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UNIVERSAL MUSIC GROUP N.V.

EXECUTIVE DIRECTORS REMUNERATION POLICY

1. INTRODUCTION

1.1. This document sets out the Executive Directors' Remuneration Policy (the ***Remuneration Policy***) of Universal Music Group N.V. (***UMG*** or the ***Company***) as adopted by the Company's general meeting of shareholders on May 14, 2025.

1.2. The Remuneration Policy has been developed by the remuneration committee (***Remuneration Committee***) of the Board of Directors of the Company (the ***Board***) and it contains the framework for remunerating the Executive Directors of the Board (the ***Executive Directors***).

1.3. When determining the Remuneration Policy, the Remuneration Committee has considered the outcome of scenario analyses and impact of share price movements on the remuneration of the Executive Directors as well as the pay differentials within the Company. In addition, the compensation levels offered in the relevant peer market and general societal views with respect to the remuneration of the Executive Directors have been considered. Finally, in making its recommendations, the Remuneration Committee took note of the Executive Directors' views with regard to the amount and structure of their own remuneration.

1.4. The Remuneration Policy was last adopted by the Company's general meeting of shareholders effective September 21, 2021 and supplemented on May 11, 2023. The most important amendments made to the Remuneration Policy, as included herein, relate to: (i) the Company's policy on severance payments, to better align this policy with the market practices for the industry the Company operates in, (ii) the share ownership guidelines for Executive Directors, as set out in the Appendix II, which were approved by the Board on March 25, 2025, and (iii) various textual and technical changes to further improve the clarity of the Remuneration Policy.

1.5. The Board continuously takes into account shareholders' views, including on matters concerning the remuneration of the Executive Directors, and will propose amendments where due and appropriate. The Board has considered the external environment in which the Company operates, the relevant statutory requirements and the principles and best practice provisions of the Dutch Corporate Governance Code, competitive market practices for the industry the Company operates in, as well as the guidance issued by organizations representing institutional shareholders.

1.6. The responsibility for implementing the Remuneration Policy lies with the Board. Upon recommendation of the Remuneration Committee, the Board will determine the remuneration of the Executive Directors, considering the provisions of the Remuneration Policy. The Executive Directors will not participate in the determination of the remuneration of the Executive Directors.

1.7. In line with statutory requirements, the Remuneration Committee will periodically review the Remuneration Policy and make recommendations to the Board in respect of any proposed amendments.

The Remuneration Policy can be amended or restated by the Company's general meeting of shareholders in accordance with the Company's articles of association and Dutch law.

1.8. The Company will report on the remuneration provided to the Executive Directors and the implementation of this Remuneration Policy in the Company's remuneration report, in accordance with the statutory requirements of the Dutch Civil Code and with the principles and best practice provisions of the Dutch Corporate Governance Code.

1.9. A copy of the Remuneration Policy is available on the Company's website: www.universalmusic.com.

2. THE OBJECTIVES AND PRINCIPLES OF THE REMUNERATION POLICY

2.1. The objective of the Remuneration Policy is to provide a compensation framework that allows the Company to attract, motivate and retain highly qualified Executive Directors and to incentivize and reward long-term, sustainable growth of UMG, consistent with UMG's identity, mission and core values. The Remuneration Policy is built on the following principles:

- Focus on Company performance by including at-risk pay for the Executive Directors
- Linkage of performance objectives with UMG's strategy
- Alignment of shareholders' interests with Executive Directors' compensation design
- Ensure competitiveness within relevant markets to support UMG's ability to attract, motivate and retain high caliber talent, in particular focusing on global entertainment companies
- Support a simple and transparent framework

2.2. The Remuneration Policy is designed to encourage behavior that is focused on long-term value creation and the long-term interests and sustainability of the Company. The Remuneration Policy is aimed at motivating for outstanding achievements, using a combination of financial, strategic, operational and/or individual targets, as well as an appropriate ratio between Base Salary and variable remuneration.

3. BENCHMARKING AND COMPENSATION PEER GROUP

3.1. The compensation offered to the Executive Directors is benchmarked against peer companies periodically, considering compensation levels and trends in the market as well as international remuneration standards.

