

Audit of the financial statements

In the reporting period, the Supervisory Board proposed PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft ("PwC"), Munich, as auditors of the financial statements; the Annual General Meeting endorsed its proposal. PwC provided MAN's Audit Committee with confirmation of its independence. It was also agreed that the Chairman of the Audit Committee would be immediately informed of any grounds for disqualifying the auditors or questioning their impartiality that might occur during the audit, unless such grounds could be immediately eliminated.

Remuneration report for fiscal year 2010²

Executive Board remuneration in 2010

The full Supervisory Board assumed responsibility for determining the total remuneration of the individual Executive Board members when the *Gesetz zur Angemessenheit der Vorstandsvergütung* (VorstAG—German Act on the Appropriateness of Executive Board Remuneration) came into force on July 31, 2009. Supervisory Board resolutions to determine the total remuneration of individual Executive Board members are prepared and proposed by the Presiding Committee of MAN SE's Supervisory Board. The full Supervisory Board also regularly discusses the structure of the Executive Board remuneration system based on the Presiding Committee's proposals. In addition, it resolves and regularly reviews a remuneration system in accordance with the recommendation in the German Corporate Governance Code (section 4.2.2). The Supervisory Board adopted resolutions on the current remuneration system at its meeting on February 12, 2010, and in writing on the measurement of the bonus in June 2010.

The Supervisory Board's objective and duty is to set remuneration at an appropriate amount. The criteria for doing so include in particular the tasks of the respective Executive Board member, his personal performance, the economic situation, the performance and outlook of the Company and how customary the remuneration is when measured against its peer group, as well as the remuneration structure that applies to other areas of MAN.

Remuneration structure and components

The remuneration of Executive Board members comprises fixed salary payments and non-cash benefits, pension and other benefit contributions, and performance-related components. The variable performance-related components comprise components linked to business performance and long-term incentive components that entail an element of risk.

- The fixed remuneration is paid as a monthly salary. In addition, Executive Board members receive non-cash benefits that primarily comprise the provision of a company car and driver for business trips, and the payment of insurance premiums. The fixed remuneration is reviewed on a regular basis and adjusted where necessary, taking into account general salary trends and the area of responsibility of the individual Executive Board member.
- The performance-related variable remuneration (bonus) is based on two factors that each have a 50% weighting.

One half of the bonus is calculated using the MAN Group's return on capital employed (ROCE) less the weighted average cost of capital (WACC). This factor is based on an average of the relevant and the following fiscal year. The degree to which the target has been achieved is determined by comparing this average figure with the agreed target.

The other half of the bonus is determined using return on equity (before tax). The actual figure for the relevant fiscal year is compared with the agreed target to establish the degree to which the target has been achieved. 50% of the resulting bonus portion is paid out in shares with a four-year vesting period in accordance with the MAN Stock Program (see below).

The amount of the bonus is restricted and is only paid out if the Company achieves a return on sales (ROS) of more than 2%.

- Since 2005, the component linked to long-term business performance has been awarded through the MAN Stock Program. Under this program, Executive Board members receive cash payments of 50% of their fixed remuneration, which are taxable annually. Half of the payment must be invested in MAN SE common shares. These are purchased and held in safekeeping centrally by MAN SE on behalf of and for the account of Executive Board members. Purchased shares may be freely disposed of after a

² The remuneration report is part of the Group Management Report in accordance with section 315 of the HGB.

vesting period of four years. During the vesting period, the shares may not be sold, pledged, or hedged. If an Executive Board member retires or departs from the MAN Group, the vesting period ends no later than one year after the date of departure.

- The Executive Board members' benefit entitlements comprise retirement, disability, and survivors' benefits. Entitlements to such benefits are accumulated under a defined contribution system, with the value of benefits dependent upon the performance of certain fund indices. Each year, MAN SE contributes an amount equal to 20% of an Executive Board member's fixed remuneration and the bonus paid to that member in the fiscal year into an MAN fund. Executive Board members may elect to make additional contributions out of their gross salary. Contributions and the returns thereon are held in individual capital accounts. The rate of return on the accumulated capital account balance depends upon the performance of selected capital market indices, which are weighted according to an Executive Board member's age. Contributions, the returns thereon, and any additional returns earned by the fund together constitute the total amount of capital available. At retirement, the beneficiary may take the balance of the capital account, or at a minimum the total amount of the contributions, as a lump-sum payment, in installments, or as an annuity. In the event of disability or death, the beneficiary is paid the accumulated account balance, or at a minimum four times the fixed annual remuneration and bonus.

