Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2021

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [X]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. . . . . ▶ [ ]

Part II Basic Plan Information—enter all requested information

1a Name of plan
HORIZON AIR SAVINGS INVESTMENT PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/1983

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
HORIZON AIR INDUSTRIES INC

19521 INTERNATIONAL BLVD
SEATTLE, WA 98188-5402

2b Employer Identification Number (EIN) 91-1201373

2c Plan Sponsor's telephone number 206-392-5040

2d Business code (see instructions) 481000

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/17/2022	ANDREA SCHNEIDER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☐ Same as Plan Sponsor

ALASKA AIR GROUP INC PENSION BENEFITS ADMINISTRATIVE COMMITTEE

19521 INTERNATIONAL BLVD
SEATTLE, WA 98188-5402

3b Administrator's EIN: 91-1201373

3c Administrator's telephone number: 206-433-3200

4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:
a Sponsor's name
c Plan Name

4b EIN

4d PN

5 Total number of participants at the beginning of the plan year	**5**	6905
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	4504
a(2) Total number of active participants at the end of the plan year	**6a(2)**	4429
b Retired or separated participants receiving benefits	**6b**	60
c Other retired or separated participants entitled to future benefits	**6c**	2622
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	7111
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	26
f Total. Add lines **6d** and **6e**	**6f**	7137
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	6737
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	216
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2E 2F 2G 2J 2K 2R 2S 2T 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	☒	**R** (Retirement Plan Information)
(2)	☐	**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	☐	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	☒	**H** (Financial Information)
(2)	☐	**I** (Financial Information – Small Plan)
(3)	☐ ___	**A** (Insurance Information)
(4)	☒	**C** (Service Provider Information)
(5)	☒	**D** (DFE/Participating Plan Information)
(6)	☐	**G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2021** **This Form is Open to Public Inspection.**

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan	**B** Three-digit plan number (PN) ▶
HORIZON AIR SAVINGS INVESTMENT PLAN	002
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)
HORIZON AIR INDUSTRIES INC	91-1201373

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

THE VANGUARD GROUP INC

23-1945930

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

THE VANGUARD GROUP INC

23-1945930

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 25 33 37 52 99	NONE	333597	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

VANGUARD ADVISERS INC

23-2811930

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
26	NONE	281917	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
THE VANGUARD GROUP, INC.	99	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
DODGE & COX 94-1441976	10 BPS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
THE VANGUARD GROUP, INC.	99	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
BARON CAPITAL MANAGEMENT 767 5TH AVENUE NEW YORK, NY 10153	10 BPS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III	**Termination Information on Accountants and Enrolled Actuaries (see instructions)** (complete as many entries as needed)

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2021

This Form is Open to Public Inspection.

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan
HORIZON AIR SAVINGS INVESTMENT PLAN

B Three-digit plan number (PN) ▶ 002

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
HORIZON AIR INDUSTRIES INC

D Employer Identification Number (EIN)
91-1201373

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE:	VFTC RETIREMENT SAVINGS TRUST III		
b Name of sponsor of entity listed in (a):	VANGUARD FIDUCIARY TRUST COMPANY		
c EIN-PN	38-7041744-024	**d** Entity code	C
e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	24714499		

a Name of MTIA, CCT, PSA, or 103-12 IE:	VFTC TARGET RETIREMENT 2015 TRST I		
b Name of sponsor of entity listed in (a):	VANGUARD FIDUCIARY TRUST COMPANY		
c EIN-PN	90-6083953-001	**d** Entity code	C
e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	5116331		

a Name of MTIA, CCT, PSA, or 103-12 IE:	VFTC TARGET RETIREMENT 2020 TRST I		
b Name of sponsor of entity listed in (a):	VANGUARD FIDUCIARY TRUST COMPANY		
c EIN-PN	90-6083983-001	**d** Entity code	C
e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	10150806		

a Name of MTIA, CCT, PSA, or 103-12 IE:	VFTC TARGET RETIREMENT 2025 TRST I		
b Name of sponsor of entity listed in (a):	VANGUARD FIDUCIARY TRUST COMPANY		
c EIN-PN	90-6083981-001	**d** Entity code	C
e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	28249091		

a Name of MTIA, CCT, PSA, or 103-12 IE:	VFTC TARGET RETIREMENT 2030 TRST I		
b Name of sponsor of entity listed in (a):	VANGUARD FIDUCIARY TRUST COMPANY		
c EIN-PN	90-6083979-001	**d** Entity code	C
e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	24409156		

a Name of MTIA, CCT, PSA, or 103-12 IE:	VFTC TARGET RETIREMENT 2035 TRST I		
b Name of sponsor of entity listed in (a):	VANGUARD FIDUCIARY TRUST COMPANY		
c EIN-PN	90-6083977-001	**d** Entity code	C
e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	29501390		

a Name of MTIA, CCT, PSA, or 103-12 IE:	VFTC TARGET RETIREMENT 2040 TRST I		
b Name of sponsor of entity listed in (a):	VANGUARD FIDUCIARY TRUST COMPANY		
c EIN-PN	90-6083975-001	**d** Entity code	C
e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	15782046		

a Name of MTIA, CCT, PSA, or 103-12 IE:	VFTC TARGET RETIREMENT 2045 TRST I		
b Name of sponsor of entity listed in (a):	VANGUARD FIDUCIARY TRUST COMPANY		
c EIN-PN 90-6083973-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	22543624
a Name of MTIA, CCT, PSA, or 103-12 IE:	VFTC TARGET RETIREMENT 2050 TRST I		
b Name of sponsor of entity listed in (a):	VANGUARD FIDUCIARY TRUST COMPANY		
c EIN-PN 90-6083969-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	14454608
a Name of MTIA, CCT, PSA, or 103-12 IE:	VFTC TARGET RETIREMENT 2055 TRST I		
b Name of sponsor of entity listed in (a):	VANGUARD FIDUCIARY TRUST COMPANY		
c EIN-PN 27-6715074-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	14622537
a Name of MTIA, CCT, PSA, or 103-12 IE:	VFTC TARGET RETIREMENT 2060 TRST I		
b Name of sponsor of entity listed in (a):	VANGUARD FIDUCIARY TRUST COMPANY		
c EIN-PN 45-3799212-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	6563950
a Name of MTIA, CCT, PSA, or 103-12 IE:	VFTC TARGET RETIREMENT 2065 TRST I		
b Name of sponsor of entity listed in (a):	VANGUARD FIDUCIARY TRUST COMPANY		
c EIN-PN 82-6190443-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	1783523
a Name of MTIA, CCT, PSA, or 103-12 IE:	VFTC TARGET RETIREMENT INCOME TRT I		
b Name of sponsor of entity listed in (a):	VANGUARD FIDUCIARY TRUST COMPANY		
c EIN-PN 90-6083968-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	2269171
a Name of MTIA, CCT, PSA, or 103-12 IE:	VFTC INSTITUTIONAL 500 INDEX TRUST		
b Name of sponsor of entity listed in (a):	VANGUARD FIDUCIARY TRUST COMPANY		
c EIN-PN 81-6327546-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	98355476
a Name of MTIA, CCT, PSA, or 103-12 IE:	MFS INTERNATIONAL EQUITY FUND		
b Name of sponsor of entity listed in (a):	MFS HERITAGE TRUST COMPANY		
c EIN-PN 57-1187281-013	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	14491013
a Name of MTIA, CCT, PSA, or 103-12 IE:	T ROWE PRICE GROWTH STK TRST CL B		
b Name of sponsor of entity listed in (a):	T ROWE PRICE TRUST COMPANY		
c EIN-PN 52-6559833-013	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	46893353
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	

Part II **Information on Participating Plans (to be completed by DFEs)**
(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2021

This Form is Open to Public Inspection

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan
HORIZON AIR SAVINGS INVESTMENT PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
HORIZON AIR INDUSTRIES INC

D Employer Identification Number (EIN)
91-1201373

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	243108	330299
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	142314	157069
(2) Participant contributions	1b(2)	230894	252399
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	4078201	3755297
(9) Value of interest in common/collective trusts	1c(9)	266363838	359900574
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	288462406	244634835
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	2162907	3640990

			(a) Beginning of Year	**(b)** End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	47407654	43678955
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	609091322	656350418
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	609091322	656350418

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		**(a)** Amount	**(b)** Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	7900073	
	(B) Participants	2a(1)(B)	13326280	
	(C) Others (including rollovers)	2a(1)(C)	464567	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		21690920
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	226780	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		226780
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	11791264	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		11791264
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	4500978	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	3646107	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		854871
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)	-82259	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		-82259

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		42893096
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		25202078
c Other income	2c		397797
d Total income. Add all **income** amounts in column (b) and enter total	2d		102974547
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	52318422	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)	6284	
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		52324706
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		60226
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	609583	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		609583
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		52994515
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		49980032
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		2720936

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [X] Unmodified (2) [ ] Qualified (3) [ ] Disclaimer (4) [ ] Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) [X] DOL Regulation 2520.103-8 (2) [ ] DOL Regulation 2520.103-12(d) (3) [ ] neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: CLARK NUBER PS (2) EIN: 91-1194016

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. (2) [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a	X		1370932

		Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	**4b**		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	**4c**		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	**4d**		X	
e Was this plan covered by a fidelity bond?	**4e**	X		5000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	**4f**		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4g**		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4h**		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	**4i**	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	**4j**		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	**4k**		X	
l Has the plan failed to provide any benefit when due under the plan?	**4l**		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	**4m**		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	**4n**			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No

If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)
ALASKA AIRLINES INC PILOTS INVESTMENT AND SAVINGS PLAN	92-0009235	011

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2021

This Form is Open to Public Inspection.

