

Southwest Airlines Co. Corporate Governance Guidelines

- Qualifications of Directors
- Independence of Directors
- Size of Board and Selection Process
- Board Leadership
- Board Meetings, Agendas, and Other Materials
- Director Responsibilities
- Board Committees, Committee Meetings, Agendas, and Other Materials
- Executive Sessions; Communications with Non-Management Directors
- Board Self-Evaluation
- Resignation Policy
- Ethics
- Director and Senior Management Compensation
- Limitation on Severance Payments
- Share Ownership
- Access to Management
- Access to Independent Advisors
- Director Orientation and Continuing Education
- Public Communications
- Other Practices

The Board of Directors (the “Board”) of Southwest Airlines Co. (the “Company”) has adopted these Corporate Governance Guidelines, based on the recommendation of its Nominating and Corporate Governance Committee, to further its goal of providing effective governance of the Company’s business for the long-term benefit of the Company’s Shareholders, Employees, and Customers. The Nominating and Corporate Governance Committee will review these Corporate Governance Guidelines annually and will make recommendations to the Board for modifications as appropriate.

Qualifications of Directors

Members of the Board of Directors of the Company should possess the highest personal and professional ethics, integrity, and values. They must possess practical wisdom, mature judgment, and be committed to the best long-term interests of the Company’s Shareholders, Employees and Customers. Directors must be willing to devote sufficient time to fulfill their responsibilities and be willing to serve on the Board for an extended period of time. A Director should offer his or her resignation in the event of any significant change in personal or professional circumstances that would impede the Director’s ability to carry out the responsibilities of a Director. The Nominating and Corporate Governance Committee will take into consideration the nature and time involved in a Director’s service on other boards in evaluating the suitability of that Director. Directors should advise the Chair of the Board and the Chair of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on the board of directors, the audit committee, or the compensation committee of another publicly-traded company. In no event shall

any non-Employee member of the Board serve on more than five public company boards, nor shall any Employee member of the Board or any other Employee of the Company serve on more than two public company boards. Members of the Audit Committee should not serve on the audit committee of more than three public company boards.

The Company does not limit the number of terms for which a Director may serve. Directors who have served on the Board for an extended period of time are able to provide valuable insight into the operations and future success of the Company based on their past experience and understanding of the Company's history, Culture, and objectives. Therefore, the Board will take the value of such insight into account, as well as the results of the Board's self-evaluation process described below, in determining individual Board member tenure.

In addition to the above, the Board will consider a number of factors in the nomination or appointment of new Board members, including public company CEO experience, finance, accounting, technology, government affairs, human capital, environmental/sustainability, logistics/operations, marketing/brand management, safety, risk management, airline/aerospace and other professional experience or knowledge relevant to the success of the Company in the current business environment. The Board will also take into consideration factors such as diversity and independence (for non-management Directors) in the appointment of future Board members. The Board evaluates each Director in the context of the Board as a whole, with the objective of recommending a group that can best serve the long-term interests of the Company's Shareholders, Employees, and Customers.

In the case of current Directors being considered for renomination, the Board should also consider the Director's past attendance at Board and committee meetings and participation in and contributions to such meetings and Board activities.

Independence of Directors

A majority of the members of the Board must be "independent" ("Independent Directors"), within the meaning of the rules of the New York Stock Exchange (the "NYSE"). Only Independent Directors may serve on the Company's Audit, Compensation, and Nominating and Corporate Governance Committees.

The Company will not make any personal loans or extensions of credit to Directors or executive officers, other than consumer loans or credit card services on terms offered to the general public.

Size of Board and Selection Process

In accordance with the Company's Bylaws, the number of Directors shall be determined from time to time by resolution of the Board of Directors. Directors are elected at each annual meeting of Shareholders to hold office until the next succeeding annual meeting of Shareholders and until their successors shall have been elected and qualified or until their earlier death, retirement, resignation, or removal.

The Board shall annually propose a slate of nominees to the Shareholders for election to the Board, taking into account the recommendation of the Nominating and Corporate Governance Committee.

The Board also has the authority to appoint new Directors and fill Board vacancies that occur between annual meetings of Shareholders, subject to the limitations of applicable law and the Company's Bylaws.

