

# 2023 Diversity, Equity, & Inclusion Report

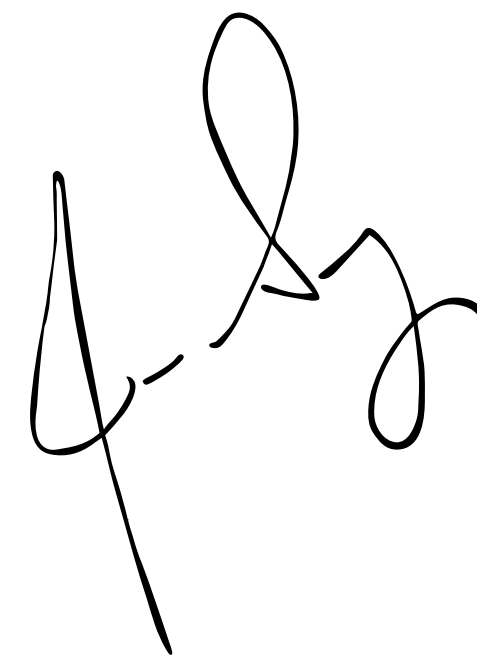


# A Message from our Vice President of Diversity, Equity, & Inclusion

An inclusive Culture is based on relationships, and one way we build relationships at Southwest is through engagement. It's the stories we share, the perspectives we provide, and the Hospitality we show one another. So, it was intentional that our 2023 Diversity, Equity, & Inclusion (DEI) initiatives focused on cultivating a workplace where ALL Employees feel accepted, valued, and respected. Fostering a sense of Belonging among our Employees ultimately extends to our Customers, partners, and community.

One of our major milestones was the launch of our Employee Resource Groups, or ERGs. These groups were created to spark engagement amongst Employees through inclusive communities who host events, programs, and initiatives that promote inclusivity, enrich our iconic Culture, and exemplify our Company Values. Our ERGs, which are open to all Employees, recognize and celebrate diverse identities, focus on career growth, commit to the community, and acknowledge moments that are important. In another effort to support our Employees, we also launched a voluntary, self-ID campaign which gives us more detailed insight about our diverse workforce to identify areas where we can further foster a sense of Belonging.

I recently shared the following quote, "A sense of belonging is the heartbeat of inclusion." Every single one of us represents the heartbeat of Southwest Airlines. As you engage with this report, my hope is that this is exemplified in every word, phrase, and quote. Putting People first is not just a tagline, it's embedded in our Culture and everything we do as a Company.



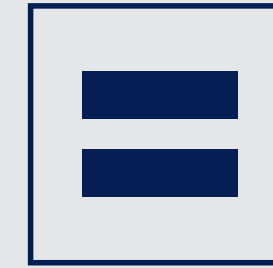
Juan Suarez  
Vice President of Diversity, Equity, & Inclusion



# 2023 Awards



2023  
**Military Friendly Company**



HUMAN RIGHTS CAMPAIGN FOUNDATION™

Corporate Equality Index  
2023-2024

**Equality 100 Award:**  
Leaders in LGBTQ+ Workplace Inclusion Recipient



**Ranked #23**  
on the 2023 *Fortune* World's Most Admired Companies™ list

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## Newsweek

America's Most  
**Responsible Companies list**



**Money Magazine Best Places to Travel**



2023  
**Customer Experience All-Stars list**



**Best Places to Work**  
list in 2023 for the 14<sup>th</sup> consecutive year



2023  
**Sustainability, Environmental Achievement, and Leadership ("SEAL")**  
Business Awards winner



America's Most  
**Innovative Companies**

## Newsweek

as one of  
**America's Greatest Workplaces**  
for Diversity 2023

# Diversity, Equity, & Inclusion

## 2023 Spotlight

- Launched Employee Resource Groups (ERGs) to spark engagement among our Employees within dimensions of diversity or identity, focusing on connection, community, and career
- Introduced “Creating a Workplace of Belonging” training to equip Employees with the necessary tools to create a workplace Culture that is welcoming to all
- Encouraged participation in our Self-ID initiative by inviting Employees to voluntarily validate or share personal information, giving us a more detailed view of our workforce





The DEI Department helps foster a Culture of Belonging based upon the principles of equity and inclusivity for all Employees. We are committed to a workplace where all Employees are valued for their individuality, respected for their unique backgrounds and skills, and appreciated for their contributions to our overall success.

We reflect our commitment to DEI in the practices and Teams that turn that commitment into innovation and positive change, including evolving our recruitment and development practices, creating robust community partnerships, and increasing diversity among Leadership.

The People Goals table outlines the DEI goals we set in 2020 and the actions we’ve taken toward achieving them. Our DEI goals are aimed at strengthening our Culture while maintaining our hiring standards and fostering an inclusive environment for all Employees to grow and develop.

The Board of Directors committed to increasing diverse representation on the Board by 2025 (as compared to 2020). For additional information on this commitment, please refer to Board Composition in the Governance section.

### People Goals

Goal	Actions Taken
<b>Hiring &amp; Development</b>	
 <p><b>Evolving hiring and development practices</b> to support broadening our talent pipelines, including posting all <b>new open Leadership positions</b> (VPs and below) and requiring <b>diverse Candidate slates</b> for each role</p>	<p>Created Inclusive Hiring training for all Hiring Managers</p> <p>Created a Pipeline and Programs Team within Talent Acquisition to focus on partnerships across the country to aid in diversifying our talent pipeline</p>
<b>SMC (Executive) Diversity</b>	
 <p><b>Doubling</b> the percentage of <b>racial diversity</b> and <b>increasing gender diversity</b> in our SMC by 2025 as compared to July 2020</p>	<p>Our requirements for posting all new, open VP positions and requiring a diverse Candidate slate is part of our overall Talent and succession planning activities, which includes a focus on building a diverse bench for our SMC</p> <p>Since 2020, we increased the racial diversity of our SMC Members by four percentage points</p>
<b>Senior Leadership Diversity</b>	
 <p>Measuring progress in <b>increasing diversity in Senior Leadership</b> as compared to July 2020</p>	<p>Published our second annual DEI Report in May 2023 highlighting our efforts in People, Culture, community, and supply chain and shared diverse demographics at each level of the organization</p> <p>Among Senior Leadership, racial diversity increased from 15% to 18% and gender diversity increased from 33% to 39%</p> <p>Required a diverse Candidate slate for all open and new Senior Leadership positions</p>
<b>Community Partners</b>	
 <p>Engaging a breadth of <b>community partners</b> to leverage the Company’s relationships in sourcing <b>diverse talent</b></p>	<p>With more than 400 community partners, we're working to grow these relationships across the country and we work with our partners to help grow our Candidate pipelines</p> <p>In 2023, we participated in over 250 DEI-focused hiring and outreach events, engaging with over 50,000 individuals throughout the country</p>

The DEI Department focuses on four strategic areas to help us identify opportunities, move our DEI efforts forward, and meet our goals. These focus areas include:

- **Culture and Values**
- **Talent**
- **Brand, Reputation, and Social Topics**
- **Communication and Reporting**

## Culture and Values

Our approach to DEI is deeply rooted in who we are and what we stand for as a Company. We're a Company of People from diverse Cultures, backgrounds, experiences, and viewpoints. And we recognize, respect, and value those differences. We firmly believe that a Culture that embraces and leverages diversity fosters competitive advantages in Teamwork and innovation that drive our success. Each Employee contributes their unique talents, creativity, and individuality, making Southwest the incredible Company it is today.

We invest in a number of important initiatives that bring our inclusive Culture and Values to life. In recent years, we launched our "Every. Single. One. Of. Us." Campaign, a narrative that underlines our commitment to DEI and every Employee's importance in our Company. We also reinstated our Diversity Council and published our first DEI Report in 2022, which provides a transparent account of our DEI journey. The 2023 DEI Report is available for download at [SouthwestOneReport.com](https://SouthwestOneReport.com).

Through resources, events, recognition, and celebrations of Culture, heritage, and pride, we continue to provide our Employees with educational tools and opportunities to celebrate their unique identities.

2023 marked the official launch of our ERGs. ERGs are Company-sponsored and are organized around specific dimensions of diversity or identity. Aligned with our Southwest Values, each ERG has two Executive Sponsors

and is led by Employees. They are open to all Employees who support their missions. Corresponding with our cultural, heritage, and pride months, our seven ERGs include Able@SWA, Black Excellence Advancing Together@SWA (B.E.A.T.), Corazón@SWA, Military@SWA, Out & Proud@SWA, Resilient Asian & Pacific Islander Descendants@SWA (R.A.P.I.D.), and Women@SWA. These groups embody our commitment to diversity and inclusion, helping us realize our full potential by supporting our Employees.

We also launched our ERG Community Grants program, which further bolsters the impact of our ERGs in the communities we serve, fosters teamwork and collaboration within the ERG membership, and allows ERGs to allocate funds for investment in the nonprofit organizations who are addressing the pressing issues that impact our diverse communities. Each ERG was provided a grant budget of \$2,500 to award to 1 to 2 nonprofits of their choice. In total, eight deserving nonprofit organizations received ERG Community Grants totaling \$17,500.



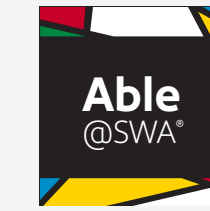
*“Serving as the Executive Sponsor of B.E.A.T., I am honored to champion the professional development of Black Employees through dedicated career education, impactful mentorship, and community-focused initiatives. I take pride in supporting this transformative program to positively impact not only Black Employees, but also contributing to the growth of Southwest Airlines.”*

## Tony Roach

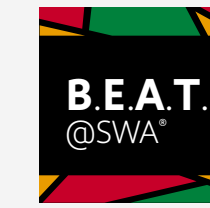
Senior Vice President &  
Chief Customer Officer Executive  
Sponsor of B.E.A.T.@SWA

In addition to our ERGs, our Employee-led Groups (ELGs) began in 2021 to create communities based on similar interests amongst Employees. ELGs are an Employee-driven, inclusive, and organic way to build connectedness and enhance a sense of Belonging. We have more than 19 ELGs based on topics that are important to our Employees.

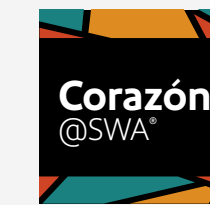
## ERG Mission Statements



Ensuring an equitable and inclusive Culture where Employees with disabilities can participate fully and meaningfully



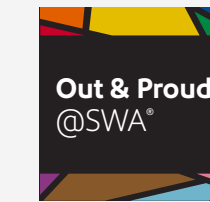
Creating an inclusive environment by celebrating Black Culture and experiences, ensuring Members feel appreciated, seen and cared for



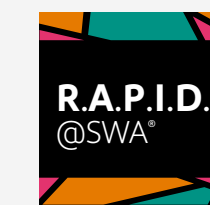
Fostering our Hispanic/Latino/a/x community and promoting diversity through professional development and community service



Providing a community of support and camaraderie by connecting military veterans and their Cohearts with knowledgeable resources



Advancing our Culture of inclusivity for the LGBTQ+ community and their allies by empowering Cohearts to be their authentic selves



Building a community where Employees can identify with and celebrate Asian & Pacific Islanders' Culture and develop professionally



Creating a space for women to express their diverse perspectives, encourage professional development, build leadership skills, and mentor Cohearts

Throughout 2023, we took great pride in celebrating various cultural, heritage, and pride months. These commemorations honor the diversity of our Employees and the communities we serve. We celebrated occasions such as Black History Month, Women's History Month, Asian American & Pacific Islander Heritage Month, LGBTQ+ Pride Month, Hispanic Heritage Month, National Disability Employment Awareness Month, and Veterans Day.

Our annual Inclusion Summit is focused on making authentic connections and fostering inclusion in the workplace. The theme for 2023 was "Authentic Conversations," focused on having meaningful, inclusive dialogue that Employees can leverage in both their personal and professional lives. Our Inclusion Summit encourages Employees to step outside of their comfort zone and get to know someone whose background, experiences, and story may differ from their own—recognizing this is the best path to fostering a Culture of inclusivity.

Our commitment to DEI supports our Company Values. We offer resources for Employees to report instances where others may not align with these Values. Discrimination, bullying, retaliation, or harassment contradicts our DEI mission and Vision, violates our policies, and is not tolerated.

**We have more than 19 ELGs based on topics that are important to our Employees.**

**Talent**

Southwest is committed to cultivating an inclusive environment and a Culture of Belonging throughout the talent lifecycle. This includes inclusive recruiting and hiring efforts and supporting current Employees with the right resources and training, all the way to Leadership development and succession planning.

The DEI Department formed an Executive Steering Group to support, among other things, the strategic direction of our DEI-focused talent initiatives. Recent strides include evolving Southwest's talent acquisition processes by requiring diverse Candidate slates for new, open Leadership positions (VPs and below), as well as inclusion hiring training for all hiring Leaders. We continue to work with our community partners in developing diverse and inclusive talent pipelines and expanding recruiting efforts.

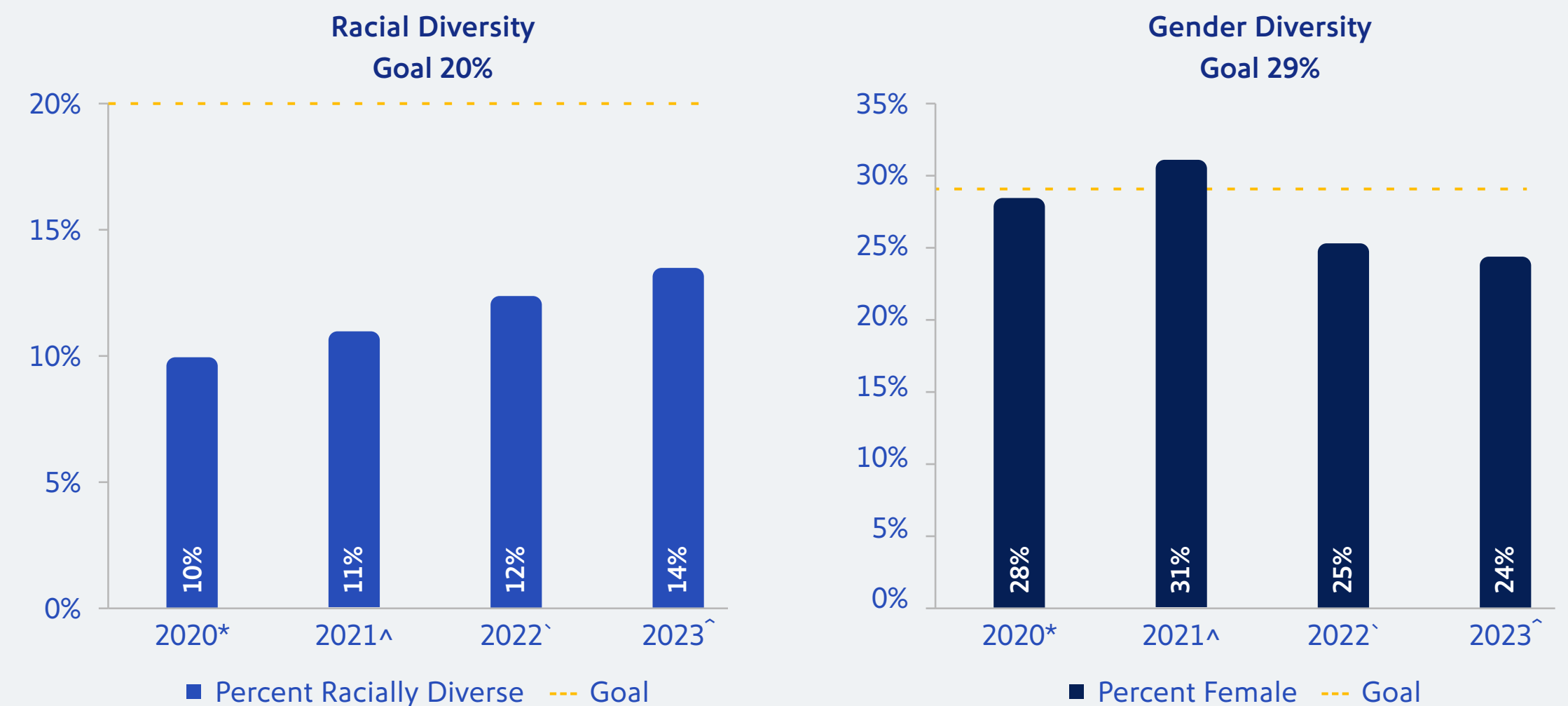
We provide DEI training and educational resources to all Employees, with a strong emphasis on training for those in Leadership roles. In 2022, we introduced mandatory Inclusive Leadership training for all Leaders. More than 6,000 Leaders and Employees completed our 'Building a Diverse and Inclusive Workforce' training, focused on recognizing and addressing unconscious bias in the workplace and promoting an inclusive recruiting process. A key focus for 2023 was fostering an environment of Belonging. We launched a comprehensive training program for all Employees titled "Creating a Workplace of Belonging." This training, consisting of several courses and a resource guide, defines Belonging and its role in driving our shared success.

