

MAKING IMPACTFUL MUSIC.



**Warner Music Group's
Impact Report 2024**

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INTRODUCTION

Welcome to Warner Music Group's 2024 Impact Report.

Chapter 1
**Our
Company**

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**Our
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**Our
Planet**

Throughout this report, you'll find updates on the key initiatives we've been working on, while also learning about our new programs and targets.

OUR COMPANY

At Warner Music Group, we aim to create an environment where our people feel supported, valued and empowered to reach their full potential. This section includes notable highlights and updates to programs offered to our employees, plus information on our corporate governance.

OUR PEOPLE

Our employees are the foundation of WMG's culture and success. It's important that they're equipped with the resources and support to grow professionally and personally.

We have a range of long-standing programs and continually build upon what we offer. This year, we received several awards that highlight our dedication to our employees:

**Great Place
To Work
Certification
- Warner
Music Spain**

For the second consecutive year, Warner Music Spain has been awarded a 'Great Place To Work' Certification, achieving a 93% trust index score, an improvement of 8 percentage points from the previous year. Our employees emphasized meaningful work, autonomy, and a positive atmosphere as key factors in their satisfaction.

**Brandon Hall
Group - HCM
Excellence Award**

Gold in 'Best Advance in Leadership Development' for the Top Line program.

**Brandon Hall
Group - HCM
Excellence Award**

Gold in 'Best Advance in Leadership Development' for Management Explored.

**Learning
Excellence
Awards 2024**

'Best Management and Leadership Program' for Management Explored.

**CIPD - Learning
Awards 2024**

Silver in 'Internal Learning Solution of the Year' for Management Explored.

CAREER DEVELOPMENT

We strive to enable our employees to succeed and thrive in our innovative and rapidly evolving industry.

Our focus on career development and wellbeing is deeply aligned with our business strategy, equipping our people with the skills and capabilities needed to deliver results for our artists and songwriters.

TALENT ACQUISITION AND GLOBAL INTERNSHIP PROGRAMS

Each year, we aim to attract a diverse talent pool and broaden access and exposure to our business. Through our global internship initiatives, we continue to provide opportunities for those eager to enter the music industry. Our award-winning Emerging Talent Associate (ETA) Program in the U.S. focuses on bringing new talent at the start of their careers into full-time roles within WMG. In South Africa, our internship program has continued to provide young graduates with work experience in their chosen field of study.

New this year: In India, we launched an internship program with one of the country's top business schools. Our internships are critical tools to ensure we have a diverse pipeline of new talent.

GO CONTRIBUTE

Our Go Contribute program offers employees short-term assignments within different teams. This allows them to broaden their network and skill sets and supports our internal mobility efforts. This year, we saw a rise in local and in-person initiatives, and we hope to introduce a wider variety of projects in the future.

TRAINING AND LEADERSHIP DEVELOPMENT

Over the past few years, we have created a suite of award-winning leadership programs and employee training to drive performance and nurture employee growth.

BOSS SESSIONS

Our BOSS sessions are a key platform for fostering cross-functional collaboration and knowledge sharing across the business. With over 500 participants globally, BOSS aims to equip participants with skills relating to collaboration, communication, and general business understanding. We plan to expand BOSS globally in 2025 and develop localized curricula with local partners to accelerate delivery in new territories.

TOP LINE

Top Line is our global leadership development program. Each year, we expand the program's global reach and build leadership networks across North America, Europe, Latin America, Africa, Australia, and Asia. Our goal with Top Line is to equip leaders with the mindsets, behaviors, and tools to tackle today's biggest challenges and to lead and innovate in our rapidly changing world. Graduates of Top Line are invited to join the global Top Line X Alumni community, providing further opportunities for networking, problem solving, and ongoing career development.

MANAGEMENT EXPLORED (ME)

ME is our award-winning global training program for people managers. Delivered in sessions over 14 weeks, ME focuses on fostering inclusive management styles and adapting to change. With over 820 participants to date and live sessions in 16 countries, the program is a critical part of our leadership development strategy. ME is further enhanced by executive coaching – participants received nearly 100 hours of coaching this year.

New this year: We have expanded ME to Mexico, South Africa, and South Korea.



EMPLOYEE WELLBEING

HEALTH COVERAGE AND LIFE INSURANCE

Globally, we introduced several new benefits and aligned existing ones to ensure consistency and support across our diverse workforce.

New this year: In April 2024 in the UK, we extended access to health assessments to all employees, which were previously available only to executives. Warner Music India introduced a comprehensive life insurance policy, which extends financial security to employees' families. In Poland, we expanded our benefits to offer comprehensive health and wellness programs, including Luxmed healthcare and 50% subsidies for sports cards, providing access to numerous gyms and activity centers across the country.

FERTILITY AND MENSTRUAL HEALTH

In the U.S., we expanded our partnership with Progyny, a Fertility and Family Planning benefits specialist. Our benefit includes two initial consultations per year, fertility medication coverage, and options for fertility preservation.

New this year: We introduced a comprehensive menopause and midlife care benefit in the U.S. It is designed to address a range of symptoms and challenges associated with menopause, offering a holistic and tailored approach to health. In Australasia, we launched a comprehensive Period Perks Policy to support employees experiencing menstruation or menopause. This tiered policy provides free period and pain relief products in all offices, an annual voucher for menstrual health products, ad hoc work-from-home flexibility to manage symptoms, and an additional two days of paid leave.

FLEXIBLE TIME OFF AND FAMILY SUPPORT

In 2024, we expanded our U.S. leave benefits to include Flexible Time Off and enhanced bereavement leave, new family caregiver leave, and military leave.

New this year: Recognizing the importance of parental bonding, we increased our Non-Primary Caregiver Leave from 2 weeks to 12 weeks in the U.S. Our new Family Caregiver Leave policy ensures employees receive full pay for up to 6 weeks while caring for an ill family member. We have also instituted a paid Military Leave offering 100% pay for 12 weeks for those called to active duty. We continue to support employees with two paid volunteer days annually in the U.S. and UK.

New this year: In Japan, we have extended the paid leave benefit to 20 days per annum, and implemented babysitting vouchers for working parents to help provide better access to childcare.

GO VISIT

Now in its third year, our Go Visit program allows employees to work remotely for up to 20 days a year from anywhere in the world, offering flexibility and promoting work-life balance. In 2024, we supported over 6,500 Go Visit days globally, across nearly 1,200 employees from 41 countries.

ANNUAL WELLNESS WEEK

This year, the UK's Annual Wellness Week focused on enhancing employee wellbeing through a series of initiatives, such as one-on-one nutrition coaching, sleep coaching sessions, a mindful painting workshop, chair massages, and Burnout Breakers sessions, which equipped participants with tools to manage stress and prevent burnout.



WORLD MENTAL HEALTH DAY

- **In the UK**, we organized a week of activities to promote employee wellbeing, such as a Connect Over Coffee event, a bootcamp exercise session, a workshop to create herbal tea blends, chiropractor sessions including a Spine and Nervous System Health Workshop, nutritionist consultations, yoga and pilates classes, and sessions with workplace mental health experts.
- **In Dubai**, we organized a desert safari, providing an opportunity for employees to enjoy the outdoors.
- **In India**, employees participated in a "movement hour," a dedicated time for physical activity, and received wellness hampers filled with items to promote selfcare and relaxation.
- **In Finland**, we hosted a forest picnic in Espoo, where employees enjoyed outdoor activities.
- **In the U.S.**, we held a live virtual meditation session, giving employees an accessible way to practice mindfulness and reduce stress.
- **In Hong Kong**, we have dedicated the month of October to Mental Health at Work, with a series of initiatives such as a wellbeing talk, a mobility and stretching bootcamp, and a family day.

CREATING A CULTURE OF BELONGING

We believe that our company should reflect the world around us, and welcome a wide diversity of talented, expert individuals, in order to better serve artists and songwriters.

Since first participating in 2019, WMG has consistently earned a score of 100 in the U.S. on the Human Rights Campaign Foundation's Corporate Equality Index (HRC CEI), one of the premier benchmarking tools for corporate policies, practices, and benefits that support LGBTQIA+ employees. Additionally, our employees in Mexico have participated in the HRC CEI, also maintaining a perfect score of 100 since 2020.

RECRUITING, HIRING, AND ONBOARDING

This year, we identified new recruitment sources to help build a more diverse talent pool and implemented selection panels that bring together different leadership across the company in an effort to minimize bias in the hiring process. We use the Textio platform to incorporate inclusive language in job descriptions, in order to encourage a broader pool of candidates and avoid unwanted bias.

To support those who are neurodiverse, we partnered with organizations to offer internships and career opportunities that leverage their unique talents and perspectives.

New this year: With our U.S. ABLE Employee Resource Group chapter, we launched the Yes I Can partnership, which focuses on creating opportunities for neurodivergent individuals through internship placements, along with providing training resources for managers of neurodiverse employees. Additionally, through our collaboration with Integrate Advisors, we hosted mock job interviews for neurodivergent individuals.

We remain eager to promote gender diversity within the music industry, especially in areas where women have been historically underrepresented, such as the Artists & Repertoire (A&R) function.

New this year: In London, we launched a six-month Female A&R Internship Program, providing aspiring talent with hands-on, practical experience.

Our UK Talent Acquisition team leads two internship programs for underrepresented communities. The two-week work experience program runs every summer for 30 young people aged 15-18. It consists of a four-day intensive experience giving attendees an opportunity to gain practical insights into what it's like to work in the music industry. The Opendesk Internship Program partners with organizations such as Small Green Shoots and The Social Mobility Foundation, to provide opportunities for young people from lower socioeconomic backgrounds. The program has seen a number of these individuals go on to secure roles within the organization.

TRAINING, EDUCATION, AND CAREER DEVELOPMENT

We have incorporated diversity training into the onboarding process for all new hires in the U.S., with additional courses available on the Workday platform. We also offer new employees broader education opportunities that promote inclusive workplaces, from asynchronous training to in-person sessions.

New this year: We developed our company-wide Be Inclusive series, a set of 32 guides designed to educate our employees about religious holidays.

We also delivered tailored training covering topics like implicit bias to teams in Turkey, Italy, Poland, MENA, India, the UK, and South Africa to help give a nuanced view of what diversity looks like in each local community.

We are working to combat language exclusion and support integration.

New this year: In Poland, we offered English language lessons to individuals from the Ukraine to help them feel welcomed in our workforce.

Mentoring Remixed is a reciprocal mentoring program that connects junior employees from traditionally marginalized communities with senior mentors.

New this year: We had two Mentoring Remixed cohorts, one in the Americas and one in EMEA, each with 50 participants representing 12 countries: Australia, Brazil, Canada, Colombia, France, Italy, Mexico, Netherlands, Poland, South Africa, the UK, and the U.S. We also partnered with an executive coach to support the junior and senior mentors in the program.

To promote gender equality, Warner Chappell Music hosted a mixer with nonprofit Women in Film for the second year at our Downtown LA office. This event brought together more than 200 women from the film, television, and music industries. It provided a platform for aspiring professionals to connect with industry veterans.

EMPLOYEE RESOURCE GROUPS (ERGS)

ERGs at WMG are employee-led communities designed to foster inclusivity, support diverse perspectives, and empower individuals from underrepresented groups. Our 10 ERGs, with chapters across the world, include:

ABLE: (Advocating for Better Lived Experiences)

Bringing awareness and inclusion to people with disabilities.

APIECE: (Asian Pacific Islanders for Equity and Critical Action):

Empowering people of Asian/Pacific Islander descent to celebrate and educate others about the vast diversity of the culture.

HARMONY:

Bringing people of all backgrounds together in respectful dialogue to catalyze change.

Jewish at WMG:

Bringing awareness to the diversity of Jewish life and fighting antisemitism.

KINFOLK:

Celebrating and promoting Black employees and Black culture at work and in the industry.

Parents & Carers:

Providing space, voice, and support for employees who are parenting and caregiving.

Pride at WMG:

Creating a culture of inclusion and equity for people who identify as LGBTQIA+.

Veterans at WMG:

Supporting our veterans community and their allies.

WMúsica:

Celebrating the diverse talents and culture of Latino/a/x employees.

WoW: (Women of WMG)

Inspiring and supporting women at WMG to grow and thrive.

Our ERGs organized nearly 70 events in 2024 to build community, network, and learn together.

CULTURAL EVENTS & OCCASIONS

Our local offices and ERGs have produced an array of programs to honor occasions that are important to various communities, and allow all employees to celebrate these events, no matter their personal background.

PRIDE

- WMG teams participated in Pride parades around the globe. This included participating for the first time at Tokyo Rainbow Pride, marching in Santiago's first-ever Pride parade, and partnering with Gaydio, the UK's largest LGBTQIA+ radio station, to create the Sounds like Pride float for the London Pride Parade.
- For the second consecutive year, Warner Music Taiwan assembled a lineup of eight WMG international artists for the Q POWER Festival, the island's largest celebration of same-sex marriage.
- In Paris, Warner Music France hosted OUTLOUD, a panel discussion on LGBTQIA+ issues and representation in music, featuring industry professionals alongside Deputy Mayor of Paris, 12th arrondissement, Jean-Luc Romero-Michel.
- In Hamburg, Warner Music Central Europe hosted The Pride Bar, a panel on the impact of queer role models in music, featuring employees as panelists.



HERITAGE AND CULTURAL AWARENESS

- In Los Angeles, we partnered with Pasifika Entertainment Advancement Komiti (PEAK) to celebrate the International Day of the World's Indigenous Peoples (IDWIP). We hosted the NZ-Pacific Arts Delegation at our downtown office, showcasing indigenous Pasifika art and music to advocate for climate justice for IDWIP.
- APIECE UK partnered with ESEA MUSIC, a community for East and South East Asian artists and music professionals, to celebrate the MidAutumn Festival. They hosted an East Asian Night Market featuring a tea ceremony by Sanko Tea, mahjong lessons from Four Winds Mahjong, nail art by Boys in Polish, and catering by Oishi Don.

INTERNATIONAL WOMEN'S DAY

- In Toronto, the Women of WMG ERG hosted The Femme Soiree, a networking event that invited a variety of female industry leaders to impart advice and included a donation to the Canadian Women's Foundation.
- In our Australia and New Zealand offices, Australian comedian and media personality Gretel Killeen hosted a session about overcoming imposter syndrome, with food from social enterprises Kabul Social Sydney and Free to Feed Melbourne.
- In Paris, we partnered with All Access Musique, a nonprofit dedicated to promoting gender equality, to host a panel discussion and performances centered around dismantling sexism and fostering a more inclusive environment for women in the music industry.

BLACK MUSIC MONTH

- The One WMG ERG hosted an event in Nashville, where industry professionals discussed the contributions of Black musicians to country music and the genre's future.
- The Kinfolk ERG in New York partnered with Sony and Spotify to host The Creation of Black Music, a panel event to celebrate the influence of Black creators and create dialogue about collectively supporting and amplifying Black voices in music.
- Warner Music France held a roundtable discussion on the history and influence of rap and R&B on French culture, led by WMG employees and featuring industry experts.
- In the UK, Warner Chappell Music collaborated with the British Library on 500 Years of Black Music: Beyond the Bassline, the first major exhibition documenting Black British music history.
- The Kinfolk ERG in London hosted a networking event with both Sony Music Group's and Universal Music Group's Black ERG communities for Black employees from all three organizations to get together and promote Black artists and songwriters.

Our local programs have also honored religions and religious events. For example, Warner Music Malaysia celebrated Hari Raya Aidilfitri (Eid al-Fitr) by hosting a Raya open house event with 500 guests, including artists, business partners, brands, and media representatives. Our One WMG ERG in Germany took part in a Jewish Culture Walking Tour of Hamburg to learn about the cultural heritage and significant contributions of the Jewish population to the city's development.

WORKPLACE EXPERIENCE: SUSTAINABILITY AND INCLUSION

At WMG, our physical environments play a crucial role in cultivating a positive and productive work culture.

The development of our WMG Wellbeing and Sustainability Gold Standards is underway to establish leasing, design, and operational guidelines and ensure a focus on these key tenets in every stage of our real estate lifecycle. Our goal is to begin rolling out these standards in 2025. In the meantime, we have made strides to prioritize wellness and inclusivity in our workplaces and aim to optimize our spaces to suit the varied needs of our employees, artists, and songwriters.

