

# HINGHAM INSTITUTION FOR SAVINGS

2025 Shareholders Meeting

# Safe Harbor Statement

This presentation contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements about Hingham Institution for Savings and its industry involve substantial risks and uncertainties. Statements other than statements of current or historical fact, including statements regarding the Bank's future financial condition, results of operations, business plans, liquidity, cash flows, projected costs, and the impact of any laws or regulations applicable to the Bank, are forward-looking statements. Words such as "anticipates," "believes," "estimates," "expects," "forecasts," "intends," "plans," "projects," "may," "will," "should," and other similar expressions are intended to identify these forward-looking statements. Such statements are subject to factors that could cause actual results to differ materially from anticipated results. Such factors are described within the Bank's filings with the Federal Deposit Insurance Corporation, including the Bank's Annual Report on Form 10-K for the year end December 31, 2024. Except required by the law, the Bank does not undertake, and specifically disclaims any obligation, to publicly release the result of any revisions which may be made to any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such statements. You are cautioned not to place undue reliance on these forward-looking statements.

# Informal Meeting

3

- Financial Results
- Operating Highlights
- Q&A

“Banking is a very good business,  
unless you do dumb things.”

Warren Buffett

# What We Do

5

- Commercial and Personal Deposit Banking
- Commercial Real Estate Lending
- Residential Real Estate Lending

# What We Don't Do

6

- Commercial and Industrial Lending
  - ABL
  - Leasing
  - Loans and Lines
  - SBA
  - Leveraged Lending
  - Oil, Gas, Mining, Minerals
- Consumer Lending
  - Credit Card
  - Marine
  - Auto
  - RV
  - Personal Lines
- Investments
  - Wealth Management
  - Trust
  - Investment Advisory
- Insurance Brokerage or Underwriting
- Secondary Market Residential Mortgage
- Tax Credits
- Solar Lending
- Cannabis Banking
- Cryptocurrency (Deposits, Lending, Ecosystem)
- Commercial Mortgage Participations (\*)

# Capital Allocation

7

## 1. Attractive

- a. **Organic Growth** - Reinvest in our Lending and Deposit Businesses - Existing and New Geographies
- b. **Minority Equity Investments** - Public and Private - Focused on Financial Services and Technology
- c. **Dividends** - Maintain Appropriate Leverage Through Regular and Special Dividends
- d. **Repurchase** - Opportunistic Repurchase of Shares - Focused on Valuation and Tax

## 2. Not Attractive

- a. Control Equity Investments (“Acquisitions”) (High Prices, Loss of Focus, Elusive Cost Synergies)