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan
HORIZON AIR SAVINGS INVESTMENT PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
HORIZON AIR INDUSTRIES INC

D Employer Identification Number (EIN)
91-1201373

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 23-2186884

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment)	**14a**	
b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	**14b**	
c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

20 **PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

HORIZON AIR SAVINGS INVESTMENT PLAN

Financial Statements

For the Year Ended December 31, 2021

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Clark Nuber PS

Independent Auditor's Report

To the Benefits and Retirement Administrative Committee
Horizon Air Savings Investment Plan
Seattle, Washington

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements

We have performed an audit of the financial statements of Horizon Air Savings Investment Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C), which comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 Financial Statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA (ERISA Section 103(a)(3)(C) audit). As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency (qualified institution), provided that the investment information is prepared and certified to by the qualified institution in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Management has obtained a certification from a qualified institution as of December 31, 2021, and for the year then ended, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (GAAP).

- The certified investment information in the accompanying 2021 financial statements agrees to, or is derived from, in all material respects, the information prepared and certified by a qualified institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

CELEBRATING 70 YEARS 1952 2022

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Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for within one year after the date that the financial statements are issued or available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor’s Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the 2021 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the 2021 financial statements as a whole are presented fairly, in all material respects, in accordance with GAAP.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

OTHER MATTERS

2021 Supplemental Schedules Required by ERISA

The supplementary information, as listed in the accompanying table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements but is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplementary information, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplementary information that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information. In forming our opinion on the supplementary information, we evaluated whether the supplementary information, other than the information agreed to or derived from the certified investment information, including its form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplementary information, other than the information in the supplementary information that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

- The certified investment information in the supplementary information agrees to, or is derived from, in all material respects, the information prepared and certified by a qualified institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

CELEBRATING 70 YEARS 1952 2022

Clark Nuber PS

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of the Plan. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information certified by a qualified institution. In our report dated October 7, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the information certified by the qualified institution were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Clark Nuber P.S.

Certified Public Accountants
October 13, 2022

HORIZON AIR SAVINGS INVESTMENT PLAN

Statements of Net Assets Available for Benefits
December 31, 2021 and 2020

	2021	2020
Assets:		
Noninterest-bearing cash	$ 330,299	$ 243,108
Investments at fair value-		
Registered investment company funds	244,634,835	288,462,406
Self-directed brokerage accounts	3,640,990	2,162,907
Collective trust funds	359,900,574	266,363,838
Alaska Air Group, Inc. common stock	43,678,955	47,407,654
Total investments at fair value	651,855,354	604,396,805
Receivables-		
Notes receivable from participants	3,755,297	4,078,201
Employer contributions	157,069	142,314
Participant contributions	252,399	230,894
Total receivables	4,164,765	4,451,409
Net Assets Available for Benefits	**$ 656,350,418**	**$ 609,091,322**

See accompanying notes.

HORIZON AIR SAVINGS INVESTMENT PLAN

Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2021

Additions:	
Contributions-	
Employer	$ 7,900,073
Participant	13,326,280
Rollover	464,567
Total contributions	21,690,920
Investment income-	
Interest and dividends	12,183,300
Net appreciation in fair value of investments	68,873,547
Net investment income	81,056,847
Interest on notes receivable from participants	226,780
Total Additions	**102,974,547**
Deductions:	
Benefit payments	(52,384,932)
Administrative expenses	(609,583)
Total Deductions	**(52,994,515)**
Net Increase in Net Assets Available for Benefits Before Transfer	**49,980,032**
Transfer to Alaska Airlines, Inc. Pilots Investment and Savings Plan	(2,720,936)
Net Increase in Net Assets Available for Benefits After Transfer	**47,259,096**
Net Assets Available for Benefits:	
Beginning of year	609,091,322
End of Year	**$ 656,350,418**

See accompanying notes.

Note 1 - Description of the Plan

The following description of the Horizon Air Savings Investment Plan (the Plan) is provided for general information purposes only. More complete information regarding the Plan's provisions may be found in the plan document.

General - The Plan is a defined contribution and deferred compensation plan established by Horizon Air Industries, Inc. (the Company) under the provisions of Section 401(a) of the Internal Revenue Code (IRC), which includes a qualified cash or deferred arrangement as described in Section 401(k) of the IRC for the benefit of eligible employees of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Plan Administration - The Plan is administered by a committee consisting of certain employees of Alaska Airlines, Inc. Vanguard Fiduciary Trust Company (Vanguard) serves as the trustee of the Plan.

Eligibility - Employees who are not specifically excluded from participation as identified in the plan provisions (i.e. certain union members are excluded due to labor contract provisions) and are at least 18 years old are eligible to participate in the Plan after completing 90 days of service with the Company as a full-time employee. Part-time employees and variable-time employees are eligible after completing one year of employment during which they have 1,000 paid hours of service or during any subsequent calendar year in which 1,000 paid hours of service are completed. Employees are admitted to the Plan following attainment of eligibility requirements.

Employees hired or transferred to the Company are automatically enrolled in the Plan at a 3% pre-tax contribution rate if they do not enroll voluntarily upon first becoming eligible, or if they do not decline participation. Furthermore, on the anniversary of each year, their contribution rate will automatically increase by 1% until reaching a 10% contribution rate unless the participant elects otherwise.

Employee Contributions - Subject to certain IRC limitations, eligible employees may elect to contribute, on a pre-tax and/or Roth after-tax basis, up to 90% of their eligible earnings. In addition, participants who have attained age 50 before the close of the plan year are eligible to make catch-up contributions in accordance with, and subject to, certain IRC limitations. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans.

Employer Contributions - The Company matches 100% of each participant's pre-tax and/or Roth after-tax contributions up to 6% of the participant's compensation. The first 4% matched is a safe harbor matching contribution and is immediately vested.

Participant Accounts - Each participant’s account is credited with the participant’s and employer’s contributions, as well as allocations of the plan earnings or losses and administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

Vesting and Forfeitures - Participants are always fully vested in their pre-tax, Roth, and after-tax contributions and safe harbor matching contributions plus any investment earnings attributable to such contributions. Matching contributions above 4% of employees’ eligible compensation vest at 20% per year of service. Forfeited amounts of terminated participants' nonvested accounts are used to reduce future employer contributions. Forfeited nonvested accounts totaled approximately $91,000 and $53,000 at December 31, 2021 and 2020, respectively. Forfeitures may additionally be utilized as otherwise specified in the plan document, as applicable.

Note 1 - Continued

Benefits and Withdrawals - Participants are eligible to receive benefits upon death, disability, retirement, or termination of employment, and may elect either a lump-sum payment or installment payments. Participants who have attained age 59 ½ may also elect to receive a distribution of all or any portion of their vested account balance prior to termination of employment (in-service withdrawals). For termination of service with vested benefits of more than $1,000, but less than $5,000, the participant's or beneficiary's account balance is automatically rolled over to a Vanguard IRA, and accounts with balances of up to $1,000 are cashed out if instructions are not received by Vanguard within a specified amount of time. Participants may also elect to receive in-service withdrawals from balances rolled into the Plan.

Hardship Withdrawals - Under certain conditions, participants, while still employed by the Company, are permitted to withdraw, in a single sum, the employee pre-tax and Roth after-tax contribution portion of their account balance. These conditions include unreimbursed medical expenses, the purchase of the participant's principal residence, the payment of postsecondary education tuition, to prevent eviction or foreclosure from the participant's principal residence, to pay burial/funeral expenses, costs associated with the repairs of a principal residence that qualify as a casualty deduction, or expenses/losses associated with a disaster declared by FEMA.

Notes Receivable From Participants - Participants may borrow from their accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000, 50% of their vested account balance, or the value of their employee contributions accounts (excluding rollovers). Loan terms range from one to five years or up to 10 years for the purchase of a primary residence. The interest rate is set at 2.0% above the prime rate, as defined. Principal and interest are paid ratably through payroll deductions.

Investment Management and Administrative Expenses - Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Transaction based fees for notes receivable from participants and distributions are charged directly to participant accounts. Certain investment related expenses are charged directly against the fund’s investment performance and, therefore, are not separately disclosed in the accompanying financial statements.

Plan Termination - Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become fully vested in their accounts.

Note 2 - Significant Accounting Policies

Basis of Accounting and Use of Estimates - The accompanying financial statements are prepared under the accrual method of accounting. Benefits are recorded when paid. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's management to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from those estimates.

Investment Valuation - Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Note 2 - Continued

Income Recognition - Interest income is recorded on an accrual basis. Dividend income is recorded on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis.

Net Appreciation (Depreciation) in Fair Value of Investments - Net appreciation (depreciation) in fair value of investments represents the change in unrealized appreciation and depreciation of assets from one period to the next and realized gains and losses.

Notes Receivable From Participants - Notes receivable from participants are measured at their unpaid principal balance. Accrued but unpaid interest, if any, would not have a material impact on the Plan's financial statements. Related fees are recorded as administrative expenses and are expensed when they are incurred. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded. No allowance for credit losses has been recorded as of December 31, 2021 and 2020.

Fair Value of Financial Instruments - The framework for measuring fair value defines fair value as the exchange price the Plan would receive upon selling an investment in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. The fair value hierarchy requires the Plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs that may be used to measure fair value are:

Level 1 - Quoted prices in active markets for identical assets;

Level 2 - Quoted prices for similar assets in active markets; quoted prices for identical or similar assets in markets that are not active; inputs other than quoted prices that are observable for the asset; and market-corroborated inputs; or

Level 3 - Unobservable inputs for the assets.