BUILDING INCLUSIVE SPACES

In the past year, the Workplace Experience team has focused on several initiatives in regard to neurodiversity, gender inclusivity, and mental and physical wellness. For example, we are developing a set of operational principles to better accommodate neurodivergent individuals across our offices. This year we have broadened the use of wellness rooms in our U.S. offices to support prayer, meditation, and other elements of mental and physical wellness.

ENGAGEMENT WITH COMMUNITIES

In New York, we maintain a long-standing partnership with Fountain House, an organization dedicated to helping individuals impacted by mental illness re-enter the workforce through rehabilitative work opportunities. For over two decades, attendants from Fountain House have managed our pantry and kitchen areas.

Our U.S. partnership with Sharebite, a mission-driven meal delivery service, allows employees to have lunch delivered to the office. Consolidating orders drastically reduces transport-related emissions and with each order, a meal is donated to City Harvest or Feeding America. Since our partnership started in early 2022, we have donated more than 330,000 meals through Sharebite.

Our partnership with Rescuing Leftover Cuisine started in the first half of 2024 and has already rescued over 650 pounds of food from our New York office, in turn serving over 550 meals and preventing food waste.

ENVIRONMENTAL SUSTAINABILITY IN OUR OFFICES

WMG is committed to sourcing 100% renewable energy for our operations by 2030. A significant focus will be on our office footprint.

New this year: We have taken steps to source 22% of our energy from renewable sources in our U.S. offices.

As part of our effort to divert waste from landfills, we donate and recycle office furniture and supplies during retrofits or decommissioning. In the U.S., we have partnered with Green Standards, a global workplace decommissioning firm. Since our collaboration began in 2022, we have successfully diverted 100% of our office items from landfill, amounting to over 47 tons of waste, and saving 178 tons of CO₂ emissions. Over 40% of the items have been donated to community organizations, where they have been repurposed for use in homes, classrooms, and shared spaces. The donations as part of this program have supported initiatives for at-risk youth, the elderly, and individuals with mental illness. Two of the organizations that received donations were Easy Living Shelter, which provides temporary housing to at-risk youth, and the High School for Service and Learning. Moreover, we donated office supplies to the Fresh Air Fund throughout the year.

In Nashville, we collaborated with Alfred Williams & Company to donate over 40 workstations to local office spaces and schools. This achieved a 100% diversion from landfill and saved almost 65 tons of CO₂ emissions. In Taiwan, we donated furniture to Mackay Memorial Hospital's long-term care center.

We are working to minimize food waste from our offices. For example, composting programs are now active in our Downtown LA and Nashville offices. We are also actively upgrading our outdoor amenities in these offices to enhance access to natural light and green space for our employees, artists, and songwriters.

EMP Germany was named a bicycle-friendly company in recognition of our initiatives that allow employees to lease bicycles at a reduced rate.

NEW OFFICES

This year, our global expansion continued with the opening of new offices in Taiwan, Indonesia, the Philippines, India, and Brazil. Each of these spaces has been designed to promote collaboration, enhance employee wellbeing, and embrace local cultural identities.

In Taiwan, the new office features a state-of-the-art studio for songwriting and recording sessions, breakout spaces, and multifunctional social and wellness rooms. Jakarta's new location contains a versatile social space that encourages interaction between employees and doubles as a fan meet area. A mural wall celebrating Indonesian heritage was painted by a local artist.



RESPONSIBLE BUSINESS AND GOVERNANCE

Across our organization, we uphold and promote the highest ethical standards. We were ranked #12 in the Media & Entertainment category for Newsweek's Most Trustworthy Companies in America in 2024. Our governance framework integrates input from across the organization, ensuring effective implementation of our goals at all levels.

CORPORATE GOVERNANCE

As a controlled company under Nasdaq's regulations, we are not required to have a majority independent board; despite this, we voluntarily exceed Nasdaq's standards.

Our Board of Directors comprises 11 members, six of whom are independent. Directors are carefully selected for their breadth of skills, experiences, and perspectives, which are essential for overseeing our company's strategic direction and managing risk. These competencies span the music and entertainment sectors, senior management, audit and accounting, public company board service, capital markets, corporate finance, and strategic business planning.

We ensure robust oversight through an entirely independent Audit Committee, majority-independent Nominating and Corporate Governance Committee, and a balanced Compensation Committee where 50% of members are independent. With the assistance of our Nominating and Corporate Governance Committee, our Board regularly reviews trends in board composition, including diversity, to further strengthen our efforts and ensure strong and effective governance. Our Nominating and Corporate Governance Committee also oversees our corporate responsibility strategies and initiatives.

For more information on our approach to corporate governance, please refer to our [Corporate Governance Guidelines](#) and our [Proxy Statements](#).

ETHICS

We operate with the highest standards of business ethics and compliance with all applicable laws, rules, and regulations in the jurisdictions where we operate. We are committed to maintaining ethical conduct across our company, protecting long-term value for our shareholders and maintaining their trust. Our policies are designed to maintain ethical standards across our organization. We have a Code of Conduct applicable to all directors, officers, employees, and external consultants that addresses matters such as conflicts of interest, confidentiality, fair dealing, promoting fair competition, avoiding bribery and corruption, and compliance with global and local regulations. It builds on our commitment to ethical business practices by clearly setting out our company values that employees are expected to uphold. We also have a specific Code of Financial Ethics for our senior leadership team. This sets out their responsibility to ensure that their decision making is objective and unbiased so that we can ethically handle actual or potential conflicts of interest.

We have outlined our Corporate Governance Guidelines, which hold directors accountable for maintaining, upholding, and promoting ethical practices across our business. These guidelines provide processes for stakeholders to communicate with our Board through access to individual directors, the entire Board, or any committee, ensuring transparent and open dialogue.

Regular compliance training is mandatory for our employees. In 2024, we conducted four global and four market-dependent core training programs across a variety of topics. Our employees received training on anti-harassment, data privacy, and our Code of Conduct. Our Code of Conduct course included sections on anti-bribery, human trafficking, and working with integrity. California employees also received training on workplace violence and prevention, and employees living in Chicago received bystander training to teach individuals how to safely intervene if they witness harassment, violence, or injustice in public or private spaces.

We have a 24/7 Compliance Helpline, which is managed by an independent third party. It is available in multiple languages and complaints remain confidential and anonymous, where permitted by law. Our Whistleblower Policy strictly prohibits retaliation against individuals raising concerns in good faith.

For more information on our approach to ethical business, please refer to our [Code of Conduct](#), our [Code of Financial Ethics](#), our [Corporate Governance Guidelines](#), and our [Proxy Statements](#).

Our company is a signatory to IFPI's Anti-Stream Manipulation Code of Best Practice, which is a framework designed to maintain integrity within the music streaming ecosystem. The Code addresses the challenges posed by “artificial” or “automated” plays on streaming platforms, which can distort the true popularity of music and mislead stakeholders regarding genuine consumer engagement. By endorsing the Code, our company, alongside other industry leaders, pledges to combat activities that manipulate streaming metrics, safeguarding fair competition and ensuring accurate artist representation. This ensures that our practices reflect the genuine demand for music and contribute positively to the industry as a whole.

Our capital allocation priorities include investment into our core operations, which has consistently delivered returns on invested capital in the high-teens. We continue to return capital to our shareholders through our regular dividend payments, which have increased by 50% since our IPO in 2020.

New this year: Our Board of Directors authorized a new \$100 million share repurchase program.

CORPORATE RESPONSIBILITY OVERSIGHT

The strategy and management of our sustainability and corporate responsibility work is overseen by a committee comprised of senior leaders from across our business – including strategy, recorded music, publishing, supply chain, facilities, people, legal, and investor relations.

Our Board of Directors, through its Nominating and Corporate Governance Committee, ensures that our sustainability and corporate responsibility commitments, strategy, and progress align with the values of our company and the industry. By maintaining consistent oversight, we effectively implement a cohesive strategy, identify potential risks, and monitor progress toward our established targets.

New this year: Our Board of Directors has expanded its oversight role to address the evolving opportunities and challenges of AI. Recognizing the swift changes and increasing risks associated with generative AI development, members of our Board now participate in regular meetings to discuss our company's stance on responsible AI.

We also consider external stakeholder perspectives when shaping our approach, engaging with artists, songwriters, NGOs, managers, and music sustainability experts throughout the year.

RISK OVERSIGHT

As an organization comprising a range of businesses operating in diverse markets around the world, we are exposed to various financial, operational, regulatory, and legal risks. The key risks for our business are identified in the Risk Factors section of our [SEC filings](#).

Our Risk Management Oversight Committee plays a critical role, meeting regularly to ensure potential challenges are addressed proactively as part of our company's comprehensive risk management process. On behalf of our Board, our Audit Committee is responsible for overseeing our company's risk management and assessment guidelines and policies. The Audit Committee has regular discussions with management and independent auditors about our risk exposure and the steps taken to monitor and control these risks. Our Enterprise Risk Management (ERM) process continually evolves to comprehensively identify, manage, and mitigate risks that may hinder our business objectives. Our approach aims to ensure we remain resilient in a competitive and ever-changing industry.

RESPONSIBLE SOURCING

It's important that all aspects of our business uphold our values of social and environmental responsibility. Our focus is on building long-term relationships with suppliers that demand transparency and integrity in their business practices.

Mirroring the standards we expect of ourselves, our Supplier Code of Conduct is designed to uphold the human rights of third-party workers and to foster safe, inclusive environments where both people and the planet are treated with respect. As a condition of doing business with WMG, our suppliers and their subcontractors are required to comply with all applicable national and local labor laws and regulations. The Code is founded on the conventions of the International Labour Organisation, the Fair Labor Association Code of Conduct, and the UN Declaration of Human Rights.

Each of our partners, suppliers, licensees, and advisors is expected to comply with the 10 standards outlined under our code. These standards safeguard employee rights in compliance with national and international labor regulations. They also ensure an inclusive workplace free from discrimination and harassment, and prohibit forced labor or child labor. Additionally, they emphasize the importance of health and safety measures in the workplace, affirm the freedom of association and collective bargaining, and ensure maximum regular working hours with fair compensation. Beyond labor, they demand adherence to environmental laws and uphold a strict zero tolerance policy for financial crime.

Our adherence to ethical business practices and human rights is clearly articulated in our Modern Slavery Statement. We have a zero-tolerance policy for any supplier that fails to comply with local or international laws pertaining to human rights, child labor, and forced labor.

We screen our top suppliers for any infringements or compliance issues and continue to refine and improve this review process to ensure we only work with suppliers who operate in accordance with our ethical standards.

For more information on responsible sourcing, please refer to our [Modern Slavery Statement](#) and our [Supplier Code of Conduct](#).

DATA PRIVACY

Data privacy and protection are embedded across our operations, ensuring safeguards for everyone we engage with, from artists and songwriters to employees to fans.

These efforts are led by WMG Privacy, our Privacy and Data Protection team, which chairs our Privacy Champions Committee and engages stakeholders handling personal information at our company globally. Working alongside our Office of Compliance and Ethics, the team provides regular updates to our Risk Oversight and Audit Committees to enhance awareness and understanding of privacy issues in the industry. Our centralized Global Data Privacy program ensures consistent compliance with legal requirements, mitigating regulatory risks and maintaining the trust of artists, songwriters, employees, and consumers.

Our employees take mandatory global privacy and data protection training every year, which helps them learn to handle personal information responsibly while achieving commercially driven objectives. We also have a comprehensive suite of guidance documents, templates, playbooks, and privacy and data protection policies, based on applicable laws, regulatory guidance, and best practices. We consistently communicate with our employees worldwide to reinforce internal policies and protocols for responsible data handling.

Our approach embeds detailed procedures across numerous global workstreams. Privacy reviews, risk assessments, and due diligence processes are integrated within all our work across third-party compliance processes, M&A activities, and technology developments. Data privacy considerations are further integrated across our strategic initiatives – including AI adoption, audience engagement, IT migrations, international data transfers, whistleblowing schemes, and data acquisition. Additionally, we have established guidance and procedures for recognizing and responding to data breaches, as well as processes for honoring data subject rights requests.

EMPLOYEES

We have implemented safeguards across the day-to-day handling of employee personal information related to roles, employment contracts, and the systems that store and manage this data. Transparency is key, and we strive to always be clear with employees about how their personal information is used and the impact of that use on them and their colleagues.

We understand the need to safeguard sensitive employee personal information, especially when it relates to whistleblowing activities, grievances, or disputes. All employees are educated on their rights regarding our use of their personal information, and we are committed to responding promptly to privacy rights requests.

ARTISTS AND SONGWRITERS

Safeguarding the personal information of our artists and songwriters remains a top priority – from day-to-day A&R activities to the generation and payment of royalties.

Over the past year, a key focus has been on engaging in ongoing discussions around how best to protect the voice and image data of our artists and songwriters from unlicensed use in generative AI technologies. We are actively participating in consultations led by supervisory bodies, including the Information Commissioner's Office in the United Kingdom and the Data Protection Authority in France, to further explore how we can better support our artists and songwriters in this rapidly evolving space.

CONSUMERS

We interact with consumers when they visit our artists' websites, purchase merchandise from our e-commerce sites, and participate in music promotions. We comply with privacy and data protection legal requirements to ensure transparency in how we collect and use consumer information. We do this through clear and accessible privacy notices and messaging on our sites and account registration pages, and by ensuring that marketing activities are based on consumer consent. By taking a privacy by design approach, we handle consumer data in a way that minimizes the types of personal data we collect and ensures that these data are not retained for any longer than necessary.

We implement privacy and data protection controls across fan engagement, consumer transactions, marketing and promotions, web development, and app deployment activities. We honor privacy rights requests from fans, ensuring they have full awareness and control of their personal information.

CYBERSECURITY

Our comprehensive cybersecurity framework, which is regularly reviewed by our Audit Committee and an external third party, helps us assess, identify, and manage risks across the business, including internal operations, artist collaborations, and consumer interactions.

Our cybersecurity processes include regular network and endpoint monitoring, access controls, vulnerability assessments, penetration testing, annual information security training for employees, and tabletop exercises to inform our risk identification and assessment. Our Incident Response Plan and Playbook guides our actions in the event of a suspected or confirmed cybersecurity incident. The plan includes processes to triage, investigate, contain, and remediate the incident, and is designed to enable us to comply with applicable legal and regulatory obligations and mitigate financial and reputational damage. We also maintain a Business Resumption Plan for critical tools and applications, which provides procedures for maintaining the continuity of critical business processes in the event of business interruption, including cybersecurity incidents that may significantly impact our operations.

Our cybersecurity efforts are driven by a dedicated Cyber Risk Committee and led by our Chief Information Security Officer (CISO). Our CISO and our cyber team engage with industry forums and government security agencies to stay ahead of evolving threats and ensure we implement best-in-class cybersecurity programs, from regular vulnerability scans to continuous monitoring of the threat landscape.

Our cybersecurity strategies are integrated into our overall risk management processes, reviewed at least quarterly by our Audit Committee and designed to protect the organization, artists, songwriters, employees, and consumers. These review sessions typically cover data security posture, results from third-party assessments, progress toward our risk mitigation goals, our incident response plan, and material short-, medium-, and long-term risks from cybersecurity threats, incidents, and developments, as well as the steps management has taken to respond to such risks.

Cybersecurity threats are also considered during our Board meetings through discussions of enterprise risk management, operational budgeting, business continuity planning, M&A activities, brand management, and other relevant matters. We regularly review our cybersecurity stack and budget allocation, prioritizing investments based on minimizing any significant risks. By assessing the evolving cyber threat landscape, we ensure our spending focuses on reducing the highest risks at any given time.

Our cybersecurity policies are updated annually so we can address emerging threats. Internal and external vulnerability scanning helps secure our systems from known risks, while our cybersecurity technology stack is reevaluated each year to ensure we are using best-in-class tools. Quarterly meetings with cyber innovators allow us to keep up with technology and stay ahead of new threats. These practices follow the guidelines set forth by the National Institute of Standards and Technology (NIST).

EMPLOYEES

Our cyber team conducts regular risk identification exercises, network and endpoint monitoring, and annual information security training for employees to keep security awareness at the forefront.

ARTISTS AND SONGWRITERS

The same comprehensive cybersecurity practices that apply to our employees extend to artists and songwriters when they are on our systems. This includes regular vulnerability assessments, adherence to NIST guidelines, and continuous improvement of our cybersecurity technologies.

