Declaration of compliance required by Secs. 289f and 315d German Commercial Code (HGB)

Pursuant to Secs. 289f and 315d HGB, listed stock corporations must issue a declaration of compliance in the management report and parent companies in the group management report. In accordance with the legal requirements (Sec. 289f (2) and Sec. 315d HGB), Porsche Automobil Holding SE makes the following disclosures:

I. Declaration on the German Corporate Governance Code (Sec. 161 German Stock Corporation Act (AktG))

Pursuant to Sec. 161 German Stock Corporation Act (AktG), Art. 9 (1) lit. c) ii) SE-VO, the executive and supervisory board of a listed SE are obliged to make an annual declaration of compliance as to whether they have complied and are continuing to comply with the recommendations of the German Corporate Governance Code (GCGC) in the version valid at the time, or which of the recommendations contained in the Code have not been or are not applied, and why. In the event of changes during the year between two regular declarations, the declaration must be updated.

Text of the declaration of Porsche Automobil Holding SE in accordance with Sec. 161 (1) AktG in the version from May 2017:
The executive board and supervisory board of Porsche Automobil Holding SE declare in accordance with Sec. 161 (1) AktG that since the most recent declaration of compliance in May 2016 – as updated by updates to the declaration of compliance in March and April 2017 – the company has complied with and also in the future will comply with the recommendations of the Government Commission on the German Corporate Governance Code (GCGC or Code) announced by the Federal Ministry of Justice in the official part of the German Federal Gazette in the respective valid version of the Code of 5 May 2015, published in the German Federal Gazette on 12 June 2015, and the version of 7 February 2017, published in the German Federal Gazette on 24 April 2017, with the exception of the following deviations:

The recommendation in Sec. 4.2.3 (2) Sentence 2 GCGC, according to which the monetary elements of the remuneration of executive board members should comprise both fixed and variable elements, has not been complied with regarding the chairman of the executive board Hans Dieter Pötsch and will not be complied with in the future. Mr. Pötsch receives only a fixed basic component from Porsche Automobil Holding SE. Mr. Pötsch, as member and chairman of the supervisory board, also does not receive any variable remuneration calculated on a multi-year basis from Volkswagen AG. In light of Mr. Pötsch's current role as chairman of the supervisory board of Volkswagen AG, the supervisory board of Porsche Automobil Holding SE considers the current structure of his remuneration to be appropriate.

The recommendation in Sec. 4.2.3 (2) Sentence 6 GCGC, according to which the executive board remuneration should be capped, both overall and for the variable compensation components, has not been complied with with regard to Dr. Döss and will also not be complied with in the future. The variable remuneration granted to Dr. Döss, as head of Volkswagen AG's legal department, which contains the usual components for management within the Volkswagen Group, is not capped for all components. The same therefore also applies for his compensation on the whole. Based on past experience with the amount of the variable remuneration granted to management within the Volkswagen Group, the supervisory board assumes that the remuneration granted to Dr. Döss is nevertheless appropriate and Dr. Döss is provided with a long-term incentive to act in the interest of the company through the variable remuneration granted to him by Volkswagen AG.

In addition, regarding executive board remuneration paid by Porsche Automobil Holding SE, the recommendation in Sec. 4.2.3 (2) Sentence 6 GCGC has not been and also will not be fully complied with in the future. Based on the judgment of the supervisory board, there are no upper limits of maximum amounts of bonus payments to be made to executive board members for previously agreed targets or a subsequent bonus in recognition of extraordinary performance. The same therefore also applies for compensation on the whole. The supervisory board does not consider this necessary because by exercising its judgment it can ensure that the requirement of reasonableness of Sec. 87 (1) AktG is complied with.

