

ANNUAL REPORT STICHTING STEMRA 2021

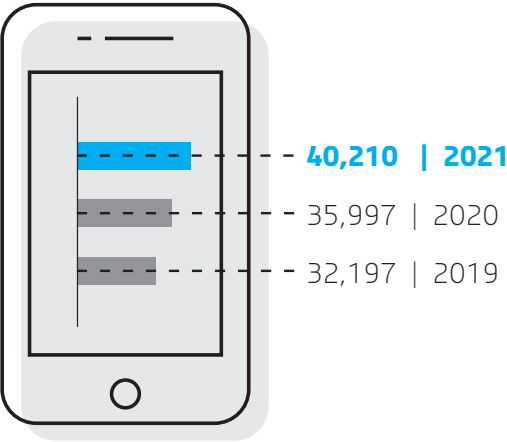
buma•stemra

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KEY FIGURES OF STEMRA

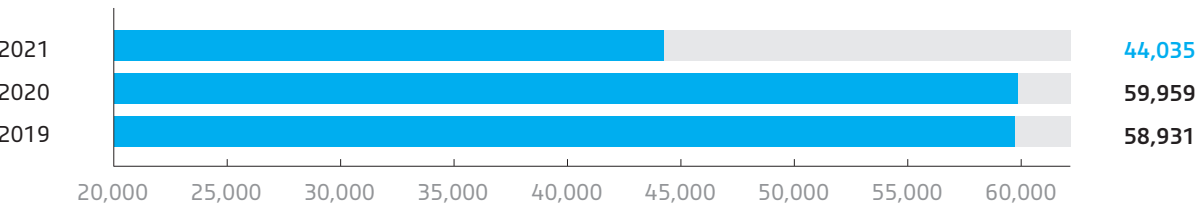
COLLECTION STEMRA (x € 1000)



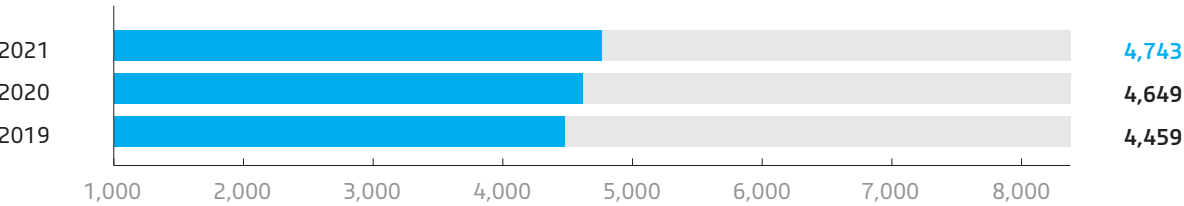
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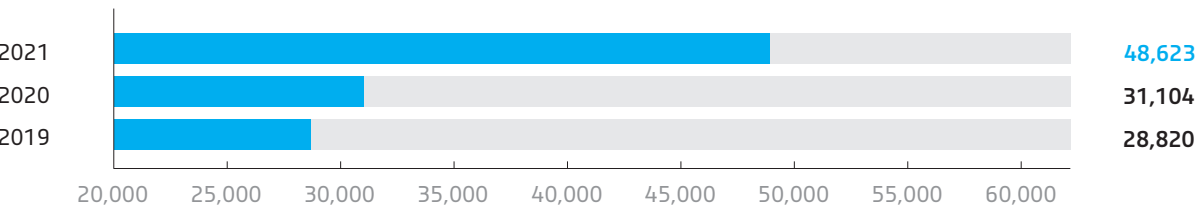
COPYRIGHT ROYALTIES TO BE DISTRIBUTED (x EUR 1,000)



MANAGEMENT COSTS (x EUR 1,000)



DISTRIBUTIONS (x EUR 1,000)



KEY FIGURES						
(x € 1,000)	2021	2020	2019	2018	2017	2016
COPYRIGHT ROYALTIES RECEIVED/RECEIVABLE						
Phono-mechanical rights BIEM / Central Licensing	5,510	4,177	4,946	5,610	6,058	6,192
PIEB (custom pressing) / Special Licensing	6,092	5,293	4,042	3,869	4,935	4,922
Radio & TV	6,690	6,384	6,140	6,579	5,819	6,970
Online	13,769	11,668	7,548	5,347	5,339	4,596
Private Copy / Public Lending Rights	4,120	4,362	5,664	5,312	10,198	6,213
Reprographic rights	-	-	107	-	115	-81
Music use in the Netherlands	36,181	31,884	28,446	26,718	32,464	28,813
Music use abroad	4,029	4,113	3,751	5,681	3,827	5,082
Total	40,210	35,997	32,197	32,399	36,291	33,894
DISTRIBUTIONS						
Rights owners	42,865	28,511	25,399	22,448	20,809	24,993
CMOs Abroad	5,758	2,593	3,421	2,682	2,122	2,603
Total	48,623	31,104	28,820	25,129	22,931	27,596
COPYRIGHT ROYALTIES TO BE DISTRIBUTED						
Copyright royalties to be distributed at end of financial year	44,035	59,959	58,931	59,653	55,913	45,483
OPERATING STATEMENT						
Administration fee on collection financial year	4,647	-	-	-	-	-
Administration fee on distribution financial year	-	3,865	4,099	3,510	2,930	3,961
Administration fee on gross copyright royalties to be distributed at the end of 2020 (one-off due to changes in methodology)	7,123	-	-	-	-	-
Other income	1,030	975	892	848	803	782
Total income	12,800	4,840	4,991	4,357	3,733	4,744
Management costs	-4,743	-4,649	-4,459	-3,288	-4,181	-2,966
Total expenses	-4,743	-4,649	-4,459	-3,288	-4,181	-2,966
BALANCE OF TOTAL INCOME AND EXPENSES	8,057	191	532	1,069	-448	1,777
Financial income and expenses	-347	-257	-98	17	-25	60
Balance cost absorption*	7,710	-66	434	1,087	-473	1,837
Extraordinary charges, withdrawn from continuity reserve	-5,259	-500	-	-	-	-

* Available for appropriated reserve up to and including 2020.

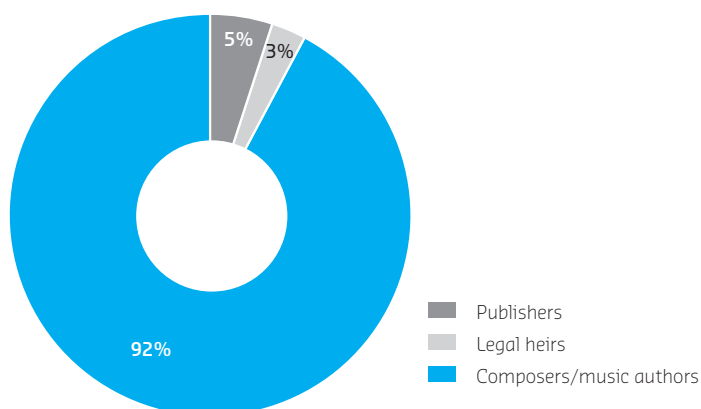
KEY FIGURES						
	2021	2020	2019	2018	2017	2016
Actual cost percentage withheld for the Dutch industry: BIEM	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%
Actual cost percentage withheld for Foreign Central Licensing	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%
Actual cost percentage withheld for Background music / Audio-visual education and Corporate productions	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Actual cost percentage withheld for Radio & TV	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Actual cost percentage withheld for Audio Visuals TV / Cinema	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%
Actual cost percentage withheld for Audio Visuals Commercials	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Actual cost percentage withheld for Private Copy / Public Lending Rights	9.0%	9.0%	9.0%	9.0%	9.0%	15.0%
Actual cost percentage withheld for Online streaming and download	10.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Actual cost percentage withheld for Online video on demand and other	14.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Actual cost percentage withheld for Abroad	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Actual cost percentage withheld for P.I.E.B./ Home Video / Imports / Reprographic rights	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Actual average percentage withheld (administration fees as a percentage of distribution)*	11.6%	12.4%	14.2%	14.0%	12.8%	14.4%
Management costs (gross) as a percentage of total copyright royalties received/receivable	11.8%	12.9%	13.8%	10.2%	11.5%	8.8%
Management costs (gross) as a percentage of total distributed copyright royalties	8.9%	14.9%	15.5%	13.1%	16.2%	9.4%
Annual movement in operating costs	2.0%	4.3%	35.6%	-21.3%	41.0%	-49.9%
Derived consumer price index	2.7%	1.3%	2.6%	1.7%	1.4%	0.3%
Number of affiliates and participants	34,438	31,520	29,618	28,223	26,937	25,364
Number of invoiced users	1,073	1,025	1,136	1,248	1,200	1,500
Number of employees in FTEs	13.8	14.4	14.3	14.2	14.2	15.2

* In accordance with the methodology applied at the time, this percentage was calculated before 2021 in relation to distribution.

Affiliates 2021

Composers/music authors	31,820
Publishers	1,645
Legal heirs	973

TOTAL **34,438**



— 1. DIRECTORS' REPORT

1. DIRECTOR'S REPORT

1.1 EXPLANATION FROM THE MANAGEMENT BOARD

INTRODUCTION

Stichting Stemra is the organisation of and for all musicians and publishers in the Netherlands. We exploit the mechanical reproduction rights for approximately 34,000 musicians affiliated with us. We also grant appropriate licences for music use and support the collective ambitions of our affiliates. In this way, we contribute to a world full of music.

Like 2020, 2021 was a special and challenging year, mainly due to COVID-19. The measures at the beginning of the year went one step further than in 2020, as a curfew was declared in January. Despite vaccinations starting in January 2021, a third wave broke out in March. Three months later, public life partially reopened, but new restrictions followed after the summer, for restaurants and bars, stores, as well as for live performances and events. Quite a lot was asked of the people of the Netherlands, of music users and certainly also of our affiliates.

At the end of 2020, we identified four (COVID-19) scenarios that could unfold in the following year, with the necessary effects on our collection. We chose to suspend investments in the implementation of the strategy with the aim of limiting costs. However, the total collection figures were better than our budget and each of the scenarios outlined, as the continued rise of online and a strong recovery in radio and TV revenues more than offset the decline in the other business lines. The strong recovery of radio and TV revenues was partly realised thanks to major events such as the European Football Championship, the Eurovision Song Contest, with Rotterdam as the host city, and the Grand Prix at Zandvoort, which led to more commercials and more use of music for promotional purposes.

RESULTS

In 2021, Stemra collected € 40.2 million in copyright royalties. That was an increase of 11.6% from the previous year, and the highest level since 2009. Partly due to catching up on the distribution of Private Copy royalties and an additional distribution of royalties from the continuity provision, we also paid more to the affiliated rights owners and organisations with which we have a reciprocity contract: € 48.6 million. That was an increase of € 17.5 million compared to 2020.

Management costs increased by € 0.1 million due to the costs of the IT system replacement programme, higher pension contributions and higher outsourcing costs. The latter are variable costs for outsourcing the processing of online music use rose in line with growth in this market segment. Due to various cost-saving measures, Stemra's share in the joint costs of the Buma/Stemra staffing organisation was € 0.6 million lower than budgeted.

We realise that although the collection and results of the collective were better than we thought at the start of the year, there are major differences in income among our supporters. In the past two years, we assisted especially those who rely on live performances with advice and financial support as much as possible. We will continue to do so in 2022.

COSTS

We have made significant cost savings compared to our plans for 2021 through various measures. In 2021, Stemra's cost ratio came to 11.8%, meaning that we complied with the standard that costs as a rule may not exceed 15% of the collection. With a cost ratio of 8.9%, Stemra also complied with the standard that costs may not exceed 15% of copyright royalties distributed. In 2021, management costs rose at a lower rate than the consumer price index, as a result of which Stemra also meets the standard that states that these may not rise faster than the consumer price index compared to the same period of the previous year.

In the previous annual report, we wrote that Buma/Stemra might be eligible for the Temporary Emergency Bridging Measure for Sustained Employment (NOW) and the resulting compensation for wage costs. That application was ultimately rejected, as a result of which partial compensation of the management costs is not forthcoming.

ONLINE

Revenues from online rose due to the higher rates that providers have started to charge and the growth in the number of paid users. Spotify, for example, had 20% more Premium subscribers at the end of the second quarter of last year than the year before. YouTube Music, Apple Music and other providers also continued to grow. Half of the Dutch people who listen to music via a streaming service do so with a paid subscription, according to research by the Telecompaper website. In addition, we drove a hard bargain with the big players in 2021 and we concluded new agreements or updated old arrangements. This results in more payments of copyright royalties to Stemra and therefore to our affiliates.

STRATEGY

In 2020, we announced our new strategy entitled To the Beat of the Drum. It consists of making our services future-proof, aiming for growth, promoting collectivity within our organisation and strengthening the organisation. This is based on the ambition to permanently establish ourselves in the top 10 of collective management organisations globally.

In 2021, we started to strengthen the organisation, initially on a limited scale. We are changing to a more customer-oriented organisation in which musicians and music users are key. We are focusing the organisation on this, with a sales-driven unit that focuses entirely on licensing use of music on the one hand, and an excellent back office on the other. This can focus entirely on matching the use of music with the copyrights received, as well as the payment thereof to the rights owners. With this change, which will take shape in 2022, we are better connected with our customers (more customer intimacy) and we can also optimise the processes within Stemra (chain management). In short, the best of both worlds, which in combination results in a customer and service-oriented organisation, resulting in better service.

HRM

In 2021, we will elaborate our HRM strategy in consultation with the Works Council. This is in line with the strategy and with what the music market will ask of us in 2022. We achieve a higher degree of executive power by making Buma/Stemra less hierarchical and by placing mandates lower in the organisation. More ownership also means that we let our people take control of their personal professional development. This also includes effectively designed processes and controls that are appropriate for an organisation such as Buma/Stemra. All in all, it comes down to less talking and priming and doing more, but always based on a clear, guiding vision. With 2025 as the dot on the horizon, we will turn Buma/Stemra into an innovative, customer-oriented, transparent and data-driven organisation, with an eye for the human dimension.

We have postponed the cultural programme associated with these changes due to COVID-19 and will start in 2022.

SUPPORT FOR MUSICIANS

In 2020, Buma/Stemra formed an Investment Fund of € 2.5 million with the cooperation of the Ministry of Education, Culture and Science. New initiatives in the creation of music were stimulated from this fund. Shortly after opening, this fund was already inundated with applications, which drives home the dire situation in which a large number of musicians found themselves. At the end of July 2021, Dutch composers, lyricists and music publishers could once again submit an application to the Music Investment Fund for the development of new music and/or new exploitation of existing music. This once again made it possible to make an important contribution to the continuity of the creative process and the creation of new cultural productions. A third investment round is planned for 2022.

SUPPORT FOR LICENSEES

As early as 2020, we made agreements with music users in collaboration with the industry organisations and via VNO/NCW about how parties deal with each other during the lockdown. Also in 2021, the agreement in principle was in force that, among other things, catering establishments, shops and cultural institutions do not have to pay copyrights over the period that the organisation was closed. Once they are allowed to open again, the payment obligation will also resume. This is based on the principle of solidarity: we are in trouble together and help each other to survive.

IT

In the field of IT, we started replacing our old ERP system in phases in 2020. The new system will be simpler, more efficient and more accurate and be better suited to handling the increasing flow of data and make it more transparent. Last year we started setting up a modern, modular cloud-based network. COVID-19 caused a delay in the realisation, and we now expect that full completion will not take place at the end of 2022, but in 2023.

The fact remains that making the collection and distribution flow more efficient and transparent will help us in our ambition to remain a global top 10 player in a changing market that is strongly focused on online use.

LAWS AND REGULATIONS

In 2021, the intensified supervision of the Copyright Board on Buma/Stemra terminated three years after the report of a committee of inquiry was published. It included recommendations with regard to the management of Stemra and improving our corporate governance. Since then, the number of independent members of the Supervisory Board has increased, the independence of the Audit Committee has been strengthened and Stemra has appointed a second managing director. Stemra is pleased with the recognition that the recommendations have been followed up and will continue to focus on making our organisation more efficient and transparent, even without intensified supervision.

RESERVE BECOMES PROVISION

Maintaining a buffer is part of a prudent and responsible policy. Much has been said about this buffer, certainly also at the additional General Meeting of Affiliates (GMA) in the autumn of 2021. This was the first meeting in physical form again, since the start of the lockdown. The GMA debated that maintaining a continuity reserve (of 4.3 million euros) is no longer considered necessary and that this amount can be paid out to affiliates. It was decided to ensure the appropriated reserve held as a buffer no longer forms part of Stemra's equity with effect from 2021, but is recognised in the figures as a provision; this changes this item to a liability of the foundation, which makes it clearer that this money belongs to the affiliates.

Reporting rules require that this item is recognised (once only) as an expense in the income statement. The paper shortfall of € 11.8 million in the 2021 operating statement that this creates is therefore not an operating loss, but the result of this adjustment. The amendment also expresses not just in words, but also in figures that Stemra is there for its affiliates. After all, temporary differences in cost absorption are not recognised as equity, but put on the balance sheet as debt to ultimately be distributed among the affiliates.

The future operating result of nil emphasises the non-profit objective of our foundation.

RISKS

A moderate risk profile is appropriate for a collective management organisation such as Stemra. In 2021, we adopted a risk approach in which we proactively anticipated potential problems. Reports on findings and how we mitigate risks are periodically discussed by Stemra's Management Board and the Supervisory Board.

Stemra distinguishes financial risks, strategic risks & business risks, operational risks, legal risks and integrity and behavioural risks. At a strategic level, Stemra is exposed to various risks due to emerging market trends and technological developments.

The most important strategic risks include having an insufficient response to increasing competition, loss of repertoire, insufficient collectivity and insufficient innovative strength. We recognise and 'mitigate' (reduce) these risks through our new strategy.

Stemra recognises the collection risk as is its main financial risk. Financial risks are mitigated by sound and transparent accounting of income and expenditure and strict internal control, led by both members of the Management Board. They are assisted by other managers and specialists within the organisation and informed via an extensive internal monthly financial report.

The key operational risks include: loss of critical knowledge, incorrect management information, complex IT architecture, insufficient use of disruptive technology and external fraud (including cyber attacks). The collection process towards users and the distribution process to rights owners form the backbone of our organisation. We want to prevent disruption of these processes; that is why we started replacing the current IT system in 2020. Ease of use and efficiency are important, but we also keep a close eye on the security of our data flows. We have appointed a Security Officer for this. The IT programme is managed by the Management Board and the Supervisory Board as well as the Council of Rights Owners with an overarching steering committee and a programme manager for day-to-day operations.

In the field of compliance, a range of laws and regulations must be complied with, both with regard to collection and distribution, as well as all supporting financial processes. A Privacy Officer, a Confidential Advisor for Undesirable Behaviour & Integrity, a Complaints Committee and an internal Compliance Officer monitor compliance with laws and regulations within our organisation. The Secretariat of the Board and HR monitor the implementation of our code of conduct and HR monitors compliance with the rules regarding other positions. In addition to wanting to comply with laws and regulations, we also want to be a reliable player in society outside the legal framework. Stemra wants to be a foundation that is truly there for its affiliates, and also a responsible and inspiring employer.

In Chapter 1.2.9, we will discuss in more detail the different types of risks that Buma/Stemra takes into account in its business operations.

LOVE FOR MUSIC

For much of 2021 we had to stay at home, wear face masks and observe social distancing; that has had a profound impact on society. Fortunately, in contrast to the divisions that certainly existed, there was a sense of community. Music has been a unique unifying factor for twelve months. This was certainly also recognised by the government, which has supported the sector financially. There were no live performances for much of the year, but people listened to and shared music it more than ever before. The success of the twenty-member occasional

band The Streamers confirms this. On 20 March 2021, the band played at Carré and more than 1.8 million people watched the online live stream. Buma/Stemra developed a licensing model for such online concerts, so the artists could focus on what they are good at: making music and letting others enjoy it.

POSITION OF WOMEN

Everyone has the right to a safe workplace. Our own research shows that women, who make up only 14% of the music industry, are in a vulnerable position. Buma/Stemra believes that a more equal distribution of opportunities contributes to a healthier and more inclusive music industry. That is why we started the 'Rise Up!' campaign at the beginning of 2022, inviting everyone to discuss solutions that contribute to a more inclusive music industry with us and with each other. Ideally, every female artist should be able to participate professionally in the creative industry without hindrance. Rise Up was conceived well before the disturbing events of The Voice of Holland and elsewhere. These events strengthen our conviction that the time has come to tackle this subject together. At Buma/Stemra, we also sit down with all our employees to discuss what we mean by a safe, inclusive workplace and how everyone can contribute to it.

OUTLOOK

The past two years have taught us that anything can happen and that sometimes, plans can be discarded on which the ink isn't even dry yet. Nevertheless, we look ahead with a positive outlook and believe that, in the words of Minister Ernst Kuipers, we are on the way to an 'open, resilient and shock-resistant society', that is no longer overshadowed by restrictions. The use of music online will at least remain the same and most likely increase further. When events and festivals can be organised again, the income from live performances will return to a normal level, which would mean that on balance, the result will be higher than the period before COVID-19. We cannot say for sure whether this will actually be the case in 2022, but we are certainly confident that things are getting back to normal.

We look ahead with optimism and we do this together with our employees, who have proven what we can achieve together in what was another special and challenging year. Despite all the opposition, not only the Dutch music sector is still undefeated, as are our employees. We do not take this for granted and we are very grateful to everyone for their commitment and trust. Despite working from home a great deal, we are close to each other: together we march to the Beat of the Drum'.

Hoofddorp, 25 April 2022

The Management Board:
Bernard Kobes, Chief Executive Officer
Marleen Kloppers, Chief Financial Officer

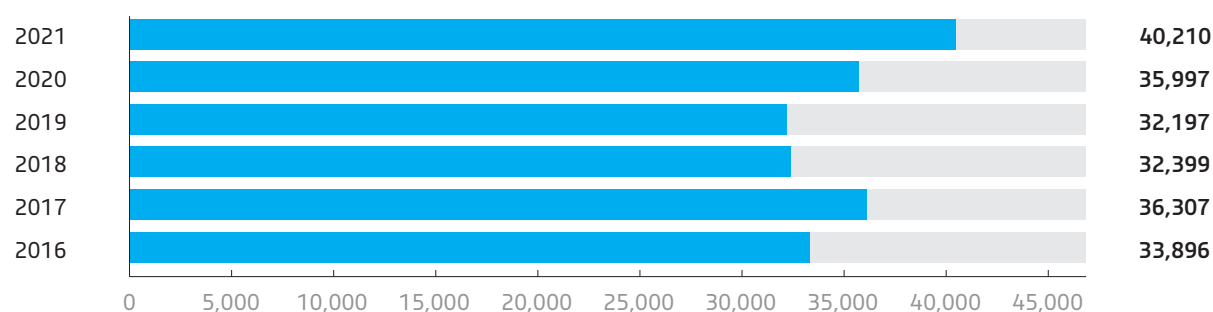
1.2 FINANCIAL RESULTS AND RISK MANAGEMENT

1.2.1 COPYRIGHT ROYALTIES (TO BE) RECEIVED

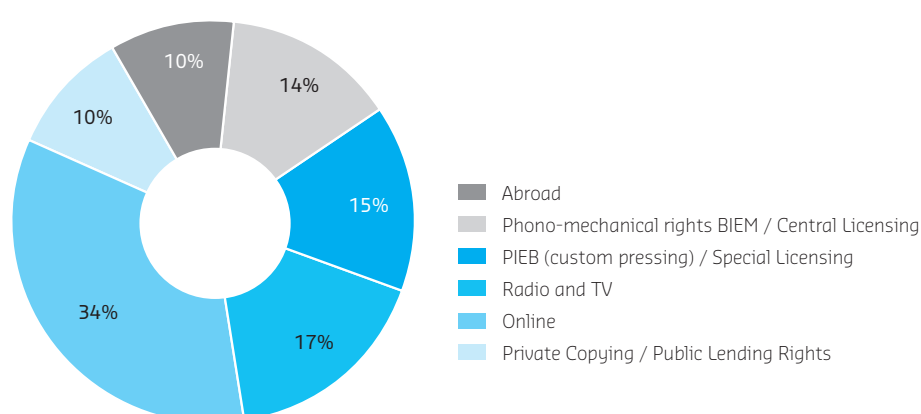
The copyright royalties were received from the following categories:

(x € 1,000)	2021	2020
Phono-mechanical rights BIEM / Central Licensing	5,510	4,177
PIEB (custom pressing) / Special Licensing	6,092	5,293
Radio & TV	6,690	6,384
Online	13,769	11,668
Private Copy / Public Lending Rights	4,120	4,362
Abroad	4,029	4,113
TOTAL	40,210	35,997

DEVELOPMENT OF COLLECTION (x EUR 1,000)



COMPOSITION OF COLLECTION



The table and bar chart show that Stemra collected € 40.2 million in 2021. Stemra's collections of rights in 2021 increased by € 4.2 million compared to 2020, a percentage of 11.6%. Such a collection level had not been achieved since 2009.

