UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2022

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______________________ to _________________

Commission file number **001-35492**

ALEXANDER & BALDWIN, INC.

(Exact name of registrant as specified in its charter)

Hawaii	**45-4849780**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
822 Bishop Street	
P. O. Box 3440, Honolulu, Hawaii	**96801**
(Address of principal executive offices)	(Zip Code)

(808) 525-6611

(Registrant's telephone number, including area code)

N/A

(Former name, former address, and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, without par value	**ALEX**	**New York Stock Exchange**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes☐ No ☒

Number of shares of common stock outstanding as of September 30, 2022: 72,544,235

ALEXANDER & BALDWIN, INC.

FORM 10-Q

For the Quarterly Period Ended September 30, 2022

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

ALEXANDER & BALDWIN, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(amounts in millions; unaudited)

	September 30, 2022	December 31, 2021
ASSETS		
Real estate investments		
Real estate property	$ 1,598.3	$ 1,588.2
Accumulated depreciation	(197.6)	(180.5)
Real estate property, net	1,400.7	1,407.7
Real estate developments	64.8	65.0
Investments in real estate joint ventures and partnerships	8.2	8.8
Real estate intangible assets, net	45.4	51.6
Real estate investments, net	1,519.1	1,533.1
Cash and cash equivalents	7.3	70.0
Restricted cash	0.2	1.0
Accounts receivable and retention, net of allowance for credit losses and allowance for doubtful accounts of $ 1.1 million and $ 1.3 million as of September 30, 2022, and December 31, 2021, respectively	35.9	28.9
Inventories	30.1	20.3
Other property, net	69.6	83.5
Operating lease right-of-use assets	37.0	20.1
Goodwill	8.7	8.7
Other receivables, net of allowance for credit losses and allowance for doubtful accounts of $ 2.2 million and $ 2.5 million as of September 30, 2022, and December 31, 2021, respectively	6.1	11.6
Prepaid expenses and other assets	133.9	102.6
Total assets	$ 1,847.9	$ 1,879.8
LIABILITIES AND EQUITY		
Liabilities:		
Notes payable and other debt	$ 469.7	$ 532.7
Accounts payable	18.5	9.9
Operating lease liabilities	36.8	19.4
Accrued pension and post-retirement benefits	10.4	56.3
Deferred revenue	71.3	68.5
Accrued and other liabilities	105.9	119.5
Total liabilities	712.6	806.3
Commitments and Contingencies (Note 8)		
Redeemable Noncontrolling Interest	8.1	6.9
Equity:		
Common stock - no par value; authorized, 150.0 million shares; outstanding, 72.5 million and 72.5 million shares at September 30, 2022 and December 31, 2021, respectively	1,809.4	1,810.5
Accumulated other comprehensive income (loss)	4.5	(80.7)
Distributions in excess of accumulated earnings	(686.7)	(663.2)
Total equity	1,127.2	1,066.6
Total liabilities and equity	$ 1,847.9	$ 1,879.8

See Notes to Condensed Consolidated Financial Statements.

ALEXANDER & BALDWIN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(amounts in millions, except per share data; unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Operating Revenue:				
Commercial Real Estate	$ 46.2	$ 44.0	$ 138.1	$ 127.2
Land Operations	2.9	5.4	20.9	38.5
Materials & Construction	48.1	34.9	124.5	88.9
Total operating revenue	97.2	84.3	283.5	254.6
Operating Costs and Expenses:				
Cost of Commercial Real Estate	25.0	24.1	73.2	71.0
Cost of Land Operations	4.2	4.7	19.1	23.4
Cost of Materials & Construction	43.3	31.8	111.5	84.2
Selling, general and administrative	12.7	12.6	38.3	37.2
Total operating costs and expenses	85.2	73.2	242.1	215.8
Gain (loss) on disposal of commercial real estate properties, net	—	—	—	0.2
Gain (loss) on disposal of non-core assets, net	—	—	54.0	0.2
Total gain (loss) on disposal of assets, net	—	—	54.0	0.4
Operating Income (Loss)	12.0	11.1	95.4	39.2
Other Income and (Expenses):				
Income (loss) related to joint ventures	0.4	2.7	1.8	12.2
Pension termination	—	—	(76.9)	—
Interest and other income (expense), net (Note 2)	(0.1)	(0.2)	0.7	(1.0)
Interest expense	(5.5)	(6.5)	(16.8)	(20.2)
Income (Loss) from Continuing Operations Before Income Taxes	6.8	7.1	4.2	30.2
Income tax benefit (expense)	—	—	18.1	(0.1)
Income (Loss) from Continuing Operations	6.8	7.1	22.3	30.1
Income (loss) from discontinued operations, net of income taxes	—	(0.6)	(0.1)	(0.7)
Net Income (Loss)	6.8	6.5	22.2	29.4
Loss (income) attributable to noncontrolling interest	(0.4)	(0.1)	(1.2)	(0.3)
Net Income (Loss) Attributable to A&B Shareholders	$ 6.4	$ 6.4	$ 21.0	$ 29.1
Earnings (Loss) Per Share Available to A&B Shareholders:				
Basic Earnings (Loss) Per Share of Common Stock:				
Continuing operations available to A&B shareholders	$ 0.09	$ 0.10	$ 0.29	$ 0.41
Discontinued operations available to A&B shareholders	—	(0.01)	—	(0.01)
Net income (loss) available to A&B shareholders	$ 0.09	$ 0.09	$ 0.29	$ 0.40
Diluted Earnings (Loss) Per Share of Common Stock:				
Continuing operations available to A&B shareholders	$ 0.09	$ 0.10	$ 0.29	$ 0.41
Discontinued operations available to A&B shareholders	—	(0.01)	—	(0.01)
Net income (loss) available to A&B shareholders	$ 0.09	$ 0.09	$ 0.29	$ 0.40
Weighted-Average Number of Shares Outstanding:				
Basic	72.7	72.5	72.7	72.5
Diluted	72.8	72.7	72.8	72.6
Amounts Available to A&B Common Shareholders (Note 15):				
Continuing operations available to A&B common shareholders	$ 6.3	$ 6.9	$ 20.9	$ 29.7
Discontinued operations available to A&B common shareholders	—	(0.6)	(0.1)	(0.7)
Net income (loss) available to A&B common shareholders	$ 6.3	$ 6.3	$ 20.8	$ 29.0

See Notes to Condensed Consolidated Financial Statements.

ALEXANDER & BALDWIN, INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(amounts in millions; unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net Income (Loss)	$ 6.8	$ 6.5	$ 22.2	$ 29.4
Other Comprehensive Income (Loss), net of tax:				
Cash flow hedges:				
Unrealized interest rate hedging gain (loss)	2.6	0.2	8.0	1.9
Impact of reclassification adjustment to interest expense included in Net Income (Loss)	(0.1)	0.4	0.5	1.2
Realized interest rate hedging gain (loss)	—	—	(0.5)	—
Employee benefit plans:				
Actuarial gain (loss)	—	(4.7)	16.6	(4.7)
Amortization of net loss included in net periodic benefit cost	0.1	0.5	1.9	1.9
Amortization of prior service cost included in net periodic benefit cost	—	—	0.1	—
Pension termination	—	—	76.9	—
Income taxes related to other comprehensive income (loss)	—	—	(18.3)	—
Other comprehensive income (loss), net of tax	2.6	(3.6)	85.2	0.3
Comprehensive Income (Loss)	9.4	2.9	107.4	29.7
Comprehensive (income) loss attributable to noncontrolling interest	(0.4)	(0.1)	(1.2)	(0.3)
Comprehensive Income (Loss) Attributable to A&B Shareholders	$ 9.0	$ 2.8	$ 106.2	$ 29.4

See Notes to Condensed Consolidated Financial Statements.

ALEXANDER & BALDWIN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(amounts in millions; unaudited)

	Nine Months Ended September 30,	
	2022	**2021**
Cash Flows from Operating Activities:		
Net income (loss)	$ 22.2	$ 29.4
Adjustments to reconcile net income (loss) to net cash provided by (used in) operations:		
Depreciation and amortization	33.1	37.7
Income tax benefit related to pension termination and other, net	(18.3)	—
Loss (gain) from disposals and asset transactions, net	(54.0)	(0.4)
Share-based compensation expense	4.6	4.4
Equity in (income) loss from affiliates, net of operating cash distributions	(1.1)	(10.1)
Pension termination	76.9	—
Changes in operating assets and liabilities:		
Trade, contracts retention, and other contract receivables	(8.7)	9.5
Inventories	(9.8)	(3.8)
Prepaid expenses, income tax receivable and other assets	(13.1)	0.3
Development/other property inventory	9.5	0.4
Accrued pension and post-retirement benefits	(31.3)	(4.0)
Accounts payable	5.7	2.9
Accrued and other liabilities	(6.7)	0.9
Net cash provided by (used in) operations	9.0	67.2
Cash Flows from Investing Activities:		
Capital expenditures for property, plant and equipment	(15.7)	(26.1)
Proceeds from disposal of assets	73.1	0.6
Payments for purchases of investments in affiliates and other investments	(1.5)	(0.8)
Distributions of capital and other receipts from investments in affiliates and other investments	0.1	40.2
Net cash provided by (used in) investing activities	56.0	13.9
Cash Flows from Financing Activities:		
Proceeds from issuance of notes payable and other debt	13.5	128.0
Payments of notes payable and other debt and deferred financing costs	(29.3)	(192.2)
Borrowings (payments) on line-of-credit agreement, net	(50.0)	—
Cash dividends paid	(57.7)	(46.5)
Repurchases of common stock and other payments	(5.0)	(1.1)
Net cash provided by (used in) financing activities	(128.5)	(111.8)
Cash, Cash Equivalents and Restricted Cash		
Net increase (decrease) in cash, cash equivalents and restricted cash	(63.5)	(30.7)
Balance, beginning of period	71.0	57.4
Balance, end of period	$ 7.5	$ 26.7

Other Cash Flow Information:				
Interest paid, net of capitalized interest	$	(15.8)	$	(18.4)
Income tax (payments)/refunds, net	$	0.1	$	0.4
Noncash Investing and Financing Activities:				
Capital expenditures included in accounts payable and accrued and other liabilities	$	0.3	$	1.6
Operating lease liabilities arising from obtaining ROU assets	$	20.0	$	5.5
Finance lease liabilities arising from obtaining ROU assets	$	2.7	$	0.1
Dividends declared but unpaid at end of period	$	0.3	$	—
Repurchases of capital stock in accrued and other liabilities	$	0.9	$	—
Escrow receivable from disposal of assets	$	0.9	$	—
Reconciliation of cash, cash equivalents and restricted cash:				
Beginning of the period:				
Cash and cash equivalents	$	70.0	$	57.2
Restricted cash		1.0		0.2
Cash, cash equivalents and restricted cash	$	71.0	$	57.4
End of the period:				
Cash and cash equivalents	$	7.3	$	26.5
Restricted cash		0.2		0.2
Cash, cash equivalents and restricted cash	$	7.5	$	26.7

See Notes to Condensed Consolidated Financial Statements.

ALEXANDER & BALDWIN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY AND REDEEMABLE NONCONTROLLING INTEREST
For the Three Months Ended September 30, 2022 and 2021
(amounts in millions, except per share data; unaudited)

	Total Equity					Redeemable Non-Controlling Interest
	Common Stock		Accumulated Other Compre-hensive Income (Loss)	(Distribution in Excess of Accumulated Earnings) Earnings Surplus	Total	
	Shares	Stated Value				
Balance, July 1, 2021	72.5	$ 1,807.5	$ (56.1)	$ (649.2)	$ 1,102.2	$ 6.7
Net income (loss)	—	—	—	6.4	6.4	0.1
Other comprehensive income (loss), net of tax	—	—	(3.6)	—	(3.6)	—
Dividend on common stock ($ 0.18 per share)	—	—	—	(13.2)	(13.2)	—
Share-based compensation	—	1.6	—	—	1.6	—
Shares issued (repurchased), net	—	(0.1)	—	—	(0.1)	—
Balance, September 30, 2021	72.5	$ 1,809.0	$ (59.7)	$ (656.0)	$ 1,093.3	$ 6.8

	Total Equity					Redeemable Non-Controlling Interest
	Common Stock		Accumulated Other Compre-hensive Income (Loss)	(Distribution in Excess of Accumulated Earnings) Earnings Surplus	Total	
	Shares	Stated Value				
Balance, July 1, 2022	72.7	$ 1,811.2	$ 1.9	$ (677.1)	$ 1,136.0	$ 7.7
Net income (loss)	—	—	—	6.4	6.4	0.4
Other comprehensive income (loss), net of tax	—	—	2.6	—	2.6	—
Dividend on common stock ($ 0.20 per share)	—	—	—	(16.2)	(16.2)	—
Share-based compensation	—	1.6	—	—	1.6	—
Shares issued (repurchased), net	(0.2)	(3.4)	—	0.2	(3.2)	—
Balance, September 30, 2022	72.5	$ 1,809.4	$ 4.5	$ (686.7)	$ 1,127.2	$ 8.1

See Notes to Condensed Consolidated Financial Statements

ALEXANDER & BALDWIN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY AND REDEEMABLE NONCONTROLLING INTEREST
For the Nine Months Ended September 30, 2022 and 2021
(amounts in millions, except per share data; unaudited)

	Total Equity					Redeemable Non-Controlling Interest
	Common Stock		Accumulated Other Compre-hensive Income (Loss)	(Distribution in Excess of Accumulated Earnings) Earnings Surplus	Total	
	Shares	Stated Value				
Balance, January 1, 2021	72.4	$ 1,805.5	$ (60.0)	$ (649.4)	$ 1,096.1	$ 6.5
Net income (loss)	—	—	—	29.1	29.1	0.3
Other comprehensive income (loss), net of tax	—	—	0.3	—	0.3	—
Dividend on common stock ($ 0.49 per share)	—	—	—	(35.7)	(35.7)	—
Share-based compensation	—	4.4	—	—	4.4	—
Shares issued (repurchased), net	0.1	(0.9)	—	—	(0.9)	—
Balance, September 30, 2021	72.5	$ 1,809.0	$ (59.7)	$ (656.0)	$ 1,093.3	$ 6.8

	Total Equity					Redeemable Non-Controlling Interest
	Common Stock		Accumulated Other Compre-hensive Income (Loss)	(Distribution in Excess of Accumulated Earnings) Earnings Surplus	Total	
	Shares	Stated Value				
Balance, January 1, 2022	72.5	$ 1,810.5	$ (80.7)	$ (663.2)	$ 1,066.6	$ 6.9
Net income (loss)	—	—	—	21.0	21.0	1.2
Other comprehensive income (loss), net of tax	—	—	85.2	—	85.2	—
Dividend on common stock ($ 0.61 per share)	—	—	—	(44.8)	(44.8)	—
Share-based compensation	—	4.6	—	—	4.6	—
Shares issued (repurchased), net	—	(5.7)	—	0.3	(5.4)	—
Balance, September 30, 2022	72.5	$ 1,809.4	$ 4.5	$ (686.7)	$ 1,127.2	$ 8.1

See Notes to Condensed Consolidated Financial Statements

1. BACKGROUND AND BASIS OF PRESENTATION

Description of Business: Alexander & Baldwin, Inc. ("A&B" or the "Company") is a real estate investment trust ("REIT") headquartered in Honolulu, Hawaiʻi. The Company operates in three segments: Commercial Real Estate ("CRE"); Land Operations; and Materials & Construction ("M&C"). As of September 30, 2022, the Company owns a portfolio of commercial real estate improved properties in Hawaiʻi consisting of 22 retail centers, 12 industrial assets, and four office properties, representing a total of 3.9 million square feet of gross leasable area, as well as a portfolio of ground leases in Hawaiʻi representing 140.8 acres. Throughout this quarterly report on Form 10-Q, references to "we," "our," "us" and "our Company" refer to Alexander & Baldwin, Inc., together with its consolidated subsidiaries.

Basis of Presentation: The interim condensed consolidated financial statements are unaudited. Because of the nature of the Company's operations, the results for interim periods are not necessarily indicative of results to be expected for the year. While these condensed consolidated financial statements reflect all normal recurring adjustments that are, in the opinion of management, necessary for fair presentation of the results of the interim period, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America ("GAAP") for complete financial statements. Therefore, the interim condensed consolidated financial statements should be read in conjunction with the consolidated balance sheets as of December 31, 2021 and 2020, and the related consolidated statements of operations, comprehensive income (loss), cash flows, and equity and redeemable noncontrolling interest for each of the three years ended December 31, 2021, 2020, and 2019, respectively, and the notes thereto included in the Company's Annual Report filed on Form 10-K for the year ended December 31, 2021 ("2021 Form 10-K"), and other subsequent filings with the U.S. Securities and Exchange Commission ("SEC").

Rounding: Amounts in the condensed consolidated financial statements and notes are rounded to the nearest tenth of a million. Accordingly, a recalculation of some per-share amounts and percentages, if based on the reported data, may result in differences.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies are described in Note 2 to the consolidated financial statements included in Item 8 of the Company's 2021 Form 10-K. There have not been any changes to the Company's significant accounting policies as described in the Company's 2021 Form 10-K.

Recently issued accounting pronouncements

In March 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2020-04, *Reference Rate Reform*, establishing ASC Topic 848, and amended the standard thereafter through ASU No. 2021-01 (collectively, "ASC 848"). ASC 848 provides optional practical expedients and exceptions related to the impacts of reference rate reform that affect certain debt, leases, derivatives and other contracts if certain criteria are met. The amendments apply only to contracts and hedging relationships that reference LIBOR or another reference rate expected to be discontinued due to reference rate reform. These amendments are effective immediately and may be applied prospectively to contract modifications made and hedging relationships entered into or evaluated on or before December 31, 2022. Reference rate reform has not had a material impact on any of the Company's existing contracts. Therefore, the Company has not elected to apply any of the optional practical expedients and exceptions under ASC 848 as of the current date. The Company will assess future changes in its contracts and the impact of electing to apply the optional practical expedients and exceptions provided by ASC 848 as they occur, but expects their application will not have a material effect on its financial position or results of operations.

Interest and other income (expense), net

Interest and other income (expense), net for the three and nine months ended September 30, 2022 and 2021, included the following (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Interest income	$ —	$ 0.2	$ 0.2	$ 0.8
Pension and post-retirement benefit (expense)	(0.1)	(0.7)	(0.6)	(2.1)
Other income (expense), net	—	0.3	1.1	0.3
Interest and other income (expense), net	$ (0.1)	$ (0.2)	$ 0.7	$ (1.0)

3. INVESTMENTS IN AFFILIATES

The Company's investments in affiliates principally consist of equity investments in limited liability companies in which the Company has the ability to exercise significant influence over the operating and financial policies of these investments. Accordingly, the Company accounts for its investments using the equity method of accounting.

Operating results presented in the Company's condensed consolidated financial statements include the Company's proportionate share of net income (loss) from its equity method investments. Summarized financial information of entities accounted for by the equity method on a combined basis for the three and nine months ended September 30, 2022 and 2021, is as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Revenues	$ 46.8	$ 60.6	$ 120.9	$ 188.9
Operating costs and expenses	41.4	58.3	111.6	167.2
Gross Profit (Loss)	$ 5.4	$ 2.3	$ 9.3	$ 21.7
Income (Loss) from Continuing Operations[1]	$ 1.2	$ 1.0	$ (3.5)	$ 10.0
Net Income (Loss)[1]	$ 1.3	$ (0.5)	$ 2.0	$ 9.1

[1] Includes earnings from equity method investments held by the investee.

During the nine months ended September 30, 2022 and 2021, Income (loss) related to joint ventures was $ 1.8 million and $ 12.2 million, respectively, and return on investment operating cash distributions was $ 0.7 million and $ 2.1 million, respectively.

4. INVENTORIES

Inventories are stated at the lower of cost (principally first-in, first-out basis) or net realizable value. Inventories as of September 30, 2022, and December 31, 2021, were as follows (in millions):

	September 30, 2022	December 31, 2021
Asphalt	$ 9.0	$ 4.7
Processed rock and sand	12.5	8.1
Retail merchandise	2.4	2.1
Parts, materials and supplies inventories	6.2	5.4
Total	$ 30.1	$ 20.3

5. FAIR VALUE MEASUREMENTS

The fair value of the Company's cash and cash equivalents, accounts receivable and retention, net and short-term borrowings approximate their carrying values due to the short-term nature of the instruments.

The fair value of the Company's notes receivable approximated the carrying amount of $ 1.9 million as of September 30, 2022, and $ 8.4 million as of December 31, 2021. The fair value of these notes is estimated using a discounted cash flow analysis in which the Company uses unobservable inputs such as market interest rates determined by the loan-to-value and market capitalization rates related to the underlying collateral at which management believes similar loans would be made and classified as a Level 3 measurement in the fair value hierarchy.

As of September 30, 2022, the carrying amount of the Company's notes payable and other debt was $ 469.7 million and the corresponding fair value was $ 442.3 million. As of December 31, 2021, the carrying amount of the Company's notes payable and other debt was $ 532.7 million, and the corresponding fair value was $ 554.3 million. The fair value of debt is calculated by discounting the future cash flows of the debt at market rates for instruments with similar risk, terms and maturities as compared to the Company's existing debt arrangements and classified as a Level 3 measurement in the fair value hierarchy.

The Company records its interest rate swaps at fair value. The fair values of the Company's interest rate swaps are based on the estimated amounts that the Company would receive or pay to terminate the contracts at the reporting date and are determined using interest rate pricing models and interest rate related observable inputs (refer to Note 7 for fair value information regarding the Company's derivative instruments). The fair values of the Company's interest rate swaps are classified as a Level 2 measurement in the fair value hierarchy.

6. NOTES PAYABLE AND OTHER DEBT

As of September 30, 2022, and December 31, 2021, notes payable and other debt consisted of the following (dollars in millions):

	Interest Rate (%)	Maturity Date	Principal Outstanding September 30, 2022	Principal Outstanding December 31, 2021
Secured:				
Heavy Equipment Financing	(1)	(1)	$ 1.3	$ 1.9
Laulani Village	3.93 %	2024	59.4	60.2
Pearl Highlands	4.15 %	2024	77.9	79.4
Photovoltaic Financing	(2)	2027	2.6	—
Manoa Marketplace	(3)	2029	54.9	56.3
Subtotal			$ 196.1	$ 197.8
Unsecured:				
Series A Note	5.53 %	2024	$ 14.2	$ 21.3
Series J Note	4.66 %	2025	10.0	10.0
Series B Note	5.55 %	2026	36.0	45.0
Series C Note	5.56 %	2026	11.0	13.0
Series F Note	4.35 %	2026	15.2	15.2
Series H Note	4.04 %	2026	50.0	50.0
Series K Note	4.81 %	2027	34.5	34.5
Series G Note	3.88 %	2027	28.1	28.1
Series L Note	4.89 %	2028	18.0	18.0
Series I Note	4.16 %	2028	25.0	25.0
Term Loan 5	4.30 %	2029	25.0	25.0
Subtotal			$ 267.0	$ 285.1
Revolving Credit Facilities:				
GLP Asphalt Wells Fargo revolving credit facility	(4)	2022	$ —	$ —
GLP Asphalt FHB revolving credit facility	(5)	2024	6.8	—
A&B Revolver	(6)	2025	—	50.0
Subtotal			$ 6.8	$ 50.0
Total debt (contractual)			$ 469.9	$ 532.9
Unamortized debt issuance costs			(0.2)	(0.2)
Total debt (carrying value)			$ 469.7	$ 532.7

(1) Financing leases have a weighted average stated interest rate of approximately 2.90 % and stated maturity dates ranging from 2022 to 2027.

(2) Financing lease has a discount rate of 4.14 %.

(3) Loan has a stated interest rate of LIBOR plus 1.35 %, but is swapped through maturity to a 3.14 % fixed rate.

(4) Loan had a stated interest rate of SOFR plus 1.75 %. Credit agreement terminated on June 15, 2022.

(5) Loan has a stated interest rate of BSBY plus 1.25 %.

(6) Loan has a stated interest rate of LIBOR plus 1.05 % based on a pricing grid. $ 50.0 million was swapped through June 2022 to a 2.40 % fixed rate.

On March 5, 2021, the Financial Conduct Authority announced a timeline for the phase-out of the London Interbank Offered Rate ("LIBOR"). The Federal Reserve, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency subsequently issued a joint statement saying that banks should stop entering into new contracts with LIBOR as soon as possible but at least by December 31, 2021. As of January 1, 2022, LIBOR can only be used for legacy LIBOR obligations entered into prior to December 31, 2021. In addition, LIBOR will cease to be available after June 30, 2023. The Secured Overnight Financing Rate ("SOFR") and Bloomberg Short Term Bank Yield Index ("BSBY") have been identified as replacements to LIBOR, with the former being recommended by the Federal Reserve-formed Alternative Reference Rates Committee.

As of March 31, 2022, the GLP Asphalt Wells Fargo Revolving Credit Facility had transitioned from LIBOR to a benchmark based on SOFR. On April 29, 2022, the Company entered into a Sixth Amendment to this credit agreement with Wells Fargo Bank, NA, extending the maturity date by 45 days from May 1, 2022, to June 15, 2022. The credit agreement terminated on June 15, 2022.

On June 15, 2022, GLP Asphalt entered into a revolving credit facility with First Hawaiian Bank that provides for an aggregate $ 20.0 million, two-year secured line of credit. The credit line is collateralized by GLP inventory and accounts receivable. Grace Pacific, LLC, a wholly-owned subsidiary of the Company, and the noncontrolling interest holders are guarantors, on a several basis, for their pro rata shares (based on membership interests) of borrowings under the line of credit.

7. DERIVATIVE INSTRUMENTS

The Company is exposed to interest rate risk related to its variable-rate interest debt. The Company balances its cost of debt and exposure to interest rates primarily through its mix of fixed-rate and variable-rate debt. From time to time, the Company may use interest rate swaps to manage its exposure to interest rate risk.

Cash Flow Hedges of Interest Rate Risk

As of September 30, 2022, the Company had one interest rate swap agreement designated as a cash flow hedge, while as of December 31, 2021, there were two such swaps, whose key terms are as follows (dollars in millions):

Effective Date	Maturity Date	Fixed Interest Rate	Notional Amount at September 30, 2022	Asset (Liability) Fair Value at September 30, 2022	Asset (Liability) Fair Value at December 31, 2021
4/7/2016	8/1/2029	3.14 %	$ 54.9	$ 5.9	$ (1.7)
2/13/2020	2/27/2023	(1)	$ —	$ —	$ (0.5)

(1) $ 50.0 million in notional interest rate swap was terminated on June 30, 2022, resulting in a realized gain of $ 0.5 million included within *Interest and other income (expense), net* .

