

Corporate Governance Report 2015

SNP pledges to observe the rules set out in the German Corporate Governance Code for good and responsible corporate governance. Fundamental principles of these rules are close and efficient cooperation between the Executive Board and the Supervisory Board, upholding the interests of shareholders, a policy of open corporate communications, proper financial accounting and auditing, compliance with statutory provisions and internal guidelines and a responsible approach to risk.

SNP welcomes the German Corporate Governance Code as a tool that makes statutory requirements for corporate management and control at listed German companies transparent. In addition, the rules set out here for good and responsible corporate governance comply with recognised standards.

Declaration of conformity

In accordance with section 161 of the German Stock Corporation Act (AktG), the Executive and Supervisory Boards of a public listed company must, every year, declare the extent to which the company has complied with and will continue to comply with the recommendations of the German Corporate Governance Code (GCGC) as published by the German Federal Ministry of Justice. As part of the declaration of conformity, the Executive and Supervisory Boards are obliged to disclose and explain any deviations from the GCGC. The declaration of conformity has also been made permanently available for viewing in the Investor Relations/Corporate Governance section of the company's website.

Declaration of conformity for 2015 by SNP Schneider-Neureither & Partner AG on the recommendations of the Commission of the German Corporate Governance Code in accordance with section 161 AktG

The Executive and Supervisory Boards of SNP Schneider-Neureither & Partner AG hereby declare that, since their last declaration of conformity on 5 March 2015, they have complied with and will continue to comply with the currently applicable recommendations of the German Corporate Governance Code (GCGC) as published by the German Federal Ministry of Justice in the official section of the Federal Gazette (Bundesanzeiger) in the version dated 5 May 2015 with the following exceptions:

1. Section 3.8 (3) of the GCGC

Section 3.8 (3) of the GCGC recommends that the liability insurance arranged by a company for its Supervisory Board members ("directors and officers liability insurance", D&O) should include a deductible. SNP is of the opinion that the commitment and responsibility with which its Supervisory Board members perform their duties is not enhanced by arranging for deductibles. Accordingly, contrary to section 3.8 (3) of the GCGC, the existing D&O policies for the members of SNP AG's Supervisory Board do not include deductibles. SNP AG will also continue to deviate from the recommendation of section 3.8 (3) of the GCGC in this regard.

2. Section 4.2.3 (2) of the GCGC

Section 4.2.3 (2) of the GCGC recommends that retroactive changes to the performance targets or comparison parameters for the variable remuneration paid to Executive Board members be excluded. EBT was replaced with EBIT to adjust the target figure for the one-year variable remuneration paid to Executive Board members to the company-wide financial control parameter. SNP AG will deviate once from the recommendation of section 4.2.3 (2) of the GCGC in this regard.

3. Sections 5.2 (2); 5.3.1 sentence 1; 5.3.2 sentence 1, 2 and 3; 5.3.3 and 5.4.6 (1) sentence 2 of the GCGC

Contrary to the recommendations of the GCGC as set out in sections 5.3.1, 5.3.2 and 5.3.3, the Supervisory Board has not formed any committees. The company's Supervisory Board is made up of only three members. Given that the identities of the three-member Supervisory Board and those of any committee would be the same, the Supervisory Board of SNP AG has deemed it unnecessary to form any committees. The members of the Supervisory Board therefore share responsibility for all decisions made on critical issues.

4. Section 5.4.1 (2) and (3) of the GCGC

Section 5.4.1 (2) of the GCGC recommends that the Supervisory Board define specific objectives regarding its composition, whilst taking into account the specific situation of the company, its international activities, potential conflicts of interest, a specified age limit for members of the Supervisory Board and a specified

control limit for the term of membership on the Supervisory Board in addition to the principles of diversity. Contrary to the recommendation of the code, the Supervisory Board has not established any other target figures with regard to its composition. The Supervisory Board is made up of only three members. Against this background, it sees no advantage in committing itself to specific objectives. Rather, the Supervisory Board deems it more expedient to maintain its flexibility, make proposals to the responsible election bodies on a case-by-case basis and consider the candidates with the best qualifications. It is the opinion of the Supervisory Board that the effort associated with naming and publishing specific targets and regularly adjusting them involves considerable work. In view of the ownership structure and the size of both the company and the Supervisory Board, this does not seem justifiable.