The continued growth in revenues from online use of music increasingly compensates for the decline in the traditional Stemra markets. In 2021, Online will make up the largest share in Stemra's collection (34%), while in 2009, it still represented the smallest share (3%). In 2021, Stemra's collection from online use of music increased by € 2.1 million, or 18%.

The traditional Stemra markets also contributed to the growth achieved in 2021. The rights collection from the Phono-Mechanical right BIEM/Central Licensing category increased by € 1.3 million compared to 2020 and the PIEB (custom pressing)/ Special Licensing category contributed to the growth by € 0.8 million. This was mainly due to the increase in vinyl pressings, newly concluded agreements and incidentally high revenues from commercials around the major events in 2021,

such as the Eurovision Song Contest in Rotterdam and the Grand Prix in Zandvoort.

Compared to 2020, rights revenue from the Radio & TV category increased by € 0.3 million. This is mainly as a result of the growing on-demand income from TV channels, which generates a larger share in rights revenue for Stemra. In addition, there were positive final settlements for 2020 in 2021 due to a good recovery in the RTV market.

More than € 0.2 million less was collected from Private Copy / Public Lending Rights in 2021 compared to 2020. Stichting de Thuiskopie temporarily suspended distribution during 2021. Just like in 2020, Stichting de Thuiskopie withheld a 20% reservation due to the main distribution yet to be determined.

Fees collected from abroad show a slight decrease in 2021 (€ 0.1 million). This was better than expected; for 2021, we had taken into account a carve-out effect of pan-European direct licensing of online use to Digital Service Providers.

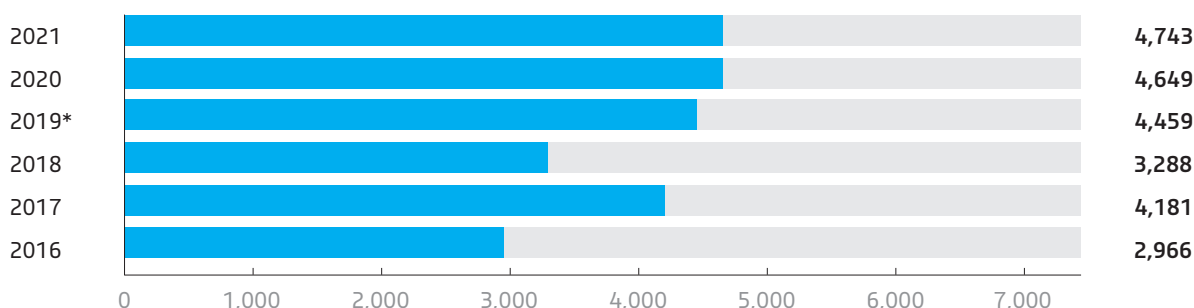
1.2.2 MANAGEMENT COSTS

Stemra's expenses can be specified as follows:

(x € 1,000)

	2021	2020
Personnel costs	2,112	2,073
Accommodation costs	147	149
Amortisation and depreciation	-	-
Other expenses	2,484	2,427
TOTAL	4,743	4,649

DEVELOPMENT OF MANAGEMENT COSTS (x EUR 1,000)

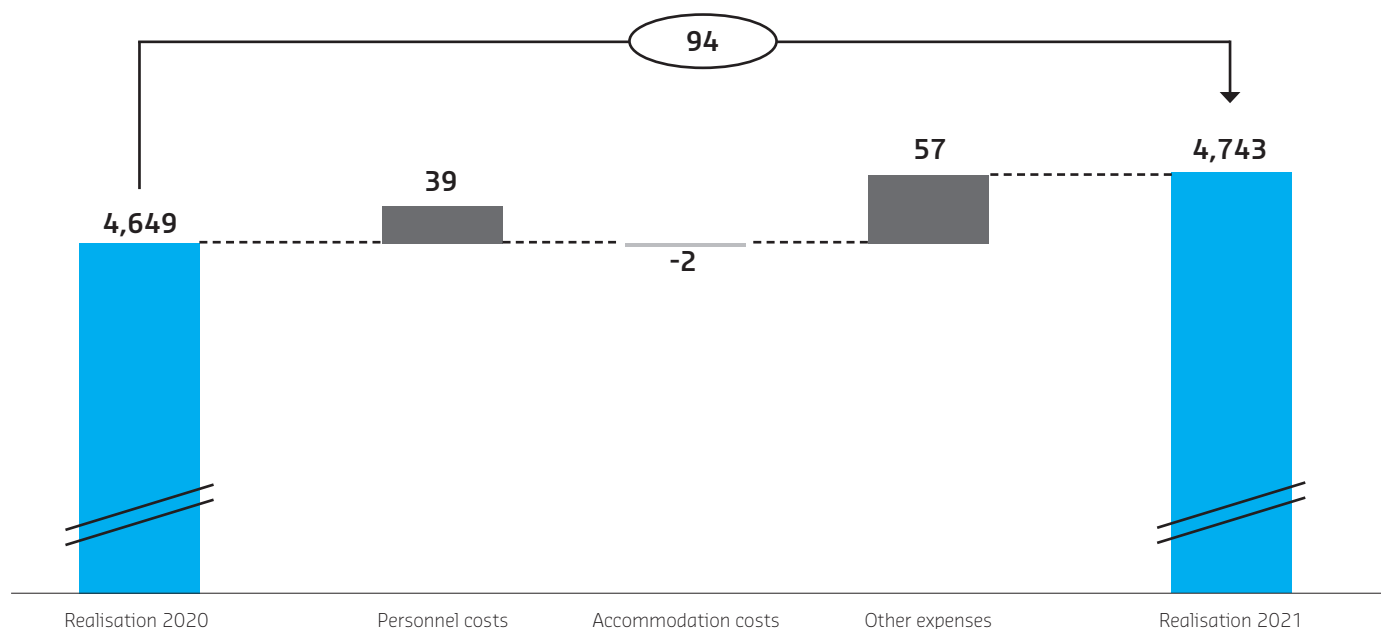


* In 2019, the development of the management costs an increase due to the fact that the allocation key for the costs between Buma and Stemra was adjusted from 90/10 to 83/17 in that year, based on a cost allocation model.

In 2021, management costs rose by € 0.1 million compared to the previous year. They remained € 0.6 million under the 2021 budget, as a result of cost control measures, including the choice to postpone filling vacancies and postpone less urgent projects. As in 2019 and 2020, an allocation key of 83% / 17% (Buma/ Stemra) has been applied. This takes into account that the costs for the Supervisory Board and the Council of Rights Owners will be distributed 50% / 50%. Since 2021, the COVID-19 crisis has been

causing disruptive impulses in the recalculation of this cost allocation. The reason is that the collection flows, which fell mainly at Buma, are important allocation keys in the cost allocation model. A recalculation would lead to a larger allocation to Stemra and would not be a representative reflection of the actual cost level of the entities. The Management Board has decided not to attribute the non-recurrent effect to Stemra too heavily.

The changes per category of costs are shown in the table below.



1.2.3 FINANCIAL INCOME AND EXPENSES

Stemra does not invest copyright royalties yet to be distributed. This was decided on the basis of the analysis of the size of the base stock of copyright royalties to be distributed that Stemra has available for the longer term and an assessment of the expected opportunities and risks. Stemra keeps its cash and cash equivalents in various (deposit) accounts that are freely available.

Since the interest on cash and cash equivalents has been negative since 2019 and the threshold above which negative interest is calculated has been gradually lowered, financial income and expenses are € 0.3 million negative on balance.

1.2.4 COVERAGE OF MANAGEMENT COSTS

COVERAGE OF THE MANAGEMENT COSTS

(x € 1,000)

	Realisation 2021	Budget 2021	Realisation 2020
MANAGEMENT COSTS	-4,743	-5,298	-4,649
NOTES TO THE COVERAGE			
Administration fee withheld upon distribution	-		3,865
Administration fee withheld in the year of collection	4,647	3,603	-
Contributions and registration fees	1,030	946	975
Interest income and expenses	-347	-338	-257
Regular coverage	5,330	4,211	4,583
Balance regular cost absorption	587	-1,087	-66
One-off: administration fee withheld from collection in previous years that had not yet been deducted	7,123	6,270	-
BALANCE COST ABSORPTION	7,710	5,183	-66

Stemra uses a fixed administration fee and does not apply a variable administration fee. If the fixed administration fee plus income from contributions and registration fees and financial

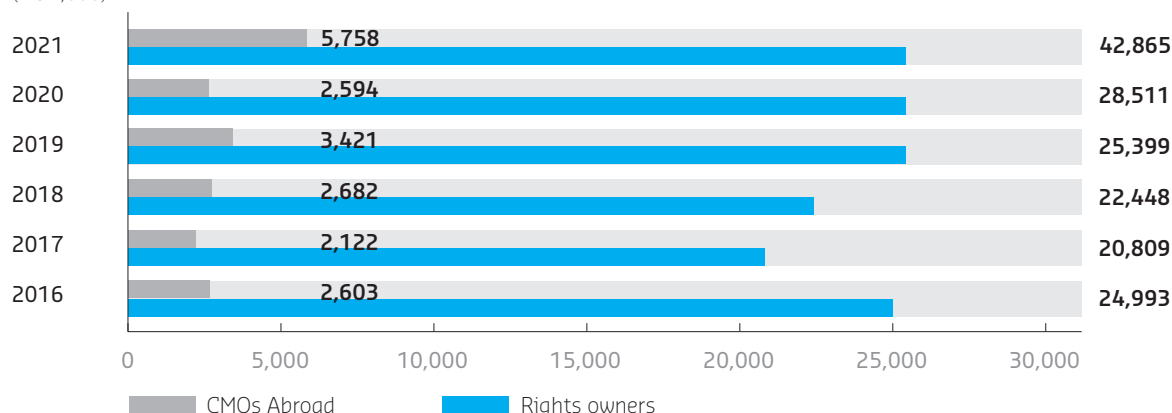
income and expenses exceed Stemra's management costs, the surplus will be added to the provision for temporary differences in cost-sharing from 2021; if it is lower than the

management costs, an amount will be withdrawn from the provision. Up to and including 2020, the surplus/deficit was not changed in the provision, but in the appropriated reserve.

The regular cost absorption in 2021 was therefore € 1.7 million higher than the budgeted, mainly due to € 0.6 million in realised cost savings and a € 1.0 million higher administration fee withheld in the year of collection. The latter happened because the collection basis was 34% higher than budgeted.

1.2.5 DISTRIBUTIONS

(x € 1,000)



In 2021, Stemra distributed € 48.6 million to rights owners and organisations with which it has reciprocal contracts. This is € 17.5 million more than in 2020. Besides the growth in collection and € 4.3 million extra distribution from the continuity reserve, this is mainly due to further catching up on the distribution of Private Copy royalties: in 2021, the annual layers of 2016 to 2019 were distributed. Also, Stemra has taken action by distributing previously non-distributable amounts in 2021 and by reducing the loss in the distribution process.

In addition to this, it has been established that in the Emergency Fund Music set up by Buma/Stemra and Sena in 2020, funds are still available for payment to rights owners most affected by COVID-19 measures. In addition, Buma/Stemra, with the cooperation of the Ministry of Education, Culture and Science, opened a second Music Investment Fund in 2021. In addition to the € 2.5 million in 2020, € 2.3 million has been made available for this second round, which contributes to the continuity of the creative process and the creation of new cultural productions.

1.2.6 COST STANDARD

Since the introduction of the Supervision Act in July 2013, the government has imposed three cost standards for collective management organisations. Although the implementing decree has formally expired since 2020, it will be continued until a new assessment framework has been established. That is why, if the cost standards are exceeded, reasons are still given as to what caused this excess. These cost standards are deemed to have been exceeded if:

- the (gross) management costs in the year to which the annual report pertains exceed 15% of the amount that was collected in that year (the collection/royalties),
- the (gross) management costs in the year to which the annual report pertains exceed 15% of the amount that was distributed in that year (the distribution),
- the increase in management costs in the year to which the annual report pertains compared to the management costs in the previous year exceeds the increase in the consumer price index for the year to which the annual report pertains.

In conjunction with Section 1(1)(a-c) of the Decree implementing the Collective Management Organisations for Copyright and Neighbouring Rights (Supervision and Dispute Resolution) Act
<http://wetten.overheid.nl/BWBR0033622/2016-12-21>

COST PERCENTAGES

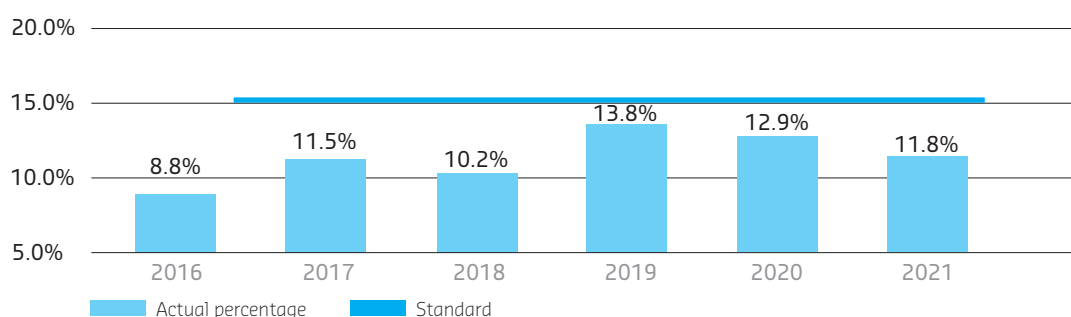
(x € 1,000)

	2021	2020
Collection by Stemra	40,210	35,997
Distribution by Stemra (gross)	48,623	31,104
Costs of Stemra	4,743	4,649
Costs of Stemra as % of the collection (gross)	11.8%	12.9%
Costs of Stemra as % of the distribution (gross)*	8.9%	14.9%
Movement in costs of Stemra compared to previous year	2.0%	4.3%
Average actual percentage withheld by Stemra (net) **	11.6%	12.4%

* Since 2021, Stemra has been applying a system of settlement of the administration fee upon collection, the distributed royalties presented in the financial statements concern the net distribution. To determine the costs as a percentage of the distribution, the administration fees withheld in the year of collection (and in the methodology up to and including 2020 for distribution) have been added to the distributed royalties.

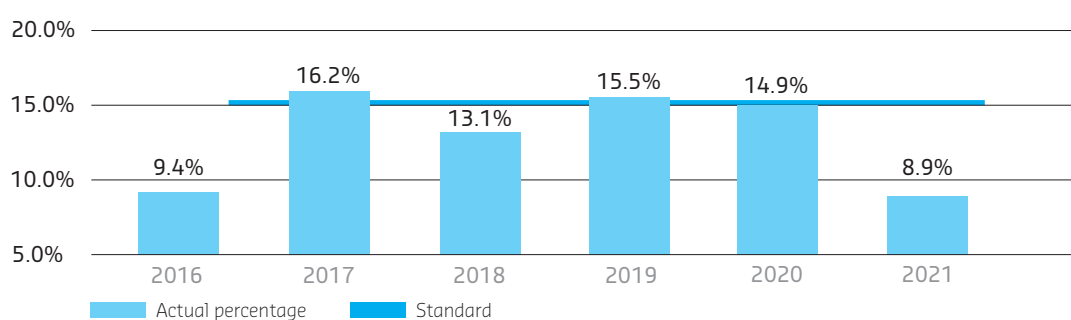
** The withholding percentage that is effectively charged to the rights owners is below the cost percentages for which the standards of the Copyright Board have been set. This is mainly because less costs are charged to rights owners due to other income.

COSTS AS PERCENTAGE OF THE COLLECTION



In 2021, Stemra's cost percentage came to 11.8%, meaning that we complied with the standard that costs as a rule may not exceed 15% of the collection.

COSTS AS PERCENTAGE OF THE DISTRIBUTION



In 2021, the cost percentage came to 8.9%. Hence, Stemra complies with the standard that specifies that the costs may not exceed 15% of the amount in copyright royalties paid.

INCREASE IN COSTS COMPARED TO THE CPI

The table shows that the costs of Stemra increased by 2.0% (€ 0.1 million) compared to 2020. In 2021, the consumer price index rose by 2.7%. With this, Stemra also meets the standard that states that management costs may not rise faster than the consumer price index.

1.2.7 ASSESSMENT OF FINANCIAL POSITION AND LIQUIDITY POSITION

At the end of 2020, Stemra's assets mainly consisted of the continuity and appropriated reserves. Calculating solvency based on equity divided by liabilities has no direct significance in our case because effectively, no distinction can be made between equity and loan capital. By this we mean that both the reserve and the vast majority of liabilities on Stemra's balance sheet at some point concern an obligation between Stemra and its rights owners. On the balance sheet at year-end 2021, the equity only consisted of € 1k foundation capital: the amount in the former appropriated reserve has become part of the provision for temporary differences in cost absorption. This makes it clearer that this amount will at some point be settled between Stemra and its rights owners. From the continuity reserve, € 1.0 million has been promised to the Music Emergency Fund, the remainder of € 4.3 million was paid out to rights owners in 2021.

The liquidity ratio indicates to what extent the debts can be serviced in the short term from cash and cash equivalents. The liquidity ratio for Stemra is 1.13, which means that Stemra can fulfill its obligations in the short term.

1.2.8 CASH FLOWS AND THE FINANCING NEED

The key cash flows for Stemra are the copyright royalties collected and distributed during the year, as well as the management costs.

Since Stemra distributes most of the copyright royalties received in the year after their receipt, and a large part of the copyright royalties is received at the beginning of the year, Stemra does not have any need for external financing. The above system leads to a 'base stock' of copyright royalties to be distributed, which can be used to finance current expenses and investments.

1.2.9 RISK MANAGEMENT

Buma/Stemra focuses on managing the copyright of affiliated rights owners and issues licences for the use of music. As befits a collective management organisation, Buma/Stemra is highly prudent in the performance of the tasks entrusted to it. The organisation has to deal with financial risks, strategic risks & business risks, operational risks, legal risks and integrity and behavioural risks. The risk structure was updated in 2021, as will the set of most important (key) risks, which are discussed in particular in this section.

MANAGEMENT OF FINANCIAL RISKS

Financial risks are managed by means of a planning & control cycle. This cycle ensures the annual updating of the strategic financial objectives and their translation into annual plans, the annual determination of the financial budget based on the annual budget, and the periodical reporting of the progress and state of affairs on the basis of financial and underlying information. An important part of the planning & control cycle are the monthly Business Review Meetings of the Management Board with the various business units. Progress and quality of the activities are discussed in depth during these meetings. Risks and reports are also discussed periodically with the Audit Committee of the Supervisory Board.

MANAGEMENT OF NON-FINANCIAL RISKS

In 2021, the management of non-financial risks was renewed through the implementation of a Risk & Compliance Cycle (R&C cycle) based on Risk Control Self Assessments. The R&C Cycle is a continuous planning & control cycle, geared to the objectives of Buma/Stemra, with which we identify, analyse and mitigate risks in a timely manner. Reports of findings and recommendations, as well as the follow-up of mitigations are discussed periodically with the Management Board and the Audit Committee.

VISION OF RISK MANAGEMENT

In line with the core values of Buma/Stemra and the vision on risk management, a risk approach with a moderate risk profile is central. To provide better support for the organisation, a transition was completed out in 2021, whereby the Internal Audit department was merged into a new department: Risk & Compliance. This step strengthened Buma/Stemra's focus on a risk-based approach through proactive risk management. Potential problems are anticipated, so the impact of expected and unexpected risks is reduced where possible.

The activities of the Internal Audit department will also be carried out after the transition, and will be supplemented by supporting and facilitating activities. Internal Audit systematically and objectively assesses the quality of procedures and the internal control of internal business processes. This is done on the basis of an annual audit plan. The Internal Audit activities put risk ownership at the heart of the business, including responsibility for sound risk management.

ASSESSMENT OF THE DESIGN AND OPERATING EFFECTIVENESS OF THE INTERNAL CONTROL

The Risk & Compliance department forms an objective opinion on the quality and effectiveness of the control measures with regard to the primary and supporting business processes, including governance, risk management and internal audit measures. The Risk & Compliance department falls hierarchically under the Chief Financial Officer and has a direct reporting line to the Chief Executive Officer and the Audit Committee of the Supervisory Board. The Supervisory Board discusses the progress of the annual plan and the results of the risk analyses and control assessments with Risk & Compliance at least once a year.

Below is a brief overview of the main risks Buma/Stemra is exposed to and how we deal with these risks.

STRATEGIC RISKS & BUSINESS RISKS

At a strategic level, Buma/Stemra is exposed to various risks due to emerging market trends and technological developments. These risks are regularly monitored and discussed at the management meeting. The most important strategic risks for Buma/Stemra include having an insufficient response to increasing competition, loss of repertoire, insufficient collectivity and insufficient innovative strength. Another strategic risk is the potential impact of a cost ratio that is too high. For Buma/Stemra, there is a threat of loss of *raison d'être* if these risks are not sufficiently mitigated.

In 2020, the strategic course up to and including 2025 was set. The strategic course reflects Buma/Stemra's mission and vision, what our objectives are and what choices we make to achieve them. It anticipates external opportunities and threats, taking into account internal strengths and weaknesses. In the coming years, the strategic course will be implemented in consultation with all those involved and stakeholders with the aim of mitigating strategic risks.

FINANCIAL RISKS

Buma/Stemra recognises as its main financial risks: collection and investment risks.

A financial budget is drawn up by the Management Board each year. Based on predetermined budgets, the financial reporting is discussed monthly by the Management Board in Business Review Meetings with the directors of the business units.

The measures taken to control the COVID-19 pandemic had a huge impact on the music industry and therefore also on Buma/Stemra. The vaccination programme offered prospects of reopening society, but it was unclear for a long time when and at what pace this would take place. As a result, the (expected) developments and their effect on the collection of copyright royalties for 2021 are uncertain.

A healthy and transparent account of income and expenditure and strict internal control by the entire management on the basis of an extensive internal monthly financial report, reduce the financial risks within our organisation. This internal monthly financial report includes the realisation of funds received versus the budget and the investment results (supplemented with investment reviews) versus the annual investment plan.

In addition, measures such as segregation of duties, authorisation schedules and random checks on outgoing cash flows are in place to mitigate financial risks. These measures apply to actions that create obligations (including purchasing), payment transactions and contract management.

Buma/Stemra mitigates liquidity risks by means of a monthly liquidity forecast. The liquidity development is influenced mainly by the processing time between the collection and distribution of copyright royalties. Currency and interest rate risks are mitigated by striving for a cash flow (incoming and outgoing cash flows) in euros as much as possible.

OPERATIONAL RISKS

Possible disruptions in the collection process from users or in the distribution process to rights owners can be the result of operational risks that were mitigated with insufficient effect. The set of key operational risks, which are regularly monitored and discussed at the management meeting, include: loss of critical knowledge, incorrect management information, complex IT architecture, insufficient use of disruptive technology and external fraud (including cyber attacks). The operational risks and associated controls were taken within in a so-called Risk Management and Control Framework. The set-up and operation of this framework are regularly tested by the Risk & Compliance department. Since 2020, special attention has been paid to possible operational risks as a result of being forced to work from home.

