

STIM://

ANNUAL REPORT 2022

FOR  
THE  
LOVE  
OF *music*  
(and royalties)

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102,238  
STIM affiliates

3,576  
new affiliates  
during the year

2.7  
Revenue  
in SEK billions

8.3%  
Administrative  
cost percentage

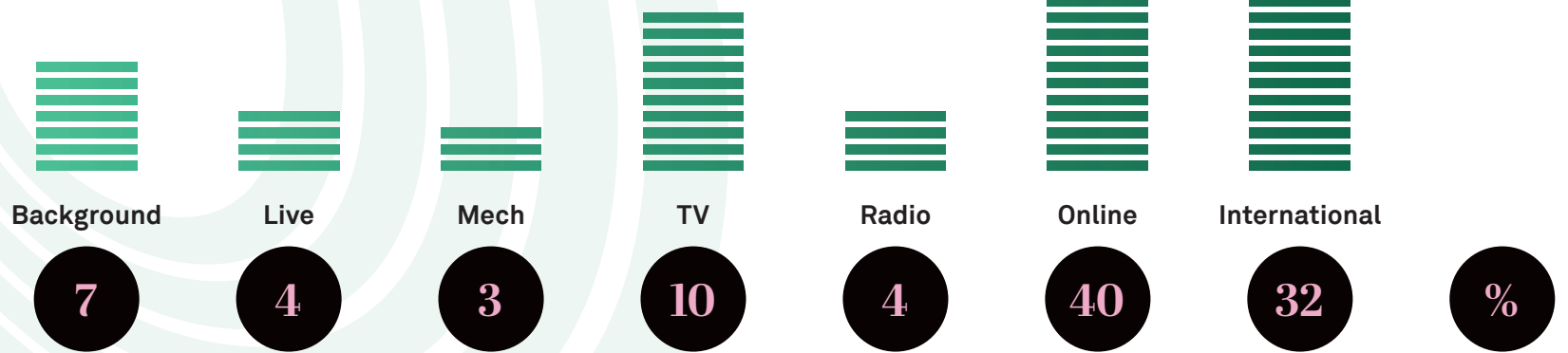
2.2  
billion SEK  
paid out  
to affiliates

# For the Love of Music

(and a record amount of royalties)

Since 1923, we have collected and paid out several billion SEK in royalties to Sweden's music creators and in 2022 we broke our record by paying out over SEK 2 billion. STIM works to achieve the best remuneration possible, regardless of the platform or technology. We intend to keep on doing so for at least another 100 years.

STIM is a non-profit member organisation that ensures our more than 100,000 affiliated music creators and music publishers are paid when their music is used. We provide the framework for creation and revitalisation in the Swedish music industry.



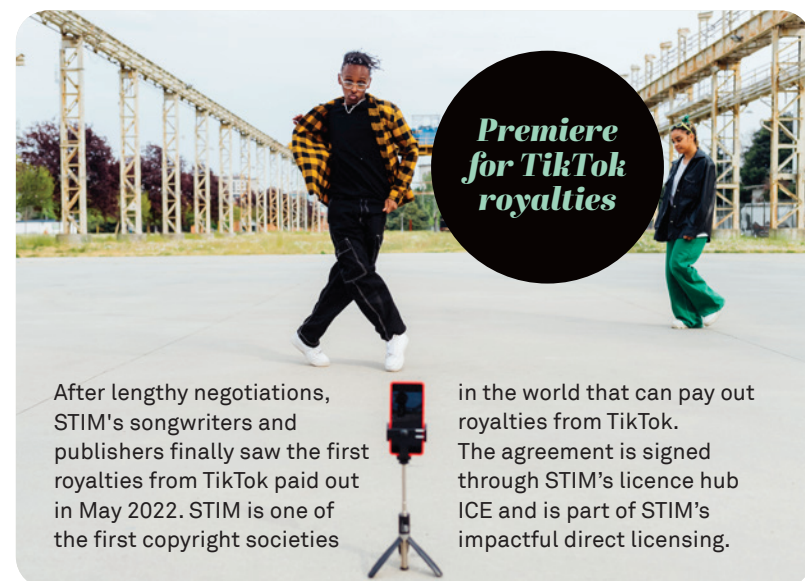
Where the money comes from  
Royalty revenue  
per area in  
per cent



# A year filled with music

Record pay out

In December, STIM paid out the highest single sum ever to its affiliates - **SEK 545 million**. Moreover, for the whole of 2022 compensation amounting an excess of **SEK 2 billion** was paid out. In other words, it was a record year for STIM.



This year's STIM customer award went to SR, which "with its focus on Swedish music and dedicated work for a more equal music industry, takes both music and the music industry seriously." Read more about how SR works with music in an interview at [STIM.se](https://stim.se). The guitar itself was then auctioned off to benefit of Musikhjälpen (Music Aid), where it raised SEK 35,150 for Radiohjälpen's work to contribute to a safer childhood for refugees.

He is one of Sweden's most successful songwriters and is now also the recipient of the STIM Platinum Guitar award. Global stars like Madonna, Kanye West, and Lady Gaga, and Swedish greats such as Avicii, Veronica Maggio, Miss Li, Axwell & Ingrosso, Ghost, Seinabo Sey and Robyn have all released music created in part thanks to Salem Al Fakir.



## Annika Norlin, Stor, Estraden and Sabina Ddumba in a campaign for STIM

The successful 2021 customer campaign "Music for those who want more" continued in 2022 with new STIM affiliates demonstrating the value of music for customers and staff, such as in shops and restaurants.

Strong copyright

Together with the associations in the Stimsphere, STIM has been working for almost ten years to implement a copyright law that is better suited to a digital society. The new legislation entered into force on 1 January 2023, a major win for music creators, as it provides better opportunities to charge for music, especially on social media.

SEK 4 billion awarded in STIM scholarships

+100!

STIM has unique insight into how Swedish songwriters have developed. With more than 100,000 affiliates and 40,000 licences, STIM has data-driven knowledge of music trends with a level of accuracy that cannot be found anywhere else. In 2022, the +100! award was established to identify and recognise those affiliates that have increased their pay outs from STIM by at least 100 percent over the past year.

## The most played song of the year was...

"Tystnar i luren" written by Miriam Bryant, Elias Kapari and Victor Leksell. Angelica Leksell, Victor's mother, was there to accept the award on his behalf and expressed great pride in her son's success: "It's funny because I must be the one who personally accounts for at least half of all the streams. So, I guess I am somewhat deserving of this, ha, ha! We make a good team: he makes the music and I stream."

## STIM Academy – new training series

To raise awareness of the industry among young songwriters, STIM Academy was launched, an educational series in both short video and podcast format. The series provides a wealth of information, including specific tips on how to register a song with STIM, why copyright is important and to how a music publisher works. Several thousand have watched or listened to the episodes and the concept is also used in music education courses.



27,700

pieces of original sheet music are now fully archived at STIM's subsidiary Svensk Musik.

A full house in the STIM Music Room

## STIM's pop-up studio was a success

The popular STIM Music Room visited the west coast to let Gothenburgers create new music during the Way Out West festival weekend. The pop-up studio was quickly booked and a success, which has resulted in the concept being rolled out further in 2023. The first stop will be Umeå during Brännbollsyran.

STIM Music Room managed to stay open despite the pandemic, albeit with strict restrictions in place for the studios and a closed co-working space. So, it was extremely gratifying to see the STIM Music Room packed with affiliates in 2022. Visitors are now greeted by a line of legendary instruments along the walls, lent to STIM by prominent affiliates. One of these was Eva Dahlgren's two-string electric bass.

100,000

STIM affiliates

2022 was the year when STIM reached the incredible milestone of one hundred thousand affiliates. 22-year-old songwriter and musician Olga Rosenberg's decision to join STIM made her affiliate number 100,000.





## STIM's CEO

*Casper Bjørner*  
shares his perspectives

***“We have a unique position”***

Looking back on your first year as CEO of STIM, what are some of your thoughts?

“In 2022, my main focus has been to meet and get to know as many of our affiliates as possible; songwriters, composers and publishers of various sizes, to try and understand their daily lives. How we work for them – and with them.”

Initially, this was a challenge because there was still a pandemic going on when I started at STIM. It was a huge relief when the restrictions were finally lifted, partly because of the joy of being able to meet up with one another again, but also because the live stages could once again come to life and the summer festival season was saved.

Another focus I have had is how we can develop collaborations and partnerships within the industry. I came into a well-oiled and well-managed machine and have therefore spent time on how we can develop ourselves externally as an organisation, through conversations with customers and potential partners alike. I want to understand how they perceive our place in the music industry ecosystem and what paths we should pursue going forward.”

During the course of the year, work has been done on developing a new strategy, can you tell us more about that?

“The work on Strategy 2030 has been about creating a vision for the future. Where does STIM stand in 2030, as an organisation? It is crucial that we do not stand still and keep on doing the same thing just because STIM is doing well at the moment. We have to be fully focused on the challenges ahead. We hope to finalise the strategy before the summer.

**A record amount was paid out in December, with over SEK 2 billion going to members during all of 2022.” How is it that in the wake of the pandemic, STIM can still pay out such large sums?**

“Firstly, the use of streaming music continues to grow globally and has not been impacted by the pandemic in the same way as the live sector. Secondly, we have renegotiated and improved many agreements, while licensing even more platforms. Thirdly, the processes incorporated in STIM, ICE and other sister societies have improved, which means that the money gets through the systems faster.”

***“What a success story!”***

STIM is talking more and more about the huge amount of data being handled and the importance of working with Business Intelligence. What are your thoughts on the importance of data for STIM's activities?

“First and foremost, three things come to mind: pay out accuracy, transparency and speed. The data is crucial for our main mission – to pay out remuneration for music. But, it is also an important tool in our negotiations with customers, to maximise the value of the music and offer the best possible remuneration to our affiliates. No one else in the industry has the connections that we do. We are in a unique position where we know everything about commercial music use, user behaviour and how money flows through the system. About what works and what doesn't. It also allows us to predict a lot about the future and to identify trends on both an individual and an industry level.”

It's difficult to talk about data without mentioning STIM's international online licensing cooperation through ICE. How has development looked for ICE in 2022?

“There's a lot happening at ICE! In March, their new CEO, Peter De Monnick, took office and a whole new management team was appointed. The company also enjoys tremendous success, both technologically and in terms of know-how. Of course, the most important thing for our affiliates is that our payment processes work and ICE is absolutely crucial in this regard. Our cooperation through ICE makes a tangible difference in the wallets of our affiliates.

STIM's 100th anniversary is also an excellent opportunity to look back and pat ourselves on the back for the hugely important decision that was actually taken by STIM's board and management 15 years ago: Launching ICE together with GEMA and PRS. It was a huge decision – difficult, bold and controversial, but we can see today that it was absolutely the right move!”

What are you most looking forward to in 2023, STIM's anniversary year?

“I look forward to celebrating it! To get to meet and bring the whole industry together. I see it as my task as CEO to help set the stage for the next 100 years. Or at least for the next 20-30 years. It is an exciting and honourable task. But first, let's celebrate STIM – what a success story!”

Over **SEK 2 billion**  
paid out  
to affiliates

2023 STIM  
**100 years**



## Music has many values

Music can represent so much. It evokes emotions, gives us energy or promotes a sense of calm and relaxation. It brings us together and makes us feel better. Music has enormous value, not only to the listener and the creator, but also to Sweden and society as a whole. The connections between STIM, our affiliates and our customers give people access to the world's best selection of music. Thanks to our reinvestments in the music ecosystem, we also contribute to creation and revitalisation in Sweden's future music scene.

STIM is a non-profit membership organisation that has existed since 1923. Today, we are an industry expert, with cutting-edge legal, financial and negotiating expertise and with partnerships around world. We bring together nearly 100,000 authors and ensure that they and their publishers receive compensation every time their music is used, while at the same time pursuing strong copyright protection, which is the basis for STIM's added value. By signing licence agreements with customers, they get the opportunity to use music the entire world has to offer.

### The value we create

With more than 23,000 customers who have signed over 40,000 licences, STIM is the link between those who create music and those who use it in their business.

Rightsholders get paid when the music is used and STIM, in turn, can offer customers access to the world's music so they can create vibrant and inspiring customer experiences.

At the same time, STIM is investing, under the STIM Forward Fund brand, in music promotion efforts in collaboration with FST, Skap and Musikförläggarna, laying the groundwork for revitalisation and diversity in Sweden's music scene.

#### Affiliates

The best compensation possible, regardless of where in the world the music is played. Over SEK 2 billion was paid out to affiliates during the year so they can continue creating music.

#### Society

A sustainable, accessible and thriving music industry with diversity creates value for people, culture, Sweden's international position and the economy as a whole.

#### Customers

Access to all the world's music through a single licence generates increased sales, more satisfied customers and employees and strengthens brands, while becoming an important part of a vibrant music scene.

STIM has  
existed since  
1923!

## 5 trends in the music landscape

In the music market, changes happen quickly. While they do present risks, they also result in great opportunities for music and its creators. STIM has experienced change for 100 years and can safely say that if music disappears from one place, it will appear in another. Because the power of music is strong.

We outline some of the trends that are currently affecting us and music creators.

### 1. A fierce battle for eyes and ears

In recent years, music, as a pure cultural consumable has been getting more competition from other types of digitally based entertainment. Music is increasingly being consumed in combination with other experiences. The gaming industry, in particular, has evolved from purpose-written soundtracks to becoming social platforms with widespread music use. These new forms of music consumption present opportunities for our affiliates, while at the same time requiring adaptation of STIM's licence products.

### 2. An accelerated amount of available music

The amount of music available is accelerating. Technological advances have made it possible for anyone to create a song and upload it to popular platforms via distribution services. As music is consumed through new services and for new purposes, creation also adapts. Artists produce short songs optimised for social media and mood playlists include everything from whale sounds to white noise. This unprecedented flow of available music has prompted the industry's most influential players to revolutionise the remuneration system and ask whether all music should be valued equally. STIM has an important role in both capturing new categories of songwriters and ensuring that the value of copyrighted music is not eroded.

### 3. Artificial intelligence

Advances in AI took the world by storm when newly developed chatbots were launched in late 2022. In parallel, what is known as generative AI has raised questions when services trained on copyrighted material are used to create art. In the music industry, AI has been integrated into different parts of the music value chain, from music creation tools to marketing and analytics services.

In recent years, services have been launched that can produce songs with the help of text instructions. Start-ups, as well as major platform companies, are now competing in what amounts to a race to develop a fully autonomous song writing machine. Technological advances can be a great help to songwriters and artists in their creative process, but STIM sees a need for legislation to keep up.

### 4. Diversified streaming market pushes growth

Although streaming has been around for more than 10 years, it is still a developing market, with enormous potential for even further growth. In several European countries, the proportion of the population subscribing to a music streaming service is low, such as in Spain, Germany and France. Besides the expected growth in these markets, we also expect to see a conversion of free users to paying users, which will also push future revenue streams. In overseas areas where STIM licences directly, such as the Middle East and parts of Asia, there is additional potential, as these markets are far behind Europe and North America in terms of users with subscriptions.

### 5. A hot market for music rights

Expectations are high and huge sums are being invested – a new type of economy surrounding rights has emerged. An increasing number of players are investing billions in various types of rights streams for both catalogue music and newer works. The decision by rightsholders to sell their music catalogues is causing much discussion in the industry and many see a danger of authors losing control over their music and their ability to receive fair payment. STIM has an important role to play here by spreading information and awareness on such issues.



# Meet *our* affiliates

## Mauro Scocco on his 40 years as a STIM affiliate,

"The risk of repeating yourself in some way increases slightly after 29 albums, or whatever it is now. In itself, it isn't the end of the world, but you don't want to start sounding like a pale copy of yourself."



## Music creator Ayoni from Barbados on choosing STIM as a society,

"In a collecting society, I'm looking for a healthy and transparent mindset around royalties; This is what we do and this is how we do it. But the most important thing is of course, making sure that everyone is making as much money as they can, especially since streaming doesn't pay like a hard copy of a CD."

## Mapei on being big in Japan,

"It has always been my dream to reach the Japanese audience, with their tastes, insight and culture. After all the hard work, I am extremely flattered to be one of the big Swedish songwriters there! Domo Arigato!"



## Olga Rosenberg on becoming affiliate number 100,000,

"I just can't stop thinking about that figure - it's absolutely incredible that there are so many people in Sweden who actually want to make their own music. And it's so cool that I got to be number 100,000."



## Janne Schaffer



### About STIM:

"STIM as a copyright organisation is amazing! It's great that you're there to protect copyright, it's tremendously important."



## Isa Molin on the creation of this year's Melodifestivalen winner,

"How 'Hold Me Closer' came about summarises our trio's collaboration very well. We are not afraid to go back to square one until the result is what we are after. I think it is unusual to feel that way at such an early stage with new people. It's easy to get caught up in the feeling of moving forward, of being done."



## Salem Al Fakir, 2022's Platinum Guitar Winner on how hits are made,

"I go to work Monday to Friday and take the weekend off. I don't believe in having a 'feeling,' or that ideas just come to you. Sometimes that's how it happens. But if an idea comes to me when I'm lying in bed, I don't just jump up, it's better to further develop the idea during office hours."



## The songwriters behind Babblarna,

"The goal has never been for Babblarna to be a smash hit with millions of listens, books sold and so on - the goal has always been about being inclusive, something that works for all children."



## Lisa Streich on her sources of inspiration,

"I am inspired by life and its wonders and sorrows. Joan of Arc, Gustav Mahler and Karl Lagerfeld. And by Mahsa Amini, who for me represents all women who dare to stand up."





# More *milestones reached* during the record year **2022**

In 2022, we reached over 100,000 affiliated music creators and affiliates in STIM. Thanks to focused and dedicated work based on its core mission, STIM has also been able to pay out more money to music creators than ever before.

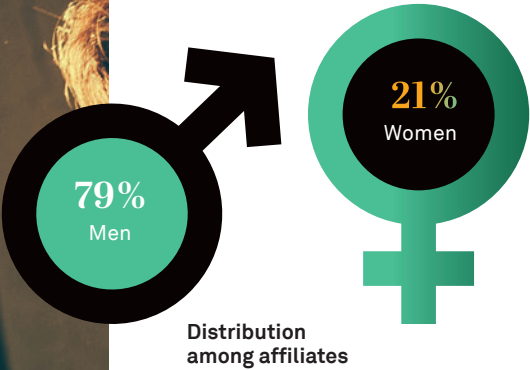
To ensure that songwriters and composers are fairly compensated for the music they create, wherever it is played, a number of prerequisites must be in place. By joining STIM, authors gain access to cutting-edge expertise that is constantly negotiating on their behalf. STIM also works constantly to develop and adapt licences to today's music use, updates existing agreements and improves both the payment process and communication with our affiliates through new technical solutions.

**Record amount paid out**  
In 2022, STIM was able to pay out more money to its affiliates than ever before, over SEK 2 billion. This is an incredible development, especially considering the last two years were in the shadow of the pandemic. Given that many other countries had much more severe and longer lockdowns than Sweden, when it came to foreign revenue, expectations were low. However, expectations were beat by a long shot, thanks to Sweden's high level of music exports. Of the SEK 2.154 million paid out by STIM to rightsholders, SEK 1.767 million went to authors and publishers affiliated with STIM. Today, a large part of the revenue comes from the ICE collaborative partnership, where major digital platforms such as Spotify, Instagram and TikTok are licenced. If we look at the live music market, the aftermath of the pandemic has changed the live music landscape in numerous ways. The decline in the number of small and medium-sized live music venues is a worrying development, especially since income from live performances is an important source of income for many, such as in art music and genres that do not have the same online breakthrough power as others. Despite major changes and restrictions at the beginning of the year, STIM has been able to collect substantial revenues from live music use for music creators.



**Digital development**  
Our society is deeply impacted by the ongoing digitisation process and the music industry is no exception. Our business handles tremendous amounts of data, while from a user perspective, information has to be at one's fingertips in seconds. This past year, STIM rebuilt its IT systems so it could better handle large volumes of data. This represents an important modernisation of STIM's IT infrastructure, one that will give us a solid platform to meet the future needs of digital services, both on the web and in the app.

