

NCB 2020

Transparency report



Introduction and table of contents

NCB's annual transparency report gives an overview of NCB's activities and holds detailed information on the revenues received from NCB's customers and NCB's distribution of royalties to the rightsholders from all over the world represented by NCB. The final section of the report consists of NCB's financial statements for 2020.

The report contains all the information required by the Danish Act on Collective Rights Management (2016) and is based on the accounting information stated in NCB's audited financial statements for 2020.

	Page
1 The Management's review	3
2 Financial information	4
2.1 Profit and loss account	
2.2 Balance sheet	
2.3 Statement of changes in equity	
2.4 Cash flow statement	
3 Collected royalties	8
3.1 Total collections	
3.2 Profit and loss split on collection categories (description)	
3.3 Profit / Loss per category	
3.4 Collected royalties from foreign societies	
4 Distribution of royalties	11
4.1 Method and distribution frequency	
4.2 Total distributions	
4.3 Distribution per category and commission rates	
4.4 Distribution to foreign societies	
5 Undistributed royalties	15
5.1 Practice regarding undistributable royalties	
5.2 Undistributed royalties by 31 December 2020	
6 Social and cultural deductions	16
7 Rejections of Licensees	18
8 General information on NCB	18
8.1 Legal and governance structure	
8.2 Ownership of other entities	
8.3 About NCB	
8.4 Executive bodies of NCB 2020	
8.5 Remuneration of the Board and management	
8.6 NCB's territory of administration	
9 Annual Report 2020	21

1 • The Management's review

The Management's review

2020 has been a very strange year for all due to the COVID-19 pandemic. In March we all had to work from home from one day to another, but we were very pleased to see that all of NCB were up and running within a day and we have a very well-functioning team of employees. Luckily the COVID-19 pandemic has not impacted NCB too much financially. However, the mechanical market continues to decline. NCB will therefore continue to focus on how to structure the administration of the mechanical rights in the Nordics in the best possible way. Despite the decline in the mechanical market NCB has had a good financial year and is well balanced.

NCB is still challenged by double taxation in Germany regarding the amounts collected by GEMA on behalf of NCB. It has not been possible for NCB to obtain an approval from the German tax authorities, and we have appealed the decision. However, we can still not wait for an approval by the German Tax Authorities, and therefore we have received the royalties less tax from GEMA in 2020 as well as in 2019. We hope for an approval of the Germany Tax Authorities, so we can receive and distribute the withheld tax.

NCB have been working hard on streamlining and optimizing our processes and administration, and we will continue this great work to be able to continue to create value for our members and rightsholders. Together with BIEM we are working on optimizing our processes regarding our standard agreements. We are also together with BIEM working on a recommendation for updating of our reciprocal representation agreements. We have been focusing on the US market and are ready for the new MLC set-up in the US.

All in all, NCB has had a satisfactory financial year despite the general decline in the mechanical offline market and the COVID-19 pandemic, and we continue to focus on optimizing our processes and licenses to create value for our members and rightsholders through the best and most efficient administration of the mechanical rights.

2 • Financial information

2.1 Profit and loss account

	2020	2019
	DKK'000	DKK '000
Revenue	19,413	28,111
Other operating income	552	551
Other external expenses	(12,564)	(22,518)
Gross profit/loss	7,401	6,144
Staff costs	(88)	(65)
Depreciation, amortisation and impairment losses	0	(101)
Operating profit/loss	7,313	5,978
Income from investments in associates	270	776
Other financial income	672	2,057
Other financial expenses	(2,437)	(4,144)
Profit/loss for the year	5,818	4,667
Proposed distribution of profit and loss:		
Retained earnings	5,819	4,667
Proposed distribution of profit and loss	5,819	4,667

2.2 Balance sheet

Assets

	2020 DKK'000	2019 DKK'000
Acquired licences	0	0
Intangible assets	0	0
Investments in associates	13,896	13,626
Other financial assets	13,896	13,626
Fixed assets	13,896	13,626
Trade receivables	5,026	6,335
Receivables from associates	3,427	369
Other receivables	384	5,059
Prepayments	196	163
Receivables	9,033	11,926
Other investments	0	287
Other investments	0	287
Cash	187,094	200,259
Current assets	196,127	212,472
Assets	210,023	226,098

