

## Risk Factors Comparison 2025-02-28 to 2024-02-23 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

The following material risks, events and uncertainties may make an investment in the Company speculative or risky and should be reviewed carefully. The Company faces the material risks set forth below; however, the description below does not purport to include all risks the Company faces, and additional risks or uncertainties that are currently unknown or are not currently believed to be material may occur or become material. **Moreover, some of the factors, events and contingencies discussed below may have occurred in the past, but the disclosures below are not representations as to whether or not the factors, events or contingencies have occurred in the past, and instead reflect our beliefs and opinions as to the factors, events, or contingencies that could materially and adversely affect us in the future.** The occurrence of these or the risks and uncertainties described below may, in ways the Company may not be able to accurately predict, recognize or mitigate, adversely affect the Company's business, competitive environment, strategy, financial condition, operating results, cash flows, liquidity, demand, revenue, growth, prospects, reputation or stock price. All forward- looking statements made in this Form 10- K are qualified by the risks and uncertainties described below. Risks Related to the Jones Act Repeal, substantial amendment, or waiver of the Jones Act or changes in its application would have an adverse effect on the Company's business. The Merchant Marine Act of 1920 (commonly referred to as the Jones Act) regulates all interstate and intrastate marine commerce within the U. S. If the Jones Act were to be repealed, substantially amended or waived and, as a consequence, competitors were to enter the Hawaii or Alaska markets with lower operating costs by utilizing their ability to acquire and operate foreign- flagged and foreign- built vessels and / or being exempt from other U. S. regulations, the Company's business would be adversely affected. In addition, the Company's position as a U. S. citizen operator of Jones Act vessels would be negatively impacted if periodic efforts and attempts by foreign interests, **including recent campaigns by foreign governments,** to circumvent **or repeal** certain aspects of the Jones Act were successful. If maritime cabotage services were included in the General Agreement on Trade in Services, the United States- Mexico- Canada Agreement, or other international trade agreements, or if the restrictions contained in the Jones Act were otherwise altered, the shipping of cargo between covered U. S. ports could be opened to foreign- flagged or foreign- built vessels, which could have other adverse impacts to our business. The Company's business would be adversely affected if the Company were determined not to be a U. S. citizen under the Jones Act. Certain provisions of the Company's articles of incorporation protect the Company's ability to maintain its status as a U. S. citizen under the Jones Act. If non- U. S. citizens were able to defeat such articles of incorporation restrictions and own, in the aggregate, more than 25 percent of the Company's common stock, the Company would no longer be considered a U. S. citizen under the Jones Act. Such an event could result in the Company's ineligibility to engage in coastwise trade and the imposition of substantial penalties against the Company, including seizure or forfeiture of its vessels. Risks Related to the Company's Operations Changes in macroeconomic conditions, geopolitical developments, or governmental policies, including due to outbreaks of disease, have affected and could in the future affect the Company. The transportation industry in which the Company operates has been and could in the future be impacted by macroeconomic fluctuations, volatility, downturns, inflation, recessions, ~~rising~~ interest rates and other economic shifts or market instabilities, including due to outbreaks of disease and instability in financial institutions, as well as the development of and changes in governmental policies, relations, priorities and budgeting constraints, and uncertainties resulting from the U. S. political environment, including increased political polarization and the potential for political gridlock (such as the prospect of a shutdown of the U. S. federal government), and geopolitical developments across the jurisdictions in which it operates. For example, there have been increases in geopolitical and trade tensions among a number of the world's major economies. These tensions have resulted in the **rising threat,** implementation **or increase** of tariffs, non- tariff trade barriers and sanctions, including the use of export control restrictions and sanctions against certain countries and individual companies, which have, and may continue to have, an adverse economic impact in the markets in which the Company operates and could result in a reduced demand for the Company's services. These adverse economic conditions may also impact the Company's customers' business levels and needs. Within the U. S., a weakening of economic drivers in Hawaii, Alaska ~~and or~~ Guam, which include tourism, military spending, construction, personal income growth and employment, the weakening of consumer confidence, market demand, the economy in the U. S. Mainland, inflation, ~~rising~~ interest rates, ~~recessionary~~ **recession** fears, increased political polarization and the potential for political gridlock (such as the prospect of a shutdown of the U. S. federal government), and the effect of a change in the strength of the U. S. dollar against other foreign currencies has reduced and could in the future reduce the demand for goods, adversely affecting inland and ocean transportation volumes or rates. In addition, overcapacity in the global or transpacific ocean transportation markets, a change in the cost of goods or currency exchange rates, pressure from U. S. or foreign governments, imposition of **or increases in** tariffs and uncertainties regarding tariff ~~rates~~ **policies** or ~~a other change~~ **changes** in international trade policies could adversely affect freight volumes and rates in the Company's China services. Additionally, fluctuations in the price of oil could further impact the Alaskan economy, which in turn could impact the Company's business. ~~14The~~ ~~13The~~ shipping industry is competitive, and the Company has been and may continue to be impacted by new or increased competition. The Company has faced and may continue to face new competition by established or start- up shipping operators that enter into the Company's markets. The shipping industry is competitive with limited barriers to entry, ~~especially in international tradelanes~~. Ocean carriers can shift vessels in and out of tradelanes or charter vessels to manage capacity and meet customer demands. The Company also competes with air freight carriers some of which are able to offer more attractive schedules and services, or to increase capacity. The entry of a new competitor or the addition of new vessels or capacity by existing competitors on any of the Company's **existing** routes

