

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 *Aktengesetz* (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 May 13, 2013, published by the German Ministry of Justice in the official section of the Federal Gazette (*Bundesanzeiger*) on June 10, 2013, were complied with except for section 5.3.2, sentence 3 (independence of the Chairman of the Audit Committee), section 5.4.1, paragraphs 4 through 6 (disclosure in the case of election recommendations), section 5.4.6, paragraph 2, sentence 2 (performance-related Supervisory Board compensation), and section 5.5.3, sentence 1 (report to the General Meeting about any conflicts of interest and treatment of them).

- 1.) The recommendation in section 5.3.2, sentence 3 of the Code is not followed only to the extent that the Chairman of the Audit Committee of the Supervisory Board, Prof. Rupert Stadler, cannot be considered “independent” within the meaning of section 5.4.2, sentence 2 of the Code in view of his functions within the VW Group.

This departure from the above-mentioned Code recommendation is for the following reasons:

Prof. Stadler has been Chairman of the Audit Committee since the middle of 2007 and is exceptionally suitable and qualified for this position, particularly given his expert and industry knowledge. We see continuity in chairmanship of the Audit Committee as a significant advantage to the body’s work and to the Company’s interests. Furthermore, it is not clear why an appointment at a controlling shareholder should rule out a position as Chairman of the Audit Committee.

- 2.) 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 therefore 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.
- 3.) With regard to the recommendation in section 5.4.1, paragraphs 4 through 6 of the Code that certain circumstances be disclosed by the Supervisory Board when making election recommendations to the 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 4 through 6 of the Code.

- 4.) In its verdict of July 5, 2011, (file number 5U 104/10), the Higher Regional Court of Frankfurt am Main ruled that the approval of the actions of the executive and supervisory boards of a listed company by the General Meeting was invalid due partly to the fact that the report to the General Meeting concerning conflicts of interest and their treatment was not detailed enough. As a result of this verdict, there is now some uncertainty with regard to the scope of reporting required by the Code, particularly within the context of the non-disclosure obligations relating to stock corporations pursuant to sections 93 and 116 of the AktG. As a precautionary measure, we therefore declare an exception to section 5.5.3, sentence 1 of the Code. Notwithstanding the above, we will continue to report any conflicts of interest that have occurred and their treatment in the same scope as before.

The Executive and Supervisory Boards further declare that the recommendations of the Government Commission on the German Corporate Governance Code in the version dated May 15, 2012, published by the German Ministry of Justice in the official section of the Federal Gazette (*Bundesanzeiger*) on June 15, 2012, were complied with in the period from December 2012 through June 10, 2013, except for section 5.3.2, sentence 3 (independence of the Chairman of the Audit Committee), section 5.4.6, paragraph 2, sentence 2 (performance-related Supervisory Board compensation), and section 5.5.3, sentence 1 (report to the General Meeting about any conflicts of interest and treatment of them). The grounds for these exceptions can be found in the above explanations.

From June 10, 2013, until this Declaration of Conformity was issued, the recommendations of the Government Commission on the German Corporate Governance Code in the version dated May 13, 2013, published by the German Ministry of Justice in the official section of the Federal Gazette (*Bundesanzeiger*) on June 10, 2013, were complied with except for section 4.2.2, paragraph 2, sentence 3 (vertical comparison of compensation), section 5.3.2, sentence 3 (independence of the Chairman of the Audit Committee), section 5.4.6, paragraph 2, sentence 2 (performance-related Supervisory Board compensation), and section 5.5.3, sentence 1 (report to the General Meeting about any conflicts of interest and treatment of them). For section 5.3.2, sentence 3, section 5.4.6, paragraph 2, sentence 2, and section 5.5.3, sentence 1, the grounds for these exceptions can be found in the above explanations. The new recommendation included with effect as of June 10, 2013, in section 4.2.2, paragraph 2, sentence 3, does not indicate the extent to which this recommendation requires the Supervisory Board to make stipulations and observations, even if no decisions are made regarding the compensation of the Executive Board. For this reason, we have declared a departure as a precaution. This recommendation has been complied with since November 15, 2013, on which date the Supervisory Board held the necessary consultations and made the corresponding decision.”

Munich, December 2013

For the Supervisory Board

For the Executive Board

Hon.-Prof. Dr. techn. h.c. Dipl.-Ing. ETH
Ferdinand K. Piëch
- Chairman of the Supervisory Board -

Dr. Georg Pachta-Reyhofen
- Chief Executive Officer –