



ENVIRONMENTAL AND SOCIAL COMMITMENT



2021

Corporate
Responsibility
Report



ENVIRONMENTAL AND SOCIAL COMMITMENT

ABOUT THE SKYWEST BUSINESS MODEL

We operate flights under two types of code-share agreements: capacity purchase agreements and prorate agreements with our major airline partners: Delta, United, American, and Alaska.

Capacity Purchase Agreements (~90% of our fleet)

Our major airline partners contract with us to operate regional jet aircraft in their respective network system. More specifically, each major airline partner determines our flight schedules, sets the passenger fares, and sells tickets to passengers through their reservation systems, and we operate the flights under their respective marketing and operating standards. In return, our major airline partners pay us fixed fees to operate flights under the capacity purchase agreements, regardless of the number of passengers we carry. The major airline partner also arranges and pays for the fuel used on our capacity purchase flights.

Prorate Agreements (~10% of our fleet)

Similar to our capacity purchase agreements, we operate flights using our major airline partners' ticketing and reservation systems. Under the prorate agreements, unlike capacity purchase agreements, the major airline partner remits to us the passenger fares received that are attributed to the prorate routes we operate, which may involve proration when passengers connect to our major partners flights. We have more discretion on setting our flight schedules and passenger fares under our prorate agreements. On prorate flights, however, we arrange and pay for the fuel consumed.



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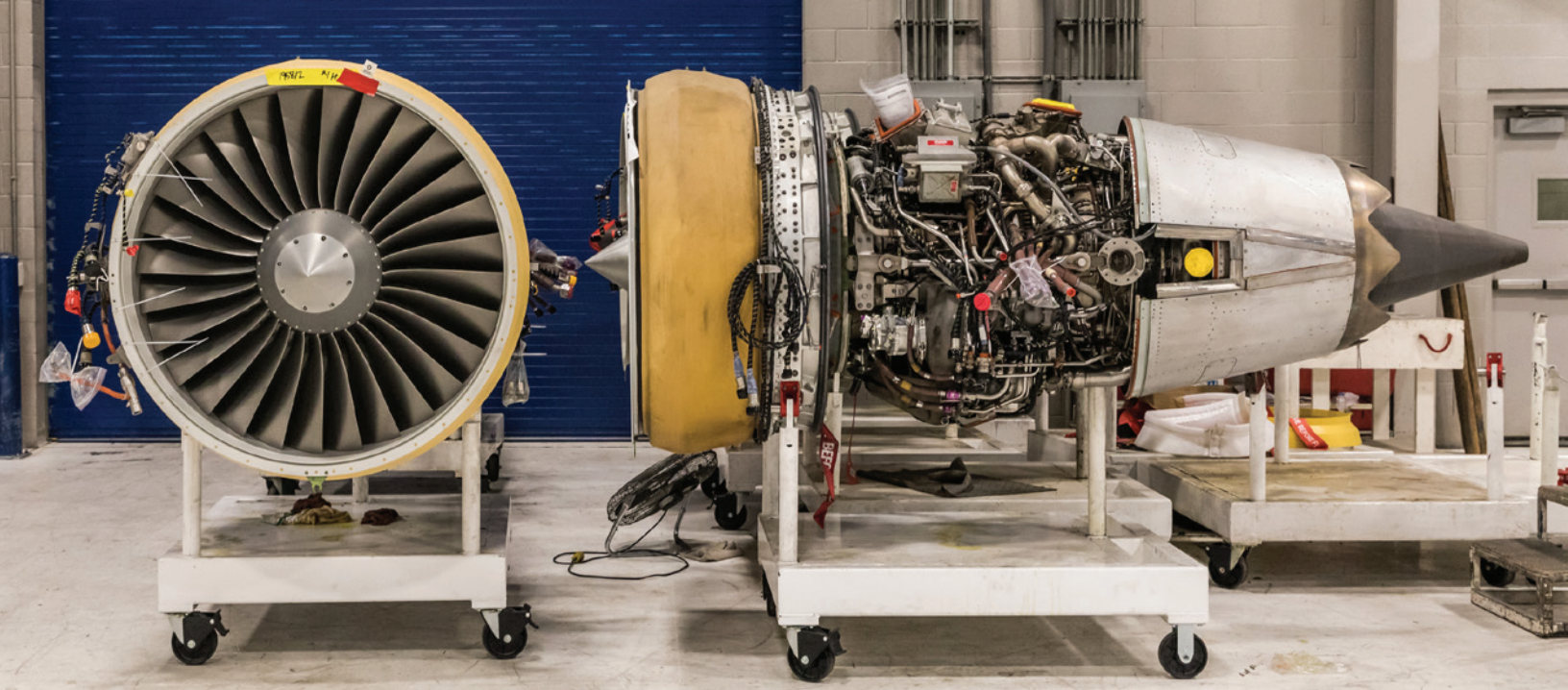
ENVIRONMENTAL COMMITMENT