could result in a significant increase in available shipping capacity that could have an adverse effect on the Company's volumes and rates. The loss of or damage to key customer relationships may adversely affect the Company's business. The Company's businesses are dependent on their relationships with customers and derive a significant portion of their revenues from the Company's largest customers. The Company's business relies on its relationships with the U. S. military, freight forwarders and non- vessel owning common carriers, large retailers and consumer goods manufacturers, as well as other larger customers. For more information regarding the Company's significant customers, see the discussion in Part I, Item 1 of this Annual Report. ~~The Company could also be adversely affected by any changes in the services, or changes to the costs of services, provided by third-party vendors such as railroads, truckers, terminals, agents and shipping companies, including charter vessel owners. Service structures and relationships with these parties are important in the Company's intermodal business, as well as in the China, Guam, Micronesia, Japan, Alaska export and South Pacific services. The~~ loss of or damage to any of these key relationships may adversely affect the Company's business and revenue. The Company is dependent upon key vendors and third parties for equipment, capacity, facilities, infrastructure and services essential to operate its business, and if the Company fails to secure sufficient third- party services, its business could be adversely affected. The Company's businesses are dependent upon key vendors who provide terminal, rail, truck, **agent** and ocean transportation **services. Service structures and relationships with these parties are important in the Company's intermodal business, as well as in the China, Guam, Micronesia, Japan, Alaska export and South Pacific** services. If the Company cannot reliably secure sufficient transportation equipment, capacity or services from these third parties at reasonable prices or rates to meet its or its customers' needs and schedules, **or if there are changes to the costs of such services,** customers may seek to have their transportation and logistics needs met by others on a temporary or permanent basis. If this were to occur, the Company's business, results of operations and financial condition could be adversely affected. **The loss of or damage to any of these key relationships may also adversely affect the Company's business and revenue.** An increase in fuel prices, changes in the Company's ability to collect fuel-related surcharges, and / or the cost or limited availability of required fuels may adversely affect the Company's profits. Fuel, including LNG fuels and biofuels, is a significant operating expense for the Company's Ocean Transportation business. The price and supply of fuel are **unpredictable difficult to predict** and fluctuate based on events beyond the Company's control, including impacts from global macroeconomic conditions and geopolitical events. Increases in the price of fuel may adversely affect the Company's results of operations. Any such increases also can lead to increases in other expenses, such as energy costs and costs to purchase outside transportation services. In the Company's Ocean Transportation and Logistics services segments, the Company utilizes fuel- related surcharges, although increases in the fuel- related surcharges may adversely affect the Company's competitive position and may not correspond exactly with the timing of increases in fuel expense. Changes in the Company's ability to collect fuel- related surcharges, including recovery of all or most fuel- related expenses, also may adversely affect its results of operations. The development of alternative fuels (such as low- or carbon- neutral fuels), including the necessary infrastructure and technology to utilize such fuels, is still in early experimental stages. There is significant uncertainty as to when, if at all, these alternative fuels will become commercially available or viable **at a reasonable cost and in sufficient quantities**, and whether Matson will be able to utilize or have access to these alternative fuels (or any such alternative fuels developed in the future) in a timely and cost- effective manner. In addition, advances in fuel technology could require Matson to incur significant capital costs to utilize any such technologies (including, for example, efforts to accelerate building of new vessels, retrofit existing vessels, retire ~~15 vessels~~ **vessels** early or make reserve vessels unusable) and Matson may be unable to equip its vessels with these technologies on a timely basis, if at all. **It is also uncertain to what extent charter vessel owners may be willing to experiment with, or make the necessary investments to utilize, alternative fuels.** ~~Evolving 14~~ **Evolving** regulations and stakeholder expectations related to sustainability matters exposes the Company to heightened scrutiny, additional costs, operational challenges and a number of risks. The SEC, **the state of California,** and other regulators, investors, advisory firms, employees, customers, suppliers, governments and other stakeholders are increasingly focused on and have established regulations and expectations related to sustainability matters and related corporate practices, disclosures and initiatives. These evolving regulations and expectations may impact the Company's reputation, business and attractiveness as an investment, employer or business partner to the extent the Company – including its initiatives, goals and reporting – fails to satisfy or is perceived to fail to satisfy those regulations and expectations, including as a result of any third-party rating or assessment. The adoption and expansion of related legislation and regulations have also resulted and may again result in increased capital expenditures and compliance, operational and other costs to the Company. For example, the state of California has adopted ~~new~~ climate change disclosure requirements. Compliance with such rules could require significant effort and resources and result in changes to the Company's current GHG emission reduction goals. The Company's public disclosures on its climate, sustainability, human capital and other initiatives include its goals or expectations with respect to those matters, including GHG emission reduction targets. These disclosures are aspirational and based on standards and frameworks for presenting and measuring progress that are not harmonized and are still developing, assumptions that may change, disclosure controls and procedures that continue to evolve, and with respect to our GHG emissions targets, dependent in part on the industry's successful and timely development of alternative fuels and technologies. The Company's use of disclosure frameworks and standards, and the interpretation or application of those frameworks and standards, may change from time to time or differ from those of others. This may result in a lack of consistent or meaningful comparative data from period to period or between the Company and other companies in the same industry. The Company's initiatives and goals may not be favored by certain stakeholders and could impact the attraction and retention of investors, customers and employees, as well as the Company's willingness to do business with other companies or customers or their willingness to do business with the Company. Efforts to achieve or accurately track the Company's initiatives and goals face numerous risks and may be untimely, be unsuccessful, result in additional costs or experience delays, and as a result may have an adverse impact on the Company, including its brand, reputation, financial performance and growth and stock price, and may expose the Company to increased

