallela under the 401(k) Plan (\$1,063), the Future Plan (\$2,813) and the First Hawaiian Bank DCP (\$59,397); for Mr. Arizumi under the 401(k) Plan (\$14,000), the Future Plan (\$7,000) and the First Hawaiian, Inc. DCP (\$60,334); for Mr. Mizumoto under the 401(k) Plan (\$7,917), the Future Plan (\$7,000) and the First Hawaiian Bank DCP (\$46,176); for Mr. Mesick under the 401(k) Plan (\$6,333), the Future Plan (\$7,000) and the First Hawaiian Bank DCP (\$42,031); and for Mr. Yeaman under the 401(k) Plan (\$14,000), the Future Plan (\$7,000) and the First Hawaiian Bank DCP (\$90,112), as discussed under “*Compensation Discussion and Analysis—Other Benefits and Retirement Plans*” above.
- (d) Reflects insurance premiums paid for the benefit of the NEOs, including: for Messrs. Harrison, Mallela, Arizumi, Mizumoto, Mesick and Yeaman in a group variable universal life insurance policy, an individual disability insurance policy and a group life insurance plan.
- (e) Represents payments to Mr. Yeaman in the amount of \$1,512,370, a subsidy for the cost of premiums for continued coverage under First Hawaiian’s health and medical plans in the amount of \$31,152 and reimbursement of reasonable outplacement expenses in the amount of \$20,000 under the Executive CIC Plan in connection with his resignation, excluding amounts that will be payable to Mr. Yeaman in consideration for compliance with restrictive covenants as set forth in the Executive CIC Plan for one year following termination of employment. For additional information, see “*Compensation Discussion and Analysis—Employment Agreements and Offer Letters—Payments to Mr. Yeaman in Connection with Termination of Employment*” above.
- (10) Excluding the impact of the \$1.7 million change in pension value for the SERP, Mr. Harrison’s total compensation for Summary Compensation Table purposes would have increased by 7.7% from \$4.0 million in 2018 to \$4.4 million for 2019.

### ***Long-Term Incentive Plan Awards***

The 2019-2021 LTIP Awards were granted in performance shares in 2019 and are reported in the Summary Compensation Table as compensation for the 2019 fiscal year. The 2018-2020 LTIP Awards and the 2017-2019 LTIP Awards were granted in performance share units in 2018 and 2017,

respectively, and are reported in the Summary Compensation Table as compensation for the 2018 fiscal year and the 2017 fiscal year, respectively.

### *Legacy Awards*

Prior to the IPO, BNPP granted awards under certain BNPP compensation plans, including the BNPP GSIS, the BNPP CSIS and the BNPP ISIS, to certain executives. BNPP granted cash-based awards under the BNPP GSIS in 2015 with a performance period from 2015-2017 to certain executives, including Messrs. Harrison and Arizumi. BNPP granted cash-based awards under the BNPP CSIS in 2016 with a performance period from 2016-2018 to certain executives, including Messrs. Harrison, Arizumi and Yeaman (and under the BNPP GSIS to Mr. Mesick). The performance measures for these awards are based on BNPP's operating performance, corporate social responsibility performance and positive pre-tax income.

In connection with the IPO, our Board approved the award of special one-time grants of restricted shares and performance share units (the "IPO awards") to certain key executives, including each of our NEOs, which were granted upon the completion of the IPO. The restricted share portion of the IPO awards was fully vested on grant and subject to transfer restrictions that lapsed six months following the grant date for 50% of the restricted shares and 18 months following the grant date for the remaining 50% of the restricted shares. The performance share units portion of the IPO awards vest in three equal annual installments on each of the first three anniversaries of the date of the IPO, subject to continued employment (other than a termination of employment by reason of death, disability or retirement) and positive First Hawaiian Core Net Income, as defined within the terms of the performance share unit award agreement, in the fiscal year immediately preceding the applicable vesting date. Performance share units are subject to transfer restrictions that will lapse six months following the applicable vesting date. As of August 9, 2019, all of the performance share units had vested.



## 2019 Grants of Plan-Based Awards

The following table sets forth plan-based awards granted in 2019.

Name	Grant Date	Estimated Future Payouts Under Equity Incentive Plan Awards <sup>(1)</sup>			All Other Stock Awards Number of Shares of Stock or Units <sup>(2)</sup>	Grant Date Fair Value of Stock Awards <sup>(3)</sup>
		Threshold (#)	Target (#)	Maximum (#)		
Robert S. Harrison	4/24/2019	18,491	36,982	73,964	—	\$ 999,994
	4/24/2019	—	—	—	36,982	999,993
Ravi Mallela	4/24/2019	6,194	12,389	24,778	—	334,999
	4/24/2019	—	—	—	12,389	334,998
Alan H. Arizumi	4/24/2019	2,080	4,161	8,322	—	112,514
	4/24/2019	—	—	—	4,160	112,486
Lance A. Mizumoto	4/24/2019	2,773	5,547	11,094	—	149,991
	4/24/2019	—	—	—	5,547	149,991
Ralph M. Mesick	4/24/2019	1,849	3,698	7,396	—	99,994
	4/24/2019	—	—	—	3,698	99,994
Eric K. Yeaman	4/24/2019	5,547	11,095	22,190	—	300,009
	4/24/2019	—	—	—	11,094	299,982

- (1) Represents the 2019-2021 LTIP Awards under the LTIP, which cliff vest within 90 days following the end of the three-year performance period.
- (2) Represents restricted share awards granted under the Omnibus Plan that vest in three equal annual installments on each of April 24 2020, April 24, 2021 and April 24, 2022, subject to continued employment through the applicable vesting date.
- (3) The amounts in this column represent the grant date fair value, as determined in accordance with FASB ASC Topic 718.

## Outstanding Equity Awards at 2019 Fiscal Year End

As of December 31, 2019, our NEOs held outstanding equity-based awards of First Hawaiian as listed in the table below.

Name	Stock Awards			
	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$) <sup>(6)</sup>	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market Value of Unearned Shares, Units or Other Rights Units That Have Not Vested (\$) <sup>(6)</sup>
Robert S. Harrison	—	\$ —	43,362 <sup>(1)</sup>	\$ 1,260,514
	—	—	25,413 <sup>(2)</sup>	733,165
	—	—	36,982 <sup>(3)</sup>	1,066,931
	36,982 <sup>(4)</sup>	1,066,931	—	—
Ravi Mallela	22,864 <sup>(5)</sup>	659,626	—	—
	—	—	29,871 <sup>(2)</sup>	861,778
	—	—	12,389 <sup>(3)</sup>	357,423
	12,389 <sup>(4)</sup>	357,423	—	—
Alan H. Arizumi	—	—	6,304 <sup>(1)</sup>	181,870
	—	—	9,647 <sup>(2)</sup>	278,316
	—	—	4,161 <sup>(3)</sup>	120,045
	4,160 <sup>(4)</sup>	120,016	—	—
Lance A. Mizumoto	—	—	3,633 <sup>(1)</sup>	104,812
	—	—	7,503 <sup>(2)</sup>	216,462
	—	—	5,547 <sup>(3)</sup>	160,031
	5,547 <sup>(4)</sup>	160,031	—	—
Ralph M. Mesick	—	—	2,868 <sup>(1)</sup>	82,742
	—	—	4,637 <sup>(2)</sup>	133,777
	—	—	3,698 <sup>(3)</sup>	106,687
	3,698 <sup>(4)</sup>	106,687	—	—
Eric K. Yeaman	—	—	—	—

- (1) Represents the 2017-2019 LTIP Awards at 100% performance, which cliff vest within 90 days following the end of the three-year performance period.
- (2) Represents the 2018-2020 LTIP Awards at 100% performance, which cliff vest within 90 days following the end of the three-year performance period.
- (3) Represents the 2019-2021 LTIP Awards at 100% performance, which cliff vest within 90 days following the end of the three-year performance period.
- (4) Represents restricted share awards that vest in three equal annual installments on each of April 24, 2020, April 24, 2021 and April 24, 2022, subject to continued employment through the applicable vesting date.
- (5) Represents time-based restricted share units granted in connection with the commencement of Mr. Mallela's employment that vest in equal installments on September 7, 2020 and September 7, 2021.
- (6) Based on the closing sale price of First Hawaiian common stock on NASDAQ of \$28.85 per share on December 31, 2019.

