
2021

ANNUAL REPORT WITH TRANSPARENCY REPORT

AT A GLANCE
↔ T.01

	2021 in €'000s	2020 in €'000s
Income	1,038,904	958,838
Expenses	152,410	152,354
Distributable amount	886,494	806,484
Cost rate	14.7%	15.9%
Operating cost rate	14.0%	14.9%
Income		
Breakdown by collection category		
Regional office collections	248,802	230,137
Reproduction sector collections	60,293	48,585
International collections	63,400	62,712
Broadcasting collections	338,273	285,407
Online collections	238,138	179,464
Remuneration rights	80,194	141,732
Other collection categories	9,804	10,802
Amounts by categories	1,038,904	958,839
Expenses		
Staff costs	64,414	62,500
Material costs	87,996	89,854
	152,410	152,354

↔ T.01

Rights category	Type of use	2021 in €'000s	2020 in €'000s
Reproduction and distribution	Sound recordings	33,078	29,948
	Audiovisual recordings	4,266	5,709
	Total	37,344	35,657
Performance	Music events	29,580	62,739
Online	Internet broadcasting	475	473
	Download	5,347	20,146
	Streaming	228,948	153,770
	Total	234,770	174,389
Broadcast	Radio	52,747	45,314
	TV	176,886	163,126
	Cable retransmission	22,580	16,657
	Total	252,213	225,097
Communication to the public	Mechanical reproduction	120,038	92,241
Presentation	Presentation	11,285	5,118
Statutory remuneration rights	of which s. 27 (1) UrhG [German Copyright Act]	213	176
	of which s. 27 (2) UrhG	1,855	– 153
	of which s. 60h (1) UrhG	– 430	1,780
	of which s. 54 (1) UrhG	78,769	138,833
	Total	80,407	140,636
International income	A AR	41,164	41,162
	A VR	12,532	11,612
	KRA and KFSa	9,704	9,938
	Total	63,400	62,712
Collection mandates	Total	196,995	145,719
Other income		12,873	14,531
Total		1,038,904	958,839

I'm absolutely convinced that we, as performers, will manage to get out of this pandemic using our creativity. Otherwise, I would simply go mad if I didn't believe that. But it won't be easy. It's hard to describe just how much I missed doing what I do, especially live. Then there's the disappointment about how our entire sector was treated by the politicians; for long stretches this actually exposed me to a feeling I had not known up to now: frustration. Sometimes, it was hard not to confuse self-worth with status. On the other hand, there are performers, bookers, crews and event organisers who are still collaborating closely despite the difficulties in order to keep realising possible and impossible acts. And an audience which has our backs, holds on to tickets, goes along with rescheduling dates and buys new tickets. That is exactly what will make the difference in the end.

NINA 'FIVA' SONNENBERG

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INTRODUCTION

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LETTER TO OUR MEMBERS

*Dear GEMA members,
dear readers,*

Having closed the 2021 financial year, GEMA is looking back on another highly challenging few months. The second year under the sign of COVID-19 and sometimes changeable pandemic politics have led to the music industry and the entire cultural sector being caught up in constant ups and downs of hope and disillusionment. Gaps and empty spaces were strikingly obvious everywhere in cultural life; such a lasting impression that we turned it into the visual leitmotif of this report. Yet, even though organisational and material forces of uncertainty pulled at the music creators, they demonstrated impressive perseverance and imagination with which they were keen to master the crisis. Music is, especially in stressful times, a life elixir for both sides, the people who create it and the people who consume it. Something you could practically grab with your hands when open air concerts delighted people all over the country throughout the summer months; a ray of light before another virus wave sent live music into another period of hibernation.

The fact that GEMA is in a position to present a solid balance sheet for the year 2021, despite this unpredictable mix of ever changing situations, shows once again how strong our community of solidarity is. Following a prudent business policy, we managed to increase the total income above the one-billion threshold once again, after the declines in the previous year. To be more specific, collections increased from €959m to €1,039m. This result is all the more pleasing because licensing of public music playback is still affected by a massive decline in the event sector, and the resulting income has only grown slightly from €230m to €249m to date. For example, revenues from background music use in the catering and retail sector as well as the hotel sector rose slightly and returned to an almost normal level. The event sector, however, continued to suffer devastating losses in 2021, with even more massive revenue declines

than in the previous year. Finally, restrictions remained in force throughout the whole of 2021 due to measures to limit the pandemic imposed by the authorities, whereas in 2020, at least January and February followed a normal schedule. This year's payouts in this sector will subsequently be affected rather strongly. Although we are cautiously optimistic, the revenue figures we now have are still far from the level before the crisis when the income of this rather important category for our members amounted to €407m in 2019.

It is therefore all the more important that GEMA was able to increase its revenues from online business in 2021. With collections amounting to €238m, we managed to establish a growth of nearly 33 percent, particularly in the music and film streaming sector. Thanks to a new agreement, the amount collected in the broadcasting sector rose, namely by €53m to a total of €338m. In addition, the surprisingly strong revival of vinyl products led to a plus of a healthy 22 percent in the sound recording market. Revenues from rights management abroad remained stable at €63m. Overall, it was thus possible to compensate for the significant decline in remuneration that GEMA received from the Zentralstelle für private Überspielungsrechte (ZPÜ). They fell by more than €60m to €80m in 2021. This was due to the fact that there were no special distributions for former periods unlike in the previous year.

On the opposite side of the income were expenses of €152m in the reporting year. The fact that total expenditure only hovered above target level and the cost rate of 14.7 percent stayed significantly below the target is proof of another year of disciplined budget management.

All in all, it can be said that GEMA managed a second year of pandemic-related challenges well in economic terms. It is important to



DR. HARALD HEKER
CEO AND CHAIRMAN OF THE
MANAGING COMMITTEE

point this out, not only because it has put us in a position to once again disburse lump-sum advance payments to particularly affected members in 2021 on their royalties. As a collective management organisation, a solid financial state and foresight are indispensable for us. The coming years might throw new crises and upheavals at the music business at any time, and we want to already be prepared for this today.

What else are we doing to make GEMA weatherproof for the future? Continuing with the digitisation in all our work and business areas is a particular factor, both internally and externally, when it comes to contact with our members and customers. In May last year, for example, we took over deecoob, a company we had already been working with for several years. The web crawling service provider specialises in searching online media and social media channels for events where music subject to licensing is used. With deecoob, we will penetrate the public performance market even more intensively in order to generate higher revenues for our members. Further progress is also being made with MusicHub, which we launched together with our subsidiary Zebalution at the end of 2020. The digital marketing platform now provides for services such as GEMA work registration or sound file uploads.

Last but not least, 2021 was the year in which the European Copyright Directive was finally transposed into German law. The adoption of the reform shows that it is worth fighting at a political level for better remuneration for music creators. However, instead of resting on our laurels, we see this success as a milestone. In the future, we will continue to work with all our might to ensure that creators, especially in the dynamically growing online market, participate appropriately in the added value of their services. Among other things, we will have to talk even more than before about a fairer share in the streaming sector, where, despite rising total revenues, still far too little is paid through to the authors.

Milestones such as the copyright reform and other successes of the past year would not have been possible without the outstanding performance of the entire GEMA team working in the background. Once more, our staff members have proven their worth in a business year which was anything but easy. I would like to take this opportunity to thank them very much for this!

Dr. Harald Heker
CEO and Chairman of the Managing
Committee

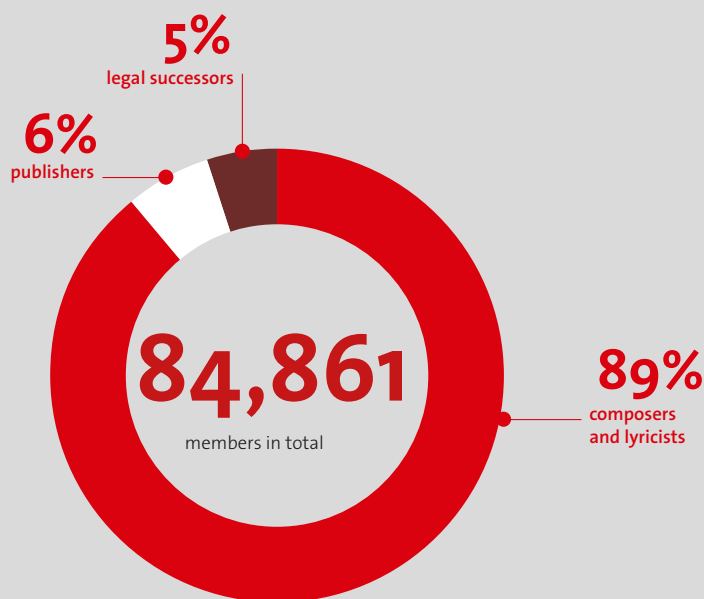
MEMBERSHIP NUMBERS

MEMBERSHIP DEVELOPMENT AND CATEGORISATION

[↔ T.02](#)

	31/12/2021	31/12/2020
Composers and lyricists	75,535	71,248
of which full composer members	3,270	3,194
of which full lyricist members	501	512
of which associate members	71,764	5,764
of which affiliated members ¹⁾	0	61,778
Publishers	4,884	4,962
of which full members	588	576
of which associate members	4,296	194
of which affiliated members ¹⁾	0	4,192
Legal successors	4,442	4,624
of which full composer members	17	17
of which full lyricist members	9	10
of which associate members	4,416	0
of which affiliated members ¹⁾	0	4,597
Total	84,861	80,834
of which full members	4,385	4,309
of which associate members	80,476	5,958
of which affiliated members ¹⁾	0	70,567

1) Following the resolution in the 2021 General Assembly, the category of affiliated members was abolished. Previously affiliated members have become associate members as of 1 January 2021.



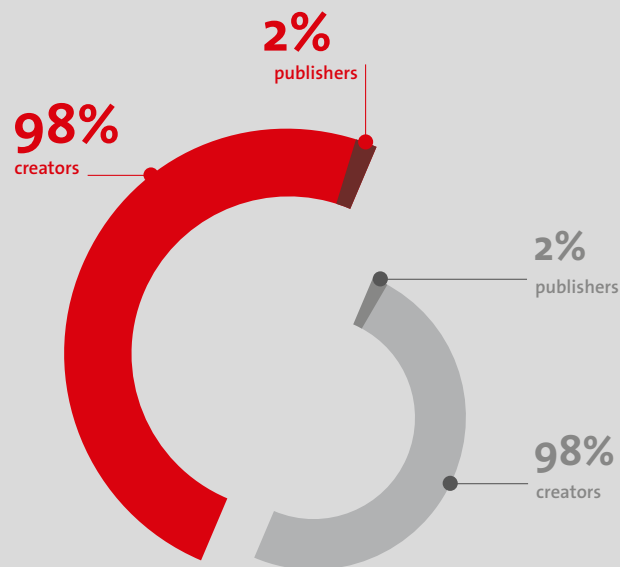
Membership development and categorisation 2021

ADMISSION OF NEW MEMBERS

→ T.03

	31/12/2021	31/12/2020
Authors (composers and lyricists)	5,834	5,285
Publishers	105	106
Total	5,939	5,391

Membership totals increased by 4,027 altogether, compared to 5,939 new admissions. The difference between the increase and the number of new admissions is a result of membership terminations and members' early withdrawals.

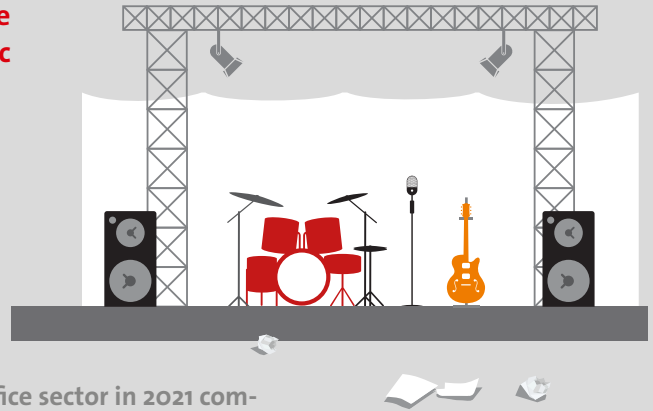


Admission of new members
2021/2020 comparison

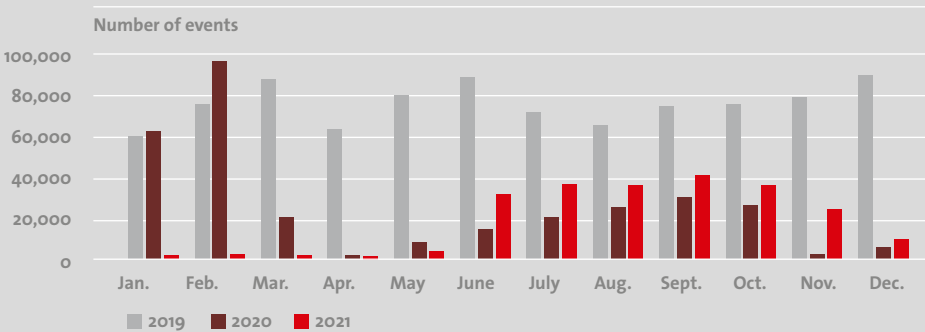
2021 was a challenging year for GEMA. The pandemic brought about drastic restrictions and harrowing times full of uncertainties. The enforced cancellations of live concerts over months and months have caused great emotional and financial hardship for music and creative artists.

A 160-million-euro

decline hit revenues in the regional office sector in 2021 compared to 2019 due to the COVID-19 pandemic.



About 648,000

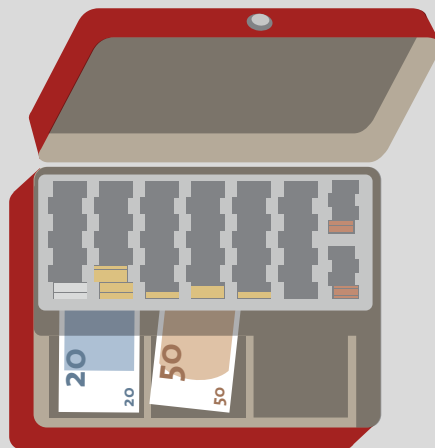


fewer events were counted by GEMA in 2021 in comparison to 2019, representing a decrease of event operations of 75.4% triggered by COVID-19.

This includes all forms of events where it was possible to listen to music and which were invoiced by GEMA.

90%

of revenue losses suffered by the cultural event industry since the first closures in March 2020, i.e. losses of at least 10 billion euros. Until 2019, the sector still managed to generate turnover in the region of 6 billion euros.*



*Prof. Jens Michow (President of the BDKV e.V.), Figures based on own research of the BDKV e.V.

Especially music creators are facing a huge challenge due to the pandemic-induced standstill of music events. In order to cushion the economic losses of its members as best as possible, GEMA supported the rescue and future programme of the Federal Government, *Neustart Kultur*, by disbursing the respective financial aids. GEMA also attributed additional subsidies for affected music creators in the course of the scholarship programme.