scrutiny from the investment community as well as enforcement authorities. The Company may not be timely or successful in completing its fleet upgrade initiatives, which may result in significant costs and adversely impact the Company's ability to meet its climate goals. The Company's four new **commissioned** Aloha and Kanaloa class vessels include dual fuel capable engines that can run on low sulfur fuel oil or LNG. The Company has completed the installation of tanks, piping and cryogenic equipment on Daniel K. Inouye **and Kaimana Hila and re-engined Manukai** to operate on LNG; **begun re-engining Manukai**; and announced plans for LNG installations on Kaimana Hila in 2024. In addition, **construction** the Company has **begun on** ~~announced plans to construct~~ three new LNG-ready Aloha Class vessels. The Company **has made and** anticipates making significant capital expenditures in connection with these fleet initiatives. ~~These initiatives may be hindered by substantial delays and long lead times for necessary equipment, including as a result of ongoing supply chain congestion, increased demand across the industry for LNG installations and conversions, and new ship building.~~ Additional operating costs may be incurred to the extent **use** additional ships are needed to maintain schedule integrity while such updates and installations are performed. ~~Once completed, operation of LNG these vessels may be slowed to the extent they present~~ **presents** new maintenance requirements or unforeseen complications. The Company's investments in LNG-ready vessels, whether on their own or in addition to other Company initiatives, may be insufficient to meet the Company's previously announced GHG emission reduction goals on a timely basis or at all. There is no guarantee that the Company will be able to secure LNG via bunker barges or other methods on the U. S. West Coast or in China in sufficient amounts to fuel its vessels or at a reasonable cost, as increased demand for LNG could decrease available supply of LNG and increase prices. Governments have in the past and may again in the future impose tariffs on LNG that also may increase supply costs. As a result of these risks, the Company may not fully realize the benefits of these investments. ~~16The~~ **The** Company's vessel construction agreements with Philly Shipyard subject the Company to risks. On November 1, 2022, MatNav and Philly Shipyard entered into vessel construction agreements pursuant to which Philly Shipyard will construct three new 3, 600- TEU Aloha Class dual- fuel capable containerships, with expected delivery dates during the ~~fourth first~~ **quarter of 2026-2027, the third quarter 2027** and ~~subsequent deliveries currently expected in the second and fourth quarters~~ **quarter of 2027-2028**. Failure of any party to the vessel construction agreements to fulfill its obligations under the agreements could have an adverse effect on the Company's financial position and results of operations. Such a failure could happen for a variety of reasons, including but not limited to (i) delivery delays, (ii) delivery of vessels that fail to meet any of the required operating specifications (for example, capacity, fuel efficiency or speed), (iii) events in South Korea that prevent one or more significant ~~subcontractors~~ **15subcontractors** to Philly Shipyard from performing, (iv) loss of key personnel at either Philly Shipyard or any of its subcontractors, (v) work stoppages or other labor disruptions that may occur as a result of the failure of Philly Shipyard to negotiate collective bargaining agreements with its unions, ~~or~~ (vi) the insolvency of, or the refusal or inability to perform for any reason, by Philly Shipyard or any of its subcontractors, **(vii) the ability of Hanwha Ocean and Hanwha Systems (collectively, " Hanwha ") to integrate Philly Shipyard successfully into their global operations following Hanwha's acquisition of Philly Shipyard, or (viii) delays in the construction of vessels scheduled to be completed before the Company's vessels**. Significant delays in the delivery of the new vessels could limit our ability to replace aging vessels in the Alaska service without substantial modifications and delay the Company's ability to upsize the CLX service, which could also have an adverse impact on our business plans, financial condition and results of operations. The Company's operations are susceptible to weather, natural disasters, ~~maritime accidents, spill events and other physical and operating risks~~, **including those arising from climate change, maritime accidents, spill events and other physical and operating risks**. As a maritime transportation company, the Company's operations are vulnerable to delay, disruptions and loss of life and property as a result of weather, natural disasters and other climate- driven events, such as rising temperatures and heat waves, rising sea levels, bad weather at sea (including increased storm severity), lightning strikes, wildfires, lava flows, hurricanes, typhoons, tsunamis, droughts, windstorms, floods and earthquakes. Climate change has increased and may continue to increase the frequency, severity and uncertainty of such events. For example, sea level rise could potentially impact coastal and other low- lying areas, cause erosion of shorelines, higher water tables and increased flooding, which could damage the Company's vessels, terminals or facilities. In addition, the Company's customers and the island communities it serves throughout the Pacific are particularly vulnerable to rising sea levels and severe storms, which may drive inhabitants away from these regions and reduce demand for the Company's services in the affected areas and adversely impact our business. The Company's operations are also vulnerable to risks related to the operation of ocean- going vessels, including risks of potential marine accidents, or disasters, including grounding, fires, explosions, collisions, mechanical failures, human error, maintenance issues, latent defects, oil or other spill or environmental accidents, whale strikes, war, terrorism and piracy, lost or damaged cargo, delays, injury and loss of life. These risks could be exacerbated by severe weather or other climate- driven events. Changing macroeconomic and geopolitical conditions, including geopolitical conflict, may also result in increased attacks on vessels, piracy or terrorism. Such events could interfere with the Company's ability to provide on- time scheduled service, require evacuation of personnel or stoppage of services or impact the Company's customer's operations, resulting in increased expenses and potential loss of business associated with such events. In addition, severe weather and natural disasters can result in interference with the Company's terminal operations and may cause serious damage to its vessels and cranes. These impacts could be particularly acute in ports such as Dutch Harbor and Kodiak, Alaska where the Company is dependent on a single crane. The Company's vessels and their cargoes, terminals and other facilities are also subject to operating risks such as mechanical failure, collisions and human error. The occurrence of any of these events may result in damage to or loss of terminals, port facilities and infrastructure, vessels, containers, cargo and other equipment, increased maintenance expense, loss of life or physical injury to its employees or people, pollution, or the slow down or suspension of operations. For example, damage to the Company's vessels could require repair at a dry- docking facility. The costs of repairs may be substantial which may adversely affect the Company's business and financial condition. Further, the Company may be unable to find space at a suitable dry- docking facility, the vessels may be forced to wait for space or be towed to a different