CONSUMERS

Our e-commerce platforms adhere to industry best practices, with strict PCI compliance to protect consumer data. Vulnerability assessments, network monitoring, and access controls are part of our strategy to prevent fraud and safeguard consumer privacy. Our Incident Response Plan outlines clear procedures to triage, investigate, contain, and remediate any cybersecurity incidents affecting fans.

OUR INDUSTRY

This section includes our approach to our artists and songwriters and the greater music community. Through advocacy, philanthropic partnerships, and community engagement, we strive to drive positive change and address challenges that are top-of-mind for our industry.

OUR CREATIVE TALENT

We want to cultivate fulfilling, long-term careers for our artists and songwriters. We believe that our company should reflect the world around us, and welcome a wide diversity of talented, expert individuals, in order to better serve our artists and songwriters. We actively look for the best global talent across geographies, cultures, and communities and give them the expertise and opportunities to amplify their unique visions and reach fans everywhere. Our goal is to nurture their creativity and help them navigate the complexities and challenges of the music industry.



ARTIST SERVICES

We take an individualized and localized approach to supporting our artists and songwriters at every stage of their careers, from emerging to established names.

Our comprehensive, best-in-class services extend beyond music, helping our talent grow their brands and unlock additional value across key areas including production, marketing, and touring. Whether it's helping emerging artists develop their sound in the studio, executing innovative marketing campaigns that resonate with fans, or supporting a successful tour that amplifies their brand, we are committed to empowering our artists and songwriters.

On the music publishing side, we continue to advocate for songwriters to be compensated fairly to help ensure they can build commercially viable careers. We strive to offer more support for songwriters than other music publishers, and actively work to grow and diversify opportunities for them to thrive. Our creative services department is the only one of its kind, amplifying our writers' stories and songs through support with digital service providers, brand partnerships, IP development, and strategic cover and sample initiatives, many times in partnership with our sister labels. We connect our writers to multiple opportunities, such as writing for visual media, collaborating with independent artists, and much more.

RESPONSIBLE AI

We recognize the transformative potential of AI in music to offer new opportunities for our talent to expand their creativity, engage with fans, and broaden their reach.

At the same time, we are equally committed to ensuring AI's responsible and ethical use. Our aim is to harness the benefits for those who choose to engage with AI, while remaining vigilant about the challenges it poses to the music industry. We are dedicated to safeguarding the rights and interests of our artists and songwriters as we navigate this evolving landscape, ensuring that technological advancements enhance, rather than compromise, creative and commercial potential.



HOW WE'RE WORKING WITH OUR ARTISTS

We aim to educate our artists and songwriters on leveraging these new tools to reach their goals and share their talent.

New this year: We embarked on a groundbreaking project with Randy Travis to showcase AI's potential as a tool to supplement human creativity in music. After suffering from a stroke that affected his ability to sing, Travis joined with Warner Music Nashville to use AI tools to recreate his voice and release a new single, "Where That Came From," on May 3, 2024. The project balanced technology with human creativity and authorship, as the songwriting, recording, editing, mixing, and mastering remained in the hands of Travis and his team. Travis's single achieved widespread acclaim, reaching nearly 24 million streams.

HOW WE'RE WORKING WITH PARTNERS

We work with partners in the music industry to protect our artists and songwriters from AI risks and misuse. Our goal is to ensure our copyrighted content is not used to train AI models without licenses and to proactively collaborate with Digital Service Providers (DSPs) to protect our artists' names, images, likenesses, and voices.

New this year: In July 2024, WMG posted on our website and sent formal notices to multiple DSPs confirming that WMG reserves our rights under the EU text and data mining exception and that the use of any WMG materials to train or develop machine learning or AI technologies requires a license, consistent with existing copyright law.

We regularly monitor for potential AI-generated deepfakes that violate our copyrights and the rights in our artists' names, images, likenesses, and voices, and we send notices to platforms demanding their removal. In 2024, we identified over 11,000 deepfake tracks across six platforms and issued thousands of takedown notices. By constantly refining our scanning processes, our goal is to take quick action against unauthorized content.

To further our impact and promote a responsible future for AI, we have an active role in global policy dialogue on this topic.

ARTIST AND SONGWRITER WELLBEING

We are committed to supporting the wellbeing and mental health of our artists and songwriters, helping them face the challenges of a career in the music industry and the pressures of a life in the public eye.

Every year, we have expanded our wellbeing offerings with the aim of serving more artists and songwriters across the world with customized tools and resources. Our Artist and Songwriter Wellness Task Force is a cross-functional team of senior executives focused on identifying partners and resources to better serve the "whole person."

DIRECT SUPPORT

Our partnership with Xception, now in its fourth year in the UK, provides individually tailored support to artists in areas including therapy, nutrition, addiction counseling, sleep, and coaching. Warner Chappell Music partners with Better Up to support songwriters, offering personalized coaching in areas such as mental fitness, nutrition, wellbeing habits, navigating grief, and sleep coaching. We are also taking action to address the broader needs of our artists and songwriters. In the U.S., we offer the Stride Health platform to help them find affordable healthcare.

New this year: In 2025, we will be expanding the Xception partnership to the U.S. and Canada, and for the first time, also including songwriters in the program. This pilot will allow us to develop a globally scalable wellbeing offer for our artists and songwriters. The Better Up program was also extended to over 250 songwriters, with a 98% satisfaction rate among participants and 92% of active users reporting feeling more effective as a result of the coaching.

New this year: We partnered with Spinach Records to launch Sustainable Creativity: A Music Industry Masterclass, a three-part wellness series focused on holistic personal development. The sessions offered artists, songwriters, producers, and industry professionals tools to enhance their personal and professional lives. They featured panels with creatives, healthcare experts, and public relations professionals.

TRAINING EMPLOYEES TO SUPPORT ARTISTS

In addition to the services we directly offer our talent, we are equipping our artist-facing staff with tools to support our talent – including crisis mental health training. We partner with Xception in the UK to give our staff access to weekly drop-in clinics, both in person and digitally, where they can discuss any concerns related to artist wellbeing.

New this year: Xception delivered a series of workshops across our UK labels focusing on social media and mental health. These workshops covered how to navigate challenging situations that may arise on social platforms. We also extended the social media workshops to music students through our partnership with the BRIT School. The initiative was well-received, with plans to expand into other creative schools and courses in the future.

SUPPORTING THE INDUSTRY

Warner Music Nashville continues its long-standing partnership with Porter's Call, a Nashville-based nonprofit providing free mental health support to artists. Porter's Call's services range from specialized support for artists on tour to mentoring programs where seasoned artists share their industry experiences with emerging or younger talent. Warner Music Nashville Co-President, Cris Lacy, sits on the board of Porter's Call, helping to shape the organization's strategies and initiatives. For the past decade, we have sponsored the annual Evening of Stories event, a night of storytelling in words and songs convening leaders from across the industry to raise awareness for the organization's mission.

WORKING WITH ARTISTS TO CHANGE THE DIALOGUE

New this year: We partnered with Peloton and Project Healthy Minds on a month-long campaign in May, as part of Mental Health Awareness Month in the U.S. Aiming to change the dialogue around mental health, the campaign raised awareness through classes, discussions, and social media. WMG artists Brynn Cartelli and Keaton Whittaker took part in the flagship event, called 20 Million Minutes Ride, at Peloton Studios NYC. WMG supported the effort with a donation to Project Healthy Minds. We also co-curated the Mindful Music Spotify Playlist with Peloton, featuring songs focused on mental health and personal wellbeing.

To raise funds and awareness for the American Foundation for Suicide Prevention (AFSP), we collaborated with Papa Roach on a campaign featuring their single "Leave A Light On (Talk Away The Dark)." To promote the campaign, our ADA division secured an exclusive Reels partnership with Meta during Mental Health Awareness Month in May, which drove an additional 30 million views, 400,000 engagements, and 7,000 shares across Reels, helping to spread not only the single but the band's message of hope. Papa Roach has raised over \$150,000 for AFSP, and the new duet version of the track with Carrie Underwood charted across Billboard, Spotify, and Hot AC radio charts.

BUILDING A GLOBAL CREATIVE COMMUNITY

Through targeted outreach and educational efforts, we aim to provide individuals with the knowledge and opportunities needed to pursue fulfilling careers in music, regardless of where they come from.

SONGWRITING CAMPS

Our songwriting camps are much more than writing sessions. Many of them are led by Warner Chappell Music (WCM) staff and executives, which gives songwriters visibility into the industry. They are spaces intended to spark creativity, build connections, and empower participants. We welcome talent from all over the world, including those signed to our labels and independent songwriters. We especially encourage participants from underrepresented communities and aim to give a platform to the most authentic and promising voices from every corner of the globe. We are bringing people together to learn and collaborate, while helping creatives make a commercial career out of their passion.

Our camps have expanded significantly in scale and scope over the past few years. In 2024, WMG hosted 35 camps across 14 countries, involving hundreds of songwriters, producers, and artists in locations such as Colombia, the U.S., the UK, Spain, Germany, South Korea, and Malaysia.

- WCM's 8th annual Vegas Songwriting Camp brought together over 200 songwriters and artists from around the globe – from seasoned veterans to emerging writers. Notable participating artists included Swae Lee, Coco Jones, Saweetie, The Chainsmokers, Lay Bankz, Landon Barker, and Jordan Ward. With over 44 sessions per day across seven studios for 10 days, the camp resulted in more than 300 new songs. This year's camp included partnerships with leading industry brands, including WMG's Warner Records, Atlantic, and 10K, alongside ASCAP, Capitol, Island Records, The Recording Academy, and Amazon Music.
- With 150 attendees and 15+ sessions running daily, our Fresco Soundz camp in Miami became our largest and most diverse songwriting camp dedicated to Latin music, one of the fastest-growing international music markets. Partners included Warner Chappell Music Germany and Benelux, as well as various sponsors like TikTok.
- In Berlin, our second annual SHE camp brought together women from over 10 countries to promote gender diversity in a traditionally male-dominated industry. The only one of its kind in the music industry, this camp focused

on collaboration, mentorship, and celebrating diversity among female artists, producers, and engineers.

- For a third year, the All Access LDN camp in London drew top talent. With nearly 100 attendees, this camp brought together a broad range of genres and styles.
- We launched The Global Lab Sessions in Madrid, which gathered established artists, writers, and producers from Latin America, Africa, and Europe. Spanning three days of curated sessions, the camp aimed to foster collaboration and build bridges between diverse cultures and regions. It produced over 30 new songs, one of which had a music video shot during the camp.
- The Veterans' Employee Resource Group (ERG) partnered with CreatiVets, a nonprofit that empowers wounded veterans to heal through the arts and music, to host songwriting camps in Los Angeles and Nashville. Veterans collaborated with professional songwriters, such as Warner Chappell Music-signed veteran FIFTEENAFTEER, to create music based on their experiences. They performed their songs live for Warner Chappell Music executives.

AMPLIFYING NEW VOICES AND NEW MARKETS

We believe every creative professional should be able to put their music out into the world and connect to fans. Our ADA division focuses on reducing barriers by providing distribution services for independent artists and labels.

- Warner Music Africa, Africori, and ADA collaborated to support "Tshwala Bam" by TitoM & Yuppe, which became one of the first Amapiano tracks to enter the UK's Official Charts. Following the viral success of the track on TikTok in South Africa and Nigeria, we acted quickly to amplify its momentum in the UK, focusing on African diaspora audiences using a specialist radio campaign, targeted digital marketing, and creator-driven content to boost its exposure and popularity in the region. To drive the genre



further, Africori and our International team partnered with Atlantic U.S. to release a Burna Boy remix of "Tshwala Bam." Warner Music Africa also organized TitoM & Yuppe's first UK visit, supported by a marketing push around Burna Boy's London show. This collaboration led to over 10 million UK streams, and the remix was performed at Burna Boy's stadium show for 70,000 people, marking one of the biggest Amapiano performances globally to date.

- Warner Music South Asia also joined Coca-Cola's initiative, Coke Studio Pakistan, which aims to spotlight new musical talent from regions often overlooked in the mainstream global music scene. ADA and Warner Music India teams identified the biggest opportunities across 11 releases and focused on driving their international reach across several markets. They launched a targeted marketing, advertising, promotion, and commerce campaign for the song "Piya Piya Calling" across the Nordics, the U.S., and Canada, in partnership with each regional team. The campaign successfully pushed streams outside of Pakistan to 73% and the track won Song of the Year at the P3 Gold Awards.

CROSS-CULTURAL COLLABORATIONS

One of our biggest opportunities to drive impact as a global music company is by bringing together artists, songwriters, and music creatives across cultures and markets to make music that can reach audiences around the world.

- We supported Ed Sheeran's first ever concert in India, where he was joined on stage by one of South Asia's biggest artists, Diljit Dosanjh. This year, Dosanjh also collaborated with U.S. artists NLE Choppa and Saweetie, blending musical traditions from different regions, from Punjabi sounds in India to hip-hop beats in America.
- After they met at the Anime Awards in Japan earlier this year, we facilitated Megan Thee Stallion's collaboration with Japanese rapper Yuki Chiba, by providing studio space for their track "Mamushi." The song has become a viral hit with over 220 million streams on Spotify and a popular dance routine on TikTok.

- David Guetta teamed up with One Republic on the track "I Don't Wanna Wait," which samples O-Zone's iconic "Dragostea Din Tei" with a modern twist. The song was co-written by WCM songwriter Michael Pollack at a writing camp hosted for Guetta and hit over 450 million streams on Spotify, reaching #33 on the global Spotify charts. The single was certified platinum in 15 countries across the world.
- Jordan Adetunji and Kehlani released a remix of Adetunji's hit single "KEHLANI." With over 50 million streams on Spotify in addition to 335 million streams of the original track, the remix's success highlights Adetunji's rising career and Kehlani's continued impact on the culture.
- Across the board, we are seeing an exciting shift where regional music is resonating with global audiences. For example, WMG artist Burna Boy has become one of the leading artists in the global Afrobeats movement. We aim to harness the power of new music with high export value to expand the reach of our artists and songwriters – and to share their music across the globe.

ADVOCACY AND SOCIAL IMPACT

Our advocacy and social impact work aims to protect and support the industry and communities where we operate.

ADVOCACY

In 2022, WMG launched the Protect Black Art initiative, which urges lawmakers to limit the admissibility of creative content as evidence against defendants in criminal proceedings, a practice that disproportionately affects rap and hip-hop artists whose lyrics are often treated as confessions. There are more than 700 documented cases in the United States of lyrics being entered as evidence against defendants in legal proceedings.

In 2023, Louisiana passed a bill that limits the introduction of creative or artistic expression as character evidence. We supported this bill through our coalition work, alongside the Recording Academy.

New this year: We supported similar bills that were introduced in Maryland, Missouri, and New York, as well as at the Federal level. Kevin Liles, former CEO of 300 Elektra Entertainment, testified in support of the Maryland bill. To date, almost 100,000 signatories have signed the Protect Black Art petition, drawing widespread industry support and raising critical awareness of this issue. We also provided a grant through the Warner Music Group/Blavatnik Family Foundation Social Justice Fund to Howard University School of Law's Criminal Justice Clinic to support its student-driven advocacy and litigation campaign working to protect hip-hop/rap culture and its artists, producers, and enthusiasts from ongoing efforts to use lyrics as a prosecution tool to incarcerate people of color.

WMG also continues to advocate for LGBTQIA+ rights. We support advocacy organizations, including Outright International, which works with partners around the globe to amplify awareness of human rights violations and advocate for inclusion and equality for LGBTQIA+ individuals, as well as the Human Rights Campaign (HRC), the U.S.'s largest LGBTQIA+ civil rights organization. We are also signatories of the HRC Business Coalition that supports passage of the Federal Equality Act, which aims to provide consistent and explicit anti-discrimination protections for LGBTQIA+ people across key areas of life, including employment, housing, credit, education, public spaces and services, federally funded programs, and jury service.

In our continued support of reproductive rights, this year WMG took part in the Don't Ban Equality coalition, which brings together businesses in a collective voice to prevent restrictions to reproductive health access.

New this year: We partnered with other companies in the coalition to join a New York City billboard highlighting that reproductive rights are important for employers and businesses.

ADVOCACY IN AI

The 7 Principles of the Human Artistry Campaign

We use the seven principles of the Human Artistry Campaign to guide our activities regarding AI:

1

Technology has long empowered human expression, and AI will be no different.