The functioning of IT systems is an important part of the mitigation of operational risks. In 2020, a start was made on a programme to replace the current IT system with components included therein. The programme will take several years to complete. An analysis was made in advance of possible risks associated with developing and implementing the new IT system. Control measures have been identified and included in the programme. The governance of the entire programme, in which the Supervisory Board and the Council of Rights Owners are also involved, consists, among other things, of an overarching steering committee whom the programme manager reports to. Each sub-project has its own project manager who reports to the programme manager.

Good security and availability of information are crucial for Buma/Stemra. This applies to all data flows, both physical and digital. A Security Officer has been appointed for information security and the General IT Control Framework for all IT-related processes is audited annually. Over the past year, periodic improvement projects have been carried out, such as replacing old servers. The infrastructure was also modernised with, among other things, cloud solutions. In support, network scans and penetration tests were performed.

COMPLIANCE WITH LAWS AND REGULATIONS

Buma/Stemra has to deal with a variety of laws and regulations, such as the Supervision Act, Title 9 of Book 2 of the Netherlands Civil Code, relevant governance codes, the CMO guidelines and international agreements in the CISAC context (Confédération Internationale des Sociétés d'Auteurs et Compositeurs). These laws and regulations must be complied with regarding the primary processes (such as collection and distribution) and also the supporting processes (such as financial processes).

Buma/Stemra has a Privacy Officer, a Confidential Advisor for Undesirable Behaviour & Integrity, a Complaints Committee and an internal Compliance Officer, who all guarantee compliance with laws and regulations within our organisation. In addition, the Secretariat of the Board and HR monitor the implementation of our code of conduct and HR monitors compliance with the rules regarding other positions.

Failure to comply with laws and regulations would mean that we run the risk of losing our licence and quality mark. The unqualified auditor's report would not be issued and we would incur reputational damage. The main reason, however, is that Buma/Stemra aims to be a reliable partner who accepts

its responsibility towards musicians and licensees, its employees and the society in which it operates.

For 2021, Buma/Stemra once again meets the standards of the CMO quality mark criteria. The associated CMO certificate will be renewed up to and including 2023. Buma/Stemra's current governance model is in line with the VOI@E Guidelines for Good Governance and Integrity of CMOs. An independent Supervisory Board is in place that supervises the Management Board and a Council of Rights Owners who provides the Management Board with solicited and unsolicited advice.

INSURANCES

Buma/Stemra has an insurance portfolio in which effectively insurable risks have been placed that cannot be prevented by internal control measures. This portfolio includes a third-party liability insurance policy, a supervisory board and management board liability insurance policy, a cyber security policy and a group business travel and accident insurance policy.

TAX MATTERS

Buma/Stemra operates exclusively in the Netherlands and is subject to the Dutch tax regime. Buma/Stemra is confronted with foreign withholding taxes for the collection of copyright royalties through foreign sister societies. Tax is levied at a normal or reduced rate, depending on the existence of any tax treaties. Discussions are held with the Tax and Customs Administration about the applicability of corporation tax.

1.3 VOI@E QUALITY MARK DISTRIBUTION AUDIT

The Association of Organisations that Collectively Administer Intellectual Property, i.e. VOI@E, is the trade association of CMOs for copyrights or neighbouring rights. Buma/Stemra is a member of this association. The condition VOI@E sets for membership is that the CMO meets the criteria of the CMO quality mark. This quality mark contains specific and verifiable standards for transparency and quality. Part of this quality mark is that CMOs must review the distribution rules and board resolutions on the distribution, i.e. every three years. This is done on the basis of a predetermined reassessment calendar. In 2020, the Management Board, in consultation with the Council of Rights Owners, decided to free up space in the 2021 reassessment calendar to include the consequences and impact of COVID-19.

The review (based on the reassessment calendar) is performed by the Management Board within Buma/Stemra in various board and committee meetings, partly on the basis of advice from the Council of Rights Owners and the Distribution Committee. The advice and decisions in 2021 with regard to distribution concerned the following topics:

- reassessment SCHOUW about jazz performances in theatres,
- impact of COVID-19 on distribution, surcharges and voting rights:
 - Hafabra/choirs
 - Childcare centres and holiday parks
 - Mechanical background 2020
 - Voting rights and surcharges
- image-independent use of music,
- policy of undistributed royalties in general,
- policy of undistributed royalties specifically with regard to Online,

- the Carillons and Chimes category,
- distribution on working with status 2 in ICE,
- new regional broadcaster agreement, allowing for more one-to-one settlement,
- settlement football stadiums,
- adopting the reassessment calendar for 2022.

REASSESSMENT SCHOUW

The Management Board has adopted the advice of the Council of Rights Owners regarding the SCHOUW decision. Rights owners indicated that it was unclear why jazz performances in theatres are sometimes settled in ASE and sometimes in CS2. The 2015 SCHOUW decision was not clear about this, so we looked at whether this could be clarified. Performances by artists who are known as so-called CS artists and to which a SCHOUW licence is linked with a collection value above € 50 will be settled in ASE. If the collection value is less than € 50, the performances will be settled in the ALE category. In both cases, a Surcharge Serious is also paid for this. This pragmatic solution was chosen with the remark that in the course of the year, the LIVE aspect of these performances should be looked at and how this can best be implemented in the new IT system.

IMPACT OF COVID-19 ON DISTRIBUTION AND VOTING RIGHT

COVID-19 is having a major impact on the music industry. In that context, it was requested to thoroughly investigate whether certain groups are disproportionately disadvantaged or whether a certain distribution method no longer fits the current situation. The Council of Rights Owners has investigated this together with Buma/Stemra. The following recommendations emerged from the investigations, all of which have been adopted by the Management Board.

Hafabra (HF)/Choirs

Due to COVID-19, this market is very unstable and limited collection has taken place. In order to nevertheless collect a representative set of repertoire to be able to process in 2020, a temporary alternative distribution method was considered. The advice was to gather as much additional repertoire as possible in the categories HF and CZ (distribution category: concert section of Song and accordion music). In addition, the advice was to apply a different distribution for music processing over the period 2020. The repertoire from 2019 is counted twice and the repertoire from 2020 once. Because there was little use of music in this market in 2020, a more representative distribution is achieved with the 2:1 ratio.

Childcare centres and holiday parks

When processing music, these groups have long assumed that CDs are played. In practice, however, that is no longer the case. Gathering information for these groups is difficult, because they have little connection with music and therefore say little about their use of music. This leads to higher costs, because a lot has to be processed by post and there is a separate help desk for this group. That is why the Council of Rights Owners has advised to focus on CDs for the specific gathering of information. Instead, a pragmatic solution was found for the music year 2020. Processing and distribution of repertoire based on received use of music from 2020 and 2019 took place in a 2:1 ratio. For future distributions, a different method of gathering of information will have to be considered.

Mechanical background 2020

For the Mechanical background category, use of music is processed on the basis of the reference repertoire. During the COVID-19 crisis, however, there have been periods when, according to the agreements made in connection with the pandemic, no collection was made for this category. Buma/Stemra can also provide the reference repertoire per month or quarter, so the collection from restaurants and bars is equal to the reference repertoire of those months. This means that for those quarters in which no collection has been made (because of the closure due to COVID-19), use of music will not count in the reference repertoire.

Impact of COVID-19 on surcharges and voting rights

The COVID-19 crisis has resulted in a decrease in income for rights owners. This may mean that rights owners fall outside a certain 'threshold': a minimum amount of income. This position may have an effect on two aspects: the Surcharge Serious for the Hafabra customised arrangement and the determination of voting rights.

With the Hafabra customised arrangement, you are eligible for a Surcharge Serious if a number of criteria are met. Two of those criteria depend on income. Composers may fall outside a certain threshold due to lower income because of fewer live performances and may no longer be eligible for a surcharge. The Council of Rights Owners therefore recommended that as soon as all data for 2021 would be available, the impact of COVID-19 on this arrangement should be looked into. The criteria could be adjusted where necessary. After an analysis of those joining and leaving the arrangement in January 2022, it has become apparent that an adjustment of the criteria was not necessary for the 2021 distribution year.

The voting rights at Buma/Stemra are determined on the basis of income criteria that are laid down in the Articles of Association. The acquisition of voting rights is based on the average of the past three years. However, its loss is determined on the basis of the total revenue over the past five years. Since a small number of cases are expected to be involved and an amendment to the Articles of Association is considered too onerous to introduce this as a temporary measure, the Council of Rights Owners has decided to accept the minor impact of COVID-19 on the arrangement.

IMAGE-INDEPENDENT USE OF MUSIC

Since 2009, the image-independent use of music on the public service broadcasting system has been distributed within its own TEKSTTV category. These are teletext-like programmes with still TV images with music underneath. In recent years, the TEKSTTV category has developed in a fairly stable manner and the proportions in terms of distribution among rights owners have remained the same. Based on the original objective criteria, the Council of Rights Owners has decided to maintain the current situation and thus to continue to use the current methodology. The Management Board has accepted this advice.

POLICY OF UNDISTRIBUTED ROYALTIES IN GENERAL

Undistributed royalties are royalties that cannot be distributed because the details of rights owners and/or (the use of) works are incomplete. According to the Supervision Act, these royalties must still be paid out three years after the year of collection. In the old situation, these royalties were added undifferentiated according to types of use of music to the distributions that take place in the

fourth year. However, the undistributed royalties come from earlier years of use. It has therefore been decided to divide the undistributed royalties among the right owners from the earlier, original years of use and to match the different types of use of music. A decision that has since been adopted at the General Meeting of Affiliates of 10 November 2021.

For the various types of use of music, also referred to as the 'value chain', it has been agreed that specific policy for undistributed royalties will be elaborated. In 2021, the Council of Rights Owners was the first to look at 'undistributed Online' and issued a recommendation to the Management Board.

POLICY OF UNDISTRIBUTED ROYALTIES SPECIFICALLY WITH REGARD TO ONLINE

To standardise the distribution policy with regard to undistributed royalties as much as possible, the Council of Rights Owners has identified the most important subjects for which policy choices must be made. For Online, it was advised to use Streaming & Downloads and VOD as two separate indivisible value chains and to further divide these into DSP/VOD provider per year of use (for example: 'Spotify year of use 2018'). Distributions can be made more accurately on the basis of the combination of source and year of use. The Management Board has accepted this advice.

CARILLONS AND CHIMES

During the reassessment of this subject, it emerged that it was unclear why information was gathered on use of versions of hand-playing carillons, but not of mechanical performances, even though the latter category represented 60% of the collection. That is why the Council of Rights Owners has advised to distribute the collection and distribution of live performances on carillons and mechanical performances in two separate categories from collection year 2022. The collection for live performances will be distributed on the basis of set lists and the collection for mechanical performances based on the CZ reference repertoire (Concert section of Song and accordion music). The CZ reference repertoire was chosen because automatic performances are often covers or unauthorised versions that best fit this category. The choice made offers a good approximation of what is played in the various shopping streets and on the larger mechanical carillons. The Management Board has accepted this advice.

DISTRIBUTION ON STATUS-2 WORKS IN ICE

Since the transition to International Copyright Enterprise (ICE) in 2015, many of the comments received have been directed towards non-settled works that fall under the 'status-2 works' category. In the ICE system, works are given a status: provisional distribution (status 2) or final distribution (status 1). Status-2 works concern documented works that do not yet meet the correct criteria to be continued. The Council of Rights Owners has therefore extensively investigated this subject. To reduce the loss of works and related comments and complaints, we looked at what the effect would be if payments were made for status-2 works. Ultimately, the advice was to start paying out on status-2 works as of 1 January 2022 (or otherwise as soon as the technical implementation allows).

It was also advised to exclude the right to submit comments on distributed status-2 works with proceeds of less than € 50. It is clearly indicated there will be a pilot phase of one year, after which this subject will be evaluated. The Management Board has accepted this advice.

NEW REGIONAL BROADCASTER AGREEMENT, ALLOWING FOR MORE ONE-TO-ONE SETTLEMENT

As of the 2019 year of use, a new licence agreement has been concluded with the regional and local broadcasters, as a result of which the basis of the collection has changed compared to the old agreement. It has also been agreed to invoice the broadcasters separately from now on, so an amount is known per broadcaster and per component (Radio, TV, mechanical rights and performing rights). This makes it possible to distribute the collection for the local broadcasters more proportionally among the various regional broadcasters. This will lead to greater transparency and more one-to-one payments. The Council of Rights Owners considers the switch to more one-to-one payments to be a desirable development. Given the limited capacity and changing IT developments at Buma/Stemra, it has been decided to continue the current policy up to and including 2022 and then to implement the above policy. The Management Board has accepted this advice.

SETTLEMENT FOOTBALL STADIUMS

Buma/Stemra, in consultation with the Federation of Professional Football Organisations (FBO), has introduced a Top Sports Match Days Rate as of 1 January 2020. This top sports rate applies to use of music for entertainment and background music that is played to supporters before, during or after a football match. Supporters have a special relationship with these works, which are associated with the club. This may involve traditional club songs or songs specially composed for the club, as well as other pieces of music.

The royalties collected will be distributed based on a method that assumes that the licensed club allocates an available amount for distribution to this section. The available royalties are then distributed per club on the basis of the top-10 of most-played musical works specified by the club, whereby each specified work carries the same weight.

The royalties received are subdivided into the new distribution category FBO, which falls under the background music value chain. After distribution, it is possible to complain about incorrect or missing copyrights within the applicable deadlines, provided the work has been registered in time. It is not possible to complain about missing works that are not mentioned in the clubs' summaries. The Management Board has adopted the above advice from the Council of Rights Owners.

DISTRIBUTION REVIEW CALENDAR 2022

Based on subjects to be periodically reviewed and signals from rights owners and other stakeholders, a selection has been made of a number of subjects to be reviewed in 2022. These subjects are determined and ranked on the basis of urgency, level of collection/distribution flow and complexity. For example, the various value chains in the area of undistributed royalties will be further elaborated, the subject of background music will be reassessed and we will look into a replacement of the old gathering and distribution method at childcare centres and holiday parks. The Management Board and the Council of Rights Owners have adopted the 2022 review calendar.

1.4 PROVISIONS OF THE ARTICLES OF ASSOCIATION REGARDING THE SUPERVISORY BOARD AND THE MANAGEMENT BOARD

The Stemra Supervisory Board consists of nine persons. Only natural persons may be appointed members of the Supervisory Board. Six persons are appointed in the manner referred to in Article 17, paragraph 3, under a and b. Three independent persons, including the independent Chairman of the Supervisory Board, are appointed by the affiliates in accordance with Article 17, paragraph 2. A member of the Supervisory Board of Stemra must also be a member of the Supervisory Board of Buma. The profiles of the members of the Supervisory Board are:

A. Four musicians who are members¹ or who are musicians within a company that is a member, which musicians are elected by the members/affiliates, including:

- composers of serious music,
- composers of entertainment music,
- composers of media music and
- lyricists.

B. Two persons who are participant publishers (Article 8, paragraph 1) or hold a managerial position in a publishing company that is a participant (Article 9, paragraph 1) and who are elected by the members/affiliates who are publishers.

C. Three independent persons, including one independent Chairman, as referred to in Article 13, paragraph 2.

The Management Board consists of at least two members, one of whom is the Chairman of the Board and one the Financial Director. Members of the Management Board must be natural persons who are not members or participants of Stemra and who do not sit on the Supervisory Board of Stemra. Members of the Management Board are appointed and dismissed by the General Meeting of Affiliates on the recommendation of the Supervisory Board. On the recommendation of the Supervisory Board, the General Meeting of Affiliates appoints one of the members of the Management Board as Chairman of the Board and the other as Financial Director.

The complete provisions of the Articles of Association regarding the Supervisory Board are contained in Article 13 through to Article 19 of the Articles of Association of Stemra. The complete provisions of the Articles of Association regarding the Management Board are contained in Article 21 through to Article 24 of the Articles of Association of Stemra.

1.5 TRANSPARENCY REPORT

The Transparency Report (Collective Rights Management Directive) Decree came into effect on 1 January 2017. This resolution is a further implementation of Article 2q of the Supervision Act, under which the publication of a transparency report has been required from the 2017 reporting year. This annual report includes all components as described in this Act. Appendix 1 contains the reference table regarding the legal obligation to publish

¹ Participant: someone with an operating contract with Buma and/or Stemra

a transparency report. The purpose of this table is to make it easy for the reader to find the mandatory elements of the transparency report in this annual report. This chapter contains the mandatory subjects that are not included elsewhere in the annual report:

- refusal of information to grant a licence,
- distribution frequency,
- comments and complaints and
- governance code VOI©E.

REFUSAL OF INFORMATION TO GRANT A LICENCE

Anyone who plays music belonging to the repertoire administered by Stemra must obtain prior permission for this from Stemra. Provided that certain standard conditions are met, including the payment of a fee, Stemra grants this permission in the form of a licence. Stemra does not refuse to grant licences, however, it does have the option of suspending its permission if certain contractual obligations, including payment of the fee due, are not met. If music is published or about to be published without the necessary permission, Stemra exercises its right of prohibition.

DISTRIBUTION FREQUENCY

The table below shows the distribution frequency per type of use within Stemra.

	Q1	Q2	Q3	Q4
Phono-mechanical rights BIEM / Central Licensing		X		X
PIEB (custom pressing) / Special Licensing		X		X
Radio & TV	X	X	X	X
Online	X	X	X	X
Private Copy / Public Lending Rights*				
Abroad	X	X	X	X

* Will be distributed as soon as possible. This depends in part on the receipt of royalties and the decision-making on the distribution method.

COMMENTS AND COMPLAINTS

Stemra regards the number of comments and complaints we receive as a measure of how well we have succeeded in identifying copyrighted work and carrying out the subsequent allocation and distribution. A higher success rate means fewer comments. Unresolved comments become complaints; they were not submitted in the 2021 reporting year.

GOVERNANCE CODE VOI©E

Buma/Stemra follows the Governance Code CMOs 2021 adopted by VOI©E (hereinafter referred to as GCV), which has been in effect since 1 January 2021. The Management Board embeds the provisions of this code in the organisation.

The code consists of four principles, each with its own recommendations. The four principles are discussed in more detail below. Some recommendations will be clarified with examples of how Buma/Stemra has addressed them or applied them in 2021.

Principle 1: General provisions

Buma/Stemra has been following a Supervisory Board model since mid-2018, in which the Management Board is responsible for day-to-day management and the Supervisory Board is charged

with supervision. The powers and responsibilities of both bodies are well anchored in the Articles of Association and regulations. It is important that the members of these bodies act with integrity and avoid conflicts of interest. Both bodies therefore have extensive regulations on this subject. More about the conflict of interest arrangements is described under principle 4. Due to the hectic pace of the COVID-19 crisis and the arrival of three new Supervisory Board members in August 2020, the Supervisory Board has not yet got around to developing a comprehensive supervisory vision for the governance structure. The Board will further specify this vision, in combination with the topics of 'evaluation' and 'update governance', in 2022, under external supervision.

Buma/Stemra attaches great value to acting with integrity and honesty, not only in its own functioning, but also beyond that. To underline this, Buma/Stemra has labelled 'integrity' one of its five core values when determining its new strategy. The organisation handles large amounts and that money belongs to the members and affiliates. They must be able to assume that everything Buma/Stemra does is done carefully and honestly. Buma/Stemra's reputation must be impeccable. If there are problems, we must get to the bottom of them. In addition to integrity, 'transparency', 'professionalism', 'connection' and 'enjoyment' are the core values for the organisation's cultural compass. All decision-making will be tested against these core values. The Management Board will further define this in 2022. How the Management Board ensures good day-to-day management is described under principle 3.

When developing new policy or reassessing current policy and working methods, Buma/Stemra pays a great deal of attention to the interests of its rights owners and is open to suggestions. After all, the rights owners are the people that the organisation revolves around and works for. In addition to the rights owners, Buma/Stemra has a number of other important stakeholders with whom it is in regular contact:

- professional associations of authors and publishers,
- music users (all legal entities that use music for business purposes and must pay Buma/Stemra for this). This also includes industry associations and individual licensees,
- the Copyright Board,
- the Supervisory Board, the Council of Rights Owners and the Works Council of Buma/Stemra,
- VOI©E,
- foreign sister societies,
- umbrella organisations, such as GESAC and CISAC,
- other CMOs, such as Norma and Sena.

Principle 3 looks closer at how contact with a number of these stakeholders has developed over the past year.

Principle 2: Being role-conscious

Buma/Stemra's directors and supervisors are aware of their own roles and the division of tasks, responsibilities and authorities, and act accordingly. The authorities and responsibilities are described in the Articles of Association, regulations, profiles, including expertise requirements, power of attorney schedules and process agreements. This provides a clear demarcation. Regular consultations are held, during which the Management Board informs the Supervisory Board in good time and in detail about relevant developments. These discussions are not limited to formal consultations or the limits of the power of attorney schedule.

The two-member Management Board (CEO and CFO) is responsible for the general and day-to-day management, functioning and results of the organisation. On the basis of the planning & control cycle, attention is given to budget control and the progress of the projects is accounted for.

The Supervisory Board performs its supervisory and advisory role in a professional and independent manner. The Supervisory Board evaluates its performance annually, in the absence of the Management Board. Appendix 2.1 includes an overview of the Supervisory Board meeting dates, the items discussed and the resolutions. For example, during the General Meeting of Affiliates (GMA) in 2021, the Supervisory Board proposed accountancy organisation Mazars for a three-year reappointment, which was adopted by the GMA. The Supervisory Board also drew up an events schedule in 2021, in which it made agreements about working visits to musical events in consultation with the Management Board. In this way, the Supervisory Board makes it clear that it considers it important to maintain contact with the stakeholders of Buma/Stemra in its supervisory role.

Principle 3: Prudent day-to-day management

The Management Board is assisted in its role by the management team and employees of Buma/Stemra. In addition, the Management Board follows annual training courses to stay up to date. In addition, the Management Board sees contact with stakeholders as an important value in the proper performance of its function and it attaches great importance to taking the opinions of these stakeholders into account in its deliberations. The Management Board is therefore in regular contact with Buma/Stemra's stakeholders. For example, the Management Board and the Council of Rights Owners meet up almost every month, during which the Management Board involves the Council of Rights Owners in decision-making. During these meetings, they also discuss developments in the music world. In addition, there is periodic contact with the affiliated professional associations.

Two General Meeting of Affiliates were held in 2021. These were held both digitally and live, during which members could vote on a number of important decisions and put questions to the Management Board.

In the past year, Buma/Stemra also informed and involved its members and affiliates through various channels, at different times and aimed at various sub-target groups.

Music Emergency Fund and Music Investment Fund

In 2020 and 2021, rights owners were able to appeal to emergency funds. These were intended to alleviate the first emergency and as an investment in music during the COVID-19 pandemic. Extensive communication has taken place about these funds by means of e-mails and social media campaigns. In addition, a number of webinars were organised to give rights owners the opportunity to optimally prepare their applications.

Pulse

The purpose of the online question time called 'Pulse' is to stay in touch with our supporters. Buma/Stemra wants to know what is going on among our supporters and inform them about various topics. During the Pulse sessions, participants can make comments and ask questions using the chat function. The sessions remain available afterwards. Eight sessions took place in 2021.

Whitepapers

The website 'Van Play tot Pay' shares knowledge with members and affiliates about how they can gain more control over their copyrights in the field of online use of music. It explains, among other things, how Buma/Stemra collects and pays copyright royalties for online use of music at home and abroad and how the collaboration with digital service providers works.

As explained under principle 1, not only the rights owners and affiliates of Buma/Stemra are important stakeholders. A good relationship with the users of the music of the rights owners of Buma/Stemra is also important. For Buma/Stemra, the focus is on transferring the value of music. Stichting Service Centrum Auteurs- en Naburige rechten (SCAN) is the implementing body that is partly responsible for collection and communication with music users (Buma/Stemra has a guiding role in this). Below are some examples of how Buma/Stemra has disseminated the value of music to the outside world in 2021 or has fulfilled that guiding role.