## 2019 Stock Vested

The following table sets forth information with respect to our NEOs regarding the value of stock awards that vested in 2019, which, for each applicable NEO, were performance share unit awards granted pursuant to the LTIP for the 2016-2018 cycle (the “2016-2018 LTIP Awards”) that vested at 98.42% performance on February 27, 2019, performance share units granted in connection with our IPO that vested on August 9, 2019 and, solely with respect to Mr. Mallela, restricted share units granted in connection with the commencement of his employment.

Name	Stock Awards	
	Number of Shares Acquired on Vesting (#) <sup>(1)</sup>	Value Realized on Vesting (\$) <sup>(3)</sup>
Robert S. Harrison	31,132	\$ 823,200
Ravi Mallela	11,431 <sup>(2)</sup>	293,091
Alan H. Arizumi	8,515	223,986
Lance A. Mizumoto	—	—
Ralph M. Mesick	5,768	151,097
Eric K. Yeaman	27,875	740,427

- (1) For Messrs. Harrison, Arizumi, Mesick and Yeaman, amounts include the portion of performance share units granted in connection with our IPO that vested on August 9, 2019 and 2016-2018 LTIP Awards that vested on February 27, 2019.
- (2) Represents a portion of time-based restricted share units granted in connection with the commencement of Mr. Mallela’s employment that vested on September 7, 2019.
- (3) Based, in each case, on the closing sale price of First Hawaiian common stock on NASDAQ on the applicable date of vesting.

## 2019 Pension Benefits

The following table provides information with respect to each defined benefit or other pension plan that provides for pension benefits in which our NEOs participate. For 2019, Mr. Harrison was the only NEO who participated in the SERP. Effective July 1, 2019, the SERP was frozen and all accruals of benefits, including pay and service accruals, ceased. For more information, see “*Compensation Discussion and Analysis—Other Benefits and Retirement Plans.*”

Name	Plan Name	Number of Years Credited Service (#)	Present Value of Accumulated Benefit (\$) <sup>(1)</sup>	Payments During Last Fiscal Year (\$)
Robert S. Harrison	SERP	27	\$ 12,616,747	\$ —

- (1) As of December 31, 2019.

## 2019 Nonqualified Deferred Compensation

The following table provides information with respect to each defined contribution or other plan that provides for nonqualified deferred compensation in which our NEOs participate. For 2019, Messrs. Harrison, Mallela, Arizumi and Mizumoto participated in the First Hawaiian, Inc. DCP, but Mr. Arizumi was the only NEO to receive a retirement contribution under the First Hawaiian, Inc.

DCP, and Messrs. Harrison, Mallela, Mizumoto, Mesick and Yeaman participated in and received executive retirement contributions under the First Hawaiian Bank DCP. For more information, see “*Compensation Discussion and Analysis—Other Benefits and Retirement Plans.*”

Name	Executive Contributions in Fiscal Year 2019 <sup>(1)</sup>	Registrant Contributions in Fiscal Year 2019 <sup>(1)</sup>	Aggregate Earnings in Fiscal Year 2019 <sup>(1)</sup>	Aggregate Withdrawals/Distributions	Aggregate Balance at End of Fiscal Year 2019 <sup>(2)</sup>
Robert S. Harrison	\$ —	\$ 35,625	\$ 59,448	\$ —	\$ 1,539,406
Ravi Mallela	—	59,397	4,984	—	83,354
Alan H. Arizumi	—	58,916	91,999	—	2,471,566
Lance A. Mizumoto	42,438	45,091	20,535	—	164,546
Ralph M. Mesick	—	41,044	18,508	—	144,684
Eric K. Yeaman	—	89,953	8,737	—	481,231

(1) Amounts reported as contributions for the registrant are reported as “All Other Compensation” in the Summary Compensation Table for 2019.

(2) Amounts reported here were not previously reported in the Summary Compensation Table.

### Potential Payments upon Termination or Change in Control

#### *Executive Change-in-Control Retention Plan of First Hawaiian Bank*

In May 2015, the First Hawaiian Bank board of directors adopted the Executive CIC Plan to advance the interests of First Hawaiian Bank by ensuring the continued employment, dedication and focused attention of its executive officers, notwithstanding the possibility, threat or occurrence of a change in control. Executive officers of First Hawaiian Bank become eligible to participate in the plan upon designation by the Compensation Committee of the First Hawaiian Bank board of directors. Each of our NEOs participate in the Executive CIC Plan. Mr. Harrison’s participation in the Executive CIC Plan replaces the severance benefits he would otherwise be entitled to pursuant to his employment agreement. Severance benefits provided under the Executive CIC Plan vary based on the level of employee. The following description and level of severance benefits applies to our NEOs as of December 31, 2019 and not necessarily applicable to other participants in the Executive CIC Plan.

Under the Executive CIC Plan, if within two years after a “change in control” (x) an executive’s employment is involuntarily terminated without “cause” or (y) an executive terminates employment for “good reason,” such executive is entitled to (i) a lump sum payment generally payable on the last day of the month following such termination of employment equal to (A) one times (one-half times for Mr. Mallela) the executive’s highest annual base salary earned at any time during the preceding three fiscal years; and (B) one times (one-half times for Mr. Mallela) the largest of (1) the actual annual bonus earned under the Bonus Plan during the fiscal year in which termination occurs, (2) the executive’s target annual bonus under the Bonus Plan at the date of termination and (3) the highest bonus actually paid to the executive under the Bonus Plan in any of the three fiscal years prior to termination; (ii) health benefits in the form of a subsidy toward the premium cost of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act for two years (one year for Mr. Mallela) after termination of employment; and (iii) reimbursement for reasonable expenses incurred for outplacement services, up to a maximum of \$20,000. In addition, if an executive in the Executive CIC Plan executes a supplemental participation agreement to be bound by a noncompetition provision and an employee and customer non-solicitation provision for one year after termination of employment and refrains from competing and soliciting employees and customers during

such one-year period, the executive will also be entitled to a lump sum payment in the thirteenth month after termination equal to (i) one times (one-half times for Mr. Mallela) the highest annual base salary earned at any time during the last three completed fiscal years; and (ii) one times (one-half times for Mr. Mallela) the largest of (1) the executive's actual annual bonus earned under the Bonus Plan during the fiscal year in which termination occurs, (2) the executive's target annual bonus under the Bonus Plan at the date of termination and (3) the highest bonus actually paid under the Bonus Plan to the executive in any of the three most recent consecutive fiscal years prior to termination of employment.

Under the Executive CIC Plan, if outside of the two years after a "change in control," including during any period prior to a "change in control," (x) an executive is involuntarily terminated by First Hawaiian Bank without "cause" or (y) an executive terminates employment with First Hawaiian Bank for "good reason," such executive will be entitled to (i) a lump sum paid one month after termination of employment equal to (A) two times (one times for Mr. Mallela) the executive's highest annual base salary at any time during the preceding three fiscal years; and (B) two times (one times for Mr. Mallela) the largest of (1) the actual annual bonus earned under the Bonus Plan during the fiscal year in which termination occurs, (2) the participant's target annual bonus under the Bonus Plan at the date of termination and (3) the highest bonus actually paid under the Bonus Plan to the executive in any of the three most recent consecutive fiscal years prior to termination.

For purposes of the Executive CIC Plan, "cause" generally means the executive's (i) willful failure to perform his or her duties, which is not remedied within fifteen business days following written notice; (ii) gross negligence in the performance of duties; (iii) conviction of, or plea of guilty or no contest to, any felony or any other crime involving the personal enrichment of the executive at First Hawaiian Bank's expense; (iv) willful engagement in conduct that is demonstrably and materially injurious to First Hawaiian Bank; (v) material violation of any federal or state banking law or regulation; (vi) material violation of any provision of First Hawaiian Bank's code of conduct and ethics or other established code of conduct to which the executive is subject; and (vii) willful violation of confidentiality, non-disparagement, noncompetition, and employee and customer non-solicitation covenants.

