Accelerating business.
Smart mobility solutions.
Group Review 2015
Urban landscapes shaped by dedicated people and leading technology.

Schindler is a global provider of leading mobility solutions. Each day, its elevators and escalators transport over one billion people to their destinations safely and efficiently – serving the most diverse needs. Its offering ranges from cost-effective solutions for low-rise residential buildings to sophisticated access and transport management concepts for skyscrapers.

Through its strategic investments in people and technology, Schindler is able to provide energy-efficient and user-friendly solutions to meet today’s mobility needs. In this way, it can move people and materials and connect vertical and horizontal transport systems, thus helping to shape urban landscapes – both now and in the future.
Passenger elevators
Schindler has an elevator solution to meet every individual need in the market – from low-rise requirements with a focus on affordable basic transportation through to mid-rise applications for the residential and commercial market segments and finally to high-rise solutions for buildings of up to 500 meters.

Freight elevators
Our freight elevators can transport small or large volumes of light or heavy freight.

Escalators and moving walks
Schindler has escalators for all applications – from shopping malls, offices, hotels, and entertainment centers, to busy airports, subways, and railway stations. Our moving walks – whether inclined or horizontal – ensure efficient transportation in public areas.

Modernization
We offer a range of elevator and escalator modernization products.

Services
The next technician is always within reach worldwide, 24 hours a day.
Schindler delivered improvements in its key figures in 2015 despite substantial negative foreign exchange impacts:

**Orders received**
- % in CHF
- % in local currencies

<table>
<thead>
<tr>
<th>Year</th>
<th>% in CHF</th>
<th>% in local currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>9,979</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>9,967</td>
<td>+5.5</td>
</tr>
</tbody>
</table>

**Revenue**
- % in CHF
- % in local currencies

<table>
<thead>
<tr>
<th>Year</th>
<th>% in CHF</th>
<th>% in local currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>9,246</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>9,391</td>
<td>+6.7</td>
</tr>
</tbody>
</table>

**Operating profit (EBIT), comparable**
- % in CHF
- % in local currencies

<table>
<thead>
<tr>
<th>Year</th>
<th>% in CHF</th>
<th>% in local currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>932</td>
<td>+4.0</td>
</tr>
<tr>
<td>2015</td>
<td>1,002</td>
<td>+16.8</td>
</tr>
</tbody>
</table>

**EBIT margin, comparable**
- % in CHF
- % in local currencies

<table>
<thead>
<tr>
<th>Year</th>
<th>% in CHF</th>
<th>% in local currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>10.1</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>10.7</td>
<td></td>
</tr>
</tbody>
</table>

**Net profit, comparable**
- % in CHF

<table>
<thead>
<tr>
<th>Year</th>
<th>% in CHF</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>740</td>
</tr>
<tr>
<td>2015</td>
<td>747</td>
</tr>
</tbody>
</table>

**Cash flow from operating activities**
- % in CHF

<table>
<thead>
<tr>
<th>Year</th>
<th>% in CHF</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>902</td>
</tr>
<tr>
<td>2015</td>
<td>1,076</td>
</tr>
</tbody>
</table>

More information on the comparable operating profit (EBIT) and net profit is provided on page 6.
Contents

2  Milestones

4  Schindler in brief

To the shareholders
17  Statement of the Board of Directors

Strategy and markets
22  Business review
29  Examples of significant orders

Technology
54  Energy-efficient products
56  PORT Technology
58  Digitization

Sustainability
61  Corporate commitments
64  Schindler Award
66  Solar Impulse

Overview of financial results
69  Summary financial statements Group
70  Key figures Group
73  Summary financial statements Schindler Holding Ltd.
74  Key figures registered share/participation certificate

Financial calendar
77  Financial calendar
78  Important addresses

The Financial Statements are available separately
The Swiss franc is overvalued, even massively so versus BRIC countries and other emerging markets. In addition, whenever someone is willing to pay 170 million US$ for a painting (or the equivalent of 5 midsize plants), asset prices must be grossly inflated. Unfortunately, not only some asset prices seem to be “irrational”, but the price of money as well. Just recently, asking for quotes to float a 5 year/CHF 300 million bond, we were told that our “all in” costs would stand at minus 0.35% p.a.! Should we be happy? Probably not.

Even though the most urgent risks embedded in the toxic assets of 2008 have been defused, long-term structural problems remain unsolved. All of us – from Tokyo over Athens to Washington and from Helsinki over Zurich to Buenos Aires – have become a captive audience in the global hall of debt. Indeed, in most modern countries total cumulative debt of government, of financial and non financial institutions and of consumers (including unfunded pension liabilities) stands now at 2.5 to 5 times GNP. If applied to Schindler Holding, the same ratios would force our Group (with a topline of about CHF 10 billion) to shoulder a debt load of say CHF 30 billion, reducing our current EBIT of about CHF 1 billion to zero, even at a modest interest rate of 3.5%.

What are the root causes of this dead-end? As an entrepreneur, I have always tried to understand the drivers of investment cycles. Looking back 40 years, it seems to me that the super debt cycle started in 1974, immediately after the first big oil crisis of 1973. From then on, investments and/or growth (including employment) had to be “bought” by debt, whereas before then, they were rather financed by savings. Four decades later, when nearly everyone can afford an expensive car with ever cheaper leasing rates, overcapacity has been built in nearly all industries: it stands at 40% in the car industry, at 50% in the steel industry, etc. Today, there is unfortunately not only an excessive supply of goods but also a high level of saturation in most developed economies.

Some economists argue that debt can be increased forever; in theory, that might even be right but history tells us otherwise. So, what will happen next? It certainly is impossible to predict but let me instead quote Warren Buffet: “Whenever something goes forever, it will stop.” In my opinion, we are getting closer to the end of the super debt cycle for the following reasons. The cumulative demand stimulus – of historically unprecedented and still rising debt levels, of interest rates at or below zero, of collapsing commodity prices, of extremely high levels of liquidity (in many cases also exceeding GNP), of financial assets valued at 50% to 60% above long-term average PE ratios, of competitive currency devaluations and of fiscal deficits generally exceeding 3% – is not able to generate growth anymore. Sadly … “dope” is not working anymore while structural reforms are politically out of reach.

What is the outlook for our environment? More of the same, I am afraid, for many years to come. Since the beginning of the financial crisis in 2008 we have suffered indecent currency translation losses: cumulatively, they amount to around CHF 3 billion revenue and to around CHF 400 million EBIT. Yet our balance sheet is healthy, our backlog is at record level, our net liquidity stands at CHF 2 billion and finally, our geographical sales footprint now matches the global elevator & escalator market: in Q3/15 we sold about 3 times more new installation units in Asia than in Europe.

So much for the facts. What is our response? Well, in an environment of stagnation and competitive devaluations, our success rests above all on the “Response-Ability” of each subsidiary in its own local market. We will strive to distribute our central costs intelligently and to capture growth globally wherever available without diluting our EBIT. In the context of excess capacity and falling prices we will protect our equity and avoid net debt in Swiss francs.
More than ever, emphasis will be on local customers, local safety, local quality, local productivity as well as local cost control. Furthermore, considering the above mentioned translation losses it is fair to say that consolidated net results in Swiss francs are an “accounting fiction”, truly understating the performance of our local subsidiaries – it should therefore not impair our long-term strategy of profitable local growth.

Should the Swiss franc go through the roof in the wake of additional turbulences, our majority shareholders will protect both, our independence as well as our long-term strategy. Switzerland is a small lighthouse based on freedom, innovation, hard work and personal responsibility but it cannot stop or deflect the international currency waves – but Schindler as a company can learn how to surf them: so let’s get better at it, even if we get wet now and then.

2015 was again a very challenging year, putting the spirit and the resilience of our workforce to the test. Severe contraction, high growth, unexpected bad surprises – everyone got his fair share. Notwithstanding the above, the tireless dedication as well as innovative agility of our employees resulted in improved comparable results in Swiss francs. On behalf of the Board, our Group Executive Committee and our shareholders, I would like to express my sincere gratitude to all our employees who made this happen. The results speak for themselves – you can be proud, because determination, skill and hard work are even more important than size. Let’s carry this positive mind-set into the next year.

Alfred N. Schindler

Original text in English, December 2015
Business activities
The company was founded in 1874 in Lucerne, Switzerland, and is today one of the world’s leading providers of elevators, escalators, and moving walks. Schindler is active in the areas of production, installation, maintenance, and modernization. The Group has over 1 000 branch offices in more than 100 countries, as well as production sites and research and development facilities in the USA, Brazil, Europe, China, and India.

Strategic orientation
‘Leadership through Customer Service’ is our vision, since over one billion people around the world use Schindler products every day. These people should be able to rely on high-quality mobility solutions and services at all times.

To achieve this, we are strengthening our global presence and expanding our service network in individual markets. This will enable Schindler to exploit different global growth cycles, to smooth out currency risks, to reduce response times thanks to our proximity to customers, and, at the same time, to increase the productivity of our service offering.

Today, around 7 out of 10 elevators are sold in Asia and only 3 in the rest of the world. Schindler is responding to this challenge with targeted investments, the strategic expansion of the business – primarily in the strategic markets of China and India – and constant innovation.

Focus on core competencies
We strive to attract clients through our clear focus on our core competencies and our resulting innovation, quality and competitive pricing. We work continuously to secure this competitive advantage. All our processes are optimized on an ongoing basis, manufacturing depth is reduced by focusing exclusively on our strategic core competencies, and our range of product families is limited to a reasonable number.

Our products move over one billion people each day
Our offering ranges from cost-effective solutions for low-rise residential buildings to sophisticated access and transport management concepts for multifunctional high-rise buildings.

Schindler is committed to developing leading products featuring the latest technology. Examples include the first patent for elevators without a machine room, the Miconic 10 hall call destination system and its successor, Schindler ID, incorporating personalized access control, as well as PORT Technology – the third-generation system that has revolutionized the traffic and security philosophy in buildings and creates previously inconceivable possibilities for architects. Modern traction belt technology represents a further milestone in the development of elevators.

Today, Schindler has an innovative, state-of-the-art product range featuring three global product lines: the Schindler 3300 elevator (residential segment), the Schindler 5500 elevator (commercial segment), and the Schindler 7000 elevator (high-rise segment).
Our employees
Due to the Group’s long-term expansion, the number of people working for Schindler worldwide has grown significantly. In 2015 alone, its global headcount increased by more than 2,500 positions. As a result, the Group had a total of 56,762 employees at year-end. Around 57% worked in the area of installation and maintenance; 8% were employed at production facilities in the USA, Brazil, Europe, China, and India; and 35% worked in engineering, sales, and administration.

We create value
Schindler will continue to systematically pursue the aforementioned strategy in order to further expand its leading position, provide secure long-term employment, and create value for shareholders.

Market capitalization 1981 to 2015

The market capitalization corresponds to the value as of December 31.
### Key figures 2015

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
<th>Δ % local currencies</th>
<th>Δ % local</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received</td>
<td>9 967</td>
<td>9 979</td>
<td>-0.1</td>
<td>4.6</td>
</tr>
<tr>
<td>Revenue</td>
<td>9 391</td>
<td>9 246</td>
<td>1.6</td>
<td>6.7</td>
</tr>
<tr>
<td>Operating profit (EBIT), comparable</td>
<td>1 002</td>
<td>932</td>
<td>7.5</td>
<td>16.8</td>
</tr>
<tr>
<td>in %</td>
<td>10.7</td>
<td>10.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit, comparable</td>
<td>747</td>
<td>740</td>
<td>0.9</td>
<td></td>
</tr>
</tbody>
</table>

### Including exceptional items 2014

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
<th>Δ % local currencies</th>
<th>Δ % local</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit (EBIT)</td>
<td>1 002</td>
<td>1 138</td>
<td>-12.0</td>
<td>-4.3</td>
</tr>
<tr>
<td>in %</td>
<td>10.7</td>
<td>12.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income from financing and investing activities</td>
<td>-20</td>
<td>11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before taxes</td>
<td>982</td>
<td>1 149</td>
<td>-14.5</td>
<td></td>
</tr>
<tr>
<td>Income taxes</td>
<td>235</td>
<td>247</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit</td>
<td>747</td>
<td>902</td>
<td>-17.2</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
<th>Δ % local currencies</th>
<th>Δ % local</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operating activities</td>
<td>1 076</td>
<td>902</td>
<td>19.3</td>
<td></td>
</tr>
<tr>
<td>Investments in property, plant, and equipment</td>
<td>183</td>
<td>183</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As at December 31

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
<th>Δ % local currencies</th>
<th>Δ % local</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order backlog</td>
<td>9 364</td>
<td>9 263</td>
<td>1.1</td>
<td>7.9</td>
</tr>
<tr>
<td>Number of employees</td>
<td>56 762</td>
<td>54 209</td>
<td>4.7</td>
<td></td>
</tr>
</tbody>
</table>

1. XJ-Schindler (Xuchang) Elevator Co. Ltd. revaluation gain: CHF 145 million, gain on sale of Mall of Switzerland development project: CHF 82 million (CHF 75 million after taxes), impairment of intangible assets: CHF 21 million (CHF 18 million after taxes)
2. Hyundai Elevator Co. Ltd. impairment: CHF 40 million

### Dividends proposed by the Board of Directors of Schindler Holding Ltd.

<table>
<thead>
<tr>
<th>In CHF</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered share</td>
<td>2.70</td>
<td>2.20</td>
</tr>
<tr>
<td>Participation certificate</td>
<td>2.70</td>
<td>2.20</td>
</tr>
</tbody>
</table>

Subject to approval by the General Meeting, the dividend will be paid on March 30, 2016.
## Organization

### Board of Directors Schindler Holding Ltd.

<table>
<thead>
<tr>
<th>Name</th>
<th>Position 1</th>
<th>Position 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alfred N. Schindler</td>
<td>Chairman</td>
<td>Member of the Supervisory and Nomination Committee</td>
</tr>
<tr>
<td>Luc Bonnard</td>
<td>Vice Chairman</td>
<td></td>
</tr>
<tr>
<td>Dr. Rudolf W. Fischer</td>
<td>Member</td>
<td>Member of the Supervisory and Nomination Committee</td>
</tr>
<tr>
<td>Jürgen Tinggren</td>
<td>Member</td>
<td>Member of the Supervisory and Nomination Committee</td>
</tr>
<tr>
<td>Prof. Dr. Pius Baschera</td>
<td>Member</td>
<td></td>
</tr>
<tr>
<td>Patrice Bula</td>
<td>Member</td>
<td></td>
</tr>
<tr>
<td>Prof. Dr. Monika Bültner</td>
<td>Member</td>
<td></td>
</tr>
<tr>
<td>Prof. Dr. Karl Hofstetter</td>
<td>Member</td>
<td></td>
</tr>
<tr>
<td>Anthony Nightingale</td>
<td>Member</td>
<td></td>
</tr>
<tr>
<td>Rolf Schweiger</td>
<td>Member</td>
<td></td>
</tr>
<tr>
<td>Carole Vischer</td>
<td>Member</td>
<td></td>
</tr>
<tr>
<td>Prof. Dr. Klaus W. Wellershoff</td>
<td>Member</td>
<td></td>
</tr>
</tbody>
</table>

### Group Executive Committee

<table>
<thead>
<tr>
<th>Name</th>
<th>Position 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silvio Napoli</td>
<td>CEO, Americas a.i.</td>
</tr>
<tr>
<td>Miguel A. Rodriguez</td>
<td>Deputy CEO, Asia-Pacific and Middle East</td>
</tr>
<tr>
<td>Erich Ammann</td>
<td>CFO</td>
</tr>
<tr>
<td>Karl-Heinz Bauer</td>
<td>CTO</td>
</tr>
<tr>
<td>David Clymo</td>
<td>Corporate Human Resources</td>
</tr>
<tr>
<td>Paolo Compagna</td>
<td>Europe North</td>
</tr>
<tr>
<td>Carlos Guembe</td>
<td>Europe South</td>
</tr>
<tr>
<td>Albert Haffert</td>
<td>Field Quality &amp; Excellence</td>
</tr>
<tr>
<td>Thomas Oetterli</td>
<td>China</td>
</tr>
<tr>
<td>Oswald Schmid</td>
<td>New Installations and Supply Chain</td>
</tr>
</tbody>
</table>
Chinese Estates Plaza, Chengdu, China
In the center of Chengdu – the capital of China’s Sichuan Province – the three towers of the Chinese Estates Plaza rise to a height of up to 195 meters. The impressive complex combines numerous offices and apartments with a shopping mall and a five-star hotel.
Özdilek Center, Istanbul, Turkey

17 Schindler 7000
29 Schindler 5500
7 Schindler 5400
4 Schindler 3300

66 Schindler 9300
10 Schindler 9500
PORT Technology
The Özülek Center is located in Levent – the vibrant financial district of the metropolis on the Bosphorus, which is home to around 14 million people. The Özülek Center consists of the River Plaza Tower, with office space for 3,000 employees, and the five-star Wyndham Grand hotel, as well as a green space of around 3,000 square meters and a mall with over 100 shops.
One Crossrail Place, London, UK
One of London’s largest Crossrail stations – at a length of over 250 meters – has been built in Canary Wharf. The architecture of the building, which is in the heart of Docklands, resembles a ship in the dock. Above the station, there are more than 9000 square meters of shops, restaurants, and green spaces for people to enjoy.
Lotte Center Hanoi, Hanoi, Vietnam

30 Schindler 7000
PORT Technology
With 65 stories and a height of 267 meters, this is the second-tallest building in the country. It offers a wide range of shopping facilities, culture, entertainment, and workspaces over an area of 250,000 square meters. The open-air restaurant at the top of the skyscraper provides spectacular views of the city.
Execution of strategic growth targets
In the reporting year, Schindler significantly strengthened its market position in growth markets and made large investments in the expansion of its geographical presence, in its production and R&D capabilities, and in the development of new products. Today, around 7 out of 10 elevators are sold in Asia and India. To remain competitive in the long term, it is essential for this geographical market weighting to be reflected within the Group. Schindler therefore further expanded its market position in China, for example, increasing its number of branches and sales offices in the country to over 200. In addition, orders received reflected this geographical market weighting for the first time.

As a result of the disciplined implementation of its strategy, Schindler delivered improvements in revenue, operating profit, and the EBIT margin in the reporting year. However, the figures in Swiss francs were substantially affected by negative foreign exchange impacts. Since 2008, cumulative negative foreign exchange impacts on revenue and operating income have totaled CHF 2,865 million and CHF 396 million, respectively.

Orders received and order backlog
In the reporting year, Schindler sold two-thirds of all new installations in Asia and India for the first time. Orders received totaled CHF 9,967 million. In local currencies, this corresponds to an increase of 4.6%, while the figure in Swiss francs was slightly lower (~0.1%) than in the previous year due to negative foreign exchange impacts.

Conditions in some markets were very challenging. The Chinese new installations market experienced its first decline in more than 20 years, with the order volume in units decreasing by around 5%. Despite the contraction of the market, Schindler generated a significant increase in orders received in the Asia-Pacific region. In South America, the economic downturn in Brazil led to a reduction in construction activity and to a slight decrease in orders received. In contrast, good growth was achieved in North America. In Europe, the order volume grew slightly.

The order backlog rose to CHF 9,364 million, corresponding to an increase of 1.1% (+7.9% in local currencies) compared to the end of 2014.

Revenue
Revenue rose by 1.6% in Swiss francs to CHF 9,391 million. In local currencies, revenue increased by 6.7%. Negative foreign exchange impacts totaled CHF 472 million.

Schindler achieved its strongest revenue growth in China and India. In North and South America, the USA emerged as the leader in terms of revenue growth. Slight growth was reported for Europe as a whole.
To the shareholders

Operating profit
In the previous year, exceptional items had a strong positive impact on operating profit (EBIT). Further details are provided in the key figures on page 6.

On a comparable basis, operating profit (EBIT) grew by 7.5% in 2015 (+16.8% in local currencies) to CHF 1 002 million. The strong Swiss franc had a negative impact on operating profit in the amount of CHF 87 million. Despite negative foreign exchange impacts of 40 basis points, the EBIT margin rose to 10.7% (previous year: 10.1%). Key success factors were: increasing economies of scale, cost reductions, pricing measures, and efficiency gains.

Net profit and cash flow from operating activities
Net profit was positively impacted by exceptional items of CHF 162 million in the previous year. Further details are provided in the key figures on page 6.

Adjusted for the aforementioned exceptional items in the previous year, net profit for 2015 of CHF 747 million was slightly higher than the figure for the previous year (+0.9%).

Cash flow from operating activities rose to CHF 1 076 million (previous year: CHF 902 million). This increase of 19.3% was mainly achieved due to an improvement in operating performance as well as the further optimization of net working capital.

The largest investment program in the Group’s recent history is nearing completion. Since 2012, around CHF 260 million has been invested in expansion plans, including CHF 60 million in the reporting year. After building projects in Slovakia and the USA were completed in previous years and the first stages of projects in China and India were achieved, the new elevator plant in Jiading, China, opened its doors in the fourth quarter of 2015. Construction work on the new escalator plant in Pune, India, was also completed.

During the reporting year, work began on the project to extend and renovate the Group’s headquarters in Ebikon. It is estimated that the cumulative investment volume – including the new, already completed headquarters of Schindler Holding in Hergiswil – will be around CHF 160 million.

Employees: training and compliance
As a result of the expansion strategy, global headcount grew by a further 4.7% to 56 762 employees in the reporting year. New positions were created across all regions, with the Asia-Pacific region experiencing the largest increase.

Substantial investments in training and development are required in connection with the expansion of the workforce. Schindler provides comprehensive technical training at its training centers around the world. It also communicates its corporate values to employees and regularly monitors their compliance with these values, which form the basis for all of the Group’s business activities.
Organizational and management changes
A new organizational structure with two new global business areas – ‘New Installations and Supply Chain’ and ‘Service Business’ – was implemented with effect from January 1, 2015. The Heads of these two business areas, Oswald Schmid and Christian Schulz, report directly to the CEO. At the same time, they work closely with the members of the Group Executive Committee in the regions to ensure that business targets for growth and increased profitability are achieved.

In addition, Karl-Heinz Bauer was named Chief Technology Officer (CTO) and appointed to the Group Executive Committee, effective June 1, 2015. This step underscores the high importance assigned to innovation and product quality within the Group.

Schindler Holding Ltd.: profit and dividend
Schindler Holding Ltd. closed the financial year 2015 with a net profit of CHF 490 million (previous year: CHF 761 million).

The payment of an ordinary dividend of CHF 2.70 per registered share and participation certificate will be proposed to the forthcoming General Meeting of March 22, 2016 (previous year: ordinary dividend of CHF 2.20 and an additional dividend of CHF 1.00 per registered share and participation certificate).

Share repurchase program of Schindler Holding Ltd.
During the reporting year, Schindler Holding Ltd. once again repurchased registered shares and participation certificates as part of the repurchase program 2013–2015. The cancellation of 984,350 registered shares and 3,519,480 participation certificates will therefore be proposed to the General Meeting of March 22, 2016.

Outlook for 2016
Schindler expects to see a slight decline in the global elevator and escalator market in 2016 due primarily to the weakening of the Chinese market. Pricing and currency pressures are expected to persist in many markets. However, the long-term drivers of growth remain intact: advancing urbanization, the expanding middle classes, the aging of the population, and the use of energy-efficient products. As a result, the elevator density per person will continue to increase.

The Group will pursue its growth strategy and its measures to improve profitability. Schindler expects to generate an increase in revenue of around 3% to 7% in local currencies for 2016. As in the past, Schindler will issue a forecast concerning its net profit for 2016 when it publishes its half-year results.
To the shareholders

Schindler thanks its employees and customers
Over 56,700 Schindler employees around the world have actively contributed to the implementation of our business strategy. With their motivation, expertise, and commitment, they all successfully drove forward the Group’s numerous projects. The Board of Directors and the Group Executive Committee wish to express their sincere thanks to all Schindler employees for their hard work, flexibility, and dedication. We also wish to thank our customers and business partners around the globe for their valuable support and continued loyalty to Schindler.

Alfred N. Schindler  Luc Bonnard
Chairman of the Board of Directors  Vice Chairman of the Board of Directors
Strategy and markets

22  Business review
29  Examples of significant orders
Focus on customers
As urban mobility specialists, we are committed to making tomorrow’s world a better place to live. Schindler is proud to be a trusted partner to our customers around the globe – providing them with unique mobility solutions for the exceptional buildings they create. Each time our customers, business partners, and passengers interact with Schindler, we want them to be assured of the quality, the performance and, above all, the safety of our products and services.

Focus on innovation and product quality
In the reporting year, Schindler received an award from the Massachusetts Institute of Technology (MIT) in recognition of its innovative digital business solutions. This award is presented to organizations that make pioneering use of digital technologies to create substantial value for businesses. ‘Thanks to an exceptional digital vision and its sustained digital business transformation, Schindler is a front-runner in its industry. The MIT Sloan CIO Symposium Awards Committee is proud to present Schindler with the 2015 CIO Leadership Award,’ stated Dr. George Westerman from the MIT Center for Digital Business. Further details are provided on page 58.

Every year, our global Research & Development (R&D) network registers many patents for ideas, technologies, and concepts to make urban mobility more effective, efficient, sustainable, comfortable, and secure. Our product development combines market analysis, R&D, ergonomics and aesthetics, detailed customer research, and rigorous testing before any new product is released. Quality is paramount.

The products we launched in China for 2015 focused on the concept ‘Made in China for China,’ with a view to potential extension to the global market. Examples of this offering are the expansion of the Schindler 3600, Schindler 5400, and Schindler 5500 elevator product lines. With the same concept, the escalator product line Schindler 9300 was enhanced with new materials and design options such as remote-controlled multicolor lighting options. It was also certified to meet the best energy classification ‘A+++’ according to the global ISO 25 745 standard. We achieved this thanks to our expanded R&D capabilities.

In 2015, Schindler invested a total of CHF 138 million in R&D.

Focus on employees
Schindler created 2 553 new positions worldwide in the reporting year. We invest continuously in the training and development of our entire workforce of more than 56 000 skilled professionals around the globe. In the case of our technical specialists, safety and technical expertise are our first priority. In view of the need to adapt constantly to the changing operating environment, we encourage managers within our organization to continuously develop their own personal skills and professional competences. In addition, a selected group of our young talents are offered a unique opportunity to gain experience through exposure to a wide range of functions and cultures across our global network.
Focus on investing in our future
Schindler further strengthened its geographical presence and its production and R&D capacity in growth markets during 2015. The new installations business continues to be dominated by Asia-Pacific, with around 7 out of 10 elevators being sold in the region.

Together with our agent network in tier 3 and tier 4 cities, Schindler now has a presence in over 80% of all Chinese cities with an urban population of over 1 million and in around two-thirds of cities with 0.5 million to 1 million inhabitants. In Jiading, Shanghai, our new production plant for elevators opened in the second half of 2015. In Pune, India, our elevator plant began operating, while substantial progress was made in the construction of the new escalator plant on the same campus. At our global headquarters in Ebikon, Switzerland, work began on the project to upgrade our campus, including the construction of a new visitor center and the renovation of our main office building.

Investments in property, plant, and equipment amounted to CHF 183 million in 2015.

Focus on improved profitability
Sustained profitability is essential, not only to give our shareholders the right return on their investment in our company, but also to fund our operations and innovation, as well as to ensure the quality and competitiveness of our offering.

The new organizational structure with two global business areas – ‘New installations and Supply Chain’ and ‘Service Business’ – now complements Schindler’s long-standing geographical organization. The new setup is designed to accelerate the delivery of improved quality and value to our customers, while also driving consistent processes and efficiencies on a global scale. In 2015, the position of Chief Technology Officer is now represented on the Group Executive Committee. The elevation of this function underscores the Group’s commitment to continuous innovation and product excellence.

Operating profit (EBIT) and net profit were impacted by several exceptional items in 2014.

On a comparable basis, operating profit (EBIT) improved by 7.5% in the reporting year (+16.8% in local currencies) to reach CHF 1 002 million. The EBIT margin improved from 10.1% to 10.7%. Key success factors were: increasing economies of scale, cost reductions, pricing measures, and efficiency gains. The strong Swiss franc had a negative impact on operating profit in the amount of CHF 87 million and a negative impact of 40 basis points on the EBIT margin.

On a comparable basis, net profit for 2015 improved by 0.9% to CHF 747 million.
Focus on executing our growth strategy
Today, around 7 out of 10 elevators are sold in Asia-Pacific. Since 2013, Schindler has been pursuing a growth strategy aimed at expanding its presence in this area and, as a result, has grown its global market share. The development of orders received and the order backlog in 2015 was in line with our strategic goal of achieving the strongest growth in the Asia-Pacific region.

Revenue grew by 6.7% in local currencies and was in the range of 6% to 8%, as expected. Negative foreign exchange impacts amounted to CHF 472 million. As a result, the increase in revenue in Swiss francs was 1.6%.
Asia-Pacific and India
Despite the economic deceleration of the last two years and the marginal decline in 2015, China remains by far the largest elevator and escalator market globally with pockets of growth especially in tier 1 cities and in infrastructure-related projects. The Indian market continued to expand, although growth rates were lower than anticipated. In Southeast Asia, growth continued unabated as a result of urbanization and despite the slowdown in several commodity-driven countries. Schindler has strengthened its position across the region, exceeding market growth rates.

China
The number of branches and sales offices increased to over 200 in 2015. Based on a progressive geographical expansion model, our market coverage in China is constantly benchmarked against the latest market growth data, with cities not yet directly covered by Schindler served through agents. In the reporting year, the new elevator plant on the Jiading campus began production, adding to our capacity to meet the continuing growth in orders. The new 200-meter test tower will complement Schindler’s high-rise expertise at the core of the world’s largest high-rise market.

In line with our strategic plan and thanks to our new ‘Made in China for China’ product lines, Schindler is now in a position to drive growth by entering new segments of the Chinese market – some of which are larger than most other entire geographic areas – where it could never compete before.

India
In Chakan, Pune, the new R&D center and the elevator test tower were completed. Progress was made in the construction of the escalator plant. Once completed, the new campus will provide an additional boost to the growth strategy which is dedicated to serving the fastest-growing and second-largest new installation market worldwide. In 2015, Schindler India completed the installation of escalators and elevators for the Mumbai Monorail, which is part of a major expansion of the city’s public transport system. In connection with this project, Schindler India was presented with the Best Performance Award by Larsen & Toubro, India’s largest engineering and construction company. The award recognizes Schindler’s capabilities in areas including project management, planning and effective execution, managerial and technical competency, and safety.
Southeast Asia and Australia
Schindler recorded good growth across the region and reinforced its leadership position across all product lines. The new Jardine-Schindler training center in Manila, Philippines, is now fully operational and is actively involved in the certification of the front-line technicians, which is essential to deliver state-of-the-art installations and services that are critical to the success of our growth strategy. Schindler Australia won Elevator World’s ‘2015 Project of the Year’ award for its impressive installation at Macquarie Bank’s new global headquarters in Sydney.

Middle East and Africa
The slowdown witnessed in the Middle East as a result of falling oil prices led to lower investments in construction. Despite these adverse conditions, Schindler recorded good growth in these markets and continued to invest in future growth by opening a new training center in the United Arab Emirates.

In South Africa, the largest elevator and escalator market on the African continent, Schindler reaffirmed its leading position and was able to secure a number of important orders. They include an order to supply 9 Schindler 7000 high-rise elevators with PORT technology, 6 Schindler 5500 elevators, and 2 Schindler 9300 AE escalators for the PricewaterhouseCoopers tower in Johannesburg.

<table>
<thead>
<tr>
<th>In local currencies</th>
<th>2015</th>
<th>2014</th>
<th>Δ %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (in CHF million)</td>
<td>3 101</td>
<td>2 693</td>
<td>+15.2 +14.1</td>
</tr>
<tr>
<td>Number of employees</td>
<td>23 217</td>
<td>21 262</td>
<td>+9.2</td>
</tr>
<tr>
<td>Countries</td>
<td>29</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>Production sites</td>
<td>5</td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>
The Americas

North America
The growth of the US construction market continued to accelerate. In the new installations business, commercial construction and public transportation gained particular momentum. Additionally, building owners increased investments in their existing properties. Schindler was able to capitalize on these trends and secured a number of important projects in the new installations and modernization businesses. The strong performance and market acceptance of the Schindler 3300 continued to drive machine room-less orders in the residential segment. As a major breakthrough, its state-of-the-art traction media technology gained government clearance in New York City and Massachusetts, providing further growth potential for the immediate future. The global elevator product line Schindler 5500 was introduced in the US market and attracted very positive feedback from customers. In 2015, Schindler USA celebrated the 25th anniversary of the opening of its escalator plant in Clinton, North Carolina. This is the largest US escalator plant in terms of output, and it has maintained a consistently strong United States presence since its inauguration.

Latin America
In the reporting year, Latin American economies came under pressure due to the combined impacts of the fall in commodity prices and the depreciation of currencies. The resulting effect on property markets also impacted the elevators and escalators business in the region. Against this challenging backdrop, Schindler continued to play a key role across the region. In Brazil, the largest market in Latin America, Schindler succeeded in maintaining its market share and adapted its business activities with a renewed focus on quality and cost efficiency.

<table>
<thead>
<tr>
<th></th>
<th>In local currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015 Revenue (in CHF million)</td>
<td>2 636</td>
</tr>
<tr>
<td>2014 Revenue (in CHF million)</td>
<td>2 578</td>
</tr>
<tr>
<td>Δ %</td>
<td>+2.2</td>
</tr>
<tr>
<td>Countries</td>
<td>12</td>
</tr>
<tr>
<td>Number of employees</td>
<td>13 728</td>
</tr>
<tr>
<td>Number of employees</td>
<td>13 369</td>
</tr>
<tr>
<td>Production sites</td>
<td>3</td>
</tr>
<tr>
<td>Production sites</td>
<td>3</td>
</tr>
</tbody>
</table>
Europe
After an extended period of decoupled growth between the North and South of Europe, the region displayed signs of a convergence during the reporting year. Southern Europe continued to face economic challenges with Spain and Italy, two of the largest markets, showing the first signs of recovery. Meanwhile, moderate growth in Northern European economies continued. Schindler was able to maintain its strong market position. In France, Schindler secured two framework agreements with the SNCF and RATP to supply a total of more than 600 new escalators and more than 200 replacement escalators for the public transport system over the next five years. In Germany, construction activity continued to expand, driven by the residential segment, albeit at a slower pace than in prior years. Construction activity in Switzerland grew at a slower pace, while the office property inventory built up over the last few years is being absorbed. Pricing pressure persisted in 2015 both in the new installations business and in the service business.

<table>
<thead>
<tr>
<th></th>
<th>In local currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
</tr>
<tr>
<td>Revenue (in CHF million)</td>
<td>3,654</td>
</tr>
<tr>
<td>Number of employees</td>
<td>19,817</td>
</tr>
<tr>
<td>Countries</td>
<td>38</td>
</tr>
<tr>
<td>Production sites</td>
<td>5</td>
</tr>
</tbody>
</table>

Long-term business drivers remain strong
According to the United Nations, the world is currently experiencing the largest wave of urban growth in history. For the first time in history, more than half of the world’s population now lives in cities, and by 2030 this number is expected to reach around 5 billion. This urbanization trend will result in the construction of taller buildings in an effort to maximize the use of space in densely populated cities. Other key social and demographic trends supporting the industry include the rapid growth of the middle class and the aging of society. Both will lead to an increase in the elevator density per person. In addition, energy-efficient and user-friendly technologies will be used increasingly in products and buildings. Schindler’s products, installation and service processes are intended to make contemporary building designs possible and to enable older buildings to be upgraded with state-of-the-art equipment in terms of safety and comfort.

Schindler’s growth strategy is designed to build on this historic window of opportunity, creating long-term value by serving more and more customers, across larger geographies and more segments, from new installations and maintenance contracts to the modernization of existing installations.
Examples of significant orders

**Americas**
- **Orion**
  - Goiânia, Brazil
  - Central 652 – Pardo y Aliaga;
  - Lima, Peru
- **Styria Media Center**
  - Graz, Austria
  - Avatica;
  - Prague, Czech Republic
  - The Glad’s Hotel;
  - London, UK
  - Bałtyk Tower;
  - Poznań, Poland
  - Riviera Mall;
  - Moscow, Russia
- **Great Eagle Centre**
  - Hong Kong, China
  - Hanyu Finance and Business Center;
  - Jinan, China
  - Four Seasons Hotel Bahrain Bay;
  - Manama, Bahrain
  - Menara Astra headquarters;
  - Jakarta, Indonesia
  - MLC Centre;
  - Sydney, Australia
  - Gimpo International Airport;
  - Seoul, South Korea
  - Rosebank Mall;
  - Johannesburg, South Africa
  - Petronas Tower 3;
  - Kuala Lumpur, Malaysia

**Europe**
- **Styria Media Center**
  - Graz, Austria
  - Avatica;
  - Prague, Czech Republic
  - The Glad’s Hotel;
  - London, UK
  - Bałtyk Tower;
  - Poznań, Poland
  - Riviera Mall;
  - Moscow, Russia
- **Great Eagle Centre**
  - Hong Kong, China
  - Hanyu Finance and Business Center;
  - Jinan, China
  - Four Seasons Hotel Bahrain Bay;
  - Manama, Bahrain
  - Menara Astra headquarters;
  - Jakarta, Indonesia
  - MLC Centre;
  - Sydney, Australia
  - Gimpo International Airport;
  - Seoul, South Korea
  - Rosebank Mall;
  - Johannesburg, South Africa
  - Petronas Tower 3;
  - Kuala Lumpur, Malaysia

**Asia-Pacific and Africa**
- **Orion**
  - Goiânia, Brazil
  - Central 652 – Pardo y Aliaga;
  - Lima, Peru
- **Styria Media Center**
  - Graz, Austria
  - Avatica;
  - Prague, Czech Republic
  - The Glad’s Hotel;
  - London, UK
  - Bałtyk Tower;
  - Poznań, Poland
  - Riviera Mall;
  - Moscow, Russia
- **Great Eagle Centre**
  - Hong Kong, China
  - Hanyu Finance and Business Center;
  - Jinan, China
  - Four Seasons Hotel Bahrain Bay;
  - Manama, Bahrain
  - Menara Astra headquarters;
  - Jakarta, Indonesia
  - MLC Centre;
  - Sydney, Australia
  - Gimpo International Airport;
  - Seoul, South Korea
  - Rosebank Mall;
  - Johannesburg, South Africa
  - Petronas Tower 3;
  - Kuala Lumpur, Malaysia

**Worldwide**
- **Central 652 – Pardo y Aliaga**;
- **Avatica**;
- **The Glad’s Hotel**;
- **Bałtyk Tower**;
- **Riviera Mall**;
- **Menara Astra headquarters**;
- **Gimpo International Airport**;
- **Rosebank Mall**;
- **Petronas Tower 3**;
- **MLC Centre**;
- **Styria Media Center**
  - Graz, Austria
  - Avatica;
  - Prague, Czech Republic
  - The Glad’s Hotel;
  - London, UK
  - Bałtyk Tower;
  - Poznań, Poland
  - Riviera Mall;
  - Moscow, Russia
- **Great Eagle Centre**
  - Hong Kong, China
  - Hanyu Finance and Business Center;
  - Jinan, China
  - Four Seasons Hotel Bahrain Bay;
  - Manama, Bahrain
  - Menara Astra headquarters;
  - Jakarta, Indonesia
  - MLC Centre;
  - Sydney, Australia
  - Gimpo International Airport;
  - Seoul, South Korea
  - Rosebank Mall;
  - Johannesburg, South Africa
  - Petronas Tower 3;
  - Kuala Lumpur, Malaysia

**Overview**
- **Americas**
- **Europe**
- **Asia-Pacific and Africa**

**Page 30**

**Strategy and markets**
Examples of significant orders in Asia-Pacific and Africa

Great Eagle Centre in Hong Kong
The 33-storey Great Eagle Centre, an iconic office and retail building located next to the Hong Kong Convention & Exhibition Centre in the popular Wan Chai commercial district, was completed in 1983. Schindler modernized 14 elevators across three elevator zones and won the Elevator World 2016 ‘Project of the Year’ award for the modernization of the installations with its PORT Technology. The key challenge was to transform the conventional elevators in this high-traffic landmark commercial building into state-of-the-art installations without affecting the transportation of passengers around the building.

Hong Kong, which covers an area of only 1,105 km², has a population of more than 7 million. Every day, over 12.5 million passenger journeys are made on its public transport system which includes railways, trams, buses, minibuses, taxis, and ferries. The average life expectancy of its inhabitants is 80 years – one of the highest worldwide.
Great Eagle Centre
Hanyu Finance and Business Center, office and commercial buildings; Jinan, China

Four Seasons Hotel Bahrain Bay; Manama, Bahrain
Menara Astra headquarters, commercial tower; Jakarta, Indonesia

MLC Centre, office building; Sydney, Australia

Gimpo International Airport, domestic terminal; Seoul, South Korea
Rosebank Mall, shopping mall; Johannesburg, South Africa

Petronas Tower 3, office building and shopping mall; Kuala Lumpur, Malaysia
## Asia-Pacific and Africa

<table>
<thead>
<tr>
<th>Country</th>
<th>Project Details</th>
<th>Elevators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cambodia</td>
<td>Exchange Square, commercial building, Phnom Penh</td>
<td>12 elevators, including 7 Schindler 7000, of which 6 with PORT Technology, and 5 Schindler 5500; as well as 10 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>NagaiWorld 2, casino and hotel, Phnom Penh</td>
<td>26 elevators, including 25 Schindler 5500; as well as 40 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Marriott Hotel, Siem Reap</td>
<td>7 Schindler 5500 elevators</td>
</tr>
<tr>
<td>China</td>
<td>Euro-America Financial City, hotel, office and residential buildings, Hangzhou</td>
<td>89 elevators, including 76 Schindler 7000, of which 52 with PORT Technology, and 13 Schindler 5500 AP</td>
</tr>
<tr>
<td></td>
<td>Pazhou Eye, office buildings and hotel, Guangzhou</td>
<td>61 elevators, including 39 Schindler 7000, of which 22 with PORT Technology, and 22 Schindler 5500 AP; as well as 8 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Pudong Finance Plaza, office and commercial buildings, Shanghai</td>
<td>51 elevators, including 35 Schindler 7000, of which 18 with PORT Technology, and 16 Schindler 5500 AP; as well as 93 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Jinan Yinfeng Fortune Plaza, office buildings, Jinan</td>
<td>59 elevators, including 45 Schindler 7000, of which 24 with PORT Technology, and 6 Schindler 5400 AP</td>
</tr>
<tr>
<td></td>
<td>Shanghai Landmark Center, shopping mall, office and commercial buildings, Shanghai</td>
<td>46 elevators, including 26 Schindler 7000 with PORT Technology and 20 Schindler 5500 AP; as well as 48 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>One Shenzhen Bay T7 Tower, hotel, office and commercial building, Shenzhen</td>
<td>14 elevators, including 10 Schindler 7000, of which 9 double-deck and 8 with PORT Technology, and 4 Schindler 5500 AP; as well as 4 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Shanghai KWG Plaza, office and commercial building, Shanghai</td>
<td>33 elevators, including 16 Schindler 7000, of which 12 with PORT Technology, and 17 Schindler 5500 AP; as well as 8 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Mapletree Business City and VivoCity, shopping mall and office buildings, Shanghai</td>
<td>86 elevators, including 19 Schindler 7000, 45 Schindler 5500 AP and 14 Schindler 5400 AP; as well as 89 Schindler 9300 AE escalators and 2 Schindler 9500 AE moving walks</td>
</tr>
<tr>
<td></td>
<td>Lidu International Center, office and commercial buildings, Sichuan</td>
<td>46 elevators, including 23 Schindler 7000, 9 Schindler 5500 AP, and 14 Schindler 5400 AP</td>
</tr>
<tr>
<td></td>
<td>CR Shenzhen Bay, shopping mall, hotel, office, commercial and residential buildings, Shenzhen</td>
<td>12 Schindler 7000 elevators and 89 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Guanghua Residential Community, residential buildings, Beijing</td>
<td>183 elevators, including 91 Schindler 5500 AP, 84 Schindler 3600 AP, and 8 Schindler 3300 AP; as well as 2 Schindler 9500 AE moving walks</td>
</tr>
<tr>
<td></td>
<td>UpperHills, hotel, office, commercial and residential buildings, Shenzhen</td>
<td>77 Schindler 5500 AP elevators, 65 Schindler 9300 AE escalators, and 4 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td>Beijing Star Media Park, office buildings, Beijing</td>
<td>59 Schindler 5500 AP elevators</td>
</tr>
<tr>
<td></td>
<td>Wuxi Shengang International A2 project, office buildings, Wuxi</td>
<td>129 Schindler 3300 AP elevators</td>
</tr>
<tr>
<td></td>
<td>Feng Dan Ming Di, residential buildings, Shenyang</td>
<td>96 Schindler 3300 AP elevators</td>
</tr>
<tr>
<td></td>
<td>Miyun Yunfeng Garden, phase 2, residential buildings, Beijing</td>
<td>89 Schindler 3300 AP elevators</td>
</tr>
<tr>
<td></td>
<td>Changsha International Finance Center, shopping mall, hotel, and office buildings, Changsha</td>
<td>140 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Suzhou Center Square, shopping mall, hotel, office and residential building, Suzhou</td>
<td>116 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Hefei Metro, line 1, various stations, Hefei</td>
<td>168 Schindler 9300 AE escalators, 12 Schindler 9700 AE escalators, and 2 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td>Ninghe Metro Line, phase I, Nanjing</td>
<td>41 Schindler 5400 AP elevators and 85 Schindler 9700 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Wuhan Metro, line 6, Wuhan</td>
<td>115 Schindler 9700 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Shijiazhuang Metro, line 1, phase 1, Shijiazhuang</td>
<td>82 Schindler 9300 AE escalators and 4 Schindler 9700 AE escalators</td>
</tr>
</tbody>
</table>
**Asia-Pacific and Africa**

<table>
<thead>
<tr>
<th>Location</th>
<th>Description</th>
<th>Elevators and Escalators</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Hong Kong, Macau</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Office development at Kowloon Bay, J/O Wang Chiu Road and Lam Lee Street, office building, Hong Kong</td>
<td>17 elevators, including 14 Schindler 7000, of which 12 with PORT Technology, 2 Schindler 5500, and 1 Schindler 5400</td>
</tr>
<tr>
<td>Tai Kok Place, phase 2A, office building, Hong Kong</td>
<td>38 elevators, including 27 Schindler 7000, of which 25 with PORT Technology, and 3 Schindler 5500; as well as 2 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td>Tsuen Wan 5 Cityside, residential buildings, Hong Kong</td>
<td>33 elevators, including 12 Schindler 7000 and 21 Schindler 5500; as well as 11 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td>Tsuen Wan 5 Bayside, phase 1, residential buildings, Hong Kong</td>
<td>31 elevators, including 10 Schindler 7000 and 21 Schindler 5500; as well as 12 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td>Tsuen Wan 6, Tsuen Wan West Station, residential building, Hong Kong</td>
<td>18 elevators, including 14 Schindler 7000 and 4 Schindler 5500; as well as 6 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td>Tsuen Kwan O, Lot 95, residential buildings, Hong Kong</td>
<td>28 elevators, including 14 Schindler 7000, 5 Schindler 5500, and 8 Schindler 3300</td>
<td></td>
</tr>
<tr>
<td>Factory Street 11-29, residential buildings, Hong Kong</td>
<td>22 elevators, including 8 Schindler 7000 and 14 Schindler 5500</td>
<td></td>
</tr>
<tr>
<td>Hong Kong Disneyland Resort, hotel, Hong Kong</td>
<td>Modernization of 14 elevators with Schindler 7000</td>
<td></td>
</tr>
<tr>
<td>Alexandra House, office building, Hong Kong</td>
<td>Modernization of 9 elevators with Schindler 7000</td>
<td></td>
</tr>
<tr>
<td>Hang Lung Centre, office building, Hong Kong</td>
<td>Modernization of 41 elevators with Schindler 7000 and PORT Technology</td>
<td></td>
</tr>
<tr>
<td>Exchange Square, Towers 1 and 3, office buildings, Hong Kong</td>
<td>Modernization of 41 elevators with Schindler 7000 and PORT Technology</td>
<td></td>
</tr>
<tr>
<td>One Oasis, Lot 8, residential building, Macau</td>
<td>24 elevators, including 17 Schindler 7000 and 7 Schindler 5500</td>
<td></td>
</tr>
<tr>
<td>Legend Palace Hotel, Macau</td>
<td>16 elevators, including 15 Schindler 5500 and 1 Schindler 2600; as well as 4 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td><strong>India</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sarath’s City Capital, shopping mall, hotel, office and commercial building, Hyderabad</td>
<td>24 Schindler 5500 elevators; as well as 65 Schindler 9300 AE escalators and 6 Schindler 9500 moving walks</td>
<td></td>
</tr>
<tr>
<td>Wave One, shopping mall, office and commercial building, Noida</td>
<td>31 elevators, of which 21 with PORT Technology, including 9 Schindler 7000 and 22 Schindler 5500; as well as 34 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td>Seawoods Grand Central, shopping mall, hotel, office and commercial buildings, Navi Mumbai</td>
<td>58 elevators, including 56 Schindler 5500 with Miconic 10 and 2 Schindler 2600</td>
<td></td>
</tr>
<tr>
<td>Convention Centre, Kolkata</td>
<td>20 Schindler 5500 elevators and 10 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td>Prestige Shantiniketan, shopping mall, hotel, and commercial building, Bangalore</td>
<td>7 Schindler 5500 elevators, 31 Schindler 9300 AE escalators, and 1 Schindler 9500 moving walk</td>
<td></td>
</tr>
<tr>
<td>Oberoi Esquire, residential buildings, Mumbai</td>
<td>15 Schindler 7000 elevators with Miconic 10</td>
<td></td>
</tr>
<tr>
<td>Kidwai Nagar East, shopping mall, office and commercial buildings, New Delhi</td>
<td>44 Schindler 5500 elevators</td>
<td></td>
</tr>
<tr>
<td>Balaji Symphony, residential buildings, Navi Mumbai</td>
<td>33 Schindler 5500 elevators</td>
<td></td>
</tr>
<tr>
<td>New Cuffe Parade, residential buildings, Mumbai</td>
<td>108 Schindler 5500 elevators</td>
<td></td>
</tr>
<tr>
<td><strong>Indonesia</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Menara Astra headquarters, commercial tower, Jakarta</td>
<td>30 elevators, including 22 Schindler 7000, of which 20 with PORT Technology, and 8 Schindler 5500; as well as 8 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td>World Trade Center 3, office building, Jakarta</td>
<td>27 elevators, including 23 Schindler 7000, of which 20 with PORT Technology, and 4 Schindler 5500; as well as 8 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td>Sequis Centre Tower, office building, Jakarta</td>
<td>23 elevators, including 14 Schindler 7000, of which 12 with PORT Technology, and 9 Schindler 5500, of which 6 with PORT Technology</td>
<td></td>
</tr>
<tr>
<td>Harco Glodok, shopping mall, Jakarta</td>
<td>54 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td>Pancoran Chinatown Point, shopping mall, Jakarta</td>
<td>28 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td>Alfa headquarters, office building, Greater Jakarta</td>
<td>17 elevators, including 6 Schindler 7000 with PORT Technology, 8 Schindler 5500, of which 6 with PORT Technology, and 3 Schindler 3300</td>
<td></td>
</tr>
</tbody>
</table>
### Asia-Pacific and Africa

