



PEGASUS

**SUSTAINABILITY
REPORT 2025**

CAPA 2023
EUROPEAN
ENVIRONMENTAL
SUSTAINABILITY AIRLINE



CAPA 2024
GLOBAL ENVIRONMENTAL
SUSTAINABILITY AIRLINE



2025 AIRLINE ECONOMICS
AVIATION 100
SUSTAINABILITY TEAM
OF THE YEAR



2025 EMISSION
INTENSITY

56.9
grCO₂/RPK

2025 INTERNATIONAL
STEVIE AWARDS **EMPLOYER
OF THE YEAR** IN THE
“AVIATION & DEFENSE”
CATEGORY



2025 INTERNATIONAL
STEVIE AWARDS SILVER
AWARD IN THE “DIVERSITY
& INCLUSION INITIATIVE”
CATEGORY



2025 BRANDON HALL HCM
EXCELLENCE AWARDS GOLD
AWARD IN “BEST EMPLOYEE
EXPERIENCE”



2025 SUSTAINABLE
BUSINESS AWARDS AWARD
IN THE “DIVERSITY, EQUITY
& INCLUSION INITIATIVE”
CATEGORY



2025 RATIO OF WOMEN
EMPLOYEES AMONG
MID AND SENIOR LEVEL
MANAGERS

%33.2

2025 **BIST** CORPORATE
GOVERNANCE INDEX
COMPANY WITH THE
HIGHEST RATING SCORE



2025 BIST CORPORATE
GOVERNANCE COMPLIANCE
RATING SCORE

%98.2

PEGASUS 20 YEARS

LET'S GO!

Twenty years ago, we said "Let's Go!" and began our scheduled operations with 5 aircraft and 6 destinations under the motto "Everybody has the right to fly!" As Türkiye's first low-cost airline, we have made flying accessible for everyone over the past 20 years.

By turning our course toward a sustainable future, we have taken steps for our planet. On our path toward our 2050 Net Zero target, we have earned awards with our Zero Waste projects.

Believing in gender balance, we supported women's employment within our Company and, through our collaboration with the Turkish Education Foundation, undertook the university education of female students.

To follow technological developments around the world and integrate them into both our sector and our Company, we established the Innovation Lab in Silicon Valley.

We expanded Türkiye's and Europe's youngest fleet and the world's second youngest with our new 200-aircraft investment.

With each passing day, we grew and today we have reached 158 destinations in 55 countries. We did not start aviation in Türkiye, but we changed it.

With every step we took by saying "Hadi!", we aimed to move ourselves and our world one step forward. Today, with the same excitement, we ask once again:

LET'S GO! What's Next?

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2025

ABOUT THIS REPORT

Our 2025 Sustainability Report has been prepared to present our efforts in sustainability, our relationships with our stakeholders, and the impact and value we create in key environmental, social, and governance matters.

Our 2025 Sustainability Report has been prepared in line with the requirements of TSRS 1 (General Requirements for Disclosure of Sustainability-Related Financial Information) and TSRS 2 (Climate-Related Disclosures), as determined by the Turkish Public Oversight Accounting and Auditing Standards Authority (KGK), as well as the Global Reporting Initiative (GRI) Standards. The report has also been prepared in accordance with the sector-specific guidelines outlined in Annex Volumes 60 and 61 under the TSRS framework.

The first section of our report presents our disclosures on “Our Sustainability Strategy,” “Governance,” “Risk Management,” and “Metrics and Targets” under TSRS 1 and TSRS 2, along with the limited assurance report issued by our independent auditor on these disclosures. In presenting the disclosures required under TSRS 1 and TSRS 2, the currency used is Turkish Lira, consistent with the financial statements prepared by our Company in accordance with Turkish Financial Reporting Standards (TFRS).

In the second section of our report, our activities reflecting our sustainability strategy are presented under three primary components highlighted

through our motto “We Are Moving Towards a Sustainable Future,” in alignment with the Global Reporting Initiative (GRI) Standards. Within this scope, we share the initiatives carried out under the perspectives “We Are Moving Towards a Cleaner Future,” “We Are Moving Towards an Equal and Harmonious Future,” and “We Are Moving Towards a Better Future Together.” Additionally, this section provides information on our safety and security-focused business approach and our technology and innovation-oriented initiatives, which directly interact with our sustainability strategy.

Our report covers performance data for the period between January 1, 2025 and December 31, 2025. The metrics and targets disclosed in the first section under TSRS, along with the associated limited assurance engagement, cover data exclusively from 2024 and 2025. In the second section of our report, the past three years of performance data are presented to ensure comparability. Following the end of the reporting period and prior to the approval date of this document for publication, no transaction, event, or condition requiring disclosure in this sustainability report has occurred other than those already reported in the financial statements for the fiscal period.

For any questions, comments, or recommendations regarding this report, you may contact us at sustainability@flypgs.com

Moving towards a
sustainable
future 



Dear Stakeholders of Pegasus Airlines,

Together, we leave yet another year behind us.

2025 was a year marked by uncertainties and rapid changes across the globe. It is precisely for this reason that the pride we feel today is more meaningful, and our hope for the future is stronger.

Throughout the year, we expanded our fleet, launched new routes, and continued our investments with determination. By enhancing our operational efficiency, we once again reinforced our position among the world's leading low-cost airlines. Towards the end of the year, we took a significant strategic step that strengthened our vision for international growth.

While maintaining our focus on Artificial Intelligence-enabled technology and innovation, we implemented collaborations with start-up ventures through our Innovation Lab in Silicon Valley, USA. In parallel, we designed a new structure within the Company to evaluate investment opportunities in promising ventures for the future of our industry. Alongside these efforts, as in every year, we introduced several technological innovations across our operations in 2025 for the benefit of our guests and employees.

Fully aware that our responsibility grows as we grow, we continued on our path with an aviation mindset that is more efficient, sustainability-focused and increasingly sensitive to the future.

In the 20th year since our first scheduled flight, we take great pride in our journey that has now reached a global scale.

Behind these achievements lie the contributions, dedication, and strong sense of responsibility of our employees. From operations to guest experience, from technology to the teams on the ground, the true strength of Pegasus is this committed team, working shoulder to shoulder with passion and trust. It is also the trust of our valued guests, and the support of all our business partners and stakeholders who contribute to the value we create. I extend my sincere gratitude to each of you for your efforts, dedication, and confidence in Pegasus throughout the many milestones we have achieved.

As we continue to maintain our strong operational and financial performance, we closely follow our environmental, social, and governance priorities:

- Over the past three years, our efforts in environmental sustainability have been recognized internationally with numerous awards. The commitment of our colleagues

in the Sustainability Working Group was acknowledged in 2025 with the “2025 Airline Economics Aviation 100 - Sustainability Team of the Year” award.

- In 2025, we received more than 15 awards in the field of employee experience at Pegasus, including the International Stevie Awards and the Brandon Hall Awards. Alongside recognitions such as Employer of the Year and Best Employee Experience, our “Harmony” initiative received both international and national awards in the field of **Diversity, Equality & Inclusion**.
- As a result of our long-standing efforts in governance, we concluded 2025 with the **highest Corporate Governance Rating in the BIST Corporate Governance Index**.

With an annual guest count exceeding 43 million, a fleet of 127 aircraft, and a network comprising 158 destinations in 55 countries, 39 domestic and 119 international, we remain committed to further enhancing the value we create for all our stakeholders and to developing our operations with a sustainable business approach.

Respectfully yours,

Güliz ÖZTÜRK
CEO



PEGASUS IN BRIEF

Pegasus in Numbers



Pegasus Airlines in Brief

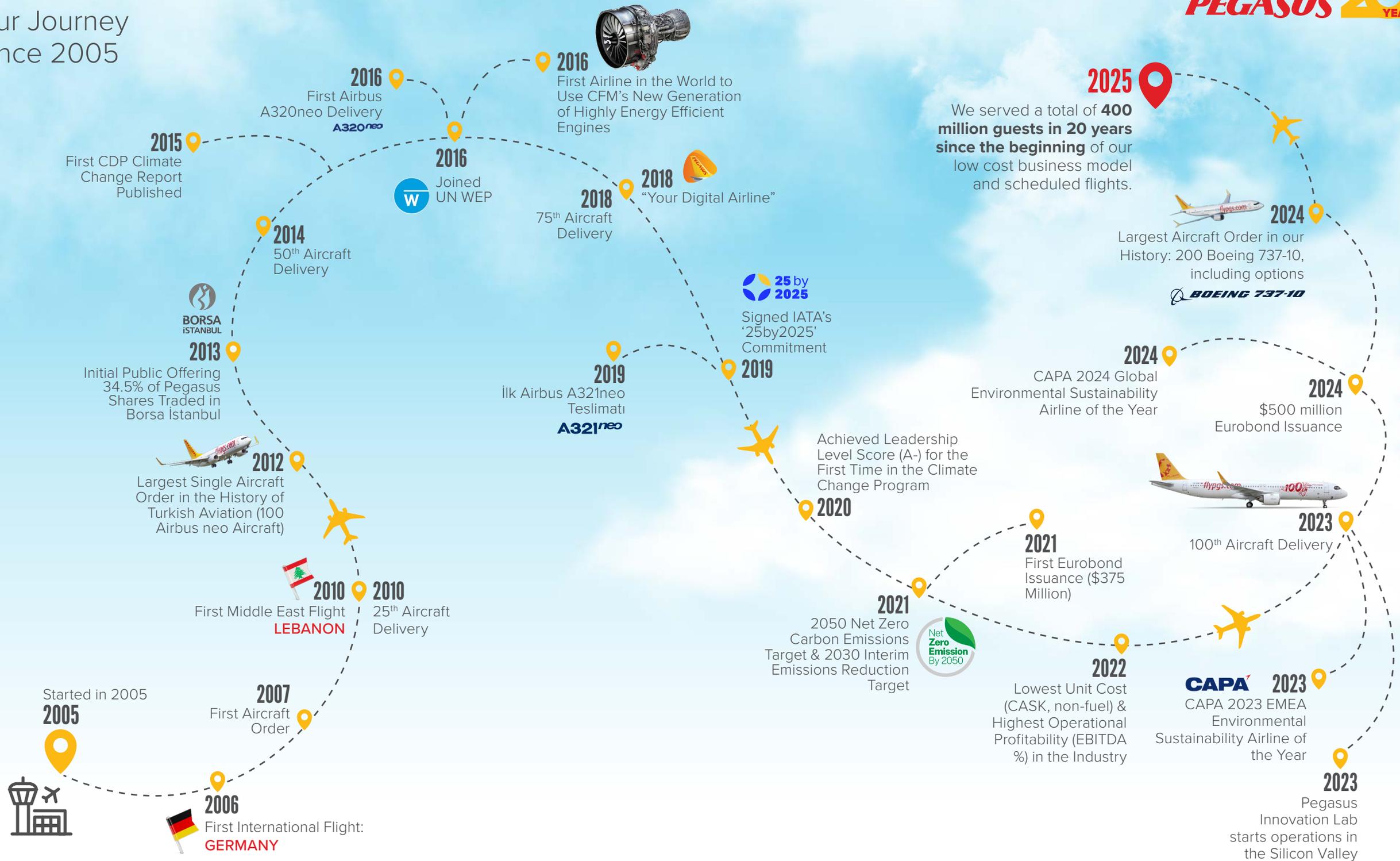
- We were incorporated in 1990 as a joint venture between several airlines and financial investors.
- Between 1990 and 2005, we were an airline operating charter flights.
- In 2005, when Esas Holding took over the management, we adopted the low-cost airline model and started our domestic and international scheduled flights. 2025 was the 20th year of our low cost business model and our scheduled flights.
- We achieved significant growth over the years and, by the end of 2025, reached a scheduled flight network serving 158 destinations in 55 countries, 39 of which are in Türkiye, with our fleet of 127 aircraft, and we carried more than 40 million guests in a single year.
- We are a publicly traded company. 45.37% of our shares are traded on Borsa Istanbul. The remaining 54.63% is under the control of Esas Holding, that transformed our company into one of the world's leading low-cost airlines.

WE HAVE SUCCESSFULLY GROWN OUR BUSINESS IN THE PAST 20 YEARS



PEGASUS IN BRIEF

Our Journey
Since 2005



1

TURKISH SUSTAINABILITY REPORTING STANDARDS (TSRS) COMPLIANT SUSTAINABILITY REPORT

The first section of the 2025 Sustainability Report covers the sustainability-related financial disclosures of Pegasus Airlines Inc. and its subsidiaries (collectively referred to as the “Group”, “Pegasus”, or “Pegasus Airlines”) for the fiscal year ending on 31 December 2025.

These disclosures have been prepared in accordance with the requirements of TSRS 1 General Requirements for Disclosure of Sustainability-Related Financial Information and TSRS 2 Climate-Related Disclosures, both issued by the Public Oversight Accounting and Auditing Standards Authority of Türkiye (“KGK”).

2025 marks the Group’s second reporting year under the TSRS framework. In line with the opportunities and allowances provided within the scope of TSRS:

- Pursuant to the Provisional Article 3 of the KGK Board Decision dated 27 December 2023, an exemption has been applied for Scope 3 greenhouse gas (GHG) emissions disclosures.
- An exemption under TSRS 2 C5 for GHG

measurement disclosures has been utilized. Greenhouse gas calculations and measurements have been carried out and verified in accordance with ISO 14064 1.

Section 1 of the Report has been prepared in alignment with the same reporting period and scope as the Group’s Consolidated Financial Report (Note 2 of the Consolidated Financial Report for the year ended 31 December 2025 contains detailed information regarding the scope of consolidation). Accordingly, Section 1 of the Report includes climate and Sustainability related information and disclosures for the parent company Pegasus Hava Taşımacılığı Anonim Şirketi and our subsidiaries Pegasus Havacılık Teknolojileri, Pegasus Innovation Lab, Pegasus Airlines Ventures LP, and Pegasus Europe B.V.

You can access our Consolidated Financial Report for the year ended 31 December 2025 on the Pegasus Investor Relations website.

You can also access our 2025 Board of Directors’ Annual Report on the Pegasus Investor Relations website.



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CONVENIENCE TRANSLATION INTO ENGLISH OF PRACTITIONER'S LIMITED ASSURANCE REPORT ORIGINALLY ISSUED IN TURKISH

INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON THE SUSTAINABILITY INFORMATION PRESENTED BY PEGASUS HAVA TAŞIMACILIĞI A.Ş. AND IT'S SUBSIDIARIES IN ACCORDANCE WITH TURKISH SUSTAINABILITY REPORTING STANDARDS

To the General Assembly of Pegasus Hava Taşımacılığı A.Ş.,

We have undertaken a limited assurance engagement on Sustainability Information of Pegasus Hava Taşımacılığı A.Ş. and its subsidiaries ("the Group") for the year ended 31 December 2025 in accordance with Turkish Sustainability Reporting Standards 1 "General Requirements for Disclosure of Sustainability-related Financial Information" and Turkish Sustainability Reporting Standards 2 "Climate-Related Disclosures".

Our assurance engagement does not extend to other information included in the Sustainability Report and Sustainability Information or other information linked to from the Sustainability Report (including any images, audio files, documents embedded in a website or embedded videos).

Limited Assurance Conclusion

Based on the procedures we have performed as described under the "Summary of the work we performed as the basis for our assurance conclusion" and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Information of the Group for the year ended 31 December 2025, is not prepared, in all material respects, in accordance with Turkish Sustainability Reporting Standards ("TSRS"), as published by the Public Oversight Accounting and Auditing Standards Authority of Türkiye ("POA") in the Official Gazette dated 29 December 2023 and numbered 32414(M).

We do not express an assurance conclusion on other information included in the Sustainability Report and Sustainability Information or other information linked to from the Sustainability Report (including any images, audio files, documents embedded in a website or embedded videos).

Other Matters

The Group's TSRS Report for the year ended 31 December 2024 was subject to a limited assurance engagement performed by another independent audit firm, which expressed an unmodified conclusion in its independent auditor's limited assurance report dated 7 August 2025.

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Inherent Limitations in Preparing the Sustainability Information

Sustainability Information is subject to inherent uncertainty due to incomplete scientific and economic knowledge. Greenhouse gas emission quantification is subject to inherent uncertainty due to incomplete scientific knowledge. Additionally, the Sustainability Information includes information based on climate-related scenarios that is subject to inherent uncertainty due to incomplete scientific and economic knowledge about the likelihood, timing or effect of possible future physical and transitional climate-related impacts.

Responsibilities of Management and Those Charged with Governance for the Sustainability Information

The Group Management is responsible for:

- Preparing the Sustainability Information in accordance with the principles of Turkish Sustainability Reporting Standards;
- Designing, implementing and maintaining internal control over information relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error;
- In addition, the Group Management is responsible for the selection and implementation of appropriate sustainability reporting methods, as well as making reasonable assumptions and estimates that are appropriate in the circumstances.

Those charged with Governance are responsible for overseeing the Group's sustainability reporting process.

Practitioner's Responsibilities for the Limited Assurance on Sustainability Information

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained and informing the Group management of the conclusion we have reached.
- Performing risk assessment procedures to obtain an understanding of the Group's internal control structure and to identify and assess the risks of material misstatement of sustainability information, whether due to fraud or error, but not for the purpose of expressing an assurance conclusion on the effectiveness of the Group's internal control.
- Designing and implementing procedures to identify and address areas of the Sustainability Information that may contain material misstatements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements may arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users of Sustainability Information.

As we are engaged to form an independent conclusion on the Sustainability Information as prepared by management, we are not permitted to be involved in the preparation of the Sustainability Information in order to ensure that our independence is not compromised.

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Professional Standards Applied

We performed a limited assurance engagement in accordance with the Standard on Assurance Engagements 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information and, in respect of greenhouse gas emissions included in the Sustainability Information, in accordance with the Standard on Assurance Engagements 3410 Assurance Engagements on Greenhouse Gas Statements, issued by POA.

Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Independent Auditors (including Independence Standards) (Code of Ethics) issued by the POA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. Our firm applies Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our work was carried out by an independent and multidisciplinary team including assurance practitioners, sustainability and risk experts. We used the work of experts to assess the reliability of the information and assumptions related to the Group's climate and sustainability-related risks and opportunities. We remain solely responsible for our assurance conclusion.

Summary of the Work We Performed as the Basis for Our Assurance Conclusion

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Sustainability Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Sustainability Information, we:

- Conducted inquiries with the Group's key senior personnel to understand the processes in place for obtaining the Sustainability Information for the reporting period;
- Used the Group's internal documentation to assess and review sustainability-related information;
- Evaluated the disclosure and presentation of sustainability-related information.
- Through inquiries, obtained an understanding of Group's control environment, processes and information systems relevant to the preparation of the Sustainability Information. However, we did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness.
- Evaluated whether Group's methods for developing estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Group's estimates.
- Obtained understanding of process for identifying risks and opportunities that are financially significant, along with the Group's sustainability reporting process.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Zere Gaye Şentürk
Partner

İstanbul, 4 March 2026

1.3. Our Sustainability Strategy



1.3.1. Strategic Approach and Targets

Ensuring business continuity, maintaining competitiveness, and managing risks and opportunities can only be achieved by integrating the sustainability approach into business processes. Therefore, promoting a culture of sustainability within the organization is of great importance. This approach enables topics to be evaluated from a sustainability perspective when making decisions in business processes and allows progress toward outcomes that create value for all stakeholders.

In this context, in order to ensure the continuity of sustainability in our business processes, we evaluate our environmental, social, and economic impact, particularly climate impact, along with associated risks and opportunities and integrate them into our processes. We have made significant progress in this area and have incorporated this perspective into our professional life to adapt to the rapidly changing world.

In 2025, we structured our corporate strategy, revised, around nine key themes. Our

sustainability perspective is an integral part of these strategic focus areas, both in terms of our goal to establish a new sustainability culture and in terms of the contribution of other strategic objectives to sustainability.

Accordingly, we treat sustainability as a strategic objective and act with the awareness that it holds critical importance in decision making processes. In particular, we systematically assess the impacts of climate change on our activities through risk and opportunity analyses. We consider not only physical risks but also transition risks such as regulatory dynamics, market demands, technological developments, and reputation focused processes. We integrate climate related risks into our Corporate Risk Management system and prioritize and manage them in alignment with our strategic objectives.

More detailed information on climate related risk and opportunity analysis regarding our activities is provided in the section “1.3.3. Climate Related Risks and Opportunities Regarding Our Activities.” Through this approach, we aim to ensure the effective assessment of these risks and support long term sustainability and resilience.

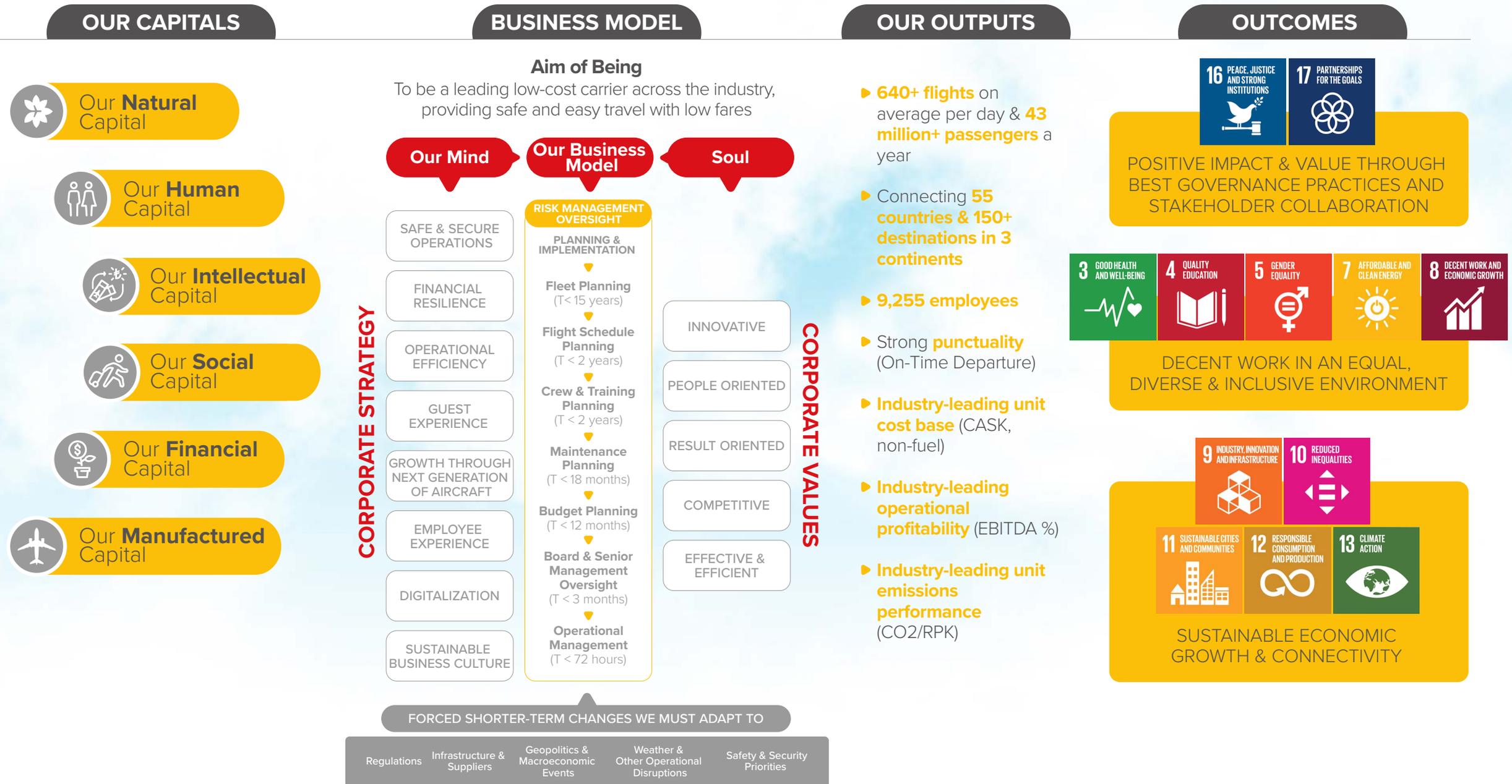
PEGASUS AIRLINES STRATEGIC OBJECTIVES



- Strong Safety Strategy & Culture
- Clockwork Like Operations
- Digital Airline Empowered by Artificial Intelligence
- Strong Roots in Türkiye and a Rising Power Abroad
- Sustainable Revenue Growth with an Ancillary Revenue Focus
- Technology Supported Easy Customer Experience
- Sustainability: An Integral Part of Our Business
- Sustainable Growth with a Strong Team
- Industry-Leading Financial Performance

1.3.2. Our Value Model

We create value by implementing our corporate strategy based on the following business model. Our business model is shaped within the framework of our aim of being, strategic targets and corporate values.



1.3.3. Climate and Sustainability Related Risks and Opportunities Regarding Our Activities

We evaluate the potential impacts of climate change on our business model across three time horizons:

- 0–3 years: **Short Term**
- 3–10 years: **Medium Term**
- 10–30 years: **Long Term**

The specified time horizons have been defined in alignment with our strategically prioritized topics and the expected developments regarding the implementation of sustainability initiatives.

The impacts of climate and sustainability related risks and opportunities on our activities are determined for these time horizons within the framework of our Corporate Risk Management approach. In the assessment, potential impact and likelihood are considered together; Physical risks regarding climate are classified under the code “F”, transition risks under “G”, social risks under “S”, and governance risks under “Y”.

The periodic impact assessment of sustainability and climate related risks and opportunities is carried out in an integrated manner with our Corporate Risk Management framework and in alignment with the corporate risk matrix. In the evaluation, potential impacts and likelihood are analyzed considering short, medium and long term time horizons.

As part of the financial impact analysis, the reasonably expected impacts of the related risks and opportunities on enterprise value and financial resilience are evaluated. In this process, operational performance, cash flows, and profitability indicators are examined, and particularly the potential impacts on EBITDA are taken as a reference. The evaluation is not based on a fixed threshold rate; instead, financial magnitude and strategic importance are considered together, and the results are associated with financial reporting.

Within the financial assessment of climate related risks and opportunities, there are significant uncertainties regarding many factors

that would influence adaptation costs. Factors such as uncertainties in the scope, timing, and implementation areas of existing and planned regulatory frameworks, the absence of mature markets for carbon credit mechanisms, uncertainties regarding SAF supply and cost, and the outcomes of consumer trends have been evaluated through scenario analyses.

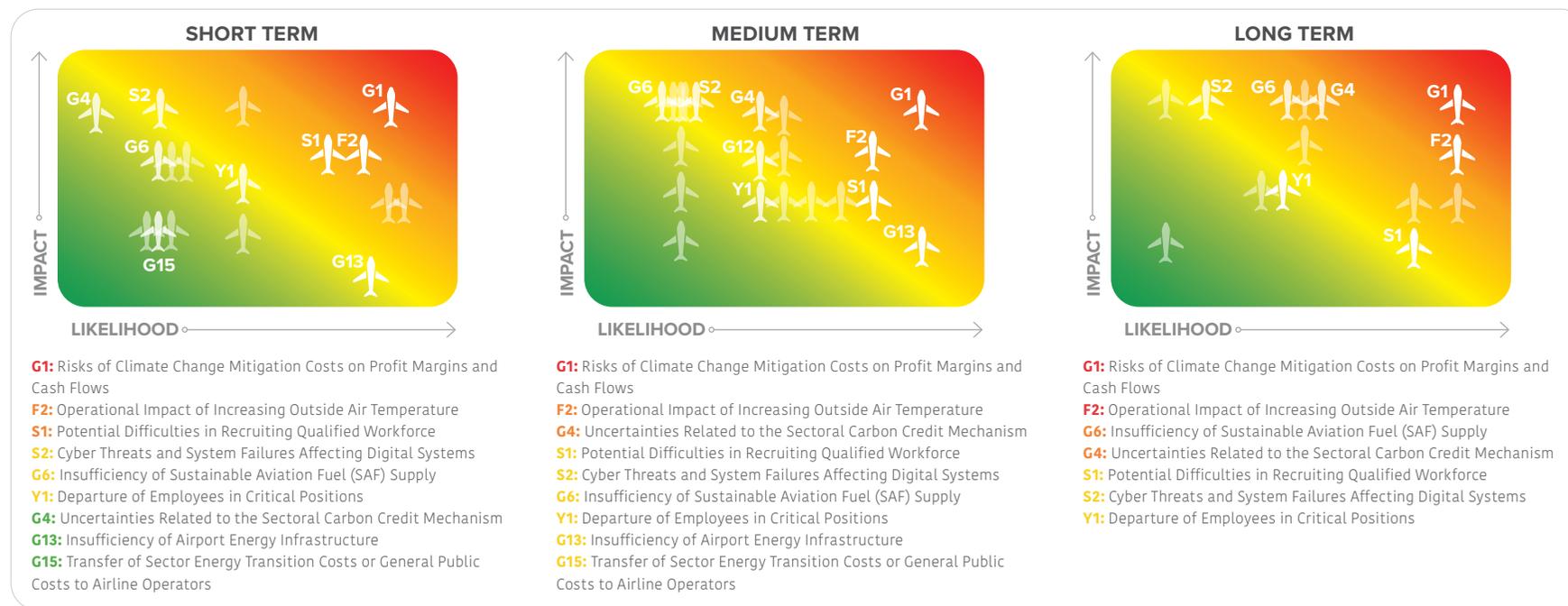
In the financial assessment process of sustainability related risks and opportunities, there are topic areas such as continuity of organizational capabilities, access to human resources, and corporate resilience, which can be explained qualitatively but hold various challenges in quantifying cost impacts. The potential financial impacts of these risks and opportunities are evaluated under different internal assumptions and monitored from a holistic sustainability risk and opportunity perspective.

However, these uncertainties do not allow conducting concrete and predictable financial impact analyses for the related risks. In this context, the financial impact analysis in the

evaluations performed is predominantly based on approach and expectation assessments.

As a result of the risk assessment studies explained in Section 1.5.3 of this Report, 22 risks and 10 opportunities have been identified. In the identification process, sectoral priorities, national and international regulatory developments, and company strategies were taken into consideration, and the evaluation results were submitted for senior management approval. Within the scope of the prioritization study, nine risks and five opportunities were evaluated based on the criteria of potential impact and likelihood, as well as their level of association with our short term activities and their priority level, and these have been included in this report.

The prioritized risks and opportunities are explained in detail below. In the risk table, indicators showing the periodic impacts have been added according to impact levels as **green (very low impact)**, **yellow (low impact)**, **orange (medium impact)**, and **red (high impact)**.



Risks

G1	RISK DEFINITION: The risks of climate change mitigation cost on profit margin and cash flows.
	<p>Risk Class: Environment and Climate Change</p> <p>Risk Group: Transition Risk / Legal</p> <p>Risk Rating: Short-Term (0-3 years) - ● Mid-Term (3-10 years) - ● Long-Term (10-30 years) - ●</p>
<p>General Description and Impact of the Risk: Nearly all of the aviation sector’s Scope 1 & 2 greenhouse gas emissions, and more than ¾ of emissions across all three scopes, stem from jet fuel use. Therefore, the sector’s climate adaptation requires an energy transition that cannot be achieved in the short term but demands substantial planning, technological research and development, and investment to yield results in the long term.</p> <p>Financial Impact of the Risk (expected timing and explanation relating to the financial statements): CORSlA has entered into effect in 2024 as an emission trading system application that creates a carbon credit purchase obligation for international flights. Beginning from 2025, within the scope of ReFuelEU, there is an obligation to purchase fuel blended with 2% SAF for our flights departing from the European Union. Assuming that climate actions are implemented, according to the NZE 2050 (IEA) scenario, an increase in operational expenditures is expected in the short, medium, and long term due to climate change mitigation and low carbon transition obligations under regulatory frameworks such as CORSlA, ReFuelEU, and SHT SAF, infrastructure investments, carbon removal, and the cost of SAF, which is at least 2.5 times higher than conventional jet fuel. When the financial impact of these obligations—which start at relatively low rates—is evaluated for the short, medium, and long term, the additional costs they generate are expected to increase and be added to our total costs in the coming years. In line with the assessments made regarding SAF usage obligations and CORSlA Phase I (2024–2026), the financial impact expected to occur during the relevant three year period is anticipated to be around USD 40–50 million, arising from SAF costs and CORSlA carbon credit obligations. Approximately USD 7 million of this amount relates to the carbon credit purchase obligation finalized for 2024 under CORSlA Phase I for the 2024–2026 period. In particular, SAF can be procured at a cost at least 2.5 times higher than jet fuel, which constitutes on average one third of the total costs of airline operators, and the current price difference poses a significant long term cost increase risk. The financial impact in the medium and long term is expected to continue increasing, and a financial value range cannot be shared. Since there is not yet a well established market in the field of SAF and CORSlA, the uncertainty factor remains high.</p> <p><i>The investments and expenditures related to the short, medium and long term are expected to have an increasing impact on the “fuel expenses” item in the income statement and on the “cash outflow from operations” item in the cash flow statement. In the medium and long term, they are expected to have an impact on the “trade payables” item in the balance sheet.</i></p>	
<p>Measures, Targets and Investments Taken for the Risk: We consider the impact of climate change adaptation costs on profit margins and cash flows as the most significant climate change transition risk that must be managed from a sectoral perspective. While airline operators ensure adaptation to climate change, they must at the same time operate as economically sustainable enterprises. We publicly disclosed our Climate Transition Roadmap in 2024, which forms our transition plan and is aligned with our business model. Accordingly, starting from 2025, we are including our annual net carbon emission and emission intensity targets in our annual budget and monitoring the financial impact of our activities within the discipline of the budget in line with these targets. The annual interim targets set for our medium term emission intensity target for 2030 were also added to our Company target scorecard in 2025, and are being used as a key Company performance metric that affects the performance score of all our mid and senior level management teams. The low cost airline business model implemented by our Company, with its focus on low unit cost, strong cash position and financial resilience, places our Company in an advantageous position compared to its competitors in terms of sectoral climate adaptation. In this context, while the investments we make in new generation aircraft and the projects we carry out under operational efficiency reduce our total emission footprint and the associated financial obligations, we are also carrying out the necessary work to financially manage the cost risks arising from SAF and CORSlA. In 2024, we completed the first purchase of REDD+ ART Afforestation credits accepted under CORSlA for Phase I (2024–2026). Within the scope of our Corporate Risk Management System, our annual SAF and CORSlA risks are regularly monitored. Apart from the obligations and cash outflows expected to arise from the anticipated additional cost of this risk, no significant change is expected in our financial position, financial planning or in the carrying amount of assets and liabilities.</p>	
<p>Related Metrics & Targets: Gross Scope 1 Emissions (tCO₂e), Total Fuel Consumed (tons), Emission Intensity (gCO₂/rpk), Alternative Fuel (SAF) Usage Percentage (%), Amount of Credits Purchased under CORSlA (tCO₂e)</p>	

Risks

<p>Risk Class: Environment and Climate Change</p> <p>Risk Group: G2 Transition Risk / Policy</p> <p>Risk Rating: Short-Term (0-3 years) - ● Mid-Term (3-10 years) - ● Long-Term (10-30 years) - ●</p>	<p>RISK DEFINITION: Uncertainties regarding the continuation of the carbon credit mechanism applicable to the sector.</p>
<p>General Description and Impact of the Risk: Our Company, as a carrier authorized to operate in Türkiye, is within the scope of CORSIA. In the CORSIA system, the annual international flight volume is calculated, and as of 2024, emissions from traffic exceeding 85% of the 2019 international flight traffic volume must be offset with carbon credits approved by CORSIA. Due to the nature of our operations, we currently do not have an obligation to purchase credits under any emission trading system other than CORSIA. Our Climate Transition Roadmap is based on the assumption that CORSIA will continue to be implemented in its current scope until 2050. However, there is a possibility that airlines may be included in various mechanisms such as EU ETS or local ETS, and there is a risk of cost impacts.</p> <p>Financial Impact of the Risk (expected timing and explanation relating to the financial statements): In the NZE 2050 (IEA) scenario, which takes climate actions into account, solutions such as sustainable aviation fuels (SAF), synthetic fuels and low emission technologies play a critical role in reducing carbon emissions in the aviation sector. However, since these solutions are still high cost and economies of scale have not been achieved, the sector in which we operate remains largely dependent on carbon credit mechanisms and public support during the transition phase. Furthermore, the increase in regulatory obligations driven by temperature rise pressure under the RCP8.5-SSP5-8.5 scenario is indirectly related to this risk. In this context, the CORSIA system is currently planned for international aviation activities until 2035. Its continuation after this date may be decided by ICAO. On the other hand, the EU ETS system implemented in the European Union covers only flights conducted within the European Union until 2027. As of the report date, there is no established emission trading system in Türkiye, and in the event of such a system being established, it is not expected to include aviation activities in the first phase. However, under EU ETS, the effectiveness of CORSIA is under evaluation, and depending on the Commission's decision, there is a possibility that airlines outside the European Union may also be included in the scope. Carbon prices are higher under EU ETS. If the scope is expanded, additional carbon offsetting obligations and higher than expected credit costs may arise, but due to uncertainties regarding future regulations and carbon prices, the financial impact cannot be quantified.</p> <p><i>In the short, medium and long term, there is a likelihood of increasing impact on the "fuel expenses" item in the income statement and on the "cash outflow from operations" item in the cash flow statement. In the balance sheet, there is potential for impact on the "trade payables" item.</i></p>	
<p>Measures, Targets and Investments Taken for the Risk: Türkiye has been a party to the CORSIA project since the pilot phase, which began in 2019, and our Company has been conducting emission measurement, reporting and verification under CORSIA for more than six years. In the short term, we foresee that the scope of obligations will remain limited to CORSIA and that the expected financial obligations will not be adversely affected by new regulations in the short term. Long term risks regarding emission trading system obligations related to the aviation sector are monitored before sectoral organizations, ministries and other relevant stakeholders.</p>	
<p>Related Metrics & Targets: Amount of Credits Purchased Under CORSIA (tCO₂e), Amount of Credits Surrendered Under EU ETS and UK ETS (tCO₂), Gross Scope 1 Emissions (tCO₂e)</p>	

Risks

<p>Risk Class: Environment and Climate Change</p> <p>Risk Group: G3 Transition Risk / Technology</p> <p>Risk Rating: Short-Term (0-3 years) - ● Mid-Term (3-10 years) - ● Long-Term (10-30 years) - ●</p>	<p>RISK DEFINITION: Insufficiency of Sustainable Aviation Fuel (SAF) supply and feedstock.</p>
<p>General Description and Impact of the Risk: Considering the data published by ICAO and the currently applicable SAF usage obligations, the supply of SAF needed for a large portion of the sector in the short and medium term appears achievable with existing raw material sources and active and planned investments. However, when evaluating the high rate obligations beyond 2035, technological and infrastructure investments aimed at meeting demand may not be sufficient to address long term needs.</p>	
<p>Financial Impact of the Risk (expected timing and explanation relating to the financial statements): In the NZE2050 (IEA) scenario, in which climate actions are planned and implemented, potential technology delays have been taken as a reference. In this context, SAF supply and raw material shortages pose a critical risk to the aviation sector’s ability to achieve its 2050 net zero targets. Due to current production capacity, limited raw material supply and competition with other sectors, meeting the projected SAF demand until 2030 involves uncertainty. In the medium and long term, particularly due to the 20% SAF blending requirement announced by the EU from 2035 onwards, new raw material sources and production processes are expected to be needed to meet increasing demand. Investments related to these areas have not yet developed to the desired level. Therefore, delays and disruptions in raw material and infrastructure investments may lead to accessing next generation energy at higher costs. This situation may bring along the risk of failure to meet emission reduction targets, increasing carbon costs, and regulatory compliance risks.</p> <p><i>Due to SAF cost uncertainties in the medium and long term, the financial impact cannot be quantified. No impact arising from short term supply and raw material shortages has been reflected in the 2025 Financial Report. If the risk materializes, there is a likelihood of increasing impact on the “fuel expenses” item in the income statement and on the “cash outflow from operations” item in the cash flow statement in the medium and long term. In the balance sheet, there is potential for impact on the “trade payables” item.</i></p>	
<p>Measures, Targets and Investments Taken for the Risk: As a priority, we actively participate in efforts with sectoral organizations, government institutions and other relevant stakeholders to establish a SAF roadmap for Türkiye, which is our main operating market, and to support regional and global initiatives. In 2024, significant progress was made by the Türkiye Sustainable Aviation Platform regarding the development of a SAF roadmap for Türkiye. In 2023, we participated in joint projects to evaluate the potential use of hydrogen as an energy source in the aviation sector. Alongside multilateral collaborations, we continue bilateral discussions with our stakeholders across the fuel supply chain in different countries for SAF collaborations, while simultaneously continuing our work with entrepreneurs and investors through our Pegasus Innovation Lab technology center, established in the United States at the end of 2023, to explore innovation opportunities in climate technologies.</p>	
<p>Related Metrics & Targets: Alternative Fuel (SAF) Usage Percentage (%), Gross Scope 1 Emissions (tCO₂e)</p>	

Risks

<p>Risk Class: Environment and Climate Change</p> <p>Risk Group: G4 Transition Risk / Technology</p> <p>Risk Rating: Short-Term (0-3 years) - ● Mid-Term (3-10 years) - ● Long-Term (10-30 years) - ●</p>	<p>RISK DEFINITION: Adverse impact of inadequate airport energy infrastructures on carbon reduction plans.</p>
	<p>General Description and Impact of the Risk: The use of renewable energy in airport facilities and ground operations is affected by airport energy infrastructures. Delays or lack of support by the relevant authorities/institutions in making investments in these areas may negatively affect our emission reduction targets based on renewable energy use.</p> <p>Financial Impact of the Risk (expected timing and explanation relating to the financial statements): Infrastructure delays and possible constraints that may occur in the NZE2050 (IEA) scenario, in which climate actions are planned and implemented at all levels, have been taken into consideration. Additionally, under the RCP8.5-SSP5-8.5 scenario, the risk of increasing costs for institutions dependent on fossil fuels due to temperature rise pressure is indirectly related to this risk. Within the scope of our net zero carbon emission targets, emission reduction efforts are being evaluated across all our operations, including our ground operations. Some actions depend on external factors, and potential infrastructure delays may negatively affect our emission targets. However, due to uncertainties regarding future climate/carbon obligation costs, the financial impact cannot be quantified. Among our Scope 1, 2 and 3 greenhouse gas emissions, our Scope 2 emissions account for less than 1%. Therefore, this risk is not expected to significantly affect our core 2050 Net Zero targets, and for this reason, the financial impact has not been quantified. However, we attach importance to the transformation of our ground operations alongside our flight operations and are evaluating renewable energy opportunities. If the necessary actions are not taken by the relevant parties, delays may occur in achieving our targets such as transitioning to electric vehicles or using renewable energy. In this case, an increase may be observed in expenses related to energy consumption, considering the potential rise in future fossil fuel related costs.</p> <p><i>The impact of this risk is not expected to be significant in the short, medium and long term. There is potential for an increasing impact on the "other operational expenses" item in the income statement and on the "cash outflow from operations" item in the cash flow statement.</i></p>
<p>Measures, Targets and Investments Taken for the Risk: Although no significant impact is expected, it is taken into account that issues related to energy infrastructure may continue in the short and medium term, particularly at our main operating base, Sabiha Gökçen Airport. For this reason, our regular meetings with the airport operator and the terminal operator continue regarding planning and implementation, and for our two hangar investments currently under construction at Sabiha Gökçen Airport, energy efficiency and energy transition are considered as key planning topics. On the other hand, we operate our own ground operations at Sabiha Gökçen Airport, and as a result of the investments we have made to date, 23.3% of our mobile motorized equipment there operates on electric power.</p>	
<p>Related Metrics & Targets: Electric Vehicle Ratio in Ground Operations (%), Percentage of Renewable Energy Use (%)</p>	