"Good reason" generally means an executive (i) has incurred a material reduction in base salary, authority, duties or responsibilities, or in the budget over which the participant has authority; (ii) has incurred a material reduction in the authority, duties or responsibilities of the executive's supervisor; or (iii) has been provided notice that his principal place of work will be relocated to a different Hawaiian Island or to a place more than 50 miles from the executive's base of employment immediately prior to the change in control.

"Change in control" generally means, (i) any transaction as a result of which, immediately thereafter, BNPP owns directly or indirectly (A) securities of First Hawaiian, Inc. representing no more than 50% or less of the combined voting power of First Hawaiian, Inc. then outstanding or (B) securities of First Hawaiian Bank representing no more than 50% or less of the combined voting power of First Hawaiian Bank then outstanding or (ii) the sale of all or substantially all of the assets of First Hawaiian Bank to an unrelated third party. Accordingly, a "change in control" was triggered for purposes of the Executive CIC Plan on May 10, 2018. However, no benefits will be paid to any participant under the Executive CIC Plan unless such participant experiences a qualifying termination within two years after the change in control. Mr. Yeaman experienced such a qualifying termination in connection with his resignation effective August 12, 2019. For additional information, see *"Compensation Discussion and Analysis—Employment Agreements and Offer Letters—Payments to Mr. Yeaman in Connection with Termination of Employment"* above.

The Executive CIC Plan also contains (i) a confidentiality provision and (ii) a non-disparagement provision, each of which applies during employment and for one year following any qualifying termination of employment under the Executive CIC Plan.

#### ***Outstanding Equity Awards***

In the event of termination without cause or for good reason within two years following a change in control, outstanding performance share units and performance shares granted under the LTIP, outstanding restricted shares granted under the Omnibus Plan and outstanding restricted share units granted to Mr. Mallela pursuant to his offer letter will vest in full. For outstanding performance share units and performance shares granted under the LTIP, in the event of retirement, death or disability, a prorated portion of such performance shares or performance share units will vest. For outstanding restricted shares under the Omnibus Plan, in the event of retirement, death or disability, such restricted shares will immediately vest in full. For outstanding restricted share units, in the event of death, such restricted share units will immediately vest in full and, in the event of disability, such restricted share units will remain outstanding and vest in accordance with their regularly scheduled vesting dates, subject to compliance with any restrictive covenants in any employment or other agreement with First Hawaiian through the applicable vesting date.

#### ***Potential Payments upon Termination or Change in Control***

The following table and footnotes describe certain potential payments that each NEO would receive upon certain terminations of employment, assuming that the termination event was effective as of December 31, 2019 and the value of our common stock of \$28.85 the closing price of our common stock on December 31, 2019, the last trading day in 2019. Mr. Yeaman resigned effective August 12, 2019 and is not included in the table below because he was not employed by us on December 31, 2019. For additional information regarding payments to Mr. Yeaman in connection with his resignation, see “*Compensation Discussion and Analysis—Employment Agreements and Offer Letters—Payments to Mr. Yeaman in Connection with Termination of Employment*” above. For information regarding benefits

that would be payable with respect to the SERP, First Hawaiian, Inc. DCP and First Hawaiian Bank DCP, see the “2019 Pension Benefits” and “2019 Nonqualified Deferred Compensation” tables above.

Named Executive Officer	Cash Severance <sup>(2)</sup>	Health and Welfare Benefits	Stock Awards <sup>(3)</sup>	Outplacement Benefits	Total
Robert S. Harrison					
Termination in Connection with a Change in Control <sup>(1)</sup>	\$ 4,554,700	\$ 4,005	\$ 5,184,951 <sup>(4)</sup>	\$ 20,000	\$ 9,763,656
Termination without Cause or for Good Reason	4,554,700	—	—	—	4,554,700
Retirement	—	—	3,162,345	—	3,162,345
Death or Disability	—	—	3,162,345	—	3,162,345
Ravi Mallela					
Termination in Connection with a Change in Control <sup>(1)</sup>	822,475	4,005	2,593,673 <sup>(4)</sup>	20,000	3,440,153
Termination without Cause or for Good Reason	822,475	—	—	—	822,475
Retirement	—	—	1,051,082	—	1,051,082
Death or Disability	—	—	1,710,709 <sup>(5)</sup>	—	1,710,709
Alan H. Arizumi					
Termination in Connection with a Change in Control <sup>(1)</sup>	1,730,638	1,327	820,292 <sup>(4)</sup>	20,000	2,572,257
Termination without Cause or for Good Reason	1,730,638	—	—	—	1,730,638
Retirement	—	—	527,445	—	527,445
Death or Disability	—	—	527,445	—	527,445
Lance A. Mizumoto					
Termination in Connection with a Change in Control <sup>(1)</sup>	1,451,996	2,917	801,366 <sup>(4)</sup>	20,000	2,276,279
Termination without Cause or for Good Reason	1,451,996	—	—	—	1,451,996
Retirement	—	—	462,494	—	462,494
Death or Disability	—	—	462,494	—	462,494
Ralph M. Mesick					
Termination in Connection with a Change in Control <sup>(1)</sup>	1,259,876	2,426	536,581 <sup>(4)</sup>	20,000	1,818,833
Termination without Cause or for Good Reason	1,259,876	—	—	—	1,259,876
Retirement	—	—	314,177	—	314,177
Death or Disability	—	—	314,177	—	314,177

(1) The severance amount included here assumes that the NEO agrees to be bound by, and complies with, the applicable restrictive covenants for twelve (12) months following termination.

(2) For purposes of calculating the severance amount in accordance with the terms of the Executive CIC Plan, includes the largest annual base salary during the preceding three fiscal years and the largest bonus actually paid under the Bonus Plan during the preceding three fiscal years. For Mr. Harrison, the bonus actually paid in 2019 used in the calculations does not include the \$950,000 supplemental bonus granted to Mr. Harrison in recognition of his exceptional performance with respect to the transition to separation from BNPP.

(3) Represents accelerated vesting of otherwise unvested performance share units and performance shares granted under the LTIP, accelerated vesting of otherwise unvested restricted share awards granted under the Omnibus Plan, and solely in the case of Mr. Mallela, accelerated vesting of otherwise unvested restricted share units

granted pursuant to his offer letter. See “*Compensation Discussion and Analysis—Employment Agreements and Offer Letters—Offer Letter with Mr. Mallela*” above.

- (4) The amounts included assume maximum performance for all performance share units or performance shares.
- (5) Amount includes restricted share units that, upon a termination of employment due to disability, will remain outstanding and vest on each regularly scheduled vesting date, subject to compliance with any restrictive covenants in any employment or other agreement with First Hawaiian through the applicable vesting date.

### **Pay Ratio Disclosure**

SEC rules require us to disclose the ratio of the annual total compensation of our Chief Executive Officer, Robert S. Harrison, to the annual total compensation of the median employee. For 2019, Mr. Harrison’s annual total compensation was \$6,011,668 and the median employee’s annual total compensation was \$54,729. Based upon this information, the ratio of the annual total compensation of Mr. Harrison to the median employee was 110 to 1.

In identifying our median employee, we examined our active employee population (including full-time, part-time and peak employees), excluding our Chief Executive Officer, as of December 31, 2019, the last day of our fiscal year. Our median employee was determined by reviewing payroll records for our employee population, as reported to the IRS on Form W2. We did not make any fulltime equivalent adjustments to part-time and peak-time employees.

The pay ratio identified above is a reasonable estimate calculated in a manner consistent with SEC rules based on our employment and payroll records. The SEC rules governing pay ratio disclosures allow companies to apply numerous methodologies, exclusions and reasonable assumptions, adjustments and estimates to reflect their compensation practices. Thus, pay ratios that are reported by other companies, including our peers, may not be directly comparable to ours because other companies may have different employment and compensation practices, and may utilize different assumptions, methodologies, exclusions and estimates in calculating the pay ratio.



## DIRECTOR COMPENSATION

### 2019 First Hawaiian Director Compensation Table

The following table lists the individuals who received compensation in 2019 for their service as nonemployee directors of First Hawaiian.