The asset related to the interest rate swap as of September 30, 2022, is presented within *Prepaid expenses and other assets* in the condensed consolidated balance sheet. The liability related to the interest rate swaps as of December 31, 2021, is presented within *Accrued and other liabilities* . The changes in fair value of the cash flow hedges are recorded in *Accumulated other comprehensive income (loss)* and subsequently reclassified into interest expense as interest is incurred on the related variable-rate debt.

The following table represents the pre-tax effect of the derivative instruments in the Company's condensed consolidated statement of comprehensive income (loss) during the three and nine months ended September 30, 2022 and 2021, (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Derivatives in Designated Cash Flow Hedging Relationships:				
Amount of gain (loss) recognized in OCI on derivatives	$ 2.6	$ 0.2	$ 8.0	$ 1.9
Impact of reclassification adjustment to interest expense included in Net Income (Loss)	$ (0.1)	$ 0.4	$ 0.5	$ 1.2
Realized interest rate hedging gain (loss)	$ —	$ —	$ (0.5)	$ —

As of September 30, 2022, the Company expects to reclassify $ 0.3 million of net gains (losses) on derivative instruments from accumulated other comprehensive income to earnings during the next 12 months.

The Company measures interest rate swaps at fair value, which is based on the estimated amounts that the Company would receive or pay to terminate the contract at the reporting date and determined using interest rate pricing models and interest rate related observable inputs. The fair value of the Company's interest rate swap is classified as a Level 2 measurement in the fair value hierarchy.

8. COMMITMENTS AND CONTINGENCIES

Commitments and other financial arrangements

The Company has various financial commitments and other arrangements including standby letters of credit and bonds that are not recorded as liabilities on the Company's condensed consolidated balance sheet as of September 30, 2022:

- Standby letters of credit issued by the Company's lenders under the Company's revolving credit facilities totaled $ 1.1 million as of September 30, 2022. These letters of credit primarily relate to the Company's workers' compensation plans and construction activities; if drawn upon, the Company would be obligated to reimburse the issuer.
- Bonds related to the Company's construction and real estate activities totaled $ 332.3 million as of September 30, 2022. Approximately $ 313.7 million represents the face value of construction bonds issued by third party sureties (bid, performance and payment bonds), and the remainder is related to commercial bonds issued by third party sureties (permit, subdivision, license and notary bonds); if drawn upon, the Company would be obligated to reimburse the surety that issued the bond for the amount of the bond, reduced for the work completed to date. As of September 30, 2022, the Company's maximum remaining exposure, in the event of defaults on all existing contractual construction obligations, was approximately $ 128.1 million.

The Company also provides certain bond indemnities and guarantees of indebtedness for certain of its unconsolidated affiliates that it accounts for as equity method investments (e.g., real estate joint ventures).

- Bond indemnities are provided for the benefit of the surety in exchange for the issuance of surety bonds and cover joint venture construction activities (such as project amenities, roads, utilities, and other infrastructure). Under such bond indemnities, the Company and the joint venture partners agree to indemnify the surety bond issuer from all losses and expenses arising from the failure of the joint venture to complete the specified bonded construction; the Company may be obligated to complete construction of the joint ventures' construction projects if the joint venture does not perform. The maximum potential amount of aggregate future payments is a function of the amount covered by outstanding bonds at the time of default by the joint venture, reduced by the amount of work completed to date.
- Guarantees of indebtedness may be provided by the Company for the benefit of financial institutions providing credit to unconsolidated equity method investees. As of September 30, 2022, the Company had one arrangement with third party lenders that provided for a limited guarantee on any outstanding amounts related to an unconsolidated equity method investee's line of credit; related to borrowings on such line of credit by the equity method investee, there was $ 0.5 million outstanding as of September 30, 2022.

The recorded amounts of the bond indemnities and guarantee of indebtedness were not material individually or in the aggregate. Other than those described above, obligations of the Company's joint ventures do not have recourse to the Company, and the Company's "at-risk" amounts are limited to its investment.

Legal proceedings and other contingencies

Prior to the sale of approximately 41,000 acres of agricultural land on Maui to Mahi Pono Holdings, LLC ("Mahi Pono") in December 2018, the Company, through East Maui Irrigation Company, LLC ("EMI"), also owned approximately 16,000 acres of watershed lands in East Maui and held four water licenses to approximately 30,000 acres owned by the State of Hawaiʻi in East Maui. The sale to Mahi Pono included the sale of a 50 % interest in EMI (which closed February 1, 2019), and provided for the Company and Mahi Pono, through EMI, to jointly continue the existing process to secure a long-term lease from the State for delivery of irrigation water to Mahi Pono for use in Central Maui.

The last of these water license agreements expired in 1986, and all four agreements were then extended as revocable permits that were renewed annually. In 2001, a request was made to the State Board of Land and Natural Resources (the "BLNR") to replace these revocable permits with a long-term water lease. Pending the completion by the BLNR of a contested case hearing it ordered to be held on the request for the long-term lease, the BLNR has kept the existing permits on a holdover basis. Three parties (Healoha Carmichael; Lezley Jacintho; and Na Moku Aupuni O Koʻolau Hui) filed a lawsuit on April 10, 2015, (the "Initial Lawsuit") alleging that the BLNR has been renewing the revocable permits annually rather than keeping them in holdover status. The lawsuit challenged the BLNR's decision to continue the revocable permits for calendar year 2015 and asked the court to void the revocable permits and to declare that the renewals were illegally issued without preparation of an environmental assessment ("EA"). In December 2015, the BLNR decided to reaffirm its prior decisions to keep the permits in holdover status. This decision by the BLNR was challenged by the three parties. In January 2016, the court ruled in the Initial Lawsuit that the renewals were not subject to the EA requirement, but that the BLNR lacked legal authority to keep the revocable permits in holdover status beyond one year (the "Initial Ruling"). The Initial Ruling was appealed to the Intermediate Court of Appeals ("ICA") of the State of Hawaiʻi.

In May 2016, while the appeal of the Initial Ruling was pending, the Hawaiʻi State Legislature passed House Bill 2501, which specified that the BLNR has the legal authority to issue holdover revocable permits for the disposition of water rights for a period not to exceed three years . The governor signed this bill into law as Act 126 in June 2016. Pursuant to Act 126, the annual authorization of the existing holdover permits was sought and granted by the BLNR in December 2016, November 2017 and November 2018 for calendar years 2017, 2018, and 2019. No extension of Act 126 was approved by the Hawaiʻi State Legislature in 2019.

In June 2019, the ICA vacated the Initial Ruling, effectively reversing the determination that the BLNR lacked authority to keep the revocable permits in holdover status beyond one year (the "ICA Ruling"). The ICA remanded the case back to the trial court to determine whether the holdover status of the permits was both (a) "temporary" and (b) in the best interest of the State, as required by statute. The plaintiffs filed a motion with the ICA for reconsideration of its decision, which was denied on July 5, 2019. On September 30, 2019, the plaintiffs filed a request with the Supreme Court of Hawaiʻi to review and reverse the ICA Ruling. On November 25, 2019, the Supreme Court of Hawaiʻi granted the plaintiffs' request to review the ICA Ruling and, on May 5, 2020, oral argument was held.

On October 11, 2019, the BLNR took up the renewal of all the existing water revocable permits in the state, acting under the ICA Ruling, and approved the continuation of the four East Maui water revocable permits for another one-year period through December 31, 2020. On November 13, 2020, the BLNR approved another renewal of such permits through December 31, 2021.

On March 2, 2022, the Supreme Court of Hawai'i vacated the ICA's ruling relating to the BLNR's decision to continue the revocable permits for the calendar year 2015, holding that Hawaii Revised Statutes Chapter 343 (the Hawaii Environmental Policy Act) did apply to the permits. The court remanded the matter back to the Circuit Court to determine if any exceptions would apply and, if not, how HRS Chapter 343 should be applied in light of the steps taken by A&B/EMI toward the long-term water lease. The Supreme Court of Hawai'i also determined that the BLNR had the statutory authority to continue the permits for more than one year, but required BLNR to make findings of fact and conclusions of law determining that the action would serve the best interests of the State. A&B/EMI will continue to defend against the plaintiffs' claims on remand.

In a separate matter, on December 7, 2018, a contested case request filed by the Sierra Club (contesting the BLNR's November 2018 approval of the 2019 revocable permits) was denied by the BLNR. On January 7, 2019, the Sierra Club filed a lawsuit in the circuit court of the first circuit in Hawaiʻi against BLNR, A&B and EMI, seeking to invalidate the 2019 and 2020 holdovers of the revocable permits for, among other things, failure to perform an EA. The lawsuit also sought to enjoin A&B/EMI from diverting more than 25 million gallons a day until a permit or lease is properly issued by the BLNR, and for the imposition of certain conditions on the revocable permits by the BLNR. The count seeking to invalidate the revocable permits based on the failure to perform an EA was dismissed by the court, based on the ICA Ruling in the Initial Lawsuit. The Sierra Club's lawsuit was amended to include a challenge to the BLNR's renewal of the revocable permits for calendar year 2020. After a full trial on the merits held beginning in August of 2020, the court ruled, on April 6, 2021, against the Sierra Club on its lawsuit challenging the 2019 and 2020 revocable permits. On February 17, 2022, the Sierra Club filed its notice of appeal challenging the decision on the August 2020 trial. The court is separately considering a lawsuit filed by the Sierra Club appealing the BLNR's decision to deny them a contested case hearing on the 2021 revocable permits, which were granted by the BLNR on or about November 13, 2020. On May 28, 2021, the court issued an interim decision that the Sierra Club's due process rights were violated and ordered the BLNR to hold a contested case hearing on the 2021 permits, and that the permits should be vacated. On July 30, 2021, the court modified its ruling to say that the permits would not be invalidated, but left in place pending the outcome of the contested case hearing. The contested case hearing was held by the BLNR in December 2021 to address the continuation of the revocable permits for both calendar years 2021 and 2022 and a decision is pending. On December 27, 2021, the court, in the meantime, further modified its ruling to say that the permits will remain in place until the earlier of May 1, 2022, the date on which the BLNR renders a substantive decision on the continuation of the permits for calendar year 2022, or further order of the court. On April 26, 2022, the court granted an extension of the May 1, 2022 deadline to the earlier of June 15, 2022, or the date on which the BLNR renders a substantive decision on the continuation of the permits for calendar year 2022, or as may be further ordered by the court. On June 1, 2022, the court granted an extension of the June 15, 2022 deadline to the earlier of July 15, 2022 or the date on which the BLNR renders a substantive decision on the continuation of the permits for calendar year 2022 or as may be further ordered by the court. On June 30, 2022, the BLNR issued its final decision on the contested case hearing on the permits for calendar years 2021 and 2022, approving the continuation of the permits through the end of calendar year 2022. The Sierra Club has filed a notice of appeal of that decision to the Circuit Court of the First Circuit in Hawaiʻi. The BLNR’s decision to continue the permits through the end of calendar year 2022 will stand unless overturned on appeal or the Sierra Club obtains a preliminary injunction to prevent the decision from remaining in place.

In connection with A&B’s obligation to continue the existing process to secure a long-term water lease from the State, A&B and EMI will defend against the remaining claims made by the Sierra Club.

The Company is a party to, or may be contingently liable in connection with, other legal actions arising in the normal conduct of its businesses, the outcomes of which, in the opinion of management after consultation with counsel, would not have a material effect on the Company's consolidated financial statements as a whole.

Further note that certain of the Company's properties and assets may become the subject of other types of claims and assessments at various times (e.g., environmental matters based on normal operations of such assets). Depending on the facts and circumstances surrounding such potential claims and assessments, the Company records an accrual if it is deemed probable that a liability has been incurred and the amount of loss can be reasonably estimated/valued as of the date of the financial statements.

9. REVENUE AND CONTRACT BALANCES

The Company generates revenue through its Commercial Real Estate, Land Operations, and Materials & Construction segments. Through its Commercial Real Estate segment, the Company owns and operates a portfolio of commercial real estate properties and generates income (i.e., revenue) as a lessor through leases of such assets. Refer to Note 10 for further discussion of lessor income recognition. The Land Operations and Materials & Construction segments generate revenue from contracts with customers. The Company further disaggregates revenue from contracts with customers by revenue type when appropriate if the Company believes disaggregation best depicts how the nature, amount, timing, and uncertainty of the Company's revenue and cash flows are affected by economic factors. Revenue by type for the three and nine months ended September 30, 2022 and 2021, was as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	**2021**	**2022**	**2021**
Revenues:				
Commercial Real Estate	$ 46.2	$ 44.0	$ 138.1	$ 127.2
Land Operations:				
Development sales revenue	—	—	6.3	11.2
Unimproved/other property sales revenue	—	0.6	2.0	11.9
Other operating revenue	2.9	4.8	12.6	15.4
Land Operations	2.9	5.4	20.9	38.5
Materials & Construction	48.1	34.9	124.5	88.9
Total revenues	$ 97.2	$ 84.3	$ 283.5	$ 254.6

Timing of revenue recognition may differ from the timing of invoicing to customers. Certain construction contracts include retainage provisions that are customary in the industry (i.e., are not for financing purposes) and are included in Accounts receivable and contracts retention, net. The balances billed but not paid by customers pursuant to these provisions generally become due upon completion and acceptance of the project work or products by the customers. Within Prepaid expenses and other assets, the Company records assets for "costs and estimated earnings in excess of billings on uncompleted contracts" which represent amounts earned and reimbursable under contracts, but have a conditional right for billing and payment, such as achievement of milestones or completion of the project. When events or conditions indicate that it is probable that the amounts outstanding become unbillable, the transaction price and associated contract asset is reduced. Within Accrued and other liabilities, the Company records liabilities for "billings in excess of costs and estimated earnings on uncompleted contracts" which represent billings to customers on contracts in advance of work performed, including advance payments negotiated as a contract condition. Generally, unearned project-related costs will be earned over the next twelve months.

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers (in millions):

	September 30, 2022		December 31, 2021	
Accounts receivable	$	31.7	$	25.1
Contracts retention		5.3		5.1
Allowances (credit losses and doubtful accounts)		(1.1)		(1.3)
Accounts receivable and retention, net of allowance for credit losses and allowance for doubtful accounts	$	35.9	$	28.9
Costs and estimated earnings in excess of billings on uncompleted contracts	$	13.8	$	10.4
Billings in excess of costs and estimated earnings on uncompleted contracts	$	8.5	$	6.8
Variable consideration[1]	$	62.0	$	62.0
Other deferred revenue	$	9.3	$	6.5

[1] Variable consideration deferred as of the end of the periods related to amounts received in the sale of agricultural land on Maui in 2018 that, under revenue recognition guidance, could not be included in the transaction price.

For the three and nine months ended September 30, 2022, the Company recognized revenue of approximately $ 0.5 million and $ 2.9 million, respectively, related to the Company's contract liabilities reported as of January 1, 2022. For the three and nine months ended September 30, 2021, the Company recognized revenue of approximately $ 0.7 million and $ 7.2 million, respectively, related to the Company's contract liabilities reported as of January 1, 2021.

Regarding other information related to the Company's contracts with customers, the amount of revenue recognized from performance obligations satisfied in prior periods (e.g., due to changes in transaction price) was not material in any of the periods presented. Further, the total amount of the transaction price allocated to either wholly unsatisfied or partially satisfied performance obligations was $ 181.1 million and $ 140.5 million as of September 30, 2022 and December 31, 2021, respectively. Of the amount presented as of September 30, 2022, the Company expects to recognize as revenue approximately 80 % to 85 % of the remaining contract consideration allocated to either wholly unsatisfied or partially satisfied performance obligations over the next twelve months, with the remaining recognized thereafter.

10. LEASES - THE COMPANY AS LESSOR

The Company leases land and buildings to third parties under operating leases. Such activity is primarily composed of operating leases within its CRE segment.

The historical cost of, and accumulated depreciation on, leased property as of September 30, 2022, and December 31, 2021, were as follows (in millions):

	September 30, 2022	December 31, 2021
Leased property - real estate	$ 1,573.5	$ 1,563.2
Less: Accumulated depreciation	(197.0)	(182.2)
Property under operating leases, net	$ 1,376.5	$ 1,381.0

Total rental income (i.e., revenue) under these operating leases during the three and nine months ended September 30, 2022 and 2021, relating to lease payments and variable lease payments were as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Lease payments	$ 32.8	$ 30.7	$ 97.1	$ 89.6
Variable lease payments	14.0	14.8	45.3	41.3
Total rental income	$ 46.8	$ 45.5	$ 142.4	$ 130.9

Contractual future lease payments to be received on non-cancelable operating leases as of September 30, 2022, were as follows (in millions):

	September 30, 2022
2022	$ 31.5
2023	120.7
2024	108.3
2025	91.8
2026	80.0
2027	69.6
Thereafter	542.6
Total future lease payments to be received	$ 1,044.5

11. LEASES - THE COMPANY AS LESSEE

There have been no material changes from the Company's leasing activities as a lessee described in Note 15 to the consolidated financial statements included in Item 8 of the Company's 2021 Form 10-K. The following table provides information about the Company's operating lease costs and finance lease costs recognized during the three and nine months ended September 30, 2022 and 2021, (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Operating lease cost	$ 1.6	$ 1.2	$ 4.2	$ 3.5
Finance lease cost	$ 0.3	$ 0.5	$ 0.8	$ 1.1

12. SHARE-BASED PAYMENT AWARDS

On April 26, 2022, stockholders approved the Alexander & Baldwin, Inc. 2022 Omnibus Incentive Plan ("2022 Plan"). The 2022 Plan serves as the successor to the 2012 Incentive Compensation Plan ("2012 Plan") and allows for the granting of stock options, stock appreciation rights, stock awards, restricted stock units, dividend equivalent rights, and other awards. The 2012 Plan allowed for the granting of stock options, restricted stock units, and common stock. All awards outstanding under the 2012 Plan remain subject to the terms of the 2012 Plan. Effective April 26, 2022, no additional shares will be issued under the 2012 Plan. The shares of common stock authorized to be issued under the 2022 Plan are to be drawn from the shares of the Company's authorized but unissued common stock or from shares of its common stock that the Company acquired, including shares purchased on the open market or private transactions.

During the nine months ended September 30, 2022 and 2021, the Company granted approximately 306,300 and 376,600 of restricted stock unit awards, respectively. The weighted-average grant date fair value of the time-based and market-based performance share units granted under the plans during the nine months ended September 30, 2022 and 2021, was $ 25.56 and $ 16.63 , respectively.

The fair value of the Company's time-based awards is determined using the Company's stock price on the date of grant. The fair value of the Company's market-based awards is estimated using the Company's stock price on the date of grant and the probability of vesting using a Monte Carlo simulation with the following weighted-average assumptions:

	2022 Grants	2021 Grants
Volatility of A&B common stock	47.7 %	47.2 %
Average volatility of peer companies	49.5 %	49.6 %
Risk-free interest rate	1.4 %	0.2 %

The Company recognizes compensation cost net of actual forfeitures of time-based or market-based awards. A summary of compensation cost related to share-based payments is as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Share-based expense:				
Time-based and market-based restricted stock units	$ 1.6	$ 1.6	$ 4.6	$ 4.4

13. EMPLOYEE BENEFIT PLANS

On February 23, 2021, the Company's Board of Directors approved a plan to effect the termination of the A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC and the Pension Plan for Employees of A&B Agricultural Companies (collectively, the "Defined Benefit Plans"), which became effective on May 31, 2021.

The Company recognizes a gain/loss upon settlement of the Defined Benefit Plans when the following three criteria have been met: (1) an irrevocable action to terminate the Defined Benefit Plans has occurred, (2) the Company is relieved of the primary responsibility of the Defined Benefit Plans, and (3) the significant risks related to the obligations of the Defined Benefit Plans and the assets used to effect the settlement is eliminated for the Company.

During the second quarter of 2022, the Company completed the termination of the Defined Benefit Plans. For the three and nine months ended September 30, 2022, the Company contributed cash of $ 0.9 million and $ 29.9 million, respectively. For the nine months ended September 30, 2022, the Company recorded a pre-tax settlement charge of $ 76.9 million within *Pension termination* in the condensed consolidated statements of operations in connection with the Defined Benefit Plans termination process, which represents the acceleration of deferred charges previously included within accumulated other comprehensive loss and the impact of remeasuring the plan assets and obligations at termination. In addition, the Company recorded an income tax benefit of $ 18.3 million for the nine months ended September 30, 2022, to reclassify the tax effects in accumulated other comprehensive loss upon completion of the termination of the Defined Benefit Plans. The Company did not record any pension termination charges or associated income tax benefit or expense during the three months ended September 30, 2022.

Components of the net periodic benefit cost for the Company's pension and post-retirement plans for the three and nine months ended September 30, 2022 and 2021, are shown below (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Service cost	$ 0.1	$ 0.4	$ 1.5	$ 1.0
Interest cost	—	1.5	0.9	4.1
Expected return on plan assets	—	(1.3)	(2.5)	(3.8)
Amortization of net loss	0.1	0.5	1.9	1.9
Amortization of prior service credit	—	—	0.1	—
Pension termination	—	—	76.9	—
Net periodic benefit cost	$ 0.2	$ 1.1	$ 78.8	$ 3.2

14. INCOME TAXES

The Company has been organized and operates in a manner that enables it to qualify, and believes it will continue to qualify, as a REIT for federal income tax purposes. The Company's effective tax rate for the nine months ended September 30, 2022, differed from the effective tax rate for the same period in 2021, due primarily to the 2022 tax benefit recognized on the termination of the Company's Defined Benefit Plans.

As of September 30, 2022, tax years 2018 and later are open to audit by the tax authorities. The Company believes the result of any potential audits will not have a material adverse effect on its results of operations, financial condition, or liquidity.

15. EARNINGS PER SHARE ("EPS")

Basic earnings per common share excludes dilution and is calculated by dividing net earnings allocated to common shares by the weighted-average number of common shares outstanding for the period. Diluted earnings per common share is calculated by dividing net earnings allocated to common shares by the weighted-average number of common shares outstanding for the period, as adjusted for the potential dilutive effect of non-participating share-based awards as well as adjusted by the number of additional shares, if any, that would have been outstanding had the potentially dilutive common shares been issued.

The following table provides a reconciliation of income (loss) from continuing operations to net income (loss) from continuing operations available to A&B common shareholders and net income (loss) available to A&B common shareholders (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Income (loss) from continuing operations	$ 6.8	$ 7.1	$ 22.3	$ 30.1
Exclude: (Income) loss attributable to noncontrolling interest	(0.4)	(0.1)	(1.2)	(0.3)
Income (loss) from continuing operations attributable to A&B shareholders	6.4	7.0	21.1	29.8
Distributions and allocations to participating securities	(0.1)	(0.1)	(0.2)	(0.1)
Income (loss) from continuing operations available to A&B common shareholders	6.3	6.9	20.9	29.7
Income (loss) from discontinued operations available to A&B common shareholders	—	(0.6)	(0.1)	(0.7)
Net income (loss) available to A&B common shareholders	$ 6.3	$ 6.3	$ 20.8	$ 29.0

The number of shares used to compute basic and diluted earnings per share is as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Denominator for basic EPS - weighted average shares outstanding	72.7	72.5	72.7	72.5
Effect of dilutive securities:				
Stock options and restricted stock unit awards	0.1	0.2	0.1	0.1
Denominator for diluted EPS - weighted average shares outstanding	72.8	72.7	72.8	72.6

The number of anti-dilutive securities, excluded from the calculation of diluted earnings per common share, consisted of the following (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Number of anti-dilutive securities	0.1	—	0.1	—

16. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

Other comprehensive income (loss) principally includes amortization of deferred pension and post-retirement costs. The components of Accumulated other comprehensive loss, net of taxes, were as follows as of September 30, 2022, and December 31, 2021, (in millions):

	September 30, 2022	December 31, 2021
Employee benefit plans:		
Pension plans	$ —	$ (74.6)
Post-retirement plans	—	(2.6)
Non-qualified benefit plans	(0.7)	(0.7)
Total employee benefit plans	(0.7)	(77.9)
Interest rate swap	5.2	(2.8)
Accumulated other comprehensive income (loss)	$ 4.5	$ (80.7)

The changes in Accumulated other comprehensive income (loss) by component for the nine months ended September 30, 2022, were as follows (in millions, net of taxes):

	Employee Benefit Plans	Interest Rate Swap	Total
Balance, January 1, 2022	$ (77.9)	$ (2.8)	$ (80.7)
Other comprehensive income (loss) before reclassifications	16.6	8.0	24.6
Amounts reclassified from accumulated other comprehensive income (loss)[1]	78.9	—	78.9
Taxes on other comprehensive income (loss)	(18.3)	—	(18.3)
Other comprehensive income (loss), net of taxes	77.2	8.0	85.2
Balance, September 30, 2022	$ (0.7)	$ 5.2	$ 4.5

[1] Amounts reclassified from Accumulated other comprehensive income related to interest rate swap settlements are presented as an adjustment to *Interest expense* in the condensed consolidated statements of operations. Amounts reclassified from Accumulated other comprehensive income related to employee benefit plan items are presented as part of *Interest and other income (expense), net* and *Pension termination* in the condensed consolidated statements of operations.

17. RELATED PARTY TRANSACTIONS

Construction Contracts and Material Sales. The Company entered into contracts in the ordinary course of business, as a supplier, with affiliate entities that require accounting under the equity method due to the Company's financial interests in such entities (refer to Note 3) and also with affiliate parties that are members in entities in which the Company also is a member and holds a controlling financial interest. Related to the periods during which the relationship existed, revenues earned from transactions with such affiliates were $ 9.0 million and $ 2.8 million for the three months ended September 30, 2022 and 2021, respectively, and $ 12.9 million and $ 7.5 million for the nine months ended September 30, 2022 and 2021, respectively. Expenses recognized from transactions with such affiliates were $ 1.6 million and $ 0.3 million for the three months ended September 30, 2022 and 2021, respectively, and $ 4.0 million and $ 0.9 million for the nine months ended September 30, 2022 and 2021, respectively. Receivables from these affiliates were $ 4.5 million and $ 1.1 million as of September 30, 2022 and December 31, 2021, respectively. Amounts due to these affiliates were $ 0.7 million and $ 0.3 million as of September 30, 2022 and December 31, 2021, respectively.

Land Operations. The Company provided materials and services to certain unconsolidated investments in affiliates and recognized interest earned on notes receivable from such related parties. Revenues earned from transactions with these affiliates were zero and $ 0.3 million for the three months ended September 30, 2022 and 2021, respectively. During the nine months ended September 30, 2022 and 2021, revenues earned from transactions with these affiliates were $ 0.2 million and $ 1.8 million, respectively. There were no receivables from service arrangements or notes receivable with these affiliates as of September 30, 2022 and December 31, 2021.

18. SEGMENT RESULTS

Operating segments are components of an enterprise that engage in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (its Chief Executive Officer) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. As noted above, the Company operates and reports on three segments: Commercial Real Estate; Land Operations; and Materials & Construction.