2.2 Balance sheet (continued)

Equity and liabilities

	2020 DKK'000	2019 DKK'000
Retained earnings	48,671	42,852
Equity	48,671	42,852
Prepayments received from customers	15,710	12,325
Trade payables	1,741	2,263
Other payables	9,214	10,467
Undistributed royalties	134,688	158,191
Current liabilities other than provisions	161,353	183,246
Liabilities other than provisions	161,353	183,246
Equity and liabilities	210,024	226,098
Contingent liabilities		
Related parties with controlling interest		

2.3 Statement of changes in equity

	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	42,852	42,852
Profit/loss for the year	5,819	5,819
Equity end of year	48,671	48,671

2.4 Cash flow statement

	2020	2019
	DKK'000	DKK'000
Operating profit/loss	7,313	5,978
Amortisation, depreciation and impairment losses	0	101
Working capital changes	(19,000)	(63,643)
Cash flow from ordinary operating activities	(11,687)	(57,564)
Financial income received	672	2,057
Financial expenses paid	(2,437)	(4,144)
Cash flows from operating activities	(13,452)	(59,651)
Dividends received from associates	0	7,000
Cash flows from investing activities	0	7,000
Free cash flows generated from operations and investments before financing	(13,452)	(52,651)
Increase/decrease in cash and cash equivalents	(13,452)	(52,651)
Cash and cash equivalents beginning of year	200,546	253,197
Cash and cash equivalents end of year	187,094	200,546
Cash and cash equivalents at year-end are composed of:		
Cash	187,094	200,259
Securities	0	287
Cash and cash equivalents end of year	187,094	200,546

3 • Collected royalties

3.1 Total collections

Country	Phono Standard	CLA-Contracts	Work by Work	Online	Video Standard	Work by Work Video	Unallocated	Broadcasting	Foreign Total	Total
Denmark	1.161.571	2.717.886	1.214.120	3.919.012	908.979	2.458.137	82.998	723.304		13.186.007
Norway	1.050.205	1.548.107	779.906	-24.591	187.997	5.758.452	2.856.681	449.709		12.606.466
Sweden	1.375.757	3.987.228	2.112.432		664.113	4.855.968	3.520.401			16.515.899
Finland	1.367.045	3.356.296	2.279.206	-8.300	262.918	4.249.742	1.014.447			12.521.354
Iceland	105.415	126.192	213.049		4.844		3.163			452.663
Lithuania			-4.110							-4.110
Estonia		41.573		50.287		68.417	-11.024			149.253
Latvia	16.088		16.724							32.812
Foreign									31.491.007	31.491.007
Total	5.076.081	11.777.282	6.611.327	3.936.408	2.028.851	17.390.716	7.466.666	1.173.013	31.491.007	86.951.351

All amounts in DKK

3.2 Profit and loss split on collection categories (description)

NCB’s income consists of commission from distributed royalties and fees and interest from late reporting.

Commission rates are fixed based on the approved budget for the year. There are no other deductions from undistributed royalties in any category to cover administration costs etc.

Costs or income that can be directly connected to a specific collection category are placed in that specific category. Costs or income with no direct connection to a specific collection category, are split by collection percentage in the range of categories they represent. There have been no costs or income connected to other business areas than collection and management of royalties.