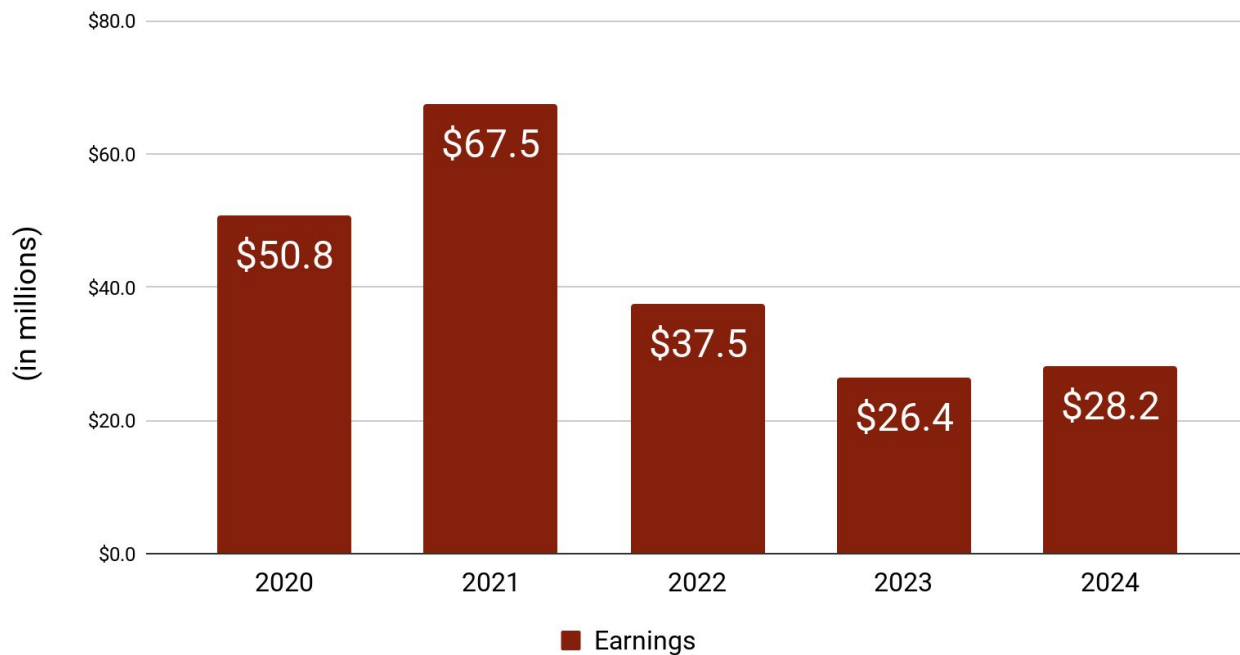
# 2024 Financial Results



# Earnings

9

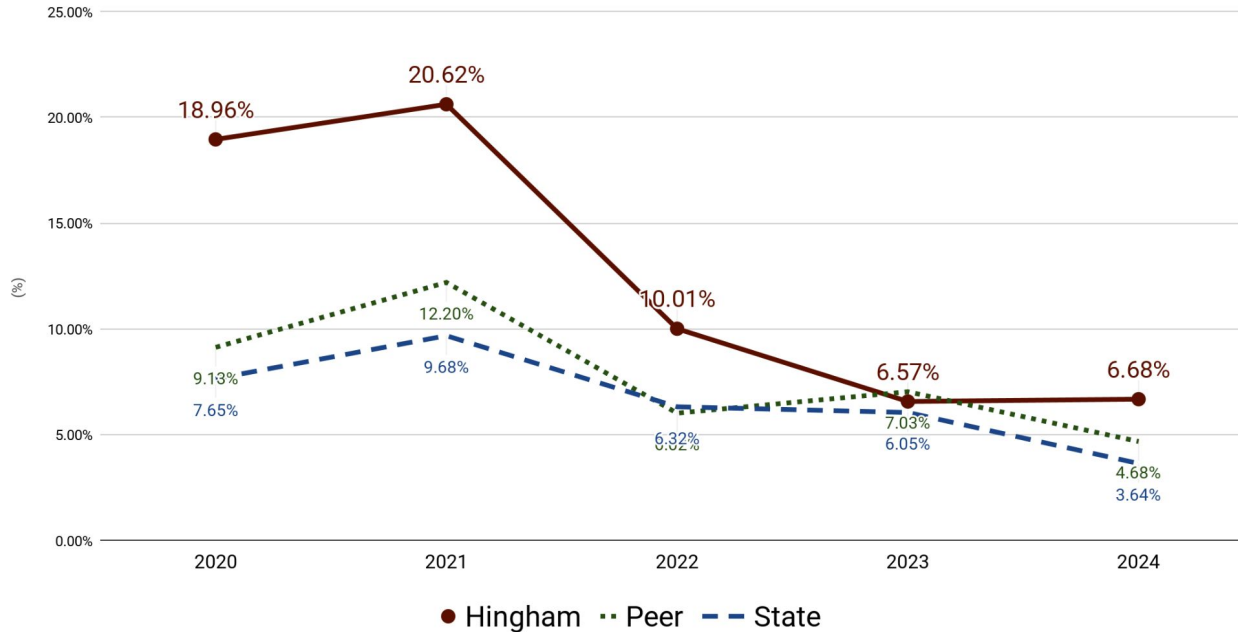
