CEO LETTER

2022 was a pivotal year for Matson. As expected, we experienced very strong demand for all of our services in the first half of the year as companies restocked inventory levels to meet continued, heightened consumer demand and disruptions in Transpacific supply chains offered opportunities for Matson to demonstrate our prowess in expedited delivery solutions. By midyear, a transition was underway that is prevalent today. Consumer demand has abated due to inflationary price pressure and higher interest rates, and businesses remain cautious with regard to stock levels and forward commitments.

Through it all, Matson has remained resilient and our core tenets resolute. Our customer-first focus and commitment to service excellence, buoyed by timely investments in vessels, shoreside infrastructure and market opportunities, have yielded extraordinary results over the past three years as we met ever-evolving customer needs.

As stewards of your capital, we are guided by three principles: (i) expanding and maintaining our asset base, (ii) supporting a strong balance sheet, and (iii) returning surplus cash to you. We seek investment returns that exceed our cost of capital over time, and in the case of fleet replenishment, these returns may manifest over decades. We are a long-cycle, asset-intensive business and take a long view on your investment dollars, yet we are agile enough to seize short-term opportunities when they arise.

Our partnership with SSAT, the best operator on the West Coast, offers a dedicated terminal for our CLX service and the multi-user Pier A terminal for our CLX+ service.

Our return on invested capital (ROIC), a key measure of our capital allocation efficiency, was 41.9% in 2022 due to extraordinary financial results. We generated $1,271.9 million in cash flow from operations, approximately 5 times the cash flow we generated in 2019. This remarkable generation of cash has allowed us to pre-fund nearly two-thirds of our expected $1 billion in capital investments for the next generation of Matson vessels, an investment that will add capacity, enable fleet efficiencies, and help meet our sustainability goals. Additionally, we returned $445.0 million to shareholders in the form of share repurchases and dividends in 2022.

These capital allocation decisions exemplify our commitment to investors to grow shareholder value. Since our company became public in 2012, we have returned over $1 billion to shareholders and increased book value per share by 10.1 times, a compounded annual

We are proud that we have the two fastest, most reliable ocean services out of China to Long Beach and an unmatched set of destination services.

growth rate of 24.7%.[1] We have reduced the diluted shares outstanding by 13.1% over this period[2] and returned 23.9% of all the cash we have generated to you.[3]

Since our company became public in 2012, we have returned over $1 billion to shareholders and increased book value per share by 10.1 times, a compounded annual growth rate of 24.7%.[1]

These results are testament to our highly differentiated business model and to the prior investments we have made. In short, Matson has never been stronger than we are today as we remain true to our mission to *move freight better than anyone.*

THE NEW NORMAL AND LESSONS WE HAVE LEARNED

In last year's letter, I made mention of the "new normal" and the uncertainty of what would unfold in 2022 regarding demand and supply chain challenges. We expected market disruption to continue amid strong consumer demand, and indeed it did through the first half of last year.

Rates for our China service ultimately peaked in late spring, and by late summer freight demand began to wane as manufacturers and retailers alike lessened production and orders. We took action and ceased our temporary China-California service (CCX) as a result.

As of this writing, business conditions remain challenging as retailers continue to right-size inventories with weakening consumer demand, increasing interest rates and economic uncertainty. As such, we expect our China service in the first quarter and first half of the year to reflect freight demand levels below normalized conditions with lower year-over-year volumes and a lower rate environment. Absent a "hard landing" in the U.S. economy, we expect improved trade dynamics in the second half of the year as the Transpacific marketplace transitions to a more normalized level of demand.

Uncertainties and chaotic conditions have tended to highlight the benefits of our business model. The past three years of supply chain disruption have brought remarkable opportunities that we have seized. We have generated significant earnings and cash that we have used to invest in our future and in increasing your ownership stake. Cycles, by their very nature, rise and ebb. Regardless of where we are in any demand cycle, the past few years have taught us, once more, how Matson is positioned for success moving forward.