2

Human created works will continue to play an essential role in our lives.

3

Use of copyrighted works, and the use of voices and likenesses of professional performers, requires authorization and free-market licensing from all rightsholders.

4

Governments should not create new copyright or other IP exemptions that allow AI developers to exploit creators without permission or compensation.

5

Copyright should only protect the unique value of human intellectual creativity.

6

Trustworthiness and transparency are essential to the success of AI and protection of creators.

7

Creators' interests must be represented in policymaking.

As a founding member of the Human Artistry Campaign, WMG is committed to advocating for AI technologies to support human creativity and accomplishment with respect to the inimitable value of human artistry and expression.

New this year: WMG CEO Robert Kyncl and Atlantic artist FKA twigs testified before the U.S. Senate in support of the NO FAKES Act. Introduced to Congress on July 31, 2024, the act aims to establish a Federal Right of Publicity, safeguarding artists and all individuals from non-consensual digital replications or “deepfakes” in audiovisual works and sound recordings. Kyncl emphasized the need for federal regulation and accountability for AI developers who disregard these principles, while FKA twigs shared her personal experience with AI practices. Our advocacy also extended to supporting the NO AI FRAUD Act, introduced in January 2024 by the U.S. Congress, which aims to establish a federal intellectual property right to protect individuals from unauthorized deepfakes and voice clones. We are also working closely with the European Union as it implements the EU AI Act to ensure that it fosters innovation while respecting copyright.



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Warner Music Group has always embraced new ways to bring technology and music together and recognizes the extraordinary promise of AI with common sense guardrails to protect creators, innovators, and consumers. The NO FAKES Act strikes the right balance to propel the next wave of technology-powered creativity while safeguarding every American’s right to control the use of their own image and voice in the age of AI.

Robert Kyncl, CEO, WMG

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In April, WMG collaborated with the Screen Actors Guild – American Federation of Television and Radio Artists (SAG-AFTRA), alongside Disney Music Group, Sony Music Entertainment, and Universal Music Group, to update the National Code of Fair Practice for Sound Recordings. The revised agreement balances AI and artist-centric principles, ensuring that artists maintain control over their digital voice replicas. Key provisions include requiring consent from artists before using AI-generated voice replicas and guaranteeing fair compensation for both digital voice replicas and synthetic voices created by generative AI.

PHILANTHROPY

Our philanthropic efforts support organizations that are addressing societal challenges and inequities, as well as those dedicated to expanding access to music education.

SOCIAL JUSTICE

The Warner Music Group/Blavatnik Family Foundation Social Justice Fund (WMG/BFF SJF) supports organizations that work on criminal justice reform, arts and culture, and education. Since its launch in June 2020, the WMG/BFF SJF has committed nearly \$42 million and disbursed over \$33 million to more than 300 organizations. A central aspect of the WMG/BFF SJF has been the SJF Repertoire Fund, which has enabled WMG employees to nominate local organizations for smaller-scale grants, ensuring that the organizations that the WMG/BFF SJF supports resonate with our workforce and local communities.

New this year: The WMG/BFF SJF provided grants to 12 new organizations to support a wide range of social justice initiatives.

Some highlights from WMG/BFF SJF grantee partners in 2024 include:

Girls Make Beats is a nonprofit organization dedicated to empowering young women by increasing female representation in music production, DJing, and audio engineering. In April 2024, they hosted a Spring Break Camp at Atlantic Records, where students learned production, engineering, and DJing skills, toured the WMG New York office, and met with Lanre Gaba, President of Hip-Hop, R&B, and Global Music, Atlantic Records.

Gender Amplified, empowers women and gender-expansive music producers. In August 2024, they collaborated with WMG and Warner Chappell Music (WCM) to host a production and songwriting camp at WCM's New York studio. Eight Gender Amplified producers teamed up with WCM writers to create 10 tracks over three days.

The Sarz Academy, based in Nigeria, supports African creatives in transforming their passions into businesses. In September 2024, they held a six-day discovery camp in partnership with Green Light Music Publishing, attracting over 800 applicants. Ten selected rising talents collaborated to enhance their musical skills and create new sounds.

We also continue to focus on social justice as part of our corporate partnerships and in collaboration with our artists.

New this year: Through our partnership with HeadCount, a nonpartisan voter registration organization, we hosted in-office voter registration events in New York and Los Angeles, as well as supporting them through social media outreach, artists activations, and voter engagement campaigns. Green Day collaborated with HeadCount during their U.S. tour, where the band urged fans not to be "American Idiots" by registering to vote. Their Saviors Tour became the most successful in HeadCount's history, engaging more than 60,000 voters, registering almost 8,000 new voters, and raising nearly \$100,000 through a sweepstakes campaign. Other WMG artists and songwriters who partnered with HeadCount this year include Omar Apollo, Dead & Company, Mitski, and more.

ADA was a sponsor of the Ali Forney Center's (AFC) yearly Oasis Summer Party 2024. The AFC's mission is to protect LGBTQIA+ youths from the harms of homelessness and empower them with the tools needed to live independently. With the help of ADA and other sponsors as well as the auctions, AFC was able to raise over \$370,000.



EXPANDING MUSIC ACCESS

We support the next generation of music makers through our philanthropic initiatives and nonprofit partnerships.

Late last year, Warner Music Spain inaugurated The Music Station, a 10,000-square-meter creative and technical hub located in Madrid's historic Estación del Norte. This space was revitalized to support artists, songwriters, and employees with state of the art equipment.

New this year: Alongside the physical space, we set up The Music Station Foundation to leverage music and artistic disciplines as tools for social transformation, inclusion, and sustainable development. As part of this work, employees in Madrid led interactive sessions with students from underprivileged areas of the city. These sessions included songwriting and recording opportunities, as well as educational sessions about navigating the music industry. The foundation is also developing video tutorials for teachers to independently run these programs, with plans to pilot in 15 schools in the near future.



The educational programs have become a key mission in nurturing and providing the community with new talent, both from music professionals and creators, with whom we aim to create a unique ecosystem for our artists and songwriters.

**Guillermo Gonzalez Arevalo, President,
Warner Music Iberia**



In New York City, since 2014, we have supported the Harmony Program, a nonprofit organization offering after-school music education in underserved communities across all NYC boroughs, helping students grow personally, academically, and musically. In the UK, we also have a long-standing partnership with the Rio Ferdinand Foundation, a charity working to empower young people to tackle inequality, achieve their personal potential, and drive social change.

New this year: Warner Music UK hosted career workshops at Molineux Stadium in collaboration with the Rio Ferdinand Foundation, KISS, and the Wolves Foundation. More than 80 young people from underrepresented communities learned about career opportunities in the music industry.

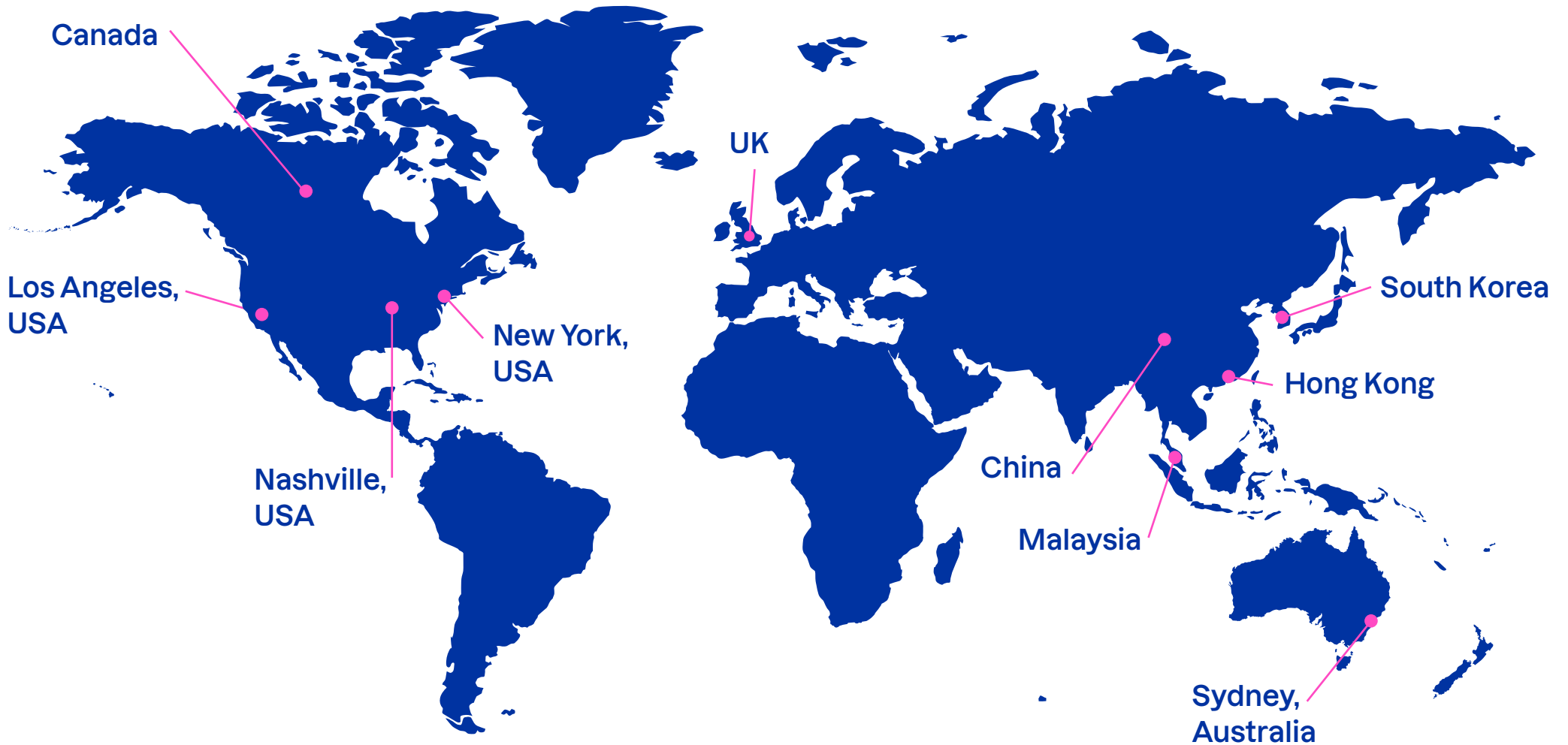
Employees in Hong Kong organized Behind the Mic, an event in partnership with Inspiring Girls, a nonprofit focused on empowering young women from disadvantaged backgrounds. The event featured WMG artists who shared their journeys and gave personal insights on topics like resilience and authenticity in the music industry.

We also conducted the initial clinical trials as part of our first music therapy initiative through our partnership with MediMusic, a health tech startup. The partnership aims to explore music's potential as a therapeutic tool through AI-driven personalized playlists from our roster. We are testing these playlists in clinical trials across the U.S. and UK, with an aim to see reduction in stress, anxiety, and pain.

In addition, WMG donated ad space in *Billboard* magazine and hosted social media takeovers for nonprofits like MusiCares, Women in Music, Volunteer Lawyers for the Arts, Moving Windmills, Porter's Call, MusicWill, National Independent Venue Foundation, Unidos Por la Música, the Pete & Thomas Foundation, and HeadCount.

EMPLOYEE VOLUNTEERING

This map highlights our volunteering initiatives detailed in the following pages.



WMG employees around the globe participated in a range of volunteer activities in their local communities this year, across long-standing partnerships as well as new initiatives. In the U.S. and UK, we give employees two paid volunteer days.

For the Planet:

Earth Day Canada: Warner Music Canada contributed to local conservation by cleaning up public parks.

New York Cares: Employees in New York partnered with the largest nonprofit in the city to clean up Harlem's Marcus Garvey Park and held an in-office event to make wildflower seed balls to benefit the Earth Day Initiative.

Heal the Bay Los Angeles: The 300 Elektra team in Los Angeles participated in the nonprofit's third annual Suits on the Sand beach clean-up at Dockweiler Beach, where groups competed to clean up the most litter.

Music Declares Emergency UK: Warner Music UK hosted an interactive recycling workshop.

Sydney Harbour Cleanup: Warner Music Australia participated in cleaning Sydney Harbour by removing waste from the water.

Nashville City Cleanup: Employees of Warner Music Nashville engaged in a city-wide cleanup effort to maintain green spaces.

Malaysia Beach Clean: Warner Music Malaysia worked to clean local beaches, helping preserve coastal environments.

Randall's Island Restoration: The 300 Elektra Entertainment team in New York partnered with Randall's Island Park Alliance for the third year in a row to support park maintenance and environmental restoration.

For the Community:

Literacy Inc New York: WMG New York hosted an in-office event where employees assembled 300 literacy kits for parents of newborns.

Downtown Women's Center Los Angeles: Teams in our Downtown LA office organized a clothing drive and volunteered at the center, sorting donations and assembling toiletry kits.

Hollywood Cares Los Angeles: Members of the Atlantic Records team in Los Angeles participated in the Children's Hospital LA's Third Thursday event, powered by The Hollywood Cares for Kids team, to support children undergoing medical care.

Helping Hands Elderly Care Home Hong Kong: Warner Music Hong Kong volunteers spent time with elderly residents, playing games and providing companionship.

City Harvest New York: Employees in New York packed over 300 bags of produce for community food programs.

Dog Rescue Support Hong Kong: Warner Music Hong Kong teams contributed to the Asia Day of Service by cleaning a shelter, moving supplies, and engaging in dog-walking sessions.

Age UK: Warner Music UK's Global Catalogue team supported event preparations for the 2024 Valentine's Gala and afternoon tea for the elderly.

Wrong Socks Run China: Warner Music China employees joined children with developmental disabilities, promoting understanding and acceptance for individuals with autism, cerebral palsy, and Down syndrome.

Nashville's Day of Service: Warner Music Nashville celebrated their Day of Service with various organizations, supporting and volunteering across environmental sustainability, homelessness, global health, and animal adoption, including The Branch of Nashville, PROJECT C.U.R.E., Room in the Inn, BELL Garden, Metro Animal Care and Control, Book 'em, and Strings for Hope.

For Culture & Heritage:

Music Venue Trust UK: Warner Music UK employees participated in a charity climb up The O2 in London to raise funds, supporting independent music venues across the nation.

CITYarts New York: As part of our WMG Legal volunteering day, employees in New York partnered with the nonprofit organization that creates public art, to restore Mosaic Rolling Benches at the Ulysses S. Grant National Memorial in Manhattan's Riverside Park.

Supporting Cultural Heritage Korea: Warner Music Korea employees helped clean the Palace of Cultural Heritage, contributing to the preservation of an important national landmark.

OUR PLANET

As a global leader in music and culture, we recognize the importance of leading by example to reduce our environmental impact in the world. We are also committed to empowering our artists to connect with fans in ways that reflect their shared passion for sustainability.

This year, we've been recognized for our environmental leadership through a series of awards:

**Newsweek -
America's Greenest
Companies 2025**

WMG received four out of five stars, evaluated and scored on more than 25 parameters based on the following four categories: 1. Greenhouse Gas (GHG) Emissions, 2. Water Usage, 3. Waste Generation, 4. Sustainability Data Disclosure and Commitments.

**USA Today -
America's Climate
Leaders 2024**

USA Today named WMG one of 'America's Climate Leaders 2024,' recognizing our reduction in Scope 1 (direct emissions from our operations) and Scope 2 (indirect emissions from purchased energy) emissions, as well as our commitment to the Science Based Targets initiative (SBTi) and our participation in the Carbon Disclosure Project (CDP).

**edie Net Zero Awards
2024 - Product of the
Year finalist**

WMG was named as a finalist for the Product of the Year category for our commitment to sustainability in physical audio production through the development of the EcoRecord. The category celebrates excellence in sustainability-driven and sustainably-designed products.

**Union of French Music
Publishers - Eco
Responsible Prize**

Warner Chappell Music France received the 'Eco Responsible Prize' from the Union of French Music Publishers (CSDEM), marking a significant milestone as the first major music company to receive this recognition. This award celebrates our ongoing efforts to minimize the environmental footprint of our offices through initiatives like reducing waste and single-use plastics, optimizing building temperatures, and promoting sustainable transportation options.