## Annual Earnings



# Return on Shareholder Equity

10

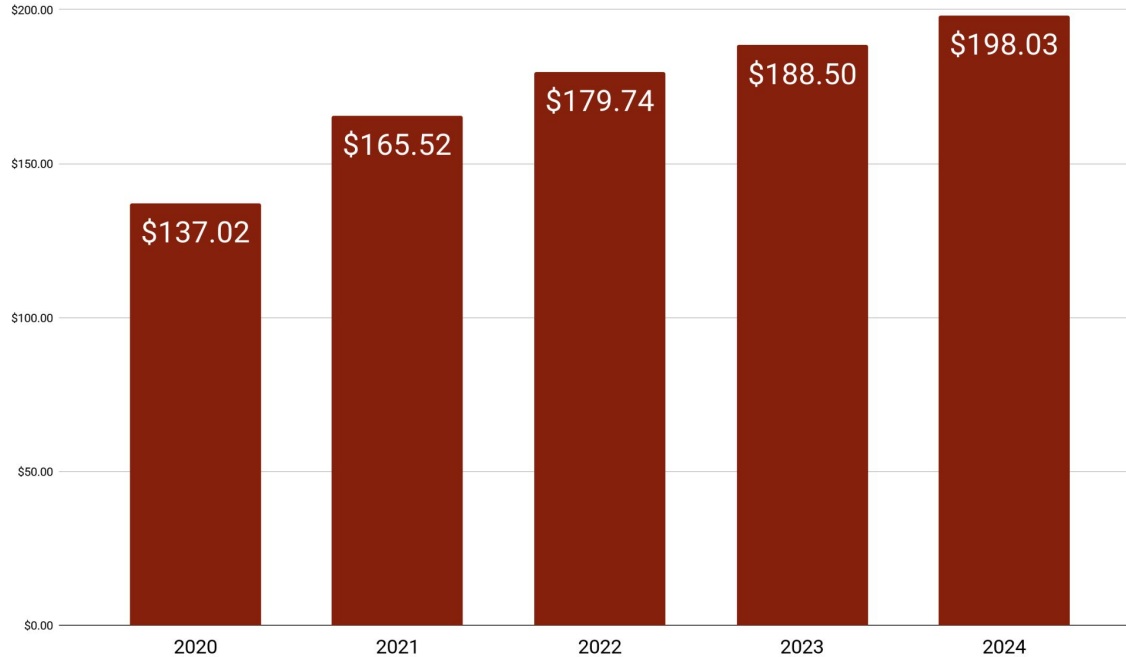
## Return on Equity - MA Savings Banks - 2024



