

## **SOUTHWEST AIRLINES CO. COMPENSATION COMMITTEE CHARTER**

### **I. Purpose**

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Southwest Airlines Co. (the “Company”) is to assist the Board with its oversight of (i) compensation of the Company’s executives and other employees, as well as non-employee members of the Board; (ii) senior executive management succession planning; and (iii) human resources policies and practices. In addition, the Committee shall have the powers, authority, duties, and responsibilities described below.

### **II. Membership**

The Committee shall consist of at least two members of the Board, each of whom shall meet applicable independence requirements of Rule 10C-1 under the Securities Exchange Act of 1934 (the “Exchange Act”) and the rules of the New York Stock Exchange. At least two members of the Committee shall qualify as “non-employee directors” for the purposes of Rule 16b-3 under the Exchange Act. The members of the Committee shall be appointed, removed, or replaced by the Board, and any vacancies on the Committee shall be filled by the Board in accordance with any applicable requirements of the Company’s Bylaws and taking into account recommendations from the Nominating and Corporate Governance Committee.

### **III. Operations**

The Board shall appoint one member of the Committee as chairperson (“Chair”) of the Committee taking into account the recommendation of the Nominating and Corporate Governance Committee. If the Board fails to appoint a Chair of the Committee, the Committee shall appoint one member of the Committee as Chair. The Committee shall meet as often as the Committee, the Board, or the Chair of the Committee may deem necessary or appropriate for the Committee to fulfill its responsibilities. The Chair of the Committee shall preside over Committee meetings at which the Chair is present and prepare agendas and other materials in accordance with the Company’s Corporate Governance Guidelines. The Committee shall also meet periodically in executive sessions without the presence of management. The Committee shall maintain minutes of its meetings, report on its activities to the full Board, and make recommendations to the Board as appropriate.

### **IV. Authority and Responsibilities**

The Committee shall have the powers, authority, duties, and responsibilities to:

1. assist the Board in evaluating potential candidates for senior executive positions, including Chief Executive Officer (“CEO”), develop and recommend to the Board senior executive succession plans, review senior executive succession plans

- periodically, and recommend to the Board any changes to, and any candidates under, the senior executive succession plans;
2. assist the Board in its oversight of human capital management, including corporate culture, diversity, inclusion, recruiting, retention, attrition, talent management, career development and progression, and succession;
  3. have direct responsibility for reviewing and approving corporate goals and objectives relevant to the compensation of the CEO (and Executive Chairman, as applicable), evaluating the performance of the CEO (and Executive Chairman, as applicable) in light of those goals and objectives, and, based on this evaluation, recommending to the independent members of the Board for approval or ratification the compensation level of the CEO (and Executive Chairman, as applicable). In making recommendations to the Board with regard to incentive components of CEO (and Executive Chairman, as applicable) compensation, the Committee will consider the Company's performance and relative shareholder return, the setting and achievement of threshold or maximum awards, the value of similar incentive awards to CEOs (or Executive Chairs, as applicable) at comparable companies, and the awards given to the Company's CEO (or Executive Chairman, as applicable) in past years;
  4. review and approve all equity-based compensation arrangements for employees of the Company and make recommendations to the Board with respect to equity-based plans that are subject to Board approval;
  5. perform an annual review of the compensation structure of the Company's officers who are subject to §16(b) of the Exchange Act ("Executive Officers"), and approve (or, in the case of the CEO (and Executive Chairman, as applicable), recommend to the independent members of the Board) the salary, bonus, perquisites and other incentive and equity-related compensation for each of the Company's Executive Officers;
  6. conduct an annual review of compensation for the non-management members of the Board, including consideration of whether the compensation consists of an appropriate combination of cash and equity-based compensation, and recommend any changes to the Board;
  7. review and discuss with management of the Company the Compensation Discussion and Analysis required to be included in the Company's proxy statement and, based on such review and discussion, have direct responsibility for preparing a Compensation Committee Report for inclusion in the Company's proxy statement;
  8. review, assess, and make recommendations to the Board, as appropriate, on the Company's diversity, equity, and inclusion (DEI) philosophy, practices, and initiatives;

9. review the results of the advisory vote following each shareholder meeting at which say-on-pay and say-on-frequency resolutions are proposed for a shareholder advisory vote and make adjustments, as appropriate, to the Company's executive compensation policies and practices;
10. review and recommend to the Board for approval the adoption, amendment, modification or termination of the Company's clawback policy and any other compensation recovery policies that allow the Company to recoup incentive compensation in compliance with §10D of the Exchange Act and the rules of the New York Stock Exchange, and to administer the clawback policy in accordance with its terms;
11. review, assess, adopt, and make recommendations to the Board, as appropriate, on other significant compensation and human resources policies and practices;
12. report periodically to the entire Board, as appropriate, on matters relevant to the Board's considerations in the areas of executive and director compensation;
13. annually review and reassess the performance of the Committee under this Charter and present any recommendations based thereon to the Board;
14. annually review the adequacy of this Charter and recommend any proposed changes to the Board for approval; and
15. perform such additional functions as may from time to time be assigned to the Committee by the Board.

The Committee shall be directly responsible for the appointment, compensation, and oversight of the work of any compensation consultant, independent legal counsel, or other adviser retained by the Committee; provided that the Committee has taken into consideration all factors relevant to that person's independence from management, including any independence factors that may be specified from time to time by the Securities and Exchange Commission and the New York Stock Exchange. The Committee will determine the appropriate funding, which must be provided by the Company, for payment of reasonable compensation to any compensation consultant, independent legal counsel, or other adviser retained by the Committee.

While the Committee has the powers, authority, duties, and responsibilities set forth in this Charter, the role of the Committee is to assist the Board in its oversight responsibilities. Unless directed by the full Board, it is not the Committee's responsibility to conduct investigations. In addition, it is not the Committee's responsibility to ensure that the Company complies with specific legal requirements of the Company's policies. Each member of the Committee will be entitled to rely, to the fullest extent permitted by law, upon the integrity of those persons or organizations within and outside the Company from whom it receives information and the accuracy of the information.

To the extent permitted by applicable law and regulations, the Committee may delegate its powers, authority, duties and responsibilities to subcommittees or individual members of the Committee, as it deems appropriate.

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