

Corporate Governance Report

SNP Schneider-Neureither & Partner AG (hereafter “SNP AG” or “the company”) as a public limited company under German law attaches a great deal of importance to the topic of Corporate Governance. With respect to its organization it complies with the German Corporate Governance Code (DCGK) in the current version of 18th June 2009. This was adopted in 2002 and continuously developed since then with the aim of creating principles for good company management and increasing the trust in German companies. On the one hand the Code picks up the existing, legal provisions and on the other it makes recommendations and suggestions with respect to areas in which there is still no or no definite statutory ruling in German law. For SNP AG the Code provides an important guideline for the organization of Corporate Governance in accordance with the national standards and facilitates step-by-step improvement. It is therefore an important matter of concern for SNP AG to follow the recommendations and suggestions of the DCGK as far as possible and to ensure company undertakings comply with them.

Corporate Governance

With the term Corporate Governance we combine responsible company management and control directed at real net output to achieve sustained company growth whilst taking account of the interests of our shareholders. Efficient co-operation between the managing board and the supervisory board and open and transparent company communications are important aspects for us of good Corporate Governance, which serves the sustained creation of added value for the company and our shareholders. We would like to take account of this claim and basic understanding with the following statements on the topic of Corporate Governance.

The declaration of compliance

In accordance with Section 161 AktG [Company Law], the managing board and the supervisory board of a public limited company listed on the stock exchange must declare each year the extent to which they have complied with the recommendations of the “German Corporate Governance Code” (DCGK), published by the Federal Ministry of Justice. The managing board and the supervisory board are obliged to disclose and explain variations from the DCGK in the frame of the declaration of compliance. The declaration of compliance as well as extensive information on the subject of Corporate Governance are not only made available to our shareholders in the respective annual report but are also made publicly available at all times on our homepage (<http://www.snp.de/en/corporate-governance-2010>).

Declaration of compliance 2009 by the managing board and the supervisory board of SNP AG with respect to the Corporate Governance of the company in accordance with Section 161 AktG

The managing board and supervisory board of SNP Schneider-Neureither & Partner AG (“SNP AG”) herewith declare in accordance with Section 161 AktG, that the recommendations announced by the Federal Ministry of Justice in the official section of the electronic Federal Bulletin of the “Government Commission German Corporate Governance Code” in the version of 6 th June 2008 (“Version 2008”) and in the version of 18 th June 2009 (“Version 2009”), in the respective periods of time of the fiscal year were complied with and will also be complied with in future, with the following exceptions.

1. Point 3.8 Subsection 2 DCGK

The Code recommends in Point 3.8 (“Version 2008”) providing an excess with respect to the conclusion of liability insurance for the members of the managing board and the supervisory board (so-called Directors and Officers Liability Insurances – D&O-Insurance). In Point 3.8 of the Code in Version 2009 the agreement of excess is only recommended for the D&O insurance of members of the supervisory board, whereas the excess with conclusion of a D&O insurance for members of the managing board is now provided by law. SNP AG will therefore agree an appropriate excess for the managing boards of the company in accordance with VorstAG and Section 93 Subsection 2 Sentence 3 AktG with the termination of the current service contracts on 30 th September 2012, to meet the statutory requirements. On the other hand, SNP is not of the opinion that for the members of the supervisory board the excess can acquire the effect of an incentive. SNP AG will vary from the recommendation in Point 3.8 of the Code in Version 2009 also in future in this respect.

2. Point 4.2.3 Subsection 3 Sentence 3 and 4 DCGK

At variance with the recommendation in Point 4.2.3 Subsection 3 Sentence 3 DCGK, subsequent amendment of the goals or comparison parameters for the benefit of the owners of a subscription right (re-pricing) is not expressly prohibited in the share option plan of SNP AG. Anyway, an express prohibition such as this would only have a declaratory character because it could be rescinded again straight away by the shareholders’ meeting.

Contrary to the recommendation in Point 4.2.3 Subsection 3 Sentence 4 DCGK the share option plan of SNP AG provides no option of limitation (Cap) by the supervisory board in the instance of extraordinarily positive trend of prices.

This kind of limitation was still unusual on the date the share option plan came into force in the year 2001. After the last share options from the 2001 share option plan were exercised in 2009 the plan has consequently expired. The recommendation is no longer of significance in future in the absence of an existing share option plan.

