



DEVA HOLDİNG A.Ş.
ANNUAL REPORT 2022



"adding health to life..."



CONTENTS

DEVA Holding in Brief	05
Financial Indicators	06
Message by the CEO	07
Board of Directors and Senior Executives	8-11
Organization Chart	12-13
Shareholding Structure and Subsidiaries	14
Mission, Vision and Main Principles	15
Notes from the Pharmaceutical Industry	16-17
DEVA in 2022	18-23
Human Resources and Development	24
Manufacturing Facilities	25-38
DEVA Türkiye Regulatory Affairs & Market Access	39
DEVARGE	40
Vetaş	42
Administrative Activities	43-46
Investments	47
DEVA Subsidiaries and Related Companies	48-50
Conclusion	52
Statement	53
Corporate Governance Practices	54-74
Sustainability Principles Compliance Report	75-80
Information for the Shareholders	82
Profit Distribution Table	83
Independent Auditor’s Report	84-85

DEVA HOLDING IN BRIEF



Established in 1958, DEVA Holding is among the well-established pharmaceutical manufacturers in Türkiye. With the main area of operations including manufacturing and marketing medicinal products for human and use and raw materials, DEVA Holding also manufactures veterinary medicines, eau de Cologne, and medical ampoules.

The majority of shares in DEVA Holding was acquired in 2006 by funds managed by GEM Global Equities Management S.A., an international fund management company, and EastPharma Ltd. was established to assume management.

DEVA Holding is pacing rapidly toward its goal of being the first choice by offering innovative and unique products with a high-quality experience by creating giant pharmaceutical brands in areas where it competes, in order to make healthy living accessible to everyone around the world. With the new therapies it offers, DEVA Holding makes difference by expanding its product diversity every year.

Currently, its product portfolio contains more than 650 products in 14 therapeutic areas, ranging from oncology to cardiology, respiratory system and ophthalmology, as well as medical devices.

With progressively expanding regional growth and export operations, DEVA Holding is the holder of 1,029 marketing authorizations in 69 countries, including the USA, Switzerland and Germany. Founded under the brand name of Devatis in Germany and then in Switzerland, the company received registration approval in 2018 and having been established in the USA under the same name, accelerated its activities.

DEVA Holding focuses on research and development to improve access to medicines for patients who need them, and all of its manufacturing facilities are certified compliant with the European GMP (Good Manufacturing Practice) and US FDA (Food and Drug Administration). DEVA Holding currently exports pharmaceuticals and pharmaceutical raw materials to more than 50 countries.

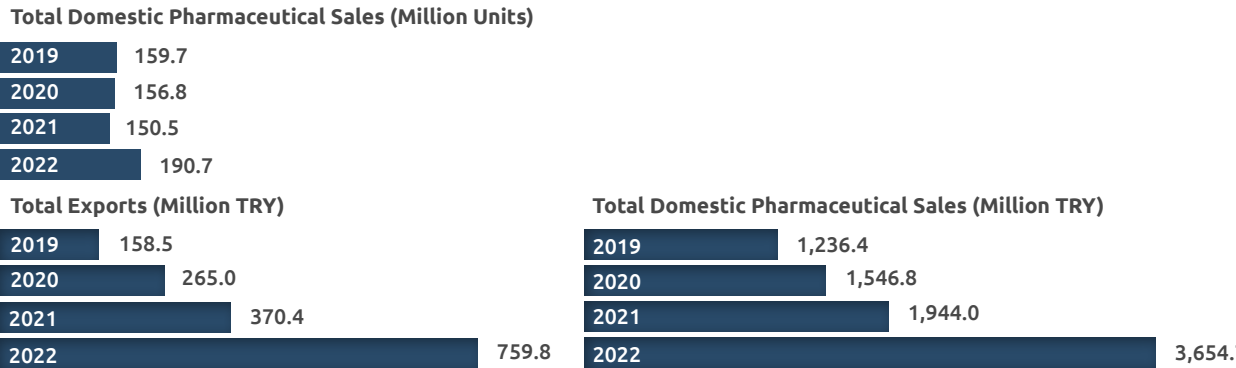
DEVA Holding develops high-quality and innovative products with its award-winning R&D center, DEVARGE, strong staff of well-trained employees who are experts in their respective fields, and full-fledged laboratories and manufacturing sites equipped with cutting-edge technology.

With its manufacturing capabilities, DEVA Holding has become the domestic corporation with the most comprehensive production capabilities in Türkiye. Undertaking manufacturing operations at facilities in Çerkezköy and Kartepe, DEVA Holding holds an annual output capacity of 578 million units of medicines. While producing for public health, DEVA Holding also adopts the understanding of sustainability for the effective and efficient use of resources, and considers environmental sensitivities in its activities. DEVA Holding manages human rights, occupational health and safety, energy efficiency and waste with great care, and continues its activities with the awareness of leaving a more livable world to future generations with its employees who possesses environmental awareness and sustainability approach.

Continuing to work for a healthy and sustainable future, DEVA Holding also supports social responsibility projects, especially in the fields of education, public health and the environment.

FINANCIAL INDICATORS

FINANCIAL INDICATORS		
Primary financial and operational indicators (TRY)	31.12.2022	31.12.2021
Total assets	8,624,300,680	5,079,931,877
Total liabilities	4,687,476,700	2,352,155,032
Total equity capital	3,936,823,980	2,727,776,845
	01.01.2022-31.12.2022	01.01.2021-31.12.2021
Sales revenue (net)	4,477,917,313	2,330,367,791
Real operating profit	1,690,685,072	1,353,282,819
Net profit	1,360,224,221	1,170,087,476
Basic ratios (%)	31.12.2022	31.12.2021
Current ratio	1.36	2.06
Liquidity ratio	0.86	1.47
Precision ratio	0.44	0.80
Liabilities/Assets total (Financial leverage rate)	0.54	0.46
Equity/debt ratio	0.84	1.16
	01.01.2022-31.12.2022	01.01.2021-31.12.2021
Gross profit margin	0.52	0.58
Net profit margin (sales profitability)	0.30	0.50
Equity profit margin (equity profitability)	0.35	0.43



CAPITAL AND SHAREHOLDING STRUCTURE		
The Company's:		
Registered Capital Cap : TRY 500,000,000		
Issued Capital : TRY 200,019,288		
DEVA HOLDİNG A.Ş. SHAREHOLDING STRUCTURE (31.12.2022)		
Corporate Name	Holdings (TRY)	Rate of Share %
EastPharma S.a.r.l	164,424,760	82.20
Other Shareholders	35,594,528	17.80
TOTAL	200,019,288	100.00

MESSAGE FROM THE CEO



Dear Stakeholders,

The year 2022 was a challenging one in which economies, as well as societies, businesses and individuals all around the world were greatly affected. Rising inflation across the world and significant increases in costs of inputs such as raw materials and energy have substantially affected the pharmaceutical industry as well. Despite these challenges, according to IQVIA figures, DEVA Holding had a successful year in 2022, ranking 3rd with a 5.0% market share in the number of units, and 6th with a 2.6% market share in terms of values, TRY.

At DEVA, we have been working for 64 years to make healthy living accessible to all. In light of our responsibility to build a healthy and sustainable future, we have been expanding our treatment offerings by adding new products to our portfolio every year. In 2022, we added new products to our portfolio in all 14 therapeutic areas we operate in, and made them available to the medical community. As a domestic pharmaceutical company that meets global standards, we continue our efforts to contribute to health globally and especially in our country with our value-adding generic products that we offer at cost-effective treatments in many therapy areas.

In 2022, our three major manufacturing facilities in Çerkezköy and Kartepe, with an annual output capacity of 578 million units, successfully passed various audits conducted by national and international health authorities. We aim to make access to effective treatment available to everyone by offering to patients all over the world our products manufactured at high standards at our facilities that meet European GMP and US FDA compliance requirements. In this direction, we are continuously strengthening our presence in the Turkish market, as well as in international markets. As of the end of 2022, we now hold 1,029 product licenses in 69 countries in international markets. We introduced new products to the market in many countries in Europe, North and South America, the Balkans, the Middle East and New Zealand.

The value we attach to R&D plays an important role in our sustainable success. Last year, we invested approximately 10% of our turnover into R&D. According to the R&D 250 Survey by Turkishtime, we were named the pharmaceutical company that spends the most on R&D in Türkiye. Just like every year, our R&D teams achieved major successes this year. We were awarded the Golden Mortar and 11th Chemistry R&D Project Market prizes with the invaluable projects developed by our teams. Our extensive R&D team comprised of 409 highly qualified and specialized employees continues to work diligently to contribute to public health in our laboratories and production sites equipped with the state-of-the-art technology.

At DEVA, we believe that sustainability is a social and even global responsibility that we should all embrace for the world we live in. We regard sustainability as a determining factor in all our processes, from production to distribution and supplier selection. We focus on the all dimensions of sustainability, such as using our resources in the most efficient way, drawing attention to environmental issues, as well as leaving a livable world for future generations and making medicine accessible to all; and we are furthering our efforts in these areas.

Dear Stakeholders,

2022 was a year in which high inflation affected the world in general and our country in particular. Still, it was also a successful year for DEVA, thanks to the appropriate and correct policies we implemented. With our 64 years of experience, highly experienced management team, 2,895 competent employees, strong product portfolio, not to mention our collaboration, agility and flexibility capabilities, we continue to make a difference in today's world of rapid change. In the coming years, as a global pharmaceutical company we will continue to work with dedication and offer solutions on a global scale so as to create a sustainable world, given our corporate values and awareness of our responsibilities. These values and responsibilities include resilience against challenges, responsibility, innovation and development, trustworthiness, people-orientation and teamwork.

Yours Sincerely,



Philipp Haas
Chairman of the Board of Directors & CEO

Board of Directors and Senior Executives



BOARD OF DIRECTORS AND SENIOR EXECUTIVES

Philipp Haas

Chairman of the Board of Directors and CEO of DEVA Holding, Philipp Haas took MBA degree in the specialty of banking at St. Gallen Economy, Law and Business Administration University. He speaks German, English, French, Spanish, Portuguese, Italian and Turkish fluently. Having served as investment consultant and director since 1992, Philipp Haas has a broad experience in markets of Eastern European Countries and particularly Turkish market. Having taken part in many restructuring projects in Ukraine and Türkiye, Philipp Haas performed membership of many boards of directors on behalf of foreign corporate investors in 90s, among which are Rogan Brewery in Ukraine and Net Holding in Türkiye. Having a broad experience in pharmaceutical industry, Philipp Haas served as consultant to funds in pharmaceutical industry in developing markets and oriented their investments to Eastern Europe. Among such firms is Slovakopharma named afterwards as Zentiva. Being the Chairman of the Board of Directors of Eastpharma Ltd and DEVA Holding, Haas also serves as the Chairman of Board of Directors in Saba İlaç Sanayi ve Ticaret A.Ş., New Life Yaşam Sigorta A.Ş., Eastpharma İlaç Üretim Pazarlama San. ve Tic. A.Ş., and member of Board of Directors in Eastpharma Sarl. He also serves as manager in Devatis Ltd, Devatis GmbH, Devatis AG, Devatis de Mexico S.DE RL. DE C.V, Devatis Pty Ltd, Devatis Canada Inc, Devatis d.o.o. Beograd, and as member of Board of Directors and CEO in Devatis Inc.



Chairman of the Board of Directors and CEO

Mesut Çetin

The Deputy Chairman of the Board of Directors and CFO of DEVA Holding, Mesut Çetin started his professional career within GEM Global Equities Management S.A., a fund management company, in 1999, and has served in various positions as clearing, research assistant, trader and management. Within the same group, he served actively in several private equity projects, and assumed the duty of project supervision in some projects. Mesut Çetin is the member of the BOD in Eastpharma Ltd. Ltd and Saba İlaç Sanayi ve Ticaret A.Ş. He also performs the duty of CFO in various companies within the group. Mesut Çetin is the graduate of Mathematics Teaching at Boğaziçi University and completed his EMBA program at Koç University.



Deputy Chairman of the Board of Directors and CFO

BOARD OF DIRECTORS AND SENIOR EXECUTIVES

Eşref Güneş Ufuk

Independent Member of the Board of Directors of DEVA Holding, Güneş Ufuk received his bachelor's degree in Business Administration from St. Gallen University, Switzerland, and then worked in sales and marketing departments of several companies there, and in Türkiye, he held various senior management functions in Kemer Golf & Country Club, Superonline and YKS which is also a Cukurova Group company. After completing his professional career as the General Manager at Kemer Golf & Country Club, Ufuk stepped into consulting business, and worked as a Manager and Consultant for more than 6 years, and in 2010, established the consulting firm k2 and started to offer Management Consulting, Training and Spokesmen services in development and management topics in a variety of companies in Türkiye.

Ufuk continues his training and consultancy activities at K2C Consulting company, which he founded in 2015 and focuses on digitalization, distance learning and blended learning, by providing services to more than 100 companies functioning in various sectors both in and out of Türkiye. Güneş Ufuk specializes in "Sales & Marketing", "Leadership", "Strategy" and "Corporate Culture and Change".



Member of the Board of Directors

Ayşecik Haas

The Non-Executive Member of the Board of Directors of DEVA Holding, Ayşecik Haas completed her license degree in Electrical-Electronic Engineering in Doğu Akdeniz University after graduating Ankara Private Yükseliş College in 1991, then took her master degree in Economics branch in Texas Tech University. Having commenced her work life at various positions relating to engineering at Emek Elektrik and Beko Elektronik in Türkiye, Ayşecik Haas worked the finance sector in New York after taking Economy Master degree and upon her return, she worked as investment specialist at Hattat Holding for a short period of time and performed as the General Manager of NAR Group, from 2008 to 2015. Ayşecik Haas is currently a Member of the Board of Directors at New Life Yaşam Sigorta A.Ş.



Member of the Board of Directors

Sengül Soytaş

Independent Member of the Board of Directors of DEVA Holding, Sengül Soytaş, received her Bachelor's Degree in Business Administration at Middle East Technical University, and afterward completed a Master's Program in Business Administration with honors, at Indiana State University. She embarked on a professional career at Small Business Development Center, Indiana State University as a research fellow, and after repatriating to Türkiye, she worked at Emek Elektrik A.Ş. as an Export Specialist for a brief period. Later she joined Vestel Ticaret A.Ş. and worked as a Marketing Specialist, Marketing Supervisor, and International Marketing Manager, overseeing several major marketing projects and project groups. Since June 2015, she has been working as a consultant on international marketing and business development, advising clients across industries on optimal ways of operating in international markets.



Member of the Board of Directors

Changes in Memberships of the Board of Directors within the year

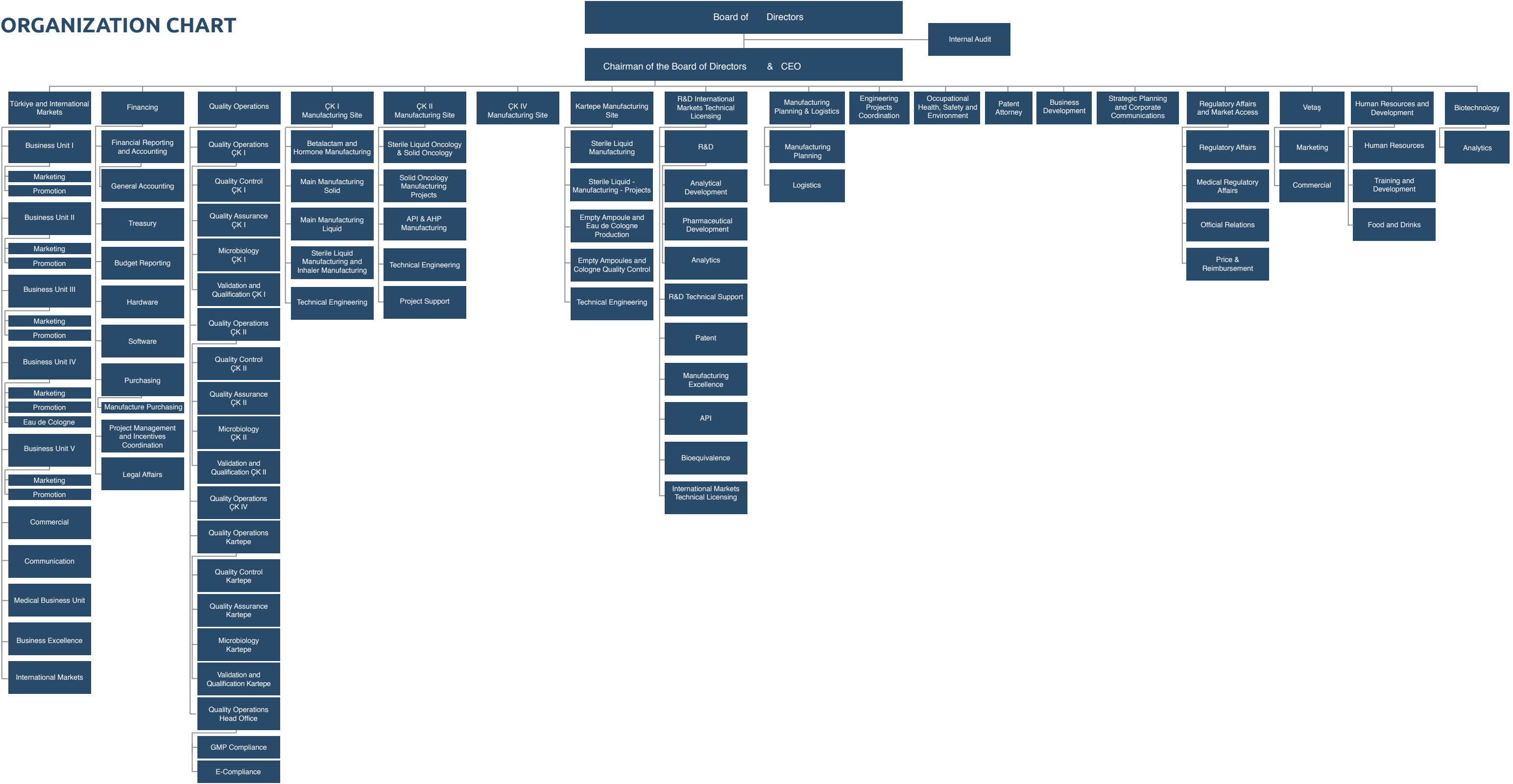
Members of the Board of Directors were elected at the Annual Ordinary General Assembly Meeting held on April 01, 2022 to hold office for a period of 3 years.

Senior Executives

Philipp Daniel Haas – (CEO)
Mesut Çetin – (CFO)
Doğan Varinlioğlu – Deputy General Manager of Türkiye and International Markets
Rıza Yıldız – Financial Reporting and Accounting Director
Hartwig Andreas Steckel – R&D and International Markets Technical Licensing Director
Tijen Kavlak – Business Unit Director

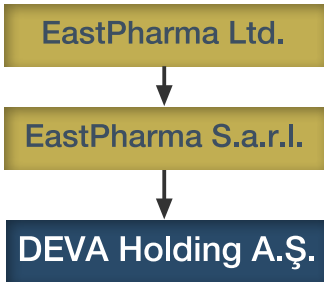
İrfan Çinkaya – Biotechnology Director
Aytaç Aysuna Erden – Legal Affairs Director
Elçin Güner – Business Unit Director
Eray Kurt – Çerkezköy-I Facility Director
Gökhan Kaba – Procurement Director
Gülcan Gümüüş – Human Resources & Development Director
Metin Ercan – Çerkezköy-II Facility Director
Murat Akıncı – Medical Business Unit Director
Murat Aksoy – Manufacturing Planning & Logistics Director
Refiye Adıyaman – Quality Operations Director
Sibel Yılmaz – Kartepe Facility Director

ORGANIZATION CHART



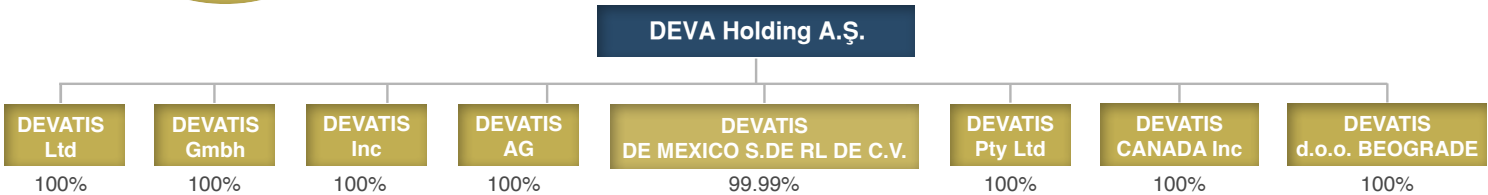
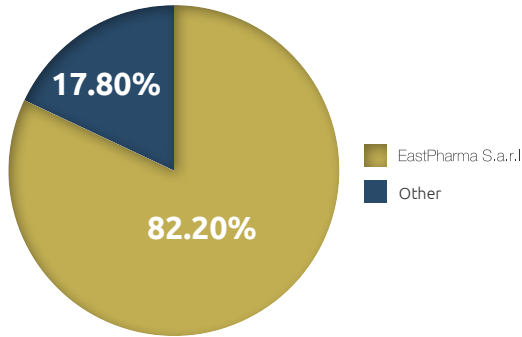
SHAREHOLDING STRUCTURE AND SUBSIDIARIES

EastPharma Ltd. incorporates DEVA Holding and it holds A, B and C group shares.



