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Articles of Association of Bertelsmann Management SE in Gütersloh in the version as of November 3, 2016

§ 1 **Company Name and Registered Office**

The name of the European Company (SE) is

Bertelsmann Management SE¹.

The registered office of the Company is in Gütersloh.

§ 2 **Company Object**

The object of the Company is the participation in Bertelsmann SE & Co. KGaA² as General Partner as well as the management of Bertelsmann SE & Co. KGaA which, as the Group Holding, manages a group of media and service companies which transact business, in particular, in the fields of television and radio, music, film, publishing and the sale of books, newspapers and magazines, the manufacture and sale of printing products of all kinds as well as the performance of services of all kinds for commercial and private consumers.

§ 2a **No Employees**

The Company has no employees of its own.

§ 3 **Fiscal Year**

The fiscal year is the calendar year.

¹ Societas Europaea (SE) - a company incorporated under European law

² a partnership limited by shares with a SE as general partner

§ 4 Notifications

Notifications of the Company shall be made in the electronic Federal Gazette (*elektronischer Bundesanzeiger*).

§ 5 Share Capital

- (1) The share capital of the Company amounts to € 1,600,000.00 (in words: one million six hundred thousand Euros). It is divided into 1,600,000 individual share certificates (no par value shares).
- (2) The shares are registered shares.

§ 6 Executive Board

- (1) The Executive Board is comprised of several members, the number of which shall be determined by the Supervisory Board. It shall pass its resolutions with a simple majority. In the event of a tied vote, the vote of the Chairman shall be decisive, insofar as not otherwise mandatorily stipulated by law.
- (2) Without prejudice to the regulations of the Standing Rules of Procedure of the Executive Board in the respectively valid version, the voting shall otherwise take place by means of the submission of the opinion of the Executive Board for Bertelsmann Management SE concerning measures of the shareholders of Bertelsmann SE & Co. KGaA which cause a reduction of the quota of their shares in the share capital in Bertelsmann SE & Co. KGaA or to a reduction of their respective voting participation at the Annual Shareholders' Meeting of Bertelsmann SE & Co. KGaA by means of written confidential voting ballots in which the respective voter is designated by name.
- (3) A member of the Executive Board should be appointed for a term which does not extend beyond the end of the fiscal year in which the member of the Executive Board turns 60 years old. A person who is 65 years old cannot be a member of the Executive Board for a term which extends beyond the end of the fiscal year in which he/she turns 65.
- (4) Members of the Executive Board shall be elected by the Supervisory Board for a maximum time period of five years. Re-elections shall be permissible.

§ 7 Representation

The Company shall be represented by two Executive Board members or by a member of the Executive Board together with a *Prokurist*³. The Supervisory Board can grant individual Executive Board members sole representation authority in exceptional cases.

§ 8 Supervisory Board

- (1) The Supervisory Board shall be comprised of 12 members. The term of office of the Supervisory Board members shall be determined in compliance with the following paragraphs with the appointment by the Annual Shareholders' Meeting.
- (2) Persons should not be appointed as members of the Supervisory Board who are more than 75 years old. Supervisory Board members who turn 75 in the course of a term of office should resign from the Supervisory Board at the close of the Annual Shareholders' Meeting following his/her 75th birthday.
- (3) The term of office may not exceed five years. Re-election shall be permissible
- (4) The Supervisory Board shall be authorized to resolve on amendments to the Articles of Association which only relate to this version of the Articles of Association.

§ 8a Business Transactions Requiring Approval

- (1) The Executive Board may undertake the following business transactions and measures for the Company as the management organ of Bertelsmann SE & Co. KGaA only with the approval of the Supervisory Board of the Company:
 - a. determination of the Group planning to be compiled annually by the Company as the general partner of Bertelsmann SE & Co. KGaA;
 - b. taking up of business outside the trade as well as every direct or indirect shareholding in companies doing business outside the trade;
 - c. essential changes to the organizational structure of the Bertelsmann Group.
- (2) The Supervisory Board can more clearly define para. 1 a.) to c.) and make additional types of business transactions and measures conditional on its approval.