Reportable segment information for the three and nine months ended September 30, 2022 and 2021, is summarized below (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Operating Revenue:				
Commercial Real Estate	$ 46.2	$ 44.0	$ 138.1	$ 127.2
Land Operations	2.9	5.4	20.9	38.5
Materials & Construction	48.1	34.9	124.5	88.9
Total operating revenue	97.2	84.3	283.5	254.6
Operating Profit (Loss):				
Commercial Real Estate[1]	20.3	19.0	60.3	53.0
Land Operations[2,3]	(2.2)	1.7	(10.0)	22.3
Materials & Construction	1.8	(0.3)	4.4	(6.2)
Total operating profit (loss)	19.9	20.4	54.7	69.1
Gain (loss) on disposal of commercial real estate properties, net	—	—	—	0.2
Interest expense	(5.5)	(6.5)	(16.8)	(20.2)
Corporate and other expense[4]	(7.6)	(6.8)	(33.7)	(18.9)
Income (Loss) from Continuing Operations Before Income Taxes	$ 6.8	$ 7.1	$ 4.2	$ 30.2

[1] Commercial Real Estate segment operating profit (loss) includes intersegment operating revenue, primarily from the Materials & Construction segment, and is eliminated in the consolidated results of operations and pension termination charges of zero and $ 0.7 million for the three and nine months ended September 30, 2022, respectively.

[2] Land Operations segment operating profit (loss) includes equity in earnings (losses) from the Company's various equity method investments (primarily real estate joint ventures).

[3] Land Operations segment operating profit (loss) includes pension termination charges of zero and $ 62.2 million for the three and nine months ended September 30, 2022, respectively, related to the termination of the defined benefit plans, as well as a gain on sale of non-core assets, net, of $ 54.0 million for the nine months ended September 30, 2022, related to the McBryde transaction (Note 19).

[4] Corporate and other expense includes pension termination charges of zero and $ 14.0 million for the three and nine months ended September 30, 2022, respectively.

19. SALE OF BUSINESS

On May 31, 2022, the Company entered into Purchase and Sale Agreements (collectively, the "PSA") with Brue Baukol Capital Partners (the "Buyer"), an unrelated third party, which resulted in the sale of approximately 18,900 acres of primarily conservation and agricultural land on the island of Kauai and 100 % of the Company's ownership interest in McBryde Resources, Inc., the operator of hydroelectric power facilities on Kauai, in exchange for cash proceeds and escrow receivables of $ 73.9 million and $ 0.9 million, respectively. The sale closed on June 30, 2022. In connection with the sale, the Company recognized a net gain of $ 54.0 million for the nine months ended September 30, 2022, which is presented within *Gain (loss) on disposal of non-core assets, net* in the accompanying condensed consolidated statement of operations.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following analysis of the consolidated financial condition and results of operations of Alexander & Baldwin, Inc. ("A&B" or the "Company") and its subsidiaries should be read in conjunction with the condensed consolidated financial statements and related notes thereto included in Item 1 of this Form 10-Q and the Company's Annual Report on Form 10-K for the year ended December 31, 2021, ("2021 Form 10-K") filed with the U.S. Securities and Exchange Commission ("SEC").

Throughout this quarterly report on Form 10-Q, references to "we," "our," "us" and "our Company" refer to Alexander & Baldwin, Inc., together with its consolidated subsidiaries.

Forward-Looking Statements

Statements in this Form 10-Q that are not historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and involve a number of risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding possible or assumed future results of operations, business strategies, growth opportunities and competitive positions, as well as the rapidly changing challenges with, and the Company's plans and responses to, the coronavirus pandemic ("COVID-19") and related economic disruptions. Such forward-looking statements speak only as of the date the statements were made and are not guarantees of future performance. Forward-looking statements are subject to a number of risks, uncertainties, assumptions and other factors that could cause actual results and the timing of certain events to differ materially from those expressed in or implied by the forward-looking statements. These factors include, but are not limited to, prevailing market conditions and other factors related to the Company's REIT status and the Company's business, risks associated with COVID-19 and its impact on the Company's businesses, results of operations, liquidity and financial condition, the evaluation of alternatives by the Company related to its materials and construction business, and the risk factors discussed in the Company's most recent Form 10-K, Form 10-Q and other filings with the SEC. The information in this Form 10-Q should be evaluated in light of these important risk factors. We do not undertake any obligation to update the Company's forward-looking statements.

Introduction and Objective

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") provides additional material information about the Company's business, recent developments and financial condition; its results of operations at a consolidated and segment level; its liquidity and capital resources including an evaluation of the amounts and certainty of cash flows from operations and from outside sources; and how certain accounting principles, policies and estimates affect its financial statements. MD&A is organized as follows:

- *Business Overview:* This section provides a general description of the Company's business, as well as recent developments that management believes are important in understanding its results of operations and financial condition or in understanding anticipated future trends.
- *Consolidated Results of Operations:* This section provides an analysis of the Company's consolidated results of operations for the three and nine months ended September 30, 2022, as compared to the corresponding period of the preceding fiscal year.
- *Analysis of Operating Revenue and Profit by Segment:* This section provides an analysis of the Company's results of operations by business segment for the three and nine months ended September 30, 2022, as compared to the corresponding period of the preceding fiscal year.
- *Use of Non-GAAP Financial Measures:* This section provides a discussion of the Company's non-GAAP financial measures included in this report and presents quantitative reconciliations between the non-GAAP financial measures and the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP. It also describes why the Company believes that presentation of the non-GAAP financial measure provides useful information to investors regarding the Company's financial condition and results of operations and, to the extent material, describes additional purposes for which the Company uses the non-GAAP financial measures.
- *Liquidity and Capital Resources:* This section provides a discussion of any material changes in the Company's liquidity, financial condition and cash flows, including a discussion of any material changes in the Company's ability to fund its future commitments and ongoing operating activities in the short-term (i.e., over the next twelve months from the most recent fiscal period end) and in the long-term (i.e., beyond the next twelve months) through internal and

external sources of capital, as compared to the end of preceding fiscal year ended December 31, 2021. It includes an evaluation of the amounts and certainty of cash flows from operations and from outside sources.

- *Other Matters:* This section identifies and summarizes other matters to be discussed in Item 2 of this report including any changes in the significant judgments or estimates on the part of management in preparing the Company's consolidated financial statements that may materially impact the Company's reported results of operations and financial condition from the end of the preceding fiscal year ended December 31, 2021, the potential impact of recently issued accounting pronouncements and other miscellaneous matters as needed.

Amounts in the MD&A are rounded to the nearest tenth of a million. Accordingly, a recalculation of totals and percentages, if based on the reported data, may be slightly different.

Business Overview

Reportable segments

The Company operates three segments: Commercial Real Estate; Land Operations; and Materials & Construction. A description of each of the Company's reporting segments is as follows:

- Commercial Real Estate ("CRE") - This segment functions as a vertically integrated real estate investment company with core competencies in investments and acquisitions (i.e., identifying opportunities and acquiring properties); construction and development (i.e., designing and ground-up development of new properties or repositioning and redevelopment of existing properties); and in-house leasing and property management (i.e., executing new and renegotiating renewal lease arrangements, managing its properties' day-to-day operations and maintaining positive tenant relationships). The Company's preferred asset classes include improved properties in retail and industrial spaces and also urban ground leases. Its focus within improved retail properties, in particular, is on grocery-anchored neighborhood shopping centers that meet the daily needs of Hawaiʻi communities. Through its core competencies and with its experience and relationships in Hawaiʻi, the Company seeks to create special places that enhance the lives of Hawaiʻi residents and to provide venues and opportunities that enable its tenants to thrive. Income from this segment is principally generated by owning, operating and leasing real estate assets.

- Land Operations - This segment includes the Company's legacy assets and landholdings that are subject to the Company's simplification and monetization effort. Financial results from this segment are principally derived from real estate development and land sales, income/loss from real estate joint ventures, hydroelectric energy and other legacy business activities. In June 2022, the Company disposed of its hydroelectric energy assets through the sale of 100% of the Company's ownership interest in McBryde Resources, Inc.

- Materials & Construction ("M&C") - This segment operates one of Hawaiʻi's largest asphalt paving contractors and is one of the state's largest natural materials and infrastructure construction companies, primarily conducting business through its wholly-owned subsidiary, Grace Pacific LLC ("Grace Pacific"), a materials and construction company in Hawaiʻi. The M&C segment also includes the Company-owned quarry land on Maui, as well as the Company’s unconsolidated joint venture interest in a materials company.

Simplification strategy

As a result of its conversion to a REIT and consequent de-emphasis of non-REIT operating businesses, the Company has pursued the simplification of its business, which includes ongoing efforts to accelerate the monetization of its non-commercial real estate assets, including its Materials & Construction businesses.

In connection with the evaluation of strategic alternatives to monetize and dispose of the remaining Materials & Construction businesses, either together as a group or individually, in July 2022 the Company's Board of Directors authorized a formal marketing process to sell the Grace Pacific business. The outcome, including the timing of the marketing process, is not certain, as any transaction would be dependent upon various external factors beyond the Company's control, including, among others, market conditions, industry trends, interest of third parties, and the availability of financing to potential buyer(s) on reasonable terms. There can be no assurance that the marketing process will result in any agreements or transactions. Further, given the current economic environment, including heightened concerns over recession, there can be no assurance that any potential transaction or transactions will result in the Company being able to recover the carrying value of the Materials & Construction businesses or related disposal group.

Related to the Land Operations segment, on June 30, 2022, the Company completed the sale of approximately 18,900 acres of primarily conservation and agricultural land on the island of Kauai and 100% of the Company's ownership interest in McBryde Resources, Inc., the operator of hydroelectric power facilities on Kauai, in exchange for cash proceeds and escrow receivables of $73.9 million and $0.9 million, respectively. The Company recognized a net gain on disposition of assets of $54.0 million during the nine months ended September 30, 2022, in connection with the sale.

Termination of certain employee benefit plans

On February 23, 2021, the Company’s Board of Directors approved a plan to effect the termination of the A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC and the Pension Plan for Employees of A&B Agricultural Companies (collectively, the “Defined Benefit Plans”), which became effective on May 31, 2021.

During the second quarter of 2022, the Company completed the termination of the Defined Benefit Plans. For the three and nine months ended September 30, 2022, the Company contributed cash of $0.9 million and $29.9 million, respectively. For the nine months ended September 30, 2022, the Company recorded a pre-tax settlement charge of $76.9 million within *Pension termination* in the condensed consolidated statements of operations in connection with the Defined Benefit Plans termination process, which represents the acceleration of deferred charges previously included within accumulated other comprehensive loss and the impact of remeasuring the plan assets and obligations at termination. In addition, the Company recorded an income tax benefit of $18.3 million for the nine months ended September 30, 2022, to reclassify the tax effects in accumulated other comprehensive loss upon completion of the termination of the Defined Benefit Plans. The Company did not record any pension termination charges or associated income tax benefit or expense during the three months ended September 30, 2022.

Recent Developments

Inflationary Trends

The U.S. economy has recently experienced the highest rate of inflation in nearly 40 years, which has impacted a wide variety of industries and sectors through increased commodity prices. Inflation has increased construction costs, including tenant improvements and capital projects, and operating costs. Many of the Company's leases require tenants to pay an allocable portion of operating expenses, including common area maintenance, real estate taxes and insurance, resulting in a mitigating impact on increased costs and operating expenses due to inflation.

Inflation-sensitive inputs are necessary for the Company to provide products and services in the Materials and Construction segment. Increasing inflation has put upward pressure on wages, the cost of raw materials used to produce Hot Mix Asphalt ("HMA"), and other items that are critical to the businesses in this segment, including fuel. To date, the Company has been able to mitigate some of the effects of inflation by increasing prices for products and including the anticipated cost increases in bids on construction projects. However, the Company is limited in its ability to pass through increased costs for projects already in backlog and, under those circumstances, may be unable to recoup losses or diminished profit margins by passing these costs through to customers.

In response to persistent concerns over inflation, the Federal Reserve has increased the federal funds rate five times in 2022 to 3.25%, up from 0.25% at January 1, 2022, and signaled its intent for additional increases for the remainder of 2022 and into 2023. The ultimate extent of the impact that inflation will have on the Company's business, financial condition, results of operations and liquidity and capital resources will largely depend on future developments, including the resulting impact on economic growth/recession, the impact on travel and tourism behavior and the impact on consumer confidence and discretionary and non-discretionary spending, all of which are highly uncertain and cannot be reasonably predicted.

Consolidated Results of Operations

The following analysis of the consolidated financial condition and results of operations of the Company and its subsidiaries should be read in conjunction with the condensed consolidated financial statements and related notes thereto.

Financial results - Third quarter of 2022 compared with 2021

(amounts in millions, except percentage data and per share data; unaudited)	**Three Months Ended September 30,**		**2022 vs 2021**	
	2022	**2021**	**$**	**%**
Operating revenue	$ 97.2	$ 84.3	$ 12.9	15.3 %
Cost of operations	(72.5)	(60.6)	(11.9)	19.6 %
Selling, general and administrative	(12.7)	(12.6)	(0.1)	0.8 %
Operating income (loss)	12.0	11.1	0.9	8.1 %
Income (loss) related to joint ventures	0.4	2.7	(2.3)	(85.2) %
Interest and other income (expense), net	(0.1)	(0.2)	0.1	(50.0) %
Interest expense	(5.5)	(6.5)	1.0	(15.4) %
Income (loss) from continuing operations	6.8	7.1	(0.3)	(4.2) %
Discontinued operations (net of income taxes)	—	(0.6)	0.6	(100.0) %
Net income (loss)	6.8	6.5	0.3	4.6 %
(Income) loss attributable to noncontrolling interest	(0.4)	(0.1)	(0.3)	300.0 %
Net income (loss) attributable to A&B	$ 6.4	$ 6.4	$ —	— %
Basic Earnings (Loss) Per Share of Common Stock:				
Basic earnings (loss) per share - continuing operations	$ 0.09	$ 0.10	$ (0.01)	(10.0) %
Basic earnings (loss) per share - discontinued operations	—	(0.01)	0.01	(100.0) %
	$ 0.09	$ 0.09	$ —	— %
Diluted Earnings (Loss) Per Share of Common Stock:				
Diluted earnings (loss) per share - continuing operations	$ 0.09	$ 0.10	$ (0.01)	(10.0) %
Diluted earnings (loss) per share - discontinued operations	—	(0.01)	0.01	(100.0) %
	$ 0.09	$ 0.09	$ —	— %
Continuing operations available to A&B common shareholders	$ 6.3	$ 6.9	$ (0.6)	(8.7) %
Discontinued operations available to A&B common shareholders	—	(0.6)	0.6	(100.0) %
Net income (loss) available to A&B common shareholders	$ 6.3	$ 6.3	$ —	— %
Funds From Operations ("FFO")[1]	$ 15.3	$ 15.5	$ (0.2)	(1.3) %
Core FFO[1]	$ 18.9	$ 17.9	$ 1.0	5.6 %
FFO per diluted share	$ 0.21	$ 0.21	$ —	— %
Core FFO per diluted share	$ 0.26	$ 0.25	$ 0.01	4.0 %
Weighted average diluted shares outstanding (FFO/Core FFO)[2]	72.8	72.7		

[1] For definitions of capitalized terms and a discussion of management's use of a non-GAAP financial measure and the required reconciliation of non-GAAP measures to GAAP measures, refer to page 36.

[2] May differ from figure used in the consolidated statements of operations based on differing dilutive effects for net income (loss) versus FFO/Core FFO.

The causes of material changes in the condensed consolidated statements of operations for the three months ended September 30, 2022, as compared to the three months ended September 30, 2021, are described below or in the Analysis of Operating Revenue and Profit by Segment sections below.

Operating revenue during the third quarter ended September 30, 2022, increased 15.3%, or $12.9 million, to $97.2 million, due primarily to higher revenues from the Materials & Construction and Commercial Real Estate operating segments, partially offset by lower legacy business activities revenue (primarily McBryde's legacy leasing revenue and energy generation

due to its sale in the second quarter of 2022) and unimproved property sales revenue from the Company's Land Operations operating segment.

Cost of operations during the third quarter ended September 30, 2022, increased 19.6%, or $11.9 million, to $72.5 million, due primarily to higher costs incurred by the Company's Materials & Construction operating segment.

Selling, general and administrative during the third quarter ended September 30, 2022, increased 0.8%, or $0.1 million, to $12.7 million, due primarily to higher personnel-related costs in the current period.

Income (loss) related to joint ventures during the third quarter ended September 30, 2022, decreased 85.2%, or $2.3 million, to $0.4 million, due primarily to the impact of the Kukui`ula joint venture project that was sold in November 2021.

Financial results - First Nine Months of 2022 compared with 2021

(amounts in millions, except percentage data and per share data; unaudited)	Nine Months Ended September 30,		2022 vs 2021	
	2022	2021	$	%
Operating revenue	$ 283.5	$ 254.6	$ 28.9	11.4 %
Cost of operations	(203.8)	(178.6)	(25.2)	14.1 %
Selling, general and administrative	(38.3)	(37.2)	(1.1)	3.0 %
Gain (loss) on disposal of assets, net	54.0	0.4	53.6	NM
Operating income (loss)	95.4	39.2	56.2	143.4 %
Income (loss) related to joint ventures	1.8	12.2	(10.4)	(85.2)%
Pension termination	(76.9)	—	(76.9)	NM
Interest and other income (expense), net	0.7	(1.0)	1.7	(170.0)%
Interest expense	(16.8)	(20.2)	3.4	(16.8)%
Income tax benefit (expense)	18.1	(0.1)	18.2	NM
Income (loss) from continuing operations	22.3	30.1	(7.8)	(25.9)%
Discontinued operations (net of income taxes)	(0.1)	(0.7)	0.6	(85.7)%
Net income (loss)	22.2	29.4	(7.2)	(24.5)%
(Income) loss attributable to noncontrolling interest	(1.2)	(0.3)	(0.9)	300.0 %
Net income (loss) attributable to A&B	$ 21.0	$ 29.1	$ (8.1)	(27.8)%
Basic Earnings (Loss) Per Share of Common Stock:				
Basic earnings (loss) per share - continuing operations	$ 0.29	$ 0.41	$ (0.12)	(29.3)%
Basic earnings (loss) per share - discontinued operations	—	(0.01)	0.01	(100.0)%
	$ 0.29	$ 0.40	$ (0.11)	(27.5)%
Diluted Earnings (Loss) Per Share of Common Stock:				
Diluted earnings (loss) per share - continuing operations	$ 0.29	$ 0.41	$ (0.12)	(29.3)%
Diluted earnings (loss) per share - discontinued operations	—	(0.01)	0.01	(100.0)%
	$ 0.29	$ 0.40	$ (0.11)	(27.5)%
Continuing operations available to A&B common shareholders	$ 20.9	$ 29.7	$ (8.8)	(29.6)%
Discontinued operations available to A&B common shareholders	(0.1)	(0.7)	0.6	(85.7)%
Net income (loss) available to A&B common shareholders	$ 20.8	$ 29.0	$ (8.2)	(28.3)%
Funds From Operations ("FFO")[1]	$ 48.2	$ 57.0	$ (8.8)	(15.4)%
Core FFO[1]	$ 60.0	$ 51.9	$ 8.1	15.6 %
FFO per diluted share	$ 0.66	$ 0.79	$ (0.13)	(16.5)%
Core FFO per diluted share	$ 0.82	$ 0.71	$ 0.11	15.5 %
Weighted average diluted shares outstanding (FFO/Core FFO)[2]	72.8	72.6		

[1] For definitions of capitalized terms and a discussion of management's use of a non-GAAP financial measure and the required reconciliation of non-GAAP measures to GAAP measures, refer to page 36.

[2] May differ from figure used in the consolidated statements of operations based on differing dilutive effects for net income (loss) versus FFO/Core FFO.

The causes of material changes in the condensed consolidated statements of operations for the nine months ended September 30, 2022, as compared to the nine months ended September 30, 2021 are described below or in the Analysis of Operating Revenue and Profit by Segment sections below.

Operating revenue for the nine months ended September 30, 2022 increased 11.4%, or $28.9 million, to $283.5 million, primarily due to higher revenues from the Materials & Construction and Commercial Real Estate segments, partially offset by lower revenue from the Land Operations segment.

Cost of operations for the nine months ended September 30, 2022, increased 14.1% or $25.2 million, to $203.8 million, primarily due to increases in costs incurred by the Materials & Construction and Commercial Real Estate segments, partially offset by a decrease in costs incurred by the Land Operations segment.

Selling, general and administrative for the nine months ended September 30, 2022 increased 3.0%, or $1.1 million, to $38.3 million, due primarily to higher pension service expense and consulting costs in the current period.

Gain (loss) on disposal of assets, net of $54.0 million for the nine months ended September 30, 2022 was due to the sale of approximately 18,900 acres of primarily agricultural and conservation land on the island of Kauai and 100% of the Company's ownership interest in McBryde Resources, Inc., the operator of hydroelectric power facilities on Kauai. Gain (loss) on disposal of assets, net of $0.4 million for the nine months ended September 30, 2021, related to the sale of residual, non-core land parcels on Maui and asset disposals in the Land Operations and Materials and Construction segments.

Income (loss) related to joint ventures for the nine months ended September 30, 2022, decreased 85.2%, or $10.4 million, to $1.8 million, due primarily to the Kukui`ula joint ventures' sale of substantially all of their assets in November 2021, resulting in limited joint venture earnings from the Company's other remaining joint ventures.

Pension termination loss of $76.9 million for the nine months ended September 30, 2022, resulted from the termination of the Defined Benefit Plans and represents the acceleration of deferred charges previously included within Accumulated Other Comprehensive Loss in the Company's balance sheet and the impact of remeasuring the plan assets and obligations at termination.

Interest expense for the nine months ended September 30, 2022, decreased 16.8%, or $3.4 million, to $16.8 million, due to lower average notes payable and other debt balances.

Income tax benefit (expense) of $18.1 million for the nine months ended September 30, 2022, was due primarily to the termination of the Company's Defined Benefit Plans.

Analysis of Operating Revenue and Profit by Segment

The following analysis should be read in conjunction with the consolidated financial statements and related notes thereto.

Commercial Real Estate

Financial results - Third quarter of 2022 compared with 2021

Results of operations for the third quarter ended September 30, 2022 and 2021, were as follows:

	Three Months Ended September 30,		2022 vs 2021	
(amounts in millions, except percentage data and acres; unaudited)	2022	2021	$	%[1]
Commercial Real Estate operating revenue	$ 46.2	$ 44.0	$ 2.2	5.0 %
Commercial Real Estate operating costs and expenses	(25.0)	(24.1)	(0.9)	3.7 %
Selling, general and administrative	(1.8)	(1.6)	(0.2)	12.5 %
Intersegment operating revenue, net[2]	0.3	0.3	—	— %
Interest and other income (expense), net	0.6	0.4	0.2	50.0 %
Commercial Real Estate operating profit (loss)	$ 20.3	$ 19.0	$ 1.3	6.8 %
Operating profit (loss) margin	43.9 %	43.2 %		
Net Operating Income ("NOI")[3]	$ 29.0	$ 28.1	$ 0.9	3.3 %
Same-Store Net Operating Income ("Same-Store NOI")[3]	$ 28.9	$ 28.1	$ 0.8	2.8 %
Gross leasable area ("GLA") in square feet ("SF") for improved properties at end of period	3.9	3.9	—	— %
Ground leases (acres at end of period)	140.8	146.0	(5.2)	(3.6)%

[1] Amounts in this table are rounded to the nearest tenth of a million, but percentages were calculated based on thousands. Accordingly, a recalculation of some percentages, if based on the reported data, may be slightly different.

[2] Intersegment operating revenue, net for Commercial Real Estate is primarily from the Materials & Construction segment and is eliminated in the consolidated results of operations.

[3] For a discussion of management's use of a non-GAAP financial measures and the required reconciliation of non-GAAP measures to GAAP measures, refer to page 36.

Commercial Real Estate operating revenue increased 5.0% or $2.2 million, to $46.2 million for the third quarter ended September 30, 2022, as compared to the third quarter ended September 30, 2021. Operating profit increased 6.8%, or $1.3 million, to $20.3 million for the third quarter ended September 30, 2022, as compared to the third quarter ended September 30, 2021. The increase in operating revenue and operating profit from the prior year was due primarily to higher base rents. Operating costs and expenses for the quarter ended September 30, 2022, increased by $0.9 million as compared to the prior year due primarily to higher utilities and other property operating costs.

Financial results - First Nine Months of 2022 compared with 2021

Operating results for the nine months ended September 30, 2022, as compared to the nine months ended September 30, 2021, were as follows:

	Nine Months Ended September 30,		2022 vs. 2021	
(amounts in millions, except percentage data; unaudited)	2022	2021	$	%[1]
Commercial Real Estate operating revenue	$ 138.1	$ 127.2	$ 10.9	8.6 %
Commercial Real Estate operating costs and expenses	(73.2)	(71.0)	(2.2)	3.1 %
Selling, general and administrative	(5.2)	(4.8)	(0.4)	8.3 %
Intersegment operating revenue, net[2]	0.9	1.0	(0.1)	(10.0)%
Pension termination	(0.7)	—	(0.7)	NM
Interest and other income (expense), net	0.4	0.6	(0.2)	(33.3)%
Commercial Real Estate operating profit (loss)	$ 60.3	$ 53.0	$ 7.3	13.8 %
Operating profit (loss) margin	43.7 %	41.7 %		
Net Operating Income ("NOI")[3]	$ 88.6	$ 81.9	$ 6.7	8.1 %
Same-Store Net Operating Income ("Same-Store NOI")[3]	$ 88.2	$ 81.8	$ 6.4	7.7 %

[1] Amounts in this table are rounded to the nearest tenth of a million, but percentages were calculated based on thousands. Accordingly, a recalculation of some percentages, if based on the reported data, may be slightly different.

[2] Intersegment operating revenue, net for Commercial Real Estate is primarily from the Materials & Construction segment and is eliminated in the consolidated results of operations.

[3] For a discussion of management's use of a non-GAAP financial measure and the required reconciliation of non-GAAP measures to GAAP measures, refer to page 36.

Commercial Real Estate operating revenue increased 8.6% or $10.9 million, to $138.1 million for the nine months ended September 30, 2022, as compared to the nine months ended September 30, 2021. Operating profit increased 13.8%, or $7.3 million, to $60.3 million for the nine months ended September 30, 2022, as compared to the nine months ended September 30, 2021. The increase in operating revenue and operating profit from the prior year was primarily driven by higher base rents and higher tenant chargebacks. Operating costs and expenses for the nine months ended September 30, 2022, increased by $2.2 million due primarily to higher utilities and other property operating costs, partially offset by lower property taxes and depreciation and amortization.

Commercial Real Estate portfolio additions and dispositions

The Company transferred an industrial building representing 8,400 square feet of GLA from the Materials & Construction segment to the Commercial Real Estate segment in June 2022. The building is currently occupied and utilized by Grace Pacific's GP Roadway Solutions division that is included in the Materials & Construction segment. There were no other acquisitions or dispositions of CRE improved properties or ground lease interests in land during the three and nine months ended September 30, 2022.