Risks

<p>Risk Class: Environment and Climate Change</p> <p>Risk Group: G5 Transition Risk / Obligation</p> <p>Risk Rating: Short-Term (0-3 years) - ● Mid-Term (3-10 years) - ● Long-Term (10-30 years) - ●</p>	<p>RISK DEFINITION: Imposition of sector energy transition or general public cost on airline operators</p>
	<p>General Description and Impact of the Risk:</p> <p>The climate adaptation of the aviation sector is a transformation process that cannot be realized in the short term but depends significantly on planning, technological research and development, and investment that can yield results in the long term. Supporting this energy transition through public policies is an explicit necessity. This is because the transformation cost, which IATA forecasts to reach USD 5 trillion by 2050, does not concern only air transportation and constitutes a topic directly connected to next generation energy use, energy security, employment, and economic growth. Nevertheless, directly transferring this cost to airline operators or passengers creates a cost risk.</p> <p>Financial Impact of the Risk (expected timing and explanation relating to the financial statements):</p> <p>In the NZE 2050 (IEA) scenario, in which climate actions are planned and implemented at every level, the possibility of energy transition costs being imposed on airline operators has been evaluated. Within the scope of the sectoral 2050 Net Zero Target, various carbon mechanisms such as CORSIA, as well as SAF obligations, exist during the transition phase. These mechanisms and obligations, when SAF costs are also taken into account, create a significant cost burden on airlines. Due to uncertainties regarding what portion of the risk cost will be left to airline operators and due to uncertainties in short, medium and long term financial cost impacts, the financial effect cannot be quantified. In the aviation sector, cost items such as the passenger service charge, which is included in ticket prices and collected from passengers by airlines and transferred to the public, create costs directly reflected to service users, while general policy practices aimed at promoting various economic sectors provide funding within the general budget. Not addressing public support for the energy transition—which includes the aviation sector—within the context of national, regional, and global economic development, and instead reflecting it directly onto the sector, creates a cost risk for airline operators and traveling passengers.</p> <p><i>The impact of this risk is not expected to be significant in the short, medium, and long term. Due to the effect of this risk on passenger ticket prices, there is an increasing impact on the “revenue” item in the income statement, while the resulting additional costs also have the potential to increase the “fuel expenses” item.</i></p>
<p>Measures, Targets and Investments Taken for the Risk:</p> <p>Considering the high levels of taxation currently reflected in ticket prices, it is anticipated that public policies will implement general incentives and support focused on economic growth for the energy transition in the short and medium term. In the short term, it is assessed that different implementation examples that may occur in this area will not have a significantly adverse effect beyond the current situation. On the other hand, policy developments are being closely monitored. We continue to take the necessary actions for the targets we have set within the scope of our Net Zero target.</p>	
<p>Related Metrics & Targets: Due to uncertain short-term effects, the related metric is not yet disclosed.</p>	

Risks

F1	RISK DEFINITION: Adverse impact of increasing Outside Air Temperature (OAT) on aircraft engine performance, fuel consumption, and payload constraints, leading to operational costs and revenue potential being negatively affected
	<p>Risk Class: Environment and Climate Change</p> <p>Risk Group: Physical Risk / Chronic</p> <p>Risk Rating: Short-Term (0-3 years) - ● Mid-Term (3-10 years) - ● Long-Term (10-30 years) - ●</p> <p>General Description and Impact of the Risk: Due to climate change, increasing ambient temperatures (Outside Air Temperature – OAT) directly affect the aerodynamic and engine performance of aircraft during the take off and initial climb phases. Under higher OAT conditions, engines are required to operate at higher N1 (engine rotational speed) values in order to provide the necessary thrust; this increases fuel consumption and engine operating costs. In addition, especially at airports located in hot climates and with high density altitude, load restrictions may arise due to performance limits. These restrictions may manifest themselves as a reduction in the number of passengers, limitations on baggage or cargo capacity, or a loss of operational flexibility. Therefore, the risk is not limited solely to cost increases, but also brings with it the risk of revenue loss and a decrease in unit revenue.</p> <p>Financial Impact of the Risk (expected timing and explanation relating to the financial statements): According to the RCP 8.5 (Representative Concentration Pathway) scenario, it is projected that the temperature increase will be on average 2°C between 2030 and 2050. This scenario is based on the assumption that current climate actions remain insufficient and temperatures continue to rise. In narrow body aircraft fleets, the operation of engines at higher N1 (engine rotational speed) levels due to increasing OAT leads to a permanent increase in fuel consumption and engine operating costs. Within the scope of the analysis conducted, under the assumption of a 2°C increase in global average temperatures, the annual additional operational cost arising from the impacts on engine performance and fuel consumption is estimated to be around USD 2.4 million. This amount includes both the cost increase arising from engine performance and the approximate additional fuel cost. In addition, load restrictions that may occur particularly at airports located in hot climate conditions and with high density altitude may lead to a reduction in passenger and cargo capacity, creating downward pressure on unit revenue and total revenue. Due to the presence of multiple parameters, revenue loss arising from load restrictions has not been calculated quantitatively within the scope of this study, and this impact is considered to represent a risk factor that increases the total financial impact. Therefore, the calculated cost amount represents the lower bound of the total financial impact of the climate related physical risk. Assuming that the temperature increase will be lower in the short and medium term, the probability value has been considered lower. In the long term, however, the temperature increase is expected to materialise in line with the relevant scenario, and the probability has been assessed as higher.</p> <p><i>The impact of this risk is expected to materialise in the long term. It is expected to have a decreasing impact on the “passenger and cargo revenues” items in the income statement and an increasing impact on the “fuel and maintenance expenses” items. In the balance sheet, it is considered a risk factor that may create a long term, permanent impact on the “trade payables” item, and on the “cash outflow from operating activities” item in the cash flow statement.</i></p>
<p>Measures, Targets and Investments Taken for the Risk: In order to limit the adverse effects of increasing ambient temperatures on operational performance, Electronic Flight Bag (EFB) systems are actively used on all aircraft in our fleet. Thanks to the EFB infrastructure, taking into account current meteorological data, runway conditions and aircraft weight information for each flight, the optimum take off temperature and engine power settings that can be applied at take off are calculated in real time and made available to the flight crew. This practice helps prevent unnecessary use of high thrust under increasing OAT conditions and contributes to reducing both fuel consumption and engine thermal loads. Therefore, EFB based performance optimisation is considered an important risk mitigating measure for managing operational risks related to climate change. The Company’s main objective in this context is to minimise performance losses through digital decision support systems in an operational environment where temperature increases are inevitable, and to keep under control in the long term the upward trend in engine maintenance costs and fuel consumption. Investments in EFB systems are regarded not only as an increase in operational efficiency, but also as a tangible component of the climate change adaptation strategy and play a critical role in sustainable flight operations. In addition, we continue our investments in new generation aircraft and are increasing their share within our fleet. Our new generation aircraft provide up to 20% fuel savings and significantly contribute to reducing potential additional costs.</p>	
<p>Related Metrics & Targets: Emissions Intensity (gCO₂/RPK), Fuel (Operational) Efficiency Amount (tonnes)</p>	

Risks

S1	RISK DEFINITION: The risk that operational and financial performance may be adversely affected due to difficulties in obtaining qualified workforce.
	<p>Risk Class: Social</p> <p>Risk Group: Employee Management and Workforce Risk</p> <p>Risk Rating: Short-Term (0-3 years) - ● Mid-Term (3-10 years) - ● Long-Term (10-30 years) - ●</p> <p>General Description and Impact of the Risk: The global shortage of Pilots, Cabin Crew, Technicians, and roles requiring critical expertise, as well as certification requirements, may negatively affect operational and financial performance. This risk may also create pressure on operational continuity and service quality.</p> <p>Financial Impact of the Risk (expected timing and explanation relating to the financial statements): Insufficient supply of qualified labor may lead to extended recruitment processes, increased training and certification costs, and temporary decreases in operational performance, thereby creating cost pressure. Since employee costs constitute the highest share in our operational costs after fuel, capacity and competency risks particularly in these positions may directly affect operational profitability. Although the risk is expected to be more prominent in the short term, its impact is aimed to be reduced in the medium and long term through Pilot and Technician training programs, proactive workforce planning, and digitalization investments. Internal company scenarios and parameters such as future operational planning, training, Pilot and Technician requirements have been taken into consideration for the assessment of the short, medium and long term. Due to the presence of multiple parameters affecting the risk, the financial impact cannot be quantified.</p> <p><i>This risk has the potential to negatively impact the “net operating profit” line in the income statement through potential declines in revenues and expenses.</i></p>
<p>Measures, Targets and Investments Taken for the Risk: In line with our Human Resources strategies, we implement integrated programs covering talent acquisition, development, and retention. To strengthen the talent pool in critical positions, we apply new recruitment models and expand our Pilot and Technician training programs, as well as our young talent and internship programs through segment based needs analyses. To support internal rotation and career opportunities, we publish positions as internal job postings and encourage our employees with organizational memory to access these roles. Within our talent management approach, we identify high potential employees and include them in leadership development programs, and we design cross career steps and development journeys for senior management roles. To support specialization in roles requiring expertise, we regularly review our career architecture and restructure it in line with current needs. To increase employee engagement, we utilize regularly conducted engagement surveys and field feedback to create customized action plans for each segment; we strengthen the employee experience through well being, development, and internal communication initiatives. While maintaining market competitiveness in our compensation structures, we conduct proactive planning for long term competency and capacity needs by using data analytics and forecasting models in workforce planning. Across all our Human Resources processes, we aim to create a working environment that gains strength from our differences by basing our practices on the principles of inclusion, equity and diversity.</p>	
<p>Related Metrics & Targets: The related metric is not yet disclosed.</p>	

Risks

S2	RISK DEFINITION: The potential disruption of digital systems due to cyber threats or technical failures creating pressure on operational efficiency and costs.
	<p>Risk Class: Social</p> <p>Risk Group: Digitalization & Cybersecurity</p> <p>Risk Rating: Short-Term (0-3 years) - ● Mid-Term (3-10 years) - ● Long-Term (10-30 years) - ●</p> <p>General Description and Impact of the Risk: The increasing dependence of airline operations on digital systems results in digital infrastructure playing a critical role in processes such as flight planning, maintenance management, ground operations, customer transaction platforms and data integration. Cyber threats, data authorization errors, integration issues or technical failures that may occur in these systems may cause delays in operational processes, the need for additional resources, or require switching processes to manual backup methods. This situation may create pressure on both cost management and operational efficiency. The continuity of digital systems is a fundamental element supporting the safety culture and service quality.</p> <p>Financial Impact of the Risk (expected timing and explanation relating to the financial statements): Interruptions and performance degradations that may occur in digital processes may lead to additional costs in operational planning, increased data protection compliance obligations, cost pressure in external service provider contracts, and revenue loss due to prolonged customer service processes. Measures taken against cyber threats, infrastructure updates and data security investments also create additional cost impacts in the short and medium term. In 2025, system continuity performed at the targeted level across general systems, and the impact of interruption rates remained low. However, even limited interruptions experienced have had a negative impact, albeit at a low level, in terms of potential revenue loss. Considering internal projections and historical data analyses, it is assessed that if interruption duration increases, the cost and revenue impact may increase significantly, and the risk is evaluated as high financial impact and low likelihood across all time horizons. Even though the risk level may increase in the medium and long term, measures will also increase simultaneously; therefore, a change in the risk rating compared to the short term is not anticipated. Since multiple parameters such as campaign effects and seasonal variability are involved in the calculation of financial impact, the financial effect cannot be quantified.</p> <p><i>The risk is not expected to have a significant impact on the financial statements in the short, medium and long term. Due to potential disruptions in commercial systems, the risk has the potential to cause a decrease in the "revenue" line in the income statement and an increase in the "other operational expenses" and "administrative expenses" items.</i></p>
<p>Measures, Targets and Investments Taken for the Risk: To reduce digitalization and cybersecurity risks, we implement high availability architectures, multilayered security solutions and regular penetration tests in critical operational systems. Data integration infrastructures are strengthened, and the security standards of third party providers are regularly evaluated, while business continuity and backup scenarios are developed in operational processes. Regular awareness trainings are provided to employees; compliance with KVKK, GDPR and international information security standards is ensured.</p>	
<p>Related Metrics & Targets: The relevant metric is not yet disclosed.</p>	

Risks

Y1	RISK DEFINITION: In the event of the departure of employees in critical positions, the risk of corporate knowledge loss, weakened operational continuity, and adverse impact on decision making processes.
	<p>Risk Class: Governance</p> <p>Risk Group: Business Continuity</p> <p>Risk Rating: Short-Term (0-3 years) - ● Mid-Term (3-10 years) - ● Long-Term (10-30 years) - ●</p>
<p>General Description and Impact of the Risk: The sustainability of airline operations depends on the effectiveness of highly specialized functions such as flight safety, technical maintenance, revenue management and operational planning, as well as senior management roles. Therefore, all Director and above positions within the Company are considered critical, while other positions that hold vital importance for operational and business continuity are also included within the scope of critical positions, regardless of level, in line with regulatory requirements and Pegasus's operational priorities. Sudden departures that may occur in these segments may negatively affect the operational flow, the speed of decision making processes and the continuity of corporate memory. Since the concentration of critical know how within certain employees creates organizational fragility, this risk is considered a significant threat to the Company's medium and long term value creation.</p> <p>Financial Impact of the Risk (expected timing and explanation relating to the financial statements): The departure of employees serving in critical positions in the aviation sector may lead to loss of institutional knowledge, weakened operational continuity and disruptions in decision making processes, causing short term declines in efficiency, as well as increases in recruitment, onboarding and training costs. Knowledge loss that may occur in critical processes may bring additional cost elements such as delays, loss of optimization and the need for outsourcing. The financial impact of the risk varies depending on factors such as the frequency of departures, the strategic importance of the position, the depth of the existing talent pool and the complexity of recruitment processes, and cannot be precisely quantified due to the involvement of numerous parameters. However, considering internal company scenarios and parameters such as future operational planning and succession mechanisms, the strong succession structure implemented in our Company, cross functional knowledge transfer mechanisms and talent development programs enable the risk to be assessed at a low level of impact and likelihood across the short, medium and long term, and its financial impact is expected to remain limited.</p> <p><i>The risk is not expected to have a significant impact on the financial statements in the short, medium or long term. Due to the potential effect of the risk on general administrative costs, it has the potential to create an increasing impact on the "general administrative expenses" item in the income statement.</i></p>	
<p>Measures, Targets and Investments Taken for the Risk: As Pegasus, we implement a comprehensive and systematic succession model for critical positions. Successor candidates are identified for all critical roles, and flexible succession policies are developed depending on whether these candidates come from the same or different functions. The development needs of successors are regularly analyzed and supported through technical trainings, leadership programs, mentoring & coaching practices and cross-functional knowledge transfer processes; thus, corporate memory is strengthened and readiness for role transition is accelerated. The implementation of documentation standards in critical processes and the recording of know-how using digital tools ensure the institutionalization of role-based expertise. The time frames in which designated successors can assume the position are planned for the short and medium term, and individual development actions are monitored in line with this plan. In addition, a dedicated focus area is created for this group in the Employee Engagement Survey, and engagement levels are regularly monitored. Succession plans are reviewed annually, updated according to new needs and new candidates are added to the successor pool when necessary. In line with long-term strategic assessments, new positions may be included within the scope of critical roles, thereby keeping critical role management continuously up to date. In cases where internal succession is not possible or where internal succession is not required, succession is carried out through the next-level position; additionally, documentation systems are strengthened to ensure continuity of the process.</p>	
<p>Related Metrics & Targets: Succession Ratio (%)</p>	

Opportunities

<p>Opportunity Group/Type: Products and Services</p> <p>O1 Opportunity Effect: Short-Term - ● Mid-Term - ● Long-Term - ●</p>	<p>OPPORTUNITY DEFINITION: A business model focused on investing in the most efficient aircraft class.</p> <p>General Description and Impact of the Opportunity: Investment in the aircraft class with the highest energy efficiency currently provides operational emission reductions approaching 20%.</p> <p>Possible Effects of the Opportunity and Steps Taken, Targets and Investments for the Opportunity: As of the end of 2025, Airbus 320/321neo aircraft constitute 90% of the total seat capacity of our fleet. In line with our existing orders with Airbus and Boeing, there are over 150 new generation neo and 737 10 aircraft under firm order as of the end of 2025. Our investment in new generation aircraft provides us with advantages in terms of fuel efficiency. With the fuel efficiency performance of the new generation aircraft in our fleet, in 2025 we achieved approximately 93 thousand tons of fuel savings compared to the unit consumption performance of the previous generation aircraft. Taking into account the fuel prices valid as of the end of 2025 and a unit CORSIA carbon emission offset price of USD 22, this saving corresponds to a cost reduction of approximately USD 84.9 million.</p>
<p>Related Metrics & Targets: Share of Next Generation Aircraft in the Fleet (%), Fuel (Operational) Efficiency Amount (tonnes), Emissions Intensity (gCO₂/RPK)</p>	
<p>Opportunity Group/Type: Products and Services</p> <p>O2 Opportunity Effect: Short-Term - ● Mid-Term - ● Long-Term - ●</p>	<p>OPPORTUNITY DEFINITION: High alignment of the low cost airline business model with the sustainability approach.</p> <p>General Description and Impact of the Opportunity: The fact that emission related costs arise and increase largely based on fuel consumption makes fuel consumption and operational efficiency initiatives even more important in terms of their impact on financial performance.</p> <p>Possible Effects of the Opportunity and Steps Taken, Targets and Investments for the Opportunity: With our low cost airline business model focus, low unit cost, strong cash position and financial resilience place our Company in an advantageous position compared to its competitors in terms of sectoral climate adaptation. As of 2024, we became the second airline in the sector with the lowest unit emission (gCO₂/RPK) value, and we reduced our unit emission value to 56.9 gCO₂/RPK as of the end of 2025. On the other hand, the strong operational profitability (EBITDA margin) and unit cost (ex fuel CASK) performance that we consistently achieved in 2019 and in the post COVID years 2022-2023-2024-2025 strongly support our long term sustainability and climate transition performance. As a prominent application within our operational efficiency initiatives, we joined the SkyBreathe® eco flight platform. Through this agreement, we can monitor our flight data, analyze various fuel efficiency procedures to be implemented, and identify additional improvement areas. We fully implemented this application in 2025. Taking into account the fuel prices valid as of the end of 2025 and a unit CORSIA carbon emission offset price of USD 22, the savings obtained from reduced fuel consumption correspond to a cost reduction of approximately USD 27.5 million.</p>
<p>Related Metrics & Targets: Fuel (Operational) Efficiency Amount (tonnes), Emissions Intensity (gCO₂/RPK)</p>	
<p>Opportunity Group/Type: Energy Efficiency</p> <p>O3 Opportunity Effect: Short-Term - ● Mid-Term - ● Long-Term -</p>	<p>OPPORTUNITY DEFINITION: Implementation of operational improvement opportunities related to airport infrastructure and air traffic management.</p> <p>General Description and Impact of the Opportunity: There is significant potential for fuel savings and emission reduction, particularly through opportunities for improvement in flight route optimization and in take off and landing traffic at congested airports.</p> <p>Possible Effects of the Opportunity and Steps Taken, Targets and Investments for the Opportunity: We regularly share improvement opportunities with our stakeholders in sectoral working groups, particularly TÖSHİD, of which we are a member, regarding improvements that can be achieved in our dense flight routes and airport approaches in Türkiye. We foresee that opportunities such as FUA/FRA (Flexible Use of Airspace / Free Route Airspace), which were implemented in October 2025 for operational improvement, can provide significant gains in fuel efficiency in the short and medium term. Due to the fact that these actions have only recently been implemented, the financial impact cannot yet be quantified.</p>
<p>Related Metrics & Targets: Fuel (Operational) Efficiency Amount (tonnes)</p>	

Opportunities

O4	OPPORTUNITY DEFINITION: Digitalization, Automation and the Use of Artificial Intelligence.
	<p>Opportunity Group/Type: Technology</p> <p>Opportunity Effect: Short-Term - ● Mid-Term - ● Long-Term - ●</p>
OPPORTUNITY DEFINITION: Digitalization, Automation and the Use of Artificial Intelligence.	
<p>General Description and Impact of the Opportunity: Digitalization, automation and the use of Artificial Intelligence provide the opportunity to increase operational flexibility in critical processes such as flight operations, ground services, maintenance planning, customer experience and revenue management; to standardize manually executed processes; to reduce inefficiencies; to identify and implement improvement opportunities more easily; and to respond more rapidly and efficiently to changing external conditions. On the other hand, digitalization also prevents resource waste, particularly paper consumption. Through digitalization, operational decision making processes accelerate, processes become simplified, and operational disruption risks decrease, while service quality and efficiency increase. This approach supports both cost effectiveness and operational sustainability in the long term.</p>	
<p>Possible Effects of the Opportunity and Steps Taken, Targets and Investments for the Opportunity: In 2018, with the “Türkiye’s Digital Airline” vision, we introduced many innovative and first of its kind technological applications to our guests and employees in our country and across the industry. We continue to develop this innovative perspective, and at the end of 2023, we established a technology innovation center operating in Silicon Valley, USA, to follow the latest technologies more closely and to integrate them into our business processes more quickly. Our ongoing efforts in digitalization, automation, data management and Artificial Intelligence contribute to emission reduction across many areas. Digitalization investments create meaningful opportunities across many stages of the operation. They contribute to reducing delays and strengthening operational continuity by enabling faster adaptation in ground operations and flight planning. The improvement of customer experience through digital channels positively supports commercial performance by shortening transaction times and increasing satisfaction levels. In maintenance and technical processes, data driven planning enables operations to be managed more predictably and reduces process workload. Furthermore, by establishing stronger decision making mechanisms in critical areas such as demand forecasting, capacity planning and revenue management, a strategic advantage is achieved for long term financial and operational performance. Due to the presence of multiple parameters and outputs such as operational efficiency, system continuity, revenue interruption and customer satisfaction, the financial impact cannot be quantified.</p>	
Related Metrics & Targets: Customer Satisfaction Rate (CSAT)	

O5	OPPORTUNITY DEFINITION: Development of Sustainable Aviation Fuel production with different feedstock sources and technologies.
	<p>Opportunity Group/Type: Technology</p> <p>Opportunity Effect: Short-Term - Mid-Term - ● Long-Term - ●</p>
OPPORTUNITY DEFINITION: Development of Sustainable Aviation Fuel production with different feedstock sources and technologies.	
<p>General Description and Impact of the Opportunity: SAF üretiminin farklı hammadde ve teknolojiler ile gelişiminin uzun vadede SAF tedarik maliyetlerine olumlu etkisi beklenmektedir.</p>	
<p>Possible Effects of the Opportunity and Steps Taken, Targets and Investments for the Opportunity: The aviation sector requires long term R&D and infrastructure investment for carbon transition. In this context, SAF provides a major advantage as it can be used without requiring transformation in existing aircraft and engine types and airport infrastructures. In addition, it is a jet fuel that is not dependent on a single raw material and can be produced from many sources using different technologies. SAF production technologies are expected to mature, diversify and become more widely implemented. Under the current technological conditions, the existing production costs approaching reasonable levels in the future through technological developments constitute a significant opportunity in the medium and long term. Due to uncertainties in SAF costs in the medium and long term, the financial impact cannot be quantified. In this context, we closely follow SAF developments and evaluate collaboration opportunities.</p>	
Related Metrics & Targets: Alternative Fuel (SAF) Usage Percentage (%)	

1.3.4. Our Sustainability Targets and Our Sustainability Roadmap

As stated in section 1.3.3 of our Report, the risks and opportunities that may have significant impacts on our business model and activities related to sustainability arise in connection with climate change. At the same time, we address and evaluate our sustainability related risks and opportunities as topics linked to environmental, social and governance matters. In this regard, our sustainability targets are determined in connection with environmental, social and governance considerations, and our sustainability roadmap is shaped around these three pillars. Our targets and roadmap under these three pillars are explained separately below.

1.3.4.1 Emission Targets and Our Climate Transition Roadmap

In the context of combating climate change, sector level sustainable solutions are being developed and roadmaps are being established. As one of the first airlines to sign the “2050 Net Zero Carbon Emission” resolution adopted at the 77th Annual General Assembly of IATA held in 2021, Pegasus has reinforced its pioneering role in this field. With the motivation and sense of responsibility that comes from being part of one of the most comprehensive carbon reduction targets ever set for the aviation industry, we continue our environmental sustainability efforts.

On the other hand, at the 41st General Assembly of the International Civil Aviation Organization (ICAO) in October 2022, Member States adopted the “Long Term Aspirational Goal” aiming to achieve net zero carbon emissions in the aviation sector by 2050. These targets aim to enable the projected growth potential of the international aviation sector to develop within a sustainable socio economic structure and in harmony with environmental impacts.

Within the scope of our climate resilience assessments, we focus on certain key areas of uncertainty highlighted in our scenario analyses, which are detailed in section “1.3.6 Scenario Analysis and the Alignment of Our Business Model with Climate Transition.” These uncertainties include adaptation processes related to infrastructure gaps, potential constraints in accessing energy resources, delays in technological developments, societal and behavioral changes, and variability and inconsistencies in policies and regulations. We use these uncertainties as a fundamental input in presenting our Company’s current situation analysis and assessing climate resilience capacity.

The scenario analyses through which we evaluate the compatibility of our business model with climate transition play an influential role in shaping our short , medium and long term strategies. While our short and medium term assessments guide the development areas we aim to advance in, such as securing energy transition and SAF supply in our procurement and cooperation areas—our long term targets focus on achieving the core objectives of our

climate roadmap and evaluating the associated financial expectations. These analyses play an important role in determining our enterprise “Climate Transition Roadmap”

In the context of climate change adaptation and the evaluation of climate related opportunities, we comprehensively analyze the impacts on our Company’s current and future investments. By assessing efficiency opportunities and strengthening our support for renewable energy, we are incorporating new steps into our climate action efforts. Through this holistic approach, we aim to establish a structure that is resilient to climate risks, open to opportunities, and prioritizes sustainable growth.

In the Climate Transition Roadmap Table, our reduction target is shown through the net emission level depicted with a dashed line at the bottom, representing the reduction achieved through initiatives shown under four different green headings, starting from the year 2016, when next generation Airbus neo type aircraft were first added to our fleet, up to the year 2050, when we have committed to achieving net zero carbon emissions.

Key Assumptions and Inputs

- A fleet consisting of next-generation aircraft is expected to deliver up to 20% unit fuel savings.
- Operational efficiency across fuel, ground operations, and buildings is anticipated to contribute 2–5% annually.
- A global forecast of 3% improvement is assumed for air traffic management in line with IATA's projection.
- Only carbon offset obligations under the CORSIA framework have been considered.
- Existing EU SAF usage obligations have been taken into account.
- For Türkiye, SAF usage obligations outlined in the SHT-SAF Directive until 2030 have been considered, and projections have been made through 2050.
- Voluntary SAF usage is limited until 2035 due to supply and price constraints.
- Emission reductions are expected to begin in 2035 with increased SAF usage.
- An overall 80% emission reduction is

targeted across all scopes by 2050, with the remaining emissions to be offset through reliable carbon credits

Pegasus, in line with its Net Zero Commitment, aims to achieve a net zero carbon emission business model by 2050. To reach these targets, we concentrate our efforts under four main pillars: New Aircraft Technologies, Operational Efficiency, Regulatory Carbon Offsetting, and Sustainable Aviation Fuels (including LCAF and SAF).

Next Generation Aircraft Technologies

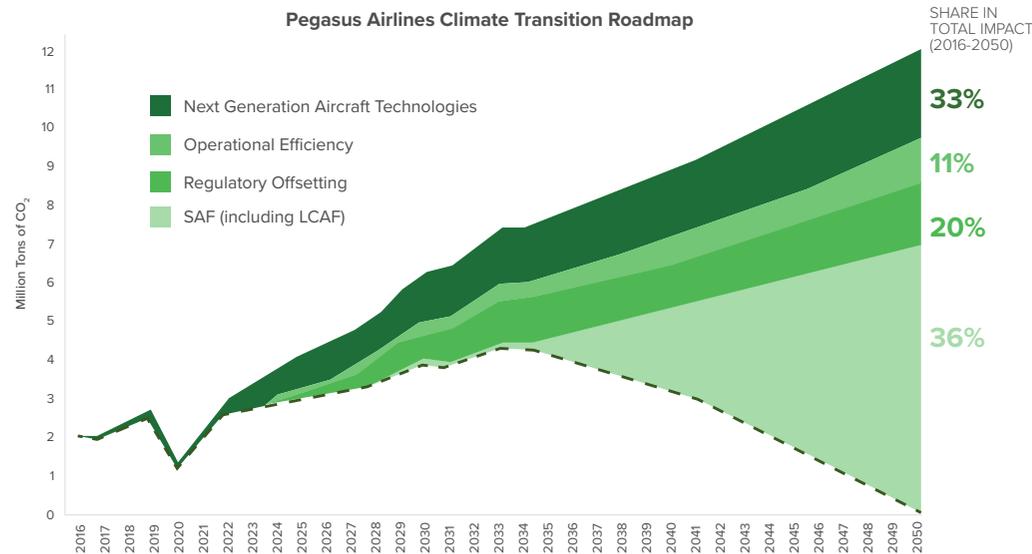
In our forward-looking approach, which anticipates above-industry-average growth by 2035, fleet transformation is the most critical factor in meeting our emission reduction targets. We began our fleet transformation journey in July 2012 by placing an order with Airbus for a total of 100 new aircraft, consisting of 57 A320neo and 18 A321neo, total 75 aircraft as firm orders, along with an additional 25 aircraft as options. This was the largest aircraft order in Turkish

civil aviation history at that time. In December 2017, we converted our purchase rights for 25 additional aircraft into firm orders in the A321neo configuration.

In addition to our low cost airline strategy and our lean and efficient operations approach, and taking into consideration its impact on our climate change and net zero target, we placed firm orders with Airbus for 6 additional A321neo aircraft in October 2021, 8 additional A321neo aircraft in June 2022, and 36 additional A321neo aircraft in July 2023. Thus, our 2012 Airbus Order, with all amendments, consists of a total of 42 A320neo and 108 A321neo aircraft. At the same time, in 2016 we became the world's first customer for the CFM LEAP series engines used in Airbus A320neo model aircraft. In 2025, a total of 9 A321neo aircraft joined our fleet.

In line with our fleet management strategy and in addition to our existing firm aircraft orders, , in December 2024 we placed a new order with Boeing for up to 200 B737 10 aircraft to meet our fleet requirements for 2028 and beyond. Under this agreement, 100 B737 10 aircraft have been placed as firm orders with deliveries expected to begin in 2028, and an additional 100 B737 10 aircraft have been reserved as options to be converted into firm orders in the following years.

A320neo / A321neo / Boeing 737 10 aircraft, with their CFM LEAP engines, provide the lowest fuel consumption performance in their class within today's technology. This efficiency is expressed by aircraft manufacturers as offering up to 20% improvement compared to previous generation aircraft. The A321neo and Boeing 737 10 aircraft, with their longer fuselage and higher seat configuration, are also the aircraft types with the lowest performance in terms of fuel consumption and emissions per seat. Our fleet investment therefore directly supports both our long term emissions reduction targets and our medium term emissions intensity targets.



You can find the delivery schedule for these aircraft orders in the table below.

In addition to their impact on reducing carbon emissions, our next generation aircraft also contribute significantly to the reduction of NOx emissions and engine noise levels. The fleet transformation process that began in 2016 supports our Company’s environmental responsibility awareness and sustainability oriented values.

Operational Efficiency

Pegasus, in line with our aim to enhance operational sustainability, is implementing lean and environmentally efficient operational practices supported by fuel efficiency projects,

improvements in route and flight management, and efficiency in ground operations.

The concepts of Free Route Airspace (FRA) and Flexible Use of Airspace (FUA), which have long been applied in European airspace, were gradually introduced in Türkiye as of November 2025. These developments offer significant potential in terms of operational efficiency. While FRA enables flights to be conducted through the most optimal and direct routes between departure and arrival points without being constrained to fixed airways, FUA makes it possible for civilian and military airspace to be used flexibly according to needs. Through these applications, it is aimed to reduce flight distances and durations, lower fuel consumption and associated emissions, and improve fleet and

crew planning. In this context, we closely follow developments related to FRA and FUA before the relevant authorities and actively participate in meetings and coordination efforts intended to evaluate the operational impacts of these applications.

Within this scope, together with sectoral developments, our existing projects contribute significantly to our Climate Transition Roadmap, and we aim to further enhance effectiveness in the coming years.

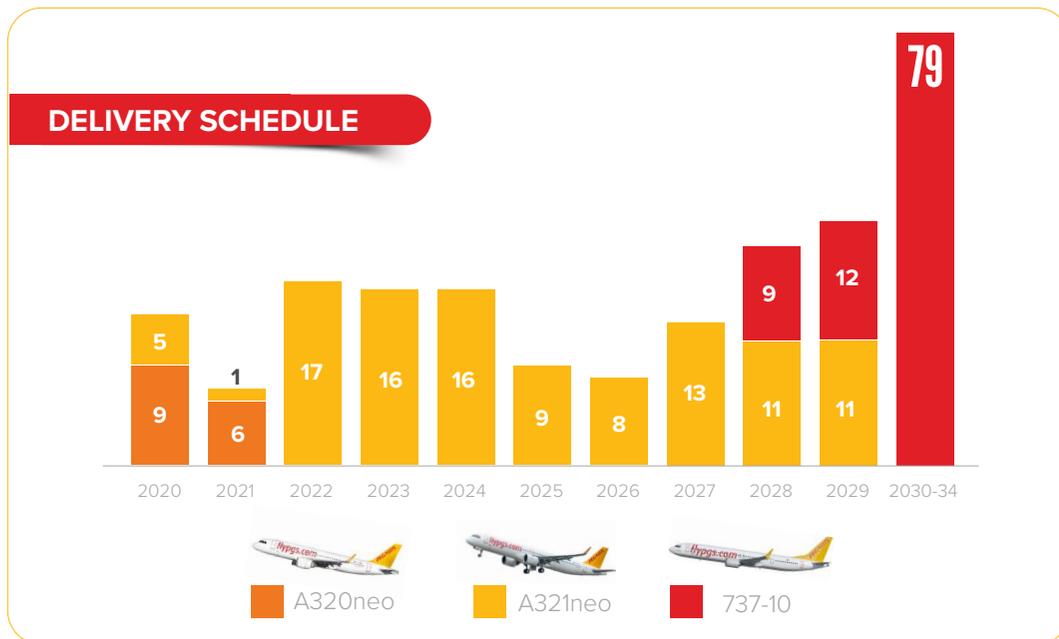
Sustainable Aviation Fuels (SAF)

We foresee that Sustainable Aviation Fuels (SAF/LCAF) will constitute one of the milestones of our roadmap and that they will be the main factor not only for our company but also for the sector in achieving the long term Net Zero Carbon Target in the energy transition. Throughout 2023, our initiatives to use alternative aviation fuels that are non fossil and provide CO₂ emissions reduction across their full life cycle continued. As of 2024, by advancing these initiatives further, we focused our projects on ensuring the provision and increasing the use of low emission alternatives in aviation fuels. In 2025, within the framework of the SHT SAF Instruction issued by the Directorate General of Civil Aviation in Türkiye and the ReFuelEU regulation implemented within the European Union, we fulfilled our obligations regarding the use of sustainable aviation fuel and continued our efforts to increase SAF use and blending ratios. In order to evaluate our reduction potential and support the production network, we also communicate our Net Zero

target to our suppliers and evaluate cooperation opportunities. To support domestic initiatives, we actively participate in the Türkiye Sustainable Aviation Platform as well.

Ensuring the production of SAF products and their widespread use as their supply and prices become attainable at appropriate levels will represent a critical step for our targets. We support initiatives aimed at increasing the use of SAF within our flight network. Our projects in this area continue within the framework of environmental responsibility, supporting the production of sustainable aviation fuels that are non fossil, increasing their use, and strengthening sector wide collaborations.

Furthermore, in establishing our Climate Transition Roadmap, we adopted a realistic approach based on scenario analyses that take into account sectoral dynamics and expectations. We explain these analyses and alignment efforts in detail in Section “1.3.6. Scenario Analysis and the Alignment of Our Business Model with Climate Transition.” As a result of identifying the areas that need to be supported within the scope of the energy transition and evaluating the areas where climate adaptation is required, we determined our roadmap and regularly review it each year within the scope of budget, three year business plan, and strategic roadmap evaluations.



Regulatory Carbon Offsetting

As Pegasus, in addition to our fleet transformation, operational efficiency and SAF usage targets, we aim to achieve our goal through carbon offsetting efforts carried out within the framework of ICAO’s CORSIA regulatory scheme. Although it is not possible with today’s technology to prevent all carbon emissions originating from our operations at their source, we support carbon offsetting projects in order to help balance emissions through production activities that generate lower emissions in different areas and to support renewable energy projects.

In 2024, our Company participated in the first large scale purchase event of CORSIA Phase

1 Emission Credits (EEU), organized by IATA and supported by the Government of Guyana, Mercuria and Xpansiv, which is part of the aviation sector’s carbon offsetting strategies. We consider this event an important step in line with our “Net Zero Carbon Emission” target. Through “Afforestation Credits,” one of the projects currently accepted under CORSIA, we contributed to the energy transition. We foresee that the credits will play an important role in fulfilling our CORSIA Phase 1 offsetting obligations throughout the 2024–2026 period.

In addition to our total emissions and our net zero target, we monitor carbon dioxide emissions

per revenue passenger kilometre as a key performance indicator. In line with our 2050 net zero carbon emission commitment, we have set our carbon emission intensity reduction target for 2030. Under this target, we aim to reduce carbon emissions per unit revenue passenger kilometre (RPK) from our flights by 20% by 2030 compared to 2019 levels. In 2019, the unit carbon emission from our flights was 65.1 gCO₂/RPK. As of the end of 2025, we successfully reached the halfway point of our target by reducing our emission intensity value to 56.9 gCO₂/RPK, achieving a 12.6% reduction in unit emission intensity. We aim to reduce this figure to 52.1 by 2030.

	2019 (Base Year)	2024	2025	2030 (Target)
Emission Intensity (gCO ₂ /RPK)	65.1	58.3	56.9	52.1
Average Fleet Age	5.35	4.50	5.1	—

1.3.4.2. Our Gender Balance Targets in the Workforce and Our Diversity, Equity & Inclusion Roadmap

As Pegasus, we position equality in the workforce, fair working conditions and the creation of an inclusive corporate culture among the fundamental elements of our people and culture approach. We base the principles of diversity, equity and inclusion, particularly gender balance, across all our human resources policies and practices.

We consider ensuring gender balance in the workforce as a strategic priority and regularly monitor the representation of women in leadership positions as well as in operational and technical roles. In this context, increasing the employment of women, strengthening women’s representation at managerial and decision making levels, and ensuring equal opportunities in recruitment and talent development processes are among our key objectives.

In line with our gender equality approach, we aim to maintain and strengthen the principle of equal pay for equal work. We regularly assess progress toward our established targets and aim to create an inclusive, fair and sustainable working environment by improving our policies, processes and practices accordingly.

We share the details of our work within the scope of Equality, Diversity and Inclusion under the heading **“2.2.6. Harmony: Our Equality, Diversity and Inclusion Approach”** in the second section of our Report.

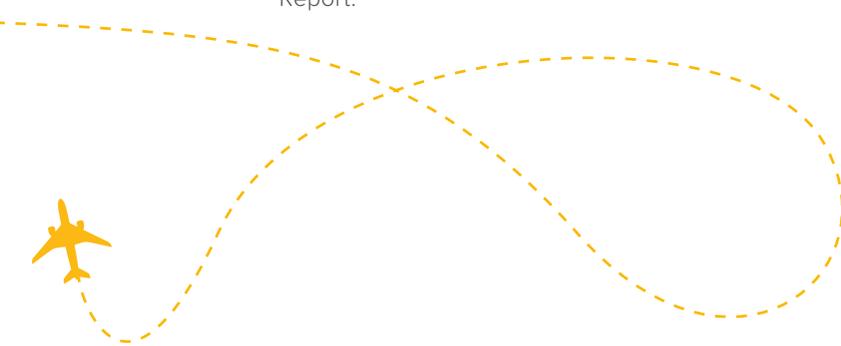
1.3.4.3. Our Targets and Development Roadmap for Maintaining Our Strong Governance Structure

We consider a strong, transparent and accountable governance structure as one of the fundamental elements of our sustainable success. Through the effectiveness of our Board of Directors, the independence of our committee structures and the disciplined functioning of our decision making processes, we continuously improve our corporate governance practices.

As a tangible indicator of this approach, in 2025 we increased our corporate governance rating to 98.2%. Our corporate governance ratings, which have consistently increased in previous years, demonstrate the continuity and maturity of our governance structure.

Our goals for maintaining our strong governance structure include sustaining high levels of effectiveness in the Board of Directors and committees, strengthening compliance with corporate governance principles, enhancing the effectiveness of risk management and internal control mechanisms, and ensuring the continuity of transparent and timely communication with stakeholders. In this regard, we maintain high participation rates in Board and committee meetings and aim for timely and complete execution of the actions taken.

Within the scope of our development roadmap, we do not limit our corporate governance practices solely to mandatory regulations; we also aim to enhance our maturity level in areas based on voluntary commitment. We continue to advance our corporate governance rating, maintain our strong position in the BIST Corporate Governance Index and sustainability indices, and develop our governance performance with a long term value creation perspective.



1.3.5. Integration of Sustainability and Climate-Related Risks and Opportunities into Our Business Model

1.3.5.1. Integration of Climate Risks and Opportunities into Our Business Model

As Pegasus, within the scope of combating climate change, we consider the integration of both the risks and the opportunities presented by this process into our business model as a necessity for establishing a sustainable business model. We conduct comprehensive analyses to reduce the impacts of climate related risks and to make the most efficient use of opportunities, and we evaluate our activities and project focuses in line with these analyses. With this approach, we aim to ensure sustainable operations in the long term and to proceed in parallel with the goal of integrating environmental awareness into business processes at the highest level.

We evaluate the potential physical and financial impacts of climate change on our operations. In this context, we take into account factors such as weather related operational challenges, risks in energy resources, regulatory policies and carbon

constraint regulations. Identifying climate risks at an early stage and implementing preventive strategies is one of our most important steps toward increasing the resilience of our business model.

The opportunities presented by the fight against climate change serve as an incentive to develop innovative solutions across all our business processes. With solutions such as next generation aircraft technologies, sustainable energy sources, carbon offsetting projects and Sustainable Aviation Fuels (SAF/LCAF), we strengthen our sustainability commitment while improving our Company's environmental performance. The successful integration of these opportunities into our business model plays a critical role in both gaining competitive advantage and achieving our sectoral transition targets.

We carry out the methods and analyses used in the integration of climate risks and opportunities into Company policy by considering sector standards and best practices. We use scenario analyses, risk management tools and innovative applications as evaluation criteria to enhance sustainability and resilience within our business

model. We carry out the integration of climate related risks and opportunities into our business model in alignment with our environmental, economic and operational sustainability targets.

Within the scope of integrating climate related risks and opportunities into our business model, we evaluate both internal and external financing sources to implement our strategy. Since 2005, we have maintained our growth strategy focused on new generation fleet investment by adding the profit we have generated to our equity. On the other hand, we effectively utilize various external financing sources—including those that directly include our climate and social sustainability commitments—such as the Sustainability Linked Financing we secured for the 10 Airbus 321neo aircraft delivered in 2022 and the Sustainability Linked Financing we concluded in 2025 for three Airbus 321neo aircraft under a different financing structure, which were added to our fleet.

Fleet Transformation and Growth with New Generation Aircraft

As of 31 December 2025, Pegasus continues its operations with a young, modern and growing

fleet consisting of 127 aircraft with an average age of 5.1 years. We continuously renew and expand our fleet with the aim of improving both operational efficiency and the travel experience we offer our guests. Throughout 2025, we added 9 new aircraft to our fleet, which has been an important step in line with the Company's growth objectives.

Detailed information regarding our investment in Airbus neo and Boeing 737 10 next generation aircraft since 2012, and our investment in CFM LEAP engines that provide up to approximately 20% lower fuel consumption compared to previous generation aircraft types, is explained in the section **"1.3.4. Our Emission Targets and Climate Transition Roadmap"**.

Within the scope of our fleet transformation strategy, we aim to achieve progress in fuel efficiency and thereby reduce our carbon emissions by increasing the proportion of fuel efficient A320neo and Boeing MAX family aircraft. Our investments in next generation aircraft also contribute significantly to reducing the amount of energy consumed per RPK. As of the end of 2025, our energy intensity has decreased to the level of 0.79 MJ/RPK.

Pegasus Airlines 2024-2025 Energy Intensity Performance

Measurement Unit	2024	2025
Energy Intensity (MJ/RPK)*	0.81	0.79

* Energy intensity is calculated based on aircraft fuel consumption.