<table>
<thead>
<tr>
<th>Country</th>
<th>Location Description</th>
<th>Elevator Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Malaysia</strong></td>
<td>KL Eco City, shopping mall, hotel, commercial and residential building, Kuala Lumpur</td>
<td>128 elevators, including 65 Schindler 7000, of which 54 with PORT Technology, and 63 Schindler 5500; as well as 50 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Capital City, shopping mall and commercial building, Johor Bahru</td>
<td>16 Schindler 5500 elevators, 152 Schindler 9300 AE escalators, and 8 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td>Pioneer Haven, shopping mall, Kuala Lumpur</td>
<td>112 elevators, including 2 Schindler 5400 and 110 Schindler 3300; as well as 12 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>The Conexion, phase 1&amp;2, commercial building, Kuala Lumpur</td>
<td>38 Schindler 3300 elevators, 8 Schindler 9300 AE escalators, and 4 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td>Four Seasons Hotel, Kuala Lumpur</td>
<td>40 elevators, including 17 Schindler 7000 and 23 Schindler 5500; as well as 20 Schindler 9300 AE escalators and 2 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td>Elite Pavilion, shopping mall, Selangor</td>
<td>17 elevators, including 6 Schindler 7000, 10 Schindler 5500, and 1 Schindler 3300; as well as 32 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Angsana Setia, residential building, Kuala Lumpur</td>
<td>23 elevators, including 12 Schindler 7000 and 11 Schindler 5500</td>
</tr>
<tr>
<td></td>
<td>Telekom Tower, Kuala Lumpur</td>
<td>Modernization of 17 elevators with Schindler 7000</td>
</tr>
<tr>
<td><strong>Myanmar</strong></td>
<td>Times City, shopping mall, office, commercial and residential building, Yangon</td>
<td>79 elevators, including 38 Schindler 5500 and 41 Schindler 3300; as well as 24 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Golden City, commercial building, Yangon</td>
<td>27 Schindler 5500 elevators</td>
</tr>
<tr>
<td></td>
<td>Family Business Group Hotel, Yangon</td>
<td>9 Schindler 5500 elevators and 2 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>City Mart, shopping malls, various cities</td>
<td>2 Schindler 5500 elevators, 8 Schindler 9300 AE escalators, and 2 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td>Electrical Mart, shopping mall and commercial building, Bago</td>
<td>3 elevators, including 1 Schindler 5500 and 2 Schindler 3300; as well as 6 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Golden Link Condominium, residential building, Yangon</td>
<td>4 elevators, including 3 Schindler 5500 and 1 Schindler 3300; as well as 2 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td><strong>Philippines</strong></td>
<td>Southwoods development, shopping malls, office buildings, and residential buildings, Laguna</td>
<td>25 Schindler 5500 elevators and 20 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>World Plaza, commercial building, Taguig City</td>
<td>14 elevators, including 12 Schindler 7000 with PORT Technology, and 2 Schindler 5500</td>
</tr>
<tr>
<td></td>
<td>Ore Square, office, commercial and residential building, Taguig City</td>
<td>13 elevators, including 4 Schindler 7000 and 9 Schindler 5500; as well as 2 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>One Uptown Residences, residential building, Taguig City</td>
<td>8 elevators, including 7 Schindler 7000 and 1 Schindler 3300</td>
</tr>
<tr>
<td></td>
<td>Makati Shangri-La, hotel, Makati</td>
<td>Modernization of 4 elevators with Schindler 7000</td>
</tr>
<tr>
<td><strong>Singapore</strong></td>
<td>Jewel, Terminal 1 Changi Airport, shopping mall</td>
<td>50 elevators, including 38 Schindler 5500 and 2 Schindler 2600; as well as 69 Schindler 9300 AE escalators and 62 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td>Cecil Street, commercial building</td>
<td>29 elevators, including 16 Schindler 7000, of which 14 with PORT Technology, and 13 Schindler 5500, of which 8 with PORT Technology, as well as 8 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td><strong>South Korea</strong></td>
<td>Hanam Union Square, shopping mall, Hanam</td>
<td>69 Schindler 9300 AE escalators and 4 Schindler 9500 AE escalators and 4 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td>Gimpo International Airport, domestic terminal, Seoul</td>
<td>25 Schindler 9300 AE escalators and 13 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td>Lotte Mall Jinju, shopping mall, Jinju</td>
<td>25 Schindler 9300 AE escalators and 6 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td>Bauhaus Busan, shopping mall, Busan</td>
<td>69 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Gimpo International Airport, underground passageway, Seoul</td>
<td>Modernization of 2 Schindler 9300 AE escalators and 4 Schindler 9500 moving walks</td>
</tr>
</tbody>
</table>
Asia-Pacific and Africa

<table>
<thead>
<tr>
<th>Country</th>
<th>Project Description</th>
<th>Elevators/Technology Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taiwan</td>
<td>Farglory, residential tower, Kaohsiung</td>
<td>37 elevators, including 16 Schindler 7000, 14 Schindler 5500, and 7 Schindler 3300; as well as 6 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Continental Xin Yi B7, residential building, Taipei</td>
<td>5 Schindler 5500 elevators with PORT Technology</td>
</tr>
<tr>
<td></td>
<td>Carrefour, shopping mall, Pingzhen</td>
<td>14 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td>Huang Shiang Marriott Hotel, Taipei</td>
<td>6 Schindler 5500 elevators</td>
</tr>
<tr>
<td></td>
<td>Taipei International Convention Center, Taipei</td>
<td>Modernization of 3 elevators with Schindler 7000</td>
</tr>
<tr>
<td>Thailand</td>
<td>5 shopping malls, various locations, Bangkok</td>
<td>60 Schindler 5500 elevators and 218 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>The SRT Red Line, Bangue-Rangsit, railway system, phase II, Bangkok</td>
<td>19 Schindler 5500 elevators and 26 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Magnolias Ratchadamri Boulevard, residential building, Bangkok</td>
<td>29 elevators, including 9 Schindler 7000, of which 4 with PORT Technology, and 19 Schindler 5500; as well as 4 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>M Tower, Sukhumvit 62, office building, Bangkok</td>
<td>12 Schindler 5500 elevators, of which 6 with PORT Technology; as well as 10 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Iconsiam Superlux Residences, residential building, Bangkok</td>
<td>10 Schindler 7000 elevators</td>
</tr>
<tr>
<td></td>
<td>Amari Watergate, hotel, Bangkok</td>
<td>Modernization of 5 elevators with Schindler 7000</td>
</tr>
<tr>
<td>Vietnam</td>
<td>The Central, Vinhomes Central Park, residential building, Ho Chi Minh City</td>
<td>42 elevators, including 22 Schindler 7000 and 20 Schindler 5500</td>
</tr>
<tr>
<td></td>
<td>Saigon Centre, phase 2 and 3, office building and shopping mall, Ho Chi Minh City</td>
<td>17 elevators, including 11 Schindler 7000, of which 8 with PORT Technology, and 6 Schindler 5500</td>
</tr>
<tr>
<td></td>
<td>Tiger Office, office building, Hanoi</td>
<td>10 Schindler 5500 elevators, including 8 with PORT Technology</td>
</tr>
<tr>
<td></td>
<td>Dai Quang Minh, phase 1 and 2, shopping mall, commercial center, residential buildings, Ho Chi Minh City</td>
<td>22 elevators, including 2 Schindler 3300, 16 Schindler 3600, and 4 Schindler 5500; as well as 8 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Harmony Hanoi, residential building, Hanoi</td>
<td>17 elevators, including 5 Schindler 7000 and 12 Schindler 5500</td>
</tr>
<tr>
<td></td>
<td>Vincom Ha Long, shopping mall, Ho Chi Minh City</td>
<td>12 Schindler 9300 AE escalators</td>
</tr>
</tbody>
</table>
### Asia-Pacific and Africa

<table>
<thead>
<tr>
<th>Country</th>
<th>Location</th>
<th>Orders Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Australia</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>MLC Centre, office building, Sydney</td>
<td>Modernization of 24 elevators with PORT Technology</td>
</tr>
<tr>
<td></td>
<td>One Parramatta Square, office building, Parramatta</td>
<td>8 elevators, including 7 Schindler 7000 with PORT Technology and 1 Schindler 5500; as well as 6 Schindler 9300 AE elevators</td>
</tr>
<tr>
<td></td>
<td>Capital Square, office building, Perth</td>
<td>16 elevators with PORT Technology, including 13 Schindler 7000 and 3 Schindler 5500</td>
</tr>
<tr>
<td></td>
<td>883 Collins Street, 888 Collins Street, 889 Collins Street, residential buildings, Docklands</td>
<td>21 elevators, including 4 Schindler 7000 and 17 Schindler 5500</td>
</tr>
<tr>
<td></td>
<td>Westfield Chatswood, shopping mall, Sydney</td>
<td>5 Schindler 5500 elevators; as well as 14 Schindler 9300 AE elevators and 2 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td>Westfield Warringah Mall, shopping mall, Sydney</td>
<td>8 elevators, including 5 Schindler 5500 and 3 Schindler 2600; as well as 8 Schindler 9300 AE elevators and 16 Schindler 9500 moving walks</td>
</tr>
<tr>
<td><strong>New Zealand</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Christchurch Hospital, Christchurch</td>
<td>13 elevators, including 12 Schindler 5500 AP</td>
</tr>
<tr>
<td><strong>Saudi Arabia</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ministry of Justice, office buildings, Dammam</td>
<td>37 Schindler 3300 EU elevators</td>
</tr>
<tr>
<td></td>
<td>Al-Batha Mall, shopping mall, Riyadh</td>
<td>8 Schindler 9300 AE elevators</td>
</tr>
<tr>
<td></td>
<td>Al-Jawhara, office building, Riyadh</td>
<td>12 Schindler 3300 EU elevators</td>
</tr>
<tr>
<td></td>
<td>King Saud University, Riyadh</td>
<td>Maintenance contract for 159 elevators</td>
</tr>
<tr>
<td></td>
<td>King Faisal Specialist Hospital, Dammam</td>
<td>8 Schindler 5500 EU elevators</td>
</tr>
<tr>
<td></td>
<td>Royal Commission, administration building, RC097-C32, Khobar</td>
<td>34 elevators, including 32 Schindler 5500; as well as 2 Schindler 9300 AE elevators</td>
</tr>
<tr>
<td></td>
<td>AKH Tower, commercial building, Khobar</td>
<td>11 elevators, of which 8 with PORT Technology, including 9 Schindler 7000 and 2 Schindler 5500</td>
</tr>
<tr>
<td></td>
<td>Crowne Plaza, hotel, extension, Riyadh</td>
<td>12 Schindler 5500 elevators, of which 7 with PORT Technology</td>
</tr>
<tr>
<td></td>
<td>King Faisal University, boys and girls schools, Khobar</td>
<td>14 Schindler 3300 elevators</td>
</tr>
<tr>
<td><strong>South Africa</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PricewaterhouseCoopers Tower, commercial building, Midrand</td>
<td>15 elevators, including 9 Schindler 7000 with PORT Technology and 6 Schindler 5500; as well as 2 Schindler 9300 AE elevators</td>
</tr>
<tr>
<td></td>
<td>Discovery Sandton, office and commercial buildings, Sandton</td>
<td>30 Schindler 5500 elevators, of which 12 with PORT Technology; as well as 20 Schindler 9300 AE elevators</td>
</tr>
<tr>
<td></td>
<td>Ballito Junction, shopping mall and commercial building, Ballito</td>
<td>7 elevators, including 5 Schindler 5500 and 2 Schindler 2600; as well as 16 Schindler 9300 AE elevators</td>
</tr>
<tr>
<td></td>
<td>Umlazi Mega City, shopping mall, Durban</td>
<td>6 Schindler 5500 elevators as well as 2 Schindler 9300 AE elevators</td>
</tr>
<tr>
<td></td>
<td>V&amp;A Grain Silo, phase 2, commercial building, Cape Town</td>
<td>12 Schindler 5500 elevators</td>
</tr>
<tr>
<td></td>
<td>Netcare Roggebaai Hospital, Cape Town</td>
<td>8 elevators, including 7 Schindler 5500</td>
</tr>
</tbody>
</table>
Examples of significant orders in the Americas

Órion in Goiânia
Everything in one location: The Órion Business & Health Complex combines a health center, business center, hotel, hospital, and shopping mall. Located in one of the wealthiest districts of Goiânia, it not only features a state-of-the-art design and the latest technology, but also contributes to sustainability through a number of smart systems such as rainwater harvesting, ecological pavements, and occupancy sensors.
Central 652 – Pardo y Aliaga, office building; San Isidro, Lima, Peru

World on Yonge, mixed-use buildings; Toronto, Canada

The Global Center for Health Innovation; Cleveland, USA

World on Yonge, mixed-use buildings; Toronto, Canada
51 Astor Place, office building; New York, USA

Toreo Parque Central, shopping mall; Mexico City, Mexico

Tarjeta Naranja, office building; Cordoba, Argentina
## Strategy and markets

### The Americas

<table>
<thead>
<tr>
<th>State</th>
<th>Location</th>
<th>Significant Orders</th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>Los Angeles County Metropolitan Transportation Authority, regional connector, Los Angeles</td>
<td>12 Schindler 9700 escalators</td>
</tr>
<tr>
<td></td>
<td>IKEA, shopping mall, Burbank</td>
<td>14 elevators; as well as 2 Schindler 9300 AE escalators and 1 Schindler 9500 moving walk</td>
</tr>
<tr>
<td></td>
<td>Market Street Place, shopping mall, San Francisco</td>
<td>10 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Transbay Block 5, office building, San Francisco</td>
<td>20 elevators, including 18 Schindler 7000 with PORT Technology and 2 Schindler 330A</td>
</tr>
<tr>
<td></td>
<td>San Francisco Municipal Railway, multiple transit stations, San Francisco</td>
<td>Modernization of 17 escalators with Schindler InTruss</td>
</tr>
<tr>
<td></td>
<td>201 Mission Street, office building, San Francisco</td>
<td>Modernization of 11 elevators with PORT Technology</td>
</tr>
<tr>
<td></td>
<td>Glendale City Center, office building, Los Angeles</td>
<td>Modernization of 13 elevators and 2 escalators</td>
</tr>
<tr>
<td></td>
<td>County of Fresno, government buildings, various cities</td>
<td>Maintenance contract for 48 elevators</td>
</tr>
<tr>
<td>Florida</td>
<td>Tampa International Airport, APM and ConRAC, Tampa</td>
<td>22 elevators, including 21 Schindler 5500; as well as 22 Schindler 9300 AE escalators and 8 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td>Tampa International Airport, MTAC, Tampa</td>
<td>22 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>All Aboard Florida, multiple transit stations, various cities</td>
<td>22 elevators, including 5 Schindler 5500 and 17 Schindler 330A</td>
</tr>
<tr>
<td></td>
<td>Orlando International Airport</td>
<td>8 elevators, including 1 Schindler 5500 and 4 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Sawgrass Mills Parking Garage, Sunrise</td>
<td>5 Schindler 5500 elevators</td>
</tr>
<tr>
<td>Georgia</td>
<td>Dillard’s, Green Hills Mall, shopping mall, Atlanta</td>
<td>2 elevators, including 1 Schindler 5500 and 8 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td>Hawaii</td>
<td>Ward Village, Auahi tower, block K, residential building, Honolulu</td>
<td>7 elevators, including 5 Schindler 7000 and 2 Schindler 5500</td>
</tr>
<tr>
<td></td>
<td>Keahou Place, residential building, Honolulu</td>
<td>4 Schindler 7000 elevators</td>
</tr>
<tr>
<td></td>
<td>Hyatt Regency, Waikiki Beach Resort and Spa, Honolulu</td>
<td>Modernization of 12 elevators</td>
</tr>
<tr>
<td>Illinois</td>
<td>Chicago O’Hare International Airport, ConRAC, Chicago</td>
<td>10 elevators, including 9 Schindler 5500 and 1 Schindler 330A; as well as 12 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>451 East Grand, residential building, Chicago</td>
<td>8 elevators, including 7 Schindler 7700 and 1 Schindler 3300</td>
</tr>
<tr>
<td>Kentucky</td>
<td>Louisville International Airport</td>
<td>Maintenance contract for 19 elevators and 16 escalators</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>Copley South West, shopping mall, Boston</td>
<td>1 Schindler 330A elevator and 8 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td>Missouri</td>
<td>State Farm headquarters, office building, St. Louis</td>
<td>12 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td>New Jersey</td>
<td>Newark Liberty International Airport, terminal C, Newark</td>
<td>8 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Newport 5, office building, Jersey City</td>
<td>Modernization of 16 elevators with Schindler 6400</td>
</tr>
<tr>
<td></td>
<td>Borgata Hotel Casino &amp; Spa, Atlantic City</td>
<td>Maintenance contract for 71 elevators and 21 escalators</td>
</tr>
<tr>
<td>New York</td>
<td>Queens Plaza, residential building, New York</td>
<td>17 elevators, including 15 Schindler 7000 with PORT Technology</td>
</tr>
<tr>
<td></td>
<td>160-10 Jamaica Avenue, mixed use, Queens</td>
<td>10 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td>Manhattan West North East Tower, New York</td>
<td>45 elevators, including 39 Schindler 7000 with PORT Technology and 6 Schindler 5500</td>
</tr>
<tr>
<td></td>
<td>28 Liberty Street, office building, New York</td>
<td>Modernization of 37 elevators with PORT Technology and Schindler ID</td>
</tr>
<tr>
<td></td>
<td>599 Lexington Avenue, office building, New York</td>
<td>Modernization of 24 elevators with PORT Technology and Schindler ID</td>
</tr>
<tr>
<td></td>
<td>New York University</td>
<td>Modernization of 12 elevators</td>
</tr>
<tr>
<td></td>
<td>1155 Avenue of the Americas, office building, New York</td>
<td>Modernization of 17 elevators with PORT Technology and Schindler ID</td>
</tr>
<tr>
<td></td>
<td>NBCUniversal, office building, New York</td>
<td>Modernization of 14 elevators with PORT Technology and Schindler ID</td>
</tr>
<tr>
<td>North Carolina</td>
<td>Vidant Health, hospital, Raleigh</td>
<td>Maintenance contract for 50 elevators</td>
</tr>
<tr>
<td>Ohio</td>
<td>Cleveland Clinic, cancer building, hospital, Cleveland</td>
<td>10 elevators, including 6 Schindler 5500</td>
</tr>
</tbody>
</table>
### The Americas

<table>
<thead>
<tr>
<th>Region</th>
<th>Location</th>
<th>Description</th>
<th>Elevator Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pennsylvania</strong></td>
<td>The Gallery, fashion outlets, Philadelphia</td>
<td>3 elevators, including 2 Schindler 5500; as well as 19 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>King of Prussia Mall, shopping mall, Philadelphia</td>
<td>3 Schindler 5500 elevators and 8 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SkyVue, residential building, Pittsburgh</td>
<td>5 Schindler 5500 elevators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Allegheny General Hospital, Pittsburgh</td>
<td>Modernization of 10 elevators with PORT Technology</td>
<td></td>
</tr>
<tr>
<td><strong>Texas</strong></td>
<td>Dallas Cowboys, headquarters and multiuse facility, Dallas</td>
<td>23 elevators, including 19 Schindler 5500 and 2 Schindler 330A, as well as 2 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Houston Methodist The Woodlands Hospital, Houston</td>
<td>11 elevators, including 7 Schindler 5500</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The Village at River Oaks, residential building, Dallas</td>
<td>7 Schindler 5500 elevators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>San Antonio International Airport, ConRAC, San Antonio</td>
<td>7 Schindler 5500 elevators and 6 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>919 Milam, office building, Houston</td>
<td>Modernization of 14 elevators</td>
<td></td>
</tr>
<tr>
<td><strong>Virginia</strong></td>
<td>VirginiaTech, university, Blacksburg</td>
<td>Maintenance contract for 194 elevators</td>
<td></td>
</tr>
<tr>
<td><strong>Washington D.C.</strong></td>
<td>Uline Arena, commercial building, Washington D.C.</td>
<td>9 elevators, including 8 Schindler 5500</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Franklin Square, office building, Washington D.C.</td>
<td>Modernization of 14 elevators</td>
<td></td>
</tr>
<tr>
<td><strong>Wisconsin</strong></td>
<td>Milwaukee Intermodal Station, bus and train station, Milwaukee</td>
<td>3 elevators and 4 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td><strong>Canada</strong></td>
<td>Scotia Plaza, business community, Toronto</td>
<td>Modernization of 31 elevators, including 22 double-deck with PORT Technology</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Confederation Line, different stations, Ottawa</td>
<td>40 Schindler 9700 elevators</td>
<td></td>
</tr>
<tr>
<td><strong>Brazil</strong></td>
<td>Metrô de Salvador, different stations, Salvador</td>
<td>24 Schindler 5500 elevators and 53 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Orion Business &amp; Health Complex, Goiânia</td>
<td>28 elevators, including 26 Schindler 5500, of which 13 with PORT Technology, and 2 Schindler 5300; as well as 4 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Urbanity, office and residential buildings, São Paulo</td>
<td>25 elevators, of which 9 with Miconic 10, including 5 Schindler 7000, 16 Schindler 5500, and 4 Schindler 5300</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Edifício Itália, commercial building, São Paulo</td>
<td>Modernization of 14 elevators</td>
<td></td>
</tr>
<tr>
<td><strong>Chile</strong></td>
<td>Edificio Nueva Las Condes VII, office building, Santiago</td>
<td>12 elevators, including 8 Schindler 7000 with PORT Technology and Lobby Vision, 3 Schindler 3300 EU, and 1 Schindler 3300 AP</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Clínica Dávila, hospital, Santiago</td>
<td>13 elevators, including 12 Schindler 5500 and 1 Schindler 3300 AP</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Los Trapenses, shopping mall and office building, Santiago</td>
<td>7 elevators, including 3 Schindler 5500 AP; 1 Schindler 5400, and 3 Schindler 3300 AP; as well as 2 Schindler 9300 AE escalators and 6 Schindler 9500 moving walks</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Casacostanera, shopping mall and office building, Santiago</td>
<td>16 elevators, including 13 Schindler 5500 AP and 3 Schindler 3300 EU; as well as 22 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td><strong>Colombia</strong></td>
<td>Places, shopping mall, hotel, and office buildings, Monteria</td>
<td>8 elevators, including 3 Schindler 5500 and 5 Schindler 3300; as well as 2 Schindler 9300 AE escalators and 2 Schindler 9500 moving walks</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Paramillo Prodesa, residential buildings, Bogota</td>
<td>Modernization of 14 Schindler 6300 elevators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Hacienda Peñalisa, residential buildings, Bogota</td>
<td>8 Schindler 3300 AP elevators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Viva Wajira, shopping mall, Rionegro</td>
<td>6 elevators, including 4 Schindler 5500 elevators and 2 Schindler 3300</td>
<td></td>
</tr>
<tr>
<td><strong>Mexico</strong></td>
<td>Reforma 26, office and commercial building, hotel, Mexico City</td>
<td>32 elevators, of which 17 Schindler 7000, including 12 with PORT Technology, and 15 Schindler 5500 AP, including 11 with PORT Technology</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Campus Corporativo Santa Fe, office buildings, shopping mall, Mexico City</td>
<td>26 Schindler 5500 AP elevators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Torre Andares 3, hotel, office and residential buildings, Jalisco</td>
<td>20 elevators, including 3 Schindler 7000 with PORT Technology and 16 Schindler 5500 AP; as well as 2 Schindler 9300 AE escalators</td>
<td></td>
</tr>
</tbody>
</table>
Examples of significant orders in Europe

Styria Media Center in Graz
85,000 hours of labor, 18,000 m³ of concrete and 1,800 tons of steel were required for the construction of this 13-storey building back in 2014. Just one year later, 1,200 employees from Styria Media moved into the 60-meter-high office tower, which has 18,000 m² of office space. It is so tall that it can even be seen in the neighboring countries of Slovenia and Croatia – both core markets of Styria Media.
Aviatica, office and commercial building, Prague, Czech Republic
Bałtyk Tower, office and commercial building; Poznań, Poland

Riviera Mall, shopping mall; Moscow, Russia
### Europe

<table>
<thead>
<tr>
<th>Country</th>
<th>Location</th>
<th>Description</th>
<th>Orders/Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>Tirana</td>
<td>Sunrise, residential buildings</td>
<td>10 Schindler 3300 elevators</td>
</tr>
<tr>
<td>Austria</td>
<td>Vienna</td>
<td>Post am Rochus, headquarters Österichische Post, office building</td>
<td>11 elevators, including 9 Schindler 5500, 1 Schindler 3400, and 1 Schindler 3300; as well as 4 Schindler 9300 AE escalators and 2 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td>Austria</td>
<td>Doppelmayr, headquarters, Wolfurt</td>
<td>7 Schindler 5500 elevators</td>
</tr>
<tr>
<td></td>
<td>Austria</td>
<td>Arkade Einkaufszentrum, Liezen, shopping mall, Liezen</td>
<td>6 Schindler 24 elevators and 4 Schindler 9300 AE elevators</td>
</tr>
<tr>
<td></td>
<td>Graz</td>
<td>Science Tower, office building, Graz</td>
<td>2 Schindler 5500 elevators</td>
</tr>
<tr>
<td>Belgium</td>
<td>Knokke</td>
<td>AZ Zeno, hospital, Knokke</td>
<td>9 Schindler 5500 elevators, of which 8 with PORT Technology</td>
</tr>
<tr>
<td></td>
<td>Vienna</td>
<td>UZ Leuven, hospital</td>
<td>9 Schindler 2500 elevators with Miconic 10</td>
</tr>
<tr>
<td></td>
<td>Liezen</td>
<td>Clinique MontLégia, Liège</td>
<td>47 elevators, of which 42 Schindler 5500, including 13 with PORT Technology</td>
</tr>
<tr>
<td></td>
<td>Vienna</td>
<td>Chirec, hospital, Brussels</td>
<td>25 elevators, including 24 Schindler 5500 and 1 Schindler 2600</td>
</tr>
<tr>
<td></td>
<td>Brussels</td>
<td>Gare du Nord, train station, Brussels</td>
<td>Modernization of 18 elevators as well as 17 Schindler 9300 AE elevators</td>
</tr>
<tr>
<td></td>
<td>Graz</td>
<td>WonInGent, residential building, Gent</td>
<td>Modernization of 28 elevators</td>
</tr>
<tr>
<td>Bosnia and Herzegovina</td>
<td>Sarajevo</td>
<td>Kromolj, residential buildings, Sarajevo</td>
<td>6 Schindler 3100 elevators</td>
</tr>
<tr>
<td>Croatia</td>
<td>Dubrovnik</td>
<td>Sub City, shopping mall</td>
<td>9 Schindler 9300 AE escalators and 2 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td>Sisak</td>
<td>Park Boutique Hotel, Varaždin</td>
<td>3 elevators, including 1 Schindler 3300 and 2 Schindler 3100</td>
</tr>
<tr>
<td></td>
<td>Rijeka</td>
<td>Sveučilište Trsat, university, Rijeka</td>
<td>4 Schindler 3300 elevators</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>Brno</td>
<td>Panorama byty, residential buildings, Brno</td>
<td>22 Schindler 3300 elevators</td>
</tr>
<tr>
<td></td>
<td>Prague</td>
<td>Czech Technical University, Prague</td>
<td>10 Schindler 3300 elevators</td>
</tr>
<tr>
<td></td>
<td>Prague</td>
<td>Šmart byty, residential building, Prague</td>
<td>10 Schindler 3300 elevators</td>
</tr>
<tr>
<td></td>
<td>Prague</td>
<td>AB Five, commercial and residential building, Prague</td>
<td>5 Schindler 5500 elevators with PORT Technology</td>
</tr>
<tr>
<td></td>
<td>Prague</td>
<td>Central Jablonec, shopping mall, Jablonec nad Nisou</td>
<td>10 elevators, including 4 Schindler 5500 and 4 Schindler 3300; as well as 8 Schindler 9300 elevators and 2 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td>Prague</td>
<td>Metro stations Karlovo Náměsti, Náměstí Republiky, and Smichovské Nádraží, Prague</td>
<td>8 Schindler 9300 escalators</td>
</tr>
<tr>
<td></td>
<td>Prague</td>
<td>Španielska, residential building, Prague</td>
<td>Modernization of 7 elevators with Schindler 6200</td>
</tr>
<tr>
<td></td>
<td>Prague</td>
<td>Cofourkova 520-526, residential buildings, Prague</td>
<td>Modernization of 6 elevators with Schindler 6300</td>
</tr>
<tr>
<td></td>
<td>Prague</td>
<td>Ke Skalkám, residential building, Prague</td>
<td>Modernization of 5 elevators with Schindler 6200</td>
</tr>
<tr>
<td>France</td>
<td>Lyon</td>
<td>Grand Hôtel-Dieu, office building, Lyon</td>
<td>35 elevators, including 1 Schindler 5500 and 26 Schindler 3300</td>
</tr>
<tr>
<td></td>
<td>Roissy</td>
<td>Aéroports de Paris, headquarters, office building, Roissy</td>
<td>15 elevators, including 14 Schindler 5500 and 1 Schindler 2400</td>
</tr>
<tr>
<td></td>
<td>Paris</td>
<td>Porte de Sèvres, office building, Paris</td>
<td>20 elevators, including 12 Schindler 5500 and 2 Schindler 3300</td>
</tr>
<tr>
<td>Greece</td>
<td>Argolida</td>
<td>Hotel Seascape Hill, Kranidi Argolida</td>
<td>6 elevators, including 3 Schindler 3300</td>
</tr>
<tr>
<td></td>
<td>Tripoli</td>
<td>Psychiatric Hospital of Tripoli, Tripoli</td>
<td>5 elevators, including 3 Schindler 5500 and 2 Schindler 3300</td>
</tr>
<tr>
<td></td>
<td>Lefkada</td>
<td>Hospital Lefkada, Lefkada</td>
<td>6 elevators, including 2 Schindler 5500 and 4 Schindler 3300</td>
</tr>
<tr>
<td>Hungary</td>
<td>Budapest</td>
<td>Corvin 4, office buildings</td>
<td>12 elevators, including 11 Schindler 5500 with Miconic 10</td>
</tr>
<tr>
<td></td>
<td>Szeged</td>
<td>ELI-ALPS Research Center, Szeged</td>
<td>9 elevators, including 1 Schindler 5500, 5 Schindler 3300, 1 Schindler 3100, and 1 Schindler 2600</td>
</tr>
<tr>
<td></td>
<td>Zalaegerszeg</td>
<td>Zala County Hospital, Zalaegerszeg</td>
<td>7 elevators, including 6 Schindler 5500 and 1 Schindler 2200</td>
</tr>
<tr>
<td></td>
<td>Szolnok</td>
<td>Jász-Nagykun-Szolnok, hospital, Szolnok</td>
<td>5 elevators, including 4 Schindler 5500 and 1 Schindler 3100</td>
</tr>
<tr>
<td></td>
<td>Lenti</td>
<td>Lenti Thermal Spa and St. George Energy Park, Lenti</td>
<td>5 elevators, including 4 Schindler 3300 and 1 Schindler 3100</td>
</tr>
<tr>
<td>Italy</td>
<td>Roncadelle</td>
<td>IKEA, shopping mall, Roncadelle</td>
<td>27 elevators, including 9 Schindler 5500 and 17 Schindler 2400; as well as 20 Schindler 9300 AE elevators and 4 Schindler 9500 AE moving walks</td>
</tr>
<tr>
<td></td>
<td>Venice</td>
<td>Airport Marco Polo, extension, Venice</td>
<td>21 Schindler 5500 elevators, 6 Schindler 9300 AE elevators, and 10 Schindler 9500 AE moving walks</td>
</tr>
<tr>
<td>Country</td>
<td>Location</td>
<td>Description</td>
<td>Details</td>
</tr>
<tr>
<td>---------</td>
<td>----------</td>
<td>-------------</td>
<td>---------</td>
</tr>
<tr>
<td>Italy</td>
<td>Genoa Towers, World Trade Center, Genoa</td>
<td>Modernization of 29 elevators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3 cruise ships for MSC</td>
<td>99 elevators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>UniCredit, office buildings, various cities</td>
<td>Maintenance contract for 115 elevators</td>
<td></td>
</tr>
<tr>
<td>Kosovo</td>
<td>Albi, shopping mall, extension, Prishtina</td>
<td>3 elevators, including 2 Schindler 5500 and 1 Schindler 2600; as well as 8 Schindler 9300 AE escalators and 2 Schindler 9500 moving walks</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bankos, shopping mall and commercial building, Prishtina</td>
<td>2 Schindler 3300 elevators and 4 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td>Lithuania</td>
<td>UNIQ, business center, Vilnius</td>
<td>3 Schindler 5500 elevators with PORT Technology</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pulu terasos, residential buildings, Vilnius</td>
<td>14 Schindler 3300 elevators</td>
<td></td>
</tr>
<tr>
<td>Luxembourg</td>
<td>Carrefour, shopping mall, Luxembourg</td>
<td>Replacement of 8 elevators with Schindler 6500 elevators</td>
<td></td>
</tr>
<tr>
<td>Netherlands</td>
<td>Woontoren Pontsteiger, residential buildings, Amsterdam</td>
<td>12 elevators Schindler 5500, including 4 with PORT Technology</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Leidsche Rijn Centrum, commercial and residential buildings, Amsterdam</td>
<td>62 elevators, including 11 Schindler 5500, 40 Schindler 3300, and 2 Schindler 2600</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sint Lucas Andreas Ziekenhuis, hospital, Amsterdam</td>
<td>4 Schindler 5500 elevators and modernization of 6 elevators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ProRail N.V., train stations, various cities</td>
<td>18 elevators</td>
<td></td>
</tr>
<tr>
<td>Poland</td>
<td>Wroclavia, shopping mall and office buildings, Wrocław</td>
<td>24 Schindler 5500 elevators, 30 Schindler 9300 escalators, and 4 Schindler 9500 moving walks</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Hotel Hilton, hotel and office building, Wrocław</td>
<td>15 elevators, including 10 Schindler 5500, 3 Schindler 2400, and 2 Schindler 2200</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Office building at Łucka/Wronia street, Warsaw</td>
<td>8 Schindler 5500 elevators, including 5 with PORT Technology</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bałtyk Tower, office and commercial building, Poznań</td>
<td>6 Schindler 5500 elevators</td>
<td></td>
</tr>
<tr>
<td>Portugal</td>
<td>Santander Totta, office building, Lisbon</td>
<td>6 elevators, including 4 Schindler 5500 with PORT Technology and 2 Schindler 3300; as well as modernization of 8 elevators with PORT Technology</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Torre 1 Amoreiras, Lisbon</td>
<td>Modernization of 6 elevators with PORT Technology</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Airport Funchal, Madeira</td>
<td>3 elevators, including 1 Schindler 5500 and 2 Schindler 3300; as well as 2 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Metro Reboleira, Amadora</td>
<td>3 Schindler 5500 elevators and 8 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>BANIF, office building, Lisbon</td>
<td>Modernization of 4 elevators with PORT Technology and Lobby Vision</td>
<td></td>
</tr>
<tr>
<td>Romania</td>
<td>Bucharest One, office building, Bucharest</td>
<td>12 elevators, including 9 Schindler 7000 with PORT Technology and 3 Schindler 5500</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ParkLake, shopping mall, Bucharest</td>
<td>18 elevators, including 9 Schindler 5500, 1 Schindler 3300, and 8 Schindler 2600; as well as 26 Schindler 9300 AE escalators and 10 Schindler 9500 moving walks</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Oregon Park, commercial building, Bucharest</td>
<td>14 Schindler 5500 elevators with Miconic 10</td>
<td></td>
</tr>
<tr>
<td></td>
<td>City Park, shopping mall, Constanța</td>
<td>5 elevators, including 4 Schindler 5500 and 1 Schindler 3300; as well as 8 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Greenfield, residential buildings, Bucharest</td>
<td>26 Schindler 3300 elevators</td>
<td></td>
</tr>
<tr>
<td>Russia</td>
<td>Metro Moscow, various stations, Moscow</td>
<td>48 Schindler 9700 escalators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lakahta Center, commercial building, St. Petersburg</td>
<td>40 elevators, including 26 Schindler 7000, 3 Schindler 5500, 7 Schindler 5400, and 2 Schindler 3300; as well as 6 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Riviera Mall, shopping mall, Moscow</td>
<td>38 elevators, including 32 Schindler 5500 and 6 Schindler 3300; as well as 6 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fili Grad, commercial and residential buildings, Moscow</td>
<td>43 elevators, including 38 Schindler 5500, of which 6 with PORT Technology, and 3 Schindler 3300; as well as 2 Schindler 9300 AE escalators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sadovie Kvartaly, phase 2, residential buildings, Moscow</td>
<td>29 elevators, including 4 Schindler 5500 and 25 Schindler 3300</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wine house, residential buildings, Moscow</td>
<td>24 Schindler 3300 elevators</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Center of hemodialysis, hospital, Volgograd</td>
<td>16 elevators, including 10 Schindler 5500 and 3 Schindler 3300</td>
<td></td>
</tr>
</tbody>
</table>
### Europe

<table>
<thead>
<tr>
<th>Country</th>
<th>Location/Details</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Serbia</td>
<td><strong>Aviv Park Zvezdara, shopping mall, Belgrade</strong></td>
<td>6 elevators, including 2 Schindler 5500, 1 Schindler 3300, and 2 Schindler 2600; as well as 6 Schindler 9300 AE escalators and 2 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td><strong>Central Garden, residential buildings, Belgrade</strong></td>
<td>4 Schindler 3300 elevators</td>
</tr>
<tr>
<td></td>
<td><strong>Rajiceva Shopping Center, Belgrade</strong></td>
<td>14 elevators, including 10 Schindler 5500 and 2 Schindler 3300</td>
</tr>
<tr>
<td>Slovakia</td>
<td><strong>Twin City, commercial building, Bratislava</strong></td>
<td>11 Schindler 5500 elevators with PORT Technology</td>
</tr>
<tr>
<td></td>
<td><strong>AB Rosum, commercial building, Bratislava</strong></td>
<td>9 Schindler 5500 elevators with PORT Technology</td>
</tr>
<tr>
<td></td>
<td><strong>OS Nová Terasa, residential building, Košice</strong></td>
<td>12 Schindler 3300 elevators</td>
</tr>
<tr>
<td></td>
<td><strong>OS Škútětyho, residential building, Bratislava</strong></td>
<td>8 Schindler 3300 elevators</td>
</tr>
<tr>
<td>Slovakia</td>
<td><strong>Hotel Atlántida, Rogalška Slatina</strong></td>
<td>5 Schindler 3300 elevators</td>
</tr>
<tr>
<td>Spain</td>
<td><strong>Hospital La Línea de la Concepción, Cádiz</strong></td>
<td>16 elevators, including 7 Schindler 5500 and 9 Schindler 3300; as well as 2 Schindler 9500 AE moving walks</td>
</tr>
<tr>
<td></td>
<td><strong>RENE, rail network, different cities</strong></td>
<td>Maintenance contract for 497 elevators and 560 escalators</td>
</tr>
<tr>
<td></td>
<td><strong>Zurich, office building, Madrid</strong></td>
<td>Modernization of 3 elevators with Schindler 6500 and PORT Technology</td>
</tr>
<tr>
<td></td>
<td><strong>Mango, shopping mall, Madrid</strong></td>
<td>2 elevators, including 1 Schindler 3300, and 6 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td><strong>Torre Europa, office building, Madrid</strong></td>
<td>Maintenance contract for 14 elevators</td>
</tr>
<tr>
<td></td>
<td><strong>L´illa Diagonal, shopping mall, Barcelona</strong></td>
<td>Modernization of 2 elevators and 6 escalators</td>
</tr>
<tr>
<td></td>
<td><strong>Hospital, Ourense</strong></td>
<td>Maintenance contract for 95 elevators</td>
</tr>
<tr>
<td></td>
<td><strong>Orden Hospitalaria San Juan de Dios, various cities</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>OAMI headquarters, Alicante</strong></td>
<td>Modernization of 8 elevators with Schindler 6500 and PORT Technology</td>
</tr>
<tr>
<td>Sweden</td>
<td><strong>Utopia, hotel, shopping mall, and commercial buildings, Umeå</strong></td>
<td>16 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td><strong>Norr Tornen, residential buildings, Stockholm</strong></td>
<td>5 Schindler 5500 elevators</td>
</tr>
<tr>
<td></td>
<td><strong>HSB Brf Luftskieppet, residential buildings, Stockholm</strong></td>
<td>Modernization of 11 elevators with Schindler 6300</td>
</tr>
<tr>
<td></td>
<td><strong>Serneke/Poseidon, residential buildings, Gothenburg</strong></td>
<td>Modernization of 7 elevators with Schindler 6300</td>
</tr>
<tr>
<td>Switzerland</td>
<td><strong>Fachhochschule Nordwestschweiz, Muttenz</strong></td>
<td>17 elevators, including 12 Schindler 5500 with PORT Technology</td>
</tr>
<tr>
<td></td>
<td><strong>Spital Limmattal, hospital, Schieren</strong></td>
<td>19 elevators, including 11 Schindler 5500, of which 3 with PORT Technology, and 5 Schindler 2200</td>
</tr>
<tr>
<td></td>
<td><strong>Mall of Switzerland, shopping mall, Ebikon</strong></td>
<td>26 elevators, including 17 Schindler 5500, of which 11 with PORT Technology, 1 Schindler 3300, and 8 Schindler 2600; as well as 21 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td>Turkey</td>
<td><strong>NEF, residential buildings, Istanbul</strong></td>
<td>94 elevators, including 25 Schindler 5500 AP, 63 Schindler 3300 AP, and 6 Schindler 3300 EU; as well as 4 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td><strong>Akasya Park, commercial buildings and shopping mall, Istanbul</strong></td>
<td>32 elevators, including 6 Schindler 7000, 19 Schindler 5500 AP, and 7 Schindler 3300 AP; as well as 24 Schindler 9300 AE escalators and 4 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td><strong>Mahall Ankara, commercial building, Ankara</strong></td>
<td>48 elevators, including 31 Schindler 5500 AP, 15 Schindler 3300 AP, and 2 Schindler 3300; as well as 4 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td><strong>Bahçekent Flora, residential buildings, Istanbul</strong></td>
<td>46 elevators, including 1 Schindler 5500 AP, 2 Schindler 3300 AP, and 43 Schindler 3300</td>
</tr>
<tr>
<td></td>
<td><strong>Tepe Mesa Park, residential buildings, Ankara</strong></td>
<td>46 elevators, including 13 Schindler 5500 and 33 Schindler 3300</td>
</tr>
<tr>
<td></td>
<td><strong>Mavi Bahçe Shopping Center, commercial and residential buildings, İzmir</strong></td>
<td>14 elevators, including 12 Schindler 5500 AP and 2 Schindler 3300; as well as 44 Schindler 9300 AE escalators</td>
</tr>
<tr>
<td></td>
<td><strong>Novada Manavat Manava AVM, commercial building, Manavgat</strong></td>
<td>6 Schindler 3300 elevators, 22 Schindler 9300 AE escalators, and 2 Schindler 9500 moving walks</td>
</tr>
<tr>
<td></td>
<td><strong>Bakgörler, residential buildings, Istanbul</strong></td>
<td>37 Schindler 3300 elevators</td>
</tr>
<tr>
<td></td>
<td><strong>Afra Otomotiv, commercial building, Istanbul</strong></td>
<td>26 elevators, including 25 Schindler 3300 and 1 Schindler 5500</td>
</tr>
</tbody>
</table>
Technology

54 Energy-efficient products
56 PORT Technology
58 Digitization
Energy-efficient products

Innovative technologies for environmentally friendly buildings
The energy required to operate an elevator can account for up to 80% of its environmental impact over its entire life cycle.

Schindler’s hall call destination systems optimize travel within buildings and thus lead to a reduction in energy consumption per passenger. With our PORT Technology, we can increase the transport capacity of elevators by up to 40%, thus significantly reducing the amount of energy they consume while operating. This technology centers on the Personal Occupant Requirement Terminal (PORT) – a universal communication system that is interconnected throughout the building. This communication platform makes it possible to calculate the optimal route to any destination in the building while ensuring a high level of security. Further information is available on page 56.

Schindler’s efforts to reduce energy consumption already begin in the production phase. Priority is today assigned to the use of materials that have a lower environmental impact, are as lightweight as possible, and can be disposed of in an ecologically sound manner.

In addition, modern elevator drives with energy recovery systems feed unused energy back into the building’s electricity network. Power Factor 1 is a technology used by Schindler in regenerative drives. The recuperated clean energy can either be used by other elevators in a group or fed back to the building’s electrical grid – without causing harmonic distortions. This results in a reduction in waste heat, thus also significantly reducing elevator cooling requirements. Schindler combines this efficient solution with intelligent controls which, for example, place elevators on standby mode and turn off lights and ventilators when they are not in use.

As a result, the energy efficiency of the Schindler 3300 has increased by up to 50% compared to the previous model due to further development of this product line. In the case of the Schindler 3100, it was possible to improve its environmental performance over its entire life cycle by 50% compared to earlier elevators.

The energy efficiency of escalators is also continuously being improved. With ECOLINE power management, customers can define whether the escalator should run at full speed during peak times and automatically slow down or even stop when there are no passengers. Additional innovations relating to escalator drives and the switch to LED for all escalator lighting have enabled total energy consumption to be reduced by over 30%.
Sustainability throughout the life cycle of the product
For more than a decade, Schindler has been pursuing an approach to product management that takes account of environmental aspects and has been analyzing the environmental footprint of the products it installs. It has, for a number of years, been possible to measure the energy efficiency of elevators according to the VDI 4707 standard. The energy efficiency class achieved by an installation depends primarily on the intensity of usage as well as on the features selected by the client. All of the passenger elevators developed by Schindler in recent years can achieve energy efficiency class A – i.e. the category with the lowest energy usage – depending on the elevator features that are chosen. This is why Schindler products are frequently installed in environmentally friendly buildings that are seeking LEED certification.¹

¹LEED (Leadership in Energy and Environmental Design) is a globally accepted certification issued by the US Green Building Council that takes account of the entire life cycle of a building and its components.
myPORT – a significant new development in PORT Technology

Schindler’s PORT Technology – with its unique synthesis of industry-leading destination control technology and personalized security access for all building users – has rapidly gained an unrivaled status as the global gold standard for internal transportation solutions in large-scale, premium commercial developments in recent years.

Harvard professor Michael Porter has stated that the engineering industry is today making increased use of smart, connected products – one example is PORT Technology, which reduces elevator waiting times by as much as 50% by predicting elevator demand patterns, calculating the fastest route to a destination, and assigning the appropriate elevator so that passengers can be transported rapidly and efficiently.¹

With myPORT, the PORT concept has been further developed for the smartphone environment. It offers significant improvements in both the availability of transit management systems and their functionality. This means, among other things, that building occupants can dispense with the cards previously used as data carriers. With the myPORT app installed on their smartphones, they can gain entry to the building by simply using their PIN code or fingerprint ID to unlock their phone and then showing it to a reader. Once inside, doors can be opened, preprogrammed elevators can be called and life in general can be made much more convenient for users, all without removing the smartphone from a bag or pocket.

¹ Article ‘How Smart, Connected Products Are Transforming Competition,’ Harvard Business Review, November 2014
Schindler, a digital leader – for our clients
While technically flawless hardware – i.e. elevators and escalators – was the main focus in the past, software and the digital interconnection of products is today also a key area of business. In a digitalization process spanning several years, Schindler has established itself as a leader in the industry and has gained multiple awards in recognition of its digital achievements, including the coveted MIT Sloan CIO Leadership Award that it received from the Massachusetts Institute of Technology in 2015.

With Schindler’s new digital platforms, clients can use an app to stay informed about the operational status of their elevators or escalators, find out whether a Schindler service technician has been dispatched, and obtain notifications as issues get resolved.

The digital toolbox supports Schindler technicians when servicing elevators and escalators. They can access information about the status of the installations at any time, promptly order replacement parts and even optimize their routes. They use the FieldLink app to plan and prepare their daily work schedule: The app prepares lists of jobs based on a real-time analysis of elevators and escalators. If, for example, an elevator stops working, a sensor relays this information to Schindler’s back-end system, which then generates a recommendation that action should be taken. A repair job is then assigned to a service technician.

Elevators and escalators do not only communicate with Schindler in urgent cases: As a precaution, they also send notification if they identify a need for maintenance, thus enabling repairs to be planned in advance. With Schindler Direct, elevators and escalators are monitored on a permanent basis and their availability is significantly improved.
Sustainability

61 Corporate commitments
64 Schindler Award
66 Solar Impulse
Corporate commitments

Sustainability

**Safety**
Schindler is fully committed to developing environmentally friendly products and to running its business sustainably. The safety of over one billion passengers who use our products every day and of over 56,000 employees worldwide who form the ‘Schindler Team’ is at the center of our corporate responsibilities.

Our focus is on prevention. Schindler specialists carry out regular inspections and safety checks that go beyond regulatory requirements. This allows potential defects to be detected before they can develop into problems undermining either the availability of the installation or the very high safety standards set by Schindler. For eight years, Schindler has also run comprehensive behavior-based safety training for all employees worldwide.

**Environment**
Schindler pursues a two-pronged environmental strategy that targets ongoing reductions in the amount of energy consumed by our elevators and escalators on the one hand, while striving to continuously improve the energy efficiency and carbon footprint of our production process, our large global service fleet, and our buildings on the other.

Elevators and escalators generally remain in operation for at least 30 years. This means that their main environmental impact occurs while they are in use. Their entire life cycle is therefore planned with a long-term perspective.

Schindler has, for years, also been committed to sustainability at our production plants and in our office buildings. Our new production facilities in the USA, Slovakia, China, and India have obtained globally accepted or country-specific sustainability certifications.

Almost two-thirds of Schindler’s total environmental impact is generated by our service fleet of over 20,000 vehicles globally. Particular attention is therefore paid to reducing fuel consumption and optimizing journeys. We select more fuel-efficient or hybrid models when purchasing new vehicles.
Employees
Our Human Resources Policy reflects our belief that our company’s success essentially depends on the quality of our employees. Schindler therefore seeks to attract, retain, and develop the right people. Their professional skills and experience are of decisive importance in this context. No consideration is given to our employees’ nationality, race, religion, gender, or age.

Schindler develops the skills of all employees to ensure it has well-trained and highly knowledgeable professionals in every area of the business. Employees have annual development reviews to assess their strengths and weaknesses relative to the required skills and competencies. Based on the review, a development plan is drawn up and specific measures are defined. Particular care is given to identifying, developing, and preparing talents at all levels of the organization who can assume broader responsibilities within the company.

Schindler also conducts periodic employee motivation surveys and creates action plans based on the survey results in order to constantly strengthen motivation and maintain it at above the national average in each country.

Schindler promotes a working environment with a focus on high standards of health and safety. Employees are encouraged to achieve a good work/life balance. We support employees who wish to assume responsibilities in political, cultural, or charitable organizations.

And finally, Schindler believes in competitive and fair compensation. The Group Compensation Policy takes account of profitability, internal equity, individual performance, and relevant market practices. Schindler promotes the use of incentives and bonuses wherever justified.

Sustainability Reports
Each year, Schindler publishes a Sustainability Report, which is produced in accordance with GRI G3.1 guidelines. This publication and our Sustainability Brochure provide an overview of sustainability topics that are of importance to the company and outline the way in which they are addressed.

The Schindler Award goes global
More than 1,500 students of architecture, landscape architecture, urban design, and planning from around the world registered to take part in the new Global Schindler Award. Over 200 of the 600 projects that were submitted made it through the preselection phase. A total of 12 winners were chosen, with the three top prizes going to teams from Spain, China, and France.

2015 was the first year in which the Schindler Award – which was launched by Schindler in 2003 – was held globally in partnership with the Chair of Architecture and Urban Design of the Swiss Federal Institute of Technology (ETH) in Zurich. This architectural competition aims to enhance the quality of life in urban centers and to promote barrier-free mobility for all members of the community. Students taking part in the competition are invited to develop creative concepts for new urban forms that reflect these aspects and challenges.

2015: designing the city as a resource
Students participating in the 2015 competition were asked to create an urban design-based response to a brief focusing on Shenzhen in China with a particular emphasis on mobility-related issues. Shenzhen is located at the center of the Pearl River Delta, which forms an important link between mainland China and Hong Kong as well as between China and the rest of the world. Shenzhen is a model of China’s innovation and success in opening up and liberalizing its economy. The submitted projects had to address the social, economic, and environmental challenges presented by globalization and urbanization in Shenzhen and to define scenarios and analytical design proposals centering on mobility.

Award ceremony
Total prize money of USD 150,000 was presented to the winners, including the USD 50,000 prize for students from the Escuela de Ingeniería y Arquitectura in Zaragoza, Spain, who took first place. The award ceremony was held in Shenzhen on April 30, 2015, and included a panel discussion led by juror Doreen Heng Liu from Node, a Shenzhen-based international architecture and design office. All of the nominees and their academic supervisors were invited to attend the ceremony.

The publication ‘Global Schindler Award Essays/Projects,’ which was issued in conjunction with the award ceremony, contains details of the prizewinning projects together with essays, articles, and interviews.

