

1. Introduction

ACT Airlines is committed to conduct business in an ethical fashion that complies with all applicable laws and regulations. As employees and representatives of ACT Airlines, we must consider how our actions affect the integrity and credibility of the Company as a whole. This Code of Business Conduct & Ethics sets out the principles that constitute our way of doing business.

The Managing Director and management at all levels of ACT Airlines are responsible for ensuring compliance to this Code. They are expected to promote an “open door” policy so that they are available to anyone with ethical concerns, questions or complaints. All concerns, questions, and complaints will be taken seriously and handled promptly, confidentially and professionally.

Any significant deviations from this Code will be reported to the Board of Directors. Only the Board of Directors may grant a waiver of a provision of this Code.

The following standards of conduct will be enforced at all levels within ACT Airlines:

2. Working Environment

2.1 Discrimination & Harassment

The working environment created by ACT Airlines promotes equal employment opportunities and prohibits discriminatory practices, including harassment (sexual, physical or verbal).

Employees and candidates will be judged on the basis of their behavior and qualifications to perform their jobs, without regard to race, gender, religion, disability, age, marital status, sexual orientation, political beliefs or any other characteristic protected by applicable laws.

2.2 Privacy of Personal Information

In compliance with data protection regulations, ACT Airlines will acquire and retain only personal information that is required by law and for the effective operation of the Company. Access to such information will be restricted internally to authorized personnel.

Employee communications transmitted by the ACT Airlines’ systems are not considered private. By using ACT Airlines’ equipment, employees consent to having such use monitored and restricted by authorized personnel.

2.3 Internet Usage

ACT Airlines provides access to the Internet for the purpose of conducting company business only. The Internet can be used for personal use outside normal office hours and during lunch hour. Disciplinary action will be taken against any employee where Internet usage is considered abusive, unacceptable or illegal.

2.4 Substance Abuse

All of the following are strictly prohibited and will be subject to disciplinary action:

- Being impaired by drugs or alcohol while performing company business.
- The sale or unauthorized use of alcohol on ACT Airlines premises / while performing company business.
- Any employee found using, selling or in the possession of illegal drugs on ACT Airlines premises / while performing company business.

3. Business Activities

3.1 ACT Airlines Commitment to Customers, Suppliers & Shareholders

For our customers, ACT Airlines is committed to fulfilling their needs in an honest and fair manner. The Company is committed to

generating sales through price, quality and the ability to fulfil commitments.

For our suppliers, ACT Airlines is committed to obtaining the best value on the basis of open and truthful communication.

For our shareholders, ACT Airlines is committed to disclosing the results of operations on a timely basis and in a fair, accurate and understandable manner. ACT Airlines is dedicated to providing a reasonable return on investment by pursuing sound growth and earnings objectives while exercising caution in use of assets and resources and compliance to the approved budget.

3.2 Competition Restrictions

ACT Airlines will conform to all competition and antitrust laws enacted to prevent interference with a competitive market system. Under these laws, no company / individual may enter into any formal or informal agreement with another company / individual, or engage in certain other activities, that unreasonably restrict competition. Employees are required to report any instance in which a competitor has suggested collaboration to their department head.

It is essential that ACT Airlines understand its competitors and be able to collect legitimate intelligence about them. ACT Airlines employees must not obtain, process, use or disclose confidential information of any third parties without appropriate authorization from the applicable third party. Employees must not use any illegal or unethical means of gathering data about competitors.

3.3 Fair Dealing

ACT Airlines does not seek competitive advantage through illegal or unethical business practices. All employees / managers should endeavor to deal fairly with customers, competitors and employees. No

employee / manager should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any unfair dealing practice.

3.4 Gifts & Entertainment

No gift, hospitality or other benefit should be accepted or given that could impair, or appear to impair, an employee's objectivity or impartiality. Employees are permitted to accept gifts / entertainment of nominal value (approx. €100) and in a form such that it cannot be construed as a bribe. Employees are prohibited from accepting anything that is accompanied by any express or implied understanding that the recipient is in any way obligated to do something in exchange for the gift.