Name <sup>(1)</sup>	Fees Earned or Paid in Cash (\$) <sup>(2)</sup>	Stock Awards <sup>(3)</sup>	All Other Compensation (\$) <sup>(4)</sup>	Total (\$)
Matthew J. Cox	\$ 77,500	\$ 69,986	\$ 32,277	\$ 179,763
W. Allen Doane	92,000	69,986	42,277	204,263
Gérard Gil	11,333	—	9,667	21,000
Faye W. Kurren	74,000	69,986	34,277	178,263
Allen B. Uyeda	130,000	69,986	50,277	250,263
Michel Vial	—	—	—	—
Jenai S. Wall	72,500	69,986	32,277	174,763
C. Scott Wo	76,000	69,986	30,277	176,263

- (1) Messrs. Gil and Vial resigned from the Board on February 12, 2019.
- (2) The amounts in this column represent annual cash retainers, committee chair and committee membership fees. Any director who is an officer of the Company, and any director who was nominated by BNPP did not receive any First Hawaiian director compensation, except that Mr. Gil began receiving fees from First Hawaiian following his retirement in 2017 from his position as an officer of BNPP.
- (3) The amounts in this column represent the grant date fair value, as determined in accordance with FASB ASC Topic 718, of awards of restricted stock units granted pursuant to the First Hawaiian, Inc. 2016 Non-Employee Director Plan. Awards vest and settle one year after grant. Aggregate restricted stock unit awards outstanding as of December 31, 2019 are 2,653 for each of Messrs. Cox, Doane, Uyeda and Wo and Mses. Kurren and Wall, respectively. Mr. Gil forfeited his unvested restricted stock unit awards granted in 2018 and was not eligible to receive a grant of restricted stock units in 2019 as a result of his resignation from the Board on February 12, 2019.
- (4) “All Other Compensation” reflects amounts paid to directors in respect of their service on the First Hawaiian Bank board of directors, including an annual retainer for service as a Bank director, a retainer for serving as a committee chair and per meeting attendance fees (a total of \$32,277, \$42,277, \$9,667, \$34,277, \$50,277, \$0, \$32,277 and \$30,277 for Messrs. Cox, Doane and Gil, Ms. Kurren, Mr. Uyeda, Mr. Vial, Ms. Wall and Mr. Wo, respectively). For each of Messrs. Cox, Doane, Uyeda and Wo, and Mses. Kurren and Wall, “All Other Compensation” reflects a noncash gift provided to First Hawaiian Bank directors.

### Narrative Disclosure to 2019 First Hawaiian Director Compensation Table

Effective July 2019, we adopted a new director compensation program that provides the following compensation for nonemployee members of FHI’s Board:

- An annual cash retainer of \$65,000 (increased from \$40,000);
- An annual equity award with a value of \$70,000 (increased from \$55,000);
- An additional annual cash retainer of \$24,000 for the chair of the Audit Committee, \$20,000 for the chairs of the Risk Committee and the Compensation Committee, and

\$16,000 for the chair of the Corporate Governance and Nominating Committee (increased from \$12,000, \$10,000, and \$8,000 respectively);

- An additional annual membership fee of \$15,000 (increased from \$12,000) for each member of the Audit Committee, \$10,000 for each member of the Compensation Committee and/or Risk Committee, and \$8,000 for each member of the Corporate Governance and Nominating Committee;
- An additional fee of \$1,500 for attendance at any meeting of any other committee that may be constituted from time to time, including a committee of the Bank's board of directors; and
- An additional annual cash retainer of \$30,000 (increased from \$15,000) for serving as our lead independent director.

Effective after July 24, 2019, except as described above, any FHI director who also serves on the board of directors of the Bank no longer receives any director compensation for service on the board of directors of the Bank.

We also reimburse all directors for reasonable out-of-pocket expenses incurred in connection with the performance of their duties as directors.

Our Board adopted the First Hawaiian, Inc. 2016 Non Employee Director Plan effective July 22, 2016. Equity awards granted to date under this plan have been in the form of restricted stock units that vest and settle in shares of our common stock one year after the grant date, subject to continued service (or upon an earlier change in control). Awards were granted in 2019 to reflect service as a director for each director's term as director commencing upon election at the 2019 annual meeting of stockholders and expiring at the Annual Meeting. For 2019, we granted 2,653 shares of our common stock underlying restricted stock units to each of Directors Cox, Doane, Kurren, Uyeda, Wall and Wo.

Notwithstanding the above, any director who is an officer of the Company and any director who was nominated by BNPP does not receive any director compensation, except that Mr. Gil, commencing in 2017 with his retirement from his position as a BNPP employee, received compensation from First Hawaiian for his service as a director at the same compensation rate applicable to nonemployee directors of First Hawaiian.

## **OUR RELATIONSHIP WITH BNPP AND CERTAIN OTHER RELATED PARTY TRANSACTIONS**

We or one of our subsidiaries may occasionally enter into transactions with certain “related persons.” Related persons include our executive officers, directors, nominees for director, 5% or more beneficial owners of our common stock, immediate family members of these persons and entities in which one of these persons has a direct or indirect material interest. We generally refer to transactions with these related persons as “related party transactions.”

### **Related Party Transaction Policy**

Our Board has adopted a written policy governing the review and approval of transactions with related parties that will or may be expected to exceed \$120,000 in any fiscal year. The policy calls for the related party transactions to be reviewed and, if deemed appropriate, approved or ratified by our Audit Committee. Upon determination by our Audit Committee that a transaction requires review under the policy, the material facts are required to be presented to the Audit Committee. In determining whether or not to approve a related party transaction, our Audit Committee will take into account, among other relevant factors, whether the related party transaction is in our best interests, whether it involves a conflict of interest and the commercial reasonableness of the transaction. In the event that we become aware of a related party transaction that was not approved under the policy before it was entered into, our Audit Committee will review such transaction as promptly as reasonably practical and will take such course of action as may be deemed appropriate under the circumstances. In the event a member of our Audit Committee is not disinterested with respect to the related party transaction under review, that member may not participate in the review, approval or ratification of that related party transaction.

Certain decisions and transactions are not subject to the related party transaction approval policy, including: (i) decisions on compensation or benefits relating to directors or executive officers and (ii) indebtedness to us in the ordinary course of business, on substantially the same terms, including interest rate and collateral, as those prevailing at the time for comparable loans with persons not related to us and not presenting more than the normal risk of collectability or other unfavorable features.

### **Relationship with BNPP**

Prior to the completion of our IPO in August 2016, we were an indirect wholly owned subsidiary of BNPP. From August 2016 until August 2018, we were part of BNPP’s consolidated business operations. On February 1, 2019, BNPP (through BancWest) sold all of its remaining 18.4% interest in our common stock. In connection with BNPP’s sell-down of our common stock, all directors designated by BNPP have resigned from our Board.

In connection with the IPO, we and/or the Bank entered into contractual arrangements with BNPP and/or certain of its affiliates to provide a framework for our ongoing relationship with BNPP, including a Stockholder Agreement, a Transitional Services Agreement, a Registration Rights Agreement, a License Agreement and an Insurance Agreement. In addition to the foregoing agreements, in connection with a series of transactions in advance of our IPO (the “Reorganization Transactions”), we entered into certain agreements with BNPP and its affiliates that govern our relationship following the Reorganization Transactions: a Master Reorganization Agreement; an Expense Reimbursement Agreement; a Tax Sharing Agreement; and the IHC Tax Allocation Agreement. A summary description of these agreements is below.

## *Agreements Related to Our IPO*

### Stockholder Agreement

The Stockholder Agreement governed the relationship between BNPP and us following our IPO, including matters related to our corporate governance and BNPP's right to approve certain actions we might desire to take in the future. On February 12, 2019, following the completion of BNPP's divestiture of its remaining interest in our common stock on February 1, 2019 and the resignation from the Board of all remaining directors nominated by BNPP, under the terms of the Stockholder Agreement, BNPP ceased to control the Company for purposes of the Bank Holding Company Act of 1956, as amended. As a result, BNPP's governance, approval and consent rights, as well as certain information and access rights of the parties, under the Stockholder Agreement have terminated. Under the Stockholder Agreement, we and BNPP continue to have mutual rights with respect to any information and access that each may require in connection with reporting and filing obligations or inquiries with governmental authorities, as well as certain indemnification rights with respect to breaches of the Stockholder Agreement.