OUR FOOTPRINT AND COMMITMENTS

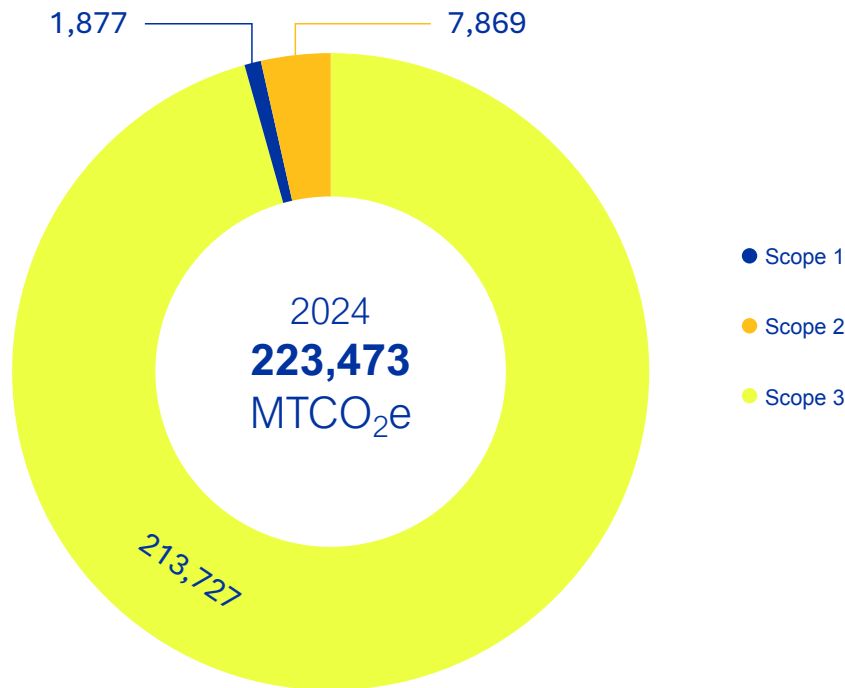
This year, we set ambitious emissions reduction targets and strengthened our reporting and disclosure practices. By aligning with globally recognized frameworks, such as the Science Based Targets initiative (SBTi), we are reducing our carbon footprint while openly communicating our progress to stakeholders. For the first time, we also submitted extensive disclosures to the Carbon Disclosure Project (CDP).

OUR FOOTPRINT

In order to better understand and mitigate our impact on the environment, we are continuously refining our carbon footprint assessment.

For the first time this year, we are reporting our emissions across Scope 1, 2, and 3.

TOTAL GHG EMISSIONS FY 2024



~4%

of our emissions come from our own operations (Scope 1 & 2).

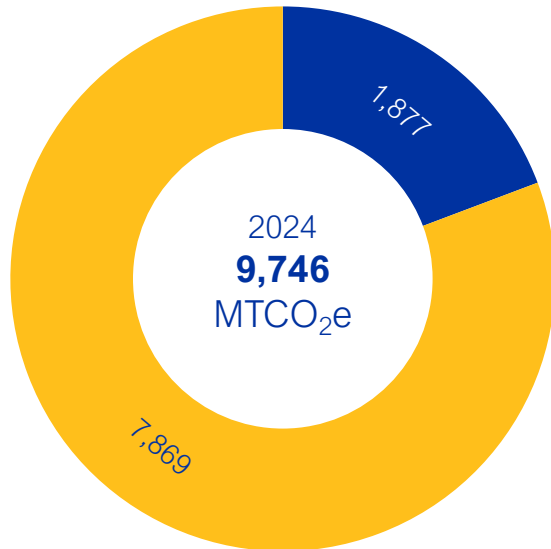
~96%

of our emissions come from our supply chain and value chain (Scope 3).

EMISSIONS FROM OUR OWN OPERATIONS

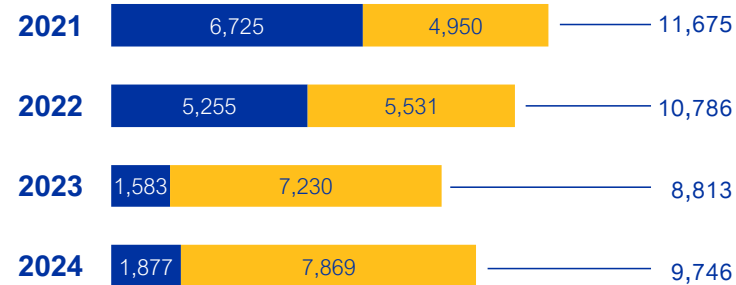
Our 2024 reported Scope 1 (direct emissions from our operations) and Scope 2 (indirect emissions from electricity, heating, and cooling) emissions increased by approximately 11% compared to the previous year. This reflects both a return to office operations and an overall increase in our facility footprint, aligning with a comparable revenue growth. Despite this, our overall carbon intensity remains relatively low for a company of our size, and we continue to refine and enhance our data systems for improved accuracy and reporting.

OUR SCOPE 1 AND 2 EMISSIONS FY 2024⁴



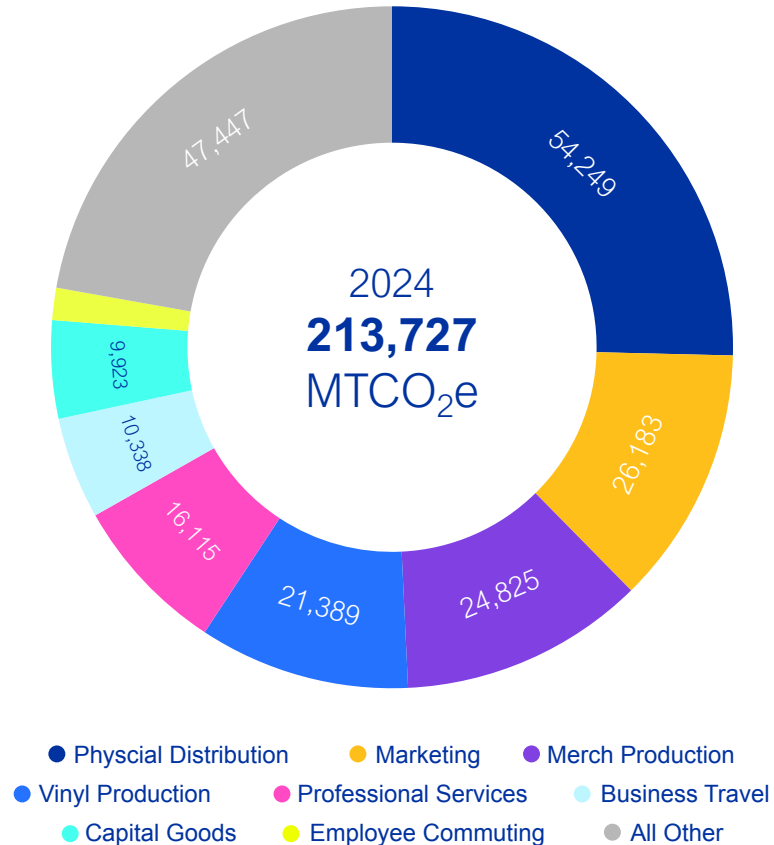
● Scope 1 ● Scope 2

HISTORICAL GHG EMISSIONS



4. GHG emissions were calculated using guidelines from the GHG Protocol Corporate Accounting and Reporting Standard. The conversions used to calculate emissions factors are collected from a database of government recommended sources and other peer-reviewed literature. Where relevant and applicable, specific EFs for each country were used. These results were assured by an external auditor.

SCOPE 3 EMISSIONS FY 2024⁵



EMISSIONS FROM OUR SUPPLY CHAIN AND VALUE CHAIN

New this year: In addition to publishing our Scope 3 emissions assessment for the first time, we are continually enhancing our measurement processes to align with the latest climate science and methodologies, helping to ensure improved completeness and accuracy of our footprint.

This assessment captures the indirect emissions across our supply chain, including everything from our suppliers' operations to the use and disposal of our products. The findings reveal that Scope 3 emissions, representing our supply chain impact, account for 96% of WMG's total emissions, with the majority linked to Category 1 Purchased Goods and Services. Merchandise and vinyl production, along with their distribution, emerge as key drivers, collectively making up over 45% of our Scope 3 emissions, with 25% attributed specifically to distributing these products.

In line with global standards for supply chain decarbonization, we are actively exploring and implementing measures to reduce carbon emissions within our most significant categories. This includes our merchandise and vinyl production and distribution, as well as business travel, which are collectively responsible for approximately 110,000 MTCO₂e. Our approach focuses on optimizing logistics, improving inventory management, and enhancing sustainable procurement processes. We are investing in greener sourcing by procuring organic materials for our merchandise, while refining production processes to increase efficiency and reduce waste.

We have already made significant strides in understanding the impact of the vinyl manufacturing process and enhancing its efficiency to support decarbonization. This progress is driven by building partnerships with suppliers who share our values to adopt sustainable solutions.

5. Scope 3 GHG emissions were calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, using a combination of activity- and spend-based data. We are continually refining our approach to measuring our footprint to improve completeness and accuracy.

OUR TARGETS AND PROGRESS

WMG aligns with global efforts to reduce GHG emissions and is committed to advancing environmental sustainability across our business.

New this year: We established a comprehensive carbon emissions baseline including Scope 3 emissions, and set emissions reductions targets that were validated by the Science Based Targets Initiative (SBTi). In FY23, we committed to sourcing 100% renewable energy across our global operations by 2030.

To advance this goal, we sourced 100% renewable energy for The Music Station, our offices in Spain, through a partnership with Repsol. In the U.S., we procured Renewable Energy Certificates to cover more than 20% of our office footprint. In Germany, we have also expanded the use of fully electric vehicles within our EMP division.

WMG's SBTi-validated targets are designed to reduce emissions across all scopes:

OUR OPERATIONS - SCOPE 1 & 2:

We are committed to reducing absolute Scope 1 and 2 emissions by 55% by FY2033, using FY2023 as a baseline. These emissions stem primarily from on-site energy use, including combustion, heating, cooling, and electricity consumption. While Scope 1 and 2 emissions account for just over 4% of WMG's total annual emissions, we remain focused on addressing these sources through increased energy efficiency and renewable energy sourcing.

OUR SUPPLY CHAIN - SCOPE 3:

Most of our emissions arise from the manufacture and distribution of merchandise and apparel, as well as business travel. Our aim is to reduce our Scope 3 emissions by 33% by FY2033, a commitment that reflects our focus on the areas of greatest impact. To achieve this, we are developing a comprehensive decarbonization strategy, collaborating with teams across Physical Audio, Merch, Logistics, and Business Travel to engage suppliers and map out reduction pathways.

REDUCING WATER CONSUMPTION

WMG does not have a significant water footprint, relative to other industries, due to the nature of our operations. However, we are aiming to minimize water use wherever possible. Our water conservation initiatives at key locations include:

GERMANY

Our EMP division utilizes collected rainwater for irrigation at all sites, significantly reducing the need for fresh water in landscaping.

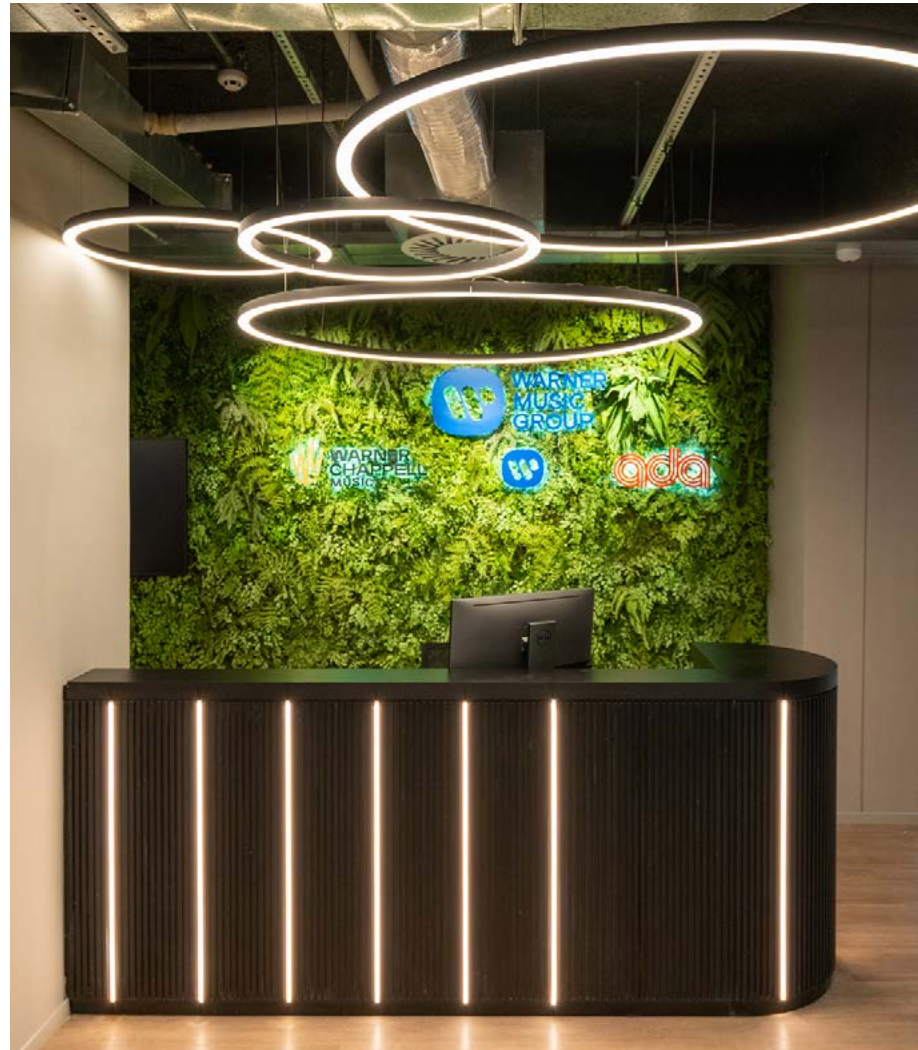
RIO DE JANEIRO

Collected rainwater is used for both landscaping and cleaning the building exterior, helping reduce potable water consumption.

LOS ANGELES

At our downtown office, located in a water-scarce region, we installed high-efficiency, water-conserving fixtures, ensuring we align with local water conservation requirements.

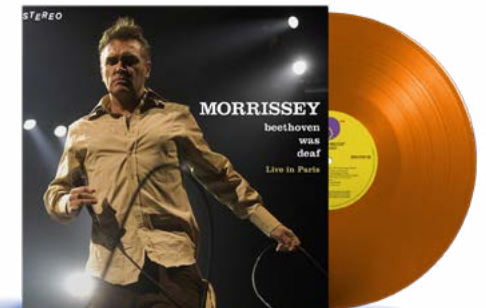
As we continue our journey, we are exploring additional opportunities to further reduce water consumption across our global operations.



OUR SUPPLY CHAIN INNOVATIONS

Our approach emphasizes cultivating a culture of shared responsibility, equipping everyone with the knowledge and tools to make decisions that support a sustainable future. We collaborate closely with our suppliers to drive innovation and actively educate employees about these advancements, enabling them to champion sustainable products and empower artists and fans to make environmentally conscious decisions. This year, we were proud to introduce The Release Library, a new virtual archive that showcases WMG's most innovative physical audio products, while also serving as a creative production resource for sustainable audio product development.

In partnership with our physical audio and merchandise teams, we are developing tools and guidance to integrate sustainability best practices into procurement and sourcing decisions. These resources will be regularly reassessed and updated to ensure they provide value to our teams and align with the latest standards for ethical, responsible, and sustainable supply chain management.



PHYSICAL AUDIO

ECORECORDS: A REVOLUTION IN VINYL PRODUCTION

The EcoRecord, developed through WMG's exclusive 18-month partnership with Sonopress, marks a significant innovation in sustainable vinyl production. Unlike traditional vinyl records, which rely on polyvinyl chloride (PVC), a material known for its resource-intensive and environmentally harmful properties, EcoRecords are produced using virgin and recycled polyethylene terephthalate (PET) plastic. The injection molding technology employed in the production process achieves an approximate 85% reduction in manufacturing CO₂ emissions and significantly reduces energy consumption by around eight times compared to conventional 140g vinyl records. In addition, these EcoRecords are manufactured in Sonopress's GRS-certified facility, showcasing a commitment to sustainable practices through the use of recycled materials and adherence to strict environmental and social standards. With all these environmental benefits, our EcoRecords still look and sound as great as traditional vinyl records.

