
2022

**ANNUAL REPORT
WITH TRANSPARENCY REPORT**

AT A GLANCE
↔ T.01

	2022 in €'000s	2021 in €'000s
Income	1,178,019	1,038,904
Expenses	168,599	152,410
Distributable amount	1,009,420	886,494
Cost rate	14.3%	14.7%
Operating cost rate	13.5%	14.0%
Income		
Breakdown by collection category		
Regional office collections	357,506	248,802
Reproduction sector collections	54,755	60,293
International collections	72,869	63,400
Broadcasting collections	325,114	338,273
Online collections	301,329	238,138
Remuneration rights	57,961	80,194
Other collection categories	8,485	9,804
Amounts by categories	1,178,019	1,038,904
Expenses		
Staff costs	65,460	64,414
Material costs	103,139	87,996
	168,599	152,410

↔ T.01

Rights category	Type of use	2022 in €'000s	2021 in €'000s
Reproduction and distribution	Sound recordings	31,597	33,078
	Audiovisual recordings	2,840	4,266
	Total	34,437	37,344
Performance	Music events	115,773	29,580
Online	Internet broadcasting	485	475
	Download	11,846	5,347
	Streaming	284,687	228,948
	Total	297,018	234,770
Broadcasting	Radio	54,608	52,747
	Television	177,128	176,886
	Cable retransmission	20,239	22,580
	Total	251,975	252,213
Communication to the public	Mechanical reproduction	142,440	120,038
Presentation	Presentation	5,141	11,285
Statutory remuneration rights	of which s. 27 (1) UrhG [German Copyright Act]	144	213
	of which s. 27 (2) UrhG	1,183	1,855
	of which s. 60h (1) UrhG	650	-430
	of which s. 54 (1) UrhG	56,128	78,769
	Total	58,105	80,407
International income	A AR	49,094	41,164
	A VR	14,185	12,532
	KRA and KFSA	9,589	9,704
	Total	72,868	63,400
Collection mandates	Total	187,654	196,995
Other income		12,608	12,873
Total		1,178,019	1,038,904

A portrait of Björn Ulvaeus, a man with a beard and glasses, wearing a dark pinstriped suit jacket over a black turtleneck. The background is white with a light grey curved shape on the left side.

CISAC PRESIDENT BJÖRN ULVAEUS
on the challenges of music streaming:

”

If we accept that the song – or the creative work of any repertoire – is the foundation of our creative economy, why do we then accept the near-invisibility of the creator in the commercial value chain? These creators represent the cradle of our creative industries. Without their work, the global ‘creative sector’, worth trillions of dollars, simply would not exist.

“

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Here's what GEMA members have to say on the situation in the music streaming market:

“ The streaming market is failing and can no longer regulate itself. Politicians and legislators, it's your turn now! ”

“ Music streaming should become more accessible and transparent, particularly for smaller-scale artists. The entry thresholds for bigger playlists are simply too high, and access to automatically generated playlists too obscure. ”

Source: Goldmedia, Musikstreaming in Deutschland – Erlössituation im deutschen Musikstreaming-Markt 2022, September 2022.
Respondents: GEMA members

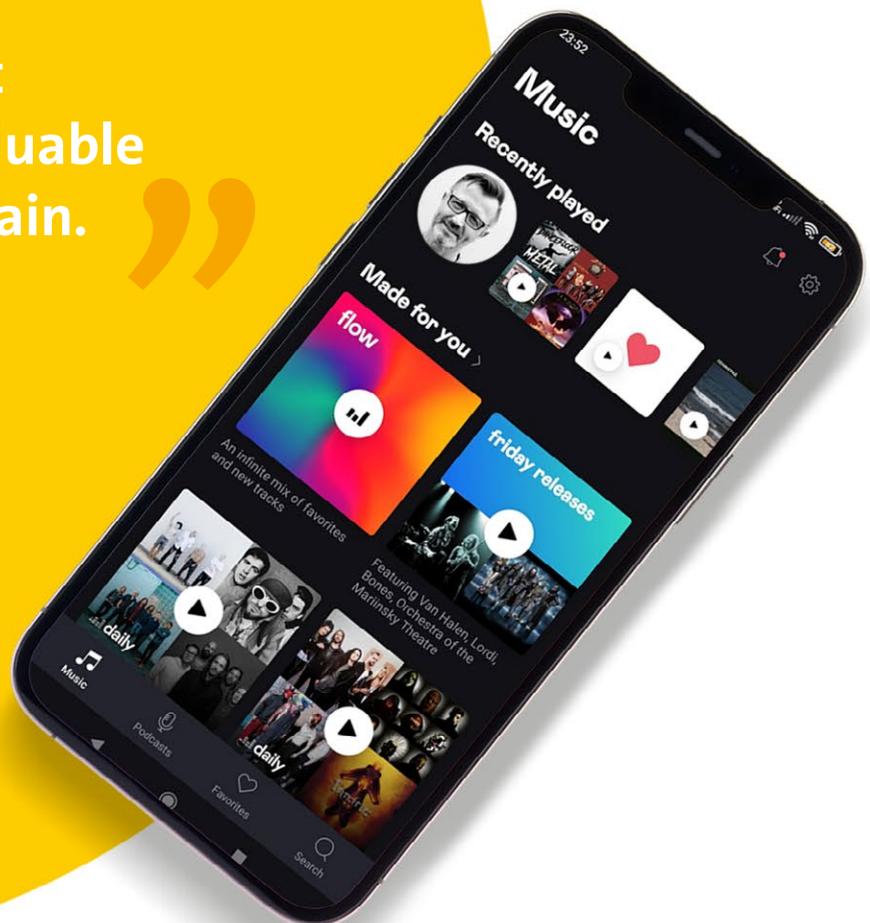


A

Introduction

- 6 Letter to our members
- 8 Membership numbers
- 10 Facts on GEMA and the music industry
- 12 Report of the Supervisory Board
- 14 Honorary presidents and honorary members
- 15 International organisations

“ Music must
become more valuable
and diverse again. ”



LETTER TO OUR MEMBERS

*Dear GEMA members,
dear readers,*

We look back on 2022 and thus on a financial year that could have hardly been more contrasting: While the decline of the pandemic finally brought about a long-awaited silver lining to the clouds hovering over our business sector, Europe finds itself exposed to one of the most bitter moments in its history after many years of peace. Russia's invasion of Ukraine and the war, which continues to this day, is a tragedy for the people affected and also for cultural life in the Eastern European country. Germany, again, is now facing historic inflation rate levels and a steep rise in energy costs resulting from the foreign and security policy turnaround; a fact that has triggered existential worries once more, especially among creatives.

It is therefore good news that GEMA achieved the best result in its history despite all of the upheaval of the past year. Total income was increased by more than €100m to €1,178m and we thus managed to continue the upward trend of the preceding year. The total distributable amount, which is going to be paid out to all rightsholders represented by GEMA in 2023, will break the one-billion-euro threshold for the first time in history. This is a reason to rejoice because the category particularly close to our members' hearts, the performing category, has not yet been able to return to pre-pandemic levels in 2022. Rights licensed with regard to public music playback, on the other hand, reached €357m and thus significantly higher revenues than in 2021. This is particularly due to the revival of the concert scene, especially during the summer months. Nevertheless, this amount is still clearly below the €407m collected in 2019. For 2023, we therefore expect that the pay-outs in this segment will increase only moderately.

Due to the fact that the strong increase in demand for tablets and PCs at the outset of the pandemic receded massively in the third COVID-19 year, GEMA was confront-

ed with losses of nearly 30 percent in terms of the remuneration collected by the Central Organisation for Private Copying Rights (ZPÜ). The broadcasting sector also caved in slightly with a minus of €13m compared to the previous year. The same applies to revenues from sound recordings, which receded by about €5m despite the continuing vinyl boom.

GEMA managed to more than just compensate these losses of revenue with a continued positive development in the online sector. At €301m, the revenues were subject to another strong period of growth in the year under review. A market subject to continued dynamic development, additional licensing for previous collection periods and improved contractual conditions with various licensees, among them the successful conclusion of the negotiations with Spotify following arbitration proceedings, all led to a plus of more than €60m. Another €10m growth can be reported for the income from international rights management.

The overall GEMA expenditure in the 2022 financial year amounted to €169m as budgeted and included investments in the IT infrastructure of €33m. Even though the cost rate had been expected to rise to 15.6 percent, it was possible to lower the cost rate from 14.7 percent in the previous year to 14.3 percent due to cost-conscious expenditure control. In view of an inflation rate that averaged 7.9 percent for the year, this is a testimony to exemplary budgetary discipline.

Through prudent management, GEMA has not only withstood the many challenges of the past year. With its forward-looking business policy, it has also once again proven itself to be an ally and strong partner of music creators. Even though COVID-19 restrictions continued to prevail in the first quarter of 2022, the solidarity community was able to manage the year excellently on balance.



DR. HARALD HEKER
CEO AND CHAIRMAN OF THE MANAGING COMMITTEE

An increase of almost 5,000 members within a year shows: Creators trust GEMA, especially in difficult times. The fact that the new members include many talented 'digital natives' is a testament to the chosen rejuvenation course. GEMA wants to be a reliable partner that accompanies composers and lyricists in all stages of their careers and navigates them through the transformation of the music business. Incentives such as the 'IdeenBox' [idea box], where our members can submit their ideas for new offers, or the benefits programme GEMApplus, which includes a variety of offers for music creators, accompany our members on their journey. At the same time, such activities also represent the change within GEMA from a pure rights management organisation to a comprehensive service provider for creatives in the music business.

We are paying particular attention to digitisation with its additional value-creation opportunities. Last year, for example, we put the existing imbalances in the streaming market on the cultural policy agenda. Together with the consulting and research group Goldmedia, we prepared a comprehensive analysis of the German music streaming market and published it in September 2022. We also listed the first concrete proposals for an improved remuneration scheme for music authors. The study commissioned by the The European Authors' Societies (GESAC) published shortly thereafter expands our research with fig-

ures on the European music streaming market. In the current year, we want to expand the debate on the need for reform in music streaming that this has triggered, in order to ensure that authors receive a fair share of the proceeds. Our concern is also reflected in the design of this report, which addresses the topic of streaming in its various facets.

We will accompany these activities, among other things, with expanding technological partnerships. In the medium term, GEMA intends to devise a vital ecosystem for value creation through music by further committing to areas of deep learning and artificial intelligence as well as intensified cooperation with start-ups. This should enable our members to react to trends at an early stage and to help shape tomorrow's music market in a sufficient manner.

Implementing these ambitious plans will require our roughly 850 staff to work together and give their all. I would like to take this opportunity to thank them wholeheartedly for their commitment in the past business year and for the progress we have once again achieved together for the benefit of our members. It is with pride that I look back on a house in extremely good order.

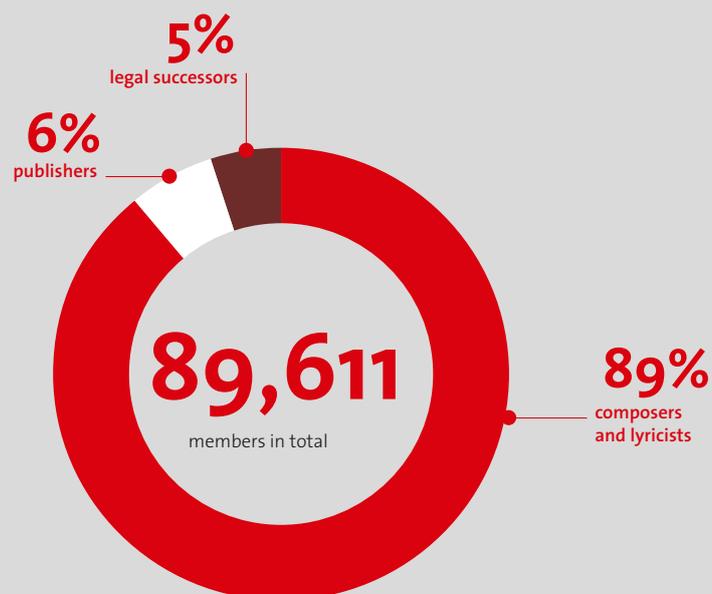
Dr. Harald Heker
CEO and Chairman of the Managing Committee

MEMBERSHIP NUMBERS

MEMBERSHIP DEVELOPMENT AND CATEGORISATION

[↔ T.02](#)

	31 December 2022	31 December 2021
Composers and lyricists	79,818	75,535
of which full composer members	3,279	3,270
of which full lyricist members	502	501
of which associate members	76,037	71,764
Publishers	4,963	4,884
of which full members	597	588
of which associate members	4,366	4,296
Legal successors	4,830	4,442
of which full composer members	17	17
of which full lyricist members	9	9
of which associate members	4,804	4,416
Total	89,611	84,861
of which full members	4,404	4,385
of which associate members	85,207	80,476



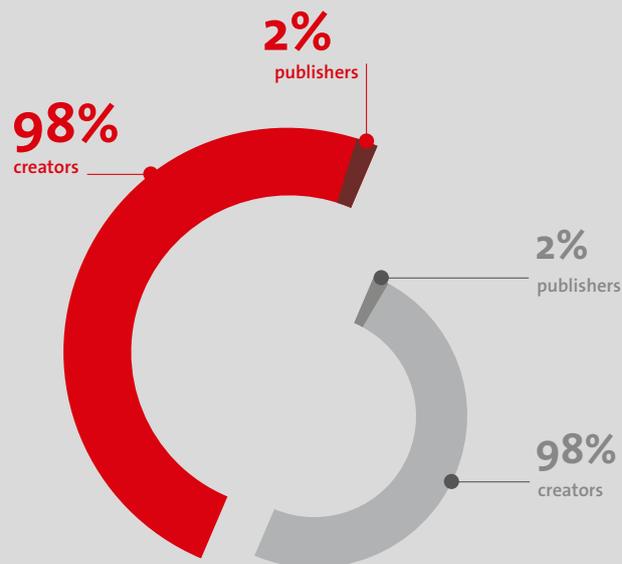
Membership development and categorisation 2022

ADMISSION OF NEW MEMBERS

→ T.03

	31 December 2022	31 December 2021
Authors (composers and lyricists)	4,707	5,834
Publishers	89	105
Total	4,796	5,939

Membership totals increased by 4,750 altogether, compared to 4,796 new admissions. The difference between the increase and the number of new admissions is a result of membership terminations and members' early withdrawals.