With the largest regional airline operation in the United States, SkyWest remains committed to, and understands, our responsibility to minimize our impact on the environment. SkyWest’s Board of Directors has oversight of the company’s environment-related performance. Management, employees, and contractors are accountable for conducting our operation in an environmentally sustainable manner.

SKYWEST IS COMMITTED TO:

- ✈ Monitoring and reporting Scope 1 aircraft fuel greenhouse gas (GHG) emissions beginning in 2021 with 2020 annual data
- ✈ Complying with all environmental laws and regulations
- ✈ Operating in an environmentally responsible manner
- ✈ Setting environmental performance goals and continually improving environmental performance
- ✈ Preventing pollution, where possible, and if not possible, then establishing mitigation programs to minimize the environmental impact
- ✈ Using natural resources efficiently
- ✈ Monitoring environmental performance and practices
- ✈ Engaging with external stakeholders to discuss commercially viable solutions to environmental problems
- ✈ Reporting on environmental performance
- ✈ Business partners shall maintain an effective environmental policy and/or environmental management system. In addition to meeting legal and regulatory requirements, SkyWest expects business partners to pursue proactive efforts to minimize the impact of waste materials on the environment through effective controls and recycling initiatives





1.

CORSIA PARTICIPATION







Current Environmental Initiatives

SkyWest's primary impact to CO₂e emissions is the result of burning of jet fuel. SkyWest is committed to reducing our rates of carbon emissions by participation in the Carbon Offset and Reduction Scheme for International Aviation (CORSIA).

SkyWest began participation in CORSIA in 2019 as part of a worldwide effort to reduce industry carbon impact. The intent of CORSIA is to mitigate carbon emission growth in the industry through the monitoring of emissions associated with international flights and the purchase of carbon offsets.

With 2019 serving as the baseline, by 2025 SkyWest's goal is to purchase carbon offsets proportional to SkyWest's annual contribution of carbon emission growth since 2019 on international flight segments. This program has standardized oversight by the International Civil Aviation Organization (ICAO) and Federal Aviation Administration (FAA).

CORSIA's goal is to have carbon-neutral growth beginning in 2022 and an industry standard goal of **reducing CO₂e emissions by half of what they were in 2005, by 2050.** Our strategy for participating in accomplishing this goal includes:

-  Modernizing the SkyWest fleet by increasing the compliment of fuel-efficient aircraft, including NextGen Bombardier CRJ aircraft and Embraer 175s
-  Continuing to reduce fuel burn per flight through improved flight operational strategies and flight planning
-  Reducing emissions by strategically reducing the quantity of excess fuel carried on flights
-  Using satellite-based navigation aids (RNP) to fly more efficient direct routes
-  Build all new and remodel existing facilities with carbon emissions reduction a priority
-  Use low emission ground support equipment where practical



2.

FLIGHT
OPERATIONS
AND PLANNING

Current Environmental Initiatives

SkyWest’s flight operations and planning programs apply a multi-layered approach to meeting our environmental objectives. Through enhanced technology and NextGen equipage initiatives, we continue to advance our environmental commitment.



We collaborate with Air Traffic Control to ensure **efficient aircraft routing** between airports when practical, which leads to fuel conservation and reduction in emissions



We provide bi-annual training for our dispatchers and flight planners on fuel planning and **fuel conservation**



We monitor fuel trends and make a concerted effort to increase fuel burn **accuracy** during flight planning



Where possible, SkyWest **reduces the use of fuel** through single engine taxi



When practical at the gate, we use **ground power** for our aircraft rather than on board auxiliary power units



In 2020, we reduced the cost and emissions to carry fuel by **removing excess go-around fuel** based on an assessment of need by segment



SkyWest maintains a statistical contingency fuel (SCF) program to aid dispatchers and flight crews during fuel planning for each flight. The SkyWest SCF program analyzes specific route data, multiple historical data points, and year over year comparisons. By adhering to SCF for fuel planning, SkyWest **minimizes unnecessary fuel consumption** and emissions associated with carrying excess fuel



SkyWest actively participates in **noise abatement** air traffic procedures across the country



Aircraft weight reduction programs, including use of **Electronic Flight Bags** by Flight Operations, the InFlight **eFAD** and **Slimline** seating on our E175 aircraft fleet. Each seat is approximately 20 lbs. lighter than a standard seat and reduces the amount of fuel consumption of our E175 aircraft



3.