Speed to Market is Our Key Differentiator. Perhaps the most important lesson learned over the past few years is the ability to bring customer goods to market in a timely and reliable manner. That sounds obvious and it is, but the ability to execute these two principles is far from common. We are proud that we have the two fastest, most reliable ocean services out of China to Long Beach and an unmatched set of destination services. Our partnership with SSAT, the best operator on the West Coast, offers a dedicated terminal for our CLX service and the multi-user Pier A terminal for our CLX+ service. We offer first-in, first-off loading of customer cargo onto our chassis, cargo availability within 24 hours of arrival at berth, and industry-leading truck turn times at 22 minutes or less — significantly less than the competition.

[1] Book value per share defined as shareholders' equity divided by shares outstanding and is based on 2022 shareholders' equity excluding the cumulative net positive adjustment of $154.0 million related to the 2017 Tax Cuts and Jobs Act. Including the adjustment, the compounded annual growth rate would be 25.5%.
[2] Based on weighted average diluted shares outstanding as of the 3-month periods ended June 30, 2012 and December 31, 2022 of 42.8 million and 37.2 million, respectively.
[3] Based on cumulative return of capital and cash flow from operations from July 1, 2012 through December 31, 2022 of $1,030.2 million and $4,302.3 million, respectively.

Owning Assets Matters.
We've invested consistently in our vessels, chassis, cranes and other shoreside assets over the past decade. It mattered most in the past two years when customer cargo carried by others could not be transported from the port due to congestion or lack of equipment.

We are a Niche Operator.
We are an independent operator in niche, high-margin markets. And while this means we carry extra weight sometimes with respect to our capital intensity, it also means we control all of our assets in a unique network that provides unmatched flexibility and reliability for our customers. In addition, in most of the markets we serve (Hawaii, Guam and Alaska), we carry everyday household goods and foodstuffs, vital cargo volume that is largely immune to the swings demonstrated in other end markets.

Strong Customer Relations Endure.
We solidified relationships with long-time customers during these past few years and expanded our client base with manufacturers and retailers that value our superior expedited services. New opportunities will arise from these relationships, and perhaps new markets, as we partner with our customers to solve their cargo transport challenges.

INVESTING FOR A GROWING, SUSTAINABLE FUTURE – OUR NEW-BUILD PROGRAM

In November 2022, we announced our partnership with Philly Shipyard for the construction of three

The Span Alaska facility in Auburn, Washington is a key component of our Alaska freight forwarding service.

> We are an independent operator in niche, high-margin markets, which allows us to control all of our assets in a unique network that provides unmatched flexibility and reliability for our customers.

additional dual-fuel, LNG-ready Aloha Class vessels. These new vessels are expected to add significant capacity in our CLX service (about 21%) and also provide for growth in the Hawaii and Guam markets for decades to come. The vessels are expected to feature state-of-the-art green technologies and fuel-efficient hulls, which should significantly advance our decarbonization goals; that is, to reduce Scope 1 greenhouse gas emissions by 40% by 2030. The Aloha Class design, which was developed specifically for our Hawaii service for new-builds delivered in 2018-2020, has performed above and beyond our expectations.

The decision to build new vessels is the single most important use of your capital. Years of planning and analysis, not only of core market demand dynamics but of potential new technologies, potential trade routes, alignment with sustainability goals and utilization of capital and tax efficiencies from the Capital Construction Fund (CCF), culminated in our decision. The expected total milestone payments of $1 billion for the three vessels is the largest capital program in the history of Matson. We moved forward because of our conviction in the future of our markets and the compelling economics of added capacity, operational efficiencies, and financial leverage. These investments today will yield meaningful increases in operating income and cash flow for the next decade.

In addition to the new-build program, LNG installations are slated for three of our current fleet vessels over the next two years. Following that, we may make installations on two more vessels to further our sustainability and fuel-efficiency goals. On that note, I encourage all to follow us on our

Matson Kodiak arriving at Anchorage, Alaska.

path toward a greener future by accessing our annual Sustainability Reports.

HOW WE ALLOCATE YOUR CAPITAL

We achieved exceptional financial results in 2022, which provided us opportunities to significantly increase our share repurchase activity, commit to large, generational assets, lower our debt level, and opportunistically defer and recapture federal taxes through the CCF, as described below.

