

PEGASUS HAVA TAŞIMACILIĞI A.Ş. ETHICAL BEHAVIOR GUIDE

This document has been prepared as a public informative note regarding the principal terms set out in the “Pegasus Ethical Behavior Guide” adopted by the resolution of the Board of Directors of Pegasus Hava Taşımacılığı Anonim Şirketi (“Pegasus”) dated August 16, 2018, and numbered 633.

WHAT IS PEGASUS ETHICAL BEHAVIOR GUIDE?

Pegasus Ethical Behavior Guide comprises the main principles regarding honest, respectful, fair and trustful behavior based on reason, conscience and common sense when interacting with employees, guests, customers, suppliers and other persons and entities we work and interact with other parties.

WHO MUST FOLLOW PEGASUS ETHICAL BEHAVIOR GUIDE?

Ethical Behavior Guide applies to all directors and employees of Pegasus and its subsidiaries, including the members of the Board of Directors of each entity.

CORPORATE VALUES

Pegasus builds up honest, respectful, fair and trustful behavior based on reason, conscience and common sense while performing all activities. These fundamental principles and the terms of Pegasus Ethical Behavior Guide are determinative for all our commercial decisions.

Honesty: Represents acting in honesty, in line with legal regulations and complying with Pegasus Ethical Behavior Guide in all our relations.

Respect: Represents respecting each other, guests, suppliers, other persons and entities we work and interact with within courtesy rules.

Fairness: Represents evaluating the interests of every party and acting fair in each decision or transactions.

Reliability: Represents acting in conformance with all laws and regulations, providing full, accurate and comprehensible information with all stakeholders, protecting long term benefits, timely and complete fulfillment of responsibilities.

MANAGEMENT COMMITMENT

Pegasus Board of Directors, Chief Executive Officer (CEO) and members of the senior management directly reporting to the CEO commit to:

- Maintain honest, respectful, fair and trustful based on reason, conscience and common sense while performing all our activities,
- Establish open, collaborative and friendly relationships in every aspect,
- Comply, protect, and uphold the values set out in Ethical Behavior Guide,
- Act in conformance with all applicable laws, rules and regulations,
- Provide full, accurate and comprehensible information in the reports and documents which are made public or send to the registered regulatory bodies,
- Work to preserve a Company culture and working environment that promotes the ethical principles set out in Pegasus Ethical Behavior Guide to achieve Company targets, provide the safety and satisfaction of our guests.

Behavior expected from our employees within the scope of Pegasus Ethical Behavior Guide is described below.

1. Our Responsibilities

In line with our legal obligations, Pegasus gives utmost importance to fulfill its responsibilities towards employees, guests, competitors, public organizations and institutions, suppliers, shareholders, environment and the media.

In this respect and in particular:

- We act knowing that Safety Management is our main responsibility, and we aim to conduct honest, respectful, fair and trustworthy communication to realize guest satisfaction.
- We undertake to comply with the fair competition rules in all our activities to comply with relevant competition laws and regulations and act honestly.
- We aim to implement equal opportunity to all candidates during hiring and we aim to hire the right person for the right job.
- We provide the necessary information accurately and in a comprehensible manner, as provided in the applicable law, to our shareholders regarding our operational and financial results, our strategies, investments and our risk profile. We undertake the necessary measures to protect inside information and the prevention of their misuse or their breach.

2. Conflict Of Interest

In principle, our employees are not allowed to offer or receive gifts or similar benefits and such transactions always require the approval of the Ethics Committee.

Our Company regulations do now allow our employees to establish or operate in areas that may give rise to a conflict of interest or another business operating in the field of aviation or become shareholders or assume any duties including managerial duties.

Our Company regulations also require our employees to obtain the Ethics Committee consent for assuming any duties in businesses operating outside of the field of aviation, to undertake any managerial or employment duties in such entities or to undertake any responsibility in any educational institution, university or a public entity or institution.

3. Protection of Company Assets and Safety

All our employees know that Company assets is for Company use only.

Our employees are responsible for maintaining and protecting the confidentiality of information relating to other employees, guests, customers, suppliers and other persons and entities we work an interact with.

Our employees are expected to ensure that their actions do not place them or others under any risk. Our employees are expected to comply with all applicable health and safety regulations and Occupational Health and Safety Regulations to create safe, healthy and secure working place.

4. Social Media and Political Activities

Pegasus does not conduct activities on behalf of any political parties. We refrain from any expression or activity relating to political events or on the social media that can be perceived as representing Pegasus or that may affect the Company's credibility.

COMPLIANCE WITH PEGASUS ETHICAL BEHAVIOR GUIDE

Pegasus Ethics Committee is established to ensure the proper practice of Ethical Behavior Guide. Ethics Committee also ensure the objective evaluation complaints and notifications concerning violation of Ethical Behavior Guide. Ethics Committee members are selected to ensure fair governance culture and the highest degree of objectivity. Members are selected in the context of working dynamics to provide the environment for critical discussion, with a view to achieve fair results. Ethics Committee is composed of the top managers from Human Resources, Internal Audit and Finance Departments and two other members elected by the Ethics Committee, directly reporting to the CEO at Senior Vice-President level or above.

Pegasus is committed to prevent any retaliation or harm against employees for notifications made within the scope of Pegasus Ethical Behavior Guide.

Pegasus ensures that regular training is provided to, and acknowledgments are received from employees to increase awareness on Pegasus Ethical Behavior Guide and ensure clear comprehension of its content.

For any concerns regarding non-compliance, you may directly contact: etik@flypgs.com.