Leasing activity

During the third quarter ended September 30, 2022, the Company signed 18 new leases and 32 renewal leases for its improved properties across its retail, industrial, and office asset classes, covering 104,900 square feet of GLA. The 18 new leases consist of 29,500 square feet with an average annual base rent of $29.57 per-square-foot. Of the 18 new leases, six leases with a total GLA of 10,100 square feet were considered comparable (i.e., renewals, for the same units, or new leases executed for units that have been vacated in the previous 12 months for comparable space and comparable lease terms) and, for these six leases, resulted in an 6.4% average base rent increase over comparable expiring leases. The 32 renewal leases consist of 75,400 square feet with an average annual base rent of $28.93 per square foot. Of the 32 renewal leases, 21 leases with a total GLA of 59,600 square feet were considered comparable and resulted in a 3.9% average base rent increase over comparable expiring leases.

Leasing activity summarized by asset class for the three and nine months ended September 30, 2022, were as follows:

	Three Months Ended September 30, 2022				Nine Months Ended September 30, 2022			
	Leases	GLA (SF)	ABR/SF	Rent Spread[1]	Leases	GLA (SF)	ABR/SF	Rent Spread[1]
Retail	37	83,646	$31.98	4.6%	142	438,064	$31.10	3.7%
Industrial	11	18,660	$14.55	1.3%	46	190,209	$13.81	5.3%
Office	2	2,569	$41.33	2.7%	12	19,967	$34.43	8.4%

[1] Rent spread is calculated as percentage change in ABR in the first year of a signed lease relative to the ABR in the last year of the prior lease for comparable leases, a subset of the total population of leases for the period presented (described above).

Occupancy

The Company reports three types of occupancy: "Leased Occupancy," "Physical Occupancy," and "Economic Occupancy."

The Leased Occupancy percentage calculates the square footage leased (i.e., the space has been committed to by a lessee under a signed lease agreement) as a percentage of total available improved property square footage as of the end of the period reported.

The Physical Occupancy percentage calculates the square footage leased and commenced (i.e., measured when the lessee has physical access to the space) as a percentage of total available improved property space at the end of the period reported.

The Economic Occupancy percentage calculates the square footage under leases for which the lessee is contractually obligated to make lease-related payments (i.e., subsequent to the rent commencement date) to total available improved property square footage as of the end of the period reported.

The Company's improved portfolio occupancy metrics as of September 30, 2022 and 2021, were as follows:

	As of September 30, 2022	As of September 30, 2021	Basis Point Change
Leased Occupancy	94.6%	94.6%	—
Physical Occupancy	93.8%	94.0%	(20)
Economic Occupancy	93.1%	92.0%	110

For further context, the Company's Leased Occupancy and Economic Occupancy metrics for its improved portfolio summarized by asset class – and the corresponding occupancy metrics for a category of properties that were owned and operated for the entirety of the prior calendar year and current period, to date ("Same-Store" as more fully described below) – as of September 30, 2022 and 2021, were as follows:

Leased Occupancy

	As of September 30, 2022	As of September 30, 2021	Basis Point Change
Retail	93.3%	93.2%	10
Industrial	98.0%	98.0%	—
Office	89.1%	90.2%	(110)
Total Leased Occupancy	94.6%	94.6%	—

Economic Occupancy

	As of September 30, 2022	As of September 30, 2021	Basis Point Change
Retail	91.3%	89.5%	180
Industrial	97.6%	97.4%	20
Office	85.7%	89.3%	(360)
Total Economic Occupancy	93.1%	92.0%	110

Same-Store Leased Occupancy

	As of September 30, 2022	As of September 30, 2021	Basis Point Change
Retail	93.3%	93.2%	10
Industrial	97.9%	98.0%	(10)
Office	89.1%	90.2%	(110)
Total Same-Store Leased Occupancy	94.6%	94.6%	—

Same-Store Economic Occupancy

	As of September 30, 2022	As of September 30, 2021	Basis Point Change
Retail	91.3%	89.5%	180
Industrial	97.5%	97.4%	10
Office	85.7%	89.3%	(360)
Total Same-Store Economic Occupancy	93.0%	92.0%	100

Land Operations

Trends, events and uncertainties

The composition of real estate sales in any given period can be diverse and has historically included developed residential real estate, developable subdivision lots, undeveloped land, and/or property sold under threat of condemnation. Further, the timing of property or parcel sales has affected and can significantly affect operating results in a given period.

Additionally, the operating profit reported in each period does not necessarily follow a percentage of sales trend because the cost basis of property sold can differ significantly between transactions. For example, the sale of undeveloped land and vacant parcels in Hawai'i may result in higher margins than the sale of developed property due to the low historical cost basis of the Company's land owned in Hawai'i.

As a result, direct year-over-year comparison of the Land Operations segment results may not provide a consistent, measurable indicator of future performance. Further, Land Operations revenue trends, cash flows from the sales of real estate, and the amounts of real estate developments for sale on the Company's condensed consolidated balance sheet do not necessarily indicate future profitability trends for this segment.

Financial results - Third quarter of 2022 compared with 2021

Results of operations for the third quarter ended September 30, 2022 and 2021, were as follows:

	Three Months Ended September 30,	
(amounts in millions; unaudited)	2022	2021
Unimproved/other property sales revenue	—	0.6
Other operating revenue[1]	2.9	4.8
Total Land Operations operating revenue	2.9	5.4
Land Operations operating costs and expenses[2]	(4.6)	(4.7)
Selling, general and administrative	(0.6)	(0.9)
Intersegment operating charges, net[2]	0.2	(0.1)
Earnings (loss) from joint ventures	—	2.4
Interest and other income (expense), net	(0.1)	(0.4)
Total Land Operations operating profit (loss)	$ (2.2)	$ 1.7

[1] Other operating revenue includes legacy land licensing and leasing, trucking service, and renewable energy.

[2] Intersegment operating charges primarily from CRE that are eliminated in the consolidated results of operations.

Third quarter of 2022: Land Operations revenue during the third quarter ended September 30, 2022, was $2.9 million, primarily consisting of revenue related to the Company's legacy business activities in the Land Operations segment (primarily trucking services and licensing and leasing of non-core legacy lands).

Land Operations operating loss of $2.2 million during the third quarter ended September 30, 2022, was due primarily to costs related to the Company's non-core legacy lands, partially offset by the margins from the operations of the segment's other legacy business activities.

Third quarter of 2021: Operating revenue of $5.4 million primarily consisted of revenue related to the Company's legacy business activities in the Land Operations segment (primarily licensing and leasing of non-core legacy land, trucking services, and renewable energy), as well as sales of unimproved land parcels on the islands of Kauai and Maui.

Land Operations operating profit of $1.7 million during the third quarter ended September 30, 2021, was due primarily to the margins realized from legacy business activities (primarily licensing and leasing of non-core legacy land, trucking services, and renewable energy) and joint venture projects. Earnings from joint ventures of $2.4 million during the third quarter ended September 30, 2021, was primarily driven by profitable unit sales at the Kukuiʻula joint ventures' projects.

Financial Results - First Nine Months of 2022 compared with 2021

(amounts in millions; unaudited)	Nine Months Ended September 30, 2022	2021
Development sales revenue	$ 6.3	$ 11.2
Unimproved/other property sales revenue	2.0	11.9
Other operating revenue[1]	12.6	15.4
Total Land Operations operating revenue	20.9	38.5
Land Operations operating costs and expenses	(19.1)	(23.4)
Selling, general and administrative	(3.0)	(2.8)
Intersegment operating charges, net[2]	(0.2)	(0.2)
Gain (loss) on disposal of assets, net	54.0	0.1
Earnings (loss) from joint ventures	(0.3)	11.3
Pension termination	(62.2)	—
Interest and other income (expense), net	(0.1)	(1.2)
Total Land Operations operating profit (loss)	$ (10.0)	$ 22.3

[1] Other operating revenue includes legacy land licensing and leasing, trucking service, and renewable energy.

[2] Intersegment operating charges primarily from CRE that are eliminated in the consolidated results of operations.

First Nine Months of 2022: Land Operations revenue during the nine months ended September 30, 2022, was $20.9 million and included the sales of development parcels at Maui Business Park, as well as unimproved and other land sales on the islands of Kauai and Maui. Revenue also included other operating revenue related to the Company's legacy business activities in the Land Operations segment (primarily licensing and leasing of non-core legacy agricultural lands, trucking service, and renewable energy).

During the second quarter ended June 30, 2022, the Company completed the sale of approximately 18,900 acres of primarily agricultural and conservation land on the island of Kauai and 100% of the Company's ownership interest in McBryde Resources, Inc., the operator of hydroelectric power facilities on Kauai, which resulted in a gain on disposal of approximately $54.0 million. Additionally, during the nine months ended September 30, 2022, the segment incurred a settlement charge of $62.2 million in connection with the termination of the Defined Benefit Plans.

First Nine Months of 2021: Land Operations revenue was $38.5 million and included the sales of development parcels at Maui Business Park and unimproved land on the islands of Kauai and Maui. Revenue also included other operating revenues related to the Company's legacy business activities in the Land Operations segment (primarily licensing and leasing of non-core legacy agricultural lands, trucking service, and renewable energy).

Operating profit of $22.3 million during the nine months ended September 30, 2021, was composed of the margins resulting from the real estate sales activity noted above, as well as profits generated from the operations of the segment's other legacy business activities. Earnings from joint ventures of $11.3 million during the nine months ended September 30, 2021, was primarily driven by profitable unit sales at the Kukui'ula joint ventures' projects.

Materials & Construction

Financial results - Third quarter of 2022 compared with 2021

Results of operations for the third quarter ended September 30, 2022 and 2021, were as follows:

	Three Months Ended September 30,		2022 vs 2021	
(dollars in millions; unaudited)	2022	2021	$	%
Materials & Construction				
Operating revenue	$ 48.1	$ 34.9	$ 13.2	37.8%
Operating costs and expenses	(43.3)	(31.8)	(11.5)	36.2%
Selling, general and administrative	(3.1)	(3.5)	0.4	(11.4)%
Intersegment operating charges, net[1]	(0.7)	(0.1)	(0.6)	600.0%
Income (loss) related to joint ventures	0.4	0.2	0.2	100.0%
Interest and other income (expense), net	0.4	—	0.4	NM
Materials & Construction operating profit (loss)	$ 1.8	$ (0.3)	$ 2.1	(700.0)%
Gross margin percentage	10.0 %	8.9 %		
Depreciation and amortization	$ 1.3	$ 2.6	$ (1.3)	(50.0)%
Backlog at period end[2]	$ 216.9	$ 193.5	$ 23.4	12.1%

[1] Intersegment operating charges, net for Materials & Construction represent amounts primarily from the Commercial Real Estate segment and are eliminated in the consolidated results of operations.

[2] Backlog represents the total amount of revenue that Grace Pacific, Maui Paving, LLC ("Maui Paving") and Goodfellow Grace Pacific A J.V. ("Goodfellow Grace Pacific") expect to realize on contracts awarded. Both Maui Paving and Goodfellow Grace Pacific are 50-percent-owned unconsolidated affiliates. Backlog primarily consists of asphalt paving and, to a lesser extent, Grace Pacific's consolidated revenue from its construction-and traffic control-related products and services. Backlog includes estimated revenue from the remaining portion of contracts not yet completed, as well as revenue from approved change orders. The length of time that projects remain in backlog can span from a few days for a small volume of work to 36 months, or longer, for large paving contracts and contracts performed in phases. This amount includes opportunity backlog consisting of contracts in which Grace Pacific has been confirmed to be the lowest bidder at the time of this disclosure (such amounts were $58.7 million and $85.2 million as of September 30, 2022 and 2021, respectively). Circumstances outside the Company's control such as procurement or technical protests, and/or changes in the availability of project funding, among others, may arise that prevent the finalization of such contracts. Maui Paving's backlog as of September 30, 2022 and 2021 was $25.2 million and $12.8 million, respectively. Goodfellow Grace Pacific's backlog as of September 30, 2022 was $10.6 million. There was $24.2 million backlog related to Goodfellow Grace Pacific as of September 30, 2021.

Materials & Construction revenue was $48.1 million for the third quarter ended September 30, 2022, compared to $34.9 million for the third quarter ended September 30, 2021. Operating profit was $1.8 million for the third quarter ended September 30, 2022, compared to operating loss of $0.3 million for the third quarter ended September 30, 2021. During the quarter ended September 30, 2022, the segment operating profit was driven primarily by higher paving volumes and liquid asphalt sales product mix. During the quarter ended September 30, 2021, the segment operating loss was primarily driven by low paving volumes and margins, partially offset by higher quarry volumes and margins.

The Company is continually monitoring the performance of the M&C segment in the context of the overall industry and economy. However, based on the inherent uncertainty in the general economic environment, there can be no assurance that the carrying values associated with the long-lived assets will be recoverable and impairments on such long-lived assets may be required.

As of September 30, 2022 and 2021, backlog was $216.9 million and $193.5 million, respectively. The increase in backlog from September 30, 2021 to September 30, 2022, was primarily driven by an increase in the amount of marketed bid opportunities won by Grace Pacific and Maui Paving.

Financial Results - First Nine Months of 2022 compared with 2021

	Nine Months Ended September 30,		2022 vs 2021	
(dollars in millions, tons delivered in thousands; unaudited)	2022	2021	$ Change	Change
Materials & Construction				
Operating revenue	$ 124.5	$ 88.9	$ 35.6	40.0%
Operating costs and expenses	(111.5)	(84.2)	(27.3)	32.4%
Selling, general and administrative	(10.6)	(11.3)	0.7	(6.2)%
Intersegment operating charges, net[1]	(0.8)	(0.7)	(0.1)	14.3%
Gain (loss) on disposal of assets, net	—	0.1	(0.1)	(100.0)%
Income (loss) related to joint ventures	2.1	0.9	1.2	133.3%
Interest and other income (expense), net	0.7	0.1	0.6	600.0%
Materials & Construction operating profit (loss)	$ 4.4	$ (6.2)	$ 10.6	(171.0)%
Gross margin percentage	10.4 %	5.3 %		
Depreciation and amortization	$ 4.3	$ 8.1	$ (3.8)	(46.9)%
Backlog at period end[2]	216.9	193.5	23.4	12.1%

[1] Intersegment operating charges, net for Materials & Construction is primarily from the Commercial Real Estate segment and are eliminated in the consolidated results of operations.

[2] Backlog represents the total amount of revenue that Grace Pacific, Maui Paving, LLC (“Maui Paving”), and Goodfellow Grace Pacific A J.V. (“Goodfellow Grace Pacific”) expect to realize on contracts awarded. Both Maui Paving and Goodfellow Grace Pacific are 50-percent-owned unconsolidated affiliates. Backlog primarily consists of asphalt paving and, to a lesser extent, Grace Pacific’s consolidated revenue from its construction-and traffic control-related products and services. Backlog includes estimated revenue from the remaining portion of contracts not yet completed, as well as revenue from approved change orders. The length of time that projects remain in backlog can span from a few days for a small volume of work to 36 months, or longer, for large paving contracts and contracts performed in phases. This amount includes opportunity backlog consisting of contracts in which Grace Pacific has been confirmed to be the lowest bidder at the time of this disclosure (such amounts were $58.7 million and $85.2 million as of September 30,2022 and 2021, respectively). Circumstances outside the Company's control such as procurement or technical protests, and/or changes in the availability of project funding, among others, may arise that prevent the finalization of such contracts. Maui Paving's backlog as of September 30,2022 and 2021, was $25.2 million and $12.8 million, respectively. Goodfellow Grace Pacific's backlog as of September 30,2022 and 2021, was $10.6 million and $24.2 million, respectively.

Materials & Construction revenue was $124.5 million for the nine months ended September 30, 2022, compared to $88.9 million for the nine months ended September 30, 2021. Operating profit was $4.4 million for the nine months ended September 30, 2022, compared to operating loss of $6.2 million for the nine months ended September 30, 2021. During the nine months ended September 30, 2022, the segment operating profit was primarily driven by joint venture earnings from the Company's interest in a materials company and royalties on the Company-owned quarry land on Maui, in addition to higher paving volumes and liquid asphalt sales product mix. During the nine months ended September 30, 2021, the segment operating loss of $6.2 million was primarily driven by low paving volumes due to project delays and government agency contracting decisions.

Use of Non-GAAP Financial Measures

The Company uses non-GAAP measures when evaluating operating performance because management believes that they provide additional insight into the Company's and segments' core operating results, and/or the underlying business trends affecting performance on a consistent and comparable basis from period to period. These measures generally are provided to investors as an additional means of evaluating the performance of ongoing core operations. The non-GAAP financial information presented herein should be considered supplemental to, and not as a substitute for or superior to, financial measures calculated in accordance with GAAP.

FFO is presented by the Company as a widely used non-GAAP measure of operating performance for real estate companies. FFO is defined by the National Association of Real Estate Investment Trusts ("Nareit") December 2018 Financial Standards White Paper as follows: net income (calculated in accordance with GAAP), excluding (1) depreciation and amortization related to real estate, (2) gains and losses from the sale of certain real estate assets, (3) gains and losses from change in control and (4) impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity.

The Company believes that, subject to the following limitations, FFO provides a supplemental measure to net income (calculated in accordance with GAAP) for comparing its performance and operations to those of other REITs. FFO does not represent an alternative to net income calculated in accordance with GAAP. In addition, FFO does not represent cash generated from operating activities in accordance with GAAP, nor does it represent cash available to pay distributions and should not be considered as an alternative to cash flow from operating activities, determined in accordance with GAAP, as a measure of the Company’s liquidity. The Company presents different forms of FFO:

- "Core FFO" represents a non-GAAP measure relevant to the operating performance of the Company's commercial real estate business (i.e., its core business). Core FFO is calculated by adjusting CRE operating profit to exclude items noted above (i.e., depreciation and amortization related to real estate included in CRE operating profit) and to make further adjustments to include expenses not included in CRE operating profit but that are necessary to accurately reflect the operating performance of its core business (i.e., corporate expenses and interest expense attributable to this core business) or to exclude items that are non-recurring, infrequent, unusual and unrelated to the core business operating performance (i.e., not likely to recur within two years or has not occurred within the prior two years). The Company believes such adjustments facilitate the comparable measurement of the Company's core operating performance over time. The Company believes that Core FFO, which is a supplemental non-GAAP financial measure, provides an additional and useful means to assess and compare the operating performance of REITs.

- FFO represents the Nareit-defined non-GAAP measure for the operating performance of the Company as a whole. The Company's calculation refers to net income (loss) available to A&B common shareholders as its starting point in the calculation of FFO.

The Company presents both non-GAAP measures and reconciles each to the most directly-comparable GAAP measure as well as reconciling FFO to Core FFO. The Company's FFO and Core FFO may not be comparable to FFO non-GAAP measures reported by other REITs. These other REITs may not define the term in accordance with the current Nareit definition or may interpret the current Nareit definition differently.

NOI is a non-GAAP measure used internally in evaluating the unlevered performance of the Company's Commercial Real Estate portfolio. The Company believes NOI provides useful information to investors regarding the Company's financial condition and results of operations because it reflects only the contract-based income and cash-based expense items that are incurred at the property level. When compared across periods, NOI can be used to determine trends in earnings of the Company's properties as this measure is not affected by non-contract-based revenue (e.g., straight-line lease adjustments required under GAAP); by non-cash expense recognition items (e.g., the impact of depreciation and amortization expense or impairments); or by other expenses or gains or losses that do not directly relate to the Company's ownership and operations of the properties (e.g., indirect selling, general, administrative and other expenses, as well as lease termination income). The Company believes the exclusion of these items from operating profit (loss) is useful because the resulting measure captures the contract-based revenue that is realizable (i.e., assuming collectability is deemed probable) and the direct property-related expenses paid or payable in cash that are incurred in operating the Company's Commercial Real Estate portfolio, as well as trends in occupancy rates, rental rates and operating costs. NOI should not be viewed as a substitute for, or superior to, financial measures calculated in accordance with GAAP.

NOI represents total Commercial Real Estate contract-based operating revenue that is realizable (i.e., assuming collectability is deemed probable) less the direct property-related operating expenses paid or payable in cash. The calculation of NOI excludes the impact of depreciation and amortization (e.g., depreciation related to capitalized costs for improved properties, other capital expenditures for building/area improvements and tenant space improvements, as well as amortization of leasing commissions); straight-line lease adjustments (including amortization of lease incentives); amortization of favorable/unfavorable lease assets/liabilities; lease termination income; interest and other income (expense), net; selling, general, administrative and other expenses (not directly associated with the property); and impairment of commercial real estate assets.

The Company reports NOI and Occupancy on a Same-Store basis, which includes the results of properties that were owned and operated for the entirety of the prior calendar year and current reporting period, year-to-date. The Same-Store pool excludes properties under development or redevelopment and also excludes properties acquired or sold during either of the comparable reporting periods. While there is management judgment involved in classifications, new developments and redevelopments are moved into the Same-Store pool after one full calendar year of stabilized operation. Properties included in held for sale are excluded from Same-Store.

The Company believes that reporting on a Same-Store basis provides investors with additional information regarding the operating performance of comparable assets separate from other factors (such as the effect of developments, redevelopments, acquisitions or dispositions).

To emphasize, the Company's methods of calculating non-GAAP measures may differ from methods employed by other companies and thus may not be comparable to such other companies.

Reconciliations of net income (loss) available to A&B common shareholders to FFO and Core FFO for the three and nine months ended September 30, 2022 and 2021, are as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30	
	2022	**2021**	**2022**	**2021**
Net income (loss) available to A&B common shareholders	$ 6.3	$ 6.3	$ 20.8	$
Depreciation and amortization of commercial real estate properties	9.0	9.2	27.4	
Gain on the disposal of commercial real estate properties, net	—	—	—	
FFO	$ 15.3	$ 15.5	$ 48.2	$
Exclude items not related to core business:				
Land Operations Operating (Profit) Loss	2.2	(1.7)	10.0	
Materials & Construction Operating (Profit) Loss	(1.8)	0.3	(4.4)	
Loss from discontinued operations	—	0.6	0.1	
Income (loss) attributable to noncontrolling interest	0.4	0.1	1.2	
Income tax expense (benefit)	—	—	(18.1)	
Non-core business interest expense	2.8	3.1	8.3	
Pension termination - CRE and Corporate	—	—	14.7	
Core FFO	$ 18.9	$ 17.9	$ 60.0	$

Reconciliations of Core FFO starting from Commercial Real Estate operating profit (loss) for the three and nine months ended September 30, 2022 and 2021, are as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30	
	2022	2021	2022	2021
Commercial Real Estate Operating Profit (Loss)	$ 20.3	$ 19.0	$ 60.3	$
Depreciation and amortization of commercial real estate properties	9.0	9.2	27.4	
Corporate and other expense	(7.6)	(6.8)	(33.7)	
Pension termination - CRE and Corporate	—	—	14.7	
Distributions to participating securities	(0.1)	—	(0.2)	
Core business interest expense	(2.7)	(3.5)	(8.5)	
Core FFO	$ 18.9	$ 17.9	$ 60.0	$

Reconciliations of Commercial Real Estate operating profit to Commercial Real Estate NOI for the three and nine months ended September 30, 2022 and 2021, are as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Commercial Real Estate Operating Profit (Loss)	$ 20.3	$ 19.0	$ 60.3	$
Plus: Depreciation and amortization	9.0	9.2	27.4	
Less: Straight-line lease adjustments	(1.2)	(1.1)	(3.7)	
Less: Favorable/(unfavorable) lease amortization	(0.2)	(0.1)	(0.8)	
Less: Termination income	(0.1)	(0.1)	(0.1)	
Plus: Other (income)/expense, net	(0.6)	(0.4)	0.3	
Plus: Selling, general, administrative and other expenses	1.8	1.6	5.2	
Commercial Real Estate NOI	29.0	28.1	88.6	
Less: NOI from acquisitions, dispositions, and other adjustments	(0.1)	—	(0.4)	
Commercial Real Estate Same-Store NOI	$ 28.9	$ 28.1	$ 88.2	$

Liquidity and Capital Resources

Overview

The Company's principal sources of liquidity to meet its business requirements and plans both in the short-term (i.e., the next twelve months from September 30, 2022) and long-term (i.e., beyond the next twelve months) have generally been cash provided by operating activities; available cash and cash equivalents; and borrowing capacity under its various credit facilities. The Company's primary liquidity needs for its business requirements and plans have generally been supporting its known contractual obligations and also funding capital expenditures; shareholder distributions; and working capital needs.

Known contractual obligations

A description of material contractual commitments is contained in the Notes to Consolidated Financial Statements included in Part II, Item 8 of the 2021 Form 10-K, and relates to the Company's Notes payable and other debt, Operating lease liabilities and Accrued pension and post-retirement benefits. In addition, a description of other material cash requirements, including capital expenditures, is provided in Management's Discussion and Analysis of Financial Condition and Results of Operations included in Part II, Item 7 of the 2021 Form 10-K, and includes contractual interest payments for Notes payable and other debt as well as amounts to be spent on contractual non-cancellable purchase obligations (that specifies all significant terms, including fixed or minimum quantities to be purchased, pricing structure and approximate timing of the transaction that are not recorded as liabilities in the consolidated balance sheet).

During the second quarter of 2022, the Company completed the termination of the Defined Benefit Plans, pursuant to which the Company (1) was relieved of the primary responsibility for the plans and (2) eliminated significant risk related to the obligations and assets of the Defined Benefit Plans. As of September 30, 2022, there were no other material changes in the Company's known contractual obligations from the end of the preceding fiscal year ended December 31, 2021. Refer to Note 6, Note 11 and Note 13 in this report for further discussion.

Further, a description of other commitments, contingencies and off-balance sheet arrangements is contained in the Notes to Consolidated Financial Statements included in Part II, Item 8 of the 2021 Form 10-K. As of September 30, 2022, there have been no material changes in the Company's other commitments, contingencies and off-balance sheet arrangements from the end of the preceding fiscal year ended December 31, 2021. Refer to Note 8 in this report for further discussion.

Sources of liquidity

As noted above, one of the Company's principal sources of liquidity has been cash flows provided by operations, primarily from the Commercial Real Estate segment (the Company's core business). During the nine months ended September 30, 2022, cash flows provided by operations was $9.0 million, a decrease as compared to the prior year comparable period ($67.2 million for the nine months ended September 30, 2021) due primarily to the cash contributions of $29.9 million to the Defined Benefit Plans related to the termination of the Company's pension plans, as well as lower cash flows related to Materials & Constructions segment. Total cash flows in future periods, may be subject to variation from the Land Operations segment due to the varying activity in completing sales on remaining non-core assets as part of the Company's continued execution on its simplification strategy.