3.3 Profit / Loss per category

DKK '000	Audio Standard Contract	Central Licensing	Sister Societies	Audio Single Licenses	Online Services	AV Single Licenses	AV Standard Contract	Other & Broadcasting	Total
Collection % Total	5,84%	13,54%	36,22%	7,60%	4,53%	20,00%	2,33%	9,94%	100,00%
Royalties collected incl. Performing	5.076	11.777	31.491	6.611	3.936	17.391	2.029	8.640	86.951
Royalties distributed incl. performing Nett	4.091	10.352	20.457	4.742	2.971	14.335	2.391	27.779	87.117
Income:									
Commission	897	1.409	2.767	1.047	339	3.091	527	9.336	19.413
Other - Income	32	75	200	42	25	110	13	55	552
Total Income	930	1.484	2.967	1.089	364	3.202	540	9.391	19.965
Expenses:									
Staff	5	12	32	7	4	18	2	9	88
External expenses	47	108	289	61	36	159	19	79	797
Expenses owner societies	437	1.013	2.710	569	339	1.496	175	743	7.482
Expenses NMP	249	579	1.548	325	193	855	100	425	4.273
Total expenses	738	1.712	4.578	961	572	2.528	295	1.256	12.640
EBITDA (earnings before int. tax, dep & amort)	192	-228	-1.611	128	-208	673	245	8.135	7.325
Depreciations	0	0	0	0	0	0	0	0	0
Restructuring costs	-1	-1	-4	-1	0	-2	0	-1	-11
EBIT (earnings before int. & tax)	191	-230	-1.615	127	-209	671	245	8.134	7.314
Net - Financial income	-103	-239	-640	-134	-80	-353	-41	-175	-1.766
Profit from investments	16	37	98	21	12	54	6	27	270
EBT (earnings before tax)	104	-432	-2.157	13	-277	372	210	7.985	5.818
Tax	0	0	0	0	0	0	0	0	0
Profit & Loss	104	-432	-2.157	13	-277	372	210	7.985	5.818

3.4 Collected royalties from foreign societies

Society	Country	Film/Video	Karaoke	Not defined product	Online	Phono	Phono blank tape	Radio/TV	Video blanktape levy	Total
ACUM	IL	112.787			3.901					116.688
AEPI	GR									0
AGADU	UY									0
AKKA/LAA	LV									0
AMCOS	AU	13.570			1.207.221	32.013		35.739		1.288.543
ARTISJUS	HU				8.678	20.239	3.643	74.772		107.332
AUME	AT	961	30		57.145	760.593		150.869		969.598
CASH	HK				81.258	1.099				82.357
EAÜ	EE									0
GEMA	DE	968.332			3.229.106	6.944.824		2.342.866		13.485.128
HARRY FOX	US				693.818	482.741				1.176.559
HDS	HR				596	235		62.862		63.693
JASRAC	JP	318.051		4.127	527.445	311.191	129	76.721		1.237.664
KOMCA	KR	230	4.730		187.425	49.008				241.393
LATGA-A	LT									0
MCPS	GB	65.160		1.074.147	3.124.856	709.661		521.337		5.495.161
MCSC	CN		2.177		9.735					11.912
MESAM	TR									0
MUSICAUTOR	BG									0
ONDA	DZ									0
OSA	CZ	5.207		6.058	91.256	14.291		52.793		169.605
SABAM	BE			3.521	184.141	316.707		162.467		666.836
SACM	MX				147.510	2.613				150.123
SADAIC	AR				38.236	1.146				39.382
SAYCO	CO									0
SAZAS	SI									0
SACEM	FR	90.828	19.362		2.615.853	309.775	164.610	220.442		3.420.870
SAMRO	ZA									0
SCD	CL									0
SGAE	ES	2.540			24.563	45.379	70.507	148.920		291.909
SIAE	IT									0
SODRAC	CA	5.640			91.451	22.512	82.789			202.392
SOKOJ	RS									0
SOZA	SK									0
SPA	PT	57			1.375	35.308	11.395	24.400		72.535
STEMRA	NL	47.432		3.174	548.019	413.505	25	778		1.012.933
SUISA	CH	323.227		5.268	149.103	84.007	436.531			998.136
RAO	RU									0
U.C.M.R.	RO									0
UBC	BR					34.341				34.341
ZAIS	PL	23.198			21.841	110.878				155.917
Total		1.977.220	26.299	1.096.295	13.044.532	10.702.066	769.629	3.874.966	0	31.491.007

All amounts in DKK

4 • Distribution of royalties

4.1 Method and distribution frequency

NCB distributes twice a year in June and December.

Royalties due to Nordic based authors, composers and music publishers are distributed via Koda, STEF, STIM, Teosto and TONO.

Royalties due to international rights holders are distributed via affiliated societies based on NCB's reciprocal and unilateral agreements.