Group A	
Direct Control	74.00%
Group B	
Direct Control	72.00%
Group C	
Direct Control	82.20%

SHAREHOLDING STRUCTURE
(Shares of Group C)



INFORMATION ON PREFERRED SHARES
Our company’s capital contains 10 preferred shares in total of TRY 0.10, consisting of 5 Group A Shares and 5 Group B Shares, each with a value of TL 0.01. The preferences for these shares are as follows:
Preference in terms of Dividends
Group A Preferential Shares are entitled to receive 10% of the profit set aside from distributable profit according to the orders and principles referred to in the Articles of Association.

Preference in terms of Right of Voting
Group A and B preferred shares have a voting right ten times the voting right of Group C shares in terms of right of voting.
Preference in terms of Managerial Entitlement
Two members of the board of directors are elected by Group A and B preferential shareholders from amongst Group A preferential shareholders.

MISSION, VISION AND
MAIN PRINCIPLES

Our Mission

We exist to offer innovative and diversified products with high quality experience with a view to everybody being able to reach healthy life at global scale.

Our Vision

To be the first choice in fields in which we compete by creating giant pharmaceutical brands.

Our Values

- Resilience
- Responsibility
- Innovation and development
- Trustworthiness
- People oriented approach
- Teamwork



NOTES FROM THE PHARMACEUTICAL INDUSTRY

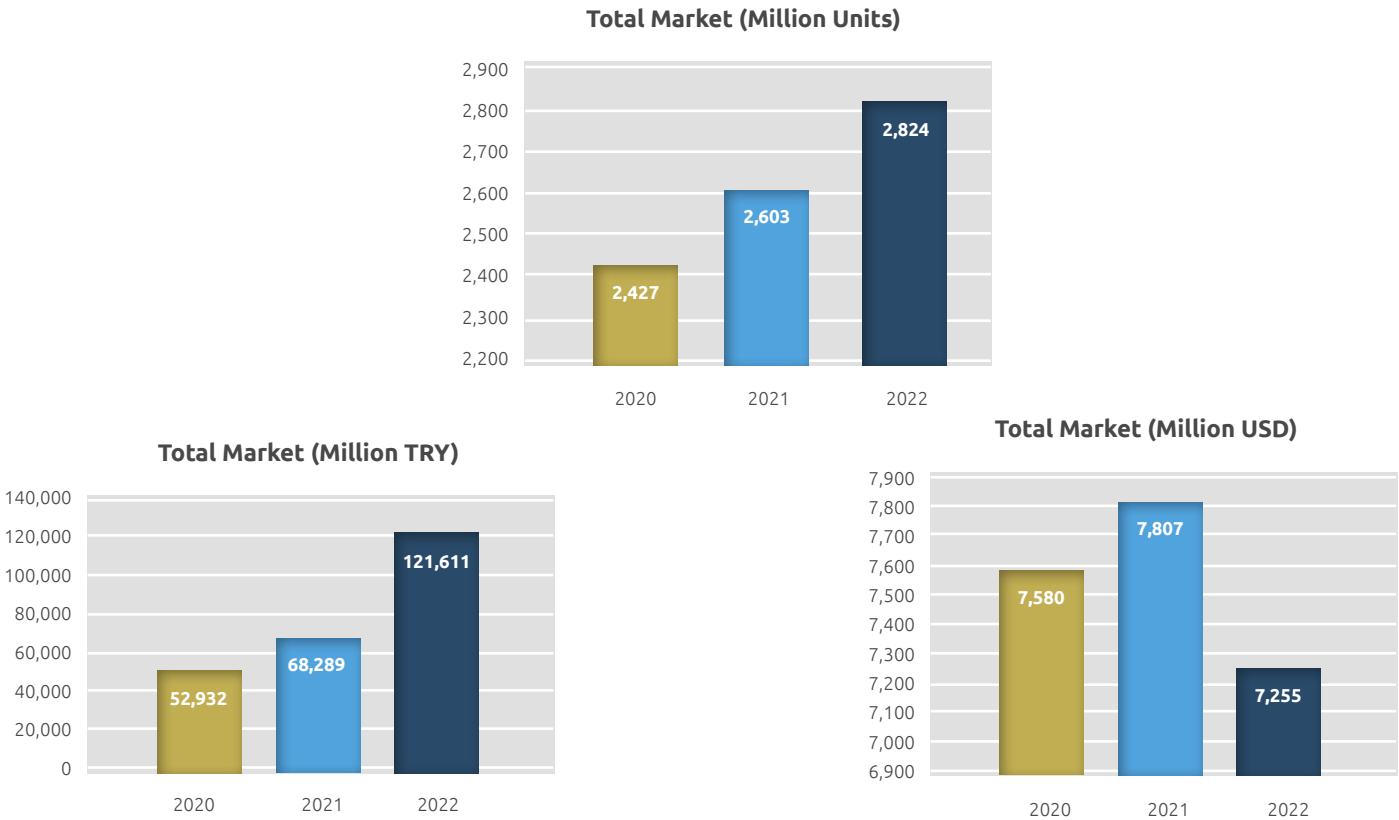
According to the total IQVIA data of free market and hospitals, 2,824 million units and TRY 121.6 billion (*) worth of medicines were sold in the Turkish pharmaceutical market in 2022. The market grew by 8.5% in number of units and by 78.1% in TRY compared to the same period of the previous year.

The ratio of prescription drugs to the total pharmaceutical market in Türkiye is 95.3% in number of units, and 92.3% in TRY.

Although drugs from various treatment groups are imported in Türkiye, the mainly imported drugs are novel and high-tech preparations, anti-cancer drugs, blood factors, nervous system drugs, insulin and certain controlled-release drugs.

According to IQVIA data, the sales of imported products increased by 0.8% on a unit basis; however, they decreased by 10.3% in USD, totaling 3.4 billion USD in 2022. The domestic pharmaceutical market, on the other hand, grew by 9.9% in units but shrank by 4.0% in USD, totaling 3.8 billion USD. The ratio of imports in the total market is 14.2% in units while it is 47.1% in USD.

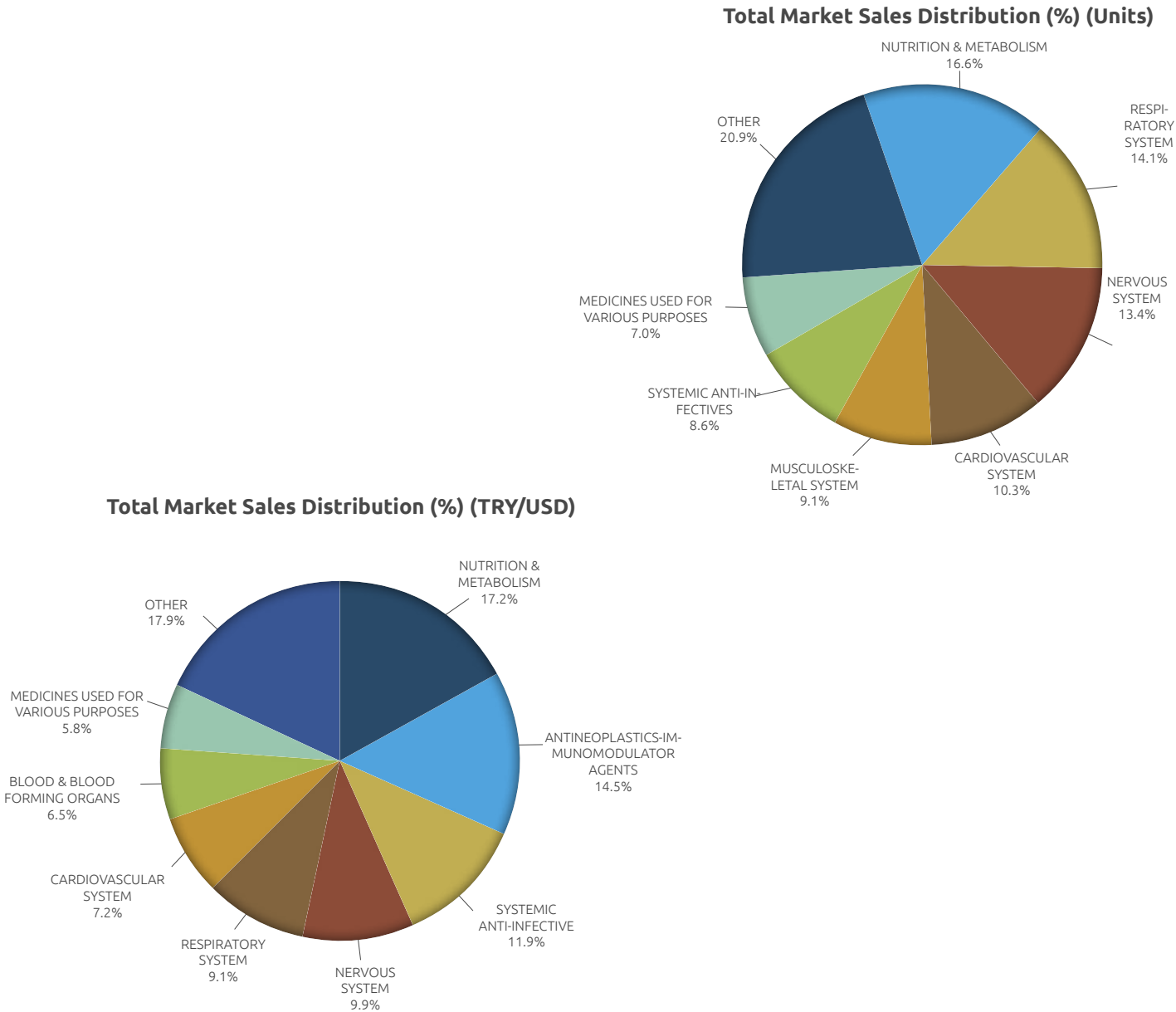
According to IQVIA data, the industry grew by 8.5% in terms of units sold; however, it shrank by 7.1% in terms of USD, corresponding to 7.3 billion USD in 2022. The pharmaceutical market grew by 78.1% in total, and reached TRY 121.6 billion.



(*) "Extras" are included in the value in units but not included in the value in TL based on the IQVIA calculation method change
Source: IQVIA Free + Hospital Data View

NOTES FROM THE PHARMACEUTICAL INDUSTRY

In Türkiye, the market distribution by pharmaceutical segments was as follows in 2022 in units and in TRY/USD. The "Nutrition & Metabolism" segment had the largest share, both in units and TRY/USD.

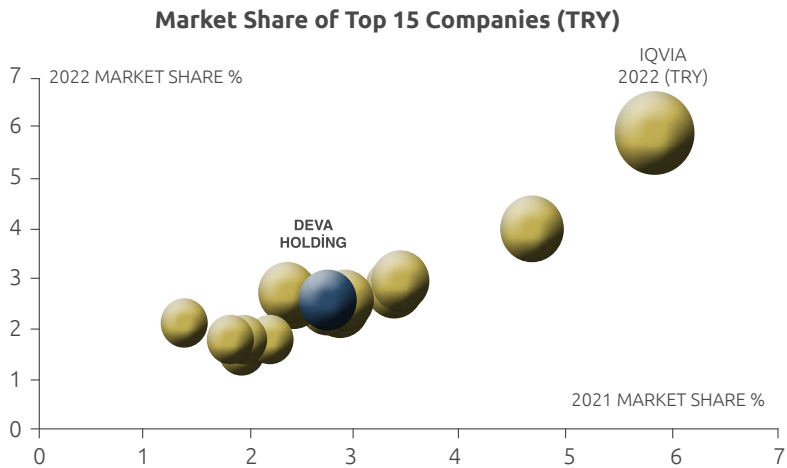
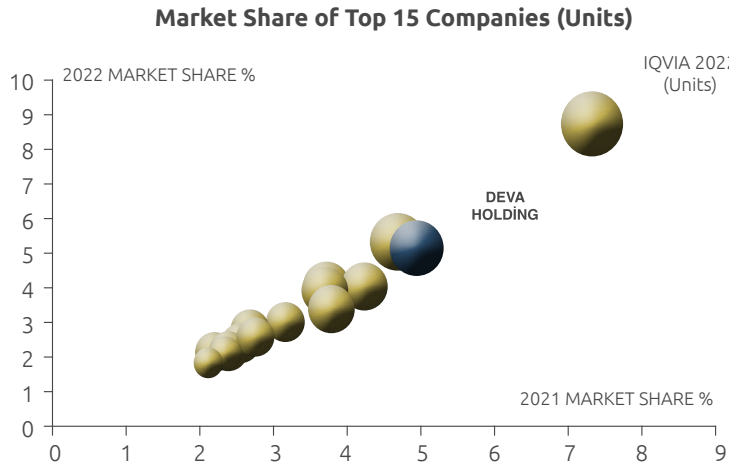


Source: IQVIA Free + Hospital Data View

DEVA IN 2022

According to IQVIA data (Free Market + Hospital), DEVA Holding sold 141 million units worth TRY 3,157 million in 2022, growing by 8.9% in terms of units and by 72.6% in terms of TRY compared to 2021.

In 2022, DEVA Holding ranked third with a market share of 5.0% in units and sixth with a market share of 2.6% in TRY.

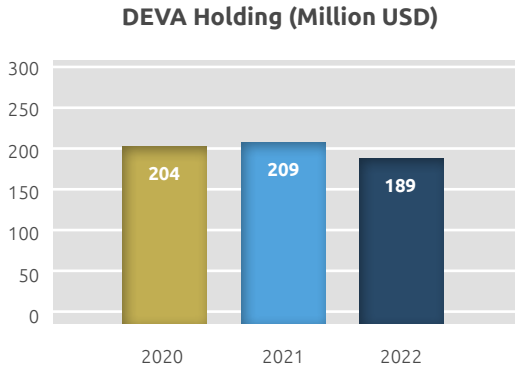
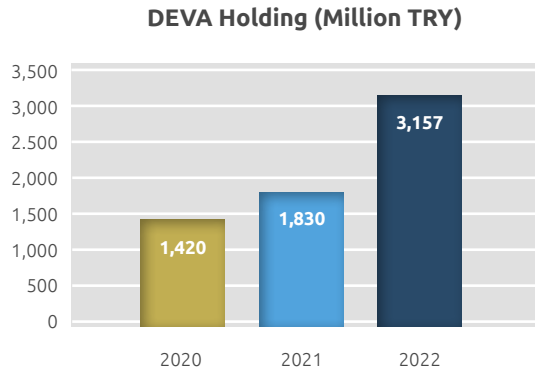
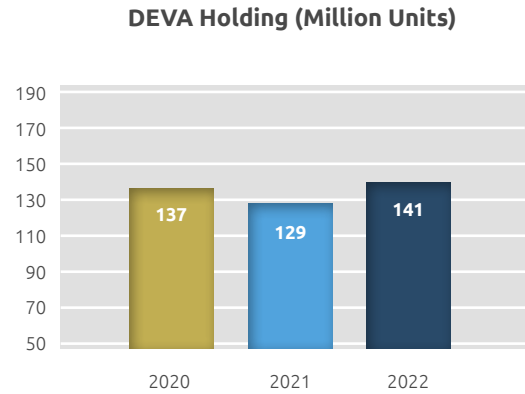


DEVA Holding sold 34.8 million units of products worth TRY 242.3 million to the State Supply Office in 2022, and these sales are not included in the IQVIA data.

Source: IQVIA Free + Hospital Data View

DEVA IN 2022

The unit/TRY/USD values realized by DEVA Holding in the last three years are as follows:



Source: IQVIA Free + Hospital Data View

DEVA IN 2022

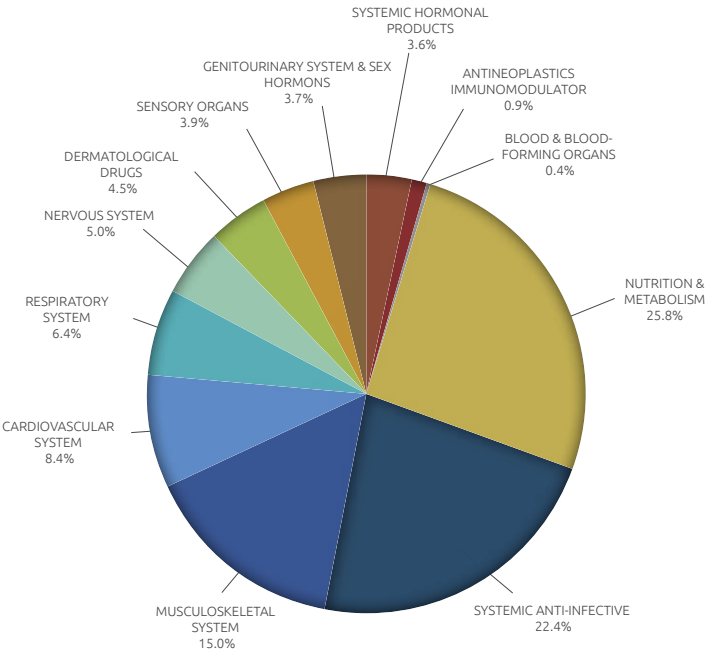
In 2022, DEVA Holding’s products named Devit D3, Amoklavin, Dikloron, Tilcotil and Dodex ranked among the top 100 products of the Turkish pharmaceutical market in terms of units sold. Amoklavin and Rivelime ranked among the top 100 products of the Turkish pharmaceutical market, respectively, in terms of TRY.

According to IQVIA data for 2022, a total of 13 products accounted for 50% of the company’s revenue. These products are Amoklavin, Rivelime, Devit D3, Dikloron, Candexil Plus, Dodex, Tribeksol, Madopar, Dilatrend, Cefaks, Azitro, Desefin and Biteral, respectively.

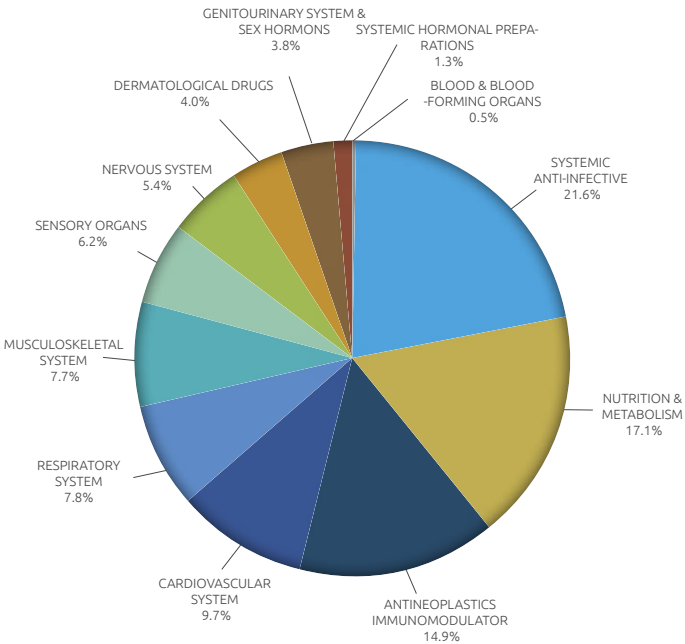
Thirteen new products were launched in 19 different forms, and eight different forms were added to existing products in 2022.