³ *Prokurist* - person vested with general commercial power of representation
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**§ 9
Chairman**

The Supervisory Board shall elect from amongst its members a Chairman and a Deputy Chairman who are entrepreneurs. An entrepreneur within the meaning of the afore-mentioned sentence shall be such a person who – without operating a bank business – manages independently or as an employed manager commercial units of substantial size and who has or had directly an influence thereon in terms of structure.

**§ 9a
Committees**

The Supervisory Board may form one or more committees from among its members and designate the responsibilities and powers of such committee(s) in the Standing Rules of Procedure of the Supervisory Board. These committees can also be transferred authority to make decisions of the Supervisory Board as permissible by law.

**§ 10
Voting**

- (1) Supervisory Board meetings should be convened in writing by the Chairman or, in the case of his/her inability, by his/her Deputy Chairman, with observance of a notice period of three weeks, via telefax or via e-mail. With the calculation of the notice period, the day of the transfer and the day of the meeting shall not be counted. In urgent cases, the convening party can reduce the notice period or call the meeting by telephone.
- (2) Resolutions shall require a simple majority of the votes cast. In the event of a tied vote, the vote of the Chairman shall be decisive.
- (3) By order of the Chairman of the Supervisory Board or, in the case of his/her inability, the Deputy Chairman, resolutions and voting of the Supervisory Board can also be made in writing, by telephone, via telefax, per e-mail or in any other comparable form. No right to object to this form of the passing of resolutions shall exist.
- (4) Without prejudice to the regulations of the Standing Rules of Procedure of the Supervisory Board in the respectively applicable version and in deviation from the above paragraphs, the voting shall take place by means of a submission of the opinion of the Supervisory Board concerning measures of the shareholders of Bertelsmann SE & Co. KGaA which cause a reduction of the quota of their shares in the share capital in Bertelsmann SE & Co. KGaA or to a reduction of their respective voting participation at the Annual Shareholders' Meeting of Bertelsmann SE & Co. KGaA by means of written confidential voting ballots in which the respective voter is designated by name.

**§ 11
Meeting Attendance Payments, Reimbursement of Expenses**

In addition to the reimbursement of their expenses, members of the Supervisory Board shall receive meeting attendance payments plus possible statutory turnover tax. The amount of the meeting attendance payment as well as the method of payment shall be determined by the Annual Shareholders' Meeting. In addition, any employer contributions for social insurance resulting under foreign laws for Supervisory Board activity shall be paid or reimbursed to the Supervisory Board member.

§ 12 Annual Shareholders' Meeting

- (1) The Annual Shareholders' Meeting shall be convened by the Executive Board or by the Supervisory Board.
- (2) The voting right can be exercised by an authorized representative by proxy. In the case that neither a bank nor a shareholders' association are granted representation authorization, then the powers of attorney can be granted in a manner to be determined respectively by the Executive Board also including use of electronic media or via telefax. The details for the grant of powers of attorney shall be notified together with the convening notice of the Annual Shareholders' Meeting in the electronic Federal Gazette.

§ 13 Chairman

The Chairman of the Supervisory Board or his/her Deputy Chairman shall chair the Annual Shareholders' Meeting.

The Chairman shall lead the deliberations and determine the order of deliberation items.

§ 14 Resolutions

- (1) The necessary majority of votes cast for resolutions at the Annual Shareholders' Meeting and of the share capital represented upon voting shall be determined according to the statutory provisions. In the event of a tie vote, the motion shall be deemed to be rejected.
- (2) Each share shall grant one vote.

§ 15 Formation Expenses

The Company shall bear the formation expenses (in particular, notarial and court fees, costs of notification) up to an amount of € 8,000.00 (in words: eight thousand Euros).