



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 15, 2025 to stockholders of record as of January 6, 2025.

Robert H. Gaughen, Jr., Chairman and Chief Executive Officer of the Bank, in announcing the dividend, stated, “Returns on equity and assets in 2024 have been significantly lower than our long-term performance, reflecting the challenge from the increase in short-term interest rates over the last twenty-four months and a historically long and deep inversion of the yield curve. These conditions have posed a significant - albeit ultimately temporary - challenge to our business model. Our core business has been particularly challenged during this period and our investment operations have been critical to sustaining some growth in book value per share in this environment. As our assets continue to reprice higher and our liabilities, including both deposits and wholesale funding, reprice lower, conditions have become somewhat more favorable for our model.

While this market environment has been extraordinarily challenging, the Bank’s business model has been built over time to compound shareholder capital through economic cycles. 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. I believe that over the past twenty-four months we have retained this focus and it will serve us well as our business emerges from this period.”

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 124th consecutive quarterly dividend. The Bank has also generally declared special cash dividends in each of the last twenty-nine years, typically in the fourth quarter, but did not declare a special dividend in 2023 and 2024. 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.

Incorporated in 1834, Hingham Institution for Savings is one of America's oldest banks. The Bank maintains offices in Boston, Nantucket, Washington, D.C., and San Francisco.

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