

buma  where the music is



Annual report

# Vereniging Buma

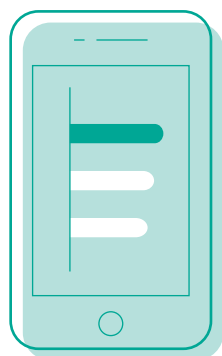
2024

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# Key figures of Buma

## Fees collected Buma (x € 1,000)



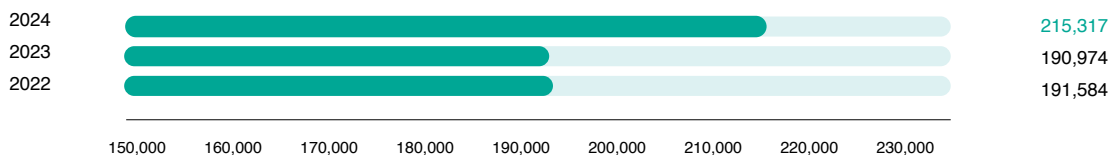
259,120 | 2024  
235,343 | 2023  
218,669 | 2022

## Number of FTEs

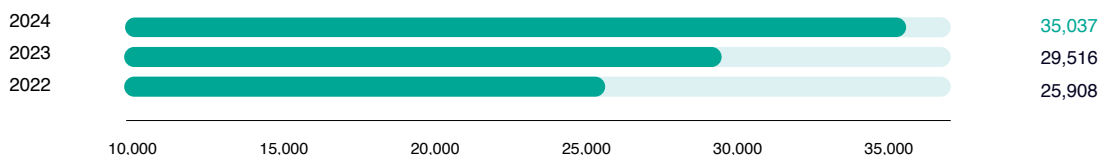


154.3 | 2024  
139.7 | 2023  
123.6 | 2022

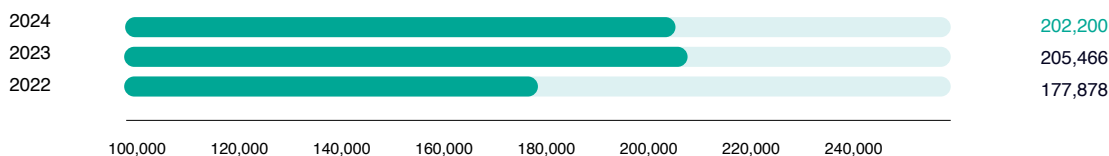
## Copyright royalties to be distributed (x € 1,000)



## Management costs (x € 1,000)



## Distributions (x € 1,000)



## Key figures (x € 1,000)

	2024	2023	2022	2021	2020	2019
<b>Copyright royalties received/receivable</b>						
Radio, TV and Network Providers	75,938	76,372	74,650	72,663	67,854	71,175
Live Performances	49,008	47,271	35,698	6,423	16,045	35,179
Restaurants and Bars	16,894	15,907	13,415	7,780	9,057	15,190
Workspaces	26,195	24,653	19,960	16,449	17,265	17,209
Shops and Stores	14,321	13,848	13,237	11,521	12,159	13,450
Online	53,983	39,867	42,762	36,050	29,856	18,964
<b>Music use in the Netherlands</b>	<b>236,339</b>	<b>217,918</b>	<b>199,722</b>	<b>150,886</b>	<b>152,236</b>	<b>171,166</b>
<b>Music use abroad</b>	<b>22,781</b>	<b>17,425</b>	<b>18,947</b>	<b>13,603</b>	<b>15,235</b>	<b>16,367</b>
<b>Total</b>	<b>259,120</b>	<b>235,343</b>	<b>218,669</b>	<b>164,489</b>	<b>167,471</b>	<b>187,533</b>
<b>Distributions</b>						
Rights owners	124,215	133,801	108,399	87,489	95,513	95,270
CMOs Abroad	65,720	59,848	58,853	52,116	57,468	55,025
Addition to Fund for Social and Cultural Purposes	12,265	11,817	10,626	7,949	8,593	10,863
<b>Total</b>	<b>202,200</b>	<b>205,466</b>	<b>177,878</b>	<b>147,554</b>	<b>161,574</b>	<b>161,158</b>
<b>Copyright royalties to be distributed</b>						
Copyright royalties to be distributed at end of financial year	215,317	190,974	191,584	178,022	187,279	201,121
<b>Fund for Social and Cultural Purposes</b>						
Disbursements in financial year	11,778	12,680	10,316	7,988	9,198	11,530
Funds available at end of financial year	1,089	1,191	2,654	3,458	3,497	4,102
<b>Operating statement</b>						
Administration fee on collection financial year	32,577	30,487	27,229	20,763	14,938	14,695
Administration fee on distribution financial year	-	-	-	-	4,801	4,390
Administration fee on gross copyright royalties to be distributed at the end of 2020 (once due to change in methodology)	-	-	-	5,430	-	-
Other income	1,358	1,434	1,141	1,085	1,033	963
<b>Total income</b>	<b>33,935</b>	<b>31,921</b>	<b>28,370</b>	<b>27,278</b>	<b>20,772</b>	<b>20,048</b>
Management costs	-35,037	-29,516	-25,908	-23,156	-22,698	-21,769
<b>Total expenses</b>	<b>-35,037</b>	<b>-29,516</b>	<b>-25,908</b>	<b>-23,156</b>	<b>-22,698</b>	<b>-21,769</b>
<b>Balance of financial income and expenses</b>	<b>-1,102</b>	<b>2,405</b>	<b>2,462</b>	<b>4,122</b>	<b>-1,926</b>	<b>-1,721</b>
<b>Financial income and expenses</b>	<b>13,448</b>	<b>14,587</b>	<b>-27,089</b>	<b>6,596</b>	<b>8,655</b>	<b>15,401</b>
<b>Net cost-effectiveness*</b>	<b>12,346</b>	<b>16,992</b>	<b>-24,627</b>	<b>10,718</b>	<b>6,729</b>	<b>13,680</b>

\* Available for appropriated reserve up to and including 2020.

## Key figures

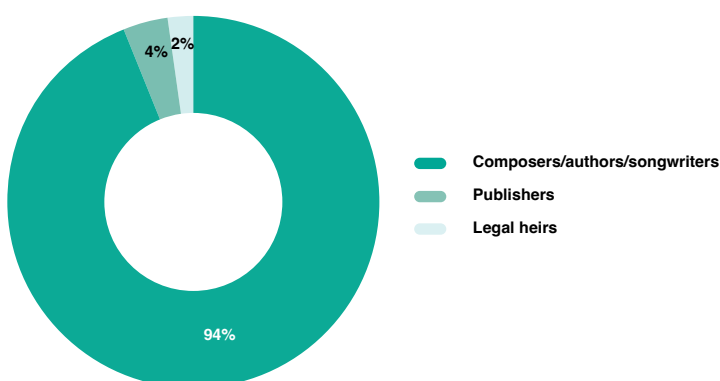
### Key figures

	2024	2023	2022	2021	2020	2019
Actual cost percentage withheld for Online streaming and download	9.0%	10.0%	10.0%	10.0%	15.0%	15.0%
Actual cost percentage withheld for Abroad	4.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Actual cost percentage withheld for Foreign Network Providers	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Actual cost percentage withheld for Other categories	14.5%	14.8%	14.0%	14.0%	12.2%	9.7%
Average actual percentage withheld (administration fees as a percentage of fees collected)	12.6%	13.0%	12.5%	12.6%	11.8%	10.2%
Management costs (gross) as a percentage of total royalties received/receivable	13.5%	12.5%	11.8%	14.1%	13.6%	11.6%
Annual movement in operating costs	18.7%	13.9%	11.9%	2.0%	4.3%	-16.0%
Derived consumer price index	3.3%	3.8%	10.0%	2.7%	1.3%	2.6%
Number of members and participants	43,079	40,285	37,846	36,105	33,255	31,237
Number of invoiced users	93,978	90,867	93,769	93,756	100,738	106,580
Number of employees in FTE*	154.3	139.7	123.6	121.1	123.7	122.3

\* The employees also work on behalf of Stemra

### Participants 2024\*

Composers/authors/songwriters	40,289
Publishers	1,767
Legal heirs	1,023
<b>Total</b>	<b>43,079</b>



#### Live performances

81,000 performances were licensed.

#### Shops and Stores, Restaurants and Bars and Workspaces

151,000 locations were licensed.

#### Online

682 licences were concluded.  
Distributions were made on 229 billion streams.

#### RTV

In total, 298 licences were concluded.  
Distributions were made on 2.5 billion seconds.

\* This concerns the number of participants during 2024. As from 31 December 2024, the number of participants is approximately 35,000. This is lower due to the elimination of so-called 'dormant members' who did not respond to requests from BumaStemra to provide data for the Tax and Customs Administration.





# Directors' Report

# 1. Directors' Report

## 1.1. Explanation from the Management Board

### Introduction

Vereniging Buma is the organisation of and for all musicians and publishers in the Netherlands. In 2024, we exploited the copyrights for more than 43,000 musicians affiliated with us. We also grant appropriate licences for music use and support the collective ambitions of our members and participants. As a collective management organisation, the members and participants are our *raison d'être*: since its founding in 1913 (one year after the introduction of the Copyright Act), Buma has ensured that those who listen to and enjoy music pay fair compensation to the creator.

### Results

In 2024, as in the previous year, we collected a record amount in copyright royalties. This was mainly driven by the enormous growth we achieved in the field of online music use. Our focus on better deals with the major streaming platforms and the launch of our Salt Royalties platform (see the 'Technology & Innovation' section) have been instrumental in this higher collection for our members and participants. In addition, we noticed that the repertoire of our members and participants enjoyed much popularity. This growth, combined with once again strong results in the categories of radio and TV, live performances and corporate music use, led to a record amount of € 259.1 million in collected fees. In 2023, this was still € 235.3 million, thus representing an increase of 10%.

After a record distribution (payment of fees) in 2023, this remained virtually the same in 2024 (-0.2%), amounting to € 202.2 million. The higher collection has not yet led to a higher distribution. This is partly because the improved contracts with Digital Service Providers (DSPs) have not yet been onboarded into our new system. In addition, we are increasing the quality of distributions for non-scripted content on VOD platforms, but this is labour-intensive and therefore takes more time. It is our absolute priority to pay out the associated collection in 2025. Costs increased from € 29.5 million to € 35.0 million due to staff expansion, wage indexation (6.4%) and (IT) service fees. These fees are higher due to the launch of additional business line functionalities and due to the increased collection: the SaaS fee that we pay for these IT services is collection dependent. However, costs remained below the budgeted € 36.5 million.

In 2024, the number of FTEs increased from 139.7 FTEs to 154.3 FTEs. This is partly caused by autonomous growth: higher collection (DSP contracts concluded) and associated distribution activities. In addition, copyright activities have been 'insourced'. We outsourced the determination of copyrights per song played to ICE until 2024, but we will be doing this ourselves from 2025 onwards. The team that will be carrying this out was set up in 2024. In 2023 and 2024, we (largely) developed the system that supports us in this, Salt Rights, with software builder Salt.

In 2024, the cost ratio (costs divided by collection) was lower than budgeted due to lower costs than budgeted and higher collection and remained well below the 15% that we use as a maximum for ourselves. Compared to 2023, Buma's cost ratio increased by 1.0 percentage point to 13.5%. The cost retention percentages (the portion of the collection that we charge members and participants for our services) remained the same or were less compared to 2023.

The investment return (see next section) is higher than budgeted due to both favourable stock market and interest rate developments; this translates into a higher value of the investment portfolio.

The favourable operating result of € 12.3 million will be added to the provision for temporary differences in cost-effectiveness, which thus exceeds the bandwidth.

The board proposes to the GMM to pay out an amount from the provision in 2025.

### Investments

The investment result for 2024 was € 13.6 million positive, which is more or less comparable to 2023, when this amounted to € 14.6 million. The investment result has therefore made a positive contribution to the operating result. Despite the necessary uncertainties on the political and economic front, the stock markets performed very well both in the Netherlands and internationally and, like in 2023, interest rates continued to be relatively high (above 2%) in 2024. Fears of strong

inflation remained, but this had less impact on investment results.

Thanks to the investment results, we can compensate for the monetary depreciation in the period in which we have already received the licence fees, but not yet paid to the rights. The investment income also covers part of the administration costs, which means that the cost deductions are lower than they would have been without investing.

Sensible and responsible investing is in line with our objective of creating returns for our members and participants in order to maintain the value of the royalties collected and to cover part of the management costs. Buma continuously manages cash and cash equivalents (cash in hand) that can only be distributed to the rights owners at a later time, because it takes time to determine whom the royalties are intended for. The collected royalties can be held in a savings account or a money market fund, but over the long term, investing is necessary to achieve the return necessary to maintain the value of the collected royalties. Even savings are not without risk, because savings interest rates can become negative and savings balances are only guaranteed up to € 100,000 per bank. By opting for a 'defensive' investment profile, we find the risks associated with investing funds acceptable. Our equity portfolio is 50% green (Paris-aligned/ESG advanced profile). The remaining 50% of the equity portfolio has an ESG starter profile. Fixed income securities have an ESG advanced profile for 70%. In summary, this means that approximately 60% of the total portfolio has an ESG advanced profile. During the General Members' Meeting, the topic of investing was discussed extensively, more about which can be found in the Governance section. Due to positive investment returns in 2023 and 2024 in particular, the buffer that absorbs fluctuations in cost-effectiveness results will exceed the upper limit at the end of 2024.

As stipulated in the distribution rules, the Management Board will submit a proposal to the GMM in 2025 on how we can distribute this surplus to Buma participants.

### Dutch music abroad

At the beginning of 2025, Buma Cultuur announced that the export value of Dutch pop music increased (as it did in 2022 and 2023) to an amount of more than € 220 million: an increase of 11%. The previous record year of 2018, representing an export value of € 216.5 million, was surpassed. To put that figure into perspective, when the export value was examined for the first time in 2004, it was set at € 31.6 million. It's fair to say therefore that the Dutch music sector has undergone enormous development since.

### Abroad and Online – our key growth markets

Collections have grown mainly due to live performances abroad and the growth of Online.

In 2024, the number of live performances by Dutch artists increased significantly. Dutch acts are increasingly appearing as live performances, especially in the United States, Spain, the United Kingdom and Germany. Yet interest in Dutch artists is also growing in Asia and in South and Central America. Ranging from vibrant festivals in Brazil and Argentina to intimate clubs in Mexico and Colombia - Dutch artists draw full houses and enchant audiences with their unique sound. Big names and emerging talents impress with dynamic performances, groundbreaking productions and unforgettable shows. Stadiums, festivals, concert halls and clubs are increasingly welcoming Dutch artists, thereby contributing to the worldwide recognition of the Dutch music scene. Partly as a result thereof, collections Abroad increased by 31%, from € 17.4 million to € 22.8 million. Online continued to grow in all core segments as well. Buma collects directly for its composers and authors in all countries worldwide where this is possible for online music use on streaming services such as Spotify, Deezer and Apple Music. This is also the case with User Generated Content platforms such as YouTube, TikTok, Meta and Snapchat. Collections for Online increased by 35% from € 39.9 million to € 54.0 million as music services increased their consumer prices, User Generated Content Platforms grew and Buma was able to conclude new agreements on better commercial terms and for more countries. The Video-On-Demand market too continues to do well in the Netherlands, driven by price increases for services such as Netflix and new agreements with parties such as HBO and Viaplay.

## Strategy – revision in 2024

We talk of 'disruptive innovation' when a new technology completely changes a market. This is exactly what happened in the music industry, where the digitalisation of music – the online offering of music by providers of music and Video On Demand (VOD) – has created many opportunities and possibilities, but which has also put pressure on revenue models. Thanks to this new technology, music use is no longer geographically bound, creating space for other service providers in addition to CMOs for services related to licensing and payments to rights owners. Competition from both other CMOs and new parties is therefore increasing rapidly and in all kinds of areas. Cutbacks in culture are also looming. 'Generative AI' has adventurous and positive aspects, but it could just as easily pose a threat to the position of many musicians. Buma is actively working on the opportunities and threats of AI, see the separate section on this topic. The fact that our collection continues to grow each year is great, but it should be noted that a significant portion of our distribution is paid out to foreign rights owners and CMOs. In addition, costs are rising, partly due to the high inflation of recent years. The fact that only a small proportion of rights owners represent the large majority of collection and distribution, and thus bear the vast majority of costs, makes us vulnerable. All rights owners have an interest in ensuring that costs can be apportioned over as much collection and distribution as possible, for as many rights owners as possible. Economies of scale, retention (fully or partially retaining copyrights on music) and further growth of repertoire and licences therefore remain necessary for a future-proof Buma, but we want to shape that growth in a more targeted manner.

In 2024, the strategy was updated. The new strategy is now called Collect, Connect & Collaborate and consists of two phases:

- || Phase 1 (Collect and Connect) runs from 2025 to the end of 2027. During these three years, the focus within Buma will be on operational excellence and service excellence.
- || Phase 2 (Collaborate) runs until the end of 2030. In these years, the focus within Buma will increasingly be on collaboration and expanding that collaboration with other Collective Management Organisations (CMOs) and other parties in the chain.

In Phase 1 we focus on further strengthening the core business and targeted growth. This growth will be the result of a well-oiled organisation (operational excellence) and an optimal customer experience (service excellence). Service excellence is based on the systematic analysis and improvement of service provision and customer experience. Incorporating customer feedback into operational processes and monitoring those processes is essential in this. By digitalising work processes and interaction with our music users and rights owners, we improve our services and can better serve more members and participants. This way, we expect to maintain or grow our repertoire and collection and we also expect to be able to increase the collection and distribution per rights owner.

For Phase 2, we focus on becoming more competitive by finding and exploiting new collection opportunities in Europe and beyond.

Quality improvements in the Online, International and Members categories should form the basis for new opportunities, so that we remain cost-efficient and thus maintain our role in this increasingly competitive world. In Phase 2, we are ready to also enter into commercial partnerships, in which Buma offers services to third parties (including other CMOs, investment companies and publishers) and to work more closely with other CMOs and/or other parties.

Collaborations in the chain and better use of data will ensure that rights owners and users are served even faster, more accurately and more transparently. Buma will investigate whether there is support for entering into national and international collaborations. Within these collaborations, the (operational) strengths of CMOs and/or other parties could be bundled, allowing for better agreements to be negotiated with music users. In 2024, exploratory discussions on this matter were held with several CMOs.

## Technology & Innovation

In 2024, as in the previous year, parts of the new IT system were put into use. The further roll-out of the Salt Royalties platform will enable Buma to collect copyright royalties increasingly effectively and efficiently. The process becomes more transparent and flexible, at lower costs. Salt Royalties was developed in collaboration with music rights and royalty management platform Salt. Thanks to world-class technology, the distribution process becomes more efficient and transparent for our members and participants. In 2023, the first two components went live: Online (streaming of music) and international collection and payment (issuing of licences and the collection and distribution of foreign Collective Management Organisations). In December 2024, two new components followed: RTV and Video On Demand. This means that Buma can also process music use for these components using a state-of-the-art platform.

In addition, we have made it possible to process comments on distributions related to Online (streaming of music) and International music use (via foreign Collective Management Organisations).

Compared to 2023, the number of Online claims and Copyright claims decreased by 42% and 29% respectively, which can be partly explained by the introduction of Salt Royalties.

Another development in 2024 was that we were able to add new Digital Service Providers (including streaming video providers) and other CMOs to our automated online processing, resulting in more income / revenues being generated for our rights owners.

In 2023, ICE, our then-copyright services provider, terminated its services. In 2024, after extensive research, it was decided to develop an alternative copyright system to guarantee the continuity of our services. This alternative, called Salt Rights, was built in collaboration with Salt and the first version will be operational in the first quarter of 2025. As a result, distribution in the first half of 2025 may not yet be based on the most up-to-date copyright information; this will then be corrected in the following months. On 1 January 2025, Buma sold this jointly developed software to Salt at cost price and subsequently purchased it as a service in exchange for payment of monthly licence fees. We call this a SaaS, Software as a Service, solution. With the launch of Salt Rights, our collaboration with ICE ends.

This step was taken in close consultation and contributes to the future-proofing of our services and the successful implementation of our strategy. Buma chooses its own path.

In 2024, further investments were made in MyBumaStemra, partly to remain in step with the Salt Royalties platform, but also to develop additional services for our members and participants. Through the MBS portal, the user can see where his music (and similar music) is popular thanks to insight into play data and usage data. This can help in the promotion and tour planning, for example. Every year new features are introduced.

## AI

In 2024, the topic of artificial intelligence, or AI, was high on all agendas, including in the music industry. Buma sees AI as an opportunity and a threat. Opportunities include the improvement of business processes, such as customer service. On a creative front, AI can further democratise the possibilities of making and distributing music. Challenging or even threatening is the lack of legal frameworks for copyright on music created by AI based on existing material. Buma has set up a working group that is investigating the possibilities (and impossibilities) of using AI in both composing music and issuing licences for the use of that music. On 2 December 2024, Buma, Stemra, NVPI Muziek and Sena organised the 'AI and the Music Industry' conference in the Muziekgebouw concert hall at 't IJ in Amsterdam, which was very well attended and enthusiastically received. A month and a half earlier, the Supervisory Board, the Council of Rights Owners, the Works Council and the Management Board of Buma met to discuss the following: How can Buma use developments in AI to create value for its members and participants, now and in the future?

Buma's principles with regard to AI are:

- || We are working on a sustainable balance between the rights of creators and publishers and the ambitions of players in the AI industry.
- || It is essential that creators and publishers, or their representatives, can determine where and how their works may be used for AI training purposes.



- There must be complete transparency about the music used and the money made from it.
- Creators and authors/songwriters deserve fair compensation for all uses of their work (not just for training purposes).

We will further shape and give substance to this in 2025.

## Organisation: culture programme, leadership and vitality

The cultural programme launched in 2023 was completed in early 2024. Much energy has been put into the substantive revision of the Strategy. In 2025, its implementation will be translated, among other things, into shaping a further leadership programme with regard to our critical success factors.

The sickness absence rate has remained within the standard set for 2024, but at 5.9% we still consider this to be on the high side. To keep employees vital and employable, the theme of vitality is high on the agenda. For example, Buma participates in the National Vitality Week twice a year, which draws attention to the physical and mental health of employees. In 2024, employees were offered a PME (Periodic Medical Examination), which a significant number of employees signed up for.

With the aim of promoting healthy travel, Buma, in addition to its regular bicycle scheme, offers a so-called Lease-a-Bike scheme, under which scheme employees can lease an (electric) bicycle on favourable terms that they can also use privately. In addition to the options already offered, additional options will be offered in the mobility policy for 2025. For example, from 2025 onwards, a kilometre allowance for commuting or business travel by bicycle will be made available that is more than twice as high as the allowance for travel by car.

## Job market

Filling vacancies remains difficult in some cases. In 2024, Buma was an average of 10 FTE below its personnel budget. We can only be an agile organisation and beat the competition if we succeed in attracting and retaining the right people with the right competencies. In some cases, support is provided by a recruitment and selection agency. In addition, Buma employees are important ambassadors and regularly introduce candidates for vacancies. To appreciate this, we introduced a referral fee, where employees receive a bonus when a candidate they referred is recruited. In 2024, a total of 8 employees were awarded a referral bonus.

## Sustainability, diversity, safety and inclusion

Buma is an organisation that lives for music. Music keeps societies together and makes life fun. We believe it is logical that we operate increasingly sustainably, as well as take responsibility for themes that are relevant and important to society. Diversity and inclusion are topics that we explicitly include in our strategic choices. These choices are linked to the Sustainable Development Goals (SDGs) of the United Nations. One of the 17 SDGs is responsible consumption and production; for Buma, this means that we encourage the use of green energy and hybrid generators at live events. SDG 5 is gender equality, which our efforts are aimed at ensuring that our workforce is diverse in composition. There is still much to be gained in the distribution between the number of men and women who are members of Buma: only 16% are women. With our Rise Up! programme we work to strengthen the position of women in the music sector through network meetings and a podcast.

SDG 7 is affordable and sustainable energy: employees are encouraged to come to work by public transport or by bicycle.

SDG 10 is reducing inequality. This includes safety in the workplace. This is a goal that Buma has been committed to for some time now and has set up a special working group for this purpose with other parties from the music sector:

Task Force GO! During Eurosonic Noorderslag in Groningen on 19 January 2024, Taskforce GO!, under the leadership of Buma's Marketing and Communications Manager, launched a national campaign aimed at music professionals: 'I set the tone' ([www.ikzetdetoon.nl](http://www.ikzetdetoon.nl)). Several ambassadors from the music sector did this by speaking out in favour of a safe and inclusive music sector.

Our ambition in the field of sustainability extends beyond the steps we have taken so far. However, we must make choices in our steps to realise the strategy.

Wherever possible, we will incorporate sustainability into our policies, plans and actions.

## Risks

Buma is a Collective Management Organisation. In light of the fact that Buma manages rights owners' money, a moderate risk profile is appropriate. Buma translates this moderate risk profile into three core domains: Finance, IT and Legal Affairs. In line with the core values and vision on the topic of Risk & Compliance, Buma has opted for a moderate risk profile. We are fully committed to further strengthening Risk & Compliance and are therefore pleased to announce that we were able to permanently fulfil the position of Manager Risk & Compliance in June 2024. We furthermore refer to the Risk Management section in this annual report for an explanation of Buma's objective and core activities, including the associated risks and the management of those risks.

## Governance

The Governance chapter, which deals with the management of Buma and its supervision, would not be complete without mentioning the sad passing of Bernard Kobes on 20 January 2025. Bernard had been CEO and chair of the Management Board of Buma since the end of 2019. On 8 January of this year, he was appointed Knight in the Order of Orange-Nassau, a recognition he dedicated to all the people behind the scenes in both the television and music industries. We are grateful for the person Bernard was, for the work he did, for his collegiality and for his great commitment to the music and the members and participants of Buma. Bernard had been ill since the summer of 2023. The continuity of Buma and its members and participants was guaranteed by the presence of interim CEO Marcel Gelauff. A new permanent CEO is currently being sourced.

Since Marleen Kloppers will be leaving as CFO on 1 June 2025, a new second board member will be appointed as well. Buma aims for a distribution of seats on the Management Board and Supervisory Board in which at least 30% are women and at least 30% are men. We achieved this target ratio for 2024. We will also take this into account when filling future vacancies.

The Management Board would like to thank the Supervisory Board, the Council of Rights Owners and the Works Council for their collaboration and trust. In 2024, Alexander Beets and Ruud Hopstaken retired from the Supervisory Board. The Management Board would like to thank Alexander and Ruud for their efforts within the Supervisory Board. Meindert van Duijvenbode and Jitze de Raaff joined the Supervisory Board as new members in 2024. On 3 February 2025, Wiboud Burkens joined the Supervisory Board on an interim basis. He will be formally nominated for appointment to the Supervisory Board during the GMM on 14 May 2025. Jitze de Raaff left the Council of Rights Owners in 2024, with Brian Dessaur joining as a new member.

The collaboration between Buma and the Dutch Copyright Supervisory Board (CvTA), the regulatory authority for Collective Management Organisations (CMOs), has been positive. In the annual meeting between the Management Board and the CvTA, the 'preventive supervision' of Buma and other CMOs was discussed. An evaluation showed that both the CMOs and the CvTA are not happy with the long lead times of so-called approval requests.

Changes in that process, which Buma has urged for together with V@ICE (the industry organisation of the CMOs), are expected to help Buma become a more agile organisation, better aligning with what is internationally customary and necessary.

Stichting BREIN investigates and combats large-scale infringements and abuse of copyright on music, films, series, books, writings, images and games. Tim Kuik has been the director and figurehead of BREIN for twenty-five years, but he is now retiring. Tim has made a tremendous contribution to the music world. The Management Board is very much indebted to him.

Buma Cultuur supports and promotes Dutch music copyright both in the Netherlands and in the most important export markets for Dutch music.