Operational Efficiency

A low cost business model requires not only the presence of an efficient aircraft fleet but also the management of this fleet through lean and efficient operational control. Our strong commitment to maintaining lean and efficient operations is a key factor that enables us to operate with a low unit cost base and high efficiency, ensuring the continuity of our low cost business model. It is also one of the fundamental means of implementing measures taken against climate related risks and evaluating opportunities identified within this scope.

To date, we have improved our operational efficiency through route planning, the Electronic Flight Bag (EFB) and paperless cockpit applications, aircraft weight reduction initiatives, the use of electric vehicles in ground operations, and various other digitalization, technology, and optimization solutions implemented in operations. We continue our initiatives in this area under two main categories: efforts aimed at fuel savings and the optimization of operational processes.

Operational Efficiency Analyses and Opportunities

As Pegasus, in line with our operational efficiency and sustainability targets, we have started to use the SkyBreathe® MyFuelCoach mobile application to support our flight crews

by leveraging innovative technologies. This application aims to enhance operational effectiveness and provide a lower emission flight operation by reducing fuel consumption.

SkyBreathe® MyFuelCoach offers a user friendly and intuitive interface, allowing our crews to easily monitor their performance. The application, which particularly provides crew members with the opportunity to observe and evaluate their own performance after each flight, creates awareness for improving operational decisions and identifying risks early, and supports the individual development of crew members. The application also enables users to analyze their own performance and discover areas where they can increase their efficiency and optimize their operations.

The module also provides detailed information regarding the planned route, allowing pilots to conduct their pre flight preparations more practically and efficiently. One of its prominent features, the Filtering function, enables the advanced filtering of flight statistics by parameters such as flight number, route, active runway and aircraft type, allowing users to analyze previous flights on the same route in detail. Thus, by optimizing flight preparations, significant improvements are achieved in operational processes and in the emission impact associated with fuel consumption.

With the use of the mobile application, we aim for our flight crews to increase fuel savings and maximize the efficiency of operational processes through technology supported data analysis. This step not only contributes to our sustainable aviation vision as Pegasus Airlines but also forms an important part of our strategy to integrate innovative and human centered solutions into our processes. In 2025, we achieved a performance above our target (2%) with our fuel efficiency practices.

Support Steps to Enhance the Operational Process

We prioritize sustainability and cost efficiency in our operations as a primary objective. In this regard, we carry out engine wash procedures at intervals recommended by the manufacturer. Through regular engine washing, we improve engine performance, extend engine life and reduce emissions. By using equipment that provides water savings in our operations, we minimize resource consumption and support efficiency. With aircraft washing practices, we enhance aerodynamic performance and fuel efficiency, while also preventing corrosion and extending aircraft lifespan. Through these processes, we reduce energy consumption, minimize chemical waste and contribute to our sustainability targets by minimizing our environmental impacts. Additional information on operational efficiency is shared under the

heading “**2.5.2. Operational Efficiency**” in the second section of our Report.

Financial Resilience

As Pegasus, we consider financial resilience as one of the fundamental elements of sustainable growth and long term value creation. In the face of variable macroeconomic conditions, fuel prices, exchange rates and geopolitical uncertainties, we aim to ensure the continuity of our operations through a strong financial structure and an effective risk management approach.

In this regard, we closely monitor liquidity management, debt structure and cash flow balance, and implement financial policies that support cost discipline and operational efficiency. The regular assessment of financial risks is integrated into our decision making processes, supported by scenario analyses and stress tests.

This approach aimed at strengthening financial resilience contributes to carrying out our strategic investments within a sustainable framework, maintaining our operational flexibility and providing long term value to our stakeholders.



1.3.5.2. Integration of Social Risks and Opportunities into Our Business Model

As Pegasus, we consider social risks and opportunities as an integral component of our human resource based business model and evaluate their impacts on operational continuity and financial performance with a holistic approach. Access to qualified labor, employee engagement and competency continuity are particularly critical for maintaining uninterrupted flight operations and managing our cost structure.

Global supply constraints in roles such as pilots, cabin crew, technicians and other highly specialized positions may lead to extended recruitment periods, increased training and certification costs, and temporary pressures on operational performance. To manage these

risks in an integrated manner within our business model, we establish long term workforce planning, training investments and internal talent pools that support talent acquisition and development. In doing so, we aim to preserve operational capacity and balance financial pressures arising from employee related costs.

Alongside social risks, we also reflect emerging opportunities into our business model. Our Harmony approach, shaped by the principles of inclusion, equity and diversity, contributes to expanding our talent pool, increasing employee engagement and reducing the risk of limited access to qualified labor in the medium and long term. Investments in digitalization and data driven workforce planning support operational efficiency while helping to reduce vulnerabilities dependent on human resources. Additionally, due to the increasing reliance of operations on digital systems, system continuity, data security

and digital competencies are considered an important complement to social risks. Investments that support the continuity of digital infrastructure and employee awareness programs help mitigate potential adverse impacts on operational efficiency and service quality.

1.3.5.3. Integration of Governance-Related Risks and Opportunities into Our Business Model

At Pegasus, the governance structure is one of the fundamental building blocks of our business model in terms of the effectiveness of decision making processes, the preservation of corporate memory and the maintenance of operational continuity. The potential loss of knowledge and organizational fragility that may arise if employees in critical positions leave can create risks for business continuity and performance.

To manage these risks in an integrated manner within our business model, we systematically implement succession mechanisms, planning and cross functional knowledge transfer processes for critical roles. Documentation standards and digital knowledge management tools aim to ensure that corporate know how is not dependent on individuals. This approach contributes to limiting the operational and financial impacts of sudden departures.

Beyond risk mitigation, our strong governance structure also creates important opportunities for our business model. Thanks to clear accountability definitions and regular monitoring and reporting mechanisms, decision making processes accelerate, and organizational agility and strategic flexibility strengthen. This structure enhances our capacity to adapt to changing operational, technological and regulatory conditions, thereby supporting our sustainable growth and long term value creation objectives.





1.3.6. Scenario Analysis and Adaptation to Climate Transition

We have a Net Emission Target for 2050. As detailed in **section 1.3.4**, where we explain our Climate Transition Roadmap, we considered how the evolving technologies and the economy throughout the period until 2050 will affect our business plan and our values when determining our targets.

There are two main scenario references in our Climate Transition Roadmap. The first is the IEA 2050 NZE (Net Zero Emissions) scenario, which evaluates the scope of our fundamental and primary target. This scenario, developed by the International Energy Agency (IEA), serves as a guide for the global energy sector to achieve net-zero CO₂ emissions by 2050. It includes projected changes in areas such as production and consumption within the global energy sector, including transportation, industry and electricity generation. In other words, it presents a roadmap for transforming the entire economy. The 2050 net-zero emission target is aligned with the Paris Agreement and global climate goals.

As our second reference point, we have taken into account the scenario that jointly evaluates the global socioeconomic development pathways (SSP) and the Representative Concentration Pathways (RCP), which are used in climate change research published by the Intergovernmental Panel on Climate Change (IPCC). This scenario assessment enables us to

evaluate how the physical and socioeconomic values that would arise as a result of continuing existing trends (business as usual) without ambitious action toward the net-zero target would affect us, and allows us to address risks within this framework.

IEA NZE2050

The IEA NZE2050 scenario outlines a clear and implementable pathway that could help the global energy sector reach the Paris Agreement's target of limiting global temperature increase to 1.5°C above pre industrial levels. Within our Climate Transition Roadmap, one of the key pillars of our sustainability strategy is the reduction of our absolute emissions. The NZE2050 scenario plays an important role in our assessments, as it provides a realistic approach for the airline sector.

Since SAF is also a significant factor in terms of our financial planning and procurement potential, a realistic approach has been adopted in the scenario, and the possibility of lower SAF demand has been evaluated. The scenario analyzes SAF from a perspective that includes EU ETS and operational scope, with a forward looking analysis toward 2050.

The core scenario assessment highlights that existing commitments and incentives are not sufficient to achieve the Paris Agreement's target, and that emissions in advanced economies must be reduced by 80% and in emerging markets and economies by 60% by

2035 compared to 2022 levels. Evaluating this scenario enables us to establish and update a realistic roadmap. The explanations within this perspective, emphasizing both financial aspects and the importance of early action, aim to contribute to future projects and support our achievement of the 2050 Net Zero Emission target.

According to the NZE2050 scenario, by 2040, 50% of the fuels used in aviation will be low emission bio based fuels, and by 2050, the sector will largely use biofuels and synthetic fuels. The scenario also states that it will be challenging to fully eliminate aviation emissions. As described in the scenario, while biofuels, hydrogen and hydrogen based fuels currently constitute less than 1% of the energy consumed in aviation, their share is expected to increase to 15% by 2030 and to 80% by 2050. Passenger demand is projected to increase nearly threefold globally between 2022 and 2050 under NZE2050, assuming no behavioral changes.

In this scenario, which evaluates energy sectors, aviation represents 5% of cumulative energy reductions. One of the significant impacts and targets highlighted in the roadmap to achieve the 2050 Net Zero Emission target is that the use of SAF in aviation will need to more than double compared to the growth under the NZE2050 scenario and account for approximately 25% of the aviation fuel market. The cost of technologies defined in the scenario and public support and confidence in the projects may accelerate or hinder the process.

In particular, through regulatory changes in the aviation sector, countries are attempting to accelerate climate change mitigation and emission reduction processes. Emission trading systems evaluate the general aviation framework and reduction commitments in line with the Paris Agreement and aim to bring all actors toward this objective.

As Pegasus Airlines, in order to support our long term Net Zero Emission target, we have committed to reducing our emission intensity by 20% by 2030 compared to 2019, through next generation fleet transition, our operational efficiency efforts and compliance with regulatory frameworks. Regulatory measures and incentives supporting emission reduction may contribute to this process. However, failure to take action or the unbalanced implementation of appropriate procedures may become obstacles to action due to excessive costs.



IPCC RCP 8.5 and SSP5-8.5

The IPCC scenarios are designed to cover a wide range of challenges related to climate change mitigation and adaptation. For the assessment of climate impacts, risks, and adaptation, these scenarios can be used to evaluate future exposure, vulnerability, and adaptation challenges. They present various scenario alternatives that offer a realistic perspective by evaluating the impacts of climate change under potential development paths, allowing for the achievement of results aligned with the defined goals.

We continue our efforts in all areas in line with our 2050 Net Zero Emissions Target. Net Zero is the ultimate goal that must be achieved through joint efforts across the entire industry. Evaluating the potential consequences of an obstacle in addressing climate change is one of the perspectives in climate and sustainability risk management. From this perspective, to assess the impacts of physical and socio-economic risks in a scenario where the fight against climate change progresses slowly, IPCC RCP 8.5 and SSP5-8.5 were selected as reference scenarios. These scenarios stand out as ones in which sustainability targets are pursued slowly and ineffectively across sectors and include factors such as high population growth, increasing greenhouse gas emissions, high economic growth, continued fossil fuel use, and delayed sustainable investments.

Within the scope of scenario analysis, all our operations, including our supply chain activities, have been evaluated. In this scenario, it is expected that in the long term, fuel related costs will increase due to climate related impacts,

and consumer preferences, flight routes, and the number of flights will change. Since medium and long term impacts are considered among the risks and are expected to become more pronounced over time, they constitute the main focus of our analysis. In the long term, we considered that climate related factors may lead to changes in consumer preferences, flight paths, and flight frequency, and we took into account the scenario data identified in our risk and opportunity analysis. The lack of sufficient support for sustainable alternatives alongside increasing operational frequency, and uncertainties in carbon taxation, have been assessed as significant risks that may pose serious challenges in combating climate change.

To prevent the adverse effects of climate change, we consider the paths outlined by our selected scenarios and evaluate our actions accordingly. We assess the feasibility of limited developments in the aviation sector. One of our main objectives in evaluating these scenarios is to understand the long-term transitional impacts, risks, and opportunities of climate change on our business. We work to identify which factors we need to consider and what changes we need to make to achieve the Net Zero Emissions target. Additionally, we evaluate these scenarios to examine the transition risks that may affect the aviation sector and to develop better solutions that could provide efficient outcomes on a global scale for our industry.

Scenario analyses are considered a key factor in our risk and opportunity assessment processes, in the creation and updating of our Climate Transition Roadmap, and in guiding the main steps that need to be prioritized in our sectoral

collaborations. The impact of the scenario alternatives evaluated by our Company, which play an important role in shaping our strategic orientation, has been thoroughly analyzed in line with our goals. These analyses form the foundation of our strategic decision-making mechanism and provide critical guidance for achieving our long-term sustainability goals.

- **Combating climate change and becoming more resilient to potential climate impacts**

As part of our Climate Transition Roadmap, we are working to reduce our emission intensity. We evaluate efficient route alternatives in our flight planning and invest in aircraft and engine technologies that improve fuel efficiency and thus reduce emissions.

- **Commitment to the 2050 Net Zero Carbon Emissions target**

In 2021, we became one of the leading airlines in the world to join the “2050 Net Zero Carbon Emissions” target adopted at the 77th Annual General Meeting of the International Air Transport Association (IATA).

- **Setting comprehensive interim targets**

In 2021, we further strengthened our 2050 Net Zero commitment by setting our interim carbon emission target for 2030. Accordingly, we aim to reduce carbon emissions associated with flights by 20% per revenue passenger kilometer (RPK) compared to 2019.

One of the most important steps we have taken within the scope of the scenario evaluation is to conduct a risk/opportunity analysis, clearly present the current situation in our sustainability

report, and share our expectations and plans for the future. We address our work on this subject in the section “**1.3.3. Climate Risks and Opportunities Related to Our Activities**”.

We conducted our first climate-related scenario evaluation in 2022. In 2024, we updated our scenario evaluation and included the risk and opportunity analysis within our scope. As Pegasus Airlines, in our climate scenario analyses, we take into account the climate policies and regulations of the countries in which we operate. Our IATA 2050 Net Zero Target and the European Union’s aviation regulations within the scope of the Green Deal, particularly the Emission Trading System (EU ETS) and ReFuelEU Aviation, play a decisive role in our carbon emission strategies and fleet transformation planning. At the same time, we integrate the effects of macroeconomic trends, such as carbon pricing, energy costs, and green financing opportunities, into our assessment and analysis process. These developments are of importance in shaping our operational costs and strategic investment decisions.

At the national and regional levels, we take into consideration elements such as increasing temperatures due to climate change, extreme weather events, and the risk of drought in our operational risk analysis assessment; we conduct evaluations to ensure the continuity of our routes and operations. Demographic changes, urbanization rates, and the sustainability of airport infrastructure also affect service planning and capacity management. All these factors form the foundation of our scenario-based strategic approach developed to enhance our climate resilience.



1.4.1. Shareholding Structure & Group Companies

As of the end of 2025, our issued capital stands at 500,000,000 ₺ within our registered capital ceiling of 2,500,000,000 ₺.

Since 2013, our shares have been traded on the BIST Stars Market. On the other hand, since 2005, Esas Holding has been our controlling shareholder.

Established in 2000, Esas Holding is Türkiye's largest family investment company and is supported by the first- and second-generation family members of Şevket Sabancı, one of the five founding partners of Hacı Ömer Sabancı Holding A.Ş., one of Türkiye's leading conglomerates. With offices in Istanbul and London, Esas Holding invests globally across various asset classes including private equity, real estate, venture capital, and public markets.

As of the end of 2025, our Company has three subsidiaries of which it holds 100% of the shares and exercises full control, as well as a jointly managed partnership together with other shareholders. Our joint venture, Hitit Bilgisayar Hizmetleri, has been traded on the BIST Stars Market since 2022.

Pegasus Airlines Group Companies

Group Company	Nationality / Area of Activity	Issued Share Capital	Nominal Sharehold-ing	Share %	Affiliation with Pegasus
Pegasus Havacılık Teknolojileri ve Ticaret A.Ş. (PHT)	Türkiye / Simulated Flight Training	100,000 ₺	100,000 ₺	100%	Subsidiary
Hitit Bilgisayar Hizmetleri A.Ş. (Hitit CS)	Türkiye / Information Technology Solutions	300,000,000 ₺	110,446,803 ₺	36.82%	Joint Venture
Pegasus Airlines Innovation Lab, Inc. (Innovation Lab)	U.S.A. / Collaboration for & Development of Aviation Technology and Software Solutions	200,000 \$	200,000 \$	100%	Subsidiary
Pegasus Airlines Ventures LP (Pegasus Airlines Ventures)	U.S.A. / Investment in innovative, AI focused technology and soft-ware solution ventures applicable to airline transportation	1,000,000 \$	1,000,000 \$	100%	Subsidiary
Pegasus Europe B.V. (Pegasus Europe)	Netherlands/Management of overseas subsidiary investments	1€	1€	100%	Subsidiary

1.4.2. Board of Directors & Committees

At Pegasus, we have a rich governance culture shaped by our openness to innovation and continuous improvement.

Some of the good corporate governance practices that were implemented when we launched our low cost business model in 2005 constitute a source of pride for us. These practices are shaped by an independent Board of Directors with a global perspective in the aviation sector, a strategy focused, highly motivated and successful management team and workforce, and an accountable and transparent communication approach toward shareholders and stakeholders.

The highest governing body of our Company is the Board of Directors. Since 2005, our Board of Directors has consisted of eight members with diverse experience and areas of expertise, as well as business experience in different countries.

Our Board of Directors, in particular:

- Through the decisions it makes, provides entrepreneurial leadership by guiding and overseeing the management of the Company, maintaining the Company's balance of risk, growth and return at an optimal level, and safeguarding the Company's long term interests with a prudent and rational risk management approach.
- Guides the implementation of our corporate strategy, determines the human and financial resources needed, approves the annual budget and oversees the performance of the Company and management by preventing conflicts of interest and balancing competing demands.
- Ensures compliance of our activities with regulations, the Articles of Association, internal procedures and established policies.

Except for the Chairman of the Board and another Board Member who also serves within the management of our controlling shareholder Esas Holding, none of the members are involved in the daily operations of our Company. We secure this approach by formally defining the roles and responsibilities of our Board of Directors and its members within our Company processes.

In addition, the Duties and Working Principles (excluding annexes) of our Board of Directors and all our Committees are publicly disclosed on our Investor Relations website. Our Board of Directors and Board Committees are structured as shown alongside. The Board of Directors and the Committees operating under it convene regularly and carry out their activities effectively. All activities are recorded by our Corporate Secretariat. These activities are also summarized in Section 1/H of our Annual Reports. In 2025, participation in Board and Committee meetings was 100.0%.

We operate an effective system for the follow up and completion of actions requested by the Board of Directors or the Committees. For 2025, 100% of the actions proposed or requested by the Board and Committees were completed by the end of the year. Our Board of Directors conducts regular self assessment exercises and, based on these assessments, identifies areas for improvement to enhance the effectiveness of their activities and determines action plans. Following the most recent self assessment conducted in 2025, the areas identified for improvement were approved as a development roadmap by the Board of Directors during the Board meeting held in December 2025. The implementation of the development plan is targeted within the next two years.

Pegasus Airlines Board of Directors

Name / SURNAME	Duty	Serves Since ¹	Committee Duties
Mehmet Tefrik NANE	Chairperson of the Board of Directors	2022	Member, Technology Committee
Ali İsmail SABANCI	Board Member	2005	-
Mehmet Cem KOZLU	Non-Executive Board Member	2013	Member, Corporate Governance Committee
Hatice Zeynep Bodur OKYAY	Non-Executive Board Member	2016	Member, Risk Committee
Stephen Mark GRIFFITHS	Non-Executive Board Member	2016	Member, Corporate Governance Committee
Agah UĞUR	Independent Board Member	2019	Chair, Audit Committee; Member, Risk Committee
David Alexander Florenz VISMANS	Independent Board Member	2022	Chair, Risk Committee; Member, Technology Committee
Ayşegül İLDENİZ	Independent Board Member	2022	Chair, Corporate Governance Committee; Member, Audit Committee & Technology Committee

¹ Board of Directors appointments are renewed each year in line with the decision of our shareholders, and all current members of our Board of Directors were appointed for a one year term at the Ordinary General Assembly Meeting held on 28 March 2025.

Members of the Board of Directors

Detailed information about our Board Members is available on our [Investor Relations website](#). Specific experience of our members in our Company and the industry in which we operate is summarized below.

Pegasus Airlines Board of Directors Industry Expertise

Mehmet T. NANE
Chairperson of the Board of Directors

- Served as CEO of Pegasus between 2016 and 2022
- Former Chair of the IATA Board of Governors and Member of the IATA Board of Governors
- Has nearly 20 years of senior executive experience in the retail sector

Ali İ. SABANCI
Member of the Board of Directors

- Served as Chair of the Pegasus Board of Directors between 2005–2023
- Chair of the Board of Directors of the controlling shareholder, Esas Holding

M. Cem KOZLU
Non-Executive Board Member

- Served as Chair of the Board and General Manager of Turkish Airlines between 1988–1991 and 1997–2003
- Member of the 19th Term of the Grand National Assembly of Türkiye
- Served as Chair of the Pegasus Audit Committee between 2013–2020

H. Zeynep Bodur OKYAY
Non-Executive Board Member

- Chair of Kale Group
- Chair of the Board of Directors of the Kale–Pratt & Whitney Joint Venture
- Served as Chair of the Pegasus Audit Committee between 2020–2022

Stephen M. GRIFFITHS
Non-Executive Board Member

- Former Managing Director of MAG East Midlands Airport and Group Director of Operational Transformation
- Held various senior management positions at Manchester Airports Group (MAG) between 2018–2023
- Served as Chief Operating Officer (COO) at Virgin Atlantic & London Underground
- Served as Chair of the Pegasus Corporate Governance Committee between 2016–2022

Agah UĞUR
Independent Board Member

- Served as Group CEO at Borusan Holding for 18 years
- Has been serving as Chair of the Pegasus Audit Committee since 2023
- Served as Chair of the Pegasus Risk Committee between 2019–2023

David F. A. VISMANS
Independent Board Member

- Senior Executive (CPO) responsible for Product Development at Sennder
- Served as Chief Product Officer (CPO) responsible for Product Development at Booking.com
- Has experience in artificial intelligence, software & product development across multiple industries
- Has been serving as Chair of the Pegasus Early Detection of Risk Committee since 2023

Ayşegül İLDENİZ
Independent Board Member

- Chair of the TÜSİAD Silicon Valley Network
- Served as Chief Operating Officer (COO) at Silver Springs Network/International and as Vice President of New Devices at Intel Corporation
- Has experience in Internet of Things (IoT), wearable technology and innovation management
- Has been serving as Chair of the Pegasus Corporate Governance Committee since 2023
- Holds co chair responsibilities at the sustainability committee level of publicly listed companies outside our Company

1.4.3. Board Processes

We define the functions of the Board of Directors, skill-sets that the members must have, nomination and election processes, meetings of the Board of Directors and decision-making methods, conflict of interest rules, self-evaluation processes, reports regularly submitted to the Board of Directors and processes relating to secretariat services in the Board Bylaws. We apply a similar approach to the Board Committees within the framework of their Committee Charters.

Since 2022, we have been carrying out our work in the field of sustainability under the supervision of our Corporate Governance Committee and Board of Directors. Our Corporate Sustainability Policy, which forms the basis of our work on this matter, was approved by our Board of Directors in 2021. In 2025, our sustainability related activities

were discussed as an agenda item in four meetings of the Corporate Governance Committee and in one meeting of our Board of Directors. Additionally, our “Sustainability Approach Integrated with Our Processes” was supported as a strategic main theme within our new strategic plan, which was prepared under the oversight of the Board of Directors in 2025.

Beyond this, our activities were presented to the Board of Directors in written form at all meetings, and significant developments related to sustainability and climate were reported on a monthly basis. Risks related to our environmental, social, and governance impact areas, primarily climate, under the umbrella of sustainability were assessed every two months in 2025 by the Early Detection of Risk Committee within the scope of our corporate risk inventory and were reported to our Board of Directors.

1.4.4. Our Governance Structure

Our senior management team consists of our CEO and the department heads reporting directly to the CEO. Information on Pegasus Airlines' senior executives and their responsibilities is provided chart and the table provided on the side.

While each of our business units carries out its activities in line with its own planning and targets, it also collaborates regularly with other business units on shared platforms. Our senior management meets regularly on a weekly basis to address matters on the agenda. Operational coordination issues and delays experienced in flights are monitored weekly through regular meetings. In addition, our senior management conducts oversight on specific matters like corporate risk inventory and flight safety through quarterly reviews. Additionally, Information Security Committee brings together senior management and relevant business units to conduct regular activities related to the Company's information security risks.

Furthermore, in line with our quality management systems, inter-departmental coordination is ensured through regular Management Review meetings, management meetings for monitoring civil aviation regulatory compliance, and review and management meetings carried out by various project-based working groups. These efforts allow for the monitoring of Company objectives and oversight of performance by our management. Various methods are applied to ensure that our senior management is informed about sustainability and climate-related matters and

that oversight and control of such processes are maintained by senior management.

In addition to the planning and oversight carried out at the Sustainability Steering Committee, senior management is kept informed about key national, regional, and global developments on sustainability and climate through written reports and presentations, and during periodic meetings. The planning and execution of these are overseen by our General Counsel and Sustainability Senior Director.

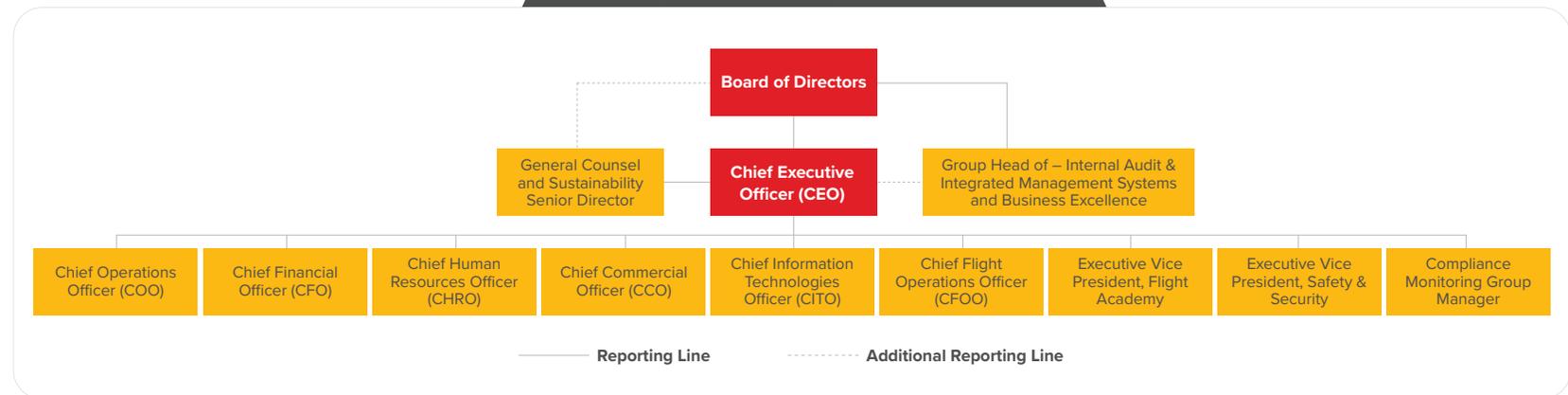
Sustainability and climate-related risks and opportunities are addressed by senior management within the framework of the Corporate Safety Policy, the Corporate Risk Management Procedure, and the Process for Determining, Modelling, and Cascading Corporate Strategy. These tools enable senior management to regularly assess the targets and performance of Company activities concerning sustainability and climate-related risks and opportunities, and to ensure that the Company's activities are aligned accordingly.

Pegasus Airlines Senior Management Team

Name / SURNAME	Duty	Serves Since ¹	Serves Since in Position ²
Güliz ÖZTÜRK	Chief Executive Officer (CEO)	2005	2022
M. Barbaros KUBATOĞLU	Chief Financial Officer (CFO)	2007	2018
Onur DEDEKÖYLÜ	Chief Commercial Officer (CCO)	2010	2022
Ergün DEMİRCİ	Chief Operational Officer (COO)	2013	2022
Gençer KARATEPE	Chief Flight Operations Officer (CFOO)	2018	2020
Dilara OĞUR	Chief Human Resources Officer (CHRO)	2015	2015
Barış FINDIK	Chief Information Technologies Officer (CITO)	2017	2017
Murat TÜNAY	Executive Vice President, Safety & Security	2011	2020
Yavuz Selim ÖZMEN	Executive Vice President, Flight Academy	2016	2020
Ali UZUN	General Counsel and Sustainability Senior Director	2013	2022
Sinan Onur ÖZTUNA	Compliance Monitoring Group Manager	2016	2020
Ayşe Naz ÇAĞIL	Group Head of – Internal Audit & Integrated Management Systems	2024	2024

¹ Refers to the date on which the manager started working at Pegasus Airlines Group Companies.
² Refers to the date on which the manager took office.

Pegasus Airlines Organization Chart



1.4.5. Our Sustainability Governance

Sustainability governance at Pegasus Airlines is conducted:

- In line with our Corporate Sustainability Policy approved by the Board of Directors;
- In accordance with the Corporate Sustainability Management Procedure and the processes described under this procedure.

Coordination and reporting of our sustainability-related activities, particularly concerning climate and other ESG elements, are the responsibility of the General Counsel and Sustainability Senior Director. General Counsel and Sustainability Senior Director ensures the effective management of opportunities and risks in this context.

To design and carry out the necessary work and coordinate the relevant units, we formed

a Sustainability Steering Committee and a Sustainability Working Group.

The Sustainability Management Committee convenes with the participation of the CEO, the General Counsel and Sustainability Senior Director, the Deputy General Managers of Finance / Commercial / Operations / Flight Operations / Human Resources and Information Technologies, the Senior Director of Marketing and E Commerce, and the Senior Director of the Human Resources Center of Expertise and Business Partnership. Secretariat duties are carried out by the General Counsel and Sustainability Senior Director. The Sustainability Management Committee monitors the progress of climate and sustainability related activities carried out within the scope of the corporate sustainability policy and oversees matters related to long term targets and planning. It meets at least twice a year in line with its area of responsibility.

The Sustainability Working Group is formed by the Sustainability & Environment unit based on the recommendations of function managers and the requests of our Company employees, consisting of the participation of the relevant Company functions. It is essential for participants to be informed about the Company's key corporate sustainability efforts, to share their views and suggestions, and to actively contribute to the activities within this scope. Secretariat duties are carried out by the General Counsel and Sustainability Senior Director. In 2025, 103 colleagues serving in various roles within our Company took part in our Sustainability Working Group. In 2025, the members of our Sustainability Working Group continued their work through six Focus Groups, each defined separately for the sustainability projects requiring specific knowledge and expertise.

In 2025, the Sustainability Working Group convened in two separate general sessions in

addition to the focus groups, and two meetings were held with the participation of all members of the Sustainability Management Group. General Counsel and Sustainability Senior Director report the work of the Management Group and the Working Group to the CEO. The Corporate Sustainability Policy is reviewed every December, and the Risk and Opportunities Framework and Strategic Targets related to sustainability and climate are reviewed each year at the Board of Directors Strategy Meeting (the third meeting of the year).

General Counsel and Sustainability Senior Director report the activities carried out within the scope of the Policy to the Corporate Governance Committee on a quarterly basis. Board members are additionally informed quarterly and monthly about these reports and activities. Sustainability Key Performance Indicators and other activities within the scope of ESG principles are monitored in line with the strategy approved by the Board of Directors.

MATTER	FEEDBACK	PROPOSAL	FIRST APPROVAL	REVIEW	FINAL APPROVAL
Corporate Sustainability Policy	Sustainability Steering Committee	General Counsel & Sustainability Senior Director	CEO	Corporate Governance Committee	Board of Directors
Sustainability & Climate Risk & Opportunities Framework					
Sustainability Strategic Targets					
Sustainability Report					
Sustainability KPIs					-
Other Work Regarding the Policy & ESG Principles	Sustainability Working Group			-	-

The preparation, review and approval responsibilities within the scope of sustainability and climate governance are indicated above.

Evolution of our Sustainability Governance



2021 December
Our Board of Directors approved our Corporate Sustainability Policy

2022 September
"Building a Sustainability Culture" was adopted as one of our main strategic targets

2025 January
Our Sustainability Working Focus Groups have been restructured, and the number of focus groups has been streamlined.

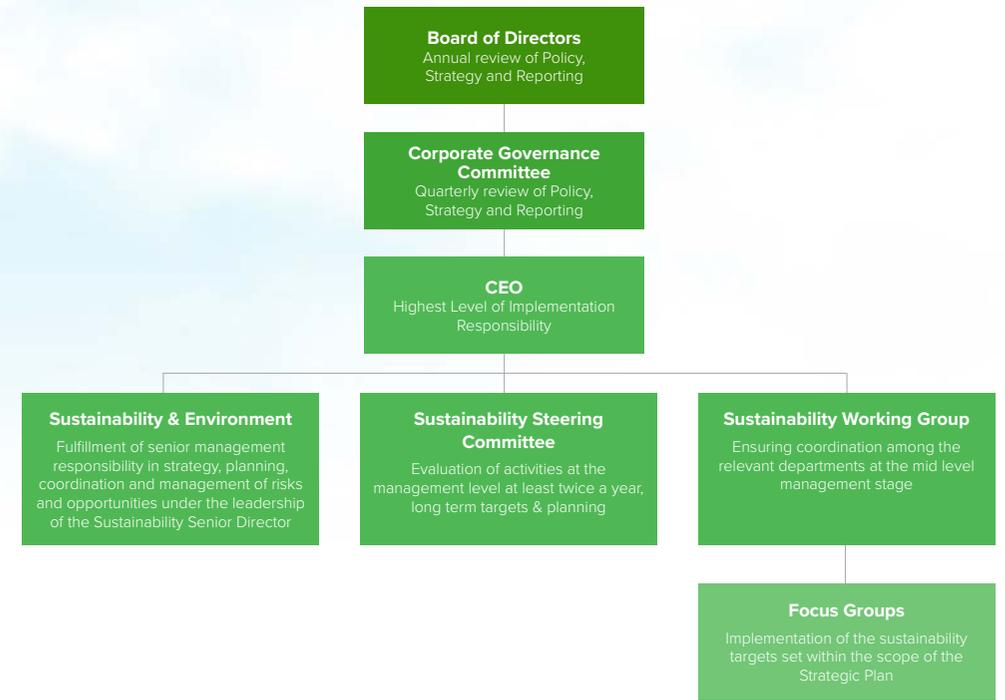
2025 September
Our Sustainability Approach Integrated with Our Processes" continues to be included in our strategic roadmap as one of the main focus areas of our Company strategy.

2022 February
Legal Department was reorganized as the Legal & Sustainability Department

2023 January
Sustainability Steering Committee, Sustainability Working Group and Focus Groups started their work

2024 January
Sustainability Office expanded to cover and consolidate all environmental processes under sustainability, being renamed Sustainability & Environment

Sustainability Governance Structure



1.4.6. Climate and Sustainability-Related Competencies and Experience

The function, operating principles and the selection of the members of the Board of Directors are defined in the Board of Directors Working Principles and Procedures, which enter into force with a direct decision of the Board of Directors and are publicly disclosed on our corporate website.

In accordance with Article 5.8.1 of the Procedure, the Board of Directors regularly evaluates its own Working Procedure and performance at intervals it determines, in order to assess whether it is functioning effectively. In these evaluation processes, the Board of Directors may seek support from reputable and independent service providers. Significant findings obtained from the evaluation results are used to prepare an action plan serving the improvement needs in these areas and to implement such actions before the next evaluation period.

Following similar studies conducted in 2018 and 2022, our Board of Directors carried out a performance evaluation in 2025 and implemented development opportunities related to its activities in line with an action plan. The performance evaluation conducted in 2025 showed improvement in all headings compared to 2022, including Board Structure, Board Committees, Board Processes, Board Information Flow, Board Culture, Board Guidance and Board Oversight. This indicates that the development plans prepared following previous performance evaluations were implemented effectively.

In accordance with Article 5.2.4 of the

Procedure, the Board of Directors determines the competence areas of the Board and its members suitable for the governance needs of the Company through a Board Competency Matrix and carries out the process defined in the annex of the Procedure for the identification of potential Board Member candidates.

Our Board Competency Matrix monitors demographic data such as the age, citizenship and seniority of our members based on their initial appointment dates, while also tracking the competence and experience of the members in the following areas considered important for the activities of the Board of Directors:

Our Independent Board Member, Ms. Ayşegül İLDENİZ, who serves as the Chair of the Corporate Governance Committee, also holds a co chair position at the sustainability committee level on the board of directors of publicly listed companies outside our organization.

On the other hand, our Chairman of the Board, Mehmet T. NANE, through his role on the IATA Board of Directors since 2019, has been part of the strategic and corporate transformation process related to sustainability and climate, including the announcement of IATA's sectoral 2050 net zero target. He also served as the Chair of the IATA Board of Directors for the 2022–2023 term. The experience of these two members in the fields of sustainability and climate demonstrates the direct prior responsibility and execution experience within our Board on these topics.

Additionally, the Company ensures that all Board Members enhance their knowledge and experience related to Sustainability, and

particularly climate, through the following processes:

- Regular discussion of sustainability efforts and topics as an agenda item during the quarterly meetings of the Corporate Governance Committee.
- Sharing the quarterly Corporate Governance Committee sustainability presentations with all Board Members.
- Addressing sustainability efforts within the Company's strategic plan during the annual Board of Directors strategy review meetings.
- Regular discussion of studies related to the Climate Transition Roadmap during Board of Directors meetings.
- Providing Board Members with reports on sustainability and climate related work, as well as global developments that may affect Company activities.

At the senior management and Sustainability Working Group levels, investments are also made to increase the knowledge and experience of our workforce related to sustainability—and particularly climate. In this context, the following indicators are of particular importance:

- Our Sustainability Senior Director, upon assuming the newly established sustainability role in 2022, participated in and successfully completed a senior executive training program abroad in the fields of Sustainability Strategies and Circular Economy.
- All specialists working in the Sustainability & Environment Department hold undergraduate and postgraduate degrees in Environmental Engineering and Energy Management.
- Various training and information programs are regularly carried out for the Company as a whole, the Sustainability Working Group and senior management.

Competence & Ex-pertise	Purpose	Current Coverage *
Aviation	Enriching Board competence through different experiences in the industry	63%
Consumer & Com-merce	Enhancing our consumer-oriented product/service focused business approach	88%
Talent Management & DE&I	Maximizing our human resources management efficiency	75%
CEO & Board Chair Experience	Guiding leadership in a highly complex operating environment	88%
Digitalization & Technology	Securing the positive impact of digitalization and technology across the entire business	25%
Sustainability (ESG)	Securing the alignment of our operations with our long-term sustainability targets	25%
Finance	Maximizing our financial management efficiency	25%
International Busi-ness Expertise	Oversight of strategic planning and risk management from a global perspective	100%
Public Relations & Regulatory	Oversight of strategic planning and risk management in a highly regulated business	63%

* Current coverage ratio indicates to what extent the given competence is covered by current Board members based on past direct responsibility and executive experience.

1.4.7. Compensation Practices

Topics related to sustainability and climate are connected to our Company’s remuneration practices in several ways.

The remuneration of our Board of Directors is carried out in line with the remuneration principles recommended to our shareholders annually by the Corporate Governance Committee and approved by our shareholders at the General Assembly. In this context, our non executive Board Members are entitled to a fixed annual remuneration and attendance fee for each meeting they attend, as well as for the chairmanship and membership duties they assume in the Committees. Therefore, remuneration at this level is not performance based.

We structure our remuneration practices to support a fair, inclusive and sustainable working environment. In this regard, we do not employ our employees at the legally defined minimum wage level; instead, we determine the salaries of all employees above the minimum wage to support decent living standards. Our remuneration policy is based on a holistic approach that considers market competitiveness, job and responsibility level, competence and performance criteria, as well as employee well being. This approach supports employee engagement and workforce continuity, while also contributing directly to our

social sustainability objectives.

In addition to a fixed monthly salary, our employees are also eligible for various fringe benefits, as well as corporate or functional bonus schemes based on short and long term performance based remuneration principles.

Remuneration based on corporate performance is calculated on the basis of a combination of the Company Targets—which include the Company’s key performance criteria—and the individual targets included in the individual performance target cards of employees within the scope. The Company Targets also constitute 100% of the individual performance targets of the CEO. The Company Targets affect the overall performance target card of our senior and mid level managers at decreasing rates.

In 2025, our Company Targets consisted of indicators related to operational profitability, unit cost, on time performance, guest satisfaction and emission intensity. Accordingly, one of the five key performance criteria is directly based on an environmental and climate related indicator, while two others are considered indirectly linked from a sustainability and social impact perspective with a customer focus. With the addition of annual emission intensity performance to our Company Targets in 2025, sustainability and climate related performance targets were included in the target cards of all our senior and mid level managers.

In 2025, the following indicators were included among the performance targets related to sustainability & environment:

- Performance toward the Company’s environmental targets.
- Evaluation of the Company’s sustainability performance by third party organizations.
- Preparation and publication of the Company’s first Climate Transition Roadmap with the involvement of the Board of Directors.
- Implementation of new practices aimed at emissions reduction.
- Increasing the use of renewable energy in total energy consumption.
- Achieving efficiency in energy consumption; increasing supplier alignment with environmental targets.
- Establishing new collaborations with stakeholders in line with environmental objectives.
- Implementation of training and awareness programs aimed at increasing knowledge and awareness regarding sustainability and the environment within the Company.



In 2025, the weight of the individual performance targets directly linked to sustainability and the environment for our CEO and the senior executives reporting directly to the CEO was realized as **6%** in the performance target cards of all senior executives.

1.5. Risk Management

1.5.1. Our Risk Governance Structure

The sector in which we operate is one where there is largely no tolerance for the materialization of risks. The planning perspective that forms the core of our business model stems from the need to anticipate potential risks in advance and to be prepared for every situation in light of relevant scenarios. On the other hand, we have a layered compliance model in which we activate different functions and controls together to manage these risks. **Sections 1.5.1 and 1.5.2 of our report** provide information on the main elements of our Risk Governance Structure and our Risk Processes. The Identification, Assessment and Integration of Climate-Related Risks and Opportunities into Risk Processes is explained in **Section 1.5.3**.

1.5.1.1. Risk Committee and Board Oversight

At Pegasus, corporate risk management activities are monitored at the Board of Directors level. The Board of Directors, with the support

of committees, subcommittees formed under its authority, and expert groups and working teams at the management level, perform the following duties:

- **Risk Management Policies and Standards:** Determines, reviews, and approves risk management policies, approach, and standards across the Company.
- **Monitoring Strategic and Critical Risks:** Regularly monitors strategic and critical risks and evaluates developments regarding these risks.
- **Monitoring Risk Management Activities:** Monitors and evaluates the effectiveness and outcomes of risk management activities across the Company.

The Committee on Early Detection of Risks (Risk Committee) consists of four members appointed by the Board of Directors. The chair of the Committee is selected from among the independent members of the Board. Other members may be selected from among Board members or externally. The Committee convenes at least four times a year and reviews

the Company's risk status every two months, providing written reports to the Board.

The Committee ensures the early detection of all types of risks that may endanger Pegasus' existence, development, and continuity, including commercial, financial, legal, human resources, information systems, operational, and sustainability-related risks. It also supports the implementation and management of necessary measures regarding identified risks. The Committee reviews the risk management systems annually and assesses the effectiveness of Pegasus' risk management and internal control systems and their alignment with the Company's corporate structure.

In 2025, the Early Detection of Risk Committee held four meetings on 14 March, 23 May, 15 September, and 16 December, and presented to the Board of Directors six bi-monthly Risk Management Reports. The Committee carried out activities related to the duties specified in its Duties and Working Principles. In this context, the Committee established the main principles

and monitoring mechanisms for the identification and management of key risks related to commercial, operational, financial, legal, information technologies, human resources, and sustainability & climate matters that may jeopardize the existence, development, and continuity of our Company, and oversaw their implementation.

The Early Detection of Risk Committee provided briefings to our Board of Directors at the Board meetings held in 2025 regarding its activities. The Committee also submitted reports to the Board of Directors every two months concerning its activities and assessments, in accordance with the provisions of Article 378 of the Turkish Commercial Code.

Monitoring sustainability and climate-related risks is conducted under the oversight of the Committee on Early Detection of Risks within the scope of Corporate Risk activities. Additionally, work related to these risks is also addressed within the scope of sustainability governance activities under the oversight of the Corporate Governance Committee.