# Shareholder Equity

## Book Value Per Share

11



**5YR CAGR of 11.3%**

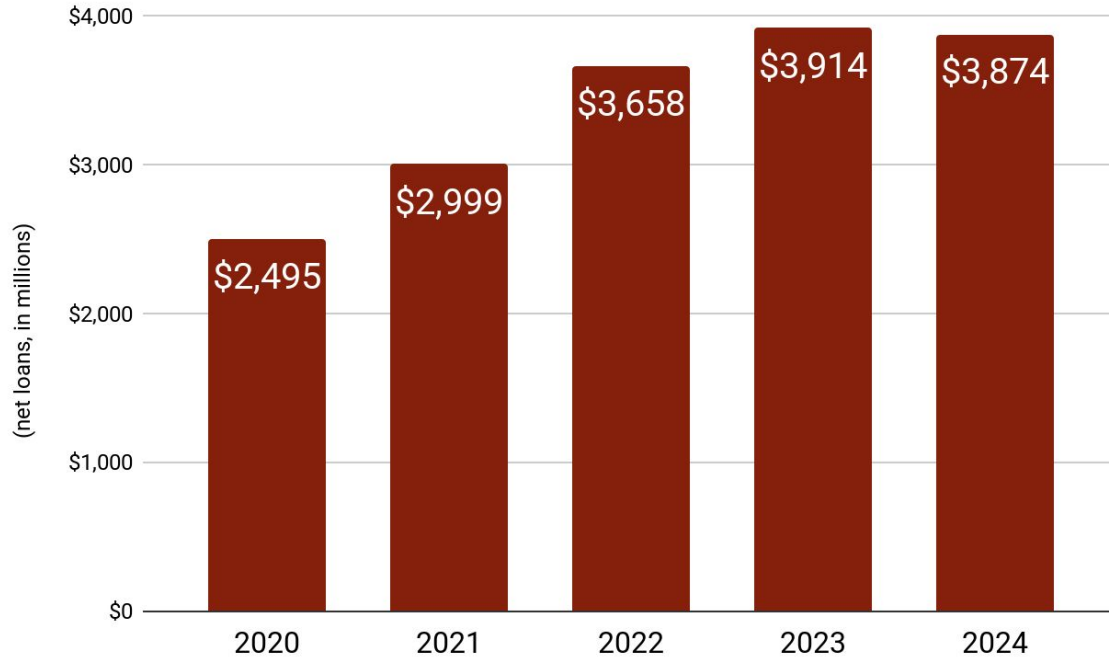
# Low Cost Leadership

12

- 2024 Efficiency Ratio = 63.79%
- 2024 Operating Expenses/Total Average Assets = 67 bps
- This is the product of both **structural** and **operational** choices
  - Structural = Game Selection
  - Operational = Game Play
- We must be relentless in taking unnecessary costs out of our business