facility, all of which could result in additional expenses and delays, and may adversely affect the Company's business. These events can also expose the Company to reputational harm and liability for resulting damages, including for loss of life and property, and possible penalties that, pursuant to typical maritime industry policies, it must pay and then seek reimbursement from its insurer. Affected vessels may also be removed from service and thus would be unavailable for ~~17income~~ **income**-generating activity. Furthermore, the Port of Alaska requires upgrades to its port facilities and infrastructure to improve operational safety and efficiency, accommodate modern shipping operations and improve resiliency, as well as to mitigate the risk of failure due to corrosion, **deterioration** or loss of load bearing capacity. As a result, there is an increased risk that an earthquake or other natural disaster could damage or render inoperable, in whole or in part, port facilities and infrastructure at the Port of Alaska. This, in turn, could adversely affect transportation volumes or rates in Alaska and adversely impact the Company's Ocean Transportation business and Span Alaska's freight forwarding business, particularly given the Alaskan economy's dependence on this port for ocean cargo. ~~There 16There~~ is no assurance that our efforts to mitigate the impact of these risks, including from severe weather or other climate-driven events on our operations, will be effective. Although we take measures that we believe are reasonable to mitigate these risks, it is not practicable to eliminate such risks altogether. The Company's casualty and liability insurance policies are generally subject to large retentions and deductibles and may not cover all losses the Company may incur. Some types of losses, such as losses resulting from a port blockage, generally are not insured. In some cases, the Company retains the entire risk of loss because it is not economically prudent to purchase insurance coverage or because of the perceived remoteness of the risk. Other risks are uninsured because insurance coverage may not be commercially available. Finally, the Company retains all risk of loss that exceeds the limits of its insurance. The Company may be impacted by transitional and other risks arising from climate change. The Company may be impacted by transitional and other risks arising from climate change and the global shift toward a low carbon future. Organizational, industrial and governmental shifts in operations as well as legal and regulatory requirements to reduce or eliminate emissions and / or increase efficiency, **or any amendments, modifications or changes in the interpretation, application or enforcement of any such operations or requirements**, may require the Company to increase expenditures, make changes to existing infrastructure, vessels and equipment, limit the speed at which the Company's vessels are permitted to travel, and make other changes to its business model. For example, the maritime industry is moving toward deployment of clean energy technologies and use of electricity powered by renewable energy sources to power terminal operations as a way to reduce shoreside GHG emissions. As the Company and SSAT increase their reliance on the power grid at terminals, including for cold-ironing and ground service fleets, the Company may experience increased risks related to power outages, brown outs or black outs. The likelihood of these risks is compounded by uncertainties regarding the reliability of renewable energy sources as well as any increased frequency of extreme weather events that may disrupt the generation or transmission of electricity. In addition, compliance with ~~new~~ climate change requirements or regulations such as the IMO's CII requirements ~~related to EEXI and CII~~, **or any amendments, modifications or changes in the interpretation, application or enforcement of any such requirements or regulations**, may create schedule disruptions and could require Matson's fleet to slow down if efficiency improvements or transitions to alternative fuels together are not enough to reduce GHG emissions sufficiently, thus impacting Matson's expedited business model and competitive advantage. New environmental requirements for vessel performance and operation could also require the Company to accelerate the building of new vessels, increase the construction costs for new vessels and equipment to accommodate even newer technology as it emerges while today's technology becomes obsolete, initiate unexpected retrofit projects for existing vessels, retire older vessels earlier than expected, or render reserve vessels unusable. If these outcomes were to occur, the Company's business, results of operations, cash flows and financial condition could be adversely affected. The Company faces risks related to actual or threatened health epidemics, outbreaks of disease, pandemics or other major health crises, which could significantly disrupt the Company's business. The Company's business **has in the past, and could in the future**, be impacted adversely by outbreaks of disease, the effects of public health epidemics, pandemics or other major health crises (which the Company refers to collectively as public health crises), **such as the COVID-19 pandemic**. Actual or threatened public health crises ~~may can~~ have a number of adverse impacts, including volatility in the global economy, impacts to the Company's customers' business operations, reduced tourism in the markets the Company serves, potential restrictions on employee travel, or significant disruptions in ocean-borne transportation of goods, logistics demand and supply chain activity, caused by a variety of factors such as quarantines, factory and office closures, port closures, or other government-imposed restrictions, any of which ~~could can~~ adversely impact the Company's business, financial condition, operating results and cash flows. ~~In addition, the Company's business and operations has in the past, and could in the future, be impacted by outbreaks of disease, such as the COVID-19 pandemic. For instance, during the height of the COVID-19 pandemic, the Company's operations faced risks from employees potentially being restricted from or unable to perform their duties, the Company's or SSAT's terminals potentially being temporarily closed, or potential outbreaks aboard the Company's vessels that could cause the Company to miss port calls. As the COVID-19 pandemic subsided, supply and demand trends have normalized and the high volumes and rates the Company previously experienced in its China service have declined, however, certain fixed costs remain. Additionally, the global macroeconomic effects of the COVID-19 pandemic and related impacts on the Company's customers' business operations, including financial difficulties or bankruptcies, may continue to persist for an indefinite period.~~ The Company's significant operating agreements and leases could be renewed / replaced on less favorable terms or may not be renewed / replaced on acceptable terms, if at all. The significant operating agreements and leases entered into by the Company in the course of its operations, including those related to terminals, chartered vessels, **bonded** and **unbonded container yards, cross-dock facilities, warehouses and offices** as well as those **entered into** with SSAT, expire at various points in time and may not be renewed / replaced with comparable assets with the specifications necessary for the Company's or SSAT's businesses or could be ~~renewed 17renewed~~ / replaced on less favorable terms, if at all, thereby adversely affecting the Company's future financial position, results of operations and cash flows. The Company may face unexpected dry-docking or