1.5.1.2. Oversight of Risks at the Management Level

The Chief Executive Officer, empowered by the Board of Directors, holds the highest level of responsibility for the implementation of risk management processes and the overall management of risks. The CEO is the primary owner of the corporate risk management process within the Company. The practical responsibility for risk management lies with the relevant managers.

Risks related to flight safety are monitored under a separate governance model within the Company’s Safety Management System. Furthermore, special risk topics within the scope of ISO 9001 Quality Management System, ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Management System, and ISO 27001 Information Security Management System are tracked through monitoring systems established in accordance with the respective authorities and responsibilities of each management system. The Risk Review Board, which brings together the CEO and relevant senior executives, convenes before each Committee on Early Detection of Risks meeting. It evaluates matters to be submitted to the Committee, as well as risks that may have a broader impact on the sector. It conducts reviews on issues of particular significance.

The Chief Financial Officer is responsible for tracking the risk reporting processes within the Risk Review Board and the Committee on Early Detection of Risks. The activities within this responsibility are carried out by the Corporate Risk and Insurance Management function operating under the Treasury and Corporate Finance Group Department

Additionally:

- Internal Audit is responsible for regularly and systematically auditing the risk

management policies and practices of relevant departments, the effectiveness and functioning of internal control systems established for identified risks, and reporting recommendations for improvement and development to ensure that risk management activities are carried out effectively and successfully within the Company.

- Integrated Management Systems and Business Excellence is responsible for recording risks arising from business processes and forwarding them to the Corporate Risk and Insurance Manager. It coordinates with the Treasury and Corporate Finance Group Department regarding Corporate Risk Management operations.
- Risk Owners (Relevant Departments) are directly responsible for mitigating the impact and/or likelihood of the related risks, implementing the agreed-upon actions, and thereby bringing the risk to an acceptable level.

In line with all these duties and responsibilities, all Pegasus employees are responsible for fully complying with the defined risk management policies, standards, and processes, and for timely and accurately reporting any emerging or potential risk sources to their supervisors.

Through Corporate Risk Management, we aim to:

- Ensure that decision-making and planning processes are prepared more diligently and based on stronger foundations,
- Improve the identification of opportunities and threats,
- Create value from uncertainty and volatility,
- Enable proactive rather than reactive management,
- Ensure more efficient allocation and use of resources,
- Manage incidents more effectively and reduce their impact, thereby lowering the cost of risk,
- Strengthen stakeholder confidence,

- Maintain continuous compliance with legal regulations,
- Enhance the company’s corporate governance practices.

Safety Management System

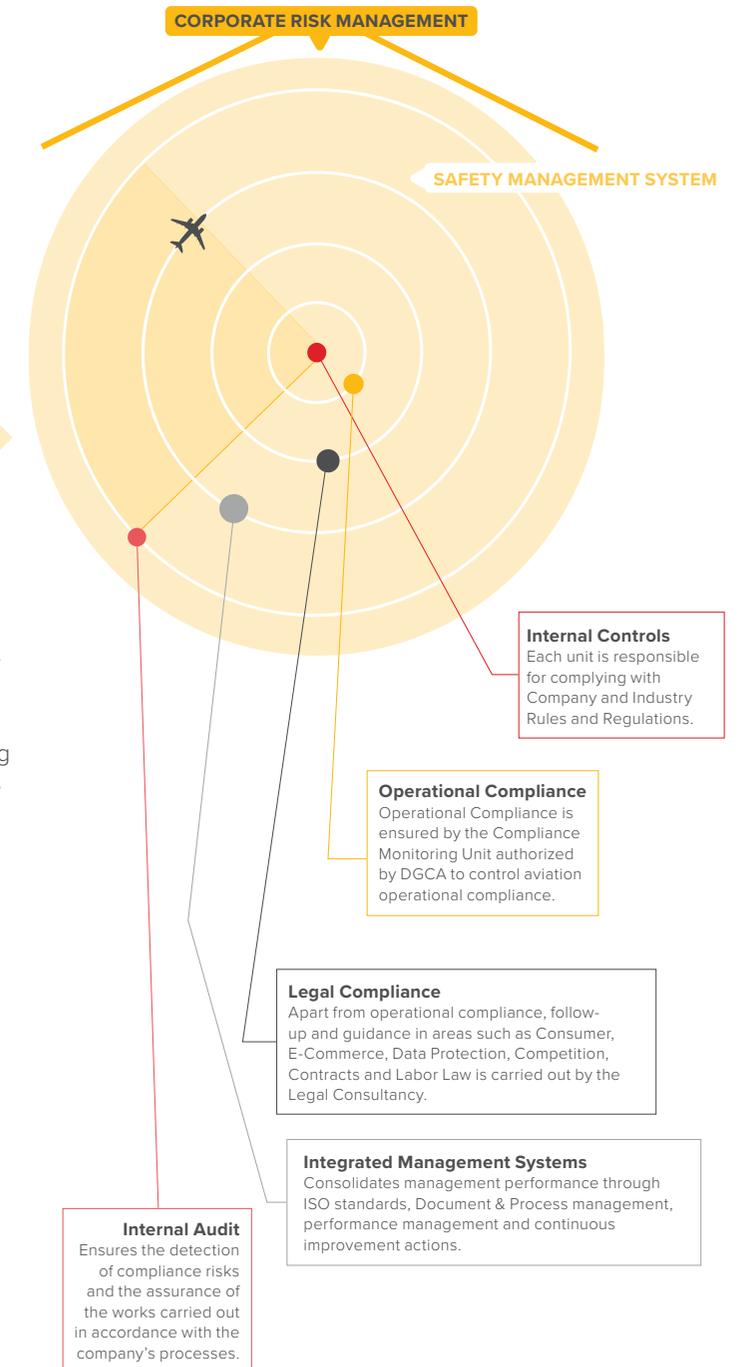
While conducting our operations, we manage a complex compliance network that encompasses various legal jurisdictions and areas of expertise. Throughout this process, the Pegasus Safety Policy remains a foundational element in the background. The Safety Management System requires the participation of all employees. It is expected that managers and employees at all levels fulfill the highest level of safety performance. All practices, including the safety approach, utilize our Risk Management approach, primarily through Corporate Risk Management, to identify, assess, and manage the risks faced by our Company

Monitoring the effectiveness of each step in the corporate risk management process is essential. This is particularly important for continuous improvement. Ensuring that the corporate risk management process quickly adapts to changing conditions and is regularly updated will minimize the likelihood of the company being exposed to unidentified risks. Documenting and recording each stage of the process is necessary for reviewing decisions at a later stage and for enhancing the process as part of continuous improvement efforts.

Our corporate risk management process is effectively implemented under the oversight of the Board of Directors, encompassing the entire Company and being continuously improved.

Sustainability and climate-related risks are addressed and monitored as a separate categorical heading within the framework of the corporate risk management process.

Pegasus Risk Management and Compliance Framework



1.5.1.3. Other Processes Contributing to Corporate Risk Governance

In addition to our Corporate Risk Management system, the following control and implementation functions contribute to risk governance:

Compliance Monitoring

In order to ensure that airline operators operating in the civil aviation sector comply with civil aviation legislation, it is mandatory to establish a Compliance Monitoring unit. The head of the unit performs their duties with the approval of the Directorate General of Civil Aviation (DGCA). Our Compliance Monitoring unit conducts ongoing oversight of operational compliance and monitors the rules and standards published for flight operations by organizations such as ICAO, DGCA, IATA, and EASA. The unit ensures that our company's procedures and manuals align with the latest regulatory updates, audits company operations within this scope, and submits the required reports to the relevant authorities. In addition, our Compliance Monitoring unit contributes to efforts aimed at meeting the sustainability, environmental, and climate-related regulations and expectations of both international and national civil aviation authorities.

Legal Compliance

In our Company, the management of compliance programs that involve multiple departments and fall outside the scope of civil aviation compliance monitoring is carried out under the coordination of the Legal Counsel. Compliance efforts related to areas such as personal data protection, competition law, commercial law, and capital markets legislation are addressed within this scope. Through committees established with the participation of relevant business units across different areas, planning and controls are conducted, and implementation projects are put into practice. Compliance efforts regarding

regulations related to sustainability, the environment, and climate are carried out with the active support of the Legal Counsel.

Integrated Management Systems

At Pegasus, we operate with an integrated management perspective. In this context, we implement and continuously improve our ISO 9001 Quality Management System, ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Management System, and ISO 27001 Information Security Management System throughout all of our processes. These efforts are coordinated by our Internal Audit and Integrated Management Systems & Business Excellence units.

Managing our operations sustainably, protecting the health and safety of our employees, enhancing our environmental performance, and safeguarding our information assets are among our key priorities. To ensure effective management, we develop policies and procedures in line with these principles and implement them across our processes. We use feedback received from our guests to improve our processes through our quality management approach and continuously strive to enhance the quality of the experiences we offer. This approach not only contributes to increasing customer satisfaction and the longterm success of our business but also enables us to create social value.

We continuously review, update, and enhance our policies and procedures, supporting them with innovative solutions. To ensure the continuity of our integrated quality management approach, we regularly conduct impartial internal and external audits and take necessary actions based on audit outcomes.

Audits are one of the most important tools for

observing the effectiveness and adequacy of our management systems and contribute to our Business Excellence initiatives. In this way, we continue to establish a strong foundation that allows us to fulfill our responsibilities to our guests and all stakeholders and to achieve our sustainability goals. In 2025, within the scope of Integrated Management Systems, we conducted 47 internal audits and 5 supplier audits. In the last quarter of 2024 and in 2025, we carried out 7 audits for compliance with the Presidential Digital Transformation Guidelines. With our internal resources, 32 person days, and with our external auditors, a total of 19 person days of external auditing were conducted, and our compliance with the standards was audited by an independent audit firm.

On the other hand, we monitor our process based targets and performance through the Corporate Scorecard model. We align the targets in the Pegasus Corporate Scorecard with the Company's strategies and Company objectives, and we regularly track our performance through key performance indicators (KPIs). We define in detail, within the scope of our Integrated Management Systems, the processes and resources required to achieve these targets. We also align the individual targets of our employees with Company targets, thereby supporting our total quality approach. We evaluate the performance related to all processes and individual targets at least annually within the framework of our relevant procedures. At Pegasus, in order to effectively manage our processes, a total of 393 processes are defined in our digital process management system. We measure the performance of these processes through 488 performance indicators associated with our six strategic objectives and track them in 44 Corporate Scorecards. Under the umbrella of Integrated Management Systems and Business Excellence, we manage the employee

suggestion system and business continuity activities.

Integrated Management Systems 2025



Within our processes, there are seven different processes related to sustainability, climate and the environment. These processes include: Conducting and Reporting Sustainability Activities, Managing Environmental Impact Aspects within the Scope of Environmental Management System Commitments, Waste Management, Conducting Emission Monitoring, Reporting & Verification Activities, Managing Environmental Accident Events, Determining and Implementing the Climate Transition Roadmap, and Planning and Managing Environmental Emergency Drills.

Digital Process Management 2025



Business Continuity

As Pegasus, foreseeing that our operational continuity would play a critical role in the event of a possible Marmara earthquake, we launched the Business Continuity – Earthquake Master Program in November 2023.

Based on analyses conducted with our employees who took part in the Kahramanmaraş earthquake response efforts and with various institutions, we identified and implemented our projects.

To ensure operational continuity during the first 72 hours, we backed up the critical units we identified outside the Marmara region and strengthened our organization within the scope of geographical redundancy.

We enhanced our emergency communication system and implemented closed circuit satellite phones, mobile satellite communication, and an employee status tracking system.

We completed the structural analyses of all our critical buildings and carried out reinforcement work.

In 2025, by conducting five earthquake drills, we increased our crisis management capability and aim to maximize operational continuity.

Internal Audit

Pegasus Internal Audit Department was first established in 2006. Since 2011, our Internal Audit Department has been operating under the Audit Committee. When we became a public

company in 2013, the Audit Committee was restructured to comply with Capital Markets Board (CMB) regulations.

The Internal Audit unit is responsible for coordinating and harmonizing the audit activities within Pegasus in line with the generally accepted International Internal Audit Standards and local regulations published by the International Institute of Internal Auditing (IIA). Pegasus Internal Audit implements an Assurance Concept based on the COSO Model, which is in line with generally accepted standards and best practices, in its business processes and audit work. The COSO model consists of five main components: control environment, risk assessment, control activities, information and communication, and monitoring. According to the COSO model, internal control is defined as a broad structure that is influenced by the board of directors, senior management and other employees of an enterprise and ensures that a reasonable assurance is obtained that the main objectives of the enterprise are met.

In order to ensure the structuring of an effective Internal Control System, Internal Audit activities are carried out under the responsibility of the Board of Directors and under the supervision of the Audit Committee. Accordingly, the Audit Committee evaluates the information received from the company management, the Internal Audit unit and the independent auditor and notifies the Board of Directors of its opinions and suggestions regarding internal controls.

The Company's Internal Audit Unit carries out its activities under the supervision of the

Audit Committee and in line with the work plan approved. The annual audit plan is prepared using a risk-based audit methodology. In addition to scheduled audits, case-based audits regarding fraud risks or suspicious events are also conducted with a risk-focused approach. The Internal Audit unit presents its findings on errors, irregularities, and misconduct to senior management through periodic reports and provides recommendations for mitigation and improvement.

Audit tools such as analytical procedures, observation, and physical inspections are effectively used to evaluate existing systems, internal controls, and operational efficiency. These efforts are supported by detailed document reviews, recalculations, third-party verifications, and on-site observations.

The audit scope has expanded with an increased data-driven approach; new SQL-based control scenarios have been integrated into the system, increasing the number of controls and deepening process-based analyses. This enables a more comprehensive assessment of the effectiveness of internal controls and risk management practices.

Additionally, in line with sustainability goals, areas such as fuel consumption, energy efficiency, and operational performance indicators are included in the audit scope. Risks in these areas are analyzed in detail, and improvement opportunities are evaluated.

The work carried out contributes to achieving a reasonable level of assurance, and the resulting

audit reports are presented at the four Audit Committee meetings held annually. Furthermore, the Internal Audit unit maintains alignment with our corporate risk governance processes by participating regularly in Risk Review Board meetings and considering the corporate risk inventory during risk-based audit planning. In this context, sustainability-focused risks such as climate change and environmental impacts are also evaluated within the corporate risk inventory, and their potential effects are taken into account in audit planning.

As of 2023, a separate Internal Control unit has been established within the Internal Audit Department. This formation aims to improve the efficiency of the Company's control processes and diversify both operational and managerial control points.

The Internal Audit unit also manages ethical governance processes, which involve the investigation of notifications or detections of violations of corporate culture and the Pegasus Ethical Conduct Guide. Pegasus ethical governance consists of the Ethics Committee, which investigates issues under the Pegasus Ethical Behavior Guide, the Audit Committee as the supervisory body that receives quarterly reports on Ethics Committee decisions, and Disciplinary Boards, which evaluate sanctions for violation cases. The consistent integration of sustainability principles and transparency are our priorities in ethics governance. Ethics and sustainability practices are integral parts of corporate governance.

Risk Management Related to Labor and Human Rights

Our Company considers risks related to working life and human rights as an integral part of its corporate sustainability and risk management approach. In this context, risks that may arise in areas such as access to qualified labor, protection of employee rights, continuity of fair and safe working conditions, prevention of discrimination and compliance with corporate behavior standards are evaluated by taking into account the nature of our operations and our interactions with stakeholders.

The management of risks related to labor and human rights is carried out within the framework of the **Corporate Sustainability Policy, the Ethical Conduct Guide and the Corporate Social Responsibility Policy**. In line with these policies and guidelines, respect for human rights, equal opportunity, ethical and fair conduct principles, and compliance with legal and international standards are adopted as fundamental principles. Pegasus adopts a zero tolerance approach

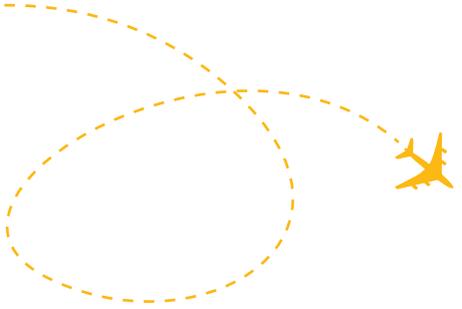
against practices such as forced labor, child labor and discrimination in line with its commitments under the United Nations Global Compact.

To prevent and mitigate risks, internal policies and procedures, training and awareness activities, stakeholder communication, and reporting and notification mechanisms are implemented. Through the Ethics Committee, matters reported that may violate human and employee rights are evaluated objectively and independently, with protection against retaliation being a core principle. Potential and actual impacts related to labor and human rights are addressed within the scope of regular monitoring activities, and corrective actions are implemented when necessary.

With this holistic approach, as Pegasus, we aim to manage risks related to labor and human rights not only from a compliance perspective but also in line with our long term corporate resilience, employee well being and sustainable value creation goals.

Risk Governance Structure





1.5.2. Risk Processes

The Corporate Risk Practices and Management Process is a systematic process applied throughout the organization, influenced by the Board of Directors, company senior management, and employees, and used to set strategies to identify potential events that may affect Pegasus, manage risks in accordance with Pegasus’s corporate risk appetite, and provide reasonable assurance regarding the achievement of company objectives.

In this context, the emergence of a new phenomenon during the conduct of our Company’s activities that creates unexpected impacts on current targets is considered a risk.

Identification of Risks and Determining Their Impacts

Risks identified by relevant business units using the Corporate Risk Definition Form in connection with different issues, including sustainability, are evaluated within the scope of the Corporate Risk Inventory.

The risk analysis process is carried out under the coordination of the Corporate Risk and Treasury Management and with the participation of relevant business units. The aim is to better understand the identified risks by determining

the possible causes of the risks, identifying existing controls, evaluating their effectiveness, and measuring the probability and severity levels of the risks.

During the measurement of risks, Pegasus Corporate Risk Matrix, approved by the Early Detection of Risk Committee, is used along with the most suitable information sources, methods, and techniques. The risk matrix evaluates risks based on their impact and probability levels and conducts a total risk impact assessment over a 25-cell matrix using five different levels. In the impact assessment, effects on human life, financial consequences, company reputation, and environmental impacts are evaluated separately. If there are different severity scale values during matrix use, the highest one is considered. Probability is defined as the likelihood of the risk occurring.

Determining Risk Threshold Values and Monitoring Risks

Considering the volume and impact levels of risks, high-priority risks for Pegasus are continuously monitored through “Key Risk Indicators – KRI.” Acceptable levels (threshold values) for key risk indicators are determined in proportion to the company’s risk appetite in collaboration with relevant department managers and approved by the Risk Review Board. For indicators exceeding the established

risk limits, the responsible department heads determine the responsible parties and the nature and duration of necessary actions.

Assigning Risk Owners and Reporting Risks

Critical risks identified through risk analysis and assessment are owned by the relevant unit manager.

The risk owner is responsible for carrying out the agreed actions to reduce the impact and/or likelihood of the relevant risk and bring the risk level to an acceptable level.

Risk owners regularly review and monitor the implementation of actions taken for their respective risks and the developments in key risk indicators and report to the Corporate Risk and Insurance Manager every two months.

If negative trends are observed in critical risk trends and especially if they fall on the adverse side of the threshold value, this situation is reported to the Early Detection of Risk Committee to be brought to the attention of the Board of Directors. Furthermore, even if the risk is not at a critical level, if the actual value occurs on the adverse side of the threshold or if the risk level is identified to have increased by means other than previously determined KRIs, the issue is brought to the agenda of the Early Detection of Risk Committee.

Continuous Monitoring and Review of the Corporate Risk Management Process

Monitoring the effectiveness of every step of the Corporate Risk Management process is mandatory. This is crucial for continuous improvement. The process must quickly adapt and be updated according to changing conditions, minimizing the likelihood of the company facing unidentified risks. Documentation of every stage of the process and recording decisions taken is necessary to later review them for continuous improvement and to improve the process.

Risk Review Board meetings are scheduled by the Corporate Risk and Insurance Manager to be held approximately one week before the Risk Committee meetings. These meetings provide the environment needed for Risk Review Board members to fulfill their responsibilities. Pegasus Risk Management Coordination Meetings are held four times a year to ensure coordination between the managers of Quality, Environment, Occupational Health and Safety, Information Security, and Safety risks and the Corporate Risk Management.



1.5.3. Identification, Assessment and Integration of Sustainability-Related Risks and Opportunities into Risk Processes

The risks and opportunities described in **section 1.3.3** of this Report and the related assessments are measured based on the evaluations carried out by the Sustainability & Environment, Human Resources, Corporate Legal & Governance, Financial Reporting, Performance and Navigation, and Corporate Risk and Insurance units, in accordance with the methodology specified in **section 1.6.2**.

In the short term, risks for which impact measurement has been performed at the red risk level are additionally addressed within the short

term risk assessment process, which is updated every two months as part of the Corporate Risk Inventory. In 2025, we evaluated our risks and opportunities within a broader scope as part of our corporate risk management approach. In addition to our G1 risk evaluated within the scope of climate change, our G2, G3, G4, G5, F1, S1, S2 and Y1 risks, which fall under environmental, social and governance categories, have also been included in our report. This scope covers transition risks such as regulatory obligations and cost increases associated with the climate transition process (including carbon credit mechanisms and sustainable aviation fuel obligations), uncertainties related to the scope and continuity of these mechanisms, and transition risks such as the supply/resource adequacy of sustainable fuel and infrastructure requirements; the operational and financial impacts of physical risks related to climate change (e.g., the effects of increasing

temperatures on performance, fuel consumption and capacity constraints); human resource related risks such as access to qualified labor and continuity of critical roles; as well as risks arising from digitalization and cybersecurity related disruptions and efficiency losses. These risks are monitored from a short, medium and long term perspective by considering their potential impacts on operational continuity, cost structure, revenue generation capacity and long term value creation; and are managed in an integrated manner with actions, targets and investment plans carried out by our relevant units.

The transition risk defined with the code G1, “Risks related to the impact of climate change mitigation costs on profit margins and cash flows,” along with the Company’s 2030 emission intensity target, SAF usage and the annual targets for the

purchase of carbon credits that are recognized by ICAO under CORSIA Phase I—which are approved by carbon credit providers accepted by ICAO and published on the official ICAO CORSIA website—and the results achieved in line with these targets, are monitored within the Corporate Risk Inventory during bi monthly reporting periods. Similarly, the S1 risk associated with the procurement of qualified labor, the S2 risk expressed as disruptions and efficiency losses arising from cybersecurity and the Y1 risk associated with succession ratios for critical positions are also monitored within the Corporate Risk Inventory during bi monthly reporting periods. Other existing risks, due to their limited and uncertain impacts in the short, medium and long term, are monitored through our annual risk inventory.



1.6.1. Our Greenhouse Gas Emissions Performance

As Pegasus, our total absolute greenhouse gas (GHG) emissions resulting from our 2025 activities have been measured as 4.98 million tonnes of carbon dioxide equivalent (tCO₂ e). This amount includes 3.9 million tCO₂ e Scope 1 and 4.6 thousand tCO₂ e (location based) Scope 2 emissions. In 2025, we also measured our market based Scope 2 GHG emissions and calculated this value as 1,894 tco2-e.

Pegasus's activity areas, assets and operations are included in our greenhouse gas emissions. Our GHG emissions have been measured in accordance with the GHG Protocol developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), and the ISO 14064-1 Standard developed by the International Organization for Standardization (ISO). Our GHG emissions have been verified in accordance with the requirements specified under six categories based on ISO 14064-3:2019.

In our greenhouse gas emission calculations, we apply the operational control approach to define organizational boundaries for determining our emissions. As Pegasus, all our current operations can

be evaluated under this approach. We certify our renewable energy use through renewable energy certificates and include this value in our market based greenhouse gas emission calculation. Our Scope 1 flight related emissions constitute 77.27% of our total emissions. In addition, the share of flight related emissions within all Scope 1 emissions has been calculated as 99.85%.

Within the scope of our greenhouse gas emission calculations, we apply the shadow pricing approach in our forward looking risk assessments. In line with our internal carbon pricing, we conduct a carbon price evaluation of 22 USD per tonne based on the cost of the carbon credits used under CORSIA. This approach is considered as an additional cost item particularly in our business processes involving fuel consumption.

As of the end of 2025, 90% of the total seat capacity of the aircraft in our fleet consists of fuel efficient and therefore low emission Airbus 320/321neo aircraft. Accordingly, we do not have any assets highly vulnerable to climate related transition risks. Our exposure to physical risks is limited, and such risks are monitored regularly. Our next generation fleet provides an asset structure that is significantly aligned with climate related opportunities.



Scope*	Unit	Value
Scope 1	tCO ₂ equivalent	3,853,103.42
Scope 2 (Location-based)	tCO ₂ equivalent	4,570.95
Scope 2 (Market-based)	tCO ₂ equivalent	1,893.81
Scope 1 ve Scope 2	tCO ₂ equivalent	3,857,674.37

* Our subsidiary, Innovation Lab, operated in 2025 without any employees, and its energy consumption was limited to the shared office space.

1.6.2. Our Greenhouse Gas Emissions Calculation Methodology

As Pegasus, we adopt a calculation based management approach in determining greenhouse gas (GHG) emissions. Our emissions inventory has been prepared in accordance with the methods defined in two internationally recognized reference documents: the “Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (2004)” and the “ISO 14064 1:2018 – Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals.”

Emission factors have been compiled using the most up to date data from IPCC (Intergovernmental Panel on Climate Change) and DEFRA (Department for Environment, Food & Rural Affairs). For electricity related emissions, National Inventory data have been referenced. Factors related to density, lower heating values, and indirect emission calculations have been obtained from internationally recognized sources. Unit conversion tables consistent with these sources have been used in all calculations. The calculation method is based on the principle of multiplying activity data by the appropriate emission factor. In electricity consumption calculations, the Tier 2 approach has been adopted, while for other emission sources, the Tier 1 approach has been used.

We established our greenhouse gas inventory in line with the scope and categories defined under six headings. In determining indirect greenhouse gas emissions, we conducted a risk based materiality analysis and included sources from less material categories when sufficient data were available. In 2025, our subsidiary Innovation Lab operated with no employees on payroll. Energy consumption was limited to the shared office space and was included in the calculation on that basis. Based on the assessment, the following categories were included in the inventory:

Category 1 - Direct Greenhouse Gas Emissions and Removals

- Stationary Fuel Consumption
- Mobile Fuel Consumption
- Fugitive Emissions (Leaks from Refrigerants and Fire Extinguishers)

Category 2 - Indirect Emissions from Imported Energy Sources

- Electricity Consumption
- Heating

As data sources for electricity, water, and natural gas consumption, we used company consumption monitoring systems and consumption invoices. We certified our greenhouse gas emission value arising from electricity consumption under the Renewable Energy Source Guarantee System Certificate (YEK-G) mechanism by opting for hydro energy sources produced in Türkiye. Additionally, we documented the electricity consumption of our Innovation Lab located in Silicon Valley under the Renewable Energy Certificates (REC) mechanism.

Other Key Indicators Related to Our Activities

During the preparation process of our Sustainability Report, we took into consideration the guidance and explanations included in Annex-58, Annex-60 and Annex-61 of the sector supplements published under the TSRS 2 – Sector-Based Application Guide for Climate-Related Disclosures. These supplementary guides contribute to ensuring that climate-related disclosures and activity data are presented in a more consistent, comparable, and transparent manner in line with the unique characteristics of the sector. Within the scope of Pegasus subsidiary activities, Annex-58 of the Guide was assessed, and it was concluded that the scope of this guide did not fully align with the services provided. As a result of this assessment, the related guide was not included in the reporting process. The activity data specified within the scope of Guide Annex-60 and Annex-61, along with the metrics related to the actions we have taken under our climate roadmap, are shared on the side.

Topic	Metric	Value	Unit of Measurement
Greenhouse Gas Emissions	Gross total Scope 1 emissions	3,853,103.42	tCO ₂ e
	Total Fuel Consumed*	52,962,708.19	Gigajoule (GJ)
	Alternative Fuel (SAF) Usage Percentage	0.41	%
	Amount of Credits Purchased under CORSIA Phase 1 **	35,748	tCO ₂ e
	Amount of credits delivered under EU ETS	242	tCO ₂ e
	Amount of credits delivered under UK ETS	24	tCO ₂ e
	Electric vehicle ratio in ground operations	23.3%	%
	Percentage of renewable energy use	100***	%
	Fuel (Operational) efficiency amount	29,614	ton

Assessment of Scope 1 emissions, negotiation of long and short term strategies or plans to manage emission reduction targets, and performance analysis toward these targets

As stated in [section 1.3.3](#) of this Report, the risks and opportunities described and the related assessments, as detailed in [section 1.3.4](#) regarding our climate roadmap, include the evaluation of our emission targets and performance analysis for both long and short term processes.

* Total fuel consumed refers to total aircraft fuel consumption.

** Phase 1 covers the years 2024, 2025 and 2026

*** Excluding electricity consumption related to flights..

Activity Metric	Value	Unit of Measurement
Revenue Ton Kilometer (RTK)	6,185,093,399	RTK
Load Factor	0*	Ratio
Number of Employees	9,255**	Number
Available Seat Kilometer (ASK)	78.336	ASK (million km)
Passenger Load Factor	87.7	%
Revenue Passenger Kilometer (RPK)	67.692	RPK (million)
Number of Departures	234,270	Units
Average Fleet Age	5.1	Years

* The cargo transport load impact is considered to be zero. Pegasus Airlines conducts only passenger transportation.

** Refers to the number of employees in the Group and does not include the eight members serving on the Board of Directors.

1.6.3. Our Climate Related Targets

While providing our guests with transportation services to reach the destinations they wish to travel to for various purposes, and ensuring the necessary care for them to have a satisfying experience, we also set targets based on approaches grounded in our environmental sensitivity and work toward achieving them. For this purpose, we have defined climate related targets by assessing all our capitals within our value creation journey in the context of climate change and environmental management. We evaluate the climate impacts of the aviation sector through risk and opportunity analyses and assess scenario analyses and projections developed with this approach together with our targets.

Since 2015, we have been measuring and reporting our carbon emissions. We go beyond mandatory reporting requirements and conduct voluntary reporting to improve our climate and sustainability perspective, and we set voluntary sustainability related targets.

As Pegasus, we have two main climate related targets:



2030
EMISSION
INTENSITY
REDUCTION
TARGET

2050
NET
ZERO
TARGET

In line with our 2050 Net Zero Carbon Emission target, we have taken an important step toward sustainability in the international aviation sector. This target has been adopted in line with the global standards set by IATA and positions reducing carbon emissions and prioritizing environmental sustainability as a core business strategy. Within the scope of our 2050 Net Zero target, we have adopted various strategic approaches. First, we are working on establishing a young and efficient aircraft fleet, and within this scope, we operate next generation Airbus A320neo–A321neo aircraft and aim to use Boeing 737 10 MAX aircraft. Through these steps, we aim to significantly reduce fuel consumption per RPK and lower our energy intensity. In addition, we aim to increase the use of Sustainable Aviation Fuels (SAF) and low carbon alternative fuels; we are taking steps toward enabling the transition between conventional jet fuels and alternatives such as SAF/LCAF in line with international standards.

Optimizing our operational processes is also an important component of this target. We carry out efforts to reduce our carbon footprint through route optimizations, technological improvements in flight processes, and innovations that ensure energy efficiency in airport operations. In addition to all these, we aim to offset current emissions through carbon offsetting efforts in line with ICAO’s CORSIA regulations.

With the absolute target we have set, we have included all our activity areas in scope. Following this step taken in 2021, we established interim monitoring and control mechanisms using annual emissions calculations. Through this approach, we continuously evaluate and monitor our progress toward the target.

As Pegasus, we share this voluntarily set target -which is not defined under any legal obligation- transparently through our public sustainability reports, particularly the CDP (Carbon Disclosure Project). We also have our underlying emissions data verified each year by independent third parties in accordance with the ISO 14064-1 standard.

We review and update our climate roadmap as needed, depending on external factors such as sectoral developments, technological capabilities, and regulatory changes. In this context, we share our verified emission values for 2025 with our stakeholders through this report and present our progress with concrete data.

Within the interim targets established to support achieving the 2050 target, we aim to reduce our unit carbon emission intensity by 20% by 2030 compared to 2019 levels.

In line with this target, which covers our flight related emission values, we conduct regular annual performance assessments. As Pegasus Airlines, we continuously monitor our emission intensity in both flight and ground operations, evaluate it with annual target tracking parameters up to 2030, and report it transparently.

In conclusion, on the path toward achieving the 2050 Net Zero target, we evaluate emerging technologies and focus on implementing solutions that provide emission reductions, such as the use of sustainable aviation fuels.



1.6.4. Our Social Performance and Targets

As Pegasus, we address our social performance within the axes of the sustainability of our human resources, employee experience, inclusion and workforce continuity. Within our human resource based business model, access to qualified labor, the preservation of competencies and strengthening employee engagement are of critical importance for our operational performance and long term value creation.

We structure our approach to diversity, equity and inclusion under the Harmony framework, and we advance with concrete targets focused on gender balance and equal opportunities in the workforce. In this context, increasing women's representation across different functions and leadership levels, supporting balanced representation in decision making

mechanisms and strengthening the principle of equal pay for equal work are among our main social objectives. By adopting inclusiveness in our recruitment, talent development and leadership programs, we aim to expand our talent pool and reduce the risk of limited access to qualified labor in the long term.

To support employee engagement and retention, we create segment based action plans using regularly conducted employee engagement surveys and field feedback. While strengthening employee experience through training, development, well being and internal communication practices, we continue proactive workforce planning and training programs to ensure competency continuity in pilot, technician and other critical roles.

Another important dimension of our social performance is operational continuity arising

from digitalization and cybersecurity. Due to the high dependence of our operational processes on digital systems, uninterrupted functioning of critical systems is a fundamental requirement for both employee productivity and service quality. In this context, system availability (uptime) rates, the number of interruptions and average recovery times are among our key indicators that are monitored regularly. Through high availability architectures, multilayered security controls and employee awareness trainings, we aim to ensure consistent performance in these indicators.

Within our digitalization processes, the continuity of the digital services and commercial systems we offer to our guests directly contributes to our customer satisfaction. We monitor the satisfaction level our guests experience during their travel with Pegasus through the CSAT (Customer Satisfaction) key performance indicator. As Pegasus, we adopt an approach

that prioritizes continuously improving the guest experience.

Through this holistic approach, we aim to reduce social risks; while providing a fair, inclusive and safe working environment for our employees, we also aim to strengthen our operational resilience and long term performance. Detailed information on Guest Experience can be found in the **"2.3.3 Guest Experience"** section of our Report.





1.6.5. Our Governance Performance and Targets

As Pegasus, we consider our strong governance structure as one of the fundamental elements of sustainable value creation within the framework of transparency, accountability and effective decision making principles. The effective functioning of our Board of Directors and committee structures is supported by regular monitoring and reporting mechanisms, and the

maturity of our corporate governance practices is also confirmed by independent rating results. By increasing our corporate governance rating to 98.2% in 2025, we became the company with the highest rating in the BIST Corporate Governance Index as of the end of 2025.

As Pegasus, our goals for strengthening our governance performance are to maintain and improve our level of compliance with corporate governance principles, sustain effectiveness in management and committee processes,

enhance the effectiveness of risk management and internal control mechanisms, and strengthen transparency in stakeholder communication. This approach ensures that our strategic decision making processes progress on a solid governance foundation and supports our long term financial resilience.

We manage governance related risks in an integrated manner within our business model. The risk of loss of corporate memory and slowdown in decision making processes in

the event of the departure of employees serving in critical positions is among the areas closely monitored for business continuity. In this context, we track the succession ratios for critical roles and aim to secure the continuity of corporate knowledge through succession planning, cross functional knowledge transfer and documentation standards. The regular review of succession plans and the monitoring of development actions are among our core practices that support the sustainability of our governance performance.

	2024	2025
BIST Corporate Governance Compliance Score (%)	97.9	98.2

	2024	2025
Succession Ratio for Director Level and Above Positions (%)	78	76
Succession Ratio for Critical Positions (%)	100	100
Total (%)	81	84

2

DISCLOSURES COMPLEMENTARY TO TURKISH SUSTAINABILITY REPORTING STANDARDS (TSRS)

2.1. We Are Moving Towards a Cleaner Future

We are moving towards a cleaner future with approaches grounded in environmental awareness. In our value creation process, we utilize all our capital to establish systems focused on climate change, environmental management, and energy efficiency. In addition to complying with legal regulations, we also adhere to various voluntary standards. Since 2015, we have adopted the principle of transparency by reporting under the Carbon Disclosure Project (CDP).

With a continuous improvement mindset, we present our projects with a transparent approach. Our Company is included in the LSEG (Refinitiv) ESG Sustainability Index (BIST 25) thanks to our strong performance in environmental, social, and governance areas.

Moving towards a
sustainable
future



In 2025, we were honored with the ‘Sustainability Team of the Year’ award by Airline Economics Aviation for our efforts in creating value through a holistic approach and a cross-functional ESG strategy, which includes our climate roadmap, gender balance initiatives, and transparent reporting practices.

2.1.1. Our Environmental Management System

As Pegasus Airlines, we have established a foundational framework aligned with the ISO 14001 Environmental Management System standard for our environmental management. Accordingly, we identify our environmental aspects and adopt a systematic approach to reduce the impact of significant ones across our operations.

Our environmental policy has been established based on national and international standards, primarily ISO 14001, and is founded on the prevention or minimization of environmental impacts arising from our activities, full compliance with legislation and other applicable obligations, the improvement of our environmental performance, and the continuous enhancement of our environmental management system. In line with this approach, we also consider raising sustainable environmental awareness and consciousness among our stakeholders as an important area of responsibility.

We believe that our commitment to integrating environmental protection and sustainability principles into all our business processes will strengthen our environmental performance. Environmental risks are periodically assessed and reviewed in line with incidents that may occur in our operations, and changes in legislation, strategy or operations. In this context, maintaining regular environmental risk assessment and review activities is also targeted for 2025.

In 2025, as the Sustainability and Environment Unit, we conducted a total of 38 visits with the stations we serve throughout the year, business units and suppliers, with the aim of mutually evaluating existing processes, compliance with legal regulations, and areas of development in sustainability and environmental matters.



Waste Management

As in every area where human activity takes place, different types of waste are also generated during Pegasus's flight, ground and technical maintenance operations. We consider all of this waste as part of our operations and adopt a holistic waste management approach aimed at reducing their environmental impacts.

In our waste management efforts, we primarily assess opportunities for reducing waste at the source and for reuse; in cases where waste generation is unavoidable, we focus on increasing recycling rates. In line with the source segregation practice, which is one of the fundamental components of efficient waste management, we position segregated waste bins suitable for the potential waste types specific to each location across all our work areas.

At Pegasus, waste management is fundamentally carried out under two main categories: hazardous waste and non-hazardous waste.

WASTE MANAGEMENT Hazardous Waste

Solid Contaminated Waste	Liquid Chemical Waste	Medical Waste	Electronic Waste	Battery Waste
Packaging	Engine Oil		Electrolytes	
Clothes, Gloves	Hydraulic Oil		Computers	Alkaline Batteries
Filters	Waste Fuel	Infected Cloths	Servers	Lead-Acid Batteries
Pressurized Containers	Acids	Infected Cotton	Tablets	Accumulators
Fluorescent Lamps	Organic Chemicals	Injection Sample Containers	Hard Disks	
Metal	Antifreeze		Printers	
Activated Carbon	Floor Cleaning Liquids			

Non-Hazardous Waste

Packaging Waste	Organic Waste	Non-Recyclable Waste	Scrap Waste	End-of-Life Tires	Textile Waste
Paper	Food	Napkins	Vehicle Equipment		
Glass	Fruits	Wet Wipes	Parts	Vehicle Tires	Uniforms
Plastic	Tea Leaves	Sweeping Residue	Computer Parts	Aircraft Tires	Belts, Shoes
Metal	Coffee Grounds	General Waste	Landscaping Waste		

Key Environmental Aspects

Environmental Aspect	Environmental Impact	Management of Environmental Impact
Fuel Consumption	Energy and Natural Resource Use, Emission Release	Investments are made in fuel-efficient aircraft. Annual greenhouse gas inventories are prepared and emissions monitored.
Use of Motorized Equipment/ Vehicles	Noise Pollution	Next-generation aircraft engines are used, and electric ground support equipment is being adopted.
Hazardous Waste Generation	Air, Soil, and Water Pollution	A hazardous waste disposal system is in place under waste management. Necessary declarations are submitted to the Ministry of Environment.
Environmental Incident	Air, Soil, and Water Pollution	Procedures and instructions are prepared; drills are conducted.
Emergency	Air, Soil, and Water Pollution	Emergency response plans are established; drills are conducted.
Electricity, Water, and Natural Gas Consumption	Natural Resource Use	Energy-saving options are preferred. Consumption per employee is monitored. Measures are taken to reduce waste.

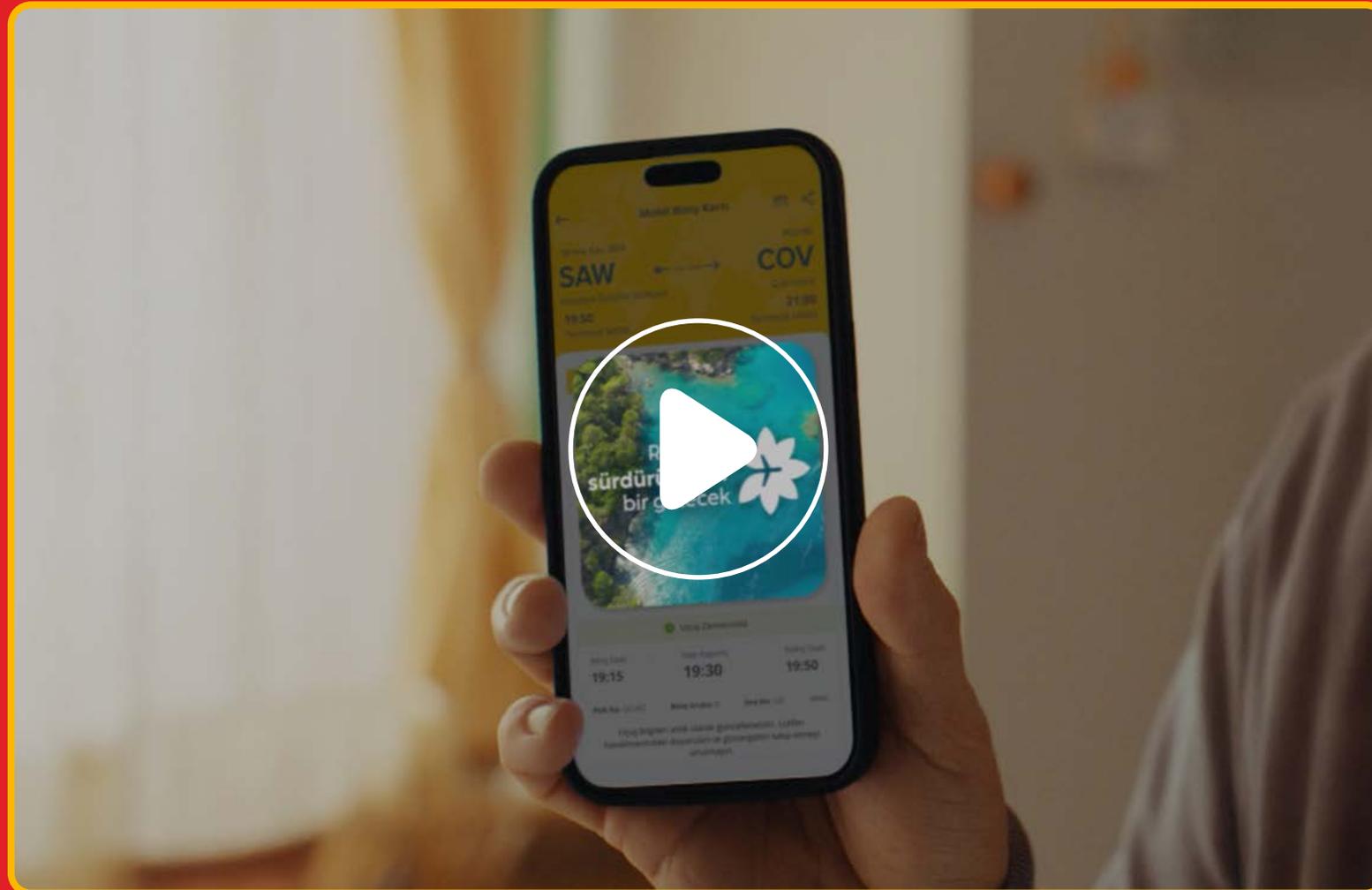
2023-2025 Non-Hazardous Waste Data

Waste Type (Ton)	2023	2024	2025
Recyclable Packaging Waste	105.8	108.0	132.3
Non-Recyclable (Other) Waste	42.5	44.2	98.4

2023-2025 Hazardous Waste Data

Waste Type (Ton)	2023	2024	2025
Hazardous waste	89.7	103.9	104.0

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future 



We support the reduction of paper consumption by offering digital alternatives instead of printed boarding passes. [CLICK HERE](#) to watch our **Mobile Boarding Pass** video.