In some cases, an employee may feel that refusal of a gift would be construed as discourteous by the host. In these cases, employees should accept the gift on behalf of ACT Airlines and report it to their department head who can then decide how best to treat it.

ACT Airlines does not condone bribery in any form. Employees must not give or offer anything of material value to any customer or supplier as an inducement to obtain business or favorable treatment. Similarly, employees must not accept anything with a monetary value in return for giving favorable treatment to customers or suppliers either for themselves or others.

4. Financial Reporting

4.1 Accounts & Records

The law requires ACT Airlines to ensure that its accounts and records fairly represent transactions and the use of assets in reasonable detail. All company books and records must be true and complete. False or

misleading entries are strictly prohibited, and the company will not tolerate any undisclosed liabilities or unrecorded bank accounts or assets established for any purpose. Employees must never knowingly create or participate in the creation of records that are misleading or artificial.

Access to company assets is permitted only in accordance with management's general or specific authorization, and transactions must be executed only in accordance with management's general or specific authorizations. Transactions involving the company must be recorded, to permit preparation of our financial statements in line with generally accepted accounting policies and related requirements, and to maintain accountability for the company's accounts.

Administrative and accounting controls have been implemented to provide reasonable assurance that financial and other reports are reliably prepared. Employees are expected to cooperate fully with both our internal and our external auditors.

5. Company Property / Resource Utilization

5.1 Company Assets

All employees have a duty to ensure the efficient use of ACT Airlines assets and to protect them from loss, damage, and misuse. Assets may not be used for personal benefit without proper authorization.

Employees may not perform non-ACT Airlines work on the Company's premises or while working on Company time, including any paid leave granted by the Company. Employees are not permitted to use Company assets (including equipment, telephones, materials, resources or proprietary information) for any outside work.

5.2 Resource Utilization

Keeping in mind the importance of cost saving for competitiveness and efficient resource utilization for sustainability, all employees / managers are responsible for taking effective cost saving measures and eliminate unnecessary waste while conducting business.

5.3 Confidential Information

All employees have a duty to safeguard confidential information about ACT Airlines. Employees are prohibited from discussing competitively sensitive information, such as pricing policies, contract terms, costs, marketing plans, and other proprietary or confidential information. The duty continues even after employees have ceased their employment with ACT Airlines. All outside requests for company information should be directed to authorized persons.

In compliance with data protection legislation all employees have a duty to safeguard confidential information provided by ACT Airlines customers. ACT Airlines employees are prohibited from passing on any information to 3rd parties in any format other than as part of their normal duties and responsibilities. If in any doubt an employee should contact his/her manager. Failure to comply with the above will result in disciplinary action being taken.

6. Conflict of Interest

ACT Airlines respects the privacy of every employee in the conduct of his/her personal affairs. However, all employees have a duty to ensure that their personal and financial interests do not conflict with, or appear to conflict with, their duties on behalf of ACT Airlines. Employees must be able to perform their duties and exercise their judgements on behalf of the ACT Airlines without impairment by virtue of an outside or personal influence.

6.1 Outside Activities

Employees, managers and members of the Board of Directors of ACT Airlines may not work for or receive compensation for their services from any competitor, customer, distributor or supplier without the prior approval of the Board of Directors. Similarly, employees may not serve on the Board of Directors of another company or government agency without the advance approval of the Act Airlines Board of Directors.

Employees who start their own business or take on additional part time work (with organizations that are not competitors, customers, or suppliers) must notify their department head. Employees may participate in civic, charitable or professional activities provided the activities do not interfere with the employee's responsibilities to ACT Airlines. Employees may not use the ACT Airlines name to lend weight or prestige to an outside activity without prior permission.

6.2 Investments

Employees and managers (and their family members) may not have financial interests in any competitor, customer, distributor or supplier where this would influence, or appear to influence, their actions on behalf of the Company (eg. holding shares representing in excess of 1% of the publicly traded shares of a corporation).

6.3 Family Members & Close Personal Relationships

ACT Airlines does not discourage relatives from working for the Company. However, employees should not normally supervise or be in a position to influence the hiring, job responsibilities or performance assessment of a close relative.

Employees who have family members or friends that work for businesses seeking to provide goods and services to the Company may not use their personal influence to affect negotiations.