Muziek Werkt

The knowledge platform 'Muziek Werkt' inspires entrepreneurs to look for the best application of music in their company. To encourage them to do so, we publish relevant research results, we conduct our own research, we publish current news items and testimonials from entrepreneurs. Muziek Werkt is an initiative of Buma/Stemra and Sena.

The dance rate

In accordance with the market, Buma/Stemra will apply the rates for dance events more accurately, by means of tailor-made music licences. To make this known, Buma/Stemra informed all customers in this segment about this development by telephone and via a digital mailing. The website <https://www.bumastemra.nl/live-event/dance-events/> has been supportive in this.

Reminder

Buma/Stemra can imagine that when organising an event, compliance with copyrights may not be the first thing on the minds of organisers. That is why music users can ask Buma/Stemra to send a reminder. Thanks to an online form, Buma/Stemra knows when the music user should receive a notification for taking out a licence.

COVID-19 measures

Buma/Stemra set up a temporary web page about COVID-19 measures. Music users were able to read about Buma/Stemra's measures to keep the economic damage to the music sector under control as much as possible. References were also made to other websites that may be of interest. In addition, Buma/Stemra consulted with umbrella and industry organisations about the COVID-19 measures and their consequences.

Compensation

The government's decision to oblige entrepreneurs to close their doors caused acute financial problems. This concerned the members and affiliates of Buma/Stemra, as well as entrepreneurs. This unprecedented situation called for solidarity. VOI@E members Buma, Sena and Videma decided, in consultation with VNO/NCW and MKB Nederland, to fully or partially exempt companies, institutions and shops with commercially accessible space that were closed as a result of these measures or were closed on their own initiative, from making payments during this

closing period. This compensation scheme has been implemented through the relevant industry organisations. Individual licensees received the information about the compensation scheme through SCAN.

In carrying out its activities and developing policy, the Management Board is supported by (approximately) 150 Buma/Stemra employees. The Management Board considers it important that they can carry out their work in a good and safe working environment and that they know what is going on in the company. In the past year, the advice of the Dutch National Institute for Public Health and the Environment (RIVM) regarding COVID-19 has been followed and implemented within Buma/Stemra. Flexible working and working from home were fully integrated at the time of the measures, including in terms of IT infrastructure. In order not to lose contact with the employees and to guarantee transparency internally, the Management Board organised many digital town hall meetings last year. The employees were included in what was going on, but there was also room to ask questions to both Bernard Kobes (CEO) and Marleen Kloppers (CFO).

In addition, the Reporting Procedure for Suspicion of Misconduct or Integrity Violation was updated in 2021 and as a result, the confidential position was not only assigned to an internal confidential advisor, but also to an external confidential advisor. Buma/Stemra hopes that in this way, employees will feel safe enough to report suspicions of abuses or irregularities without risk to their position should something happen. Buma/Stemra is in the process of rewriting its internal codes of conduct and integrity and hopes to have them completed in the first quarter of 2022.

Buma/Stemra also started updating the remuneration policy for employees in 2021, which will be completed in 2022. The emphasis will be on the personal development of employees.

For the internal audit of the activities and processes, the Management Board is assisted by the Compliance Officer, who has been employed by Buma/Stemra since 2021. The Compliance Officer reports to the Management Board.

Principle 4: Exercising good supervision

Supervisors are independent (in their performance) and act with integrity. They are alert to any (apparent) conflict of interest and avoiding unwanted conflicts of interest and dealing transparently and diligently with conflicts of interest. Both the Articles of Association and regulations contain extensive regulations on how the Supervisory Board and the Management Board deal with these kinds of issues. The regulations are designed in such a way that an (apparent) conflict of interest is identified and dealt with at the earliest possible stage. For example, the Supervisory Board applies the rule that other positions must be reported before being accepted. Individual members of the Supervisory Board and the Management Board must also report annually to the General Members' Meeting regarding conflicts of interest.

Buma/Stemra has also set up an informal complaints procedure, pending a sector-wide VOI@E complaints procedure. Any direct stakeholder can file a complaint regarding the integrity of the Boards or any member thereof.

The Supervisory Board consists of nine members, three of whom are independent. The other six members are rights owners, but they do exercise their duties as supervisors independently. This means these six members make decisions without carrying the burden of consultation with the supporters who nominated them. In practice, this does not mean there is no contact whatsoever with our supporters, nor that they cannot put forward the perspective of their knowledge and experience in the field. It does mean, however, that during the decision-making process, members focus on the interests of Buma/Stemra and the company or organisation associated with Buma/Stemra. To this end, they carefully weigh up what are called 'the eligible interests of stakeholders involved in Buma/Stemra'. The chairman of the Supervisory Board regularly draws attention to this theme, to ensure that the assessment and decision-making processes take place carefully. The subject of 'how to deal with the supporters that you nominated' was also an important theme in the self-evaluation of the Supervisory Board at the end of 2021 in the context of the theme 'the role of rights owners in the Supervisory Board'.

In 2021, the involvement of a member of the Supervisory Board in a future relationship with a third party was discussed extensively. After preliminary consultations with the chairman of the Supervisory Board, the matter was discussed openly within the Supervisory Board. It was then ruled there was no conflict of interest, because the functional mutual relationship between the member of the Supervisory Board and the third party was too distant. To avoid any appearance of a conflict of interest, it has been agreed that the member of the Supervisory Board concerned will no longer have any interaction with the third party.

— 2. REPORT FROM THE **SUPERVISORY BOARD**

2. SUPERVISORY BOARD REPORT

INTRODUCTION

Buma/Stemra has been following a governance model since mid-2018, in which the Management Board is responsible for day-to-day management and the Supervisory Board is charged with supervision. The authorities and responsibilities of both bodies are well anchored in the Articles of Association and regulations. Throughout the year, the Supervisory Board discussed the policy pursued with the Management Board. Advice is given both reactively (solicited) and proactively (unsolicited). The general course of affairs within Buma/Stemra was also supervised.

Specific topics of supervision in this special period were the realisation of the objectives of Buma/Stemra, the progress of implementation and further elaboration of the new strategy and the IT transition, market developments, the relevance of the main risks, the budget for 2022 and compliance with laws and regulations.

This second, successive COVID-19 year was also different from 2020, as the perspective of an open society moved closer over the course of 2021. We were then able to prepare for a future in which people could meet again and music could be made and listened to in public places, as well as at home.

STRATEGY

The roll-out of the new strategy announced in 2020 and the necessary IT transition went slower than planned in 2021 due to COVID-19. To save costs, not all planned initiatives have been implemented. The Supervisory Board and the Management Board talked about how to accelerate the roll-out of the strategy and the IT transition in 2022, in order to re-align with the initial plans and adapt to the rapidly evolving market changes. Sufficient room must be created in the budget for this.

The Supervisory Board and the Management Board looked at the scenarios drawn up at the end of 2020 and the possible consequences of those scenarios for Stemra and its rights owners. The yardstick was whether policy choices were in line with the new strategy and also our desired risk profile. The Supervisory Board received quantitative information from the Management Board about indicators from which the success of the policy can be derived. These indicators are, for example, satisfaction with the service, the development of the number of affiliates and the growth in the number of foreign musicians, composers and publishers within Stemra's affiliation base. The speed and quality of distribution are also indicators that are monitored. Based on these quantitative data, the Supervisory Board conducted qualitative discussions with the Management Board.

RISKS AND POINTS FOR ATTENTION

Throughout the year, the Supervisory Board questioned the Management Board about all possible forms of risks, strategic, tactical and operational. The latter also included the figures for absenteeism due to illness and the possibilities that Buma/Stemra had in 2021 to recruit people who fit the new strategic profile of the organisation. Employee well-being was a key focus area that

we discussed with the Management Board during the year. In 2021, an employee satisfaction survey was conducted in connection with this.

The Supervisory Board has supervised the additional support offered to musicians by Buma/Stemra. Four years after the introduction of the new governance, including the establishment of the Supervisory Board, we also took the time to examine our performance and determine what needs attention in the future, what is going well and what could be improved. Lastly, we looked at our deduction policy. This involved striking a balance between the desire to distribute as much royalties as possible to the rights owners, and maintaining a prudent position and sufficient liquidity to meet the obligations (again, in line with the intended risk profiles).

COMMITTEES

The Supervisory Board has two committees: the Audit Committee and the Remuneration Committee. These committees explore and prepare important topics ahead of a broader exchange of views. They also advise the Supervisory Board as a whole on these topics, where relevant with regard to decision-making.

The discussions between the Audit Committee and the Management Board about the reserve and distribution policy were technically complex, took a great deal of time and were vitally important. In addition to this policy, the Audit Committee also spoke at length with the Management Board about the phasing of the IT transition. In consultation with the auditor, the committee considered tax matters and the financial continuity of the organisation. The Remuneration Committee assisted the Management Board in 2021 in updating the remuneration and evaluation policy for employees, which should be completed in 2022. The emphasis in the new policy will be on the personal development of employees. The committee also spent the necessary time setting up the annual self-evaluation and processing the results. This specifically concerned the evaluation of governance.

GOVERNANCE

With effect from 2021, Buma/Stemra has been following the Governance Code CMOs 2021 adopted by VOI@E (hereinafter referred to as GCV). The Supervisory Board monitors compliance with this code and evaluates it annually. In 2021, we looked closely at the division of roles between the three boards in relation to each other and to the rights owners. We also looked at the composition of both the Supervisory Board and the Council of Rights Owners and how we continue to create sufficient growth for these positions.

One point of attention was the intensified supervision terminated by the Supervisory Authority for Collective Management Organisations (Copyright and Neighbouring Rights) (CvTA), for which, in addition to the CvTA, we are also grateful to the Management Board and Buma/Stemra's employees. On 1 March 2021, Buma/Stemra submitted an evaluation to the CvTA, in which

questions relating to the subjects of governance, organisation, legal, finance, IT, compliance, and rules and processes were discussed. As a result of this evaluation, the CvTA held talks with Buma/Stemra employees and other stakeholders, in which Buma/Stemra's internal organisation was examined in particular. The CvTA concluded that Buma/Stemra had 'decisively' dealt with previously identified bottlenecks in the field of governance and has shown sufficient improvements. Management shows 'exemplary behaviour' and gives shape to the change task in its performance. The Supervisory Board, the Management Board, the Council of Rights Owners and the Works Council work together and function properly.

We also think it is important to note that, according to the CvTA, Buma/Stemra 'is undergoing the necessary changes not only on paper, but also in behaviour and culture'. Another point for attention is to ensure that the change challenge is properly implemented and felt not only at the top but throughout the organisation. In 2022, Buma/Stemra will actively implement that desired culture change, which, the CvTA also acknowledges, was difficult to achieve due to the lockdown and working from home in 2021. The Supervisory Board will monitor this. In addition, the CvTA recommended that the organisation be put in order externally as well as internally. Making Buma/Stemra more future proof and customer oriented is exactly the aim of the new strategy, which, as already indicated in this report will see accelerated implementation in 2022.

In its supervisory role, the Supervisory Board wants to maintain good contact with and become more visible among the stakeholders of Buma/Stemra, in particular the rights owners. That is why an events schedule was drawn up in 2021 in which the Supervisory Board, in consultation with the Management Board, agreed to make working visits to musical events.

SELF-EVALUATION

The annual training day of the four boards within Buma (Management Board, Supervisory Board, Council of Rights Owners and Works Council) was supervised this year by Jaap Winter, member and name giver of the Winter Committee, which investigated the governance within Buma four years ago. The training day was about 'boards on task': how can boards deal with tension around substantive or process-related topics in a good way, discuss it openly and make good decisions? Attention was paid to the fact that individuals sometimes have different opinions on specific positions and themes, but that this diversity and different perspectives can actually enrich the quality of the decision.

Meeting content

The Supervisory Board evaluates its own performance annually. Every other year, the Supervisory Board is assisted in that process by an external supervisor. This year's self-evaluation followed that of 2020, which was regarded as a baseline by the Supervisory Board. During this 'baseline measurement', the question was asked whether rights owners who previously had an administrative role at Buma/Stemra could adequately step up to a supervisory role. The answer to this was in the affirmative.

In 2021, the self-evaluation was more substantive about what exactly the Supervisory Board supervises and why. Six of the nine members of the Supervisory Board are rights owners, who perform their duties as supervisors independently.

In decision-making, they focus on the interests of Buma/Stemra and the stakeholders.

The subject of 'how to deal with the supporters that you nominated' was discussed in the self-evaluation of 2021 and is also regularly discussed during meetings of the Supervisory Board, to ensure that the assessment and decision-making processes take place carefully.

In 2021, the involvement of a member of the Supervisory Board in a future relationship with a third party was discussed extensively. After preliminary consultation with the chairman of the Supervisory Board, the Board discussed this openly, as already explained in this annual report at the end of Chapter 1.5. The discussion is important to the Supervisory Board, because it has a direct impact on the optimal functioning of Buma/Stemra's governance.

Training course

COVID-19, working from home and meeting via screens were also difficult for the Supervisory Board. We believe this also had a negative impact on the dynamics of the Supervisory Board. Training new members of the Supervisory Board or the Council of Rights Owners via online tools is not as pleasant compared to doing it in person. To maintain the influx of reliable new members for both the Supervisory Board and the Council of Rights Owners, Buma/Stemra has set up a training course in which rights owners can not only acquire relevant knowledge, but also experience whether a position in the Supervisory Board or the Council of Rights Owners suits them. This training programme was set up in collaboration with CRMLiNK, an agency selected from three agencies that presented themselves to Buma/Stemra.

COMPOSITION OF COMMITTEES

Audit Committee

1. Jolanda Messerschmidt
2. Ruud Hopstaken
3. Marc Swemle
4. Niels Walboomers
5. Monique Krüs
6. Alexander Beets

Remuneration committee

1. Ruud Hopstaken
2. Arriën Molema
3. Josephine de Zwaan
4. Edith Severs

Appendices 2.2 and 2.3 provide an overview of the meeting dates and the items discussed in both committees. During the meetings, no items were discussed that could have led to a conflict of interest for the members of the Supervisory Board.

GENERAL MEETING OF AFFILIATES

Due to COVID-19, the regular General Meeting of Affiliates took place digitally on 2 June 2021. In addition to adopting the minutes of the previous General Meeting of Affiliates, the following items were on the agenda:

- the transparency report including the 2020 financial statements of Stemra,
- update last year and preview,
- motion to amend the Articles of Association, including the introduction of the mandate of the Council of Rights Owners,

- substantive motion regarding the mandate of the Council of Rights Owners,
- motion to amend the Indexation Rules, which have been rewritten to reflect current practice,
- motion to amend the Distribution Rules, in the form of textual clarification about publication loss and supplement to the indemnification of Stichting Leenrecht,
- motion to reappoint three members to the Council of Rights Owners,
- motion to reappoint one independent member to the Supervisory Board,
- motion to appoint one board member at Buma Cultuur,
- motion to appoint two board members at the Disputes Committee.

The General Meeting of Affiliates adopted the following resolutions:

- approval of the 2020 financial statements of Stemra,
- discharging the Management Board and the Supervisory Board of Stemra from all liability,
- endorsement of the proposed amendments to the Articles of Association,
- endorsement of the substantive motion of mandating the powers of the General Meeting of Affiliates towards the Council of Rights Owners,
- endorsement of the proposed change to the Distribution Rules,
- endorsement of the proposed change to the Indexation Rules,
- appointment of all candidates for the relevant positions within the Council of Rights Owners, the Supervisory Board, the board of Buma Cultuur and the members of the Disputes Committee.

An additional General Meeting of Affiliates was also held on 10 November 2021, which could be attended both digitally and physically. The following topics were on the agenda:

- motion to distribute EUR 4.3mln from the Stemra continuity reserve,
- motion to amend the Distribution Rules as a result of the transition to fixed cost deductions at the time of collection and changed reserve policy, including the transfer of existing reserves to a provision for temporary differences in cost absorption,
- motion to extend the contract with the auditor,
- motion to appoint a deputy to the Supervisory Board,
- motion to amend the Distribution Rules with regard to the undistributed amounts,
- adopting the minutes of the previous meeting.

The General Meeting of Affiliates adopted the following resolutions:

- endorsement of the proposed change to the Distribution Rules,
- endorsement of the motion to distribute the Stemra continuity reserve,
- endorsement of the extension of the contract with the auditor,
- endorsement of the appointment of the deputy supervisor,
- endorsement of the minutes.

In anticipation of both General Meeting of Affiliates, the Management Board organised an informal evening with the presidents of the professional associations. They were also given the opportunity to obtain information prior to the General Meeting of Affiliates.

DRAFT OF ANNUAL REPORT AND MANAGEMENT LETTER, ADOPTION BY THE SUPERVISORY BOARD

The 2021 draft annual report and management letter were discussed with the Audit Committee on 08 April 2022 and with the full Supervisory Board on 25 April 2022, both times in the presence of the auditor.

RETIREMENT SCHEDULE

On 21 September 2021, the Supervisory Board adopted a retirement schedule that provides for members taking office and retiring in phases. This schedule was adhered to in 2021, resulting in the current composition:

Alexander Beets
 Ruud Hopstaken
 Monique Krüs (until 22 January 2022)
 Jolanda Messerschmidt
 Arriën Molema, Vice-chairman
 Edith Severs
 Marc Swemle
 Niels Walboomers
 Josephine de Zwaan, Chairman

3. REPORT COUNCIL OF RIGHTS OWNERS

3. REPORT FROM THE COUNCIL OF RIGHTS OWNERS

INTRODUCTION

As in 2020, the Council of Rights Owners was also actively involved in 2021 in making work contributions available to composers, lyricists and music publishers who were severely affected by the COVID-19 crisis. Not only was the Second Music Investment Fund shaped last year, the Council also contributed to the preparations for a third round, which will become available in 2022.

The Council of Rights Owners held ten regular meetings in 2021 and completed one self-evaluation session. In addition, the members took part in a strategy session, a training day and two three-council meetings. 33 solicited recommendations and two unsolicited recommendations were issued to the Management Board, all of which were adopted. The unsolicited advice concerned foreign distribution and the role of the Council of Rights Owners itself.

FOREIGN DISTRIBUTION

If music by Dutch rights owners is used outside the Netherlands, payment is not always correct and within a reasonable period of time. In an extensive process, the Buma/Stemra Foreign Committee has mapped out what this is and what needs to be done to improve this process. This research was done in close collaboration with the employees of the International department.

Unfortunately, the process from play to pay is not entirely in the hands of Buma/Stemra. The differences in international laws and regulations regularly disrupt the settlement with foreign sister organisations. Nevertheless, the Council believes that a major step can be taken by improving Buma/Stemra's foreign distribution policy on a number of points. To this end, a list of improvements has been submitted to the Management Board of Buma/Stemra as unsolicited advice. The Board has accepted the advice and promised that the list of improvements will be dealt with as soon as possible in 2022.

ROLE OF THE COUNCIL OF RIGHTS OWNERS

In 2021, the Council considered its role within the complex governance structure of Buma/Stemra and how the Council can operate as effectively and efficiently as possible within that structure. This has resulted in a clear understanding of what does and does not fall within the Council's duties and how various issues should be dealt with. The Council has also better mapped out its role in relation to the General Meeting of Affiliates (GMA). The GMA gave the Council a mandate in 2021 to make technical changes to the Distribution Rules and changes to the e-voting rules. This mandate is valid for a period of three years.

COMMITTEES

In 2021, the Council included three permanent committees and a number of temporary committees. The permanent committees are the Distribution Committee, the Communications Committee and the GMA committee. The temporary committees are the Foreign Committee, the Role of the Council of Rights Owners Committee, the Media Music and YouTube Committee, the US

Mechanical Rights Committee and the Online Licensing Pilot Committee. One-off thematic sessions on the topics Spotify and NPO were also held.

SELF-EVALUATION

During the annual self-evaluation of the Council of Rights Owners, it emerged that the members are positive about the working method and dynamics within the Council. One point for improvement is that the Management Board should more often call on the knowledge of the various members of the Council of Rights Owners about the music sector and its supporters. This point for improvement is translated into specific actions together with the Management Board. To do more justice to the signalling function of the Council of Rights Owners, this subject has been put on the agenda of the Council as a permanent item. In addition, the Council needs more training. In 2022, this will be elaborated in detail in collaboration with CRMLiNK.

GRATITUDE

The Council of Rights Owners would like to thank the Management Board, the Supervisory Board, the Works Council and all employees of Buma/Stemra for the pleasant and constructive collaboration. In addition, the Council would like to thank the members and affiliates of Buma/Stemra for their confidence in the mandate granted at the 2021 GMA. The Council hopes to be able to meet the members and affiliates in person again soon: at the GMA, during recordings, at festivals, in concert halls, theatres and bars. In short, everywhere where music can be performed live again.

Members of the Council of Rights Owners:

Mark Bremer, Vice-chairman
Wiboud Burkens
David Damm
Hans Everling
Darko Esser (from 9 February 2022)
Gregor van Offeren (until 1 January 2022)
Davo van Peursen
Jitze de Raaff
Aafke Romeijn
Martijn Schimmer
Koen Vergouwen
Johan van der Voet
Rita Zipora Verbrugge, chairwoman

—4. ADOPTION OF THE FINANCIAL STATEMENTS

4. ADOPTION OF THE FINANCIAL STATEMENTS

After having audited the financial statements of Stichting Stemra, Mazars N.V. has issued an unqualified auditor's report in respect of the financial statements. We propose to adopt the Stemra 2021 financial statements in accordance with Article 27, paragraph 7, of the Articles of Association and to grant discharge from liability to the members of the Management Board in respect of the performance of their duties in the 2021 financial year.