**Dialogue with music creators and publishers**  
Digital development in STIM closely tracks our continuous assessment of what our rightsholders need. Since 2017, STIM has conducted quarterly surveys of the satisfaction of affiliated songwriters, an important basis for ongoing work on the development of our services and offers. Music publishers play an important role in STIM's operation and success. In recent years, STIM has worked on a number of projects in dialogue with music publishers to improve our offering and identify various areas for development, including the launch of a new payment service for publishers.



**Make your voice heard**  
Never before has Sweden had so many music creators. During the year, STIM was able to celebrate having more than 100,000 affiliates for the first time. STIM's collective democracy is a cornerstone of its activities. In order to participate and decide on important issues, you need to be a member. This gives you the right to vote and participate in the annual general meeting. During the year, affiliates were encouraged to take the step and become a member, which resulted in 234 new voting members.

**Opportunities in STIM Music Room**  
STIM has an important role to play in helping music creators develop their creativity. The STIM Music Room concept consists of a co-working space and two studios where members can book time and record music free of charge. STIM Music Room's two studios were essentially fully booked for 2022. STIM Music Room was on-site in Gothenburg as a pop-up studio during the Way Out West festival. The initiative was carried out in collaboration with customer Scandic Hotels and proved to be a success - STIM will be doing more pop-ups in new locations in 2023.

**Investing in the Swedish music scene**  
In addition to the regular activities of collecting and paying out remuneration, STIM also carries out special work to promote the



Keep an eye out for our popup studio!

long-term development of music- these are efforts that benefit all our affiliates. The work of the STIM Forward Fund evolved over the year, and today a variety of initiatives are carried out every year to strengthen music creation. These include initiatives to increase diversity and gender equality, work for a strong copyright, educating and providing scholarships.

**Initiatives that promote awareness**  
Today, many music creators who produce and release their music online are not always familiar with STIM and the music industry. Some don't even know that they are entitled to income from their music and for some this may mean missing out on substantial sums of money. It is important for STIM to spread information about rights and this year STIM Academy was launched, an educational series of short videos and podcasts about how the music industry and STIM's activities work. Various guests address common misunderstandings about the industry, copyright basics, how to register songs and use STIM's services. Through a new award - STIM +100 - we recognise the fastest-growing songwriters who have increased their payments via STIM by at least 100% over the past year. The initiative gives beneficiaries the opportunity to meet with STIM, music publishers and major industry players to share experiences, create their own networking forums and develop their song writing together.

3,576  
*New affiliates*  
2022

Anyone who creates music is welcome to join STIM!





# The audience & the music are back!

The pandemic continued to affect the world around us early in the year, especially in the live music market. However, the background market has generally recovered well. Both the hotel and restaurant industry and Sales and Music at work increased in 2022, with a positive outlook for 2023. Total revenues increased significantly compared to the previous year, largely due to the ICE licensing.

STIM has continued to improve its offering to customers over the year, particularly in the digital area. One of STIM's developmental areas is MRT, Music Recognition Technology. The outcome will be of great value in identifying music shares and music time and will provide STIM with a good basis for negotiations and help verify whether the agreements are correct.

STIM has 100 years' experience in negotiating contracts for music creators. We ensure that we have both relevant data and negotiation documents to work from, we monitor all our contracts continuously, ensure that they are updated and current and that we have applicable revenue and pricing models for different markets.

We refine and improve different ways of measuring, which means that sometimes we need to negotiate older agreements that are no longer fit for purpose at present. An example of this is the contract with SVT, one of our oldest customers, which was renegotiated in 2022.

A major focus in recent years has been further improvement when it comes to creating, building and maintaining good customer relations. STIM follows the market and identifies new market phenomena, services and players. Right now, our main focus is naturally on

the fast-growing areas of moving images and audio.

This year we conducted numerous activities for our customers. Worth mentioning is the awarding of the Stingitarren in 2022 to Sveriges Radio, another of our oldest customers. In connection with Musikhjälpen, the STIM Guitar was auctioned off with the autographs of all participating artists. It was a popular event and the guitar was eventually sold for more than SEK 35,000, money that went to support refugee children. In September we had a customer event in the STIM Music Room, where we finally had the opportunity to meet after a long period of restrictions.

At the end of the year, we followed up on our customer campaign "For those who want more", where Annika Norlin, Stor and Sabina Ddumba participated. The campaign brought a welcome influx of visitors to our licence shop, new customers who now all contribute to the Swedish music ecosystem.

This year's total royalty revenue of SEK 2,710 million is a new record and it is gratifying to see that we increased revenue from last year's record figures by almost 26 per cent. Retroactive income from previous years also forms part of the this year's results.

## 1 LIVE: *Initial uncertainty with good recovery*

The pandemic had a significant impact on the music industry for several years and the biggest blow was to the live music market. Although the last restrictions had been lifted by mid-February 2022, the damage for the first quarter had already been done, with many organisers pulling the emergency brake and exercising caution when it came to new bookings, given the risk of new restrictions. The live scene only began picking up during the second quarter, but parts of it recovered quite well in 2022.

However, we see a tendency towards market concentration among the big players, who are doing very well. On the other hand, the middle segment has still not fully recovered. A shortage of venues, strong competition and limited profitability, combined with a more cautious market and lower appetite

for risk than before, have had a major impact on small and medium-sized venues. According to a survey conducted by P3, for example, one-third of Stockholm's inner city live stages have disappeared over the last ten years, which significantly risks redrawing the live map going forward, at the expense of diversity and accessibility.

The financial outcome points to good recovery, not least, thanks to the fact that many major live events were held during the year and that STIM continued making focused efforts to collect older revenues from customers. STIM launched several new services for the live market during the year, such as the possibility of reporting music using Spotify and Setlist.fm and new functionality in the accounting and music reporting service Stimplicity.

## 2 RADIO AND TV: *Linear viewing returns to its expected downward trend*

Linear TV viewing has seen a declining trend over the last decade across all age groups, in favour of online consumption of film and video. However, during the pandemic years with so much stay-at-home time, this decrease stopped and revenues remained at the same level. In 2022, radio and TV viewing flattened out, following an expected downward trend.

Preparatory activities are underway for the continuing trend of declining consumption of linear radio broadcasting, especially at Sveriges Radio, where the programme format is increasingly moving towards a podcast structure even though the programmes are still broadcast in linear format. This clearly points to a gradual revenue shift towards the online segment.

Total royalty  
revenue for the  
year SEK  
2,710 billion

## 3 INTERNATIONAL: *Better than anyone expected*

Sweden continued to enjoy strong music exports in 2022, which resulted in a larger than expected increase in foreign revenues from other societies. This was due to a number of factors. Among other things, we saw a higher rate of recovery from the pandemic than we dared to hope for, mainly in the areas of live and background. STIM also managed to collect substantial retroactive payments from the foreign societies. The online area generally continues to be a driving source of revenue, also internationally. We see continued effects of

the growth of music streaming services in countries where STIM does not directly licence, combined with an increased degree of licensing of online services with retroactive effects. VOD services were also licenced more extensively during the year, thus contributing to retroactive revenues. STIM continued to develop contacts with international societies to secure revenues for Swedish music creators. The largest revenues in the International area came from our Nordic neighbours and the United States.

## 4 BACKGROUND MUSIC: *One in five visitors left the cities*

The background market was also affected by first quarter restrictions. However, the hotel sector has recovered well, while the nightclub segment has not fully recovered in the year following the pandemic.

STIM has worked hard to reinstate the licences that were paused due to restrictions during the pandemic. Efforts have also been made to win back customers who were offered deferred accounting for the prepayment model. Many people worked from home during the pandemic.

## 5 NATIONAL ONLINE AND VOD: *Continuous development of new solutions and services*

The sector has experienced strong growth in recent years, driven in particular by the rise of video on demand (VOD). The range of new services, solutions and players is constantly expanding. Around 60% of households had pay-streaming subscriptions in 2022 and consumers often have multiple parallel subscriptions.

In 2022, STIM continued its work on licensing the online market nationally. At the beginning of the year, an agreement was signed with Viafree, which can be considered a milestone in the licensing of AVOD, advertising-based video on-demand. Additional AVOD services were then added during the year. In 2022, STIM also signed an agreement with HBO Max as the last major subscription-based SVOD service to be licenced.

## 6 MULTI-TERRITORIAL ONLINE: *Direct licensing of international music services is growing rapidly*

As part of the international ICE cooperation, STIM licences numerous digital music services directly and is continuously expanding the number of regions where this is offered. The licensing includes platforms such as Spotify, Apple Music, Instagram, YouTube and TikTok. This area remained strong in 2022. This broad coverage means that revenue for STIM affiliates is monitored and collected far outside European borders and even within services that in Sweden are not necessarily considered major players in the music field, such as Amazon.

New, strong agreements with many UGC platforms where users create the content themselves now generate significant revenues for STIM affiliates. Combined with the payment of retroactive amounts from existing and newly

This contributed to an understandable drop in visits to city centres, especially in larger cities. Although visitor numbers were up in 2022, surveys showed that city centres have lost about one in five visitors since the pandemic. The hospitality industry generates a significant share of turnover for city centre businesses and they experienced reduced revenues as a result. During the year, STIM signed agreements with players such as McDonalds, Stureplansgruppen, Swedish elite football, ICA and LKAB.

Live streaming did not turn out to be the success many expected during the pandemic, not least because of complex technology and advanced rights clearance. The next area that STIM will take on in Online will instead be the licensing of BSVOD, or buy-through subscription on demand. It includes the sale of subscriptions via a third party, often in the form of a telecom or internet operator. A completely new service area is FAST, free ad-supported streaming TV, ad-supported linear TV via apps or browsers without the need to subscribe or register. The licensing of FAST is something STIM will also be focusing on in 2023.

signed licensing agreements, this contributed to this year's ICE revenue being the largest ever by a wide margin.

Similarly, STIM's collection for mechanical shares in unplaced works in the online area remained extraordinarily strong on the US market. The collection is carried out in cooperation with Muserk and is vital when it comes to capturing the increase in music rights remuneration decided by the US government during the year.

STIM's direct licensing in Asia in collaboration with Australia's APRA AMCOS is also going very well, without having a parasitic effect on regular foreign revenues for the same territories.

## 1. Live revenue

increased by 213% compared to the previous year generating SEK 117 million of the total revenue. **+213%**  
**SEK 117 million**

## 2. Radio & TV revenue

decreased by 1% compared to the previous year, generating SEK 355 million of the total revenue. **-1%**  
**SEK 355 million**

## 3. Foreign revenue

increased by 21% compared to the previous year, generating approximately SEK 869 million of the total revenue. **+21%**  
**SEK 869 million**

## 4. Background revenue

increased by 28% compared to the previous year, generating approximately SEK 201 million of the total revenue. **+28%**  
**SEK 201 million**

## 5. Online & VOD revenues

increased by 9% compared to the previous year, generating approximately SEK 244 million of total revenue **+9%**  
**SEK 244 million**

## 6. Multi-territorial online revenues

increased by 47% compared to the previous year, generating approximately SEK 855 million of the total revenue. **+47%**  
**SEK 855 million**





## STIM's *Chair* *Carina Brorman*

on the past year and the future:

***“There is no better time than now to focus on development”***

2022  
**A Record Year!**

2022 was another transformative and dramatic year, from a societal perspective. How do you see the challenges ahead for STIM and the music industry in an uncertain environment?

“Although STIM has weathered the pandemic well, we need to be humble about the huge challenges society faces in terms of war, energy crisis, climate crisis and recession. Of course, this will have an impact on our revenues going forward and we need to be aware of possible behavioural shifts among customers and music users.

If we look specifically at the music industry, I see AI and copyright as perhaps the biggest issue to address. After many years of hard work, we have a new copyright law in place in the EU, which is a great victory. Now we need to look at AI and other services with auto-generated content from a copyright perspective.

In the wake of continued growth in the music sector, I also see another trend that STIM is already working on, but where we need to do even more. This is what we sometimes call the DIY generation, where many people fail to register their music and thus miss out on remuneration for their work. There is also a risk that they will prioritise money in their hands, thus contributing to a trend of increased music purchasing. Competition is getting tougher day by day, and we have to work hard to meet it.

**Despite all this, it was a record year.**

Yes, it is very positive and 2023 continues to have a strong outlook. There can be no better time to invest in business development than now. We are now entering a new era where we need to be even more responsive and on our toes and show that we really understand the reality of our affiliates.

The decision to phase out the current grading was taken at an extraordinary general meeting in 2022.” What does this mean for STIM and what happens next?

“This means we will have more power to support Swedish music. This is the work we have been doing for almost 100 years now, and now we have even better opportunities – to best promote musical diversity and revitalisation. Through the STIM Forward Fund and our new music promotion department, we have now created a unit that can lead the collective work of the Stimsphere and this is of great importance for our strategic work.

Not all music is immediately commercial. This is the fundamental insight on which music promotion is based, but also what distinguishes us from other players in the market. We are unique in our approach to social responsibility and sustainability. Ensuring that music is taken seriously and remunerated is our mission, you could say. It's not just about quick money but about fairness and long-term sustainability. This way, we have not only a sustainable perspective but also a holistic one.

There was a high level of enthusiasm in the Extraordinary General Meeting. Since 2020 we have also increased the total number of members with voting rights by 34%.” What is your view on this development?

“From my perspective, the biggest success of the EGM was the high level of engagement. It was very uncertain whether the proposal to phase out grading would actually go through. The fact that the annual general meeting then voted to pass the proposal with such a large majority is both empowering and reassuring.

It is also extremely gratifying that we have more voting members in STIM and that the commitment of our affiliates is increasing. This is the very basis of membership democracy; that everyone can participate and influence the future of STIM.”

***Is there anything you are particularly looking forward to during the anniversary year?***

“Getting to meet everyone behind the music, both at parties and in other contexts and the opportunity to discuss future concerns. It's a great opportunity to look at the bigger picture and celebrate the enormous success of Swedish music in the world.”



Increased the total number of members by  
**34%**  
since 2020

2023 is a major anniversary year for STIM. What is the significance of STIM turning 100 years old and what key strategic issues are you working on within the board?

“Having faced many challenges in our 100 years, this is a time to both look back and towards the future. What can we learn from the crises we have already been through? At the end of the day, the collective management model, with the values we have, has actually lasted for 100 years. Our task is to make sure it lasts for 100 more. We must never lose faith in the idea of welcoming everyone on an equal footing, while working to promote musical diversity and revitalisation. All this, in turn, relies on copyright, which we must continue to safeguard. Music has its emotional value but it must also have its monetary value in order for new music to be created.”

anniversary year  
**2023**



# For the music creators of **today & tomorrow**

**For almost a hundred years**, STIM has worked to promote the long-term development of music. Our work has gradually evolved over the years and today a large number of specific initiatives to promote music-making are carried out every year. These include initiatives to increase diversity and gender equality, make music accessible to children and young people, work towards strong copyright, scholarships and education. These efforts are being brought together and coordinated under the STIM Forward Fund brand to create a unified force for musical diversity and resurgence.

The need is greater than ever. The music industry is a constantly evolving sector. Music and creativity are changing – in the wake of digitisation and the development of new channels and services, new musical expressions and ways of performing music are emerging. While many do well in a commercial market, this is far from the case for all.

In recent years, STIM has carried out a comprehensive development of its music promotion activities in order to derive the greatest possible value from our collective efforts. Among other things, a new department for music promotion has been established at STIM to deepen cooperation between STIM, Skap, FST, Musikförläggarna and Svensk Musik. Together we can establish better conditions for music creators, both today and tomorrow.

An important decision for further development was taken at the Extraordinary General Meeting in December, where the phasing out of the deficient and outdated grading system was passed. At the same time, the initial part of a new, more accurate system was presented. The focus then shifts from the peer review of musical works to the context in which works are performed and made available to an audience.



Read more about the work and the different initiatives of the collecting societies on [STIMforwardfund.com](https://stimforwardfund.com).

## Children and young people

STIM wants to make it easier for children and young people interested in music to create music. In October 2022, we started a collaboration with **Make Music Matter!**, where together in a national initiative we reach students in nearly 500 schools from Kalix in the north to Malmö in the south. The first part of the collaboration is a school project where students create their own songs based on Avicii's song catalogue.

Together with the Swedish music industry, STIM, supported by the STIM Forward Fund, presented a unique major initiative in the form of **YOU+ MUSIC** at Fryshuset. The initiative brings young songwriters and artists into contact with the Swedish music industry. They get to know key people in the industry, are able to ask questions, receive guidance and professional feedback to advance their music making skills.

During the year, STIM has deepened its involvement in **Musikbojen**, a non-profit organisation that works to make music therapy available as a form of treatment for children and young people in Sweden. In 2022, Musikbojen offered more than 7,300 treatment sessions to 1,356 children and young people in children's hospitals, Child and adolescent psychiatry (BUP), habilitation programmes and homes for care or residence (HVB) and have also treated war refugees from Ukraine.

## Musical diversity and revitalisation through STIM's music promotion activities



## Gender equality and inclusion

STIM is one of the financiers behind the international gender equality programme **Keychange**. Keychange is a career development programme for female and non-binary artists and music industry professionals. In 2022, 76 new artists and innovators were selected for Keychange's talent development programme, six of which are based in Sweden. They held network meetings at the Way Out West festival in Gothenburg, where STIM participated. In 2022, Keychange expanded and is now also present in the US.

During the year, STIM has deepened its involvement in Musikbojen.

## Svensk Musik

During 2022, STIM's subsidiary **Svensk Musik** sold and leased sheet music worldwide. The manuscript collection was expanded during the year with nearly 390 new additions, plus some 60 works by Werner Wolf Glaser. The collection consists of over 22,700 works. About ten works from the Swedish Music manuscript collection have been published in 2022. The STIM sheet music collection, the popular music collection and the Skap archive currently contain more than 140,000 popular music works in digitised format.

## Scholarships and prizes

The **STIM Scholarships** were awarded for the 98th consecutive year. 149 grant-holders shared a total of SEK 4 billion. This year, a milestone was reached. For the first time since the STIM Scholarship began a majority of the recipients were women. The scholarship recipients represented a wide range of musical diversity, from fresh rap to opera. The grant-holders were celebrated with a ceremony in the STIM Music Room.

**STIM's sheet music publishing support** is awarded to STIM affiliated music publishers whose sheet music editions are considered important in their respective genres and would probably not be published without support. 126 eligible editions from 11 sheet music publishers were awarded SEK 772,000.

STIM awards **travel grants** to enable authors to attend their world premieres in Sweden and internationally, as well as major international festivals. This year, 70 travel grants were awarded to 27 women and 43 men. Travel took place to 55 different cities in over 10 different countries. The travel grants are mainly aimed at genres in need of particular support and help to further raise the visibility of Swedish music both in Sweden and internationally.

With his modern Afrobeats, Ebo Krdum became **Composer of the Year** and received a prize of SEK 30,000. The prize is awarded in cooperation with the Riksförbundet Folkmusik och Dans (RFoD) to acknowledge that folk and world music is a vital genre with a rich musical resurgence.

149 scholarship recipients shared a total of SEK 4 billion

## Internationally

Russia's invasion of Ukraine in February 2022 triggered partnerships across Europe to support displaced Ukrainian artists. STIM, through the STIM Forward Fund, together with Musikcentrum Öst, initiated a local **emergency residence for Ukrainian authors** fleeing the war. During the year, seven music creators and a manager from Kyiv received assistance through the project.

Since 2017, Swedish music has been the focus of the **Huddersfield Contemporary Music Festival**, thanks to a collaboration between the festival, STIM and a number of Swedish music organisations. Among several other Swedish entries in this year's festival, Lisa Streich stood out as this year's Composer in Residence.





# Together, we *joined forces* and won

At last, we have new copyright legislation in Sweden. Legislation that clearly advances the position of music creators and also entails higher royalties from social media. After many twists, turns and hard work, Europe's cultural creators have landed a huge victory and these don't come easy. For almost ten years, STIM, together with the associations of the Stimsphere and our European colleagues, worked to modernise the regulatory framework. The reforms were repeatedly attacked by opponents of the directive.

In Sweden, the new copyright law came into force on 1 January 2023. Several other European countries have already implemented the legislation and we can see that the critics of the Directive were wrong. The internet is not dead.

Throughout the process, STIM has maintained a close dialogue with politicians and sister societies in Europe. It's been a somewhat rocky road, but we've finally made it. Overall, it shows that cooperation, perseverance and hard work pay off. STIM and the rightsholders' associations Skap, FST and Musikförläggarna have worked hard to get this in place, but it would not have been possible without a strong commitment from the music creators themselves.

