



Alaska
AIRLINES

HAWAIIAN
AIRLINES

2024 CORPORATE IMPACT REPORT



Welcome

We are at a historic moment for our organization. Combining Alaska Airlines and Hawaiian Airlines, alongside Horizon Air, into a more expansive Alaska Air Group is an exciting milestone in our journey to create value for our stakeholders: employees, guests, owners and communities. Our vision is to connect our guests to the world with a remarkable travel experience, rooted in safety, care and performance. Our 2024 Corporate Impact Report outlines our learnings and progress to steward our corporate impact responsibly as we grow, ensuring we are a positive force in the regions we serve.

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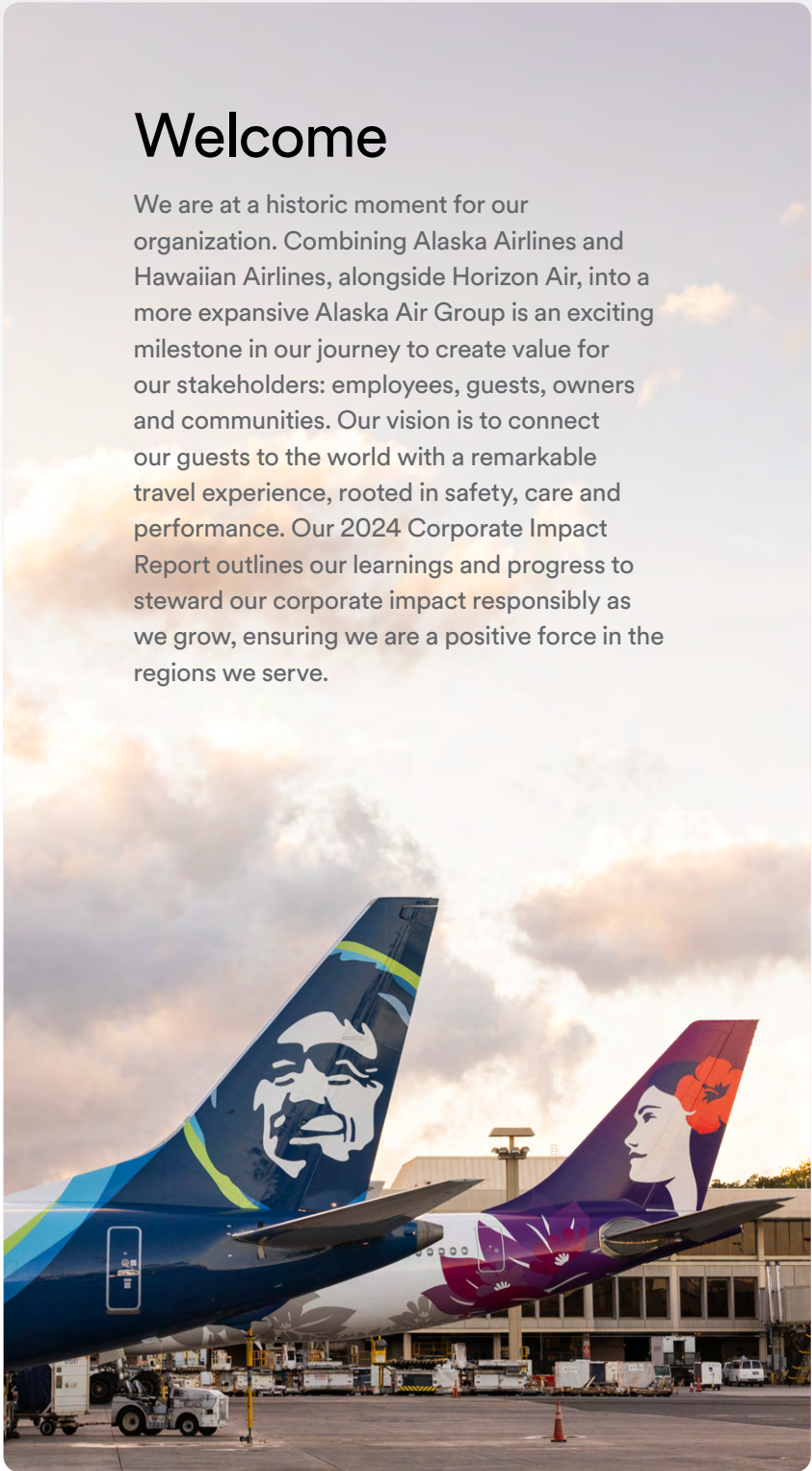
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About This Report

This report primarily covers our corporate impact for our 2024 fiscal year, January 1 to December 31, 2024, except where noted. Unless noted as Alaska Air Group (AAG), this report focuses on the operations of Alaska Airlines (Alaska), Hawaiian Airlines (Hawaiian) and Horizon Air (Horizon). McGee Air Services is represented in the emissions inventory and in AAG consolidated metrics in the Appendix. This report aligns with the Airlines Industry Standard by the Sustainability Accounting Standards Board (SASB) and the International Sustainability Standards Board’s (ISSB) International Financial Reporting Standard S2 climate-related disclosures.



Safe Harbor

This report may contain forward-looking statements subject to the safe harbor protection provided by Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. These statements relate to future events and involve known and unknown risks and uncertainties that may cause actual outcomes to be materially different from those indicated by our forward-looking statements, assumptions or beliefs. For a comprehensive discussion of potential risk factors, see Item 1A of the Company’s Annual Report on Form 10-K for the year ended December 31, 2024. Some of these risks include competition, labor costs, relations and availability, general economic conditions, increases in operating costs including fuel, uncertainties regarding the ability to successfully integrate the operations of the recently completed combination of Hawaiian Holdings, Inc. and the ability to realize anticipated cost savings, synergies or growth from the combination, inability to meet cost reduction and other strategic goals, seasonal fluctuations in demand and financial results, supply chain risks, events that negatively impact aviation safety and security and changes in laws and regulations that impact our business. Forward-looking statements are qualified in their entirety by reference to the risk factors discussed in our most recent Form 10-K and in our subsequent SEC filings. We operate in a continually changing business environment, where new risk factors emerge. Management cannot predict such new risk factors, nor can it assess the impact, if any, of such new risk factors on our business or events described in any forward-looking statements. We expressly disclaim any obligation to publicly update or revise any forward-looking statements made today to conform them to actual results. Over time, our actual results, performance, or achievements may differ from the anticipated results, performance or achievements that are expressed or implied by our forward-looking statements, assumptions or beliefs and such differences might be significant and materially adverse.

Who We Are

Alaska Airlines and Hawaiian Airlines share rich histories of connecting people and commerce in communities that are uniquely reliant on air travel. The history and experience of each company has infused in our culture the imperative of safety, a sense of responsibility and an acute awareness of how interconnected we are.

The roots of Alaska Airlines go back to 1932, when a single aircraft out of Anchorage delivered supplies and medicine to remote villages. Even as we have grown over the years – now the 5th largest U.S. airline and 15th largest in the world – we remain committed to serving local communities in Alaska. We serve 19 Alaskan communities directly, three only accessible by road, and many others beyond via airline partners. And together with Horizon Air, our regional sister carrier, we connect smaller communities throughout the West to our more urban hubs, and beyond. The roots of Hawaiian Airlines go back to 1929, again with a single aircraft pioneering commercial air service in the islands. Hawaiian Airlines embodies a deep sense of place, a reflection of Hawai‘i and connects people around the globe with the spirit of aloha. We encourage guests to Travel Pono to experience the islands and other destinations in a way that contributes positively to local economies, communities, natural resources and the environment.

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On September 18, 2024, Hawaiian Airlines joined Alaska Air Group in a powerful combination that unlocks scale, relevance, loyalty and benefits for everyone who depends on us. Together, we will continue working to deliver value for all our stakeholders, while maintaining the distinct Alaska Airlines and Hawaiian Airlines brands that people know and love today. Celebrating the 95th anniversary of Hawaiian Airlines in November 2024 was a reminder of the people who came before us, the rich histories that we carry forward and our kuleana (responsibility) for the present and the future.



About Us

In this exciting next chapter, we are transforming into a truly global carrier built on a solid foundation:

- **Strong workforce:** We employ more than 30,000 people across North America, Asia and the Pacific.
- **Financial performance:** In 2024, we generated a top three adjusted pretax margin of 7.1%, inclusive of Hawaiian Airlines since the closing of the acquisition on September 18, 2024. Excluding the 737-9 MAX grounding impact, our legacy Alaska business would have produced the best adjusted pretax margin in the industry. In 2024, we announced initiatives and integration plans that will enable us to unlock one billion dollars in incremental pretax profit over the next three years.
- **Best-in-class operations:** Running a strong operation means our guests can count on us to get them where they need to go safely, on time and with their bags. It also means we deliver a premium product and caring service that leads to strong guest loyalty.
 - + Alaska was #2 in the U.S. industry with fewest cancellations from February to December (to exclude the 737-9 MAX grounding), with a 99.36% completion rate.
 - + Hawaiian was #1 the U.S. industry for the full year with an 84.43% on-time rate and was #3 with fewest cancellations at a 99.01% completion rate.
- **Network:** Our expanding route map allows our guests to reach 141 destinations directly, including 29 international markets, and over 1,200 destinations globally through the oneworld® Alliance and other global partners.
- **International gateways:** We are building Seattle into a global gateway, starting with Tokyo and Seoul and expanding our international reach in the years ahead. Honolulu is now our second largest hub in Hawai'i, and we will maintain a regional headquarters with a strong operations presence and the continuation of pilot, flight attendant and maintenance technician bases.



Ultimately, this transformative moment is more than just combining our operations. We believe that creating long-term value requires us to hold ourselves accountable for our impact on people, places and the planet, and to innovate for a strong and durable future. Our founders were driven by a sense of taking care of all those who depend on us. That is not just our history that we look back at — it is also our present, and the key to our future.

With our 30 oneworld® Alliance and additional airline partners, Alaska Airlines provides guests with global access to more than 1,200 destinations in 170 territories. Hawaiian Airlines will join oneworld® in 2026.

2024 Metrics at a Glance

\$11.7B

annual revenue

49M+

guests

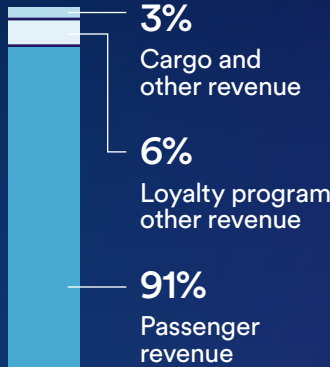
141

destinations

392

aircraft

Revenue by Category:



~1,500

daily flights

7 Hubs

Seattle, Honolulu, Los Angeles, San Francisco, Portland, San Diego and Anchorage

461K+

departures

29

international markets across North America, Central America, Asia and the Pacific

30K+

employees

1,200+

destinations with oneworld® Alliance and global partners

Our Values

Our core values guide everything we do. Even as we continue to grow, we remain committed to serving our communities and guests safely and with care.



Own safety

Mālama: Care

Do the right thing

Ho’okipa: Hospitality

Be kindhearted

Lōkahi: Collaboration

Deliver performance

Po’okela: Excellence

Be remarkable

Some of Our Awards and Recognitions

✈️ Alaska Airlines

#1 Airline, Highest Satisfaction Rating

American Customer Satisfaction Index

Best U.S. Airline

WalletHub

Best Inflight Food & Beverage

Business Traveler North America Award

Best Places to Work for Disability Inclusion

Disability:IN. 100% in the 2024 Disability Index

✈️ Hawaiian Airlines

Most Punctual U.S. Airline

U.S. Department of Transportation Air Travel Consumer Report 2024

Best U.S. Airlines

TRAVEL + LEISURE World’s Best Awards

Best Premium Class Amenities and Cabin Concept

Onboard Hospitality Awards

Hawai’i’s Best Employer

Forbes: America’s Best Employers



Where We Fly

- Alaska Airlines Routes
- Hawaiian Airlines Routes

Representative AS network as of 4/1/25. Subject to change.
Check alaskaair.com for the latest network information.

→ Leadership Message

Alaska & Hawaiian Airlines: Two Beloved Brands, Taking You Further

At Alaska Air Group, 2024 was a transformational step forward in our journey.

In September, we welcomed Hawaiian Airlines alongside Alaska Airlines, Horizon Air and McGee Air Services. In an industry that’s rapidly evolving, combining the core strengths of Alaska and Hawaiian allows us to better navigate the challenges and opportunities that lie ahead.

In December at our Investor Day in New York, we shared our long-term vision: Connect our guests to the world with a remarkable travel experience rooted in safety, care and performance.

It all starts with a foundation of strength that we’ve built up over nearly 100 years: Our culture of safety rooted in our values, operational excellence, remarkable care and service and — to underpin it all — a resilient business model and strong balance sheet and an eye to the future with investments in sustainability and technology.

Looking forward this year, we’re focused on four key areas that push us toward achieving our long-term vision:

- **Connect our guests to the world:** We are a global airline with an expanded network and widebody aircraft. Honolulu is an international gateway, and we launched a second from Seattle, starting with Tokyo in May 2025, followed by Seoul later this year, expanding to 12 long-haul destinations and giving us the most international nonstops out of Seattle.
- **Be Hawai’i’s trusted airline:** For Hawai’i residents, we offer domestic and international travel to 141 destinations. We now take people in Hawai’i to 90% of their desired destinations, up from 70% before the combination. Our new program, Huaka’i by Hawaiian, offers discounts and a free checked bag with additional tailored benefits for Hawai’i residents.
- **Deliver a remarkable travel experience:** We’re investing in the end-to-end journey, from booking to destination: lobbies, lounges, global partnerships, onboard experience and guest-facing technology. These investments also set us up for the integration of Hawaiian, enabling dual brands across a single platform. We are launching a premium credit card and a new loyalty program to capture the vastness of our destinations.
- **Diversify our future:** We secure our future through innovation, sustainability goals and new technologies. Our new international routes and partnership with Amazon will diversify our revenue base with growth in our Cargo business, critical to the communities we serve.

Over nine decades, our companies have been committed to delivering for our stakeholders — employees, guests, owners and communities. With this combination, we are not only bringing together aircraft routes and two groups of amazing people. We are transforming our organization at a critical moment, creating a future that exceeds the sum of our parts, so that we can continue to deliver for many more decades to come.

This report outlines what we care about, what we’re working hard to create, what we’re learning along the way and how you can join us. Thank you to all our employees — past and present — for making our progress possible and for setting up Alaska Air Group for an exciting trajectory into the future. And thanks to each one of you for being on this journey with us.

Thank you, Mahalo and take care,



Ben Minicucci
President and CEO
Alaska Air Group, Inc.



→ Q&A

Diana Birkett Rakow, SVP Public Affairs & Sustainability

SAFETY: Looking back at 2024, how did your strong safety culture influence your response after flight 1282?

Flight 1282 was a sobering reminder of why we must never stop looking for ways to improve – within our own company and beyond. I am proud of how our employees rallied together to demonstrate tremendous resilience, and we have seized the opportunity to learn from it – working with Boeing on production quality and strengthening our own oversight. The lessons from Flight 1282 reflect what we stand for: a profound commitment to safety and a responsibility to act.

When it comes to safety, we have worked for decades to embed this foundational value into everything we do: processes that keep us safe, reporting programs that enable employees across the system to surface any potential risks so they can be promptly addressed and a commitment to transparency with one another and our regulators. Safety is our number one value, and we take it personally – every flight, every day.



CULTURE: How do you develop a shared culture as you bring together people from two airlines with strong histories?

This starts with a deep appreciation of what has made each part of our company special for decades, what has contributed to our history, what our guests and communities appreciate when they experience our brands and what values we share. Since we came together officially in September 2024, we have spent significant time learning about one another — and that journey will continue. As we move forward, we will build a shared culture, one in which everyone feels they belong and can do their best work. We will have a shared set of values. But we will never forget where we came from, and we will continue to honor and cultivate the unique parts of our whole. Both Alaska and Hawaiian have deeply rooted values that guide us, with care and performance at our core. Our approach aims to honor what makes each culture special and maintains the authenticity of our two guest-facing brands. A special thank you to the members of our Employee Culture Guide Group and the Alaka'i, who you'll read more about in the pages ahead, and to all of those who are working to bring our shared culture to life in support of being one team with a shared vision of success.

INNOVATION: As an organization, how are you thinking about technology as an enabler?

It is part of our culture to be pioneers – to always look for ways we can improve in areas like operational efficiency and delivering a more seamless and remarkable guest experience. At times, the technology we leverage is created by our own innovative employee teams. But the pace of innovation in and around our industry is incredible – and we have also benefited from leveraging the ingenuity of entrepreneurs outside our company to help us achieve our goals.

That's why we created Alaska Star Ventures back in 2021, to identify and enable the technologies that could help us achieve our long-term goals. We've made investments in AI-powered software to support operational efficiency, in alternative fuel technology and in new kinds of aircraft for more efficient — or even zero-emissions — flying. And in 2024, we began the journey to help create such technology, launching a new software company to optimize schedule development, in partnership with tech incubator UP.Labs.

As we look forward, we know that technology will continue to be a key enabler for our long-term vision. The technologies that are emerging and maturing today are fascinating, exciting and real. It's incumbent on us to use that technology to drive both efficiency and performance and to know what's on the horizon, use it to inform our strategy and help to shape the future of aviation.

SUSTAINABILITY: How does the integration of Alaska Airlines and Hawaiian Airlines impact your sustainability journey?

Alaska and Hawaiian's approach to sustainability is rooted in our distinct but similar origins as place-based airlines deeply connected to our communities. As we integrate and learn from each other, we have a unique opportunity to build on our areas of strength and become an even better airline for our employees, our guests, communities and the planet. For example, Alaska has been a U.S. industry leader in recycling, reducing single-use plastics onboard and engaging our guests on sustainable aviation fuel (SAF). Hawaiian has done outstanding work to educate guests about regenerative tourism, and committed to buying more locally sourced products, which supports fellow Hawai'i businesses but also reduces emissions from the shipping of goods.

Our climate-focused efforts will continue and have even greater impact as we come together and leverage our expertise. Both airlines are actively working to advance the market for SAF in our respective geographies, while driving fuel-efficiency through fleet modernization and operational best-practices. We know that it takes collective action, and we are making it easier for guests to be part of our solution – Alaska is proud to be the first U.S. airline to link guest participation in sustainability to loyalty with an accelerated path to elite status. In Hawai'i specifically, the combined airline will continue to equip visitors with knowledge on how to enjoy the islands responsibly, promote Hawaiian language and nurture Hawai'i's culture by building upon Hawaiian Airlines' and Alaska Airlines' existing programs. Our commitments will continue to center on how we can best support a vibrant future for Hawai'i.

Our Corporate Impact Strategy

As airlines that are uniquely rooted in a sense of place, even as we innovate, grow globally and expand our reach, we are committed to understanding, tracking and improving the various ways we impact our communities and our stakeholders, and the ways we are working to be responsible for our impact.

Safety

Safety is foundational. Through our robust Safety Management System, safety culture and oversight, we have embedded safety in everything we do.