The Company's other primary sources of liquidity include its cash on-hand of $7.3 million as of September 30, 2022, and the Company's revolving credit and term facilities, which provide liquidity and flexibility on a short-term (i.e., the next twelve months from September 30, 2022), as well as long-term basis. With respect to the revolving credit facility for general A&B purposes, as of September 30, 2022, the Company had no borrowings outstanding, $1.1 million letters of credit issued against, and $498.9 million of available capacity on such revolving credit facility (which currently has a term through August 29, 2025, plus two six-month optional extensions).

On August 13, 2021, the Company entered into an equity distribution agreement, or ATM Agreement, pursuant to which we may sell, from time to time, up to an aggregate sales price of $150.0 million of our common stock. Sales of common stock, if any, made pursuant to the ATM Agreement may be sold in negotiated transactions or transactions that are deemed to be “at the market” offerings, as defined in Rule 415 of the Securities Act of 1933, as amended. Actual sales will depend on a variety of factors including market conditions, the trading price of our common stock, our capital needs, and our determination of the appropriate sources of funding to meet such needs. As of September 30, 2022, the Company has not sold any shares under the at-the-market offering program, nor has any obligation to sell shares under the at-the-market offering program.

Other sources of liquidity for the Company include trade receivables, contracts retention, and inventories (excluding parts, materials and supplies), totaling $59.8 million at September 30, 2022. As of September 30, 2022, there were no material changes to the Company's other primary sources of liquidity from the end of the preceding fiscal year ended December 31, 2021.

Other uses (or sources) of liquidity

The Company may use (or, in some periods, generate) cash through various investing activities or financing activities. Net cash provided by investing activities was $56.0 million for the nine months ended September 30, 2022, as compared to $13.9 million for the nine months ended September 30, 2021. Net cash provided by investing activities during the nine months ended September 30, 2022, was primarily driven by the Company's sale of approximately 18,900 acres of primarily agricultural and conservation land on the island of Kauai and 100% of the Company's ownership interest in McBryde Resources, Inc., the operator of hydroelectric power facilities on Kauai, in exchange for cash consideration of approximately $73.9 million. This was partially offset by $15.7 million in capital expenditures during the nine months ended September 30, 2022. Cash provided by investing activities during the nine months ended September 30, 2021, was primarily driven by distributions from the Company's land development joint ventures (primarily at its Kukuiʻula joint venture projects), partially offset by cash used in capital expenditures.

As it relates to the CRE segment (i.e., its core business), the Company differentiates capital expenditures as follows (based on management's perspective on discretionary versus non-discretionary areas of spending for its CRE business):

- *Growth Capital Expenditures:* Property acquisition, development and redevelopment activity to generate income and cash flow growth.

- *Maintenance Capital Expenditures:* Activity necessary to maintain building value, the current income stream and position in the market.

Capital expenditures for the respective periods for all segments were as follows:

	Nine Months Ended September 30,		
(dollars in millions; unaudited)	2022	2021	Change
CRE property acquisitions, development and redevelopment	$ 4.8	$ 14.3	(66.4)%
CRE building/area improvements (Maintenance Capital Expenditures)	3.5	5.2	(32.7)%
CRE tenant space improvements (Maintenance Capital Expenditures)	2.4	1.9	26.3%
Materials & Construction	4.7	2.8	67.9%
Land Operations and Corporate	0.3	1.9	(84.2)%
Total capital expenditures[1]	$ 15.7	$ 26.1	(39.8)%

[1] Excludes capital expenditures for real estate developments to be held and sold as real estate development inventory, which are classified in the condensed consolidated statement of cash flows as operating activities and are excluded from the tables above.

Net cash flows used in financing activities was $128.5 million for the nine months ended September 30, 2022, as compared to $111.8 million for the nine months ended September 30, 2021. During the nine months ended September 30, 2022, the Company's net cash outlays related to financing activities were due primarily to net payments on line-of credit agreements and repayments of notes payable and other debt and deferred financing costs of $65.8 million, as well as cash dividend payments totaling $57.7 million. During the nine months ended September 30, 2021, the Company's net cash outlays related to financing activities were due primarily to its net repayments of notes payable and other debt and deferred financing costs and line-of-credit agreement of $64.2 million, as well as cash dividend payments totaling $46.5 million.

In February 2020, the Company's Board of Directors authorized the Company to repurchase up to $150.0 million of its common stock beginning on February 25, 2020, and ending on December 31, 2021. In October 2021, the Company's Board of Directors reauthorized the Company to repurchase up to $150.0 million of its common stock beginning on January 1, 2022, and ending on December 31, 2023. In September 2022, the Company authorized a third-party to repurchase on behalf of the Company up to $10.0 million of the Company's common stock on the open market through December 31, 2022. During the quarter ended September 30, 2022, the third-party, acting on behalf of the Company, repurchased 196,050 shares on the open market for an aggregate purchase price, including commissions, of $3.2 million. Of this amount, $0.9 million was included in accrued and other liabilities as of September 30, 2022. The Company retired the shares upon repurchase. As of September 30, 2022, the third-party is authorized to purchase an additional $6.8 million, and $146.8 million remains available under the stock repurchase program.

Other capital resource matters

The Company frequently utilizes §1031 and §1033 of the Internal Revenue Code of 1986, as amended (the "Code"), to obtain tax-deferral treatment when qualifying real estate assets are sold or become subject to involuntary conversion and the resulting proceeds are reinvested in replacement properties within the required time period. Proceeds from potential tax-deferred sales under §1031 of the Code are held in escrow (and presented as part of Restricted cash on the consolidated balance sheets) pending future reinvestment or are returned to the Company for general use if eligibility for tax-deferral treatment based on the required time period lapses. The proceeds from involuntary conversions under §1033 of the Code are held by the Company until the funds are redeployed.

During the nine months ended September 30, 2022, the Company did not complete any transactions that would give rise to cash proceeds from sales or involuntary conversion activity that qualified under §1031 or §1033 of the Code. Further, during the nine months ended September 30, 2022, there were no acquisitions utilizing eligible/available proceeds from tax-deferred sales or involuntary conversions.

As of September 30, 2022, no funds from tax-deferred sales were available for use and had not been reinvested under §1031 of the Code. Also as of September 30, 2022, the Company held $3.1 million from tax-deferred involuntary conversions that had not yet been reinvested under §1033 of the Code.

Trends, events and uncertainties

Economic uncertainty and volatility remain, including high inflation, depressed international tourism, global supply chain disruptions, labor shortages and turnover. In response to persistent concerns over inflation, the Federal Reserve has increased the federal funds rate five times in 2022 to 3.25%, up from 0.25% at January 1, 2022, and signaled its intent for additional increases for the remainder of 2022 and into 2023, as well as heightened concerns over recession. As of September 30, 2022, the Company had $6.8 million outstanding in variable-rate debt under its GLP Asphalt revolving credit facility and no amount outstanding in variable-rate debt under the unsecured A&B revolving credit facility. The Company's variable-rate debt under secured notes payable was effectively zero as of September 30, 2022, due to an interest rate swap on the Manoa Marketplace secured note payable, which is swapped through maturity. Other than in default, the Company does not have an obligation, nor the option in some cases, to prepay its fixed-rate debt prior to maturity and, as a result, interest rate fluctuations and the resulting changes in fair value would have little impact on the Company’s financial condition or results of operations unless the Company was required to refinance such debt.

The Company's ability to retain outstanding borrowings and utilize remaining amounts available under its revolving credit facility will depend on its continued compliance with the applicable financial covenants and other terms of the Company's notes payable and other debt arrangements. The Company was in compliance with its financial covenants for all outstanding balances as of September 30, 2022.

Based on its current outlook, the Company believes that funds generated from cash provided by operating activities; available cash and cash equivalent balances; and borrowing capacity under its various credit facilities will be sufficient to meet the needs of the Company's business requirements and plans both in the short-term (i.e., the next twelve months from September 30, 2022) and long-term (i.e., beyond the next twelve months). There can be no assurance, however, that the Company will continue to generate cash flows at or above current levels or that it will be able to maintain its ability to borrow under its available credit facilities. As the circumstances underlying its current outlook may change, the Company will continue to actively monitor the situation and may take further actions that it determines is in the best interest of its business, financial condition and liquidity and capital resources.

Other Matters

Critical accounting estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, upon which Management's Discussion and Analysis is based, requires that management exercise judgment when making estimates and assumptions about future events that may affect the amounts reported in the financial statements and accompanying notes. Future events and their effects cannot be determined with absolute certainty and actual results will, inevitably, differ from those critical accounting estimates. These differences could be material. The most significant accounting estimates inherent in the preparation of the Company's financial statements were described in Management's Discussion and Analysis of Financial Condition and Results of Operations contained in the Company's 2021 Form 10-K.

New accounting pronouncements

Refer to Notes to Consolidated Financial Statements, included in Part 1, Item 1 of this report, for a full description of the impact of recently issued accounting standards, which is incorporated herein by reference, including the expected dates of adoption and estimated effects on the Company's results of operations and financial condition.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Information concerning market risk is incorporated herein by reference to Item 7A of the Company's Form 10-K for the fiscal year ended December 31, 2021. There have been no material changes in the quantitative and qualitative disclosures about market risk since December 31, 2021.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. Based on such evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of September 30, 2022, the Company's disclosure controls and procedures were effective.

Internal Control Over Financial Reporting

There have not been any changes in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the Company's fiscal third quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The information set forth under the "Legal Proceedings and Other Contingencies" section in Note 8 of Notes to Condensed Consolidated Financial Statements, included in Part I, Item 1 of this report, is incorporated herein by reference.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors previously disclosed in Item 1A. "Risk Factors" in the Company's most recent annual report on Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

There were no equity securities sold by the Company during the period covered by this report that were not registered under the Securities Act.

In February 2020, the Company's Board of Directors authorized the Company to repurchase up to $150.0 million of its common stock beginning on February 25, 2020, and ending on December 31, 2021. In October 2021, the Company's Board of Directors reauthorized the Company to repurchase up to $150.0 million of its common stock beginning on January 1, 2022, and ending on December 31, 2023.

During the quarter ended September 30, 2022, the Company repurchased 196,050 shares of our common stock in the open market for an aggregate purchase price, including commissions, of $3.2 million. These shares were retired upon repurchase. As of September 30, 2022, $146.8 million remains available under the stock repurchase program.

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid per Share[1]	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Valu of Shares that May Yet Be Purchased Under the Plans or Programs
				(in thousands)
July 1-31, 2022	—	$ —	—	$ –
August 1-31, 2022	—	$ —	—	$ –
September 1-30, 2022	196,050	$ 16.46	196,050	$ 146,77

[1]The average price paid per share includes $0.02 commission fee per share.

ITEM 4. MINE SAFETY DISCLOSURES

The information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulations S-K (17 CFR 229.104) is included in Exhibit 95 to this periodic report on Form 10-Q.

ITEM 6. EXHIBITS

EXHIBIT INDEX

10. Material Contracts

10.b.(xlviii) Form of Notice of Time-Based Restricted Stock Unit Grant (Exhibit 10.b.1(xlviii) to Form 10-Q for the quarter ended September 30, 2022).

10.b.(xlix) Form of Time-Based Restricted Stock Unit Agreement for Executive Employees (Exhibit 10.b.1.(xlix) to Form 10-Q for the quarter ended September 30, 2022).

10.b.(l) Form of Notice of Performance-Based Restricted Stock Unit Grant (Exhibit 10.b.1.(l) to Form 10-Q for the quarter ended September 30, 2022).

10.b.(li) Form of Performance-Based Restricted Stock Unit Agreement for Executive Employees (Exhibit 10.b.1.(li) to Form 10-Q for the quarter ended September 30, 2022).

31.1 Certification of Chief Executive Officer, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 Certification of Chief Financial Officer, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

3 2 Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

95 Mine Safety Disclosure.

101 The following information from Alexander & Baldwin, Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2022, formatted in Inline XBRL (eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets as of September 30, 2022 and December 31, 2021; (ii) Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2022 and 2021; (iii) Condensed Consolidated Statements of Comprehensive Income (Loss) for the three and nine months ended September 30, 2022 and 2021; (iv) Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2022 and 2021; (v) Condensed Consolidated Statements of Equity and Redeemable Noncontrolling Interest for the three and nine months ended September 30, 2022 and 2021; and (vi) Notes to Condensed Consolidated Financial Statements.

104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ALEXANDER & BALDWIN, INC.

November 4, 2022	By: /s/ Brett A. Brown
	Brett A. Brown
	Executive Vice President and Chief Financial Officer
November 4, 2022	By: /s/ Clayton K.Y. Chun
	Clayton K.Y. Chun
	Senior Vice President and Chief Accounting Officer

ALEXANDER & BALDWIN, INC.
NOTICE OF AWARD OF PERFORMANCE-BASED RESTRICTED STOCK UNITS

The Company hereby awards to Participant, as of the Award Date indicated below, an award (the “Award”) of performance-based restricted stock units under the Company’s 2022 Omnibus Incentive Plan (the “Plan”), which represents the right to receive shares of Common Stock on the applicable issuance date following the vesting of the performance-based restricted stock units. The number of performance-based restricted stock units subject to this Award and the applicable performance-vesting requirement for those units and the underlying shares of Common Stock are set forth below. The remaining terms and conditions governing the Award, including the applicable service-vesting requirements and the applicable issuance date or dates for the shares of Common Stock that vest and become issuable under the Award, shall be as set forth in the form Performance-Based Restricted Stock Unit Award Agreement attached hereto as Exhibit A.

AWARD SUMMARY

Participant:	
Award Date:	
Performance Stock Units:	The actual number of shares of Common Stock that may become issuable pursuant to this Award shall be determined in accordance with the performance-vesting provisions of attached Schedule I and this Award Summary and the service-vesting provisions of the attached form Performance-Based Restricted Stock Unit Award Agreement. For purposes of the applicable calculations under those vesting provisions, the number of shares of Common Stock to be utilized is __shares (the “Performance Stock Units”).
Vesting Schedule:	The number of shares of Common Stock which may actually vest and become issuable pursuant to the Award shall be determined pursuant to a two-step process: (i) first there shall be calculated the maximum number of shares of Common Stock in which Participant can vest as a result of the level at which each of the Performance Goals specified on attached Schedule I is in fact attained and (ii) then the number of shares calculated under clause (i) in which Participant may actually vest shall be determined on the basis of Participant’s satisfaction of the applicable Service vesting requirements set forth in the attached form Performance-Based Restricted Stock Unit Award Agreement.

Performance Vesting: Attached Schedule I specifies the two Performance Goals and the Performance Period established for this Award. For each Performance Goal, there are three designated levels of attainment set forth in Schedule I: Threshold, Target and Maximum. The Performance Stock Units designated for this Award are hereby allotted fifty percent (50%) to each Performance Goal. Within sixty (60) days after the completion of the Performance Period, the Plan Administrator shall determine and certify the actual level of attainment for each Performance Goal and shall then measure that level of attainment against the Threshold, Target and Maximum Levels set forth for that Performance Goal in attached Schedule I. The maximum number of shares in which Participant can vest based upon the actual level of attainment of each Performance Goal shall be determined by applying the corresponding percentage below for that level of attainment to the number of Performance Stock Units allotted to that particular Performance Goal (the "Allotted Performance Stock Units") in accordance with the foregoing allocations:

Attainment below the Threshold Level: 0% of the Allotted Performance Stock Units

Attainment at the Threshold Level: 35% of the Allotted Performance Stock Units

Attainment at the Target Level: 100% of the Allotted Performance Stock Units

Attainment at Maximum Level: 200% of the Allotted Performance Stock Units

To the extent the actual level of attainment of a Performance Goal is at a point between the Threshold and Target Levels, the maximum number of Allotted Performance Stock Units in which Participant can vest shall be pro-rated between the two points on a straight line basis in accordance with the payout slope set forth in attached Schedule I.

To the extent the actual level of attainment of a Performance Goal is at a point between the Target and Maximum Levels, the maximum number of Allotted Performance Stock Units in which Participant can vest shall be pro-rated between the two points on a straight line basis in accordance with the payout slope set forth in attached Schedule I.

The maximum number of shares of Common Stock in which Participant can vest in the aggregate on the basis of the actual level of attainment of both Performance Goals shall be hereinafter designated the "Performance- Qualified Shares" and shall in no event exceed in the aggregate 200% of the number of Performance Stock Units set forth above.

Service Vesting. The number of Performance-Qualified Shares in which Participant actually vests shall be determined on the basis of Participant's satisfaction of the Service-vesting requirements set forth in Paragraph 3 of the attached form Performance-Based Restricted Stock Unit Award Agreement.

Resulting Shares. Each Performance-Qualified Share in which Participant vests in accordance with the applicable performance-vesting and service-vesting provisions of this Award shall entitle Participant to receive one share of Common Stock on the designated issuance date for that share determined in accordance with the provisions of the attached Performance-Based Restricted Stock Unit Award Agreement.

Participant understands and agrees that the Award is granted subject to and in accordance with the terms of the Plan and hereby agrees to be bound by the terms of the Plan and the terms of the Award as set forth in the form Performance-Based Restricted Stock Unit Award Agreement attached hereto as Exhibit A. Participant hereby acknowledges that Participant has received or been provided access to the official prospectus for the Plan. A copy of the Plan is available upon request made to the Human Resources Department at the Company's principal offices at 822 Bishop Street, Honolulu, Hawaii 96813.

Coverage under Recoupment Policy. By accepting this Award, Participant hereby agrees that should Participant at this time be, or at any time hereafter become, either an executive officer of the Company subject to Section 16 of the Securities Exchange Act of 1934, as amended, or a participant in the Company's Performance Improvement Incentive Plan, then:

(a) Participant shall be subject to the Alexander & Baldwin, Inc. Policy Regarding Recoupment of Certain Compensation, effective as of June 29, 2012, as may be amended from time to time, the terms of which are hereby incorporated herein by reference and receipt of a copy of which Participant hereby acknowledges; and

(b) any incentive compensation that is paid or granted to, or received by, Participant during the three-year period preceding the date on which the Company is required to prepare an accounting restatement due to material non-compliance with any applicable financial reporting requirements under the federal securities laws shall, accordingly, be subject to recovery and recoupment pursuant to the terms of such policy.

For purposes of such recoupment policy, "incentive compensation" means any cash or equity-based awards (e.g., any stock award, time-based restricted stock unit award, performance-based restricted stock unit award or stock option grant or shares of Common Stock issued thereunder) or any profit sharing payment or distribution that is based upon the achievement of financial performance metrics. An additional copy of the recoupment policy is available upon request made to the Corporate Secretary at the Company's principal offices.

Continuing Consent. Participant further acknowledges and agrees that, except to the extent the Plan Administrator notifies Participant in writing to the contrary, each subsequent award of performance-based restricted stock units made to Participant under the Plan shall be subject to the same terms and conditions set forth in the form Performance-Based Restricted Stock Unit Award Agreement attached hereto as Exhibit A, and Participant hereby accepts those terms and conditions for each such subsequent performance-based restricted stock unit award that may be made to Participant under the Plan and hereby agrees to be bound by those terms and conditions for any such performance-based restricted stock unit awards, without any further consent or acceptance required on Participant's part at the time or times when those awards may be made. However, Participant may, at any time Participant holds an outstanding performance-based restricted stock unit award under the Plan, request a written copy of the form Performance-Based Restricted Stock Unit Award Agreement from the Company by contacting the Company's Human Resources Department at the Company's principal offices.

Employment at Will. Nothing in this Notice or in the form Performance-Based Restricted Stock Unit Award Agreement or in the Plan shall confer upon Participant any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or any Parent or Subsidiary employing or retaining Participant) or of Participant, which rights are hereby expressly reserved by each, to terminate Participant's Service at any time for any reason, with or without cause.

Definitions. All capitalized terms in this Notice shall have the meaning assigned to them in this Notice or in the attached form Performance-Based Restricted Stock Unit Award Agreement.

DATED:

ALEXANDER & BALDWIN, INC.

By: ______________________

Title: ______________________

SCHEDULE I

PERFORMANCE GOALS AND PERFORMANCE PERIOD

PERFORMANCE PERIOD

The Performance Period shall be the three-year period beginning January 1, 2022 and ending December 31, 2024.

PERFORMANCE GOALS FOR PERFORMANCE VESTING

Performance Goal One: The performance-vesting requirement for fifty percent (50%) of the Performance Stock Units subject to this Award shall be tied to the percentile level at which the total shareholder return (including stock price appreciation and reinvestment of any cash dividends or other stockholder distributions) to the Company's stockholders over the Performance Period stands in relation to the total shareholder return realized for that period by the companies comprising the FTSE Nareit All-Equity Index.

Performance Goal Two: The performance-vesting requirement for the remaining fifty percent (50%) of the Performance Stock Units subject to this Award shall be tied to the percentile level at which the total shareholder return (including stock price appreciation and reinvestment of any cash dividends or other stockholder distributions) to the Company's stockholders over the Performance Period stands in relation to the total shareholder return realized for that period by the companies comprising the Selected Peer Group (as set forth on attached Schedule II).

Total Shareholder Return: For purposes of each Performance Goal, the total shareholder return ("***TSR***") for the Company's stockholders shall be determined pursuant to the following formula:

$$\text{TSR} = \frac{(\text{Ending Stock Price*} - \text{Beginning Stock Price**}) + \text{Reinvested Dividends***}}{\text{Beginning Stock Price**}}$$

* Ending Stock Price is the average daily closing price per share of the Common Stock calculated for the last thirty-one (31) days within the Performance Period.

** Beginning Stock Price is the average daily closing price per share of the Common Stock calculated for the thirty-one (31)-day period immediately preceding the commencement date of the Performance Period.

*** Reinvested Dividends shall be calculated by multiplying (i) the aggregate number of shares (including fractional shares) of Common Stock that could have been purchased during the Performance Period had each cash dividend paid on a single share of Common Stock during that period been immediately reinvested in additional shares (or fractional shares) of Common Stock at the closing price per share of the Common Stock on the applicable dividend payment date by (ii) the average daily closing price per share of Common Stock calculated for the last thirty-one (31) days within the Performance Period.

Each of the foregoing amounts shall be equitably adjusted for stock splits, stock dividends, recapitalizations and other similar events affecting the shares in question without the issuer's receipt of consideration.

For each company in the FTSE Nareit All-Equity Index and the Selected Peer Group, the TSR with respect to its common stock shall be calculated in the same manner as for the Common Stock.

In addition, the following parameters shall be in effect for purposes of measuring the TSR for the FTSE Nareit All-Equity Index and the Selected Peer Group:

- a company will be included in the FTSE Nareit All-Equity Index and the Selected Peer Group (as applicable) only if that company is represented in the index at the start of the Performance Period and remains publicly traded on an established exchange as an independent entity for the entire Performance Period, and the stock price performance of any company that is acquired, or otherwise ceases to exist as an independent publicly-owned entity, during the Performance Period shall not be taken into account in determining the relative TSR of the companies comprising the applicable Index;

- a company that is in the FTSE Nareit All-Equity Index or the Selected Peer Group (as applicable) at the start of the Performance Period that is involved in bankruptcy proceedings (and is no longer publicly traded) during the Performance Period shall be included in the applicable Index with a TSR designated at -100%;

- any distribution (other than a regular cash dividend), whether in cash, securities (other than shares of the distributing company's common stock) or other property, made during the Performance Period by a company included in the FTSE Nareit All-Equity Index or the Selected Peer Group (as applicable) for that period shall be treated in the same manner as a regular cash dividend paid by such distributing company (in an amount per share of the distributing company's common stock deemed equal to the cash amount or the fair market value of the securities or other property distributed per share of the distributing company's common stock) that is immediately reinvested in the distributing company's common stock; and

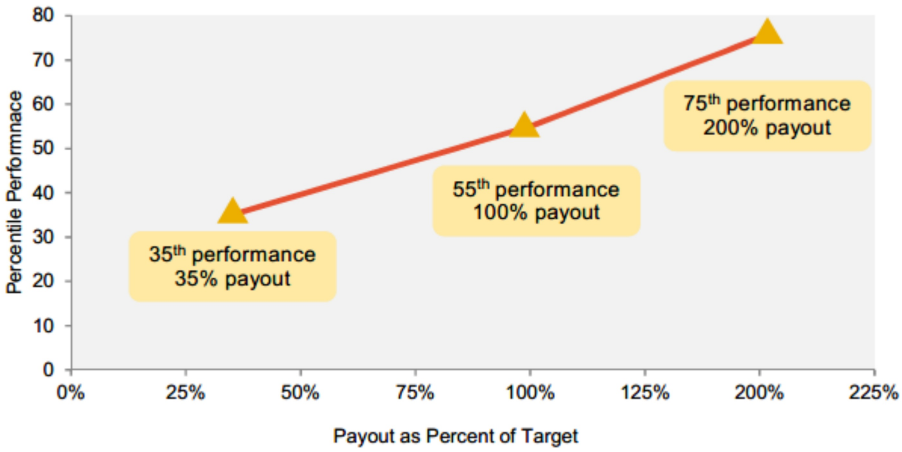
- any spin-off distribution of shares of the common stock of one or more subsidiaries or other affiliated entities that is made during the Performance Period by a company included in the FTSE Nareit All-Equity Index or the Selected Peer Group (as applicable) for that period shall be treated in the same manner as a regular cash dividend paid by that distributing company (in an amount per share of the distributing company's common stock deemed equal to the fair market value of the common stock (or fractional share thereof) of the spun-off entity distributed per share of the distributing company's common stock) that is immediately reinvested in the distributing company's common stock.

For purposes of measuring the TSR of the Company for the Performance Period, the foregoing parameters governing distributions and spin-off transactions shall also apply to any distribution (other than a regular cash dividend) or spin-off transaction that is effected by the Company during the Performance Period.

Should a Change in Control occur during the Performance Period, then the attained level of each Performance Goal shall be determined in accordance with the applicable Change in Control provisions of the form Performance Stock Unit Award Agreement attached hereto as Exhibit A.

Payout Slope for Determining Number of Performance-Qualified Shares Based on Attained Levels of Performance Goal: The number of shares in which Participant may vest on the basis of the certified percentile level of a Performance Goal attainment shall be calculated by multiplying the number of Performance Stock Units allotted to that Performance Goal by the applicable percentage determined in accordance with the following payout slope for the Performance Goal:

TOTAL SHAREHOLDER RETURN PAYOUT SLOPE



Payout Slope Details

Percentile	Percentage of Performance Stock Units Allotted to the Performance Goal in which Participant may vest*
<35th	0%
35th	35%
45th	67.5%
55th	100%
65th	150%
75th	200%

**linear interpolation between performance levels, rounded down to the nearest whole share*

SCHEDULE II

SELECTED PEER GROUP

The Selected Peer Group shall be comprised of the following companies

<u>Name and Ticker</u>

Brixmor Property Group, Inc. BRX
Urban Edge Properties UE
Acadia Realty Trust AKR
Retail Opportunity Investments Corp. ROIC
Kite Realty Group Trust KRG
Saul Centers, Inc. BFS
Urstadt Biddle Properties Inc. Class A UBA
Cedar Realty Trust, Inc. CDR
Washington Real Estate Investment Trust WRE
American Assets Trust, Inc. AAT
Armada Hoffler Properties, Inc. AHH
Whitestone REIT WSR
One Liberty Properties, Inc. OLP
SITE Centers Corp SITC
RPT Realty RPT

ALEXANDER & BALDWIN, INC.