In 2023, we built on our momentum by introducing quarterly resources, including learning guides, conversation guides, activities, and fireside chats. These tools not only increase DEI acumen across the organization but also offer foundational knowledge for Employees seeking to understand the significance of DEI at Southwest. Topics covered include dimensions of diversity, personal bias, and authentic conversations.



**Senior Management Committee Executive Diversity**

Since 2020, we've seen an increase in the racial diversity of our SMC from 10% to 14%



\*as of 7/31/2020 ^as of 12/31/2021 `as of 12/31/2022 ^as of 12/31/2023

\*as of 7/31/2020 ^as of 12/31/2021 `as of 12/31/2022 ^as of 12/31/2023

## Brand, Reputation, and Social Topics

Over the years, our many efforts to foster a Culture of Belonging have helped weave DEI into the fabric of Southwest's brand and reputation. Through a variety of initiatives—from crafting our DEI narrative, "Every. Single. One. Of. Us.", to the formation of our Social Topics Committee, our commitment to supplier diversity, and our community partnerships—we not only enhance ESG ratings, rankings, and awards but also strengthen our DEI brand internally with our Employees and externally with our Customers, communities, and partners.

By partnering with nonprofit organizations that focus on DEI in historically underrepresented groups, including Historically Black Colleges and Universities (HBCUs) and Hispanic-serving institutions, we strive to attract outstanding Candidates and demonstrate our commitment to inclusivity. Hiring events such as the WIA and the Organization of OBAP, along with hosting tour days for programs like the OBAP Aerospace Career Education (ACE) Academy, exemplify our proactive approach. These efforts are not just about recruitment; they're about building bridges and fostering an environment where everyone, regardless of their background, feels they belong and can thrive.

Our "Celebrate with Service" initiative further exemplifies our dedication to social and economic progress by spotlighting community partners and encouraging our Employees to support causes that resonate with them. Through these and other initiatives, we aim to champion DEI within Southwest Airlines, while setting a standard for corporate responsibility and community engagement that reflects our Core Values and enhances our brand and reputation in the eyes of all our Stakeholders.

Established in 2015, Southwest's Social Topics Committee is a cross-functional executive forum that reviews and proposes responses to current social topics and evaluates areas to take proactive actions.

Like many other companies, we're on a journey. We recognize there's always more we can do to make our work environment even better and even more accepting. In order to reach our goals and aspirations, we must allow for vulnerability, engage in courageous conversations, and listen to our Employees, Customers, and communities.

## Communication and Reporting

Effective communication and reporting are important parts of our DEI journey. These elements not only foster transparency but also help guide our strategic decisions and actions.

Our DEI Department, with oversight from our Executive Steering Group, drives communication efforts to build a shared language and understanding around DEI. This involves championing both informal and formal conversations to deepen perspectives on our DEI Vision. Regular updates and open dialogues help us lead strong communication efforts, where all voices within Southwest are heard and valued. This approach enables us to track and assess our progress while maintaining consistent reporting to our Board of Directors and Executive Leaders.

Understanding and monitoring our progress toward our DEI goals is crucial. We prioritize listening to our Stakeholders—Employees, Customers, communities, and Shareholders. Their feedback is instrumental in identifying our strengths and opportunities for growth.

## To this end, we employ various methods to track our effectiveness:

- **Employee Surveys:** Conducted biannually, these surveys provide insight into the overall Employee experience and perceptions of DEI at Southwest
- **Voice of Employee Panel:** This panel, open to all Employees who opt in, offers a platform for frequent feedback through brief monthly surveys. The insights gained here inform initiatives like the Self-ID campaign and allow us to fine-tune our approach to DEI
- **Completion of DEI Training and Education:** Tracking the completion rates of our DEI training programs helps us know that our Employees are equipped with the knowledge and skills to contribute to an inclusive workplace
- **Evaluation of DEI Events:** We regularly assess the impact of our DEI events, such as quarterly Town Halls and the Inclusion Summit, to gauge their effectiveness and gather Employee feedback
- **Retention, Recruiting, and Promotion Metrics:** These metrics provide a clear picture of our progress in creating a diverse and inclusive workplace



## Self-Identification

Recognizing that having more robust information about our workforce helps us to better facilitate dialogue around initiatives that create a sense of Belonging, in 2023, we launched a voluntary Self-ID campaign for Employees to validate or share their personal information. Encouraging Employees to voluntarily share dimensions of diversity including disability status, military status, military spouse status, and sexual orientation can help us:

- Learn more about our People
- Support Southwest Employees with more effective programs
- Measure the success of our DEI initiatives
- Make data-driven decisions that help create a sense of Belonging
- Inform the types of nonprofit organizations we partner with around volunteer initiatives and other programs

All members of our SMC, along with more than 30% of Southwest Employees hired since the program's inception, participated in the Self-ID campaign. We're committed to exploring further strategies to drive additional Employee participation.

## Stakeholder Engagement

Engaging with our Stakeholders is a key component of our DEI strategy. Our Diversity Council and DEI Executive Steering Group play a crucial role in this process. Additionally, our Customer Accessibility Advisory Committee works closely with the disability community to shape policies and procedures to strengthen inclusivity in all aspects of our service.

Our Stations actively participate in acknowledging cultural, heritage, and pride months, allowing our Customers to engage with our DEI efforts. This engagement extends to our ERGs and includes public events like the Inclusion Summit, fostering a sense of community and shared commitment to DEI.

As we advance in our DEI journey, we continually use Key Performance Indicators (KPIs) to measure the success of our efforts. These KPIs include Employee surveys, Self-ID data, completion rates of DEI training, and metrics related to retention, recruiting, and promotion. This data-driven approach keeps us aligned with our DEI objectives and enables us to make informed decisions for the future.



*“Inclusion has always been at the Heart of Southwest. We recognize that all backgrounds, experiences, and perspectives can make an incredible impact on our Company. An inclusive work Culture is all about fostering a sense of Belonging. That is done by building relationships and engaging with one another. It’s the stories we share, the perspectives we provide, and the encouragement we offer. We are committed to being a place where Employees feel welcomed and encouraged to bring their best selves to work.”*

### Juan Suarez

Vice President, Diversity, Equity, & Inclusion



# Community Outreach

## 2023 Spotlight

- Contributed more than \$18 million in total corporate giving to nonprofits and civic organizations
- Donated more than \$500,000 in in-kind and monetary donations to support Maui wildfire relief efforts
- Pledged \$290,000 over four years to the 17 awardees of The Southwest Airlines® Founders and The Southwest Airlines® Community Scholarships
- Provided transportation to 80 nonprofit hospitals and medical organizations through the MTGP

We focus on three principles to advance our Corporate Responsibility efforts: **loving People, building resilience, and living responsibly**. We bring these principles to life by supporting partnerships and programs that drive economic, social, and environmental impact. Southwest cultivates relationships with more than 400 national, state, and local organizations across the country. Whether it's doing our part in disaster response, providing access to education and career development, or promoting environmental sustainability, we help the communities where our Customers and Employees live and work thrive.

Many of our community outreach initiatives are funded by The Southwest Airlines Foundation. This corporate-advised fund serves as an extension of our commitment to social

impact and community resilience. The Foundation's mission is to effect meaningful change by investing in transformational programs and initiatives that promote equity, prosperity, and sustainability. The Foundation creates a permanent trust where corporate charitable donations can be preserved and invested for future use.

Southwest employs a strategic approach to manage and measure the effectiveness of our community outreach efforts. The Local Outreach Coordination Executive Steering Committee meets monthly to review and align our initiatives and resources with our Company objectives and the needs of local communities. A dedicated Social Topics Committee also meets regularly to discuss pressing social issues like DEI, human trafficking awareness, and mental health and wellbeing. These proactive discussions help guide our engagement strategies and maximize our impact in the communities we serve.

We review our partnerships and contributions quarterly and evaluate their effectiveness through impact reports and ongoing dialogues with key partners and Stakeholders. Impact metrics, ranging from program outcomes and impact stories, to fundraising amounts and event sponsorships help us track the tangible difference we make in each community. Budgets and partnerships are adjusted as needed to keep our community engagement efforts aligned with evolving community needs and Southwest's goals.

### Loving People: Taking Care of People because We're More than an Airline

We want to be there when our communities need us most. As the second-largest air carrier in Hawaii, operating more than 90 daily flights that touch the Hawaiian Islands, we put our Hearts in Action after the Maui wildfires. We rapidly increased our service across the Pacific and within the state to transport People, pets, and critical supplies. This involved introducing a \$19 inter-island fare and reducing our pet fare to \$1 to facilitate evacuations.

Recognizing the urgent need for flexible travel, we offered additional accommodations for our Customers traveling to, from, or through Kahului (Maui), allowing them to rebook with no fare differences. With the help of our strong presence in the Hawaiian Islands and relationships with local organizations, we donated more than \$500,000 in cash and air travel toward emergency response efforts, transporting more than \$8,000 worth of goods using Southwest Cargo.

Our collaboration with Hawaii law enforcement and local firefighting agencies included cycling in volunteer firefighters to support continuous relief efforts. We provided flights to volunteers from University of Hawaii athletics, nonprofit organizations, and 150 different vendors bringing in critical supplies. In total, we provided more than 500 complimentary round trip flights to support relief efforts. Additionally, we operated an emergency airlift to relocate more than 130 cats and dogs in Maui animal shelters to Portland, Oregon.

Our Hearts remain with the Maui communities affected by the wildfires and we continue to engage in the island's long-term recovery.

Alongside focused outreach efforts like disaster relief, Southwest invests in flagship annual programs to help make sure we're taking care of our communities year round.

- **Employees Catastrophic Assistance Charity:** Since its founding in 1990, this independent 501(c)(3) organization offers a beacon of hope to Southwest Employees facing catastrophic events in their lives. Funded through Employee payroll deductions, private donations, honorariums, and fundraisers, the Charity distributed more than \$16 million to assist and support our Southwest Family since its inception.
- **Medical Transportation Grant Program:** MTGP has been a cornerstone of our community outreach efforts since 2007. The program provides vital transportation assistance to patients requiring specialized medical care, along with their families. We've provided more than \$42 million in free transportation to 117 nonprofit hospitals and medical organizations across 28 states, supporting more than 100,000 patients and caregivers over the past 16 years.



### Building Resilience: Empowering Communities to Thrive

Our scholarship programs, workforce development initiatives, and other outreach programs are designed to build resilient communities by supporting individuals seeking personal and professional growth. Southwest's scholarship programs provide opportunities for students across the United States to pursue their educational dreams, particularly in the aviation industry. In 2023, Southwest pledged \$290,000 over four years to 17 awardees, who also received two round trip tickets to stay connected with their loved ones during their educational journey.

- **The Southwest Airlines® Founders Scholarship** (previously the Herbert D. Kelleher and Rollin W. King Scholarship): This scholarship, now in its 41st year, is a tribute to our founders. It provides financial assistance

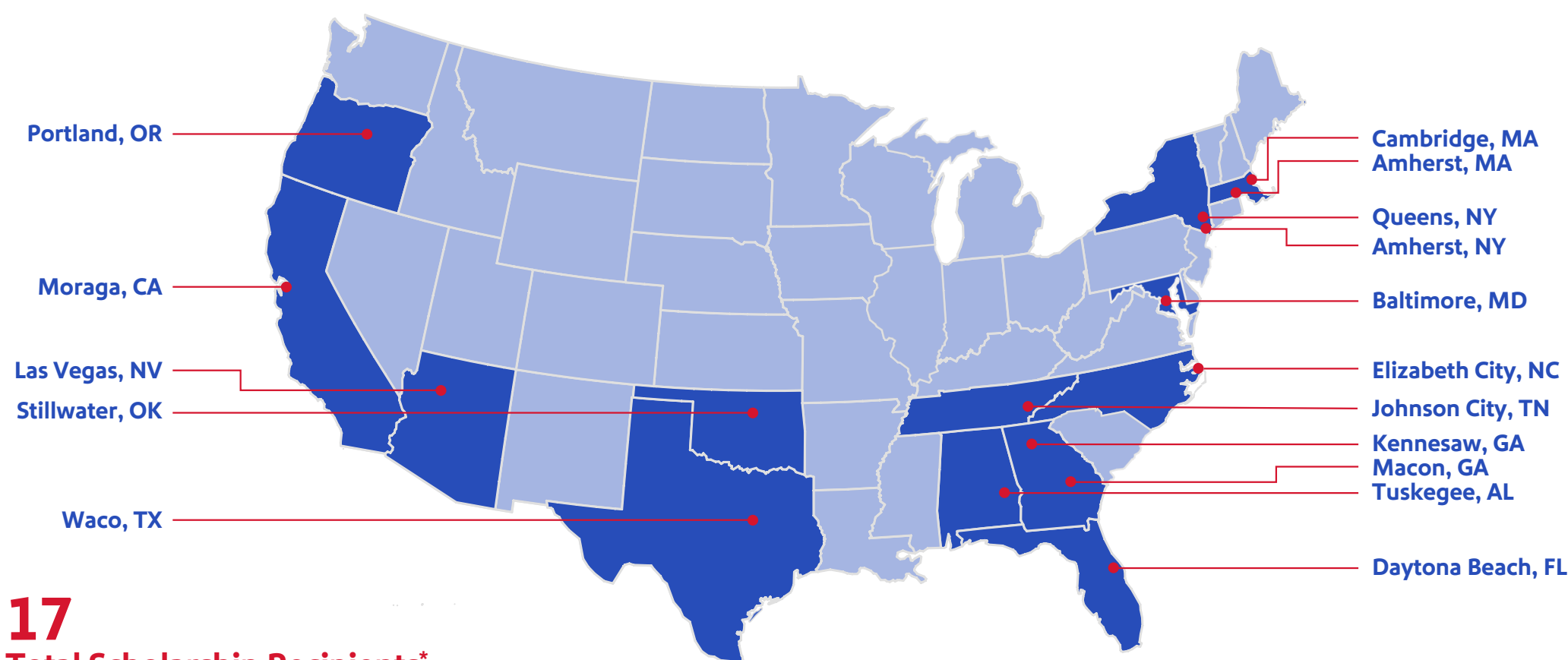
to eligible dependents of Southwest Airlines Employees, supporting their pursuit of higher education.