- **Return Capital to Shareholders**
  We accelerated our share repurchase program in 2022 with the purchase of approximately 5.0 million shares at a total cost of $397.0 million. With these purchases, we reduced diluted shares outstanding by nearly 11.4%.[4] And in August of 2022, the Board of Directors authorized an additional 3 million shares for potential repurchase (approximately 8% of the then current shares outstanding). When evaluating buybacks, we consider not only imminent cash needs but also the long-term prospects of increasing your ownership in the Company. Going forward, we expect to be a steady buyer of shares.

  In June 2022, we announced our 10th consecutive annual increase in our quarterly dividend. We strongly believe that shareholders should receive increasingly higher dividends, in line with growth in long-term, sustainable cash flow. Our aspiration is to continue to grow the annual dividend.

- **Generational Assets**
  As mentioned above, in 2022 we committed to build three new vessels with expected delivery in 2026 and 2027. These generational assets are the foundation of the Company, and we are confident in the timing of these investments. In the third quarter of 2022, we made a $565 million cash deposit into the CCF, out of which we made a $50 million milestone payment to the shipyard in early November. We expect this CCF deposit to lead to a significant refund of a portion of the $242 million in cash taxes paid in 2021. We made an additional cash deposit into the CCF of $100 million in February 2023 and pledged accounts receivable of $200 million to apply against our 2022 taxable income. With this second cash deposit into the CCF, we will have paid for 67% of the current total expected milestone payments.

  In addition to the new vessel program commitment, we made investments to maintain and grow our fleet and shoreside operations as well as our logistics businesses. In 2022, capital allocated to "maintenance and other" expenditures was $146.9 million. Of this amount, $60.5 million was "growth capital," investments in equipment to support our new tradelane services that capitalized on demand out of China and our seafood export business from Alaska on the Alaska-Asia Express (AAX), and $21.3 million was for equipment for LNG installations beginning this year.

[4]Based on the weighted average diluted shares outstanding as of the 3-month periods ended December 30, 2021 and December 31, 2022 of 42.0 million and 37.2 million, respectively.

In 2023, capital expenditures are expected to be approximately (i) $55 million on the new vessels, (ii) $80-90 million on maintenance of our fleet and shoreside assets, and (iii) $60-65 million for LNG equipment to be installed on our existing vessels.

- **Building a Fortress Balance Sheet**
  With increasing uncertainty around future cargo demand, inflationary pressures, and potential recessionary headwinds, we are committed to maintaining investment-grade credit metrics while meeting our capital commitments. We have navigated turbulent waters before and should the economic environment turn, we are prepared. Our low financial leverage (just 0.3x[5]), leadership positions in stable markets, and existing liquidity provide us a buffer against any potential downdrafts. In addition, our asset base has grown significantly in the past few years in line with the inauguration of new services; these markets serve to diversify our customer and revenue mix, further strengthening our cash generation prospects. We ended 2022 with $249.8 million of cash and cash equivalents, $517.5 million in long-term, amortizing debt and an undrawn $650 million revolving credit facility.

In 2022, we committed to building three additional Aloha Class vessels with deliveries expected in 2026 and 2027. These vessels are expected to feature state-of-the-art green technologies and fuel-efficient hulls, which should significantly advance our decarbonization goals.

- **Acquire Businesses Opportunistically**
  We remain disciplined in our evaluation of potential acquisitions. We still believe that valuation expectations are higher than justified by earnings fundamentals and growth prospects, especially in light of current economic conditions. As a result, we made one small "tuck-in" acquisition in 2022 for approximately $5 million and passed on quite a few larger opportunities. That may very well change in the coming year, as we expect attractive candidates to emerge that meet our investment criteria; double digit cash-on-cash returns, strong cultural fit, complementary services to our core businesses and a differentiated value proposition. We are ready to put our balance sheet and operational acumen to work to grow your Company.

STRONGER THAN EVER

In the opening of the letter, I suggested that Matson has never been better positioned for success than we are today. Here is why.