### Transitional Services Agreement

The Transitional Services Agreement that we and First Hawaiian Bank entered into with BNPP, BancWest Holding Inc. ("BancWest Holding") and Bank of the West governed the continued provision of certain services by and among the parties to the agreement. Pursuant to the terms of the agreement, the Transitional Services Agreement terminated on December 31, 2018; however, during 2019, we continued to receive a limited number of services from affiliates of BNPP relating to official bank check processing and model management. All such services terminated by the end of 2019, and the services provided under the Transitional Services Agreement terminated at various times specified in the agreement.

The fees for each of the services provided under the Transitional Services Agreement were mutually agreed upon as part of the negotiation of the Transitional Services Agreement and varied on the basis of usage and other factors.

Except for breaches of certain intellectual property, confidentiality, systems security and data protection provisions, and breaches of applicable law, in connection with provision or receipt of the services being provided or received under the Transitional Services Agreement, and losses resulting from our or First Hawaiian Bank's or any of BNPP's, BancWest Holding's or Bank of the West's fraud, gross negligence, willful misconduct or bad faith and certain indemnification responsibilities, none of First Hawaiian, First Hawaiian Bank, BNPP, BancWest Holding or Bank of the West will be liable for claims in connection with or arising out of the Transitional Services Agreement in an aggregate amount exceeding the aggregate fees paid to the liable party for services under the Transitional Services Agreement.

### Other

In connection with our IPO, we also entered into an Insurance Agreement, which governed the obligations of BNPP and BNP Paribas USA, Inc. to procure and maintain director and officer liability insurance for us, our subsidiaries, and each of our respective directors, officers and employees (including any BNPP designated director). Certain limited obligations remain under this agreement, which is filed as an exhibit to our Annual Report on Form 10-K for the year ended December 31, 2019.

## *Agreements Related to the Reorganization Transactions*

### Master Reorganization Agreement

On April 1, 2016, we entered into a Master Reorganization Agreement with BNPP, BancWest Holding and BancWest. The Master Reorganization Agreement (i) memorialized the Reorganization Transactions, (ii) provided for the simultaneous execution or subsequent negotiation and execution of other agreements that governed certain aspects of our and First Hawaiian Bank's relationship with BNPP, BancWest Holding, BancWest and Bank of the West after the separation (including, among others, the Transitional Services Agreement, the Tax Sharing Agreement and the Expense Reimbursement Agreement) and (iii) provided for the release of claims by and indemnification rights and obligations of the parties thereto.

### Expense Reimbursement Agreement

Effective July 1, 2016, we entered into an Expense Reimbursement Agreement with BancWest whereby BancWest agreed to reimburse the Company for certain expenses incurred by the Company that are provided for the ultimate benefit of BNPP and its subsidiaries. First Hawaiian received reimbursement for expenses totaling \$6.4 million from BancWest during the year ended December 31, 2019. First Hawaiian does not expect to receive any further reimbursement from BancWest under the Expense Reimbursement Agreement after December 31, 2019.

### Tax Sharing Agreement

On April 1, 2016, we entered into a Tax Sharing Agreement with BNPP and BancWest Holding. The Tax Sharing Agreement operates in conjunction with tax allocation agreements that were in existence prior to the Reorganization Transactions and allocates rights and responsibilities among First Hawaiian, BNPP and BancWest Holding for certain tax refunds and liabilities, including tax liabilities arising prior to and as a result of the Reorganization Transactions and tax return preparation and filing requirements.

*Preparation and Payment of Income Taxes Post Reorganization.* Prior to the completion of the Reorganization Transactions, BancWest was responsible for preparing and filing tax returns and ensuring the timely payment of all U.S. federal income taxes and state and local taxes for BancWest and its subsidiaries under the terms of the tax allocation agreements then in existence. Under the Tax Sharing Agreement, BancWest Holding assumed responsibility for preparing and filing tax returns and collecting, paying, receiving and refunding such income taxes on behalf of itself and First Hawaiian for all relevant tax periods. The Tax Sharing Agreement requires that we provide BancWest Holding with information and documents necessary for completing any relevant tax returns and gives us a right to review and approve items on such returns that are directly related to taxes for which First Hawaiian would be liable.

Until the Reorganization Transactions occurred, U.S. federal income taxes were allocated among the members of a consolidated group of which BancWest was the parent corporation (and which included Bank of the West and First Hawaiian Bank as wholly owned subsidiaries of BancWest) in accordance with the relevant tax allocation agreements then in existence. The Tax Sharing Agreement provides that all U.S. federal income taxes for taxable periods ending on or prior to the Reorganization Transactions will be allocated among the BancWest consolidated entities under the relevant tax allocation agreements then in existence. Any U.S. federal income taxes of BancWest for a taxable period beginning before the Reorganization Transactions and ending after the Reorganization Transactions will be allocated on a "closing of the books" basis, which is a method of allocating income

taxes owed on a pro rata basis, by assuming that the books of the BancWest consolidated entities existing prior to the Reorganization Transactions were closed at the end of April 1, 2016.

For purposes of state and local taxes owed in various U.S. jurisdictions, members of a unitary group of corporations to which we and BancWest Holding belong under applicable state tax laws and regulations will allocate tax liabilities according to the tax allocation agreements and the IHC Tax Allocation Agreement, as applicable, except as described below under the section entitled “—*Tax Liability Arising from the Reorganization Transactions.*”

*Tax Liability Arising from the Reorganization Transactions.* As part of the Reorganization Transactions, First Hawaiian distributed all of BancWest Holding’s shares to BNPP. The distribution of BancWest Holding was a taxable event under certain state tax laws, including California law. Under the provisions of the Tax Sharing Agreement, we are responsible for all state and local taxes resulting from or arising out of the distribution of BancWest Holding that are expected to be allocated to First Hawaiian under the tax allocation agreements. We paid state and local income taxes of approximately \$95.4 million in June 2016 (which was partially offset by a federal tax reduction of approximately \$33.4 million received through intercompany settlement of estimated taxes in April 2017) in connection with the Reorganization Transactions (the “Expected Taxes”). BNPP, BancWest Holding and First Hawaiian reported total tax liability in connection with the Reorganization Transactions of \$92.1 million in the 2016 tax returns of various state and local jurisdictions (the “Return Taxes”). Pursuant to the Tax Sharing Agreement, First Hawaiian reimbursed BancWest Holding approximately \$2.1 million since the Return Taxes were lower than the Expected Taxes. Such amount was recorded as an adjustment to surplus. The Tax Sharing Agreement also provides that, in the event that any tax authority makes a determination under federal, state or local tax law that the tax liability of First Hawaiian arising out of the Reorganization Transactions is greater than the Return Taxes (the “Unexpected Taxes”), BancWest Holding will make a payment to First Hawaiian in the amount of such Unexpected Taxes (after taking into account any tax benefits and costs to First Hawaiian resulting from such increase in tax liability). In the event that any tax authority makes a determination under federal, state or local tax law that the tax liability of First Hawaiian arising out of the Reorganization Transactions is less than the Return Taxes (the “Unexpected Tax Reduction”), First Hawaiian will make a payment to BancWest Holding in the amount of such Unexpected Tax Reduction (after taking into account any U.S. federal income tax costs to First Hawaiian resulting from such decrease in tax liability).

Under the Tax Sharing Agreement, no payment with respect to tax liability arising from the Reorganization Transactions will be made by either First Hawaiian or BancWest Holding, unless the aggregate amount of payments required exceeds \$10,000.

*Treatment of Refunds and Other Tax Benefits (“Refunds”).* Under the provisions of the Tax Sharing Agreement, if, pursuant to the tax allocation agreements, we receive any Refund with respect to (1) the taxes paid in respect of taxable periods prior to the Reorganization Transactions or (2) the Return Taxes, we will make a payment to BancWest Holding in the amount of such Refund reduced by any tax costs incurred by First Hawaiian as a result of such Refund. Our obligation to pay such Refund amounts to BancWest Holding is subject to all applicable U.S. banking laws and regulations.