Discussions were held with them about how the activities of Buma Cultuur can support Buma's new strategy (see the Strategy section), also with a view to international competition. From that same perspective, the Management Board looks at the contributions to the Fund for Social and Cultural Purposes (the SoCu Fund) and how they can have a positive influence on Buma's strategy. SCAN is

the Service Centre for Copyright and Neighbouring Rights. SCAN arranges music licensing and invoicing for a number of sectors in the industry. Discussions were held with SCAN about a new positioning and increased visibility. It should be made clearer to the outside world that SCAN is a partnership between Buma and Sena (Stichting ter Exploitatie van Naburige rechten). A new website and a simpler licensing process better meet the needs of music users.

During the General Members' Meeting (GMM) on 15 May 2024, liquidity management was an important topic. The members voted overwhelmingly in favour of investing as a good approach to Buma's liquidity management. The way in which we use financial buffers (the buffer methodology) was also confirmed.

A second important topic was of course AI, because there is a risk that music generated by AI will substantially affect the income of rights owners. That in turn could also put pressure on Buma's core task. At the same time, it's clear that AI is increasingly being used in the creation of music, thus offering more people the opportunity to make music.

During the members' meeting, a motion called for the creation of a separate legal entity to regulate copyrights on music created by AI through licences. Buma thoroughly investigated this possibility and has come to the conclusion that it would be costly and not provide sufficient added value given the enormous challenges we would face.

In line with the idea behind the motion, Buma did set up the AI Taskforce. The Taskforce has ensured an integrated approach to this topic. By closely coordinating lobbying, licensing and legal activities, we influence regulation in Europe and increase pressure on infringing parties. This joint pressure has led to negotiations now being initiated with the aim of concluding licences. This stipulates that use must be paid for according to the economic value and that a rights owner must be able to say 'no' to the use of his or her works. We have also made sure that members who have created works partly with AI can submit the part that was created with their own creativity. This makes BumaStemra a pioneer in the field of AI: sister organisations regularly ask us for advice on how to deal with this topic.

Other topics included: the adoption of the financial statements, reappointment of our accountant, extension of the mandate of the Council of Rights Owners, amendments to the Articles of Association and rules, and the elections. The two most important changes regarding the Articles of Association and rules were that foreign capital companies can now also join Buma and that the entrance fees as a whole and the annual contribution for the first year have been abolished.

## Fraud

Shortly before the scheduled GMM of 14 May, financial fraud was discovered and the board was subsequently forced to cancel the GMM, as the impact on the figures could not be fully and definitively determined in a timely manner. The fraud that was discovered involved (foreign) identity fraud, through which 'composers and authors' fraudulently attempted to become members of BumaStemra, as well as fraud with the registration of repertoire from other (foreign) rights owners. The Management Board, in collaboration with the Risk & Compliance Manager, further shaped the fraud investigation in close coordination with the auditor, the forensic specialist and a delegation from the Supervisory Board. The net impact of unjustified payments is €17k in 2024 and €43k in 2025. We have informed our sisters about this and where our rights owners are concerned, we have taken action. Several audits were immediately tightened, in particular those on the identity and bank details of foreign rights owners. Following the fraud investigation, we will implement further measures and improvements based on the identified risks and the recommendations of the Risk & Compliance Manager.

## Prospects and opportunities

By adjusting our strategy in 2024, we will be in an even better position to respond to the ongoing trends of digitalisation, internationalisation and increasing competition in 2025.

The further roll-out of the new IT environment makes it possible to collect and pay out faster and more accurately. And because we have increasingly larger amounts of data available, we can develop smarter additional services for our members and participants. In doing so, it is of great importance that our data is correct. To comply with tax legislation, the data in our membership database was cleaned up at the end of 2024. Nearly 7,500 participants who did not respond to requests from Buma to provide data to the Tax and Customs Administration were deregistered. A modern IT environment, a customer-oriented corporate culture, more attention to sustainability, inclusion and safety and a focus on collaboration and vitality ensure that Buma, a Collective Management Organisation with a rich history, is now ready for the future, even more so than before.

We do this in the realisation that there are all kinds of opportunities for Buma, but also that there is a lot of uncertainty in the cultural sector and in the music world. AI is therefore an opportunity, but certainly also a threat for our members and participants, on top of the threat of cutbacks and/or increased costs due to, for example, the current VAT discussion.

## Gratitude

We conclude with a sincere word of great appreciation to all Buma employees. Thank you for your tireless efforts and commitment!

For Buma and our rights owners, 2024 was an extra special year because, in addition to all the commitment and courage to further shape our innovation, we also succeeded in achieving a record collection. And that is a remarkable achievement.

Each day we witness the power of music to connect, inspire and transform. The value of music is undeniable and has the power to move people time and again. Buma is of service to this and we will undoubtedly continue to take new steps in this in the coming year.

Hoofddorp, 11 June 2025

The Management Board:

Marcel Gelauff, Acting Chief Executive Officer

Marleen Kloppers, Chief Financial Officer (resigned on 15 May 2025)

Remko de Jong, Acting Chief Financial Officer (appointed on 16 May 2025)

## 1.2 Financial results and risk management

### 1.2.1 Copyright royalties (to be) received

The copyright royalties were received from the following categories:

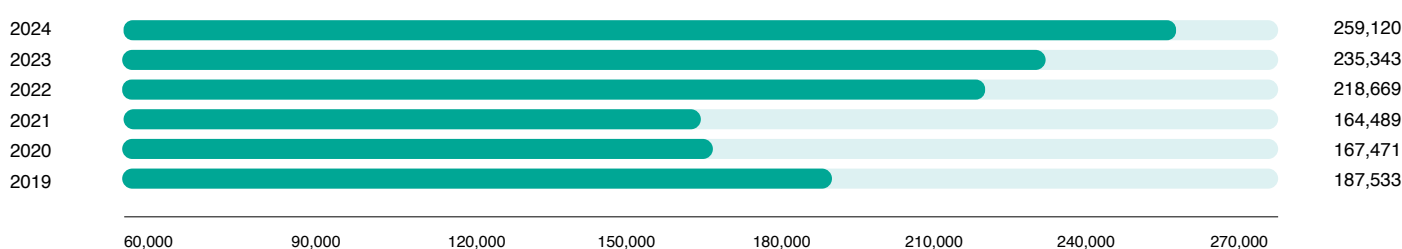
(x € 1,000)	2024	2023
Restaurants and Bars	16,894	15,907
Workspaces	26,195	24,653
Shops and Stores	14,321	13,848
<b>Total General Licences</b>	<b>57,410</b>	<b>54,408</b>
Radio, TV and Network Providers	75,938	76,372
Live Performances	49,008	47,271
Online	53,983	39,867
Abroad	22,781	17,425
<b>Total</b>	<b>259,120</b>	<b>235,343</b>

In its own (internal) reporting process, Buma uses a different distribution of licence groups into different collection categories. To align the various reports (internal and external), this distribution will also be presented in the financial statements from 2025 onwards. For comparison purposes, this distribution has already been included below for 2024. The textual explanation on the next page refers to the distribution above, which is the same as in previous years.

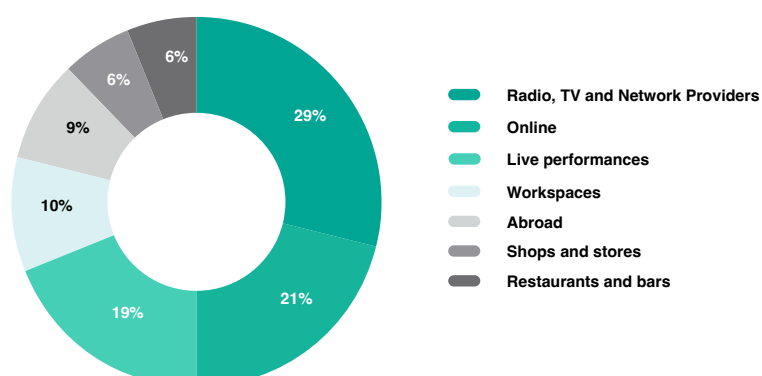
The internal categorisation of Buma's collection is as follows:

(x € 1,000)	2024
Radio & TV	75,938
Events	51,696
Business, Mechanical and Restaurants and Bars	54,722
Online	53,983
International	22,781
<b>Total</b>	<b>259,120</b>

#### Development of collection (x € 1,000)



#### Composition of collection



In 2024, Buma collected € 259.1 million. This means that collection has increased further compared to previous years. Compared to 2023, collection is € 23.8 million (+10.1%) higher. The increase in collection figures is greatest for Online (€ +14.1 million) and Abroad (€ +5.4 million). The segments Live Performances (€ +1.7 million), Workspaces (€ +1.5 million), Restaurants and Bars (€ +1.0 million) and Shop and Stores (€ +0.5 million) showed growth compared to the previous year as well. At Radio, TV and Network Providers (€ -0.4 million) the collection was lower than last year.

Collections in the Online market segment increased from € 39.9 million in 2023 to € 54.0 million in 2024. This is partly driven by the fact that we have contracted and/or connected more Digital Service Providers (DSPs) in our new IT environment in 2024, which means that more customers can be invoiced. In addition, the new IT environment can process more music use, including from older years. The share of the Online market segment in Buma's total collection rose from 17% in 2023 to 21% in 2024.

The collection from the Foreign market segment reached € 22.8 million in 2024. The large increase compared to 2023 (€ +5.4 million) largely relates to a temporary effect. In 2023, the process for determining collection was improved by making the determination of music use the leading factor. This temporarily resulted in lower collections in 2023, which was made up for in 2024. On average, over 2023 and 2024, collections from Abroad will be at a similar level to 2022. The Live Performances market segment saw an increase of € 1.7 million compared to last year. This is largely driven by an increase in the number of licensed performances and events, which increased from 73,000 in 2023 to 81,000 in 2024. Despite this increase, the Live Performances market share in Buma's total collection fell from 20% in 2023 to 19% in 2024, due to the large(r) increase in collection in the Online market segment.

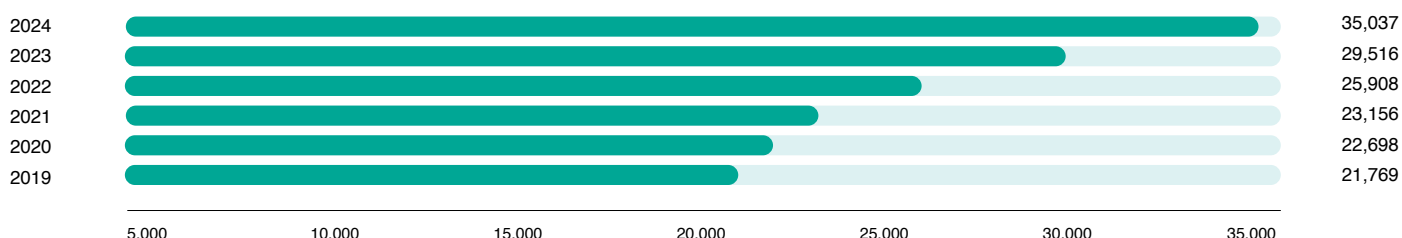
In 2024, general licences showed a further increase as well. Compared to 2023, collections for the categories of Workspaces, Restaurants and Bars and Shops and Stores increased by € 1.5 million, € 1.0 million and € 0.5 million respectively. In 2024, collections from Radio, TV and Network Providers fell by € 0.4 million (-0.6%) compared to 2023. At 29% in 2024, this still remains the market segment representing the largest share of Buma's total collections.

## 1.2.2 Management costs

Buma's expenses can be specified as follows:

(x1,000)	2024	2023
Personnel costs	17,342	14,472
Accommodation costs	931	830
Amortisation and depreciation	1,709	2,497
Other expenses	15,055	11,717
<b>Total Buma</b>	<b>35,037</b>	<b>29,516</b>

### Development of management costs (x € 1,000)





Buma's management costs increased by € 5.5 million in 2024 to € 35.0 million. This was € 1.5 million below budget.

General costs allocated to Buma increased by € 3.3 million, personnel costs by € 2.9 million. Accommodation costs increased by € 0.1 million, whereas amortisation and depreciation decreased by € 0.8 million.

The increase in other expenses of € 3.3 million is mainly due to increased costs for management, maintenance and licensing of the new IT environment. These costs are part of a SaaS (Software as a Service) construction with the developer of this new environment. These SaaS costs are higher than in previous years, due to the further launch of the new IT environment and the growth in collections. These SaaS costs are also used for (future) further development of the IT environment.

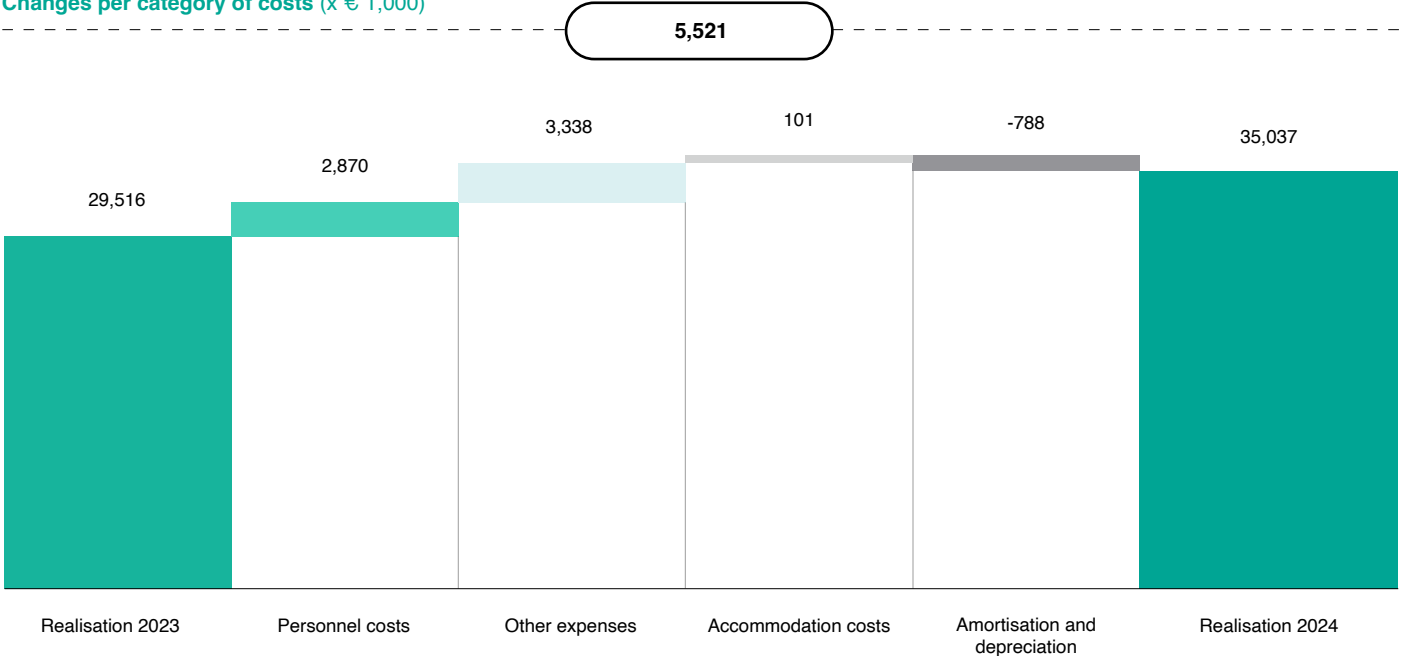
In 2024, the strategy was further implemented, for which an increase in personnel (FTE) was budgeted. The average number of internal FTEs at Buma increased from 139.7 FTE in 2023 to 154.3 FTE in 2024. The increase in personnel costs can therefore partly be attributed to the increase in the number of FTEs in 2024. The increase in personnel costs is in part caused by the growth in FTE in 2023 and the high compensation for inflation, resulting in greater wage development. In 2024, salaries, increased with social security costs, and pension costs increased by € 2.0 million.

Due to the shortage in the labour market, not all vacancies budgeted were filled with permanent employees, opting for temporary hired workers instead. As a result, the costs for hiring external personnel increased by € 0.5 million.

The € 0.1 million increase in accommodation costs is caused by indexation. Amortisation and depreciation decreased by € 0.8 million compared to 2023. This is mainly due to the reversal of the impairment that occurred in 2023, which related to the investment in the development of Salt Rights. In 2024, it became clear that Buma would actually start using this functionality and therefore the impairment was reversed. This had a cost-reducing effect in 2024.

The allocation key between Buma and Stemra was changed from 83%/17% to 84%/16% based on the cost apportionment model, which uses activity-based cost apportionment, among other things. Consequently, a further € 0.4 million in management costs was allocated to Buma in 2024 than would have been the case under the allocation key of previous years.

Changes per category of costs (x € 1,000)



### 1.2.3 Financial income and expenses

Since the 1990s, royalties that cannot yet be distributed to rights owners are invested. The aim is to compensate rights owners for later distribution of the royalties. By achieving a return in a responsible manner, administration costs to be deducted can be lower. This way, the return that is achieved ultimately benefits the rights owners. Our investment profile is risk-averse and thus our portfolio is characterised by a wide spread and a limited position in equities. Asset management was assigned to ABN AMRO MeesPierson (AAB) in 2019, changing our Asset Liability Management (ALM). ALM is a calculation model that links the desired return and the acceptable degree of risk. The Strategic Asset Allocation (SAA) determined upon transition is still in effect as at 31 December 2024. The SAA is the breakdown between different types of asset classes and determines the ratio between the anticipated return and the anticipated risk. The SAA can temporarily be deviated from as a result of market movements, after which the portfolio will be rebalanced if it moves outside the bandwidth mentioned below.

At year-end 2024, the fixed-income portfolio had a strategic weighting of 69.8%, comprising government bonds with a credit rating of AA or higher (14.7%), a fund investing in emerging market government bonds (9.9%), a corporate bond fund (34.9%) and a mortgage fund (10.3%).

The equity portfolio at year-end 2024 had a weighting of 20.2% and was invested in a globally diversified portfolio through two equity funds. Half of the equity portfolio is invested in a new sustainable fund that aims to track the benchmarks of the Paris climate agreement. In managing the full equity portfolio, the criteria for corporate social responsibility according to the United Nations Global Compact principles were taken into account. In 2024, the investment portfolio achieved a net profit of € 13.6 million. Both the return on equity investments (19.8%) and the return on fixed-income securities (4.7%) were positive. The positive investment result for 2024 is in line with the overall development on the investment markets. The investment portfolio largely consists of directly tradeable securities and/or funds and is mainly held in euros. Investments other than in euros are hedged in said currency.

The composition of investments can be presented as follows:

	Strategic Asset Allocation (SAA) 2024	Bandwidth
Cash and cash equivalents	10%	0% - 20%
Equities	20%	15% - 25%
Fixed-income securities	70%	65% - 75%

## 1.2.4 Effectiveness of management costs

Buma does not have a profit motive. The management costs of Buma are covered from five sources of income:

1. contributions and registration fees;
2. other income;
3. return on investments;
4. balance of other financial income and expenses;
5. withholding administration fee.

The table below shows the realised cost-effectiveness for 2024 compared to the budgeted adjustment to temporary differences in cost-effectiveness and compared to the realisation in the previous year. The regular cost-effectiveness in 2024 was € 11.3 million higher than budgeted. This was largely due to the positive investment result, which was € 9.2 million higher than budgeted. In addition, management costs are € 1.5 million lower compared to the budget, administration fees withheld are € 1.2 million higher and contributions, registration fees and other income are € 0.1 million higher. The balance of other (financial) income and expenses was € 0.7 million lower than budgeted. The higher administration fees can mainly be attributed to the fact that collection in 2024 was € 11.0 million higher than budgeted. The average withholding percentage for 2024 is 12.5% (budgeted: 12.7%).

The budget is based on the normative investment result. The system of normative investment result ensures an even contribution to the effectiveness of the management costs. However, the actual investment result fluctuates from year to year. In years with high investment income (higher than the normative return), we create a buffer that can be used in years with lower investment income (lower than the normative return).

Up to and including 2020, the difference between the actual investment result and the pre-determined normative investment result was added to or deducted from the appropriated reserve. With the new method from 2021, the difference between the actual investment result and the normative investment result is part of the cost average balance, which is added to or deducted from the provision for temporary differences in cost-effectiveness. The balance of cost-effectiveness in 2024, (€ 12.3 million) plus the provision available at the end of 2023, together form the € 49.3 million provision for temporary differences in cost-effectiveness at the end of 2024.

### Effectiveness of the management costs

(x € 1,000)

	Realisation 2024	Budgeted 2024	Realisation 2023
<b>Management costs</b>	<b>-35,037</b>	<b>-36,528</b>	<b>-29,516</b>
(1) Contributions and registration fees	1,239	1,129	1,155
(2) Other income	119	65	279
(3) Investment results	13,551	4,347	14,566
(4) Balance of other financial income and expenses	-103	600	21
(5) Administration fee withheld upon collection	32,577	31,401	30,487
<b>Regular effectiveness</b>	<b>47,383</b>	<b>37,542</b>	<b>46,509</b>
<b>Net cost-effectiveness</b>	<b>12,346</b>	<b>1,014</b>	<b>16,992</b>

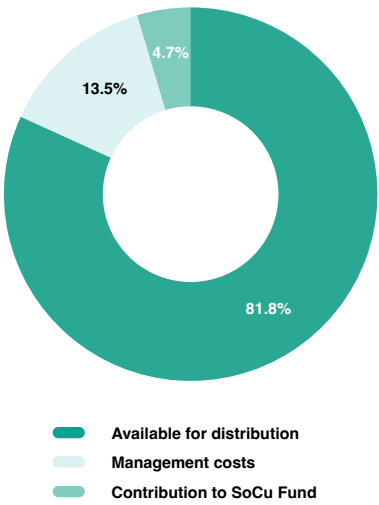
### 1.2.5 Use of collected copyright royalties

After deduction of costs to cover the management costs and the annual addition to the Fund for Social and Cultural Purposes (or 'SoCu Fund'), the collected copyright royalties are made available for distribution. The annual addition to the SoCu Fund concerns funds that are intended on the one hand to provide the rights owners with a social arrangement such as the old-age provision and on the other, to invest in the music sector in general. The latter concerns forms of education and the organisation of events. We make these investments because a thriving music world is of great importance to all rights owners, as well as to Buma itself.

Management costs compared to collection rose from 12.5% to 13.5% in comparison with the previous year. After deduction for the SoCu Fund, 81.8% was available for distribution by Buma in 2024.

#### Distribution of copyright royalties collected in 2024

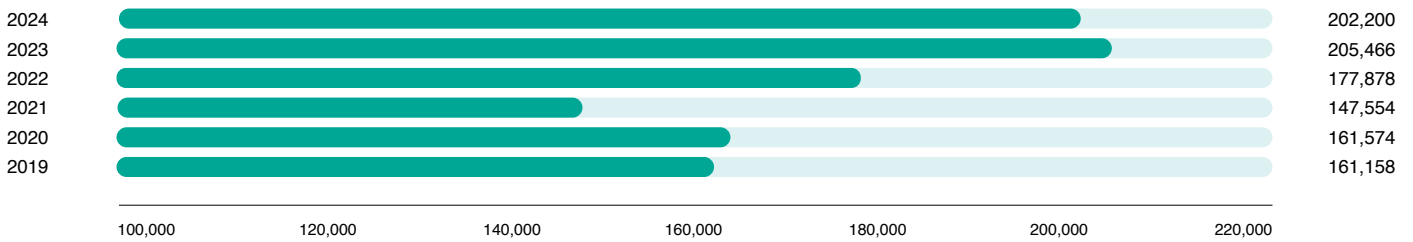
The graph below shows the distribution of the collected royalties.



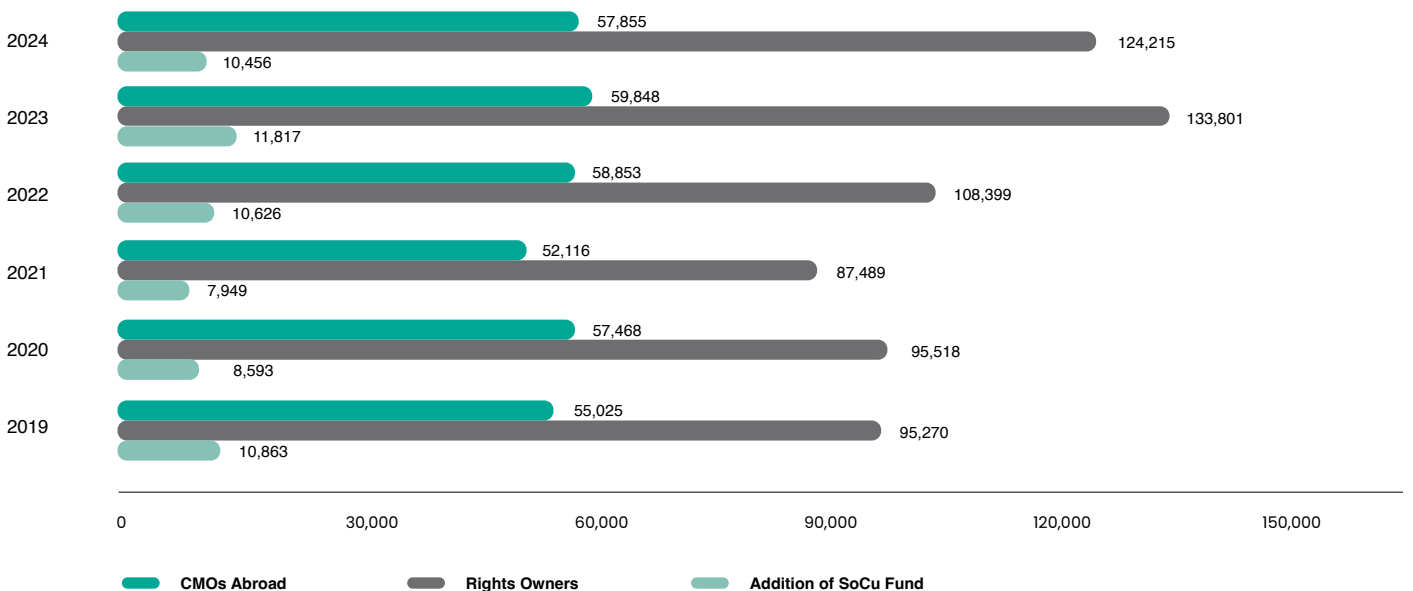
## 1.2.6 Distributions

In 2024, Buma distributed € 202.2 million to affiliated rights owners and organisations with which it has reciprocity contracts. This is € 3.3 million lower compared to last year. This decrease is largely caused by temporary effects in 2023, which was characterised by accelerated distributions of international royalties and additional distributions of undistributable royalties.

