

SKYWEST, INC.
COMPENSATION COMMITTEE CHARTER

Purpose of Committee

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of SkyWest, Inc. (the “Company”) is to oversee the Company’s compensation programs and review and approve executive compensation as required by law.

Committee Membership

The Committee shall consist of three or more independent directors of the Board, which directors shall also meet all other eligibility requirements of applicable law. For purposes of this Charter, the “independent director” means a director who meets the NASDAQ Stock Market (“Nasdaq”) definition of “independent director” as determined by the Board.

Members of the Committee shall be appointed by the Board based on nominations recommended by the Nominating and Corporate Governance Committee of the Board and shall serve at the pleasure of the Board and for such terms as the Board may determine.

Committee Structure and Operations

The Board shall designate one member of the Committee as its Chairperson. In the event of a tie vote on any issue, the Chairperson’s vote shall decide the issue. The Committee shall meet in person or telephonically at least two times a year at a time and place determined by the Chairperson, with further meetings to occur, or actions to be taken by written consent, when deemed necessary or desirable by the Committee or its Chairperson.

The Committee may invite such members of management to its meetings as it may deem desirable or appropriate, consistent with the maintenance of the confidentiality of compensation discussions. The Company’s Chief Executive Officer (“CEO”) should not attend any meeting where the CEO’s performance or compensation is discussed, unless specifically invited by the Committee; provided that the CEO may not be present during any deliberations or voting in respect of his or her own compensation.

The Committee may, in its sole discretion, retain or obtain advice from compensation consultants, legal counsel or other advisers (independent or otherwise), provided that, preceding any such retention or advice, the Committee must take into consideration the applicable factors under Nasdaq rules. The Committee will be directly responsible for the appointment, compensation and oversight of any adviser it retains. The Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any adviser retained by the Committee.

Committee Duties and Responsibilities

The following are the duties and responsibilities of the Committee:

- 1) In consultation with senior management, establish the Company's general compensation philosophy and oversee the development and implementation of compensation programs.
- 2) Review and approve corporate goals and objectives relevant to the compensation of the CEO, evaluate the performance of the CEO in light of those goals and objectives, and recommend to the Board the CEO's compensation based on this evaluation.

In determining the long-term incentive component of CEO compensation, the Committee may consider, among other factors, the Company's performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies, the awards given to the CEO in past years, and other factors considered relevant by the Committee.

- 3) Review and approve compensation programs applicable to all officers of the Company (defined as the Section 16 officers of the Company).
- 4) Review and approve the Company's incentive compensation plans, stock-based compensation plans and profit-sharing/retirement plans and oversee the activities of the individuals and committees responsible for administering these plans (provided that the Committee's general oversight shall not include service as the plan administrator or involve the general administration of any plan subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA)).
- 5) In consultation with senior management, oversee regulatory compliance with respect to compensation matters, including overseeing the Company's policies on structuring compensation programs to preserve tax deductibility, and, as and when required, establishing performance goals and certifying that performance goals have been attained for purposes of Section 162(m) of the Internal Revenue Code.
- 6) Review and approve any severance or similar termination payments proposed to be made to any current or former Section 16 officers of the Company.
- 7) To the extent that the Company is required to include a Compensation Discussion and Analysis ("CD&A") in the Company's Annual Report on Form 10-K or annual proxy statement, the Committee will review and discuss with management the Company's CD&A and will consider whether it will recommend to the Board that the Company's CD&A be included in the appropriate filing.
- 8) Prepare and issue the report of the Committee required by the rules of the SEC to be included in the Company's Annual Report on Form 10-K or annual proxy statement.

- 9) Annually review the performance of the Committee and recommend to the Board any proposed changes to this Charter or to the Committee.
- 10) Perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to the Company's compensation programs.