



UNIVERSAL MUSIC GROUP

BOARD REGULATIONS

UNIVERSAL MUSIC GROUP N.V.

1 Introduction

- 1.1 These Regulations are the regulations of the Board. The Board deems it useful that its tasks and responsibilities be further regulated by these Regulations. These Regulations are established pursuant to article 20.4 of the Articles of Association.
- 1.2 These Regulations are complementary to the rules and regulations (from time to time) applicable to the Board and its Directors as set out in applicable legislation and the Articles of Association.
- 1.3 These Regulations were adopted by the Board on 21 September 2021 and remain in full force and effect until amended or terminated (in whole or in part).
- 1.4 Capitalized terms used herein have the meaning set forth in the list of definitions attached as Schedule 1.
- 1.5 Reference to Articles shall be deemed to refer to articles of these Regulations, unless the contrary is apparent.
- 1.6 The attached Schedules form an integral part of these Regulations.
- 1.7 These Regulations are based upon the Code as adopted by the Corporate Governance Code Monitoring Committee on 8 December 2016. The Code contains principles and best practice provisions that apply to the Company's corporate governance structure. The 'Comply or Explain'- report of the Company in accordance with the Code shall be made available in the Company's annual report and/or on the Company's website. The report explains (i) any deviations from the Code, (ii) the reasons for such deviations, (iii) if the departure is of a temporary nature and continues for more than one financial year, an indication of when the Company intends to comply with the principle or the best practice provision again, and (iv) where applicable, a description of the alternative measure that was taken which either explains how that measure attains the purpose of the principle or the best practice provision or clarifies how the measure contributes to good corporate governance of the Company.

2 Collective Responsibility and Division of Tasks

- 2.1 The Directors shall be collectively responsible for the Company's management, the general affairs of the Company's business and the general affairs of the Subsidiaries.
- 2.2 In performing its duties, the Board shall be guided by the interests of the Company and its affiliated enterprise, and shall take into account the relevant interests of the Company's stakeholders (including but not limited to its Shareholders).



UNIVERSAL MUSIC GROUP

- 2.3 The division of tasks within the Board shall be determined (and amended, if necessary) by mutual consultation by the Board, provided that the day-to-day management of the Company shall be entrusted to the Executive Directors and provided further that the task to supervise the performance by the Directors of their duties cannot be taken away from the Non-Executive Directors. The manner in which tasks are divided among the Directors will from time to time be laid down in these Regulations and may be laid down in one or more additional documents. An individual Director may only exercise such powers as are explicitly attributed or delegated to him and he may never exercise powers beyond those exercisable by the Board as a whole.
- 2.4 Each Director shall be accountable to the Board for the fulfilment of his/her duties and must therefore report to the Board on a regular basis and in such a manner as to give the Board a proper insight in the performance of his/her duties, the foregoing also in view of the Board's collective responsibility.
- 2.5 Each Director shall have the right to receive from other Directors any information about matters which such Director may deem useful or appropriate in connection with his/her collective responsibility for the Company's management. Each Director must consult with the other Directors if the implementation of his/her duties affects the implementation of the duties of the other Directors or if the significance of the matter requires consultation with the other Directors.
- 2.6 The Board is responsible for the continuity of the Company and its affiliated enterprise. The Board focuses on long-term value creation for the Company and its affiliated enterprise, and takes into account the stakeholder interests that are relevant in this context.
- 2.7 The responsibilities of the Board shall include:
- (a) developing a view on long-term value creation by the Company and its affiliated enterprise and formulating a strategy in line with this view;
 - (b) identifying and managing the risks associated with the Company's strategy and activities;
 - (c) in case there is an internal audit department present, appointing and dismissing the senior internal auditor, annual assessment of the way in which the internal audit function fulfils its responsibility and approving the audit plan drawn up by the internal audit function;
 - (d) giving account of the effectiveness of the design and the operation of the internal risk management and control systems;
 - (e) ensuring compliance with legislation and regulations;
 - (f) ensuring compliance with and maintaining the corporate governance structure of the Company;



UNIVERSAL MUSIC GROUP

- (g) publishing the corporate structure of the Company and any other information required under the Code, through the Company's website and publication in the Board Report or otherwise;
 - (h) preparing the Annual Accounts, the Semi-Annual Accounts and drawing up the annual budget and important capital investments of the Company.
- 2.8 When developing the strategy, attention should in any event be paid to the following:
- (a) the strategy's implementation and feasibility;
 - (b) the business model applied by the Company and the market in which the Company and its affiliated enterprise operate;
 - (c) opportunities and risks for the Company;
 - (d) the Company's operational and financial goals and their impact on its future position in relevant markets;
 - (e) the interests of the stakeholders; and
 - (f) any other aspects relevant to the Company and its affiliated enterprise, such as the environment, social and employee-related matters, the chain within which the enterprise operates, respect for human rights, and fighting corruption and bribery.
- 2.9 The Board shall perform the following tasks with respect to the Company's risk management and control systems:
- (a) risk assessment: identify and analyse the risks associated with the strategy and activities of the Company and its affiliated enterprise, establish risk appetite, and also the measures that are put in place in order to counter the risks being taken;
 - (b) implementation: design, implement and maintain adequate internal risk management and control systems. To the extent relevant, these systems shall be integrated into the work processes within the Company and its affiliated enterprise, and shall be familiar to those whose operation they are relevant to;
 - (c) monitoring of effectiveness: monitor the operation of the internal risk management and control systems and carry out a systematic assessment of their design and effectiveness at least once a year. Where necessary, improvements shall be made to the internal risk management and control systems.
- 2.10 The Executive Directors shall discuss the effectiveness of the design and operation of the internal risk management and control systems referred to in Article 2.9 with the Audit Committee, and render account of this to the Board.
- 2.11 The Board shall ensure that internal procedures are established and maintained which safeguard that all relevant information is known to the Board in a timely fashion.