Environment

Stewarding our impact on the environment as it relates to our stakeholders and the places we serve, as well as innovating to create a durable long-term future for our company and industry.

People

We are all about people, and we are committed to cultivating great talent, recognizing and rewarding our employees and creating a culture in which employees and guests alike are respected, cared for and feel they belong.

Communities

We have a deep responsibility and connection to the people and places we serve. Our approach is tailored to address the distinct priorities and opportunities in the places we fly.

Governance

We are committed to strong governance, ethical business practices and leading with integrity.



Corporate Impact Goals and Progress

Having measurable goals is essential to continuous progress and accountability. We set our 2025 goals in 2021, including our ambition to achieve net zero carbon emissions by 2040. Now as a combined airline, we will refresh our five-part path to net zero carbon emissions to include Hawaiian Airlines, and together we will establish a new, shared set of goals to guide our work in the years ahead. However, for purposes of reporting on 2024 progress, the data below reflect only Alaska Airlines and Horizon Air.

✓

Achieved

✓

On track

—

Behind

2025 GOAL	BASELINE ¹	2024 PROGRESS	STATUS
Safety			
Increase employee safety reporting by 10%, or achieve 2,095 safety reports / 10,000 departures	1,904 safety reports / 10,000 departures (2020)	2,312 safety reports / 10,000 departures	✓
Maintain safety’s high priority among employees	83% (2020)	82%, dropped three percentage points from 2023	✓
Sustain a robust process for best-practice crisis response	Four drills annually	Completed five emergency response communication drills	✓
Environment			
Be the most fuel-efficient premium domestic airline	1,465 kg CO ₂ / ‘000 RTM ²	1,333 kg CO ₂ / ‘000 RTM, and anticipating further CO ₂ / ‘000 RTM reductions with more MAX aircraft deliveries	✓
Reduce GSE fleet emissions average by 50% per unit	1.78 g/bhp-hr (2020)	1.22 g/bhp-hr, GSE fleet emissions per unit improved by 26.4% since baseline	—
Minimize and optimize packaging for 5 inflight food & beverage items	N/A	2 of 5 items complete with 3 undergoing implementation and narrowing down options	—
Perform inflight recycling sorting at 2019 level	83%	66%	—
Balance 100% of our water consumption ³ via local habitat restoration projects	15,609,803 gal water consumed	21,704,513 gal water consumed. Balanced 100% of our water footprint	✓

1 2019, unless otherwise noted.
2 Calculation for this goal is based on passenger and cargo RTM and does not incorporate baggage RTM.
3 Billed facility water consumption only.

2025 GOAL	BASELINE ¹	2024 PROGRESS	STATUS
People			
Improve culture performance as measured by inclusion index of metrics from all-employee survey, by 10 points	59%	66%	✓
Maintain at least 85% Alaska and Horizon employees full-time vs. part-time	N/A	87% full time, 13% part time	✓
Communities			
Engage 20% of Alaska and Horizon employees in the community	11% (2021)	19% of employees volunteered	✓
Impact at least 175,000 young people around career pathways	11,080 / 175,000 young people reached (2021)	175,463 / 175,000 young people reached	✓
Governance			
Ensure all employees receive annual privacy and data security training	N/A	99% of active employees, excluding those on leave, completed the 2024 Annual Compliance Training	✓
Continue to execute against the Information Security roadmap for program maturation, including for Aircraft Cybersecurity requirements	N/A	Continued execution of Information Security roadmap. All required regulatory compliance programs completed or on track and aligned with regulators	✓
Report political contributions publicly consistent with our policy	N/A	Updated Political Contributions policy and streamlined reporting to reflect Hawaiian Airlines combination	✓
Engage on policy related to corporate impact priorities	N/A	Government Affairs continues to engage the U.S. Congress on implementation of the FAA Reauthorization, the Farm Bill, the Flight Education Access Act and several SAF-related bills. We also worked on regional initiatives and policy in WA, HI, AK and CA	✓
Maintain our commitment to a strong balance sheet and financial performance	N/A	\$11.7 billion annual revenue, a record 7.1% adjusted pretax margin, among the highest in the industry	✓

Safety

Safety is our foundational value and number one priority. It is embedded in everything we do. We empower our employees to own safety as a core element of our culture, and we support this with programs designed to uphold and reinforce our collective responsibility for maintaining safe and reliable operations across all areas of the company.

We invest in rigorous training, advanced technology and stringent protocols. Our teams conduct regular safety assessments, and we prioritize reporting, fostering a culture of transparency in which employees are encouraged and empowered to speak up, voice concerns and recognize possible risks. We are committed to taking safety personally, every day and every flight. We know that we are at our best when we work together, consistently identifying new and emerging risks or gaps in our operation and acting on them. To reinforce this priority, we incorporate safety metrics into our performance-based compensation programs for all employees, to incentivize reporting and to emphasize areas of safety focus for each workgroup.

Alaska and Hawaiian are combining safety policies and management systems, while working together to retain a strong safety culture across the combined company. Until we receive a single operating certificate in late 2025, these systems will continue to function separately. Both airlines follow shared principles, prioritizing safety as a key responsibility that each employee owns and commits to implementing.

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15 Employee Safety



Our Safety Approach

Safety Oversight

The AAG Board of Directors’ Safety Committee has oversight of AAG’s safety performance, risks and opportunities.

Employee Safety

Through comprehensive training, regular communication and encouraging employees to identify and mitigate risks, we are nurturing a culture that is safe and productive.

Our Safety Management System

Our approach to safety centers on four pillars.



Safety Policy

The founding documents of our Safety Management System (SMS), which outline the rules and procedures by which we operate



Safety Assurance

Our approach to monitoring operations to achieve effective Safety Risk Management



Safety Risk Management

The process for resolving risks identified by Safety Assurance



Safety Promotion

The programs and channels through which we share safety information





Safety Management System

We communicate regularly with every employee about the importance of safety — from the CEO to our frontline workers. Our Safety Management System, which we began developing in collaboration with the Federal Aviation Administration in 2011, is designed to proactively identify issues and develop solutions. In addition to creating an environment of shared responsibility for workplace safety, the SMS also provides visibility into hazards and safety risks in important business decisions. Hawaiian, which uses a similar SMS, will integrate into the legacy system in 2025.

Safety Policy and SMS Manual

These foundational safety documents lay out a set of principles that our senior leadership team is committed to implementing so that safety is never compromised. These include:

- Setting, measuring and monitoring safety goals.
- Identifying and minimizing risks.
- Ensuring employees understand their role in maintaining safety standards.
- + Prioritizing safe customer transportation.
- + Maintaining a well-planned, prompt and coordinated emergency response plan.

Safety Assurance

Safety Assurance is the input and the monitoring of our SMS and enforces effective risk management by identifying emerging risks and trends and actioning mitigation plans. A major form of inputs into the SMS are employee safety reports through Report

It! and Intelex, in which employees file irregularities, safety hazards, compliance and injury reports. Employees can report anonymously via a safety hotline where calls are transcribed and sent directly to the Safety division. These help us determine if risks are being addressed, and identify new risks. We review every report generated by an employee, and proactively source safety incidents, trends and employee safety reports from every operating division.

Safety Risk Assessment and Vendor Oversight

When Safety Assurance determines that there is a risk, we actively manage the outcome by performing Safety Risk Assessments (SRA). Additionally, we perform an SRA on any changes in policy, procedure, product or operating environment. Depending on the severity and frequency of the risk identified, varying levels of management take responsibility for ensuring that corrective actions are completed successfully.

In 2024, the SMS team updated our approach to conducting Safety Risk Assessments at AAG. We identified key focus areas within each operating division, known as Division Core Areas, and also trained a select group of subject matter experts as SRA Facilitators to represent these core areas from an SMS perspective.

In early 2024, our Audit Programs team launched the Business Partner Oversight Program to enhance oversight of business partners affecting safety, compliance and operations. This annual program includes multiple steps for thorough monitoring and evaluation. Our Audit teams work with divisional leaders to conduct a comprehensive risk assessment of partners. Higher-risk partners require formal oversight plans detailing specific activities for compliance. The Audit team reviews these plans and audits their execution, ensuring we maintain high standards of compliance and operational excellence across all partnerships.

Employee Safety

Through Safety Promotion, our employees are empowered to prioritize safety, follow company processes and pause operations if they have concerns. Our programs promote safety awareness and foster a culture of accountability. Alaska and Horizon employees can report and prevent issues through Report It!, while Hawaiian uses Intalex. Each system allows us to address concerns before they escalate. As we fully integrate our airlines, all employees will use the same shared reporting system.

We promote a culture of safety and transparency by recognizing employees who demonstrate this value through their efforts to step forward and champion safety. Our Safe Operations Award

and Recognition (SOAR) program that celebrates Alaska and Horizon employees demonstrating exemplary commitment to our safety culture expanded to include Hawaiian employees.

“Ready, SAFE, Go,” is an internal program that encourages employees to put safety first and supports them in pausing the operation at any time if there is a safety concern. It poses two questions to think about before beginning any task: Are you ready? Is everything safe? Only then, it is time to go. We launched the program in June 2014 as part of our Safety Initiative, along with our SOAR program. It ensures that we only proceed with operations once we are comfortable that we are prepared and can execute them safely. Every employee has the full support of their leaders to stop the operation if they observe any potential risks and have any issues addressed quickly and efficiently.

We continue this program today, and in 2024, we implemented the Hawaiian Airlines safety initiative, called Safety Kuleana (responsibility), to all company leaders. This year, we plan to introduce it to all employees. As part of Safety Kuleana, Hawaiian also completed its first Safety Day in December 2024 with a focus on the importance of pausing the operation any time employees identify a potential risk. Safety Kuleana at Hawaiian represents a core responsibility that emphasizes the collective duty of every employee to prioritize safety, security and compliance. Employees are encouraged to report concerns in operations, ensuring that potential issues are identified and addressed promptly. By integrating core values and nurturing strong connections with teammates and guests, employees actively participate in safeguarding the well-being of everyone involved.



Safety Days
Since 2022, we have held a quarterly all-company Safety Day, which is a chance for teams across the business to talk about what safety means and how we keep each other and our guests safe. In 2024, we celebrated our first Safety Day in collaboration with Hawaiian Airlines, encouraging every employee to reflect on their personal connection to safety, regardless of their role. Teams take an intentional pause from their daily routines to engage in meaningful conversations around a specific theme relevant to their jobs, emphasizing that everyone plays a vital role in our safety culture.

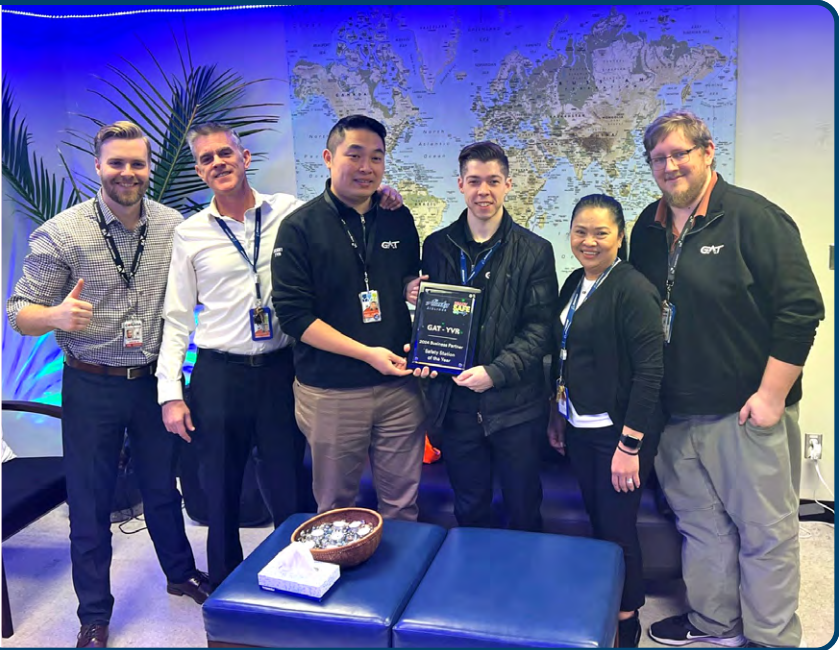




✈️ Alaska Airlines Spotlight

Business Partner Safety Station Award

Every year, the Safety Team gives a business partner station award to one large, medium and small station based on total flight departures during the year. This award highlights the top performers and businesses that exude our values by making safety their number one value. We are only as safe as our least safe business partner; therefore, we recognize and celebrate the business partners who demonstrate the safest cultures through their safety performance.



Line Operation Safety Audits

Initially designed for Flight Operations, the Line Operation Safety Audits (LOSA) has evolved into a peer-to-peer observation system across operational functions. Employees are trained to conduct audits within their specific operational area and gather insights from frontline staff. We have been working to mature these observation systems through 2024.

The Stations and Maintenance division at both Alaska and Hawaiian expanded observations to more stations following our combination in September 2024. The Inflight teams at both airlines also added observer narratives, bringing in more information to help identify hazardous conditions. Additionally, the pilot spot LOSA provides valuable data for pilot errors and cross-divisional topics. All divisions provide action reports quarterly to the Executive Safety Review Board and Board of Directors’ Safety Committee.

Environment

Our airlines share a deep connection to the places that have shaped who we are – including those whose names we carry on our airplanes. We share a pioneering spirit that drives us to innovate and evolve. We are interdependent with one another as well as the land and sea around us, and stewarding our impact will enable a stronger long-term future for our company to grow careers, connect communities and serve all who depend on us. Through a combination of immediate actions and long-term investments, we are working to reduce our impact on the environment and to shape a more sustainable future for our industry. This includes a relentless focus on having the most fuel-efficient operating practices and fleet, investing in and leveraging new technology for our future, reducing waste, supporting local ecosystems and continuing to advance the ingredients required to reach our long term ambition of net zero carbon emissions.

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Our Environmental Sustainability Strategy

Carbon Emissions Reduction

We developed a five-part path to guide our journey to net zero carbon emissions: operational efficiency initiatives, fleet modernization, sustainable aviation fuel, new technologies such as electrified aircraft and high-quality carbon offsets and removals only as needed to close the gap.

Waste Management

Our waste reduction strategy prioritizes inflight recycling. We also address food waste through measures like pre-ordering. At Alaska and Horizon, we recycle and compost at our corporate offices and work with suppliers to make more sustainable and recyclable products.⁴ Working upstream to reduce inflight single-use plastics is a priority for us and one of our 2025 goals.

Ecosystem Preservation

We appreciate the value of healthy ecosystems and habitats. We balance 100% of our water usage⁵ by investing in the restoration of local water habitats through our partnership with the Bonneville Environmental Foundation. Local sourcing remains a priority for Hawaiian Airlines, with a goal to have 40% of inflight food and beverages at its Hawai'i hubs sourced locally by the end of 2025.

⁴ Where composting and recycling are feasible.
⁵ Billed facility water consumption only.
⁶ Aggregated with location-based Scope 2 emissions.

Our Emissions Inventory

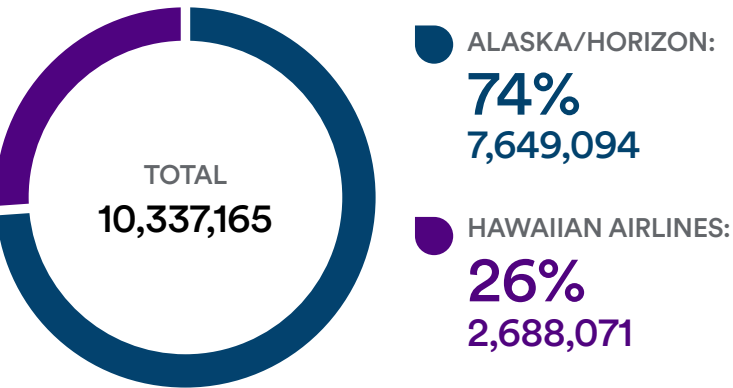
We take a holistic approach to addressing the potential climate impact of our business, monitoring and addressing emissions throughout our value chain. Our aim is to reduce greenhouse gas (GHG) emissions intensity in the short and medium term, and achieve absolute emissions reductions in the long term as technologies become more available, and we have transparently shared our progress.

For 2024, our Scope 1 emissions data was subject to third-party review that provided a reasonable level of assurance, while Scope 2 and biogenic emissions were subject to third-party reviews that provided a limited level of assurance. To reflect the combined emissions impact, our 2024 emissions inventory includes Hawaiian Airlines' full year emissions inventory. We will continue to disclose our emissions inventory with transparency and will recalculate our baseline inventory incorporating Hawaiian Airlines in future reporting.

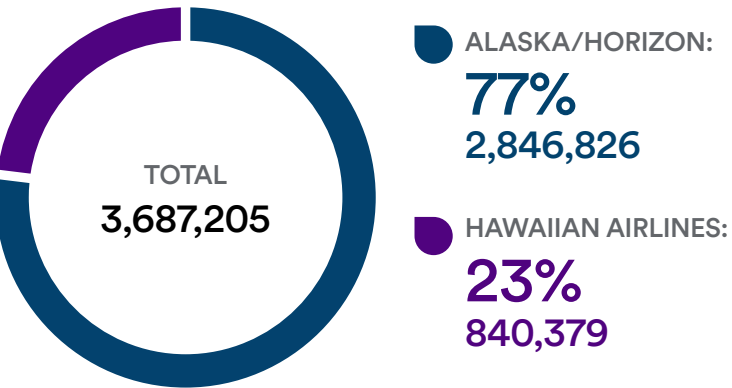


Combined GHG Emissions Inventory (Mt CO₂e)

Alaska/Horizon and Hawaiian Airlines
Scope 1 and 2 Emissions⁶



Alaska/Horizon and Hawaiian Airlines
Scope 3 Emissions



Our Climate Strategy

We continue driving toward our 2025 goals and long-term ambition of net zero carbon emissions. Our five-part path to achieve this long-term ambition aligns with science, combines action today with investments in critical technologies for the future, and is informed by our stakeholders. As we learn more, we continue to update the detailed approach behind each pillar.

Our ability to advance on this path continues to rely significantly on the development of technologies such as SAF and other new technologies that do not exist today at the scale or with the operational and commercial viability needed for the future. That is why we continue to address these issues from all angles: advocating for public policy to mature the SAF market and de-risk private investment, partnering with industry coalitions and engaging our customers to build awareness and support.

Our projected roadmap to net zero can be found on page 21 of our [2023 Sustainability Report](#). We developed a projected path for how the levers in our strategy may address emissions versus business as usual by combining our business plans and insights from our progress to date with data-informed assumptions about future technology availability. Released last year, the projected roadmap shows a path to reach net zero carbon emissions by 2040 and forecasts for Alaska Airlines and Horizon Air exclusively.⁷

Operational Efficiency

Our emissions reduction strategy starts with driving efficiency in how we operate aircraft and ground operations. Prioritizing operational efficiency holds significant potential for reducing fuel consumption and emissions. In 2024, we saved approximately 6.4 million gallons through operational efficiency initiatives across AAG. Continuing to utilize single-engine aircraft taxiing procedures helped save 3.1 million gallons of fuel across Alaska

and Horizon operations in 2024. We also use ground power and pre-conditioned air (PCA) at the gate, encouraging pilots to shut off their engines and rely on external electrical power for onboard systems. This reduces fuel consumption and emissions during ground operations. Hawaiian also implements similar initiatives across its operations to reduce fuel consumption and emissions. In 2024, Hawaiian saved nearly 700,000 gallons of jet fuel from initiatives like single-engine taxi -in and -out procedures and using cleaner ground power at the gates.