- The Matson brand and our positioning with customers have been enhanced by an expanded network and superior service offerings. We have proven ourselves to our customers by providing innovative solutions and putting our assets to work for *them*.

- We have sustainable, defendable market positions that we expect will generate cash at levels higher than our pre-pandemic 2019 base when business conditions normalize. We are the supply chain leaders in Hawaii, Guam and Alaska, markets that are stable and largely recession resistant.

- We are a unique, niche provider of cost-efficient expedited goods from China to the U.S. West Coast. We offer the fastest and second fastest over-the-water services (and the most on-time) that offer reliable turns at dedicated terminals and off-dock facilities. As a result, we command a rate premium that is sizable and a reputation for reliability that is unparalleled.

- Our financial position is enviably solid. Our past rigor and prudence have resulted in a flexible platform for seizing opportunities as they come, weathering downturns, and providing appropriate financial leverage for outsized returns on invested capital.

- We remain committed to our customers and shareholders in equal measure.

[5]Based on total debt of $517.5 million (before any adjustment for deferred loan fees as required by U.S. GAAP) and EBITDA of $1,526.2 million.

By providing superior service and reliability we earn the trust of our customers every day. By returning cash to shareholders and putting your capital to its best and highest use, we steward a bright exciting future.

IN CLOSING

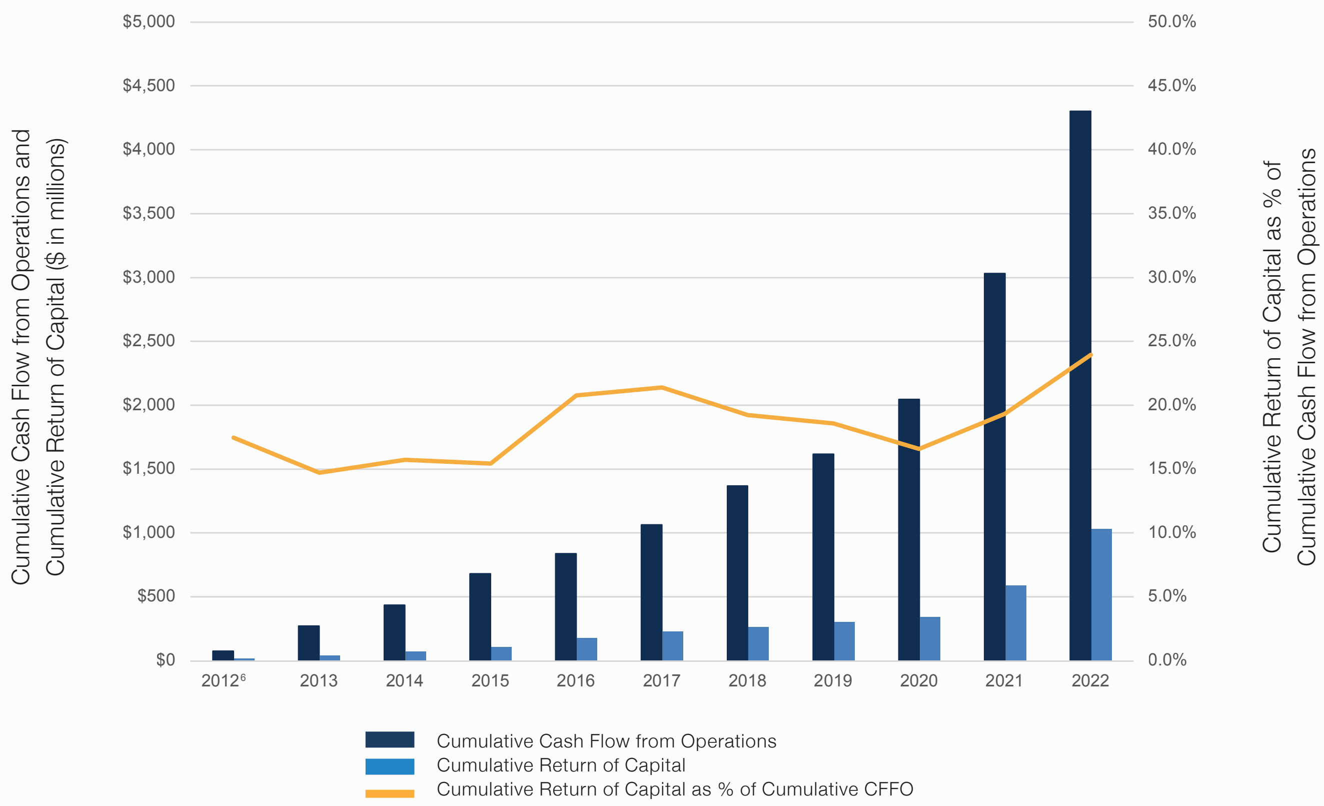
The last few years have been a remarkable journey for Matson through the challenges of a pandemic and its effects on supply chains and everyday living. In my nearly 40 years in the business, I have not seen such widespread supply chain dislocation, but your Company reacted swiftly to add new services, find creative solutions, and meet the needs of our customers while providing the highest level of service and reliability. The Matson brand has never been stronger, and it reflects every employee's tireless effort and dedication to serving the needs of our customers during prosperous and challenging times.