The supervisory board entrusted the task of preparing a proposal for resolution concerning the election of supervisory board members at the annual general meeting on 30 May 2017 to the nominations committee. Accordingly, the nominations committee, in lieu of the supervisory board, approved the proposal for resolution concerning the election of supervisory board members at the annual general meeting of Porsche Automobil Holding SE. As a result, formally speaking the recommendation under Sec. 5.3.3 GCGC was not complied with. The tasks were transferred to simplify the decision-making process. In making its decision, the nominations committee took into account the recommendations under Sec. 5.4.1 GCGC addressed to the supervisory board unless the executive board and supervisory board announced a deviation therefrom. In the future, the recommendation under Sec. 5.3.3 GCGC will be fully complied with again.

The recommendations under Sec. 5.4.1 (2) GCGC to set targets with regard to the composition of the supervisory board (in the versions of the Code of 5 May 2015 and of 7 February 2017) and the recommendations on preparing a profile of skills and expertise for the entire board as well as on the circumstances and specifications to be taken into account for the composition of the supervisory board under Sec. 5.4.1 (2) GCGC (in the version of the Code of 7 February 2017) were not complied with. Since 29 March 2017 this has also applied to the recommendations contained therein on determining an age limit for members of the supervisory board and determining a regular limit for the term of office served on the supervisory board. The supervisory board passed a corresponding resolution against the background of the election of the supervisory board that was due to take place at the annual general meeting on 30 May 2017. The supervisory board advocates a balanced composition for the committee as defined in the recommendations in Sec. 5.4.1 (2) GCGC. Setting specific targets and profiles or specifications and taking circumstances into account exceeding the legal requirements continues to be inappropriate in the opinion of the supervisory board since decisions should be taken on the candidates proposed in each individual case in the light of the male or female candidates available at that time. This is to provide the greatest possible flexibility and avoid self-imposed restrictions, all in the best interest of the company. The supervisory board is also of the opinion that the ability to monitor and advise the executive board in its management of the company does not cease upon reaching a certain age. A fixed age limit can also come across as discriminatory. The abovementioned recommendations under Sec. 5.4.1 (2) GCGC will also not be complied with in the future.

In light of the deviations mentioned above, the additional recommendations under Sec. 5.4.1 (3) GCGC (version of the Code of 5 May 2015) and Sec. 5.4.1 (4) Sentence 1 GCGC (version of the Code of 7 February 2017) based thereon were not complied with and will also not be complied with in the future.

As regards the recommendation in Sec. 5.4.1 (6) GCGC (in the version of 7 February 2017, previously Sec. 5.4.1 (5) GCGC) regarding the disclosure of certain matters in the supervisory board's election recommendations to the annual general meeting, the requirements of the Code are indefinite and their boundaries and scope unclear. The supervisory board has endeavored in the past and will continue to endeavor in the future to meet the requirements of Sec. 5.4.1 (6) of the Code, although, in light of the imprecision, unclear scope and boundaries of the recommendation, it cannot rule out that this recommendation was not fully complied with in the past or will not be fully complied with in the future. As a result, non-compliance has been declared as a precaution.

With regard to the recommendations in Sec. 5.4.2 Sentence 1 GCGC, the supervisory board, with a composition of twelve supervisory board members, cannot – taking into account the ownership structure – maintain its judgment with sufficient legal certainty that due to the membership of Prof. Dr. Ulrich Lehner it has an appropriate number of independent members. As a precaution, it has therefore been declared that the recommendation pursuant to Sec. 5.4.2 Sentence 1 GCGC was not complied with; by reducing the supervisory board to six members the recommendation under Sec. 5.4.2 Sentence 1 GCGC will be complied with in the future.

The recommendation in Sec. 5.4.6 (2) GCGC regarding the orientation of supervisory board compensation toward sustainability has not been complied with nor will it be complied with in the future. In view of the supervisory board's predominantly supervisory activities, which in the shared opinion of the executive board and the supervisory board give rise to a limited risk of short-term action, the current performance-related compensation includes an adequate sustainability component.