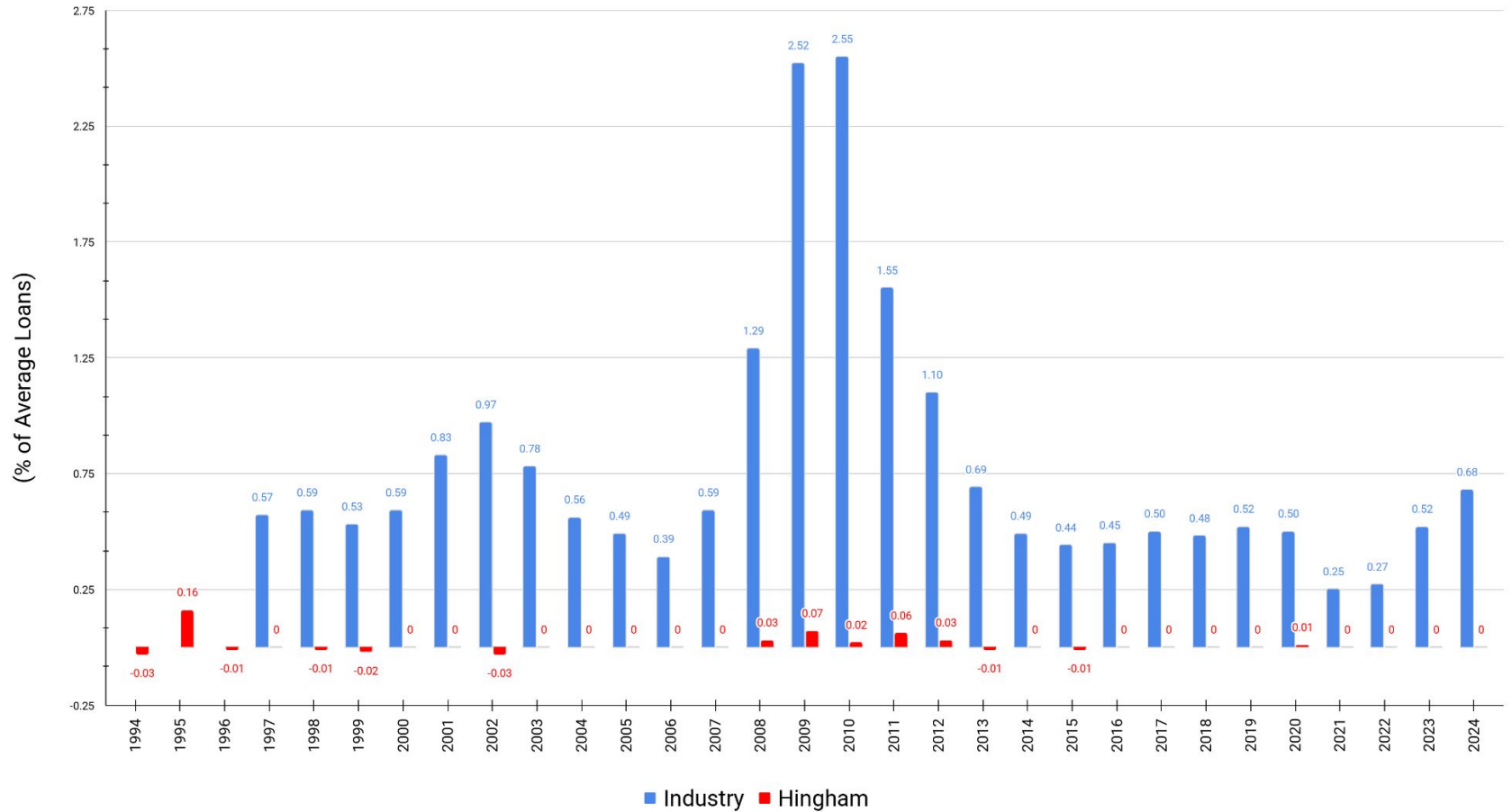
# Disciplined Loan Growth

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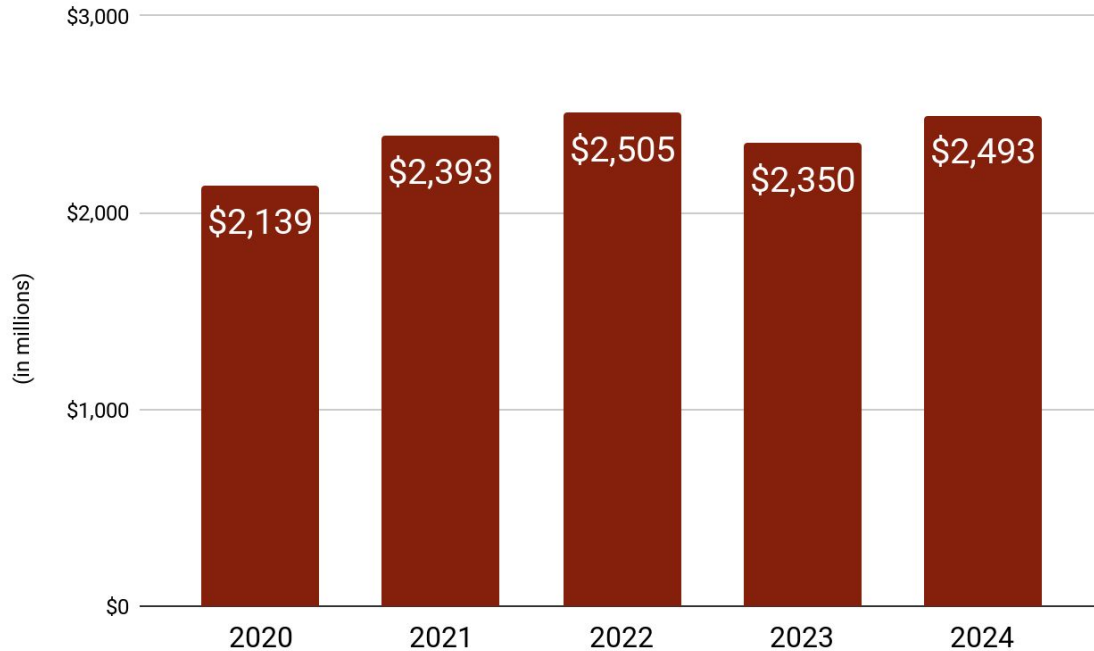
**5YR CAGR of 11.7%**