UNIVERSAL MUSIC GROUP

- 2.12 Each Director shall provide such information to the Company as is necessary to enable the Company to comply with applicable laws and regulations (including the rules of any stock exchanges on which the Company may be listed).
- 2.13 The Board is responsible for creating and shall adopt values for the Company and its affiliated enterprise that contribute to a culture aimed at long-term value creation for the Company and its affiliated enterprise. The Board is responsible for the incorporation and maintenance of the values within the Company and its affiliated enterprise and shall pay attention to, among other things, (i) the strategy and the business model, (ii) the environment in which the enterprise operates, and (iii) the existing culture within the enterprise, and whether it is desirable to implement any changes in this. The Board encourages behaviour that is in keeping with the values, and propagates these values through leading by example.
- 2.14 The Board shall stimulate openness and accountability within the Board, and between the different corporate bodies within the Company.
- 2.15 The Board shall attach the Board Report to the Annual Accounts. The Board Report shall in any event contain the information required by applicable law or pursuant to the Code.

3 Executive Directors

- 3.1 The Executive Directors are primarily responsible for all day-to-day operations of the Company and the affiliated enterprise, under responsibility of the Board as a whole.
- 3.2 The Executive Directors shall, at least once a year, evaluate their own functioning.

4 Non-Executive Directors

- 4.1 The Non-Executive Directors supervise (i) the Executive Directors' policy and performance of duties and (ii) the Company's general affairs and its business, and render advice and direction to the Executive Directors. Such supervisory role may not be taken away from the Non-Executive Directors by a division of tasks.
- 4.2 Notwithstanding the responsibilities of the Board referred to in Article 2, the responsibilities of the Non-Executive Directors shall include:
- (a) disclosing, complying with and enforcing the Company's corporate governance structure;
 - (b) supervising the manner in which the Board implements the long-term value creation strategy and discussing on a regular basis the strategy, the implementation of the strategy and the principal risks associated with it, whereby the Board as a whole should be engaged early on in formulating the strategy for realising long-term value creation;
 - (c) in case there is an internal audit department present, overseeing the internal audit function and maintaining regular contact with the person fulfilling this function,



UNIVERSAL MUSIC GROUP

approving both the appointment and the dismissal of the senior internal auditor, approving the audit plan drawn up by the internal audit function or in case there is no separate department for the internal audit function, assessing annually whether adequate alternative measures have been taken, partly on the basis of a recommendation issued by the Audit Committee, and considering whether it is necessary to establish an internal audit department;

- (d) supervising the policies carried out by the Board and the general affairs of the Company and its affiliated enterprise. In so doing, the Non-Executive Directors shall also focus on the effectiveness of the Company's internal risk management and control systems and the integrity and quality of the financial reporting;
- (e) submitting the nomination for the appointment of the External Auditor(s) to the General Meeting, supervising the External Auditor's functioning and resolving on the engagement of the External Auditor(s);
- (f) preparing the Board Profile and drawing up a diversity policy for the composition of the Board;
- (g) ensuring that a formal and transparent procedure is in place for the appointment and reappointment of Directors, as well as a sound plan for the succession of Directors, with due regard to the diversity policy;
- (h) evaluating the functioning of the Board as a whole and that of the individual Directors, evaluating the functioning of the various Committees and discuss the conclusions that must be attached to the evaluations (also in light of the succession of the Executive Directors), in each case outside the presence of the Executive Directors;
- (i) selecting and recommending statutory auditors or audit firms for appointment as External Auditor(s) by the General Meeting;
- (j) preparing, and co-signing the Annual Accounts;
- (k) supervising the establishment and implementation of internal procedures which safeguard that all relevant information is known to the Board in a timely fashion;
- (l) monitoring the operation of the procedure for reporting actual or suspected misconduct or irregularities, appropriate and independent investigations into signs of misconduct or irregularities, and, if an instance of misconduct or irregularity has been discovered, an adequate follow-up of any recommendations for remedial actions;
- (m) preventing Conflicts of Interest and deciding on dealing with Conflicts of Interest regarding Directors and majority Shareholders in relation to the Company;



UNIVERSAL MUSIC GROUP

- (n) formulating and implementing the remuneration policy and determining the remuneration of the individual Directors, within the limits of the remuneration policy adopted by the General Meeting;
 - (o) ensuring that the General Meeting is adequately provided with information it may require concerning an item on the agenda.
- 4.3 The nomination submitted to the General Meeting for the appointment of (a) new statutory auditor(s) or audit firm(s) shall include the recommendation and preference of the Audit Committee in this regard. If the proposal to the General Meeting deviates from the preference of the Audit Committee, it shall justify the reasons therefor. In any case, the statutory auditor(s) or audit firm(s) recommended by the Non-Executive Directors for appointment by the General Meeting must have participated in the selection procedure set out in the Audit Committee regulations.
- 4.4 The Non-Executive Directors shall prepare and publish the Non-Executive Directors Report on its functioning and activities and that of the Committees during the preceding financial year. The Non-Executive Directors Report can form part of the Board Report or be included in a separate report.