Hoofddorp, 25 April 2022

MEMBERS OF THE SUPERVISORY BOARD

Josephine de Zwaan	Chairman
Alexander Beets	Member of the Supervisory Board
Ruud Hopstaken	Member of the Supervisory Board
Jolanda Messerschmidt	Member of the Supervisory Board
Arriën Molema	Member of the Supervisory Board
Edith Severs	Member of the Supervisory Board
Marc Swemle	Member of the Supervisory Board
Niels Walboomers	Member of the Supervisory Board

MEMBERS OF THE MANAGEMENT BOARD

Bernard Kobes	Chief Executive Officer
Marleen Kloppers	Chief Financial Officer

—5. FINANCIAL STATEMENTS

5.1 BALANCE SHEET AS AT 31 DECEMBER 2021

After appropriation of the result

(x € 1,000)

	31/12/2021	31/12/2020
ASSETS		
FIXED ASSETS		
Tangible fixed assets (1)	-	-
CURRENT ASSETS		
Receivables		
Accounts receivable (2)	2,876	2,344
Other receivables (3)	2,906	2,865
Taxes and social security contributions	1,762	1,318
Prepayments and accrued income (4)	130	-
	7,674	6,527
Cash and cash equivalents (5)	57,998	69,460
TOTAL ASSETS	65,672	75,987

	31/12/2021	31/12/2020
LIABILITIES		
Equity (6)		
Foundation capital	1	1
Continuity reserve	-	5,259
Appropriated reserve	-	6,569
	1	11,829
Provisions (7)		
Provision for temporary differences in cost absorption	14,279	-
Other provisions	29	35
	14,308	35
Current liabilities		
Copyright royalties to be distributed (8)	44,035	59,959
Accounts payable	91	216
Taxes and social security contributions	23	27
Other liabilities (9)	2,149	351
Accruals and deferred income (10)	5,065	3,570
	51,363	64,123
TOTAL LIABILITIES	65,672	75,987

5.2 OPERATING STATEMENT FOR 2021

(x € 1,000)	2021	2020
INCOME		
Administration fee withheld upon distribution	-	3,865
Administration fee withheld in the year of collection	4,647	-
Administration fee withheld on gross copyright royalties to be distributed at the end of 2020 (one-off gain)	7,123	-
Contributions and registration fees	1,030	975
Total income	12,800	4,840
EXPENSES		
Personnel costs (11)	2,112	2,073
Accommodation costs	147	149
Amortisation and depreciation	-	-
Other expenses (12)	2,484	2,426
Total expenses	4,743	4,649
Balance of financial income and expenses	8,057	191
Financial income and expenses		
Interest income and expenses	-347	-257
Balance of financial income and expenses	-347	-257
Result before tax (from ordinary business operations)	7,710	-66
Extraordinary charge: deposit in Emergency Fund Music (6)	-1,000	-500
Extraordinary charge: payment (discontinuation continuity reserve) (6)	-4,259	-
Movement in provision for temporary differences in cost absorption (7)	-14,279	-
Taxes (13)	-	-
Result after taxes	-11,828	-566
Appropriation of the result	2021	2020
Addition to/withdrawal from:		
- Continuity reserve	-5,259	-500
- Appropriated reserve	-6,569	-66
	-11,828	-566

5.3 CASH FLOW STATEMENT FOR 2021

(x € 1,000)	2021	2020
Result after taxes	-11,828	-566
Movement in provision for temporary differences in cost absorption (7)	14,279	-
Result from operations	2,451	-566
Adjustments for		
Depreciation tangible fixed assets (1)	-	-
CASH FLOW FROM OPERATIONS	2,451	-566
Movement in other provisions (7)	-6	-2
Movement in non-current liabilities	-	-65
Movement in copyright royalties to be distributed (8)	-15,924	1,028
Movement in working capital	2,017	-3,679
	-13,913	-2,718
CASH FLOW FROM OPERATING ACTIVITIES	-11,462	-3,284
Investments in tangible fixed assets (1)	-	-
CASH FLOW FROM INVESTMENT ACTIVITIES	-	-
MOVEMENT IN CASH FLOW	-11,462	-3,284
Cash and cash equivalents as at 1 January (5)	69,460	72,744
Cash and cash equivalents as at 31 December (5)	57,998	69,460
MOVEMENT IN CASH AND CASH EQUIVALENTS	-11,462	-3,284

5.4 NOTES TO THE FINANCIAL STATEMENTS

INFORMATION ABOUT THE LEGAL ENTITY

Business address and trade register number

Stemra's registered office under the Articles of Association is in Amstelveen, and its head office is located at Saturnusstraat 46-62 in Hoofddorp.

The company is registered with the Chamber of Commerce in Amsterdam under file number 41198521.

GENERAL INFORMATION

Key activities of the legal entity

The objective of Stichting Stemra (the 'Foundation' or 'Stemra') is to promote both the tangible and the intangible interests of music authors and their successors in title, and of publishers and publishing companies as a non-profit institution. Stemra stands for Stichting tot Exploitatie van Mechanische Reproductierechten voor Auteurs (Foundation for Administration of Mechanical Reproduction Rights for Authors).

Period under review

These financial statements concern the financial year 2021, which ended at the balance sheet date of 31 December 2021.

Information about group structure

The financial statements of Stichting Stemra are separate financial statements. The financial data of Stichting Stemra are included in the financial statements in accordance with the Annual Reporting Guidelines.

In accordance with the prevailing laws and regulations, there is no group relationship with related organisations. Although Vereniging Buma and Stichting Stemra collaborate under the same management, there is no intragroup relationship between them, as they are not part of the same economic entity under the relevant statutory provisions, because of the strict segregation between Vereniging Buma and Stichting Stemra.

Comparative figures

To provide better insight, a presentation of the cash flow statement has been chosen that is more clearly aligned with the operating statement. The comparative figures for 2020 have been adjusted accordingly: a number of other subtotals are shown in the cash flow statement compared to the 2020 financial statements.

Information about estimates

In the preparation of the financial statements, the Management Board uses estimates and assumptions when applying the accounting policies and determining the reported amounts for assets, liabilities, income and expenses. The estimates and underlying assumptions are based on past experience and various other factors which are considered to be reasonable given the circumstances, and which are assessed periodically. Actual results may differ from these estimates. Changes in estimates are recognised in the period affected by the change.

In the view of the Management Board, the following changes in accounting policies are the most critical to the presentation of the financial position and require estimates and assumptions:

- valuation of receivables,
- actuarially determined provisions, such as the provision for long service awards,
- claims by licensees and/or rights owners related to the collection and distribution of copyright royalties.

BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

Continuity of the activities

These financial statements have been prepared based on the going-concern assumption.

Impact of COVID-19 virus

The outbreak of the COVID-19 virus and the preventive measures taken by the government have had significant consequences for the economy and therefore also for Stemra. Giving a reasonable estimate of the impact of this on Stemra is possible to a limited extent only. The reasons for this are the high degree of uncertainty about the further spread of the COVID-19 virus, the nature, scope and effectiveness of government measures and the moment when vaccines or medicines would provide sufficient protection to relax the measures. However, none of the scenarios we drew up pointed to an impending liquidity deficit.

Applied accounting standards

The financial statements have been prepared in accordance with Part 9 of Book 2 of the Netherlands Civil Code, as required by Section 2q(3) of the Collective Management Organisations for Copyright and Neighbouring Rights (Supervision and Dispute Resolution) Act ('Supervision Act'). In addition, the applicable quality mark criteria of VOI@E (Association of Organisations that Collectively Administer Intellectual Property) have been taken into account.

Unless stated otherwise in the explanation of the accounting policies, assets and liabilities are stated at historical cost. An asset is recognised in the balance sheet when it is probable that the future economic benefits will flow to the organisation and the asset can be measured reliably.

A liability is recognised in the balance sheet when it is probable that its settlement will result in an outflow of resources embodying economic benefits and the amount at which the settlement will take place can be measured reliably.

An asset or liability recognised in the balance sheet remains on the balance sheet when a transaction (with respect to the asset or liability) does not lead to a significant change in the economic substance with respect to the asset or liability.

An asset or liability is no longer recognised in the balance sheet when a transaction results in all or substantially all rights to economic benefits and all or substantially all risks associated with the asset or liability being transferred to a third party or being lost. Income is recognised in the operating statement when an increase in economic potential associated with an increase in an asset or a decrease in a liability has arisen that can be measured reliably.

Income and expenses are allocated to the period to which they relate. Revenue is recognised when the services provided in respect of the copyright royalties can be determined reliably.

The functional currency of Stichting Stemra is the euro. Unless stated otherwise, all amounts are rounded to thousands of euros.

Translation of amounts in foreign currency

Transactions denominated in foreign currency are translated into euros at the exchange rate prevailing at the transaction date. Monetary assets and liabilities in foreign currency are translated into euros on the balance sheet date at the exchange rate applicable at this date.

Exchange rate differences arising from the settlement of monetary items, or arising from the translation of monetary items into foreign currency, are recognised in the operating statement in the period in which they arise. Non-monetary assets and liabilities in foreign currency that are recognised at historical cost are translated into euros at the exchange rate applicable at the transaction date. The exchange rate differences arising from the translation are recognised in the operating statement.

Leases

The organisation can enter into financial and operational lease contracts. A lease agreement where all or substantially all the risks and rewards associated with the ownership of the leased asset are transferred to the lessee qualifies as a financial lease. All other lease agreements classify as operational leases. The classification of a lease is determined based on the economic substance of the transaction, not its legal form.

Operational leases

If the organisation acts as the lessee in an operational lease, the leased asset is not recognised. Fees received as an incentive to conclude an agreement are recognised as a reduction in the lease costs over the lease period. Lease payments and fees in respect of operational leases are debited and credited respectively to the operating statement using the straight-line method over the lease period, unless a different allocation system is more representative of the pattern of the benefits to be derived from the use of the leased asset.

Pension plans

Stichting Stemra offers its employees a career average pension plan. This pension scheme is administrated by Pensioenfond PNO Media. The pension contributions payable for the financial year are recognised as costs. A liability is recognised for unpaid pension contributions as at balance sheet date. As the liabilities in respect of the pension contributions have short terms, they are measured at their nominal value. The risks in connection with wage developments, price indexation and the investment returns on the pension plan assets could lead to future adjustments in the annual contributions to the pension fund. In the event of a shortfall at the industry-wide pension fund, Stichting Stemra is not obliged to pay additional contributions other than higher future pension contributions.

Financial instruments

Financial instruments comprise primary instruments (receivables, cash and cash equivalents and liabilities). Financial instruments are initially recognised at fair value, with the directly attributable transaction costs being included in the initial recognition.

If, however, financial instruments are subsequently measured at fair value with changes in value being recognised in the operating statement, the directly attributable transaction costs are recognised directly in the operating statement upon initial recognition.

After their initial recognition, financial instruments are measured as follows:

- receivables are stated at amortised cost using the effective interest rate method. Provisions deemed necessary for the risk of uncollectibility are withheld. These provisions are determined based on individual assessments of the receivables.
- cash and cash equivalents are stated at nominal value. If cash and cash equivalents are not at the free disposal of the organisation, this is taken into account in their valuation. Cash and cash equivalents denominated in foreign currency are translated into the functional currency at the balance sheet date at the exchange rate applicable on that date. Reference is made to the pricing principles for foreign currencies,
- liabilities are stated at amortised cost using the effective interest rate method. The effective interest is recognised directly in the operating statement. The repayment obligations for the non-current liabilities in the year ahead are taken to current liabilities.

Stemra does not hold an investment portfolio and does not have any derivative financial instruments.

PRINCIPLES FOR THE VALUATION OF ASSETS AND LIABILITIES

Tangible fixed assets

Tangible fixed assets are stated at cost of acquisition or manufacture less cumulative depreciation and impairment. Depreciation charges are calculated as a percentage of the cost of acquisition cost or manufacture using the straight-line method based on the estimated useful life. Advance payments on tangible fixed assets and assets under construction are not depreciated. Tangible fixed assets are assessed at each balance date for indications that these assets are subject to impairment. If such indications are present, the recoverable amount of the asset is estimated. The recoverable amount is the higher of the value in use and the net realisable value. When the carrying amount of an asset is higher than the recoverable amount, an impairment loss is recognised for the difference between the carrying amount and the recoverable amount.

The estimated useful life is as follows:

- hardware / computer equipment 3 - 5 years
- other operating assets 5 - 10 years

Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost. Provisions deemed necessary for possible losses on account of uncollectibility are withheld. These provisions are determined based on individual assessments of the receivables.

Cash and cash equivalents

Cash and cash equivalents are stated at nominal value. If cash and cash equivalents are not at the free disposal of Stemra, this is taken into account in their valuation.

Continuity reserve

One of the aims of the continuity reserve is to ensure the continuity of the performance of the activities and the fulfilment of obligations to third parties, also with regard to the distribution of copyright royalties that still have to be distributed according to the financial statements. This reserve was nil after appropriation of the result for 2021, and was subsequently discontinued.

Appropriated reserve

Operating results due to the system of fixed administration fees to cover the costs are added to or withdrawn from the appropriated reserve via the appropriation of the result. From 2021, the buffer will be held as a provision. This provision has been charged to the operating statement 2021. This creates a one-off operating deficit of such magnitude that the appropriated reserve is reduced to nil through the appropriation of the result. Pursuant to Article 27, paragraph 6, of the Articles of Association of Vereniging Buma, the financial statements are adopted by the General Meeting of Affiliates. The Management Board proposes to the General Meeting of Affiliates to withdraw the deficit from the appropriated reserve. The appropriation of the result is included in the financial statements.

Provisions

A provision is recognised in the balance sheet for a legally enforceable or actual commitment arising from a past event. Settlement of that event is likely to require an outflow of resources, as well as the possibility of making a reliable estimate of this. Provisions are measured at the present value of the expenditure expected to be required to settle the obligation.

Provision for temporary differences in cost absorption

The provision for temporary differences in cost absorption, created in 2021 to replace the appropriated reserve, contains the cumulative differences in cost absorption that will be settled with entitled parties in the future. The purpose of this provision is to compensate for temporary differences in cost absorption. Stemra does not have a profit motive, so over/underfunding of management costs is by definition of a temporary nature and will (1) disappear over the years (for example, because positive and negative differences in cost absorption compensate each other) or (2) be settled with rights owners.

Provision for long-service awards

The provision for future long-service awards is the provision for future long-service awards to active employees with a permanent employment contract. The provision concerns the estimated amount of the future long-service awards. The calculation is based on the commitments made, employee retention rates and ages.

Non-current and current liabilities

Liabilities are initially recognised at fair value and subsequently measured at amortised cost.

Copyright royalties

Stemra recognises a receivable in respect of copyright royalties when the amount can be determined reliably, it is probable that it will flow to Stemra, and it is enforceable as at balance sheet date. Copyright royalties received from other, mainly international, collective management organisations (CMOs) are generally recognised on a cash basis, as the amount cannot be determined reliably at an earlier time. Copyright royalties are recognised in

the balance sheet in the item 'Copyright royalties to be distributed'. The Distribution Rules set out the rules for the distribution and payment of music copyright royalties received by Stemra to the participants and other stakeholders. The Distribution Rules are reviewed by the Management Board once every three years, partly on the basis of advice from the Council of Rights Owners and the Distribution Committee.

As part of the distribution process, reserves are formed for, among other things:

- works for which Stemra has insufficient information to be able to distribute royalties, for example because information on rights owners, copyright details or cue sheets for films, series or commercials is missing,
- works for which the cumulative revenue is lower than the threshold for distribution (non-distributed items),
- claims in respect of comments with regard to the distribution (also in view of the indemnification that Stemra provides to the paying licensee*). The reserve is based on historical data regarding claims paid out per distribution section for comments that were deemed to be justified, and amounts to no more than 2%.

Reserves are periodically reviewed and distributed when the necessary information has been added or, in the case of a non-distributed item, when the threshold for distribution has been attained. Reserves that have not been distributed within three calendar years after the year of collection are divided proportionally over the various distribution sections and distributed via the regular distribution in the fourth calendar year after collection (in accordance with the Supervision Act). For works that are claimed by multiple rights owners (contradictory claims), no distribution takes place until it is clear who the rights owner is.

A longer reserve period may be used for royalties received from sister societies for which insufficient information has been received to be able to distribute them.

PRINCIPLES FOR DETERMINING THE RESULT

Administration fee

The administration fee is recognised as income in the operating statement. The Distribution Rules stipulate that from 2021, fixed percentages of the collected copyright royalties will be deducted from all sections as an administration fee. Up to and including 2020, fixed percentages were withheld in the year of distribution.

Financial income and expenses

Interest income and expenses are recognised in the period to which they relate.

Taxes

Taxes comprise the current income tax payable or recoverable for the reporting period. The taxes are recognised in the operating statement. Current tax comprises the expected tax payable or recoverable in respect of the taxable profit for the financial year,

**In the agreements that Stemra concludes with the licensee, Stemra indemnifies the licensee against claims of rights owners affiliated directly or via sister societies. Furthermore, we refer to Section 26 a-c of the Copyright Act, which sets out the provisions for mandatory collective management.*

calculated on the basis of tax rates enacted as at balance sheet date. In an advance tax ruling extended up to no later than 31/12/2023, the Dutch Tax and Customs Administration has determined that Stichting Stemra is subject to corporation tax. Deductible foreign withholding taxes may be deducted up to a maximum equal to the amount of tax due under this advance tax ruling. Consequently, no corporation tax is due for the financial year 2021. Stemra will enter into consultation with the Tax and Customs Administration about the entity's tax qualification from 2024 onward.

PRINCIPLES FOR THE PREPARATION OF THE CASH FLOW STATEMENT

The cash flow statement has been prepared using the indirect method. Cash flows denominated in foreign currency are converted at an estimated average exchange rate. Interest income and expenses are regarded as cash flows from operating activities.

In the presentation of the cash flow statement, the copyright royalties received on behalf of the rights owners and the distributions made to rights owners are not recognised in the cash flow statement. The cash flows associated with the copyright royalties to be distributed by Stemra are disclosed separately.

NOTES TO THE SPECIFIC ITEMS OF THE BALANCE SHEET

(1) TANGIBLE FIXED ASSETS

The changes in tangible fixed assets are as follows:

(x € 1,000)	Plant and machinery
Balance as at 01 January 2021	
Cost of acquisition/manufacture	674
Cumulative depreciation and impairment	-674
Carrying amount as at 01 January 2021	-
Movements	
Investments	-
Depreciation	-
Disposals cost of acquisition/manufacture	-674
Disposals, cumulative depreciation	674
Total movements	-
Balance as at 31 December 2021	
Cost of acquisition/manufacture	-
Cumulative depreciation and impairment	-
Carrying amount as at 31 December 2021	-

(2) RECEIVABLES

(x € 1,000)	2021	2020
Accounts receivable	2,898	2,372
Provision for uncollectible amounts	-22	-28
Total as at 31 December	2,876	2,344

Receivables from debtors include an amount of € 0.2 million (2020: € 0.5 million) with a term of more than one year. All the other receivables have an expected term of less than one year. The carrying amount of the recognised receivables corresponds to their fair value, given the short-term nature of the receivables. Provisions for uncollectible amounts have been recognised where necessary.

The total provision for bad debts at year-end 2021 amounts to € 22k (2020: € 28k).

(3) OTHER RECEIVABLES

(x € 1,000)	2021	2020
Stemra affiliates	2,906	1,607
Buma current account	-	1,258
Total as at 31 December	2,906	2,865

The other receivables have a term of less than one year. The claim against Stemra affiliates at the end of 2021 relates to advances on the 2022 distribution.

(4) PREPAYMENTS AND ACCRUED INCOME

(x € 1,000)	2021	2020
Prepaid expenses	130	-
Total as at 31 December	130	-

(5) CASH AND CASH EQUIVALENTS

(x € 1,000)	2021	2020
Various banks	57,998	69,460
Balance as at 31 December	57,998	69,460

The cash and cash equivalents are at the free disposal of the organisation. The cash and cash equivalents consist of cash held at Dutch system banks. Since autumn 2019, Stemra has been confronted with the fact that the negative policy interest rate of the European Central Bank is passed on by the Dutch banks. At Stemra, the impact of a negative interest rate on cash and cash equivalents is € 347k (2020: € 257k). The threshold above which negative interest is calculated has been gradually lowered.

(6) EQUITY

(x € 1,000)	Foundation capital	Continuity reserve	Appropriated reserve	Total
Balance as at 1 January 2021	1	5,259	6,569	11,829
Appropriation of result for previous financial year	-	-5,259	-6,569	-11,828
Balance as at 31 December 2021	1	-	-	1

Buma and Stemra have jointly allocated € 2.8 million to the Music Emergency Fund. Of this amount, € 1.5 million has been made available from Stemra's continuity reserve. In 2020, Stemra paid € 0.5 million into the Music Emergency Fund; in 2021, a current liability was included for the remaining € 1.0 million; these amounts are presented as an exceptional charge in the operating statement and are withdrawn from the continuity reserve through the appropriation of the result.

Pursuant to Article 27, paragraph 6, of the Articles of Association of Stichting Stemra, the financial statements are adopted by the General Meeting of Affiliates. The General Meeting of Affiliates has approved in advance, on 10 November 2021, the following proposals from the Management Board:

- In December 2021, an additional € 4.3 million was paid to Stemra rights owners. This amount is presented as an exceptional charge in the operating statement and is withdrawn from the continuity reserve through the appropriation of the result. Together with the € 1.0 million for Music Emergency Fund, the continuity reserve will be reduced exactly to nil by this withdrawal and thus discontinued.
- The buffer for temporary differences in cost absorption will 2021 be held from in a provision instead of the appropriated reserve. It was also agreed to transfer the appropriated reserve existing as of 1 January 2021 to the provision. For more information, see note (7). From an accounting point of view, the new provision has been charged to the operating statement for 2021. This (excluding the extraordinary charges withdrawn from the continuity reserve) results in a negative result of € 6.6 million, as a result of which the appropriated reserve is reduced exactly to zero after the appropriation of the result. This means the buffer in the appropriated reserve has been used for the provision formed. The appropriation of the result is included in the financial statements.

We emphasise that this is an accounting result. There is no operational loss or loss of value of assets. In addition, this concerns a one-off accounting processing. From the 2022 financial year, the operating statement will be brought to zero by updating the temporary differences in cost absorption in the provision. This is more in line with the statutory provision that Stemra does not have a profit motive.

(7) PROVISIONS

PROVISION FOR TEMPORARY DIFFERENCES IN COST ABSORPTION

Changes in the provision newly formed in 2021 are as follows:

(x € 1,000)	2021	2020
Balance as at 1 January	-	-
Movement charged to operating statement	14,279	-
Balance as at 31 December	14,279	-

The creation of this provision in 2021 includes, in addition to the nearly € 6.6 million use of the appropriated reserve existing as of 1 January 2021 (see also note 6), € 7.7 million surplus in cost absorption in 2021. This surplus in cost absorption consists of a one-off gain of € 7.1 million as a result of the amended Distribution Rules regarding the deduction of administration fees and a regular surplus of € 0.6 million.

The regular surplus is therefore € 1.7 million higher than the budgeted funding shortfall of € 1.1 million, mainly due to € 1.1 million in higher income as a result of higher collections and a € 0.6 million cost saving.

The purpose of this provision is to compensate for temporary differences in cost absorption. Stemra does not have a profit motive, so over/underfunding of management costs is by definition of a temporary nature and will (1) disappear over the years (for example, because positive and negative differences in cost absorption compensate each other) or (2) be settled with rights owners.

In accordance with the Distribution Rules, the size of the provision is tested against the intended bandwidth that matches the expected balance of cost absorption in the coming years. If the size of the provision falls outside the intended bandwidth, the Management Board will adjust the budget process within three to five years. In some cases, if the intended bandwidth is exceeded more structurally, the Management Board will submit a proposal to the General Meeting of Affiliates at the same time as the financial statements are presented.

OTHER PROVISIONS

The other provisions concern long-service awards. Changes in the provision for long-service awards are as follows:

(x € 1,000)	2021	2020
Balance as at 1 January	35	37
Distributions	-7	-5
Change in staffing and regulations	1	1
Change in interest rate	-	2
Balance as at 31 December	29	35

This provision concerns future long-service awards to employees, and is largely long term.

(8) COPYRIGHT ROYALTIES TO BE DISTRIBUTED

The composition of the copyright royalties to be distributed at the balance sheet date is as follows:

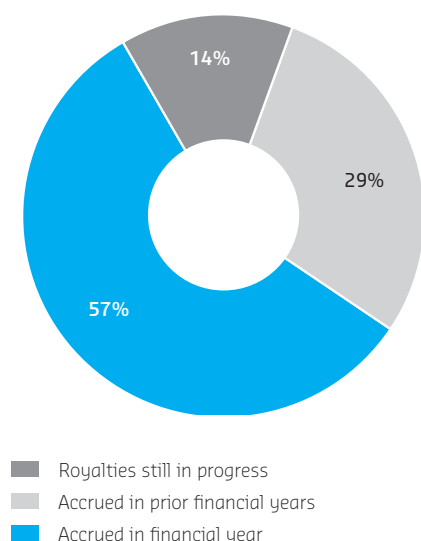
(x € 1,000)	2021	2020
Accrued in financial year	24,942	31,916
Royalties still in progress	6,211	7,555
Accrued in prior financial years	12,882	20,488
Total as at 31 December	44,035	59,959

Changes in the royalties to be distributed in the financial year were as follows:

(x € 1,000)	2021	2020
Balance as at 1 January	59,959	58,931
Collection:		
Music use in the Netherlands	36,181	31,884
CMOs Abroad	4,029	4,113
	40,210	35,997
Addition:		
Discontinuation of continuity reserve	4,259	-
Distribution:		
Directly affiliated rights owners	-42,865	-28,511
CMOs Abroad	-5,758	-2,593
	-48,623	-31,104
Withholding administration fee:		
Administration fee withheld upon distribution	-	-3,865
Administration fee withheld in the year of collection	-4,647	-
Administration fee withheld on gross copyright royalties to be distributed at the end of 2020 (one-off gain)	-7,123	-
	-11,770	-3,865
Balance as at 31 December	44,035	59,959

On balance, the copyright royalties to be distributed decreased by € 15.9 million compared to the previous year. The main reasons for this are catching up on the distribution of older Private Copy royalties and that the royalties still to be paid out at the end of 2020 consisted of gross amounts, from which no deductions for administration fees had yet been made. The withholding method was changed in 2021, so at the end of 2021, net royalties to be paid out are on the balance sheet. A one-time higher deduction was made. The movements are explained in more detail in the tables and texts below.

