



UNIVERSAL MUSIC GROUP

## UNIVERSAL MUSIC GROUP N.V.

### DISCLOSURE POLICY

#### 1. Introduction

This policy explains the key internal procedures, systems and controls of Universal Music Group N.V. (*UMG* or the *Company*) and its subsidiaries (collectively with UMG, the *Group*) to ensure compliance with its obligations relating to inside information under the European Market Abuse Regulation ((EU) No 596/2014 (*Market Abuse Regulation*)).

This policy outlines the procedures to identify inside information and for disclosing inside information to the market as and when required. This policy applies to all directors and employees within the Group.

**It is very important that the requirements of the Market Abuse Regulation are strictly complied with and the policies and procedures set out in this document are designed to achieve that. The Dutch regulator, the Autoriteit Financiële Markten (the *AFM*), has the power to take appropriate administrative sanctions, such as fines and/or other administrative measures in relation to possible infringements. Non-compliance with the Market Abuse Regulation could also constitute an economic offense and/or a crime and could lead to the imposition of administrative fines by the AFM. The public prosecutor could press criminal charges resulting in fines or imprisonment.**

If you have any queries on this document or on the policies and procedures, you should contact the Market Disclosure Committee.

This policy is governed by the laws of the Netherlands and enters into effect on September 21, 2021.

**The Market Disclosure Committee can be reached at [marketdisclosure@umusic.com](mailto:marketdisclosure@umusic.com).**

The current members of the Market Disclosure Committee are set forth in the Appendix below.

#### 2. Obligations of employees within the Group

In addition to a review of this policy generally, all employees within the Group should note the following practices and obligations in respect of inside information.

##### 2.1 *Control of inside information*

**Dealing with inside information:** It is vital that inside information is controlled in accordance with the Market Abuse Regulation. Accordingly, the Company adopts the following procedures to control access to inside information:

- (a) only disclose inside information to members of management, employees and external advisers or other permitted third parties (see below) on a strict ‘need to know’ basis;



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- (b) keep the number of people who know to the minimum reasonably practicable;
- (c) notify the Market Disclosure Committee before making someone an insider (whether inside or outside the Company);
- (d) follow the insider lists process (see below); and
- (e) limit the inside information provided to what the individual needs to know (rather than giving access to all information).

**To avoid accidentally disclosing inside information, you should:**

- (a) avoid discussions of confidential or inside information in public areas (even within the office);
- (b) use sealed non-transparent envelopes for internal circulation of hard copy documents;
- (c) avoid reading or working on documents containing inside information where they can be read by others and should only be taken off site when absolutely necessary;
- (d) wherever practical, try to keep documents which contain confidential or inside information in locked cabinets and restrict IT access to emails/documents only to those who need access;
- (e) use passwords and/or restricted access for key documents where possible;
- (f) use code names used where possible in all documents, correspondence (including emails) and discussions that relate to individual projects that constitute inside information;
- (g) use passwords to access to computers and other electronic devices; and
- (h) provide access to inside information only to those who need to see it, including when sending emails.

**Inadvertent disclosure of inside information:** If you accidentally disclose or leak inside information or become aware that inside information was accidentally leaked by another employee or any third party, you must **immediately** notify the Market Disclosure Committee at [marketdisclosure@umusic.com](mailto:marketdisclosure@umusic.com) so that the Company can make any required announcements to the market and investigate the disclosure or leak.

*Notifying the Market Disclosure Committee of possible inside information*

If you believe an event or issue or any other information may constitute inside information, the Market Disclosure Committee and Chief Compliance Officer must be notified as soon as possible. Do not delay notification because you are unsure of whether the information will have a significant effect on the Company's share price, or because the information is uncertain (e.g. because events are changing or are



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unclear, such as where a fraud is alleged or legal action is threatened but not yet taken), should not delay this notification.

With respect to financial information, do not delay providing information on one part of the business which may be material just because information on another part of the business is not yet available or may have a different result. The information should then be passed the Market Disclosure Committee promptly, and to the Board. The Market Disclosure Committee, in consultation with the Company's advisors, shall determine whether it is necessary and appropriate to pass this information on to the Board as well.

