2024 ICAO LTAG STOCKTAKING

7 — 10 OCTOBER 2024

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Southwest Airlines

Session 8: Implementation support - Part 2: Challenges and opportunities in achieving the LTAG

ICAO stocktaking session 8

Southwest Airlines

October 10, 2024

Southwest

Nonstop to NET ZERO

Our path toward net zero carbon emissions by 2050 and a more sustainable future.

Carbon

Addressing our carbon emissions through fuel and operational efficiency initiatives, sustainable aviation fuel (SAF), electrification of ground support equipment, and energy conservation.

Circularity

Working towards improving sustainability in our operations through sourcing, recycling, and upcycling.

Collaboration

Partnering with organizations whose work complements our efforts to achieve our goals and engaging with our suppliers on sustainability.

Learn more at **southwest.com/planet**

Our net zero by 2050 goal includes Scope 1, Scope 2, and Scope 3 Category 3 emissions only and excludes any emissions associated with non-fuel products and services, such as inflight service items.

Southwest

Nonstop to NET ZERO

Southwest

Our path toward net zero carbon emissions by 2050 and a more sustainable future.

2025

Reduce single-use plastics from inflight service by **50%** by weight[1]

Save **50 million** incremental gallons of jet fuel[2]

2030

Reduce emissions intensity by **25%**[3]

Replace **10%** of total jet fuel consumption with SAF

Eliminate single-use plastics from inflight service where feasible[1]

Electrify **50%** of eligible ground support equipment[4]

2035

Reduce emissions intensity by **50%**[3]

Save **1.1 billion** cumulative gallons of jet fuel[2]

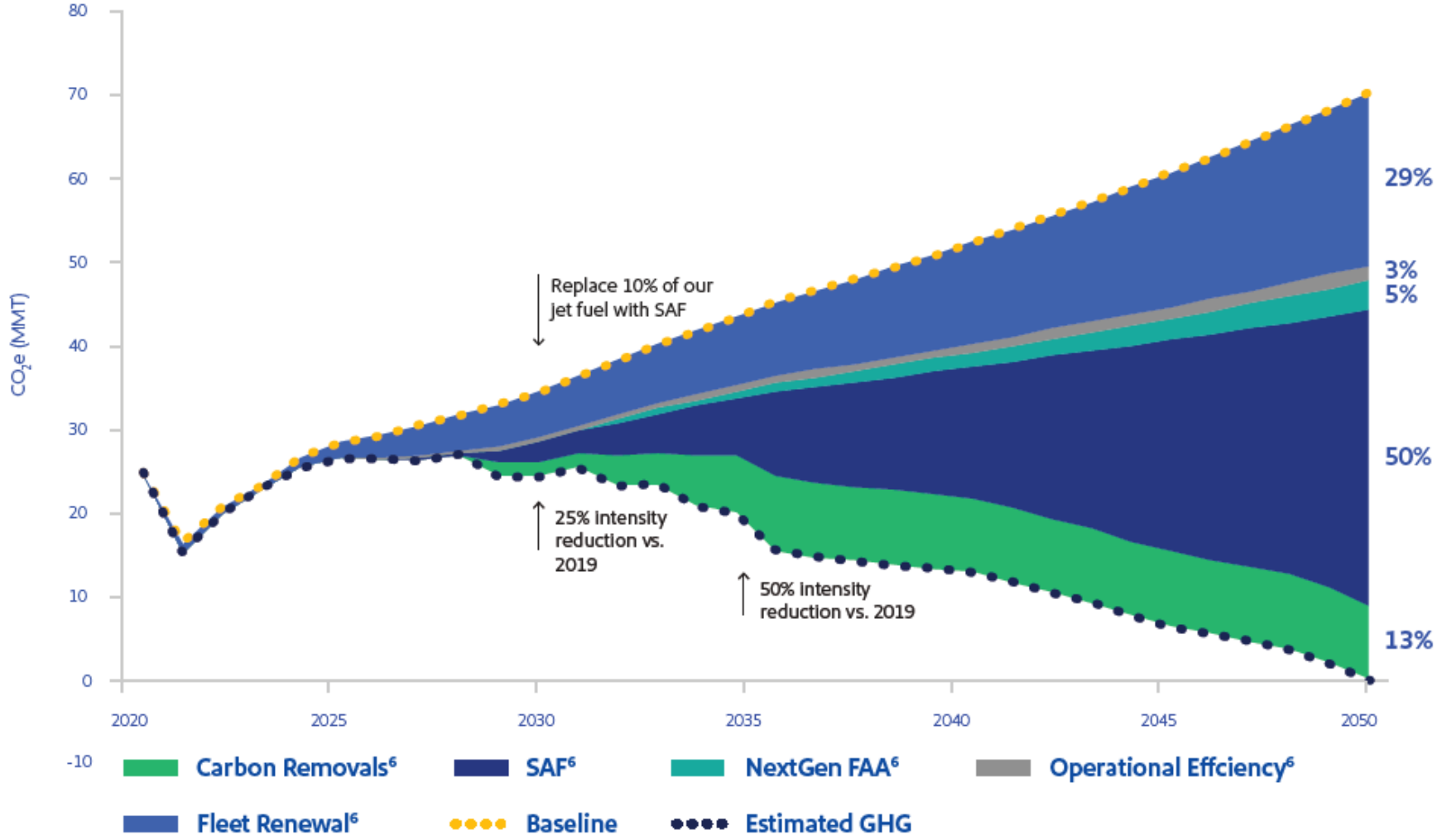
Reduce energy utilization index (EUI) in our Dallas headquarters by **50%**[5]