CLEAN AIR
AND EPA
COMPLIANCE

Current Environmental Initiatives

SkyWest complies with, and is committed to exceeding where possible, compliance under the US Environmental Protection Agency (EPA), Clean Air Act (CAA), Title 40 CFR Part 63.743 Protection of Environment Standards and programs specific to state regulations, programs, and measures.



SkyWest expects and ensures through established auditing procedures that vendors and suppliers have demonstrated their accountability and compliance to all state and federal standards, regulations, programs, and measures, and that each have a stated environmental policy.



SkyWest has established management and accountability of its systems through documented standard practices regarding Clean Air Act Compliance, Discharge Response, and Dangerous Goods & Hazardous Materials. Responsibility and authority is documented and demonstrated through the organizational structure including the Managing Director of Safety who is responsible for SkyWest environmental policies, procedures and processes including review and update as appropriate.



4.

OTHER GREEN INITIATIVES

Current Environmental Initiatives

SkyWest is focused on working with partners, vendors, and suppliers to ensure our environmental priorities remain a key area of focus throughout our operation and supply chain.

Environmental Responsibility



SkyWest participates in in-flight **recycling** programs with our airline partners, including recycling of aluminum cans, cold and hot cups, plastics, and snack box containers. SkyWest also performs a 'recycle sort' event with partner Alaska where all trash collected from one day of flying are separated from rubbish, exceeding the set goal of 85% recyclable items appropriately sorted by all flight attendants



We maintain active initiatives to **transition** from florescent, incandescent and halogen lighting to LED

- Current efforts have already reduced SkyWest headquarters' energy usage by approximately 60%. We have transitioned 50% from halogen lighting in parking areas to LED, and by 2022 expect to be 100% completed, which is expected to reduce parking lot energy use by 70%
- We have transitioned all hangar floor lighting to LED in four large hangars
- Construction of the most recent three hangars included LED lighting and smart switching



SkyWest has worked aggressively to **reduce** our reliance on paper manuals, forms and documents, reducing waste. We have converted all company manuals to electronic format, and in 2018 became the first airline to convert all aircraft maintenance logs into electronic form, further eliminating unnecessary waste while increasing efficiencies



Since 2015, our **recycling** initiatives at headquarters have kept an estimated 56 tons worth of paper, plastic, polystyrene, and other recyclables out of landfills



We are currently **upgrading** all software for more efficient heating and cooling HVAC systems at our headquarters, with completion scheduled for 2021



Construction of the hangars at Boise (BOI), Nashville (BNA), and Oklahoma City (OKC) included smart, **high efficiency** HVAC systems



The back-up electricity generator at our OKC maintenance facility is powered by **clean natural gas** rather than the traditional diesel fuel



We have ongoing oil **reclamation** programs at all maintenance bases, and are replacing end-of-life, gas-powered ground service equipment with battery and propane powered equipment

- Our maintenance department currently has approximately 40% electrically operated ground support equipment
- Our airport operations department currently has approximately 36% electrically operated equipment



EMISSIONS
DISCLOSURE

Aircraft Fuel Scope 1 Emissions

TOTAL FLEET*

	Total Gallons Per Year	Gallons (in MM)	EPA Emission Factor	Metric Tons CO ₂ e	Metric Tons CO ₂ e Per Million ASM
2017		499	9.783	4,882,585	211.4
2018		562	9.783	5,495,786	214.5
2019		620	9.783	6,063,290	218.3
2020		420	9.783	4,106,930	210.2

* Includes capacity purchase agreements and prorate.

