

Declaration

**by the Executive Board and Supervisory Board
of MAN SE**

on the Recommendations of the

Government Commission on the German Corporate Governance Code

**in accordance with section 161 of the *Aktiengesetz* (AktG — German Stock
Corporation Act)**

“The Executive and Supervisory Boards of MAN SE hereby declare that the recommendations of the Government Commission on the German Corporate Governance Code in the version dated February 7, 2017, published by the German Ministry of Justice in the official section of the *Bundesanzeiger* (the Federal Gazette) on April 24, 2017, were complied with in the period since the last Declaration of Conformity was issued in December 2017 and will continue to be complied with except for section 5.3.2, paragraph 3, sentence 2 (independence of the Chairman of the Audit Committee), section 5.4.1, paragraphs 6 through 8 (disclosure in the case of election recommendations), section 5.4.6, paragraph 2, sentence 2 (performance-related Supervisory Board compensation), and section 7.1.1, sentence 2 (financial information during the year).

- 1.) The recommendation in section 5.3.2, paragraph 3, sentence 2 of the Code is not followed only to the extent that the former Chairman of the Audit Committee of the Supervisory Board, Mr. Matthias Gründler, and the current Chairwoman of the Audit Committee, Ms. Annette Danielski, cannot be considered “independent” within the meaning of section 5.4.2, sentence 2 of the Code in view of their functions as a Member of the Management of what was formerly Volkswagen Truck & Bus GmbH and as Head of Finance at TRATON AG, respectively.

For the Executive Board and Supervisory Boards of MAN SE, it is most important that the Chairperson of the Audit Committee possess the required expert knowledge of the industry. It is not clear why an appointment or function at a controlling shareholder under which the criterion of “independence” pursuant to the definition in section 5.4.2, sentence 2 of the Code is not fulfilled should rule out a position as Chairperson of the Audit Committee.

- 2.) With regard to the recommendation in section 5.4.1, paragraphs 6 through 8 of the Code that certain circumstances be disclosed by the Supervisory Board when making election recommendations to the Annual General Meeting, the requirements of the Code are vague and the definitions unclear. For this reason, we have declared a departure from the Code in this respect as a precaution. Notwithstanding the above, the Supervisory Board will endeavor to meet the requirements in section 5.4.1, paragraphs 6 through 8 of the Code.

- 3.) The compensation of the Supervisory Board is regulated by the shareholders in Article 12 (2) of the MAN SE Articles of Association and is linked to the net income for the year, among other things. We assume that the variable compensation component will be oriented toward the sustainable growth of the enterprise within the meaning of section 5.4.6, paragraph 2, sentence 2 of the Code. However, as it cannot be ruled out that other views will be taken, a departure from the recommendation in the Code is being declared as a precautionary measure.
- 4.) The recommendation in section 7.1.1, sentence 2 (financial information during the year) is not followed, as the Executive and Supervisory Boards of MAN SE consider the obligation to publish quarterly reports that goes beyond the statutory requirement set out in the *Wertpapierhandelsgesetz* (WpHG — German Securities Trading Act) unnecessary, especially since the Volkswagen AG quarterly reports also contain a summary of the information on MAN.

The recommendation in section 4.2.3, paragraph 2, sentence 3 (variable compensation with forward-looking characteristics) was not followed only to the extent that the assessment basis for variable compensation components did not have essentially forward-looking characteristics, since the compensation system was based on the recommendations of the Code in the version dated May 5, 2015. Following the departure of Mr. Schelchshorn from the Executive Board, MAN SE reimbursed, on a pro rata basis, the remuneration paid to an Executive Board member for the last time in fiscal 2017; since Executive Board members receive no further remuneration from MAN SE, the departure from the recommendation no longer applies.”

Munich, December 2018

For the Supervisory Board

For the Executive Board

Andreas Renschler
- Chairman of the Supervisory Board -

Joachim Drees
- Chief Executive Officer –