From Shenzhen to São Paulo
The second Global Schindler Award competition will begin in mid-2016 and the awards will be presented in 2017. The focus will be on São Paulo in Brazil, which – as the largest metropolis in South America and one of the largest in the world – presents a host of challenges in the area of urban mobility and related architectural concepts.

Further information is available at: www.schindleraward.com
Winners of the Schindler Award 2015: Daniel Ariza and Diego García Yagüe, with Thomas Oetterli, CEO Schindler Group China, Professor Dr. Doreen Heng Liu, founder and architect of NODE, Shenzhen, and Prof. Kees Christiaanse from the Swiss Federal Institute of Technology (ETH) in Zurich.

Exhibition at the award ceremony in Shenzhen, China.
Solar Impulse’s around-the-world mission
When Solar Impulse embarked on its historic around-the-world flight in March 2015, its goal was to demonstrate that clean energies can change the world. Solar Impulse 2 – which has the same wingspan as a large passenger aircraft – is equipped with over 17,000 solar cells to enable it to circumvent the globe propelled only by solar energy.

As one of its lead partners, Schindler is providing the Solar Impulse team with technical expertise and financial support. Our engineers have contributed to both the structural and electrical design of the plane – including helping to develop the ultra-lightweight wing ribs that are made of carbon fiber or the solar energy management system. Schindler engineers are also working in the mission control center, which guides the plane around the world. Our involvement in this inspiring project underscores our commitment to reinventing sustainable mobility time and again.

Solar Impulse set off on its around-the-world mission from Abu Dhabi on March 9, 2015. It completed eight legs of its circumnavigation and covered almost 18,000 kilometers, with stops in Oman, India, Myanmar, China, Japan, and Hawaii in the US. The aircraft piloted by André Borschberg covered the distance from Japan to Hawaii of almost 7,200 kilometers in 118 hours. In doing so, he broke the record in terms of the distance travelled by a solar-powered aircraft and the duration of the journey.

Stop in Hawaii
After successfully crossing the Pacific – the longest and most difficult leg of the around-the-world flight – Solar Impulse had to suspend its epic journey in Hawaii in July 2015 after its batteries were damaged by overheating. This was not caused by any weakness in the technology: it reflected unexpected temperature fluctuations due to rapid altitude changes in this tropical climate zone. It is estimated that it will take around nine months to repair or replace the damaged battery cells, which are custom-made for the aircraft. Setbacks are often part of bold innovations: they are the cost of pushing back boundaries to deliver great achievements. Solar Impulse is set to continue on its historic journey around the globe in April 2016.

One of the most important clean-tech projects today
We are convinced that Solar Impulse is one of the most important and inspiring clean-tech projects today because it is not only about saving energy but also about conquering new territory from a technological perspective. Schindler therefore remains fully committed to supporting the project until it accomplishes its mission, and our engineers will continue to work closely with the Solar Impulse team. The around-the-world flight has inspired millions of people through its pioneering spirit and unwavering focus on the use of clean technologies and renewable energy. Schindler shares this pioneering spirit, which is a driving force in everything we do.
Overview of financial results

69  Summary financial statements Group
70  Key figures Group
73  Summary financial statements Schindler Holding Ltd.
74  Key figures registered share/participation certificate
### Consolidated income statement

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>9,391</td>
<td>9,246</td>
<td>8,813</td>
<td>8,258</td>
<td>7,854</td>
</tr>
<tr>
<td>Operating profit (EBIT)</td>
<td>1,002</td>
<td>1,138</td>
<td>896</td>
<td>990</td>
<td>793</td>
</tr>
<tr>
<td>in %</td>
<td>10.7</td>
<td>12.3</td>
<td>10.2</td>
<td>12.0</td>
<td>10.1</td>
</tr>
<tr>
<td>Income from associates</td>
<td>9</td>
<td>46</td>
<td>44</td>
<td>15</td>
<td>–1</td>
</tr>
<tr>
<td>Profit before taxes</td>
<td>982</td>
<td>1,149</td>
<td>700</td>
<td>983</td>
<td>777</td>
</tr>
<tr>
<td>Income taxes</td>
<td>235</td>
<td>247</td>
<td>237</td>
<td>253</td>
<td>211</td>
</tr>
<tr>
<td>Profit from continuing operations</td>
<td>747</td>
<td>902</td>
<td>463</td>
<td>730</td>
<td>566</td>
</tr>
<tr>
<td>Profit of the disposal group ALSO</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>35</td>
</tr>
<tr>
<td>Net profit</td>
<td>747</td>
<td>902</td>
<td>463</td>
<td>730</td>
<td>601</td>
</tr>
</tbody>
</table>

### Consolidated balance sheet December 31

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>1,975</td>
<td>2,722</td>
<td>2,228</td>
<td>2,178</td>
<td>2,403</td>
</tr>
<tr>
<td>Other current assets</td>
<td>3,500</td>
<td>3,401</td>
<td>3,260</td>
<td>2,992</td>
<td>2,695</td>
</tr>
<tr>
<td>Total current assets</td>
<td>5,475</td>
<td>6,123</td>
<td>5,488</td>
<td>5,170</td>
<td>5,098</td>
</tr>
<tr>
<td>Property, plant, and equipment</td>
<td>848</td>
<td>802</td>
<td>655</td>
<td>522</td>
<td>483</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>870</td>
<td>985</td>
<td>742</td>
<td>804</td>
<td>842</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>1,066</td>
<td>1,015</td>
<td>912</td>
<td>1,326</td>
<td>1,146</td>
</tr>
<tr>
<td>Total non-current assets</td>
<td>2,784</td>
<td>2,802</td>
<td>2,309</td>
<td>2,652</td>
<td>2,471</td>
</tr>
<tr>
<td>Total assets</td>
<td>8,259</td>
<td>8,925</td>
<td>7,797</td>
<td>7,822</td>
<td>7,569</td>
</tr>
<tr>
<td>Financial debts</td>
<td>813</td>
<td>409</td>
<td>594</td>
<td>133</td>
<td>169</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>3,872</td>
<td>3,917</td>
<td>3,380</td>
<td>3,195</td>
<td>3,176</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>4,685</td>
<td>4,326</td>
<td>3,974</td>
<td>3,328</td>
<td>3,345</td>
</tr>
<tr>
<td>Financial debts</td>
<td>100</td>
<td>540</td>
<td>413</td>
<td>621</td>
<td>619</td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>1,117</td>
<td>1,088</td>
<td>885</td>
<td>1,060</td>
<td>954</td>
</tr>
<tr>
<td>Total non-current liabilities</td>
<td>2,127</td>
<td>1,628</td>
<td>1,298</td>
<td>1,681</td>
<td>1,573</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>5,902</td>
<td>5,954</td>
<td>5,272</td>
<td>5,009</td>
<td>4,918</td>
</tr>
<tr>
<td>Equity</td>
<td>2,357</td>
<td>2,971</td>
<td>2,525</td>
<td>2,813</td>
<td>2,651</td>
</tr>
<tr>
<td>Total liabilities and equity</td>
<td>8,259</td>
<td>8,925</td>
<td>7,797</td>
<td>7,822</td>
<td>7,569</td>
</tr>
</tbody>
</table>

### Cash flow statement

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operating activities</td>
<td>1,076</td>
<td>902</td>
<td>808</td>
<td>782</td>
<td>690</td>
</tr>
<tr>
<td>Cash flow from investing activities</td>
<td>–502</td>
<td>111</td>
<td>–164</td>
<td>–532</td>
<td>–464</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td>–1,298</td>
<td>–554</td>
<td>–584</td>
<td>–459</td>
<td>–102</td>
</tr>
<tr>
<td>Exchange differences</td>
<td>–23</td>
<td>35</td>
<td>–10</td>
<td>–16</td>
<td>–41</td>
</tr>
<tr>
<td>Change in cash and cash equivalents</td>
<td>–747</td>
<td>494</td>
<td>50</td>
<td>–225</td>
<td>83</td>
</tr>
</tbody>
</table>
### Key figures Group

#### Overview of financial results

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received</td>
<td>9,967</td>
<td>9,979</td>
<td>9,456</td>
<td>8,967</td>
<td>8,249</td>
</tr>
<tr>
<td>∆ %</td>
<td>–0.1</td>
<td>5.5</td>
<td>5.5</td>
<td>8.7</td>
<td>–6.0</td>
</tr>
<tr>
<td>Orders received (∆ % in local currencies)</td>
<td>4.6</td>
<td>7.8</td>
<td>7.2</td>
<td>8.5</td>
<td>4.8</td>
</tr>
<tr>
<td>Revenue</td>
<td>9,391</td>
<td>9,246</td>
<td>8,813</td>
<td>8,258</td>
<td>7,854</td>
</tr>
<tr>
<td>∆ %</td>
<td>1.6</td>
<td>4.9</td>
<td>6.7</td>
<td>5.1</td>
<td>–4.1</td>
</tr>
<tr>
<td>Revenue (∆ % in local currencies)</td>
<td>6.7</td>
<td>7.3</td>
<td>8.4</td>
<td>5.0</td>
<td>6.9</td>
</tr>
<tr>
<td>Operating profit (EBIT), comparable</td>
<td>1,002</td>
<td>932</td>
<td>896</td>
<td>990</td>
<td>928</td>
</tr>
<tr>
<td>in %</td>
<td>10.7</td>
<td>10.1</td>
<td>10.2</td>
<td>12.0</td>
<td>11.8</td>
</tr>
<tr>
<td>Operating profit (EBIT) including exceptional items</td>
<td>1,002</td>
<td>1,138</td>
<td>896</td>
<td>990</td>
<td>793</td>
</tr>
<tr>
<td>in %</td>
<td>10.7</td>
<td>12.3</td>
<td>10.2</td>
<td>12.0</td>
<td>10.1</td>
</tr>
<tr>
<td>Net profit, comparable</td>
<td>747</td>
<td>740</td>
<td>682</td>
<td>730</td>
<td>699</td>
</tr>
<tr>
<td>Net profit including exceptional items</td>
<td>747</td>
<td>902</td>
<td>463</td>
<td>730</td>
<td>601</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>1,076</td>
<td>902</td>
<td>808</td>
<td>782</td>
<td>690</td>
</tr>
<tr>
<td>Investments in property, plant, and equipment</td>
<td>183</td>
<td>183</td>
<td>252</td>
<td>132</td>
<td>124</td>
</tr>
<tr>
<td>Research &amp; Development cost</td>
<td>138</td>
<td>134</td>
<td>127</td>
<td>115</td>
<td>113</td>
</tr>
<tr>
<td>Total equity</td>
<td>2,357</td>
<td>2,971</td>
<td>2,525</td>
<td>2,813</td>
<td>2,651</td>
</tr>
<tr>
<td>Equity ratio in %</td>
<td>28.5</td>
<td>33.3</td>
<td>32.4</td>
<td>36.0</td>
<td>35.0</td>
</tr>
<tr>
<td>Order backlog</td>
<td>9,364</td>
<td>9,263</td>
<td>7,722</td>
<td>7,083</td>
<td>6,438</td>
</tr>
<tr>
<td>∆ %</td>
<td>1.1</td>
<td>20.0</td>
<td>9.0</td>
<td>10.0</td>
<td>6.0</td>
</tr>
<tr>
<td>Order backlog (∆ % in local currencies)</td>
<td>7.9</td>
<td>15.4</td>
<td>13.8</td>
<td>12.4</td>
<td>8.3</td>
</tr>
<tr>
<td>Number of employees</td>
<td>56,762</td>
<td>54,209</td>
<td>48,169</td>
<td>45,246</td>
<td>44,387</td>
</tr>
</tbody>
</table>

1 LEAP restructuring costs: CHF 135 million
2 Hyundai Elevator Co. Ltd. impairment: CHF 219 million
3 XJ-Schindler (Xuchang) Elevator Co. Ltd. revaluation gain: CHF 145 million, gain on sale of Mall of Switzerland development project: CHF 82 million (CHF 75 million after taxes), impairment of intangible assets: CHF 21 million (CHF 18 million after taxes)
4 Hyundai Elevator Co. Ltd. impairment: CHF 40 million
Overview of financial results

### Revenue / EBIT margin before exceptional items

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue in CHF million</th>
<th>EBIT in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>7,854</td>
<td>11.8</td>
</tr>
<tr>
<td>2012</td>
<td>8,258</td>
<td>12.0</td>
</tr>
<tr>
<td>2013</td>
<td>8,813</td>
<td>10.2</td>
</tr>
<tr>
<td>2014</td>
<td>9,246</td>
<td>10.1</td>
</tr>
<tr>
<td>2015</td>
<td>9,391</td>
<td>10.7</td>
</tr>
</tbody>
</table>

### Revenue by market

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Europe</strong></td>
<td>3,654</td>
<td>3,975</td>
<td>3,981</td>
<td>3,817</td>
<td>3,902</td>
</tr>
<tr>
<td><strong>The Americas</strong></td>
<td>2,636</td>
<td>2,578</td>
<td>2,496</td>
<td>2,400</td>
<td>2,233</td>
</tr>
<tr>
<td><strong>Asia-Pacific, Africa</strong></td>
<td>3,101</td>
<td>2,693</td>
<td>2,336</td>
<td>2,041</td>
<td>1,719</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>9,391</td>
<td>9,246</td>
<td>8,813</td>
<td>8,258</td>
<td>7,854</td>
</tr>
</tbody>
</table>

### Return on equity before exceptional items

<table>
<thead>
<tr>
<th>Year</th>
<th>Return on equity in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>25.9(^1)</td>
</tr>
<tr>
<td>2012</td>
<td>26.7</td>
</tr>
<tr>
<td>2013</td>
<td>25.2(^1)</td>
</tr>
<tr>
<td>2014</td>
<td>27.7(^1)</td>
</tr>
<tr>
<td>2015</td>
<td>28.0</td>
</tr>
</tbody>
</table>

\(^1\) After LEAP restructuring costs: 22.3%
\(^2\) After Hyundai Elevator Co. Ltd. impairment: 17.3%
\(^3\) After exceptional items: 32.8%
Overview of financial results

### Headcount by market

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Number</td>
</tr>
<tr>
<td>Switzerland</td>
<td>4,716</td>
<td>4,600</td>
</tr>
<tr>
<td>Rest of Europe</td>
<td>15,101</td>
<td>14,978</td>
</tr>
<tr>
<td>The Americas</td>
<td>13,728</td>
<td>13,369</td>
</tr>
<tr>
<td>Asia-Pacific, Africa</td>
<td>23,217</td>
<td>21,262</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>56,762</td>
<td>54,209</td>
</tr>
</tbody>
</table>

### Headcount by business area

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Number</td>
</tr>
<tr>
<td>Production</td>
<td>4,342</td>
<td>4,165</td>
</tr>
<tr>
<td>Installation and maintenance</td>
<td>32,578</td>
<td>31,010</td>
</tr>
<tr>
<td>Engineering, Sales, Administration</td>
<td>19,842</td>
<td>19,034</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>56,762</td>
<td>54,209</td>
</tr>
</tbody>
</table>

### Allocation of the Group’s net value added

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries, wages, and social security benefits</td>
<td>77</td>
<td>74</td>
</tr>
<tr>
<td>Creation of reserves</td>
<td>8</td>
<td>14</td>
</tr>
<tr>
<td>Direct taxes</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Dividends</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td><strong>Net interest charges</strong></td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

The Group’s total value added is the increase in value achieved by the entire Group within a certain period of time. Net value added is calculated by subtracting the input value of goods and services sourced from other companies, as well as depreciation, amortization, and impairment from revenue. The distribution of the Group’s net value added shows the extent to which employees, the state, creditors, the company itself, and its shareholders participate in this economically relevant amount.
## Overview of financial results

### Schindler Group Review 2015 | Summary financial statements Schindler Holding Ltd.

### Income statement

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from participations</td>
<td>521</td>
<td>751</td>
</tr>
<tr>
<td>Financial income</td>
<td>24</td>
<td>39</td>
</tr>
<tr>
<td><strong>Total operating income</strong></td>
<td><strong>545</strong></td>
<td><strong>790</strong></td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>–29</td>
<td>–22</td>
</tr>
<tr>
<td>Financial expenses</td>
<td>–21</td>
<td>–10</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td><strong>–50</strong></td>
<td><strong>–32</strong></td>
</tr>
<tr>
<td>Extraordinary income</td>
<td>–</td>
<td>14</td>
</tr>
<tr>
<td><strong>Profit before taxes</strong></td>
<td>495</td>
<td>772</td>
</tr>
<tr>
<td>Taxes</td>
<td>–5</td>
<td>–11</td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td>490</td>
<td>761</td>
</tr>
</tbody>
</table>

1 Only two comparative periods are shown as a result of the first-time application of the new Swiss Law on Accounting and Financial Reporting

### Balance sheet December 31

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>1 162</td>
<td>1 779</td>
</tr>
<tr>
<td>Other current assets</td>
<td>588</td>
<td>713</td>
</tr>
<tr>
<td>Long-term financial assets</td>
<td>480</td>
<td>449</td>
</tr>
<tr>
<td>Participations</td>
<td>1 525</td>
<td>1 484</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>3 755</td>
<td>4 425</td>
</tr>
<tr>
<td>Interest-bearing liabilities</td>
<td>1 025</td>
<td>1 092</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>95</td>
<td>92</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>1 120</td>
<td>1 184</td>
</tr>
<tr>
<td>Share capital and participation capital</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Other equity</td>
<td>2 624</td>
<td>3 230</td>
</tr>
<tr>
<td>Total equity</td>
<td>2 635</td>
<td>3 241</td>
</tr>
<tr>
<td><strong>Total liabilities and equity</strong></td>
<td><strong>3 755</strong></td>
<td><strong>4 425</strong></td>
</tr>
</tbody>
</table>

### Dividend

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered shares</td>
<td>184</td>
<td>216</td>
<td>149</td>
<td>154</td>
<td>140</td>
</tr>
<tr>
<td>Participation certificates</td>
<td>119</td>
<td>139</td>
<td>96</td>
<td>100</td>
<td>92</td>
</tr>
<tr>
<td><strong>Total dividend</strong></td>
<td>303</td>
<td>355</td>
<td>245</td>
<td>254</td>
<td>232</td>
</tr>
</tbody>
</table>

Gross dividend in CHF

|                  | 2.70   | 3.20²  | 2.20   | 2.20   | 2.00   |

1 Proposal by the Board of Directors
2 Ordinary CHF 2.20; additional CHF 1.00

### Dividend policy

The dividend policy approved and communicated by the Board of Directors is earnings-related and provides for a payout ratio of 35% to 45% of the consolidated net profit (excluding non-controlling interests).
Overview of financial results

Key figures registered share/participation certificate

Registered share

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of registered shares outstanding</td>
<td>68 061 802</td>
<td>68 180 352</td>
<td>70 887 645</td>
<td>71 440 056</td>
<td>71 776 700</td>
</tr>
<tr>
<td>thereof treasury shares</td>
<td>1 513 747</td>
<td>545 769</td>
<td>3 285 417</td>
<td>1 138 281</td>
<td>1 388 971</td>
</tr>
<tr>
<td>Nominal value</td>
<td>0.10</td>
<td>0.10</td>
<td>0.10</td>
<td>0.10</td>
<td>0.10</td>
</tr>
<tr>
<td>High</td>
<td>171.00</td>
<td>143.90</td>
<td>142.00</td>
<td>130.50</td>
<td>114.50</td>
</tr>
<tr>
<td>Low</td>
<td>125.10</td>
<td>119.80</td>
<td>120.20</td>
<td>104.10</td>
<td>79.25</td>
</tr>
<tr>
<td>Year-end rate</td>
<td>169.00</td>
<td>142.60</td>
<td>131.60</td>
<td>129.80</td>
<td>109.10</td>
</tr>
<tr>
<td>P/E ratio December 31 (before exceptional items)</td>
<td>27.5</td>
<td>23.0</td>
<td>23.7</td>
<td>21.9</td>
<td>19.5</td>
</tr>
</tbody>
</table>

Participation certificate

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of participation certificates outstanding</td>
<td>44 236 311</td>
<td>44 618 533</td>
<td>46 171 909</td>
<td>46 894 800</td>
<td>48 609 400</td>
</tr>
<tr>
<td>thereof treasury shares</td>
<td>3 907 999</td>
<td>785 058</td>
<td>1 953 873</td>
<td>1 555 803</td>
<td>2 543 219</td>
</tr>
<tr>
<td>Nominal value</td>
<td>0.10</td>
<td>0.10</td>
<td>0.10</td>
<td>0.10</td>
<td>0.10</td>
</tr>
<tr>
<td>High</td>
<td>171.10</td>
<td>145.70</td>
<td>146.90</td>
<td>132.90</td>
<td>113.70</td>
</tr>
<tr>
<td>Low</td>
<td>124.90</td>
<td>120.50</td>
<td>121.40</td>
<td>102.60</td>
<td>78.10</td>
</tr>
<tr>
<td>Year-end rate</td>
<td>168.00</td>
<td>144.00</td>
<td>131.30</td>
<td>132.00</td>
<td>109.40</td>
</tr>
<tr>
<td>P/E ratio December 31 (before exceptional items)</td>
<td>27.4</td>
<td>23.2</td>
<td>23.6</td>
<td>22.3</td>
<td>19.5</td>
</tr>
</tbody>
</table>

Information per registered share and participation certificate

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net profit</td>
<td>6.14</td>
<td>7.64</td>
<td>3.69</td>
<td>5.93</td>
<td>4.78</td>
</tr>
<tr>
<td>Net profit before exceptional items</td>
<td>6.14</td>
<td>6.21</td>
<td>5.56</td>
<td>5.93</td>
<td>5.60</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>9.58</td>
<td>8.00</td>
<td>6.90</td>
<td>6.61</td>
<td>5.73</td>
</tr>
<tr>
<td>Equity at year-end</td>
<td>21.30</td>
<td>25.70</td>
<td>22.13</td>
<td>24.04</td>
<td>22.50</td>
</tr>
<tr>
<td>Gross dividend</td>
<td>2.70</td>
<td>3.20</td>
<td>2.20</td>
<td>2.20</td>
<td>2.00</td>
</tr>
<tr>
<td>Pay-out ratio (in %)</td>
<td>44.0</td>
<td>41.9</td>
<td>59.6</td>
<td>37.1</td>
<td>41.8</td>
</tr>
<tr>
<td>Market capitalization (in CHF million)</td>
<td>18 934</td>
<td>16 148</td>
<td>15 391</td>
<td>15 463</td>
<td>13 149</td>
</tr>
</tbody>
</table>

1 Proposal by the Board of Directors
2 Ordinary CHF 2.20; additional CHF 1.00
Net profit per registered share and participation certificate before exceptional items

<table>
<thead>
<tr>
<th>Year</th>
<th>CHF</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>5.60</td>
</tr>
<tr>
<td>2012</td>
<td>5.93</td>
</tr>
<tr>
<td>2013</td>
<td>5.56</td>
</tr>
<tr>
<td>2014</td>
<td>6.21</td>
</tr>
<tr>
<td>2015</td>
<td>6.14</td>
</tr>
</tbody>
</table>

Both the registered shares and the participation certificates are traded on the SIX Swiss Exchange. Holders of participation certificates have the same rights as holders of registered shares with the exception of attendance at the Annual General Meeting and voting rights.

Ticker and security number

<table>
<thead>
<tr>
<th>Ticker</th>
<th>Registered share</th>
<th>Participation certificate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bloomberg</td>
<td>SCHN</td>
<td>SCHP</td>
</tr>
<tr>
<td>Reuters</td>
<td>SCHN.S</td>
<td>SCHPS</td>
</tr>
<tr>
<td>Valor</td>
<td>002463821</td>
<td>002463819</td>
</tr>
<tr>
<td>ISIN</td>
<td>CH0024638212</td>
<td>CH0024638196</td>
</tr>
</tbody>
</table>

Shareholders

At the end of 2015, registered shares of Schindler Holding Ltd. were held by 6,156 shareholders (previous year: 6,235).

On the same date, the Schindler and Bonnard families – within the scope of shareholder agreements – and parties related to these families held 47,643,814 registered shares (previous year: 47,639,751) of Schindler Holding Ltd., corresponding to 70.0% (previous year: 69.9%) of the voting rights of the share capital entered in the Commercial Register.
Financial calendar

77 Financial calendar
78 Important addresses
Financial calendar

<table>
<thead>
<tr>
<th>Event</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual results media conference</td>
<td>February 12</td>
<td>February 15</td>
</tr>
<tr>
<td>Ordinary General Meeting Schindler Holding Ltd.</td>
<td>March 22</td>
<td>March 16</td>
</tr>
<tr>
<td>First trading date ex-dividend</td>
<td>March 24(^1,2)</td>
<td></td>
</tr>
<tr>
<td>Date of Schindler Holding Ltd. dividend payment</td>
<td>March 30(^1)</td>
<td></td>
</tr>
<tr>
<td>Publication of selected key figures as of March 31</td>
<td>April 28</td>
<td>April</td>
</tr>
<tr>
<td>Publication of Interim Report as of June 30</td>
<td>August 16</td>
<td>August</td>
</tr>
<tr>
<td>Publication of selected key figures as of September 30</td>
<td>October 25</td>
<td>October</td>
</tr>
</tbody>
</table>

\(^1\) Subject to approval of a dividend payment by the General Meeting of Schindler Holding Ltd.

\(^2\) The first trading date ex-dividend published in the Interim Report as of June 30, 2015, was subsequently amended. The value date of the dividend payment remains unchanged.
For further information about our company, our products, and our services, please contact one of the following addresses:

**Schindler Holding Ltd.**
Seestrasse 55
6052 Hergiswil
Switzerland
Telephone +41 41 632 85 50
Fax +41 41 445 31 34

**Schindler Management Ltd.**
Zugerstrasse 13
6030 Ebikon
Switzerland
Telephone +41 41 445 32 32
Fax +41 41 445 31 34
email@schindler.com
www.schindler.com

**Corporate Communications**
Dr. Barbara Schmidhauser
Chief Communications Officer
Schindler Management Ltd.
6030 Ebikon
Switzerland
Telephone +41 41 445 30 60
Fax +41 41 445 31 44
barbara.schmidhauser@ch.schindler.com

**Investor Relations**
Barbara Zäch
Head Investor Relations
Schindler Management Ltd.
6030 Ebikon
Switzerland
Telephone +41 41 445 30 61
Fax +41 41 445 31 44
barbara.zaech@ch.schindler.com

**Europe**
Schindler Management Ltd.
Zugerstrasse 13
6030 Ebikon
Switzerland
Telephone +41 41 445 32 32
Fax +41 41 445 31 34

**USA and Canada**
Schindler Elevator Corporation
20 Whippany Road
PO Box 1935
Morristown, NJ 07962-1935
USA
Telephone +1 973 397 65 00
Fax +1 973 397 36 19
www.us.schindler.com

**Latin America**
Latin America Operations
Camino San Mateo Nopala # 2
53240 Naucalpan, Estado De México
Mexico
Telephone +5255 5080 1400
Fax +5255 1665 6147

**Asia-Pacific, India, and Middle East**
Schindler APME
Sheikh Zayed Road
301 Hassanicor Building
Al Barsha 1
103698 Dubai
United Arab Emirates
Telephone +971 4 372 5020
Fax +971 4 392 7424

**China**
Schindler Management
Asia-Pacific (Shanghai) Co. Ltd.
40, Wen Shui Road (until June 30, 2016)
Shanghai 2000 72
P. R. China
Telephone +86 21 5665 0991
Fax +86 21 5603 2501
555, Xingshun Road (after July 1, 2016)
Jiading District, Shanghai
P. R. China
Telephone +86 21 6709 6666
Fax +86 21 6709 6677

Schindler (China) Elevator Co. Ltd.
555, Xingshun Road
Jiading District, Shanghai
P. R. China
Telephone +86 21 6709 5500
Fax +86 21 6709 5566

The original German version is binding. English and Chinese translations of the Group Review are available. The Financial Statements are published in German and English.
Everything has its order – but you must challenge complexity to understand its logic and patterns.

Richmond Burton
No name, 2004
Oil on linen: 277.5 x 121.0 cm

Gallery: Cheim & Read, New York, USA
Macquarie Bank headquarters, Sydney, Australia

This prestigious historic building dates from 1928 and recently underwent extensive renovations. Schindler modernized a number of elevators, supplied new installations, and made use of its state-of-the-art PORT Technology. In 2015, the project was named ‘Project of the Year’ by Elevator World.
Contents

3 Consolidated Financial Statements

69 Financial Statements of Schindler Holding Ltd.

84 Compensation Report

102 Corporate Governance

The Group Review is available separately
Consolidated Financial Statements

4 Consolidated income statement
5 Consolidated statement of comprehensive income
6 Consolidated balance sheet
8 Consolidated cash flow statement
9 Consolidated statement of changes in equity
10 Notes to the consolidated financial statements
67 Report of the statutory auditor
## Consolidated income statement

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2015</th>
<th>%</th>
<th>2014</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>4</td>
<td>9 391</td>
<td>100.0</td>
<td>9 246</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Cost of materials</strong></td>
<td>2</td>
<td>900</td>
<td>30.9</td>
<td>2 901</td>
<td>31.4</td>
</tr>
<tr>
<td><strong>Personnel expenses</strong></td>
<td>5</td>
<td>3 307</td>
<td>35.2</td>
<td>3 293</td>
<td>35.6</td>
</tr>
<tr>
<td><strong>Other operating expenses</strong></td>
<td>6</td>
<td>2 031</td>
<td>21.6</td>
<td>1 998</td>
<td>21.6</td>
</tr>
<tr>
<td><strong>Depreciation, amortization and impairment</strong></td>
<td>16, 17</td>
<td>144</td>
<td>1.5</td>
<td>157</td>
<td>1.7</td>
</tr>
<tr>
<td><strong>Change in provisions</strong></td>
<td>7</td>
<td>0.1</td>
<td>–14</td>
<td>–0.2</td>
<td></td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td></td>
<td>8 389</td>
<td>89.3</td>
<td>8 335</td>
<td>90.1</td>
</tr>
<tr>
<td><strong>Other income</strong></td>
<td>7</td>
<td>–</td>
<td>–227</td>
<td>2.4</td>
<td></td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td></td>
<td>1 002</td>
<td>10.7</td>
<td>1 138</td>
<td>12.3</td>
</tr>
<tr>
<td><strong>Financial income</strong></td>
<td>8</td>
<td>52</td>
<td>0.6</td>
<td>64</td>
<td>0.7</td>
</tr>
<tr>
<td><strong>Financial expenses</strong></td>
<td>8</td>
<td>81</td>
<td>0.9</td>
<td>99</td>
<td>1.1</td>
</tr>
<tr>
<td><strong>Income from associates</strong></td>
<td>9</td>
<td>9</td>
<td>0.1</td>
<td>46</td>
<td>0.5</td>
</tr>
<tr>
<td><strong>Profit before taxes</strong></td>
<td></td>
<td>982</td>
<td>10.5</td>
<td>1 149</td>
<td>12.4</td>
</tr>
<tr>
<td><strong>Income taxes</strong></td>
<td>10</td>
<td>235</td>
<td>2.5</td>
<td>247</td>
<td>2.7</td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td></td>
<td>747</td>
<td>8.0</td>
<td>902</td>
<td>9.7</td>
</tr>
<tr>
<td>Net profit attributable to</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders of Schindler Holding Ltd.</td>
<td></td>
<td>689</td>
<td>7.4</td>
<td>862</td>
<td>9.3</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td></td>
<td>58</td>
<td>0.6</td>
<td>40</td>
<td>0.4</td>
</tr>
</tbody>
</table>

### Earnings per share and participation certificate in CHF

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic</td>
<td>11</td>
<td>6.28</td>
<td>7.74</td>
</tr>
<tr>
<td>Diluted</td>
<td>11</td>
<td>6.26</td>
<td>7.70</td>
</tr>
</tbody>
</table>
## Consolidated statement of comprehensive income

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net profit</strong></td>
<td></td>
<td>747</td>
<td>902</td>
</tr>
<tr>
<td>Other comprehensive income – may be reclassified to the income statement in future</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exchange differences</td>
<td></td>
<td>−107</td>
<td>62</td>
</tr>
<tr>
<td>Hedging transactions</td>
<td></td>
<td>21</td>
<td>−17</td>
</tr>
<tr>
<td>Available-for-sale financial assets</td>
<td></td>
<td>32</td>
<td>−6</td>
</tr>
<tr>
<td>Share of other comprehensive income of associates</td>
<td></td>
<td>−3</td>
<td>−1</td>
</tr>
<tr>
<td>Taxes</td>
<td></td>
<td>−4</td>
<td>−5</td>
</tr>
<tr>
<td><strong>Total – may be reclassified to the income statement in future</strong></td>
<td></td>
<td>−99</td>
<td>151</td>
</tr>
<tr>
<td>Other comprehensive income – not to be reclassified to the income statement in future</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Remeasurements of employee benefits</td>
<td></td>
<td>26</td>
<td>−78</td>
</tr>
<tr>
<td>Share of other comprehensive income of associates</td>
<td></td>
<td>−1</td>
<td>−1</td>
</tr>
<tr>
<td>Taxes</td>
<td></td>
<td>10</td>
<td>39</td>
</tr>
<tr>
<td><strong>Total – not to be reclassified to the income statement in future</strong></td>
<td></td>
<td>−69</td>
<td>−174</td>
</tr>
<tr>
<td><strong>Total other comprehensive income</strong></td>
<td></td>
<td>−168</td>
<td>−23</td>
</tr>
<tr>
<td><strong>Comprehensive income</strong></td>
<td></td>
<td>579</td>
<td>879</td>
</tr>
<tr>
<td>Comprehensive income attributable to</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders of Schindler Holding Ltd.</td>
<td></td>
<td>532</td>
<td>834</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td></td>
<td>47</td>
<td>45</td>
</tr>
</tbody>
</table>
### Consolidated Financial Statements

#### Consolidated balance sheet

**Assets**

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>Note</th>
<th>31.12.2015</th>
<th>%</th>
<th>Restated&lt;sup&gt;1&lt;/sup&gt;</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1</td>
<td>1 975</td>
<td>23.9</td>
<td>2 722</td>
<td>30.5</td>
</tr>
<tr>
<td>Marketable securities</td>
<td>12</td>
<td>557</td>
<td>6.7</td>
<td>321</td>
<td>3.6</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>13</td>
<td>1 652</td>
<td>20.0</td>
<td>1 696</td>
<td>19.0</td>
</tr>
<tr>
<td>Taxes receivable</td>
<td></td>
<td>75</td>
<td>0.9</td>
<td>78</td>
<td>0.9</td>
</tr>
<tr>
<td>Net assets from construction contracts</td>
<td>14</td>
<td>644</td>
<td>7.8</td>
<td>662</td>
<td>7.4</td>
</tr>
<tr>
<td>Inventories</td>
<td>15</td>
<td>435</td>
<td>5.3</td>
<td>508</td>
<td>5.7</td>
</tr>
<tr>
<td>Prepaid expenses and accrued income</td>
<td></td>
<td>131</td>
<td>1.6</td>
<td>130</td>
<td>1.4</td>
</tr>
<tr>
<td>Assets held for sale</td>
<td></td>
<td>6</td>
<td>0.1</td>
<td>6</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td></td>
<td>5 475</td>
<td>66.3</td>
<td>6 123</td>
<td>68.6</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant, and equipment</td>
<td>16</td>
<td>848</td>
<td>10.3</td>
<td>802</td>
<td>9.0</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>17</td>
<td>870</td>
<td>10.5</td>
<td>985</td>
<td>11.0</td>
</tr>
<tr>
<td>Associates</td>
<td>19</td>
<td>220</td>
<td>2.7</td>
<td>227</td>
<td>2.5</td>
</tr>
<tr>
<td>Long-term financial assets</td>
<td>20</td>
<td>529</td>
<td>6.4</td>
<td>504</td>
<td>5.7</td>
</tr>
<tr>
<td>Deferred taxes</td>
<td>21</td>
<td>317</td>
<td>3.8</td>
<td>284</td>
<td>3.2</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td></td>
<td>2 784</td>
<td>33.7</td>
<td>2 802</td>
<td>31.4</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
<td>8 259</td>
<td>100.0</td>
<td>8 925</td>
<td>100.0</td>
</tr>
</tbody>
</table>

<sup>1</sup> See note 2.1
## Liabilities and equity

<table>
<thead>
<tr>
<th>Note</th>
<th>31.12.2014</th>
<th>31.12.2015</th>
<th>%</th>
<th>Restated</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>22</td>
<td>879</td>
<td>10.6</td>
<td>907</td>
<td>10.2</td>
</tr>
<tr>
<td>Financial debts</td>
<td>23</td>
<td>813</td>
<td>9.8</td>
<td>409</td>
<td>4.6</td>
</tr>
<tr>
<td>Taxes payable</td>
<td>101</td>
<td>1.2</td>
<td>126</td>
<td>1.4</td>
<td></td>
</tr>
<tr>
<td>Net liabilities from construction contracts</td>
<td>14</td>
<td>1 128</td>
<td>13.8</td>
<td>1 250</td>
<td>14.0</td>
</tr>
<tr>
<td>Accrued expenses and deferred income</td>
<td>24</td>
<td>1 620</td>
<td>19.6</td>
<td>1 497</td>
<td>16.8</td>
</tr>
<tr>
<td>Provisions</td>
<td>25</td>
<td>144</td>
<td>1.7</td>
<td>137</td>
<td>1.5</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>4 685</td>
<td>56.7</td>
<td>4 326</td>
<td>48.5</td>
<td></td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial debts</td>
<td>23</td>
<td>100</td>
<td>1.2</td>
<td>540</td>
<td>6.0</td>
</tr>
<tr>
<td>Provisions</td>
<td>25</td>
<td>334</td>
<td>4.1</td>
<td>330</td>
<td>3.7</td>
</tr>
<tr>
<td>Deferred taxes</td>
<td>21</td>
<td>107</td>
<td>1.3</td>
<td>107</td>
<td>1.2</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>26</td>
<td>676</td>
<td>8.2</td>
<td>651</td>
<td>7.3</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>1 217</td>
<td>14.8</td>
<td>1 628</td>
<td>18.2</td>
<td></td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>5 902</td>
<td>71.5</td>
<td>5 954</td>
<td>66.7</td>
<td></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share capital and participation capital</td>
<td>27</td>
<td>11</td>
<td>0.1</td>
<td>11</td>
<td>0.1</td>
</tr>
<tr>
<td>Share premium</td>
<td>311</td>
<td>3.8</td>
<td>311</td>
<td>3.5</td>
<td></td>
</tr>
<tr>
<td>Treasury shares</td>
<td>27</td>
<td>–819</td>
<td>–9.9</td>
<td>–143</td>
<td>–1.6</td>
</tr>
<tr>
<td>Exchange differences</td>
<td>–798</td>
<td>–9.7</td>
<td>–697</td>
<td>–7.8</td>
<td></td>
</tr>
<tr>
<td>Other reserves</td>
<td>27</td>
<td>122</td>
<td>1.5</td>
<td>113</td>
<td>1.3</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>3 449</td>
<td>41.7</td>
<td>3 270</td>
<td>36.6</td>
<td></td>
</tr>
<tr>
<td><strong>Equity of the shareholders of Schindler Holding Ltd.</strong></td>
<td>2 276</td>
<td>27.5</td>
<td>2 865</td>
<td>32.1</td>
<td></td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>81</td>
<td>1.0</td>
<td>106</td>
<td>1.2</td>
<td></td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>2 357</td>
<td>28.5</td>
<td>2 971</td>
<td>33.3</td>
<td></td>
</tr>
<tr>
<td><strong>Total liabilities and equity</strong></td>
<td>8 259</td>
<td>100.0</td>
<td>8 925</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

1 See note 2.1
### Consolidated cash flow statement

<table>
<thead>
<tr>
<th>Description</th>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit before taxes</td>
<td></td>
<td>982</td>
<td>1 149</td>
</tr>
<tr>
<td>Financial result</td>
<td>8</td>
<td>29</td>
<td>35</td>
</tr>
<tr>
<td>Income from associates</td>
<td>9</td>
<td>–9</td>
<td>–46</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td></td>
<td>1 002</td>
<td>1 138</td>
</tr>
<tr>
<td>Depreciation, amortization, and impairment</td>
<td>16, 17</td>
<td>144</td>
<td>157</td>
</tr>
<tr>
<td>Change in provisions</td>
<td>7</td>
<td></td>
<td>–14</td>
</tr>
<tr>
<td>Other non-cash items</td>
<td>29</td>
<td>69</td>
<td>–195</td>
</tr>
<tr>
<td>Dividends received</td>
<td>11</td>
<td>46</td>
<td></td>
</tr>
<tr>
<td>Interest received</td>
<td>26</td>
<td>33</td>
<td></td>
</tr>
<tr>
<td>Interest paid</td>
<td>–16</td>
<td>–21</td>
<td></td>
</tr>
<tr>
<td>Other financial result</td>
<td>12</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>–284</td>
<td>–266</td>
<td></td>
</tr>
<tr>
<td>Change in net working capital</td>
<td></td>
<td>105</td>
<td>20</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td></td>
<td>1 076</td>
<td>902</td>
</tr>
<tr>
<td>Additions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant, and equipment</td>
<td>16</td>
<td>–183</td>
<td>–183</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>17</td>
<td>–13</td>
<td>–8</td>
</tr>
<tr>
<td>Associates</td>
<td>–5</td>
<td>–3</td>
<td></td>
</tr>
<tr>
<td>Marketable securities / Long-term financial assets</td>
<td></td>
<td>–730</td>
<td>–535</td>
</tr>
<tr>
<td><strong>Disposals</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant, and equipment</td>
<td>16</td>
<td>5</td>
<td>17</td>
</tr>
<tr>
<td>Associates</td>
<td>3</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Marketable securities / Long-term financial assets</td>
<td></td>
<td>440</td>
<td>690</td>
</tr>
<tr>
<td>Assets held for sale</td>
<td>–</td>
<td>37</td>
<td></td>
</tr>
<tr>
<td>Disposals of Group companies</td>
<td>–</td>
<td>48</td>
<td></td>
</tr>
<tr>
<td>Business combinations</td>
<td>–19</td>
<td>48</td>
<td></td>
</tr>
<tr>
<td><strong>Cash flow from investing activities</strong></td>
<td></td>
<td>–502</td>
<td>111</td>
</tr>
<tr>
<td>Proceeds from increase in financial debts</td>
<td>13</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>Repayments of financial debts</td>
<td>–63</td>
<td>–240</td>
<td></td>
</tr>
<tr>
<td>Acquisition of non-controlling interests</td>
<td>–78</td>
<td>–3</td>
<td></td>
</tr>
<tr>
<td>Purchase of treasury shares</td>
<td>27</td>
<td>–784</td>
<td>–93</td>
</tr>
<tr>
<td>Disposal of treasury shares</td>
<td>27</td>
<td>22</td>
<td>17</td>
</tr>
<tr>
<td>Dividends paid to the shareholders of Schindler Holding Ltd.</td>
<td>39</td>
<td>–355</td>
<td>–245</td>
</tr>
<tr>
<td>Dividends paid to non-controlling interests</td>
<td>–53</td>
<td>–14</td>
<td></td>
</tr>
<tr>
<td><strong>Cash flow from financing activities</strong></td>
<td></td>
<td>–1 298</td>
<td>–554</td>
</tr>
<tr>
<td>Exchange differences</td>
<td>–23</td>
<td>35</td>
<td></td>
</tr>
<tr>
<td><strong>Change in cash and cash equivalents</strong></td>
<td></td>
<td>–747</td>
<td>494</td>
</tr>
<tr>
<td>Cash and cash equivalents as at January 1</td>
<td></td>
<td>2 722</td>
<td>2 228</td>
</tr>
<tr>
<td>Cash and cash equivalents as at December 31</td>
<td></td>
<td>1 975</td>
<td>2 722</td>
</tr>
</tbody>
</table>

1 See note 2.1
## Consolidated statement of changes in equity

<table>
<thead>
<tr>
<th></th>
<th>Share and conservative interests</th>
<th>Share and non-controlling interests</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Common stock PC capital (in CHF million)</td>
<td>Premium</td>
<td>Treasury shares</td>
</tr>
<tr>
<td>December 31, 2013</td>
<td>12</td>
<td>311</td>
<td>-639</td>
</tr>
<tr>
<td>January 1, 2014</td>
<td>12</td>
<td>311</td>
<td>-639</td>
</tr>
<tr>
<td>Net profit</td>
<td>862</td>
<td>862</td>
<td>862</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>53</td>
<td>90</td>
<td>-171</td>
</tr>
<tr>
<td>Comprehensive income</td>
<td>53</td>
<td>90</td>
<td>691</td>
</tr>
<tr>
<td>Dividends</td>
<td>-245</td>
<td>-245</td>
<td>-245</td>
</tr>
<tr>
<td>Cancellation of treasury shares</td>
<td>-1</td>
<td>552</td>
<td>-551</td>
</tr>
<tr>
<td>Change in treasury shares</td>
<td>-56</td>
<td>-56</td>
<td>-56</td>
</tr>
<tr>
<td>Share-based payments</td>
<td>19</td>
<td>19</td>
<td>19</td>
</tr>
<tr>
<td>Business combinations</td>
<td>44</td>
<td>44</td>
<td>44</td>
</tr>
<tr>
<td>December 31, 2014</td>
<td>11</td>
<td>311</td>
<td>-143</td>
</tr>
<tr>
<td>Net profit</td>
<td>689</td>
<td>689</td>
<td>689</td>
</tr>
<tr>
<td>Comprehensive income</td>
<td>-101</td>
<td>9</td>
<td>624</td>
</tr>
<tr>
<td>Dividends</td>
<td>-355</td>
<td>-355</td>
<td>-355</td>
</tr>
<tr>
<td>Cancellation of treasury shares</td>
<td>-66</td>
<td>66</td>
<td>66</td>
</tr>
<tr>
<td>Change in treasury shares</td>
<td>-742</td>
<td>-742</td>
<td>-742</td>
</tr>
<tr>
<td>Share-based payments</td>
<td>27</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>Change in liabilities towards non-controlling interests</td>
<td>37</td>
<td>37</td>
<td>37</td>
</tr>
<tr>
<td>December 31, 2015</td>
<td>11</td>
<td>311</td>
<td>-819</td>
</tr>
</tbody>
</table>

¹ See note 2.1
1 Business activities
The Schindler Group is one of the world’s leading suppliers of elevators, escalators, and moving walks. It is active in the areas of production, installation, maintenance, and modernization in the most important markets around the globe.

The registered shares and participation certificates of Schindler Holding Ltd. are traded on the SIX Swiss Exchange.

2 Basis of preparation
The Schindler Group’s consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and are compliant with the Swiss Code of Obligations. The consolidated financial statements are prepared using the accrual basis of accounting and the historical cost approach with the exception of financial instruments, which are measured at fair value or at amortized cost. The reporting periods of all Group companies (directly or indirectly controlled by Schindler Holding Ltd.) end on December 31.

2.1 Main changes in accounting principles
2.1.1 Changes in IFRS
The following amended IFRS standards were applied with effect from January 1, 2015:
– Defined Benefit Plans: Employee Contributions – Amendments to IAS 19
– Annual Improvements to IFRSs 2010–2012 Cycle
– Annual Improvements to IFRSs 2011–2013 Cycle

As of January 1, 2015, the Schindler Group applied the amended IFRS standard Defined Benefit Plans: Employee Contributions – Amendments to IAS 19. In accordance with the option introduced, the Schindler Group now recognizes employee contributions in the period in which the related service is rendered. This resulted in an increase in the defined benefit obligation in the amount of CHF 29 million as of January 1, 2014, and December 31, 2014 (CHF 25 million after tax). The amendment was applied retrospectively, in accordance with IAS 8. The impacts on the income statement are not significant.

The application of the other changes did not have any material impact on accounting practices or on the Schindler Group’s financial position, results of operations, and cash flows.

2.1.2 Changes in presentation
The presentation of equity in the consolidated balance sheet and consequently in the consolidated statement of changes in equity was adjusted for the reporting year. Equity positions such as share premium, treasury shares, and exchange differences are newly disclosed on the face of the consolidated balance sheet and consolidated statement of changes in equity. This change is intended to further enhance transparency and to increase the relevance of the information provided.
Furthermore, the presentation of the consolidated cash flow statement has been adjusted to incorporate dividends received, taxes paid, interest received, and interest paid directly as part of cash flow from operating activities. Previously, these items were disclosed separately.

For both changes in presentation prior periods have been adjusted accordingly.

2.2 Published standards, interpretations, and amendments not yet applied
The impact of IFRS 9 – Financial Instruments (effective date: January 1, 2018), IFRS 15 – Revenue from Contracts with Customers (effective date: January 1, 2018) and IFRS 16 – Leases (effective date: January 1, 2019) on accounting practices is currently being analyzed. There are no plans for an early adoption of the standards prior to the mandatory effective date.

The other amendments to IFRS are currently not expected to have any material impact on accounting practices or on the Schindler Group’s financial position, results of operations, and cash flows.

2.3 Significant estimates and judgments
The consolidated financial statements prepared in accordance with IFRS contain certain assumptions and estimates that influence the figures presented in this report. They are based on analyses and judgments, which are continuously reviewed and adapted if necessary. The actual results may differ from these estimates.

2.3.1 Estimates and assumptions
Taxes
Current income taxes are calculated on the basis of the results for the reporting year. The actual amount of income tax due may differ from the amount that was originally calculated because the final tax assessment may be made several years after the end of the reporting year. Risks resulting thereof are identified, assessed and recorded if necessary. Deferred tax assets are calculated on the basis of significant estimates. The underlying forecasts cover a period of several years and include interpretations of existing tax laws and regulations.

Provisions
Provisions contain a greater degree of estimation than other balance sheet items and can therefore result in a higher or lower outflow of resources, depending on the development of the relevant situation. Provisions for product liability as well as self-insurance are based on actuarial reports. They take account of all units under maintenance (product liability) and all employees (self-insurance), as well as the probability of occurrence based on historical experience. The amounts recorded as provisions are therefore subject to a degree of uncertainty both in terms of timing and the level of future cash outflows.
Employee benefits
The annual reappraisal of various defined benefit plans depends on long-term actuarial assumptions that may differ from actual future developments. The determination of the discount rate and of future changes in salaries/wages are important assumptions in actuarial valuations.

2.3.2 Judgments

Associates
In general, the Schindler Group is assumed to have significant influence over companies in which it has an investment of more than 20%. However, qualitative factors must also be taken into account in the assessment. In the previous year, the Schindler Group had no significant influence over Hyundai Elevator Co. Ltd., in which it held a 21.5% investment, as it has no representative on the board of directors and has no access to detailed information about the company. Furthermore, no transactions are executed between the Schindler Group and Hyundai Elevator Co. Ltd. Since August 15, 2011, this investment has therefore no longer been recognized as an associate and is, instead, reported as a long-term available-for-sale financial asset. In the reporting year, the investment was diluted to 17.1% (see note 20).

3 Summary of main accounting principles

3.1 Consolidation

3.1.1 Scope of consolidation
The consolidated financial statements include the annual financial statements of Schindler Holding Ltd., Hergiswil, Switzerland, and of all companies controlled by Schindler Holding Ltd. (Group companies).

There were no material changes to the scope of consolidation during the reporting year. In 2014, Schindler sold its 74% participation in EbiSquare AG, Ebikon, Switzerland (see note 7), and it consolidated XJ-Schindler (Xuchang) Elevator Co. Ltd., Henan, China, for the first time (see note 28).

An overview of material Group companies is provided in note 38.

3.1.2 Consolidation principles
The consolidated financial statements are based on the annual financial statements of the individual Group companies that are prepared according to a uniform set of accounting and reporting principles. These companies are controlled directly or indirectly by Schindler Holding Ltd. Control exists if Schindler is exposed, or has rights, to variable returns or if it has the ability to affect the amount of those returns through its power over a company. When assessing whether Schindler has power over a company, the voting rights held (normally a share of more than 50% of voting rights) and other contractual agreements, as well as operational responsibility, are taken into account.
The assets, liabilities, income, and expenses of all Group companies are consolidated. Non-controlling interests are reported separately. All intra-Group relationships and transactions are eliminated upon consolidation; this includes unrealized profits between Group companies.