PRORATE ONLY

	Total Gallons Per Year	Gallons (in MM)	EPA Emission Factor	Metric Tons CO ₂ e	Metric Tons CO ₂ e Per Million ASM
2017		41	9.783	399,151	277.0
2018		45	9.783	443,145	276.1
2019		48	9.783	465,022	271.1
2020		33	9.783	318,799	243.4

TOTAL BY FLEET TYPE

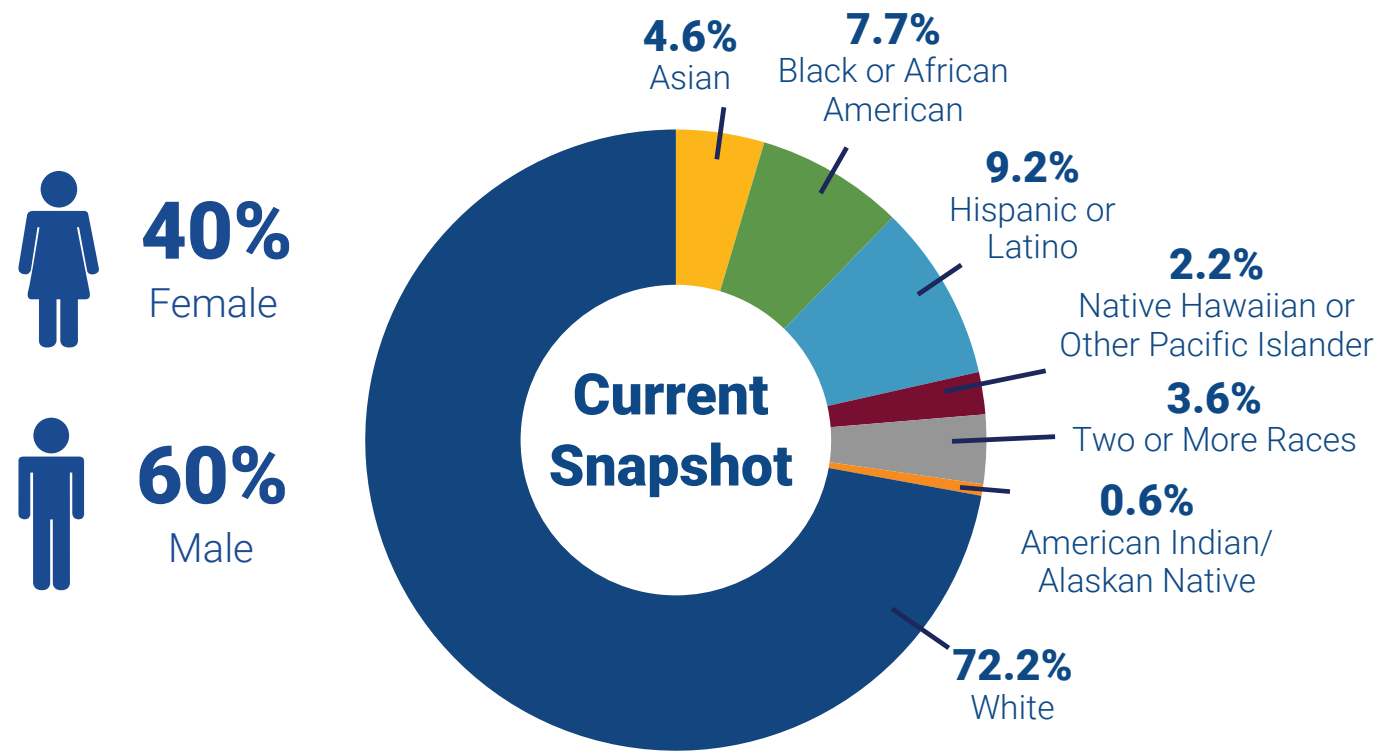
					
2020	E175	CRJ900	CRJ700	CRJ200	
Gallons (in MM)	204	32	91	92	420
EPA Emission Factor	9.783	9.783	9.783	9.783	
Metric Tons CO ₂ e	1,995,002	316,677	892,521	902,730	4,106,930
Metric Tons CO ₂ e Per Million ASM	191.7	206.4	222.1	252.4	