New this year: We produced our first slate of EcoRecords with British artists Liam Gallagher & John Squire's joint album on an Amazon-exclusive orange pressed vinyl, Ashnikko's *DEMIDEVIL* as a Record Store Day exclusive, and Ed Sheeran's 10th Anniversary half-speed, mastered, green 140g limited edition of *X*.

Coldplay's recent album, *Moon Music*, was released as the world's first 140g EcoRecord that was made entirely from recycled PET, crafted from the equivalent of nine plastic bottles. The special format Notebook Edition incorporated ocean-bound plastic salvaged from the Guatemala River, as part of a partnership with nonprofit The Ocean Cleanup. This project prevented the manufacture of more than 25 metric tons of virgin plastic.

Fan reviews


I was expecting to notice the difference, but if anything, it's better than some new vinyl pressings I've bought lately.



The edges were machined to perfection... I'm still stunned.



Wow this pressing is fantastic... it's like rediscovering the album again.



Played and sounded great. Happy to see an eco solution for vinyl to help move away from PVC.



ECOCDS: REDUCING CO₂ EMISSIONS WITH RECYCLED MATERIALS

In addition to EcoRecords, WMG supports our artists in using Sonopress's EcoCDs. These discs are produced using 90% recycled polycarbonate from post-consumer waste streams, which reduces the carbon emissions associated with their production by up to 75% compared to conventional CDs.

New this year: The release of Coldplay's *Moon Music* album on EcoCD avoided the use of over five tons of virgin plastic.

RECYCLED RECORDS AND BIOVINYL

This year, we've continued manufacturing 100% recycled PVC records, branded as EcoMix or ReVinyl. These records are produced using waste clippings from other pressing runs, creating unique and vibrant colors while reducing PVC waste.

New this year: To celebrate Dua Lipa's highly anticipated album, *Radical Optimism*, we released an exclusive 140g recycled red vinyl, made entirely from recovered PVC offcuts, pressed locally with our vendors Precision in the U.S. and Optimal in the EU, to minimize its environmental footprint.

Expanding on WMG's efforts to pursue more sustainable solutions, we continue to offer BioVinyl, a vinyl certified by the International Sustainability and Carbon Certification (ISCC) PLUS. BioVinyl supports improvements in the PVC supply chain by incorporating bio-based feedstocks, such as cooking oil and industrial waste gases, alongside traditional fossil-based resources, during the manufacturing process of PVC. The bio-attributed approach ensures these feedstocks contribute to more sustainable production practices, even though they are not physically present in every unit. This is achieved through a mass balance approach, which tracks and allocates the use of sustainable materials throughout the supply chain.

New this year: In July 2024, Warner Records UK released Griff's debut album, *Vertigo*, on petrol green BioVinyl. Additionally, in the same month, Parlophone reissued Morrissey's *Beethoven Was Deaf* on both black and orange BioVinyl.

INVESTING IN DATA

The carbon footprint of vinyl, a key industry product, has been historically unclear. Data is key in order to drive awareness and progress.

New this year: We conducted the first-ever verified Life Cycle Assessment (LCA) for a 140g vinyl record, adhering to ISO 14040 and 14044 standards. This comprehensive analysis offers insights into the cradle-to-gate carbon footprint of vinyl production, from raw material extraction to the manufacturing of the final product.

The findings gained from this LCA enable us to provide artists with valuable information to help them make more sustainable music production choices.



CIRCULARITY

Embedding circularity into the production and lifecycle of physical music products is vital. Prioritizing recycled and recyclable materials, designing for durability, and adopting innovative solutions that reduce waste can all help minimize environmental impact.

New this year: We are embarking on an industry-leading pilot project to explore the feasibility of recycling unsold, returned, or obsolete vinyl records into new ones. This project focuses on the end-of-life stage of the vinyl lifecycle, aiming to reintegrate manufactured vinyl into production processes while upholding superior audio standards and reducing environmental impact.

By prioritizing the recycling of obsolete and damaged vinyl over the use of virgin materials, we aim to reduce the environmental footprint of vinyl manufacturing, minimize waste, and support the transition to a circular economy. Developed in collaboration with one of our major suppliers, this pilot will evaluate the impact of recycled content on sustainability, audio quality, and economic viability.

PACKAGING AND MATERIALS

The music industry continues to look for ways to reduce the amount of materials and packaging used in physical audio products.

New this year: Coldplay are simplifying packaging and reducing the amount of plastic used in the records themselves. This is exemplified by the repackaging of *A Head Full of Dreams* from a double LP to a single LP, effectively halving its plastic footprint. The band's goal is to have every record in their entire catalog pressed using fully recycled material in 2025.

SUSTAINABLE TOURING

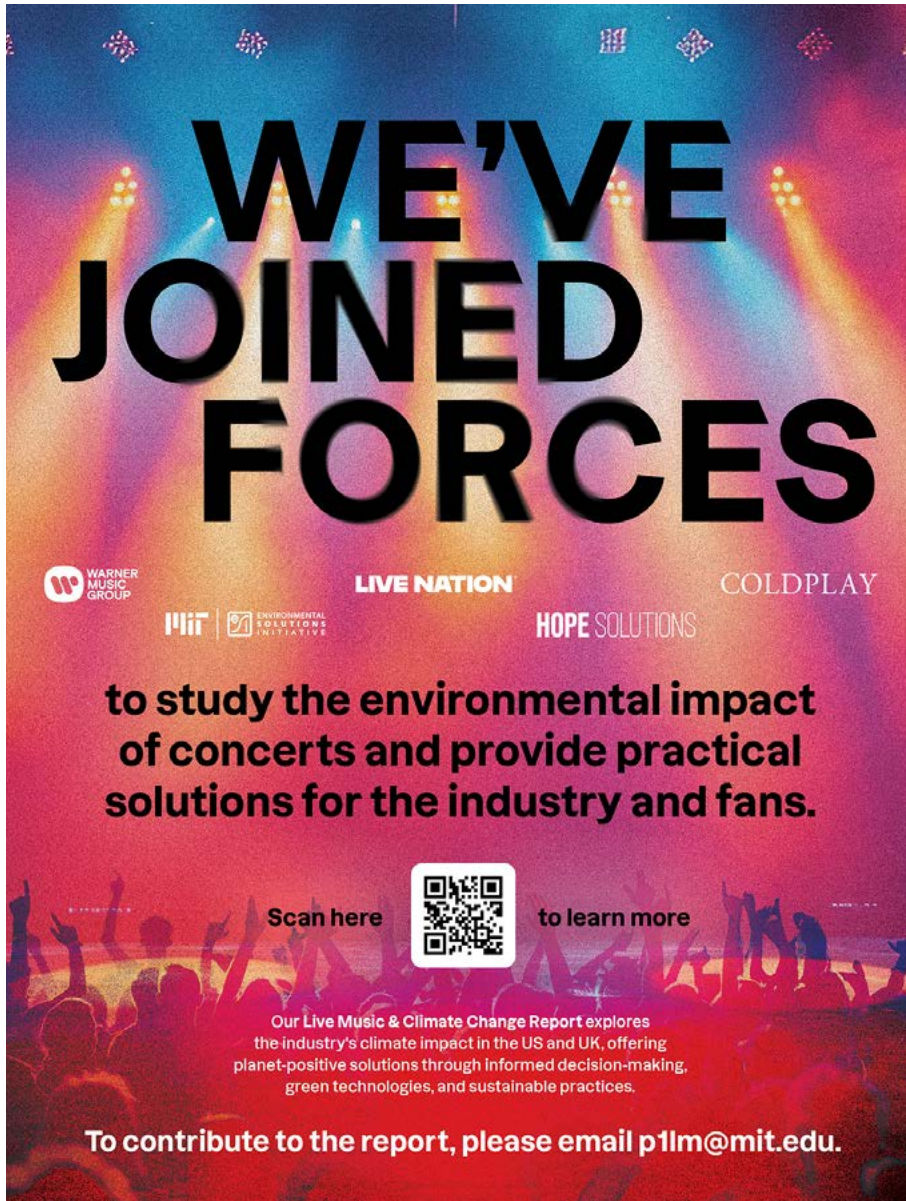
Live events can have a significant environmental footprint, considering the emissions generated by travel and transportation, the energy required for production, and the waste that is left behind. While we mostly do not operate tours and live events, we remain an integral part of the music ecosystem that both supports and benefits from these activities.

Currently, there is a lack of data around the environmental impact of touring, making it challenging to prioritize activities, guide investments, or track progress effectively. To address this gap, we formed a coalition to measure the footprint of live events and identify sustainability initiatives that are evidence-based, impactful, measurable, and aligned with global best practices.

We're collaborating with the Massachusetts Institute of Technology's Environmental Solutions Initiative (MIT ESI), Live Nation, Hope Solutions, and our artist Coldplay to assess the footprint of concerts and tours. Among other things, our study aims to:

- Identify key areas where the industry and concertgoers can make tangible improvements to reduce emissions and drive planet-positive outcomes.
- Provide a detailed analysis of the latest developments in green technology and sustainable practices.


New this year: We are building a network of experts across a variety of stakeholders in the touring ecosystem. Our CEO, Robert Kyncl, joined the study's advisory committee comprising 50 senior leaders and experts from the music industry and academia. The committee's contributions have shaped the research and allowed us to make significant progress in collecting data and identifying opportunities for action.



WE'VE JOINED FORCES

WARNER MUSIC GROUP **LIVE NATION** **COLDPLAY**
MIT **ENVIRONMENTAL SOLUTIONS INITIATIVE** **HOPE SOLUTIONS**

to study the environmental impact of concerts and provide practical solutions for the industry and fans.

Scan here  to learn more

Our Live Music & Climate Change Report explores the industry's climate impact in the US and UK, offering planet-positive solutions through informed decision-making, green technologies, and sustainable practices.

To contribute to the report, please email p1lm@mit.edu.

Preliminary insights include:

- **Transportation and Logistics:** Emissions increase with longer travel distances and additional production equipment. Our models confirm that reducing air freight, planning more efficient routes, and working with local suppliers can reduce transportation-related emissions, validating the initial hypothesis.
- **Venue Size and Energy Usage:** Larger venues consume more energy per event, but smaller venues collectively contribute significantly to overall emissions due to the higher volume of events. Implementing tailored energy management practices for different venue types can reduce emissions at scale.
- **Fan Engagement:** Educating and incentivizing fans to use more sustainable transportation options can have a significant impact on reducing event-related emissions, highlighting the impact of targeted engagement strategies on sustainability goals.

SUSTAINABLE MERCHANDISE

We are continuing our commitment to help artists with more sustainable merchandise options, including materials and production processes.

New this year: Our EMP division collaborated with its suppliers to identify sustainable product options. For example, its partnership with Liquid tested eco-conscious solutions such as natural dyes and organic cotton.

In the U.S., we partnered with Allmade Apparel to produce Neil Young's product line of 100% organic cotton t-shirts and hoodies. Allmade is a sustainable wholesale apparel provider, whose production processes aim to use less water than conventional garments and incorporate renewable energy, like the solar panels that power their factory.

As part of our initiative to reduce waste and effectively manage surplus merchandise, we have donated surplus inventory to key strategic partners. Additionally, other in-kind donations of our surplus merchandise have been distributed to various recipients, including thrift stores, schools, sports clubs, shelters, and nonprofit organizations.

OUR INDUSTRY LEADERSHIP

INDUSTRY COLLABORATION

It's important we work with others in the music industry to advance environmental practices.

Our 2024 partnerships include:

- **Music Industry Climate Collective:** We work with other members of the music industry, as well as RIAA, IFPI, and A2IM, to address industry-wide sustainability challenges, like the difficulty in measuring Scope 3 emissions.
- **Music Sustainability Alliance (MSA):** We attended the inaugural MSA Summit in Los Angeles and helped lead dialogue about Scope 3 emissions. The MSA's mission is to drive meaningful change in carbon reduction, resource efficiency, and social impact.
- **Carbon Accounting Alliance:** We regularly take part in Alliance meetings to provide insight from WMG's work, and the impacts and challenges of the music and entertainment industry.
- **Vinyl Alliance:** We support initiatives to enhance sustainability across the vinyl industry. Recent advancements are enabling the industry to transition toward more eco-friendly practices. As sustainability becomes a central focus, many vinyl manufacturers are recognizing the need to adopt more environmentally friendly practices.

DRIVING AWARENESS AND FAN ACTIVATION

We want to harness the unifying power of music to drive positive change. To do this, we aim to inspire accountability and collective action among our artists and fans.

According to a [Planet Reimagined](#) that surveyed over 300,000 music fans across the U.S., fans are increasingly concerned about climate issues, with more than 50% believing that artists should speak out about them.

The data also reveals strong fan engagement with climate action: three in five fans are likely to discuss it with others, sign climate-related petitions, make lifestyle changes, or vote based on climate issues. Additionally, two in five fans would share climate content on social media, donate to climate causes, volunteer with climate organizations, or contact officials.

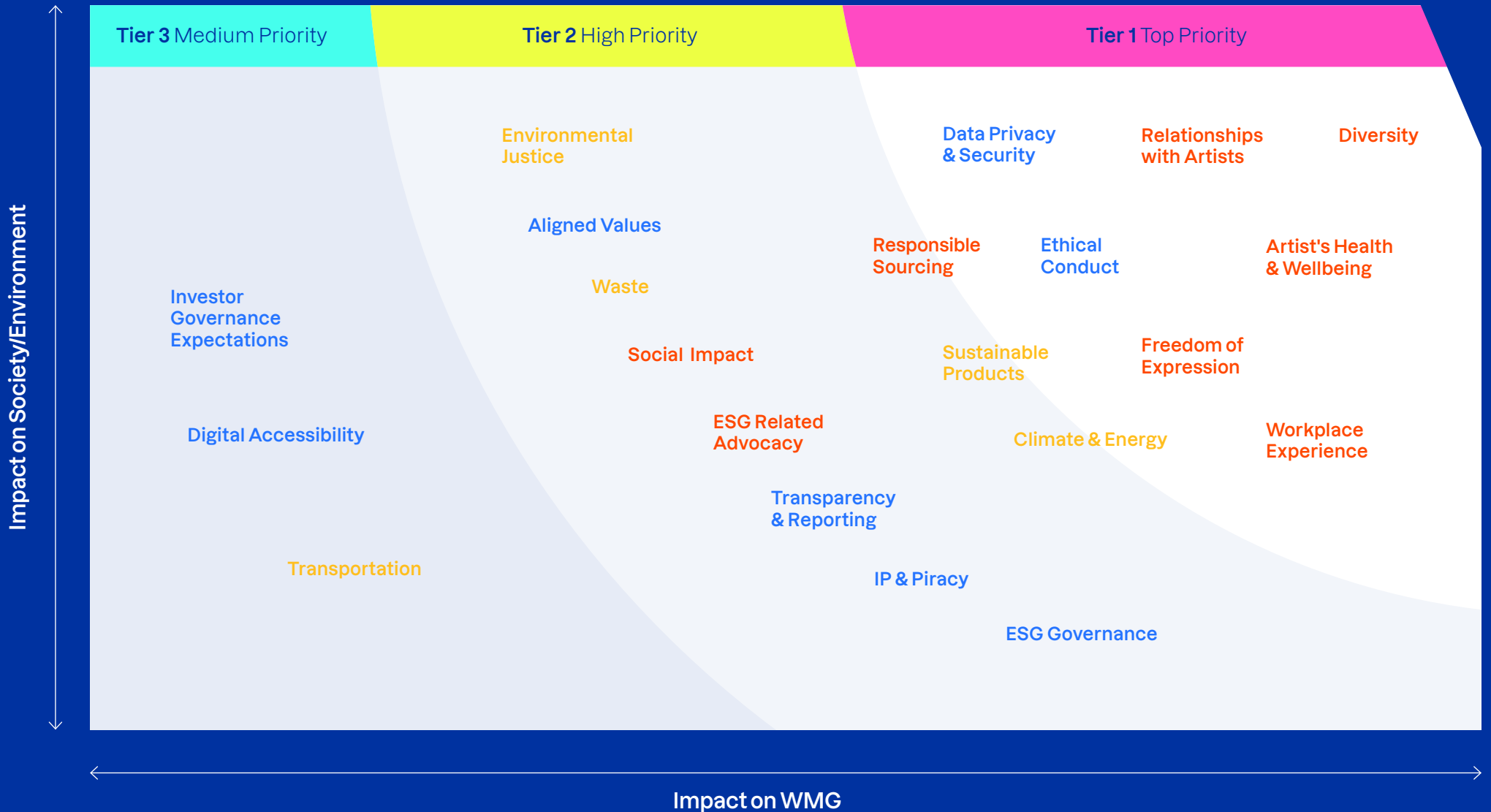
New this year: We partnered with our artist fred again.. to support Sounds Right, a music initiative dedicated to recognizing the value of nature. The partnership pledged to donate 1% of royalties from his latest album, *ten days*, to EarthPercent, a nonprofit that directs funds toward impactful environmental projects worldwide. This commitment, structured as a producer point in the album's record deal, marks a unique approach to funding conservation efforts. By channeling music royalties to EarthPercent, the initiative empowers fans to contribute to global conservation efforts simply by listening to the album. This collaboration shows how artists and labels can leverage their platforms for positive environmental change.