“Nutrition & Metabolism” group of drugs make up the largest portion of DEVA Holding’s drug sales in 2022 in units, and “Systemic Anti-Infective” group of drugs make up the largest portion in TRY/USD. The distribution of sales by segments in terms of units and TRY/USD is as follows:

DEVA Holding’s Distribution of Sales % (Units), 2022



DEVA Holding’s Distribution of Sales % (TRY/USD), 2022



Source: IQVIA Free + Hospital Data View

DEVA IN 2022

INTERNATIONAL MARKETS

GMP Inspections

In 2022, remote or on-site GMP inspections were carried out at Çerkezköy-I Manufacturing Site by the health authorities of Kosovo, Belarus, Ethiopia, Uganda, Germany and Türkiye, as well as US FDA (US Food and Drug Administration), and approvals were obtained for the renewal of the GMP certificate.

GMP inspections were carried by US FDA and the health authorities of Kosovo and Türkiye at Çerkezköy-II Manufacturing Site, and approvals were obtained for the renewal of GMP certificate.

Additionally, remote or on-site GMP inspections were carried out by the health authorities of Kosovo, New Zealand, and Türkiye at Kartepe Manufacturing Site, and approvals were obtained for the renewal of the GMP certificate.

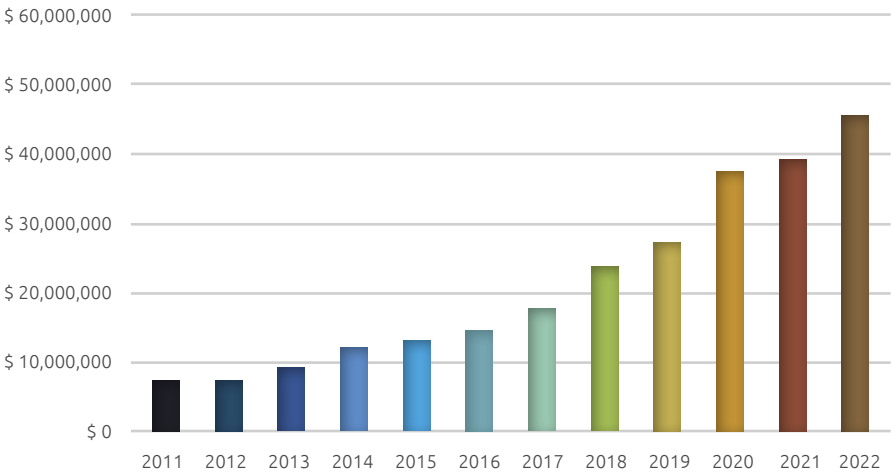
Also, the validity of the CE certificate was maintained through the recertification audit for ISO 13485 Quality Management System Certificate, and the 93/42/EEC surveillance audit for medical

devices at the Kartepe Manufacturing Site. In addition, the validity of the ISO 9001:2015 Quality Certificate was maintained through the renewal audit carried out for the Empty Ampoule and Cologne Departments at the Kartepe Manufacturing Site.

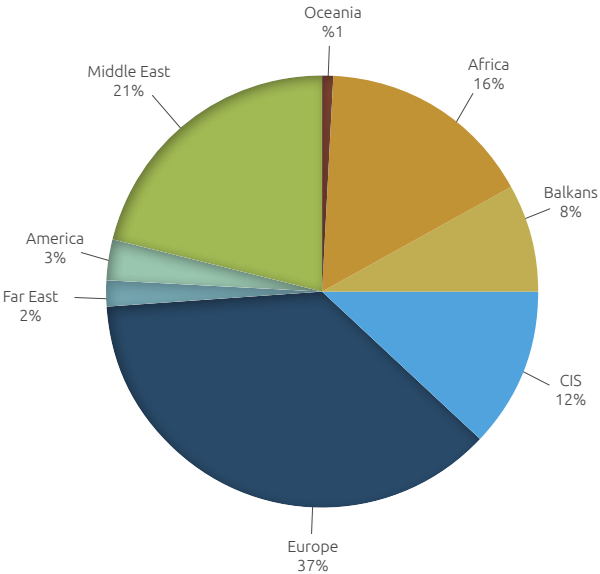
Export of Medicinal Products for Human Use and Raw Materials

Agreements with pharmaceutical companies and distributors abroad were maintained in 2022, and products sales to foreign markets with the DEVA brand and license agreements continued as the main business model.

In 2022, while new agreements and strategies continued to produce results, DEVA’s share in medicinal products for human use and raw material exports, as well as foreign contract manufacturing projects increased by 16% compared to the previous year, reaching approximately 45.2 million USD.



Distribution of Exports in 2022 by Regions



DEVA IN 2022

The global growth strategy is executed using a dual-pronged approach, involving entering new markets and expanding footprint in existing markets with new launches.

In 2022, total of 88 approvals were received, bringing the grand total to 1029 approvals in 69 countries.

With DEVATIS GmbH in Germany, we launched our new oncology products and the market share of some of our products in the field of oncology has increased.

We continued our business development activities in Europe and sold our CNS products in Sweden and Finland, and our oncology products in England and the Netherlands. We sold our products for the first time to Canada, a country of strategic importance. Our current product range was expanded with the new tenders we won through DEVATIS Ltd. in New Zealand. Furthermore, we continued to work on potentially strategic products in the USA, Australia and Mexico through DEVATIS.

In the Balkans, we maintained our market leadership in the respiratory field in Bosnia and Herzegovina and Kosovo, and having won tenders in the fields of hematology and oncology, we began to market our products in Macedonia.

Having won important government tenders in Azerbaijan, Kazakhstan and Belarus, we placed our new products in the fields of oncology, CNS and cardiology upon the market. We introduced our first ophthalmology and respiratory products in Kyrgyzstan and continued to grow as DEVA in these markets.

Our product portfolio in the respiratory, ophthalmology, anti-infective market in Iraq was strengthened, and new partners were added to our business model. We won new government tenders in major fields such as CNS and oncology.

We signed our first distributorship agreements in Chile, Colombia and Paraguay, and sold our first registered product to Ghana.

Promotional Activities in the International Arena

While commercial activities grew rapidly on a global scale, new collaborations were evaluated with exhibitions. Through

participation in international organizations during 2022, DEVA Holding's communication network in this area was grown and a ground was established for agreements with new business partners.

In 2022, online product and sales training courses were provided to the sales and field teams of our existing partners in international markets, and physicians and pharmacists working abroad were hosted for visits to the manufacturing sites in Türkiye. Sponsorship agreements were made for various activities in order to communicate DEVA's corporate philosophy to the target audience as a common ground in all markets where the DEVA brand is present.

International Business Development Projects

In international markets, two new license and supply agreements covering three countries in Europe were signed in 2022 in antineoplastics - immunomodulators, central nervous system and anti-infective therapeutic areas.

Many therapeutic areas were examined in 2022 to strengthen the portfolio, and as a result of feasibility studies conducted, many new products were added to the future product portfolio in 12 different therapeutic areas, predominantly respiratory, cardiovascular, antineoplastic and ophthalmic products groups. Opportunities of cooperation for joint development were used.

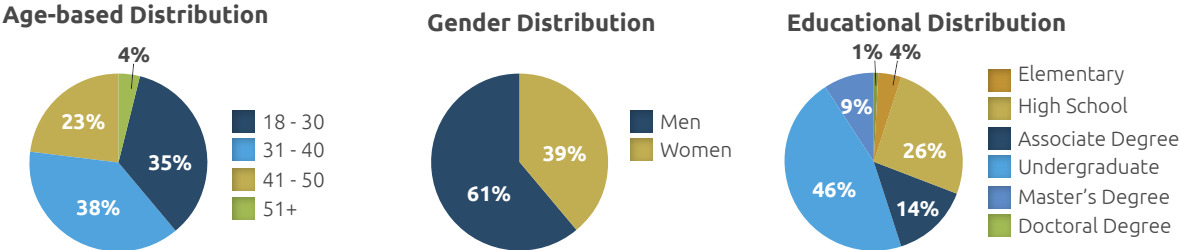
Congresses and Exhibitions Participated in International Markets:

- Pharmasynergy Online, February 2022
- DCAT- New York, USA, March 2022
- EuroPLX 78- Lisbon, Portugal, April 2022
- Bio International, San Diego, CA, USA, June 2022
- EuroPLX 79- Vienne, Austria, June 2022
- CPHI, Frankfurt, Germany, November 2022



HUMAN RESOURCES AND DEVELOPMENT

DEVA Holding, in view of the fact that it will gain more competitive power with high-profile employees, continues to generate employment, primarily in R&D, field promotion and manufacturing facilities, in 2022, its 64th anniversary, as well. Career opportunities offered to employees were kept in place, and internal resources were prioritized, especially in promotions. DEVA continued to utilize systems that enable the appointment of employees to appropriate positions through assessment center practices and Promotion Committee evaluations. As a result, as of the end of 2022, the demographic structure of the company is as follows:



As in previous years, in 2022 DEVA continued to recruit interns as part of its Human Resources policy in order to contribute to the development of vocational high school students and to support university students in shaping their careers, during their education. Internship placement agreements were signed with leading universities in Türkiye. Internship opportunities in various departments of DEVA Holding were offered to university students during the summer and to vocational high school students during the winter, contributing to the development of young talent and introducing them to business life while they were still students. In addition, DEVA Holding and the wider pharmaceutical industry were introduced to the students enrolled in Faculties of Pharmacy and Chemical Technologies Programs through career days at universities and by organizing factory tours.

Our collaboration with Istanbul University Faculty of Pharmacy continued in 2022 with a mentoring project and career planning seminars within the scope of the “360 Degrees Education Program in the Pharmaceutical Industry”. The 4th year students of the Faculty of Pharmacy who took part in this special training program were provided the opportunity to take part in various scientific projects and gain experience in the pharmaceutical industry through their participation in online courses given by our R&D managers. Within the scope of the “TÜBİTAK 2247-C Intern Researcher Scholarship Program (STAR)”, 3rd and 4th year students from Faculties of Pharmacy, and Departments of Chemistry and Chemical Engineering were provided with internship opportunities in various departments. The Company participated in the “TÜBİTAK 2244 - Industrial Doctorate Program” and students pursuing their doctoral degrees in the Pharmacy and Analytical Chemistry at designated universities were employed as “Doctoral Scholars” in the framework of R&D. Thus, the students were supported in shaping their careers during their studies.

In order to engage with young talents in the increasingly digitalized world and to raise awareness about our brand as an employer, by offering them internship and job opportunities, we continued our cooperation with the Youthall platform and reached out to young talents through the platform.

Within the scope of digital transformation, the “Digital Onboarding” project was implemented, moving the recruitment process to an online platform. The new employees were supported in the process of adaptation to the workplace and corporate culture.

The DEVA Family organized a blood donation campaign at the Head Office and all our production facilities. The blood donated by our employees was delivered to patients in need, by the Red Crescent Society. This social responsibility project set an example for DEVA employees to act ethically and responsibly towards the society, once again emphasizing the importance of human health and the necessity for major companies to lead the way in challenging times, providing ongoing assistance in line with their corporate responsibility.

Many events such as celebrations, holidays, and happy hours were organized to boost employee motivation, unity and solidarity. The creativity of employees was supported, with new ideas and projects they develop being evaluated and rewarded.

The “Nominate-Win” program enables employees to suggest candidates who are well in tune with DEVA’s corporate culture and values, for open positions. In turn,

the employees who recommended the candidates are rewarded in the event that the recommended candidates are hired.

In order to support success, scholarships are offered to successful children of DEVA Family members who are studying Medicine, Pharmacy, Chemistry, Chemical Engineering, Biology, Chemical-Biological Engineering, Molecular Biology and Genetics, Genetics and Bioengineering, Biochemistry, Bioengineering, Biotechnology, Molecular Biotechnology, Veterinary Medicine and Dentistry.

Within the framework of “DEVA Performance Management System”, competency-based performance evaluations were conducted for all employees, in line with the targets set for year 2022. The “DEVA Competency Assessment” process, in turn, continues to be integrated with DEVA Performance Management System, Training and Development, Selection, Placement and Promotion processes.

In line with DEVA’s targets and strategies for 2022, a variety of training programs were organized to address various development needs of employees. In addition, DEVA continued to support employees’ participation in training activities in Türkiye and abroad in order to expand their technical knowledge and skills and to improve their level of personal development.

Values-based leadership training courses were conducted for executives. Online and in-class training programs were organized to improve the leadership skills of mid-level managers at the Head Office and production facilities, and the communication and relationship management skills of employees in other positions. Field promotion teams and managers were supported with trainings on basic approaches to coaching and training programs to support promotional practices in the field, tailored to current needs.

In 2022, with the integration of the development catalog into the Devakademi training portal, training content on approximately 5,000 distinct topics ranging from professional development to leadership, from new world skills to private life was made accessible to those who embarked on the development journey.

The Personal Development Planning System (GPS) was implemented and integrated into the e-learning system. As such, the employees are now supported with a next generation development planning system that enables them to make their own development plans based on their competencies.

The foreign language education process, which supports the employees’ ability to keep up with the changing world and their personal development, continued in 2022 with online training entailing up-to-date education solutions, and was expanded further with different language alternatives to address business needs.

By using up-to-date training technologies such as virtual classrooms, videos, e-exams, podcasts, e-learning and mobile learning in training and development planning, distinct and effective learning solutions were offered to reach employees at all locations, while in-class training planning was integrated into Devakademi training portal, enabling planning and management through a single system.

In 2022, all Human Resources and Development activities were supported with technological developments and continued successfully.

MANUFACTURING FACILITIES



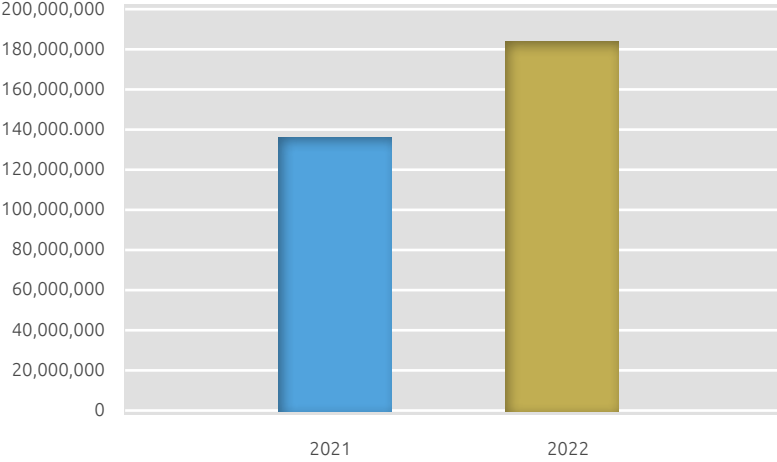
DEVA HOLDING ÇERKEZKÖY-I MANUFACTURING FACILITIES

DEVA Holding Çerkezköy-I Manufacturing Facility has an enclosed area of 43,000 m² established on an area of 52,000 m² in the Çerkezköy Organized Industrial Zone, at a distance of approximately 110 km from Istanbul.

The facility is made up of modern buildings where liquids/ semi-solids and solids, cephalosporin, penicillin, hormone products, inhaled products, sterile liquid ampoules and vials and soft gel capsules are manufactured.

While a total of 137 million units were manufactured in the manufacturing facility in 2021, 183 million units were manufactured in 2022. The number of units manufactured in 2022 increased by 46 million units compared to 2021, which corresponds to an increase of 34%.

Total Quantity of Products Manufactured in Çerkezköy-I Manufacturing Facility (Units)



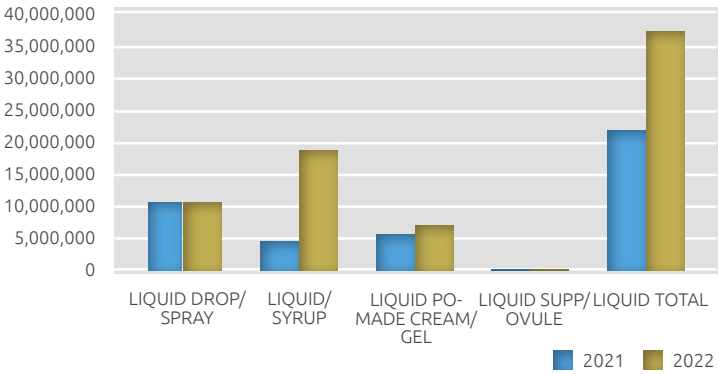
Liquids/Semi-Solids and Solids Manufacturing Unit

In the Liquids/Semi-Solids Manufacturing Unit, medicines in the form of syrup, drops and spray, cream and gel, suppositories and ovules are manufactured with state-of-the-art technology.

In this unit, where a total of 22 million units of products were manufactured in 2021, a total of 37.5 million units, including 30 million units of syrups, drops and sprays and 7.5 million units of pomades, gels, suppositories and ovules, were manufactured in 2022.

The quantity manufactured in the Liquids Manufacturing Unit in 2022 on a unit basis increased by 70% compared to 2021, with 15.5 million more units manufactured.

Manufacture of Liquids/Semi-Solids (Units)



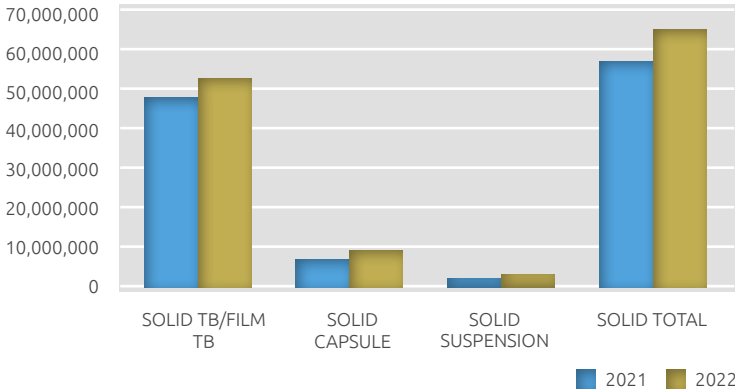
MANUFACTURING FACILITIES

In the Solids Manufacturing Unit, medicines in the form of tablets/film tablets, capsules, and powders for suspension are manufactured with state-of-the-art technology.

In this unit, where 57.9 million units of products were manufactured in 2021, a total of 65.9 million units of products were manufactured in 2022, including 62.7 million units of tablets/capsules and soft gel capsules, and 3.2 million units of suspensions.

The quantity manufactured in the Solids Manufacturing Unit in 2022 on a unit basis increased by 14% compared to 2021, with 8 million more units manufactured.

Manufacture of Solids (Units)

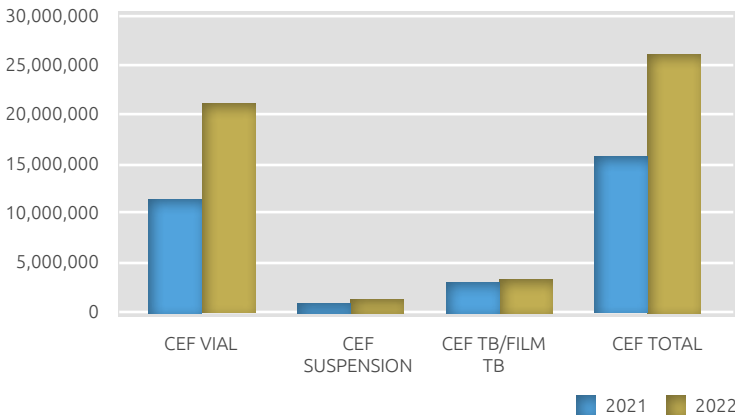


Cephalosporin Manufacturing Unit (Beta-lactam I)

While 15.8 million units were manufactured in the Cephalosporin Manufacturing Unit in 2021, 21.3 million units of sterile powder vials for injection, 1.6 million units of oral suspension, 3.4 million units of film coated tablets and capsules, totaling 26.3 million units, were manufactured in 2022.