## Net Charge Offs - Hingham v. All FDIC Insured Banks



# Deposits

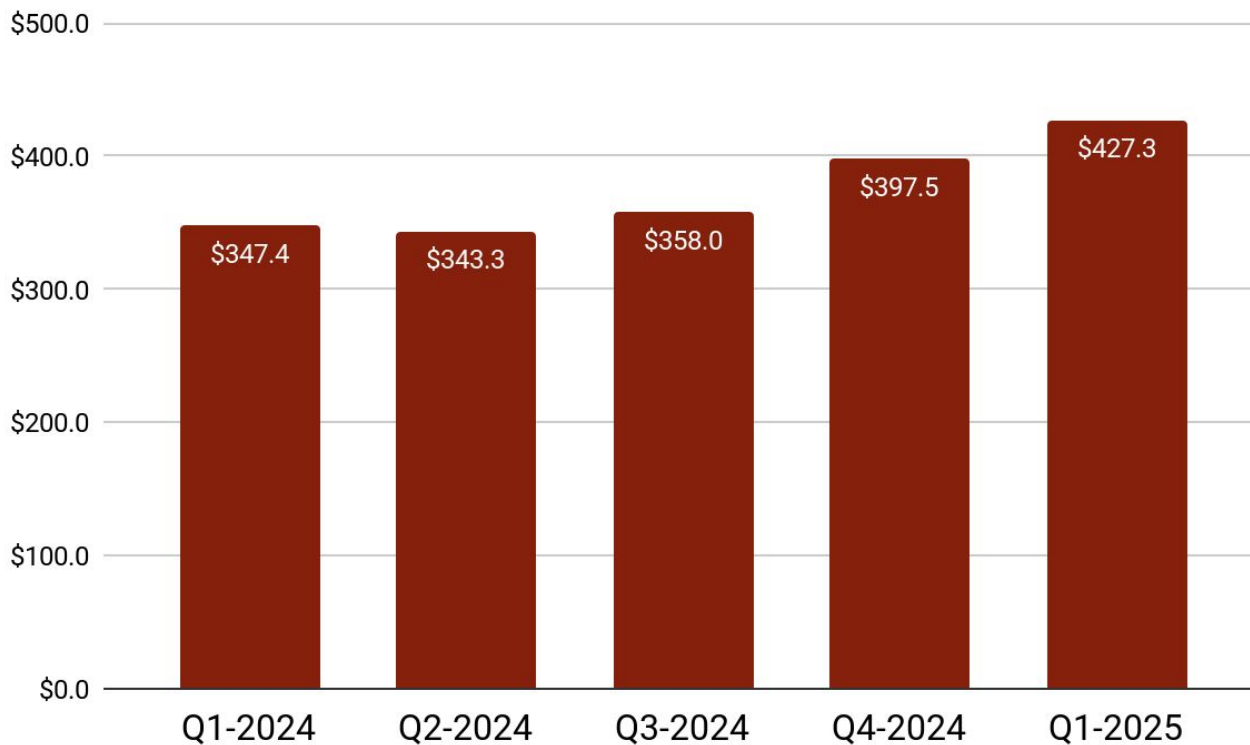
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**5YR CAGR of 6.5%**

# Non-Interest Bearing Deposits

17





# Deposit Approach

19

- Approach
  - Personalized Service
  - Digital Excellence
  - Low Fee / No Fee
- Two Engines for Growth
  - Specialized Deposit Group (Private Client)
  - Retail Banking Group

# Increasing Commercial Deposit Focus

20

- Specialized Deposit Group (“SDG”)
  - Team of relationship managers and digital banking specialists that handle our largest and most complex deposit relationships, as well as our digital-first account opening
  - Expansion Focus
    - Upgrading the number and quality of relationship managers on the team, as well as the operational team that serves these customers
    - Focus on new business development - combination of sales and marketing
    - Continued focus on recruiting new relationship managers, particularly as we grow our business in Washington, D.C. and San Francisco

# First Quarter 2025

20

- Balance Sheet
  - Loan Growth
  - Deposit Growth
  - NIB Deposit Growth
- Income Statement
  - NIM
  - Efficiency
  - Investment Portfolio

# Looking Forward - Key Challenges

22

- **Credit Quality**
  - Multifamily Outlook
  - Washington, D.C.
  - San Francisco
- **Funding Conditions**
  - Stabilization of Margin
  - Growth in NIB Deposits
  - Liability Sensitivity
- **Scaling SDG**
  - Team
  - Acquisition
  - Support
- **Process Improvement and Eliminating Waste**

# Discussion and Q&A