Following is a description of the valuation methodologies and inputs used for assets measured at fair value.

Registered Investment Company Funds - Valued at the daily closing price as reported by the fund. Registered investment company funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily Net Asset Value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Self-Directed Brokerage Accounts - Accounts primarily consists of interest-bearing cash which is valued at cost plus accrued interest and registered investment company funds with valuations consistent with the description above.

Collective Trust Funds - Valued at the NAV provided by the funds' trustee. These funds trade on a regular basis, have a published price that the Plan can obtain at any time and are valued based on this published price.

Alaska Air Group, Inc. Common Stock - Valued based on the quoted market price of shares held by the Plan at the end of the year.

Note 2 - Continued

The following tables sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020:

	Investments at Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Registered investment company funds	$ 244,634,835	$ -	$ -	$ 244,634,835
Self-directed brokerage accounts	3,640,990	-	-	3,640,990
Collective trust funds	359,900,574	-	-	359,900,574
Alaska Air Group, Inc. common stock	43,678,955	-	-	43,678,955
Total Investments at Fair Value	**$ 651,855,354**	**$ -**	**$ -**	**$ 651,855,354**

	Investments at Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Registered investment company funds	$ 288,462,406	$ -	$ -	$ 288,462,406
Self-directed brokerage accounts	2,162,907	-	-	2,162,907
Collective trust funds	266,363,838	-	-	266,363,838
Alaska Air Group, Inc. common stock	47,407,654	-	-	47,407,654
Total Investments at Fair Value	**$ 604,396,805**	**$ -**	**$ -**	**$ 604,396,805**

Note 3 - Income Tax Status

The Plan was amended and restated as of January 1, 2013. The Plan received a favorable determination letter from the Internal Revenue Service (IRS) dated September 19, 2014. Although the Plan has been amended since receiving the determination letter, the plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 4 - Related Party and Party-in-Interest Transactions

Certain plan investments are managed by Vanguard. Vanguard is the trustee as defined by the Plan, and therefore, transactions with these investments and fees charged by Vanguard and its affiliates qualify as party-in-interest transactions. The Plan issues loans to participants which are party-in-interest transactions. Transactions involving Alaska Air Group, Inc. common stock (AAG stock) held by the Plan are related party and qualify as party-in-interest transactions.

Note 5 - Information Certified by the Trustee

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Investments held at December 31, 2021 and 2020, and investment income or loss for the year ended December 31, 2021, that is disclosed in the accompanying financial statements and supplementary information, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Vanguard, the trustee of the Plan.

Note 6 - Investments

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Market risks include global events such as a pandemic or international conflict which could impact the value of investment securities. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Participants may direct their contributions into the investment options offered under the Plan. For participants that are automatically enrolled, their contributions are automatically invested in a Vanguard Target Retirement Collective Trust Fund based on the year the employee will turn age 65. Participants may change their investment elections and make transfers between investment options daily.

Participants may also access a number of investment securities outside the Plan's investment options via Vanguard's brokerage option, a self-directed brokerage tool. Participants may invest up to 100% of their account balance through the brokerage option. Eligible securities are defined under the Plan and are generally limited to most publicly traded securities.

Before 2014, 50% of Company matching contributions were made in AAG stock, and the remaining 50% were directed by participants into any of the Plan's other investment options. Employees were restricted from transferring matching contributions made to AAG stock to the Plan's other investment options until they reached three years of service. Effective January 1, 2014, participants no longer had to wait three years before divesting AAG stock and may reinvest the proceeds in any investment fund available under the Plan at any time. Additionally, effective January 1, 2014, the company makes all matching contributions in cash instead of AAG stock.

Note 7 - Fund Transfer to Alaska Plan

The Plan allows pilots who transferred to Alaska Airlines, Inc. (a wholly owned subsidiary of Alaska Air Group, Inc.) to transfer their assets from the Plan to the Alaska Airlines, Inc. Pilots Investment and Savings Plan (Alaska Plan). During 2021, the total amount of transfers from the Plan to the Alaska Plan was approximately $2,700,000.

Note 8 - Delinquent Contributions

The Company determined there were instances during 2020 and 2021 in which participant deferral contributions and loan repayments totaling $1,370,932 were not deposited by the Company as plan assets within the time limitation stipulated under the Department of Labor's regulations. Delinquent contributions are prohibited party-in-interest transactions under ERISA and also represent related party transactions between the Plan and the plan sponsor. The Company is working with Vanguard to calculate and remit lost earnings associated with these delinquent contributions.

Note 9 - Subsequent Events

Subsequent events have between evaluated through October 13, 2022, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

HORIZON AIR SAVINGS INVESTMENT PLAN

Attachment to Form 5500, Schedule H, Line 4(a)
Schedule of Delinquent Participant Contributions

Employer: Horizon Air Industries, Inc.
EIN: 91-1201373
Plan No.: 002

Plan Year	Participant Contributions Transferred Late to Plan	Total That Constitutes Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
	Check Here if Late Participant Loan Repayments are Included: ☑	Contributions not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
2021	$ 1,114,153	$ 1,114,153	$ -	$ -	$ -
2020	$ 256,779	$ 256,779	$ -	$ -	$ -

See independent auditor's report.

HORIZON AIR SAVINGS INVESTMENT PLAN

Attachment to Form 5500, Schedule H, Line 4(i)
Schedule of Assets Held as of December 31, 2021

Employer: Horizon Air Industries, Inc.
EIN: 91-1201373
Plan No.: 002

	(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
		Collective Trust Funds:			
		MFS	International Equity CIT	**	$ 14,491,013
		T. Rowe Price	Growth Stock Trust	**	46,893,353
*		Vanguard	Institutional 500 Index Trust	**	98,355,476
*		Vanguard	Target Retirement 2015 Trust I	**	5,116,331
*		Vanguard	Target Retirement 2020 Trust I	**	10,150,806
*		Vanguard	Target Retirement 2025 Trust I	**	28,249,091
*		Vanguard	Target Retirement 2030 Trust I	**	24,409,156
*		Vanguard	Target Retirement 2035 Trust I	**	29,501,390
*		Vanguard	Target Retirement 2040 Trust I	**	15,782,046
*		Vanguard	Target Retirement 2045 Trust I	**	22,543,624
*		Vanguard	Target Retirement 2050 Trust I	**	14,454,608
*		Vanguard	Target Retirement 2055 Trust I	**	14,622,537
*		Vanguard	Target Retirement 2060 Trust I	**	6,563,950
*		Vanguard	Target Retirement 2065 Trust I	**	1,783,523
*		Vanguard	Target Retirement Income Trust I	**	2,269,171
*		Vanguard	Retirement Savings Trust III	**	24,714,499
		Registered Investment Company Funds:			
		Baron	Growth Fund	**	19,854,530
		Dodge & Cox	Stock Fund	**	25,161,814
		PIMCO	Total Return Fund	**	12,321,351
*		Vanguard	Balanced Index Fund	**	61,665,609
*		Vanguard	Extended Market Index Fund	**	24,143,904
*		Vanguard	FTSE All-World ex-US Index Fund	**	33,042,439
*		Vanguard	Federal Money Market Fund	**	12,550,896
*		Vanguard	Inflation-Protected Securities Fund	**	3,735,042
*		Vanguard	Small-Cap Value Index Fund	**	17,668,994
*		Vanguard	Total Bond Market Index Fund	**	34,490,256
*		Various/Vanguard	Brokerage link	**	3,640,990
*		Alaska Air Group, Inc.	Common stock	**	43,678,955
*		Participant loans	Rates from 5.25% to 10.25%	-0-	3,755,297
					$ 655,610,651

* Party-in-interest as defined by section 3(14) of ERISA.

** Historical cost information omitted with respect to assets held for investment purposes on participant-directed individual account balances.

See independent auditor's report.

HORIZON AIR SAVINGS INVESTMENT PLAN

Financial Statements

For the Year Ended December 31, 2021

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Clark Nuber PS

Independent Auditor's Report

To the Benefits and Retirement Administrative Committee
Horizon Air Savings Investment Plan
Seattle, Washington

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements

We have performed an audit of the financial statements of Horizon Air Savings Investment Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C), which comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 Financial Statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA (ERISA Section 103(a)(3)(C) audit). As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency (qualified institution), provided that the investment information is prepared and certified to by the qualified institution in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Management has obtained a certification from a qualified institution as of December 31, 2021, and for the year then ended, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (GAAP).

- The certified investment information in the accompanying 2021 financial statements agrees to, or is derived from, in all material respects, the information prepared and certified by a qualified institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

CELEBRATING 70 YEARS 1952 2022

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Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for within one year after the date that the financial statements are issued or available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor’s Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the 2021 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the 2021 financial statements as a whole are presented fairly, in all material respects, in accordance with GAAP.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

OTHER MATTERS

2021 Supplemental Schedules Required by ERISA

The supplementary information, as listed in the accompanying table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements but is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplementary information, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplementary information that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information. In forming our opinion on the supplementary information, we evaluated whether the supplementary information, other than the information agreed to or derived from the certified investment information, including its form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplementary information, other than the information in the supplementary information that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

- The certified investment information in the supplementary information agrees to, or is derived from, in all material respects, the information prepared and certified by a qualified institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

CELEBRATING 70 YEARS 1952 2022

Clark Nuber PS

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of the Plan. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information certified by a qualified institution. In our report dated October 7, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the information certified by the qualified institution were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Clark Nuber P.S.