The previous recommendation in Sec. 6.2 GCGC in the version of 5 May 2015 to disclose shares held by members of the company's governing bodies had not been complied with until it was revoked. Notifications regarding the voting rights of our shareholders in accordance with the European Market Abuse Directive and previously the Securities Trading Act (WpHG) are published by Porsche Automobil Holding SE as required. Notifications concerning the purchase and sale of Porsche preference shares by members of the executive board and supervisory board in accordance with Art. 19 of the European Market Abuse Directive and previously the WpHG are published where required.

II. Relevant information on corporate governance practices that exceed the legal requirements

In the context of responsible corporate governance at Porsche Automobil Holding SE, compliance with the relevant legal requirements has the highest priority. In addition, Porsche Automobil Holding SE follows the recommendations of the German Corporate Governance Code both relating to the individual entity and those relating to the group to the extent set out in the declaration on the German Corporate Governance Code and any updates. Moreover, the executive board of Porsche Automobil Holding SE has issued guidelines, on "data protection", "handling insider information and financial instruments relating to insider information", "dealing with gifts and other benefits", "correspondence and signing authority", "procurement, including signing rules", "internal audit", "corporate communication", "identification, acquisition and management of investments", "risk management", "advice concerning labor and social law", "company law, capital market law and compliance", "travel expenses and fringe benefits" as well as on financial issues such as "controlling", "corporate finance", "accounting and commercial financial statements", "preparation, review, approval and administration of specification documents", "handling services of audit firms and audit networks", "taxes", "group financial reporting" and "handling legal disputes and court proceedings". This is because the good name of Porsche Automobil Holding SE is shaped to a great extent by the image, conduct and actions of every individual in the company.

The managers of Porsche Automobil Holding SE are largely responsible for ensuring that the guidelines and rules within the company are systematically observed and complied with. In day-to-day business, every manager must continuously strive to ensure employees have the greatest possible freedom of action, without ignoring the fundamental principles of good corporate governance. To ensure this is the case, Porsche Automobil Holding SE provides its managers and employees with training that focuses on the content of its internal guidelines.

The managers of Porsche Automobil Holding SE also ensure that the corporate governance practices in place at its fully consolidated subsidiaries are complied with to the extent applicable there. As Porsche Automobil Holding SE's most important investment, Volkswagen Aktiengesellschaft is responsible for making its own decisions on the corporate governance practices to be applied within the Volkswagen Group and reports on them in its management report and group management report.

III. Description of the mode of operation of the executive board and supervisory board, and the composition and mode of operation of their committees

The main basis for the corporate statutes of Porsche SE is formed by the European SE provisions, the German SE Implementation Act (SEAG), the German SE Investment Act (SEBG), the German Stock Corporation Act (AktG) as well as the rulings in the articles of association and the provisions of the current version of the German Corporate Governance Code. Like other German stock corporations, Porsche Automobil Holding SE applies the dual management system, with strict separation of the executive board and supervisory board. The executive board and supervisory board work hand in hand in the interest of the company.

Executive board

The executive board of Porsche Automobil Holding SE comprises at least two persons. The supervisory board may specify a larger number of members of the executive board.

The executive board has sole responsibility for the management and the Porsche Automobil Holding SE Group in the interests of the company and represents the company in transactions with third parties. Its main tasks pertain to the strategy and management of the Porsche Automobil Holding SE as well as the implementation and monitoring of an efficient risk management system. The activity of the executive board is specified in more detail in rules of procedure issued by the supervisory board.

The executive board of Porsche Automobil Holding SE consists of four persons: Mr. Hans Dieter Pötsch (chairman), Dr. Manfred Döss, Mr. Matthias Müller and Mr. Philipp von Hagen. Mr. Müller is also chairman of the board of management of Volkswagen AG. Mr. Pötsch is also chairman of the supervisory board of Volkswagen AG and, to conclude, Dr. Döss is also head of accounting at Volkswagen AG.