New this year: At Glastonbury 2024, one of the UK's largest music festivals, we took part in the first panel of its kind about sustainability at a music festival. Earlier in the year, we celebrated Earth Day by launching a unique playlist in collaboration with Spotify and Apple Music, featuring over 90 WMG artists and songwriters. This curated selection of tracks from a diverse list of WMG talent was designed to connect listeners to the planet through music that celebrates the beauty of nature. The playlist supported reforestation efforts in partnership with nonprofit One Tree Planted, with all streaming revenue generated on Earth Day being donated to support the Apalachicola Longleaf Initiative. The playlist also featured cover art by Cape Town-based illustrator Yay Abe.

APPENDIX

WARNER MUSIC GROUP MATERIALITY MATRIX



ESG DATABOOK

The following chart demonstrates how WMG's initial climate issues align with the UN's 17 SDGs that form a global blueprint for sustainability action.

Priority Issue	United Nations Sustainable Development Goals
Diversity	5 Gender Equality, 10 Reduced Inequalities
Relationships with Artists and Songwriters	5 Gender Equality, 8 Decent Work and Economic Growth, 10 Reduced Inequalities
Artist and Songwriter Equity	8 Decent Work and Economic Growth
Artist and Songwriter Health and Wellbeing	3 Good Health and Well-being
Workplace Experience	3 Good Health and Well-being, 4 Quality Education, 8 Decent Work and Economic Growth
Social Impact	10 Reduced Inequalities
Digital Accessibility	10 Reduced Inequalities, 16 Peace, Justice and Strong Institutions
ESG-Related Advocacy	10 Reduced Inequalities, 16 Peace, Justice and Strong Institutions
Responsible Sourcing	12 Responsible Consumption and Production, 8 Decent Work and Economic Growth
Sustainable Products	12 Responsible Consumption and Production
Climate and Energy	7 Affordable and Clean Energy, 13 Climate Action

Environmental Justice	7 Affordable and Clean Energy, 13 Climate Action
Waste	12 Responsible Consumption and Production
Transportation	13 Climate Action
ESG Governance	16 Peace, Justice and Strong Institutions
Freedom of Expression	16 Peace, Justice and Strong Institutions
Data Privacy and Security	16 Peace, Justice and Strong Institutions
Ethical Conduct	16 Peace, Justice and Strong Institutions
Content Responsibility	16 Peace, Justice and Strong Institutions
Transparency and Reporting	16 Peace, Justice and Strong Institutions
Intellectual Property and Piracy	16 Peace, Justice and Strong Institutions, 8 Decent Work and Economic Growth
Alignment with Partners' Values	16 Peace, Justice and Strong Institutions, 17 Partnerships for the Goals
Investor Governance Expectations	16 Peace, Justice and Strong Institutions

REPRESENTATION DATA

In our ongoing commitment to transparency and accountability, we closely monitor our representation and turnover data.

Our latest figures are shown below.³ These metrics offer a comprehensive view of our demographic landscape, with gender representation at the VP level remaining consistent with the previous year.

Global Senior and Executive (VP & above) Representation

Year	Level	Female	Male	Not Declared
FY 2024	VP & Above	43%	56%	1%
FY 2023	VP & Above	42%	57%	1%
FY 2022	VP & Above	38%	60%	2%
FY 2021	VP & Above	35%	63%	2%
FY 2020	VP & Above	34%	65%	1%
FY 2019	VP & Above	33%	66%	1%

Global Junior & Middle (Below VP) Representation

Year	Level	Female	Male	Not Declared
FY 2024	Below VP	50%	42%	8%
FY 2023	Below VP	52%	42%	6%
FY 2022	Below VP	51%	41%	8%
FY 2021	Below VP	51%	43%	6%
FY 2020	Below VP	51%	44%	5%
FY 2019	Below VP	51%	44%	5%

³ WMG's Global Gender Representation data table provides a global view across all territories and business divisions except for EMP employees based in Europe. This data also excludes all employees on student programs, seasonal/casual workers, and contingent workers. Data are as of September 30 for each of the relevant years, to align with WMG's fiscal year. WMG's Global Gender Representation data analysis is currently based on data collection according to the following categories: "male," "female," and "not declared" due to legal requirements and restrictions in different jurisdictions in which we operate around the world. WMG deeply respects that gender is not binary and we work to reflect this in the way we operate and engage stakeholders.

Combined US & UK Ethnicity Representation

Year	White	Asian	Black or African American	Hispanic or Latino	Other Race/ Ethnicity ⁴	Not Declared
FY 2024	58%	9%	10%	9%	6%	8%
FY 2023	59%	8%	11%	8%	6%	8%
FY 2022	60%	8%	11%	7%	4%	10%
FY 2021	63%	8%	9%	7%	4%	9%
FY 2020	64%	7%	9%	7%	4%	9%
FY 2019	65%	7%	9%	6%	4%	9%

In the past year, our total employee turnover rate was 21%. This figure reflects significant restructuring within the organization, which contributed to the increase in turnover. This being said, our voluntary turnover rate has remained consistent with the previous year. This year, we will not be reporting turnover rates by business unit. This decision is driven by a shift in our approach to defining and categorizing business units, making year-over-year comparisons less relevant.

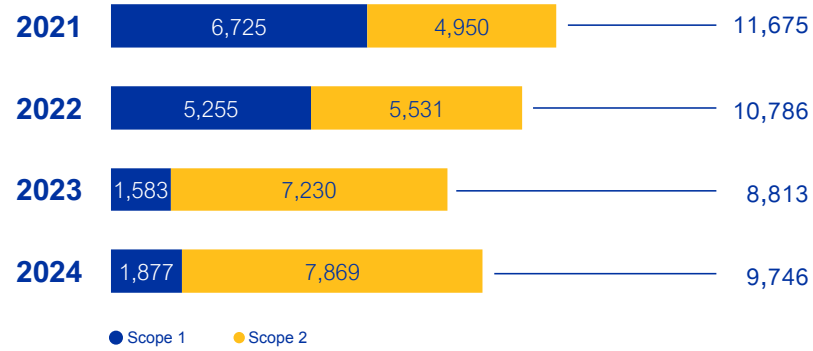
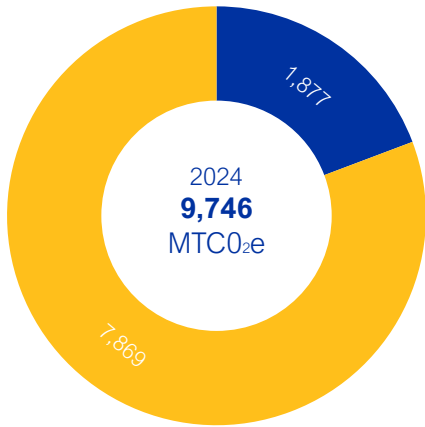
Total Turnover⁵ (Voluntary & Involuntary)

Year	WMG
FY 2024	21%
FY 2023	19%
FY 2022	19%
FY 2021	15%
FY 2020	14%
FY 2019	24%

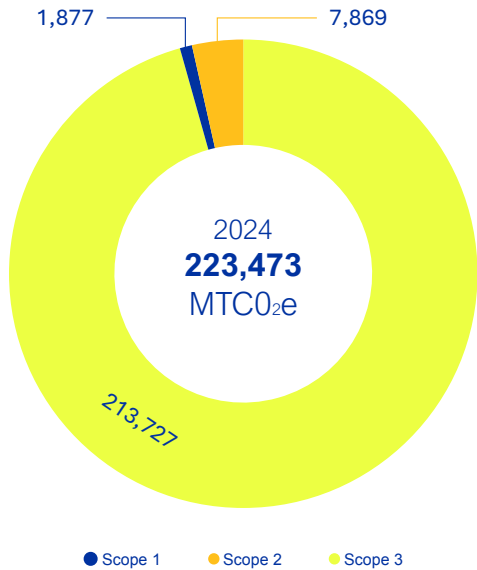
4. This includes those who selected Arab, American Indian or Alaska Native, Hawaiian or Other Pacific Islander, other, or 'two or more races' (U.S.)/'mixed' (UK) options.

5. Turnover is defined as the number of leavers for a given employee population / average headcount as at the start and the end of the year for a given employee population. These figures are inclusive of voluntary and involuntary turnover and reflect data as of October 2023. Turnover data reflects WMG's regular and fixed-term employees from across our global footprint (excluding EMP employees based in Europe) from October 1 to September 30 for each year. This data excludes all employees on student programs, seasonal/casual workers, and contingent workers.

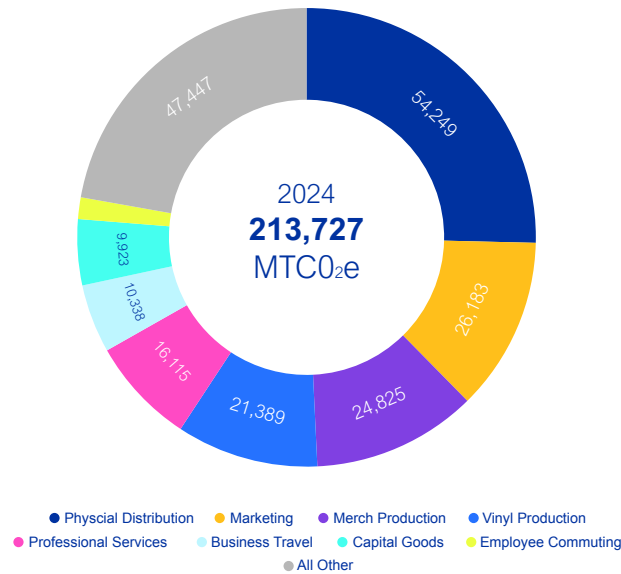
Our Scope 1 & 2 emissions⁶



Total emissions



Scope 3



6. There have been significant improvements in our Scope 1 and 2 data collection, analysis, and methodology, which we are continuously refining. GHG emissions were calculated leveraging a third-party GHG measurement platform, whose methodologies and emissions factors undergo updates and third-party review twice per year. GHG emissions were calculated using guidelines from the GHG Protocol Corporate Accounting and Reporting Standard. The conversions used to calculate emissions factors are collected from a database of government-recommended sources and other peer-reviewed literature. Where relevant and applicable, specific EFs for each country were used. Primary data was collected across WMG's owned and operated facilities globally. These results have been assured by an external auditor.

STANDARD	METRIC	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	WMG Form 10K (2024), p.4-20.
	2-2 Entities included in the organization's sustainability reporting	All of Warner Music Group.
	2-3 Reporting period, frequency and contact point	This report covers activities during WMG's fiscal year, beginning October 1, 2023, to September 30, 2024. This reporting schedule repeats annually. Contact info@wmg.com for questions about the report or reported information.
	2-5 External Assurance	WMG Impact Report 2024, Our Planet, Our Footprint and Commitments, Our Footprint, p.51.
	2-6 Activities, value chain and other business relationships	WMG Form 10K (2024), p.4-8.
	2-7 Employees	WMG Form 10K (2024), p.20.
	2-8 Workers who are not employees	WMG Form 10K (2024), p.20.
	2-9 Governance structure and composition	WMG Investor Relations - Corporate Governance.
	2-10 Nomination and selection of the highest governance body	WMG Investor Relations - Corporate Governance.
	2-11 Chair of the highest governance body	Investor Relations: Michael Lynton, Chairman - Independent of WMG Board.
	2-12 Role of the highest governance body in overseeing the management of impacts	Investor Relations: Michael Lynton, Chairman - Independent of WMG Board.
	2-13 Delegation of responsibility for managing impacts	Corporate Responsibility Oversight Committee. WMG Impact Report 2024, Our Industry, Responsible Business and Governance, Governance and Oversight, p. 20-21.
	2-14 Role of the highest governance body in sustainability reporting	Corporate Responsibility Oversight Committee. WMG Impact Report 2024, Our Industry, Responsible Business and Governance, Governance and Oversight, p. 20-21.
	2-15 Conflicts of interest	WMG Code of Conduct, p.22.
	2-16 Communication of critical concerns	WMG Impact Report 2024, Our Industry, Responsible Business and Governance, Governance and Oversight, p.20-21.
	2-18 Evaluation of the performance of the highest governance body	Charter of the Audit Committee.
	2-19 Remuneration policies	WMG Form 10K (2024), p.125.
	2-20 Process to determine remuneration	Proxy Statement for the 2024 Annual Meeting of Stockholders filed with the SEC.

STANDARD	METRIC	LOCATION
	2-21 Annual total compensation ratio	Proxy Statement for the 2024 Annual Meeting of Stockholders filed with the SEC.
	2-22 Statement on sustainable development strategy	<p>WMG Impact Report 2024, WMG's initial climate issues align with the UN's 17 SDGs that form a global blueprint for sustainability action, p.69.</p> <p>WMG Impact Report 2024, Our Company, Responsible Business and Governance, Responsible Sourcing, p.22</p> <p>WMG Impact Report 2024, Our Planet, Our Footprint and Commitments, Our Targets and Progress, p.53-54.</p> <p>WMG Impact Report 2024, Our Planet, Our Supply Chain Innovations, p.55-61.</p>
	2-23 Policy commitments	<p>WMG Impact Report 2024, Our Company, Responsible Business and Governance, p.20-21.</p> <p>WMG Impact Report 2024, Our Planet, Our Footprint and Commitments, Our Targets and Progress, p.53-54.</p> <p>WMG Impact Report 2024, Our Planet, Our Supply Chain Innovations, p.55-61..</p> <p>WMG Supplier Code of Conduct, WMG Code of Conduct.</p>
	2-24 Embedding policy commitments	<p>WMG Impact Report 2024, Our Company, Responsible Business and Governance, p.20-21.</p> <p>WMG Impact Report 2024, Our Planet, Our Footprint and Commitments, Our Targets and Progress, p.53-54.</p> <p>WMG Impact Report 2024, Our Planet, Our Supply Chain Innovations, p.55-61..</p> <p>WMG Supplier Code of Conduct, WMG Code of Conduct.</p>
	2-25 Processes to remediate negative impacts	<p>WMG Impact Report 2024, Use Our Influence and Scale for Good, Responsible Business and Governance, Responsible Sourcing, p.22.</p> <p>WMG Impact Report 2024, Our Planet, Our Footprint and Commitments, Our Targets and Progress, p.53-54</p> <p>WMG Impact Report 2024, Our Planet, Our Supply Chain Innovations, p.55-61.</p>
	2-26 Mechanisms for seeking advice and raising concerns	WMG Code of Conduct , p.9,p.38.

STANDARD	METRIC	LOCATION
	2-27 Compliance with laws and regulations	WMG Code of Conduct, p.35.
	2-28 Membership associations	WMG is part of several membership and industry associations to better advocate for our people, artists, and songwriters. These include: Recording Industry Association of America, British Phonographic Industry, International Federation of the Phonographic Industry, National Music Publishers' Association, International Confederation of Music Publishers, the Music Climate Pact, and MICC.
	2-29 Approach to stakeholder engagement	<p>WMG Impact Report 2024, Appendix, Materiality Assessment, p.67. WMG's 2022 materiality assessment involved collecting input from over 45 internal and external stakeholders.</p> <p>WMG Impact Report 2024, Our Industry, Our Creative Talent, Artist Services, p.29-33.</p> <p>WMG Impact Report 2024, Our Industry, Advocacy and Social Impact, Advocacy, p.38-40.</p> <p>WMG Impact Report 2024, Our Industry, Responsible Business and Governance, p.20-21.</p> <p>WMG Impact Report 2024, Our Planet, Our Footprint and Commitments, p.49.</p> <p>WMG Impact Report 2024, Our Planet, Supply Chain Innovations, p.60 and 63.</p>
	2-30 Collective bargaining agreements	WMG Form 10K (2024), p.20.
GRI 3: Material Topics 2021	3-1 Process to determine material topics	WMG Impact Report 2024, Materiality Matrix, p.67. WMG's 2022 materiality assessment involved collecting input from over 45 internal and external stakeholders. We also consider global standards, such as the United Nations (UN) Sustainable Development Goals, and our company values in determining a path forward.
	3-2 List of material topics	WMG Impact Report 2024, Materiality Matrix, p.67.
	3-3 Management of material topics	Management of material topics is conducted through the ESG team and overseen by a cross-functional committee of senior leaders. The material topics were chosen by conducting a materiality assessment in which external and internal stakeholders reviewed, discussed, and ranked ESG topics in terms of their materiality to WMG.
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	WMG Form 10K (2024), p.41-42.