5 Composition

- 5.1 The Board shall consist of one or more Executive Directors and one or more Non-Executive Directors. The number of Executive Directors and the number of Non-Executive Directors shall be determined by the Board.
- 5.2 The Board shall designate a Non-Executive Director as Chairman of the Board, who shall ensure the proper functioning of the Board as a whole, and the Board may designate a Non-Executive Director as Vice-Chairman. In addition, the Board shall appoint one of its Directors as Chairman & CEO, who shall ensure the proper functioning of the Executive Directors.
- 5.3 The composition and size of the Board shall be such that the requisite expertise, background and competencies are present for the Board, and that with respect to the Non-Executive Directors, the requisite independence is present, to carry out their duties properly and enable the Non-Executive Directors to operate independently and critically vis-à-vis one another, the Executive Directors and any particular interest involved.
- 5.4 The Non-Executive Directors shall prepare the Board Profile taking into account the nature and the activities of the enterprise affiliated with the Company. The Board Profile shall address:
- (a) the desired expertise and background of the Non-Executive Directors;
 - (b) the desired diverse composition of all Non-Executive Directors together, in accordance with the Company's diversity policy;



UNIVERSAL MUSIC GROUP

- (c) the number of Non-Executive Directors on the Board; and
- (d) the independence of the Non-Executive Directors.

5.5 In composing the Board, the following requirements should be observed:

- (a) each Director shall have the expertise required for the fulfilment of its duties and is capable of assessing the broad outline of the overall management of the Company and its affiliated enterprise;
- (b) the Company's diversity policy drawn up by the Non-Executive Directors shall be taken into account;
- (c) by way of their respective participation in the Board (upon (re)appointment and thereafter), the Board as a whole must be composed in accordance with Article 5.3;
- (d) for each appointment or reappointment of a Non-Executive Director, the Board Profile should be observed;
- (e) at least one Non-Executive Director must have relevant expertise in accounting or auditing;
- (f) (i) any one of the criteria referred to in Article 5.7 (a) through (e) inclusive shall be applicable to at most one Non-Executive Director, (ii) the total number of Non-Executive Directors to whom the criteria referred to in Article 5.7 are applicable shall account for less than half of the total number of Non-Executive Directors, and (iii) for each shareholder, or group of affiliated shareholders, who directly or indirectly hold more than ten percent of the Shares, there is at most one Non-Executive Director who can be considered to be affiliated with or representing them as stipulated in Article 5.7 (f) and (g);
- (g) none of the Non-Executive Directors may be appointed after his/her twelfth year in office;
- (h) the Chairman of the Board may not be a former Executive Director and shall be independent within the meaning of the Code;
- (i) at least half of the total number of the Executive Directors shall consist of Dutch tax residents.

5.6 In deviation of Article 5.5 (f) (iii), there will be two Non-Executive Directors in office as of the date of the Listing for a two-year mandate, for one shareholder (or group of affiliated shareholders) who directly or indirectly hold more than ten percent of the Shares, which Non-Executive Directors can be considered to be affiliated with or representing them.



UNIVERSAL MUSIC GROUP

- 5.7 A Non-Executive Director shall not be considered independent from the Company if such Non-Executive Director concerned, his/her spouse, registered partner or life companion, foster child or relative by blood or marriage up to the second degree:
- (a) has been an employee of the Company or Executive Director or employee or member of the management board of associated companies (as referred to in Section 5:48 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*)) in the five years prior to the appointment;
 - (b) receives personal financial compensation from the Company, or a company associated with it, other than the compensation received for the work performed as a Non-Executive Director and in so far as this is not in the normal course of business;
 - (c) has had an important business relationship with the Company or a company associated with it in the year prior to the appointment. This includes in any event the case where the Non-Executive Director, or the firm of which he/she is a shareholder, partner, associate or adviser, has acted as adviser to the Company (consultant, external auditor(s), civil notary or lawyer) and the case where the Non-Executive Director is a management board member or an employee of a bank with which the Company has a lasting and significant relationship;
 - (d) is a member of the management board of a company in which a Director is a supervisory board member;
 - (e) has temporarily performed management duties during the previous twelve months in the absence or incapacity of Executive Directors;
 - (f) has a shareholding in the Company of at least ten percent, taking into account the shareholding of natural persons or legal entities cooperating with him or her on the basis of an express or tacit, verbal or written agreement;
 - (g) is a member of the management board or supervisory board – or is a representative in some other way – of a legal entity which holds at least ten percent of the Shares, unless the entity is a Subsidiary.
- 5.8 The Board shall function independently from any instructions by third parties outside the Company.
- 5.9 Management positions of Directors in Subsidiaries are deemed positions derived from the position of Director and shall therefore be subject to these Regulations.
- 5.10 Directors shall not pursue the candidacy for a position as supervisory or non-executive director or a similar position in companies other than Subsidiaries without the Board's prior approval. Such position must contribute to the Company's interests. Other important positions held by a Director shall be notified to the Board.



UNIVERSAL MUSIC GROUP

5.11 The number of an Executive Director's supervisory or non-executive positions of large Dutch companies or foundations, as referred to in Section 2:132a DCC, shall be limited to a maximum of two with due observance of Section 2:132a DCC. An Executive Director may not be the chairperson of a supervisory board or of a one tier board of another large Dutch company or foundation, as referred to in Section 2:132a DCC. The number of a Non-Executive Director's supervisory or non-executive positions of large Dutch companies or foundations, as referred to in Section 2:142a DCC, shall be limited to a maximum of five, for which purpose the chairmanship of a supervisory board or of a one-tier board counts twice, such in due observance of the provisions of Section 2:142a DCC.

6 Appointment, reappointment and term of office

6.1 The Directors shall be appointed and reappointed in the manner as provided in the Articles of Association.

6.2 If a nomination for appointment is made by the Board, such nomination shall include the reasons. A Director shall be appointed for a maximum period of two years, provided that his term of office shall lapse immediately after the close of the annual General Meeting held in the second year after his appointment. A Director may be reappointed with due observance of the preceding sentence. At the proposal of the Board the General Meeting may resolve to deviate from the maximum period of two years. A Non-Executive Director may be in office for a period not exceeding twelve years, which period may or may not be interrupted, unless at the proposal of the Board the General Meeting resolves otherwise.