While there will always be some degree of uncertainty in the macroeconomic environment, we will maintain our disciplined capital allocation strategy to create shareholder value over the long term and remain focused on what we can control and do what we have always done – *move freight better than anyone.*

Sincerely,

Matt Cox
Chairman and Chief Executive Officer
February 24, 2023

CUMULATIVE CASH FLOW FROM OPERATIONS AND RETURN OF CAPITAL



Note: Return of Capital is defined as the sum of share repurchases and dividends.

[6]Based on cash flow from operations from July 1, 2012 through December 31, 2012.

Matson

INVESTOR INFORMATION Corporate news releases, SEC filings, the Company's annual report and other pertinent information about the Company are available at www.matson.com.

Shareholders and institutional investors with questions about the Company may correspond with: Investor Relations, email: investor-relations@matson.com

TRANSFER AGENT & REGISTRAR | Computershare

For questions regarding stock certificates, dividends or other transfer-related matters, representatives of the Transfer Agent may be reached at: 1-800-522-6645
Computershare, P.O. Box 30170, College Station, TX 77842-3170
www.computershare.com/investor

AUDITORS | Deloitte & Touche LLP, Honolulu, HI

NON-GAAP MEASURES

Matson reports financial results in accordance with U.S. generally accepted accounting principles ("GAAP"). The Company also considers other non-GAAP measures to evaluate performance, make day-to-day operating decisions, help investors understand our ability to incur and service debt and to make capital expenditures, and to understand period-over-period operating results separate and apart from items that may, or could, have a disproportional positive or negative impact on results in any particular period. These non-GAAP measures include but are not limited to adjusted effective tax rate, Earnings Before Interest, Income Taxes, Depreciation and Amortization ("EBITDA"), Return on Invested Capital ("ROIC"), and Return on Equity ("ROE").

				For the years ended December 31	
($ in millions, except ROIC and ROE)	**2022**	**2021**	**2020**	**2019**	**2018**
Total debt	**517.5**	629.0	760.1	958.4	856.4
Less: total cash and cash equivalents	**(249.8)**	(282.4)	(14.4)	(21.2)	(19.6)
Net debt	**267.7**	346.6	745.7	937.2	836.8
Net income	**1,063.9**	927.4	193.1	82.7 [1]	109.0 [2]
Add: income taxes	**288.4**	243.9	65.9	25.1	38.7
Subtract: interest income	**(8.2)**	—	—	—	—
Add: interest expense	**18.0**	22.6	27.4	22.5	18.7
Add: depreciation and amortization	**164.1**	156.4	137.3	134.0	130.9
EBITDA	**1,526.2**	1,350.3	423.7	264.3	297.3
Net income (A)	**1,063.9**	927.4	193.1	82.7 [1]	109.0 [2]
Subtract: interest income (tax-effected) (3)	**(6.5)**	—	—	—	—
Add: interest expense (tax-effected) (3)	**14.2**	17.9	20.4	16.7	14.2
Total return (B)	**1,071.6**	945.3	213.5	99.4	123.2
Average total debt	**573.3**	694.6	859.3	907.4	856.8
Average shareholders' equity (C)	**1,982.2**	1,314.3	883.5	780.5	716.3
Total invested capital (D)	**2,555.5**	2,008.9	1,742.8	1,687.9	1,573.1
ROIC = (B)/(D)	**41.9%**	47.1%	12.3%	5.9%	7.8%
ROE = (A)/(C)	**53.7%**	70.6%	21.9%	10.6%	15.2%