49
million euros



were included in the 'pot' of grants by the *Neustart Kultur* programme for music performance venues, music clubs and music festivals, which GEMA distributed on behalf of the Federal Ministry of Culture (BKM).



74.8%

of respondents to a GEMA survey stated that they were very satisfied or satisfied with the grant application process at GEMA and its approval.



5,000 euros

each were paid to about 4,500 music creators as part of a four-month scholarship programme. The application period lasted from the beginning of August to the middle of September 2021. As early as October 2021, the first scholarships were paid out.

Up to
30 million euros

million euros

were available for the GEMA scholarship programme as part of *Neustart Kultur*. The intention behind the scholarship was to encourage creative freelancers to continue their creative activities and to make the most of the situation and actively work on their further development.

REPORT OF THE SUPERVISORY BOARD

The Supervisory Board held meetings on 12 days during the 2021 financial year: on 31 March, 20/21 April, 7, 10 and 29 June, 29/30 September, 6/7 October and 8/9 December 2021. Moreover, meetings of the committees formed by the Supervisory Board (such as the Statutes Committee, Tariff Committee, Distribution Plan Committee and Programme Committees) as well as the Rating Committees for the rating procedure, the Assessment Committee for arrangers and the Works Committee took place regularly. During joint meetings with the Managing Committee, the Supervisory Board addressed GEMA's overall situation, business performance and business policies on the basis of written and verbal reports by the Managing Committee, which formed the basis for discussions with the Managing Committee.

During the 2021 financial year, the Finance Committee of the Supervisory Board met on 23 March and on 24 November. The respective results were reported back to the Supervisory Board. Furthermore, the Finance Committee dealt with the Managing Committee's annual report for 2021 during its meeting on 16 March 2022 and reported the outcome to the Supervisory Board during its meeting on 30/31 March 2022.

The appointed auditors, KPMG AG Wirtschaftsprüfungsgesellschaft [auditing company], Berlin, audited the 2021 annual financial statements prepared by the Managing Committee, including the accounts and the management report, and issued an auditors' report without reservation. The Supervisory Board discussed the auditors' report at its meeting on 30/31 March 2022 and raised no objections to the audit result and the management report of the Managing Committee. It approved the annual financial statements, which are thereby endorsed.



DR. RALF WEIGAND
CHAIRMAN OF THE SUPERVISORY BOARD

The following individuals were members of the Supervisory Board in the 2021 reporting year:

For the professional category of composers Jörg Evers, Matthias Hornschuh, Micki Meuser, Jochen Schmidt-Hambrock, Dr. Charlotte Seither, Dr. Ralf Weigand as well as deputies Michelle Leonard (until 10 June) and Wolfgang Lackerschmid (from 10 June) and Alexander Zuckowski; for the professional category of lyricists Burkhard Brozat (until 10 June), Rudolf Müssig († 14 February), Frank Ramond, Tobias Reitz (from 10 June), Götz von Sydow (from 10 June), Stefan Waggerhausen as well as deputies Tobias Künzel and Pe Werner (until 10 June) and Diane Weigmann (from 10 June); for the professional category of publishers Jörg Fukking, Winfried Jacobs (until 10 June as a deputy), Hans-Peter Malten (until 10 June), Dr. Sabine Meier (from 10 June), Michael Ohst (from 10 June as a deputy), Patrick Strauch, Dr. Götz von Einem and, as another deputy, Diana Muñoz.

Dr. Ralf Weigand was Chairman, Deputy Chairmen were Stefan Waggerhausen and Hans-Peter Malten (until 10 June) and Dr. Götz von Einem (from 10 June).

Munich, 31 March 2022

Dr. Ralf Weigand
Chairman of the Supervisory Board

HONORARY PRESIDENTS AND HONORARY MEMBERS

Honorary Presidents

Prof. Dr. Reinhold Kreile

Prof. Dr. jur. h. c. Erich Schulze †

Honorary Members

Prof. Harald Banter

Prof. Christian Bruhn

Klaus Doldinger

Dr. Peter Hanser-Strecker

Karl-Heinz Klempnow

Hartmut Westphal

Bruno Balz †

Richard Bars †

Prof. Jürg Baur †

Prof. Werner Egk †

Dr. Hans Gerig †

Prof. Dr. Dr. h. c. Joseph Haas †

Hans Hee †

Kurt Hertha †

Heinz Korn †

Peter Jona Korn †

Eduard Künneke †

Jo Plée †

Dr. Willy Richartz †

Prof. Dr. Georg Schumann †

Günther Schwenn †

Dr. Hans Sikorski †

Prof. Dr. Hans Wilfred Sikorski †

Dr. Dr. h. c. Ludwig Strecker †

Prof. Karl Heinz Wahren †

INTERNATIONAL ORGANISATIONS

CISAC

Confédération Internationale des Sociétés d'Auteurs et Compositeurs, Paris

Member of the Board of Directors

Dr. Harald Heker

Member of CIAM

(International Council of Creators of Music)

Jörg Evers

Member of the Legal Committee

Dr. Tobias Holzmüller

BIEM

Bureau International des Sociétés gérant les Droits d'Enregistrement et de Reproduction Mécanique, Paris

Honorary Presidents

Prof. Dr. Reinhold Kreile

Prof. Dr. jur. h. c. Erich Schulze †

Prof. Dr. Hans Wilfred Sikorski †

President of the Management Committee

Georg Oeller

GESAC

Groupement Européen des Sociétés d'Auteurs et Compositeurs, Brussels

Vice President

Dr. Harald Heker

FASTTRACK

The Digital Copyright Network SAS, Paris

Member of the Board of Directors

Dr. Harald Heker

Member of the Executive Committee

Thimo Prziklang



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GOVERNANCE STRUCTURE

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'Times of crisis are times of introspection. We have tried to also see the opportunities of renewal for cultural enterprises in this difficult situation and to send out signals of hope to performers and our audience. This would not have been possible without the project grants by the federal and state governments. The clear cutting within the cultural landscape will only reveal itself in the time after the pandemic, which is why we now need additional strategies.'

Prof. Thomas E. Bauer
Director of the Konzerthaus Blaibach

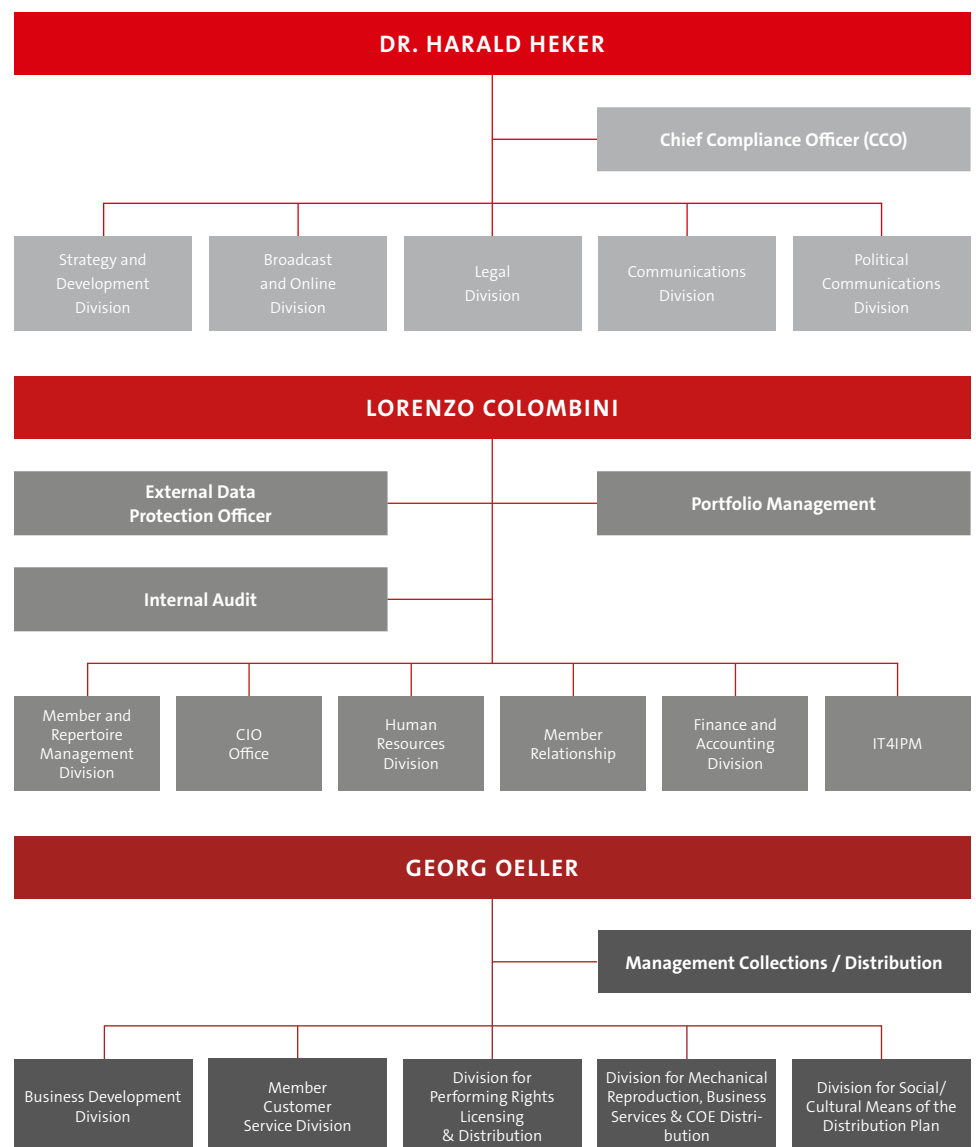
LEGAL STRUCTURE / ORGANISATIONAL STRUCTURE

Pursuant to Art. 1 of its Statutes, GEMA (society for musical performing and mechanical reproduction rights), Berlin, has the legal form of a commercial association whose legal capacity is granted by charter pursuant to s. 22 German Civil Code (BGB).

Governing bodies of GEMA pursuant to Art. 6 of the Statutes are:

- the General Assembly,
- the Supervisory Board,
- the Managing Committee.

GEMA is a collective management organisation within the meaning of s. 2 VGG [CMO Act] and is under institutional supervision by the German Patent and Trade Mark Office, Munich.



GEMA SOCIAL FUND

The GEMA social fund was established by resolution of the Members' Assembly as of 1 January 1957. It creates legally dependent special funds of GEMA for the purpose of supporting its members and thus conforms to welfare and assistance schemes as designated in s. 32 (2) VGG.

The GEMA social fund has its own Statutes and comprises three independent sections (composers, lyricists and music publishers).

The services to be rendered by the GEMA social fund are regulated by its Statutes and its implementing rules.

Composers' section	Ralf Hoyer Christoph Rinnert Rainer Rubbert	Managing director and curator
Lyricists' section	Klaus Pelizaeus Edith Jeske Jutta Staudenmayer	Managing director and curator
Publishers' section	Andreas Meurer Thomas Tietze Marcus Zander	Managing director and curator

As at 31/12/2021

HOLDINGS AND AFFILIATED COMPANIES

AMEG Invest Management GmbH, Munich

Purpose: property management

Registered number

HRB 268701

Associate

GEMA

AMEG Invest GmbH & Co. KG, Munich

Purpose: holding and managing own assets, in particular real property

Registered number

HRA 114737

Associates

GEMA (general partner)
AMEG Invest Management GmbH (limited partner)

ARESA GmbH, Munich

Purpose: national and multinational licensing of musical works in the online sector

Registered number

HRB 197896

Associate

GEMA

GEMA Immobilien GmbH, Munich

Purpose: property management

Registered number

HRB 214398

Associate

GEMA

GEMA Immobilien Services GmbH, Munich

Purpose: provision of services and support services related to real estate

Registered number

HRB 268698

Associate

GEMA

GEMA Immobilienverwaltung wirtschaftlicher Verein & Co. KG, Munich

Purpose: holding and managing own assets, in particular real estate

Registered number

HRA 103041

Associates

GEMA (general partner)
GEMA Immobilien GmbH (limited partner)

GEMA Unterstützungskasse GmbH, Munich

Purpose: running of a benevolent fund for pension liabilities

Registered number

HRB 223307

Associate

GEMA

GEMA ZB GmbH, Munich

Purpose: acquisition, retention, management and sale of equity investments, especially in companies active in the music business

Registered number

HRB 252099

Associate

GEMA

ICE Operations AB, Stockholm

Purpose: holding company of ICE International Copyright Enterprise Germany GmbH

Registered number

556723-5907

Associates

PRS for Music Ltd., Föreningen Svenska Tonsättares Internationella Musikbyrå (STIM) u. p. a., GEMA

ICE International Copyright Enterprise Germany GmbH, Berlin

Purpose: provision of services within the framework of the documentation of works with a musical component, evaluation of usage reports and usage allocation as well as operation and maintenance of the systems and processes required for this purpose

Registered number

HRB 162426

Associate

ICE Operations AB

International Copyright Enterprise Services Ltd., London

Purpose: pan-European licensing of musical works in the online sector

Registered number

8983089

Associates

PRS for Music Ltd., Föreningen Svenska Tonsättares Internationella Musikbyrå (STIM) u. p. a., GEMA

iSYS Software GmbH, Munich

Purpose: IT services for companies

Registered number

HRB 111760

Associates

Stefan Fischer, Hausbank München eG Bank für Haus- und Grundbesitz, GEMA

IT for Intellectual Property Management GmbH, Munich

Purpose: IT services in connection with the management of copyright

Registered number

HRB 211469

Associate

GEMA

SOLAR Music Rights Management Ltd., London

Purpose: pan-European licensing of musical works in the online sector

Registered number

8983482

Associates

PRS for Music Ltd., GEMA

Zentralstelle Bibliothekstantieme GbR (ZBT), Munich

Purpose: assertion of entitlements pursuant to s. 27 (2) and s. 60h (1) UrhG [German Copyright Act]

Associates

VG Wort, VG Bild-Kunst, VG Musikedition, GEMA, GVL, VGF, GWFF, VFF

Zentralstelle für private Überspielungsrechte GbR (ZPÜ), Munich

Purpose: assertion of entitlements for remuneration, information and notification for reproductions of audio works and audiovisual works pursuant to s. 53 (1) to (2) UrhG

Associates

GEMA, GVL, VG Wort, GÜFA, GWFF, VG Bild-Kunst, VFF, VGF, TWF

ZPÜ-Service GmbH, Munich

Purpose: supporting activities with regard to the collection of statutory remuneration rights

Registered number

HRB 209577

Associate

GEMA

MANAGING COMMITTEE

**DR. HARALD HEKER (* 1958)****CEO AND CHAIRMAN OF THE MANAGING COMMITTEE**

Dr. Harald Heker has been GEMA CEO and Chairman of the Managing Committee since 1 January 2007.

