

# **ALEXANDER & BALDWIN 401(K) PLAN**

## **Investment policy**

### **Purpose**

The purpose of this document is to establish the investment policy for the provision of the investment options for the 401(k) plans sponsored by ALEXANDER & BALDWIN and its subsidiaries (the “Plan”). It is the intention of the Investment Committee (the “Committee”) that the assets of the Plan shall be maintained in compliance with all applicable laws governing the operation of the Plan, including the Employee Retirement Income Security Act of 1974 (ERISA). It is further intended that the Plan comply with Department of Labor regulation ERISA 404(c).

The Committee chooses the available investment alternatives but the participants select among the available alternatives and bear responsibility for the performance of their accounts. The Committee, at any point in time, may modify this document, in whole or in part.

### **Investment Objective**

The objective of the Plan is to offer a sufficient range of professionally managed investment options to allow participants to diversify their individual accounts and construct portfolios that reasonably span the risk/return spectrum. The Committee may select mutual funds, pooled funds, separate accounts, or other investment vehicles to pursue the Plan’s investment objective. Within these categories, the types of investment options may include actively managed or passively managed options, and specialized styles of investment management.

The actual allocation of the Plan’s assets among the selected investment vehicles will be decided by each of the Plan’s participants. In addition, at each participant’s discretion, subject to the provisions of the Plan, some of their account balances may be invested in loans to themselves.

### **Guidelines for Selecting Investment Options**

The general criteria to be applied to investment vehicles in all investment option categories are as follows:

- Established investment firm (reputation of reliability)
- Track record of at least three years, preferably five years of investment options (if available)
- Competitive returns of investment options (if available)
- Sufficient asset base (if available)
- No load vehicles, or willingness to waive loads

## **Evaluation and Review**

On an annual basis, the Committee will review the performance of each investment option. Emphasizing historical performance over the long term, the Committee will determine whether the investment options performed satisfactorily when compared with appropriate market indices and peer groups. The Committee will determine whether the investment options are meeting their stated investment objectives.

In an instance where an investment option's performance is consistently below the 3 and 5 year market indices and peer groups, the Committee will undertake additional steps. Those steps will include reviewing performance on a more frequent basis and ensuring that the investment option is still meeting its stated investment objective. The Committee also reserves the right, at its discretion, to add, replace, or delete an investment option.