COMPOSITION OF COPYRIGHT ROYALTIES TO BE DISTRIBUTED FOR 2021



The royalties to be distributed as at balance sheet date can be specified as follows:

(x € 1,000)	2021	2020
1. Accrued in financial year	24,942	31,916
2. Royalties still in progress		
- Not yet allocated	3,710	4,947
- Rome Rule	402	388
- Contradictory claims	1,906	1,867
- Claim differences	193	353
Total royalties still in progress	6,211	7,555
3. Accrued in prior financial years	12,882	20,488
Total as at 31 December	44,035	59,959

The balance of the royalties to be distributed can be divided into three categories. These categories indicate in which phase of the distribution process the royalties are.

The first category concerns the royalties accrued in the financial year. These became available for distribution in the financial year. Some of this was already paid out in 2021. The majority will be paid out during 2022.

The second category concerns the royalties for which the distribution process could not be completed. Stemra is committed to ensuring the fair distribution of the collected royalties. The collected royalties must be allocated to the correct rights owners. Sometimes, it is not possible yet to distribute royalties to the correct rights owners, for example because the registration of the copyrights is incomplete, or because there is disagreement between the rights owners on the distribution of the copyright to their works.

The third category concerns royalties accrued in previous years that cannot yet be distributed to the correct rights owners.

The following sections provide further information on each category.

1. COPYRIGHT ROYALTIES ACCRUED IN THE FINANCIAL YEAR (€ 24.9 MILLION)

These royalties were accrued in the financial year and became available for distribution in the financial year. This section explains the composition of this category of royalties in more detail.

The composition of the copyright royalties that became available for distribution during the financial year is as follows:

(x € 1,000)	2021	2020
Revenue from copyright royalties	40,210	35,997
Administration fee withheld in the year of collection	-4,647	-
Addition from release of copyright royalty reserves*	-	4,714
Subtotal of distribution of received copyright royalties	35,563	40,711
Distributed in financial year **	-10,621	-8,795
Became available during the year for distribution	24,942	31,916

* the royalties available for undistributed are recognised under the item accrued in previous years from the 2021 financial year.

** this distribution partly consists of royalties accrued in previous years

The collection in 2021 increased by € 4.2 million compared to 2020. The withheld administrative fee of € 4.6 million relates to the deduction from the realised collection. Due to the changed basis, the amounts withheld in 2021 and 2020 are less comparable.

Due to the transition to the deduction method for direct debit and the reassessment of 'undistributed', the release of reserves from copyright royalties in 2021 will no longer be added to the category 'accrued current financial year', but to the category 'accrued previous financial years'. A total of nearly € 35.6 million net will be made available for distribution in 2021. More than € 10.6 million of this was paid out during the year, after which € 24.9 million remains at the end of 2021 in distributable royalties that have been accrued in the current financial year.

The copyright royalties were received from the following categories:

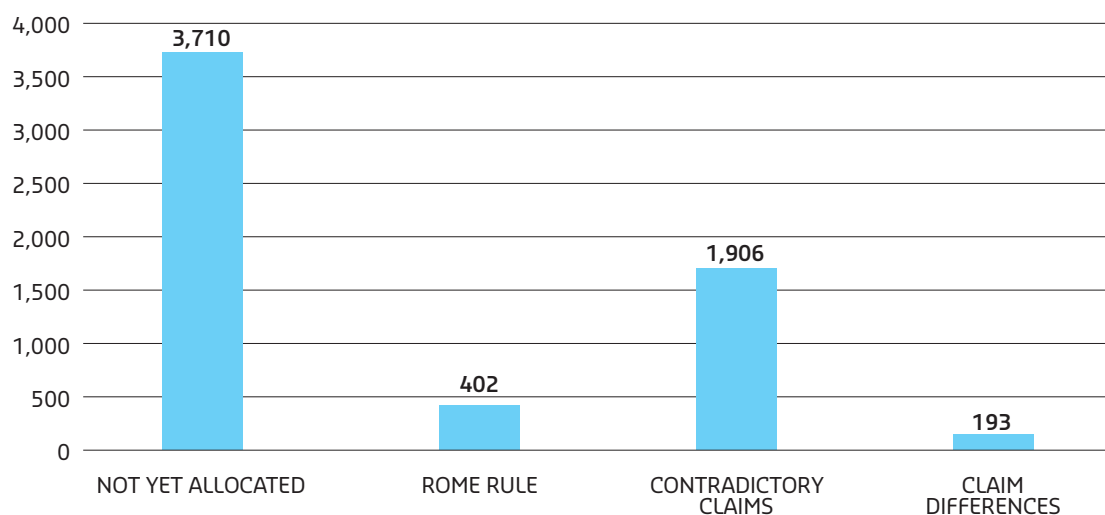
(x € 1,000)	2021	2020
Phono-mechanical rights BIEM / Central Licensing	5,510	4,177
PIEB (custom pressing) / Special Licensing	6,092	5,293
Radio & TV	6,690	6,384
Online	13,769	11,668
Private Copy / Public Lending Rights	4,120	4,362
Abroad	4,029	4,113
Total	40,210	35,997

2. ROYALTIES STILL IN PROGRESS (€ 6.2 MILLION)

The Supervision Act stipulates periods within which rights revenue received must be distributed. The distribution period is set at nine months after the end of the financial year in which the royalty revenues were received.

An exception to this is the rights revenue received from other CMOs. This is subject to a period of six months after receipt of the rights revenue. In accordance with the Supervision Act, Stemra distributes the copyright royalties received to its rights owners within the stipulated periods, with the exception of a number of situations in which this is not possible. These royalties are referred to as royalties still in progress. Royalties still in progress concern royalties for which the distribution process could not yet be completed. This section explains the composition of this category of royalties in more detail.

Composition of royalties still in progress (x € 1,000)



There can be various reasons why royalties are included in the category 'Royalties still in progress'. This is explained in the sections below.

Not yet allocated (€ 3.7 million)

If data is missing or there is uncertainty about the received data, the use of music cannot be allocated to the correct rights owners. This item also includes a reserve for possible subsequent claims. There can be three reasons why music use cannot be allocated to the correct rights owner:

- no detailed data is available about broadcasts or this data is incomplete, which means no or only incomplete information is available about the musical works used,
- no copyright data is available or this data has not yet been fully processed, which means no active copyright is available that can serve as a basis for the distribution. The data is submitted by the rights owner and is not always correct or complete.

- assessment of royalties received from abroad. After receiving royalties and the associated use from the sister societies, Stemra checks the distribution of these royalties as specified by the sister society. Any anomalies must be examined. The royalties are distributed after the necessary checks have been completed.

Rome rule (€ 0.4 million)

This concerns a reserve that is recognised if some of the rights owners are not fully identifiable. The unidentifiable portion is distributed or reserved depending on the identifiable portion. This depends on the origin of the identified rights owners. If the majority of the known rights owners are affiliates of Stemra, the unidentified portion is reserved. If the majority of the known rights owners are affiliated with another society, the amount is distributed to the relevant society. In this way, Stemra also receives Rome rule amounts from other CMOs for unknown rights owners.

Contradictory claims (€ 1.9 million)

These amounts relate to copyrights in respect of which the rights owners are still in consultation about the distribution.

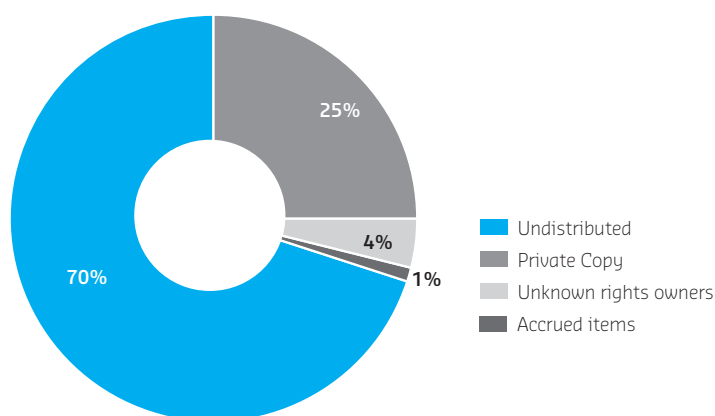
Claim differences (€ 0.2 million)

This item concerns reserves for claims against record companies submitted by Stemra where the estimates of the claim amounts were initially too high.

3. ACCRUED IN PREVIOUS YEARS (€ 12.9 MILLION)

In addition to the amounts accrued in the financial year and the royalties still in progress, there are also royalties that cannot yet be distributed due to other reasons. The graph below shows the distribution of these royalties.

COMPOSITION OF ROYALTIES ACCRUED IN PREVIOUS YEARS



Undistributed (€ 9.0 million)

A significant part of the item accrued in previous years relates to undistributed copyright royalties. Up to and including 2020, these undistributed amounts were added to the available copyright royalties in the current financial year. From now on, this item will be presented under: 'accrued in previous years'.

In 2021, the item 'undistributed' will be € 4.2 million higher than in 2020. This is caused by a number of factors. First of all, an extra annual layer of undistributed amounts of € 1.2 million has become available as a result of the reassessment. Also, another € 1.5 million has been made available from the Online Streaming & Downloads business line. Lastly, an old undistributed Stemra item of € 1.7 million became available.

In 2021, Stemra started a reassessment process in close collaboration with the Distribution Committee and the Council of Rights Owners. As far as 'undistributed' is concerned, the Distribution Rules and the policy and implementation practice with regard to distribution are brought into line with each other. The aim is to structure the policy in such a way that the available 'undistributed' amounts are paid out more based on the source and the year of origin. These amounts will then be paid out in accordance with the established policy with regard to 'undistributed' (per business line).

Private Copy (€ 3.3 million)

These royalties could not be distributed sooner due to ongoing discussions about the distribution of these royalties among rights owners. In 2021, the Private Copy royalties for 2016-2019 were distributed.

'Unknown rights owners' and 'Information still to be verified' respectively (€ 0.6 million)

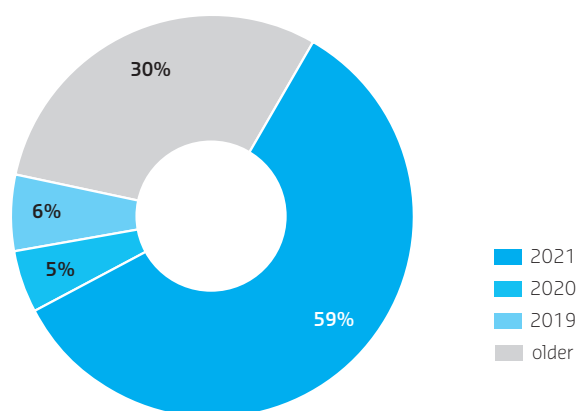
The royalties recognised under this item concern royalties for which the rights owners to which the royalties must be distributed have not yet been identified, or for which the information submitted by the sister societies is still to be verified. When the rights owners can be identified or the information submitted by sister societies can be processed, these royalties are paid out.

This item partly concerns royalties for which the manual verification process could not be completed in time. It is expected that the processing of these royalties will be completed in 2022, so that they can be distributed.

Accrued items (€ 0.1 million)

This concerns royalties which became available for distribution late in 2021 and which could therefore not be processed in 2021. Most of these royalties will be distributed in 2022.

4. AGE OF COPYRIGHT ROYALTIES TO BE DISTRIBUTED



DISTRIBUTABLE COPYRIGHT ROYALTIES BY ANNUAL TRANCHE

(x € 1,000)	Total	2021	2020	2019	older
Accrued in financial year	24,942	24,942	-	-	-
Royalties still in progress					
- As yet unallocatable royalties	3,710	560	1,633	1,517	-
- Rome rule	402	29	79	89	205
- Contradictory claims	1,906	96	129	221	1,460
- Claim differences	193	29	75	89	-
Accrued in prior financial years*	12,882	110	434	697	11,641
Total as at 31 December	44,035	25,766	2,350	2,613	13,306

* The amount in annual tranche 2021 was accrued in 2021. However, the reason why this amount has not yet been distributed relates to prior financial years.

If royalties cannot be distributed upon the first attempt in the year of collection, they are taken to the item 'Royalties still in progress'. Stemra has, for a period of three years, the obligation to identify the rightful owner of these royalties and, if possible, to distribute them. If Stemra is unable to do so, these royalties are distributed through the distribution of undistributed royalties. An exception to this rule applies to contradictory claims.

In addition to € 1.7 million in royalties still in progress, the total amount from the years before 2019 mainly consists of € 9.0 million available for undistributed.

A considerable percentage of the royalties accrued in previous years is expected to be distributed in 2022. In this respect, Stemra depends, among other things, on the successful completion of the recalibration process with regard to 'undistributed', sufficient operational processing capacity and the timely submission of information by third parties. Part of the copyright royalties to be distributed has a long-term character.

(9) OTHER LIABILITIES

(x € 1,000)	2021	2020
Buma current account	1,426	-
Stemra affiliates and participants	563	339
Foreign sister societies	160	5
Other	-	7
Total as at 31 December	2,149	351

The other liabilities have a term of less than one year.

(10) ACCRUALS AND DEFERRED INCOME

(x € 1,000)	2021	2020
Dutch industry advance payment	2,646	1,976
Commitment to Emergency Music Fund	1,000	-
To be settled with industry and custom pressers	233	233
Holiday allowance and annual leave	103	113
Invoices to be paid	18	37
Other	1,065	1,211
Total as at 31 December	5,065	3,570

‘Dutch industry advance payment’ includes the invoiced advance payments on reproduction rights that have yet to be paid for the periods until year-end 2021. Advance payments are offset against the final payment.

The accruals and deferred income have a term of less than one year.

NOTES TO THE OPERATING STATEMENT**(11) PERSONNEL COSTS**

(x € 1,000)	2021	2020
Salaries	799	836
Social security contributions	124	131
Pension costs	101	80
Other personnel costs	19	20
	1,043	1,067
Allocated by third parties	1,069	1,006
Total	2,112	2,073

Following the decline in the average number of FTEs, salaries plus social security costs were lower than in 2020. Pension costs, on the other hand, rose. The personnel costs allocated by Buma also increased mainly due to the higher pension costs. The industry-wide pension fund has indicated that pension contributions rose sharply in 2021 as a result of changed statutory calculation rules for the expected return on contributions. To keep the contribution level acceptable, the pension plan has been cut back on a number of points as of 2022.

The coverage ratio of Pensioenfond PNO Media as at 31 December 2021 is 111.3% (31 December 2020: 94.9%).

During the 2021 financial year, the average number of employees converted to FTE was 13.8 (2020: 14.4). As shown in the table below, the workforce can be divided into the following personnel categories.

	2021	2020
Legal Affairs	0.6	1.0
General Affairs	1.0	1.0
Front office	6.1	5.1
Back office	6.1	7.3
Total	13.8	14.4

REMUNERATION OF THE MANAGEMENT BOARD, SUPERVISORY BOARD AND COUNCIL OF RIGHTS OWNERS

Under the Supervision Act, which came into force on 1 July 2013, a number of paragraphs in the Public and Semi-Public Sector Senior Officials (Standard Remuneration) Act (WNT) have been declared applicable to Collective Management Organisations. Vereniging Buma and Stichting Stemra work together under one Management Board, one Supervisory Board and one Council of Rights Owners.

The agreements with the Management Board, the Supervisory Board and the Council of Rights Owners have been entered into jointly by Vereniging Buma and Stichting Stemra. The total remuneration of the senior officials of Vereniging Buma is specified in the tables below in accordance with Section 4.1 of the WNT 2018, where relevant. However, the costs for the Supervisory Board and the Council of Rights Owners are accounted for by Vereniging Buma and by Stichting Stemra in the financial statements at 50% each. The remuneration of the Management Board is included in the financial statements of Vereniging Buma and Stichting Stemra based on 83% / 17% (2019: 83% / 17%). Reference is made to note (12) for a more detailed description of the cost allocation.

1. REMUNERATION OF SENIOR OFFICIALS

1A. SENIOR MANAGEMENT OFFICIALS WITH AN EMPLOYMENT CONTRACT, AS WELL AS THOSE WHO HAVE SERVED WITHOUT AN EMPLOYMENT CONTRACT FOR 13 MONTHS OR MORE

The remuneration per individual for 2021 – as defined in the Supervision Act – can be specified as follows (in €)*:

Name	Position	Employed	Total remuneration plus taxable expense allowance 2021	Post-contract benefits	Total WNT remuneration 2021	WNT maximum 2021
Senior official with an employment contract						
B.H. Kobes	CEO	1 Jan - 31 Dec 100%	187,763	21,237	209,000	209,000
M.C. Kloppers	CFO	1 Jan - 31 Dec 100%	187,818	21,182	209,000	209,000

In 2020, it was as follows:

Name	Position	Employed	Total remuneration plus taxable expense allowance 2020	Post-contract benefits	Total WNT remuneration 2020	WNT maximum 2020
Senior official with an employment contract						
B.H. Kobes	CEO	1 Jan - 31 Dec 100%	182,870	18,130	201,000	201,000
M.C. Kloppers	CFO	1 Jul - 31 Dec 100%	91,969	9,080	101,049	101,049

* This concerns the total remuneration received from Buma/Stemra.

The remuneration per individual for 2021 – as defined in the Supervision Act – can be specified as follows (in €)*:

Name	Position	Employment	Total WNT remuneration 2021	WNT maximum 2021	Total WNT remuneration 2020	WNT maximum 2020
Senior officials without an employment contract						
S.H. van Elsloo	Acting CFO	-	-	-	130,900	131,254

* This concerns the total remuneration received from Buma/Stemra; the Board member did not have an employment contract.

1B. SENIOR SUPERVISORY OFFICIALS

REMUNERATION OF THE SUPERVISORY BOARD

The remuneration per individual for 2021 – as defined in the Supervision Act – can be specified as follows (in €)*:

Name	Position	Period served 2021	Total WNT remuneration 2021	WNT maximum 2021	Period served 2020	Total WNT remuneration 2020	WNT maximum 2020
J. de Zwaan	Chairman of the Supervisory Board	1 Jan - 31 Dec	31,350	31,350	1 Jan - 31 Dec	30,150	30,150
A. Beets	Member of the Supervisory Board	1 Jan - 31 Dec	20,900	20,900	27 Aug - 31 Dec	6,974	6,975
R.J.M. Hopstaken	Member of the Supervisory Board	1 Jan - 31 Dec	20,900	20,900	1 Jan - 31 Dec	20,100	20,100
M. Krüs	Member of the Supervisory Board	1 Jan - 31 Dec	20,900	20,900	27 Aug - 31 Dec	6,974	6,975
J.P. Messerschmidt	Member of the Supervisory Board	1 Jan - 31 Dec	20,900	20,900	1 Jan - 31 Dec	20,100	20,100
A.B. Molema	Member of the Supervisory Board	1 Jan - 31 Dec	20,900	20,900	1 Jan - 31 Dec	20,100	20,100
E. Severs	Member of the Supervisory Board	1 Jan - 31 Dec	20,900	20,900	27 Aug - 31 Dec	6,974	6,975
M.H. Swemle	Member of the Supervisory Board	1 Jan - 31 Dec	20,900	20,900	1 Jan - 31 Dec	20,100	20,100
N.M. Walboomers	Member of the Supervisory Board	1 Jan - 31 Dec	20,900	20,900	1 Jan - 31 Dec	20,100	20,100
A. Fiumara	Member of the Supervisory Board	-	-	-	1 Jan - 26 Aug	13,125	13,125
R. Meister	Member of the Supervisory Board	-	-	-	1 Jan - 26 Aug	13,125	13,125
R. van Vliet	Member of the Supervisory Board	-	-	-	1 Jan - 26 Aug	13,125	13,125

* This concerns the total remuneration received from Buma/Stemra; these members of the Supervisory Board do not have an employment contract.

REMUNERATION OF THE COUNCIL OF RIGHTS OWNERS

The remuneration per individual for 2021 – as defined in the Supervision Act – can be specified as follows (in €)*:

Name	Position	Period served 2021	Total WNT remuneration 2021	WNT maximum 2021	Period served 2020	Total WNT remuneration 2020	WNT maximum 2020
R. Zipora-Verbrugge	Chairman of the Council of Rights Owners	1 Jan - 31 Dec	13,205	31,350	1 Jan - 31 Dec	15,203	30,150
M.A. Bremer	Vice-chairman of the Council of Rights Owners	1 Jan - 31 Dec	9,809	20,900	1 Jan - 31 Dec	10,452	20,100
W. Burkens	Member of the Council of Rights Owners	1 Jan - 31 Dec	8,338	20,900	27 Aug - 31 Dec	2,921	6,975
D. Dramm	Member of the Council of Rights Owners	1 Jan - 31 Dec	7,988	20,900	27 Aug - 31 Dec	2,571	6,975
J.M.F. Everling	Member of the Council of Rights Owners	1 Jan - 31 Dec	9,038	20,900	1 Jan - 31 Dec	9,552	20,100
G. van Offeren	Member of the Council of Rights Owners	1 Jan - 31 Dec	8,863	20,900	27 Aug - 31 Dec	2,921	6,975
D. van Peursen	Member of the Council of Rights Owners	1 Jan - 31 Dec	9,563	20,900	1 Jan - 31 Dec	10,602	20,100
J.S. de Raaff	Member of the Council of Rights Owners	1 Jan - 31 Dec	9,563	20,900	27 Aug - 31 Dec	3,096	6,975
A. Romeijn	Member of the Council of Rights Owners	1 Jan - 31 Dec	10,010	20,900	1 Jan - 31 Dec	8,327	20,100
M. Schimmer	Member of the Council of Rights Owners	1 Jan - 31 Dec	10,088	0,900	1 Jan - 31 Dec	9,727	20,100
K. Vergouwen	Member of the Council of Rights Owners	1 Jan - 31 Dec	8,338	20,900	1 Jan - 31 Dec	8,327	20,100
J. van der Voet	Member of the Council of Rights Owners	1 Jan - 31 Dec	7,638	20,900	1 Jan - 31 Dec	7,802	20,100
I.M. Chronis	Member of the Council of Rights Owners	-	-	-	1 Jan - 26 Aug	6,281	13,125
D.D. van den Dungen	Member of the Council of Rights Owners	-	-	-	1 Jan - 26 Aug	5,231	13,125
M. Krüs	Member of the Council of Rights Owners	-	-	-	1 Jan - 26 Aug	4,881	13,125
W. Kwakman	Member of the Council of Rights Owners	-	-	-	1 Jan - 26 Aug	7,156	13,125

* This concerns the total remuneration received from Buma/Stemra; these members of the Council of Rights Owners do not have an employment contract.

2. OTHER REPORTING OBLIGATIONS UNDER THE WNT

2A. REMUNERATION OF NON-SENIOR OFFICIALS

The titular director with an employment contract in 2020 does not have a position implying (day-to-day) management of the entire organisation, nor does it have decision-making powers. This means the titular director did not serve as a senior official in 2020, and his or her remuneration is therefore disclosed under the category of non-senior officials. With regard to non-senior officials whose remuneration exceeds the WNT maximum, Vereniging Buma and Stichting Stemra have the policy to scale this back in accordance with the statutory transitional scheme until the WNT maximum is no longer exceeded. Severance payments made fall outside the phase-out scheme and are accounted for in the remuneration.

The remuneration per individual – as defined in the Supervision Act – can be specified as follows (in €)*:

Position	Employed	Total remuneration plus taxable expense allowance 2021	Total remuneration plus taxable expense allowance 2020	Post-contract benefits	Total WNT remuneration 2020	WNT maximum 2020
Non-senior officials						
Titular Director**	-	-	343,163	18,129	361,292	201,000

* This concerns the total remuneration received from Buma/Stemra.