NCB is member of the collective rights management organisation Copydan Arkiv and Copydan AVU Medier, which collects monies for the use of copyright protected works in broadcaster archives and by educational institutions. Any collections by Copydan Arkiv and AVU Medier are forwarded to its members, who in turn distribute the money to the rightsholders. Both Koda and NCB are members of these Copydan organisations. Since the Copydan organisations represent both Koda and NCB, the Copydan organisations are able to collect monies for the use of musical works in general; i.e. both for the performing rights (Koda) and for the mechanical rights (NCB). In practice, the licensing of musical works done by Copydan Arkiv and AVU Medier do not distinguish between these two types of exploitation. On this background, NCB and Koda have agreed that, to the extent NCB were allocated money from Copydan Arkiv and AVU Medier, Koda will receive and distribute any such money.

4.2 Total distributions

Country	Phono Standard	CLA-Contracts	Work by Work	Online	AV Mechanisation	AV Synchronisation	Foreign	Lumpsum	Total
Denmark	584.109	1.110.651	678.302	560.047	573.557	1.786.260	4.609.507	4.097.252	13.999.685
Norway	622.635	133.516	357.489	527.412	116.631	2.870.486	3.759.072	3.937.478	12.324.719
Sweden	1.404.573	8.171.231	1.562.010	1.098.582	980.307	6.716.951	9.011.820	14.532.960	43.478.434
Finland	934.245	571.318	1.143.295	273.171	501.224	2.211.473	2.649.554	4.280.462	12.564.742
Iceland	86.795	2.249	111.920	18.538	7.672	12.237	353.736	157.126	750.273
Lithuania	16	15	12.907	1.998			21.140	6.956	43.032
Estonia	4.590	385	75.614	72.997	78.860	36.713	37.890	12.393	319.442
Latvia	31.592	107	11.450	2.892	894	180	14.251	1.905	63.271
Internal acc	762					267.086		320	268.168
Foreign soc.	421.548	362.158	789.366	415.484	131.874	433.187	14	752.054	3.305.685
Total	4.090.865	10.351.630	4.742.353	2.971.121	2.391.019	14.334.573	20.456.984	27.778.906	87.117.451

4.3 Distribution per category and commission rates

Royalties distributed per category:

Distributed amounts	Nett amount DKK	Commission DKK	Rate
AV Mechanisation	2.391.019	527.114	18%
AV Synchronisation	14.334.573	3.091.162	18%
CLA	10.351.630	1.408.960	12%
Foreign	20.456.984	2.767.146	12%
Lumpsum*	27.778.624	9.391.494	25%
Online	2.971.121	338.768	10%
Phono Single License	4.742.353	1.046.910	18%
Phono Standard License	4.090.865	897.310	18%
Radio/TV*	282	62	18%
Comm. Return		-55.580	
Total	87.117.451	19.413.345	

The Baltic Societies have set their own commission rates at EAÜ 25%, AKKA/LAA 24% and LATGA-A 21% for all royalties collected in their respective territories. These commission rates were only applicable for the first half year of 2020, since NCB only administered the Baltic territories in this period, see also 8.

*Lumpsum – Lumpsum describes the categories, which are not distributed line-by-line. These categories are instead distributed based on category, territory, previous distribution information for same or similar categories and collection period.