January  
**2023**  
The law becomes  
a reality

## A new copyright law becomes *a reality*

### High time for a modernised copyright law!

STIM, our European network GESAC and other organisations discuss how to work towards new legislation.

### First setback

The European Parliament votes against the proposal, which is a major blow to all creators. New negotiations and advocacy efforts are needed from our side.

### ...and is being listened to by the EU

A win for creators, as the Directive finally passes in a high-profile vote in the European Parliament.

### Resistance in Poland

Poland refers the directive to the European Court of Justice, claiming that it violates freedom of expression. In 2022, the Court rules that the directive does not violate freedom of expression.

### The YouTube goal

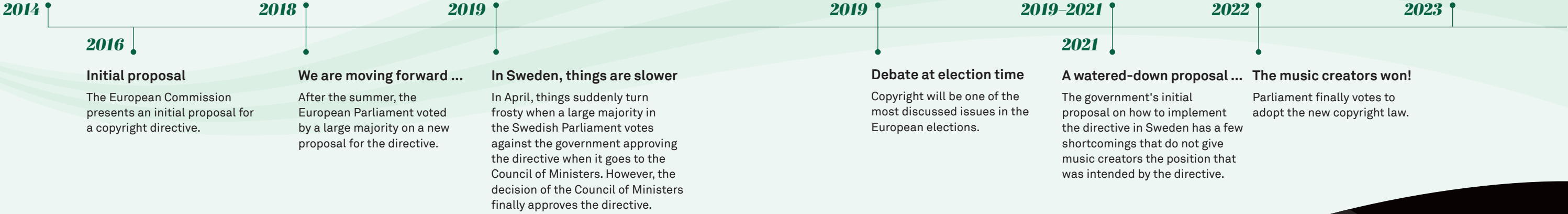
A case was pending before the Court of Justice of the European Union, where the main issue was whether YouTube should be obliged to pay compensation for use, when it allowed users to upload music on the platform without authorisation from rightsholders.

### ...which is improving

The government is amending several points in its initial proposal, giving music creators and societies like STIM a much better negotiating position.

### The law becomes a reality

The law enters into force on 1 January 2023 in Sweden.



## The **commitment** of the music creators *took us to the finish line*

### STIM has stood up for music creators the entire way.

The proposed EU bill was met with fierce opposition, with American IT companies fighting tooth and nail to stop the EU from legislating to protect the rights of cultural creators. In a debate article in Svenska Dagbladet, we joined a large number of other creators' organisations on the most important issue since the advent of the internet. STIM has consistently delivered reports and worked to raise awareness of the role of copyright in creation.

### Major petition

In spring 2018, together with our sister societies, we launched a European petition signed by over 4,000 music creators in Sweden. It included a call to politicians from song writing legend Eva Dahlgren: "If you care about future generations of songwriters and artists and about multi-faceted music, then do us justice now."

World star Sandro Cavazza also supported the petition: "Copyright is key to making a living as a music creator. It is good that politicians are hopefully changing the law now to suit a digital society."

### A call to action for the future of music

In a high-profile opinion piece in Dagens Industri, 118 music creators made a joint call to action in support of the legislation. Famous names such as José Gonzalez, Zara Larsson, Björn Ulvaeus, Tove Lo and Jocke Berg are among the authors who argue that it is all about sustainability, with the new legislation being crucial for the survival of music.

### World stars take the stage

In support of the bill, the hugely successful Max Martin and Shellback are featured in a film about how the bill affects them as music creators. In an appeal, they address MEPs directly and ask them to vote for the bill.

High time for a  
**modernised  
copyright law!**





**Casper Bjørner**  
CEO, STIM



**Carina Brorman**  
Chair, independent



**Martin Jonsson Tibblin**  
Board member,  
representing FST



**Alfons Karabuda,**  
Board member, First Vice-chair,  
representing Skap



**Kerstin Mangert**  
Board member, representing  
Musikförläggarna



**Anders Wollbeck**  
Board member,  
representing Skap



**Ayesha Quraishi**  
Board member,  
representing Skap



**Eric Sjöström**  
Board member, independent

## Deputies

**Viktor Sellgren**  
First Deputy Employee  
Representative

**Mikael Alenmark**  
Second Deputy Employee  
Representative

## Management

**Casper Bjørner**  
CEO

**Theres Annerstedt**  
HR

**Lina Heyman**  
Legal

**Peter Lindström**  
Members & Market

**Sofie Marin**  
Music Promotion

**Jenny Möllberg**  
IT

**Eleonor Otterdahl**  
Communication

**Claudia Salazar**  
Operations

**Jan-Christer Stoppel**  
Finance

# Board & management team

STIM's Board of Directors has the task of continuously monitoring how the business is managed and deciding on the issues delegated by the General Assembly. The board of directors consists of representatives from the rightsholder categories that STIM represents, i.e., members who are active in FST, SKAP or Musikförläggarna, along with independent members. The Chair of the Board is independent. The Board of Directors also includes STIM employee representatives.



**Eva Botmar**  
Board member,  
employee representative



**Filiz Erat Edhlund**  
Board member,  
representing Musikförläggarna



**Hans Fahlin**  
Board member, independent



**Johan Blixt**  
Board member,  
representing FST



**Lars Karlsson**  
Board member, representing  
Musikförläggarna



**Linda Portnoff**  
Board member, independent



**Susan Roberts**  
Board member, employee representative



**Ylva Fred**  
Board member, representing FST

## 100,000 Affiliates and members

STIM is a non-profit economic association with more than 100,000 affiliated songwriters and publishers. As an affiliate of STIM, you can apply for membership with voting rights, and STIM currently has about a thousand members who each year have the opportunity to influence the activities by participating and voting at the general meeting.



### Rightsholders' associations

The Swedish Society of Composers (FST), Swedish Society of Song-writers, Composers and Authors (SKAP) and Musikförläggarna represent the various parts of STIM's rightsholder collective, authors and music publishers. As representatives of these categories, the associations sit on the board of STIM. They are also important collaborative partners in STIM's music promotion work.

Affiliates

Members

## Governance

STIM is governed by several bodies, each of which has a specific mandate and responsibilities. Through the General Assembly, which is the highest decision-making body, members have a direct influence on STIM's activities.

Annual general meeting

Auditor

Nomination Committee

Board of Directors

CEO

## How STIM is governed

NäMMU

SVENSK MUSIK

STIM Fastighets Holding

cora music

ICE

## The Stimsphere and music promotion activity

Promoting copyright, copyright-protected music and musical diversity are important objectives for STIM. STIM pursues its music promotion activities in collaboration with the associations FST, SKAP and Musikförläggarna, along with STIM's subsidiary, Svensk Musik. NäMMU, STIM's committee for the promotion of musical diversity and copyright, decides on the funds that promote the interests of its members in various ways.

## The STIM Group

The STIM parent association has several wholly owned and partly owned subsidiaries responsible for running specific activities. The international organisation ICE is co-owned by the UK-based PRS for Music and the German company GEMA. ICE consists of the companies ICE Int. Copyright Enterprise Services Ltd and ICE Operations AB with the subsidiary ICE Int. Copyright Enterprise Germany GmbH. Through STIM Fastighetsholding, STIM owns the property in which its business operations are conducted. Cora Music AB enables video creators to access copyrighted music.

\*For a full description of the Board's involvement, see page 46.





## Administration-report

The Board of Directors and the Chief Executive Officer of Svenska Tonsättares Internationella Musikbyrå (STIM) u.p.a., corporate ID no. 702002-3524, hereby present the annual report and consolidated financial statements for the 2022 financial year.

### Description of operations

STIM is a non-profit member organisation that advocates for strong copyright protection and for music creators and publishers to be paid for their music. We also work for the revitalisation and diversity of the Swedish music industry, a socially beneficial mission that sets us apart from other actors on the market. STIM licences music from around the world and distributes and pays compensation to individual rightsholders, both Swedish and international. By signing a licence agreement with STIM, anyone who wishes to use music can easily obtain access to millions of pieces. This makes it easy for the rightsholder of the music to receive compensation for their creation, which in turn makes it possible to create new music. STIM thus plays a crucial role in the music ecosystem.

Operating on the basis of copyright law, STIM manages the rights to economic compensation of its affiliates. Through affiliation, rightsholders entrust STIM with the collective management of rights to compensation. In 2022 the total number of affiliated rightsholders surpassing 100,000, setting a new milestone. At the end of the year, the number of affiliates totalled 98,322 individual rightsholders and 3,916 companies.

Through our mutual agreements with other societies around the world, rights for both domestic and international music are licenced in Sweden, along with the international rights of STIM affiliates. When it comes to global digital music services, STIM licences directly in several territories through ICE Services Ltd., which is part of our international collaboration for music licensing and copyright. For more than a decade, STIM has been involved in this collaboration on licensing of rights and administration of works' documentation, music use

reports and settlement services This is operated in the form of a joint venture, where STIM, together with the UK's PRS for Music and Germany's GEMA have ownership shares in ICE Operations AB, with the wholly-owned German subsidiary ICE Germany GmbH and the UK subsidiary, ICE Services Ltd. ICE licences the rights of STIM, PRS and GEMA, and other societies and music publishers, which together provide a very strong repertoire that is attractive to the major international music services. For the music services, this provides a streamlined multi-territory licensing solution, while at the same time allowing for economies of scale in data processing and work documentation for the copyright societies in ICE.

For the past few years STIM has also been licensing directly online in certain territories in Asia. This is done through collaboration with the Australian company APRA AMCOS. The same applies to unlicensed mechanical rights on the North American market, where STIM started direct licencing a few years ago through our partner MUSERK. Both of these initiatives are now in full operation and during the year the first pay outs of these revenue streams could be made. STIM also has a longstanding collaboration with other Nordic copyright organisations in Nordisk Copyright Bureau, which manages the licensing and administration of music when recorded on physical products, such as CDs and DVDs.

Through its subsidiaries STIM Fastighets Holding AB and Stimhuset KB, STIM owns the property in which STIM's actual business operations are conducted. STIM currently uses approximately 4,000 M2 of the property's 10,000 M2, with the remaining 6,000 M2 being leased to external tenants. Other wholly owned subsidiaries include Svensk Musik Swedmic AB, which is tasked with documenting and informing about copyright-protected music and conducting sales and rental of sheet music, and Cora Music AB, which enables video creators to access a catalogue of copyrighted music.

### Changes on the Board of Directors and in the management team

At the 2022 annual general meeting, the decision was made to amend the articles of association, as a result of which STIM's board of directors (in addition to employee representatives) shall consist of 13 full members, without deputies. In accordance with the recommendations of the nomination committee, the following board members were elected: Johan Blixt

(representing FST, newly elected for 2-year term), Ylva Fred (representing FST, newly elected for 2-year term) Anders Wollbeck (representing Skap, newly elected for 2-year term), Ayesha Quraishi (representing Skap, newly elected for 2-year term), Kerstin Mangert (representing Musikförläggarna, re-elected for 2-year term), Filiz Erat Edhlund (representing Musikförläggarna, newly elected for 2-year term), Lars Karlsson (representing Musikförläggarna, by-election for 1-year term), Linda Portnoff (independent, re-elected for 2-year term) och Eric Sjöström (independent, re-elected for 2-year term). Other members on existing appointments include Martin Jonsson Tibblin (representing FST), Alfons Karabuda (representing Skap), Hans Fahlin (independent) and Carina Brorman (independent, chair),

The following changes have been made to STIM's management team over the course of the year. Lina Heyman took over as the new head of legal. The previous role of COO with responsibility for both IT and operations was replaced by a CIO position, filled by Jenny Möllberg, and a Director of Operations, with Claudia Salasar in the role. STIM's management team was expanded by a new role, Director of Cultural Affairs, when Sofie Marin was hired as the head of STIM's music promotion activity. Marin stepped away from that role in April of this year and the business is being managed temporarily by the CEO until a permanent solution is in place.

### Significant events during the financial year

Market conditions began to normalise after the first few months under continued pandemic-related restrictions, and the live sector and the background market- the hardest hit areas of the market -began to recover.

During the year, STIM continued its work on licensing the Swedish video-on-demand market and, after entering into an agreement with HBO, STIM now covers more than 90 percent of the Swedish market. The licensing of the global streaming music market has been further strengthened through ICE Services Ltd's signing of renewed agreements with Meta and TikTok.

In November, an Extraordinary General Meeting of STIMs decided to discontinue grading as a means of supporting music overlooked by the market, and in light of this, STIMs Board of Directors took a decision on the development of a new support scheme to replace the old one.

At the end of the year, Swedish Parliament adopted a new, modernised copyright law.

### Significant events during the financial year

The new copyright law entered into force on 1 January 2023, which clearly advances the position of music creators with regard to fair remuneration for their music from the major media platforms.

### Significant risks and uncertainties

We live in a world of constant and rapid change, affecting not least the music industry. This imposes high demands on STIM to constantly evolve and adapt to new consumption patterns and changing needs of our right holders and customers. Significant investments in new systems, processes and ways of working are a natural part of our business. The largest single investments in recent years have taken place in the jointly owned companies ICE Services Ltd och ICE Operations AB. STIM has historically co-financed these investments through loans to ICE and it is important that these operations develop as expected and that the development projects that are run can be implemented. ICE has been developing a next-generation rights management system for a few years now, which is slated to become operational by late 2023. The activities of the ICE companies have developed strongly in recent years, which is expected to gradually reduce the need for direct financing from the owners and in turn reduce direct financial exposure for STIM as an owner.

For STIM, as for almost all businesses, the availability and security of IT systems and access to data is a critical factor for smooth operation. Continuous and systematic identification and assessment of IT-related risks, notably cyber security risks, remains a priority area in STIM's overall risk management. A number of updates and improvements have been made over the past year. This includes continued introduction of various frameworks, along with technical development, where applications are elevated to new platforms and the incorporation of new tools for monitoring and surveillance of the IT environment.

102,238  
authors  
and publishers

### Sales and performance

The Group's revenue during the financial year was SEK 2,732.7 (2,175.7) million and operating expenses were SEK 260.8 (235.7) million. Profit/loss from participations in associates amounted to SEK 65.9 (44.3) million. Consolidated profit before distribution to rightsholders totalled SEK 2,544.0 (1,986.9) million.

The Parent Society STIM's total sales for the financial year amounted to SEK 2,716.1 (2,161.1) million, equivalent to an increase of 25.7 (12.8) per cent compared with the previous year. Royalty revenue increased by SEK 556.4 (246.7) million.

The Parent Society STIM's net distributable income totalled SEK 2,484.5 (1,946.5) million, corresponding to an increase in royalty payments to rightsholders equal to SEK 529.9 (234.3) million.

### Financial position

#### Group

The Group's total equity at year-end was SEK 315.0 (255.5) million, of which 270.9 (204.4) was non-restricted equity.

### Parent Society

At the end of the year, STIM's equity amounted to SEK 1.2 (1.2) million or 0.1 (0.1) per cent of the balance sheet total. Liability to rightsholders at the end of the year totalled SEK 1,749.1 million (1,463.8).

### Liquidity

Cash and cash equivalents, including short-term investments, totalled SEK 1,326.6 (1,129.8) million for the Parent Society and SEK 1,364.0 (1,161.6) million for the Group. During the year, excess liquidity was invested in interest-bearing assets in SEK in the form of fixed income funds.

Investments have been made in accordance with regulations given by the Board of Directors for investments with a focus on low interest rate, credit and liquidity risk.

### Group contributions

During the financial year, the Parent Society received group contributions from subsidiaries totalling SEK 8.7 (9.0) million.

### Five years, in summary

Parent Society's profit (tSEK)	2022	2021	2020	2019	2018
Operating income	2,732,732	2,175,695	1,930,968	2,390,549	2,082,274
Management costs	-260,831	-235,698	-225,738	-244,306	-233,910
Profit/loss from participations in associates	65,878	44,313	14,655	3,496	8,917
Distribution costs	-2,484,450	-1,946,517	-1,712,199	-2,153,169	-1,851,853
Interest and other financial items	6,334	2,469	5,478	6,230	2,736
Tax	-86	120	-15	29	86
<b>Profit/loss for the year</b>	<b>59,577</b>	<b>40,381</b>	<b>13,149</b>	<b>2,829</b>	<b>8,251</b>

Consolidated profit (tSEK)	2022	2021	2020	2019	2018
Operating income	2,716,088	2,161,098	1,916,565	2,376,460	2,071,687
Management costs	-248,332	-226,955	-219,774	-239,856	-227,266
<b>Operating profit/loss before settlement</b>	<b>2,467,756</b>	<b>1,934,144</b>	<b>1,696,791</b>	<b>2,136,604</b>	<b>1,844,421</b>
Interest and other financial items	8,049	3,291	6,300	7,017	3,271
Appropriations and taxes	8,644	9,083	9,108	9,548	8,262
<b>Operating profit/loss before settlement</b>	<b>2,484,450</b>	<b>1,946,517</b>	<b>1,712,199</b>	<b>2,153,169</b>	<b>1,855,954</b>





# Sustainability report 2022

This report describes STIM’s work in matters of sustainability. Our reporting focuses primarily on areas where we, as an organisation, can exercise influence and make a difference based on our industry and conditions, but also specifically addresses the environment, social conditions, personnel, respect for human rights, diversity and anti-corruption.

### Environmental impact

STIM is constantly working to become even better at efficient use of resources and challenging ourselves to minimise our environmental impact. It is an integral part of our choice of products, services and suppliers, as well as a priority when we develop our own processes. STIM’s business model is designed to have marginal inherent environmental impact. No physical products are produced and our business activities are run from a single geographical location. Most of the contacts and information exchange we have with our stakeholders take place digitally and the work to continue digitising the business is constantly underway.

### Reduced travel and encouragement of the use of public transport

Limiting travel to only essential meetings has long been a focus, naturally sharpened in recent years because of the pandemic. This new way of working established during the pandemic has had positive effects in the form of reduced travel, as both domestic and international travel previously considered necessary has now been largely replaced by video conferencing. STIM’s issue of subsidised SL cards (public transport) to staff has been another important environmental measure that has seen a high level of adoption. It lowers the environmental impact of commuting to and from the office.

### Property, premises and consumables

STIM owns the property called Hornsgatan 103 acts as lessor for about 15 tenants. STIM is the largest tenant in the property in terms of both number of people and actual building area. As an employer and lessor, we strive to offer well-managed and appropriately equipped premises that offer a good, pleasant working environment. This applies

not only to those working in the building, but also our partners for services and products. We are continuously striving to make our property greener and prioritise sustainable solutions. The property has two air conditioning systems, one of which has already been replaced, with the other scheduled for replacement in spring 2023. Air conditioning units are some of the worst offenders when it comes to environmentally harmful emissions. The older the system, the greater the risk for leakage of environmentally harmful gases. New machines also reduce the risk for leakage while also making the gas less harmful to the environment. To top it off, they are more efficient, which means less energy consumption. STIM uses green electricity consisting of at least 10 per cent wind power and we lower the heat during weekends. We have also begun converting to LED lighting in all fixtures. When purchasing office supplies, we choose alternatives with as little environmental impact as possible. Printers and copiers are set to double-sided printing by default and have “Follow me print”, which means that you will only receive your printout by identifying yourself on site at the printer. Paper consumption is continuously being reduced, but we do not have data on exactly how much. The fruit, coffee and milk that we offer to our employees bears the Nordic Swan Ecolabel and we source separate waste by category (glass, metal, cardboard, plastic, electronics and paper). Starting in 2023, food waste will also be recycled separately. Digitised communication STIM strives to have as high a degree of digital communication as possible, which applies to our affiliates, customers and other stakeholders. STIM typically sends out around 60,000 customer invoices per year, the majority of which have been letter invoices sent out by post. We have a goal of sending all invoices by email. In 2022, we increased the percentage of digital invoices to 68 per cent of the total, compared with 61 per cent in 2021. The work to digitise communication continues. Environmentally certified suppliers STIM chooses suppliers who, like us, act on their environmental concerns, such as by setting requirements for environmental certificates. Strategic suppliers shall, in their cooperation with us, have environmental considerations in focus.