3. Point 5.1.2 Subsection 2 Sentence 3 DCGK

At variance with Point 5.1.2 Paragraph 2 Sentence 3 DCGK, SNP AG does not stipulate an age limit for members of the managing board, because the members of the managing board of SNP AG currently officiating were born in the years 1964 and 1967 and are therefore by a long way still the right side of the usual age limit for members of the managing board. In addition, in future SNP AG will not lay down rigid age limits across the board because this would deprive it of the option of acquiring outstandingly suitable personalities for employment in the company who have already exceeded the age limit or who would exceed it during the term of the contract.

4. Point 5.3.3 DCGK

SNP AG does not comply with the creation of a nomination committee recommended in Point 5.3.3 DCGK. Due to the reasonable size of the supervisory board of SNP AG with three of the shareholders elected members of the supervisory board the creation of an independent nomination committee is not necessary, especially as, in addition, SNP AG would like to see such a basic task implemented by the entire supervisory board.

5. Point 5.4.1 Sentence 2 DCGK

Contrary to Point 5.4.1 Sentence 2 DCGK, SNP AG also diverges from the recommendation to determine an age limit for members of the supervisory board. The company regards such a limit as disadvantageous because the possibility would occur in the individual instance when the company would benefit from the experience of renowned older personalities. In other respects, it is up to the shareholders to decide which candidates should be elected to the supervisory board of the company.

6. Point 5.4.6 Subsection 1 Sentence 3 DCGK

Contrary to Point 5.4.6 Subsection 1 Sentence 3 DCGK, SNP AG does not take account of the chairman and membership in committees with respect to the payment of members of the supervisory board, because from the viewpoint of SNP AG, an additional payment incentive for membership in committees is not necessary. Higher payment would not lead to any increased commitment of the members of the supervisory board concerned, especially as all the members of the supervisory board are

already committed to the good of the company and its shareholders in an exemplary way.

7. Point 5.4.6 Subsection 2 Sentence 1 DCGK

Contrary to Point 5.4.6 Subsection 2 Sentence 1 DCGK, the members of the supervisory board of SNP AG do not receive any success-orientated payment in addition to a fixed payment. The company grants its supervisory boards an appropriate fixed payment and has decided against splitting this fixed payment into fixed and variable components, since the latter – even if frequently theoretically – hide the risk that decisions of the supervisory board could be made not exclusively for the good of the company but with the goal of bringing about an increase of variable payment components. This, above all, when – for instance, as a rule – the variable payment components are in line with the distributed dividends and therefore with the resolution on disposition of profits, for which the supervisory board also submits a proposal.

8. Point 7.1.3 DCGK

The company diverges from the recommendation in Point 7.1.3 of the Code, according to which the Corporate Governance Report should contain concrete details about share option programs and similar securities-orientated incentive systems of the company. The Corporate Governance Report of SNP AG merely contains a reference to the group addendum which contains these details. The company does not regard a repeated listing of these details in the Corporate Governance Report as necessary because the share option program has expired in the meantime and there is no plan to issue a new program. In addition, a repeated listing would be somewhat detrimental with respect to clarity, given the already very extensive business report with far more than 160 pages.

Management and Control Structure

SNP AG as a public limited company is subject to German company law and has therefore a dual management and control structure consisting of the managing board and the supervisory board. Duties, areas of competence and responsibilities of these two organs are clearly regulated by law and separated in terms of personnel. In the following the working method, competences and personnel staffing of the managing board and supervisory board of SNP AG are explained in more detail.

Working method of managing board and supervisory board

The fundamental principle of responsible company management and control for SNP AG is the guarantee of an efficient and trusting co-operation of the managing board and supervisory board, taking account of the impartiality and independence of the members. In order to promote the independence of the management persons of the company in their decisions from the impact of the specifications and directives of close third parties, the existing mandates of the members of the supervisory board and managing board with other companies are disclosed in the frame of the following report. No managing board and supervisory board member holds more than two supervisory board mandates with listed public limited companies which do not belong to the group. In addition, in the current fiscal year no conflicts of interest occurred which had to be disclosed immediately to the supervisory board.

In six joint meetings in the 2009 fiscal year the supervisory board and managing board of SNP AG discussed the

strategic organization and future development of the company as well as a series of individual topics and adopted the necessary resolutions. In the instance of important events an extraordinary meeting of the supervisory board is called, if necessary. However, this was not necessary in the year under report. The staffing of the managing board and supervisory board remained unchanged in the 2009 fiscal year.