Certified Public Accountants
October 13, 2022

HORIZON AIR SAVINGS INVESTMENT PLAN

Statements of Net Assets Available for Benefits
December 31, 2021 and 2020

	2021	2020
Assets:		
Noninterest-bearing cash	$ 330,299	$ 243,108
Investments at fair value-		
Registered investment company funds	244,634,835	288,462,406
Self-directed brokerage accounts	3,640,990	2,162,907
Collective trust funds	359,900,574	266,363,838
Alaska Air Group, Inc. common stock	43,678,955	47,407,654
Total investments at fair value	651,855,354	604,396,805
Receivables-		
Notes receivable from participants	3,755,297	4,078,201
Employer contributions	157,069	142,314
Participant contributions	252,399	230,894
Total receivables	4,164,765	4,451,409
Net Assets Available for Benefits	**$ 656,350,418**	**$ 609,091,322**

See accompanying notes.

HORIZON AIR SAVINGS INVESTMENT PLAN

Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2021

Additions:	
Contributions-	
Employer	$ 7,900,073
Participant	13,326,280
Rollover	464,567
Total contributions	21,690,920
Investment income-	
Interest and dividends	12,183,300
Net appreciation in fair value of investments	68,873,547
Net investment income	81,056,847
Interest on notes receivable from participants	226,780
Total Additions	**102,974,547**
Deductions:	
Benefit payments	(52,384,932)
Administrative expenses	(609,583)
Total Deductions	**(52,994,515)**
Net Increase in Net Assets Available for Benefits Before Transfer	**49,980,032**
Transfer to Alaska Airlines, Inc. Pilots Investment and Savings Plan	(2,720,936)
Net Increase in Net Assets Available for Benefits After Transfer	**47,259,096**
Net Assets Available for Benefits:	
Beginning of year	609,091,322
End of Year	**$ 656,350,418**

See accompanying notes.

Note 1 - Description of the Plan

The following description of the Horizon Air Savings Investment Plan (the Plan) is provided for general information purposes only. More complete information regarding the Plan's provisions may be found in the plan document.

General - The Plan is a defined contribution and deferred compensation plan established by Horizon Air Industries, Inc. (the Company) under the provisions of Section 401(a) of the Internal Revenue Code (IRC), which includes a qualified cash or deferred arrangement as described in Section 401(k) of the IRC for the benefit of eligible employees of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Plan Administration - The Plan is administered by a committee consisting of certain employees of Alaska Airlines, Inc. Vanguard Fiduciary Trust Company (Vanguard) serves as the trustee of the Plan.

Eligibility - Employees who are not specifically excluded from participation as identified in the plan provisions (i.e. certain union members are excluded due to labor contract provisions) and are at least 18 years old are eligible to participate in the Plan after completing 90 days of service with the Company as a full-time employee. Part-time employees and variable-time employees are eligible after completing one year of employment during which they have 1,000 paid hours of service or during any subsequent calendar year in which 1,000 paid hours of service are completed. Employees are admitted to the Plan following attainment of eligibility requirements.

Employees hired or transferred to the Company are automatically enrolled in the Plan at a 3% pre-tax contribution rate if they do not enroll voluntarily upon first becoming eligible, or if they do not decline participation. Furthermore, on the anniversary of each year, their contribution rate will automatically increase by 1% until reaching a 10% contribution rate unless the participant elects otherwise.

Employee Contributions - Subject to certain IRC limitations, eligible employees may elect to contribute, on a pre-tax and/or Roth after-tax basis, up to 90% of their eligible earnings. In addition, participants who have attained age 50 before the close of the plan year are eligible to make catch-up contributions in accordance with, and subject to, certain IRC limitations. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans.

Employer Contributions - The Company matches 100% of each participant's pre-tax and/or Roth after-tax contributions up to 6% of the participant's compensation. The first 4% matched is a safe harbor matching contribution and is immediately vested.

Participant Accounts - Each participant’s account is credited with the participant’s and employer’s contributions, as well as allocations of the plan earnings or losses and administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

Vesting and Forfeitures - Participants are always fully vested in their pre-tax, Roth, and after-tax contributions and safe harbor matching contributions plus any investment earnings attributable to such contributions. Matching contributions above 4% of employees’ eligible compensation vest at 20% per year of service. Forfeited amounts of terminated participants' nonvested accounts are used to reduce future employer contributions. Forfeited nonvested accounts totaled approximately $91,000 and $53,000 at December 31, 2021 and 2020, respectively. Forfeitures may additionally be utilized as otherwise specified in the plan document, as applicable.

Note 1 - Continued

Benefits and Withdrawals - Participants are eligible to receive benefits upon death, disability, retirement, or termination of employment, and may elect either a lump-sum payment or installment payments. Participants who have attained age 59 ½ may also elect to receive a distribution of all or any portion of their vested account balance prior to termination of employment (in-service withdrawals). For termination of service with vested benefits of more than $1,000, but less than $5,000, the participant's or beneficiary's account balance is automatically rolled over to a Vanguard IRA, and accounts with balances of up to $1,000 are cashed out if instructions are not received by Vanguard within a specified amount of time. Participants may also elect to receive in-service withdrawals from balances rolled into the Plan.

Hardship Withdrawals - Under certain conditions, participants, while still employed by the Company, are permitted to withdraw, in a single sum, the employee pre-tax and Roth after-tax contribution portion of their account balance. These conditions include unreimbursed medical expenses, the purchase of the participant's principal residence, the payment of postsecondary education tuition, to prevent eviction or foreclosure from the participant's principal residence, to pay burial/funeral expenses, costs associated with the repairs of a principal residence that qualify as a casualty deduction, or expenses/losses associated with a disaster declared by FEMA.

Notes Receivable From Participants - Participants may borrow from their accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000, 50% of their vested account balance, or the value of their employee contributions accounts (excluding rollovers). Loan terms range from one to five years or up to 10 years for the purchase of a primary residence. The interest rate is set at 2.0% above the prime rate, as defined. Principal and interest are paid ratably through payroll deductions.

Investment Management and Administrative Expenses - Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Transaction based fees for notes receivable from participants and distributions are charged directly to participant accounts. Certain investment related expenses are charged directly against the fund’s investment performance and, therefore, are not separately disclosed in the accompanying financial statements.

Plan Termination - Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become fully vested in their accounts.

Note 2 - Significant Accounting Policies

Basis of Accounting and Use of Estimates - The accompanying financial statements are prepared under the accrual method of accounting. Benefits are recorded when paid. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's management to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from those estimates.

Investment Valuation - Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Note 2 - Continued

Income Recognition - Interest income is recorded on an accrual basis. Dividend income is recorded on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis.

Net Appreciation (Depreciation) in Fair Value of Investments - Net appreciation (depreciation) in fair value of investments represents the change in unrealized appreciation and depreciation of assets from one period to the next and realized gains and losses.

Notes Receivable From Participants - Notes receivable from participants are measured at their unpaid principal balance. Accrued but unpaid interest, if any, would not have a material impact on the Plan's financial statements. Related fees are recorded as administrative expenses and are expensed when they are incurred. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded. No allowance for credit losses has been recorded as of December 31, 2021 and 2020.

Fair Value of Financial Instruments - The framework for measuring fair value defines fair value as the exchange price the Plan would receive upon selling an investment in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. The fair value hierarchy requires the Plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs that may be used to measure fair value are:

Level 1 - Quoted prices in active markets for identical assets;

Level 2 - Quoted prices for similar assets in active markets; quoted prices for identical or similar assets in markets that are not active; inputs other than quoted prices that are observable for the asset; and market-corroborated inputs; or

Level 3 - Unobservable inputs for the assets.

Following is a description of the valuation methodologies and inputs used for assets measured at fair value.

Registered Investment Company Funds - Valued at the daily closing price as reported by the fund. Registered investment company funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily Net Asset Value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Self-Directed Brokerage Accounts - Accounts primarily consists of interest-bearing cash which is valued at cost plus accrued interest and registered investment company funds with valuations consistent with the description above.

Collective Trust Funds - Valued at the NAV provided by the funds' trustee. These funds trade on a regular basis, have a published price that the Plan can obtain at any time and are valued based on this published price.

Alaska Air Group, Inc. Common Stock - Valued based on the quoted market price of shares held by the Plan at the end of the year.

Note 2 - Continued

The following tables sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020:

	Investments at Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Registered investment company funds	$ 244,634,835	$ -	$ -	$ 244,634,835
Self-directed brokerage accounts	3,640,990	-	-	3,640,990
Collective trust funds	359,900,574	-	-	359,900,574
Alaska Air Group, Inc. common stock	43,678,955	-	-	43,678,955
Total Investments at Fair Value	**$ 651,855,354**	**$ -**	**$ -**	**$ 651,855,354**

	Investments at Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Registered investment company funds	$ 288,462,406	$ -	$ -	$ 288,462,406
Self-directed brokerage accounts	2,162,907	-	-	2,162,907
Collective trust funds	266,363,838	-	-	266,363,838
Alaska Air Group, Inc. common stock	47,407,654	-	-	47,407,654
Total Investments at Fair Value	**$ 604,396,805**	**$ -**	**$ -**	**$ 604,396,805**

Note 3 - Income Tax Status

The Plan was amended and restated as of January 1, 2013. The Plan received a favorable determination letter from the Internal Revenue Service (IRS) dated September 19, 2014. Although the Plan has been amended since receiving the determination letter, the plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 4 - Related Party and Party-in-Interest Transactions

Certain plan investments are managed by Vanguard. Vanguard is the trustee as defined by the Plan, and therefore, transactions with these investments and fees charged by Vanguard and its affiliates qualify as party-in-interest transactions. The Plan issues loans to participants which are party-in-interest transactions. Transactions involving Alaska Air Group, Inc. common stock (AAG stock) held by the Plan are related party and qualify as party-in-interest transactions.