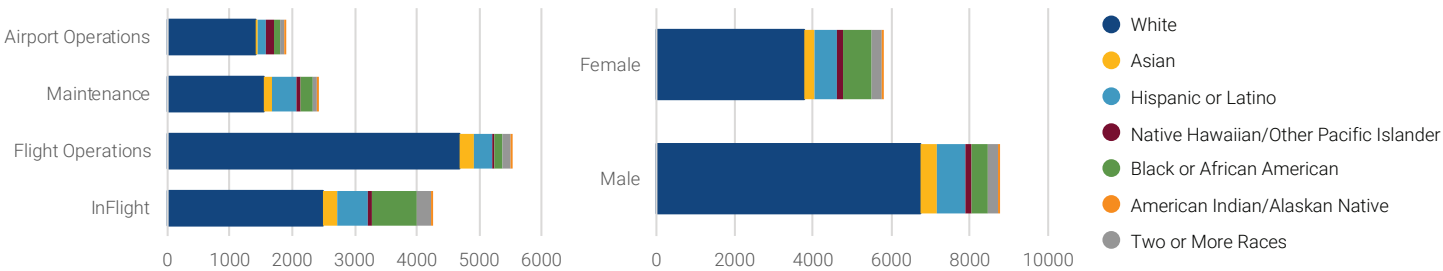
DIVERSITY AND INCLUSION

Our people are our most valuable assets. We strive to embrace the individual differences and unique capabilities and talents of our workforce through diversity and inclusion policies and initiatives. This commitment to diversity and inclusion contributes to our overall culture and success.

SkyWest is an equal opportunity employer and is focused on encouraging and celebrating diversity and inclusion. SkyWest has always taken steps to support diverse workgroups irrespective of race, religion, gender, national origin, disability, sexual orientation, or similar classifications, and believes that all people, regardless of their background, should have an opportunity to achieve their dreams.



ETHNICITY BY DEPARTMENT



SkyWest employs a workforce with a wide array of backgrounds, work styles, and talents. Recognizing, appreciating, and incorporating these unique qualities and contributions is critical to our success. Operating this way stimulates creative solutions and innovation, helps us attract top talent, and supports our mission to be the employer, investor, and partner of choice. SkyWest benefits in many ways from our commitment to diversity and inclusion, including:

ATTRACTING
TOP TALENT



ENCOURAGING
CREATIVITY



PROVIDING
EXCEPTIONAL
SERVICE FOR OUR
PASSENGERS



We seek to reflect diversity and inclusion in our culture, practices, and relationships inside and outside the company. We continue building on those foundations through a number of efforts across every spectrum of the employee experience. This includes:



HIRING
SkyWest finds **leading, diverse talent** through publishing all positions on both our internal and external career websites, supporting professional development leaves, investment in targeted advertising, social media outreach, employee referrals and relationships with community based organizations and learning institutions.



INCLUSION COUNCIL
The **SkyWest Inclusion Council** is made up of frontline employees who work directly with the executive team on projects, ideas and efforts to continue enhancing SkyWest’s culture of respect and inclusion.



TRAINING
All employees are expected to promote diversity and inclusion by treating others with respect and creating a workplace where everyone is valued. **All employees are required to complete diversity and inclusion training**, where they learn the importance of seeing differences as an opportunity for learning, understanding, and collaboration. This training reaffirms our commitment to diversity and inclusion by ensuring every employee is familiar with the benefits of a diverse, inclusive team, and company policies that uphold this focus.



EMPLOYEE RECOGNITION
Acknowledging and bringing together individual differences and distinct capabilities benefits our organization, our employees, and our customers. SkyWest has a long history of recognizing our people and the incredible work they do. SkyWest regularly amplifies those efforts through organic campaigns to feature employees’ stories. We have created ongoing opportunities to **highlight employees from different backgrounds and cultures** throughout the year.



CAREER GROWTH & DEVELOPMENT
SkyWest invests in **retaining the brightest talent** by providing a range of talent development opportunities, including mandatory compliance training, new hire training and general professional development.



HUMAN TRAFFICKING & OUR COMMITMENT TO COMBAT MODERN SLAVERY

SkyWest condemns all forms of human rights abuses, including human trafficking and sexual exploitation of children. We take the responsibility as a global citizen seriously and are proud to continue taking action against human trafficking in the airline industry.

SkyWest’s Company Code of Conduct defines and helps ensure that we conduct business in an ethical and responsible manner, including assurance that human trafficking and modern slavery do not occur within SkyWest or our supply chain.



EMPLOYEES

- SkyWest prohibits the use of company facilities, resources, equipment or travel privileges for activities that support human trafficking or the sexual exploitation of children. Employees who participate in human trafficking will be terminated.
- This includes any use of company computers, networks, phones or other equipment for the viewing, storage, distribution, promotion or other use that sexually exploits children.
- Employees are required to report to supervisors and local authorities any passenger or employee believed to be engaged in human trafficking activities or the sexual exploitation of children.