** The severance payment is included in the remuneration.

(12) OTHER EXPENSES	2021	2020
Advisory fees	130	96
Contributions and other fees	72	53
Other expenses	34	15
	236	164
Allocated by third parties	2,248	2,262
Total	2,484	2,426

The costs allocated to Stemra in 2021 are virtually the same as in 2020. In the allocation of costs, the distribution between Buma and Stemra in accordance to the ratio of 83% and 17% respectively has been maintained on the basis of the cost allocation model developed in 2019. This takes into account that the costs for the Supervisory Board and the Council of Rights Owners will be distributed 50% / 50%. Since 2020, the COVID-19 crisis has been causing disruptive impulses in the recalculation of this cost allocation, since the collection flows, which fell mainly at Buma, are important allocation keys in the cost allocation model. A recalculation would lead to a larger allocation to Stemra and would not be a representative reflection of the actual cost level of the entities. The Management Board has decided not to attribute the non-recurrent effect to Stemra too heavily.

(13) TAXES

In an advance tax ruling extended up to no later than 31/12/2023, the Dutch Tax and Customs Administration has determined that Stemra is subject to corporation tax. Deductible foreign withholding taxes may be deducted up to a maximum equal to the amount of tax due under this advance tax ruling. Consequently, no corporation tax is due for the financial year 2021. Stemra will enter into consultation with the Tax and Customs Administration about the entity's tax qualification from 2024 onward.

OTHER DISCLOSURES

(14) FINANCIAL INSTRUMENTS

The financial instruments included in the assets are receivables and cash and cash equivalents (100% of the balance sheet total), which are measured at amortised cost and nominal value respectively. Receivables are generally non-interest-bearing. The interest payment on cash and cash equivalents is zero or even negative.

The maximum credit risk with regard to receivables and cash and cash equivalents equals the carrying amount. There is no concentration of the credit risk. The financial liabilities represent 78% of the balance sheet total (2020: 84%). The main component of this are the copyright royalties to be distributed, which account for 67% (2020: 79%). These are stated at cost. The financial liabilities are non-interest-bearing. The fair value of all the financial instruments approximates the carrying amount. There are no financial instruments with a carrying amount exceeding the fair value.

(15) RELATED PARTIES

The affiliated parties of Stichting Stemra are Vereniging Bumra, Stichting Sociaal Fonds Buma, Stichting Service Centrum Auteurs- en Naburige rechten (SCAN) and members of the Management Board, Supervisory Board members and members of the Council of Rights Owners of Vereniging Buma and Stichting Stemra. For more information about remunerations to the members of the Management Board, Supervisory Board members and members of the Council of Rights Owners, reference is made to the relevant notes in the corresponding section. Normal transactions relating to the administration of copyrights involving Supervisory Board members or members of the Council of Rights Owners, or involving related parties of Supervisory Board members or members of the Council of Rights Owners, are not explicitly disclosed in the financial statements.

Any distributions of copyright royalties to Supervisory Board members and members of the Council of Members, or to related parties of Supervisory Board members or members of the Council of Members, have been calculated in the same manner as the distributions to all members and affiliates and have been paid out in accordance with the normal procedures within Stemra. Due to the close relationships within the sector, Supervisory Board members and members of the Council of Members can also be related parties as customers of Stemra, such as through a music-related service that Stemra uses. Transactions with these parties are carried out at arm's length and under conditions that are no different from the conditions that would have been agreed with other parties.

For reasons of transparency, the copyright royalties distributed to members of the Supervisory Board and their companies must be made public. This concerns copyright royalties which Supervisory Board members have received as an individual or through legal entities in which they have a majority interest. For reasons of privacy, only the categories into which the royalties received fall are disclosed.

THE COPYRIGHT ROYALTIES RECEIVED FALL INTO THE FOLLOWING CATEGORIES:

No distribution	A
Between € 0 and € 15k	B
Between € 15k and € 50k	C
Between € 50k and € 0.1 million	D
Between € 0.1 million and € 0.5 million	E
More than € 0.5 million	F

The Supervisory Board members and the Management Board members have the following financial interests:

NAME	POSITION	BUMA
Josephine de Zwaan	Chairman of the Supervisory Board	A
Alexander Beets	Member of the Supervisory Board	B
Ruud Hopstaken	Member of the Supervisory Board	A
Monique Krüs	Member of the Supervisory Board	B
Jolanda Messerschmidt	Member of the Supervisory Board	A
Arriën Molema	Member of the Supervisory Board	B
Edith Severs	Member of the Supervisory Board	C
Marc Swemle	Member of the Supervisory Board	B
Niels Walboomers	Member of the Supervisory Board	B
Bernard Kobes	Director	A
Marleen Kloppers	Director	A

(16) OFF-BALANCE SHEET LIABILITIES

Buma and Stemra work together under one Management Board, one Council of Rights Owners and one Supervisory Board. Off-balance sheet assets and liabilities in connection with the outsourcing, coffee machines and plants have been entered into by Buma and Stemra jointly and are recognised in full by both Buma and Stemra. The allocation of costs between Buma and Stemra for each liability is specified in the notes. The obligations regarding the IT transition, rent and lease have been entered into by Buma; costs are subsequently charged on to Stemra. The estimated amount of the future charge-on is included in the notes as contracts entered into independently.

As at 31 December, the off-balance sheet liabilities had the following terms:

(x € 1,000)	2021	2020
Joint contracts with Vereniging Buma		
Less than 1 year	2,397	2,847
Between 1 and 5 years	349	1,244
	2,746	4,091
Stemra share for Buma contracts entered into independently		
Less than 1 year	191	167
Between 1 and 5 years	501	492
Longer than 5 years	119	216
	811	875
Total	3,557	4,966

The long-term liabilities in the table above concern lease costs, replacement of the IT system, rental costs and costs for outsourcing activities.

The allocation of costs between Buma and Stemra for each liability is specified in the notes. The rental and lease obligations have been entered into by Buma; costs are subsequently charged on to Stemra.

Leasing and software

The operational lease costs for printers, lease cars and software have been assumed by Buma and will be divided between Buma and Stemra (in 2021: 83% / 17%). The costs are recognised over the lease period in the operating statement using the straight-line method. The obligation to Buma for less than one year is € 32k (2020: € 11k) and the obligations between one and five years are € 19k (2020: € 15k).

Replacement of IT systems

Buma has entered into contractual obligations for the development of the new IT environment. The costs are divided between Buma and Stemra (in 2021: 83% / 17%). The obligation to Buma for less than one year is less than € 0.1 million (2020: less than € 0.1 million) and the obligations between one and five years too are less than € 0.1 million (2020: less than € 0.1 million).

Rent

As of 1 January 2018, a financial liability has been assumed for a period of ten years. The rental obligation has been entered into by Buma. The (annual) rental obligation is divided between Buma and Stemra (in 2021: 83% / 17%). The total rental obligation to Buma for the remaining term of the contract amounts to € 0.7 million (2020: € 0.7 million).

Outsourcing of activities – ICE Copyright

Vereniging Buma and Stemra have jointly entered into the obligation to outsource their musical works database to ICE for an initial period of five years (as from March 2015) and extended by one year. The remaining financial liability resulting from this amounts to € 0.5 million (2020: € 0.8 million). The costs of ICE are divided between Buma and Stemra (in 2021: 83% / 17%).

Outsourcing of activities – NMP

Buma and Stemra have jointly extended the contractual obligation to outsource the processing of online use to NMP for a period of two years (starting in March 2020). The remaining financial liability resulting from this amounts to € 1.2 million (2020: € 1.5 million). These costs divided between Buma and Stemra (in 2021: 83% / 17%).

Accenture

Buma and Stemra have jointly entered into the contractual obligation to outsource part of the back-office activities to Accenture until the end of December 2022. The remaining financial liability resulting from this amounts to € 1.0 million (2020: € 1.8 million). These costs divided between Buma and Stemra (in 2021: 83% / 17%).

Joint and several liability

Stemra is also jointly and severally liable for any contributions to be recovered by the Ministry of Education, Culture and Science from the Music Investment Fund, if this support measure has not been implemented in accordance with the conditions.

Claims

A number of claims have been lodged against Stemra which it disputes, as well as a number of claims for which an outflow of funds is expected. A provision has been recognised for the claims for which an outflow of cash is expected that can be estimated reliably. Although the outcome of these disputes cannot be predicted with certainty, it is assumed – also based on legal advice – that these disputes will not have a significant negative effect on the presented financial position of Stemra.

Signature

Hoofddorp, 25 April 2022

MEMBERS OF THE SUPERVISORY BOARD:

Josephine de Zwaan	Chairman
Alexander Beets	Member of the Supervisory Board
Ruud Hopstaken	Member of the Supervisory Board
Jolanda Messerschmidt	Member of the Supervisory Board
Arriën Molema	Member of the Supervisory Board
Edith Severs	Member of the Supervisory Board
Marc Swemle	Member of the Supervisory Board
Niels Walboomers	Member of the Supervisory Board

MEMBERS OF THE MANAGEMENT BOARD:

Bernard Kobes	Chief Executive Officer
Marleen Kloppers	Chief Financial Officer

—6. OTHER INFORMATION

INDEPENDENT AUDITOR'S REPORT

To the Affiliates of Stichting Stemra

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS
2021 INCLUDED IN THE ANNUAL REPORT

OUR OPINION

We have audited the financial statements 2021 of Stichting Stemra, based in Amstelveen.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting Stemra as at 31 December 2021, and of its result for 2021 in accordance with Part 9 of Book 2 of the Dutch Civil Code and section 25a of the Collective Management Organisations for Copyright and Related Rights (Supervision and Disputes Settlement) Act (hereafter: 'Supervision Act'). The financial statements comprise:

1. the balance sheet as at 31 December 2021;
2. the operating statement for 2021; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

BASIS FOR OUR OPINION

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing and the Supervision Act. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting Stemra in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

COMPLIANCE WITH ANTI-CUMULATION PROVISION OF WNT HAS NOT BEEN AUDITED

With regard to the provisions in Section 25a of the Supervision Act, our audit did not include a review of whether any senior management official exceeded remuneration standards due to being employed at another institution which is subject to the Standards for Remuneration Act (WNT), nor did we review the accuracy and completeness of the disclosures required in this respect.

REPORT ON THE OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- key figures Stemra;
- board report;
- supervisory board report;
- approval on the financial statements;
- other information.

Based on the following procedures performed, we conclude that the other information:

- met is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code;
- contains the information as required by sections 2b through to 3.d.4 of the 'Besluit transparantieverlag richtlijn collectief beheer'.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board is responsible for the preparation of the other information, including the board report and supervisory board report, in accordance with Part 9 of Book 2 of the Dutch Civil Code, sections 2b through to till 3.d.4 of the 'Besluit transparantieverlag richtlijn collectief beheer' and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

RESPONSIBILITIES OF THE BOARD AND THE SUPERVISORY BOARD FOR THE FINANCIAL STATEMENTS

The board is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code and the Supervision Act. Furthermore, the board is responsible for such internal control as the board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board is responsible for assessing the foundation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board should prepare the financial statements using the going concern basis of accounting unless the board either intends to liquidate the foundation or to cease operations, or has no realistic alternative but to do so.

The board should disclose events and circumstances that may cast significant doubt on the foundation's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

OUR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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 the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the foundation's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board;
- concluding on the appropriateness of the board'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 foundation's ability to continue as a going

concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a foundation to cease to continue as a going concern;

- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards

Amsterdam, 26 April 2022
Mazars N.V.

Signed on the original drs. R.C.H.M. Horsmans RA

—APPENDICES

1. REFERENCE TABLE TRANSPARENCY REPORT

Section	Description	Part of the annual report	Page number
Section 2			
2a	Cash flow statement	Cash flow statement	34
2b	Information about refusals to grant a licence on the basis of Article 2l(3) of the Supervision Act;		20
2c	A description of the legal and governance structure of the collective management organisation;	Notes to the financial statements	35
2d	Information on entities directly or indirectly owned or controlled, wholly or in part, by the collective management organisation;	Notes to the financial statements	35
2e	Information on the total amount of remuneration paid in the past financial year to the persons referred to in Section 2e(3) and Section 2f of the Supervision Act, and on other benefits granted to them;	Notes to the financial statements, Remuneration of the Management Board, Supervisory Board and Council of Rights Owners	48-51
2f	The financial data referred to in Section 3 of the Transparency Report (Collective Rights Management Directive) Decree	See Section 3	
2g	A special report on the use of amounts withheld for the purposes of social, cultural and educational services, including the information referred to in Section 3 of the aforementioned Decree	See Section 3	
Section 3			
3a	Financial information on rights revenue per category of rights managed and per type of use, including information on the income arising from the investment of rights revenue and the use of this income;	Directors' report, operating statement and notes to the financial statements	10-13, 33, 35 ff.
3b	Financial information on the costs of rights management and other services provided to rights owners by the collective management organisation, including a full description of at least the following items:		
	1. All operating costs and financial costs, with a breakdown per category of rights managed and, in the case of indirect costs that cannot be attributed to one or more categories of rights, an explanation of the method used for the allocation of these indirect costs;	Directors' report, operating statement and notes to the financial statements	10-13, 33, 35 ff.
	2. Operating costs and financial costs, with a breakdown per category of rights managed and, in the case of indirect costs that cannot be attributed to one or more categories of rights, an explanation of the method used for the allocation of these indirect costs, to the extent that these costs relate to the rights management, including the management costs which were deducted from or offset against rights revenue or income arising from the investment of rights revenue in accordance with Section 2g(4) and Section 2h(1-3) of the Supervision Act;	Directors' report, operating statement and notes to the financial statements	10-13, 33, 35 ff.
	3. Operating costs and financial costs for services other than rights management, including social, cultural and educational services;	Notes to the financial statements	10-13, 33, 35 ff.
	4. Funds used to cover costs;	Coverage of the management costs	12-13
	5. Amounts that were withheld from rights revenue, with a breakdown per category of rights managed and per type of use, and the purpose of the withholding;	Coverage of the management costs	12-13
	6. The percentages which the costs of the rights management and other services provided by the collective management organisation to rights owners represent compared to the rights revenue in the relevant financial year, per category of rights managed, and, in the case of indirect costs that cannot be attributed to one or more categories of rights, an explanation of the method used for the allocation of these indirect costs;	Key figures and key indicators	4-5
3c	Financial information on the amounts due to rights owners with a full description of at least the following items:		
	1. The total amount attributed to rights owners, with a breakdown per category of rights managed and per type of use;	Notes to the financial statements, copyright royalties to be distributed	42-46
	2. The total amount paid to rights owners, with a breakdown per category of rights managed and per type of use;	Key figures and key indicators	4-5
	3. The frequency of the payments, with a breakdown per category of rights managed and per type of use;		20
	4. The total amount collected but not yet allocated to rights owners, with a breakdown per category of rights managed and per type of use, and indicating in which the financial year these amounts were collected;	Notes to the financial statements, copyright royalties to be distributed	42-46

Section	Description	Part of the annual report	Page number
	5.The total amount allocated to but not yet distributed among rights owners, with a breakdown per category of rights managed and per type of use, and specification of the financial year in which these amounts were collected;	Notes to the financial statements, copyright royalties to be distributed	42-46
	6.If a collective management organisation has not carried out the distribution and payment within the period laid down in Section 2i(3) of the Supervision Act: the reasons for the delay;	Notes to the financial statements, copyright royalties to be distributed	42-46
	7.The total balance of undistributed amounts, with an explanation of the use of these amounts;	Notes to the financial statements, copyright royalties to be distributed	42-46
3d	Information on the financial relationship with other collective management organisations, with a description of at least the following items:		
	1. Amounts received from other collective management organisations and amounts paid to other collective management organisations, with a breakdown per category of rights managed, per type of use and per organisation;	Key figures and key indicators	4-5
	2. Management costs and other withholdings from the rights revenue due to other collective management organisations, with a breakdown per category of rights, per type of use and per organisation;	Key figures and key indicators	4-5
	3. Management costs and other withholdings from the rights revenue paid by other collective management organisations, with a breakdown per category of rights and per organisation;	Key figures and key indicators	4-5
	4. Amounts distributed directly to rights owners originating from other collective management organisations, with a breakdown per category of rights and per organisation.	Key figures and key indicators	4-5
Section 4			
4a	The amounts withheld in the financial year for the purposes of social, cultural and educational services, with a breakdown per type of purpose and, for each type of purpose, with a breakdown per category of rights managed and per type of use;	Notes to the financial statements	
4b	An explanation of the use of those amounts, with a breakdown per type of purpose including the costs of managing amounts withheld to fund social, cultural and educational services and of the separate amounts used for social, cultural and educational services.	Notes to the financial statements	

2. MEETINGS OF THE SUPERVISORY BOARD, COMMITTEES AND COUNCIL OF RIGHTS OWNERS

2.1 SUPERVISORY BOARD MEETING DATES, ITEMS DISCUSSED AND RESOLUTIONS

Summary of resolutions

Date	Body	Topics	Decision-making
27 January 2021	Supervisory Board	<ul style="list-style-type: none"> - Full update Buma/Stemra (including strategy and Pyramid) - Follow-up budget 2021 - Long-term plan Gizeh 	<ul style="list-style-type: none"> - Follow-up budget 2021 - Long-term plan Gizeh
17 February 2021	Supervisory Board	<ul style="list-style-type: none"> - Internal Audit Plan (review plan 2021 + key points 2021-2023) - Phasing out of intensified supervision - Update stakeholders 	<ul style="list-style-type: none"> - Internal Audit Plan (review plan 2021 + key points 2021-2023)
31 March 2021	Supervisory Board	<ul style="list-style-type: none"> - General update: the situation at Buma/Stemra - Draft management letters 2020 Buma and Stemra - Update long-term forecast 2021-2025 and reserves - Self-evaluation CMOs - Training: note training Supervisory Board/Council of Rights Owners 	<ul style="list-style-type: none"> - Self-evaluation CMOs: report to Supervisory Authority for Collective Management Organisations (Copyright and Neighbouring Rights) - Training: note training Supervisory Board/Council of Rights Owners
05 May 2021	Supervisory Board	<ul style="list-style-type: none"> - Draft annual report 2020 Buma and Stemra - Draft audit report 2020 Buma and Stemra - Full update Buma/Stemra - Assessment reserve against reserve policy - Monthly report March 2021 - Remuneration Committee Regulations - Update stakeholders - Agenda with attachments GMA 2 June 2021 	<ul style="list-style-type: none"> - Annual report 2020 Buma and Stemra - Remuneration Committee Regulations - Amendments to the Articles of Association
11 May 2021	Supervisory Board	<ul style="list-style-type: none"> - Reserves/reserve policy - Adjustment text Distribution Rules - Monthly report April 2021 	<ul style="list-style-type: none"> - Reserves/reserve policy
06 September 2021	Supervisory Board	<ul style="list-style-type: none"> - Full update Buma/Stemra - Internal Audit, Risk Management & Compliance - Elaboration of recommendations from the Supervisory Authority for Collective Management Organisations (Copyright and Neighbouring Rights) following the end of intensified supervision - Update retirement schedule Supervisory Board following elections 2 June 2021 - Update reliability test for members of the Management Board and Supervisory Board - Update stakeholders - Confirmation e-mail decision-making Supervisory Board on cost percentage Private Copy distributions 2016-2019 - Draft agenda GMA 10 November 2021 - Result Supervisory Board email decision-making regarding letter from the Supervisory Authority for Collective Management Organisations (Copyright and Neighbouring Rights) phasing out intensified supervision 	<ul style="list-style-type: none"> - Investment Fund 2 - Self-evaluation supervisor Supervisory Board - Update retirement schedule Supervisory Board and Council of Rights Owners - Draft agenda GMA 10 November 2021
14 October 2021	Supervisory Board	<ul style="list-style-type: none"> - Elaboration reserve policy, including risks and distribution policy 	<ul style="list-style-type: none"> - Support proposed reserve policy, continue to monitor strategic and operational impact
27 October 2021	Supervisory Board	<ul style="list-style-type: none"> - Self-evaluation Supervisory Board 	<ul style="list-style-type: none"> - Self-evaluation Supervisory Board
27 October 2021	Supervisory Board	<ul style="list-style-type: none"> - Strategic ambition "sustainable in global top" - Workshop Key risk selection - Evaluation and possible reappointment auditor (Mazars) - Reappointment independent member of the Supervisory Board - Josephine de Zwaan - Reappointment independent member of the Supervisory Board - Jolanda Messerschmidt - Confirmation e-mail decision-making Supervisory Board on cost percentage Private Copy distributions 2016-2019 - Annual planning 2022 Supervisory Board meetings - Event fees - Salt - Letter of intent - GMA 10 November 2021: update state of affairs - Training day four boards 2 November 2021: update state of affairs 	<ul style="list-style-type: none"> - Replacement of AX (Pyramid). - Nomination re-appointment Supervisory Board member
07 November 2021	Supervisory Board	<ul style="list-style-type: none"> - Self-evaluation Supervisory Board 	<ul style="list-style-type: none"> - Self-evaluation Supervisory Board (follow-up)

Date	Body	Topics	Decision-making
08 December 2021	Supervisory Board	<ul style="list-style-type: none"> - Policy memorandum transfer right of claim to investment fund - Budget 2022 - Planning annual report 2021 - Investment plan 2022 - Remuneration Senior Executives in the Public and Semi-Public Sector (Standards for Remuneration) Act (WNT) 2022 - Approach evaluation governance Buma/Stemra and supervisory vision Supervisory Board - Event fees - RASCI table 	<ul style="list-style-type: none"> - Budget 2022 - Investment plan 2022 - Proposed decision: the Supervisory Board and Management Board agree with the proposal set out in the memorandum of 1 December 2021 (prepared by Arrien Molema and Ruud Hopstaken) (doc. no. 211072), including submitting a proposal to the GMA about extending the term of 5 (five) Supervisory Board members until 2023 after the Supervisory Board and Works Council have given a positive advice, the professional associations have been consulted and the Supervisory Authority for Collective Management Organisations (Copyright and Neighbouring Rights) has raised no objection. - Fees for events subject to a comparable approach for the Council of Rights Owners and coordination with the auditor.

2.2 AUDIT COMMITTEE MEETING DATES, ITEMS DISCUSSED AND RESOLUTIONS

Summary of resolutions

Date	Body	Topics	Decision-making
08 February 2021	Audit Committee	<ul style="list-style-type: none"> - Provisional figures 2020 - Monthly report December 2020 - Update tax position Buma/Stemra - Update project Pyramid (replacement AX) - Succession IT director - Corona scenarios - Audit Plan 2020 - Internal Audit Plan 2021 - Quarterly Report IA - Tracklist recommendations IA YTD 	<ul style="list-style-type: none"> - The 2020 Audit Plan will be submitted to the Supervisory Board with a positive recommendation.
15 March 2021	Audit Committee	<ul style="list-style-type: none"> - Draft management letters Buma and Stemra 2020 - Update project Pyramid (replacement AX) - Status of recruitment and selection of new IT director - Presentation SIG - Financial strategy, including draft long-term financial plan - Claims & Litigation: claims status - Investments: asset management report Q4 2020 and FY 2020 (final) - ABN report investments Q4 2020 	None
19 April 2021	Audit Committee	<ul style="list-style-type: none"> - Draft annual report Buma and Stemra 2020 - Draft audit report Buma and Stemra 2020 - Monthly report Q1 2021, including LE - Update project Pyramid (replacement AX) - Status of recruitment and selection of new IT director - Assessment reserves against reserve policy - Other subjects, including any new legal matters and/or requests for advice 	None
03 May 2021	Audit Committee	<ul style="list-style-type: none"> - Annual report Buma and Stemra 2020 - Reserves 	<ul style="list-style-type: none"> - The annual reports for both Buma and Stemra are submitted to the Supervisory Board with a positive recommendation from the Audit Committee.
23 August 2021	Audit Committee	<ul style="list-style-type: none"> - Internal Audit, Risk Management & Compliance - Monthly report July 2021 - Monthly report investments - Status research reserve policy - Update project Pyramid (replacement AX) - Other subjects, including any new legal matters and/or requests for advice 	None
29 September 2021	Audit Committee	<ul style="list-style-type: none"> - Reserve policy 	None
11 October 2021	Audit Committee	<ul style="list-style-type: none"> - Reserve policy/Distribution rules - Monthly figures August 2021 - Introduction new IT director - Update project Pyramid (replacement AX) - Internal audit: progress audit plan and main findings - Claims and litigations 	None
22 November 2021	Audit Committee	<ul style="list-style-type: none"> - Portal - Budget 2022 - Reserve and negative interest memorandum - Investment plan 2022 Vereniging Buma - Main points interim audit - Monthly report October 	<ul style="list-style-type: none"> - The budget for 2022 is submitted to the Supervisory Board with a positive recommendation from the Audit Committee. - The investment plan for 2022 is submitted to the Supervisory Board with a positive recommendation from the Audit Committee.