When making a notification to the Market Disclosure Committee, provide as much information as possible to assist and cooperate with the Market Disclosure Committee in determining the significance of the event or issue and whether or not an announcement must be made. Once notification is made to the Market Disclosure Committee, updates should be provided promptly as more information becomes available.

The Market Disclosure Committee and, where appropriate, the Board as a whole, will decide the appropriate course of action in each case. Each event or issue must be referred to the Market Disclosure Committee to ensure that it is managed appropriately.

### **3. Continuous Obligations**

#### **3.1 *The Company's obligations***

Under the Market Abuse Regulation, the Company must:

- (a) inform the public as soon as possible of inside information (explained further below) which directly concerns the Company, except in certain very limited circumstances that justify a delay in informing the public;
- (b) not disclose inside information selectively, except as permitted under the Market Abuse Regulation, or leak inside information;
- (c) restrict access to inside information to those who need to access it within the Group; and
- (d) keep lists of people working for the Group and of external advisers and other people with access to inside information concerning the Company (see insider list process below).

Where the Company has delayed the disclosure of inside information, it must:

- (a) keep an internal record of specified information;
- (b) as soon as it announces the information following the period of delay, inform the AFM that there was a delay in disclosure; and



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- (c) if requested by the AFM, provide the AFM with a written explanation of how the conditions for delay were met.

The Group must also have procedures to:

- (a) identify information that may be inside information;
- (b) report potential inside information promptly so a decision can be taken about whether an announcement is needed; and
- (c) make sure any announcements are correct and complete.

These requirements come from, or are pursuant to, the Market Abuse Regulation which applies to the Company.

### 3.2 *Identifying inside information*

**Inside information:** Inside information is information:

- (a) of a precise nature;
- (b) which has not been made public;
- (c) that relates, directly or indirectly, to the Company or to one or more financial instruments (this would include information about the Group); and
- (d) which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments (e.g. the Company's share price) or on the price of related derivative financial instruments (i.e. ones the price or value of which depends on, or is affected by, the price or value of the shares or other financial instruments).

**Precise:** Information is precise if it:

- (a) indicates a set of circumstances which exists or which may reasonably be expected to come into existence, or an event which has occurred or which may reasonably be expected to occur; and
- (b) is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the Company's share price (or the price of other financial instruments or related derivative financial instruments).

**Significant effect on price:** The information must be likely to have a significant effect on the price of the relevant instrument. The Market Abuse Regulation defines information that would be likely to have a significant effect on price as being information a reasonable investor would be likely to use as part of the basis for his or her investment decision. Information which may have a 'non-trivial' effect on price should be considered 'significant' for these purposes. Information should be considered to be 'likely' to have a significant effect on price if there is a more than



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fanciful prospect of the information having such an effect. It is not necessary for a potential future event to be more likely than not to happen to meet this test.

If there is doubt about whether information constitutes inside information, the Company is expected to take advice from its broker(s) and external legal advisers.

**3.3 *Responsibility for disclosure***

The directors are responsible under the Market Abuse Regulation for carefully and continuously monitoring whether changes in the Company's circumstances are such that there is an announcement obligation. To ensure that decisions can be made quickly, the Board has elected to delegate this responsibility to a committee, the Market Disclosure Committee.

The Market Disclosure Committee will:

- (a) monitor compliance with, the Company's disclosure controls and procedures;
- (b) determine whether information is inside information;
- (c) determine whether inside information is to be announced as soon as possible or whether a delay is justified;
- (d) review the scope, content and accuracy of disclosure;
- (e) review any announcements dealing with significant developments in the Company's business; and
- (f) consider if an announcement is needed if there are rumours about the Company or a leak of inside information and if a holding announcement is needed.

**3.4 *Operating procedures in relation to disclosure***

The procedures outlined in this section are designed to ensure the timely and accurate disclosure of relevant information to the market.