### Changes in distributions total (x € 1,000)



### Changes in distributions (x € 1,000)





## 1.2.7 Cost standard

Until 2020, the "Collective Management Organisations for Copyright and Neighbouring Rights (Supervision and Dispute Resolution) Act ('Supervision Act')" stipulated that the ratio between management costs and collection may not exceed 15%. Since Collective Management Organisations (CMOs) differ greatly in terms of cost structure, this implementation policy has now been changed to an individual cost standard per CMO. This standard is set by the CMO itself in the budget, which is approved by the supervisory body and by the body that represents the members and participants. When accounting for the results of any year, deviations from the individual standard are explained. Buma adheres to the

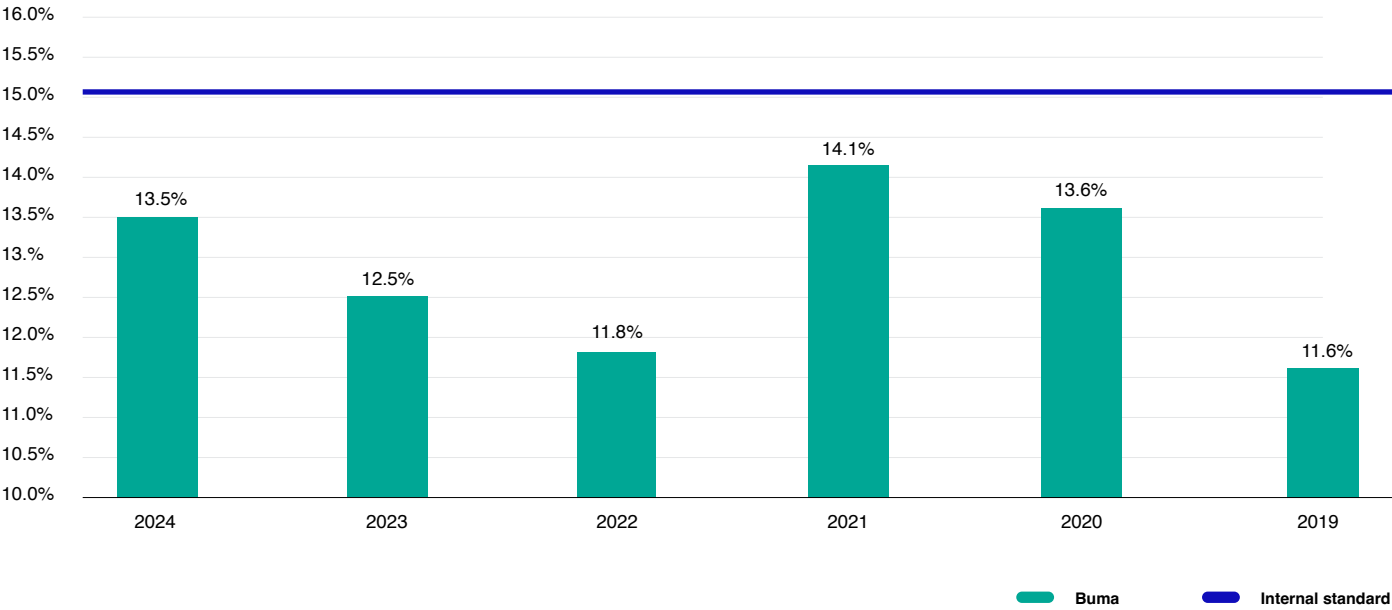
standard of a maximum of 15% between management costs and collection, even now that this is no longer a legal standard. In those cases where we deviate from this, we substantiate the deviation. Buma applies costs compared to collection as the only standard. Now that CMOs can determine their own cost standards, it has been decided to no longer set the costs to distribution ratio as the standard. This was opted for because of the influence that Buma can exert on distribution planning. Otherwise a set standard could be achieved by delaying distribution, which is not in line with our objective of paying out as quickly as possible.

### Cost percentages

(x € 1,000)

	2024	2023
Collection by Buma	259,120	235,343
Costs of Buma	35,037	29,516
Costs of Buma as % of the collection (gross)	13.5%	12.5%
Movement in costs of Buma compared to previous year	18.7%	13.9%
Average actual percentage withheld by Buma (net)	12.6%	13.0%

### Costs as percentage of the collection



In 2024, we complied with the internal standard that, as a rule, costs may not exceed 15% of the collection.

## Increase in costs compared to the consumer price index

Although we no longer use the trend of the consumer price index as a standard for cost trends, it is interesting to follow it. Compared to 2023, Buma's management costs increased by 18.7% (€ 5.5 million). Over the same period, the consumer price index increased by 3.3%, which takes the cost increase in 2024 above the annual change in CPI. This is explained by the fact that Buma has further implemented the strategy in 2024, for which additional costs are incurred temporarily. Examples of this are the increase in the number of FTEs, the replacement of the IT environment and costs for management, maintenance and licensing of the new IT environment.

## 1.2.8 Assessment of financial position and liquidity position

Calculating solvency by dividing the equity by debts has no direct significance in Buma's case because effectively, no distinction can be made between equity and loan capital. By this we mean that both the reserve (up to and including 2020) and the vast majority of debts on Buma's balance sheet at some point concern an obligation between Buma and its rights owners. No equity is presented on the balance sheet at the end of 2024: from 2021 onward, the amount in the former appropriated reserve has become part of the provision for temporary differences in cost-effectiveness.

This makes it clearer that this amount will at some point be settled between Buma and its rights owners.

The liquidity ratio indicates to what extent the debts can be serviced in the short term from the receivables (including cash and cash equivalents and securities) of a short-term nature. When the current assets are divided by the current liabilities, Buma's liquidity ratio as at 31 December 2024 is 1.13. As at 31 December 2023, this was still 1.11. The increase in liquidity ratio can largely be explained by the significant increase in the value of the investment portfolio. In 2024, this increase was € 11.4 million. Buma is aware that the value of the investment portfolio can continue to fluctuate considerably in the future. Such a significant decrease in value is not expected for 2025, so there is no indication that Buma will be unable to meet its obligations in the short term. In addition, Buma takes liquidity into account on the basis of a forecast model when planning large distributions.

## 1.2.9 Cash flows and the financing need

The key cash flows for Buma are the copyright royalties collected and distributed during the year, as well as the management costs. Furthermore, purchases and sales are made for the investment portfolio.

Since Buma largely collects the copyright royalties at the beginning of the year, but only distributes it in the next, we have no external financing needs. This is because the above system leads to what is called a base stock of copyright royalties to be distributed, which can be used to finance current expenses and investments.

## 1.2.10 Risk management

### Objective and core activities of BumaStemra

BumaStemra is a Dutch Collective Management Organisation (CMO), which represents the interests of and for all creators and publishers of copyrighted music. BumaStemra is the work organisation of Vereniging Buma (Office for Music Copyright) and Stichting Stemra (Stichting tot Exploitatie van Mechanische Reproductierechten voor Auteurs).

Since its foundation, Vereniging Buma has had a legal right to collect fees for the publication of musical works. These fees are collected on the basis various licences.

In the Netherlands, Stichting Stemra is the only organisation that collects mechanical rights for the reproduction of compositions on image and sound carriers.

From a risk management perspective, we regard Buma and Stemra as a single organisation, which is why this section on BumaStemra has been written as a whole.

BumaStemra's generic processes consist of:

1. Licensing of use of music in the Netherlands;
2. Licensing of music use abroad, including via foreign CMOs;
3. Invoicing and collecting fees for music licences;
4. Collecting and processing copyright data and music use data;
5. Distribution and payment of received music royalties to/among participants of Vereniging Buma or Stichting Stemra on the basis of the distribution policy.

BumaStemra distinguishes between three types of rights owners: composers, lyricists and music publishers.

Through international collaboration with CMOs worldwide, BumaStemra not only collects for its own participants (rights owners in the Netherlands and abroad), but also for participants who have not joined us and to whom we pay the copyright royalties via a third party, including foreign CMOs.

In addition to the aforesaid activities, BumaStemra finances 100% of the activities of Stichting Buma Cultuur and an old-age provision (ODV funds) from SoCu funds received from rights owners. These SoCu funds are a deduction from the collected copyright royalties, just like the deduction to cover our management costs. Stichting Buma Cultuur was founded 2006 and is committed to supporting and promoting Dutch music by organising music events and award ceremonies. In doing so, Stichting Buma Cultuur contributes to the objectives and strategy of BumaStemra. The activities and operations of Stichting Buma Cultuur fall outside the scope of BumaStemra's risk management.

### Vision on risk management

In accordance with BumaStemra's objective and core activities, BumaStemra opts for risk management that enables the organisation to achieve its strategic objectives in a controlled manner as much as possible. In line with this, BumaStemra applies a risk approach characterised by a moderate risk profile. The Risk & Compliance department systematically and objectively assesses the quality of procedures and the internal control of internal business processes. The focus is on a risk-based approach through proactive risk management, in which potential problems are anticipated so that the impact of expected and unexpected risks is reduced, where possible. Risk ownership is central throughout the organisation, including responsibility for sound risk management.

### Risk management structure, assessment of the design and operating effectiveness of internal control at BumaStemra

The Risk & Compliance department falls hierarchically under the Chief Financial Officer and maintains a direct reporting line to the Management Board and the Audit Committee of the Supervisory Board. In connection with a change of management in 2025, the Risk & Compliance department will temporarily report to the Chief Executive Officer (CEO).

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 and supports the organisation in the proper design thereof.

The department uses RCSAs (Risk & Control Self Assessments), among other things, which have been the basis of the R&C cycle since 2021. An RCSA is a process risk analysis that periodically determines whether the processes are carried out as described in the AO/IC systems, whether controls are functioning properly and whether risks are sufficiently mitigated. To gain insight, we use 'heat maps' (which visually show which areas of attention you are exposed to and what degree of risk) and various risk scenarios. In 2023, the risk analyses were expanded to include the RCSA chain for the first time, in which the entire online chain of connected processes from licensing to payment was considered in conjunction.

Any risks that may arise from transfer moments between processes have been analysed by all those involved during workshops. This RCSA chain analysis is again planned for 2025. Risk & Compliance also carries out its own audit activities

and is proactively involved in strategic programmes (including the major IT programme Pyramid) and in business issues. By increasingly involving the Risk & Compliance function in decision-making within BumaStemra and in changes to processes and strategy, Risk & Compliance can better perform its role and provide added value for controlled and ethical business operations in operational processes and risks. In 2025, risk assessments/risk appetite will be added further, in which risk appetite will be central and weigh in within the decision-making regarding changes. The risk appetite determines how much risk BumaStemra wishes to take.

The activities of Risk & Compliance are carried out systematically according to a three-year plan. To ensure the effectiveness of BumaStemra's internal control system, the Management Board must be able to rely on adequate line positions, including monitoring, and assurance positions within the organisation.

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.

## Annual Risk & Compliance management update 2024

In 2024, BumaStemra took on a new Risk & Compliance Manager. Much attention has been paid to the continued set-up of processes and controls, with more progress being made each year as more and more processes go live within the new IT environment. Partly due to the high number of changes in the Risk & Compliance team in 2024 and the limited capacity of employees within the organisation, the annual planning of Risk & Compliance was not fully completed for 2024. This, together with the large capacity demands placed on key employees by the long-running IT programme Pyramid, has led to a backlog in describing current processes, identifying risks and setting up controls in 2024. Processes can only be called 'well-oiled' if they are clearly described and executed, so that they are manageable. Well-described current processes are the basis and source for proper risk identification and a good risk management cycle. In 2024, in addition to developing processes and controls, the Risk & Compliance team worked on, among other things, implementing RCSAs, improving rule-based access (systematic adjustment of authorisations in the systems based on roles and positions), a set-up for structuring and managing policy documents, the start of SIRA (Systematic Integrity Risk Analysis) and the KYC (Know Your Customer) project, in which the quality of data that we manage from rights owners remains a key focus area.

In 2025, the backlog will be cleared with the new R&C staffing. The revised strategy, which was approved by the Supervisory Board in December 2024, is designed to contribute to this clarity and manageability.

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

## Key risks at BumaStemra

At the end of 2024, BumaStemra revised its strategy and set new goals for the period 2025 to 2030. In 2024, risk management and the identified strategic risks were still based on the strategy applicable up to and including 2024.

BumaStemra recognises as its main generic risks:

1. Financial risks, with the key specific risks being:
  - internal (and external) fraud risk;
  - behavioural risk.
2. Strategic risks, with the key specific risks being:
  - risk of not responding and anticipating changes in ecosystems in a timely manner;
  - risk of loss of valuable repertoire;
3. Operational risks, with the key specific risks being:
  - continuity risk, due to loss of crucial knowledge and key resources, among other things;
  - risk of insufficient data quality, resulting in incorrect management information;
  - outsourcing risk due to no or limited insight and incomplete monitoring of suppliers and supplier contracts.
4. IT and cyber risks, with the key specific risks being:
  - IT risks and complexity related to IT architecture;
  - risk of external fraud (including cyber risks).

5. Legal risks
6. Integrity and behavioural risks, with the key specific risks being:
  - internal (and external) fraud risk;
  - behavioural risk.

Below we describe what we mean by these risks and how we mitigate (reduce) these risks.

## Financial risks

BumaStemra recognises as its main financial risks: collection risk and liquidity risk, including investment risks.

A financial budget is drawn up by the Management Board each year. Based on pre-determined budgets derived from the long-term plan, the financial reporting is discussed monthly by the Management Board and the directors of the business units in business review meetings. 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) compared to the annual investment plan.

Financial reports are also discussed periodically with the audit committee of the Supervisory Board.

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.

BumaStemra 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.

### Collection risk

Collection risk is the risk of incoming licence fees, for which it only becomes clear who they are intended for at a late stage, with the possible conclusion that they are paid out to rights owners (too) late or that have to be refunded.

We mitigate these risks by better mapping the processes and identifying the risks in these processes, we well as setting up proper (visible) controls in combination with adequate incident management.

Liquidity risk including investment risks BumaStemra has outsourced its asset management to ABN AMRO MeesPierson.

On average, the liquidity policy, including the investment policy, is revised on behalf of the Management Board every five years. It was last revised in 2024 and, based on this, the existing liquidity policy was reconsidered and continued following approval by the GMM.

In terms of investments, we opt for a moderate and defensive profile, in which we apply the principle of passive and cost-efficient investing in order to mitigate the financial risks. To compensate for the varying investment results, we use a buffer: a provision for temporary differences in cost-effectiveness.

Buma's investment result for 2024 is in line with the overall development on the investment markets. As a main rule, investments are made in euros to limit currency risks. If investments are made in other currencies, these investments are covered with euros by means of hedges within the relevant fund to thus limit the currency risk.

The equities portfolio is invested passively through a diversified investment fund, in which exclusion conditions are applied in line with sustainable ESG (Environment, Social and Governance) criteria. In terms of government bonds, investments are made in individual bonds; more specifically, in European government bonds. We opt for collective investments (funds) as regards other bonds.

The remaining liquidities are monitored on a weekly basis and allocated to savings deposits. This is capped at a combination of the savings account limit and the short-term payment and distribution obligations.

## Strategic risks

The strategic risks are monitored and discussed in the periodic strategy sessions with the Management Team and the Management Board and also in separate sessions with the Supervisory Board in the presence of the Risk & Compliance Manager.

The key strategic risks are:

### Risk of not responding and anticipating changes in ecosystems in a timely manner

BumaStemra keeps its strategy up to date through periodic strategy sessions with the Management Team and Management Board, in which we discuss developments from different perspectives with the aim of keeping BumaStemra's course up to date. Experts from outside the organisation are regularly invited to participate and this also includes input from our members. The strategy and developments in the field are also regularly discussed with the Supervisory Board and the Council of Rights Owners.

Ecosystems are changing due to the arrival of new providers and new technologies. AI plays a role here as an opportunity to empower more people to create music, but also as a threat to copyright (see the 'AI' section).

Artificial intelligence can force authors/songwriters and composers out of the market and can also further change and improve BumaStemra's operational processes. BumaStemra has launched an AI working group that is actively working on this theme. In addition, our lobbyist defends the interests of our rights owners, including in the context of (AI) legislation, both in the Netherlands and abroad; he fulfils a signalling role in this area.

Increasing competition in our field means that competitive pricing is necessary. Further improvement of our cost price model has therefore been given priority and we are also focusing on process efficiency during the IT transition.

### Risk of loss of valuable repertoire

BumaStemra is dependent on a limited number of large rights owners and publishers for its cost-effectiveness; 95% of our collection is accounted for by 8% of the rights owners and publishers. This means that the impact of losing one or more of these major rights owners as a BumaStemra participant could be significant and, for example, that the costs of operating the company could no longer be fully covered without major interventions in costs and/or cost retention percentages. Preserving valuable repertoire is therefore of great importance to the right to exist of BumaStemra and therefore also to the smaller participants for whom we collect and distribute.

To mitigate the risks of losing valuable repertoire, the organisation has focused on improving its services. In particular, operational excellence and service excellence for the entire processing chain from licensing to payment are expected to secure the commitment of rights owners to BumaStemra. To achieve this, a number of other initiatives have been launched, in addition to the major IT transition, the progress of which initiatives are monitored by the Business Change Board and reported to the Management Team and the Management Board. Existing processes are changed, where necessary. Risk & Compliance supports these process changes by advising on the renewed process and associated controls and by updating process descriptions.

## 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 operational risks and associated controls were taken within a so-called risk management and control framework. The set-up and operation of this framework are regularly tested by the Risk & Compliance department.

The proper 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 for Usage Processing & Distribution with components for Finance and CRM included therein. This programme takes 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 which the programme manager reports to. Each sub-project has its own project manager who reports to the programme manager. Risk & Compliance is represented in the overarching steering committee,

periodically carries out risk assessments within the programme and discusses risks and mitigation with the programme manager every two weeks. Further support for the programme is provided by the external auditor for data integrity and the Software Improvement Group (SIG).

Part of the programme is the establishment of effective operational processes with necessary segregation of duties and sound internal control; the licensees are closely involved in this.

Good security and availability of information are crucial for BumaStemra. 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.

Improvement projects are carried out and crisis exercises are held periodically.

Cyber security monitoring has been provided by Northwave since 2022.

In support, network scans and penetration tests have been performed.

Furthermore, customer satisfaction measurements are carried out periodically as a policy for mitigating operational risks. The Management Board monitors the number of complaints and claims. In 2024, the number of complaints was less than in 2023 (see the 'Technology & Innovation' section).

The key operational risks are:

Continuity risk and loss of crucial knowledge and key resources To mitigate this risk, BumaStemra strives to develop customised services as much as possible, thereby ensuring Operational Excellence. In addition to its IT (explained in 4. IT and cyber risks), it uses its second fundamental backbone for this: its people.

We can only be an agile organisation and beat the competition if we succeed in attracting and retaining the right people with the right competencies. In 2024, the labour market was less challenging than the year before, which meant that taking on new people to support both operational processes and IT was less of a struggle. Finding the right new employees for the HR and Finance departments remains a challenge.

A new HR manager was recruited at the end of 2024.

From 2023 onwards, to structurally absorb the risk of loss of knowledge, extensive efforts will be made to recording processes and procedures in an AO/IC tool.

Progress is being made in this respect and we expect this to be completed in 2025, which will result in processes being regularly and periodically revised by employees, facilitated by a Risk & Compliance officer. Required future maintenance capacity for Risk & Compliance for the organisation will be further investigated in 2025. In addition, we are consciously working on being an attractive employer, including through development and training, involving employees in decision-making and a more sustainable mobility policy.

Part of mitigating the continuity risk at BumaStemra is the introduction of a Crisis Management Plan (CMP), the composition of a Crisis Management Team (CMT) and an annual drill involving the entire CMT, including the organisation of awareness sessions.

In 2024, the Supervisory Board was further informed and involved in the crisis management and set-up of the CMP as well, so that they too are optimally informed about this and able to provide input.

### Outsourcing risk due to no or limited insight and incomplete monitoring of suppliers and supplier contracts

BumaStemra has outsourced many of its IT services, including cybersecurity, to external parties. Whilst outsourcing these services, BumaStemra remains legally liable for these outsourced services. In 2024, in order to adequately monitor the risks involved on the basis of the agreements made and to determine whether the services are delivered correctly, completely and on time, a supplier manager was appointed, allowing for more effective contract negotiation and improved monitoring of the services provided on the basis of contract agreements and current laws and regulations.

## IT and cyber risks

### IT risks and complexity related to IT architecture

In 2024, BumaStemra was characterised as an organisation in transition with regard to its IT landscape, which is certain to continue in 2025. The fact remains that the AX and Salt/NetSuite systems, both for Finance and CRM, continue to run side by side. This means that this entails a high level of complexity of work and risks, partly due to the phased delivery of the software within the change programme. As regards the "to be" organisation, it is not so much the IT architecture that determines the complexity of operations, but the transition of the IT landscape and the way in which the change programme is shaped on the way there.



The transition will entail additional and/or increased risks for at least 2 years, during which it will be determined per phase which risks have been identified and which controls will have to be monitored by the business and by Risk & Compliance. In doing so, these additional risks & controls will focus on the elements of accuracy, completeness and timeliness within the processes. The transition further requires additional attention in the area of incident management throughout the organisation to ensure continuous improvements in IT & operational processes. This therefore makes incident management part of a continuously learning and flexible organisation.

The long transition period and multiple systems in parallel use increase the risk to business processes and also the necessary deployment of employees to operate both systems. The importance of "first time right" during the transition is therefore high: it prevents re-work. In 2025 and 2026, for the reasons mentioned above, this objective will demand more from the organisation compared to the phase in which the transition finish line has been reached. For the situation after the transition, the intention is that, in the field of IT, BumaStemra will have and retain transparency, simplicity, generic solutions and fewer exceptions in IT systems.

During the term of the change programme, Risk & Compliance, as a member of the Steering Committee, will continue to monitor and report on the risks within the programme on a monthly basis. In addition, BumaStemra engaged external expertise from SIG and Forvis Mazars to monitor potential risks and make adjustments, where necessary.

#### Risk of external fraud (including cyber risks)

As services are increasingly digitalised, the risk of cybercrime increases with it, such as hacks, phishing (e-mails supposedly sent by BumaStemra) and system fraud. To address these risks, we work closely with specialists from Northwave. In 2025, as in previous years, various awareness sessions will be prepared for the employees.

The Supervisory Board ensures that this is initiated periodically by the organisation. Ease of use and efficiency are important for the new IT environment, thus enabling us to collect and pay out faster and more accurately. IT is our backbone. At the same time, we closely monitor the security of our data flows and personal data, as well as financial flows.

In the field of cybersecurity (managing cyber risks), BumaStemra has opted for outsourcing and collaborating with Northwave. Northwave supports BumaStemra in various ways (both reactively and without prompt) via a remote CISO (Chief Information Security Officer). In collaboration with Northwave, cybersecurity has become an important part of our crisis management.

## Legal risks

BumaStemra's Legal department handles contract negotiations of music users, advises on music copyright and monitors the enforcement of music copyright and the GDPR and privacy legislation, including registration of GDPR incidents and the handling thereof. It also handles legal risks relating to legal proceedings and dispute committees.

Furthermore, it provides advice and support on the distribution rules.

Compliance risks are risks related to compliance with laws and regulations.

BumaStemra'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. BumaStemra 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). Failure to comply with laws and regulations would mean that we risk losing our licence and thus losing our right to exist or suffering reputational damage. In addition, BumaStemra aims to be a reliable party of course, one that accepts its responsibility towards musicians and music users, its employees and the society in which it operates.

In the case of BumaStemra, the Risk & Compliance Manager monitors and supports compliance with and the implementation of laws and regulations, including compliance risks in processes of collection and distribution legislation and regulations.

In the case of special and specific regulations, external expertise will be hired, in consultation with the Legal department if necessary. A privacy officer, a confidential advisor for undesirable behaviour & integrity, a complaints committee and an internal compliance officer all monitor 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.

In order to ensure that BumaStemra is and remains compliant in its operational services, the Risk & Compliance Manager is proactively involved in decision-making documents as much as possible and also attends MT meetings so that he can provide the documents, the Management Board and the management involved with compliance advice and any necessary adjustments to the operational processes, in a timely manner.

## Integrity and behavioural risks

### Internal fraud risks

Internal fraud can occur, among other things, when employees gain unauthorised access to information that is not intended for them by virtue of their position.

Internal fraud can also occur in the event of internal conflicts of interest and secondary services provided by key persons. In order to mitigate the internal fraud risk, BumaStemra operates a power of attorney scheme for many processes (concluding contracts, entering into other obligations, assignments, hiring personnel, etc.), that regulates who is authorised to do what depending on their role. In addition, HR job roles are linked to roles in the various IT systems.

In 2024, due to the many changes to systems and processes in the IT programme over the past year, the implementation of Role Based Access (RBAC) started. In 2025, this is important to ensure the adequate monitoring of an ethical and controlled organisation and authorisations by IC and Risk & Compliance.

### Behavioural risks

To identify undesirable behaviour and to adequately handle and support these situations, BumaStemra has appointed a privacy officer, an internal and an external confidential advisor for undesirable behaviour and integrity, a complaints committee and a compliance officer. They monitor compliance with laws and regulations within our organisation. In addition, BumaStemra has also drawn up an internal code of conduct, which is presented upon commencement of employment.

### Systematic Integrity Risk Analysis (SIRA) (analysis for the purpose of identifying potential fraud risks)

The processing of cash flows from collection to distribution pertaining to copyrights involves complex and IT-driven administration. Partly due to new developments in BumaStemra's IT systems and external developments in the field of cybersecurity, re-analysing system risks in this area is desirable.

## Insurance policies

BumaStemra has an insurance portfolio in which effectively insurable risks have been placed that cannot be prevented by internal control measures. By insuring these risks, the potential impact of these risks falls within BumaStemra's risk appetite and moderate risk profile. This portfolio includes a third-party liability insurance policy, a directors' and officers' liability insurance policy, a cyber security policy and a group business travel and accident insurance policy, among other insurance policies. Insurance policies are revised annually by the Control Manager and the CFO, together with the intermediary, to determine whether the insured amounts need to be adjusted to cover any new or changed risks based on new objectives and strategy. This revision was performed in 2024. The Risk & Compliance Manager supervises the annual revision.

## Tax matters

BumaStemra operates exclusively in the Netherlands and is subject to the Dutch tax regime. BumaStemra is confronted with foreign withholding taxes and foreign user levies for the collection of copyright royalties through foreign sister societies and Digital Service Providers (DSPs). Due to the expiration of BumaStemra's VSO with the Tax and Customs Administration on 31 December 2024, taxation has become more complex. This applies to both receiving information from abroad and passing on taxes to rights owners in the Netherlands and abroad.

An example of user levies is the Digital Service Tax in France, where the French tax authorities levy a tax on the use of Deezer in France.

The required knowledge regarding withholding tax and user tax is currently not available internally and is therefore hired externally.

Withholding tax is levied at a normal or reduced rate for the rights owners, depending on the existence of any tax treaties. Rights owners who receive the royalties as income may, under certain conditions, offset this against the taxes they have to pay.

## Decision-making

As a member of the management team, the Risk & Compliance Manager, by default, participates in discussions and decision-making on topics such as AI, sustainability, labour market & workload and any other new topics, including important decision-making concerning business or strategic partnerships. This ensures that risk assessment forms part of the decision-making process as much as possible and enables Risk & Compliance to identify any associated risks and issues at the earliest possible stage.

## Outlook 2025

In 2025, the Risk & Compliance Manager will work together with the MT, the Management Board and the Supervisory Board to determine what the revision of BumaStemra's strategy means for its (strategic) risks and the mitigation of these risks.

In any case, the revised strategy states that we want to continue to meet the demands that the current era places on dealing with the funds of others in a responsible and sensible manner. This means that we have insight into the process risks involving cash flows of considerable size and that we work according to processes and controls that are set up in a sound manner and that are properly documented. Partly because of the many changes that the IT transition brings, it means that we must take additional steps to further professionalise and meet current requirements in this respect.

This year, risk monitoring will focus primarily on controlling:

- the risks in the IT project programme Pyramid
- the risks following the revision of the Strategy (SRA)
- the risks following from the periodic Risk Control Self Assessments (RCSAs) and associated chain processes.

## 1.3 Distribution audit

Before each year, the Council of Rights Owners establishes a revision calendar in consultation with the Management Board. This is a list with a schedule of the distribution topics to be discussed in that relevant year.

### Distribution audit procedure

The audit of topics on the revision calendar is first dealt with and discussed by the Distribution Committee of the Council of Rights Owners. The Distribution Committee works according to the method of forming opinions, forming judgments and lastly, making decisions.

After the Distribution Committee has completed this process, it provides advice to the Council of Rights Owners. The Council of Rights Owners then considers the proposed advice in a plenary session.

A number of topics from the 2024 revision calendar have been completed through the above procedure. The results are briefly described below.

### Post distributions

As from the 2017 financial year, BumaStemra switched to a modified undistributable policy. The release of undistributable royalties no longer takes place on the basis of the financial year, but on the basis of usage year. In the theoretical process, music use takes place in year X. In the period thereafter, collection and gathering of usage will continue, after which distribution can also take place in year X+1. In accordance with Article 16, paragraph 6 a to c of the Distribution Rules, a complaint period of 2 years applies after the year of distribution. After this period, any remaining funds will be marked as undistributable. These will be paid out in accordance with the adopted undistributable policy in year X+3. In the current situation therefore, after release of undistributable royalties, post distributions are financed from future releases of undistributable royalties from subsequent years. This policy is easier to justify in the context of the financial statements, the risk for individual rights owners is mitigated and the impact on the collective is limited.

The Council of Rights Owners has issued the Management Board with positive

advice on the proposal to continue the post distribution policy. The Management Board has adopted this proposal of the Council of Rights Owners.