repair costs for its vessels. The Company routinely engages shipyards to dry- dock its vessels for regulatory compliance and to provide repair and maintenance, **and capital enhancements**. Vessels may also have to be dry- docked or repaired at sea in the event of accidents or other unforeseen damage. Unexpected dry- dockings or repairs could require the Company to activate a reserve vessel, purchase additional fuel and operate a less- efficient, smaller vessel for a period of time. The Company also operates a number of older active and reserve vessels that may require more frequent and extensive maintenance. The cost of repairs is difficult to predict and can be substantial. In addition, the time when a vessel is out of service for maintenance is determined by a number of factors, including regulatory deadlines, market conditions, shipyard availability, shipyard location, availability of employees and repairmen, and customer requirements, and accordingly, the length of time that a vessel may be out of service may be longer than anticipated, which could adversely affect the Company' s business, financial condition, results of operations and cash flows. The timing and expense required for repairs could be exacerbated by compliance with MARAD **and Jones Act** requirements. The Company is involved in a joint venture and is subject to risks associated with joint venture relationships. The Company is involved in a terminal joint venture with SSAT (and through SSAT, other joint ventures at various U. S. West Coast terminals), and may initiate future joint venture projects. A joint venture involves certain risks for the Company such as: • The Company' s lack of voting control over the joint venture, including the risk that the joint venture takes actions resulting in reputational harm to the Company; • Misalignment or inconsistency of interests between the Company and the joint venture partner; • Reliance on the joint venture partner to fund its share of capital or fulfill its other commitments, including the risk that the joint venture partner could become bankrupt; and • Operating difficulties and financial losses, **including from abandonment or termination of terminal lease agreements**, at the joint venture, which may lead to **SSAT** ~~the Company~~ writing down assets or incurring impairment charges. In addition, the Company relies on SSAT for its stevedoring services at the ports of Long Beach and Oakland, California and Tacoma, Washington on the U. S. West Coast. The Company could be adversely affected by any changes in the services provided or to the costs of such services provided by SSAT. Furthermore, the Company' s results of operations have been and may continue to be impacted by lower **contributions share of income** from SSAT, including as a result of declines in ~~detention and demurrage revenue and~~ lift volumes due to reduced carrier volumes into U. S. West Coast ports. The Company is subject to risks associated with conducting business in foreign ~~shipping~~ markets. Matson' s China ~~service~~, Alaska export, Micronesia, Japan and South Pacific ~~other international~~ services are subject to risks associated with conducting business in a foreign ~~shipping market~~ **markets**, which include: • Challenges associated with operating in foreign countries and developing relationships with foreign companies, business associates and governments, including as a result of cultural differences; • Difficulties in staffing and managing foreign operations, including dynamic employment and immigration laws; ~~19~~ • The Company' s ability to comply with U. S. and foreign legal and regulatory restrictions, including anti- corruption laws such as the Foreign Corrupt Practices Act; • Not having continued access to existing port facilities or feeder vessels; • The Company' s ability to manage changes in the cost of goods or currency exchange rate fluctuations; • Geopolitical and economic instability; • Economic downturns or slower growth in the local markets or geographic areas in which we conduct business; • Dynamics involving U. S. trade relations with other countries, including the imposition **or threatening** of or uncertainty associated with the level, **magnitude and product range** of tariffs, non- tariff trade barriers or sanctions, including the use of export control restrictions and sanctions against certain countries and individual companies, or other governmental actions, and responsive actions taken by the Company' s customers, including with respect to their supply chains; **18 • The Company' s ability to offer a differentiated service for which customers are willing to pay a significant premium;** and • Customer preferences to diversify supply chains away from, or otherwise limit sourcing from, certain countries. The Company' s terminals in Hawaii and Alaska require modernization. The Company has completed the first phase of renovating and modernizing its Sand Island terminal in Honolulu Harbor. However, significant upgrades remain, including **the long- term expansion program at the Sand Island terminal and** projects to improve resiliency, ~~including~~ to risks ~~due to from events such as~~ severe weather ~~events~~, natural disasters, sea level rise and **other** climate- change related risks. The Company is continuing discussions with state and local authorities regarding a port modernization program for the Port of Alaska. Significant upgrades to the terminal and port facilities at the Port of Alaska are needed to improve operational safety and efficiency, accommodate modern shipping operations, and improve resiliency, including to risks due to severe weather events, natural disasters and climate- change related risks. For example, the aging ~~cranes and docks~~ **dock facilities** of the port are increasingly exposed to the risk of failure due to corrosion, **deterioration**, and the loss of load- bearing capacity particularly in the event of extreme seismic events or other natural disasters. Regulatory, construction or other delays or cost overruns related to the expansion and modernization of the terminals could have an adverse impact on the Company' s business plans, financial condition and results of operations. In addition, the terminal modernization programs may not result in improved operational productivity or improved resiliency to severe weather events, extreme seismic events or other natural disasters or generate expected returns. Heightened security measures, war, actual or threatened terrorist attacks, efforts to combat terrorism and other acts of violence may adversely impact the Company' s operations and profitability. War, terrorist attacks and other acts of violence may cause consumer confidence and spending to decrease, or may affect the ability or willingness of tourists to travel to Hawaii, Guam or Alaska, thereby adversely affecting those economies and the Company. Wars or terrorism could impact global supply chains due to changes in vessel routing, product sourcing decisions, or governmental sanctions or restrictions. Additionally, acts of war and future terrorist attacks could increase volatility in the U. S. and worldwide financial markets. Acts of war or terrorism may also be directed at the Company' s shipping operations or may cause the U. S. government to take control of Matson' s vessels for military operations. Heightened security measures, including customs inspections and related procedures in countries of origin and destination, potentially slow the movement and increase the cost of freight through U. S. or foreign ports, across borders or on U. S. or foreign railroads or highways. Acquisitions may have an adverse effect on the Company' s business. The Company' s growth strategy includes expansion through acquisitions, including, for example, the Company' s acquisitions of Horizon Lines, Inc. (" Horizon ") in 2015 and Span Alaska in 2016. There is no assurance that the