- **The Southwest Airlines® Community Scholarship** (previously the Southwest Airlines Scholarship): Introduced in 2021, this scholarship is geared toward building a diverse talent pipeline and inspiring future generations to consider careers within the airline industry. It offers financial support to students nationwide, encouraging exploration of various roles in aviation.

Our 2023 scholarship recipients represent a diverse group of ambitious students from universities nationwide, including the University of Tennessee, Tuskegee University, and Harvard College. Most awardees are just beginning their college adventures and have their eyes on an aviation career, working toward degrees ranging from aerospace engineering to aviation business administration.

### Educating Students from Coast to Coast

Recipients of the Southwest Airlines Founders Scholarship and the Southwest Airlines Community Scholarship are pursuing educational opportunities throughout the country



**17**  
Total Scholarship Recipients\*

\*One recipient remains undecided.



Beyond scholarships, we collaborate with nonprofits and educational institutions on several workforce development initiatives designed to introduce students to the wide array of career opportunities in the aviation industry.

- **Adopt-A-Pilot® Program (AAP):** Celebrating its 25th Anniversary in 2023, this program inspired thousands of fifth-grade students nationwide to explore careers in aviation. Southwest Pilots connect with classrooms, providing mentorship and engaging students in STEM-focused activities and experiments. This program not only educates but also ignites a passion for aviation in young minds.
- **D225° Pilot Pathways Program:** Launched in 2019, this program trains aspiring Pilots for potential careers at

Southwest. It trains and empowers future Pilots through four different pathways to gain aviation experience, including Cadet, Military, University, and Employee routes, and has more than 450 participants.

- **Southwest Internship Opportunities:** Through paid internships in various departments, students gain valuable experience and exposure to Southwest's unique Culture, further supporting their educational and professional development.
- **¡Láncate!/Take Off! Travel Award Program:** In partnership with the Hispanic Association of Colleges and Universities, this program supports students pursuing higher education far from home by providing airline tickets, reducing the financial burden of travel.



## Destination 225° Pilot Pathways

Training future Pilots to fly The Southwest Way through four pathways



### Cadet Pathway

Trains new or private Pilots with the skills needed to become a Southwest First Officer in as little as four years. There's no typical Candidate or background for the pathway, and all are welcome to apply.

439

Active Participants

205

New Participants

7

New First Officers



### University Pathway

For individuals interested in pursuing a four-year degree that will lead them toward a career as a Southwest Pilot. Students at our partner universities work on their degree and flight time while receiving guidance and a direct path to becoming a Southwest First Officer in as little as two years after graduation.

259

Active Participants

163

New Participants

5

New First Officers



### Military Pathway

Allows experienced, passionate, and well-trained aviators to learn how to fly The Southwest Way. This pathway bridges the gap for Pilots with fixed-wing turbine experience interested in launching their civilian flying career.

8

Active Participants

7

New Participants

4

New First Officers



### Employee Pathway

Designed for Southwest Employees who have some flight experience (private Pilot's license or higher) and provide them the training needed to achieve their goal of flying for Southwest.

22

Active Participants

7

New Participants

2

New First Officers

Additional community initiatives include:

- **Human Trafficking Awareness:** We support organizations combating human trafficking, contributing to the rescue, recovery, and restoration of survivors.
- **DEI:** Southwest has supported diverse nonprofit organizations for more than two decades, accelerating social and economic advancement in diverse communities across the country.

Through these efforts, Southwest Airlines aims to build community resilience by empowering individuals through education, career development, and supportive community initiatives. We look to create lasting, positive change that helps communities thrive.

### Living Responsibly: Building Sustainable Communities

Repurpose with Purpose embodies our commitment to living responsibly. This award-winning initiative upcycles items such as aircraft seat leather and transforms them into new products. Through Repurpose with Purpose, Southwest partners with organizations worldwide to reimagine thousands of pounds of materials annually, helping keep them out of landfills. Repurpose with Purpose is more than just an environmental sustainability program; it represents our dedication to positively impacting the communities we serve.

In 2023, we continued to expand the reach of Repurpose with Purpose by enhancing our work with our partners, including:

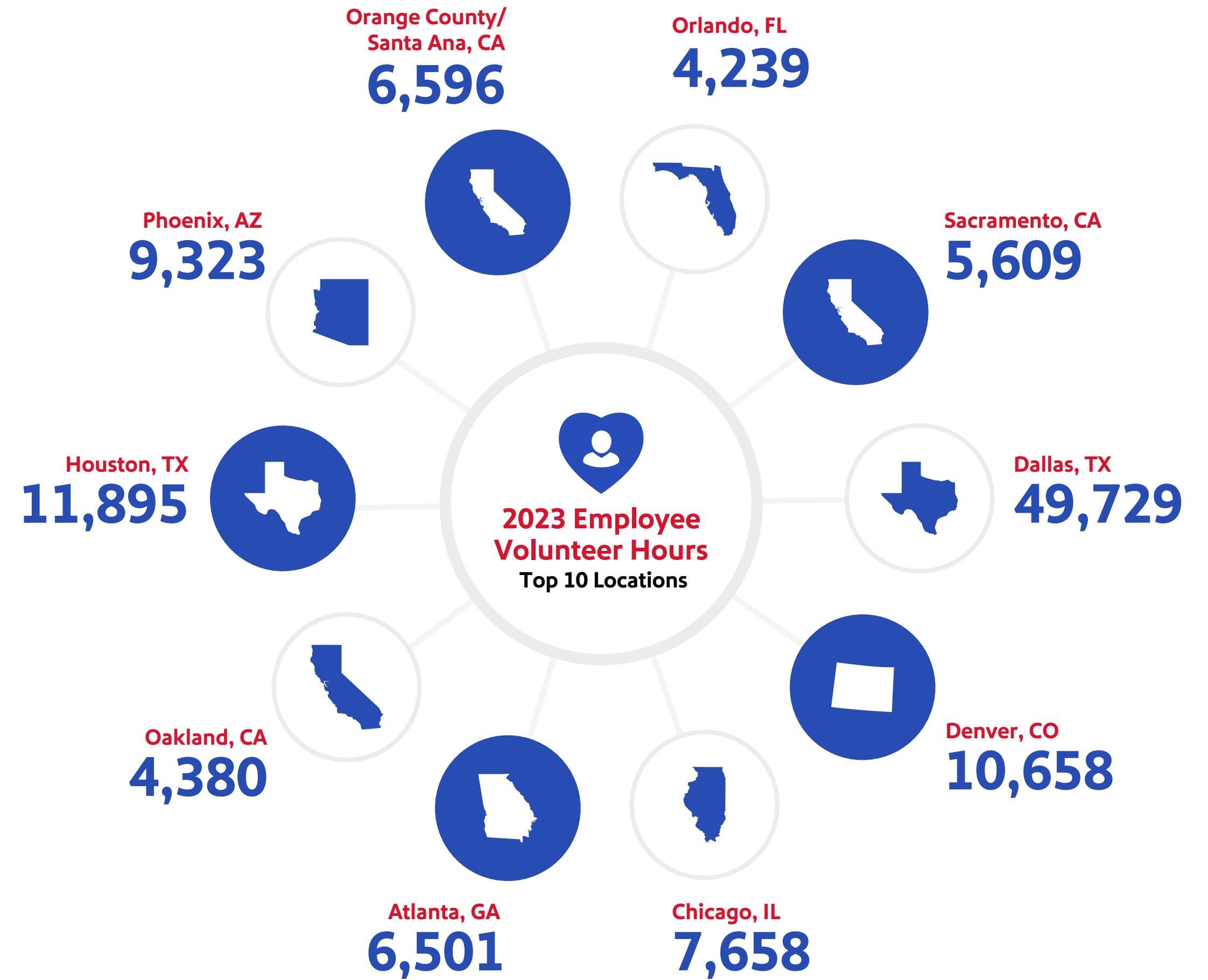
- **Unshattered:** Our collaboration with Unshattered, a 501(c)(3) nonprofit social enterprise, aligns with our sustainability goals and social impact Vision. In 2023, we supported Unshattered's mission to end the addiction relapse cycle through economic independence and sustained sobriety by donating used leather from Southwest aircraft. Unshattered's *Possibilities Take Flight* collection features upcycled travel bags handcrafted by women in recovery, with all proceeds supporting their journey toward healing and growth beyond addiction.
- **Magpies & Peacocks:** Our partnership with this Houston-based nonprofit design house that plays a crucial role in disrupting the fashion industry's waste cycle transformed leather from our aircraft seats into their Take Flight Collection—a chic, wearable fashion line. This collaboration reimagines post-consumer textiles and fosters creativity and sustainability education within the community.
- **EcoRise and Scraplanta:** EcoRise is a nonprofit organization that mobilizes a new generation of leaders to design healthy, just, and thriving communities for all. Our collaboration supports their National Student Innovation Fund, which provides grants for student designed sustainability projects and expands our Repurpose with Purpose Goes to School program to Atlanta, GA and Austin, TX. This initiative connects used aircraft seat leather to classrooms, providing students with hands-on experiences in sustainability and creative reuse, nurturing environmental literacy and sustainable practices at a young age.
- **Wearsos:** Wearsos—where fashion meets purpose—is a social enterprise on a mission to inspire change and create a better future. Wearsos is dedicated to transforming lives through upcycling and providing employment opportunities for marginalized individuals. Championing women's empowerment and education, Wearsos is creating impact within communities in Costa Rica. Using donated aircraft seat leather from Southwest, the Wearsos Collection of bags and accessories is handcrafted by artisans in the heart of Turrialba, Costa Rica.



## Impact of Southwest Volunteers

Southwest Employees create community wherever they are by putting their Hearts in action through volunteerism and giving back. Southwest offers incentives to encourage Employees to log their volunteer hours, as well as a matching program where nonprofits earn tickets in-kind for Employee volunteer efforts.

- **Volunteer Ambassadors:** Every year, hundreds of Southwest Employees go beyond their normal roles and responsibilities to serve as Volunteer Ambassadors. Through volunteer engagements such as supporting traveling Make-A-Wish® families, serving dinner at Ronald McDonald Houses® across the country, or supporting Earth Month, our Volunteer Ambassadors play a key role in championing the causes that matter most to our communities, Employees, and Company.
- **Heart In Action Month:** We run a dedicated campaign in November to elevate awareness of our impact programs, motivate Employees to volunteer, and recognize Employee volunteers. In 2023, our Heart in Action Month included a Meals on Wheels Blitz day where more than 300 Southwest volunteers covered 140 meal delivery routes around the Dallas community.
- **Tickets for Time:** To honor and appreciate our Employee volunteers who give their time and talents to 501(c)(3) nonprofits and schools, Southwest donates one round trip ticket (up to six tickets per calendar year) for every 40 hours that Employees volunteer with that organization.
- **Mile High United Way's 135th Anniversary:** Over the holidays in Denver, Southwest volunteers assembled 135 bikes as gifts for Mile High United Way's Children's Holiday Party. More than 170 Southwest Employees and friends from 31 Southwest locations and 19 workgroups put their Heart in Action on this project to support the Colorado community.



# Employee Retention & Recruitment

Attracting and retaining top talent is critical to our continued success. We focus on growing the Southwest Family with individuals who share our Company Values—offering them a competitive Total Rewards package, comprehensive on-the-job training, and the resources they need to succeed.

Broadening our outreach in 2023, we launched virtual quarterly job sessions. Aimed at high school students, parents, and educators, these sessions bring insights about Southwest career opportunities to classrooms nationwide. We also celebrated our first cadets being hired as First Officers from the Southwest Airlines Destination 225° Program (D225), which guides aspiring professional aviators to Southwest via defined training and flight experience pathways.

Supporting our continued commitment to DEI, many of our recruitment initiatives focus on reaching underrepresented groups. In 2023, we hired the first student from our work-study partnership with Paul Quinn College, a Historically Black College and University (HBCU) in Dallas, Texas. We also hosted eight summer Interns in our Campus Reach Neurodiversity Program, a college internship program designed for neurodivergent individuals with autism spectrum disorder. Of the eight Interns, four accepted full-time Associate-level roles in our Technology Department through our Direct College Hire Program, which is open to individuals of all educational backgrounds, and three accepted return internships for 2024.

**Employee Referral Program:** Southwest Employees are an invaluable resource for recruiting individuals who share our Company Values and enrich our Culture. We continue to invest in our Employee Referral Incentive Program, rewarding Employees for quality referrals that lead to successful hires who remain with Southwest for at least six months.

**Southwest Summer Camp:** This program offers high-school-aged dependents of Southwest Employees insight into the diverse careers at Southwest Airlines through hands-on activities, departmental interactions, and tours of facilities like the Leadership Education Aircrew Development (LEAD) Center and maintenance hangar.

Since its inception, Southwest Summer Camp has attracted participants throughout our network, with many former campers becoming proud Employees of Southwest.

**The Southwest Hiring Experience:** We strive to provide all Southwest Candidates with an exceptional hiring experience. All Southwest job postings below the VP level now display starting pay ranges, wage rates, and benefits information. Pay transparency includes specific wage scale steps for positions under CBAs and salary ranges for Noncontract positions. This initiative, which exceeds legal requirements in most of our hiring locations, aims to foster a transparent and equitable hiring process.

We're constantly refining our hiring and employment screening processes to facilitate the swift and efficient onboarding of New Hires. These refinements include automating portions of our hiring process, conducting informational sessions and webinars for potential Candidates, and offering virtual interview options.

In 2022, we updated our processes to require diverse Candidate slates for all new open Leadership positions, ranging from Supervisor to VP. We perform quarterly audits on our Candidate slates to evaluate adherence to this commitment.

## Retention

Southwest's compensation strategy rewards hard-working Employees and boosts our market competitiveness. By increasing our starting hourly rates, all hourly Employees covered by CBAs earn at least \$17 per hour, a change that reflects our commitment to current and prospective members of the Southwest Family. As part of our comprehensive Total Rewards package, we also cover parking costs for Employees at Stations or Bases. We're continuously working to improve our offerings to reward Employees and positively impact recruitment and retention efforts.

At Southwest, we believe in **empowering Employees** to create their own careers that fit the goals and lifestyle they want.

Our Career Mobility Team helps Southwest Employees proactively prepare for internal career opportunities through services like individual career advising sessions, interview preparation resources, and virtual information sessions. Career Mobility has grown consistently since its inception in 2020. In 2023, nearly 6,000 appointments were booked, with interview preparation being the most popular service. We also expanded our virtual event presence to raise Employee awareness about various career opportunities within Southwest. Most internal opportunities are posted for seven days, allowing Employees to explore and apply for roles that interest them, further supporting their career goals.