He studied law in Munich and completed his doctorate in Freiburg im Breisgau. From 1988 to 1990, he worked as a lawyer and managing director at the Institute for Copyright and Media Law in Munich. From 1990 to 2000, he was legal adviser to the Börsenverein des Deutschen Buchhandels [German Publishers and Booksellers Association] and co-director of Ausstellungs- und Messe GmbH [the exhibition and trade fair arm of said Association]. From 2001 to 2005, he was managing director of the Börsenverein and since 2003, he has also held the position of speaker for the management committee of the Börsenverein Beteiligungsgesellschaft mbH, an affiliated company to the Börsenverein, under whose umbrella the Börsenverein pools its economic activities such as the organisation of the Frankfurt Book Fair. In 2006, Dr. Harald Heker then joined GEMA as a member of the Managing Committee before becoming CEO and Chairman of the Managing Committee in 2007.

**LORENZO COLOMBINI (* 1972)****MEMBER OF THE MANAGING COMMITTEE**

Lorenzo Colombini was appointed GEMA CFO and member of the Managing Committee on 1 July 2012.

The graduate in business and commerce (University Luigi Bocconi, Milan) has been working as Director for Finance and Accounting since 2009. Since 2002, Colombini, a native of Milan, had been in charge of financial affairs at the publicly listed Constantin Film AG in Munich. Prior to that, he worked for auditing firms KPMG and Ernst & Young.

**GEORG OELLER (* 1964)****MEMBER OF THE MANAGING COMMITTEE**

Georg Oeller was appointed a member of the Managing Committee on 1 August 2009.

Georg Oeller, a trained bank clerk and lawyer has been working for GEMA since 1995. He was Director of the Abrechnung II [Distribution II] and Ausland [International Income and Relations] departments between 2002 and 2009.

SUPERVISORY BOARD

The Supervisory Board is the supervisory body of GEMA pursuant to s. 22 VGG. As per the Statutes, it is made up of 15 members, of which six have to be composers, four lyricists and five publishers. Two deputies can be elected for each professional category.

A new Supervisory Board was elected during GEMA's General Assembly on 9/10 June 2021. The election of the Chairman and two deputies took place at the Supervisory Board's meeting on 10 June 2021.

As of 31 December 2021, the Supervisory Board was hence made up as follows:

Chairman	Dr. Ralf Weigand
Deputy Chairmen	Stefan Waggerhausen Dr. Götz von Einem
Members of the Supervisory Board	Jörg Evers Jörg Fukking Matthias Hornschuh Winfried Jacobs Dr. Sabine Meier Micki Meuser Frank Ramond Tobias Reitz Jochen Schmidt-Hambrock Dr. Charlotte Seither Patrick Strauch Götz von Sydow
Deputies	Tobias Künzel Wolfgang Lackerschmid Diana Muñoz Michael Ohst Diane Weigmann Alexander Zuckowski

As at 31/12/2021

The mandate of the Supervisory Board members is valid from the end of the General Assembly during which their election took

place until the third ordinary General Assembly. Re-election is permitted.



DR. RALF WEIGAND
CHAIRMAN OF THE SUPERVISORY BOARD

STEFAN WAGGERSHAUSEN
DEPUTY CHAIRMAN



DR. GÖTZ VON EINEM
DEPUTY CHAIRMAN

COMMITTEES AND COMMISSIONS

Admissions Committees	Composers Prof. Bernd Wefelmeyer Helmut Zapf	Deputy Martina Eisenreich
	Lyricists Lukas Hainer Klaus Pelizaeus	Deputy N.N.
	Publishers Andreas Meurer Dr. Thomas Sertl	Deputy Elisabeth Braun
Communications Committee	Matthias Hornschuh Tobias Künzel Micki Meuser Diana Muñoz Michael Ohst Frank Ramond	Deputies Dr. Sabine Meier Diane Weigmann Alexander Zuckowski
Culture Committee	Jörg Fukking Matthias Hornschuh Michael Ohst Frank Ramond Tobias Reitz Dr. Charlotte Seither	Deputies Tobias Künzel Diana Muñoz Jochen Schmidt-Hambrock
Complaints Committee	(Acting) Chairman Prof. Dr. Jan Dirk Harke (Jena University)	Deputy Chairman N.N.
	Representatives of the three professional categories	
	Composers Robert HP Platz	Deputy Prof. Harald Banter
	Lyricists Michael Arends	Deputy Klaus Pelizaeus
Publishers Yvonne Sill	Deputy Karina Poche	

Radio Committee

Composers
Prof. Bernd Wefelmeyer
Dr. Ralf Weigand

Deputy
Hans Peter Ströer

Lyricists
Klaus Pelizaeus
Stefan Waggershausen

Deputy
Jutta Staudenmayer

Publishers
Jan Rolf Müller
Patrick Strauch

Deputy
Stefan Conradi

Programme Committee

Sub-committee serious music
Winfried Jacobs
Michael Ohst
Jochen Schmidt-Hambrock
Dr. Charlotte Seither

Deputies
Micki Meuser
Patrick Strauch

Experts
Prof. Moritz Eggert
Johannes Hildebrandt
Thomas Tietze

Sub-committee entertainment music, radio, TV
Jörg Evers
Jörg Fukking
Matthias Hornschuh
Dr. Sabine Meier
Stefan Waggershausen
Diane Weigmann

Deputies
Diana Muñoz
Frank Ramond
Alexander Zuckowski

Expert
Prof. Harald Banter

Statutes Committee

Jörg Evers
Frank Ramond
Dr. Götz von Einem

Deputies
Matthias Hornschuh
Tobias Reitz
Patrick Strauch

Attendance Allowance Committee

(Acting) Chairman
Prof. Dr. Jan Dirk Harke
(Jena University)

Deputy Chairman
N.N.

Representatives of the three professional categories

Composers
Annette Focks

Deputy
Christian Wilckens

Lyricists
Johann-Christoph Busse

Deputy
Pat Appleton

Publishers
Sebastian Mohr

Deputy
Georg Löffler

Tariff Committee	Jörg Evers Jörg Fukking Micki Meuser Michael Ohst Frank Ramond Götz von Sydow	Deputies Dr. Götz von Einem Stefan Wagershausen Alexander Zuckowski Expert Patrick Strauch
	Author-Publisher Arbitration Committee	Chairman Prof. Dr. Jan Dirk Harke Deputy Chairman N.N.
Representatives of the three professional categories		
	Composers Andreas Weidinger	Deputy Prof. Karim Sebastian Elias
	Lyricists Gregor Rottschalk	Deputy Timothy Touchton
	Publishers Dr. Heinz Stroh	Deputy Arne Björn Segler
Distribution Plan Committee	Composers Jörg Evers Dr. Charlotte Seither Dr. Ralf Weigand	Deputies Jochen Schmidt-Hambrock Alexander Zuckowski
	Lyricists Frank Ramond Stefan Wagershausen	Deputies Tobias Reitz Götz von Sydow
	Publishers Dr. Sabine Meier Patrick Strauch	Deputies Jörg Fukking Dr. Götz von Einem Expert Prof. Harald Banter
	Election Committee	Composers Thomas Rebensburg Lyricists Lukas Hainer Publishers Sabine Kemna

Works Committee**Composers**

Prof. Martin Christoph Redel
Tobias P. M. Schneid
Hans Peter Ströer
Prof. Bernd Wefelmeyer

Deputies

Dr. Anselm Kreuzer
Alexander von Schlippenbach
Iris ter Schiphorst
Nils Wogram

Lyricists

Klaus Pelizaeus
Jutta Staudenmayer

Deputies

Peter Freudenthaler
Reiner Hömig

Publishers

Jan Rolf Müller

Deputy

Stefan Conradi

Supervisory Board delegate

Jochen Schmidt-Hambrock

Deputy

Dr. Charlotte Seither

Rating Committee for composers and lyricists in the serious music category (E)

Prof. Martin Christoph Redel
Annette Schlünz
Helmut Zapf

Deputies

Detlev Glanert
Babette Koblenz

Delegate of the associate members

Kathrin Denner

Supervisory Board delegate

Dr. Charlotte Seither

Deputy

Jochen Schmidt-Hambrock

Rating Committee for publishers in the serious music category (E)

Stefan Conradi
Horst Schubert

Deputy

Dr. Peter Hanser-Strecker

Supervisory Board delegate

Winfried Jacobs

Deputy

Michael Ohst

**Rating Committee for
entertainment (light) and
dance music**

Composers
Thorsten Brötzmann
Dr. Rainer Fabich
Christoph Rinnert

Deputies
Martina Eisenreich
Ulrike Haage
Christian Neander

Lyricists
Michael Holm
Klaus Pelizaeus
Thomas Woitkewitsch

Deputies
Dr. Manfred Maurenbrecher
Maya Singh
Jutta Staudenmayer

Publishers
Pamela Georgi-Michel
Barbara Krämer
Ute Lingner

Deputies
Elisabeth Braun
Jan Rolf Müller
Selina Paetz

**Delegates of the
associate members**

**Supervisory Board
delegates**

Composers
Tim Jäkel

Composers
Dr. Ralf Weigand

Deputy
Jörg Evers

Lyricists
Timo Peter

Lyricists
Stefan Waggershausen

Deputy
Frank Ramond

Publishers
Corinna Wolff-Klemens

Publishers
Jörg Fukking

Deputy
Dr. Sabine Meier

**Assessment Committee
for arrangers**

Tina Pepper
Prof. Wieland Reissmann
Lenard Schmidthals
Prof. Bernd Wefelmeyer
Alfons Weindorf

Deputies
Prof. Maria Baptist
Henning Verlage
Wolfgang Vetter-Lohre

**Supervisory Board
delegate**
Jörg Evers

Deputy
Micki Meuser

Finance Committee

Winfried Jacobs
Micki Meuser
Diana Muñoz
Jochen Schmidt-Hambrock
Götz von Sydow
Stefan Waggershausen

Deputies
Matthias Hornschuh
Michael Ohst
Frank Ramond

Pursuant to Art. 41 item 1 of the Statutes, members of the Supervisory Board, the committees and commissions of GEMA merely receive a reimbursement of their travel and cash expenses as well as flat-rate attendance fees at an adequate level for their voluntary activity. The level of attendance fees is determined by the General Assembly pursuant to Art. 22 para 1 d) of the Statutes at the suggestion of the Attendance Allowance Committee.

In 2021, a total of €2,689k was paid to members of the governing bodies in the form of compensation and other benefits pursuant to s.18 (1) VGG.



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FINANCIAL INFORMATION

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'Like many other concert halls, we had two long lockdowns in 2021. We decided, however, to turn the fiasco into an opportunity and make what was possible possible. The orchestra recorded CDs with the chief conductor, performed concerts for radio and the internet, and we massively expanded our digital presence. Yes, the year of the pandemic was hard for all the people who love our music. But it also opened doors behind which a future for our sector is opening up.'

Frauke Roth
Artistic Director of the Dresden Philharmonic Orchestra

PROFIT AND LOSS STATEMENT

PROFIT AND LOSS STATEMENT FOR THE PERIOD 1 JANUARY TO 31 DECEMBER 2021

[↗ T.04](#)

in €'000s	Note no.	2021	2020
1. Income	28	1,031,978	950,487
<i>of which</i>			
a) Income from copyright exploitation and remuneration rights		1,026,032	944,308
<i>of which income from collection mandates</i>		196,938	145,739
b) Other income		5,947	6,179
2. Other operating income		3,222	4,057
3. Expenses for third-party services	29	- 57,993	- 55,575
4. Staff costs	30	- 64,414	- 62,500
<i>of which</i>			
a) Wages and salaries		- 47,716	- 47,236
b) Social benefits and expenses for social security plans and support programmes		- 16,698	- 15,263
<i>of which pension scheme payments</i>		- 7,793	- 6,631
5. Amortisation of intangible assets in fixed assets and tangible assets		- 13,368	- 11,467
6. Other operating expenses	29	- 15,067	- 21,050
7. Income from holdings		847	1,164
<i>of which holdings in affiliated companies</i>	31	428	879
8. Income from securities and bonds		1,555	2,055
9. Other interest and similar income		1,302	1,075
<i>of which holdings in affiliated companies</i>		361	361
10. Interest paid and similar expenditure	32	- 1,461	- 1,657
11. Result after tax		886,601	806,589
12. Other taxes		- 107	- 105
13. Allocations to distribution reserves and accruals	24	- 886,494	- 806,484
14. Result for the year		0	0

BALANCE SHEET AS AT 31 DECEMBER 2021 (88TH FINANCIAL YEAR)

ASSETS

⇒ T.05

in €'000s		Note no.	As at 31/12/2021	As at 31/12/2020
A. Fixed assets	I. Intangible assets	3/17		
	1. Operating licences, industrial property rights, similar rights and values, as well as licences in such values and rights		48,029	45,334
	2. Prepayments made		42,714	36,131
			90,743	81,465
	II. Tangible assets	4/17		
	1. Properties, leasehold rights and buildings, including buildings on sites not owned by GEMA		3,223	14,566
	2. Other assets, office and business equipment		2,158	2,618
			5,381	17,184
	III. Financial assets	5/17		
	1. Shares in affiliated companies	18	95,909	61,507
	2. Loans to affiliated companies		28,489	28,099
	3. Holdings	19	4,626	4,677
	4. Loans to holdings		12,256	11,254
	5. Fixed asset securities		310,974	309,000
	6. Other loans		1,731	1,609
			453,985	416,146
			550,109	514,795
B. Current assets	I. Receivables	6/21		
	1. Members		67,971	73,427
	2. Foreign companies		47,887	51,548
	3. Sound recordings and audiovisual media companies		4,563	2,853
	4. Broadcasters		50,052	29,213
	5. Online providers		90,863	75,797
	6. Music promoters		38,922	50,536
	7. Affiliated companies		2,608	1,654
	8. Entities/holdings in which the company has a participating interest		997	100
	9. Others		17,496	23,845
	<i>of which from taxes</i>		2,481	7,841
			321,359	308,973
	II. Cash at bank	7/22		
	1. Others		316,791	287,888
			316,791	287,888
	III. Cash in hand	7		
			12	8
			638,162	596,869
C. Accruals and deferred income		8	614	450
D. Deferred tax assets		9	14,692	9,018
E. Trustee receivables		22	1,662	1,735
			1,205,239	1,122,867