*Monitoring the market and rumours*

The Investor Relations team will monitor the market for views on the Company and its share price and the elements that help to determine whether information is inside information or not. The Head of Investor Relations and/or Corporation Communications will also monitor rumours about the Group. If there is doubt about whether a rumour is unfounded or comes from a leak, the Market Disclosure Committee must be notified as soon as possible. The Market Disclosure Committee will decide whether to make an announcement.

If it appears that there has been a leak of inside information, the Company will decide who and how to conduct an enquiry into the leak and direct all persons and firms working with it who had access to inside information before the leak of the enquiry process, monitor the progress of the leak enquiry and consider a report of findings.



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### *Use of external advisers*

Where the Market Disclosure Committee or the Board is uncertain about the need for an announcement or its timing, the Market Disclosure Committee or the Board should seek advice from the Company's external advisers, including legal advisers. A record should be kept of the advice and reasons for the conclusion.

### *Drafting the announcement*

The Market Disclosure Committee will co-ordinate the drafting of any relevant announcement as soon as practicable. Any announcement should be correct and complete. It should give the full story and not omit any material fact or anything likely to affect what is said. A draft of the announcement must be circulated to the Market Disclosure Committee and others involved with the issue or event. This is so that those close to the issue or event can ensure that the announcement is verified to be accurate and not misleading. The Market Disclosure Committee is responsible for ensuring that this verification process is followed.

### *Holding announcements*

If the Market Disclosure Committee has decided it can delay disclosure (e.g. where it concerns negotiating a transaction), it will arrange for the preparation of a holding announcement that can be published at short notice if there is a breach of confidentiality, or a breach is likely. It will also consider arrangements to monitor the market for rumours or leaks and maintain all necessary internal records.

The Market Disclosure Committee will also consider publishing a holding announcement if an event has occurred which is unclear or uncertain (e.g. where a fraud is alleged or legal action against the Company is threatened) and the Market Disclosure Committee decides more time is needed to consider the situation before putting out a further announcement at a later time.

Any holding announcement should detail as much of the subject matter as possible, set out the reasons why a fuller announcement cannot be made and include an undertaking to announce further details as soon as possible.

### *Approval and release of the announcement*

The Market Disclosure Committee or, where appropriate, the Board, will decide upon the final form and release time for all announcements.

The announcement is made by press release and copies are sent to the AFM. The Market Disclosure Committee will be responsible for sending the announcement to the AFM.

If the Company's shares or any other instruments are traded on another market, information should be released as far as possible at the same time on all markets.

The announcement shall also be posted on the Company's website (allowing access free of charge on a non-discriminatory basis) no later than close of the business day



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following the day of release and will be retained for five years. The inside information must be kept in an easily identifiable section of the website, organised in chronological order with the date and time of disclosure clearly indicated.

### *Insider list process*

Any event or issue the Market Disclosure Committee or Board considers for disclosure purposes will also be reviewed to determine whether the Company needs to create an insider list in relation to the event or issue.

The Market Disclosure Committee will be responsible for administering the Company's insider lists following any decision of the Market Disclosure Committee or the Board.

At other times the Company may produce lists of those with access to confidential information that does not amount to inside information but that might in due course become inside information. The Market Disclosure Committee will assist the Chief Compliance Officer with administering any such list.