Heidelberg, 10 March 2016
SNP Schneider-Neureither & Partner AG

For the Executive Board



Dr Andreas Schneider-Neureither, Vorstandsvorsitzender/CEO

For the Supervisory Board



Dr Michael Drill

Management and control structure

As a stock corporation under German law, SNP AG is subject to the provisions of the German Stock Corporation Act and has a dual management and control structure consisting of an Executive Board and a Supervisory Board. The tasks, powers and responsibilities of these two bodies are each clearly regulated by law and there is a separation of the personnel concerned. The working methods, responsibilities and composition of the Executive and Supervisory Boards of SNP AG are described in greater detail in the following section.

Working methods of the Executive and Supervisory Boards

For SNP AG, the fundamental principle of responsible corporate governance and control is to ensure that the Executive and Supervisory Boards work together in an efficient and trustworthy manner, whilst upholding the principles of impartiality and the independence of their members. In order to uphold the independence of persons in management positions so that they are able to take decisions without being subject to instructions from third parties, all positions held by members of the Supervisory and Executive Boards at other companies as their main occupation or as a member of supervisory boards at these companies or on the basis of comparable mandates are disclosed in the subsequent report. Furthermore, no member of either the Executive or Supervisory Board held more than three positions on the supervisory boards of public listed companies outside the Group. There were no conflicts of interest requiring immediate disclosure to the Supervisory Board in fiscal year 2015. In fiscal year 2015, the Supervisory and Executive Boards of SNP AG held four joint meetings at which they passed the necessary resolutions and discussed the strategic direction and further devel-

opment of the company and a number of other individual issues. Additional telephone conferences were held between Supervisory Board members and a total of three resolutions were adopted by way of written circulars.

The Executive Board

The Executive Board is responsible for the operational management of SNP AG and reports to the Supervisory Board on the implementation and results of the corporate strategy. As an executive body, the Executive Board has sole responsibility for managing the company's business in the interests of the company with a view to creating sustainable value. The Executive Board is responsible for managing the company and works in close cooperation with the Supervisory Board in making fundamental decisions about business policy and strategy. For this reason, the Executive Board regularly, promptly and comprehensively updates the Supervisory Board on all topics relevant to the company, including in particular the course of business, compliance-related issues and corporate risks. The Executive Board's duty of information and reporting is laid down in detail by the Supervisory Board in the rules of procedure for the Executive Board. The Supervisory Board also ensures appropriate risk management and controlling within the company. In fiscal year 2015, the Executive Board of SNP AG consisted of Dr Andreas Schneider-Neureither (CEO), Mr Jörg Vierfuß (CFO) and Mr Henry Göttler (COO). At its meeting on 30 July 2015, the Supervisory Board resolved the extension of Dr Andreas Schneider-Neureither's service contract, expiring on 31 December 2015, to 31 December 2020 with effect on 1 January 2016.