### Outstanding conflict funds policy

There is currently no time limit within which a conflict must be resolved. In the context of the migration to the new IT system, reducing the amount of data that needs to be transferred to a minimum is desirable. The Council of Rights Owners has therefore discussed the retention period of conflict works with the Management Board. The Council of Rights Owners has proposed to the Management Board to inform rights owners about works with conflict status and to encourage their resolution, so that the way can be cleared for adjusting the policy in this regard. The amended policy requires the approval of the GMM. The Management Board has adopted this proposal of the Council of Rights Owners.

### Evaluations quarterly distribution live performances

This topic was on the revision calendar for evaluation. As from June 2020, the annual distribution has largely and structurally been changed to quarterly distributions. This has resulted in a reduction in the average lead time within the entire chain by almost a hundred days: from 466 to 370 days. This produced an enormous improvement in workload spread and an acceleration of payouts. This acceleration is still smaller than expected, which is partly due to the lead time of the distribution process in AX, the lead times of the licensing process and the lack of set lists.

Meanwhile projects have been started within BumaStemra to shorten this lead time and reduce the number of missing set lists. The Council of Rights Owners is pleased with these results.

### Policy on disbursing amounts for temporary cost-effective provision Stemra

Following the GMM resolution of 15 May 2024 regarding the payment of amounts above the upper limit of the temporary cost-effective provision for Stemra, the distribution committee has evaluated the current distribution methodology. This concerns the continuation of the current policy regarding the distribution methodology in the event of a release of the provision.

The Council of Rights Owners has issued the Management Board with positive advice regarding the continuation of the current policy. The Management Board has adopted this proposal of the Council of Rights Owners.

### Reference repertoire Surcharge Online Other (OLOV)

The scope of royalties collected for unknown online use has been greatly reduced. The question is whether the broad selection of distribution/payment data is still necessary or whether this can be more specific.

Due to the transition from AX to Salt Royalties, the basic data for distribution of OLOV funds must come from both systems. This makes a future-proof solution very complex at the moment. It has therefore been proposed to include the topic of 'revision of the policy for the distribution of online royalties without usage data' on the 2025 revision calendar, so that Salt Royalties can be used to draw up a proper arrangement/distribution, preferably including a supplied work specification. Until then, the old methodology (without specification) will be used.

The Council of Rights Owners has issued the Management Board with positive advice regarding the proposal to include the topic of 'revision of the policy for the distribution of online royalties without usage data' on the 2025 revision calendar of the Distribution Committee and to continue the current policy in the meantime. The Management Board has adopted this proposal of the Council of Rights Owners.

### Weighting of the use of general sections

In 2022, as part of the revision of the background music reference repertoire, the effect of the point rating system was investigated. The weighting is out of step and this is due to the incorrect specification of the duration of the works when they were registered. More in particular, specific categories and the points system within them were examined. For collections settled on the basis of the Media Distribution Survey (CSR), it is advisable to maintain the current methodology. For collections settled on the basis of reference repertoire, it is advisable to change the methodology to a weighting based on the actual broadcasting duration of the work. For Live (entertainment) the advice is: no weighting based on duration. For Serious music, it is recommended to use a weighting based on the specified duration of the work. This methodology is more accurate than the current point rating system. If performances are registered retroactively after 1 January 2026, this will follow the 2026 methodology. An amendment of the policy requires the approval of the GMM.

The Council of Rights Owners has issued the Management Board with positive advice regarding the proposal. The Management Board has adopted this proposal of the Council of Rights Owners.

### FunX interim arrangement

For this topic, the second rating used by radio station FunX was examined. The minimum fee for this radio station has so far been financed from the NPO collection. FunX has now grown to the extent that this (low) monetary valuation is no longer in proportion to other popular (NPO) radio stations. No explicit licence fee is charged for FunX.

The fee is part of the NPO lump sum collection. A reallocation of NPO funds (which includes a specific fee for FunX) cannot be realised in the short term. The Council of Rights Owners therefore recommends an interim arrangement for a period of one year. In this proposal, FunX is considered to be a regional channel until the new NPO allocation is ready. The financing of this temporary arrangement will be charged to the available amount of the EN category (National Public Radio). The interim arrangement will come into effect from 1 January 2025.

The Council of Rights Owners has issued the Management Board with positive advice regarding the proposed interim arrangement to temporarily revalue the second value of FunX to the level of regional radio as from 1 January 2025, for a period of one year. The Management Board has adopted this proposal of the Council of Rights Owners.

### Use data listening boxes in daycare centres

The number of registrations from daycare centres has been halved. That is why a pilot was started with listening boxes in two groups to find out the repertoire played in daycare centres. The measurements started in September 2023. A total of 9,000 works were identified in a period of four months. This resulted in a new repertoire list being played. "New" because we now assume current music use, rather than existing sound carriers in daycare centres. This, among other things, causes a shift towards more currently used repertoire in this sector.

The Council of Rights Owners has issued the Management Board with positive advice regarding the proposal to prepare the distribution for 2024 entirely on the basis of music meters and to carry out the distribution for 2023 based on the identification from September 2023 to December 2023. The Management Board has adopted this proposal of the Council of Rights Owners.

### Revision of Live undistributable for the AL and AS categories

In 2022, the entire undistributable part was revised. Where there was no policy, one was created and existing policy was harmonised and made clearer. The AS and AL components have been examined.

AS: the current policy will be maintained and the policy will be broader than just reuse of Live. The radio and television components will be added to this. This is a temporary arrangement, which will expire in undistributable year 2020.

The idea here is to improve the collection process. It should be noted that the undistributable amount for 2020 has already been paid out. The extension of this policy will have little effect, because the amount of money to be distributed is relatively small due to the Corona period.

The Council of Rights Owners has issued the Management Board with positive advice regarding the proposal to continue the current policy on the distribution of undistributable royalties AS for the 2021 usage year. The undistributable royalties AS annual tranche X are distributed on the basis of reference repertoire, which is a combination of live performances AS and radio repertoire used in annual tranche X. The Management Board has adopted this proposal of the Council of Rights Owners.

AL (the licences for restaurant and bars): no agreements had been made for this. It was known, however, that the arrangement, in its current set-up, did not correspond to the harmonisation that had been implemented. That was parked with the idea that policy would be introduced from 2021 onwards.

The Council of Rights Owners advises to do this along the same lines as AS. As regards the undistributable amounts, the set lists that have been processed for the same year will be used as a basis for the distribution. Radio and television repertoires are added to this to broaden the base so that everyone who is entitled to it receives their share. This with the same caveat as for AS, that there will be

less to distribute for 2021 than in previous years. Next year we will look at how this can be improved to a more one-on-one distribution.

The Council of Rights Owners has issued the Management Board with positive advice regarding the proposal to align the policy on the distribution of undistributable royalties AL for the 2021 usage year with the policy for AS. The undistributable royalties AL are distributed on the basis of reference repertoire (this is a combination of live performances AL and radio repertoire used in annual tranche X). This proposal applies to the release of undistributable royalties AL for the 2021 usage year.

The Management Board has adopted this proposal of the Council of Rights Owners. The policy for undistributable royalties 2022 and later will be re-evaluated in 2025 (2025 revision calendar).

## 1.4 Provisions of the Articles of Association regarding the Supervisory Board and the Management Board

The Buma 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 13, paragraph 3, under a and b. Three independent persons, including the independent chair of the Supervisory Board, are appointed by the members in accordance with Article 17, paragraph 2. A member of the Supervisory Board of Buma must also be a member of the Supervisory Board of Stemra. The profiles of the members of the Supervisory Board are:

**A.** Four musicians who are participants or who are musicians within a company that is a participant and who are elected by the members/affiliated musicians (Article 13a, paragraphs 1 and 2 and Article 13b, paragraph 1, under a), including:

- composers of serious music;
- composers of entertainment music;
- composers of media music;
- songwriters.

**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 (Article 13a, paragraphs 3 and 4 and Article 13b, paragraph 1, under b).

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

The Management Board consists of at least two board members, one of whom is the chair of the board and one the Financial Director. Members of the Management Board must be natural persons who are not members or participants of Buma and who do not sit on the Supervisory Board of Buma.

Members of the Management Board are appointed and dismissed by the General Members' Meeting on the recommendation of the Supervisory Board. On the recommendation of the Supervisory Board, the General Members' Meeting appoints one of the members of the Management Board as chair of the board and one as Financial Director.

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

## 1.5 Transparency report

The Transparency Report (Collective Rights Management Directive) Decree ('Besluit transparantieverslag richtlijn collectief beheer') came into effect on 1 January 2017. This resolution is a further implementation of Section 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 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 topics not included elsewhere in the annual report:

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

Refusal of information to grant a licence

Anyone who reproduces music belonging to the repertoire administered by Buma must obtain prior permission for this from Buma. Provided that certain standard conditions are met, including the payment of a fee, Buma grants this permission in the form of a licence. Buma 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, Buma exercises its right of prohibition.

Distribution frequency

The table below shows the distribution frequency per type of use within Buma. RTV, Live Performances, Online and International Royalties are distributed quarterly. The other categories are paid annually, in September:

	Q1	Q2	Q3	Q4
Restaurants and Bars			x	
Workspaces			x	
Shops and Stores			x	
Radio, TV and Network Providers	x	x	x	x
Live Performances	x	x	x	x
Online	x	x	x	x
Abroad	x	x	x	x

Claims and complaints

Buma regards the number of claims and complaints it receives as a measure of how it has performed in identifying copyrighted work and in the subsequent allocation and distribution of royalties. Not all royalties can be distributed immediately, for example, because work cannot be identified (yet) or because the rights owner is not known (yet). The lower the number of undistributed royalties, the fewer claims and complaints. In 2024, a total of 6,194 claims were submitted for Buma and Stemra jointly. For one relation the complaints procedure was started. This concerned a complaint about the 2023 measurement on music use in daycare centres. This complaint is still being processed.

Governance code VOI©E

BumaStemra 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 BumaStemra has addressed them or applied them in 2024.

Principle 1: General provisions

BumaStemra 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 rules. 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 topic. More

about the conflict of interest arrangements is described under principle 4. BumaStemra attaches great value to acting with integrity and honesty, not only in its own functioning, but also beyond that. To underline this, 'integrity' is one of the five core values in BumaStemra's strategy. The organisation handles large amounts and that money belongs to the members and participants. They must be able to assume that everything BumaStemra does, follows due process. BumaStemra's reputation must be impeccable. If there are problems, we must get to the bottom of it. In addition to integrity, 'transparency', 'professionalism', 'connection' and 'enjoyment' are the core values for the organisation's cultural compass.

- When developing new policy or reassessing current policy and working methods, BumaStemra pays a lot of attention to the interests of its rights owners and is open to suggestions. After all, the rights owners are the ones that the organisation revolves around and works for. In addition to the rights owners, BumaStemra has a number of other important stakeholders with whom it is in regular contact:
- professional associations of authors/songwriters and publishers;
  - music users (all legal entities that use music for business purposes and must pay BumaStemra for this. This includes, among others, industry organisations, platforms, streaming services and individual licensees);
  - the international music industry;
  - the Copyright Board;
  - the Supervisory Board, the Council of Rights Owners and the Works Council of BumaStemra;
  - foreign sister societies;
  - umbrella organisations (e.g. GESAC and CISAC);
  - partners in IT (e.g. Salt);
  - VOI©E;
  - the political establishment;
  - other CMOs in the Netherlands and abroad

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

Principle 2: Being role-conscious

BumaStemra's board members and supervisors are aware of their own roles and the division of tasks, responsibilities and powers, and act accordingly. The powers and responsibilities are described in the Articles of Association, rules, profiles, including competency 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 the formal consultations.

The Management Board 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. Appendix 2.1 includes an overview of the Supervisory Board meeting dates, the items discussed and the resolutions.

The Supervisory Board has drawn up a supervisory vision with the aim of formulating a joint reference framework and making its ambition visible about how the Supervisory Board wants to shape its supervision. In its meeting of 4 December 2023, the Supervisory Board indicated that it will use the supervisory vision as a guideline and that it will act accordingly. For example, the supervisory vision describes the various roles of the Supervisory Board. In the exercise of these roles, the main rule is that the Supervisory Board supervises BumaStemra on behalf of the company as a whole and, in particular, for current and future rights owners and other stakeholders. In doing so, the Supervisory Board strives to provide added value by contributing knowledge and experience and opening up networks. The diversity within the Supervisory Board is a great asset and its strengths must be utilised. The diverse composition of the Supervisory Board creates diversity of perspectives that the Supervisory Board takes advantage of. It is important that the members of the Supervisory Board can



perform their roles without mandate or private consultation and that they can act independently of each other, the Management Board and other parts of the organisation. In addition, the Supervisory Board wants to add value by carefully fulfilling its employer role and keeping the Management Board alert. In doing so, the Supervisory Board acts in the role of critical sparring partner and sounding board for the Management Board.

The Supervisory Board considers it important to have constructive collaboration between the Management Board and the Supervisory Board. The interaction between both bodies is aimed at improving decision-making through involvement, in which probing (derived from Board Interaction Matrix) is used to jointly weigh core dilemmas and interests. Probing means that the interaction between the boards is aimed at arriving at the best possible and jointly supported decision through a dialogue of joint investigation of core dilemmas and weighing up interests and arguments.

Finally, the Supervisory Board has formulated a number of principles in its vision that it will apply in its approach:

- || "No surprise principle" - The Supervisory Board is of the opinion that proper supervision can only arise on the basis of a solid relationship of trust between the Management Board and the members of the Supervisory Board and between the members of the Supervisory Board themselves. Close communication is essential to avoid unpleasant surprises. The Supervisory Board sets clear expectations in terms of the information to be provided by the Management Board, in which information being relevant, timely, correct and complete is crucial. The "no surprise principle" contributes to a healthy relationship of trust and promotes open dialogue;
- || clear delineation of tasks between the Supervisory Board and the Management Board, which is laid down in the Articles of Association and rules. The principal rule is that the Management Board manages and that the Supervisory Board supervises;
- || supervision is integral. It includes both goal achievement and the general course of affairs. The Supervisory Board thus expresses that its supervision focuses on the extent to which the organisation succeeds in achieving its objectives, as well as on the manner in which it does so.

In 2024, the Supervisory Board acted in accordance with the supervisory vision drawn up by it. Part of this vision was also that it would be periodically revised. Parts of this supervisory vision have therefore been included in the annual self-evaluation of the Supervisory Board. More information about the self-evaluation can be found in the report of the Supervisory Board.

### Principle 3: Prudent day-to-day management

The Management Board is assisted in its role by the management team and employees of BumaStemra. 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 importance to taking the opinions of these stakeholders into account in its deliberations. The Management Board is therefore in regular contact with BumaStemra'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. One General Meeting of Members was held, which took place on 15 May 2024. Members were able to follow the GMM both live and digitally, during which they could vote on a number of important decisions. In addition, there was room for asking questions to the Management Board, the Supervisory Board and the Council of Rights Owners. For example, the investment policy and a letter to the editor about AI were discussed extensively. There was also a vote on admitting foreign capital companies to BumaStemra and abolishing entrance fees in their entirety and the annual contribution for the first year of membership. In the past year, BumaStemra informed and involved its participants through various channels and at different times, aimed at various sub-target groups.

#### Intro

In a dynamic and ever-changing music industry, BumaStemra is close to its rights owners and stakeholders. We actively focus on communication, visibility and collaboration to optimally support musicians and licensees. We do this through

events, innovative platforms and targeted campaigns that not only inform, but also inspire and activate.

From Eurosonic Noorderslag to the Amsterdam Dance Event and from the launch of a completely renewed MijLicentie.nl to educational initiatives such as Music Rights on Tour: we are continuously seeking dialogue with our members, music users and other stakeholders. We also respond to current developments, such as the impact of AI on music rights and the importance of a safe working environment within the sector.

This approach ensures that BumaStemra not only remains relevant, but also progressive in protecting and strengthening music copyrights in the Netherlands and beyond.

#### Events

To be 'Where the Music is', BumaStemra is present at all major music events, aimed at the sector. We are founding partners of the Eurosonic Noorderslag Festival and the Amsterdam Dance Event. We met young makers during No Man's Land in Tivoli Vredenburg and we spoke to our international stakeholders during SXSW in Austin, Texas. We organised substantive panels and networking events, working closely with Buma Cultuur.

#### AI

In 2024, we founded the TaskForce AI to research and guide the impact of artificial intelligence on the music industry. This Taskforce focuses on promoting human creativity, ensuring consent and compensation when using copyrighted works, and pursuing transparency in AI applications. In addition, on 2 December 2024, we organised the 'AI & the Music Industry' conference in the Muziekgebouw concert hall at 't IJ in Amsterdam. This event brought together artists, composers and other stakeholders to discuss the impact of AI on music and anticipate future developments.

#### Music Rights on Tour

Together with Sena and NORMA, we present the Music Rights on Tour knowledge programme. With this initiative we reach as many starting and young musicians, producers, composers and authors/songwriters as possible, thereby providing a low threshold introduction into the world of music rights. In panels, workshops and guest lessons, often together with well-known musicians, we explain everything about music rights, how you can claim funds, how you can do business as a creator and what and who you may encounter on your journey. In 2024, Music Rights on Tour organised panels at the Eurosonic Noorderslag Festival, Musicians Day, No Man's Land and the Amsterdam Dance Event, among others.

#### MyLicence

The mijnlicentie.nl website has been completely renewed with the aim of offering music users an intuitive, simple and fast way of taking out a licence. The renewed platform makes the process more user-friendly, allowing music users to arrange their music licence in just a few steps. The first market-oriented campaign has also been launched, focusing on the added value of music for entrepreneurs who have not yet purchased a music licence.

#### Rise Up

With Rise Up, we are committed to breaking through ideas that are focused on traditional divisions of roles in the music industry. Every female creator should be able to participate professionally in the creative industry without hindrance. Rise Up contributes to this by stimulating the dialogue, offering a platform to role models and offering networking opportunities. On International Women's Day, we organised an 'all-female writing camp' in collaboration with publishers, which resulted in many new musical collaborations and lots of beautiful new music.

#### Task Force GO!

Task Force GO! was founded in response to the abuses in the programme The Voice: a partnership of 14 organisations, including BumaStemra, that are committed to creating a safe and inclusive working environment in the music sector. During the Eurosonic Noorderslag Festival in January 2024, the results of a large-scale study into transgressive behaviour were presented and a campaign was launched aimed at raising awareness and behavioural change. This year, the task force participated in numerous discussion panels on social security and a long-term plan has been developed.

In carrying out its activities and developing policy, the Management Board is

supported by (approximately) 196 BumaStemra 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. The Management Board periodically organises Town-Hall meetings to inform the company and its employees of important developments at BumaStemra. Town hall meetings can be attended both digitally and physically.

Within BumaStemra, a lot of attention is paid to the theme of vitality. In 2024, BumaStemra developed a new mobility policy, which will be implemented in 2025. Mobility policy plays a major role in employee vitality. For example, various improvements have been made to encourage employees to come to work by bicycle. In addition, BumaStemra offers a Lease-a-Bike scheme, under which scheme employees can lease an (electric) bicycle on favourable terms that they can also use privately. Furthermore, kilometres for commuting purposes by bicycle are reimbursed at a higher rate than kilometres travelled by car. In addition, BumaStemra participates in the National Vitality Week twice a year, during which a lot of attention is paid to the physical and mental health of employees.

For the internal audit of activities and processes, the Management Board is assisted by the Head of Risk & Compliance, who became a permanent employee of BumaStemra in June 2024. The Head of Risk & Compliance reports to the Management Board and the audit committee of the Supervisory Board.

BumaStemra deems a safe working environment of paramount importance. In 2024, attention was paid to updating the code of conduct, drawing up rules for the complaints committee and staffing this complaints committee. The code of conduct is an important code that indicates how we relate to each other and others and what this means in terms of, among other things, manners, ancillary positions and integrity. In doing so, the code of conduct focuses on a safe working environment in the office and at home and addresses themes such as diversity, inclusion and integrity at a deeper level. The formalisation and staffing of the complaints committee is relevant, because employees can file a notice of dissatisfaction or objection with the committee about the behaviour of a colleague that may be in conflict with BumaStemra's code of conduct. In the first quarter of 2025, BumaStemra aims to complete the code of conduct, complaints regulations and the complaints committee, in conjunction with the Works Council.

## Principle 4: Exercising good supervision

Supervisors are independent (in their performance) and act with integrity. They are alert to (the appearance of) any conflict of interest, avoid unwanted conflicts of interest and diligently deal with conflicts of interest. Both the Articles of Association and rules 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 accepting other positions is reported in advance. Individual members of the Supervisory Board and the Management Board must also report annually to the General Members' Meeting regarding conflicts of interest.

BumaStemra 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 support base who nominated them. In practice, this does not mean there is no contact whatsoever with our support base, 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 BumaStemra and the company or organisation associated with BumaStemra. To this end, they carefully weigh up what is called 'the eligible interests of stakeholders involved in BumaStemra'. The chair of the Supervisory Board regularly draws attention to this theme, to ensure that the assessment and decision-making processes follow due process.



# Supervisory Board report

# 2



## 2. Supervisory Board report

### Introduction

The Management Board is ultimately responsible for the organisation of Vereniging Buma (hereinafter referred to as 'Buma'). The Supervisory Board is charged with supervising Buma.

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 and decision-making in the Supervisory Board meeting. The tasks of these committees are anchored in the Articles of Association of Buma and the rules of these committees.

Throughout the year, the Supervisory Board advised, questioned and challenged the Management Board. It did so both reactively and proactively. The Supervisory Board invited the Management Board to develop relevant scenarios for key strategic topics and to provide insight into the considerations made by the Management Board in order to reach a decision. The Supervisory Board has assessed whether the considerations made by the Management Board have been carefully considered and whether the interests of all stakeholders have been sufficiently considered. The short and long-term effects of decisions for Buma as an organisation and for rights owners were also examined. In 2024, the Supervisory Board paid extra attention to, among other things:

- Buma's revised strategy;
- the progress of the IT transformation;
- staffing composition of the Management Board;
- the policy for and implementation of liquidity management;
- diversity, safety and inclusion.

Supervision also focused on developments in the field in which Buma operates, on market developments in the music world, on Buma's risk management and on compliance with laws and regulations. In this report, the Supervisory Board provides information on a number of themes that were supervised, as well as on which issues were addressed and which aspects were weighed in its supervisory task.

### Financial results

The Supervisory Board notes that Buma's 2024 collection targets have been achieved. The actual amounts collected were higher than the budgeted amounts. Investment returns were also higher than the budgeted 'standard return'.

At the same time, it has been established that Buma operates in a rapidly changing market and that a revised (renewed) strategy must ensure that the organisation is equipped for the future. This leads to temporary higher costs that are needed to be able to make the necessary investments to achieve the strategic goals.

The Supervisory Board continuously monitors the management costs, which are covered by that part of the collected copyright royalties not paid out by Buma. Right now, the Supervisory Board considers these costs to be relatively high. The Management Board explains these relatively high costs by pointing to the significant investments that Buma is making, particularly in new IT systems, and the transition costs (such as personnel costs) that these new systems entail. The Supervisory Board has accepted this explanation. With the replacement of ICE's IT system by a new IT system for (online) registration of rights, Buma will carry out the supporting processes, which were previously provided by ICE as an additional service, with its own employees.

The Supervisory Board ensures that rights owners receive as much of their copyright as possible, while ensuring the continuity of Buma in the medium to long term. The Supervisory Board has critically questioned the Management Board on the budget for 2025 and has approved this budget. In view of the revised strategy (see report of the Management Board), the Supervisory Board is paying close attention to the focus on operational excellence and service excellence in the coming three years.

The Management Board has been challenged by the Supervisory Board on the choices made in the revised strategy and on the deployment of additional resources for the implementation of this revised strategy. Based on the insights that the Supervisory Board received from the Management Board, we support the choices made by the Management Board.

### Risks and opportunities

In 2024, following on from what was discussed in 2023, the Supervisory Board again discussed the most important risks and opportunities in the areas of disruptive technology, internationalisation, digitalisation and HR with the Management Board. The Supervisory Board challenged the Management Board in particular to identify strategic risks and opportunities and to mitigate and promote these where necessary. The main question was: what could impede Buma in achieving its strategic goals and what could support the realisation of those goals? The revised strategy reflects the choices made by the Management Board.

Technology offers many opportunities, but also involves risks. New software and a new portal can improve the ease of use for Buma members and participants, but they also pose a potential risk to privacy. Limiting the risk of data breaches and cybercrime (such as the possibility of a hack) were high on the agenda. The Supervisory Board participated in a crisis exercise in the field of cybersecurity.

The Supervisory Board further monitors the financial risks. One of the financial risks is possible negative results on investments. The Supervisory Board has asked the Management Board to subject the liquidity management/investment policy to a critical review. At the General Meeting of Members held on 15 May 2024, liquidity management/investment policy was an important topic and it was decided to continue the current investment policy.

Political developments too can lead to risks and opportunities. The 'basic cultural infrastructure' is determined by the government every four years.

This determines how much money is allocated to the performing arts, museums, visual arts and other disciplines. A new government may involve a different vision on cultural policy which in turn can directly affect our members and participants. At national level, the Netherlands introduced the Copyright Contracts Act in 2024. This law aims to strengthen the position of creators and performing artists in their relationship with operators. Although this Act is national in nature, it is relevant within the context of European copyright law.

The Supervisory Board has held initial discussions with the new Risk & Compliance Officer regarding compliance risk (compliance with laws and regulations and managing the risks in this area).

### IT

A great deal of time and attention was spent on the IT transformation process.

To monitor this properly, the Supervisory Board and the Management Board jointly engaged the Software Improvement Group (SIG) as an independent advisor. In 2024, the Supervisory Board monitored the further implementation of Salt Royalties (formerly 'BEAT') and Netsuite, as well as Salt Rights (which replaces the contract with ICE). The Supervisory Board performed its supervisory duties on the basis of the information provided and asked itself whether the Management Board, the CIO (Chief Information Officer) and all other parties involved have sufficient control over the change process. Questions that have been asked include: are the risks of an 'outsourcing model' sufficiently recognised and mitigated, will the quality of the services provided indeed be of a higher level as a result of the investments and are the investments we make proportionate? The answers to those questions have always been positive.

After ICE had terminated its contracts with Buma, the Supervisory Board paid particular attention to ensuring that Buma developed and implemented a so-called fall-back scenario with regard to Salt Rights. The Supervisory Board has critically questioned the Management Board about its considerations regarding what is best for Buma's rights owners: concluding a new, more expensive contract with ICE or further developing Salt Rights. The Supervisory Board received information from the Management Board supporting the conclusion that the Salt trajectory offered more advantages for both Buma and the rights owners. These benefits included quality of service, data ownership, ICE guarantees versus Salt Rights and the relationship with ICE shareholders (ORS, STIM and GEMA). In 2024, the migration process as a whole was subject to the explicit attention of the Supervisory Board.

### From management to control

The Management Board has at all times kept the Supervisory Board informed about the IT transformation. With the implementation of Salt Rights and Salt Royalties and the strategic partnership with Salt, the IT transformation is a transformation in the true sense of the word. Buma's role is increasingly shifting from 'management' to 'control'. This has consequences in terms of personnel, because within the new Buma, a controlling role in the field of IT requires different competencies. Employees will need to take 'product ownership' towards the

supplier and be able to communicate well what type of service adds the most value to users and what timing and price are desired. Buma operates in an increasingly competitive market; price and service level are the two most important indicators for users. A successful further roll-out of MyBumaStemra must ensure that Buma meets the highest requirements.

The Supervisory Board has repeatedly questioned and challenged the Management Board, particularly regarding the timeliness, completeness and accuracy of data made available via MyBumaStemra. Its success falls explicitly under the operational excellence that can always be expected of Buma and is a basic condition for all future strategic choices.

## Strategy and the employees of Buma

The revised strategy looked at ways to make it more attractive for new rights owners to join Buma. The Supervisory Board attaches great importance to Buma being regarded as an attractive and reliable party for collecting and paying out copyright royalties.

The Supervisory Board will also discuss whether the revised strategy makes it possible to collaborate with other organisations. This could lead to Buma being able to work even better and faster and shorten the chains (fewer links between Buma and the people we work for). In addition, it is important that Buma remains focused on what it does and does not do, with a keen eye for quality and costs. Expanding the geographical scope is indispensable and further collaboration is crucial.