The quantity manufactured in the Cephalosporin Manufacturing Unit in 2022 in terms of units increased by 66% compared to 2021, with 10.5 million more units manufactured.

Manufacture of Cephalosporin (Units)



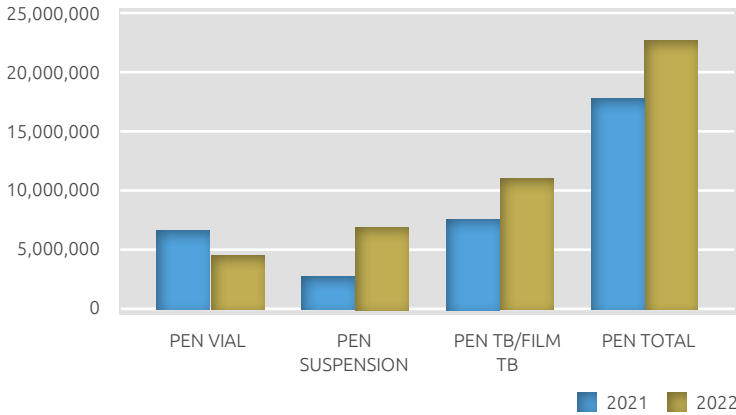
MANUFACTURING FACILITIES

Penicillin Manufacturing Unit (Beta-lactam II)

While 17.6 million units were manufactured in the Penicillin Manufacturing Unit in 2021, 4.7 million units of sterile powder vials for injection, 7 million units of oral suspension, 10.9 million units of film coated tablets, totaling 22.6 million units, were manufactured in 2022.

The quantity manufactured in the Penicillin Manufacturing Unit in 2022 on a unit basis increased by 28% compared to 2021, with 5 million more units manufactured.

Manufacture of Penicillin (Units)

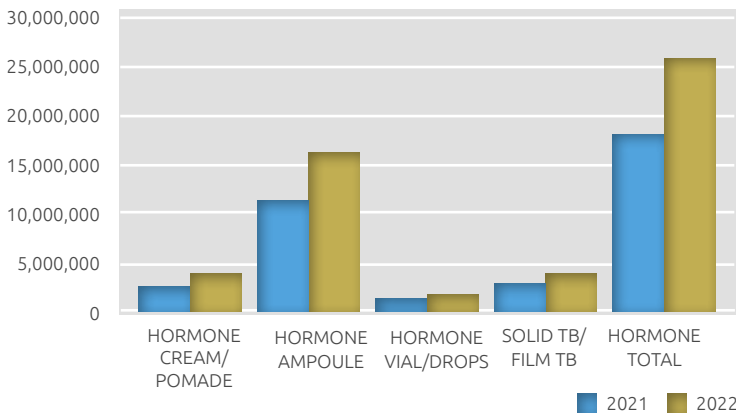


Hormone Products Manufacturing Unit

While 18.2 million units were manufactured in the Hormone Products Manufacturing Unit in 2021, 4 million units of cream/pomade, 4 million units of solid tablets and film tablets, and 17.9 million units of sterile ampoules, vials and drops, totaling 25.9 million units, were manufactured in 2022.

The quantity manufactured in the Hormone Products Manufacturing Unit in 2022 on a unit basis increased by 42% compared to 2021, with 7.7 million more units manufactured.

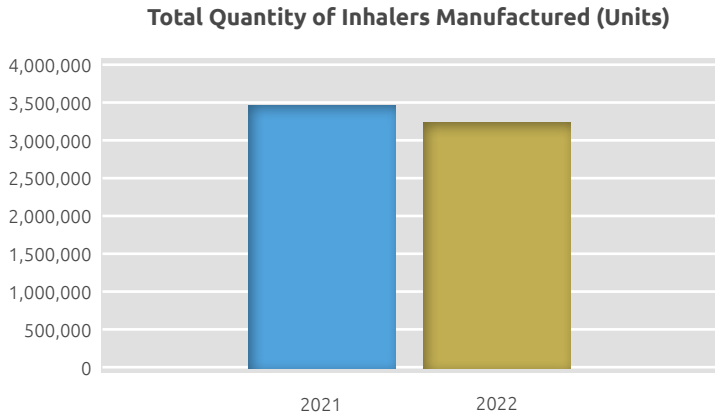
Manufacture of Hormone Products (Units)



MANUFACTURING FACILITIES

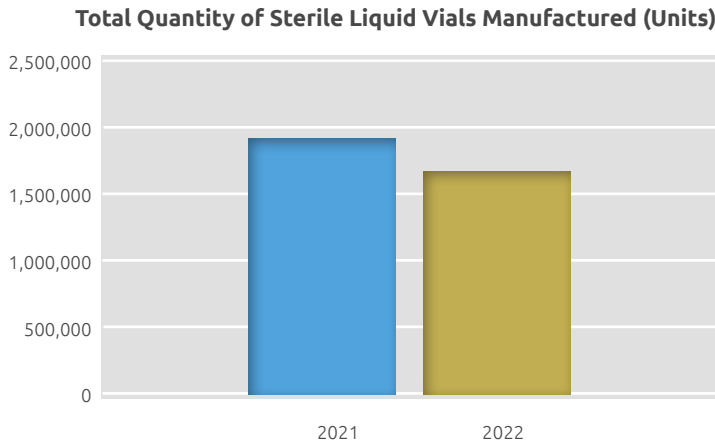
Inhaled Products Manufacturing Unit

While 3.5 million units of MDIs and DPIs were manufactured in the Inhaled Products Manufacturing Unit in 2021, 3.3 million units were manufactured in 2022.



Sterile Liquid Ampoules, Vials and Soft Gel Capsules Manufacturing Unit

While 1.9 million units of sterile vials were manufactured in the Sterile Liquid Ampoules, Vials and Soft Gel Capsules Manufacturing Unit in 2021, 1.7 million units of sterile vials and 3.1 million solvent ampoules were manufactured in 2022.



MANUFACTURING FACILITIES



DEVA HOLDING ÇERKEZKÖY-II MANUFACTURING FACILITIES

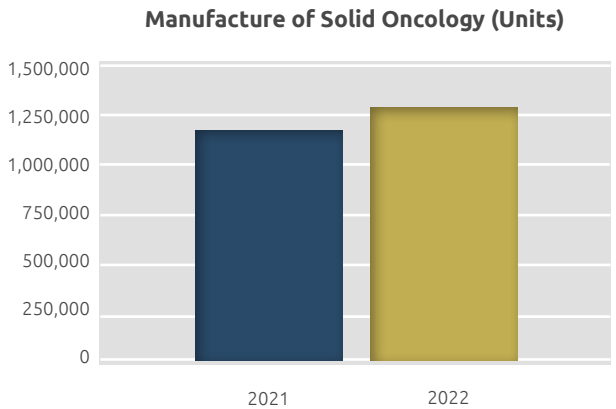
DEVA Holding Çerkezköy-II Manufacturing Facility, which has enclosed facilities of 50,270 m² established on an area of 67,551 m² in Çerkezköy Organized Industrial Zone, at a distance of approximately 110 km from İstanbul, is made up of modern buildings manufacturing solid oncology products, sterile liquid oncology products, animal health products and APIs. There are also R&D, Biotechnology and Central Stability Buildings at the facility.

In 2022, the new Biotechnology Building at the Çerkezköy-II Manufacturing Facility and the Central Stability Building, which will serve all the facilities, commenced its activities after successfully passing the inspections of the Ministry of Health. With the putting in the use of the Biotechnology Building, the Biotechnology R&D team continues its activities in this building. The High Potent Manufacturing Building, whose construction and equipment installations are ongoing, is projected to start its activities in the first quarter of 2023.

Solid Oncology Manufacturing Unit

Products in the form of tablets and capsules are manufactured in the Solid Oncology Manufacturing Unit.

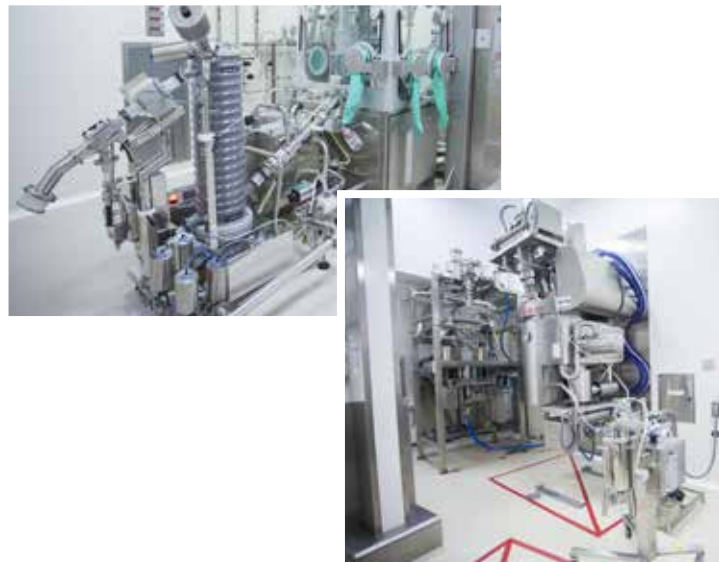
The total quantity manufactured, which was 1.2 million units in 2021, increased by 9% to 1.3 million units in 2022.



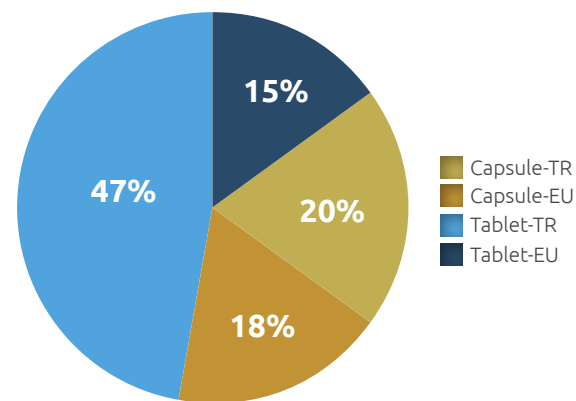
MANUFACTURING FACILITIES

Of a total of 1.3 million units manufactured in 2022, 0.42 million units were manufactured in the form of capsules and 0.87 million units in the form of tablets.

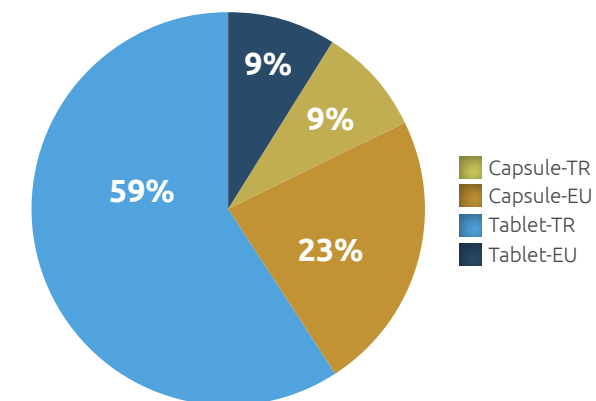
In addition, 0.12 million of 0.87 million units of products manufactured in tablet form and 0.30 million of 0.42 million capsules were manufactured for the European market.



Distribution of Solid Oncology Products in 2021



Distribution of Solid Oncology Products in 2022



MANUFACTURING FACILITIES

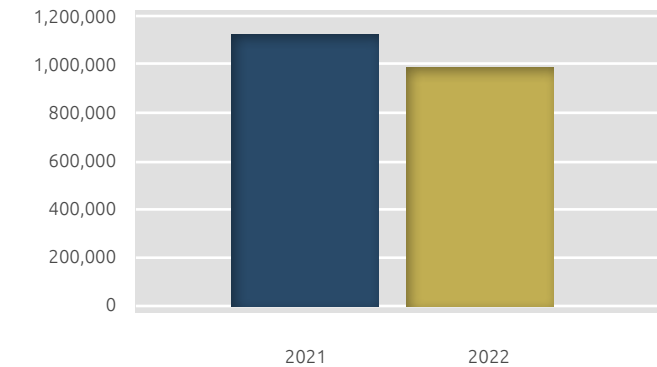
Sterile Liquid Oncology Manufacturing Unit

Products in the form of sterile liquid and sterile lyophilized powder are manufactured in the Sterile Liquid Oncology Manufacturing Unit.

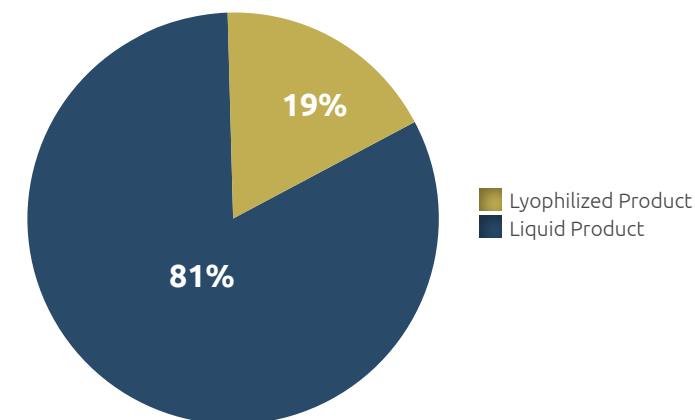
The total quantity manufactured in the unit, which was 1.13 million units in 2021, was realized as 1 million units in 2022.

Of 1 million units of products, 0.81 million units were liquid products and 0.19 million units were lyophilized products.

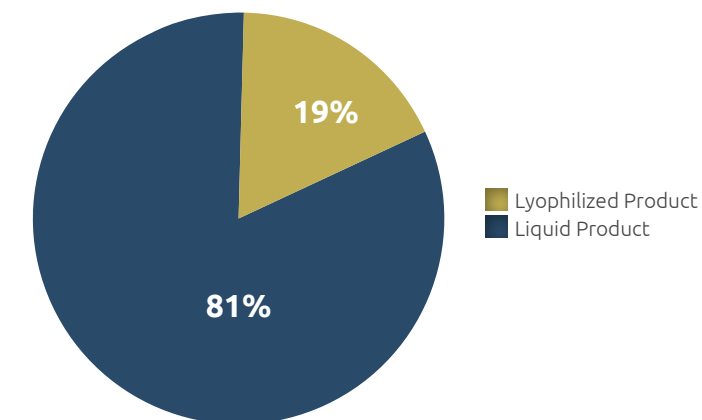
Manufacture of Sterile Liquid Oncology (Units)



Distribution of Sterile Liquid Oncology Products in 2021



Distribution of Sterile Liquid Oncology Products in 2022

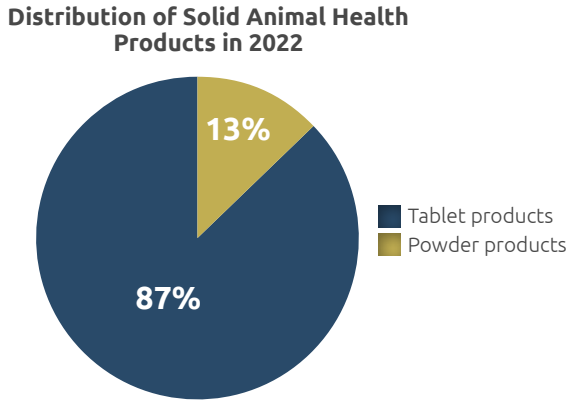
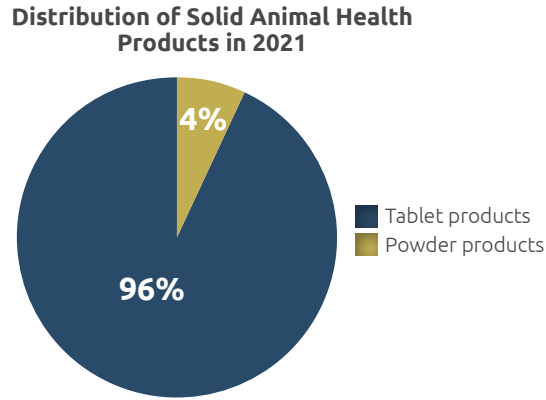
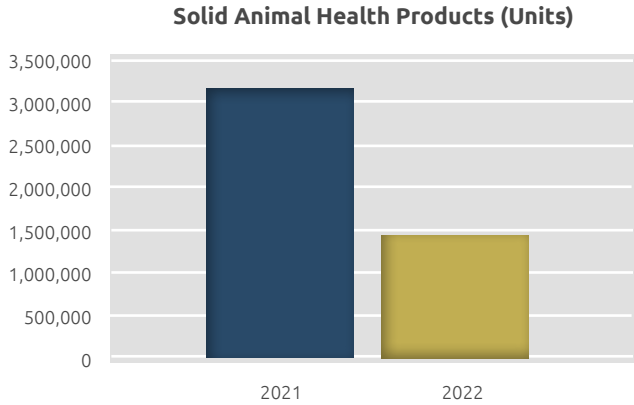


MANUFACTURING FACILITIES

Non-Sterile (Solid) Animal Health Products Manufacturing Unit

Animal health products are manufactured in the Non-Sterile (Solid) Animal Health Products Manufacturing Unit, 7 of which are in tablet form, 16 in powder form filled in small and large sachets and 1 in powder form filled in bags.

The total quantity manufactured in the unit, which was 3.17 million units in 2021, increased to 1.47 million units in 2022. 1.28 million units of these products are in tablet form while 0.19 million units are in powder form.



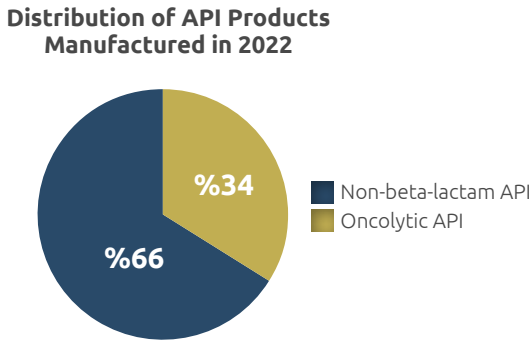
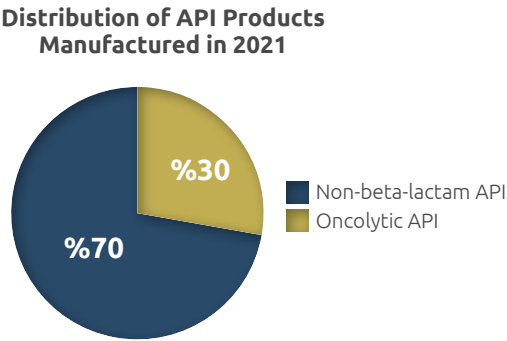
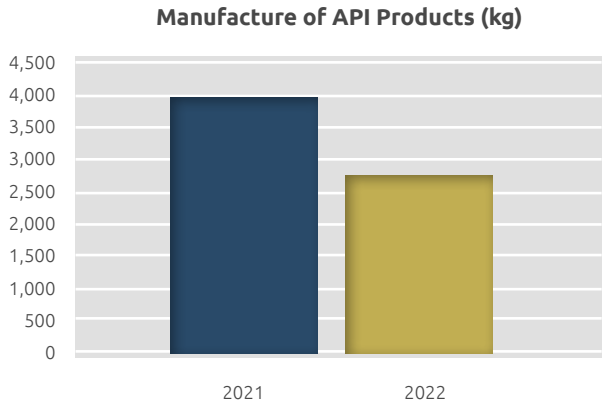
MANUFACTURING FACILITIES

API (Active Pharmaceutical Ingredient) Manufacturing Units

The facility has two physically separate and independent API Manufacturing Units for manufacture of non-beta-lactam API and oncolytic API.

The quantity of the API manufactured was 4,019 kg in 2021, while it was 2,749 kg in 2022.