LIABILITIES

→ T.06

in €'000s	Note no.	As at 31/12/2021	As at 31/12/2020
A. Capital and reserves	23	0	0
B. Reserves and accruals for distribution	10/24		
I. From performing, presentation, broadcasting and communication to the public and remuneration rights			
1. Domestic income		552,671	500,806
2. Collection mandates		61,504	31,909
3. International income		27,612	29,537
		641,787	562,252
II. From reproduction rights and remuneration rights			
1. Domestic income		210,857	195,930
2. Collection mandates		-1,935	-900
3. International income		7,395	7,675
		216,317	202,705
III. From statutory remuneration rights		68,803	101,484
		926,907	866,441
C. Other reserves	11/25		
1. Reserves for pensions and similar obligations		108,209	80,827
2. Tax accruals		200	164
3. Other accruals		33,940	50,766
		142,349	131,757
D. Liabilities	14/26		
1. From distributed royalties			
To members		15,370	16,698
To foreign collective management organisations		2,785	9,216
2. To music promoters		40,028	30,371
3. From deliveries and services		5,143	5,373
4. To affiliated companies		7,550	7,789
5. To entities/holdings in which the company has a participating interest		1,635	25
6. Others		15,866	12,556
<i>of which from taxes</i>		885	977
		88,377	82,028
E. Accruals and deferred income	15/27	45,944	40,906
F. Trustee obligations	22	1,662	1,735
		1,205,239	1,122,867

DEVELOPMENT OF FIXED ASSETS IN 2021

ASSETS: A. FIXED ASSETS

in €'000s	Purchase and production costs				As at 31/12/2021
	As at 01/01/2021	Additions	Transfers	Disposals	
I. Intangible assets					
1. Operating licences, industrial property rights, similar rights and values, as well as licences in such values and rights	74,294	108	14,946	0	89,348
2. Prepayments made	36,131	21,529	-14,946	0	42,714
3. Low-value assets	1	0	0	-1	0
Total	110,427	21,637	0	-1	132,062
II. Tangible assets					
1. Properties, leasehold rights and buildings, including buildings on sites not owned by GEMA	31,637	0	0	-26,452	5,185
2. Other assets, office and business equipment	4,867	38	0	-309	4,595
3. Low-value assets	35	6	0	-35	6
Total	36,538	43	0	-26,796	9,786
III. Financial assets					
1. Shares in affiliated companies	61,507	34,403	0	0	95,909
2. Loans to affiliated companies	28,099	1,100	0	-711	28,489
3. Holdings	4,677	0	0	-51	4,626
4. Loans to holdings	11,254	1,603	0	-601	12,256
5. Fixed asset securities	309,000	4,496	0	-2,522	310,974
6. Other loans	1,609	200	0	-78	1,731
Total	416,146	41,802	0	-3,962	453,985
Sum total	563,111	63,482	0	-30,759	595,833

→ T.07

	Accumulated amortisation and depreciation			Book values		
	As at 01/01/2021	Additions	Disposals	As at 31/12/2021	As at 31/12/2021	As at 31/12/2020
	28,961	12,358	0	41,319	48,029	45,334
	0	0	0	0	42,714	36,131
	1	0	-1	0	0	0
	28,962	12,359	-1	41,319	90,743	81,465
	17,071	511	-15,619	1,963	3,223	14,566
	2,249	493	-305	2,437	2,158	2,618
	35	6	-35	6	0	0
	19,354	1,010	-15,959	4,405	5,381	17,184
	0	0	0	0	95,909	61,507
	0	0	0	0	28,489	28,099
	0	0	0	0	4,626	4,677
	0	0	0	0	12,256	11,254
	0	0	0	0	310,974	309,000
	0	0	0	0	1,731	1,609
	0	0	0	0	453,985	416,146
	48,316	13,368	-15,960	45,725	550,109	514,795

RESERVES AND ACCRUALS FOR DISTRIBUTION IN 2021

LIABILITIES: B. RESERVES AND ACCRUALS FOR DISTRIBUTION

[↪ T.08](#)

in €'000s	As at 01/01/2021	Payouts 2021 for previous years and advance payouts 2021	Allocations 2021	As at 31/12/2021
I. From performing, presentation, broadcasting and communication to the public rights and remuneration rights				
1. Domestic income	500,806	383,928	435,793	552,671
2. Collection mandates	31,909	128,072	157,667	61,504
3. International income	29,537	41,134	39,209	27,612
				641,787
II. From reproduction rights and remuneration rights				
1. Domestic income	195,930	134,046	148,973	210,857
2. Collection mandates	-900	30,019	28,984	-1,935
3. International income	7,675	12,651	12,371	7,395
				216,317
III. From statutory remuneration rights	101,484	96,178	63,497	68,803
Sum total	866,441	826,028	886,494	926,907

NOTES TO THE ACCOUNTS

**For the financial year from
1 January to 31 December 2021**

GOVERNING STATUTORY PROVISIONS

1. The annual financial statements for 2021 were drawn up based on the accounting regulations for collective management organisations pursuant to s. 57 (1) clause 1 VGG (Verwertungsgesellschaftengesetz) [Act on Collective Management Organisations]. This led to a comprehensive application of the accounting regulations of the HGB (Handelsgesetzbuch) [German Commercial Code] for large incorporated enterprises. The specific collective management organisations were accommodated by way of including additional items (s. 265 (5) HGB) and by way of adapting the names of the items (s. 265 (6) HGB). Apart from the annual financial statements, consisting of balance sheet, profit and loss statement, cash flow statement, including the notes to the accounts, a management report was prepared.

ACCOUNTING AND EVALUATION PRINCIPLES

2. The specific characteristics of a collective management organisation are taken into account in the structure of the annual financial statements. Due to the obligation to pay out all collections after deduction of administrative expenses, no equity capital is shown on the balance sheet. Until the payout to rightsholders, the income surplus is entered on the liabilities side in the form of a reserve for distribution.

3. Intangible assets were recognised at their acquisition costs and a straight-line depreciation method was applied over their ordinary useful lives of between three and ten years.

4. Tangible assets were valued at their acquisition or production costs. The loss in value will be captured based on scheduled straight-line depreciation. The ordinary asset depreciation range is between three and 13 years. Buildings are depreciated on a straight-line basis at a rate of 1.5%. Low-value assets (up to €800) are written off in full in the year they were acquired.

5. With respect to the financial assets, shares in affiliated companies, holdings and securities and bonds are usually recognised at their acquisition costs, and loans generally at their nominal value. Regarding the financial assets, cumulative value adjustments for lower year-end rates were waived, provided that value was expected to recover by the final maturity date (moderate lower of cost or market principle).

6. The assessment of receivables was carried out using the nominal amount; possible shortfall risks were taken into consideration by applying an accumulated depreciation. Receivables arising from reproduction, international income, broadcasting and online collection categories contained cautious estimates for uses that had occurred in the financial year, but have not yet been distributed. These estimates were based on empirical values from the past. The revenues were realised on the date of the performance delivery or use. All transactions with affiliated companies and holdings have been undertaken at normal market conditions.

- 7.** The assessment of cash in hand and cash at bank was performed using the nominal value.
- 8.** Active accruals and deferred income were set up for prepaid amounts as long as they constitute expenditure for a certain period after the balance sheet date.
- 9.** After netting out deferred tax assets and liabilities, the surplus of assets at the financial statement date was €14,692k (previous year: €9,018k). The increase of deferred taxes by €5,674k is mainly due to the temporary differences between the tax and commercial balance sheets relating to the addition to reserves and provisions for pension schemes and the transfer of the building in Berlin, Bayreuther Strasse, to AMEG Invest GmbH & Co. KG. The valuation of deferred taxes was based on a company-specific tax rate of 31.82% (previous year: 31.81%).
- 10.** The reserves and accruals for distribution include the amounts to be paid out to the entitled creators and publishers in accordance with the distribution plans in the following year. See [↗ T.08](#).
- 11.** Allocations to the other reserves and accruals take account of all discernible risks and uncertain obligations and are based on reasonable commercial assessment. Long-term reserves and accruals amounting to €1,700k (previous year: €8,062k) exist.
- 12.** In the reporting year, reserves and provisions for pension schemes were calculated based on the actuarial principles pursuant to s. 253 HGB at an actuarial interest rate of 1.87%. The actuarial interest used is the average market interest published by the Deutsche Bundesbank [German Central Bank] for the last ten financial years, at an assumed residual term of 15 years. Based on the application of an average market interest rate pursuant to the provisions of s. 253 (6) HGB for the past seven financial years for an assumed residual life of 15 years, the result would be an actuarial interest rate of 1.35%
- (difference in the liabilities reserve according to assessment of the average interest over the seven instead of the ten years: €10,044k). The assessment was based on a fluctuation of 2.0%, a salary trend of 2.0% and a pension indexation for pension liabilities of 1.55% p.a. (provided that no other contractual arrangement is in place). The 2018 actuarial life tables by Heubeck Richttafeln GmbH, Cologne, are used.
- Exercising the option to disclose or not to disclose an item as a liability resulted in pension liabilities from previous commitments of €23,981k (previous year: €22,115k) that were not reported in the balance sheet on the financial statement date. Furthermore, as at the balance sheet date of 31 December 2021, there are indirect pension commitments (via the GEMA Unterstützungskasse GmbH, Munich) of €5,522k (previous year: €23,544k). For further details, please refer to item 17.
- 13.** The reserves and provisions for staff anniversaries and partial retirement are also determined on the basis of actuarial principles. The assessment of the provisions for anniversary bonuses was based on an assumed interest rate of 1.35% and for partial retirement provisions of 0.34%.
- 14.** Liabilities were set at the level on the settlement amount.
- 15.** Deferred income items were created for income received before the financial statement date as long as the income in question related to a certain period after the financial statement date.
- 16.** Receivables, liabilities and liquid assets in foreign currency were valued using the exchange rate of the settlement date, or using the lower/higher exchange rate on the financial statement date.

DETAILS ON BALANCE SHEET ITEMS

17. The development of individual items relating to fixed assets is reflecting the depreciation during the financial year and is shown in the schedule of fixed assets. See [↔ T.07](#)

In the reporting year, the land and building in Berlin were transferred to AMEG Invest GmbH & Co. KG at fair value (€32,983k) as an asset in return for the granting of company rights. The hidden assets resulting from this amounted to €22,152k.

18. Shares in affiliated companies are as follows: see [↔ T.09](#)

19. Shares in holdings are as follows: see [↔ T.10](#)

GEMA is an associate of the Zentralstelle für private Überspielungsrechte GbR, Munich (ZPÜ), [Central Organisation for Private Copying Rights, Munich].

20. GEMA holds 100% of the shares in two special funds, which are to be regarded as assets. The special funds were created with the aim of safeguarding the pension assets as well as the member assets. There are no restrictions on the daily right of return. The result includes income payouts amounting to €1,555k.

The acquisition costs for the purchase of the shares amount to €295,974k (previous year: €294,000k). The fair value of the investment as of the financial statement date amounts to €303,487k (previous year: €302,968k). There is no permanent impairment in value as there is no sustained decline in the asset below its accounting value as at the closing date of the accounts.

21. All receivables fall due within one year. Receivables from affiliated companies amount to €2,608k (previous year: €1,654k).

Receivables from entities/holdings in which GEMA has a participating interest of €997k (previous year: €100k), mainly relate to ICE Ltd. (€548k; previous year: €0k).

SHARES IN AFFILIATED COMPANIES[↔ T.09](#)

Organisation	Share	EC in €'000s	AS in €'000s
ARESA GmbH, Munich*	100%	653	237
ZPÜ-Service GmbH, Munich*	100%	863	59
IT4IPM GmbH, Munich*	100%	3,539	315
GEMA Immobilien GmbH, Munich*	100%	26	1
GEMA Immobilienverwaltung wirtschaftlicher Verein & Co. KG, Munich*	100%	52,392	513
GEMA Unterstützungskasse GmbH, Munich*	100%	25	0
GEMA ZB GmbH, Munich*	100%	5,095	-343
AMEG Invest Management GmbH, Munich**	100%	0	0
AMEG Invest GmbH & Co. KG, Munich**	100%	0	0
GEMA Immobilien Services GmbH, Munich**	100%	0	0

* Figures for the 2020 financial year

** Association was founded in 2021 only

EC = equity capital, AS = annual surplus

SHARES IN HOLDINGS[↔ T.10](#)

Organisation	Share	Pro-rata EC in €'000s	Pro-rata AS in €'000s
SOLAR MRM GmbH i.L., Munich*/**	50%	103	13
SOLAR MRM Ltd., London*/***	50%	0	0
iSYS Software GmbH, Munich*	24.90%	910	153
ICE Operations AB, Stockholm, Sweden*	33.33%	736	282
International Copyright Enterprise Services Ltd., London, UK*	33.33%	1,047	906

* Figures for the 2020 financial year

** The remaining assets were paid out to the associates in 2021, the association is going to be struck from the commercial register in 2022.

*** Since 12/2021 associates GEMA and PRS for Music Ltd.

EC = equity capital, AS = annual surplus

Other receivables amounting to €17,496k (previous year: €23,845k) mainly relate to receivables from collection mandate grantors amounting to €11,490k (previous year: €9,668k).

22. The cash at bank amounting to €316,791k (previous year: €287,888k) relates to current giro account balances. Trustee receivables, or trustee obligations, amounted to €1,662k (previous year: €1,735k); they include security deposits from producers of sound recordings and relate to transitory items from licensing fees that GEMA collects and administers as a trustee until the distribution to the rightsholders.

23. In terms of accounting, GEMA does not have equity capital or reserves. All proceeds are distributed to those eligible for remuneration (members, and other beneficiaries and rightsholders) after expenditures have been defrayed.

24. A total of €926,907k (previous year: €866,441k) is available for distribution. The amount allocated for 2021 is €886,494k (previous year: €806,484k).

The development of reserves and accruals for distribution is shown in the reserves, accruals and provisions schedule. See [↔ T.08](#)

25. Other reserves and accruals amounting to €142,349k (previous year: €131,757k) mainly include reserves and accruals for pension schemes and similar obligations (€108,209k; previous year: €80,827k) and for the staff sector (€8,130k; previous year: €9,354k). Reserves and accruals for income adjustments were made for the business sectors regional offices (€2,460k; previous year: €24,378k). The decrease in reserves and accruals in the regional office sector is due to credits not requested for the closure period ordered by the authorities in 2020. Beyond that, reserves and accruals for income adjustments were made in the broadcasting (€6,746k; previous year: €7,687k) and sound and audiovisual recordings sectors (€1,700k; previous year: €2,100k).

26. Just like in the previous year, there are no liabilities with a residual maturity in excess of one year. Liabilities to music event organisers mostly consist of liabilities to Gesellschaft zur Verwertung von Leistungsschutzrechten mbH, Berlin (GVL), Verwertungsgesellschaft Wort, Munich (VG WORT), Gesellschaft zur Verwertung der Urheber- und Leistungsschutzrechte von Sendeunternehmen und Presseverlegern mbH, Berlin (Corint Media), Zentralstelle für Videovermietung, Munich (ZWF) and VG Musikedition, Kassel (liabilities from collection mandates amounting to €34,443k; previous year: €27,193k).

27. Deferred income included accrued membership fees, accrued proceeds in connection with regional offices, and accrued online revenues.