Corporate governance takes into consideration conflicts of interest that could have arisen or can arise, among other things, from membership of two boards (one at Porsche Automobil Holding SE and one at Volkswagen AG) and addresses these in the interest of Porsche Automobil Holding SE. For example, a member of the executive board who is also a member of the Volkswagen AG board of management does not, in principle, participate in any resolutions concerning issues relating to Volkswagen AG where there is a conflict of interest.

The members of the executive board are jointly responsible for all aspects of the management of the company. The executive board as a whole decides on all matters of material or fundamental importance. This overall responsibility notwithstanding, each member of the executive board independently manages the business segment assigned to him where the decision is not – in matters of material or fundamental importance – the responsibility of the entire executive board.

The executive board informs the supervisory board regularly, without delay and comprehensively about the strategy, planning, business development, risk situation and the risk management and compliance of the company and consults with the supervisory board on the strategy. The chairman of the executive board is responsible for organizing and coordinating cooperation with the supervisory board and its members; he is responsible for ensuring that the supervisory board is informed in a timely, conscientious and comprehensive manner. In addition, he is responsible for ensuring the foundations for beneficial development of the Porsche Automobil Holding SE through ongoing personal contact with the chairman of the supervisory board and constant dialogue with him.

For certain types of transactions, the executive board requires the prior approval of the supervisory board. These include, in particular, the acquisition and sale of companies and equity investments, if the value of the individual transaction exceeds €25 million; the foundation and dissolution of investment companies and the establishment and closure of plant locations, where the process in question is of significant importance for the company; the assumption of guarantees, acknowledgments of debt and warranties that do not form part of the company’s ordinary business operations; and legal transactions with holders of ordinary shares, supervisory board members or family members of such persons outside the ordinary business operations of the company.

Executive board meetings are held regularly, generally every two weeks. Executive board meetings are convened by the chairman of the executive board. The chairman of the executive board is obliged to convene a meeting of the executive board at the request of a member of the executive board or the chairman of the supervisory board.

The executive board has a quorum if all members of the board have been invited and at least half of its members attend the meeting personally or via electronic media. Resolutions are passed with the votes of the majority of the participating board members. In derogation of Art. 50 (2) Sentence 1 SE-VO, the chairman does not cast the deciding vote in the event of a tied vote. The chairman of the executive board determines the type of vote. If no executive board member objects, decisions can also be taken by circularization.

Supervisory board

The supervisory board appoints the members of the executive board and monitors and supervises management.

In the reporting period until the end of the company's annual general meeting on 30 May 2017, the supervisory board consisted of twelve male members and shareholder and employee representatives were equally represented on the supervisory board.

The size and composition of the supervisory board are determined according to the European SE provisions and a co-determination agreement entered into with representatives of the European Porsche employees in 2007 and amended by agreement dated 1 February 2017. This agreement defines the competencies of the employees as well as the regulations of the articles of association.

According to the agreement dated 1 February 2017, the supervisory board of Porsche Automobil Holding SE will in the future comprise six shareholder representatives. Co-determination of the employee representatives in the supervisory board of Porsche SE was suspended.

Porsche Automobil Holding SE initiated status proceedings pursuant to Sec. 97 AktG on 6 February 2017. The status proceedings end the terms of office of all serving members of the supervisory board of Porsche Automobil Holding SE pursuant to Sec. 97 (2) Sentence 3 AktG at the close of the annual general meeting on 30 May 2017.

Since the 2017 annual general meeting, the supervisory board has to comprise six members to be elected by the annual general meeting. The annual general meeting on 30 May 2017 therefore elected six supervisory board members (Dr. Wolfgang Porsche (chairman of the supervisory board), Dr. Hans Michel Piëch (deputy chairman), Prof. Dr. Ulrich Lehner, Prof. Dr. Ferdinand K. Piëch, Dr. Ferdinand Oliver Porsche and Mr. Hans-Peter Porsche).

Effective as of the end of 8 December 2017, Prof. Dr. Ferdinand K. Piëch stepped down as member of the supervisory board. A successor is to be elected as member of the supervisory board at the 2018 annual general meeting.