Companies acquired in the reporting period are included in the consolidated financial statements from the date on which the Group obtained control of their business activities. Companies sold by the Group are consolidated until the date on which control is transferred to the acquirer.

Companies in which Schindler has significant influence but which are not controlled by Schindler are classified as associates and accounted for using the equity method.

3.1.3 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. Acquisition costs comprise the consideration paid, including the proportion of the purchase price retained for contractual representations and warranties, and contingent consideration. The latter is recognized at fair value on the transaction date. Subsequent changes in the fair value of contingent consideration are recognized in the income statement. Transaction costs are recognized as operating expenses.

Net assets acquired comprise identifiable assets, liabilities, and contingent liabilities and are recognized at fair value. Identifiable intangible assets mainly consist of service portfolios. The difference between the acquisition costs and the fair value of the proportionate interest in the net assets acquired is recognized as goodwill.

Non-controlling interests are generally recognized in the balance sheet according to their proportionate share of the fair value of the net assets acquired.

Goodwill and changes in the fair value of the net assets are recognized in the assets and liabilities of the acquiree in its functional currency. Goodwill is allocated to those cash-generating units that are expected to benefit from the acquisition and/or to generate future cash flows.

If the Schindler Group gains control of an associate (business combination achieved in stages), the previously held interests are measured at fair value at the acquisition date. Any gain or loss resulting from the remeasurement is recognized in other income. Items previously recognized in other comprehensive income are reclassified to profit or loss where required.

In the case of acquisitions, it is common practice for the Schindler Group to acquire call options and to write put options for the remaining interests that were not acquired. Shares of the profits continue to be allocated to the non-controlling interests. Liabilities from written put options are measured at the present value of the redemption amount. These financial liabilities are remeasured annually and the resulting differences are recorded in retained earnings without any impact on the income statement.
3.1.4 Change in interests held and disposals
Changes in the interests held in Group companies are recognized as equity transactions provided that control is maintained. If control of a Group company is lost, e.g. through its sale, the difference between the consideration received and the net assets disposed of, plus accumulated exchange differences, is reported as other income in the income statement.

3.1.5 Associates
The carrying amount of associates comprises goodwill and the proportionate fair value of the net assets. The Group’s share of the associated income as well as amortization and impairments are recognized in the income statement as income from associates. Exchange differences are recognized in other comprehensive income. In the event of a partial or complete sale of an associate, the difference between the consideration received and the carrying amount plus components of other comprehensive income, where required, are recognized in the income statement as income from associates.

3.2 Translation of foreign currency
The functional currency of Group companies is generally the currency used in the primary economic environment in which they operate. Transactions in foreign currencies are translated at the exchange rate that applied on the transaction date. Exchange rate gains and losses resulting from such transactions or from the revaluation of foreign currency assets and liabilities at the balance sheet date are recognized as financial income or expenses.

The annual financial statements of Group companies that are reported in foreign currencies are for consolidation purposes translated into Swiss francs as follows: balance sheet at year-end rates, and the income statement, statement of comprehensive income, and cash flow statement at average rates or at the spot rate for significant transactions.

The change in accumulated exchange differences from the translation of foreign companies is reported in other comprehensive income. If the company is sold, or if part of it is sold and control is lost, the accumulated exchange differences are reclassified to the income statement. Accumulated exchange differences are also recognized in the income statement when control is gained over an associate.

The exchange rates for the most significant foreign currencies are as follows:

<table>
<thead>
<tr>
<th>Currency</th>
<th>2015 Year-end rate</th>
<th>2015 Average rate</th>
<th>2014 Year-end rate</th>
<th>2014 Average rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eurozone</td>
<td>EUR 1.09</td>
<td>1.08</td>
<td>EUR 1.20</td>
<td>1.22</td>
</tr>
<tr>
<td>USA</td>
<td>USD 1.00</td>
<td>0.97</td>
<td>USD 0.99</td>
<td>0.92</td>
</tr>
<tr>
<td>Brazil</td>
<td>BRL 25.16</td>
<td>29.47</td>
<td>BRL 37.30</td>
<td>39.08</td>
</tr>
<tr>
<td>China</td>
<td>CNY 15.30</td>
<td>15.38</td>
<td>CNY 15.94</td>
<td>14.89</td>
</tr>
</tbody>
</table>
3.3 Segment reporting
The Schindler Group consists of one operating segment for which reports are submitted to the Supervisory and Nomination Committee (Chief Operating Decision Maker). These reports form the basis for the evaluation of performance and the allocation of resources.

3.4 Revenue recognition
Income from construction contracts is determined based on the stage of completion of the contract and recognized as revenue (see note 3.8). Anticipated losses on construction contracts are recognized as provisions.

Income from other customer contracts, particularly repairs, is recognized as revenue at the date when they are performed. Maintenance is generally provided periodically and revenue is therefore recognized on a straight-line basis. Discounts, sales taxes, and other sales-related reductions in income are deducted from revenue.

3.5 Cash and cash equivalents
Cash and cash equivalents include cash on hand, current accounts, and time deposits with an original maturity of a maximum of 3 months.

3.6 Marketable securities
Time deposits with a maturity of 3 to 12 months or a residual maturity of up to 12 months, as well as financial instruments that Schindler intends to hold on a short-term basis, are recognized as marketable securities.

3.7 Accounts receivable
Trade accounts receivable and other receivables do not bear interest and are reported at face value less allowances for bad debts.

Bad debt allowances are based on internal guidelines that require individual value adjustments to first be undertaken. Taking account of their age structure and based on historical experience, certain residual balances are subject to additional allowances of between 33% and 100%.

3.8 Construction contracts
Construction contracts are recognized using the percentage of completion (PoC) method. Construction contracts mainly comprise all orders for new installations and the modernization of existing installations. The percentage of work completed is determined by measuring the stage of completion of a contract according to the cost-to-cost method, under which the accumulated costs to date are expressed as a percentage of the expected total costs. After offsetting progress payments from customers, work in progress is recognized as net assets or net liabilities from construction contracts.
3.9 Inventories
Inventories are recognized at the lower of cost of purchase or production cost or the net realizable value. The cost of purchase or production cost is calculated using the weighted average cost method. The net realizable value corresponds to the estimated sales proceeds less the estimated cost of completion. Based on a range analysis, items with a slow rate of turnover are written down by 20% to 100%. Technically obsolete items are written off.

3.10 Property, plant, and equipment
Property, plant, and equipment as well as investment properties not used for operational purposes are valued at cost less accumulated depreciation. Borrowing costs related to qualifying assets are capitalized.

Property, plant, and equipment are depreciated on a straight-line basis over their useful life. Land is not depreciated systematically. In the event that the impairment test indicates that the carrying amount exceeds the recoverable amount, the carrying amount is reduced accordingly. Impairment losses are recognized in the income statement and reported separately in the notes.

Costs are capitalized if they extend the useful life or expand the production capacity of an asset. The costs of non-value adding maintenance and repairs are recognized immediately as expenses.

Gains and losses from the sale of property, plant, and equipment are recognized as other operating income.

The estimated useful life of the major classes of property, plant, and equipment is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>20–40</td>
</tr>
<tr>
<td>Equipment, machinery</td>
<td>5–10</td>
</tr>
<tr>
<td>Furniture</td>
<td>10</td>
</tr>
<tr>
<td>IT equipment</td>
<td>3–5</td>
</tr>
<tr>
<td>Vehicles</td>
<td>5–10</td>
</tr>
</tbody>
</table>

3.11 Leasing
Property, plant, and equipment acquired through lease contracts where the benefits and risks are substantially transferred to the Group are classified as finance leases. These assets are recognized both in property, plant, and equipment and in financial liabilities at the lower of fair value or the net present value of future minimum lease payments. Assets from finance leases are depreciated over the shorter of their expected useful life or the duration of the contract.

Operating leases are recognized as an operating expense.
### 3.12 Intangible assets

Goodwill, service portfolios acquired from third parties, licenses, patents and similar rights, as well as software are recognized as intangible assets.

All intangible assets with finite useful lives are amortized using the straight-line method. They are also tested for impairment whenever there are indications that impairment may have occurred. Goodwill is not amortized systematically but is, instead, tested for impairment annually, or whenever there are indications that impairment may have occurred.

Impairment losses are recognized in the income statement and disclosed separately in the notes. Impairment expenses from earlier periods may be reversed in the case of intangible assets, with the exception of goodwill.

The estimated useful life of intangible assets is as follows:

<table>
<thead>
<tr>
<th>Service portfolio</th>
<th>5–20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Software</td>
<td>3–5</td>
</tr>
<tr>
<td>Rights, patents, and licenses</td>
<td>3–10</td>
</tr>
</tbody>
</table>

### 3.13 Research and development

Order-related development costs are capitalized as work in progress; other research and development costs are charged to the income statement in the period in which they occur. Development costs for new products are not capitalized, since experience shows that future economic benefits can only be proven when the products are successfully launched in the market.

### 3.14 Financial instruments

#### 3.14.1 Financial assets

**Categorization and measurement**

Financial assets comprise cash and cash equivalents, accounts receivable, marketable securities, and other long-term financial assets. Marketable securities are divided into short- and long-term marketable securities. Time deposits with a residual maturity of more than 12 months are recognized as marketable securities under long-term financial assets.
Financial assets are divided into the following categories:

<table>
<thead>
<tr>
<th>Category</th>
<th>Type of financial assets</th>
<th>Measurement at initial recognition</th>
<th>Subsequent measurement</th>
</tr>
</thead>
</table>
| At fair value through profit or loss | - Held for trading  
- Designated at initial recognition  
- Derivatives (unless designated for hedge accounting) | - At fair value                  | - At fair value  
- All value changes are reported through profit and loss                                  |
| Loans and receivables             | - Non-derivative assets with fixed or determinable payments not quoted in active markets | - At fair value including transaction cost | - At amortized cost using the effective interest method                                  |
| Available-for-sale                | - All other financial assets                                        | - At fair value including transaction cost | - At fair value  
- Unrealized value changes are reported through other comprehensive income  
- Interest, foreign currency fluctuations, and dividends are recognized through profit and loss  
- On sale, impairment, or other derecognition the accumulated gains and losses recognized in other comprehensive income are reclassified to profit and loss |

All purchases and sales are recognized at trade date, i.e. the date at which the commitment to purchase or sell the asset is entered into.

Financial assets are derecognized when control of them is lost, i.e., when the related rights to the resulting cash flows are sold or expire.

Impairment
Whenever there is objective evidence of possible impairment (e.g. serious financial difficulties of the debtor, insolvency proceedings, etc.), the carrying amounts of financial assets not measured at fair value through profit or loss are tested to determine whether impairment has actually occurred. Impairment expenses are recognized through profit or loss.

In the case of available-for-sale financial instruments, evaluations are carried out to identify significant or prolonged declines in market prices below original cost. The evaluations take account of factors such as the length and extent of the decrease in market prices below original cost, as well as historical price movements. If the requirements are met, an impairment is recognized through profit or loss. Further declines in market prices that occur after an impairment has been recorded are recognized in the income statement. However, reversals of impairment losses are recognized in other comprehensive income.

3.14.2 Financial liabilities
Financial liabilities comprise financial debt instruments issued, especially trade accounts payable, liabilities to banks, liabilities from finance leases, derivative financial liabilities, and financial debts.
Financial debt instruments issued are divided into two categories:

<table>
<thead>
<tr>
<th>Category</th>
<th>Type of financial liabilities</th>
<th>Measurement at initial recognition</th>
<th>Subsequent measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>At fair value through profit or loss</td>
<td>– Held for trading</td>
<td>– At fair value</td>
<td>– At fair value</td>
</tr>
<tr>
<td></td>
<td>– Designated at initial recognition</td>
<td></td>
<td>– All value changes are reported through profit and loss</td>
</tr>
<tr>
<td></td>
<td>– Derivatives (unless designated for hedge accounting)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>– All other financial liabilities</td>
<td>– At fair value including transaction cost</td>
<td>– At amortized cost using effective interest method</td>
</tr>
</tbody>
</table>

### 3.14.3 Derivative financial instruments and hedge accounting
Schindler hedges interest rate risks and foreign currency risks arising from its operational activities, financial transactions, and investments using derivative financial instruments. These instruments are measured at fair value. The initial measurement at fair value occurs on the date on which derivative contracts are entered into. They are subsequently recognized at fair value through profit or loss unless the derivative financial instrument was designated for hedge accounting.

For hedge accounting to be applied, various criteria must be fulfilled relating to documentation, probability of occurrence, effectiveness of the hedging instrument, and reliability of the valuation. The Schindler Group decides on an individual basis whether hedge accounting is applied.

Changes in value resulting from cash flow hedge accounting are recognized in other comprehensive income and reclassified to the income statement when the underlying transaction occurs. Ineffective changes in the fair value of designated derivatives are recognized immediately in the financial result.

### 3.14.4 Fair value hierarchy
All financial instruments are assigned to one of the following fair value levels according to the input data available:

Level 1: Fair values for which quoted prices in active markets are available.

Level 2: Fair values determined on the basis of observable market data. The data must take account of either quoted prices in inactive markets or prices that are not quoted. Furthermore, such fair values can also be derived indirectly from prices.

Level 3: Fair values that are determined on the basis of unobservable input data.

### 3.14.5 Treasury shares
Treasury shares (including registered shares and participation certificates) are reported as a deduction in equity. The cost of purchasing treasury shares, gains or losses realized on the sale, and other changes in the number or amount of treasury shares held are recognized in equity.
3.15 Provisions
Provisions are only recorded if Schindler has a probable obligation (legal or constructive) to third parties as a result of a past event and if the obligation can be reliably estimated. Existing provisions are reassessed at every balance sheet date.

Long-term provisions are discounted at a risk-adjusted interest rate. The increase in the present value of the provisions that arises from the passage of time is recognized as interest expense.

Restructuring provisions are calculated and recognized on the basis of the restructuring plans that have been announced. Provisions for product liability as well as self-insurance are based on external actuarial reports that are drawn up annually.

3.16 Taxes

3.16.1 Current income taxes
Current income taxes are determined on the basis of the results for the reporting year, taking account of national tax laws in the relevant jurisdictions. Additional tax payments or tax refunds that are expected to be made or have been made for previous years are taken into account.

3.16.2 Deferred taxes
Deferred taxes are recognized in accordance with the liability method. The income tax effects of temporary differences between the balance sheet values that are relevant for the consolidated financial statements and the tax base are recognized accordingly.

Deferred tax assets from unused tax loss carryforwards, as well as deductible temporary differences, are recognized if it is probable that the corresponding tax benefits can be realized. Forecasts serve as the basis for this assessment. Deferred tax liabilities are calculated on all taxable temporary differences.

The change in deferred tax assets and liabilities is recognized as tax expense. If underlying factors leading to a change in deferred tax assets and liabilities are recognized directly in other comprehensive income, the change in deferred tax assets and liabilities is also recognized directly in other comprehensive income.

3.17 Employee benefits
The Schindler Group has both defined contribution plans and defined benefit plans. Its defined benefit plans are covered by separately held assets or are funded directly by the Schindler Group.

In the case of defined contribution plans, contributions are paid to publicly or privately administered pension plans on a statutory, contractual, or voluntary basis. The Schindler Group has no further payment obligations once the contributions have been paid. The contributions are recognized as personnel expenses.
The aggregate of the present value of the defined benefit obligation and the fair value of plan assets for each plan is recognized in the balance sheet as a net defined benefit liability or net defined benefit asset. The defined benefit obligation is determined annually by independent actuaries using the projected unit credit method. Employee contributions are recognized in the period in which the related service is rendered. Plan assets are not available to the creditors of the Schindler Group, nor can they be paid directly to the Group.

Pension costs consist of three elements: service costs, net interest, and remeasurements of employee benefits.

- Service costs are part of personnel expenses and consist of current service costs, past service costs (gains/losses from plan amendments or curtailments), and gains/losses from plan settlements.
- Net interest is recorded in the financial result and is determined by applying the discount rate to the net defined benefit liability or net defined benefit asset that exists at the beginning of the year.
- Gains and losses resulting from the actuarial valuation are recorded in other comprehensive income as remeasurements of employee benefits. The return on plan assets (excluding interest based on the discount rate) and any change in the effect of an asset ceiling are also recorded in this item. Remeasurements of employee benefits are not reclassified to the income statement.

Significant other long-term employee benefits (mainly jubilee benefits) are also measured using the projected unit credit method.

Termination benefits are recognized on the date on which the Schindler Group can no longer withdraw the offer of this type of benefit or on which restructuring provisions are recorded.

3.18 Share-based payments

Executive members of the Board of Directors of Schindler Holding Ltd. and members of the Group Executive Committee and other managers receive share-based payments.

Share-based payments are settled with treasury shares of Schindler Holding Ltd., of which the Group usually holds the required amount. As a result, no additional shares or participation certificates are issued. Issued options allow for the purchase of shares or participation certificates and are not settled with cash or cash equivalents. The same applies to Performance Share Units.

The fair value of share-based payments is determined at grant date. At the same date, or over the period until the beneficiary is entitled to receive the award, the amount is charged to personnel expenses and recognized as an increase in equity.
4 Revenue

In CHF million

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Billings</td>
<td>9,126</td>
<td>8,890</td>
</tr>
<tr>
<td>Change in work in progress (PoC)</td>
<td>228</td>
<td>328</td>
</tr>
<tr>
<td>Other operating revenue</td>
<td>34</td>
<td>27</td>
</tr>
<tr>
<td>Capitalized own production</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>9,391</td>
<td>9,246</td>
</tr>
</tbody>
</table>

Billings comprise all goods and services rendered and invoiced in the areas of production, installation, maintenance, and modernization less any discounts granted. Changes in work in progress that have not yet been invoiced are recognized using the percentage of completion (PoC) method. CHF 5,352 million of total revenue was determined using the PoC method (previous year: CHF 5,150 million).

5 Personnel expenses

In CHF million

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and wages</td>
<td></td>
<td>2,853</td>
<td>2,868</td>
</tr>
<tr>
<td>Cost of defined benefit plans</td>
<td>26</td>
<td>56</td>
<td>56</td>
</tr>
<tr>
<td>Cost of defined contribution plans</td>
<td></td>
<td>83</td>
<td>78</td>
</tr>
<tr>
<td>Share-based payments</td>
<td></td>
<td>27</td>
<td>19</td>
</tr>
<tr>
<td>Other personnel expenses</td>
<td></td>
<td>288</td>
<td>272</td>
</tr>
<tr>
<td><strong>Total personnel expenses</strong></td>
<td></td>
<td>3,307</td>
<td>3,293</td>
</tr>
</tbody>
</table>

Other personnel expenses primarily consist of social and insurance benefits.

6 Other operating expenses

In CHF million

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production, installation, maintenance, transport, and subcontractors</td>
<td>851</td>
<td>812</td>
</tr>
<tr>
<td>Employee-related expenses</td>
<td>304</td>
<td>303</td>
</tr>
<tr>
<td>Rent and leasing</td>
<td>152</td>
<td>159</td>
</tr>
<tr>
<td>Maintenance and repairs</td>
<td>70</td>
<td>75</td>
</tr>
<tr>
<td>Energy supply, consumables, and packing materials</td>
<td>161</td>
<td>175</td>
</tr>
<tr>
<td>Insurance, fees, and capital taxes</td>
<td>73</td>
<td>80</td>
</tr>
<tr>
<td>Administration and marketing</td>
<td>265</td>
<td>262</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>155</td>
<td>146</td>
</tr>
<tr>
<td>Other operating income</td>
<td>–</td>
<td>–14</td>
</tr>
<tr>
<td><strong>Total other operating expenses</strong></td>
<td>2,031</td>
<td>1,998</td>
</tr>
</tbody>
</table>
7 Other income

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>XJ-Schindler (Xuchang) Elevator Co. Ltd. revaluation gain</td>
<td>28</td>
<td>–</td>
<td>145</td>
</tr>
<tr>
<td>Gain on sale of Mall of Switzerland project</td>
<td>–</td>
<td>82</td>
<td></td>
</tr>
<tr>
<td><strong>Total other income</strong></td>
<td></td>
<td>–</td>
<td>227</td>
</tr>
</tbody>
</table>

In connection with the Mall of Switzerland development project, Schindler sold its 74% participation in EbiSquare AG as well as property, plant, and equipment in 2014. A gain on the sale totaling CHF 82 million was recognized, comprising CHF 51 million from deconsolidation as well as CHF 31 million from property, plant, and equipment held for sale.

8 Financial result

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest</td>
<td>26</td>
<td>34</td>
<td></td>
</tr>
<tr>
<td>Net income from securities</td>
<td>26</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td><strong>Total financial income</strong></td>
<td>52</td>
<td>64</td>
<td></td>
</tr>
<tr>
<td>Hyundai Elevator Co. Ltd. impairment</td>
<td></td>
<td>–</td>
<td>40</td>
</tr>
<tr>
<td>Interest</td>
<td>17</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>Net interest on employee benefits</td>
<td>26</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Increase in the present value of provisions</td>
<td>25</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Net gains/losses on foreign exchange</td>
<td></td>
<td>1</td>
<td>–</td>
</tr>
<tr>
<td>0.375% exchangeable bond 2013–2017 revaluation</td>
<td>23</td>
<td>22</td>
<td>2</td>
</tr>
<tr>
<td>Other financial expenses</td>
<td>20</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td><strong>Total financial expenses</strong></td>
<td>81</td>
<td>99</td>
<td></td>
</tr>
<tr>
<td><strong>Financial result</strong></td>
<td>–29</td>
<td>–35</td>
<td></td>
</tr>
</tbody>
</table>

Other financial expenses mainly comprise bank charges and financial transaction costs.

9 Income from associates

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share of profit or loss of associates</td>
<td></td>
<td>10</td>
<td>47</td>
</tr>
<tr>
<td>Amortization of intangible assets</td>
<td>–1</td>
<td>–1</td>
<td>–1</td>
</tr>
<tr>
<td><strong>Total income from associates</strong></td>
<td></td>
<td>9</td>
<td>46</td>
</tr>
</tbody>
</table>

10 Income taxes

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income taxes for the reporting period</td>
<td></td>
<td>267</td>
<td>287</td>
</tr>
<tr>
<td>Income taxes for previous periods</td>
<td>–10</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Deferred income taxes</td>
<td>–22</td>
<td>–51</td>
<td></td>
</tr>
<tr>
<td><strong>Total income taxes</strong></td>
<td></td>
<td>235</td>
<td>247</td>
</tr>
</tbody>
</table>
Reconciliation of income taxes

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>%</th>
<th>2014</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit before taxes</td>
<td>982</td>
<td>1 149</td>
<td>23.3</td>
<td>21.9</td>
</tr>
<tr>
<td>Weighted average income tax rate as % of profit before taxes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expected income tax expenses</td>
<td>229</td>
<td>252</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax effects of</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>XI-Schindler (Xuchang) Elevator Co. Ltd. revaluation gain</td>
<td>–</td>
<td>–25</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain on sale of Mall of Switzerland project</td>
<td>–</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recognition/utilization of unrecognized tax loss carryforwards</td>
<td>–1</td>
<td>–3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other non-taxable income/other non-deductible expenses</td>
<td>6</td>
<td>–3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-refundable withholding taxes</td>
<td>13</td>
<td></td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>Previous periods</td>
<td>–10</td>
<td></td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Other differences</td>
<td>–2</td>
<td></td>
<td>–3</td>
<td></td>
</tr>
<tr>
<td>Total income taxes</td>
<td>235</td>
<td>23.9</td>
<td>247</td>
<td>21.5</td>
</tr>
</tbody>
</table>

The weighted average tax rate is calculated using the enacted tax rates for the individual Group companies in each jurisdiction. Due to the composition of the Group’s taxable income as well as changes in local tax rates, the average tax rate varies from year to year.

In the previous year, the tax rates were impacted by the gain on the sale of the Mall of Switzerland development project and the gain from the revaluation of the participation in XI-Schindler (Xuchang) Elevator Co. Ltd. (see note 7). Excluding these exceptional items, the weighted average tax rate would have been 23.4% and the actual tax rate would have been 24.7%.

11 Earnings per share and participation certificate

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net profit (shareholders of Schindler Holding Ltd.) in CHF million</td>
<td>689</td>
<td>862</td>
</tr>
<tr>
<td>Shares and participation certificates Number</td>
<td>112 298 113</td>
<td>112 798 885</td>
</tr>
<tr>
<td>Less treasury shares (weighted average) Number</td>
<td>–2 634 294</td>
<td>–1 373 886</td>
</tr>
<tr>
<td>Outstanding shares and participation certificates (weighted average) Number</td>
<td>109 663 819</td>
<td>111 424 999</td>
</tr>
<tr>
<td>Basic earnings per share and participation certificate in CHF</td>
<td>6.28</td>
<td>7.74</td>
</tr>
<tr>
<td>Diluted net profit in CHF million</td>
<td>689</td>
<td>862</td>
</tr>
<tr>
<td>Diluted shares and participation certificates Number</td>
<td>110 095 691</td>
<td>111 922 971</td>
</tr>
<tr>
<td>Diluted earnings per share and participation certificate in CHF</td>
<td>6.26</td>
<td>7.70</td>
</tr>
</tbody>
</table>

Basic earnings per share and per participation certificate are calculated as follows: net profit divided by the weighted average number of outstanding shares and participation certificates. Diluted earnings per share reflect the impact of the share-based payment plans at Schindler Holding Ltd.
### 12 Marketable securities

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time deposits</td>
<td>491</td>
<td>305</td>
</tr>
<tr>
<td>Other marketable securities</td>
<td>66</td>
<td>16</td>
</tr>
<tr>
<td><strong>Total marketable securities</strong></td>
<td><strong>557</strong></td>
<td><strong>321</strong></td>
</tr>
</tbody>
</table>

Other marketable securities mainly comprise bonds and shares.

### 13 Accounts receivable

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade accounts receivable</td>
<td>1 485</td>
<td>1 523</td>
</tr>
<tr>
<td>Associates</td>
<td>10</td>
<td>11</td>
</tr>
<tr>
<td>Other accounts receivable</td>
<td>157</td>
<td>162</td>
</tr>
<tr>
<td><strong>Total accounts receivable</strong></td>
<td><strong>1 652</strong></td>
<td><strong>1 696</strong></td>
</tr>
</tbody>
</table>

#### 13.1 Allowance of receivables

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1</td>
<td>–157</td>
<td>–132</td>
</tr>
<tr>
<td>Setup</td>
<td>–36</td>
<td>–17</td>
</tr>
<tr>
<td>Usage</td>
<td>21</td>
<td>18</td>
</tr>
<tr>
<td>Additions from business combinations</td>
<td>–24</td>
<td>–24</td>
</tr>
<tr>
<td>Exchange differences</td>
<td>10</td>
<td>–2</td>
</tr>
<tr>
<td><strong>December 31</strong></td>
<td>–162</td>
<td>–157</td>
</tr>
</tbody>
</table>

#### 13.2 Aging analysis of receivables

**2015**

<table>
<thead>
<tr>
<th></th>
<th>Total of which</th>
<th>of which overdue</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>carrying amounts</td>
<td>not</td>
</tr>
<tr>
<td>Trade accounts receivable, gross</td>
<td>1 647</td>
<td>505</td>
</tr>
<tr>
<td>Allowance</td>
<td>–162</td>
<td>–1</td>
</tr>
<tr>
<td>Associates</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>Other receivables</td>
<td>157</td>
<td>122</td>
</tr>
<tr>
<td><strong>Total receivables</strong></td>
<td>1 652</td>
<td>629</td>
</tr>
</tbody>
</table>
### 2014

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work in progress (PoC)</td>
<td>1,573</td>
<td>1,574</td>
</tr>
<tr>
<td>Progress payments from customers</td>
<td>−929</td>
<td>−912</td>
</tr>
<tr>
<td><strong>Net assets from construction contracts</strong></td>
<td>644</td>
<td>662</td>
</tr>
<tr>
<td>Work in progress (PoC)</td>
<td>1,135</td>
<td>1,086</td>
</tr>
<tr>
<td>Progress payments from customers</td>
<td>−2,263</td>
<td>−2,336</td>
</tr>
<tr>
<td><strong>Net liabilities from construction contracts</strong></td>
<td>−1,128</td>
<td>−1,250</td>
</tr>
</tbody>
</table>

### 15 Inventories

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw materials, semifinished and finished goods</td>
<td>403</td>
<td>461</td>
</tr>
<tr>
<td>Advance payments to suppliers</td>
<td>32</td>
<td>47</td>
</tr>
<tr>
<td><strong>Total inventories</strong></td>
<td>435</td>
<td>508</td>
</tr>
</tbody>
</table>

Inventories include write-downs and write-offs of CHF 93 million (previous year: CHF 101 million) related to items with a slow rate of turnover and technically obsolete items.

As at the balance sheet date, there are no indications that customers will not meet their payment obligations for trade accounts receivable that are overdue but not impaired.

**14 Construction contracts**

---

### Notes to the consolidated financial statements

*Schindler Financial Statements 2015| Notes to the consolidated financial statements*
### 16 Property, plant, and equipment (PPE)

#### 2015

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>Equipment and Other</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Land</td>
<td>Buildings</td>
<td>machinery</td>
<td>PPE</td>
<td>Total</td>
</tr>
<tr>
<td><strong>Net book values</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>January 1</td>
<td>70</td>
<td>361</td>
<td>172</td>
<td>199</td>
<td>802</td>
</tr>
<tr>
<td>Additions</td>
<td>1</td>
<td>33</td>
<td>40</td>
<td>123</td>
<td>197</td>
</tr>
<tr>
<td>Disposals</td>
<td>–</td>
<td>–1</td>
<td>–3</td>
<td>–2</td>
<td>–6</td>
</tr>
<tr>
<td>Depreciation</td>
<td>–</td>
<td>–21</td>
<td>–38</td>
<td>–43</td>
<td>–102</td>
</tr>
<tr>
<td>Impairment</td>
<td>–</td>
<td>–1</td>
<td>–</td>
<td>–1</td>
<td>–</td>
</tr>
<tr>
<td>Reclassifications</td>
<td></td>
<td>45</td>
<td>11</td>
<td>–56</td>
<td>–</td>
</tr>
<tr>
<td>Exchange differences</td>
<td></td>
<td>–3</td>
<td>–14</td>
<td>–16</td>
<td>–9</td>
</tr>
<tr>
<td>December 31</td>
<td>68</td>
<td>402</td>
<td>166</td>
<td>212</td>
<td>848</td>
</tr>
<tr>
<td>Of which finance leases</td>
<td></td>
<td>2</td>
<td>–</td>
<td>4</td>
<td>6</td>
</tr>
</tbody>
</table>

| Cost | 78 | 680 | 546 | 516 | 1,820 |
| Accumulated depreciation and impairment | –10 | –278 | –380 | –304 | –972 |
| **December 31** | 68 | 402 | 166 | 212 | 848 |

Other property, plant, and equipment includes IT equipment, furniture, vehicles, and assets under construction. As at December 31, 2015, assets under construction totaled CHF 97 million (previous year: CHF 72 million). CHF 56 million (previous year: CHF 72 million) of the assets under construction were reclassified in the reporting year.

In the reporting year, the sale of property, plant, and equipment resulted in losses of CHF 1 million (previous year: gains of CHF 11 million). The sales proceeds are recognized in other operating income or other operating expenses respectively.

Contractual commitments for the acquisition of property, plant, and equipment amount to CHF 39 million (previous year: CHF 26 million).

Land and buildings include investment properties with a net book value of CHF 44 million (previous year: CHF 49 million). The fair value of investment properties is CHF 58 million (previous year: CHF 66 million). Of this sum, CHF 8 million was determined on the basis of external expert opinions (previous year: CHF 11 million). Rental income totaled CHF 4 million (previous year: CHF 5 million). This compares to operating expenses of CHF 2 million (previous year: CHF 3 million). The operating expenses relating to investment properties without rental income totaled CHF 1 million (previous year: CHF 2 million).

Investment properties are valued using the discounted cash flow method. Input factors such as the discount rate, rental income, and increases in rent are used, resulting in a level 3 fair value classification.
### 2014

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>Land</th>
<th>Buildings</th>
<th>machinery</th>
<th>PPE</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>January 1</strong></td>
<td>63</td>
<td>240</td>
<td>135</td>
<td>217</td>
<td>655</td>
</tr>
<tr>
<td><strong>Additions</strong></td>
<td>–</td>
<td>38</td>
<td>57</td>
<td>92</td>
<td>187</td>
</tr>
<tr>
<td><strong>Disposals</strong></td>
<td>–3</td>
<td>–2</td>
<td>–1</td>
<td>–</td>
<td>–6</td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td>–</td>
<td>–18</td>
<td>–35</td>
<td>–45</td>
<td>–98</td>
</tr>
<tr>
<td><strong>Additions from business combinations</strong></td>
<td>–</td>
<td>31</td>
<td>6</td>
<td>4</td>
<td>41</td>
</tr>
<tr>
<td><strong>Reclassifications</strong></td>
<td>8</td>
<td>63</td>
<td>9</td>
<td>–80</td>
<td>–</td>
</tr>
<tr>
<td><strong>Exchange differences</strong></td>
<td>2</td>
<td>9</td>
<td>1</td>
<td>11</td>
<td>23</td>
</tr>
<tr>
<td><strong>December 31</strong></td>
<td>70</td>
<td>361</td>
<td>172</td>
<td>199</td>
<td>802</td>
</tr>
<tr>
<td><strong>Of which finance leases</strong></td>
<td>–</td>
<td>3</td>
<td>–</td>
<td>5</td>
<td>8</td>
</tr>
<tr>
<td><strong>Cost</strong></td>
<td>80</td>
<td>618</td>
<td>557</td>
<td>496</td>
<td>1751</td>
</tr>
<tr>
<td><strong>Accumulated depreciation and impairment</strong></td>
<td>–10</td>
<td>–257</td>
<td>–385</td>
<td>–297</td>
<td>–949</td>
</tr>
<tr>
<td><strong>December 31</strong></td>
<td>70</td>
<td>361</td>
<td>172</td>
<td>199</td>
<td>802</td>
</tr>
</tbody>
</table>
17 Intangible assets

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>Goodwill</th>
<th>Service portfolio</th>
<th>Other intangible assets</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net book values 2015</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>January 1, 2015</td>
<td>773</td>
<td>143</td>
<td>69</td>
<td>985</td>
</tr>
<tr>
<td>Additions</td>
<td>–</td>
<td>–</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Amortization</td>
<td>–</td>
<td>–23</td>
<td>–18</td>
<td>–41</td>
</tr>
<tr>
<td>Additions from business combinations</td>
<td>–</td>
<td>19</td>
<td>–</td>
<td>19</td>
</tr>
<tr>
<td>Exchange differences</td>
<td>–95</td>
<td>–7</td>
<td>–4</td>
<td>–106</td>
</tr>
<tr>
<td><strong>December 31, 2015</strong></td>
<td>678</td>
<td>132</td>
<td>60</td>
<td>870</td>
</tr>
<tr>
<td><strong>Cost</strong></td>
<td>698</td>
<td>408</td>
<td>166</td>
<td>1,272</td>
</tr>
<tr>
<td>Accumulated amortization and impairment</td>
<td>–20</td>
<td>–276</td>
<td>–106</td>
<td>–402</td>
</tr>
<tr>
<td><strong>December 31, 2015</strong></td>
<td>678</td>
<td>132</td>
<td>60</td>
<td>870</td>
</tr>
<tr>
<td><strong>Net book values 2014</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>January 1, 2014</td>
<td>520</td>
<td>178</td>
<td>44</td>
<td>742</td>
</tr>
<tr>
<td>Additions</td>
<td>–</td>
<td>–</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Amortization</td>
<td>–</td>
<td>–26</td>
<td>–12</td>
<td>–38</td>
</tr>
<tr>
<td>Impairment</td>
<td>–7</td>
<td>–14</td>
<td>–</td>
<td>–21</td>
</tr>
<tr>
<td>Additions from business combinations</td>
<td>237</td>
<td>5</td>
<td>25</td>
<td>267</td>
</tr>
<tr>
<td>Exchange differences</td>
<td>23</td>
<td>–</td>
<td>4</td>
<td>27</td>
</tr>
<tr>
<td><strong>December 31, 2014</strong></td>
<td>773</td>
<td>143</td>
<td>69</td>
<td>985</td>
</tr>
<tr>
<td><strong>Cost</strong></td>
<td>793</td>
<td>400</td>
<td>182</td>
<td>1,375</td>
</tr>
<tr>
<td>Accumulated amortization and impairment</td>
<td>–20</td>
<td>–257</td>
<td>–113</td>
<td>–390</td>
</tr>
<tr>
<td><strong>December 31, 2014</strong></td>
<td>773</td>
<td>143</td>
<td>69</td>
<td>985</td>
</tr>
</tbody>
</table>

In 2014, additions from business combinations in goodwill and in other intangible assets resulted from the first-time consolidation of XJ-Schindler (Xuchung) Elevator Co. Ltd. (see note 28).

Impairment losses in the service portfolio of CHF 14 million resulting from changes in estimates of future cash flows in the Saudi Arabia service portfolio were recognized in 2014. The recoverable amount of the service portfolio was CHF 18 million. A pre-tax discount rate of 10.7% was assumed when determining its value.

Other intangible assets comprise licenses, patents, and similar rights, as well as software.
18 Impairment test

In the context of the impairment test the value in use is determined annually in the third quarter using the discounted cash flow method. Future cash flows, discount rates, and other parameters relating to the respective cash-generating units are determined using various assumptions. The estimate for the reporting year and the forecast for the following two years form the basis for the test. Factors such as market conditions, sales volumes, revenue, cost of materials, personnel expenses, and operating expenses, as well as capital expenditure and other economic factors, are based on assumptions that management regards as reasonable. An impairment is recognized if the carrying amount of the cash-generating unit exceeds the recoverable amount.

The calculations were based on the following assumptions:

<table>
<thead>
<tr>
<th>Assumptions used</th>
<th>Pre-tax Goodwill</th>
<th>discount rate</th>
<th>Growth rate</th>
<th>Inflation rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>In CHF million</td>
<td>31.12.2015</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>259</td>
<td>10.9%</td>
<td>3.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Brazil</td>
<td>139</td>
<td>22.9%</td>
<td>4.5%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Germany</td>
<td>119</td>
<td>8.6%</td>
<td>1.9%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Switzerland</td>
<td>51</td>
<td>7.1%</td>
<td>1.0%</td>
<td>1.0%</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>35</td>
<td>11.3%</td>
<td>2.9%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Others</td>
<td>75</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>678</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

No impairment was necessary. The item Others comprises five individually not significant cash generating units. A change in the assumptions used, e.g. in the event of a sustained deterioration in operating profit while the balance sheet and cost structure remain unchanged, would not result in an impairment of goodwill. Even if cash flow forecasts were based on zero growth, the carrying amount would not exceed the recoverable amount. An increase of 1 percentage point in the assumed discount rate would not alter the results of the impairment test.

<table>
<thead>
<tr>
<th>Assumptions used</th>
<th>Pre-tax Goodwill</th>
<th>discount rate</th>
<th>Growth rate</th>
<th>Inflation rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>In CHF million</td>
<td>31.12.2014</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>270</td>
<td>9.8%</td>
<td>3.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Brazil</td>
<td>207</td>
<td>18.9%</td>
<td>4.5%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Germany</td>
<td>131</td>
<td>7.2%</td>
<td>1.7%</td>
<td>1.7%</td>
</tr>
<tr>
<td>Switzerland</td>
<td>51</td>
<td>6.0%</td>
<td>1.0%</td>
<td>1.0%</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>34</td>
<td>10.7%</td>
<td>3.5%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Others</td>
<td>80</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>773</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
In 2014, a CHF 7 million impairment was recognized for the cash-generating unit in Saudi Arabia. The correction was based on the latest forecast, which projected lower future cash flows. The recoverable amount of the cash-generating unit in Saudi Arabia was CHF 82 million. If the expected operating profit had been lower or the discount rate had increased, a further impairment would have been recognized.

19 Associates
The values of associates are based on the most recent quarterly financial results of the individual companies for the reporting year. This means that the relevant income from associates is taken into account one quarter after it is reported. The same applies to other disclosures. If there are any material differences compared to the accounting policies applied by the Schindler Group, the values of the local financial statements are adjusted.

The Schindler Group holds a 27.9% investment (previous year: 28.2%) in ALSO Holding AG. ALSO Group, which is headquartered in Emmen, Switzerland, distributes products, solutions, and services in the areas of information technology, consumer electronics, and telecommunication products (ICT) throughout Europe.

ALSO Holding AG is listed on the SIX Swiss Exchange. The proportionate share of the fair value, calculated on the basis of the year-end rate of CHF 68.80 (previous year: CHF 51.85), was CHF 247 million (previous year: CHF 188 million). The carrying amount as at December 31, 2015, was CHF 184 million (previous year: CHF 195 million).

In June 2013, the Schindler Group issued a bond that can be exchanged for shares of ALSO Holding AG. The Schindler Group still has significant influence over ALSO Holding AG and the investment is classified as an associate. See note 23.1 for further details.

**ALSO Holding AG**

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>8,239</td>
<td>8,521</td>
</tr>
<tr>
<td>Profit from continuing operations</td>
<td>63</td>
<td>68</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>−14</td>
<td>−8</td>
</tr>
<tr>
<td>Comprehensive income</td>
<td>49</td>
<td>60</td>
</tr>
<tr>
<td>Dividends received</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Current assets</td>
<td>1,587</td>
<td>1,692</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>270</td>
<td>293</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>1,095</td>
<td>1,199</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>260</td>
<td>265</td>
</tr>
<tr>
<td>Equity</td>
<td>502</td>
<td>521</td>
</tr>
<tr>
<td>Investment</td>
<td>27.9%</td>
<td>28.2%</td>
</tr>
<tr>
<td>Share in equity</td>
<td>140</td>
<td>147</td>
</tr>
<tr>
<td>Goodwill</td>
<td>44</td>
<td>48</td>
</tr>
<tr>
<td>Carrying amount</td>
<td>184</td>
<td>195</td>
</tr>
</tbody>
</table>
20 Group’s share of other associates

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit/loss from continuing operations</td>
<td>-8</td>
<td>28</td>
</tr>
<tr>
<td>Comprehensive income</td>
<td>-8</td>
<td>28</td>
</tr>
<tr>
<td>Carrying amount</td>
<td>36</td>
<td>32</td>
</tr>
</tbody>
</table>

20 Long-term financial assets

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans to associates</td>
<td>22</td>
<td>18</td>
</tr>
<tr>
<td>Marketable securities</td>
<td>106</td>
<td>112</td>
</tr>
<tr>
<td>Investment in Hyundai Elevator Co. Ltd.</td>
<td>213</td>
<td>223</td>
</tr>
<tr>
<td>Other long-term financial assets</td>
<td>188</td>
<td>151</td>
</tr>
<tr>
<td>Total long-term financial assets</td>
<td>529</td>
<td>504</td>
</tr>
</tbody>
</table>

The investment in Hyundai Elevator Co. Ltd. is treated as a long-term available-for-sale financial asset. The decrease in the value of the investment in the amount of CHF 10 million (previous year: increase of CHF 120 million) was recognized in other comprehensive income. In July 2015, Hyundai Elevator Co. Ltd. carried out a KRW 278 billion (CHF 232 million) capital increase. Schindler did not participate in the capital increase and thus its interest was diluted to 17.1% (previous year: 21.5%).

21 Deferred taxes

21.1 Deferred taxes by category

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Assets</td>
<td>Liabilities</td>
</tr>
<tr>
<td>Net book</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td>83</td>
<td>-65</td>
</tr>
<tr>
<td>Property, plant, and equipment</td>
<td>4</td>
<td>-13</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>11</td>
<td>-64</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>1</td>
<td>-10</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>151</td>
<td>-39</td>
</tr>
<tr>
<td>Provisions</td>
<td>89</td>
<td>-13</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>65</td>
<td></td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>-</td>
<td>-1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax loss carryforwards</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Total deferred tax assets / deferred tax liabilities</td>
<td>210</td>
<td>177</td>
</tr>
<tr>
<td>of which recognized in the balance sheet as deferred tax assets</td>
<td>317</td>
<td>284</td>
</tr>
<tr>
<td>of which recognized in the balance sheet as deferred tax liabilities</td>
<td>-107</td>
<td>-107</td>
</tr>
</tbody>
</table>

1 See note 2.1

The Group does not expect material additional tax liabilities due to dividend payments from Group companies.
21.2 Statement of changes in deferred taxes

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1</td>
<td>177</td>
<td>70</td>
</tr>
<tr>
<td>Setup and reversal of temporary differences through the income statement</td>
<td>22</td>
<td>51</td>
</tr>
<tr>
<td>through other comprehensive income</td>
<td>6</td>
<td>34</td>
</tr>
<tr>
<td>Additions from business combinations</td>
<td>–</td>
<td>4</td>
</tr>
<tr>
<td>Exchange differences</td>
<td>5</td>
<td>18</td>
</tr>
<tr>
<td>December 31</td>
<td>210</td>
<td>177</td>
</tr>
</tbody>
</table>

1. See note 2.1

21.3 Unrecognized deferred tax assets

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temporary differences</td>
<td>217</td>
<td>129</td>
</tr>
<tr>
<td>Tax loss carryforwards</td>
<td>192</td>
<td>208</td>
</tr>
<tr>
<td>Total basis</td>
<td>409</td>
<td>337</td>
</tr>
<tr>
<td>Unrecognized deferred tax assets</td>
<td>119</td>
<td>103</td>
</tr>
</tbody>
</table>

Deferred tax assets, including assets for unused tax loss carryforwards, are only recognized if it is probable that future profits will be available against which these assets can be offset for tax purposes. Unrecognized deferred tax assets mainly apply to companies with a history of tax losses and for which no or only a small taxable profit is expected in the future.

21.4 Tax loss carryforwards

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>227</td>
<td>236</td>
</tr>
<tr>
<td>Tax carry-forwards</td>
<td>58</td>
<td>66</td>
</tr>
<tr>
<td>Tax effects</td>
<td>–35</td>
<td>–28</td>
</tr>
<tr>
<td>Total unrecognized</td>
<td>192</td>
<td>208</td>
</tr>
<tr>
<td>Tax carry-forwards</td>
<td>47</td>
<td>57</td>
</tr>
<tr>
<td>Tax effects</td>
<td>–11</td>
<td>–9</td>
</tr>
<tr>
<td>of which expiring</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1–5 years</td>
<td>19</td>
<td>3</td>
</tr>
<tr>
<td>&gt; 5 years</td>
<td>173</td>
<td>208</td>
</tr>
</tbody>
</table>

22 Accounts payable

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplies and services</td>
<td>598</td>
<td>633</td>
</tr>
<tr>
<td>Associates</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>Social security</td>
<td>48</td>
<td>48</td>
</tr>
<tr>
<td>Indirect taxes and capital taxes</td>
<td>140</td>
<td>133</td>
</tr>
<tr>
<td>Other accounts payable</td>
<td>84</td>
<td>83</td>
</tr>
<tr>
<td>Total accounts payable</td>
<td>879</td>
<td>907</td>
</tr>
</tbody>
</table>
23 Financial debts

23.1 Current financial debts

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overdrafts</td>
<td>26</td>
<td>31</td>
</tr>
<tr>
<td>Liabilities to related parties</td>
<td>124</td>
<td>120</td>
</tr>
<tr>
<td>Current portion of non-current financial debts of bank loans</td>
<td>15</td>
<td>30</td>
</tr>
<tr>
<td>of finance leases</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>1.250% bond 2011–2016, nominal CHF 400 million</td>
<td>399</td>
<td>–</td>
</tr>
<tr>
<td>0.375% exchangeable bond 2013–2017</td>
<td>246</td>
<td>226</td>
</tr>
<tr>
<td><strong>Total current financial debts</strong></td>
<td><strong>813</strong></td>
<td><strong>409</strong></td>
</tr>
</tbody>
</table>

The 0.375% exchangeable bond issued in June 2013 with a nominal value of CHF 218 million can be exchanged for shares of ALSO Holding AG at a price of CHF 60.24 per share at any time during the term of the instrument. It is recognized as a current financial liability at fair value through profit or loss. In the reporting year, CHF 2 million were exchanged resulting in a decrease of the nominal value of the bond to CHF 216 million. As a consequence the Schindler Group holds a 27.9% (previous year: 28.2%) participation in ALSO Holding AG. This participation is still recognized as an associate (see note 19).

The exchangeable bond is listed on the SIX Swiss Exchange. Quoted prices in an active market are available. The market price of the bond was 113.95% (previous year: 104%) at year-end. The difference between the carrying amount at year-end and the amount to be repaid at the end of the term is CHF 30 million (previous year: CHF 8 million).

The revaluation of the bond had a negative impact of CHF 22 million (previous year: CHF 2 million) on the financial result. In the reporting year, CHF 0 million (cumulative amount: CHF 0 million) of this amount is attributable to changes in own credit risk.

23.2 Non-current financial debts

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.250% bond 2011–2016, nominal CHF 400 million</td>
<td>–</td>
<td>398</td>
</tr>
<tr>
<td>Liabilities towards non-controlling interests</td>
<td>96</td>
<td>133</td>
</tr>
<tr>
<td>Finance leases</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Other non-current financial debts</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total non-current financial debts</strong></td>
<td><strong>100</strong></td>
<td><strong>540</strong></td>
</tr>
</tbody>
</table>

Liabilities towards non-controlling interests relate to the acquisition of XJ-Schindler (Xuchang) Elevator Co. Ltd. (see note 28). The Schindler Group exercised the right to acquire a further 5% of shares in XJ-Schindler (Xuchang) Elevator Co. Ltd. in 2015.

All Group companies complied with all debt covenants.
23.3 Maturity and average interest rate on financial debts

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>Effective Book values</th>
<th>Effective interest rate in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 1 year</td>
<td>813</td>
<td>1.2</td>
</tr>
<tr>
<td>1–5 years</td>
<td>100</td>
<td>0.2</td>
</tr>
<tr>
<td>Total financial debts</td>
<td>913</td>
<td>1.1</td>
</tr>
</tbody>
</table>

24 Accrued expenses and deferred income

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel expenses</td>
<td>429</td>
<td>439</td>
</tr>
<tr>
<td>Follow-up work from construction contracts</td>
<td>371</td>
<td>300</td>
</tr>
<tr>
<td>Invoiced service contracts</td>
<td>359</td>
<td>353</td>
</tr>
<tr>
<td>Material cost and services</td>
<td>136</td>
<td>98</td>
</tr>
<tr>
<td>Other accrued expenses and deferred income</td>
<td>325</td>
<td>307</td>
</tr>
<tr>
<td>Total accrued expenses and deferred income</td>
<td>1 620</td>
<td>1 497</td>
</tr>
</tbody>
</table>

25 Provisions

<table>
<thead>
<tr>
<th>Product liabilities</th>
<th>Loss-making contracts</th>
<th>Restructuring warranties</th>
<th>and Self-</th>
<th>Provisions</th>
</tr>
</thead>
<tbody>
<tr>
<td>In CHF million</td>
<td>current</td>
<td>non-current</td>
<td>all</td>
<td>total</td>
</tr>
<tr>
<td>Current provisions</td>
<td>20</td>
<td>20</td>
<td>73</td>
<td>11</td>
</tr>
<tr>
<td>Non-current provisions</td>
<td>1</td>
<td>5</td>
<td>207</td>
<td>46</td>
</tr>
<tr>
<td>Total provisions</td>
<td>21</td>
<td>25</td>
<td>280</td>
<td>57</td>
</tr>
</tbody>
</table>

Statement of changes

| January 1, 2015 | 21 | 36 | 255 | 69 | 86 | 467 |
| Setup           | 31 | 20 | 76  | 10 | 19 | 156 |
| Increase in present value | – | – | 4   | 4  | –  | 8   |
| Reversal        | –  | –2 | –  | –1 | –1 | –8  |
| Exchange differences | –1 | –2 | –  | –13| –2 | –18 |
| December 31, 2015 | 21 | 25 | 280 | 57 | 95 | 478 |

Provisions for loss-making contracts are recorded to cover losses contained in the order backlog. The provisions are calculated on the basis of pre-calculations and past experience. Orders are usually completed within 9 to 24 months. The provisions are reversed as each order progresses.

Provisions for product liability are based on actuarial calculations by independent experts for cases that are expected to occur or have already occurred but are not yet resolved. The provisions are used as the payments are made, which may extend over a period of up to 10 years following the occurrence of damages. The provisions for
product liability are subject to a degree of uncertainty with regard to timing and the amount to be paid. Warranty provisions cover the risk of expenses that are expected to occur before the warranty period expires. These provisions are calculated on the basis of past experience.