6.3 In the event of reappointment of a Non-Executive Director after an eight-year period (or any reappointment thereafter), the Non-Executive Directors Report shall include the reasons for such reappointment. On reappointment, the manner in which the candidate fulfilled his/her duties as Non-Executive Director shall be taken into account.

6.4 Directors nominated for appointment shall attend the General Meeting at which votes will be cast on their nomination.

6.5 Directors shall resign early in the event of inadequate functioning, structural incompatibility of interests and may be requested to resign in other instances where resignation is deemed necessary at the reasonable discretion of the Board. In the event of the early retirement of a Director, the Company shall issue a press release mentioning the reasons for departure.

6.6 The Board shall prepare a retirement and resignation rota to prevent, to the extent possible, reappointments occurring simultaneously, to be amended from time to time in case of change in circumstances. The retirement and resignation rota shall be aimed at retaining the balance in the requisite expertise, experience and diversity. Due regard shall be given to the Board Profile. Subject to Article 6.5, Non-Executive Directors shall resign in accordance with the retirement and resignation rota.



UNIVERSAL MUSIC GROUP

6.7 Non-Executive Directors who take on the management of the Company temporarily, where the Executive Directors are absent or unable to fulfill their duties, shall (temporarily) resign as Non-Executive Director in order to do so.

7 Responsibilities Chairman & CEO

7.1 In addition to the coordination of the Board's policy, the Chairman & CEO shall be responsible for:

- (a) ensuring that the Executive Directors function in an effective manner;
- (b) receiving and deciding on reports by employees of the Company of irregularities in the Company of a general, operational and financial nature, unless the Company's whistleblowing policy provides that those employees report such irregularities to the Chairman of the Board;
- (c) ensuring the timely and adequate provision of information to the Board and to its individual Directors as necessary for the proper performance of their duties; and
- (d) ensuring the annual evaluation and assessment of the functioning of the Executive Directors.

7.2 Any amendments to this division of tasks in Article 7 shall be subject to approval of the Board.

8 Responsibilities Chairman of the Board and Company Secretary

8.1 The Chairman of the Board shall act on behalf of the Board as the main contact for the Directors and Shareholders regarding the functioning of Directors.

8.2 The Chairman of the Board:

- (a) determines the agenda of the meetings of the Board;
- (b) chairs the meetings of the Board;
- (c) ensures the appointment of the Vice-Chairman;
- (d) monitors and procures the proper functioning and adequate performance of the Board and its Committees;
- (e) arranges for the adequate and timely submission of information to the Directors as necessary to perform their duties;
- (f) co-ordinates the Board's decision-making process and ensures that there is sufficient time for consultation, consideration and decision-making;
- (g) arranges for the induction and education or training program for the Directors and ensures that the induction or training programmes are followed;



UNIVERSAL MUSIC GROUP

- (h) acts on behalf of the Board as main contact for the General Meeting and ensures that contact with the Executive Directors and the General Meeting is productive and that the results thereof are timely and prudently communicated to the other Directors;
 - (i) initiates and ensures the annual evaluation of the functioning of the Board and its Directors as referred to in Article 12.21;
 - (j) ensures that the Board performs activities in respect of culture and long-term value creation;
 - (k) receives a reported (potential) Conflict of Interest;
 - (l) ensures that any (suspicion of) material misconduct and irregularities are reported to the Board without delay;
 - (m) ensures that the Non-Executive Directors are involved closely, and at an early stage, in any merger or takeover situations;
 - (n) receives and decides on reported alleged irregularities relating to the functioning of the Directors;
 - (o) assures effective communication with Shareholders; and
 - (p) ensures the orderly and efficient conduct of the General Meeting.
- 8.3 The Vice-Chairman shall deputise for the Chairman of the Board when the occasion arises, and assumes the powers and duties of the Chairman of the Board in the latter's absence. The Vice-Chairman shall act as contact for individual Directors concerning the functioning of the Chairman of the Board.
- 8.4 The Board shall be supported by the Company Secretary to be appointed and dismissed by the Board from outside its members.
- 8.5 The Company Secretary shall be primarily responsible for:
- (a) compliance of the Board's functioning with Dutch law, the Articles of Association and the rules and regulations issued pursuant thereto (including the Code and these Regulations);
 - (b) facilitating the provision of information to the Board; and
 - (c) assisting the Chairman of the Board in the organisation of the affairs of the Board, including the provision of information, meeting agendas, evaluations and training programmes.
- 8.6 In the event the Company Secretary is absent or unable to act, the powers of the Company Secretary under these Regulations shall be exercised by a Non-Executive Director other than the Chairman of the Board, to be designated for such purposes by the Board.



UNIVERSAL MUSIC GROUP

9 Board committees

- 9.1 The Board shall appoint from amongst its Non-Executive Directors an Audit Committee, a Nomination Committee and a Remuneration Committee. The Board shall remain collectively responsible for decisions prepared by Committees. The Board may appoint additional committees from time to time, as it deems necessary and appropriate to carry out its responsibilities and oversight function.
- 9.2 The Board shall draw up regulations for each Committee which may be amended by the Board at any time.
- 9.3 Should one or more Committees not be instituted, their respective practice and principles as set forth in the relevant regulations shall apply mutatis mutandis to the Non-Executive Directors.
- 9.4 The Board shall receive from each Committee a report of its deliberations and findings.