3.2. The Remuneration Committee will regularly review the compensation peer group and potential compensation peer companies that operate in similar industries and geographies with whom the Company is most likely to compete for talent at the executive level.

3.3. The Remuneration Committee aims to identify a compensation peer group that best reflects all aspects of UMG's business and talent market. Hence, it considers, but is not limited to considering, the following factors, public listing, industry practices, business model and strategy, geographic footprint and company size. Since UMG is a global company with a strong presence in the United States, and acknowledging the United States as a key market for recruiting talent in the music and entertainment sectors, it also includes United States-based companies in the compensation peer group.

4. INTERNAL PAY RATIOS

4.1. When determining the total compensation of the Executive Directors, the Remuneration Committee considers the internal pay ratio between Executive Director pay and ordinary employee pay. In addition, the Company considers increases provided to other employees of the UMG group.

5. REMUNERATION COMPONENTS

5.1. The remuneration structure for the Executive Directors consists of a number of elements which are outlined below. Additional information on the various elements is presented in the following sections.

Element	Key features	Purpose
Base Salary	Fixed level of cash, aligned with the Executive Director's skills, experience, scope of responsibilities and the external market	Intended to attract, motivate and retain Executive Directors
Short Term Incentive (STI)	Variable amount, paid annually in cash and/or shares, subject to the achievement of predetermined annual objectives	Incentivize the realization of performance against UMG's annual business priorities for the current year
Long Term Incentive (LTI)	Variable amount, annually conditionally granted in the form of restricted share units, phantom restricted share units, performance share units, phantom performance share units, share options, long-term cash awards or a combination of vehicles. Subject to continued employment and/or the achievement of predetermined performance objectives	Drive and reward long-term value creation linked to the Company's strategy and strengthen alignment with shareholders' and other stakeholders' interests
Pension and Other Post-Employment Benefits	Customary retirement income and severance benefits	Provide Executive Directors future income security, aligned with typical practice in the relevant geographical market
Benefits	Additional arrangements with the aim to reimburse for costs incurred in or perquisites required for the performance of their duties as Executive Director	Provide customary perquisites and fringe

Base Salary

5.2. The Base Salary reflects the main fixed element of the Executive Director's remuneration package and takes into consideration the Executive Director's skills, experience, scope of responsibilities and the external market. The levels are set to attract, motivate and retain Executive Directors required to execute the Company's strategy.

5.3. The Boards reviews the Base Salaries of the Executive Directors periodically and may increase the Base Salary levels for the Executive Directors on a periodic basis. In making its decision, the Board, upon recommendation of the Remuneration Committee, takes a number of factors into account during the review process, including individual performance, the scope and nature of the role, market data, salary increases of the Company's wider employee population and local economic indicators, such as inflation and labor market changes to ensure the remuneration is fair, sensible and competitive. In preparation of the periodic review process, the Remuneration Committee could consider to periodically benchmark comparable base salaries paid to other executive directors in the compensation peer group.

Short-Term Incentive

5.4. The primary objective of the Short-Term Incentive is to ensure Executive Director alignment with and motivate the achievement of the annual business priorities for the current year.

5.5. Pay-out of the Short-Term Incentive is based on the achievement of the annual objectives recommended by the Remuneration Committee and approved by the Board at the beginning of each year. Those annual objectives may include a combination of financial, strategic, operational and/or individual targets. Through the selection of the most relevant annual objectives, the Short-Term Incentive will contribute to the long-term interests, realization of the strategy and sustainability of the Company.

5.6. The Short-Term Incentive applies rigorous targets to ensure a link between pay-out and Company performance. At the end of each year, the Board, upon recommendation of the Remuneration Committee, will holistically assess the performance of the Executive Directors against the annual objectives to determine the extent to which those objectives have been achieved and to determine the final pay-out.

5.7. In case of on-target achievement of the annual objectives, the Short-Term Incentive pay-out will equal up to 300% of Base Salary, depending on role, with a range of 0% if the threshold achievement level for the annual objectives is not met to a maximum of 200% of target for overachievement of the annual objectives. The Short-Term Incentive will be in principle paid out in cash but, in order to ensure alignment with long-term (shareholders') interests, the Board, upon recommendation of the Remuneration Committee, has the flexibility to pay-out in shares (in entirety or partially).