Executive Board members' remuneration in 2010

The remuneration awarded to active members of the Executive Board for their services in fiscal 2010 totaled €10,549 thousand plus €656 thousand for pensions (previous year: €4,270 thousand plus €1,437 thousand for pensions). Please see note 34 in the "Notes to the Consolidated Financial Statements" for details of the Executive Board members' individual remuneration, broken down into fixed, performance-related, and long-term incentive components.

Additionally, a total of €7,142 thousand in severance payments was made in fiscal 2010 to members who left the Executive Board in fiscal 2009. Appropriate provisions were recognized for these in fiscal 2009. These payments are also described in detail in the above-mentioned note in the "Notes to the Consolidated Financial Statements."

Special contract provisions

Under a provision that has been in effect since 2010, an Executive Board member receives his fixed remuneration, bonus, insurance premiums, and contributions to the pension system until the end of his normal term of office, but for no more than two years, in the event of the early termination of his contract without good cause and at the instigation of the Company. Income from his activities elsewhere is offset and the basis for calculating the amount of the contributions to the pension system reduced accordingly. MAN uses an Executive Board member's bonus for the past fiscal year and his expected bonus for the current fiscal year as a basis for calculating the bonus that constitutes his severance payment on leaving his position.

If a contract is terminated at the instigation of an Executive Board member (a member may do so, without having to cite his reasons, by giving 18 months' notice), remuneration is awarded only up until the end of the period of notice.

There are no special change-of-control provisions in place.

Supervisory Board remuneration

The structure and amount of the Supervisory Board's remuneration are determined by the Annual General Meeting and governed by Article 12 of the Articles of Association. It is based on the tasks and responsibilities of the Supervisory Board members as well as on the Group's economic performance.

The annual remuneration comprises the following components:

- basic (fixed) remuneration of €35,000;
- variable remuneration (bonus). This is based on actual earnings per share as reported in the consolidated financial statements. The variable remuneration is €175 for every €0.01 by which earnings per share exceeds €0.50. It is capped at twice the basic remuneration.

Additional remuneration is paid to the chairman and deputy chairman of the Supervisory Board as well as to the chairmen and members of the Supervisory Board committees. The Supervisory Board chairman receives double and his deputy one and a half times the fixed and variable remuneration. Members of the Audit Committee, or of the Presiding Committee of the Supervisory Board, each receive an additional 50% and the chairman of the respective committee an additional 100% of the basic remuneration.

Since the amendment to the Articles of Association resolved at the Annual General Meeting on April 1, 2010, the members of the Supervisory Board have additionally received an attendance fee of €500 in each case for meetings of the Supervisory Board or of Supervisory Board committees at which they are present.

In addition, members of the Supervisory Board are reimbursed their expenses.

Remuneration and expenses reimbursed that are subject to value added tax are paid gross of value added tax if this is invoiced separately.

Supervisory Board remuneration does not include a component linked to long-term business performance, as it is almost impossible to measure the Supervisory Board members' individual contribution to the Company's long-term performance. The Company does not, therefore, follow the suggestion in section 5.4.6 of the Code.

In line with the view taken in some of the legal literature, the remuneration for the first Supervisory Board (of an SE) is subject to the approval of the Annual General Meeting, which will be sought as a precautionary measure at the 2011 Annual General Meeting when the Supervisory Board's first term of office ends as defined by the Articles of Association.

Supervisory Board members' remuneration in 2010

The remuneration payable to the members of the Supervisory Board in 2010 totaled €2,183 thousand (previous year: €941 thousand). In addition, members of MAN SE's Supervisory Board received remuneration totaling €68 thousand (previous year: €39 thousand) for serving on supervisory boards at Group companies in fiscal 2010. Please see note 35 in the "Notes to the Consolidated Financial Statements" for a breakdown of the individual remuneration of the Supervisory Board members in 2010.

Additional information

In the reporting period, Supervisory Board members did not receive any additional remuneration or awards for personal services, particularly advisory or intermediary services.

Former Supervisory Board members who left the Board prior to January 1, 2010, do not receive any remuneration.