DETAILS ON ITEMS OF THE PROFIT AND LOSS STATEMENT

28. Income from copyright exploitation and remuneration rights in the financial year were €1,026,032k (previous year: €944,308k). Their composition is as follows: see [↔ T.11](#)

The income in the regional offices sector stabilised despite the COVID-19 crisis and the associated cancellations of events and closures. For more detailed information, please refer to the management report. The increase

in the online sector is mainly due to the retroactive licensing of legacy periods (second stage) and new agreements with new licensees in the VOD sector. The increase in the broadcasting sector has mainly resulted from a newly concluded agreement for cable retransmission and pay TV. In the remuneration rights sector, catch-up effects (€68,488k) were included from higher payouts by the Zentralstelle für private Überspielungsrechte (ZPÜ) arising from the distribution of various products since 2008.

DETAILS ON ITEMS OF THE PROFIT AND LOSS STATEMENT

[↔ T.11](#)

Rights category	Type of use	2021 in €'000s	2020 in €'000s	Difference in €'000s
Reproduction and distribution	Sound recordings	33,078	29,948	3,130
	Audiovisual recordings	4,266	5,709	-1,443
	Total	37,344	35,657	1,687
Performance	Music events	29,580	62,739	-33,159
Online	Internet broadcasting	475	473	2
	Download	5,347	20,146	-14,799
	Streaming	228,948	153,770	75,178
	Total	234,770	174,389	60,381
Broadcasting	Radio	52,747	45,314	7,433
	TV	176,886	163,126	13,760
	Cable retransmission	22,580	16,657	5,923
	Total	252,213	225,097	27,116
Communication to the public	Mechanical performance	120,038	92,241	27,797
Presentation	Presentation	11,285	5,118	6,167
Statutory remuneration rights	of which s. 27 (1) UrhG [German Copyright Act]	213	176	37
	of which s. 27 (2) UrhG	1,855	-153	2,008
	of which s. 60h (1) UrhG	-430	1,780	-2,210
	of which s. 54 (1) UrhG	78,769	138,833	-60,064
	Total	80,407	140,636	-60,229
International income	Performance	41,164	41,162	2
	Reproduction	12,532	11,612	920
	Cable retransmission	9,704	9,938	-234
	Total	63,400	62,712	688
Collection mandates	Performance	167,440	123,506	49,934
	Reproduction	29,555	22,213	7,342
	Total	196,995	145,719	51,276
Total		1,026,032	944,308	81,724

29. Expenses for third-party services, other operating expenses and other interest and similar expenditure are made up as follows: see [↔ T.12](#)

IT services are mainly provided by the subsidiary company IT4IPM GmbH. Ancillary costs from collection activities consisted of costs for monitoring of licence registrations of €4,898k (previous year: €6,906k) as well as legal costs of €3,523k (previous year: €3,976k).

30. Staff costs amounted to €64,414k (previous year: €62,500k). The expenses included therein for pension scheme payments amount to €7,793k (previous year: €6,631k).

The average headcount during the financial year was 800 staff (previous year: 777 staff). The average number of staff consisted of

638 full-time staff and 162 part-time staff. In addition, there were 30 apprentices and 25 staff in partial retirement on average during the financial year.

31. The revenues from affiliated companies of €428k (previous year: €879k) mainly relate to the profit realisation for the period from shares in the GEMA Immobilienverwaltung wirtschaftlicher Verein & Co. KG, Munich, of €110k (previous year: €513k) as well as payouts from IT4IPM GmbH of €315k (previous year: €258k) for the 2020 financial year.

32. The interest expenses pertain mainly to the compounding of the reserves and provisions for pension schemes (€1,362k; previous year: €1,555k).

[↔ T.12](#)

in €'000s	2021	2020
Expenses for third-party services		
IT services	31,096	26,053
Ancillary costs from collection activities	8,421	10,882
Communication expenditure and marketing activities	5,854	7,215
Other services	12,622	11,425
	57,993	55,575
Other operating expenses		
Other administration costs	3,174	4,751
Fees for consultancy and expert opinions	4,243	7,841
Building and room charges	4,813	4,749
Miscellaneous	2,837	3,710
	15,067	21,050
Interest payable	1,461	1,657
	74,521	78,282

REPORT ON EVENTS AFTER THE PERIOD SUPPLEMENTARY INFORMATION

33. The multiple extensions of COVID-19 measures due to high incidence figures and the spread of COVID-19 mutations should be named as events of particular importance after the financial statement date. These could, just like in the previous year, have a negative impact on GEMA's net assets, financial and revenue situation and in particular on the regional offices. Revenues from events and long-term uses in sectors such as those including discotheques would be particularly affected by this. An additional loss of income is expected as a consequence of insolvencies and vacant venues caused by the crisis. However, the extent of the effects of the risk on the net assets, financial and revenue situation of the society is currently difficult to quantify, as the further course of the spread of the virus and the associated effects still cannot be predicted at present.

34. There are other financial liabilities arising from payment obligations from loans and long-term rental contracts amounting to €30,373k (previous year: €21,107k). Of those, €27,121k relates to payment obligations to affiliated companies. The increase compared with the previous year is mainly due to the transfer of Bayreuther Strasse to AMEG Invest GmbH & Co. KG and the associated rental obligations. Premature demands in this regard are not anticipated.

35. The total cost recorded for the auditor in the 2021 financial year in accordance with s. 285 No. 17 HGB amounts to €418k (previous year: €461k). This includes auditing services amounting to €268k (previous year: €222k) as well as other services amounting to €147k (previous year: €239k) and other certification services of €3k (previous year: €0k).

36. Salaries in 2021 stood at €800k for Dr. Harald Heker; €454k for Lorenzo Colombini and €473k for Georg Oeller. The pension benefits for all members of the Managing Committee came to €704k. Earnings of previous members of the Managing Committee amounted to €371k. Reserves and provisions for pension schemes for this group of persons totalled €4,123k on the financial statement date.

37. The Supervisory Board consists of 15 members in accordance with Art. 37 (1) of GEMA's Statutes. Two representatives can be elected for every professional category in accordance with Art. 37 (3) of the Statutes.

Following the election in the General Assembly on 9/10 June 2021, the Supervisory Board, which elected its Chairmen at its constituent meeting on 10 June 2021, is made up as follows:

Composers	Dr. Ralf Weigand	Chairman
	Jörg Evers	
	Matthias Hornschuh	
	Micki Meuser	
	Jochen Schmidt-Hambrock	
	Dr. Charlotte Seither	
	Wolfgang Lackerschmid	Deputy
Alexander Zuckowski	Deputy	
Lyricists	Stefan Wagershausen	Deputy Chairman
	Frank Ramond	
	Tobias Reitz	
	Götz von Sydow	
	Tobias Künzel	Deputy
	Diane Weigmann	Deputy
Publishers	Dr. Götz von Einem	Deputy Chairman
	Jörg Fukking	
	Winfried Jacobs	
	Dr. Sabine Meier	
	Patrick Strauch	
	Diana Muñoz	Deputy
	Michael Ohst	Deputy

The members of the Supervisory Board receive expense allowances only. During the 2021 financial year, they totalled €258k (previous year: €287k).

Munich, 15 March 2022



Dr. Harald Heker



Lorenzo Colombini



Georg Oeller

The Managing Committee

CASH FLOW STATEMENT

CASH FLOW STATEMENT AS OF 31 DECEMBER 2021

[↗ T.13](#)

in €'000s	2021	2020
Allocation to distribution reserves and accruals	886,494	806,484
Amortisation on fixed asset items	13,368	11,467
Increase/decrease of reserves and accruals	- 11,943	27,743
Payouts to members	- 826,028	- 881,631
Profit from disposals of fixed asset items	55	326
Increase/decrease of stock, claims from deliveries and services as well as other assets not allocable to investment or financial activities	- 18,152	91,019
Increase/decrease of liabilities from deliveries and services as well as other liabilities which are not allocable to investment or financial activities	8,447	- 23,004
Income tax payments	384	- 3,500
Cash flow from current business activities	52,627	28,904
Receipts from disposals of tangible asset items / intangible fixed asset items	0	0
Payments for investments for tangible assets / intangible fixed assets	- 18,813	- 18,190
Receipts from disposals of financial asset items	1,249	2,723
Payments for investments into the financial assets	- 6,156	- 36,458
Cash flow from investment activities	- 23,721	- 51,925
Cash flow from finance activities	0	0
Cash changes of financial resources	28,907	- 23,021
Financial resources at the beginning of the period	287,896	310,916
Financial resources at the end of the period	316,803	287,896

The non-cash effects in the amount of €22,150k from the contribution in kind in exchange for the granting of company rights are not included in the cash flow statement.

A. GENERAL CONDITIONS AND BUSINESS

1. ECONOMIC ENVIRONMENT

In 2021, the gross domestic product increased, despite the continuation of the COVID-19 pandemic and the ensuing measures to contain the virus by 2.7% (previous year: –5.0%).¹

The labour market in Germany recovered in 2021 after a massive slump in the previous year due to the COVID-19 pandemic. In terms of the yearly average, around 44.9 million people working in Germany were employed (previous year: 44.8 million). Unemployment rates stood at 5.7% (previous year: 5.9%).¹

Inflation rates averaged at 3.1% (previous year: 0.5%) and were thus significantly higher than the target value range of the ECB (European Central Bank).

In principle, GEMA is only marginally dependent on the macroeconomic conditions listed, except for the measures imposed during lockdown to combat the COVID-19 pandemic.

The ECB (European Central Bank) continues to follow an expansionist monetary policy. The interest rate for main refinancing business has been at 0.0% since March 2016. The short-term deposit interest rate continues to stay negative at –0.50% (previous year: –0.50%).² As the level of liquid assets in the GEMA Group is high, there is a certain dependence on the future development of the negative interest rate.

2. ORGANISATION OF GEMA

About 80,000 composers, lyricists and music publishers joined up to form the association GEMA in Germany. As an authors' society for works of music, GEMA manages the rights of music creators in Germany and the rights of rightsholders from all over the world. GEMA ensures that music creators receive an adequate share of the collections arising from performance of their musical works. It concludes contracts with music users and collects the remuneration. The collections are generated by the Regional Offices, Broadcast and Online, Mechanical Reproduction Rights and International Income and Relations divisions. GEMA then distributes this money as royalties less administrative expenses to its members.

GEMA's governing bodies include the General Assembly, the Supervisory Board and the Managing Committee.

¹ Source: Annual economic report 2021 by the Federal Ministry for Economic Affairs and Climate Protection

² Source: Deutsche Bundesbank [German Federal Bank]

3. MUSIC INDUSTRY DEVELOPMENTS

As a collective management organisation, GEMA depends on the overall developments within the music sector. In 2021, the following trends could be observed, which influenced market demand as well as the requirements of GEMA.

According to the German Music Industry Association, sales in the German music industry rose by 12.4% in the first half of 2021 compared to the previous year period (first half of 2020: +4,8%). Audio streaming remains the strongest market format, and it increased by 19.9% (2020: 24.6%). While CD development continued to decline in the physical sector (–16.4%; 2020: –17.9%), vinyl was truly flying high again in the first six months (+49.5%; 2020: +24.7%). Downloads continued to cave in rather considerably (–25.9%; 2020: –24.8%).

At 70.6% (2020: 63.4%), audio streaming has the largest share of business sector collections, followed by the CD at 14.5% (2020: 21.6%), vinyl LPs at a turnover share of 5.9% (2020: 5.5%) and downloads at 3.3% (2020: 4.2%).

B. REVENUE, NET ASSETS AND FINANCIAL SITUATION

1. BUSINESS PERFORMANCE OF GEMA

The following explanation provides an overview of the development during the past financial year. Total income³, total expenditure⁴ and cost rate⁵ are significant financial performance indicators for internal control.

Despite the COVID-19 pandemic, the 2021 financial year has been successful overall with regard to the revenue, net assets and financial situation of GEMA. Total revenues rose by €80,066k compared to the previous year (€1,038,904k; previous year: €958,838k). A sharp decline in income was recorded in the regional office sector (€248,802k; previous year: €230,137k) due to the cancellations of events and business closures. Revenues in the online sector increased mainly to subsequent licensing of legacy periods and agreements with new licensees in the VOD sector (€238,138k; previous year: €179,464k). Broadcasting sector income was also subject to growth (€338,273k; previous year: €285,407k). The reason for this is mainly that a new agreement was concluded for cable retransmission and pay TV. Revenues in the remuneration rights sector (ZPÜ) declined due to the catch-up effects from higher payouts following the distribution of various products since 2008 (€80,194k; previous year: €141,732k). Overall, total income was €90,104k higher than the income planned for the 2021 financial year (€948,800k).

The total expenditure was at the previous year's level and amounted to €152,410k (€153,800k had been budgeted). The cost rate including all costs amounted to 14.7% (previous year: 15.9%) and was thus below the budgeted cost rate of 16.2%.

³ Total income: all income from the collection sectors, other operating income, income from holdings, income from securities and bonds as well as other interest and similar income

⁴ Total expenditure: expenses for third-party services, staff costs, amortisation, other operating expenses, interest and similar expenses as well as all tax charges

⁵ Cost rate: total expenditure divided by total income

2. STAFF

The average headcount during the financial year was 800 staff (previous year: 777 staff). The average number of staff consisted of 638 full-time and 162 part-time staff. In addition, there were 30 apprentices and 25 staff in partial retirement on average during the financial year.

3. DETAILS ON THE CASH FLOW STATEMENT

Cash and cash equivalents rose by €28,907k year-on-year to €316,803k in the financial year. Main changes arose in the significant increase of the cash flow from current business activities amounting to €23,723k. The reason for this is mainly the increase of the allocation to distribution reserves and accruals (increase in income compared to the previous year) and declining payouts for the previous year due to the COVID-19 pandemic. The cashflow from investment activities is above the previous year's level (€-23,721k; previous year: €-51,925k). For details, please refer to the attached cash flow statement: see [T.13](#)

GEMA's financial position is characterised by reserves for the distribution of €926,907k (previous year: €866,441k). The cash flows are based primarily on expected licence income, expenses for staff and material costs and distributions to members and sister societies. The investment rate stands at 11.5% in the reporting year. The investment ratio includes in particular additions for shares in affiliated companies due to the foundation of three new companies and the associated transfer of the land and building in Berlin to AMEG Invest GmbH & Co. KG. Short-term liquidity requirements can, due to the high level of cash and cash equivalents, be satisfied by GEMA's own resources. GEMA is in a position to meet its payment obligations.