Long-Term Incentive

5.8. The Long-Term Incentive is a pivotal component of the Executive Directors' remuneration package, as it aligns the interests of the Executive Directors with the interests of shareholders and other stakeholders, rewards for delivery of long-term performance objectives and encourages ownership by the Executive Directors in the Company.

5.9. Through the Remuneration Policy, the Board, upon recommendation of the Remuneration Committee, has the opportunity to grant Long-Term Incentive awards to the Executive Directors. The Long-Term Incentive awards may be conditionally granted in the form of restricted share units, phantom[1] restricted share units, performance share units, phantom[1] performance share units, share options, long-term cash awards or a combination of vehicles (subject to adoption of appropriate equity plan(s) where real equity is granted). It is anticipated that the primary vehicles for Long-Term Incentive awards will be restricted share units and performance share units.

5.10. Total Long-Term Incentive grant values will be up to 500% of Base Salary, depending on role.

5.11. Long-Term Incentive awards that are subject to the achievement of predetermined performance objectives, such as performance share units, phantom performance share units and long-term cash awards, could be conditionally awarded at the beginning of a three-year performance period, whereby the number of units awarded is based on a target percentage of Base Salary.

5.12. Vesting of performance share units, phantom performance share units or long-term cash awards is subject to the achievement of predetermined performance objectives, recommended by the Remuneration Committee and approved by the Board at the beginning of each three-year performance period, and will occur at the end of the three-year performance period. Those objectives may include a combination of financial, strategic, operational and/or individual targets. At the end of the three-year performance period, the Board, upon recommendation of the Remuneration Committee, will holistically assess the performance of the Executive Directors against the performance objectives to determine the extent to which those objectives have been achieved and to determine the number of performance share units, phantom performance share units or long-term cash awards vested. Maximum vesting of the performance share units, phantom performance share units or long-term cash awards is 200% of the conditional grant for overachievement of the performance objectives, whereas no performance share units, phantom performance share units or long-term cash awards will vest if the minimum level of achievement of the performance objectives is not met.

5.13. Vesting of the restricted share units and phantom restricted share units is subject to continuous employment and will occur in up to five years in a ratable or cliff vesting schedule, depending on the award.

5.14. The Company's equity plan may provide for foregone dividends in the form of additional units.

Claw-Back Policy; Reasonable and Fair Payment

5.15. In accordance with the Dutch Civil Code, the Board will be entitled, on behalf of the Company, to recover variable remuneration paid to the Executive Directors, in full or in part, to the extent that payment thereof has been made on the basis of incorrect information about the realization of the underlying objectives or about the circumstances from which the entitlement to the variable remuneration arose. The Board has

[1] Phantom refers to a cash award in an equivalent to the value of a real Company share.

also the authority to adjust the outcome of variable remuneration to an appropriate level if payment of the variable remuneration is unacceptable according to the requirement of reasonableness and fairness.

Pension

5.16. The Executive Directors may participate in the same Company sponsored retirement and savings programs and health care benefits available to other executives and all salaried employees of the country where they are employed or may be granted a replacement cash allowance.

Fringe Benefits

5.17. Executive Directors are offered customary perquisites and fringe, which may include items that are in place for the sake of reimbursement of costs incurred in the performance of their duties as Executive Director and/or are required to execute their role as Executive Director. These may include, but are not limited to, benefits relating to health and welfare, housing, automobile, tax equalization and services, security, home leave and relocation benefits, as may be appropriate.

5.18. The Company does not provide loans, including mortgage loans, guarantees or advance payments to the Executive Directors.

Severance Benefits

5.19. Severance payments will be determined by the Board upon recommendation of the Remuneration Committee. Severance payments will be aligned to typical practice in the relevant geographical market where the Executive Director's role is primarily located and for other senior leaders in the Company.

5.20. If an internal candidate is appointed to the Board, and legacy severance arrangements are in place for an Executive Director, these may be respected upon approval of the Remuneration Committee.

5.21. As approved at the Company's annual general meeting of shareholders on May 11, 2023, there is an additional supplement applying only to Sir Lucian Grainge allowing for a separate severance arrangement for Sir Lucian Grainge, as set out in the Appendix I, which is an integral part of the Remuneration Policy.