10 Remuneration

- 10.1 The remuneration of the Executive Directors shall be determined by the Board with observance of the remuneration policy adopted by the General Meeting. The Executive Directors shall not participate in the deliberations and decision-making regarding the determination of the remuneration of the Executive Directors.
- 10.2 The remuneration of the Non-Executive Directors shall be determined by the Board with observance of the remuneration policy adopted by the General Meeting.
- 10.3 Any remuneration in the form of Shares or rights to subscribe for Shares will be subject to the approval of the General Meeting.
- 10.4 The Board may recover from the Directors any variable remuneration awarded on the basis of incorrect financial or other data.
- 10.5 In determining the remuneration of the Non-Executive Directors, the following requirements must be observed:
- (a) the remuneration of the Non-Executive Directors shall promote an adequate performance of their role and shall not be dependent on the results of the Company;
 - (b) the remuneration of the Non-Executive Directors shall reflect the time spent and the responsibilities of their role;
 - (c) none of the Non-Executive Directors may receive Shares and/or options or similar rights to acquire Shares as part of their remuneration.
- 10.6 Non-Executive Directors shall be reimbursed for all reasonable costs incurred in connection with their attendance of meetings. Any other expenses shall only be reimbursed, either in whole or in part, if incurred with the prior consent of the Chairman of the Board; the



UNIVERSAL MUSIC GROUP

Chairman of the Board will inform the Board on an annual basis on the policy of reimbursement of expenses.

- 10.7 If the Non-Executive Directors are required to charge VAT on their fees, the Company shall pay the amount of VAT.
- 10.8 Directors will not be granted any personal loans, guarantees or the like unless in the normal course of business and on terms applicable to the personnel as a whole, and after approval of the Board. Remission of loans shall not be granted.

11 Induction programme and ongoing training and education

- 11.1 After their appointment, all Directors shall follow an induction programme geared to their role that covers general financial, social and legal affairs, financial reporting, any specific aspects that are unique to the Company and its affiliated enterprise, including its culture and the responsibilities of a Director.
- 11.2 The Board will conduct an annual review to identify any aspects with regard to which the Directors require further training or education during their term of office.

12 Board meetings (agenda, teleconferencing, attendance, minutes) and resolutions

- 12.1 The Board shall hold meetings on a regular basis at a time to be determined by the Board and whenever one or more of its Directors have requested a meeting.
- 12.2 Meetings of the Board shall generally be held at the office of the Company, but may also take place elsewhere or by means of a conference call, video-conference, or similar communications equipment provided that all Directors participating in the meeting can hear each other and none of them has objected to this way of decision-making. Participation in a meeting held in any of the foregoing ways shall constitute presence at such meeting.
- 12.3 Important strategy and policy decisions shall in principle be adopted during meetings of the Board held at the office of the Company, with the Executive Directors attending the meeting in person at the office of the Company.
- 12.4 The Executive Directors shall use their reasonable efforts to attend at least 2 meetings of the Board per year in person at the office of the Company.
- 12.5 The meetings shall be convened in due time by the Chairman of the Board. Each other Director may request that the Chairman of the Board convenes a meeting.
- 12.6 The Chairman of the Board, and in his absence the Vice-Chairman, shall chair the meeting. If both are absent, the meeting shall appoint one of the Non-Executive Directors present as chairman of the meeting.
- 12.7 The Chairman of the Board shall determine the agenda of each meeting. Each other Director may submit to the Chairman of the Board items to be discussed in the meeting. An item to



UNIVERSAL MUSIC GROUP

- be discussed which has not been submitted on time or is not supported by sufficient documentation shall not be placed on the agenda.
- 12.8 At a meeting of the Board, a Director may only be represented by another Director holding a proxy in writing.
- 12.9 At the request of a Director and with the agreement of the majority of the other Directors, urgent matters may be discussed immediately or in an additional meeting.
- 12.10 The Directors must attend the meetings of the Board. Where they are unable to attend and the minutes require explanation, the chairman of the meeting shall inform them about the resolutions passed and the discussions held in the meeting in question.
- 12.11 Non-Executive Directors who are frequently absent during meetings of the Board will be asked by the Chairman of the Board to explain their absence. The Non-Executive Directors Report shall state the absenteeism rate from Board and Committee meetings of each Non-Executive Director.
- 12.12 The Company Secretary may attend the meetings of the Board. The Chairman of the Board may decide to permit others to attend a meeting as well.
- 12.13 Minutes of the meeting shall be prepared by the secretary of the meeting. The minutes of the meeting shall be adopted by the Board at the same meeting or a subsequent meeting. A document stating that one or more resolutions have been adopted by the Board and signed by the Chairman of the Board or by the chairman and secretary of the particular meeting constitutes valid proof of those resolutions. The minutes shall be signed for adoption by the chairman and the secretary of the meeting and shall be dispatched to all Directors as soon as practically possible. The Company Secretary may issue and sign extracts of the adopted minutes.
- 12.14 The Board may in principle pass resolutions only if at least the majority of the Board is present or represented, provided that Directors who have a Conflict of Interest shall not be taken into account when calculating this quorum. The Chairman of the Board may depart from the principle as referred to in the previous sentence with respect to decision-making in urgent situations. If there is still no majority in the next meeting, the chairman of the meeting shall consult with the absent Directors by telephone or in writing if he/she believes that a resolution is required.
- 12.15 Resolutions of the Board shall be adopted by a simple majority of the votes cast by Directors present or represented at the meeting, provided that Directors who have a Conflict of Interest shall not take part in the voting. If there is a tie vote, the Chairman of the Board shall have the casting vote.
- 12.16 If there is insufficient agreement at the meeting about certain subjects, the chairman of the meeting may refer the relevant item on the agenda for further consideration.