The managing board

The managing board performs the operational management within SNP AG and is responsible with respect to the supervisory board for the implementation and results of the strategy of the company. As a managing body the managing board performs the business of the company with the target of sustained real net output on its own responsibility and in the interests of the company. The members of the managing boards therefore bear the responsibility jointly for the overall business management and take basic decisions with respect to business policy and strategy, in close co-operation with the supervisory board. In this sense the managing board informs the supervisory board on a regular basis, promptly and comprehensively, about all the issues which are relevant for the whole company, the business development, the guarantee of compliance and about risks for the company. These managing board duties to provide information and to report are laid down in detail by the supervisory board in the rules of procedure. The managing board of SNP AG comprises two persons together, the founder members of the company, Dr Andreas Schneider-Neureither and Petra Neureither. The period of office of the members of the managing board ends on 30th September 2012.

Members	Memberships and Mandates
<p>Dr. Andreas Schneider-Neureither, Graduate in Physics</p> <p>Responsible for operational business (sales, marketing, consulting, strategic development projects, partner management)</p> <p>Date of birth: 05.10.1964 Appointed from 30.09.2009 to 30.09.2012</p>	<p>Managing Director SNP EINS GmbH, Linz Managing Director of SNP Technologieberatungscompany mbH, Wien Managing Director of SNP Thebis GmbH, Thale Supervisory Board of Casadomus AG, Ludwigsburg Managing Director of Schneider-Neureither GmbH, Heidelberg Managing Director of SNP Holding GmbH, Heidelberg</p>
<p>Petra Neureither, Graduate in Economics</p> <p>Responsible for finance, human resources, administration</p> <p>Date of birth: 07.04.1967 Appointed from 30.09.2009 to 30.09.2012</p>	<p>Managing Director of SNP Online GmbH, Heidelberg Managing Director of SNP Holding GmbH, Heidelberg Plenary Assembly Member of IHK Rhein-Neckar</p>

The supervisory board

It is the duty of the supervisory board to advise and supervise the managing board in the management of the company at regular intervals. The important decisions of the company require the approval of the supervisory board and therefore the supervisory board is involved in the decisions, which are of fundamental importance for the company. The supervisory board has adopted rules of procedure for its work.

SNP AG – taking account of the size of the company – decided on a supervisory board made up of three members. With the nominations to elect the members of the supervisory board attention was paid to the skills and professional experience required for performance of the duties. Accordingly, the incumbent supervisory board members stand out due to their many-years experience as members of the supervisory board and their special knowledge with respect to market and product risks in the core business of SNP AG. Consequently, they guarantee supervision of the company which is as effective as possible and support for the managing board in questions regarding strategic organization. The members of the body are independent and do not have any business or personal relationship with the company or the managing board. In addition, no former members of the managing board are represented in the supervi-

sory board of SNP AG. Once a year an efficiency audit of the supervisory board of SNP AG is carried out using a check list for self-evaluation. In the fiscal year 2009 the members of the supervisory board were Dieter Matheis (chairman of the supervisory board), Martin Boll (deputy chairman of the supervisory board) and Rainer Kaiser. The chairman of the supervisory board co-ordinates the work of the supervisory board, chairs its meetings and looks after the interests and representation of the body externally. The regular period of office of the members of the supervisory board comes to an end with the expiry of the shareholders' meeting which decides about the acceptance of the directors' report for the fiscal year 2011.

The German Corporate Governance Code recommends that the supervisory board should form professionally qualified committees. We have complied with this recommendation with the formation of a balance sheet auditing committee. Due to the unavoidable personal identity of the members of the committee and the supervisory board with a three-person supervisory board body, the company refrained from forming further committees. The members of the body therefore decide on all the matters to be decided upon with joint responsibility. All other recommendations of the DCGK with respect to the staffing of the supervisory board were taken into account in the 2009 fiscal year.

Members	Memberships in other supervisory boards and other comparable control bodies	Designation of profession
<p>Dieter Matheis</p> <p>Chairman since 25.10.2002</p> <p>First appointment: 07.05.2002</p> <p>Appointed until: HV 2012</p>	<p>Saperion AG, Berlin (chairman)</p> <p>Netviewer AG, Karlsruhe</p> <p>Rhein-Neckar-Löwen GmbH, Mannheim</p>	<p>Former CFO of SAP AG</p> <p>Management Consultant</p>
<p>Martin Boll</p> <p>Deputy chairman since 19.05.2004</p> <p>First appointment: 19.05.2004</p> <p>Appointed until: HV 2012</p>	<p>(none)</p>	<p>Graduate Industry and Commerce Engineering,</p> <p>Management Consultant</p>
<p>Rainer Kaiser</p> <p>First appointment: 01.08.2008</p> <p>Appointed until: HV 2012</p>	<p>scdsoft AG, Karlsruhe</p>	<p>Former Head of Sales / Germany of SAP AG</p> <p>Management Consultant</p>