Company will be successful in identifying, negotiating, or consummating any future acquisitions. Even if suitable candidates are identified, such transactions may result in regulatory scrutiny, litigation and-or difficulties in assimilating acquired assets or companies, and may result in the diversion of the Company's capital and its management attention from other business issues and opportunities. The Company may not be able to integrate companies that it acquires successfully, including their personnel, financial systems, distribution, operations and general operating procedures. The Company may also encounter challenges in achieving appropriate internal control over financial reporting in connection with the integration of an acquired company. The Company may pay a premium for an acquisition, resulting in goodwill that may later be determined to be impaired. 20

**Risks** Related to Employees Work stoppages or other labor disruptions caused by the Company's unionized workers and other workers or their unions in related industries could adversely affect the Company's operations. A significant portion of Matson's employees are covered by collective bargaining agreements. Furthermore, the Company relies on the services of third parties, including SSAT, which employ persons covered by collective bargaining agreements. For additional information on collective bargaining agreements with unions, see Part I, Item 1, Subheading C. Employees and Labor Relations of this Annual Report. Previously 19

**Previously**, the Company has been adversely affected by actions taken by employees of the Company or other companies in related industries against efforts by management of the Company or other companies to control labor costs, restrain wage or benefit increases or modify work practices. In the past, strikes, slow-downs and disruptions have occurred as a result of the failure of Matson or other companies in its industry to negotiate collective bargaining agreements with such unions successfully. In addition, any slow-downs, strikes, lock-outs or other disruptions, including limits on the availability of labor through trade union hiring halls, have had and in the future, particularly in years when collective bargaining agreements are being negotiated, could have an adverse impact on Matson's or SSAT's operations. Loss of the Company's key personnel or failure to adequately manage human capital could adversely affect its business. The Company's future success depends, in significant part, upon the continued services of its key personnel and skilled employees, including its senior management, as well as key personnel at its joint venture partners. The permanent or temporary loss of the services of key personnel could adversely affect the Company's future operating results because of such employees' experience with and knowledge of the Company's business and customer relationships. If key personnel and skilled employees depart or are unable or unwilling to work, the Company's ability to execute its business model could be impaired to the extent it cannot replace such personnel or sufficiently train new personnel in a timely manner. In addition, the Company may incur significant costs to replace these employees. Whether the Company can meet its labor needs is subject to a variety of pressures, including market compensation and benefit levels, which may be impacted by pressure within the industry to increase wages, including due to the threat of a labor strike; the availability of labor, which may be impacted by national and global labor trends including higher-than-normal levels of individuals leaving the workforce and industry trends including aging workforces that may reduce the available pool of skilled workers; a mismatch of skills or experience to support the evolving needs of the Company's business; and employee expectations or desire for changes in the work environment. In addition, the Company's workforce is aging, and within the next few years an increasing number of employees will be eligible to retire, which may result in a period of higher turnover rates than we have historically experienced and could amplify these challenges. The Company does not maintain key person insurance on any of its key personnel. The Company's investments in and efforts to manage its human capital and maintain a desirable workplace culture, including to create a safe and healthy work environment, improve diversity and create a respectful, responsive and inclusive culture, and foster a rewarding workplace for employee development and advancement, may not be successful in identifying, attracting, developing, motivating, retaining, competing for or replacing qualified personnel. These efforts and the Company's reputation may also be impacted by any failure or perceived failure to meet or timely progress on publicly disclosed human capital-related goals and initiatives, including with respect to diversity, equity and inclusion, or to compare favorably with the progress or goals of its industry or peers. Risks Related to Information Technology If the Company is not able to use its information technology and communications systems effectively, the Company's ability to conduct business might be negatively impacted. The Company is highly dependent on the proper functioning of its information technology systems to enable operations and compete effectively. The Company regularly updates its information technology systems or implements new systems, which could cause substantial business interruption. There is no assurance that the systems upgrades or new systems will meet the Company's current or future business needs, or that they will operate as designed. In addition, adoption of new and rapid changes in technology, such as the rise in artificial intelligence applications, may impact the transportation and logistics industry. If Matson does not appropriately adapt its operations to these new technologies as quickly or effectively as its competitors, the Company's business could be adversely affected. 