The tasks of the supervisory board are jointly fulfilled by its members. It cooperates closely with the other company boards for the good of the company. Its members have the same rights and duties; they are not bound by orders and instructions, especially not those of the shareholders.

The chairman of the supervisory board convenes the supervisory board meetings, giving at least fourteen days' notice. The audit committee must meet at least twice in a calendar half year and should meet once each quarter. In addition, supervisory board meetings must be convened if there is good reason.

The supervisory board has a quorum if, after all members have been invited, at least half of its members required under the articles of association participate in a resolution. Resolutions are passed with the votes of the majority of the participating board members. In the event of a tied vote, the chairman casts the deciding vote. Resolutions may also be passed in a telephone or video conference outside meetings by casting votes in writing, over the phone, or in text form if no member of the supervisory board objects or if the chairman of the supervisory board establishes this manner of voting.

Due to the influence of individual members of the supervisory board of Porsche Automobil Holding SE on ordinary shareholders of Porsche Automobil Holding SE or the fact that individual supervisory board members are also members of the supervisory boards of Porsche Automobil Holding SE and Volkswagen AG or of Volkswagen subsidiaries, conflicts of interest can arise for these supervisory board members in isolated instances.

Any conflicts of interest are handled according to the following basic principle: The members of the supervisory board of Porsche Automobil Holding SE regularly determine whether there are any conflicts of interest, in particular prior to meetings and passing resolutions. This applies especially for those members who are also members of the supervisory board of Volkswagen AG. Wherever there is any indication of a possible conflict of interest, the respective members do not participate in the discussion of the relevant resolution or abstain. Members of the supervisory board cannot participate in a vote by voting yes or no if the resolution concerns a transaction where they are involved or relating to the initiation of a lawsuit between such members and the company.

Committees of the supervisory board

Until the annual general meeting on 30 May 2017, the supervisory board had a total of four committees (executive committee, audit committee, nominations committee and investment committee) to carry out its duties. Following the reduction in size of the supervisory board, the supervisory board reduced the number of its committees to three on 30 May 2017 (executive committee, audit committee and nominations committee). The specific composition of the current committees is presented in the overview in the attachment.

The committee meetings are convened by the respective committee chairman; as a rule, meetings should be convened with no less than one week's notice. Until the 2017 annual general meeting, committees that take decisions on behalf of the supervisory board only had a quorum if half the members (at least three members) participated in the resolution; since the 2017 annual general meeting, the committees of the supervisory board only have a quorum if all members participate in the resolution by voting or abstaining. The respective committee chairman must regularly inform the supervisory board about the activities of his committee.

Executive committee
The executive committee decides in urgent cases on business matters requiring the approval of the supervisory board. It also functions as a personnel committee and makes recommendations to the supervisory board on concluding, amending and terminating contracts of employment for members of the executive board.

Until the company's annual general meeting on 30 May 2017, the executive committee comprised the chairman of the supervisory board, his deputy and a shareholder representative and employee representative elected from the supervisory board.

Since 30 May 2017, the executive committee has comprised the chairman of the supervisory board, his deputy and an additional member of the supervisory board.

Audit committee
The audit committee supports the supervisory board in monitoring management of the company and pays particular attention to monitoring financial reporting and the associated financial reporting processes, the effectiveness of the internal control system, the risk management system, internal audit, the audit of the financial statements, including the independence of the auditor, as well as compliance. The audit committee submits to the supervisory board a recommendation giving reasons for the

appointment of the auditor, which comprises at least two candidates if the audit engagement is put out to tender and deals with the issuing of the audit mandate to the auditor, the determination of key audit topics, the fee agreement as well as non-audit services rendered by audit firms.

Until the annual general meeting on 30 May 2017, the audit committee comprised four members. It had to include two members of the supervisory board elected by the shareholders and two members of the supervisory board elected by the employees; however, other combinations were permissible.