To enhance the Candidate Experience, we provide clear and detailed information about open roles. We've created "Day in the Life" videos, added specific landing pages to our [Southwest Careers website](#), and hosted virtual pre-hire information sessions to provide a holistic overview of various job responsibilities. These efforts are designed to give candidates and pre-hires a comprehensive understanding of potential roles and align expectations from the outset.

We closely monitor metrics like applicant-to-hire ratios, time to hire, Candidate pipeline strength, New Hire turnover, retention rates, and progress toward our DEI goals. Starting in 2023, we began tracking Candidate sentiment during the hiring process. We provide regular Stakeholder engagement across the organization, involving both our People Department and internal Hiring Leaders in the decision-making process for future recruitment and retention initiatives.

## Recruitment

Our Talent Acquisition Teams dedicate themselves to building strong talent pipelines that inspire individuals from all backgrounds to pursue meaningful careers at Southwest Airlines. Several recruitment initiatives contribute to our robust talent pipeline, including outreach and hiring events, an Employee referral program, and working toward a more efficient and transparent hiring experience.

**Events, Outreach, & Pipelines:** Throughout 2023, Southwest Employees attended or sponsored more than 500 hiring and outreach events across 66 cities. Events ranged from career fairs to elementary school visits and focused on current talent pools and building future pipelines. Key 2023 events and outreach included Experimental Aircraft Association (EAA) AirVenture, Women in Aviation International (WAI), and the Organization of Black Aerospace Professionals (OBAP).

# Employee Training, Education, & Career Development

## 2023 Spotlight

- Launched the Southwest Learning Summit, an all-virtual development event to inspire lifelong learning for any Southwest Employee
- Expanded development opportunities for Employees to continue their growth and prepare Southwest for the future
- Received the Don Clifton Strengths-Based Culture Award from Gallup

At Southwest, we're dedicated to inspiring our Employees to realize their full potential. From New Hires to seasoned Leaders, we want our People to achieve their professional goals through comprehensive and continuous learning and personal growth. Our many development-focused teams, including Southwest Airlines University (SWAU), Talent & Leadership Development (T&LD), Flight Operations Training, Technical Operations Training, and other departments are all passionate about cultivating talent.

Recognizing the evolving needs of our workforce and responding to Employee feedback for more learning and development opportunities, we continually update, enhance, and introduce meaningful training and programs. Some of the 2023 highlights include:

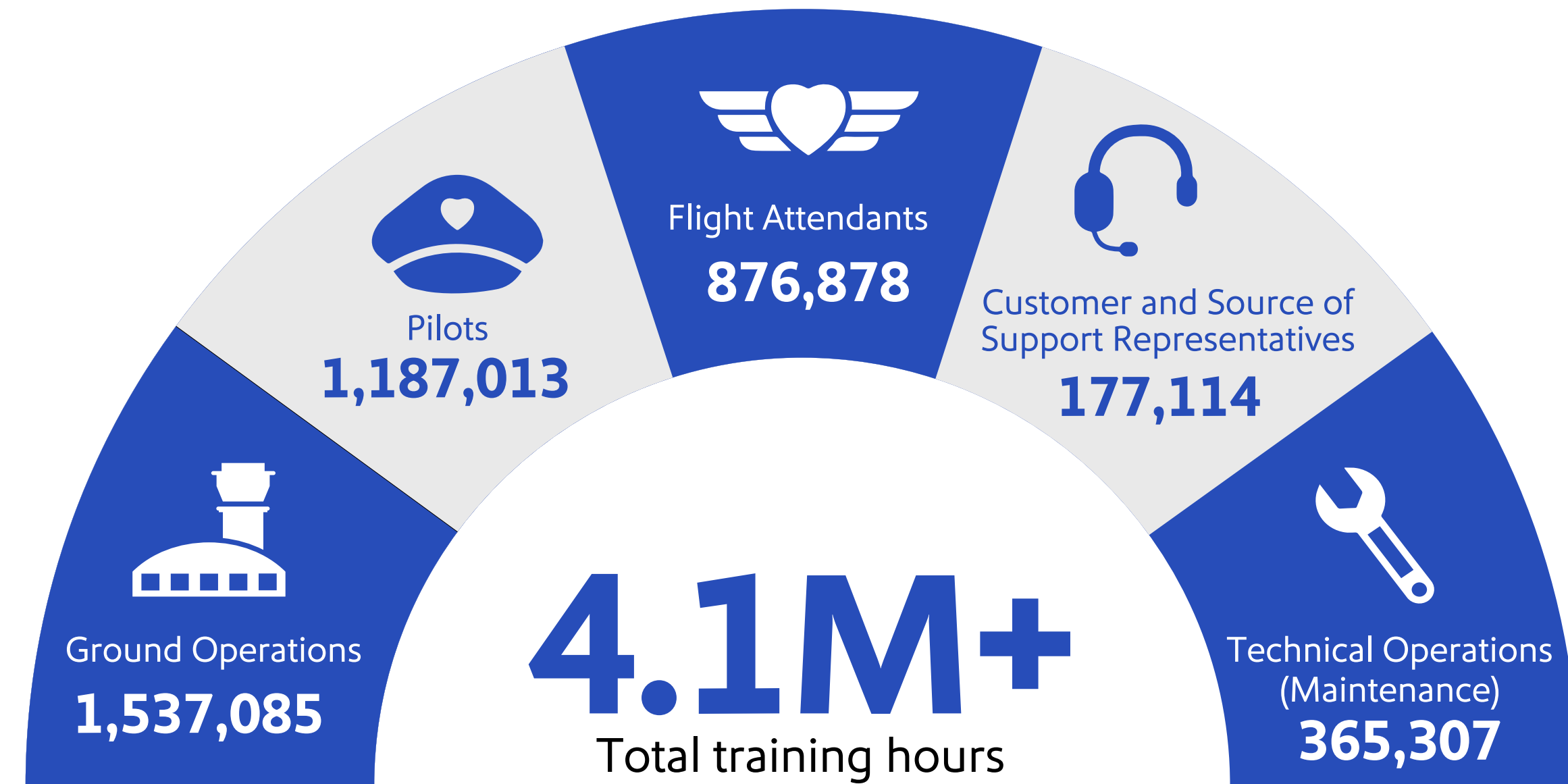
- **Southwest Learning Summit:** Our new all-virtual development event features Employees, Leaders, and external experts sharing career and development insights

and best practices. Each session focuses on a different Company Value designed for Employees to understand the importance of their roles at Southwest and how they can bring their best selves to their Teams. This new development opportunity provides accessible education moments and inspires lifelong learning for Southwest Employees. Throughout 2023, nearly 4,000 Southwest Employees attended a Learning Summit event.

- **Creating a Workplace of Belonging & Wellbeing Training:** In 2023, we launched the "Creating a Workplace of Belonging & Wellbeing" training program to deepen Employees' understanding of Belonging and equip them with effective stress management techniques. The program comprises mandatory courses for Noncontract Employees that promote an inclusive and respectful work environment and guide Employees on how to help create a welcoming Culture for all. Several courses provide practical tools for managing stress and fostering wellbeing, as well as tips on excelling in high-pressure scenarios. We assess participation and engagement levels to gauge the program's effectiveness. We've also introduced more development opportunities for Leaders, including programming focused on inclusive Leadership.

2023 brought more highlights, including our Don Clifton Strengths-Based Culture Award, which celebrates our continued commitment to becoming the first Strengths-based airline. As of December 2023, all Noncontract Employees received access to the Strengths assessment and associated learning. We're introducing Strengths to all Operational Leaders and Employees in some operational workgroups in 2024, with access available for all Employees planned for the end of 2025.

## Operational Employee Training Hours



## Continuous Development

Our training and development approach evolves with Southwest Employees throughout their careers. The journey begins on day one during onboarding. Southwest New Hires undergo a thorough training program at our Corporate Campus in Dallas, Texas which includes a celebratory welcome, an all-day onboarding class, and extensive information on our Company Culture and benefits. Operational Employees receive additional training focused on Safety and operational proficiency before progressing to training aimed at upskilling.

Beyond onboarding, we're proud to offer various optional learning opportunities for Employees to further their personal development throughout their careers. With different modalities, including classroom instruction, distance learning, on-the-job training, mentoring, and blended learning, Employees can shape their careers to fit their individual goals and lifestyles.

- **Southwest Learning Center:** Created in 2020, this resource aims to meet the growing demand for development tools. We encourage both new and tenured Employees to take charge of their professional and personal development by exploring the Center's offerings. These offerings are quick learning opportunities, including documents, videos, podcasts, and computer-based training. We updated the Southwest Learning Center to provide Employees with a clean, simple catalog of virtual training opportunities for required training and optional curriculum.
- **Google Career Certificates Program:** We launched the Google Career Certificates program in 2023 for our operational Employees. Google Career Certificates are flexible, online training programs that enable participants to upskill around high-demand, job-ready skills. Courses range from data analytics and cybersecurity to project

management, UX design, digital marketing, and more. In 2023, we issued licenses to nearly 500 users, with 489 learners logging more than 3,832 total learning hours and an average of 8.4 hours per learner. Based on this early momentum, we expect even stronger participation in 2024.

- **Southwest Mentorship Program:** In 2022, we introduced a Companywide mentorship program, which offers a connection with another Employee and an opportunity to work toward shared goals. The program emphasizes the value of mutual learning and relationship building. Any Southwest Employee with at least six months of Southwest service can participate in the six-month formal mentorship to learn new skills and explore different areas of the business. Each pairing receives a comprehensive mentorship guidebook, access to a wealth of internal and external resources, and dedicated support from the Mentorship Program Team to foster meaningful connections. Since 2022, the program successfully paired 1,668 Employees.
- **Performance Management:** Noncontract Employees at Southwest engage in regular one-on-one meetings (1:1s) with their Leader to support their professional development. These meetings are essential for Employees to receive feedback and discuss their performance, development, and career aspirations. Leaders are equipped with resources and monthly topics to keep 1:1s productive and focused on the Employee's growth. Performance check-ins for eligible Employees take place mid-year to review progress and year-end to celebrate achievements and set priorities for the following year. Check-ins evaluate the Employee's behavior, performance, and development in alignment with our Company Values, competencies, and specific role priorities.



## Leadership Development

We're committed to cultivating the next generation of Southwest Leaders through various training programs. These programs are tailored to new and seasoned Leaders, equipping them with the tools and skills needed to lead effective Teams. Each training initiative focuses on enhancing Leadership competencies, including DEI, business acumen, and other critical Leadership skills.

- **Leadership Conference:** The Leadership Conference aims to inspire and develop Southwest Leaders through dynamic, engaging content. This annual two-day hybrid event includes Leadership Summit and Operations Assembly sessions for Supervisors and above. The 2023 Leadership Conference brought together hundreds of Southwest Leaders from more than 40 departments, furthering our commitment to shaping a Culture of learning and development.



- **360° Leadership Development Feedback Program:** In 2023, Managing Directors and Directors participated in the Southwest 360° Leadership Development Feedback Program. This program assists Leaders in identifying and enhancing their strengths, recognizing areas for improvement, increasing self-awareness, and establishing specific development goals. Leaders in the program completed a Leader 360° survey, received a personalized feedback report analyzing Southwest Competencies for Leaders, and participated in a one-on-one coaching session with a certified Gallup coach.
- **High Impact Development Portfolio:** The High Impact Development programs—High Impact Leader I and High Impact Leader II—accelerate the development of our high-performing Leaders by combining educational, experiential, and reflective learning experiences with virtual, in-person, and self-paced learning. These programs are exclusively for Leaders with direct reports. The 2023 inaugural cohort of the High Impact Leader I Program for Supervisors, Team Leaders, Assistant Managers, and Managers included 45 Leaders who represented a range of backgrounds and departments within Southwest. Each participant contributed unique perspectives and essential skills for leading Southwest Airlines into the future. Since the programs began in 2022, 116 Leaders graduated from High Impact I and II.

**Since 2022,  
116 Leaders  
have graduated  
from High  
Impact programs.**

New initiatives like the Southwest Learning Summit reflect our dedication to fostering a Culture of continuous learning and growth. As we continue to expand our career development efforts, we empower our Employees to achieve their full potential and better position Southwest for long-term success.



*“Our investment in Leadership and Employee development programs continues to be a game-changer for engagement and retention efforts. I’m proud of our work delivering on our Company Promise to provide a stable work environment with equal opportunity for learning and personal growth by democratizing learning, nurturing individual talent, and preparing Southwest for future growth.”*

**Kristi Owens**

Vice President, Talent  
& Leadership Development

# Supply Chain Responsibility

## 2023 Spotlight

- **Published our Supplier Code of Conduct, reflecting our commitment to ethical business practices and corporate responsibility**
- **Supported the growth and success of supplier diversity with the relaunch of Southwest Supplier Diversity Ambassadors, formerly Supplier Diversity Advisory Council**
- **Focused on building relationships with small and diverse businesses by participating in more than 35 local and national events hosted by certifying agencies, where Supply Chain Management interacted with more than 600 suppliers**
- **Began integrating sustainability questions into our RFP process, helping to align our procurement processes with our sustainability goals**

A robust and responsible supply chain is about much more than a competitive edge. It reflects our commitment to being a good corporate Citizen. Our strategic approach to supply chain management encompasses a proven sourcing methodology, a commitment to supplier diversity, and dedication to ethical and sustainable practices.

To optimize costs and efficiency, we utilize a cross-functional strategy in our sourcing methodology. This involves comprehensive market research, competitive bidding, and routine program reassessment.

We focus on identifying suppliers who can elevate our productivity and quality, and who bring innovative solutions that strengthen our position as an industry leader. In 2023, Southwest engaged Supplier.io, a third-party supplier diversity data and platform provider, to evaluate our diverse spend through data enrichment and to capture diverse spend of our Tier I suppliers through their Tier II portal, UniTier. We want to know that our Tier I suppliers exemplify Southwest Airlines' Values and invest in diversity and inclusion efforts within their own organizations.

Our commitment to engaging with small and diverse suppliers is a key part of being a responsible corporate Citizen. Our Supplier Diversity program aims to provide opportunities to qualified small and diverse businesses, including those owned by minorities, women, veterans,

disabled, and LGBTQ+ individuals. This commitment fosters an environment that values diverse thoughts, backgrounds, and experiences.

We implemented initiatives to boost our supplier diversity and engagement, such as relaunching the Supplier Diversity Ambassadors program. In this program, formerly known as our Supplier Diversity Advisory Council, ambassadors act as vital links between Supplier Diversity and Supply Chain Management. Additionally, we introduced an educational video course to inform Employees about the impact of their supplier choices.

We also expanded our partnerships with certifying agencies and organizations. Throughout the year, we participated in more than 35 events, interacting with over 600 suppliers,

focusing on building relationships with small and diverse businesses. Southwest's search for mutually beneficial relationships extends beyond our partnerships with certifying agencies and organizations. Our presence at the Air Carriers Purchasing Conference led to a partnership with FirstKem, a small business enterprise.

In 2023, we began utilizing EcoVadis to assess the ESG performance of our supply chain and alignment with Southwest's [Supplier Code of Conduct](#). To engage suppliers in sustainability and help align our procurement with our ESG goals, we incorporated sustainability questions into our RFP process.