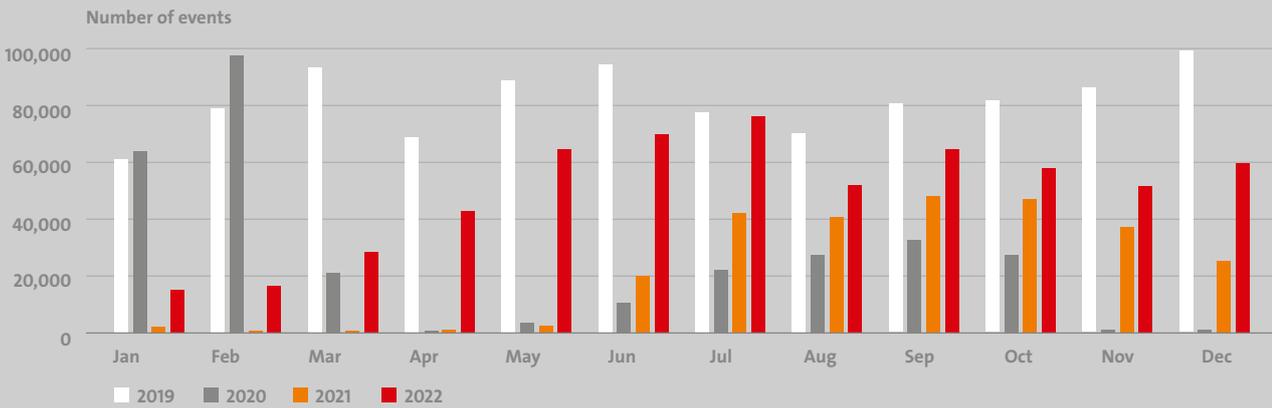
Admission of new members
2022/2021 comparison

GEMA's resilience in times of crisis

2022 presented several challenges at once. GEMA proved to be resistant to crisis and concluded the year with an extremely positive result.

13%

was the percentage by which GEMA's total income increased in 2022



382,635 less events were registered by GEMA in 2022 compared to 2019. ¹⁾

This includes all events where music was played (and invoiced by GEMA). Due to late reporting and other subsequent processes, 2022 data has not been fully captured yet.



47%

of concerts were held outdoors in the summer of 2022. This represents a significantly higher proportion than in 2019 (35%) ¹⁾

References:

- 1) internal GEMA information; all figures as at 03/03/2023
- 2) www.musikindustrie.de
- 3) see here pages 72–73 (chapter separator 3)

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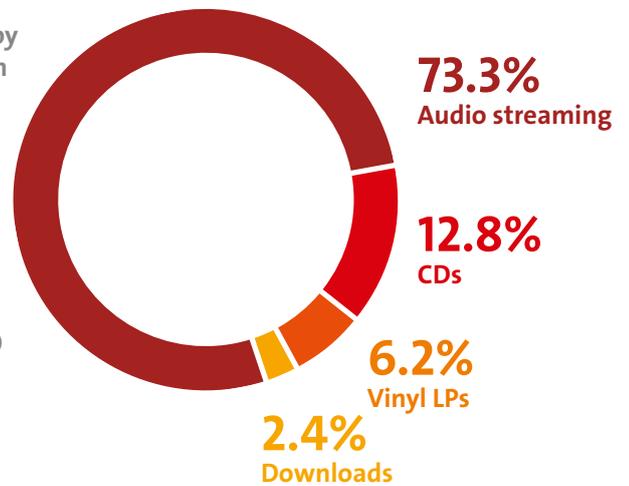
big concerts, i.e. concerts with an audience of more than 5,000 people, took place in the summer of 2022. This means that the market was even stronger than in 2019. In comparison, 539 big concerts were held in the summer of 2019. ¹⁾



2.07 billion euros

has been turned over by the music industry in Germany in 2022. The amount is made up of:

For the first time in 20 years, the 2-billion-euro threshold was surpassed. ²⁾



Not enough: less than **10%** of income per streaming subscription goes to creators. ³⁾



To achieve fair participation, a comprehensive analysis of the German music streaming market was carried out in the summer of 2022 in tandem with the consulting and research group Goldmedia, also based on an online survey of GEMA members.

> Additional information on the situation in the music streaming market and the study contents are included in this annual report.

REPORT OF THE SUPERVISORY BOARD

During the 2022 financial year, the Supervisory Board held meetings on 12 days: on 13 January, 30/31 March, 16 and 19 May, 21 and 29/30 June, 5/6 October and 14/15 December. Moreover, meetings of the committees formed by the Supervisory Board (such as the Statutes Committee, Tariff Committee, Distribution Plan Committee and Programme Committees) as well as the Rating Committees for the rating procedure, the Assessment Committee for arrangers and the Works Committee took place regularly. During joint meetings with the Managing Committee, the Supervisory Board addressed GEMA's overall situation, business performance and business policies based on written and verbal reports by the Managing Committee, and discussed them with the Managing Committee.

During the 2022 financial year, the Finance Committee of the Supervisory Board met on 16 March and on 29 November. The respective results were reported back to the Supervisory Board. Furthermore, the Finance Committee dealt with the Managing Committee's annual report for 2022 during its meeting on 7 March 2023 and reported the outcome to the Supervisory Board during its meetings on 20/21 March 2023.

The appointed auditors, KPMG AG Wirtschaftsprüfungsgesellschaft [auditing company], Berlin, audited the 2022 annual financial statements prepared by the Managing Committee, including the accounts and the management report, and issued an auditors' report without reservation. The Supervisory Board discussed the auditors' report at its meetings on 20/21 March 2023 and raised no objections to the audit result and the management report of the Managing Committee. It approved the annual financial statements, which are thereby endorsed.



DR. RALF WEIGAND
CHAIRMAN OF THE SUPERVISORY BOARD

The following individuals were members of the Supervisory Board in the 2022 reporting year:

For the professional category of composers Jörg Evers († 12 February 2023), Matthias Hornschuh, Micki Meuser, Jochen Schmidt-Hambrock, Dr. Charlotte Seither, Dr. Ralf Weigand as well as deputies Wolfgang Lackerschmid and Alexander Zuckowski; for the professional category of lyricists Frank Ramond, Tobias Reitz, Götz von Sydow, Stefan Waggerhausen as well as deputies Tobias Künzel and Diane Weigmann; for the professional category of publishers Jörg Fukking, Winfried Jacobs, Dr. Sabine Meier, Patrick Strauch, Dr. Götz von Einem as well as deputies Diana Muñoz and Michael Ohst.

Dr. Ralf Weigand was Chairman, Deputy Chairmen were Stefan Waggerhausen and Dr. Götz von Einem.

Munich, 21 March 2023

Dr. Ralf Weigand
Chairman of the Supervisory Board

HONORARY PRESIDENTS AND HONORARY MEMBERS

Honorary Presidents

Prof. Dr. Reinhold Kreile

Prof. Dr. jur. h. c. Erich Schulze †

Honorary Members

Prof. Harald Banter

Prof. Christian Bruhn

Klaus Doldinger

Dr. Peter Hanser-Strecker

Karl-Heinz Klempnow

Hartmut Westphal

Bruno Balz †

Richard Bars †

Prof. Jürg Baur †

Prof. Werner Egk †

Dr. Hans Gerig †

Prof. Dr. Dr. h. c. Joseph Haas †

Hans Hee †

Kurt Hertha †

Heinz Korn †

Peter Jona Korn †

Eduard Künneke †

Jo Plée †

Dr. Willy Richartz †

Prof. Dr. Georg Schumann †

Günther Schwenn †

Dr. Hans Sikorski †

Prof. Dr. Hans Wilfred Sikorski †

Dr. Dr. h. c. Ludwig Strecker †

Prof. Karl Heinz Wahren †

INTERNATIONAL ORGANISATIONS

CISAC

Confédération Internationale des Sociétés d'Auteurs et Compositeurs, Paris

Member of the Board of Directors

Dr. Harald Heker

Member of CIAM

(International Council of Creators of Music)

Jörg Evers †

Member of the Legal Committee

Dr. Tobias Holzmüller

BIEM

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

Honorary Presidents

Prof. Dr. Reinhold Kreile

Prof. Dr. jur. h. c. Erich Schulze †

Prof. Dr. Hans Wilfred Sikorski †

President of the Management Committee

Georg Oeller

GESAC

Groupement Européen des Sociétés d'Auteurs et Compositeurs, Brussels

Vice President

Dr. Harald Heker

FASTTRACK

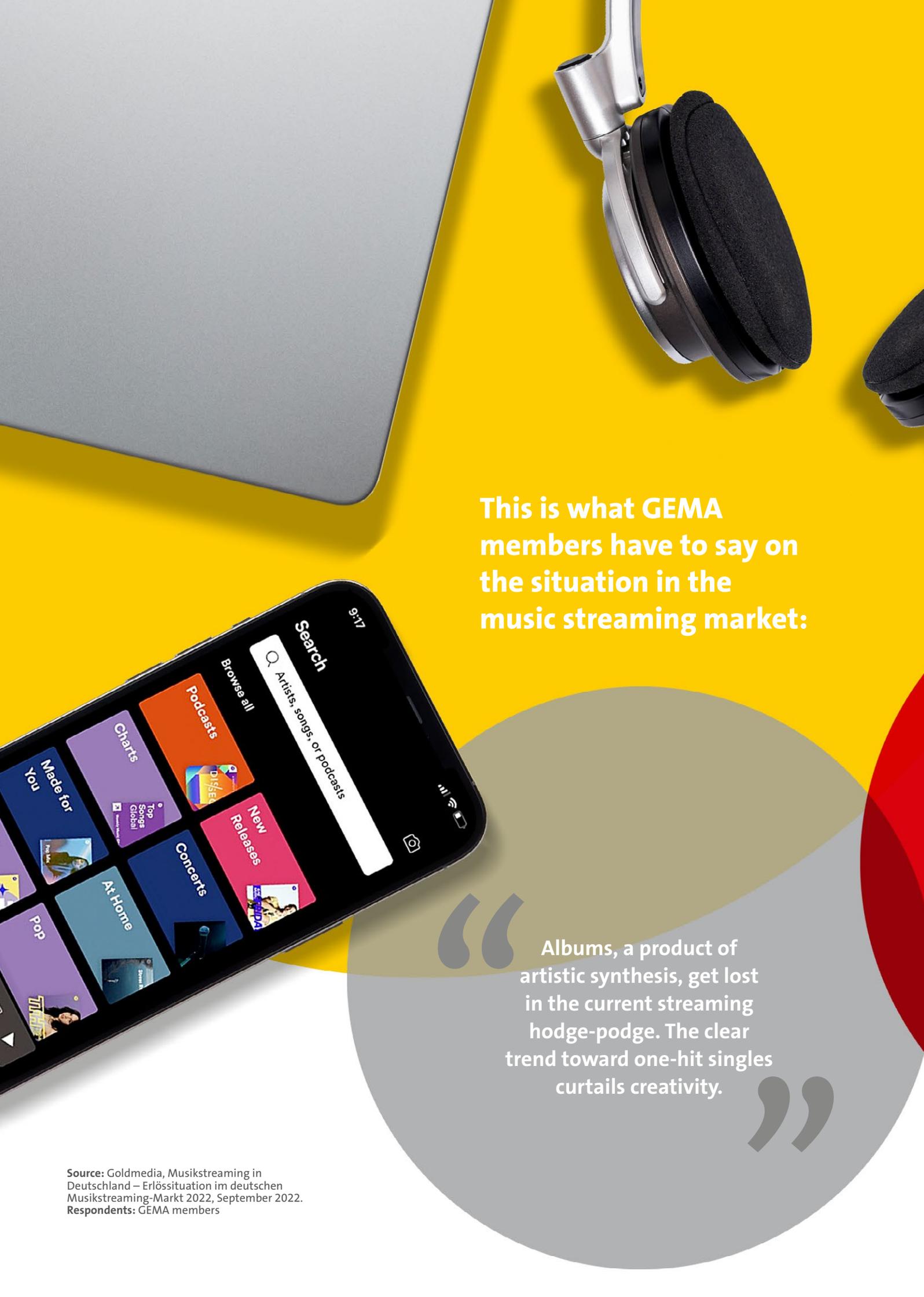
The Digital Copyright Network SAS, Paris

Member of the Board of Directors

Dr. Harald Heker

Member of the Executive Committee

Thimo Prziklang



This is what GEMA members have to say on the situation in the music streaming market:

“ Albums, a product of artistic synthesis, get lost in the current streaming hodge-podge. The clear trend toward one-hit singles curtails creativity. ”

Source: Goldmedia, Musikstreaming in Deutschland – Erlössituation im deutschen Musikstreaming-Markt 2022, September 2022.
Respondents: GEMA members

B

Transparency Report

18	1. Governance structure
36	2. Financial information
72	3. Information on available funds for rightsholders
78	4. Funds for social and cultural purposes
82	5. Cooperation initiatives
90	6. VGG auditors' certification

“ Spotify and the like should become aware of their responsibility towards music creators. Without composers, musicians, etc. they won't have anything left to stream, at least not in a quality that anyone still wants to listen to. ”



Nearly half of the German population (45% as of 2021) are music streaming users. Among 14- to 29-year-olds, this figure rises to 84 percent. In total, roughly two thirds stream via paid subscriptions, while one third use free, ad-financed offers.