UNIVERSAL MUSIC GROUP

- 12.17 With due observance of these Regulations and the Articles of Association, resolutions of the Board may be adopted outside of a meeting, provided that such resolutions are recorded in writing or otherwise and that none of the Directors entitled to vote objects to this manner of decision-making. The Company Secretary shall keep a record of each resolution adopted outside of a meeting.
- 12.18 Resolutions regarding a significant change of the identity or character of the Company or its affiliated enterprise, shall be adopted by the Board and require the approval of the General Meeting, which resolutions include in any event:
- (a) the transfer of the enterprise or practically the entire enterprise to a third party;
 - (b) the conclusion or cancellation of any long-lasting cooperation by the Company or a Subsidiary with any other legal person or company or as a fully liable general partner of a limited partnership or a general partnership, provided that such cooperation or the cancellation thereof is of essential importance to the Company; and
 - (c) the acquisition or disposal of a participating interest in the capital of a company with a value of at least one-third of the sum of the assets according to the consolidated balance sheet with explanatory notes thereto according to the latest adopted Annual Accounts, by the Company or a Subsidiary.
- 12.19 The Board will ensure that the Company does not enter into any transactions with a value in excess of EUR 300 million that relate to:
- (a) disposals or sales or acquisitions of all or a portion of investments in any company, business or group created or to be created, whatever its legal form;
 - (b) any proposal or approach to a third party concerning a significant transaction involving the Company or any of its Subsidiaries; and
 - (c) any financing activity (including, amongst others, bank loans, overdrafts, vendor financing, asset securitisation programmes, pension funds and transactions involving joint ventures and minority interests) and the granting of guarantees and security rights,
- without the prior approval of the Board.
- 12.20 Meetings concerning:
- (a) the evaluation of the functioning of the Board and its individual Directors and the conclusions to be drawn from that evaluation;
 - (b) the succession of Executive Directors;
 - (c) (potential) Conflicts of Interest of Directors,
- shall not be attended by the Executive Directors.



UNIVERSAL MUSIC GROUP

- 12.21 In evaluating the functioning of the Board and its individual Directors, attention should be paid to, among other items:
- (a) substantive aspects, the mutual interaction and the interaction with the Executive Directors;
 - (b) events that occurred in practice from which lessons may be learned; and
 - (c) the desired profile, composition, competencies and expertise of the Non-Executive Directors.
- 12.22 The ongoing items to be considered and discussed at Board meetings include:
- (a) the Company's strategy in line with the view on long-term value creation, the implementation of the strategy and the principal risks associated with it;
 - (b) at least annually, the other positions of Directors outside the Company and its Subsidiaries;
 - (c) reports received from the Committees;
 - (d) the financial results and the reporting thereof;
 - (e) the Company's budget;
 - (f) major capital expenditures in excess of the Company's budget;
 - (g) major decisions requiring Board action;
 - (h) the corporate strategy (and changes thereto);
 - (i) the main risks of the business;
 - (j) the result of the evaluation of the design and effectiveness of the internal risk management and control systems, as well as any significant changes thereto.
- 12.23 The External Auditor(s) shall be requested to attend each Board meeting at which the reports of the External Auditor(s) on the audit of the Annual Accounts are discussed.

13 Conflict of Interest

- 13.1 A Director shall not participate in the discussions and/or decision-making process on a subject or transaction in relation to which he/she has a direct or indirect personal conflict of interest with the Company within the meaning of Article 13.2 or Section 2:129 paragraph 6 DCC (**Conflict of Interest**). Such transaction must be concluded on terms which are customary in the market concerned and be approved by the Board. The Chairman of the Board shall procure that transactions in respect of which Directors have a Conflict of Interest will be referred to in the Board Report with reference to the Conflict of Interest and a declaration that this Article 13 was complied with.



UNIVERSAL MUSIC GROUP

- 13.2 A Director shall in any event be deemed to have a Conflict of Interest, if:
- (a) he/she has a personal financial interest in a company with which the Company intends to enter into a transaction;
 - (b) he/she has a family law relationship (*familierechtelijke verhouding*) with a management board member of a company with which the Company intends to enter into a transaction;
 - (c) he/she is a member of the management or supervisory board of, or holds similar office with, a company with which the Company intends to enter into a transaction;
 - (d) under applicable law, including the rules of any exchange on which Shares may be listed, such Conflict of Interest exists or is deemed to exist; or
 - (e) the Board has ruled that such Conflict of Interest exists or is deemed to exist, without the Director concerned being present.

The mere fact that a Director holds Shares or is entitled to obtain Shares, is in itself insufficient to determine that a Conflict of Interest exists to which Article 13.1 applies.

- 13.3 To prevent Conflicts of Interest, Directors shall in any case refrain from:
- (a) competing with the Company or its Subsidiaries and their affiliated enterprise;
 - (b) demanding or accepting substantial gifts from the Company or its Subsidiaries, for themselves or their spouse, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree;
 - (c) providing unjustified advantages to third parties at the expense of the Company or its Subsidiaries;
 - (d) taking advantage of business opportunities to which the Company or its Subsidiaries are entitled for themselves or for their spouse, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree.

13.4 In case an Executive Director has a (potential) Conflict of Interest he/she shall immediately report such (potential) Conflict of Interest to the Chairman of the Board and the other Directors. The Executive Director with such (potential) Conflict of Interest must provide the Chairman of the Board and the other Directors with all information relevant to the conflict, including information relating to the persons with whom he/she has a family law relationship (*familierechtelijke verhouding*).