IT infrastructure and energy consumption STIM’s IT infrastructure consists of two data centres, cloud-based IaaS (infrastructure as a service) and STIM’s headquarters. We rely primarily on our own staff for operations. A large-scale transition is underway, with many old applications being replaced and more and more of our infrastructure migrating to the cloud. Resource and cost-efficient usage of infrastructure is our goal and something we work on continuously.

High ambitions for STIM as a workplace STIM employees are passionate about seeing music creators get paid for their music and ensuring that new, amazing music will keep getting created in Sweden. There is enormous pride in our mission and employees are extremely dedicated. Our task, as employer, is to keep it that way by creating the conditions that enable our employees to do a good job, thrive and develop in their work. It’s how we build a strong organisation, with the power to make a difference for music creators. We have well-established HR processes, in recruitment, introduction, development and retention and closure, that support the development of employees and the business as a whole.

Secure terms of employment STIM’s employees are covered by collective agreements from Almega AB (the Employers’ Organisation for the Swedish Service Sector) and Medieföretagen (Almega sub-category for Media companies). It provides our employees with secure terms of employment as regards such things as insurance, pensions, vacation, parental leave, sickness compensation and the regulation of forms of employment.

Transparency, influence and openness A pleasant and stimulating working environment is a must for STIM to be attractive to our affiliates, customers and employees. Open communication with a large, relevant flow of information is an important parameter for us at STIM. Our employees must have a good knowledge of STIM as an organisation and the decisions that are made, and we are always striving for a high level of participation and influence in our work. We have been conducting periodic surveys for the past several years, where we regularly investigate how employees feel about various issues (both recurrent and incidental) so we can then take action accordingly. There is a well-established and development-oriented collaboration between STIM

as an employer and the employee organisation’s local club (Unionen).

A good work environment Work environment management at STIM aims to create conditions that promote a positive atmosphere at work. After working remotely for the most part for two years, we welcomed all employees back to the office in March of 2022. We have since been working at least three days per week in the office, and offer the option to work up to two days per week remotely. This approach is perceived by the majority as being the best of both worlds, as it advances collaboration and creativity whilst allowing time for undisturbed, focused work and improved life management. In 2022 we carried out work environment training for managers. Absence due to illness is relatively low at STIM and for several years, the trend has been a continuous decrease. We are very happy that long- term sick leave is low at STIM.

Wellness Health and wellness are an important component of STIM’s work environment. We want to make it easier for employees to maintain or improve their physical, mental and social health. We do this by offering STIM employees subsidies for wellness activities or memberships at the nearby gym, including one hour off (with pay) per week for such activities. We also offer massage and naprapathy treatments to all of our employees. “STIM-health” organised various health-related activities in 2022.

Diversity and equal treatment STIM works to ensure that all employees have equal rights and opportunities in the workplace as regards working conditions, terms of employment and career development through training and skills development, as well as promotion at work regardless of gender; transgender identity or expression, ethnicity, religion, disability, sexual orientation or age. 45% of our employees are women and 50% of managerial positions

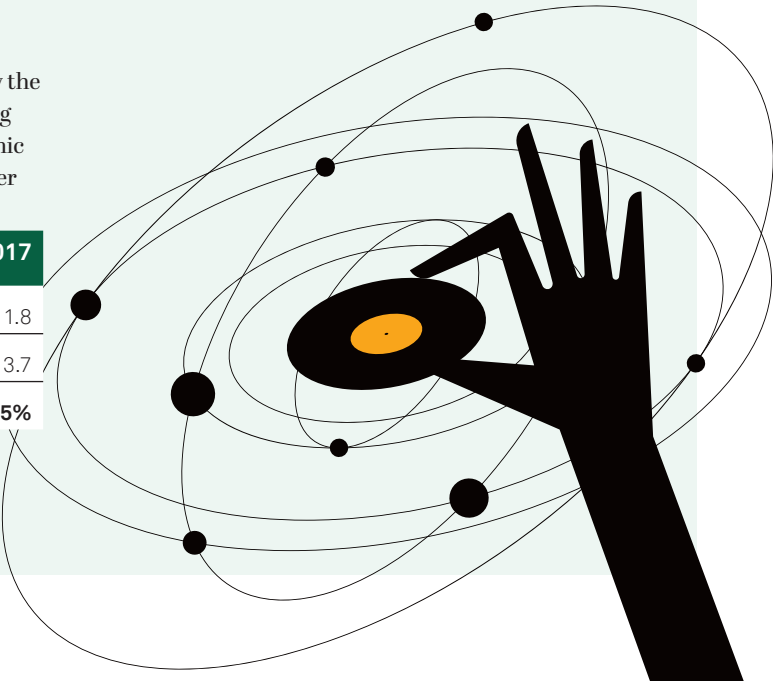
Absence due to illness %	2022	2021	2020	2019	2018	2017
Short (< 60 days)	2.0	1.4	2.2	1.8	1.7	1.8
Long (> 60 days)	1.4	1.5	2.0	1.6	2.6	3.7
Total	3.4%	2.9%	4.2%	3.4%	4.3%	5.5%

are held by women. Distribution in the management team is 67 per cent women, 33 per cent men. We do not tolerate any form of harassment of employees - all these forms of abuse are prohibited in the workplace. We value work/life balance and consider it important for our employees that parenthood and work not be mutually exclusive. We also strive to have a discrimination-free recruitment process so that everyone, based on their skills, actual knowledge and abilities, has the opportunity to apply and be considered for available positions. STIM’s pay outs to its affiliates are based on the works that have been produced, which ensures that they are unbiased and fair. However, it is still clearly, a male-dominated industry, where nearly 80% of our affiliates are men. The trend is nevertheless positive, with more and more women joining, although progress is slow. We work on a broad front to create better conditions in the industry, both in the form of our own initiatives and projects, within the overall STIM sphere and our new brand, STIM Forward Fund. One specific example is our scholarship activity where, in addition to quality, we strive for and achieve a high degree of equality in the distribution. We also work actively with the issues of gender equality and non-discrimination in the industry organisations in where we are very actively involved, with Musiksverige as one example. Sustainability in the music industry also has another meaning, namely musical sustainability. STIM is dedicated to developing musical diversity and strengthening the revitalisation of the Swedish musical scene. We work in close co-operation with the rightsholders’ associations in the “Stimsphere,” and this is also the purpose of joining forces in the STIM Forward Fund.

Copyright is a human right STIM’s mission is to represent and protect the music creator’s right to compensation when their music is performed. It is a great and honourable mission, to say the least. Copyright is a human right, which means, among other things, that the author’s intellectual and economic rights are protected by both the United Nations Charter

of Human Rights and the Swedish Constitution. Strong copyright protection helps promote growth in society and ensure everyone’s right to, in exchange for compensation, add to our cultural heritage of music. The remuneration of the creators ensures that new music continues to be created and that is also STIM’s overall purpose and goal. All of STIMs’ activities must reflect respect for- and preservation of human rights. STIM has not encountered any problems with child labour or violations of other social rights in the context of its operations or with regard to the operations of its collaborative- and business partners.

Clear policy on ethics and anti-corruption STIM’s reputation, ethical behaviour and reliability are of paramount importance to STIM as an organisation, our affiliates, members and customers. The organisation’s governance pertaining to anti-corruption is detailed in an anti-corruption policy that serves as ethical guidance to counteract actions in contravention of Swedish bribery legislation. All STIM employees and others acting on behalf of STIM must behave ethically and in accordance with applicable laws and regulations. We expect the same from the companies, organisations and individuals with whom we do business and collaborate. The policy is based on the precautionary principle and means that in the event of the slightest uncertainty, there must always be a check with the immediate manager or decision-maker so that the person or persons representing STIM act correctly and in accordance with the policy guidelines. We have a code of conduct in STIMs that clarifies expectations of STIM’s employees, consultants and board members. There is also a code of conduct for STIM’s members.





Income statement

Operating income, (tSEK)	Group		Parent Society	
	2022	2021	2022	2021
Royalty revenue	2,710,437	2,153,948	2,710,384	2,153,943
Other revenue	22,295	21,748	5,704	7,155
Total operating income	1.3	2,732,732	2,175,695	2,716,088
2,161,098				
Operating expenses				
Personnel costs	2, 4, 5	-133,764	-144,059	-130,598
Other management costs	2, 3, 6	-106,935	-88,042	-107,447
Capitalised development costs	2, 8	9,347	20,808	9,347
Depreciation/amortisation	2, 9- 11	-29,480	-24,406	-19,634
Total management costs		-260,831	-235,698	-248,332
-226,955				
Profit/loss from participations in associates	13	65,878	44,313	-
Distribution costs	7	-2,439,696	-1,909,802	-2,439,696
Costs of music promotion activities		-44,754	-36,715	-44,754
Earnings before financial items		53,329	37,793	-16,693
-12,373				
Interest income		3,021	2,132	4,736
Other financial items	13	3,314	356	3,314
Interest expenses		-	-19	0
Earnings after financial items		59,664	40,262	-8,644
-9,083				
Appropriations	22	-	-	8,726
Tax on profit for the year	21	-86	120	-82
Profit/loss for the year		59,577	40,381	-
-				

Balance sheet

Assets (tSEK)	Note	Group		Parent Society	
		31/12/2022	31/12/2021	31/12/2022	31/12/2021
Non-current assets					
Intangible assets					
Current investment in new IT systems	8	1,897	13,371	1,897	13,371
Capitalised expenditure on system development	9	41,937	38,791	36,188	31,028
Total intangible assets		43,834	52,163	38,084	44,399
Property, plant, and equipment					
Buildings and land	10	333,046	341,011	-	-
Equipment	11	6,197	8,296	5,934	7,922
Total property, plant and equipment		339,243	349,307	5,934	7,922
Financial assets					
Participations in Group companies	12	-	-	10,200	10,200
Participations in associates	13	125,280	59,472	41,319	41,319
Receivables from Group companies	12	-	-	105,095	101,138
Receivables from associates	13	132,431	85,099	132,431	85,099
Other non-current assets		56	102	56	102
Other non-current financial assets	2	5,679	5,999	5,679	5,999
Total non-current financial assets		263,445	150,672	294,780	243,857
Deferred tax asset	21	1,454	1,536	1,454	1,536
Total non-current assets		647,976	553,677	340,252	297,714
Current assets					
Current receivables					
Trade receivables		118,610	93,160	116,986	90,125
Receivables from Group companies	12	-	-	11,834	11,835
Receivables from associates	13	3,766	19,149	3,766	19,149
Other receivables		25,312	16,745	25,122	16,558
Tax assets		4,997	3,489	4,780	2,676
Total prepaid expenses and accrued income	14	427,572	374,438	427,036	370,138
Total current receivables		580,256	506,981	589,523	510,481
Short-term investments		1,228,736	1,067,267	1,228,736	1,067,267
Cash and bank balances		135,220	94,320	97,859	62,561
Total current assets		1,944,212	1,668,568	1,916,118	1,640,309
Total assets		2,592,188	2,222,246	2,256,370	1,938,022



Balance sheet

Equity and liabilities (tSEK)	Note	Group		Parent Society	
		31/12/2022	31/12/2021	31/12/2022	31/12/2021
Equity					
Restricted equity					
Invested capital		13	12	13	12
Capitalised expenditure for development work		42,870	49,872	37,121	42,108
Other restricted equity		1,226	1,226	1,226	1,226
Total restricted equity		44,110	51,110	38,360	43,347
Unrestricted equity					
Accumulated profit		211,259	162,427	-37,116	-42,104
Adjustment of Opening Balance for Associates	13	4,808	1,789	-	-
Translation difference	13	-4,737	-198	-	-
Profit/loss for the year		59,577	40,381	-	-
Total unrestricted equity	15	270,907	204,399	-37,116	-42,104
Total equity		315,016	255,509	1,244	1,243
Provisions					
Provisions for pensions	2, 20	7,056	7,454	7,056	7,454
Total provisions		7,056	7,454	7,056	7,454
Non-current liabilities					
Non-current liabilities	16	1,075	1,075	-	-
Total non-current liabilities		1,075	1,075	-	-
Current liabilities					
Trade payables		14,154	6,504	12,443	5,548
Distribution liabilities	17	1,749,113	1,463,800	1,749,113	1,463,800
Liabilities to group companies	12	-	-	695	4,467
Tax liabilities		193	233	-	-
Other liabilities	18	168,154	173,215	168,029	170,148
Accrued expenses and prepaid income	19	337,425	314,456	317,789	285,361
Total current liabilities		2,269,040	1,958,208	2,248,069	1,929,325
Total equity and liabilities		2,592,188	2,222,246	2,256,370	1,938,022

Change in equity

Parent Society (tSEK)	Invested capital	Allocated to reserve for development costs	Other restricted equity	Retained earnings	Profit/loss for the year	Total equity
Amount at beginning of the year 01/01/2021	11	37,212	1,226	-37,208	-	1,242
Change in invested capital	1	-	-	-	-	1
Allocated to reserve for development costs	-	4,896	-	-4,896	-	-
Amount at end of the year 31/12/2021	12	42,108	1,226	-42,104	-	1,243

Amount at beginning of the year 01/01/2022	12	42,108	1,226	-42,104	-	1,243
Change in invested capital	1	-	-	-	-	1
Allocated to reserve for development costs	-	-4,988	-	4,988	-	-
Amount at end of the year 31/12/2022	13	37,121	1,226	-37,116	0	1,244

Group (tSEK)	Invested capital	Reserve for development costs	Other restricted equity	Retained earnings	Profit/loss for the year	Total equity
Amount at beginning of the year 01/01/2021	11	41,062	1,226	161,270	13,149	216,718
Adjustment of Opening Balance for Associates*	-	-	-	-1,789	-	-1,789
Adjusted opening balance 01/01/2021	11	41,062	1,226	159,481	13,149	214,929
Appropriation of profits	-	-	-	13,149	-13,149	-
Change in invested capital	1	-	-	-	-	1
Allocated to reserve for development costs	-	8,810	-	-8,810	-	-
Translation difference	-	-	-	198	-	198
Profit/loss for the year	-	-	-	-	40,381	40,381
Amount at end of the year 31/12/2021	12	49,872	1,226	164,018	40,381	255,509

Amount at beginning of the year 01/01/2022	12	49,872	1,226	164,018	40,381	255,509
Adjustment of Opening Balance for Associates*	-	-	-	-4,808	-	-4,808
Adjusted opening balance 01/01/2022	12	49,872	1,226	159,210	40,381	250,701
Appropriation of profits	-	-	-	40,381	-40,381	-
Change in invested capital	1	-	-	-	-	-
Allocated to reserve for development costs	-	-7,002		7,002	-	-
Translation difference	-	-	-	4,737	-	4,737
Profit/loss for the year	-	-	-	-	59,577	59,577
Amount at end of the year 31/12/2022	13	42,870	1,226	211,330	59,577	315,016

\* Difference between the preliminary and final year-end results for associated companies. The final audited financial statements of associated companies have not been finalised at the time of adoption of STIM's annual accounts.



## Cash flow statement

(tSEK)	Group		Parent Society	
	2022	2021	2022	2021
Operating activities	Note			
Payments from customers		2,647,082	2,048,605	2,637,045
Pay outs to rightsholders	17	-2,154,477	-1,841,770	-2,154,477
Payments to suppliers and employees		-245,607	-233,293	-231,230
Cash flow from operating activities before interest and income taxes paid		246,998	-26,459	251,338
				-22,092
Interest received		3,023	2,132	4,736
Other financial items		3,314	356	3,313
Interest paid		-	-19	-
Income taxes paid		-4	-3	-
Cash flow from operating activities		253,331	-23,992	259,387
				-18,801
Investment activities				
Investments in property, plant and equipment and intangible non-current assets	8, 10, 11	-3,631	-18,753	-11,332
Investments in financial assets		-52,405	-19,035	-56,362
Disposal of non-current financial assets		5,073	6,290	5,073
Investments in subsidiaries		-	-	-
Change in short-term investments of excess liquidity		-161,468	40,824	-161,468
Cash flow from investment activities		-212,431	9,326	-224,089
				3,765
Cash flow for the year		40,900	-14,666	35,299
				-15,036
Cash and cash equivalents at beginning of year		94,320	108,986	62,561
Cash and cash equivalents at year-end		135,220	94,320	97,859
				62,561

## Accounting and valuation principles

### Accounting policies

The accounting and valuation policies applied conform to the Swedish Annual Accounts Act and the general recommendations of BFNAR 2012:1 as issued by the Swedish Financial Accounting Standards Council. The applied policies are unchanged compared with the previous year unless otherwise stated below.

### Consolidated accounts

The consolidated accounts include subsidiaries where the parent company, directly or indirectly, controls more than 50 per cent of the votes or otherwise exercises a controlling influence. The consolidated financial statements are prepared in accordance with the acquisition method, whereby the equity of the subsidiaries at acquisition – calculated as the difference between the fair values of assets and liabilities – is eliminated in its entirety. As such, consolidated equity includes only that portion of the equity of the subsidiaries that has arisen after acquisition.

### Accounting for associates

Associates are those companies in which the Group has a significant but not controlling influence, which in general means holdings encompassing 20 to 50 per cent of the votes. Holdings in associated companies are reported in accordance with the equity method. When applying the equity method, the investment is initially valued at acquisition value. The carrying amount is then increased or decreased by the holding company's share of the associate's profit or loss. Any dividends that are received reduce the carrying amount.

### Revenue recognition

Operating income includes – after the deduction of value-added tax – rental revenue throughout the term of the lease and royalties in accordance with the economic implications of the current agreement. Business grants and Library funding are requested annually from the Swedish Arts Council and Sweden's Legal, Financial and Administrative Services Agency, respectively. Interest income is reported using the effective return.

Revenue via ICE is reported at the gross amount, which means that it is reported prior to the administrative cost deduction that ICE makes and the administrative cost deduction is reported in external costs. At the start of each contract period, STIM receives forecasts from ICE on the music usage of STIM-represented repertoires. Based on forecasts, STIM also receives payments on account for all or part of the period. Based on that information, STIM recognises income for each period primarily based on historical data, if no other information is available. The remaining amount is capitalised. During the contract period, reports are then regularly received about actual music usage and the amount of revenue that can thus be settled.

### Distributions

STIM is a non-profit organisation and according to the Swedish Copyright Collective Management Act (2016:977), deductions shall not exceed the costs of rights management. This means that part of the total deduction that occurs must be variable. In some areas, the percentage deduction that STIM makes is set already at the beginning of the year (fixed deduction), but for other areas and for the reasons explained above, a variable deduction is applied, which cannot be calculated until end of year, once all the year's revenue and costs have been established. In practice, however, the variable deduction also needs to be applied during current years in order to maintain ongoing accounting records and settle the current year's revenues. This is why a preliminary variable deduction is also established at the start of the year. In connection with interim financial statements and updated forecasts for the year, an assessment is made on an ongoing basis as to whether there is any need to change the level of deduction, and in the event of major deviations, a change is made to the deduction. For minor budget deviations and minor differences between costs and the deduction made, the deduction is not changed. Instead, the surplus or deficit is recorded as an accrued settlement cost in the year-end accounts. When establishing the deduction for the coming year, consideration is given not only to

the budget, but also the recorded surplus/deficit of costs from the previous year.

In addition to the deduction for management costs, deductions may also be made for social, cultural and educational purposes. These deductions for social, cultural and educational purposes may not exceed 10 per cent of what remains of the total royalty revenue, after management costs have been deducted. What remains constitutes payment due to the society's members and affiliates, who assigned their rights to the Society, and is distributed in accordance with the Society's distribution rules. The Board of Directors continuously reviews the rules and determines how they are to be applied. With respect to changes to the distribution rules, the stipulations of the Articles of Association on changes to said Articles apply.

### Intangible non-current assets and property, plant and equipment

Intangible non-current assets, such as computer software, are recognised at cost less deductions for accumulated depreciation according to plan. "Off-the-shelf" software is expensed directly. Costs related to software developed or substantially modified on STIM's behalf are capitalised as an intangible asset if said software is deemed to lead to probable economic benefits that after a year exceed the costs incurred. Capitalised costs for acquired software are depreciated on a straight-line basis over the estimated useful life, although subject to a maximum of 10 years. Depreciation is applied as of the time at which the asset is ready to be placed in service. As such, no depreciation is applied to investments in progress. Property, plant and equipment are recognised at cost less deductions for accumulated depreciation according to plan. Expenditure to improve the performance of assets, above their original level, is added to the carrying amount of the asset. Expenses for repairs and maintenance are recognised as costs. Depreciation is made on a straight-line basis over the estimated useful life of the assets. The residual values and useful life of the assets are tested once a year and adjusted as necessary.



