

PEGASUS HAVA TAŞIMACILIĞI A.Ş. Corporate Governance Compliance Report (Update)

Summary

Corporate Governance Compliance Report (Update)



MERKEZİ KAYIT
İSTANBUL

Corporate Governance Compliance Report

Related Companies []

Related Funds []

Corporate Governance Compliance Report	
Update Notification Flag	Evet (Yes)
Date Of The Previous Notification About The Same Subject	03.03.2020
Explanations	

Pegasus Corporate Governance Compliance Report (URF) is updated to reflect several developments in the first quarter of 2020, in accordance with the decision of the Capital Markets Board dated January 10, 2019 and numbered 2/49. The Company's compliance status did not change. Explanations have been updated for principles 1.3.2, 1.3.7, 1.3.8. 1.3.10, 1.3.11, 1.4.1, 1.6.3 and 4.6.5 to reflect the results of the Annual Shareholders' Meeting held on April 7, 2020.

Corporate Governance Compliance Report

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
Corporate Governance Compliance Report						
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.3. GENERAL ASSEMBLY						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					Pegasus ensured that the discussion items for the Annual General Assembly meeting held in 2020 were clearly addressed in the meeting agenda. Accordingly, only one proposal was voted under each agenda item.
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	Duties assumed elsewhere by nominees for Pegasus Board of Directors were disclosed in the Information Document for the Annual General Assembly meeting held in 2020. There are no further transactions that required separate disclosure at the General Assembly meeting.
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					A Board Member representing the Board of Directors, Pegasus CEO, CFO, and responsible partner representing the Independent Auditor attended the Annual General Assembly Meeting held on April 7, 2020.
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.		X				Donations and charitable contributions were discussed as a separate item on the agenda for the Annual General Assembly meeting held on April 7, 2020. Shareholders were informed of the total donations made in the relevant year and that these were in line with the Pegasus Donations and Charitable Contributions Policy. Detailed information on beneficiaries was not provided as none of the donations made in the period breached the policy or otherwise resulted in a related party transaction. Pegasus does not plan for any changes in its current practice in 2020.
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	X					Pegasus recognizes the principle of having all stakeholders and media attend General Assembly meetings as observers in Article 17/1/e of the Articles of Associations and re-extended the invitation to these parties in the call for the General

						Assembly meeting held on April 7, 2020.
1.4. VOTING RIGHTS						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					Pegasus Articles of Association do not restrict voting rights of our shareholders. The shareholders were not required to deposit their shares to attend the Annual General Assembly meeting held on April 7, 2020 and they were allowed to participate in person/by proxy and on location and electronically.
1.5. MINORITY RIGHTS						
1.6. DIVIDEND RIGHT						
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.	X					Shareholders were informed by the Information Document for the Annual General Assembly meeting held in 2020 on allocation of the Company's net distributable profit for 2019 as extraordinary reserves with the purpose of strengthening liquidity and creating additional resource for growth in operations, in accordance with the Turkish Tax Procedure Law No. 213.
1.7. TRANSFER OF SHARES						
2.1. CORPORATE WEBSITE						
2.2. ANNUAL REPORT						
3.1. CORPORATION'S POLICY ON STAKEHOLDERS						
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.3. HUMAN RESOURCES POLICY						
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY						
4.1. ROLE OF THE BOARD OF DIRECTORS						
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS						
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.4. BOARD MEETING PROCEDURES						
4.5. BOARD COMMITTEES						
4.6. FINANCIAL RIGHTS						
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.	X					Pegasus discloses payments made to the members of the Board of Directors and senior management in two groups in its annual financial reports. Payments relating to Board and Committee duties payable to the members of the Board of Directors were determined at the Annual General Assembly meeting held on April 7, 2020 and were disclosed as part of the meeting minutes. Pegasus does not disclose senior management compensation on a personal basis considering the similar position of other companies trading on the BIST and to protect its

						competitive interests and believes that the current practice does not have any negative impact on corporate governance. Therefore, Pegasus does not plan for any changes in its current practice in 2020.
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