6. STOCK-RELATED PROVISIONS

6.1. The Board, upon recommendation of the Remuneration Committee, has the opportunity to introduce stock-related provisions to align the long-term interests of the Executive Directors with those of shareholders and to ensure a sustainable link with the execution of the Company's long-term value creation. The Board has the flexibility to introduce stock-related provisions in the form of a holding period on vested equity under the Long-term Incentive such that the vesting period plus holding period equals five years and/or the introduction of share ownership guidelines.

6.2. The share ownership guidelines for Executive Directors, as set out in the Appendix II, were approved by the Board on March 25, 2025.

7. TERMS OF ENGAGEMENT

7.1. The Company (or a subsidiary of the Company, if appropriate) enters into a management services agreement (or similar agreement) with each Executive Director for the duration of his or her respective appointment as Executive Director. Executive Directors are appointed for a maximum period of two years, unless the Company's general meeting of shareholders resolves to deviate from such period in accordance with the Company's articles of association. Reappointment of Executive Directors is possible. Executive Directors will generally be subject to confidentiality undertakings without limitation in time and appropriate non-solicitation and non-compete provisions.

7.2. If an internal candidate is appointed to the Board, and legacy arrangements are in place for an Executive Director, which are not in line with the Remuneration Policy, these may be respected upon approval of the Remuneration Committee. In the cases of death, disability and retirement, vesting of Long-Term Incentive awards may be accelerated. UMG accepts that this might lead to a deviation from the Dutch Corporate Governance Code.

8. HIRING POLICY

8.1. In case of the appointment of a new Executive Director, whether the candidate is internal or external, the Board will consider the requirements of the role, profile and experience of the individual and the external talent market. The Board, upon recommendation of the Remuneration Committee, will aim to align the new Executive Director's remuneration package to the Remuneration Policy, provided that for appointments of internal candidates, legacy arrangements may be respected.

8.2. In case of external appointments, the Board, upon recommendation of the Remuneration Committee, may decide to grant sign-on awards in cash and/or equity to compensate for the loss of remuneration or other expenses as a result of the transfer of employment. When establishing such an award, a holistic assessment will be applied on the design considerations of the arrangements forfeited.

9. DEROGATION

9.1. The Board may decide, upon recommendation of the Remuneration Committee, to temporarily derogate from the Remuneration Policy, and only until a new Remuneration Policy is adopted. This derogation will only apply in case of exceptional circumstances when it is necessary to serve the long-term interests and sustainability of the Company as a whole or to assure its viability. This may concern all aspects of the Remuneration Policy.

9.2. In general, if an internal candidate is appointed to the Board, and legacy arrangements are in place for an Executive Director, which are not in line with the Remuneration Policy, these may be respected upon approval of the Remuneration Committee. Additionally, the Board, upon recommendation of the Remuneration Committee, may approve the grants of one-time Long-Term Incentive awards for special circumstances that are separate from and in addition to the annual Long-Term Incentive grants described in the Remuneration Policy.

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APPENDIX I

Supplement to the Executive Directors Remuneration Policy

(as approved by the general meeting of shareholders of UMG (the ***General Meeting***), effective on 11 May 2023)

This supplement will apply to Sir Lucian Grainge only and does not affect the remuneration of any other Executive Director.

The terms of the supplement are set out below.

A. **Base Salary.** The Board, at the recommendation of the Remuneration Committee, may offer Sir Lucian Grainge an annual base salary up to USD 5,000,000, which amount will be subject to review and may be increased periodically in accordance with section 5.3 of the Company's existing Executive Directors Remuneration Policy.

B. **Annual Bonus.** The Board, at the recommendation of the Remuneration Committee, may offer Sir Lucian Grainge the opportunity to participate in an STI consistent with the terms, including performance measures, set forth in the Company's existing Executive Directors Remuneration Policy. Sir Lucian Grainge's STI may be set to be a cash-only incentive, paid annually.

C. **Long Term Incentive.** The Board, at the recommendation of the Remuneration Committee, may offer Sir Lucian Grainge the opportunity to participate in an LTI consistent with the terms, including performance measures, set forth in the Company's existing Executive Directors Remuneration Policy.