Since 2021, Alaska and Horizon have used the AI software Flyways, which helps our dispatchers develop routes that save fuel and reduce carbon emissions. In 2024, we renewed our partnership with Airspace Intelligence to continue using their Flyways AI Platform. In 2024, Flyways helped save over 900,000 gallons of fuel. Since 1996, Alaska and Horizon have utilized Required Navigation Performance (RNP), which integrates advanced onboard navigation systems with the GPS satellite network to enable highly accurate landing trajectories, enhancing safety while reducing fuel consumption and shortening flight durations. In 2024, use of RNP precision approach technology saved nearly 1.2 million gallons.

Alaska had previously conducted engine washes based on heavy maintenance visits and launched an enhanced engine wash program in 2023 with an aim to reduce fuel burn and costs as well as improve engine life and efficiency. In 2024, this initiative saved 500,000 gallons of fuel. As we expand the engine wash program to additional engine types, we expect to see increased fuel savings over time.

We are working to reduce emissions from our ground service equipment by transitioning to more efficient and electric units where possible. While infrastructure limitations at some airports have slowed progress, we are actively collaborating with airport partners to expand charging capabilities. Despite reducing GSE emissions by 26.4% since our baseline year, supply chain delays and infrastructure challenges have put us behind our 2025 goal. We remain committed to closing the gap, though delivery timelines may delay full achievement.

5 Part Path to Net Zero Carbon Emissions by 2040

LEVER	DESCRIPTION
1 Operational Efficiency	Driving use of operational practices that avoid unnecessary fuel burn and improve efficiency
2 Fleet Renewal	Bringing in new, more fuel-efficient aircraft
3 Sustainable Aviation Fuel (SAF)	Safe, alternative jet fuel with a lower lifecycle carbon footprint, made from recycled carbon sources
4 New Technologies	This includes electrified, hydrogen and hybrid-electric aircraft and other innovations
5 Carbon Offsets and Removals	High-quality carbon offset and removal solutions only as needed to close the gap

⁷ This model does not include Hawaiian Airlines, and we will share an updated projected roadmap with the expanded scope of Hawaiian Airlines in future reports.

Fuel Efficiency Initiatives Across Our Operations

We strive to integrate sustainability into every aspect of our operations, both in the air and on the ground.



Fleet Renewal

We strive to operate our aircraft fleet as efficiently as possible by maximizing utilization of each airplane. We are also making strides to bring more fuel-efficient aircraft into our fleet, including integration of the 737 MAX, which has 15% to 25% greater efficiency on a per-seat basis and 50% less nitrogen oxide (NO_x) emissions compared to the aircraft it is replacing. As of 2024, we currently have 77 737 MAX in our fleet.

In 2024, Hawaiian also welcomed the inaugural flight of its new Boeing 787-9 Dreamliner, which is 20% more fuel efficient than prior-generation aircraft of similar size.

Our Fleet⁸

AIRLINE	AIRCRAFT
Alaska Airlines	237
Hawaiian Airlines	63
Regional:	86
E175 operated by Horizon Air	44
E175 operated by third party	42
Total Air Group Fleet	386

8 Source: 10-K filing, pg. 33; Hawaiian Airlines figure excludes six A330-300 Freighters operated for Amazon.

Sustainable Aviation Fuel

In the last two years, we have seen significant progress and maturity in the relevant technologies and the market for this fuel, but we are not yet where we need to be for long-term scale. And yet, SAF has the potential to create new economic development and jobs in key regions, to advance aviation fuel technology and energy security and to drive the most significant impact in the journey to net zero carbon emissions. In order to make progress, we must activate and engage stakeholders across sectors and industries, use this technology and invest in its future and ensure the infrastructure to support it.

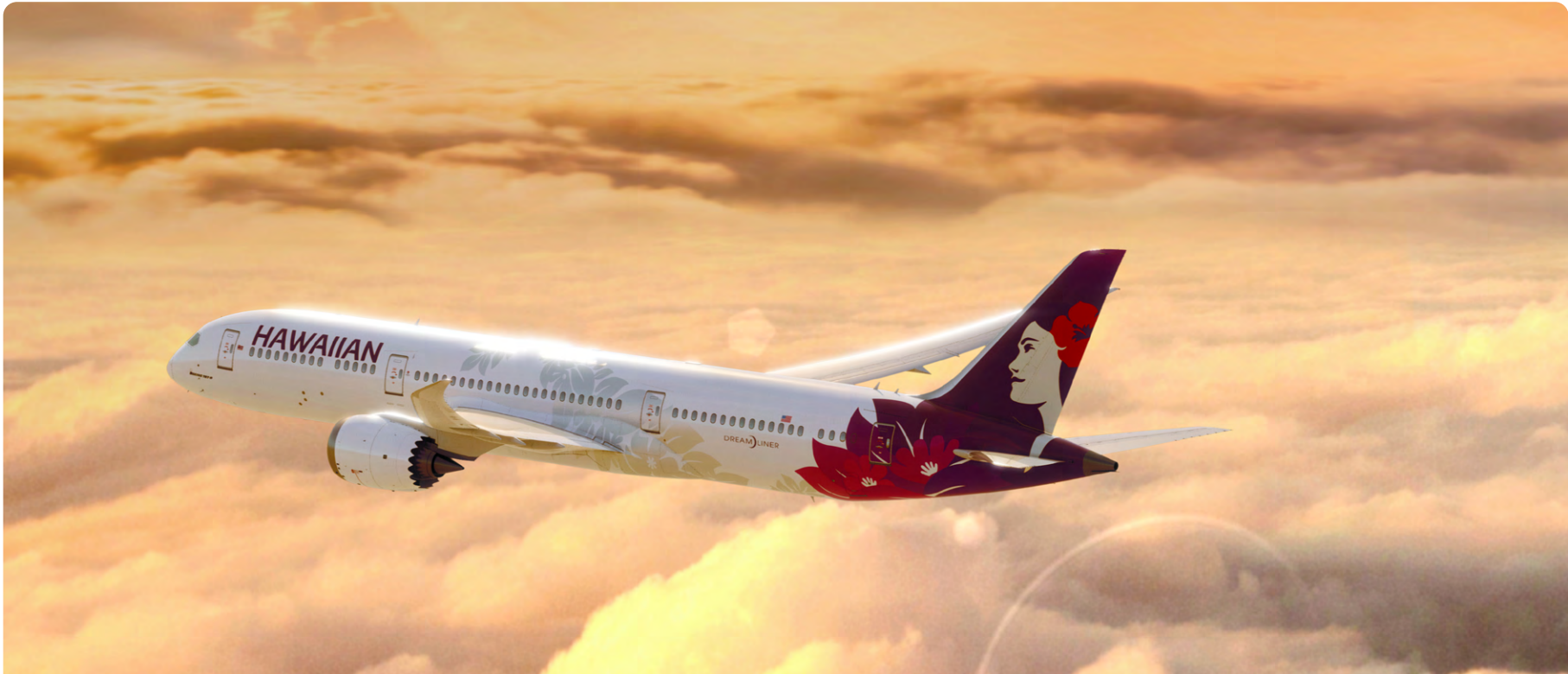
Our approach includes:

- Partnering with key producers, especially in our primary geographies, to support their operation’s growth.
- Advancing SAF production through offtake agreements, investments and by advocating for supportive public policy to kick-start the market.
- Collaborating with business customers and guests to purchase SAF through programs which help to grow the nascent SAF market.

Supporting Producers

We secure SAF supply through offtake agreements with multiple producers. In California, we expanded our SAF supply, purchasing from Neste and Shell Aviation through their affiliated facility, Calumet, based in Montana.

We are also continuing our partnership with Twelve, a power-to-liquid SAF provider utilizing recaptured CO₂ as feedstock. Together with Microsoft, we committed to purchasing the initial output from Twelve’s facility, enabling Twelve to commence construction of its first production site in Washington state.



The Hawaiian Airlines Boeing 787 is a fuel-efficient plane with design details inspired by Hawai‘i’s natural elements, including sunrise and sunset lighting, koa woodgrain panels and electronically dimmable windows. The starlit ceiling was inspired by the constellations that guided early Polynesian voyagers.

Advancing SAF Supply

Supply constraints and cost of SAF continue to be the two most challenging factors in accelerating our decarbonization efforts. We are advancing SAF through a multi-faceted approach that includes offtake agreements, investing in research and technology, partnering with producers, engaging our customers and advocating for public policies that support SAF adoption and all aim to accelerate the growth of this industry and ultimately SAF supply. We are also driving innovation by collaborating with companies such as Twelve to commercialize E-Jet, a low carbon jet fuel derived from recaptured CO₂, water and renewable energy. We continue to bring our guests along our decarbonization journey, which is why we have invited our guests to consider purchasing SAF credits when booking flights, and we reward those who do with elite qualifying miles. In addition, we have continued the end-of-year promotion for a second time as a sustainability-linked alternative to the year-end mileage run promotion. The more people who understand and advocate for this important technology, the sooner we can make a sustainable future for air travel a reality.

Advocating for Public Policy Support for SAF

We advocate for state and federal public policy to underscore the importance of SAF as an industry solution. With current SAF volume and pricing limiting the ability for widespread adoption, we need broader public and private investments and action to commercialize these technologies on a larger scale.

In October 2024, Airlines for America and the California Air Resources Board announced a partnership to accelerate the use of SAF to 200 million gallons by 2035, which would meet 40% of California’s intrastate travel demand.

U.S. Department of Energy Collaboration

Collaboration and education across sectors and stakeholders are critical to advancing SAF, and in 2024, Alaska along with the U.S. Department of Energy (DOE) and Wells Fargo hosted a full-day SAF workshop in Seattle, Washington to share the opportunities and challenges of scaling SAF. The Pacific Northwest is well positioned to help scale the SAF market thanks to robust regional policy incentives, invested stakeholders along the value chain and an engaged corporate Scope 3 environment. The takeaways from the DOE event were: SAF is the most promising solution to achieve net zero carbon emissions for airlines, but remains too scarce and too expensive; the success of SAF hinges on the public and private sector; and partnerships and innovation are essential to growth.

U.S. SAF Coalition

Alaska Airlines is a proud member of the SAF Coalition, a nonprofit, nonpartisan alliance working to accelerate the development and adoption of SAF across the United States. The Coalition advocates for forward-looking federal policies that would scale SAF production, drive private investment and position the U.S. as a global leader in this emerging sector. Expanding SAF supports energy security, spurs innovation and creates economic opportunities, particularly in agriculture and rural communities.

Hawai‘i Renewable Fuel Coalition

Hawaiian Airlines has been a leader in building the SAF market in Hawai‘i and Alaska is committed to further supporting this work. Hawaiian Airlines, Par Hawaii and Pono Pacific founded the Hawai‘i Renewable Fuels Coalition in 2023 to collaborate with diverse stakeholders on advocacy for state level renewable fuels policy. The coalition recognizes that scaling the supply of cost-competitive renewable fuels will be critical to achieving the state’s ambitious economy-wide decarbonization goals, and that partnerships, cross-sector collaboration and targeted policy support are needed to accelerate change in the state’s energy landscape.

✈️ Hawaiian Airlines Spotlight

Developing the SAF Market in Hawai‘i

Since 2022, Hawaiian has partnered with Par Hawaii, the state’s largest supplier of energy products, to explore SAF production, which would create a new industry on the islands and support the state of Hawai‘i’s renewable energy goals. In early 2023, Par Hawaii committed to invest \$90 million to convert a portion of its refinery facility to produce renewable fuels. Last year it broke ground on the state’s largest renewable fuels manufacturing plant, which is expected to start producing renewable fuels in late 2025. Par Hawaii is also working with Hawai‘i land management expert Pono Pacific to conduct field trials of the plant camelina to determine its viability as a locally grown feedstock for SAF and other renewable fuels.

Camelina was selected for the crop trial because of its high oil content and low water requirement per growth cycle. As a rotational cover crop, it complements food production by enhancing soil health in between food harvests. If the field trials are successful, locally grown feedstocks could provide Hawai‘i farmers a viable economic commodity to supply refineries like Par Hawaii, provide much needed local animal feed and make use of idle agricultural lands.

Engaging Guests in Advancing SAF

The best lever available to airlines to reduce emissions is SAF, and now that option is available to guests. Alaska has taken steps to expand access to SAF and enable participation from both individual guests and corporate partners:

- Introducing SAF into the booking path; guests can now contribute to SAF’s growth when they purchase their tickets.
- Repeating our successful end of year promotional campaign; this campaign rewards guests with elite qualifying miles (EQMs) for contributing to SAF as an alternative to taking an end of year mileage run flight.
- Engaging corporate customers to purchase SAF to reduce their business travel emissions.

In 2023, Alaska became the first U.S. airline to connect guest sustainability contributions to loyalty, allowing Alaska Mileage Plan™ members who buy SAF credits to earn elite-qualifying miles. In 2024, we embedded this offering into the booking path for guests to purchase SAF credits based on the flight emissions. Educating our guests about SAF and allowing them to contribute to the fuel’s adoption are important steps to help us grow the market.

Our efforts also include raising awareness among corporate clients to encourage larger investments in SAF for business travel. We are joined in this endeavor through collaborations with platforms like saf-now.org and organizations like the Global Business Travel Association (GBTA), the Sustainable Aviation Buyers Alliance (SABA) and the Roundtable on Sustainable Biomaterials (RSB).



✈ Alaska Airlines

Some of Our 2024 Corporate SAF Customers

AUTODESK

Meta

Microsoft

SKANSKA

Watershed

We.

Taking Action to Scale the SAF Market

The impact and potential of SAF to help decarbonize aviation will depend on our collective ability to scale supply of this technology, mature the market and improve its commercial viability and the infrastructure needed for widespread operational use.

Enabling the SAF Market



CHALLENGE

Financing SAF

SAF is two to five times more expensive than traditional jet fuel, creating financial challenges for both producers and airlines. Supporting policies and public-private investments can help reduce these costs and make SAF more affordable.

Research & Development

Current SAF technologies cannot scale sufficiently to meet the aviation industry's demand. Continuing research and development in SAF technology is crucial to overcoming barriers to scale.

ACTION

Alaska hosted a SAF workshop with the U.S. DOE in Seattle to educate stakeholders on financing, feedstock, infrastructure and technology challenges impeding SAF's success, and identify strategies for expanding SAF production.

Growing SAF Supply



CHALLENGE

Feedstock Quality & Quantity

There is variability in SAF costs dependent on SAF feedstock. Obtaining higher quality SAF feedstock is difficult.

ACTION

Alaska currently purchases and uses HEFA⁹ SAF for our operations at Los Angeles International Airport and San Francisco International Airport. Power-to-liquid SAF will be produced in the state of Washington through our partnership with Twelve.

Transporting and Using SAF



CHALLENGE

Infrastructure

Blended SAF is transported by truck, rail, barge or pipeline and delivered to airports for use in commercial aircraft. Not all airports have the infrastructure to receive SAF deliveries.

ACTION

Alaska established a regional working group called the Cascadia Sustainability Aviation Accelerator (CSAA or "Cascadia"), focused on increasing SAF supply in the Pacific Northwest through financing, policy, feedstock availability, infrastructure and research and development.

9 Hydrotreated Esters and Fatty Acids (HEFA) is a process used to produce SAF.

New Technologies

A variety of new technologies present opportunities to make our operations more efficient, improve the guest experience, enhance decision-making and decarbonize. Among them are next-generation airframe designs and electrified aircraft, including hybrid-electric and hydrogen-electric alternatives, which offer the potential for low- to zero-emissions flight. We believe our airlines can and should play a role in understanding and advancing these solutions through partnerships and investments, as well as advocating for research and development and other policy support.

We also know that electrified aircraft will have the earliest impact on shorter-haul regional networks — and we are well-positioned to consider what that could look like given our strong regional flying network and operations expertise at Horizon. At Alaska, we are always looking for ways to innovate and shape the future of air travel for our guests, employees and industry — whether by investing in sustainable propulsion technologies, enhancing operational efficiency through focused application of AI and machine learning or improving the passenger experience with next-generation airframe innovations. By supporting cutting-edge solutions today, we are leading the industry into a smarter, more sustainable and more connected future.

In 2024, we continued working with hydrogen-electric powertrain manufacturer ZeroAvia and electric seaglider developer REGENT, and we made a new investment in blended wing-body aircraft developer JetZero. JetZero’s innovative aircraft design offers a step-level improvement in fuel efficiency with new possibilities for interior configuration for a premium

guest experience. With up to 40-50% better fuel efficiency compared to the current tube-and-wing design, the design enables reductions in fuel cost, emissions and noise and is synergistic with other technologies like sustainable aviation fuels. Additionally, JetZero’s design uses all commercial off-the-shelf components, engines and systems to de-risk certification and production. Alaska was the first airline to invest in JetZero during its Series A and we look forward to continued work with the company and their partners to assess operational considerations for this new aircraft design and to advance the development pathway.

ZeroAvia has continued to accelerate its progress in hydrogen-electric aviation, achieving major milestones in both technology and commercialization. The company successfully completed multiple test flights of its ZA600 powertrain on a Dornier 228, secured key regulatory approvals, expanded its strategic partnerships with major airlines and original equipment manufacturers and continued to work on the hydrogen supply chain. ZeroAvia also expanded operations at its Washington State headquarters in Everett, Washington – home to recently-named efforts to establish a hydrogen hub. As investors, we are excited to support this momentum as the company reshapes aviation’s sustainability trajectory.

Hawaiian Airlines invested in electric seaglider developer REGENT in 2022 and continued in 2024 to collaborate, learn about and assess the feasibility of seaglider operations between the Hawaiian Islands. Both Hawaiian and Alaska are members of the cross-sector Hawai’i Seaglider Initiative, exploring opportunities for seaglider applications in travel between the neighbor islands. In 2024, REGENT made significant strides

toward building its first full-scale prototype of its 12-seat seaglider, completing testing and integration of key systems and components, as well as securing approvals on its path toward certification. REGENT expects to conduct test flights of its seaglider prototype in summer 2025.

In the coming years, we will continue learning more about these and other technologies that will shape the future of our industry. We will explore ways to enable integration of the right options into our operations to help us realize our objectives to provide safe, reliable air service to communities, enhance the guest experience and reduce our environmental impact.

Carbon Offsets and Removals

Our primary focus is reducing emissions from our operations through fleet modernization, operational efficiencies and the adoption of sustainable aviation fuel, but we know that we will likely need to utilize carbon offsets and removals to reach our net zero carbon emissions ambition. We are continually exploring how the market develops for high-quality, durable carbon credits from carbon offsets and removals projects to complement our efforts and help us achieve our targets.

In addition, we continue to participate alongside all U.S. carriers in reporting our emissions from international travel through the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) program.

