

**CHARTER OF THE
NOMINATING AND CORPORATE GOVERNANCE COMMITTEE
OF THE BOARD OF DIRECTORS OF
HAWAIIAN ELECTRIC INDUSTRIES, INC.
ADOPTED SEPTEMBER 17, 2002
(AS AMENDED AS OF APRIL 20, 2004)**

I. PURPOSE OF THE COMMITTEE

The purposes of the Nominating and Corporate Governance Committee (the "Committee") of the Board of Directors (the "Board") of Hawaiian Electric Industries, Inc. (the "Company") shall be to recommend to the Board individuals qualified to serve as directors of the Company and on committees of the Board; to advise the Board with respect to Board composition, procedures and committees; to advise the Board with respect to compensation of non-employee directors; to advise the Board with respect to the corporate governance guidelines applicable to the Company; and to oversee the evaluation of the Board and the Company's management.

II. COMPOSITION OF THE COMMITTEE

The Committee shall consist of three or more directors as determined from time to time by the Board. Each member of the Committee shall be qualified to serve on the Committee pursuant to the requirements of the New York Stock Exchange (the "NYSE"), and any additional requirements that the Board deems appropriate.

The chairperson of the Committee shall be designated by the Board, *provided* that if the Board does not so designate a chairperson, the members of the Committee, by a majority vote, may designate a chairperson.

Any vacancy on the Committee shall be filled by majority vote of the Board. No member of the Committee shall be removed except by majority vote of the Board.

III. MEETINGS AND PROCEDURES OF THE COMMITTEE

The Committee shall meet as often as it determines necessary to carry out its duties and responsibilities. The Chairperson of the Committee or a majority of the members of the Committee may also call a special meeting of the Committee.

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; *provided, however*, that no subcommittee shall consist of fewer than two members; and *provided further* that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary.

A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum.

Following each of its meetings, the Committee shall deliver a report on the meeting to the Board, including a description of all actions taken by the Committee at the meeting. The Committee shall keep written minutes of its meetings, which minutes shall be maintained with the books and records of the Company.

IV. DUTIES OF THE COMMITTEE

A. Board Candidates and Nominees

The Committee shall have the following duties and responsibilities with respect to Board candidates and nominees:

(a) To assist in identifying, recruiting and, if appropriate, interviewing candidates to fill positions on the Board, including persons suggested by stockholders or others.

(b) To review the background and qualifications of individuals being considered as director candidates. Among the qualifications considered in the selection of candidates, the Committee shall look at the following attributes and criteria of candidates: knowledge, experience, skills, expertise, diversity, personal and professional integrity, character, business judgment, time availability in light of other commitments, dedication, absence of conflicts of interest and such other relevant factors that the Committee considers appropriate in the context of the needs of the Board.

(c) To recommend to the Board the director nominees for election by the stockholders or appointment by the Board, as the case may be, pursuant to the Bylaws of the Company, which recommendations shall follow criteria for selecting new directors established by the Board from time to time.

(d) To review the suitability for continued service as a director of each Board member when his or her term expires and to recommend whether or not the director should be re-nominated.

(e) To review any resignation submitted by a Board Member pursuant to the Corporate Governance Guidelines and to recommend whether or not such resignation should be accepted. If the Committee recommends acceptance of such resignation, it may recommend that such resignation be effective at any point in time up to the expiration of the director's then-current term.

B. Board Composition and Procedures

The Committee shall have the following duties and responsibilities with respect to the composition and procedures of the Board as a whole:

(a) To review annually with the Board the composition of the Board as a whole and to recommend, if necessary, measures to be taken so that the Board reflects the appropriate balance of knowledge, experience, skills, expertise and diversity required for the Board as a whole and contains at least the minimum number of independent directors required by the NYSE.

(b) To review periodically the size of the Board and to recommend to the Board any appropriate changes.

(c) To make recommendations on the frequency and structure of Board meetings.

(d) To make recommendations concerning any other aspect of the procedures of the Board that the Committee considers warranted, including but not limited to procedures with respect to the waiver by the Board of any Company rule, guideline, procedure or corporate governance principle.

C. Board Committees

The following shall be the goals and responsibilities of the Committee with respect to the committee structure of the Board:

(a) To make recommendations to the Board regarding the size and composition of each standing committee of the Board of Directors, including the identification of individuals qualified to serve as members of a committee, including the Committee, and to recommend individual directors to fill any vacancy that might occur on a committee, including the Committee.

(b) To monitor the functioning of the committees of the Board and to make recommendations for any changes, including the creation and elimination of committees.

(c) To review annually committee assignments and chairpersonships, and to report any recommendations to the Board.

(d) To recommend that the Board establish such special committees as may be desirable or necessary from time to time in order to address ethical, legal or other matters that may arise. The Committee's power to make such a recommendation under this Charter shall be without prejudice to the right of any other committee of the Board, or any individual director, to make such a recommendation at any time.

D. Non-Employee Director Compensation

The Committee shall evaluate annually the appropriate level and form of compensation for Board and Committee service by non-employee members of the Board, including how such compensation relates to director compensation of companies of comparable size, industry and complexity. The Committee will recommend any proposed changes to director compensation for consideration by the full Board.

E. Officers

The Committee shall be responsible for recommending the slate of officers for the Company.

F. Subsidiary Companies

The Committee shall have the following responsibilities with respect to HEI's subsidiary companies:

(a) Recommend to the boards of the respective subsidiary company (including advisory boards), the slate of directors.

(b) Recommend to the boards of the respective subsidiary company (including advisory boards), the slate of officers (senior officers for American Savings Bank).

G. Corporate Governance

The following shall be the goals and responsibilities of the Committee with respect to corporate governance:

(a) To develop and review periodically, and at least annually, the corporate governance guidelines adopted by the Board to assure that they are appropriate for the Company and comply with the requirements of the NYSE, and to recommend any desirable changes to the Board.

(b) To consider any other corporate governance issues that arise from time to time, and to develop appropriate recommendations for the Board.

H. Evaluation of the Board

The Committee shall be responsible for overseeing the annual evaluation of the Board as a whole and of individual Directors who may be up for renomination to the Board. The Committee shall evaluate the Board's effectiveness in fulfilling its responsibilities in a manner that serves the best interests of the Company and its stockholders, and the Committee shall report its assessment to the Board. The Committee shall establish procedures to allow it to exercise this oversight function.

V. EVALUATION OF THE COMMITTEE

The Committee shall, on an annual basis, evaluate its performance. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope. The Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the

number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

The Committee shall deliver to the Board a report setting forth the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Company's or the Board's policies or procedures.

VI. INVESTIGATIONS AND STUDIES; OUTSIDE ADVISERS

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Company's expense, such independent counsel or other consultants or advisers as it deems necessary. The Committee shall have the authority to retain or terminate any search firm to be used to identify director candidates, including authority to approve the search firm's fees and other retention terms, such fees to be borne by the Company.

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The responsibilities and duties set forth in this Charter are meant to serve as a guide, with the understanding that the Committee may diverge from the specific duties enumerated as necessary or appropriate given the circumstances, subject to compliance with applicable state and federal law and listing standards of the NYSE. The Committee shall undertake any other action or exercise such other powers, authority and responsibilities as necessary or appropriate to the discharge of the responsibilities and duties set forth in this Charter or the Company's Bylaws, or otherwise required by the Listing Standards of the NYSE or other applicable laws, rules or regulations, or as shall otherwise be determined by the Board.

While the members of the Committee have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of members of the Committee, except to the extent otherwise provided under the applicable state and federal laws or the listing requirements of the NYSE.