13.5 In case a Non-Executive Director (other than the Chairman of the Board) has a (potential) Conflict of Interest he/she shall immediately report such (potential) Conflict of Interest to the Chairman of the Board. The Non-Executive Director with such (potential) Conflict of Interest must provide the Chairman of the Board with all information relevant to the conflict,



UNIVERSAL MUSIC GROUP

including information relating to the persons with whom he/she has a family law relationship (*familierechtelijke verhouding*).

- 13.6 In case the Chairman of the Board has a (potential) Conflict of Interest he/she shall immediately report such (potential) Conflict of Interest to the Vice-Chairman. The Chairman of the Board must provide the Vice-Chairman with all information relevant to the (potential) Conflict of Interest, including information relating to the persons with whom he/she has a family law relationship (*familierechtelijke verhouding*).
- 13.7 The Board shall draw up a related party transactions policy, for the purpose of providing a procedure that prevents related parties from taking advantage of their position and provide adequate protection for the interests of the Company and its stakeholders. A Director shall not participate in the discussions and/or decision-making process on a subject or transaction in the event of being involved in a related party transaction within the meaning of Section 2:169 paragraph 4 DCC.

14 Complaints and whistleblowing

- 14.1 The Board shall draw up a code of business conduct and ethics in order to ensure that complaints of a general, operational and financial nature within the Company and its Subsidiaries and, more specifically, in relation to the financial reporting, the internal risk management and control systems and the audit are received, recorded and dealt with.
- 14.2 The Board shall draw up a whistleblowing policy in order to ensure that employees have the opportunity, without jeopardising their legal position:
- (a) to report irregularities in respect of matters referred to in Article 14.1 to the Chairman & CEO or to an official designated by the Board; and
 - (b) complaints about Directors to the Chairman of the Board.

15 Relationship with the General Meeting

- 15.1 The Board shall provide the General Meeting with any information it may require concerning an item on the agenda, unless important interests (*zwaarwegende belangen*) of the Company or any law, rules or regulations applicable to the Company prevent it from doing so. The Board shall specify the reasons for invoking such important interests.
- 15.2 The Board shall inform the Shareholders by means of explanatory notes to the agenda of a General Meeting of all facts and circumstances relevant to the matters included in the agenda.
- 15.3 The Board shall adopt a policy in respect of bilateral contacts with the General Meeting and the Shareholders.
- 15.4 The Board is responsible for the corporate governance structure of the Company and must give account to the General Meeting in relation to such structure. Each year the broad outline



UNIVERSAL MUSIC GROUP

of the Company's corporate governance structure shall be set forth in a separate chapter of the Board Report. In this chapter the Company will confirm that the principles and best practices of the Code directed at the Board were followed and if not, the reason for not doing so shall be explained which explanation shall in any event include the following elements:

- (a) any deviations from the Code;
- (b) the reasons for such deviations;
- (c) if the departure is of a temporary nature and continues for more than one financial year, an indication of when the Company intends to comply with the principle or the best practice provision again; and
- (d) where applicable, a description of the alternative measure that was taken and either explains how that measure attains the purpose of the principle or the best practice provision or clarifies how the measure contributes to good corporate governance of the Company.

Each significant change in the Company's corporate governance structure and the compliance of the Code shall be addressed in a separate item on the agenda for consideration by the General Meeting.

16 Relationship with the internal audit function and the External Auditor(s)

- 16.1 The Board shall ensure that the External Auditor(s) will receive all information that is necessary for the performance of his/her work in a timely fashion. The Board shall give the External Auditor(s) the opportunity to respond to the information that has been provided.
- 16.2 The External Auditor(s) shall discuss the draft audit plan with the Executive Directors before presenting it to the Audit Committee.
- 16.3 The Board shall be permitted to examine the most important points of discussion arising between the External Auditor(s) and the Executive Directors based on the draft management letter or the draft audit report.
- 16.4 In case there is an internal audit function present, the Board is responsible for the internal audit function. The internal audit function shall have sufficient resources to execute the internal audit plan and have access to information that is important for the performance of its work. The internal audit function shall have direct access to the Audit Committee and the External Auditor(s). Records shall be kept of how the Audit Committee is informed by the internal audit function.
- 16.5 The Non-Executive Directors shall meet with the External Auditor(s) as often as they consider necessary, but at least once a year, without the Executive Directors being present.
- 16.6 The External Auditor(s) shall in any event attend the meeting of the Board at which the report of the External Auditor(s) on the Annual Accounts is discussed.



UNIVERSAL MUSIC GROUP

- 16.7 The Director in charge of the Company's financial affairs, the External Auditor(s) and the internal auditor (if appointed), shall in principle attend the meetings of the Audit Committee, unless the Audit Committee determines otherwise.
- 16.8 The Non-Executive Directors shall give the External Auditor(s) a general idea of the content of the reports relating to his/her functioning.
- 16.9 The Company shall inform the AFM which auditor(s) or audit firm(s) will be proposed to be appointed as External Auditor(s), ultimately at the time of the convocation of the General Meeting at which the proposal to appoint the External Auditor(s) is resolved upon. If the instructions to the External Auditor(s) are withdrawn by the Company or terminated prior to the end of the term by the External Auditor(s), the Board shall notify the AFM without delay of such withdrawal or termination stating their conclusive justification therefor.

17 Takeover situations

- 17.1 In the event of (i) a takeover bid for (depository receipts of) Shares, (ii) a private bid for a business unit or a participating interest where the value of the bid exceeds one-third of the amount of its assets according to the Company's consolidated balance sheet and explanatory notes and/or (iii) other substantial changes in the structure of the organisation in the process of being prepared, the full Board shall be closely involved in the takeover process at an early stage.
- 17.2 In the event of a takeover bid, a private bid and/or other substantial changes in the structure of the organisation as referred to in Article 17.1 the Board shall ensure that the stakeholder interests concerned are carefully weighed and any Conflict of Interest for Directors is avoided.
- 17.3 If a takeover bid has been announced or made for the Company and the Board receives a request from a competing bidder to inspect the Company's records, the Board shall discuss this request without delay.