Members of the SNP AG Executive Board 2015	Tenure from/to	Responsibilities and Departments	Other Appointments
<p>Dr Andreas Schneider-Neureither</p> <p>Physicist (diploma) d.o.b. 05.10.1964</p>	<p>01.10.2012 to 31.12.2015; 01.01.2016 to 31.12.2020</p>	<p>CEO</p> <p>Responsible for:</p> <ul style="list-style-type: none"> • Corporate Strategy • Portfolio & Product Strategy • Sales & Partnermanagement • Marketing • Investor Relations & Corporate Governance • Strategic and process consulting 	<p>Supervisory Board Casadomus AG, Stuttgart</p> <p>Supervisory Board VHV insurance services GmbH, Hanover</p> <p>Member of the Board of Directors VHV-Gruppe, Hanover</p>
<p>Jörg Vierfuß</p> <p>Master of Business Administration d.o.b. 05.07.1968</p>	<p>01.04.2014 to 31.12.2016</p>	<p>CFO</p> <p>Responsible for:</p> <ul style="list-style-type: none"> • Finance, Controlling & Accountancy • Purchasing department & Taxes • Human Resources • Legal & Compliance • Administration • IT 	<p>No further appointments</p>
<p>Henry Göttler</p> <p>MA d.o.b. 03.12.1965</p>	<p>01.07.2014 to 31.12.2016</p>	<p>COO</p> <p>Responsible for:</p> <ul style="list-style-type: none"> • Product Management • Product Marketing • Pre-Sales • Development • Support • Quality Assurance • Professional Services 	<p>Supervisory Board Smart Commerce SE</p>

The Supervisory Board

The Supervisory Board is responsible for advising and monitoring the Executive Board in its management of the company. As major company decisions require the approval of the Supervisory Board, the Supervisory Board is involved in all decisions of fundamental importance to the company. The Supervisory Board has established rules of procedure for its work. The Supervisory Board of SNP consists of three persons. When proposing the election of members to the Supervisory Board, the knowledge, skills and professional experience required for the position are considered. The current members of the Supervisory Board represent a highly competent advisory and controlling body of proven experts in the finance and software industries and ensure the most effective possible corporate governance and support for the Executive Board in matters of strategic orientation.

In fiscal year 2015, the Supervisory Board was made up of Dr Michael Drill as Chairman, Mr Gerhard A. Burkhardt as Deputy Chairman and Mr Rainer Zinow. The three members of the Supervisory Board were elected until the end of the Annual General Meeting resolving on the approval of the actions of the Supervisory Board for fiscal year 2015.

The Chairman of the Supervisory Board coordinates the work of the Supervisory Board, chairs its meetings, and attends to its affairs and interests externally. The members of SNP AG's Supervisory Board are not former members of the Executive Board. An efficiency review of SNP AG's Supervisory Board is conducted on a regular basis; most recently at the Supervisory Board meeting in May 2015.

The German Corporate Governance Code recommends that Supervisory Boards should form committees with sufficient expertise. Given that the identities of the three-member Supervisory Board and those of any committee would be the same, the Supervisory Board of SNP AG has deemed it unnecessary to form any committees. The members of the Supervisory Board therefore share responsibility for all decisions made on critical issues. Section 5.4.1 (2) and (3) GCGC recommends that the Supervisory Board define specific objectives for its composition and publish these along with a report on the status of their implementation in the Corporate Governance Report. The Supervisory Board has established a target figure for the proportion of women within this body. More detailed information can be found in the following paragraphs. Other than that, the Supervisory Board does not comply with the recommendation on defining specific objectives for its composition, and hence does not report on this matter.

Members of the SNP AG Supervisory Board 2015	Appointed/elected from/to	Memberships on other Supervisory Boards and other similar bodies
<p>Dr Michael Drill</p> <p>Chairman of the Executive Board Lincoln International AG</p>	<p>Chairman since: 06.06.2014</p> <p>Deputy Chairman from: 24.05.2012 until 06.06.2014</p> <p>First appointed: 04.04.2011</p> <p>Elected until: AGM resolving on the approval of the actions of the Supervisory Board FY 2015</p>	<p>Shareholder Value Beteiligungen AG Chairman of the Supervisory Board, Germany</p> <p>Lincoln International SAS Supervisory Board member, France</p> <p>Lincoln International LLP Supervisory Board member, England</p>
<p>Gerhard A. Burkhardt</p> <p>Chairman of the Executive Board Familienheim Rhein-Neckar eG</p>	<p>Deputy Chairman from: 06.06.2014</p> <p>First appointed: 01.05.2013</p> <p>Elected until: AGM resolving on the approval of the actions of the Supervisory Board FY 2015</p>	<p>Casadomus AG Chairman, Germany</p> <p>Haufe-Lexware Real Estate AG Germany</p> <p>GdW Revision Aktiengesellschaft Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft Germany</p> <p>GWE Gesellschaft für Wohnen im Eigentum AG Germany</p>
<p>Rainer Zinow</p> <p>Senior Vice President SAP SE</p>	<p>Member of the Supervisory Board</p> <p>First elected: 06.06.2014</p> <p>Elected until: AGM resolving on the approval of the actions of the Supervisory Board FY 2015</p>	<p>No further appointments</p>