2050

Net zero carbon emissions

[1]Weight compared to a 2022 baseline and includes plastics for inflight service. Elimination goal is dependent on the availability of operationally and commercially feasible alternatives. [2]Incremental is fuel saved in a year through fuel savings initiatives. Our 2025 goal is compared to a 2019 baseline, and our 2035 cumulative goal is the sum of incremental gallons saved from 2019 to 2035. [3]Compared against a 2019 baseline on a revenue ton kilometer basis (including Scope 1, Scope 2, and Scope 3 Category 3 emissions (upstream emissions of jet fuel)) and includes the use of SAF and excludes the use of carbon offsets. [4]Includes baggage-tugs, belt-loaders, and pushbacks. [5]Reduce energy utilization index in our Dallas headquarters by 50% relative to a 2022 baseline. Learn more at **southwest.com/planet**

Path to Net Zero[1]



1. Our carbon emissions intensity reduction goals are compared against a 2019 baseline on a revenue ton kilometer (RTK) basis [including Scope 1, Scope 2, and Scope 3 Category 3 emissions (upstream emissions of jet fuel)] and includes the use of SAF and excludes the use of carbon osets. Our net zero by 2050 goal includes Scope 1, Scope 2, and Scope 3 Category 3 emissions only and excludes any emissions associated with non-fuel products and services, such as inflight service items.
6. Detailed risk factors, including those specific to extreme weather events and climate change, are discussed under the heading “Risk Factors” in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

Southwest's SAF policy

Our SAF Policy

We have developed a robust SAF policy to help guide our SAF efforts, and this policy will evolve over time in this dynamic and developing industry.

1. Economics
We believe in democratizing the skies through friendly, reliable, and low-cost air travel. To continue to enable this as we seek to procure SAF, SAF must be affordable compared to conventional jet fuel, but today, SAF is significantly more expensive than conventional jet fuel. When we evaluate opportunities, the parity of SAF to Jet A is an important driver.