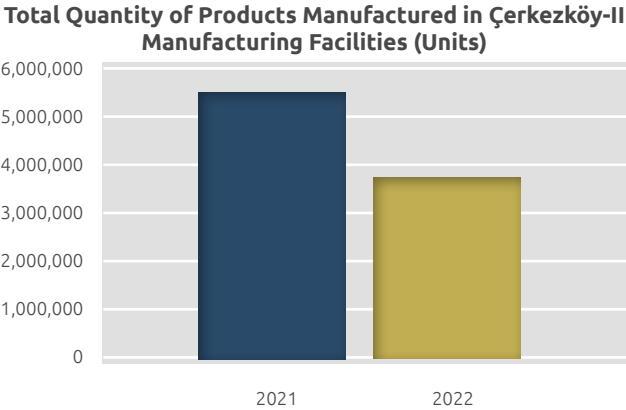
Of the total API quantity of 2,749 kg manufactured in 2022, 1,828 kg was non-beta-lactam API while 921 kg was oncolytic API.



In API manufacturing, the toxic gases arising from reaction are neutralized before being released to the atmosphere to minimize the environmental effects resulting from manufacturing activities.

To sum up, the total quantity of finished products manufactured in the Çerkezköy-II Facility of DEVA Holding was 5.5 million units in 2021, while it was 3.8 million units in 2022.

The total capacity utilization rate of the Çerkezköy Manufacturing Facilities is 89.6%.





MANUFACTURING FACILITIES

DEVA HOLDING KARTEPE MANUFACTURING FACILITIES

DEVA Holding Kartepe Manufacturing Facilities, located by the İzmit - Ankara highway, in Kartepe, Kocaeli, established on an area of 32,000 m² with an enclosed area of 16,500 m² is made up of modern buildings that manufacture sterile liquid drugs, empty medical ampoules and colognes.

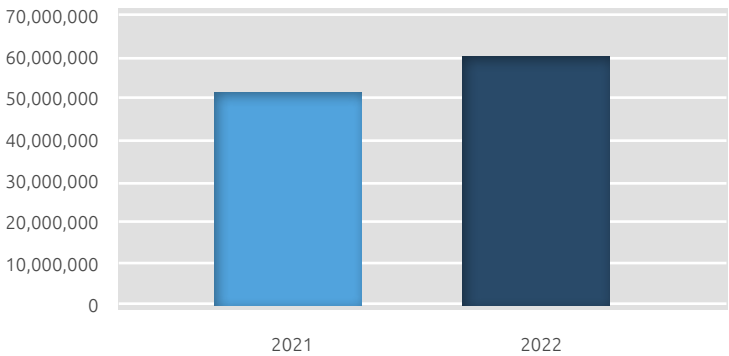


Manufacture of Sterile Liquid Drugs

At Kartepe Sterile Liquid Drug Manufacturing Unit, sterile liquid ampoules for injection, sterile liquid vials for injection, sterile lyophilized liquid vials for injection, sterile liquid eye drops in ready-to-use PE bottles manufactured with the BFS (Blow-Fill-Seal) technology, sterile liquid solvent vials and vials containing inhalation solution for sterile nebulization are manufactured.

At the facility, where a total of 51.6 million units of sterile liquid drugs were manufactured in 2021, a total of 60.6 million units were manufactured in 2022, with an increase of approximately 17.5% compared to 2021.

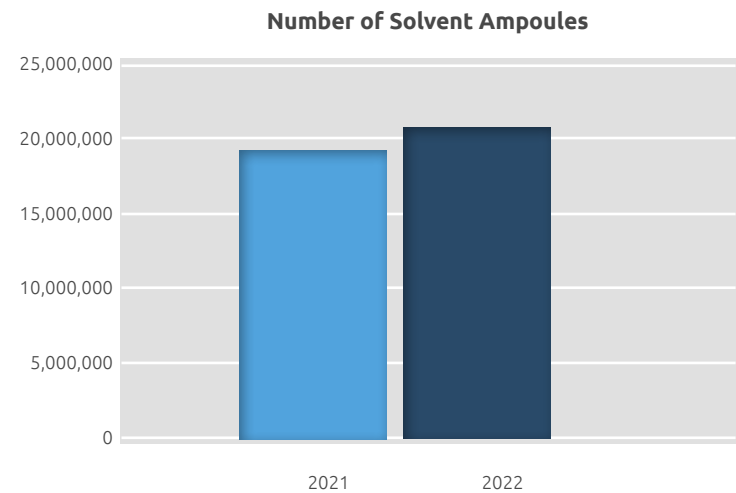
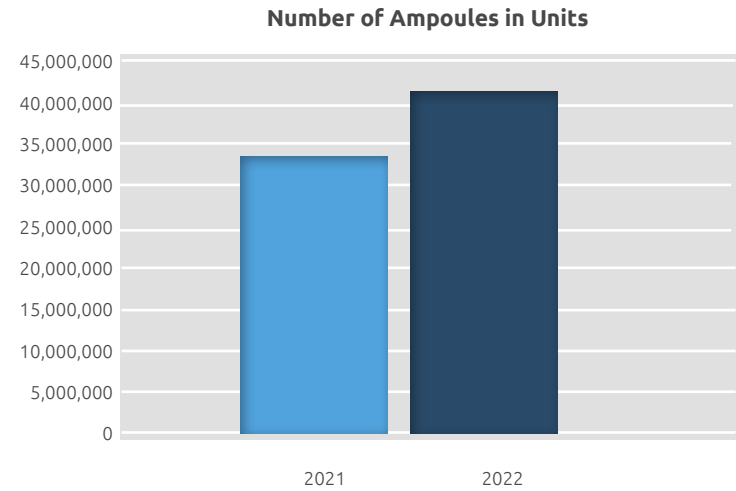
Manufacture of Sterile Liquid Drugs (Units)



MANUFACTURING FACILITIES

Manufacture of Sterile Ampoules for Injection

At the facility, where a total of 33.8 million units of ampoules and 19.6 million solvent ampoules were manufactured in 2021, a total of 41.4 million units of ampoules and 21.2 million units of solvents were manufactured in 2022. An increase of approximately 23% was seen in manufacture on a unit basis compared to 2021.



MANUFACTURING FACILITIES

Manufacture of Sterile Liquid Vials for Injection and Sterile Liquid Lyophilized Vials for Injection

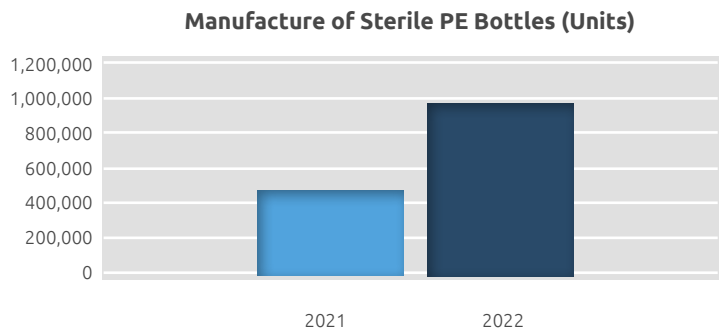
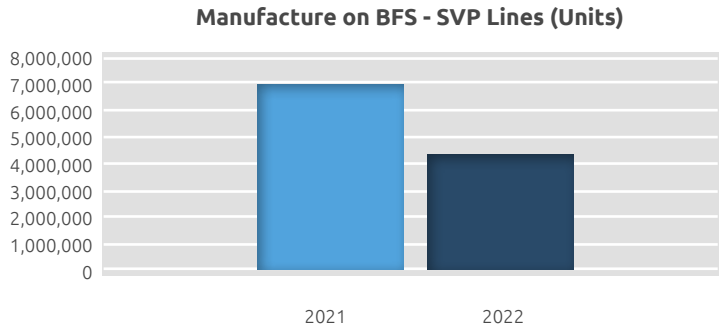
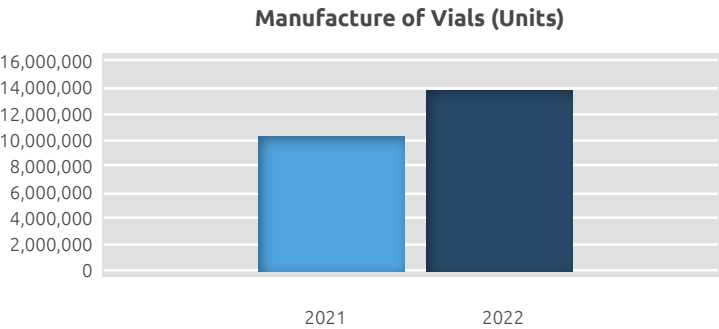
At our production line of Sterile Liquid Vials for Injection and Sterile Lyophilized Liquid Vials for Injection, where a total of 10.27 million units of vials were manufactured in 2021, a total of 13.84 million units of vials were manufactured in 2022. An increase of approximately 35% was seen in manufacture compared to 2021.

Manufacture of BFS-SVP

At our BFS-SVP production lines, where a total of 7.02 million units were manufactured in 2021, a total of 4.35 million units were manufactured in 2022.

Manufacture of Sterile PE Bottles

In our filling line of eye drops in sterile PE bottles, where 0.47 million units were manufactured in 2021, a total of 0.97 million units were manufactured in 2022.



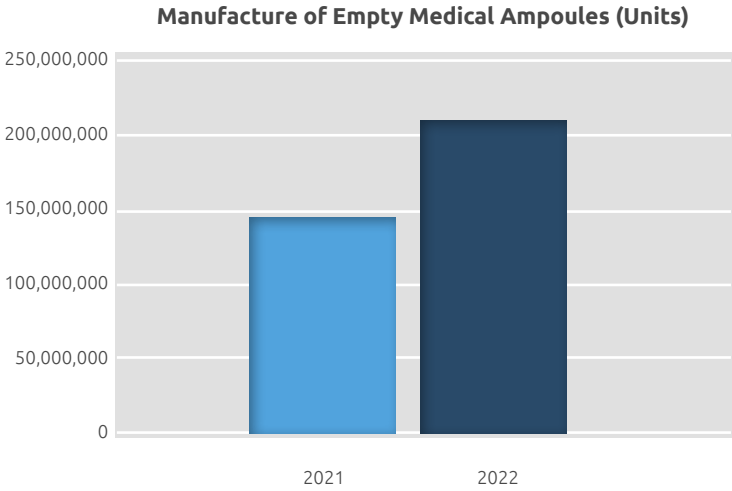
MANUFACTURING FACILITIES

Manufacture of Empty Medical Ampoules

Our empty medical ampoule manufacturing unit meets a substantial part of the market’s need as one of the three leading medical ampoule manufacturing companies in our country.

Our unit, which also has an ISO 9001:2015 certificate, is inspected periodically by TUV Thuringen.

While the number of empty ampoules we manufactured in 2021 was 145.75 million, it was 209.80 million in 2022, seeing an increase of approximately 44% compared to 2021.



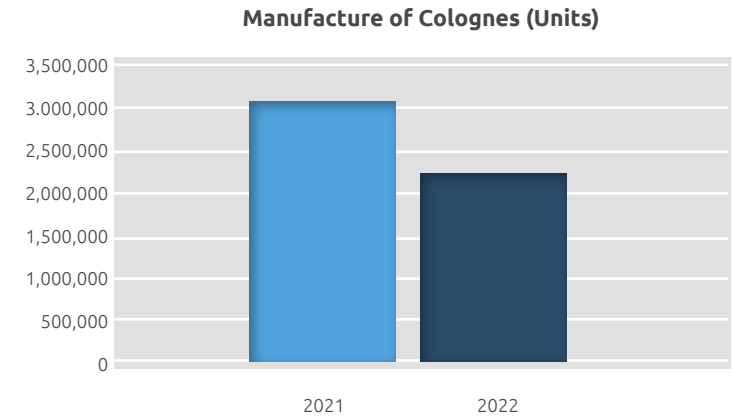
Manufacture of Cologne

Boğaziçi Kolonyaları, one of Türkiye’s best-selling brand, is produced in line with the Turkish Ministry of Health, Cosmetic GMP practices.

Our unit, which holds an ISO 9001:2015 certificate, is also inspected periodically by TUV Thuringen.

While the number of colognes we manufactured in 2021 was 3.06 million, it was 2.23 million in 2022.

The total capacity utilization rate of the Kartepe Manufacturing Facilities is 87.6%.



PRODUCTION INDICATORS

The total human and veterinary products manufactured in our manufacturing facilities on a unit basis was 200.7 million units in 2019, 205.8 million units in 2020, 194.5 million units in 2021 and 247.8 million units in 2022.

The total manufacturing value (drugs and other products) was realized as TRY 687.6 million in 2019, TRY 868.8 million in 2020, TRY 1,073.7 million in 2021 and TRY 2,199.3 million in 2022.

DEVA TÜRKİYE REGULATORY AFFAIRS & MARKET ACCESS



DEVA Türkiye Regulatory Affairs & Market Access Department consists of

- Regulatory Affairs
- Price & Reimbursement
- Official Relations
- Medical Regulatory Affairs and Pharmacovigilance
- Packaging

groups.

In 2022, 45 new approvals were received in all 14 therapeutic fields, thus adding new products to our portfolio.

We have a total of 654 registered pharmaceutical products for human use, 2 medical devices and 15 food supplements, and of these, 389 registered products are active and equal to 203 molecules

As DEVARGE,

Our objectives are to be the pioneer in generic drug development, to make difference by developing value-added products, to develop products for regulated markets and have these products authorized and launched in these markets, to invest into future by adapting new technologies to our company, to develop products with high added value through university - industry cooperation and to make sure that the rights of our company are protected via patent registration.

We work to be the top generic drug manufacturer of Türkiye and to develop high added value products exportable to international markets.

With our strong staff consisting of 409 trained personnel who are experts in their fields as well as laboratories and manufacturing sites equipped with cutting-edge technology, we work to develop innovative products.

We strive to perform R&D activities in compliance with all ethical and legal principles in a manner to meet the expectations of the concerned authorities; prove that the safety, efficacy and quality of the products do not change throughout the shelf life, increase product accessibility, develop sustainable methods to increase efficiency and adapt production to new technologies.

The operating principle requires product quality meeting current standards, and finding new formulations, new dosage forms, and different routes of synthesis and/or new polymorph methods that do not infringe patents for raw materials.

Our long-term goal is to continue being a pioneer in developing generic drugs, ensure vertical integration in strategic products, compete with the world in developing active ingredients and new polymorphs, create a difference by developing products with added value, to continue to develop products for regulated markets (EMA and FDA), increase our competence by adapting new technologies, develop products with high added value by means of cooperation between universities and the industry, and to protect our innovative intellectual property with patent registration.

DEVARGE comprises of Pharmaceutical Development, Analytical Development, Manufacturing Excellence, API Development, CMC Documentation, Patent and Biotechnology units.

DEVARGE contains Pre-formulation and pilot manufacturing area, synthesis and scale-up laboratories, stability area, analytical development laboratories and biotechnology laboratories.



In 2022;

- Approvals were received for 17 products in regulated markets.
- 71 marketing authorizations were obtained in international markets.
- Alternative sources of active substance were investigated to cut the costs of 36 commercial products.
- For the purpose of reducing the cost of 37 commercial products, an alternative source study was performed for excipients.
- Improvement activities were carried out to reduce the cost of 7 commercial products.
- 1 project is still ongoing within the scope of TÜBİTAK TEYDEB 1501 Industry R&D projects.

Furthermore, in 2022, DEVARGE was granted the Golden Mortar Award and 11th Chemistry R&D Project Market Award.



VETAŞ

Merged with DEVA Holding in 2016 with no changes in its former structure, Vetaş, operating in the field of manufacturing and marketing veterinary drugs, is among the leading animal health brands in Türkiye.

Offering high-quality solutions in the prevention, diagnosis and treatment of diseases, Vetaş has the widest range of products in the industry with its innovative products.

Evaluating all developments in the industry, which is extremely sensitive to economic developments, and meat, milk and livestock prices, in a timely manner with the right strategies, Vetaş puts weight on future projects with a view to maintain and improve its strong position.

The long-term business partnership activities in line with the goal of increasing our experience of 49 years in the field of animal health products in international markets are continuing. Actively sustaining its licensing activities abroad, Vetaş also and continues its licensing works in Türkiye, both as updates or new products.

Vetaş, having participated in the congresses held in the field of animal health, acted as the Veterinarian Participant Sponsor of the 9th National & 3rd International Congress organized by the Turkish Veterinary Gynecology Association in Antalya on 24-27 March 2022.

A stand event was held at the International Vetexpo Veterinary Sciences Congress organized by the Istanbul Chamber of Veterinarians and Cerrahpaşa School of Veterinary Medicine of Istanbul University on 12-15 May 2022 in Istanbul, of which Vetaş acted as the Veterinarian Participation Sponsor.

In addition, it acted as the Veterinarian Participant Sponsor of the 5th International Farm Animals Fertility and Udder Health Congress organized by the School of Veterinary Medicine of Near East University on 26-29 May 2022 in the Turkish Republic of Northern Cyprus.

It also promoted new products by participating in the 7th National & 3rd International Herd Health and Management Congress organized by the Farm Animal Veterinary Medicine Association in Antalya between 20-23 October 2022 as a Platinum Sponsor.

Vetaş, which continued to meet the needs of the industry in 2022 by making it possible to manufacture high-quality, healthy, safe and efficient foods of animal origin with its outstanding technological infrastructure, focuses on new product studies to expand its product range in line with the field's dynamics.

Contact Details:
Halkalı Merkez Mahallesi Basın Ekspres Cad.
No:1 K.Çekmece - İstanbul
Phone: +90 (212) 692 92 92 Fax: +90 (212) 697 02 08
Website: www.vetas.com.tr



ADMINISTRATIVE ACTIVITIES

RISK MANAGEMENT AND INTERNAL CONTROL MECHANISM

The risk management activities of our company are performed under the coordination of Risk Management Committee. Risk Management Committee evaluates the information from the Credit Committee and Internal Audit within the framework of Corporate Risk Management, and prepares and the results of the evaluation and any action plans to mitigate risks and presents them to the Board of Directors.

The credit committee sets the credit limits to be allocated to customers in product purchases and the bases for the securities to be received. It uses the partnership structure, immovable properties, financial status, and intelligence activities about the region in setting limits and securities. It is aimed to keep the security rates on desired levels and minimize doubtful receivable risks by continuous management of customers' open accounts.

Internal Audit Management audits the compliance of the activities carried out by the company with international auditing principles and generally accepted management standards, company's articles of association as well as written policies and practices. Internal Audit Management evaluates all units in terms of management within the framework of the audit plan, and presents audit results to the Risk Management Committee and the Committee Responsible for Audits on a regular basis.

In 2022, internal audit activities were carried out for the company's operations, the risk reports from all units were evaluated, and the findings and recommendations for improvement were presented to the Board of Directors.

THE AMENDMENTS MADE IN THE ARTICLES OF ASSOCIATION WITHIN THE PERIOD AND THEIR RATIONALE

No changes were made to the Company's Articles of Association during the period.

REGARDING PARTNERSHIP:

Changes in the Capital Status of the Partnership within the Period

No changes were made within the period.

Audits Carried Out within the Period

No audit was conducted in our company during the period of 01.01.2022 - 31.12.2022

Information on legislative changes that may significantly affect company operations during the period

None

Cases filed against the company

The cases filed against our company include various labour cases and cases regarding tax penalties. Detailed information on the subject is provided in the footnote 18.

Information on Conflicts of Interest Between the Institutions from Which the Company's Receives Services for Investment Consulting and Rating, and Information on Measures Taken by the Company to Prevent These Conflicts of Interest

There are no conflicts of interest between the relevant institutions and our company, and provisions that prevent conflicts of interest are included in the contracts made with the institutions.

Collective Agreement Practices

No Collective Agreement with employees exists.

Personnel and Labor Movements

No personnel or labor movements occurred.

ADMINISTRATIVE ACTIVITIES

Severance pay liability

The severance pay liability of DEVA Holding A.Ş. and Group Companies for 01.01.2022 - 31.12.2022 period was TRY 96,363,234, and provisions were made for the entire amount in accordance with the related legislation.