Investing in the Future of Flight

For decades, Alaska has been driven to innovate and advance technology to deliver value to our stakeholders and shape the future of our business and industry for the better. In 2021, we established Alaska Star Ventures (ASV) as the investment arm of Alaska Airlines, to identify and enable technologies that can be integrated into our operations now or in the future to help us achieve our goals. We are at a point of unprecedented innovation in and around our industry, and it is incumbent on us to both use that technology to drive efficiency and performance now and to know what is on the horizon.

Our objectives are to:

- Boost our radar for trends and technologies that will impact our industry.
- Identify technologies we can use in our business to improve guest experience, enhance performance or help us decarbonize.
- Pair small investments with deeper partnerships to inform tech development and support shared success.
- Create multiple paths to success, as a user and an investor.

Over the last few years, we have built a modest portfolio of direct investments, with \$89 million committed by year-end 2024 to date in the following areas:

- Operational efficiency
- Sustainable aviation fuel
- New airframe and aircraft propulsion technology
- Improved business performance
- Strategic insights
- Emissions reduction or removals

We invest selectively and at modest levels in technologies with strong leadership that are both visionary and pragmatic, and that can play a role in our business to improve fuel efficiency or the guest experience, advance automation and value with AI or accelerate the journey to net zero carbon emissions. On the right are a few examples of investments with impact across multiple time horizons.

TIME HORIZON	TECHNOLOGY	BENEFITS
Now - 3 years: Available now and scaling	Assaia AI-powered computer vision monitors and analyzes ground operations and tracks events in real time. Data-driven insights and automation provide actionable insights and predictive capabilities.	Optimizes turnaround times, reduces safety incidents and improves resource allocation. In 2024, Assaia helped reduce turn times by an average of one minute in cases of ground delays.
	Volantio® Machine learning enabled software identifies flexible passengers on high-demand flights and proactively offers incentives to switch to lower-demand flights, thereby optimizing seat allocation, maximizing revenue and supporting the guest experience.	By optimizing flight capacity, reducing the number of empty seats and reducing involuntary denied boarding, Volantio improves the carbon intensity of each flight on a per-passenger basis and improves passenger experience.
3-10 years: Investing now and will be available in the near-term	Twelve Twelve’s E-Jet® fuel is a cleaner alternative to traditional jet fuel, made from recycled carbon dioxide and renewable energy.	Twelve’s E-Jet® fuel offers at least 90% lower lifecycle carbon emissions compared to JetA, features scalable module-style production and supports diversified technology applications.
	ZeroAvia Hydrogen fuel-cell electric powertrain retrofit and line-fit options for many popular commercial aircraft models.	Potential to eliminate CO ₂ and NO _x emissions, a zero emissions powertrain.
10+ years: Investing now, and will be available in the long-term	JetZero Innovative blended wing airframe design with dramatically improved aerodynamic efficiency using existing narrowbody engines to power widebody-size aircraft; all commercial off-the-shelf components.	40-50% better fuel efficiency compared to the current tube-and-wing design, and ultimately reduces fuel consumption and lowers operating costs. Synergistic with use of technologies like SAF.

Alaska Star Ventures Portfolio

FUND INVESTMENTS:



DIRECT INVESTMENTS:



CO-FOUNDED PORTFOLIO COMPANY:



Climate-Related Risks and Opportunities

In 2024, we conducted a qualitative climate scenario analysis of climate-related physical and transitional risks and opportunities according to the Task Force on Climate-related Financial Disclosures framework (TCFD).¹⁰ The analysis¹¹ aligns with established scenarios developed by the Intergovernmental Panel on Climate Change (IPCC) and International Organization for Standardization (ISO) guidance. AAG went through this exercise to identify potential climate-related physical and transition risks and to understand how different future climate conditions may impact our business. Undergoing this exercise and understanding the climate-related risks and their potential impacts on our business gives us a better understanding and opportunity to prepare for the risks themselves and for pending and evolving climate disclosure related regulations in the U.S. and internationally.

We will continue to monitor climate-related physical and transition risks and opportunities that may impact our business while actively exploring opportunities for innovation and sustainable growth. Climate-related risks are part of the Enterprise Risk Management (ERM) process to address risks across our business. Managed by our internal audit team, our ERM process engages business leaders in identifying, prioritizing and managing risks — including those related to

climate and sustainability — and ensuring visibility of these risks and associated mitigation strategies to the Board. We conduct quarterly meetings to identify, monitor and integrate risks, including those related to climate change, into our ERM process, understanding impacts, analyzing relevant trends, evaluating mitigation strategies and monitoring metrics. Our ERM also helps us better understand which climate-related risks and opportunities we are potentially exposed to and how to manage these risks.

The tables on the following pages summarize our key climate-related risks and opportunities, including the impact, time horizon and risk management and opportunity realization strategy. We gathered input from leaders and representatives from various cross-functional teams and departments, such as Legal, Finance, Operations, Safety, Risk Management, Sustainability and Business Continuity. This is a qualitative assessment of the top climate-related risks and opportunities for AAG over the short, medium and long term, as well as mitigation and adaptation actions we are taking.

We identified 15 key assets across our operations, then performed this analysis to obtain an understanding of our exposure and vulnerability to these identified climate-related risks. The 15 assets consisted of Hub airports, office-related buildings¹² and hangar and maintenance-related buildings. We leveraged subject matter expertise from across the enterprise to support the analysis.

These scenarios are qualitative and based on various assumptions. AAG cannot guarantee and does not represent that one scenario is more likely than any other. We will assess and update these climate-related risks and opportunities and share updates in future reports as needed. For more information, please see our detailed risk factors discussed under the heading “Risk Factors” in the Company’s Annual Report on [Form 10-K](#) for the fiscal year ended December 31, 2024. In particular, make note of those specific to climate change and extreme weather events such as the Risk Factor that begins with “Impacts of climate change, including physical and transition risks, as well as market responses, may have a material adverse result on our operations and financial position.”

Risk impact time horizons were categorized as follows:

Short-term	Present day to 2030
Medium-term	2030-2040
Long-term	2040-2050

Evaluation of Risks

RISK TYPE	LOW EMISSIONS SCENARIO	HIGH EMISSIONS SCENARIO
Physical	SSP2-4.5	SSP5-8.5
Transition	IEA WEO 2024 Net Zero Emissions by 2050 (NZE)	IEA WEO 2024 Stated Policies Scenarios (STEPS)

¹⁰ As of 2023, TCFD monitoring is fully incorporated under the IFRS Foundation.
¹¹ AAG conducted the climate scenario analysis in 2024 when the combination with Hawaiian Airlines was not finalized yet. We did take into consideration the potential of our combination, and results were reviewed and adjusted after the combination was complete.
¹² Includes data and call centers.



KEY

Time Horizons:

Short

Medium

Long

Potential Impact:

High

Medium

Low

Physical Climate Risks

RISK	POTENTIAL IMPACT	TYPE OF RISK	TIMEFRAME	IMPACT (SSP2-4.5)	IMPACT (SSP5-8.5)
Wildfire ¹³	Wildfire risks, including exposure to conditions conducive to wildfires and smoke from wildfires, could result in temporary flight restrictions, flight rerouting, operational delays or flight cancellations. There is a potential risk of decreased revenue due to operational delays, flight rerouting or flight cancellations. In addition, costs to repair damages from direct flame impacts and/or wildfire smoke and operational delays to ensure personnel safety could result in increased capital expenditures.	Acute	<div><div></div><div></div><div></div></div>	<div></div>	<div></div>
Snowfall ¹⁴	Winter-related events like snows, sleet and freezing rain, along with lower and colder temperatures, may result in operational issues and schedule disruptions like flight delays and cancellations. These types of disruptions and winter weather conditions could also cause operational challenges with ground service equipment and aircraft and safety risks for operational crew working outside in cold temperatures. The potential financial impact could be costly if flights have to be rescheduled or rerouted for guests to arrive safely.	Acute	<div><div></div><div></div><div></div></div>	<div></div>	<div></div>
Increasing temperatures and extreme heat	Increasing temperatures and extreme heat could have operational and financial impacts because of rising costs to keep aircraft cool and potential airport restrictions on takeoff weight due to higher temperatures. Extreme heat can increase the likelihood of power outages, which could result in business interruptions depending on the extent of outages. As temperatures increase, higher cooling costs for facilities could impact the organization, alongside concerns of heat stress or illness for outdoor workers.	Acute, chronic	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>
Tropical cyclones ¹⁵	Increased threat of tropical cyclones could result in operational and financial impacts, especially in higher-risk locations. Three of the facilities included in the analysis have had tropical cyclone tracks that traveled within 60 miles of the site. Tropical cyclones are often accompanied by flooding and heavy rainfall that can impact operations, the structural integrity of facilities, damage to facilities and access to facilities as well as power outages. Prolonged operational and flight interruption is possible as a result of tropical cyclones and there is a potential for increased costs due to damage to aircraft or equipment.	Acute	<div><div></div><div></div><div></div></div>	<div></div>	<div></div>
Flooding ¹⁶	Extreme weather events, as modeled under a high-emissions scenario, could lead to flooding at several key assets. SFO, in particular, have a high flood risk due to existing exposure to coastal flooding events and the resulting operational disruptions. In particular, the combined effects of storm surges from tropical cyclones or hurricanes could lead to damage to facilities, reduced access to facilities and prolonged power outages. There are potential financial impacts to lost productivity, flight cancellations and delays and repairs to facilities and equipment.	Acute, chronic	<div><div></div><div></div><div></div></div>	<div></div>	<div></div>

¹³ Juneau International Airport (JNU) is at a high risk in the long-term only under a high emissions scenario.

¹⁴ Note that Honolulu International Airport (HNL), San Diego International Airport (SAN), Los Angeles International Airport (LAX) and San Francisco International Airport (SFO) are at a low risk under all scenarios and timeframes.

¹⁵ Overall, tropical cyclones represent a low risk. However, it is a very high risk for HNL only across all time horizons and all climate scenarios. There is a high risk for SAN and LAX only under all time horizons and all climate scenarios.

¹⁶ In the long-term under a high emissions scenario, San Francisco International Airport (SFO) and Honolulu International Airport (HNL) face a high risk of coastal flooding. JNU, Portland International Airport (PDX) and the QX Ops Center are subject to a moderate risk across all timeframes in a high emissions scenario.



Transition Climate Risks

TYPE OF RISK	DESCRIPTION	TIMEFRAME	IMPACT (SSP2-4.5)	IMPACT (SSP5-8.5)
Market	The substitution of existing flight services with lower-emission alternatives, driven by shifts in consumer preferences, due to corporate sustainability goals and advancements in virtual collaboration technologies represent business risks. As business customers seek to reduce their Scope 3 emissions, they may favor alternatives such as virtual meetings or high-speed rail for short-haul travel. Additionally, if our carbon emissions performance is perceived unfavorably in third-party booking tools, there could be a decline in demand and loss of customer loyalty. These factors, coupled with increased public sentiment about aviation’s role in climate change, may negatively affect revenue, financial performance and the collateral value of key assets such as aircraft and airport slots.	<div><div></div></div> <div><div></div></div> <div><div></div></div>	<div><div></div></div> <div><div></div></div> <div><div></div></div>	<div><div></div></div> <div><div></div></div> <div><div></div></div>
Market	Rising fuel costs and potential operational disruptions due to the uncertain future supply of fossil jet fuel — driven by climate policies, economic conditions and geopolitical factors — could result in financial risks. Exposure to higher raw material costs as local economies adjust to the low carbon transition, including the shutdown of traditional refineries and the shift toward renewable energy production, could also represent financial risks. The potential elevated costs and supply challenges stemming from the uncertain availability and cost-competitiveness of SAF, coupled with inadequate development of long-term public policies supporting its use, could impact operating expenses, long-term investment strategies and ability to meet emissions goals. SAF mandates in European markets could also have significant impacts on the price and availability of SAF in the United States.	<div><div></div></div> <div><div></div></div> <div><div></div></div>	<div><div></div></div> <div><div></div></div> <div><div></div></div>	<div><div></div></div> <div><div></div></div> <div><div></div></div>
Policy and legal	Mandated policies related to carbon pricing could result in increased operational and revenue impacts due to potential restrictions on existing products and services (e.g., short-haul flights) and potential increases in GHG emission pricing. Additionally, increased disclosure reporting obligations related to emission and climate could lead to higher compliance costs and exposure to fines and penalties.	<div><div></div></div> <div><div></div></div> <div><div></div></div>	<div><div></div></div> <div><div></div></div> <div><div></div></div>	<div><div></div></div> <div><div></div></div> <div><div></div></div>
Reputation	Evolving public sentiments and shifts in stakeholder preferences regarding the aviation industry’s role in climate change could result in potential damage to the brand and loss of customer, investor or employee trust. Evolving perceptions could have impacts on customer loyalty, stakeholder trust and overall financial performance.	<div><div></div></div> <div><div></div></div> <div><div></div></div>	<div><div></div></div> <div><div></div></div> <div><div></div></div>	<div><div></div></div> <div><div></div></div> <div><div></div></div>
Technology	The transition to lower-emissions technologies could result in significant costs due to insufficient advancements or successful investments in critical innovations for a sustainable fleet and supporting operations, such as electric or hybrid aircraft, hydrogen-powered planes and advanced battery technologies. These costs could hinder progress toward low-carbon goals, potentially affect fuel efficiency and operational and financial performance.	<div><div></div></div> <div><div></div></div> <div><div></div></div>	<div><div></div></div> <div><div></div></div> <div><div></div></div>	<div><div></div></div> <div><div></div></div> <div><div></div></div>

KEY

Time Horizons:

Short

Medium

Long

Potential Impact:

High

Medium

Low

Climate-related Opportunities

OPPORTUNITY TYPE	DESCRIPTION	TIMEFRAME	OPPORTUNITY (SSP2-4.5)	OPPORTUNITY (SSP5-8.5)
Expanding the use of Sustainable Aviation Fuel (SAF)	Expanding the use of SAF presents an opportunity to reduce carbon emissions, diversify energy sources and enhance resilience against fuel cost volatility, potentially lowering exposure to carbon regulations and improving long-term energy security.			
Integration of low-emission flight and airline technologies	AAG has the opportunity to drive revenue growth by investing in research and development of innovative low-carbon airline services and products, such as SAF programs for its corporate customers and advanced technologies like electric- or hydrogen-powered aircraft. By exploring emerging markets and adopting cutting-edge solutions, we can position ourselves as a leader in sustainable aviation, appealing to environmentally conscious corporate and individual customers. These strategic investments not only enhance market competitiveness but also advance GHG emissions reductions, ultimately improving financial performance and attracting a growing customer base that values environmental stewardship.			



Waste Management

Our inflight recycling program was initially created by employees who wanted to make a difference. Guests expect that our values are reflected in every action we take, and recycling on board is one of the most visible and tangible demonstrations of those values. Collaborating with our inflight team and flight attendants over the past two years improved our recycling rate from 41% in 2022 to 66% in 2024. While we have made meaningful progress towards achieving our inflight recycling goal, we are behind on achieving our goal by 2025. We implemented two initiatives in 2025 to address recurring recycling challenges aimed to help increase our recycling rate.

Plastics Management and Recycling

In 2024, we tested two new methods for reducing single-use plastic waste through partnerships with Ridwell and r.World. We understand the importance of reducing waste and recycling where we are able, and we will implement learnings from both Alaska and Hawaiian across our combined company.

Ridwell Test

In 2024, we completed our first feasibility test flight with Ridwell, a Pacific Northwest-based organization dedicated to helping various companies and organizations responsibly recycle and reuse their waste. A select group of Horizon Air flight attendants led the effort to reduce inflight waste by collecting snack packaging in Ridwell bags. Across 70 regional test flights, they collected 17.1 pounds of films and multi-layer plastics, which will be repurposed into various new products like building materials and leach-free stormwater drainage material.

r.Cups

In alignment with National Reuse Day, we gave guests on a roundtrip flight from Seattle to Minneapolis the opportunity to use our reusable r.Cups throughout the main cabin in replacement of our single-use paper cups. r.Cups are already popular at concerts and sporting events, and the hope is to eventually bring reusable cups into air travel to eliminate the current reliance on single-use products.

Boxed Water

Alaska transitioned from plastic water bottles to Boxed Water in 2021 to reduce plastic waste onboard. Boxed Water has a lower carbon footprint than premium plastic bottles and is made of 92% renewable plant-based materials. The paper Boxed Water is FSC-certified and comes from trees in well managed forests. We used over eight million cartons in 2024, avoiding nearly 445,000 pounds of plastic in landfills, equivalent to 4.9 Boeing 737s or 8,878 checked bags.

Carbon Neutral Amenity Kits

Hawaiian partnered with FORMIA to create the first ever certified carbon neutral amenity kit using recycled and recyclable materials. FORMIA conducted a life cycle analysis (LCA) to measure the emissions associated with each product in the kit, developed a plan to continue minimizing the environmental impact of the kit and repeat the LCA as products are changed or added. Residual emissions are offset with a credible provider.

✈️ Alaska Airlines Spotlight

Reducing Inflight Waste

Starting in 2020, we began requiring guests to pre-order fresh meals at least 20 hours before their flight time via our mobile app or online. This enables us to plan catering for each flight to more precisely meet the needs of our guests and to significantly reduce waste. Since 2019, we have reduced food waste by 585,000 meals compared to pre-2020 rates of waste. In 2024, we also used over 59 million beverage paper cups, cutting back on plastic waste.

✈️ Alaska Airlines Spotlight

Alaska Pilot Uniform Recycling Program “Pilot”

In 2024, we launched a Uniform Takeback Program in partnership with Debrand to divert end-of-life pilot uniforms from landfill. Leveraging Debrand’s holistic ecosystem approach to next-life logistics, the program ensured apparel and accessories were sorted for maximum impact through recycling and responsible disposal. Through this program, 8,233 pounds of pilot uniforms were sent to Debrand’s Sortation Facility in Surrey, British Columbia — 90% was sorted for fiber reclamation and the remaining 10% for waste-to-energy.



Ecosystems

We fly to some of the most beautiful places on earth, and our communities are dependent on these ecosystems staying strong for the long term. We appreciate our responsibility to support that aim.

Balancing Our Water Footprint

Alaska and Horizon track and balance facility water usage by investing in the restoration of local water habitats through our five-year partnership with the Bonneville Environmental Foundation.

Our investments support multi-stakeholder partnerships that include Tribes, federal, state and local governments, Conservation Districts and agricultural water users. Working together across interest groups we can thrive economically while supporting robust natural systems.

Our direct support of these habitat and restoration projects includes:

- The Friends of the San Juans eelgrass protection and boater education efforts; Eelgrass provides essential resources for the forage fish that fatten Chinook salmon – the primary food source of the Southern Resident orcas.
- A Skagit agricultural project in Edison Slough, Washington, yielding measurable water quality benefits to support healthy fish runs and reduce pollution and toxins in Puget Sound.
- Riparian stewardship and tree planting efforts by Tribes and others working in salmon and forage fish strongholds including the Stillaguamish Tribe of Indians, the Snohomish Conservation District, the Conservation Land Bank, Confederated Tribes of the Grande Ronde and Lower Columbia Estuary.