D. **Termination and severance.** The Board, at the recommendation of the Remuneration Committee, may offer Sir Lucian Grainge a severance arrangement, also in case (i) Sir Lucian Grainge would terminate his employment for 'Good Reason', (ii) Universal Music Group, Inc. (***UMG, Inc.***) would terminate Sir Lucian Grainge's employment without 'Cause' or (iii) in case of 'Non-Renewal' of Sir Lucian Grainge's extended and amended employment agreement with UMG, Inc. effective as of March 30, 2023, and for a period ending on May 1, 2028 (the ***2023 Agreement***).

The definitions of 'Good Reason', for 'Cause' and 'Non-Renewal' are understood to comprise:

'Good Reason':

(i) removal of Sir Lucian Grainge from his position as an Executive Director on the Board or as Chairman and CEO of UMG, Inc. or the Company, resulting in a material diminution in Sir Lucian Grainge's authority, duties or responsibilities, or in the budget over which Sir Lucian Grainge retains authority;

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(ii) the requirement for Sir Lucian Grainge to report to anyone with materially less authority, duties or responsibilities;

(iii) a material decrease in Sir Lucian Grainge's authority, duties or responsibilities, including, but not limited to, a material adverse change to Sir Lucian Grainge's authority, duties or responsibilities as they relate to managing Sir Lucian Grainge's direct reports or Sir Lucian Grainge's involvement in setting UMG's annual budget or UMG's strategy;

(iv) a reduction in Sir Lucian Grainge's base salary or target annual bonus or annual equity award constituting a material diminution in Sir Lucian Grainge's base compensation as determined for purposes of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder;

(v) the requirement that Sir Lucian Grainge's principal place of employment be located other than at the principal offices of UMG, Inc. in Los Angeles, California, provided that such change is a material change in the geographic location at which Sir Lucian Grainge must provide his services as determined for purposes of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder;

(vi) a material breach by UMG, Inc. of the 2023 Agreement; or

(vii) a 'Change in Control'.

A 'Change in Control' will mean a change in the ownership of the Company, which occurs on the date that any one person would be entitled to, directly and indirectly, exercise at least 30% of the votes in a General Meeting (***Predominant Control***) (which would pursuant to Dutch law trigger a mandatory public offer for all of the outstanding shares in the Company, provided, however, that no change in control will be considered to exist (x) if the voting power of any one person, or more than one person acting in concert, who at the date of the 2023 Agreement (i.e., March 30, 2023) was already entitled to exercise 30% or more of the votes in a General Meeting increases, and (y) if the person who acquired Predominant Control loses such Predominant Control within thirty days of acquiring it, unless the person who acquired Predominant Control has exercised its voting rights in that 30-day period.

'Cause' will have a commonly used meaning.

'Non-Renewal' will mean the expiration of the 2023 Agreement, with UMG, Inc. not having made an offer of employment on terms at least as favorable as the terms set forth in the 2023 Agreement at least ninety days before the expiration date of the 2023 Agreement.

The severance arrangement offered to Sir Lucian Grainge in case his employment would be terminated without 'Cause', if Sir Lucian Grainge would terminate his employment for 'Good Reason' or in case of 'Non-Renewal' may comprise of:

(i) a lump-sum cash amount equal to Sir Lucian Grainge's unpaid base salary earned up to the date of his termination of employment plus an amount equal to two years of base salary;

(ii) a lump-sum cash amount equal to the unpaid portion of any earned bonuses with respect to the last fiscal year ended prior to the date of Sir Lucian Grainge's termination of employment plus the USD 10,000,000 target annual bonus for the year in which Sir Lucian Grainge's termination of employment occurs plus two years of the USD 10,000,000 target annual bonus;

(iii) a lump-sum cash amount equal to the amount that UMG, Inc. would have paid during the two years following Sir Lucian Grainge's termination of employment (based on rates in effect at the time of termination of employment) to provide Sir Lucian Grainge with the benefits he would have been entitled to receive under the additional pension allowance and the broad base of benefit plans in which Sir Lucian Grainge may participate, provided that such amount will not include any vacation benefits;

(iv) each equity award outstanding at the termination of Sir Lucian Grainge's employment, with each such equity award vesting on a pro rata basis in accordance with the terms of the applicable equity award agreement, except that Sir Lucian Grainge will be deemed to be continuously employed for a period of two years from the date of termination for 'Good Reason', 'Without Cause' or following a 'Non-Renewal', with any performance-based equity awards continuing to vest for a period of two years from the date of termination and such vested portion of applicable performance-based equity awards to be settled at target.

