

# **SKYWEST, INC.**

## **COMPENSATION COMMITTEE CHARTER**

### **Purpose of Committee**

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of SkyWest, Inc. (the “Company”) is to oversee the administration of the Company’s compensation programs and prepare any report on executive compensation required by the rules and regulations of the U.S. Securities and Exchange Commission (the “SEC”).

### **Committee Membership**

The Committee shall consist of three or more independent directors of the Board. For purposes of this Charter, the “independent director” means a director who meets the NASDAQ Stock Market, Inc. definition of “independent director” as determined by the Board.

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

### **Committee Structure and Operations**

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

The Committee may invite such members of management to its meetings as it may deem desirable or appropriate, consistent with the maintenance of the confidentiality of compensation discussions. The Company’s Chief Executive Officer (“CEO”) should not attend any meeting where the CEO’s performance or compensation is discussed, unless specifically invited by the Committee.

### **Committee Duties and Responsibilities**

The following are the duties and responsibilities of the Committee:

- 1) In consultation with senior management, establish the Company’s general compensation philosophy and oversee the development and implementation of compensation programs.
- 2) Review and approve corporate goals and objectives relevant to the compensation of the CEO, evaluate the performance of the CEO in light of those goals and objectives, and recommend to the Board of Directors the CEO’s compensation based on this evaluation. In determining the long-term incentive component of CEO compensation, the Committee shall consider, among other factors, the Company’s performance and relative shareholder

return, the value of similar incentive awards to chief executive officers at comparable companies, the awards given to the CEO in past years, and other factors considered relevant by the Committee.

- 3) Review and approve compensation programs applicable to all Officers of the Company.
- 4) Review and approve the Company's incentive compensation plans, stock option plans, profit sharing/retirement plan and oversee the activities of the individuals and committees responsible for administering these plans.
- 5) Review Company compensation packages as a whole.
- 6) In consultation with senior management, oversee regulatory compliance with respect to compensation matters, including overseeing the Company's policies on structuring compensation programs to preserve tax deductibility, and, as and when required, establishing performance goals and certifying that performance goals have been attained for purposes of Section 162(m) of the Internal Revenue Code.
- 7) Review and approve any severance or similar termination payments proposed to be made to any current or former officers of the Company.
- 8) Prepare and issue the report of the Committee required by the rules of the SEC to be included in the Company's Annual Report on Form 10-K (or the Annual Report to Shareholders if distributed prior to the filing of a Form 10-K).
- 9) Perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to the Company's compensation programs.