

**CHARTER OF THE COMPENSATION COMMITTEE  
OF THE BOARD OF DIRECTORS OF ALEXANDER & BALDWIN, INC.  
ADOPTED AS OF DECEMBER 9, 2004**

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**I. PURPOSE OF THE COMMITTEE**

The purpose of the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of Alexander & Baldwin, Inc. and its subsidiaries (the "Company") is to oversee the Company's compensation and employee benefit plans and practices as more specifically set forth in Section IV of this Charter.

**II. COMPOSITION OF THE COMMITTEE**

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

The Board shall designate one member of the Committee as its chairperson. Any vacancy on the Committee shall be filled by majority vote of the Board. No member of the Committee shall be removed except by majority vote of the Board.

The Chairperson of this Committee shall (a) chair all meetings of the Committee; (b) set the frequency and length of the meeting(s) and the agenda items to be addressed at each meeting; and (c) report the actions taken by the Committee, and any recommendations to the full Board after each Committee meeting; (d) perform such other activities as from time to time are requested by the other directors or as circumstances indicate.

**III. MEETINGS AND PROCEDURES OF THE COMMITTEE**

The Committee shall meet as often as it determines necessary to carry out its duties and responsibilities. The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof).

A majority of the members of the Committee present in person or by any means of communication by which all Committee members participating in the meeting may simultaneously hear each other shall constitute a quorum. The Committee shall maintain minutes of its meetings and records relating to those meetings and shall report to the Board on its activities, as appropriate.

#### **IV. RESPONSIBILITIES OF THE COMMITTEE**

The Committee shall have the following responsibilities:

- (a) To retain or terminate, in its sole authority, any compensation consultant to assist the Committee in carrying out its responsibilities, including sole authority to approve the consultant's fees and other retention terms, such fees to be borne by the Company.
- (b) To review the Company's compensation plans; benefit plans; the one-year and three-year Performance Improvement Incentive Plans (PIIP), the Annual Incentive Plan (AIP) and the equity-based incentive plans ("Incentive Plans"); sales commission plans; and, if the Committee deems it appropriate, adopt, or recommend to the Board the adoption of, new plans or amendments to existing plans. In the case of any equity-compensation plan (or any amendment thereto) requiring stockholder approval under the Nasdaq listing standards, the Committee will review such plan and, if the Committee deems it appropriate, recommend approval by the Board and the stockholders.
- (c) To approve the granting of any stock option, stock grant, stock appreciation right, or deferred compensation pursuant to any of the Incentive Plans in accordance with the terms of such Plans, or upon terms approved by the Board.
- (d) To initiate the performance appraisal process that evaluates performance of the Chief Executive Officer, to review the performance evaluation of the CEO in light of the goals and objectives of the Company's executive compensation plans, to determine and approve the Chief Executive Officer's base compensation level based on this evaluation, and through the Chairman of the Committee, to present the results of such evaluation and base compensation determination to the Board. In determining the incentive component of the Chief Executive Officer's compensation, the Committee shall consider all relevant factors in determining the appropriate level of such compensation.
- (e) To approve the base compensation of other executive officers of the Company in light of the goals and objectives of the Company's executive compensation plans. To the extent that compensation from Incentive Plans is a component of such executive officer's or other designated management's compensation, the Committee shall consider all relevant factors in determining the appropriate level of such compensation.
- (f) To produce a Committee report on executive compensation as required by the SEC to be included in the Company's annual proxy statement.
- (g) To evaluate and recommend to the Board the appropriate level of compensation for Board and Committee service by non-employee members of the Board.

(h) To conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and retain, at the Company's expense, such independent counsel or other advisers as it deems necessary.

(i) To perform any other activities as the Committee or the Board of Directors deems necessary or appropriate.

## **V. EVALUATION OF THE COMMITTEE**

The Committee shall, from time to time, evaluate its performance under this Charter. The Committee shall inform the Board of the results of its evaluation, including any recommended amendments to this Charter.

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