*Tax Contests.* In the event of an audit, review, examination or any other administrative or judicial action involving any tax reported under the Tax Sharing Agreement (“Tax Contest”), BancWest Holding generally has the responsibility, control and discretion in handling, defending, settling or contesting such Tax Contest. The Tax Sharing Agreement requires all parties to cooperate with each other to furnish necessary information and documents and take any remedial actions to minimize the effects of any adjustment to be made as a result of such Tax Contest. To the extent that such Tax Contest could result in a tax liability that is allocated to us under the Tax Sharing Agreement, we are,

at our own cost and expense, entitled to participate in such Tax Contest and BancWest Holding may not settle or compromise such Tax Contest without obtaining our prior written consent.

The Master Reorganization Agreement, Tax Sharing Agreement and Agreement for Allocation and Settlement of Income Tax Liabilities are filed as exhibits to our Annual Report on Form 10-K for the year ended December 31, 2019.

#### **Other Transactions with BNPP**

##### ***BNPP Equity Options and Stock Awards***

Certain of our named executive officers have received BNPP equity option and stock awards, as more fully described in the section entitled “*Executive Compensation.*”

#### **Other Related Party Transactions**

In the ordinary course of our business, we have engaged, and expect to continue engaging, through the Bank in ordinary banking transactions with our directors, executive officers, their immediate family members and companies in which they may have a 5% or more beneficial ownership interest, including loans to such persons. All such loans were made on substantially the same terms, including interest rates and collateral, as those prevailing at the time such loan was made as loans made to persons who were not related to us. These loans do not involve more than the normal credit collection risk and do not present any other unfavorable features.

#### **DELINQUENT SECTION 16(a) REPORTS**

Section 16(a) of the Exchange Act requires our directors and executive officers and persons who own more than 10% of the Company’s common stock to file with the SEC reports concerning their ownership of, and transactions in, such common stock. The reports are published on our website at <http://ir.fhb.com/corporate-governance/highlights>.

Based on a review of these reports filed by the Company’s officers, directors and stockholders, and on written representations from certain reporting persons, the Company believes that its officers, directors and stockholders complied with all filing requirements under Section 16(a) of the Exchange Act during fiscal year 2019, other than one Form 5 filing for Mr. Lance A. Mizumoto, Vice Chairman and Chief Lending Officer of First Hawaiian and First Hawaiian Bank, which was made after the applicable filing deadline and related to four acquisitions of common stock through a broker dividend reinvestment plan for, in the aggregate, less than 25 shares of common stock.

## AUDIT COMMITTEE REPORT

The Audit Committee of the Board, which consists entirely of directors who meet the independence requirements of applicable SEC regulations and the NASDAQ listing standards for audit committee members, has furnished the following report:

### **Report of the Audit Committee**

The Company's management is responsible for the Company's internal controls and financial reporting process. The Company's independent registered public accounting firm is responsible for performing an independent audit of the Company's consolidated financial statements and issuing an opinion on the conformity of those financial statements with accounting principles generally accepted in the U.S. ("GAAP"). The Audit Committee oversees the Company's internal controls and financial reporting process on behalf of the Board of Directors and in accordance with the Audit Committee Charter.

In this context, the Audit Committee has met and held discussions with management and the independent registered public accounting firm. Management represented to the Audit Committee that the Company's consolidated financial statements were prepared in accordance with GAAP and the Audit Committee has reviewed and discussed the consolidated financial statements with management and the independent registered public accounting firm. The Audit Committee discussed with the independent registered public accounting firm the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board and the Securities and Exchange Commission.

In addition, the Audit Committee has received the written disclosures and the letter from the independent registered public accounting firm required by the applicable requirements of the Public Company Accounting Oversight Board regarding the independent registered public accounting firm's communications with the Audit Committee concerning independence and has discussed with the independent registered public accounting firm the firm's independence from the Company and its management. In concluding that the registered public accounting firm is independent, the Audit Committee considered, among other factors, whether the non-audit services provided by the firm were compatible with its independence.

The Audit Committee discussed with the Company's independent registered public accounting firm the overall scope and plans for their audit. The Audit Committee meets with the independent registered public accounting firm, with and without management present, to discuss the results of their examination, their evaluation of the Company's internal controls, and the overall quality of the Company's financial reporting.

In performing all of these functions, the Audit Committee acts only in an oversight capacity. In its oversight role, the Audit Committee relies on the work and assurances of the Company's management, which has the primary responsibility for financial statements and reports, and of the independent registered public accounting firm who, in its report, expresses an opinion on the conformity of the Company's financial statements to GAAP. The Audit Committee's oversight does not provide it with an independent basis to determine that management has maintained appropriate accounting and financial reporting principles or policies, or appropriate internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. Furthermore, the Audit Committee's considerations and discussions with management and the independent registered public accounting firm do not assure that the Company's financial statements are presented in accordance with GAAP, that the audit of the Company's financial



statements has been carried out in accordance with auditing standards generally accepted in the U.S. or that the Company’s independent registered public accounting firm is “independent.”

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors, and the Board has approved, that the audited consolidated financial statements be included in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2019 for filing with the SEC. The Audit Committee also has approved, subject to stockholder ratification, the selection of the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2020.

Audit Committee Members

W. Allen Doane (Chair)

Faye W. Kurren

C. Scott Wo

**PRINCIPAL ACCOUNTANT FEES**

The following table presents fees for professional audit services rendered by Deloitte & Touche LLP for the audit of the Company’s annual consolidated financial statements at and for the fiscal years ended December 31, 2019 and 2018 and fees billed for other services rendered by Deloitte & Touche LLP during those periods.

The following table sets forth the fees billed to the Company for the fiscal years ended December 31, 2019 and 2018 by Deloitte & Touche LLP.

	2019	2018
Audit Fees <sup>(1)</sup>	\$1,988,000	\$2,197,000
Audit Related Fees <sup>(2)</sup>	—	149,000
Tax Fees <sup>(3)</sup>	313,000	27,000
All Other Fees	—	—
<b>Total</b>	<b>\$2,301,000</b>	<b>\$2,373,000</b>

- (1) Consists of fees for professional services rendered for the audit of our consolidated financial statements, including the audit of internal controls over financial reporting, and reviews of our quarterly financial statements, including registration statements and offerings, or for services provided in connection with statutory and regulatory filings.
- (2) Consists of fees for professional services rendered for the completion of agreed upon procedures related to consolidated financial reporting.
- (3) For 2019, consists of consultations related to Hawaii excise tax matters, analysis of the classification of construction costs and advice regarding Foreign Account Tax Compliance Act compliance. For 2018, consists of fees for consultations related to excise tax matters.

The Audit Committee Charter requires the preapproval of all fees and services to be provided by the Company’s independent auditors. These services may include audit services, audit-related services, tax services and other services. The Audit Committee has sole authority, without action by the Board, for the review and approval of such services and fees. In 2019 and 2018, all such fees and services were preapproved by the Audit Committee in accordance with these procedures.

**PROPOSAL NO. 2—RATIFICATION OF  
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Deloitte & Touche LLP, independent registered public accounting firm, served as the independent registered public accounting firm for the Company for the fiscal year ended December 31, 2019, and the Audit Committee has appointed Deloitte & Touche LLP as auditors for the Company for the fiscal year ending December 31, 2020. The Board and the Audit Committee recommend that stockholders ratify the appointment of Deloitte & Touche LLP as independent auditors for the Company for the fiscal year ending December 31, 2020. The Company's organizational documents do not require that stockholders ratify the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm. However, the Board believes such ratification is a matter of good corporate practice. If stockholders do not ratify the appointment, the Audit Committee will reconsider its selection but may still retain Deloitte & Touche LLP. One or more representatives of Deloitte & Touche LLP are expected to be present at the Annual Meeting and afforded an opportunity to make a statement, if they desire to do so, and to be available to respond to questions from stockholders.

**Required Vote**

Ratification of the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2020 requires the affirmative vote of a majority of the shares of common stock represented at the Annual Meeting, in person or by proxy, and entitled to vote thereon. Abstentions will have the effect of voting against this proposal.

