

Declaration by the Management Board and Supervisory Board of aap Implantate AG

to the recommendations of the

"Government Commission on the German Corporate Governance Code"

pursuant to Article 161 of the German Stock Corporation Act (Aktiengesetz/AktG)

Since issuing its last declaration of conformity pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz/AktG) on December 11, 2021, aap Implantate AG has complied with all the recommendations of the version of the German Corporate Governance Code dated December 16, 2019 ("GCGC 2020") published by the Federal Ministry of Justice in the official section of the Federal Gazette on March 20, 2020, with the exceptions listed below:

Age limit for members of the Executive Board (B.5 GCGC 2020)

aap Implantate AG has not set an age limit for Management Board members and accordingly will not state this in the corporate governance statement. Setting an age limit for Management Board members would restrict the Supervisory Board in its task of appointing the best-qualified candidate to the Management Board. In principle, the Company should also have access to the expertise of experienced candidates. The Executive Board and Supervisory Board do not consider it appropriate to set a very high limit, which would not restrict the choice of candidates, simply to comply with the Code recommendations.

No formation of a nomination committee in the Supervisory Board (D.5 GCGC 2020)

The Supervisory Board of aap Implantate AG consists of three members. No nomination committee is formed due to the Company's circumstances and the small number of Supervisory Board members. The efficiency of the Supervisory Board's work is deemed sufficient in view of the nomination of suitable candidates for proposals to the Annual General Meeting for the election of Supervisory Board members in the existing organizational structure.

Training and development measures (D.12 GCGC 2020)

In principle, the Company supports the members of the Supervisory Board in their induction into office and in the necessary training and continuing education measures, but has neither defined a formal procedure nor adopted guidelines for this purpose. In addition, it is unclear which requirements must be fulfilled in accordance with Recommendation D.12 GCGC 2020 in order for the support provided by the Company for the installation in office and the training and further education of Supervisory Board members to be considered appropriate. As a highly precautionary measure, a deviation from recommendation D.12 GCGC 2020 is therefore declared.

Compensation of the Board of Management - Determination of the amount of variable compensation components (G.6 GCGC 2020)

For the financial year 2021, the variable remuneration of Management Board members of aap Implantate AG resulting from the achievement of long-term oriented targets did not yet exceed the variable portion resulting from short-term oriented targets, thus deviating from recommendation G.6 GCGC 2020. However, with the conclusion of the new Executive Board contracts, the recommendation of G.6 GCGC 2020 will be taken into account for the financial year 2022. As a result, the variable compensation resulting from the achievement of long-term oriented targets will exceed the variable portion resulting from short-term oriented targets in

the financial years 2022 et seq. and the recommendation will thus be complied with as of the financial year 2022.

Compensation of the Board of Management - Determination of the amount of variable compensation components (G.10 GCGC 2020)

For the financial year 2021, the variable remuneration components of the Management Board members of aap Implantate AG were not yet granted to the Management Board members predominantly in shares in the Company or correspondingly on a share-based basis, thereby deviating from recommendation G.10 GCGC 2020. When the new Management Board contracts were concluded, however, recommendation G.10 GCGC 2020 was taken into account. As a result, the variable compensation components will be granted to the Executive Board members in fiscal years 2022 ff. predominantly in the form of shares in the Company or on a correspondingly share-based basis, and the recommendation will thus be complied with from fiscal year 2022.

Compensation of the Executive Board - Determination of the amount of variable compensation components (G.11 GCGC 2020)

The remuneration system for the Management Board of aap Implantate AG did not provide for a clawback agreement in the classic sense for the financial year 2021, so that this was not part of the corresponding employment contracts, thus deviating from recommendation G.11 GCGC 2020. However, the then quantitatively variable annual bonus already included a progressive bonus-malus system based on a 3-year assessment basis, which had a similar effect to a claw-back agreement. With the conclusion of the new Executive Board contracts, a claw-back agreement has now also been agreed for the financial years 2022 ff. and thus Recommendation G.11 GCGC 2020 has been complied with from the financial year 2022.