PERFORMANCE-BASED RESTRICTED STOCK UNIT AWARD AGREEMENT

RECITALS

A. The Company has implemented the Plan for the purpose of providing eligible persons in the Company's service with the opportunity to acquire a proprietary interest, or otherwise increase their proprietary interest, in the Company as an incentive for them to continue in such service.

B. Participant is to render valuable services to the Company (or any Parent or Subsidiary), and this Agreement is executed pursuant to, and is intended to carry out the purposes of, the Plan in connection with the Company's issuance of Shares to Participant under the Plan.

C. All capitalized terms in this Agreement shall have the meaning assigned to them in the attached Appendix A.

NOW, THEREFORE, it is hereby agreed as follows:

1. **Grant of Performance Stock Units**. The Company hereby awards to Participant, as of the Award Date, Performance Stock Units under the Plan, which provide Participant with the right to receive Shares following vesting of the Performance Stock Units. The number of shares of Common Stock subject to the awarded Performance Stock Units and the applicable service-vesting and performance-vesting requirements for those shares shall be as set forth in the Award Notice. The remaining terms and conditions shall be as set forth in this Agreement.

2. **Limited Transferability**. Prior to the actual issuance of the Shares which vest hereunder, Participant may not transfer any interest in the Performance Stock Units subject to the Award or the underlying Shares or pledge or otherwise hedge the sale of those units or Shares, including (without limitation) any short sale or any acquisition or disposition of any put or call option or other instrument tied to the value of those Shares. However, any Shares which vest hereunder but otherwise remain unissued at the time of Participant's death may be transferred pursuant to the provisions of Participant's will or the laws of inheritance or to Participant's designated beneficiary or beneficiaries of this Award. Participant may also direct the Company to record the ownership of any Shares which in fact vest and become issuable hereunder in the name of a revocable living trust established for the exclusive benefit of Participant or Participant and Participant's spouse. Participant may make such a beneficiary designation or ownership directive at any time by filing the appropriate form with the Plan Administrator or its designee.

3. **Vesting Requirements**. The actual number of Shares that may vest and become issuable pursuant to the Performance Stock Units subject to the Award shall be determined pursuant to a two-step process: (i) first there shall be calculated the maximum number of Shares in which Participant can vest based upon the level at which each of the Performance Goals specified on Schedule I to the Award Notice is actually attained and (ii) then the number of Shares resulting from the clause (i) calculation in which Participant shall actually vest shall be determined on the basis of Participant's completion of the applicable Service-vesting provisions set forth below. Accordingly, the vesting of the Shares shall be calculated as follows:

(a) ***Performance Vesting***: Within sixty (60) days following the completion of the Performance Period, the Plan Administrator shall, on the basis of the level at which each of the Performance Goals has been attained, determine the applicable number of Performance-Qualified Shares in accordance with the provisions of the Award Notice and Schedule I attached thereto.

(b) ***Service Vesting***: The Performance-Qualified Shares so determined represent the maximum number of Shares in which Participant can vest hereunder. The actual number of Shares in which Participant shall vest shall be determined as follows:

(i) If Participant continues in Service through the completion of the three (3)-year Performance Period, Participant shall vest in all of the Performance-Qualified Shares. The Shares underlying those particular Performance-Qualified Shares shall be issued to Participant during the period beginning with the first business day of the first calendar year following the completion of the Performance Period and ending on March 15th of that year.

(ii) If Participant ceases Service during the Performance Period by reason of Early Retirement, Normal Retirement, death or Permanent Disability, then Participant shall, upon the completion of such Performance Period, vest in a portion of the Performance-Qualified Shares determined by multiplying (x) the maximum number of Performance-Qualified Shares in which Participant would have vested, based on the actual level of attainment of each of the Performance Goals for the Performance Period, had Participant completed the three (3)-year Service vesting requirement set forth in subparagraph (i) above by (y) a fraction, the numerator of which is the number of months of actual Service completed by Participant in such Performance Period (rounded to the closest whole month), and the denominator of which is thirty-six (36) months. The Shares underlying the Performance-Qualified Shares in which Participant vests in accordance with this subparagraph (ii) shall be issued to Participant during the period beginning with the first business day of the first calendar year following the completion of the Performance Period and ending on March 15th of that year.

(iii) If Participant's Service ceases for any other reason prior to the completion of the Performance Period, then Participant shall not vest in any of the Performance-Qualified Shares, and all of Participant's right, title and interest in and to the Shares subject to this Award shall immediately terminate.

Appendix A attached to this Agreement sets forth examples illustrating the calculation of the number of Performance Stock Units in which Participant may vest based upon hypothetical levels of attainment of the Performance Goals and service vesting requirements.

4. **<u>Stockholder Rights and Dividend Equivalents</u>**.

(a) The holder of this Award shall not have any stockholder rights, including voting, dividend or liquidation rights, with respect to the Shares subject to the Award until Participant becomes the record holder of those Shares upon their actual issuance following the Company's collection of the applicable Withholding Taxes.

(b) Notwithstanding the foregoing, should any dividend or other distribution payable other than in Shares be declared and paid on the Company's outstanding Common Stock in one or more calendar years during which one or more Performance Stock Units remain subject to this Award (i.e., the underlying Shares are not otherwise issued and outstanding for purposes of entitlement to the dividend or distribution), then a special book account shall be established for Participant and credited with a phantom dividend equivalent to the actual dividend or distribution that would have been paid on the maximum number of Shares that can qualify as Performance-Qualified Shares under this Award, had that number of Shares been issued and outstanding and entitled to that dividend or distribution. To the extent one or more Shares subsequently vest hereunder upon the satisfaction of the applicable vesting requirements for those Shares, the phantom dividend equivalents credited to those particular Shares in the book account shall vest, and those vested dividend equivalents shall be distributed to Participant (in the same form the actual dividend or distribution was paid to the holders of the Common Stock entitled to that dividend or distribution or in such other form as the Plan Administrator deems appropriate under the circumstances) concurrently with the issuance of those vested Shares.

(c) To the extent the maximum number of Shares that can qualify as Performance-Qualified Shares under this Award is not in fact earned by reason of the level at which each of the Performance Goals is actually attained, then the phantom dividend equivalents credited to those unearned Shares shall be cancelled, and Participant shall cease to have any right or entitlement to receive any distributions or other amounts with respect to those cancelled dividend equivalents.

(d) Should Participant cease Service without vesting in one or more of the Performance-Qualified Shares subject to this Award (including any Performance-Qualified Shares which do not otherwise vest at that time after taking into account any applicable vesting acceleration provisions set forth in this Agreement), then the phantom dividend equivalents credited to those unvested Performance-Qualified Shares shall be cancelled, and Participant shall thereupon cease to have any further right or entitlement to those cancelled amounts.

(e) Each distribution under Paragraph 4(b) shall be subject to the Company's collection of the Withholding Taxes applicable to that distribution.

5 . **Change in Control**. The following provisions shall apply to the extent a Change in Control is consummated prior to the completion of the applicable Performance Period and shall have no force or effect in the event the closing of the Change in Control occurs on or after the completion of such Performance Period.

(a) This Award, to the extent outstanding at the time of a Change in Control, may be assumed by the successor entity or otherwise continued in full force and effect or may be replaced with a cash retention account established by the successor entity. In such event, the following provisions shall be in effect:

(i) The Performance-Vesting requirements of this Agreement shall terminate, and the assumption or continuation of this Award shall be effected in accordance with Paragraph 5(b) below on the basis of the number of Shares that would have been issuable under this Award had there been Target Level Attainment of each of the Performance Goals. The Service-vesting and issuance provisions of Paragraph 3(b) shall continue in effect with respect to the assumed or continued Award, except as otherwise provided in this Section 5.

(ii) If Participant ceases Service prior to the completion of the Performance Period by reason of Early Retirement, Normal Retirement, death or Disability, then Participant shall, upon the closing of the Change in Control or (if later) such cessation of Service, vest in that number of Shares determined by multiplying (x) the number of Performance-Qualified Shares that would have resulted had the Company achieved each of the Performance Goals at Target Level Attainment and Participant completed the three (3)-year Service vesting requirement of Paragraph 3(b) by (y) a fraction, the numerator of which is the number of months of actual Service completed by Participant in such Performance Period (rounded to the closest whole month), and the denominator of which is thirty-six (36) months. The Shares (or other securities into which such Shares are converted in connection with the assumption of this Award) in which Participant so vests shall be issued to Participant on the earlier of (i) the date the Shares would have otherwise been issued pursuant to the provisions of Paragraph 3(b)(ii) in the absence of such Change in Control or, should such cessation of Service occur after such Change in Control but within twenty-four (24) months after the closing of a Qualifying Change in Control, (ii) the date of Participant's Separation from Service due to such cessation of Service.

(iii) Any cash retention account established in replacement of this Award shall initially be credited with the fair market value (at the effective time of the Change in Control) of the number of Shares that would have been issuable under this Award had there been Target Level Attainment of each of the Performance Goals, and interest shall accrue on the outstanding balance of such account, for the period commencing with the closing date of the Change in Control and continuing through the date of the final payment of the account, including any deferred payment date under Paragraph 9, at a variable per annum rate, compounded semi-annually, equal to the prime rate of interest as in effect from time to time during such period, as determined on the basis of the prime rate quotations published in ***The Wall Street Journal***. The cash retention account shall vest and be paid out in accordance with the Service-vesting and issuance provisions of Paragraph 3(b) or (to the extent applicable) in accordance with the pro-rata Service-vesting and issuance provisions of Paragraph 5(a)(ii) above. Participant's interest in such account shall at all times be that of a general, unsecured creditor.

(iv) In the event of such assumption or continuation of this Award or such replacement of the Award with a cash retention account, no accelerated vesting of the Performance Stock Units subject to this Award or the underlying Shares shall occur at the time of the Change in Control, and the Service-vesting provisions of Paragraph 3(b) shall continue in full force and effect.

(b) In the event this Award is assumed or otherwise continued in effect in connection with such Change in Control, the securities subject to the Award shall be adjusted immediately after the consummation of that Change in Control so as to apply to the number and class of securities into which the number of Shares issuable under this Award at Target Level Attainment of each of the Performance Goals would have been converted in consummation of that Change in Control had that number of Shares actually been issued and outstanding at that time. To the extent the actual holders of the outstanding Common Stock receive cash consideration for their Common Stock in consummation of the Change in Control, the successor corporation (or parent entity) may, in connection with the assumption or continuation of the Performance Stock Units subject to the Award at that time, but subject to the Plan Administrator's approval prior to the Change in Control, substitute one or more shares of its own common stock with a fair market value equivalent to the cash consideration paid per Share in the Change in Control transaction, provided such common stock is readily tradable on an established U.S. securities exchange or market.

(c) Upon Participant's Separation from Service due to an Involuntary Termination occurring within twenty-four (24) months after a Change in Control in which this Award is assumed or continued in effect, Participant shall immediately vest in that number of Shares (or other securities into which such Shares are converted in connection with the assumption of this Award) equal to the Performance-Qualified Shares that would have resulted had the Company achieved each of the Performance Goals at Target Level Attainment and Participant completed the three (3)-year Service vesting requirement of Paragraph 3(b), and that number of Shares (or other securities) shall be issued to Participant on the ***earlier*** of (i) the date those Shares would have otherwise been issued pursuant to the provisions of Paragraph 3(b) in the absence of such Change in Control or, should such cessation of Service occur within twenty-four (24) months after the closing of a Qualifying Change in Control, (ii) the date of Participant's Separation from Service (if earlier) due to such cessation of Service. Should this Award be replaced with a cash retention account in accordance with Paragraph 5(a), then that account shall vest upon Participant's Separation from Service due to the Involuntary Termination, provided and only if such Involuntary Termination occurs within twenty-four (24) months following the Change in Control. Such vested balance, together with all accrued interest thereon through the actual payment date, shall be distributed, as to each Share to which the cash retention account pertains, on the ***earlier*** of (x) the date that Share would have otherwise been issued pursuant to the Service-vesting and issuance provisions set forth in Paragraph 3(b) in the absence of such Change in Control or (y) the date of Participant's Separation from Service, provided such Separation from Service occurs within twenty-four (24) months after a Qualifying Change in Control. Except for the number of Shares and the cash retention balance distributed in accordance with the foregoing provisions of this Paragraph 5(c), Participant shall have no further right or entitlement to any additional Shares or other cash amounts hereunder upon such Separation from Service.

(d) If the Award is not assumed by the successor entity or otherwise continued in effect or replaced with a cash retention account in accordance with Paragraph 5(a), then the following provisions shall apply in the event the Change in Control is effected prior to the completion of the Performance Period:

(i) If Participant continues in Service through the effective date of the Change in Control, then Participant shall, upon the closing of such Change in Control, vest in that number of Shares equal to the Performance-Qualified Shares that would have resulted had the Company achieved each of the Performance Goals at Target Level Attainment and Participant completed the three (3)-year Service vesting requirement of Paragraph 3(b). The Shares in which Participant so vests shall be converted into the right to receive the same consideration per Share payable to the other stockholders of the Company in consummation of the Change in Control. Such consideration per Share shall be distributed to Participant on the ***earliest*** to occur of (x) the date the Share would have otherwise been issued pursuant to the Service-vesting and issuance provisions set forth in Paragraph 3(b) in the absence of such Change in Control, (y) the date of Participant's Separation from Service, provided such Separation from Service occurs within twenty-four (24) months after a Qualifying Change in Control, or (z) the first date following a Qualifying Change in Control transaction on which the distribution can be made without contravention of any applicable provisions of Code Section 409A.

(ii) To the extent the consideration payable per Share in the Change in Control is in the form of cash, a fully-vested cash retention account shall be established by the successor entity at the time of such Change in Control for each Share that vests on an accelerated basis in accordance with Section 5(d)(i) above. Such account shall be credited with the amount of the cash consideration payable for the Shares, and interest shall accrue on the outstanding balance of that account, for the period commencing with the closing date of the Change in Control and continuing through the date of the final payment of the account, including any deferred payment date under Paragraph 9, at a variable per annum rate, compounded semi-annually, equal to the prime rate of interest as in effect from time to time during such period, as determined on the basis of the prime rate quotations published in ***The Wall Street Journal***. The cash retention account, together with all accrued interest thereon through the actual payment date, shall be distributed, as to each Share to which that cash retention account pertains, in accordance with the foregoing distribution provisions of Paragraph 5(d)(i) above, and Participant's interest in the account shall at all times be that of a general, unsecured creditor.

(iii) If Participant ceases Service prior to the effective date of the Change in Control by reason of Early Retirement, Normal Retirement, death or Disability then Participant shall, upon the closing of such Change in Control, vest in that number of Shares determined by multiplying (x) the number of Performance-Qualified Shares that would have resulted had the Company achieved each of the Performance Goals at Target Level Attainment and Participant completed the three (3)-year Service vesting requirement of Paragraph 3(b) by (y) a fraction, the numerator of which is the number of months of actual Service completed by Participant in such Performance Period (rounded to the closest whole month), and the denominator of which is thirty-six (36) months. The Shares in which Participant so vests shall be converted into the right to receive the same consideration per Share payable to the other stockholders of the Company in consummation of the Change in Control. Such consideration per Share shall be distributed to Participant on the earlier of (A) the date the Share would have otherwise been issued pursuant to the provisions of Paragraph 3(b)(ii) in the absence of such Change in Control or (B) the first date following a Qualifying Change in Control transaction on which the distribution can be made without contravention of any applicable provisions of Code Section 409A.

(iv) Except for the amount of consideration so calculated, Participant shall have no further right or entitlement to any additional Shares or consideration under this Award.

6 . **Change in Control Benefits Agreement**. Notwithstanding anything to the contrary in this Agreement, if Participant is, at the time of a change in control or ownership of the Company (whether or not that transaction constitutes a Change in Control hereunder), a party to a Change in Control Benefits Agreement with the Company, then the provisions of that agreement shall, to the extent applicable to this Award, govern Participant's rights and benefits with respect to the Performance Stock Units and underlying Shares subject to this Agreement, and in the event of any conflict between the provisions of that Change in Control Benefits Agreement and this Agreement, the provisions of the Change in Control Benefits Agreement shall be controlling; ***provided, however,*** that in the event there is any conflict between the issuance or distribution provisions of this Agreement and the issuance or distribution provisions of the Change in Control Benefits Agreement, the issuance and distribution provisions of this Agreement shall be controlling.

7. **Adjustment in Shares**. Should any change be made to the Common Stock by reason of any stock split, stock dividend, recapitalization, combination of shares, exchange of shares, spin-off transaction, extraordinary dividend or distribution or other change affecting the outstanding Common Stock as a class without the Company's receipt of consideration, or should the value of the outstanding Shares be substantially reduced as a result of a spin-off transaction or an extraordinary dividend or distribution, or should there occur any merger, consolidation or other reorganization, then equitable adjustments shall be made by the Plan Administrator to the total number and/or class of securities issuable pursuant to this Award in order to reflect such change and thereby prevent a dilution or enlargement of benefits hereunder. In making such equitable adjustments, the Plan Administrator shall take into account

any amounts credited to Participant's book account under Paragraph 4(b) in connection with the transaction, and the determination of the Plan Administrator shall be final, binding and conclusive. In the event of any Change in Control transaction, the adjustment provisions of Paragraph 5(b) shall be controlling.

8. **Issuance of Vested Shares and Applicable Withholding Taxes**

(a) Any Shares to be issued to Participant in accordance with the foregoing provisions of this Agreement shall be in the form of a book entry evidencing ownership of those Shares. Actual certificates for the vested Shares evidenced by book entry ownership shall be promptly delivered upon the request of Participant or any other person having an interest at the time in those Shares.

(b) The Company shall collect the Withholding Taxes with respect to each non-Share distribution by withholding a portion of that distribution equal to the amount of the applicable Withholding Taxes, with the cash portion of the distribution to be the first portion so withheld.

(c) Unless Participant (i) otherwise makes satisfactory arrangements with the Company's Human Resources Department, on or before the expiration of the designated notification period preceding the applicable issuance date of the Shares, to pay the applicable Withholding Taxes through the delivery of a check payable to the Company in the amount of such Withholding Taxes and (ii) in fact delivers such check to the Company not later than that issuance date, the Company shall collect the Withholding Taxes applicable to the Share issuance through the following automatic share withholding method:

- On the applicable issuance date, the Company shall withhold, from the vested Shares otherwise issuable to Participant at that time, a portion of those Shares with a Fair Market Value (measured as of the issuance date) equal to the applicable Withholding Taxes; ***provided, however,*** that the number of Shares which the Company shall be required to so withhold shall not exceed in Fair Market Value the amount necessary to satisfy the Company's required tax withholding obligations using the maximum applicable federal, state and local statutory tax rates (including income tax and employment taxes) in Participant's applicable jurisdiction.

(d) Notwithstanding the foregoing provisions of this Paragraph 8, the employee portion of the federal, state and local employment taxes required to be withheld by the Company in connection with the vesting of the Shares or any other amounts hereunder (the "Employment Taxes") shall in all events be collected from Participant no later than the last business day of the calendar year in which the Shares or other amounts vest hereunder. Accordingly, to the extent the applicable issuance date for one or more vested Shares or the distribution date for such other amounts is to occur in a year subsequent to the calendar year in which those Shares or other amounts vest, Participant shall, on or before the last business day of the calendar year in which the Shares or other amounts vest, deliver to the Company a check payable to its order in the dollar amount equal to the Employment Taxes required to be withheld with respect to those Shares or other amounts. The provisions of this Paragraph 8(d) shall be applicable only to the extent necessary to comply with the applicable tax withholding requirements of Code Section 3121(v).

(e) Except as otherwise provided in Paragraph 5 or this Paragraph 8, the settlement of all performance stock units which vest under the Award shall be made solely in Shares. In no event, however, shall any fractional shares be issued. Accordingly, the total number of Shares to be issued at the time the Award vests shall, to the extent necessary, be rounded down to the next whole share in order to avoid the issuance of a fractional share.

9. **Code Section 409A**. Notwithstanding any provision to the contrary in this Agreement, to the extent this Award may be deemed to create a deferred compensation arrangement under Code Section 409A, then the following provisions shall apply:

- No Shares or other amounts which become issuable or distributable under this Agreement upon Participant's Separation from Service shall actually be issued or distributed to Participant prior to the ***earlier*** of (i) the first (1st) day of the seventh (7th) month following the date of such Separation from Service or (ii) the date of Participant's death, if Participant is deemed at the time of such Separation from Service to be a specified employee under Section 1.409A-1(i) of the Treasury Regulations issued under Code Section 409A, as determined by the Plan Administrator in accordance with consistent and uniform standards applied to all other Code Section 409A arrangements of the Company, and such delayed commencement is otherwise required in order to avoid a prohibited distribution under Code Section 409A(a)(2). The deferred Shares or other distributable amount shall be issued or distributed in a lump sum on the first (1st) day of the seventh (7th) month following the date of Participant's Separation from Service or, if earlier, the first day of the month immediately following the date the Company receives proof of Participant's death.

10. **Compliance with Laws and Regulations**. The issuance of Shares pursuant to the Award shall be subject to compliance by the Company and Participant with all applicable requirements of law relating thereto and with all applicable regulations of any Stock Exchange on which the Common Stock may be listed for trading at the time of such issuance.

11. **Notices**. Any notice required to be given or delivered to the Company under the terms of this Agreement shall be in writing and addressed to the Company at its principal corporate offices. Any notice required to be given or delivered to Participant shall be in writing and addressed to Participant at the address indicated below Participant's signature line on the Award Notice. All notices shall be deemed effective upon personal delivery or upon deposit in the U.S. mail, postage prepaid and properly addressed to the party to be notified.

12. **Successors and Assigns**. Except to the extent otherwise provided in this Agreement, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and Participant, Participant's assigns, the legal representatives, heirs and legatees of Participant's estate and any beneficiaries of the Award designated by Participant.

13. **Construction**.

(a) This Agreement and the Award evidenced hereby are made and granted pursuant to the Plan and are in all respects limited by and subject to the terms of the Plan and any applicable Change in Control Benefits Agreement. All decisions of the Plan Administrator with respect to any question or issue arising under the Plan or this Agreement shall be conclusive and binding on all persons having an interest in the Award.

(b) To the extent there is any ambiguity as to whether any provision of this Agreement would otherwise contravene one or more applicable requirements or limitations of Section 409A of the Internal Revenue Code and the Treasury Regulations thereunder, such provision shall be interpreted and applied in a manner that complies with the applicable requirements of Section 409A of the Internal Revenue Code and the Treasury Regulations thereunder.

(c) Participant hereby acknowledges the receipt of a copy of the official prospectus for the Plan. A copy of the Plan is available upon request made to the Human Resources Department at the Company's principal offices (822 Bishop Street, Honolulu, HI 96813).

(d) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate or sell or transfer all or any part of its business or assets.

14. **Governing Law**. The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Hawaii without resort to that State's conflict-of-laws rules.

15. **Coverage under Recoupment Policy**. If Participant is on the Award Date, or at any time thereafter becomes, either an executive officer of the Company subject to Section 16 of the 1934 Act, or a participant in the Company's Performance Improvement Incentive Plan, then Participant shall be subject to the Alexander & Baldwin, Inc. Policy Regarding Recoupment of Certain Compensation, effective as of June 29, 2012, as may be amended from time to time (the "Recoupment Policy"), the terms of which are hereby incorporated herein by reference and receipt of a copy of which Participant hereby acknowledges. If Participant is subject to the Recoupment Policy, then any incentive compensation that is paid or granted to, or received by, Participant during the three-year period preceding the date on which the Company is required to prepare an accounting restatement due to material non-compliance with any applicable financial reporting requirements under the federal securities laws shall be subject to recovery and recoupment pursuant to the terms of such policy. For purposes of such Recoupment Policy, "incentive compensation" means any cash or equity-based award (e.g., stock award, restricted stock unit award, performance stock unit award or stock option grant or Shares issued thereunder) or any profit sharing payment or distribution that is based upon the achievement of financial performance metrics. An additional copy of the Recoupment Policy is available upon request made to the Corporate Secretary at the Company's principal offices.

APPENDIX A

DEFINITIONS

The following definitions shall be in effect under the Agreement:

A. **Agreement** shall mean this Performance-Based Restricted Stock Unit Award Agreement.

B. **Award** shall mean the award of Performance Stock Units made to Participant pursuant to the terms of this Agreement.

C. **Award Date** shall mean the date the Performance Stock Units are awarded to Participant pursuant to the Agreement and shall be the date specified in the Award Notice.

D. **Award Notice** shall mean the Notice of Award of Performance-Based Restricted Stock Units delivered to Participant in which there is set forth the basic terms of the Performance Stock Units subject to this Agreement.

E. **Board** shall mean the Company's Board of Directors.

F. **Cause** shall mean the commission of any act of fraud, embezzlement or dishonesty by Participant, any unauthorized use or disclosure by Participant of confidential information or trade secrets of the Company (or any Parent or Subsidiary), or any other intentional misconduct by Participant adversely affecting the business or affairs of the Company (or any Parent or Subsidiary) in a material manner; **provided, however,** that in the event Participant is, at the time the Company (or any Parent or Subsidiary) terminates Participant's Employee status for Cause, a party to a Change in Control Benefits Agreement applicable to the Award, the term Cause shall have the meaning ascribed to that term in such Change in Control Benefits Agreement. The foregoing definition shall not in any way preclude or restrict the right of the Company (or any Parent or Subsidiary) to discharge or dismiss Participant or any other person in the Service of the Company (or any Parent or Subsidiary) for any other acts or omissions, but such other acts or omissions shall not be deemed, for purposes of the Plan and this Agreement, to constitute grounds for termination for Cause.