The following depreciation periods are applied:

<i>Components in buildings</i>	
Shell, roof and windows	50 years
Tenant adaptations	5 years
Façade and lifts	30 years
Overhead walkways	25 years
Access systems, locks and fibre	15 years
Plumbed facilities and plumbing	10 years
Building facilities	10 years

<i>Other non-current assets</i>	
System development	2, 3, 5, and 10 years
Plant and machinery	4 and 5 years
Computers	3 years

In the case of the property Stockholm Krukomakaren 17, 55 per cent of the building is operated as an investment property.

Current assets

Financial instruments

Financial instruments are classified in the following categories: financial assets measured at fair value through profit or loss, financial assets available-for-sale, loan receivables and trade receivables, as well as loans payable and trade payables. Classification depends on the purpose for which the instrument was acquired.

Financial assets measured at fair value through profit or loss

This class of financial instrument comprises financial assets held for trading. A financial asset is classed in this category if it is acquired with the primary purpose of selling it in the near future. Derivative instruments are always included in this category, except in cases where the derivative instrument is part of a hedge transaction. The society has classified endowment insurance linked to pension commitments as financial assets measured at fair value through profit or loss.

Available-for-sale financial assets

This class includes financial instruments that are available for sale and that are not derivatives. Financial instruments in this category are valued at fair value.

Loan receivables and trade receivables

Loan receivables and trade receivables have established payments and are held with no intention of trading. They are included under current assets with the exception of items with a due date more than one year after the balance sheet date, which are classified as non-current assets. Valuation after the acquisition date is at amortised cost with the application of the effective interest method, with deductions for any decline in value. Impairment of trade receivables and loan receivables is recognised in the income statement under Other external costs.

Loans payable and trade payables

Loans payable and trade payables are recognised after the acquisition date at amortised cost with the application of the effective interest method. Purchases and sales of financial instruments are recognised on the transaction date, i.e. the date on which a binding agreement is entered into. All financial instruments that are not measured at fair value are initially valued at cost, adjusted for transaction costs.

Provisions

A provision is recognised in the balance sheet when the Group has an existing legal or constructive obligation as a result of past events, settlement of the obligation is expected to result in an outflow of resources and the amount to be settled can be estimated reliably. If the point in time at which settlement is made has a significant effect, the provision is calculated by discounting the anticipated future cash flow. Discounting is applied at a pre-tax interest rate that reflects current market assessments of the time value of money.

Contingent liabilities

A contingent liability is reported when there is a possible obligation arising from past events and its presence will be confirmed by one or more uncertain future events or when there is an obligation that has not been reported as a liability or provision due to it not being probable that an outflow of resources will be required.

Employee benefits

The Group's plans for benefits once employment has ended encompass both defined benefit and defined contribution pension plans. With a defined benefit pension plan, the pension is based on final salary and the number of years of membership in the plan. The Group bears the risk of the established benefits being paid. Certain defined benefit pension plans are secured with an insurance plan from Alecta and this is a multi-employer defined benefit plan. The company has not had access to such information as is necessary to report this plan as a defined benefit pension plan. As such, Swedish ITP pension plans secured with insurance from Alecta are reported as a defined contribution plan. With defined contribution plans, the company pays set contributions to a separate legal entity. Once the contribution is paid the company has no further obligations.

The company has pension commitments with values linked to separate endowment insurance policies held by the company. The value of the endowment insurance always covers the obligation to pay pensions, but not the obligation to pay special employer's contributions in conjunction with the pension being paid out. The company's obligation is limited to the amount for which the endowment insurance was acquired. Benefits to employees such as salary and pension are reported as costs in the period in which the employee performed the services the benefits cover.

Income taxes

Income tax reporting includes current tax and any deferred tax. Deferred tax is calculated in accordance with the balance sheet method for all significant temporary differences. A temporary difference exists when the book value of an asset or a liability differs from the value for tax purposes. Such a difference can arise, for example, in the event of the appreciation or depreciation of an asset or when applied accounting policies differ between an individual group company's accounts and the consolidated accounts.

Deferred tax is calculated using the tax rate that has been decided or announced as at the balance sheet date and that is expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are reported to the extent it is probable that future taxable surpluses will exist against which temporary differences can be offset.

Cash flow statement

The cash flow statement is prepared in accordance with the direct method. The reported cash flow consists only of the transactions that involve incoming or outgoing payments. Cash and cash equivalents comprise cash at bank and cash in hand.

Foreign currency

The Group receives a not-inconsiderable part of its revenue in foreign currencies. The amounts are reported in Swedish krona, calculated at the exchange rate

prevailing on the date of conversion. Purchases and sales are essentially conducted in the same currency and as such currency exposure is limited. Receivables and liabilities in currencies other than the functional currency are translated using the closing rate on the balance sheet date (unrealised).

Leasing

Non-current assets obtained via leasing are classified in accordance with the leasing agreement's economic implications. Items leased via finance leasing are reported as non-current assets and future leasing fees are reported as interest-bearing liabilities. In the case of leased items classified as operating leases, the leasing cost is reported as an operating cost in the income

statement. The Group has no significant finance leases. All leases are thus reported as operating leases, which means that the lease fees, including increased initial rent but excluding expenses for services such as insurance and maintenance, are reported as a cost on a straight-line basis over the lease term.





# Notes

## 1 Operating income

(tSEK)	Group		Parent Society	
	2022	2021	2022	2021
Royalty revenue	2,710,437	2,153,948	2,710,384	2,153,943
Live	116,793	37,271	116,793	37,271
Concerts and festivals	107,437	29,153	107,437	29,153
Church concerts and musical church services	6,327	6,424	6,327	6,424
Other	3,030	1,693	3,030	1,693
Background	200,576	156,133	200,576	156,133
Cinema	14,991	6,079	14,991	6,079
Shops & retail premises	38,691	37,173	38,691	37,173
Discotheques, DJ	10,812	5,705	10,812	5,705
Hotels	31,964	19,812	31,964	19,812
Sports and fitness	35,355	28,412	35,355	28,412
Music at work	22,485	21,856	22,485	21,856
Restaurants	34,405	30,426	34,405	30,426
Other	11,872	6,671	11,872	6,671
Radio	95,889	97,779	95,889	97,779
Public service radio	52,117	53,326	52,117	53,326
Commercial radio	39,600	39,600	39,600	39,600
Other	4,172	4,852	4,172	4,852
TV	259,000	258,961	259,000	258,961
Public Service TV	52,303	52,519	52,303	52,519
Swedish television	132,888	147,860	132,888	147,860
Foreign television	31,612	19,252	31,612	19,252
Copyswede-TV	17,206	15,106	17,206	15,106
Other	24,990	24,224	24,990	24,224
Online	1,098,110	804,941	1,098,057	804,937
Online ICE	807,609	551,822	807,609	551,822
Online S-VOD	166,147	156,449	166,147	156,449
Online A-VOD	38,436	30,887	38,436	30,887
Online T-VOD	9,903	9,128	9,903	9,128
Online EST	3,292	-	3,292	-
Other	72,723	56,656	72,670	56,652
MEK	70,767	78,143	70,767	78,143
NCB	68,267	75,655	68,267	75,655
Other*	2,500	2,488	2,500	2,488
Through agreements with other rights societies	869,302	720,721	869,302	720,721
Other revenue	22,295	21,748	5,704	7,155
Rental income	14,672	13,929	-	-
Foreign exchange gains	194	199	190	199
Other	7,429	7,620	5,514	6,956
Total operating income	2,732,732	2,175,695	2,716,088	2,161,098

\* Including private copying levy & library levy

## 2 Operating expenses

(tSEK)	Group		Parent Society	
	2022	2021	2022	2021
Personnel costs				
Salaries and other remuneration	80,433	81,438	78,161	79,690
Social contributions	25,014	25,541	24,376	25,036
Pension costs	11,664	11,982	11,442	11,792
Fees for hired staff	15,236	24,349	15,236	18,796
Other personnel costs	1,416	749	1,383	742
Total personnel costs	133,764	144,059	130,598	136,056
Of which Board of Directors and CEOs				
Salaries and other remuneration	4,947	5,848	4,802	5,726
Social contributions	1,554	1,837	1,509	1,799
Pension costs	1,041	1,038	1,041	1,038
Invoiced fees included in External costs	1,080	1,440	-	-
Of which Board of Directors				
Salaries and other remuneration	1,907	2,219	1,762	2,098
Social contributions	599	697	554	659
Other management costs				
Office and administration	87,480	71,872	86,334	70,939
Rental costs	737	591	12,759	11,975
IT operations	9,439	7,618	8,354	7,520
Property costs	9,279	7,961	0	11
Total other management costs	106,935	88,042	107,447	90,445
Capitalised development costs	-9,347	-20,808	-9,347	-15,256
Depreciation/amortisation				
Capitalised expenditure on system development	17,168	13,475	15,662	12,345
Equipment	4,084	2,645	3,972	3,366
Building	8,227	8,286	-	-
Total depreciation/amortisation	29,480	24,406	19,634	15,710
Total management costs	260,831	235,698	248,332	226,955

Gross remuneration including holiday pay and benefits to STIM's CEO for 2022 amounts to SEK 3.0 (3.6) million.

### Defined contribution plans

Pension plans are secured with insurance from Alecta. These are multi-employer defined benefit plans.

The company has not had access to such information as is necessary to report this plan as a defined benefit pension plan. As such, Swedish ITP pension plans secured with insurance from Alecta are reported as a defined contribution plan.

### Pension promises secured through endowment insurance

The outcome of certain other pension plans is linked to the development of individually signed endowment policies. The value of the endowment insurance always covers the obligation to pay

pensions, but not the obligation to pay special employer's contributions in conjunction with the pension being paid out. A surplus arises when value growth is better than expected and this surplus falls to the policyholder. The value of the surplus fund as at 31 December 2022 was tSEK 75 (71). The endowment insurance has been pledged as security. No part of the year's provision is covered by the Swedish Pension Obligations Vesting Act. The market value of the endowment insurance is established through the annual statement issued by the concerned bank or equivalent. The value of the endowment insurance as at 31 December 2022 was tSEK 5,679 (5,999).

## 3 Intragroup transactions

Sales to Group companies (tSEK)	Parent Society	
	2022	2021
Licensing revenue	31	-
Invoiced cost for personnel	866	1,300
Invoiced cost for IT	333	414
Other revenue	212	203
Total	1,442	1,918
Share of total operating income	0.1%	0.1%

Operating expenses from group companies, (tSEK)	Parent Society	
	2022	2021
Cost of premises	12,543	11,869
Total	12,543	11,869
Share of total operating costs	5.1%	5.2%

Sales via associated companies, (tSEK)	Parent Society	
	2022	2021
Direct licensing revenue	807,856	553,206
Consulting services	1,279	646
Total	809,136	553,852
Share of total operating income	29.8%	25.6%

Operating costs from associates	Parent Society	
	2022	2021
Remuneration for licensing and settlement services	49,612	33,566
Documentation and reporting	12,980	12,887
Consulting services	-	-1
Total	62,592	46,451
Share of total operating costs	25.2%	20.5%

## 4 Average number of employees

Average number of employees	2022		2021	
	Average number of employees	Of which men	Average number of employees	Of which men
Parent Society	127	55%	127	56%
Subsidiaries	13	54%	11	63%
Group	140	55%	138	56%

Board members and senior executives	2022		2021	
	Number on balance sheet date	Of which men	Number on balance sheet date	Of which men
Parent Society				
Board members, including employee representatives	15	47%	11	45%
Deputy Board members, including employee representatives	2	100%	10	60%
Chief executive and other senior executives	9	33%	9	44%
Group*				
Board members, including employee representatives	24	54%	18	50%
Deputy Board members, including employee representatives	3	67%	10	60%
Chief executive and other senior executives	9	33%	11	45%

\*The calculation at the Group level has been made based on the number of roles. One individual may have several different roles.



## 5 Terms of employment for Chief Executive Officer

### Parent Society

An agreement has been reached with the CEO on severance pay equal to 6 months' salary if notice is issued by STIM for reasons other than gross negligence on the part of the CEO in accordance with Swedish law, when employment has lasted between 12 to 24 months. When employment has been more than 24 months, the severance pay will be 12 months' salary, as described above When employment has been more than 24 months, the severance pay will be 12 months' salary, as described above. The severance payment is not deductible; in other words, if the CEO receives other income, it must be deducted from the severance payment. Mutual notice period is 6 months.

## 6 Auditors' fees

(tSEK)	Group		Parent Society	
	2022	2021	2022	2021
KPMG AB				
Audit	525	425	440	340
Tax	-	-	-	-
Other non-auditing services	75	75	75	75
Auditors appointed by STIM				
Audit	39	39	39	39
Total auditors' fees	639	540	554	455

## 7 Distribution cost

(tSEK)	Group		Parent Society	
	2022	2021	2022	2021
Live	88,907	26,263	88,907	26,263
Background	151,421	108,465	151,421	108,465
Radio	72,424	74,988	72,424	74,988
TV	203,734	195,502	203,734	195,502
Online	983,140	704,653	983,140	704,653
Mechanisation	70,767	79,211	70,767	79,211
Total STIM-licenced revenue <sup>1)</sup>	1,570,393	1,189,082	1,570,393	1,189,082
Other Societies <sup>2)</sup>	869,302	720,721	869,302	720,721
Total settlement cost	2,439,696	1,909,802	2,439,696	1,909,802

1) Also includes amounts distributed by STIM but licenced by other rights organisations, such as Copyswede and NCB.  
2) Other Societies refers to revenue through other collective rights management organisations through mutual agreement.

## 8 Current investment in new IT systems

(tSEK)	Group		Parent Society	
	2022	2021	2022	2021
Opening acquisition value	13,371	20,742	13,371	19,703
Costs for the year	9,347	20,808	9,347	15,256
Depreciation/amortisation during the year	-20,821	-28,180	-20,821	-21,587
Closing cost of acquisition	1,897	13,371	1,897	13,371

## 9 Capitalised expenditure on system development

(tSEK)	Group		Parent Society	
	2022	2021	2022	2021
Opening acquisition value	157,427	129,755	143,920	122,333
Depreciation/amortisation during the year	21,085	27,672	20,821	21,587
Disposal	-2,275	-	-	-
Closing accumulated cost of acquisition	176,237	157,427	164,741	143,920
Opening depreciation	-118,635	-105,160	-112,892	-100,547
Deprecation for the year	-17,940	-13,475	-15,662	-12,345
Disposal	2,275	-	-	-
Closing accumulated depreciation/amortisation	-134,300	-118,635	-128,554	-112,892
Closing residual value	41,937	38,791	36,188	31,028

## 10 Buildings and land

(tSEK)	Group		Parent Society	
	2022	2021	2022	2021
Building				
Opening acquisition value	291,544	289,693	-	-
Acquisitions during the year	262	1,852	-	-
Closing accumulated cost of acquisition	291,807	291,544	-	-
Opening depreciation	-79,678	-71,392	-	-
Deprecation for the year	-8,227	-8,286	-	-
Closing accumulated depreciation/amortisation	-87,905	-79,678	-	-
Closing residual value, buildings	203,901	211,866	-	-
Land				
Opening acquisition value	129,145	129,145	-	-
Closing acquisition value, land	129,145	129,145	-	-
Closing residual value, buildings and land	333,046	341,011	-	-

In the case of the property Stockholm Krukamakaren 17, 55 per cent of the building is operated as an investment property.

## 12 Participations and receivables in group companies

Subsidiaries (tSEK)	Company registration no.	Headquarters	Share of equity, %	Number of shares,	Parent Society	
					Carrying amount 31/12/2022	Carrying amount 31/12/2021
Svensk Musik Swedmic AB	556754-1338	Stockholm	100	1	100	100
Cora Music AB	556884-6371	Stockholm	100	50	10,050	10,050
STIM Fastighets Holding AB	556842-4880	Stockholm	100	50	50	50
Total participations in Group companies					10,200	10,200
Subsidiaries, indirectly owned						
Stimhuset KB, part ownership	969696-4361	Stockholm				

## 11 Equipment

(tSEK)	Group		Parent Society	
	2022	2021	2022	2021
Opening acquisition value	25,221	20,334	24,056	19,496
Acquisitions during the year	1,985	4,886	1,985	4,560
Sales and disposals	-	-	-	-
Closing accumulated cost of acquisition	27,206	25,221	26,042	24,056
Opening depreciation	-16,925	-13,506	-16,135	-12,770
Deprecation for the year	-4,084	-3,418	-3,972	-3,366
Sales and disposals	-	-	-	-
Closing accumulated depreciation/amortisation	-21,009	-16,925	-20,108	-16,135
Closing residual value	6,197	8,296	5,934	7,922



### 13 Participations and receivables in group companies

					Parent Society	
Profit/loss from participations in associates	Company registration no.	Headquarters	Share of equity and votes, %	Number of shares, thousands	Carrying amount 31/12/2022	Carrying amount 31/12/2021
ICE Operations AB	556723-5907	Stockholm	33	33	39,997	39,997
International Copyright Enterprise Services Ltd	08983089	London	33	100	1,322	1,322
Total participations in associates					41,319	41,319

Group		
Profit/loss from participations in associates	Carrying amount 31/12/2022	Carrying amount 31/12/2021
Opening balance	59,472	16,751
Adjustment of Opening Balance for Associates*	-4,808	-1,789
Translation difference	4,737	198
Share of profit from associates	65,878	44,313
Closing balance	125,280	59,472

\* Difference between the preliminary and final year-end results for associated companies. When STIM compiled its annual report, the final year-end results of its associated companies were not yet available.

Parent Society		
Liabilities to group companies (tSEK)	2022	2021
Current liabilities		
Trade payables to group companies	368	4,324
Other liabilities to group companies	327	143
Total liabilities to group companies	695	4,467

	Group		Parent Society	
Receivables from associates (tSEK)	2022	2021	2022	2021
Financial assets				
Interest-bearing loans to associates	132,431	85,099	132,431	85,099
Current receivables				
Interest-bearing loans to associates	3,766	19,149	3,766	19,149
Total receivables from associates	136,196	104,248	136,196	104,248

Loans to International Copyright Enterprise Germany GmbH are subject to interest at EURIBOR6M + 2 per cent, with a minimum rate of 2%. The interest rate is set at the beginning of the year.

Loans to ICE Operations AB are subject to interest at Stibor6M +2%, with a minimum rate of 2%. The interest rate is set at the beginning of the year.  
The loans to ICE Operations AB were taken over by International Copyright Enterprise Germany GmbH as of 01/07/2022.

### 14 Total prepaid expenses and accrued income

	Group		Parent Society	
(tSEK)	2022	2021	2022	2021
Accrued royalty revenue				
directly licenced STIM*	180,116	216,488	180,116	216,488
Directly licenced via ICE	226,480	145,098	226,480	145,098
Foreign Rights Societies	16,377	-	16,377	-
Prepaid expenses	4,214	12,834	3,929	8,533
Other	386	18	135	18
Total prepaid expenses and accrued income	427,572	374,438	427,036	370,138

\*Also includes amounts distributed by STIM but licenced by other rights organisations, such as Copyswede and NCB.