## EcoVadis

Southwest began working with EcoVadis—a sustainability ratings platform for global supply chains—in 2023 to assess our top 200 suppliers (based on spend) through the EcoVadis ESG ratings platform, increasing transparency and measuring the impact of our supply chain. An initial group of key suppliers was asked to voluntarily participate in the EcoVadis sustainability assessment, resulting in performance scorecards that provide critical information regarding the environmental and social impacts of our supply chain. We have also set internal KPIs and developed a roadmap for continued development of our shared sustainability journey with our suppliers.

## Supplier Code of Conduct

Our Supplier Code of Conduct was published in 2023. It reflects our commitment to ethical business practices and corporate responsibility. This policy outlines Southwest's expectation that our suppliers operate with high ethical and legal standards, contributing to not only enhancing our services but also empowering communities and respecting our planet.

The policy also sets forth our expectation that suppliers conduct business with honesty and integrity, and maintain respectful workplaces that guard against human rights abuses. It emphasizes environmental responsibility and sustainable practices, alongside proactive risk management and a commitment to continuous improvement. Compliance is essential, as non-adherence may affect future business eligibility with Southwest.

Our procurement policy and process enables fair and impartial evaluation of all suppliers. We use various selection processes tailored to Company needs and market conditions, focusing on quality, Reliability, and service at the lowest total cost. This policy guides wise spending, improves contract adherence, and helps protect Southwest from risk. A common understanding of the procurement process among Southwest's Supply Chain Management Department, our Internal Customers, and current and potential suppliers is vital for our success.



*“Southwest places a high value on building longstanding relationships and holding our suppliers to the same standards that we have for ourselves in our Vision to be the world's most loved, most efficient, and most profitable airline. To that end, we encourage our suppliers to participate in sustainability assessments as we all work together to build and maintain a sustainable community of suppliers—large, small, and diverse. These assessment tools provide valuable insights into areas of strength and areas for improvement in a broad range of corporate social responsibility categories. Southwest and our suppliers benefit from the increased transparency as we all strive for continued development in our shared sustainability journey.”*

## Stacy Malphurs

Vice President, Supply Chain Management

# Southwest Employee Snapshot 2023



# 79,519

Total Employees at Year-end

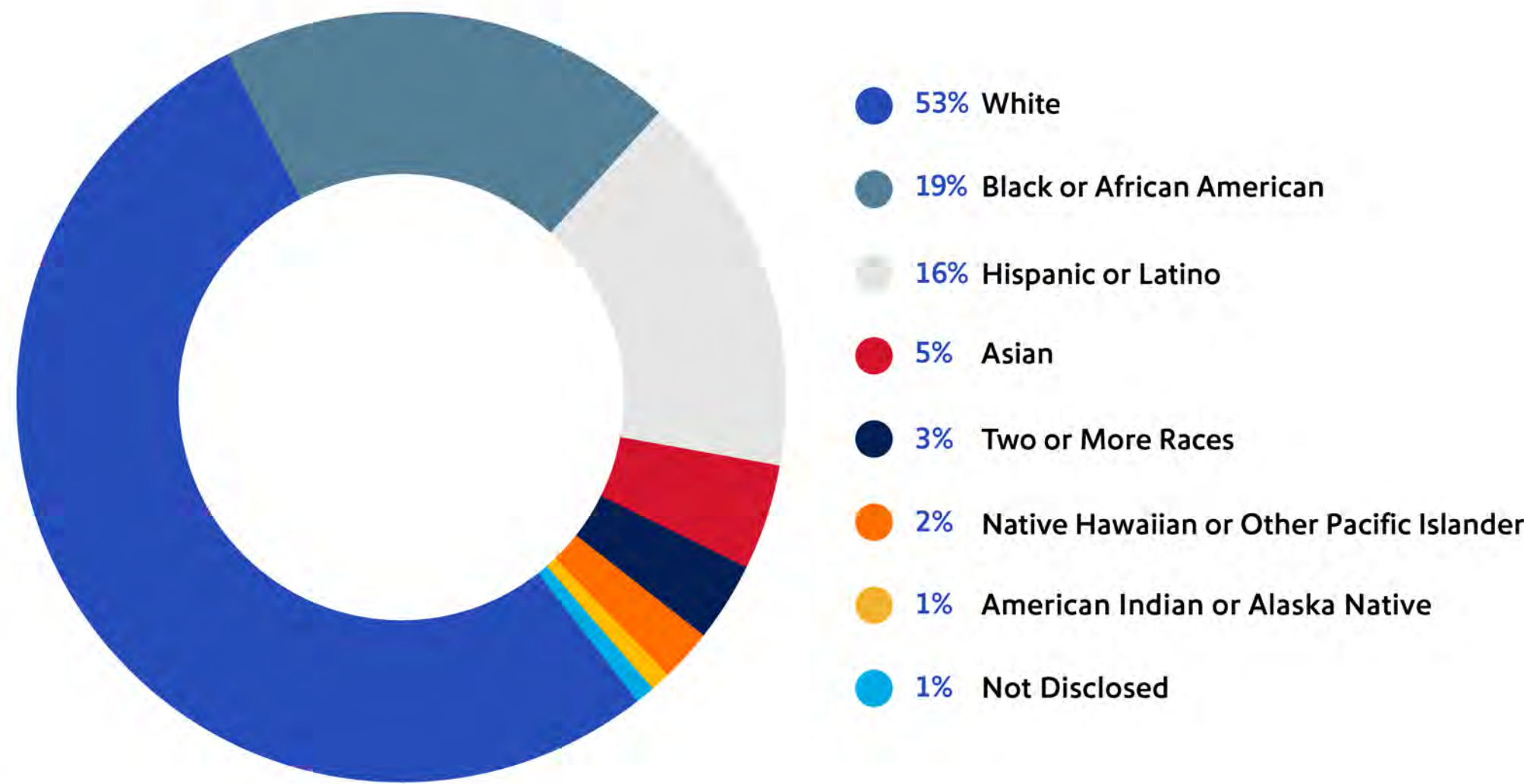
### By Generation:



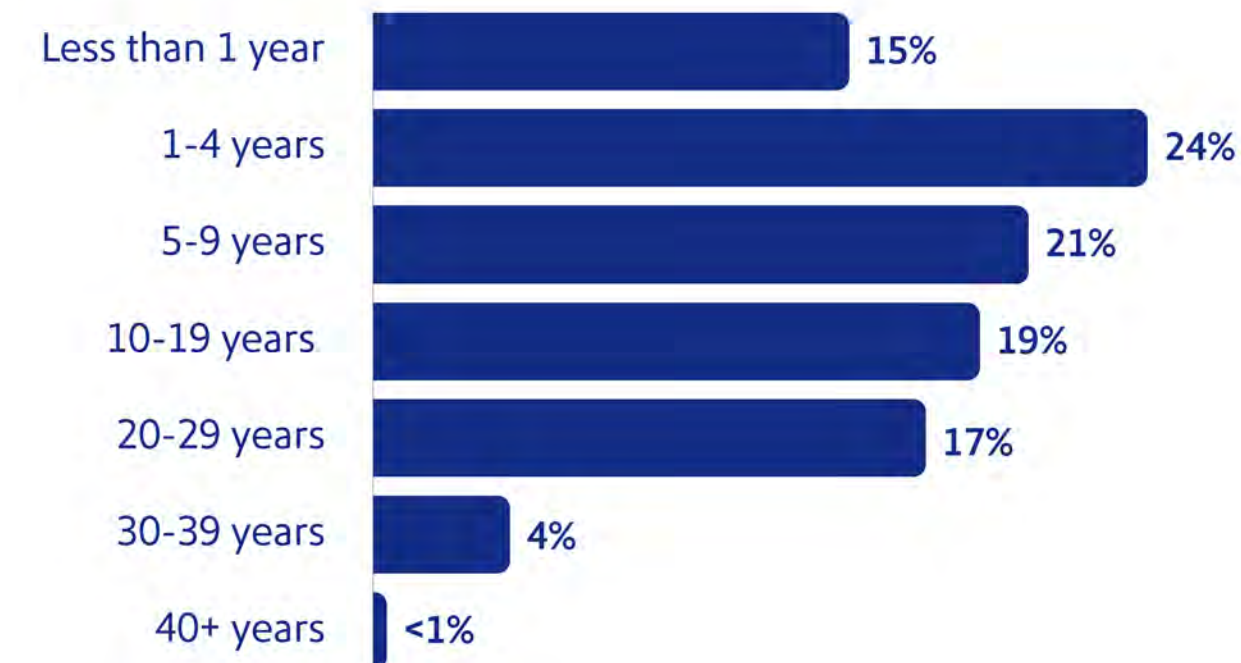
### By Gender:



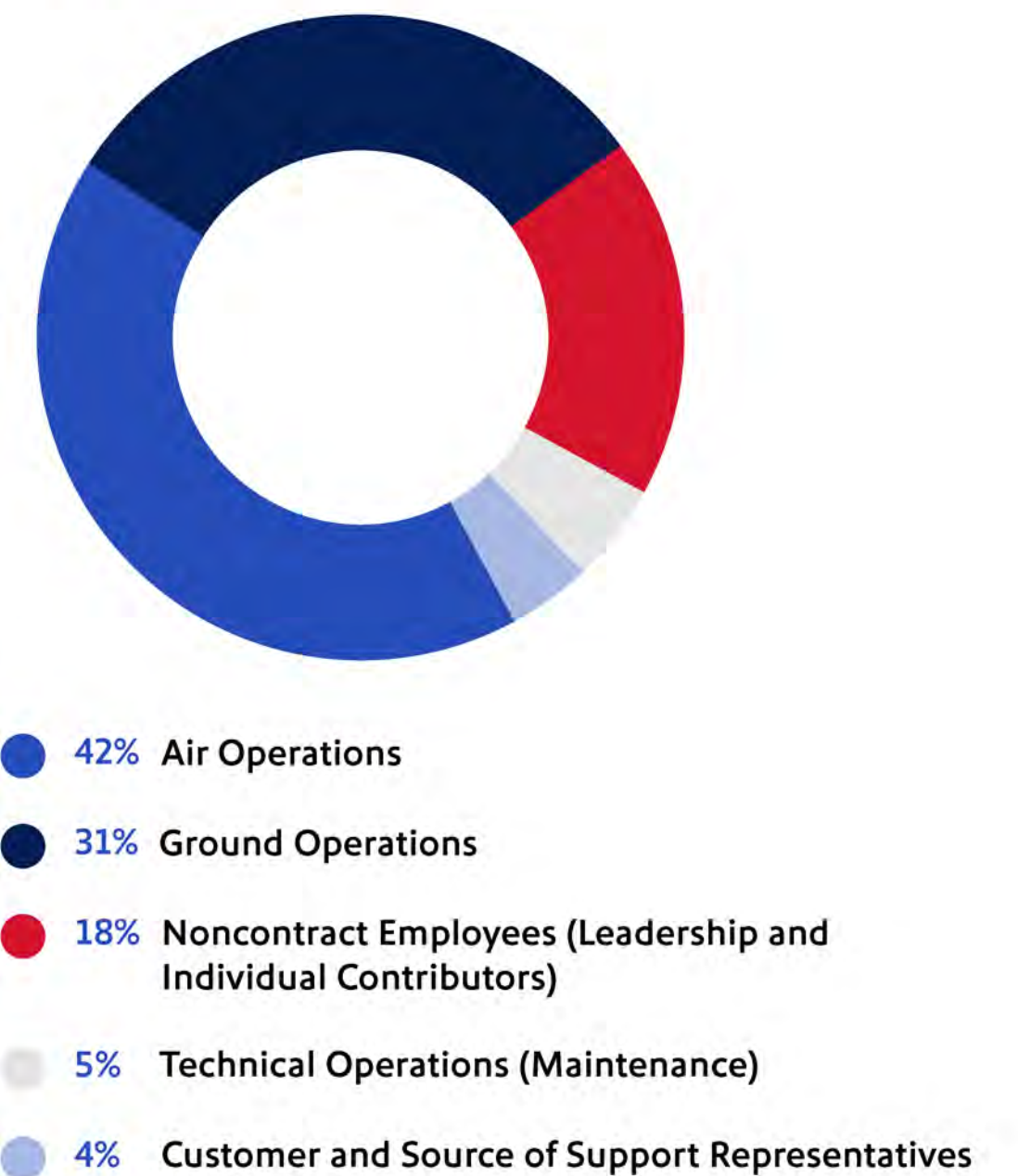
### By Ethnicity/Race:



### By Tenure:



### By Workgroup:



**9.1%** Turnover Rate

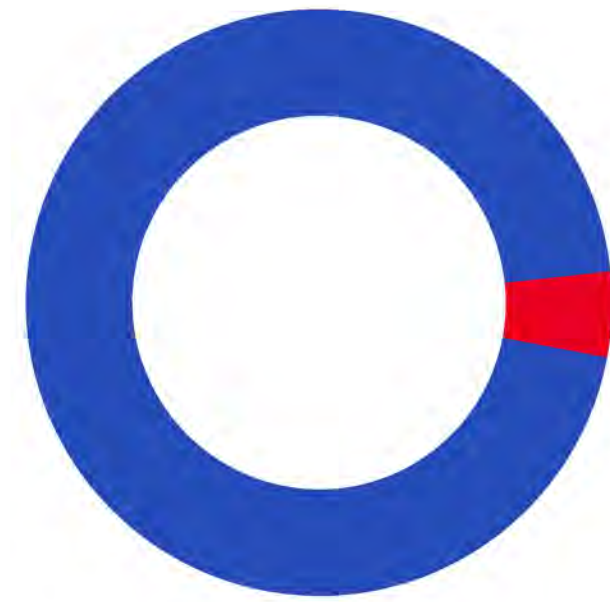
**15,283** Total Number of New Hires

# Our People | Air Operations

## Pilots

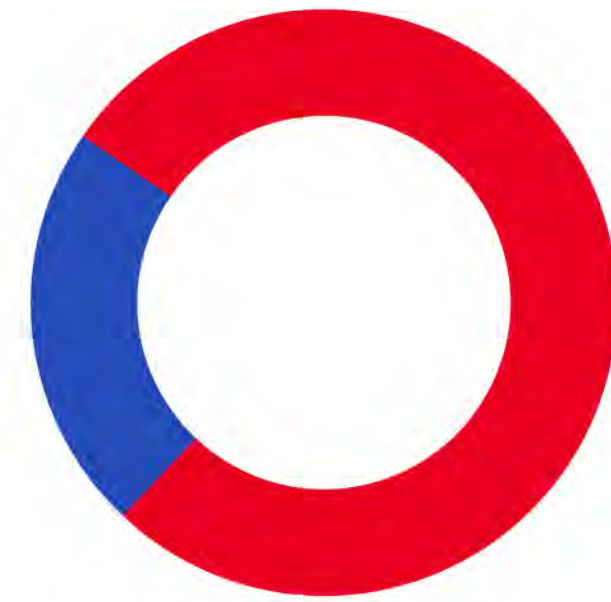
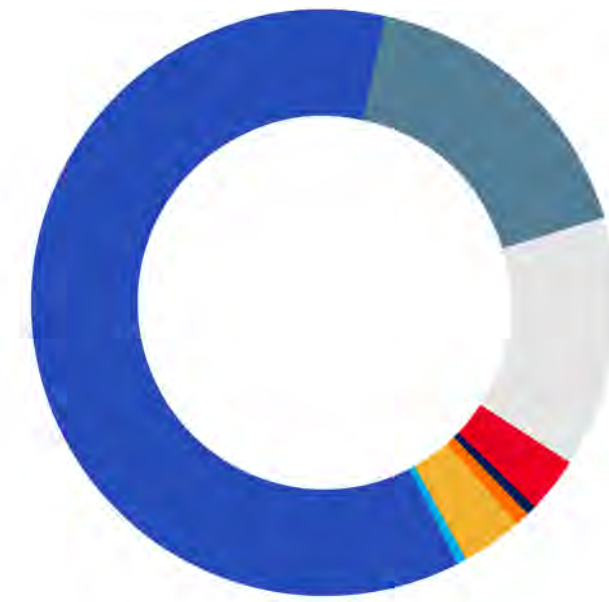
## Flight Attendants