Board Leadership

The Independent Directors will select the Chair of the Board annually. The Independent Directors will review the propriety of combining or separating the offices of Chair and CEO and whether the Chair role should be held by an Independent Director. The Board does not have a formal policy respecting the need to separate the offices of Chair and CEO, or for the Director serving as Chair to be an Independent Director. The Board believes it is important to preserve the flexibility to determine the most appropriate leadership structure at any given time, based on an assessment of the Company's circumstances at that time.

When the Board selects the CEO or another Director who is not an Independent Director to serve as Chair, the Independent Directors will select a Lead Director from among the Independent Directors, who shall be the Board's Presiding Director for purposes of complying with NYSE rules. In addition to the duties set forth elsewhere in these Corporate Governance Guidelines, the functions of the Lead Director shall include, but not be limited to, the following:

- fostering an environment of open dialogue and constructive feedback among Independent Directors;
- calling meetings and executive sessions of Independent Directors, and presiding at the meetings and executive sessions of the Independent Directors;
- serving as a liaison, along with Board committee chairs, among the Chair, the CEO, and the Independent Directors, provided that this shall not in any way diminish the CEO's and Chair's accountability to the Board in its entirety or the ability of any individual Board member and the CEO or Chair to communicate directly with each other;
- being available to the Chair and the CEO for consultation on issues of corporate importance that may involve Board action, and in general, serving as a resource to the Chair and the CEO on an as-needed basis;
- at the standing invitation of the Board's committees, attending meetings of Board committees on which the Lead Director does not already serve;
- assisting the Nominating and Corporate Governance Committee with its oversight of the annual evaluation of the Board and the committees and communicating results of individual Director assessments to individual Board members;
- consulting with the Nominating and Corporate Governance Committee with respect to recommendations for the assignment of Board members to the Board's committees and of the Chairs of those committees;
- assisting with and communicating (along with the Chair of the Compensation Committee) the results of the Board's evaluation of the CEO;

- subject to the requirements set forth below under “Public Communications,” when deemed appropriate, representing the Independent Directors in engaging with Shareholders; and
- performing such other duties as the Board may determine from time to time.

In performing his or her duties and responsibilities, the Lead Director is expected to consult with the Chairs of the appropriate Board committees and solicit their participation in order to avoid diluting or conflicting with the authority or responsibilities of such committee Chairs.

Board Meetings, Agendas, and Other Materials

The Board of Directors will hold at least four meetings each year. Additional meetings may be called in accordance with the Company’s Bylaws. In consultation with the Lead Director and CEO, the Chair of the Board will set the agenda and schedule, together with relevant materials and information, for each Board meeting to provide sufficient time for discussion of agenda items. Each other Board member may also suggest the inclusion of items for Board agendas. Agendas and other relevant materials and information will be distributed in advance to each Director. Taking into account input from members of the Board, the Chair of the Board and CEO will determine the individual Employees or advisors who need to attend or present material at each meeting. The Board acknowledges that certain items to be discussed at Board meetings are of an extremely sensitive nature and that the distribution of materials on these matters prior to Board meetings may not be appropriate.

Director Responsibilities

The fundamental responsibility of members of the Company’s Board of Directors is to promote the best interests of the Company and its Shareholders by overseeing the management of the Company’s business. In doing so, Board members have two basic legal obligations to the Company and its Shareholders: (a) the duty of care, which requires that Board members exercise appropriate diligence in making decisions and in overseeing management; and (b) the duty of loyalty, which generally requires that Board members make decisions based on the best interests of the Company’s Shareholders and without regard to any personal interest.

Directors are expected to attend all meetings of the Board and committees of which they are a member, and to review all meeting materials provided to them in advance of meetings. Directors must maintain confidentiality of the Company’s non-public information and abide by applicable laws.

In addition to the general oversight of management, the Board is expected to perform a number of specific functions, including the selection and evaluation of the CEO, with the CEO’s compensation determined by the Compensation Committee (as directed by the Board and to the extent consistent with any applicable plan documents or law). The Board shall at least annually review a succession plan for the CEO and the CEO’s direct reports, based upon recommendations from the Compensation Committee, as determined in accordance with the process set forth in the Compensation Committee Charter.