Right and benefits provided to the personnel and laborers

In addition to their wages, according to the requirements and necessities of their duties, lunch, clothing, personnel transportation service, holiday allowance, child and education support, food, fuel, marriage aid, family allowance were provided to our employees and health insurance practices continued by making optional group health insurance or Complementary Health Insurance fully covered by the Company.

Information on the donations made within the period

Donations and aid amounting to TRY 1,824,606 were provided to various organizations and associations during the period between 01.01.2022 and 31.12.2022.

Recognizing our responsibility to improve society's quality of life and support economic, environmental, cultural and social development, based on the principle "human health is our first priority no matter where in the world", our company continued the social responsibility activities it performed with non-profit organizations in 2022, and for that purpose, support was provided to meet equipment needs of several education and health institutions.

COMMITTEES AND WORKING PRINCIPLES

Supervisory Committee

Eşref Güneş Ufuk	Chairman (Independent Member of the Board of Directors)
Sengül Soytaş	Member (Independent Member of the Board of Directors)

The Supervisory Committee supervises the accounting system, disclosure of financial information, independent auditing and operation and effectiveness of the company's internal control system within the framework of the Capital Market Legislation. The Committee also evaluates the issues identified in the framework of their evaluations and reports to the Board of Directors.

Corporate Governance Committee

Eşref Güneş Ufuk	Chairman (Independent Member of the Board of Directors)
Sengül Soytaş	Member (Independent Member of the Board of Directors)
Mesut Çetin	Member (Executive Member of the Board of Directors)

The Corporate Governance Committee monitors the Company's compliance with the Corporate Governance Principles in accordance with the Capital Market Legislation and the Capital Markets Board Corporate Governance Principles, and carries out improvement activities and presents recommendations to the Board of Directors. The Corporate Governance Committee convenes when deemed necessary. Since "Nomination Committee" or "Wage Committee" has not been established in our Company, the duties of these committees are also fulfilled by the Corporate Governance Committee.

Committee for Early Detection of Risks

Eşref Güneş Ufuk	Chairman (Independent Member of the Board of Directors)
Sengül Soytaş	Member (Independent Member of the Board of Directors)
Mesut Çetin	Member (Executive Member of the Board of Directors)

The Early Risk Detection Committee reports to the Board of Directors by conducting studies for early detection of risks that may endanger the company's existence, development and continuity, the implementation of the necessary measures for the identified risks and the management of the risk.

ADMINISTRATIVE ACTIVITIES

The Sustainability Subcommittee

Mesut Çetin	Chairman (Member of the Board of Directors/CFO)
Doğan Varinlioğlu	Vice Chairman (Deputy General Manager of Türkiye and International Markets)
Emre Günaydın	Secretary / Member (Strategic Planning & Corporate Communication)
Gülseren Mahmutoğlu	Member (Treasury & Investor Relations)
Gülcan Gümüş	Member (Human Resources and Development)
Aytaç Aysuna Erden	Member (Legal)
Rıza Yıldız	Member (Finance)
Sibel Kayaoğlu	Member (Work Health, Safety and Environment)
Fatma Yanbasan Turp	Member (Quality Operations)
Saniye Yazar	Member (R&D and International Technical Authorization)
Gökhan Kaba	Member (Purchasing)
Murat Aksoy	Member (Production Planning & Logistics)
Serkan Varlık-Mert Uz	Member (International Markets)
İrfan Çinkaya	Member (Biotechnology)
Suat Cingiler	Member (Engineering Projects Coordination)

The Sustainability Subcommittee, reporting to the Corporate Governance Committee, is established to determine the company's sustainability strategy for environmental, social and corporate governance (ESC), and execute, oversee, supervise, review, improve and develop the company's sustainability policies, goals and practices.

In 2022, the Supervisory Committee convened 12 times, the Committee for Early Detection of Risks convened 6 times, the Corporate Governance Committee convened 12 times, and the Sustainability Subcommittee convened 1 time, and continued their activities within the framework of their obligations within the scope of CMB Legislation regulations.

The working principles of the committees are available at www.deva.com.tr.

No external consultancy services were received by the committees during the year.

ASSESSMENT OF RISKS AND ADMINISTRATIVE BODY

Early Risk Detection Committee was formed to detect the risks that may compromise the existence early, growth and continuation of our company, to implement the necessary measures against the risks detected, and to perform studies to manage risks.

Financial Risks:

The operating capital need of our company is met by its shareholders' equity, short- and long-term bank loans in Turkish Lira and foreign currencies, and debt instruments. The increases in exchange rates and interests as a result of possibility of negative market conditions increase the financing costs of the company. Thus, due to economic and geopolitical developments both in the world and in our country, it is expected that the fluctuations in exchange rates and interest rates will adversely affect our profitability. For the purpose of managing the interest risks the company is exposed to, the gains and losses to occur in case of potential changes in interests are measured using sensitivity analyses on the basis of credit portfolio and cash flow projections. In addition, efforts are made to keep the floating rate loans among the total loans at a reasonable rate. Derivative products may be used for protection against exchange risks that may result from both bank loans in foreign currencies and purchases in foreign currencies.

Moreover, the developments regarding Kahramanmaraş centered natural disaster occurred on 6 February 2023 which affected Adana, Adıyaman, Diyarbakır, Gaziantep, Hatay, Kahramanmaraş, Kilis, Malatya, Osmaniye ve Şanlıurfa are being closely monitored and their possible effects on our Company are being evaluated.

ADMINISTRATIVE ACTIVITIES

Credit Risk of Customers:

The distribution and payment terms of trade receivables are of great importance in terms of risk management. The company tries to decrease receivable risk by performing its transactions only with credible parties, and wherever possible, obtaining securities. While transactions are carried out without any security with Group A customers, securities are requested from Group B and Group C customers such as bank letters of guarantee or collaterals. To minimize the credit risks the company is exposed to, the financial statuses, credit limits and securities of customers are monitored on a regular basis by the Credit Committee.

Strategic Risks:

The drug pricing policy set/to be set by the Ministry of Health (increase in institution discount rates and/or reduction in reference prices, non-revision of the reference exchange rate) may have negative effects on the industry, and consequently on our company. We try to overcome these negative effects by means of new markets, increasing product range, new sales policies, and effectively managed cost-limiting policies.

Operational Risks:

Operational risks are related with events affecting activities such as earthquakes, fire, and environmental accidents and smooth functioning of business processes. Insurable risks are revised on an annual basis and excluded by being insured.

Committee for Early Detection of Risks

Eşref Güneş Ufuk	Chairman (Independent Member of the Board of Directors)
Sengül Soytaş	Member (Independent Member of the Board of Directors)
Mesut Çetin	Member (Executive Member of the Board of Directors)

THE NATURE AND AMOUNT OF THE FINANCING SOURCES AND ISSUED CAPITAL MARKET INSTRUMENTS OF THE ORGANIZATION

The financing sources of our company consist of equity capital, the funds arising from its operations and short- and long-term debts from money and capital markets.

Within the scope of the Issuance Certificate approved by the Capital Markets Board’s decision dated 16.04.2020 and numbered 25/520, a floating-rate bond with a nominal value of 100 million TL with 729 days maturity and coupon payment every 3 months, was issued and the sale of the bonds was completed as of April 13, 2021. The interest on the bond is calculated by adding 200 basis points to the BIST TLREF index yield.

Moreover, pursuant to the issuance Certificate approved by Capital Markets Board’s decision dated 15.09.2022 with number 50/134, sale of financial bonds with nominal value of TRY 150,000,000, 32% annual interest, 364 days maturity period and coupon and principal payment to be paid at the end of the maturity period has been completed on 06.10.2022 and financial bonds with nominal value of TRY 270,000,000, 34% annual interest, 364 days maturity period, coupon and principal payment to be paid at the end of the maturity period has been completed on 28.02.2023.

INVESTMENTS

In the 01.01.2022-31.12.2022 period, TRY 755,342,210 was invested in DEVA Holding A.Ş. and Group Companies, for Management Building, Plant, Machinery and Equipment, and Fixtures, TRY 473,159,275 for R&D, Registration and Licenses, amounting to a total of TRY 1,228,501,485.

Our company, which holds a R&D center certificate, benefits from monetary support provided for Tübitak-approved R&D projects as well as tax and social security institution discounts for all projects under the R&D center. Maximum 60% of the total amount of expenses that are evaluated and approved by TÜBİTAK are paid as monetary support.

As of 31.12.2022, the company has 1 TÜBİTAK-approved ongoing projects and incentivized expenses of TRY 352,610,600 with the support of TÜBİTAK or within the scope of R&D center have been made in this period.

In the same period, TRY 147,168,652 was spent for DEVA Kartepe facilities within the scope of the incentive certificate number 501317 received on 30.10.2018; TRY 5,631 was spent within the scope of the incentive certificate numbered 136611 received for Çerkezköy facilities on 17.04.2018; and TRY 700,150,937 was spent withing the scope of the incentive certificate numbered 525422 received for Çerkezköy facilities on 26.05.2021.

Incentivized expenses have various advantages in terms of VAT and Customs Tax exemption, Corporate Tax exemption, Reduced Corporate Tax and other taxes.

The background of the slide is an abstract painting. It features thick, expressive brushstrokes in various shades of blue, ranging from deep navy to light sky blue. Interspersed among these are horizontal and vertical strokes of a warm, golden-yellow or ochre color. The overall effect is a textured, layered composition that suggests a sense of depth and movement.

Subsidiaries and Related Companies

INFORMATION ON THE SUBSIDIARIES AND RELATED COMPANIES

DEVA Subsidiaries

DEVATIS LTD
The company was established to sell and distribute medicinal products for human use and veterinary drugs in New Zealand and Australia.

DEVATIS Gmbh
The company was established to sell and distribute medicinal products for human use and veterinary drugs in Germany.

DEVATIS AG
The company was established to sell and distribute medicinal products for human use and veterinary drugs in Switzerland.

DEVATIS INC.
The company was established to sell and distribute medicinal products for human use and veterinary drugs in the USA.

DEVATIS DE MEXICO, S.DE RL. DE C.V.
The company was established to sell and distribute medicinal products for human use and veterinary drugs in Mexico.

DEVATIS PTY.LTD
The company was established to sell and distribute medicinal products for human use and veterinary drugs in Australia.

DEVATIS CANADA INC
The company was established to sell and distribute medicinal products for human use and veterinary drugs in Canada.

DEVATIS d.o.o. BEOGRADE (*)
The company was established to sell and distribute medicinal products for human use and veterinary drugs in Serbia.
(*) Establishment procedures were completed on 30.01.2023.

INFORMATION ON THE SUBSIDIARIES AND RELATED COMPANIES

Subsidiaries
DEVA Holding holds 100% stake in Devatis Ltd, which was established in New Zealand in order to sell and distribute its products abroad, Devatis GmbH, established in Germany, Devatis AG, established in Switzerland, Devatis Inc. established in America, Devatis de Mexico S. De RL. De.Cv established in Mexico, Devatis Pty Ltd established in Australia, Devatis Canada Inc. established in Canada, and Devatis d.o.o. Beograd established in Serbia.

Other Related Companies
Operating in field of production and marketing of medicinal products for human use, active pharmaceutical ingredients and veterinary drugs and having its registered office in Luxembourg, Eastpharma S.a.r.l. is the major shareholder of DEVA Holding with a share of 82.20%. Eastpharma S.a.r.l. is also the major shareholder of Saba ilaç San. ve Tic. A.Ş. operating in pharmaceutical industry in Türkiye with a share of 99.99%.

Information on Commercial Relations with Subsidiaries and Related Companies
EastPharma S.a.r.l. has transferred, on a time-limited basis, the rights in 9 products in which it holds the license and right to sale, to DEVA Holding through agreements with the Roche company operating in the pharmaceutical industry. Also in this period, the marketing of the products in question continued, and Eastpharma S.a.r.l. gained royalty revenue from DEVA Holding through the sales of these products in Türkiye.

Saba ilaç purchases contract manufacturing services from DEVA Holding. In this context, Saba products are produced and stored by DEVA Holding as subcontractors. DEVA Holding provides R&D service to Saba at its R&D Center, whereby it carries out studies on Saba products and performs pilot production. In addition, Saba company purchases financial, administrative and marketing/promotional services from DEVA Holding. The overseas sales of Saba drugs are also partially made by DEVA Holding.

Affiliation Report of Transactions made with the Holding Company and Subsidiaries
In accordance with Article 199 of Turkish Commercial Code No. 6102 effective as of 1 July 2012, the Board of Directors of DEVA Holding A.Ş. is obliged to prepare a report regarding its relationship with the holding company and subsidiaries affiliated with holding company in the previous operating year within the first three months of the operating year and include the conclusion of this report in the annual report. The necessary explanations regarding the transactions made by DEVA Holding A. Ş. with the related parties are included in the footnote of the financial table no.7. Besides, the Board of Directors of DEVA Holding has prepared this Affiliation Report in accordance with related provision of the said law.

In this report issued by the board of directors of our Company, it has been concluded that, in all transactions made by our company with the holding company and subsidiaries of the holding company within 2022, a suitable counter performance was obtained in every transaction and there is not action taken or failed to be taken, resulting in a harm to the company, and within this framework, there is not any transaction or action, or non-action to require compensation according to circumstances and conditions known to us at the time of the transaction.



CONCLUSION

Operating Period

Operating Period has resulted in:

- profit after tax in the amount of TL 1.360.224.221 according to consolidated financial statements drawn up in accordance with the provisions of the communiqué Number II-14.1 of the Capital Markets Board,
- and profit after tax in the amount of TL 1.341.706.226,46 according to the individual financial statements of DEVA Holding, drawn up within the framework of the relevant provisions of Tax Procedure Law Number 213 and Turkish Commercial Code.

We hereby respectfully submit to the approval of General Assembly the evaluation and decision by shareholders on authorisation of the Board of Directors to determine, considering the cash projections of the Company, the date for distribution of the profit for the 2022 accounting period, namely the first and second dividend total gross profit amounting to TL 30.002.893,17 (Thirty million two thousand eight hundred ninety three %17 Turkish Liras) corresponding to the gross cash dividend of TL 0.15 (net TL 0.1350) per share with a nominal value of TL 1, corresponding to approximately 2.21% (15% of issued capital) of the total distributable net period calculated in accordance with the Capital Market Legislation, all relevant legal regulations, Article 20 of the Company's Articles of Association and our Company's profit distribution policy as approved by the General Assembly Meeting dated 15.04.2019 and the profit to be delivered to other right holders as per the profit distribution table prepared within the framework of the relevant legal regulations.

We respectfully submit the approval of the General Assembly.

DEVA HOLDİNG A.Ş.
Board of Directors

STATEMENT

DECISION OF THE BOARD OF DIRECTORS ON THE ACCEPTANCE OF FINANCIAL STATEMENTS AND ANNUAL REPORTS

RESOLUTION DATE : 10.03.2023
RESOLUTION NO : 2023/13

STATEMENT OF RESPONSIBILITY OF THE BOARD OF DIRECTORS REGARDING ACCEPTANCE OF FINANCIAL STATEMENTS AND ANNUAL REPORTS IN ACCORDANCE WITH ARTICLE 9 OF THE SECTION TWO OF “THE COMMUNIQUE ON PRINCIPLES OF FINANCIAL REPORTING IN CAPITAL MARKET” OF CAPITAL MARKETS BOARD

We hereby state that:

In accordance with “Communiqué on Principles in Relation to Financial Reporting in Capital Market (II-14.1)” (the Communiqué) of the Capital Markets Board (“CMB”) for the accounting period of 01.01.2022 - 31.12.2022, prepared by our Company and independently audited by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., and based on the CMB regulations, the consolidated financial statements prepared in line with the formats specified by Turkish Accounting Standards / Turkish Financial Reporting Standards (“TAS/TFRS”) and the annual report prepared in line with the Turkish Code of Commerce and CMB Communiqué;

a) Have been reviewed by us,

b Are within the framework of information we have in our field of duty and responsibility in our company, and do not contain explanations contrary to facts on significant subjects or do not contain any deficiency which may result in the explanation being misleading as of the date on which it is made,

c) And are within the framework of information we have in field of duty and responsibility in our company, consolidated financial statements prepared according to financial reporting standards in force reflect the real situation relating to assets, liabilities, financial position and profit and loss of our company fairly and the annual report reflects the development and performance of the business, financial position of our Company fairly, including the significant risks and uncertainties faced by our company.

Best Regards,

Eşref Güneş UFUK
Chairman of the
Audit Committee

Mesut ÇETİN
Vice-Chairman of the Board
of Directors/CFO

Rıza YILDIZ
Director, Financial Reporting and
Accounting

CORPORATE GOVERNANCE PRACTICES

DIVIDEND DISTRIBUTION

The “Profit Distribution Policy” of our company is determined in accordance with the Turkish Commercial Code, Capital Markets Legislation, Tax Legislation and other relevant legislation and in line with the proposal of the Board of Directors and the resolution of the General Assembly in accordance with the provisions of the articles of association.

The Company intends to distribute 5% of the issued capital as cash and / or share. However, this amount shall not exceed 30% of the net distributable profit for the period. In the implementation of this policy, the financial position of the Company, fund requirement due to mid- and long-term growth and investment strategies, conditions of the sector, the country and global economic conjunctures, capital requirements of its subsidiaries and affiliates, investment and financing policies, profitability and cash position are taken into consideration.

The Board of Directors decides on dividend distribution for each accounting period, the proposal for distribution of the profit or the proposal for not distributing of the profit together with its rationale is disclosed to the public in accordance with the legislation and announced on the website of the Company. The General Assembly may accept or reject the proposal.

In the profit distribution, each of our stakeholders has the right to receive dividends in proportion to its share. Dividends are distributed equally to all existing shares as of the date of distribution, regardless of their date of issue and acquisition.

Dividend distribution commences on the date to be determined by the Board of Directors, provided that it is authorized by the General Assembly or the General Assembly by the end of the year in which the General Assembly meeting is held at the latest.

Since the Company’s articles of association do not contain any provision for advance dividend distribution, no advance dividend is distributed. The Company may consider paying dividends in equal installments or in different installments in accordance with applicable legislation.

According to our consolidated financial statements, a post-tax profit of TRY 1,170,087,476.52 was earned, and, according to the solo financial statements developed in line with the relevant provisions of the Turkish Commercial Code and the Tax Procedures Law no. 213, a profit of TRY 1,175,529,699.37 was earned in the 2021 operating period, and, in accordance with the Capital Market Legislation, all relevant legal regulations, Article 20 of the Company’s Articles of Association and our Company’s profit distribution policy and as per the dividend distribution table prepared in accordance with the Company’s Articles of Association and related legal regulations, first and second dividend total gross profit of TRY 30,002,893.17 equating to approximately 2.56% of the total distributable net profit for the 2021 accounting period (15% of the issued capital), and corresponding to a gross cash dividend of TRY 0.15 (net TRY 0.1350) for each share with a nominal value of 1 TL, profit to be given to other beneficiaries has been distributed

BOARD OF DIRECTORS

Board of Directors	Role	Beginning Date of Tenure	Roles in the Company
Philipp Haas	Chairman of the Board of Directors	14.07.2006	CEO
Mesut Çetin	Vice-Chairman of the Board of Directors	14.03.2008	CFO
Eşref Güneş Ufuk	Independent Member of the Board of Directors	27.09.2018	
Sengül Soytaş	Independent Member of the Board of Directors	01.04.2021	
Ayşecik Haas	Non-Executive Member of the Board of Directors	22.05.2013	

CORPORATE GOVERNANCE PRACTICES

Independence Statements of Independent Members of the Board of Directors
Sengül Soytaş

STATEMENT OF INDEPENDENCE

DEVA Holding A.Ş. To the Corporate Governance Committee,

Since I have been nominated as an independent member of the Board of Directors candidate to be discussed at DEVA’s ordinary general assembly meeting for the 2021 accounting period, I have fulfilled the conditions stated in the principles below within the scope of article 4.3.6 in the principles part of the Capital Markets Board’s Corporate Governance Communiqué No. II.17.1 and I comply with these principles. I confirm, declare and undertake that I will act accordingly.