Declaration on the target figures established for the proportion of women at management level

The law on the equal participation of women and men in leadership positions in the private and public sectors entered into force on 1 May 2015. The law does not oblige listed companies that are subject to this law, such as SNP AG, to be fully involved in the determination of target figures for the proportion of women on the Supervisory Board, the Executive Board and two management levels below the Executive Board. In the version dated 5 May 2015, the German Corporate Governance Code incorporated the new statutory requirements into its rules and regulations under section 4.1.5 sentence 2, section 5.1.2 (1) sentence 2 and section 5.4.1 (2) sentences 2 and 3.

The Supervisory Board established target figures of 0% for itself and the Executive Board. The same target figure was resolved by the Executive Board for the proportion of women in lower management positions. SNP AG welcomes political efforts to ensure that diversity and gender equality exist in the corporate world. However, the executive bodies of SNP AG believe that establishing target figures beyond 0% would clash with the company's interests to a great extent. SNP AG operates in an industry where the employment of suitably qualified specialist staff is a critical success factor. At the same time, the sector is confronted with a shortage of candidates who fulfil these requirements. For SNP AG, attracting suitable employees in general and appropriate managers in particular is therefore both a crucial and particularly challenging task.

Against this backdrop, corporate responsibility requires that this already difficult task not be further complicated by imposing a fixed quota for women on companies. Based on the same grounds, a fixed quota for men is to be rejected. Another factor specifically against the es-

tablishment of a quota for women is the fact that SNP AG predominately employs individuals with an academic background in electrical engineering, IT, computer engineering, business IT, physics and physical engineering. These courses traditionally have a high to very high proportion of male students and an accordingly low to very low proportion of female students. Owing to this disproportion, the aggravation of the recruitment situation associated with the quota for women to be met is seen as drastic.

Share transactions by the Executive Board and Supervisory Board

Section 15a of the German Securities Trading Act (WpHG) states that members of the Executive and Supervisory Boards of SNP AG, as well as senior staff and people closely associated with them ("management personnel"), must disclose any acquisitions or disposals of SNP shares and any related financial instruments if the total value of the transactions conducted exceeds € 5,000 within a calendar year. On the basis of the notifications submitted to SNP AG on shares and other transactions, this information was published immediately in accordance with the relevant provisions of capital market law.

The notifications submitted to SNP AG for the past fiscal year were published as required and can be viewed in the Investor Relations/Directors' Dealings section of the company's website.

Share retention bonus

At the end of September 2015, the Executive Board of SNP AG resolved a scheme in the form of a share retention bonus for the benefit of the SNP employees. At the heart of this program lies a so-called share retention bonus that is paid to all SNP Group employees in the

amount of € 1.40 for each SNP share purchased from 1 October 2015 and held for at least twelve months. The objective is to further contribute to employee loyalty to the company and involve these employees in the company's success to an even greater extent. The bonus program applies to the purchase of shares up to and including 31 March 2016. With the exception of the Executive Board and the Supervisory Board, all employees have the right to participate. Employees purchase these shares on the market on their own account.

