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WARNER MUSIC GROUP CORP.

Clawback and Forfeiture Policy

The Compensation Committee of the Board of Directors of Warner Music Group Corp. (the “Company”) has determined that it is in the best interests of the Company to adopt this policy providing for the Company’s recoupment of Incentive Compensation (as defined below) paid or awarded to Covered Persons (as defined below) on or after the adoption of this policy in certain circumstances.

1. Definitions

Applicable Rules

Applicable rules or regulations adopted by the Securities and Exchange Commission and/or Nasdaq pursuant to Section 10D of the Securities Exchange Act of 1934, as amended from time to time (the “Exchange Act”), or other applicable rules or regulations.

Board

The Board of Directors of the Company.

Committee

The Compensation Committee of the Board of Directors of the Company.

Covered Person

Any current or former “executive officer” of the Company for purposes of Section 16 of the Exchange Act and any other current or former employee who has received an award of equity compensation by the Company or any of its subsidiaries.

Effective Date

May 29, 2020

Incentive Compensation

All cash bonuses and equity compensation awarded to a recipient (including restricted stock, time-vesting and performance-vesting stock options and time-vesting and performance-vesting restricted stock units) by the Company or its subsidiaries, and including any payment in cash, stock or other property pursuant to any incentive-based compensation plan, program or arrangement (including, without limitation, from the exercise of any compensatory stock option or the settlement of any equity award) established or maintained by the Company or any of its subsidiaries.



2. Recoupment Following Restatement

If the Company is required to prepare an accounting restatement of its financial results due to material noncompliance of the Company with any financial reporting requirement under the securities laws caused by the fraud, misconduct or gross negligence of a Covered Person, the Company will use reasonable efforts to recover the excess of the Incentive Compensation paid to the Covered Person over the Incentive Compensation that would have been paid had the financial results been properly reported.

This provision shall be interpreted in a manner that is consistent with any Applicable Rules and any other applicable law and shall otherwise be interpreted (including in the determination of amounts recoverable) in the business judgment of the Committee. To the extent the Applicable Rules require recovery of Incentive Compensation in additional circumstances besides those specified above, nothing in this policy shall be deemed to limit or restrict the right or obligation of the Company to recover Incentive Compensation to the fullest extent required by the Applicable Rules.

3. Recoupment Due to Inaccurate Assumptions

In addition to (and without limiting) the provisions of Section 2 above, in the event that the Committee, in its sole discretion, determines that any Covered Person received Incentive Compensation based on inaccurate financial information or other inaccurate performance metric criteria, whether or not the Covered Person was responsible, and that it is appropriate for the Company to recoup all or a portion of such Incentive Compensation, then the Company will use reasonable efforts to recover from such Covered Person up to 100% (as determined by the Committee in its sole discretion) of the excess of the Incentive Compensation paid to the Covered Person over the Incentive Compensation that would have been paid absent such inaccurate information or metric.

In the event that the Committee, in its sole discretion, determines that any Covered Person knowingly or intentionally altered financial results or operating metrics, even if no restatement occurs, and that it is appropriate for the Company to recoup all or a portion of the Incentive Compensation paid to such Covered Person, then the Company will use reasonable efforts to recover from such Covered Person up to 100% (as determined by the Committee in its sole discretion as appropriate based on the conduct involved) of Incentive Compensation.

4. Recoupment Due to Violation of Law or Company Policy

In addition to (and without limiting) the provisions of Sections 2 and 3 above, in the event that the Committee, in its sole discretion, determines that any Covered Person (i) committed misconduct that has or might reasonably be expected to cause reputational or other harm to the Company or any conduct that constitutes “cause”; (ii) committed misconduct or committed a material error that causes or might be reasonably expected to



cause significant financial or reputational harm to the Company; or (iii) was improper or grossly negligent, including in a supervisory capacity, in failing to identify, escalate, monitor or manage, in a timely manner and as reasonably expected, risks material to the Company and has received any Incentive Compensation, and that it is appropriate for the Company to recoup all or a portion of the Incentive Compensation paid to such Covered Person, then, in each case of the foregoing clauses (i) through (iii), up to 100% of such Covered Person's Incentive Compensation shall be subject to forfeiture if so determined by the Committee in its sole discretion as appropriate based on the conduct involved.

5. Administrative Authority

In making any determination with respect to exercise of its authority hereunder, the Committee may take into account any facts, documents, statements or other evidence that it determines to be necessary or appropriate for purposes of making a determination.

In no event shall the Company seek to recover any compensation pursuant to this policy if, and the extent that, recovery of such amount would result in the Company or any of its subsidiaries violating any applicable federal, state or local law, rule or regulation pertaining to the payment of wages or employment. In determining the amount of any recoupment that is to be sought under the terms of this policy, the Committee may take into account any and all factors that it determined to be appropriate, including the likelihood and costs of recovery, compliance with applicable law, the ability of the Covered Person to repay such amount, the tax consequences of the original payment and/or the recoupment to the person subject to this policy, any other potentially adverse consequences for the Company arising from seeking such recoupment and any mitigating factors that it shall deem relevant to its determination.

Subject to compliance with any applicable law, the Company may affect recovery under this policy from any amount otherwise payable to the Covered Person, including amounts payable to such individual under any otherwise applicable Company plan or program.

Any determination, interpretation or other action by the Committee pursuant to this policy shall be final, binding and conclusive. The Committee has the sole authority to construe, interpret and implement this policy, make any determination necessary or advisable in administering this policy, and modify, supplement, rescind or replace all or any portion of this policy at any time.

Subject to any limitation at applicable law, the Committee may authorize and empower any officer or employee of the Company to take any and all actions necessary or appropriate to carry out the purpose and intent of this policy.

Nothing contained in this policy, and no recoupment or recovery as contemplated by this policy, shall limit any claims, damages or other legal remedies the Company or any of its



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affiliates may have against a Covered Person arising out of or resulting from any actions or omissions by the Covered Person.

6. Effective Time

This policy shall apply with respect to cash Incentive Compensation paid after the Effective Date and equity Incentive Compensation granted after the Effective Date and, to the extent agreed by a Covered Employee or as otherwise permitted by applicable law, Incentive Compensation that was granted prior to the Effective Date.

7. Indemnification.

The members of the Compensation Committee and Board shall not be personally liable for any action, determination or interpretation made with respect to the policy and shall be fully indemnified by the Company to the fullest extent under applicable law with respect to any such action, determination or interpretation.

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