The provisions for self-insurance mainly cover risks that are not, or not sufficiently, covered by local or state insurance in individual countries. These provisions are based on actuarial reports. The provisions are used as the payments are made, which may extend over a period of up to 10 years following the occurrence of damages. The provisions are subject to a degree of uncertainty with regard to timing as well as the amount to be paid.

Other provisions cover further risks relating to individual Group companies, such as litigation, as well as direct and indirect taxation. Other provisions are normally used within five years.

### 26 Employee benefits

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Switzerland</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>1 873</td>
<td>1 873</td>
<td>1 824</td>
<td>1 824</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Present value of defined benefit obligation</td>
<td>–2 111</td>
<td>–2 111</td>
<td>–1 993</td>
<td>–1 993</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plan deficit Switzerland</td>
<td>–238</td>
<td>–238</td>
<td>–169</td>
<td>–169</td>
<td></td>
<td></td>
</tr>
<tr>
<td>USA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>199</td>
<td>199</td>
<td>202</td>
<td>202</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plan deficit USA</td>
<td>–55</td>
<td>–47</td>
<td>–102</td>
<td>–52 – 40</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other plans</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>186</td>
<td>186</td>
<td>204</td>
<td>204</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Present value of defined benefit obligation</td>
<td>–231</td>
<td>–266</td>
<td>–497</td>
<td>–244 – 325</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plan deficit other plans</td>
<td>–45</td>
<td>–266</td>
<td>–311</td>
<td>–40 – 325</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>2 258</td>
<td>2 258</td>
<td>2 230</td>
<td>2 230</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Present value of defined benefit obligation</td>
<td>–2 596</td>
<td>–313</td>
<td>–2 909</td>
<td>–2491 – 365</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 See note 2.1

The Schindler Group has a number of defined benefit plans. Certain plans are managed by legally separate entities. The governing bodies of these entities have an obligation to act in the interests of the plan participants and are also responsible for the investment strategy. The largest plans are in Switzerland and the USA. Together, they account for 83% (previous year: 80%) of the Group’s total defined benefit obligation and 92% (previous year: 91%) of its plan assets.
Pension plans in Switzerland
Pension plans are governed by the Swiss Federal Law on Occupational Retirement, Survivors’ and Disability Pension Plans (BVG), which states that pension plans are to be managed by independent, legally separate entities. A pension plan’s most senior governing body (Board of Trustees) must be composed of equal numbers of employee and employer representatives.

Plan participants are insured against the financial consequences of old age, disability, and death. The insurance benefits are subject to regulations, with the BVG specifying the minimum benefits that are to be provided. The employer and employees pay contributions to the pension plan. If a plan is underfunded, different measures can be taken, such as a reduction in benefits by altering the conversion rates or increasing current contributions. The BVG states how the employer and employees have to jointly fund potential restructurings.

The Schindler Pension Fund has the legal structure of a foundation. All actuarial risks are borne by the foundation. They consist of demographic risks (primarily life expectancy) and financial risks (primarily the discount rate, future increases in salaries/wages, and the return on plan assets) and are regularly assessed by the Board of Trustees. In addition, an actuarial report is drawn up annually in accordance with BVG requirements. The definitive funded status according to the BVG is determined in the first quarter of the following year. According to estimates, the funded status as at December 31, 2015, is 114% (previous year: 116%, definitive).

The Board of Trustees defines the investment strategy as often as necessary – especially in the case of significant market developments or changes to the structure of the plan participants – and at least once annually. When defining the investment strategy, it takes account of the foundation’s objectives, benefit obligations, and risk capacity. The investment strategy is defined in the form of a long-term target asset structure (investment policy). The aim is to ensure that plan assets and liabilities are aligned in the medium and long term.

The funded plans also include the Schindler Foundation (an extra-mandatory, semiautonomous management pension plan). This plan for employees in management functions extends the insurance cover provided by the pension plan. All of the Schindler Foundation’s actuarial risks are reinsured.

Pension plan in the USA
The Schindler Elevator Corporation Retirement Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), which defines minimum standards such as the plan’s statutory minimum funded status. An actuarial report on the plan is prepared annually in accordance with ERISA requirements. The definitive funded status is determined in the second quarter of the following year. According to estimates, the funded status as at December 31, 2015, is 113% (previous year: 114%, definitive).
Plan participants are insured against the financial consequences of old age, disability, and death. Contributions to the pension plan are paid entirely by Schindler Elevator Corporation. Pension entitlements are to a large extent insured with the government’s Pension Benefit Guaranty Corporation.

The Benefit Administration Committee (BAC) is responsible for the internal structure and supervision of the plan. The BAC consists of qualified employees of Schindler Elevator Corporation, the majority of whom are members of the Executive Board. The assets are held in a legally separate entity. The Benefits Investment Committee (BIC) is responsible for investing the plan assets. The members of the BIC define the investment strategy, taking the plan’s objectives, benefit obligations, and risk capacity into account.

No new plan participants have been accepted since 2002. Since 2003, the pension entitlements of employees who were more than 25 years from reaching the normal retirement age at that time were frozen. Instead of this defined benefit plan, a defined contribution plan pursuant to Internal Revenue Code 401(k) is now in place.

### 26.1 Cost of defined benefit plans

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service costs</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current service costs</td>
<td>60</td>
<td>56</td>
</tr>
<tr>
<td>Gains/losses from settlements</td>
<td>-4</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total service costs</strong></td>
<td>56</td>
<td>56</td>
</tr>
<tr>
<td><strong>Net interest on employee benefits</strong></td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td><strong>Total pension expenses recorded in income statement</strong></td>
<td>69</td>
<td>69</td>
</tr>
<tr>
<td>Of which arising from</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funded pension plans</td>
<td>55</td>
<td>45</td>
</tr>
<tr>
<td>Unfunded pension plans</td>
<td>14</td>
<td>24</td>
</tr>
</tbody>
</table>

Service costs for the reporting year totaled CHF 42 million (previous year: CHF 38 million) for pension plans in Switzerland and CHF 6 million (previous year: CHF 5 million) for the pension plan in the USA. Net interest expenses for the reporting year totaled CHF 1 million (previous year: CHF 0 million) for pension plans in Switzerland and CHF 4 million (previous year: CHF 3 million) for the pension plan in the USA.
### 26.2 Remeasurements of employee benefits

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Actuarial gains/losses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in demographic assumptions</td>
<td>-6</td>
<td>-35</td>
</tr>
<tr>
<td>Changes in financial assumptions</td>
<td>-25</td>
<td>-277</td>
</tr>
<tr>
<td>Experience adjustments</td>
<td>-72</td>
<td>1</td>
</tr>
<tr>
<td>Return on plan assets (excluding interest based on discount rate)</td>
<td>25</td>
<td>99</td>
</tr>
<tr>
<td><strong>Total remeasurements recorded in other comprehensive income</strong></td>
<td>-78</td>
<td>-212</td>
</tr>
<tr>
<td>Of which arising from</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funded pension plans</td>
<td>-75</td>
<td>-176</td>
</tr>
<tr>
<td>Unfunded pension plans</td>
<td>-3</td>
<td>-36</td>
</tr>
</tbody>
</table>

Remeasurements recorded in other comprehensive income for the reporting year totaled CHF –68 million (previous year: CHF –121 million) for pension plans in Switzerland and CHF –8 million (previous year: CHF –25 million) for the pension plan in the USA.

### 26.3 Change in fair value of plan assets

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1</td>
<td>2 230</td>
<td>2 079</td>
</tr>
<tr>
<td>Interest income (based on discount rate)</td>
<td>33</td>
<td>54</td>
</tr>
<tr>
<td>Return on plan assets (excluding interest based on discount rate)</td>
<td>25</td>
<td>99</td>
</tr>
<tr>
<td>Employee contributions</td>
<td>40</td>
<td>44</td>
</tr>
<tr>
<td>Employer contributions</td>
<td>51</td>
<td>53</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>-119</td>
<td>-131</td>
</tr>
<tr>
<td>Exchange differences</td>
<td>-2</td>
<td>32</td>
</tr>
<tr>
<td><strong>December 31</strong></td>
<td>2 258</td>
<td>2 230</td>
</tr>
</tbody>
</table>

### 26.4 Change in present value of defined benefit obligation

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Funded</td>
<td>Unfunded</td>
</tr>
<tr>
<td>January 1</td>
<td>-2 491</td>
<td>-365</td>
</tr>
<tr>
<td>Service costs</td>
<td>-51</td>
<td>-5</td>
</tr>
<tr>
<td>Interest costs</td>
<td>-38</td>
<td>-8</td>
</tr>
<tr>
<td>Actuarial gains/losses</td>
<td>-100</td>
<td>-3</td>
</tr>
<tr>
<td>Employee contributions</td>
<td>-40</td>
<td>-</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>119</td>
<td>18</td>
</tr>
<tr>
<td>Settlements</td>
<td>-</td>
<td>20</td>
</tr>
<tr>
<td>Exchange differences</td>
<td>5</td>
<td>30</td>
</tr>
<tr>
<td><strong>December 31</strong></td>
<td>-2 596</td>
<td>-313</td>
</tr>
</tbody>
</table>

1 See note 2.1
26.5 Asset allocation of investments as at December 31

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CH</td>
<td>USA</td>
<td>Others</td>
<td>Total</td>
<td>CH</td>
<td>USA</td>
<td>Others</td>
<td>Total</td>
</tr>
<tr>
<td>Equity instruments</td>
<td>28.7</td>
<td>23.4</td>
<td>30.0</td>
<td>28.3</td>
<td>27.6</td>
<td>31.0</td>
<td>30.2</td>
<td>28.2</td>
</tr>
<tr>
<td>Bonds</td>
<td>20.8</td>
<td>44.5</td>
<td>7.6</td>
<td>21.8</td>
<td>19.9</td>
<td>44.0</td>
<td>10.1</td>
<td>21.2</td>
</tr>
<tr>
<td>Real estate</td>
<td>33.1</td>
<td>–</td>
<td>–</td>
<td>27.5</td>
<td>30.3</td>
<td>–</td>
<td>–</td>
<td>24.8</td>
</tr>
<tr>
<td>Hedge funds/Private equity</td>
<td>8.0</td>
<td>29.8</td>
<td>25.2</td>
<td>11.3</td>
<td>8.6</td>
<td>23.0</td>
<td>22.9</td>
<td>11.2</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2.9</td>
<td>2.3</td>
<td>0.9</td>
<td>2.7</td>
<td>5.9</td>
<td>2.0</td>
<td>0.2</td>
<td>5.0</td>
</tr>
<tr>
<td>Others</td>
<td>6.5</td>
<td>–</td>
<td>36.3</td>
<td>8.4</td>
<td>7.7</td>
<td>–</td>
<td>36.6</td>
<td>9.6</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The outflow of funds due to pension payments and other obligations can be forecast reliably. Contributions are paid regularly to funded pension plans. Furthermore, the various investment strategies take account of the need to guarantee the liquidity of the plans at all times. The Group does not make use of any assets held by pension plans.

Equity instruments represent investments in equity funds and direct investments. They generally have quoted market prices in an active market (level 1 fair value classification). The pension plan assets do not include any shares or participation certificates of Schindler Holding Ltd.

Bonds generally have a credit rating that is no lower than ‘A’ and have quoted market prices in an active market (level 1). They comprise investments in funds and direct investments.

Real estate is divided into residential and commercial properties and mainly comprises direct and indirect investments (level 2 or 3). Real estate that is held directly is valued annually by an independent expert.

Investments in hedge funds and private equity investments serve as alternative asset classes. They are used mainly for risk management purposes. In the case of hedge funds and private equity investments, no quoted market prices in an active market are usually available (level 2 or 3).

Cash and cash equivalents are invested with financial institutions that have at least an ‘A’ rating.

The item Others includes commodities, insurance-linked securities, and derivative financial instruments, among others (levels 1 to 3). The latter are acquired primarily for the purpose of hedging interest rate risks and foreign currency risks. The use of derivative financial instruments is only permitted if appropriate liquidity or underlying investments are available. Leveraging and short selling are not permitted.

The actual return on plan assets for 2015 was:
– Switzerland: 3% (previous year: 9%)
– USA: 2% (previous year: 11%)
26.6 Plan participants

<table>
<thead>
<tr>
<th></th>
<th>Active</th>
<th>Deferred</th>
<th>Retired</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>22 701</td>
<td>21 446</td>
<td>1 911</td>
<td>2 008</td>
</tr>
<tr>
<td>Present value of defined benefit obligation in CHF million</td>
<td>1 599</td>
<td>1 524</td>
<td>142</td>
<td>155</td>
</tr>
<tr>
<td>Share in %</td>
<td>55.0</td>
<td>53.4</td>
<td>4.9</td>
<td>5.4</td>
</tr>
<tr>
<td>Duration in years</td>
<td>15.9</td>
<td>15.6</td>
<td>16.5</td>
<td>17.4</td>
</tr>
</tbody>
</table>

1 See note 2.1

Duration in years corresponds to the average weighted period.

The following employer contributions are expected for the reporting year 2016:
- Switzerland: CHF 43 million
- USA: CHF 7 million
- Other plans: CHF 8 million

26.7 Significant actuarial assumptions

The present value of the defined benefit obligation is determined annually by independent actuaries using the projected unit credit method. Actuarial assumptions are required for this purpose.

<table>
<thead>
<tr>
<th></th>
<th>Switzerland</th>
<th>USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>In %</td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td>Discount rate</td>
<td>0.90</td>
<td>1.10</td>
</tr>
<tr>
<td>Increase in salaries/wages</td>
<td>1.00</td>
<td>1.40</td>
</tr>
</tbody>
</table>

Sensitivities of significant actuarial assumptions

The discount rate and the future increase in salaries/wages were identified as significant assumptions. The following impacts on the defined benefit obligation would result from changes in assumptions:
- A 0.25% increase/decrease in the discount rate would lead to a decrease/increase of 3% (previous year: 3%) in the defined benefit obligation.
- A 1.00% increase/decrease in the expected increase in salaries/wages would lead to an increase/decrease of 2% (previous year: 2%) in the defined benefit obligation.

The sensitivity analysis is based on reasonable possible changes as at the end of the reporting year. Each change in a significant actuarial assumption was analyzed separately as part of the test. Interdependencies were not taken into account.
27 Equity

27.1 Share capital

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of registered shares</td>
<td>68 061 802</td>
<td>68 180 352</td>
</tr>
<tr>
<td>Nominal value in CHF</td>
<td>0.10</td>
<td>0.10</td>
</tr>
<tr>
<td>Share capital in CHF</td>
<td>6 806 180</td>
<td>6 818 035</td>
</tr>
</tbody>
</table>

27.2 Participation capital

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of participation certificates</td>
<td>44 236 311</td>
<td>44 618 533</td>
</tr>
<tr>
<td>Nominal value in CHF</td>
<td>0.10</td>
<td>0.10</td>
</tr>
<tr>
<td>Participation capital in CHF</td>
<td>4 423 631</td>
<td>4 461 853</td>
</tr>
</tbody>
</table>

The share capital and the participation capital were reduced in 2014 and 2015.

27.3 Treasury shares

<table>
<thead>
<tr>
<th></th>
<th>Registered shares</th>
<th>Participation certificates</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Average share</td>
<td>Value</td>
</tr>
<tr>
<td></td>
<td>Number</td>
<td>price in CHF</td>
</tr>
<tr>
<td>January 1, 2014</td>
<td>3 285 417</td>
<td>405</td>
</tr>
<tr>
<td>Cancellation</td>
<td>-2 707 293</td>
<td>129.28</td>
</tr>
<tr>
<td>Purchase</td>
<td>162 600</td>
<td>129.15</td>
</tr>
<tr>
<td>Share-based payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disposal of treasury shares</td>
<td>-82 023</td>
<td>134.11</td>
</tr>
<tr>
<td>Exercising of options and Performance Share Units</td>
<td>-112 932</td>
<td>61.98</td>
</tr>
<tr>
<td>Difference in value due to disposal</td>
<td>-3</td>
<td>-3</td>
</tr>
<tr>
<td>December 31, 2014</td>
<td>545 769</td>
<td>55</td>
</tr>
<tr>
<td>Cancellation</td>
<td>-118 550</td>
<td>134.96</td>
</tr>
<tr>
<td>Purchase</td>
<td>1 386 293</td>
<td>157.25</td>
</tr>
<tr>
<td>Share-based payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disposal of treasury shares</td>
<td>-96 011</td>
<td>156.23</td>
</tr>
<tr>
<td>Exercising of options and Performance Share Units</td>
<td>-203 754</td>
<td>78.53</td>
</tr>
<tr>
<td>Difference in value due to disposal</td>
<td>-5</td>
<td>-1</td>
</tr>
<tr>
<td>December 31, 2015</td>
<td>1 513 747</td>
<td>221</td>
</tr>
<tr>
<td>Reserved for share-based payment plans</td>
<td>592 397</td>
<td>382 185</td>
</tr>
</tbody>
</table>

See note 11 of the Financial Statements of Schindler Holding Ltd. for further details.
27.4 Other reserves

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>Hedging transactions</th>
<th>Financial assets available-for-sale</th>
<th>Income of associates</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>January 1, 2014</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealized changes in fair value</td>
<td>–17</td>
<td>119</td>
<td>–1</td>
<td>101</td>
</tr>
<tr>
<td>Taxes on unrealized changes in fair value</td>
<td>1</td>
<td>–7</td>
<td>–1</td>
<td>–6</td>
</tr>
<tr>
<td>Realized/reclassified changes in fair value</td>
<td>1</td>
<td>–7</td>
<td>–1</td>
<td>–6</td>
</tr>
<tr>
<td>Taxes on realized/reclassified changes in fair value</td>
<td>–</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td><strong>December 31, 2014</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealized changes in fair value</td>
<td>–8</td>
<td>122</td>
<td>–1</td>
<td>113</td>
</tr>
<tr>
<td>Taxes on unrealized changes in fair value</td>
<td>–5</td>
<td>–</td>
<td>–5</td>
<td></td>
</tr>
<tr>
<td>Realized/reclassified changes in fair value</td>
<td>3</td>
<td>–</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Taxes on realized/reclassified changes in fair value</td>
<td>1</td>
<td>–</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td><strong>December 31, 2015</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>116</td>
<td>–4</td>
<td>122</td>
<td></td>
</tr>
</tbody>
</table>

28 Business combinations

In early August 2014, the Schindler Group acquired a further 5% of shares in XJ-Schindler (Xuchang) Elevator Co. Ltd. This transaction was approved by the relevant Chinese authorities on August 18, 2014. From that date, the Schindler Group has held a controlling interest of 51% in XJ-Schindler (Xuchang) Elevator Co. Ltd., which has since been included in the scope of consolidation.

The purchase price was paid entirely in cash. As part of this business combination, the value of the previously held 46% participation was increased by CHF 145 million to fair value. The fair value was based on the agreed purchase price and was supported by an external expert opinion. The revaluation gain was recognized in other income (see note 7).

In 2014, the Group also obtained further rights to acquire 5% of shares in the company in each of the following three years (2015–2017). If these acquisition rights are not exercised, the vendor has the right in each of the subsequent years (2016–2018) to sell the corresponding 5% interest in the company to Schindler. Schindler concluded that it did not have present ownership in the 15% of XJ-Schindler (Xuchang) Elevator Co. Ltd. for which the call and put options exist. The 15% were therefore recognized as part of the non-controlling interests upon the first-time consolidation of XJ-Schindler (Xuchang) Elevator Co. Ltd. and receive an allocation of profit and loss. In the reporting year Schindler Group has exercised its first 5% of the call option thus resulting in a decrease of the liabilities towards non-controlling interests (see note 23).

XJ-Schindler (Xuchang) Elevator Co. Ltd., which is headquartered in Henan Province, is a leading Chinese elevator and escalator company with its own production, installation, and maintenance operations. With the acquisition of a majority interest in XJ-Schindler (Xuchang) Elevator Co. Ltd., Schindler strengthened its position in the residential and affordable housing segment – currently the largest segment of China’s elevator market – and expanded its geographical presence.
The following assets and liabilities were consolidated at fair value as at August 18, 2014:

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>Fair value at acquisition date</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>80</td>
</tr>
<tr>
<td>Accounts receivable / prepaid expenses and accrued income</td>
<td>67</td>
</tr>
<tr>
<td>Net assets from construction contracts / inventories</td>
<td>31</td>
</tr>
<tr>
<td>Property, plant, and equipment</td>
<td>41</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>25</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>6</td>
</tr>
<tr>
<td><strong>Liabilities and equity</strong></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>-153</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>-2</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td>95</td>
</tr>
<tr>
<td>Fair value of 51% participation</td>
<td>288</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>44</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>332</td>
</tr>
<tr>
<td>Fair value of net assets</td>
<td>-95</td>
</tr>
<tr>
<td><strong>Goodwill</strong></td>
<td>237</td>
</tr>
</tbody>
</table>

Gross trade accounts receivable totaled CHF 88 million and the related provisions for bad debts totaled CHF 24 million. The fair value of all acquired receivables was therefore CHF 64 million. The identified intangible assets mainly comprised the acquired order backlog. Goodwill mainly reflected the value of the acquired market share of the Chinese elevator market, the complementary market coverage, and the expected synergy effects from the development of the market. The goodwill was allocated to the cash-generating unit China. Goodwill is not expected to be tax-deductible. The non-controlling interests were recognized according to their proportionate share of the fair value of the net assets acquired. In 2014, the newly consolidated company contributed CHF 127 million to Group revenue. The EBIT margin of XJ-Schindler (Xuchang) Elevator Co. Ltd. exceeded the average of the Schindler Group.

In addition, Schindler acquired the business activities or all the shares of various smaller companies in 2014 and 2015 that sell, install, modernize, and maintain elevators and escalators. Viewed individually and collectively, these acquisitions are, however, not significant. A total of CHF 19 million (previous year: CHF 32 million, including XJ-Schindler (Xuchang) Elevator Co. Ltd.) was paid for business combinations of the reporting year and deferred purchase consideration related to business combinations of previous years.
29 Other non-cash items

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>XI-Schindler (Xuchang) Elevator Co. Ltd. revaluation gain</td>
<td>–</td>
<td>–145</td>
</tr>
<tr>
<td>Mall of Switzerland project</td>
<td>–</td>
<td>–75</td>
</tr>
<tr>
<td>Share-based payments</td>
<td>27</td>
<td>19</td>
</tr>
<tr>
<td>Others</td>
<td>42</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total other non-cash items</strong></td>
<td><strong>69</strong></td>
<td><strong>–195</strong></td>
</tr>
</tbody>
</table>

In 2014 cash flows related to the Mall of Switzerland development project were disclosed in cash flow from investing activities.

30 Off-balance sheet transactions

30.1 Contingent liabilities

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guarantees in favor of third parties</td>
<td>78</td>
<td>72</td>
</tr>
</tbody>
</table>

Guarantees are reported as contingent liabilities and are only recognized as a provision if an outflow of resources embodying economic benefits is probable to occur.

As an internationally active group, Schindler is exposed to a variety of legal risks. In particular, they may include risks associated with employment law, product liability, patent law, tax law, and competition law. Several Group companies are involved in legal proceedings. The results of pending or future proceedings cannot be accurately forecast. Consequently, decisions by courts or other authorities can give rise to expenses that are not covered either partly or fully by insurance policies. This may have a significant impact on the business and future results.

The decision by the European Commission on February 21, 2007, regarding fines under competition law, as well as the decision by the Higher Regional Court in Vienna on December 14, 2007, to impose fines, resulted in civil damage claims against Schindler companies and other elevator companies being lodged with courts in Belgium, the Netherlands, and Austria. The total capital amount claimed jointly and severally from all the defendants involved in the proceedings – in which Schindler companies are involved as defendants – was EUR 233 million at the end of 2015. The Schindler companies in question consider the claims to be without merit.

On September 24, 2015, Schindler informed that Chinese authorities arrested managers of the Field Operation, including the local managing director. The investigations are still ongoing and focus on embezzlements of several investigated persons to the detriment of the company. Schindler is cooperating closely with the authorities and, as of this point, expects no further material consequences. Accordingly, no provisions were set-up.
30.2 Other unrecognized obligations

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Irrevocable payment commitments resulting from unrecognized contracts</td>
<td>71</td>
<td>34</td>
</tr>
</tbody>
</table>

30.3 Maturity of lease payments

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other operating leases mainly comprises vehicles, as well as equipment and machinery.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

31 Financial risk management

31.1 Principles for risk management

As an internationally active group, Schindler is exposed to a variety of general and industry-specific risks. The most significant financial risks to which the Group is exposed are market risks (including interest rate risk, foreign currency risks and price risk), liquidity risks, and credit risks. These risks can have a material impact on the Group’s financial position, results of operations, and cash flows.

Group Treasury manages these risks based on principles and guidelines determined annually by the Board of Directors, the Supervisory and Nomination Committee, and the Group Executive Committee. The risk policy is intended to promote sustainable growth, increase the value of the business, and minimize potential adverse effects on the Group’s financial performance.

Schindler uses various risk management and control systems to anticipate, measure, monitor, and address risks. The Group Executive Committee and the Audit Committee review the appropriateness of the risk management and internal control systems at regular intervals – or immediately if unexpected risks arise – and changes are made if necessary. The Board of Directors and the Supervisory and Nomination Committee are informed promptly about material risks.

31.2 Market risks

In the course of its normal business activities, the Group is exposed to market risks arising mainly from changes in interest rates, foreign currency exchange rates, and prices of equity instruments.

The Group’s assets and liabilities associated with pension plans are not included in the following quantitative and qualitative information.
31.2.1 Risk measurement and management
The Group-wide management of market risks is one of the main responsibilities of Group Treasury and is monitored by the Supervisory and Nomination Committee and the Finance Committee. The Finance Committee is composed of internal experts who are not members of the Board of Directors. If necessary, risks are managed using derivative financial instruments such as foreign currency contracts or interest rate swaps.

Sensitivity analyses are performed to assess the effects of different conditions in the market. These analyses enable risk positions to be evaluated on a Group-wide basis. They provide an approximate measurement of the risk that can arise based on specific assumptions in the event of isolated changes to individual parameters of a defined amount. The actual impacts on the statement of comprehensive income may differ substantially depending on how the market develops.

31.2.2 Interest rate risks
Interest rate risks result from changes in interest rates that can negatively affect the Group’s financial position, results of operations, and cash flows. Fluctuations in interest rates lead to changes in the interest cost and interest income of variable interest-bearing assets and liabilities. The fair value of the bond that can be exchanged for ALSO shares is also impacted by changes in interest rates. The resulting fluctuations in value are recognized in the financial result.

The Schindler Group is exposed to interest rate risks primarily on the income side due to the strong positive net cash position. A significant portion of the financial assets are held in Swiss francs and therefore the Group is exposed to negative interest rates which have been avoided in the reporting year. The risk arising from financial liabilities is limited since the relevant interest rates are mainly fixed. The principal currencies in which Schindler is exposed to interest rate risks are the Swiss franc, the euro, the US dollar, the Brazilian real, the Indian rupee, and the Chinese renminbi.

The Supervisory and Nomination Committee defines the target structure of fixed and variable interest-bearing financial liabilities. Local short-term interest rate risks are not usually hedged by the Group companies. Taking account of the existing and planned debt structure, Group Treasury uses interest rate derivatives where necessary to align the financial liabilities to the structure defined by the Supervisory and Nomination Committee.

Risks from changes in interest rates are modelled using sensitivity analyses that demonstrate the effects of changes in market interest rates on interest expense and interest income. If market interest rates had been 100 basis points higher/lower during the reporting year, net interest income would have been CHF 27 million higher/lower (previous year: CHF 27 million higher/lower).
31.2.3 Foreign currency risks

The Group uses the Swiss franc as its reporting currency. The Group is exposed to foreign currency exchange movements, primarily in euro, US dollar, Chinese renminbi, and various other emerging-market currencies. This risk is categorized into transaction risk due to income and expenses in currencies other than the local reporting currency, or translation risk arising from the consolidation of the financial statement of foreign entities in Swiss francs.

The majority of income and expenses from operating activities are incurred in local currency. Where transactions in foreign currencies occur, these are managed either through matching the invoicing currency to the source currency of the materials expense, or by hedging through currency derivative transactions with counterparties with high-quality credit ratings.

Group-wide guidelines require each Group company to determine net transaction-related foreign currency exposure and hedge this, either centrally through Group Treasury, if possible or directly with external counterparties. Group Treasury combines the transaction risks by currency and creates natural hedging relationships. The remaining transaction risks are hedged by Group Treasury externally. Through this process Schindler is able to reduce its transaction-related foreign currency risks to a minimum.

Hedge accounting is applied in some Group companies where there is significant transaction risk. As a result, any gains or losses arising from marking to market these derivative hedge transactions are recognized in other comprehensive income and only reclassified to the income statement once the underlying hedged transaction is recognized.

Foreign currency positions may be taken for the purpose of optimizing the Group’s financial result. Such transactions are subject to limits defined by the Board of Directors. The Supervisory and Nomination Committee receives quarterly updates from Group Treasury detailing the foreign currency risk exposures of the Group.

The Group companies are not permitted to speculatively obtain or invest in foreign currency cash. The Group’s internal financing is executed in the relevant local currency.
The following tables show the net positions of significant currency hedges and the impact on the financial result in the event of a movement of +/–5% in the respective currency.

### 2015

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>EUR</th>
<th>USD</th>
<th>GBP</th>
<th>AUD</th>
<th>BRL</th>
<th>CAD</th>
<th>CNY</th>
</tr>
</thead>
</table>

* = short positions / + long positions

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>EUR</th>
<th>USD</th>
<th>GBP</th>
<th>AUD</th>
<th>BRL</th>
<th>CAD</th>
<th>CNY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact on net financial result (+5%)</td>
<td>5</td>
<td>–2</td>
<td>–2</td>
<td>–4</td>
<td>–</td>
<td>–1</td>
<td>3</td>
</tr>
<tr>
<td>Impact on net financial result (-5%)</td>
<td>–5</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>–</td>
<td>1</td>
<td>–3</td>
</tr>
</tbody>
</table>

### 2014

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>EUR</th>
<th>USD</th>
<th>GBP</th>
<th>AUD</th>
<th>BRL</th>
<th>CAD</th>
<th>CNY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total*</td>
<td>80</td>
<td>–22</td>
<td>–49</td>
<td>–66</td>
<td>–22</td>
<td>–59</td>
<td>46</td>
</tr>
</tbody>
</table>

* = short positions / + long positions

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>EUR</th>
<th>USD</th>
<th>GBP</th>
<th>AUD</th>
<th>BRL</th>
<th>CAD</th>
<th>CNY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact on net financial result (+5%)</td>
<td>4</td>
<td>–1</td>
<td>–2</td>
<td>–3</td>
<td>–1</td>
<td>–3</td>
<td>2</td>
</tr>
<tr>
<td>Impact on net financial result (-5%)</td>
<td>–4</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>–2</td>
</tr>
</tbody>
</table>

Unhedged net positions amount to less than CHF 10 million and the resulting foreign currency risks to the Group are insignificant.

Translation risks are only hedged in exceptional cases.

#### 31.2.4 Price risks

The Group is exposed to price risks related to equity instruments held by the Group that are classified either as available-for-sale or at fair value through profit or loss. Investments in equity instruments are made on an individual basis upon the instruction of the Supervisory and Nomination Committee, the Finance Committee, or Group Treasury.

Schindler has investments in equity instruments totaling CHF 320 million (previous year: CHF 278 million). The investment in Hyundai Elevator Co. Ltd. accounts for the major proportion of these investments (CHF 213 million, previous year: CHF 223 million). Equity instruments also include shares and alternative investments. The corresponding price risks relate to price changes, which can negatively impact the Group’s financial position, results of operations, and cash flows.
If the prices of the various equity instruments as at December 31, 2015, had been 10% higher/lower, net financial income would have been CHF 4 million higher or lower (previous year: CHF 4 million higher or lower). Other comprehensive income would have been CHF 28 million higher or lower (previous year: CHF 24 million higher or lower).

31.3 Liquidity risks
Liquidity risk is defined as the risk that the Group encounters difficulties in meeting its obligations on time or at a reasonable price.

The Schindler Group maintains a substantial liquidity reserve in the form of cash and cash equivalents in order to ensure its solvency and financial flexibility at all times. The Group’s creditworthiness also allows it to make efficient use of the international financial markets for financing purposes, if necessary.

Financial liabilities: carrying amounts and cash outflows

<table>
<thead>
<tr>
<th>2015</th>
<th>Carrying amounts</th>
<th>Cash outflows</th>
</tr>
</thead>
<tbody>
<tr>
<td>In CHF million</td>
<td>Total</td>
<td>&lt; 1 year</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>–691</td>
<td>–691</td>
</tr>
<tr>
<td>Financial debts</td>
<td>–565</td>
<td>–578</td>
</tr>
<tr>
<td>Liabilities towards non-controlling interests</td>
<td>–96</td>
<td>–96</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>–6</td>
<td>–7</td>
</tr>
<tr>
<td>0.375% exchangeable bond 2013–2017</td>
<td>–246</td>
<td>–217</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>–849</td>
<td>–849</td>
</tr>
<tr>
<td>Derivatives</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash inflows</td>
<td>2 472</td>
<td>2 366</td>
</tr>
<tr>
<td>Cash outflows</td>
<td>–2 488</td>
<td>–2 382</td>
</tr>
<tr>
<td>Net</td>
<td>–16</td>
<td>–16</td>
</tr>
<tr>
<td>Total</td>
<td>–2 469</td>
<td>–2 454</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2014</th>
<th>Carrying amounts</th>
<th>Cash outflows</th>
</tr>
</thead>
<tbody>
<tr>
<td>In CHF million</td>
<td>Total</td>
<td>&lt; 1 year</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>–726</td>
<td>–726</td>
</tr>
<tr>
<td>Financial debts</td>
<td>–584</td>
<td>–600</td>
</tr>
<tr>
<td>Liabilities towards non-controlling interests</td>
<td>–133</td>
<td>–133</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>–6</td>
<td>–7</td>
</tr>
<tr>
<td>0.375% exchangeable bond 2013–2017</td>
<td>–226</td>
<td>–219</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>–802</td>
<td>–802</td>
</tr>
<tr>
<td>Derivatives</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash inflows</td>
<td>2 446</td>
<td>2 224</td>
</tr>
<tr>
<td>Cash outflows</td>
<td>–2 462</td>
<td>–2 240</td>
</tr>
<tr>
<td>Net</td>
<td>–16</td>
<td>–16</td>
</tr>
<tr>
<td>Total</td>
<td>–2 493</td>
<td>–2 503</td>
</tr>
</tbody>
</table>
This information is based on contractually agreed, i.e. undiscounted interest payments and principal payments.

With the exception of coupon payments, the 0.375% exchangeable bond is not expected to result in outflows of cash but rather in a conversion into ALSO shares during its term to maturity. This delivery can take place on an ongoing basis. If the bond is not exchanged for ALSO shares, it will be redeemed on June 5, 2017. The coupon payments amount to less than CHF 1 million per year (see note 23.1).

31.4 Credit risks
Credit risk is the risk that a financial loss may arise if a counterparty is unable or unwilling to fulfill its contractual payment obligations. Credit risk not only comprises the immediate risk of default but also the risk of a credit rating downgrade, together with the potential occurrence of cluster risks.

Credit risks related to commercial business activities are managed by the Group companies, while counterparty risk related to financial institutions is centrally managed by Group Treasury.

31.4.1 Cash and cash equivalents, marketable securities, and long-term financial assets
The Group’s risk policy stipulates that a major proportion of cash and cash equivalents must be invested in broadly diversified counterparties with a low default risk. Consequently, cash and cash equivalents are invested mainly in time deposits and in high-quality, low-risk, liquid securities issued by financial institutions that fulfill certain minimum requirements in terms of their credit ratings.

The Schindler Group makes various other investments that are classified either as marketable securities or long-term financial assets. Marketable securities mainly comprise shares and secure investments in the form of bonds and time deposits. In addition to shares, long-term financial assets mainly comprise fixed-rate bonds and other investment-grade securities.

To actively manage its credit risk, the Group has defined limits for the value of assets that may be held with any one financial institution. The limits are regularly assessed and determined based upon credit ratings and credit default swaps.

Creditworthiness is categorized using the following ratings:
AAA Default risk practically zero
AA Secure investment but minor risk of default
A Secure investment provided no unforeseen circumstances impair overall economy or industry
<A Mainly investments for which no public rating exists
### 2015

<table>
<thead>
<tr>
<th>Rating</th>
<th>AAA</th>
<th>AA</th>
<th>A</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>In CHF million</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>20</td>
<td>1</td>
<td>605</td>
<td>31</td>
</tr>
<tr>
<td>Marketable securities (^1)</td>
<td>152</td>
<td>31</td>
<td>188</td>
<td>38</td>
</tr>
<tr>
<td>Long-term financial assets (^1)</td>
<td>86</td>
<td>31</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>258</strong></td>
<td><strong>9</strong></td>
<td><strong>793</strong></td>
<td><strong>29</strong></td>
</tr>
</tbody>
</table>

\(^1\) Excluding equity instruments

### 2014

<table>
<thead>
<tr>
<th>Rating</th>
<th>AAA</th>
<th>AA</th>
<th>A</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>In CHF million</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>172</td>
<td>6</td>
<td>1,236</td>
<td>46</td>
</tr>
<tr>
<td>Marketable securities (^1)</td>
<td>25</td>
<td>8</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Long-term financial assets (^1)</td>
<td>71</td>
<td>30</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>268</strong></td>
<td><strong>8</strong></td>
<td><strong>1,236</strong></td>
<td><strong>38</strong></td>
</tr>
</tbody>
</table>

\(^1\) Excluding equity instruments

#### 31.4.2 Trade accounts receivable

In view of Schindler’s large customer base and global presence, concentration of credit risk in trade receivables is limited (see note 13). The payment terms and outstanding receivables are regularly monitored by Group companies. The progress payments from customers provide additional security.

#### 31.5 Capital management

The Group’s capital management activities strive to maintain its strong credit rating and robust key performance indicators in order to support its operational activities and increase shareholder value. Measures that can be taken include changes to dividend payments, the repayment of capital to shareholders in the form of a repurchase program, or the issuing of new shares.

The Schindler Group manages capital through monitoring the net liquidity and the equity ratio. Net liquidity is defined as cash and cash equivalents, marketable securities, and long-term financial assets less financial liabilities.

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net liquidity</td>
<td>1,935</td>
<td>2,375</td>
</tr>
<tr>
<td>Equity ratio in %</td>
<td>28.5</td>
<td>33.3</td>
</tr>
</tbody>
</table>

A repurchase program at market prices ran from 2013 to 2015. Further details of this repurchase program are disclosed under note 11.4 in the Financial Statements of Schindler Holding Ltd.
## 32 Financial instruments

### 2015

<table>
<thead>
<tr>
<th></th>
<th>Financial assets</th>
<th>Financial liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>at fair value</td>
<td>at fair value</td>
</tr>
<tr>
<td></td>
<td>through profit</td>
<td>through profit</td>
</tr>
<tr>
<td></td>
<td>or loss</td>
<td>or loss</td>
</tr>
<tr>
<td>Other</td>
<td>held</td>
<td>Loans and</td>
</tr>
<tr>
<td></td>
<td>held</td>
<td>available</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,975</td>
<td>1,975</td>
</tr>
<tr>
<td>Marketable securities</td>
<td>8</td>
<td>491</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>1,529</td>
<td>25</td>
</tr>
<tr>
<td>Prepaid expenses and accrued income</td>
<td>66</td>
<td>210</td>
</tr>
<tr>
<td>Long-term financial assets</td>
<td>41</td>
<td>849</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>691</td>
<td>246</td>
</tr>
<tr>
<td>Accrued expenses and deferred income</td>
<td>41</td>
<td>849</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>99</strong></td>
<td><strong>4,311</strong></td>
</tr>
</tbody>
</table>

Changes recorded through profit or loss

<table>
<thead>
<tr>
<th></th>
<th>Financial assets</th>
<th>Financial liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>held</td>
<td>Loans and</td>
</tr>
<tr>
<td>Interest income/expense</td>
<td>–</td>
<td>26</td>
</tr>
<tr>
<td>Net income from securities</td>
<td>21</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>21</strong></td>
<td><strong>–7</strong></td>
</tr>
</tbody>
</table>

Changes recognized in other comprehensive income

<table>
<thead>
<tr>
<th></th>
<th>Financial assets</th>
<th>Financial liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>held</td>
<td>Loans and</td>
</tr>
<tr>
<td>Changes in fair value</td>
<td>–6</td>
<td>–6</td>
</tr>
<tr>
<td>realized through/reclassified to income statement</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>–6</strong></td>
<td><strong>–6</strong></td>
</tr>
</tbody>
</table>

**Total recorded in comprehensive income**

<table>
<thead>
<tr>
<th></th>
<th>Financial assets</th>
<th>Financial liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>held</td>
<td>Loans and</td>
</tr>
<tr>
<td>Interest income/expense</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Net income from securities</td>
<td>–21</td>
<td>–17</td>
</tr>
</tbody>
</table>

**Total**

<table>
<thead>
<tr>
<th></th>
<th>Financial assets</th>
<th>Financial liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>held</td>
<td>Loans and</td>
</tr>
<tr>
<td>Interest income/expense</td>
<td>–26</td>
<td>–26</td>
</tr>
<tr>
<td>Net income from securities</td>
<td>21</td>
<td>21</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>21</strong></td>
<td><strong>21</strong></td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td>Financial liabilities</td>
</tr>
<tr>
<td>------------------</td>
<td>------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>at fair value</td>
<td>at fair value</td>
<td>through profit</td>
</tr>
<tr>
<td>through profit</td>
<td>or loss</td>
<td>or loss</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>held</td>
<td>Loans and for trading</td>
<td>available for sale</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2 722</td>
<td>2 722</td>
</tr>
<tr>
<td>Marketable securities</td>
<td>11</td>
<td>305</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>1 572</td>
<td>1 572</td>
</tr>
<tr>
<td>Prepaid expenses and accrued income</td>
<td>26</td>
<td>104</td>
</tr>
<tr>
<td>Long-term financial assets</td>
<td>66</td>
<td>169</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>726</td>
<td>726</td>
</tr>
<tr>
<td>Financial debts</td>
<td>226</td>
<td>723</td>
</tr>
<tr>
<td>Accrued expenses and deferred income</td>
<td>42</td>
<td>802</td>
</tr>
<tr>
<td>Total</td>
<td>103</td>
<td>4 872</td>
</tr>
</tbody>
</table>

Changes recorded through profit or loss

| Interest income/expense |  |  | −23 | 11 |
| Net income from securities | 7 | 23 | −2 | 28 |
| Allowance of receivables | −17 |  |  | −17 |
| Hyundai Elevator Co. Ltd. impairment | −40 |  |  | −40 |
| Total | 7 | 13 | −13 | −23 | −18 |

Changes recognized in other comprehensive income

| Changes in fair value | 119 | 119 |
| realized through/reclassified to income statement | −7 | −7 |
| Total | 112 | 112 |

Total recorded in comprehensive income

| 7 | 13 | 99 | −2 | −23 | 94 |
### 32.1 Fair value hierarchy

<table>
<thead>
<tr>
<th>Financial assets at fair value through profit or loss</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total fair values</strong></td>
<td>Level 1</td>
<td>Level 2</td>
</tr>
<tr>
<td><strong>Financial assets</strong></td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Financial assets at fair value through profit or loss</td>
<td>8</td>
<td>–</td>
</tr>
<tr>
<td>Derivatives</td>
<td>66</td>
<td>–</td>
</tr>
<tr>
<td>Long-term financial assets</td>
<td>58</td>
<td>–</td>
</tr>
<tr>
<td>Long-term financial assets available-for-sale</td>
<td>241</td>
<td>–</td>
</tr>
<tr>
<td>Financial liabilities at fair value through profit or loss</td>
<td>246</td>
<td>–</td>
</tr>
<tr>
<td>Financial debts</td>
<td>–</td>
<td>19</td>
</tr>
<tr>
<td>Derivatives</td>
<td>–</td>
<td>8</td>
</tr>
<tr>
<td><strong>Other disclosed fair values</strong></td>
<td>491</td>
<td>–</td>
</tr>
<tr>
<td><strong>Financial assets</strong></td>
<td>8</td>
<td>–</td>
</tr>
<tr>
<td><strong>Financial liabilities</strong></td>
<td>405</td>
<td>172</td>
</tr>
<tr>
<td>Financial debts</td>
<td>–</td>
<td>22</td>
</tr>
<tr>
<td>Liabilities towards non-controlling interests</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

The fair values for cash and cash equivalents, accounts receivable, prepaid expenses and accrued income, accrued expenses and deferred income, and accounts payable are expected to approximate their carrying amounts given the short-term nature of these financial instruments. Derivatives are reported within the positions prepaid expenses and accrued income or accrued expenses and deferred income.

There was no transfer between level 1 fair value and level 2 and no transfers into or out of level 3 during the reporting period (previous year: no transfers between the different levels).
32.2 Valuation methods
The following methods and assumptions were applied to determine the fair values:

– Marketable securities: The equity instruments and bonds are traded primarily in active markets and quoted prices are available (level 1). Level 2 mainly comprises time deposits with a residual maturity of 3 to 12 months. Their value is measured using the discounted cash flow method and is based on observable market data such as interest rates, counterparty risks, and other risk factors.

– Long-term financial assets: The equity instruments and bonds are traded primarily in active markets and quoted prices are available (level 1). Level 2 mainly comprises time deposits with a residual maturity of over 12 months. Their value is measured using the discounted cash flow method and is based on observable market data such as interest rates, counterparty risks, and other risk factors.

– Financial debts: The bond and the exchangeable bond that were issued are traded in active markets; quoted prices are available (level 1). Level 2 mainly comprises bank loans and liabilities to related parties.

– Liabilities towards non-controlling interests are calculated using the discounted cash flow method and are based on unobservable input parameters. As a result, they are assigned to level 3.

– Derivatives: The Schindler Group holds derivative financial instruments such as foreign currency contracts and interest rate swaps (level 2). The value of foreign currency contracts is measured on the basis of observable spot rates and yield curves using the discounted cash flow method. The value of interest rate swaps is measured on the basis of observable forward rates using the present value method. Schindler’s own risk of default and that of counterparties are taken into account when measuring the value of derivatives.

Other level 3 financial instruments mainly comprise hedge funds and private equity investments. The value is based on external valuations.

32.3 Reconciliation of fair values of level 3 financial instruments

<table>
<thead>
<tr>
<th>Long-term financial assets</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1</td>
<td>10</td>
<td>15</td>
</tr>
<tr>
<td>Changes in value recognized in the income statement</td>
<td>–</td>
<td>–1</td>
</tr>
<tr>
<td>Changes in value recognized in other comprehensive income</td>
<td>2</td>
<td>–1</td>
</tr>
<tr>
<td>Disposals</td>
<td>–</td>
<td>–3</td>
</tr>
<tr>
<td>December 31</td>
<td>12</td>
<td>10</td>
</tr>
</tbody>
</table>
32.4 Derivatives

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fair value of assets</td>
<td>Fair value of liabilities</td>
</tr>
<tr>
<td>Held for trading</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest instruments</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Currency instruments</td>
<td>16</td>
<td>19</td>
</tr>
<tr>
<td>Total held for trading</td>
<td>16</td>
<td>19</td>
</tr>
<tr>
<td>Fair value hedges</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Currency instruments</td>
<td>1</td>
<td>–</td>
</tr>
<tr>
<td>Total fair value hedges</td>
<td>1</td>
<td>–</td>
</tr>
<tr>
<td>Cash flow hedges</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Currency instruments</td>
<td>8</td>
<td>22</td>
</tr>
<tr>
<td>Total cash flow hedges</td>
<td>8</td>
<td>22</td>
</tr>
<tr>
<td>Total derivatives</td>
<td>25</td>
<td>41</td>
</tr>
</tbody>
</table>

33 Pledged assets

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketable securities</td>
<td>38</td>
<td>31</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>20</td>
<td>16</td>
</tr>
<tr>
<td>Inventories</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Property, plant, and equipment</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Long-term financial assets</td>
<td>16</td>
<td>22</td>
</tr>
<tr>
<td>Total pledged assets</td>
<td>87</td>
<td>81</td>
</tr>
</tbody>
</table>

Pledged assets serve as security for the Group’s own liabilities.

34 Segment reporting

The Elevators & Escalators segment comprises an integrated business that specializes in the production and installation of new elevators and escalators, as well as the modernization, maintenance, and repair of existing installations. The segment is managed as a global unit.

The column ‘Finance’ comprises the expenses of Schindler Holding Ltd., as well as centrally managed financial assets and financial liabilities that have been entered into for Group investing and financing purposes.

In addition to segment information, other selected information is published on a voluntary basis.

Since internal and external reporting is based on the same accounting principles, there is no need to reconcile the management reporting figures to the financial reporting figures.
34.1 Segment information

2015

<table>
<thead>
<tr>
<th></th>
<th>Elevators &amp; Escalators</th>
<th>Asia-Pacific, Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>In CHF million</td>
<td>Group</td>
<td>Finance</td>
</tr>
<tr>
<td>Revenue from third parties</td>
<td>9 391</td>
<td>–</td>
</tr>
<tr>
<td>Revenue from other regions</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total revenue</td>
<td>9 391</td>
<td>–</td>
</tr>
<tr>
<td>Operating profit</td>
<td>1 002</td>
<td>–31</td>
</tr>
<tr>
<td>Additions to property, plant, and equipment, and intangible assets</td>
<td>210</td>
<td>–</td>
</tr>
<tr>
<td>Total depreciation and amortization</td>
<td>144</td>
<td>–</td>
</tr>
<tr>
<td>of which impairment</td>
<td>1</td>
<td>–</td>
</tr>
<tr>
<td>Income from associates</td>
<td>9</td>
<td>18</td>
</tr>
<tr>
<td>Assets</td>
<td>8 259</td>
<td>2 021</td>
</tr>
<tr>
<td>Associates</td>
<td>220</td>
<td>184</td>
</tr>
<tr>
<td>Liabilities</td>
<td>5 902</td>
<td>829</td>
</tr>
</tbody>
</table>

2014

<table>
<thead>
<tr>
<th></th>
<th>Elevators &amp; Escalators</th>
<th>Asia-Pacific, Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>In CHF million</td>
<td>Group</td>
<td>Finance</td>
</tr>
<tr>
<td>Revenue from third parties</td>
<td>9 246</td>
<td>–</td>
</tr>
<tr>
<td>Revenue from other regions</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total revenue</td>
<td>9 246</td>
<td>–</td>
</tr>
<tr>
<td>Operating profit</td>
<td>1 138</td>
<td>198¹</td>
</tr>
<tr>
<td>Additions to property, plant, and equipment, and intangible assets</td>
<td>195</td>
<td>–</td>
</tr>
<tr>
<td>Total depreciation and amortization</td>
<td>157</td>
<td>–</td>
</tr>
<tr>
<td>of which impairment</td>
<td>21</td>
<td>–</td>
</tr>
<tr>
<td>Income from associates</td>
<td>46</td>
<td>19</td>
</tr>
<tr>
<td>Assets</td>
<td>8 925²</td>
<td>2 416</td>
</tr>
<tr>
<td>Associates</td>
<td>227</td>
<td>195</td>
</tr>
<tr>
<td>Liabilities</td>
<td>5 954²</td>
<td>807</td>
</tr>
</tbody>
</table>

¹ Operating profit Finance: CHF –29 million, XJ-Schindler (Xuchang) Elevator Co. Ltd. revaluation gain: CHF 145 million, Gain on sale of Mall of Switzerland project: CHF 82 million
² See note 2.1

34.2 Geographical information

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Swiss</td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td>countries</td>
<td>Group</td>
</tr>
<tr>
<td>In CHF million</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue from third parties</td>
<td>910</td>
<td>8 481</td>
</tr>
<tr>
<td>Non-current assets¹</td>
<td>449</td>
<td>1 489</td>
</tr>
</tbody>
</table>

¹ Excluding long-term financial assets and deferred taxes
35 Share-based payments

The Schindler Group has several share-based payment plans in place. Current plans comprise those plans for which instruments were granted during the reporting year. Instruments listed under previous plans are still disclosed if they are subject to vesting conditions that are only fulfilled in the reporting year or future years.