Shareholdings of the Executive and Supervisory Boards

Section 6.2 GCGC stipulates that any ownership of shares in the company or related financial instruments by its Executive or Supervisory Board members should

be disclosed if this exceeds 1% of the shares issued by the company, either directly or indirectly. Furthermore, the total number of shares held should be disclosed separately for the Executive Board and the Supervisory Board. As of 31 December 2015, the members of the Executive Board directly and indirectly held around 20% of the shares issued by the company (754,218 shares). No subscription rights for SNP AG shares have been issued by the company. The members of the Supervisory Board also hold shares in SNP AG. There are no share option plans or similar securities-based incentive systems for the Supervisory Board or the Executive Board. In addition, there are no share option plans in place at the company. The following table shows the number of SNP shares held by or attributable to each member of the executive bodies and any changes in fiscal year 2015.

Shares owned by the Executive Board	Number of shares on 31.12.2014	% on 31.12.2014	Number of shares on 31.12.2015	% on 31.12.2015
Dr Andreas Schneider-Neureither	749,718	20.06	749,718	20.06
Jörg Vierfuß	2,500	0.07	2,500	0.07
Henry Göttler	2,000	0.05	2,000	0.05
Total	754,218	20.18	754,218	20.18
Shares owned by the Supervisory Board	Number of shares on 31.12.2014	% on 31.12.2014	Number of shares on 31.12.2015	% on 31.12.2015
Dr Michael Drill	5,500	0.13	11,500	0.31
Gerhard A. Burkhardt	0	0	3,200	0.09
Rainer Zinow	0	0	0	0.00
Total	5,500	0.13	14,700	0.40

Disclosures on risk management

SNP AG's business activities are subject to a variety of risks that are unavoidable in the course of its business activities. Good corporate governance includes dealing with these risks responsibly. In order to identify and assess risks at an early stage and deal with them accordingly, SNP AG employs effective management and control systems that are combined as part of a uniform risk management system. A detailed description of the risk management system can be found in the report on risks and opportunities in the 2015 Group Management Report. This section also contains the reports on the accounting-related internal control and risk management system that are required in accordance with the German Accounting Law Modernisation Act (BilMoG).

Further information on corporate governance at SNP

Comprehensive information on the activities of the Supervisory Board and cooperation between the Supervisory Board and the Executive Board can also be found in the Supervisory Board Report in this Annual Report.

SNP's consolidated financial statements and interim reports are prepared in accordance with the International Financial Reporting Standards (IFRS), while the annual financial statements of SNP AG are prepared in accordance with the provisions of the German Commercial Code (HGB). The Annual General Meeting on 21 May 2015 elected MOORE STEPHENS TREUHAND KURPFALZ GmbH, Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Mannheim, as the auditor for SNP AG and the SNP Group for fiscal year 2015.

We place a high priority on transparency and an aspiration to provide our shareholders and the public with quick, comprehensive and simultaneous information. Accordingly, important company information and current developments are published in good time on our company website. In addition to detailed information on corporate governance at SNP, the website includes supplementary information on the Executive Board, Supervisory Board and Annual General Meeting, company reports (annual reports, annual financial statements, management reports and interim reports), a financial calendar containing all of the major dates and publications, ad hoc disclosures and directors' dealings.

Disclosures on other corporate governance practices

SNP AG also voluntarily fulfils the non-mandatory suggestions set out in the GCGC to the extent that this is expedient and viable for the company. Other corporate governance practices going above and beyond the statutory requirements are set out in various internal documents and are implemented accordingly. These contain the fundamental principles and rules of conduct to be applied within the company and when dealing with external partners and the general public. The management encourages the implementation of these principles through management training in particular.

Remuneration report

The remuneration report describes the structure and level of remuneration of the Executive Board and the Supervisory Board. It takes into account the legal requirements and the recommendations of the German Corporate Governance Code. It is an integral part of the annual financial statements and the management reports of the company and the Group.

Remuneration of the Executive Board

According to the German law on the appropriateness of executive remuneration ("VorstAG"), the Supervisory Board is responsible for setting Executive Board remuneration. The structure and substance of the compensation system is regularly revised and monitored by the Supervisory Board. Criteria for determining the appropriate remuneration paid to Executive Board members include, in particular, the duties of Board members concerned, their personal performance, the performance of the Executive Board as a whole, the economic situation, and the performance and future prospects of the company when compared with corporate peers.