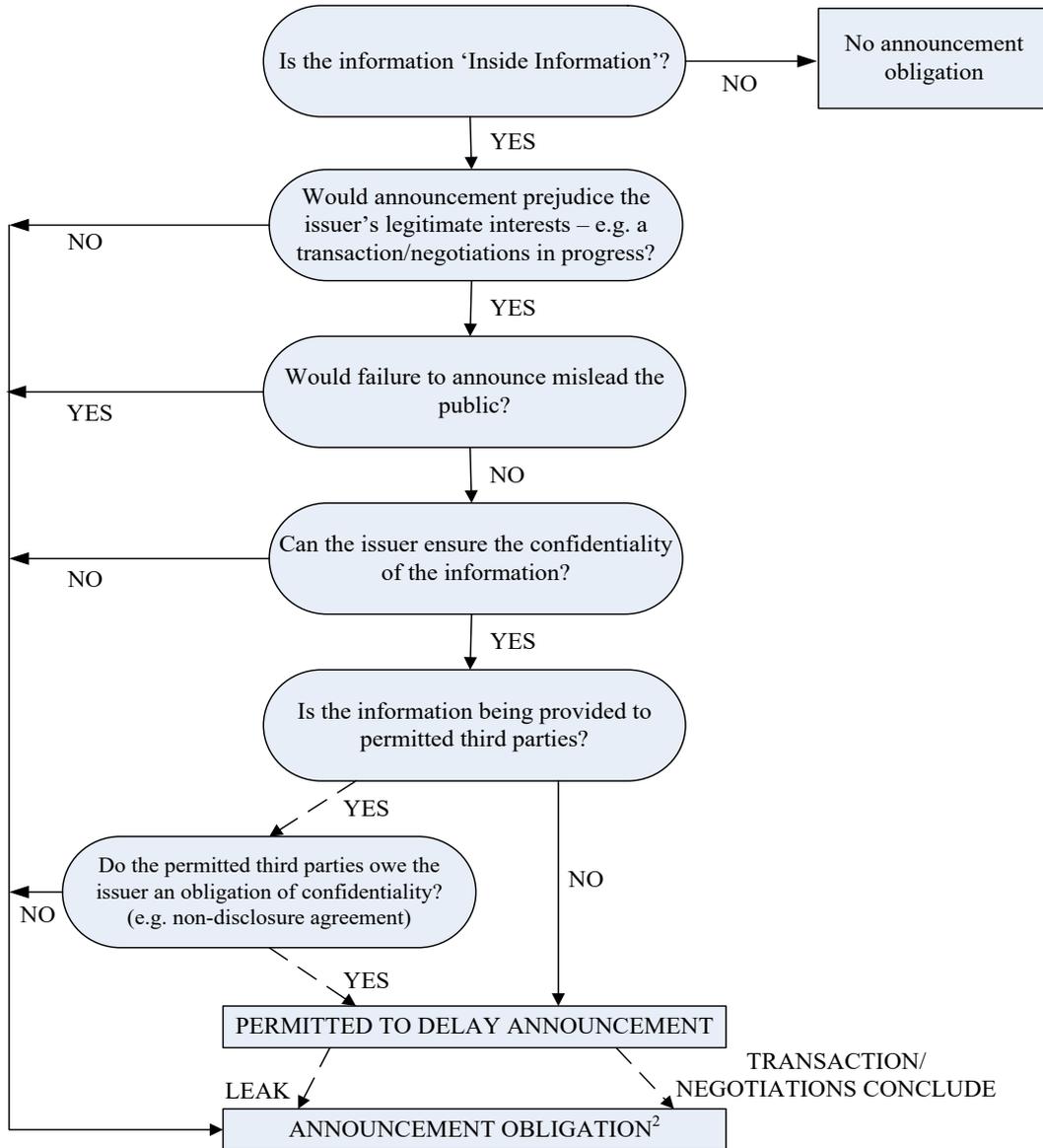
### 3.5 *Analysing whether disclosure is required*

**If there is any doubt as to whether information is inside information or an announcement should be made the matter MUST be referred to the Market Disclosure Committee.**



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### DOES INFORMATION NEED TO BE DISCLOSED?



<sup>1</sup> See section 2.2 of this note for a description of what constitutes inside information.

<sup>2</sup> Assuming information is still inside information at this time.



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As shown in the flow chart, the Company may, under its own responsibility, delay the public disclosure of inside information, provided that:

- (a) **legitimate interest:** immediate disclosure is likely to prejudice the legitimate interests of the Company;
- (b) **not misleading:** delay of disclosure is not likely to mislead the public; and
- (c) **confidentiality:** the Company is able to ensure the confidentiality of that information.

It is essential therefore that appropriate confidentiality agreements are put in place at the start of any important strategic projects that may ultimately involve inside information.