The Supervisory Board notices that Buma is increasingly successful in attracting and retaining the right people with the right competencies. This is important in a tight labour market and a competitive music industry. Hiring people on an ad-hoc basis not only increases costs but also poses a risk to the stability and continuity of an organisation. In addition, the Supervisory Board noted that attention has been paid to monitoring vitality. The Supervisory Board is therefore pleased to see that Buma has succeeded in being an attractive employer.

## AI

During the GMM of 15 May 2024, Buma members identified 'artificial intelligence' (AI) as a key focus area for Buma and its rights owners. This was heard by the Management Board and the Supervisory Board and so the Management Board has placed this prominently on the agenda for discussions with, among others, the Works Council and the Council of Rights Owners. In 2024, in several meetings involving both boards and both councils, the disruption in the music industry was discussed, during which trends and developments and their possible impact on Buma were jointly explored. On Monday 2 December, the 'AI & the Music Industry' conference in the Muziekgebouw concert hall at 't IJ in Amsterdam took place. This conference was organised by Buma in collaboration with Stemra, Sena and NVPI Muziek. In addition, an AI working group has been started within Buma; an initiative of the Management Board that is welcomed by the Supervisory Board. As the supervisors, we can see both the opportunities and threats of artificial intelligence for musicians, publishers and users. This is a development in which the Supervisory Board aligns with the Management Board and which we, as Buma, must deal with as proactively as possible, because AI is here and it's here to stay. The question is what role we, as a Collective Management Organisation, want to take on: that of 'first mover', 'first follower' or 'early majority'. Discussions have been held on this matter, which will continue in 2025.

## Sustainability, inclusion and safety in the music world

'ESG' stands for Environmental, Social and Governance: the three most important sustainability-related responsibilities of any company or organisation. The Supervisory Board is pleased that the environment and society and good corporate governance are seen as important pillars of the revised strategy. In 2024, the Supervisory Board called on the Management Board to critically review sustainability; not only from the point of view of what Buma as an organisation can do to reduce its 'ecological footprint', but also what the consequences of climate change are for Buma and its stakeholders. ESG objectives are an integral part of sustainable value creation, also for Buma. This report focuses a lot on the 'monetary' value of music: the collection and payment of copyright royalties. However, music also has an important social value: the cultural and social importance of music is enormous. We cannot do without it. Songs or musical works that are less popular and for which fewer royalties are collected and paid out can have the same social value as mega hits. This observation also reflects the importance of collectivity within Buma: we are

an association in the true sense of the word.

Topics such as 'fair pay' (fair reward for musicians), Rise Up (Buma's programme to strengthen the position of women in the music sector) and Taskforce GO! (an initiative by Buma and other organisations for safety and inclusion in the music industry) can all be classified under the S of 'Social'. However, it must be said, in all fairness, that the attention paid by the Management Board to this topic remains wanting. In 2025, we will make challenging the Management Board on this topic a priority. Last year, Buma was introduced to the CSDDD principles: processes that we want to implement to identify and prevent negative effects on the environment, society and the environment from within the organisation. CSDDD stands for Corporate Sustainability Due Diligence Directive: an EU sustainability directive that came into force on 25 July 2024. Despite the fact that Buma, as an association, does not fall within the 'scope' of this directive, the Supervisory Board considers it important to actively pay attention to this.

## Changes in the Management Board and the Supervisory Board

CEO Bernard Kobes was incapacitated for work throughout 2024. His death on 20 January 2025 was experienced as a great loss by the members of the Supervisory Board. Bernard has made an enormous contribution to the professionalisation of Buma and the improvement of the position of the music industry in general and that of the members and participants of Buma in particular. How successful he has been as CEO can be deduced from the fact that the organisation has its feet firmly on the ground and that the employees can continue to operate effectively in his absence, under the leadership of the interim CEO and the CFO. In 2024, after consultation with stakeholders, the Supervisory Board nominated the interim CEO and the CFO for reappointment.

Marcel Gelauff was interim CEO in 2024 and has been appointed until September 2025. The plan is for Marcel Gelauff to remain until it is clear who the new chair of the board will be and until he or she has actually been appointed by the GMM and has started work. A new CFO is being sought as well, because the current CFO, Marleen Kloppers, will step down on 1 June 2025. Based on profiles carefully drawn up by the Supervisory Board, an executive search agency has been engaged to recruit candidates.

In 2024, Ruud Hopstaken stepped down and Meindert van Duijvenbode joined the Supervisory Board as a new independent member. Jitze de Raaff too joined the Supervisory Board in 2024. At the time of writing this report, there are two vacancies within the Supervisory Board. The first vacancy arose due to the resignation of Jolanda Messerschmidt, the second because Alexander Beets can no longer combine his successful international music career with his work for Buma. Wiboud Burkens has been nominated to succeed Alexander Beets.

## Self-evaluation

The Supervisory Board has conducted its traditional annual self-evaluation, again under the leadership of Phyleon. In the current context, the Supervisory Board has an extensive task. This specifically concerns the strategic task for Buma and its translation into the necessary IT transformation. In addition, there is the task of selecting new board members for the implementation and realisation of the revised strategy and the IT transformation. The Supervisory Board wants to further improve its effectiveness, even though the involvement of the members of the Supervisory Board in Buma is already enormous. In 2025, the Supervisory Board will specify how effectiveness will be improved. If necessary, proposals for adjustments to the legal framework will be made during the 2026 GMM. Internally, the challenge is that the Supervisory Board consists of many members with several members often joining and leaving at the same time. Neither the nominated new candidates nor the current members of the Supervisory Board are currently able to investigate whether there is a match. This is one of the reasons for the situation that, in our opinion, we, as supervisors, spend too much time on 'internal governance'. The pressure on the organisation as a whole and on the Supervisory Board in particular is great. In 2025, serious consideration will be given to ways to increase resilience of governance in this area as well.

## Training

The Supervisory Board as a whole attends training, as do the individual members of the Board. In 2019, at the initiative of the Supervisory Board, Buma, in collaboration with crmLiNK, set up a training programme intended for members of the Supervisory Board and the Council of Rights Owners. In 2024, this programme was also completed by a number of candidate members of the Supervisory Board.

In addition, a second training programme has been set up for new members of the Supervisory Board that provides extensive onboarding to deepen their knowledge of their role in the Supervisory Board. Both programmes aim to contribute to a shared basic knowledge within the Supervisory Board (and Council of Rights Owners) and a desired basic level for supervisory directors.

## General Member's Meeting

The General Meeting of Members was held on 15 May 2024. In addition to adopting the minutes of the previous General Members' Meeting, the agenda contained the following items:

- The transparency report, including the 2023 financial statements of Buma.
- The adoption and feedback of the social and cultural policy.
- An update by the Management Board.
- Notes to the budget for 2024.
- Appointment of the auditor
- Liquidity management.
- Artificial Intelligence (AI).
- Reappointment of the Interim CEO.
- Reappointment of the CFO.
- (Re)appointment of four members of the Supervisory Board;
- (Re)appointment of three members of the Council of Rights Owners;
- Appointment of a member of Buma Cultuur.
- (Re)appointment of three members of the dispute committee;
- Mandate of the Council of Rights Owners:
- Amendments to the Articles of Association and rules: entrance fees, annual contribution and basic allowance.
- Amendments to the Articles of Association and rules: registration of a foreign capital company.
- Amendment to the Articles of Association: merger of NMUV and VMN.

The General Members' Meeting adopted the following resolutions:

- Approval of the transparency report including the 2023 financial statements of Buma and including the adoption of the Social and Cultural Policy.
- Discharging the Management Board and the Supervisory Board of Buma from all liability.
- Extension of contract with auditors Forvis Mazars until the audit for the financial statements for financial year 2027.
- Agreement to continue the current investment policy.
- Reappointment of the Interim CEO.
- Reappointment of the CFO.
- (Re)appointment of four members of the Supervisory Board;
- (Re)appointment of three members of the Council of Rights Owners;
- Appointment of a member of Buma Cultuur.
- (Re)appointment of three members of the dispute committee;
- Extension of the limited mandate of the Council of Rights Owners regarding endorsements relating to changes in the distribution rules and the full mandate of the Council of Rights Owners regarding endorsements relating to changes in the e-voting regulations by three years, until 2 June 2027.
- Amendment to the Articles of Association and rules: entrance fees, annual contribution and basic allowance.
- Amendment to the Articles of Association and rules: registration of a foreign capital company.
- Amendment to the Articles of Association: merger of NMUV and VMN.
- Adoption of the minutes of the General Members' Meeting of 17 May 2023 and those of the General Members' Meeting of 8 December 2023.

## Fraud

On 12 May 2025, the Management Board informed the Supervisory Board that financial fraud had been discovered and that the auditor had also been informed simultaneously. On 13 May 2025, the Supervisory Board, Management Board and auditor met to discuss the nature and extent of the fraud, the measures to limit the damage to rights owners, measures to implement the risk management policy and the impact on the auditor's unqualified opinion on the financial statements. On 13 May 2025, the Supervisory Board took note of the auditor's position, who declared his unqualified opinion "of no value" in connection with the uncertainty about the nature and extent of the fraud and its impact on the financial statements. Since 16 May, a delegation of the (independent) members of the Supervisory Board has been providing the Management Board with intensive advice and support on the design of and reporting on the Management Board's investigation into fraud, including the assessment of the adjustment of the internal audits. Despite the time

pressure, the Supervisory Board - with the associated efforts of the audit committee - was able to carry out its task as supervisor of the reporting on fraud and its impact on the financial statements (including the analysis of the policy, design and operation of the systems and processes to prevent fraud) without restriction. The fraud report has been discussed with the Management Board with regard to the operational and administrative processes and associated internal audits to be newly implemented. The Supervisory Board would like to thank the BumaStemra employees for their great efforts in analysing this fraud case.

## Draft annual report and management letter, adoption by the Supervisory Board

The 2024 draft annual report and management letter were discussed with the Audit Committee on 9 April 2025 and with the full Supervisory Board on 14 April 2025, in the presence of the auditor. The additional activities relating to the fraud investigation were discussed with the audit committee on 6 June 2025 and with the Supervisory Board on 11 June, both times in the presence of the auditor. The annual report was adopted by the Supervisory Board on 11 June 2025.

## Retirement schedule

The Supervisory Board adopted a retirement schedule (last amended on 7 October 2024) that provides for members taking office and retiring in phases. This schedule was adhered to in 2024. At the time of writing, a recruitment process is underway for the position of Jolanda Messerschmidt. The vacant seat of Alexander Beets has been taken by Wiboud Burkens.

## Gratitude

The Supervisory Board would like to express its gratitude to Alexander Beets, who has worked tirelessly to bring the perspective of the (young) musician to the Supervisory Board. He also made a major contribution to the audit committee. The Supervisory Board would also like to say thanks to Jolanda Messerschmidt; her vast knowledge on and experience with the topics of finance and IT will be sorely missed. Since 2018, Jolanda has made her knowledge and expertise available to the Supervisory Board and to Buma with great energy. And we extend a warm welcome to Wiboud Burkens, Jitze de Raaff and Meindert van Duijvenbode as new members.

The Supervisory Board would further like to thank the following Management Board members: Marleen Kloppers and Marcel Gelauff. As CFO, Marleen Kloppers has made the difficult financial matter accessible and transparent for all stakeholders like only she can and has been able to explain it, thereby making an important contribution to restoring confidence in Buma. Marcel Gelauff has taken responsibility as interim CEO in a time of 'sliding panels'. During that period, Buma had to say goodbye to Bernard Kobes with impactful decisions about IT and strategy still needed.

The Supervisory Board would further like to thank the Council of Rights Owners, all employees and other stakeholders for the pleasant and constructive collaboration. A special word of thanks goes to the members of the Works Council and the MT. In 2024, the Supervisory Board considered its meetings with the Works Council to be crucial. The members of the Works Council understand the issues at play within Buma and are therefore well-positioned to bring strategically relevant themes to the attention of the other boards and councils, including the Supervisory Board. It is clear to the Supervisory Board that the MT and its teams worked tremendously hard in 2024, despite the many challenges, and have thus contributed greatly to the development that Buma has undergone in the field of digitalisation, services to rights owners and music users, innovation and international collaboration.

Members of the Supervisory Board:

Josephine de Zwaan, chair  
Piet-Jan van Rossum, vice-chair  
Hans Everling  
Meindert van Duijvenbode (appointed on 15 May 2024)  
Jolanda Messerschmidt  
Jitze de Raaff (appointed in the interim on 11 March 2024)  
Edith Severs  
Rita Zipora Verbrugge  
Wiboud Burkens (appointed in the interim on 3 February 2025)



A photograph of a recording studio. In the foreground, a man with glasses and a striped shirt is playing an acoustic guitar while wearing large headphones. In the background, a woman with blonde hair is also wearing headphones and looking down. The room has a red wall and a wooden slat partition. Overlaid on the image are white graphic elements: a circle and three vertical bars of increasing height in the top right, and a large number '3' in the bottom right.

# Report from the Council of Rights Owners

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## 3. Report from the Council of Rights Owners

### Introduction

The Council of Rights Owners consists of members nominated by the various professional associations for musicians and publishers. The twelve members represent Buma's broad support base and act as a bridge between that base and the Management Board. Topics that are of interest to Buma members and participants are placed on the agenda by the Council of Rights Owners and discussed directly with the Management Board. Yet it also works the other way around: considerations of the Management Board can be shared with the support base or part thereof via the Council of Rights Owners before a decision is taken. In 2024, the Council of Rights Owners met eight times and also participated in a meeting with the Management Board and the Supervisory Board and a meeting with the two boards (plus the Works Council). These two additional meetings were about 'disruption' and AI as discussed in this annual report. The atmosphere in the discussions was positive and constructive and the Council of Rights Owners feels heard and taken seriously by the Management Board. This is because there is a great deal of internal transparency about any decision-making as well as that the Council of Rights Owners is informed about the decision-making process at an increasingly earlier stage. One such example is the IT transition, in which we have no expertise due to our background, but in which we are included with full transparency. If certain features cannot be realised, or cannot be realised on time, we will be informed as to why this is. We share this explanation with the support base where possible, which then creates further support for the association's board. Another example is the negotiations between Buma and the streaming platforms, about which the Council of Rights Owners was informed by the Management Board in a timely and clear manner. Last year, the Council of Rights Owners issued a total of 26 recommendations to the Management Board. An overview of these recommendations can be found in Appendix 2.4.

### Committees

In 2023, the Council of Rights Owners expanded the number of committees, because there were more topics on which the council wants to issue advice. There are currently three committees:

- || The Distribution Committee, which focuses on the payment of copyright royalties. This committee meets most often and provides the most advice, often on technical matters. Buma strives to achieve one-on-one fee payments as much as possible. However, this is not possible, for example, when using music in shopping centres, restaurants and bars and workspaces. Within this discussion, the committee emphasises the importance of the level of payments (distribution) taking account of the interests of the rights owners and that payments are made quickly and transparently.
- || The GMM Committee, which prepares the General Members Meeting together with the other boards/councils; As can also be read in the reports of the Management Board and the Supervisory Board, AI was the main topic of discussion among the members. They put this topic on the agenda of the GMM via the Council of Rights Owners. In response, the Management Board has set up a special working group to deal with this topic. This step has been met with a positive response from the support base.
- || The Communications Committee, which regularly advises communications staff on how to inform Buma members and participants about certain matters.

In addition, there are two temporary committees:

- || The Foreign Affairs Committee, which examines how distribution from abroad can be arranged better and faster. This committee was very active in 2024, with a view to the expiry of the advance tax ruling between Buma and the Tax and Customs Administration (see report of the Management Board). Negotiations with other distributors and CMOs (Collective Management Organisations) received attention as well, as some royalties remain outstanding in terms of international music use. For many rights owners, this topic still deserves a lot of attention.

- || The 'Live' Committee, which investigates how information about the use of live music can be collected. This once again proved to be a hot topic in 2024, as it remains a challenge to properly register which music is played or performed during live events. The frustration about this within the Council of Rights Owners is shared by the Management Board.

In addition, there are working groups that deal with key accounts (users of music that generate a lot of turnover, such as Meta and Spotify), online licences and AI.

### IT

In addition to being regularly updated on the progress of the IT transformation, a key focus area for us in 2024 was the functioning of MyBumaStemra (MBS), because rights owners deal with this on a daily basis. Throughout the year, users submitted comments, requests, compliments and complaints regarding the portal. We forwarded these to the CIO, the Management Board or another relevant contact within the organisation.

### Investing

The investment policy was discussed extensively during the GMM. The Council of Owners believes that investing is the best option in terms of liquidity management. An alternative would have been much less profitable in 2024 due to current interest rates, or even loss-making in previous years. When developing the investment policy, careful attention is paid to issues such as sustainability and ethics.

### Members

With the aim of recruiting new members and participants, a decision was prepared in 2024 to no longer charge joining costs (entrance fees) to musicians who register with Buma. This lowers the threshold for them to join. The Articles of Association and rules were amended on this point in the course of 2024. As from 1 January 2025, new members and participants will no longer be charged joining costs. It was also decided not to charge an annual contribution for the first year of participation. It should be noted that these participants do not receive a basic distribution in this first year. The Council of Rights Owners was also asked for advice on the elimination of so-called 'dormant members' who did not respond to requests from Buma to provide data for the Tax and Customs Administration. These were members and participants with no or virtually no income. The Council of Rights Owners has not received any complaints from its support base about this 'clean-up operation'.

### Governance

The Council of Rights Owners represents the entire Buma support base and is therefore broad and diverse. Not all topics are agreed on at all times, such as the desire to have more say in Buma's policy and strategy. The Council of Rights Owners does not have any formal power in this, but there are members who still want a greater say in these matters. Other members believe that the Management Board attending the meetings of the Council of Rights Owners means that a lot of information is already shared with each other. They also point out the agenda of the Council of Rights Owners, which is already quite full. Furthermore, they believe that the revised strategy shows that the Management Board has a great deal of interest in any concerns its support base has. Fortunately, as the Council of Rights Owners, we do not always have to speak with one voice: differences of opinion are allowed.

### Course

In 2024, a number of members of the Council of Rights Owners completed the first part of the governance course. This course is about good governance and was introduced by Buma in collaboration with crmLiNK consultancy firm. A number of members moved on to the second (and final) part, which focuses on internal governance within Buma. In 2024, as in previous years, members of the Council of Rights Owners thought the course was very valuable. It helps to maintain 'true to their role' as representatives of musicians and publishers in the Council of Rights Owners.

### Fraud

The Management Board informed the Chair of the Council of Rights Owners of the fraud and the actions taken shortly before the scheduled GMM of 14 May. The council has discussed the fraud report and looks forward to the improvement measures to prevent this type of fraud in the future.

## Death of Bernard Kobes and acknowledgement

The Council of Rights Owners is saddened by the death of CEO Bernard Kobes. In his far too short period at BumaStemra, he set out an ambitious strategy and a clear course. He also paid a great deal of attention to the employees. He gave BumaStemra a new perspective for the future, which was experienced as extremely positive, both outside and within the organisation. His presence at our meetings was always enjoyable and inspiring.

We would like to express our gratitude to interim CEO Marcel Gelauff and CFO Marleen Kloppers for their pleasant collaboration. We respect how they managed to maintain continuity within BumaStemra during Bernard's absence. Our thanks also go to the members of the Supervisory Board and the employees who each day showed their commitment to the broad spectrum of rights owners that we are privileged to represent.

Please submit any questions, comments and ideas for the members of the Council of Rights Owners or one of the committees at [rvr@bumastemra.nl](mailto:rvr@bumastemra.nl).

Members of the Council of Rights Owners:

Davo van Peursen, chair  
Aafke Romeijn, vice-chair  
Susanne Alt (appointed on 12 March 2025)  
Wiboud Burkens (stepped down on 3 February 2025)  
Brian Dessaur (joined in the interim on 10 April 2024)  
Tomas Deuss  
David Dramm  
Darko Esser  
Levy Isabella  
Renger Koning  
Martijn Schimmer  
Johan van der Voet  
Savine Warmelink





Adoption of  
financial  
statements

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## 4. Adoption of financial statements

After auditing the financial statements of Vereniging Buma, Forvis Mazars N.V. issued an unqualified auditor's report in respect of the financial statements. We propose to adopt the Buma 2024 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 2024 financial year.

Hoofddorp, 11 June 2025

### Members of the Supervisory Board

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Josephine de Zwaan	Chair
Wiboud Burkens	Member of the Supervisory Board
Meindert van Duijvenbode	Member of the Supervisory Board
Hans Everling	Member of the Supervisory Board
Jolanda Messerschmidt	Member of the Supervisory Board
Jitze de Raaff	Member of the Supervisory Board
Piet-Jan van Rossum	Member of the Supervisory Board
Edith Severs	Member of the Supervisory Board
Rita Zipora Verbrugge	Member of the Supervisory Board

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### Members of the Management Board

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Marcel Gelauff	Acting Chief Executive Officer
Remko de Jong	Acting Chief Financial Officer

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# Financial statements

# 5

## 5.1 Balance sheet as at 31 December 2024

After appropriation of the result

(x € 1,000)		31-12-2024	31-12-2023
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible fixed assets	(1)	17,822	12,202
Tangible fixed assets	(2)	744	999
Financial fixed assets	(3)	5,425	5,400
<b>Current assets</b>			
<b>Receivables</b>			
Accounts receivable	(4)	24,925	20,210
Other receivables	(5)	513	1,430
Taxes and social security contributions		899	1,717
Prepayments and accrued income	(6)	7,886	3,229
		<b>34,223</b>	<b>26,586</b>
<b>Securities</b>	(7)	<b>177,866</b>	<b>166,489</b>
<b>Cash and cash equivalents</b>	(8)	<b>64,577</b>	<b>57,323</b>
<b>TOTAL ASSETS</b>		<b>300,657</b>	<b>268,998</b>

(x € 1,000)		31-12-2024	31-12-2023
<b>LIABILITIES</b>			
<b>Equity</b>			
Appropriated reserve	(9)	-	-
<b>Provisions</b>			
Provision for (temporary) differences in cost-effectiveness	(10)	49,268	36,922
Other provisions	(10)	4,722	5,131
		<b>53,990</b>	<b>42,053</b>
<b>Non-current liabilities</b>	(11)	<b>1,089</b>	<b>1,191</b>
<b>Current liabilities</b>			
Copyright royalties to be distributed	(12)	215,317	190,974
Accounts payable		2,396	2,795
Taxes and social security contributions		382	407
Other liabilities	(13)	20,983	22,281
Accruals and deferred income	(14)	6,500	9,297
		<b>245,578</b>	<b>225,754</b>
<b>TOTAL LIABILITIES</b>		<b>300,657</b>	<b>268,998</b>

## 5.2 Operating statement for 2024

(x € 1,000)		2024	2023
<b>Income</b>	(15)		
Administration fee withheld in the year of collection		32,577	30,487
Contributions and registration fees		1,239	1,155
Other income		119	279
<b>Total income</b>		<b>33,935</b>	<b>31,922</b>
<b>Expenses</b>			
Personnel costs	(16)	17,342	14,472
Accommodation costs		931	830
Amortisation and depreciation	(1 + 2)	1,709	2,498
Other expenses	(17)	15,055	11,717
<b>Total expenses</b>		<b>35,037</b>	<b>29,516</b>
<b>Result from operations</b>		<b>-1,102</b>	<b>2,405</b>
<b>Financial income and expenses</b>			
Investment result	(18)	13,551	14,566
Interest income and similar income		322	21
Interest expenses and similar expenses	(3)	-425	-
<b>Balance of financial income and expenses</b>		<b>13,448</b>	<b>14,587</b>
<b>Result before taxes</b>		<b>12,346</b>	<b>16,992</b>
Movement in provision for (temporary) differences in cost-effectiveness	(10)	-12,346	-16,992
Taxes	(19)	-	-
<b>Result after taxes</b>		<b>-</b>	<b>-</b>

## 5.3 Cash flow statement for 2024

(x € 1,000)		2024	2023
Result after taxes		-	-
Movement in provision for (temporary) differences in cost-effectiveness		12,346	16,992
Financial income and expenses		-13,448	-14,587
<b>Result from operations</b>		<b>-1,102</b>	<b>2,405</b>
Adjustments for:			
Amortisation intangible fixed assets	(1)	1,293	2,065
Depreciation tangible fixed assets	(2)	416	433
Depreciation financial fixed assets	(3)	425	-
		<b>2,134</b>	<b>2,498</b>
<b>Cash flow from operations</b>		<b>1,032</b>	<b>4,903</b>
Purchases of securities	(7)	-39,901	-25,380
Repayments received / sale of securities	(7)	40,123	25,410
Financial income and expenses with cash flow		2,274	554
Movement in other provisions	(10)	-704	-487
Movement in non-current liabilities	(11)	-102	-804
Movement in copyright royalties to be distributed	(12)	24,343	-1,463
Movement in operating capital		-12,737	3,695
		<b>13,296</b>	<b>1,719</b>
<b>Cash flow from operating activities</b>		<b>14,328</b>	<b>6,622</b>
Investments in intangible fixed assets	(1)	-6,913	-6,042
Investments in tangible fixed assets	(2)	-161	-238
<b>Cash flow from investment activities</b>		<b>-7,074</b>	<b>-6,280</b>
<b>Movement in cash flow</b>		<b>7,254</b>	<b>342</b>
Cash and cash equivalents as at 1 January	(8)	57,323	56,981
Cash and cash equivalents as at 31 December	(8)	64,577	57,323
<b>Movement in cash and cash equivalents</b>		<b>7,254</b>	<b>342</b>

## 5.4 Notes to the financial statements

### Information about the legal entity

#### Business address and Commercial Register number

Vereniging Buma has its registered office in Amstelveen and principal place of business at Saturnusstraat 46-62 in Hoofddorp. The company is registered with the Chamber of Commerce in Amsterdam under file number 40530934.

#### General information

##### Key activities of the legal entity

The objective of Vereniging Buma (hereinafter also 'Buma') is to promote both the tangible and intangible interests of authors/songwriters and their successors in title and of publishers and publishing companies as a non-profit institution. By law, Buma has been appointed by Royal Decree to represent the aforementioned rights owners in a great number of administration areas. Buma stands for Bureau voor Muziek Auteursrechten (Music Copyright Bureau).

##### Period under review

These financial statements concern the financial year 2024, which ended on the balance sheet date of 31 December 2024.

##### Information about group structure

The financial statements of Vereniging Buma concern the separate financial statements. The financial data of Vereniging Buma are included in the financial statements in accordance with the Dutch Accounting Standards.

Although Vereniging Buma and Stichting Stemra collaborate in one staffing organisation, 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.

##### 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 therefore require estimates and assumptions:

- valuation of accounts receivable;
- actuarially determined provisions, such as the provision for the annual allowances scheme and 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

#### Going concern

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

#### Applied accounting standards

The financial statements have been prepared in accordance with Title 9 of Book 2 of the Netherlands Civil Code, as required by Section 2q, subsection 3 of the Collective Management Organisations for Copyright and Neighbouring Rights (Supervision and Dispute Resolution) Act ('Supervision Act').

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.

Expenses are recognised when a decrease in economic potential related to a decrease in an asset or an increase 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 Vereniging Buma 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

Buma 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

Vereniging Buma 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 the balance sheet date. As the liabilities in respect of the pension contributions have short terms, they are stated at their nominal value. 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, Buma is not obliged to pay additional contributions other than higher future pension contributions.



## Financial instruments

Financial instruments only comprise primary instruments (receivables, securities, 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 stated 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 recognised 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;
- || securities (government bonds, bond funds, mortgage funds and equity funds) constitute part of the investment portfolio and are stated at fair value with changes in value being recognised in the operating statement. The fair value is determined based on the listed market price;
- || 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.

## Principles for the valuation of assets and liabilities

### Intangible fixed assets

Intangible fixed assets are stated at cost of acquisition or manufacture less cumulative amortisation and impairment. Amortisation charges are calculated as a percentage of the cost of acquisition 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. Intangible 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. For impaired intangible fixed assets that have not yet been taken into use, however, the recoverable amount is determined at each balance sheet date.