Note 5 - Information Certified by the Trustee

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Investments held at December 31, 2021 and 2020, and investment income or loss for the year ended December 31, 2021, that is disclosed in the accompanying financial statements and supplementary information, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Vanguard, the trustee of the Plan.

Note 6 - Investments

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Market risks include global events such as a pandemic or international conflict which could impact the value of investment securities. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Participants may direct their contributions into the investment options offered under the Plan. For participants that are automatically enrolled, their contributions are automatically invested in a Vanguard Target Retirement Collective Trust Fund based on the year the employee will turn age 65. Participants may change their investment elections and make transfers between investment options daily.

Participants may also access a number of investment securities outside the Plan's investment options via Vanguard's brokerage option, a self-directed brokerage tool. Participants may invest up to 100% of their account balance through the brokerage option. Eligible securities are defined under the Plan and are generally limited to most publicly traded securities.

Before 2014, 50% of Company matching contributions were made in AAG stock, and the remaining 50% were directed by participants into any of the Plan's other investment options. Employees were restricted from transferring matching contributions made to AAG stock to the Plan's other investment options until they reached three years of service. Effective January 1, 2014, participants no longer had to wait three years before divesting AAG stock and may reinvest the proceeds in any investment fund available under the Plan at any time. Additionally, effective January 1, 2014, the company makes all matching contributions in cash instead of AAG stock.

Note 7 - Fund Transfer to Alaska Plan

The Plan allows pilots who transferred to Alaska Airlines, Inc. (a wholly owned subsidiary of Alaska Air Group, Inc.) to transfer their assets from the Plan to the Alaska Airlines, Inc. Pilots Investment and Savings Plan (Alaska Plan). During 2021, the total amount of transfers from the Plan to the Alaska Plan was approximately $2,700,000.

Note 8 - Delinquent Contributions

The Company determined there were instances during 2020 and 2021 in which participant deferral contributions and loan repayments totaling $1,370,932 were not deposited by the Company as plan assets within the time limitation stipulated under the Department of Labor's regulations. Delinquent contributions are prohibited party-in-interest transactions under ERISA and also represent related party transactions between the Plan and the plan sponsor. The Company is working with Vanguard to calculate and remit lost earnings associated with these delinquent contributions.

Note 9 - Subsequent Events

Subsequent events have between evaluated through October 13, 2022, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

HORIZON AIR SAVINGS INVESTMENT PLAN

Attachment to Form 5500, Schedule H, Line 4(a)
Schedule of Delinquent Participant Contributions

Employer: Horizon Air Industries, Inc.
EIN: 91-1201373
Plan No.: 002

Plan Year	Participant Contributions Transferred Late to Plan	Total That Constitutes Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
	Check Here if Late Participant Loan Repayments are Included: ☑	Contributions not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
2021	$ 1,114,153	$ 1,114,153	$ -	$ -	$ -
2020	$ 256,779	$ 256,779	$ -	$ -	$ -

See independent auditor's report.

HORIZON AIR SAVINGS INVESTMENT PLAN

Attachment to Form 5500, Schedule H, Line 4(i)
Schedule of Assets Held as of December 31, 2021

Employer: Horizon Air Industries, Inc.
EIN: 91-1201373
Plan No.: 002

	(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
		Collective Trust Funds:			
		MFS	International Equity CIT	**	$ 14,491,013
		T. Rowe Price	Growth Stock Trust	**	46,893,353
*		Vanguard	Institutional 500 Index Trust	**	98,355,476
*		Vanguard	Target Retirement 2015 Trust I	**	5,116,331
*		Vanguard	Target Retirement 2020 Trust I	**	10,150,806
*		Vanguard	Target Retirement 2025 Trust I	**	28,249,091
*		Vanguard	Target Retirement 2030 Trust I	**	24,409,156
*		Vanguard	Target Retirement 2035 Trust I	**	29,501,390
*		Vanguard	Target Retirement 2040 Trust I	**	15,782,046
*		Vanguard	Target Retirement 2045 Trust I	**	22,543,624
*		Vanguard	Target Retirement 2050 Trust I	**	14,454,608
*		Vanguard	Target Retirement 2055 Trust I	**	14,622,537
*		Vanguard	Target Retirement 2060 Trust I	**	6,563,950
*		Vanguard	Target Retirement 2065 Trust I	**	1,783,523
*		Vanguard	Target Retirement Income Trust I	**	2,269,171
*		Vanguard	Retirement Savings Trust III	**	24,714,499
		Registered Investment Company Funds:			
		Baron	Growth Fund	**	19,854,530
		Dodge & Cox	Stock Fund	**	25,161,814
		PIMCO	Total Return Fund	**	12,321,351
*		Vanguard	Balanced Index Fund	**	61,665,609
*		Vanguard	Extended Market Index Fund	**	24,143,904
*		Vanguard	FTSE All-World ex-US Index Fund	**	33,042,439
*		Vanguard	Federal Money Market Fund	**	12,550,896
*		Vanguard	Inflation-Protected Securities Fund	**	3,735,042
*		Vanguard	Small-Cap Value Index Fund	**	17,668,994
*		Vanguard	Total Bond Market Index Fund	**	34,490,256
*		Various/Vanguard	Brokerage link	**	3,640,990
*		Alaska Air Group, Inc.	Common stock	**	43,678,955
*		Participant loans	Rates from 5.25% to 10.25%	-0-	3,755,297
					$ 655,610,651

* Party-in-interest as defined by section 3(14) of ERISA.

** Historical cost information omitted with respect to assets held for investment purposes on participant-directed individual account balances.

See independent auditor's report.

HORIZON AIR SAVINGS INVESTMENT PLAN

Financial Statements

For the Year Ended December 31, 2021

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Clark Nuber PS

Independent Auditor's Report

To the Benefits and Retirement Administrative Committee
Horizon Air Savings Investment Plan
Seattle, Washington

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements

We have performed an audit of the financial statements of Horizon Air Savings Investment Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C), which comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 Financial Statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA (ERISA Section 103(a)(3)(C) audit). As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency (qualified institution), provided that the investment information is prepared and certified to by the qualified institution in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Management has obtained a certification from a qualified institution as of December 31, 2021, and for the year then ended, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (GAAP).

- The certified investment information in the accompanying 2021 financial statements agrees to, or is derived from, in all material respects, the information prepared and certified by a qualified institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

CELEBRATING 70 YEARS 1952 2022

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Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for within one year after the date that the financial statements are issued or available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor’s Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the 2021 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the 2021 financial statements as a whole are presented fairly, in all material respects, in accordance with GAAP.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

OTHER MATTERS

2021 Supplemental Schedules Required by ERISA

The supplementary information, as listed in the accompanying table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements but is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplementary information, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplementary information that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information. In forming our opinion on the supplementary information, we evaluated whether the supplementary information, other than the information agreed to or derived from the certified investment information, including its form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplementary information, other than the information in the supplementary information that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

- The certified investment information in the supplementary information agrees to, or is derived from, in all material respects, the information prepared and certified by a qualified institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

CELEBRATING 70 YEARS 1952 2022

Clark Nuber PS

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of the Plan. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information certified by a qualified institution. In our report dated October 7, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the information certified by the qualified institution were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Clark Nuber P.S.

Certified Public Accountants
October 13, 2022

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Net Assets Available for Benefits:	
Beginning of year	609,091,322
End of Year	**$ 656,350,418**

See accompanying notes.

Note 1 - Description of the Plan

The following description of the Horizon Air Savings Investment Plan (the Plan) is provided for general information purposes only. More complete information regarding the Plan's provisions may be found in the plan document.

General - The Plan is a defined contribution and deferred compensation plan established by Horizon Air Industries, Inc. (the Company) under the provisions of Section 401(a) of the Internal Revenue Code (IRC), which includes a qualified cash or deferred arrangement as described in Section 401(k) of the IRC for the benefit of eligible employees of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Plan Administration - The Plan is administered by a committee consisting of certain employees of Alaska Airlines, Inc. Vanguard Fiduciary Trust Company (Vanguard) serves as the trustee of the Plan.

Eligibility - Employees who are not specifically excluded from participation as identified in the plan provisions (i.e. certain union members are excluded due to labor contract provisions) and are at least 18 years old are eligible to participate in the Plan after completing 90 days of service with the Company as a full-time employee. Part-time employees and variable-time employees are eligible after completing one year of employment during which they have 1,000 paid hours of service or during any subsequent calendar year in which 1,000 paid hours of service are completed. Employees are admitted to the Plan following attainment of eligibility requirements.

Employees hired or transferred to the Company are automatically enrolled in the Plan at a 3% pre-tax contribution rate if they do not enroll voluntarily upon first becoming eligible, or if they do not decline participation. Furthermore, on the anniversary of each year, their contribution rate will automatically increase by 1% until reaching a 10% contribution rate unless the participant elects otherwise.

Employee Contributions - Subject to certain IRC limitations, eligible employees may elect to contribute, on a pre-tax and/or Roth after-tax basis, up to 90% of their eligible earnings. In addition, participants who have attained age 50 before the close of the plan year are eligible to make catch-up contributions in accordance with, and subject to, certain IRC limitations. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans.

Employer Contributions - The Company matches 100% of each participant's pre-tax and/or Roth after-tax contributions up to 6% of the participant's compensation. The first 4% matched is a safe harbor matching contribution and is immediately vested.