34%
34% OF STREAMERS USE FREE SUBSCRIPTIONS



1

Governance structure

- 21 Legal structure / organisational structure
- 22 GEMA social fund
- 23 Holdings and affiliated companies
- 26 Management
- 26 Managing Committee
- 28 Supervisory Board
- 30 Committees and commissions

66% OF
STREAMERS
USE
PAID
SUBSCRIPTIONS

The most important streaming services in Germany (as at 2021):



28%
SPOTIFY



14%
AMAZON
MUSIC



6%
APPLE
MUSIC



6%
SOUND-
CLOUD



4%
YOUTUBE
MUSIC



2%
DEEZER



58%
YOUTUBE

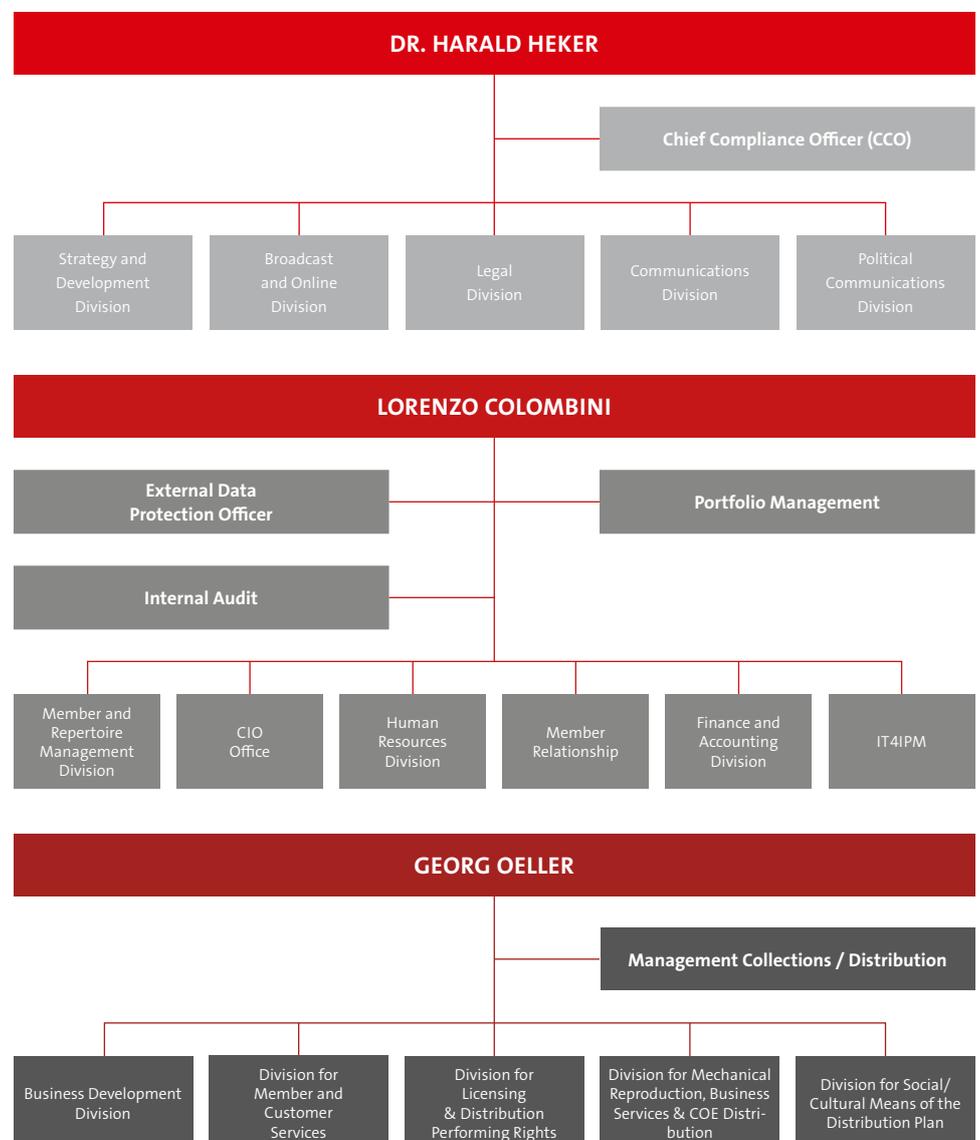
LEGAL STRUCTURE / ORGANISATIONAL STRUCTURE

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

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

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

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



GEMA SOCIAL FUND

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

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

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

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

Version as at 31/12/2022

HOLDINGS AND AFFILIATED COMPANIES

AMEG Invest Management GmbH, Munich

Purpose: property management

Registered number

HRB 268701

Associate

GEMA

AMEG Invest GmbH & Co. KG, Munich

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

Registered number

HRA 114737

Associates

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

GEMA Immobilien GmbH, Munich

Purpose: property management

Registered number

HRB 214398

Associate

GEMA

GEMA Immobilien Services GmbH, Munich

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

Registered number

HRB 268698

Associate

GEMA

GEMA Immobilienverwaltung wirtschaftlicher Verein & Co. KG, Munich

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

Registered number

HRA 103041

Associates

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

GEMA Unterstützungskasse GmbH, Munich

Purpose: running of a benevolent fund for pension liabilities

Registered number

HRB 223307

Associate

GEMA

GEMA Beteiligungsgesellschaft mbH, Munich

Purpose: acquiring, holding, managing and disposing of stakes and investments in companies, in particular in companies operating in the music industry; providing paid services, in particular administrative, commercial and organisational services; consulting services such as planning, organising and controlling the activities of its subsidiaries

Registered number
HRB 252099

Associate
GEMA

ICE Operations AB, Stockholm

Purpose: holding company of ICE International Copyright Enterprise Germany GmbH

Registered number
556723-5907

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

ICE International Copyright Enterprise Germany GmbH, Berlin

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

Registered number
HRB 162426

Associate
ICE Operations AB

International Copyright Enterprise Services Ltd., London

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

Registered number
8983089

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

iSYS Software GmbH, Munich

Purpose: IT services for companies

Registered number
HRB 111760

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

IT for Intellectual Property Management GmbH, Munich

Purpose: IT services in connection with the management of copyright

Registered number
HRB 211469

Associate
GEMA

**SOLAR Music Rights Management Ltd.,
London**

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

Registered number
8983482

Associates
PRS for Music Ltd., GEMA

**Zentralstelle Bibliothekstantieme GbR
(ZBT), Munich**

Purpose: assertion of entitlements pursuant to s. 27 (2) and s. 60h (1) UrhG

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

**Zentralstelle für private Überspielungs-
rechte GbR (ZPÜ), Munich**

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

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

ZPÜ-Service GmbH, Munich

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

Registered number
HRB 209577

Associate
GEMA

MANAGING COMMITTEE

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

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

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



LORENZO COLOMBINI (* 1972)

MEMBER OF THE MANAGING COMMITTEE

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

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



GEORG OELLER (* 1964)

MEMBER OF THE MANAGING COMMITTEE

Georg Oeller was appointed a member of the Managing Committee on 01 August 2009.

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

SUPERVISORY BOARD

The Supervisory Board is the supervisory body of GEMA pursuant to s. 22 VGG. As per the Statutes, it is made up of 15 members, of which 6 have to be composers, 4 lyricists and 5 publishers. 2 deputies can be elected for each professional category.

A new Supervisory Board was elected during GEMA's General Assembly on 9/10 June 2021. The election of the Chairman and two deputies took place at the Supervisory Board's meeting on 7 May 2015;

As at 31 December 2022, the Supervisory Board was hence made up as follows:

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

Version dated 31/12/2022

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

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



DR. RALF WEIGAND
CHAIRMAN OF THE SUPERVISORY BOARD



STEFAN WAGGERSHAUSEN
DEPUTY CHAIRMAN



DR. GÖTZ VON EINEM
DEPUTY CHAIRMAN

COMMITTEES AND COMMISSIONS

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

Radio Committee

Composers
Prof. Bernd Wefelmeyer
Dr. Ralf Weigand

Deputy
Hans Peter Ströer

Lyricists
Klaus Pelizaeus
Stefan Waggershausen

Deputy
Jutta Staudenmayer

Publishers
Jan Rolf Müller
Patrick Strauch

Deputy
Stefan Conradi

Programme Committee

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

Deputies
Micki Meuser
Patrick Strauch

Experts
Prof. Moritz Eggert
Johannes Hildebrandt
Thomas Tietze

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

Deputies
Diana Muñoz
Frank Ramond
Alexander Zuckowski

Expert
Prof. Harald Banter

Statutes Committee

Jörg Evers †
Frank Ramond
Dr. Götz von Einem

Deputies
Matthias Hornschuh
Tobias Reitz
Patrick Strauch

Attendance Allowance Committee

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

Deputy Chairman
N. N.

Representatives of the three professional categories

Composers
Annette Focks

Deputy
Christian Wilckens

Lyricists
Johann-Christoph Busse

Deputy
Pat Appleton

Publishers
Sebastian Mohr

Deputy
Georg Löffler

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

Works Committee**Composers**

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

Deputies

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

Lyricists

Klaus Pelizaeus
Jutta Staudenmayer

Deputies

Peter Freudenthaler
Reiner Hömig

Publishers

Jan Rolf Müller

Deputy

Stefan Conradi

Supervisory Board delegate

Jochen Schmidt-Hambrock

Deputy

Dr. Charlotte Seither

Rating Committee for composers and lyricists in the Serious Music category (E)

Prof. Martin Christoph Redel
Annette Schlünz
Helmut Zapf

Deputies

Detlev Glanert
Babette Koblenz

Delegate of the associate members

Kathrin Denner

Supervisory Board delegate

Dr. Charlotte Seither

Deputy

Jochen Schmidt-Hambrock

Rating Committee for publishers in the Serious Music category (E)

Stefan Conradi
Horst Schubert

Deputy

Dr. Peter Hanser-Strecker

Supervisory Board delegate

Winfried Jacobs

Deputy

Michael Ohst

**Rating Committee for
Light and Dance Music (U)**
Composers

Thorsten Brötzmann
Dr. Rainer Fabich
Christoph Rinnert

Deputies

Martina Eisenreich
Ulrike Haage
Christian Neander

Lyricists

Michael Holm
Klaus Pelizaeus
Thomas Woitkewitsch

Deputies

Dr. Manfred Maurenbrecher
Maya Singh
Jutta Staudenmayer

Publishers

Pamela Georgi-Michel
Ute Lingner
N.N.

Deputies

Elisabeth Braun
Jan Rolf Müller
Selina Paetz

**Delegates of the
associate members****Supervisory Board
delegates****Composers**

Tim Jäkel

Composers

Dr. Ralf Weigand

Deputy

Jörg Evers †

Lyricists

Timo Peter

Lyricists

Stefan Waggerhausen

Deputy

Frank Ramond

Publishers

Corinna Wolff-Klemens

Publishers

Jörg Fukking

Deputy

Dr. Sabine Meier

**Assessment Committee
for arrangers**

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

Deputies

Prof. Maria Baptist
Henning Verlage
Wolfgang Vetter-Lohre

**Supervisory Board
delegate**

Jörg Evers †

Deputy

Micki Meuser

Finance Committee

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

Deputies

Matthias Hornschuh
Michael Ohst
Frank Ramond

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

In 2022, compensation and other benefits paid to members of the governing bodies amounted to a total of €2,733k pursuant to s. 18 (1) VGG.

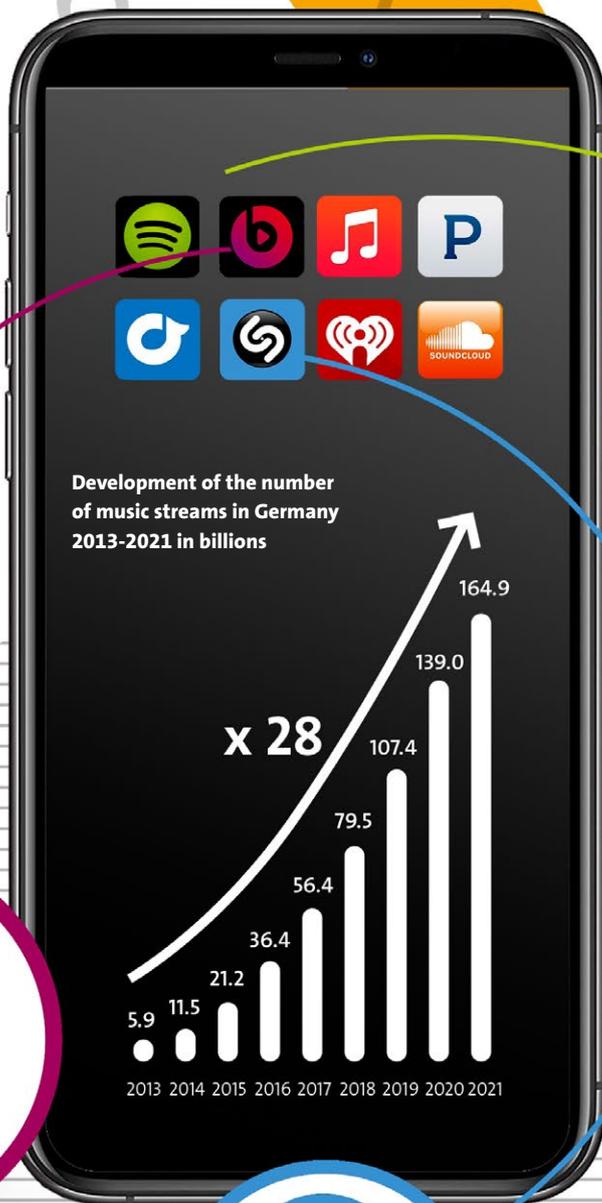
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The German music market is more and more characterised by streaming and is already a market worth billions. In 2022, more than two billion euros were generated by the market players involved in Germany. The number of music streams has increased 28-fold between 2013 and 2021.