### 15 Appropriation of profit or loss

Parent Society		
(tSEK)	2022	2021
The following funds are at the disposal of the society's annual general meeting:		
Retained earnings, SEK	-37,116	-42,104
Profit/loss for the year, SEK	-	-
Total	-37,116	-42,104
The Board of Directors proposes that retained earnings be appropriated so as to carry forward	-37,116	-42,104

### 16 Non-current liabilities

	Group		Parent Society	
(tSEK)	2022	2021	2022	2021
Deposit, tenants	1,075	1,075	-	-
<b>Total non-current liabilities</b>	<b>1,075</b>	<b>1,075</b>	<b>-</b>	<b>-</b>

### 17 Distribution liabilities

	Group		Parent Society	
(tSEK)	2022	2021	2022	2021
Distributions				
Unpaid revenue at the beginning of the year	1,463,800	1,403,210	1,463,800	1,403,210
Adjustment, Unpaid revenue	94	-	94	-
Recognised revenue for the year, after deductions	2,439,696	1,909,800	2,439,696	1,909,800
Payment to STIM-affiliated rightsholders	-1766,940	-1,448,123	-1,766,940	-1,448,123
Payment to foreign rights societies	-387,537	-393,647	-387,537	-393,647
Provision for music promotion activities	-	-7,440	-	-7,440
Total settlement liability at year-end	1,749,113	1,463,800	1,749,113	1,463,800

For more detailed information on STIM's settlement liabilities, see the Transparency Report on page 46

### 18 Other liabilities

	Group		Parent Society	
(tSEK)	2022	2021	2022	2021
Music promotion activities	120,230	125,753	120,230	125,753
Other liabilities	47,924	47,463	47,799	44,396
<b>Total other liabilities</b>	<b>168,154</b>	<b>173,215</b>	<b>168,029</b>	<b>170,148</b>



## 19 Accrued expenses and prepaid income

(tSEK)	Group		Parent Society	
	2022	2021	2022	2021
Prepaid royalty revenue	139,652	111,998	139,652	111,998
Prepaid advances ICE	161,719	153,943	161,719	153,943
Accrued costs for music promotion activities	2,870	-	2,870	-
Prepaid rental income	1,147	9,818	-	-
Accrued holiday pay liability	4,866	5,027	4,638	4,724
Accrued social security expenses and payroll tax	6,420	6,481	6,106	6,131
Other accrued expenses	20,751	27,188	2,803	8,565
<b>Total accrued expenses and prepaid income</b>	<b>337,425</b>	<b>314,456</b>	<b>317,789</b>	<b>285,361</b>

## 20 Accrued expenses and prepaid income

### Contingent liabilities

STIM has endowment insurance policies that have been pledged as security for its pension commitments. See Note 2. The fair value of the endowment insurance, including payroll tax, amounts as of 31 December 2022 to tSEK 7,056 (7,454).  
A Conditional Shareholder contribution has been given by the Parent Association to Cora Music AB, see Note 12.  
STIM has, together with the other owners, financed investments in the associates ICE AB and ICE Ltd in order to establish effective cooperation with PRS for Music and GEMA. Further investments remain that STIM is contractually obligated to finance. This obligation cannot be quantified, as the amount has not been established in the agreement.

## 21 Tax

(tSEK)	Group		Parent Society	
	2022	2021	2022	2021
<b>Tax on profit for the year</b>				
Current tax for current year	-5	-3	-	-
Current tax attributable to previous years	1	-	-	-
Change in deferred tax for the year	-82	122	-82	122
<b>Total tax as per the income statement</b>	<b>-86</b>	<b>120</b>	<b>-82</b>	<b>122</b>
<b>Difference between reported tax and estimated (theoretical) tax expense</b>				
Profit/loss before tax	59,664	40,261	82	-122
Adjustment for Profit/loss of subsidiaries	5,634	3,265	-	-
Adjustment for Profit/loss from participations in associates (after tax) included in the amounts above	-65,878	-44,312	-	-
Profit/loss before tax - adjusted for taxed associates' participations	-580	-786	82	-122
<b>estimated tax on profit before tax for the year</b>	<b>119</b>	<b>162</b>	<b>-17</b>	<b>25</b>
Tax effect of non-taxable and non-deductible items - Permanent	-1,002	-893	-997	-890
Tax effect of non-taxable and non-deductible items - Temporary	-31	-30	106	108
<b>estimated tax to be paid on taxable profit</b>	<b>-913</b>	<b>-760</b>	<b>-908</b>	<b>-757</b>
Less deduction for foreign taxes paid (not recorded, revenue reported net)	908	757	908	757
Reported taxes that are not attributable to the current year	-81	122	-82	122
<b>Reported tax expense</b>	<b>-86</b>	<b>120</b>	<b>-82</b>	<b>122</b>

### Pension commitments

As at 31 December 2022, the Group's temporary difference with respect to pension commitments amounted to tSEK 7,056 (7,454), corresponding to a deferred tax asset of tSEK 1,454 (1,536).

Deferred taxes (tSEK)	Group		Parent Society	
	2022	2021	2022	2021
Other provisions for pensions	1,454	1,536	1,454	1,536
<b>Total deferred tax</b>	<b>1,454</b>	<b>1,536</b>	<b>1,454</b>	<b>1,536</b>

## 22 Appropriations

(tSEK)	Group		Parent Society	
	2022	2021	2022	2021
Group contributions	-	-	8,726	8,960
<b>Total Group contributions</b>	<b>-</b>	<b>-</b>	<b>8,726</b>	<b>8,960</b>

## 23 Significant events after close of the financial year

At the end of the year, Swedish Parliament adopted a new, modernised copyright law. The law entered into force on 1 January 2023 and clearly advances the position of music creators with regard to fair remuneration for their music from the major social media platforms.

## 24 Administrative cost percentage

	Parent Society	
	2022	2021
Administrative cost percentage	8.3%	9.6%
STIM is a non-profit membership organisation. From the royalty revenue, prior to settlement and pay out to members, deductions are made that cover management costs. Administrative cost ratio is used as a measure of the cost-effectiveness of the administration. A corresponding measure is also used internationally and by most copyright organisations. STIM calculates the administrative cost percentage as follows:		
	$\frac{\text{Operating expenses} + \text{Other revenue} + \text{Net financial items} + \text{Group contributions}}{\text{Royalty revenue}}$	



The income statements and balance sheets will be presented to the Society's Annual General Meeting to be held on 30 May 2023 for adoption.

Stockholm, 22 May 2023

Carina Brorman  
Chair of the Board

Casper Bjørner  
Chief Executive Officer

Alfons Karabuda

Johan Blixt

Filiz Erat Edhlund

Hans Fahlin

Ylva Fred

Linda Portnoff

Kerstin Mangert

Martin Jonsson Tibblin

Lars Karlsson

Ayesha Quraishi

Eric Sjöström

Anders Wollbeck

Eva Botmar

Susan Roberts

Our audit report was submitted on 24 May 2023

Håkan Olsson Reising  
Authorised Public Accountant  
KPMG AB

Hans Gefors  
Association auditor

## Auditors' report

To the Annual General Meeting of Föreningen Svenska Tonsättares Internationella Musikbyrå (STIM) u.p.a.,  
corporate identity number 702002-3524

### Report on the annual account and consolidated account

#### Opinions

We have audited the annual accounts and consolidated accounts of Föreningen Svenska Tonsättares Internationella Musikbyrå (STIM) u.p.a. for the year 2022. The annual accounts and consolidated accounts of the society are included in the printed version of this document on pages 22–24.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Swedish Annual Accounts Act and present fairly, in all material respects, the financial position of the Parent Society and the Group as of 31 December 2022 and of their financial performance and cash flows for the year then ended in accordance with the Swedish Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual general meeting of the society adopt the income statement and balance sheet for the Parent Society and the Group.

#### Basis for opinions

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the sections on Responsibilities of the registered audit firm and Responsibilities of the elected auditor.

We are independent of the Parent Society and the Group in accordance with generally accepted auditing standards in Sweden. As a registered audit firm, we have fulfilled our professional ethical responsibilities in accordance with these requirements.

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

### Information other than the annual accounts and consolidated account

This document also contains information other than the annual accounts and consolidated accounts and this can be found on pages 1–21 and 46–61. The Board of Directors and the Chief Executive Officer are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. As part of this review procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Swedish Annual Accounts Act. The Board of Directors and the Chief Executive Officer are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Chief Executive Officer are responsible for the assessment of the society's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Chief Executive Officer intend to liquidate the company, to cease operations, or have no realistic alternative but to do so.

#### The registered audit firm's responsibility

Our task is to conduct the audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our objective is to obtain reasonable assurance about whether

the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee, that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of the society's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of pressing an opinion on the effectiveness of the internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Chief Executive Officer.
- conclude on the appropriateness of the Board of Directors' and the Chief Executive Officer's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the society's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my auditor's report to the related disclosures in the



annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause a society and a group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, in addition to whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We are solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during my audit, including any significant deficiencies in internal control that we identified.

**The Elected Auditor's Responsibility**

I must conduct my audit in accordance with the Swedish Auditors Act and therefore in accordance with generally accepted auditing standards in Sweden. My objective is to obtain reasonable assurance about whether the annual accounts and consolidated accounts have been prepared in accordance with the Swedish Annual Accounts Act and that the annual accounts and consolidated accounts present fairly the financial position and results of the society.

**Report on other requirements in accordance with laws, regulations and statutes**

**Opinions**

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Chief Executive Officer of Föreningen Svenska Tonsättares Internationella Musikbyrå (STIM) u.p.a. for the year 2022 and the proposed appropriations of the society's profit or loss.

We recommend to the society's annual general meeting to appropriate the profits in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Chief Executive Officer be discharged from liability for the financial year.

**Basis for opinions**

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Our responsibility in this respect is further described in the Auditor's Responsibility section. We are independent of the Parent Society and the Group in accordance with generally accepted auditing standards in Sweden. As a registered audit firm, we have otherwise fulfilled our professional ethical responsibilities in accordance with these requirements.

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

**Responsibilities of the Board of Directors and the Chief Executive Officer**

The Board of Directors is responsible for the proposal for appropriations of the society's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the society's and the group's type of operations, size and risks place on the size of the parent society's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the society's organisation and the administration of the society's affairs. This includes among other things continuous assessment of the society's and the group's financial situation and ensuring that the society's organisation is designed so that the accounting, management of assets and the society's financial affairs otherwise are controlled in a reassuring manner.

The Chief Executive Officer shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfil the society's accounting in accordance with law and handle the management of assets in a reassuring manner.

**Auditor's responsibility**

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Chief Executive Officer in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the society, or
- in any other way has acted in contravention of the Swedish Economic Associations Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the society's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Economic Associations Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the society, or that the proposed appropriations of the society's profit or loss are not in accordance with the Economic Associations Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the society's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are determined on the professional judgment of the audit firm and other elected auditors on the basis of risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the society's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the society's profit or loss, we examined whether the proposal is in accordance with the Economic Associations Act.

Stockholm - date presented in our digital signature

KPMG AB	
Håkan Olsson Reising <i>Authorised Public Accountant</i>	Ragnar Grippe <i>Elected auditor</i>





# Transparency Report 2022

The transparency report that now follows is part of the annual report that provides insight into the economic flows that characterise a collective management society such as STIM and has been drawn up in accordance with regulations ((2016:977). It provides more information on the management of rightsholders' funds - information on where the money comes from, the process for funds that have not yet been paid out and the deductions made from revenues to finance operations.

STIM is a non-profit organisation that exists solely for the benefit of its affiliates. Given the great responsibility inherent in managing music creators' funds, this report is important both for STIM as an organisation and for you as an affiliate.

## Legal structure

STIM is a collective management organisation for copyrighted music. It operates as a non-profit economic organisation. On behalf of music creators and publishers, STIM licences and collects remuneration for the use of music and this remuneration is then distributed to rightsholders in accordance with STIM's distribution rules. Through agreements with sister organisations in other countries, STIM also represents rights to the global repertoire of music. STIM also works for diversity and revitalisation in the Swedish music scene through special music promotion activity.

For the group structure and a presentation of STIM's management team in 2022, see pages 20-21.

**Board of Directors**  
As of 31 December 2022

**Johan Blixt**  
Board member since 2022. Representing FST. Composer. Board member of FST and Samtida Musik Kammarmusikförening. Auditor for KVAST and Sound of Stockholm.

**Eva Botmar**  
Employee representative since 2012. Deputy board member in Mattias Silvell AB. Works in STIM's publishing service.

**Carina Brorman**  
Chair since 2017. Independent CEO of CB Consulting AB, Chair of the board for Orionteatern AB and Skåne Stadsmision. Board member in the Stiftelsen Svenska Filminstitutet, AB Konsthall Tornedalen, CMG Connect Management Group, ICE Operations AB and ICE International Copyright Enterprise Germany GmbH. Senior advisor Prime Weber Shandwick.

**Filiz Erat Edhlund**  
Board member since 2022. Representing Musikförläggarna. CEO for Gehrman's Musikförlag AB, Carl Gehrman's Förvaltnings AB, Notpoolen AB and Notfabriken Music Publishing AB. Board member in Musikförläggarna and Bonus Copyright Access.

**Hans Fahlin**  
Board member since 2016. Independent Head of asset management for the Second AP Fund. Board member and chair in Inquire Europé Institute of Quantitative Research Europe, Housing association Glasbjörken 13 and board member for the Institute for Financial Research and Artis Projects and Development AB.

**Ylva Fred**  
Board member since 2022. Representing FST. Composer. Board member and vice-chair of FST. Board member of Samtida Musik Kammarmusikförening. Second deputy member of Konstnärliga och Litterära Yrkesutövares Samarbetsnämnd (KLYS).

**Martin Jonsson Tibblin**  
Board member since 2015. Representing FST. Composer, Chair of the Board and Director of Operations for FST. Board member in ICE Services Ltd, Musiksverige Samlad Svensk Musik bransch Ek.för. and in the foundation Saltö. Deputy board member in Bonus Copyright Access ek.för.

**Alfons Karabuda**  
Board member since 2005 (with hiatus in 2014). First vice-chair. Representing Skap. Composer, board member and CEO of Naomi Musikförlag AB. Chair of the Board for Skap, International Music Council (IMC), European Composer & Songwriter Alliance (ECSA), The global node Stockholm AB and Internet Media Foundation. Board member of the Royal College of Music, Musiksverige Samlad Svensk Musikbransch Ek.för., Kaffe Diktatorn AB, Global Music Vault and the Polar Music Prize music committee (chair of the prize committee). Also, a member of the working committee of Konstnärliga och Litterära Yrkesutövares Samarbetsnämnd (KLYS).

**Lars Karlsson**  
Board member since 2022. Representing Musikförläggarna. Board member of Musikförläggarna. Board member and CEO of Warner Chappell Music Scandinavia AB, Aktiebolaget Nordiska Musikförlaget, Aktiebolaget Ehrling & Löfvenholm, Intersongförlagen AB, Notservice AB, Chappell Nordiska AB, Aktiebolaget Nordic Songs, Bolero Records AB, Warner Chappell Music Denmark AS, Megasong Publishing AS, Warner

Chappell Music Norway AS, Steinar Fjeld Musikk AS, Warner Chappell Music Finland Oy, Warner Chappell Music Germany GmbH, Chappell Musikverlag GmbH, Hanseatic Musikverlag GmbH, Neue Welt Musikverlag GmbH, Rondo-Verlag GmbH, HAPPY MUSIC Verlag GmbH, Harmonie Verlagsgesellschaft für Litteratur und Kunst GmbH, Warner Chappell Production Music GmbH, Cress Publishing GmbH and F.A.M.E Recordings Publishing GmbH. Board member and Chair of the Ramis 1 housing association.

**Kerstin Mangert**  
Board member since 2020. Representing Musik-förläggarna. CEO and board member, Arctic Rights Management. Chair of the board for Musikförläggarna SMFF ek.för. Board member for KMS Business Development AB, ICE Operations AB, ICE International Copyright Enterprise Germany GmbH and ICE Services Ltd. Deputy for Musiksverige Samlad Svensk Musikbransch Ek. för.

**Linda Portnoff**  
Board member since 2020. Independent Board member and CEO of Riteband AB. Board member of Swedish Label Rights ek.för. Also, board member and vice-chair of the Royal College of Music. Deputy board member for Alicess AB.

**Ayesha Quraishi**  
Board member since 2022. Representing Skap. Composer. Board member in Skap.

**Susan Roberts**  
Employee representative since 2019. Works in STIM's distribution department. Board member of housing association Plogen 7.

**Eric Sjöström**  
Board member since 2022. Independent Board member and CEO of Erda Konsult AB. Board member in the Swedish Film Institute.

**Anders Wollbeck**  
Board member since 2022. Representing Skap. Composer. Board member in Skap, Wollbeck Produktion AB and Export Music Sweden. President of The Global Node Stockholm.

**Casper Bjørner**  
STIM's CEO since 2021. Board member for CE Operations AB, ICE International Copyright Enterprise Germany GmbH and ICE Services Ltd.

**Deputies**  
**Viktor Sellgren**  
First deputy, Employee representative

**Mikael Alenmark**  
Second deputy, Employee representative

## STIM's organisation

As of 31 December 2022

**NCB, Nordisk Copyright Bureau**  
The purpose of the NCB is to protect the rights of authors and music publishers in the recording, reproduction and distribution of protected music and lyrics on CD, vinyl, DVD or similar media. NCB is controlled by STIM and its counterparts in Denmark (Koda), Finland (Teosto), Norway (Tono) and Iceland (Stef). NCB has agreements with international organisations that manage mechanical rights in a corresponding way. NCB's operations have been managed by Koda since the 1st of April 2017.

<b>Board of Directors</b>	
Karl Vestli	Tono
Guðrún Björk Bjarnadóttir	Stef, vice-chair
Casper Bjørner	STIM, chair
Risto Salminen	Teosto
Gorm Arildsen	Koda

**NMP, Network of Music Partners**  
PRS for Music is jointly owned by NCB and the UK-based PRS for Music. NMP also provides various back-office services to NCB, PRS for Music, Koda, Teosto, Tono, Stef and Buma/Stemra.

<b>Board of Directors</b>	
Gorm Arildsen	Koda
Lina Heyman	STIM
Laura Golding	PRS for Music
Andrea Martin	PRS for Music
Simon Platz	Bucks Music Group
Risto Salminen	Teosto
Karl Vestli	Tono
Steve Burton	MCPS
Katja Manley Østergaard	employee representative



Cora Music AB

The business's purpose is to provide music services for audio-visual licence products intended for professional video creators on video platforms.

Board of Directors

Peter Lindström	STIM, chair
Jan-Christer Stoppel	STIM
Lina Heyman	STIM

STIM Fastighets Holding AB

(with wholly owned subsidiary Stimhuset KB)  
Owns and manages the property Stockholm Krukomakaren 17, where STIMs' own operations are located and the other approximately 6,000 square meters are leased to external tenants.

Board of Directors

Casper Bjørner	STIM
Jan-Christer Stoppel	STIM
Lina Heyman	STIM, Deputy

Svensk Musik Swedmic AB

Svensk Musik Swedmic AB has been a wholly owned subsidiary of STIM since 2008. The company's purpose is to document and inform about Swedish copyright-protected music. This includes the cataloguing and archiving of art music and older popular music and the production of vocal material for orchestral pieces and works for larger jazz ensembles. Svensk Musik also manages the STIM scholarships and travel grants to STIM-affiliated authors.

Board of Directors

Dror Feiler	FST, chair
Örjan Klintberg	Musikförläggarna
Anna Vedin	SKAP
Sofie Marin	STIM

ICE

Together with UK-based PRS for Music and German GEMA, STIM owns ICE Operations AB, ICE Germany GmbH and ICE Services Ltd.  
The aim is to provide joint administration and a single pan-European licence.

Styrelse ICE Operations AB

Dr. Rainer Minz	independent, chair
Casper Bjørner	STIM
Carina Broman	STIM
Kerstin Mangert	STIM
Andrea C Martin	PRS for Music
Nigel Elderton	PRS for Music
Jonathan Aitken	PRS for Music
Michael Ohst	GEMA
Lorenzo Colombini	GEMA
Dr. Ralf Weigand	GEMA

Board of Directors, ICE International Copyright Enterprise Germany GmbH

Dr. Rainer Minz	independent, chair
Casper Bjørner	STIM
Carina Broman	STIM
Kerstin Mangert	STIM
Andrea C Martin	PRS for Music
Nigel Elderton	PRS for Music
Jonathan Aitken	PRS for Music
Michael Ohst	GEMA
Lorenzo Colombini	GEMA
Dr. Ralf Weigand	GEMA

Board of Directors, ICE International Copyright Enterprise Services Ltd.

Dr. Rainer Minz	independent, chair
Casper Bjørner	STIM
Martin Jonsson Tibblin	STIM
Kerstin Mangert	STIM
Andrea C Martin	PRS for Music
Dru Masters	PRS for Music
Jonathan Aitken	PRS for Music
Dr. Harald Heker	GEMA
Stefan Waggershausen	GEMA
Dr. Ralf Weigand	GEMA

Elected Bodies

As of 31 December 2022

STIM's Committee for the Promotion of Musical Diversity and Copyright (NäMMU)

STIM's Committee for the Promotion of Musical Diversity and Copyright is a lengthy name of an important body that, for the sake of simplicity, is often abbreviated “NäMMU”. STIM's special mission to promote music is primarily intended to work for musical diversity, revitalisation and strong copyright. This is done in part through scholarships and travel subsidies, support for initiatives and projects to develop musical culture and financing of activities that promote copyright. As an independent body, NäMMU plays a central role, as the committee takes decisions on the allocation of funds to these social, cultural and educational purposes, a task and mandate delegated by STIM's general meeting.  
NäMMU's members are recommended by the nomination committee and appointed by the general meeting.