The balance sheet auditing committee

The balance sheet auditing committee of SNP AG consists of the supervisory board members, Dieter Matheis, Martin Boll and Rainer Kaiser, who, after the expiry of the 9th ordinary shareholders' meeting on 12th May 2009, were also confirmed in their posts as members of the balance sheet auditing committee for the 2009 fiscal year. The committee met once in the 2009 fiscal year and supervised the appropriateness and ability to work of the company external and internal rendering of accounts. In the 2009 fiscal year the balance sheet auditing committee also recommended awarding the auditing order to MOORE STEPHENS Treuhand AG Auditing Company, Mannheim. Together with the auditor the auditing committee explained the directors' reports prepared by the managing board and the half-year and annual statement of accounts of SNP AG and the group.

Share transactions of the managing board and supervisory board

In accordance with Section 15a Wertpapierhandelsgesetz (WpHG) [Securities Trading Law], the members of the managing board and the supervisory board of SNP AG, as well as high-ranking employees and persons in a close relationship with the latter ("management persons") must disclose the buying and selling of SNP shares and the financial instruments which refer to them, in so far as the value of the effected business transactions exceeds the sum of 5,000.00 € within one calendar year. In the last fiscal year 2009 SNP AG was notified of the following share dealing and transactions in this connection which, again, in the frame of the company's duty to notify, are published both on our own website and the website of DGAP (Deutsche Company for Ad-hoc-Publizität mbH).

Directors' Dealings Notifications in accordance with Section 15a WpHG

Date	Person required to report	Details of person required to report	Transaction to be notified
02.04.2009	Dr. Andreas Schneider-Neureither	Managing organ	Sale of 10,000 shares of SNP AG
11.05.2009	Dr. Andreas Schneider-Neureither	Managing organ	Sale of 8,000 shares of SNP AG
03.08.2009	Dr. Andreas Schneider-Neureither	Managing organ	Sale of 2,500 shares of SNP AG
28.09.2009	Dr. Andreas Schneider-Neureither	Managing organ	Sale of 1,500 shares of SNP AG
30.10.2009	Rainer Kaiser	Management or supervisory organ	Sale of 500 shares of SNP AG
30.10.2009	Dr. Andreas Schneider-Neureither	Managing organ	Sale of 1,035 shares of SNP AG
04.11.2009	Rainer Kaiser	Management or supervisory organ	Sale of 500 shares of SNP AG
16.11.2009	Petra Neureither	Managing organ	Sale of 3,790 shares of SNP AG
16.11.2009	Dr. Andreas Schneider-Neureither	Managing organ	Sale of 8,000 shares of SNP AG
16.11.2009	Dr. Andreas Schneider-Neureither	Managing organ	Sale of 20,000 shares of SNP AG
16.11.2009	Petra Neureither	Managing organ	Sale of 8,000 shares of SNP AG
16.11.2009	Dr. Andreas Schneider-Neureither	Managing organ	Sale of 2,000 shares of SNP AG
20.11.2009	Martin Boll	Management or supervisory organ	Sale of 3,000 shares of SNP AG
20.11.2009	SNP Holding GmbH	Managing organ	Sale of 20,000 shares of SNP AG

Share ownership of managing board and supervisory board

On 31st December 2009 members of the managing board held in total 91,438 units SNP shares. In addition to the direct share ownership in SNP shares there is also a 100 % holding of the two managing board members in SNP Holding GmbH with its holding in SNP AG

of 54.76 % (620,350 units). Consequently, the total number of directly and indirectly held shares in SNP AG by the members of the managing board amount to 711,788 units. Subscription rights to further shares of SNP AG have not been substantiated by the company. The following table provides information about the holding in SNP shares and its change in the frame of Directors' Dealings for the 2009 fiscal year per managing board:

Share ownership managing board/ SNP Holding GmbH	Holding in units (31.12.2008)	Change/ Sale in units	Holding in units (31.12.2009)	Holding in per cent (31.12.2009)
SNP Holding GmbH	640,350.00	20,000.00	620,350.00	54.76%
Dr Andreas Schneider-Neureither	67,613.00	53,035.00	14,578.00	1.29%
Petra Neureither	88,650.00	11,790.00	76,860.00	6.79%
TOTAL	796,613.00	84,825.00	711,788.00	62.84%