2.1.2 Zero Waste

Non-Hazardous Waste

We manage our non hazardous waste in all locations where we operate in accordance with the Zero Waste Regulation and the expectations of the Municipalities that provide services in the respective locations. Non hazardous waste collected in segregated waste bins by type is weighed daily and recorded regularly. The collected waste is delivered to non hazardous waste facilities designated by the authorized authorities.

As a result of the evaluations carried out in 2025, we deemed it appropriate to make changes to the segregated waste bins positioned in our work areas. In this context, we decided to remove biodegradable/organic waste bins from work areas where food consumption is not anticipated and to continue using them only in kitchens and areas where food consumption is expected. In this regard, we aimed to make it easier for our colleagues to use waste bins correctly and to prevent confusion about waste segregation. In areas where paper waste is likely to be generated, such as photocopy rooms, we placed labeled bins designated solely for paper collection.

In 2024, in order to ensure the most efficient recycling and upcycling of waste generated by our guests during cabin services, we placed dual compartment waste trolleys on all our aircraft. In this way, by going beyond regulatory expectations, we are able to segregate waste at the source and collect it separately by type. In 2025, by continuing our cooperation with the Pendik Municipality, we advanced the work we had initiated for the separate collection of packaging waste generated in the cabin. In this context, we implemented a system at the central waste collection area at Sabiha Gökçen Airport, used jointly by all airport stakeholders, where we can separately track and analyze waste belonging specifically to Pegasus. Through this system, packaging waste collected separately in the cabin during flights is also identified as 100% Pegasus

waste at the airport collection point, making it traceable. By regularly monitoring the monthly collection data, we evaluate our performance and translate it into measurable targets with concrete indicators.

Within the scope of our Zero Waste approach, the reduction of waste generation, the separate collection of recyclable waste and the increase of recovery rates are among our primary priorities. To make this approach a part of our corporate culture, awareness raising practices for employees are supported.

In 2025, we revised our Environment and Zero Waste Training internally using internal resources and assigned all employees to complete it as part of their mandatory learning. We collected feedback on this training, which includes numerous examples from within the Company, and incorporated it into our evaluation process.

Hazardous Waste Management

We store our hazardous waste in temporary hazardous waste storage areas that are designed in compliance with legislation at all locations where we conduct technical maintenance activities and provide ground handling services. These wastes are delivered at regular intervals to licensed companies and recycled to the highest extent possible.

During the waste declaration processes conducted at year end, the waste processing methods applied by the companies receiving the waste are verified through direct communication, and their recycling contributions are monitored. In addition, opportunities for reuse and alternative assessment are also considered for the future.

Among the hazardous wastes generated at the highest volume from our operations are de icing fluids, contaminated packaging from maintenance activities and waste oils from the maintenance of ground equipment. In 2025, waste fuel generated from a specific technical maintenance activity also constituted a significant portion of our hazardous waste.



2.1.2.1 Circular Economy and Waste Management

As Pegasus, we develop our waste management approach in line with circular economy principles. Efficient use of resources, reintegration of waste into the raw material cycle, and evaluating waste in ways that generate economic value form the basis of this approach.

In this context, we established one of the working groups within the Company specifically for the initiatives to be carried out in this area. In the working group we named ESG Circularity, we discuss how the circular economy can create impact across all our activities and develop projects accordingly. By inviting colleagues from nearly all our operational areas to voluntarily join the groups, we gather participation directly from those involved in the business process, enabling us to manage time and feasibility effectively.

We aim to achieve significant benefits through small steps and to embed this perspective into our corporate culture.

By the end of 2025, we eliminated single use paper cups at our headquarters, removing these non recyclable cups from our operations entirely. This initiative, which stands as a concrete example, was met with great satisfaction by all our employees.

Recycling practices for Pegasus Cafe and in cabin catering waste are also among the tangible examples of our circular economy approach; these efforts not only reduce waste quantities but also enable efficiency in resource use.

Upcycling Studies

In addition to recovering our waste through recycling, we aim to ensure that it is evaluated in a way that creates renewed value through upcycling processes. In this context, we try to direct suitable waste types to upcycling applications through licensed business partners.

We already ensure that the metal waste generated in our offices and from our operations is delivered to a licensed company so that it can be returned to the raw material cycle. Additionally, in order to ensure that this waste also returns to us as a form of value, we implemented a project by holding discussions with the company we work with so that this waste could be used in the production of the pin badges that we periodically distribute within the Company. By having the pin badges produced using raw materials derived from our own waste, we ensured their distribution across the Company. In doing so, we both created economic benefit and eliminated the need for new raw material production.

Textile Waste Management

We were concerned that uniforms used in our operations were becoming waste as they wore out and that these textile wastes could no longer create value. At the beginning of 2025, we initiated a project to collect these uniforms and transform them back into a usable product. We placed textile collection bins in the rest areas located within our workspaces. By calling upon all our colleagues, we asked them to place their no longer used uniforms into these bins. The waste collected from colleagues who responded to our call was then returned to use or recycling through an agreement we made with a company.

Not stopping there, in order to further increase the benefit created by the waste entering the recycling stream, we purchased the recycled yarn produced from these wastes after the recycling process and transformed it into the badge lanyards used within the Company. By ensuring the production of these badge lanyards from our own waste, we distributed them internally. In doing so, we not only created economic value but also eliminated the need for new raw material production.

This initiative aims to expand the product range by considering Company wide needs and to increase use, thereby contributing to our circular economy goals while reducing the environmental impact of textile waste.

Waste Cost and Financial Gain

Our waste management activities create value not only environmentally but also in terms of operational efficiency and cost management. Through source segregation and recovery practices, we aim to reduce disposal costs, while the reintegration of recyclable waste into the economy provides indirect financial gains.

Recognizing that waste oils hold added value and can be used as secondary products, we deliver them to licensed waste oil collection companies for a fee. With a similar approach, we also deliver our contaminated packaging -generated in significant volumes as a result of our operations- to a licensed recycling company for a fee and in accordance with regulations. Likewise, we obtain economic value from our scrap metal, electronic waste, batteries and textile waste.



GAINS BY YEARS

2024

269,937 TL

2025

642,938 TL



2.1.3 Environmental Sustainability Management

Noise Management

The noise impact of our operations represents another area on which we focus to improve our services. As part of our environmental innovation efforts, we carry out studies to improve noise performance. Noise emissions are part of the type certification of aircraft. With our investments in next generation aircraft, we aim to increase our noise reduction performance.

The CFM LEAP 1A32 engines used on Airbus A320neo and A321neo aircraft are designed to provide a lower noise footprint compared to previous generation narrow body aircraft. The high bypass ratio, optimized fans and booster aerodynamics, and improved liners contribute to the reduction of engine noise occurring during takeoff and approach phases. In this way, our next generation neo aircraft can meet international noise certification requirements appropriately. With our next generation aircraft, we achieved a 4.8% noise reduction compared to the previous generation.

The certification and configuration modifications we implement ensure the documentation of low noise performance in compliance with EASA and ICAO standards. Noise reduction is carried out in an integrated manner with engine design, flight profiles, and performance optimizations. These developments provide us with a significant advantage in our goals to reduce our environmental impact in every area.

As Pegasus, we use electric ground service equipment in our operations at Istanbul Sabiha Gökçen Airport and work to increase its use. One of the environmental contributions of our electric

ground service equipment to sustainability is noise reduction. The quiet operating principle significantly reduces noise on the apron and in hangar areas, strengthening team communication and operational safety. Compared to internal combustion counterparts, lower vibration and engine sound reduce noise intensity, and during night operations, they help maintain balanced sound levels inside the terminal and in the surrounding area.

Biodiversity

A key component of our sustainability efforts is the protection of natural life and biodiversity. Our main operational hub, Istanbul, is a critical habitat and migration corridor for various bird species. This has dual significance for our operations: bird strikes pose safety threats and flight operations may adversely affect these species. To mitigate bird strike risks, we launched the Pegasus Wildlife Hazard Management Plan in 2021 with the support of independent consultants. We continued working on this initiative and assessing improvement areas throughout 2025, as in previous years.

The effectiveness of these measures requires collaboration with airport authorities and other airlines. Accordingly, we actively participated in wildlife management efforts alongside stakeholders such as the Istanbul Sabiha Gökçen Airport operator HEAŞ, the Directorate General of Civil Aviation (DGCA), and the General Directorate of State Airports Authority (DSAA). A working group was established to coordinate efforts around the Wildlife Hazard Management Plan at Istanbul Sabiha Gökçen Airport.

In 2025, participation was ensured in wildlife hazard management trainings in London together

with HEAŞ, and visits were made to Stansted Airport, where wildlife practices were observed practically. A core wildlife hazard management team was established by HEAŞ, pyrotechnic certificates were obtained, and measures against bird hazards began to be implemented by conducting patrols on the runway. In 2025, periodic wildlife hazard management coordination meetings began to be held, and bird strike data continued to be shared with HEAŞ.

Water Management

Water management is an important area for the continuity of our operations and our environmental impact. We measure and report water consumption in all our stations and facilities and aim to reduce it through efficiency projects. We focus on full compliance with the legislation and the management of water related risks in the field of water management.

We monitor water consumption through our internal resource consumption evaluations and transparently assess our progress with performance indicators. We sustain water management based on data. We plan operations with a 50% loading rate on domestic flights and 75% on international flights. We calculate the need according to the flight profile and implement practices that will reduce waste.

We hold meetings with our stakeholders in the locations where we operate within the scope of water efficiency management regulations. We conducted meetings with airport authorities and operators to support the establishment, monitoring, and certification of water efficiency systems and to ensure water efficiency in every context. We are working in cooperation with our stakeholders to improve our water footprint.



2.1.4. Energy Management

Fleet Transformation and Our Investment In Next-Generation Aircraft

We have committed to achieving net zero carbon emissions by 2050. The most significant contribution to reaching this target comes from the investments we make in our fleet.

As of 2025, our next generation A320neo and A321neo aircraft, which constitute approximately 88% of our fleet, provide us with up to 20% fuel savings and, consequently, emissions reduction. This efficiency reflects positively on our emission intensity performance over the years.

As of the end of 2025, the average age of our fleet is at the level of 5.1 years. Thus, we have the youngest fleet in Türkiye and one of the youngest fleets in the world.

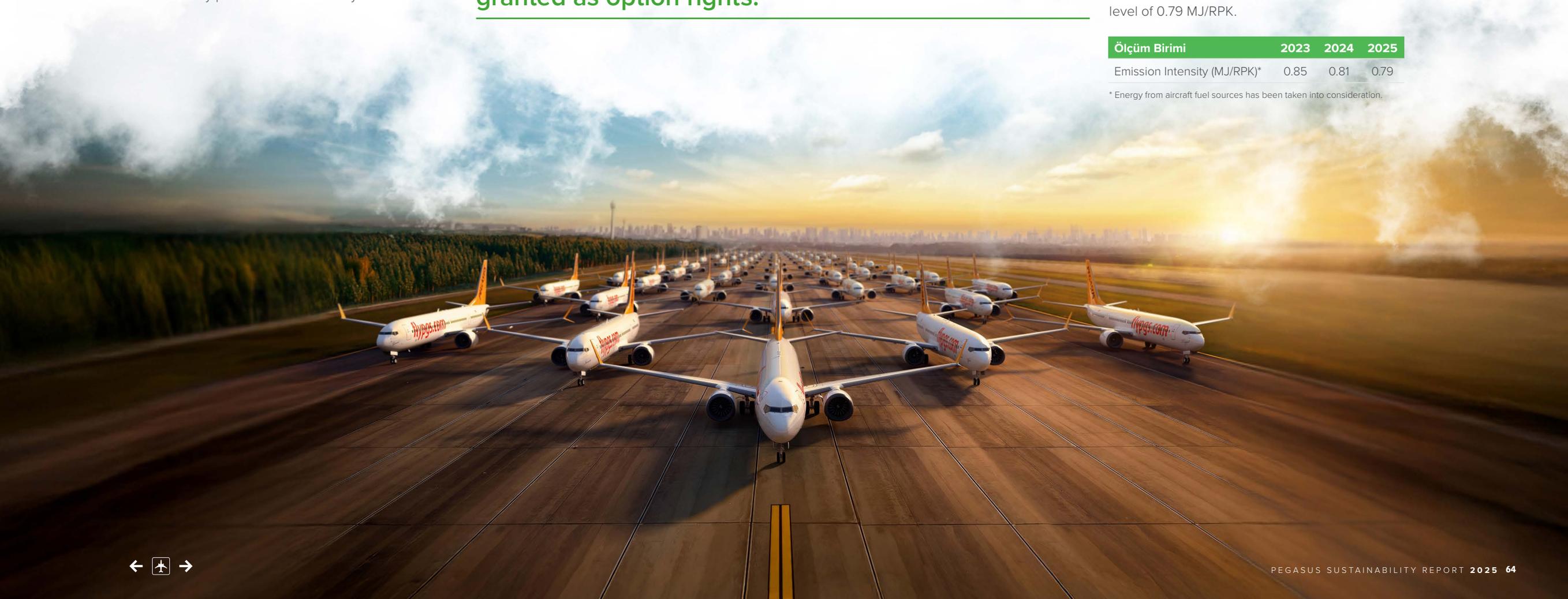
We signed an order agreement with Boeing that includes 200 Boeing 737 10 model aircraft for 2028 and beyond. In this context, 100 units have been placed as firm orders to be included in our fleet as of 2028, and an additional 100 aircraft have been granted as option rights.

The Boeing 737-10 model offers high fuel efficiency on short and medium haul flights and consumes 20% less fuel compared to the previous generation aircraft. With its 230 passenger capacity and spacious cabin, it is also expected to enhance passenger comfort in addition to operational efficiency. In line with our current aircraft orders and delivery schedule, we will continue to invest in next generation aircraft in the coming years.

Our investments in next generation aircraft also contribute significantly to reducing the amount of energy we consume per RPK. As of the end of 2025, our energy intensity has decreased to the level of 0.79 MJ/RPK.

Ölçüm Birimi	2023	2024	2025
Emission Intensity (MJ/RPK)*	0.85	0.81	0.79

* Energy from aircraft fuel sources has been taken into consideration.



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As Pegasus, we are thinking about our future and expanding our fleet with new generation aircraft that offer high fuel efficiency. **CLICK HERE to watch our New Generation Fleet video.**

Transformation In Ground Operations

At Pegasus, we carry out our ground operations at our main operating hub, Istanbul Sabiha Gökçen Airport, with our own employees and our own equipment, both inside the terminal and on the apron area. Ensuring that ground operations are performed on time, efficiently and at a level that provides guest satisfaction is crucial for the entirety of our operation. For this reason, we place great importance on our ground operations.

In line with our 2050 Net Zero Carbon Emission target, in addition to reducing emissions arising from our flight operations, we also prioritize the transformation of our ground operations.

The transformation of our ground equipment at Istanbul Sabiha Gökçen Airport began in 2015. Since 2015, we have been using electric tractors. In addition to the energy efficiency provided by battery technologies compared to fossil fuel engines, our electric tractors have also been able to meet their energy needs from renewable energy sources over the past two years.

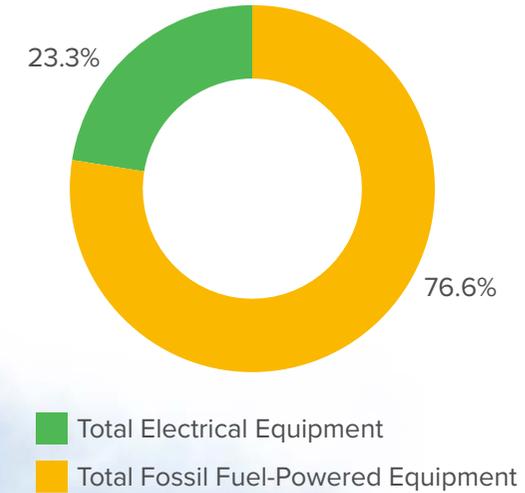
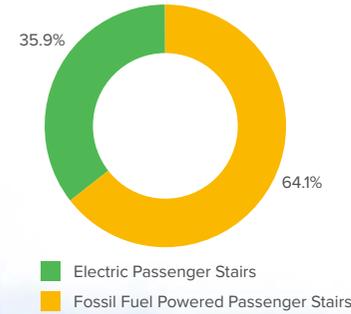
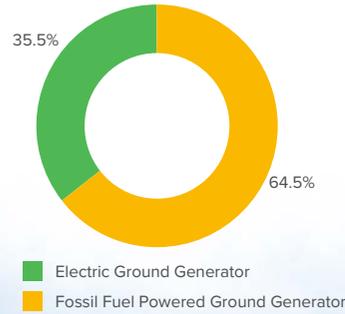
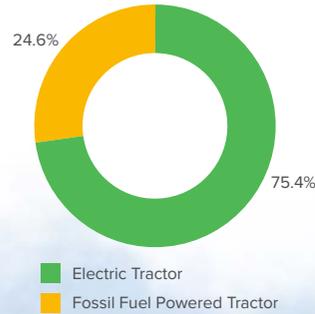
With the inclusion of electric ground power units in our ground equipment, we became the first airline in Türkiye to use electric ground power units. Similarly, with the electric passenger stairs we introduced into our ground operations, we also became the first airline in Türkiye to use electric passenger stairs.

The electric equipment we use in our ground operations provides significant noise reduction compared to motorized equipment. With the reduction of noise emissions from our electric equipment, we contribute to sustainability in both environmental and social areas, with positive impacts on the occupational health and safety of our employees.

At the beginning of 2023, 15% of our mobile equipment was electric, and this number reached 23.3% as of the end of 2025.

As of the end of 2025, 49 electric baggage towing tractors, 11 electric ground power units, 1 electric forklift and 14 electric passenger stairs were included in our operations.

With the next generation vehicle transition in our ground operations, while our dependence on fossil fuels is decreasing, we are also aware that our operational electricity demand will increase. In parallel with the equipment transformation, we began efforts in 2023 to install electric charging stations at Sabiha Gökçen Airport to meet our electricity needs without disrupting our operations, and these efforts continue with new configurations in 2025.



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We provide services to our guests with electric equipment during boarding and disembarkation in order to improve energy efficiency. [CLICK HERE](#) to watch our **Electric Ground Equipment video**.

Energy Monitoring System and Energy Efficiency

As Pegasus, we are aware of the importance of energy efficiency both for our country's economy and for our Company costs. We aim to improve our energy performance in every area where we can make progress. With this awareness and our targets, we have taken significant steps regarding energy efficiency and monitoring at our main operations hub, Istanbul Sabiha Gökçen Airport, and at our Headquarters campus in Istanbul.

Our newly implemented energy monitoring system allows us to track and manage our Company's energy consumption more

effectively. Through this system, we plan to manage our energy efficiency efforts more efficiently. By identifying opportunities that may provide potential energy savings and increased efficiency, we aim to reduce both our energy consumption and our greenhouse gas emissions, and by monitoring our energy consumption more closely, we aim to optimize our operational energy costs as well.

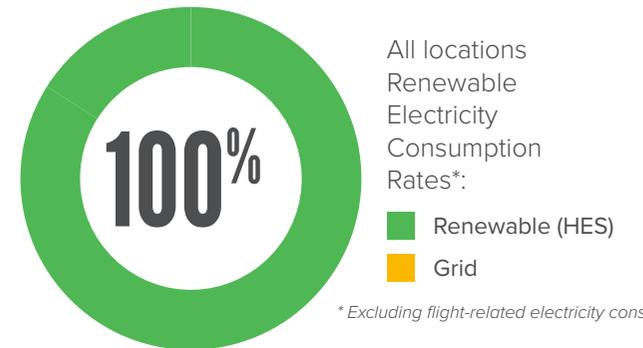
We have completed our project, initiated in 2023 and continuously developed, to transfer all environmental data into the system on a monthly basis and monitor them through a digital dashboard with systematic reporting. Among our environmental data, we periodically track

electricity, aircraft jet fuel, diesel, gasoline and similar energy consumptions at monthly intervals.

Our Steps Toward Renewable Energy

In line with our targets for the use of renewable energy, we have begun certifying our electricity consumption by sourcing it from renewable energy resources. In 2022, we certified 4,242 MWh of electricity consumption at our main hub, Sabiha Gökçen Airport, through I-REC, and in 2023, by adding our Headquarters to our main hub Sabiha Gökçen Airport, we sourced a total of 5,041 MWh of electricity consumption from certified renewable energy resources through YEK-G. In 2024 and 2025, we sourced our electricity consumption from renewable energy

resources to cover all our electricity scope except for aircraft operations. Within this scope, in 2025, we certified 6,168 MWh of electricity consumption through YEK-G and sourced this electricity from renewable energy resources. In addition, we certified the electricity consumption of our Innovation Lab located in Silicon Valley under the Renewable Energy Certificates (REC) mechanism and incorporated these certificates into our renewable energy scope. Our 2025 renewable energy value corresponds to 100% of our total electricity consumption, excluding electricity consumption from flight operations.



2023–2025 Energy Consumption Data

Consumption (GJ)	2023	2024	2025
Renewable energy (electricity)	18,147.60	23,666.40	22,204.80
Grid (electricity)	27,265.88	23,665.22	28,857.76

Consumption (GJ)	2023	2024	2025
Jet-A1 Fuel	41,520,869.76	46,590,061.20	52,962,708.19
SAF*	9,548.17	9,297.70	218,884.87
Diesel	91,013.58	73,686.64	83,056.72
Gasoline	2,722.00	2,906.87	2,515.14
Electricity	27,265.88	23,665.22	28,857.76
Natural gas	4,015.96	5,822.16	10,610.29

* SAF: Sustainable Aviation Fuel

Consumption (GJ)	2023	2024	2025
Total Direct Energy Consumption*	41,655,435.35	46,705,439.80	53,306,632.97
Total Indirect Energy Consumption*	117,603.78	128,434.41	144,125.55

Consumption (GJ)	2023	2024	2025
Total Purchased Energy	41,773,039.12	46,833,874.20	53,450,758.52
Total Energy Produced	0	0	0

Consumption (GJ)	2023	2024	2025
Total Purchased Renewable Energy Consumption**	27,695.77	32,964.10	241,089.67
Total Produced Renewable Energy Consumption**	0	0	0

* Direct energy consumption refers to the energy consumed within the boundaries of the organization, and indirect energy consumption outside the boundaries of the organization.
** Renewable electrical energy and sustainable aviation fuel are included.

	2023	2024	2025
Total Renewable Energy Use (MWh)	5041 (YEK-G)	6574 (I-REC)	6168 YEK-G

	2023	2024	2025	Target (2030)
Total Renewable Energy Use Rate	67%	82%	77%	100%

2.2. We Are Moving Towards an Equal and Harmonious Future



As Pegasus Airlines, we consider equality, diversity, and inclusion not merely as a goal, but as a shared responsibility for all our stakeholders and a long-term area of transformation. Through the steps we have taken in recent years, we have strengthened our commitment to creating a diverse and fair working environment with tangible initiatives.

In 2024, we further deepened our inclusive culture through our equal pay for equal work approach, recruitment and promotion practices that consider gender balance, and projects shaped by the active contribution of our colleagues. The rising share of women in managerial and higher-level roles, together with our scholarship, internship, and talent programs for young people and our contributions to equal opportunity in education, have been important indicators of this approach.

With the aim of increasing internal awareness and making cultural transformation permanent, we carried these efforts into a more holistic structure under the #PegasusHarmoni umbrella. Over time, Harmoni evolved beyond individual projects into an approach integrated into our human resources processes, feeding our

decision-making mechanisms and shaping our corporate culture.

As of 2025, while maintaining our focus on gender balance, we concentrated on creating widespread and measurable impact across different dimensions of inclusion. Through workshops, awareness programs, internal communication campaigns, and collaborations, we aimed to transform equality from a concept that is discussed into a value that we experience and develop together. Being recognized as an exemplary organization in the Gender Equality category at the 2025 Sustainable Business Awards, followed by Harmoni initiatives, previously awarded Bronze, being elevated to a Silver Award in the “Diversity & Inclusion” category at the Stevie Awards, stands as a strong indicator of our measurable and consistent progress.

In this section, you can find details of the initiatives carried out under the Pegasus HARMONI umbrella throughout 2025 and review the steps we have taken toward an equal and harmonious future.



2.2.1. Human Resources Policy and Working at Pegasus

At Pegasus Airlines, we consider our human capital the keystone of our corporate culture. Accordingly, we design all our HR strategies and practices to be fair, transparent, inclusive, and development oriented. Our goal is not only to be a leading employer in the aviation industry but also one of Türkiye's most inspiring employers. To this end, we implement the following practices:

- We design all our practices based on the principles of equality, diversity, and inclusion.
- Taking into account sector dynamics, we develop solution-oriented and innovative HR practices aligned with organizational requirements and our talent management strategy.
- We construct and continuously improve our HR processes with a focus on employee experience.
- We aim to determine workforce needs accurately and efficiently and implement effective organizational management and staffing plans through a job evaluation system based on the scope and size of the job.

- Throughout our employees' career journey at Pegasus Airlines, we center our Company values within all HR systems and processes, aiming to promote a culture of continuous improvement, high performance, and performance-based recognition.
- Within our performance management approach, we set concrete and measurable individual goals aligned with corporate objectives, support individual development through our behavioral model and valuedriven targets, and integrate performance evaluations into our compensation and career planning processes.
- We conduct employee experience surveys and take actions to enhance employee engagement and address development areas.
- We design our fair, transparent, and competitive compensation policy based on a total rewards approach, believing that performance-based bonuses are the most differentiating element.
- We align our reward systems with corporate performance to ensure sustainable and profitable growth.
- We aim to attract highly potential individuals who align with Pegasus Airlines' values and contribute to our growth.

- We apply integrated talent management and succession planning to ensure business continuity.
- We track employee development and ensure horizontal and vertical career opportunities are accessible to all, offering equal access to career and development opportunities.
- We implement innovative tools and platforms to allow all employees to voice their ideas and feedback, trying to actively listen and understand them.
- We share our organizational structure and performance-reward criteria with all employees and provide clear written policies for recruitment standards.

Within the scope of our Code of Ethical Conduct, which forms the basis of our ethical compliance framework, we commit to our colleagues to:

- To act honestly, respectfully, fairly and reliably on the basis of reason, conscience and common sense during all kinds of activities.
- To establish open, sincere, collaborative relationships in any environment.
- To uphold the values described in the Pegasus Airlines Code of Ethical Conduct, to act in accordance with these values and to protect these values.

- To carry out its activities in accordance with the laws and relevant international standards.
- To act ethically and honestly in situations that create a conflict of interest.
- To provide accurate, complete and complete information to the public and other persons and organizations that have a reporting obligation.
- To work towards the creation of a company culture and work environment that supports the Code of Ethical Conduct in order to fulfill company goals and ensure the safety and satisfaction of our guests.

As Pegasus, we support human rights as declared by the United Nations; we reject discrimination, illegal forced or compulsory labor, and child labor practices in all business and working processes, and we take the necessary measures to prevent them. In 2019, we became the first Turkish airline to sign the United Nations Global Compact.

Detailed information on our practices can be accessed via the **Pegasus Ethical Behaviour Guide**.



2.2.2. Our Recruitment Approach

As part of our recruitment planning, we regularly participate in university summits and events to engage with young people and introduce them to Pegasus. We run various programs and partnerships to support young people’s access to working life and, in particular, to strengthen equal opportunity.

By integrating our digital transformation and AI projects into our recruitment processes, we aim to establish equitable, data-driven, and more predictable assessment mechanisms.

Young Talent Programs and Equal Opportunity



Through our “GoYoung” Young Talent Program, we bring young talents, 3rd and 4th-year university students, into Pegasus by offering full-time employment opportunities during the summer period and part-time employment throughout the academic year. Through this program, we aim to enable young people to gain experience in the aviation sector and to support their transition into employment after graduation. As of 2025, a total of 25 young talents started working at Pegasus within the scope of our GoYoung program, and 64% of the participants were women employees.

In the scope of Pegasus Pilot Training Program,

more than 5,000 applications were received throughout the year. Following the evaluation process, more than 1,500 candidates who met the defined competency criteria were included in the program. Within the scope of the program, 110 students admitted this year continue their intensive and structured training processes in line with the planned training schedule.

Recruitment and Human Resources Strategies

To support the development of our employees and ensure career continuity, we adopt an approach that prioritizes internal mobility. For vacant positions within the Company, we first evaluate the competencies and experience of our existing employees and encourage internal transfers. In this way, we support our employees in gaining experience across different departments and positions and in advancing their careers in a sustainable manner. In 2025, 12 internal transfers to new positions were completed.

In 2025, we continued our growth by carrying out 1,659 new hires. In 2026, we plan to continue our recruitment activities for various roles, including engineers, technicians, pilots, cabin crew, guest services, and administrative staff. Through our sustainable recruitment approach, we aim to respond to our Company’s long-term needs while building an inclusive and competent workforce profile.

To support young talents and increase their access to the sector, we restructured our internship program under the “JumpSeat” Internship Program umbrella. Within the scope of the program, which responds to different student needs through long-term and short-term internship models, active collaborations are

carried out with 23 universities.

In 2025, 670 interns gained experience at Pegasus within the scope of the JumpSeat program, and approximately 49% of the participants were female students. This distribution is an indicator of our structure that supports equal access to the sector.

Through communication channels that make Pegasus employees’ experiences and corporate culture visible, as well as through university events and career days, we transparently share Pegasus’ approach to equality, diversity, and inclusion with potential candidates. This approach supports candidates in making informed choices and contributes to long-term employee alignment.

Impact of Fleet Growth on Recruitment Processes and Workforce Planning

Based on the aircraft types in our fleet, an average of five captains and five first officers are planned for each aircraft to meet operational requirements. Pilot training durations are calculated in line with fleet entry schedules and technical and operational requirements, and recruitment and resource planning are carried out accordingly.

In line with our operational growth, we continue to meet our pilot needs exclusively through pilot training programs. Within this scope, more than 5,000 applications were received in 2025, and more than 1,500 candidates were included in the multi-stage evaluation process. At the end of the process, a total of 110 candidates, including 21 women, were admitted to pilot training and started their training to serve in the Pegasus fleet.



Employee-Focused Practices

Development of Our Human Resources: “Pegasus Academy”

Launched in 2016 with the motto “Just Tell Me That You Want to Learn,” Pegasus Academy aims to foster a high-quality, value-driven learning and development culture.

Today, we manage learning through advanced digital platforms, strengthen leadership culture, and align learning processes with corporate strategy.

By promoting the culture of a learning organization through structures that encourage self-directed learning, we align development plans tailored to the needs of each function with our strategic objectives. Within this scope, as Pegasus Academy, we are pleased to bring together Pegasus employees with a wide range of learning solutions, from leadership development to talent programs; from award-winning knowledge competitions to PegaTalks, where we host renowned speakers who are experts in their fields; from personal development solutions under our Development Taking-Of (HUG) brand to self-learning platforms such as LinkedIn Learning and Neoskola; and from classroom-based to online, blended, digital, and many other learning formats.

- In 2025, we provided learning and development experiences totaling 16.09 hours per participant for 9,972 participants.
- Through our Sustainability Training, we delivered 1,198 hours of learning experience to a total of 4,228 employees in 2025.

- We held a widely attended conversation on gender equality with Mert Firat, founder of “İhtiyaç Haritası”, and a theater/film actor, screenwriter, and director.
- We hosted Pegasus Board Member Ayşegül İlideniz for a talk on innovation and technology.
- We held an engaging conversation on the importance of sustainable social networks within the framework of the “networking” concept with Erdal Uzunoğlu, a specialist in human interaction and professional communication.

Through our leadership programs designed under the motto “Focus on Your Strength”, we achieved the following awards: With our GoLead Leadership Program covering first-level managers, we won the Gold Award in the “Best Use of Blended Learning” category at the Stevie Awards for Great Employers. With our GoAhead Leadership Program designed for managers, we won the Silver Award in the “Achievement in Leadership Development” category. At the

Brandon Hall Group HCM Excellence Awards, we won Gold Awards with our GoLead Leadership Program in the “Best Use of Blended Learning” category and with our GoAhead Leadership Program in the “Best Results of a Learning Program” category.

In each episode of our podcast series hosted by our Sustainability Director, we featured employees who contribute to our sustainability efforts and listened to Pegasus’s sustainability journey from their perspective. Our Sustainability Podcast Series, consisting of a total of 12 episodes, reached 22,596 total plays.



To reach our Sustainability Podcast Series **CLICK HERE!**

Pegasus Academy Training Programs – Participant & Experience Data

Category	Experience Program Participants				
	FEMALE	MALE	TOTAL	FEMALE (%)	MALE (%)
Functional Development	2,507	1,764	4,271	59%	41%
Personal Development	2,998	5,178	8,176	38%	62%
Leadership	72	127	199	36%	64%
Total	5,577	7,069	12,646	44%	56%

Category	Experience Duration (Hours)				
	FEMALE	MALE	TOTAL	FEMALE (%)	MALE (%)
Functional Development	5,263	8,503	13,766	38%	62%
Personal Development	5,900	8,200	14,100	42%	58%
Leadership	1,940	5,050	6,990	28%	72%
Total	13,103	21,753	34,856	36%	64%

Category	Average Experience Duration per Person (Hours)		
	FEMALE	MALE	TOTAL
Functional Development	2.1	4.8	3.5
Personal Development	2.0	1.6	1.8
Leadership	26.9	39.8	3.5
Total	10.3	15.4	8.8

Hybrid Working Model and Flexible Working Hours

Apart from our shift-based work system, which is essential for carrying out our uninterrupted operations throughout the week, we are able to implement a hybrid work model in line with our business plans, combining certain days in the office with remote work. Additionally, we offer opportunities to work outside the main office, both domestically and internationally, either on a temporary or permanent basis. We also apply flexible working hours when possible. One key benefit of this flexibility is its contribution to reducing transportation-related emissions, as employees commute less frequently.

Employee Benefits

At Pegasus, we are committed to enhancing the quality of life of our employees. Our private health insurance program is designed to meet the diverse needs of our employees, offering flexible and customizable options that allow everyone to access the most suitable health coverage easily.

We offer discounted airline ticket tariffs for our colleagues and their first-degree relatives. In addition, we participate in broader airline ticket benefit programs that include other carriers in the sector.

At all our locations, we offer meal benefits via meal cards and provide transportation support through our shuttle network. In addition to the hybrid work model, we offer a remote work allowance to employees working from home. Depending on job titles, our additional benefits packages include Company vehicles, fuel support, Ramadan gift vouchers, and corporate mobile lines.

Through our performance based bonus model,

we reward both annual business results and individual performance. We provide nursery assistance for employees with children aged 0–6. We give birth gifts to colleagues who have a new child. For our operational staff who are pregnant, we make sure that from the date of pregnancy disclosure, they are exempted from shift work and scheduled only for daytime duties.

In 2025, to support breastfeeding periods during parenthood for our female colleagues, we renewed our milking parlour. We created safe and comfortable spaces at Istanbul Sabiha Gökçen Airport and at our Headquarters working areas. We also established an online parents' platform to strengthen information sharing and communication among parents. Through this platform, we jointly follow the process and provide practical and accessible support through shared content and interactions.

For our female pilots and cabin crew members, we do not assign night flight duties until their child turns one, and we avoid layover duties until the child turns three. Female colleagues on unpaid leave continue to benefit from private health insurance during their leave, and we ensure that their babies benefit from private health insurance after birth.

Our Communication Activities

With events and communication initiatives we carried out throughout the year, we shared the Pegasus spirit and corporate values by experiencing them together with our colleagues. Through perfume and keychain workshops organized specifically for Mother's Day and Father's Day, Pegasus employees had the opportunity to create meaningful and lasting gifts for themselves or their loved ones.

At our traditional April 23 event, we host our

colleagues' children at our Headquarters building and provide an environment where they can closely experience aviation and enjoy an educational day. On this special day, which strengthens the bond between parents and children and allows our young guests to get to know the Pegasus brand more closely, every smile on children's faces becomes a source of inspiration for all Pegasus employees. On special days where we can raise awareness, such as International Women's Day and the International Day for the Elimination of Violence Against Women, we continue to bring Pegasus employees together through workshops and talks.

Within the scope of Harmoni Workshops carried out with our Harmoni Volunteers, we addressed many stages, from job search and onboarding processes to career journeys at Pegasus and exit processes, from a gender equality perspective. Based on the development areas identified through these efforts, we aim to design and implement solution proposals together with relevant teams starting from 2026.

Through a rich range of content extending from development and career opportunities to inspiring success stories, and from entertaining content to employee experience, we engaged with Pegasus employees and potential candidates via our social media account @ pegasus.kariyer throughout 2025. With a follower count exceeding 10,000 in a short period, we continue to make Pegasus culture visible both internally and externally.

PegasusClub

We partner with various institutions and brands through seasonal agreements to provide our employees with additional benefits. Through university collaborations, we also support

our employees' personal and professional development by offering educational opportunities.

Representing Pegasus While Having Fun!

Pegasus'ta 100'ü aşkın çalışma arkadaşımızın gönüllü olarak yer aldığı sosyal aktivite kulüplerimizle, hem ekiplerimizin sosyal yaşama aktif katılımını teşvik ediyor hem de farklı sosyal sorumluluk alanlarında Şirketimizi temsil ediyoruz.

- **Running Club:** With a goal of achieving first place across different routes in Türkiye, our club achieved rankings in many competitions throughout the year, both as a team and individually. As Pegasus volunteers, we ran for the Türkiye Eğitim Vakfı (TEV) in the 2025 Istanbul Marathon, reaching 288 donors and collecting donations totaling TRY 231,797.
- **Trekking Club:** Within the scope of the "500 Bowls of Food" project, food procured with the contributions of Pegasus employees was delivered to 500 street animals across different locations. The club created a meaningful community space where Pegasus employees connected with nature, with one another, and with shared values. These initiatives, which combine social responsibility with physical activity, became a strong field-level example of solidarity.

Through activities such as football, basketball, and e-sports, colleagues from various departments come together in the spirit of unity and support to achieve shared success. Our Music Club performs internal concerts on special occasions, creating joyful moments while also representing us in various competitions. Through theater and book communities, colleagues are also able to allocate time to art.

2.2.3. Performance Management

At Pegasus, performance management is a dynamic process spread throughout the year, consisting of goal setting, mid-year reviews, and year-end evaluations. Each year, we define SMART goals (Specific, Measurable, Achievable, Relevant, Time-bound) that are both business- and development-oriented, ensuring alignment with our Company strategies. While the target pools within our performance system help employees clarify their individual objectives, the dashboard structure allows employees and managers to easily access historical data; through the Goal Tracking section, we can monitor progress against our goals and add notes related to those goals.

2.2.4. Talent Management

The career management process aims to manage positions within the organization more effectively and efficiently by structuring them with the appropriate career bands and levels. Each position is placed within a career band and level based on its core responsibility area and the nature of the work performed.

In determining the career band and level of a position, the qualifications, performance, or potential of the individual holding that position are not taken into account; instead, the knowledge and competency requirements expected from the role are considered. In this way, the work performed by our colleagues is evaluated objectively, and the responsibilities associated with each role become clearer. Given the nature of the aviation sector, we are aware

that applying a talent and career management approach that supports professional growth is critical to our long-term success. Within this scope, to enhance employee experience and offer career opportunities, we designed two different career movement paths, lateral and vertical, thereby supporting our talent retention strategy while maintaining a sustainable organizational structure.

- **Lateral Movement:** Refers to a transition to a new role within a different job family while maintaining the same career level.
- **Managerial Lateral Title Movement:** Refers to a transition to a higher title level within the same job family while maintaining the current career level. This is a title change based on Pegasus seniority.
- **Vertical Movement:** Refers to a transition to a higher career level and a role with greater responsibility within the same or a different job family.

“We discover potential and build success together.”

In line with our growth targets, we conduct a comprehensive promotion process every year, evaluating candidates based on competencies, language proficiency, and job performance. Throughout the year, we also include suitable candidates in the process for newly created or vacant positions. While directing managerial-level candidates to assessment centers, we aim to identify the most suitable candidate for senior-level appointments by comparatively evaluating internal and external candidates with due consideration to gender balance.

As a part of our promotion process, we appointed 463 employees to new positions. In line with our sustainable organizational approach, we carry out succession preparation for all Director/President and above positions, as well as for positions deemed critical regardless of title. Within this scope, in 2025, we created succession plans for 32 positions. In addition, with the support of Pegasus Academy, we create personalized development journeys to support the career development of our succession candidates.

Succession Planning Policy

To ensure the sustainability of our organization, we actively implement succession plans and continuously keep them up to date. Across the organization, the positions for which we conduct succession planning are roles that we consider critical in terms of sector requirements and institutional knowledge, and whose continuity must not be disrupted in order for our processes to continue efficiently. For Director/President and above positions, as well as aviation-specific critical roles regardless of title, we

identify both short-term and long-term internal succession candidates. For senior leadership positions, we also consider external candidates alongside internal ones to broaden our talent pool. Throughout this process, we consider the dynamics of the labor market and place a strong emphasis on maintaining gender balance.

Position	Succession Coverage	Female Successor Rate
Director and Above	76%	30%
Critical Roles	100%	36%
Total	84%	32%



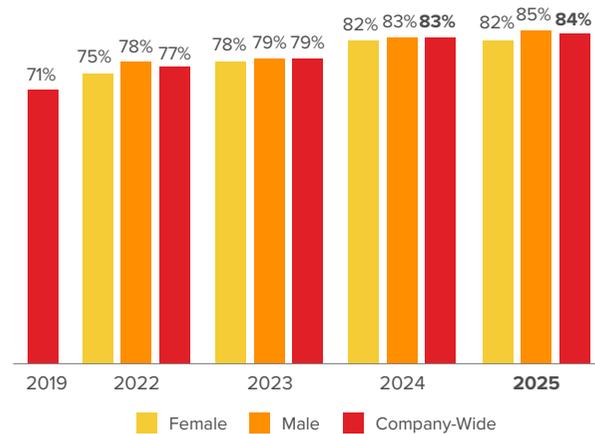
2.2.5. Employee Satisfaction

We consider our human capital as our most valuable asset and prioritize enhancing employee experience and strengthening engagement.

Through our annual Employee Experience Survey, we analyze the needs of different employee groups based on data. The insights we gain guide us in taking targeted actions to improve satisfaction, development, and overall work efficiency.

As a result of the 2025 Employee Engagement Survey, our Sustainable Engagement Score reached to 84%. We aim to further improve this performance in the coming years.

Employee Experience Survey Sustainable Engagement Scores



2.2.6. Harmony: Our Equality, Diversity and Inclusion Approach

Our Equality, Diversity and Inclusion Approach: PEGASUS HARMONY

Our Diversity, Equality & Inclusion (DEI) initiative, Harmony, contributed to a better employee experience and a culture of trust throughout 2025.

We believe that diversity enriches us. Embracing people regardless of gender, age, ethnicity, religion, language, or mental or physical ability, we are building a more equal, fair, and inclusive future at Pegasus.

2025 was a year in which Harmony’s voice reached the field and engaged with more employees. Through training programs, workshops, and volunteer projects, we expanded the areas where we experience inclusion together.

We outline our principles regarding equal opportunity, a fair workforce, improved working conditions, female employment, and inclusive policies under our Pegasus Airlines Human Resources Policy and Code of Ethical Conduct. At Pegasus Airlines, we aspire to be a leading airline in our sector with respect to gender equality.

“Harmony is not a destination, it’s a journey.”

At Pegasus, we see equality, diversity, and inclusion not as a goal to be reached but as a core part of our corporate culture. With every step we take, we remain committed to these

values, redefining employee experience, leadership models, and recruitment policies in line with them.