**THE BOARD OF DIRECTORS AND AUDIT COMMITTEE UNANIMOUSLY RECOMMEND THAT YOU VOTE "FOR" THE RATIFICATION OF THE APPOINTMENT OF DELOITTE & TOUCHE LLP TO SERVE AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL YEAR 2020.**

### **PROPOSAL NO. 3—ADVISORY VOTE ON THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS**

As required by federal securities laws, we are providing our stockholders with the opportunity to cast an advisory vote regarding the compensation of our named executive officers as disclosed in this Proxy Statement. This proposal, commonly known as a “say-on-pay” proposal, gives the Company’s stockholders the opportunity to endorse or not endorse the Company’s executive pay program and policies through the following resolution:

“RESOLVED, that the compensation paid to the Company’s named executive officers, as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, compensation tables and related narrative discussion contained in the 2020 proxy statement, is hereby approved.”

As described in the “*Compensation Discussion and Analysis*” included in this Proxy Statement, we believe that our executive compensation program is designed to support the Company’s long-term success by achieving the following objectives:

- **Focuses on Performance:** sets appropriate, yet challenging, performance goals for the incentive plans and implements plans that motivate leadership to achieve consistent, long-term performance;
- **Manages Risk:** ensures that incentive plans do not encourage excessive risk-taking; and
- **Provides Balance:** includes incentive plan components that are quantitative and linked to stockholder return or financial results, but are balanced by key performance objectives qualitatively evaluated by the Compensation Committee.

We urge stockholders to read the “*Compensation Discussion and Analysis*” and the related narrative and tabular compensation disclosure included in this Proxy Statement. The “*Compensation Discussion and Analysis*” provides detailed information regarding our executive compensation program and policies and procedures, as well as the compensation of our named executive officers.

#### **Required Vote**

Adoption of an advisory resolution approving the compensation of the named executive officers as disclosed in this Proxy Statement requires the affirmative vote of a majority of the shares of common stock represented at the Annual Meeting, in person or by proxy, and entitled to vote thereon. Abstentions will have the effect of voting against this proposal. Broker non-votes will have no effect on the outcome of this proposal.

While this advisory vote on the compensation of our named executive officers is not binding on us, our Board or the Compensation Committee, we value the opinions of our stockholders. Accordingly, our Board and the Compensation Committee will consider the outcome of this advisory vote when making future compensation decisions for our named executive officers.

**THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE “FOR” THE APPROVAL  
OF THE COMPENSATION PAID TO THE COMPANY’S NAMED EXECUTIVE OFFICERS.**

## OTHER BUSINESS

As of the date of this Proxy Statement, management of the Company has no knowledge of any matters to be presented for consideration at the Annual Meeting other than those referred to above. If any other matters properly come before the Annual Meeting, the persons named in the accompanying proxy card intend to vote each proxy, to the extent entitled, in accordance with their best judgment.

### STOCKHOLDER PROPOSALS FOR THE 2021 ANNUAL MEETING

Stockholders who, in accordance with the SEC's Rule 14a8, wish to present proposals for inclusion in the proxy materials to be distributed by us in connection with our 2021 Annual Meeting of Stockholders must submit their proposals by certified mail, return receipt requested, and must be received by the Company's Secretary at our principal offices in Honolulu, Hawaii on or before November 13, 2020, to be eligible for inclusion in our proxy statement and proxy card relating to that meeting. In the event that we hold our 2021 Annual Meeting of Stockholders more than 30 days before or after the one-year anniversary date of the Annual Meeting, we will disclose the new deadline by which stockholders' proposals must be received in our earliest possible Quarterly Report on Form 10-Q or, if impracticable, by any means reasonably calculated to inform stockholders. As the rules of the SEC make clear, simply submitting a proposal does not guarantee its inclusion.

In accordance with the Company's Bylaws, proposals of stockholders intended to be presented at the 2021 Annual Meeting of Stockholders (other than director nominations) must be received by the Company's Secretary no later than January 22, 2021, nor earlier than December 23, 2020, provided that if the 2021 Annual Meeting is held more than 30 days before, or 60 days after, April 22, 2021, such notice must be given by the later of the close of business on the date 90 days prior to the meeting date or the tenth day following the date the meeting date is first publicly announced or disclosed. Furthermore, in order for any stockholder to properly propose any business for consideration at the 2021 Annual Meeting, including the nomination of any person for election as a director, or any other matter raised other than pursuant to Rule 14a8 of the proxy rules adopted under the Exchange Act, written notice of the stockholder's intention to make such proposal must be furnished to the Company in accordance with, and including such information required by, the Company's Bylaws.

The Corporate Governance and Nominating Committee considers nominees recommended by stockholders as candidates for election to the Board using the same criteria as candidates selected by the Corporate Governance and Nominating Committee discussed in the section entitled "*Proposal No. 1—Election of Directors.*" A stockholder wishing to nominate a candidate for election to the Board at an annual meeting is required to give written notice to the Company's Secretary of his or her intention to make a nomination in accordance with the requirements contained in the Company's Bylaws. Pursuant to the Company's Bylaws, notice of director nominations to be presented at the 2021 Annual Meeting of Stockholders must be received by the Company's Secretary no later than January 22, 2021, nor earlier than December 23, 2020, provided that if the 2021 Annual Meeting of Stockholders is held more than 30 days before, or 60 days after, April 22, 2021, such notice must be given by the later of the close of business on the date 90 days prior to the meeting date or the tenth day following the date the meeting date is first publicly announced or disclosed. If the number of directors to be elected to the Board is increased and either all of the nominees for director or the size of the increased Board is not publicly announced or disclosed by the Company at least 100 days prior to the first anniversary of the preceding year's annual meeting, notice of any stockholder nominees to serve as directors for any newly created positions resulting from the increased size may be delivered to the Company's Secretary no later than the close of business on the tenth day following the first date all of such nominees or the size of the increased Board shall have been publicly announced or disclosed.

In addition, Section 1.13 of the Company's Bylaws (the "Proxy Access Bylaw") provides a right of proxy access, which enables stockholders, under specified conditions, to include their nominees for election as directors in the Company's proxy materials. Under the Bylaws, any stockholder, or a group of up to twenty stockholders, owning at least three percent of the Company's outstanding shares of common stock continuously for at least three years is eligible to nominate and include in the Company's annual meeting proxy materials director nominees constituting the greater of two directors or twenty percent of the total number of directors of the Company, provided that the stockholder(s) and nominee(s) satisfy the requirements specified in the Proxy Access Bylaw. Stockholders seeking to have one or more nominees included in the Company's proxy statement for its 2021 annual meeting of stockholders must deliver the notice required by the Company's Proxy Access Bylaw. To be timely, the notice must be received at the Company's principal executive offices no later than January 22, 2021, nor earlier than December 23, 2020, provided that if the 2021 Annual Meeting of Stockholders is held more than 30 days before, or 60 days after, April 22, 2021, such notice must be given by the later of the close of business on the date 90 days prior to the meeting date or the tenth day following the date the meeting date is first publicly announced or disclosed.

## DISTRIBUTION OF CERTAIN DOCUMENTS

This Proxy Statement, our 2019 Annual Report to Stockholders and our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 are available at [www.fhb.com](http://www.fhb.com).

The 2019 Annual Report of First Hawaiian, Inc. and our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 are being made available with this Proxy Statement to our stockholders. Stockholders are referred to our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 for financial and other information about us. Neither the 2019 Annual Report nor our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 are part of this Proxy Statement. This Proxy Statement, our 2019 Annual Report and our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 are also available on our website at <http://proxy.fhb.com>.

In addition, this Proxy Statement includes several website addresses. These website addresses are intended to provide inactive, textual references only. The information on these websites is not part of this Proxy Statement.

We are required to file annual, quarterly and current reports, proxy statements and other reports with the SEC. Copies of these filings are available through our website at [www.fhb.com](http://www.fhb.com) or the SEC's website at [www.sec.gov](http://www.sec.gov). We will furnish copies of our SEC filings (without exhibits), including this Proxy Statement and the 2019 Annual Report, without charge to any stockholder upon written request or verbal request to our Company's Secretary at First Hawaiian, Inc., 999 Bishop Street, Honolulu, Hawaii 96813.

