



ALERT SERVICE

16 APRIL 2026

UNIVERSAL MUSIC GROUP N.V.

Agenda AGM, 13 May 2026

1.	Opening	
2.	Discussion of the 2025 annual report	
3.	Advisory vote on the 2025 remuneration report	Advisory vote
4.	Adoption of the 2025 financial statements	Resolution
5a.	Discussion of the dividend policy	
5b.	Adoption of the dividend proposal	Resolution
6a.	Discharge of the Executive Directors	Resolution
6b.	Discharge of the Non-Executive Directors	Resolution
7.	Re-appointment of Vincent Vallejo as Executive Director	Resolution
8a.	Re-appointment of Nicole Avant as Non-Executive Director	Resolution
8b.	Re-appointment of Margaret Frerejean-Taittinger as Non-Executive Director	Resolution
8c.	Re-appointment of Mandy Ginsberg as Non-Executive Director	Resolution
8d.	Re-appointment of Cathia Lawson-Hall as Non-Executive Director	Resolution
8e.	Re-appointment of James Mitchell as Non-Executive Director	Resolution
8f.	Re-appointment of Eric Sprunk as Non-Executive Director	Resolution
9.	Approval of the Universal Music Group 2026 Global Employee Stock Purchase Plan	Resolution
10a.	Authorization of the Board as the competent body to repurchase shares	Resolution
10b.	Cancellation of shares	Resolution
11.	Reappointment of the external auditor to issue an independent auditor's opinion on the 2026 and 2027 financial statements	Resolution
12.	Any other business	
13.	Closing	

CONTACT DETAILS FOR TEXT OF THIS ALERT

E-mail rients.abma@eumedion.nl
 Telephone +31 70 2040 303

EXPLANATION

3. Advisory vote on the 2025 remuneration report

The 2025 remuneration report discloses that the CEO's total remuneration amounted to €41,144,688. This includes, among other elements, a base salary of €4,467,000, a short-term incentive (STI) cash award of €13,258,056 (148.4% of target), and a long-term incentive (LTI) award with a grant value of €17,868,000 (50% in restricted share units (RSUs) and 50% in performance share units (PSUs)). The performance metrics for the PSUs are: (i) revised EPS CAGR, (ii) revenue CAGR, and (iii) relative TSR, measured over a three-year performance period. Vesting of the relative TSR metric starts at the 25th percentile of the S&P 500 Media & Entertainment Index.

The report further shows that the Non-Executive Directors of UMG are partly remunerated in shares.

Reasons for alert

- *Under Dutch law, institutional investors are required to take into account the societal impact of AGM proposals. It is questionable whether total CEO remuneration of €41.4 million can reasonably be expected to command societal support, particularly in light of its scale relative to average employee pay (446:1, a record high) and broader societal expectations regarding executive remuneration.*
- *Half of the LTI grant consists of time-based RSUs, the vesting of which is not subject to performance conditions. As a result, a substantial portion of long-term remuneration is effectively guaranteed, weakening the alignment between pay and performance.*
- *Vesting of the PSUs begins at the 25th percentile of the TSR peer group. This implies that significant long-term equity awards may vest even in the case of clearly below-median relative shareholder returns, raising concerns about the robustness of the pay-for-performance framework.*
- *The Dutch Corporate Governance Code stipulates that Non-Executive Directors should not receive share-based remuneration in order to safeguard their independence.¹ The partial remuneration of UMG's Non-Executive Directors in shares therefore raises governance concerns. Moreover, Eumedion is a supporting organisation of the Dutch Corporate Governance Code and endorses its best practices regarding Non-Executive Director remuneration.*

Contacts with the company

UMG's' response to a draft of this alert was:

"General remarks

Universal Music Group (UMG) has a long and proud history in the Netherlands. Through our affiliates, we have operated there for nearly 100 years. We have been incorporated there for over five years and we trade on Euronext Amsterdam. We believe that our domicile is beneficial to both our company and its stakeholders, including its shareholders, on one hand, as well as to the Netherlands.

While we are headquartered in the Netherlands, UMG is a global company operating in nearly 60 countries. We must compete globally for top executive talent in the highly competitive media, entertainment and technology industries. These are industries with high levels of compensation.

We respect and understand the Dutch compensation policies and their underlying rationale, including concerns regarding the societal impact of high compensation. These are also topics that the Board considers when discussing compensation matters. However, we must also acknowledge that we operate in a highly competitive and global industry that is mainly located outside the Netherlands. Furthermore, our Chairman and CEO, Sir Lucian Grainge, is based in the U.S. where his compensation level is more common.

We further note that Dutch law and the Dutch Corporate Governance Code do not discuss or dictate the quantum of ongoing remuneration. Benchmarking Sir Lucian Grainge's remuneration for the most part against Dutch listed companies would in our view be harmful to companies like UMG as an inability to recruit and retain top executive talent would significantly harm our company and its stakeholders, including its shareholders.

¹ Best practice provision 3.3.2 jo. the explanatory note to chapter 5 of the Dutch Corporate Governance Code.

Thus, when developing the remuneration package to be offered to Sir Lucian Grainge under his current agreement, the Board determined that retaining, securing and incentivizing Sir Lucian Grainge would be in the best interests of our company and its stakeholders, including its shareholders, due to his unique position of leadership in the music industry, his extremely strong record of innovation and value creation and his longstanding relationship with, and knowledge of, UMG and its numerous businesses.

The Board, after long and careful consideration, has concluded that it must pursue compensation strategies that, while not always in line with the remuneration payable by other large Dutch listed companies, offer the greatest benefit to our company and its stakeholders, including its shareholders.

Specific remarks

Regarding the remuneration report (reasons for alert, bullet 4): "On page 77 of our 2025 annual report, we explain why we have a deviation from best practice provision 3.3.2 of the Dutch Corporate Governance Code with respect to the stipulation that the remuneration of non-executive directors should not include shares. For the same reasons discussed above, the Board revised the remuneration policy for the Non-Executive Directors to align more closely with those of competitors in order to enhance our company's ability to attract, motivate and retain highly qualified individuals. At our 2024 AGM, this revised remuneration policy for the Non-Executive Directors was adopted with a majority of 98.26% of the votes cast."

DISCLAIMER

This is an alert for the participants of Eumedion with regard to a specific agenda point of a general meeting of shareholders. It is not a voting advice.