PROFIT AND LOSS STATEMENT

PROFIT AND LOSS STATEMENT FOR THE PERIOD 1 JANUARY TO 31 DECEMBER 2022

[↗ T.04](#)

in €'000s	Note no.	2022	2021
1. Income	28	1,171,334	1,031,978
<i>of which</i>			
a) Income from copyright exploitation and remuneration rights		1,165,411	1,026,032
<i>of which income from collection mandates</i>		187,611	196,938
b) Other income		5,922	5,947
2. Other operating income		4,414	3,222
3. Expenses for third-party services	29	-69,903	-57,993
4. Staff costs	30	-65,460	-64,414
<i>of which</i>			
a) Wages and salaries		-50,245	-47,716
b) Social benefits and expenses for social security plans and support programmes		-15,215	-16,698
<i>of which pension scheme payments</i>		-6,178	-7,793
5. Amortisation of intangible assets in fixed assets and tangible assets		-14,912	-13,368
6. Other operating expenses	29	-16,824	-15,067
7. Income from holdings		252	847
<i>of which holdings in affiliated companies</i>	31	151	428
8. Income from securities and bonds		55	1,555
9. Other interest and similar income		1,964	1,302
<i>of which holdings in affiliated companies</i>		428	361
10. Interest paid and similar expenditure	32	-1,483	-1,461
11. Result after tax		1,009,437	886,601
12. Other taxes		-17	-107
13. Allocations to distribution reserves and accruals	24	-1,009,420	-886,494
14. Result for the year		0	0

BALANCE SHEET AS AT 31 DECEMBER 2022 (89TH FINANCIAL YEAR)

ASSETS

⇨ T.05

in €'000s		Note no.	As at 31 December 2022	As at 31 December 2021
A. Fixed assets	I. Intangible assets	3/17		
	1. Operating licences, industrial property rights, similar rights and values, as well as licences in such values and rights		60,606	48,029
	2. Prepayments made		37,205	42,714
			97,811	90,743
	II. Tangible assets	4/17		
	1. Properties, leasehold rights and buildings, including buildings on sites not owned by GEMA		3,151	3,223
	2. Other assets, office and business equipment		0	2,158
			3,151	5,381
	III. Financial assets	5/17		
	1. Shares in affiliated companies	18	107,270	95,909
	2. Loans to affiliated companies		30,589	28,489
	3. Holdings	19	4,626	4,626
	4. Loans to holdings		696	12,256
	5. Fixed asset securities		364,724	310,974
	6. Other loans		15,429	1,731
			523,334	453,985
			624,296	550,109
B. Current assets	I. Receivables	6/21		
	1. Members		75,019	67,971
	2. Foreign societies		43,322	47,887
	3. Sound recordings and audiovisual media companies		16,861	4,563
	4. Broadcasters		57,234	50,052
	5. Online providers		147,392	90,863
	6. Music promoters		43,856	38,922
	7. Statutory remuneration rights		1,344	2,461
	8. Affiliated companies		1,177	2,608
	9. Entities/holdings in which the company has a participating interest		1,215	997
	10. Other assets		44,723	15,035
	<i>of which from taxes</i>		27,625	2,481
			432,143	321,359
	II. Cash at bank	7/22		
	1. Fixed-term deposits		252,000	0
	2. Others		36,943	316,791
			288,943	316,791
	III. Cash in hand	7	8	12
			721,094	638,162
C. Accruals and deferred income		8	19	614
D. Deferred tax assets		9	17,815	14,692
E. Trustee receivables		22	1,431	1,662
			1,364,655	1,205,239

LIABILITIES

[↔ T.06](#)

in €'000s	Note no.	As at 31 December 2022	As at 31 December 2021
A. Capital and reserves	23	0	0
B. Reserve funds for the distribution	10/24		
I. From performance, presentation, broadcasting and communication to the public rights and remuneration rights			
1. Domestic income		672,344	552,671
2. Collection mandates		61,535	61,504
3. International income		33,480	27,612
		767,359	641,787
II. From reproduction rights and remuneration rights			
1. Domestic income		240,380	210,857
2. Collection mandates		– 782	– 1,935
3. International income		8,328	7,395
		247,926	216,317
III. From statutory remuneration rights		69,290	68,803
		1,084,575	926,907
C. Other reserves	11/25		
1. Reserves for pensions and similar obligations		115,855	108,209
2. Tax accruals		1,646	200
3. Other accruals		21,845	33,940
		139,346	142,349
D. Liabilities	14/26		
1. From distributed royalties			
To members		14,212	15,370
To foreign collective management organisations		1,554	2,785
2. To music promoters		33,749	40,028
3. From deliveries and services		4,930	5,143
4. To affiliated companies		11,140	7,550
5. To entities/holdings in which the company has a participating interest		233	1,635
6. Others		16,147	15,866
<i>of which from taxes</i>		3,787	885
		81,965	88,377
E. Accruals and deferred income	15/27	57,338	45,944
F. Trustee obligations	22	1,431	1,662
		1,364,655	1,205,239

DEVELOPMENT OF FIXED ASSETS IN 2022

ASSETS: A. FIXED ASSETS

in €'000s	Purchase and production costs				As at 31 December 2022
	As at 1 January 2022	Additions	Transfers	Disposals	
I. Intangible assets					
1. Operating licences, industrial property rights, similar rights and values, as well as licences in such values and rights	89,348	93	27,323	0	116,764
2. Prepayments made	42,714	21,814	-27,323	0	37,205
Total	132,062	21,907	0	0	153,969
II. Tangible assets					
1. Properties, leasehold rights and buildings, including buildings on sites not owned by GEMA	5,185	0	0	0	5,185
2. Other assets, office and business equipment	4,595	0	0	-4,595	0
3. Low-value assets	6	0	0	-6	0
Total	9,786	0	0	-4,601	5,184
III. Financial assets					
1. Shares in affiliated companies	95,909	11,464	0	-104	107,270
2. Loans to affiliated companies	28,489	2,100	0	0	30,589
3. Holdings	4,626	0	0	0	4,626
4. Loans to holdings	12,256	1,940	500	-14,000	696
5. Fixed asset securities	310,974	53,750	0	0	364,724
6. Other loans	1,731	14,345	-500	-147	15,429
Total	453,985	83,600	0	-14,251	523,335
Sum total	595,833	105,507	0	-18,852	682,488

→ T.07

	Accumulated amortisation and depreciation			Book values	
	As at 1 January 2022	Additions	Disposals	As at 31 December 2022	As at 31 December 2021
	41,319	14,840	0	56,158	48,029
	0	0	0	0	42,714
	41,319	14,840	0	56,158	90,743
	1,963	72	0	2,034	3,223
	2,437	0	-2,437	0	2,158
	6	0	-6	0	0
	4,405	72	-2,443	2,034	5,380
	0	0	0	0	107,270
	0	0	0	0	30,589
	0	0	0	0	4,626
	0	0	0	0	696
	0	0	0	0	364,724
	0	0	0	0	15,429
	0	0	0	0	523,335
	45,724	14,911	-2,443	58,193	550,109

RESERVES AND ACCRUALS FOR DISTRIBUTION IN 2022

LIABILITIES: B. RESERVES AND ACCRUALS FOR DISTRIBUTION

[↪ T.08](#)

in €'000s	As at 01/01/2022	Payouts 2022 for previous years and advance pay- outs 2022	Allocations 2022	As at 31/12/2022
I. From performing, presentation, broadcasting and communication to the public rights and remuneration rights				
1. Domestic income	552,671	431,602	551,275	672,345
2. Collection mandates	61,504	148,421	148,452	61,535
3. International income	27,612	41,267	47,135	33,480
				767,360
II. From reproduction rights and remuneration rights				
1. Domestic income	210,857	145,898	175,421	240,380
2. Collection mandates	-1,935	27,744	28,897	-782
3. International income	7,395	13,075	14,007	8,328
				247,926
III. From statutory remuneration rights	68,803	43,747	44,232	69,289
Sum total	926,907	851,754	1,009,419	1,084,575

NOTES TO THE ACCOUNTS

**For the financial year from
1 January to 31 December 2022**

GOVERNING STATUTORY PROVISIONS

1. The annual financial statements for 2022 were drawn up based on the accounting regulations for collective management organisations pursuant to s. 57 (1) clause 1 VGG (Verwertungsgesellschaftengesetz). This led to a comprehensive application of the accounting regulations of the HGB (Handelsgesetzbuch) [German Commercial Code] for large incorporated enterprises. The specific collective management organisations were accommodated by way of including additional items (s. 265 (5) HGB) and by way of adapting the names of the items (s. 265 (6) HGB). Apart from the annual financial statements, consisting of balance sheet, profit and loss statement, cash flow statement, including the notes to the accounts, a management report was prepared.

ACCOUNTING AND EVALUATION PRINCIPLES

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

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

4. Tangible assets were valued at their acquisition or production costs. Buildings are depreciated on a straight-line basis at a rate of 1.5%. Other operating and office equipment was transferred in full to GEMA Immobilien Services GmbH in the 2022 reporting year (€2,158k).

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

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

7. The assessment of cash in hand and cash at bank was performed using the nominal value.

- 8.** Active accruals and deferred income were set up for prepaid amounts as long as they constitute expenditure for a certain period after the balance sheet date.
- 9.** After netting out deferred tax assets and liabilities, the surplus of assets at the financial statement date was €17,815k (previous year: €14,692k). The increase of deferred taxes by €3,123k is mainly due to the temporary differences between the tax and commercial balance sheets relating to the addition to reserves and provisions for pension schemes. As in the previous year, the valuation of deferred taxes was based on a company-specific tax rate of 31.82%.
- 10.** The reserves and accruals for distribution include the amounts to be paid out to the entitled authors and publishers in the following year in accordance with the distribution plans (Annex 2 to the notes to the accounts).
- 11.** Allocations to the other reserves and accruals take account of all discernible risks and uncertain obligations and are based on reasonable commercial assessment. There are no long-term reserves and accruals (previous year: €1,700k).
- 12.** In the reporting year, reserves and provisions for pension schemes were calculated based on the actuarial principles pursuant to s. 253 HGB at an actuarial interest rate of 1.79%. The actuarial interest used is the average market interest published by the Deutsche Bundesbank [German Central Bank] for the last ten financial years, at an assumed residual term of 15 years. Based on the application of an average market interest rate pursuant to the provisions of s. 253 (6) HGB for the past seven financial years for an assumed residual life of 15 years, the result would be an actuarial interest rate of 1.45% (difference in the liabilities reserve according to assessment of the average interest over the seven instead of the ten years: €7,092k). The assessment was based on a fluctuation of 2.0%, a salary trend of 2.1% and a pension indexation for pension liabilities of 2.2% p.a. (provided that no other contractual arrangement is in place). The 2018 actuarial tables by Heubeck AG, Cologne are used.
- Exercising the option to disclose or not to disclose an item as a liability resulted in pension liabilities from previous commitments of €26,219k (previous year: €23,981k) that were not reported in the balance sheet on the financial statement date. Furthermore, as at the balance sheet date of 31 December 2022, there are indirect pension commitments (via the GEMA Unterstützungskasse GmbH, Munich) of €12,998k (previous year: €5,522k).
- 13.** The reserves and provisions for staff anniversaries and partial retirement are also determined on the basis of actuarial principles. The assessment of the provisions for anniversary bonuses was based on an assumed interest rate of 1.45% and for partial retirement provisions of 0.4%.
- 14.** Liabilities were set at the level of the settlement amount.
- 15.** Deferred income items were created for income received before the financial statement date as long as the income in question related to a certain period after the financial statement date.
- 16.** Receivables, liabilities and liquid assets in foreign currency were valued using the exchange rate of the settlement date, or using the lower/higher exchange rate on the financial statement date.

DETAILS ON BALANCE SHEET ITEMS

17. The development of individual items relating to fixed assets is reflecting the depreciation during the financial year and is shown in the schedule of movements in fixed assets (Annex 1 of the notes to the accounts).

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

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

GEMA is an associate of the Zentralstelle für private Überspielungsrechte GbR, Munich (ZPÜ).

20. GEMA holds 100% of the shares in two special funds, which are to be regarded as assets. The special funds were created with the aim of safeguarding the pension assets as well as the member assets. Pursuant to s.253 (3) clause 4 HGB, the company does not recognise impairment in value on non-current assets such as securities and bonds if the decline in value is only temporary. The

indicator criteria in IDW RS VFA 2 of the Insurance Committee of the IDW [German Institute of Public Auditors] were applied in order to assess whether the impairment is expected not to be permanent. Accordingly, the criteria for permanent impairment were not met for any of the above-mentioned special funds. There are no restrictions on the daily right of return. As at the balance sheet date, the acquisition costs for the purchase of the shares amount to €349,724k (previous year: €295,974k). The fair value of the investment as at the financial statement date was €312,984k (previous year: €303,487k). At the time the balance sheet was prepared, the market values of the funds had recovered slightly by €5,803k.

21. All receivables fall due within one year. Receivables from affiliated companies amount to €1,177k (previous year: €2,608k).

Receivables from entities/holdings in which GEMA has a participating interest amount to €1,215k (previous year: €997k) and relate to ICE Ltd.

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

Organisation	Share	Equity capital in €'000s	Annual surplus in €'000s
ZPÜ-Service GmbH, Munich*	100%	902	40
IT4IPM GmbH, Munich*	100%	3,655	430
GEMA Immobilien GmbH, Munich	100%	27	1
GEMA Immobilienverwaltung wirtschaftlicher Verein & Co. KG, Munich*	100%	52,501	110
GEMA Unterstützungskasse GmbH, Munich*	100%	25	0
GEMA Beteiligungsgesellschaft mbH, Munich*/**	100%	5,780	685
AMEG Invest Management GmbH, Munich*	100%	25	0
AMEG Invest GmbH & Co. KG, Munich*	100%	30,275	-3,718
GEMA Immobilien Services GmbH, Munich*	100%	240	-35

* Figures for the 2021 financial year

** Still trading as GEMA ZB GmbH in 2021, company name change in 2022

SHARES IN HOLDINGS[↔ T.10](#)

Organisation	Share	Proportional equity capital in €'000s	Proportional annual surplus in €'000s
SOLAR MRM Ltd., London, UK*	50%	19	570
iSYS Software GmbH, Munich*	24.90%	623	131
ICE Operations AB, Stockholm, Sweden*	33.33%	635	-102
International Copyright Enterprise Services Ltd., London, UK*	33.33%	5,255	4,209

* Figures for the 2021 financial year

Other assets of €44,724k (previous year: €15,035k) mainly relate to receivables from VAT receivables of €26,458k (previous year: €1,325k) and receivables from collection mandate grantors of €11,967k (previous year: €11,490k). In the previous year, this item included receivables from statutory remuneration rights amounting to €2,461k, which are presented separately this year. The reclassification was made to improve clarity and transparency.

22. The cash at bank amounting to €36,943k (previous year €316,791k) relates to current giro account balances. There were fixed-term deposits of €252,000k (previous year: €0k). Trustee receivables, or trustee obligations, amounted to €1,431k (previous year: €1,662k); they include security deposits from producers of sound recordings and relate to transitory items from licensing fees that GEMA collects and administers as a trustee until the distribution to the rightsholders.

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

24. A total of €1,084,574k (previous year: €926,907k) is available for distribution. The allocation amount for 2022 is €1,009,420k (previous year: €886,494k).

The development of reserves and accruals for distribution is shown in the reserves, accruals and provisions schedule (Annex 2 to the notes of the accounts).

25. Other reserves and accruals amounting to €139,346k (previous year: €142,349k) mainly include reserves and accruals for pension schemes and similar obligations (€115,855k; previous year: €108,209k) and reserves and accruals for the staff sector (€8,720k; previous year: €8,130k). In addition, reserves and accruals for outstanding invoices (€8,217k; previous year €5,026k) as well as reserves and accruals for income corrections in the broadcasting sector (€4,481k; previous year €6,746k) were formed.

26. Just like in the previous year, there are no liabilities with a residual maturity in excess of one year. Liabilities to music event organisers mostly consist of liabilities to Gesellschaft zur Verwertung von Leistungsschutzrechten mbH, Berlin (GVL), Verwertungsgesellschaft Wort, Munich (VG WORT), Gesellschaft zur Verwertung der Urheber- und Leistungsschutzrechte von Sendeunternehmen und Presseverlegern mbH, Berlin (Corint Media), Zentralstelle für Videovermietung, Munich (ZWF) and VG Musikedition, Kassel (liabilities from collection mandates amounting to €33,676k; previous year: €34,443k).