<table>
<thead>
<tr>
<th>Current plans</th>
<th>Previous plans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Share Plan (PSP)</td>
<td>Deferred Share Plan (DSP) 2015</td>
</tr>
<tr>
<td>Performance Bonus Share Plan (BSP)</td>
<td>Deferred Share Plan (DSP) 2012</td>
</tr>
<tr>
<td>Long Term Incentive Plan</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruments used</td>
<td>Registered shares or participation certificates</td>
<td>Registered shares or participation certificates</td>
<td>Performance Share Units</td>
<td>Performance Share Units</td>
<td>Options and registered shares or participation certificates</td>
<td>Options and Performance Share Units</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Beneficiaries</th>
<th>VRA(^1) until 2014, all executive members of the Board of Directors since 2015</th>
<th>Group management (approximately 500 employees)</th>
<th>Group Executive Committee</th>
<th>Group Executive Committee and the executive member of the Board of Directors who is not member of the VRA(^1)</th>
<th>Group management (approximately 500 employees)</th>
<th>Group Executive Committee and the executive member of the Board of Directors who is not member of the VRA(^1)</th>
</tr>
</thead>
</table>

\(^1\) VRA: Supervisory and Nomination Committee

35.1 Current plans

35.1.1 Performance and Bonus Share Plan

Each year, the Board of Directors determines the specific conditions of each plan (including the number of shares and the applicable terms of exercise) and its beneficiaries and defines whether registered shares or participation certificates of Schindler Holding Ltd. are to be allocated under the plans.

The allocated registered shares or participation certificates are transferred to the ownership of the employees once the vesting conditions have been met and include all associated rights. However, the shares and participation certificates are blocked for a period of three years, during which they may not be disposed of.

In the reporting year, a provisional number of 96 000 registered shares was granted in connection with the plans. The final number will be allocated in April 2016 based on the extent to which targets are achieved.

Personnel expenses are calculated on the basis of the provisional number of registered shares and the fair value on the date of grant (fair value per registered share: CHF 141.70). For the registered shares granted in the previous year, personnel expenses were adjusted based on the final number of registered shares allocated, which totaled 96 011 (fair value per registered share: CHF 132.90).
35.1.2 Deferred Share Plan 2015
Under the Deferred Share Plan 2015, a number of Performance Share Units are granted based on a contractual target bonus amount. Each Performance Share Unit gives the beneficiary the right to a still-to-be-determined number of registered shares or participation certificates of Schindler Holding Ltd.

At the start of the reporting year, a combination of growth and profitability targets that applies to all members of the Group Executive Committee is set for the next three business years. The achievement of those targets is determined after the end of this three-year service period. Depending on the extent to which the targets are achieved, the Performance Share Units will be converted into registered shares or participation certificates at a conversion rate of between 0% and 300%. The maximum value of the converted registered shares or participation certificates that a participant may receive is three times the contractual target bonus amount.

The Performance Share Units are converted three years after they are granted, always in the month of April, and transferred to the ownership of the beneficiaries. From that date, the registered shares or participation certificates include all of the associated rights. In the event of any breaches of the Schindler Code of Conduct, the beneficiary forfeits the right to have their Performance Share Units converted.

In the reporting year, a provisional number of 31,018 Performance Share Units were granted under the Deferred Share Plan 2015, based on the expected achievement of targets. The resulting personnel expenses are recognized over the 40-month vesting period. The fair value of CHF 133.48 corresponds to the price of the registered share at grant date less the present value of the expected dividends over the vesting period.

35.2 Previous plans
35.2.1 Deferred Share Plan 2012
Under the terms of the Deferred Share Plan 2012, certain individual strategic business objectives (referred to as breakthrough objectives) had to be achieved. The extent to which the objectives had been achieved was determined after the end of the reporting year (performance period) by the Chairman of the Board of Directors or the CEO. Depending on the extent to which the objectives were achieved, the bonus that was awarded may amount to between 0% and 150% of the target bonus agreement.

The conversion of the Performance Share Units into registered shares or participation certificates takes place three years after they were granted, always in the month of April, provided the employee has not previously left the company or breached the regulations set out in the Schindler Code of Conduct. The registered shares or participation certificates are then transferred to the ownership of the beneficiary, who is free to dispose of them from that date.
In the previous year 51,289 Performance Share Units were allocated under the Deferred Share Plan 2012 based on the individual achievement of objectives. The resulting personnel expenses are recognized over the 40-month vesting period. The fair value of CHF 124.84 corresponds to the price of the registered share at the grant date less the present value of the expected dividends over the vesting period.

35.2.2 Capital Participation Plans 2000/2003

The plans each consisted of a share plan and an option plan.

The registered shares and participation certificates were granted for the last time in 2012 and were transferred to the ownership of employees. However, they were blocked for a period of three years, during which they could not be disposed of.

In April 2013, options were allocated under the Capital Participation Plans for the last time. After three years, they will be transferred to the unrestricted ownership of the beneficiaries, provided they have remained with the company throughout this period. An exercise period of six years will subsequently apply.

35.2.3 Long Term Incentive Plan

The Performance Share Units 2011, which were granted under the Long Term Incentive Plan in 2011 (fair value of CHF 103.86), give the beneficiaries the right to receive participation certificates of Schindler Holding Ltd. The conversion of these 29,241 Performance Share Units 2011 into participation certificates took place in April 2014 at a conversion rate of 1. The beneficiaries are free to dispose of the participation certificates from the conversion date.

35.2.4 Conditions of options on registered shares and participation certificates of Schindler Holding Ltd.

35.2.4.1 Capital Participation Plans 2000/2003

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Options allocated</td>
<td>138,012</td>
<td>162,002</td>
<td>222,521</td>
<td>207,896</td>
<td>464,175</td>
<td>357,092</td>
<td>160,711</td>
<td>138,376</td>
</tr>
<tr>
<td>Exercised/expired in previous years</td>
<td>-8,965</td>
<td>-18,383</td>
<td>-97,352</td>
<td>-122,970</td>
<td>-351,882</td>
<td>-279,048</td>
<td>-142,733</td>
<td>-128,325</td>
</tr>
<tr>
<td>Outstanding as of January 1, 2015</td>
<td>129,047</td>
<td>143,619</td>
<td>125,269</td>
<td>84,926</td>
<td>112,293</td>
<td>78,044</td>
<td>17,978</td>
<td>10,051</td>
</tr>
<tr>
<td>Options exercised/expired</td>
<td>-3,088</td>
<td>-49,192</td>
<td>-40,960</td>
<td>-22,691</td>
<td>-33,223</td>
<td>-24,016</td>
<td>-8,070</td>
<td>-10,051</td>
</tr>
<tr>
<td>Balance as of December 31, 2015</td>
<td>125,959</td>
<td>94,427</td>
<td>84,309</td>
<td>62,235</td>
<td>79,070</td>
<td>54,028</td>
<td>9,008</td>
<td>-</td>
</tr>
<tr>
<td>Exercisable</td>
<td>-</td>
<td>94,427</td>
<td>84,309</td>
<td>62,235</td>
<td>79,070</td>
<td>54,028</td>
<td>9,008</td>
<td>-</td>
</tr>
<tr>
<td>Entitles holder to purchase</td>
<td>Shares</td>
<td>PC</td>
<td>PC</td>
<td>PC</td>
<td>Shares</td>
<td>Shares</td>
<td>Shares</td>
<td>Shares</td>
</tr>
<tr>
<td>Exercise price</td>
<td>137.84</td>
<td>108.20</td>
<td>85.10</td>
<td>53.60</td>
<td>56.40</td>
<td>80.90</td>
<td>56.20</td>
<td>48.80</td>
</tr>
<tr>
<td>Allocation ratio</td>
<td>1:1</td>
<td>1:1</td>
<td>1:1</td>
<td>1:1</td>
<td>1:1</td>
<td>1:1</td>
<td>1:1</td>
<td>1:1</td>
</tr>
<tr>
<td>Weighted average share price on exercise in 2014</td>
<td>135.46</td>
<td>136.89</td>
<td>134.77</td>
<td>133.65</td>
<td>134.83</td>
<td>135.50</td>
<td>136.05</td>
<td></td>
</tr>
<tr>
<td>Weighted average share price on exercise in 2015</td>
<td>162.77</td>
<td>155.85</td>
<td>157.16</td>
<td>157.75</td>
<td>157.15</td>
<td>155.38</td>
<td>151.88</td>
<td></td>
</tr>
</tbody>
</table>

The Capital Participation Plans 2000/2003 were replaced by the Performance and Bonus Share Plans in 2013. No options are granted under the Performance and Bonus Share Plans.
35.2.4.2 Long Term Incentive Plan

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Options allocated</td>
<td>104 854</td>
<td>107 739</td>
<td>314 783</td>
<td>155 311</td>
</tr>
<tr>
<td>Exercised/expired in previous years</td>
<td>–</td>
<td>–36 592</td>
<td>–208 610</td>
<td>–136 549</td>
</tr>
<tr>
<td>Outstanding as of January 1, 2015</td>
<td>104 854</td>
<td>71 147</td>
<td>106 173</td>
<td>18 762</td>
</tr>
<tr>
<td>Balance as of December 31, 2015</td>
<td>75 502</td>
<td>65 712</td>
<td>50 403</td>
<td>18 762</td>
</tr>
<tr>
<td>Entities holder to purchase</td>
<td>PC</td>
<td>PC</td>
<td>Shares</td>
<td>Shares</td>
</tr>
<tr>
<td>Exercise price</td>
<td>124.80</td>
<td>85.10</td>
<td>56.40</td>
<td>78.90</td>
</tr>
<tr>
<td>Allocation ratio</td>
<td>1:1</td>
<td>1:1</td>
<td>1:1</td>
<td>1:1</td>
</tr>
<tr>
<td>Weighted average share price on exercise in 2014</td>
<td>165.32</td>
<td>152.90</td>
<td>156.94</td>
<td>–</td>
</tr>
<tr>
<td>Weighted average share price on exercise in 2015</td>
<td>136.54</td>
<td>133.20</td>
<td>135.40</td>
<td>–</td>
</tr>
</tbody>
</table>

The Long Term Incentive Plan was replaced by the Deferred Share Plan in 2012. No options are granted under the Deferred Share Plan.

35.3 Allocation to the Board of Directors and Group Executive Committee

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered shares/participation certificates of Schindler Holding Ltd.</td>
<td>15 238</td>
<td>11 292</td>
</tr>
<tr>
<td>Performance Share Units</td>
<td>31 018</td>
<td>51 289</td>
</tr>
</tbody>
</table>

36 Related parties

Schindler Holding Ltd., Hergiswil, Switzerland, is the ultimate holding company and is not controlled by any other company.

At December 31, 2015, the Schindler and Bonnard families – within the scope of shareholder agreements – and parties related to these families held 47,643,814 registered shares (previous year: 47,639,751) of Schindler Holding Ltd. This corresponds to 70.0% (previous year: 69.9%) of the voting rights of the share capital entered in the Commercial Register.

All business transactions with related parties were conducted at arm’s length. Goods and services transactions are based on prices that apply to third parties. General terms and conditions also apply. The fees charged for management and other central services are charged on the basis of costs plus a margin that is in line with market rates. No unusual transactions were executed involving major shareholders or any other related parties.

As at the balance sheet date, the Schindler Group had an unused financing commitment towards ALSO Holding AG of CHF 25 million (previous year: CHF 25 million).
The transactions with associates and other related parties consist of the following:

### Associates

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Billings</td>
<td>44</td>
<td>46</td>
</tr>
<tr>
<td>Material and operating expenses</td>
<td>26</td>
<td>27</td>
</tr>
<tr>
<td>Receivables and loans</td>
<td>32</td>
<td>29</td>
</tr>
<tr>
<td>Liabilities</td>
<td>9</td>
<td>10</td>
</tr>
</tbody>
</table>

### Other related parties

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities towards shareholders</td>
<td>124</td>
<td>120</td>
</tr>
<tr>
<td>Interest cost</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

### 37 Compensation paid to key management

The aggregate fees and expenses paid to members of the Board of Directors of Schindler Holding Ltd. for their activities as Board members totaled CHF 2.8 million (previous year: CHF 2.8 million).

In addition, the executive members of the Board of Directors and the members of the Group Executive Committee receive fixed compensation as well as performance-related variable compensation.

<table>
<thead>
<tr>
<th>In CHF million</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary payments (incl. cash bonuses and lump-sum expenses), fees</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>Contributions to pension plans and social benefits</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Share-based payments</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>34</strong></td>
<td><strong>35</strong></td>
</tr>
</tbody>
</table>

The disclosure of compensation and participations in accordance with statutory requirements is provided in the Compensation Report.
### 38 Material Group companies

<table>
<thead>
<tr>
<th>Country</th>
<th>Head office</th>
<th>Name of company</th>
<th>Participation in %</th>
<th>Nominal capital (in thousands of local currency)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>Buenos Aires</td>
<td>Ascensores Schindler S.A.</td>
<td>100.0</td>
<td>3 084 ARS</td>
<td></td>
</tr>
<tr>
<td>Australia</td>
<td>Sydney</td>
<td>Schindler Lifts Australia Pty. Ltd.</td>
<td>100.0</td>
<td>8 500 AUD</td>
<td></td>
</tr>
<tr>
<td>Austria</td>
<td>Vienna</td>
<td>Schindler Verwaltungs AG</td>
<td>100.0</td>
<td>70 EUR</td>
<td>O</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Schindler Aufzüge und Fahrtreppen GmbH</td>
<td>100.0</td>
<td>2 000 EUR</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Schindler Fahrtreppen International GmbH</td>
<td>100.0</td>
<td>2 000 EUR</td>
<td></td>
</tr>
<tr>
<td>Belgium</td>
<td>Brussels</td>
<td>S.A. Schindler N.V.</td>
<td>100.0</td>
<td>22 000 EUR</td>
<td></td>
</tr>
<tr>
<td>Brazil</td>
<td>São Paulo</td>
<td>Elevadores Atlas Schindler S.A.</td>
<td>100.0</td>
<td>70 479 BRL</td>
<td></td>
</tr>
<tr>
<td>British Virgin Islands</td>
<td>Tortola</td>
<td>Jardine Schindler Holdings Ltd.</td>
<td>50.0</td>
<td>1 USD</td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td>Toronto</td>
<td>Schindler Elevator Corporation</td>
<td>100.0</td>
<td>25 100 CAD</td>
<td></td>
</tr>
<tr>
<td>Chile</td>
<td>Santiago de Chile</td>
<td>Ascensores Schindler (Chile) S.A.</td>
<td>100.0</td>
<td>59 200 CLP</td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>Henan</td>
<td>XF-Schindler (Xuchang) Elevator Co. Ltd.</td>
<td>56.0</td>
<td>251 000 CNY</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hong Kong SAR (Hong Kong) Ltd.</td>
<td>100.0</td>
<td>25 000 HKD</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Macau SAR (Macau) Ltd.</td>
<td>100.0</td>
<td>25 MOP</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Shanghai Schindler (China) Elevator Co. Ltd.</td>
<td>100.0</td>
<td>941 400 CNY</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Suzhou Suzhou Esca Step Co. Ltd.</td>
<td>100.0</td>
<td>38 914 CNY</td>
<td></td>
</tr>
<tr>
<td>Colombia</td>
<td>Medellin</td>
<td>Ascensores Schindler de Colombia S.A.S.</td>
<td>100.0</td>
<td>10 199 551 COP</td>
<td></td>
</tr>
<tr>
<td>Czech Republic</td>
<td>Prague</td>
<td>Schindler CZ a.s.</td>
<td>100.0</td>
<td>101 000 CZK</td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td>Herlev</td>
<td>Schindler Elevator A/S</td>
<td>100.0</td>
<td>3 000 DKK</td>
<td></td>
</tr>
<tr>
<td>Egypt</td>
<td>Cairo</td>
<td>Schindler Ltd.</td>
<td>100.0</td>
<td>24 250 EGP</td>
<td></td>
</tr>
<tr>
<td>Finland</td>
<td>Helsinki</td>
<td>Schindler Oy</td>
<td>100.0</td>
<td>100 EUR</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>Vélizy-Villacoublay</td>
<td>Schindler S.A.</td>
<td>100.0</td>
<td>8 594 EUR</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>Berlin</td>
<td>Schindler Aufzüge und Fahrtreppen GmbH</td>
<td>100.0</td>
<td>9 715 EUR</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Stuttgart</td>
<td>C. Haushahn GmbH &amp; Co. KG</td>
<td>100.0</td>
<td>8 997 EUR</td>
<td></td>
</tr>
<tr>
<td>Greece</td>
<td>Athens</td>
<td>Schindler Hellas S.A.</td>
<td>100.0</td>
<td>3 638 EUR</td>
<td></td>
</tr>
<tr>
<td>Hungary</td>
<td>Budapest</td>
<td>Schindler Hungária Lift és Mozgólépcső KFT</td>
<td>100.0</td>
<td>460 000 HUF</td>
<td></td>
</tr>
<tr>
<td>India</td>
<td>Mumbai</td>
<td>Schindler India FVY Ltd.</td>
<td>100.0</td>
<td>1 217 879 INR</td>
<td></td>
</tr>
<tr>
<td>Indonesia</td>
<td>Jakarta</td>
<td>PT Berca Schindler Lifts</td>
<td>64.0</td>
<td>6 745 000 IDR</td>
<td></td>
</tr>
<tr>
<td>Israel</td>
<td>Petah Tikva</td>
<td>Schindler Neuchesitan Elevators Ltd.</td>
<td>100.0</td>
<td>7 045 ILS</td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>Concorezzo</td>
<td>Schindler S.p.A.</td>
<td>100.0</td>
<td>8 400 EUR</td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>Kagoshima</td>
<td>Mercury Ascensore Ltd.</td>
<td>100.0</td>
<td>25 000 JPY</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tokyo</td>
<td>Schindler Elevator K.K.</td>
<td>99.9</td>
<td>500 000 JPY</td>
<td></td>
</tr>
<tr>
<td>Kenya</td>
<td>Nairobi</td>
<td>Schindler Ltd.</td>
<td>100.0</td>
<td>5 000 KES</td>
<td></td>
</tr>
<tr>
<td>Liechtenstein</td>
<td>Vaduz</td>
<td>Keassur AG</td>
<td>100.0</td>
<td>20 000 CHF</td>
<td></td>
</tr>
<tr>
<td>Malaysia</td>
<td>Kuala Lumpur</td>
<td>Antah Schindler Sdn. Bh.</td>
<td>70.0</td>
<td>5 000 MYR</td>
<td></td>
</tr>
<tr>
<td>Mexico</td>
<td>Mexico City</td>
<td>Elevadores Schindler S.A. de C.V.</td>
<td>100.0</td>
<td>32 073 MXN</td>
<td></td>
</tr>
<tr>
<td>Morocco</td>
<td>Casablanca</td>
<td>Schindler Maroc S.A.</td>
<td>100.0</td>
<td>10 000 MAD</td>
<td></td>
</tr>
<tr>
<td>Netherlands</td>
<td>The Hague</td>
<td>Schindler Liften B.V.</td>
<td>100.0</td>
<td>567 EUR</td>
<td></td>
</tr>
<tr>
<td>New Zealand</td>
<td>Auckland</td>
<td>Schindler Lifts NZ Ltd.</td>
<td>100.0</td>
<td>1 000 NZD</td>
<td></td>
</tr>
</tbody>
</table>

* Production  * Sales, installation, maintenance  * Other services

1 Participations of Jardine Schindler Holdings Ltd., BVI
<table>
<thead>
<tr>
<th>Country</th>
<th>Head office</th>
<th>Name of company</th>
<th>Participation in %</th>
<th>Nominal capital</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td>Norway</td>
<td>Bergen</td>
<td>Schindler Stahl Heiser A/S</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td></td>
<td>Vennesla</td>
<td>Reber-Schindler Heis A/S</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Peru</td>
<td>Lima</td>
<td>Ascensores Schindler del Perú S.A.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Philippines</td>
<td>Manila</td>
<td>Jardine Schindler Elevator Corp.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Poland</td>
<td>Warsaw</td>
<td>Schindler Polska Sp. z o.o.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Portugal</td>
<td>Carnaxide</td>
<td>Schindler – Ascensores e escadas rolantes, S.A.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Romania</td>
<td>Bucharest</td>
<td>Schindler Romania S.R.L.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Russia</td>
<td>Moscow</td>
<td>ZAO Schindler</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>Jeddah</td>
<td>Schindler Olayan Elevator Company Ltd.</td>
<td>90.0</td>
<td>90.0</td>
</tr>
<tr>
<td>Singapore</td>
<td>Singapore</td>
<td>Schindler Lifts (Singapore) Pte. Ltd.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Slovakia</td>
<td>Dunajská</td>
<td>Schindler Dunajská Streda a.s.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Schindler Eskalatóry s.r.o.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>South Africa</td>
<td>Johannesburg</td>
<td>Schindler Lifts (SA) (PTY) Ltd.</td>
<td>100.0</td>
<td>90.0</td>
</tr>
<tr>
<td>South Korea</td>
<td>Seoul</td>
<td>Schindler Elevator Company Ltd.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Spain</td>
<td>Madrid</td>
<td>Schindler S.A.</td>
<td>99.8</td>
<td>99.8</td>
</tr>
<tr>
<td></td>
<td>Saragossa</td>
<td>Schindler Iberica Management S.A.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Sweden</td>
<td>Danderyd</td>
<td>Schindler Hiss AB</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Switzerland</td>
<td>Ebikon</td>
<td>Schindler Aufzüge AG</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Schindler Digital Business AG</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Schindler Management AG</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td></td>
<td>Hergiswil</td>
<td>Inventio AG</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Schindler Pars International Ltd.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td></td>
<td>Locarno</td>
<td>Schindler Elettronica S.A.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td></td>
<td>Kössnacht a.R.</td>
<td>AS Aufzüge AG</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Taiwan</td>
<td>Taipei</td>
<td>Jardine Schindler Lifts Ltd.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Thailand</td>
<td>Bangkok</td>
<td>Jardine Schindler (Thailand) Ltd.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Turkey</td>
<td>Istanbul</td>
<td>Schindler Turkeli Asansor Sanayi A.S.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>UK</td>
<td>Sunbury</td>
<td>Schindler Ltd.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>Dubai</td>
<td>Schindler Pars International Ltd. (Dubai and Abu Dhabi branches)</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>USA</td>
<td>Gantano</td>
<td>Schindler Corp. of Puerto Rico</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td></td>
<td>Morristown</td>
<td>Schindler Elevator Corporation</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td></td>
<td>Mountainside</td>
<td>Slade Industries, Inc.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Vietnam</td>
<td>Ho Chi Minh City</td>
<td>Schindler Vietnam Ltd.</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

- Production
- Sales, installation, maintenance
- Other services

1 Participations of Jardine Schindler Holdings Ltd., BVI
39 Dividends paid and proposal by the Board of Directors

In 2015, CHF 355 million was paid in dividends (previous year: CHF 245 million). This corresponds to an ordinary dividend of CHF 2.20 (previous year: CHF 2.20) and an additional dividend of CHF 1.00 per registered share and per participation certificate.

The Board of Directors proposes to the General Meeting of Shareholders that a dividend of CHF 2.70 per registered share and per participation certificate be distributed for the reporting year 2015. This represents a total gross dividend payment of CHF 303 million. The proposed dividends are not included in this financial report because they will be charged to equity in the period in which the distribution is approved by the General Meeting of Shareholders.

40 Approval of the consolidated financial statements for publication

The consolidated financial statements were approved for publication by the Board of Directors of Schindler Holding Ltd. on February 11, 2016, and will be presented to the General Meeting of Shareholders for approval on March 22, 2016.
Report of the statutory auditor

To the General Meeting of Schindler Holding Ltd., Hergiswil

Report of the statutory auditor on the consolidated financial statements
As statutory auditor, we have audited the consolidated financial statements of Schindler Holding Ltd., which comprise the income statement, statement of comprehensive income, balance sheet, cash flow statement, statement of changes in equity and notes (pages 4 to 66), for the year ended December 31, 2015.

Board of Directors’ responsibility
The Board of Directors is responsible for the preparation of these consolidated financial statements in accordance with IFRS and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor’s responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards and International Standards on Auditing (ISA). Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity’s preparation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements for the year ended December 31, 2015 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with IFRS and comply with Swiss law.
Report on other legal requirements
We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Basel, February 11, 2016

Ernst & Young Ltd.

Christian Schibler          Ralf Noffke
Licensed audit expert      Licensed audit expert
(Auditor in charge)
Financial Statements of Schindler Holding Ltd.

70  Income statement
71  Balance sheet
72  Notes to the financial statements
81  Appropriation of available earnings
82  Report of the statutory auditor
### Income statement

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from participations</td>
<td>1</td>
<td>520 749</td>
<td>751 321</td>
</tr>
<tr>
<td>Financial income</td>
<td></td>
<td>23 753</td>
<td>39 044</td>
</tr>
<tr>
<td><strong>Total operating income</strong></td>
<td></td>
<td>544 502</td>
<td>790 365</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td></td>
<td>−28 704</td>
<td>−21 745</td>
</tr>
<tr>
<td>Financial expenses</td>
<td></td>
<td>−20 793</td>
<td>−9 870</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td></td>
<td>−49 497</td>
<td>−31 615</td>
</tr>
<tr>
<td>Extraordinary income</td>
<td>2</td>
<td>−</td>
<td>13 639</td>
</tr>
<tr>
<td><strong>Profit before taxes</strong></td>
<td></td>
<td>495 005</td>
<td>772 389</td>
</tr>
<tr>
<td>Taxes</td>
<td></td>
<td>−4 616</td>
<td>−11 290</td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td></td>
<td>490 389</td>
<td>761 099</td>
</tr>
</tbody>
</table>
### Assets

<table>
<thead>
<tr>
<th>In CHF 1,000</th>
<th>Note</th>
<th>31.12.2015</th>
<th>%</th>
<th>31.12.2014</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>3</td>
<td>1,161,615</td>
<td>46.6</td>
<td>1,778,764</td>
<td>56.3</td>
</tr>
<tr>
<td>Marketable securities</td>
<td>4</td>
<td>89,388</td>
<td>3.4</td>
<td>38,408</td>
<td>1.1</td>
</tr>
<tr>
<td>Other receivables</td>
<td>5</td>
<td>496,755</td>
<td>18.3</td>
<td>673,239</td>
<td>20.2</td>
</tr>
<tr>
<td>Prepaid expenses and accrued income</td>
<td></td>
<td>1,393</td>
<td>0.5</td>
<td>1,492</td>
<td>0.5</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td></td>
<td>1,749,151</td>
<td>100.0</td>
<td>2,491,903</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term financial assets</td>
<td>6</td>
<td>480,376</td>
<td>18.9</td>
<td>449,240</td>
<td>12.5</td>
</tr>
<tr>
<td>Participations</td>
<td>7</td>
<td>1,525,039</td>
<td>57.9</td>
<td>1,484,015</td>
<td>41.9</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td></td>
<td>2,005,415</td>
<td>100.0</td>
<td>1,933,255</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
<td>3,754,566</td>
<td>100.0</td>
<td>4,425,158</td>
<td>100.0</td>
</tr>
</tbody>
</table>

### Liabilities and equity

<table>
<thead>
<tr>
<th>In CHF 1,000</th>
<th>Note</th>
<th>31.12.2015</th>
<th>%</th>
<th>31.12.2014</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade accounts payable</td>
<td></td>
<td>604</td>
<td>27.8</td>
<td>561</td>
<td>16.0</td>
</tr>
<tr>
<td>Interest-bearing liabilities</td>
<td>8</td>
<td>1,024,816</td>
<td>47.8</td>
<td>692,492</td>
<td>16.1</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>9</td>
<td>13,488</td>
<td>0.6</td>
<td>2,659</td>
<td>0.7</td>
</tr>
<tr>
<td>Accrued expenses and deferred income</td>
<td></td>
<td>5,203</td>
<td>2.2</td>
<td>9,685</td>
<td>2.3</td>
</tr>
<tr>
<td>Provisions</td>
<td>10</td>
<td>1,431</td>
<td>0.5</td>
<td>2,059</td>
<td>0.5</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td></td>
<td>1,045,542</td>
<td>47.8</td>
<td>707,456</td>
<td>16.0</td>
</tr>
<tr>
<td>Interest-bearing liabilities</td>
<td></td>
<td>8</td>
<td>400,000</td>
<td>76,152</td>
<td></td>
</tr>
<tr>
<td>Provisions</td>
<td>10</td>
<td>74,008</td>
<td>3.7</td>
<td>76,152</td>
<td>1.8</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td></td>
<td>74,008</td>
<td>2.0</td>
<td>476,152</td>
<td>10.7</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td></td>
<td>1,119,550</td>
<td>29.8</td>
<td>1,183,608</td>
<td>26.7</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share capital</td>
<td>11</td>
<td>6,806</td>
<td>17.9</td>
<td>6,818</td>
<td>17.7</td>
</tr>
<tr>
<td>Participation capital</td>
<td>11</td>
<td>4,424</td>
<td>12.3</td>
<td>4,462</td>
<td>11.0</td>
</tr>
<tr>
<td>Legal reserves</td>
<td>11</td>
<td>317,121</td>
<td>9.1</td>
<td>317,121</td>
<td>8.1</td>
</tr>
<tr>
<td>Free reserves</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit brought forward</td>
<td></td>
<td>37,419</td>
<td>1.0</td>
<td>31,508</td>
<td>1.3</td>
</tr>
<tr>
<td>Net profit</td>
<td></td>
<td>490,389</td>
<td>13.2</td>
<td>761,099</td>
<td>17.6</td>
</tr>
<tr>
<td>Other free reserves</td>
<td>11</td>
<td>2,597,511</td>
<td>63.6</td>
<td>2,263,315</td>
<td>51.6</td>
</tr>
<tr>
<td>Treasury shares</td>
<td>11</td>
<td>-818,654</td>
<td>-21.9</td>
<td>-142,773</td>
<td>-3.4</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td></td>
<td>2,635,016</td>
<td>70.2</td>
<td>3,241,550</td>
<td>73.3</td>
</tr>
<tr>
<td><strong>Total liabilities and equity</strong></td>
<td></td>
<td>3,754,566</td>
<td>100.0</td>
<td>4,425,158</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Business activities
Schindler Holding Ltd. has its registered office in Hergiswil (Canton of Nidwalden, Switzerland). The purpose of the company is the management and financing of participations in Switzerland and abroad. Schindler Holding Ltd. did not have any employees in the reporting year or in the previous year.

First-time application of new Swiss Law on Accounting and Financial Reporting
The 2015 financial statements were prepared in accordance with the provisions of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations) for the first time. To ensure comparability, the structure of the balance sheet and of the income statement as well as the disclosures in the notes to the financial statements for the previous year were adapted to the new requirements. The impact on equity is disclosed in note 11.

Basis of preparation
The financial statements of Schindler Holding Ltd. were prepared in accordance with the principles set out in the Swiss Code of Obligations. The main accounting principles applied are described below.

Marketable securities
Marketable securities solely include securities with market prices that are valued at the current price as at the balance sheet date. Marketable securities are reported at the lower of cost or market price. Changes in value that exceed the acquisition costs are recognized in a valuation reserve. If the value of securities falls below the acquisition costs, this change in value is recognized through the financial result. Securities are disclosed net of the valuation reserve.

Participations
Participations are disclosed at cost less appropriate write-downs.

Treasury shares
Own registered shares and participation certificates (treasury shares) are recognized at the acquisition costs as at the acquisition date and deducted from equity. No subsequent valuation is made. If treasury shares are later disposed of, the resulting gain or loss is recognized in the income statement.

Share-based payments
The Schindler Group has several share-based payment plans in place. Schindler Holding Ltd. charges the costs of share-based payments to the respective Group companies that employ the recipients of those payments.
Gains or losses are recognized in the income statement as other operating expenses or other operating income when share-based payment plans are charged to Group companies. The gain or loss results from the difference between the acquisition value of the treasury shares and their fair value at the date of allocation. For treasury shares that have not yet been acquired, a provision corresponding to this difference is recorded if the current market price exceeds the fair value at the date of allocation.

1 Income from participations
Income from participations comprises dividends from Group companies, contractually agreed payments for services rendered, as well as gains on sales of participations.

2 Extraordinary income
The extraordinary gain reported in the previous year was generated in connection with the sale of EbiSquare AG (Mall of Switzerland development project).

3 Cash and cash equivalents
Cash and cash equivalents include cash on hand, current accounts, and time deposits with an original maturity of a maximum of 3 months. The reported amount consists mainly of cash and cash equivalents in Swiss francs.

4 Marketable securities
The valuation reserve totaled CHF 7.0 million as at the balance sheet date (previous year: CHF 2.3 million).

5 Other receivables

<table>
<thead>
<tr>
<th>In CHF 1 000</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>From third parties</td>
<td>394 379</td>
<td>176 417</td>
</tr>
<tr>
<td>From Group companies</td>
<td>102 376</td>
<td>496 822</td>
</tr>
<tr>
<td><strong>Total other receivables</strong></td>
<td><strong>496 755</strong></td>
<td><strong>673 239</strong></td>
</tr>
</tbody>
</table>

Other receivables from third parties mainly comprise time deposits with a maturity of 3 to 12 months totaling CHF 390.8 million (previous year: CHF 175.0 million).

6 Long-term financial assets

<table>
<thead>
<tr>
<th>In CHF 1 000</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans to Group companies</td>
<td>426 800</td>
<td>442 064</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>53 576</td>
<td>7 176</td>
</tr>
<tr>
<td><strong>Total long-term financial assets</strong></td>
<td><strong>480 376</strong></td>
<td><strong>449 240</strong></td>
</tr>
</tbody>
</table>
7 Participations

In CHF 1,000  

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1</td>
<td>1,484,015</td>
<td>1,503,103</td>
</tr>
<tr>
<td>Additions</td>
<td>41,024</td>
<td>28,687</td>
</tr>
<tr>
<td>Disposals</td>
<td>–</td>
<td>–47,775</td>
</tr>
<tr>
<td>December 31</td>
<td>1,525,039</td>
<td>1,484,015</td>
</tr>
</tbody>
</table>

An overview of the companies in which Schindler Holding Ltd. holds direct or indirect participations is provided in note 38 to the consolidated financial statements.

8 Interest-bearing liabilities

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Short-term</td>
<td>Long-term</td>
</tr>
<tr>
<td>To third parties (bonds)</td>
<td>616,235</td>
<td>–</td>
</tr>
<tr>
<td>To Group companies</td>
<td>284,874</td>
<td>–</td>
</tr>
<tr>
<td>To shareholders</td>
<td>123,707</td>
<td>–</td>
</tr>
<tr>
<td>Total interest-bearing liabilities</td>
<td>1,024,816</td>
<td>–</td>
</tr>
</tbody>
</table>

8.1 Bonds

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.250% bond 2011–2016, due November 21, 2016</td>
<td>400,000</td>
<td>400,000</td>
</tr>
<tr>
<td>0.375% exchangeable bond 2013–2017, due June 5, 2017</td>
<td>216,235</td>
<td>218,070</td>
</tr>
</tbody>
</table>

The exchangeable bond can be exchanged for shares of ALSO Holding AG at a price of CHF 60.24 per share at any time during the term of the instrument. A total of CHF 1.8 million was exchanged during the reporting year (previous year: CHF 0 million).

9 Other liabilities

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>To third parties</td>
<td>11,980</td>
<td>873</td>
</tr>
<tr>
<td>To pension plans</td>
<td>1,288</td>
<td>1,526</td>
</tr>
<tr>
<td>To shareholders and governing bodies</td>
<td>220</td>
<td>260</td>
</tr>
<tr>
<td>Total other liabilities</td>
<td>13,488</td>
<td>2,659</td>
</tr>
</tbody>
</table>

10 Provisions

The provisions to cover financial risks amount to CHF 75.4 million (previous year: CHF 78.2 million). They consist mainly of provisions for guarantees and provisions to cover obligations arising from share-based payments.
### 11 Equity

<table>
<thead>
<tr>
<th>Date</th>
<th>Share capital</th>
<th>Capital</th>
<th>Reserves</th>
<th>Shares</th>
<th>Legal reserves</th>
<th>Other reserves</th>
<th>Earnings</th>
<th>Available</th>
<th>Treasury</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 31, 2013</td>
<td>7 089</td>
<td>4 617</td>
<td>317 121</td>
<td>638 436</td>
<td>1 666 400</td>
<td>786 392</td>
<td></td>
<td></td>
<td></td>
<td>3 420 055</td>
</tr>
<tr>
<td>Dividend</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>−244 884</td>
<td></td>
<td></td>
<td></td>
<td>−244 884</td>
<td></td>
</tr>
<tr>
<td>Allocation to other free reserves</td>
<td>510 000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>−510 000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduction as of May 26, 2014</td>
<td>−271</td>
<td>−155</td>
<td>−551 947</td>
<td>426</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>−551 947</td>
<td></td>
</tr>
<tr>
<td>Change in reserves for treasury shares</td>
<td>56 284</td>
<td></td>
<td></td>
<td></td>
<td>−56 284</td>
<td></td>
<td></td>
<td></td>
<td>−</td>
<td></td>
</tr>
<tr>
<td>Net profit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>761 099</td>
<td></td>
<td></td>
<td></td>
<td>761 099</td>
<td></td>
</tr>
<tr>
<td>December 31, 2014</td>
<td>6 818</td>
<td>4 462</td>
<td>317 121</td>
<td>142 773</td>
<td>2 120 542</td>
<td>792 607</td>
<td>−142 773</td>
<td>−142 773</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer of treasury shares</td>
<td>−142 773</td>
<td>142 773</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>−142 773</td>
<td></td>
</tr>
<tr>
<td>January 1, 2015</td>
<td>6 818</td>
<td>4 462</td>
<td>317 121</td>
<td></td>
<td>2 263 315</td>
<td>792 607</td>
<td>−142 773</td>
<td>3 241 550</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividend</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>−355 188</td>
<td></td>
<td></td>
<td></td>
<td>−355 188</td>
<td></td>
</tr>
<tr>
<td>Allocation to other free reserves</td>
<td>400 000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>−400 000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduction as of May 27, 2015</td>
<td>−12</td>
<td>−38</td>
<td>−65 804</td>
<td>65 854</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>−471 735</td>
<td></td>
</tr>
<tr>
<td>Additions/disposals of treasury shares</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>−741 735</td>
<td></td>
<td></td>
<td></td>
<td>−471 735</td>
<td></td>
</tr>
<tr>
<td>Net profit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>490 389</td>
<td></td>
<td></td>
<td></td>
<td>490 389</td>
<td></td>
</tr>
<tr>
<td>December 31, 2015</td>
<td>6 806</td>
<td>4 424</td>
<td>317 121</td>
<td>−</td>
<td>2 597 511</td>
<td>527 808</td>
<td>−818 654</td>
<td>2 635 016</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Of which share premiums (unchanged)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>311 321</td>
<td></td>
<td></td>
<td></td>
<td>311 321</td>
<td></td>
</tr>
</tbody>
</table>

With effect from January 1, 2015, holdings of treasury shares are disclosed as a deduction from equity due to the first-time application of the new Swiss Law on Accounting and Financial Reporting. Holdings of treasury shares were transferred from current assets to equity. This resulted in a CHF 142.8 million reduction in equity. The reserves for treasury shares were released and reclassified to other free reserves.

### 11.1 Share capital

<table>
<thead>
<tr>
<th>Date</th>
<th>Number</th>
<th>Nominal value</th>
<th>Share capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 31, 2012</td>
<td>71 440 056</td>
<td>0.10</td>
<td>7 140 006</td>
</tr>
<tr>
<td>Reduction as of June 6, 2013</td>
<td>−552 411</td>
<td>−55 241</td>
<td></td>
</tr>
<tr>
<td>December 31, 2013</td>
<td>70 887 645</td>
<td>0.10</td>
<td>7 088 765</td>
</tr>
<tr>
<td>Reduction as of May 26, 2014</td>
<td>−2 707 293</td>
<td>−270 729</td>
<td></td>
</tr>
<tr>
<td>December 31, 2014</td>
<td>68 180 352</td>
<td>0.10</td>
<td>6 818 035</td>
</tr>
<tr>
<td>Reduction as of May 27, 2015</td>
<td>−118 550</td>
<td>−11 855</td>
<td></td>
</tr>
<tr>
<td>December 31, 2015</td>
<td>68 061 802</td>
<td>0.10</td>
<td>6 806 180</td>
</tr>
</tbody>
</table>
### 11.2 Participation capital

<table>
<thead>
<tr>
<th>Date</th>
<th>Nominal share capital</th>
<th>Participation value</th>
<th>Participation capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 31, 2012</td>
<td>46,894,800</td>
<td>0.10</td>
<td>4,689,480</td>
</tr>
<tr>
<td>Reduction as of June 6, 2013</td>
<td>~722,891</td>
<td>~72,289</td>
<td></td>
</tr>
<tr>
<td>December 31, 2013</td>
<td>46,171,909</td>
<td>0.10</td>
<td>4,617,191</td>
</tr>
<tr>
<td>Reduction as of May 26, 2014</td>
<td>~1,553,376</td>
<td>~155,338</td>
<td></td>
</tr>
<tr>
<td>December 31, 2014</td>
<td>44,618,533</td>
<td>0.10</td>
<td>4,461,853</td>
</tr>
<tr>
<td>Reduction as of May 27, 2015</td>
<td>~382,222</td>
<td>~38,222</td>
<td></td>
</tr>
<tr>
<td>December 31, 2015</td>
<td>44,236,311</td>
<td>0.10</td>
<td>4,423,631</td>
</tr>
</tbody>
</table>

### 11.3 Treasury shares

<table>
<thead>
<tr>
<th>Date</th>
<th>Registered shares</th>
<th>Participation certificates</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Average share</td>
<td>Value</td>
</tr>
<tr>
<td></td>
<td>Number</td>
<td>price in CHF</td>
</tr>
<tr>
<td>January 1, 2014</td>
<td>3,285,417</td>
<td>405</td>
</tr>
<tr>
<td>Cancellation</td>
<td>~2,707,293</td>
<td>129.28</td>
</tr>
<tr>
<td>Purchase</td>
<td>162,600</td>
<td>129.15</td>
</tr>
<tr>
<td>Share-based payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disposal of treasury shares</td>
<td>~82,023</td>
<td>134.11</td>
</tr>
<tr>
<td>Exercising of options and Performance Share Units</td>
<td>~112,932</td>
<td>61.98</td>
</tr>
<tr>
<td>Difference in value due to disposal</td>
<td>~3</td>
<td></td>
</tr>
<tr>
<td>December 31, 2014</td>
<td>545,769</td>
<td>55</td>
</tr>
<tr>
<td>Cancellation</td>
<td>~118,550</td>
<td>134.96</td>
</tr>
<tr>
<td>Purchase</td>
<td>1,386,293</td>
<td>157.25</td>
</tr>
<tr>
<td>Share-based payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disposal of treasury shares</td>
<td>~96,011</td>
<td>156.23</td>
</tr>
<tr>
<td>Exercising of options and Performance Share Units</td>
<td>~203,754</td>
<td>78.53</td>
</tr>
<tr>
<td>Difference in value due to disposal</td>
<td>~5</td>
<td></td>
</tr>
<tr>
<td>December 31, 2015</td>
<td>1,513,747</td>
<td>221</td>
</tr>
<tr>
<td>Reserved for share-based payment plans</td>
<td>592,397</td>
<td></td>
</tr>
</tbody>
</table>

### 11.4 Repurchase program

In September 2012, the Board of Directors of Schindler Holding Ltd. decided to launch a repurchase program that was to run for a maximum of three years (2013–2015) at market prices. Under the program, a maximum of 4,273,284 registered shares – corresponding to 3.6% of the capital stock and 6.0% of voting rights at that time – and a maximum of 9,378,960 participation certificates (7.9% of the capital stock) could be repurchased with effect from January 3, 2013. The total amount of shares and participation certificates repurchased could not exceed 9.5% of the capital stock.

A total of 1,028,900 registered shares and 3,652,502 participation certificates were repurchased in connection with the repurchase program in the reporting year for the purpose of reducing capital. In accordance with the decision of the General Meeting of Shareholders of March 20, 2015, 44,550 of these registered shares and 133,022 participation certificates were cancelled on May 27, 2015, by means of
a capital reduction. The Board of Directors will propose to the forthcoming General Meeting of Shareholders of March 22, 2016, that the capital stock be reduced by the remaining 984,350 registered shares and 3,519,480 participation certificates repurchased.

In accordance with the decision of the General Meeting of Shareholders of March 20, 2015, additional 74,000 registered shares and 249,200 participation certificates repurchased in the previous year were cancelled on May 27, 2015, by means of a capital reduction.

As of December 30, 2015, Schindler Holding Ltd. ended the share buyback program. In the context of the buyback program, including a fixed-price repurchase offer from November 1st to November 14, 2013, a total of 3,810,193 registered shares and 5,455,078 participation certificates were repurchased, which represents 7.8% of the capital stock recorded in the Commercial Register at the start of the buyback program.

12 Contingent liabilities
The contingent liabilities of Schindler Holding Ltd. total CHF 857.2 million (previous year: CHF 808.2 million). They mainly comprise guarantees, letters of comfort, and guarantee bonds in favor of Group companies.

Schindler Holding Ltd. is part of the Swiss Schindler value-added tax group and is therefore jointly liable for existing and future VAT claims from the Swiss Federal Tax Administration.

13 Significant shareholders
See note 36 to the consolidated financial statements for information about shareholders’ agreements.

14 Benefits for related parties
In the reporting year, Schindler Holding Ltd. paid pensions amounting to CHF 0.1 million (previous year: CHF 0.2 million) to two widows of former executive members of the Board of Directors. The actuarially determined present value of these payments is recalculated annually and, as at December 31, 2015, amounted to CHF 1.1 million (previous year: CHF 1.2 million). This amount is recognized as a provision.

15 Equity instruments and Performance Share Units allocated to executive members of the Board of Directors

<table>
<thead>
<tr>
<th>Share-based payments in</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>CHF 1'000</td>
</tr>
<tr>
<td>Alfred N. Schindler, Chairman</td>
<td>Registered shares</td>
<td>3,953</td>
</tr>
<tr>
<td>Dr. Rudolf W. Fischer</td>
<td>Registered shares</td>
<td>7,084</td>
</tr>
<tr>
<td>Jürgen Tinggren</td>
<td>Registered shares</td>
<td>8,500</td>
</tr>
<tr>
<td>Prof. Dr. Karl Hofstetter</td>
<td>Registered shares/Performance Share Units</td>
<td>6,234</td>
</tr>
</tbody>
</table>

The number of shares disclosed in the reporting year is a provisional figure. The final number is reported in the following year.
### 16 Levels of participation

The participations and option rights of the members of the Board of Directors of Schindler Holding Ltd. and of the Group Executive Committee, and of related parties, are as follows (there are no outstanding conversion rights):

#### 16.1 Board of Directors

<table>
<thead>
<tr>
<th>Name and Title</th>
<th>As of 31.12.2015</th>
<th>Number of Participations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alfred N. Schindler, Chairman</td>
<td>1,2</td>
<td>4, 39,287, 4,043</td>
</tr>
<tr>
<td>Luc Bonnard, Vice Chairman</td>
<td>3</td>
<td>4, –, –</td>
</tr>
<tr>
<td>Dr. Rudolf W. Fischer</td>
<td>1,2</td>
<td>20,841, –, –</td>
</tr>
<tr>
<td>Jürgen Tinggren</td>
<td>1,2</td>
<td>51,178, 5,203, 18,115</td>
</tr>
<tr>
<td>Prof. Dr. Karl Hofstetter</td>
<td>2</td>
<td>65,532, 21,159, 28,204</td>
</tr>
<tr>
<td>Prof. Dr. Pius Baschera</td>
<td>3</td>
<td>3,000, –, –</td>
</tr>
<tr>
<td>Patrice Bula</td>
<td>3</td>
<td>1,500, –, –</td>
</tr>
<tr>
<td>Prof. Dr. Monika Bütler</td>
<td>3</td>
<td>1,500, –, –</td>
</tr>
<tr>
<td>Anthony Nightingale</td>
<td>3</td>
<td>3,000, –, –</td>
</tr>
<tr>
<td>Rolf Schweiger</td>
<td>3</td>
<td>3,375, –, –</td>
</tr>
<tr>
<td>Carole Vischer</td>
<td>3</td>
<td>4, –, –</td>
</tr>
<tr>
<td>Prof. Dr. Klaus W. Wellershoff</td>
<td>3</td>
<td>3,000, –, –</td>
</tr>
</tbody>
</table>

1 Member of the Supervisory and Nomination Committee  
2 Executive member  
3 Non-executive member  
4 Alfred N. Schindler, Luc Bonnard, and Carole Vischer hold their registered shares of Schindler Holding Ltd. under a shareholders’ agreement. Together with related parties, they held a total of 47,643,814 shares as at December 31, 2015, corresponding to 70.0% of the voting rights of the share capital entered in the Commercial Register.

5 Fully vested options on participation certificates granted under the Capital Participation Plan 2000 (option plan allocation 2012)  
6 Fully vested options on participation certificates granted under the Long Term Incentive Plan 2010  
7 Fully vested options on participation certificates granted:
   – under the Long Term Incentive Plan 2010: 14,492  
   – under the Long Term Incentive Plan 2011: 13,712
### Financial Statements of Schindler Holding Ltd.

#### 2014

<table>
<thead>
<tr>
<th>Number</th>
<th>Registered shares</th>
<th>Participation certificates</th>
<th>Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alfred N. Schindler, Chairman ¹ ²</td>
<td>4</td>
<td>34 764</td>
<td>4 523</td>
</tr>
<tr>
<td>Luc Bonnard, Vice Chairman ³</td>
<td>4</td>
<td>1 155</td>
<td>–</td>
</tr>
<tr>
<td>Dr. Rudolf W. Fischer ¹ ²</td>
<td></td>
<td>26 726</td>
<td>5 999</td>
</tr>
<tr>
<td>Jürgen Tinggren ¹ ²</td>
<td></td>
<td>30 920</td>
<td>63 326</td>
</tr>
<tr>
<td>Prof. Dr. Karl Hofstetter ²</td>
<td></td>
<td>56 251</td>
<td>28 204</td>
</tr>
<tr>
<td>Prof. Dr. Pius Baschera ³</td>
<td></td>
<td>3 000</td>
<td>–</td>
</tr>
<tr>
<td>Prof. Dr. Monika Büter ³</td>
<td></td>
<td>1 500</td>
<td>–</td>
</tr>
<tr>
<td>Dr. Hubertus von Grünberg ³</td>
<td></td>
<td>5 000</td>
<td>–</td>
</tr>
<tr>
<td>Anthony Nightingale ³</td>
<td></td>
<td>3 000</td>
<td>–</td>
</tr>
<tr>
<td>Rolf Schweiger ⁷</td>
<td></td>
<td>3 375</td>
<td>–</td>
</tr>
<tr>
<td>Carole Vischer ³</td>
<td>4</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Prof. Dr. Klaus W. Welleshoff ³</td>
<td></td>
<td>3 000</td>
<td>–</td>
</tr>
</tbody>
</table>

¹ Member of the Supervisory and Nomination Committee
² Executive member
³ Non-executive member

Alfred N. Schindler, Luc Bonnard, and Carole Vischer hold their registered shares of Schindler Holding Ltd. under a shareholders’ agreement. Together with related parties, they held a total of 47 639 751 shares as at December 31, 2014, corresponding to 69.9% of the voting rights of the share capital entered in the Commercial Register.