The Board shall also (i) oversee the selection, evaluation, development, and compensation of senior management; (ii) oversee the Company's corporate responsibility practices, including with respect to sustainability and other Environmental, Social, and Governance (ESG) matters; (iii) assess major risks facing the Company and review options to mitigate such risks; (iv) review, approve, and monitor significant financial and business strategies and major corporate actions; and (v) oversee the processes to maintain the utmost integrity and proper management of the Company.

The Board of Directors may designate Board committees and exercise its authority through Board committees in accordance with the Company's Bylaws.

Board Committees, Committee Meetings, Agendas, and Other Materials

In accordance with the requirements of the NYSE, the Board shall have at least three committees to assist it in fulfilling its responsibilities: an Audit Committee, a Compensation Committee, and a Nominating and Corporate Governance Committee.

Each of these committees is required to have a charter that sets forth, among other items, the committee's purposes and responsibilities. The committee charters must be reviewed annually and must be posted on the Company's website.

Except as otherwise required by law, these Corporate Governance Guidelines, or by committee charter, each committee may determine the procedural rules for meeting and conducting its business; provided that each committee shall meet on a regular basis. The Company shall provide the committees with the staff support and resources necessary for the committees to discharge their respective responsibilities, including access to the Company's books, records, and facilities. The committees are governed by the same rules regarding meetings, action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

The chair of each committee will, in consultation with senior members of management, as appropriate, set the agendas and schedule for each committee meeting to provide sufficient time for discussion of agenda items and approve the relevant materials and information. Each committee member may suggest items for inclusion in committee agenda. Agendas and other relevant materials and information may be distributed in advance of committee meetings to each committee member. Taking into account input from members of the respective committee, the chair of such committee and appropriate senior member of management, if any, will determine the individual Employees or advisors who need to attend or present material at each committee meeting.

The Company will provide new committee members with appropriate onboarding briefings, as determined by each committee, and each committee with educational resources and opportunities related to its purposes and responsibilities as may be appropriate or requested by the committees.

Executive Sessions; Communications with Non-Management Directors

The non-management Directors (within the meaning of the rules of the NYSE) will meet regularly in executive sessions without the presence of management. These executive sessions may include such topics as may be determined by the Lead Director or other non-management Directors. To the extent that, at any time, the non-management Directors include Directors who are not Independent

Directors, the Independent Directors will also meet at least annually in an executive session that includes only Independent Directors. The Lead Director shall preside over such executive sessions and shall communicate feedback to the Chair of the Board and the CEO following executive sessions, as appropriate. In addition, the Lead Director shall have the authority to call additional meetings of the Independent Directors when necessary and appropriate.

Shareholders and other interested parties may communicate directly with the Lead Director or any or all of the non-management or other members of the Board by writing to such Director(s), c/o Southwest Airlines Co., Attn: Lead Director P.O. Box 36611, Dallas, Texas 75235. Any resulting response will be coordinated with management, and no individual Director will be responsible for communicating directly with a Shareholder.

Board Self-Evaluation

The Nominating and Corporate Governance Committee, together and in consultation with the Lead Director, is responsible for overseeing an evaluation at least annually of the performance of the Board and of the Board's committees. The Nominating and Corporate Governance Committee will report its conclusions to the Board and make appropriate recommendations to the Board following such evaluations and report, including with respect to areas in which the Board, including individual members of the Board, and the Board's Committees can better contribute to the governance and long-term success of the Company. The Nominating and Corporate Governance Committee may use the results of its evaluation in determining the criteria for Directors to be considered to fill any vacancies on the Board or on its committees and for inclusion in the slate of Directors to be recommended by the Board at the annual meeting of Shareholders.

Resignation Policy

Any notice of resignation by a Director must be given in writing concurrently to both the Chair of the Board and the Corporate Secretary. Any such resignation shall take effect at the time specified in the notice or, if not so specified, immediately upon receipt.

Ethics

The Board expects the Company's Directors, Officers, and Employees to act ethically at all times and to acknowledge their adherence to the policies comprising the Company's Code of Ethics and its Guidelines for Employees: A Policy and Procedure Handbook. The Board will review the Company's Code of Ethics annually.

Concerns relating to accounting, internal controls, auditing, or officer conduct shall be handled in accordance with procedures established by the Audit Committee.