### *Examples of events that might require announcement (assuming information is inside information)*

- (a) **Unfounded rumour** – no announcement necessary.
- (b) **Largely accurate rumour/leak**, e.g. rumour of impending significant transaction or capital raising – either holding announcement or accelerated announcement if possible.
- (c) **Unforeseen circumstance**, e.g. major supplier or customer becoming insolvent, a possible significant accounting error or fraud in major subsidiary identified or major legal proceedings threatened against any member of the Group:
  - (i) if information is not ‘precise’ or would not have a significant effect on price, no announcement obligation but the situation should be kept under review;
  - (ii) if the information is inside information, an announcement should be made. The requirement to disclose ‘as soon as possible’ allows a short delay to assess the effect of the information on the share price. In these circumstances, a holding announcement should be prepared.

As noted above, where a decision to delay disclosure is made the Company is required to keep a detailed record of this decision, including the date and time when the information became inside information, when the decision to delay was made, and the identity of the persons within the Company responsible for the decision to delay. When the information is published, the Company must notify the AFM that there was a delay in disclosure and, if requested by the AFM, the Company must also provide a written explanation of how the relevant conditions allowing delay were satisfied.



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### 3.6 *Dealing with the press, and investors and analysts*

Any enquiry from the press or from any analyst or investor seeking disclosure of any information about the Company or the Group should be directed to the Head of Investor Relations.

Insiders who confirm information put to them by a journalist may commit market abuse by disclosing inside information – even if the information was sourced from somewhere else first. If it seems that inside information has been leaked to a journalist (whether from the Group or elsewhere), the Market Disclosure Committee should be informed immediately.

The Company needs to be careful in dealing with enquiries in respect of market rumours. Although there is no regulatory obligation to deny a false rumour, if the Company wants to make a denial it should make an announcement via press release, not through any other route. The Company can provide unpublished information to third parties only if it is not inside information. If the information is inside information, it can only be provided if this is permitted by the Market Abuse Regulation.

#### *Dealing with the press*

Only Corporate Communications is authorised to have any communications with the press during any project or transaction involving inside information and must keep a contemporaneous note of any such communication with details of the time, date and length of the communication, those involved and what was discussed. Copies of any emails should also be kept.

#### *Dealing with analysts*

In accordance with paragraph 4.2.3 of the Dutch Corporate Governance Code, analyst meetings, analyst presentations, presentations to institutional or other investors and press conferences shall be announced in advance on the Company's website and by means of press releases. Analysts' meetings and presentations to investors should not take place shortly before the publication of the regular financial information of the Company. The duration of such periods shall be determined by the Head of Investor Relations but shall generally be: (a) the period of 30 days immediately preceding a preliminary announcement of the Company's annual results; (b) the period of 30 days immediately preceding the publication of the Company's annual financial report; (c) the period of 30 days immediately preceding the announcement of the Company's half year results; and (d) if the Company reports on a quarterly basis, the period of 30 days immediately preceding the announcement of the Company's quarterly results.

Subject to applicable laws, all shareholders of the Company will be able to follow meetings and presentations to investors in real time, by means of webcasting, telephone or otherwise. After such meetings, the presentations will generally be posted on the Company's website.



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When dealing with analysts, the Company:

- (a) should be careful to avoid inadvertently divulging any inside information, including where cumulative disclosure could amount to inside information;
- (b) may, in addition to providing non-public information that is not inside information, draw public information to analysts' attention, explain information that is in the public domain and discuss markets in which the Company operates, but should avoid correcting the analysts' conclusions;
- (c) generally need not correct errors in analysts' published reports, although if, as a result of serious and significant error, there is a widespread and serious misapprehension in the market, the Market Disclosure Committee should consider whether the Company should publish inside information to correct the error; and
- (d) should keep a contemporaneous note of meetings with analysts and, as far as reasonably practicable, ensure that at least two Company representatives are present.

If inside information is inadvertently disclosed, the Market Disclosure Committee should be informed immediately so that an announcement can be made to the market, generally at once.

### 3.7 ***Compliance***

Compliance with this policy is important. All directors and employees are therefore required to assist the Company by complying with the procedures set out in this document as relevant and by advising the Market Disclosure Committee immediately of any breaches of the policy.

If you have any concerns that something may be inside information you should not hesitate to contact the Market Disclosure Committee immediately.

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