2.3 REMUNERATION COMMITTEE MEETING DATES, ITEMS DISCUSSED AND RESOLUTIONS

Summary of resolutions

Date	Body	Topics	Decision-making
10 February 2021	Remuneration Committee	<ul style="list-style-type: none"> - Supervisory Authority for Collective Management Organisations (Copyright and Neighbouring Rights) self-evaluation governance - Frequency meetings - Alignment of Remuneration Committee expectations with regard to the Management Board - Duties/responsibilities Remuneration Committee - Drafting Remuneration Committee Regulations 	None
24 March 2021	Remuneration committee	<ul style="list-style-type: none"> - Self-evaluation - Draft Remuneration Committee Regulations - Update director test Supervisory Authority for Collective Management Organisations (Copyright and Neighbouring Rights) - Supervision agenda/workable participatory governance - Update HR matters - Update training 	<ul style="list-style-type: none"> - The Remuneration Committee gives positive advice to the Supervisory Board regarding the self-evaluation of CMOs. - The Remuneration Committee gives positive advice to the Supervisory Board regarding the draft Remuneration Committee Regulations. - The Remuneration Committee gives positive advice to the Supervisory Board regarding the training programme memorandum for the Council of Rights Owners and the Supervisory Board.
12 May 2021	Remuneration Committee	<ul style="list-style-type: none"> - Update training - Update HR matters - Development course Governance - Proposal deputy Supervisory Board member to GMA - Plan self-evaluation Supervisory Board (date and location) 	None
25 August 2021	Remuneration Committee	<ul style="list-style-type: none"> - Update training/self-evaluation/memorandum retirement schedule Supervisory Board/Council of Rights Owners - Update HR matters - Update development course Governance - Update plans, actions and results Management Board 2021 - Fee for attending events - Nomination appointment deputy Supervisory Board member (absence) 	<ul style="list-style-type: none"> - The Remuneration Committee gives a positive advice to the Supervisory Board regarding the retirement schedule Supervisory Board/Council of Rights Owners. - The Remuneration Committee gives positive advice to the Supervisory Board regarding the fee for attending events.
20 October 2021	Remuneration committee	<ul style="list-style-type: none"> - Update relevant HR matters (vacancies, post-corona policy, international, annual interviews with the Management Board) - Update Governance (course, preparing training day for four boards, administrative pressure, self-evaluation Supervisory Board) - Update GMA - Reappointments two independent Supervisory Board members 	None
01 December 2021	Remuneration committee	<ul style="list-style-type: none"> - Update relevant HR matters (corona, update request for reorganisation advice) - Evaluation (training day for four boards, self-evaluation of the Supervisory Board and status of reappointment of two independent Supervisory Board members) - Annual interviews Management Board - Remuneration Senior Executives in the Public and Semi-Public Sector (Standards for Remuneration) Act (WNT) Executive Board and Supervisory Board 2022 - Senior Executives in the Public and Semi-Public Sector (Standards for Remuneration) Act (WNT) 2022 	<ul style="list-style-type: none"> - The Remuneration Committee gives a positive advice on the Senior Executives in the Public and Semi-Public Sector (Standards for Remuneration) Act Executive Board and Supervisory Board E372022.

2.4 COUNCIL OF RIGHTS OWNERS MEETING DATES, ITEMS DISCUSSED AND RECOMMENDATIONS MADE

Summary of advice

Date	Body	Topics	Advisory
27 January 2021	Council of Rights Owners	<ul style="list-style-type: none"> - Licence/front - Distribution Committee: <ul style="list-style-type: none"> - Schouw reassessment - Update Management Board (addition to professional associations 2021, budget Buma Cultuur 2021 and current state of affairs regarding COVID-19) - Provisional decision 2020 withdrawals from SoCu fund - Reappointment 2nd term member Supervisory Board - Role of the Council of Rights Owners working group 	<ul style="list-style-type: none"> - Solicited advice: The Council of Rights Owners gives positive advice to on the Schouw Reassessment and opts for the less far-reaching scenario. - Solicited advice: the Council of Rights Owners gives positive advice to the Supervisory Board and GMA with regard to the reappointment of Ruud Hopstaken to the Supervisory Board.
17 March 2021	Council of Rights Owners	<ul style="list-style-type: none"> - Self-evaluation CMOs - Payment percentage ODV - Update GMA - Working group Role of the Council of Rights Owners - Update Management Board - Portal state of affairs and prospects 	<ul style="list-style-type: none"> - Solicited advice: the Council of Rights Owners gives positive advice to the Management Board with regard to the payment percentage of 8.5%. - Solicited advice: the Council of Rights Owners gives positive advice to the Management Board with regard to keeping the 2021 GMA online. - Unsolicited advice: the Council of Rights Owners gives unsolicited advice with regard to the change of the role of the Council of Rights Owners (mandate function).
21 April 2021	Council of Rights Owners	<ul style="list-style-type: none"> - Distribution Committee: impact COVID on distribution categories: <ul style="list-style-type: none"> - HaFaBra/choirs - Childcare centres/holiday parks for 2020 and beyond - Mechanical background 2020 - Update Reserves - Draft annual reports 2020 - Draft audit reports 2020 - Distribution policy book - Update appropriation reserves - Letter BAM! Popauteurs 'Fingerprinting' 	<ul style="list-style-type: none"> - Solicited advice: the Council of Rights Owners gives positive to the Management Board with regard to the impact of COVID on distribution categories. - Preliminary advice: The Council of Rights Owners is positive about the Annual Report, subject to addressing the reserve issue. This will be discussed further at the next meeting. - Solicited advice: the Council of Rights Owners indicates that it is very good that the Distribution Policy Book is available and advises that this should be brought to the attention of the members.
04 May 2021	Council of Rights Owners	<ul style="list-style-type: none"> - Draft annual reports 2020 - Amendments to Buma and/or Stemra Distribution Rules: <ul style="list-style-type: none"> - Textual clarification about publication of loss - Indemnity Stichting Leenrecht regarding Reprobel - Amendments to the Articles of Association of Buma and Stemra <ul style="list-style-type: none"> - In accordance with the Management and Supervision of Legal Entities Act - Adjusting the ascription of professional associations in Articles of Association - Adjustment term retirement schedule for the Council of Rights Owners and the Supervisory Board - Indexation of monetary amounts in the Articles of Association - Mandate GMA towards Council of Rights Owners - Indexation Rules amendment - Update appropriation reserves - Royalty-free music/online licensing 	<ul style="list-style-type: none"> - Solicited advice: the Council of Rights Owners gives positive advice to the Management Board with regard to the 2020 annual reports of Buma and Stemra. - Solicited advice: the Council of Rights Owners gives positive advice to the GMA with regard to the Amendments to Buma and/or Stemra Distribution Rules. - The Council of Rights Owners gives positive advice with regard to the proposed amendments to the Articles of Association and advises the GMA to do the same. - Solicited advice: the Council of Rights Owners gives positive advice to the Management Board with regard to the amendment of the Indexation Rules.
09 June 2021	Council of Rights Owners	<ul style="list-style-type: none"> - Update Management Board - GM online licensing/pre-cleared music - Distribution Committee - State of affairs publisher portal - Foreign Committee: state of affairs - Update negotiations Facebook - Evaluation GMA 2 June 2021 	
07 July 2021	Council of Rights Owners	<ul style="list-style-type: none"> - Advice on payment of continuity reserve Stemra, including assignment to Distribution Committee on distribution of royalties. - Point of contact for advisor regarding reserve policy 	<ul style="list-style-type: none"> - Solicited advice: the Council of Rights Owners gives positive advice with regard to the distribution of 4.3 million from Stemra's continuity reserve.- The Council of Rights Owners asks the Distribution Committee to look at a correct distribution method.
08 September 2021	Council of Rights Owners	<ul style="list-style-type: none"> - Distribution Committee: <ul style="list-style-type: none"> - Reassessment image-independent use of music - Impact COVID-19 on surcharges and voting rights - Undistributed royalties - Distribution continuity reserve Stemra distribution method - Online licensing - Retirement schedule - Course Council of Rights Owners/Supervisory Board - Update fingerprinting at Dance Events - Update web crawling - Set-up meetings of Council of Rights Owners 	<ul style="list-style-type: none"> - Solicited advice: the Council of Rights Owners gives positive advice, including a few points for attention, to start a pilot regarding online licensing. - The Council of Rights Owners agrees to the new retirement schedule.

Date	Body	Topics	Advisory
13 October 2021	Council of Rights Owners	<ul style="list-style-type: none"> - Advice Foreign Committee - Tightening of undistributed royalties amendment Distribution Rules - Deputy Supervisory Board - Update reserve policy, including amendment Distribution Rules as a result of changed reserve policy 	<ul style="list-style-type: none"> - Unsolicited advice: the Council of Rights Owners adopts the advice of the Foreign Committee and asks the Management Board to adopt the decision. - Solicited advice: the Council of Rights Owners gives positive advice with regard to the tightening of the Distribution Rules regarding private copy and public lending rights and advises the GMA to adopt this motion. - Solicited advice: the Council of Rights Owners gives positive advice with regard to the nomination for the deputy to the Supervisory Board. - Solicited advice: the Council of Rights Owners, based on the advice of the Supervisory Board and AC, agrees to the change in the methodology as described in the Distribution Rules. The approval is subject to the final approval of the Supervisory Board on 14 October.
24 November 2021	Council of Rights Owners	<ul style="list-style-type: none"> - Update NPO negotiations - Transfer right to claim to investment company - Distribution Committee <ul style="list-style-type: none"> - Carillons and Chimes - Distribution on status-2 works in ICE - Discuss draft budget 2022 - Signalling function Council of Rights Owners explanation 	<ul style="list-style-type: none"> - Solicited advice: the Council of Rights Owners gives positive advice to the Management Board with regard to Carillons and Chimes and the distribution on status-2 works in ICE. - Solicited advice: the Council of Rights Owners supports the draft budget.
15 December 2021	Council of Rights Owners	<ul style="list-style-type: none"> - Distribution Committee: <ul style="list-style-type: none"> - Policy undistributed online - Regional channels 1-on-1 - Reassessment calendar 2022 - Settlement football stadiums - Planning Foreign Committee - Buma Cultuur policy plan/budget - Signalling function Council of Rights Owners - Reappointment Supervisory Board members - Update pilot music under user-generated content 	<ul style="list-style-type: none"> - Solicited advice: the Council of Rights Owners gives positive advice to the Management Board with regard to the subjects dealt with by the Distribution Committee. - Solicited advice: the Council of Rights Owners gives positive advice to the Management Board with regard to the reappointment of the Supervisory Board members.

3. OTHER POSITIONS OF THE SUPERVISORY BOARD, COUNCIL OF RIGHTS OWNERS AND MANAGEMENT BOARD

OTHER POSITIONS/OCCUPATIONS OF MEMBERS OF THE SUPERVISORY BOARD

Ms Josephine de Zwaan	Paid	Chairman of the Supervisory Board of Fairphone BV	1 Jan - 31 Dec
		Chairman of the Supervisory Board of Stichting Cito	1 Jan - 31 Dec
		Chairman of the Board of Stichting Administratiekantoor Aandelen	1 Jan - 31 Dec
		Triodos Bank NV	1 Jan - 31 Dec
		Member of the Supervisory Board of Avans University of Applied Sciences	1 Oct - 31 Dec
		Chairman of the Supervisory Board of ROM InWest	
		Supervisor project Menswaardige governance of MVO Nederland and Goldschmeding Foundation	1 Dec - 31 Dec
	Unpaid		1 Jan - 31 Dec
		Board member of Stichting Academeia	1 Jan - 31 Dec
		Chairman of the Board of Stichting Register Code Sociale Ondernemingen	
Mr Alexander Beets	Paid	Director / Owner of Maxanter Muziek Groep BV	1 Jan - 31 Dec
		Producer of (music) theatre productions	1 Jan - 31 Dec
		International World Jazz saxophonist / improviser / composer	
		Festival director of Amersfoort Jazz Festival	1 Jan - 31 Dec
		Lecturer of Enterprise at Fontys Rock Academy / Head of Business Department	1 Jan - 31 Dec
	Unpaid	Stage Arts Fund Advisor (Upstream scheme)	1 Jan - 31 Dec
		Board member of Stichting Promotie Popcultuur Nederland	1 Jan - 31 Dec
		Treasurer of Stichting JazzNL	1 Jan - 31 Dec
		Chairman of Jazz Podium Amersfoort	1 Jan - 31 Dec
		Member of the Music Emergency Fund complaint committee	1 Jan - 31 Dec
Mr Ruud Hopstaken	Paid	Board member of Eligius BV	1 Jan - 31 Dec
	Unpaid	Supervisory Board member of PharmAccess Group Amsterdam	1 Jan - 31 Dec
Ms Monique Krüs (retired on 12 January 2022)	Paid	Composer / Producer / Conductor / Soprano / Vocal coach	1 Jan - 31 Dec
		Vice-chairwoman of New Geneco	1 Jan - 31 Dec
		Partner at Lunam Publishing	1 Jan - 31 Dec
Ms Jolanda Messerschmidt CPA	Paid	Director / Owner of TB&E Advice BV	1 Jan - 31 Dec
		Supervisory Board member of BMW Finance NV	1 Jan - 31 Dec
		Supervisory Board member of BMW International Investments BV	1 Jan - 31 Dec
		External Adviser Align Matters (discontinued in January 2022)	1 Jan - 31 Dec
		Owner of J. Messerschmidt Beheer BV	1 Jan - 31 Dec
		Member of the Supervisory Board of NV Haagse Milieu Service	1 Jan - 31 Dec
		Member of the Supervisory Board of Krauthammer Investments Holding BV	1 Feb - 31 Dec
	Unpaid	Member of the Union Council of the Athletics Union	1 Jan - 31 Dec
		Member of the Accountability Body of Stichting Shell Pensioen Fonds (as of March 2022)	-
Mr Arriën Molema	Paid	Songwriter / Composer / Producer	1 Jan - 31 Dec
		Guitarist and business manager of Room Eleven	1 Jan - 31 Dec
		Chair of Beroepsvereniging voor Auteur-Muzikanten (BAM!)	1 Jan - 31 Dec
		Member of the Visitation Committee for the Policy Document on Culture	1 Jan - 31 Dec
		of the Municipality of Utrecht	1 Jan - 31 Dec
		Stage Arts Fund Advisor	1 Sep - 31 Dec
		Member of the Supervisory Board of HKU	
	Unpaid		1 Jan - 31 Dec
		Vice-President of CIAM (option to claim travel and accommodation costs through Buma Stemra)	1 Jan - 31 Dec
		Board member of ECSA (European Composers & Songwriters Alliance)	
Ms Edith Severs	Paid	Director / Owner of music publishing company Copyright Power International BV	1 Jan - 31 Dec
		Partner at Fully Charged Music Group	1 Jan - 31 Dec
	Unpaid	Vice-chairwoman of Nederlandse Muziek Uitgevers Vereniging (NMUV)	1 Jan - 31 Dec

OTHER POSITIONS/OCCUPATIONS OF MEMBERS OF THE SUPERVISORY BOARD

Mr Marc Swemle	Paid	Director / Owner of VaVaVoom! Music Company	1 Jan - 31 Dec
		Director / Owner of Swemle Media Holding B.V.	1 Jan - 31 Dec
		Board member of BCMM	1 Jan - 31 Dec
Mr Niels Walboomers	Paid	Managing director of Sony/ATV Music Publishing Benelux	1 Jan - 31 Dec
		Director/Major Shareholder of Walboomers Publishing BV	1 Jan - 31 Dec
		Director/Major Shareholder of Nelis Holding BV	1 Jan - 31 Dec
		Board member of Cliq Digital AG	1 Jan - 31 Dec
		Board member of Donemus	1 Jan - 31 Dec
	Unpaid	Board member of Nederlandse Muziek Uitgevers Vereniging	1 Jan - 31 Dec
		Board member of BMPA (Belgium Music Public Association)	1 Jan - 31 Dec
		Member Advisory Board Specta	1 Jul - 31 Dec

All members of the Supervisory Board of Stichting Stemra are/were also members of the Supervisory Board of Vereniging Buma.

OTHER POSITIONS/OCCUPATIONS OF MEMBERS OF THE COUNCIL OF RIGHTS OWNERS

Mark Bremer	Paid	Managing Director of Universal Music Publishing Benelux	1 Jan - 31 Dec
	Unpaid	Chairman of Nederlandse Muziek Uitgevers Vereniging (NMUV)	1 Jan - 31 Dec
Wiboud Burkens	Paid	Composer / musician / theatre producer	1 Jan - 31 Dec
		Theatre producer / director of The Legends	1 Jan - 31 Dec
		Member of Council of Members of Kunstenbond	1 Jan - 31 Dec
		Section head and principal subject lecturer Amsterdam University of the Arts	1 Jan - 31 Dec
	Unpaid	Advisory Council of De Concertzender	1 Jan - 31 Dec
David Dramm	Paid	Vice-chairwoman of New Geneco	1 Jan - 31 Dec
		Teacher Royal Conservatory The Hague	1 Jan - 31 Dec
	Unpaid	Board member of 7090 (music theatre collective)	1 Jan - 31 Dec
		Board member of Stichting Rodeo of Wonder	1 Jan - 31 Dec
Hans Everling	Paid	Director/owner of SOB Audio Imaging BV	1 Jan - 31 Dec
		Vice-chairman of BCMM	1 Jan - 31 Dec
		Director/owner of Haramitsu Holding BV	1 Jan - 31 Dec
Darko Esser (appointed with effect from 9 February 2022)	Paid	DJ / producer / live performer	1 Jan - 31 Dec
		Sound designer / engineer	1 Jan - 31 Dec
		Owner of Wolfskuil records, Balans Records & Tripeo	1 Jan - 31 Dec
		Partner in CircularPET	1 Jan - 31 Dec
		Coach HTN	1 Jan - 31 Dec
		Member of the Supervisory Board of Homebass Foundation	1 Jan - 31 Dec
	Unpaid	Nachtraad Nijmegen	1 Jan - 31 Dec
Gregor van Offeren (retired on 1 January 2022)	Paid	DJ / producer / composer / lyricist	1 Jan - 31 Dec
		Label owner	1 Jan - 31 Dec
		Publisher	1 Jan - 31 Dec
	Unpaid	Co-founder of www.duurzameles.nl	1 Jan - 31 Dec

OTHER POSITIONS/OCCUPATIONS OF MEMBERS OF THE COUNCIL OF RIGHTS OWNERS

Davo van Peursen	Paid	Managing Director and Director/Major Shareholder of Donemus Publishing BV	1 Jan - 31 Dec
		Director of NMUV/VMN	1 Jan - 31 Dec
		Lecturer of Enterprise at Amsterdam Academy of Music	1 Jan - 31 Dec
	Unpaid	Chairman of Schuldhulpmaatje Rijswijk	1 Jan - 31 Dec
		Board secretary at Stichting Donemus Beheer	1 Jan - 31 Dec
		Chairman of Johann A. Alsbach Stichting	1 Jan - 31 Dec
Jitze de Raaff	Paid	Owner of CTM Entertainment	1 Jan - 31 Dec
	Unpaid	Board member of Nederlandse Muziek Uitgevers Vereniging (NMUV)	1 Jan - 31 Dec
		Bookkeeper of Jaap ter Haar	1 Jan - 31 Dec
Aafke Romeijn	Paid	Musician / Composer / Producer	1 Jan - 31 Dec
		Writer and journalist	1 Jan - 31 Dec
		Board member of BAM! Popauteurs	1 Jan - 31 Dec
		Representative of ECSA (European Composers & Songwriters Alliance)	1 Jan - 31 Dec
	Unpaid	Commercial leader at Stichting Babi Pangang Producties	1 Jan - 31 Dec
Martijn Schimmer	Paid	Director / owner of TFS Media Group	1 Jan - 31 Dec
		Director / owner of Schimmer Music Productions	1 Jan - 31 Dec
		Partner / owner of Scripted Music B.V.	1 Jan - 31 Dec
		Director / owner of Talents for Brands B.V.	1 Jan - 31 Dec
		Director / owner of Track Media Music Publishing	1 Jan - 31 Dec
		Director / owner of SMP Copyrights BV	1 Jan - 31 Dec
		Director / owner of Xusic BV	1 Jan - 31 Dec
		Partner / owner of Online Cookie Collective BV	1 Jan - 31 Dec
Koen Vergouwen	Paid	Tierolff Muziekcentrale BV	1 Jan - 31 Dec
	Unpaid	Board member of VMN	1 Jan - 31 Dec
Johan van der Voet	Paid	Composer / Songwriter / Producer	1 Jan - 31 Dec
		Director / owner of SOUNDGRAM Music & Audio Post Production	1 Jan - 31 Dec
		Director / Owner of Studio Soundgram & Soundgram Publishing	1 Jan - 31 Dec
		Guest lecturer at various universities of applied sciences	1 Jan - 31 Dec
		Director / Owner of AV Sound Education	1 Jan - 31 Dec
Rita Zipora Verbrugge	Paid	Performing musician & songwriter	1 Jan - 31 Dec
		Moderator / presenter of music events	1 Jan - 31 Dec
		Board member of BAM!Popauteurs	1 Jan - 31 Dec
		Lecturer / mentor at Pop Department Amsterdam Academy of Music	1 Jan - 31 Dec
	Unpaid	Affiliate of Popcoalitie	1 Jan - 31 Dec
		Member of Music committee of Amsterdam Arts Council\ (expense allowance)	1 Jan - 31 Dec
		Monitoring Committee of Council for Culture (expense allowance)	1 Jan - 31 Dec

All members of the Council of Rights Owners of Stichting Stemra are/were also members of the Council of Rights Owners of Vereniging Buma.

OTHER POSITIONS/OCCUPATIONS OF MEMBERS OF THE MANAGEMENT BOARD

Bernard Kobes	Paid	Board member and Vice-chairman of VOI@E	1 Jan - 31 Dec
		Board member of Stichting SCAN	1 Jan - 31 Dec
		Board member of Stichting Buma/Stemra Projecten	1 Jan - 31 Dec
		Board member of Stichting Beheer Rechten Fingerprint Database	1 Jan - 31 Dec
		Owner of Kobes Beheer B.V.	1 Jan - 31 Dec
Marleen Kloppers	Paid	Board member of Vereniging VOI@E	1 Jan - 31 Dec
		Board member of Stichting SCAN	1 Jan - 31 Dec
		Board member of Stichting Buma/Stemra Projecten	1 Jan - 31 Dec
		Board member of Stichting Beheer Rechten Fingerprint Database	1 Jan - 31 Dec
		Member of the Supervisory Board and chairman of the Finance Committee and Information provision Rijndam Revalidatie	1 Jan - 31 Dec
		Owner of Hotel Oudegracht	1 Jan - 31 Dec

All members of the Board of Stichting Stemra must also be a member of the Board of Vereniging Buma.

PUBLICATION

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STICHTING STEMRA

DRAFT, DESIGN & REALISATION

MERKELIJKHEID BV