Since 30 May 2017, the audit committee has to comprise three members. In accordance with the rules of procedure of the supervisory board, at least one independent member of the audit committee must have specialist knowledge in the areas of accounting or auditing. Within Porsche Automobil Holding SE's audit committee, this is Prof. Dr. Ulrich Lehner.

Nominations committee
The nominations committee makes recommendations to the supervisory board for the supervisory board's proposals to the annual general meeting concerning the election of supervisory board members. In the fiscal year 2017, the nominations committee, acting on behalf the supervisory board, passed resolutions on the proposals to the annual general meeting concerning the election of supervisory board members representing shareholders.

Until the company's annual general meeting on 30 May 2017, the nominations committee comprised four supervisory board members representing shareholders, Since 30 May 2017, the nominations committee has consisted of three members. The chairman of the supervisory board is always also the chairman of the nominations committee.

Investment committee
The investment committee was responsible for preparing resolutions of the supervisory board as well as addressing in plenary sessions topics which were required for or conducive to implementing the investment concept decided upon by the executive board and made recommendations in this regard to the supervisory board. The investment committee comprised the chairman of the supervisory board and three other supervisory board members. The investment committee had to include two members of the supervisory board elected by the shareholders and two members of the supervisory elected by the employees. The chairman of the supervisory board was also the chairman of the investment committee.

At the constituent meeting of the supervisory board directly following the annual general meeting of Porsche SE on 30 May 2017, the supervisory board transferred the responsibilities of the investment committee to the full supervisory board or, in urgent cases, to the executive committee and did not set up a new investment committee.

You can find the current members of the respective committees *here*. Details of the specific tasks of the supervisory board and its committees can be found in the report of the supervisory board for the fiscal year 2017. You can find more information on the corporate governance practices of Porsche Automobil Holding SE in the corporate governance report for the fiscal year 2017 at

www.porsche-se.com/en/company/corporate-governance/cg-report

IV. Information on the determination of target figures pursuant to Sec. 76 (4) and Sec. 111 (5) AktG and these being met

Sec. 76 (4) AktG requires that the executive board specify target figures for the percentage of women in the two management levels below the executive board and set a deadline for achieving these target figures. Until 30 June 2017, the executive board had resolved to set a target of 15% for each of the first two management levels below the executive board. Due to a lack of changes in personnel, the target figure for the percentage of women in the first management level below the executive board was not achieved. However, the target figure for the percentage of women of 15% for the second management level below the executive board was clearly met. The percentage of women for the second management level below the executive board was 20%. The executive board has now set a target for the percentage of women in the first and second management level below the executive board of 25% in each case with an implementation deadline of 30 June 2022.

Sec. 111 (5) AktG requires that the supervisory board of companies that are listed or subject to co-determination specify a target figure for the percentage of women on the executive board and set a deadline for meeting this target. The supervisory board has raised the target figure for the percentage of women on the executive board from 0% to 25%, setting an implementation deadline of 30 June 2022.

Sec. 111 (5) Sentence 1 and 5 AktG requires that the supervisory board of companies that are listed or subject to co-determination specify a target figure for the percentage of women on the supervisory board if no statutory quota applies. Pursuant to Sec. 17 (2) SEAG, there is a statutory quota for companies in the legal form of an SE only for a listed SE whose supervisory board comprises an equal number of shareholder and employee representatives. Although Porsche Automobil Holding SE is listed, its supervisory board does not comprise an equal number of shareholder and employee representatives, meaning that there is no statutory quota for Porsche Automobil Holding SE. Accordingly, the supervisory board has set a target figure for the percentage of women on the supervisory board of 0% until 9 October 2022. In the period from the beginning of the fiscal year 2017 until the 2017 annual general meeting, Porsche Automobil Holding SE did not need to meet the statutory quota as the existing supervisory board mandates could be continued until the regular end of their term in office (Sec 17 (2) Sentence 4 SEAG).

Stuttgart, 2 March 2018
Porsche Automobil Holding SE

The executive board