G. **Change in Control** shall mean a change in ownership or control of the Company effected through any of the following transactions:

(i) a merger, consolidation or other reorganization approved by the Company's stockholders,unless securities representing fifty percent (50%) or more of the total combined voting power of the voting securities of the successor corporation are immediately thereafter beneficially owned, directly or indirectly and in substantially the same proportion, by the persons who beneficially owned the Company's outstanding voting securities immediately prior to such transaction;

(ii) a sale, transfer or other disposition of all or substantially all of the Company's assets;

(iii) the closing of any transaction or series of related transactions pursuant to which any person or any group of persons comprising a "group" within the meaning of Rule 13d-5(b)(1) of the 1934 Act (other than the Company or a person that, prior to such transaction or series of related transactions, directly or indirectly controls, is controlled by or is under common control with, the Company) acquires directly or indirectly (whether as a result of a single acquisition or by reason of one or more acquisitions within the twelve (12)-month period ending with the most recent acquisition) beneficial ownership (within the meaning of Rule 13d-3 of the 1934 Act) of securities possessing (or convertible into or exercisable for securities possessing) thirty-five percent (35%) or more of the total combined voting power of the Company's securities (as measured in terms of the power to vote with respect to the election of Board members) outstanding immediately after the consummation of such transaction or series of related transactions, whether such transaction involves a direct issuance from the Company or the acquisition of outstanding securities held by one or more of the Company's existing stockholders; or

(iv) a change in the composition of the Board over a period of twelve (12) consecutive months or less such that a majority of the Board members ceases, by reason of one or more contested elections for Board membership, to be comprised of individuals who either (A) have been Board members continuously since the beginning of such period or (B) have been elected or nominated for election as Board members during such period by at least a majority of the Board members described in clause (A) who were still in office at the time the Board approved such election or nomination;

provided, however, that in the event Participant is a party to a Change in Control Benefits Agreement applicable to the Award, the term Change in Control shall have the meaning ascribed to that term in such Change in Control Benefits Agreement.

H. **Change in Control Benefits Agreement** shall mean any separate agreement between Participant and the Company which provides Participant with special vesting acceleration and/or other special benefits with respect to one or more awards of restricted stock units made to Participant for Shares, including (to the extent applicable) the performance stock units evidenced by this Agreement, in the event of a change in control or ownership of the Company (whether or not constituting a Change in Control hereunder).

I. **Code** shall mean the Internal Revenue Code of 1986, as amended.

J. **Common Stock** shall mean the Company's common stock.

K. **Company** shall mean Alexander & Baldwin, Inc., a Hawaii corporation, and any successor to all or substantially all of the assets or voting stock of Alexander & Baldwin, Inc.

L. **Early Retirement** shall mean Participant's retirement from Service, with the prior approval of the Company (or the Parent or Subsidiary employing Participant), on or after the attainment of age fifty-five (55) and the completion of at least five (5) years of Service.

M. **Employee** shall mean an individual who is in the employ of the Company (or any Parent or Subsidiary, whether now existing or subsequently established), subject to the control and direction of the employer entity as to both the work to be performed and the manner and method of performance.

N. **Fair Market Value** per Share on any relevant date shall be the closing selling price per Share at the close of regular hours trading (i.e., before after-hours trading begins) on the date in question on the Stock Exchange serving as the primary market for the Common Stock, as such price is reported by the National Association of Securities Dealers (if primarily traded on the Nasdaq Global or Global Select Market) or as officially quoted in the composite tape of transactions on any other Stock Exchange on which the Common Stock is then primarily traded. If there is no closing selling price for the Common Stock on the date in question, then the Fair Market Value shall be the closing selling price on the last preceding date for which such quotation exists.

O. **Good Reason** shall mean the occurrence of any of the following events effected without Participant's consent: (A) a material diminution by the Company of Participant's authority, duties or responsibilities; (B) a material change in the geographic location at which Participant must perform (which, for purposes of the Agreement, means relocation of the offices of the Company at which Participant is principally employed to a location that increases Participant's commute to work by more than fifty (50) miles); or (C) a material diminution in Participant's base salary. Participant must provide written notice of termination for Good Reason to the Company within sixty (60) days after the event constituting Good Reason. The Company shall have a period of sixty (60) days in which it may correct the act or failure to act that constitutes the grounds for Good Reason as set forth in Participant's notice of termination. If the Company does not correct the act or failure to act, Participant's employment will terminate for Good Reason on the first business day following the Company's sixty (60)-day cure period.

However, in the event Participant is at the time of Participant's cessation of Employee status a party to a Change in Control Benefits Agreement applicable to the Award evidenced by this Agreement, the term **Good Reason** shall have the meaning ascribed to that term in such Change in Control Benefits Agreement.

P. **Involuntary Termination** shall mean Participant's Separation from Service by reason of:

(i) Participant's involuntary dismissal or discharge by the Company (or any Parent or Subsidiary) for reasons other than for Cause, or

(ii) Participant's voluntary resignation for Good Reason.

Q. **Maximum Level Attainment** shall mean the Company's achievement of a Performance Goal set forth in Schedule I to the Award Notice at the level designated as Maximum Level attainment for that goal in the Award Notice.

R. **1934 Act** shall mean the Securities Exchange Act of 1934, as amended from time to time.

S. **Normal Retirement** shall mean the cessation of Service by reason of retirement at or after the attainment of age sixty-five (65).

T. **Participant** shall mean the person to whom the Award is made pursuant to the Agreement.

U. **Parent** shall mean any corporation (other than the Company) in an unbroken chain of corporations ending with the Company, provided each corporation in the unbroken chain (other than the Company) owns, at the time of the determination, stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

V. **Performance Goals** shall mean the performance goals specified on Schedule I of the Award Notice.

W. **Performance Period** shall mean the period specified on Schedule I of the Award Notice over which the attainment of the Performance Goals is to be measured.

X. **Performance-Qualified Shares** shall mean the maximum number of Shares in which Participant can vest based on the level at which the Performance Goals for the Performance Period are attained and shall be calculated in accordance with the provisions of the Award Notice. In no event shall the number of such Performance-Qualified Shares exceed two hundred percent (200%) of the designated number of Performance Stock Units set forth in the Performance Stock Units section of the Award Notice. Each Performance-Qualified Share that vests pursuant to the terms of the Award shall entitle Participant to receive one Share.

Y. **Performance Stock Units** shall mean the number of phantom Shares awarded under this Agreement that shall be applied to the calculation of the maximum number of Performance-Qualified Shares (if any) based on the level at which the Performance Goals are in fact attained over the applicable Performance Period.

Z. **Permanent Disability** shall mean the inability of Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment expected to result in death or to be of continuous duration of twelve (12) months or more.

AA. **Plan** shall mean the Company's 2022 Omnibus Incentive Plan.

BB. **Plan Administrator** shall mean either the Board or a committee of the Board acting in its capacity as administrator of the Plan.

CC. **Qualifying Change in Control** shall mean the date on which there occurs a Change in Control that also qualifies as: (i) a change in the ownership of the Company, as determined in accordance with Section 1.409A-3(i)(5)(v) of the Treasury Regulations, (ii) a change in the effective control of the Company, as determined in accordance with Section 1.409A-3(i)(5)(vi) of the Treasury Regulations, or (iii) a change in the ownership of a substantial portion of the assets of the Company, as determined in accordance with Section 1.409A-3(i)(5)(vii) of the Treasury Regulations.

DD. **Separation from Service** shall mean Participant's cessation of Employee status by reason of Participant's death, retirement or termination of employment. Participant shall be deemed to have terminated employment for such purpose at such time as the level of Participant's bona fide services to be performed as an Employee (or as a consultant or independent contractor) permanently decreases to a level that is less than fifty percent (50%) of the average level of services Participant rendered as an Employee (or as a consultant or independent contractor) during the immediately preceding thirty-six (36) months of employment (or such shorter period for which Participant may have rendered such services). Solely for purposes of determining when a Separation from Service occurs, Participant will be deemed to continue in "Employee" status for so long as Participant remains in the employ of one or more members of the Employer Group (as defined below), subject to the control and direction of the employer entity as to both the work to be performed and the manner and method of performance. "Employer Group" means the Company and any Parent or Subsidiary and any other corporation or business controlled by, controlling or under common control with, the Company, as determined in accordance with Sections 414(b) and (c) of the Code and the Treasury Regulations thereunder, except that in applying Sections 1563(1), (2) and (3) of the Code for purposes of determining the controlled group of corporations under Section 414(b), the phrase "at least 50 percent" shall be used instead of "at least 80 percent" each place the latter phrase appears in such sections and in applying Section 1.414(c)-2 of the Treasury Regulations for purposes of determining trades or businesses that are under common control for purposes of Section 414(c), the phrase "at least 50 percent" shall be used instead of "at least 80 percent" each place the latter phrase appears in Section 1.4.14(c)-2 of the Treasury Regulations. Any such determination as to

Separation from Service, however, shall be made in accordance with the applicable standards of the Treasury Regulations issued under Section 409A of the Code.

EE. **Service** shall mean Participant's performance of services for the Company (or any Parent or Subsidiary) in the capacity of an Employee, a non-employee member of the board of directors or a consultant or independent advisor. In addition, the following provisions shall govern the determination of Participant's period of Service:

(i) Participant shall be deemed to cease Service immediately upon the occurrence of the either of the following events: (a) Participant no longer performs services in any of the foregoing capacities for the Company (or any Parent or Subsidiary) or (b) the entity for which Participant performs such services ceases to remain a Parent or Subsidiary of the Company, even though Participant may subsequently continue to perform services for that entity.

(ii) Service as an Employee shall not be deemed to cease during a period of military leave, sick leave or other personal leave approved by the Company (or any Parent or Subsidiary) employing Participant; provided, however, that the following special provisions shall be in effect for any such leave:

a. Should the period of such leave (other than a disability leave) exceed six (6) months, then Participant shall be deemed to cease Service and to incur a Separation from Service upon the expiration of the initial six (6)-month period of that leave, unless Participant retains a right to re-employment under applicable law or by contract with the Company (or any Parent or Subsidiary).

b. Should the period of a disability leave exceed twenty-nine (29) months, then Participant shall be deemed to cease Service and to incur a Separation from Service upon the expiration of the initial twenty-nine (29)-month period of that leave, unless Participant retains a right to re-employment under applicable law or by contract with the Company (or any Parent or Subsidiary). For such purpose, a disability leave shall be a leave of absence due to any medically determinable physical or mental impairment that can be expected to result in death or to last for a continuous period of not less than six (6) months and causes Participant to be unable to perform the duties of Participant's position of employment (or any substantially similar position of employment) with the Company (or any Parent or Subsidiary).

c. Except to the extent otherwise required by law or expressly authorized by the Plan Administrator or by the Company's written policy on leaves of absence, no Service credit shall be given for vesting purposes for any period Participant is on a leave of absence.

(iii) Notwithstanding anything to the contrary in the foregoing provisions of this Service definition, Participant shall in all events be deemed to cease Service for all purposes of this Award immediately upon Participant's incurrence of a Separation from Service.

FF. **Share** shall mean a share of Common Stock.

GG. **Stock Exchange** shall mean the American Stock Exchange, the Nasdaq Global or Global Select Market or the New York Stock Exchange.

HH. **Subsidiary** shall mean any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company, provided each corporation (other than the last corporation) in the unbroken chain owns, at the time of the determination, stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. The term Subsidiary shall also include any wholly-owned limited liability company in such chain of subsidiaries.

II. **Target Level Attainment** shall mean the Company's achievement of a Performance Goal set forth in Schedule I to the Award Notice at the level designated as Target Level attainment for that goal in the Award Notice.

JJ. **Withholding Taxes** shall mean the federal, state and local income taxes and the employee portion of the federal, state and local employment taxes required to be withheld by the Company in connection with the vesting and issuance of the shares of Common Stock which vest under the Award and any phantom dividend equivalents distributed with respect to those shares.

APPENDIX A

ILLUSTRATION OF VESTING CALCULATIONS

The following examples are for illustration purposes only:

1. Participant receives an Award for 2,000 Performance Stock Units at Target Level, allocated 1,000 Performance Stock Units to each Performance Goal, and Participant continues in Service until the completion of the Performance Period. If each Performance Goal is attained at the Target Level for that goal, Participant shall vest in all 2,000 Performance Stock Units following the completion of the Performance Period. If each Performance Goal is attained at the Maximum Level for that goal, Participant shall vest in an additional 2,000 Performance Stock Units for a total of 4,000 Performance Stock Units following the completion of the Performance Period.

2. Participant receives an Award for 2,000 Performance Stock Units at Target Level, allocated 1,000 Performance Stock Units to each Performance Goal, and Participant continues in Service until the completion of the Performance Period. If Performance Goal One is attained at the Target Level for that goal and Performance Goal Two is attained at the Threshold Level for that goal, Participant shall vest in 1,350 Performance Stock Units following the completion of the Performance Period. On the other hand, if Performance Goal One is attained at the Target Level for that goal and Performance Goal Two is attained at the Maximum Level for that goal, Participant shall vest in 3,000 Performance Stock Units following completion of the Performance Period.

3. Participant receives an Award for 2,000 Performance Stock Units at Target Level, allocated 1,000 Performance Stock Units to each Performance Goal, and Participant ceases Service due to Permanent Disability halfway through the Performance Period. If each Performance Goal is attained at the Target Level for that goal, Participant shall vest in 1,000 Performance Stock Units. On the other hand, if each Performance Goal is attained at the Maximum Level for that goal, Participant shall vest in an additional 1,000 Performance Stock Units for a total of 2,000 Performance Stock Units.

4. Participant receives an Award for 2,000 Performance Stock Units at Target Level, allocated 1,000 Performance Stock Units to each Performance Goal, and Participant continues in Service through the completion of the Performance Period. If each Performance Goal is attained at a point halfway between the Threshold and Target Levels for that goal, Participant would vest in 1,350 Performance Stock Units following the completion of the Performance Period. On the other hand, if each Performance Goal is attained at a point halfway between the Target and Maximum Levels for that goal, Participant would vest in 3,000 Performance Stock Units following the completion of the Performance Period.

5. Participant receives an Award for 2,000 Performance Stock Units at Target Level, allocated 1,000 Performance Stock Units to each Performance Goal, and Participant ceases Service due to Permanent Disability halfway through the Performance Period. If each Performance Goal is attained at a point halfway between the Threshold and Target Levels for that goal, Participant would vest in 675 Performance Stock Units following the completion of the Performance Period. On the other hand, if each Performance Goal is attained at a point halfway between the Target and Maximum Levels for that goal, Participant would vest in 1,500 Performance Stock Units following the completion of the Performance Period.

ALEXANDER & BALDWIN, INC.

**TIME-BASED RESTRICTED STOCK UNIT
AWARD AGREEMENT**

RECITALS

A. The Company has implemented the Plan for the purpose of providing eligible persons in the Company's service with the opportunity to acquire a proprietary interest, or otherwise increase their proprietary interest, in the Company as an incentive for them to continue in such service.

B. Participant is to render valuable services to the Company (or any Parent or Subsidiary), and this Agreement is executed pursuant to, and is intended to carry out the purposes of, the Plan in connection with the Company's issuance of Shares to Participant under the Plan.

C. All capitalized terms in this Agreement shall have the meaning assigned to them in the attached Appendix A.

NOW, THEREFORE, it is hereby agreed as follows:

1. **Grant of Restricted Stock Units**. The Company hereby awards to Participant, as of the Award Date, restricted stock units under the Plan. Each restricted stock unit that vests pursuant to the terms of this Agreement shall provide Participant with the right to receive one Share on the designated issuance date for such Share. The number of Shares underlying the awarded restricted stock units and the applicable service vesting requirements for those restricted stock units and the underlying Shares are set forth in the Award Notice. The remaining terms and conditions governing the Award shall be as set forth in this Agreement.

2. **Limited Transferability**. Prior to the actual issuance of the Shares which vest hereunder, Participant may not transfer any interest in the restricted stock units subject to the Award or the underlying Shares or pledge or otherwise hedge the sale of those units or Shares, including (without limitation) any short sale or any acquisition or disposition of any put or call option or other instrument tied to the value of those Shares. However, any Shares which vest hereunder but otherwise remain unissued at the time of Participant's death may be transferred pursuant to the provisions of Participant's will or the laws of inheritance or to Participant's designated beneficiary or beneficiaries of this Award. Participant may also direct the Company to record the ownership of any Shares which in fact vest and become issuable hereunder in the name of a revocable living trust established for the exclusive benefit of Participant or Participant and Participant's spouse. Participant may make such a beneficiary designation or ownership directive at any time by filing the appropriate form with the Plan Administrator or its designee.

3. **Cessation of Service**.

(a) Except to the extent otherwise provided in this Paragraph 3 or Paragraph 5 below, should Participant cease Service for any reason prior to vesting in one or more Shares subject to this Award, then the Award shall be immediately cancelled with respect to those unvested Shares, and the number of restricted stock units shall be reduced accordingly. Participant shall thereupon cease to have any right or entitlement to receive any Shares under those cancelled units.

(b) Should Participant's Service terminate by reason of Participant's death or Permanent Disability prior to vesting in one or more Shares subject to this Award, then the restricted stock units shall vest in full upon Participant's termination of Service. The Shares subject to those vested units shall be issued in accordance with the applicable provisions of Paragraph 7.

(c) Should Participant's Service terminate by reason of Participant's Early Retirement or Normal Retirement prior to vesting in all the Shares subject to this Award in accordance with the annual installment vesting schedule set forth in the Award Notice, then Participant shall immediately vest in that number of additional Shares (if any) in which Participant would have otherwise been vested at the time of such termination had the Shares subject to this Award vested in a series of successive equal monthly installments over the duration of the vesting schedule set forth in the Award Notice. The Shares which are deemed to vest on the basis of such monthly installment vesting schedule shall, together with any other Shares which are at the time vested but unissued, be issued in accordance with the applicable provisions of Paragraph 7. The balance of the Award shall be immediately cancelled and cease to be outstanding upon such termination of Service.

4. **Stockholder Rights and Dividend Equivalents**.

(a) The holder of this Award shall not have any stockholder rights, including voting, dividend or liquidation rights, with respect to the Shares subject to the Award until Participant becomes the record holder of those Shares upon their actual issuance following the Company's collection of the applicable Withholding Taxes.

(b) Notwithstanding the foregoing, should any dividend or other distribution payable other than in Shares be declared and paid on the Company's outstanding Common Stock in one or more calendar years during which one or more restricted stock units remain subject to this Award (i.e., those Shares are not otherwise issued and outstanding for purposes of entitlement to the dividend or distribution), then a special book account shall be established for Participant and credited with a phantom dividend equivalent to the actual dividend or distribution which would have been paid on those Shares had they been issued and outstanding and entitled to that dividend or distribution. To the extent one or more restricted stock units subsequently vest hereunder upon the satisfaction of the applicable vesting requirements for those restricted stock units, the phantom dividend equivalents credited to those particular restricted stock units in Participant's book account shall vest, and those vested dividend equivalents shall be distributed to Participant (in the same form the actual dividend or distribution was paid to the holders of the Shares entitled to that dividend or distribution or in such other form as the Plan Administrator deems appropriate in its sole discretion) concurrently with the issuances of those vested Shares, subject to the Company's collection of the Withholding Taxes applicable to that distribution.

5. **Change in Control**.

(a) This Award, to the extent outstanding at the time of a Change in Control, may be assumed by the successor entity or otherwise continued in full force and effect or may be replaced with a cash retention account established by the successor entity. Any such assumption or continuation of this Award shall be effected in accordance with Paragraph 5(b) below. Any cash retention account established in replacement of this Award shall initially be credited with the fair market value (at the effective time of the Change in Control) of the Shares subject to the Award at that time, and interest shall accrue on the outstanding balance of such account, for the period commencing with the closing date of the Change in Control and continuing through the date of the final payment of the account, including any deferred payment date under Paragraph 8, at a variable per annum rate, compounded semi-annually, equal to the prime rate of interest as in effect from time to time during such period, as determined on the basis of the prime rate quotations published in The Wall Street Journal. The cash retention account shall vest and be paid out in accordance with the same vesting and payment schedule applicable to the Award, as set forth in Paragraphs 1 and 7, and Participant's interest in such account shall at all times be that of a general, unsecured creditor. In the event of such assumption or continuation of this Award or such replacement of the Award with a cash retention account, no accelerated vesting of the restricted stock units subject to this Award or the underlying Shares shall occur at the time of the Change in Control, and the Service-vesting provisions set forth in the Award Notice shall continue in full force and effect.

(b) In the event this Award is assumed or otherwise continued in effect in connection with such Change in Control, the securities subject to the Award shall be adjusted immediately after the consummation of the Change in Control so as to apply to the number and class of securities into which the Shares subject to those units immediately prior to the Change in Control would have been converted in consummation of that Change in Control had those Shares actually been issued and outstanding at that time. To the extent the actual holders of the outstanding Common Stock receive cash consideration for their Common Stock in consummation of the Change in Control, the successor corporation (or parent entity) may, in connection with the assumption or continuation of the restricted stock units subject to the Award at that time, but subject to the Plan Administrator's approval prior to the Change in Control, substitute one or more shares of its own common stock with a fair market value equivalent to the cash consideration paid per Share in the Change in Control transaction, provided such common stock is readily tradable on an established U.S. securities exchange or market.

(c) Upon Participant's Separation from Service due to an Involuntary Termination occurring within twenty-four (24) months after a Change in Control in which this Award is assumed or continued in effect, all of the restricted stock units at the time subject to this Award shall vest, and the Shares (or other securities into which such Shares are converted in connection with the assumption of this Award) underlying those units shall be issued to Participant in accordance with the applicable provisions of Paragraph 7. Should the restricted stock units be replaced with a cash retention account in accordance with Paragraph 5(a), then the balance credited to Participant under that account at the time of Participant's Separation from Service due to an Involuntary Termination shall immediately vest and shall be distributed to Participant in accordance with the applicable provisions of Paragraph 7; ***provided, however,*** that Participant shall vest and be entitled to such distribution only if such Involuntary Termination occurs within twenty-four (24) months following the Change in Control.

(d) If the restricted stock units subject to this Award at the time of the Change in Control are not assumed or otherwise continued in effect or replaced with a cash retention account in accordance with Paragraph 5(a), then those restricted stock units shall vest immediately prior to the closing of the Change in Control, and Participant shall become entitled to a vested distribution in accordance with the applicable provisions of Paragraph 7.

6. **<u>Adjustment in Shares</u>**. Should any change be made to the Common Stock by reason of any stock split, stock dividend, recapitalization, combination of shares, exchange of shares, spin-off transaction, extraordinary dividend or distribution or other change affecting the outstanding Common Stock as a class without the Company's receipt of consideration, or should the value of the outstanding Shares be substantially reduced as a result of a spin-off transaction or an extraordinary dividend or distribution, or should there occur any merger, consolidation or other reorganization, then equitable adjustments shall be made by the Plan Administrator to the total number and/or class of securities issuable pursuant to this Award in order to reflect such change and thereby prevent a dilution or enlargement of benefits

hereunder. In making such equitable adjustments, the Plan Administrator shall take into account any amounts credited to Participant's book account under Paragraph 4(b) in connection with the transaction, and the determination of the Plan Administrator shall be final, binding and conclusive. In the event of any Change in Control transaction, the adjustment provisions of Paragraph 5(b) shall be controlling.

7. **Issuance or Distribution of Shares or Other Vested Amounts.**

(a) The following provisions shall govern the issuance of the Shares (or any replacement or substitute amounts under Paragraph 5) which vest in accordance with the provisions of this Agreement:

(i) On each Vesting and Issuance Date specified in the Award Notice, the Shares which vest at that time shall be issued.

(ii) Shares which vest on an accelerated basis upon Participant's cessation of Service under Paragraph 3(b) or 3(c) or upon Participant's Involuntary Termination under Paragraph 5(c) shall be issued on the date of Participant's Separation from Service due to such cessation of Service. Any distribution from the cash retention account to which Participant is entitled under Paragraph 5(c) upon Participant's Involuntary Termination shall be paid in a lump sum on the date of Participant's Separation from Service due to such Involuntary Termination. However, any issuance or distribution pursuant to the provisions of this subparagraph (ii) shall be subject to the deferred issuance provisions of Paragraph 8, to the extent applicable.

(iii) Shares which vest under Paragraph 5(d) shall be converted into the right to receive the same consideration per Share payable to the other stockholders of the Company in consummation of the Change in Control transaction, and such consideration per Share shall be distributed to Participant upon the ***earliest*** to occur of (i) the Vesting and Issuance Date on which the particular Shares to which such consideration relates would have been issued in the absence of such Change in Control, (ii) the date of Participant's Separation from Service or (iii) the first date on or following a Qualifying Change in Control on which the distribution can be made without contravention of any applicable provisions of Code Section 409A.

(iv) To the extent the consideration payable per Share in the Change in Control is in the form of cash, a fully-vested cash retention account shall be established by the successor entity at the time of such Change in Control for any Shares subject to this Award that vest on an accelerated basis under Paragraph 5(d). Such account shall be credited with the cash consideration payable for the Shares, and interest shall accrue on the outstanding balance of that account, for the period commencing with the closing date of the Change in Control and continuing through the date of the final payment of the account, including any deferred payment date under Paragraph 8, at a variable per annum rate, compounded semi-annually, equal to the prime rate of interest as in effect from time to time during such period, as determined on the basis of the prime rate quotations published in ***The Wall Street Journal***. The cash retention account, together with all accrued interest thereon through the actual payment date, shall be distributed in accordance with the same distribution provisions in effect under Paragraph 7(a)(iii), and Participant's interest in the account shall at all times be that of a general, unsecured creditor.

(v) Any issuance or distribution to be made pursuant to the foregoing provisions of this Paragraph 7(a) shall be made on the designated issuance or distribution date or as soon as administratively practicable thereafter. In no event, however, shall such issuance or distribution be made later than the fifteenth (15th) day of the second (2nd) calendar month following that date.

(vi) Each issuance or distribution to be made pursuant to this Paragraph 7(a) shall be subject to the Company's collection of all applicable Withholding Taxes, in accordance with the provisions of Paragraphs 7(b) and 7(c).

(vii) Any Shares to be issued to Participant in accordance with the foregoing provisions of this Paragraph 7(a) shall in the form of a book entry evidencing ownership of those Shares. Actual certificates for such Shares evidenced by book entry ownership shall be promptly delivered upon the request of Participant or any other person having an interest at the time in those Shares.

(b) The Company shall collect the Withholding Taxes with respect to each non-Share distribution by withholding a portion of that distribution equal to the amount of the applicable Withholding Taxes, with the cash portion of the distribution to be the first portion so withheld.

(c) Unless Participant (i) otherwise makes satisfactory arrangements with the Company's Human Resources Department, on or before the expiration of the designated notification period preceding each applicable issuance date of the Shares, to pay the applicable Withholding Taxes through the delivery of a check payable to the Company in the amount of such Withholding Taxes and (ii) in fact delivers such check to the Company not later than that issuance date, the Company shall collect the Withholding Taxes applicable to the Share issuance through the following automatic share withholding method:

- On each applicable issuance date, the Company shall withhold, from the vested Shares otherwise issuable to Participant at that time, a portion of those Shares with a Fair Market Value (measured as of the issuance date) equal to the applicable Withholding Taxes; provided, however, that the number of Shares which the Company shall be required to so withhold shall not exceed in Fair Market Value the amount necessary to satisfy the Company's required tax withholding obligations using the maximum applicable federal, state and local statutory tax rates (including income tax and employment taxes) in Participant's applicable jurisdiction.