Note: Total debt is presented before any reduction for deferred loan fees as required by GAAP.
1. Includes a non-cash tax benefit of $2.9 million or $0.07 per diluted share related to discrete adjustments as a result of applying the provisions of the Tax Cuts and Jobs Act.
2. Includes a non-cash tax expense of $2.9 million or $0.07 per diluted share related to discrete adjustments as a result of applying the provisions of the Tax Cuts and Jobs Act.
3. The effective tax rates each year in the period 2018-2022 were 26.2%, 23.3%, 25.4%, 20.8% and 21.3%, respectively. The effective tax rates for 2018 and 2019, excluding adjustments related to the Tax Cuts and Jobs Act, would have been 24.2% and 26.0%, respectively.

FORWARD-LOOKING STATEMENTS

Statements in this Annual Report that are not historical facts are "forward-looking statements," within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation those statements regarding performance and financial results, retailers' inventories, consumer demand levels, interest rates, inflation, economic uncertainty, freight demand and volume levels, the rate environment, trade dynamics in the Transpacific marketplace, capital investments and expenditures, use of the CCF, the new-build program including costs and delivery dates for new vessels, sustainability and decarbonization goals, vessel capacity, liquified natural gas installations, acquisitions, execution of our share repurchase program, and maintaining investment-grade metrics. These statements involve a number of risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement, including but not limited to risks and uncertainties relating to repeal, substantial amendment or waiver of the Jones Act or its application, or our failure to maintain our status as a United States citizen under the Jones Act; changes in macroeconomic conditions, geopolitical developments, or governmental policies, including from the COVID-19 pandemic; our ability to offer a differentiated service in China for which customers are willing to pay a significant premium; new or increased competition or improvements in competitors' service levels; our relationship with customers, agents, vendors and partners and changes in related agreements; fuel prices, our ability to collect fuel-related surcharges and/or the cost or limited availability of required fuels; evolving stakeholder expectations related to environmental, social and governance matters; timely or successful completion of fleet upgrade initiatives; the Company's vessel construction agreements with Philly Shipyard; the occurrence of poor weather, natural disasters, maritime accidents, spill events and other physical and operating risks, including those arising from climate change; transitional and other risks arising from climate change; the magnitude and timing of the impact of public health crises, including COVID-19; significant operating agreements and leases that may not be replaced on favorable terms; any unanticipated dry-dock or repair expenses; joint venture relationships; conducting business in foreign shipping markets, including the imposition of tariffs or a change in international trade policies; any delays or cost overruns related to the modernization of terminals; war, terrorist attacks or other acts of violence; consummating and integrating acquisitions; relations with our unions; satisfactory negotiation and renewal of expired collective bargaining agreements without significant disruption to Matson's operations; loss of key personnel or failure to adequately manage human capital; the use of our information technology and communication systems and cybersecurity attacks; changes in our credit profile and our future financial performance; our ability to obtain future debt financings; continuation of the Title XI and CCF programs; costs to comply with and liability related to numerous safety, environmental, and other laws and regulations; and disputes, legal and other proceedings and government inquiries or investigations. These forward-looking statements are not guarantees of future performance. This Annual Report should be read in conjunction with our Annual Report on Form 10-K and our other filings with the SEC through the date of this report, which identify important factors that could affect the forward-looking statements in this release. We do not undertake any obligation to update our forward-looking statements.

DESIGN & PHOTOGRAPHY John McNeil Studio, CA | ADDITIONAL PHOTOGRAPHY Tim Rue CA / John Tiscornia WA / Jeff Schultz AK | PRINTED IN CALIFORNIA by Sprinkel Media