In preparing this supplement to the Company's existing Executive Directors Remuneration Policy, the Board considered the external environment in which the Company and its business operate, including the Company's U.S. oriented business, feedback from the Company's shareholders on the Company's existing Executive Director Remuneration Policy, Sir Lucian Grainge's current remuneration package and the Company's remuneration report, Sir Lucian Grainge's views on his own remuneration, the Dutch Corporate Governance Code and sections 2:135 and 2:135a of the Dutch Civil Code.

This supplement does not serve to restrict the remuneration options available under the Company's existing Executive Directors Remuneration Policy.

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APPENDIX II

Share ownership guidelines

[*attached separately*]

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EXECUTIVE DIRECTOR STOCK OWNERSHIP POLICY

<u>Section 1.</u> <u>Purpose and Effective Date.</u>

The purpose of this Executive Director Stock Ownership Policy (this "***Policy***") is to encourage the Executive Directors (the "***Executive Directors***") of the Board of Directors (the "***Board***") of Universal Music Group N.V. (the "***Company***") to remain invested in the performance of the Company and the Company's share price, and to align the interests of the Executive Directors with those of the Company's shareholders. This Policy is adopted effective as of March 25, 2025 (the "***Effective Date***").

<u>Section 2.</u> <u>Share Ownership Guideline.</u>

(a) <u>Minimum Ownership Guideline</u>. This Policy applies to any Executive Director who receives remuneration in the form of grants of Award Shares for serving as an Executive Director. Each Executive Director is required to maintain beneficial ownership of a number of Shares (as defined below) with a value equal to the following multiple of the Executive Director's annual base salary (the "***Minimum Ownership Guideline***") for so long as he or she is employed as an Executive Director:

Chairman and Chief Executive Officer	6x annual base salary
Other Executive Directors	3x annual base salary

(b) <u>Valuation</u>. The "value" of an Executive Director's beneficial ownership as of each Determination Date (as defined below) shall be calculated by multiplying (i) the sum of the number of Shares beneficially owned by the Executive Director, as determined in accordance with Section 2(c) hereof, by (ii) the average of the month-end closing prices per Share on Euronext Amsterdam (or at the discretion of the Committee such other exchange on which the Shares are listed) for the 12-month period ending on the Determination Date. To the extent required, the value as so determined shall be converted into the currency in which the Executive Director's annual base salary is paid using the exchange rate as published by the European Central Bank on the last trading day of each year commencing with 2025.

(c) <u>Counting</u>. For purposes of this Policy, Shares that count toward satisfaction of the Minimum Ownership Guideline shall include (a) Shares, whether (i) held directly (including through acquisitions on the open market or through vesting, delivery and/or exercise of Award Shares) by the Executive Director or his or her immediate family members residing in the same household; (ii) held in a grantor trust for the benefit of the Executive Director or his or her immediate family members residing in the same household; or (iii) owned by a partnership, limited liability company or other entity to the extent of the Executive Director's interest therein (or the interest therein of his or her immediate family members residing in the same household), but only if the Executive Director has or shares powers to vote or dispose of the Shares, and (b) Shares covered by unvested restricted stock unit awards that vest solely based on the passage of time. Shares that count toward satisfaction of the Minimum Ownership Guideline shall not include (x) Shares subject to outstanding and unexercised stock options, whether vested or unvested and whether exercisable or not exercisable; (y) Shares subject to unvested performance stock unit awards or other performance-based incentive awards to the extent the applicable performance goals have not yet been achieved; and (z) all other forms of derivative securities.

<u>Section 3.</u> **<u>Compliance.</u>**

(a) <u>Determination of Share Ownership</u>. The determination of compliance with the Minimum Ownership Guideline shall be made as of the last trading day of each year (the "***Determination Date***"), and shall be reviewed by the Committee on an annual basis. Each Executive Director shall furnish such information with regard to his or her ownership as the Committee may require.

(b) <u>Holding Requirement</u>.