The total remuneration of Executive Board members still consists of a number of components and is composed of fixed and performance-based components. The non-performance-related components consist of a basic salary, fringe benefits and pension plans, whilst the performance-related components are based on the company's business performance.

The fixed component is a non-performance related basic remuneration and is paid as a salary on a monthly basis. In addition, Executive Board members receive further benefits in the form of benefits in kind, which consist mainly of insurance premiums and the private use of a company car. Although these additional bene-

fits are essentially available to all Executive Board members, tax is to be paid on them individually by each Board member.

Variable remuneration is calculated on the basis of the company's business results, specifically EBIT, which is defined as net income before interest and taxes on the SNP Group's statement of financial position. The calculation is performed by applying a percentage to EBIT, which the Supervisory Board sets for each fiscal year. This bonus is capped. If the SNP Group's EBIT result in a bonus calculation that is below a specific minimum level, this leads to a complete loss of the variable bonus for the fiscal year.

With regard to the targeted sustainability of results, a long-term remuneration component was agreed with effect from 1 January 2015; this component is based on the company's sales, EBIT margin and share price. Its weighting and target-attainment levels are uniformly defined; the target date is 31 December 2016. The provision on long-term remuneration was also incorporated into the new service contract of the CEO. Dr Andreas Schneider-Neureither was appointed once again as an Executive Board member from 1 January 2016 to 31 December 2020 and his position as CEO was confirmed.

The Supervisory Board set the remuneration of the Executive Board for fiscal year 2015 on 10 March 2016.

Remuneration of the Executive Board in fiscal year 2015

The total remuneration awarded to Members of the Executive Board in fiscal year 2015 amounted to a total of € 1,034,210.93. Details of the remuneration paid to Executive Board members in fiscal year 2015 and in the previous year are itemised in the following tables:

Fiscal year 2015

In €	Basic salary	Variable salary	Fringe benefits	Pension fund	Insurance benefits	Total
Dr Andreas Schneider-Neureither	220,000.00	201,810.73	21,467.28	9,824.81	10,603.90	463,706.72
Jörg Vierfuß	120,000.00	89,693.66	18,621.00	0.00	4,408.58	232,723.24
Henry Göttler	180,000.00	134,540.49	22,454.76	0.00	785.72	337,780.97
Total	520,000.00	426,044.88	62,543.04	9,824.81	15,798.20	1,034,210.93

Fiscal year 2014

In €	Basic salary	Variable salary	Fringe benefits	Pension fund	Insurance benefits	Total
Dr Andreas Schneider-Neureither	220,008.00	154,622.68	21,390.48	9,774.81	10,323.62	416,119.59
Jörg Vierfuß	90,000.00	51,540.89	13,823.28	0.00	2,884.89	158,249.06
Henry Göttler	90,000.00	51,540.89	8,801.36	0.00	410.25	150,752.50
Total	400,000.00	257,704.46	44,015.12	9,774.81	13,618.76	725,113.15

In addition to general insurance and pension commitments, the company has also arranged Directors and Officers (D&O) liability insurance on behalf of the Executive Board members. The annual insurance premium of € 7,021.00 (€ 5,900.00 plus 19% insurance tax) also includes the D&O insurance for members of the Supervisory Board and senior executives. The corresponding D&O insurance for SNP America Inc. also

grants pro rata coverage for the CEO of SNP AG, who is also the Chairman of the Board of SNP America, Inc., and the CFO of SNP AG, who is also the Vice President for Finance of SNP America, Inc. The D&O insurance policy described totals an annual insurance premium of € 2,951.41. The pro-rata insurance premium paid per person per period of activity can be consulted in the insurance benefit table.