The estimated useful life is as follows:

- || business information systems 3 - 8 years.

### Tangible fixed assets

Tangible fixed assets are stated at cost of acquisition or manufacture less cumulative depreciation and impairment. Amortisation charges are calculated as a percentage of the cost of acquisition 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 fixed assets 5 - 10 years.

### Financial fixed assets

Financial fixed assets are initially recognised at fair value and subsequently measured at amortised cost. Financial 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.

### 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.

### Securities

Listed shares and bonds are part of a trading portfolio and are stated at their market value at the balance sheet date, with both unrealised and realised changes in value being recognised directly in the operating statement.

### 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.

### 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-effectiveness

The provision for (temporary) differences in cost-effectiveness contains the cumulative differences in cost-effectiveness that will be settled with the rights owners in the future. The purpose of this provision is to pay out the fluctuating return on investments in a balanced manner to rights owners and to absorb other types of temporary differences in cost-effectiveness.

Buma 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 returns on investments 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.

### Provision for annual allowances

The provision for annual allowances concerns a provision for the annual allowances paid to (former) musicians and publishers and their heirs. Although the obligations are conditional, they are recognised as a constructive obligation based on the agreements entered into and the raised expectations.

The provision has been charged to the Fund for Social and Cultural Purposes. Any release from the provision will therefore be credited to this fund as well. The provision is recognised for the actuarial value of the commitments that have been made.

## Fund for Social and Cultural Purposes

The Fund for Social and Cultural Purposes (SoCu fund) serves to advance the intangible or tangible interests of composers, songwriters and music publishers and to promote the Dutch music scene. The addition to the fund consists of the withholding of a percentage of the copyright royalties that are available for distribution. Pursuant to Article 30, paragraph 4 of the Articles of Association, the percentage is determined annually by the Management Board, subject to a maximum of 10%. The withholding is part of the distribution.

With the approval of the Supervisory Board and with due observance of Article 30, paragraph 3, of the Distribution Rules approved by the Members' Meeting, the Management Board of Buma decides on expenditures and distributions charged to the fund. The resources available in the SoCu Fund are of a long-term nature, as they cannot be claimed within twelve months of the balance sheet date.

## Copyright royalties

Buma recognises a receivable in respect of copyright royalties when the amount can be determined reliably, it is probable that it will flow to Buma, and it is enforceable as at the balance sheet date.

Copyright royalties received from other, mainly international Collective Management Organisations 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 Buma 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 Buma 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 pertaining to the distribution (also in view of the indemnification that Buma 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 distributed proportionally to the various distribution sections via the general distribution in the fourth calendar year after collection. For works that are claimed by multiple rights owners (double 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 withheld 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. Until 2020, a variable percentage was withheld from a number of sections in the year of collection, and a fixed percentage was withheld from a number of sections in the year of distribution.

### Financial income and expenses

Dividends are recognised in the period in which they are made payable. Interest income and expenses from investments are recognised in the period to which they relate. The costs of the investments are recognised in the corresponding investment results.

Transaction results are recognised in the period in which the transaction took

place. Changes in the fair value of securities are recognised in the operating statement.

### Fair value measurement

The fair value of a financial instrument is the amount for which an asset can be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's-length transaction.

The fair value of listed financial instruments is determined based on the bid price.

### 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, calculated on the basis of tax rates enacted as at the balance sheet date.

In an advance tax ruling extended until 31 December 2024, the Dutch Tax and Customs Administration has determined that Vereniging Buma is subject to corporation tax. Deductible foreign withholding tax and Dutch dividend tax 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 2024 financial year.

Meanwhile, an advance tax ruling has been reached with the Tax and Customs Administration stating that Vereniging Buma may no longer claim set-off of foreign withholding tax for the period from 1 January 2025 to 31 December 2029.

## 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. The purchase and sale of investments, interest and dividends received and interest paid and costs of investments 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 Buma are disclosed separately.

*\*In the agreements that Buma concludes with the licensee, Buma 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.*

## Notes to the specific items of the balance sheet

### (1) Intangible fixed assets

The changes in intangible fixed assets are as follows:

(x € 1,000)	Business information systems	Assets under construction	Total
<b>Balance as at 1 January 2024</b>			
Cost of acquisition/manufacture	15,231	9,244	24,475
Cumulative depreciation	-11,457	-817	-12,273
<b>Carrying amount as at 1 January 2024</b>	<b>3,774</b>	<b>8,428</b>	<b>12,202</b>
<b>Movements</b>			
Investments	739	6,174	6,913
Commissioning	5,854	-5,854	-
Depreciation/amortisation and impairment	-2,110	817	-1,293
<b>Total movements</b>	<b>4,483</b>	<b>1,137</b>	<b>5,620</b>
<b>Balance as at 31 December 2024</b>			
Total cost of acquisition	21,824	9,565	31,389
Cumulative amortisation and impairment	-13,567	-	-13,567
<b>Carrying amount as at 31 December 2024</b>	<b>8,257</b>	<b>9,565</b>	<b>17,822</b>

The investments made in 2024 mainly relate to the IT replacement investment for software for processing and distribution of received licence fees and related (standard) applications for CRM and Finance. This also includes the development of new functionalities for the MyBumaStemra portal. In 2023, an impairment occurred on Assets under construction. This depreciation related to the investment in the development of another copyright system, of which it was still uncertain at the end of 2023 whether this functionality would actually be put into full use by Buma. In 2024, it became clear that Buma would actually start using this functionality and therefore the impairment was reversed in 2024.

### (2) Tangible fixed assets

The changes in intangible fixed assets are as follows:

(x € 1,000)	Hardware / computer equipment	Other operating assets	Total
<b>Balance as at 1 January 2024</b>			
Cost of acquisition/manufacture	3,038	1,400	4,438
Cumulative depreciation	-2,477	-961	-3,439
<b>Carrying amount as at 1 January 2024</b>	<b>561</b>	<b>438</b>	<b>999</b>
<b>Movements</b>			
Investments	53	108	161
Amortisation and depreciation	-270	-146	-416
<b>Total movements</b>	<b>-217</b>	<b>-38</b>	<b>-255</b>
<b>Balance as at 31 December 2024</b>			
Cost of acquisition/manufacture	3,091	1,508	4,599
Cumulative amortisation and impairment	-2,748	-1,107	-3,855
<b>Carrying amount as at 31 December 2024</b>	<b>343</b>	<b>401</b>	<b>744</b>

### (3) Financial fixed assets

The changes in financial fixed assets are as follows:

(x € 1,000)		Long-term receivables
Carrying amount as at 1 January 2024		5,400
<b>Movements</b>		
Increase		-
Revaluations		-425
Repayments		-
Movement included under short-term receivables		450
<b>Total movements</b>		<b>25</b>
Carrying amount as at 31 December 2024		5,425

The 2024 revaluations relate to the newly developed copyright system. At year-end 2024, there is still an intangible fixed asset. Buma sold the intellectual property of this copyright system (back) to the supplier. The intellectual property was transferred on 1 January 2025.

Therefore, this asset will be converted into a long-term receivable from the supplier as from 1 January 2025. However, the interest (advance payment) that will be charged against this claim will not commence until 1 January 2027. Since the intellectual property is transferred earlier, thereby creating a situation in which the copyright system is already in use from 2025, the value of the long-term receivable must be depreciated when applying the current cost. This concerns an amount of € 425k. This amount will be charged to financial income and expenses as a revaluation of a long-term receivable and included as a credit amount under long-term receivables from as early as year-end 2024. After all, this fact is already known as at the balance sheet date.

The conditions for the long-term receivable that already existed at the end of 2023 were adjusted in 2024. It has been agreed with the other party that the date on which repayments will commence has been postponed to 1 October 2025. As a result, € 150k of the long-term receivable has been recognised under current receivables as at 31 December 2024. On 31 December 2023, this was still € 600k. Until 1 October 2025, interest payments will be made by the other party, which means that there is no impairment for this claim at year-end 2024.

### (4) Receivables

(x € 1,000)		2024	2023
Accounts receivable		26,809	21,262
Provision for uncollectible amounts		1,884	-1,052
<b>Total as at 31 December</b>		<b>24,925</b>	<b>20,210</b>

The accounts receivable balance as at year-end comprises amounts receivable that are collected directly by Buma and receivables for which the collection is carried out by the Service Centre for Copyright and Neighbouring Rights (SCAN).

Receivables from debtors include an amount of € 1.6 million (2023: € 1.4 million) that has been outstanding for more 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 bad debts have been recognised where necessary. The total provision for bad debts at year-end 2024 amounts to € 1.9 million (2023: € 1.1 million). From 2024 onwards, the provision for uncollectible amounts will be drawn up on the basis of a modified methodology. This new methodology also takes into account so-called type-2 claims. These are invoiced amounts that are paid out to rights owners in the distribution process on a one-on-one basis. This was not yet the case in the old methodology.

### (5) Other receivables

(x € 1,000)		2024	2023
Buma members and participants		349	773
Sociaal Fonds Buma current account		-	4
SCAN current account		14	-
Other receivables		150	653
<b>Total as at 31 December</b>		<b>513</b>	<b>1,430</b>

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

## (6) Prepayments and accrued income

(x € 1,000)	2024	2023
Prepaid pension contribution	1,874	1,678
Prepaid expenses	785	1,271
Other prepayments and accrued income	5,227	280
<b>Total as at 31 December</b>	<b>7,886</b>	<b>3,229</b>

The prepayments and accrued income have a term of less than one year.

## (7) Securities

(x € 1,000)	2024	2023
Fixed-income securities	137,996	128,522
Equity funds	39,869	37,967
<b>Total as at 31 December</b>	<b>177,866</b>	<b>166,489</b>

Fixed income securities consist of government bonds, corporate bonds, government bonds from emerging markets and a mortgage fund. The equities in combination with the fixed-income securities have a wide spread, which means that the risk profile as a whole is defensive. The purchases and sales in the statement below fully relate to movements within the investment mandate. Therefore, in 2024 there were no withdrawals or additions to the investment mandate.

The changes in the separate items are as follows:

(x € 1,000)	Fixed-income securities	Equity funds	Total
<b>Balance as at 1 January 2024</b>	<b>128,522</b>	<b>37,967</b>	<b>166,489</b>
Purchases	39,901	-	39,901
Repayments/sales	-34,971	-5,152	-40,123
Changes in value	4,544	7,055	11,599
<b>Total movements</b>	<b>9,474</b>	<b>1,903</b>	<b>11,377</b>
<b>Total as at 31 December 2024</b>	<b>137,996</b>	<b>39,870</b>	<b>177,866</b>

## (8) Cash and cash equivalents

(x € 1,000)	2024	2023
Various banks	64,577	57,323
<b>Total as at 31 December</b>	<b>64,577</b>	<b>57,323</b>

The cash and cash equivalents are freely available with the proviso that a bank guarantee of € 0.3 million has been issued for the rent of the business premises (2023: € 0.3 million). The cash and cash equivalents consist of cash held at Dutch system banks.

## (9) Equity

Pursuant to Article 27, paragraph 6, of the Articles of Association of Vereniging Buma, the financial statements are adopted by the General Members' Meeting. On 10 November 2021, the General Members' Meeting had already approved the proposal of the Management Board to keep the buffer for (temporary) differences in cost-effectiveness from 2021 in a provision instead of in the appropriated reserve.

From the 2022 financial year, the operating statement will be brought to zero by updating the (temporary) differences in cost-effectiveness in the provision. This is more in line with the statutory provision that Buma does not have a profit motive. Buma has therefore not applied any movements to the appropriated reserve in 2024.



## (10) Provisions

### Provision for (temporary) differences in cost-effectiveness

Changes in the provision are as follows:

(x € 1,000)	2024	2023
<b>Balance as at 1 January</b>	36,922	19,930
Movement charged to operating statement	12,346	16,992
<b>Total as at 31 December</b>	<b>49,268</b>	<b>36,922</b>

The purpose of the provision for temporary differences in cost-effectiveness is to pay out the fluctuating return on investments in a balanced manner to rights owners from year to year and to absorb other types of temporary differences in cost-effectiveness. Buma 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 returns on investments 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 return risk on the investments and the expected balance of cost-effectiveness for 2024. If the size of the provision falls outside the intended bandwidth, the Management Board will adjust the budget process within three years. In some cases, if the intended bandwidth is exceeded more structurally, the Management Board will submit a proposal to the General Members' Meeting at the same time as the financial statements are presented. The bandwidths of the provision are 15.0% (lower limit) and 22.5% (upper limit) respectively of the value of the securities portfolio. The change in this provision in 2024 concerns the positive balance of cost-effectiveness for 2024:

€ 12.3 million. This surplus is mainly the result of the positive investment result, which was € 9.2 million higher than budgeted. Furthermore, due to the higher collection, the withheld administration fees were € 1.2 million higher than budgeted. Management costs were € 1.5 million lower than budgeted. Other (financial) income together was € 0.6 million lower than budgeted. Since the budget for 2024 had already assumed a funding surplus of € 1.0 million, the total funding surplus amounts to € 12.3 million.

On 31 December 2024, the lower limit of the provision was equal to € 26.7 million, the upper limit equal to € 40.0 million. After the movement charged to the operating statement, the balance of the provision as at 31 December 2024 amounts to € 49.3 million. This is € 9.2 million above the upper limit. Therefore, in accordance with the established reserve policy, there is a need to adjust towards the upper limit of the provision. The Management Board will submit a proposal on this matter to the General Members' Meeting at the same time as the financial statements are presented.

### Other provisions

The other provisions concern the Buma annual allowances scheme and the provision for long-service awards:

(x € 1,000)	2024	2023
Buma annual allowance scheme	4,525	4,943
Long-service awards	197	188
<b>Total as at 31 December</b>	<b>4,722</b>	<b>5,131</b>

### Buma annual allowance scheme

Changes in the provision for the Buma annual allowances scheme are as follows:

(x € 1,000)	2024	2023
<b>Balance as at 1 January</b>	4,943	5,432
Interest	159	174
Mortality result	5	-60
Change in interest rate	134	180
Change in life expectancy	-19	-4
Distributions	-697	-779
<b>Balance as at 31 December</b>	<b>4,525</b>	<b>4,943</b>

Buma has made a conditional commitment to pay annual allowances to participants in the annual allowances scheme. It concerns the distribution to the existing group of participants who were allocated an annual allowance before 1 July 1997.

Until now, the conditional annual allowances have been indexed annually based on the consumer price index. As at 31 December, the provision for the annual allowances scheme was determined based on a discount rate of 2.89% (2023: 3.44%). This change in interest rate increases the present value of the annual allowances obligations. Consequently, the expected annual interest payment has decreased.

## Long-service awards

Changes in the provision for long-service awards are as follows:

(x € 1,000)	2024	2023
<b>Balance as at 1 January</b>	<b>188</b>	<b>186</b>
Interest	7	7
Addition debited /release credited to the result	14	-8
Change in interest rate	-	7
Change in life expectancy	-5	-
Distributions	-7	-4
<b>Balance as at 31 December</b>	<b>197</b>	<b>188</b>

This provision concerns future long-service awards to employees, and is largely long term. The provision for long-service awards includes an amount of € 22k (2023: € 18k) with a term of less than one year.

## (11) Non-current liabilities

Non-current liabilities concern the SoCu Fund, the changes of which are as follows:

(x € 1,000)	2024	2023
<b>Balance as at 1 January</b>	<b>1,191</b>	<b>2,654</b>
Addition from collection to be distributed	11,676	11,217
Withdrawals	-11,778	-12,680
<b>Total movements</b>	<b>-102</b>	<b>-1,463</b>
<b>Balance as at 31 December</b>	<b>1,089</b>	<b>1,191</b>

The withholding from the amount of copyright royalties available for distribution for the Netherlands, and thus the addition to the SoCu Fund, was set by the Management Board at 8.0% for 2024 (2023: 8.0%). In 2024, the amount added is 4.1% higher than in 2023 due to the increase in royalties from which SoCu contributions are withheld; no SoCu contributions are withheld from Online copyright royalties.

Withdrawals from the SoCu Fund in 2024 can be specified as follows:

(x € 1,000)	2024	2023
<b>Social</b>		
Retirement provisions for musicians and publishers *	5,775	6,750
Movement in provisions for musicians and publishers	-192	-201
Annual allowances commitment *	690	736
Change in provision for annual allowances	-411	-451
<b>Withdrawals Social</b>	<b>5,862</b>	<b>6,834</b>
<b>Cultural</b>		
Stichting Buma Cultuur commitment *	4,400	4,400
Surcharge Serious *	520	550
Brein *	459	450
Professional associations	263	264
Other	274	182
<b>Withdrawals Cultural</b>	<b>5,916</b>	<b>5,846</b>
<b>Total withdrawals</b>	<b>11,778</b>	<b>12,680</b>

\* concerns allocations for distributions in the following financial year.

Of the total withdrawals in 2024, € 11.8 million (2023: € 12.9 million) concerns allocations for distributions in the following financial year. The other items were paid out in the relevant financial year or relate to the payments of grants in previous financial years.

### Retirement provisions scheme

The SoCu Fund finances old-age provisions for musicians and publishers affiliated with Buma who meet certain conditions.

These funds must be used by musicians and music publishers themselves, for their own retirement provision.

In 2024, the basis for the funds made available to musicians is 8.0% (2023: 8.0%) of the copyright fees received through Buma. The music publishers' retirement provision amounts to 50% of the maximum available amount for musicians. For both musicians and publishers, an annual income threshold of € 1,388 (2023: € 1,416) applies.

In 2024, an amount of € 5.8 million was withdrawn from the Socu Fund for the retirement benefits for 2024, which will be paid in 2025. This amount has been recognised as an obligation under the other liabilities.

#### Annual allowances commitment (previously: Stichting Sociaal Fonds Buma commitment)

Stichting Sociaal Fonds Buma was wound up in 2023. The foundation has transferred the implementation of the conditional commitment to Buma as of 1 January 2023.

#### Stichting Buma Cultuur

Stichting Buma Cultuur supports and promotes Dutch music copyright both in the Netherlands and in the most important export markets for Dutch (not necessarily Dutch-language) music. The aim of Stichting Buma Cultuur is to contribute to defining and implementing Buma's cultural policy and creating and promoting musical works and related cultural expressions, in connection with Dutch music.

The amounts included for Stichting Buma Cultuur concern the granted subsidies for 2025 of € 4.4 million.

#### Other

The Surcharge Serious is a withdrawal from the SoCu Fund for the distribution to rights owners in the Serious Music section. The item 'other' under cultural expenditure mainly concerns expenditure in the context of the protection of copyright.

The Buma share of the funding for BREIN is charged to Buma by VOI©E. The withdrawal in 2024 concerns a commitment for the year 2025.

### (12) 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)	2024	2023
Accrued in financial year	158,002	153,862
Royalties still in progress	31,590	25,806
Accrued in previous years	25,725	11,305
<b>Balance as at 31 December</b>	<b>215,317</b>	<b>190,974</b>

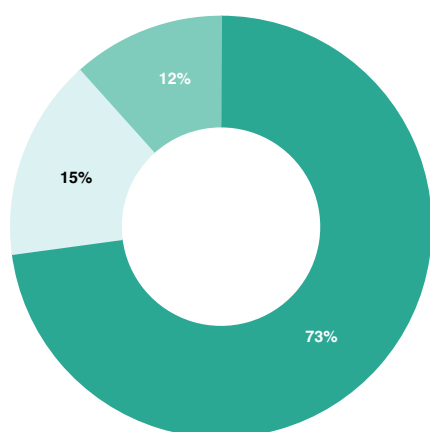
Changes in the royalties to be distributed in the financial year were as follows:

(x € 1,000)	2024	2023
<b>Balance as at 1 January</b>	190,974	191,584
<b>Collection:</b>		
Music use in the Netherlands	236,339	217,918
CMOs Abroad	22,781	17,425
	<b>259,120</b>	<b>235,343</b>
<b>Distribution:</b>		
Directly affiliated rights owners	-124,215	-133,801
CMOs Abroad	-65,720	-59,848
Additions to Fund for Social and Cultural Purposes	-12,265	-11,817
	<b>-202,200</b>	<b>-205,466</b>
<b>Withholding administration fee:</b>		
Administration fee withheld in the year of collection	-32,577	-30,487
	<b>-32,577</b>	<b>-30,487</b>
<b>Balance as at 31 December</b>	<b>215,317</b>	<b>190,974</b>

On balance, the copyright royalties to be distributed increased by € 24.3 million compared to the previous year. The main reason for this is the higher collection in 2024 and the increase in royalties that cannot yet be assigned. The tables below further discuss the composition of the copyright royalties to be distributed.

## Composition of copyright royalties to be distributed for 2024

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



- Accrued in financial year
- Royalties still in progress
- Accrued in prior financial years

(x € 1,000)	2024	2023
<b>1. Accrued in financial year</b>	<b>158,002</b>	<b>153,862</b>
<b>2. Royalties still in progress</b>		
- As yet unallocatable royalties	17,527	15,185
- Warsaw rule	3,147	2,377
- Cable fees from abroad	1,418	1,567
- Double claims	6,488	5,602
- Claim differences	3,010	1,075
<b>Total royalties still in progress</b>	<b>31,590</b>	<b>25,806</b>
<b>3. Accrued in prior financial years</b>	<b>25,725</b>	<b>11,305</b>
<b>Total</b>	<b>215,317</b>	<b>190,974</b>

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

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 2024. The majority will be paid out during 2025.

The second category concerns the royalties for which the distribution process could not be completed. Buma 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 (€ 158.0 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)	2024	2023
Revenue from copyright royalties	259,120	235,343
Administration fee withheld in the year of collection	-32,577	-30,487
Available for Fund for Social and Cultural Purposes	-12,265	-11,817
<b>Subtotal of distribution of received copyright royalties</b>	<b>214,278</b>	<b>193,039</b>
Distributed in financial year *	-56,276	-39,177
<b>Total as at 31 December</b>	<b>158,002</b>	<b>153,862</b>

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

The collection in 2024 increased by € 23.8 million compared to 2023. The withheld administrative fee of € 32.6 million relates to the deduction from the realised collection. The deduction is approximately € 2.1 million higher than last year.

A total of € 214.3 million net will be made available for distribution in 2024. More than € 56.3 million of this was paid out during the year, after which € 158.0 million remains at the end of 2024 in distributable royalties that have been accrued in the current financial year.

The copyright royalties were received from the following categories:

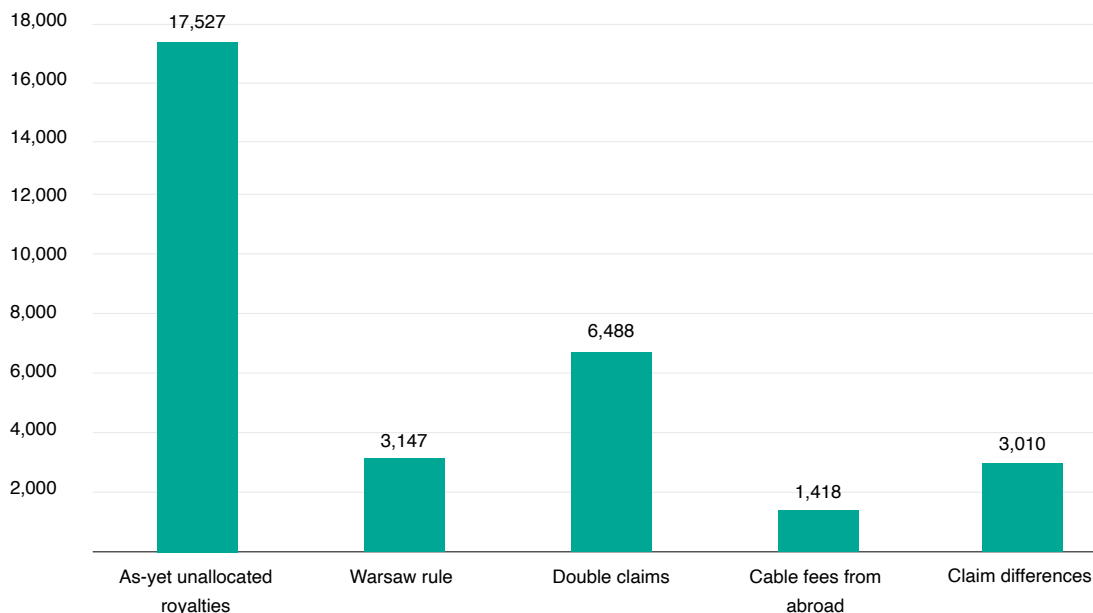
(x € 1,000)	2024	2023
Radio, TV and Network Providers	75,938	76,372
Live Performances	49,008	47,271
Restaurants and Bars	16,894	15,907
Workspaces	26,195	24,653
Shops and Stores	14,321	13,848
Online	53,983	39,867
Abroad	22,781	17,425
<b>Balance as at 31 December</b>	<b>259,120</b>	<b>235,343</b>

## 2. Royalties still in progress (€ 31.6 million)

The Supervision Act stipulates terms within which rights revenue received must be distributed by at the latest. The distribution period is set at nine months after the end of the financial year in which the royalties 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, Buma 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. The underlying reasons for these different royalties still in progress are explained in more detail in the relevant sections.

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.

### As-yet unallocated royalties (€ 17.5 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 are available about broadcasts or these data are incomplete, which means no or only incomplete information 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, Buma 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.



### Warsaw rule (€ 3.1 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 origin of the identified rights owners. If the majority of the known rights owners are affiliates of Buma, the unidentified portion is reserved. If the majority of the known rights owners are affiliated with another CMO, the amount is distributed to the relevant CMO. For example, Buma too receives Warsaw funds from other CMOs for as-yet unknown rights owners.

### Double claims (€ 6.5 million)

These amounts relate to copyrights for which the rights owners are still in consultation on how these rights should be distributed.

### Cable fees from abroad (€ 1.4 million)

This concerns amounts originating from other CMOs that relate to Dutch cable fees for which a distribution is made annually. The accrued cable fees are paid out in the following year.

### Claim differences (€ 3.0 million)

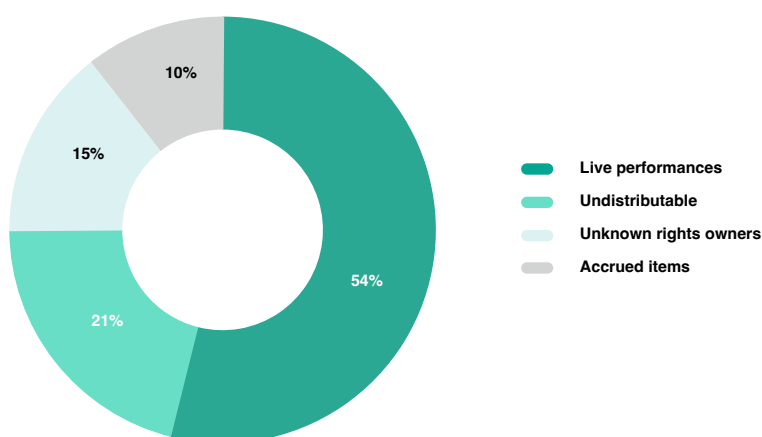
Claim differences arise in two ways:

- difference between share picture at the time of invoicing and at the time of distribution for online;
- difference between share picture provided by sister societies and the share picture in the ICE database for International.

## 3. Accrued in previous years (€ 25.7 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



### Live Performances (€ 14.0 million)

To enable the proper distribution of royalties, not only the collection amounts but also the associated music use needs to be identified. Information about music use associated with royalties received from Live Performances needs to be submitted by both the events organisers and the rights owners. Buma depends on the organisers and rights owners. This information becomes available in stages. The royalties included in this item relate to music use for which the required information has not yet become available.

### Undistributable (€ 5.5 million)

Part of the item accrued in previous years relates to undistributable copyright royalties. Amounts owed to rightful rights owners will be considered as undistributable amounts if these funds cannot be distributed three years after the end of the financial year in which Buma collected these funds and Buma has taken all necessary measures to identify and locate the rightful rights owners.

### Unknown rights owners and information still to be verified respectively (€ 3.7 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.