Regenerative Tourism

Hawaiian Airlines’ Travel Pono initiative is at the forefront of promoting sustainable and responsible tourism. Travel Pono means to explore with care, offering your kokua (help) to preserve our natural resources, cultures and communities. This program is instrumental in providing millions of guests with essential information on how to experience Hawai’i in positive ways. We remain dedicated to cultivating a more sustainable and equitable tourism economy that enriches the lives of the people of Hawai’i, preserves the state’s natural resources and enhances quality of life.

Local Products

Hawaiian understands the importance of supporting local food production as a benefit to the local economy and food security for the islands, as well as to reduce GHG emissions from shipping. Hawaiian remains committed to increasing the amount of locally sourced inflight food and beverage products at its Hawai’i hubs to 40% by the end of 2025, and as of December 2024, local food and beverage products comprised 37% of Hawaiian’s catering spend for Hawai’i departures. In 2024, Hawaiian introduced new local drinks to its service, such as Waiakea water, enhanced its selection of Maui Brewing Company beers and expanded its use of Hawai’i made products from popular local companies such as Hawaiian Host and Honolulu Cookie Company. Through its ongoing collaboration with Mana Up, a business accelerator helping Hawai’i retailers, Hawaiian now features Ko Hana Mai Tai as its signature welcome cocktail in First Class and offers Ko Hana cocktails for purchase in the main cabin.

✈️ Alaska Airlines Spotlight

Alaska Cloud Cruiser

Brewed with local ingredients in collaboration with Seattle’s Fremont Brewing, Cloud Cruiser is Alaska’s first-ever Alaska branded craft beer, which is available for purchase in the Main Cabin and offered complimentary in First and Premium Class.



Environmental Compliance

Wherever we operate, we adhere to environmental standards. Our policy reflects our principles for environmental compliance and sustainability. We have established a robust governance structure to oversee our environmental policies, actions, initiatives and progress. The Environmental Affairs team is embedded in our safety team, highlighting our commitment to operating safely and responsibly. These efforts are overseen by this team with a particular focus on stormwater protection, spill prevention, hazardous waste management and aircraft drinking water standards. The team engages with internal and external stakeholders to align our operations and procedures with local, state and federal laws and regulations.



✈ Shared Spotlight

Environmental Policy and Commitment

Alaska and Horizon take pride in delivering value to all those who depend on us — our guests, employees, communities and owners. Doing so in a way that is durable and delivers long-term value includes being responsible for our environmental impact and helping drive industry innovation in a way that makes aviation more sustainable. We aim to continue building a culture at Alaska and Horizon in which employees are committed to environmental compliance and to continuously improving our impact as part of our core values: to be safe and kindhearted, to deliver performance and be remarkable. In accordance with our purpose and values, Alaska and Horizon are committed to:

- Supporting environmental policies and programs that, at a minimum, ensure compliance with all environmental regulations.
- Monitoring our performance through an internal environmental audit program.
- Measuring and managing environmental impacts and continuously improving our environmental performance.
- Collaborating with industry leaders, policymakers and other stakeholders to embrace progressive approaches and technological advances that ensure environmental compliance.
- Continuing to provide transparent and honest dialogue with our employees and stakeholders about our environmental performance.
- Providing the necessary tools and training to employees directly involved in affecting environmental compliance to ensure we continue supporting our values.
- Motivating employee environmental performance through awareness, training, recognition and leadership development that assists in pollution prevention at the source to achieve our environmental goals.

Hawaiian shares a similar environmental commitment and describes its efforts in its [Environmental Policy Statement](#).



People

Everything we do starts with our people. How we treat each other, care for our guests and make everyday decisions all shape an environment where people genuinely care, feel a sense of belonging and can perform at their best. This is fundamental to our long-term success.

As we join forces with Hawaiian Airlines, we are intentionally combining the strengths of both organizations to create an even stronger shared culture. Uniting our teams makes us better, allowing us to serve our guests and communities more effectively.

Our employees naturally reflect the communities we serve, and their unique experiences and perspectives help us make smarter decisions, enhance operations and deliver remarkable service. By investing in each employee — ensuring everyone feels valued, supported and empowered — we are creating a workplace where talented people want to stay, grow and build rewarding careers.



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Our Culture

Our culture is not just something we talk about — it is what sets us apart. With over 30,000 employees across our combined organization, fostering a strong culture grounded in care and belonging is essential. Our vision is to connect guests to the world through a remarkable travel experience rooted in safety, care and performance. Yet for us, it is about much more than simply getting people and goods from one place to another — it is about creating an environment where our employees feel safe, valued and deeply connected to their work and our shared success.

As we continue integrating with Hawaiian Airlines, we have created opportunities for employees from both organizations to come together, exchange ideas and build something meaningful. In 2024, we launched an Employee Culture Guide Group, inspired by Hawaiian Airlines’ employee-led Alaka’i group (leader or guide). Through this collaboration, we are identifying the best aspects of each company’s culture and thoughtfully shaping a unified, shared culture for the journey ahead.

What we have discovered is that while we share many similarities, our differences truly complement and strengthen us. Our greatest opportunity — and also our challenge — is to embrace those differences, deepening our empathy and cultivating a culture where everyone is inspired to contribute to our success.

✈ Shared Spotlight

Joining Our Cultures

A new commemorative symbol, created by Hawaiian artist Keola Rapozo, honors the legacies of both Alaska Airlines and Hawaiian Airlines to celebrate the shared journey ahead. It features the Hawaiian Star Compass, a wayfinding tool that represents decision-making during voyaging, and the Kōlea bird (Pacific golden plover), symbolizing the airlines coming together from across the Pacific. The design is also inspired by an indigenous art form and resonates with both airline communities. Employees got a first look at this artifact during a commemorative event, where it was unveiled as a unifying symbol of respect, collaboration and shared strength.



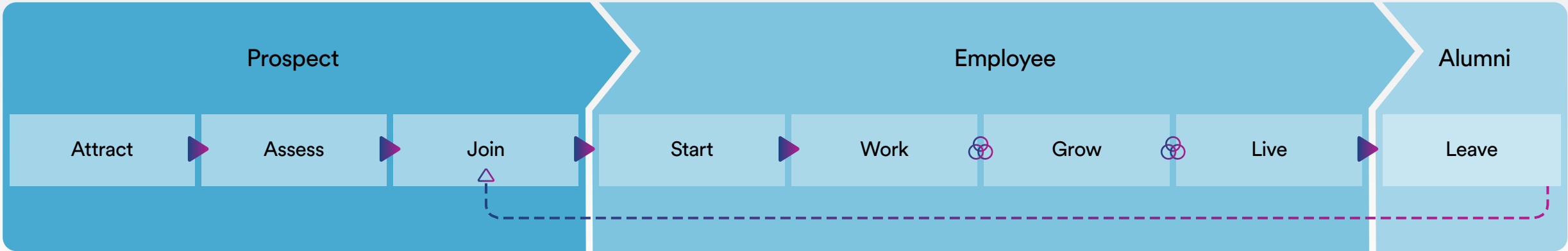
✈ Hawaiian Airlines Spotlight

‘Ōlelo Hawai‘i Flights

Hawaiian flights are preserving the use of ‘Ōlelo Hawai‘i (Hawaiian language) by incorporating it into the flight experience. In 2024, Hawaiian conducted two ‘Ōlelo Hawai‘i flights: one from Honolulu to Long Beach to welcome traveling students and their families and teachers from the Hawaiian language immersion preschool Pūnana Leo and from Honolulu to Boston for Mahina ‘Ōlelo Hawai‘i. Hawaiian also partnered with the University of Hawai‘i to create a language certification program and 23 qualified speakers now help organize ‘Ōlelo Hawai‘i flights.



Employee Lifecycle



Our Employee Experience

We attract and retain great people by creating a workplace built on care and belonging. We help employees feel connected to each other, support their growth and make sure they feel valued every day. Because when people feel cared for and like they truly belong, they want to stay, build careers and grow with us.

Attracting Talent

Attracting top talent remains highly competitive, and we are committed to seeking the very best talent wherever it exists. We have developed targeted pipeline programs to ensure ongoing access to critical talent for our most essential roles.

In 2024, Alaska and Horizon made significant strides in workforce development and education programs. We have continued to expand both our geographical footprint as well as our outreach to reach top talent across the United States. It is imperative that we provide opportunities for all individuals to see themselves in aviation.

- Alaska initiated recruitment at San Jose State University, California’s only public aviation program, and expanded its high school internship programs to include King Tech

in Anchorage, Alaska, and Raisbeck High School in Tukwila, Washington.

- Alaska also tested a new Technology Development program, providing frontline employees the opportunity to transition into technology careers through a boot camp and apprenticeship.
- Horizon had its first full year with the Dispatch Development program, allowing frontline employees to attend dispatch school in Denver, Colorado, with tuition fully covered.
- Horizon successfully filled all maintenance technicians positions through its development pipeline, bringing on a total of 114 technicians since the program started.
- We continue to invest in our pilot development programs, enrolling 107 students in 2024. Our pilot pipelines contributed to 66% of new hire First Officers for Horizon.

In 2024, Hawaiian Airlines focused on several programs aimed at increasing aviation exposure and development for local students.

- Hawaiian fully rolled out the Aviation ‘Ike (knowledge) and A’o (light), which offer daylong and weeklong events, respectively, for students to learn about airline operations and gain hands-on experience in various facets of aviation.

- Hawaiian Career Ambassadors volunteered at 150 events, contributing over 650 hours to classroom visits reaching K-12 students.
- Hawaiian continued its aviation maintenance technician program in collaboration with Honolulu Community College and the International Association of Machinists and Aerospace Workers union.
- Additionally, Hawaiian hosted IT interns through the Leap-Start program at the University of Hawai’i Manoa and internships, providing local students opportunities to receive hands-on IT experience.

Looking ahead, we are committed to taking the best of both Alaska and Hawaiian outreach programs and moving forward as a unified, global airline. We are evaluating our current programs, making necessary adjustments and ensuring we are reaching the highest caliber of talent. By refining our recruitment and development initiatives, we aim to provide unmatched opportunities for individuals to see themselves in aviation, from early education to advanced career transitions. Working together as a stronger, global airline is paramount to our success in creating a robust talent pipeline in key areas essential to our growth and operational excellence.

Employee Engagement

We believe great relationships at work start with caring leaders, genuine experiences and sincere appreciation. In 2024, we began a multi-year journey to enable new ways to listen to and address employee feedback at every stage of their journey. By regularly checking in and holding ourselves accountable, we are creating a workplace where everyone feels heard, valued and supported.

Alaska and Horizon’s employee engagement survey gives everyone a confidential way to openly share what works and what does not, and Hawaiian’s Nā Leo (Our Voices) survey provides similar opportunities. This feedback helps leaders and teams across the company understand employee experiences and make practical changes.

Our employee-led Business Resource Groups (BRGs) at Alaska and Horizon and Employee Resource Groups (ERGs) at Hawaiian also help us stay closely connected with employees. In addition to offering community, mentoring and meaningful ways for employees to share perspectives and grow their careers, these groups help us understand what matters most to our people and the communities we serve.

Celebrating and recognizing our employees is one of the most meaningful ways we show appreciation. Whether highlighting team members who bring our values to life, honoring career milestones or marking special moments like Hawaiian Airlines’ 95th anniversary in 2024, these celebrations create pride and build community. They remind us why we are here, strengthen our connections with each other and inspire us to make our company a great place to work.

Overall Engagement Score
75% favorable¹⁷

Alaska and Horizon are leaders in the industry in terms of employee engagement, and we have connected the dots between engaged employees and remarkable guest experiences.

17 Data from April 2024 Alaska and Horizon employee engagement survey.

Shared Spotlight

Business and Employee Resource Groups

AAG has a number of business and employee resource groups that are designed as spaces for employees and allies to connect and build bridges of understanding across our workforce. The input that comes from our BRG and ERG members guides important business decisions and supports our efforts to build an inclusive culture of care and belonging. All Business and Employee Resource Groups are open to all employees.



Shortly after Alaska and Hawaiian combined, employees from Ha’aheo, Hawaiian’s LGBTQ+ ERG and employees from the Pride Crew, Alaska’s LGBTQ+ BRG planned a celebration for Honolulu Pride, demonstrating lōkahi (collaboration) between the two companies and creating the Alaska Airlines and Hawaiian Airlines Rainbow Runway Float, with over 230 employees marching alongside it.



Our Latin Culture Resource Group developed a month of events for AAG employees during Hispanic and Latin Heritage Month. Highlights include their first visit to Puerto Vallarta for a beach cleanup with employees and a series of webinars with leaders from Alaska Airlines stations around the network to feature various Latin American destinations. Through these interviews, employees were able to share the culture of their city.



Our Air Group Black Employees, Allies and Advocates (ABEA) BRG raised the Juneteenth Flag and provided a presentation on the Buffalo Soldiers of Seattle to all employees.



This year, Hawaiian employees also welcomed Ira “Ike” Schab, the last surviving sailor from the USS Dobbin who was onboard the vessel when Pearl Harbor was attacked. Schab traveled with his family onboard a Hawaiian Airlines flight from Portland to Honolulu to attend the annual Pearl Harbor Remembrance Day event. Members of the Hawaiian Veteran Employee Network (HAVEN) ERG and the Alaska Military, Veterans and Allies BRG walked together in the Pearl Harbor Remembrance Parade.

Development Programs

Supporting our employees’ growth and preparing them for leadership roles are essential to our success. In 2024, we continued to expand access to programs and tools to help our people and leaders build critical skills, advance their careers and prepare for the future.

Leader Academy

Leader Academy helps employees develop leadership skills such as clear communication, effective change management, self-leadership and team guidance. Our goal is to ensure employees at every level feel confident, capable and prepared to lead. Leader Academy includes three core programs:

- Developing Emerging Leaders (DEL): A competitive, intensive seven-month program for high-potential frontline employees. Participants complete action-learning projects addressing real business challenges, with many solutions becoming integrated into our operations.
- Supervisor/Manager Development Program: Required training for all new supervisors and managers, providing foundational leadership skills aligned with our culture to inspire, unite and motivate teams.
- Leadership Accelerator: A seven-month program designed for high-potential supervisors and managers, emphasizing enterprise thinking, cross-functional collaboration and driving team results.

Executive Coaching

In 2024, we expanded our executive coaching by introducing small group coaching sessions for all senior leaders, directors and above. These sessions offer focused opportunities to practice and reflect on habits and skills to see, own and change outcomes as a collective leadership team.

Investing in Talent Insights

Last year, we also invested in a new talent management platform to better support and develop our non-contract employees. This tool helps us understand employee strengths, identify growth opportunities and set clear goals aligned with our priorities. It is another way we stay connected to what our employees need and support them in building meaningful careers.

Hawaiian’s six-day Leadership Development Program supports employees in mastering leadership skills through self-reflection and peer collaboration. Moving forward, we will bring together the best aspects of our employee development programs across the company.



Featuring 2024 Developing Emerging Leaders teams

Retaining Talent

We retain top talent by offering rewarding careers, competitive pay, comprehensive benefits and employee travel privileges. As our network expands, employees enjoy increased global travel opportunities. Retaining employees is deeply rooted by our culture of care and belonging connected directly to our values, creating purpose-filled work experiences and delivering the remarkable service we are known for.

Competitive Employee Benefits

We encourage our employees to be their best selves with a comprehensive rewards package that supports their physical, emotional and financial wellbeing. We continue to provide medical, dental and vision coverage, and generous employer contributions to retirement as well as comprehensive employee assistance programs.

Equitable Pay Practices

Equitable pay is core to our culture and to retaining the best people. We are committed to fairness of compensation regardless of gender, race/ethnicity or other legally protected categories. Our objective is that employees performing comparable tasks are paid equitably and any differences are explained by legitimate job-related factors. The compensation processes we use to hire, promote and reward our people — including through an annual review — is critical to progressing pay equity and retaining talent. We will continue to review and refine our compensation processes and procedures regularly, understanding that it is key to long-term success. We are also committed to fostering equity across the employee journey to make sure every team member feels like they have equitable opportunities for promotion and that they are empowered for success.

Controlled Pay Gap Numbers¹⁸
(Gender and Race/Ethnicity)

GENDER		RACE/ETHNICITY	
MALE	FEMALE	WHITE	BIPOC ¹⁹
\$1	\$0.996	\$1	\$0.997

✈️ Alaska Airlines Spotlight

Enhancing Accessibility with Disability Practice Flights

In 2024, our Disability Office partnered with the Autism Society and port authorities to host a disability practice flight at Portland International Airport. The event was a chance for guests to practice navigating airports and experience a simulated flight. The program was designed to help reduce travel stress for our guests with cognitive or developmental disabilities.



All-Employee Performance-based Pay (PBP) Program

Our Performance-Based Pay (PBP) program is something all Alaska and Horizon employees share, from frontline team members to executives. It is designed around goals that reflect what really matters to us: being profitable, keeping everyone safe, delivering remarkable service to guests and taking care of the environment. Unlike traditional profit-sharing plans, our approach is focused on both financial and non-financial measures. The idea is simple: set goals that push us to get better and are achievable and fair. In 2024, thanks to the incredible teamwork across our company, employees earned record payouts through this program — recognition of the outstanding results everyone delivered together. Hawaiian employees will be eligible for PBP as we integrate our benefits programs.

Employment and Guest Accessibility

The first of its kind in the U.S. airline industry, our Disability Office consults and advises on disability matters across the organization. The program ensures we remain a leader in disability inclusion and accommodating experiences for our guests and employees.

Alaska Airlines Accessibility Highlights

- Established Accessible Events Guidelines, an Accommodations Statement for events, and created handbooks for Accessible Employment and Accessible Facilities.
- Worked with several new vendors to provide in-person and virtual ASL interpreting for all events and meetings and innovated by offering live captioning through eye glasses.
- Collaborated with inflight experience for enhanced accessibility on entertainment services and menus to support guests who are nonverbal autistic, Deaf or need assistance with English.
- Consulted with three partner airports on the creation of “sensory inclusive spaces” for neurodiverse travelers.
- Initiated disability practice flights to support a wide range of passengers in navigating the experience of travel.
- Partnered with two American Sign Language (ASL) providers to better serve Deaf/Hard of Hearing participants in all employee meetings and events.

¹⁸ Data representative of Alaska and Horizon employee base only reflective of 2024 data.
¹⁹ Black, Indigenous and People of Color.

Communities

The foundations of Alaska and Hawaiian were built on a pioneering spirit grounded in helping those around us. We feel a personal connection to the places our guests and employees call home as well as the communities we serve, and as we continue to grow, that will not change. Our approach is focused on making a positive impact when it comes to supporting education, youth and career readiness. We believe in supporting the unique needs of a community, relying on the deep connections with people and organizations built over time. The goal is to be a true partner, whether it means we are flying young people to participate in sports and academic competitions, transporting needed supplies during a natural disaster or donating to and volunteering with organizations doing good work in their community.