## Other Air Operations\*



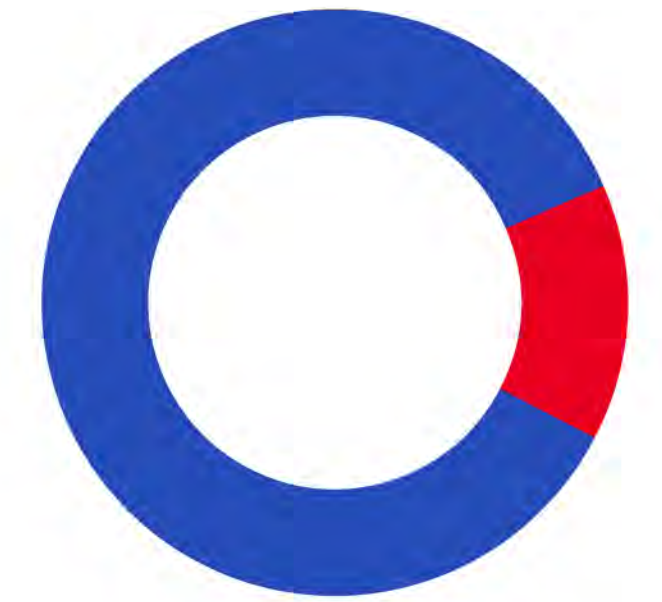
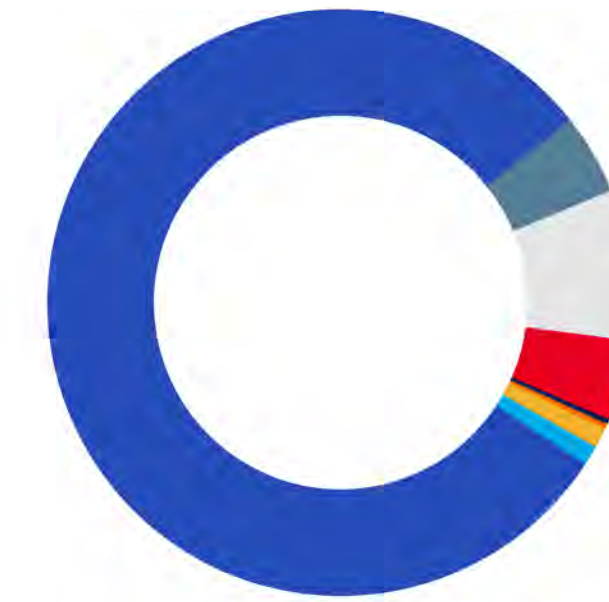
- 88.7% White
- 1.4% Black or African American
- 4.3% Hispanic or Latino
- 1.8% Asian
- 0.2% Native Hawaiian or Other Pacific Islander
- 0.6% American Indian or Alaska Native
- 1.7% Two or More Races
- 1.3% Not Disclosed

- 95.4% Male
- 4.6% Female



- 60.9% White
- 17.0% Black or African American
- 13.9% Hispanic or Latino
- 3.0% Asian
- 0.7% Native Hawaiian or Other Pacific Islander
- 0.7% American Indian or Alaska Native
- 3.3% Two or More Races
- 0.5% Not Disclosed

- 22.5% Male
- 77.5% Female



- 80.1% White
- 4.4% Black or African American
- 8.4% Hispanic or Latino
- 4.5% Asian
- 0.1% Native Hawaiian or Other Pacific Islander
- 0.5% American Indian or Alaska Native
- 1.0% Two or More Races
- 1.0% Not Disclosed

- 86% Male
- 14% Female

Based on Employees' voluntary self-identification; active and inactive Employees under a Collective Bargaining Agreement as of December 31, 2023.

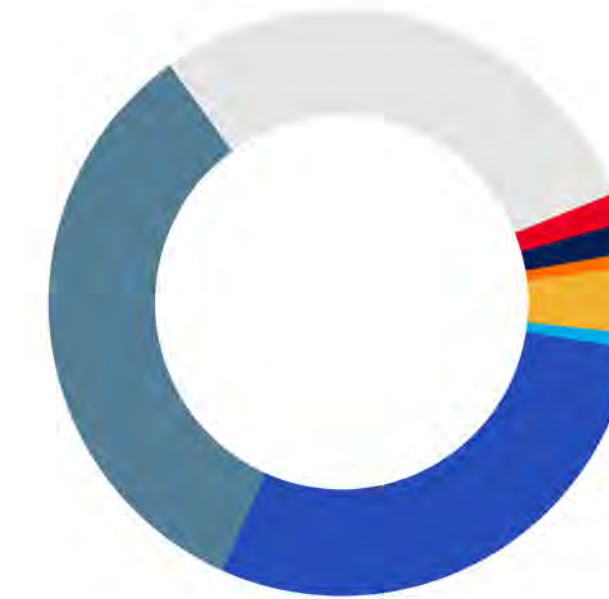
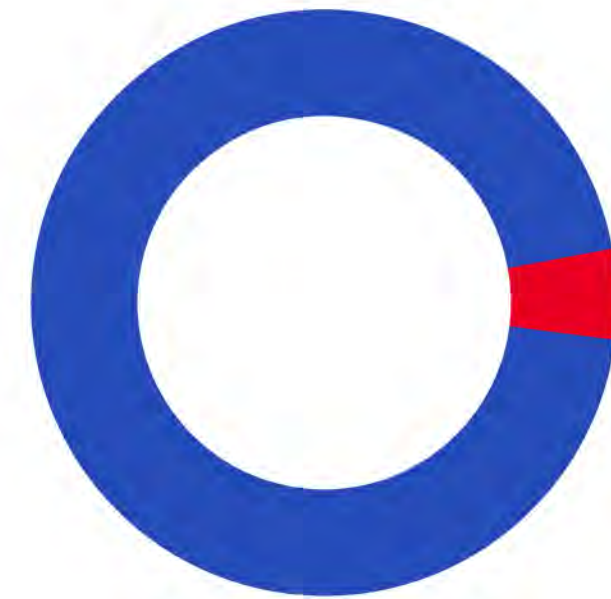
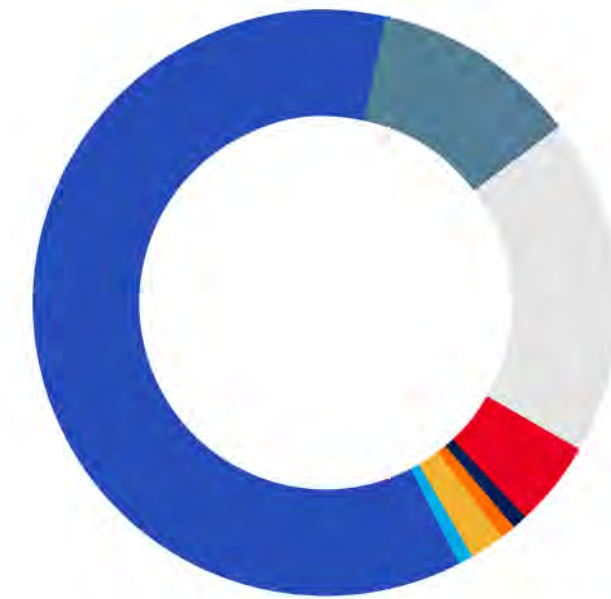
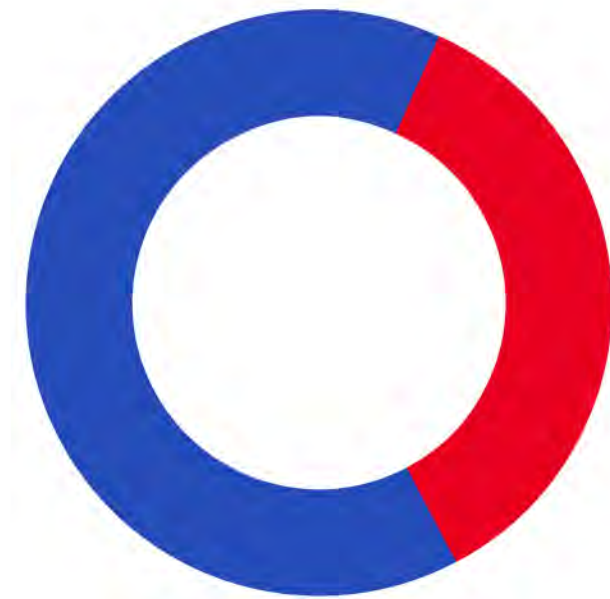
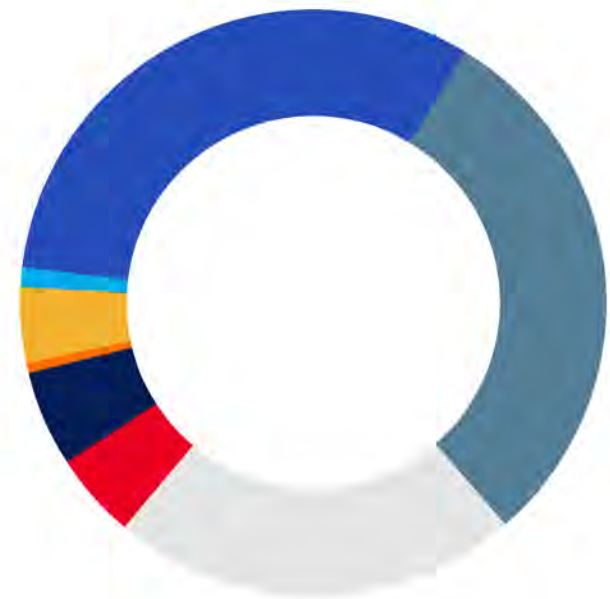
\*Includes Dispatchers, Meteorologists, Simulator Technicians, and Training Instructors.

# Our People | Operations and Support

## Ground Operations

## Technical Operations

## Customer and Source of Support Representatives



- 31.7% White
- 30.2% Black or African American
- 22.3% Hispanic or Latino
- 4.7% Asian
- 5.4% Native Hawaiian or Other Pacific Islander
- 0.6% American Indian or Alaska Native
- 4.1% Two or More Races
- 1.0% Not Disclosed

- 64.6% Male
- 35.4% Female

- 61.1% White
- 11.2% Black or African American
- 18.6% Hispanic or Latino
- 4.9% Asian
- 0.8% Native Hawaiian or Other Pacific Islander
- 0.8% American Indian or Alaska Native
- 2.0% Two or More Races
- 0.6% Not Disclosed

- 95.2% Male
- 4.8% Female

- 29.2% White
- 33.4% Black or African American
- 29.0% Hispanic or Latino
- 1.7% Asian
- 1.5% Native Hawaiian or Other Pacific Islander
- 0.8% American Indian or Alaska Native
- 3.8% Two or More Races
- 0.6% Not Disclosed

- 13.7% Male
- 86.3% Female

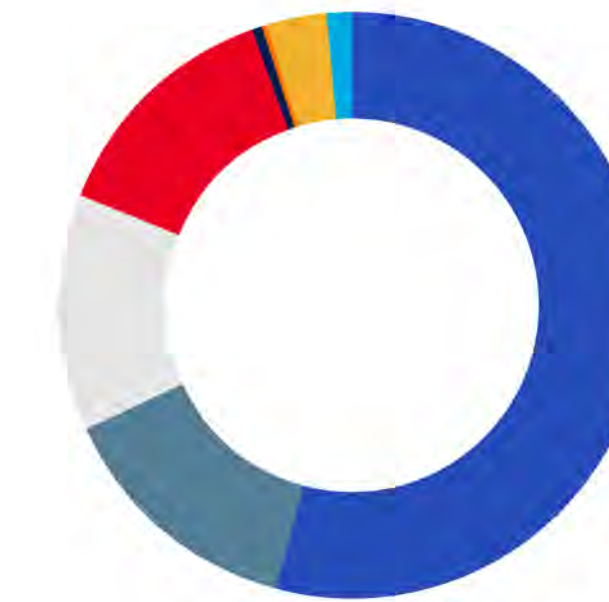
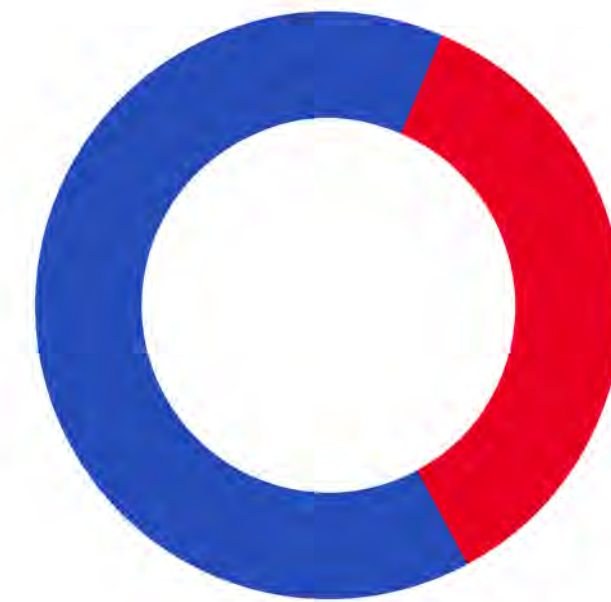
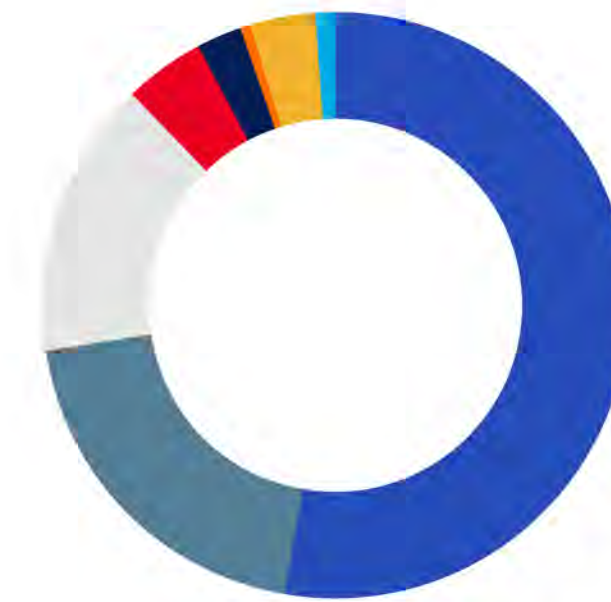
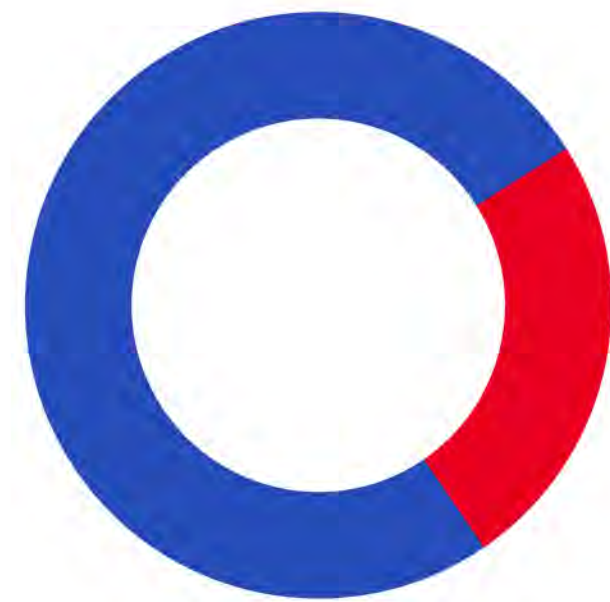
Based on Employees' voluntary self-identification; active and inactive Employees under a Collective Bargaining Agreement as of December 31, 2023.