Employees who have relatives or friends that work for competitors should discuss difficulties that might arise and appropriate steps to minimize any potential conflict of interest with their department head.

6.4 Corporate Opportunities

Employees may not benefit of, or give the benefit to any other person or organization, of any business venture, opportunity or potential opportunity that they learn about in the course of their employment and that is in the Company's line of business, without first obtaining the Company's consent. It is never permissible for employees to compete against the Company, either directly or indirectly.

6.5 Related Party Transactions

A conflict of interest may exist where an employee conducts business on behalf of ACT Airlines with a family member or with an entity in which they or a family member plays a key role. Family members include spouses, children, parents, sisters, brothers, grandparents, aunts, uncles, nieces, nephews, cousins, step-relationships, in-laws and significant others.

Employees and managers owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. If a related party transaction is unavoidable, the employee must submit a written description of the proposed transaction to the Managing Director and withdraw from any participation in the selection of that business or business relationship.

7. Laws and Regulations

ACT Airlines employees are required to comply with all applicable laws, rules and regulations. They are also responsible for complying with requirements of any contracts that have been entered into with other parties. Any suspected or actual violation of any applicable law / regulations or

contractual undertakings should be reported immediately to the employee's department head.

7.1 Employment Laws & Regulations

ACT Airlines is committed to the fair and equitable treatment of all employees and complies with employment laws in the countries in which it does business.

These laws prohibit loans and guarantees of obligations in the case of a Company's directors and executive officers. Therefore it is ACT Airlines' policy that loans will not be made to employees.

7.2 Health & Safety Laws & Regulations

ACT Airlines strives to provide its employees with a safe and healthy working environment. ACT Airlines will conform to all applicable laws and regulations relating to workplace health and safety. Every employee is responsible for complying with the law, with safe work practices and with the ACT Airlines policies and procedures in order to ensure their own health and safety. All employees must use all safety equipment as may be required in the normal course of their work.

7.3 Environmental Laws & Regulations

ACT Airlines is committed to doing business in an environmentally responsible manner. This includes complying with laws involving environmental quality and related health and safety issues. Accordingly, every employee is expected to conduct the company's business in an environmentally responsible manner and not to engage in any activity that violates environmental laws or regulations.

8. Disciplinary Action

Disciplinary action will be taken against any employee / manager who violates or encourages / requests others to violate this Code.

Employees who report potential / suspected violations in good faith will not be subject to any retaliation by ACT Airlines. Any person who takes action in retaliation against such an employee will be subject to serious disciplinary action.

Any person knowingly making false accusations of misconduct will be subject to disciplinary action.

ACT Airlines will not take any disciplinary action nor demonstrate negative attitude against any involved employee who discloses information regarding an incident or occurrence regarding safety or security. This shall not apply for information received by the Company from a source other than the involved employee.

9. Reporting Procedures

9.1 Safety/ Security Related Reporting

ACT Airlines is committed to the safest and securest operating standards possible. It is therefore required that we have unrestricted reporting of all incidents and occurrences which compromise the safe and secure conduct of our operations. To this end, every employee is responsible for communicating any information that may affect the integrity of flight safety and security and no action will be taken to these employees regarding their reports.

9.2 Questions in relation to the Code

Employees who have any questions about this Code should contact their immediate manager (or another member of management if they do not think their immediate manager is appropriate).

9.3 Reporting a conflict of Interest

Employees who believe it is not possible to avoid a conflict of interest must bring this to the attention of their department head and make full written disclosure of the

surrounding circumstances. The employee will be expected to take whatever action is determined by ACT Airlines to be appropriate to rectify any conflict of interest that is found to exist.

9.4 Disclosure Procedures

The company has an open door policy that gives employees the freedom to approach any member of management with ethical / safety / security related questions or concerns without fear of retaliation.

Disclosure of information regarding other people's private lives that might be unkind, disapproving, or not true (Gossip), on the other hand is strictly prohibited and will be subject to disciplinary action.

Employees can report issues directly to:

Ahsen Seçkiner, CMM Manager,

Capt. Nihat Yılmaz, SMS Manager

Arzu Salcı, HR Manager