4.4 Distribution to foreign societies

Society	Country	Phono Standard	CLA-Contracts	Work by Work	Online	AV Mechanisation	AV Synchronisation	Foreign	Radio/TV	Lumpsum	Total
ACUM	IL	858	2.271	1.088	137	3	454			2.837	7.648
ABRAMUS	BR										-
ACDAM	CU										-
ADDAF	BR	3	4							113	120
AEPI	GR	626	166	621	334	6	462			444	2.659
AGADU	UY										-
AKKA-LAA	LV										-
AKM	AU				799					1.549	2.348
AMAR	BR	104		13			126			9	252
AMCOS	AU	5.800	6.170	1.648	1.482	151	2.958			2.263	20.472
AMRA	US	298	733	1.012	7.711	4	314			9.203	19.275
APA	PY										-
APRA	AU				5.971					14.025	19.996
ARTISJUS	HU	561	703	666	140	136	713			427	3.346
ASCAP	US				72.363					92.139	164.502
AUME	AT	7.602	11.941	3.544	878	449	1.105			3.856	29.375
BMI	US				57.165					88.709	145.874
BSDA	SN										-
BUMA	NL				12.840					43.146	55.986
CASH	HK										-
CMRRA	CA										-
COTT	TT										-
EAÜ	EE				554					2.650	3.204
GEMA	DE	95.531	91.505	190.701	38.335	35.162	92.732			95.319	639.285
HARRY FOX	US										-
HDS	HR	37	1.551	131	632	4	230			72	2.657
IMRO	IE				460					1.892	2.352
IPRS	IN				1.131						1.131
JACAP	JM										-
JASRAC	JP	1.950	782	2.812	973	10.317	1.268			4.911	23.013
KOMCA	KR	9	6	10	19	606	410			579	1.639
LATGA-A	LT				603					284	887
MCPS	GB	167.168	145.277	60.628	61.665	15.147	73.306		14	93.677	616.882
MCSC	CN									12	12
MESAM	TR	91	1		23					169	284

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MSG	TR				1.149					18	1.167	
MUSICAUTOR	BG	15		6						99	120	
ONDA	DZ										-	
OSA	CZ	3.521	90	287	129	171	2.305		1.689		8.192	
PAM	ME		233								233	
PRS	GB				26.777					77.903	104.680	
SABAM	BE	14.222	3.345	13.289	8.151	3.076	9.071		21.819		72.973	
SACM	MX	131	65		8						204	
SADAIC	AR	457	394	1.916	456	57	1.394		609		5.283	
SAYCO	CO										-	
SAZAS	SI	2.019				6.647	373			698	9.737	
SACEM	FR	34.615	34.485	364.024	15.483	36.995	117.174		93	59.521	662.390	
SACVEN	VE	10	24	135							169	
SAMRO	ZA										-	
SARRAL	ZA		86						14		100	
SBACEM	BR	64	1.287			47	13				1.411	
SCD	CL	370	11		27	4	34				446	
SGAE	ES	9.550	5.950	12.030	2.146	6.136	10.290		35	9.451	55.588	
SIAE	IT	17.571	15.170	13.132	7.701	6.079	18.042			11.913	89.608	
SESAC	US	32.579	10.806	7.158	48.819	473	1.440			7.970	109.245	
SOBODAYC	BO										-	
SODRAC	CA	1.034	5.887	1.466	578	2.855	3.689			5.902	21.411	
SOCAN	CA				15.376					14.023	29.399	
SOCINPRO	BR										-	
SOKOJ	RS	37	404	5	1.642	17				44	2.149	
SOZA	SK									6	6	
SPA	PT	43	1.372	34	73	3	988			435	2.948	
STEMRA	NL	15.872	14.187	98.677	8.508	4.949	82.222			64.851	289.266	
SUISA	CH	3.399	4.909	4.939	6.405	1.080	6.596			15.358	42.686	
RAO	RU	3.644	657	8.895	49	738	3.906			678	18.567	
UACRR	UA		243								243	
UBC	BR	558	13		1						572	
U.C.M.R.	RO	8	354		935	1	195			8	1.501	
ZAMP	MK		287								287	
ZAIS	PL	1.191	789	499	6.856	561	1.377			632	11.905	
Total		421.548	362.158	789.366	415.484	131.874	433.187		14	142	751.912	3.305.685

5 • Undistributed royalties

5.1 Practice regarding undistributable royalties

During the collection and distribution process, all royalties undergo different statuses before the amount is distributed. At first the amount is shown as "Invoiced", when the invoice has been created and NCB is awaiting payment. Then the amount is categorised "Payment received", when the amount is received and awaits the next distribution run. The amount is now distributed within the time limits set out in the Danish Act on Collective Rights Management (based on the so-called CRM Directive).