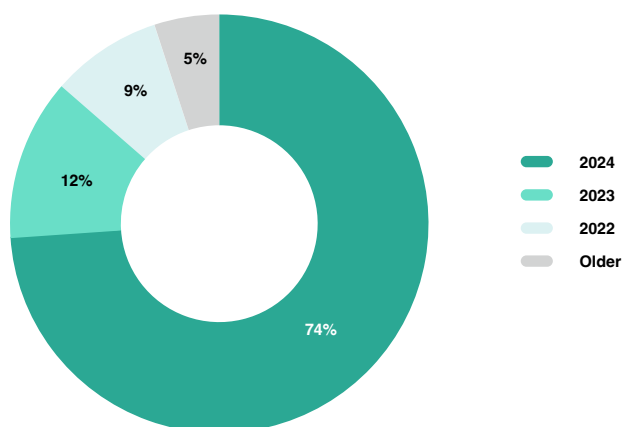
This item partly concerns royalties for which the manual verification process could not be completed in time. It is expected that the processing of these royalties will be completed in 2025, after which they can be distributed.

### Accrued items (€ 2.6 million)

This concerns royalties which became available for distribution late in 2024 and which could therefore not be processed in 2024. Most of these royalties will be distributed in 2025.

#### 4. Age of copyright royalties to be distributed

##### Age of copyright royalties to be distributed



##### Distributable copyright royalties by annual tranche:

(x € 1,000)	Total	2024	2023	2022	older
<b>Accrued in financial year</b>	<b>158,002</b>	158,002	-	-	-
<b>Royalties still in progress</b>					
As-yet unallocated royalties	17,527	1,116	10,136	6,120	155
Warsaw rule	3,147	457	898	788	1,004
Double claims	6,488	476	1,409	942	3,661
Cable fees	1,418	-	1,412	6	-
Claim differences	3,010	356	1,422	942	290
<b>Accrued in prior financial years *</b>	<b>25,725</b>	342	10,174	9,625	5,584
<b>Total as at 31 December</b>	<b>215,317</b>	<b>160,749</b>	<b>25,451</b>	<b>18,423</b>	<b>10,694</b>

\* the amount in annual tranche 2024 was accrued in 2024. 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'. Buma has, for a period of three years, the obligation to identify the rightful owner of these royalties and, if possible, to distribute them. If Buma is unable to do so, these royalties are added to the distribution of the general rights in the following year. An exception to this rule applies to double claims.

In addition to € 5.1 million in royalties still in progress, the total amount from the years before 2022 mainly consists of € 5.6 million available for undistributable.

A considerable percentage of the royalties accrued in previous years are expected to be distributed in 2025. In this context, Buma depends on 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.

### (13) Other liabilities

(x € 1,000)	2024	2023
Obligations in respect of social and cultural purposes	12,756	13,508
Stemra current account	4,520	5,247
SCAN current account	-	8
Buma members and participants	2,932	2,827
Other	775	691
<b>Total as at 31 December</b>	<b>20,983</b>	<b>22,281</b>

The obligations in respect of socio-cultural purposes are as follows:

(x € 1,000)	2024	2023
Grant obligations to Stichting Buma Cultuur for 2025 and 2024 financial years	4,050	4,050
Grant obligations to Stichting Buma Cultuur for previous years	254	254
Retirement provisions for musicians and publishers	7,445	8,132
Surcharge Serious	548	622
Grant obligations to Stichting Brein for 2025 and 2024 financial years	459	450
<b>Total as at 31 December</b>	<b>12,756</b>	<b>13,508</b>

### (14) Accruals and deferred income

(x € 1,000)	2024	2023
Advances received	2,219	2,809
Amounts to be credited	1,068	2,691
Invoices to be paid	805	328
Amounts invoiced in advance	479	1,089
Holiday allowance and annual leave	1,194	1,078
Rental payments in coming years	7	10
Other	728	1,292
<b>Total as at 31 December</b>	<b>6,500</b>	<b>9,297</b>

No amounts with a term of more than one year were included under accruals and deferred income as at 31 December 2024.

Other prepayments and accrued income as at 31 December 2024 include an amount of less than € 0.1 million (2023: € 0.5 million) that is still available for the Music Emergency Fund and Music Investment Fund. These royalties are part of the liquid assets of Buma, which provides the cashier function.

## Notes to the operating statement

### (15) Income

(x € 1,000)	2024	2023
Administration fee withheld in the year of collection	32,577	30,487
Contributions and registration fees	1,239	1,155
Other income	119	279
<b>Total as at 31 December</b>	<b>33,935</b>	<b>31,922</b>

For information on the administration fee, please refer to Chapter 1.2.4 of the Directors' Report.

### (16) Personnel costs

(x € 1,000)	2024	2023
Salaries	11,249	9,684
Social security contributions	1,722	1,492
Pension costs	1,308	1,122
Hiring of temporary personnel	3,457	2,947
Remuneration Supervisory Board and Council of Rights Owners	343	332
Reimbursement of travel expenses	645	451
Other personnel costs	1,301	909
	<b>20,025</b>	<b>16,937</b>
Allocated to related parties	-2,683	-2,465
<b>Total</b>	<b>17,342</b>	<b>14,472</b>

Salaries, increased by social security contributions, are indexed. In addition, an increase in the average number of FTEs has resulted in higher salary costs, a total of € 2.0 million higher compared to 2023. Due to a shortage in the labour market, some vacancies were not filled with permanent staff in 2024. Due to this shortage, more temporary staff were hired in 2024. The costs for this increased by € 0.5 million compared to 2023. Other personnel costs are also higher in total than in 2023, as is the allocation to Stemra and other related parties. As a result, total personnel costs for 2024 are € 2.9 million above the level of 2023.

The coverage ratio of Pensioenfonds PNO Media as at 31 December 2024 is 114.3% (31 December 2023: 113.3%).

In 2024, the average number of FTEs increased compared to 2023. During the 2024 financial year, the average number of employees converted to FTE was 154.3 (2023: 139.7). As shown in the next table, the workforce can be divided into the following personnel categories. This includes employees who work partially for Stemra, by virtue of which part of the costs are charged to Stemra.

Number of FTEs	2024	2023
Management and secretariat of the Management	5.6	4.3
Secretariat of the Board	2.4	2.2
Legal Affairs & Lobbying	7.1	6.8
Other staff departments	35.8	32.5
Members & Markets**	26.9	24.0
Operations***	76.5	69.9
<b>Total</b>	<b>154.3</b>	<b>139.7</b>

\* formerly: General Affairs

\*\* formerly: Front office

\*\*\* formerly: Back office

## 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 sections 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 in one staffing organisation 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 remuneration of the senior officials of Vereniging Buma can be found in the tables below. The total remuneration for the Supervisory Board and the Council of Rights Owners is fully accounted for in the annual report of Vereniging Buma. The charge-on to Stichting Stemra amounts to 16%. Reference is made to note (17) for a more detailed description of the cost apportionment.

### 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

Senior management officials with an employment contract, as well those who have served without an employment contract for 13 months or more, including those considered to be senior management officials for another 4 years based on their former position.

The remuneration per individual for 2024 – as defined in the Supervision Act – can be specified as follows (in €)\*:

amounts x € 1	B.H. Kobes	M.C. Kloppers	M.W.M. Gelauff**
Job details	CEO	CFO	Acting CEO
Start and end of the job performance in 2024	01/01 to 31/12	01/01 to 31/12	1/11 to 31/12
Scope of employment (as part-time factor in FTE)	1.0	1.0	1.0
Employment?	yes	yes	No
Remuneration			
Remuneration plus taxable expense allowances	184,177	211,808	38,833
Post-contract benefits	21,213	21,128	0
Subtotal	205,390	232,937	38,833
Individually applicable maximum remuneration	233,000	233,000	38,833
-/- Amount unduly paid and not yet repaid	N/a	N/a	N/a
<b>Remuneration</b>	<b>205,390</b>	<b>232,937</b>	<b>38,833</b>

The amount of the excess and the reason why the excess is or is not permitted	N/a	N/a	N/a
Explanation of the claim for undue payment	N/a	N/a	N/a

#### Data 2023

amounts x € 1	B.H. Kobes	M.C. Kloppers	M.W.M. Gelauff**
Job details	CEO	CFO	
Start and end of the job performance in 2023	01/01 to 31/12	01/01 to 31/12	
Scope of employment (as part-time factor in FTE)	1.0	1.0	
Employment?	yes	yes	
Remuneration			
Remuneration plus taxable expense allowances	203,095	203,177	
Post-contract benefits	19,905	19,823	
Subtotal	223,000	223,000	
Individually applicable maximum remuneration	223,000	223,000	
<b>Remuneration</b>	<b>223,000</b>	<b>223,000</b>	

\* This concerns the full remuneration received from Buma (100% of the total remuneration). 16% of the total remuneration is charged on to Stemra.

\*\* The remuneration of M.W.M. Gelauff for the period 1/11/2023 to 31/10/2024 is included in table 1b.



## 1b. Senior management officials who served without an employment contract in the calendar months 1 to 12

The remuneration per individual for 2024 – as defined in the Supervision Act – can be specified as follows (in €)\*:

amounts x € 1		M. Gelauff	
Job details		Acting CEO	
Calendar year	2024	2023	
Period of job performance in the calendar year (start - end)	01/01 to 31/10	01/11 to 31/12	
Number of calendar months of job performance in the calendar year	10	2	
Scope of employment in hours per calendar year	1,881	343	
Individually applicable maximum remuneration			
Maximum hourly rate in the calendar year	221	212	
Maximums based on the standard amounts per month	263,600	59,000	
Individually applicable maximum entire period calendar months 1 to 12		322,600	
Remuneration (all amounts excluding VAT)			
Remuneration in the relevant period	263,600	59,000	
Remuneration entire period calendar months 1 to 12		322,600	
-/- Amount unduly paid and not yet repaid		N/a	
Remuneration		322,600	
The amount of the excess and the reason why the excess is or is not permitted	N/a	N/a	
Explanation of the claim for undue payment		N/a	

\* This concerns the full remuneration received from Buma (100% of the total remuneration). 16% of the total remuneration is charged on to Stemra.

## 1c. Senior supervisory officials

### Remuneration of the Supervisory Board

The remuneration per individual for 2024 – as defined in the Supervision Act – can be specified as follows (in €)\*:

Name	Position	Period served 2024	Total WNT remuneration 2024	WNT maximum 2024	Period served 2023	Total WNT remuneration 2023	WNT maximum 2023
J. de Zwaan	Chair of the Supervisory Board	1 Jan - 31 Dec	34,948	34,950	1 Jan - 31 Dec	33,450	33,450
A. Beets	Member of the Supervisory Board	1 Jan - 31 Dec	23,300	23,300	1 Jan - 31 Dec	22,300	22,300
M. van Duijvenbode	Member of the Supervisory Board	15 May - 31 Dec	14,706	14,706	-	-	-
J.M.F. Everling***	Member of the Supervisory Board	1 Jan - 31 Dec	23,300	23,300	18 May - 31 Dec	13,930	13,930
R.J.M. Hopstaken	Member of the Supervisory Board	1 Jan - 15 May	8,658	8,658	1 Jan - 31 Dec	22,300	22,300
J.P. Messerschmidt	Member of the Supervisory Board	1 Jan - 31 Dec	23,300	23,300	1 Jan - 31 Dec	22,300	22,300
J. de Raaff	Member of the Supervisory Board	11 Mar - 31 Dec	18,844	18,844	-	-	-
P.J. van Rossum	Member of the Supervisory Board	1 Jan - 31 Dec	23,300	23,300	1 Jan - 31 Dec	22,300	22,300
E. Severs	Member of the Supervisory Board	1 Jan - 31 Dec	23,300	23,300	1 Jan - 31 Dec	22,300	22,300
R. Zipora Verbrugge***	Member of the Supervisory Board	1 Jan - 31 Dec	23,300	23,300	18 May - 31 Dec	13,930	13,930

\* This concerns the total remuneration received from Buma (100% of the total remuneration); these members of the Supervisory Board do not have an employment contract. 16% of the total remuneration is charged on to Stemra.

\*\*\* The remuneration of R. Zipora Verbrugge and J.M.F. Everling for the period 1/1/2023 to 17/5/2023 is included in table 1c. Remuneration of the Council of Rights Owners.

## Remuneration of the Council of Rights Owners

The remuneration per individual for 2024 – as defined in the Supervision Act – can be specified as follows (in €)\*:

Name	Position	Period served 2024	Total WNT remuneration 2024	WNT maximum 2024	Period served 2023	Total WNT remuneration 2023	WNT maximum 2023
D. van Peursen	Chair of the Council of Rights Owners	1 Jan - 31 Dec	13,750	34,950	18 May - 31 Dec	7,840	20,895
D. van Peursen	Member of the Council of Rights Owners	-	-	-	1 Jan - 17 May	3,840	8,370
A. Romeijn	Vice-chair of the Council of Rights Owners	1 Jan - 31 Dec	11,770	23,300	18 May - 31 Dec	6,972	13,930
A. Romeijn	Member of the Council of Rights Owners	-	-	-	1 Jan - 17 May	4,015	8,370
W. Burkens	Member of the Council of Rights Owners	1 Jan - 31 Dec	9,341	23,300	1 Jan - 31 Dec	8,483	22,300
B. Dessaur	Member of the Council of Rights Owners	10 Apr - 31 Dec	6,519	16,394	-	-	-
T. Deuss	Member of the Council of Rights Owners	1 Jan - 31 Dec	8,816	23,300	1 Jan - 31 Dec	7,433	22,300
D. Dramm	Member of the Council of Rights Owners	1 Jan - 31 Dec	10,391	23,300	1 Jan - 31 Dec	9,183	22,300
D. Esser	Member of the Council of Rights Owners	1 Jan - 31 Dec	9,166	23,300	1 Jan - 31 Dec	8,658	22,300
L. Isabella	Member of the Council of Rights Owners	1 Jan - 31 Dec	8,291	23,300	18 May - 31 Dec	4,818	13,930
R. Koning	Member of the Council of Rights Owners	1 Jan - 31 Dec	8,991	23,300	18 May - 31 Dec	5,168	13,930
J.S. de Raaff	Member of the Council of Rights Owners	1 Jan - 10 Mar	1,485	4,456	1 Jan - 31 Dec	8,658	22,300
M. Schimmer	Member of the Council of Rights Owners	1 Jan - 31 Dec	9,166	23,300	1 Jan - 31 Dec	9,358	22,300
J. van der Voet	Member of the Council of Rights Owners	1 Jan - 31 Dec	9,341	23,300	1 Jan - 31 Dec	8,483	22,300
S. Warmerlink	Member of the Council of Rights Owners	1 Jan - 31 Dec	8,466	23,300	18 May - 31 Dec	4,818	13,930
R. Zipora Verbrugge	Chair of the Council of Rights Owners	-	-	-	1 Jan - 17 May	4,710	12,555
J.M.F. Everling	Member of the Council of Rights Owners	-	-	-	1 Jan - 17 May	3,490	8,370

\* This concerns the total remuneration received from Buma (100% of the total remuneration); these members of the Council of Rights Owners do not have an employment contract. 16% of the total remuneration is charged on to Stemra.

In addition to the senior officials listed above, there are no other employed officials who received remuneration in excess of the individually applicable threshold in 2024.

## (17) Other expenses

(x € 1,000)	2024	2023
Service agencies	4,800	4,370
Outsourcing	4,201	4,167
Advisory fees	1,440	1,573
Other IT costs	472	275
Lease & maintenance of IT equipment	5,705	2,977
Commercial expenses	417	375
Office supplies	57	78
Other expenses	1,117	1,109
	<b>18,209</b>	<b>14,924</b>
Allocated to related and third parties	-3,154	-3,207
<b>Total</b>	<b>15,055</b>	<b>11,717</b>

In 2024, other expenses, before charging on to related and third parties, increased by € 3.3 million. The main reason for this increase is the increased costs for management, maintenance and licences of the new IT environment (part of Lease & maintenance of IT equipment). Exchange rate differences may arise in transactions with foreign parties. These are recognised under Other costs and amount to € 66k in 2024 (2023: € 30k).

Buma charged on 17.3% of other expenses to Stemra and other related and third parties. In 2024, the cost apportionment between Buma and Stemra was adjusted to 84%/16%. In previous years, costs were allocated in the ratio of 83%/17%. Furthermore, some WNT components are not included in the cost apportionment, which means that total management costs do not exactly amount to 84%/16%.

## (18) Investment results

(x € 1,000)	2024	2023
Income from securities	1,693	846
Changes in value	12,206	14,033
Asset management costs	-348	-313
<b>Total</b>	<b>13,551</b>	<b>14,566</b>

Income from securities concerns (coupon) interest and dividend received at the bank. The changes in value of the fixed-income securities, equities and liquidities in the investment portfolio consist of € 13.2 million in unrealised exchange rate results and -€0.9 million in realised exchange rate results. The changes in value consist of € 11.6 million in value changes of securities (see note 7) and € 0.6 million in value changes of liquidities in the investment portfolio. This last category is part of the balance sheet item cash and cash equivalents.

## (19) Taxes

In an advance tax ruling extended until 31 December 2024, the Dutch Tax and Customs Administration has determined that Buma is subject to corporation tax.

Deductible foreign withholding tax and Dutch dividend tax 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 2024 financial year. Buma is in discussions with the Tax and Customs Administration about the entity's tax qualification after completion of the advance tax ruling.

## Other disclosures

### (20) Financial instruments

Buma's most important financial instruments concern securities (59% of the balance sheet total; 2023: 62%). Securities are used for the performance of the investment policy, through which royalties that cannot yet be distributed to rights owners are invested. Securities are stated at market value. Buma's investment policy is explained in more detail in the Directors' Report. The interest rate risk on the fixed-income portfolio is discounted in the stock market price of the bonds and bond funds. Investments in equity funds are not subject to a direct interest rate risk.

The other financial instruments included in the assets are financial fixed assets, receivables and cash and cash equivalents (35% of the balance sheet total; 2023: 33%), which are valued at amortised cost and nominal value respectively. In principle, receivables are not interest-bearing, with the exception of the long-term receivable under financial fixed assets. In 2024 (and 2023), there was no negative interest on cash and cash equivalents.

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 82% of the balance sheet total (2023: 84%). The main component of this is the copyright royalties to be distributed, which account for 72% (2023: 71%). 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.

## (21) Related parties

The following parties are considered to be related parties of Vereniging Buma: Stichting Stemra, Stichting Buma Cultuur, 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 Rights Owners, or to related parties of Supervisory Board members or members of the Council of Rights Owners, have been calculated in the same manner as the distributions to all members and have been paid out in accordance with Buma's normal procedures. Due to the close relationships within the sector, Supervisory Board members and members of the Council of Rights Owners can also be related parties as customers of Buma, such as through a music-related service that Buma 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	Chair of the Supervisory Board	A
Alexander Beets	Member of the Supervisory Board	B
Meindert van Duijvenbode	Member of the Supervisory Board	A
Hans Everling	Member of the Supervisory Board	C
Ruud Hopstaken	Member of the Supervisory Board	A
Jolanda Messerschmidt	Member of the Supervisory Board	A
Jitze de Raaff	Member of the Supervisory Board	F
Piet-Jan van Rossum	Member of the Supervisory Board	B
Edith Severs	Member of the Supervisory Board	F
Rita Zipora Verbrugge	Member of the Supervisory Board	B
Marcel Gelauff	Board member	A
Marleen Kloppers	Board member	A
Bernard Kobes	Board member	A



## Charge-on to related parties

For the achievement of their objectives, funds are made available to Stichting Buma Cultuur by the Fund for Social and Cultural Purposes (SoCu Fund). For more information, see note (11). Vereniging Buma charges costs to Stichting Stemra, Stichting Buma Cultuur and SCAN for personnel, accommodation and other costs. Charge-on is based on cost.

In addition, SCAN charges € 2.2 million (2023: € 2.0 million) to Buma for the performance of its tasks. SCAN is responsible for part of the invoicing and collection on behalf of Buma and Sena (Stichting ter Exploitatie van Naburige Rechten). The table below provides an overview of the costs charged on by Buma.

The charged-on costs amount to:

(x € 1,000)	2024	2023
Stichting Stemra	5,315	5,089
Stichting Buma Cultuur	73	154
SCAN	206	252
<b>Total</b>	<b>5,594</b>	<b>5,495</b>

## (22) Off-balance sheet assets and liabilities

Buma and Stemra work together in one staffing organisation 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 rent and leasing have been entered into by Buma; costs are charged on for this to Stemra. The amount of the charge-on is disclosed in the notes as an off-balance sheet asset.

## Long-term assets

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

(x € 1,000)	2024	2023
Less than 1 year	1,532	321
Between 1 and 5 years	4,162	408
Longer than 5 years	3,274	-
<b>Total</b>	<b>8,968</b>	<b>728</b>

## Long-term liabilities

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

(x € 1,000)	2024	2023
<b>Joint contracts with Stichting Stemra</b>		
Less than 1 year	487	1,248
Between 1 and 5 years	15	22
	<b>502</b>	<b>1,270</b>
<b>Contracts entered into independently</b>		
Less than 1 year	8,899	1,153
Between 1 and 5 years	26,013	2,397
Longer than 5 years	20,461	-
	<b>55,373</b>	<b>3,551</b>
<b>Total as at 31 December</b>	<b>55,875</b>	<b>4,820</b>

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

## 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 2024 84%/16%). The costs are recognised over the lease period in the operating statement using the straight-line method. The liabilities with a term of less than one year amount to € 6.8 million (2023: € 0.2 million), the liabilities with a term between one and five years amount to € 20.6 million (2023: € 0.2 million) and the liabilities with a term of more than five years amount to € 17.2 million (2023: € 0). The increase is almost entirely attributable to contracts concluded for licences, management and maintenance of the new IT environment and for the new copyright system. A large part of the amount of future liabilities depends on future developments in the collection and may therefore still change. The above overview is based on the latest collection forecast.

## 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 2024: 84%/16%). The liabilities for less than one year are € 0.1 million (2023: € 0.1 million). There are no longer any liabilities between one and five years (2023: € 0.1 million).

## Rent

As from 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 2024: 84%/16%). The total rental obligation for the remaining term of the contract amounts to € 2.3 million (2023: € 2.9 million).

## Accenture

Buma and Stemra use back-office services provided by Accenture. The remaining financial liability resulting from this amounts to € 0.5 million (2023: € 0.8 million). These costs are divided between Buma and Stemra (in 2024: 84%/16%).

## Joint and several liability

Buma is jointly and severally liable for the liabilities resulting from legal acts of Stichting Service Centrum Auteurs en Naburige rechten (SCAN) and guarantees the fulfilment of the obligations of SCAN up to a maximum of € 1.0 million.

Buma 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 Buma 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 Buma.

## (23) Subsequent events

Buma sold the intellectual property of the newly-developed copyright system (back) to the supplier. The intellectual property was transferred on 1 January 2025. Therefore, this will be recognised as a long-term receivable as from 1 January 2025. The contract was signed at the end of 2024, but the rights and risks have been transferred in the next financial year and have therefore not yet been included in 2024. This means that the financial consequences for 2025 have not been recognised in the 2024 financial statements. An exception to this is the interest that will be charged on this claim. For this, reference is made to the note under 3) Financial fixed assets. In May 2025, just before the scheduled General Member's Meeting of 14 May 2025, it was found that financial fraud had been committed. This involved (foreign) identity fraud, through which 'composers and authors' fraudulently attempted to become members of BumaStemra, as well as fraud with the registration of repertoire from other (foreign) rights owners. As a result of this finding, the General Member's Meeting of 14 May 2025 was postponed. Subsequently, a fraud investigation took place in close coordination with the auditor and a forensic specialist. This showed that the net impact of unjustified payments is €17k in 2024 and €43k in 2025. Following the investigation, several audits were immediately tightened and BumaStemra will implement further measures and improvements based on the identified risks and the recommendations.

## Signature

Hoofddorp, 11 June 2025

### Members of the Supervisory Board

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Josephine de Zwaan	Chair
Wiboud Burkens	Member of the Supervisory Board
Meindert van Duijvenbode	Member of the Supervisory Board
Hans Everling	Member of the Supervisory Board
Jolanda Messerschmidt	Member of the Supervisory Board
Jitze de Raaff	Member of the Supervisory Board
Piet-Jan van Rossum	Member of the Supervisory Board
Edith Severs	Member of the Supervisory Board
Rita Zipora Verbrugge	Member of the Supervisory Board

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### Members of the Management Board

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Marcel Gelauff	Acting Chief Executive Officer
Remko de Jong	Acting Chief Financial Officer

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Other information

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# Independent auditor's report

To the General Assembly of Vereniging Buma

## Report on the audit of the financial statements 2024 included in the annual report

### Our opinion

We have audited the financial statements 2024 of Vereniging Buma based in Amstelveen. The disclosure relating to the Wet Normering Topinkomens (hereafter: WNT-disclosure) is included in the financial statements. In our opinion:

- || the accompanying financial statements give a true and fair view of the financial position of Vereniging Buma as at 31 December 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code; and
- || the WNT-disclosure of Vereniging Buma for 2024 included in the financial statements of Vereniging Buma is prepared in all material respects in accordance with the requirements of the Wet Normering Topinkomens (WNT).

The financial statements comprise:

1. the balance sheet as at 31 December 2024;
2. the operating statement for 2024; 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 section 25a of the Collective Management Organisations for Copyright and Related Rights (Supervision and Disputes Settlement) Act (hereafter: 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 Vereniging Buma 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 for Professional Accountants).

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 verification of whether any senior management official exceeded remuneration standards due to being employed at another institution which is subject to the 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;
- || Directors' report;
- || Report from the Supervisory Board;
- || Report from the Council of the Right Owners;
- || Adoption of financial statements;
- || Other information.

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

- || is consistent with the financial statements and does not contain material misstatements;
- || contains all the information regarding the board report and the other 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 transparantieverslag 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 the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code and sections 2b through to till 3.d.4 of the 'Besluit transparantieverslag richtlijn collectief beheer'.

## Description of responsibilities regarding the financial statements

### Responsibilities of the executive 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, section 25a of the Supervision Act and the provisions of and pursuant to the WNT.

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 organisation'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 organisation 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 organisation'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, the WNT 2024 Audit Protocol, 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 organisation'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 organisation'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 an organisation 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

Rotterdam, 13 June 2025

Forvis Mazars N.V.