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Community Impact

We invest in fostering strong communities by giving and partnering with community-based organizations. A long-term core focus of our support is youth success and career readiness, supporting organizations that create opportunities for all individuals to obtain the education, skills and training that lead to a fulfilling career. Whether it is access to mentorship, an afterschool program or leadership development, we are proud to partner with nonprofits that address youth needs. We also believe a great career should be available to everyone. We team up with nonprofits committed to providing opportunities across every milestone of career readiness, from education and skills training to networking, interview prep and more.

In addition to this core focus, we prioritize environmental sustainability with the goal of improving the efficiency of our operations and reducing our impact on the planet, as well as supporting a range of organizations that respond to the unique needs of local communities.



Community Investment

Our partnerships focus on education and economic opportunity, particularly for youth and environmental sustainability. By addressing these priorities, we strive to create tangible, lasting positive change for the communities we serve.

Alaska Airlines Foundation

Alaska Airlines Foundation grants are focused on young people in underserved communities within our major areas of operation, including Alaska, California, Hawai'i, Oregon and Washington. The Foundation works closely with community partners to support programs that give young people the skills they need to pursue career opportunities. Grants are focused on organizations that provide career exploration and career-connected learning experiences, mentorships, soft skills development or advanced education and training. In 2024, we awarded \$572,500 in grants.

Aviation Day

Aviation Day was created to inspire young people by giving them the chance to meet pilots, flight attendants, engineers, technicians, air traffic controllers and first responders. The aim of Aviation Day is to inspire the next generation of aviation employees and to show them what is needed to enable safe, reliable operations. Nearly 2,000 teenagers attended Aviation Day events in Seattle and Portland in 2024.

This year, we brought in six scouts from O'ahu to visit our Flight Training Center in Seattle where they learned about safety systems, practiced emergency evacuation, toured various aircraft and participated in an immersive flight simulator. All of the young men are part of Troop 331 and were selected for their interest in aviation careers. Aviation Day is a volunteer-led effort with more than 250 aviation professionals guiding participants through activities and discussing their careers.

Commitment to Education

In 2024, we partnered with local organizations to fly more than 60 high school juniors from Seattle and Portland to tour colleges and universities in Atlanta and Washington D.C. This is part of our ongoing collaboration with the United Negro College Fund (UNCF) in addition to partnering with another longtime partner from Portland, Self Enhancement Inc. (SEI). Over the past 18 years, we have donated 20 million miles to fly students to attend college tours and for other college related travel. It is an opportunity for students to engage in conversation with campus leaders, administrators and current college students, gaining valuable information about the application process for admissions and scholarships.

Local Engagement

Our Community Advisory Boards function to ensure that our business and service are informed by local needs. These boards enable a stronger connection with Alaska and Hawai'i communities and provide us an avenue to cultivate a deep and enduring relationship in communities across both states.

Alaska Community Advisory Board

We have had a community advisory board in Alaska for over 40 years. This exchange of ideas and information helps us remain deeply connected to communities across vast regions, which are uniquely reliant on air travel.

Hawai'i Community Advisory Board

In 2024 we created our 16-member Hawai'i Community Advisory Board to support an ongoing commitment to develop true, authentic representation of Hawai'i's people and culture.



✈️ Alaska Airlines Spotlight

Regional Partnerships and Community Investment

- In 2024, we donated one million miles to the American Cancer Society, impacting over 600 cancer patients in the state of Alaska. These miles help Alaskans with travel relief for cancer treatment and doctor appointments.
- This year, we sponsored the U.S. Capitol Christmas Tree, which was sourced from the Tongass National Forest and traveled 4,000 miles to Washington D.C.
- Alaska Airlines supports Port Jobs’ Airport University program, which provides career exploration, skill-building and scholarship opportunities to employees at the SeaTac airport. In the past year, Alaska Airlines supported 73 SeaTac airport employees in completing Airport University classes and 55 SeaTac airport employees received scholarships to advance their careers.
- Junior Achievement of Alaska’s K-12 pathways program supports 12,000 elementary, 5,000 middle and 8,000 high school students in economically disadvantaged neighborhood

- and rural village schools. The program provides students with financial literacy, workforce readiness and entrepreneurship skills and behaviors. All lessons are delivered by business leaders in local communities with hands-on and age-appropriate materials.
- Alaska Airlines partnered with the Pacific Science Center to directly fund the Science on Wheels program for the 2,251 students at the Highline School District near SeaTac airport. This program brought hands-on STEM engagement to K-8th grade classrooms, including pop-up exhibit experiences on STEM themes like engineering and space science.
 - The youth leadership development organization, Wonderfolk, was our 2024 community beneficiary through our sponsorship with the Portland Trail Blazers. We donated one million miles to support leadership development opportunities for lower-income youth through service-based travel.



Making Flying Matter

We use flight to respond to disasters, support communities with what they need and enable nonprofit partners to deliver.

CARE Miles Program

Giving miles is another way that we help nonprofits achieve their goals. Our CARE Miles program provides Alaska Airlines Mileage Plan™ members the opportunity to join us by donating miles they earn to charitable organizations of their choice. We are grateful to Mileage Plan™ members who generously donated nearly 60 million miles through our CARE Miles program. Our CARE Miles program supports nonprofits focused on providing disaster relief, supporting veterans, coordinating critical medical travel and strengthening education in addition to advancing environmental sustainability.

The Nature Conservancy

The Nature Conservancy (TNC) has been a longtime partner of the CARE Miles program and uses the miles to support important research projects along the west coast and to sending staff to key convenings. An example of one of these research projects from the past year included flying the TNC staff in California to Mendocino to complete the sixth annual drone survey of priority kelp sites along the Mendocino coast. TNC is on the forefront of developing a suite of new tools to help defend and restore kelp forests in California.

Airlink

Last year, Alaska Airlines supported six humanitarian responses with four Airlink nonprofit partners. These flights included sending in responders for debris clearing, clean-up and rebuilding after the historic flooding in Juneau in August in addition to the humanitarian flights for hurricane responders following Hurricane Helene in September.

Angel Flight West

Angel Flight West creates pathways to healthcare across the Western United States by arranging donated flights to people in need of travel for medical care. Over the past year Angel Flight West arranged for 1,574 trips. In 2024, the most common agency that Angel Flight West flew patients to was Seattle Children's Hospital. Many of the patients in need of flight support came from Alaska, Hawai'i, Montana and rural Washington.

Make-A-Wish®

For nearly 30 years, Alaska has been partnering with Make-A-Wish® Alaska and Washington to grant life-changing wishes to children with critical illnesses. In 2024, we booked over 1,000 round trip tickets on Alaska Airlines for children and their families, spending over 22 million miles.



57 million+

miles donated through our CARE Miles program



Gift of Travel

Our Gift of Travel initiative was created to bring joy to people facing personal, financial or other obstacles that prevent them from traveling.



In July 2024, Alaska's Maui CARE Flights program provided hope and mental health breaks for families affected by the 2023 Maui wildfires. We are donating 180 roundtrip tickets monthly to affected families from August 2024 to December 2025, in addition to last year's donation of 32 million CARE Miles. This program is administered by the Council for Native Hawaiian Advancement (CNHA) in collaboration with the State of Hawai'i and the County of Maui.



We also helped Pennsylvania local and regular blood donor, Vinton Smith, reach his goal of donating blood in all 50 states by flying him from Pennsylvania to Alaska, the 49th state on his list. We also donated \$10,000 to the Blood Bank of Alaska to help continue the essential service it provides for the state. Vinton's 50th state will be Hawai'i in 2025.



The Honor Flight Network pays tribute to veterans by providing trips to Washington D.C. Alaska Airlines supports many different Honor Flights chapters in California, Oregon, Alaska and Washington. An example of our 2024 support is the Last Frontier Honor Flight chapter in Alaska, which flew 50 Korean and Vietnam War veterans to Washington D.C. where they were able to see the monuments built to honor their service.

Employee Involvement and Volunteerism

We encourage our employees to donate to and volunteer with causes they believe in and to get involved in their local communities. Alaska and Horizon match up to \$1,000 for every eligible employee donation to a 501(c)(3) nonprofit. We also give \$10 for every hour an employee volunteers, up to \$1,000 a year. Through these avenues of employee giving, Alaska and Horizon employees donated nearly \$1.1 million dollars in employee matching and volunteer rewards to various nonprofit organizations. Additionally, we provide alternative opportunities for employees to get involved, including Week of Care, Pack the Plane and Aviation Day.

Volunteerism

Week of Care

Every fall, we host a Week of Care to give employees the opportunity to engage in their local community. In 2024, over 500 employees volunteered 1,200 hours of service, which included preparing 2,700 meals in Seattle, packing 15,500 meals in Phoenix and creating 1,200 activity kits for children at UCSF Benioff Children’s Hospital in San Francisco. Volunteers also participated in environmental stewardship projects in Hawai’i and supported military families at Fisher House Alaska.

✈ Alaska Airlines

Week of Care in October 2024

30+

company-sponsored volunteer events

15

communities supported

1,200

hours logged

3,700

meals prepared for the Seattle nonprofit Lifelong

72

boxes packed and 15,522 meals prepared at Feed My Starving Children in Phoenix

7,000

pounds of perishable items sorted at Food Lifeline to be distributed to those suffering from food insecurity in Seattle

200

welcome kits created and 150 pounds of food and drinks donated and stocked for the Fisher House in Alaska

100

weekend meal bags packed with handwritten cards of encouragement for youth at Ada County Boys and Girls Club in Boise

1,200

activity kits and 1,000 well wish cards created for meal trays to support children and families at UCSF Benioff Children’s Hospital in San Francisco

650

toiletry kits made for United Service Organizations deployed troops in Palm Springs

Pack the Plane

Pack the Plane was started in 2009 as an annual employee holiday food drive to support food banks across the country. In 2024, Alaska and Horizon employees packed the equivalent of 41 cargo planes, raised nearly \$190,000, volunteered 305 hours and donated 12,678 pounds of food to 117 organizations providing food security in communities where we fly across the country.

Restoring Hawai‘i’s Ecosystems

In 2024, 50 volunteers and Unifi business partners took on a series of community-focused projects across Hawai‘i. These included restoring the island’s native ecosystem as part of the Mālama ‘Āina (Caring for the Land) initiative at Waikōloa Dry Forest Preserve on Hawai‘i Island, rebuilding stone walls and clearing invasive plants and helping ecosystems to encourage the return of native species at the Loko I‘a Pā‘aiāu fishpond on O‘ahu and cleaning the beach at Ka‘ehu Bay on Maui.

Giving Back to Military Families

Over 50,000 active-duty service members and their families live in Alaska. Fisher House is a no-cost “home away from home” for these families, offering them a place to receive medical care and focus on recovery. This year, 30 Alaska employees spent the day at Fisher House baking, organizing and preparing care packages for residents.

Larkin Street Youth Services

For 40 years, Larkin Street Youth Services has helped over 80,000 young adults in San Francisco by providing healthcare, housing, employment and education services. In 2024, they provided long-term housing for 451 young people, served 20,000 meals and placed 145 youth in jobs with an average wage of \$19 per hour. We have supported Larkin Street Youth Services since 2008, and we are proud that our San Francisco station director has been serving on the board for nine years. He and his team host a volunteer event over the holidays to donate warm clothes and make themed holiday kits for unhoused youth.



Employee Giving and Recognition

Community CARE Awards

The Community CARE Award recognizes individuals who devote time, energy and talent to charitable causes. In 2024, we recognized 11 employees for their commitment to making our communities stronger. Their dedicated volunteer service reminds us that we rise by lifting others.

Community CARE Award Recipient Highlight

One of our Community CARE Award recipients was Kimberly Olson, who is a flight attendant in San Diego. Kimberly is part of a nonprofit group called the San Diego 99’s, which is dedicated to supporting the educational advancement of women of all ages and backgrounds who desire to become pilots. She is an advocate for other flight attendants at the base who are also working towards becoming pilots. Kim has worked tirelessly to improve the San Diego chapter through community service, scholarship fundraisers, educational events and fly-ins. Additionally, she is also enrolled in the 99’s Professional Pilot Leadership Initiative to improve her leadership skills to continue to strengthen the San Diego 99’s.



Hawaiian Airlines Community Impact

As Hawai'i's airline, Hawaiian plays an outsized role in bringing our islands together and connecting Hawai'i to the world. We are a major driver of the state's economy — supporting tourism and local businesses, transporting cargo and positively impacting people in all aspects of life. Our employees — most of whom call Hawai'i home — amplify our social reach through their volunteer work in communities across the islands and the markets we serve.

Community Relations and Giving

Our Hawaiian Airlines Team Kōkua (Assistance) Program seeks to improve the lives of people in our communities while caring for the land that sustains us all. Our program is focused on culture, education, environment and health and human services — areas we deem critical to sustain healthy and thriving communities. Team Kōkua gives in a variety of ways including service volunteers, HawaiianMiles or cash donations.

HawaiianMiles Giving

Hawaiian supports 14 partner organizations that represent a keystone of society: culture, education, environment and health and human services by matching up to 500,000 miles to each participating charity. Guests can donate their HawaiianMiles to support important local causes in a meaningful way. Their contribution can help make a difference in protecting coral reefs, perpetuating Hawaiian traditions, granting wish experiences for a child with a critical illness, assisting medical travel and much more. In 2024, through this avenue, we donated and matched a total of nearly 6.2 million HawaiianMiles.

Giving Miles and Aloha

On the eve of Lahainaluna High School's Class of 2024 graduation, Hawaiian Airlines employees who are alumni of the school returned to congratulate over 200 students. They offered lei (garlands), words of encouragement and 35,000 HawaiianMiles to each graduate. This gesture was especially meaningful as the school and community had faced significant challenges due to the wildfires in August 2023. The alumni emphasized resilience and the importance of returning to Lahaina to positively impact the community.

May Day (31 Days of Lei)

This month-long lei-making cultural activation made it possible for Hawaiian to share more than 2,000 leis with guests and teammates across Hawai'i stations.

Aloha Festival

In 2024, Hawaiian showcased its aloha spirit at the annual Aloha Festivals Floral Parade. This year the theme celebrated hula, with over 100 Team Kōkua volunteers joining alongside Hawaiian's float, 'A'a I Ka Hula (Dare to Dance), which pays homage to the courageous hula dancers of the past who paved the way for this beloved Hawaiian art form. Over 70 employees also learned hula.





Hawaiian Employee Volunteerism

Employee volunteerism is crucial for fostering a culture of community engagement. By participating in volunteer activities, employees contribute to meaningful projects that enhance local ecosystems and communities. In 2024, Hawaiian donated \$1.6 million in cash and in-kind donations in areas of culture, education, environment and health and human services.²⁰

Holy Family Orphanage

In the spring of 2024, Hawaiian’s Technical Operations and Mechanics teams visited the holy family orphanage in Osaka, Japan to participate in cultural games for residents and provide a \$5,000 donation. This is an annual collaboration between Tech Ops and Team Kōkua, symbolizing the cross-cultural connection between Japan and Hawai’i. Volunteers honored the legacy of the U.S. Army’s 27th Infantry Regiment who assisted the orphanage after the end of World War II. Volunteers also taught residents about various Hawaiian cultural games and festivities.

20Metric includes donations from Hawaiian guests.

Freshwater Beach Cleanup

To commemorate 20 years of flying from Honolulu to Sydney, Hawaiian held a cleanup event near the Duke Kahanamoku monument at his namesake park at Freshwater Beach. Team Kōkua volunteers also draped the statue with leis and joined with Friends of Freshwater and Northern Beaches Council to clear debris and add fresh plants along the Surfers Walk of Fame. The team also presented \$2,500 to the nonprofit to continue their work.

Tenth Anniversary With Sister-City Chigasaki

To celebrate the 10th anniversary of the Honolulu-Chigasaki sister city relationship, Hawaiian Airlines sponsored the "2024 Honolulu Mayor's Cup" surf contest for young surfers from Chigasaki, Japan, known for its vibrant surf culture and Hawaiian’s sister-city. The event included a beach cleanup and awarded 80,000 HawaiianMiles to three contest winners. This initiative highlighted the strong cultural and community ties between the two cities.

Restoring O’ahu’s Ala Wai Canal

Hawaiian employees and their children recently participated in a volunteer event to help restore O’ahu’s Ala Wai Canal by tossing 2,625 Genki Balls into the water. These balls, made of cured mud and microorganisms, work to digest harmful contaminants and sludge, improving the canal's water quality. The Genki Ala Wai Project, which began in 2019, aims to make the canal safe for fishing and swimming by 2026. This initiative highlights the community’s collaborative efforts to revitalize one of Waikīkī’s iconic landmarks.



Governance

We are committed to a culture of transparency and integrity, with strong governance oversight guiding critical aspects of our business. Our approach is rooted in ethical practices and accountability, reinforced by an active enterprise risk management system that informs and shapes our strategic decisions.

Our Board of Directors brings together diverse perspective, experiences and geographies, ensuring well-rounded guidance and oversight. This diversity strengthens our ability to serve our employees, guests, shareholders and communities.

We believe that effective governance is fundamental to maintaining trust, advancing our corporate impact goals and upholding the highest standards in everything we do.

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Board Management and Governance

Our Board of Directors provides guidance on key business decisions including sustainability, human capital and safety. If we want to be a sustainable company, we also need financial durability. Board oversight is a critical part of maintaining this balanced, future-oriented approach.

Safety Oversight

At Alaska, Hawaiian, Horizon and McGee, the Board of Directors’ Safety Committee oversees our safety performance, risks and opportunities, including enterprise-wide safety goals that are integrated into employee bonus structures. The Safety Committee reviews trends, programs and improvement opportunities quarterly with the vice president of safety for AAG.

Employees at every level are responsible for identifying hazards, promoting safety awareness, complying with regulations and adhering to published procedures. Each morning we hold a systemwide brief to review operational safety matters. Employees are also encouraged to report potential concerns confidentially, without fear of reprisal.

Environmental Sustainability and Corporate Impact Oversight

The Board of Directors’ Governance, Nominating and Corporate Responsibility Committee is responsible for overseeing various environmental sustainability initiatives and disclosures. This includes annual reporting of voluntary goals and evaluation of environmental and climate impacts. On a quarterly basis, the committee discusses environmental sustainability progress, including performance on enterprise-wide publicly reported sustainability goals and climate-related issues.

This work is supported by our Audit Committee which, among other areas, assesses our compliance with legal, regulatory and ethical requirements, as well as risk management and cybersecurity. Both the Audit Committee and the Governance, Nominating and Corporate Responsibility Committee are informed of any new, pertinent climate regulations that come into effect. Further, climate-related risks are identified through our Enterprise Risk Management (ERM) process, owned by AAG’s internal audit team. These items are tracked quarterly, and executive leaders are responsible for identifying, prioritizing and managing identified risks.

In 2021, the Board created a dedicated Climate Working Group to engage with management on Alaska’s climate goals and strategy. The Climate Working Group is responsible for providing expert guidance on, and oversight for, our work to achieve net-zero carbon emissions and other climate-related goals and strategies. Alaska’s senior vice president of public affairs and sustainability is responsible for driving sustainability strategy, execution progress and environmental sustainability disclosure, reporting directly to the CEO. This work is developed and continually updated with input from employees, investors, governments, non-governmental organizations (NGOs), reporting organizations, trade associations and other key stakeholders. Our climate-related goals and strategy are also regularly reviewed to remain in line with evolving frameworks and regulations.