SUPPLY CHAIN

- SkyWest’s management professionals follow rigorous internal material standards for sourcing, procurement and selection of our suppliers and business partners.
- Our sourcing process includes a Vendor Code of Conduct, as well as due diligence to screen all key suppliers to eliminate any potential negative impacts of our supply chain. We hold our vendors to the same high standards we apply to ourselves.

TRAINING

- SkyWest has provided specific training to all frontline employees, including indicators of trafficking either in-flight or in the airport.
- SkyWest is an active participant in the U.S. Department of Homeland Security (DHS) and U.S. Department of Transportation (DOT) Blue Lightning Initiative. All frontline employees participate in Blue Lightning training and SkyWest regularly communicates regarding this initiative.



STRENGTHENING
OUR COMMUNITIES

SkyWest Airlines believes in contributing to the communities we serve by supporting charitable organizations and other reputable associations. Our primary focus is to improve these communities and their efforts to give back.

This includes contributions to and relationships with a number of reputable organizations, including but not limited to the following:





SPRIT OF SKYWEST CRISIS FUND 501(c)3

The SOS Crisis Fund is a non-profit, charitable organization that exists solely to help SkyWest people who are facing a severe hardship. Funds are contributed by SkyWest people for SkyWest people, and the SOS Crisis Fund's success is 100 percent dependent on the generosity of team members. Even the smallest contributions can make a big difference in the life of a co-worker affected by crisis.

Grants are available for employees, eligible retirees and their dependents up to 23 years old who are facing an unforeseen and unavoidable crisis and do not have any other resources available to assist them. This may include natural or man-made disasters, criminal acts, and other unforeseen crises that render them unable to recover without assistance.

SOS: CRISIS FUND OBJECTIVES/MISSION

Provide confidential, timely, short-term crisis relief to those in the SkyWest family needing basic assistance unavailable through other resources.

Provide an avenue for SkyWest people to financially support each other through tax-deductible charitable contributions.

Provide coordinated, central support center for team members and leaders organizing charitable fundraising efforts.

Seek ways to broaden charitable efforts that support SkyWest people in need.

Award grants fairly and consistently based on eligibility and need, without bias and distinctly separate from employment status.



FAMILY-FRIENDLY POLICIES

SkyWest offers Leave of Absence options that meet or exceed the requirements of state and federal laws governing family and medical leave, pregnancy, military and workers’ compensation leave.



SkyWest Medical Leave (SMLA) is offered to eligible employees after Family and Medical Leave (FMLA) is exhausted or at any time when they do not qualify for FMLA. SMLA can be taken when an employee’s expected time away from work is 14 days or longer and also on an intermittent basis. SkyWest also offers personal leave for up to 12 months to eligible employees who want to continue their education in preparation for added responsibilities with the company, want to accept temporary employment in federal, state, or local government or with an organization devoted to community service, or attend to personal matters for an extended period of time.

SkyWest supports career advancement and opportunity for all employees. In 2018, the company implemented a Professional Leave Program (PRO), allowing current employees to take a professional leave in order to pursue the necessary training and certifications to become a pilot, A&P mechanic or airline dispatcher. Not only are employees encouraged and given the resources to succeed, but supervisors stay in regular contact to help monitor their progress and offer advice along the way. As a bonus, employees who want to participate in the PRO program are able to keep their seniority.





COMPANY RECOGNITION

SkyWest is full of exceptional people who work together every day to accomplish great things. Whether for impeccable quality, top training and reliability, or a team of the best professionals in the industry, SkyWest continues to receive accolades.

By hiring the best and training the best throughout the nation, SkyWest has been recognized in many ways:



2018 and 2021



President & CEO Chip Childs



TOP 50 WINNER

WINNER
BEST OF STATE



2017, 2018 and 2019



“OUR PHILOSOPHY IS SIMPLE:
HIRE THE BEST,
REGARDLESS OF RACE,
RELIGION, GENDER,
NATIONAL ORIGIN,
DISABILITY, SEXUAL ORIENTATION
OR SIMILAR CLASSIFICATIONS.
EVERY EMPLOYEE BRINGS
UNIQUE EDUCATION,
SKILLS AND LIFE
EXPERIENCES TO OUR COMPANY.
OUR DIFFERENCES
MAKE US THAT MUCH BETTER
AT ACHIEVING WHAT
WE EACH HAVE IN COMMON:
**A COMMITMENT TO
EXCELLENCE.**”

Chip Childs
President & CEO SkyWest, Inc.