- a) No employment, capital or trade relation was established of a significant nature either directly or indirectly, within the past five years between myself, my spouse and blood relatives up to second degree, or relatives by marriage and DEVA Holding, A.Ş., any of the related parties of DEVA Holding A.Ş., or legal persons with which shareholders holding a share of 5% or more in the capital of DEVA Holding, A.Ş. have relationship
- b) I have not worked nor performed duty as the member of the board of directors in companies carrying on the operation and organization of the company wholly or partially within the framework of agreements made, mainly in companies carrying out auditing, rating and consultancy of DEVA Holding, A.Ş. within the past five years,
- c) I have the sufficient professional education, knowledge and experience to perform duly the tasks I will assume as an independent member of the board of directors,
- d) I will not work full-time at public institutions and establishments after being elected as a member, except for academic membership of university in accordance with the legislation.
- e) I am resident of Türkiye in accordance with the Income Tax Law dated 31.12.1960 no. 193.
- f) I have the strong ethical standards, professional reputation and experience to be able to make positive contributions to the operations of DEVA Holding A.Ş., to protect my independence in conflicts of interest between shareholders and to take decision freely taking into consideration benefit rights,
- g) I will allocate sufficient time to follow-up the functioning of the activities of DEVA Holding A.Ş. and to fully meet the requirements of my duties,
- h) I have not served as a member of the Board of Directors for more than 6 years within the last 10 years,
- i) I do not serve as an independent member of the Board of Directors of more than three companies the management control of which is held by the shareholders who have the control or management control of the Company, or of more than a total of five companies that are publicly traded.
- j) I have not been registered and announced on behalf of the legal person elected as a member of the Board of Directors.

I kindly submit to the knowledge of our board of directors, partners and all related parties.

Yours truly

Date: 19.01.2022
Name, surname: Sengül Soytaş
Signature:

Sengül Soytaş

CORPORATE GOVERNANCE PRACTICES

Independence Statements of Independent Members of the Board of Directors
Eşref Güneş Ufuk

STATEMENT OF INDEPENDENCE

DEVA Holding A.Ş. To the Corporate Governance Committee,

Since I have been nominated as an independent member of the Board of Directors candidate to be discussed at DEVA’s ordinary general assembly meeting for the 2021 accounting period, I have fulfilled the conditions stated in the principles below within the scope of article 4.3.6 in the principles part of the Capital Markets Board’s Corporate Governance Communiqué No. II.17.1 and I comply with these principles. I confirm, declare and undertake that I will act accordingly.

- a) No employment, capital or trade relation was established of a significant nature either directly or indirectly, within the past five years between myself, my spouse and blood relatives up to second degree, or relatives by marriage and DEVA Holding, A.Ş., any of the related parties of DEVA Holding A.Ş., or legal persons with which shareholders holding a share of 5% or more in the capital of DEVA Holding, A.Ş. have relationship
- b) I have not worked nor performed duty as the member of the board of directors in companies carrying on the operation and organization of the company wholly or partially within the framework of agreements made, mainly in companies carrying out auditing, rating and consultancy of DEVA Holding, A.Ş. within the past five years,
- c) I have the sufficient professional education, knowledge and experience to perform duly the tasks I will assume as an independent member of the board of directors,
- d) I will not work full-time at public institutions and establishments after being elected as a member, except for academic membership of university in accordance with the legislation.
- e) I am resident of Türkiye in accordance with the Income Tax Law dated 31.12.1960 no. 193.
- f) I have the strong ethical standards, professional reputation and experience to be able to make positive contributions to the operations of DEVA Holding A.Ş., to protect my independence in conflicts of interest between shareholders and to take decision freely taking into consideration benefit rights,
- g) I will allocate sufficient time to follow-up the functioning of the activities of DEVA Holding A.Ş. and to fully meet the requirements of my duties,
- h) I have not served as a member of the Board of Directors for more than 6 years within the last 10 years,
- i) I do not serve as an independent member of the Board of Directors of more than three companies the management control of which is held by the shareholders who have the control or management control of the Company, or of more than a total of five companies that are publicly traded.
- j) I have not been registered and announced on behalf of the legal person elected as a member of the Board of Directors

I kindly submit to the knowledge of our board of directors, partners and all related parties.

Yours truly

Date: 19.01.2022
Name, surname: Eşref Güneş Ufuk
Signature:

Eşref Güneş Ufuk

CORPORATE GOVERNANCE PRACTICES

Duties and Authorizations of the Members of the Board of Directors
The chairman and members of the Board of Directors possess the duties and authorities specified in the relevant articles of the Turkish Code of Commerce and the Company’s Articles of Association.

Board of Directors Meetings During the Period
36 Board of Directors meetings were held during the period. The meetings were held with the participation of all members and all decisions were taken unanimously, with the exception of the decision about them, in which no votes were cast in the negotiation, within the framework of article 393 of the TCC.

External Roles of the Members of the Board of Directors

Board of Directors	Role	External Roles
Philipp Haas	Chairman of the Board of Directors	- Eastpharma Ltd./Saba ilaç Sanayi ve Ticaret A.Ş. /New Life Yaşam Sigorta A.Ş/ Eastpharma ilaç Üretim Pazarlama San. ve Tic. A.Ş (Chairman of the Board of Directors) - Eastpharma Sarl/Devatis Inc (Member of the Board of Directors) - Devatis Ltd/Devatis Gmbh/Devatis A.G/ Devatis de Mexico, S.DE RL. DE C.V/Devatis Pty Ltd, Devatis Canada Inc and Devatis d.o.o. Beograde (Manager)
Mesut Çetin	Vice Chairman of the Board of Directors	- EastPharma Ltd (Member of the Board of Directors) -Saba ilaç Sanayi ve Ticaret A.Ş. (Member of the Board of Directors-CFO)
Eşref Güneş Ufuk	Independent Member of the Board of Directors	K2C Danışmanlık (Founding Member)
Sengül Soytaş	Independent Member of the Board of Directors	Consultant
Ayşecik Haas	Non-Executive Mem-ber of the Board of Directors	New Life Yaşam Sigorta A.Ş (Member of the Board of Directors)

Financial Benefits Provided to the Members of the Board of Directors and Senior Managers
The total amount of financial benefits such as attendance fee, remuneration, premium, bonus, severance pay etc. provided to Members of the Board of Directors and Senior Executives within the period is as follows: TRY 1,105,939 for the Members of the Board of Directors and TRY 143,673,026 for Senior Executives, and the total amount of benefits such as fuel, telephone, etc. is TRY 92,275 for the Members of the Board of Directors and TRY 660,138 for Senior Executives, amounting to TRY 145,531,378.

CORPORATE GOVERNANCE PRACTICES

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

DEVA Holding (“DEVA” or “the Company”), with the awareness of the responsibilities it carries towards its stakeholders, has adopted the notions of “equality”, “transparency”, “accountability” and “responsibility”, which form the basis of its corporate management during the activities, and makes maximal effort and shows utmost vigilance to comply with Capital Market Law (CML) and secondary rules and decisions of the Capital Market Board (CMB). DEVA Holding believes in the importance of full compliance with Corporate Governance Principles. In the operating period that ended on December 31, 2022, the Company has adopted and put into practice the corporate governance principles which were set forth in the annex to the Corporate Governance Communiqué and are required by the relevant regulations. Maximal effort is also being made to comply with the voluntary principles that are not required by the relevant regulations, and there has been no conflicts of interest up until now between the stakeholders regarding those principles that have not been fully complied for the time being.

Statements regarding compliance and non-compliance with the corporate governance principles included in the annex to the Corporate Governance Communiqué in the operating period that ended on December 31, 2022 are provided in the Corporate Governance Compliance Report (“URF”) and Corporate Governance Information Form (“KYBF”) and in other relevant parts of the report.

In the future, efforts will continue to be made for better operating the mechanisms within the framework of the said principles of corporate governance practices of the partnership, and to improve our corporate governance practices, including the voluntary principles that are mandatory and a limited number of those that could not be implemented.

Should any changes occur in URF or KYBF during the period, a special case announcement will be made and such changes will also be included in the interim activity reports.

CORPORATE GOVERNANCE PRACTICES

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
Corporate Governance Compliance Report						
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2- Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X					
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					
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	
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					
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				The donations and grants made during the period were categorized in the General Assembly and offered as information to the shareholders as they are very diverse in terms of institution and amount.
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.					X	There have been no such demands.
1.4. VOTING RIGHTS						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.			X			As per the Articles of Association, the Company has 10 times the voting right for group C shares have as compared to group A and group B privileged shares.
1.4.3-The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.					X	Our Company has no partnerships in which it is in a mutual shareholding relationship.

CORPORATE GOVERNANCE PRACTICES

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.					X	Our Company has no partnerships in which it is in a mutual shareholding relationship.
1.5. MINORITY RIGHTS						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			The rate applied to minority rights in the Capital Market Law is applied.
1.6. DIVIDEND RIGHT						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.					X	Dividend distribution was made.
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
1.7. TRANSFER OF SHARES						
1.7.1 - There are no restrictions preventing shares from being transferred.	X					
2.1. CORPORATE WEBSITE						
2.1.1. - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.		X				The content of the English website is not exactly the same as the Turkish website and contains more general information.
2.2. ANNUAL REPORT						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					

CORPORATE GOVERNANCE PRACTICES

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
3.1. CORPORATION'S POLICY ON STAKEHOLDERS						
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.	X					
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.		X				Although there is no provision in the articles of association, employees participate in the management by taking part in the boards.
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.		X				Asking the opinions of the stakeholders in important decisions was adopted as principle and the demands and suggestions of
3.3. HUMAN RESOURCES POLICY						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.		X				Although our company does not have a written employment policy, there are systems to ensure business continuity in terms of organizational structure
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	X					
3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.		X				Since no collective bargaining agreement was made with employees, no representative was appointed, and notifications were made directly to employees.
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					

CORPORATE GOVERNANCE PRACTICES

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.		X				Supported within the legal framework.
3.3.9 - A safe working environment for employees is maintained.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1-The company measured its customer satisfaction, and operated to ensure full customer satisfaction.					X	
3.4.2 - Customers are notified of any delays in handling their requests.					X	
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2-The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					
4.1. ROLE OF THE BOARD OF DIRECTORS						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS						
4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X					

CORPORATE GOVERNANCE PRACTICES

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.		X				It is stated in the annual report, that the Turkish Commercial Code was complied with regarding the duties and authorities of the members of the board of directors and that a counting method was not adopted.
4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.			X			The Chairman of the Board of Directors also serves as the CEO because he is the Chairman of the Board of Directors of the main shareholder Eastpharma Ltd and because of his knowledge of the sector from his prior experience.
4.2.7-The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.		X				Our director's liability insurance has been fulfilled by our main shareholder
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.		X				Although a target rate of at least 25% and target time regarding the female member percentage in the Board of Directors was not set by our Company, there are two female member in our board of directors.
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
4.4. BOARD MEETING PROCEDURES						
4.4.1-Each board member attend the majority of the board meetings in person or via an electronic board meeting system	X					
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.		X				Although there is no minimum period based on a documented rule, it was ensured that all members of the Board of Directors were informed before the meeting.
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.					X	There was no member of the Board of Directors stating opinion in this manner.
4.4.4 - Each member of the board has one vote.	X					

CORPORATE GOVERNANCE PRACTICES

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.			X			Although the Board of Directors meetings are held under certain rules, these rules are not documented in writing.
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.		X				The members of the Board of Directors outside the company are not restricted with respect to external commitments. On the other hand, the duties taken by the members outside the company are presented to the shareholders with the annual report.
4.5. BOARD COMMITTEES						
4.5.5 - Board members serve in only one of the Board's committees.			X			Since the board of directors of our company consists of 5 people, the same members take charge in different committees.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.					X	
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
4.6. FINANCIAL RIGHTS						
4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.			X			Board of directors performance evaluation was not carried out.
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	X					
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.		X				In parallel with the general practice,wages are disclosed on a individual basis and are given in the breakdown of the Board of Directors and the Senior Executives

CORPORATE GOVERNANCE PRACTICES

1. SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organised by the company during the year	2
1.2. Right to Obtain and Examine Information	
The number of special audit request(s)	0
The number of special audit requests that were accepted at the General Shareholders' Meeting	0
1.3. General Assembly	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/tr/Bildirim/1008750
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Presented
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	No situation requiring explanation occurred.
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communique on Corporate Governance (II-17.1)	No situation requiring explanation occurred.
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communique on Corporate Governance (II-17.1)	No situation requiring explanation occurred.
The name of the section on the corporate website that demonstrates the donation policy of the company	Investor Relations-Policies
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	https://www.kap.org.tr/tr/Bildirim/220035 - https://www.kap.org.tr/tr/Bildirim/838334
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	There is no such provision in the articles of association.
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	-
1.4. Voting Rights	
Whether the shares of the company have differential voting rights	Evet (Yes)
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	Group A and B privileged shares have a voting right ten times the voting right of Group C shares in terms of right of voting.
The percentage of ownership of the largest shareholder	% 82,2

CORPORATE GOVERNANCE PRACTICES

1.5. Minority Rights	
Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	Hayır (No)
If yes, specify the relevant provision of the articles of association.	-
1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	Investor Relations-Profit Distribution Policy
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	-
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	-

General Assembly Meetings

General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
01/04/2022	0	% 82,7	% 0,2	% 82,5	Investor Relations-General Assembly- 2021	Investor Relations-General Assembly- 2021	-	157	https://www.kap.org.tr/tr/Bildirim/100875

CORPORATE GOVERNANCE PRACTICES

2. DISCLOSURE AND TRANSPARENCY	
2.1. Corporate Website	
Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	Investor Relations
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	There is no real person shareholder of more than 5%.
List of languages for which the website is available	Turkish- English
2.2. Annual Report	
The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	Corporate Governance Practices-Statements of Independence of Independent Members of the Board of Directors-Duties of the Members of the Board of Directors Outside the Company
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	Administrative Activities-Committees and Working Principles
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	Corporate Governance Practices-Board of Directors Meetings held within the period
ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	Administrative Activities-Information on Legislative Changes That Can Significantly Affect Company Activities within the Period
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Administrative Activities-Cases-Consolidated Financial Statements-Litigation Provisions
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	Administrative Activities-Conflicts of Interest Between the Institutions that the Company Receives Services on Matters such as Investment Consultancy and Rating and Information about the Measures Taken by the Company to Prevent these Conflicts of Interest
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	There is no cross shareholding relationship in our Company's capital.
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	Human Resources and Development-Administrative Activities-Rights and Interests Provided to the Personnel and Employees-Information on donations made in the period

CORPORATE GOVERNANCE PRACTICES

3. STAKEHOLDERS	
3.1. Corporation's Policy on Stakeholders	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Investor Relations-Policies-Compensation Policy
The number of definitive convictions the company was subject to in relation to breach of employee rights	41
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Vice Chairman of the Board-CFO
The contact detail of the company alert mechanism	mcetin@deva.com.tr
3.2. Supporting the Participation of the Stakeholders in the Corporation's Management	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	-
Corporate bodies where employees are actually represented	Occupational Health and Safety Board, Discipline Committee
3.3. Human Resources Policy	
The role of the board on developing and ensuring that the company has a succession plan for the key management positions	-
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	Deva Human Resources
Whether the company provides an employee stock ownership programme	There isn't an employee stock ownership programme
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	Our company attaches great importance to creating a working environment which is free from any verbal and physical harassment against race, ethnicity, religion, physical or sexual characteristics, sexual orientation or any other factor prohibited by law. Any behavior of abusive nature that may arise in terms of age, language, race, health, gender and marital status, behaviors arising from sexual harassment acts of verbal, physical or behavioral nature are evaluated by the Disciplinary Committee
The number of definitive convictions the company is subject to in relation to health and safety measures	-
3.5. Ethical Rules and Social Responsibility	
The name of the section on the corporate website that demonstrates the code of ethics	Investor Relations-Policies-Ethical Principles Procedure
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	Get to Know Us Our - Understanding of Sustainability - Sustainability Reports
Any measures combating any kind of corruption including embezzlement and bribery	Our company meticulously avoids unethical behaviors such as bribery, corruption and misconduct. The "Ethical Principles" procedure of our company was shared with all of our employees via intranet and mechanisms were established to ensure compliance with related issues.

CORPORATE GOVERNANCE PRACTICES

4. BOARD OF DIRECTORS-I	
4.2. Activity of the Board of Directors	
Date of the last board evaluation conducted	-
Whether the board evaluation was externally facilitated	No
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	Philipp Daniel Haas-CEO, Mesut Çetin-CFO. They are authorized to represent and bind the company with their joint signature in the broadest sense in all aspects.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	14
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Administrative Activities-Risks and Evaluation of the Governing Body
Name of the Chairman	Philipp Daniel Haas
Name of the CEO	Philipp Daniel Haas
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	https://www.kap.org.tr/tr/Bildirim/1016647
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	-
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	-
The number and ratio of female directors within the Board of Directors	2 person 40%

CORPORATE GOVERNANCE PRACTICES

Composition of Board of Directors

Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independency Declaration	Whether the Independent Director Considered By The Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy The Independence or Not	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting And/Or Finance Or Not
Philipp Daniel Haas	İcrada görevli (Executive)	Bağımsız üye değil (Not independent director)	14/07/2006		İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)
Mesut Çetin	İcrada görevli (Executive)	Bağımsız üye değil (Not independent director)	14/03/2008		İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)
Eşref Güneş Ufuk	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	27/09/2018	https://www.kap.org.tr/tr/Bildirim/1008750	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Sengül Soytaş	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	01/04/2021	https://www.kap.org.tr/tr/Bildirim/1008750	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Sengül Soytaş	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	22/05/2013		İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)

CORPORATE GOVERNANCE PRACTICES

4. BOARD OF DIRECTORS-II	
4.4. Meeting Procedures of the Board of Directors	
Number of physical or electronic board meetings in the reporting period	36
Director average attendance rate at board meetings	% 100
Whether the board uses an electronic portal to support its work or not	Evet (Yes)
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	-
The name of the section on the corporate website that demonstrates information about the board charter	None
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	-
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	Administrative Activities-Committees and Working Principles
Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/tr/Bildirim/688585

Composition of Board Committees-I

Names Of The Board Committees	Name Of Committees Defined As "Other" In The First Column	Name-Surname of Committee Members	Whether Committee Chair Or Not	Whether Board Member Or Not
Denetim Komitesi (Audit Committee)		Eşref Güneş Ufuk	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Denetim Komitesi (Audit Committee)		Sengül Soytaş	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		Eşref Güneş Ufuk	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		Sengül Soytaş	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		Mesut Çetin	Hayır (No)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		Eşref Güneş Ufuk	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		Sengül Soytaş	Hayır (No)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		Mesut Çetin	Hayır (No)	Yönetim kurulu üyesi (Board member)
Diğer (Other)	Sustainability Subcommittee	Mesut Çetin	Evet (Yes)	Yönetim kurulu üyesi (Board member)

CORPORATE GOVERNANCE PRACTICES

4. BOARD OF DIRECTORS-III	
4.5. Board Committees-II	
Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	Administrative Activities-Committees and Working Principles
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	Administrative Activities-Committees and Working Principles
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	-
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	Administrative Activities-Committees and Working Principles
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	-
4.6. Financial Rights	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Consolidated Financial Statements
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Investor Relations-Policies-Board Remuneration Policy
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	Corporate Governance Practices-Financial Rights provided to the Members of the Board of Directors and Senior Management

Composition of Board Committees-II

Names Of The Board Committees	Name of committees defined as "Other" in the first column	The Percentage Of Non-executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	The Number Of Reports On Its Activities Submitted To The Board
Denetim Komitesi (Audit Committee)		% 100	% 100	12	5
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		% 67	% 67	12	12
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		% 67	% 67	6	0



CORPORATE GOVERNANCE PRACTICES

SUSTAINABILITY PRINCIPLES

As DEVA Holding, we believe that sustainability is a social and even a global responsibility that we should all adopt towards the world we live in.