Although aviation has historically been a male-dominated sector, we at Pegasus are committed to transforming this balance. We regularly monitor the representation of women in engineering, piloting, technical operations, and senior leadership, and set tangible targets to improve these ratios.

By placing gender balance at the heart of our strategy, we develop impactful projects, partnerships, and practices both within our organization and across the industry. Through programs that encourage young women to enter the aviation sector, we raise awareness and develop sustainable solutions to increase both the quantitative and qualitative representation of women in aviation. Because we believe the sky belongs to everyone who rises with equal opportunity.

Our “IATA” Commitment

In 2019, Pegasus became one of the first airlines in the world to sign on to IATA’s voluntary “25by2025” initiative, which calls on airlines to increase female representation in the aviation industry to 25% by 2025 or by at least 25% compared to current levels. As part of this commitment, our Board of Directors updated its Board Representation Policy in 2019, setting a target of at least 25% female representation on the Board by 2025, a goal we achieved in 2022. Our goals aligned with IATA’s “25by2025” include not only increasing female representation in leadership positions but also improving the ratios of female pilots, engineers,

and technicians across our organization.

“Everyone at Pegasus is Part of the Change.”

We are committed to fostering a workplace where all Pegasus employees feel valued and have a strong sense of belonging. We respect diverse perspectives and promote a participatory culture. We evaluate and improve our business processes together. Through our employee experience surveys and suggestion system, we listen to every voice and shape our transformation journey in collaboration with our people.

In line with our “25by2025” commitment, we have moved one step closer to our goal of achieving 34% female representation in managerial and above positions.

The United Nations Global Compact (UNGC) Forward Faster initiative represents a global call encouraging companies to take faster, measurable, and tangible steps toward achieving the 2030 goals. In line with this call, we aim to regularly analyze our current status, improve our policies and practices, and create a transparent, inclusive, and fair working environment. Within the scope of UNGC Forward Faster, we have concretized our focus under two main pillars: Under the primary objective of “Gender Equality,” ensuring equal representation of women and men and providing equal pay for work of equal value. We continue our efforts to fulfill these commitments by 2030.

The national and international awards we’ve received affirm our direction and strengthen our belief in the future. Together with all Pegasus employees, we continue our journey toward a

more equal and sustainable tomorrow.

Our company implements various practices to foster innovation within the organization, in addition to its performance-based compensation schemes. In line with this, we launched our employee suggestion system “FLYDEA” in 2022. Through the FLYDEA suggestion system, we encourage our employees to present innovative ideas in the areas of guest experience, new revenue generation, unit cost reduction and savings, sustainability, environment and occupational health and safety, safety culture, lean business processes, innovative services, new business models and markets, and digitalization. Suggestions submitted by our employees go through a detailed review process before being submitted for a companywide vote. Winning ideas are evaluated for feasibility and scheduled for implementation, and employees who submitted the ideas are rewarded.

Since the launch of the FLYDEA project, we have received a total of 1,899 innovative suggestions. A significant portion of these were presented for company-wide voting following evaluations by the Suggestion Committee. We rewarded our employees who submitted suggestions with 45 Appreciation Awards and 102 Thank-You Awards, and ultimately implemented 11 valuable projects through FLYDEA.

To learn more about Pegasus Harmony: You can visit the Gender Equality episode of our Sustainability Podcast Series, and find more detailed information about our 2025 efforts in the field of Equality, Diversity, and Inclusion in our **2025 Harmony Report**.



2.3. We Are Moving Towards A Better Future Together

2.3.1. Value Chain Management

At Pegasus Airlines, with the growing awareness around environmental, social, and economic development, we have positioned sustainability as a key component of our strategy. While conducting our operations, we adopt and implement not only legal regulations and standards but also a set of core behavioral principles to enhance the value we create for all our stakeholders.

As a strong organization empowered by strong people, we believe we can generate greater value and impact for both our environment and society.

In line with this awareness and approach, we recognize that we can increase the value and impact we generate by working across our value chain, from procurement to operations, marketing, sales, and after-sales services. We closely monitor our collaborations with stakeholders at a granular level, ensuring continuity, taking action to strengthen cooperation on environmental, social, and economic matters, and effectively managing the value we co-create.

In 2023, we published the “Pegasus Value

Chain Sustainability Compliance Framework”.

This framework acknowledges that in today’s world, where economic solutions alone are insufficient and environmental and social issues are gaining importance and impact, cooperation and solidarity are essential for promoting efficiency in sustainability. It also aims to encourage new sustainable business models and increase our social impact in collaboration with our stakeholders. The framework outlines our focus areas and expectations from our value chain partners across key topics including safety and security, people and society, environment, ethics, and transparency all areas where we see both strategic importance and opportunities for development.

Working Principles of the Pegasus Value Chain Sustainability Compliance Framework

At Pegasus, we define our core principles under four main pillars: Safety and Security, People and Society, Environmental Responsibility, and Fairness and Ethics. Beginning with ourselves, we expect full alignment with these principles from all suppliers and business partners within our value chain and continuously work to improve collective performance.

HUMAN RIGHTS

Beyond fulfilling the requirements of labor legislation, we are committed to upholding human rights and supporting a dignified work model.

EQUALITY, DIVERSITY AND INCLUSIVITY

We embrace diversity and provide equal treatment to all individuals regardless of nationality, language, race, gender, color, age, ethnicity, or political beliefs recognizing that individual differences contribute to the richness of our organization.

ENVIRONMENTAL RESPONSIBILITY

As part of our sustainability strategy, we have declared a clean future as our destination and continue to take concrete action on this path.

SAFETY & SECURITY

As a flight operator, our first and foremost priority is “Safety and Security.” All of our activities are grounded in principles of safety, security, and health.

LEGAL COMPLIANCE

Compliance with national and international laws in all the countries where we operate is one of our fundamental responsibilities.

CONFLICT OF INTEREST

We do not allow our employees to engage in any situation that may create a conflict of interest with the Company.

FAIR COMPETITION

We conduct all our activities in compliance with both national and international fair competition laws and regulations.

INFORMATION SECURITY AND PRIVACY

We implement information security and privacy measures effectively and securely, viewing technology as an integral part of our corporate strategy.

ANTI-BRIBERY AND ANTI-CORRUPTION

We expect our employees to act with integrity, adhere to internal policies, and avoid any situation that may create a perception of bribery or corruption.

PEGASUS
#HereForYou

2.3.2. Supply Chain Management

At Pegasus, we adopted a holistic value chain management approach that encompasses all processes from procurement to end user delivery.

This approach is supported by integrated management systems based on ISO 9001 (Quality), ISO 14001 (Environment), ISO 45001 (Occupational Health and Safety), and ISO 27001 (Information Security) standards, which enhance the effectiveness of our operations.

We monitor our communication with stakeholders through our stakeholder communication matrix and aim to maintain continuous and efficient interaction while also enhancing collaboration in environmental, social, and economic areas.

Supplier Evaluation Process

Under our Integrated Management Systems, we conduct a comprehensive supplier evaluation process. This process involves identifying and regularly reviewing each supplier's criticality level, legal compliance, and risk level. Our general supplier management activities include the following steps:

1. Supplier selection
2. Supplier evaluation
3. Supplier audits
4. Supplier risk management
5. Supplier communication

The main objective is to align our suppliers with the Company's sustainability strategies. All individuals and organizations providing services to Pegasus commit to complying with our Company's procedures at the contract stage. During the first half of each year, we evaluate the compliance of our suppliers in the areas of quality, environment, occupational health and safety, and information security.

Supplier Performance Monitoring, Evaluation and Performance Tracking

While carrying out our activities with an integrated management approach, we aim to apply sustainability principles not only in our own operations but also to the suppliers we identify as critical in our supply chain. In this direction, by integrating the ISO 9001, ISO 14001, ISO 45001 and ISO 27001 management systems we hold into our supplier management processes, we publish the Supplier Criticality Determination Questionnaire from a quality, environmental, occupational health and safety, and information security perspective. In 2025, we enabled our business units to evaluate their suppliers with 900 questionnaires, and we obtained information about the studies of our suppliers regarding quality, environment, occupational health and safety, and information security.

Within our Critical Supplier List, which we created based on the questionnaire results and our outsourced services, we conducted 5 supplier audits.

In our supplier audits, the environmental impacts of our suppliers are analyzed within the scope of environmental management systems; elements such as environmental risks, compliance with legislation, resource use, and waste management are examined. At the same time, environmental

risks and the actions taken are evaluated. The performance of our suppliers providing critical services (for example, ground handling services, call center, cargo services, personnel transportation services) is monitored through the "Supplier Scorecard." In this process, indicators such as satisfaction score, average processing time, number of trainings provided, and operational topics are taken into consideration. Supplier performance monitoring activities are carried out under the Corporate Scorecard in addition to supplier audits.

These activities are carried out under the coordination of our Integrated Management Systems & Business Excellence unit; the effectiveness and adequacy of the systems are regularly reviewed through internal and external audits. Corrective and preventive actions are implemented in line with audit results, ensuring continuous improvement.

Our sustainability approach is shaped on the basis of integrated management systems, and the ISO 9001 Quality, ISO 14001 Environment, ISO 45001 Occupational Health and Safety, and ISO 27001 Information Security Management Systems we hold are considered as an integral part of our supplier management processes.



2.3.3. Guest Experience

PAs Pegasus Airlines, guest experience is a fundamental component of our sustainable growth strategy. We design all stages of our operations with an approach that correctly understands guest expectations, anticipates needs, and creates value at every touchpoint. Within this framework, we adopt an end to end model that does not limit guest experience only to the moment of flight, but covers the period before, during, and after the journey. In this period when guest behaviors are rapidly changing and digitalization is shaping travel preferences, our core focus is built on proactive service, data driven decision making, digital transformation, self service solutions, inclusiveness, and accessibility principles. This approach enables Pegasus to establish a sustainable, accessible, and technology oriented value chain in guest experience.

Guest Centricity and Strategic Approach

In 2025, the focus of our guest experience strategy consisted of increasing our capacity to collect insights from our guests, developing our digital products, segment based solutions, and establishing a data driven management approach.

Multi Source Insight Ecosystem

We established an integrated insight infrastructure to understand guest expectations from a holistic perspective.

This infrastructure strengthened decision making processes by bringing together instant feedback, journey based satisfaction measurements, social media analyses, Pegasus Chatbot interactions, and field observations under a single roof.

This data driven approach enabled us to transform into a more responsive and agile structure in product development and process design.

Digitalization and Self Service Oriented Design

Our digital transformation vision aims to create solutions that provide speed, control, and transparency to our guests. In 2025:

- Self service usage rates in check in, boarding, and baggage processes were increased,
- AI supported assistance was introduced through Pegasus Chatbot,
- Tools that allow guests to perform transactions independently were expanded.

In this way, our guests achieved a faster, waiting free, and environmentally conscious travel experience.

Digital Channels and Mobile First Model

Digital touchpoints are at the center of Pegasus' guest experience strategy.

Our mobile application has been redesigned to become the most important companion of our guests at all stages of travel. In 2025:

- It became the main platform for self service transactions,
- Personalized journey flows were launched through "My Flights,"
- Multi lingual and AI supported structures were developed.

Since the first contact of the majority of international guests with Pegasus occurs through the web channel, comprehensive improvements were made to our website in user experience, content architecture, search functions, and campaign visibility. This approach strengthens Pegasus' digital visibility and preference rate in international markets.

Loyalty Ecosystem and the Role of BolBol

BolBol is positioned not only as a loyalty program but as a sustainable engagement ecosystem. Data shows that BolBol members fly more frequently, use digital channels more intensively, and establish a more regular relationship with Pegasus.

Segment Based Journey Management

Special journey flows have been designed for different guest segments:

- Transfer passengers,
- Young adults,
- Frequent travelers,
- Family segment,
- International guests.

This approach both increases efficiency and ensures sustainable improvement in satisfaction.

Proactive Guest Experience in Challenging Processes

Delays, baggage processes, and operational disruptions are the most critical moments in terms of guest satisfaction. For this reason, throughout 2025:

- Communication flows in delay processes were renewed,
- Passenger rights were made visible,
- Automated notification systems were strengthened.

This proactive model increases trust during disrupted journeys while reducing reprocessing workload and contributing to operational sustainability.

Our Sustainable Guest Experience Approach

We design all our investments in the field of guest experience in line with our sustainability vision. In this context:

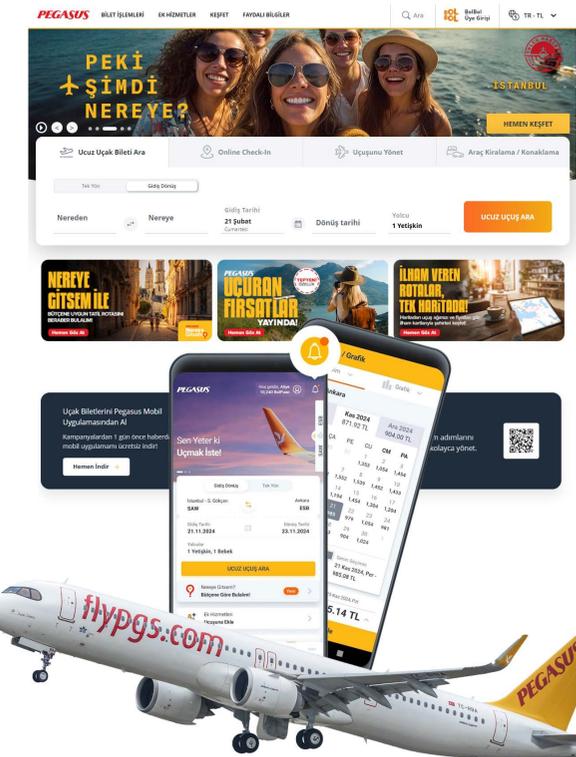
- We reduce paper consumption through

digitalization,

- We optimize energy and resource use through self service solutions,
- We increase operational efficiency with AI supported customer service.

This holistic approach enables Pegasus to develop a resilient and sustainable guest experience model that is compatible with both today's and future travel behaviors.

Guest Segment	2021	2022	2023	2024	2025
Domestic Routes	11.99	10.90	11.98	14.06	15.56
International Routes	8.01	15.40	19.47	22.94	27.29
Charter	0.16	0.64	0.48	0.48	0.42
Total	20.16	26.94	31.93	37.48	43.26



Performance and Development in Guest Experience (CSAT)

CSAT (Customer Satisfaction), one of the key performance indicators used to measure the level of satisfaction our guests feel from their travel experience with Pegasus, is calculated based on the answers given by our guests to the question “How satisfied were you with your experience with Pegasus?” in the surveys sent after the flight. Our guests score this question between 1 and 5, and the average of the scores given forms the CSAT score. High CSAT scores indicate strengthened guest satisfaction and brand loyalty and contribute positively to our brand perception.

For 2025, our CSAT score was 71.3. As Pegasus, we adopt an approach that prioritizes continuously improving the guest experience; every year, we set more advanced targets by taking our performance results into account.

In line with the feedback obtained from our guests, we continue to take improvement actions in our operational processes, service quality, and digital touchpoints. In the upcoming period, we aim to further improve the travel experience holistically by better understanding guest expectations and to consistently increase our CSAT performance.

In 2025, Pegasus’ guest experience approach reached a strong and sustainable structure that

brings together digitalization, personalization, segment based design, operational excellence, and proactive communication. In line with this strategy, which deeply understands the needs of our guests, adds value to them, and builds trust, our goal of offering an excellent travel experience at every touchpoint continues with determination.



2.3.4. Our Collaborations

In line with our sustainability goals, we collaborate with various stakeholders across numerous projects. As Pegasus, we actively contribute to the transformation of sustainable aviation by supporting the Türkiye Sustainable Aviation Platform (TSAA). Established in 2023 through a joint initiative of Boeing, Istanbul Technical University, and Turkish Airlines, TSAA aims to guide the Turkish aviation industry on its decarbonization journey, promote sustainability practices across the sector, and foster crosssector collaboration.

We actively participate in the projects initiated by the platform and take on a leading role in the sustainability transformation. Additionally, we contribute to increasing awareness in sustainable aviation by engaging in educational activities and social events organized through the platform. Our efforts to minimize environmental impacts in aviation and build a more sustainable future align with our company's long-term environmental and social responsibility strategies. In support of TSAA's primary focus on increasing SAF (Sustainable Aviation Fuel) use in Türkiye, we participated in workshops and consultations to help define a collective roadmap. Moving forward, we are committed to contributing to future sustainable aviation initiatives with the same level of engagement.

Since 2019, Pegasus has been a participant in the United Nations Global Compact (UNG), committing to its 10 principles in the areas of human rights, labor standards, environment, sustainability, and anti-corruption. We publish our Communication on Progress annually,

reflecting our dedication to transparency and accountability. We also align our sustainability efforts with the UN Sustainable Development Goals (SDGs) and integrate them into our corporate reporting.

We take an active role on the UNGC Türkiye Board of Directors with the participation of our General Manager. On this platform, which focuses on climate change, environmental and social sustainability, we contribute to providing a principles based framework, good practices, resources, and collaboration platforms that support companies in improving responsible business practices and fulfilling their commitments to society. In 2025, we contributed to the research titled "AI for the SDGs: Private Sector Engagement in Eastern Europe," conducted in cooperation with the UN Global Compact Georgia Country Network and the Eastern Europe Country Networks. In this context, we support the execution of strategic studies to achieve the sustainable development goals and create positive global impacts.

Throughout 2025, we implemented various collaborations with universities, technology companies, and industry stakeholders to strengthen our innovation capacity, develop our data and AI based competencies, and increase knowledge sharing across the sector.

Our Academic Collaborations

We signed the Corporate Innovation Affiliation Program agreement with UC Berkeley throughout 2025. Within the scope of the program, we conducted multi dimensional collaborations in the areas of innovation, data analytics, and business development:

- **Sponsored Research:** We carried out

research based collaboration within the scope of the Flight Safety project,

- **Haas@Work:** We conducted a project study together with MBA level students to evaluate biometric and digital identity applications specific to Pegasus,
- **Data & Analytics Training:** We strengthened the data driven decision making competencies within the company through a two day training program for our innovation representatives selected from business units, the "Innovators," as well as for our managers,
- **Hackathon:** We prepared for the planning of the hackathon designed to develop innovative solutions,
- In 2025, we became a member of the AI Platform established by Özyeğin University and became one of its stakeholders. Through this platform, we aim to closely follow academic and sectoral developments in the field of artificial intelligence and to develop joint projects,
- Within the scope of the capstone project course of Özyeğin University's Faculty of Business, we provided students with project topics together with our IT & Data Analytics and Loyalty Programs teams, offering mentorship and content support throughout one semester. Through this work, we supported knowledge sharing and applied learning with young talents.

Sectoral Interaction and Knowledge Sharing

In order to strengthen the culture of shared learning in the airline industry, we conducted meetings based on knowledge sharing with different airlines. Although these interactions have not yet transformed into concrete projects, they have created an important foundation for

developing sectoral collaboration potential.

Our Collaborations Within the Scope of Pegasus Innovation Lab

Under the umbrella of Pegasus Innovation Lab, we developed and launched projects with various technology companies in the areas of operational efficiency, guest experience, and digital visibility:

- We implemented the AI supported reference check application in Human Resources processes. This application aims to ensure efficiency and standardization in reference procedures.
- We launched the project that enables announcements in the relevant language with a real captain's voice cloned by artificial intelligence, following the English announcement on flights to countries where Spanish, Arabic, and Russian are spoken.
- Within the scope of Generative Engine Optimization (GEO) efforts, we initiated next generation optimization work aimed at making digital content related to Pegasus more visible, up to date, and searchable on AI supported large language model (LLM) based platforms.
- We carried out improvements aimed at increasing quality assurance and test efficiency through AI based solutions in software testing processes.

Through these collaborations, in 2025 we expanded our innovation ecosystem and continued to strengthen our digital transformation, operational excellence, and data driven decision making competencies.



2.3.5. Legal Regulations & Policy Implementation

In 2025, we carried out our first voluntary reporting within the scope of the Refuel EU legislation issued by the European Union. This study provided preliminary preparation for the reporting obligation that will be fully implemented in 2026. Refuel EU Aviation is a regulation created by the European Union to reduce greenhouse gas emissions in the aviation

sector and to promote the use of sustainable aviation fuels. This regulation encourages fuel producers to increase SAF production by requiring fuel suppliers to provide SAF at specified ratios at European Union airports and by obligating airlines to refuel SAF at certain levels. For this purpose, it aims to accelerate the sector's transition toward a sustainable future. Refuel EU also supports increasing sustainability and developing innovative fuel technologies through regulations and financial incentives for

the aviation sector.

In 2025, the Sustainable Aviation Fuel Instruction (SHT SAF) entered into force to encourage the use of Sustainable Aviation Fuels. Within the scope of the regulation, a mandatory SAF usage requirement has been introduced for international flights departing from Türkiye in line with ICAO's 2030 target. As Pegasus, we continue our efforts by evaluating cooperation opportunities for ensuring SAF procurement

within the scope of our obligations under this regulation.

At the sectoral level, actions taken to reduce greenhouse gas emissions continue rapidly. In this context, we monitor developments in international regulations, primarily European Union Regulations, as well as CORSIA, EU ETS, and similar frameworks, and we carry out preliminary preparation and risk assessment studies.



2.3.6. Corporate Memberships

IATA – International Air Transport Association

TÖSHİD – Turkish Private Aviation Enterprises Association

AACO – Arab Air Carriers Organization (Strategic Partner)

UN Global Compact Türkiye – Participant of the United Nations Global Compact

SITA – Société Internationale de Télécommunications Aéronautiques

HİB – Turkish Service Exporters Association

TTYD – Turkish Tourism Investors Association

GİF – Global Relations Forum

TOBB - Civil Aviation Council of the Turkish Union of Chambers and Commodity Exchanges

DEİK – Foreign Economic Relations Board of Türkiye

GS1 Türkiye Foundation

KOTEDER – Association of Executives of Publicly Listed Companies

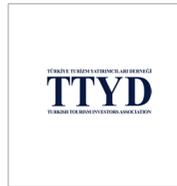
TBV – Turkish Informatics Foundation

PERYÖN – Turkish Human Management Association

30% Club Türkiye

TSAA – Turkish Sustainable Aviation Platform

TEKADER – Women in Technology Association



2.3.7. Social Responsibility Projects

TEV Scholarship Program

We continued to support the education of young girls in 2025 through our collaboration with TEV, which we launched with great enthusiasm in the 100th year of our Republic. On this journey we embarked on with the motto “Every Step to the Future,” we provide scholarship support throughout the educational lives of 500 female university students in 2025, standing by them in their education and career journeys.

Our support is not limited to scholarships. We provide many different opportunities such as meetings with executives and the CEO, special day events, career meetings, internship and job opportunities, and we support the development of our scholarship recipients in a multifaceted manner. In this way, we contribute to their progress toward the future with stronger steps.

This collaboration not only touches the lives of individuals but also reflects our approach to gender equality and social responsibility. Our goal is to create meaningful and sustainable value for the future by supporting young girls whose access to education is at risk due to financial reasons.



Flying to the Future

With our belief in Türkiye’s bright future, we continued the “Flying to the Future” project in 2025, which we launched in 2018 in cooperation with the Support Foundation for Civil Society. With the trainings consisting of a total of 11 modules, including Word, PowerPoint, Excel, digital literacy, digital citizenship, e mail usage, CV preparation, daily artificial intelligence tools, and career planning, we directly supported the career development of young people, reaching a total of 621 women in previous periods. Through the “First Step in Technology” project carried out with the Nirengi Association, which covers 19 core skills across 4 main modules, we facilitated access of young women affected by the earthquake to the fundamental skills required by the digital age, and played a role in strengthening their capabilities in accessing information, expressing themselves, and performing secure operations in digital environments.



Laughter Heals

Following the devastating earthquakes on February 6, 2023, we supported transportation to the “100th Year Village” built by the Laughter Heals Association for earthquake-affected families in Hatay. This initiative aimed to improve accessibility to new living spaces and support the region’s recovery process.



Blindlook

To offer an inclusive and barrier free experience, in 2022 we adapted our website and mobile application for our visually impaired guests. We became the first airline in Türkiye to integrate BlindLook’s Audio Simulation technology into our online platform and to become an Eye Brand. In 2025, we continue to provide a barrier free online experience for our fully and partially visually impaired guests.



2.3.8. Our Awards

ch-aviation Awards

- 2nd Youngest Aircraft Fleet 2025

Ekonomist Dergisi

- “Top 50 Most Powerful Women CEOs”:
Güliz Öztürk

International Corporate Governance Summit

- Second Highest Score in the BIST Corporate Governance Index

Effie Awards Türkiye

- Gold Award in Sectoral Categories -
Transportation & Cargo with Peki Şimdi
Nereye

Sales Network Best of Sales Awards

- Most Desired Company to Work For Award
- Second Place in the “Better World” category
with our Her Adım Geleceğe project
- Second Place in the Digital HR Practices
category with our FlyUp project
- First Place in Sales Technology & Innovation
with our AI powered Peggy chatbot project

ATD BEST Awards

- 2025 BEST Award

Contact Center World Awards

- “Best Contact Center” Award
- “Best Social Media Management” Award
- “Best Remote Agent Program” Award
- “Best Training & Quality” Award

Future Travel Experience

- “Exceptional Ambition and Orchestration”
Award

Brandverse Awards – Marketing Türkiye

- Gold Award in the Employer Brand
Communication category with our Cabin Crew
Career Check program
- Silver Award in SocialBrands Data Analytics
– Airline Companies category for our social
media account management

37th Crystal Apple Awards

- A total of 1 Crystal, 5 Silver, and 1 Bronze award
across Film, Print, Digital, Outdoor, Integrated
Campaigns, and Radio/Audio categories for
our marketing and brand communication
activities

The Stevie Awards

- Gold – Employer of the Year in Aviation &
Defense
- Gold – Best Talent Acquisition Process:
GoYoung Young Talent Program
- Gold – Best Blended Learning Program:
GoLead Leadership Program
- Silver – Most Innovative Talent Acquisition
Program: Cabin Crew Career Check
- Silver – Leadership Development: GoAhead
Leadership Program
- Silver – Diversity & Inclusion: Harmoni Initiative
- Silver – Internal Communications: Human
Centered Communication
- Silver – Best Talent Management Strategy:
Human Centered Talent Management
- Bronze – Best Youth Employment Strategy:
JumpSeat Internship Program
- Bronze – Best Talent Acquisition Process:
Pegasus Pilot Training Program

Brandon Hall Group Excellence Awards

- Gold – Best Recruitment Communications &
Employer Brand Program (Cabin Crew Career
Check)
- Gold – Best Intern Selection & Onboarding
Program (JumpSeat)
- Silver – Most Original or Innovative Talent
Acquisition Program (GoYoung)
- Bronze – Best Candidate Experience Program
(Cabin Crew Career Check)
- Gold – Best Talent Management Strategy
- Gold – Best Employee Experience
- Gold – Best Blended Learning Program (GoLead)
- Gold – Best Learning Program Results (GoAhead)

Business Life

- Türkiye’s Value Creating Leaders

Airline Economics – Aviation 100 European & Sustainability Awards 2025

- “Sustainability Team of the Year” Award
- “European Treasury Team of the Year” Award
- “Sustainable Aviation Finance Excellence”
Award

Youth Awards 2025 – Youthall

- Gold Award in “Most Inspiring CEO for Young
People” with our CEO Güliz Öztürk
- Gold Award in “Most Desired Transportation
Company to Work For”
- Bronze Award in “Most Admired Recruitment
Program” with GoYoung

Sustainable Business Awards

- Gender Equality – Service Category Award



2.3.8. Our Awards

Treasury Management Summit

- Kyriba LIVE Awards – CEMEA (Central & Eastern Europe, Middle East & Africa) Award

Platin Business Books Awards

- Best Autobiography/Biography of the Year: Mehmet Tevfik Nane

Contact Center World – Global Best Practice Awards

- “Best Contact Center” Award
- “Best Use of Social Media” Award
- “Best Home & Remote Agent Program” Award
- “Best Improvement Award (Training & Quality Practices)” Award

Felis Awards

- Two Felis Awards in Entertainment & Media for our Uçak Takip broadcast with HTalks
- One Felis Award in Print & Publishing for our Gençken Daha Güzel – France project

16th Corporate Responsibility Summit

- Bronze Award in Waste Management
- Special Award in Sustainability Communication

The TECHX Awards

- “Campaign Experience” Award
- “Innovation in Experience” Award
- “Brand that Converts Experience into Recommendation” Award

Turquality Vision Meeting & Branding Conference

- Champion for Highest Service Exports
- Champion for Highest Service Exports to OIC (Organization of Islamic Cooperation) Countries

Excellence in Action

- Silver Award in “Company Culture”

Innovative Leaders – Digital CMO 50

- Ahmet Bağdat

Boğaziçi Business World Awards

- “Sustainability Company of the Year” Award

Altın Örümcek Awards

- Best Mobile Application of the Year (Overall Winner)
- First Place – Mobile Application (E Commerce Category)
- Third Place & People’s Favorite – Website (Service Category)
- Third Place – Website (Tourism & Travel Category)

Fin Erth Women Leaders in Climate & Sustainability

- Latife Nur Demir



2.3.9. Sustainability Indices

We attach great importance to being included in various rating platforms and indices that assess sustainability performance. Rather than focusing on a single area, we prefer mechanisms that allow us to evaluate our environmental, social, and governance (ESG) performance holistically.

As a company that values global leadership in sustainability, we are proud to be the first airline in Türkiye to sign the United Nations Global Compact, which outlines fundamental responsibilities of businesses in the areas of human rights, labor standards, environmental sustainability, and anti-corruption. As a signatory, we submit our annual Communication on Progress (CoP) to transparently report our advancements.

In 2024, Pegasus Airlines was honored with the Global Environmental Sustainability Airline of the Year award by CAPA (Centre for Aviation). The CAPA Aviation Sustainability Awards are based on in-depth data analysis from independent sources and aim to recognize aviation leaders who have placed environmental sustainability at the core of their strategy.

Our Corporate Governance Rating Score increased to 98.2% in 2025, making Pegasus Airlines the highest-rated aviation company in the BIST Corporate Governance Index.

We are improving our independent rating results regarding our sustainability performance. For our CDP Climate Change Reporting, after the reporting years 2019, 2020, 2022, and 2023, we obtained the Leadership Level Score (A) for the fifth time. In the 2024 reporting year, we continued to receive a Management Level (B) score for CDP Water Security. With our performance in areas such as Supply Chain Management, Governance, Targets, and Scope 3 emissions under CDP Climate Change, we qualified for the CDP Supplier Engagement Assessment (SEA) A List.

Our LSEG ESG score as of the end of 2024 was 77%, placing us 6th among 129 passenger transportation service companies. In 2023, by being included in the Sustainalytics sustainability index for the first time, we elevated our scope from the Core Framework to the “Comprehensive” coverage in 2024.

Index*	2022	2023	2024
LSEG DATA & ANALYTICS	78.1	78.35	77
SUSTAINALYTICS	–	25.1 (medium risk)	23.3 (medium risk)
S&P Global	–	36	39
MSCI	BBB	BBB	A
CDP Climate Change	A-	A-	A-
CDP Water Security	C	B	B

* The years in this table represent the respective fiscal year from January 1 to December 31.

Committed to Net Zero CO₂ Emissions by 2050
Among world's leading airlines to join IATA's 2050 Net Zero Target and set 20% carbon intensity reduction interim target for 2030.

Carbon Disclosure Project reporting since 2015
With our "A" leadership score in climate change, we are among the top two rating levels and among the best rated airlines worldwide. In water security, we have risen to the Management "B" level.

BIST Corporate Governance Index
Our Corporate Governance Rating Score increased to 98.2% in 2025, making Pegasus Airlines the highest-rated aviation company in the BIST Corporate Governance Index

BIST Sustainability Index
By meeting the LSEG ESG criteria (with a score of A- as of 2025), we are included in the BIST 25 Sustainability Index.

ICAO CORSIA Participant
We have been measuring and reporting our emissions according to the International Civil Aviation Organization (ICAO)'s Carbon Emission Reduction System since 2019. We participated in the first large-scale auction for CORSIA Phase 1 Eligible Emissions Units (EEUs) and completed the purchase of REDD+ ART Forestation credits eligible for Phase I (2024-2026).

Supports IATA 25by2025
Among world's leading airlines to join IATA's "25by2025" Initiative that aims to improve female presence in industry by 25% or up to 25% by 2025.

UN Women's Empowerment Principles
Became the first airline in the world to join UN Women's Empowerment Principles in 2016.

UN Global Compact
First airline in Türkiye to sign the UN Global Compact (2019). One of the two travel & leisure airlines globally to voluntarily adopt enhanced CoP (2022).

Environmental Sustainability Excellence
CAPA Global Environmental Sustainability Airline of the Year Award 2024 Winner, based on independent analysis of emissions & efficiency performance across the industry

UN Sustainable Development Goals
We relate our actions to the UN Sustainable Development Goals (# 3, 4, 5, 7, 8, 9, 10, 11, 12, 13, 16, 17)

2.4. Our Safety and Security-Oriented Business Perspective



Providing safe and secure travel experience for our guests is our top priority. This perspective also reinforces our commitment to ensuring a safe and secure working environment for our employees and all other stakeholders during our operations. According to ICAO definitions, safety refers to the reduction and control of risks related to aircraft operations or supporting aviation activities to an acceptable level. Security,

on the other hand, refers to the protection of civil aviation from unlawful interference. At Pegasus Airlines, we operate in full compliance with national and international standards in this area. We continuously enhance our performance by evaluating environmental and human factors, leveraging internal and external expertise, and utilizing advanced technological tools in all our safety and security practices.

2.4.1. Flight Safety

The Pegasus Airlines Safety Management System (SMS) is a vital tool that encompasses incident and hazard reporting processes. Through our SMS, we collect data by identifying incidents and potential hazards that occur during aviation operations. This data forms the foundation for building a more effective safety management structure and helps enhance operational safety. Additionally, the system aims to improve the safety awareness and competence of all individuals and systems involved in safety.

Modern and predictive safety risk management plays a key role in achieving our sustainability goals. By identifying future risks and responding proactively, we support long-term success in sustainable and safe operations. In our risk management approach, we utilize all available data sources to construct a comprehensive risk picture and assess risks within the context of operational conditions. We adopt a holistic approach by evaluating risk through incident investigations, audits, flight data records, and data obtained from global sources. We take the necessary measures to ensure safe execution of our operations.

The continuous improvement of corporate safety culture is essential for the continuity of safe operations. Our Safety Strategy is reviewed annually and updated for a three-year period. The Corporate Safety Strategy is published with the approval of the CEO and reported to the Board of Directors. In line with sectoral risks and technological developments in aviation, focus areas and safety objectives were determined for the 2022–2025 period.

Our Safety and Security Practices

Next-Generation Aircraft

Our fleet is equipped with next-generation technology, including advanced systems and reliable engines, ensuring a high level of flight safety.

Training

Each of our pilots receives a minimum of five simulator trainings annually. Our Airbus fleet is supported by three flight simulators and other competency-based training devices.

AI-Based Safety Software

Our Safety AI project leverages artificial intelligence to analyze historical flight data, predict potential risks, and provide pre-flight notifications to enhance operational safety.

Wellbeing

We care deeply about the mental and emotional health of our employees through projects focused on fairness and sustainability. We offer 24/7 support via Turkey's first Peer Support Program (PAPS). To support wellbeing, we assign a coach to each new cabin crew member, providing guidance from experienced team members during the first 6 months and ensuring effective communication between teams and upper management. Through team coaching, we aim to strengthen a sense of belonging and enhance our workplace culture.

Modernization Initiatives

Meteorological conditions are considered a significant factor in flight safety. All of our aircraft are equipped with advanced weather radars to detect dense adverse weather ahead of the aircraft and enable predictive routing adjustments. Our pilots receive specialized training and simulator sessions to ensure the effective use of these radars.

Warning Systems

In aviation, takeoff and landing are the most critical phases of flight. To enhance safety, systems such as Smart Runway/Smart Landing (SR/SL), Runway Overrun Warning (ROW), and Runway Overrun Prevention System (ROPS) analyse environmental conditions and aircraft systems to predict potential imbalances and alert pilots with audio and visual warnings in advance. We continuously update our procedures in line with new regulations and developments in the aviation industry. We revise procedures, rules, and regulations to ensure they deliver timely alerts to pilots and contribute significantly to flight safety.

Safety and Security in Systems

FDX (Flight Data Exchange)

We share flight data monitoring information from all flights with IATA, comparing safety performance indicators across 214 airlines at global, regional, and airport levels.

ACARS

We use radio or satellite-based digital data transmission between aircraft and ground stations to enhance operational monitoring, safety, and efficiency through real time communication — allowing us to manage sudden risks promptly.

EFB (Electronic Flight Bag)

We have developed software to manage cockpit documentation electronically. Authorized by the Directorate General of Civil Aviation (DGCA), we have completed the “paperless cockpit” concept since 2015. Our Pegasus EFB software monitors flight plans, weather conditions, and technical data.

CEFA FAS (Flight Animation System)

We generate 3D flight animations based on flight recorder data, which are used in training and safety

investigations with high accuracy and detail.

FDM (Flight Data Monitoring)

FDM plays a critical role in flight safety and sustainability. It enables the early detection of safety risks by analyzing in-flight data collected from aircraft. It also supports early warning systems, and monitoring of technical limits.

TEM (Threat and Error Management)

TEM provides comprehensive insights into aviation operations and human performance. We have integrated the TEM concept into all procedures for both flight and cabin crews. We incorporate TEM principles into daily activities, briefings, checklists, aircraft systems usage, simulator sessions, and CRM training modules are continuously updated in line with the TEM framework.

IATA Operational Safety Audit (IOSA) Program

We participate in the internationally recognized IOSA audit every two years to ensure that our operations are carried out safely and in compliance with up-to-date regulations. Our safety audit program is conducted by the DGCA and relevant Ministry departments, IATA, the civil aviation authorities of the countries in which we operate, and our internal audit units. Our operations in the European Union and the United Kingdom are carried out in full compliance with EASA and TCO regulations, and SAFA inspections are monitored as part of our safety performance indicators. In 2025, 58 SAFA inspections were conducted on 48 of our aircraft across 34 airports, and our average score was 0.14. The data from the past three years show consistent progress in line with our performance targets.

Non-Financial Indicator	Indicator	Target	2023	2024	2025
SAFA Rate	Flight Safety Assessment	Exceed Türkiye Average (0.46 for 2025)	0.21	0.07	0.14

2.4.2. Operational Security

We operate an aviation security system to protect our activities, primarily our flight operations, against unlawful interference.

In this context, ensuring the safety of our operations, guests, employees, and service providers remains at the core of all our activities. The tools for achieving this include establishing a corporate security culture, threat assessment

and risk management, security training, internal communication, incident reporting systems, and performance management aligned with targets.

We maintain close cooperation and coordination with the DGCA (Directorate General of Civil Aviation), civil and security authorities at airports, and private security companies operating in terminal and other areas.

Domestic and international security risks and

threats are regularly reviewed or reassessed upon significant developments.

Additionally, our unruly passenger system, designed in line with ICAO, IATA, and DGCA guidelines, has been effectively implemented for nearly 10 years to prevent incidents before or during flights that may disrupt operations, and ensure the safety of our flights, guests, employees, and service providers.





2.4.3. Information Security

We implement information security at various levels. By identifying our information assets and determining the risks that may threaten the confidentiality, integrity, and accessibility of these assets, we manage them in compliance with applicable legislation and standards.

We are committed to defining the necessary roles and responsibilities for managing information security processes, providing the required resources, raising awareness among stakeholders, and continuously improving the system.

Our cybersecurity approach is aligned with our strategic objectives and built within a robust Information Security Management System (ISMS) that reflects best practices. We aim to create an environment with strong cybersecurity, cooperation, and awareness.

Our information security is assessed under three main categories: **Cybersecurity**, **Network Security**, and **Risk & Compliance**. Within these, we manage various aspects such as risk management, standards and compliance, data and brand protection, infrastructure security, access security, and identity and access control. We have a specialized information security team with extensive industry experience. Our information security practices cover vulnerability management, 24/7 monitoring and response, data protection, governance, and network security. As part of our operations, we offer fast, easy, and secure online services to our guests, agencies, and airline partners. Protecting

the confidentiality, integrity, and availability of commercial, operational, and personal data is of utmost importance for our employees, guests, business partners, and suppliers. We consider it essential to prevent unauthorized access to data, preserve data integrity, and ensure access only by authorized individuals when necessary.

In compliance with legal regulations on Personal Data Protection, we take necessary technical and administrative measures to prevent the unlawful acquisition of personal data. We adhere to KVKK and GDPR rules and implement control mechanisms in our business processes to ensure compliance.

Within our governance structure, we aim to effectively implement and maintain the Information Security Management System integrated with our business strategies. All activities conducted under Pegasus Headquarters, all operations at our main hub, Istanbul Sabiha Gökçen Airport, all critical systems, information systems hosted in our data centers, and disaster recovery systems are included within the scope of Information Security.

We operate and audit our information security management system with reference to various industry standards such as PCI DSS (Payment Card Industry Data Security Standard), the Presidential Digital Transformation Office - Information and Communication Security Guide, and DGCA Cyber Aviation Directive.

In 2025, the activities carried out within the scope of the ISO 27001:2022 Information

Security Management System continued; through internal audits and management review studies, the effectiveness of the system was evaluated, and a continuous improvement approach was adopted.

Information security awareness programs for our employees were addressed as a specific focus area in 2025. By analyzing information security incidents occurring in the sector and on a global scale, the mandatory information security awareness training was updated and restructured to include current threats. At the end of the trainings, examinations are conducted to measure the maturity levels of the participants. In addition, throughout the year, regular notifications are provided to employees through corporate screens, e mail communications, and educational short videos. Programs aimed at increasing information security awareness are also shared with certain suppliers and agencies in addition to our employees.

Suppliers that are considered critical from an information security perspective are identified, supplier audits are conducted, and the dissemination of information security awareness is ensured. Our systems are subjected to regular security scans, and data protection measures are implemented against unauthorized access and inappropriate use.

Assessments of information security maturity are conducted by independent audit firms based on international frameworks such as COBIT, ISF (The Standard of Good Practice for Information Security), and the NIST Cybersecurity

Framework, and continuous improvement opportunities are evaluated by identifying areas for development.

An information security consultant takes part in all projects developed within Pegasus, providing guidance to project teams to ensure that projects are developed and tested in accordance with procedures, legislation, and current technologies.

Additionally, as of 2025, compliance efforts have been initiated within the scope of EASA Part IS (Information Security) requirements; the compliance of existing processes with the information security requirements specific to the aviation sector has been evaluated, and efforts to increase the level of compliance have been carried out.

Regular briefings are provided to the Information Security Committee operating at senior management level regarding cybersecurity risks, current threats, and our corporate information security posture. As Pegasus, in line with our goal of being an airline that uses technology effectively and securely, we continue to progress without compromise in the field of information security.



2.4.4. Occupational Health and Safety

As Pegasus Airlines, we place people at the center of our operations; we consider our employees as our most valuable assets and assume full responsibility for their safety as well as the safety of our business partners. In line with this understanding, we prioritize maintaining the highest occupational health and safety standards not only in our aviation activities but across all areas of our business and all working environments.

We regard the health and safety of our employees and stakeholders as one of the fundamental elements of our sustainable

way of doing business, and we approach occupational health and safety not only as a legal obligation but as an integral part of our corporate culture. With the awareness that we operate in a sector requiring a high level of safety sensitivity, we acknowledge that safeguarding the holistic well being of our employees who perform operationally critical tasks is of strategic importance for service quality and the sustainability of safe operations.

In 2025, our Occupational Health and Safety team conducted 2,580 OHS inspections, carried out 3,552 health surveillance activities, implemented 626 corrective and preventive actions, prevented accidents through 93 incident reports, and delivered a total of 60,580 person hours of OHS training to increase individual awareness.

Our Occupational Health and Safety Approach and Practices

Our Occupational Health and Safety (OHS) practices are carried out in line with the ISO 45001 standard and international best practices, going beyond legal requirements. Our OHS Policy, updated for the fifth time in 2025, guides all our principles and commitments; the Occupational Health and Safety Directorate, positioned with a dual reporting line to the CEO, is responsible for all OHS processes. With strong leadership support, proactive risk management, digital reporting, comprehensive trainings and our well being focused approach, we manage workplace risk assessments, health surveillance, committee processes, incident management, and subcontractor and supplier audits through our 32 person OHS team.