18 Holding and trading securities

- 18.1 In case any Director hold securities in the Company, this will be for the purpose of long-term investment; Directors will refrain from short-term transactions in securities in the Company.
- 18.2 With respect to securities in the Company, Directors are bound by the Company's insider trading policy and must at all times comply with all Dutch and foreign statutory provisions and regulations, including applicable notification requirements, applicable to the ownership of and transactions related to securities in the Company and securities in other companies.

19 Confidentiality

Each Director shall treat all information and documentation acquired within the framework of their position as Director with the necessary discretion and, in the case of classified



UNIVERSAL MUSIC GROUP

information, with the appropriate secrecy. Classified information shall not be disclosed outside the Board, made public or otherwise made available to third parties, even after resignation from the Board, unless it has been made public by the Company or it has been established that the information is already in the public domain.

20 Non-compliance and amendment

20.1 The Board may amend these Regulations.

20.2 Without prejudice to the provisions in the Articles of Association, the Board may occasionally decide at its sole discretion not to comply with and adhere to these Regulations pursuant to a resolution of the Board to that effect. Such resolutions shall be explained in the Board Report.

20.3 Where these Regulations are inconsistent with Dutch law or the Articles of Association, the latter shall prevail. Where these Regulations conform to the Articles of Association but are inconsistent with Dutch law, the latter shall prevail.

20.4 If one or more provisions of these Regulations are or become invalid, this shall not affect the validity of the remaining provisions. The Board may replace the invalid provisions by provisions, which are valid, and the effect of which, given the contents and purpose of these Regulations is, to the greatest extent possible, similar to that of the invalid provisions.

21 Governing law and jurisdiction

These Regulations shall be governed by and construed in accordance with the law of the Netherlands. The courts of Amsterdam, the Netherlands, shall have exclusive jurisdiction to settle any dispute arising from or in connection with these Regulations (including any dispute regarding the existence, validity or termination of these Regulations).

22 Website

These Regulations, and any amendments thereto, shall be posted on the Company's website.



UNIVERSAL MUSIC GROUP

The following Schedules are attached to and form part of these Regulations:

SCHEDULE 1

List of Definitions



UNIVERSAL MUSIC GROUP

Schedule 1

LIST OF DEFINITIONS

In these Regulations, the following terms have the following meanings:

AFM	the Dutch Authority for the Financial Markets (<i>Stichting Autoriteit Financiële Markten</i>);
Annual Accounts	the annual accounts of the Company as referred to in Section 2:361 DCC;
Articles of Association	the articles of association of the Company, as amended from time to time;
Audit Committee	the audit committee of the Board;
Audit Committee Regulations	the regulations of the Audit Committee;
Board	the board of directors of the Company;
Board Profile	the profile for Non-Executive Directors prepared in accordance with the Code, which shall be published on the Company's website;
Board Report	the board report of the Company, drawn up by the Board, as referred to in Section 2:391 DCC and regulations promulgated thereunder or in connection therewith;
Chairman & CEO	the Chair & Chief Executive Officer of the Company;
Chairman of the Board	the Non-Executive Director who serves as chairman of the Board as referred to under Dutch law;
Code	the Dutch corporate governance code, as amended from time to time;
Committees	the Audit Committee, the Remuneration Committee and the Nomination Committee;
Company	Universal Music Group N.V.;
Company Secretary	the company secretary of the Company;
Conflict of Interest	has the meaning attributed thereto in Article 13;
Director	a member of the Board;



UNIVERSAL MUSIC GROUP

Executive Director	a Director appointed by the General Meeting as executive director of the Board;
External Auditor(s)	the auditor(s) of the Company as referred to in Section 2:393 DCC;
General Meeting	the corporate body of the Company consisting of Shareholders and all other Persons with Meeting Rights or a meeting of Shareholders and other Persons with Meeting Rights, as the case may be;
Listing	the admission to listing and trading of the shares in the capital of the Company at the regulated market of Euronext Amsterdam N.V.;
Meeting Rights	the right, either in person or by proxy authorized in writing, to attend and address the General Meeting;
Nomination Committee	the selection and appointment committee of the Board;
Nomination Committee Regulations	the regulations of the Nomination Committee;
Non-Executive Director	a Director appointed by the General Meeting as non-executive director of the Board;
Non-Executive Directors Report	the report prepared and published by the Non-Executive Directors as referred to in Article 4.4;
Persons with Meeting Rights	Shareholders, holders of a right of usufruct with Meeting Rights and holders of a right of pledge with Meeting Rights;
Regulations	the regulations of the Board;
Remuneration Committee	the remuneration committee of the Board;
Remuneration Committee Regulations	the regulations of the Remuneration Committee;
Semi-Annual Accounts	the semi-annual accounts of the Company as referred to in Section 5:25d Dutch Financial Supervision Act (<i>Wet op het financieel toezicht</i>);
Share	a share in the capital of the Company;
Shareholder	a holder of one or more Shares;



UNIVERSAL MUSIC GROUP

Subsidiary a subsidiary of the Company within the meaning of Section 2:24a DCC;

Vice-Chairman: the vice-chairman of the Board;

written or in writing by letter, by telecopier, by e-mail, or by a legible and reproducible message otherwise electronically sent, provided that the identity of the sender can be sufficiently established.