Our primary goals are to leave a more livable world to future generations, energy efficiency and to use resources effectively without harming the nature, and to ensure the widespread use of recycling practices, and our activities are carried out in accordance with ISO 14001 Environmental Management System standards in all our production facilities and headquarters.

In order to ensure sustainable development, protecting the environment, not harming the ecological balance, contributing to the reduction of carbon footprint and emissions, which are the main responsible factors for global warming, and raising awareness in the society by promoting the effective use of natural resources are our main focus areas.

Within the framework of “Compliance with Sustainability Principles” introduced by the Corporate Governance Communiqué of the Capital Markets Board and whose implementation is based on a voluntary basis; by following the developments related to sustainability in Türkiye and in the world, to carry out studies determining the policies and procedures within the Company and to present their opinions and suggestions, to review the sustainability management, policies and procedures and effectiveness at least twice a year, to ensure that sustainability can be steered quickly, effectively and healthily within the Company.

A “Sustainability Subcommittee” was established to work under the Corporate Governance Committee in order to ensure and contribute to the development of standards, and the “2021 Sustainability Report” was published within the framework of related studies.

Sustainability Subcommittee	
Mesut Çetin	Chairman (Member of the Board of Directors/CFO)
Doğan Varinlioğlu	Vice Chairman (Deputy General Manager of Türkiye and International Markets)
Emre Günaydın	Secretary / Member (Strategic Planning & Corporate Communication)
Gülseren Mahmutoğlu	Member (Treasury & Investor Relations)
Gülcan Gümüş	Member (Human Resources and Development)
Aytaç Aysuna Erden	Member (Legal)
Rıza Yıldız	Member (Finance)
Sibel Kayaoğlu	Member (Work Health, Safety and Environment)
Fatma Yanbasan Turp	Member (Quality Operations)
Saniye Yazar	Member (R&D and International Technical Authorization)
Gökhan Kaba	Member (Purchasing)
Murat Aksoy	Member (Production Planning & Logistics)
Serkan Varlık-Mert Uz	Member (International Markets)
İrfan Çinkaya	Member (Biotechnology)
Suat Cingiler	Member (Engineering Projects Coordination)

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

		COMPLIANCE STATUS			NOT APPLICABLE	EXPLANATION	REPORT / LINK REGARDING THE PUBLICLY DISCLOSED INFORMATION
		YES	NO	PARTIAL			
	A. General Principles						
	A1. Strategy, Policy and Goals						
A1.1	The preferred environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Board of Directors.	X					https://www.deva.com.tr/en/policy
	The ESG policies (e.g. Environmental Policy, Energy Policy, Human Rights and Labour Rights Policy) have been set out by the Board of Directors and disclosed to public.	X					https://www.deva.com.tr/en/policy
A1.2	The short-term and long-term ESG goals have been disclosed to public.			X			https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMtQCsiQl2.pdf
	A2. Execution/Supervision						
A2.1	The committees and/or boards responsible for the supervision of ESG policies and the senior directors to execute the ESG issues have been disclosed to public including their duties.	X					https://www.deva.com.tr/en/committees
	The activities carried out within the scope of the policies by the responsible committee and/or department have been reported to the Board of Directors at least once a year.	X					
A2.2	The action plan in accordance with the ESG goals have been formed and disclosed to public.		X				
A2.3	The key performance indicators (KPI) regarding the ESG and the achievement rates per years have been disclosed to public.			X			https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMtQCsiQl2.pdf
A2.4	The improvement activities for sustainability performance regarding business processes or product and services have been disclosed to public.		X				
	A3. Reporting						
A3.1	Information regarding the sustainability performance, targets and actions of the partnership is given in an understandable, accurate and sufficient manner in the annual reports.	X					Annual Report, Sustainability Principles Compliance Report
A3.2	The information on the activities implemented in line with the United Nations (UN) 2030 Sustainable		X				

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

		COMPLIANCE STATUS				EXPLANATION	REPORT / LINK REGARDING THE PUBLICLY DISCLOSED INFORMATION
		YES	NO	PARTIAL	NOT APPLICABLE		
	Development Goals have been disclosed to public.						
A3.3	The lawsuits which have been filed and/or concluded against the Company regarding the ESG issues, that are important in terms of ESG policies and/or will significantly affect business activities, have been disclosed to public.				X	There is no lawsuits in this matter.	
	A4. Verification						
A4.1	The KPI measurements of the ESG partnership have been verified by an independent third parties and disclosed to public.			X			https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMaQCsiQI2.pdf
	B. Environmental Principles						
B1	The company has disclosed its policies and practices on environmental management, action plans, environmental management systems (known as ISO 14001 standard) and programmes.	X					https://www.deva.com.tr/en/policy
B2	The scope, period, date and the constraints of conditions of the environmental reporting regarding environmental management have been disclosed to public.			X			https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMaQCsiQI2.pdf
B3	See A2.1.						
B4	Environmental targets included in the rewarding criteria within the scope of performance incentive systems on the basis of beneficiaries (such as members of the Board of Directors, managers and employees) have been disclosed to the public.		X			No incentives were offered for the management for environmental issues.	
B5	The integration of the environmental difficulties, which are preferably determined, with the business goals and strategy have been disclosed to public.			X			https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMaQCsiQI2.pdf
B6	See A2.4.						
B7	The integration of environmental management issues covering the customers and suppliers throughout the value chain of the company including the operational process with the business	X					https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMaQCsiQI2.pdf

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

		COMPLIANCE STATUS				EXPLANATION	REPORT / LINK REGARDING THE PUBLICLY DISCLOSED INFORMATION
		YES	NO	PARTIAL	NOT APPLICABLE		
	model and strategy have been disclosed to public.						
B8	The cooperation with the non-governmental organizations and the environmental institutions and taking (or not) a part of the policy-making processes with those institutions have been disclosed to public.		X				
B9	The environmental figures (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and waste water management, waste management, biodiversity impacts) and the environmental impacts have been disclosed to public with periodic comparison.	X					https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMaQCsiQI2.pdf
B10	The standard, protocol, methodology and the base year details for collection and calculation of the data have been disclosed to public.	X					https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMaQCsiQI2.pdf
B11	The comparable increase or decrease rates with the previous years have been disclosed to public in the current period's report.	X					https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMaQCsiQI2.pdf
B12	The short-term and long-term targets are determined to decrease the environmental impacts; the called targets and the progress status in comparison to the previous years' targets have been disclosed to public.			X			
B13	The strategy to fight against climate crises is set out and the action plan has been disclosed to public.	X					https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMaQCsiQI2.pdf
B14	The programmes or procedures to prevent or to decrease to the minimum level of the negative environmental effects of the products and/or services have been disclosed to public.	X					https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMaQCsiQI2.pdf
	Actions have taken to make the third parties' (e.g. supplier, subcontractor, dealer, etc.) decrease their greenhouse gas emission figures have been disclosed to public.		X			We do not have any work regarding to this subject.	
B15	The environmental benefits/gainings and cost savings provided by the			X			https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMaQCsiQI2.pdf

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

		COMPLIANCE STATUS			NOT APPLICABLE	EXPLANATION	REPORT / LINK REGARDING THE PUBLICLY DISCLOSED INFORMATION
		YES	NO	PARTIAL			
	initiatives/projects to decrease the environmental impacts have been disclosed to public.						
B16	Energy consumption (natural gas, diesel, gas, LPG, coal, electricity, heating, cooling, etc.) figures as Scope-1 and Scope-2 have been disclosed to public.	X					https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMaQCsiQI2.pdf
B17	The information about the produced electricity, heat, steam and cooling during the reporting period have been disclosed to public.		X				
B18	Actions have been taken in order to increase renewable energy consumption, transit to zero or low carbon electricity and have been disclosed to public.		X				
B19	The renewable energy production and consumption figures have been disclosed to public.		X				
B20	Energy productivity projects have been carried out and the decrease rates on energy consumption and emission based on those projects have been disclosed to public.		X				
B21	Water consumption, underground or above- ground drawn water, recycled or discharged water figures, sources and procedures have been disclosed to public.			X			https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMaQCsiQI2.pdf
B22	It has been disclosed to public whether the operations or activities were included to any carbon pricing system (Emission Trading System, Cap & Trade or Carbon Tax) or not.		X				
B23	The information on accumulated or purchased carbon credit during the reporting period has been disclosed to public.		X				
B24	The details have been disclosed to public if a carbon pricing mechanism at the company is applied for the partnership.		X				
B25	The platforms, which the environmental figures of the company are announced, have been disclosed to public.	X					www.deva.com.tr

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

		COMPLIANCE STATUS			NOT APPLICABLE	EXPLANATION	REPORT / LINK REGARDING THE PUBLICLY DISCLOSED INFORMATION
		YES	NO	PARTIAL			
	C. Social Principles						
	C1. Human Rights and Labor Rights						
C1.1	The Cooperate Human Rights and Labour Rights Policy has been set out and the responsible directors for execution of the policy are assigned in alignment with the scope of the United Nations Universal Declaration of Human Rights, the International Labour Organization principles and other related treaties which Turkey have been approved of, and disclosed to public.	X				Sustainability Policy – Ethical Principles Procedure	https://www.deva.com.tr/en/policy
C1.2	The labour rights policy covers the fair workforce, improving work conditions, women's employment and inclusion (no discrimination on gender, race, religion, language, marital status, ethnicity, sexual orientation, gender identity, family responsibilities, trade union activities, political view, disability, social and culturel differences, etc.) considering the supply and value chain impacts.	X				Ethical Principles Procedure	https://www.deva.com.tr/en/policy
C1.3	The measures taken throughout the value chain to watch over the susceptible segments to certain economic, environmental, social factors (e.g. low income group, women, etc.) or minority rights/opportunity equality.			X			
C1.4	The preventive and improver practices on discrimination, inequality, human rights violation, forced labour, and child labour have been disclosed to public.	X				Ethical Principles Procedure	https://www.deva.com.tr/en/policy
C1.5	The labour rights policy covers investment in employees (training, improvement policies), remuneration, side rights, right to unionize, work/life balance and skill management issues.	X				Ethical Principles Procedure	https://www.deva.com.tr/en/policy
	The mechanism regarding the employee complaints and the dispute resolution process is determined.	X					
	The reported employee satisfaction activities in the period have been disclosed to public		X				
C1.6	Occupational Health and Safety Policy has been set out and disclosed to public.	X					https://www.deva.com.tr/en/health-safety-and-environmental-policy
	The measures taken to prevent the work accidents, health protection and accident statistics have been disclosed to public.	X					https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMaQCsiQI2.pdf
C1.7	Protection of the personal data and information security policy has been disclosed to public.	X					https://www.deva.com.tr/tr/kvkk
C1.8		X					https://www.deva.com.tr/en/policy

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

		COMPLIANCE STATUS				EXPLANATION	REPORT / LINK REGARDING THE PUBLICLY DISCLOSED INFORMATION
		YES	NO	PARTIAL	NOT APPLICABLE		
	Code of Ethics has been set out and disclosed to public.						
C1.9							
C1.10	The informative meetings and training programmes on ESG practices organised for the employees have been organized.	X					
C2. Stakeholders, International Standards and Initiatives							
C2.1	Customer satisfaction policy covering the management and solution of the customer complaints has been set out and disclosed to public.			X			
C2.2	The information on communication with the stakeholders (whom, topic ve frequency) has been disclosed to public.	X					https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMaQCsiQI2.pdf
C2.3	The international reporting standards adopted have been disclosed to public.	X					https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMaQCsiQI2.pdf
C2.4	The adopted principles, being a signatory or a member of an international institution, committee on sustainability have been disclosed to public.	X					https://www.deva.com.tr/uploads/pdf_files/5Ys0sYRkK2KMaQCsiQI2.pdf
C2.5	Improvement activities have been realized to be included Borsa Istanbul Sustainability Index and/or international index providers' sustainability indices.			X			
D. Corporate Governance Principles							
D1	It has been consulted with the stakeholders regarding the determination of the sustainability measures and strategy.	X					
D2	CSR projects, awareness activities and training programmes have been realized to increase the awareness of on sustainability.	X					



INFORMATION FOR THE SHAREHOLDERS

Contact Details

Address : Halkalı Merkez Mah. Basın Ekspres Cad. No.1 Küçükçekmece-İstanbul, Türkiye
Phone : +90 212-692 92 92
Fax : +90 212-697 02 08
Website : www.deva.com.tr
E-Mail address : deva@deva.com.tr

Trade Registry Information of the Company

Trade Register : İstanbul Commerce Registry Office
Register No. : 70061

Independent Auditor

DELOITTE TOUCHE TOHMATSU LIMITED
Drt Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.
Phone : +90 212 366 60 00
Fax : +90 212 366 60 10

Tax Attestation

PwC YMM A.Ş.
Phone : +90 212 326 60 60
Fax : +90 212 326 60 50

2022 Performance of DEVA Holding Shares

The issued capital of DEVA Holding is 200,019,287,78 TL. The capital of the company is divided into 20,001,928,778 shares, each with a value of 1 kuruş.

In 01.01.2022 - 31.12.2022 period, 1 lot of shares of DEVA Holding traded at Borsa Istanbul (BİST) was traded at TRY 26.00 as the lowest value and at TRY 69.90 as the highest value and closed the year at TRY 69.20.

The graph showing the performance of DEVA Holding shares in 2022 by closing prices is presented below:



PROFIT DISTRIBUTION TABLE

PROFIT DISTRIBUTION TABLE

DEVA HOLDING A.Ş.			
2022 Profit Distribution Table (TL)			
1	Issued Capital	200.019.287,78	
2	General Legal Reserve (based on legal records)	40.003.857,56	
If privilege exists in profit distribution in accordance with the Articles of Association, information on such privilege		10% of the profit amount to be determined in accordance with the the Articles of Association is distributed to privileged shareholders of A group.	
		Based on CMB	Based on Legal Records (LR)
3	Profit for the Period	1.299.551.031,00	1.345.205.331,43
4	Taxes (-)	60.673.190,00	-3.499.104,97
5	Net Profit for the Period	1.360.224.221,00	1.341.706.226,46
6	Losses from the Previous Periods (-)	0	0
7	General Legal Reserve (-)	0	0
8	Net Distributable Profit/Loss for the Period	1.360.224.221,00	1.341.706.226,46
9	Donations made within the year (+)	1.824.606,21	
10	Net Distributable Profit for the Period with Donations added	1.362.048.827,21	
11	First Profit to Shareholders -Cash -Without charge -Total	10.000.964,39 10.000.964,39	
12	Profit distributed to Privileged Shareholders	134.822.306,37	
13	Other Profit Distributed - To the Members of the Board of Directors - To the Employees - To persons other than Shareholders	64.977.551,55	
14	Profit distributed to Dividend Shareholders	0	
15	Second Profit to Shareholders	20.001.928,78	
16	General Legal Reserve	21.980.178,67	
17	Statutory Reserves	0	
18	Special Reserves	0	
19	Extraordinary Reserves	1.108.441.291,24	
20	Other Resources Foreseen to be Distributed -Previous Years Profit -Extraordinary Reserves -Other Distributed in accordance with Law and Articles of Association		

TABLE OF PROFIT RATES

DETAILS OF PROFIT PER SHARE

	GROUP	TOTAL PROFIT DISTRIBUTED		TOTAL PROFIT DISTRIBUTED/NET DISTRIBUTABLE PROFIT FOR THE PERIOD	PROFIT CORRESPONDING TO SHARE WITH NOMINAL VALUE OF TL 1	
		Cash (TL)	Free (TL)	Rate (%)	Amount (TL)	Rate (%)
NET	A (*)	121.340.075,73	0	8,92	24.268.015,15	2426801515
	B	0,00675	0	0,00	0,135	13,50
	C	27.002.603,85	0	1,99	0,135	13,50
	TOTAL	148.342.679,59	0			

(*) Although the "Profit Share Ratios" table requires that the cash dividend to be paid to the share with a nominal value of 1 TL be shown, the A group, the amount and rate corresponding to the 1 kuruş preferred share are shown in the relevant part of the table, since the nominal value of the privileged shares belonging to our company is 1 kuruş.

INDEPENDENT AUDITOR’S REPORT



DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.
Maslak no1 Plaza
Eski Büyükdere Caddesi
Maslak Mahallesi No:1
Maslak, Sarıyer 34398
İstanbul, Türkiye

Tel : +90 (212) 366 6000
Fax : +90 (212) 366 6020
www.deloitte.com.tr

Mersis No: 0291001097600016
Ticari Sicil No : 304099

(CONVENIENCE TRANSLATION OF
INDEPENDENT AUDITOR’S REPORT ON THE MANAGEMENT’S ANNUAL REPORT
ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR’S REPORT ON THE MANAGEMENT’S ANNUAL REPORT

To the General Assembly of Deva Holding A.Ş.

1) Opinion

As we have audited the full set consolidated financial statements of Deva Holding A.Ş. (“the Company”) and its subsidiaries (“the Group”) for the period between 01/01/2022–31/12/2022, we have also audited the annual report for the same period.

In our opinion, the consolidated financial information provided in the Management’s annual report and the Management’s discussions on the Group’s financial performance, are fairly presented in all material respects, and are consistent with the full set audited consolidated financial statements and the information obtained from our audit.

2) Basis for Opinion

We conducted our audit in accordance with the standards on auditing issued by Capital Markets Board and the Standards on Independent Auditing (“SIA”) which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority (“POA”). Our responsibility is disclosed under *Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report* in detail. We declare that we are independent from the Group in accordance with the *Code of Ethics for Independent Auditors* (“Code of Ethics”) issued by POA and ethical provisions stated in the regulation of audit. We have fulfilled other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3) Auditor’s Opinion for the Full Set Consolidated Financial Statements

We have presented unqualified opinion for the Group’s full set consolidated financial statements for the period between 01/01/2022–31/12/2022 in our Auditor’s Report dated 10 March 2023.

4) Management’s Responsibility for the Annual Report

The Group’s Management is responsible for the following in accordance with Article 514 and 516 of the Turkish Commercial Code No. 6102 (“TCC”) and “Communiqué on Principles of Financial Reporting in Capital Markets” with No.14.1 of the Capital Markets Board (“the Communiqué”):

- a) Preparing the annual report within the three months following the reporting date and presenting it to the General Assembly,

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. Please see www.deloitte.com/about to learn more about our global network of member firms.

INDEPENDENT AUDITOR’S REPORT



- b) Preparing the annual report with the all respects of the Group’s flow of operations for that year and the Group’s consolidated financial performance accurately, completely, directly and fairly. In this report, the consolidated financial position is assessed in accordance with the consolidated financial statements. The Group’s development and risks that the Group may probably face are also pointed out in this report. The Board of Director’s evaluation on those matters are also stated in this report.
- c) The annual report also includes the matters stated below:
 - The significant events occurred in the Group’s activities subsequent to the financial year ends,
 - The Group’s research and development activities,
 - The compensation paid to key management personnel and members of Board of Directors including financial benefits such as salaries, bonuses and premiums, allowances, travelling, accommodation and representation expenses, in cash and kind facilities, insurances and other similar guarantees.

The Board of Directors also considers the secondary regulations prepared by the Ministry of Trade and related institutions while preparing the annual report.

5) Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report

Our aim is to express an opinion and prepare a report about whether the Management’s discussions and consolidated financial information in the annual report within the scope of the provisions of the TCC and the Communiqué are fairly presented and consistent with the information obtained from our audit.

We conducted our audit in accordance with the standards on auditing issued by Capital Markets Board and the SIA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Management’s discussions on the Group’s financial performance, are fairly presented in all material respects, and are consistent with the full set audited consolidated financial statements and the information obtained from our audit.

The engagement partner on the audit resulting in this independent auditor’s report is Zere Gaye Şentürk.

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

Zere Gaye Şentürk
Partner

İstanbul, 10 March 2023



DEVA HOLDING A.Ş. Halkalı Merkez Mah. Basın Ekspres Cad. No: 1 34303 Kucukcekmece - İSTANBUL / TÜRKİYE Phone: +90 212 692 92 92 • info@deva.com.tr



www.deva.com.tr/en

DEVA Holding