21

**The** Company's information technology systems also rely on third-party service providers for access to the Internet, satellite-based communications systems, the electric grid, database storage facilities and telecommunications providers. The Company has no control over the operations of these third-party service providers. In the past, disruptions in the Company's third-party service providers have impacted the Company's operations, including the Company's ability to book and manage freight, stow vessels, and process customs declarations. Some of the Company's employees work from home or remotely, increasing the Company's dependence on its information technology systems and third-party providers during those times. If the Company's information technology and communications systems experience reliability issues, integration or compatibility concerns or if the Company's third-party providers are unable to perform effectively or experience disruptions, cyber attacks or failures, there could be an adverse impact on the availability and functioning of the Company's information technology and communications systems, which could lead to business disruption or inefficiencies, reputational harm or loss of customers. The Company's information technology systems have in the past and may in the future be exposed to cybersecurity risks and other disruptions that could impair the Company's ability to operate and adversely affect its business. The shipping industry is a more frequent target of cyber attacks than some other industries because of the essential nature of these services. The Company relies extensively on its information technology systems and third-party service providers in many aspects of its business, including

cloud services for accounting, billing, disbursement, cargo booking and tracking, vessel scheduling and stowage, equipment tracking, customer service, banking, payroll and employee communication systems. The Company also collects, stores and transmits sensitive data, including its proprietary business information and that of its customers, and personally identifiable information of its customers and employees. The Company's practices, policies and other efforts, including as described in Part I, Item 1C of this Annual Report on Form 10-K, may not be sufficient to prevent, detect or remediate all cybersecurity risks or other disruptions, and the Company and its service providers have in the past experienced and may in the future experience cybersecurity incidents, disruptions, threats and vulnerabilities such as malware (including computer viruses and ransomware), software bugs, denial-of-service ("DoS") attacks, phishing, spoofing, identity-based attacks, code injection attacks, cyber terrorism, sabotage, circumvention of security systems (whether physical or virtual), malfeasance, breaches due to employee error, natural disasters, accidents, power disruptions or loss, telecommunications failure, unauthorized access or other catastrophic events or failures at the Company's facilities, aboard its vessels or at third-party locations. Any failure, breach or unauthorized access to the Company's systems or those of third parties on which the Company relies could result in the loss of confidential, sensitive or proprietary information, interruptions in its service or production or otherwise impact the Company's ability to conduct business operations, and **potentially** could result in ~~potential~~ reductions in revenue and profits, damage to its reputation or liability. Risks Related to Financial Matters A deterioration of the Company's credit profile, disruptions of the credit markets or higher interest rates could restrict its ability to access the debt capital markets or increase the cost of debt. Deterioration in the Company's credit profile may have an adverse effect on the Company's ability to access the private or public debt markets and also may increase its borrowing costs. If the Company's credit profile deteriorates significantly, its access to the debt capital markets or its ability to renew its **revolving credit facility and other** committed lines of credit may become restricted, or the Company may not be able to refinance debt at the same levels or on the same terms. Because the Company relies on its ability to draw on its revolving credit facility to support its operations when required, any volatility **or disruption** in the credit and financial markets **or other development** that prevents the Company from accessing funds (for example, a lender that does not fulfill its lending obligation) **or renewing its revolving credit facility** could have an adverse effect on the Company's financial condition and cash flows. Additionally, the Company's credit agreements generally include an increase in borrowing rates if the Company's credit profile deteriorates. Furthermore, the Company incurs interest under its revolving credit facility based on floating rates. Floating rate debt creates higher debt service requirements **if as** market interest rates increase, as ~~was has been~~ the case in connection with the U. S. Federal Reserve's interest rate increases in 2022 and 2023, ~~which could~~ **and high interest rates can** adversely affect the Company's cash flow and results of operations. Disruptions to the credit markets as a result of macroeconomic, geopolitical, or financial market developments could increase the Company's cost of capital and limit the Company's access to capital. ~~22Failure--~~ **Failure** to comply with certain restrictive financial covenants contained in the Company's credit facilities could preclude the payment of dividends, impose restrictions on the Company's business segments, capital resources or other activities or otherwise adversely affect the Company. The Company's credit facilities contain certain restrictive financial covenants, the most restrictive of which include a maximum ratio of debt to earnings before interest, taxes, depreciation and amortization ("EBITDA"), a minimum ratio of EBITDA to interest expense, certain prohibitions on additional priority debt and the maintenance of minimum ~~shareholders~~ **21shareholders** equity. If the Company does not maintain these and other required covenants, and a breach of such covenants is not cured timely or waived by the lenders, resulting in a default, the Company's access to credit may be limited or terminated, dividends may be suspended, and the lenders could declare any outstanding amounts due and payable. The Company's continued ability to borrow under its credit facilities is subject to compliance with these financial and other non-financial covenants. The Company's effective income tax rate may vary. Various internal and external factors may have favorable or unfavorable material or immaterial effects on the Company's effective income tax rate and, therefore, impact the Company's net income and earnings per share. These factors include, but are not limited to changes in tax rates; changes in tax laws, regulations, and rulings; changes in interpretations of existing tax laws, regulations and rulings; changes in the evaluation of the Company's ability to realize deferred tax assets, and changes in uncertain tax positions; changes in accounting principles; changes in current pre-tax income as well as changes in forecasted pre-tax income; changes in the level of Capital Construction Fund ("CCF") deductions, non-deductible expenses, and expenses eligible for tax credits; changes in the mix of earnings among countries with varying tax rates; changes to the allowable amounts of foreign derived intangible income deductions; and acquisitions and changes in the Company's corporate structure. These factors may result in periodic revisions to the Company's effective income tax rate, which could affect the Company's cash flow and results of operations. Changes in the value of pension assets, or a change in pension law or key assumptions, may adversely affect the Company's financial performance. The amount of the Company's employee pension and post-retirement benefit costs and obligations is calculated on assumptions used in the relevant actuarial calculations. Adverse changes in any of these