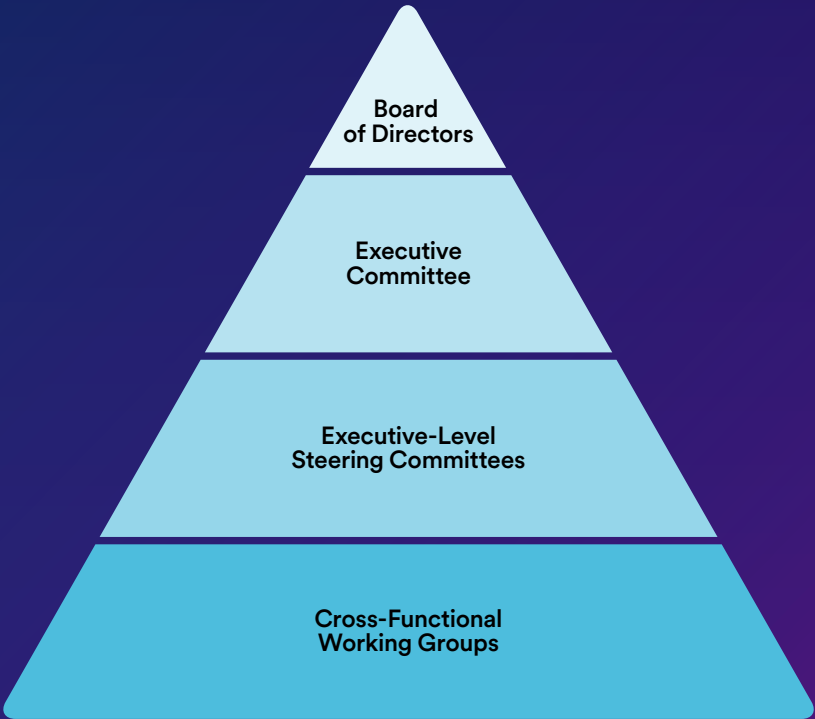
The Board’s Compensation and Leadership Development Committee has similar oversight responsibilities, including hiring, retention, development and culture. It is responsible for aligning compensation programs with shareholder interests while also promoting progress on our initiatives.

Our Governance Structure

The Board of Directors provides guidance on key business decisions. Running a sustainable company for the long run requires financial durability, using our resources wisely and delivering value to all stakeholders. Board oversight is critical for maintaining this balanced, longterm approach.

Our committees of the Board of Directors provide focused oversight on relevant and material topics. These committees ensure we remain accountable to our stakeholders and aligned with our values. By clearly defining responsibilities and maintaining transparency, these committees help us make informed decisions that support our people, our guests and the communities we serve:

- [Audit Committee](#)
- [Compensation and Leadership Development Committee](#)
- [Governance, Nominating and Corporate Responsibility Committee](#)
- [Innovation Committee](#)
- [Safety Committee](#)



Ethics

Being a trustworthy airline is about delivering a safe and reliable travel experience and generating long-term value to sustain and grow our business. It also means operating in a way that delivers value for all our stakeholders. We maintain policies, procedures and resources that integrate these considerations into everything we do.

Code of Conduct

The Code of Conduct is a foundation of our values. Every employee, as well as the Board of Directors, is required to follow the Code. It is designed to create a culture of open communication and trust and details expectations for ethical conduct. We require that all employees, officers and directors acknowledge their commitment to adhere to it, and we expect everyone who is covered by the Code to read, understand and apply it by:

- Doing their job in an honest, safe, professional and courteous manner while abiding by all applicable laws, regulations and policies.
- Treating guests, suppliers and fellow employees with dignity and respect.
- Avoiding situations where personal interests conflict with the interests of the companies.
- Timely completion of required training about the Code and other compliance-related topics.

We also have a Supplier Code of Conduct that outlines expectations of suppliers. We rely on our suppliers to be safe, ethical and to help us achieve our business goals. Suppliers, their employees, subcontractors and agents must comply with the Supplier Code of Conduct to do business with any of our companies.

Human Rights

We are committed to upholding the highest ethical standards and complying with all applicable laws and regulations in the countries where we operate. We recognize our responsibility to protect and promote human rights and dignity in our operations and supply chain. We have a zero-tolerance policy for any form of human trafficking, forced labor or slavery in our business activities and in our supply chain, and we condemn all forms of the exploitation of children. We expect our employees, contractors, suppliers and vendors to share our commitment by upholding our values and supporting us in our fight against human trafficking, forced labor and slavery.

✈️ Alaska Airlines Spotlight

Inspiring a Speak Up Culture

Our open door policy encourages employees to speak with their leaders about any issues that arise and to reach out to their human resources business partner through the People Resource Line.

We have a 24/7 Ethics and Compliance Hotline for employees to raise concerns anonymously. Anyone who reports a violation of the Code of Conduct truthfully and in good faith is protected against retaliation.



Supporting Guests

We are focused on creating the best possible guest interaction by delivering a remarkable travel experience rooted in safety, care and performance.

Guest Satisfaction

Just as we strive for every employee to be respected and able to do their best work, we are committed to providing guests a remarkable travel experience, care and service support throughout their journey with us. We measure guest satisfaction through a robust feedback system that processes over one million surveys annually. We analyze feedback from diverse touchpoints encompassing flights, call center interactions, lounge experiences and online interactions to gain comprehensive insights into guest experiences.

Our leadership team conducts regular reviews and in-depth analyses of guest experience metrics to identify areas for improvement, a proactive approach that helps us continually evolve our services to meet the changing needs and expectations of our guests.

Our closed-loop system enables us to quickly address any concerns raised by guests. The establishment of the Alaska Insights Lab (our new flyer community) allows us to collaborate closely with our guests and leverage their feedback.

In response to guest feedback, we have also expanded and enhanced our lounges over the past five years, investing \$30 million in upgrades for our members and guests.

Accessibility

We strive to build accessibility into every aspect of the guest experience from booking options that let our guests request accommodations, through to boarding and disembarking. In 2022, we established our Disability Office — the first of its kind for a U.S. airline — to serve as a central hub for coordinating all areas of disability advocacy for employees and guests. From enhancing accessibility in our facilities to implementing tailored services for guests with diverse needs, the Disability Office helps deliver on our commitment of being a leader in providing inclusive, accommodating experiences.

In 2024, the Disability Office worked with an accessibility nonprofit to develop guides that include images, outlines and measurements needed to exceed basic regulations and create a more efficient and comfortable travel experience. Part of this process included surveying travelers to learn more about their specific needs and to help us understand our opportunities. The images and notes in the guide make it easier for planners and designers to visualize what an ideally accessible space should look like. Ultimately, these guides are designed to provide solutions that are often more inclusive than what is required by law.

Our flight crews are also trained to assist passengers with disabilities, and we offer accessible seating options. We continue to provide audio descriptions to select inflight entertainment, subtitles on our menus and support for guests with visual or hearing loss.

Guest Loyalty

As two airlines with rich histories of connecting communities with care for more than 90 years each, we are working together to create a powerful platform for growth and opportunities across both the Alaska and Hawaiian brands. In 2024, we added new loyalty benefits for our guests. Members are now rewarded sooner at new milestones and can rack up elite-qualifying miles to reach milestones and status when they redeem award travel and make credit card purchases. We will soon offer new options for earning and redeeming with our global partners and Alaska and Hawaiian will be combined into a single loyalty program.

Hawaiian Airlines also added Huaka'i by Hawaiian, a free program for kama'āina (resident) guests, giving members a free checked bag, including surfboards, on Neighbor Island flights, 10 or 20% off one Neighbor Island booking per quarter and other network deals. Huaka'i refers to a journey with purpose, and this is our way of saying mahalo for making us Hawai'i's carrier for 95 years and counting.



Responsible Political Engagement

As part of our commitment to improving the airline industry as a whole, we are engaged in lobbying activities at the federal, state and local levels. We maintain a dedicated Government Affairs team, supported by subject matter experts, who work to promote public policy developments that align with our business and priorities.

To be transparent and comply with federal requirements, we submit quarterly reports to the Secretary of the U.S. Senate and Clerk of the U.S. House of Representatives, disclosing the issues and legislation we advocate on.

FAA Reauthorization Act

The FAA Reauthorization Act of 2024 outlines congressional priorities for creating the safest, most efficient aerospace system in the world. AAG worked with federal stakeholders on many of its various provisions and, ultimately, advocated for its passage. The law provides the FAA and the national airspace with long-term stability, critical staffing and infrastructure investments and essential safety enhancements, among other things. We will continue to track its implementation closely.

New Technologies to Decarbonize the Aviation Sector

We believe that SAF is one of the most promising ways to decarbonize aviation. We work with policymakers and industry leaders on ways to support SAF development. This means tax incentives for production and use, permitting reform for plant development, infrastructure investment to build a supply chain without reducing environmental benefits, clear accounting methodologies and ways to mature a market that ensures fair and equitable access.

Workforce Development

We have championed the Flight Education Access Act, which is aimed at bolstering the amount of federal student loans for Airline Transport Pilot (ATP) certified pilots. This is one of the ways we continue to support investments in aviation-related careers and create new pipelines for talent.



Privacy and Data Security

We are committed to maintaining a robust information security ecosystem that upholds the confidentiality, integrity and availability of data and information. Our strategy is centered on privacy and data security risk management, continuous monitoring and adherence to industry-leading frameworks.

Data Protection

We prioritize data privacy and security as foundational to operations and guest trust. Our strategy is centered on proactive risk management, continuous monitoring and adherence to industry-leading frameworks such as the National Institute of Standards and Technology (NIST) Cybersecurity Framework. By embedding security into every aspect of our business, we aim to foster a culture of vigilance and accountability, ensuring compliance with regulatory standards while adapting to evolving threat landscapes.

We rely on relevant personal information to create the best possible guest experience. We collect data through in-person methods like airport ticket counters, kiosks and boarding

gates, as well as online through apps, inflight entertainment systems and call centers, as well as through relevant third parties at different stages of the travel experience.

Whenever we collect, process, store or share personal information, we have an obligation to do so responsibly, and we take measures to securely transmit sensitive information. We also consistently review policies and educate our employees on cybersecurity.

Evolving Threat Landscape

We are committed to maintaining robust governance structures to maintain the highest standards of information security and data privacy. We have established policies to address data protection, including a commitment to responsible management of data and emerging technologies like generative artificial intelligence. Additionally, Alaska has established a comprehensive cybersecurity management framework, including a Cybersecurity Council and governance structures that oversee compliance with legal requirements such as Federal Aviation Administration, Transportation Security Administration and Sarbanes-Oxley Act compliance.

Operational measures are in place to monitor and respond to data breaches and cyberattacks, supported by a well-established incident response plan. Regular employee training on cybersecurity issues is conducted through various channels, annual compliance training, monthly awareness campaigns and targeted training for specific employees, like developers or those working with artificial intelligence. Alaska also performs regular external and internal security audits, vulnerability assessments and penetration testing to ensure the effectiveness of its security measures.

We are committed to collecting and processing user data for stated purposes only, implementing leading data protection standards and notifying data subjects in a timely manner in case of policy changes or data breaches. Furthermore, Alaska requires third parties with whom data is shared to comply with the company’s policy, ensuring comprehensive data protection across its operations.



✈️ Alaska Airlines Spotlight

Annual Compliance Training

All employees are required to complete annual compliance training, which includes modules on data privacy and security. We also provide training specifically tailored to various roles, such as secure coding practices for developers. We offer additional resources and training including an annual Cybersecurity Awareness event to keep employees up to date on best practices and emerging threats.



Appendix



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Additional Metrics

DATA BY TOPIC		UNIT	2024 Alaska Horizon	2024 Hawaiian	2023 Alaska Horizon	2022 Alaska Horizon	2019 Alaska Horizon
Safety							
Employee Safety	On the Job Injuries	Total number of injuries reported, incidents per 200,000 hours worked per 100 FTEs	4.53	8.69	3.72	2.24	5.01
			7.05		7.94	4.81	8.88
	Lost Time Injuries		3.41	6.54	2.69	1.65	3.06
			3.92		3.52	2.33	3.55
Environment							
Combined GHG Inventory	Total Scope 1 Emissions	Metric tons CO ₂ e	10,321,898		-	-	-
	Total Scope 2 Emissions ¹		15,267		-	-	-
	Total Scope 3 Emissions		3,687,205		-	-	-
Total GHG Emissions By Source	Scope 1 Emissions	Metric tons CO ₂ e	7,639,910	2,681,988	7,555,215	6,932,553	7,950,795
	Aircraft (Scope 1)		7,621,273	2,677,468	7,536,154	6,910,637	7,932,598
	Vehicle (Scope 1)		13,470	4,520	12,313	14,518	11,859
	Facility Heating (Scope 1)		5,167	0	6,748	7,398	6,338
	Scope 2 Emissions — Location-based		9,184	6,083	10,221	19,945	25,330
	Scope 2 Emissions — Market-based		9,553	6,475	10,652	19,188	24,523
	Scope 3 Emissions		2,846,826	840,379	2,674,374	Not reported	Not reported
	Category 1: Purchased Goods and Services		458,372	117,619	468,802	Not reported	Not reported
	Category 2: Capital Goods		201,171	21,458	105,049	Not reported	Not reported
	Category 3: Fuel- and Energy-Related Activities — Well-to-Tank ² , third party regional flying ³		2,185,968	557,231	2,100,523	542,269	633,944
	Category 8: Upstream Leased Assets		1,315	144,071	Not reported	Not reported	Not reported
	Biogenic Emissions		70,547	0	5,578	0	0

1 Location-based.

2 The Defra WTT fuel conversion factors provide essential data for estimating GHG emissions associated with various activities. For more information, please access the methodology, as provided by the [UK Department for Environment, Food & Rural Affairs \(Defra\)](#). These factors play a crucial role in environmental assessments and policy formulation, aiding in informed decision-making toward sustainable practices.

3 2022 and 2019 data for Alaska and Horizon only discloses third party regional flying for this category.

DATA BY TOPIC		UNIT	2024 Alaska Horizon	2024 Hawaiian	2023 Alaska Horizon	2022 Alaska Horizon	2019 Alaska Horizon
Other GHG Emissions By Source	Nitrous Oxide (N ₂ O)	Metric tons CO ₂ e	318		237	220	244
	Nitrogen Oxide (NOx)		2,326		1,699	1,273	3,205
	Sulphur Oxide (SOx)		360		263	241	373
Normalized Emissions ⁴	Emissions Intensity	kg CO ₂ e per thousand RTM ⁵	1,200	1,153	1,205	1,236	1,301
		kg CO ₂ e per thousand RPM	136	151	132	135	142
		kg CO ₂ e per thousand ASM	114	126	110	114	120
	Aircraft Energy Intensity per Seat	Fuel gallons per ASM	0.0116	0.0131	0.0120	0.0116	0.0121
	Aircraft Energy Intensity per Passenger	Fuel gallons per RPM	0.0138	0.0156	0.0144	0.0137	0.0144
Energy Consumed and Generated	Total Energy Consumed	GJ	110,632,223	39,655,476	109,248,297	93,302,573	107,090,478
		MWh	30,731,198	11,015,419	30,346,749	25,917,381	29,747,379
	Aircraft Fuel (non-renewable)	GJ	110,227,419	39,552,646	108,945,392	92,761,387	106,539,657
	Vehicle Fuel (non-renewable)		189,450	68,416	179,328	196,789	172,167
	Facility Energy (non-renewable)		215,354	34,415	249,624 ⁶	344,397	378,654
	Aircraft Fuel (non-renewable) ⁷	Gallons	775,157,660	278,148,000	766,142,000	702,234,000	806,540,000
	Aircraft Fuel (Sustainable aviation fuel) ⁷		7,175,340	0	572,133	287,057	0
Water Consumption	Total Water Consumed ⁸		21,704,513	Not reported	18,141,896	19,479,070	15,609,803
Environmental Compliance	Reportable Spills ⁹	Number	5	40	13	5	2
	Environmental Penalties	USD	\$820	\$0	\$0	\$0	\$0
		Number	1	0	0	0	0
Hazardous Waste	Hazardous Waste Disposed (RCRA)	Metric tons	42	7	54	47	52
	Regulated Waste Recycled		67	17	Not reported	Not reported	51

4

Since Hawaiian Airlines' full year 2024 emissions inventory was calculated, full year RTM, RPM and ASM were used to calculate Hawaiian Airlines' normalized emissions.

5

Revenue ton mile. Calculation for this metric is based on passenger, cargo, and baggage RTM. Therefore, metric will differ compared to 2025 goal. To remain transparent of emissions intensity through the combination with Hawaiian Airlines for this data point, full year RTM for Hawaiian Airlines was used.

6

2023 facility energy GJ revised from 2023 Sustainability Report.

7

Gallons purchased in full year 2024 for use by Alaska Airlines/Horizon Air and full year 2024 for use by Hawaiian Airlines.

8

Alaska and Horizon facilities with available water consumption bills.

9

Hawaiian Airlines is required to report all spills, regardless of quantity or material, in the State of Hawaii as mandated by the State Department of Transportation – Airports Division (DOTA). This includes spills ranging from as little as 1 gallon to over 100 gallons.

DATA BY TOPIC		UNIT	2024 Alaska Horizon	2024 Hawaiian	2023 Alaska Horizon	2022 Alaska Horizon	2019 Alaska Horizon
People							
Employee Snapshot	Total Number of Employees	Number	20,269	7,362	20,144	19,549	17,919
			3,400		3,208	3,281	4,301
	Labor Union Representation of Employees	Percent	85%	82%	85%	86%	86%
			42%		41%	44%	43%
	Total Number of Employees	Number	31,031		23,352	22,830	22,220
Full-Time and Part-Time Breakdown ¹⁰	Description	Of those employees, 89% are full-time and 11% are part-time.		Of those employees, 89% are full-time and 11% are part-time.	Of those employees, 90% were full-time and 10% were part-time.	2019 AAG 10-K filing did not disclose full-time and part-time percentages.	
Communities							
Philanthropic Contribution	Cash Donations	USD	\$7,306,871	\$1,593,230	\$7,644,578	\$6,934,013	\$7,312,106
	In Kind Giving (Value)		\$9,361,172		\$8,434,035	\$7,549,710	\$7,025,675
	Total		\$16,668,043		\$16,078,613	\$14,483,723	\$14,337,781
Philanthropic Activities	Employee Matching Program		\$768,147	Not applicable ¹¹	\$780,952	\$756,361	\$677,239
	Employee Volunteer Rewards		\$308,782	Not applicable ¹¹	\$264,774	\$127,566	\$248,239
	Foundation Grants		\$572,500	Not applicable ¹²	\$580,000	\$562,500	\$365,575
	Miles Donated through Loyalty Programs	Miles	57,449,067	3,300,000	102,112,707	54,724,223	72,985,296
	Tracked Employee Volunteering	Number of hours	45,873	4,328	42,282	27,471	41,000

10 Full-time and part-time breakdown percentages disclosed at AAG level in 10-K filings.

11 Hawaiian Airlines does not have an employee volunteering and rewards program.

12 Alaska Airlines Foundation grants only.

Sustainability Accounting Standards Board Index

CODE	UNIT OF MEASUREMENT/METRIC	DISCLOSURE
Greenhouse Gas Emissions		
TR-AL-110a.1	Gross global Scope 1 emissions (Metric tons CO ₂ e)	10,321,898
TR-AL-110a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	2024 Corporate Impact Report, Who We Are, Corporate Impact Goals and Progress, pg. 11 2024 Corporate Impact Report, Environment, Our Emissions Inventory, pg. 18 2024 Corporate Impact Report, Appendix, Additional Metrics, Environment, pg. 57
TR-AL-110a.3	(1) Total fuel consumed (Gigajoules), (2) percentage alternative and (3) percentage sustainable	(1) 149,780,065 (2) 0% (3) 0.93%
Labor Practices		
TR-AL-310a.1	Percentage of active workforce employed under collective agreements	2024 10-K, pg. 15
TR-AL-310a.2	(1) Number of work stoppages and (2) total days idle	Alaska and Horizon: (1) 0, 0; (2) 0, 0 Hawaiian: (1) 0; (2) 0
Competitive Behavior		
TR-AL-520a.1	Total amount (USD) of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations	Zero (0) monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations for Alaska, Hawaiian and Horizon for the reporting year.