Participant Accounts - Each participant’s account is credited with the participant’s and employer’s contributions, as well as allocations of the plan earnings or losses and administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

Vesting and Forfeitures - Participants are always fully vested in their pre-tax, Roth, and after-tax contributions and safe harbor matching contributions plus any investment earnings attributable to such contributions. Matching contributions above 4% of employees’ eligible compensation vest at 20% per year of service. Forfeited amounts of terminated participants' nonvested accounts are used to reduce future employer contributions. Forfeited nonvested accounts totaled approximately $91,000 and $53,000 at December 31, 2021 and 2020, respectively. Forfeitures may additionally be utilized as otherwise specified in the plan document, as applicable.

Note 1 - Continued

Benefits and Withdrawals - Participants are eligible to receive benefits upon death, disability, retirement, or termination of employment, and may elect either a lump-sum payment or installment payments. Participants who have attained age 59 ½ may also elect to receive a distribution of all or any portion of their vested account balance prior to termination of employment (in-service withdrawals). For termination of service with vested benefits of more than $1,000, but less than $5,000, the participant's or beneficiary's account balance is automatically rolled over to a Vanguard IRA, and accounts with balances of up to $1,000 are cashed out if instructions are not received by Vanguard within a specified amount of time. Participants may also elect to receive in-service withdrawals from balances rolled into the Plan.

Hardship Withdrawals - Under certain conditions, participants, while still employed by the Company, are permitted to withdraw, in a single sum, the employee pre-tax and Roth after-tax contribution portion of their account balance. These conditions include unreimbursed medical expenses, the purchase of the participant's principal residence, the payment of postsecondary education tuition, to prevent eviction or foreclosure from the participant's principal residence, to pay burial/funeral expenses, costs associated with the repairs of a principal residence that qualify as a casualty deduction, or expenses/losses associated with a disaster declared by FEMA.

Notes Receivable From Participants - Participants may borrow from their accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000, 50% of their vested account balance, or the value of their employee contributions accounts (excluding rollovers). Loan terms range from one to five years or up to 10 years for the purchase of a primary residence. The interest rate is set at 2.0% above the prime rate, as defined. Principal and interest are paid ratably through payroll deductions.

Investment Management and Administrative Expenses - Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Transaction based fees for notes receivable from participants and distributions are charged directly to participant accounts. Certain investment related expenses are charged directly against the fund’s investment performance and, therefore, are not separately disclosed in the accompanying financial statements.

Plan Termination - Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become fully vested in their accounts.

Note 2 - Significant Accounting Policies

Basis of Accounting and Use of Estimates - The accompanying financial statements are prepared under the accrual method of accounting. Benefits are recorded when paid. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's management to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from those estimates.

Investment Valuation - Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Note 2 - Continued

Income Recognition - Interest income is recorded on an accrual basis. Dividend income is recorded on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis.

Net Appreciation (Depreciation) in Fair Value of Investments - Net appreciation (depreciation) in fair value of investments represents the change in unrealized appreciation and depreciation of assets from one period to the next and realized gains and losses.

Notes Receivable From Participants - Notes receivable from participants are measured at their unpaid principal balance. Accrued but unpaid interest, if any, would not have a material impact on the Plan's financial statements. Related fees are recorded as administrative expenses and are expensed when they are incurred. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded. No allowance for credit losses has been recorded as of December 31, 2021 and 2020.

Fair Value of Financial Instruments - The framework for measuring fair value defines fair value as the exchange price the Plan would receive upon selling an investment in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. The fair value hierarchy requires the Plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs that may be used to measure fair value are:

Level 1 - Quoted prices in active markets for identical assets;

Level 2 - Quoted prices for similar assets in active markets; quoted prices for identical or similar assets in markets that are not active; inputs other than quoted prices that are observable for the asset; and market-corroborated inputs; or

Level 3 - Unobservable inputs for the assets.

Following is a description of the valuation methodologies and inputs used for assets measured at fair value.

Registered Investment Company Funds - Valued at the daily closing price as reported by the fund. Registered investment company funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily Net Asset Value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Self-Directed Brokerage Accounts - Accounts primarily consists of interest-bearing cash which is valued at cost plus accrued interest and registered investment company funds with valuations consistent with the description above.

Collective Trust Funds - Valued at the NAV provided by the funds' trustee. These funds trade on a regular basis, have a published price that the Plan can obtain at any time and are valued based on this published price.

Alaska Air Group, Inc. Common Stock - Valued based on the quoted market price of shares held by the Plan at the end of the year.

Note 2 - Continued

The following tables sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020:

	Investments at Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Registered investment company funds	$ 244,634,835	$ -	$ -	$ 244,634,835
Self-directed brokerage accounts	3,640,990	-	-	3,640,990
Collective trust funds	359,900,574	-	-	359,900,574
Alaska Air Group, Inc. common stock	43,678,955	-	-	43,678,955
Total Investments at Fair Value	**$ 651,855,354**	**$ -**	**$ -**	**$ 651,855,354**

	Investments at Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Registered investment company funds	$ 288,462,406	$ -	$ -	$ 288,462,406
Self-directed brokerage accounts	2,162,907	-	-	2,162,907
Collective trust funds	266,363,838	-	-	266,363,838
Alaska Air Group, Inc. common stock	47,407,654	-	-	47,407,654
Total Investments at Fair Value	**$ 604,396,805**	**$ -**	**$ -**	**$ 604,396,805**

Note 3 - Income Tax Status

The Plan was amended and restated as of January 1, 2013. The Plan received a favorable determination letter from the Internal Revenue Service (IRS) dated September 19, 2014. Although the Plan has been amended since receiving the determination letter, the plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 4 - Related Party and Party-in-Interest Transactions

Certain plan investments are managed by Vanguard. Vanguard is the trustee as defined by the Plan, and therefore, transactions with these investments and fees charged by Vanguard and its affiliates qualify as party-in-interest transactions. The Plan issues loans to participants which are party-in-interest transactions. Transactions involving Alaska Air Group, Inc. common stock (AAG stock) held by the Plan are related party and qualify as party-in-interest transactions.

Note 5 - Information Certified by the Trustee

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Investments held at December 31, 2021 and 2020, and investment income or loss for the year ended December 31, 2021, that is disclosed in the accompanying financial statements and supplementary information, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Vanguard, the trustee of the Plan.

Note 6 - Investments

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Market risks include global events such as a pandemic or international conflict which could impact the value of investment securities. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Participants may direct their contributions into the investment options offered under the Plan. For participants that are automatically enrolled, their contributions are automatically invested in a Vanguard Target Retirement Collective Trust Fund based on the year the employee will turn age 65. Participants may change their investment elections and make transfers between investment options daily.

Participants may also access a number of investment securities outside the Plan's investment options via Vanguard's brokerage option, a self-directed brokerage tool. Participants may invest up to 100% of their account balance through the brokerage option. Eligible securities are defined under the Plan and are generally limited to most publicly traded securities.

Before 2014, 50% of Company matching contributions were made in AAG stock, and the remaining 50% were directed by participants into any of the Plan's other investment options. Employees were restricted from transferring matching contributions made to AAG stock to the Plan's other investment options until they reached three years of service. Effective January 1, 2014, participants no longer had to wait three years before divesting AAG stock and may reinvest the proceeds in any investment fund available under the Plan at any time. Additionally, effective January 1, 2014, the company makes all matching contributions in cash instead of AAG stock.

Note 7 - Fund Transfer to Alaska Plan

The Plan allows pilots who transferred to Alaska Airlines, Inc. (a wholly owned subsidiary of Alaska Air Group, Inc.) to transfer their assets from the Plan to the Alaska Airlines, Inc. Pilots Investment and Savings Plan (Alaska Plan). During 2021, the total amount of transfers from the Plan to the Alaska Plan was approximately $2,700,000.

Note 8 - Delinquent Contributions

The Company determined there were instances during 2020 and 2021 in which participant deferral contributions and loan repayments totaling $1,370,932 were not deposited by the Company as plan assets within the time limitation stipulated under the Department of Labor's regulations. Delinquent contributions are prohibited party-in-interest transactions under ERISA and also represent related party transactions between the Plan and the plan sponsor. The Company is working with Vanguard to calculate and remit lost earnings associated with these delinquent contributions.

Note 9 - Subsequent Events

Subsequent events have between evaluated through October 13, 2022, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

HORIZON AIR SAVINGS INVESTMENT PLAN

Attachment to Form 5500, Schedule H, Line 4(a)
Schedule of Delinquent Participant Contributions

Employer: Horizon Air Industries, Inc.
EIN: 91-1201373
Plan No.: 002

Plan Year	Participant Contributions Transferred Late to Plan	Total That Constitutes Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
	Check Here if Late Participant Loan Repayments are Included: ☑	Contributions not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
2021	$ 1,114,153	$ 1,114,153	$ -	$ -	$ -
2020	$ 256,779	$ 256,779	$ -	$ -	$ -

See independent auditor's report.