# Our People | Noncontract Employees

## Executives

## All Other Leaders

## Individual Contributors



- 82.9% White
- 4.3% Black or African American
- 10.0% Hispanic or Latino
- 2.8% Not Disclosed

- 75.7% Male
- 24.3% Female

- 52.8% White
- 19.8% Black or African American
- 15.3% Hispanic or Latino
- 4.4% Asian
- 2.6% Native Hawaiian or Other Pacific Islander
- 0.5% American Indian or Alaska Native
- 3.7% Two or More Races
- 0.9% Not Disclosed

- 64.4% Male
- 35.6% Female

- 54.2% White
- 13.9% Black or African American
- 13.2% Hispanic or Latino
- 13.4% Asian
- 0.3% Native Hawaiian or Other Pacific Islander
- 0.5% American Indian or Alaska Native
- 3.2% Two or More Races
- 1.3% Not Disclosed

- 50.3% Male
- 49.7% Female

Based on Employees' voluntary self-identification; active and inactive Employees as of December 31, 2023, as noted below:

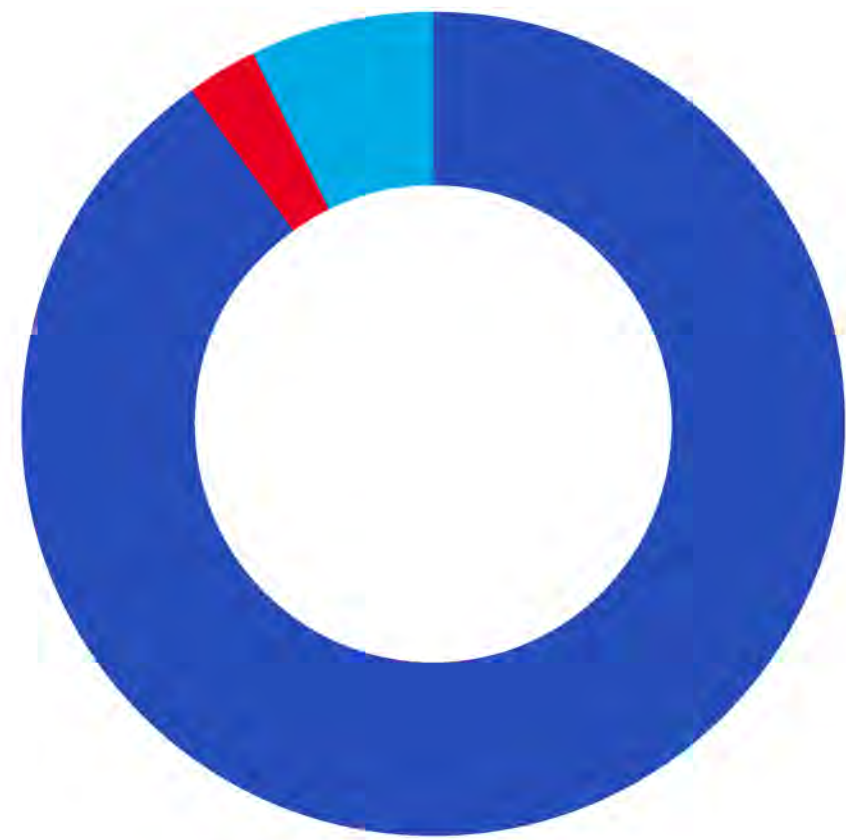
**Noncontract Employees**—Includes Employees who are members of unions but are serving in non-Frontline Leadership and individual contributor positions.

**Executives**—Executives refers to all People Leader positions at Southwest at and above the VP level.

**Other Leaders**—Other Leaders refers to all People Leader positions at Southwest below the VP level.

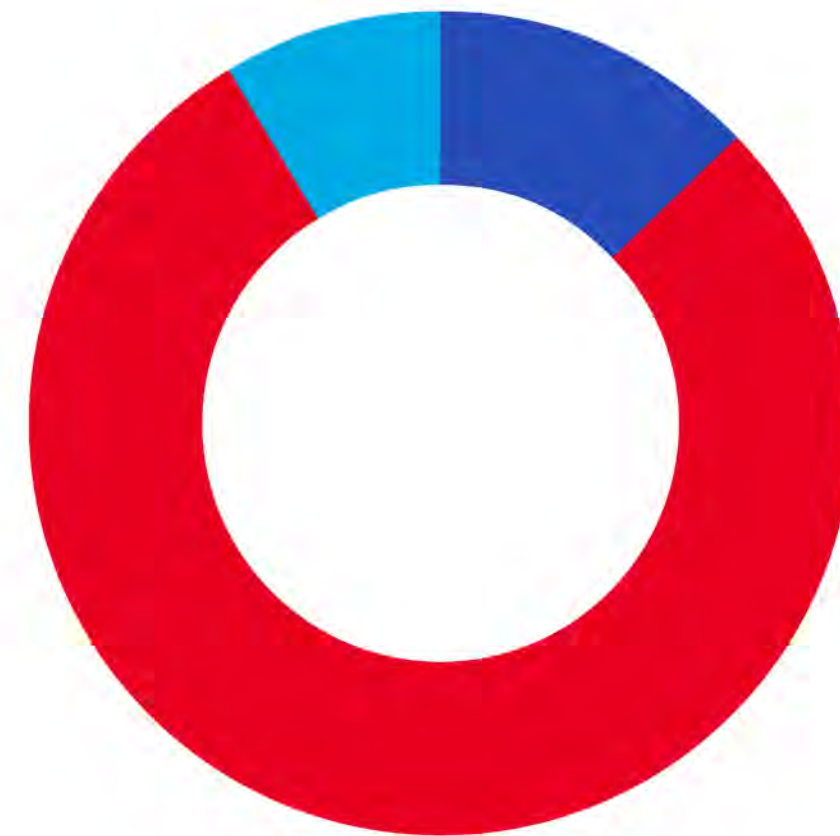
# Our People | SMC Self-Identification

Sexual Orientation



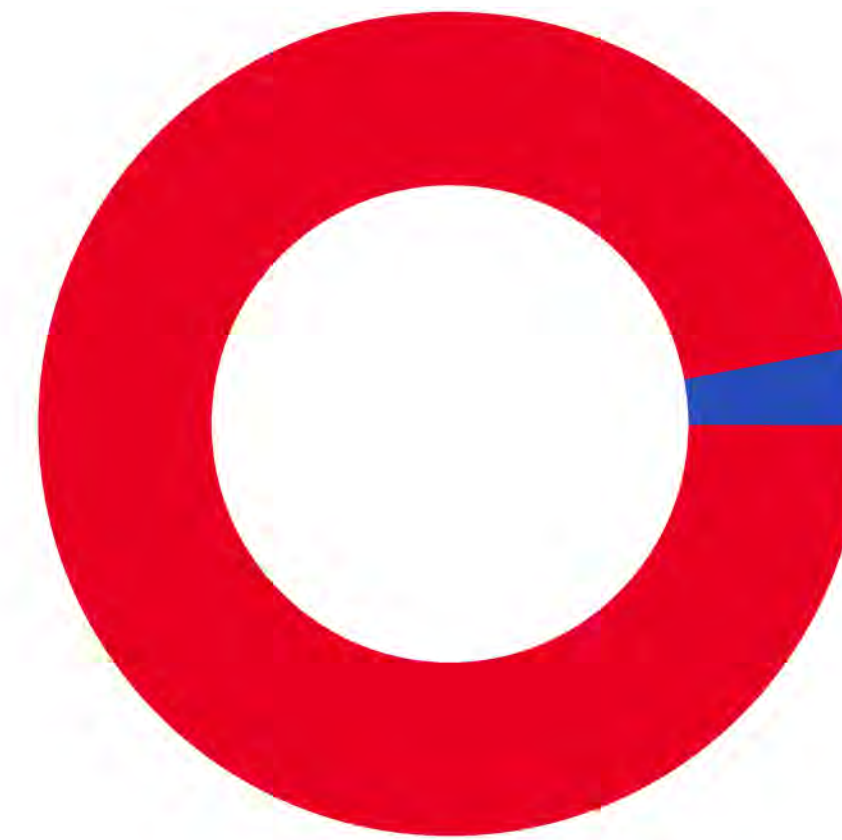
- 90.0% Straight/Heterosexual
- 2.9% LGBTQ+
- 7.1% Not disclosed

Disability Status



- 12.8% Yes
- 78.6% No
- 8.6% Not disclosed

Veteran Status



- 2.9% Yes
- 97.1% No

Generation



- 18.6% Baby Boomers (born 1946-1964)
- 77.1% Gen X (born 1965-1980)
- 4.3% Millennials (born 1981-1996)

As part of our goal to increase diversity in our Senior Management Committee (SMC), in 2023 our SMC members participated in an internal, voluntary Company-wide self-ID campaign to share additional dimensions of diversity. This was an important first step toward our goals of a broader, voluntary Company-wide Self-ID campaign to capture additional dimensions of diversity. Better understanding the diversity of our Employees is important for our efforts toward inclusive Culture.



# People Data Table

## Total Employees by Category and Race/Ethnicity as of December 31, 2023

	Not Disclosed		American Indian or Alaska Native		Asian		Black or African American		Hispanic or Latino		Native Hawaiian or Other Pacific Islander		Two or More Races		White		Total	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Pilots	146	1.3%	65	0.6%	204	1.8%	164	1.4%	488	4.3%	20	0.2%	200	1.7%	10,142	88.7%	11,429	100%
Flight Attendants	126	0.5%	157	0.7%	620	3.0%	3,558	17.0%	2,923	13.9%	143	0.7%	689	3.3%	12,770	60.9%	20,986	100%
Dispatchers, Meteorologists, Simulator Technicians, and Flight Training Instructors	9	1.0%	4	0.5%	38	4.5%	37	4.4%	71	8.4%	1	0.1%	9	1.0%	679	80.1%	848	100%
Ground Operations	226	1.0%	162	0.6%	1,171	4.7%	7,536	30.2%	5,576	22.3%	1,355	5.4%	1,014	4.1%	7,923	31.7%	24,963	100%
Technical Operations (Maintenance)	26	0.6%	29	0.8%	186	4.9%	428	11.2%	707	18.6%	29	0.8%	76	2.0%	2,329	61.1%	3,810	100%
Customer and Source of Support Representatives	23	0.6%	28	0.8%	60	1.7%	1,157	33.4%	1,004	29.0%	53	1.5%	131	3.8%	1,012	29.2%	3,468	100%
<b>Total Employees Under Collective Bargaining Agreement</b>	<b>556</b>	<b>0.9%</b>	<b>445</b>	<b>0.7%</b>	<b>2,279</b>	<b>3.5%</b>	<b>12,880</b>	<b>19.7%</b>	<b>10,769</b>	<b>16.4%</b>	<b>1,601</b>	<b>2.4%</b>	<b>2,119</b>	<b>3.2%</b>	<b>34,855</b>	<b>53.2%</b>	<b>65,504</b>	<b>100%</b>
<b>Noncontract Employees<sup>6</sup></b>																		
Executives	2	2.8%	0	—%	0	—%	3	4.3%	7	10.0%	0	—%	0	—%	58	82.9%	70	100%
Other Leaders	51	0.9%	31	0.5%	278	4.4%	1,241	19.8%	961	15.3%	166	2.6%	235	3.7%	3,313	52.8%	6,276	100%
Individual Contributors	105	1.3%	42	0.5%	1,025	13.4%	1,064	13.9%	1,013	13.2%	24	0.3%	242	3.2%	4,154	54.2%	7,669	100%
<b>Total Noncontract Employees</b>	<b>158</b>	<b>1.1%</b>	<b>73</b>	<b>0.5%</b>	<b>1,303</b>	<b>9.3%</b>	<b>2,308</b>	<b>16.5%</b>	<b>1,981</b>	<b>14.1%</b>	<b>190</b>	<b>1.4%</b>	<b>477</b>	<b>3.4%</b>	<b>7,525</b>	<b>53.7%</b>	<b>14,015</b>	<b>100%</b>
<b>Total Employees</b>	<b>714</b>	<b>0.8%</b>	<b>518</b>	<b>0.7%</b>	<b>3,582</b>	<b>4.5%</b>	<b>15,188</b>	<b>19.1%</b>	<b>12,750</b>	<b>16.0%</b>	<b>1,791</b>	<b>2.3%</b>	<b>2,596</b>	<b>3.3%</b>	<b>42,380</b>	<b>53.3%</b>	<b>79,519</b>	<b>100%</b>

**Total Employees by Category and Gender as of December 31, 2023**

	Female		Male		Total	
	#	%	#	%	#	%
Pilots	522	4.6%	10,907	95.4%	11,429	100%
Flight Attendants	16,261	77.5%	4,725	22.5%	20,986	100%
Dispatchers, Meteorologists, Simulator Technicians, and Flight Training Instructors	119	14.0%	729	86.0%	848	100%
Ground Operations	8,828	35.4%	16,135	64.6%	24,963	100%
Technical Operations (Maintenance)	182	4.8%	3,628	95.2%	3,810	100%
Customer and Source of Support Representatives	2,994	86.3%	474	13.7%	3,468	100%
<b>Total Employees Under Collective Bargaining Agreement</b>	<b>28,906</b>	<b>44.1%</b>	<b>36,598</b>	<b>55.9%</b>	<b>65,504</b>	<b>100%</b>
<b>Noncontract Employees<sup>6</sup></b>						
Executives	17	24.3%	53	75.7%	70	100%
Other Leaders	2,233	35.6%	4,043	64.4%	6,276	100%
Individual Contributors	3,809	49.7%	3,860	50.3%	7,669	100%
<b>Total Noncontract Employees</b>	<b>6,059</b>	<b>43.2%</b>	<b>7,956</b>	<b>56.8%</b>	<b>14,015</b>	<b>100%</b>
<b>Total Employees</b>	<b>34,965</b>	<b>44.0%</b>	<b>44,554</b>	<b>56.0%</b>	<b>79,519</b>	<b>100%</b>



Workforce	2023	2022	2021	2020	2019
Total Employees	79,519	71,496	59,643	59,720	64,853
Non-Employee Workers	317	316	346	Not Reported	Not Reported
Active, Full-Time Equivalent	74,806	66,656	55,093	56,537	60,767