5 Fully vested options on participation certificates granted under the Long Term Incentive Plan 2011

7 Fully vested options granted:
- under the Long Term Incentive Plan 2009: 27 000 (registered shares)
- under the Long Term Incentive Plan 2010: 18 115 (participation certificates)
- under the Long Term Incentive Plan 2011: 18 211 (participation certificates)
### 16.2 Group Executive Committee

#### 2015

<table>
<thead>
<tr>
<th>Registered shares</th>
<th>Registered participation certificates</th>
<th>Allocated shares</th>
<th>Allocated participation certificates</th>
<th>Allocated shares</th>
<th>Allocated participation certificates</th>
<th>Allocated shares</th>
<th>Allocated participation certificates</th>
<th>Allocated shares</th>
<th>Allocated participation certificates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silvio Napoli, CEO</td>
<td>13,211</td>
<td>9,981</td>
<td>992</td>
<td>3,018</td>
<td>8,528</td>
<td>10,729</td>
<td>6,340</td>
<td>5,999</td>
<td></td>
</tr>
<tr>
<td>Miguel A. Rodríguez</td>
<td>23,575</td>
<td>--</td>
<td>562</td>
<td>4,279</td>
<td>10,234</td>
<td>19,509</td>
<td>6,340</td>
<td>5,999</td>
<td></td>
</tr>
<tr>
<td>Erich Ammann</td>
<td>18,931</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>8,570</td>
<td>--</td>
<td></td>
</tr>
<tr>
<td>Karl-Heinz Bauer</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td></td>
<td>--</td>
<td></td>
</tr>
<tr>
<td>David Clymo</td>
<td>2,900</td>
<td>1,251</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td></td>
</tr>
<tr>
<td>Paolo Compagna</td>
<td>1,505</td>
<td>284</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>508</td>
<td>483</td>
<td></td>
</tr>
<tr>
<td>Carlos Guembe</td>
<td>1,579</td>
<td>1,989</td>
<td>--</td>
<td>--</td>
<td>2,415</td>
<td>7,246</td>
<td>2,355</td>
<td>2,228</td>
<td></td>
</tr>
<tr>
<td>Albert Haffert</td>
<td>6,685</td>
<td>3,000</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>2,000</td>
<td>4,982</td>
<td>6,856</td>
<td></td>
</tr>
<tr>
<td>Thomas Oetterli</td>
<td>9,553</td>
<td>7,307</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>2,000</td>
<td>4,529</td>
<td>5,142</td>
<td></td>
</tr>
<tr>
<td>Oswald Schmid</td>
<td>1,101</td>
<td>4,358</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>2,944</td>
<td>3,000</td>
<td>--</td>
<td></td>
</tr>
</tbody>
</table>

1 Options from Capital Participation Plan 2000
2 Options from Long Term Incentive Plan 2008
3 Options from Long Term Incentive Plan 2009
4 Options from Long Term Incentive Plan 2010
5 Options from Long Term Incentive Plan 2011

#### 2014

<table>
<thead>
<tr>
<th>Registered shares</th>
<th>Registered participation certificates</th>
<th>Allocated shares</th>
<th>Allocated participation certificates</th>
<th>Allocated shares</th>
<th>Allocated participation certificates</th>
<th>Allocated shares</th>
<th>Allocated participation certificates</th>
<th>Allocated shares</th>
<th>Allocated participation certificates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silvio Napoli, CEO</td>
<td>8,420</td>
<td>9,981</td>
<td>325</td>
<td>992</td>
<td>3,018</td>
<td>8,528</td>
<td>10,729</td>
<td>6,340</td>
<td>5,999</td>
</tr>
<tr>
<td>Miguel A. Rodríguez</td>
<td>23,629</td>
<td>--</td>
<td>2,565</td>
<td>562</td>
<td>4,279</td>
<td>10,234</td>
<td>19,509</td>
<td>6,340</td>
<td>5,999</td>
</tr>
<tr>
<td>Erich Ammann</td>
<td>12,696</td>
<td>5,225</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>8,570</td>
<td></td>
</tr>
<tr>
<td>David Clymo</td>
<td>--</td>
<td>2,390</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>1,858</td>
<td></td>
</tr>
<tr>
<td>Carlos Guembe</td>
<td>3,693</td>
<td>1,989</td>
<td>--</td>
<td>--</td>
<td>3,773</td>
<td>8,361</td>
<td>4,982</td>
<td>6,856</td>
<td></td>
</tr>
<tr>
<td>Albert Haffert</td>
<td>3,285</td>
<td>6,928</td>
<td>--</td>
<td>--</td>
<td>4,998</td>
<td>7,307</td>
<td>8,361</td>
<td>4,529</td>
<td>5,142</td>
</tr>
<tr>
<td>Thomas Oetterli</td>
<td>4,998</td>
<td>7,307</td>
<td>--</td>
<td>--</td>
<td>8,361</td>
<td>7,246</td>
<td>8,361</td>
<td>2,944</td>
<td>3,000</td>
</tr>
<tr>
<td>Jakob Züger</td>
<td>14,111</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>6,856</td>
</tr>
</tbody>
</table>

1 Options from Capital Participation Plan 2000
2 Options from Long Term Incentive Plan 2008
3 Options from Long Term Incentive Plan 2009
4 Options from Long Term Incentive Plan 2010
5 Options from Long Term Incentive Plan 2011

See note 35.2 to the consolidated financial statements for information on option conditions.
### Appropriation of available earnings

<table>
<thead>
<tr>
<th></th>
<th>Proposal of Directors</th>
<th>Resolution of General Meeting of Shareholders</th>
</tr>
</thead>
<tbody>
<tr>
<td>In CHF 1,000</td>
<td>31.12.2015</td>
<td>31.12.2014</td>
</tr>
<tr>
<td><strong>Available earnings</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit for the year</td>
<td>490,389</td>
<td>761,099</td>
</tr>
<tr>
<td>Profit brought forward</td>
<td>37,419</td>
<td>31,508</td>
</tr>
<tr>
<td><strong>Total available earnings</strong></td>
<td>527,808</td>
<td>792,607</td>
</tr>
</tbody>
</table>

#### Appropriation of available earnings

<table>
<thead>
<tr>
<th>Ordinary dividend (gross)</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>per registered share</td>
<td>CHF 2.70 (previous year: CHF 2.20)</td>
<td>183,767</td>
</tr>
<tr>
<td></td>
<td></td>
<td>148,579</td>
</tr>
<tr>
<td>per participation certificate</td>
<td>CHF 2.70 (previous year: CHF 2.20)</td>
<td>119,438</td>
</tr>
<tr>
<td></td>
<td></td>
<td>95,613</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Additional dividend (gross)</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>per registered share</td>
<td>CHF 0.00 (previous year: CHF 1.00)</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td></td>
<td>67,536</td>
</tr>
<tr>
<td>per participation certificate</td>
<td>CHF 0.00 (previous year: CHF 1.00)</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td></td>
<td>43,460</td>
</tr>
</tbody>
</table>

| **Total dividend** | 303,205 | 355,188 |
| **Allocation to other free reserves** | 200,000 | 400,000 |

| **Total appropriation of available earnings** | 503,205 | 755,188 |
| **Profit brought forward** | 24,603 | 37,419 |

1 The total dividend amount covers all outstanding registered shares and participation certificates (including treasury shares).
2 Resolution of the General Meeting of Shareholders as of March 20, 2015; payment excludes dividends on treasury shares.
Report of the statutory auditor

To the General Meeting of Schindler Holding Ltd., Hergiswil

Report of the statutory auditor on the financial statements
As statutory auditor, we have audited the financial statements of Schindler Holding Ltd., which comprise the income statement, the balance sheet and notes (pages 70 to 81), for the year ended December 31, 2015.

Board of Directors’ responsibility
The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company’s articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor’s responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity’s preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements for the year ended December 31, 2015 comply with Swiss law and the company’s articles of incorporation.
Report on other legal requirements
We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company’s articles of incorporation. We recommend that the financial statements submitted to you be approved.

Basel, February 11, 2016

Ernst & Young Ltd.

Christian Schibler  Ralf Noffke
Licensed audit expert  Licensed audit expert
(Auditor in charge)
Compensation Report

85 Compensation principles
85 Compensation system
90 Responsibilities and determination process
92 Compensation for the reporting year
95 Compensation for the previous year
96 Benefits for former members of governing bodies
96 Loans and credits
97 Proposals to the General Meeting of Shareholders 2016
98 Levels of participation
101 Report of the statutory auditors
The Compensation Report contains information about the compensation and shareholdings of the members of the Board of Directors and the Group Executive Committee, as well as loans granted to these individuals. The disclosures are made in accordance with the Directive on Information Relating to Corporate Governance issued by the SIX Swiss Exchange and the Ordinance Against Excessive Compensation in Stock Exchange Listed Companies (VegüV). The information relates to the reporting year 2015 unless otherwise stated.

1 Compensation principles
The Schindler Group’s success depends to a large extent on the quality and commitment of its employees. Its compensation policy is designed to attract, motivate, and retain well-qualified professionals. In addition, the awarding of performance-related and, in particular, share-based components of variable compensation is intended to promote an entrepreneurial mindset and approach.

<table>
<thead>
<tr>
<th>Performance-related compensation in line with market</th>
<th>Participation in the company’s success</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Schindler compensation policy</td>
</tr>
<tr>
<td>Fair and transparent compensation decisions</td>
<td>Balanced proportion of short-term and long-term compensation components</td>
</tr>
</tbody>
</table>

2 Compensation system

2.1 Overview
Article 33 of the Articles of Association of Schindler Holding Ltd. states that fixed and variable compensation can be paid to members of the Board of Directors and the Group Executive Committee. Compensation can be paid in the form of cash, shares, other equity instruments, options, comparable instruments, or units. In addition, non-cash benefits or services can be provided. For further details, refer to Article 33 of the Articles of Association (www.schindler.com/com/internet/en/investor-relations/articles-of-association.html).

In accordance with the Ordinance Against Excessive Compensation in Stock Exchange Listed Companies (VegüV), and Article 32 of the Articles of Association of Schindler Holding Ltd., the General Meeting of Shareholders votes annually on the total compensation of the Board of Directors and the Group Executive Committee to approve:
- The maximum permissible total fixed compensation of the members of the Board of Directors and the Group Executive Committee for the current financial year (prospective approval)
- The total variable compensation of the members of the Board of Directors and the Group Executive Committee for the reporting year (retrospective approval)
Article 32 of the Articles of Association of Schindler Holding Ltd. states that the maximum permissible fixed compensation shall be increased by 20% if, following the approval of the fixed compensation, additional members or replacement members are appointed to the Group Executive Committee.

<table>
<thead>
<tr>
<th>Board of Directors</th>
<th>Non-Executive members</th>
<th>Group Executive Committee</th>
</tr>
</thead>
</table>

### Fixed compensation – Prospective approval

**Cash (gross)**

- Annual salary
- Fixed Board of Directors’ fee
- Flat-rate expense allowances
  - Flat-rate allowance
  - Representation allowance
  - Car allowance

**Pension, social, and other benefits**

- Pension benefits
  - Pension fund
  - Schindler Foundation
  - Social contributions
  - Other benefits

**Variable compensation – Retrospective approval**

**Short-term – cash bonus**

**Long-term – equity instruments**

- Performance Share Plan (PSP)
- Deferred Share Plan (DSP)

**Social and other benefits**

- Social contributions
- Other benefits

### 2.2 Basic principles

The disclosed compensation of the Board of Directors and the Group Executive Committee comprises the compensation for the full reporting year, irrespective of which Schindler company paid it, subject to the following additions and limitations:

- The compensation paid to new members of the Board of Directors or the Group Executive Committee is included from the date on which the member takes over the relevant function.
- If a member transfers from the Group Executive Committee to the Board of Directors, or vice versa, the full compensation is taken into account and reported under the new function.
- If a member resigns from office and/or steps down from the Board of Directors or the Group Executive Committee, the compensation paid up to the date on which the member stepped down, plus any compensation paid in the reporting year in
connection with his/her former activities, is included. Statutory compensation paid in the following year is reported separately under benefits for former members of governing bodies.

– Compensation is reported according to the accrual principle based on estimates. The actual amounts paid may differ from these estimates, especially in the case of social and other benefits.

2.3 Fixed compensation

The fixed compensation of the executive members of the Board of Directors and members of the Group Executive Committee comprises an annual salary, a representation allowance and a car allowance, as well as pension (pension fund, Schindler Foundation), social and other benefits. In individual cases – depending on the country in which a member of the Group Executive Committee lives – a company car may be provided. Benefits may also be paid if a member of the Group Executive Committee is sent on an international assignment. Such benefits related to fixed compensation are reported under pension, social, and other benefits. Fringe benefits are included in fixed compensation and are reported as benefits if any single benefit exceeds CHF 500 or if total benefits exceed CHF 20,000 in the reporting year. Other benefits also comprise health insurance contributions and premiums for management insurance policies.

All members of the Board of Directors receive a fixed Board of Directors’ fee, as well as a flat-rate expense allowance.

2.4 Variable compensation

2.4.1 Executive members of the Board of Directors

The amount of variable compensation awarded is based on the consolidated cash flow from operating activities (before changes in net working capital) of the Group. Variable compensation is paid in cash (50%) and in shares (50%) in accordance with the rules of the Performance Share Plan.

Bonus on cash flow

The bonus is calculated on the basis of a rate per thousand of cash flow. The rate per thousand is set by the Board of Directors for each individual executive member of the Board of Directors. When determining the rate per thousand that applies to the Chairman of the Board of Directors, the contractually agreed range – the upper limit of which has remained unchanged since 1997 – is taken into account. For the other executive members, the achievement of strategic targets as well as individual targets set by the Chairman of the Board of Directors is also taken into account when determining bonuses.

Cash flow from operating activities is used as a parameter to measure performance in order to promote a long-term increase in the value of the Group rather than short-term profit maximization. This compensation system ensures, among other things, that restructuring projects are initiated as early as possible and that the associated depreciation and amortization and the corresponding provisions are recognized.
Performance Share Plan
Under the Performance Share Plan, the shares are allocated in April of the following year (year of allocation). The Board of Directors decides each year whether registered shares or participation certificates will be allocated.

The allocated shares include all of the associated rights but they are blocked for a period of three years, during which they may not be disposed of. The final number of shares allocated is calculated on the basis of the volume-weighted average price in March of the year of allocation, less a discount. The Board of Directors may deviate from this method.

The number of shares disclosed in the reporting year is a provisional figure based on the volume-weighted average price in December of the reporting year, less a discount of 20%. The final number is always reported in the following year’s Compensation Report.

In order to include them in total compensation for the reporting year, the shares that are to be allocated are valued at the volume-weighted average price in December, less a discount of 10%. The discount reflects the fact that once they have been allocated, the shares are then blocked for a period of three years.

2.4.2 Group Executive Committee
The members of the Group Executive Committee receive an annual performance-related cash bonus (short-term compensation component) and an annual grant of Performance Share Units (long-term compensation component) in accordance with the rules of the Deferred Share Plan 2015.

The targeted split of compensation into fixed compensation, short-term and long-term variable compensation is 31%/31%/38% for the CEO and 47%/24%/29% for the other members of the Group Executive Committee (assuming 100% target achievement).

Annual performance-related cash bonus
The annual performance-related cash bonus is calculated on the basis of the achievement of personal, operational, and financial targets. The targets that need to be
achieved, as well as the target bonus, are set at the start of the reporting year. Depending on the extent to which the targets are achieved, the cash bonus that is awarded may amount to between 0% and 150% of the target bonus and is paid in April of the following year.

**Deferred Share Plan 2015**

Under the Deferred Share Plan 2015, a number of Performance Share Units (PSU) are granted for the reporting year based on a contractual target bonus amount. The Board of Directors decides each year whether the Performance Share Units will be converted into registered shares or participation certificates.

The number of Performance Share Units granted is calculated on the basis of the volume-weighted average price of the shares in March of the reporting year, less a discount. The Board of Directors may deviate from this method. At the start of the reporting year, a combination of growth and profitability targets that applies to all members of the Group Executive Committee is set for the next three business years. The achievement of those targets is determined after the end of the three-year period. Depending on the extent to which the targets are achieved, the Performance Share Units will be converted into shares at a conversion rate of between 0% and 300%. The maximum value of the converted shares that a participant may receive is three times the contractual target bonus amount.

The Performance Share Units are converted into shares three years after they are granted and transferred to the ownership of the beneficiaries. From that date, the shares include all of the associated rights. In the event of any breaches of the Code of Conduct, beneficiaries forfeit the right to have their Performance Share Units converted into shares.

In order to include them in total compensation, the Performance Share Units that are finally granted are valued at the volume-weighted average price in March of the reporting year (month of grant), less a discount of 10%. This discount reflects the fact that the Performance Share Units can only be converted three years after they were granted.

<table>
<thead>
<tr>
<th>Number of PSU granted</th>
<th>Contractual target bonus amount</th>
<th>Volume-weighted average share price in March of the reporting year less discount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value reported in Compensation Report</td>
<td>PSU granted (estimated performance)</td>
<td>Volume-weighted average share price in March of the reporting year (less 10%)</td>
</tr>
<tr>
<td>Number of shares granted (after 3 years)</td>
<td>PSU granted</td>
<td>Performance evaluation between 0% and 300%</td>
</tr>
</tbody>
</table>

The Deferred Share Plan 2015 applies with effect from the reporting year 2015. Details of the previous plan can be found in the Compensation Report 2014.
2.4.3 Social and other benefits
Benefits related to variable compensation such as social security contributions and taxes for international assignments are reported as social or other benefits.

3 Responsibilities and determination process
The compensation system and the capital participation plans are defined by Corporate Human Resources and are reviewed by the CEO, the Supervisory and Nomination Committee, and the Compensation Committee before being submitted to the Board of Directors for approval. Executive members of the Board of Directors are not present when decisions are made on their respective compensation awards. No external consultants were involved in this process in the reporting year.

The Compensation Committee holds at least two meetings per year. In the reporting year it met five times.

Members of the Compensation Committee

<table>
<thead>
<tr>
<th>As of 31.12.2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prof. Dr. Pius Baschera Independent member of the Board of Directors Chairman</td>
</tr>
<tr>
<td>Dr. Rudolf W. Fischer Executive member of the Board of Directors Member</td>
</tr>
<tr>
<td>Rolf Schweiger Independent member of the Board of Directors Member</td>
</tr>
</tbody>
</table>

The Compensation Committee
– Proposes the terms of the employment contract and the annual variable compensation of the Chairman of the Board of Directors for approval by the Board of Directors
– Proposes, at the request of the Chairman of the Board of Directors, the terms of the employment contracts and the target compensation of the other executive members of the Board of Directors and the CEO for approval by the Board of Directors
– Proposes, at the request of the CEO, the target compensation of the other members of the Group Executive Committee for approval by the Board of Directors

The Chairman of the Board of Directors
– Proposes the terms of the employment contracts and the target compensation of the executive members of the Board of Directors (excluding the Chairman of the Board of Directors) and the CEO for review by the Compensation Committee and for approval by the Board of Directors
– Determines the annual variable compensation of the executive members of the Board of Directors (excluding the Chairman of the Board of Directors) and the CEO
The CEO
– Proposes the terms of the employment contracts and the target compensation of the other members of the Group Executive Committee for review by the Compensation Committee and for approval by the Board of Directors
– Determines the annual variable compensation of the other members of the Group Executive Committee

The Board of Directors
– Approves, at the request of the Compensation Committee, the terms of the employment contracts and the target compensation of the executive members of the Board of Directors (including the Chairman of the Board of Directors), the CEO, and the other members of the Group Executive Committee
– Determines, at the request of the Compensation Committee, the annual variable compensation of the Chairman of the Board of Directors
– Approves the compensation system (including the compensation and bonus regulations)

Overview of compensation process: Board of Directors

<table>
<thead>
<tr>
<th>Target compensation</th>
<th>Actual variable compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Determination/</td>
<td>Proposal/request</td>
</tr>
<tr>
<td>approval</td>
<td>approval</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chairman of the Board of Directors</th>
<th>Compensation Committee</th>
<th>Board of Directors</th>
<th>Compensation Committee</th>
<th>Board of Directors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other executive members</td>
<td>VRP/Compensation Committee</td>
<td>Board of Directors</td>
<td>–</td>
<td>VRP1</td>
</tr>
<tr>
<td>Non-executive members</td>
<td>VRP/Compensation Committee</td>
<td>Board of Directors</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

1 VRP = Chairman of the Board of Directors

Overview of compensation process: Group Executive Committee

<table>
<thead>
<tr>
<th>Target compensation</th>
<th>Actual variable compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Determination/</td>
<td>Proposal/request</td>
</tr>
<tr>
<td>approval</td>
<td>approval</td>
</tr>
</tbody>
</table>

| CEO                 | VRP/Compensation Committee | Board of Directors | –                       | VRP1              |
| Other members of Group Executive Committee | CEO/Compensation Committee | Board of Directors | –                       | CEO               |

1 VRP = Chairman of the Board of Directors
4 Compensation for the reporting year

4.1 Board of Directors

<table>
<thead>
<tr>
<th>Fixed compensation</th>
<th>Variable compensation</th>
<th>Total for</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pension, social, and</td>
<td>Cash bonus</td>
</tr>
<tr>
<td></td>
<td>Cash (gross)</td>
<td>(gross)</td>
</tr>
<tr>
<td>In CHF 1,000</td>
<td>other benefits</td>
<td>other</td>
</tr>
<tr>
<td>Alfred N. Schindler, Chairman 1,2</td>
<td>2,125</td>
<td>267</td>
</tr>
<tr>
<td>Luc Bonnard, Vice Chairman 3</td>
<td>300</td>
<td>14</td>
</tr>
<tr>
<td>Dr. Rudolf W. Fischer 1,2,4</td>
<td>952</td>
<td>318</td>
</tr>
<tr>
<td>Jürgen Tinggren 1,2,4,10</td>
<td>972</td>
<td>298</td>
</tr>
<tr>
<td>Prof. Dr. Karl Hofstetter 2</td>
<td>730</td>
<td>308</td>
</tr>
<tr>
<td>Prof. Dr. Pius Baschera 6</td>
<td>200</td>
<td>11</td>
</tr>
<tr>
<td>Patrice Bula 4,5</td>
<td>156</td>
<td>9</td>
</tr>
<tr>
<td>Prof. Dr. Monika Büttler 3</td>
<td>200</td>
<td>12</td>
</tr>
<tr>
<td>Dr. Hubertus von Grünberg 3,4</td>
<td>54</td>
<td>2</td>
</tr>
<tr>
<td>Anthony Nightingale 3</td>
<td>200</td>
<td>9</td>
</tr>
<tr>
<td>Rolf Schweiger 5</td>
<td>200</td>
<td>9</td>
</tr>
<tr>
<td>Carole Vischer 3</td>
<td>200</td>
<td>12</td>
</tr>
<tr>
<td>Prof. Dr. Klaus W. Wellershoff 3</td>
<td>240 9</td>
<td>14</td>
</tr>
<tr>
<td><strong>Total compensation</strong></td>
<td><strong>6,529</strong></td>
<td><strong>1,283</strong></td>
</tr>
</tbody>
</table>

1 Member of the Supervisory and Nomination Committee
2 Executive member
3 Non-executive member
4 Employed on an 80% basis
5 Since the General Meeting of Shareholders 2015
6 Until the General Meeting of Shareholders 2015, including fee for work as a member of the Technology Board
7 Including fee for work as a member of the Audit Committee of CHF 40,000
8 Fee for consulting services CHF 602,888
9 Alfred N. Schindler donated over CHF 1 million of this sum to a charitable foundation under Swiss law
10 Variable compensation (cash bonus) includes the amount of CHF 853,000, the payment of which is dependent on the achievement of additional personal targets

For the reporting year, the variable component of the compensation awarded to the executive members of the Board of Directors averaged 56% (previous year: 50%) of total compensation; this comprised 45% in the form of a cash bonus (previous year: 41%), 50% in the form of shares (previous year: 51%), and 5% in the form of social and other benefits (previous year: 8%).

Board of Directors’ fees (including a flat-rate expense allowance) remain unchanged: full-time Chairman CHF 400,000, Vice Chairman CHF 300,000, other members CHF 200,000.

The Board of Directors has decided to allocate registered shares under the Performance Share Plan for the reporting year and to apply a discount of 20%.

The variable compensation reported is always subject to the approval of the General Meeting of Shareholders.
The employment contracts of the executive members of the Board of Directors are aligned with the provisions of the Ordinance Against Excessive Compensation in Stock Exchange Listed Companies (VegüV). In particular, the company has no employment contracts that have a term or notice period exceeding 12 months or that contain any entitlements to severance payments.

In the reporting year, no collateral or guarantees were granted to members of the Board of Directors. Neither Schindler Holding Ltd. nor any other Group company waived any claims against members of the Board of Directors.

### Registered shares

<table>
<thead>
<tr>
<th>Name</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alfred N. Schindler, Chairman</td>
<td>3,953</td>
</tr>
<tr>
<td>Dr. Rudolf W. Fischer</td>
<td>7,084</td>
</tr>
<tr>
<td>Jürgen Tinggren</td>
<td>8,500</td>
</tr>
<tr>
<td>Prof. Dr. Karl Hofstetter</td>
<td>6,234</td>
</tr>
</tbody>
</table>

The number of shares disclosed is a provisional figure based on the volume-weighted average price in December 2015, less a discount of 20%. The final number is reported in the following year’s Compensation Report.

### 4.2 Group Executive Committee

For details of the composition of the Group Executive Committee, which was taken into account when determining total compensation, refer to the Corporate Governance Report, note 4.1

<table>
<thead>
<tr>
<th>Fixed compensation</th>
<th>Variable compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension, social, and cash bonus</td>
<td>Performance Share Units, social and other benefits</td>
</tr>
<tr>
<td>In CHF 1,000</td>
<td>(gross)</td>
</tr>
<tr>
<td>Total compensation</td>
<td>5,777</td>
</tr>
<tr>
<td>Highest individual compensation: Silvio Napoli, CEO</td>
<td>906</td>
</tr>
</tbody>
</table>

1 Includes a CHF 200,000 special bonus in recognition of the fact that Silvio Napoli served as responsible for Americas in addition to performing his role as CEO

For the reporting year, the variable component of the compensation awarded to the members of the Group Executive Committee averaged 59% (previous year: 57%) of total compensation; this comprised 50% in the form of a cash bonus (previous year: 43%), 40% in the form of Performance Share Units (previous year: 44%), and 10% in the form of social and other benefits (previous year: 13%).

The cash bonus was based on personal and operational targets (50%), and financial targets (50%).
The total cash bonus awarded to the Group Executive Committee reflects an average achievement factor of 132% based on the targets set for 2015.

The Board of Directors has decided to grant Performance Share Units convertible into registered shares in accordance with the rules of the Deferred Share Plan 2015 for the reporting year and to apply a discount of 20%.

The Board of Directors has defined Group revenue growth and EBIT targets for 2017. The number of Performance Share Units reported represents the number of registered shares that would be granted if these targets are achieved (i.e. 100% achievement factor), which is based upon the most recent interim assessment. In order to include them in total compensation, the Performance Share Units are valued at the volume-weighted average price in March of the reporting year less a discount of 10%.

The variable compensation of the Group Executive Committee reported is always subject to the approval of the General Meeting of Shareholders.

The employment contracts of the executive members of the Group Executive Committee are aligned with the provisions of the Ordinance Against Excessive Compensation in Stock Exchange Listed Companies (VegüV). In particular, the company has no employment contracts that have a notice period exceeding 12 months or that contain any entitlements to severance payments.

In the reporting year, no collateral or guarantees were granted to members of the Group Executive Committee. Neither Schindler Holding Ltd. nor any other Group company waived any claims against the members of the Group Executive Committee.

### Performance Share Units

<table>
<thead>
<tr>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Group Executive Committee</td>
</tr>
<tr>
<td>Silvio Napoli, CEO</td>
</tr>
</tbody>
</table>

### Value per Performance Share Unit

<table>
<thead>
<tr>
<th>Deferred Share Plan</th>
<th>Participation right</th>
<th>Value for inclusion in variable compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>In CHF</td>
<td>In CHF</td>
<td></td>
</tr>
<tr>
<td>Volume-weighted average price in March 2015</td>
<td>159.10</td>
<td>143.19</td>
</tr>
</tbody>
</table>

### 4.3 Approved fixed compensation

<table>
<thead>
<tr>
<th>Group Executive Committee</th>
<th>Board of Directors</th>
</tr>
</thead>
<tbody>
<tr>
<td>In CHF 1,000</td>
<td>Approved by the General Meeting of Shareholders 2015</td>
</tr>
<tr>
<td></td>
<td>Actual fixed compensation</td>
</tr>
<tr>
<td>8,100</td>
<td>7,812</td>
</tr>
<tr>
<td>7,700</td>
<td>7,728</td>
</tr>
</tbody>
</table>
The actual fixed compensation for the Group Executive Committee is higher than the amount approved by the General Meeting of Shareholders as a result of Karl-Heinz Bauer joining the Group Executive Committee on June 1, 2015. This appointment had not been decided at the time when fixed compensation was approved by the General Meeting of Shareholders.

5 Compensation for the previous year

5.1 Board of Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Fixed compensation</th>
<th>Variable compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pension, social and other benefits</td>
<td>Cash bonus (gross)/other</td>
</tr>
<tr>
<td>Alfred N. Schindler, Chairman</td>
<td>2 125</td>
<td>293</td>
</tr>
<tr>
<td>Luc Bonnard, Vice Chairman</td>
<td>300</td>
<td>14</td>
</tr>
<tr>
<td>Dr. Rudolf W. Fischer</td>
<td>952</td>
<td>317</td>
</tr>
<tr>
<td>Jürgen Tinggren</td>
<td>989</td>
<td>299</td>
</tr>
<tr>
<td>Prof. Dr. Karl Hofstetter</td>
<td>725</td>
<td>308</td>
</tr>
<tr>
<td>Prof. Dr. Pius Baschera</td>
<td>200</td>
<td>12</td>
</tr>
<tr>
<td>Prof. Dr. Monika Butler</td>
<td>200</td>
<td>12</td>
</tr>
<tr>
<td>Dr. Hubertus von Grünberg</td>
<td>200</td>
<td>9</td>
</tr>
<tr>
<td>Anthony Nightingale</td>
<td>200</td>
<td>9</td>
</tr>
<tr>
<td>Lord Charles Powell</td>
<td>43</td>
<td>2</td>
</tr>
<tr>
<td>Rolf Schweiger</td>
<td>200</td>
<td>9</td>
</tr>
<tr>
<td>Carole Vischer</td>
<td>200</td>
<td>12</td>
</tr>
<tr>
<td>Prof. Dr. Klaus W. Wellershoff</td>
<td>280</td>
<td>16</td>
</tr>
<tr>
<td>Total compensation</td>
<td>6 614</td>
<td>1 312</td>
</tr>
</tbody>
</table>

1 Member of the Supervisory and Nomination Committee
2 Executive member
3 Non-executive member
4 Employed on an 80% basis, Jürgen Tinggren since April 1, 2014
5 Since the General Meeting of Shareholders 2014, including compensation until the General Meeting of Shareholders 2014 (Jürgen Tinggren was CEO until December 31, 2013)
6 Until the General Meeting of Shareholders 2014
7 Including fee for work as a member of the Audit Committee in 2013/2014 of CHF 80 000 (including CHF 40 000 for 2013)
8 Fees for consulting services CHF 409 835
9 Dr. Alfred N. Schindler donated over CHF 1 million of this sum to a charitable foundation under Swiss law

Board of Directors’ fees (including a flat-rate expense allowance) amounted to: Full-time Chairman CHF 400 000, Vice Chairman CHF 300 000, other members CHF 200 000.

The Board of Directors had decided to allocate registered shares under the capital participation plans.

Allocated registered shares and Performance Share Units

<table>
<thead>
<tr>
<th>Name</th>
<th>Performance Share Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alfred N. Schindler, Chairman</td>
<td>4 063</td>
</tr>
<tr>
<td>Dr. Rudolf W. Fischer</td>
<td>5 418</td>
</tr>
<tr>
<td>Jürgen Tinggren</td>
<td>5 757</td>
</tr>
<tr>
<td>Prof. Dr. Karl Hofstetter</td>
<td>7 693</td>
</tr>
</tbody>
</table>
The final number of registered shares was calculated using an allocation value of CHF 127.28, which corresponds to the volume-weighted average share price in March 2015 less 20%. The number reported in the previous year was based on a provisional value (volume-weighted average share price of registered shares in December 2014, less 20%, resulting in a provisional allocation value of CHF 110.37).

5.2 Group Executive Committee

<table>
<thead>
<tr>
<th>Fixed compensation:</th>
<th>Variable compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension, social, and</td>
<td>Cash bonus</td>
</tr>
<tr>
<td>In CHF 1 000</td>
<td>Performance Share Units</td>
</tr>
<tr>
<td>Cash (gross) other benefits</td>
<td>(gross) Share Units</td>
</tr>
<tr>
<td>Total compensation</td>
<td>6 283</td>
</tr>
<tr>
<td>Highest individual compensation: Silvio Napoli, CEO</td>
<td>865</td>
</tr>
</tbody>
</table>

The variable compensation awarded to the Group Executive Committee reflects an average achievement factor of 115% based on the targets set for 2014.

Allocated Performance Share Units

<table>
<thead>
<tr>
<th>Performance Share Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Group Executive Committee</td>
</tr>
<tr>
<td>Silvio Napoli, CEO</td>
</tr>
</tbody>
</table>

6 Benefits for former members of governing bodies

Jakob Züger left the Group Executive Committee on December 31, 2014, and Didier Gaudoux left the Group Executive Committee on November 17, 2014. In 2015, the amounts due for their contractual notice period and a severance payment required under French legislation totaled CHF 4 066 000. No other compensation as defined in Article 14, para. 1, section 4 of the Ordinance Against Excessive Compensation in Stock Exchange Listed Companies (VegüV) was paid to former members of a governing body in the reporting year.

7 Loans and credits

Article 34 of the Articles of Association of Schindler Holding Ltd. states that the Board of Directors may grant loans or credits to members of the Board of Directors or the Group Executive Committee. The total amount of these loans and credits must not exceed CHF 10 million and they may only be granted at market rates and subject to the applicable abstention rules.

7.1 Present and former members of governing bodies

No loans or credits were granted by Schindler Holding Ltd. or any other Group company to present or former members of governing bodies, and no such loans were outstanding as of December 31, 2015.
7.2 Related parties
No loans or credits were granted by Schindler Holding Ltd. or any other Group company to related parties of present or former members of governing bodies, and no such loans were outstanding as of December 31, 2015.

8 Proposals to the General Meeting of Shareholders 2016
The aggregate amount of fixed compensation for the Board of Directors and the Group Executive Committee for the current financial year 2016 and the aggregate amount of variable compensation for the reporting year 2015 will be proposed to the General Meeting of Shareholders in March 2016 for approval.

8.1 Fixed compensation for 2016
The aggregate amount of fixed compensation for the Board of Directors to be approved is CHF 8.9 million (amount proposed in 2015: CHF 8.1 million). The difference represents primarily the inclusion of the fixed compensation of Silvio Napoli for the full year 2016 in accordance with the basic principles described in section 2.2.

The aggregate amount of fixed compensation for the Group Executive Committee to be approved is CHF 9.4 million (amount proposed in 2015: CHF 7.7 million). The difference to last year’s proposal represents primarily the increased number of members of the Group Executive Committee from April 1, 2016.

8.2 Variable compensation for 2015
The aggregate amount of variable compensation for the Board of Directors to be approved is CHF 8,316,000.

The aggregate amount of variable compensation for the Group Executive Committee to be approved is CHF 10,966,000. This includes the value of the Performance Share Units that would be converted into registered shares if Group revenue growth and EBIT targets are achieved (i.e. 100% achievement factor), which is based upon the most recent interim assessment. The conversion rate may be between 0% and 300%.

The cash bonus for the Group Executive Committee represents an average achievement factor of 132% based on the targets set for 2015.
9 Levels of participation
The participations and option rights of members of the Board of Directors of Schindler Holding Ltd. and the Group Executive Committee, as well as related parties, are as follows (there are no conversion rights outstanding):

9.1 Board of Directors

2015

<table>
<thead>
<tr>
<th>Name</th>
<th>Number</th>
<th>Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Registered shares</td>
</tr>
<tr>
<td>As of 31.12.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alfred N. Schindler, Chairman</td>
<td>1.2</td>
<td>4</td>
</tr>
<tr>
<td>Luc Bonnard, Vice Chairman 3</td>
<td>4</td>
<td>–</td>
</tr>
<tr>
<td>Dr. Rudolf W. Fischer 1.2</td>
<td></td>
<td>20 841</td>
</tr>
<tr>
<td>Jürgen Tinggren 1.2</td>
<td></td>
<td>51 178</td>
</tr>
<tr>
<td>Prof. Dr. Karl Hofstetter 2</td>
<td></td>
<td>65 532</td>
</tr>
<tr>
<td>Prof. Dr. Pius Baschera 3</td>
<td></td>
<td>3 000</td>
</tr>
<tr>
<td>Patrice Bula 3</td>
<td></td>
<td>1 500</td>
</tr>
<tr>
<td>Prof. Dr. Monika Büters 3</td>
<td></td>
<td>1 500</td>
</tr>
<tr>
<td>Anthony Nightingale 3</td>
<td></td>
<td>3 000</td>
</tr>
<tr>
<td>Rolf Schweiger 3</td>
<td></td>
<td>3 375</td>
</tr>
<tr>
<td>Carole Vischer 3</td>
<td>4</td>
<td>–</td>
</tr>
<tr>
<td>Prof. Dr. Klaus W. Wellershoff</td>
<td>3</td>
<td>3 000</td>
</tr>
</tbody>
</table>

1 Member of the Supervisory and Nomination Committee
2 Executive member
3 Non-executive member
4 Alfred N. Schindler, Luc Bonnard, and Carole Vischer hold their registered shares of Schindler Holding Ltd. under a shareholders’ agreement. Together with related parties, they held a total of 47 643 814 shares as at December 31, 2015, corresponding to 70.0% of the voting rights of the share capital entered in the Commercial Register.
5 Fully vested options on participation certificates granted: under the Long Term Incentive Plan 2010: 14 492
6 Fully vested options on participation certificates granted:
   – under the Long Term Incentive Plan 2010: 14 492
   – under the Long Term Incentive Plan 2011: 13 712
<table>
<thead>
<tr>
<th>Name and Position</th>
<th>Registered shares</th>
<th>Participation certificates</th>
<th>Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alfred N. Schindler, Chairman (^1)(^2)</td>
<td>4</td>
<td>34,764</td>
<td>4,523</td>
</tr>
<tr>
<td>Luc Bonnard, Vice Chairman (^3)</td>
<td>4</td>
<td>1,155</td>
<td>–</td>
</tr>
<tr>
<td>Dr. Rudolf W. Fischer (^1)(^2)</td>
<td></td>
<td>26,726</td>
<td>–</td>
</tr>
<tr>
<td>Jürgen Tinggren (^1)(^2)</td>
<td></td>
<td>30,920</td>
<td>5,203</td>
</tr>
<tr>
<td>Prof. Dr. Karl Hofstetter (^2)</td>
<td></td>
<td>56,251</td>
<td>21,159</td>
</tr>
<tr>
<td>Prof. Dr. Pius Baschera (^3)</td>
<td></td>
<td>3,000</td>
<td>–</td>
</tr>
<tr>
<td>Prof. Dr. Monika Bütler (^3)</td>
<td></td>
<td>1,500</td>
<td>–</td>
</tr>
<tr>
<td>Dr. Hubertus von Grünberg (^3)</td>
<td></td>
<td>5,000</td>
<td>–</td>
</tr>
<tr>
<td>Anthony Nightingale (^3)</td>
<td></td>
<td>3,000</td>
<td>–</td>
</tr>
<tr>
<td>Rolf Schweiger (^3)</td>
<td></td>
<td>3,375</td>
<td>–</td>
</tr>
<tr>
<td>Carole Vischer (^3)</td>
<td></td>
<td>3,000</td>
<td>–</td>
</tr>
<tr>
<td>Prof. Dr. Klaus W. Wellershoff (^3)</td>
<td></td>
<td>3,000</td>
<td>–</td>
</tr>
</tbody>
</table>

1 Member of the Supervisory and Nomination Committee
2 Executive member
3 Non-executive member

\(^4\) Alfred N. Schindler, Luc Bonnard, and Carole Vischer hold their registered shares of Schindler Holding Ltd. under a shareholders’ agreement. Together with related parties, they held a total of 47,639,751 shares as at December 31, 2014, corresponding to 69.9% of the voting rights of the share capital entered in the Commercial Register.

\(^5\) Fully vested options on participation certificates granted under the Capital Participation Plan 2000 (option plan allocation 2011)

\(^6\) Fully vested options on participation certificates granted under the Long Term Incentive Plan 2011

\(^7\) Fully vested options granted:
– under the Long Term Incentive Plan 2009: 27,000 (registered shares)
– under the Long Term Incentive Plan 2010: 18,115 (participation certificates)
– under the Long Term Incentive Plan 2011: 18,211 (participation certificates)

\(^8\) Fully vested options on participation certificates granted:
– under the Long Term Incentive Plan 2010: 14,492
– under the Long Term Incentive Plan 2011: 13,712
### 9.2 Group Executive Committee

#### 2015

<table>
<thead>
<tr>
<th>Name</th>
<th>Registered shares</th>
<th>Registered shares</th>
<th>Registered shares</th>
<th>Registered shares</th>
<th>Registered shares</th>
<th>Participation certificates</th>
<th>Participation certificates</th>
<th>Participation certificates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silvio Napoli, CEO</td>
<td>13,211</td>
<td>9,981</td>
<td>992</td>
<td>3,018</td>
<td>8,528</td>
<td>10,729</td>
<td>6,340</td>
<td>5,999</td>
</tr>
<tr>
<td>Miguel A. Rodríguez</td>
<td>23,575</td>
<td>–</td>
<td>562</td>
<td>4,279</td>
<td>10,234</td>
<td>19,509</td>
<td>6,340</td>
<td>5,999</td>
</tr>
<tr>
<td>Erich Ammann</td>
<td>18,931</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>8,570</td>
</tr>
<tr>
<td>Karl-Heinz Bauer</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>David Clymo</td>
<td>2,900</td>
<td>1,251</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Paolo Compagna</td>
<td>1,505</td>
<td>284</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>508</td>
</tr>
<tr>
<td>Carlos Guembe</td>
<td>1,579</td>
<td>1,989</td>
<td>–</td>
<td>–</td>
<td>2,415</td>
<td>7,246</td>
<td>2,355</td>
<td>2,228</td>
</tr>
<tr>
<td>Albert Haffert</td>
<td>6,685</td>
<td>3,000</td>
<td>–</td>
<td>–</td>
<td>2,000</td>
<td>4,982</td>
<td>6,856</td>
<td>–</td>
</tr>
<tr>
<td>Thomas Oetterli</td>
<td>9,553</td>
<td>7,307</td>
<td>–</td>
<td>–</td>
<td>2,000</td>
<td>4,529</td>
<td>5,142</td>
<td>–</td>
</tr>
<tr>
<td>Oswald Schmid</td>
<td>1,101</td>
<td>4,358</td>
<td>–</td>
<td>–</td>
<td>2,944</td>
<td>3,000</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

1 Options from Capital Participation Plan 2000
2 Options from Long Term Incentive Plan 2008
3 Options from Long Term Incentive Plan 2009
4 Options from Long Term Incentive Plan 2010
5 Options from Long Term Incentive Plan 2011

#### 2014

<table>
<thead>
<tr>
<th>Name</th>
<th>Registered shares</th>
<th>Registered shares</th>
<th>Registered shares</th>
<th>Registered shares</th>
<th>Registered shares</th>
<th>Participation certificates</th>
<th>Participation certificates</th>
<th>Participation certificates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silvio Napoli, CEO</td>
<td>8,420</td>
<td>9,981</td>
<td>325</td>
<td>992</td>
<td>3,018</td>
<td>3,928</td>
<td>8,528</td>
<td>10,729</td>
</tr>
<tr>
<td>Miguel A. Rodríguez</td>
<td>23,629</td>
<td>–</td>
<td>2,565</td>
<td>562</td>
<td>4,279</td>
<td>10,234</td>
<td>19,509</td>
<td>6,340</td>
</tr>
<tr>
<td>Erich Ammann</td>
<td>12,696</td>
<td>5,225</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>8,570</td>
</tr>
<tr>
<td>David Clymo</td>
<td>–</td>
<td>2,390</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Carlos Guembe</td>
<td>3,693</td>
<td>1,989</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>2,415</td>
<td>7,246</td>
<td>2,355</td>
</tr>
<tr>
<td>Albert Haffert</td>
<td>3,285</td>
<td>6,928</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>3,773</td>
<td>8,361</td>
<td>4,982</td>
</tr>
<tr>
<td>Thomas Oetterli</td>
<td>4,998</td>
<td>7,307</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>4,529</td>
</tr>
<tr>
<td>Oswald Schmid</td>
<td>1,101</td>
<td>4,358</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>8,361</td>
<td>2,944</td>
<td>3,000</td>
</tr>
<tr>
<td>Jakob Züger</td>
<td>14,111</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>6,856</td>
</tr>
</tbody>
</table>

1 Options from Capital Participation Plan 2000
2 Options from Long Term Incentive Plan 2008
3 Options from Long Term Incentive Plan 2009
4 Options from Long Term Incentive Plan 2010
5 Options from Long Term Incentive Plan 2011

Information on the conditions that apply to options is provided in note 35.2 to the Consolidated Financial Statements.
Report of the statutory auditors

To the General Meeting of Schindler Holding Ltd., Hergiswil

Report of the statutory auditor on the compensation report
We have audited the accompanying compensation report (sections 4 to 9) of Schindler Holding Ltd. for the year ended December 31, 2015.

Responsibility of the Board of Directors
The Board of Directors is responsible for the preparation and overall fair presentation of the remuneration report in accordance with Swiss law and the Ordinance. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor’s responsibility
Our responsibility is to express an opinion on the accompanying remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report complies with Swiss law and articles 14 – 16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the remuneration report with regard to compensation, loans and credits in accordance with articles 14 – 16 of the Ordinance. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatements in the remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the remuneration report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion
In our opinion, the remuneration report for the year ended December 31, 2015 of Schindler Holding Ltd. complies with Swiss law and articles 14 – 16 of the Ordinance.

Basel, February 11, 2016

Ernst & Young Ltd.

Christian Schibler  Ralf Noffke
Licensed audit expert  Licensed audit expert
(Auditor in charge)
Corporate Governance

103  Group structure and shareholders
105  Capital structure
107  Board of Directors and Committees of the Board
120  Group Executive Committee
127  Compensation, participations, and loans
127  Shareholders’ participation rights
129  Change of control and defensive measures
129  Auditing body
131  Information policy
The Corporate Governance Report contains the information required by the Directive on Information Relating to Corporate Governance issued by the SIX Swiss Exchange, effective December 31, 2015, and is structured in accordance with the Directive. The required disclosures of the compensation and participations of the company’s most senior management are provided in the Compensation Report. In addition, an explanation is provided in accordance with the ‘comply or explain’ principle if the company’s corporate governance deviates from the recommendations set out in the Swiss Code of Best Practice for Corporate Governance (referred to hereinafter as the Swiss Code).

1 Group structure and shareholders

1.1 Group structure

Schindler Holding Ltd. is a holding company under Swiss law that is headquartered in Hergiswil (Canton of Nidwalden, Switzerland). Its registered shares (ISIN: CH0024638212, Swiss security number: 2.463.821, SCHN) and participation certificates (ISIN: CH0024638196, Swiss security number: 2.463.819, SCHP) are listed on the SIX Swiss Exchange. As at December 31, 2015, the market capitalization of Schindler Holding Ltd. amounted to CHF 18.9 billion. Schindler Holding Ltd. has a direct or indirect interest in the consolidated companies listed in note 38 of the Group Financial Statements.

The Schindler Group is one of the world’s leading suppliers of elevators, escalators, and moving walks. It is active in the areas of production, installation, maintenance, and modernization in the most important markets around the globe. Its organizational structure as at December 31, 2015, can be summarized as follows:

| Board of Directors |
| Supervisory and Nomination Committee |
| Group Executive Committee |
| Chief Executive Officer (CEO) |
| Deputy CEO; Asia-Pacific and Middle East |
| Chief Financial Officer (CFO) |
| Chief Technology Officer (CTO) |
| Corporate Human Resources |
| Field Quality & Excellence |
| New Installations and Supply Chain |
| Europe North |
| Europe South |
| Americas |
| China |
Information on changes to the organizational structure of the Group Executive Committee and to its members, after December 31, 2015, is provided in note 1.4 ‘Events after the balance sheet date’.

The duties of the full-time Supervisory and Nomination Committee are described in note 3.5.2.1 and in the Organizational Regulations of Schindler Holding Ltd., which are available on the company’s website at: www.schindler.com – About Schindler – Corporate Governance – Organizational Regulations (www.schindler.com/com/internet/en/about-schindler/corporate-governance/organizational-regulations.html).

1.2 Significant shareholders
As at the end of 2015, the Schindler and Bonnard families – within the scope of shareholder agreements – and parties related to these families held 47,643,814 registered shares of Schindler Holding Ltd., corresponding to 70.0% of voting rights of the share capital entered in the Commercial Register. There are no further shareholders who have registered a holding of more than 3% of voting rights of Schindler Holding Ltd. according to Article 20 of the Swiss Federal Act on Stock Exchanges and Securities Trading (SESTA). No notifications according to Article 20 of SESTA were published during the reporting year. Previous notifications can be viewed at: www.six-exchange-regulation.com/en/home/publications/significant-shareholders.html.

1.3 Cross-shareholdings
Schindler Holding Ltd. has no cross-shareholdings of more than 5% in any company outside the Schindler Group.

1.4 Events after the balance sheet date
The Board of Directors of Schindler Holding Ltd. announced on January 15, 2016 that as of April 1, 2016 Thomas Oetterli, currently responsible for all the Group’s operations in China, will take the new position as CEO.

On February 12, 2016, the Board of Directors of Schindler Holding Ltd. informed that Daryoush Ziai, Head China Field Operations, will succeed Thomas Oetterli’s responsibilities for all the Group’s operations in China and will be a member of the Group Executive Committee as of April 1, 2016. In addition, as of April 1, 2016, there will be the following changes in the Group Executive Committee:

Andre Inserra, CEO of Atlas Schindler, Brazil, was appointed to the Group Executive Committee and is now responsible for the Americas region. Michael Nilles, Chief Digital Officer and Christian Schulz, Head Service Business, were also appointed as new members of the Group Executive Committee.
The structure and composition of the Group Executive Committee is as follows, effective April 1, 2016:

<table>
<thead>
<tr>
<th>Name</th>
<th>Nationality</th>
<th>Function</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thomas Oetterli (1969)</td>
<td>Switzerland</td>
<td>CEO</td>
</tr>
<tr>
<td>Miguel A. Rodriguez (1953)</td>
<td>Spain</td>
<td>Deputy CEO, Asia-Pacific and Middle East</td>
</tr>
<tr>
<td>Erich Ammann (1957)</td>
<td>Switzerland</td>
<td>CFO</td>
</tr>
<tr>
<td>Karl-Heinz Bauer (1958)</td>
<td>Germany</td>
<td>CTO</td>
</tr>
<tr>
<td>David Clymo (1961)</td>
<td>United Kingdom</td>
<td>Corporate Human Resources</td>
</tr>
<tr>
<td>Paolo Compagna (1968)</td>
<td>Italy</td>
<td>Europe North</td>
</tr>
<tr>
<td>Carlos Guembe (1952)</td>
<td>Spain</td>
<td>Europe South</td>
</tr>
<tr>
<td>Albert Haffert (1953)</td>
<td>Germany</td>
<td>Field Quality &amp; Excellence</td>
</tr>
<tr>
<td>Andre Inserra (1964)</td>
<td>Brazil</td>
<td>Americas</td>
</tr>
<tr>
<td>Michael Nilles (1973)</td>
<td>Germany</td>
<td>Chief Digital Officer</td>
</tr>
<tr>
<td>Oswald Schmid (1959)</td>
<td>Austria</td>
<td>New Installations and Supply Chain</td>
</tr>
<tr>
<td>Christian Schulz (1964)</td>
<td>Germany</td>
<td>Service Business</td>
</tr>
<tr>
<td>Daryoush Ziai (1963)</td>
<td>USA</td>
<td>China</td>
</tr>
</tbody>
</table>

2 Capital structure

2.1 Capital
As at December 31, 2015, the ordinary share capital of Schindler Holding Ltd. totaled CHF 6 806 180.20 and its participation capital totaled CHF 4 423 631.10.

2.2 Authorized and conditional capital
As at December 31, 2015, Schindler Holding Ltd. had no authorized or conditional capital.

2.3 Changes in capital in the last three years
Information about changes in the capital of Schindler Holding Ltd. in the last three reporting years is presented in note 11 of the Financial Statements of Schindler Holding Ltd.