4. REVENUE SITUATION

Total income, split into the relevant income and collection categories, was as follows: see [T.14](#)

In 2021, the COVID-19 pandemic continued to influence the income situation at GEMA. Compared to the previous year, income could, however, be increased. In the broadcast sector, the market situation in 2021 stabilised with a corresponding positive development compared to the previous year. This is mainly due to the increase in income in the private radio and TV channel sector and a positive earnings development in the cable retransmission sector. Even though restrictions in the catering and hospitality sector, hotels and discotheques had a significant impact on the licensing activities regarding the collections by the regional offices, the income in this sector levelled out to a large degree compared to 2020. This is also a result of the fact that solvency of licensees has not deteriorated as

much as had been feared at the beginning of the pandemic – despite COVID-19-related risks still lingering on. The development of online collections remains positive. Here, a clear growth compared to the previous year can be recorded, which is due to the expanding revenues from the music-on-demand and video-on-demand sectors. In the remuneration rights sector, catch-up effects (€68,488k) were included from higher payouts by the Zentralstelle für private Überspielungsrechte (ZPÜ) arising from the distribution of various products since 2008. International collections have not been visibly affected by the pandemic, whether in performing rights or in mechanical rights in 2021. They show stable earnings compared to the previous year. The sound recording industry excels by showing a high resilience against the challenges induced by the pandemic. Particularly the boom in the vinyl sector, stabilising new releases and a well-functioning supply chain all the way to the end consumer are factors that contribute to the positive development

TOTAL INCOME BY COLLECTION CATEGORY

[T.14](#)

in €'000s	2021			Total difference
	Income*	Other income	Total	
Broadcasting collections	338,220	54	338,273	52,867
Regional office collections	246,069	2,733	248,802	18,665
Online collections	237,869	269	238,138	58,673
Remuneration rights	80,194	0	80,194	-61,538
International collections	63,400	0	63,400	688
Reproduction sector collections	60,279	13	60,293	11,708
Other collection categories	0	9,804	9,804	-999
Amounts by categories	1,026,031	12,873	1,038,904	80,065

* Income from copyright exploitation and remuneration rights

in €'000s	2020		
	Income*	Other income	Total
Broadcasting collections	285,406	1	285,407
Regional office collections	226,608	3,529	230,137
Online collections	179,280	184	179,464
Remuneration rights	141,732	0	141,732
International collections	62,712	0	62,712
Reproduction sector collections	48,570	15	48,585
Other collection categories	0	10,802	10,802
Amounts by categories	944,308	14,531	958,839

* Income from copyright exploitation and remuneration rights

compared to the previous year. Other income was subject to a slight decrease. It includes mainly membership fees and service and holdings revenues.

In conclusion, it can be stated that GEMA continued its positive development for the year 2021 despite the COVID-19 pandemic.

GEMA's total expenditure and cost rates amounted to €152,410k or 14.7% in the 2021 financial year.

In the past two years, staff and material costs⁶ were as follows: see [↔ T.15](#)

The increase in staff costs amounting to €1,914k mainly resulted from the increased allocation of reserves and provisions for pension plans of €6,738k (previous year: €5,631k).

Material costs mainly include IT services of €31,096k (previous year: €26,053k), ancillary costs from collection activities of €8,421k (previous year: €10,882k) as well as operating expenses (fees for consultancy and expert opinions, other administration costs, buildings and room charges, miscellaneous) at €15,067k (previous year: €21,050k).

⁶ Material costs: all P&L items with the exception of staff costs

STAFF AND MATERIAL COSTS

[↔ T.15](#)

in €'000s	2021	2020	Difference
Staff costs	64,414	62,500	1,914
Material costs	87,996	89,854	-1,858
Total expenditure	152,410	152,354	56

5. FINANCIAL SITUATION

Fixed assets in the reporting year amounted to €550,109k (previous year: €514,795k). Intangible fixed assets (€90,743k; previous year: €81,465k) include the software GEMA acquired against payment. The largest increase has been recorded in the area of prepayments. It contains, in particular, the new software for the licensing of sound recordings and the new distribution software. The financial assets (€453,985k; previous year: €416,146k) mainly relate to the long-term financial assets of GEMA in the form of two special funds (€296,000k; previous year: €294,000k), which were increased by €2,000k in the reporting year, the shares in the GEMA Immobilienverwaltung wirtschaftlicher Verein & Co. KG amounting to €52,541k (previous year: €52,431k), the shares in the AMEG Invest GmbH & Co. KG amounting to €33,993k (previous year: €0), the shares in the GEMA ZB GmbH amounting to €6,025k (previous year: €6,025k) as well as loans amounting to €42,475k (previous year: €40,962k). The value of the equity investments increased mainly due to the new foundation of the AMEG Invest GmbH & Co. KG. Here, a contribution in kind was carried out against granting of company interests.

The level of receivables increased compared to the previous year (€321,359k; previous year: €308,973k). This change resulted mainly from the increase of receivables in the broadcasting and online sectors due to higher earnings estimates. Cumulative value adjustments in the regional office sector created in connection with COVID-19 amounted to €6,635k (previous year: €22,066k).

Other reserves mainly consist of reserves and provisions for pension schemes of €108,209k (previous year: €80,827k) and other reserves amounting to €33,940k (previous year: €50,766k). The increase of reserves and provisions for pension schemes can be attributed to the recognition of indirect pension liabilities in the balance sheet due to the disclosure of hidden reserves from the transfer of the land and building in Berlin to AMEG Invest GmbH & Co. KG. The other reserves contain provisions due to the COVID-19 pandemic for the regional offices sector amounting to €2,460k (previous year: €24,378k). The decrease in reserves and accruals is due to the closure periods ordered by the authorities in 2020.

At the balance sheet date of 31 December 2021, there was still a liability from previous commitments amounting to €23,981k (previous year: €22,115k) that had not been previously included in the balance sheet, and there were also indirect pension liabilities of €5,522k (previous year: €23,544k).

Liabilities increased by €6,349k to €88,377k compared to the previous year. The change mainly stems from the increase in the collection mandates sector.

The Managing Committee continues to assess the economic situation both at the end of the reporting period and at the time of preparing the management report as positive. This also applies to the financial and asset situation. Liquidity is still at a comparable level.

C. OPPORTUNITIES AND RISK REPORT

1. RISK MANAGEMENT

Significant risks are identified bi-annually and summarised in a report for the Managing Committee. A direct report featuring all risks is also provided to the Supervisory Board each year.

GEMA continuously monitors the relevant legal and macroeconomic trends as well as the development of the industry-specific environment in order to identify opportunities arising from them.

2. OPPORTUNITIES AND RISK REPORT

Essential opportunities and risks which might have a considerable impact on GEMA's assets, finances and revenue situation are shown in the following risk report. It comprises four risk areas: finances, business processes, industry sectors and the legal environment.

Risks and opportunities are classified as high, medium and low on the basis of their significance for GEMA's revenue, assets and financial situation at the balance sheet date. Low risks and opportunities are not reported. The observation and presentation of the effects of risks is carried out under consideration of risk reduction measures (net view). The period under review is one year. The risk level forms the basis for determining the significance of the risks for GEMA. The risk level is determined from the criteria of the damage extent and the probability of occurrence. Likewise, qualitative aspects may play a role in certain cases.

The risk profile has increased slightly compared with the previous year. The increase in the risk situation results in particular from the information security risk. This has increased due to the ongoing digitisation.

2.1 FINANCES

A medium risk for GEMA in the financial area originates from a potential shortfall in issuers of bonds and securities. GEMA keeps the risk as low as possible by specifying investment forms in the investment guidelines and using investment and asset managers and a close monitoring process.

Furthermore, there is a medium risk for GEMA in the event of a shortfall of receivables, should customers no longer be able to meet their financial obligations when they are due. In order to control open receivables, GEMA has introduced a debt collection process and an ongoing transfer to attorneys. The risk is also taken into account in the form of cumulative value adjustments. In the reporting year, the medium risk from insolvencies and delays in payment due to the COVID-19 pandemic as well as bad debts from advance payments to members were also taken into account.

Due to the possible withdrawal of other states from the EU and the monetary union, GEMA is exposed to a medium risk of realising asset losses due to rising inflation, debt crises and the loss of single market advantages. Attempts to counteract this are made by selecting a suitable investment strategy.

Due to the grown number of holdings, there is a medium investment risk for GEMA. An attempt is being made to mitigate this by developing a governance structure. The medium opportunity consists of the payment of income from holdings.

Due to COVID-19, there is a high risk that revenues in the major event sector will decline due to the measures to contain the virus in the culture industry and due to absences resulting from sickness. In addition, as far as the regional office sector is concerned, the pandemic could lead to behavioural changes of end customers towards adverse music use. A medium opportunity is seen in increased demand regarding the cultural sector and for events as a result of loosening COVID-19-related measures, such as closures.

2.2 BUSINESS PROCESSES

Investments in intangible fixed assets constitute both opportunities and risks for GEMA. With the realignment of the partially outdated IT infrastructure, a medium technology risk exists from the failure of individual projects and the lack of stability of central systems. The use of existing know-how of the subsidiary IT4IPM, the introduction of a central requirements management system, the implementation of middleware, the realisation of a central IT roadmap and external service providers create opportunities in particular with regard to ensuring GEMA's long-term competitiveness.

Regular audits of the internal control system (IKS) by the independent auditors enable GEMA to optimise and control the respective business processes. By using hardware and software technologies, the availability of data and protection against unauthorised access is ensured. Regular data backups aim to reduce the risk of a significant loss of data. In order to reduce the medium risk, an information security strategy will be developed.

A medium risk results from unauthorised changes or errors in the billing and payment process due to manual processing in the outdated systems. GEMA keeps the risk as low as possible by way of the implemented IKS [internal control system] and the E2E responsibility of the categories.

In order to reduce the medium risk for rightsholders and members in order to avoid conflicts of interest of the governing bodies, the governing bodies at GEMA are supported by the legal department and external lawyers and consultants in addition to awareness training and education.

2.3 INDUSTRY SECTORS

Opportunities and risks can arise for GEMA from the assignment of new or the withdrawal of existing publishing repertoires as well as from licensing of music not protected by copyright ('GEMA-free music'). A loss of the GEMA-Vermutung [GEMA assumption] is therefore categorised as a medium risk for the organisation. Being one of Europe's large collective management organisations, GEMA fundamentally regards the above as a medium opportunity to acquire a new and interesting repertoire and to generate follow-up contracts. Through the acquisition of Zebralution in 2019, there are medium opportunities in particular in terms of successful digital distribution in the music industry.

As a collective management organisation, GEMA depends on the overall trends and developments within the music sector. In addition to developments in the sound recording, broadcasting and online markets, these include developments of live music used for commercial purposes. In the long term, there is a medium risk from a reduction in licence fee collections and advertising collections in the broadcasting sector without sustainable offsetting by the online market.

2.4 LEGAL ENVIRONMENT

The legal environment poses both risks and potential opportunities. As such, the conclusion of new general collective agreements and the establishment of new tariffs represents medium risks as well as medium opportunities for the GEMA Group. They depend on changes in the law by the legislator as well as on arbitration board decisions and court rulings.

Furthermore, decisions by competition authorities can have an impact on the collective management market so that a medium risk arises with regard to the exclusivity of the assignment of rights to collective management organisations. Furthermore, medium cartel risks can emerge due to the information exchange between market participants and other collective management organisations. There were no proceedings affecting GEMA's net assets, financial and revenue situation (European courts, Bundesgerichtshof [Federal Court of Justice], Higher Regional Courts) or changes in legislation in the year under review.

The increased regulatory requirements for the handling of personal data, such as the EU General Data Protection Regulation, for example, could entail risks for GEMA that are classified as medium. Through various measures such as establishing a data protection organisation, introducing processes in accordance with data protection law and ensuring adequate documentation, GEMA is countering the risks associated with the entry into force of the General Data Protection Regulation.

By way of a continuing legal review as well as a new version of the GEMA distribution plan, the risk of an incorrect distribution of revenues to members is kept as low as possible.

2.5 OVERALL VIEW OF THE OPPORTUNITY AND RISK SITUATION

The assessment of the overall opportunity and risk situation is the result of the consolidated consideration of all significant individual risks and opportunities. We are currently not aware of any risks that could threaten the continued existence of the company.

D. OUTLOOK FOR THE 2022 FINANCIAL YEAR – FORECAST REPORT

1. FORECAST FOR THE MACRO-ECONOMIC DEVELOPMENT

For the whole of 2022, the Federal Government expects an annual average increase in the price-adjusted gross domestic product of 3.6%. For the global domestic product, a growth of 4.9% is expected. The positive labour market development is expected to continue in 2022.

2. FORECAST FOR THE MUSIC BUSINESS

In the music business, the trends of recent years are expected to continue, with further declining turnover and sales figures for sound recordings. Apart from that, further growth is expected in the online sector, particularly the streaming segment¹. The measures to contain the spread of the virus will have a negative impact on the live sector, just like in the previous year.

3. FORECAST FOR THE BUSINESS DEVELOPMENT OF GEMA

Compared to the reporting year, GEMA expects a slight increase with respect to total income and a medium increase with respect to total expenditure for the 2022 financial year. Overall, this also leads to a medium increase of the cost rate. The uncertainties of the COVID-19 pandemic remain in the regional office sector due to unclear measures to contain COVID-19 in terms of cultural operations and event sectors.

In summary, the Managing Committee assesses the future development of GEMA as positive.

Munich, 15 March 2022

Dr. Harald Heker
Lorenzo Colombini
Georg Oeller

The Managing Committee

¹ Source: Bundesverband Musikindustrie (German IFPI branch)

AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To GEMA – Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte, Berlin

Audit opinions

We have examined the annual financial statements of GEMA – Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte, Berlin – comprising the balance sheet as at 31 December 2021, the profit and loss statement and the cash flow statement for the financial year from 1 January to 31 December 2021 as well as the notes to the accounts, including the presentation of the accounting and evaluation principles and policies. Furthermore, we have audited the management report of GEMA – Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte – for the financial year from 1 January to 31 December 2021.

In our opinion, based on the results of our examination,

- the accompanying annual financial statements comply, in all material aspects, with the provisions of German commercial law applicable to companies with limited liability as well as supplementary provisions of the Act on the Administration of Copyright and Related Rights by collective management organisations (Verwertungsgesellschaftengesetz - VGG) [CMO Act] and, in compliance with the German principles of adequate accounting, give a true and fair view of the assets and financial position of the company as at 31 December 2021, and its revenue situation for the financial year from 1 January to 31 December 2021, and
- the accompanying management report conveys an appropriate view of the company's position. In all material aspects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents opportunities and risks of future development.

Pursuant to s. 322 (3) clause 1 HGB [German Commercial Code], we declare that our audit has not led to any reservations with regard to the legal compliance of the annual financial accounts and the management report.