By order of the Board of Directors,

*Joel E. Rappoport*

Joel E. Rappoport  
*Executive Vice President, General Counsel and  
Secretary*

A copy of the Company's 2019 Annual Report and our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 as filed with the SEC are being furnished together with this Proxy Statement. Neither the Company's 2019 Annual Report nor its Annual Report on Form 10-K for the fiscal year ended December 31, 2019 forms any part of the material for the solicitation of proxies.

## Appendix A—Non-GAAP Reconciliation

### NON-GAAP FINANCIAL MEASURES

#### Overview

In addition to reporting our financial information in accordance with U.S. Generally Accepted Accounting Principles (“GAAP”) in our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, we believe that certain non-GAAP measures provide investors with meaningful insights into the Company’s ongoing business performance. We believe that the presentation of these non-GAAP financial measures helps to identify underlying trends in our business from period to period that could otherwise be distorted by the effect of certain expenses, gains and other items included in our operating results. Investors should also consider our performance and financial condition as reported under GAAP and all other relevant information when assessing our performance or financial condition. Non-GAAP measures have limitations as analytical tools and investors should not consider them in isolation or as a substitute for analysis of our financial results or financial condition as reported under GAAP.

#### Core Net Income and Reconciliation

We present net income on an adjusted, or “core,” basis. This core measure excludes from net income, the corresponding GAAP measure, the impact of certain items that we do not believe are representative of our financial results. The table below presents a reconciliation of Core Net Income to net income:

	For the Fiscal Years Ended December 31,		
	2019	2018	2017
<b>Net income</b>	\$284,392	\$264,394	\$183,682
Loss on sale of securities	2,715	—	—
Costs associated with the sale of stock (Visa)	4,500	—	—
Gains on the sale of real estate and other assets	—	—	(6,922)
OTTI losses on available-for-sale debt securities	—	24,085	—
Loss on litigation settlement <sup>(1)</sup>	—	4,125	—
One-time noninterest expense items <sup>(2)</sup>	2,814	2,267	5,457
Tax Cuts and Jobs Act	—	—	47,598
Tax adjustments <sup>(3)</sup>	(2,636)	(8,160)	551
<b>Total core adjustments</b>	<u>7,393</u>	<u>22,317</u>	<u>46,684</u>
<b>Core net income</b>	\$291,785	\$286,711	\$230,366

- (1) The Company reached an agreement in principle to resolve a putative class action lawsuit alleging that the Bank improperly charged certain overdraft fees. In connection with the anticipated settlement agreement, the Company recorded an expense of approximately \$4.1 million during the year ended December 31, 2018.
- (2) One-time items for the year ended December 31, 2019 included a nonrecurring payment to a former executive of the Company pursuant to the Bank’s Executive Change-in-Control Retention Plan, nonrecurring offering costs and the loss on our funding swap as a result of a 2019 decrease in the conversion rate of our Visa Class B restricted shares sold in 2016. One-time items for the year ended December 31, 2018 included public

company transition-related costs, the loss on our funding swap as a result of a decrease in the conversion rate of the aforementioned Visa Class B restricted shares and nonrecurring offering costs. One-time items for the year ended December 31, 2017 included salaries and benefits stemming from the Tax Cuts and Jobs Act (the “Tax Act”), nonrecurring offering costs and public company transition-related costs.

- (3) Represents the adjustments to net income, tax effected at the Company’s effective tax rate for the respective period, exclusive of one-time Tax Act expense.

### Return on Average Tangible Assets and Reconciliation

We compute our return on average tangible assets as the ratio of net income to average tangible assets. The table below presents a reconciliation to the most directly comparable GAAP financial measure:

	For the Fiscal Years Ended December 31,		
	2019	2018	2017
	(\$ in thousands)		
<b>Net income</b>	\$ 284,392	\$ 264,394	\$ 183,682
<b>Core net income</b>	291,785	286,711	230,366
Average total assets	\$20,325,697	\$20,247,135	\$19,942,807
Less: average goodwill	<u>995,492</u>	<u>995,492</u>	<u>995,492</u>
<b>Average tangible assets</b>	\$19,330,205	\$19,251,643	\$18,947,315
Return on average total assets	1.40%	1.31%	0.92%
Return on average tangible assets	1.47%	1.37%	0.97%
<b>Core return on average tangible assets</b>	1.51%	1.49%	1.22%

### Core Return on Average Tangible Stockholders’ Equity and Reconciliation

We compute our Core Return on Average Tangible Stockholders’ Equity as the ratio of core net income to average tangible stockholders’ equity, which is calculated by subtracting (and thereby effectively excluding) amounts related to the effect of goodwill from our average total common equity. The table below presents a reconciliation to the most directly comparable GAAP financial measure:

	For the Fiscal Years Ended December 31,		
	2019	2018	2017
	(\$ in thousands)		
<b>Net income</b>	\$ 284,392	\$ 264,394	\$ 183,682
<b>Core net income</b>	291,785	286,711	230,366
Average total stockholders’ equity	\$2,609,432	\$2,457,771	\$2,538,341
Less: average goodwill	<u>995,492</u>	<u>995,492</u>	<u>995,492</u>
<b>Average tangible stockholders’ equity</b>	\$1,613,940	\$1,462,279	\$1,542,849
Return on average total stockholders’ equity	10.90%	10.76%	7.24%
Return on average tangible stockholders’ equity	17.62%	18.08%	11.91%
<b>Core return on average tangible stockholders’ equity</b>	18.08%	19.61%	14.93%



## Core Efficiency Ratio and Reconciliation

We compute our core efficiency ratio as the ratio of core noninterest expense to the sum of core net interest income and core noninterest income. The table below presents a reconciliation to the most directly comparable GAAP financial measure:

	For the Fiscal Years Ended December 31,		
	2019	2018	2017
	(\$ in thousands)		
<b>Noninterest expense</b>	\$370,437	\$364,953	\$347,554
Loss on litigation settlement <sup>(1)</sup>	—	(4,125)	—
One-time items <sup>(2),(3)</sup>	<u>(2,814)</u>	<u>(2,267)</u>	<u>(5,457)</u>
<b>Core noninterest expense</b>	\$367,623	\$358,561	\$342,097
<b>Net interest income</b>	<u>\$573,402</u>	<u>\$566,318</u>	<u>\$528,804</u>
<b>Core net interest income</b>	\$573,402	\$566,318	\$528,804
<b>Noninterest income</b>	\$192,533	\$178,993	\$205,605
Loss on sale of securities	2,715	—	—
Costs associated with the sale of stock (Visa)	4,500	—	—
Gain on the sale of real estate and other assets	—	—	(6,922)
OTTI losses on available-for-sale debt securities	<u>—</u>	<u>24,085</u>	<u>—</u>
<b>Core noninterest income</b>	<u>\$199,748</u>	<u>\$203,078</u>	<u>\$198,683</u>
<b>Efficiency ratio</b>	48.36%	48.96%	47.32%
<b>Core efficiency ratio</b>	47.55%	46.59%	47.02%

(1) The Company reached an agreement in principle to resolve a putative class action lawsuit alleging that the Bank improperly charged certain overdraft fees. In connection with the anticipated settlement agreement, the Company recorded an expense of approximately \$4.1 million during the year ended December 31, 2018.

(2) Adjustments that are not material to our financial results have not been presented for certain periods.

(3) One-time items for the year ended December 31, 2019 included a nonrecurring payment to a former executive of the Company pursuant to the Bank's Executive Change-in-Control Retention Plan, nonrecurring offering costs and the loss on our funding swap as a result of a 2019 decrease in the conversion rate of our Visa Class B restricted shares sold in 2016. One-time items for the year ended December 31, 2018 included public company transition-related costs, the loss on our funding swap as a result of a decrease in the conversion rate of the aforementioned Visa Class B restricted shares and nonrecurring offering costs. One-time items for the year ended December 31, 2017 included salaries and benefits stemming from the Tax Act, nonrecurring offering costs and public company transition-related costs.