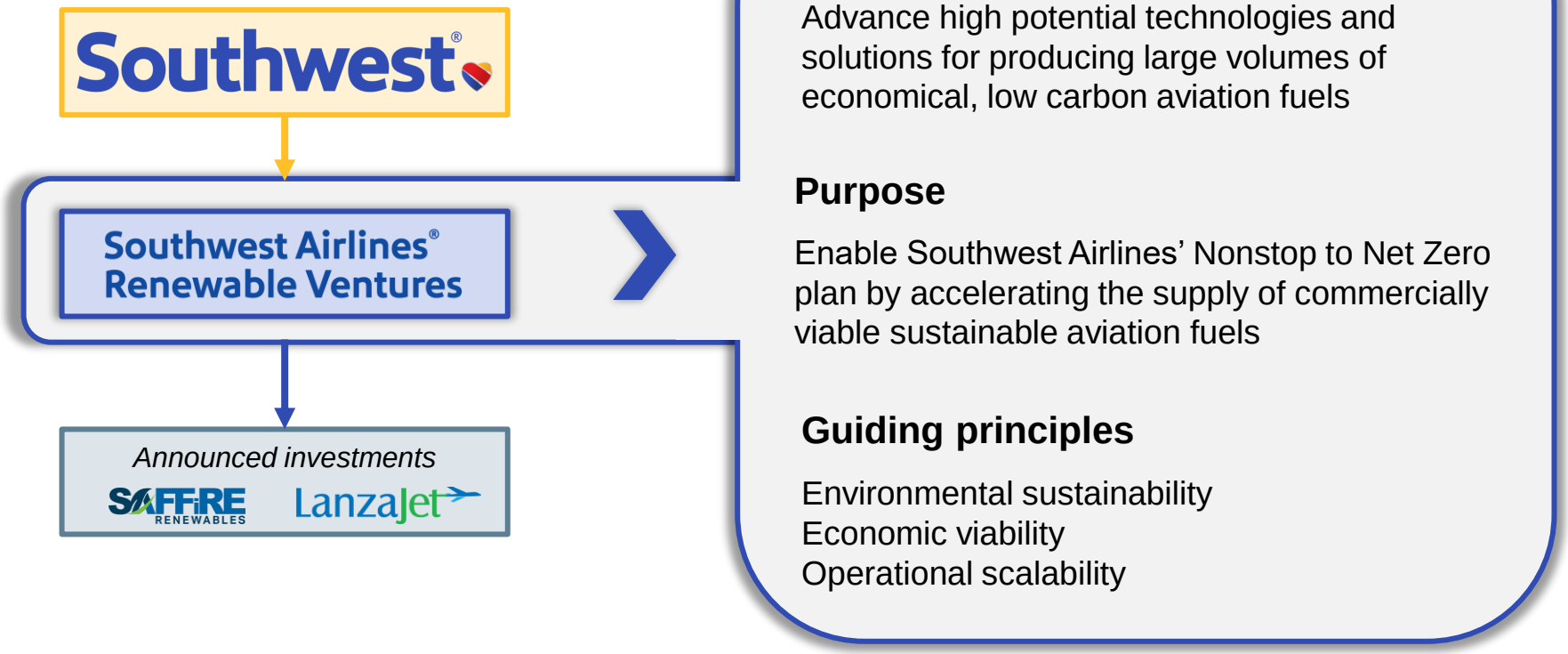
2. Lifecycle GHG Reduction
We require SAF to meet a minimum 60% GHG intensity reduction on a lifecycle basis compared to conventional jet fuel.

3. Sustainability Certification
We require SAF to be certified by an industry-accepted sustainability certification scheme (SCS), such as the International Sustainability and Carbon Certification (ISCC) and The Roundtable on Sustainable Biomaterials (RSB).

4. Exclusions
We will not procure SAF that contains palm oil and its derivatives or by-products, such as palm fatty acid distillates. SAF must not contribute to deforestation or forest degradation in its production.

5. Feedstocks
We encourage the development of sustainable agriculture for crop-based feedstocks, prioritize waste and residue and energy or cover crop feedstocks, and engage in R&D with prospective producers and partners focused on PtL.

Southwest Airlines Renewable Ventures (SARV)



Strategy

Advance high potential technologies and solutions for producing large volumes of economical, low carbon aviation fuels

Purpose

Enable Southwest Airlines' Nonstop to Net Zero plan by accelerating the supply of commercially viable sustainable aviation fuels

Guiding principles

Environmental sustainability
Economic viability
Operational scalability

Southwest's announced SAF relationships

Producer	Type	Duration	Total volume Neat gallons	Feedstock	Pathway
Neste	Offtake	*Not disclosed publicly*		Tallow	Hydro-processed esthers and fatty acids (HEFA)
Velocys	Offtake	15 years	219 million	Waste woody biomass	Fischer Tropsch (FT)
USA BioEnergy	Offtake	20 years	680 million	Waste woody biomass	FT
LanzaJet	Investment	$30 million investment		Mixed 1G and 2G	Alcohol-to-jet (ATJ)
SAFFiRE Renewables	Investment	*Not disclosed publicly*		Corn stover (2G)	ATJ
Phillips 66	MOU			Mixed fats, oils, and greases (FOGs)	HEFA
Marathon	MOU			Mixed FOGs	HEFA