

# MANAGEMENT BOARD'S REPORT ON THE RESOLUTIONS

## Ladies and Gentlemen,

We have convened you to an Extraordinary Shareholders' Meeting to submit for your approval an amendment to the Company's by-laws that would allow the Company to distribute dividends, reserves or premiums by way of the delivery of assets in kind, including financial securities (**first resolution**).

As announced on February 13, 2021, this proposal reflects Vivendi's dialogue with its leading institutional shareholders, who for several years have been calling for the split or distribution of Universal Music Group (UMG) in order to reflect better the value of Vivendi's assets, particularly those related to the music business.

As a preliminary step, it was necessary to obtain a valuation of UMG based on its fair value to provide Vivendi with sufficient financial resources to support the fulfillment of its development plan to build a world-class content, media and communications group.

The acquisition by the consortium led by Tencent Holdings Limited (Tencent) of a 20% interest in UMG finalized between March 2020 and January 2021, at an enterprise value of €30 billion for 100% of UMG on a fully-diluted basis, as well as the interests expressed by new investors at potentially higher prices, further supports UMG's valuation, enabling the Company to study the planned distribution of 60% of UMG's share capital to Vivendi shareholders before the end of 2021. If this planned distribution were to proceed, you will be consulted again at another General Shareholders' Meeting. The listing of UMG's shares, issued by its holding company, currently being incorporated, would be applied for on the regulated market of Euronext NV in Amsterdam, in a country that has been one of UMG's historical homes.

## 1 AMENDMENT TO THE BY-LAWS

### 1<sup>st</sup> resolution

In order to enable the Company to make, if appropriate, this exceptional distribution in kind, it is proposed that you approve an amendment to Article 20 of the Company's by-laws entitled "Allocation of earnings and distribution of profits", to allow the Shareholders' Meeting to decide, in accordance with Article L. 232-12 of the French Commercial Code, in the event of a distribution of dividends, reserves or premiums, or in the event of a capital reduction, that all or part of such distribution or capital reduction will be made through the delivery of assets in kind, including financial securities held by the Company. In the case of the distribution of an interim dividend, this option would be available to the Management Board pursuant to Article R. 232-17 of the French Commercial Code.

## 2 AUTHORIZATION TO CARRY OUT LEGAL FORMALITIES

### 2<sup>nd</sup> resolution

Lastly, it is proposed that you grant to the Management Board the powers necessary to carry out the formalities arising from this Shareholders' Meeting (**second resolution**).

The Management Board

### Observations of the Supervisory Board

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The Supervisory Board states that it has no comment to make on the Management Board's report on the resolutions submitted to the Extraordinary General Shareholders' Meeting.