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

DETAILS ON ITEMS OF THE PROFIT AND LOSS STATEMENT

28. Income from copyright exploitation and remuneration rights in the financial year were €1,165,411k (previous year: €1,026,032k). Their composition is as follows: see [↔ T.11](#)

The breakdown of revenue by rights category shown below is in accordance with the provisions of s. 58 (2) VGG. Revenues in the field service sector (essentially consisting of the categories of music events, mechanical performance and collection mandates)

have developed significantly positively. The reason for this is shorter COVID-19 closure periods compared to the previous year and, as a result, fewer cancellations of events. For detailed information, please refer to the management report. The significant increase in the online sector is in particular due to the general market growth, newly concluded contracts as well as the re-licensing of legacy periods (second stage). In addition, the termination of arbitration proceedings made a positive contribution to the development. The slight decline in the broadcasting sector is mainly due to a special effect in the previ-

DETAILS ON ITEMS OF THE PROFIT AND LOSS STATEMENT

[↔ T.11](#)

Rights category	Type of use	2022 in €'000s	2021 in €'000s	Difference in €'000s
Reproduction and distribution	Sound recordings	31,597	33,078	-1,481
	Audiovisual recordings	2,840	4,266	-1,426
	Total	34,437	37,344	-2,907
Performance	Music events	115,773	29,580	86,193
Online	Internet broadcasting	485	475	10
	Download	11,846	5,347	6,499
	Streaming	284,687	228,948	55,739
	Total	297,018	234,770	62,248
Broadcasting	Radio	54,608	52,747	1,861
	Television	177,128	176,886	242
	Cable retransmission	20,239	22,580	-2,341
	Total	251,975	252,213	-238
Communication to the public	Mechanical performance	142,440	120,038	22,402
Presentation	Presentation	5,141	11,285	-6,144
Statutory remuneration rights	of which s. 27 (1) UrhG	144	213	-69
	of which s. 27 (2) UrhG	1,183	1,855	-672
	of which s. 60h (1) UrhG	650	-430	1,080
	of which s. 54 (1) UrhG	56,128	78,769	-22,641
	Total	58,105	80,407	-22,302
International income	Performance	49,094	41,164	7,930
	Reproduction	14,185	12,532	1,653
	Cable retransmission	9,589	9,704	-115
	Total	72,868	63,400	9,468
Collection mandates	Performance	159,900	167,440	-7,540
	Reproduction	27,754	29,555	-1,801
	Total	187,654	196,995	-9,341
Total		1,165,411	1,026,032	139,379

ous year in connection with the conclusion of contracts. A positive development compared to the previous year was recorded for the international income and relations sector, which is due to the absence of COVID-19 effects in this area as well as increases in the mechanical online rights sector. In the context of statutory remuneration rights, lower payouts by the Central Organisation for Private Copying Rights (ZPÜ) were recorded; this can mainly be attributed to the strong sales figures of tablets and PCs in the previous year due to the pandemic.

Due to GEMA's business model, the revenue includes income from other periods that does not belong to the current accounting period in the amount of €21,756k.

29. Expenses for third-party services, other operating expenses and other interest and similar expenditure are made up as follows:

IT services are mainly provided by the subsidiary IT4IPM GmbH. Ancillary costs from collection activities consisted of costs for monitoring of licence registrations of €7,766k

↔ T.12

in €'000s	2022	2021
Expenses for third-party services		
IT services	33,197	31,096
Ancillary costs from collection activities	12,337	8,421
Communication expenditure and marketing activities	7,187	5,854
Other services	17,182	12,622
	69,903	57,993
Other operating expenses		
Other administration costs	2,899	3,174
Fees for consultancy and expert opinions	4,339	4,243
Building and room charges	5,719	4,813
Miscellaneous	3,867	2,837
	16,824	15,067
Interest payable	1,482	1,461
	88,210	74,521

(previous year: €4,898k) as well as legal costs of €4,571k (previous year: €3,523k). Other services rendered mainly relate to the commissions of €10,258k (previous year: €8,837k).

30. Personnel expenses amount to €65,460k (previous year: €64,414k). Expenses for pension scheme payments included here amount to €6,178k (previous year: €7,793k).

Like in the previous year, the average headcount during the financial year was 842. The average number of staff consisted of 605 full-time staff and 176 part-time staff. In addition, there were 31 apprentices and 30 staff in partial retirement on average during the financial year.

31. The revenues from investments in affiliated companies of €151k (previous year: €428k) mainly relate to the profit realisation for the period from shares in the GEMA Immobilienverwaltung wirtschaftlicher Verein & Co. KG, Munich, of €146k (previous year: €110k).

32. The interest expenses pertain mainly to the compounding of the reserves and provisions for pension schemes (€1,419k; previous year: €1,362k).

REPORT ON EVENTS AFTER THE PERIOD

33. Events that would have been of specific significance for the assessment of GEMA's asset, finance and revenue situation have not occurred between the closure of the financial year and the Board meeting where the annual financial statements were prepared.

SUPPLEMENTARY INFORMATION

34. There are other financial liabilities arising from payment obligations from loans and long-term rental contracts amounting to €25,954k (previous year: €30,373k). Of those, €23,204k relates to payment obligations to affiliated companies. Premature demands in this regard are not anticipated.

35. The total cost recorded for the auditor in the 2022 financial year in accordance with s. 285 (17) HGB amounts to €287k (previous year: €418k). This includes auditing services amounting to €261k (previous year: €268k) as well as other services amounting to €27k (previous year: €147k).

36. Salaries in 2022 stood at €800k for Dr. Harald Heker; €461k for Lorenzo Colombini, and €517k for Georg Oeller. Pension benefits for all members of the Managing Committee came to €704k. Earnings of previous members of the Managing Committee amounted to €375k. Reserves and provisions for pension schemes for this group of persons totalled €4,221k on the financial statement date.

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

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

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

The members of the Supervisory Board receive expense allowances only. During the 2022 financial year, they totalled €251k (previous year: €258k).

Munich, 8 February 2023



Dr. Harald Heker



Lorenzo Colombini



Georg Oeller

The Managing Committee

CASH FLOW STATEMENT

CASH FLOW STATEMENT AS AT 31/12/2022

[↗ T.13](#)

in €'000s	2022	2021
Allocation to distribution reserves and accruals	1,009,420	886,494
Amortisation on fixed asset items	14,911	13,368
Increase/decrease of reserves and accruals	-4,086	-11,943
Payouts to members	-851,753	-826,028
Profit from disposals of fixed asset items	0	55
Increase/decrease of stock, claims from deliveries and services as well as other assets not allocable to investment or financial activities	-113,080	-18,152
Increase/decrease of liabilities from deliveries and services as well as other liabilities which are not allocable to investment or financial activities	4,752	8,447
Income tax payments	1,082	384
Cash flow from current business activities	61,247	52,627
Receipts from disposals of tangible asset items / intangible fixed asset items	0	0
Payments for investments for tangible assets / intangible fixed assets	-21,907	-18,813
Receipts from disposals of financial asset items	321	1,249
Payments for investments into the financial assets	-67,512	-6,156
Cash flow from investment activities	-89,098	-23,721
Cash flow from finance activities	0	0
Cash changes of financial resources	-27,851	28,906
Financial resources at the beginning of the period	316,802	287,896
Financial resources at the end of the period	288,951	316,803

A. GENERAL CONDITIONS AND BUSINESS

1. ECONOMIC ENVIRONMENT

In 2022, according to calculations by the Federal Statistical Office, the GDP rose by 1.9% (previous year 2.7%) despite the Russian war of aggression on Ukraine.¹

The labour market in Germany remained very stable in 2022 despite the economic burdens. At the end of the year, around 45.7m people were in employment. In the previous year, the annual average was at 44.9m employees. Unemployment rates stood at 5.3% (previous year: 5.7%).¹

Inflation rates averaged at 7.9% and were thus significantly higher than in the previous year (previous year: 3.1%). In addition to price increases due to persistent supply chain bottlenecks, the main reason for the high inflation rates was the drastic rise in energy prices in the wake of the war in Ukraine.¹

In principle, GEMA is only marginally dependent on the macroeconomic conditions listed.

The ECB (European Central Bank) pursued the goal of combating the high inflation in the EU in the reporting year. The interest rate for main refinancing operations has been above 0.0% for the first time since March 2016, at 2.5% as of the reporting date. At 2.0%, the deposit rate is back in positive territory after a long time (previous year: -0.50%). After the reporting date, the ECB raised interest rates by a further 0.5%. As the level of liquid assets in the GEMA Group is high, there is a high dependence on the future development of interest rates.

2. ORGANISATION AND OPERATION OF GEMA

About 90,000 composers, lyricists and music publishers joined up to form the association GEMA in Germany. As an authors' society for works of music, GEMA manages the rights of music creators in Germany and the rights of rightsholders from all over the world. GEMA ensures that music creators receive an adequate share of the collections arising from performance of their musical works. It concludes contracts with music users and collects the remuneration. The collections are generated by the Regional Offices, Broadcast and Online, Mechanical Reproduction Rights and International Income and Relations Divisions. GEMA then distributes this money as royalties less administrative expenses to its members.

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

¹ Source: Annual economic report 2023 by the Federal Ministry for Economic Affairs and Climate Protection

3. MUSIC INDUSTRY DEVELOPMENTS

As a collective management organisation, GEMA depends on the overall developments within the music sector. In 2022, the following trends could be observed, which influenced market demand as well as the requirements of GEMA.

According to the German Music Industry Association, sales in the German music industry rose by 5.5% in the first half of 2022, compared to the previous year period (first half of 2021: +12.4%). Audio streaming remains the strongest market format and increased by 9.1% (2021: 19.9%). While CD development continued to decline in the physical sector (-6.5%; 2021: -16.4%), vinyl experienced an increase in the first six months (+12.3%; 2021: +49.5%). Downloads continued to cave in considerably (-2.4%; 2021: -25.9%).

At 73.3% (2021: 70.6%), audio streaming has the largest share of business sector collections, followed by the CD at 12.8% (2021: 14.5%), vinyl LPs at a turnover share of 6.2% (2021: 5.9%) and downloads at 2.4% (2021: 3.3%).

B. REVENUE, NET ASSETS AND FINANCIAL SITUATION

1. BUSINESS PERFORMANCE OF GEMA

The following explanation provides an overview of the development during the past financial year. Total income², total expenditure³ and cost rate⁴ are significant financial performance indicators for internal control.

Overall, the 2022 financial year has been successful with regard to GEMA's revenue, assets and financial situation. Total revenues rose by €139,115k compared to the previous year (€1,178,019k; previous year: €1,038,904k). Despite the COVID-19 related restrictions prevailing in the 1st quarter 2022, a significant increase in income could be recorded for the field service sector (€357,506k; €248,802k). Against a background of general market development, significantly higher re-licensing of legacy periods and completed arbitration proceedings in 2022, collections in the online sector were subject to a dynamic upwards trend (€301,329k; previous year: €238,138k). In the broadcasting sector, there was a slight decline of revenues (€325,114k; previous year: €338,273k). The main reason for this was a cable retransmission and pay TV contract with yield-boosting effects in the previous year. Remuneration rights income (ZPÜ) is decreasing (€57,961k; previous year: €80,194k). This is due to the strong sales figures of tablets and PCs as a result of the pandemic in the previous year that had a positive effect on the payments in 2021. Overall, total income was €96,719k higher than the income planned for the 2022 financial year (€1,081,300k).

Total expenses increased by €16,189k compared to the previous year and amounted to €168,599k in the financial year (€168,700k had been scheduled). The cost rate including

all costs amounted to 14.3% (previous year: 14.7%) and was thus below the budgeted cost rate of 15.6% due to increased total income.

2. STAFF

As in the previous year, an average of 842 staff were employed at GEMA in the financial year. The average headcount is made up of 605 full-time employees and 176 part-time employees. In addition, an average of 31 apprentices and 30 staff in partial retirement were employed in the financial year.

3. DETAILS ON THE CASH FLOW STATEMENT

In the financial year, cash and cash equivalents decreased by €27,851k to €288,952k compared to the previous year. The main change results from the increase in cash flow from investing activities of €65,378k. This is particularly due to increased purchases of securities and bonds compared to the previous year. For details, please refer to the attached cash flow statement, see [T.13](#)

GEMA's financial position is characterised by reserves for the distribution of €1,084,574k (previous year: €926,907k). The cash flows are based primarily on expected licence income, expenses for staff and material costs and distributions to members and sister societies. The investment rate stands at 16.9% in the reporting year. In particular, the investment rate includes the acquisition of securities and bonds. Short-term liquidity requirements can, due to the high level of cash and cash equivalents, be met by GEMA's own resources. GEMA is in a position to meet its payment obligations.

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

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

4 Cost rate: total expenditure divided by total income

4. REVENUE SITUATION

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

Remaining COVID-19 restrictions continued to have an impact on the business activities of GEMA in 2022. Nevertheless, a significant increase in earnings was achieved overall compared to the previous year.

In the field service collection area, earnings developed clearly positively despite COVID-19 related restrictions in the 1st quarter of the financial year. This is mainly due to a good recovery of the event market in the summer months. Broadcasting collections were subject to a slightly negative development due to the conclusion of contracts in the previous year. For online collections, a significant revenue increase can be noted in 2022. This is mainly due to the general market development as well as the re-licensing of legacy peri-

ods. International collections also had a positive development compared to the previous year. This is mainly due to still hardly noticeable effects of the pandemic and an increase of the revenues received for mechanical online rights. In the remuneration rights sector, the strong previous year was characterised by income inflows resulting from strong pandemic-related sales of tablets and PCs. This effect did not occur again in 2022, which led to slightly lower revenues. Collections in the reproduction sector also exhibited a downward trend compared to the previous year. This is due to the continued declining market for physical carrier media. Other income was subject to a slight decrease. In conclusion, it can be stated that GEMA continued its positive development for the year 2022.

GEMA's total expenses and cost rates amounted to €168,599k or 14.3% in the 2022 financial year.