We update our OHS practices in line with technological and scientific developments, and we conduct systematic and proactive risk assessments supported by field observations, digital notifications and action tracking. Performance data, KPIs and trend analyses are regularly evaluated by senior management through annual Management Review Meetings, internal audits, monthly accident analyses and High Potential Incident (HIPO) bulletins.



SUMMARY OF OHS 2025 IN NUMBERS

OHS INSPECTIONS
2,580
All airport field, unit, supplier, and hotel inspections

OHS TRAININGS
60,580
Person hour training

EMPLOYEE NOTIFICATIONS
93
Near Miss & Unsafe Behaviors-Situations

HEALTH SURVEILLANCE
3,552
Return to work and periodic health examinations

HEALTH&WELLNESS PROGRAMS
25
Employee health focused seminars, webinars, events, and practices

CORRECTIVE& IMPROVEMENT ACTIONS
626
Instant actions taken in the field and Corrective Action Requests (CARs)

Employee participation is one of the fundamental elements of our OHS culture. The seven OHS Committees, consisting of 72 employee representatives, convene every two months to evaluate risks and opportunities for improvement. Notifications are supported through digital and physical channels; submitted issues are analyzed, preventive actions are implemented and employees who report them are acknowledged. Awareness activities, OHS Weeks, reward mechanisms and the contributions of “OHS Volunteers” strengthen

employee engagement. Internal communication channels, including Corporate TV and the PiN mobile application, enable critical OHS information to be effectively communicated to broad audiences.

Training is an indispensable part of our approach. In 2025, On the Job OHS Trainings were delivered to 2,252 employees; across 681 sessions, a total of 6,162 person hours of training were conducted under 22 topics. Emergency drills, including fire, evacuation, post accident

response and first aid, are carried out regularly across all shifts, and findings from these drills guide monthly risk assessment updates. We also receive expert consultancy services in areas such as explosion protection, hazardous materials safety and fire safety.

By regularly auditing contracted hotels, including layover facilities, we assess fire safety and emergency preparedness. The OHS performance of suppliers is monitored through quarterly KPI reporting and audited within the

scope of the OHS standards applied to our business partners; in 2025, 33 supplier audits were conducted. Temporary workers and visitors operate within defined procedures that ensure their health and safety; suppliers working in critical processes are required to upload all necessary documents to the Airflow system and obtain OHS approval before entering operational areas.



Employee Health and Well Being

We do not consider occupational health and safety as limited solely to the management of physical risks; instead, we adopt a holistic health and well being approach that encompasses the physical, mental and social well being of our employees. In this context, we organize seminars, talks and workshops with the participation of experts from our contracted hospitals, and we provide support in areas of need through training and awareness programs.

The Flexible and Hybrid Working Model supports the mental, physical and social well being of employees while strengthening work–life balance, offering a sustainable structure that combines office and remote work in a harmonious way. Through this model, employees are able to manage their focus, productivity and social interaction needs more effectively.

Workplace physicians and health professionals regularly monitor employee health; provide early diagnosis and preventive health services; conduct return to work examinations for long term absences and post accident processes; and perform digital health monitoring via the IRONIC system. By analyzing infirmity visits, types of illnesses and occupational risk indicators, OHS and well being action plans are established, and preventive health programs are implemented in line with annual targets and performance indicators.

Employee safety is supported through periodic screenings, occupational hygiene and environmental measurements, fitness for duty assessments, health inspections, and alcohol and psychoactive substance controls; 24/7 infirmary services are provided at airports through contracted hospitals. The Digital Workplace Doctor Appointment System improves service efficiency.

Within the scope of the health and well being initiatives launched in 2024, numerous seminars, webinars and events were organized, including the “Earthquake Seminar” conducted with the contribution of Prof. Dr. Naci Görür during Earthquake Week (1–7 March) to increase scientific awareness.

Occupational Health and Safety Week (4–10 May) was celebrated with an OHS Festival featuring activities such as body mass index measurements conducted with a dietitian, knowledge competitions, team games, sensory activities and virtual reality simulations.

To support physical, mental and social well being, collaborations were established with healthcare institutions and experts; and in 2025, 25 different well being initiatives were implemented to strengthen employees’ overall well being.

Occupational Health and Safety Trainings

Training title	Number of Participants			
	2022	2023	2024	2025
Basic Occupational Health and Safety Training	3,660	3,732	4,004	4,560
Pre-employment OHS Training	19	156	295	801 (OHS) + 1.327 (Units)
On-the-Job Training (Toolbox)	17,153	21,038	24,412	27,550
Search-Rescue-Firefighting-First Aid Training	92	160	227	301

Occupational Health and Safety Data

İş Sağlığı ve Güvenliği Tanımı	Employee Data			Subcontractor Data		
	2023	2024	2025	2023	2024	2025
Accident Frequency Rate*	33.97	34.02	30.90	-	-	-
Accident Severity Rate**	64.67	61.37	51.14	-	-	-
Lost Time Accident Frequency Rate***	12.49	12.58	8.22	-	-	-
Number of Occupational Dis-eases****	2	1	0	0	0	0
Number of Near Miss Reports	95	100	93	2	61	65
Total Number of Accidents	549	630	620	5	549	885
Total Number of Fatal Accidents	0	0	0	0	0	0
Total Number of Lost Workdays	1,045	1,137	1,026	1	1,416	1,845
Total Number of OHS Inspections (All Airports)	1,704	2,161	2,580	588	-	-
Total Number of OHS Inspections (Suppliers)	6	11	32	-	-	-
OHS Committee Meetings	42	48	48	10	139	208

* Accident Frequency Rate: Number of accidents / Total working hours * 1,000,000

** Accident Severity Rate: Number of lost days / Total working hours * 1,000,000

*** Lost-Time Injury Frequency Rate: Number of lost time accidents / Total working hours * 1,000,000

**** The primary type of work related illness is musculoskeletal disorders.



2.5. Our Technology and Innovation-Oriented Business Perspective

As Pegasus Airlines, we view technology and innovation across all corporate, commercial and operational areas not merely as tools that enhance efficiency, but as strategic levers that enable sustainable growth. Guided by the needs of our business units and the direction of our information technologies organization, we systematically evaluate the areas in which technology can create value and implement feasible and measurable solutions. We position technology as a foundational element that brings speed to our processes, accuracy to our decisions, and efficiency to our operations; and we aim for every digital value we create to contribute to guest experience, employee productivity and operational sustainability.

2.5.1. Our Innovative Mindset

As Pegasus, we view technology not as a supportive function but as a strategic element that transforms our way of doing business, our organizational capabilities and the guest experience. We position ourselves as a “Digital Airline” and advance with the goal of being permanently among the top 3 airlines in the world that use technology most effectively.

In line with this vision;

- We prioritize offering our guests a more personalized, accessible and self managed travel experience,
- Creating an easier, faster and data supported working environment for our employees,
- Strengthening safety, efficiency and cost discipline simultaneously in our operational processes.

The innovative and entrepreneurial approach we have maintained since 2005 has today evolved into an institutionalized technology and innovation model.

As of 2025, our technology and innovation efforts are managed with clear governance structures, measurement mechanisms and corporate ownership models spanning from ideation to implementation and from implementation to scaling.

Pegasus Artificial Intelligence Strategy



Our Goal:

To increase our operational efficiency with artificial intelligence–supported solutions, to offer our guests a personal and easy travel experience at optimal costs, and to enable our employees to focus on value added work.

The FlyGPT Program, which we launched in 2024, has become, as of 2025, not only a project based initiative but a permanent transformation capability that extends across the entire organization at Pegasus. FlyGPT is positioned as a holistic umbrella program that addresses technology development, employee awareness,

capability building and cultural transformation together. Within the scope of the program:

- More than 8,000 employees have been supported with artificial intelligence awareness and usage trainings,
- Special leadership and decision support trainings have been carried out for managers including senior management,
- The dissemination of artificial intelligence across the field has been accelerated through the Technologist and Innovator communities.

As of 2025, FlyGPT has evolved from a structure focused on idea collection and POC into a transformation platform where scalable, production ready and operationally impactful artificial intelligence solutions are developed.

FlyGPT projects are structured under three main strategic focuses:

- 1. Operational Efficiency and Cost Optimization:** Artificial intelligence-supported systems that end to end optimize operational processes.
- 2. Enriching the Guest Experience with Artificial Intelligence:** Delivering personal, fast, and self managed digital travel experiences.
- 3. New Generation Digital Work Companions for Employees:** Increasing employees’ decision making and productivity capacity through artificial intelligence–supported assistants.

The Technologist community, which is one of

the key building blocks of FlyGPT, assumes local leadership of artificial intelligence transformation across different business units; and plays a critical role in accurately identifying needs, ensuring the adoption of solutions and supporting their widespread implementation.

As of 2025, in order to support the sustainable and secure scaling of artificial intelligence applications at Pegasus, the Artificial Intelligence Governance approach has been addressed within a corporate structure. AI solutions are systematically evaluated from the perspectives of ethics, security, risk management, architectural alignment and model lifecycle, and are managed through corporate standards, including hallucination risk and model retirement processes. This structure ensures transparency and operational continuity in the use of artificial intelligence while supporting long term corporate value creation.



2.5.2. Operational Efficiency

The sustainability of our low cost business model is based not only on having a modern and efficient fleet, but on operating this fleet with a lean, data driven and technology supported operational management approach.

With the strong support of our Board of Directors and senior management; the digital and operational improvement initiatives carried out under the leadership of our operational teams, coordinated by our Cost Control and Analysis Team, and in collaboration with our support functions, continued to deliver tangible efficiency and cost savings in 2025.

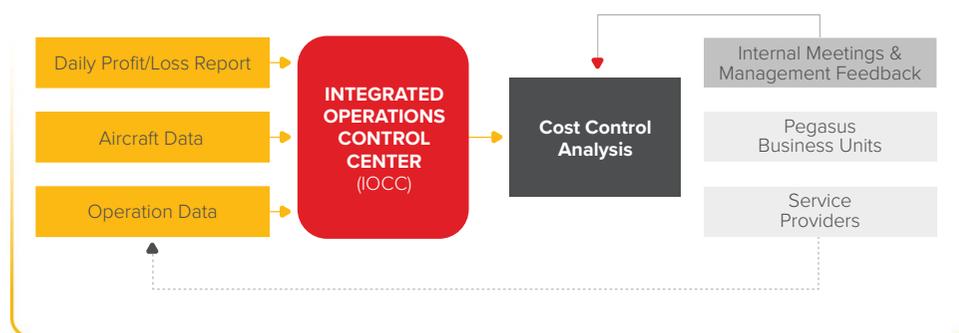
These initiatives are addressed in a holistic manner within the framework of our Digital Airline vision, our environmental sustainability targets, and our safety and operational excellence approach.

Examples of Our Lean & Efficient Operation Practices

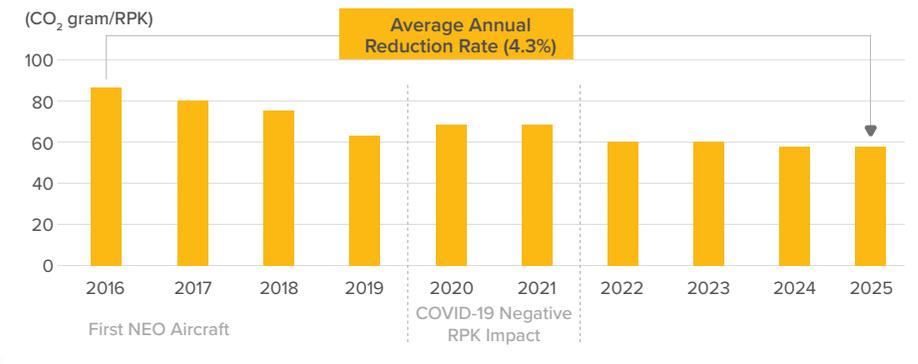
- Airbus NEO Fleet Investment
- Investment Flight Altitude Optimization
- Electronic Flight Bag (EFB) & Paperless Cockpit
- Auxiliary Power Unit (APU) Usage Optimization
- Artificial Intelligence Supported Inflight Catering Optimization
- Internet of Things (IoT) Optimization in Airport Ground Operations
- Terminal Optimization Applications (Express Baggage Kiosks, ID Card Travel, Check-in Optimization)



Our Approach to Developing a Lean & Efficient Operation



Increased Fuel Efficiency & Reduced Emission Intensity



2.5.3. Innovation

Pegasus Innovation Lab, which we established in Silicon Valley at the end of 2023, has become a strategic center representing Pegasus's global innovation vision as of 2025. Innovation Lab operates as a multi layered ecosystem aiming to generate value together with startups, universities, technology companies and industry stakeholders.

Within this scope:

- Contact has been established with hundreds of global startups,
- POC and go live processes have been completed with selected startups,
- Pioneering applications in the areas of artificial intelligence, digital identity, operational optimization and guest experience have been implemented.

At the same time, long term academic collaborations are being carried out with leading universities around the world on flight optimization, sustainability, pilot training and artificial intelligence applications.

Within Pegasus Innovation Lab, the foundations

of collaboration models aimed at solving the common technological challenges of the industry have been established together with various low cost airlines. This approach aims not only to compete, but to collectively shape the future of the aviation industry.

On the internal side, through the Innovators model, we support the active participation of our employees in innovation processes and bring together internal needs with the external technology ecosystem through agile teams.

As of 2025, the priority focus areas of Pegasus Innovation Lab include:

- Artificial intelligence supported flight disruption management,
- Revenue and pricing optimization,
- Digital passenger identity and identity verification solutions,
- Next generation loyalty and personalization platforms.

Pegasus Innovation Lab is positioned as a strategic innovation platform that aims to shape not only the future of Pegasus, but also the future of the aviation industry.

PEGASUS INNOVATION LAB



INNOVATION FUNNEL

We have reached out to 620+ startups, introduced 157 of them Pegasus teams, conducted 59 PoCs, launched 4 projects/features, and identified 5 investment opportunities.

3 APPENDICES

ABBREVIATIONS AND DEFINITIONS

AB: European Union

ABD: United States of America

AI (Artificial Intelligence): Artificial Intelligence

Board: Pegasus Airlines Board of Directors

ASK: Available Seat Kilometer

BIST: Borsa Istanbul

UN SDG or SDG: United Nations Sustainable Development Goals

CASK (Cost per Available Seat Kilometer): Arz Edilen Koltuk Kilometre Başına Birim Maliyet

CDP: Carbon Disclosure Project

CO₂: Carbon Dioxide

CO₂e: Carbon Dioxide Equivalent

CORSIA: Carbon Offsetting and Reduction Scheme for International Aviation

COVID 19: Coronavirus Disease 2019

DHMI: General Directorate of State Airports Authority

EASA: European Union Aviation Safety Agency

EBITDA: Earnings Before Interest, Tax, Depreciation & Amortization

EBITDA %: EBITDA margin

EFB: Electronic Flight Bag

Esas Holding: Esas Holding A.Ş.

ESG: Environment, Social, Governance

EU ETS: European Union Emissions Trading System

GDPR: General Data Protection Regulation

GRI: Global Reporting Initiative

HEAŞ: Airport Operation and Aviation Industries Inc.

Hitit: Hitit Computer Services Inc.

I REC: International Renewable Energy Certificate

IATA: International Air Transport Association

ICAO: International Civil Aviation Organization

IEA: International Energy Agency

IOCC: Integrated Operations Control Center

IOSA: IATA Operational Safety Audit

IPCC: Intergovernmental Panel on Climate Change

ISO: International Organization for Standardization

KPI: Key Performance Indicator

KGK: Public Oversight, Accounting and Auditing Standards Authority

KVKK: Personal Data Protection Law (Türkiye)

LC (Low Cost) or LCC (Low Cost Carrier): Low Cost or Low Cost Carrier business model

LCAF: Low Carbon Aviation Fuels that have a lower carbon footprint than conventional Jet A 1 fuels but are not classified as SAF

LTAG (Long Term Aspirational Goal): Declaration supporting the 2050 net zero carbon emissions target for international aviation adopted during ICAO's 41st General Assembly

NOx: Nitrogen Oxides

PAPS: Pegasus Airlines Peer Support Program

Paris Agreement: Paris Agreement

Pegasus: Pegasus Airlines Inc.

Pegasus Airlines Ventures LP: Pegasus Airlines Ventures Limited Partnership

Pegasus Europe B.V.: Pegasus Europe Besloten Vennootschap

Pegasus Innovation Lab or Innovation Lab: Pegasus Airlines Innovation Lab, Inc.

Pegasus BolBol: Pegasus Airlines Passenger Loyalty Program

PHT: Pegasus Aviation Technologies and Trade Inc.

Report and Sustainability Report: Pegasus 2024 Sustainability Report

ReFuelEU: Regulation (EU) 2023/2405 of the European Parliament and of the Council of 18 October 2023 on ensuring a level playing field for sustainable air transport (ReFuelEU Aviation)

CASK: Cost per Available Seat Kilometer

R&D: Research and Development

RPK: Revenue Passenger Kilometer

SAF: Sustainable Aviation Fuels

SAFA: Safety Assessment of Foreign Aircraft

SAW: Istanbul Sabiha Gökçen International Airport

SEA: Supplier Engagement Assessment

SHGM: Directorate General of Civil Aviation

SHT-SAF: Instruction establishing the principles regarding the standards that sustainable aviation fuels must comply with, their mandatory use, and the incentives applicable for reducing greenhouse gas emissions arising from international aviation activities.

SPK: Capital Markets Board

T.C.: Republic of Türkiye

TCO: Third Country Operator

TFRS: Turkish Financial Reporting Standards

TOBB: Union of Chambers and Commodity Exchanges of Türkiye

TÖSHİD: Association of Turkish Private Aviation Enterprises

TSAA: Türkiye Sustainable Aviation Platform

TSRS: Türkiye Sustainability Reporting Standards

UNGC: United Nations Global Compact

YEK G: Renewable Energy Guarantee of Origin System

WEP or UN WEP: United Nations Women's Empowerment Principles

OUR VALUE MODEL

Explanations

Our Aim of Being

To be a leading low-cost carrier offering a safe and easy travel experience at affordable prices.

Our Corporate Strategy

Safe and Secure Travel Experience: This is one of the key pillars of our strategy. Our Company prioritizes the necessary investments and develops human resources accordingly, embracing safety management as a core responsibility. Continuously improving flight safety to ensure our passengers reach their

destinations securely is the primary assurance of our operating model, strategic roadmap, and sustainability.

Financial Resilience: Ensuring business continuity through optimal unit cost, strong cash position, and sustainable profitability. It is a critical prerequisite for the Company's growth, long-term value creation, and sustainability efforts.

Operational Efficiency: With our next-generation aircraft fleet, operational efficiency means using technological infrastructure and resources at the right time and in the right place. It is a critical goal for efficient resource use from a sustainability perspective.

Guest Experience: It plays a crucial role in realizing our growth potential. Passenger satisfaction creates value for us by positively influencing travel choices and word-of-mouth

recommendations. A strong guest experience supports both economic and social sustainability and directly impacts our corporate reputation. At Pegasus Airlines, we closely monitor guest expectations and needs through strong communication.

Growth with Next-Generation Aircraft:

Our Company aims to grow with one of the youngest fleets in Türkiye and globally. By expanding our flight network and increasing flight frequencies to current destinations, we improve the passenger experience and increase passenger numbers with our young and efficient fleet. This growth, supported by digital services and technological opportunities, contributes to our sustainability goals by better managing environmental and social impacts.

Employee Experience: We achieve success with our employees. Employee experience is a critical element that enables our Company

to operate innovatively, effectively, and efficiently. We focus on strengthening employee satisfaction and engagement by prioritizing equality, inclusiveness, fair treatment, career opportunities, developmental support, competitive compensation, and a safe working environment. A strong employee experience is a fundamental part of our sustainability approach and the uninterrupted execution of our operations.

Digitalization: Digitalization is a priority in the efficient and effective execution of our operations and will play a critical role in the future of aviation. Digital processes, data-driven decision-making, flight safety, automation, artificial intelligence, and Internet of Things (IoT) applications enhance efficiency, employee and guest satisfaction, effective use of natural resources, and create a competitive advantage. Digitalization also supports the development and dissemination of sustainability practices in a data-driven manner.

Our Corporate Values

Innovation: We didn't start aviation in Türkiye, but we changed it! And we continue to change it! We improve our processes with innovative solutions by following employee suggestions and sectoral developments, enhancing operational efficiency and experiences.

People-Oriented Approach: People are always at the heart of our work. Through technological investments, we offer our guests economical, safe, and easy transportation and focus on improving both employee and guest experiences.

Result-Oriented: We assess our goals using clear, measurable, and trackable methods, making revisions when needed and regularly evaluating our performance.

Competitiveness: We maintain our competitive advantage in the industry by increasing process efficiency and service quality, pioneering innovations, and closely following sectoral developments.

Effectiveness and Efficiency: We operate with a low-cost business model to make air travel more accessible, prioritizing efficiency and effectiveness in all our processes. Our sustainability perspective is an integral part of our strategy and values.



Inputs and Outputs of Our Business Model

In our business model, we focus not only on continuously improving our business performance but also on enhancing the value we create. Through our integrated thinking approach, we utilize our six capitals in the most effective way, guided by our purpose, values, and strategy to transform them into “value.” The core components of the six capitals we use to implement our business model are explained in the table below.

Natural Capital

In 2025, we consumed **1.2 million tons** of Jet A1 fuel for our flights. Jet A1 accounted for **77.3%** of our Scope 1, 2, and 3 emissions in 2025. In 2025, we consumed **6,169 MWh** of electricity and **550 thousand m³** of natural gas at our headquarters in Istanbul and across our operations at airports in Ankara, Çukurova, Antalya, Bodrum, Dalaman, Istanbul Sabiha Gökçen, Izmir, Kayseri, Trabzon and Innovation Lab located in Silicon Valley. Our Scope 2 consumption accounted for **0.09%** of our total Scope 1, 2, and 3 emissions.

Our total Scope 1, Scope 2, and measured Scope 3 emissions resulting from our 2025 activities amounted to **4,979,468 tons of CO₂e**. Scope 3 activities measured include employee commuting and business travel, purchased services/ expenses, and waste-related emissions.

In 2025, a total of 104 tons of hazardous waste and 230.7 tons of non-hazardous waste were separated, collected, and mostly recycled. The Recovery & Recycling Rate of waste from ground services, technical and administrative operations reached 99.74% in 2025.

Human Capital

By the end of 2025, the total number of full-time employees at our company and its subsidiaries reached **9,255**.

Intellectual Capital

We pioneered the low-cost airline business model in Türkiye in **2005**, introducing many innovations.

In achieving this, we leverage our intellectual capital, an accumulation of our strategic approach, business model, and corporate values. We use this capital to advance corporate goals and create a broader positive impact on our sector and society through stakeholder collaboration. We support this intellectual growth by ensuring the personal and professional development of our employees.

We operate in a sector where competency holds great importance. In addition to holding undergraduate, graduate, or higher-level academic degrees, our employees possess specialized competency certificates that qualify them to perform specific professions or certify particular expertise. As of the end of 2025, the number of such competency certificates held by pilots, cabin crew, technicians, and dispatchers alone exceeded **5,000**.

In 2025, our employees continued to take active roles at board and advisory levels in sectoral organizations such as IATA and development focused platforms such as UNGC.

We take great care in protecting our corporate image and brands. As of the end of 2025, we hold **493 registrations in 183 country** across trademarks, industrial designs, and software. Most of our registrations relate to commercial trademarks. In addition, our company benefits from licensed products and specific areas of expertise and know-how through agreements with business partners and suppliers.

Social Capital

In 2025, we served approximately **43.3 million** guests.

During the same period, we operated a network covering **158** destinations across **55** countries, including **39** domestic and **119** international routes to/from Türkiye. By the end of 2025, our loyalty program Pegasus BolBol reached 5,055,990 guests.

Financial Capital

According to our financial statements prepared under TFRS, our total assets stood at **EUR 8.1 billion** and our equity at **EUR 2 billion** as of the end of 2025. Our operational profitability (EBITDA margin) reached **24.6%** in 2025, one of the highest in the industry. Our unit cost indicator, ex-fuel **CASK**, was **2.69 €/cent**.

Our net debt stood at EUR 2.9 billion at the end of 2025, Our net cash reserves were EUR 597 million, and total cash resources reached EUR 1.6 billion.

Manufactured Capital

By the end of 2025, our fleet included **127** aircraft, which constitutes our largest asset group. Among these, 66 are Airbus A321neo and 46 are A320neo, meaning **88.2%** of our fleet comprises next-generation neo aircraft. With an average fleet age of **5.1 years**, we closed 2025 as the airline with the newest fleet in Türkiye and Europe and the second youngest fleet globally. The share of seat capacity provided by neo aircraft reached 90% in 2025. Compared to 2024, our carbon emissions intensity per revenue passenger kilometer (measured in grams of CO₂) decreased by **2.4%** in 2025.

To ensure timely and high-quality execution of our flight operations, we have been handling terminal and ramp ground services at our main hub, Istanbul Sabiha Gökçen Airport, since 2013 and 2016, respectively.

We also perform terminal ground services at Izmir Adnan Menderes Airport using our own resources. As of the end of 2025, we operated over 1,000 pieces of ground support equipment and vehicles at Istanbul Sabiha Gökçen Airport, 331 of which were motorized. Of these, **23.3%** were electric-powered.

* Aksi belirtilmedikçe rakamlar 2024 yılı sonuçlarını göstermektedir.

We leverage the six capitals we use to implement our business model to produce the following outcomes:

OUTCOME	IMPORTANCE
<p>500+ flights on average per day and 43.3 million passengers a year</p>	<p>Through our low-cost business model, we make air travel more accessible to a broader audience. We connect more destinations across Türkiye, Europe, Asia, the Middle East, and North Africa. The success of our business model and our contribution to the economy continue to grow with the increasing number of guests who choose to fly with us each year. In 2025, we operated our flights with a passenger load factor of 87.7%. Our annual passenger numbers grew by an average of 17.1% between 2022–2025.</p>
<p>Flight Network Connecting 50+ Countries and 150+ Destinations Across Three Continents</p>	<p>We offer frequent, point-to-point, and transit flights on short- and medium-haul routes across our domestic and international network. As of 31 December 2025, we provided scheduled services to 39 destinations in Türkiye and 119 international destinations across Europe, Northern Cyprus, the Commonwealth of Independent States, the Middle East, and Africa, reaching a total network of 158 destinations in 55 countries.</p>
<p>Employment (9.000+)</p>	<p>The growth in our fleet, capacity, and guest numbers directly translates into expansion in our workforce. We currently employ a total of 9,255 people. With the expansion of our fleet in 2025 and beyond, we anticipate a significant increase in employee numbers. Through benefits for our employees and their families, development opportunities, and internship programs, we also create economic value for our value chain partners.</p>
<p>On-Time Performance (%72.4 On-Time Departures)</p>	<p>We strive to maintain our operations as planned and punctually under all circumstances. In 2025, our on-time departure performance was 72.4%. This performance helps us maintain a competitive advantage.</p>
<p>Industry-Leading Unit Cost (CASK 2.69 €/cent)</p>	<p>We are among the leading airline operators in terms of unit cost by effectively managing capacity utilization, operational efficiency, and cost control. By maintaining our ex-fuel unit cost (CASK) at low levels, we uphold our leadership in operational efficiency within the industry. Our goal is to provide affordable air travel to all our guests.</p>
<p>Industry-Leading Operational Profitability (EBITDA Margin 24.6%)</p>	<p>We maintain our leadership position in the industry with a low-cost business model and strong financial management strategies to ensure operational profitability. We continue to keep our EBITDA margins at top levels. Operational profitability plays a key role in financial sustainability through its impact on net income and the reinvestment of value generated from operations into company growth.</p>
<p>Industry-Leading Emission Intensity Performance (56.9 CO₂/RPK)</p>	<p>Jet fuel is the largest cost item for airlines, often accounting for one-third or more of total expenses. Therefore, reducing fuel consumption is a core element of the business model, especially for low-cost carriers. Less fuel consumption directly reduces carbon emissions. Next-generation aircraft offering up to 20% fuel savings, high load factors, and applications such as weight and route optimization all contribute to emission efficiency. With increased use of Sustainable Aviation Fuel (SAF) in the future, further emission reductions are expected.</p>



In Conclusion: Our Contribution to Sustainable Development and the Value We Create

In line with our strategies and sustainability approach, we have aligned our business model with the United Nations Sustainable Development Goals (SDGs). Through this alignment, we aim to monitor the contribution of the value we generate to the SDGs we focus on and to ensure continuous improvement in this area. We plan our efforts based on a model associated with **three main pillars and 12 SDGs, measure our impact**, and focus on enhancing our contribution.



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS

POSITIVE IMPACT & VALUE THROUGH BEST GOVERNANCE PRACTICES AND STAKEHOLDER COLLABORATION



3 GOOD HEALTH AND WELL-BEING



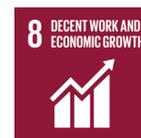
4 QUALITY EDUCATION



5 GENDER EQUALITY



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH

DECENT WORK IN A DIVERSE, EQUAL & INCLUSIVE ENVIRONMENT



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION

SUSTAINABLE ECONOMIC GROWTH & CONNECTIVITY

SDG How Do We Contribute, Monitor, and Measure?

Sustainable Economic Growth & Connectivity



We increase the efficiency of our processes through innovative approaches and improve our environmental impact through digitalization. As Türkiye's "Digital Airline," we integrate our technologies into our processes. We utilize technological developments to improve the lives of our passengers and employees. We measure our effectiveness through digitalization and innovation initiatives that go beyond our own operations and impact the entire travel experience.



We enable access to air travel for broader segments of society at affordable costs. We believe everyone has the right to fly and design our low-cost business model to ensure this. We offer accessible air travel to all our passengers who transform Türkiye's aviation with us. Our wide range of services and affordable pricing are monitored annually through metrics such as the number of passengers served and network expansion.



We support economic, cultural, educational, and healthcare access through cities connected by air travel. Unlike other low-cost carriers, we provide a broad flight network to our passengers. As of the end of 2025, we connected 39 domestic and 119 international destinations in 55 countries, totaling 158 destinations.



Our model prioritizes limited consumption aligned with operational needs. We offer our guests a service and product range based on freedom of choice. We prevent waste formation, recycle and reuse efficiently. In particular, through our efforts to prevent waste generation on board, promote reuse, and separately collect recyclable packaging waste, we contribute to minimizing negative environmental impacts. We evaluate environmental impact dimensions across all our processes. We carry out the necessary preventive and corrective actions. We continue our efforts to apply this perspective throughout our entire supply chain.



We have renewed our fleet with next-generation aircraft and expanded the use of sustainable aviation fuels to enhance operational efficiency. Our 2023 Climate Change Roadmap outlines our strategies to meet the Net Zero Carbon Emissions goal by 2050. We transparently share our climate risk and opportunity assessment, which we published for the first time in 2024 together with TSRS, by updating it in 2025 and aligning it with our 2050 target. In line with these plans and assessments, we make investments and implement various practices to reduce our emissions and support the fight against climate change. We contribute directly, or through sector representatives, to national and international legislation, research efforts, and impact analysis studies. We consider technological developments, alternative fuels, and sustainable energy sources as significant opportunities. We have been measuring our greenhouse gas emissions since 2015 and publishing them on the CDP platform.

SDG How Do We Contribute, Monitor, and Measure?

Decent Work in a Diverse, Equal and Inclusive Environment



To increase our employees' health awareness, we support early diagnosis and preventive health approaches by organizing cancer awareness, heart health and longevity focused seminars and events throughout the year, including the HPV Awareness Seminar in particular. Through our hybrid working model, we develop practices that strengthen work-life balance, psychological resilience, mental health and overall well being. As part of No Smoking Day, we encourage the reduction of tobacco use through carbon monoxide measurements, "Clean Breath" awareness initiatives and smoke free workplace practices. Additionally, we facilitate our employees' access to healthcare services through private health agreements, in house health screenings and hospital partnerships, while supporting early diagnosis through eye, skin and spinal screenings. We regularly monitor the effectiveness of these efforts by tracking employee feedback and increases in benefit utilization.



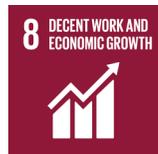
Through our scholarship and internship programs for young people, we support their education without any gender discrimination and contribute to developing qualified human resources for our industry. Through scholarships and internship programs, we support gender-neutral training and contribute to the development of a qualified workforce for the sector. We apply Pegasus' Education and Development Program for the personal and professional growth of our employees. In collaboration with universities and aviation schools, Pegasus Flight Academy coordinates long-term internship and graduate-level certification programs for pilots, cabin crew, and technicians. We also support MBA and equivalent postgraduate opportunities for employees.



We support gender equality and inclusivity through our Pegasus Harmony program, ensuring women are represented in our workforce. We work to increase the ratio of female employees in areas where women are underrepresented. We are the first airline to join the UN Women's Empowerment Principles (WEPs). Since 2019, we have supported IATA's "25by2025" initiative for gender equality. We share our progress through annual public reports. We take part in various non governmental organizations on gender equality. We share our work carried out under Pegasus Harmoni with the public through annual reports. Within the scope of UNGC Forward Faster, we have specified our focus under the "Gender Equality" core objective into two areas: ensuring equal representation of women and men, and providing equal pay for work of equal value.



We meet our energy needs with electricity generated from renewable energy sources, primarily at our headquarters and at our main operational base, Istanbul Sabiha Gökçen Airport. We aim to reduce fossil fuel consumption through technology and infrastructure investments. We obtain I-REC or YEK-G and REC certificates for our renewable energy investment related to electricity consumption. We are continuing our transition project to electric powered and renewable energy driven ground support equipment at our main operational base at Istanbul Sabiha Gökçen Airport. As of the end of 2025, 23.3% of the motorized ground support equipment we use at Istanbul Sabiha Gökçen Airport operates on electric power.



We provide a decent working environment, promote innovation, and grow by improving our operations. We ensure equal pay for equal work for employees under equivalent conditions. Through our fleet strategy and planning, as well as technology and infrastructure investments that reduce fossil fuel consumption, we adopt a growth model that is more environmentally and socially responsible. We place importance on creating a decent working environment through employee experience surveys and workplace actions that cover our ways of working, communication, processes, and collaboration. To achieve sustainable and profitable growth, we implement human resources practices that promote high performance aligned with Pegasus's long term goals and strategies.

Creating Positive Impact and Value through Best Governance Practices and Stakeholder Collaboration



We comply with good governance principles. Responsibility, transparency, accountability, anti corruption, inclusiveness, and participation constitute the foundation of our management approach. As a strong institution, we are committed to improving our governance practices in order to enhance our positive impact on our stakeholders and the value we create. Since 2013, our Company has been included in the BIST Corporate Governance Index, and with a compliance score of 98.2%, it was the company with the highest rating in the index in 2025.



We contribute to the development of our industry through collaborations. We also participate in initiatives established for the production of sustainable aviation fuel aimed at reducing the environmental impact of air transportation. We maintain continuous communication with all our stakeholders for development ideas and feedback. In 2025, we represented the aviation industry in numerous sectoral and economic organizations, primarily IATA, TSAA, HIB, and TOBB. In addition to these, we took part in initiatives such as UNGC, which aim to enhance the impact of the business world on social development. We play an active role particularly in working groups in Türkiye focused on energy transformation and the development of sustainable aviation fuels. We consider the outcomes of our efforts in this field as tools that create value and provide solutions on societal matters.

MATERIALITY MATRIX



When forming our strategies and conducting our long term planning, we assess the key risks and opportunities that affect our operations through a systematic approach. In this context, we developed our Materiality Matrix to ensure the prioritization of sustainability topics based on their impact on our business model, financial performance, and stakeholders.

As a result of the comprehensive analysis we carried out in 2023, we publicly disclosed our topics with a high level of materiality for the first time. In 2025, we reviewed and updated our work in line with stakeholder feedback, regulatory developments, and our updated company strategies.

This process was carried out through a holistic methodology encompassing current state analysis, sectoral benchmarking, stakeholder engagement, prioritization work, and senior management approval.

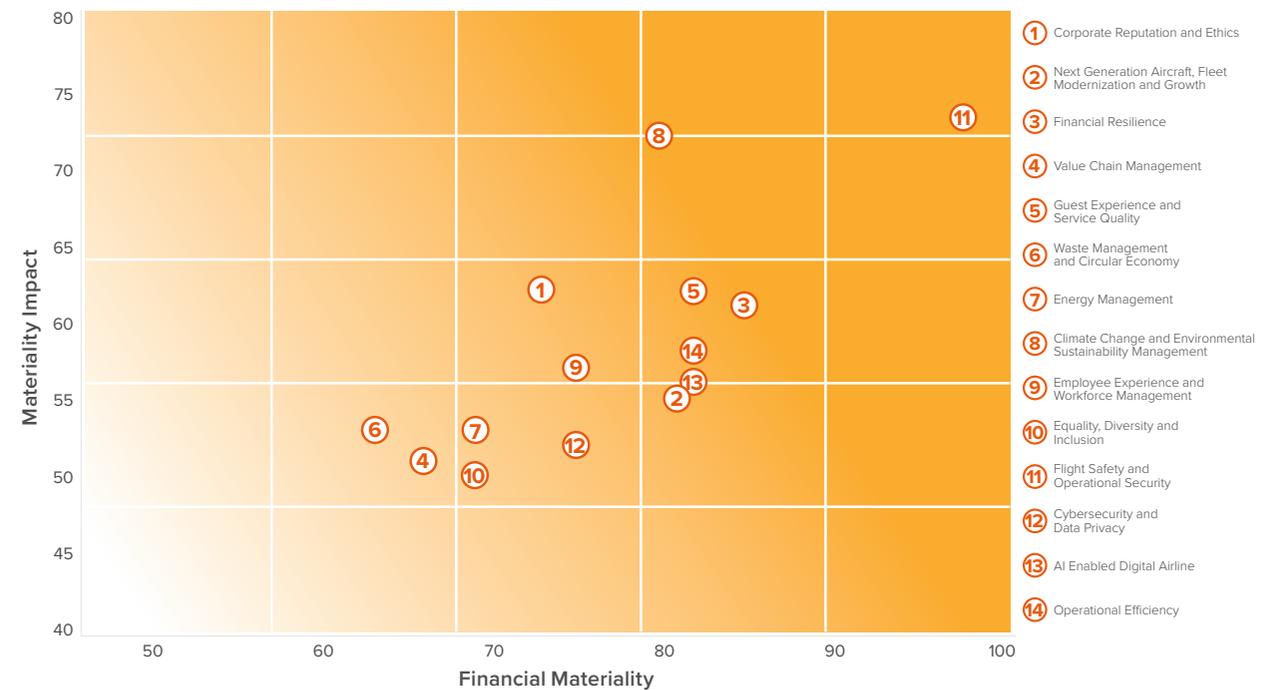
Within the scope of our materiality assessment:

- **State Analysis:** The material topics identified in the previous assessment were re-evaluated in line with national and international regulations, sectoral developments, and our updated corporate strategies.
- **Sector Research:** Our list of topics under environmental, social, and governance headings was updated by examining international sustainability standards, aviation industry practices, and best examples.
- **Stakeholder Engagement:** The updated topic areas were presented to our stakeholders, including senior management, employees, suppliers, investors, the public, and non governmental organizations, and feedback was collected through surveys.
- **Prioritization and Matrix Development:** The relative level of materiality of the topics was determined by jointly analyzing internal company assessments and stakeholder views, and our Materiality Matrix was created.

In the matrix, each sustainability topic was evaluated within the framework of:

- its financial, operational, and reputational impacts for our Company,
- its environmental, social, and economic impacts for our stakeholders.

In line with this approach, topics of high importance for both our Company and our stakeholders are addressed as material in our report and disclosed transparently.



Materiality Table

Score ≥70: Very High Priority Score ≥65: High Priority Score ≥57: Priority

Materialities	Score	Priority Level
Flight Safety and Operational Security	85	Very High Priority
Climate Change and Environmental Sustainability Management	75	Very High Priority
Financial Resilience	72	Very High Priority
Guest Experience and Service Quality	71	Very High Priority
Operational Efficiency	70	Very High Priority
AI Enabled Digital Airline	68	High Priority
Corporate Reputation and Ethics	67	High Priority
Next Generation Aircraft, Fleet Modernization and Growth	67	High Priority
Employee Experience and Workforce Management	66	High Priority
Cybersecurity and Data Privacy	63	Priority
Energy Management	61	Priority
Equality, Diversity and Inclusion	59	Priority
Value Chain Management	58	Priority
Waste Management and Circular Economy	57	Priority

Our Management Approach To Key Issues

KEY ISSUE	WHY IS IT IMPORTANT?	HOW DO WE MANAGE?
GROUP 1		
Flight Safety and Operational Security	Flight safety and security are primarily important to ensure the safety of both flight personnel and passengers and to ensure they reach their intended destinations. In addition, it is important for operational continuity, a good travel experience, and the reputation of the Company.	Flight safety and security are the most important topics for the aviation sector. Our Company's policies, strategic plan, and procedures relating to this area are implemented, measured, and audited in various ways throughout all stages of the operation. Based on the measurement and audit results, we take improvement actions.
Climate Change and Environmental Sustainability Management	Climate change is one of the most significant issues facing the world. Companies that fail to adapt to a low carbon economy will not be able to survive in the long term.	Taking climate change into account, we set our 2050 Net Zero Carbon Emissions target and created our roadmap describing how we plan to reach this target. With the aim of reducing our emissions intensity, we set our 2030 Emissions Intensity interim target, aiming to reduce carbon dioxide emissions per revenue passenger kilometre by 20% by 2030 compared to 2019. We are renewing our fleet with new and more efficient aircraft, adding more electric ground support vehicles, conducting energy efficiency initiatives, raising awareness among guests, offering emission offsetting options, and increasing the volume and airport coverage of sustainable aviation fuel use each year since 2022.
Financial Resilience	Financial resilience is important for the business continuity and profitability of our Company. Effective management of the balance sheet and careful monitoring of the cash position ensure the continuity of the Company.	Our Company is among the leading companies in the sector in recent years in terms of unit cost (CASK excluding fuel) and operational profitability (EBITDA %). We focus on cash generation and monitoring the cash balance. We manage financial risks, particularly fuel price risk, using hedging transactions where necessary.
Guest Experience and Service Quality	A strong customer experience is highly important for building a loyal customer base and for customers recommending us within their networks.	We strive to deliver a strong customer experience by enabling our guests to personalize their flights, providing in flight services, ensuring strong on time performance, and offering solutions that facilitate post flight stages of their journeys.
Operational Efficiency	Operational efficiency is important for managing our costs and for using our fleet and personnel effectively.	Planning plays a very important role in our business model. Our competence in this area enables us to operate effectively and to produce rapid solutions to emergencies that arise.

Our Management Approach To Key Issues

KEY ISSUE	WHY IS IT IMPORTANT?	HOW DO WE MANAGE?
GROUP 2		
AI Enabled Digital Airline	The aviation sector is one of the areas where digitalization is spreading the fastest. Digital transformation is critically important for improving operational efficiency, supporting flight safety and security, developing data driven decision making processes, and enhancing passenger experience. Increasing operational volume and complexity make data analytics and AI based solutions a strategic necessity.	With our “Türkiye’s Digital Airline” approach, we have prioritized technology investments for many years. Working in collaboration with our expert teams and subsidiaries, we develop digital solutions and, through the subsidiary we established in Silicon Valley, USA in 2023, we strengthen our global capabilities in this field. By implementing AI applications across many areas from operations planning to maintenance processes, from customer services to revenue management, we continuously enhance our process efficiency and service quality.
Corporate Reputation and Ethics	Corporate reputation positively influences the Company’s competitiveness, its ability to attract talent, customer loyalty, and stakeholder trust.	We place importance on guest, supplier, investor, and employee satisfaction and carry out the necessary work in this regard. We aim to be transparent and accountable, thereby ensuring strong engagement with our stakeholders.
Next Generation Aircraft, Fleet Modernization and Growth	Growth with next generation aircraft is important for the efficient operation of our Company, for strengthening customer experience with the newest technology aircraft, and for combating climate change.	We place importance on continuing our operations with a next generation fleet. As of the end of 2024, we operate a fleet with an average age of 5.1 years. This fleet is Türkiye’s youngest and among the youngest in the world. We meet our aircraft needs arising from our growing operational volume with next generation aircraft. In this way, while our operations grow, we keep our carbon footprint, operational efficiency, and costs under control.
Employee Experience and Workforce Management	We implement leading employee experience practices for our employees. In this way, by increasing our employees’ motivation, we take strong steps toward productivity and innovation.	We aim to be a company where everyone wants to work. To improve the experiences of our employees, we place importance on working conditions, career and development opportunities, engagement, and satisfaction.