Compensation of the members of the Supervisory Board (G.17 GCGC 2020)

The compensation of the members of the Supervisory Board in the 2021 financial year did not yet take into particular account the higher time commitment of the Chair and Vice Chair of the Supervisory Board. For 2022, the compensation of Supervisory Board members was amended by resolution of the Annual General Meeting on June 1, 2022: According to this, the members of the Supervisory Board receive (apart from the reimbursement of their expenses) an annual fixed remuneration of EUR 30,000.00 and the member of the Supervisory Board who assumes the chair of the Supervisory Board receives (apart from the reimbursement of expenses) an annual fixed remuneration of EUR 50,000.00. As of the 2022 financial year, the higher time expenditure of the chair of the Supervisory Board will be taken into account when determining the remuneration.

Since issuing its last declaration of conformity pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz/AktG) on December 11, 2021, aap Implantate AG has also complied and will continue to comply with all recommendations of the version of the German Corporate Governance Code dated April 28, 2022 ("GCGC 2022") published by the Federal Ministry of Justice in the official section of the Federal Gazette on June 27, 2022, with the exceptions listed below:

Sustainability-related objectives in the internal control and risk management system (A.3 GCGC 2022)

aap Implantate AG has established an internal control and risk management system, but so far without specific processes and systems for recording and processing sustainability-related data. Insofar as this data is relevant to the sustainability targets contained in aap Implantate AG's annually updated corporate planning, however, it is recorded as part of operational management and evaluated in order to check whether the respective targets have been achieved. Since this is not done as part of the internal control and risk management system, a deviation from Recommendation A.3 GCGC 2022 is declared as a highly precautionary measure.

Description of the internal control and risk management system in the management report including a statement on its appropriateness and effectiveness (A.5 GCGC 2022)

A.5 GCGC 2022 recommends describing the main features of the overall internal control system and risk management system in the management report and commenting on the appropriateness and effectiveness of these systems. In deviation from this, Section 289 (4) of the German Commercial Code (HGB) requires a description in the management report of the main features of the internal control and risk management system with regard to the accounting process alone. With regard to these disclosures, which are limited to the accounting process, an established practice has developed (also in implementation of GAS 20.K177 and GAS 20.K178) with regard to the content, scope and intensity of the required reporting. With regard to the more extensive reporting required by A.5 GCGC 2022, this is still lacking, which considerably limits its comparability and thus ultimately also its usefulness for decision-making. Against this background, it was decided to refrain from including these additional disclosures in the management report for the time being.

Age limit for members of the Executive Board (B.5 GCGC 2022)

aap Implantate AG has not set an age limit for Management Board members and accordingly will not state this in the corporate governance statement. Setting an age limit for Management Board members would restrict the Supervisory Board in its task of appointing the best-qualified candidate to the Management Board. In principle, the Company should also have access to the expertise of experienced candidates. The Executive Board and Supervisory Board do not consider it appropriate to set a very high limit, which would not restrict the selection of candidates, simply in order to comply with the Code's requirements.

No formation of a nomination committee on the Supervisory Board (D. 4 GCGC 2022)

The Supervisory Board of aap Implantate AG consists of three members. No nomination committee is formed due to the Company's circumstances and the small number of Supervisory Board members. The efficiency of the Supervisory Board's work is deemed sufficient in view of the nomination of suitable candidates for proposals to the Annual General Meeting for the election of Supervisory Board members in the existing organizational structure.

Training and development measures (D. 11 GCGC 2022)

In principle, the Company supports the members of the Supervisory Board in their induction into office and in the necessary training and development measures, but has neither defined a formal procedure nor adopted guidelines for this purpose. In addition, it is unclear which requirements must be met in accordance with Recommendation D. 11 GCGC 2022 in order for the support provided by the Company for the installation in office and the training of Supervisory Board members to be considered appropriate. As a highly precautionary measure, a deviation from recommendation D. 11 GCGC 2022 is therefore declared.

Compensation of the members of the Supervisory Board (G.17 GCGC 2022)

In the compensation of the Supervisory Board members, no special allowance is made for the higher time commitment of the Deputy Chairmen of the Supervisory Board.

On June 1, 2022, the Annual General Meeting of aap Implantate AG resolved that the members of the Supervisory Board (apart from reimbursement of their expenses) receive annual fixed remuneration of EUR 30,000.00 and that the member of the Supervisory Board who assumes the chair of the Supervisory Board (apart from reimbursement of his or her expenses) receive annual fixed remuneration of EUR 50,000.00.

Berlin, December 12, 2022

For the Supervisory Board



Nathalie Krebs, MD,
Chairman of the Supervisory Board

For the Executive Board



Rubino Di Girolamo,
Chairman of the Board of Management / CEO