

Alaska Air Group, Inc.

Policy on Political Contributions and Engagement

Amended February 12, 2020

Overview

At Alaska Air Group, Inc. (the “Company”) our purpose is “creating an airline people love.” We believe our success depends on our ability to provide safe air transportation, develop relationships with guests by providing exceptional customer service and low fares, and maintain a low cost structure to compete effectively. We strive to achieve our objectives as a socially responsible company that values not only performance but also our people, the communities we serve, and the environment.

Public policy affects our ability to accomplish these goals, meet customer needs, and provide shareholder value. As such, we believe it is important to engage in the public policymaking process at the federal, state and local levels. As a highly-regulated entity, it is in the best interests of our key stakeholders, including employees, guests, and stockholders, for the Company to advocate for policies in support of our business and a strong, competitive industry. This includes direct advocacy, indirect advocacy through participation in trade associations, public communications and media efforts, and making political contributions where appropriate and permitted by law. The Company’s Board of Directors has adopted this Policy on Political Contributions and Engagement to ensure that any such contributions are made in a manner consistent with the Company’s purpose and/or shareholder interests.

Political Contributions

Federal Contributions

Federal campaign finance laws limit the Company’s ability to provide monetary or in-kind contributions to federal candidates and political parties, as well as to certain political committees and other political entities. The Company expects all officers and employees to comply with applicable federal campaign finance laws. The Company has established a non-partisan separate segregated fund or “PAC.” Political contributions to federal candidates, political parties, and political committees may be lawfully made by the Company’s PAC, which is funded by voluntary contributions by eligible employees. Only eligible employees are asked to consider supporting the Company’s PAC.

State/Local Contributions

Some state and local jurisdictions permit companies to contribute to state and local candidates, political parties, political committees, referenda and ballot initiatives. Political contributions at the state and local levels may be made directly by the Company or by the Company’s PAC, to the extent permitted by applicable state and local campaign finance laws.

Participation in Trade Associations

We participate in and pay annual dues to trade and industry associations, such as Airlines for America (“A4A”) and the United States Chamber of Commerce. Our involvement with these organizations allows us to promote the airline industry, gain insight into key issues for our business, and to advocate alongside peer companies for government policies that support an efficient, safe, competitive, and responsible air transportation industry and business environment. Our participation in A4A also allows us to benefit from the opportunity to share technical expertise and operational knowledge in support of safety, an improved customer experience, environmental protection, and overall efficiency.

The Company is also a member of other associations and various chambers of commerce and similar organizations at the federal, state and local levels which may engage in public advocacy. The Company’s participation in trade associations may be subject to reporting under applicable Lobbying Laws—for example, the Company reports certain payments to trade associations as “lobbying expenses” on the Company’s federal quarterly lobbying reports. The Company is committed to complying with all applicable Lobbying Laws and to reporting trade association activities, donations, and membership as required by such Laws. Participation as a member of a trade association comes with the understanding that we may not always agree with all of the positions of the organizations or other members. However, we believe that the associations take positions and address issues in a collective industry manner and often advance positions consistent with the interests of the Company and other key stakeholders.

Definitions

For purposes of this policy:

The “Company” includes Alaska Air Group, Inc. and its subsidiaries and affiliates.

“Lobbying Law” means a federal, state, or local law that requires disclosure of attempts to influence governmental decision-making, such as the federal Lobbying Disclosure Act.

“Policy” means this Policy on Political Contributions and Engagement.

A “Political Contribution” is any gift, loan, advance or deposit or money or anything of value, made: (a) for the purpose of influencing any election for federal, state, or local office or a ballot initiative or referendum; or (b) to pay debt incurred in connection with any such election or ballot initiative.

Scope

This Policy applies to Political Contributions made by the Company and the Company’s PAC and to the Company’s participation in trade associations.

Oversight and Implementation

The Governance and Nominating Committee (the “Committee”) of the Board of Directors monitors compliance with this Policy. Management will report at least semi-annually to the Committee regarding Political Contributions made by the Company and the Company’s PAC pursuant to this Policy, including the purpose and benefit of the Political Contributions. The Committee shall periodically review this Policy, and shall be responsible for any changes or updates. The Company’s General Counsel and Vice President of External Relations are responsible for day-to-day implementation of the Policy, and for implementing effective reporting and compliance procedures designed to ensure that the Company’s political activities (including political contributions and participation in trade associations) are conducted and disclosed in accordance with applicable law.

Policies and Procedures

All Political Contributions made by the Company’s PAC or the Company must: (i) comply with all applicable laws and regulations in the jurisdictions in which the contributions are made; and (ii) adhere to this Policy and the Alaska Air Group Companies Code of Conduct and Ethics.

Any Political Contribution made by the Company’s PAC or the Company must be approved in advance by the Company’s General Counsel, Vice President of External Relations, or a designee. All Political Contributions must reflect the Company’s interests and not those of its individual officers or directors. No Political Contribution will be given or offered in anticipation of, in recognition or, or in exchange for an official act. In making the decision to approve a Political Contribution to a candidate, the Company’s General Counsel, Vice President of External Relations, or designee shall consider the following factors: (i) the candidate’s qualifications; (ii) the candidate’s voting record and views on policies and issues important to the Company; (iii) whether the candidate represents a geographic area where the Company has a major business presence, holds a leadership position, or serves on a committee with jurisdiction over policies and regulations important to the Company; and (iv) the financial impact and electoral importance of making a contribution.

The Company’s Vice President of External Relations and Government Affairs Department is responsible for oversight of the Company’s participation in trade associations. In this capacity, the Vice President shall annually review the Company’s participation in trade associations and other public advocacy efforts, and shall review and discuss the same with Company management.

Consistent with federal campaign finance laws, the Company does not make corporate Political Contributions to federal candidates, political parties, or political committees. The Company does not make independent expenditures or electioneering communications, as such terms are defined in the Federal Election Campaign Act or applicable Federal Election Commission regulations.

The Company’s Vice President of External Relations and Government Affairs Department shall regularly consult with legal counsel to ensure compliance with applicable federal, state, and local

laws. The Committee may, by resolution, establish an annual aggregate spending limit for contributions made by the Company.

Voluntary Political Participation by Employees

Alaska Airlines values the right of employees to voluntarily participate in the political process, such as through personal contributions or by volunteering their personal time to candidates or organizations of their choice. These activities, however, must not suggest the Company's support and must not involve any unlawful use of the Company's resources.

The Company will not reimburse employees in any way for personal Political Contributions, including but not limited to Political Contributions to the Company's PAC. Moreover, the Company will not pressure or coerce employees to make personal Political Contributions, and will not favor or disfavor any employee by reason of the amount of their Political Contribution or decision not to make a Political Contribution.

Disclosure and Reports

This Policy will be published on the Company's website. The Company will comply with all disclosure requirements imposed under federal, state, or local campaign finance laws related to Political Contributions. This includes, but is not limited to, the requirement to report receipts and disbursements of the Company's PAC to the Federal Election Commission and, to the extent the Company is registered under the Lobbying Disclosure Act, the Secretary of the U.S. Senate and the Clerk of the U.S. House. The Company is also fully committed to complying with all applicable Lobbying Laws, including any provisions related to disclosure of participation in trade associations.

Amendments to the Policy

Amendments to the Policy must be approved by the Board of Directors.