STANDARD	METRIC	LOCATION
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	WMG Code of Conduct, p.32.
	205-2 Communication and training about anti-corruption policies and procedures	WMG Code of Conduct, p.32.
GRI 302: Energy 2016	302-1 Energy consumption within the organization	We collect primary data where available across WMG's owned and operated facilities and perform reasonable estimates through a third-party greenhouse gas accounting platform whose methodologies undergo third-party review.
	302-2 Energy consumption outside of the organization	WMG's Impact Report 2024, Reduce Our Environmental Impact, Our Footprint and Commitments, Our Footprint, p.61. WMG's Impact Report 2024, Reduce Our Environmental Impact, Our Supply Chain Innovations, p.65-71. WMG's Impact Report 2024, Reduce Our Environmental Impact, Our Industry Leadership, p.72-74.
	302-4 Reduction of energy consumption	WMG Impact Report 2024, Our Planet, Our Footprint and Commitments, Our Targets and Progress, p.53.
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	WMG Impact Report 2024, Our Planet, Our Footprint and Commitments, Our Targets and Progress, p.51
	305-2 Energy indirect (Scope 2) GHG emissions	WMG Impact Report 2024, Our Planet, Our Footprint and Commitments, Our Targets and Progress, p.51
	305-3 Other indirect (Scope 3) GHG emissions	WMG Impact Report 2024, Our Planet, Our Footprint and Commitments, Our Targets and Progress, p.52
	305-4 GHG emissions intensity	Intensity figure: 1.52e-6, calculated as mtCO ₂ e Scope 1 and 2 emissions per dollar revenue.
	305-5 Reduction of GHG emissions	WMG Impact Report 2024, Our Planet, Our Footprint and Commitments, Our Targets and Progress, p.53
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	WMG Impact Report 2024, Our Planet, Our Supply Chain Innovations, p.55-58 and 61
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	WMG Impact Report 2024, Our Company, Our People, Representation Data, p.71.
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	WMG Impact Report 2024, Our Company, Our People, p.9-10.

STANDARD	METRIC	LOCATION
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	WMG Impact Report 2024, Our Planet, Our Footprint and Commitments, Our Targets and Progress, p.53. WMG Impact Report 2024, Our Company, Our People, Creating a Culture of Belonging, p.12-13.
GRI 405: Diversity and Equal Opportunities 2016	405-1 Diversity of governance bodies and employees	WMG Impact Report 2024, Our Company, Our People, Representation Data, p.70-71.
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	WMG Impact Report 2024, Our Company, Our People, Workplace Experience: Sustainability and Inclusion, p.17-18. WMG Impact Report 2024, Our Industry, p.27-46.
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	WMG Impact Report 2024, Our Company, Responsible Business and Governance, Responsible Sourcing, p.22.
	414-2 Negative social impacts in the supply chain and actions taken	WMG Impact Report 2024, Our Company, Responsible Business and Governance, Responsible Sourcing, p.22. WMG Impact Report 2024, Our Planet, Our Supply Chain Innovations. Sustainable Merchandise, p.61.
SASB: Media Pluralism SV-ME-260A	1. Percentage of gender and racial/ethnic group representation for (1) management, (2) professionals, and (3) all other employees	WMG Impact Report 2024, Our Company, Our People, Representation Data, p.70-71.
SASB: Media Pluralism SV-ME-260A	2. Description of policies and procedures to ensuring pluralism in news media content	WMG Code of Conduct, p.22.

STANDARD	METRIC	LOCATION
SASB: Journalistic Integrity & Sponsorship Identification SV-ME-270A	3. Description of approach for ensuring journalistic integrity of news programming related to: (1) truthfulness, accuracy, objectivity, fairness, and accountability, (2) independence of content and/or transparency of potential bias, and (3) protection of privacy and limitation of harm	WMG Code of Conduct, p.22, p.11, p.12, p.13. Integrity in Our Marketplace and Industry. We are passionate about music and believe in the creative work of our artists and songwriters. We honor their freedom of expression and know that their work has an important place in society. We carefully consider the content we distribute and know that the music we offer can have a social impact. We take pride in being a leader in the music industry and take measures to protect our reputation in our decisions and actions. Entertainment is our way of life and we use good judgment when we exchange gifts and hospitality. We are loyal and act in the best interest of WMG. Responsibility with Our Content. We are dedicated to sharing the amazing talents of our artists and songwriters with the public. We appreciate that these creative works can sometimes be controversial, and we recognize that we have a duty to carefully consider what content we distribute and present to the public. We seek to protect our artists' and songwriters' freedom of expression, while also carefully considering the social impact the content has on the public. We take these issues very seriously and find ways to strike a balance with these complex and ongoing challenges.
SASB: Intellectual Property Protection & Media Piracy SV-ME-520A	Description of approach to ensuring intellectual property (IP) protection	Advocating to ensure we have the strongest possible copyright laws and enforcing those laws when they've been violated is an essential part of protecting our IP (Intellectual Property). We recognize that our position as a major music entertainment company gives us an influential platform, and therefore we have a responsibility to our artists and songwriters, to invest considerable time, effort, and funds in holding parties accountable for IP infringement. Where appropriate, we'll collaborate with trade associations such as (IFPI) International Federation of the Phonographic Industry, ICMP (International Confederation of Music Publishers), and NMPA (National Music Publishers' Association) to protect the copyrights of our artists and copywriters.
SASB: Data Privacy, Advertising Standards and Freedom of Expression TC-IM-220A.1	Description of policies and practices relating to behavioral advertising and user privacy	WMG Privacy Policy, Personal Information.
SASB: Data Security TC-IM-230A.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	WMG Privacy Policy, Choices and Access.
SASB: Employee Recruitment, Inclusion and Performance TC-IM-330A.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	WMG Impact Report 2024, Our Company, Our People, Representation Data, p.70-71.

WMG 2024 TCFD INDEX

OVERVIEW

WMG conducted a qualitative climate scenario analysis in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This analysis helped WMG identify and prioritize the most significant climate-related risks and opportunities throughout its operations and value chain. WMG's assessment evaluated risks and opportunities across the entire value chain, with specific attention to geographical factors that could lead to significant impacts. The results from the scenario analysis identified four risks that were integrated into WMG's Enterprise Risk Management (ERM) framework, aligning the company's climate risk strategy with broader risk management practices.

This is WMG's first year reporting against the voluntary guidelines of the Task Force on Climate Related Financial Disclosures (TCFD). This index outlines our alignment with the universal guidelines detailed in TCFD's 2023 Guidance on Metrics, Targets, and Transition Plans. Relevant disclosures are references in the associated TCFD disclosure tables. The information in this index is relevant to the activities of the fiscal year 2024 and is accurate as of the publication of this report, January 2025.

SUMMARY OF IDENTIFIED RISKS

Physical Risks:

- Extreme weather events, such as storms and floods, could disrupt supply chains, potentially causing delays in merchandise delivery, increasing procurement costs, and damaging valuable products. This can lead to material shortages and operational challenges.
- Rising temperatures may require enhanced cooling for vinyl storage and office spaces – and could impact the wellbeing of employees, artists, and audiences. Adapting to a changing climate requires investments in energy-efficient infrastructure, particularly cooling systems, to ensure the wellbeing of everyone at WMG facilities and events and to minimize operational disruptions.

Transition Risks:

- Global regulations could increase production costs for WMG for products, such as vinyl and merchandise. We anticipate increased production costs, particularly for vinyl records and merchandise, due to the growing demand for sustainable packaging and stricter environmental regulations.
- Mandated climate-related regulations may increase operational costs and legal risks as well as negatively impact brand reputation. Emerging climate-related regulations have the potential to increase operational costs and legal liabilities.



OUR AMBITIONS

This year, we formalized our climate goals in alignment with science-based targets, announcing ambitious and verified objectives across all three scopes of our footprint. We are committed to reducing absolute Scope 1 and 2 emissions by 54.6% by FY2033, using FY2023 as a baseline. Additionally, we aim to reduce our Scope 3 emissions by 32.5% by FY2033, reflecting our focus on the areas of greatest impact. Our Scope 1 and 2 ambitions align us with global ambitions striving to limit warming to 1.5°C above pre-industrial levels.

OUR APPROACH

We recognize that mitigating climate-related risks to our business while decarbonizing our operations and value chain is a challenging process, requiring commitment and collaboration across the industry and the music ecosystem. Like the global community, we rely on a broader progression toward decarbonization through grid improvements and advancements in technology that support more efficient processes. However, we also acknowledge our responsibility to drive change within our industry.

We have made commitments and already begun implementing proactive processes to reduce our operational impact. In line with global standards for supply chain decarbonization, we are actively exploring and applying measures to cut carbon emissions in our most significant areas.

RENEWABLE ENERGY

We are committed to sourcing 100% renewable energy across our global operations by 2030. Although some of this effort depends on a degree of global decarbonization, we recognize the importance of contributing to the infrastructural developments necessary to achieve our goals.

WMG is beginning its journey toward a low-carbon future by utilizing Renewable Energy Certificates (RECs) to support the transition to clean energy sources across all of our facilities. We will continue to identify further opportunities to invest in clean power, promoting growth in this crucial sector. Where feasible, we will enhance the energy efficiency of our operations and explore opportunities for onsite or offsite renewable energy projects to further support our energy transition ambitions.

SUPPLIER ENGAGEMENT

Our TCFD analysis has identified the most significant risks occurring across our value chain, which is also where we observe the largest impacts within our footprint. Notably, 96% of our total emissions fall under Scope 3. Merchandise and vinyl production, along with their distribution, contribute approximately 50% of our Scope 3 emissions and represent crucial areas for achieving our emissions reduction targets.

We are actively working to engage with more sustainable suppliers across our merchandise business and will continue to explore ways to reduce our impact in this area by aligning with certification schemes. Furthermore, we will encourage and support our suppliers to align with our standards and climate-related goals, enabling us to achieve our targets and advance industry decarbonization as a whole.

INDUSTRY COLLABORATIONS

Through our collaborations across the industry, we have made significant strides in understanding both the overall impact of our industry and our individual impact within a highly diverse ecosystem.

We are actively involved in cross-sector collaborations to foster knowledge sharing and industry growth. WMG has joined forces with Sony Music Entertainment and Universal Music Group to establish the Music Industry Climate Collective (MICC), which aims to provide recorded music companies with a tool to simplify carbon accounting and develop guidance for Scope 3 emissions.

We are leveraging our influence to collaborate on one of our highest impact areas: the vinyl manufacturing process. We are enhancing its efficiency to support decarbonization. Our partnership with Sonopress to develop more sustainable vinyl, as well as our industry-leading work in conducting the first-ever Life Cycle Assessment for a 140g vinyl record, demonstrate our commitment to better understanding our supply chain and improving process efficiency. This effort not only supports the reduction of our own footprint but also drives progress across the entire industry.

Universal Disclosures

TOPIC	DISCLOSURES	LOCATION
GOVERNANCE Disclose the organization's governance around climate-related risks and opportunities.	Describe the board's oversight of climate-related risks and opportunities.	The board, primarily through the Nominating and Corporate Governance Committee, oversees climate-related risks and opportunities at WMG, focusing on strategic governance. This committee is responsible for overseeing ESG issues, approving major public targets like WMG's Science-Based Targets, and ensuring compliance with corporate environmental policies. The board's involvement ensures that WMG is well-positioned to make progress on its climate goals and effectively navigate our most impactful climate-related challenges and opportunities.
	Describe management's role in assessing and managing climate related risks and opportunities.	Management oversees the TCFD analysis process at WMG, focusing on strategic alignment. They ensure that identified risks and opportunities are appropriate for our business and industry. They provide insights into broader strategies and business functions and were responsible for approving the results of the Double Materiality Assessment and high-level outcomes.
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	WMG ESG Report 2024, Reduce Our Environmental Impacts, Our Footprint and Commitments, Climate Risks, p.64.
	Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning.	WMG ESG Report 2024, Reduce Our Environmental Impacts, Our Footprint and Commitments, Climate Risks, p.64.
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	We conducted our scenario analysis for the first time this year. While the results have the potential to impact many business activities, we are still in the process of planning how to integrate the outcomes of the analysis into our business strategy. Risks were evaluated over short, medium, and long-term time horizons to help understand the full range of impacts and prioritize the most significant risks and opportunities. Our strategic response to these risks and opportunities is in the planning stages and will be integrated into financial planning as appropriate.
Risk Management Disclose how the organization identifies, assesses, and manages climate-related risks	Describe the organization's processes for identifying and assessing climate-related risks	In 2024, WMG performed a qualitative TCFD-aligned climate scenario analysis through a collaborative process involving senior leaders and subject matter experts. We reviewed a range of potential climate related risks and opportunities and included the most material of these in a qualitative analysis. This approach covers our entire value chain, including direct operations and both upstream and downstream activities. A key component of our identification process is the ESRS-aligned Double Materiality Assessment, which enables us to evaluate potential impacts and opportunities across a variety of environmental, social, and governance subtopics.

TOPIC	DISCLOSURES	LOCATION
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	ESG is integrated into our enterprise risk management framework to ensure we remain resilient in a competitive and highly adaptable industry. Climate related risks and opportunities are evaluated in the context of WMG's existing ERM framework and quantitative risk thresholds. The Risk Management Oversight Committee was also briefed on identified climate-related risks as part of the overall enterprise risk management process.
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	<p>Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process</p> <hr/> <p>Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks</p> <hr/> <p>Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets</p>	<p>Risks are evaluated using qualitative metrics and high-level estimates in order to determine whether they have a substantive impact on our organization. As part of our ESRS-aligned Double Materiality Assessment, we evaluated how external sustainability issues could affect our organization's strategy and operations. We took into account key factors such as the impact to WMG's operations, strategy, compliance, and reputation. For our TCFD-aligned climate scenario analysis, risks were assessed based on the estimated scale, impact, likelihood, and ability to respond. The risks were prioritized based on stakeholder input and scoring. This is our first year conducting a climate risk assessment. These risks and any newly identified risks will be reviewed annually.</p> <hr/> <p>WMG ESG Report 2024, Reduce Our Environmental Impacts, Our Footprint and Commitments, Our Footprint, p.59-61.</p> <hr/> <p>This year WMG has set science-based targets to manage climate-related risks and opportunities, focusing on both direct (Scope 1 and 2) and indirect (Scope 3) emissions. WMG commits to a 54.6% reduction in absolute Scope 1 and 2 greenhouse gas emissions by 2033, with a base year of 2023, aligning with the 1.5°C pathway as approved by the SBTi. This target encompasses emissions from office operations, vehicle fleets, and energy sources, centering our reduction approach on efficiency and electrification. WMG aims to optimize energy use, upgrade infrastructure, transition to low-emission vehicles, and both procure and produce renewable energy. We are already working toward converting all purchased energy into renewable sources by 2030 to support our decarbonization strategy.</p> <p>Beyond direct operations, we have committed to a Scope 3 science-based emissions reduction target. Our scope 3 emissions reduction targets will focus on three key areas: supplier engagement, sustainable procurement, and a travel policy aimed at reducing carbon emissions. A significant portion of our scope 3 emissions originate from our supply chain, specifically scope 3 category 1. We will actively engage with our suppliers to encourage and support them in reducing their carbon footprint.</p> <p>These strategies will be continuously evaluated for effectiveness and scalability. Our aim is to maximize the environmental impact while also ensuring economic viability and alignment with our broader organizational goals. We believe this approach will help us achieve our reduction targets and demonstrate our commitment to a sustainable future for Warner Music Group.</p>