Remuneration report

Table 1: Remuneration of the Executive Board in 2015 (benefits granted)

Dr Andreas Schneider-Neureither				
CEO / joined: 01.12.1994				
In €	2014 Initial value	2015 Initial value	2015 Minimum	2015 Maximum
Fixed remuneration	220,000.00	220,000.00	220,000.00	220,000.00
Variable remuneration	21,390.48	21,467.28	21,467.28	21,467.28
Total	241,390.48	241,467.28	241,467.28	241,467.28
One-year variable remuneration	180,000.00	180,000.00	0.00	360,000.00
Multi-year variable remuneration*	-	-	-	-
Total	180,000.00	180,000.00	0.00	360,000.00
Pension expenses	20,098.43	20,428.71	20,428.71	20,428.71
Total sum	441,488.91	441,895.99	261,895.99	621,895.99

Jörg Vierfuß				
CEO / joined: 01.04.2014				
In €	2014 Initial value	2015 Initial value	2015 Minimum	2015 Maximum
Fixed remuneration	90,000.00	120,000.00	120,000.00	120,000.00
Variable remuneration	13,823.28	18,621.00	18,621.00	18,621.00
Total	103,823.28	138,621.00	138,621.00	138,621.00
One-year variable remuneration	60,000.00	80,000.00	0.00	160,000.00
Multi-year variable remuneration*	-	-	-	-
Total	60,000.00	80,000.00	0.00	160,000.00
Pension expenses	2,884.89	4,408.58	4,408.58	4,408.58
Total sum	166,708.17	223,029.58	143,029.58	303,029.58

Henry Göttler				
COO / joined: 01.07.2014				
In €	2014 Initial value	2015 Initial value	2015 Minimum	2015 Maximum
Fixed remuneration	90,000.00	180,000.00	180,000.00	180,000.00
Variable remuneration	8,801.36	22,454.76	22,454.76	22,454.76
Total	98,801.36	202,454.76	202,454.76	202,454.76
One-year variable remuneration	60,000.00	120,000.00	0.00	240,000.00
Multi-year variable remuneration*	-	-	-	-
Total	60,000.00	120,000.00	0.00	240,000.00
Pension expenses	410.25	785.72	785.72	785.72
Total sum	159,211.61	323,240.48	203,240.48	443,240.48

* The long-term remuneration component was agreed effective 1 January 2015, and is based on the company's sales, EBIT margin and share price. Its weighting and target-attainment levels are uniformly defined; the target date is 31 December 2016. The 100% target figures are staggered as follows: Dr Andreas Schneider-Neureither: € 200,000.00 Henry Göttler: € 150,000.00 and Jörg Vierfuß: € 100,000.00

For fiscal year 2015, remuneration of the Executive Board is once again reported in individualised form on the basis of the uniform model tables recommended in the German Corporate Governance Code. A key feature of these model tables is separate posting of the grant-

ed benefits (Table 1) and the actual allocations (Table 2). In terms of benefits, the target figures (payment in the event of 100% target attainment) and the attainable minimum and maximum figures are also stated.

Table 2: Remuneration of the Executive Board in 2015 (allocations)

In €	Dr A. Schneider-Neureither		Jörg Vierfuß		Henry Göttler	
	CEO from 01.12.1994		CFO from 01.04.2014		COO from 01.07.2014	
	2015	2014	2015	2014	2015	2014
Fixed remuneration	220,000.00	220,000.00	120,000.00	90,000.00	180,000.00	90,000.00
Variable remuneration	21,467.28	21,390.48	18,621.00	13,823.28	22,454.76	8,801.36
Total	241,467.28	241,390.48	138,621.00	103,823.28	202,454.76	98,801.36
One-year variable remuneration	201,810.73	154,622.68	89,693.66	51,540.89	134,540.49	51,540.89
Multi-year variable remuneration*	-	-	-	-	-	-
Total	201,810.73	154,622.68	89,693.66	51,540.89	134,540.49	51,540.89
Pension expenses	20,428.71	20,098.43	4,408.58	2,884.89	785.72	410.25
Total sum	463,706.72	416,111.59	232,723.24	158,249.06	337,780.97	150,752.50

Advances or loans to Executive Board members or contingent liabilities incurred on behalf of these persons

As at 31 December 2015, an advance on travel expenses of € 6 thousand (previous year: € 0 thousand) had been extended to one of the Executive Board members. There were no other loans, credits or advances extended to the Executive Board members. Furthermore, during the reporting year, SNP AG did not incur any contingent liabilities on behalf of members of the Executive Board.