(i) This Policy shall be effective with respect to an Executive Director on the later of the Effective Date or the date on which the Executive Director is first appointed by the general meeting of shareholders of the Company as an Executive Director. Until an Executive Director meets the applicable Minimum Ownership Guideline, such Executive Director shall be required to retain (and not dispose of) at least 50% of all Net Settled Shares received from the vesting, delivery and/or exercise of Award Shares granted under the Equity Plan. The foregoing provisions shall also apply to an Executive Director who is in compliance with this Policy as of a Determination Date, but who ceases to be in compliance on a subsequent Determination Date due to an increase in annual base salary, a decrease in the Company's share price, or both.

(ii) An Executive Director is required to meet the Minimum Ownership Guideline within five years of becoming subject to this Policy. If, after this five-year period, an Executive Director does not meet the Minimum Ownership Guideline (including for the reason(s) set out in the last sentence of Section 3(b)(i)), he or she shall be required to retain (and not dispose of) 100% of all Net Settled Shares received from the vesting, delivery and/or exercise of Award Shares granted under the Equity Plan until he or she does meet the Minimum Ownership Guideline.

(c) <u>Exceptions</u>. The Minimum Ownership Guideline may be waived, at the sole discretion of the Committee, if compliance would create severe hardship for an Executive Director, would violate any applicable law, or would prevent the Executive Director from complying with a court order, as in the case of a divorce settlement, or other legal requirement, or in any other event as the Committee may determine in its sole discretion. An Executive Director may file notice with the Corporate Secretary or with the chairperson of the Committee to be presented to the Committee, advising the Committee of the circumstances and describing the extent of the waiver requested. The Committee will make the final decision as to whether an exemption will be granted. If such a request is granted in whole or part, the Committee will work with the Executive Director to develop an alternative stock ownership plan that reflects both the intention of this Policy and the Executive Director's individual circumstances. The Committee may also adjust the Minimum Ownership Guideline for one or all of the Executive Directors in the event that they are not achieving the Minimum Ownership Guideline primarily due to a significant fall in the Company's share price after they have acquired or been awarded Shares.

(d) <u>Enforcement</u>. The Committee has the discretion to enforce this Policy on a case-by-case basis.

<u>Section 4.</u> **<u>Administration of the Policy.</u>**

(a) <u>Authority</u>. The Committee shall conduct the general administration of this Policy in accordance with its provisions and the Executive Directors' Remuneration Policy. The Committee shall have full power and authority to interpret this Policy and to adopt such rules for the administration, interpretation and application of this Policy as are consistent therewith and to interpret, amend or revoke any such rules. The Committee may delegate administrative duties under this Policy to one or more agents as it shall deem necessary or advisable. Any decision or action taken by the Committee with respect to the administration or interpretation of this Policy shall be conclusive and binding on all persons.

(b) Liability. No member of the Committee shall be personally liable for any action or determination made in good faith with respect to this Policy or to any settlement of any dispute between an Executive Director and the Company. The Committee shall be entitled to rely upon the advice or opinions of any attorneys, consultants, accountants, appraisers, brokers or other persons with respect to all matters concerning this Policy.

Section 5. Definitions.

(a) "***Award Share***" means a Share covered by an award granted to the Executive Director under the 2022 Universal Music Group Global Equity Plan or any other equity plan or arrangement of the Company (the "***Equity Plan***"). The term "grant of Award Shares" includes the grant of any restricted stock unit award, performance stock unit award or stock option, whether vested or unvested and whether exercisable or not exercisable.

(b) "***Board***" means the Board of Directors of the Company.

(c) "***Committee***" means the Remuneration Committee of the Board.

(d) "***Net Settled Shares***" with respect to any award under the Equity Plan means those Shares that would remain after payment of any purchase price required under the terms of such award and all applicable withholding taxes, including Shares sold or netted with respect thereto (in any case valued as of the Determination Date in accordance with Section 2(b)). For the avoidance of doubt, Net Settled Shares with respect to any award cannot be less than zero.

(e) "***Share***" means an ordinary share of the Company's share capital, par value €10.00 per share (or such other par value as may be in effect from time to time).

Section 6. Amendment, Modification, and Termination.

This Policy may at any time or from time to time be amended, modified or terminated by the Committee or the Board.