However, some royalties cannot be distributed due to various reasons, the main reason being missing documentation (approx. 55%) or disputes (approx. 30%). All royalties are divided into different groups and given a code describing the reason why they are not distributed. This also includes the royalties awaiting the next distribution run. See the figures below.

The royalties which cannot be distributed are manually handled and undergo various processes too. One of the processes for seeking information regarding documentation is sending lists of works with missing documentation to NCB's member societies 16 times per year and uploading the lists to the website twice a year. The works are sent through the system with each distribution run to be matched and distributed.

If it is not possible to distribute received amounts within three years, the main rule is that the amount is distributed as a lump sum based on category, territory, previous distribution information for same or similar categories and collection period. However, there are a few exceptions from this rule, e.g., disputes, which are kept in the system until the parties have reached a settlement.

5.2 Undistributed royalties by 31 December 2020

Table by type of use:

DKK	Before 2020	2020	Total
000			
AV Mechanisation	2.774	483	3.257
AV Synchronisation	4.339	6.319	10.658
CLA	7.247	1.516	8.763
Foreign	23.419	9.571	32.990
Online	32.468	2.612	35.080
Phono Single License	5.713	2.762	8.475
Phono Standard	4.581	854	5.435
Radio/TV		40	40
Other	303	7	310
In Finance system:			
Online	12.567		12.567
Other	17.113		17.113
	110.524	24.164	134.688

Table by type of delay:

DKK 000	Before 2020	2020	Total
Invoiced but not paid	7.392	2.833	10.225
<i>*58% of the amount consist of Online await clarification</i>			
Ready for distribution	5.314	5.456	10.770
<i>*14% of the amount consist of Online with missing work documentation.</i>			
Missing work documentation	5.598	1.595	7.193
Dispute	12.038	1.353	13.391
Shares on work	3.034	554	3.588
Other	2.436	1.753	4.189
Partly distributed rest share is missing	26.554	9.684	36.238
Carve out protection pct has changed	15.382	896	16.278
<i>*100% Online</i>			-
Other	3.096	40	3.136
In Financesystem:			
Online	12.567		12.567
Other	17.113		17.113
	110.524	24.164	134.688

6 • Social and cultural deductions

NCB does not deduct social and cultural amounts on any mechanical rights.

Deductions made when processing royalties on behalf of other societies

When NCB processes royalties on behalf of its member societies (Koda, STEF, STIM, Teosto and TONO), such processing might entail a request from the relevant society to apply deductions for social and cultural purposes on the performing rights represented by these societies, as shown in the figure below. NCB only handles such performing rights when handling online rights on behalf of the member societies, and therefore NCB only deducts social and cultural amounts on the performing rights part of online rights. All such amounts are transferred to the member societies for further handling. Thus, NCB refers to Koda, STEF, STIM, Teosto and TONO and each of their Annual Transparency Reports for further information.

Amounts deducted on behalf of member societies:

Dist.currency	Amount - DKK
DKK	23.943
EUR	954
ISK	79
NOK	12.603
SEK	10.758
Total	48.337

Applicable rates when handling distributions on behalf of member societies:

	Denmark Koda	Finland TEOSTO	Iceland STEF	Norway Tono	Sweden Stim
Permanent Downloads					
% of performing		6,0	10,0	10,0	
On demand streaming (for free)					
% of performing		6,0			
On demand streaming (under subscription)					
% of performing	10,0	6,0	10,0	10,0	
Ringtones					
% of performing		6,0	10,0	10,0	
Cloud Locker Services					
% of performing		6,0			
Temporary Downloads					
% of performing	10,0	6,0	10,0	10,0	
Tehered Downloads (for free)					
% of performing		6,0			
Tehered Downloads (under subscription)					
% of performing		6,0			
Webcasting					
% of performing		6,0			
User generated content (e.g. Youtube)					
% of performing		6,0			

NKF – Norwegian Composers Foundation

In accordance with the Norwegian Act of April 9, 1965 no.1, regarding The Norwegian Composers foundation NCB also deducts 2% on all sales in Norway. However, this is not a deduction but an extra charge, since the 2 % are added to the invoice. NCB refers to the Norwegian Composers Foundation and the Norwegian Act of April 9, 1965 no.1 for further information.