Members who were in the supervisory board during the fiscal year owned 4,000 SNP shares on 31st December 2009. Subscription rights to further shares of SNP AG were not substantiated by the company. The following

table provides information about the holding in SNP shares and its change in the frame of Directors' Dealings for the 2009 fiscal year per supervisory board member:

Share ownership supervisory board	Holding in units (31.12.2008)	Change/ Sale in units	Holding in units (31.12.2009)	Holding in per cent (31.12.2009)
Dieter Matheis	-	-	-	-
Martin Boll	5,000.00	3,000.00	2,000.00	0.18%
Rainer Kaiser	3,000.00	1,000.00	2,000.00	0.18%
TOTAL	8,000.00	4,000.00	4,000.00	0.36%

Share option program

The share option program launched in 2001 by SNP AG expired on 23rd April 2009 with the exercise of the last options by the grantees of the option. The company does not intend to launch another share option program

in the near future. Further details about the share option program are specified in the addendum to the group annual accounts in text point 26.

Compensation Report of SNP AG

The Compensation Report is an essential element of good Corporate Governance and seeks to display and explain compensation of the Board of Directors and Supervisory Board in a transparent and comprehensible way for stockholders. The Compensation Report summarizes the principles applied to the definition of compensation of the Board of Directors and Supervisory Board of SNP. It explains the level and structure of Directors' income and shows that regular adjustment to current market circumstances is executed using variable income components. It also gives account of the compensation of the Supervisory Board.

the directors have been signed before the VorstAG [German Act on the Appropriateness of Management Board Compensation] came into force, the corporate supervisory board will not adjust the compensation of the directors to the new requirements of the VorstAG until the expiry of the existing service contracts on September 30, 2012. According to Section 87(1) sentences 2 and 3 AktG [German Stock Corporation Act], this will lead to a rearrangement of the variable component of the directors' compensation towards an assessment basis of several years in the future.

General Explanations to the Compensation of the Board of Directors

By now, the variable remuneration has been determined annually, on the basis of the development of the corporation's business. As the current service contracts with

General Outline of the Compensation System for the Board of Directors

The service contracts of the directors have a term of 3 years. They can be terminated for convenience by the directors with 6 months notice to the end of a month. There are no specific regulations for the case of the premature leaving of a director, with the exception of how to calculate the variable compensation. If a director leaves in the course of a year, the following regulation applies:

- At the end of the business year within the course of which the director has left, first, it is determined whether at least 80 per cent of the objectives have been achieved with regard to the EBIT of the SNP Corporation, which basically means that the director would be entitled to receive a bonus.
- If this is the case, the existing entitlement to the bonus on the merits of the director who had left in the course of the year, is calculated pro rata to the date of the director's leaving.
- The bonus amount determined according to this procedure shall be then paid out to the retired director in March of the following year.

The above regulations do not apply if the compensation claims are finally settled by means of a termination agreement at the time of the director's leaving, which also covers a possible bonus entitlement of the director.

The overall compensation of the directors consists of several compensation components, part of which are profit-

related and part of which are not. The parts which do not depend on good results consist of a fixed salary, fringe benefits and pension commitments, while the profit-related components depend on the development of the corporation's business. The fixed sum is paid out as a monthly salary and constitutes a basic remuneration which is independent from good results. In addition to that, the directors receive additional benefits in the form of benefits in kind, which are mainly insurance premiums as well as the private use of a company car. Being part of the remuneration, these additional benefits are subject to tax to be paid by the individual director. All directors are equally entitled to receive these benefits. The amount of the variable compensation depends on the development of the corporate EBIT. Both boards receive the same variable compensation based on the corporate EBIT. In the business year 2009, the variable component of the compensation equaled 3.25 per cent for each director (previous year: 2.95 per cent) of the achieved EBIT within the SNP Group. This includes the SNP AG, the SNP (Switzerland) AG, the SNP Thebis GmbH, and the SNP EINS GmbH in Austria. If less than 80 per cent of the objectives are achieved, the boards do not receive any variable compensation.