Full member

Eva Schöld	President
Mats Bernerstedt	nominated by Musikförläggarna
Kerstin Brunnberg	independent
Jonas Forssell	nominated by FST
Rasmus Lindvall	nominated by Skap

Deputies

Hans Desmond	nominated by Musikförläggarna
Katarina Henryson	nominated by Skap
Ida Lundén	nominated by FST
Kjell Holmstrand	independent
Sara Norell Murberger	independent

Nomination committee

The nomination committee is the association's body to submit proposals for appointment of the Board of Directors, NäMMU, the nomination committee and auditors. The nomination committee also proposes the fees for the Board, committees and subsidiary boards.

Erik Peters	FST, chair
Elise Einarsdotter	Skap
Rebecca Edwards	Musikförläggarna
Elisabeth Kreivi	independent
Jan Sandred	independent

Committees and panels reporting to the Board of Directors

As of 31 December 2022

Grading committee

The grading committee assesses and evaluates STIM's system for grading of works, and, upon request, re-tests previously made decisions on the grading of works. The purpose of grading works is to compensate composers of works that require a particularly high level of effort, and where the work has limited opportunities for performance. The form and structure of a work are some of the grading factors considered.  
At STIM's Extraordinary General Meeting in December, the meeting voted for a decision to phase out the grading system in favour of an updated, more accurate system that supports musical diversity. This decision is effective as of 1 January 2024.

Full member

Anders Annerholm	Musikförläggarna
Ylva Q Arkvik	FST
Jonas Valfridsson	FST
Vacant	Skap
Vacant	Skap

Deputies

Joakim Milder	Musikförläggarna
Marcus Wrangö	FST
Leo Correia de Verdier	FST
Vacant	Skap
Vacant	Skap

Distribution committee

The distribution committee is appointed by the Board and examines supporting information for the Board's decisions on distribution-related matters.

Casper Bjørner	STIM, chair
Martin Jonsson Tibblin	FST
Chrichan Larson	FST
Monica Ekmark	Musikförläggarna
Kerstin Mangert	Musikförläggarna
Alfons Karabuda	Skap
Örjan Strandberg	Skap

Financial information

Information on the rejection of requests for the issue of a licence

STIM did not reject any request from a music user for the issuance of a licence in 2022. If STIM decides not to offer a licence, this is usually because the use of the music does not require a licence, as it is not a copyright-related usage, or because the licensing request pertains to something other than the use of the music creator's rights.

Information on remuneration of the board of directors, CEO and management team

The total remuneration and royalties paid out in 2022 to individuals who are members or deputy members of STIM's board of directors, the CEO and members of the management team are presented below. Also recognised are royalties paid to music publishers where the person included in the above circle is the owner or hold a leading position.

Table 1a - Remuneration and benefits	Amount tSEK
Directors' fees for STIM's Board of Directors	1,762
Remuneration to boards and committees within the group	1,051
Salaries and benefits paid to management team and CEO	11,815
Pension provisions (premiums) for management team and CEO	2,152
Social security contributions (including special payroll tax) to the board of directors, management team and CEO	5104
Total remuneration and benefits	21,885

Table 1b - Royalties	Amount tSEK
Remuneration direct to the author	68
Remuneration through company/publisher per request of the author	467
Remuneration to publishers wholly or partially owned by senior executives	561
Remuneration to publishers where senior executive is an employee or has similar affiliation	310,343
Total royalties from STIM (excl. VAT)	311,439

Data on royalty revenues, cost of management and other services and data on deductions from royalty revenues

As a rightsholder one can choose the scope of management. The copyright society has categorised the rights it manages. The author makes their own choice as to what category or categories the society shall manage on their behalf. This enables the author to determine the scope of management. Each society determines its rights categorisation, i.e. how its services are offered. The categorisation of rights that STIM offers to its rightsholders is determined by STIM's members at the general meeting.

STIM's rights categories are currently as follows:

- Public performance – Live
- Public performance of background music
- Transmission to the public via television (broadcast including simulcasting)
- Transmission to the public via radio (broadcast including simulcasting)
- Reproduction on physical audio media - mechanisation
- Transmission to the public via internet – interactive
- Transmission to the public via internet – non-interactive



STIM is a membership organisation operated on a not-for-profit basis. Operating costs are financed by a management deduction from income equal to costs with no mark-up for profit. The cost to be covered by the management deduction also includes other income in addition to royalty revenue such as net financial income, surpluses (and, where applicable, deficits) from the other companies in the STIM Group. The funds remaining after deductions for management costs and costs for special music promotion activities belong to the rightsholder collective. These are recorded as a settlement cost in the profit and loss account and as a settlement liability in the balance sheet, i.e., amounts outstanding to rightsholders, until pay-out is made.

The deductions made on royalty revenue differ from one area to another. The size of the deductions that need to be made in each deduction area is justified by what can be considered reasonable to cover costs for each deduction area. An international industry practice for deduction levels has been established in several areas. Deduction levels for both management and music promotion activities are determined annually by STIM's board of directors in connection with the adoption of the operating budget for the coming year.

The deductions in one or more areas are always defined as “variable” in order for the total management deductions made to reflect the total cost of management. The variable deduction is the deduction that is adjusted

as necessary to achieve balance between total deductions and total costs. Were this to be applied in isolation to an individual financial year, it would mean that the deduction could not be calculated or determined until the end of the year and approval of the annual accounts. So that all deductions can be made in the current year in order to maintain current accounts and to settle income from the current year, the level of the variable deduction is also set at the beginning of the financial year. This takes place in conjunction with setting of the budget. However, the level of this deduction may be adjusted over the course of the year if major deviations from the budgeted revenue and/or costs arise. The need to change the level of deduction is assessed in the context of the interim accounts and updated annual forecasts. In the event of major deviations, the deduction for the rest of the year can be adjusted. In the event of a minor deviation, the deduction cannot be adjusted during the current year. The difference between costs and actual deductions made is instead recorded as an accrued settlement item in the annual accounts. When establishing the deduction for the coming year(s) as part of setting the budget, consideration is given to the over- or under-use of deductions from previous years in order to maintain a balance between costs and deductions made over time.

In 2022, with annual revenues substantially exceeding the set budget, deductions made were SEK 38 million higher than the total costs. The cumulative balance at

the end of the year, an excess withdrawal amounting to SEK 36 million, has been taken into account in determining the variable deduction for 2023.

Capitalised excess/under withdrawals of management deductions	Amount tSEK
Opening balance 01/01/2022	-1,128
Claims for the year	-263
Excess withdrawals for the year	37,609
Closing balance 31/12/2022	36,218

Table 2 shows revenues for the year and deductions made to this. Stem's 2022 royalty revenue and outstanding funds as at the end of December 2022 has been categorised on the basis of Stem's revenue areas and deduction areas. In cases where STIM does not have reliable information about the type of right in question, these are reported as not processed/categorised. Unlike previous years, we have now chosen to recognise income via other societies as its own category. We believe that a cohesive picture of Stem's own licensing in relation to the revenues collected from other territories through agreements with other societies provides readers better and clearer information. The 2021 balances, when presented for comparison, have therefore been adjusted according to this year's categorisation.

Table 2 – Royalty revenue and deductions made

Category	Royalty revenue tSEK	Management deductions tSEK	Management-deduction %	Deduction music promotion activity tSEK	Deduction music promotion activity %	Excess (+)/under(-) withdrawal for the year tSEK	Settlement cost for the year tSEK
Live	116,793	-26,788	22.9	-7,634	6.5%	6,536	88,907
Background	200,576	-47,135	23.5	-14,040	7.0%	12,021	151,421
TV	259,000	-52,195	20.2	-16,383	6.3%	13,312	203,734
Radio	95,889	-22,509	23.5	-6,697	7.0%	5,741	72,424
Mechanisation	70,767	-	-	-	-	-	70,767
Online Interactive	1,098,057	-114,917	10.5	-	-	-	983,140
Total STIM-licenced revenue <sup>1)</sup>	1,841,082	-263,544	14.3	-44,754	2.4%	37,609	1,570,393
Other Societies <sup>2)</sup>	869,302	-	-	-	-	-	869,302
Total royalty revenue and deductions 2022	2,710,384	-263,544	9.7	-44,754	1.7%	37,609	2,439,696

1) Also includes amounts distributed by STIM but licenced by other rights organisations, such as Copyswede and NCB.  
2) Other Societies refers to revenue through other collective rights management organisations through mutual agreement. The revenues reported in Table 6, where STIM makes deductions from amounts received from other collective management organisations, are excluded and included in STIM-licenced revenues.

## Information on outstanding amounts for rightsholders

Stem's settlement liability consists of the recognised revenues, after deductions, that have not yet been paid to the rightsholders. STIM's policy for recognising revenue is that where these amounts are known or information is available to estimate then with reasonable certainty, revenue is recognised in the year of use. The recognised settlement liability thus includes not only confirmed revenue where payment has been received, but also invoiced revenue not yet collected and also, to some extent, accrued revenue where an estimate has been made of incoming revenue for the period. The settlement liability can be divided into three parts, with each part representing a step in the process from collection to pay out:

- Collected, uncredited amounts have not yet been credited for settlement due to the fact that music reporting has not yet been received.
- Credited, unallocated amounts have been credited for settlement but could not be allocated to right holders because of incomplete or missing information on the work or works in question.
- Allocated, unpaid out amounts are amounts that have been allocated to right holders, but because of incomplete or missing information on the beneficiary could not be paid out.

Four larger pay outs were made in 2022 for most of the rights categories and five pay outs of multi-territorial online revenues. Some smaller pay outs were made in addition to these. Table 3 below shows the amounts after deductions that were credited for settlement, allocated to rightsholders and paid out in 2022. Here it should be noted that the amounts credited, allocated and paid out include funds from both current and prior years and thus cannot be added to the current year's settlement cost. Tables 4a-4c below present the amounts outstanding at each stage of the process, broken down by category, age and reason for delay.

Table 3 – Crediting, Allocation and Pay out

Category, tSEK	Settlement attributed during the year	Allocated to rightsholders during the year	Amounts paid out during the year
Live	53,479	53,991	53,577
Background	145,200	144,853	144,271
TV	189,128	189,360	188,109
Radio	62,389	62,470	62,401
Mechanisation	74,140	74,080	74,020
Online Interactive	852,858	852,411	828,703
Total STIM-licenced revenue	1,377,195	1,377,165	1,351,081
Other Societies	793,260	789,985	788,019
Not processed/categorised	-	5,070	15,377
Total Crediting, Allocation and Pay out 2022	2,170,455	2,172,220	2,154,477

Table 4a – Outstanding amounts (category)

Category, tSEK	Amount collected, not credited	Amount credited, unallocated	Allocated, non-paid out amount	Total outstanding amount as of 31/12/2022	Total outstanding amount as of 31/12/2021
Live	58,104	4,704	1,943	64,751	30,042
Background	115,198	11,530	5,175	131,903	127,121
TV	147,717	13,314	5,888	166,918	152,915
Radio	51,215	5,777	1,927	58,919	50,473
Mechanisation	9,608	264	158	10,031	13,448
Online Interactive	892,877	16,428	39,308	948,613	790,261
Total STIM-licenced revenue	1,274,719	52,018	54,398	1,381,136	1,164,260
Other Societies	327,603	15,183	3,056	345,842	268,094
Not processed/categorised	-	15,815	6,321	22,136	31,446
Total outstanding amount	1,602,322	83,016	63,775	1,749,113	1,463,800

Table 4b – Outstanding amounts (aging structure)

Year, tSEK	Amount collected, not credited	Amount credited, unallocated	Allocated, non-paid out amount	Total outstanding amount as of 31/12/2022	Total outstanding amount as of 31/12/2021
2022	1,174,014	21,538	33,149	1,228,702	-
2021	198,541	13,660	13,244	225,445	940,049
2020	99,625	13,829	-2,369	111,085	225,938
2019 and older	130,142	33,990	19,751	183,883	297,814
Total outstanding amount	1,602,322	83,016	63,775	1,749,113	1,463,800



Table 4c - Outstanding amounts (reason for delay)

Reason for delay, tSEK	Amount collected, not credited	Amount credited, unallocated	Allocated, non-paid out amount	Total outstanding amount as of 31/12/2022	Total outstanding amount as of 31/12/2021
Normal delay due to lead times and STIM's settlement cycles	1,230,000	-	-	1,230,000	921,000
Unspecified income from other organisations	180,000	-	-	180,000	142,000
Periods not finally settled regarding online licensing via ICE	104,000	-	-	104,000	118,000
New and renegotiated services and customers	37,000	-	-	37,000	100,000
Disputes and ambiguities about rightsholders' shares in works	-	45,024	-	45,024	42,746
Incomplete information on work(s)	-	30,436	-	30,436	35,016
Rightsholder is unknown or has no society affiliation	-	-	39,831	39,831	32,017
Author is deceased or the music publisher is no longer functioning	-	-	16,140	16,140	12,863
Amount under examination	-	-	12,828	12,828	1,327
Missing/incomplete payment information	-	-	10,875	10,875	8,898
Advance on receivables	-	-	-20,575	-20,575	-17 756
Other	51,322	7,556	4,676	63,555	67,689
Total outstanding amount	1,602,322	83,016	63,775	1,749,113	1,463,800

STIM strives to settle and distribute collected royalties to the greatest extent possible based on a music report showing the repertoire used. First, music reporting will be collected from the music users for subsequent processing to check and quality assure the music use against correct work-related information. This process is carried out electronically by system runs against databases of works. In cases where music usage cannot be directly linked to a work in the databases, a manual search of the unmatched transactions will be carried out to complete the matching. The normal lead time between processing and pay out varies among different revenue areas and is normally three to twelve months. As the settlement liability is recognised directly at the time of revenue and the processing of music reports involves lead times, the settlement liability consists primarily of funds collected in the prior year. This part of

the settlement liability is normal and relates to ordinary time for collection and processing of data. However, in some circumstances, the lead time from submission to pay out may be longer. Any funds that for one reason or another cannot be paid out according to the regular settlement schedule will then become subject to STIM's search procedures. Searching for and development of procedures for this is an ongoing process. Any parts of the settlement liability that, for various reasons, could not be paid at the usual time are managed through well-defined procedures. If, despite repeated attempts made over an extended period of time, it is still not possible to obtain the necessary information for settlement and or payment, the funds are declared ineligible for settlement. The allocation of these funds is determined by STIM's general meeting and in accordance with the general principles on the use of non-distributable funds

adopted by the annual general meeting of 29 May 2017. When introducing or amending important principles and policies related to distribution matters, these are examined by the STIM's distribution committee: STIM's ambition is to work continuously to shorten lead times between collection and pay out without compromising quality. Different types of search activities, depending on their nature, require different amounts of time to continue searching. A basic rule is that the search for funds should not exceed past three years. In exceptional cases, however, an extended search time is permitted. At the beginning of the year, the value of funds from 2018 and earlier totalled SEK 141 million. In 2022, SEK 59 million of these were settled.

## Information on the relationship with other collective management organisations

The amounts received from other collective management organisations and amounts paid to other collective management organisations are presented below, broken down by category and organisation. All organisations have been charged the same percentage deduction applicable at any given time and per category. Amounts paid out in 2022 were primarily collected in 2021 and 2022.

There is an international settlement principle adopted by Cisac, under which funds collected for TV and radio channels should be sent to the society that has a report to settle against. In cases where STIM performs only licensing or settlement, half a management deduction is normally applied. In these cases, licencing is handled by another society and the settlement is carried out by STIM, against a half-management deduction.

Table 5 - Amounts received from other collective management organisations

Collective management organisation, tSEK	Live	Back-ground	TV	Radio	Mechanisation	Online In-teractive	Online, non-inter-active	Not processed/categorised	Total
ACAM - Costa Rica	141	-	-	1	-	-	-	157	299
ACUM - Israel	798	499	427	108	-	357	0	-451	1,739
AGADU - Uruguay	6	-	19	18	-	42	-	24	109
AKKA/LAA - Latvia	1,031	327	953	1,218	-	257	-	1,056	4,842
AKM - Austria	236	253	305	2,822	-	77	-	700	4,394
APA - Paraguay	63	-	3	5	-	65	-	-50	87
APDAYC - Peru	168	50	8	15	-	193	-	-93	342
APRA - Australia	3,738	1,622	1,184	3,223	-	8,545	-	-3,579	14,732
ARTISJUS - Hungary	375	465	197	104	78	2	0	-2	1,220
ASCAP - USA	1,089	7,785	8,463	31,616	-	39,614	-	14,790	103,358
AUTODIA - Greece	11	523	121	32	-	0	3	66	756
BMI - USA	548	221	3,292	6,933	-	8,916	680	3,397	23,987
BUMA - Netherlands	567	5,672	1,927	2,096	-	977	-	1,701	12,940
CASH - Hong Kong	227	0	131	27	-	426	-	223	1,034
COMPASS - Singapore	317	6	1	243	-	35	-	55	658
COSCAP - Barbados	1	-	-	1	-	-	-	-1	-
EAU - Estonia	885	2,140	2,002	1,683	-	-	0	-699	6,012
ESMAA - United Arab Emirates	-	-	-	-	-	-	-	7	7
FILSCAP - Philippines	6	-	-	-	-	-	-	47	53
GCA - Georgia	8	-	-	-	-	-	-	62	70
GEMA - Germany	3,223	599	8,723	15,101	-	2,988	-	4,295	34,929
HDS - Croatia	576	-	60	86	-	-	-	6	728
IMRO - Ireland	297	5	159	809	-	187	-	-465	992
IPRS - India	0	-	-	39	-	0	-	-43	-4
JACAP - Jamaica	151	5	4	30	-	-	-	-286	-95
JASRAC - Japan	3,171	945	3,653	819	-	8,932	-	-	17,520
KODA - Denmark	36,627	16,281	54,393	34,039	17,369	15,780	177	1,611	176,277
KOMCA - South Korea	563	161	1,517	74	-	6,001	-	0	8,315
LATGA - Lithuania	393	196	3,373	2,378	-	-	-	1,483	7,822
MACP - Malaysia	111	1	157	136	13	757	-	153	1,328
MASA - Mauritius	-	-	-	-	-	-	-	4	4
MCSC - China	948	672	30	30	-	-	-	-791	889
MCT - Thailand	3	101	11	12	-	258	-	86	471
MESAM - Turkey	-	-	-	-	-	-	-	62	62
MUST - Taiwan	159	-	126	349	-	498	-	-416	716