Amounts collected for the Foundation:

Collections group	Amount - DKK
Phono Standard	16.496
Foreign	13.698
AV Synchronisation	136.317
AV Mechanisation	4.464
Online	18.226
CLA-contracts	34.186
Phono Single	15.531
Fee's	1.415
Total	240.333

7 • Rejection of licensees

NCB does not reject licensees in general. The only reasons for NCB not granting a licence upon request are:

- if the licence requested does not fall under the scope of mechanical music rights
- if the music work is not copyright protected
- if the administration of the rights are not passed on to NCB
- lack of payment of royalties due.

8 • General information on NCB

8.1 Legal and governance structure

NCB - Nordisk Copyright Bureau - is a Nordic society that in collaboration with affiliated societies all over the world manages the recording and copying rights in music on CD, DVD, film, video, the internet etc. for composers, lyricists and music publishers. NCB's head office is in Copenhagen and NCB's territory of administration covers all Nordic and Baltic countries. Previously the Baltic territories formed a part of the NCB territory of administration but since 1 July 2020 the administration of the mechanical rights for the Baltic territories has been directly handled by each of the Baltic societies; EAÜ (Estonia), AKKA/LAA (Latvia) and LATGA-A (Lithuania).

Following the restructuring process in 2017 in order to secure NCB's business in the future, all of the administrative activities and key resources of NCB were outsourced to the administration of Koda. This way, NCB has chosen to underpin its core operation and commercial knowhow in a new organizational setup, which at the same time would maintain the existing legal structure of NCB as a collective rights management society.

The current members of NCB are all of the Nordic performing rights societies: Koda in Denmark, STEF in Iceland, STIM in Sweden, Teosto in Finland and TONO in Norway. NCB had cooperation agreements with EAÜ (Estonia), AKKA/LAA (Latvia) and LATGA-A (Lithuania) up until 1 July 2020. From 1 July 2020 each of the Baltic societies took over the handling of the mechanical rights for their own territory themselves. NCB has signed reciprocal representation agreements with each of the Baltic societies, and from 1 July 2020 the Baltic territories will be handled like all other foreign territory. NCB's Board of Directors consists of five members. Koda, STEF, STIM, Teosto and TONO each appoint one member at the General Assembly.

NCB's audit is undertaken by a state authorised public accountant. In addition, Koda, STIM, Teosto and TONO all appoint a rights holder representative to NCB's Audit Committee, which convenes twice a year and review the books.

8.2 Ownership of other entities

NCB holds 50% of the shares in NMP – Network of Music Partners A/S – which is a joint venture company owned by NCB and PRS for Music in the U.K. NMP provides back office services to the music copyright administration industry.

8.3 About NCB

Name & registered office

Nordisk Copyright Bureau
Lautrupsgade 9
DK-2100 Copenhagen Ø
Denmark

CVR number 22 13 33 14

(Central Business Registration number)

Contact information

Telephone: (+45) 33 36 87 00
Email: ncb@ncb.dk
Web: www.ncb.dk

Annual General Meeting

The Annual General Meeting will be held on 18 May 2021.

8.4 Executive bodies of NCB 2020

Board of Directors

Risto Salminen, CEO (Chairman)	Appointed by Teosto
Guðrun Björk Bjarnadóttir, General Manager (Vice-chairman)	Appointed by STEF
Cato Strøm, Managing Director	Appointed by TONO
Karsten Dyhrberg Nielsen, CEO	Appointed by STIM
Gorm Arildsen, Managing Director	Appointed by Koda

Audit Committee

Jacob Morild, Lyricist
Asbjørn Schaathun, Composer
Jari Muikko, Executive Director
Hans Gefors, Composer

