



PRESS RELEASE

FROM: Robert H. Gaughen, Jr., Chairman & Chief Executive Officer
Hingham Institution for Savings
Hingham, MA (NASDAQ:HIFS)

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HINGHAM DECLARES REGULAR DIVIDEND

HINGHAM INSTITUTION FOR SAVINGS (NASDAQ:HIFS) (“the Bank”), Hingham, Massachusetts, announced that its Board of Directors has declared a regular quarterly cash dividend of \$0.63 per share. The dividend will be paid on January 10, 2024 to stockholders of record as of January 2, 2024.

Robert H. Gaughen, Jr., Chairman and Chief Executive Officer of the Bank, in announcing the dividend, stated, “Returns on equity and assets in 2023 have remained significantly lower than our long-term performance, reflecting the challenge from the increase in short-term interest rates over the last twelve months and the inversion of the yield curve. As the Federal Reserve approaches the level of short-term rates that is sufficiently restrictive to return inflation to its target, the yield curve has started to steepen again. This will eventually allow us to achieve more satisfactory returns as we obtain higher rates on new and adjusting loans and incremental funding pressure abates.

While the current market environment is extraordinarily challenging, the Bank’s business model has been built over time to compound shareholder capital over an economic cycle. During all such periods, we remain focused on careful capital allocation, defensive underwriting and disciplined cost control - the building blocks for compounding shareholder capital through all stages of the economic cycle. These remain constant, regardless of the macroeconomic environment in which we operate.”

The Bank regularly considers all capital allocation options and continues to return capital to the ownership through both regular and special dividends. This will be our 120th consecutive quarterly dividend. The Bank has also declared special cash dividends in each of the last twenty-nine years, typically in the fourth quarter. These special dividends have varied considerably, as the Bank sets the level of the special dividend based on the Bank’s capital requirements and the prospective return on other capital allocation options. This may result in special dividends, if any, significantly above or below the regular quarterly dividend. Given the present environment and the Bank’s capital generation capacity, the Bank believes that the prospective returns in the Bank’s core business currently warrant reinvestment of incremental capital to support lending at attractive pricing. Consequently, the Bank has not declared a special dividend this year. Future regular and special dividends will be considered by the Board of

Directors on a quarterly basis.

Incorporated in 1834, Hingham Institution for Savings is one of America's oldest banks. The Bank maintains offices in Boston, Nantucket, and Washington, D.C., and provides commercial mortgage and banking services in the San Francisco Bay Area.

The Bank's shares of common stock are listed and traded on The NASDAQ Stock Market under the symbol HIFS.