(d) Notwithstanding the foregoing provisions of this Paragraph 7, the employee portion of the federal, state and local employment taxes required to be withheld by the Company in connection with the vesting of the Shares or any other amounts hereunder (the "Employment Taxes") shall in all events be collected from Participant no later than the last business day of the calendar year in which the Shares or other amounts vest hereunder. Accordingly, to the extent the applicable issuance date for one or more vested Shares or the distribution date for such other amounts is to occur in a year subsequent to the calendar year in which those Shares or other amounts vest, Participant shall, on or before the last business day of the calendar year in which the Shares or other amounts vest, deliver to the Company a check payable to its order in the dollar amount equal to the Employment Taxes required to be withheld with respect to those Shares or other amounts. The provisions of this Paragraph 7(d) shall be applicable only to the extent necessary to comply with the applicable tax withholding requirements of Code Section 3121(v).

(e) Except as otherwise provided in Paragraph 5 or this Paragraph 7, the settlement of all restricted stock units which vest under the Award shall be made solely in

Shares. In no event, however, shall any fractional shares be issued. Accordingly, the total number of Shares to be issued at the time the Award vests shall, to the extent necessary, be rounded down to the next whole share in order to avoid the issuance of a fractional share.

8. **Deferred Issue Date; Code Section 409A**. Notwithstanding any provision to the contrary in this Agreement, to the extent this Award may be deemed to create a deferred compensation arrangement under Code Section 409A, then the following provisions shall apply:

- No Shares or other amounts which become issuable or distributable under this Agreement upon Participant's Separation from Service shall actually be issued or distributed to Participant prior to the earlier of (i) the first (1st) day of the seventh (7th) month following the date of such Separation from Service or (ii) the date of Participant's death, if Participant is deemed at the time of such Separation from Service to be a specified employee under Section 1.409A-1(i) of the Treasury Regulations issued under Code Section 409A, as determined by the Plan Administrator in accordance with consistent and uniform standards applied to all other Code Section 409A arrangements of the Company, and such delayed commencement is otherwise required in order to avoid a prohibited distribution under Code Section 409A(a)(2). The deferred Shares or other distributable amount shall be issued or distributed in a lump sum on the first (1st) day of the seventh (7th) month following the date of Participant's Separation from Service or, if earlier, the first day of the month immediately following the date the Company receives proof of Participant's death.

- Participant's right to receive each installment of Shares or other installment distribution pursuant to the terms of this Agreements shall, for purposes of Code Section 409A, be treated as a right to receive a series of separate payments.

9. **Compliance with Laws and Regulations**. The issuance of Shares pursuant to the Award shall be subject to compliance by the Company and Participant with all applicable requirements of law relating thereto and with all applicable regulations of any Stock Exchange on which the Common Stock may be listed for trading at the time of such issuance.

10. **Change in Control Benefits Agreement**. Notwithstanding anything to the contrary in this Agreement, if Participant is, at the time of a change in control or ownership of the Company (whether or not that transaction constitutes a Change in Control hereunder), a party to a Change in Control Benefits Agreement with the Company, then the provisions of that agreement shall, to the extent applicable to this Award, govern Participant's rights and benefits with respect to the restricted stock units and underlying Shares subject to this Agreement, and in the event of any conflict between the provisions of that Change in Control Benefits Agreement and this Agreement, the provisions of the Change in Control Benefits Agreement shall be controlling; ***provided, however,*** that in the event there is any conflict between the issuance or distribution provisions of this Agreement and the issuance or distribution provisions of the Change in Control Benefits Agreement, the issuance and distribution provisions of this Agreement shall be controlling.

11. **Notices**. Any notice required to be given or delivered to the Company under the terms of this Agreement shall be in writing and addressed to the Company at its principal corporate offices. Any notice required to be given or delivered to Participant shall be in writing and addressed to Participant at the address indicated below Participant's signature line on

the Award Notice. All notices shall be deemed effective upon personal delivery or upon deposit in the U.S. mail, postage prepaid and properly addressed to the party to be notified.

12. **Successors and Assigns**. Except to the extent otherwise provided in this Agreement, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and Participant, Participant's assigns, the legal representatives, heirs and legatees of Participant's estate and any beneficiaries of the Award designated by Participant.

13. **Construction**.

(a) This Agreement and the Award evidenced hereby are made and granted pursuant to the Plan and are in all respects limited by and subject to the terms of the Plan and any applicable Change in Control Benefits Agreement. All decisions of the Plan Administrator with respect to any question or issue arising under the Plan or this Agreement shall be conclusive and binding on all persons having an interest in the Award.

(b) To the extent there is any ambiguity as to whether any provision of this Agreement would otherwise contravene one or more requirements or limitations of Section 409A of the Internal Revenue Code and the Treasury Regulations thereunder, such provision shall be interpreted and applied in a manner that complies with the applicable requirements of Section 409A of the Internal Revenue Code and the Treasury Regulations thereunder.

(c) Participant hereby acknowledges the receipt of a copy of the official prospectus for the Plan. A copy of the Plan is available upon request made to the Human Resources Department at the Company's principal offices (822 Bishop Street, Honolulu, HI 96813).

(d) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate or sell or transfer all or any part of its business or assets.

14. **Governing Law**. The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Hawaii without resort to that State's conflict-of-laws rules.

15. **Coverage under Recoupment Policy**. If Participant is on the Award Date, or at any time thereafter becomes, either an executive officer of the Company subject to Section 16 of the 1934 Act, or a participant in the Company's Performance Improvement Incentive Plan, then Participant shall be subject to the Alexander & Baldwin, Inc. Policy Regarding Recoupment of Certain Compensation, effective as of June 29, 2012, as may be amended from time to time (the "***Recoupment Policy***"), the terms of which are hereby incorporated herein by reference and receipt of a copy of which Participant hereby acknowledges. If Participant is subject to the Recoupment Policy, then any incentive compensation that is paid or granted to, or received by, Participant during the three-year period preceding the date on which the Company is required to prepare an accounting restatement due to material non-compliance with any applicable financial reporting requirements under the federal securities laws shall be subject to recovery and recoupment pursuant to the terms of such policy. For purposes of such Recoupment Policy, "***incentive compensation***" means any cash or equity-based award (e.g., stock award, restricted stock unit award, performance stock unit award or stock option grant or Shares issued thereunder) or any profit sharing payment or distribution that is based upon the achievement of financial performance metrics. An additional copy of the

Recoupment Policy is available upon request made to the Corporate Secretary at the Company’s principal offices.

APPENDIX A

DEFINITIONS

The following definitions shall be in effect under the Agreement:

A. **Agreement** shall mean this Time-Based Restricted Stock Unit Award Agreement.

B. **Award** shall mean the award of restricted stock units made to Participant pursuant to the terms of this Agreement.

C. **Award Date** shall mean the date the restricted stock units are awarded to Participant pursuant to the Agreement and shall be the date specified in the Award Notice.

D. **Award Notice** shall mean the Notice of Award of Time-Based Restricted Stock Units delivered to Participant in which there is set forth the basic terms of the restricted stock units subject to this Agreement, including (without limitation) the applicable vesting schedule for those units.

E. **Board** shall mean the Company's Board of Directors.

F. **Cause** shall mean the commission of any act of fraud, embezzlement or dishonesty by Participant, any unauthorized use or disclosure by Participant of confidential information or trade secrets of the Company (or any Parent or Subsidiary), or any other intentional misconduct by Participant adversely affecting the business or affairs of the Company (or any Parent or Subsidiary) in a material manner; provided, however, that in the event Participant is, at the time the Company (or any Parent or Subsidiary) terminates Participant's Employee status for Cause, a party to a Change in Control Benefits Agreement applicable to the Award, the term Cause shall have the meaning ascribed to that term in such Change in Control Benefits Agreement. The foregoing definition shall not in any way preclude or restrict the right of the Company (or any Parent or Subsidiary) to discharge or dismiss Participant or any other person in the Service of the Company (or any Parent or Subsidiary) for any other acts or omissions, but such other acts or omissions shall not be deemed, for purposes of the Plan and this Agreement, to constitute grounds for termination for Cause.

G. **Change in Control** shall mean a change in ownership or control of the Company effected through any of the following transactions:

(i) a merger, consolidation or other reorganization approved by the Company's stockholders, unless securities representing fifty percent (50%) or more of the total combined voting power of the voting securities of the successor corporation are immediately thereafter beneficially owned, directly or indirectly and in substantially the same proportion, by the persons who beneficially owned the Company's outstanding voting securities immediately prior to such transaction;

(ii) a sale, transfer or other disposition of all or substantially all of the Company's assets;

(iii) the closing of any transaction or series of related transactions pursuant to which any person or any group of persons comprising a "group" within the meaning of Rule 13d-5(b)(1) of the 1934 Act (other than the Company or a person that, prior to such transaction or series of related transactions, directly or indirectly controls, is controlled by or is under common control with, the Company) acquires directly or indirectly (whether as a result of a single acquisition or by reason of one or more acquisitions within the twelve (12)-month period ending with the most recent acquisition) beneficial ownership (within the meaning of Rule 13d-3 of the 1934 Act) of securities possessing (or convertible into or exercisable for securities possessing) thirty-five percent (35%) or more of the total combined voting power of the Company's securities (as measured in terms of the power to vote with respect to the election of Board members) outstanding immediately after the consummation of such transaction or series of related transactions, whether such transaction involves a direct issuance from the Company or the acquisition of outstanding securities held by one or more of the Company's existing stockholders; or

(iv) a change in the composition of the Board over a period of twelve (12) consecutive months or less such that a majority of the Board members ceases, by reason of one or more contested elections for Board membership, to be comprised of individuals who either (A) have been Board members continuously since the beginning of such period or (B) have been elected or nominated for election as Board members during such period by at least a majority of the Board members described in clause (A) who were still in office at the time the Board approved such election or nomination.

provided, however, that in the event Participant is a party to a Change in Control Benefits Agreement applicable to the Award, the term Change in Control shall have the meaning ascribed to that term in such Change in Control Benefits Agreement.

H. **Change in Control Benefits Agreement** shall mean any separate agreement between Participant and the Company which provides Participant with special vesting acceleration and/or other special benefits with respect to one or more awards of restricted stock units made to Participant for Shares, including (to the extent applicable) the restricted stock units evidenced by this Agreement, in the event of a change in control or ownership of the Company (whether or not constituting a Change in Control hereunder).

I. **Code** shall mean the Internal Revenue Code of 1986, as amended.

J. **Common Stock** shall mean the Company's common stock.

K. **Company** shall mean Alexander & Baldwin, Inc., a Hawaii corporation, and any successor to all or substantially all of the assets or voting stock of Alexander & Baldwin, Inc.

L. **Early Retirement** shall mean Participant's retirement from Service, with the prior approval of the Company (or the Parent or Subsidiary employing Participant), on or after the attainment of age fifty-five (55) and the completion of at least five (5) years of Service.

M. **Employee** shall mean an individual who is in the employ of the Company (or any Parent or Subsidiary, whether now existing or subsequently established), subject to the control and direction of the employer entity as to both the work to be performed and the manner and method of performance.

N. **Fair Market Value** per Share on any relevant date shall be the closing selling price per Share at the close of regular hours trading (i.e., before after-hours trading begins) on the date in question on the Stock Exchange serving as the primary market for the Common Stock, as such price is reported by the National Association of Securities Dealers (if primarily traded on the Nasdaq Global or Global Select Market) or as officially quoted in the composite tape of transactions on any other Stock Exchange on which the Common Stock is then primarily traded. If there is no closing selling price for the Common Stock on the date in question, then the Fair Market Value shall be the closing selling price on the last preceding date for which such quotation exists.

O. **Good Reason** shall mean the occurrence of any of the following events effected without Participant's consent: (A) a material diminution by the Company of Participant's authority, duties or responsibilities; (B) a material change in the geographic location at which Participant must perform (which, for purposes of the Agreement, means relocation of the offices of the Company at which Participant is principally employed to a location that increases Participant's commute to work by more than fifty (50) miles); or (C) a material diminution in Participant's base salary. Participant must provide written notice of termination for Good Reason to the Company within sixty (60) days after the event constituting Good Reason. The Company shall have a period of sixty (60) days in which it may correct the act or failure to act that constitutes the grounds for Good Reason as set forth in Participant's notice of termination. If the Company does not correct the act or failure to act, Participant's employment will terminate for Good Reason on the first business day following the Company's sixty (60)-day cure period.

However, in the event Participant is at the time of Participant's cessation of Employee status a party to a Change in Control Benefits Agreement applicable to the Award evidenced by this Agreement, the term **Good Reason** shall have the meaning ascribed to that term in such Change in Control Benefits Agreement.

P. **Involuntary Termination** shall mean Participant's Separation from Service by reason of:

(i) Participant's involuntary dismissal or discharge by the Company (or any Parent or Subsidiary) for reasons other than for Cause, or

(ii) Participant's voluntary resignation for Good Reason.

Q. **1934 Act** shall mean the Securities Exchange Act of 1934, as amended from time to time.

R. **Normal Retirement** shall mean the cessation of Service by reason of retirement at or after the attainment of age sixty-five (65).

S. **Participant** shall mean the person to whom the Award is made pursuant to the Agreement.

T. **Parent** shall mean any corporation (other than the Company) in an unbroken chain of corporations ending with the Company, provided each corporation in the unbroken chain (other than the Company) owns, at the time of the determination, stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

U. **Permanent Disability** shall mean the inability of Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment expected to result in death or to be of continuous duration of twelve (12) months or more.

V. **Plan** shall mean the Company's 2022 Omnibus Incentive Plan.

W. **Plan Administrator** shall mean either the Board or a committee of the Board acting in its capacity as administrator of the Plan.

X. **Qualifying Change in Control** shall mean the date on which there occurs a Change in Control that also qualifies as: (i) a change in the ownership of the Company, as determined in accordance with Section 1.409A-3(i)(5)(v) of the Treasury Regulations, (ii) a change in the effective control of the Company, as determined in accordance with Section 1.409A-3(i)(5)(vi) of the Treasury Regulations, or (iii) a change in the ownership of a substantial portion of the assets of the Company, as determined in accordance with Section 1.409A-3(i)(5)(vii) of the Treasury Regulations.

Y. **Separation from Service** shall mean Participant's cessation of Employee status by reason of Participant's death, retirement or termination of employment. Participant shall be deemed to have terminated employment for such purpose at such time as the level of Participant's bona fide services to be performed as an Employee (or as a consultant or independent contractor) permanently decreases to a level that is less than fifty percent (50%) of the average level of services Participant rendered as an Employee (or as a consultant or independent contractor) during the immediately preceding thirty-six (36) months (or such shorter period for which Participant may have rendered such services). Solely for purposes of determining when a Separation from Service occurs, Participant will be deemed to continue in "Employee" status for so long as Participant remains in the employ of one or more members of the Employer Group (as defined below), subject to the control and direction of the employer entity as to both the work to be performed and the manner and method of performance. "Employer Group" means the Company and any Parent or Subsidiary and any other corporation or business controlled by, controlling or under common control with, the Company, as determined in accordance with Sections 414(b) and (c) of the Code and the Treasury Regulations thereunder, except that in applying Sections 1563(1), (2) and (3) of the Code for purposes of determining the controlled group of corporations under Section 414(b), the phrase "at least 50 percent" shall be used instead of "at least 80 percent" each place the latter phrase appears in such sections and in applying Section 1.414(c)-2 of the Treasury Regulations for purposes of determining trades or businesses that are under common control for purposes of Section 414(c), the phrase "at least 50 percent" shall be used instead of "at least 80 percent" each place the latter phrase appears in Section 1.4.14(c)-2 of the Treasury Regulations. Any such determination as to Separation from Service, however, shall be made in accordance with the applicable standards of the Treasury Regulations issued under Section 409A of the Code.

Z. **Service** shall mean Participant's performance of services for the Company (or any Parent or Subsidiary) in the capacity of an Employee, a non-employee member of the board of directors or a consultant or independent advisor. In addition, the following provisions shall govern the determination of Participant's period of Service:

(i) Participant shall be deemed to cease Service immediately upon the occurrence of the either of the following events: (a) Participant no longer performs services in any of the foregoing capacities for the Company (or any Parent or Subsidiary) or (b) the entity for which Participant performs such services ceases to remain a Parent or Subsidiary of the Company, even though Participant may subsequently continue to perform services for that entity.

(ii) Service as an Employee shall not be deemed to cease during a period of military leave, sick leave or other personal leave approved by the Company (or any Parent or Subsidiary) employing Participant; provided, however, that the following special provisions shall be in effect for any such leave:

a. Should the period of such leave (other than a disability leave) exceed six (6) months, then Participant shall be deemed to cease Service and to incur a Separation from Service upon the expiration of the initial six (6)-month period of that leave, unless Participant retains a right to re-employment under applicable law or by contract with the Company (or any Parent or Subsidiary).

b. Should the period of a disability leave exceed twenty-nine (29) months, then Participant shall be deemed to cease Service and to incur a Separation from Service upon the expiration of the initial twenty-nine (29)-month period of that leave, unless Participant retains a right to re-employment under applicable law or by contract with the Company (or any Parent or Subsidiary). For such purpose, a disability leave shall be a leave of absence due to any medically determinable physical or mental impairment that can be expected to result in death or to last for a continuous period of not less than six (6) months and causes Participant to be unable to perform the duties of Participant's position of employment (or any substantially similar position of employment) with the Company (or any Parent or Subsidiary).

c. Except to the extent otherwise required by law or expressly authorized by the Plan Administrator or by the Company's written policy on leaves of absence, no Service credit shall be given for vesting purposes for any period Participant is on a leave of absence.

(iii) Notwithstanding anything to the contrary in the foregoing provisions of this Service definition, Participant shall in all events be deemed to cease Service for all purposes of this Award immediately upon Participant's incurrence of a Separation from Service.

AA. **Share** shall mean a share of Common Stock.

BB. **Stock Exchange** shall mean the American Stock Exchange, the Nasdaq Global or Global Select Market or the New York Stock Exchange.

CC. **Subsidiary** shall mean any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company, provided each corporation (other than the last corporation) in the unbroken chain owns, at the time of the determination, stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. The term Subsidiary shall also include any wholly-owned limited liability company in such chain of subsidiaries.

DD. **Withholding Taxes** shall mean the federal, state and local income taxes and the employee portion of the federal, state and local employment taxes required to be withheld by the Company in connection with the issuance of the shares of Common Stock which vest under the Award and any phantom dividend equivalents distributed with respect to those shares.

ALEXANDER & BALDWIN, INC.
NOTICE OF AWARD OF TIME-BASED RESTRICTED STOCK UNITS

The Company hereby awards to Participant, as of the Award Date indicated below, an award (the "Award") of restricted stock units under the Company's 2022 Omnibus Incentive Plan (the "Plan"). Each restricted stock unit represents the right to receive one share of Common Stock on the applicable issuance date following the vesting of that restricted stock unit. The number of shares of Common Stock subject to the awarded restricted stock units and the applicable vesting schedule for those restricted stock units and the underlying shares are set forth below. The remaining terms and conditions governing the Award, including the issuance date or dates for the shares of Common Stock that vest under the Award, shall be as set forth in the form Time-Based Restricted Stock Unit Award Agreement attached hereto as Exhibit A.

AWARD SUMMARY

Participant:	
Award Date:	_________, 2022
Number of Shares Subject to Award:	shares of Common Stock (the "Shares")
Vesting Schedule:	During Participant's continuous Service, the Shares shall vest in accordance with the following vesting schedule: (i) one-third will vest on the first anniversary of the Award Date; (ii) one-third will vest on the second anniversary of the Award Date; and (iii) one-third will vest on the third anniversary of the Award Date. Each such installment vesting date is hereby designated a "Vesting and Issuance Date." However, one or more Shares may be subject to accelerated vesting in accordance with the provisions of Paragraph 3 or Paragraph 5 of the form Time-Based Restricted Stock Unit Award Agreement.

Participant understands and agrees that the Award is granted subject to and in accordance with the terms of the Plan and hereby agrees to be bound by the terms of the Plan and the terms of the Award as set forth in the form Timed-Based Restricted Stock Unit Award Agreement attached hereto as Exhibit A. Participant hereby acknowledges that Participant has received or been provided access to the official prospectus for the Plan. A copy of the Plan is available upon request made to the Human Resources Department at the Company's principal offices at 822 Bishop Street, Honolulu, Hawaii 96813.

Coverage under Recoupment Policy. By accepting this Award, Participant hereby agrees that should Participant at this time be, or at any time hereafter become, either an executive officer of the Company subject to Section 16 of the Securities Exchange Act of 1934, as amended, or a participant in the Company's Performance Improvement Incentive Plan, then:

(a) Participant shall be subject to the Alexander & Baldwin, Inc. Policy Regarding Recoupment of Certain Compensation, effective as of June 29, 2012, as may be amended from time to time, the terms of which are hereby incorporated herein by reference and receipt of a copy of which Participant hereby acknowledges; and

(b) any incentive compensation that is paid or granted to, or received by, Participant during the three-year period preceding the date on which the Company is required to prepare an accounting restatement due to material non-compliance with any applicable financial reporting requirements under the federal securities laws shall, accordingly, be subject to recovery and recoupment pursuant to the terms of such policy.

For purposes of such recoupment policy, “incentive compensation” means any cash or equity-based award (e.g., any stock award, time-based restricted stock unit award, performance-based restricted stock unit award or stock option grant or shares of Common Stock issued thereunder) or any profit sharing payment or distribution that is based upon the achievement of financial performance metrics. An additional copy of the recoupment policy is available upon request made to the Corporate Secretary at the Company’s principal offices.

Continuing Consent. Participant further acknowledges and agrees that, except to the extent the Plan Administrator notifies Participant in writing to the contrary, each subsequent award of service-vesting restricted stock units made to Participant under the Plan shall be subject to the same terms and conditions set forth in the form Time-Based Restricted Stock Unit Award Agreement attached hereto as Exhibit A, and Participant hereby accepts those terms and conditions for each such subsequent service-vesting restricted stock unit award that may be made to Participant under the Plan and hereby agrees to be bound by those terms and conditions for any such restricted stock unit awards, without any further consent or acceptance required on Participant’s part at the time or times when those awards may be made. However, Participant may, at any time Participant holds an outstanding service-vesting restricted stock unit award under the Plan, request a written copy of the form Time-Based Restricted Stock Unit Award Agreement from the Company by contacting the Company’s Human Resources Department at the Company’s principal offices.

Employment at Will. Nothing in this Notice or in the form Time-Based Restricted Stock Unit Award Agreement or in the Plan shall confer upon Participant any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or any Parent or Subsidiary employing or retaining Participant) or of Participant, which rights are hereby expressly reserved by each, to terminate Participant’s Service at any time for any reason, with or without cause.

Definitions. All capitalized terms in this Notice shall have the meaning assigned to them in this Notice or in the attached form Time-Based Restricted Stock Unit Award Agreement.

DATED:

ALEXANDER & BALDWIN, INC.

By: ________________________

Title: ________________________

EXHIBIT 31.1

CERTIFICATION

I, Christopher J. Benjamin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Alexander & Baldwin, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By /s/ Christopher J. Benjamin

Christopher J. Benjamin

President and Chief Executive Officer

Date: November 4, 2022

EXHIBIT 31.2

CERTIFICATION

I, Brett A. Brown, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Alexander & Baldwin, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By /s/ Brett A. Brown

Brett A. Brown

Executive Vice President and Chief Financial Officer

Date:

November 4, 2022

EXHIBIT 32

Certification of Chief Executive Officer and
Chief Financial Officer Pursuant to
18 U.S.C. Section 1350, As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Alexander & Baldwin, Inc. (the "Company") for the quarterly period ended September 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Christopher J. Benjamin, as President and Chief Executive Officer of the Company, and Brett A. Brown, as Executive Vice President and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to their knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Christopher J. Benjamin

Name:	Christopher J. Benjamin
Title:	President and Chief Executive Officer
Date:	November 4, 2022

/s/ Brett A. Brown

Name:	Brett A. Brown
Title:	Executive Vice President and Chief Financial Officer
Date:	November 4, 2022

EXHIBIT 95

MINE SAFETY DISCLOSURE

The operation of Grace Pacific LLC's Makakilo Quarry (the "Quarry") is subject to regulation by the federal Mine Safety and Health Administration (MSHA) under the Federal Mine Safety and Health Act of 1977 (the "Mine Act"). MSHA inspects the Quarry on a regular basis and issues various citations and orders when it believes a violation has occurred under the Mine Act. Whenever MSHA issues a citation or order, it also generally proposes a civil penalty, or fine, related to the alleged violation. Citations or orders can be contested and appealed, and as part of that process, are often reduced in severity and amount, and are sometimes dismissed.

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), the Company is required to present information regarding certain mining safety and health citations which MSHA has issued with respect to its mining operation in its periodic reports filed with the Securities and Exchange Commission (the "SEC"). We have provided information below in response to the rules and regulations of the SEC issued under Section 1503(a) of the Dodd-Frank Act.

The Dodd-Frank Act and the subsequent implementing regulation issued by the SEC require disclosure of the following categories of violations, orders and citations: (1) Section 104 S&S Citations, which are citations issued for violations of mandatory health or safety standards that could significantly and substantially contribute to the cause and effect of a mine safety or health hazard; (2) Section 104(b) Orders, which are orders issued upon a follow up inspection where the inspector finds the violation previously cited has not been totally abated in the prescribed time period; (3) Section 104(d) Citations and Orders, which are issued upon violations of mandatory health or safety standards caused by an unwarrantable failure of the operator to comply with the standards; (4) Section 110(b)(2) Violations, which result from the reckless and repeated failure to eliminate a known violation; (5) Section 107(a) Orders, which are given when MSHA determines that an imminent danger exists and results in an order of immediate withdrawal from the area of the mine affected by the condition; and (6) written notices from MSHA of a pattern of violations—or the potential to have such pattern—of mandatory health or safety standards that are of such nature as could have significantly and substantially contributed to the cause and effect of mine health or safety hazards under Section 104(e). In addition, the Dodd-Frank Act requires the disclosure of the total dollar value of proposed assessments from MSHA under the Mine Act and the total number of mining related fatalities. This information for the Quarry for the quarter ended September 30, 2022 is as follows:

Total Number of S&S Citations	0
Mine Act § 104(b) Orders	0
Mine Act § 104(d) Citations and Orders	0
Mine Act § 110(b)(2) Violations	0
Mine Act § 107(a) Orders	0
Total Dollar Value of Proposed MSHA Assessments	N/A
Total Number of Mining Related Fatalities	0
Received Written Notice of Pattern of Violation under Mine Act §104(e) (yes/no)	No
Received Written Notice of Potential to Have Pattern under Mine Act §104(e) (yes/no)	No

As of September 30, 2022, there were no pending legal actions before the Federal Mine Safety and Health Review Commission involving the Quarry. No legal actions were instituted during the quarter ended September 30, 2022 and no legal actions were resolved during the quarter ended September 30, 2022.