2.4 Shares and participation certificates
As at December 31, 2015, the share capital totaled CHF 6 806 180.20. It is divided into 68 061 802 fully paid-in registered shares, each with a nominal value of CHF 0.10. Subject to Article 13 of the Articles of Association, each share carries the right to one vote, as well as the right to a share of retained earnings and to a share of the proceeds of liquidation, corresponding to its nominal value.

As at December 31, 2015, the participation capital totaled CHF 4 423 631.10. It is divided into 44 236 311 fully paid-in bearer participation certificates, each with a nominal value of CHF 0.10. Each participation certificate carries the right to a share of retained earnings, and to a share of the proceeds of liquidation, corresponding to its nominal value. It does not, however, carry any voting rights, or any other rights of membership, such as participation in General Meetings of Shareholders.
2.5 Profit-sharing certificates
Schindler Holding Ltd. has not issued any profit-sharing certificates.

2.6 Limitations on share transferability and nominee registrations

2.6.1 Limitation on share transferability
According to Article 13 of the Articles of Association, the Board of Directors shall refuse registration of an acquirer as a full shareholder in the share register if:
– the acquirer has not acquired the share(s) in his/her own name and on his/her own account, or
– registration would result in the acquirer holding more than 3% of voting rights.

The voting rights of related shareholders are counted together.

In accordance with Swiss federal law requiring the demonstration of Swiss control, the registration of foreign acquirers can be refused if, as a result of their registration, all foreign shareholders together would hold more than 10% of voting rights.

The statutory restrictions on registration do not apply if:
– on June 15, 1992, the acquirer was already recorded in the share register as holding at least 3% of voting rights, or the acquirer is the spouse, child or other descendant, brother, or sister of such a person, or
– the voting rights were acquired directly by inheritance, division of estate, or matrimonial property law.

The General Meeting of Shareholders can determine exceptions to the percentage limits by relative majority, whereby a legally binding decision requires at least half of the shares entered in the Commercial Register to be represented. Applicants have the right to have their application presented at the General Meeting of Shareholders. The General Meeting of Shareholders did not have to reach a decision on any applications for exceptions in the financial year 2015.


2.6.2 Nominee registrations
The Articles of Association do not contain any special regulations regarding the registration of nominees in the share register.

2.7 Convertible bonds and options

2.7.1 Convertible bonds
Schindler Holding Ltd. has no outstanding convertible bonds.
2.7.2 Employee options

<table>
<thead>
<tr>
<th>Allocation year</th>
<th>Options allocated (number)</th>
<th>Exercise price in CHF</th>
<th>Blocked period ends</th>
<th>Exercise period ends</th>
<th>Forfeited</th>
<th>Exercised</th>
<th>Outstanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007 A</td>
<td>160,711</td>
<td>56.20</td>
<td>30.04.10</td>
<td>30.04.16</td>
<td>-3,333</td>
<td>-147,470</td>
<td>9,908</td>
</tr>
<tr>
<td>2008 A</td>
<td>357,092</td>
<td>80.90</td>
<td>30.04.11</td>
<td>30.04.17</td>
<td>-14,917</td>
<td>-288,147</td>
<td>54,028</td>
</tr>
<tr>
<td>2008 B</td>
<td>155,311</td>
<td>78.90</td>
<td>30.04.11</td>
<td>30.04.17</td>
<td>-</td>
<td>-136,549</td>
<td>18,762</td>
</tr>
<tr>
<td>2009 A</td>
<td>464,175</td>
<td>56.40</td>
<td>30.04.12</td>
<td>30.04.18</td>
<td>-2,030</td>
<td>-383,075</td>
<td>79,070</td>
</tr>
<tr>
<td>2009 B</td>
<td>314,783</td>
<td>56.40</td>
<td>30.04.12</td>
<td>30.04.18</td>
<td>-2,407</td>
<td>-261,973</td>
<td>50,403</td>
</tr>
<tr>
<td>2010 B</td>
<td>107,739</td>
<td>85.10</td>
<td>30.04.13</td>
<td>30.04.19</td>
<td>-6,159</td>
<td>-35,868</td>
<td>65,712</td>
</tr>
<tr>
<td>2011 A</td>
<td>222,621</td>
<td>85.10</td>
<td>30.04.14</td>
<td>30.04.20</td>
<td>-901</td>
<td>-137,411</td>
<td>84,309</td>
</tr>
<tr>
<td>2011 B</td>
<td>104,854</td>
<td>124.80</td>
<td>30.04.14</td>
<td>30.04.20</td>
<td>-</td>
<td>-29,352</td>
<td>75,502</td>
</tr>
<tr>
<td>2012 A</td>
<td>162,002</td>
<td>108.20</td>
<td>30.04.15</td>
<td>30.04.21</td>
<td>-750</td>
<td>-66,825</td>
<td>94,427</td>
</tr>
<tr>
<td>2013 A</td>
<td>138,012</td>
<td>137.84</td>
<td>30.04.16</td>
<td>30.04.22</td>
<td>-9,442</td>
<td>-2,611</td>
<td>125,959</td>
</tr>
</tbody>
</table>

A = Options from the Capital Participation Plan 2000/2003
B = Options from the Long Term Incentive Plan
1 One option gives entitlement to purchase one share
2 One option gives entitlement to purchase one participation certificate

3 Board of Directors and Committees of the Board

3.1 Members of the Board of Directors of Schindler Holding Ltd.

The Board of Directors, which – according to the Articles of Association – consists of between 5 and 12 members, currently has 12 members. Four members are executive members of the Board of Directors, which means that, in principle, they exercise their function on a full-time basis. None of the members also serve on the Group Executive Committee. Three of the executive members of the Board of Directors form the Supervisory and Nomination Committee. The eight remaining members are non-executive members of the Board of Directors.

The Board of Directors comprises both male and female members. In accordance with the recommendations and criteria in the Swiss Code, the majority of the Board of Directors – i.e. 8 of its 12 members – is independent.

It is only in terms of the composition of the Committees of the Board that the company deviates from the recommendations of the Swiss Code. This is mainly due to the fact that major shareholders have their own representation on the Board of Directors and thus safeguard their long-term shareholder interests directly.
### Members

<table>
<thead>
<tr>
<th>As of 31.12.2015</th>
<th>Domicile</th>
<th>Nationality</th>
<th>Function</th>
<th>In office since</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alfred N. Schindler (1949)</td>
<td>Hergiswil, Switzerland</td>
<td>Switzerland</td>
<td>Chairman, executive member ¹</td>
<td>1977</td>
</tr>
<tr>
<td>Luc Bonnard (1946)</td>
<td>Hergiswil, Switzerland</td>
<td>Switzerland</td>
<td>Vice Chairman, non-executive member</td>
<td>1984</td>
</tr>
<tr>
<td>Dr. Rudolf W. Fischer (1952)</td>
<td>Walchwil, Switzerland</td>
<td>Switzerland</td>
<td>Executive member ²</td>
<td>2012</td>
</tr>
<tr>
<td>Jürgen Tinggren (1958)</td>
<td>Küsnacht a. R., Switzerland</td>
<td>Switzerland</td>
<td>Executive member ²</td>
<td>2014</td>
</tr>
<tr>
<td>Prof. Dr. Karl Hofstetter (1956)</td>
<td>Zug, Switzerland</td>
<td>Switzerland</td>
<td>Executive member</td>
<td>2006</td>
</tr>
<tr>
<td>Prof. Dr. Pius Baschera (1950)</td>
<td>Zurich, Switzerland</td>
<td>Switzerland</td>
<td>Non-executive member</td>
<td>2005</td>
</tr>
<tr>
<td>Patrice Bula (1956)</td>
<td>Yens, Switzerland</td>
<td>Switzerland</td>
<td>Non-executive member</td>
<td>2015</td>
</tr>
<tr>
<td>Prof. Dr. Monika Bütler (1961)</td>
<td>Zurich, Switzerland</td>
<td>Switzerland</td>
<td>Non-executive member</td>
<td>2013</td>
</tr>
<tr>
<td>Anthony Nightingale (1947)</td>
<td>Hong Kong SAR, China</td>
<td>United Kingdom</td>
<td>Non-executive member</td>
<td>2013</td>
</tr>
<tr>
<td>Rolf Schweiger (1945)</td>
<td>Baar, Switzerland</td>
<td>Switzerland</td>
<td>Non-executive member</td>
<td>2009</td>
</tr>
<tr>
<td>Carole Vischer (1971)</td>
<td>Hergiswil, Switzerland</td>
<td>Switzerland</td>
<td>Non-executive member</td>
<td>2013</td>
</tr>
<tr>
<td>Prof. Dr. Klaus W. Wellershoff (1964)</td>
<td>Zurich, Switzerland</td>
<td>Germany</td>
<td>Non-executive member</td>
<td>2009</td>
</tr>
</tbody>
</table>

¹ Annual General Meeting of Shareholders in the year shown

² Member of the Supervisory and Nomination Committee

### 3.2 Other activities and vested interests

**Alfred N. Schindler, Chairman of the Board of Directors, born 1949, Swiss citizen**  
Chairman of the Board of Directors since 1995  
Member of the Board of Directors since 1977  
Chairman of the Supervisory and Nomination Committee since 1985

**Professional experience**  
1985–2011 CEO of the Schindler Group  
1982–1985 Head of Corporate Planning, Schindler Group  
1980–1981 CFO of Notz AG, Biel, Switzerland  
1978–1979 Marketing, Schindler Group  
1977–1978 The Wharton School, University of Pennsylvania, USA  
1974–1976 Auditor at Neutra Treuhand AG, Berne, Switzerland

**Qualifications**  
– Degree in law from the University of Basel, Switzerland  
– MBA from The Wharton School, University of Pennsylvania, USA
Luc Bonnard, Vice Chairman of the Board of Directors, born 1946, Swiss citizen

Vice Chairman of the Board of Directors since 1996
Member of the Board of Directors since 1984
Chairman of the Audit Committee since 2013

Professional experience
1991–2012 Member of the Supervisory and Nomination Committee, Schindler Holding Ltd., Hergiswil, Switzerland
1986–1990 Head of the Schindler Group’s Elevators & Escalators business
1983–1986 Member of the Schindler Group Executive Committee, responsible for Northern Europe
1972–1983 Various positions in the Schindler Group

Qualifications
Master’s degree in electrical engineering from the Swiss Federal Institute of Technology (ETH) Zurich, Switzerland

Dr. Rudolf W. Fischer, born 1952, Swiss citizen

Member of the Board of Directors and member of the Supervisory and Nomination Committee since 2012
Member of the Compensation Committee since 2012

Professional experience
1996–2011 Member of the Schindler Group Executive Committee Elevators & Escalators with responsibility for Corporate Human Resources, Management Training, and Corporate Safety & Health
1994–1995 Partner at Dr. Björn Johansson Associates, Zurich, Switzerland
1993–1994 CEO of Hanro AG, Liestal, Switzerland
1991–1993 CEO of Jockey/Vollmüller AG, Uster, Switzerland
1982–1991 Various functions in the areas of human resources and trade marketing at Jacobs Suchard, Switzerland and Belgium

Other activities
Member of the Board of Directors of Vetropack Holding AG, Bülach, Switzerland

Qualifications
Doctorate in economics from the University of Zurich, Switzerland
Jürgen Tinggren, born 1958, Swedish citizen
Member of the Board of Directors and member of the Supervisory and Nomination Committee since 2014

Professional experience
2011–2013 CEO of the Schindler Group
2007–2011 President of the Schindler Group Executive Committee Elevators & Escalators
1997–2007 Member of the Schindler Group Executive Committee Elevators & Escalators
2005–2007: Deputy President of the Group Executive Committee with responsibility for Technology and Strategic Procurement
1997–1998: Responsible for Europe 1
1985–1997 Sika Group, where his final position was as a member of the Management Committee with responsibility for North America

Other activities
– Member of the Board of Directors of Sika AG, Baar, Switzerland
– Member of the Board of Directors of Tyco International Ltd., Dublin, Ireland
– Member of the Board of Trustees of The Conference Board, New York, USA

Qualifications
Joint MBA from the Stockholm School of Economics, Sweden, and New York University Business School, USA

Prof. Dr. Karl Hofstetter, born 1956, Swiss citizen
Member of the Board of Directors since 2006

Professional experience
Since 1993 Group General Counsel of the Schindler Group
2002–2006 Member of the Schindler Group Executive Committee Elevators & Escalators
1990–1993 Legal Counsel of the Schindler Group

Other activities
– Chairman of the Board of Trustees of the Kuoni and Hugentobler Foundation, Zurich, Switzerland
– Member of the Board of Directors of ALSO Holding AG, Emmen, Switzerland
– Member of the Board of Directors of Venture Incubator AG, Zug, Switzerland
– Member of the Foundation Board of Stichting INPAR, Amsterdam, The Netherlands
– Member of the Board of SwissHoldings, Berne, Switzerland
– Member of the Commission of Experts on Disclosure of the SIX Swiss Exchange, Zurich, Switzerland
– Member of the University Council of the University of Lucerne, Switzerland
– Chairman of the Advisory Board of the Program on Comparative Corporate Law, Governance, and Finance at Harvard Law School, Boston, USA
– Professor of Private and Commercial Law at the University of Zurich, Switzerland
Qualifications
– Degree in law (including a doctorate) and in economics from the University of Zurich, Switzerland, Stanford, UCLA, and Harvard University, USA
– Licensed attorney in Zurich and New York

Prof. Dr. Pius Baschera, born 1950, Swiss and Italian citizen
Member of the Board of Directors since 2005
Member of the Compensation Committee since 2008, Chairman of the Compensation Committee since 2015

Professional experience
Since 2007 Chairman of the Board of Directors of Hilti AG, Schaan, Liechtenstein
1994–2006 CEO of Hilti AG, Schaan, Liechtenstein
1990–1994 Chief Financial Officer and member of the Executive Board of Hilti AG, Schaan, Liechtenstein
1989–1990 Head of Europe 1 market region of Hilti AG, Schaan, Liechtenstein
1986–1989 Head of Hilti Deutschland GmbH, Kaufering, Germany
1985 Head of Hilti (Schweiz) AG, Adliswil, Switzerland
1982–1985 Head of Corporate Development of Hilti Inc., Tulsa, USA
1979–1982 Head of Production Controlling of Hilti AG, Schaan, Liechtenstein

Other activities
– Member of the Board of Directors of Roche Holding AG, Basel, Switzerland
– Member of the Advisory Board of Vorwerk & Co., Wuppertal, Germany
– Member of the Advisory Board of Ardex GmbH, Witten, Germany
– Chairman of the Board of Directors of Venture Incubator AG, Zug, Switzerland
– Professor of Business Administration at the Swiss Federal Institute of Technology (ETH) Zurich, Switzerland

Qualifications
– Degree in mechanical engineering and management science from the Swiss Federal Institute of Technology (ETH) Zurich, Switzerland
– Doctor of science from the Swiss Federal Institute of Technology (ETH) Zurich, Switzerland
Patrice Bula, born 1956, Swiss citizen
Member of the Board of Directors since 2015

Professional experience
Since 2011  Executive Vice President of Nestlé S.A., with responsibility for the Strategic Business Units, Marketing, Sales and Nespresso, Vevey, Switzerland
2007–2011  Market Head, Nestlé Greater China Region
2003–2007  Market Head, Nestlé Germany
2000–2003  Head of the Strategic Business Unit Chocolate, Confectionery & Biscuits, Nestlé Headquarters, Vevey, Switzerland
1997–2000  Region Head, Nestlé Southern African Region
1995–1997  CEO of Čokoládovny, Czech Republic and Slovakia
1989–1995  Marketing Director and later Market Head, Nestlé Taiwan
1988–1989  Market Specialist, Zone AOA, Nestlé Headquarters, Vevey, Switzerland
1983–1988  Product Specialist and later Manager Food Business Unit, Nestlé Japan

Other activities
– Member of the Board of Directors of Cereal Partners Worldwide S.A., Lausanne, Switzerland
– Member of the Board of Directors of Beverage Partners Worldwide S.A., Switzerland
– Member of the Board of Directors of Yinlu Food Group Companies, China
– Member of the Board of Directors of Hsu Fu Chi Group Companies, China

Qualifications
– Master’s in economic sciences from the University of Lausanne, Faculty of Business and Economics (HEC), Switzerland
– Program for Executive Development at IMD business school, Lausanne, Switzerland

Prof. Dr. Monika Bütler, born 1961, Swiss citizen
Member of the Board of Directors since 2013

Professional experience
Since 2008  Managing Director of the Swiss Institute for Empirical Economic Research, University of St. Gallen, Switzerland
Since 2004  Professor of Economics at the University of St. Gallen, Switzerland
2009–2013  Dean of the School of Economics and Political Science, University of St. Gallen, Switzerland
2008 & 2011 Visiting Professor at the University of New South Wales, Sydney, Australia
2004–2006  Advisor to the World Bank, Washington, USA
1999–2004  Assistant Professor and Professor at the University of Lausanne, Switzerland
1997–2001  Assistant Professor at the CentER & Department of Economics, Tilburg University, The Netherlands
Other activities
– Member of the Bank Council of the Swiss National Bank, Zurich, Switzerland
– Chairperson of the Swiss Institute for International Economics and Applied Economic Research, St. Gallen, Switzerland
– Member of the Board of Directors of Suva, Lucerne, Switzerland
– Member of the Board of Directors of HUBER+SUHNER AG, Herisau, Switzerland
– President of the Swiss Society of Economics and Statistics, Zurich, Switzerland

Qualifications
– Degree in mathematics, majoring in physics, from the University of Zurich, Switzerland
– Doctorate in economics from the University of St. Gallen, Switzerland

Anthony Nightingale, born 1947, British citizen
Member of the Board of Directors since 2013

Professional experience
Since 1994  Member of the Board of Directors of Jardine Matheson Holdings, Bermuda
2006–2012  CEO of Jardine Matheson Holdings, Bermuda
1969–1994  Various functions at the Jardine Matheson Group

Other activities
– Member of the Board of Directors of Vitasoy International Holdings Ltd., Hong Kong; Jardine Strategic Holdings, Dairy Farm International Holdings, Hong Kong Land Holdings, and Mandarin Oriental International, all Bermuda; Jardine Cycle & Carriage, Singapore; China Xintiandi, Cayman Islands; and Prudential plc, UK
– Commissioner of PT Astra International, Indonesia
– Hong Kong Representative to the APEC Business Advisory Council
– Chairman of the Hong Kong-APEC Trade Policy Group, Hong Kong
– Member of the Commission on Strategic Development, Hong Kong
– Member of the Securities and Futures Commission of the Committee on Real Estate Investment Trusts, Hong Kong
– Honorary Professor at the Hong Kong Baptist University School of Business
– Member of the Advisory Council of the Hong Kong University of Science and Technology School
– Chairman of The Sailors Home and Missions to Seamen, Hong Kong
– Director of the UK-ASEAN Business Council

Qualifications
Bachelor’s degree (honors) in classics, Peterhouse College, University of Cambridge, UK
Rolf Schweiger, born 1945, Swiss citizen
Member of the Board of Directors since 2009
Member of the Compensation Committee since 2015

Professional experience
Since 1976  Partner in the law firm Schweiger Advokatur / Notariat, Zug, Switzerland
1999–2011  Member of the Swiss Council of States, member of the Finance Committee and Chairman of its Subcommittee 2 (EDA/EVD), member of the Committee for Economic Affairs and Taxation, member of the Legal Committee, and Chairman of the Committee for the Environment, Spatial Planning and Energy, as well as various other committee mandates in the Swiss Council of States
1969–2011  Various political mandates, including as a member of the Parliament of the Canton of Zug (22 years)
2004  Leader of the Free Democratic Party (FDP), Switzerland

Other activities
– Chairman of the Board of Directors of Roche Diagnostics International AG, Risch, Switzerland
– Member of the Board of Crypto Group, Steinhausen, Switzerland
– Chairman of the ’Ombudsman for Private Insurance and Suva’ Foundation, Zurich, Switzerland
– Member of the Management Committee of the Schweizer Patenschaft für Berggemeinden (organization supporting mountain communities), Zurich, Switzerland

Qualifications
– Degree in law from the University of Zurich, Switzerland
– Licensed attorney and notary in Zug

Carole Vischer, born 1971, Swiss citizen
Member of the Board of Directors since 2013
Member of the Audit Committee since 2016

Professional experience
2002–2011  Director of the Stiftung Dr. Robert und Lina Thyll-Dürr (charitable foundation), Hergiswil, Switzerland

Other activities
– President of the Stiftung Dr. Robert und Lina Thyll-Dürr, Hergiswil, Switzerland
– Member of the Board of Directors of Schindler Aufzüge AG, Ebikon, Switzerland

Qualifications
Degree in law, University of Basel, Switzerland
Prof. Dr. Klaus W. Wellershoff, born 1964, German citizen
Member of the Board of Directors since 2009
Member of the Audit Committee since 2013

Professional experience
Since 2015 Chairman of the Board of Directors of Wellershoff & Partners Ltd., Zurich, Switzerland
2009–2015 CEO of Wellershoff & Partners Ltd., Zurich, Switzerland
2003–2008 Global Head of Wealth Management Research at UBS and Chairman of the Investment Committee of the UBS Global Wealth Management & Business Banking Division
1997–2009 Chief Economist of the then Swiss Bank Corporation and later UBS, Switzerland

Other activities
– President of the Management Committee of the Institute of Economics, University of St. Gallen, Switzerland
– Vice Chairman of the Board of Trustees of the World Demographic & Ageing Forum, St. Gallen, Switzerland
– Honorary Professor of Applied Economics at the University of St. Gallen, Switzerland

Qualifications
– Banking apprenticeship at Sal. Oppenheim jr. & Cie., Cologne, Germany
– Studied economics and business administration at the University of St. Gallen, Switzerland
– Visiting fellow at the Department of Economics, Harvard University, USA

3.3 Number of permitted activities
In accordance with Article 35 of the Articles of Association, the members of the Board of Directors may be active in the highest management or administrative bodies of up to 20 legal entities outside the Group. Legal entities that are controlled by the company or that control the company are not counted. Mandates in several legal entities that are under joint control count as one mandate. The Board of Directors takes appropriate measures to ensure that such activities are not in conflict with their duties as members of the Board of Directors. The General Meeting of Shareholders may approve exceptions to these rules.

3.4 Elections and term of office
The members of the Board of Directors of Schindler Holding Ltd. are elected individually by the General Meeting of Shareholders for a term of one year ending at the close of the next Ordinary General Meeting of Shareholders. Reelection is permitted.

The Chairman of the Board of Directors and the members of the Compensation Committee are also elected by the General Meeting of Shareholders.
In accordance with the Organizational Regulations of Schindler Holding Ltd., the term of office of members of the Board of Directors ends at the General Meeting of Shareholders in the year in which they reach the age of 73. In exceptional cases, the Board of Directors may extend this age limit.

3.5 Internal organizational structure

3.5.1 Allocation of duties within the Board of Directors
The Chairman of the Board of Directors convenes the meetings of the Board of Directors, sets the agenda, prepares the meetings and leads them. He decides whether other persons should participate in meetings of the Board of Directors on a case-by-case basis. Every member of the Board of Directors can request that a meeting of the Board of Directors be convened, provided they state the item that is to be discussed and give a brief justification of the matter.

The Chairman of the Board of Directors – in consultation with the CEO – represents the interests of the Group vis-à-vis third parties in all important matters. The Vice Chairman deputizes for the Chairman of the Board of Directors in his absence or in specific cases in which the Chairman does not participate in the decision-making process.

3.5.2 Committees
The Board of Directors delegates certain duties to committees formed from its own members. It has appointed three standing committees: the Supervisory and Nomination Committee, the Compensation Committee, and the Audit Committee. The Board of Directors appoints a chairman for each of the committees.

3.5.2.1 Supervisory and Nomination Committee
The Board of Directors appoints from among its members a full-time Supervisory and Nomination Committee, consisting of the Chairman and at least one other member of the Board of Directors.

Members

<table>
<thead>
<tr>
<th>As of 31.12.2015</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Alfred N. Schindler</td>
<td>Chairman, executive member of the Board of Directors</td>
</tr>
<tr>
<td>Dr. Rudolf W. Fischer</td>
<td>Executive member of the Board of Directors</td>
</tr>
<tr>
<td>Jürgen Tinggren</td>
<td>Executive member of the Board of Directors</td>
</tr>
</tbody>
</table>

The Supervisory and Nomination Committee ensures the ultimate direction and supervision of the Group’s business by the Board of Directors (overall management and overall supervision, pursuant to Article 716a of the Swiss Code of Obligations). In addition, the Supervisory and Nomination Committee performs the following duties in particular:
- Defining the Group’s corporate values (particularly safety, quality, and the Code of Conduct), its short- and long-term objectives, and its strategy, in close consultation with the CEO and proposing them for approval by the Board of Directors
- Adopting provisional resolutions or intervening on behalf of the Board of Directors in urgent cases if a regular Board resolution cannot be adopted in a timely manner
– Determining the selection criteria for the appointment of members of the Board of Directors and its committees, as well as members of the Group Executive Committee, and reviewing the corresponding succession plans
– Evaluating and proposing the appointment or recall of members of the Board of Directors and its committees as well as members of the Group Executive Committee, including the CEO

Information on further duties of the full-time Supervisory and Nomination Committee is provided in the Organizational Regulations of Schindler Holding Ltd., which are available on the company’s website at: www.schindler.com – About Schindler – Corporate Governance – Organizational Regulations (www.schindler.com/com/internet/en/about-schindler/corporate-governance/organizational-regulations.html).

3.5.2.2 Compensation Committee
In accordance with the Articles of Association, the company has a Compensation Committee that consists of up to three members of the Board of Directors, who are elected individually by the General Meeting of Shareholders.

Members

<table>
<thead>
<tr>
<th>As of 31.12.2015</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Prof. Dr. Pius Baschera</td>
<td>Independent member of the Board of Directors</td>
<td>Chairman</td>
</tr>
<tr>
<td>Dr. Rudolf W. Fischer</td>
<td>Executive member of the Board of Directors</td>
<td>Member</td>
</tr>
<tr>
<td>Rolf Schweiger</td>
<td>Independent member of the Board of Directors</td>
<td>Member</td>
</tr>
</tbody>
</table>

In accordance with Article 27 of the Articles of Association, the Compensation Committee reviews the compensation system annually and makes proposals to the Board of Directors regarding:
– The terms of employment contracts, benefits, and the annual variable compensation of executive members of the Board of Directors and the CEO
– The target compensation and benefits of the other members of the Group Executive Committee

The roles and responsibilities of the Compensation Committee are defined in detail by the Board of Directors in the Organizational Regulations of Schindler Holding Ltd., which are available on the company’s website at: www.schindler.com – About Schindler – Corporate Governance – Organizational Regulation (www.schindler.com/com/internet/en/about-schindler/corporate-governance/organizational-regulations.html).

Information on the duties of the Compensation Committee is also provided in the Compensation Report.

3.5.2.3 Audit Committee
The Board of Directors appoints an Audit Committee, consisting of at least two Board members. The Organizational Regulations of Schindler Holding Ltd. stipulate that at least two members are non-executive and preferably independent members of the Board of Directors. The Chairman of the Audit Committee and at least one other
Corporate Governance

member must be financially literate and have accounting expertise. The Chairman of the Audit Committee reports to the Board of Directors.

Members

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>As of 1.1.2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luc Bonnard</td>
<td>Vice Chairman, independent member of the Board</td>
<td>Chairman</td>
</tr>
<tr>
<td>Carole Vischer</td>
<td>Independent member of the Board of Directors</td>
<td>Member</td>
</tr>
<tr>
<td>Prof. Dr. Klaus W. Wellershoff</td>
<td>Independent member of the Board of Directors</td>
<td>Member</td>
</tr>
</tbody>
</table>

The Audit Committee is responsible for the following duties in particular:
- Reviewing and approving the quarterly financial statements
- Approving the annual and half-year financial statements for submission to the Board of Directors
- Reviewing the performance and independence of the auditing body and approving its fees
- Reviewing and determining audit programs for Group Assurance, the Compliance departments, and IT Security
- Reviewing all audit reports and status reports produced by Group Assurance, the Compliance departments, and IT Security concerning the implementation of measures
- Issuing new guidelines, directions, clarifications, or other instructions in connection with the Code of Conduct

Information on further duties of the Audit Committee is provided in the Organizational Regulations of Schindler Holding Ltd. as well as in the Audit Committee Charter, which are available on the company’s website at: www.schindler.com – About Schindler – Corporate Governance – Organizational Regulations (www.schindler.com/com/internet/en/about-schindler/corporate-governance/organizational-regulations.html).

The Audit Committee maintains contact with the external auditors. It is assisted by the Head of Group Assurance as well as by an Audit Expert Group, which possesses the requisite financial and technical expertise.

3.5.3 Working methods of the Board of Directors and its committees

The Board of Directors holds at least six meetings per year, as well as ad hoc meetings as necessary. In the reporting year, the Board of Directors held three full-day meetings, one one-and-a-half-day meeting, two half-day meetings, and one telephone conference, as well as one two-day meeting with the members of the Group Executive Committee.

The Supervisory and Nomination Committee meets on a regular basis at the invitation of its Chairman. In the reporting year, 28 meetings and eight strategy meetings were held. The Audit Committee holds at least four meetings and the Compensation Committee holds at least two meetings per year. In the reporting year, the Audit Committee held one full-day meeting and two half-day meetings, as well as two telephone conferences. The Compensation Committee held four meetings. The Audit
Expert Group that assists the Audit Committee (see note 3.5.2.3) includes three external consultants. No other external consultants attended the meetings.

The agendas of the meetings are set by the respective chairmen. Discussions and resolutions are recorded in the minutes of the meetings. The CEO regularly attends the meetings of the Board of Directors. Other members of the Group Executive Committee and other persons may be invited to attend the meetings of the Board of Directors or its committees by the respective chairmen.

3.6 Definition of areas of responsibility
According to Swiss law, the Board of Directors is responsible for the ultimate direction and supervision of the Group. The non-transferable and inalienable responsibilities set out in the Swiss Code of Obligations, Article 716a, paragraph 1, are incumbent on the Board of Directors. In addition, the Board of Directors can resolve all matters that are not defined by Swiss law or the Articles of Association as being the responsibility of the General Meeting of Shareholders.

It is also incumbent on the Board of Directors to approve, or decide on, the following:
– The Group's corporate values (particularly safety, quality, and the Code of Conduct), as well as its objectives and strategy
– The conditions required to enable the company to conduct its business activities
– The Group’s plans, budget, and forecasts
– The election of the chairmen of the Committees of the Board and of the members of the Supervisory and Nomination Committee and the Audit Committee, as well as the election of the CEO, the members of the Group Executive Committee, and the Group General Counsel
– The preparation of the Compensation Report

The Group Executive Committee performs the following duties in particular:
– Preparing strategic objectives for submission to the Board of Directors in close collaboration with the Supervisory and Nomination Committee
– Achieving the strategic and operational objectives approved by the Board of Directors
– Defining the Group’s budget, plans, and forecasts for submission to the Supervisory and Nomination Committee and the Board of Directors
– Ensuring the implementation of the Group’s corporate values (particularly safety, quality, and the Code of Conduct)
– Issuing guidelines that are binding on the Group

Information on further duties of the Board of Directors and the Group Executive Committee is provided in the Organizational Regulations of Schindler Holding Ltd., which are available on the company’s website at: www.schindler.com – About Schindler – Corporate Governance – Organizational Regulations (www.schindler.com/com/internet/en/about-schindler/corporate-governance/organizational-regulations.html).
3.7 Information and control instruments vis-à-vis the Group Executive Committee

The Board of Directors oversees the Group Executive Committee and supervises its work. The Schindler Group has at its disposal a comprehensive electronic management information system (MIS). The Board of Directors receives a written report each quarter. The Supervisory and Nomination Committee is informed in detail each month about financial and operational developments. In the presence of the responsible persons, the reports are discussed in detail at the meetings of the Board of Directors and/or the Supervisory and Nomination Committee.

Once annually, the Board of Directors and the Group Executive Committee hold a joint two-day meeting.

Schindler defines and evaluates the most important risks facing the Group in a four-phase process based on a detailed risk catalog. These risks are divided into the categories of product, market, and business risks; financial, operational, and organizational risks; and safety, health, and environmental risks. Legal aspects are also evaluated for all risk categories. The four phases of the process are as follows:

– Each Group company creates a risk matrix as part of its budget process
– The risks are combined within a Group matrix and evaluated in detail by an interdisciplinary Risk Committee comprising the responsible heads of the product groups and Group staff offices. Based on the evaluation, a detailed catalog of measures to address the most important risks is presented to the Group Executive Committee
– The Group Executive Committee evaluates the risk matrix and the proposed catalog of measures and proposes any additions
– The most important risks, along with possible measures to prevent and minimize potential harm arising from them, are presented to the Board of Directors for approval

Group Assurance, the auditing body, and the Compliance departments support the Board of Directors in exercising its supervisory and control functions.

4 Group Executive Committee

4.1 Members of the Group Executive Committee

<table>
<thead>
<tr>
<th>As of 31.12.2015</th>
<th>Nationality</th>
<th>Function</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silvio Napoli (1965)</td>
<td>Italy</td>
<td>CEO, Americas a.i.</td>
</tr>
<tr>
<td>Miguel A. Rodriguez (1953)</td>
<td>Spain</td>
<td>Deputy CEO, Asia-Pacific and Middle East</td>
</tr>
<tr>
<td>Erich Ammann (1957)</td>
<td>Switzerland</td>
<td>CFO</td>
</tr>
<tr>
<td>Karl-Heinz Bauer (1958)</td>
<td>Germany</td>
<td>CTO</td>
</tr>
<tr>
<td>David Clymo (1961)</td>
<td>United Kingdom</td>
<td>Corporate Human Resources</td>
</tr>
<tr>
<td>Paolo Compagna (1968)</td>
<td>Italy</td>
<td>Europe North</td>
</tr>
<tr>
<td>Carlos Guembe (1952)</td>
<td>Spain</td>
<td>Europe South</td>
</tr>
<tr>
<td>Albert Haffert (1953)</td>
<td>Germany</td>
<td>Field Quality &amp; Excellence</td>
</tr>
<tr>
<td>Thomas Oetterli (1969)</td>
<td>Switzerland</td>
<td>China</td>
</tr>
<tr>
<td>Oswald Schmid (1959)</td>
<td>Austria</td>
<td>New Installations and Supply Chain</td>
</tr>
</tbody>
</table>
Silvio Napoli, born 1965, Italian citizen
CEO since 2014
Responsible for Americas a.i.

Professional experience
2008–2013  Member of the Schindler Group Executive Committee, responsible for Asia-Pacific
2005–2008  Head of the Jardine Schindler Group
2003–2005  General Manager of Schindler Lifts (Hong Kong) Ltd., Hong Kong
2001–2003  Director of Corporate Development (M&A) of ALSO Holding AG, Switzerland
1994–2001  Various functions in the Schindler Group, including as Vice President South Asia, President and CEO of Schindler India, and Head of Corporate Planning
1991–1993  Various functions at The Dow Chemical Co., Germany

Qualifications
– MBA from Harvard Graduate School of Business Administration, USA
– Master’s degree in materials science from the Swiss Federal Institute of Technology (EPFL), Lausanne, Switzerland

Miguel A. Rodríguez, born 1953, Spanish citizen
Member of the Group Executive Committee since 1998, Deputy CEO
Responsible for Asia-Pacific and Middle East

Professional experience
Since 1998  Member of the Schindler Group Executive Committee
2013: Responsible for India and Middle East, and for the Top Range Division
2010–2013: Responsible for Global Business, India and Gulf
2001–2009: Responsible for all of Europe
1998–2000: Responsible for Europe South West
1991–1998  CEO of Schindler Spain and Portugal
1981–1991  General Manager of various Group companies of the Armstrong Group, Spain

Qualifications
Degree in industrial engineering from the Escuela Técnica Superior de Ingenieros Industriales (E.T.S.I.I.), University of Bilbao, Spain
Erich Ammann, born 1957, Swiss citizen
Member of the Group Executive Committee since 2001
CFO

Professional experience
1997–2001  Head Group Controlling, Schindler Group
1992–1997  CFO of Schindler USA
1988–1992  Area Controller, Schindler Group, responsible for North America
1985–1988  Treasurer of Intershop Holding AG, Zurich, Switzerland
1982–1985  Auditor at Schweizerische Treuhandgesellschaft (STG) AG,
            Geneva, Switzerland

Qualifications
– Executive MBA from The Wharton School, University of Pennsylvania, USA
– Degree in economics and business administration from the University of St. Gallen,
  Switzerland

Karl-Heinz Bauer, born 1958, German citizen
Member of the Group Executive Committee since June 2015
CTO

Professional experience
2007–2014  Chief Technology Officer with global responsibility at Honeywell
            Transportation Systems, USA and Switzerland
1994–2007  Various positions at BorgWarner Inc., including Global Vice President
            Engineering, USA and Germany
1986–1994  Various engineering and management positions at Dr. Ing. h. c.
            F. PORSCHE AG, Germany
1984–1986  Development Engineer at Robert Bosch GmbH, Germany

Qualifications
Master’s degree in mechanical engineering from the University of Karlsruhe, Germany
David Clymo, born 1961, British citizen
Member of the Group Executive Committee since 2012
Responsible for Corporate Human Resources (Human Resources, Talent Management and Development, Corporate Safety & Health and Sustainability)

Professional experience
2010–2011  Head of Human Resources for Global Business and Corporate Functions, Schindler Group
2007–2009  Head of Human Resources Europe, Schindler Group
2004–2006  Managing Director of Schindler Singapore with additional responsibility for various Schindler companies in Southeast Asia
1997–2003  Various management positions at the Jardine Matheson Group, Asia
1992–1996  CFO of Jardine Schindler Hong Kong
1985–1991  Chartered Accountant at PricewaterhouseCoopers, London and Hong Kong

Qualifications
Degree in engineering from University College London, UK

Paolo Compagna, born 1968, Italian citizen
Member of the Group Executive Committee since 2015
Responsible for Europe North

Professional experience
2013–2014  CEO of Schindler Deutschland GmbH, Germany
2010–2013  Field Operations Manager at Schindler Deutschland GmbH, Germany
2002–2010  Area Business Manager and Member of the Management Board of Cofely, Cologne, Germany
1992–2002  Various management positions at Krantz TKT, Bergisch Gladbach, Germany

Qualifications
– Degree in industrial engineering and business administration from the Beuth University of Applied Sciences Berlin, Germany
– Degree in electrical engineering from the Technical University of Cologne, Germany
Carlos Guembe, born 1952, Spanish citizen
Member of the Group Executive Committee since 2014
Responsible for Europe South

Professional experience
2006–2014  CEO of Schindler Iberia
2001–2005  Managing Director of Schindler Portugal
1990–2001  Various functions at Schindler Spain
1989–1990  Managing Director of ITISA, Madrid, Spain
1987–1988  Managing Director of Eurolatin SA, Santiago, Chile
1985–1987  Vice President at Indar Chile SA, Santiago, Chile
1978–1984  Export Manager at Electrotermic, Madrid, Spain

Qualifications
– MBA from IE Business School, Madrid, Spain
– Master in Foreign Trade from EOI, Madrid, Spain
– Industrial Electrical Engineer ICAI (Escuela Técnica Superior de Ingeniería), Madrid, Spain

Albert Haffert, born 1953, German citizen
Member of the Group Executive Committee since 2010
Responsible for Field Quality & Excellence

Professional experience
2008–2010  CEO of Schindler Deutschland GmbH with additional responsibility for the Nordic and Baltic countries
2002–2008  CEO of Schindler Deutschland GmbH, Germany
1984–2002  Various functions at Schindler Germany, including as Head of the C. Haushahn Group, a dual-brand Schindler company in Germany; Field Operations Manager of the Schindler organization and Manager of the component plant in Berlin, Germany

Qualifications
Degree in business engineering from the Technical University of Berlin, Germany
**Thomas Oetterli, born 1969, Swiss citizen**  
Member of the Group Executive Committee since 2010  
Responsible for China

**Professional experience**  
Since 2010  
Member of the Schindler Group Executive Committee  
2010–2013: Responsible for Europe North  
2006–2009  
CEO of Schindler Aufzüge AG, Switzerland  
2003–2006  
CFO of Schindler Deutschland GmbH, Germany  
2000–2002  
COO and CFO of the C. Haushahn Group, Germany  
1994–1999  
Project Leader for the introduction of IFRS in the Schindler Group  
and Head of Corporate Consolidation and Reporting,  
Schindler Management AG, Switzerland

**Other activities**  
Member of the Board of Directors of SFS Group, Heerbrugg, Switzerland

**Qualifications**  
Degree in business administration from the University of Zurich, Switzerland

**Oswald Schmid, born 1959, Austrian citizen**  
Member of the Group Executive Committee since 2013  
Responsible for New Installations Business and Supply Chain

**Professional experience**  
Since 2013  
Member of the Schindler Group Executive Committee  
2013–2014: Responsible for Europe North  
2010–2013  
CEO of Schindler Deutschland GmbH, Germany  
2007–2010  
CEO of Schindler Aufzüge und Fahrtreppen GmbH, Austria,  
with additional responsibility for Eastern Europe, Italy, and Greece  
2002–2007  
Head of Global Purchasing & Strategic Sourcing at the Schindler Group  
1995–2002  
Various management positions in the area of Supply Chain and  
General Management at Continental AG, Germany  
1994–1995  
Head of Group Materials Management at Veitsch-Radex, Vienna, Austria  
1990–1994  
Head of Purchasing and Procurement at ContiTech, Hanover, Germany

**Qualifications**  
Degree in mechanical engineering from the University of Applied Sciences, Vienna, Austria
4.2 Number of permitted activities
In accordance with Article 35 of the Articles of Association, the members of the Group Executive Committee may be active in the highest management or administrative bodies of up to 20 legal entities outside the Group. Legal entities that are controlled by the company or that control the company are not counted. Mandates in several legal entities that are under joint control count as one mandate. The Board of Directors takes appropriate measures to ensure that such activities are not in conflict with their duties as members of the Group Executive Committee. The General Meeting of Shareholders may approve exceptions to these rules.

4.3 Management contracts
Schindler Holding Ltd. has not entered into any management contracts with third parties outside the Group.

5 Compensation, participations, and loans
This information is provided in the Compensation Report.

6 Shareholders’ participation rights
6.1 Restrictions on voting rights and representation
Provided it is recorded in the share register as a share with voting rights, each share carries the right to one vote. Subject to the registration of shares, the Articles of Association do not impose any restrictions on the voting rights of shareholders (see note 2.6.1).

Shareholders’ rights of participation in the General Meeting of Shareholders are defined by law and the Articles of Association. All shareholders can personally participate in and vote at the General Meeting of Shareholders, or be represented by a person with a written power of attorney. They may also be represented by the independent proxy. Shareholders are not permitted to participate in the General Meeting of Shareholders via electronic channels.

Shareholders may also grant a power of attorney or issue instructions to the independent proxy electronically. The requirements that apply to powers of attorney and instructions are determined by the Board of Directors (Article 18 of the Articles of Association). The independent proxy has a duty to exercise the voting rights assigned to him by shareholders in accordance with their instructions.

The independent proxy is elected annually by the General Meeting of Shareholders. The term of office begins on the day of election and ends at the close of the next Ordinary General Meeting of Shareholders. Reelection is permitted.

In accordance with Article 21 of the Articles of Association, resolutions are taken and elections are carried out by open vote or electronically, unless the Chairman issues orders or the General Meeting of Shareholders decides that votes should be cast by means of a written procedure. Since 2014, resolutions have been taken and elections have been carried out primarily by electronic means.
The Chairman shall declare as invalid a resolution that has been passed or an election that has been carried out by open vote or electronically if, based on his assessment, the result is ambiguous or if one or several shareholders immediately express reasonable doubts regarding the obviousness of the result.

6.2 Statutory quorums

6.2.1 Quorum
Article 19 of the Articles of Association stipulates that for the resolutions of the General Meeting of Shareholders specified below, the presence of shareholders representing at least half of the share capital entered in the Commercial Register is required:
– Election or recall of members of the Board of Directors
– Conversion of registered shares into bearer shares and vice versa, and, subject to the individual right of choice of shareholders, conversion of shares into participation certificates
– Issuance of profit-sharing certificates, or conversion of participation certificates into profit-sharing certificates
– Exceptions to the restrictions on the registration of acquirers as full shareholders when the percentage limit is exceeded
– Resolutions that can only be passed by a qualified majority according to legal or statutory requirements

6.2.2 Decision-making majority
Resolutions by the General Meeting of Shareholders are normally determined by the relative majority of the votes cast.

According to the Articles of Association, the following resolutions require the approval of at least two-thirds of the voting rights represented at the meeting, and of the absolute majority of the nominal value of shares represented at the meeting:
– All resolutions according to Article 704 of the Swiss Code of Obligations
– Resolutions regarding changes to the company name, issuance of profit-sharing certificates, and any change in the share capital or participation capital

6.3 Convocation of the General Meeting of Shareholders
General Meetings of Shareholders are convened by the Board of Directors or, if necessary, by the auditing body or other bodies in accordance with Articles 699 and 700 of the Swiss Code of Obligations. Notice of the General Meeting of Shareholders is given in the form of an announcement published once only in the Swiss Official Gazette of Commerce. This publication date is of relevance when ensuring compliance with the statutory notice period. In addition, non-registered letters may be sent to the addresses of registered shareholders entered in the share register to notify them of the General Meeting of Shareholders, or shareholders may be notified electronically upon request. Although not required by statute, it is also customary to publish the agenda of the General Meeting of Shareholders in selected Swiss daily newspapers. The statutory notice period is 20 days.
6.4 Inclusion of items on the agenda
The Board of Directors prepares the agenda of the items to be discussed. According to Article 17 of the Articles of Association, shareholders who represent 5% of the share capital can request that an item be included on the agenda. The request, with details of the item to be discussed, must be submitted in writing by the deadline announced and published once by the Board of Directors.

6.5 Entries in the share register
Only those shareholders with voting rights whose names were entered in the company’s register of shareholders on the respective record date may attend the General Meeting of Shareholders and exercise their voting rights. The Board of Directors endeavors to set the record date for registration as close as possible to the date of the General Meeting of Shareholders, i.e. generally 5 to 10 days before the respective General Meeting of Shareholders. There are no exceptions to this rule regarding the record date. The record date is provided in the notice of the General Meeting of Shareholders and published on the company’s website.

7 Change of control and defensive measures

7.1 Duty to submit an offer
According to Article 39 of the Articles of Association, the obligation to submit a public takeover offer pursuant to Articles 32 and 52 of SESTA has been foregone (opting out).

7.2 Clauses on changes of control
There are no contractual agreements (e.g. golden parachutes, termination rights) in favor of members of the Board of Directors or the Group Executive Committee, or other members of management, in the event of a change of control.

The Capital Participation Plans allow for the early conversion of Performance Share Units into shares or the lifting of restriction periods in the event of a change of control.

8 Auditing body

8.1 Duration of mandate and term of office of the auditor-in-charge
Ernst & Young AG has been the auditing body of Schindler Holding Ltd., as well as of the Group, since 1999.

The auditor-in-charge has held this function since 2010. As required by law, the auditor-in-charge is changed every seven years.
8.2 Audit fees and additional fees
Ernst & Young is the auditing body of Schindler Holding Ltd. and audits the Group’s consolidated financial statements as well as the majority of Group companies in Switzerland and abroad. The audit fees and fees for additional services are as follows:

<table>
<thead>
<tr>
<th>In CHF 1,000</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit fee</td>
<td>3,245</td>
<td>3,286</td>
</tr>
<tr>
<td>Additional fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additional audit-related services</td>
<td>87</td>
<td>48</td>
</tr>
<tr>
<td>Tax advice</td>
<td>702</td>
<td>510</td>
</tr>
<tr>
<td>Transaction advice</td>
<td>345</td>
<td>1</td>
</tr>
<tr>
<td>Total additional fees</td>
<td>1,134</td>
<td>559</td>
</tr>
</tbody>
</table>

8.3 Information instruments relating to external audits
The Audit Committee evaluates the performance, fees, and independence of the auditors each year according to the following criteria:
– Quality of the Management Letter
– Global coverage and coordination of audit instructions
– Benchmark analysis of the audit fees
– Independence as defined by the relevant rules of the Swiss Audit Oversight Act

The Audit Committee discusses and reviews the scope of the audits, and the resulting feedback. Based on this information, it determines changes and improvements as necessary.

Material non-audit-related services (e.g. tax advisory services) that are provided by the auditors must be approved in advance by the Audit Committee.

Further information is available in the Organizational Regulations of Schindler Holding Ltd. as well as in the Audit Committee Charter, which are available on the company’s website at: www.schindler.com – About Schindler – Corporate Governance – Organizational Regulations (www.schindler.com/com/internet/en/about-schindler/organizational-regulations.html).

In the reporting year, the auditing body had regular contact with members of the Supervisory and Nomination Committee and the CFO. In the reporting year, one meeting took place with the Audit Committee.

Group Assurance reported to the Audit Committee four times and to the Board of Directors once.
9 Information policy

The Schindler Group pursues an information policy which is based on timeliness, truthfulness, and completeness. Matters affecting the share price are published immediately in accordance with the ad hoc publicity rules of the SIX Swiss Exchange. Ad hoc announcements can be accessed at the same time as they are communicated to the SIX Swiss Exchange and for two years thereafter at: www.schindler.com – Media (www.schindler.com/com/internet/en/media.html).

It is also possible to directly receive potentially price-relevant information promptly and free of charge from Schindler by e-mail. This service is offered at: www.schindler.com – Media – Subscription Service (www.schindler.com/com/internet/en/media/subscription-service.html).

Schindler provides information about its annual results in an Annual Report in printed and electronic form. The Annual Report (including the Compensation Report) can be ordered free of charge from the company or can be accessed at www.schindler.com/com/internet/en/investor-relations/reports.html. Schindler also presents its annual financial statements each year at its annual results media conference and at the General Meeting of Shareholders.

Its Interim Report as at June 30, as well as selected key figures as at March 31 and September 30, are available in electronic form at: www.schindler.com/com/internet/en/investor-relations/reports.html.

Key dates:

<table>
<thead>
<tr>
<th>Event</th>
<th>Closing</th>
<th>Publication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closing of the financial year</td>
<td>December 31</td>
<td></td>
</tr>
<tr>
<td>Annual results media and analysts conference</td>
<td></td>
<td>Mid-February</td>
</tr>
<tr>
<td>Publication of the Annual Report</td>
<td>Mid-February</td>
<td></td>
</tr>
<tr>
<td>Selected key figures</td>
<td>March 31 and September 30</td>
<td>April and October</td>
</tr>
<tr>
<td>Interim Report</td>
<td>June 30</td>
<td>August</td>
</tr>
<tr>
<td>General Meeting of Shareholders</td>
<td></td>
<td>2nd half of March</td>
</tr>
</tbody>
</table>

General information about the Group, as well as its annual reports, press releases, and the current share price, are available at www.schindler.com.

Interested persons may also communicate with the Group directly through the following contacts:

Schindler Holding Ltd.
Seestrasse 55
6052 Hergiswil
Switzerland
Telephone +41 41 632 85 50
Fax +41 41 445 31 34

Schindler Management Ltd.
Zugerstrasse 13
6030 Ebikon
Switzerland
Telephone +41 41 445 32 32
Fax +41 41 445 31 34
email@schindler.com
www.schindler.com

Dr. Barbara Schmidhauser
Chief Communications Officer
Schindler Management AG
6030 Ebikon
Switzerland
Telephone +41 41 445 30 60
Fax +41 41 445 31 44
barbara.schmidhauser@ch.schindler.com

Barbara Zäch
Head Investor Relations
Schindler Management Ltd.
6030 Ebikon
Switzerland
Telephone +41 41 445 30 61
Fax +41 41 445 31 44
barbara.zaech@ch.schindler.com

The original German version is binding. English and Chinese translations of the Group Review are available. The Financial Statements are published in German and English.
Macquarie Bank headquarters, Sydney, Australia

This prestigious historic building dates from 1928 and recently underwent extensive renovations. Schindler modernized a number of elevators, supplied new installations, and made use of its state-of-the-art PORT Technology. In 2015, the project was named ‘Project of the Year’ by Elevator World.