Collective management organisation, tSEK	Live	Back-ground	TV	Radio	Mechanisation	Online In-teractive	Online, non-inter-active	Not processed/categorised	Total
NCIP - Belarus	-	-	-	-	-	-	-	456	456
OSA - Czech Republic	1,441	113	348	250	-	6	2	-448	1,713
PAM CG - Montenegro	21	-	24	36	-	-	-	-20	61
PRS - United Kingdom	12,740	3,243	4,683	5,843	-	3,506	-	-272	29,742
RAO - Russia	-	-	0	-	-	-	-	-	0
SABAM - Belgium	904	671	608	3,000	0	97	1	-253	5,028
SACEM - France	1,128	3,716	4,771	2,951	-	27	2,825	2,193	17,612
SACM - Mexico	956	92	516	506	-	2,668	201	-2,301	2,638
SADAIC - Argentina	305	1,684	902	286	-	887	15	-3,414	665
SAMRO - South Africa	0	-	39	628	-	49	-	0	716
SAYCO - Colombia	18	-	10	10	-	36	-	197	271
SAZAS (DSS) - Slovenia	7	119	53	78	-	-	-	628	886
SCD - Chile	313	10	134	556	-	-	-	0	1,012
SESAC - USA	0	1	260	156	-	-	-	402	819
SGAE - Spain	413	2,053	1,762	742	-	473	-	-322	5,121
SIAE - Italy	2,676	663	2,394	1,885	-	-	-	4,409	12,026
SOBODAYCOM - Bolivia	-	-	-	-	-	-	-	3	3
SOCAN - Canada	880	0	67	3,167	-	5,155	12	3,257	12,539
SOKOJ - Serbia	152	1	557	422	-	1	0	-668	464
SOZA - Slovakia	20	3	82	422	-	1	-	2	529
SPA - Portugal	43	807	135	156	-	10	0	228	1,378
STEMRA - Netherlands	-	684	2	4	38	39	2	1,165	1,933
SUISA - Switzerland	1,506	11	999	4,233	-	227	-	2,037	9,013
TEOSTO - Finland	15,245	22,078	54,206	27,390	2,863	14,433	-	35,282	171,497
TONO - Norway	12,916	3,070	53,934	30,497	658	39,320	2,144	2,083	144,621
UBC - Brazil	1,253	54	488	1,170	-	1,356	-	0	4,321
UCMR/ADA - Romania	1,837	4	217	173	-	0	58	-653	1,636
VCPMC - Vietnam	41	32	2	0	-	2	-	0	77
WAMI - Indonesia	94	-	7	0	-	1,123	-	-398	827
ZAIKS - Poland	966	19	475	796	-	41	-	797	3,093
ZAMP - Macedonia	-	-	-	69	-	-	-	10	78
Copyswede	-	-	17,206	-	-	-	-	-	17,206
<i>Of which distributed directly to rightsholders</i>									
Nordic Copyright Bureau	-	-	-	-	68,267	0	-	-	68,267
Network of music partners A/S	-	-	-	-	-	37,106	-	-	37,106
<b>Total amounts received from other collective management organisations</b>	<b>112,312</b>	<b>77,657</b>	<b>236,118</b>	<b>189,476</b>	<b>89,286</b>	<b>201,469</b>	<b>6,122</b>	<b>67,508</b>	<b>979,947</b>

Table 6 - Management fees and other deductions from amounts received from other collective management organisations

Collective management organisation	Received amount tSEK	Management deductions tSEK	Management deductions %	Deduction mu-sic promotion activity tSEK	Deduction mu-sic promotion activity %	Total deductions tSEK	Total deduction %
<b>Copyswede</b>							
TV	17,206	-2,022	11.8	-1,204	7.0	-3,226	18.8
<b>TEOSTO - Finland</b>							
TV	4,296	-505	11.8	-	-	-505	11.8
<b>TONO - Norway</b>							
TV	10,869	-1,277	11.8	-	-	-1,277	11.8
<b>KODA - Denmark</b>							
TV	8,934	-1,050	11.8	-	-	-1,050	11.8
Radio	213	-25	11.8	-	-	-25	11.8
<b>LATGA - Lithuania</b>							
TV	6	-1	11.8	-	-	-1	11.8
<b>EAU - Estonia</b>							
TV	36	-4	11.8	-	-	-4	11.8
<b>PRS - United Kingdom</b>							
TV	813	-95	11.8	-	-	-95	11.8
<b>GEMA - Germany</b>							
TV	5	-1	11.8	-	-	-1	11.8

Table 7 - Amounts paid to other collective management organisations

Collective management organisation, tSEK	Live	Back-ground	TV	Radio	Mechanisation	Online In-teractive	Other Societies	Not processed/categorised	Total
ABRAMUS - Brazil	10	71	87	14	-	30	-	13	226
ACUM - Israel	1	17	50	3	-	79	1	1	152
AKKA/LAA - Latvia	6	4	5	26	1	9	26	1	76
AKM - Austria	24	121	232	128	-	793	3	20	1,321
AMCOS - Australia	-	-	-	-	-	391	-	-	391
AMRA - USA	94	550	129	178	-	1,455	-	50	2,456
APDAYC - Peru	0	2	1	0	-	7	4	0	14
APRA - Australia	162	2,115	3,742	512	-	2,527	23	57	9,136
ARMAUTHOR - Armenia	-	0	0	0	-	0	-	-	1
ARTISJUS - Hungary	7	7	9	19	1	1,113	6	1	1,161
ASCAP - USA	2,202	14,117	15,690	4,596	-	21,759	14	1,932	60,310
ASSIM - Brazil	0	4	0	0	-	3	-	0	7
AUME - Austria	-	-	-	-	6	674	-	0	680
AUTODIA - Greece	1	16	3	3	-	221	4	0	248
BMI - USA	1,826	14,782	15,455	4,160	-	24,524	7	465	61,220
BSDA - Senegal	0	2	1	3	-	8	-	0	15
BUMA - Netherlands	77	1,404	884	186	-	3,603	150	66	6,372
BUMDA - Mali	3	2	1	2	-	0	-	0	8
BURIDA - Ivory Coast	0	0	2	0	-	1	-	0	3
CASH - Hong Kong	0	4	6	1	-	311	8	6	336
EAU - Estonia	30	27	32	52	1	61	82	2	287
GEMA - Germany	378	2,253	2,388	1,176	64	18,411	13	179	24,862

Collective management organisation, tSEK	Live	Back-ground	TV	Radio	Mechanisation	Online In-teractive	Other Societies	Not processed/categorised	Total
HDS-ZAMP - Croatia	2	18	23	58	-	121	3	1	225
IMRO - Ireland	105	428	485	204	-	449	38	173	1,883
JASRAC - Japan	9	66	160	26	-	701	33	16	1,011
KODA - Denmark	623	2,108	7,935	1,018	145	8,276	243	90	20,439
KOMCA - South Korea	2	132	37	33	-	508	17	29	760
LATGA - Lithuania	3	6	1	10	0	36	8	0	65
MACP - Malaysia	-	0	8	0	-	42	8	0	59
MCSN - Nigeria	-	0	0	0	-	0	-	-	0
MESAM - Turkey	1	46	185	2	-	51	-	1	287
MSG - Turkey	4	81	310	2	-	213	-	1	610
MUSICAUT - Bulgaria	1	3	2	23	0	42	-	5	75
MÜST - Taiwan	-	1	2	0	-	8	3	1	15
OSA - Czech Republic	6	19	14	62	1	272	1	0	376
PRS - United Kingdom	3,939	16,035	38,224	6,726	-	22,652	100	851	88,527
SABAM - Belgium	54	236	240	99	7	6,633	2	269	7,539
SACEM - France	391	1,922	4,241	1,407	62	13,515	83	172	21,794
SACM - Mexico	10	26	25	10	-	112	8	277	469
SADAIC - Argentina	6	21	34	20	-	215	10	5	310
SADEMBRA - Brazil	-	-	-	-	-	1	-	-	1
SAMRO - South Africa	4	103	30	73	-	175	26	2	413
SAZAS(DSS) - Slovenia	1	3	3	15	1	27	0	0	50
SBACEM - Brazil	1	2	1	2	-	0	-	0	7
SESAC - USA	217	1,080	2,052	292	-	2,227	18	38	5,924
SGAE - Spain	66	263	1,015	98	12	3,251	14	16	4,734
SIAE - Italy	123	649	882	244	27	2,857	47	30	4,860
SOCAN - Canada	359	2,049	2,945	629	-	2,991	15	134	9,121
SOCINPRO - Brazil	0	2	1	1	-	4	-	0	8
SODRAC - Canada	-	0	-	-	-	173	-	27	200
SOKOJ - Serbia	1	24	2	7	-	122	1	3	159
SOZA - Slovakia	0	2	0	37	0	159	0	0	200
SPA - Portugal	6	19	23	14	1	318	1	2	384
STEF - Iceland	21	98	184	25	-	178	-	7	514
SUISA - Switzerland	39	272	161	165	-	2,433	14	8	3,091
TEOSTO - Finland	271	543	1,666	1,448	50	1,987	91	24	6,079
TONO - Norway	596	2,078	3,125	1,133	-	7,041	111	115	14,200
UACRR - Ukraine	0	7	3	2	-	39	-	0	52
UBC - Brazil	12	28	8	45	-	2	13	3	111
UCMR - Romania	0	14	4	13	0	357	3	1	391
ZAIKS - Poland	15	32	127	113	2	947	2	3	1,242
MCPS - United Kingdom	-	0	-	-	164	19,591	-	0	19,755
STEMRA - Netherlands	-	0	-	-	17	2,089	18	0	2,124
COSON - Nigeria	-	1	0	-	-	14	-	171	187
KOSCAP - South Korea	-	0	-	-	-	1	-	-	1
UNISON - Spain	-	0	-	0	-	4	-	0	4
Total amounts paid to other collective management organisations	11,713	63,914	102,870	25,119	561	176,815	1,274	5,270	387,537

Table 8 - Deductions from amounts paid to other collective management organisations, %  
Revenue collected in 2022

Category	Revenue collected in 2022		Revenue collected in 2021	
	Management-deduction %	Other music promotion activity %	Management-deduction %	Other music promotion activity %
Live	22.9	6.5	21.9	6.9
Background	23.5	7.0	22.0	7.0
TV	20.2	6.3	19.5	6.3
Radio	23.5	7.0	21.8	6.9
Mechanisation	-	-	-	-
Online Interactive	10.5	-	11.0	-
Other Societies	-	-	-	-

Special report

Recognition of music promotion activity

STIM's mission is to ensure that rightsholders are paid when their music is used, whilst also securing the long-term value of music. By working for strong copyright and helping to lay the foundation for revitalisation and musical diversity, STIM and its rightsholders take joint responsibility for long-term sustainability in the Swedish music industry.

Examples of services offered under this remit include scholarships and prizes, travel grants, financial and legal advice, projects conceived to expand accessibility and diversity in music, educational initiatives and advocacy in the area of copyright. More examples are presented below.

These music promotion services are financed through a special deduction. The services are carried out by STIM and its subsidiary Svensk Musik, as well as the other organisations in the Stimisphere: FST, Skap and Musikförläggarna, and brought together under the brand STIM Forward Fund.

The deduction that finances the special music promotion activities may, according to STIM's statutes, amount to a maximum of 10 per cent of what remains of STIM s royalty revenue less administration costs. With this restriction taken into account, every year STIM's board of directors decides on a budgetary framework

for funds for the following year. For 2022 the budgetary framework was set at SEK 55 million. Table 2 presents the deductions made.

The task of deciding on the allocation of cultural funds is delegated to STIM's committee for the promotion of musical diversity and copyright, NàMMU, whose independent members and personal deputies are recommended by STIM's nomination committee and appointed by STIM's General Meeting.

In addition to examining and deciding which music promotion services to fund, NàMMU is also responsible for following up on the use of these funds. This special report constitutes NàMMU's general assessment of whether the services were performed in a reasonable manner that meets the objective of promoting musical diversity and copyright.



# This year’s use of cultural funds for music promotion activities

The 2022 financial year still bore marks of the pandemic and its aftermath. NäMMU allocated funds to be able to meet any urgent needs in the special music promotion activities. However, these funds did not need to be activated.

STIM established a new department to bring together STIM's special initiatives in the area of music promotion. In the second half of the year, the new department was formed and commenced its work. With a view to better communicating the music promotion activities undertaken by the actors of the

Stimsphere, a common brand was developed for the year: STIM Forward Fund. Table 9 below shows the year's usage of cultural funds, broken down by service provider and service category. The administrative costs of the service providers are included in the reported use of funds.

Table 9 – Use of funds for social, cultural and educational services over the year

tSEK	Committees		Service provider					
	NäMMU	Reserve for distribution during the year	STIM	Svensk Musik	Musik-förläggarna	FST	SKAP	Total
Funds distributed by NäMMU for 2022	896	1,513	15,800	7,614	9,272	9,500	10,405	55,000
Funds distributed from reserve	-	-90	-	25	65	-	-	-
Unused funds	-30	-1,423	-2,726	-357	-187	-	-	-4,724
<b>Funds used 2022</b>	<b>866</b>	<b>-</b>	<b>13,074</b>	<b>7,282</b>	<b>9,150</b>	<b>9,500</b>	<b>10,405</b>	<b>50,276</b>
<b>Funds used 2022 for service providers (service category)</b>								
Grants, prizes and financial support	-	-	10,330	463	468	1,860	1,200	14,321
Advocacy work, visibility and representation of rightsholders' interests	-	-	100	-	2,121	2,863	766	5,851
Education, advising and networking initiatives	-	-	751	-	1,270	2,154	984	5,159
Music promotion activities	-	-	386	-	214	1,322	744	2,666
Producing and making scores available and related support	-	-	-	6,819	-	-	-	6,819
Administration costs not associated with a specific service category	866	-	1,506	-	5,077	1,301	6,710	15,460
<b>Total funds used service providers 2022</b>	<b>866</b>	<b>-</b>	<b>13,074</b>	<b>7,282</b>	<b>9,150</b>	<b>9,500</b>	<b>10,405</b>	<b>50,276</b>

**STIM**  
STIM used SEK 13,073,656 equivalent to 26 per cent, of the total funds used.  
STIM paid out SEK 4 million in grants to 149 recipients (52 per cent of whom were women). The grants were issued in denominations of SEK 50,000 and SEK 25,000. There were 2,005 applications, which is slightly lower than the prior year. STIM's grant activity is managed by the subsidiary Svensk Musik.  
MEM and publishing support is distributed for the purpose of stimulating the creation of works in commercially overlooked areas of music, musical heritage and musical diversity. In 2022, SEK 4,200,000 were paid out STIM-affiliated rightsholders.

STIM's support for sheet music publication amounted to SEK 798,646 for 2022. The grant went to 126 sheet music editions that were considered important in their respective genres and would not have been published without this support. The subsidy was paid to eleven STIM-affiliated sheet music publishers for their publication of music written by STIM-affiliated authors.  
STIM's travel grants allow authors to attend the premiere of their own works and to broaden contacts to get their music or lyrics more widely recognised. In 2022, SEK 570,394 were spent on travel grants.  
During the year, STIM established a number of partnerships to work with other actors to promote revitalisation and musical diversity. Working with

Musikcentrum Öst, STIM created a residence for Ukrainian authors fleeing the war.  
In November 2022, the Huddersfield Festival in northern England marked the final year of a long-term effort to promote new Swedish art music. In collaboration with Export Music Sweden, FST, Region Västra Götaland and the Swedish Embassy in London, as the first focus nation, we were able to highlight a second Composer in Residence, Lisa Streich, at the festival.  
Several other partnerships, including on mental health issues, children's access to music and on gender equality, were initiated and will continue in 2023.

## Svensk Musik

STIM's subsidiary Svensk Musik used SEK 7,281,984 equivalent to 14.5 per cent, of the total funds used. The funds were used for services on behalf of STIM and were distributed as shown in table 9.  
Svensk Musik's primary purpose is to promote and make unpublished Swedish contemporary music available in both digital and notated form, work for musical diversity and copyright and be an active partner for organisations within the Swedish music community. The basis for this mission is both a manuscript collection of unpublished contemporary music and a popular music archive. In 2022 Svensk Musik received about 450 newly deposited works for the manuscript collection, which now consists of more than 22,700 works. Skap's popular music archive contains just over 140,000 works.  
During the year, STIM's culturally valuable recording archive was moved to the National Archives, where it will be stored and made available for future use.  
In addition to the activities related to the manuscript collection and Skap's archive, Svensk Musik is also responsible for the administration of STIM's scholarship activities and STIM's travel grants.  
Svensk Musik's recognised administrative costs amounted to SEK 7,937,155 (including SEK 1,852,640 in intra-group expenses), which NäMMU considers acceptable in terms of the organisation's format and mission.

## FST

Föreningen Svenska Tonsättare (FST) used SEK 9,500,000, equivalent to 18.9 per cent of the total funds used. Funds were distributed as shown in table 9. According to the organisation's accounts, FST's administrative costs amounted to SEK 1,300,901, which is reasonable according to NäMMU's assessment.  
During the year, FST distributed SEK 1.6 million in grants to composers in the field of art music.  
FST also distributed SEK 181,696 in travel grants in 2022, an increase from the levels of the pandemic years.  
FST provides advising in various areas to rightsholders. This primarily involves legal and financial aspects, but also matters related to labour rights.  
FST works to influence cultural policy attitudes and spread awareness and information in order to strengthen the position of rights holders within the music industry, cultural life and society, and to lay the foundation for future rightsholders to be able to work professionally. Work over the year included submitting opinions in connection with the EU's DSM Directive, the unemployment insurance reform and improved social security systems (the SGI commission).

A series of training and educational initiatives were carried out this past year, including a focus on PR and business planning, where 52 authors were given the opportunity to develop their communication and business planning skills through individual coaching.  
**Skap**  
Skap has used SEK 10,405,000 equivalent to 20.7 per cent, of the total funds used. Funds were distributed as shown in table 9. According to the organisation's accounts, Skap's administrative costs amounted to SEK 6,710,075, which is reasonable according to NäMMU's assessment.  
The service category that constitutes the largest item in SKAP's reported use of funds for 2022 is advocacy work that is conducted at both national and international levels and intended to cultivate conditions for musical sustainability, diversity and regrowth. Priority areas for the organisation's advocacy work include copyright, future-related concerns and equality and diversity. Effective and transparent collective management with a clear basis in the needs of the authors is a prerequisite for musical sustainability, diversity and revitalisation.  
Within the framework of its advocacy work, Skap was also active in the implementation of the DSM Directive and the Återstart för kulturen (Restarting Culture) commission.  
Like FST, Skap offers legal and financial advisory services. In cooperation with the service Din Musikbusiness, it offers industry-related and business counselling to young music creators, often from socio-economically disadvantaged areas. Skap used SEK 1,200,000 of the allocated funds to finance 30 prizes intended to promote the author and music creation as a professional role.  
**Musikförläggarna**  
Musikförläggarna used SEK 9,149,910 equivalent to 18.2 per cent, of the total funds used. Funds were distributed as shown in table 9. According to the organisation's accounts, Musikförläggarna's administrative costs amounted to SEK 5,076,957, which is reasonable according to NäMMU's assessment.  
For the second year, Musikförläggarna awarded grants to publishers who, through various projects, are opening up new opportunities for the industry and shining a light on the value and meaning of copyright. The industry was also consulted in a series of lectures on mental health issues and stress and what steps can be taken to create a better working environment.  
The working environment in the music industry was a recurrent topic in several of Musikförläggarna's actions over the course of the year. In order to increase equality in the music industry, staff and managers

of music publishers continued to be offered gender equality assistance with the possibility of support and anonymous reporting of harassment.  
Musikförläggarna worked during the year to develop ethical guidelines for the organisation's prizes partly linked to the work environment. During Almedalen Week, a panel discussion on this topic was organised, where the question was asked: Should we differentiate between work and author?  
The work of spreading information and awareness about copyright continued, in part through advice to members and the public, but also through Musikförläggarna's participation in the work ahead of the implementation of the DSM Directive and the organisation's contribution to the commissions Återstart för kulturen and Kreativa Sverige.  
During the year, Musikförläggarna organised several seminars with- and for the industry and held lectures on music publishing and Musikförläggarna's activities.

## NäMMU

The structure used by STIM to finance the special music promotion services inherently requires administration. Costs related to the operation of the Stimsphere's music promotion activities are financed from cultural funds and therefore recognised here.  
NäMMU's administrative costs for the year amounted to SEK 865,774, which includes salary costs (one part-time position 40%), fees to NäMMU, office costs, travel expenses and hospitality/entertainment.



# Financing of future music promotion activity

In STIM's balance sheet, the funds available for future use for music promotion activities are recognised under other liabilities. At the end of 2022 these amounted to SEK 120 million. NÄMMU's budgetary framework for 2023's music promotion activity has been set to SEK 50 million.

Amounts deducted for special music promotion activities during the financial year are further itemised in Table 2 earlier in this report.

Table 10 – Capitalised funds for music promotion activities

tSEK	Reserve	Funds for use 2022	Funds for use 2023	Total
Opening balance 01/01/2022	70,752	55,000	-	125,752
Funds used for the year	-	-50,276	-	-50,276
Non-used funds 2022, returned to reserve	4,724	-4,724	-	-
Deductions for the year	-	-	44,754	44,754
Withdrawal from reserve to finance next year's budget	-5,246	-	5,246	-
Closing balance 31/12/2022	70,230	-	50,000	120,230

# Would you like to know more about STIM?

**Stim.se**  
At Stim.se, you can join STIM or acquire a licence. Our website also contains information about web services for affiliated music creators, music publishers and customers, along with more information and news about STIM's operations. [www.stim.se](http://www.stim.se)

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