Basis for the audit opinions

We conducted our audit of the annual financial statements and the management report in accordance with the provisions of s. 317 HGB and in compliance with the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) [Institute of Public Auditors in Germany]. Our responsibilities under those requirements and principles are further described in the section entitled 'Auditor's responsibilities for the audit of the annual financial statements and of the management report' of our auditor's report. We are independent of the company in accordance with the provisions of German commercial and professional law, and have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

Responsibility of the management and the Supervisory Board for the annual financial report and the management report

The company's legal representatives are responsible for the preparation of the annual financial statements that comply, in all material respects, with the provisions of German commercial law applicable to companies with limited liability as well as supplementary provisions of the Act on the Administration of Copyright and Related Rights by collective management organisations (Verwertungsgesellschaftengesetz – VGG) and for the annual financial statements providing a true and fair view of the net assets, financial position and income situation of the company in compliance with the German principles of adequate accounting. In addition, management is responsible for such internal controls they determined to be necessary in compliance with the German principles of adequate accounting in order to enable the creation of the annual financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the annual financial statements, management is responsible for assessing the company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters relating to the company's continuation as a going concern. Furthermore, they are responsible for financial reporting based on the going concern principle of accounting unless there are actual or legal circumstances to the contrary.

In addition, management is responsible for the preparation of the management report that, as a whole, provides an appropriate view of the company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents opportunities and risks of future development. Moreover, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the statements in the management report.

The Supervisory Board is responsible for supervising the company's accounting procedure used to prepare the annual financial statements and the management report.

Auditor's responsibilities for the audit of the annual financial statements and of the management report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatements – whether due to fraud or error – and whether the management report as a whole provides an appropriate view of the company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with German legal requirements and appropriately presents opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with s. 317 HGB and in compliance with the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or collectively, they could reasonably be expected to influence the economic decisions of recipients taken on the basis of these annual financial statements and this management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement in the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or overriding internal controls.
- obtain an understanding of internal control systems relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the company.
- evaluate the appropriateness of accounting policies used by management and the reasonableness of value estimates made by management and related disclosures.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. Future events or circumstances may, however, cause the company to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in such a manner that the annual financial statements give a true and fair view of the net assets, financial position and income situation of the company in compliance with German principles of adequate accounting.
- evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law, and the view of the company's position it provides.
- perform audit procedures on the forward-looking statements presented by management in the management report. On the basis of sufficient, appropriate audit evidence, we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the forward-looking statements and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the forward-looking statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies of the internal control system that we identify during our audit.

Munich, 15 March 2022

KPMG AG

Certified Auditing Company

sgd. Bergler
Auditor

sgd. Simonji-Elias
Auditor

INCOME FROM RIGHTS AND DEDUCTIONS

FINANCIAL INFORMATION PURSUANT TO ITEM 2 OF THE ANNEX TO S. 58 (2) VGG

↪ T.16

Rights category	Type of use	Income from rights in €'000s	Income deductions
Reproduction and distribution	Sound recordings	33,078	Deduction of a commission of up to 25% pursuant to Art. 29 para. 4 distribution plan for cost coverage
	Audiovisual recordings	4,266	
		37,344	
Performance	Performance	29,580	Deduction of a uniform cost rate pursuant to Art. 29 para. 9 distribution plan for cost coverage, and a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan
Online	Internet broadcasting	475	Deduction of a uniform commission of up to 15% pursuant to Art. 29 para. 5 distribution plan for cost coverage, and, in the categories of making available to the public and broadcasting, a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan
	Download	5,347	
	Streaming	228,948	
		234,769	
Broadcasting	Radio	52,747	Category R: Deduction of a uniform cost rate pursuant to Art. 29 para. 9 distribution plan for cost coverage, and a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan; Category R VR: Deduction of a commission of up to 25% pursuant to Art. 29 para. 4 distribution plan for cost coverage
	TV	176,886	Categories FS/ TFS: Deduction of a uniform cost rate pursuant to Art. 29 para. 9 distribution plan for cost coverage, and a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan; Categories FS VR/ T FS VR: Deduction of a commission of up to 25% pursuant to Art. 29 para. 4 distribution plan for cost coverage
	Cable retransmission	22,580	Deduction of a uniform cost rate pursuant to Art. 29 para. 9 distribution plan for cost coverage, and a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan
		252,213	

FINANCIAL INFORMATION PURSUANT TO ITEM 2 OF THE ANNEX TO S. 58 (2) VGG

↔ T.16

Rights category	Type of use	Income from rights in €'000s	Income deductions
Communication to the public	Mechanical performance	120,038	Deduction of a uniform cost rate pursuant to Art. 29 para. 9 distribution plan for cost coverage, and a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan
Presentation	Presentation	11,285	Deduction of a uniform cost rate pursuant to Art. 29 para. 9 distribution plan for cost coverage, and a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan
Statutory remuneration rights			Deduction of a separate commission pursuant to Art. 29 para. 8 distribution plan, in the case of allocation to the public performance categories, and a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan
	of which s. 27 (1) UrhG	213	
	of which s. 27 (2) UrhG	1,855	
	of which s. 60h (1) UrhG	-430	
	of which s. 54 (1) UrhG	78,769	
		80,407	
Interests, securities and bonds		2,857	
Income from rights overall		768,494	

After the deductions for administrative expenses and, where applicable, for social and cultural purposes have been made, the income is made available in full for distribu-

tion to the rightsholders of GEMA and other collective management organisations that are bound to GEMA under representation agreements.

COSTS OF RIGHTS MANAGEMENT AND OTHER SERVICES

EXPENDITURE

→T.17

	Expenses by usage category in €'000s	Costs in %
Costs of rights management		
Reproduction and distribution	10,417	27.90
Performance	9,545	32.27
Online	33,252	14.16
Broadcasting	29,834	11.83
Communication to the public	29,575	24.64
Presentation	3,025	26.80
Statutory remuneration rights	7,493	9.32
Costs that are not associated with rights management, including such costs for social and cultural purposes		
Other collection categories	29,269	–
All operating and financial costs	152,410	14.67

All costs were covered by income arising from collection of rights and other revenues.

All directly attributable costs were directly allocated to the relevant rights categories. In cases where the costs are not directly attributable, they are allocated to the rights categories on a pro rata basis according to the collected income.

The cost rates in this table are, due to the COVID-19 pandemic and the resulting lower total income, not comparable to the cost rates before the COVID-19 pandemic.

INFORMATION ON REJECTED USER QUERIES

GEMA has not rejected any user queries in the 2021 financial year.



3

INFORMATION ON AVAILABLE FUNDS FOR RIGHTSHOLDERS

74 INFORMATION ON FUNDS FOR RIGHTSHOLDERS

76 PAYOUT DATES



‘During the COVID-19 pandemic, we finally realised how many people are working in the cultural sector or depend on it economically. And that without a diverse, vibrant cultural life, social connectedness, willingness to engage in discourse and joie de vivre are dwindling....we all together still remain the quietest lobby group in this country..... Solidarity and a certain vehemence ensured that meaningful aid programmes were created and launched. Nevertheless the situation of many performing artists and marginally employed people remains extremely precarious, a basic income should finally turn this situation around.’

Peter Wacha
Managing Director, Rote Sonne, Munich

INFORMATION ON FUNDS FOR RIGHTSHOLDERS

OVERVIEW OF AVAILABLE FUNDS FOR RIGHTSHOLDERS

Once the funds have been attributed to the categories pursuant to the GEMA distribution plan, they are allocated as follows: see [→ T. 18](#)

AVAILABLE FUNDS FOR RIGHTSHOLDERS IN €'000S

→ T.18

Rights category	Type of use	Total sum of amounts in FY 2021, which have not yet been attributed to rightsholders	Total sum of the amounts attributed to rightsholders* in the FY	Total sum of the amounts paid out to rightsholders* in the FY	Total sum of the amounts allocated but not yet paid out to rightsholders*
Reproduction and distribution	Sound recordings	32,828	28,121	27,390	731
	Audiovisual recordings	3,443	5,207	5,072	135
		36,271	33,328	32,462	866
Performance	Performance	20,119	37,155	36,189	966
Online	Download	2,378	16,435	16,008	427
	Streaming	204,090	132,100	128,666	3,434
		206,468	148,535	144,674	3,861
Broadcasting	Radio	41,564	74,373	72,440	1,933
	TV	131,986	131,834	128,407	3,427
	Cable retransmission	15,356	1,408	1,371	37
		188,906	207,615	202,218	5,397
Communication to the public	Mechanical performance	81,150	21,775	21,209	566
Presentation	Presentation	8,320	3,678	3,582	96
Statutory remuneration rights	Statutory remuneration rights	63,498	99,559	96,971	2,588
International income	Category A	39,208	41,495	40,417	1,078
	Category A VR	12,371	12,919	12,583	336
		51,579	54,414	53,000	1,414
Total		656,311	606,059	590,305	15,754

* Including rightsholders of foreign collective management organisations

GEMA generally distributes the revenues arising from rights management no later than nine months after the financial year during which they were collected has lapsed. Collections from such rights which GEMA has yielded for uses of its repertoire on the basis of representation agreements with other collective management organisations for music copyrights, are distributed to the members no later than six months after they have been received. These deadlines do not apply should GEMA be prevented from carrying out a timely distribution due to objective reasons. Such objective reasons could be that usable usage reports are not yet available, that reserves have to be created due to ongoing legal disputes or that the basis for a supplementary distribution of the collections (e.g. from statutory remuneration rights) has not been established in time.

PAYOUT DATES

FINANCIAL YEAR 2021

[↔ T.19](#)

Payout date	Category	Distribution period
1 January 2022²⁾		
Reproduction and distribution	BT VR, PHONO VR	1st semester 2021
International income	A, A VR	¹⁾
Online	GOP, GOP VR (supplementary allocation)	2020 ⁴⁾
1 April 2022²⁾		
Reproduction and distribution	PHONO VR	Carryover 1st semester 2021
Online	MOD D, MOD D VR, MOD S, MOD S VR, VOD D, VOD D VR, VOD S, VOD S VR, GOP, GOP VR (usage reports)	³⁾
	WEB, WEB VR	2021
International income	A, A VR	¹⁾
1 June 2022		
Performance	BM, E, ED, KI, U, UD	2021
Communication to the public	DK, DK VR, EM, M	2021
1 July 2022²⁾		
Broadcasting	FS, FS VR, R, R VR, T FS, T FS VR	2021
Presentation	T, TD, TD VR	2021
Reproduction and distribution	BT VR, PHONO VR	2nd semester 2021
International income	A, A VR	¹⁾

FINANCIAL YEAR 2021

↔ T.19

Payout date	Category	Distribution period
1 October 2022²⁾		
Reproduction and distribution	PHONO VR	Carryover 2nd semester 2021
Online	MOD D, MOD D VR, MOD S, MOD S VR, VOD D, VOD D VR, VOD S, VOD S VR, GOP, GOP VR (usage reports)	³⁾
International income	A, A VR	¹⁾
Pension schemes	AS	2021
Assessment procedure	BS	2021
Rating procedure E	WTE	2021
Rating procedure U	WTU	2021
1 November 2022		
	Supplementary distributions (e.g. due to claims pursuant to Art. 59 para. 1 and 2 of the distribution plan) in the categories BM, E, ED, EM, M, U, UD	2021
1 December 2022		
Online	GOP, GOP VR (supplementary alloca- tion)	2021

1) International income (both rights) is paid out on an ongoing basis upon receipt on the first day of each quarter.

Payout details including country specifications are available on the GEMA website at www.gema.de/auslandsabrechnungen and in *virtuos* (GEMA magazine).

2) Without supplements for statutory remuneration rights. Revenues collected for statutory remuneration rights during the 2021 financial year will be paid out separately as of 1 April 2022 as a supplement to the payouts for the 2020 financial year in the relevant categories.

3) Rights revenues in the categories MOD D, MOD D VR, MOD S, MOD S VR, VOD D, VOD D VR, VOD S, VOD S VR, GOP, GOP VR will be paid out on an ongoing basis on 1 April and 1 October as payments are received and usage reports are processed. Payout details including details on the licensees and usage periods are available on the GEMA website at www.gema.de/musikurheber/tantiemen/tantiemenverteilung-online and in *virtuos* (GEMA magazine).

4) The payout date for the supplementary distribution in the categories GOP, GOP VR for the 2020 financial year was postponed from 1 December 2021 to 1 January 2022 due to adjustments related to the pandemic.



4

FUNDS FOR SOCIAL AND CULTURAL PURPOSES



'It was a quiet year: no festivals, no concerts. Interpersonal relations were also sorely missed. We could, however, also take heart. New ideas and smaller event formats were in demand. Nevertheless, it has been a challenge in terms of maintaining the excavators and sites. Many visitors have, however, provided us with support so that we can continue to work on our industrial-cultural heritage.'

Janine Scharf
Event manager Ferropolis – the city of iron

FUNDS FOR SOCIAL AND CULTURAL PURPOSES

1. AMOUNTS FOR SOCIAL AND CULTURAL PURPOSES DEDUCTED FROM COLLECTIONS FROM RIGHTS

⇒ T.20

Rights category	Type of use	Amounts from 10 per cent deduction in €'000s*
Performance	Performance	2,235
Online	Internet broadcasting	28
	Download	1,208
	Streaming	10,168
		11,404
Broadcasting	Radio	3,791
	TV	10,637
	Cable retransmission	1,706
		16,134
Communication to the public	Mechanical performance	8,974
Presentation	Presentation	848
Total		39,595
		Other funds in €'000s
Interest income		2,857
Admission fees, membership fees, contractual penalties and other undistributable amounts		8,738
Available funds (total)		51,190

* The 10 per cent deduction is made from collections in the communication to the public rights category pursuant to Art. 30 para. 1 of the distribution plan. In the course of the deductions being carried out, no distinction is made initially with regard to the subsequent intended purpose.

2 . USE OF FUNDS FOR SOCIAL AND CULTURAL PURPOSES

The amounts were put to the following use:

[↪ T.21](#)

in €'000s	
Cost deduction	712
Amounts used for social and cultural purposes, of which:	50,478
Rating procedure E	12,923
Rating procedure U	25,830
Assessment procedure for arrangers	851
Pension schemes	3,374
GEMA Social Fund	7,500
Total	51,190

3. USE OF UNDISTRIBUTABLE AMOUNTS PURSUANT TO SS. 29, 30 VGG (DETAILS PURSUANT TO ITEM 2.C) GG) OF THE ANNEX TO S. 58 (1) VGG)

The total sum of undistributable amounts relating to the 2017 financial year pursuant to ss. 29, 30 VGG amounts to €508k.

These undistributable amounts were allocated to social and cultural purposes pursuant to Art. 30 (3) distribution plan.



5

COOPERATION INITIATIVES

85 DEPENDENT COLLECTING INSTITUTIONS

86 COOPERATION INITIATIVES WITH OTHER
COLLECTIVE MANAGEMENT ORGANISATIONS



‘The crisis did not stop at our jazz club. In the early days, we had a tough time navigating BIX through the multitude of cancellations and challenges. Thanks to the tireless efforts of all thinkers, leaders and all our staff at BIX, we are now looking ahead to the future with confidence and are pleased that, after months with the handbrake on, we will soon be able to run our concert operations without any capacity restrictions once again.’