Directors' Compensation in the Business Year 2009

Details of the compensation of Directors in the business year 2009 are displayed individually in the following table:

Salary components of the Directors in the period from 01.01.2009 to 31.12.2009

Director	Basic salary in €	Variable salary in €	Total of remuneration in kind in €	Total of all salary components in €
Dr. A. Schneider-Neureither	152,499.00	153,512.00	35,289.35	341,300.35
Petra Neureither	114,999.03	153,512.00	21,165.93	289,676.96
TOTAL	267,498.03	307,024.00	56,455.28	630,977.31

Remuneration in kind as salary components of Directors in the period from 01.01.2009 to 31.12.2009

Director	Remuneration in kind - Vehicle in €	AGA tor SV in €	Total Insurance Benefits in €	Total remuneration in kind in €
Dr. A. Schneider-Neureither	18,042.90	3,301.74	13,944.71	35,289.35
Petra Neureither	8,256.48	2,443.80	10,465.65	21,165.93
TOTAL	26,299.38	5,745.54	24,410.36	56,455.28

Insurance benefits as salary components of Directors in the period from 01.01.2009 to 31.12.2009

Director	Collective accident insurance in €	D&O-Insurance in €	Primary insurance in €	Pension plan in €	Life insurance in €	Total Insurance benefit in €
Dr. A. Schneider-Neureither	185.09	1,404.20	1,742.48	9,564.24	1,048.70	13,944.71
Petra Neureither	185.09	1,404.20	2,147.43	6,393.00	335.93	10,465.65
TOTAL	370.18	2,808.40	3,889.91	15,957.24	1,384.63	24,410.36

Salary components of the Directors in per cent.

	Fixed salary	variable compensation	Remuneration in kind/Insurance/Pension plan	Total
Dr. A. Schneider-Neureither	44.68 %	44.98 %	10.34 %	100.00 %
Petra Neureither	39.70 %	52.99 %	7.31 %	100.00 %

The company has taken out a Directors and Officers Liability insurance to cover the Board members. The annual insurance premium of 7021.00 € (5900.00 € plus 19 % insurance tax) also comprises D&O insurance for Supervisory Board members. As a result, the insurance premium per person for the business year 2009 is 1,404.20 € (1,180.00 € plus 19% insurance tax).

Advance payments or loans to Board members or contingencies entered into in favour of these persons

In the business year 2009, the Director, Dr. Andreas Schneider-Neureither, was granted a loan of 100,000.00 € in accordance with a decision of the Supervisory Board dated 25th August 2009. This was paid out on 14th September 2009 and repaid in the same business year on 23rd November 2009. The interest rate was EURIBOR +1 % over six months. There were no other essential contractual terms.

Other loans or advance payments were not granted to Board members in the year under review. SNP AG did not enter into any contingencies to the benefit of Board members in 2009.

Reserves for pension benefit plans for Directors

SNP AG 87,000 (previous year: 93,000) € to pension reserves pursuant to IFRS for pension benefit plans for Directors. A liability insurance was taken out for pension obligations.

Remuneration to Supervisory Board in the period from 01.01.2009 to 31.12.2009

Supervisory Board member	Fixed amount in €	Attendance money in €	Other expenses in €	Total compensation in €	D&O-insurance in €
Dieter Matheis (Chairman)	12,000.00	6,000.00	1,386.00	19,386.00	1,404.20
Martin Boll	9,000.00	6,000.00	-	15,000.00	1,404.20
Rainer Kaiser	6,000.00	6,000.00	-	12,000.00	1,404.20
TOTAL	27,000.00	18,000.00	1,386.00	46,386.00	4,212.60

The company has taken out a Directors and Officers liability insurance in favour of the Supervisory Board members. The annual insurance premium of 7,021.00 € (5,900.00 € plus 19% insurance tax) also comprises the

Principles of compensation system for the Supervisory Board

Compensation of the Supervisory Board is defined in accordance with a decision of the Annual General Meeting, unless specified otherwise in the articles of association. It is based on the responsibility and field of work of Supervisory Board members. Compensation is to be defined according to § 6 Abs. 20 of the articles of association of SNP AG. According to this paragraph, members of the Supervisory Board receive a fixed amount of 6,000.00 € per business year in addition to reimbursement of expenses and attendance pay of 1,000.00 € for each Supervisory Board Meeting, for their work. The Chairman receives double this amount, and his representative one and a half times the amount. The composition of the Supervisory Board of SNP AG did not change in the business year 2009.

Supervisory Board Compensation in the business year 2009

Total compensation to members of the Supervisory Board in the business year 2009 is 46,386.00 €. There were no loan claims on members of the Supervisory Board. The following table provides an overview of the individual payments made to each Supervisory Board member:

D&O insurance of the Directors. This results in an insurance premium per person for the business year 2009 of 1,404.20 € (1,180.00 € plus 19% insurance tax).