TOTAL INCOME BY COLLECTION CATEGORY

[↗ T.14](#)

in €'000s	2022			Total difference
	Income*	Other income	Total	
Regional office collections	353,555	3,951	357,506	108,703
Broadcasting collections	325,105	9	325,114	-13,159
Online collections	301,172	157	301,329	63,191
International collections	72,869	0	72,869	9,469
Remuneration rights	57,961	0	57,961	-22,233
Reproduction sector collections	54,750	5	54,755	-5,537
Other collection categories	0	8,485	8,485	-1,318
Amounts by categories	1,165,411	12,608	1,178,019	139,115

* Income from copyright exploitation and remuneration rights

in €'000s	2021		
	Income*	Other income	Total
Regional office collections	246,069	2,733	248,802
Broadcasting collections	338,220	54	338,273
Online collections	237,869	269	238,138
International collections	63,400	0	63,400
Remuneration rights	80,194	0	80,194
Reproduction sector collections	60,279	13	60,293
Other collection categories	0	9,804	9,804
Amounts by categories	1,026,031	12,873	1,038,904

* Income from copyright exploitation and remuneration rights

In the past two years, staff and material⁵ costs were as follows: see [↔ T.15](#)

Material costs mainly include IT services of €33,197k (previous year: €31,096k), ancillary costs from collection activities of €12,337k (previous year: €8,421k), other service expenses of €17,182k (previous year: €12,622k), as well as operating expenses (fees for consultancy and expert opinions, other administration costs, buildings and room charges, miscellaneous) at €16,824k (previous year: €15,067k).

STAFF AND MATERIAL COSTS

[↔ T.15](#)

in €'000s	2022	2021	Difference
Staff costs	65,460	64,414	1,046
Material costs	103,139	87,996	15,143
Total expenditure	168,599	152,410	16,189

⁵ Material costs: all P&L items with the exception of staff costs

5. FINANCIAL SITUATION

Fixed assets in the reporting year amounted to €624,295k (previous year: €550,109k). Intangible fixed assets (€97,811k; previous year: €90,743k) include software GEMA acquired against payment. The increase of software acquired for a fee (€60,606k; previous year: €48,029k) is mainly due to new software for the licensing of sound carriers. Advance payments made (€37,205k; previous year: €42,714k) particularly cover the new distribution software. The financial assets (€523,334k; previous year: €453,985k) mainly relate to the long-term financial assets of GEMA in the form of two special funds (€349,724k; previous year: €295,974k) which were increased by €53,750k in the year under review, the shares in the GEMA Immobilienverwaltung wirtschaftlicher Verein & Co. KG amounting to €61,187k (previous year: €52,541k), the shares in the AMEG Invest GmbH & Co. KG amounting to €34,003k (previous year: €33,993k), the shares in the GEMA Beteiligungsgesellschaft mbH amounting to €6,130k (previous year: €6,025k) as well as loans amounting to €46,713k (previous year: €42,475k).

The level of receivables increased compared to the previous year: (€432,143k; previous year: €321,359k). This change is mainly due to the increase of receivables in the online and reproduction sectors due to higher earnings estimates. Furthermore, due to a VAT receivable, a significant rise in other assets was noted at the financial statement date.

Other reserves mainly consist of reserves and provisions for pension schemes of €115,855k (previous year: €108,209k) and other reserves amounting to €21,845k (previous year: €33,940k).

At the balance sheet date of 31 December 2022, there was still a liability from previous commitments amounting to €26,219k (previous year: €23,981k) that had not been previously included in the balance sheet, and there were also indirect pension liabilities of €12,998k (previous year: €5,522k).

Liabilities decreased by €6,412k to €81,965k compared to the previous year. The change mainly stems from the decline in the collection mandates sector.

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

C. OPPORTUNITIES AND RISK REPORT

1. RISK MANAGEMENT

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

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

2. OPPORTUNITIES AND RISK REPORT

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

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

The risk profile has increased slightly compared with the previous year. The increase in the risk situation results in particular from an increased financial investment risk and rising inflation. In addition, there is an increased risk from a change in the behaviour of music consumers, which manifests itself, among other things, in the form of music offerings that are not subject to a GEMA licence.

2.1 FINANCES

A high risk for GEMA in the financial area originates from a potential shortfall in issuers of bonds and securities. GEMA addresses the described risk by specifying investment forms in the investment guidelines and using investment and asset managers and a close monitoring process. In addition, there is a medium inflation risk and, related to this, the risk of a loss in value of GEMA remuneration. These are countered by standard licence fees, reconciliations and ongoing considerations in negotiations. A medium risk also arises from the decline in revenues due to the economic slump and reduced consumer behaviour.

Furthermore, there is a medium risk for GEMA in the event of a shortfall of receivables, should customers no longer be able to meet their financial obligations when they are due. In order to control open receivables, GEMA has introduced a debt collection process and an ongoing transfer to solicitors. The risk is also taken into account in the form of cumulative value adjustments. In order to reduce the medium risk arising from a shortfall of receivables in relation to advance payments to members, an ongoing review of these transactions is provided for. In addition, instalment payments are granted.

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

Due to COVID-19, there is a high risk that revenues in the major event sector will decline due to the measures to contain the virus in the culture industry, due to absences resulting from sickness and due to insolvencies. The pandemic could, as far as the field service sector is concerned, lead to behavioural changes of end customers towards adverse music use. A medium opportunity is seen in increased demand in the cultural sector.

2.2 BUSINESS PROCESSES

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

Due to the current general market situation in the IT staffing environment, there is a medium risk for GEMA due to limited availability of IT staff. An attempt to mitigate the risk is made by reviewing the recruitment strategy. A medium opportunity consists in enrolling suitable new personnel and executives for GEMA.

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

A medium risk results from unauthorised changes or errors in the billing and payment process due to manual processing in the outdated systems. By way of the implemented IKS and the end-to-end responsibility of the categories, GEMA counters the presented risk.

In order to reduce the medium risk of independence being jeopardised by the composition of the various bodies and of potential conflicts of interest arising from dual roles, the bodies at GEMA are supported by the legal department as well as external lawyers and consultants, in addition to awareness training and education.

2.3 INDUSTRY SECTORS

Opportunities and risks can arise for GEMA from the assignment of new or the withdrawal of existing publishing repertoires as well as from licensing of music not protected by copyright ('GEMA-free music'). Thus, said risks of losing repertoire and members, or, in general, the loss of the GEMA presumption (s. 48 VGG) are classified as a high risk in the field service area and as a medium risk in the other revenue areas. Being one of Europe's large collective management organisations, GEMA fundamentally regards the above as a medium opportunity to acquire a new and interesting repertoire and to generate follow-up contracts. There are medium opportunities in particular with a view to successful digital distribution in the music industry.

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

2.4 LEGAL ENVIRONMENT

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

Furthermore, decisions by competition authorities can affect the collective management market so that a medium risk arises with regard to the exclusivity of the assignment of rights to collective management organisations. Furthermore, medium cartel risks can emerge due to the information exchange between market participants and other collective management organisations. There were no proceedings affecting GEMA's net assets, financial and revenue situation (European courts, Bundesgerichtshof [Fed-

eral Court of Justice], Higher Regional Courts) or changes in legislation in the year under review.

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

2.5 OVERALL VIEW OF THE OPPORTUNITY AND RISK SITUATION

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

D. OUTLOOK FOR THE 2023 FINANCIAL YEAR – FORECAST REPORT

1. FORECAST FOR THE MACROECONOMIC DEVELOPMENT

For the whole of 2023, the Federal Government expects an increase in the gross domestic product of 0.2% and an inflation rate of 6.0%. For 2023, immense uncertainty remains due to the war in Ukraine, the weak development of the global economy and the high energy prices. The positive labour market development is going to continue in 2023.

2. FORECAST FOR THE MUSIC BUSINESS

In the music business, the trends of recent years are expected to continue, with further declining turnover and sales figures for sound recordings. Apart from that, further growth is expected in the online sector, particularly in the streaming segment¹.

3. FORECAST FOR THE BUSINESS DEVELOPMENT OF GEMA

Compared to the reporting year, GEMA expects a slight increase with respect to total income and a big increase with respect to total expenses for the 2023 financial year. Overall, GEMA is planning for an increase in overall revenue in the field service and online sectors. In the expenses sector, growth is expected due to higher commissions. Overall, this leads to an increase of the cost rate by 0.9%.

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

Munich, 8 February 2023

Dr. Harald Heker
Lorenzo Colombini
Georg Oeller

The Managing Committee

¹ Source: Bundesverband Musikindustrie (German IFPI branch)

AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

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

Audit opinions

We have examined the annual financial statements of GEMA – Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte, Berlin – comprising the balance sheet as at 31 December 2022, the profit and loss statement and the cash flow statement for the financial year from 1 January to 31 December 2022 as well as the notes to the accounts, including the presentation of the accounting and evaluation principles and policies. Furthermore, we have audited the management report of GEMA – Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte – for the financial year from 1 January to 31 December 2022.

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

- the accompanying annual financial statements comply, in all material aspects, with the provisions of German commercial law applicable to companies with limited liability as well as supplementary provisions of the Act on the Administration of Copyright and Related Rights by collective management organisations (Verwertungsgesellschaftengesetz - VGG) and, in compliance with the German principles of adequate accounting, give a true and fair view of the assets and financial position of the company as at 31 December 2022, and its revenue situation for the financial year from 1 January to 31 December 2022, and
- the accompanying management report conveys an appropriate view of the company's position. In all material aspects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents opportunities and risks of future development.

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

Basis for the audit opinions

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

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

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

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

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

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

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

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

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

- identify and assess the risks of material misstatement in the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting material misstatement resulting from fraud is higher than the risk of not detecting material misstatement resulting from error, as fraudulent actions may involve fraudulent collusion, forgery, intentional omissions, misleading representations or the overriding of internal controls.
- obtain an understanding of internal control systems relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the company.
- evaluate the appropriateness of accounting policies used by management and the reasonableness of value estimates made by management and related disclosures.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. Future events or circumstances may, however, cause the company to cease to be able to continue as a going concern.
- evaluate the presentation, structure and content of the annual financial statements as a whole, including the disclosures, and whether the annual financial statements present the underlying transactions and events in such a manner that the annual financial statements give a true and fair view of the net assets, financial position and income situation of the company in compliance with German principles of adequate accounting.
- evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law, and the view of the company's position it provides.
- perform audit procedures on the forward-looking statements presented by management in the management report. On the basis of sufficient, appropriate audit evidence, we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the forward-looking statements and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the forward-looking statements.

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

Munich, 7 March 2023

KPMG AG

Certified Auditing Company

Bergler

Auditor

Simonji-Elias

Auditor

INCOME FROM RIGHTS AND DEDUCTIONS

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

→ T.16

Rights category	Type of use	Income from rights in €'000s	Income deductions
Reproduction and distribution	Sound recordings	31,597	Deduction of a commission of up to 25% pursuant to Art. 29 para. 4 distribution plan for cost coverage
	Audiovisual recordings	2,840	
		34,438	
Performance	Performance	115,773	Deduction of a uniform cost rate pursuant to Art. 29 para. 9 distribution plan for cost coverage, and a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan
Online	Internet broadcasting	485	Deduction of a uniform commission of up to 15% pursuant to Art. 29 para. 5 distribution plan for cost coverage, and, in the categories of making available to the public and broadcasting, a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan
	Download	11,846	
	Streaming	284,687	
		297,019	
Broadcasting	Radio	54,608	Category R: Deduction of a uniform cost rate pursuant to Art. 29 para. 9 distribution plan for cost coverage, and a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan; Category R VR: Deduction of a commission of up to 25% pursuant to Art. 29 para. 4 distribution plan for cost coverage
	Television	177,128	Categories FS/ TFS: Deduction of a uniform cost rate pursuant to Art. 29 para. 9 distribution plan for cost coverage, and a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan; Categories FS VR/ T FS VR: Deduction of a commission of up to 25% pursuant to Art. 29 para. 4 distribution plan for cost coverage
	Retransmission	20,239	Deduction of a uniform cost rate pursuant to Art. 29 para. 9 distribution plan for cost coverage, and a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan
		251,975	

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

↔ T.16

Rights category	Type of use	Income from rights in €'000s	Income deductions
Communication to the public	Communication to the public	142,440	Deduction of a uniform cost rate pursuant to Art. 29 para. 9 distribution plan for cost coverage, and a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan
Presentation	Presentation	5,141	Deduction of a uniform cost rate pursuant to Art. 29 para. 9 distribution plan for cost coverage, and a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan
Statutory remuneration rights			Deduction of a separate commission pursuant to Art. 29 para. 8 distribution plan, in the case of allocation to the public performance categories, and a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan
	of which s. 27 (1) UrhG	144	
	of which s. 27 (2) UrhG	1,183	
	of which s. 60h (1) UrhG	650	
	of which s. 54 (1) UrhG	56,128	
		58,105	
Interests, securities and bonds		2,019	
Income from rights overall		906,909	