CODE	UNIT OF MEASUREMENT/METRIC	DISCLOSURE
Accident & Safety Management		
TR-AL-540a.1	Description of implementation and outcomes of a Safety Management System	2024 Corporate Impact Report, Safety, Safety Management System, pg. 14
TR-AL-540a.2	Number of aviation accidents	Alaska and Horizon: 1 Hawaiian: 0
TR-AL-540a.3	Number Number of governmental enforcement actions of aviation safety regulations	Alaska and Horizon: 0, 0 Hawaiian: 0
Activity Metrics ¹³		
TR-AL-000.A	Available seat kilometers (ASK)	122,578,942,371
TR-AL-000.B	Passenger load factor	2024 10-K, pg. 38
TR-AL-000.C	Revenue passenger kilometers (RPK)	102,790,442,425
TR-AL-000.D	Revenue-tonne-kilometers (RTK)	12,684,623,449
TR-AL-000.E	Number of departures	2024 10-K, pg. 38
TR-AL-000.F	Average age of fleet (Years)	2024 10-K, pg. 33

¹³ These activity metrics are based on AAG consolidated metrics. Therefore, these metrics take into account Hawaiian Airlines only from the post-acquisition period from September 18 - December 31, 2024.

International Financial Reporting Standard

S2 Climate-Related Disclosures Index

Information presented in this Index references the International Sustainability Standards Board’s (ISSB) IFRS S2 Climate-related Disclosures. Relevant information included below covers fiscal year 2024 (January 1, 2024 through December 31, 2024) unless otherwise indicated in specific disclosures.

IFRS S2 DISCLOSURE		RESPONSE
Governance		
IFRS S2 6(a)	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities, including the information about:	
	(i) How responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s).	2024 Corporate Impact Report, Governance, Environmental Sustainability and Corporate Impact Oversight, pg. 51 Governance, Nominating and Corporate Responsibility Committee Charter Information on incentives provided for the management of climate-related risks and opportunities is not publicly disclosed.
	(ii) How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities.	
	(iii) How and how often the body(s) or individual(s) is informed about climate-related risks and opportunities.	
	(iv) How the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity’s strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities.	
	(v) How the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies.	
IFRS S2 6(b)	Management’s role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	
	(i) Whether the role is delegated to a specific management level position or management-level committee and how oversight is exercised over that position or committee.	2024 Corporate Impact Report, Governance, Environmental Sustainability and Corporate Impact Oversight, pg. 51
	(ii) Whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	

IFRS S2 DISCLOSURE		RESPONSE
Strategy		
IFRS S2 9(a)	The climate-related risks and opportunities that could reasonably be expected to affect the entity’s prospects.	2024 Corporate Impact Report, Environment, Climate-Related Risks and Opportunities, pg. 27
IFRS S2 9(b)	The current and anticipated effects of those climate-related risks and opportunities on the entity’s business model and value chain.	2024 Corporate Impact Report, Environment, Climate-Related Risks and Opportunities, pg. 27
IFRS S2 9(c)	The effects of those climate-related risks and opportunities on the entity’s strategy and decision-making, including information about its climate-related transition plan.	See relevant disclosures for paragraph 14 found in the Environment section of our 2024 Corporate Impact Report
IFRS S2 9(d)	The effects of those climate-related risks and opportunities on the entity’s financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity’s financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity’s financial planning.	2024 Corporate Impact Report, Environment, Climate-Related Risks and Opportunities, pg. 27
IFRS S2 9(e)	The climate resilience of the entity’s strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity’s identified climate-related risks and opportunities.	2024 Corporate Impact Report, Environment, Climate-Related Risks and Opportunities, pg. 27
Climate-Related Risks and Opportunities		
IFRS S2 10(a)	Climate-related risks and opportunities that could reasonably be expected to affect the entity’s prospects.	2024 Corporate Impact Report, Environment, Climate-Related Risks and Opportunities, pg. 27
IFRS S2 10(b)	For each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk.	
IFRS S2 10(c)	For each climate-related risk and opportunity the entity has identified, over which time horizons — short, medium or long term — the effects of each climate-related risk and opportunity could reasonably be expected to occur.	
IFRS S2 10(d)	How the entity defines ‘short term’, ‘medium term’ and ‘long term’ and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	
Business Model and Supply Chain		
IFRS S2 13(a)	A description of the current and anticipated effects of climate-related risks and opportunities on the entity’s business model and value chain.	2024 Corporate Impact Report, Environment, Climate-Related Risks and Opportunities, pg. 27
IFRS S2 13(b)	A description of where in the entity’s business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	

IFRS S2 DISCLOSURE		RESPONSE
Strategy and Decision Making		
IFRS S2 14(a)	<p>How the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation, including the information about:</p> <p>(i) Current and anticipated changes to the entity’s business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments).</p> <p>(ii) Current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications).</p> <p>(iii) Current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains).</p> <p>(iv) Any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity’s transition plan relies.</p> <p>(v) How the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets.</p>	<p>2024 Corporate Impact Report, Environment, Our Climate Strategy, pg. 19</p> <p>2024 Corporate Impact Report, Environment, Operational Efficiency, pg. 19</p> <p>2024 Corporate Impact Report, Environment, Sustainable Aviation Fuel, pg. 21</p> <p>2024 Corporate Impact Report, Environment, New Technologies, pg. 25</p> <p>2024 Corporate Impact Report, Environment, Carbon Offsets and Removals, pg. 25</p>
IFRS S2 14(b)	<p>How the entity is resourcing, and plans to resource, the activities disclosed in accordance with 14(a).</p>	
IFRS S2 14(c)	<p>Quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a).</p>	
Financial Position, Financial Performance and Cash Flows		
IFRS S2 15(a)	<p>The effects of climate-related risks and opportunities on the entity’s financial position, financial performance and cash flows for the reporting period (current financial effects)</p>	<p>2024 Corporate Impact Report, Environment, Climate-Related Risks and Opportunities, pg. 27</p>
IFRS S2 15(b)	<p>The anticipated effects of climate-related risks and opportunities on the entity’s financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity’s financial planning (anticipated financial effects).</p>	
IFRS S2 16(a)	<p>How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period.</p>	
IFRS S2 16(b)	<p>The climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.</p>	

IFRS S2 DISCLOSURE		RESPONSE
IFRS S2 16(c)	How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	
	<div>(i) Its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to.</div> <div>(ii) Its planned sources of funding to implement its strategy</div>	Not reported.
IFRS S2 16(d)	How the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).	2024 Corporate Impact Report, Environment, Climate-Related Risks and Opportunities, pg. 27
Climate Resilience		
IFRS S2 22(a)	The entity’s assessment of its climate resilience as at the reporting date, including the information about:	
	(i) The implications, if any, of the entity’s assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis.	2024 Corporate Impact Report, Environment, Climate-Related Risks and Opportunities, pg. 27
	<div>(ii) The significant areas of uncertainty considered in the entity’s assessment of its climate resilience.</div> <div>(iii) The entity’s capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including:<div><div>1. The availability of, and flexibility in, the entity’s existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities.</div><div>2. The entity’s ability to redeploy, repurpose, upgrade or decommission existing assets.</div><div>3. The effect of the entity’s current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience.</div></div></div>	<div>In 2024, AAG underwent an assessment of identifying potential climate-related risks and opportunities and also assessed the resilience and adaptive capacity of 15 assets. The risk level integrates the current resiliency and adaptive capacity measures.</div>

IFRS S2 DISCLOSURE	RESPONSE
IFRS S2 22(b)	<div><div>How and when the climate-related scenario analysis was carried out, including the information about:</div><div><div><div>(i) The inputs the entity used, including:<div><div>1. Which climate-related scenarios the entity used for the analysis and the sources of those scenarios.</div><div>2. Whether the analysis included a diverse range of climate-related scenarios.</div><div>3. Whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks.</div><div>4. Whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change.</div><div>5. Why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties.</div><div>6. The time horizons the entity used in the analysis.</div><div>7. What scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis).</div></div></div><div><div>(ii) The key assumptions the entity made in the analysis, including assumptions about:<div><div>1. Climate-related policies in the jurisdictions in which the entity operates.</div><div>2. Macroeconomic trends.</div><div>3. National- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources).</div><div>4. Energy usage and mix.</div><div>5. Developments in technology.</div></div></div><div><div>(iii) The reporting period in which the climate-related scenario analysis was carried out.</div></div></div></div><div>2024 Corporate Impact Report, Environment, Climate-Related Risks and Opportunities, pg. 27</div></div></div>

IFRS S2 DISCLOSURE		RESPONSE
Risk Management		
IFRS S2 25(a)	The processes and related policies the entity uses to identify, assess, prioritize and monitor climate-related risks, including information about:	
	(i) The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes).	2024 Corporate Impact Report, Environment, Climate-Related Risks and Opportunities, pg. 27
	(ii) Whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks.	
	(iii) How the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria).	
	(iv) Whether and how the entity prioritizes climate-related risks relative to other types of risk.	
	(v) How the entity monitors climate-related risks.	
	(vi) Whether and how the entity has changed the processes it uses compared with the previous reporting period.	As this is our first year reporting using IFRS S2 disclosures, there are no changes to report.
IFRS S2 25(b)	The processes the entity uses to identify, assess, prioritize and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities.	2024 Corporate Impact Report, Environment, Climate-Related Risks and Opportunities, pg. 27
IFRS S2 25(c)	The extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the entity’s overall risk management process.	2024 Corporate Impact Report, Environment, Climate-Related Risks and Opportunities, pg. 27
Metrics and Targets		
Climate-Related Metrics		
IFRS S2 29(a)	Information relevant to the cross-industry metric categories of greenhouse gases, including:	2024 Corporate Impact Report, Environment, Our Emissions Inventory, pg. 18
	(i) Absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO ₂ equivalent, classified as: <div><div>1. Scope 1 greenhouse gas emissions.</div><div>2. Scope 2 greenhouse gas emissions.</div><div>3. Scope 3 greenhouse gas emissions.</div></div>	2024 Corporate Impact Report, Appendix, Additional Metrics, Total GHG Emissions By Source, pg. 57
	(ii) Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions.	2024 Corporate Impact Report, Appendix, Additional Metrics, Other GHG Emissions by Source, pg. 58

IFRS S2 DISCLOSURE		RESPONSE
IFRS S2 29(a) (Continued)	<div>(iii) The approach used to measure greenhouse gas emissions including:<div><div>1. The measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions.</div><div>2. The reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions.</div><div>3. Any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes.</div></div></div> <div>(iv) For Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)–(2), disaggregate emissions between:<div><div>1. The consolidated accounting group.</div><div>2. Other investees excluded from paragraph 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries).</div></div></div> <div>(v) Location-based Scope 2 greenhouse gas emissions, and the information about any contractual instruments that is necessary to inform users’ understanding of the entity’s Scope 2 greenhouse gas emissions.</div> <div>(vi) For Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), and with reference to paragraphs B32–B57:<div><div>1. The categories included within the entity’s measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).</div><div>2. Additional information about the entity’s Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity’s activities include asset management, commercial banking or insurance.</div></div></div>	<div>2024 Corporate Impact Report, Environment, Our Emissions Inventory, pg. 18</div> <div>2024 Corporate Impact Report, Appendix, Additional Metrics, Total GHG Emissions By Source, pg. 57</div> <div>2024 Corporate Impact Report, Appendix, Additional Metrics, Other GHG Emissions by Source, pg. 58</div>
IFRS S2 29(b)	Climate-related transition risks — the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Not reported
IFRS S2 29(c)	Climate-related physical risks — the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Not reported
IFRS S 2 29(d)	Climate-related opportunities — the amount and percentage of assets or business activities aligned with climate-related opportunities.	Not reported
IFRS S2 29(e)	Capital deployment — the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	Not reported

IFRS S2 DISCLOSURE		RESPONSE
IFRS S2 29(f)	Internal carbon prices, including the information about:	
	(i) An explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis).	Not reported
	(ii) The price for each metric ton of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions.	
IFRS S2 29(g)	Remuneration, including the information about:	
	(i) A description of whether and how climate-related considerations are factored into executive remuneration (see also paragraph 6(a)(v)).	Our Performance-based Pay (PBP) Program aligns employees at all levels and workgroups across Alaska and Horizon. Everyone participates in the same plan – from the frontline to our Executive Committee. In 2024, our PBP program reinforced the importance of this balanced approach, with goals for profitability, safety, guest experience and environmental sustainability.
	(ii) The percentage of executive management remuneration recognized in the current period that is linked to climate-related considerations.	
Climate-Related Targets		
IFRS S2 33(a)	The metric used to set the target.	2024 Corporate Impact Report, Environment, Our Emissions Inventory, pg. 18
IFRS S2 33(b)	The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives).	2024 Corporate Impact Report, Environment, Carbon Offsets and Removals, pg. 25
IFRS S2 33(c)	The part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region).	2024 Corporate Impact Report, Appendix, Additional Metrics, Environment, pg. 57
IFRS S2 33(g)	If the target is quantitative, whether it is an absolute target or an intensity target.	Our emissions targets have not been validated by a third party.
IFRS S2 33(h)	How the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Our five part path to achieve this long-term ambition aligns with science, combines action today with investments in critical technologies for the future, and is informed by our stakeholders.
IFRS S2 34(a)	Whether the target and the methodology for setting the target has been validated by a third party.	
IFRS S2 34(b)	The entity’s processes for reviewing the target.	

IFRS S2 DISCLOSURE		RESPONSE
IFRS S2 34(c)	The metrics used to monitor progress towards reaching the target.	2024 Corporate Impact Report, Environment, Our Emissions Inventory, pg. 18
IFRS S2 34(d)	Any revisions to the target and an explanation for those revisions.	2024 Corporate Impact Report, Environment, Carbon Offsets and Removals, pg. 25
IFRS S2 35	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity’s performance.	2024 Corporate Impact Report, Appendix, Additional Metrics, Environment, pg. 57
IFRS S2 36(a)	Which greenhouse gases are covered by the target.	Our emissions targets have not been validated by a third party. Our five part path to achieve this long-term ambition aligns with science, combines action today with investments in critical technologies for the future, and is informed by our stakeholders.
IFRS S2 36(b)	Whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	
IFRS S2 36(c)	Whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target.	
IFRS S2 36(d)	Whether the target was derived using a sectoral decarbonization approach.	
IFRS S2 36(e)	The entity’s planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target, including the information about:	2024 Corporate Impact Report, Environment, Carbon Offsets and Removals, pg. 25
	(i) The extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits.	
	(ii) Which third-party scheme(s) will verify or certify the carbon credits.	
	(iii) The type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal.	
	(iv) Any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset).	

The SCS Greenhouse Gas Footprint Verification Program has conducted a verification of GHG emissions based upon the following Scope, Objectives, and Criteria:

Verification Scope

Alaska Air Group, Inc.

19300 International Boulevard, Seattle, Washington 98188, USA

Reporting Period: 01/01/2024 – 12/31/2024

Geographic Boundary: North America, Central America, Asia, Pacific

Facilities, physical infrastructure, activities, technologies, and processes:

Terminal Buildings, Hangars, Maintenance, Flight Operations, Training Center, Cargo Facilities, Offices, IT Data Center, Airports/Gates

GHG Sources, Sinks, and/or Reservoirs:

Scope 1 – Jet Fuel, Natural Gas, Fuel Oil, LPG, Gasoline, Diesel

Scope 2 – Electricity, Steam/Heat

Biogenic – Sustainable Aviation Fuel

Boundary Method: Operational Control

GHG Gases: CO₂, CH₄, N₂O

Level of Assurance: Reasonable (Scope 1), Limited (Scope 2, Biogenic)

Materiality: +/-5% quantitative threshold for direct and indirect emissions, qualitative based upon requirements specified within referenced criteria

Verification Objectives

- Evaluate the organization’s GHG inventory for material discrepancies based upon the specified level of assurance
- Evaluate the organization’s GHG inventory is in conformance with the specified verification criteria

Verification Criteria

- World Resources Institute/World Business Council for Sustainable Development’s “The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)” dated March 2004
- World Resources Institute/World Business Council for Sustainable Development’s “Scope 2 Guidance Document: An Amendment to the GHG Protocol Corporate Standard” dated 2015
- CDP Investor Information Request
- ISO 14064-3: 2019 Specification with guidance for the validation and verification of GHG assertions



Verification Opinion

This Verification Statement documents that SCS Global Services has conducted verification activities in conformance with ISO 14064-3: 2019, Specification with guidance for the validation and verification of greenhouse gas assertions. Based upon the reporting scope, criteria, objectives, and agreed upon level of assurance, SCS has issued the following verification opinion:

- ☑ Positive Verification (Reasonable Assurance) – Scope 1 GHG assertion prepared in all material respects with the reporting criteria
- ☑ Positive Verification (Limited Assurance) – No evidence was found that the Scope 2 GHG assertion was not prepared in all material respects with the reporting criteria

Verification Qualifications

- None

Verified Emissions

Scope	Total (tCO ₂ e)
Scope 1	10,321,898
Scope 2 - Location	15,267
Scope 2 - Market	16,028
Biogenic	70,547

Lead Verifier

Tavio Benetti

DATE: 4/23/2025

Tavio Benetti, Lead Verifier, GHG Footprint Verification Program
Environmental Certification Services
SCS Global Services, 2000 Powell Street, Suite 600,
Emeryville, CA 94608 USA

Independent Reviewer

Sebastian Kasparian

DATE: 5/9/2025

Sebastian Kasparian, Technical Specialist II, Climate Services
Environmental Certification Services
SCS Global Services, 2000 Powell Street, Suite 600,
Emeryville, CA 94608 USA





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