



WHEREAS: Freedom of association and collective bargaining are fundamental human rights under internationally recognized human rights frameworks. According to the International Labour Organization (ILO), “Freedom of association refers to the right of workers . . . to create and join organizations of their choice freely and without fear of reprisal or interference.”¹

In 2023, the United States saw a “revival of union power” leading to significant changes in employee contracts in multiple industries.² As investor and public expectations for companies to respect fundamental labor rights continue to grow, an increasing number of companies have taken meaningful steps to strengthen their policies and practices, including Southwest Airlines, United Airlines, American Airlines, and JetBlue.

SkyWest, Inc. is reliant on a domestic workforce and customer base. However, the Association of Flight Attendants-CWA has alleged that SkyWest retaliated against employees seeking union representation and funds an internal employee association, the SkyWest Inflight Association (SIA), intended to replace independent unionization.³ This is at odds with the ILO’s ethos of independent bargaining and non-interference. A case has been filed alleging that SIA is an illegal ‘dummy union.’⁴

Should SkyWest’s brand be linked to anti-union rhetoric, it risks losing customers. A recent Gallup poll found that American approval of unions is higher than it has been in over 50 years.⁵ Controversy over SIA has already led to negative publicity for the Company, including Senator Bernie Sanders tweeting: “Creating company unions are an illegal union busting tactic. Follow the law!”⁶

Moreover, the presence of unions has been positively correlated with low turnover, improved diversity, investment in training, and reduced legal and regulatory violations.⁷ Conversely, companies that actively oppose unionization experience declines in productivity relative to those that are less opposed; “the overall negative effects are

¹ https://www.ilo.org/actrav/events/WCMS_315488/lang--en/index.htm

² <https://hbr.org/2023/10/are-we-seeing-a-revival-of-union-power>

³ https://www.afacwa.org/skywest_management_illegal_retaliation

⁴ <https://assets.nationbuilder.com/afacwa/pages/3329/attachments/original/1697057943/2-23-cv-00723.pdf?1697057943>

⁵ https://www.huffpost.com/entry/labor-unions-making-a-comeback_n_64f23d39e4b03bdf3ae2c17

⁶ <https://twitter.com/BernieSanders/status/1715357837017141546>

⁷ <https://www.piiie.com/blogs/realtime-economic-issues-watch/higher-wages-low-income-workers-lead-higher-productivity>; <https://www.trilliuminvest.com/news-views/the-investor-case-for-supporting-worker-organizing-rights>; <https://www.workerscapital.org/our-resources/shared-prosperity-the-investor-case-for-freedom-of-association-and-collective-bargaining/>



driven by manager's or owner's dislike of working with unions rather than economic costs of unions."⁸

BE IT RESOLVED: Shareholders request the Board adopt and disclose a Non-Interference Policy upholding the rights to freedom of association and collective bargaining in its operations, as reflected in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

SUPPORTING STATEMENT: The Policy should contain commitments to:

- Non-interference when employees exercise their right to form or join a trade union, including

prohibiting SkyWest from undermining this right or pressuring employees seeking to form or join a company-hosted organization intended to represent employees;

- Good faith and timely collective bargaining if employees form or join a trade union;
- Where national or local law is silent or differs from international human rights standards, following the higher standard; and
- Processes to identify, prevent, account for, and remedy any practices that violate or are inconsistent with the Policy.

⁸ <https://www.census.gov/content/dam/Census/newsroom/press-kits/2023/assa/unionization-employer-opposition-preview.pdf>, p.3