Auditor

Deloitte Statsautoriseret Revisionspartnerselskab

Executive Management

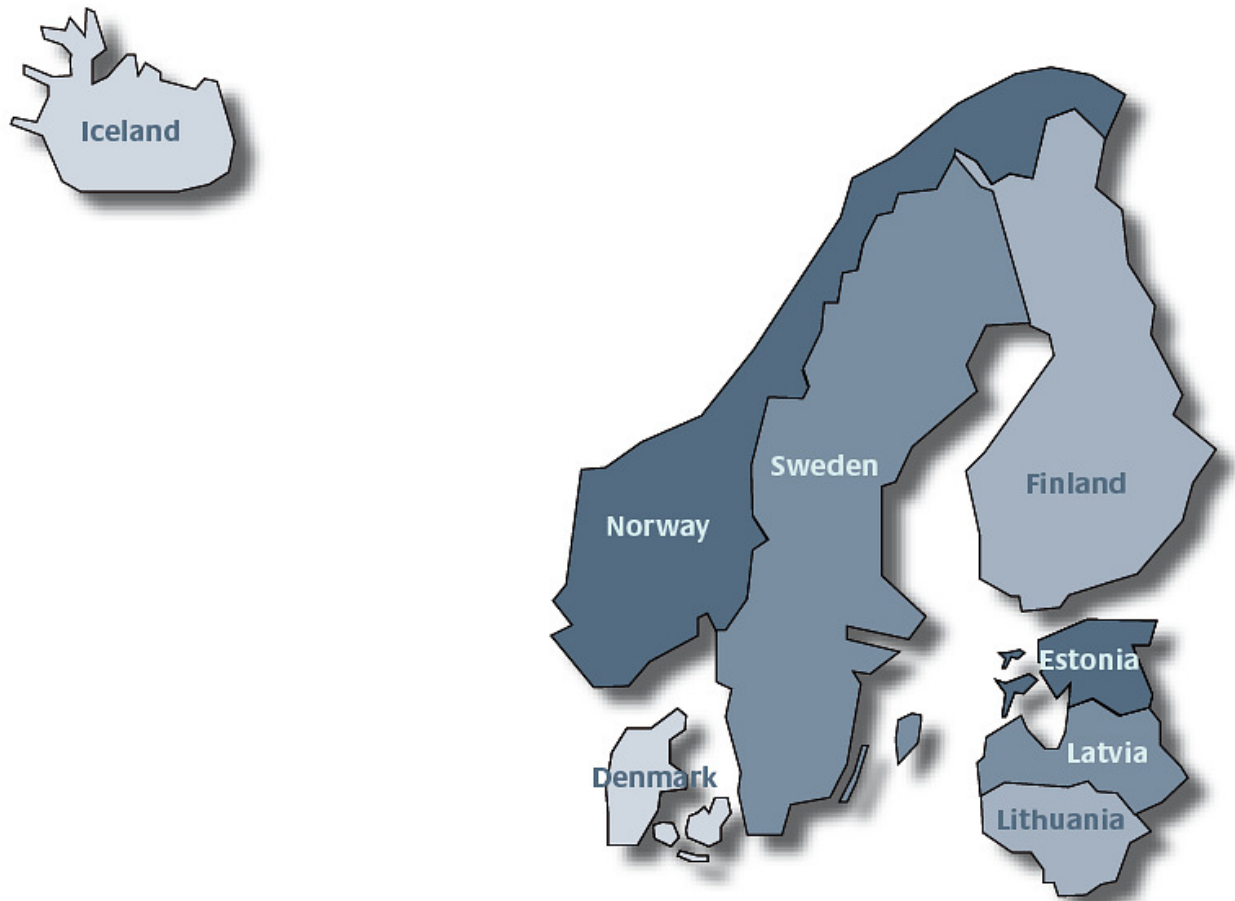
NCB has no executive management, since its activities are outsourced to Koda, thus NCB is represented by the Chairman and/or the board of directors.

8.5 Remuneration of the Board and management

There is no remuneration to the members of the NCB Board.

8.6 NCB's territory of administration

NCB's territory of administration covers all Nordic and Baltic countries. Previously the Baltic territories formed a part of the NCB territory of administration but since 1 July 2020 the administration of the mechanical rights for the Baltic territories has been directly handled by each of the Baltic societies; EAÜ (Estonia), AKKA/LAA (Latvia) and LATGA-A (Lithuania).



9 • Annual Report 2020

NCB's Annual Report 2020 is attached to this Annual Transparency Report on the following pages.