assumptions due to economic or other factors, changes in discount rates, higher health care costs, or lower actual or expected returns on plan assets, may adversely affect the Company's operating results, cash flows, and financial condition. In addition, a change in federal law, including changes to the Employee Retirement Income Security Act or Pension Benefit Guaranty Corporation premiums, may adversely affect the Company's single-employer and multi-employer pension plans and plan funding. These factors, as well as a decline in the fair value of pension plan assets, may put upward pressure on the cost of providing pension and medical benefits and may increase future pension expense and required funding contributions. There can be no assurance that the Company will be successful in limiting future cost and expense increases, and continued upward pressure in costs and expenses could further reduce the profitability of the Company's businesses. The Company may have exposure under its multi-employer pension and post-retirement plans in which it participates that extends beyond its funding obligation with respect to the Company's employees. The Company contributes to various multi-employer pension plans. In the event of a partial or complete withdrawal by the Company from any plan that is underfunded, the Company would be liable for a proportionate share of such plan's unfunded vested benefits (see Note 11 to

the Consolidated Financial Statements in Item 8 of Part II of this Annual Report). Based on the limited information available from plan administrators, which the Company cannot independently validate, the Company believes that its portion of the contingent liability in the case of a full withdrawal or termination may be material to its financial position and results of operations. If any other contributing employer withdraws from any plan that is underfunded, and such employer (or any member of its controlled group) cannot satisfy its obligations under the plan at the time of withdrawal, then the Company, along with the other remaining contributing employers, would be liable for its proportionate share of such plan's unfunded vested benefits. In addition, if any of the multi-employer plans to which the Company contributes fails to satisfy the minimum funding requirements, the Internal Revenue Service will impose certain penalties and taxes on the Company and other contributing employers.

**23 Risks**— **Risks** Related to Legal, Regulatory and Compliance Matters As an ocean transportation and logistics services company, the Company is subject to numerous safety, environmental, and other laws and regulations that impact the Company's operations, are costly to comply with and expose ~~us~~ **the Company** to liability. The Company, including its vessels and terminals, is subject to numerous federal, state and local laws and regulations, including those related to safety, cabotage, equipment standards and government rates. In addition, the Company is subject to environmental laws and regulations, including those relating to air quality initiatives at port locations; air **22** emissions; use of shore power at California ports; wastewater discharges; management of storm water; the storage, transportation, handling, emission and disposal of solid and hazardous materials, oil and oil-related products, hazardous substances and wastes; the investigation and remediation of contamination and liability for damages to the environment; health, safety and the protection of the environment and natural resources; and climate change, including any regulations, mandates or restrictions related to GHG emissions, such as a potential carbon tax, and energy use. Any changes in applicable laws and regulations, including their enforcement, interpretation or implementation that results in more stringent requirements than currently anticipated, as well as any new laws and regulations that are adopted could impose significant additional costs and limitations on the Company's ability to operate. Mitigation strategies or contingency plans to remain in compliance with applicable laws and regulations may be unsuccessful, result in additional costs or experience delays. Such costs may not be recoverable through increased payments from customers. For a discussion of specific laws and regulations, see Part I, Item 1 of this Annual Report. Federal, state and local laws and regulations require us to obtain certificates of financial responsibility and to adopt procedures for oil and hazardous substance spill prevention, response and clean up, among other requirements impacting the Company's business. In complying with applicable laws and regulations, the Company has incurred expenses and may incur material future costs and expenses related to vessel and equipment modifications, new equipment, higher-priced fuel, changes in operating practices and procedures, tracking emissions, changing routes, adopting or modifying energy sources and undergoing additional oversight inspections, all of which could adversely affect the Company's business and financial condition. For example, Matson's vessels operate within emissions control areas, and the Company's U.S. flagged vessels generally must be maintained "in class" and are subject to periodic inspections by the American Bureau of Shipping or similar classification societies. They also must be periodically inspected by, or on behalf of, the United States Coast Guard. The Company's vessels' operating certificates and licenses are renewed periodically during the required annual surveys of the vessels, but there is no assurance that the Company's programs and policies will be sufficient to have such certificates and licenses renewed. The EPA also requires vessels to obtain coverage under a general permit and to comply with inspection, monitoring, discharge, recordkeeping and reporting requirements. These laws and regulations provide for substantial fines, sanctions, as well as criminal and civil penalties and significant environmental liabilities, in the event of any violations of, or non-compliance with, their requirements (including any waivers, permits or recordkeeping and other reporting requirements). Any vessel-generated pollution from incidents in U. S. waters within three nautical miles, and in some cases, within the 200-mile exclusive economic zone, for example, could expose us to such fines or penalties. The Company is subject to, and may in the future be subject to, disputes, legal or other proceedings, and government inquiries or investigations that could have an adverse effect on the Company. The nature of the Company's business exposes it to the potential for disputes, legal or other proceedings, and government inquiries or investigations relating to antitrust matters, labor and employment matters, personal injury, loss of life and property damage, environmental, shore power and other matters, as discussed in the other risk factors disclosed in this section or in other Company filings with the SEC. For example, Matson is a common carrier, whose tariffs, rates, rules and practices in dealing with its customers are governed by extensive and complex foreign, federal, state and local regulations, which may be the subject of disputes or administrative or judicial proceedings. If these disputes develop into proceedings, these proceedings, individually or collectively, could involve or result in significant expenditures or losses by the Company, or result in significant changes to Matson's tariffs, rates, rules and practices in dealing with its customers. 24