HORIZON AIR SAVINGS INVESTMENT PLAN

Attachment to Form 5500, Schedule H, Line 4(i)
Schedule of Assets Held as of December 31, 2021

Employer: Horizon Air Industries, Inc.
EIN: 91-1201373
Plan No.: 002

	(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
		Collective Trust Funds:			
		MFS	International Equity CIT	**	$ 14,491,013
		T. Rowe Price	Growth Stock Trust	**	46,893,353
*		Vanguard	Institutional 500 Index Trust	**	98,355,476
*		Vanguard	Target Retirement 2015 Trust I	**	5,116,331
*		Vanguard	Target Retirement 2020 Trust I	**	10,150,806
*		Vanguard	Target Retirement 2025 Trust I	**	28,249,091
*		Vanguard	Target Retirement 2030 Trust I	**	24,409,156
*		Vanguard	Target Retirement 2035 Trust I	**	29,501,390
*		Vanguard	Target Retirement 2040 Trust I	**	15,782,046
*		Vanguard	Target Retirement 2045 Trust I	**	22,543,624
*		Vanguard	Target Retirement 2050 Trust I	**	14,454,608
*		Vanguard	Target Retirement 2055 Trust I	**	14,622,537
*		Vanguard	Target Retirement 2060 Trust I	**	6,563,950
*		Vanguard	Target Retirement 2065 Trust I	**	1,783,523
*		Vanguard	Target Retirement Income Trust I	**	2,269,171
*		Vanguard	Retirement Savings Trust III	**	24,714,499
		Registered Investment Company Funds:			
		Baron	Growth Fund	**	19,854,530
		Dodge & Cox	Stock Fund	**	25,161,814
		PIMCO	Total Return Fund	**	12,321,351
*		Vanguard	Balanced Index Fund	**	61,665,609
*		Vanguard	Extended Market Index Fund	**	24,143,904
*		Vanguard	FTSE All-World ex-US Index Fund	**	33,042,439
*		Vanguard	Federal Money Market Fund	**	12,550,896
*		Vanguard	Inflation-Protected Securities Fund	**	3,735,042
*		Vanguard	Small-Cap Value Index Fund	**	17,668,994
*		Vanguard	Total Bond Market Index Fund	**	34,490,256
*		Various/Vanguard	Brokerage link	**	3,640,990
*		Alaska Air Group, Inc.	Common stock	**	43,678,955
*		Participant loans	Rates from 5.25% to 10.25%	-0-	3,755,297
					$ 655,610,651

* Party-in-interest as defined by section 3(14) of ERISA.

** Historical cost information omitted with respect to assets held for investment purposes on participant-directed individual account balances.

See independent auditor's report.

HORIZON AIR SAVINGS INVESTMENT PLAN

Financial Statements

For the Year Ended December 31, 2021

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Clark Nuber PS

Independent Auditor's Report

To the Benefits and Retirement Administrative Committee
Horizon Air Savings Investment Plan
Seattle, Washington

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements

We have performed an audit of the financial statements of Horizon Air Savings Investment Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C), which comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 Financial Statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA (ERISA Section 103(a)(3)(C) audit). As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency (qualified institution), provided that the investment information is prepared and certified to by the qualified institution in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Management has obtained a certification from a qualified institution as of December 31, 2021, and for the year then ended, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (GAAP).

- The certified investment information in the accompanying 2021 financial statements agrees to, or is derived from, in all material respects, the information prepared and certified by a qualified institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

CELEBRATING 70 YEARS 1952 2022

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Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for within one year after the date that the financial statements are issued or available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor’s Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the 2021 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the 2021 financial statements as a whole are presented fairly, in all material respects, in accordance with GAAP.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

OTHER MATTERS

2021 Supplemental Schedules Required by ERISA

The supplementary information, as listed in the accompanying table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements but is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplementary information, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplementary information that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information. In forming our opinion on the supplementary information, we evaluated whether the supplementary information, other than the information agreed to or derived from the certified investment information, including its form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplementary information, other than the information in the supplementary information that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

- The certified investment information in the supplementary information agrees to, or is derived from, in all material respects, the information prepared and certified by a qualified institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

CELEBRATING 70 YEARS 1952 2022

Clark Nuber PS

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of the Plan. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information certified by a qualified institution. In our report dated October 7, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the information certified by the qualified institution were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Clark Nuber P.S.

Certified Public Accountants
October 13, 2022

HORIZON AIR SAVINGS INVESTMENT PLAN

Statements of Net Assets Available for Benefits
December 31, 2021 and 2020

	2021	2020
Assets:		
Noninterest-bearing cash	$ 330,299	$ 243,108
Investments at fair value-		
Registered investment company funds	244,634,835	288,462,406
Self-directed brokerage accounts	3,640,990	2,162,907
Collective trust funds	359,900,574	266,363,838
Alaska Air Group, Inc. common stock	43,678,955	47,407,654
Total investments at fair value	651,855,354	604,396,805
Receivables-		
Notes receivable from participants	3,755,297	4,078,201
Employer contributions	157,069	142,314
Participant contributions	252,399	230,894
Total receivables	4,164,765	4,451,409
Net Assets Available for Benefits	**$ 656,350,418**	**$ 609,091,322**

See accompanying notes.

HORIZON AIR SAVINGS INVESTMENT PLAN

Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2021

Additions:	
Contributions-	
Employer	$ 7,900,073
Participant	13,326,280
Rollover	464,567
Total contributions	21,690,920
Investment income-	
Interest and dividends	12,183,300
Net appreciation in fair value of investments	68,873,547
Net investment income	81,056,847
Interest on notes receivable from participants	226,780
Total Additions	**102,974,547**
Deductions:	
Benefit payments	(52,384,932)
Administrative expenses	(609,583)
Total Deductions	**(52,994,515)**
Net Increase in Net Assets Available for Benefits Before Transfer	**49,980,032**
Transfer to Alaska Airlines, Inc. Pilots Investment and Savings Plan	(2,720,936)
Net Increase in Net Assets Available for Benefits After Transfer	**47,259,096**
Net Assets Available for Benefits:	
Beginning of year	609,091,322
End of Year	**$ 656,350,418**

See accompanying notes.

Note 1 - Description of the Plan

The following description of the Horizon Air Savings Investment Plan (the Plan) is provided for general information purposes only. More complete information regarding the Plan's provisions may be found in the plan document.

General - The Plan is a defined contribution and deferred compensation plan established by Horizon Air Industries, Inc. (the Company) under the provisions of Section 401(a) of the Internal Revenue Code (IRC), which includes a qualified cash or deferred arrangement as described in Section 401(k) of the IRC for the benefit of eligible employees of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Plan Administration - The Plan is administered by a committee consisting of certain employees of Alaska Airlines, Inc. Vanguard Fiduciary Trust Company (Vanguard) serves as the trustee of the Plan.

Eligibility - Employees who are not specifically excluded from participation as identified in the plan provisions (i.e. certain union members are excluded due to labor contract provisions) and are at least 18 years old are eligible to participate in the Plan after completing 90 days of service with the Company as a full-time employee. Part-time employees and variable-time employees are eligible after completing one year of employment during which they have 1,000 paid hours of service or during any subsequent calendar year in which 1,000 paid hours of service are completed. Employees are admitted to the Plan following attainment of eligibility requirements.

Employees hired or transferred to the Company are automatically enrolled in the Plan at a 3% pre-tax contribution rate if they do not enroll voluntarily upon first becoming eligible, or if they do not decline participation. Furthermore, on the anniversary of each year, their contribution rate will automatically increase by 1% until reaching a 10% contribution rate unless the participant elects otherwise.

Employee Contributions - Subject to certain IRC limitations, eligible employees may elect to contribute, on a pre-tax and/or Roth after-tax basis, up to 90% of their eligible earnings. In addition, participants who have attained age 50 before the close of the plan year are eligible to make catch-up contributions in accordance with, and subject to, certain IRC limitations. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans.

Employer Contributions - The Company matches 100% of each participant's pre-tax and/or Roth after-tax contributions up to 6% of the participant's compensation. The first 4% matched is a safe harbor matching contribution and is immediately vested.

Participant Accounts - Each participant’s account is credited with the participant’s and employer’s contributions, as well as allocations of the plan earnings or losses and administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

Vesting and Forfeitures - Participants are always fully vested in their pre-tax, Roth, and after-tax contributions and safe harbor matching contributions plus any investment earnings attributable to such contributions. Matching contributions above 4% of employees’ eligible compensation vest at 20% per year of service. Forfeited amounts of terminated participants' nonvested accounts are used to reduce future employer contributions. Forfeited nonvested accounts totaled approximately $91,000 and $53,000 at December 31, 2021 and 2020, respectively. Forfeitures may additionally be utilized as otherwise specified in the plan document, as applicable.

Note 1 - Continued

Benefits and Withdrawals - Participants are eligible to receive benefits upon death, disability, retirement, or termination of employment, and may elect either a lump-sum payment or installment payments. Participants who have attained age 59 ½ may also elect to receive a distribution of all or any portion of their vested account balance prior to termination of employment (in-service withdrawals). For termination of service with vested benefits of more than $1,000, but less than $5,000, the participant's or beneficiary's account balance is automatically rolled over to a Vanguard IRA, and accounts with balances of up to $1,000 are cashed out if instructions are not received by Vanguard within a specified amount of time. Participants may also elect to receive in-service withdrawals from balances rolled into the Plan.

Hardship Withdrawals - Under certain conditions, participants, while still employed by the Company, are permitted to withdraw, in a single sum, the employee pre-tax and Roth after-tax contribution portion of their account balance. These conditions include unreimbursed medical expenses, the purchase of the participant's principal residence, the payment of postsecondary education tuition, to prevent eviction or foreclosure from the participant's principal residence, to pay burial/funeral expenses, costs associated with the repairs of a principal residence that qualify as a casualty deduction, or expenses/losses associated with a disaster declared by FEMA.

Notes Receivable From Participants - Participants may borrow from their accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000, 50% of their vested account balance, or the value of their employee contributions accounts (excluding rollovers). Loan terms range from one to five years or up to 10 years for the purchase of a primary residence. The interest rate is set at 2.0% above the prime rate, as defined. Principal and interest are paid ratably through payroll deductions.