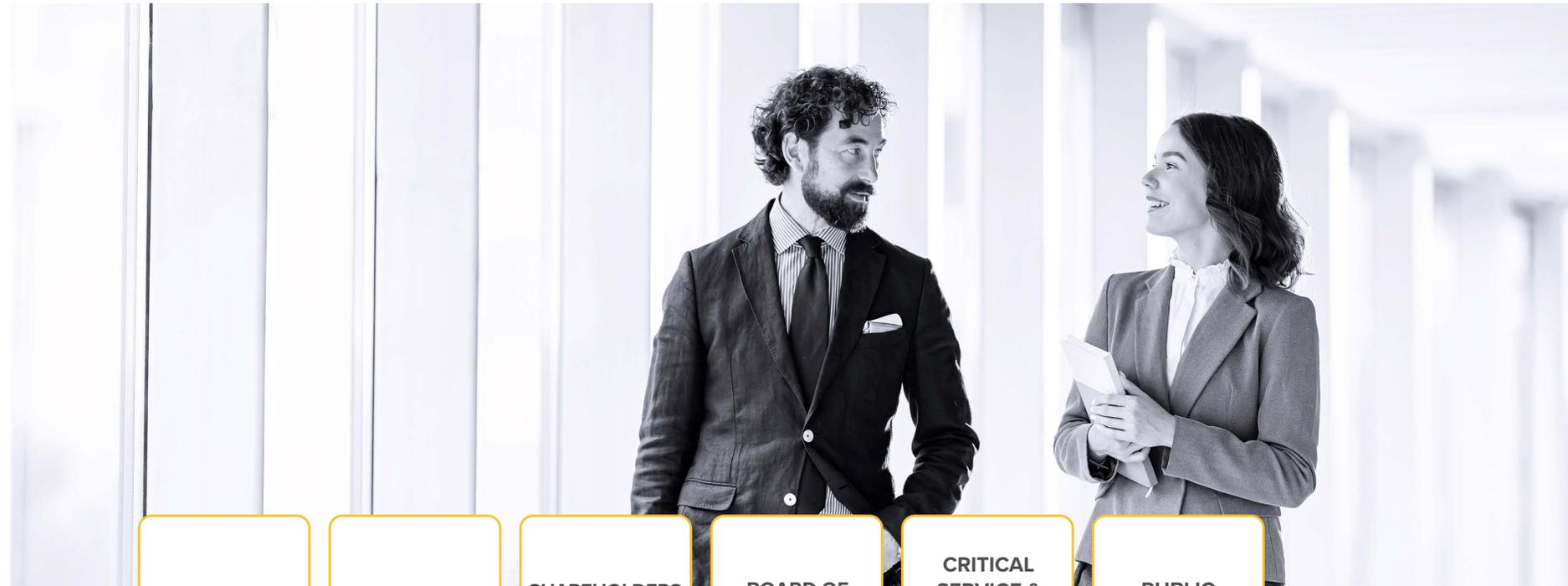
Our Management Approach To Key Issues

KEY ISSUE	WHY IS IT IMPORTANT?	HOW DO WE MANAGE?
GROUP 3		
Cybersecurity and Data Privacy	Cybersecurity is one of the most important issues of today. It is essential for ensuring the continuity of operations, preventing flight disruptions, and ensuring the privacy and security of passenger data.	We identify and manage risks that may threaten the confidentiality, integrity, and availability of our information assets. All these activities are carried out in accordance with regulations and globally adopted standards. We hold the ISO 27001:2017 certification. In addition, using international standards such as COBIT 4.0, ISF (The Standard of Good Practice for Information Security), and the NIST Cybersecurity Framework, we determine and monitor our Information Security Maturity level.
Energy Management	Energy management is one of the fundamental elements of our operational efficiency, cost control, and climate change mitigation strategy. While fuel consumption constitutes our largest energy input in airline operations, our ground operations and technical activities also affect our energy performance. Increasing carbon costs and regulatory obligations make energy efficiency financially critical.	We focus on increasing fuel efficiency in our operations and reduce our energy intensity through fleet modernization, route optimization, and operational improvement practices. We monitor energy consumption in our ground operations and develop efficiency projects. In this way, despite our growing operational volume, we manage our energy use and associated emissions in a controlled manner.
Equality, Diversity and Inclusion	At Pegasus, there is a culture that believes in inclusiveness, equality, and diversity and aims to foster all of these. We know that a better future arises from the unity of different voices. The strength to enrich today, build equal and sustainable tomorrows for future generations, and achieve our dreams together is in our DNA.	As an important sub heading of our sustainability strategy, we launched the "Harmony Initiative." We focus on topics such as gender balance, mutual understanding among employees from different countries and cultures, and intergenerational harmony, and we continue our awareness initiatives without interruption. We set targets to increase female representation and conduct regular measurements. In 2025, we compiled our efforts in this field in the "2025 Pegasus Harmony Report" and shared it with the public.
Value Chain Management	Our value chain covers a broad ecosystem, from aircraft manufacturers to fuel suppliers, from ground handling providers to technical maintenance organizations. Our operational continuity, service quality, and sustainability performance are directly linked to the performance of these stakeholders.	We take sustainability criteria into account in our supplier selection and evaluation processes and monitor the performance of our critical suppliers. We manage our fuel and SAF procurement processes in line with sustainability requirements and improve our emissions calculations by obtaining data from our value chain. Through this approach, we support our growing operations with a strong and responsible supply structure.
Waste Management and Circular Economy	Waste management is important for operational efficiency, environmental responsibility, and cost management. Flight operations, technical maintenance activities, and ground services generate different types of waste, and the effective management of these processes directly affects our environmental impact.	We focus on reducing waste generation and expanding segregation and recovery practices. We manage waste arising from technical activities in accordance with regulations and improve recycling practices in cabin and ground operations. Through the circular economy approach, we increase resource efficiency and keep both our environmental impact and operational costs under control.

In our industry, it is a part of our job to be able to act together with different stakeholder groups and to manage stakeholder interaction in all processes from planning to service delivery.

We believe that it is critical to manage stakeholder participation and relations in order to use common resources efficiently and to minimize risks in safety and security dimensions, which are the most critical elements for the industry. For this purpose, we worked to determine the correct definition and cooperation areas, and revealing the methods and frequencies of relationships. We consider this work necessary for the healthy management of stakeholder relations. We identified all our stakeholders with a comprehensive study.

A comprehensive list of stakeholders was created with the contributions of all our units, stakeholders were grouped according to their activities, and then our stakeholder study was finalized and up-to-date with the review of our employees in the Sustainability Working Group, the Sustainability Management Committee, the Corporate Governance Committee and our Board of Directors.



Our Stakeholder Communication Approach

#	STAKEHOLDER GROUP	COMMUNICATION METHOD	FREQUENCY	CONTEXT	CONTACT CHANNEL
1	Employees	Corporate Email Accounts, Intranet Communication Channels, Social Media	Continuous	Employee Experience	Human Resources
2	Guests	Corporate Website, Pegasus Mobile App, Airport Service Points, Email, SMS, Social Media, Call Center, Travel Agencies	Continuous	Guest Experience, Growth	Commercial
3	Shareholders & Investors	Public Disclosure Platform, Investor Relations Website, General Assembly Meetings, Investor Presentations & Events	Periodic & Demand-Based	Growth	Board of Directors, CEO, Finance/Investor Relations & Legal/General Secretariat
4	Board of Directors	Board Meetings, Committee Meetings, Email, File Management Systems, Reports	Periodic & Demand-Based	Growth, Enhancing Stakeholder Value	Board Chairperson, CEO, Executive VPs & General Secretariat
5	Critical Service & Product Suppliers	Email, Reports, Company Representatives	Continuous	Lean & Efficient Operations, Guest Experience, Growth	Procurement & Relevant Business Units
6	Public Institutions	Official Correspondence, Email, Reports, Regulatory Oversight	Periodic & Demand-Based	Legal Compliance	Board of Directors, CEO, Executive VPs & DGCA-Appointed Managers
7	International Regulatory Organizations	Official Correspondence, Email, Reports, Company Representatives	Periodic & Demand-Based	Sectoral Regulatory Compliance	Board Chairperson, CEO, Company Representatives
8	Financial Institutions	Email, Digital Portals, Reports, Company Representatives	Periodic & Demand-Based	Growth	Finance
9	Fuel & Airport Service Providers	Email, Digital Portals, Reports, Company Representatives	Continuous	Lean & Efficient Operations, Guest Experience, Growth	Procurement & Relevant Business Units
10	Affiliates & Subsidiaries	Email, Digital Portals, Reports, Company Representatives	Periodic & Demand-Based	Growth	Board of Directors, CEO, Legal/General Secretariat & Company Representatives
11	Independent Audit, Certification & Rating Institutions	Email, Digital Portals, Reports, Company Representatives	Periodic & Demand-Based	Third-Party Verification	Procurement & Relevant Business Units
12	Sales & Distribution Channel Stakeholders	Email, Digital Portals, Reports, Company Representatives	Continuous	Guest Experience, Growth	Commercial
13	Business Partners	Email, Digital Portals, Reports, Company Representatives	Continuous	Guest Experience, Growth	Commercial
14	Other Service & Product Suppliers	Email, Digital Portals, Reports, Company Representatives	Continuous	Lean & Efficient Operations, Guest Experience, Growth	Procurement & Relevant Business Units
15	Non-Governmental Organizations (NGOs)	Membership, Reports, Partnerships, Company Representatives	Periodic & Demand-Based	Growth, Enhancing Stakeholder Value	Board Chairperson, CEO, Legal/General Secretariat & Company Representatives
16	Airline Operators	Sectoral Organizations, Contracts	Continuous	Guest Experience, Growth	Commercial
17	Media Stakeholders	Email, Press Releases, Press Meetings, Social Media, Reports, Company Representatives	Periodic & Demand-Based	Guest Experience, Enhancing Stakeholder Value	Commercial



Greenhouse Gas Verification Statement

Sera Gazısı Doğrulama Beyanı

PEGASUS HAVA TAŞIMACILIĞI A.Ş.

Organizational Boundaries / Organizasyonel Sınırlar

Aeropark Yenişehir Mah. Osmanlı Bulvarı No: 11/A Kurtköy 34912 Pendik/İstanbul
Annex-1 / Ek-1

The Greenhouse Gas emissions inventory has been verified to meet the standard requirements specified below according to ISO 14064-3:2019 / Sera Gazısı emisyonları envanterinin, ISO 14064-3:2019'a göre aşağıda belirtilen standart gerekliliklerini karşıladığı doğrulanmıştır.

ISO 14064-1:2018

Category 1- Direct emissions / Doğrudan emisyonlar	3.853.103,42	t CO ₂ eq
Category 2- Purchased energy emissions (Location based) / Satın alınan enerji emisyonları (Lokasyon bazlı)	4.570,95	t CO ₂ eq
Category 3- Emissions from transportation / Ulaşım kaynaklı emisyonlar	12.416,19	t CO ₂ eq
Category 4- Emissions from products, service used / Kullanılan ürün - hizmet kaynaklı emisyonlar	1.109.347,63	t CO ₂ eq
Category 5- Emissions from associated with the use of the product / Ürün kullanımı kaynaklı em.	29,63	t CO ₂ eq
Category 6- Other Emissions / Diğer emisyonlar	-	t CO ₂ eq
Total Location Based Emissions / Toplam Lokasyon Bazlı Emisyonlar	4.979.467,82	t CO₂ eq
Total Market Based Emissions / Toplam Market Bazlı Emisyonlar	4.976.790,68	t CO₂ eq

Biogenic Emissions / Biyojenik Emisyonlar - t CO₂ eq

Purchased renewable energy emission allowance / Satın alınan yenilenebilir enerji emisyon karşılığı 2.677,14 t CO₂ eq

Category 2- Purchased energy emissions (Market based) / Satın alınan enerji emisyonları (Market bazlı) 1.893,81 t CO₂ eq

Renewable energy references / Yenilenebilir enerji referansları:
YEK-G Cancellation No / YEK-G İfşa Numarası: 9967008121,
REC-NAR Serial No / REC-NAR Seri Numarası: NAR-REC-3247-NE-06-2025-170048-69589 to 69589

Credits from GHG Scheme / Satın alınan krediler - t CO₂ eq

Credits references / Kredi referansları

Level of Assurance : Reasonable / Makul Verification Report Date : 04.03.2026 / Rev.01

Reporting Period : 01.01.2025 – 31.12.2025 Statement No : SG-GNL-005 / 2025

Approved by / Onaylayan
Okay Kayhanlı – Genel Müdür



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E-mail: info@qsi.com.tr Web: www.qsi.com.tr



ANNEX-1 / EK-1

Reporting Boundaries / Raporlama Sınırları

Pegasus Head Office / Pegasus Genel Merkezi	AEROPARK Yenişehir Mah. Osmanlı Bulvarı No: 11/A Kurtköy Pendik-İstanbul/Türkiye
Istanbul Sabiha Gökçen International Airport / İstanbul Sabiha Gökçen Uluslararası Havalimanı	Sanayi Mah. Pendik İstanbul/Türkiye
Izmir Adnan Menderes Airport / İzmir Adnan Menderes Havalimanı	Sarıç Mevkii 35410 Gazemir, İzmir/Türkiye
Antalya Airport / Antalya Havalimanı	7230 Yeşilköy, Antalya/Türkiye
Ankara Esenboğa Airport / Ankara Esenboğa Havalimanı	Balkhisar Mh. Özal Bulvarı Akyurt, Ankara/Türkiye
Trabzon Airport / Trabzon Havalimanı	Konaklar, 61010 Merkez, Trabzon/Türkiye
Kayseri Airport / Kayseri Havalimanı	Merkez, Ahmet Yesevi Mahallesi, Mustafa Kemal Paşa Bulvarı, 38090 Kocasinan, Kayseri/Türkiye
Çukurova Airport / Çukurova Havalimanı	Karsavran Mahallesi, Karsavran Sokak, No 65A, Tarsus, Mersin
Bodrum Airport / Bodrum Havalimanı	Ekinanbarı, Havalimanı Sokak, 48200 Milas, Muğla/Türkiye
Dalaman Airport / Dalaman Havalimanı	Ege, 48770 Dalaman, Muğla/Türkiye
Innovation Lab (San Francisco Office) / Innovation Lab (San Francisco Ofisi)	400 Concar Dr, San Mateo, CA 94402, USA
Other Regions / Diğer Bölgeler	Other regional offices where Pegasus operates / Pegasus'un faaliyet gösterdiği diğer bölge ofisleri

QSI Belgelendirme, Muayene ve Test Hizmetleri Ltd. Şti.
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Ticari Sicil No: 304099

INDEPENDENT ASSURANCE REPORT

DRT Bağımsız Denetim ve SMMM A.Ş. ("Deloitte") independent auditor's limited assurance report to the Board of Directors of Pegasus Hava Taşımacılığı A.Ş. ("Company") and its subsidiaries (together referred to as "Group") on the 2025 Sustainability Report for the year ended 31 December 2025.

Scope of Limited Assurance Engagement

We have been engaged to perform a limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) and (ISAE) 3410 ("Standards") on whether the Selected Sustainability Information listed below (the "Selected Information") in the Pegasus Hava Taşımacılığı A.Ş.'s Sustainability Report for the year ended 31 December 2025 (the "2025 Sustainability Report") has been prepared in accordance with the principles set out in the Reporting Guidance section of the Pegasus Hava Taşımacılığı A.Ş.'s Sustainability Report on page 119.

Our assurance engagement does not cover information related to other information included in the Sustainability Report and Sustainability Information or any other information related to the Sustainability Report (including any images, audio files, or embedded videos).

Other matters

The Selected Information included in the Group's Sustainability Report for the year ended 31 December 2024 was subject to a limited assurance engagement performed by another independent audit firm, which expressed an unmodified conclusion in its independent auditor's limited assurance report dated 7 August 2025.

Selected non-financial performance data for limited assurance

We have been engaged by the Group to perform limited assurance procedures on the accuracy of the following key performance indicators included in the 2025 Sustainability Report for the year ended 31 December 2025. The scope of the indicators subject to limited assurance procedures and found on pages 114 and 116 of the 2025 Sustainability Report for the year ended 31 December 2025 is as follows:

Social Indicators

- Female employees ratio in total workforce
- Female employees ratio in managerial and above positions
- Female cockpit crew ratio
- Female engineers ratio
- Female technicians ratio

Environmental Indicators

- Emission intensity

Deloitte.

Structural constraints

All assurance engagements have inherent limitations due to the selective testing of the information under review. Fraud, error or non-compliance may therefore occur and not be detected. In addition, non-financial information, such as non-financial information contained in reporting documents, is subject to more structural limitations than financial information, given the nature and methods used to identify, calculate and sample or estimate such information.

Our assurance engagement provides limited assurance as defined in ISAE 3000 (Revised) and (ISAE) 3410 ("Standards"). The procedures performed as part of a limited assurance engagement differ in nature and timing - and to a lesser extent - from a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is therefore significantly narrower than the scope of a reasonable assurance engagement.

Special Purpose

Our work has been undertaken to inform the Group's Board of Directors of the matters we are required to report in this report and for no other purpose. To the extent permitted by law, we accept no responsibility to any person or entity other than the Group's Board of Directors for the assurance audit we have conducted or the conclusion we have reached. This report has not been prepared within the framework of the obligation for certain businesses to comply with the Turkish Sustainability Reporting Standards (TSRS) published by the Public Oversight Authority ("POA") in the Official Gazette dated 29/12/2023, which mandates mandatory sustainability reporting as of 01/01/2024. According to the POA Decision published in the Official Gazette on 5 September 2024, these businesses are required to undergo limited assurance audits for their mandatory sustainability reporting. In the upcoming period, a separate sustainability report and limited assurance report will be prepared within this framework.

Our Independence and Competence

We comply with the independence and other ethical provisions of the *Code of Ethics for Accounting Professionals* published by the International Ethics Standards Board for Accounting Professionals, which sets out the basic principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

We apply the International Standard on Quality Management 1 (ISQM 1) and accordingly maintain a robust system of quality control, including policies and procedures that document compliance with relevant ethical and professional standards and requirements in laws or regulations.

Responsibilities of Management

The Group Management is responsible for the preparation, accuracy and completeness of the sustainability information and statements in the report. The Group Management is responsible for setting the Group's sustainability goals, establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

Responsibilities of the Practitioner

Our responsibility is to reach a conclusion on the Selected Information based on our procedures. We conducted our limited assurance engagement in accordance with International Standards on Assurance Engagements and, in particular, International Standard on Assurance Engagements (ISAE 3000) (Revised) and Assurance Engagements on Greenhouse Gas Statements (ISAE 3410) on Assurance Engagements Other than Independent Audits.

The assurance engagement performed represents a limited assurance engagement. The nature, timing and extent of the procedures performed in a limited assurance engagement are limited compared to those required in a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is lower.

Deloitte.

Our Key Assurance Procedures

We carried out limited assurance on the accuracy of the selected key performance indicators specified below in the section "Selected non-financial performance data for limited assurance" related to 2025 year and included into the Report.

To achieve limited assurance, the ISAE 3000 (Revised) and (ISAE) 3410 ("Standards") requires that we review the processes, systems and competencies used to compile the areas on which we provide our assurance. Considering the risk of material error, we planned and performed our work to obtain all of the information and explanations we considered necessary to provide sufficient evidence to support our assurance conclusion.

To form our conclusions, we undertook the following procedures:

- Analyzed on a sample basis the key systems, processes, policies and controls relating to the collation, aggregation, validation and reporting processes of the selected sustainability performance indicators;
- Made inquiries with employees of the Group responsible for sustainability performance, policies and corresponding reporting;
- Performed selective substantive testing to confirm the accuracy of received data to the selected key performance indicators;
- Made inquiries of management and senior executives to obtain an understanding of the overall governance and internal control environment, risk management, materiality assessment and stakeholder engagement processes relevant to the identification, management and reporting of sustainability issues; and

We believe that our evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Limited Assurance Conclusion

Based on our work and the assurance procedures performed, nothing has come to our attention that causes us to believe, in our opinion, that the Selected Information referred to above in the Group's 2025 Sustainability Report for the year ended 31 December 2025, for which we were engaged to provide limited assurance, has not been prepared, in all material respects, in accordance with the Reporting Manual, as described in the "Auditor's Responsibilities" section above.

Restrictions on Use

This Report, including the conclusion, has been prepared for the Board of Directors of Pegasus Hava Taşımacılığı A.Ş. to assist in reporting the Group's performance and activities related to the Selected Information. We hereby authorize the inclusion of this report in the Sustainability Report prepared for the year ending 31 December 2025, to enable Pegasus Hava Taşımacılığı A.Ş. Board of Directors to demonstrate that it has fulfilled its responsibilities by preparing an independent limited assurance report on Selected Information. Except to the extent permitted by law and in cases where prior written approval has been obtained and expressly agreed upon, we do not accept or assume any responsibility to anyone other than the Board of Directors of Pegasus Hava Taşımacılığı A.Ş. and Pegasus Hava Taşımacılığı A.Ş. in connection with the work we have performed or the report we have prepared.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of DELOITTE TOUCHE TOHMATSU LIMITED

Zere Gaye Şentürk
Partner

İstanbul, 4 March 2026

Environmental Performance Indicators

	2023	2024	2025
Energy and Emission Management			
Energy Intensity (MJ/RPK)*	0.85	0.81	0,79
Energy Consumption (GJ)			
Jet-A1	41,520,869.76	49,041,331.93	52,962,708.19
SAF	9,548.17	9,297.70	218,884.87
Diesel	91,013.58	73,686.64	83,056.72
Gasoline	2,722.00	2,906.87	2,515.14
Electricity	27,265.88	23,665.22	28,857.76
Renewable Energy (Electricity)	18,147.60	23,666.40	22,204.80
Natural Gas	4,015.96	5,822.16	10,610.29
Total Direct Energy Consumption (GJ)**	41,736,305.22	49,156,710.53	53,306,632.97
Total Indirect Energy Consumption (GJ)**	117,603.78	128,434.41	144,125.55
Total Energy Purchased (GJ)	41,736,305.22	49,285,144.93	53,450,758.52
Total Energy Produced (GJ)	-	-	-
Total Purchased Renewable Energy Consumption (GJ)***	27,695.77	32,964.10	241,089.67
Total Renewable Energy Consumption (GJ)***	-	-	-
Emission Intensity (CO ₂ e/RPK)	61.3	58.3	56.9
Emission Intensity (CO ₂ e/ASK)	51.5	50.4	49.1
Revenue Ratio of Next Generation Aircraft (%)	80.7	85.8	-
Emissions (ton CO₂e)			
Scope 1	3,023,538.31	3,392,871.05	3,853,103.42
Scope 2 (location-based)	3,357.77	4,082.97	4,570.95
Scope 2 (market-based)	1,145.17	940.76	1,893.81
Scope 3	847,734.690	972,352.71	1,121,793.45
Offset Amount (ton CO ₂ e)	-	35,748	-

* Energy intensity is calculated based on aircraft fuel consumption.

** Direct energy consumption refers to energy consumed within the boundaries of the organization and indirect energy consumption refers to energy consumed outside the boundaries of the organization.

*** Renewable electricity and sustainable aviation fuel are included.

Environmental Performance Indicators

	2023	2024	2025
Waste Management			
Waste (tons)			
Hazardous	89.7	103.9	104.0
Non-hazardous	148.3	152.2	230.7
Electronics	0.730	0.450	0.550
Recycled Waste Amount (tons)	237.3	243.6	279.9
Waste Recycling Rate (%)	99.70	99.44	99.74
Packaging (Recyclable) used under RCS (GEKAP) (tons)	56.16	41.98	132.28
Water Management			
Water Consumption (m ³)			
Tap Water	17,449	14,359	23,550
Other*	0	712	747.56
Disposed Water (m ³)	17,449	14,359	23,550
Recycled Water (m ³)	0	0	0
Water Consumption per Capita (m ³ /employee)	2.27	1.70	2.58
Environmental Management (Other)			
Number of Suppliers Conducted Environmental Audits			
Field Inspection	6	14	29
Survey	95	-	-
Total Number of New Employees Receiving Environmental Training	1,840	1,494	1,286
Total New Employee Environmental Training Hours (employee*hour)	360	435	179
Total Environmental Expenditures (TRY)	5,259,001.34	5,190,265.00	11,291,542.99
Environmental Accidents	0	0	0
Environmental Management System Coverage (%)	97	97	97
R&D Expenditures (TRY)	401,106,312	12,144,000	22,340,265

* The value reported under "Other" refers to drinking water consumption.

Social Performance Indicators

	2023	2024	2025
Total Number of Employees			
Female	2,675	2,953	3,176
Male	4,995	5,520	6,079
Total Number of New Hires			
Female	731	586	467
Male	1,086	1,118	1,078
Total Number of Senior Executives			
Female	5	5	5
Male	19	20	19
Total Number of Mid-Level Managers			
Female	27	34	36
Male	70	77	83
Total Number of Promotions (Career Development)			
Female	200	182	212
Male	105	257	251
Total Number of Employees with Disabilities			
Female	31	35	35
Male	76	82	86
Total Turnover Rate (%)			
Voluntary	10.4	7.6	4.3
Involuntary	5.1	4.9	2.3

Female Employment Rates (%)	2025
Female Employees in Total Workforce	34.3%
Female Employees in Management and Executive Positions	33.2%
Ratio of Female Employees in the Cockpit	8.8%
Ratio of Female Engineer	28.3%
Ratio of Female Technicians	2.3%

Social Performance Indicators

	2023	2024	2025
Gender Pay Gap (%)	96	98.9	99.0
Average Seniority (years)	4.6	5.2	-
Employee Experience Survey - Sustainable Engagement Scores (%)	79	83	84
Total Incident Rate*	33.97	34	30.90
Subcontractor Incident Rate*	-	-	-
Lost Time Incident Rate**	12.49	12.58	8.22
Subcontractor Lost Time Incident Rate**	-	-	-
Total Number of Incidents	549	630	620
Number of Subcontractor Incidents	5	7****	885*****
Number of Fatal Incidents	0	0	0
Number of Subcontractor Fatal Incidents	0	0	0
Number of Occupational Diseases	2	1	0
Number of Subcontractor Occupational Diseases	-	-	0
Total Number of Lost Days	1,045	1,137	1,026
Number of Subcontractor Lost Days	1	-	1,845
Number of Employees Receiving OHS Training	4,142	4,004	4,560
Average Training Duration (hours/employee)	12.0	12.0	16.09
Total Training Duration (employee*hours)	392,789	155,733	125,701
Total OHS Training Duration (employee*hours)	49,704	48,048	60,580
Total Training Expenditure (TRY)***	2,585,000	5,732,733	8,576,141.48
OHS Management System Coverage (%)	97	97	97
Total Donation (TRY)	23,877,635	33,393,255	73,702,200
Safety Assessment of Foreign Aircraft (SAFA) Ratio****	0.21	0.07	0.14
Insourced Successor Readiness for Key Positions (%)	77	71	76
Turnover Rate for Critical Positions (%)	0.0	0.0	0.0
Number of Digitalization Initiatives Reported Annually	32	41	56
% of ESG-linked KPIs in Key Company KPIs	50	50	60

* Total Incident Rate = (Total Number of Incidents / Total Working Hours) x 1,000,000

** Lost Time Incident Rate = (Total Lost Time Days / Total Working Hours) x 1,000,000

*** Pegasus Academy training expenditures are included in the "Total Training Expenditure (TRY)" indicator.

**** According to EASA reports, the SAFA deviation rate was 0.043 in 2023.

***** Subcontractor incidents refer only to third-party contractors employed under the Pegasus brand.

Governance Performance Indicators

	2023	2024	2025
Total Revenue (TRY)	70,531,531,601	111,822,522,278	154,127,554,444
Total Litigation Expenditures (TRY)	16,840,036	38,804,413	66,290,808
Contingency in Financial Statements (TRY)	33,243,994	57,207,079	99,786,486
Ratio of Total Litigation Expenditures to Revenue (%)	0.02	0.03	0.04
Average Fleet Age	4.6	4.5	5.1
Total Number of Passengers (million)	31.93	37.48	43.3
Destinations and Countries Served	135-51	146-53	158-55
Board & Committee Attendance (%)	96	96	100
Board & Committee Actions Completed (%)	95.3	100	100
BIST Corporate Governance Index Rating	97.5	97.9	98.2

The reporting principles provide information on the data preparation, calculation principles, and reporting methods for the performance indicators subject to independent limited assurance in the 2025 Sustainability Report of Pegasus Hava Taşımacılığı A.Ş. ("Pegasus").

It is the responsibility of the Company's management to ensure that the aforementioned indicators are prepared in all material respects in accordance with the relevant principles.

The data contained in this document covers the period from 1 January 2025 to 31 December 2025 and includes the relevant operations and subsidiaries of Pegasus Airlines Inc., for which the Company is responsible.

The calculation methodology, data sources, and scope information for the indicators are explained alongside.

General Reporting Principles

In preparing this principles document, the following principles have been observed:

- **Data Preparation** – Ensuring that the information is first and foremost relevant and reliable for the users of the information.
- **Data Reporting** – Ensuring that the information is comparable and consistent with other data, including previous year's data, and that it is presented in a clear and transparent manner for users.

Reporting Scope

Social Indicators

1. Ratio of Female Employees within Total Workforce

Definition: The percentage of female employees within the total number of employees in the Company.

Formula: (Number of Female Employees / Total Number of Employees) × 100

2. Ratio of Female Employees in Management and Executive Positions

Definition: Within Pegasus's definition of "manager," the percentage of female employees working at managerial and higher-level positions.

Formula: (Number of Female Managers / Total Number of Managers) × 100

3. Ratio of Female Employees in the Cockpit

Definition: The percentage of females among cockpit crew (pilots and co-pilots).

Formula: (Number of Female Cockpit Crew / Total Number of Cockpit Crew) × 100

4. Ratio of Female Engineers

Definition: The percentage of females in engineering positions.

Data Definition: Technical staff holding the title of "Engineer."

5. Ratio of Female Technicians

Definition: The percentage of females among aircraft technicians and technical support roles.

Formula: (Number of Female Technicians / Total Number of Technicians) × 100

Environmental Indicator

6. Emission Intensity (CO₂e / RPK)

Definition: Scope 1 flight-related CO₂ equivalent emissions per revenue passenger kilometre.

Formula: Total CO₂e Emissions / RPK

Restatements

In the event of a change greater than 5% at the company level, restatements (corrections) are considered for evaluation.

Statement of use	Pegasus Hava Taşımacılığı A.Ş. Has reported in accordance with GRI standards for the period January 1 - December 31, 2025.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Since industry standard specific to air transportation has not yet been published, industry standard has not been used.

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	EXPLANATION	
GENERAL DISCLOSURES				
GRI 2: General Disclosures 2021	2-1	Organizational details	About This Report, page 5 Governance page, 36-44	
	2-2	Entities included in the organization's sustainability reporting	About This Report, page 5 Governance page, 36-44	
	2-3	Reporting period, frequency and contact point	About This Report, page 5	
	2-4	Restatements of information	2024 Sustainability Report https://www.pegasusinvestorrelations.com/medium/image/pgsus-tsrs-2024-sustainability-report_1543/view.aspx	There are no corrections to the previous period report.
	2-5	External assurance	Limited Assurance Report Under TSRS Framework, page 11 Greenhouse Gas Validation Statement, page 112 Independent Assurance Report For Selected KPIs, page113	
	2-6	Activities, value chain and other business relationships	Pegasus in Brief, page 7-8 Pegasus in Numbers, page 7 Our Sustainability Strategy, page 12, Governance, page 36-44 Value Chain Management, page 77 Supply Chain Management, page 78	
	2-7	Employees	2025 Annual Report https://www.pegasusinvestorrelations.com/en/operational-information/financial-statements Human Resource Policy and Working at Pegasus, page 70 Our Recruitment Approach, page 71 Performance Management, page 75 Performance Indicators, page 114-118	
	2-8	Workers who are not employees	Human Resource Policy and Working at Pegasus, page 70 Our Recruitment Approach, page 71 Performance Management, page 75 Performance Indicators, page 114-118	
	2-9	Governance structure and composition	Governance, page 36-44 2025 Annual Report https://www.pegasusinvestorrelations.com/en/operational-information/financial-statements	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	EXPLANATION
GENERAL DISCLOSURES			
		Governance, page 36-44	
2-10	Nomination and selection of the highest governance body+C17:C25	2025 Annual Report https://www.pegasusinvestorrelations.com/en/operational-information/financial-statements	
2-11	Chair of the highest governance body	Governance, page 36-44 2025 Annual Report https://www.pegasusinvestorrelations.com/en/operational-information/financial-statements	
2-12	Role of the highest governance body in overseeing the management of impacts	Governance, page 36-44	
2-13	Delegation of responsibility for managing impacts	Governance, page 36-44	
2-14	Role of the highest governance body in sustainability reporting	Our Governance Structure, page 40 Our Sustainability Governance, page 41-42	
GRI 2: General Disclosures 2021		Board of Directors & Committees, page 37 Human Resource Policy and Working at Pegasus, page 70 Performance Management, page 74	
2-15	Conflicts of interest	Sustainability Compliance Framework https://www.pegasusinvestorrelations.com/medium/image/pegasus-value-chain-sustainability-compliance-framework_1369/view.aspx	
2-16	Communication of critical concerns	Our Materiality Matrix, page 106-109 Our Stakeholders, page 110-111	
2-17	Collective knowledge of the highest governance body	Board of Directors & Committees, page 37-38 2025 Annual Report https://www.pegasusinvestorrelations.com/en/operational-information/financial-statements	
2-18	Evaluation of +C17:C25the performance of the highest governance body	Board of Directors & Committees, page 37-38 2025 Annual Report https://www.pegasusinvestorrelations.com/en/operational-information/financial-statements	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	EXPLANATION
GENERAL DISCLOSURES			
2-19	Remuneration policies	We are Moving Towards an Equal and Harmonious Future, page 69-76 Human Resource Policy and Working at Pegasus, page 70 Performance Indicators, page 114-118	
2-20	Process to determine remuneration	We are Moving Towards an Equal and Harmonious Future, page 69-76 Human Resource Policy and Working at Pegasus, page 70	
2-21	Annual total compensation ratio	Compensation and Indemnification Policy https://www.pegasusinvestorrelations.com/medium/image/compensation-and-indemnification-policy_139/view.aspx	
2-22	Statement on sustainable development strategy	Our Sustainability Strategy, page 12	
2-23	Policy commitments	Pegasus Investor Relations, Policies https://www.pegasusinvestorrelations.com/en/corporate-governance/policies 2025 Annual Report https://www.pegasusinvestorrelations.com/en/operational-information/financial-statements	
GRI 2: General Disclosures 2021	2-24	Embedding policy commitments	Pegasus Investor Relations, Policies https://www.pegasusinvestorrelations.com/en/corporate-governance/policies 2025 Annual Report https://www.pegasusinvestorrelations.com/en/operational-information/financial-statements
	2-25	Processes to remediate negative impacts	Our Materiality Matrix, page 106-109 Emission Targets and Our Climate Transition Roadmap, page 26-29 Environmental Management System, page 59-63 Guest Experience, page 79-80
2-26	Mechanisms for seeking advice and raising concerns	Our Value Model-Explanatory Notes, page 100-105 Employee Satisfaction, page 75 Guest Experience, page 79-80	
2-27	Compliance with laws and regulations	Human Resource Policy and Working at Pegasus, page 70	
2-28	Membership associations	Corporate Membership, page 83	
2-29	Approach to stakeholder engagement	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109 Our Stakeholders, page 110-111	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	EXPLANATION
MATERIAL TOPICS			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Our Materiality Matrix, page 106-109
	3-2	List of material topics	Our Materiality Matrix, page 106-109
Biodiversity			
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Materiality Matrix, page 106-109 Our Stakeholders, page 110-111
	GRI 101: Biodiversity 2024	101-1	Policies to halt and reverse biodiversity loss
101-2		Management of biodiversity impacts	Environmental Management System, page 59-63
Economic performance			
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109
	GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed
201-2		Financial implications and other risks and opportunities due to climate change	Climate Risks and Opportunities Related to Our Activities, page 14-25 Emission Targets and Our Climate Transition Roadmap, page 26-29 Risk Identification, Evaluation and Climate Process Integration, page 31-32 Integration of Social Risks and Opportunities into Our Business Model, sayfa 33 Integration of Governance-Related Risks and Opportunities into Our Business Model, sayfa 33
Indirect economic impacts			
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109
	GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported
203-2		Significant indirect economic impacts	Our Value Model, page 13 Our Value Model-Explanatory Notes, page 100-105
Anti-corruption			
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109
	GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption
205-2		Communication and training about anti-corruption policies and procedures	Risk Management, page 45-51 Other Processes Contributing to Corporate Risk Governance, page 47-49 Human Resource Policy and Working at Pegasus, page 70 Pegasus Anti-Corruption and Anti-Bribery Policy https://www.pegasusinvestorrelations.com/medium/image/anti-corruption-and-anti-bribery-policy_1268/view.aspx
	205-3	Confirmed incidents of corruption and actions taken	Risk Management, page 45-51 Other Processes Contributing to Corporate Risk Governance, page 47-49 Human Resource Policy and Working at Pegasus, page 70

GRI STANDARD/ OTHER SOURCE		DISCLOSURE	LOCATION	EXPLANATION
MATERIAL TOPICS				
Anti-competitive behavior				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		There are no lawsuits filed regarding anti-competitive behavior, anti-trust and monopoly practices in 2025.
Materials				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
	301-2	Recycled input materials used	Environmental Management System, page 59-63 Energy Management, page 64-68	
	301-3	Reclaimed products and their packaging materials	Environmental Management System, page 59-63 Energy Management, page 64-68	
Energy				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
	302-1	Energy consumption within the organization	Energy Management, page 64-68	
	302-2	Energy consumption outside of the organization	Energy Management, page 64-68	
	302-3	Energy intensity	Energy Management, page 64-68	
GRI 302: Energy 2016	302-4	Reduction of energy consumption	Operational Efficiency, page 96 Emission Targets and Our Climate Transition Roadmap, page 26-29 Integrating Climate Risks and Opportunities Into Our Business Model, page 31-32 Energy Management, page 64-68	
	302-5	Reductions in energy requirements of products and services	Operational Efficiency, page 96 Emission Targets and Our Climate Transition Roadmap, page 26-29 Integrating Climate Risks and Opportunities Into Our Business Model, page 31-32 Energy Management, page 64-68	
Water and effluents				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Environmental Management System, page 59-63 Performance Indicators, page 114-118	
	303-2	Management of water discharge-related impacts	Environmental Management System, page 59-63 Performance Indicators, page 114-118	
	303-3	Water withdrawal	Performance Indicators, page 114-118	
	303-4	Water discharge	Performance Indicators, page 114-118	
	303-5	Water consumption	Performance Indicators, page 114-118	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	EXPLANATION
MATERIAL TOPICS			
Emissions			
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109
	305-1	Direct (Scope 1) GHG emissions	Performance Indicators, page 114-118
	305-2	Energy indirect (Scope 2) GHG emissions	Performance Indicators, page 114-118
	305-3	Other indirect (Scope 3) GHG emissions	Performance Indicators, page 114-118
	GRI 305: Emissions 2016	305-4	GHG emissions intensity
305-5		Reduction of GHG emissions	Emission Targets and Our Climate Transition Roadmap, page 26-29 Our Greenhouse Gas Emission Performance, page 52 Greenhouse Gas Emission Calculation Methodology, page 53 Other Key Indicators Related to Our Activities, page 53 Our Climate-Related Targets, page 54 Performance Indicators, page 114-118
Waste			
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109
	306-1	Waste generation and significant waste-related impacts	Environmental Management System, page 59-63
	306-2	Management of significant waste-related impacts	Environmental Management System, page 59-63
GRI 306: Waste 2020	306-3	Waste generated	Environmental Management System, page 59-63
	306-4	Waste diverted from disposal	Performance Indicators, page 114-118
	306-5	Waste directed to disposal	Performance Indicators, page 114-118
Supplier environmental assessment			
GRI 308: Supplier Environmental Assessment 2016	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109
	308-1	New suppliers that were screened using environmental criteria	Supply Chain Management, page 78 Performance Indicators, page 114-118
	308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain Management, page 78 Performance Indicators, page 114-118

GRI STANDARD/ OTHER SOURCE		DISCLOSURE	LOCATION	EXPLANATION
MATERIAL TOPICS				
Employment				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
	401-1	New employee hires and employee turnover	Performance Indicators, page 114-118	
GRI 401: Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Satisfaction, page 75 Harmony: Our Diversity, Equality and Inclusion Approach, page 76	
	401-3	Parental leave	Employee Satisfaction, page 75 Harmony: Our Diversity, Equality and Inclusion Approach, page 76	
Occupational health and safety				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
	403-1	Occupational health and safety management system	Occupational Health and Safety, page 92-94	
GRI 403: Occupational Health and Safety 2018	403-2	Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, page 92-94 Risk Management, page 45-51	
	403-3	Occupational health services	Occupational Health and Safety, page 92-94	
	403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, page 92-94	
	403-5	Worker training on occupational health and safety	Performance Indicators, page 114-118	
	403-6	Promotion of worker health	Occupational Health and Safety, page 92-94 Performance Indicators, page 114-118	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, page 92-94	
	403-8	Workers covered by an occupational health and safety management system	Occupational Health and Safety, page 92-94	
	403-9	Work-related injuries	Performance Indicators, page 114-118	
	403-10	Work-related ill health	Performance Indicators, page 114-118	
	Training and education			
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
	404-1	Average hours of training per year per employee	We are Moving Towards an Equal and Harmonious Future, "Pegasus Akademi", page 72-73 Performance Indicators, page 114-118	
GRI 404: Training and Education 2016	404-2	Programs for upgrading employee skills and transition assistance programs	We are Moving Towards an Equal and Harmonious Future, "Pegasus Akademi", page 72-73 Performance Indicators, page 114-118	
	404-3	Percentage of employees receiving regular performance and career development reviews	Performance Management, page 74 Talent Management, page 74 We are Moving Towards an Equal and Harmonious Future, "Pegasus Akademi", page 72-73	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	EXPLANATION
MATERIAL TOPICS			
Diversity and equal opportunity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Harmony: Our Diversity, Equality and Inclusion Approach, page 76	
	405-2 Ratio of basic salary and remuneration of women to men	Performance Indicators, page 114-118	
Human Rights			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor		Preventing child labor has been defined in our "Pegasus Value Chain Compliance Framework" and no activities or suppliers pose a risk in this regard.
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor		Preventing forced or compulsory labor has been defined in our "Pegasus Value Chain Compliance Framework" and no activities or suppliers pose a risk in this regard.
Local communities			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Collaborations, page 81 Social Responsibility Projects, page 84	
Supplier social assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supply Chain Management, page 78 Performance Indicators, page 114-118	
	414-2 Negative social impacts in the supply chain and actions taken	Supply Chain Management, page 78 Performance Indicators, page 114-118	
Customer health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Our Safety and Security-Oriented Business Approach, page 88-94	

GRI STANDARDI		BİLDİRİMLER	BİLDİRİM YERİ	AÇIKLAMA
ÖNCELİKLİ KONULAR				
Customer privacy				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security, page 91 During the reporting period, there were no complaints regarding the privacy of Pegasus customers or any loss of customer data.	
Safety and Security				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
Financial Resilience				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
Operational Efficiency				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
Digitalization				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
Customer Experience				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
Cyber Security and Data Privacy				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
Growth Thru Ne-Gen Aircraft				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
Employee Experience				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
Corporate Image				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
Talent Retention				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
Climate Change and Net Zero Target				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	
Diversity, Equality and Inclusion				
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Value Model-Explanatory Notes, page 100-105 Our Materiality Matrix, page 106-109	

Moving towards a
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We would like to thank the members of the Pegasus Sustainability Working Group and Pegasus employees who contributed to the preparation of the report.

For more information

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