Total Employees by Workgroup and Percent of Company	2023	2022	2021	2020	2019
Air Operations	33,263	30,017	25,624	25,606	27,295
	42%	42%	43%	43%	42%
Ground Operations	24,963	21,945	18,174	18,562	20,110
	31%	31%	30%	31%	31%
Technical Operations (Maintenance)	3,810	3,544	3,185	3,074	3,297
	5%	5%	5%	5%	5%
Customer and Source of Support Representatives	3,468	3,502	2,754	2,828	3,260
	4%	5%	5%	5%	5%
Noncontract Employees (Leadership and Individual Contributors) <sup>6</sup>	14,015	12,488	9,906	9,650	10,891
	18%	17%	17%	16%	17%

Total Employee Demographic Information	2023	2022	2021	2020	2019
Percent of Employees by Gender	56% Male	56% Male	57% Male	58% Male	57% Male
	44% Female	44% Female	43% Female	42% Female	43% Female

Percent of Employees Segmented by Full-time/Part-time and Gender					
Full-time	55% Male	55% Male	56% Male	Not Reported	Not Reported
	43% Female	43% Female	42% Female	Not Reported	Not Reported
Part-time	1% Male	1% Male	1% Male	Not Reported	Not Reported
	1% Female	1% Female	1% Female	Not Reported	Not Reported

Percent of Employees Segmented by Age and Gender					
Under 30 Years Old	8% Male	7% Male	5% Male	Not Reported	Not Reported
	6% Female	6% Female	4% Female	Not Reported	Not Reported
30-50 Years Old	27% Male	27% Male	28% Male	Not Reported	Not Reported
	20% Female	22% Female	20% Female	Not Reported	Not Reported
Over 50 Years Old	22% Male	21% Male	24% Male	Not Reported	Not Reported
	17% Female	17% Female	19% Female	Not Reported	Not Reported

Percent of Employees by Gender Within Each Category		2023	2022	2021	2020	2019
Executives	76% Male	75% Male	69% Male	Not Reported	Not Reported	
	24% Female	25% Female	31% Female	Not Reported	Not Reported	
Other Leaders	64% Male	66% Male	66% Male	Not Reported	Not Reported	
	36% Female	34% Female	34% Female	Not Reported	Not Reported	
All Other Employees	55% Male	55% Male	57% Male	Not Reported	Not Reported	
	45% Female	45% Female	43% Female	Not Reported	Not Reported	

Percent of Employees by Age Within Each Category						
Executives	<30	0%	0%	0%	Not Reported	Not Reported
	30 - 50	41%	45%	31%	Not Reported	Not Reported
	>50	59%	55%	69%	Not Reported	Not Reported
Other Leaders	<30	7%	7%	6%	Not Reported	Not Reported
	30 - 50	55%	58%	54%	Not Reported	Not Reported
	>50	38%	35%	40%	Not Reported	Not Reported
All Other Employees	<30	15%	13%	9%	Not Reported	Not Reported
	30 - 50	46%	49%	48%	Not Reported	Not Reported
	>50	39%	38%	43%	Not Reported	Not Reported

Percent of Employees Segmented by Generation		2023	2022	2021	2020	2019
Silent	0.1%	0.1%	Not Reported	Not Reported	Not Reported	
Baby Boomers	15.1%	17.2%	Not Reported	Not Reported	Not Reported	
Generation X	40.3%	42.8%	Not Reported	Not Reported	Not Reported	
Millennial	36.6%	34.6%	Not Reported	Not Reported	Not Reported	
Generation Z	7.9%	5.3%	Not Reported	Not Reported	Not Reported	

Percent of Total Employees Segmented by Race/Ethnicity		2023	2022	2021	2020	2019
American Indian or Alaska Native	0.7%	0.6%	0.7%	0.7%	Not Reported	
Asian	4.5%	4.3%	4.1%	3.9%	Not Reported	
Black or African American	19.1%	18.3%	16.4%	16.3%	Not Reported	
Hispanic or Latino	16.0%	16.0%	15.1%	14.8%	Not Reported	
Native Hawaiian or Other Pacific Islander	2.3%	2.0%	1.6%	1.5%	Not Reported	
Two or More Races	3.3%	3.1%	2.7%	2.6%	Not Reported	
White	53.3%	55.1%	59.4%	60.2%	Not Reported	
Not Disclosed	0.8%	0.6%	Less than 0.1%	Less than 0.1%	Not Reported	

Percent of Employees by Category Who Are Racially/Ethnically Diverse	2023	2022	2021	2020	2019
Executives	14.3%	11.9%	11.3%	Not Reported	Not Reported
Other Leaders	46.4%	44.1%	40.1%	Not Reported	Not Reported
All Other Employees	45.8%	44.4%	40.7%	Not Reported	Not Reported

Benefits	2023	2022	2021	2020	2019
Active and Inactive Employees Who Participate in Benefits Programs Excluding 401(k) and ProfitSharing Plans and Share-based Compensation <sup>7</sup>	More than 79,500	More than 71,400	More than 59,600	More than 59,700	More than 64,800
Company Contributions to Employee Benefit Programs Excluding 401(k) and ProfitSharing Plans and Share-based Compensation (Accrued) <sup>7</sup>	More than \$1.7 billion	More than \$1.5 billion	More than \$1.1 billion	More than \$1.3 billion	More than \$1.3 billion
401(k) Savings Plan Participation	94%	92%	92%	92%	91%
ProfitSharing Plan Participation	All eligible Employees	All eligible Employees	All eligible Employees	All eligible Employees	All eligible Employees
Company Contributions to 401(k) and ProfitSharing Plans	\$941 million	\$793 million	\$749 million	\$561 million	\$1.2 billion

Benefits	2023	2022	2021	2020	2019
Total Number of Noncontract Employees That Were Eligible for Paid Parental Leave <sup>18</sup>	6,994 Male	5,606 Male	5,511 Male	Not Reported	Not Reported
	5,385 Female	4,242 Female	4,089 Female	Not Reported	Not Reported
Total Number of Noncontract Employees That Took Paid Parental Leave, by Gender <sup>8</sup>	181 Male	169 Male	185 Male	Not Reported	Not Reported
	136 Female	99 Female	105 Female	Not Reported	Not Reported
Total Number of Noncontract Employees That Returned to Work After Parental Leave Ended, by Gender <sup>8</sup>	179 Male	166 Male	182 Male	Not Reported	Not Reported
	132 Female	94 Female	105 Female	Not Reported	Not Reported
Total Number of Noncontract Employees That Returned to Work After Parental Leave Ended and Are Still Employed 12 Months After Their Return to Work, by Gender <sup>8</sup>	165 Male	150 Male	167 Male	Not Reported	Not Reported
	126 Female	83 Female	91 Female	Not Reported	Not Reported
Return to Work Rate of Noncontract Employees That Took Parental Leave, by Gender <sup>9</sup>	98.9% Male	98.2% Male	98.4% Male	Not Reported	Not Reported
	97.1% Female	94.9% Female	100% Female	Not Reported	Not Reported
Return to Work Retention Rate of Noncontract Employees That Took Parental Leave, by Gender <sup>10</sup>	91.2% Male	88.8% Male	90.3% Male	Not Reported	Not Reported
	92.6% Female	83.8% Female	86.7% Female	Not Reported	Not Reported

Hiring and Turnover	2023	2022	2021	2020	2019
New Hires During the Reporting Period, by Age and Gender: Under 30 Years Old	3,844 Male	3,608 Male	663 Male	215 Male	1,093 Male
	2,572 Female	3,439 Female	529 Female	133 Female	787 Female
New Hires During the Reporting Period, by Age and Gender: 30-50 Years Old	3,982 Male	4,395 Male	918 Male	254 Male	1,530 Male
	2,841 Female	4,351 Female	794 Female	235 Female	1,014 Female
New Hires During the Reporting Period, by Age and Gender: Over 50 Years Old	1,019 Male	1,210 Male	325 Male	67 Male	379 Male
	1,025 Female	1,610 Female	385 Female	73 Female	422 Female
Turnover During the Reporting Period, by Age and Gender: Under 30 Years Old	1,533 Male	1,169 Male	489 Male	Not Reported	Not Reported
	1,039 Female	839 Female	322 Female	Not Reported	Not Reported
Turnover During the Reporting Period, by Age and Gender: 30-50 Years Old	1,652 Male	1,547 Male	829 Male	Not Reported	Not Reported
	1,362 Female	1,381 Female	660 Female	Not Reported	Not Reported
Turnover During the Reporting Period, by Age and Gender: Over 50 Years Old	979 Male	926 Male	683 Male	Not Reported	Not Reported
	695 Female	898 Female	708 Female	Not Reported	Not Reported
Turnover Rate	9.1%	9.5%	6.2%	Not Reported	Not Reported

Workgroup Training Hours	2023	2022	2021	2020	2019
Flight Operations (Primarily Pilots)	1,187,013	849,145	378,722	252,030	482,473
Inflight Operations (Primarily Flight Attendants)	876,878	954,154	347,283	263,811	427,705
Ground Operations	1,537,085	1,478,013	775,770	507,164	887,627
Technical Operations (Maintenance)	365,307	363,375	276,937	185,148	165,630
Customer and Source of Support Representatives	177,114	342,462	117,382	63,841	134,783
Training Hours by Topic (All Employees)					
Safety and Security	More than 1,230,000	More than 1,290,000	More than 650,000	More than 460,000	More than 1,000,000
Cybersecurity	29,366	16,684	Not Reported	Not Reported	Not Reported
Data Privacy	2,694	2,848	Not Reported	Not Reported	Not Reported
Human Rights	More than 125,000	More than 136,200	More than 61,000	More than 61,000	More than 53,500
Percent of Total Employees Trained on Human Rights	71%	70%	50%	53%	46%

Average Training Hours by Employee Classification	2023	2022	2021	2020	2019
Executives	15	17	12	Not Reported	Not Reported
Other Leaders	74	72	47	Not Reported	Not Reported
Individual Contributors (Contract & Noncontract)	53	57	32	Not Reported	Not Reported

Average Training Hours by Gender	2023	2022	2021	2020	2019
Male	62	59	45	Not Reported	Not Reported
Female	44	57	26	Not Reported	Not Reported

Community Outreach	2023	2022	2021	2020	2019
Total Corporate Giving	\$18,034,290	\$13,737,023	\$21,805,603	\$10,190,071	\$24,306,076
Total Corporate Monetary Giving	\$4,633,470	\$3,792,088	\$11,627,907	\$707,672	\$5,843,946
Tickets Donated	33,369	24,774	28,632	20,008	45,301
Total Scholarship Funds Granted	\$117,500	\$95,000	\$110,000	Not Reported	Not Reported
Funds Raised Through Official Southwest Fundraising Efforts	\$330,000	\$180,000	\$110,000	\$1,300,000	\$800,000
Total Percent of Executive Leaders Serving on Nonprofit Boards	40%	42%	Not Reported	Not Reported	Not Reported
Employee Volunteer Hours	More than 207,000	More than 140,000	More than 75,000	Nearly 75,000	More than 200,000
Value of Employee Volunteer Hours	Nearly \$6,600,000	More than \$4,200,000	More than \$2,200,000	More than \$2,200,000	More than \$5,800,000
Percent of Unique Employees Volunteering	19%	Not Reported	Not Reported	Not Reported	Not Reported

Employee Engagement	2023	2022	2021	2020	2019
Employees Represented by Unions	Approximately 83%	Approximately 83%	Approximately 82%	Approximately 83%	Approximately 83%
Noncontract Employee Check-in Completion	98.5%	Not Reported	Not Reported	Not Reported	Not Reported
2023 Companywide Employee Survey	Participation Rate	Engagement Score		Wellbeing Score	
Spring Employee Survey	45%	66%		68%	
Fall Employee Survey	41%	67%		68%	

# Governance Data Table

Board of Directors by Gender, Age, and Ethnicity/Race <sup>55</sup>	2023	2022	2021	2020	2019
Gender	80% Male	85% Male	75% Male	Not Reported	Not Reported
	20% Female	15% Female	25% Female	Not Reported	Not Reported
Age	100% over age 50	100% over age 50	100% over age 50	Not Reported	Not Reported
<b>Ethnicity/Race</b>					
Black or African American	13%	15%	8%	Not Reported	Not Reported
Hispanic or Latino	13%	0%	8%	Not Reported	Not Reported
White	74%	85%	84%	Not Reported	Not Reported





# Glossary

Term	Acronym	Definition
<b>Active, full-time equivalents</b>	<b>FTE</b>	Active, full-time equivalent Employees as of December 31, for specific calendar year. Active full-time equivalent Employees figure includes an adjustment to count all part-time Employees as a 0.5 full-time equivalent Employee. The Company utilizes active full-time equivalent Employees to measure productivity and efficiency, so it has chosen to not include inactive Employees in the figure. (Included less than 250 and 10,421 Employees participating in Extended Emergency Time Off program as of December 31, 2021 and 2020, respectively)
<b>Air Operations</b>		Includes Pilots, Flight Attendants, Dispatchers, Meteorologists, Simulator Technicians, and Training Instructors.
<b>Executives</b>		All People Leader positions at Southwest at and above the Vice President (VP) level.
<b>Generation</b>		Generations are defined as follows: Silent (1928-1945); Baby Boomers (1946-1964); Generation X (1965-1980); Millennial (1981-1996); Generation Z (1997 and after). Calculated based on Employee birthdate.
<b>New Hires</b>		External hires into Southwest.
<b>Non-Employee Workers</b>		Workers retained by Southwest through third-party agencies to provide temporary, non-collective bargaining agreement (CBA) staff augmentation services (e.g., coverage for noncontract Employees out on leave, supplementary staffing for project work, etc.). Does not include personnel of professional and managed services organizations engaged by Southwest.
<b>Other Leaders</b>		Other Leaders refers to all People Leader positions at Southwest below the VP level.
<b>Senior Leadership</b>		Director and Managing Director positions at Southwest.
<b>Senior Management Committee</b>	<b>SMC</b>	See Executives.
<b>Total Employees</b>		Active and inactive Employees as of designated period end.
<b>Turnover</b>		Employees who terminated from Southwest during the period. Includes retirements, voluntary and involuntary terminations, etc.
<b>Turnover Rate</b>		Turnover divided by Total Employees at period end.
<b>Value of Employee volunteer hours</b>		Based on Independent Sector's value of volunteer time of \$31.80 per hour (updated April 2023).

# Endnotes

Number	Endnote Description
<b>6</b>	Includes Employees who are members of unions, but are serving in Leadership and Individual Contributor positions.
<b>7</b>	Includes Southwest's contributions to Employee health and welfare plans, workers' compensation insurance, and employer payroll taxes. 2020 includes one-time accrual for Employees participating in voluntary separation programs.
<b>8</b>	Reported figures are from prior year to facilitate calculation of return to work and 12-month retention rates.
<b>9</b>	Calculated as total number of Employees that returned from parental leave divided by total number of Employees that took parental leave in the prior year.
<b>10</b>	Calculated as total number of Employees that returned from parental leave and were still employed 12 months after their return divided by total number of Employees returning from parental leave in the prior year.
<b>55</b>	Based on Board of Directors members' voluntary self-disclosure. Includes active Board of Directors members as of December 31, for specific calendar year.

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