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

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

COSTS OF RIGHTS MANAGEMENT AND OTHER SERVICES

EXPENDITURE

→T.17

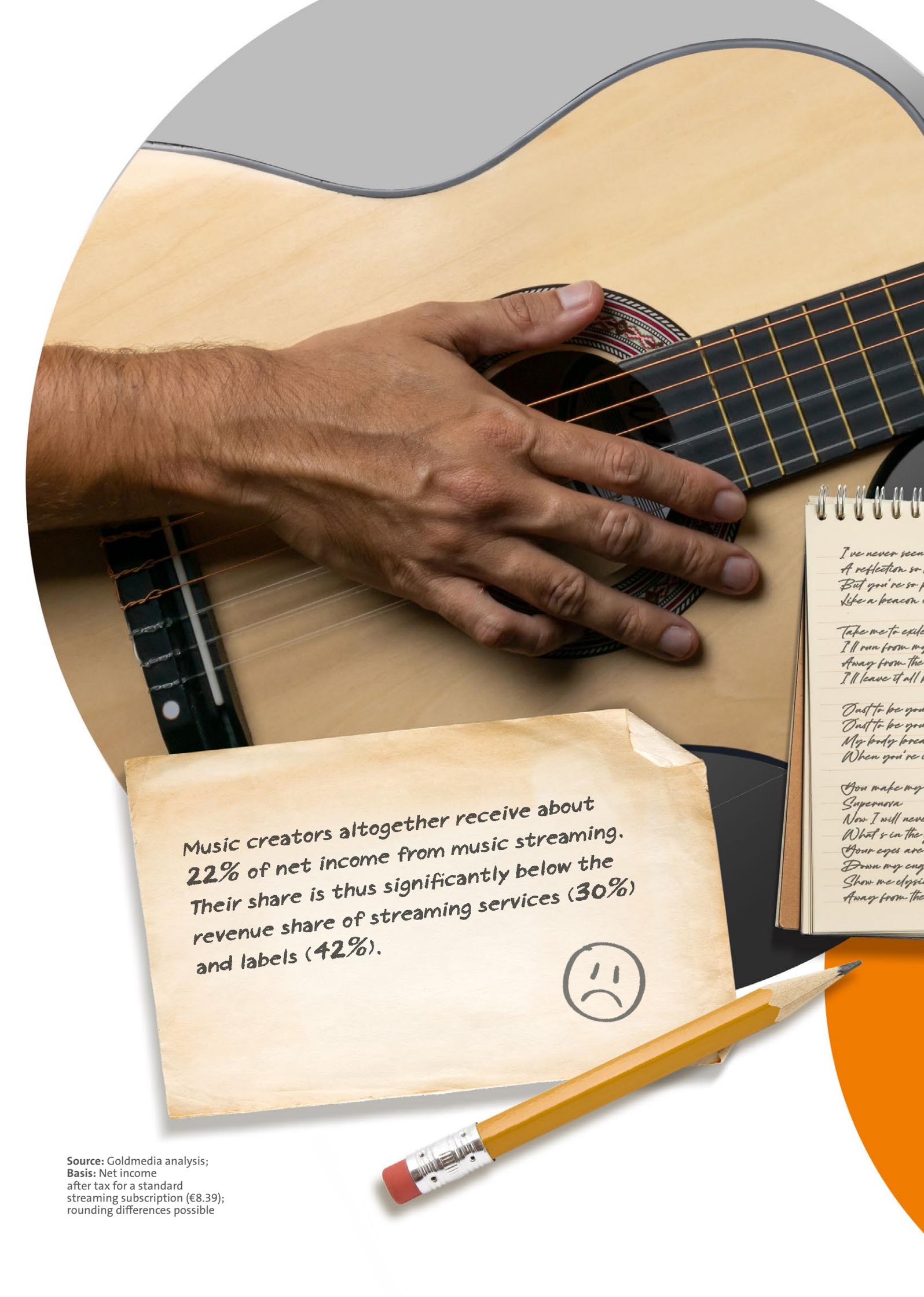
	Expenses by usage category in €'000s	Costs in %
Costs of rights management		
Reproduction and distribution	11,046	32.07
Performance	25,687	22.19
Online	32,706	11.01
Broadcasting	31,592	12.54
Communication to the public	29,969	21.04
Presentation	1,378	26.81
Statutory remuneration rights	5,986	10.30
Costs that are not associated with rights management, including such costs for social and cultural purposes		
Other collection categories	30,235	–
All operating and financial costs	168,599	14.31

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

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

INFORMATION ON REJECTED USER QUERIES

GEMA has not rejected any user queries in the 2022 financial year.



Music creators altogether receive about
22% of net income from music streaming.
Their share is thus significantly below the
revenue share of streaming services (**30%**)
and labels (**42%**).



Source: Goldmedia analysis;
Basis: Net income
after tax for a standard
streaming subscription (€8.39);
rounding differences possible

*I've never seen
A reflection so
But you're so p
Like a beacon*

*Take me to exile
I'll run from my
Away from the
I'll leave it all*

*Just to be you
Just to be you
My body brea
When you're*

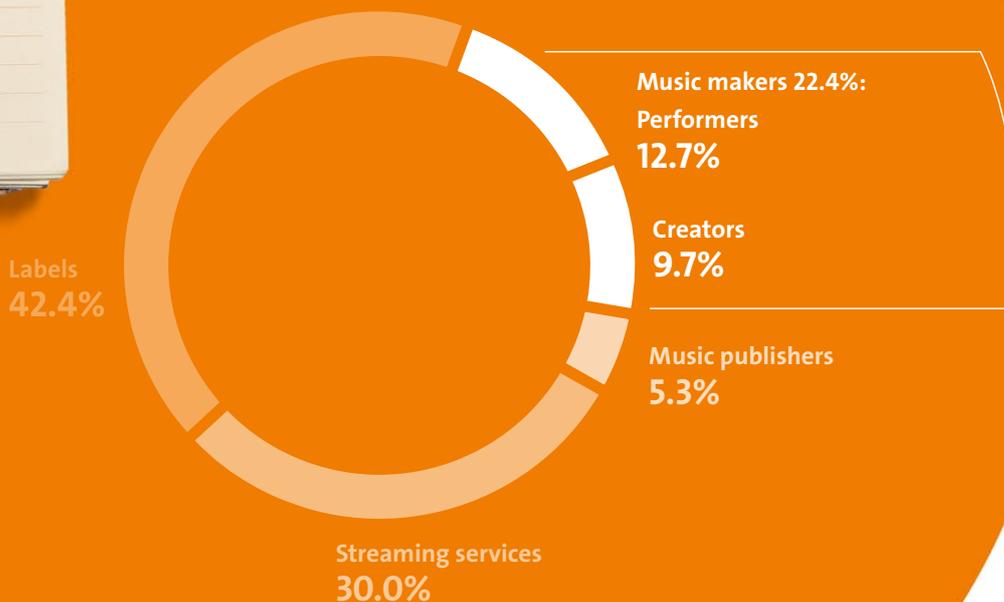
*You make my
Supernova
Now I will neve
What's in the
Your eyes are
Down my eng
Show me elysi
Away from the*

3

Information on available funds for rightsholders

- 74 Information on funds for rightsholders
- 76 Payout dates

Distribution of the monthly revenues across a standard music streaming subscription in Germany in 2022, in euros
Basis: Net income after VAT



INFORMATION ON FUNDS FOR RIGHTSHOLDERS

OVERVIEW OF AVAILABLE FUNDS FOR RIGHTSHOLDERS

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

AVAILABLE FUNDS FOR RIGHTSHOLDERS IN €'000s

→ T.18

Rights category	Type of use	Total sum of amounts in FY 2022 not yet attributed to rightsholders	Total sum of amounts attributed to rightsholders* in the FY	Total sum of amounts paid out to rightsholders* in the FY	Total sum of amounts allocated but not yet paid out to rightsholders*
Reproduction and distribution	Sound recordings	30,425	22,271	21,749	522
	Audiovisual recordings	2,349	3,294	3,217	77
		32,774	25,565	24,966	599
Performance	Performance	81,992	32,131	31,378	753
Online	Download	10,341	9,648	9,422	226
	Streaming	254,077	185,651	181,298	4,353
		264,418	195,299	190,720	4,579
Broadcasting	Radio	43,626	82,222	80,294	1,928
	Television	133,576	142,723	139,377	3,346
	Cable retransmission	14,028	1,672	1,633	39
		191,230	226,617	221,304	5,313
Communication to the public	Communication to the public	98,147	32,324	31,566	758
Presentation	Presentation	4,692	4,361	4,259	102
Statutory remuneration rights	Statutory remuneration rights	46,412	63,633	62,141	1,492
International income	Category A	47,134	41,284	40,317	967
	Category A VR	14,007	13,022	12,717	305
		61,141	54,306	53,033	1,273
Total		780,806	634,236	619,366	14,870

*Including rightsholders of foreign collective management organisations

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

PAYOUT DATES

FINANCIAL YEAR 2022

[↔ T.19](#)

Payout date	Category	Distribution period
1 January 2023²⁾		
	BT VR, PHONO VR	1st semester 2022
	A, A VR	¹⁾
	GOP, GOP VR (supplementary distribution) ²⁾	2021
1 February 2023		
	GOP VR (synchronisation right UGC)	2021
1 April 2023		
	PHONO VR	Carryover 1st semester 2022
	MOD D, MOD D VR, MOD S, MOD S VR, VOD D, VOD D VR, VOD S, VOD S VR	³⁾
	GOP, GOP VR (usage reports)	
	WEB, WEB VR	2022
	A, A VR	¹⁾
	Statutory remuneration rights (GVA)	2021
1 June 2023		
	BM, E, ED, KI, U, UD	2022
	DK, DK VR, EM, M	2022
1 July 2023²⁾		
	FS, FS VR, R, R VR	2022
	T FS, T FS VR	2022
	T, TD, TD VR	2022
	BT VR, PHONO VR	2nd semester 2022
	A, A VR	¹⁾

FINANCIAL YEAR 2022

↔ T.19

Payout date	Category	Distribution period
1 October 2023²⁾		
	PHONO VR	Carryover 2nd semester 2022
	MOD D, MOD D VR, MOD S, MOD S VR, VOD D, VOD D VR, VOD S, VOD S VR	³⁾
	GOP, GOP VR (usage reports)	
	A, A VR	²⁾
	Pension schemes	
	Assessment procedure	2022
	Rating procedure E and U	2022
	Rating procedure E and U COVID-19 compensation (supplementary distri- bution)	2022
1 November 2023		
	Supplementary distributions (e.g. due to claims pursuant to Art. 59 para. 1 and 2 of the distribution plan) in the categories BM, E, ED, EM, M,U, UD	2022
1 December 2023		
	GOP, GOP VR (supplementary alloca- tion)	2022

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

Payout details including country specifications are available on the GEMA website at www.gema.de/international-income

2) Postponed from 1 December 2022

3) Revenues in the categories MOD and VOD and GOP and GOP VR (usage-based) will be paid out on an ongoing basis on 1 April and 1 October, depending on the receipt of payments and the processing of the usage reports. Payout details, including details on licensees and usage periods are available on the the GEMA website at www.gema.de/royalties-online

N



4

Do you consider the remuneration music creators receive from music streaming overall as adequate?

Funds for social and cultural purposes

0

I don't know	89%
Yes	8%
Yes	3%

Despite rising usage figures and the great economic significance, many music creators have so far hardly participated in the success of music streaming. 89% of the music creators surveyed as part of this study rates the remuneration from music streaming as inadequate overall.

FUNDS FOR SOCIAL AND CULTURAL PURPOSES

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

⇒ T.20

Rights category	Type of use	Amounts from the 10 per cent deduction in €'000s*
Performance	Performance	9,110
Online	Internet broadcasting	29
	Download	619
	Streaming	12,126
		12,774
Broadcasting	Radio	3,696
	Television	10,289
	Cable retransmission	1,559
		15,544
Communication to the public	Mechanical performance	10,833
Presentation	Presentation	392
Total		48,653
		Other funds in €'000s
Interest income		2,019
Admission fees, membership fees, contractual penalties and other undistributable amounts		10,045
Available funds (total)		60,717

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

2 . USE OF FUNDS FOR SOCIAL AND CULTURAL PURPOSES

The amounts were put to the following use:

[↪ T.21](#)

in €'000s	
Cost deduction	922
Amounts used for social and cultural purposes, of which:	59,795
Rating procedure E	15,635
Rating procedure U	31,651
Assessment procedure for arrangers	575
Pension schemes	4,134
GEMA Social Fund	7,800
Total	60,717

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

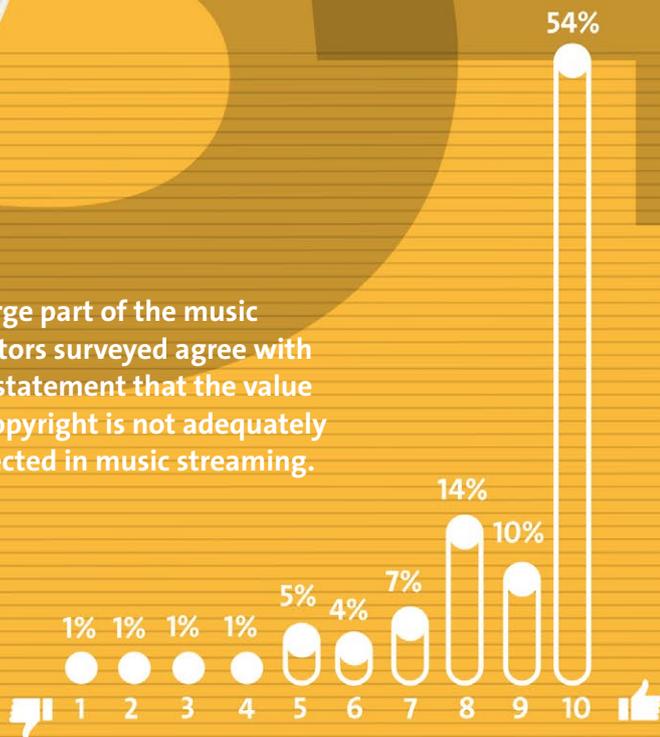
The total sum of undistributable amounts relating to the 2018 financial year pursuant to ss. 29, 30 VGG amounts to €1,074k.

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

40



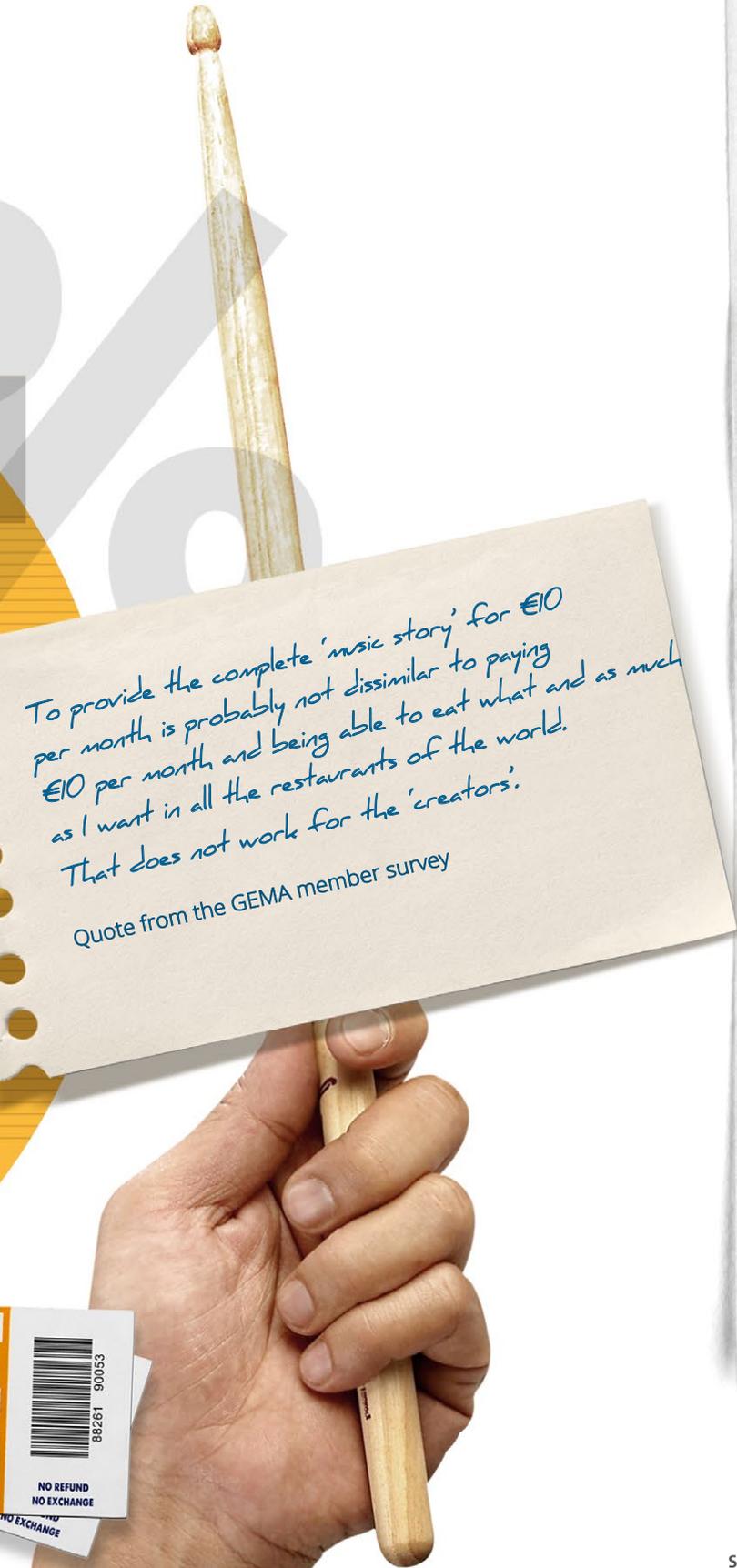
A large part of the music creators surveyed agree with the statement that the value of copyright is not adequately reflected in music streaming.