Director and Senior Management Compensation

The Compensation Committee of the Board of Directors is responsible for reviewing the compensation and benefits for non-Employee Directors and recommending to the Board any appropriate changes thereto.

The Compensation Committee shall annually evaluate the CEO's salary, bonus, and other incentive

and equity compensation. The committee shall also annually evaluate and approve the compensation structure for the Company's officers, and shall evaluate the performance of each of the Company's other executive officers who are subject to §16(b) of the Securities Exchange Act of 1934, as amended (collectively, with the CEO, "Executive Officers"), before approving their salary, bonus, and other incentive and equity-related compensation.

The Company's compensation structure should seek to promote and reward productivity and dedication to the overall success of the Company. Compensation decisions should take into account, among other factors, Company and individual performance and market conditions. The Compensation Committee shall have sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of Director or Executive Officer compensation. The Compensation Committee shall have the right, in its sole discretion, to determine the nature and extent of its use of any information received from consultants.

Limitation on Severance Payments

The Company will not enter into any agreement that provides for severance payments to an Executive Officer directly related to the Executive Officer's termination of employment, in an amount that exceeds 2.99 times the sum of (i) the Executive Officer's base salary plus (ii) target annual bonus opportunity, without seeking Shareholder advisory or other approval of such agreement. Severance payments do not include: (1) accrued but unpaid base salary or vacation pay through the termination date and reimbursement for any expenses validly incurred prior to the termination date; (2) any payment in respect of the Executive Officer's bonus for the year of termination or other unpaid bonus or award owed by the Company to the Executive Officer under any compensation plan or agreement; (3) any payment in consideration for services provided to the Company following the termination date (*e.g.*, consulting or advisory services); (4) any payment arising from the Executive Officer's death or disability; or (5) settlements of claims asserted against the Company by the Executive Officer.

Unless otherwise delegated to the Compensation Committee, the Board shall make all determinations regarding the application and operation of these severance guidelines in its sole discretion.

Share Ownership

The Board believes that, in order to align the interests of Directors and Shareholders, Directors should have a financial stake in the Company. Each Director is expected to comply with the share ownership guidelines set forth by the Compensation Committee. The Board will evaluate whether exceptions should be made for any Director on the basis of financial hardship.

Access to Management

The Board shall have access to any member of management.

Access to Independent Advisors

The Board and its committees shall have the right at any time to retain, at Company expense, independent outside financial, legal, or other advisors reasonably deemed necessary to the

execution of their responsibilities.

Director Orientation and Continuing Education

New members of the Board will be provided with the necessary materials regarding the Company's operations and performance to understand the Company's business.

The Board of Directors will have ongoing contact with senior executives and other members of management, for example, through yearly Board retreats, visits to Company facilities, and management participation in Board meetings. The Board shall receive an annual presentation by management of the Company's long-term strategic plan. In addition, the Board shall receive periodic briefings from the Company's independent auditors, its Finance executives, its Chief Legal Officer, and outside experts regarding, among other matters, changes in accounting regulations, other regulatory requirements, and the laws applicable to the responsibilities of the Board. Board members are encouraged to attend significant Company events and the Company's annual meeting of Shareholders. Board members are also encouraged to take advantage of materials and seminars provided by experts in the fields of accounting and the law, to the extent applicable to their responsibilities as Board members. Members of the Board are provided flight benefits to enable them to monitor the Company's service levels and to interact with Employees and Customers. Directors may also visit other facilities of the Company as they desire. Board members will have access to press releases, analyst reports, and other news reports regarding the Company and its prospects.

Public Communications

The Board believes that the CEO and other appropriate members of management speak for the Company and are responsible for communications with the press, analysts, regulators, and other constituencies on behalf of the Company. From time to time, members of the Board may be requested to communicate with one or more of those constituencies. Such communication should be coordinated with the Company's Investor Relations or Corporate Communications departments, as applicable. In no event shall any Board member disclose any material non-public information concerning the Company.

Other Practices

The Company will not reprice stock options for any reason. As is the historical practice of the Board of Directors, with respect to any market value option grants authorized by the Board of Directors or its Compensation Committee, the exercise price of such options shall be no less than the market price on the date of grant.

As adopted by the Board of Directors of Southwest Airlines Co. on September 3, 2024.