Originally signed by: drs. D.D. Plouvier RA



# Appendices



# 1. Reference table transparency report

Article	Description	Part of the annual report	Page number
Article 2			
2a	Cash flow statement	Cash flow statement	41
2b	Information about refusals to grant a licence on the basis of Section 2l, subsection 3 of the Supervision Act;		24
2c	A description of the legal and governance structure of the collective management organisation;	Notes to the financial statements	42
2d	Information on entities directly or indirectly owned or controlled, wholly or in part, by the collective management organisation;	Notes to the financial statements	42
2e	Information on the total amount of remuneration paid in the past financial year to the persons referred to in Section 2e, subsection 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	57 - 60
2f	The financial data referred to in Article 3 of the Transparency Report (Collective Rights Management Directive) Decree	See Article 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 Article 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, financial results and risk management, operating statement and notes to the financial statements	7 - 10, 11 - 17, 40, 42 et seq.
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, financial results and risk management, operating statement and notes to the financial statements	7 - 10, 11 - 17, 40, 42 et seq.
	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, financial results and risk management, operating statement and notes to the financial statements	7 - 10, 11 - 17, 40, 42 et seq.
	3. Operating costs and financial costs for services other than rights management, including social, cultural and educational services;	Notes to the financial statements	48 - 50
	4. Funds used to cover costs;	Effectiveness of the management costs	14 - 15
	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;	Effectiveness of the management costs	14 - 15, 49 - 50
	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	3 - 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	50 - 54
	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	3 - 5
	3. The frequency of the payments, with a breakdown per category of rights managed and per type of use;		24
	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 financial year these amounts were collected;	Notes to the financial statements, copyright royalties to be distributed	50 - 54

Article	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	50 - 54
	6. If a collective management organisation has not carried out the distribution and payment within the period laid down in Section 2i, subsection 3 of the Supervision Act; the reason for the delay;	Notes to the financial statements, copyright royalties to be distributed	50 - 54
	7. The total balance of undistributable amounts, with an explanation of the use of these amounts;	Notes to the financial statements, copyright royalties to be distributed	50 - 54
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	3 - 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	3 - 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	3 - 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	3 - 5
Article 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	49 - 50
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	49 - 50

## 2. Meetings of the Supervisory Board, committees and Council of Rights Owners

### 2.1 Supervisory Board meeting dates, items discussed and resolutions

Date	Body	Topic	For decision-making
29 January 2024	Supervisory Board	<ul style="list-style-type: none"> <li>- Strategic financial topics (strategy and long-term forecast)</li> <li>- Provisional figures 2023</li> <li>- Justification of money market funds</li> <li>- Update Pyramid, ICE/PXB</li> <li>- Update revision strategy</li> <li>- Voting rights active membership forming opinions</li> <li>- Elections Governance</li> <li>- Absence of CEO</li> <li>- Update Risk &amp; Comp</li> </ul>	<ul style="list-style-type: none"> <li>- The Supervisory Board has adopted the money market funds proposal</li> <li>- On 4 December 2023, the Supervisory Board decided to nominate the CFO for reappointment</li> </ul>
11 March 2024	Supervisory Board	<ul style="list-style-type: none"> <li>- Update BumaStemra</li> <li>- Revision of strategy</li> <li>- Contribution, basic distribution and membership</li> <li>- Joining of foreign authors' companies</li> <li>- Voting rights active membership</li> <li>- Liquidity management</li> <li>- Update annual report 2023</li> <li>- Claims / Litigations report</li> <li>- Update Pyramid, Salt, ICE/PXB</li> <li>- Absence of CEO</li> <li>- Proposed decision on nomination of independent member of the Supervisory Board</li> <li>- Profile of independent member of the Supervisory Board</li> <li>- Decision-making authority/signing of documents</li> <li>- Study costs scheme Management Board</li> <li>- CvTA Supervisory Strategy</li> <li>- Annual Risk &amp; Compliance Plan</li> </ul>	<ul style="list-style-type: none"> <li>- The Supervisory Board agrees with the proposal regarding contributions, entrance fees and basic distribution</li> <li>- The Supervisory Board agrees with the proposal regarding foreign capital companies</li> <li>- The Supervisory Board agrees with the proposal for liquidity management policy</li> <li>- The Supervisory Board approves the next tranche for further development of PXB</li> <li>- The Supervisory Board nominates the acting CEO for reappointment to the GMM</li> <li>- The Supervisory Board adopts the profile of an independent Supervisory Board member</li> <li>- The Supervisory Board nominates Meindert van Duijvenbode as independent member of the Supervisory Board</li> <li>- The Supervisory Board agrees with the decision-making authority/ signing documents</li> <li>- The Supervisory Board agrees with the study costs scheme</li> <li>- The Supervisory Board adopts the AC's advice regarding the annual Risk &amp; Compliance plan</li> </ul>
15 April 2024	Supervisory Board	<ul style="list-style-type: none"> <li>- Update BumaStemra</li> <li>- Draft audit report including management letter 2023 Buma and Stemra</li> <li>- Draft annual report 2023 Buma and Stemra</li> <li>- Distribution provision above Stemra bandwidths</li> <li>- Key Financial Results 02/2024</li> <li>- Update ICE/PXB</li> <li>- Absence of CEO</li> <li>- Suitability test of board members and supervisors CvTA</li> <li>- Feedback on the results of the survey of professional associations' say</li> <li>- Amendment to the Articles of Association: foreign capital company, merger of NMUV/VMN</li> <li>- Self-evaluation Supervisory Board</li> <li>- Training budget Supervisory Board</li> <li>- Strategic impact dossiers Legal</li> </ul>	<ul style="list-style-type: none"> <li>- The Supervisory Board agrees with the proposal to pay out the amount above the Stemra bandwidth</li> <li>- The Supervisory Board approves the next tranche for further development of PXB</li> <li>- The Supervisory Board approves the amendments to the Articles of Association regarding the foreign capital company and the merger of NMUV/ VMN</li> <li>- The Supervisory Board agrees with the proposal for training of the Supervisory Board</li> </ul>
26 April 2024	Supervisory Board	<ul style="list-style-type: none"> <li>- Audit report including management letter 2023 Buma and Stemra</li> <li>- Annual report 2023 Buma and Stemra</li> <li>- Distribution provision above Stemra bandwidths</li> </ul>	<ul style="list-style-type: none"> <li>- Buma and Stemra annual accounts were signed by the Supervisory Board on 26 April 2024. - The Supervisory Board agrees to correction of distribution of provision above Stemra bandwidths</li> </ul>
25 June 2024	Supervisory Board	<ul style="list-style-type: none"> <li>- Replanning Pyramid</li> <li>- Update ICE/PXB</li> <li>- Revision of strategy</li> </ul>	<ul style="list-style-type: none"> <li>- The Supervisory Board agrees with the proposal regarding replanning Pyramid</li> <li>- The Supervisory Board supports the proposal to allow the contract with ICE to expire, not to switch to ICE Cube and to continue independently with PXB</li> <li>- The Supervisory Board agrees with the next tranche for further development of PXB (28/05/2024)</li> </ul>
7 October 2024	Supervisory Board	<ul style="list-style-type: none"> <li>- What's on the board's agenda</li> <li>- Revision of Strategy</li> <li>- Progress Salt Rights/ ICE</li> <li>- Claims &amp; Litigations report Governance</li> </ul>	<ul style="list-style-type: none"> <li>- The Supervisory Board approves the schedule of retirement after GMM of 15 May 2024</li> <li>- The Supervisory Board approves the 2025 annual planner</li> </ul>



4 November 2024	Supervisory Board	<ul style="list-style-type: none"> <li>- What's on the board's agenda</li> <li>- Progress Salt Rights/ Salt Royalties</li> <li>- Finances</li> <li>- Governance: Supervisory Board retreats, chairmanship of committees and WNT</li> <li>- Revision of Strategy</li> </ul>	<ul style="list-style-type: none"> <li>- The Supervisory Board decides that the new chair of the AC is Rita Zipora and that of Remco is Edith Severs</li> <li>- The Supervisory Board approves the WNT remuneration for the Council of Rights Owners, Supervisory Board and Management Board for 2025</li> </ul>
9 December 2024	Supervisory Board	<ul style="list-style-type: none"> <li>- What's on the board's agenda</li> <li>- Revision of strategy</li> <li>- Finances <ul style="list-style-type: none"> <li>- Budget 2025</li> <li>- MYP 2025-2029</li> </ul> </li> <li>- Planning annual report</li> <li>- Update Salt Rights/ Salt Royalties/ Pyramid</li> <li>- Planning profile and recruitment of independent Supervisory Board member</li> <li>- Risk &amp; Compliance progress</li> </ul>	<ul style="list-style-type: none"> <li>- The Supervisory Board decides to approve the strategy on the condition that collaboration is elaborated on further</li> <li>- The Supervisory Board approves the 2025 budget</li> </ul>

## 2.2 Audit Committee meeting dates, items discussed and recommendations issued

Date	Body	Topic	Advisory
16 January 2024	Audit Committee	<ul style="list-style-type: none"> <li>- IT</li> <li>- Financial strategy aspects</li> <li>- Draft plan revision of investment policy</li> <li>- Draft plan to abolish basic distribution and contribution</li> <li>- Risk &amp; Compliance: results Q4-2023</li> </ul>	<ul style="list-style-type: none"> <li>- The AC takes a mandated decision on behalf of the Supervisory Board regarding the approval of the Pyramid tranche</li> </ul>
28 February 2024	Audit Committee	<ul style="list-style-type: none"> <li>- Annual Risk &amp; Compliance Plan</li> <li>- Monitoring foreign funds for correct collection</li> <li>- Risk &amp; Compliance activities regarding fraud risk assessment</li> <li>- IT (Pyramid, PXB, SIG reports)</li> <li>- Follow-up on registration fee, contribution and basic distribution</li> <li>- Proposal liquidity management policy</li> </ul>	<ul style="list-style-type: none"> <li>- The AC advises positively to the Supervisory Board regarding annual Risk &amp; Compliance plan - The AC advises positively to the Supervisory Board regarding the financial aspect of abolishing registration fee</li> </ul>
2 April 2024	Audit Committee	<ul style="list-style-type: none"> <li>- Draft audit report including management letter 2023 Buma and Stemra</li> <li>- Draft annual report Buma and Stemra</li> <li>- Proposal for distribution of provision above Stemra bandwidth</li> <li>- IT: Pyramid, ICE/ PXB</li> </ul>	
15 April 2024	Audit Committee	<ul style="list-style-type: none"> <li>- Draft audit report including management letter 2023 Buma and Stemra</li> <li>- Draft annual report Buma and Stemra</li> </ul>	<ul style="list-style-type: none"> <li>- The AC advises positively to the Supervisory Board regarding the 2023 annual report Buma and Stemra</li> </ul>
24 September 2024	Audit Committee	<ul style="list-style-type: none"> <li>- IT: Pyramid, Salt &amp; ICE/ Salt Rights</li> <li>- Financial reports</li> <li>- Lessons learned closing 2023</li> <li>- Financial strategy update process</li> <li>- Budget / framework letter and multi-year cycle process</li> <li>- Process investment plan 2025</li> </ul>	
25 October 2024	Audit Committee	<ul style="list-style-type: none"> <li>- Salt &amp; ICE/Salt Rights</li> <li>- Budget</li> <li>- Investment returns when capping returns in the budget and expected surplus result</li> <li>- Costs/income dilemmas</li> </ul>	
18 November 2024	Audit Committee	<ul style="list-style-type: none"> <li>- Budget 2025 and MYP 2025 - 2029 including investment plan 2025</li> <li>- Financial strategy</li> <li>- Planning annual report Supervisory Board</li> <li>- Risk &amp; Compliance progress report</li> <li>- Update ICE/ Salt Rights</li> <li>- Update Pyramid</li> </ul>	<ul style="list-style-type: none"> <li>- The AC advises positively to the Supervisory Board regarding the budget</li> </ul>

## 2.3 Remuneration Committee meeting dates, items discussed and recommendations made

Date	Body	Topic	Advisory
15 January 2024	Remuneration committee	<ul style="list-style-type: none"> <li>- What's on the board's agenda</li> <li>- Absence of CEO</li> <li>- What does Top Team (Management Board, MT) look like?</li> <li>- Approach to appointing Head of Finance</li> </ul>	<ul style="list-style-type: none"> <li>- Remco advises positively to the Supervisory Board regarding the accession of Piet-Jan from Rossum to Remco.</li> </ul>
29 February 2024	Remuneration committee	<ul style="list-style-type: none"> <li>- Decision-making authority/ signing of documents</li> <li>- Absence of CEO</li> <li>- WNT remuneration explanation by board member</li> <li>- Update re-election candidates Supervisory Board</li> <li>- Study costs scheme Management Board</li> </ul>	<ul style="list-style-type: none"> <li>- Remco advises positively to the Supervisory Board regarding decision-making authority/ signing of documents</li> <li>- Remco advises positively to the Supervisory Board to extend the term of the acting CEO</li> <li>- Remco advises positively to the Supervisory Board regarding the study costs scheme of the Management Board</li> </ul>
17 September 2024	Remuneration committee	<ul style="list-style-type: none"> <li>- (Temporary) chairmanship Remco</li> <li>- What's on the board's agenda</li> <li>- Absence of CEO</li> <li>- Pension transition plan</li> <li>- Retirement schedule of Supervisory Board and Council of Rights Owners</li> <li>- Reporting of the confidential advisor</li> <li>- Start/ process of self-evaluation Supervisory Board</li> <li>- Start/ process 360-degree feedback</li> </ul>	<ul style="list-style-type: none"> <li>- Remco supports BumaStemra's proposal regarding a guarantee for the pension transition plan</li> <li>- Remco advises positively to the Supervisory Board regarding the schedule of retirement</li> </ul>

## 2.4 Council of Rights Owners meeting dates, items discussed and recommendations made

Date	Body	Topic	Advisory
24 January 2024	Council of Rights Owners	<ul style="list-style-type: none"> <li>- Liquidity management</li> <li>- Control - active voting rights</li> <li>- Contribution, basic distribution and registration fees</li> <li>- Update pilot User Generated Content</li> <li>- Discussing elections Supervisory Board and Council of Rights Owners</li> <li>- Monitoring role Council of Rights Owners</li> <li>- Evaluation of external participation in Distribution Committee</li> </ul>	<ul style="list-style-type: none"> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board regarding the proposal to continue investing</li> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board to formalise the UGC pilot</li> </ul>
6 March 2024	Council of Rights Owners	<ul style="list-style-type: none"> <li>- Liquidity management</li> <li>- Follow up contribution, basic distribution and registration fees</li> <li>- Distribution Committee <ul style="list-style-type: none"> <li>- Proposal for policy on financing post distributions</li> <li>- Evaluation quarterly distributions live performances</li> </ul> </li> <li>- Feedback on introductory meeting with intended independent member of the Supervisory Board</li> <li>- Joining of foreign authors' companies</li> <li>- Discussion provisional figures 2023</li> <li>- SoCu funds 2024</li> <li>- Budget Emergency Fund</li> <li>- Extending mandate Council of Rights Owners regarding distribution decisions</li> <li>- Self-evaluation Council of Rights Owners</li> </ul>	<ul style="list-style-type: none"> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board and GMM regarding the proposal on liquidity management</li> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board regarding the proposal to abolish registration fees and first-year contributions for new members with effect from 1 January 2025</li> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board regarding the proposal on policy on financing post distributions</li> <li>- Requested advice: the Council of Rights Owners supports the nomination of the Supervisory Board.</li> <li>- Requested advice: the Council of Rights Owners advises positively regarding the joining of foreign authors' companies.</li> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board regarding the proposal on budget Emergency Fund</li> <li>- Requested advice: the Council of Rights Owners advises positively regarding extending the mandate of the Council of Rights Owners</li> </ul>

10 April 2024	Council of Rights Owners	<ul style="list-style-type: none"> <li>- Update Management Board</li> <li>- Annual documents 2023 <ul style="list-style-type: none"> <li>- Draft annual report 2023 - Buma and Stemra</li> <li>- Draft audit report 2023 - Buma and Stemra</li> </ul> </li> <li>- Basic distribution, annual allowances and entrance fees: proposal to GMM including changes to rules</li> <li>- Foreign capital companies: proposal GMM including amendment to the Articles of Association and rules</li> <li>- Merger NMUV/MVN: amendment to the Articles of Association</li> <li>- TikTok</li> <li>- Videoland/RTL</li> <li>- Monitoring role</li> </ul>	<ul style="list-style-type: none"> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board and GMM regarding the annual report (subject to positive advice from the AC, approval by the Supervisory Board and positive advice from the auditors Forvis Mazars)</li> <li>- Requested advice: the Council of Rights Owners advises positively to the GMM and the Management Board regarding the distribution provision above the Stemra bandwidth</li> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board and GMM regarding the proposal on basic distribution, annual allowances and entrance fees</li> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board and GMM regarding the proposal on foreign capital companies</li> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board and GMM regarding the proposal on merger NMUV/VMN</li> <li>- Requested advice: the Council of Rights Owners advises positively to the Supervisory Board regarding the request for advice on reappointment acting CEO</li> </ul>
19 June 2024	Council of Rights Owners	<ul style="list-style-type: none"> <li>- Update Management Board</li> <li>- Evaluation of GMM of 15 May 2024, Buma Awards and Governance course</li> <li>- Composition of committees</li> <li>- Retirement schedule of the Council of Rights Owners</li> <li>- Distribution Committee <ul style="list-style-type: none"> <li>- Release of conflict funds</li> <li>- Distribution of amounts above Stemra's temporary cost-effectiveness provision</li> </ul> </li> <li>- TikTok</li> <li>- Videoland/RTL</li> <li>- MBS roadmap + stakeholder policy</li> <li>- Feedback on set-up of assignments</li> </ul>	<ul style="list-style-type: none"> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board regarding the proposal to set a retention period for conflict works</li> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board regarding the continuation of the current policy on the distribution method for release of Stemra provisions</li> </ul>
25 September 2024	Council of Rights Owners	<ul style="list-style-type: none"> <li>- Update Management Board</li> <li>- Council of Rights Owners profile</li> <li>- Concepts of rising stars and foreign maestros</li> <li>- Feedback from Council of Rights Owners committees</li> <li>- Adoption of annual planner 2025</li> <li>- Distribution Committee <ul style="list-style-type: none"> <li>- Reference repertoire OLOV</li> <li>- Weighting based on point rating/time used/unweighted general categories</li> <li>- Interim arrangement FUNX usage year 2024 based on second value regional radio</li> </ul> </li> <li>- Revision of strategy</li> <li>- TikTok</li> <li>- Videoland/RTL</li> <li>- Monitoring role</li> </ul>	<ul style="list-style-type: none"> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board regarding the proposal on Surcharge Online Other (OLOV)</li> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board regarding the proposal to seriously revise the system of point rating for background music, entertainment Live and entertainment Serious</li> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board regarding the proposal to use an interim arrangement regarding the second value of FUNX</li> </ul>
30 October 2024	Council of Rights Owners	<ul style="list-style-type: none"> <li>- Update Management Board</li> <li>- Evaluation of both boards/councils training day and Voice Governance course</li> <li>- Videoland/RTL</li> <li>- Feedback from the Foreign Affairs Committee</li> <li>- Distribution Committee <ul style="list-style-type: none"> <li>- Formalising policy on the use of data listening boxes at daycare centres as from 2024</li> <li>- Revision of Live undistributable for the AL and AS categories</li> </ul> </li> <li>- Amendment to the Standing Committee on Plagiarism rules</li> <li>- Monitoring role</li> </ul>	<ul style="list-style-type: none"> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board regarding the proposal to adjust the collection and distribution policy for day care centres</li> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board regarding the current policy on the distribution of undistributable AS royalties for the 2021 usage year</li> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board regarding the proposal to align the policy on the distribution of undistributable royalties AL for the 2021 usage year with the policy for AS.</li> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board regarding the proposed changes to the VCP rules</li> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board regarding the proposal to extend the Videoland/RTL licence</li> </ul>
27 November 2024	Council of Rights Owners	<ul style="list-style-type: none"> <li>- Strategy</li> <li>- 2025 budget including approval of withholding percentages</li> <li>- Forming opinions: distribution of funds abroad to sub-publishers</li> <li>- Forming opinions: forms of joining rights owners</li> </ul>	<ul style="list-style-type: none"> <li>- Requested advice: the Council of Rights Owners advises positively to the Management Board regarding the 2025 revision calendar</li> </ul>
18 December 2024	Council of Rights Owners	<ul style="list-style-type: none"> <li>- Update Management Board: Salt Rights</li> <li>- MBS go-live: roadmap 2025 and look-ahead to 2026</li> <li>- Theatre surcharge</li> </ul>	

### 3. Ancillary positions of the Supervisory Board, Council of Rights Owners and Management Board

#### Other positions/occupations of members of the Supervisory Board

Josephine de Zwaan	Paid	Supervisory Board member of Fairphone	1 Jan - 31 Dec
		Vice-chair of the Supervisory Board of Avans University of Applied Sciences	1 Jan - 31 Dec
		Chair of the Supervisory Board of ROM InWest	1 Jan - 31 Dec
		Supervisor project Menswaardige governance of MVO Nederland and Goldschmeding Foundation	1 Jan - 31 Dec
	Unpaid	Secretary of Stichting Academeia	1 Jan - 31 Dec
		PhD candidate Nyenrode Business University	1 Jan - 31 Dec
Alexander Beets (stepped down on 31 December 2024)	Paid	Director / Owner Maxanter Muziek Groep BV	1 Jan - 31 Dec
		Producer of (music) theatre productions	1 Jan - 31 Dec
		International World Jazz saxophonist / improviser / composer	1 Jan - 31 Dec
		Festival director 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
		General board member of Stichting JazzNL	1 Jan - 31 Dec
		Chair of Jazz Podium Amersfoort	1 Jan - 31 Dec
Meindert van Duijvenbode (joined on 15 May 2024)	Paid	Director/owner of Edge Consulting	1 Jan - 31 Dec
		Director/owner of IVY Vastgoed Ontwikkeling	1 Jan - 31 Dec
		Chair of the Supervisory Board of Willem II	1 Jan - 31 Dec
		Member of the Supervisory Board of Avans University of Applied Sciences	1 Jan - 31 Dec
		Management consultant Yenlo	1 Jan - 31 Dec
	Unpaid	Chair of Stichting VeemarktKwartier	1 Jan - 31 Dec
		Lecturer/speaker for JINC	1 Jan - 31 Dec
Hans Everling	Paid	Director / owner of SOB Audio Imaging BV	1 Jan - 31 Dec
		Vice-chair of BCMM	1 Jan - 30 Sep
		Chair of the BCMM	1 Oct - 31 Dec
		Director / owner of Haramitsu Holding BV	1 Jan - 31 Dec
Ruud Hopstaken (stepped down on 15 May 2024)	N/a	No other positions	N/a
Jolanda Messerschmidt	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
		Board member of Stichting Shell Pensioenfonds	1 Jan - 31 Dec
		Key jobholder Internal Audit Shell Nederland Pensioenfonds Stichting	1 Jan - 31 Dec
		Owner of J. Messerschmidt Beheer BV	1 Jan - 31 Dec
		Board Member of Pensioenfonds KPN	15 Oct - 31 Dec
	Unpaid	Member of the Union Council of the Athletics Union	1 Jan - 31 Dec
		Member of the Supervisory Board of Biesieklette	1 Jan - 31 Dec

Jitze de Raaff (appointed on 11 March 2024)	Paid	Owner of CTM Entertainment	1 Jan - 31 Dec
	Unpaid	Chair of Nederlandse Muziek Uitgevers Vereniging (NMUV)	1 Jan - 31 Dec
		Manager of the books Jaap ter Haar	1 Jan - 31 Dec
Piet-Jan van Rossum	Paid	Composer / Performing artist at Buromono	1 Jan - 31 Dec
		Artistic director of HAY! Consortium	1 Jan - 31 Dec
Edith Severs	Paid	Director / Owner of music publishers Copyright Power International BV	1 Jan - 31 Dec
		DGA Dinamismo Holding BV	1 Jan - 31 Dec
	Unpaid	Board member of Nederlandse Muziek Uitgevers Vereniging (NMUV)	1 Jan - 31 Dec
Member of Taskforce Go!		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 Sep - 31 Dec
	Unpaid	Advisory team Council of Culture	1 Jan - 31 Dec

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



## Other positions/occupations of members of the Council of Rights Owners

<b>Davo van Peursen</b>	Paid	Managing Director and Director/Major Shareholder of Donemus Publishing BV	1 Jan - 31 Dec
		Director of NMUV	1 Jan - 31 Dec
		Lecturer of Enterprise at Amsterdam Academy of Music	1 Jan - 31 Dec
	Unpaid	Chair of Schuldhulpmaatje Rijswijk	1 Jan - 31 Dec
		Board secretary at Stichting Donemus Beheer	1 Jan - 31 Dec
		Chair of Stichting Music Industry Academy	1 Jan - 31 Dec
		Chair of Stichting Simeon ten Holt	1 Jan - 31 Dec
<b>Wiboud Burkens</b>	Paid	Composer / musician / theatre producer	1 Jan - 31 Dec
		Theatre producer / director The Legends	1 Jan - 31 Dec
		Section head and principal subject lecturer Amsterdam University of the Arts	1 Jan - 31 Dec
	Unpaid	Member of the Advisory Board De Concertzender	1 Jan - 31 Dec
		Chair of the Board of Stichting PrinsjesNach	1 Jan - 31 Dec
<b>Brian Dessaur (joined on 10 April 2024)</b>	Paid	Managing Director of Pennies from Heaven	1 Jan - 31 Dec
		DGA Conjenial Music	1 Jan - 31 Dec
	Unpaid	Board Member of NMUV	1 Jan - 31 Dec
<b>Tomas Deuss</b>	Paid	Managing Director of Albersen Verhuur BV	1 Jan - 31 Dec
		Managing Director of Deuss Music	1 Jan - 31 Dec
<b>David Dramm</b>	Paid	Teacher Royal Conservatory The Hague	1 Jan - 31 Dec
	Unpaid	Board member 7090 (musical theatre collective)	1 Jan - 31 Dec
		Board member of Stichting Rodeo of Wonder	1 Jan - 31 Dec
<b>Darko Esser</b>	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
		Co-owner Studio De Link	1 Mar - 31 Dec
		Interim Artistic Director at Grenswerk	1 Jan - 31 Dec
	Unpaid	Board of Stichting Nachburgemeester Nijmegen	1 Jan - 31 Dec
<b>Levy Isabella</b>	Paid	Managing Director BMG Benelux	1 Jan - 31 Dec
	Unpaid	Board Member of NMUV	1 Jan - 31 Dec
<b>Renger Koning</b>	Paid	Director/Owner of Soundbase BV	1 Jan - 31 Dec
		Director/Owner of Renger Koning Geluidsontwerp BV	1 Jan - 31 Dec
	Unpaid	Board member of BCMM	1 Jan - 31 Dec
		Board member of Stichting MXT	1 Jan - 31 Dec

<b>Jitze de Raaff (stepped down on 10 March 2024)</b>	Paid	Owner of CTM Entertainment	1 Jan - 31 Dec
	Unpaid	Chair of Nederlandse Muziek Uitgevers Vereniging (NMUV)	1 Jan - 31 Dec
		Manager of the books Jaap ter Haar	1 Jan - 31 Dec
<b>Aafke Romeijn</b>	Paid	Musician / Composer / Producer	1 Jan - 31 Dec
		Writer and journalist	1 Jan - 31 Dec
		Board member of BAM! Popauteurs	1 Jan - 31 Dec
		Board member of ECSA (European Composers & Songwriters Alliance)	1 Jan - 31 Dec
		Podcast maker for KRO-NCRV	1 Jan - 31 Dec
	Unpaid	Commercial leader at Stichting Babi Pangang Producties	1 Jan - 31 Dec
		Member of Taskforce GO!	1 Jan - 31 Dec
		Chair of the VVE	1 Jan - 31 Dec
<b>Martijn Schimmer</b>	Paid	Director / owner of TFS Media Group	1 Jan - 31 Dec
		Director / owner of Schimmer Music Productions	1 Jan - 31 Dec
		Partner / owner Schimmer Music Publishing BV	1 Jan - 31 Dec
		Director / owner of Talents for Brands BV	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
		Director / owner of Post House Real Estate BV	1 Jan - 31 Dec
<b>Johan van der Voet</b>	Paid	Composer/Songwriter/Producer	1 Jan - 31 Dec
		Director/owner of Soundgram Post Production	1 Jan - 31 Dec
		Director/owner of Studio Soundgram & Soundgram Publishing	1 Jan - 31 Dec
		Guest lecturer at various Colleges	1 Jan - 31 Dec
		Director/owner of AV Sound Education	1 Jan - 31 Dec
<b>Savine Warmerlink</b>	Paid	Composer/songwriter	1 Jan - 31 Dec
		Self-employed at Savine Music (legal services)	1 Jan - 31 Dec

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

## Other positions/occupations of members of the Management Board

<b>Marcel Gelauff</b>	Paid	Media trainer via De Trainingsstudio	1 Jan - 31 Dec
		Member of the European research Press Council Sounding Board Group	1 Jan - 31 Dec
		Owner of Lake Shore B.V.	1 Jan - 31 Dec
		Board Member Stichting Service Centrum Auteurs- en Naburige rechten	1 Jan - 31 Dec
	Unpaid	Chair of the Professional Field Committee of the School of Journalism Utrecht	1 Jan - 31 Dec
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<b>Marleen Kloppers</b>	Paid	Board member of Vereniging VOI©E	1 Jan - 31 Dec
		Board Member Stichting Service Centrum Auteurs- en Naburige rechten	1 Jan - 31 Dec
		Member of the Supervisory Board and chair of the Committee for Finance and Information Provision	1 Jan - 31 Dec
		Rijndam Revalidatie	1 Jan - 31 Dec
		Owner of Hotel Oudegracht	

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