5

Cooperation initiatives

- 85 Dependent collecting institutions
- 86 Cooperation initiatives with other collective management organisations



To provide the complete 'music story' for €10 per month is probably not dissimilar to paying €10 per month and being able to eat what and as much as I want in all the restaurants of the world. That does not work for the 'creators'.

Quote from the GEMA member survey



Source: Goldmedia, Musikstreaming in Deutschland – Erlössituation im deutschen Musikstreaming-Markt 2022, September 2022.
Respondents: GEMA members

DEPENDENT COLLECTING INSTITUTIONS

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

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

COOPERATION INITIATIVES WITH OTHER COLLECTIVE MANAGEMENT ORGANISATIONS

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

AMOUNTS RECEIVED FROM REPRESENTATION AGREEMENTS

[↪ T.22](#)

Organisation	Type of use	in €'000s	Deductions
VG Musikedition	Communication to the public	126	Deduction of a uniform cost rate pursuant to Art. 29 para. 9 distribution plan for cost coverage, and a deduction of 10% for social and cultural purposes pursuant to Art. 30 para. 1 distribution plan

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

[↪ T.23](#)

Organisation	Type of use	Commission	Distribution amount
AGICOA	Cable retransmission pursuant to s. 20b UrhG	650	24,887
ARGE	Cable retransmission pursuant to s. 20b UrhG	2,261	15,759
GÜFA	Cable retransmission pursuant to s. 20b UrhG, remuneration right s. 27 (1) UrhG	4	26
GVL	Cable retransmission pursuant to s. 20b UrhG, remuneration right s. 27 (1) UrhG, remuneration right pursuant to ss. 78 (2) no. 2, 86 UrhG, remuneration right pursuant to ss. 78 (2) no. 3, 86 UrhG, remuneration right pursuant to ss. 78 (4), 20b UrhG, reproduction right pursuant to ss. 77, 85 (1) UrhG, remuneration right pursuant to ss. 77, 85 (1) UrhG and remuneration right pursuant to ss. 78 (2) no. 2, 86 UrhG (theatre)	5,024	40,603
GWFF	remuneration right pursuant to s. 54 UrhG and remuneration right pursuant to s. 27 (1) UrhG	5	843
TWF	Cable retransmission pursuant to s. 20b UrhG	43	1,649
VFF	Cable retransmission pursuant to s. 20b UrhG, remuneration right pursuant to s. 56 UrhG	629	24,110
VG Bildkunst	Cable retransmission pursuant to s. 20b UrhG, remuneration right s. 27 (1) UrhG	53	2,900
VG Musikedition	Remuneration right pursuant to s. 27 (1) UrhG, remuneration right pursuant to s. 54 (1) UrhG, remuneration right pursuant to ss. 16, 70, 71 UrhG	355	3,477
VG Wort	Remuneration right pursuant to s. 27 (1) UrhG, cable retransmission pursuant to 20b UrhG, right of retransmission pursuant to ss. 20, 15 (2) and (3) UrhG, remuneration right pursuant to s. 56 UrhG, literary works set to music, reproduction right pursuant to s. 16 UrhG, communication to the public right pursuant to s. 22 UrhG.	1,554	15,761
VGF	Cable retransmission pursuant to s. 20b UrhG	115	4,393
Corint Media	Right to make broadcasts available to the public pursuant to s. 87 (1) no. 3 UrhG, right of retransmission pursuant to s. 87 (1) no. 1 UrhG	722	9,361
ZWF	Cable retransmission and communication to the public of broadcasts pursuant to ss. 20b, 22 UrhG	81	3,092
Sum total		11,494	146,860

AMOUNTS RECEIVED FROM ABROAD IN €'000s

↔ T.24

Organisation	Country	Category A	Category A VR	International cable income	Total
ACUM	Israel	282	52	0	334
AKM	Austria	6,015	0	3,608	9,623
AMCOS	Australia	0	428	0	428
APRA	Australia	962	0	0	962
ARTISJUS	Hungary	325	47	60	432
ASCAP	USA	4,452	0	0	4,452
AUSTRO MECHANA	Austria	0	2,129	0	2,129
BMI	USA	1,407	0	0	1,407
BUMA	Netherlands	2,784	0	2,122	4,906
JASRAC	Japan	1,750	397	0	2,147
KODA	Denmark	1,662	157	1,445	3,264
KOMCA	South Korea	192	155	0	347
Network of Music Partners (NMP)	Denmark	265	247	0	512
OSA	Czech Republic	1,142	245	0	1,387
PRS for MUSIC (MCPS)	UK	3,591	1,267	0	4,858
SABAM	Belgium	1,129	322	217	1,668
SACEM (SDRM)	France	3,900	2,059	57	6,016
SACM	Mexico	232	47	11	290
SAZAS	Slovenia	207	0	0	207
SGAE	Spain	1,538	418	11	1,967
SIAE	Italy	3,884	1,028	23	4,935
SOCAN (SODRAC)	Canada	739	121	-21	839
SOKOJ	Serbia	200	0	6	206
SOZA	Slovakia	159	54	14	228
STEMRA	Netherlands	0	1,242	0	1,242
STIM	Sweden	1,485	797	17	2,300
SUISA	Switzerland	6,639	1,559	1,698	9,896
TEOSTO	Finland	693	15	55	763
The Mechanical Licensing Collective	USA	0	759	0	759
TONO	Norway	470	23	1	494
UBC	Brazil	397	45	41	483
UCMR-ADA	Romania	418	9	1	428
ZAIS	Poland	793	84	27	904
Other societies with amounts < €200k		1,381	478	195	2,056
Sum total		49,094	14,185	9,589	72,869

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

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

Organisation	Sum total	Reproduction and distribution		Performance	Online	
		Sound recordings	Audiovisual recordings	Performance	Download	Streaming
AKM	9,727	0	0	617	14	4,657
AMCOS	357	112	19	0	10	126
AMRA	779	3	1	21	7	369
APRA	3,934	0	0	122	49	1,760
ASCAP	26,057	0	0	1,340	421	10,011
AUME	1,980	237	59	0	27	194
BMI	31,806	0	0	1,254	574	12,471
BUMA	1,824	0	0	232	5	271
IMRO	615	0	0	137	3	98
JASRAC	1,314	275	75	19	33	632
KODA	1,086	0	0	146	21	276
KOMCA	289	12	0	14	2	182
MCPS	11,931	505	56	0	165	1,235
MSG	730	0	0	3	1	213
NCB	2,928	533	79	0	100	330
OSA	676	144	7	95	7	80
PRS	28,546	0	0	3,861	175	3,018
RAO**	236	6	1	30	3	68
SABAM	1,010	26	6	77	10	145
SACEM	10,452	273	150	687	139	1,784
SADAIC	204	5	0	21	4	90
SDRM	5,971	1	0	0	0	0
SESAC	3,501	43	2	156	85	1,928
SGAE	1,663	139	21	87	16	536
SIAE	4,478	129	4	197	68	506
SOCAN	4,512	7	4	136	63	1,858
STEMRA	2,295	138	15	0	14	155
STIM	3,303	0	0	219	13	317
SUISA	3,426	124	21	170	37	500
TEOSTO	492	0	0	88	15	80
TONO	856	0	0	51	18	214
ZAIS	1,787	1,046	46	24	5	211
Others ***	1,535	45	7	108	14	402
	170,301	3,805	572	9,910	2,119	44,716

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

** Re: RAO: Distribution amount / payment subject to international restrictions in force

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

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

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

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

 T.25

Broadcasting			Communication to the public	Presentation	Statutory remuneration rights	International income		International representation agreements**
Radio	Television	Cable retransmission	Communication to the public	Presentation	Statutory remuneration rights	Category A	Category AVR	Central licensing and international agreements
773	2,233	233	27	787	1	0	0	384
16	34	0	0	0	40	0	0	0
227	64	0	12	23	52	0	0	0
836	802	0	53	140	171	2	0	0
4,403	6,957	16	848	1,308	736	17	0	0
180	382	0	0	0	563	0	1	338
5,424	8,963	19	775	1,380	939	7	0	0
470	438	49	41	198	106	14	0	0
159	109	0	5	84	22	0	0	0
11	66	32	6	5	153	6	0	0
205	239	5	26	91	71	5	0	0
15	22	9	0	12	18	2	0	0
98	307	0	0	1	387	0	12	9,166
8	5	12	3	476	8	0	0	0
201	182	0	0	0	461	0	1	1,041
46	120	0	1	133	41	1	1	0
8,247	9,021	475	399	2,067	1,275	8	0	0
53	19	31	4	5	17	0	0	0
176	139	1	24	76	71	1	5	254
1,851	3,608	338	123	420	711	2	26	338
24	17	0	0	26	12	4	0	0
0	0	0	0	0	0	0	0	5,969
401	574	1	56	151	102	1	0	0
227	370	14	59	69	122	3	0	0
540	586	17	30	211	202	9	16	1,964
829	1,213	0	86	141	170	6	1	0
114	122	0	0	0	250	0	0	1,486
1,452	830	0	60	218	192	1	0	0
335	815	65	19	194	276	1	1	867
159	73	0	2	28	45	1	0	0
196	260	0	11	44	62	0	0	0
16	26	18	2	8	386	0	0	0
379	201	157	16	83	106	12	6	0
28,073	38,798	1,491	2,687	8,379	7,768	104	72	21,807



Playlists and music recommendations based on algorithms have a significant impact on the reach and commercial success in the streaming market. The criteria for how they are generated are, however, perceived as non-transparent by music creators.

~~8.7%~~



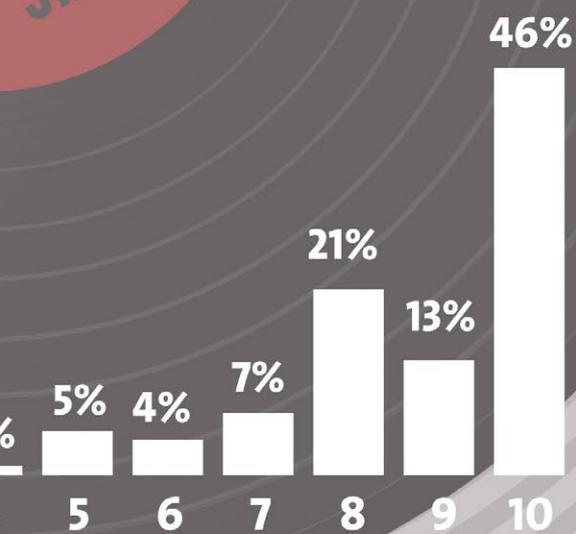
0%	0%	1%	1%
1	2	3	4

Source: All figures and facts are taken from the study commissioned by GEMA: Goldmedia, Musikstreaming in Deutschland – Erlössituation im deutschen Musikstreaming-Markt 2022, September 2022.

6

VGG auditors' certification

A large part of the music creator respondents agree: Streaming services have a significant influence on the music selection of their users e.g. via playlists.



AUDITORS' CERTIFICATION OF THE GEMA TRANSPARENCY REPORT

CERTIFICATION AFTER THE AUDITOR REVIEW

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

Pursuant to s. 58 (3) VGG, we have audited the financial information contained in the annual GEMA transparency report in accordance with no. 1 g of the Annex to s. 58 (2) VGG as well as the information in accordance with no. 1 h of the Annex to s. 58 (2) VGG for the period from 1 January to 31 December 2022. The preparation of the annual transparency report pursuant to s. 58 VGG is the responsibility of the legal representatives of the organisation. It is our duty to issue a certification regarding the financial information contained in the annual transparency report in accordance with no. 1 g of the Annex to s. 58 (2) VGG as well as the information in accordance with no. 1 h of the Annex to s. 58 (2) VGG.

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

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

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

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

Munich, 23 March 2023

KPMG AG
Certified Auditing Company

sgd. Bergler
Auditor

sgd. Simonji-Elias
Auditor

COMPLIANCE AND DATA PROTECTION

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

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

Compliance with data protection regulations is of great importance to GEMA. Violations of data protection regulations may result in fines of up to €20m or up to 4% of the Group's annual turnover. Against this backdrop, the focus in data protection was on raising employees' awareness of compliance with the company's internal requirements on a sustained basis. To this end, regular training sessions were organised for data protection managers of the individual divisions, among other things, and all GEMA employees were trained in the essential aspects of data protection through online courses.

PUBLICATION DETAILS

PUBLISHER

GEMA

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CONCEPT AND DESIGN

RED

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PHOTOGRAPHY

p. 1 Kristian Pohl for Zap PR
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p. 13 Florian Jaenicke
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(portrait of Lorenzo Colombini)
Kevin Riedl
(portrait of Georg Oeller)
p. 29 Florian Jaenicke
(portrait of Dr. Ralf Weigand
and Stefan Waggershausen)
Alla Sommermeier
(portrait of Dr. Götz von Einem)
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PRINT

MXM Digital Service GmbH, Munich

TRANSLATION

Sabine Jones, öffentl. bestellte
und allg. beeidigte Übersetzerin
www.sabine-jones.com

GEMA

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