Prof. Mini Schulz
Managing Director BIX Jazzclub gGmbH, Stuttgart

DEPENDENT COLLECTING INSTITUTIONS

GEMA has one subsidiary and holdings in two further companies which qualify as dependent collecting institutions as defined by s.3 VGG: ARESA GmbH as well as ZPÜ (Zentralstelle für private Überspielungsrechte GbR) [Central Organisation for Private Copying Rights] and the ZBT (Zentralstelle Bibliothekstantieme GbR) [Central Organisation for Public Lending Rights]. ARESA GmbH, ZPÜ and ZBT create their own transparency reports to which reference is made at this point.

Apart from that, GEMA has holdings in two joint ventures with foreign collective management organisations: International Copyright Enterprise Services Ltd. is a joint venture of GEMA, PRS for Music Ltd. and Föreningen Svenska Tonsättares Internationella Musikbyrå (STIM) u.p.a. SOLAR Music Rights Management Ltd. is a joint venture of GEMA and PRS for Music Ltd. Details on both societies are published in the respective transparency report of the British holding company, PRS for Music Ltd.

COOPERATION INITIATIVES WITH OTHER COLLECTIVE MANAGEMENT ORGANISATIONS

Due to the contractual structure of its network integration, GEMA does not distribute any amounts directly to rightsholders represented by other collective management organisations.

AMOUNTS RECEIVED FROM REPRESENTATION AGREEMENTS WITH DOMESTIC COLLECTIVE MANAGEMENT ORGANISATIONS

[↔ T.22](#)

Organisation	Type of use	in €'000s	Deductions
VG Musikedition	Communication to the public	118	Deduction of a uniform cost rate pursuant to Art. 29 para. 9 distribution plan for cost coverage, and a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan

AMOUNTS PAID BASED ON DOMESTIC REPRESENTATION AGREEMENTS IN €'000s

[↔ T.23](#)

Organisation	Type of use	Commission	Distribution amount
AGICOA	Cable retransmission pursuant to s. 20b UrhG	408	19,658
ARGE	Cable retransmission pursuant to s. 20b UrhG	50	2,436
Corint Media	Right to make broadcasts available to the public pursuant to s. 87 (1) no. 3 UrhG, right of retransmission pursuant to s. 87 (1) no. 1 UrhG	2,185	15,123
GÜFA	Cable retransmission pursuant to s. 20b UrhG, remuneration right pursuant to s. 27 (1) UrhG	6	43
GVL	Cable retransmission pursuant to s. 20b UrhG, remuneration right pursuant to s. 27 (1) UrhG, remuneration right pursuant to ss. 78 (2) no. 2, 86 UrhG, remuneration right pursuant to ss. 78 (2) no. 3, 86 UrhG, remuneration right pursuant to ss. 78 (4), 20b UrhG, remuneration right pursuant to ss. 77, 85 (1) UrhG and remuneration right pursuant to ss. 78 (2) no. 2, 86 UrhG (theatre)	4,032	31,878
GWFF	remuneration right pursuant to s. 54 UrhG and remuneration right pursuant to s. 27 (1) UrhG	6	980
TWF	Cable retransmission pursuant to s. 20b UrhG	27	1,299
VFF	Cable retransmission pursuant to s. 20b UrhG, remuneration right pursuant to s. 56 UrhG	394	19,046
VG Bildkunst	Cable retransmission pursuant to s. 20b UrhG, remuneration right pursuant to s. 27 (1) UrhG	81	2,411
VG Musikedition	Remuneration right pursuant to s. 27 (1) UrhG, remuneration right pursuant to s. 54 (1) UrhG, remuneration right pursuant to ss. 16, 70, 71 UrhG	336	3,308
VG Wort	Remuneration right pursuant to s. 27 (1) UrhG, cable retransmission pursuant to s. 20b UrhG, right of retransmission pursuant to ss. 20, 15 (2) and (3) UrhG, remuneration right pursuant to s. 56 UrhG, literary works set to music, reproduction right pursuant to s. 16 UrhG, communication to the public right pursuant to s. 22 UrhG	1,397	13,816
VGF	Cable retransmission pursuant to s. 20b UrhG	72	3,470
ZWF	Cable retransmission and communication to the public of broadcasts pursuant to ss. 20b, 22 UrhG	812	9,188
Overall result		9,807	122,658

AMOUNTS RECEIVED FROM ABROAD IN €'000S

T.24

Organisation	Country	Category A	Category A VR	International cable income	Total
ACUM	Israel	240	49	56	345
AKM	Austria	4,731	0	4,625	9,356
AMCOS	Australia	0	328	0	328
APRA	Australia	883	0	0	883
ARTISJUS	Hungary	350	58	59	467
ASCAP	USA	4,911	0	0	4,911
AUSTRO MECHANA	Austria	0	2,118	0	2,118
BMI	USA	1,780	0	0	1,780
BUMA	Netherlands	1,592	0	2,458	4,050
HARRY FOX AGENCY - VR	USA	0	304	0	304
JASRAC	Japan	2,442	497	0	2,939
KODA	Denmark	1,397	65	1,068	2,530
KOMCA	South Korea	168	171	0	339
MCSC	China	180	119	0	300
Network of Music Partners (NMP)	Denmark	206	156	0	362
OSA	Czech Republic	690	179	0	869
PRS for MUSIC (PRS/MCPS)	UK	2,555	1,266	0	3,821
SABAM	Belgium	1,456	342	169	1,967
SACEM	France	3,457	2,023	-669	4,812
SGAE	Spain	603	202	0	805
SIAE	Italy	1,985	245	3	2,233
SOCAN	Canada	566	0	1	567
SOZA	Slovakia	169	77	7	253
STEMRA	Netherlands	0	1,300	0	1,300
STIM	Sweden	1,376	554	53	1,984
SUISA	Switzerland	5,335	1,407	1,492	8,234
TEOSTO	Finland	886	7	54	947
The Mechanical Licensing Collective	USA	0	401	0	401
TONO	Norway	389	10	21	421
UBC	Brazil	250	31	28	308
UCMR-ADA	Romania	436	10	1	447
USA OTHERS - VR	USA	0	134	0	134
ZAIKS	Poland	635	58	121	814
Other societies with amounts < €200k		1,493	420	157	2,070
Sum total		41,164	12,532	9,704	63,400

A commission pursuant to Art. 29 para. 7 distribution plan of up to 5% is deducted for all international income.

AMOUNTS PAID TO FOREIGN COLLECTIVE MANAGEMENT ORGANISATIONS IN €'000S

Organisation	Sum total	Reproduction and distribution		Performance	Online	
		Sound recordings	Audio-visual recordings	Performance	Download	Streaming
AKM	9,480	0	0	871	25	3,798
AMCOS	453	113	18	0	26	110
AMRA	865	5	1	29	10	325
APRA	3,976	0	0	179	86	1,494
ASCAP	27,728	0	0	1,806	1,136	8,800
AUME	3,061	416	88	0	54	183
BMI	30,604	0	0	1,472	1,646	10,832
BUMA	2,004	0	0	326	28	302
IMRO	512	0	0	68	6	40
JASRAC	1,241	246	114	21	49	427
KODA	1,136	0	0	63	28	345
KOMCA	202	17	0	21	5	92
MCPS	11,532	448	80	0	186	757
NCB	3,258	442	76	0	130	405
OSA	648	44	13	77	16	78
PRS	24,960	0	0	1,929	394	2,378
RAO	251	6	0	35	7	48
SABAM	1,323	50	8	140	17	97
SACEM	11,385	335	204	1,093	308	1,299
SADAIC	207	10	1	28	5	64
SDRM	8,905	1	0	0	0	1
SESAC	3,076	36	6	114	191	1,366
SGAE	1,697	144	23	90	49	553
SIAE	3,691	146	5	250	99	296
SOCAN	4,071	13	7	180	136	1,533
STEMRA	2,301	178	17	0	78	254
STIM	3,440	0	0	289	31	270
SUISA	5,039	214	81	284	80	467
TEOSTO	638	0	0	117	12	128
TONO	957	0	0	91	17	273
ZAIS	1,404	576	45	20	4	168
Others**	1,845	61	6	171	29	453
	171,888	3,502	793	9,762	4,886	37,637

* This relates to central licensing as well as collection activities on behalf of SACEM, AKM and AUME

** 'Others' refers to foreign collective management organisations with a revenue of less than €200k

With regard to payouts to foreign collective management organisations, the same deductions for costs and for social and cultural purposes are taken as for payouts to rightsholders of GEMA.

International agreements apply to the cost deduction in the context of central licensing (Cannes Agreement).


GEMA does not make payouts to rightsholders of other collective management organisations.

T.25

Radio	Broadcast		Communication to the public	Presentation	Statutory remuneration rights	International income		International representation agreements*
	TV	Cable retransmission	Mechanical performance	Presentation	Statutory remuneration rights	Category A	Category AVR	Central licensing and international agreements
662	2,076	186	10	589	3	3	0	1,258
23	76	0	0	0	86	0	0	0
283	76	0	7	17	113	0	0	0
820	840	0	50	109	394	3	0	0
4,779	7,150	19	504	1,053	2,459	21	0	0
166	481	0	0	0	1,439	0	0	234
4,863	7,795	19	623	954	2,400	2	0	0
368	421	46	25	148	316	24	0	0
135	99	0	46	51	66	1	0	0
13	60	32	7	4	260	6	1	0
173	245	5	36	42	192	7	0	0
9	8	9	0	11	23	7	0	0
80	279	0	0	1	763	0	0	8,938
164	148	0	0	0	1,063	0	0	830
63	149	0	1	93	113	1	0	0
7,029	7,714	490	243	1,162	3,606	16	0	0
67	23	23	2	4	35	0	0	0
166	201	0	6	68	180	1	0	389
2,056	3,237	322	138	315	1,743	3	5	327
22	17	0	0	22	37	0	0	0
0	0	0	0	0	0	0	0	8,903
334	647	1	48	96	237	0	0	0
214	307	14	10	45	249	-2	0	0
530	543	16	12	150	567	18	1	1,057
676	960	0	48	99	414	5	0	0
95	102	0	0	0	517	0	0	1,058
1,284	893	0	27	157	489	1	0	0
341	927	61	25	164	605	5	-4	1,789
207	44	0	1	21	109	0	0	0
231	142	0	7	37	159	0	0	0
24	19	19	3	5	520	1	0	0
349	252	146	10	72	279	13	1	2
26,225	35,933	1,408	1,890	5,489	19,437	136	5	24,785

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6

VGG [CMO ACT] AUDITORS' CERTIFICATION



'The pandemic has hit the entire event sector hard. For two years now, we have been amassing an ever-growing mountain of often repeatedly rescheduled concerts and shows. At the same time, the high value of live events has been brought to our attention. The yearning for shared, unforgettable concert experiences is great and finally wants to be satisfied. Finally, we can see the light at the end of the tunnel.'

Peter Pracht
Managing Director, ARGO Konzerte GmbH

AUDITORS' CERTIFICATION OF THE GEMA TRANSPARENCY REPORT

CERTIFICATION AFTER THE AUDIT REVIEW

To GEMA – Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte, Berlin.

Pursuant to s. 58 (3) VGG, we have audited the financial information contained in the annual GEMA transparency report in accordance with no. 1 g of the Annex to s. 58 (2) VGG as well as the information in accordance with no. 1 h of the Annex to s. 58 (2) VGG for the period from 1 January to 31 December 2021. The preparation of the annual transparency report pursuant to s. 58 VGG is the responsibility of the legal representatives of the organisation. It is our duty to issue a certification regarding the financial information contained in the annual transparency report in accordance with no. 1 g of the Annex to s. 58 (2) VGG as well as the information in accordance with no. 1 h of the Annex to s. 58 (2) VGG.

We conducted our audit review of the financial information contained in the annual transparency report in accordance with no. 1 g of the Annex to s. 58 (2) VGG as well as the information in accordance with no. 1 h of the Annex to s. 58 (2) VGG, and in compliance with the German Generally Accepted Standards for Audit Reviews of Financial Statements promulgated by the Institut der Wirtschaftsprüfer (IDW). According to these standards, the audit review must be planned and carried out in such a way that, having conducted a critical evaluation, we can rule out with reasonable certainty that the financial information contained in the an-

nual transparency report in accordance with no. 1 g of the Annex to s. 58 (2) VGG as well as the information in accordance with no. 1 h of the Annex to s. 58 (2) VGG do, in material aspects, not comply with the requirements contained in the Annex to s. 58 (2) VGG. An audit review is primarily limited to interviews with employees of the organisation and analytical evaluations and therefore does not provide the assurance attainable in an audit.

On the basis of our audit review, we have not obtained knowledge of any circumstances that give us reason to believe that the financial information contained in the annual transparency report in accordance with no. 1 g of the Annex to s. 58 (2) VGG as well as information in accordance with no. 1 h of the Annex to s. 58 (2) VGG do not comply with the requirements of the Annex to s. 58 (2) VGG.

The engagement is based on the General Engagement Terms and Conditions for German Public Auditors and German Public Audit Companies in the version dated 1 January 2017, attached as Annex 2. Our liability shall be governed by no. 9 of the General Engagement Terms and Conditions. Nos. 1(2) and 9 of the General Engagement Terms and Conditions shall apply to third parties.

Munich, 31 March 2022

KPMG AG
Certified Auditing Company

sgd. Bergler
Auditor

sgd. Simonji-Elias
Auditor

COMPLIANCE AND DATA PROTECTION

For GEMA, compliance means first and foremost adhering regulations and directives and to its self-imposed internal rules. Against this background, the aim of compliance management is particularly to create structures and processes which safeguard a conduct of governing body members and staff members that is compliant with laws and regulations in their daily work. The emphasis of the activities is on recognising and avoiding conflicts of interest and preventing corruption. This is also intended to avert damage to GEMA's reputation and economic losses that could result from infringements of the rules.

Compliance at GEMA does, however, extend beyond legal issues. Responsible actions, moral and ethical integrity, fairness and transparency when dealing with members, licensees and business partners are also a part of the GEMA compliance programme. Taking into account societal principles and values for entrepreneurial actions and adopting corporate social responsibility are a matter of course for GEMA. In the GEMA whistleblower portal, employees, members, customers and business partners can, confidentially and, if they wish, anonymously, submit information on possible compliance violations, in particular on violations of applicable criminal standards as well as serious misconduct.

Compliance with data protection regulations is of great importance to GEMA. Violations of data protection regulations may result in fines of up to €20m or up to 4% of the Group's annual turnover. Against this background, the focus in data protection was placed on a sustainable sensitisation of employees, in particular staff in the service areas. To this end, regular training sessions were organised for data protection managers of the individual departments, among other things, and all GEMA employees were trained in the essential aspects of data protection through an online course. Furthermore, internal processes were reviewed to check whether they were compatible with data protection provisions.

PUBLICATION DETAILS

PUBLISHER

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and Stefan Waggershausen)
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