Investment Management and Administrative Expenses - Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Transaction based fees for notes receivable from participants and distributions are charged directly to participant accounts. Certain investment related expenses are charged directly against the fund’s investment performance and, therefore, are not separately disclosed in the accompanying financial statements.

Plan Termination - Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become fully vested in their accounts.

Note 2 - Significant Accounting Policies

Basis of Accounting and Use of Estimates - The accompanying financial statements are prepared under the accrual method of accounting. Benefits are recorded when paid. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's management to use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from those estimates.

Investment Valuation - Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Note 2 - Continued

Income Recognition - Interest income is recorded on an accrual basis. Dividend income is recorded on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis.

Net Appreciation (Depreciation) in Fair Value of Investments - Net appreciation (depreciation) in fair value of investments represents the change in unrealized appreciation and depreciation of assets from one period to the next and realized gains and losses.

Notes Receivable From Participants - Notes receivable from participants are measured at their unpaid principal balance. Accrued but unpaid interest, if any, would not have a material impact on the Plan's financial statements. Related fees are recorded as administrative expenses and are expensed when they are incurred. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded. No allowance for credit losses has been recorded as of December 31, 2021 and 2020.

Fair Value of Financial Instruments - The framework for measuring fair value defines fair value as the exchange price the Plan would receive upon selling an investment in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. The fair value hierarchy requires the Plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs that may be used to measure fair value are:

Level 1 - Quoted prices in active markets for identical assets;

Level 2 - Quoted prices for similar assets in active markets; quoted prices for identical or similar assets in markets that are not active; inputs other than quoted prices that are observable for the asset; and market-corroborated inputs; or

Level 3 - Unobservable inputs for the assets.

Following is a description of the valuation methodologies and inputs used for assets measured at fair value.

Registered Investment Company Funds - Valued at the daily closing price as reported by the fund. Registered investment company funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily Net Asset Value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Self-Directed Brokerage Accounts - Accounts primarily consists of interest-bearing cash which is valued at cost plus accrued interest and registered investment company funds with valuations consistent with the description above.

Collective Trust Funds - Valued at the NAV provided by the funds' trustee. These funds trade on a regular basis, have a published price that the Plan can obtain at any time and are valued based on this published price.

Alaska Air Group, Inc. Common Stock - Valued based on the quoted market price of shares held by the Plan at the end of the year.

Note 2 - Continued

The following tables sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020:

	Investments at Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Registered investment company funds	$ 244,634,835	$ -	$ -	$ 244,634,835
Self-directed brokerage accounts	3,640,990	-	-	3,640,990
Collective trust funds	359,900,574	-	-	359,900,574
Alaska Air Group, Inc. common stock	43,678,955	-	-	43,678,955
Total Investments at Fair Value	**$ 651,855,354**	**$ -**	**$ -**	**$ 651,855,354**

	Investments at Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Registered investment company funds	$ 288,462,406	$ -	$ -	$ 288,462,406
Self-directed brokerage accounts	2,162,907	-	-	2,162,907
Collective trust funds	266,363,838	-	-	266,363,838
Alaska Air Group, Inc. common stock	47,407,654	-	-	47,407,654
Total Investments at Fair Value	**$ 604,396,805**	**$ -**	**$ -**	**$ 604,396,805**

Note 3 - Income Tax Status

The Plan was amended and restated as of January 1, 2013. The Plan received a favorable determination letter from the Internal Revenue Service (IRS) dated September 19, 2014. Although the Plan has been amended since receiving the determination letter, the plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 4 - Related Party and Party-in-Interest Transactions

Certain plan investments are managed by Vanguard. Vanguard is the trustee as defined by the Plan, and therefore, transactions with these investments and fees charged by Vanguard and its affiliates qualify as party-in-interest transactions. The Plan issues loans to participants which are party-in-interest transactions. Transactions involving Alaska Air Group, Inc. common stock (AAG stock) held by the Plan are related party and qualify as party-in-interest transactions.

Note 5 - Information Certified by the Trustee

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Investments held at December 31, 2021 and 2020, and investment income or loss for the year ended December 31, 2021, that is disclosed in the accompanying financial statements and supplementary information, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Vanguard, the trustee of the Plan.

Note 6 - Investments

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Market risks include global events such as a pandemic or international conflict which could impact the value of investment securities. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Participants may direct their contributions into the investment options offered under the Plan. For participants that are automatically enrolled, their contributions are automatically invested in a Vanguard Target Retirement Collective Trust Fund based on the year the employee will turn age 65. Participants may change their investment elections and make transfers between investment options daily.

Participants may also access a number of investment securities outside the Plan's investment options via Vanguard's brokerage option, a self-directed brokerage tool. Participants may invest up to 100% of their account balance through the brokerage option. Eligible securities are defined under the Plan and are generally limited to most publicly traded securities.

Before 2014, 50% of Company matching contributions were made in AAG stock, and the remaining 50% were directed by participants into any of the Plan's other investment options. Employees were restricted from transferring matching contributions made to AAG stock to the Plan's other investment options until they reached three years of service. Effective January 1, 2014, participants no longer had to wait three years before divesting AAG stock and may reinvest the proceeds in any investment fund available under the Plan at any time. Additionally, effective January 1, 2014, the company makes all matching contributions in cash instead of AAG stock.

Note 7 - Fund Transfer to Alaska Plan

The Plan allows pilots who transferred to Alaska Airlines, Inc. (a wholly owned subsidiary of Alaska Air Group, Inc.) to transfer their assets from the Plan to the Alaska Airlines, Inc. Pilots Investment and Savings Plan (Alaska Plan). During 2021, the total amount of transfers from the Plan to the Alaska Plan was approximately $2,700,000.

Note 8 - Delinquent Contributions

The Company determined there were instances during 2020 and 2021 in which participant deferral contributions and loan repayments totaling $1,370,932 were not deposited by the Company as plan assets within the time limitation stipulated under the Department of Labor's regulations. Delinquent contributions are prohibited party-in-interest transactions under ERISA and also represent related party transactions between the Plan and the plan sponsor. The Company is working with Vanguard to calculate and remit lost earnings associated with these delinquent contributions.

Note 9 - Subsequent Events

Subsequent events have between evaluated through October 13, 2022, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

HORIZON AIR SAVINGS INVESTMENT PLAN

Attachment to Form 5500, Schedule H, Line 4(a)
Schedule of Delinquent Participant Contributions

Employer: Horizon Air Industries, Inc.
EIN: 91-1201373
Plan No.: 002

Plan Year	Participant Contributions Transferred Late to Plan	Total That Constitutes Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
	Check Here if Late Participant Loan Repayments are Included: ☑	Contributions not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
2021	$ 1,114,153	$ 1,114,153	$ -	$ -	$ -
2020	$ 256,779	$ 256,779	$ -	$ -	$ -

See independent auditor's report.

HORIZON AIR SAVINGS INVESTMENT PLAN

Attachment to Form 5500, Schedule H, Line 4(i)
Schedule of Assets Held as of December 31, 2021

Employer: Horizon Air Industries, Inc.
EIN: 91-1201373
Plan No.: 002

	(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
		Collective Trust Funds:			
		MFS	International Equity CIT	**	$ 14,491,013
		T. Rowe Price	Growth Stock Trust	**	46,893,353
*		Vanguard	Institutional 500 Index Trust	**	98,355,476
*		Vanguard	Target Retirement 2015 Trust I	**	5,116,331
*		Vanguard	Target Retirement 2020 Trust I	**	10,150,806
*		Vanguard	Target Retirement 2025 Trust I	**	28,249,091
*		Vanguard	Target Retirement 2030 Trust I	**	24,409,156
*		Vanguard	Target Retirement 2035 Trust I	**	29,501,390
*		Vanguard	Target Retirement 2040 Trust I	**	15,782,046
*		Vanguard	Target Retirement 2045 Trust I	**	22,543,624
*		Vanguard	Target Retirement 2050 Trust I	**	14,454,608
*		Vanguard	Target Retirement 2055 Trust I	**	14,622,537
*		Vanguard	Target Retirement 2060 Trust I	**	6,563,950
*		Vanguard	Target Retirement 2065 Trust I	**	1,783,523
*		Vanguard	Target Retirement Income Trust I	**	2,269,171
*		Vanguard	Retirement Savings Trust III	**	24,714,499
		Registered Investment Company Funds:			
		Baron	Growth Fund	**	19,854,530
		Dodge & Cox	Stock Fund	**	25,161,814
		PIMCO	Total Return Fund	**	12,321,351
*		Vanguard	Balanced Index Fund	**	61,665,609
*		Vanguard	Extended Market Index Fund	**	24,143,904
*		Vanguard	FTSE All-World ex-US Index Fund	**	33,042,439
*		Vanguard	Federal Money Market Fund	**	12,550,896
*		Vanguard	Inflation-Protected Securities Fund	**	3,735,042
*		Vanguard	Small-Cap Value Index Fund	**	17,668,994
*		Vanguard	Total Bond Market Index Fund	**	34,490,256
*		Various/Vanguard	Brokerage link	**	3,640,990
*		Alaska Air Group, Inc.	Common stock	**	43,678,955
*		Participant loans	Rates from 5.25% to 10.25%	-0-	3,755,297
					$ 655,610,651

* Party-in-interest as defined by section 3(14) of ERISA.

** Historical cost information omitted with respect to assets held for investment purposes on participant-directed individual account balances.

See independent auditor's report.