Provisions for pension commitments to members of the Executive Board

In accordance with IFRS, SNP AG has made provisions for pension commitments to Dr Andreas Schneider-Neureither and Mrs Petra Neureither (CFO until 19 May 2011), totalling € 201 thousand (prior year: € 176 thousand). An insurance policy has been agreed to cover pension obligations.

Other transactions

Since 1 December 2010, there has been a lease agreement between a member of the Executive Board and SNP AG for office premises and parking spaces. Effective 1 September 2014, two separate agreements (office premises and parking spaces) were concluded for these with unchanged terms. These services are invoiced at arm's-length conditions. In financial year 2015, rental expenses of € 228 thousand (prior year: € 229 thousand) were incurred for this; there were no outstanding liabilities as at 31 December 2015. Since 1 September 2014 and 1 November 2014, there have also been five rental agreements between a company controlled by a member of the Executive Board and SNP AG for office premises and parking spaces. These services are invoiced at arm's-length conditions. In financial year 2015, rental expenses of € 157 thousand (prior year: € 46 thousand) were incurred for this; there were no outstanding liabilities as at 31 December 2015.

Principles of the remuneration system for the Supervisory Board

The remuneration of Supervisory Board members is based on their responsibilities and the scope of their activities. As laid down in article 6 (20) of the Articles of Association, it consists of a fixed annual remuneration, attendance fees, and the reimbursement of proven necessary expenses. No performance-related component is attached to the remuneration. In addition to the reimbursement of their expenses and an attendance fee of € 1,000.00 per Supervisory Board meeting, the members of the Supervisory Board receive a fixed sum of € 10,000.00 per fiscal year for their work. The Chairman receives twice and his deputy one and a half times the fixed sum. In addition, the Supervisory Board members were covered in the performance of their tasks by

a Directors and Officers (D&O) loss and liability insurance arranged by the company with coverage of € 6,000,000.00 for each individual insurance claim and for all insurance claims in a period of insurance altogether. No deductible is agreed.

Remuneration of the Supervisory Board in fiscal year 2015

The total remuneration awarded to members of the Supervisory Board in fiscal year 2015 amounted to a total of € 57,539.41. At the balance sheet date, there were no loan receivables due from the Supervisory Board members. The following table shows individual remuneration per Supervisory Board member:

Fiscal year 2015

In €	Fixed amount	Attendance fee	Other expenses	D&O-Insurance	Total
Dr Michael Drill	20,000.00	4,000.00	125.50	452.97	24,578.47
Gerhard A. Burkhardt	15,000.00	4,000.00	55.00	452.97	19,507.97
Rainer Zinow	10,000.00	3,000.00	0.00	452.97	13,452.97
Summe	45,000.00	11,000.00	180.50	1,358.91	57,539.41

Fiscal year 2014

In €	Fixed amount	Attendance fee	Other expenses	D&O-Insurance	Total
Dr Michael Drill	17,847.22	4,000.00	327.47	668.67	22,843.36
Gerhard A. Burkhardt	12,847.23	4,000.00	0.00	668.67	17,515.90
Rainer Zinow	5,694.44	3,000.00	0.00	334.33	9,028.77
Roland Weise	8,611.83	1,000.00	869.42	334.33	10,815.58
Summe	45,000.72	12,000.00	1,196.89	2,006.00	60,203.61

The company has arranged directors' and officers' liability insurance (D&O) on behalf of the Supervisory Board members. The annual insurance premium of € 7,021.00 (€ 5,900.00 plus 19% insurance tax) also

includes the D&O insurance for members of the Executive Board and senior executives. The pro-rata insurance premiums paid for each person for the period of their appointment are shown in the table.